



**HALF YEAR  
FINANCIAL  
REPORT  
2020**

Under embargo until 03/09/2020 5.40 pm

Regulated information

# HALF YEAR FINANCIAL REPORT 2020

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- **Qualitative residential real estate portfolio**

- Increase in the fair value of the real estate portfolio to € 636.05 million on 30 June 2020.
- The investment properties available for rent consist for 89.2% of residential real estate.
- 66.2% of the investment properties available for rent are located in the Brussels Capital Region.
- More than 50% of the investment properties available for rent are younger than 10 years; more than 70% are younger than 20 years.
- Sale of a retail property in Malines of € 6.60 million (7.7% above the latest fair value of the property).
- Delivery of the refurbishment project Le Mosan in Liège.
- Acquisition of a refurbishment project in Jette (Brussels).

- **Solid operational results despite COVID-19**

- Increase of rental income by 6.0% to € 13.18 million in the first half of 2020.
- Average occupancy rate of 94.5% in the first six months of 2020.

- **Increase in the EPRA earnings**

- 35.2 % increase in the EPRA earnings to € 6.23 million (compared to € 4.61 million in the first half of 2019).
- 35.2 % increase in the EPRA earnings per share to € 1.90 (compared to € 1.40 in the first half of 2019).

- **Net Asset Value per share (NAV)**

- Stable EPRA NAV per share of € 96.22 on 30 June 2020 (+ 0.2% compared to € 96.00 on 31 December 2019).

- **Stable debt ratio and strong liquidity position**

- Debt ratio to 51.95% (RREC Royal Decree) and 50.61% (IFRS) on 30 June 2020.
- Decrease in the average cost of debt to 1.51% in the first half year of 2020 (compared to 2.14% in the first half year of 2019).
- Home Invest Belgium has € 30.00 million available credit lines.
- The company does not have credit lines or bonds maturing in 2020 and 2021. The first coming maturity date is in 2022.



## HOME INVEST BELGIUM

- **Inclusion of Home Invest Belgium's share in the BEL Mid index of Euronext Brussel**

- Home Invest Belgium (HOMI BR) was included in the BEL Mid Index of Euronext Brussels on 22 June 2020.

- **Dividend**

- The Ordinary General Meeting of 5 May 2020 approved the distribution of a gross dividend of € 4.85 per share for the financial year 2019, which is an increase for the 20<sup>th</sup> consecutive year.
- The board of directors expects the gross dividend of the financial year 2020 to be at least equal to that of the previous financial year.



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# 1. REAL ESTATE PORTFOLIO

On 30 June 2020, Home Invest Belgium holds a real estate portfolio<sup>1</sup> of € 636.05 million, compared to € 629.92 million on 31 December 2019, or an increase of 1.0%.

REAL ESTATE PORTFOLIO	30/06/2020	31/12/2019
Fair value of investment properties	€ 615.39 m	€ 609.59 m
Investment properties available for rent	€ 572.56 m	€ 573.38 m
Development projects	€ 42.83 m	€ 36.22 m
Investments in associates and joint ventures	€ 20.66 m	€ 20.33 m
<b>TOTAL</b>	<b>€ 636.05 m</b>	<b>€ 629.92 m</b>

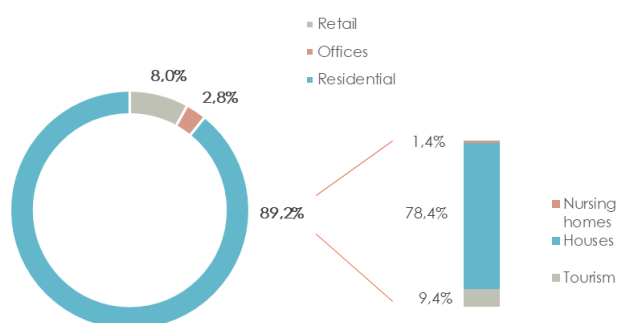
The fair value of the investment properties available for rent amounts to € 572.56 million across 53 sites.

The total contractual annual rents and the estimated rental value of vacant space is € 29.20 million as of 30 June 2020.

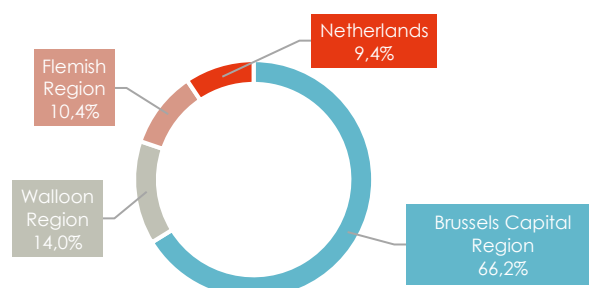
The investment properties available for rent are valued by independent real estate experts at an average gross rental yield<sup>2</sup> of 5.1%.

Residential properties accounted for 89.2% of investment properties available for rent on 30 June 2020. On 30 June 2020, 66.2% of the investment properties available for rent are located in the Brussels Capital Region, 14.0% in the Walloon region, 10.4% in the Flemish Region and 9.4% in The Netherlands.

**Investment properties available for rent by type of property**



**Investment properties available for rent by geographical distribution**



<sup>1</sup> The real estate portfolio includes (i) investment properties and (ii) investments in associated companies and joint ventures equity method.

<sup>2</sup> Gross rental yield = (contractual gross rents on a yearly basis + estimated rental value on vacant spaces) / (fair value of the investment properties available for rent).

CONSOLIDATED KEY FIGURES			(in k €)
CONSOLIDATED INCOME STATEMENT	H1 2020	H1 2019	
NET RENTAL INCOME	13 132	12 383	
OPERATING RESULT BEFORE PORTFOLIO RESULT	7 661	6 609	
XVI. Result on the sale investment properties	727	23	
XVIII. Changes in fair value of investment properties	-1 484	33 969	
XIX. Other portfolio result	-192	-6	
PORTFOLIO RESULT	-949	33 985	
OPERATING RESULT	6 712	40 595	
XX. Financial income	9	11	
XXI. Net interest charges	-2 029	-2 500	
XXII. Other financial charges	-15	-57	
XXIII. Changes in fair value of financial assets and liabilities	-3 615	-6 122	
FINANCIAL RESULT	-5 650	-8 668	
XXIV. Share in the profit of associates and joint ventures	328	99	
TAXES	-129	69	
<b>NET RESULT</b>	<b>1 261</b>	<b>32 094</b>	
Exclusion of portfolio result	+ 949	-33 985	
Exclusion of changes in real value of financial assets and liabilities	+3 615	+6 122	
Exclusion of non-EPRA elements of the share in the result of associates and joint ventures	+406	+379	
<b>EPRA EARNINGS<sup>3</sup></b>	<b>6 232</b>	<b>4 610</b>	
Average number of shares <sup>4</sup>	3 288 146	3 288 146	
NET RESULT PER SHARE	0,38	9,76	
EPRA EARNINGS PER SHARE	1,90	1,40	

3 EPRA earnings is the net result excluding the (i) portfolio result (ii) the changes in the fair value of financial assets and liabilities and (iii) the non-EPRA elements of the share in the result of associated companies and joint ventures. This term is used in accordance with the Best Practices Recommendations of EPRA.

4 The average number of shares is calculated excluding the 11,712 shares held by the company.

BALANCE	30/06/2020	31/12/2019
Shareholders equity (attributable to shareholders of parent company)	306 523	309 618
Total assets	644 201	639 169
Debt ratio (RREC Royal Decree) <sup>5</sup>	51.95%	51.41%
Debt ratio (IFRS) <sup>6</sup>	50.61%	50.11%

PER SHARE	30/06/2020	31/12/2019
Number of shares at end of period <sup>7</sup>	3 288 146	3 288 146
Stock price at closing date	117.50	114.00
IFRS NAV per share <sup>8</sup>	93.22	94.16
Premium compared to IFRS NAV (at closing date)	26.0%	21.1%
EPRA NAV per share <sup>9</sup>	96.22	96.00
Premium compared to EPRA NAV (at closing date)	22.1%	18.7%

5 The debt ratio (RREC Royal Decree) is the debt ratio calculated in accordance with RREC Royal Decree. This means that for the purposes of calculations of the debt ratio, participations in associated companies and joint ventures are processed following the proportionate consolidation method.

6 The debt ratio (IFRS) is calculated like the debt ratio (RREC Royal Decree) but based on and conciliating with a consolidated balance in accordance with IFRS where participations in joint ventures and associated companies are processed following the changes in equity.

7 The average number of shares is calculated excluding the 11, 712 shares held by the company.

8 IFRS NAV per share = Net Asset Value or Net Value per share according to IFRS.

9 EPRA NAV per share = Net Asset Value or Net Value per share following the Best Practices Recommendations of EPRA.

## 3. NOTES TO THE CONSOLIDATED INCOME STATEMENT

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### 3.1 NOTES TO THE CONSOLIDATED INCOME STATEMENT

#### Net rental income

The net rental income rose from € 12.43 million during the first half of 2019, to € 13.13 million in the first half of 2020 (+6.1%). The increase of € 0.75 million is mainly the result of the acquisition in November 2019 of 4 aparthotels in Brussels operated by Beapart SA for 27 years, under the brand B-aparthotel.

#### Operating result before the portfolio result

The operating result before the portfolio result increased from € 6.61 million during the first six months of 2019 to € 7.66 million during the first six months of 2020 (+ 15.9%).

The operating margin<sup>10</sup> has increased from 53.3% during the first half of 2019 to 58.3% during the first half of 2020 due to the streamlining of the internal management platform.

#### Portfolio result

During the first six months of 2020, a negative portfolio result of € -0,95 million was recorded.

The result on the sale of investment properties amounted to € 0.73 million during the first half of 2020.

In addition, during the first half of 2020, Home Invest Belgium recorded a negative change in the fair value of its real estate investments amounting to € -1.48 million.

In accordance with the 'Valuation Practice Alert' published by the Royal Institute of Chartered Surveyors (RICS) on April 2nd 2020, the reports of the independent real estate experts state that they were prepared taking into account a 'material evaluation uncertainty', as determined by the RICS standards.

The other portfolio result amounts to € -0.02 million. In this item, the changes in deferred taxes are recorded.

#### Financial result

As a result of the rearrangement of hedging instruments and the refinancing of credits in 2019, the net interest charges have decreased from € 2.50 million in the first half of 2019 to € 2.03 million in the first half of 2020. The average cost of debt<sup>11</sup> decreased from 2.14% in the first half of 2019 to 1.51% during the first half of 2020.

The changes in the fair value of the financial assets and liabilities amounted to € -3.62 million during the first half of 2020. These changes are the consequence of a change in the fair value of the interest rate swaps.

