

Xior announces approx. EUR 110 million of new projects and acquisitions Capital increase for a maximum amount of approx. EUR 84 million for financing the growth strategy

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Public subscription Offer for a maximum of 2,709,416 New Shares in the context of a capital increase in cash via the authorised capital with Irreducible Allocation Rights for a maximum total of EUR 83,991,896

Request for admission to trading of the New Shares on the regulated market of Euronext Brussels

- Xior convincingly pursues its growth strategy and is announcing new projects and acquisitions worth a total of approximately MEUR 110. If all acquisitions and redevelopments in the pipeline were completed, the portfolio would increase to approximately MEUR 485, with approximately 4,500 units.
- Capital increase of approximately MEUR 84 to further finance the growth strategy. 23% of the capital increase is pre-committed by the reference shareholder Aloxe NV
- For the 2017 financial year, Xior is confirming its projected EPRA earnings of EUR 1.40 per share with a gross dividend of EUR 1.20 per share
- Issue price: EUR 31.00 per New Share, which represents a discount of 14.7% compared to the closing price of the Shares on 6 June 2017 of EUR 36.90, adjusted by the estimated value of coupon number 4 that was detached (after market close) on 7 June 2017, taking the value to EUR 36.33 after adjustment
- 2 Irreducible Allocation Rights allow the holder to subscribe to 1 New Share
- Detachment of coupon number 3 representing the Irreducible Allocation Right: 7 June 2017 after market close
- Detachment of coupon number 4 representing the right to the pro rata temporis dividend over the current financial year 2017, up to and including 21 June 2017, that will not be carried forward to the New Shares: 7 June 2017 after market close
- Subscription period: from 8 June 2017 up to and including 19 June 2017
- The Irreducible Allocation Rights are tradable during the whole subscription period
- Placement of the Scrips should in principle take place on 20 June 2017
- ING Belgium and Bank Degroof Petercam act as Joint Global Coordinators and Joint Bookrunners. KBC Securities and Kempen & Co act as Co-Manager

Announcement of new projects and acquisitions for a total of approximately MEUR 110

Xior convincingly pursues its growth strategy and is announcing new projects and acquisitions worth a total of approximately MEUR 110¹ (in addition to the projects and acquisitions already announced. If all acquisitions and redevelopments in the pipeline were completed, the portfolio would increase to approximately EUR 485 million, with approximately 4,500 units.

Project Bokelweg (Rotterdam) – Burgwal (The Hague) – approx. 500 units

Xior has acquired 55% of the shares² in the real estate company that owns two office complexes for conversion in The Hague (Burgwal) and Rotterdam (Bokelweg). This transaction has an expected initial yield after conversion of approximately 7% and will (assuming 100% ownership of the real estate company), after receipt of the necessary permits and the execution of the intended redevelopment, lead to an increase of approximately 500 units with a total investment value after conversion of approximately EUR 67.4 million. The Company expects both buildings to be operational as of September 2019. Part of both the building in Rotterdam and the building in The Hague will continue to be rented for some time to come, thereby generating income of a total of EUR 2.11 million annually as of the acquisition date.

The Rotterdam property is situated on Heer Bokelweg in the centre of this student city, and is 200 metres away from the central station. The Company intends to develop around 350 units in this property, which represents a perfect complement to the development project involving 280 units at the Erasmus University campus. The project is planned to be delivered in September 2019.

The property in The Hague is situated on Lutherse Burgwal, and is at an interconnection between the existing properties on Eisenhowerlaan and the project on Waldorpstraat. Xior intends to develop 182 units in this property, which would take the total number of units in this student city up to 450.

The investment value is in line with the estimated value as determined by the independent real estate appraiser.



Bokelweg Rotterdam



Burgwal The Hague

Joint venture in relation to a development project in Etterbeek – 115 units

Xior has entered into a joint venture with a private developer in relation to a development project in Etterbeek with a view to developing 115 units, equivalent to a total investment value (after conversion)

¹ This is the total amount after reconversion of the newly acquired or announced projects and acquisitions (the acquisitions, including expenses for reconversion, which have already been acquired or announced are not included in this amount).

