



2017 Figures, context and perspectives Analysts Meeting dated February 28, 2018



RECYCLING OUR CITIES



Executive Summary

Executive Summary

- Losses divided almost by 4: from -15,4 to **-3,9M**
- 6 sales for 65M revenue
- Decrease of rents, as expected, after sales in 2016 & 2017
- Strong costs reduction with **-29%**
- Fair value adjustments on assets for -5M and on financial instruments for +3,3M
- Marked drop in average debt with -43% or **-105M** at 138M
- Banimmo France sold
- Commercial activity: back in the shortlists



Consolidated P&L and Balance Sheet

Consolidated P&L in KEUR

| Consolidated results | | | |
|---|----------------|----------------|----------------|
| <i>(in '000 euros)</i> | 2017 | 2016 | 2015 |
| Rental income from Investment properties | 6.996 | 11.640 | 11.402 |
| Income from sales of Inventories | 54.952 | 132.716 | 17.612 |
| Income from sales of works in progress | 3.142 | - | 23.093 |
| Turnover from recurring activities | 65.090 | 144.356 | 52.107 |
| Rental charges | -3.027 | -3.444 | -3.283 |
| Costs from sold Inventories | -44.011 | -72.092 | -16.869 |
| Costs from sold Works in progress | -2.577 | - | -17.502 |
| Costs from recurring activities | -49.615 | -75.536 | -37.654 |
| Résultat opérationnel des immeubles | 15.475 | 68.820 | 14.453 |
| Management fees and commissions | 587 | 548 | 1.092 |
| Net result of transfers on real estate operations (IP) | 0 | -1.269 | -3.925 |
| Variations of fair value on investment properties (IAS40) | -1.101 | -386 | -575 |
| Variations of value of assets in Inventories | -3.829 | -14.713 | -4.000 |
| Other operational charges/revenues | -155 | -424 | -16 |
| Real estate result | 10.977 | 52.576 | 7.029 |
| Administrative costs | -6.941 | -9.683 | -9.077 |
| Others | - | - | - |
| Operational result | 4.036 | 42.893 | -2.048 |
| Financial costs | -6.029 | -38.729 | -32.486 |
| Financial revenues | 482 | 1.925 | 1.953 |
| Share in result of joint ventures and associates | 81 | -1.122 | -2.035 |
| Impairment (provisions / reversals) on investments in joint ventures and associates | -203 | 449 | - |
| Net result of transfers on participations accounted by the equity method | 0 | -1 | 1.038 |
| Other financial assets revenues/costs | -1 | 90 | -109 |
| Result before taxes | -1.634 | 5.505 | -33.687 |
| Taxes | -2.278 | -20.915 | 453 |
| Result of the financial year | -3.912 | -15.410 | -33.234 |

Consolidated Balance Sheet (in KEUR)

| Balance Sheet | | | |
|---|----------------|----------------|----------------|
| <i>(in '000 euros)</i> | 2017 | 2016 | 2015 |
| ASSETS | | | |
| Non-current assets | | | |
| Investment properties | 26.995 | 37.879 | 65.948 |
| Property, plant & Equipment | 219 | 335 | 493 |
| Intangible assets | 200 | 58 | 75 |
| Investments in companies accounted by equity method | 5.271 | 6.403 | 7.520 |
| Deferred tax assets | 281 | 255 | 5.504 |
| Long-term financial assets | 4.496 | 24.423 | 45.862 |
| Commercial receivables and other receivables | 540 | 1.628 | 4.982 |
| Total non-current assets | 38.002 | 70.981 | 130.384 |
| Current assets | | | |
| Inventories | 98.035 | 138.613 | 192.387 |
| Work in progress | 0 | 2.569 | 2.281 |
| Short-term financial assets | 19.171 | 819 | 818 |
| Commercial payables and other payables | 16.897 | 22.424 | 20.516 |
| Deferred tax liabilities | 152 | 54 | 652 |
| Cash | 5.651 | 37.157 | 3.551 |
| Non current assets hold for sale | 10.541 | 0 | 0 |
| Total current assets | 150.447 | 201.636 | 220.205 |
| Total assets | 188.449 | 272.617 | 350.589 |
| Equity | | | |
| Total Equity | 54.137 | 57.743 | 73.090 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Long-term financial debts | 77.751 | 108.213 | 159.570 |
| Long-term derivative financial instruments | 2.182 | 6.053 | - |
| Provisions | 1.591 | 2.751 | 2.085 |
| Commercial payables and other payables | 1.983 | 2.591 | 4.256 |
| Total non-current liabilities | 83.507 | 119.608 | 165.911 |
| Current liabilities | | | |
| Short-term financial debts | 37.374 | 63.950 | 86.976 |
| Short-term derivative financial instruments | 602 | 33 | 6.416 |
| Current tax debts | 2.723 | 17.437 | 161 |
| Provisions | 29 | 74 | 76 |
| Commercial payables and other payables | 10.077 | 13.772 | 17.959 |
| Total current liabilities | 50.805 | 95.266 | 111.588 |
| Total equity and liabilities | 188.449 | 272.617 | 350.589 |



