



HOME INVEST  
BELGIUM

# Analysts Meeting H1 2016 Results





## Topics

1. Company profile & key figures
2. Key achievements in H1 2016 – perspectives H2
3. Stock performance
4. Belgian residential market

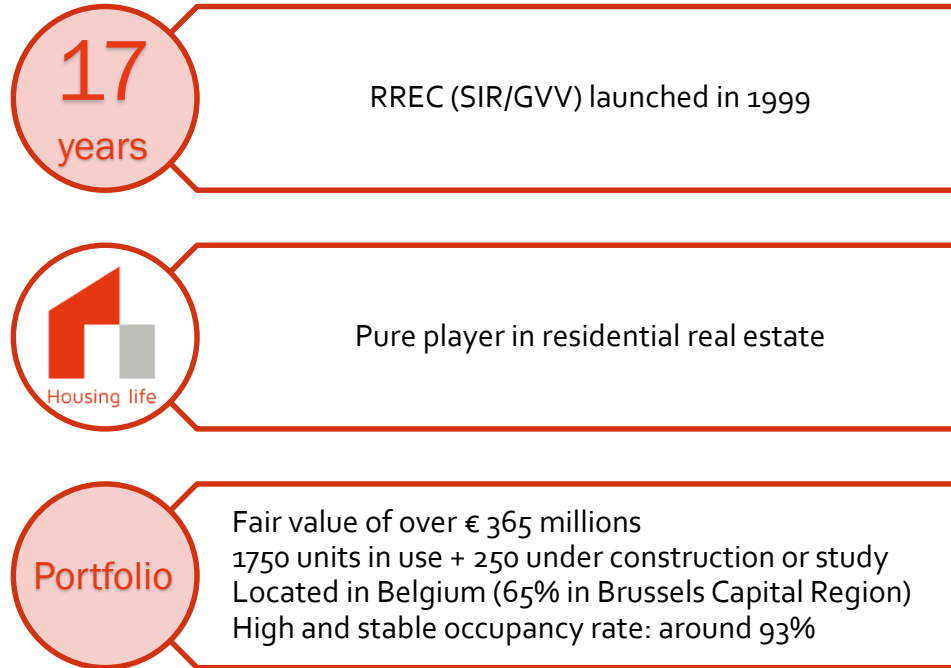


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## Company profile





## Company profile



Team of over 30 people  
Managing the full cycle of property



Debt ratio:  $\pm 40\%$   
Pay-out ratio:  $\pm 90\%$



Listed on Euronext Brussels  
Market capitalization  $\pm \text{€ } 310$  millions



# A strategy based on four pillars - Managing the full cycle of real estate





## Key figures

Property portfolio	30/06/2016	2015	2014
Total fair value	€ 368,1 mio	€ 348,6 mio	€ 322,3 mio
Investment properties in operation	€ 344,1 mio	€ 313,6 mio	€ 282,6 mio
Development projects	€ 22,5 mio	€ 32,5 mio	€ 33,9 mio
Buildings to be sold	€ 1,6 mio	€ 2,5 mio	€ 5,8 mio
<b><u>Detailed overview of investment properties in operation</u></b>			
Total surface	160 263 m <sup>2</sup>	146 841 m <sup>2</sup>	142 200 m <sup>2</sup>
Number of sites	44	43	42
Number of leases	1.754	1.503	1.311
Occupancy rate	93,15%	93,89%	94,01%
Gross yield on rents received or guaranteed	5,79%	5,79%	6,15%



