



IMMOBEL

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## PRESS RELEASE

Regulated information

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# Immobel increases its profit by more than 80% to EUR 102.4 million

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*2019 was a year of strong growth for Immobel, completely in line with its strategy of prioritising profitability and recurring revenue. The company significantly outperformed its 2019 goals*

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- Immobel's revenues in 2019 increased by 28.6% to EUR 419.5 million while its EBITDA<sup>1</sup> and net profit<sup>2</sup> (Group share) almost doubled to EUR 124.6 million and EUR 102.4 million, respectively. This resulted in a net profit of EUR 11.66/share compared to EUR 6.47/share in 2018 or an increase of 80.2% and a ROE of 29.7%.
- Strong results were mainly driven by higher residential and office sales in Belgium, Luxembourg and France. These markets continue to show strong demand for new residential units and offices.
- The company acquired more than EUR 900 million in Gross Development Value<sup>3</sup> in new residential and office projects in its core markets (Belgium, France, Luxembourg and Germany), increasing the Gross Development Value of its entire portfolio to EUR 4.5 billion.
- The company's balance sheet, with equity of EUR 428.2 million and net debt of EUR 550.9 million as per the end of 2019, remains strong with a gearing ratio of 56.3%.
- Its strong portfolio should allow the company to continue to deliver strong recurrent results in the coming years. Exceptional transactions such as the sale of Infinity, Möbius II and Nova (formerly Centre Etoile) in 2019 come on top of the strong base of recurring results, and these types of non-recurring large transactions are expected to become more frequent as Immobel continues to grow.
- In July 2019, Immobel acquired 100% of Nafilyan & Partners, its subsidiary for residential development in France, contributing EUR 68 million to the revenues for the second half of the year.
- Since 23 September 2019 Immobel has been included in the BEL Mid index, the Mid-Cap stock Index of Euronext Brussels, reflecting the confidence of the market and the increased interest from investors in the company.
- Immobel has decided to increase its dividend by 10%, resulting in a dividend of EUR 2.66 per share<sup>4</sup>.
- The company took important steps in 2019 to strengthen its management structure in line with its ambitious growth path.

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<sup>1</sup> EBITDA (Earnings Before Interest, Depreciation and Amortisation) refers to the operating result before amortisation, depreciation and impairment of assets (as included in Administration Costs)

<sup>2</sup> Net result or profit refers to results for the year (Group share)

<sup>3</sup> Gross Development Value is the total expected future turnover (Group Share) of all projects in a portfolio

<sup>4</sup> Subject to approval of the Ordinary General Meeting of 28 May 2020



## Exceptional financial results

The table below provides the key consolidated figures for 2019 (EUR million):

Results	31/12/2019	31/12/2018	Variance
Revenues	419,5	326,1	+29 %
EBITDA	124,6	75,1	+66 %
Net profit Group Share	102,4	56,8	+80 %
Net profit per share (EUR/share)	11,66	6,47	+80 %
ROE	29,70 %	18,50 %	

Balance sheet	31/12/2019	31/12/2018	Variance
Inventory	961,1	744,0	+29 %
Equity	428,2	344,7	+24 %
Net debt	550,9	344,9	+60 %
GDV (In BEUR)	4,5	3,8	+19 %

Revenues in 2019 were mainly driven by residential sales in Belgium, France, Luxembourg and Germany (EUR 224 million), landbanking (EUR 38 million) and the sale of two office buildings (Nova and Infinity Working & Shopping) in Luxembourg (EUR 137 million). The key contributors to the residential sales are Nafilyan & Partners (EUR 68 million), O'Sea (EUR 25.4 million), Parc Seny (EUR 20.8 million) and Royal Louise (EUR 18.1 million) in Belgium, Infinity Living (EUR 37.2 million) in Luxembourg and Eden (EUR 17.1 million) in Germany.

Growth in EBITDA and net result was mainly driven by operating revenues and the sale of 50% of Möbius II in Brussels.

Inventory<sup>5</sup> increased by EUR 217.1 million following acquisitions of new projects in Germany, France, Belgium and Luxembourg, increasing the Gross Development Value of ImmoBEL's portfolio by more than EUR 900 million up to EUR 4.5 billion.

The increase in net debt of EUR 206 million is mostly the result of new acquisitions completed in 2019, follow-up investments in existing projects, the acquisition of the remaining 85% of Nafilyan & Partners and the payment of the yearly dividend. This resulted in a reduction in cash of EUR 15 million and an increase in gross debt of EUR 191 million.

<sup>5</sup> Inventory refers to Investment property, investments in joint ventures and associates, advances to joint ventures and associates, inventories and contract assets



## ... Driven by strong performance of its portfolio and exceptional transactions

The development portfolio at the end of 2019 included more than 1.200.000 m<sup>2</sup> (including Nafilyan & Partners) spread out over six countries (Belgium, Luxembourg, Poland, France, Spain and Germany) with an expected sales value of EUR 4.5 billion.

