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of 14 November 2007

Press release  
Antwerp, May 25, 2018

# TRADING UPDATE FIRST QUARTER 2018



ACKERMANS & VAN HAAREN

# Marine Engineering & Contracting

## DEME

In the first quarter of 2018, DEME (AvH 60.4%) realized a turnover (including the jointly controlled companies on a proportional basis) of 590.7 million euros in a competitive market. This is a 15% increase compared with 512.1 million euros in the same period last year.

As was already the case in 2017, the activities related to the construction and installation of offshore wind energy account for a substantial share of this figure. In Q1 2018, this share represented approximately 50% of DEME's group turnover.

DEME's order backlog at the end of March 2018 amounted to 3,365 million euros, compared with 3,520 million euros at year-end 2017. It should be pointed out that the signed contracts for Fehmarnbelt, Moray East, Blankenburgverbinding and Triton Knoll have not yet been included in this order backlog, pending their financial close or grant of the permits necessary to start the works.

In January 2018, DEME won the contract for the deepening and maintenance dredging of the Martin Garcia Canal in Uruguay and Argentina (in joint venture, total value 100 million euros).

DEME continues to implement its ambitious investment programme and expects to bring the multipurpose cable installation vessel Living Stone and the crane vessel Gulliver (through Scaldis) into use in the next few months.

DEME invested a total of 125.4 million euros (net) during the first quarter. Together with an increase in working capital (due to the decrease of received advance payments), this accounts for the increase in net financial debt to 534.9 million euros.

## CFE

CFE (AvH 60.4%) realized a turnover of 207.1 million euros in its Contracting segment in the first quarter of 2018. The 30.2% increase compared with the same period last year (159.1 million euros) is largely attributable to the acquisitions of Van Laere and Coghe at year-end 2017. Despite a harsh winter, construction activity in Belgium and internationally was highly satisfactory, resulting in a 10% turnover increase on a like-for-like basis. The order book at March 31, 2018 amounted to 1,121.3 million euros, an 8.8% decrease compared with year-end 2017.

At BPI, the real estate projects (131 million euros) are in line with the end of last year (133 million euros).

The Chadian government is currently examining the proposal from the Afrexim Bank to refinance the outstanding receivables related to the Grand Hôtel. The receivables remained unchanged compared with December 31, 2017.



DEME - Rentel



CFE - Kiem - Luxembourg (artist impression)

# Private Banking

## Delen Private Bank

At Delen Private Bank (AvH 78.75%) the inflow of assets under management at the consolidated level (Delen Private Bank, JM Finn and Oyens & Van Eeghen) remained virtually stable relative to the strong first quarter of 2017.

The negative trend on the financial markets in the second half of the quarter had a limited negative impact on the assets under management.

This resulted in 40,075 million euros worth of assets under management at March 31, 2018, which is 471 million euros less than at December 31, 2017, but 333 million euros more than in the first quarter of 2017. Of that 40,075 million euros, 29,473 million euros is under management at Delen Private Bank, 10,028 million euros at JM Finn, and 574 million euros at Oyens & Van Eeghen.

## Bank J.Van Breda & C°

Bank J.Van Breda & C° (AvH 78.75%) also reported a strong commercial performance in the first three months of 2018. The total invested by clients increased to just over 14 billion euros (2017: 13.7 billion euros, +2%), of which 4.7 billion euros client deposits (+3%) and 9.3 billion euros off-balance sheet products (+2%).

Of this amount, 5.6 billion euros is entrusted to Delen Private Bank in asset management. The total loan portfolio increased by 1% to 4.6 billion euros. The provisions for loan losses remained limited to 0.05% of the average loan portfolio.



Delen Private Bank - Brussels



Bank J.Van Breda & C° - Antwerp

# Real Estate & Senior Care

## Leasinvest Real Estate

The results of Leasinvest Real Estate (AvH 30.0%) reflect the current developments in its real estate portfolio. LRE realized an increase in its net result to 6.9 million euros (1Q17: 3.5 million euros).

The fair value of the real estate portfolio at the end of the first quarter amounted to 912.8 million euros (compared with 864.0 million euros at the end of March 2017 and 903.0 million euros at year-end 2017). This increase, compared with year-end 2017, is primarily explained by the progress of the Treesquare and Montoyer 63 renovation projects.

The rental income increased slightly to 14.6 million euros compared with the same period last year (14.3 million euros). The properties acquired in Austria and Luxembourg in 2017 and the coupon of the Lux Airport real estate certificate offset the decrease in income following the sale of logistics properties and the Swiss portfolio. The average duration of the portfolio was 3.93 years. The occupancy rate increased slightly to 94.9% (year-end 2017: 94.8%), mainly thanks to new leases in De Mot in Mechelen. The rental yield was 6.72%, compared with 6.44% at year-end 2017.