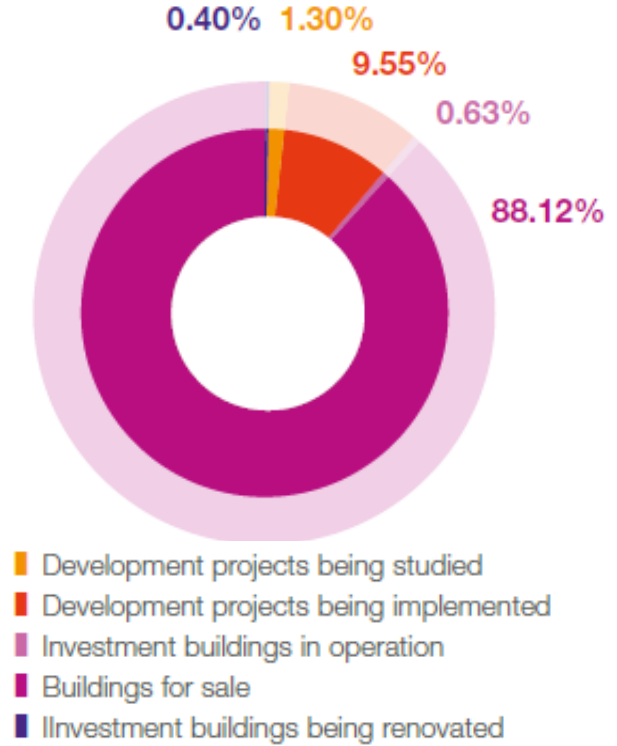
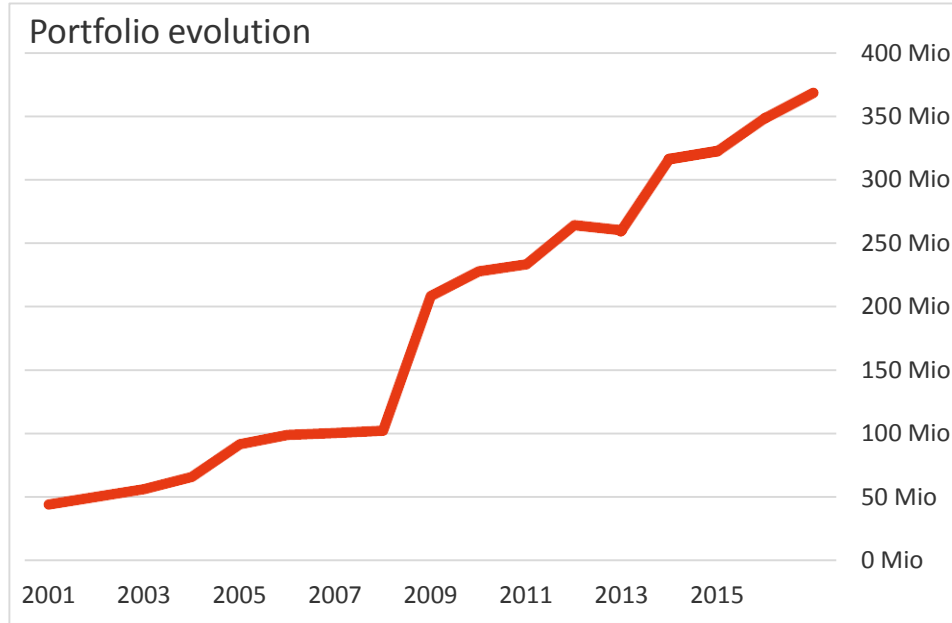
## Key figures

Consolidated results	30/06/2016	30/06/2015
In € million		
Net rental result	€ 9,14 mio	€ 8,58 mio
Property result	€ 7,41 mio	€ 7,41 mio
Operating result before portfolio result	€ 4,71 mio	€ 4,45 mio
Result on sales (vs last fair value)	€ 0,18 mio	€ 0,37 mio
<i>Distributable result on sales</i>	€ 2,35 mio	€ 2,64 mio
Changes in fair value of investment properties	€ 4,18 mio	€ 2,65 mio
Operating result	€ 9,07 mio	€ 7,47 mio
Net result	€ 4,24 mio	€ 7,37 mio
Net current result excluding IAS 39	€ 3,19 mio	€ 2,59 mio
Distributable result	€ 5,56 mio	€ 5,29 mio
Distributable result per share	€ 1,76	€ 1,68
Debt ratio	43,21%	42,52%