² The Company also has a call option for acquisition of the remaining 45% of the shares in this company for 18 months.

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of approximately EUR 11.7 million (assuming 100% ownership of the real estate company) and expects an initial yield of approximately 6%. After a permit is obtained, the existing property at Oudergemlaan in Etterbeek will be turned into a complex comprising 115 self-contained studios and six parking spaces, thereby reinforcing the Company's position in the largest student city in Belgium. This student property is intended to be operational as of the academic year starting in September 2018.

Acquisition of an office property for redevelopment in Delft (Phoenix) – approximately 100 units

Xior is set to acquire an office property for redevelopment in Delft (Phoenix)³ with a view to developing around 100 units, equivalent to a total investment value (after conversion) of approximately EUR 8.6 million. This property is situated in a premium location in Delft, only a stone's throw away from the property at Barbarastee, near Delft train station, an area that is currently undergoing major redevelopment. After acquiring the necessary permits and execution of the intended redevelopment, the Company is predicting an initial yield of 6.5%. The Company expects this building to enter into operation as of September 2019.

Acquisition of two properties in Utrecht and Venlo – 244 units

Xior is set to acquire shares in real estate companies owning two properties in Utrecht and Venlo, amounting to a total investment value of approximately EUR 21.5 million and an envisaged initial yield of approximately 6.5% (Utrecht) and 7% (Venlo) respectively. These acquisitions will take place subject to completion of the offering as a condition precedent, and are both subject to due diligence and a number of customary conditions precedent. The Company expects to complete the acquisition of these student properties in mid-2017. The transferor will provide a rental guarantee for a period of two years.



Utrecht

The property in Utrecht, which is located in the vicinity of a number of educational institutions, comprises 134 units with shared facilities, thereby complementing the Company's portfolio as an addition to the existing self-contained units.

In connection with the acquisition in Utrecht, a property is also being acquired in the centre of Venlo, near the station, comprising 110 self-contained units. The ground floor is rented out to a financial institution.

Evolution of external financing

After the first quarter of 2017, the Company obtained additional financing from KBC Bank NV and Argenta Spaarbank NV in order to finance its growth strategy, in both cases to the sum of EUR 25 million. At the date of this Press Release the Company has committed credit lines for EUR 225 million, of which EUR 17.8 million was not withdrawn yet.

³ This project is the subject of a tendering procedure launched by the Delft Municipality. The project was provisionally awarded under certain formal administrative conditions. The Company is confident that this formal procedure will result in definitive award and assignment to the Company. Should this not be the case, however, the Company is of the opinion that this will not have a significant impact on its situation.

Offering

Each existing shareholder shall receive 1 Irreducible Allocation Right per Existing Share held upon market close on 7 June 2017. The Irreducible Allocation Right shall be tradable on Euronext Brussels during the Subscription Period, i.e. from 8 June 2017 up to and including 19 June 2017.

Existing Shareholders holding Irreducible Allocation Rights and other holders of Irreducible Allocation Rights may subscribe to New Shares from 8 June 2017 up to and including 19 June 2017, subject to the conditions set out in the Prospectus and at an Issue Price of EUR 31.00 per New Share and at a ratio of 2 Irreducible Allocation Rights for 1 New Share.

The Offer concerns a maximum of 2,709,416 New Shares with the same rights as Existing Shares, meaning that they will participate only *pro rata temporis* in the results of the Company over the 2017 financial year, calculated from 22 June 2017. The New Shares will therefore be issued with coupon number 5 and subsequent coupons attached. Capital increases will be agreed to within the limits of the authorised capital.

Reasons for the Offer and use of proceeds

The Company intends to use the net proceeds to finance its investment pipeline and further growth.