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<sup>10</sup> Operating margin = (operating result before result portfolio) / (net rental income).

<sup>11</sup> The average cost of debt = the interest costs including the credit margin and the cost of hedge instruments and increased by capitalized interests divided by the weighted average amount of financial debt over the period.



### **Taxes**

Taxes amounted to € -0.13 million during the first half of 2020 (compared to € +0.07 million during the first half of 2019).

### **Net result**

The net result (group share) of Home Invest Belgium amounted to € 1.26 million during the first half of 2020, or € 0,38 per share.

### **EPRA earnings**

After adjustment of the net result before (i) the portfolio result, (ii) the changes in the fair value of the financial assets and liabilities and (iii) non-EPRA elements of the share in the result of associates and joint ventures, EPRA earnings amount to € 6.23 million during the first half of 2020, an increase of 35.2% compared to € 4.61 million during the first half of 2019.

EPRA earnings per share increased by 35.2% from € 1,40 during the first half of 2019 to € 1,90 in the first half of 2020.

## **3.2 NOTES TO THE CONSOLIDATED BALANCE SHEET**

### **Fair value of the investment properties**

During the first half of 2020, the fair value of the investment properties (including development projects) rose by € 5.80 million from € 609.59 million on 31 December 2019 to € 615.39 million on 30 June 2020, or an increase of +1.0%.

### **Investments in associates and joint ventures equity method**

On 17 December 2018, Home Invest Belgium realised the acquisition of 51.43% of the shares of Sunparks De Haan SA via the company De Haan Vakantiehuzen SA, of which it holds 50.00% of shares. This participation is processed into the consolidation, in accordance with the equity method.

The book value of the participation of Home Invest Belgium in De Haan Vakantiehuzen SA was € 20.66 million on 30 June 2020 (compared to € 20.33 million on 31 December 2019).

### **Shareholders' equity**

On 30 June 2020, the group's shareholder's equity stood at € 306.52 million, which is a decrease of -1.0% compared to 31 December 2019.

The IFRS NAV per share decreased by 1.0% to stand at € 93,22 on 30 June 2020 (compared to € 94,16 on 31 December 2019).

The EPRA NAV per share has risen by 0.2% to stand at € 96,22 on 30 June 2020 (compared to € 96,00 on 31 December 2019).

### 3.3 FUNDING STRUCTURE

#### Debt ratio

The debt ratio (RREC Royal Decree) amounted to 51.95% on 30 June 2020. The debt ratio (IFRS) amounts to 50.61%.

Considering a maximum permitted debt ratio of 65.00%, Home Invest Belgium still has a debt capacity of € 247.40 million, as defined by the RREC Royal Decree, in order to fund new investments.

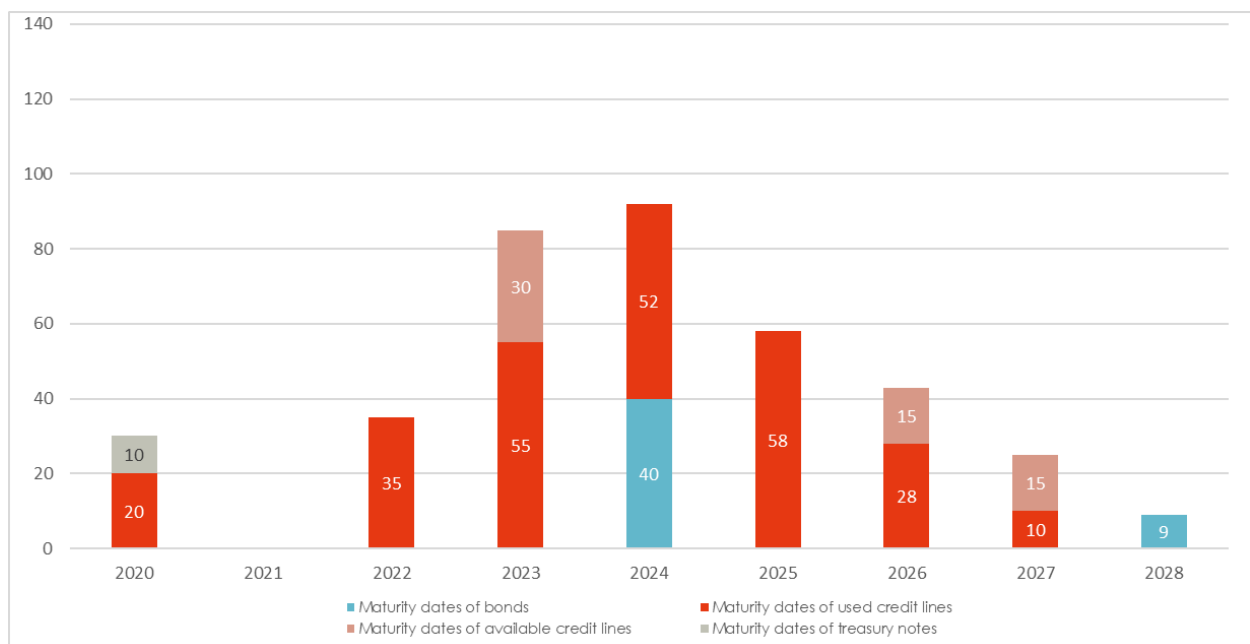
Considering Home Invest Belgium's strategy to keep the debt ratio in the medium and long term below 55.00%, Home Invest Belgium still has a debt capacity of € 44.95 million to fund new investments.

#### Debt composition

On 30 June 2020, Home Invest Belgium had € 317.00 million in financial debts, composed of:

- Bilateral credit lines drawn for an amount of € 258.00 million with 6 different financial institutions, with well spread maturity dates between 2020 and 2027. A credit line for an amount of € 20.00 million has matured in June 2020. In 2019, Home Invest Belgium has entered into new long-term credit lines to refinance this short-term credit line. The first coming maturity date is in 2022;
- A bond for an amount of € 40.00 million, maturing in 2024 and a bond under the EMTN program for an amount of € 9.00 million with maturity date in 2028;
- Treasury notes ("commercial paper") for an amount of € 10.00 million. Notwithstanding the short-term nature of the outstanding commercial paper (with maturity dates in 2020), the outstanding amount is fully covered by available long-term credit lines (back-up lines).

#### Maturity of debts (€ mio)



The weighted average remaining duration of the financial debts amounts to 4.0 years.

On 30 June 2020, Home Invest Belgium disposed of € 60.00 million of undrawn available credit lines of which:

- € 10.00 million long-term back-up lines covering short-term outgoing treasury notes;
- € 20.00 million has been used to refinance a credit line which matured in June 2020;
- € 30.00 million available credit lines.

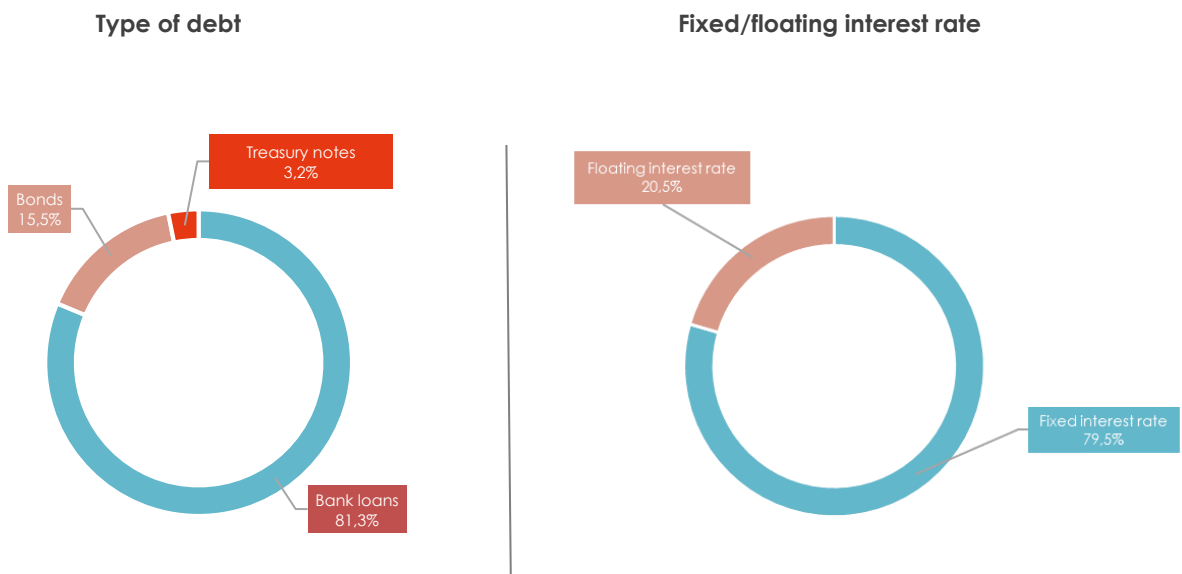
### Hedges

On 30 June 2020 79.5% of financial debts (€ 252.0 million) had a fixed interest rate, using Interest Rate Swaps as hedging instruments, among other things.

The fixed interest rates have a weighted average remaining duration of 5.2 years.

The total value of the hedges at closing date was negative for an amount of € 8.08 million due to a decrease in interest rates after conclusion of the hedges.

Through its hedging policy, the board of directors wishes to protect the company against potential increases in interest rate.



## 4. ACTIVITY REPORT

### 4.1 ACQUISITIONS

#### Jette – rue Léon Théodor 85-89

Home Invest Belgium has acquired 100% of the shares of Clarestates BV, owner of a building in Brussels, on 18 May 2020.

The former office building, with an effective surface area of 4 880 m<sup>2</sup>, is located rue Leon Theodor n°85-89 in Jette. The building comprises a ground floor rented to fitness company Jims, four upper floors which are currently being rented to the Secondary School of the Athenée Royal de Ganshoren and 55 underground car parks. The contractual rents represent € 400 000 on a yearly basis. The project is located in the centre of Jette (Brussels), close to the well-known place du Miroir, in a neighbourhood offering good rental potential. Once the lease agreements expire, Home Invest Belgium aims to reconvert the existing building into a residential project comprising more or less 35 residential units and a retail space on the ground floor. Home Invest Belgium plans to start the works in 2026.

The total investment (acquisition, studies, and construction work) represents ± € 11.00 million. The initial gross yield after reconversion is expected to reach around 5%.

### 4.2 DEVELOPMENT AND REFURBISHMENT PROJECTS

#### Le Mosan (Liège)

The project “Le Mosan” in Liège has been delivered in the second quarter of 2020. The project, which was acquired in 2007, has been completely refurbished to 29 qualitative apartments in the centre of the Liège.