At March 31, 2018, the equity (group share) stood at 391.0 million euros (year-end 2017: 382.2 million euros). The debt ratio decreased to 56.8% at the end of March 2018.

## Extensa

Extensa (AvH 100%) continued work on the major development projects Tour & Taxis (Brussels) and Cloche d'Or (Luxembourg). The former freight station of Tour & Taxis is currently undergoing refurbishment, and a conversion permit has been applied for. The pre-

parations for the implantation of a residential care centre and 350 apartments are also in progress. In Luxembourg, the apartments and office buildings under construction contributed to the results.

## Anima Care

At the beginning of 2018, Anima Care (AvH 92.5%) acquired the operation of the residential care centre 'Ark van Noé' in Bilzen. 'Ark van Noé' has 57 beds in operation, which by mid-2019 will be transferred to a newly built residence.

At March 31, 2018, Anima Care had 2,067 beds in operation: 1,785 retirement home beds, 77 convalescent home beds, and 205 service flats, spread over 21 care centres (9 in Flanders, 8 in Brussels, 4 in Wallonia).

## HPA

At the end of March 2018, HPA (AvH 71.72%) reached an agreement in principle with the French real estate group Icade Santé for the sale of the real estate of 14 of its senior care residences. HPA's subsidiary Residalya will remain the tenant and operator of these senior care residences. The closing of the transaction is expected to take place in July 2018. The proposed transaction represents a property value of 189 million euros and a capital gain - AvH share - of approx. 16 million euros, to be finally determined on June 30, 2018.

At the end of March 2018, HPA's network numbered 2,647 beds, spread over 35 residences.



Leasinvest Real Estate - De Mot - Mechelen

Anima Care - Ark van Noé - Bilzen

# Energy & Resources

## SIPEF

At SIPEF (AvH 30.27%), the production at the group’s own plantations increased by 3.5% relative to an already very solid 2017. Including the production of neighbouring farmers, total palm oil production decreased by 3.3% to 78,185 tonnes, compared with 80,881 tonnes during the same period last year. The increase in palm oil production in Indonesia (+11.4%) was neutralized by a strong decrease in volumes in Papua New Guinea (-19.9%), both at the group’s own plantations and at neighbouring farmers. A reduction in fruit bunch formation was observed especially in the older plantings, while the rainy season hampered the harvest.

Average market prices for palm oil decreased from 715 USD/tonne at the end of December 2017 to 674 USD/tonne at the end of March 2018. The stable palm oil markets traded in a narrow band between 660 USD and 700 USD during the first quarter. The prospects for the palm oil market are relatively stable for the rest of the year.

Expansion in South Sumatra (Indonesia) continued steadily with 9,607 hectares already being cultivated in Musi Rawas, and the start of the limited expansion and replanting at the Dendymarker plantation which was acquired in 2017.

SIPEF expects to be able to maintain the announced growth projection of 9% for the total group production of palm oil over the whole year 2018.



Sipec - Nursery with young oil palms ready to be planted, in Indonesia



SIPEF - The freshly harvested palm bunches are loaded onto the truck

# AvH & Growth Capital

Telegraaf Media Groep was delisted in January. Consequently, TMG is now an integral part of **Mediahuis**. At the beginning of March, Mediahuis and Wouter Vandenhoute and Erik Watté (Waterman & Waterman) reached an agreement on the sale of their respective stakes of 30 and 20 percent in De Vijver Media to Telenet Group Holding, which will thus become the sole shareholder. Also at the beginning of March, Corelio reached an agreement with CirclePrinters on the acquisition of Corelio Printing. The transaction was closed at the beginning of April.

At the beginning of March, Sofinim (AvH 100%) concluded an agreement on the sale of its 10.53% interest in **Atenor** to the other reference shareholders, namely Stéphan Sonnevile (CEO), 3D, Luxempart and Alva. The transaction was closed in Q2 2018 at 45 euros per share, and earned AvH a total of 26.7 million euros and a capital gain of 8.7 million euros.



Mediahuis - Telegraaf Media Groep



Turbo's Hoet Groep - Sofia - Bulgaria

## Net cash position

The net cash position of AvH at March 31, 2018 amounted to 79.5 million euros, compared with 80.2 million euros at December 31, 2017. This net cash position includes the investment portfolio of AvH and treasury shares to hedge stock option obligations under the stock option plan and the liquidity agreement.

This net cash position does not yet take into account the dividends which AvH will receive from its participations in the course of 2018 (mainly in Q2 2018), nor its own dividend payment of 2.2 euros per share on June 1, 2018.

AvH has already announced the sale of its participations in BDM-Asco, Transpalux and Atenor. The actual closing of these transactions is expected in Q2 2018. Accordingly, these amounts are not included either in the net cash position at March 31, 2018.