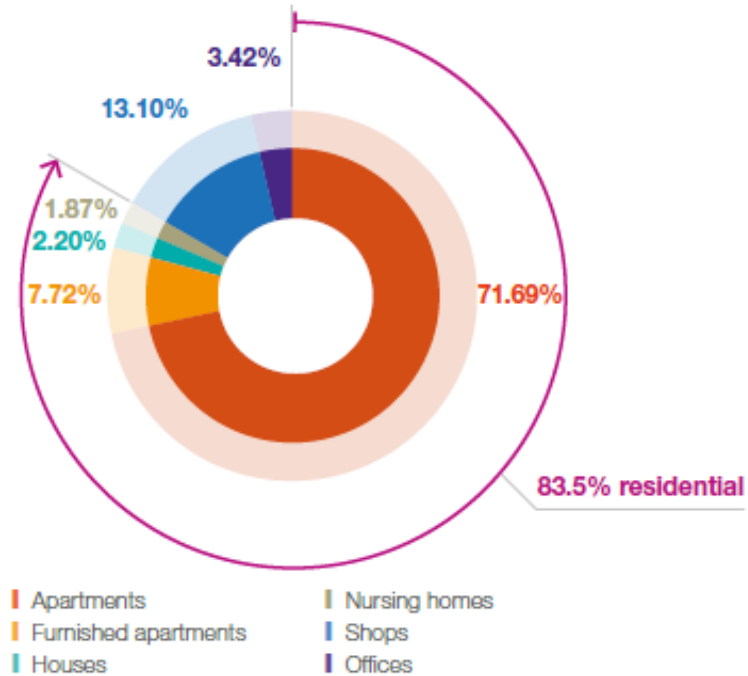


# Portfolio





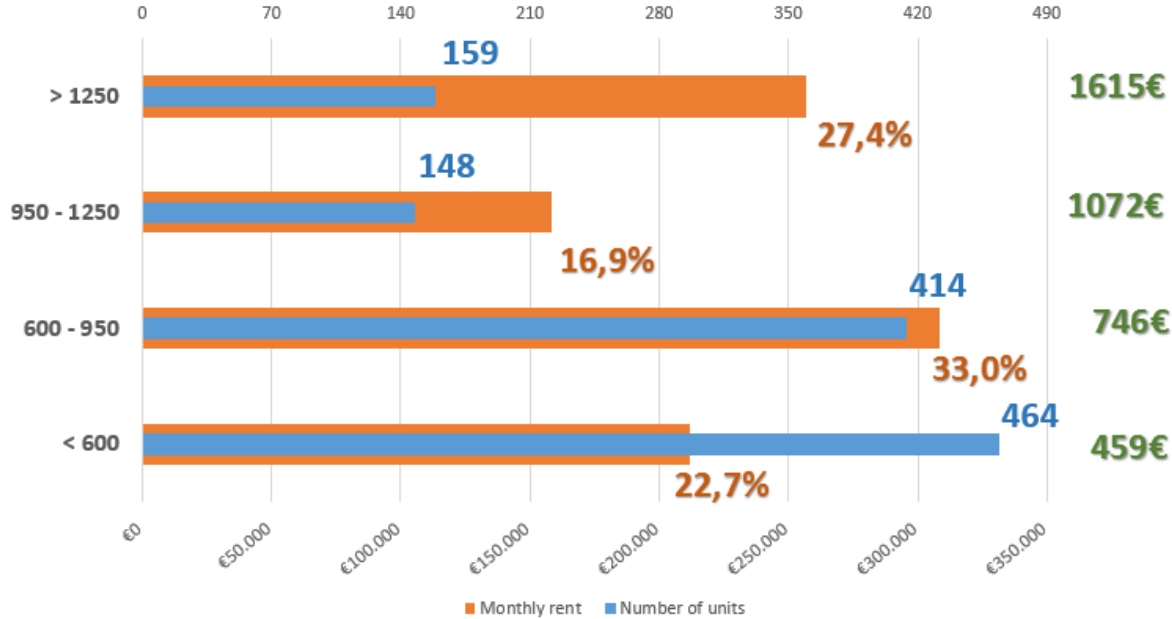
# Portfolio



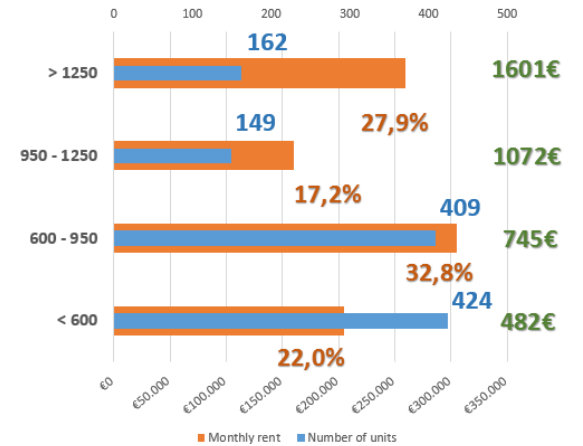


# Portfolio

Rent of unfurnished apartments 30-06-2016



Rent of unfurnished apartments 31-12-2015





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## Financing - Hedging

- Restructuration of 2015 continue in 2016
  - Benefits:
    - Better average cost of funding  
(**2,63%** vs 3,40% in 2015 and 3,63% in 2014)
    - Better hedge maturity – less exposure to increase

Financing	Confirmed credit lines	Withdrawals
Bank financing	€ 125 million	€ 114.5 million
Bond issues	€ 40 million	€ 40 million
<b>Total</b>	<b>€ 165 million</b>	<b>€ 154.5 million</b>
<b>Active hedging instruments at 30 June 2016</b>		<b>IRS</b>
<b>Total</b>		<b>€ 85 million</b>

The **average duration of interest rate hedges** was increased to 6 years and 6 months at 30 June 2016, compared to 5 years and 7 months at 31 December 2015.



## Acquisitions – Existing buildings

### Oudenaarde

- Building to be renovated
- 80 studios
- 15 apartments (1 & 2 bedrooms)
- Value add strategy



## Acquisitions – Development projects

- Célidée Molenbeek
  - 96 units
  - Works started





# Development

- 10% of the portfolio in development (limit of 25% fixed by the BoD)
- Projects under progress

Name	# units	Delivery	Investment 12/2015	Investment Total
MTC1	95	Q1 2017	11,1	19,5
Célidée	95	Q3 2018	-	17,0
Reine Astrid	40	2018 (?)	3,7	3,7 (till permit)
Brunfaut	96	2019 (?)	0,1	0,1 (till permit)

➤ Important growth potential



## Development – Marcel Thiry



- Woluwe Saint-Lambert
- 9.500 m<sup>2</sup>
- 95 apartments
- Delivery : Q1 2017
- Allotment permit introduced for adjacent plot of land



# Property management

- Occupancy rate of 93,15 %
  - Impact of commercialization period of new buildings
  - Great commercial success of Trone – Livingstone – The Link - ArchView - Ghlin





# Property management

- The Horizon
  - Brand new concept
  - New generation building





# Disposal process

- Why?
  - Maximisation of capital gains
  - Regular « cleaning up » of less performing assets in our portfolio
  - Continuous rejuvenation of our portfolio
- Achievements H1 2016
  - 14 apartments
  - 4 houses