#### The Factory - Molenbeek

Works on the Brunfaut site (rue Brunfaut n°13-29 and rue Fin n°4-12 in 1080 Molenbeek-Saint-Jean) are progressing according to plan. The project is a residential complex of 93 apartments, 66 parking spaces and 1,443 m<sup>2</sup> of office space. The project is expected to be completed in the third quarter of 2020.





**Meyers-Hennau – Brussels**

The project “Meyers-Hennau” (rue Meyers-Hennau n°5-17, 1020 Laeken) is comprised of 37 apartments, 11 houses and 51 parking spaces. The constructive structural works have been completed and the exterior joinery of the building is in progress with its subsequent finishing. The completion is expected in the third quarter of 2021.

**Marcel Thiry C2**

The project “Marcel Thiry C2” (avenue Marcel Thiry 204 in 1200 Woluwe-Saint-Lambert) is a development project comprising 42 apartments. The structural works of the basements are in progress. The completion is expected in the first quarter of 2022.



**Jourdan 95 – Sint-Gillis (Brussels)**

Architects A2RC were appointed and have developed a design for a residential project. The permit will be applied for in September this year.

**Samberstraat 8-12 – Antwerp**

The project “Samberstraat” consists of the construction of 37 apartments, 1 office space, 39 parking spaces and 36 bicycle sheds.

Home Invest Belgium is planning to start the works in the fourth quarter of 2020 and expects to complete the works in the fourth quarter of 2022.



**Galerie de l'Ange**

Home Invest Belgium has been delivered a permit for the total renovation of the residential part of Galerie de l'Ange in Namur (rue de la Monnaie 4-20 in 5000 Namur) (surface area 4 239 m²). Altogether, 57 units are to be refurbished.

### 4.3 SALES

#### **Sale of a retail property in Malines**

In May 2020, Home Invest Belgium has closed the sale of a commercial property located in Haverwerf, Malines. The net selling price (after deduction of registration fees and other transfer costs) amounts to € 6.60 million, which is 7.7% higher than the latest fair value of the property.

#### **Realised capital gains on sales in the first half year of 2020**

During the first half of 2020, Home Invest Belgium has sold property for a total net amount of € 8.21 million (compared to € 11.51 million during the first six months of 2019).

A net capital gain of € 0.73 million was realised on these sales, compared to the latest fair value and a capital gain of € 1.32 million compared to the acquisition value (increased by activated investments).

The realised capital gain in relation to the purchase value (increased by the activated investments) contributes to the statutory distributable result of the company, which forms the basis for the distribution of the dividend.

### 4.4 RENTAL ACTIVITIES

Home Invest Belgium has recorded a decrease in rental activity in the second quarter of 2020. Due to the stricter measures taken by the authorities in the context of COVID-19, on-site visits were not allowed. The previously planned moves in and out could still take place and were completed successfully.

The occupancy rate<sup>12</sup> of the investment properties available for rent amounted to 94.5%<sup>13</sup> during the first six months of 2020 (compared to 95.1% in the first half year of 2019). The occupancy rate has decreased from 95.1% in the first quarter of 2020 to 93.8% in the second quarter.

From June 2020, the commercial activities were fully restarted and Home Invest Belgium is again very active in the market. The expectations are that the occupancy rate will stabilize again at around 95% if no new additional measures against the pandemic are taken.

### 4.5 UPDATE COVID-19

In the light of the COVID-19 pandemic, Home Invest Belgium has taken various measures to protect the health of its employees and its tenants and to ensure the continuity of its activities.

The employees of Home Invest Belgium have switched to working from home. Due to the investments made in the IT platform in recent years, this transition went smoothly.

Home Invest Belgium is currently evaluating the situation as follows:

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<sup>12</sup> The average occupancy rate calculated as the average percentage over a certain period of the contractual rents of the rented spaces, in relation to the sum of the contractual rents of the rented spaces and the estimated rental value of the vacant spaces.

<sup>13</sup> The occupancy rate is calculated excluding (i) buildings being renovated (ii) building being commercialized for the first time and (iii) buildings being sold.

- The value of the real estate portfolio has shown itself to be robust in the first half of 2020 and was only affected to a limited extent by the Covid-19 crisis. In this context, we would like to point out that the reports of the independent real estate experts were drawn up with a 'material evaluation uncertainty', as determined by the RICS standards.
- The company has a balanced financing structure and a strong liquidity position. The debt ratio amounts to 51.95% (RREC Royal Decree) and 50.61% (IFRS) on 30 June 2020. On the date of this half-year report, Home Invest Belgium has € 30 million freely available credit lines. The company has no maturity dates for credit lines or bonds in 2020 and 2021. The first coming maturity dates are in 2022.
- The pandemic led to a slowdown in the rental activities in the second quarter of 2020. We refer to "4.4 Rental activities" of this half year report. The pandemic has had virtually no impact on payment behaviour or payment arrears in the residential segment, the core market of Home Invest Belgium. The residential segment represents 78.4% of the fair value of the investment properties available for rent. In the tourism and retail segments, which account for 9.4% and 8.0% respectively of the investment properties available for rent, Home Invest Belgium has noticed an increase in payment arrears. Home Invest Belgium closely monitors the situation and conducts discussions with each of these tenants to find a solution on a case by case basis. No agreement has yet been reached in the tourism segment. In the first half of 2020, Home Invest Belgium has set up provisions for doubtful debtors to the best of its estimate. Overall, Home Invest Belgium posted strong operating results in the first half of 2020, despite Covid-19.

Furthermore, the opinion of the board of directors of Home Invest Belgium is that the main risk factors, described on pages 6-15 of the 2019 annual financial report, remain applicable during the remaining months of the 2020 financial year.



## 5. STOCK MARKET ACTIVITY

### EVOLUTION OF THE STOCK MARKET PRICES

Home Invest Belgium's shares have been listed on the Euronext Brussels continuous market since 16 June 1999 and are part of the BEL Mid Index.

On 30 June 2020, Home Invest Belgium's shares closed at € 117,50 (compared to € 99,00 on 30 June 2019).

The liquidity of the shares rose to an average of 1 563 share transactions per trading day, during the first half of 2020 (compared to 1 286 during the first half of 2019).

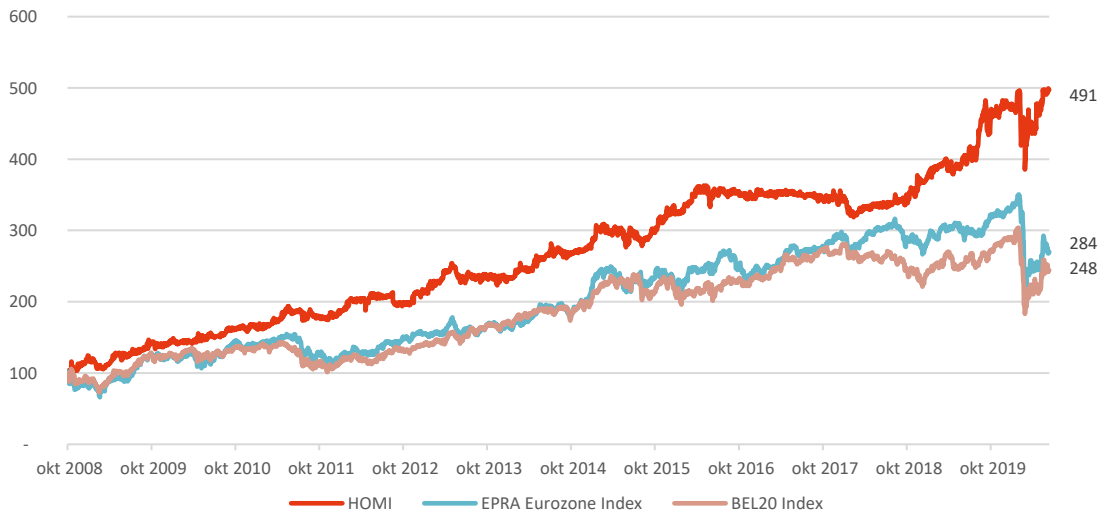
### EVOLUTION OF THE SHARE

	1H 2020	1H 2019
<b>Share price (in €)</b>		
On the last day	€ 117.50	€ 99.00
Highest	€ 118.50	€ 100.00
Lowest	€ 92.00	€ 86.00
Average	€ 110.73	€ 92.63
<b>Volume</b>		
Average daily volume	1 563	1 286
Total volume (6 months)	196 933	160 765
Total number of shares on June 30 <sup>th</sup>	3 299 858	3 299 858
Market capitalisation on June 30 <sup>th</sup>	€ 388 million	€ 327 million
Free float <sup>14</sup>	54.4%	53.9%

<sup>14</sup> Free float = [(total number of shares on the last day) - (total number of shares held by parties who have made themselves known by a transparency declaration in accordance with the Law of 2 May 2007)] / [total number of shares outstanding].

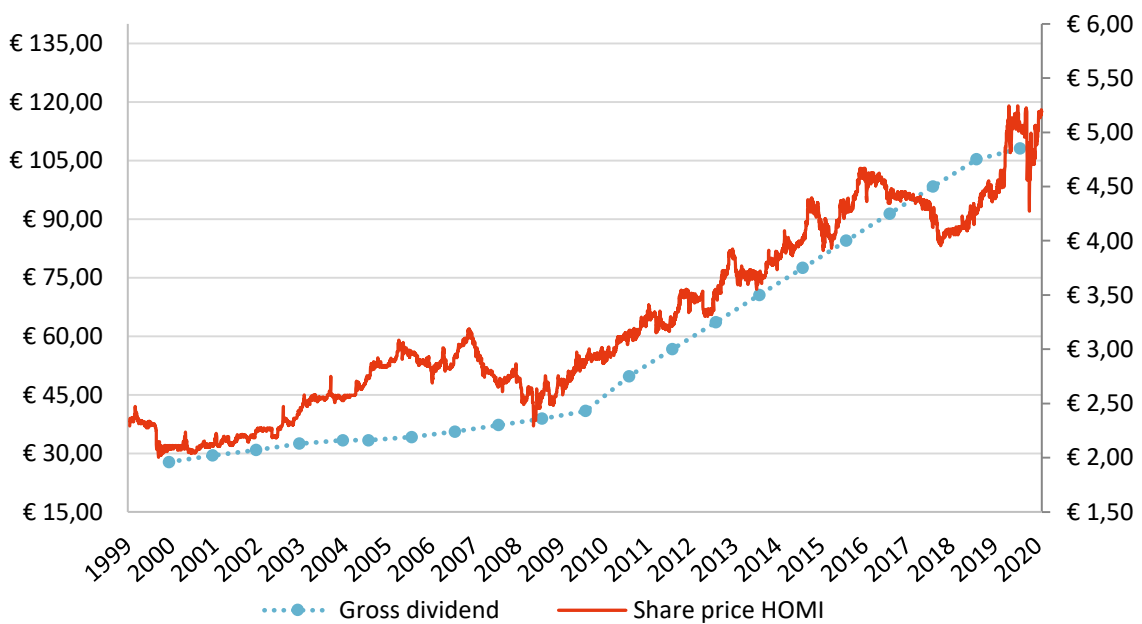


**TOTAL RETURN OF HOME INVEST BELGIUM COMPARED TO THE BEL 20 AND EPRA EUROZONE INDEX**



**EVOLUTION OF THE SHARE PRICE AND GROSS DIVIDEND (IN €)**

Evolution of the share price and gross dividend



## SHAREHOLDER STRUCTURE

The table below lists shareholders in Home Invest Belgium who hold more than 3% of the company's shares. Notifications applying to the Belgian Transparency Law (Law of 2 May 2007 regarding the disclosure of major holdings) can be found on the company's website.