### Belgium

In Belgium, in addition to ten residential projects already operational in 2018 and three operational projects acquired as part of the acquisition of Urban Living Belgium in 2018, ImmoBel launched four new residential projects and generated turnover of EUR 145 million. In April 2019, 50% of the shares of Möbius II were sold to Fidentia, a Belgian real estate investment fund manager.

Various major residential projects are currently being commercialised and in their construction phase. The table below illustrates the sales performance of ImmoBel's teams:

Project	m <sup>2</sup>	% sold	Construction	Completion
<b>Universalis Park</b>	110,000 (Phase 1: 15,000)	98% (of phase 1)	started Q4 2015	Q4 2018
<b>O'Sea</b>	88,500 (Phase 1: 18,000)	86% (of phase 1)	started Q1 2017	Q4 2019
	(Phase 2: 24,000)	22% (of phase 2)	started Q3 2019	Q4 2022
<b>Vaartkom</b>	13,500	100%	started Q2 2018	Q3 2020
<b>Ernest</b>	50,000 (Phase 1: 23,800)	100% (of phase 1)	started in 2014	2016
	(Phase 2: 26,200)	97% (of phase 2)	started Q4 2017	Q2 2020
<b>Lake Front</b>	12,000 (Phase 1: 7,000)	100% (of phase 1)	started Q3 2014	Q3 2016
	(Phase 2: 5,000)	100% (of phase 2)	started Q2 2016	Q3 2018
<b>Riverview</b>	11,000	100%	started Q3 2015	Q4 2017
<b>Parc Seny</b>	13,200	87%	started Q4 2017	Q1 2020
<b>Royal Louise</b>	8,000	98%	started Q1 2018	Q4 2020
<b>Greenhill Park</b>	6,000	87%	started Q3 2017	Q1 2020
<b>'t Zout</b>	4,700	97%	started Q4 2017	Q4 2019
<b>Tunnelplaats</b>	26,000	60%	started Q3 2018	Q2 2020
<b>Vue Verte</b>	10,000	69%	started Q2 2017	Q1 2020
<b>Bree</b>	30,000	24%	started Q2 2019	Q4 2026
<b>Kattendijkdok</b>	5,400	91%	started Q2 2015	Q2 2018



<b>Plateau d'Erpent</b>	17,000	23%	started Q3 2018	Q3 2021
<b>Crown</b>	5,300	78%	starts Q3 2020	Q3 2022
<b>Les Cinq Sapins</b>	8,800	36%	started Q1 2019	Q4 2023

Landbanking (370 hectares) sold 154 plots.

The following office projects are under construction: Möbius I (28,000 m<sup>2</sup>, 100% sold) and Möbius II (32,000 m<sup>2</sup>) in Brussels CBD and Cala (20,000 m<sup>2</sup>) in Liège.

Permit applications have been submitted for various projects in or nearby Brussels such as Universalis Park (57,000 m<sup>2</sup>), Brouck'R (41,000 m<sup>2</sup>), Îlot Saint-Roch (26,000 m<sup>2</sup>), Lebeau (41,500 m<sup>2</sup>), Panorama (RAC 4) (58,100 m<sup>2</sup>), Commerce 46 (14,200 m<sup>2</sup>) and Key West (61,300 m<sup>2</sup>).

Immobel also acquired Centre Monnaie (62,000 m<sup>2</sup>) in Brussels, the current headquarters of bpost and the City of Brussels administrative services, together with Whitewood, a property and asset manager, and DW Partners, a US-based private equity group. It increased its stake in the Key West project (62,000 m<sup>2</sup>) in Anderlecht to 50%.

## Luxembourg

In Luxembourg, Immobel generated turnover of EUR 174.7 million in 2019 following the sale of the Nova and Infinity office buildings and the ongoing commercialisation of residential projects under construction.

The table below indicates various major residential projects that are currently pre-sold:

Project	m <sup>2</sup>	% sold	Construction	Completion
Livingstone	36,000	100% (of phase 1)	started Q3 2018	Q4 2020
		100% (of phase 2)	started Q4 2018	Q1 2021
Infinity	21,500	100% (Living)	started Q4 2017	Q3 2020
Fuussbann	8,100	100%	started Q1 2017	Q2 2019

Infinity Living project is now fully sold out.

Immobel Luxembourg sold 100% of its shares in Centre Étoile S.r.l, which owns the Nova office building (formerly Centre Étoile) located on Place de l'Étoile in Luxembourg, to the French insurance group Monceau Assurances. Furthermore, it sold Infinity Working & Shopping (13,300 m<sup>2</sup>) in November 2019 upon delivery of the project to REAL I.S., a German real estate asset manager.

The Polvermillen project (26,600 m<sup>2</sup>) is in the permit application stage.

## France

In France, Immobel continued the integration of its residential (Nafilyan & Partners) and office activities (Immobel France). It generated turnover of EUR 68 million (in the second half of 2019) mainly from



residential sales, which are currently under pressure due to a slowdown of new projects being permitted ahead of the municipal elections taking place in March 2020.