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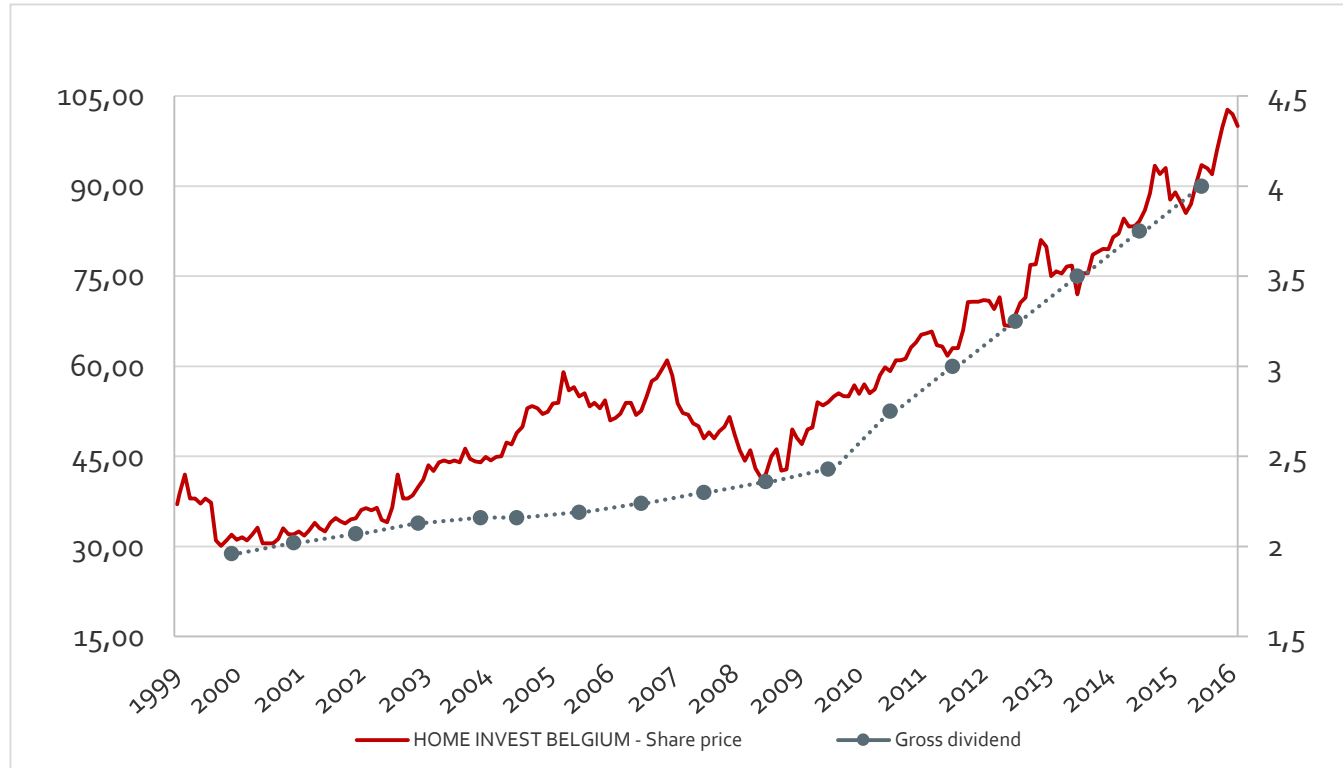


## Stock - Key figures

- +8 % in H1 2016 (€92,59 - €100,00)
- Premium of 47 %
- Dividend of € 4,00 for 2015
- 27% withholding tax as from 1/1/2016
- Low volumes on the stock
- Interim dividend to be announced on 27/10/2016 (results Q3)



