



**RESULTS OF
THE FIRST
QUARTER
OF 2020**

Under embargo until 19/05/2020 5:40 PM
Regulated information

PRESS RELEASE: RESULTS OF THE 1ST QUARTER 2020

- **Qualitative real estate portfolio**

- Increase in the fair value of the real estate portfolio to € 634 .43 million on March 31st 2020.
- The fair value of the investment properties available for rent consists for 89.1% of residential real estate.
- 65.1% of the investment properties available for rent are located in the Brussels Capital Region.
- More than 50% of the investment properties available for rent are younger than 10 years; more than 70% are younger than 20 years.

- **Strong operational results**

- Increase in the net rental income with 6.9% to € 6.62 million during the first quarter of 2020.
- High and stable occupancy rate of 95.1% on March 31st 2020.

- **Increase in the EPRA earnings**

- Increase in the EPRA earnings to € 2.06 million during the first quarter of 2020 (compared to €1.00 million during the first quarter of 2019).
- Increase in the EPRA earnings per share to € 0.63 during the first quarter of 2020 (compared to € 0.30 during the first quarter of 2019).

- **Net Asset Value (NAV) per share**

- Stable EPRA NAV per share of € 96.08 on March 31st 2020 (+0.1% compared to € 96.00 on December 31st 2019).

- **Stable debt ratio and strong liquidity position**

- Debt ratio of 51.54% (RREC Royal Decree) and 50.18% (IFRS) on March 31st 2020.
- Decrease in the financial cost from 2.07% to 1.49%.
- Home Invest Belgium has € 45 million available credit lines.
- In 2020, the company has one credit line which is maturing for an amount of € 20 million. In 2019, Home Invest Belgium has already entered into new credit lines to refinance this credit. The company does not have credit lines maturing in 2021.

- **Approval of dividend**

- The Ordinary General Meeting of May 5th 2020 approved the distribution of a gross dividend of € 4.85 per share for the financial year 2019, which is an increase for the 20th consecutive year.

1. REAL ESTATE PORTFOLIO

On March 31st 2020, Home Invest Belgium holds a real estate portfolio¹ of € 634.43 million, compared to € 629.92 million on December 31st 2019, or an increase of 0.7%.

| REAL ESTATE PORTFOLIO | 31/03/2020 | 31/12/2019 |
|--|-------------------|-------------------|
| Fair value of investment properties | € 613.37 m | € 609.59 m |
| Investment properties available for rent | € 574.09 m | € 573.38 m |
| Development projects | € 39.28 m | € 36.22 m |
| Investments in associated companies and joint ventures equity method | € 21.07 m | € 20.33 m |
| TOTAL | € 634.43 m | € 629.92 m |

The fair value of the investment properties available for rent amounts to € 574.09 million across 53 sites.

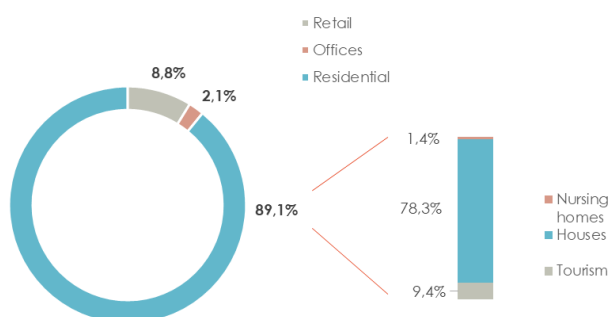
The total contractual annual rents and the estimated rental value of vacant space is € 29.32 million as at March 31st 2020.

The investment properties available for rent are valued by independent real estate experts at an average gross yield² of 5.1%.

Residential properties accounted for 89.1% of investment properties available for rent on March 31st 2020. On March 31st 2020, 65.1% of the investment properties available for rent are located in the Brussels Capital Region, 14.0% in the Walloon Region, 11.4% in the Flemish Region and 9.4% in The Netherlands.

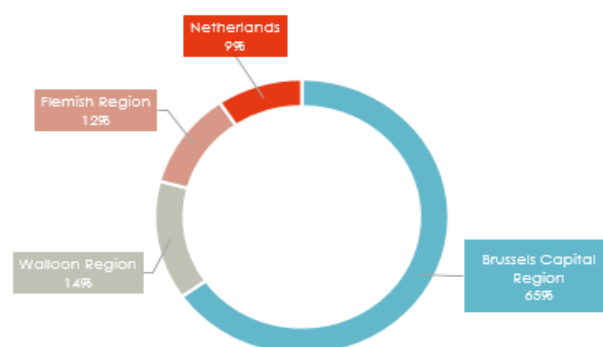
Investment properties available for rent

By type



Investment properties available for rent

By geographical distribution



1 The real estate portfolio includes (i) investment properties and (ii) investments in associated companies and joint ventures equity method.