Main Assets

Main assets

| | | | |
|------------------|--|-----------------------|---|
| Assets in IAS 40 | Diamond Da Vinci H3 | Joint Ventures | GBTL, Ghent Bureau Cauchy C |
| Assets in IAS 2 | North Plaza Ans Da Vinci H2 Da Vinci H5 Da Vinci - Quentris Da Vinci - Raket Invest AES - Factor Three Rocquencourt Gand champ 12 Gand champ 5 SDEC Charleroi Verpantin La Défense Anglet | Financial assets - LT | Shares in Atlantic Certificates Shares in Palais Expos Charleroi Receivables on LCV (Besix) |
| | | Financial assets - ST | Loans to Conferinvest Loans to the Hotels Loans to Lex84 |
| | | Assets hold for sale | Asset Athena BP / Groenloo Shares in Conferinvest Shares in Lex84 |

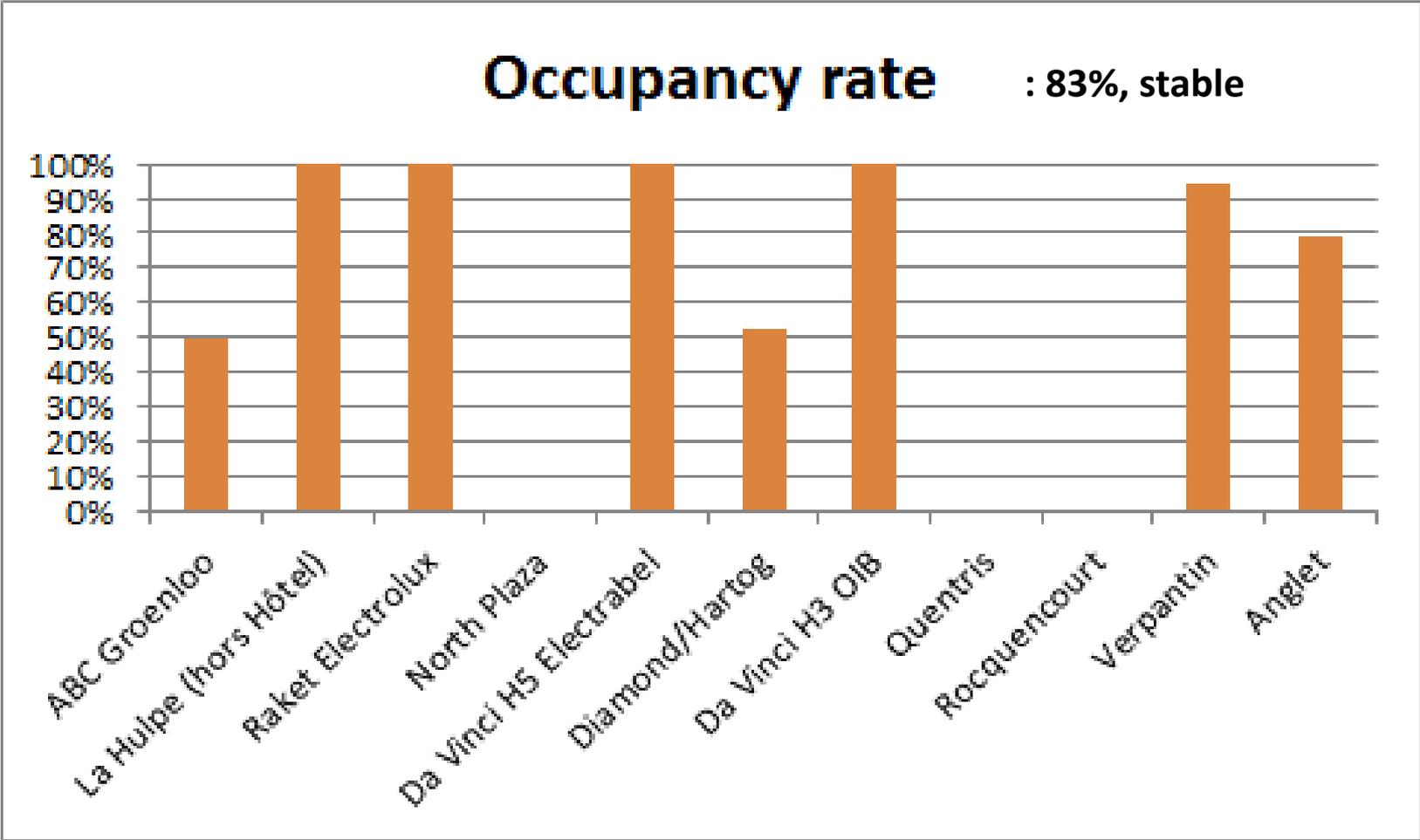


Commercial and rental activities

- Land Ans : 1 sale signed under condition of getting permit; 25% of the total surface.
- Da Vinci Quentris : 1 potential buyer
- Da Vinci AES: 1 potential buyer
- Diamond / Hartog in Forest: 2 potential tenants for 6-7000 m² - decision between Q2 and Q3
- Offices development on land v5 in Gent : several potential tenants