Based on the transparency notifications received up to 30 June 2020, Home Invest Belgium's shareholder structure is as follows:

SHAREHOLDERS <sup>15</sup>	NUMBER OF SHARES	% OF THE CAPITAL
Van Overstraeten Group <sup>16</sup>	880 965	26.7%
AXA Belgium NV <sup>17</sup>	521 830	15.8%
Spouses Van Overtveldt – Henry de Frahan	102 792	3.1%
Other shareholders	1 794 271	54.4%
<b>Total</b>	<b>3 299 858</b>	<b>100.00%</b>

<sup>15</sup> Shareholders who deposited a statement in accordance with the Law of 2 May 2007 regarding transparency.

<sup>16</sup> Stavos Real estate BV is 97% controlled by Burgerlijke Maatschap BMVO 2014. BMVO 2014 is 25% controlled by Stichting Administratiekantoor Stavos and 75% controlled by Burgerlijke Maatschap Van Overstraeten. Burgerlijke Maatschap Van Overstraeten is 99.9% controlled by Stichting Administratiekantoor Stavos. Stichting Administratiekantoor Stavos is controlled by Liévin, Hans, Johan en Bart Van Overstraeten. Cocky NV is 99.9% controlled by Burgerlijke Maatschap Van Overstraeten. VOP NV is 99.9% controlled by Stavos Real Estate BV. Sippelberg NV is 75% controlled by V.O.P. NV and 25% by Stichting Administratiekantoor Stavos.

<sup>17</sup> AXA Belgium SA is 94,4% controlled by AXA Holdings Belgium SA and 5,07 controlled by AXA SA. AXA Holdings Belgium SA is 100% controlled by AXA SA. AXA SA is not a controlled entity.

## 6. OUTLOOK

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### DIVIDEND

The ordinary general meeting of 5 May 2020 has approved the distribution of a gross dividend of € 4,85 per share for the financial year 2019 (which is an increase of 2.1% compared to 2018). Taking into account the interim dividend of € 3,75 gross per share (coupon nr. 27) paid in December 2019, the balance of € 1,10 gross per share (coupon nr. 28) was paid on Thursday 14 May 2020.

The board of directors expects the gross dividend of the financial year 2020 to be at least equal to that of the previous financial year.

### OUTLOOK 2020

During the first half year of 2020, the operational results of Home Invest Belgium have developed positively despite of the COVID-19 pandemic.

The residential rental market continues to grow steadily in those cities where Home Invest Belgium is active, mostly thanks to:

- a long-term urbanisation trend, marked by demographic growth in big cities, including both young and older people, leading to increased demand for housing;
- an increasing number of tenants in big cities, due to factors including an increasing need for flexibility and a change in attitudes to private property and concepts of urban sharing.

Home Invest Belgium owns a sustainable portfolio given its young age. More than 50% of the investment properties available for rent are younger than 10 years. Given the quality and the location of the properties in predominantly large urban areas, Home Invest Belgium is well positioned to take on a leading role in the favourable trends of the residential market.

Home Invest Belgium is considering international expansion of its activities as a specialist in the residential rental market.

Against this background, the board of directors confirms its confidence in the long-term prospects of the company.

## 7. CONSOLIDATED INCOME STATEMENT FOR THE FIRST HALF OF 2020

### CONSOLIDATED RESULTS

	1H 2020	1H 2019
I. Rental Income	13 175 357	12 429 177
III. Rental-related expenses	-43 295	-46 539
<b>NET RENTAL INCOME</b>	<b>13 132 062</b>	<b>12 382 638</b>
IV. Recovery of property charges	78 455	67 448
V. Recovery of charges and taxes normally payable by the tenant on let properties	803 314	571 171
VII. Charges and taxes normally payable by the tenant on let properties	-2 729 366	-2 420 869
VIII. Other incomes and expenses related to letting	0	0
<b>PROPERTY RESULT</b>	<b>11 284 465</b>	<b>10 600 388</b>
IX. Technical costs	-727 081	-495 826
X. Commercial costs	-257 918	-176 718
XI. Taxes and charges on unlet properties	-23 305	-238 736
XII. Property management costs	-1 052 446	-1 512 924
XIII. Other property costs	0	0
<b>Property costs</b>	<b>-2 060 750</b>	<b>-2 424 204</b>
<b>PROPERTY OPERATING RESULT</b>	<b>9 223 715</b>	<b>8 176 185</b>
XIV. General corporate expenses	-1 562 702	-1 623 872
XV. Other operating incomes and expenses	0	57 000
<b>OPERATING RESULT BEFORE PORTFOLIO RESULT</b>	<b>7 661 012</b>	<b>6 609 312</b>
XVI. Result sale investment properties	727 211	22 813
XVIII. Changes in fair value of investment properties	-1 483 964	33 968 853
XIX. Other portfolio result	-192 308	-6 409
<b>PORTFOLIO RESULT</b>	<b>-949 061</b>	<b>33 985 257</b>
<b>OPERATING RESULT</b>	<b>6 711 951</b>	<b>40 594 569</b>
XX. Financial income	8 834	10 833
XXI. Net interest charges	-2 028 638	-2 500 349
XXII. Other financial charges	-15 154	-57 217
XXIII. Changes in fair value of financial assets and liabilities	-3 615 159	-6 121 523
<b>FINANCIAL RESULT</b>	<b>-5 650 108</b>	<b>-8 668 256</b>
XXIV. Share in the result of associates and joint ventures	328 416	98 803
<b>PRE-TAX RESULT</b>	<b>1 390 259</b>	<b>32 025 116</b>
XXV. Corporation tax	-128 958	69 317
XXVI. Exit tax	0	0
<b>Taxes</b>	<b>-128 958</b>	<b>69 317</b>
<b>NET RESULT</b>	<b>1 261 300</b>	<b>32 094 433</b>
<b>NET RESULT ATTRIBUTABLE TO THE PARENT COMPANY</b>	<b>1 261 300</b>	<b>32 094 433</b>
Exclusive portfolio result	+949 061	-33 985 257
Exclusive changes in the real value of the financial assets	+3 615 159	+6 121 523
Exclusive non-EPRA earnings in the share of the result of associates and joint ventures	+406 282	+379 168
<b>EPRA EARNINGS</b>	<b>6 232 803</b>	<b>4 609 867</b>
Average number of shares <sup>18</sup>	3 288 146	3 288 146
<b>NET RESULT PER SHARE</b>	<b>0,38</b>	<b>9,76</b>
<b>EPRA EARNINGS PER SHARE</b>	<b>1,90</b>	<b>1,40</b>

<sup>18</sup> The average number of shares at the end of period was calculated excluding 11,712 treasury shares.

	1H 2020	1H 2019
<b>NET RESULT</b>	<b>1 261 300</b>	<b>32 094 433</b>
Other elements of the global result	0	0
<b>GLOBAL RESULT</b>	<b>1 261 300</b>	<b>32 094 433</b>

## CONSOLIDATED BALANCE SHEET

ASSETS	30/06/2020	31/12/2019
<b>I. Non-current assets</b>	<b>637 953 339</b>	<b>633 429 001</b>
B. Intangible assets	331 429	375 072
C. Investment properties	615 392 375	609 594 469
D. Other tangible assets	716 769	700 200
E. Non-current financial assets	522 082	2 096 993
F. Lease receivables	332 972	332 972
I. Investments in associates and joint ventures	20 657 712	20 329 296
<b>II. Current assets</b>	<b>6 247 162</b>	<b>5 740 474</b>
C. Lease receivables	58 215	58 215
D. Trade receivables	2 894 013	977 757
E. Tax receivables and other current assets	464 040	463 471
F. Cash and cash equivalents	2 310 219	4 200 730
G. Deferred charges and accrued income	520 675	40 300
<b>TOTAL ASSETS</b>	<b>644 200 502</b>	<b>639 169 476</b>
<b>SHAREHOLDER'S EQUITY</b>	<b>306 522 507</b>	<b>309 617 697</b>
<b>I. SHAREHOLDER'S EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE MOTHER COMPANY</b>	<b>306 522 507</b>	<b>309 617 697</b>
A. Capital	87 999 055	87 999 055
B. Share premium account	24 903 199	24 903 199
C. Reserves	192 358 952	152 816 933
D. Net result of the financial year	1 261 300	43 898 510
<b>II. MINORITY INTERESTS</b>	<b>0</b>	<b>0</b>
<b>LIABILITIES</b>	<b>337 677 995</b>	<b>329 551 780</b>
<b>I. Non-current liabilities</b>	<b>297 713 182</b>	<b>281 548 083</b>
A. Provision	0	0
B. Non-current financial debts	287 119 738	273 188 605
a. Financial debts	238 000 000	233 000 000
b. Financial leasing	276 600	276 600
c. Others	48 843 138	39 912 005
C. Other non-current financial liabilities	8 341 943	6 300 285
F. Deferred taxes – liabilities	2 251 501	2 059 193
a. Exit Tax	367 021	367 021
b. Others	1 884 480	1 692 172
<b>II. Current liabilities</b>	<b>39 964 813</b>	<b>48 003 697</b>
B. Current financial debts	30 651 662	40 609 456
a. Financial debts	20 000 000	20 000 000
b. Financial leasing	54 339	108 151
c. Others	10 597 323	20 501 304
D. Trade debts and other current debts	7 674 842	5 367 735
b. Others	7 674 842	5 367 735
E. Other current liabilities	372 405	154 654
F. Accrued charges and deferred income	1 265 903	1 871 852
<b>TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES</b>	<b>644 200 502</b>	<b>639 169 476</b>