Prior to the announcement of the Offer, a total of EUR 73.93 million was already invested in additional acquisitions in 2017 (excluding acquisition of the properties in Brussels in January 2017 via contribution in kind) and in development projects. Up until the date of publication of the Offer, the Company announced a total of approximately EUR 137.87 million in additional investments and development projects (including the new acquisitions and projects amounting to approximately MEUR 110 announced earlier in this press release), namely:

- Planned investment projects in 2017: EUR 95 million, of which:
 - o Acquisition of a total of 190 student units in The Hague (Waldorpstraat, 72 units) and Delft (Antonia Veerstraat, 118 units), with a total investment value of approximately EUR 26.3 million and
 - o Acquisition of 280 student units in Rotterdam (Erasmus campus), with an investment value of approximately EUR 30 million
 - o Joint venture on a development project in Etterbeek with a view to developing 115 units, amounting to EUR 6.3 million
 - o Acquisition of an office property for redevelopment in Delft (Phoenix) with a view to developing around 100 units, equivalent to EUR 5.3 million
 - o Acquisition of two properties in Utrecht and Venlo, with an investment value of approximately EUR 21.5 million
 - o Acquisition of the remaining 45% of shares in the redevelopment project Burgwal (The Hague) and Bokelweg (Rotterdam), if the Company decides to exercise the call option (EUR 5.6 million)
- Planned expenditure in connection with (re)development of buildings in the portfolio: approximately EUR 42.9 million, of which:

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- approximately EUR 4 million in 2017; and
- approximately EUR 38.9 million, then, in 2018.

For the purposes of targeted liquidity management, and pending the effective utilisation of that liquidity to finance the growth strategy, the net proceeds of the Offer will initially be partially used to repay (at least temporarily) outstanding loans within existing revolving credit lines, it being understood that the Company can take out new loans under these revolving credit facilities whenever this becomes necessary in order to finance its growth, depending on planned investments (and the timing thereof). In this way, the net yield of the Offer will not only allow the Company to reinforce its balance sheet structure but will also, in combination with existing unused, available credit lines (EUR 17.8 million) and an increased borrowing capacity after completion of the Offer, enable it to support its current investment projects and continue financing its growth strategy.

If there are sufficient subscriptions to the Offer, the net amount of the capital increase will result in a pro-forma decrease in the Company's debt ratio, which stood at 59.44% pro-forma on the date of the securities note, to 38.65%. This pro-forma calculation on the basis of the debt ratio as at 31/03/2017 exclusively takes into account the impact of the Offer, the acquisitions of Amstelveen at the beginning of April 2017 and the two projects in The Hague (Burgwal) and Rotterdam (Bokelweg) at the end of May 2017 and the dividend payment on 19/05/2017, but does not take into account of changes in working capital requirements, other planned investments/divestments, the company results and the valuation of the real estate portfolio, which may affect the total assets and the debt position of the Company, and as a result the debt ratio.

Issue Price

The Issue Price stands at EUR 31.00, and was determined by the Company in consultation with the Joint Bookrunners on the basis of the stock market price of the Share on Euronext Brussels, and taking into account a discount usually applied to this type of transaction.

The Issue Price is 14.7% lower than the closing price of the Share on Euronext Brussels on 6 June 2017 (which stood at EUR 36.90), adjusted by the estimated value of coupon number 4⁴ that will be detached on 7 June 2017 (after market close), namely EUR 36.33 after adjustment.

Irreducible Allocation Rights

The Irreducible Allocation Right, which is represented by coupon number 3 attached to the Existing Shares, will be detached from the Existing Shares on 7 June 2017 after close of Euronext Brussels. Trading of the Irreducible Allocation Rights will be permitted on Euronext Brussels under ISIN code BE0970156593. The shareholders who have not exercised their Irreducible Allocation Rights at the end of the subscription period, namely by 19 June 2017, will no longer be able to exercise them.