- North Plaza: 1 potential buyer under condition of getting specific permit (sale agreement to be signed in coming days) and 1 potential tenant for 60%
- Rocquencourt: several files in final stage – sale agreement to be signed in coming days.
- Groenloo: sale process launched – managed by JLL – 30 companies active in the Dataroom.
- Dolce Chantilly: sale process under progress

Rental activities



The above rate is based on real vacant spaces and not the premises under redevelopment



Development activities

Development activities

- Athena Business Park → Groenloo residential development in Vilvoorde
 - RUP obtained for 220 residential units



Development activities

- North Plaza: vertical split of the building in 2
 - Permit under progress
 - As a result of this split in 5000 + 9000 m², 2 entrances + larger flexibility in the spaces proposed for rental: from 400 to 900 m²



Development activities

- Conferinvest and the Dolce hotels:
 - Renewal with Deloitte University for a new period of 3 years starting June 2018. Extension also to Chantilly. Better conditions in terms of occupancy and revenue
 - Offices in the B14: the new concept of WIP (on 2 levels) is a success – fully occupied and profitable. Other levels are fully rented.
 - Active in the division of the site in order to isolate the hotel and the other activities → new Cy “La Hulpe Real Estate”
 - Hotels are no longer part of the Strategy



- La Défense in Paris
 - We signed the “Convention d’Occupation Temporaire” for 55 years and the contract for the building phase.
 - Rental agreements for the food court are being signed at a good pace.



Development activities

- Investments in Verpantin
 - Renovation works of the gallery
 - Circa 2 MEUR invested in 2017



- Investments in Diamond
 - In order to create extra life in the building in the context of the new way of working and living
 - Investments (0,4M) decided to reshape the atrium; to be finalized for the summer.





Investment activities

- New project won in Nice
 - Halle de la Gare des Sud
 - Long term lease for 45 years
 - In order to develop a food and vintage court on 2700 m²





Divestment activities

Divestment activities

- Signed in February 2017
 - Sale of the company Tervueren Invest, owner of the Offices Building “Desguin” in Antwerpen
 - Asset valued at 13,250 MEUR
 - Sold at its book value



Divestment activities

- Signed in July 2017
 - Les Halles Secrétan in Paris: sold on July 27th, 2017
 - Asset valued at 27,8MEUR (yield of 4%)
 - Solid margin



- Signed in November & December 2017
 - Cauchy C, offices rented to the SPW (Service Public de Wallonie) and future cash flows sold to Belfius.
 - Cauchy A, potential new development on the same site: sale of our 50% stake to our partner, Thomas & Piron
 - Revenue of $3,1 + 1,9 = 5$ MEUR. Limited margins



Divestment activities

- Signed in November 2017
 - Galerie Vaugirard, Paris
 - Sale of the SPV to our reference shareholder Affine
 - Provisional price, to be settled at effective sale of the asset.
 - Sale at 11,7MEUR. No margin.



- Sold in April and in November 2017
 - Urbanove: latest steps
 - April : sale of SPV “le Côté Verre” to Besix RED for the developments in Namur
 - November: sale of assets owned by 3 SPV’s to City Mall for the developments in Verviers
 - Since end 2016, we had no financial exposure any longer. Now the file is really closed.

- Signed end 2017 and closed yesterday
 - Sale of our shares in Banimmo France
 - Process started in September 2017 by the search for a 50-50 partnership
 - As a consequence of the new strategy of Banimmo
 - Better future for this very specific “niche” activity
 - New shareholder: Montefiore Investment, French PE fund
 - 14M cash
 - 28,3M less financial debt
 - Decrease of Inventories in IAS2 with 38,6M



Operational and administrative costs

- Costs 2017: at 6,9 MEUR versus 9,7 MEUR last year → decrease by -29%
- Well below our 2017 target and already below the 2018 target as set up end 2016.
- Continuous actions to decrease all costs components



NAV and adjusted NAV

NAV Evolution

| | 31/12/2016 | 30/06/2017 | 31/12/2017 |
|------------------|------------|------------|------------|
| Equity in KEUR | 57 743 | 53 339 | 54 137 |
| NAV/share in EUR | 5,1 | 4,7 | 4,8 |

* Based on 11,356,544 total shares

| | 31/12/2016 | 31/12/2017 |
|-----------------------------------|------------|------------|
| Equity after reevaluation in KEUR | 82 675 | 66 291 |
| Adjusted NAV/share | 7,3 | 5,8 |