2 Gross rental yield = (contractual gross rents on a yearly basis + estimated value on vacant spaces / (fair value of the investment properties available for rent).

2. CONSOLIDATED INCOME STATEMENT

| CONSOLIDATED KEY FIGURES | | (In k €) |
|--|-----------|-----------|
| INCOME STATEMENT | Q1 2020 | Q1 2019 |
| NET RENTAL INCOME | 6 623 | 6 197 |
| OPERATIONAL RESULT BEFORE PORTFOLIO RESULT | 2 759 | 2 004 |
| XVI. Result sale investment properties | 94 | 84 |
| XVIII. Changes in fair value of investment properties | -1 548 | 33 769 |
| XIX. Other portfolio result | -132 | -125 |
| PORTFOLIO RESULT | -1 586 | 33 728 |
| OPERATING RESULT | 1 173 | 35 732 |
| XX. Financial income | 4 | 21 |
| XXI. Net interest charges | -994 | -1 189 |
| XXII. Other financial charges | -5 | -37 |
| XXIII. Changes in fair value of financial assets and liabilities | -1 968 | -3 478 |
| FINANCIAL RESULT | -2 962 | -4 683 |
| XXIV. Share in the profit of associates and joint ventures | 737 | 416 |
| TAXES | -61 | -21 |
| NET RESULT | -1 114 | 31 444 |
| Exclusion of portfolio result | 1 586 | -33 728 |
| Exclusion of changes in real value of financial assets and liabilities | 1 968 | +3 478 |
| Exclusion of non EPRA elements of the share in the result of associates and joint ventures | -383 | -194 |
| EPRA RESULT ³ | 2 058 | 999 |
| Average number of shares ⁴ | 3 288 146 | 3 288 146 |
| NET RESULT PER SHARE | -0.34 | 9.56 |
| EPRA EARNINGS PER SHARE | 0.63 | 0.30 |

³ The EPRA result is the net result excluding the (i) portfolio result (ii) the changes in the fair value of financial assets and liabilities and (iii) the non EPRA elements of the share in the result of associated companies and joint ventures. This term is used in accordance with the Best Practices Recommendations of EPRA.

⁴ The average number of shares is calculated excluding the 11,712 shares held by the company.

| BALANCE | 31/03/2020 | 31/12/2019 |
|---|------------|------------|
| Shareholders' equity attributable to shareholders of parent company | 307 765 | 309 618 |
| Total assets | 641 629 | 639 169 |
| Debt ratio (RREC Act) ⁵ | 51.54% | 51.41% |
| Debt ratio (IFRS) ⁶ | 50.18% | 50.11% |
| PER SHARE | | |
| Number of shares at the end of period ⁷ | 3 288 146 | 3 288 146 |
| Stock price at closing date | 105.00 | 114.00 |
| IFRS NAV per share ⁸ | 93.60 | 94.16 |
| Premium compared to IFRS NAV (at closing date) | 12.2% | 21.1% |
| EPRA NAV per share ⁹ | 96.08 | 96.00 |
| Premium compared to EPRA NAV (at closing date) | 9.3% | 18.7% |

5 The debt ratio (RREC Royal Decree) is the debt ratio calculated in accordance with RREC Royal Decree. This means that for the purposes of calculations of the debt ratio, participations in associated companies and joint ventures are processed following the proportionate consolidation method.

6 The debt ratio (IFRS) is calculated like the debt ratio (RREC Royal Decree) but based on and conciliating with a consolidated balance in accordance with IFRS where participations in joint ventures and associated companies are processed following the changes in equity.

7 The average number of shares is calculated excluding the 11, 712 shares held by the company.

8 IFRS NAV per share = Net Asset Value or Net Value per share according to IFRS.

9 EPRA NAV per share = Net Asset Value or Net Value per share following the Best Practices Recommendations of EPRA.

3. NOTES TO THE CONSOLIDATED INCOME STATEMENT

3.1 NOTES TO THE CONSOLIDATED INCOME STATEMENT

Net rental result

During the first quarter of 2020, the net rental result increased with 6.9% to € 6.62 million (as opposed to € 6.20 million during the first quarter of 2019).

