

PRESS RELEASE

RESULTS 1ST QUARTER 2017

- Quarterly results
 - Growth of the fair value of the portfolio to over € 415 million
 - Increase of the net rental result to € 5.4 million
 - Further decrease of the funding cost to 2.27%
- Approval by the General Meeting of the dividend of € 4.25 for the year 2016



Jourdan 95

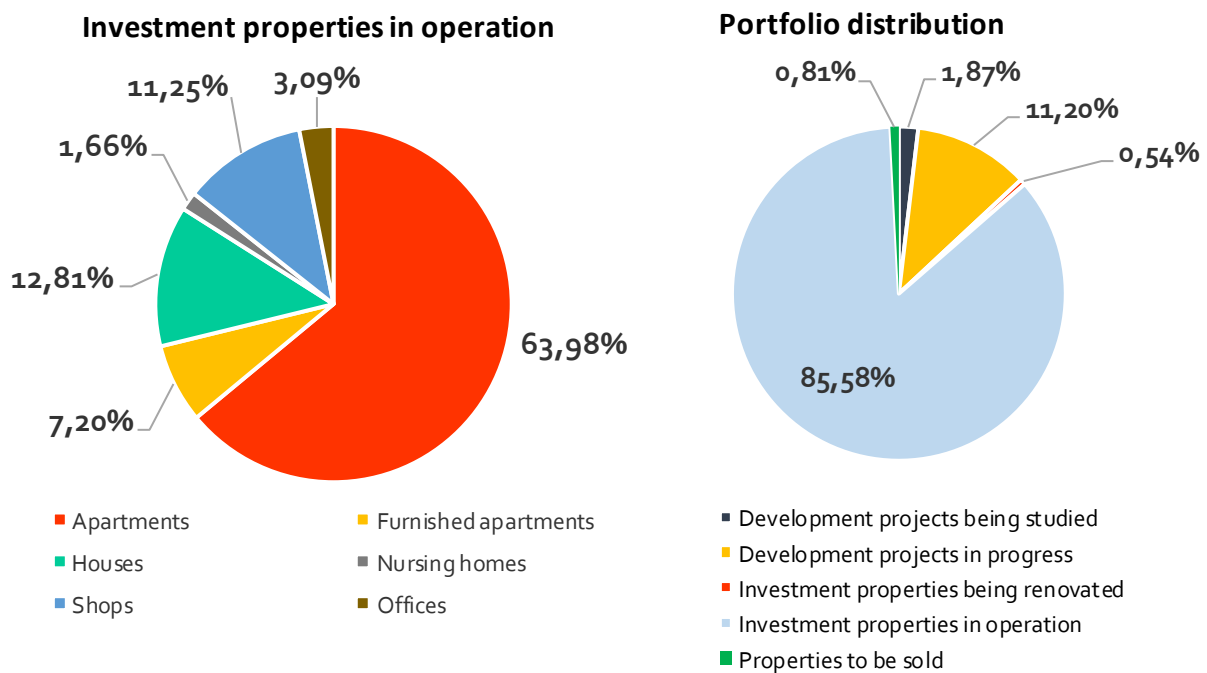
The property portfolio

The **fair value** of the investment properties⁽¹⁾ amounts to € 416.2 million on 31 March 2017 and increases by 1.8% in comparison with the situation on 31 December 2016 (€ 408.8 million).

The current **gross rents** augmented by the estimated rental value (ERV) on vacant surfaces amount to € 23.8 million.

The breakdown of this portfolio of investment properties, calculated based on the fair value of the buildings, is illustrated by the graphs below.

The investment properties located in the Brussels-Capital Region represent 61.4% of the portfolio of Home Invest Belgium, those in Wallonia 17.9%, those in Flanders 10.0% and those in the Netherlands 10.7 %.



⁽¹⁾ This fair value comprises the item "Investment properties" of the balance sheet that also includes the development projects in accordance with IAS 40, and does not take into account the buildings held for sale.

The **occupancy rate** of the buildings in operation amounts to 89.9% in the course of the 1st quarter, a level that comes close to that for the entire year 2016 (90.18%). This occupancy rate, that is slightly lower than the historical occupancy rate, is in line with the outlook of the company, and is mainly the consequence of actively managing the RREC's portfolio:

- on the one hand, the letting of the developed projects takes a certain amount of time, which temporarily weighs on the occupancy rate. In the course of this first quarter this is for example the case for the building The Horizon (reception on 30/6/2016, average occupancy rate of 57.8% over the 1st quarter and in the meanwhile let for ± 80%). It is important to mention that this effect is temporary taken into account the success these buildings have on the rental market.
- on the other hand, the active arbitrage policy on a part of the portfolio implies that the buildings held for sale are not re-let⁽²⁾. In the course of this quarter, this relates to the buildings Mélézes, Birch House and Bosquet-Jourdan.