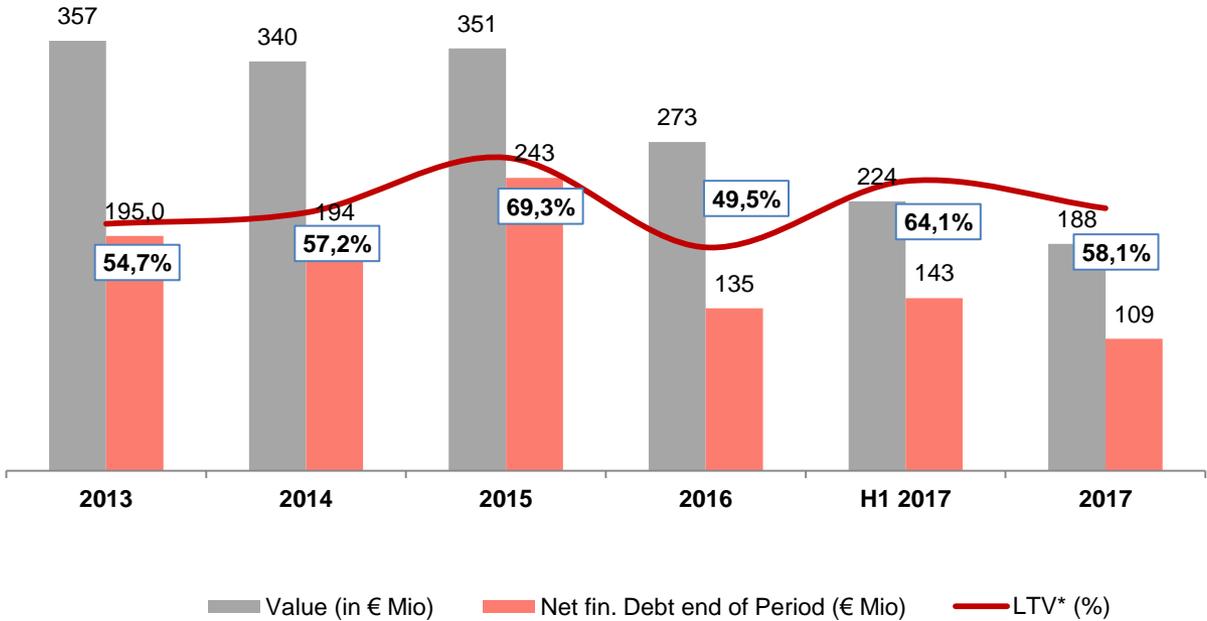
- Decrease with -1,5 EUR per share explained by the 2017 results, the values slightly revised for the Hotels, GBTL (as a consequence of the end of the DOC project) and French assets.

Based on 11,356,544 total shares



Financing

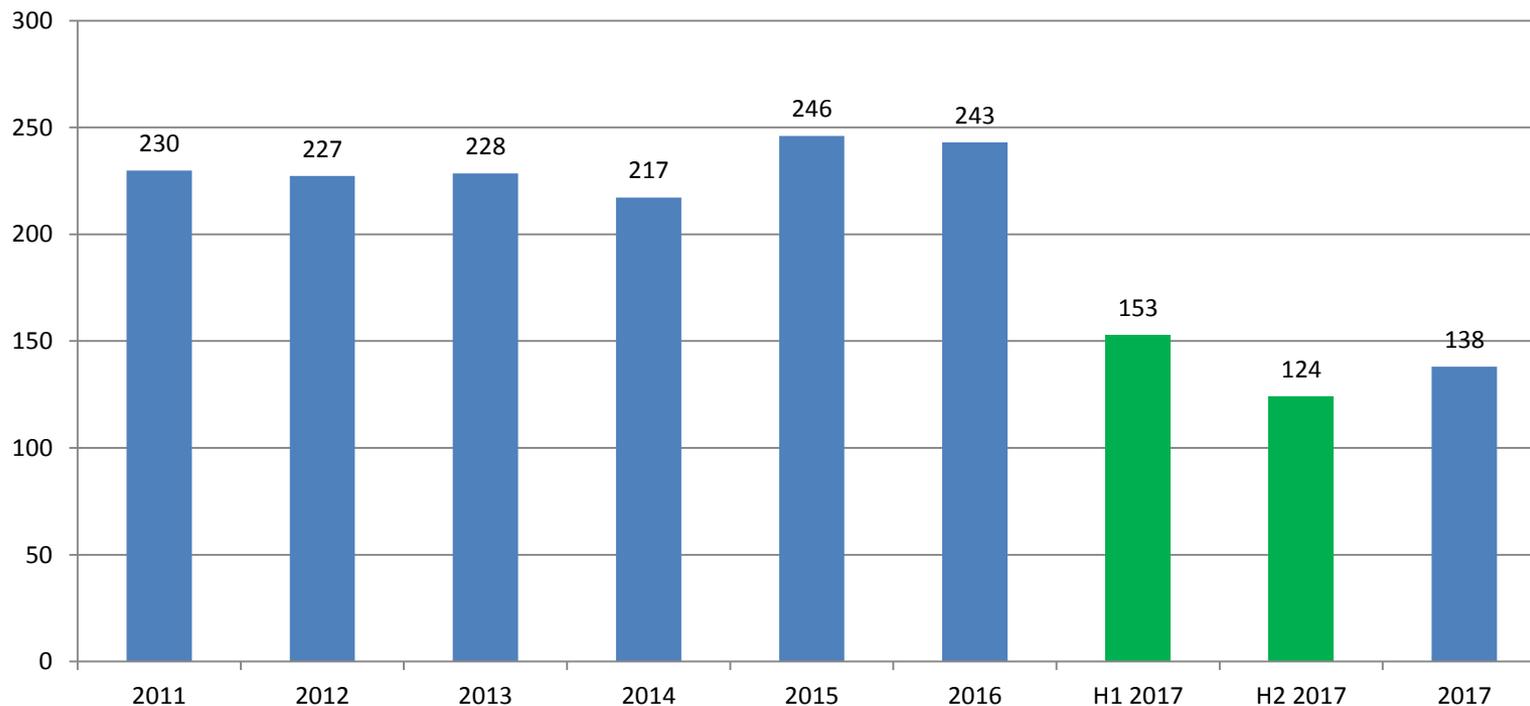
LTV Evolution (values in KEUR)

