

Portfolio growth (+38%) enables a higher dividend

Today TINC publishes its [annual report 2016-2017](#)

Regulated information

Antwerp, under embargo until 18 September 2017, 7h30 CET

HIGHLIGHTS

- The net profit for the financial year 2016-2017 amounts to € 10,7 million (or € 0,52 per share), an increase compared to the net profit of the previous financial year which covered a 18 months period. This increase results from additional portfolio investments and the robust performance of TINC's participations;
- The investment portfolio includes 15 participations located in Belgium, the Netherlands and Ireland with a fair market value of € 177,2 million. Compared to the end of the past financial year, this is an increase of 38,4%. TINC invested a total of € 47,5 million in both existing and new participations with, among others, a first investment in Ireland (windfarm Meenwaun) and the acquisition of a participation in the Via A11 highway in Belgium. As from the current financial year both participations will contribute significantly to the result. TINC further committed to acquire an additional participation in the Dutch private-public partnership Princess Beatrix lock under a forward purchase agreement;
- At the end of the financial year, the portfolio consists of 43% availability based public-private partnerships, 46% renewable energy and 11% demand-based infrastructure. The weighted average discount rate of the portfolio is 8,25% within a range of 6,96%-10%;
- Following the successful capital increase of € 76,7 million in December 2016, TINC has approximately € 50 million cash available at the end of the financial year to invest in the growth of its portfolio (after deduction of the proposed dividend). € 33,3 million of which is available to cover contractual investment commitments of TINC. This includes commitments to existing participations as for the acquisition of new additional participations;
- Following the end of the financial year, TINC has entered into a joint venture agreement aimed at the roll-out of fiber optic networks (FttH) in the Netherlands. This represents an investment commitment of € 20 million for TINC;
- Through the combination of the existing portfolio and the contractual investment commitments, the portfolio of TINC will grow over time to € 230 million;

- A dividend of € 0,48 per share will be proposed to the annual shareholders' meeting. Compared to the previous financial year, this is an increase of 2,7% (new shares issued in December 2016 are entitled to € 0,2550 per share). This represents a gross dividend yield of 4,36% on the introduction price of € 11 at IPO (compared to the then projected 4,25%);
- The annual report for the financial year 2016-2017 will be available from 18 September 2017 onwards on the website of TINC (www.tincinvest.com)

Manu Vandenbulcke, CEO: *"TINC is pleased to present for the second time since the IPO in 2015 strong annual results for TINC. The successful capital increase of December 2016 underpins the financial strength of TINC as a platform offering both institutional and retail investors the opportunity to participate in infrastructure. During the financial year, TINC continued to grow and diversify its portfolio. TINC would like to have its shareholders benefit from this growth through its dividend policy. Going forward and taking into account its growth, TINC has the ambition to have its dividend evolve in line with inflation."*

RESULTS AND DIVIDEND

The net profit for the financial year 2016-2017 amounts to € 10,7 million, an increase compared to the net profit of € 11,8 million of the previous financial year which covered a 18 months period. This increase results from additional portfolio investments and the performance of the existing participations.

To the extent that the available cash is further invested in the growth of the investment portfolio, the result is expected to evolve positively. TINC would like to have its shareholders benefit from this growth through its dividend policy. Going forward and taking into account the growth, TINC has the ambition to have its dividend evolve in line with inflation.

A dividend of € 0,48 per share will be proposed for the past financial year. For the new shares issued in the capital increase in December 2016, the dividend is determined *pro rata temporis* at € 0,2550.

As such, the gross dividend yield as projected at the time of IPO increases from 4,25% to 4,36% (calculated on the introduction price of € 11), an increase of 2,7%.

PORTFOLIO & INVESTMENT ACTIVITY

At the end of the financial year, the investment portfolio includes 15 participations. The fair market value of the portfolio increased with € 49,2 million to € 177,2 million, an increase of 38,4% compared to the previous financial year.