Dividend entitlement

Barring unforeseen circumstances, the Board of Directors of the Company (as already announced in the 2016 annual financial report and in the interim announcement of the Board of Directors on the results of

⁴ The Board of Directors of the Company estimates the value of coupon number 4, which represents the gross dividend over part of the current financial year 2017 up until 21 March 2017, at EUR 0.57 per Share. This estimate is of course subject to approval by the Ordinary General Meeting, which will decide on the dividend to be paid out for the 2017 financial year on 17 May 2018.

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the first quarter of 2017) proposes to distribute a gross dividend of EUR 1.20 per share for the 2017 financial year, whereby the amount of the dividend to be allocated will be distributed *pro rata temporis* over the course of the 2017 financial year over coupon number 4 (i.e. for the period from the start of the 2017 financial year up to and including 21 June 2017) and coupon number 5 (i.e. for the period from 22 June 2017 up to and including the end of the 2017 financial year), which represents an increase compared to the gross dividend that was allocated for the 2016 financial year (EUR 1.15 per Share). This estimate is of course subject to approval by the Ordinary General Meeting, which is planned to decide on the dividend to be paid out for the 2017 financial year on Thursday 17 May 2018. The Company therefore expects that the Offer will not lead to a dilution of this dividend estimate.

As such, the New Shares will not participate in the result for the current financial year 2017 until 22 June 2017, as the New Shares are scheduled to be issued on 22 June 2017. To this end, coupon number 4 should be detached from the Existing Shares on 7 June 2017 (after market close). The New Shares will therefore be issued with coupon number 5 and subsequent coupons attached. Payment of the dividends to be allocated for the 2017 financial year should take place on or around Friday 18 May 2018.

Private placement of Scrips

The non-exercised Irreducible Allocation Rights will automatically be converted into an equivalent number of Scrips on the closing date of the Offer (19 June 2017). The Scrips will be purchased on 20 June 2017 as part of an exempt private placement as set out in chapter 6.1.3 of the Securities Note. Purchasers of Scrips must subscribe to the remaining New Shares at the same price and at the same ratio as applies for subscription following the exercise of Irreducible Allocation Rights. If the net yield per Scrip amounts to less than EUR 0.01, this will not be paid to the holders of non-exercised Irreducible Allocation Rights, but will be transferred to the Company. If the net yield per Script amounts to more than EUR 0.01, the net amount will be paid as from 27 June 2017 onwards to the Existing Shareholders who have not exercised their Irreducible Allocation Rights.

Listing of the New Shares

In principle, the New Shares should be listed on Euronext Brussels as of 22 June 2017. The New Shares will be given the ISIN code BE0974288202, i.e. the same code as the Existing Shares.

Publication of the results of the Offer

The result of the subscription to New Shares following the exercise of Irreducible Allocation Rights should be published on 20 June 2017 via a press release on the Company's website and via the press. On the date of publication of that press release, the Company shall request trading in the shares to be suspended as of market opening, in principle on 20 June 2017, until the time of publication of the press release containing the results of the Offer (i.e. including the results from the private placement of the Scrips) on the website of the Company and via the press.

The result of the subscriptions to New Shares following the exercise of the Scrips and the amount paid out to the holders of non-exercised Irreducible Allocation Rights is expected to be published in a press release on 20 June 2017.

Payment and delivery of the New Shares

Payment of the subscriptions to New Shares following the exercise of Irreducible Allocation Rights or Scrips will be debited from the subscribers' accounts with an expected value date of 22 June 2017. The Existing Shareholders will be informed of the subscription conditions and final payment deadline by way of a personal letter.

The New Shares will be delivered in dematerialised form on or around 22 June 2017. New Shares issued on the basis of Irreducible Allocation Rights connected to registered shares will be included in the Company's shareholder register as registered shares on or around 22 June 2017.

Prospectus

The Securities Note (including all information included therein by way of reference), the Registration Document (including all information included therein by way of reference) and the Summary together form the Prospectus for the public subscription offer for the New Shares. The Dutch version of the Registration Document was approved by the FSMA on 10 April 2017. The Dutch version of the Securities Note and the Summary was approved by the FSMA on 6 June 2017.