Operating result before the portfolio result

The operating result before the portfolio result increased with 37.7% and stood at € 2.76 million during the first quarter of 2020 (compared to € 2.00 million during the first quarter of 2019).

Portfolio result

During the first quarter of 2020, Home Invest Belgium recorded a portfolio result of € -1.59 million.

The result on the sale of investment properties amounted to € 0.09 million. In addition, Home Invest Belgium recorded a negative change in the fair value of its real estate investments during the first 3 months of 2020, amounting to € -1.5 million. The other portfolio result amounted to -0.13 million. In this section the variation of deferred taxes are taken into account.

In accordance with the "Valuation Practice Alert" published by the Royal Institute of Chartered Surveyors ('RICS') on April 2nd 2020, the reports of the independent real estate experts mention that they have been written taking into account the "material evaluation uncertainty" as determined by the RICS regulations.

Financial result

Following an important redesign of the financial instruments and the refinancing of the credits in 2019, the net interest costs have decreased from € 1.19 million during the first 3 months of 2019 to € 0.99 million during the first 3 months of 2020. The average funding costs¹⁰ decreased from 2.07% to 1.49% over the same period.

The changes in the fair value of the financial assets and liabilities amounted to € -1.97 million during the first 3 months of 2020. These changes are the consequence of a change in the fair value of the interest rate swaps. With this hedging strategy, the Board of Directors wishes to protect the company against a potential increase in the interest rates.

Taxes

Taxes amounted to € -0.06 million during the first 3 months of 2020 (compared to 0.02 million during the first 3 months of 2019).

Net result

The net result of Home Invest Belgium amounted to € -1.11 million during the first 3 months of 2020, or € -0.34 per share.

¹⁰ The average funding cost is = the interest costs including the credit margin and the cost of hedge instruments and increased by activated intercalary interests divided by the weighted average financial debt over the period in question.

EPRA earnings

After adjustment of the net result before (i) the portfolio result, (ii) the changes in the fair value of the financial assets and liabilities and (iii) non EPRA elements of the share in the result of associates and joint ventures, the EPRA earnings amounted to € 2.06 million during the first 3 months of 2020 (compared to the € 1.00 million during the first 3 months of 2019).

EPRA earnings per share increased from € 0.30 during the first quarter of 2019 to € 0.63 in the first quarter of 2020.

3.2 CONSOLIDATED BALANCE SHEET

Shareholder's equity and NAV per share

On March 31st 2020, the group's shareholder's equity stood at € 307.77 million, a decrease of -0.6% compared to December 31st 2019.

The IFRS NAV per share has decreased with -0.6% to stand at € 93.60 on March 31st 2020 (compared to € 94.16 on December 31st 2019).

The EPRA NAV per share has increased with 0.1% to stand at € 96.08 on March 31st 2020 (compared to € 96.00 on December 31st 2019).

Debt ratio

The debt ratio (RREC Royal Decree) amounts to 51.54% on March 31st 2020. The debt ratio (IFRS) amounts to 50.18%.