Two new participations were added to the portfolio. In November 2016, TINC made a first investment outside its historical core countries, Belgium and the Netherlands, by acquiring the Irish wind farm Meenwaun. The acquisition and realisation occurs in cooperation with Storm, an experienced developer and operator of wind farms, active in Belgium and Ireland and with whom TINC has a long-standing cooperation dating back to 2011. This new participation demonstrates the implementation by TINC of its strategy to grow and diversify its investment portfolio by, amongst others, taking participations in new geographical markets based on proven partnerships with parties familiar with those markets.

In June 2017, TINC invested in the Via A11 highway in Belgium, a public private partnership which aims at improving access to the port of Zeebrugge and improved traffic flows between the cities of Bruges and Knokke. This highway became operational in September 2017.

TINC also committed to acquire an additional stake in the Dutch public private partnership Princess Beatrix lock under a forward purchase agreement. This partnership involves the renovation and expansion of a lock complex on the Lekkanaal which connects the port of Amsterdam and Rotterdam. TINC already holds a small participation which will now grow to 37,5% once the lock complex is realized. In combination with the A15 highway, also a Dutch public private partnership, TINC had committed by the end of the financial year € 17,2 million under forward purchase agreements.

During the past year, TINC invested € 2,3 million in existing participations under contractual commitments. TINC has a further € 16,1 million of contractual commitments that will be funded in the foreseeable future.

Following the end of the financial year, TINC entered into a joint venture agreement for the realisation of fibre optic networks (FttH) in the Netherlands. Today, the Netherlands still has a number of rural areas where families and businesses do not have broadband internet access. Together with its Dutch partner, which already has a great deal of experience in the construction of fibre-optic networks, TINC wants to make broadband internet possible for families and businesses. The fibre-optic networks will be realised in function of the interest from users and those service providers over the Internet (providers). In this respect, TINC will be making available an investment budget of € 20 million.

Through the combination of the existing portfolio and the contractual investment commitments, the portfolio of TINC will grow over time to € 230 million.

CAPITAL INCREASE

In December 2016, TINC successfully increased its share capital by issuing new shares equal to half of the existing number. The capital increase involved a public offering to subscribe to 6.818.182 new shares in cash with non-statutory preferential rights. The capital increase was fully subscribed at an issue price of € 11,25 per share. TINC raised an amount of € 76,7 million to fund its investment commitments. Also, proceeds of the capital increase enable TINC to implement its strategy to further grow and diversify the portfolio.

Jean-Pierre Blumberg, Chairman of the Board of Directors: *“Investing in infrastructure and related assets remain on today’s agenda. All over the world, there is awareness that the development and maintenance of infrastructure that meets the needs of modern society contributes to prosperity and progress. TINC enjoys a healthy trend line supporting its investment ambitions and benefits from its increased strength and well-performing investment portfolio. Social relevance, an eye for the infrastructure for the world of tomorrow and sustainable profitability are the important guiding principles. TINC remains committed to this with the support of its staff and the trust of its partners and shareholders.”*

KEY FIGURES

1. Audited consolidated statement of comprehensive income

Period ending at:	June 30, 2017	June 30, 2016
	12 months	18 months
Operating income	13.807.391	19.273.835
Dividend income	3.792.009	5.202.704
Interest income	5.664.080	7.866.075
Unrealised gains on investments	4.022.954	5.276.525
Revenue	328.347	928.531
Operating expenses (-)	(2.909.246)	(6.622.735)
Unrealised losses on investments	(1.091.495)	(2.373.117)
Selling, General & Administrative Expenses	(1.658.805)	(4.247.497)
Other operating expenses	(158.946)	(2.121)
Operating result, profit (loss)	10.898.145	12.651.100
Finance income	5.835	47.949
Finance costs (-)	(25.740)	(778.096)
Result before tax, profit (loss)	10.878.241	11.920.953
Tax expenses (-)	(192.702)	(149.364)
Total comprehensive income	10.685.539	11.771.588

Notice: the last financial year included 12 months in comparison to the financial year ended at June 30, 2016 which was an extended financial year and included 18 months.