## Outlook 2018

The board of directors stands by its earlier statement that the key participations of Ackermans & van Haaren are well positioned for the whole year 2018:

- DEME's solid order backlog constitutes the basis for a further growth in turnover;
- Delen Private Bank and Bank J. Van Breda & C<sup>o</sup> have started 2018 with a record level of assets under management;
- All the companies in the 'Real Estate & Senior Care' segment are well positioned to repeat their success in 2018 in their respective lines of business;
- SIPEF's investments in the expansion of its plantations should lead to a further increase in total palm oil production.

**Ackermans & van Haaren** is a diversified group active in 4 core sectors: Marine Engineering & Contracting (DEME, one of the largest dredging companies in the world - CFE, a construction group with headquarters in Belgium), Private Banking (Delen Private Bank, one of the largest independent private asset managers in Belgium, and asset manager JM Finn in the UK - Bank J. Van Breda & C<sup>o</sup>, niche bank for entrepreneurs and liberal professions in Belgium), Real Estate & Senior Care (Leasinvest Real Estate, a public regulated real estate company - Extensa, an important land and real estate developer focused on Belgium and Luxembourg) and Energy & Resources (SIPEF, an agro-industrial group in tropical agriculture).

In 2017, through its share in its participations, the AvH group represented a turnover of 5.4 billion euros and employed 22,749 people. The group concentrates on a limited number of strategic participations with significant potential for growth. AvH is quoted on Euronext Brussels and is included in the BEL20 index, the Private Equity NXT index and the European DJ Stoxx 600.

### Website

All press releases issued by AvH and its most important group companies as well as the 'Investor Presentation' can also be consulted on the AvH website: [www.avh.be](http://www.avh.be). Anyone who is interested to receive the press releases via email has to register to this website.

### Financial calendar

May 28, 2018	Ordinary general meeting
August 31, 2018	Half-year results 2018
November 23, 2018	Interim statement Q3 2018

### Contact

For further information  
please contact:

Jan Suykens

CEO - President executive committee

Tel. +32.3.897.92.36

Tom Bamelis

CFO - Member executive committee

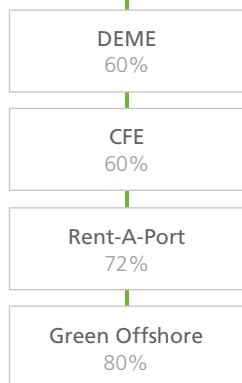
Tel. +32.3.897.92.42

e-mail: [dirsec@avh.be](mailto:dirsec@avh.be)

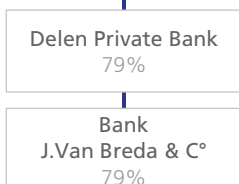


# Ackermans & van Haaren

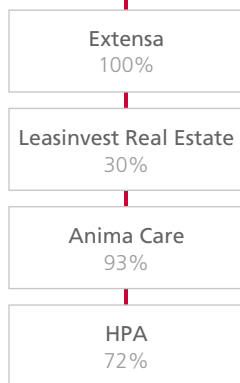
## Marine Engineering & Contracting



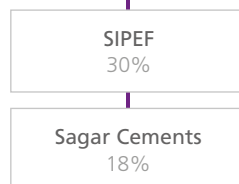
## Private Banking



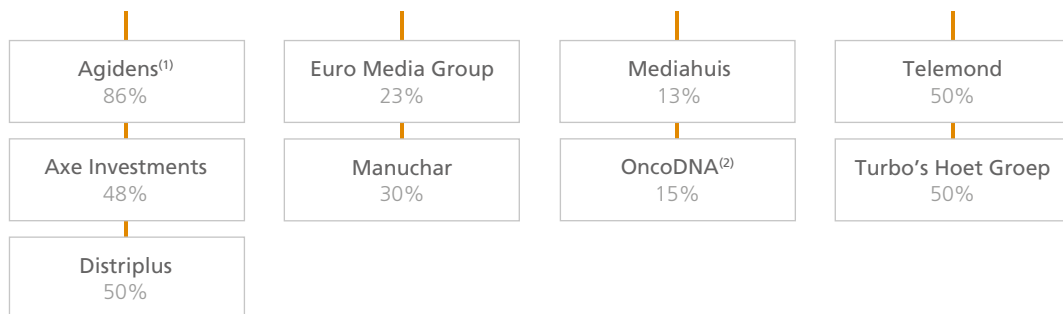
## Real Estate & Senior Care



## Energy & Resources



## AvH & Growth Capital



<sup>(1)</sup> Incl. participation via Axe Investments

<sup>(2)</sup> Not consolidated

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Ackermans & van Haaren NV  
 Begijnenvest 113  
 2000 Antwerp - Belgium  
 Tel. +32 3 231 87 70  
 info@avh.be - www.avh.be