Furthermore, it acquired three office projects (Saint-Antoine (5,300 m<sup>2</sup>), Rueil Malmaison (28,000 m<sup>2</sup>) and Montrouge (8,700 m<sup>2</sup>). The permit application for Montrouge has already been submitted.

### **Poland**

In Poland, Immobel finished construction works on the first phase of Granary Island, which is 100% presold. Provisional acceptance of the apartments has started. A building permit application has been submitted for the subsequent phases of Granary Island (41,700 m<sup>2</sup>).

Immobel Poland continued construction of Central Point, an office project and a Warsaw flagship. It will ultimately provide 19,000 m<sup>2</sup> of floor space, including 18,000 m<sup>2</sup> of office space and 1,100 m<sup>2</sup> of commercial space.

### **Germany**

In Germany, Immobel acquired its first project (Eden) in Frankfurt's city centre, located between the central business district, the station and the exhibition centre. Construction of the project started in October 2019. Commercialisation has been launched successfully. 21% of the project has already been sold and turnover for 2019 amounts to EUR 17.1 million.

In October 2019, Michael Henn took up the function of CEO for Immobel Germany.

### **Spain**

In Spain, Immobel's leisure project (65,000 m<sup>2</sup>) at the Marbella seaside made significant progress with the conclusion of an agreement with the "Four Seasons" Hotel group, and the general permit procedure has reached the final stages.

For more information about the projects, please click [here](#).

## **A strong team, fit for growth**

Today, Immobel finds itself in the middle of an exciting period of development and growth: the company is continuing to consolidate its solid position in mature markets through unique expertise in the area of major urban project development. At the same time, it has ambitiously expanded activities in other countries where the company holds the position of a challenger. This demands agility and strong teamwork.

To that purpose, Immobel took important steps in 2019 to align its management structure with its ambitious growth path and its internal checks & balances. The company hired strong talent to expand its executive committee: Fabien Acerbis – CEO Immobel France (formerly General Director at Bouygues Immobilier), Johan Bohets – General Counsel/Chief Legal Officer (former Chief Risk Officer and Executive Member of the Board of Directors of Dexia), Filip Depaz – Chief Operating Officer (formerly former COO and Member of the NN Insurance Belgium Board of Directors) and Alexis Prevot – Chief Investment Officer (formerly Senior Portfolio Manager in the Real Estate & Infrastructure Department of the Abu Dhabi Investment Authority (ADIA). Furthermore, it appointed two leaders to head the German and Spanish subsidiaries, Michael Henn and Javier Reviriego, both experts in their respective markets.

Marnix Galle, Executive Chairman of the Board of Directors, has been combining his duties as Executive Chairman with those of Group CEO since 1 July 2019.



Immobel's staff consists of 50% men and 50% women.

Finally, Thierry Vanden Hende, a former Managing Director of the Morgan Stanley Real Estate Fund joined and strengthened the Investment Committee as a specialist external member.

### **Our contribution to a more sustainable society**

As a major player in urban development, Immobel has an important role to play in the field of durability and social responsibility.

The significant need for a more sustainable approach to our cities and better quality of life demands systematic integration of durability aspects in Immobel's projects. The company commits to searching and implementing initiatives that allow people to live and work in a more sustainable manner, e.g. creation of green and open spaces in urban environments, solutions for better mobility and optimisation of energy consumption.

In addition to advancing project-related sustainability, the Group contributed by donating up to 1%<sup>6</sup> of its net profits to organisations and associations operating in the areas of health, culture and social inclusion.

### **Financial calendar**

Ordinary General Meeting 2020	28 May 2020
Publication of 2020 half-year results	10 September 2020
Ordinary General Meeting 2021	27 May 2021 (prior to modification by the ASM)

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The statutory auditor, Deloitte Bedrijfsrevisoren CVBA, represented by Kurt Dehoorne, has confirmed that the audit, which is substantially complete, has not to date revealed any material misstatement in the draft consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows, and that the accounting data reported in the press release is consistent, in all material respects, with the draft consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows from which it has been derived.

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<sup>6</sup> Average over 5 years



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## About Immobel:

Immobel is the largest listed real estate developer in Belgium. The group, founded in 1863, specialises in innovative, metropolitan projects that fit the lifestyle of the contemporary user. The company develops mixed real estate with a variety of functions: living, working, shopping and relaxing. Finally, it is also active in landbanking. With a stock market value of over EUR 700 million and a portfolio of more than 1,200,000 m<sup>2</sup> of project development in six countries (Belgium, Grand Duchy of Luxembourg, Poland, France, Spain, Germany), Immobel occupies a leading position in the European real estate landscape. The group strives for sustainability in urban development. Furthermore, it uses part of its profits to support good causes in the areas of health, culture and social inclusion. Immobel employs approximately 200 people.

For more information, please go to [www.immobelgroup.com](http://www.immobelgroup.com)