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Capital	Capital increase expenses	Share premium	Legal reserve	Reserve from The changes in Fair value of Investment properties
<b>BALANCE ON 31/12/2018</b>	<b>88 949 295</b>	<b>-950 240</b>	<b>24 903 199</b>	<b>98 778</b>	<b>121 307 765</b>
Allocation of net result 2018					71 345 223
Allocation of operational distributable result					
Changes in deferred taxes					85 202
Changes in Fair Value of investment properties					71 260 021
Changes in Fair Value of hedging instruments					
Dividends financial year 2018 (balance paid in May 2019)					
<i>Full dividend relating to financial year 2018</i>					
<i>Interim dividend financial year 2018 (paid in December 2018)</i>					
Changes resulting from the sale of buildings					-7 234 890
Result of the financial year 2019					
Dividend 2019 (interim dividend paid in December 2019)					
Takeover of subsidiaries					
Merger of subsidiaries					
Other increases (decreases)					20 335
<b>BALANCE ON 31/12/2019</b>	<b>88 949 295</b>	<b>-950 240</b>	<b>24 903 199</b>	<b>98 778</b>	<b>185 438 433</b>
<b>BALANCE ON 31/12/2019</b>	<b>88 949 295</b>	<b>-950 240</b>	<b>24 903 199</b>	<b>98 778</b>	<b>185 438 433</b>
Allocation of net result 2019					18 825 460
Allocation of operational distributable result					
Changes in deferred taxes					124 408
Changes in Fair Value of investment properties					17 830 676
Changes in Fair Value of hedging instruments					870 376
Dividends financial year 2018 (balance paid in May 2019)					
<i>Full dividend relating to financial year 2019</i>					
<i>Interim dividend financial year 2019 (paid in December 2019)</i>					
Sales of buildings first half year of financial year 2019					-802 375
Results first half year of financial year 2019					
Other increases (decreases)					
<b>BALANCE ON 30/06/2020</b>	<b>88 949 295</b>	<b>-950 240</b>	<b>24 903 199</b>	<b>98 778</b>	<b>203 461 518</b>

Reserve from estimated transfer costs and rights	Reserve of the balance of changes in fair value of the authorised hedging instruments to which hedge accounting as defined in IFRS is applied (+/-)	Reserve of the balance of changes in fair value of the authorised hedging instruments to which hedge accounting as defined in IFRS is not applied (+/-)	Reserve for fiscal deferral	Reserve for treasury shares	Other reserves	Result carried forward from previous financial years	Net result of the financial year	Total
-38 457 522	0	-8 053 358	-774 669	-686 943	1 259 467	24 960 329	56 447 178	269 003 279
-11 846 385		-1 613 701	-256 480			-4 469 627	-56 447 178	-3 288 147
						-4 469 627	4 469 627	
			-256 480				171 278	
-11 846 385							-59 413 636	
		-1 613 701					-1.613.701	
							-3 288 147	-3 288 147
							-15 618 695	-15 618 695
							12 330 548	12 330 548
1 586 739						5 648 151		0
							55 489 503	55 489 503
							-11 590 933	-11 590 933
								0
						4 055		4 055
-48 737 503	0	-9 667 059	-1 031 149	-686 943	1 259 467	26 142 908	43 898 150	309 617 696
-48 737 503	0	-9 667 059	-1 031 149	-686 943	1 259 467	26 142 908	43 898 150	309 617 696
30 641 903		4 613 961	-661 021			-13 878 281	-43 898 510	-4 356 488
						-4 310 796	4 310 796	0
			-661 021				536 613	0
30 641 903							-48 472 578	0
		4 613 961				-9 567 485	4 083 174	0
							-4 356 515	-4 356 515
							-15 947 508	-15 947 508
							11 590 993	11 590 993
783 748						18 627		0
							1 261 300	1 261 300
								0
-17 311 852	0	-5 053 098	-1 692 170	-686 943	1 259 467	12 283 254	1 261 300	306 522 507

## CONSOLIDATED CASH FLOW STATEMENT

	1H 2020	1H 2019
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>4 200 730</b>	<b>3 239 503</b>
<b>1. Cash flows from operating activities</b>	<b>7 282 944</b>	<b>6 707 961</b>
<b>Result for the financial year</b>	<b>1 260 300</b>	<b>32 094 433</b>
Result for the financial year before interest and taxes	6 711 951	40 594 569
Interests received	8 843	10 833
Interests paid	-2 043 783	-2 557 566
Change in fair value of financial assets and liabilities	-3 615 159	-6 121 523
Share in the result of associates and joint ventures	328 416	
Taxes	-128 958	69 317
<b>Adjustment of profit for non-cash transactions</b>	<b>7 120 056</b>	<b>-25 290 131</b>
Depreciation and impairments	102 485	125 672
- Depreciation and impairments on non-current assets	102 485	125 672
Other non-monetary elements	4 982 622	-27 939 724
- Depreciation of previously capitalised financing costs	19 608	
- Changes in fair value of investment properties (+/-)	1 483 963	-33 968 853
- Changes in fair value of financial non-current assets (+/-)	-328 416	
- Changes in fair value of hedging instruments and other portfolio results	3 807 467	6 029 129
Gain on realization of assets	-727 211	-22 813
- Capital gains realized on sale of non-current assets	-727 211	-22 813
Reversal of financial income and expenses	2 034 949	2 546 734
<b>Changes in working capital needs</b>	<b>-1 098 412</b>	<b>-96 341</b>
Movements in asset items:	-2 364 364	-529 256
- Current financial assets	0	0
- Trade receivables	-1 883 421	21 236
- Tax receivables and other short-term assets	-568	-176 551
- Deferred charges and accrued income	-480 375	-373 940
Movements in liabilities items	1 265 952	432 915
- Trade debts and other current debts	1 850 115	1 154 653
- Other current liabilities	217 751	-19 789
- Accrued charges and deferred income	-801 914	-701 949
<b>2. Cash flow from investment activities</b>	<b>-3 781 567</b>	<b>3 573 854</b>
Investment properties – capitalized investments	-1 794 290	2 366 954
Investment properties – new acquisitions	-2 657 378	0
Sales of investment properties	8 210 093	11 471 815
Development projects	-7 411 379	-5 520 609
Other intangible assets	0	0
Other tangible assets	-130 024	-27 292
Other non-current financial assets	1 410	16 895
<b>3. Cash flow from financing activities</b>	<b>-4 664 677</b>	<b>-10 315 273</b>
Increase (+) / Decrease (-) in financial debts	1 726 301	-4 480 392
Interest received	8 834	10 833
Interest paid	-2 043 322	-2 557 566
Dividend of the previous financial year	-4 356 490	-3 288 147
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>2 310 219</b>	<b>3 206 046</b>



## NOTES

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NOTE 1: BASIS OF FINANCIAL REPORTING

NOTE 2: SEGMENTED INFORMATION

NOTE 3: INVESTMENT PROPERTIES

NOTE 4: FINANCIAL LIABILITIES

NOTE 5: DEBT RATIO

NOTE 6: FINANCIAL ASSETS AND LIABILITIES

NOTE 7: CONSOLIDATED SCOPE

NOTE 8: OFF-BALANCE SHEET RIGHTS AND OBLIGATIONS

NOTE 9: EVENTS AFTER THE BALANCE DATE

NOTE 10: AUDITOR'S REPORT

NOTE 11: STATEMENT OF RESPONSIBLE PERSONS

## **NOTE 1: BASIS OF FINANCIAL REPORTING**

The consolidated half-year results have been prepared in accordance with the International Financial Reporting Standards (IFRS) and with IAS 34 on "Interim financial reporting". The accounting methods and principals used to draw up these interim summary financial statements are identical to those used to prepare the annual financial statements for the financial year 2019.

## **NOTE 2: SEGMENTED INFORMATION**

The investment strategy of Home Invest Belgium focuses on residential real estate in a broad sense of the word (apartments, holiday homes, etc.). The segmentation of the company is consequently determined by the geographical location of its buildings. Home Invest Belgium distinguishes between 4 geographical segments: The Brussels Capital Region, The Flemish Region, the Walloon Region and The Netherlands.

## INCOME STATEMENT PER GEOGRAFICAL SEGMENT

1H 2020	Consolidated	Brussels	Flemish	Walloon	The Netherlands	Unattributed
	total	Region	Region	Region		
I. Rental income	13 175 357	7 835 932	1 344 831	2 558 893	1 435 700	
III. Rental-related expenses	-43 295					-43 295
<b>NET RENTAL INCOME</b>	<b>13 132 062</b>	<b>7 835 932</b>	<b>1 344 831</b>	<b>2 558 893</b>	<b>1 435 700</b>	
IV. Recovery property charges	78 455	71 031	4 689	2 735		
V. Recovery of charges and taxes Normally payable by the tenant on let properties (+)	803 314	783 769	8 303	11 242		
VII. Charges and taxes normally payable by the tenant On let properties (-)	-2 729 366	-1 940 647	-240 088	-548 631		
VIII. Other incomes and expenses related to letting (+/-)						
<b>PROPERTY RESULT</b>	<b>11 284 465</b>	<b>6 750 085</b>	<b>1 117 735</b>	<b>2 024 239</b>	<b>1 435 700</b>	<b>-43 295</b>
IX. Technical costs (-)	-727 081	-481 526	-111 379	-134 176		
X. Commercial costs (-)	-257 918	-202 281	-12 990	-42 647		
XI. Taxes and charges on unlet properties (-)	-23 305	-7 481	-5 482	-10 342		
XII. Property management costs (-)	-1 052 446	-37 437	0	-11 404	-43 434	-960 171
XIII. Other property costs (-)						
<b>PROPERTY COSTS</b>	<b>-2 060 750</b>	<b>-728 725</b>	<b>-129 851</b>	<b>-198 569</b>	<b>-43 434</b>	<b>-960 171</b>
<b>PROPERTY OPERATING COSTS</b>	<b>9 223 715</b>	<b>6 021 360</b>	<b>987 884</b>	<b>1 825 670</b>	<b>1 392 266</b>	<b>-1 003 466</b>
XIV. General corporate expenses (-)	-1 562 702					-1 562 702
XV. Other operating incomes and expenses (+/-)	0					
<b>OPERATING RESULT BEFORE</b>	<b>7 661 012</b>	<b>6 021 360</b>	<b>987 884</b>	<b>1 825 670</b>	<b>1 392 266</b>	<b>-2 566 168</b>
<b>PORTFOLIO RESULT</b>						
XVI. Result sale investment properties (+/-)	727 211	194 072	470 384	62 756		
XVIII. Variations in the fair value of property investments (+/-)	-1 483 964	-1 057 415	44 094	-429 644	-41 000	
XIX. Other portfolio result	-192 308				-192 308	
<b>OPERATING RESULT</b>	<b>6 711 951</b>	<b>5 158 017</b>	<b>1 502 362</b>	<b>1 458 782</b>	<b>1 158 958</b>	<b>-2 566 168</b>
XX. Financial income (+)	8 834					8 834
XXI. Net interest charges (-)	-2 028 638					-2 028 638
XXII. Other financial costs (-)	-15 145					-15 145
XXIII. Variations in the fair value of financial assets and liabilities (+/-)	-3 615 159					-3 615 159
<b>FINANCIAL RESULT</b>	<b>-5 650 108</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-14 097</b>	<b>-5 650 108</b>
XXIV. Share in the result of associated	328 416			328 416		
<b>PRE-TAX RESULT</b>	<b>1 390 259</b>	<b>5 158 017</b>	<b>1 830 778</b>	<b>1 458 782</b>	<b>1 158 958</b>	<b>-8 216 276</b>
XXV. Corporate Tax (-/+)	-128 958					-128 958
XXVI. Exit tax	0					0
<b>TAXES</b>	<b>-128 958</b>					<b>-128 958</b>
<b>NET RESULT</b>	<b>1 261 300</b>	<b>5 158 017</b>	<b>1 830 778</b>	<b>1 458 782</b>	<b>1 158 958</b>	<b>-8 345 234</b>