2. Audited consolidated balance sheet

Period ending at:	June 30, 2017	June 30, 2016
I. NON-CURRENT ASSETS	179.080.558	129.835.563
Investments at fair value through profit and loss	177.203.967	128.031.244
Deferred taxes	1.876.591	1.804.319
II. CURRENT ASSETS	60.290.045	28.405.834
Trade and other receivables	1.619.686	78.169
Cash and short-term deposits	58.670.359	28.327.665
TOTAL ASSETS	239.370.603	158.241.396

Period ending at:	June 30, 2017	June 30, 2016
I. EQUITY	238.792.421	157.718.091
Issued capital	122.622.636	81.748.317
Share premium	71.334.673	35.504.445
Reserves	1.884.907	2.994.415
Retained earnings	42.950.204	37.470.914
II. LIABILITIES	578.182	523.305
A. Non-current liabilities	-	-
B. Financial Liabilities	578.182	523.305
Trade and other payables	387.117	385.106
Income tax payables	191.065	137.113
Other liabilities	(0)	1.086
TOTAL EQUITY AND LIABILITIES	239.370.603	158.241.396

3. Audited consolidated statement of changes in equity

	Issued capital	Share premium	Reserves	Retained earnings	Equity
As per June 30, 2016	81.748.317	35.504.445	2.994.415	37.470.914	157.718.092
Total comprehensive income		-	-	10.685.539	10.685.539
Capital increase	40.874.319	35.830.228	-	-	76.704.548
Dividends to shareholders		-	-	(4.738.636)	(4.738.636)
Other changes		-	(1.109.508)	(467.614)	(1.577.122)
As per June 30, 2017	122.622.636	71.334.673	1.884.907	42.955.200	238.792.421

	Issued capital	Share premium	Reserves	Retained earnings	Equity
As per January 1, 2015	39.222.942	-	5.508.750	27.479.320	72.211.012
Total comprehensive income		-	-	11.771.588	11.771.588
Capital increase	42.525.375	35.504.445	-	-	78.029.820
Dividends to shareholders		-	-	(1.636.364)	(1.636.364)
Other changes		-	(2.514.335)	(143.631)	(2.657.965)
As per June 30, 2016	81.748.317	35.504.445	2.994.415	37.470.914	157.718.092

4. Audited consolidated statement of cash flows

Period ending at:	June 30, 2017 12 months	June 30, 2016 18 months
Cash at beginning of period	28.327.665	1.436.360
Cash Flow from Financing Activities	69.486.180	36.136.127
Proceeds from capital increase	76.704.548	78.029.820
Capital repayment / decrease	-	-
Proceeds from borrowings	-	(34.585.800)
Repayment of borrowings	(20.915)	(50.710)
Dividends to shareholders	(4.738.636)	(1.636.368)
Other cash flow from financing activities	(2.458.817)	(5.620.815)
Cash Flow from Investing Activities	(36.387.890)	(6.905.243)
Investments	(47.515.921)	(31.576.738)
Repayment of investments	1.428.905	10.777.132
Interest received	5.372.326	7.844.132
Dividend received	3.929.500	5.065.189
Other cash flow from investing activities	397.300	985.042
Cash Flow from Operational Activities	(2.755.596)	(2.339.579)
Management Fee	(2.168.676)	(2.138.747)
Expenses	(586.921)	(200.832)
Cash at end of period	58.670.359	28.327.665

REPORT OF THE STATUTORY AUDITOR

The statutory auditor stated that the Consolidated Financial Statements give a true and fair view of the consolidated net equity and financial position as at 30 June 2017, as well as its consolidated results and its consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS") and with applicable legal and regulatory requirements in Belgium.

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About TINC

TINC is an investment company, listed on Euronext Brussels, with a focus on participations in companies which realise and operate infrastructure. TINC holds a diversified investment portfolio of 15 participations in various infrastructure located in Belgium, the Netherlands and Ireland. This portfolio generates cash flows of a long term sustainable nature, which are the basis for TINC's dividend policy.

For more information please visit www.tincinvest.com