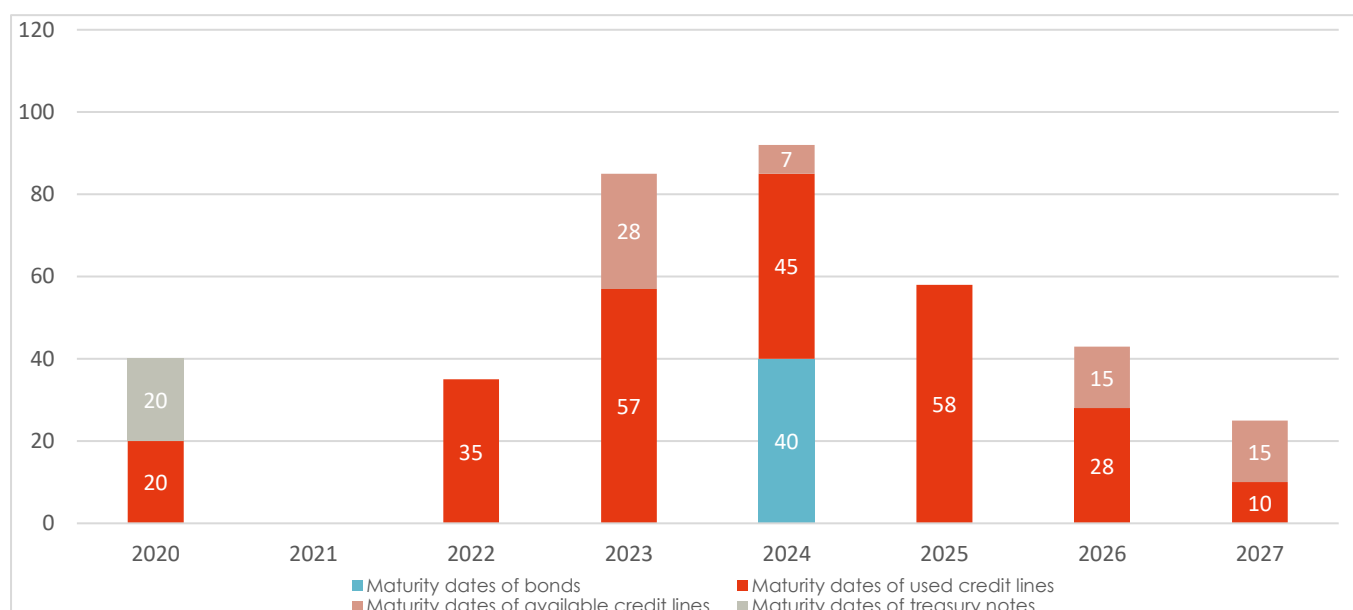
3.3 FUNDING STRUCTURE

Composition of the financial debt

On March 31st 2020, Home Invest Belgium had € 313.00 million in financial debts, composed of:

- Bilateral credit lines drawn for an amount of € 253.00 million with 6 different financial institutions, maturity dates well spread between 2020 and 2027. A credit line for an amount of € 20.00 million is maturing in 2020. In 2019, Home Invest Belgium has entered into new long-term credit lines to refinance this short-term credit line;
- A bond for an amount of € 40.00 million, maturing in June 2024;
- Treasury notes ("commercial paper") for an amount of € 20.00 million. Notwithstanding the short-term nature of the outstanding commercial paper (with maturity date in 2020), the outstanding amount is fully covered by available long-term credit lines (*back-up lines*).

Maturity of debts (in € mio)



The weighted average duration of the financial debts amounts to 4.2 years.

On March 31st 2020, Home Invest Belgium disposed of € 65.00 million of undrawn available credit lines of which:

- € 20.00 million long-term back-up lines covering short-term outgoing treasury notes;
- € 45.00 million available credit lines.

Hedges

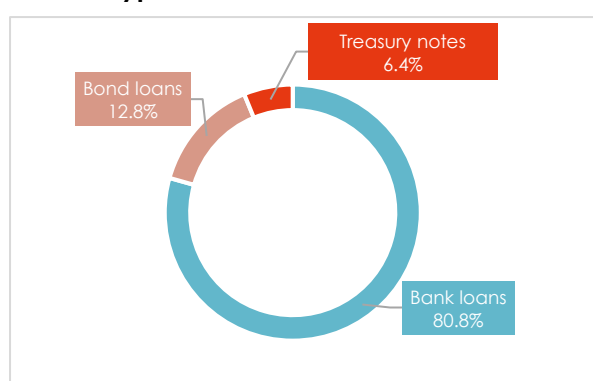
On March 31st 2020, 77.6% of financial debts (243.00 € million) had a fixed interest rate, using Interest Rate Swaps as hedging instruments, among other things.

The fixed interest rates have a weighted average remaining duration of 5.6 years.

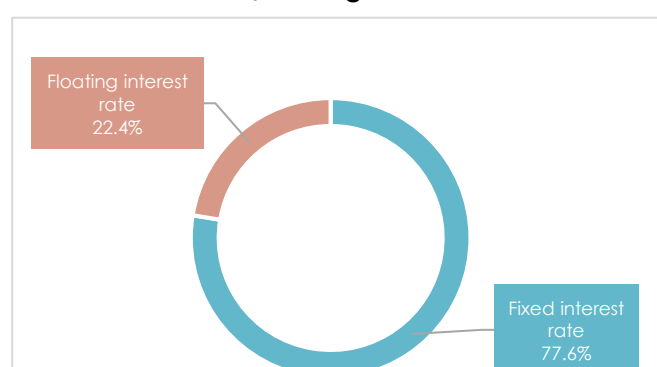
The total value of the hedges at closing date was negative for a net amount of € 6.33 million due to a decrease in interest rates after conclusion of the hedges.

Through its hedging policy, the board of directors wishes to protect the company against potential increases in interest rate.

Type of debt



Fixed/floating interest rate



4. ACTIVITIES DURING THE FIRST QUARTER OF 2020

4.1. RENTAL ACTIVITY

The occupancy rate was high during the first 3 months of 2020. The average occupancy rate¹¹ of the investment properties available for rent stood at 95.01%¹² during the first 3 months of 2020 (as opposed to 94.9% during the first quarter of 2019).