1H 2019	Consolidated total	Brussels Region	Flemish Region	Walloon Region	The Netherlands	Unattributed
I. Rental income	12 429 177	7 167 708	1 200 767	2 655 143	1 405 559	
III. Rental-related expenses	-46 539	-29 849	-7 000	-9 691		
<b>NET RENTAL INCOME</b>	<b>12 382 638</b>	<b>7 137 860</b>	<b>1 193 767</b>	<b>2 645 452</b>	<b>1 405 559</b>	
IV. Recovery property charges	67 448	53 950	3 321	10 177		
V. Recovery of charges and taxes Normally payable by the tenant on let properties (+)	571 171	381 464	64 882	124 825		
VII. Charges and taxes normally payable by the tenant On let properties (-)	-2 420 869	-1 648 666	-287 238	-530 953	45 987	
VIII. Other incomes and expenses related to letting (+/-)						
<b>PROPERTY RESULT</b>	<b>10 600 388</b>	<b>5 924 609</b>	<b>974 731</b>	<b>2 249 502</b>	<b>1 451 546</b>	
IX. Technical costs (-)	-495 826	-338 347	-42 527	-114 952		
X. Commercial costs (-)	-176 718	-135 166	-23 398	-18 153		
XI. Taxes and charges on unlet properties (-)	-238 736	-181 470	-7 994	-15 599		-33 674
XII. Property management costs (-)	-1 512 924	99 308	19 441	73 427	-55 040	-1 650 059
XIII. Other property costs (-)						
<b>PROPERTY COSTS</b>	<b>-2 424 204</b>	<b>-555 675</b>	<b>-54 479</b>	<b>-75 277</b>	<b>-55 040</b>	<b>-1 683 733</b>
<b>PROPERTY OPERATING COSTS</b>	<b>8 176 185</b>	<b>5 368 934</b>	<b>920 253</b>	<b>2 174 225</b>	<b>1 396 506</b>	<b>-1 683 733</b>
XIV. General corporate expenses (-)	-1 623 872					-1 623 872
XV. Other operating incomes and expenses (+/-)	57 000	12 000	45 000			
<b>OPERATING RESULT BEFORE PORTFOLIO RESULT</b>	<b>6 609 312</b>	<b>5 380 934</b>	<b>965 253</b>	<b>2 174 225</b>	<b>1 396 506</b>	<b>-3 307 606</b>
XVI. Result sale Investment properties (+/-)	22 813	22 813				
XVIII. Variations in the fair value of property investments (+/-)	33 968 853	30 897 003	1 719 715	676 699	675 437	
XIX. Other portfolio result	-6 409	153 340			-159 749	
<b>OPERATING RESULT</b>	<b>40 594 569</b>	<b>36 454 090</b>	<b>2 684 967</b>	<b>2 850 924</b>	<b>1 912 194</b>	<b>-3 307 606</b>
XX. Financial income (+)	10 833	10 113				720
XXI. Net interest charges (-)	-2 500 349					-2 500 349
XXII. Other financial costs (-)	-57 217	-1 355			-14 097	-41 765
XXIII. Variations in the fair value of financial assets and liabilities (+/-)	-6 121 523					-6 121 523
<b>FINANCIAL RESULT</b>	<b>-8 668 256</b>	<b>8 758</b>			<b>-14 097</b>	<b>8 662 917</b>
XXIV. Share in the result of associated	98 803			98 803		
<b>PRE-TAX RESULT</b>	<b>32 025 116</b>	<b>36 462 847</b>	<b>2 684 967</b>	<b>2 949 727</b>	<b>1 898 097</b>	<b>-11 970 522</b>
XXV. Corporate Tax (-/+)	69 317				-194 974	264 291
XXVI. Exit tax	0					0
<b>TAXES</b>	<b>69 317</b>				<b>-194 974</b>	<b>264 291</b>
<b>NET RESULT</b>	<b>32 094 433</b>	<b>36 462 847</b>	<b>2 684 967</b>	<b>2 949 727</b>	<b>1 703 123</b>	<b>-11 706 231</b>

### **NOTE 3: INVESTMENT PROPERTIES**

The investment properties are originally booked based on their purchase price, including transaction costs and the non-deductible VAT (the "acquisition cost"). For buildings acquired through merger, demerger or contribution of business sectors, the taxes payable on the potential capital gains on the assets thus integrated are included in the cost of the assets concerned.

At the end of the first accounting period after their initial booking, all investment properties are booked at their fair value.

The fair value is determined in two steps.

In the first step, an independent property expert carries out an evaluation of all investment properties including transfer taxes (registration fees or other transfer taxes), the so called "investment value".

The expert estimates the investment value based on two methods: the capitalization of the estimated rental value and the Discounted Cash Flow method (DCF method). The expert is allowed to use other methods for his expertise.

In the second step, in order to switch from the investment value to the fair value, the expert withholds an estimated amount of transfer taxes from the estimated investment value.

The investment value minus the estimated transfer taxes is the fair value as defined by IFRS 13.

In Belgium, the fair value is determined as follows:

- for buildings included in the Belgian portfolio with a global investment value of at least € 2 500 000, the expert applies a downward adjustment on the investment value of 2.5%<sup>19</sup>;
- for buildings included in the Belgian portfolio with a global investment value of less than € 2 500 000, the expert applies a downward adjustment corresponding to registration duties in accordance with the regional regulation;
  - 12.5% for real estate located in Brussels and the Walloon Region;
  - 10% for real estate located in the Flemish Region;
  - 2% for leasehold rights;
  - ...

When Home Invest Belgium decides to sell a building from its Belgian portfolio under a certain transaction structure, the effective transaction fees, which are expected to apply during the transaction, are deducted in order to determine the fair value, regardless of the global investment value of the building.

In the Netherlands, transaction taxes for residential real estate amount to 2%.

The fair value of the investment properties stood at € 615.39 million on 30 June 2020, which represents an increase of € 6.17 million compared to 31 December 2019.

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<sup>19</sup> The accounting treatment (2.5% transaction costs) has been clarified in a press release published by BeAMA on 8 February 2006 and confirmed in a press release from the BE-REIT Association on 10 November 2016.

The table below shows the evolution of the investment properties in the first half of 2020.

	1H 2020	1H 2019
<b>C. Investment properties, balance at the beginning of the financial year</b>	<b>609 594 469</b>	<b>524 506 117</b>
<b>a. Investment properties available for rent at the beginning of the period</b>	<b>573 376 628</b>	<b>490 364 387</b>
Completion of development projects (+)	0	15 045 602
Acquisition of buildings (+)	0	0
Capitalized subsequent expenses (+)	1 794 290	2 366 954
Acquisition of buildings through companies (+)	5 559 000	0
Variations in the fair value of investment properties (+/-)	- 684 464	30 439 628
Sales (-)	-7 482 882	-11 449 002
<b>a. Investment properties available for rent at the end of the period</b>	<b>572 562 572</b>	<b>526 767 569</b>
<b>b. Development projects at the beginning of the period</b>	<b>36 217 841</b>	<b>34 141 731</b>
Investments - developments projects	7 411 379	5 520 609
Development projects (+)	0	0
Development projects through companies (+)		
Delivered development projects (-)	0	-15 045 602
Changes in the fair value of investment properties (+/-)	- 799 418	3 529 226
<b>b. Development project at the end of the period</b>	<b>42 829 802</b>	<b>28 145 963</b>
<b>c. Tangible fixed assets for own use</b>	<b>None</b>	<b>None</b>
<b>d. Others</b>	<b>None</b>	<b>None</b>
<b>C. Investment properties, balance at the end of the period</b>	<b>615 392 374</b>	<b>554 913 532</b>

This fair value is based on the following quantitative parameters:

<b>Investment properties available for rent</b>	<b>30/06/2020</b>
-------------------------------------------------	-------------------

<b>Rent capitalisation method</b>	
Estimated rental value	Weighted average of € 134/m <sup>2</sup> (range between: € 55/m <sup>2</sup> and € 292/m <sup>2</sup> )
Vacancy assumptions	Average of 5 months ( range between: 0 and 18 months)
Capitalization rate	Average of 5.2% (range between 3.7% and 11.9%)
Number of m <sup>2</sup> or number of units	Average of 3 604 m <sup>2</sup> (range between: 125 m <sup>2</sup> and 14 107 m <sup>2</sup> )

<b>Discounted cash flow method</b>	
Estimated rental value	Weighted average of € 139/m <sup>2</sup> (range between: € 118/m <sup>2</sup> and € 142/m <sup>2</sup> )
Vacancy Assumptions (long-term)	/
Number of m <sup>2</sup> or number of units	Average of 11 025m <sup>2</sup> (range between 7 091 m <sup>2</sup> and 20 488 m <sup>2</sup> )
Discount rate	Average of 6.2% (range between 5.90% and 6.7%)
Inflation	Average of 1.5%

<b>Project development</b>	<b>30/06/2020</b>
----------------------------	-------------------

<b>Rent capitalization method</b>	
Estimated rental value	Weighted average of € 120/m <sup>2</sup> (range between € 113/m <sup>2</sup> and € 129/m <sup>2</sup> )
Vacancy assumptions (long-term)	Average of 8 months (range between: 6 and 12 months)
Capitalization rate	Average of 4.4% (range between 4.1% and 4.7%)
Number of m <sup>2</sup> or number of units	Average of 7 212 m <sup>2</sup> (range between: 3 961 and 12 724m <sup>2</sup> )

Non-observable input	Impact of fair value with:	
	Decrease	Increase
Estimated rental value (GHW)	Negative	Positive
Vacancy Assumptions (long-term)	Negative	Positive
Capitalization rate	Positive	Negative
Number of m <sup>2</sup> or number of units	Negative	Positive

Investment properties are valued on a quarterly basis by an independent and qualified property expert. The reports are drafted based on information shared by the company including the lease state, expenses and taxes borne by the lessee, rents and works to be carried out.