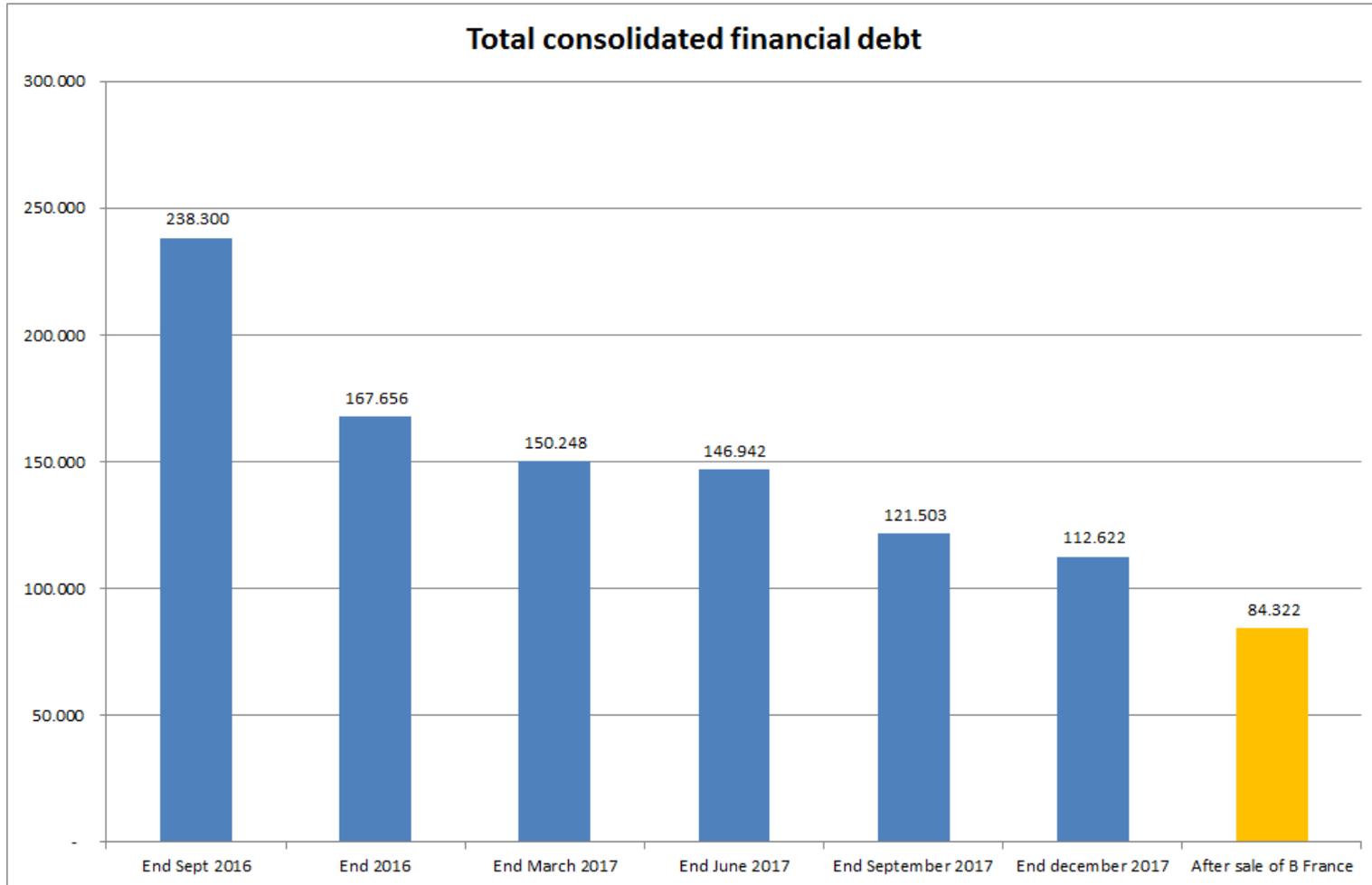


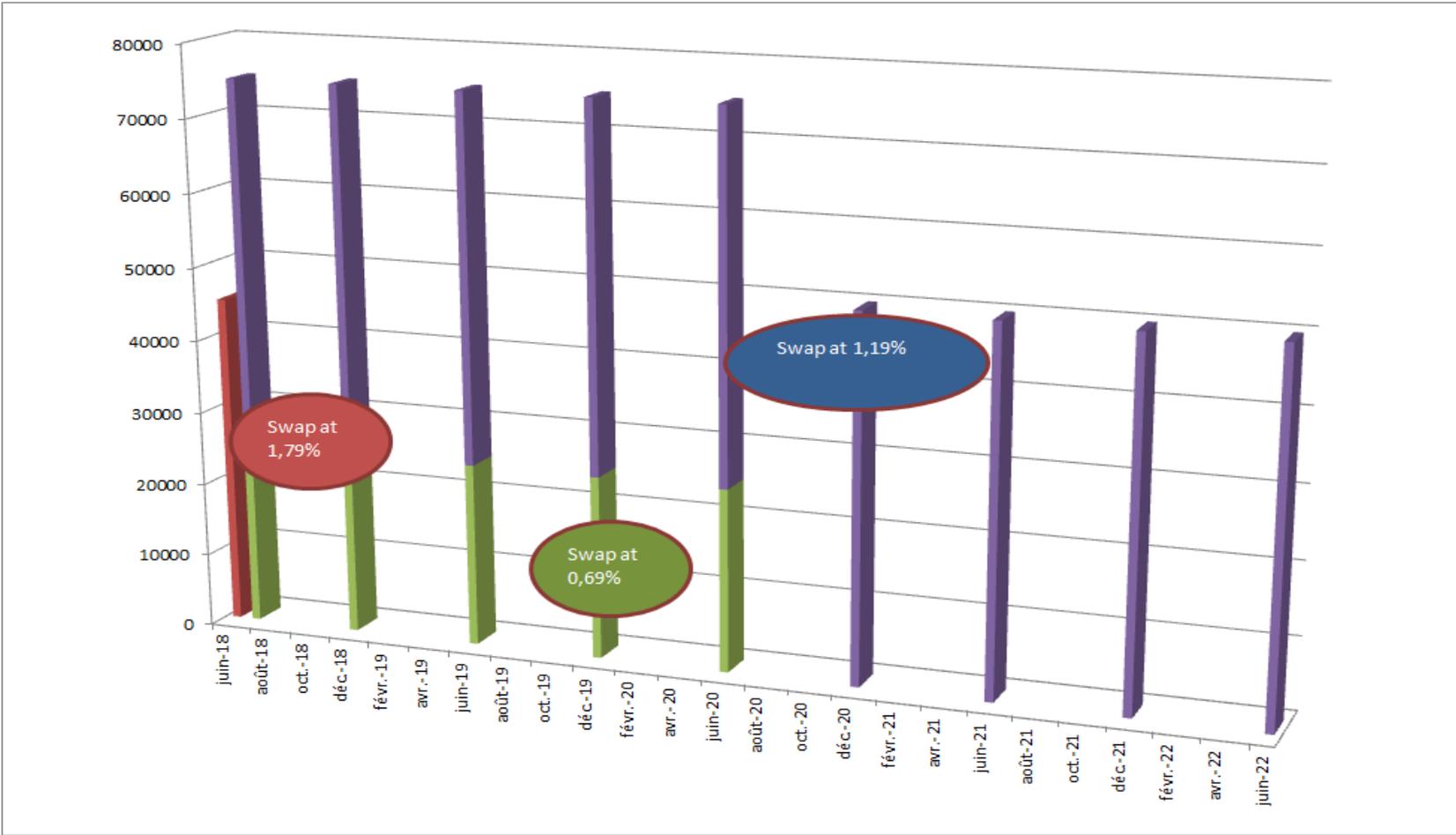
(*) Expressed as net financial debt on total assets

Financial Debt in average (values in KEUR)

Financial debt in average







We comply with all the financial covenants associated to the syndicated loan (no longer valid as fully repaid) and the bonds 2018 & 2020.