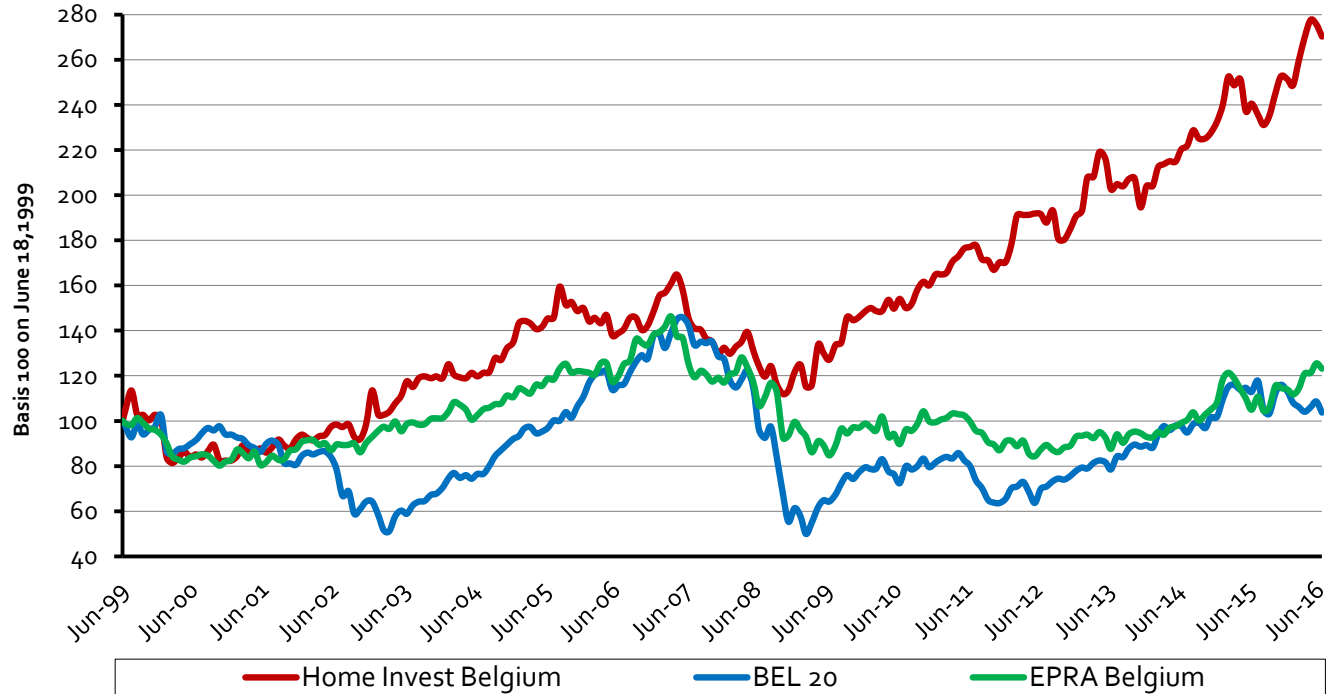
## Evolution of the stock price & dividend





# Comparison return

Comparison Stock price evolution: Home Invest Belgium - BEL 20 - EPRA Belgium Index







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# Belgian residential market H1 2016

## Investment Market

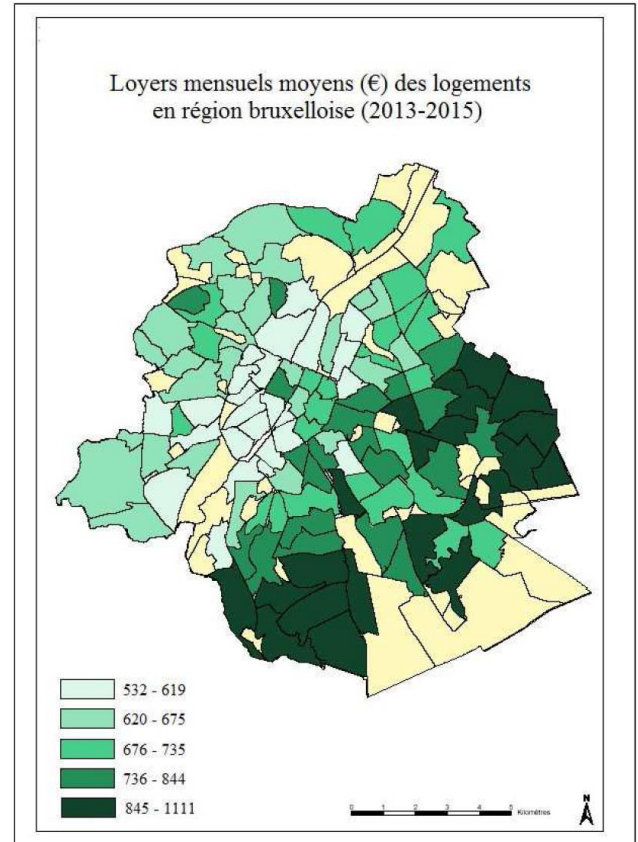
- Still cheaper credits (- 15 à -50 bp)
  - Less return on alternative investments
  - Growth of population
- ⇒ Strong activity and prices rising (especially for new apartments)



# Belgium residential market H1 2016

## Letting Market

- Cf. Observatoire Loyers 2015 (Brussels)
- Average rent : 709 EUR/month
- Median rent: 650 EUR/month
- Evolution in line with inflation
- Decreasing rotation





Your questions are welcome !

Thank you for your attention !



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