The property expert uses market-related parameters (discount rate, etc.) based on his judgment and professional experience. The information shared with the property expert, the parameters and the assessment model used by the property expert are checked by the management, the audit committee, and the board of directors.

If the gross rental yield of investment property available for rent were to increase by 0.25%, the fair value of investment property available for rent would decrease by € 26.75 million. If the gross rental yield of the investment property available for rent were to decrease by 0.25%, the fair value of the investment property available for rent would increase by € 29.51 million. If the estimated rental value of the investment property available for rent were to decrease by 5%, the fair value of the investment property available for rent would decrease by € 28.63 million. If the estimated rental value of the investment property available for rent were to increase by 5%, the fair value of the investment property available for rent would increase by € 28.63 million.

## NOTE 4: FINANCIAL LIABILITIES

Financial liabilities	30/06/2020	31/12/2019
Short-term liabilities within one year	30 000 000	40 000 000
Long-term liabilities between one and five years	224 843 138	176 912 005
Long-term liabilities over more than five years	62 000 000	96 000 000
<b>TOTAL</b>	<b>316 843 138</b>	<b>312 912 005</b>

Up till 30 June 2020, Home Invest Belgium had liabilities of € 317.00 million composed of:

- Bilateral credit lines for an amount of € 258.00 million. The bilateral credit lines are entered into with 6 different financial institutions, with well spread maturity dates. In July 2020, one credit line for an amount of € 20.00 million matured. Home Invest Belgium had already entered into a new credit line in order to finance this maturing credit. The first coming maturity date is in 2022;
- A bond for an amount of € 40.00 million, maturing in 2024 and a bond, issued under the EMTN-program, for an amount of € 9.00 million, with maturity date in 2028;
- Treasury notes ("commercial paper") for an amount of € 10.00 million. Notwithstanding the short-term nature of the outstanding commercial paper (with maturity date in 2020), the outstanding amount is fully covered by available long-term credit lines (back-up lines).



Proportional consolidation	30/06/2020	31/12/2019
B. Long-Term Financial debts	276 380 765	290 939 605
B. Short-Term Financial debts	30 651 662	40 609 456
D. Trade debts and other short-term debts	7 674 842	5 367 735
E. Other short-term liabilities	372 405	154 654
<b>Indebtedness as defined in art. 13 of the RECC Royal Decree</b>	<b>344 779 674</b>	<b>337 071 451</b>
Total assets	663 647 125	655 673 694
<b>Debt ratio (RECC Royal Decree)</b>	<b>51.95%</b>	<b>51.41%</b>
<b>Investment capacity to debt ratio 55%</b>	<b>44 947 210</b>	<b>23 549 081</b>
<b>Investment capacity to debt ratio 65%</b>	<b>247 402 734</b>	<b>89 116 450</b>

## NOTE 5: DEBT RATIO

### Financial plan (Art.24 of the Royal Decree of 13/07/2014)

If the consolidated debt ratio of the public RREC and its subsidiaries amounts to more than 50% of its consolidated assets, less the authorised financial hedging instruments, the public RREC is required to draw up a financial plan with an implementation schedule, setting out the measures that will be taken to prevent the consolidated debt ratio from exceeding 65% of the consolidated assets.

A special report will be drawn up by the auditor about the financial plan, confirming that the auditor has verified the drafting of the plan, in particular its economic base, and that the figures contained in the plan correspond with those in the accounting records of the public RREC. The financial plan and the special report from the auditor will be submitted to the FSMA for information.

The general guidelines of the financial plan are included in detail in the annual and half-yearly financial reports. The annual and half-yearly reports will be sent out and justify how the financial plan was implemented during the course of the relevant period, and how the public RREC will implement the plan in the future.

### Consolidated balance sheet

On the basis of the figures up till 30 June 2020, the consolidated debt ratio (RECC Royal Decree) is 51.95%. For more information on the consolidated balance sheet up till 30 June 2020, we refer to the financial statements of the present report.

### Evolution of the BE-REIT's debt ratio

The debt ratio (RECC Royal Decree) stood at 51.95% on 30 June 2020. At the end of financial years 2018 and 2019, the debt ratio (RECC Royal Decree) stood respectively at 50.16% and 51.41%.

### The future of Home Invest Belgium's investment potential

Currently the debt ratio (RECC Royal Decree) stands at 51,95%. Based on the current consolidated debt ratio (RREC Royal Decree), the investment potential amounts to approximately € 247.4 million, not exceeding the maximum rate of 65%. The above amounts do not take into account potential variations in the value of the real estate assets. Such potential variations may have a significant impact on the debt ratio. Based on the current equity, only a negative variation of close to € 133.2 million in the fair value of the real estate investments would

cause the maximum authorised debt of 65% to be exceeded. That would represent a drop of close to 21% in the value of the existing portfolio.

### **Projected changes in the debt ratio**

The company expects to reach a debt ratio (RECC Act) of 53.63% by 31 December 2020. This evolution is based on the following assumptions:

- a debt ratio of 51.95% on 30 June 2020;
- 6 months EPRA earnings like forecasted in the company's budget;
- continuation of investments in running development projects;
- continuation of the current distribution policy regarding dividends

The board of directors confirms its decision to not structurally exceed the debt ratio of 55%.

According to financial plan, this limit could be exceeded in the course of the financial year 2020.

The above calculations do not take into account any potential changes in the fair value of the real estate portfolio.

### **Conclusion**

Home Invest Belgium believes that its debt ratio will not exceed 65%. Consequently, no additional measure is required in light of the inherent characteristics of the real estate assets and in the expected changes in the equity. Home Invest Belgium maintains its intention to finance itself with a debt ratio below 55%. The board of directors pays close attention to the realisation (or non-realisation) of new investments and anticipates the preparation of a strengthening of the equity capital should this be necessary. Should events require the RREC's strategy to be modified, it would be done without delay; the shareholders would be informed of it.

## NOTE 6: FINANCIAL ASSETS AND LIABILITIES

Summary of financial assets and liabilities at closing date		30/06/2020	31/12/2019
<b>E. Non-current financial assets</b>			
Financial instruments		369 281	1 942 782
Other guarantees		152 802	154 211
<b>TOTAL</b>		<b>522 082</b>	<b>2 096 993</b>

The financial non-current assets are comprised of financial instruments (the positive market value of hedging instruments) and the given guarantees (a guarantee in favour of the National Social Security Office and the reserve funds deposited in multiple joint ownerships).

<b>I. Non-current liabilities</b>		30/06/2020	31/12/2019
<b>A. Provisions</b>			
	b. Others	0	0
<b>B. Non-current financial debts</b>			
	a. Financial institutions	238 000 000	233 000 000
	b. Financial leasing	276 600	276 600
	c. Other debts	48 843 138	39 912 005
<b>C. Other non-current financial liabilities</b>			
	a. Hedging	8 341 943	6 300 285
<b>TOTAL</b>		<b>295 461 681</b>	<b>279 488 890</b>

<b>II. Current liabilities</b>		30/06/2020	31/12/2019
<b>B. Current financial debts</b>			
	a. Financial institutions	20 000 000	20 000 000
	b. Financial leasing	54 339	108 151
	c. Others		501
	- Received guarantees	513 681	304
	- Others	10 000 000	20 000 000
<b>TOTAL</b>		<b>30 651 662</b>	<b>40 609 455</b>

The other non-current financial debts totalling € 48.84 million concern two bond issuances (excluding costs). The bond issue in June 2014 has a capital sum equivalent to € 40.00 million and expiry date in June 2024. The second bond is issued under the EMTN program with a capital sum equivalent to € 9.00 million with expiry date in 2028.

The other long-term financial obligations amount to € 8.34 million up till 30 June 2020. This post consists out of the negative fair value of the hedging instruments. The positive fair value of the hedging instruments amounted to € 0.37 million and has been included under the non-current financial assets.

<b>D. Current trade debts and other debts</b>		30/06/2020	31/12/2019
<b>D. Current trade debts and other debts</b>			
	b. Others		
	- Suppliers	3 322 363	2 993 637
	- Tenants	718 084	782 949
	- Tax, salary and social security payables	3 634 394	1 591 149
<b>TOTAL</b>		<b>7 674 842</b>	<b>5 367 735</b>

The interest rate hedge instruments are exclusively of the IRS type (Interest Rate Swap). They form contracts for the conversion from variable interest rates to fixed rates. Up till 30 June 2020, the total nominal amount of the IRS hedges amounted to € 238.00 million.

The hedging instruments are not considered as cash flow hedges. Changes in the value of the hedging instruments are accounted directly in the income statement. The total value of the hedges up till 30 June 2020 was a negative sum of € -8.08 million due to a fall in interest rates after the hedges were closed. The board of directors aims that its hedge policy will provide the company with maximum protection against any interest rate increases.

Hedge instruments at 30/06/2020	Type	Amount	Interest Rate	Deadline	Qualification	Fair value at 30/06/2020
Belfius	IRS	10 000 000	1.280%	30/08/2026	Transaction	-1 069 044
Belfius	IRS	10 000 000	1.060%	30/08/2027	Transaction	-1 055 760
Belfius	IRS	15 000 000	-0.210%	30/09/2028	Transaction	-141 625
Belfius	IRS	21 500 000	0.585%	10/11/2025	Transaction	-1 221 200
Belfius	IRS	17 000 000	0.435%	31/10/2024	Transaction	-671 997
Belfius	IRS	8 000 000	0.410%	30/10/2026	Transaction	-428 094
BNP Paribas Fortis	IRS	25 000 000	-0.283%	30/09/2028	Transaction	-128 713
BNP Paribas Fortis	IRS	21 500 000	0.400%	30/11/2021	Transaction	-70 314
ING	IRS	15 000 000	0.350%	01/06/2022	Transaction	-103 443
ING	IRS	30 000 000	-0.331%	25/09/2027	Transaction	-64 249
KBC	IRS	15 000 000	-0.196%	30/11/2023	Transaction	-144 609
KBC	IRS	15 000 000	-0.465%	30/11/2023	Transaction	-3 320
<b>IRS type of coverage</b>		<b>203 000 000</b>				<b>-5 102 369</b>

Hedge instruments at 30/06/2020 with future start date	Type	Amount	Interest Rate	Start date	Deadline	Qualification	Fair value at 30/06/2020
ING	IRS	15 000 000	2.34%	14/11/2021	14/05/2024	Transaction	-1 078 463
ING	IRS	20 000 000	1.90%	14/12/2021	14/12/2025	Transaction	-1 901 821
<b>Future IRS type of coverage</b>		<b>35 000 000</b>					<b>-2 980 283</b>

IFRS 13 mentions an element in the appreciation, being the obligation to take into account the own credit risk and that of the counterparty in the calculations. The correction on the fair value following the application of the credit risk on the counterparty is being called Credit Valuation Adjustment (CVA). Quantifying the company's own credit risk is being called DVA – debt valuation adjustment. In this context, CVA and DVA have been included into the calculations at the amount of 0.11 million.