The occupancy rate for residential buildings in current operation⁽³⁾ remains at a very high level of 95.8%.



Charles Woeste after renovation of the façades

⁽²⁾ At an accounting level these buildings have not been reclassified to the item Buildings held for sale, as they are not the object of an immediate entire sale.

⁽³⁾ This relates to the buildings in operation excluding those that

- are the object of a first commercialization during the year (The Horizon)
- or those under renovation (Oudenaarde, Leopold and Saint-Hubert 4)
- or those that are being sold
- or those let based on short term rental contracts (Résidences du Quartier Européen and La Résidence)

Consolidated key figures

The total value of Home Invest Belgium's **shareholders' equity** amounts to € 206.2 million on 31 March 2017 compared to € 205.2 million on 31 December 2016, or a net value per share of € 65.51, in comparison with € 65.19 per share at the closing of the 2016 financial year.

The **debt ratio** slightly increases in comparison with the situation on 31 December 2016 (49.44% on 31 March 2017 compared to 48.51% on 31 December 2016). This increase is mainly due to the acquisition of the project Jourdan 95 (see hereunder).

MAIN CONSOLIDATED RESULTS (IN €) ^{(1) (2)}	From 1/1/2017 to 31/03/2017	From 1/1/2016 to 31/03/2016
Net rental result	5 374 099	4 517 385
Property result	3 625 857	2 960 476
Operating result before the portfolio result	1 850 863	1 437 811
Portfolio result		
- Result on sales (distributable capital gain)	854 234	583 533
- Changes in fair value	912 313	-123.464
Financial result		
- Financial result excluding changes in fair value of financial assets and liabilities	-929 184	-776 726
- Changes in fair value of financial assets and liabilities ⁽³⁾	894 873	-1 565 670
Net result	2 420 734	-1 024 941
Net result of core activities	874 473	647 751
Net result of core activities per share ⁽⁴⁾	0.28	0.21
Distributable result	1 747 730	1 227 889
Distributable result per share ⁽⁴⁾	0.56	0.39
	On 31/03/2017	On 31/12/2016
Net value per share	65.51	65.19

⁽¹⁾ IAS 34 was not applied to the content of the abovementioned accounting data.

⁽²⁾ Figures checked by the Auditor.

⁽³⁾ This relates to the fair value of the interest rate hedges.

⁽⁴⁾ The total number of shares fully entitled to dividends amounts to 3 147 897 on 31 March 2016, after excluding 12 912 shares held in auto-control at the same dates.

We remind that IFRIC21 was applied to the abovementioned figures. This standard imposes the immediate and integral recording in the accounts of the financial charges that became due in the period covered by the financial statements. For Home Invest Belgium this relates to the property tax and its potential re-invoicing, as well as to the insurance and the subscription tax. Previously these amounts were booked pro rata.

This standard has a purely temporary negative impact on the property result and the results arising from it, which entails that the interim results are hard to extrapolate.

In the course of the first quarter of 2017 the **net rental result** has risen by 19.0% in comparison with the situation a year ago. This increase is the result of the contribution to the turnover of the acquisitions and the projects that were delivered in the meantime.

The **property result** amounts to € 3.6 million, an increase by 22.5% in comparison with last year.

Both the **property charges** and the **general corporate expenses** increase slightly in comparison with 2016 to € 1.8 million (compared to € 1.5 million).

Consequently, the **operating result before the portfolio result** rises significantly by 28.7% in comparison with 2016.

The **portfolio result** is composed of the valuation of the portfolio in operation (that records an unrealized capital gain of € 0.9 million), and the result on the sales (of which the distributable capital gain amounts to € 0.9 million).

The **financial result**, excluding the changes in fair value of the financial instruments, rises significantly (20%) and is the consequence of the new acquisitions in the course of the financial year 2016. The **average funding cost** amounted to 2.27% in the first quarter (compared to 2.53% for the entire year 2016). The fair value of our financial instruments is positive for an amount of € 0.9 million, though purely latent.

The **net result of the core activities** amounts to € 0.87 million, compared to € 0.65 million on 31 March 2016, or a progress by 35%. Excluding the application of IFRIC 21 this net result of the core activities would amount to € 2.2 million (compared to € 2.0 million a year ago).

The **distributable result** – comprising the distributable capital gains realized in the course of the quarter – evolves from € 1.23 million on 31 March 2016 to € 1.75 million on 31 March 2017.