Portfolio as of end 2017

- Existing assets
 - 14 buildings/assets
 - From which 4 are hold in partnerships
 - For a total of 143 000 m²
- Lands or assets to be developed
 - 12 assets/projects
 - From which 3 in partnership
 - For a total to be developed of 325 000 m² (our share)

Portfolio in SQM

| <u>Existing buildings: 14 sites</u> | | | |
|-------------------------------------|--------|--------------|----------------|
| | SQM | Our share | Existing SQM |
| Diamond Hartog | 14.300 | 100% | 14.300 |
| Athena BP/Groenloo Vilvoorde | 26.000 | 100% | 26.000 |
| Da Vinci H3 | 12.450 | 100% | 12.450 |
| North Plaza | 14.500 | 100% | 14.500 |
| Da Vinci Quentris | 3.050 | 100% | 3.050 |
| Da Vinci H5 | 3.800 | 100% | 3.800 |
| Da Vinci Raket Electrolux | 8.250 | 100% | 8.250 |
| Rocquencourt | 18.200 | 100% | 18.200 |
| Verpantin | 4.800 | 100% | 4.800 |
| Anglet | 4.600 | 100% | 4.600 |
| Atlantic House | 28.000 | 15% | 4.200 |
| Dolce B14 | 5.900 | 49% | 2.891 |
| Dolce La Hulpe | 36.000 | 49% | 17.640 |
| Dolce Chantilly | 17.000 | 49% | 8.330 |
| | | Total | 143.011 |

| <u>Land reserve for future developments : 12 sites</u> | | | |
|--|---------|--------------|---------------------|
| | SQM | Our share | SQM to be developed |
| Da Vinci H2 | 22.000 | 100% | 22.000 |
| Da Vinci H3 (additional) | 21.550 | 100% | 21.550 |
| Da Vinci AES | 22.700 | 100% | 22.700 |
| Ans | 85.100 | 100% | 85.100 |
| SDEC Charleroi | 72.600 | 100% | 72.600 |
| Forest 3 | 7.500 | 100% | 7.500 |
| Ghent v12 | 157.650 | 25% | 39.413 |
| Ghent v5 | 32.156 | 80% | 25.725 |
| Ghent v3 | 18.500 | 80% | 14.800 |
| La Défense | 4.700 | 100% | 4.700 |
| Montpellier | 6.350 | 100% | 6.350 |
| Nice | 2.700 | 100% | 2.700 |
| | | Total | 325.137 |

List of Belgian assets

LIST OF ASSETS to DEVELOP

Rocquencourt (managed by Belgium even if in France)
Rocquencourt (18 200 sqm)



The Loop, Field 05,03 & 12
Ghent (80 000 sqm)



Forest Lot 3
Forest - Brussels (7 500 sqm)



Bonne Fortune
Ans (85 100 sqm)



Groenloo
Vilvoorde (26 000 sqm)



SDEC
Charleroi (72 600 sqm)



Da Vinci H2
Evere - Brussels (22 000 sqm)



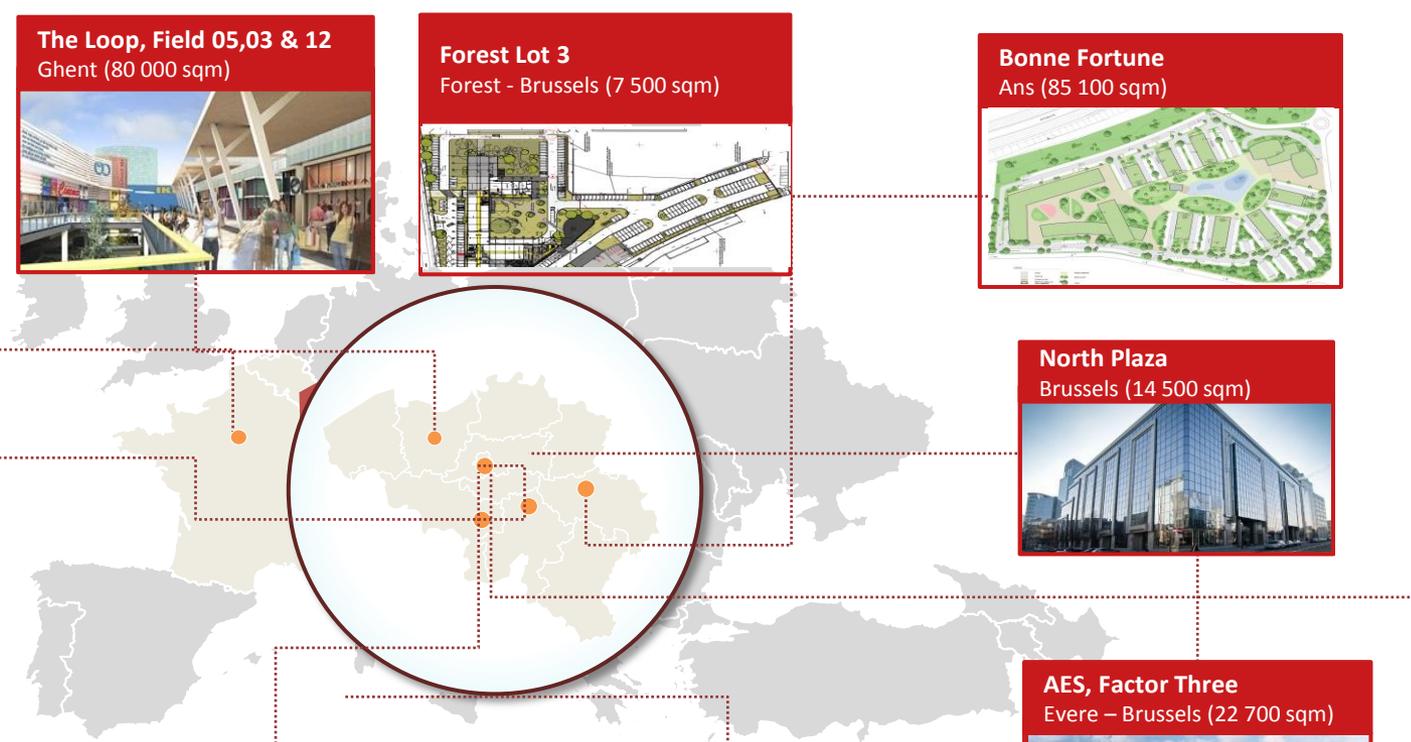
Da Vinci H3 (after Sep. 2023)
Evere - Brussels (21 550 sqm)