The Securities Note, the Registration Document and the Summary may be distributed separately. The Securities Note, the Registration Document and the Summary is available in Dutch and English. The Summary is also available in French. The English and French versions of the Summary are a translation of the Dutch version of the Summary and the Company is responsible for their production. The Company is responsible for ensuring the consistency of the English translation of the Securities Note and the Registration Document with the approved Dutch version of the Securities Note and the Registration Document, and for ensuring the consistency of the English and French versions of the Summary with the approved Dutch version of the Summary, and is responsible for ensuring that the translated versions are faithful translations of the language versions approved by the FSMA. If there are any inconsistencies between (i) the Dutch version of the Summary and the French version or the English version of the Summary; (ii) the Dutch version of the Securities Note and the English version of the Securities Note; or (iii) the Dutch version of the Registration Document and the English version of the Registration Document the language version approved by the FSMA, namely the Dutch version, shall take precedence over the other language versions. If there are any inconsistencies between the Securities Note, the Registration Document and the Summary, the Securities Note and the Registration Document shall take precedence over the Summary, and the Securities Note shall take precedence over the Registration Document. The Prospectus will be made available to investors free of charge as from 8 June 2017 (before start of trading) at the Company's registered office (Mechelsesteenweg 34, Box 108, 2018 Antwerp, Belgium). The Prospectus will also be made available to investors free of charge at Bank Degroof Petercam upon request via telephone (+32 2 287 95 34: NL, FR and EN) and on its website www.degroopetercam.be/nl/nieuws/xior_2017 (NL, FR and EN); at ING Belgium upon request via telephone (+32 (0)2 464 60 01 (NL) or +32 (0)2 464 60 02 (FR) or +32 (0)2 464 60 04 (EN)) and on its website www.ing.be/aandelentransacties (NL), www.ing.be/transactionsdactions (FR) and www.ing.be/equitytransactions (EN); at KBC Securities via telephone +32 2 429 37 05, at KBC Bank via telephone +32 3 283 29 70 (Dutch, French and English), CBC Banque SA, via telephone +32 800 90 020 (Dutch, French and English) and via Bolero, via telephone 0800 628 16 (Dutch, French and English) and on

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their websites www.kbcsecurities.com (Dutch, French and English), www.kbc.be/xior (Dutch, French and English), www.cbc.be/corporateactions (Dutch, French and English), www.bolero.be/nl/xior (Dutch) and on www.bolero.be/fr/xior (French) and at Kempen & Co via mail request at equitycapitalmarkets@kempen.com. It will also be possible to consult the Prospectus as of 8 June 2017 (before start of trading) on the Company's website (www.xior.be/capitalincrease), whereby publication on this website remains subject to the usual restrictions on the distribution of the Prospectus.

Subscriptions

Subscription requests may be submitted free of charge directly over the counter at ING Belgium NV/SA, Bank Degroof Petercam NV/SA, KBC Bank NV/SA and CBC Banque NV/SA, and/or via any other financial intermediary. Investors are invited to inform themselves as to the potential costs that may be invoiced by these other financial intermediaries.

Risks

Investing in shares involves considerable risks. Investors are requested to familiarise themselves with the Prospectus, and in particular with the risk factors set out in Section 1, 'Risk factors' of the Securities Note and in the section entitled 'Risk factors' in the Registration Document and in Section D of the Summary before investing in the New Shares, the Irreducible Allocation Rights or the Scrips. Any decision to invest in the New Shares, Irreducible Allocation Rights or Scrips within the framework of the Offer should be based on all the information provided in the Prospectus. Potential investors must be capable of bearing the economic risk of investing in shares and of suffering partial or total loss of their investment.