We also point out that the **operating margin** improves from 48.6% to 51.1% on 31 March 2017.

Important events in the course of the 1st quarter of 2017

Acquisitions

On 17 January Home Invest Belgium SA has acquired a building of $\pm 5,800$ m² and 69 parking spaces, located in 1060 Brussels (Saint-Gilles), Rue Jourdan 89/103, in the immediate vicinity of the Louise district.

Home Invest Belgium has bought the building from the company AXA Belgium – represented by AXA IM - Real Assets.

The current office building will be subject to a reconversion into a residential building. The architect Studio Farris was appointed to carry out the reconversion study and the building permit request will be introduced in the course of the second quarter of 2017. Once completed, the building that will comprise approximately 55 apartments, will be part of the cluster already owned by the RREC in this district (composed of the three buildings Bosquet-Jourdan, Jourdan 85 and Jourdan-Monnaies). The total investment (acquisition, studies and works) will amount to approximately 17 million euro and the expected initial yield is $\pm 5.25\%$ once the building will be fully operated. The provisional reception of the works is foreseen in the course of 2020.

Developments for own account

The works carried out on the projects The Inside (previously named MTC1) in Woluwe-Saint-Lambert, Célidée in Molenbeek and 'Reine Astrid' in Kraainem have progressed at a normal rhythm.

The permit processes for the project Brunfaut (Molenbeek) and the allotment of the land MTC2 (Woluwe-Saint-Lambert) were continued.



Progress of the construction site Célidée in Molenbeek

Administrative, commercial and technical management

The letting activity was continued at a normal pace in the course of the quarter, with 96 rental contracts concluded.

At this date, 130 of the 160 apartments of the building The Horizon already found occupants, and the unique concept of the building is very successful among its users. www.thehorizon.be

In Oudenaarde the model apartment of the building Remparden was presented to the tenants. The renovation works on the building are phased to reach a nearly total renovation by the end of 2018.

Sales

In the course of the first quarter of 2017 Home Invest Belgium has proceeded to the sale by unit of a number of residential assets. These sales allowed to book a distributable capital gain of € 0.85 million.

Important events after the closing

Acquisitions

On latest 11 April, Home Invest Belgium has directly acquired 7 holiday homes and 40 apartments in the complex Center Parcs Port Zélande situated in Ouddorp (province of Zeeland). In latest November, the RREC had already acquired 241 holiday homes at the same site. In that way, it strengthens its position of most important owner of holiday homes in this complex. The newly acquired apartments and cottages benefit from a unique location in this complex, at the waterside and in front of the marina.

After this transaction, the part of the entire Port Zélande site will represent approximately 12% of the total value of the portfolio.

This acquisition was funded by existing credit lines of the RREC.

More information on this acquisition is available in the Press release of 11 April 2017 published by the Company.

Outlook

The Board considers it premature at the end of this quarter to express itself on the outlook for the current financial year, namely taking into account the insecurities related to the evolution of the interest rates, the overall economic situation or the progress of the sales. Based on the analysis of the 1st quarter results, the Board of directors confirms however its confidence in the increase of the net result of core activities of the company for 2017.

Different new investment files (both with regard to existing buildings as to development projects) are at an advanced research stage. It is the opinion of the Board that one or the other should concretize between now and the end of the financial year.



On the other hand, the Board of directors has indicated as of now several assets that could generate interesting capital gains for the shareholders, and this, without prejudice to the growth of the results of the company.

Dividend payment

The dividend over the financial year 2016 amounts to € 4.25 gross per share. Taking into account the advance payment of € 3.75 (coupon n° 21) in December 2016, the balance amounts to € 0.50 (coupon n° 22), amount that is payable as of Friday 12 May 2017 by automatic deposit for the nominative shareholders and the holders of dematerialized shares. The record date is 11 May 2017 and the ex-date is 10 May 2017.

Since 1 January 2017 this dividend is subject to a withholding tax of 30 %, which makes that the net dividend will globally amount to € 3.0875.

For more information

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About Home Invest Belgium

Since its constitution in June 1999, Home Invest Belgium is a Belgian listed real estate company, specialized in residential property for the letting market. Owner of a portfolio of over € 400 million, it offers both high-quality premises and a professional management to its tenants. Home Invest Belgium also develops its own projects in order to ensure portfolio growth and proceeds to a regular arbitrage on part of it. Exclusively operating in Belgium till in 2016, it has strengthened the geographical diversification of its portfolio by investing in the Netherlands.

Home Invest Belgium is listed on the continuous market of Euronext Brussels [HOMI] and benefits from the Belgian REIT (SIR/GVV) tax regime.