North Plaza
Brussels (14 500 sqm)



AES, Factor Three
Evere - Brussels (22 700 sqm)



List of Belgian assets

LIST OF NOI ASSETS

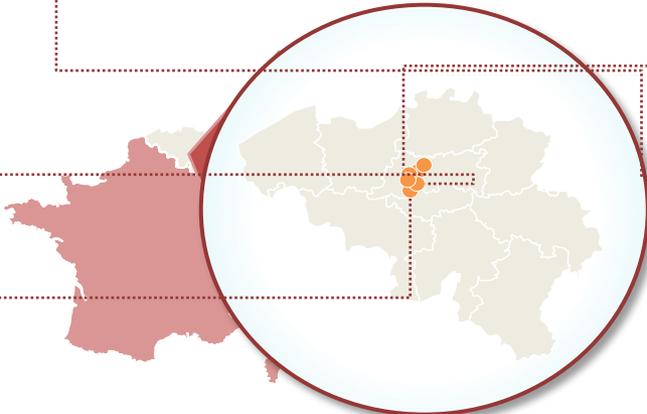
Da Vinci - Quentris
Brussels (3 050 sqm)



Da Vinci – Raket Invest
Brussels (8,250 sqm)



Dolce B14 – B09 – B10 – B11
La Hulpe (5 900 sqm)



Diamond & Hartog building
Brussels (14 300 sqm)



Da Vinci H5
Brussels (3,800 sqm)



Da Vinci H3
Brussels (12 450 sqm)



List of French retail operations

LIST OF ASSETS

Verpantin
Pantin (4,768 sqm)



Secrétan
Paris (4,139 sqm)



Anglet
Anglet (5,134 sqm)



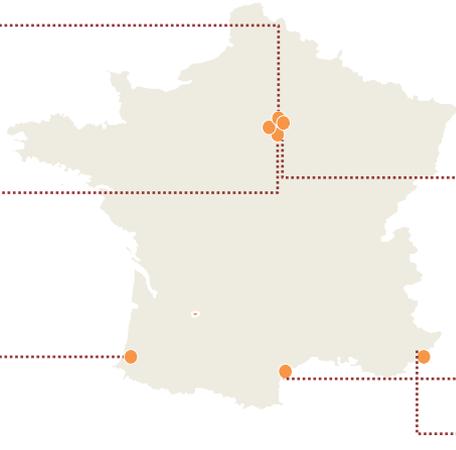
Nice
Halle Gare du Sud (2,680sqm)



La Défense
Table Square (4,682 sqm)



Montpellier
Nv. Saint-Roch (6,335 sqm)





Strategy and Perspectives

Our strategy is: « back to basics »

- In the Offices and in Belgium
- Built-to-Suit or multi tenants projects to be developed on Banimmo's wide land reserve at Ghent, Ans, Charleroi, Namur and Brussels.
 - Banimmo is convinced of the existing potential for Offices of around 5-7 000 m² on these locations.
- Heavy refurbishments due to accelerated obsolescence.
- Focus also put on the occupancy level of the productive assets

Before May 2018: still concentrated on bond repayment

- Sale and refinancing process in order to repay the bond issue of May 30, 2018 for an amount of 34M
- Several files are concerned among which the sale of Banimmo France.

After the summer 2018: back on the market!

- Start of works at Ghent Field 5 where 2 permits can be executed
- Request of building permits for first development in Ans
- Search for new acquisition, opportunistic, 5-6000 sqm Offices, CBD Brussels.
- ...



Thank you for your attention



RECYCLING OUR CITIES