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Expected Schedule of the Offer

The Board of Directors' decision to increase the share capital	6 June 2017
Setting of the Issue Price / the subscription ratio / the Offer amount by the Board of Directors	6 June 2017
Approval of the Securities Note and Summary by the FSMA	6 June 2017
Press release announcing the Offer, the Offer's terms and the Offer's opening with Irreducible Allocation Right (before stock market)	7 June 2017
Detachment of coupon no. 3 to exercise the Irreducible Allocation Right (after stock market)	7 June 2017
Detachment of coupon no. 4, which represents the right to the proportional dividend for the current financial year 2017 until 21 June 2017 and will not be allocated to the New Shares (after stock exchange)	7 June 2017
Publication of the Prospectus on the Company website (before stock market)	8 June 2017
Opening date of the Offer with Irreducible Allocation Right	8 June 2017
Closing date of the Offer with Irreducible Allocation Right	19 June 2017
Press release about the results of the subscription with Irreducible Allocation Rights published on the Company website and suspension of the share's trading (at the Company's request) until the publication of the press release about the Offer's results	20 June 2017
Accelerated private placement of non-exercised Irreducible Allocation Rights in the form of Scrips	20 June 2017
Press release about the Offer's results and the amount payable to holders of non-exercised Irreducible Allocation Rights	20 June 2017
Payment of the subscribed New Shares with Irreducible Allocation Rights and Scrips (before stock market)	22 June 2017
Conclusion of the realisation of the capital increase (before stock market)	22 June 2017
Delivery of the New Shares to the subscribers	22 June 2017
Admission to trade the New Shares on the Euronext Brussels regulated market	22 June 2017
Press release about the authorised capital increase and the new denominator for transparency regulation purposes	22 June 2017
Payment of non-exercised Irreducible Allocation Rights (Excess Amount)	As of 27 June 2017

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GROWTH PROSPECTS

Based on the current forecast and the hypotheses set out in Section 7.2.2 of the Securities Note, the Company confirms its projected EPRA earnings* of EUR 1.40 per share with a gross dividend of EUR 1.20 per share for the 2017 financial year, always subject to approval at the general meeting.

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About Xior Student Housing

Xior Student Housing NV is the first Belgian public RREC specialising in the student housing segment in Belgium and the Netherlands. Within this property segment, Xior Student Housing offers a variety of accommodation, ranging from rooms with communal facilities to en-suite rooms and fully-equipped studios. Since 2007, as owner-operator, Xior Student Housing has built high-quality, reliable student housing for students looking for the ideal place to study, live and relax. A place with that little bit extra, where every student immediately feels at home.

Xior Student Housing has been accredited as a public RREC under Belgian law since 24 November 2015. Xior Student Housing NV's shares have been listed on Euronext Brussels (XIOR) since 11 December 2015. On 31 March 2017, Xior Student Housing had a property portfolio worth approximately EUR 289 million. More information is available at www.xior.be.

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Disclaimer

This press release contains forward-looking information, projections, convictions, opinions and estimates produced by Xior in relation to the expected future performance of Xior and of the market in which it is active ('forward-looking statements'). By nature, forward-looking statements involve inherent risks, uncertainties and assumptions, both general and specific, that appear justified at the time at which they are made but which may or may not turn out to be accurate, and there is a risk that the forward-looking statements will not be realised. Some events are difficult to predict, and may depend on factors outside of Xior's control. In addition, the forward-looking statements are only valid on the date of this press release. Statements in this press release relating to past trends or activities may not be interpreted as an indication that such trends or activities will persist in future. Neither Xior nor its representatives, officers or advisers can guarantee that the parameters upon which the forward-looking statements are based are free of errors, nor can they indicate, guarantee or predict whether the expected results set out in such a forward-looking statement will ultimately be achieved. Actual profits, the financial situation and Xior's performance or results may therefore differ substantially from the information projected or implied in forward-looking statements. Xior expressly declines any obligation or guarantee to publicly update or review forward-looking statements unless it is required to do so by law. This press release has been prepared in Dutch and has been translated into English and French. In case of discrepancies between the different versions of this press release, the Dutch version will prevail.