4.2. DEVELOPMENT & REFURBISHMENT PROJECTS

General

During the first months of 2020, the development projects continued at a normal pace. On March 18th 2020, Home Invest Belgium closed the construction sites down in order to fight against the further spread of the coronavirus pandemic. Since April 6th 2020, activities on the construction sites have started again, partly, respecting the security measures which are in place. Up to now, the company thinks that the impact on the delivery dates of the projects will be very limited.

Le Mosan (Liège)

The refurbishment project Le Mosan in Liège will be delivered according to schedule, at the end of the second quarter of 2020. The project, which comprises 29 apartments and a retail space on the ground floor, is ready to be commercialized.

4.3. DISINVESTMENTS

During the first quarter of 2020, Home Invest Belgium has sold property for a total net amount of € 0.3 million. A net capital gain of € 0.2 million was realised on these sales, compared to the acquisition value (increased by activated investments).

¹¹ The average occupancy rate represents the average percentage over a certain period of the rented spaces, in relation to the sum of the contractual rents of the rented spaces and the estimated rental value of the vacant spaces.

¹² The occupancy rate is calculated excluding (i) buildings being renovated (ii) building being commercialized for the first time and (iii) buildings being sold.

5. OUTLOOK

DIVIDEND 2019

The General Assembly has approved the distribution of a gross dividend of € 4.85 per share for the financial year 2019 (or an increase by 2.1% compared to 2018). Taking into account the gross dividend of € 3.75 per share which had been paid out in December 2019 (coupon n°27), the balance amounts to € 1.10 gross per share (coupon n°28), payable on Thursday May 14th.

OUTLOOK 2020

During the first quarter of 2020, the main financial indicators of Home Invest Belgium have developed positively compared to the previous year.

The residential rental market continues to grow steadily in those cities where Home Invest Belgium is active, mostly thanks to:

- A long-term urbanisation trend, marked by demographic growth in big cities, including both young and older people, leading to increased demand for homes;
- An increasing number of tenants in big cities, due to factors including an increasing need for flexibility and a change in attitudes in respect of private property and concepts of urban sharing.

Home Invest Belgium has a sustainable real estate portfolio given its young age. More than 50% of its buildings are younger than 10 years. Based on this undeniable asset, and the geographical location of the buildings which are predominantly located in urban centres, Home Invest Belgium is well positioned to play a leading role in favourable market conditions.

Home Invest Belgium considers expanding its activities internationally within its positioning as the specialist in the residential rental market.

Against this background, the board of directors confirms its confidence in the further evolution of the company's results.

The outbreak of the coronavirus in early 2020 and the results of the measures taken to contain the virus, could impact our financial performance of 2020 and the measurement of certain assets and liabilities. Moreover, we cannot exclude a material impact on the companies' results in 2020.

6. SHAREHOLDER'S CALENDAR

2020

| | |
|---|----------------------------------|
| Annual press release on the financial year 2019 | Thursday February 20th |
| Publication of the annual financial report on the website | Friday April 3rd |
| Ordinary general meeting of the financial year 2019 | Tuesday May 5th |
| Final dividend for the financial year 2019 – Ex date | Tuesday May 12th |
| Final dividend for the financial year 2019 – Record date | Wednesday May 13th |
| Final dividend for the financial 2019 – Payment date | Thursday May 14th |
| Interim statement: results at March 31 st 2020 | Tuesday May 19th |
| Half-year financial report: results at June 30 th 2020 | Thursday September 3rd |
| Interim statement: results at September 30 th 2020 | Friday November 13 th |

FOR ADDITIONAL INFORMATION

Sven Janssens
Chief Executive Officer

Preben Bruggeman
Chief Financial Officer

Tel: +32.2.740.14.51
E-mail : investors@homeinvest.be
www.homeinvestbelgium.be

Home Invest Belgium
Bld de la Woluwe 46, Box 11
B – 1200 Brussels



ABOUT HOME INVEST BELGIUM

Home Invest Belgium is a public regulated real estate company (GVV/SIR) specializing in acquisition, sale, development and management of residential real estate. On March 31st 2020, Home Invest Belgium held a property portfolio of € 634 million in Belgium and The Netherlands.

Home Invest Belgium is listed on Euronext Brussel [HOMI] since June 1999. On March 31st 2020, the market capitalization amounted to € 346 million.