IFRS 13 applies to IFRS standards that require or permit fair value measurements or the communication of fair value information, and thus IFRS 9. IFRS 13 provides a hierarchy of fair values under 3 levels of data input (levels 1, 2 and 3).

Regarding the financial instruments, all these fair values are level 2. As Home Invest Belgium has no levels other than level 2, the company has not implemented a follow-up policy for transfers between hierarchical levels.

The valuation is determined by the banks on the basis of the current value of the estimated future cash flows. Although most of the derivative instruments used are considered to be trading instruments within the meaning of IFRS, they are only intended to hedge interest rate risk and not for speculative purposes.

## NOTE 7: CONSOLIDATION SCOPE

Up till 30 June 2020, the following companies formed part of the consolidation scope of Home Invest Belgium:

Name	Company number	Country of origin	Shareholding (direct or indirect)
Home Invest Belgium NV	0420 767 885	Belgium	-
Charlent 53 Freehold BVBA	0536 280 237	Belgium	100%
De Haan Vakantiehuizen NV	0707 946 778	Belgium	50%
BE Real Estate NV	0474 055 727	Belgium	100%
DG Development NV	0676 704 266	Belgium	100%
Clarestates BV	0887 101 820	Belgium	100%

All businesses forming part of the consolidation scope are domiciled in Belgium: Woluwedal 46/11 in 1200 Brussels. The company "Clarestates BV" has been purchased on 18 May 2020. On 30 June 2020, there were no minority interests recorded.

## NOTE 8: OFF-BALANCE SHEET RIGHTS AND OBLIGATIONS

- Home Invest Belgium has a number of current collection procedures which may have a very limited effect on the results.
- Home Invest Belgium is involved in several court cases. These cases have no meaningful impact on the financial position or profitability of Home Invest Belgium.
- The majority of the (residential) tenancy agreements signed by Home Invest Belgium stipulate the provision of a rent deposit of 2 months' rent in favour of Home Invest Belgium.
- Home Invest Belgium and its perimeter companies are also linked to specific contracts such as estimates, insurance contracts, and Asset Management Services Contracts.
- In the light of the acquisition by Home Invest Belgium on 4 November 2019 of all the shares of Be Real Estate SA, it has been agreed that Home Invest Belgium can owe an amount of up to € 5.82 million in a period up to 3 years after the date of acquisition to the sellers, subject to the realization of certain conditions.

## NOTE 9: EVENTS AFTER THE BALANCE DATE

We refer to 4.5 "Update COVID-19" of this half year report for all events after the balance date.

No other important events occurred after the end of the half year which had an impact on the consolidated figures

## **NOTE 10: AUDITOR'S REPORT**

**Report of the statutory auditor to the shareholders of Home Invest Belgium NV/SA on the review of the Interim Condensed Consolidated Financial Statements as of 30 June 2020 and for the six-month period then ended.**

### **Introduction**

We have reviewed the accompanying interim condensed consolidated balance sheet of Home Invest Belgium NV/SA (the "Company"), and its subsidiaries (collectively referred to as "the Group") as at 30 June 2020 and the related interim condensed consolidated income statement, the statement of changes in shareholders' equity and the consolidated cash flow statement for the six-month period then ended, and explanatory notes, collectively, the "Interim Condensed Consolidated Financial Statements". These statements show a consolidated balance sheet total of € 644.201 thousand and a consolidated profit for the six-month period of € 1.261 thousand. The board of directors is responsible for the preparation and presentation of these Interim Condensed Consolidated Financial Statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting ("IAS 34") as adopted by the European Union. Our responsibility is to express a conclusion on these Interim Condensed Consolidated Financial Statements based on our review.

### **Scope of Review**

We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Condensed Consolidated Financial Statements are not prepared, in all material aspects, in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union.

### **Emphasis matter – Covid-19**

Without qualifying our review opinion, we draw your attention to the disclosures of the Half-Year Financial Report with regards to the consequences on the result of the Group, of the measures taken relating to the Covid-19 virus. The continuous evolution around the Covid-19 virus, creates an important uncertainty. The impact of these developments on the Group is disclosed in the Half-Year Financial Report and more specifically described in the Chapter "Update Covid-19" regarding the risks and uncertainties for the Group as a consequence of the measures taken relating to the Covid-19 virus.

Brussels, 3 September 2020.

Ernst & Young Bedrijfsrevisoren BV/Ernst & Young Réviseurs d'Entreprises  
SRL Statutory auditor  
represented by

Joeri  
Klaykens\*  
Partner

\* Acting on behalf of a BV/SRL

## **NOTE 11: STATEMENT BY RESPONSIBLE PERSONS**

As per article 13, §2 of the Royal Decree of 14 November 2007, the board of directors of Home Invest Belgium declares that after taking all necessary actions and to the extent known:

- a. the half-year summary figures drafted on the basis of the foundations for financial reporting in accordance with IFRS and IAS 34 "Interim financial reporting" as approved by the European Union give an accurate representation of the assets, the financial situation and the results of Home Invest Belgium and the companies included in the consolidation;
- b. the half-year report gives an accurate account of the primary events of the first six months of the current accounting year, of their influence of the summary figures, of the main risk factors and uncertainties in relation to the remaining months of the financial year as well as the primary transactions between the associated parties and any effect on the summary figures should these transactions be of significant importance, and were not carried out under normal market conditions;
- c. the details in the interim annual statement are true to the actual situation and that no details have been omitted that may alter the scope of the half yearly statement.

The consolidated half-year results were approved by the board of directors on 2 September 2020.

## 8. APM – ALTERNATIVE PERFORMANCE MEASURES

Home Invest Belgium has used Alternative Performance Measures (APM) within the meaning of the Guidelines issued by the European Securities and Markets Authority (ESMA) on 5 October 2015 in its financial communication for many years. A number of these APMs are recommended by the European Public Real Estate Association, EPRA, while others were established by the sector or by Home Invest Belgium to provide the reader with a better understanding of the company's results and performances.

Performance indicators that are defined by the IFRS or by law, and indicators that are not based on items in the income statement or the balance sheet, are not considered to be APMs.

All information related to the APMs is included in this report and has been approved by the auditor.

### HEDGING RATIO

#### Definition:

This is the percentage of financial debt with a fixed interest rate compared to the total financial debt. The numerator corresponds to the sum of fixed-rate borrowing plus floating-rate debts after conversion into fixed-rate debts via IRS contracts in effect at the end of the financial year. The denominator corresponds to the total amount of financial debt drawn on the closing date.

#### Purpose:

A significant portion of the company's financial debts are concluded at floating rates. This APM is used to measure the risk associated with interest rate fluctuations and its potential impact on the results.

#### Reconciliation:

	30/06/2020	31/12/2019
Fixed-rate financial debt	49 000 000	40 000 000
Floating-rate financial debts converted into fixed-rate debt via IRS	203 000 000	188 000 000
<b>Total fixed-rate debt</b>	<b>252 000 000</b>	<b>228 000 000</b>
Total floating-rate debt	65 000 000	31 000 000
<b>Total debt</b>	<b>317 000 000</b>	<b>259 000 000</b>
<b>Hedging ratio</b>	<b>79.50%</b>	<b>88.03%</b>



## AVERAGE COST OF DEBT

### Definition:

The interest costs (including the credit margin and the cost of the hedging instruments) divided by the weighted average financial debt over the period in question. The numerator corresponds to the sum of the net interest costs included in item XXI of the income statement, after addition of the capitalized interest. The denominator corresponds to the average amount of financial debt calculated over the period.

### Purpose:

The company is partly financed by debt. This APM is used to measure the average cost of the interests paid.

### Reconciliation:

	1H 2020	1H 2019
Net interest charges (heading XXI)	2 028 632	2 500 349
Capitalized interests	352 607	282 144
<b>Total cost of financial debt</b>	<b>2 381 239</b>	<b>2 782 494</b>
Weighted average amount of debt	157 991 781	129 624 309
<b>Average cost of debt</b>	<b>1.51%</b>	<b>2.14%</b>

## EPRA NAV

### Definition:

The Net Asset Value or NAV in accordance with the Best Practices and Recommendations of EPRA. It is the Net Asset Value adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a long-term investment property business model.

### Purpose:

This APM is used to calculate the Net Asset Value per share in the interest of a long-term investment property business model.

### Reconciliation:

	30/06/2020	30/06/2019
Net asset value (IFRS)	306 522 507	297 809 565
Number of shares at the end of the period (excl. own shares)	3 288 146	3 288 146
<b>IFRS NAV per share</b>	<b>93,22</b>	<b>90,57</b>
	30/06/2020	30/06/2019
Net asset value (IFRS)	306 522 507	297 809 656
Fair value of financial instruments	7 972 943	15 788 582
Deferred taxes	1 884 480	1 190 899
<b>EPRA NAV</b>	<b>316 379 929</b>	<b>314 789 046</b>
Number of shares at the end of the period (excl. own shares)	3 288 146	3 288 146
<b>EPRA NAV per share</b>	<b>96,22</b>	<b>95,73</b>

## EPRA EARNINGS (PER SHARE)

### Definition:

The EPRA earnings is the net result (share group) excluding the (i) portfolio result, (ii) the changes in the fair value of financial assets and liabilities, and (iii) the non-EPRA elements of the share in the results of associates and joint ventures. The term is used in accordance with the Best Practices Recommendations of EPRA.

### Purpose:

This APM measures the underlying operational result of the company, without regard to the result of the change in the value of the assets or liabilities on the portfolio, gains or losses on the sale of investment properties and the other result of the portfolio.

### Reconciliation:

	1H 2020	1H 2019
NET RESULT (GROUP SHAREHOLDERS) (IFRS)	1 261 300	32 094 433
- Excluding: results of sale of investment properties (ii)	727 211	-22 813
- Excluding: changes in the fair value of properties (i)	1 483 964	-33 968 853
- Excluding: other portfolio result (viii)	192 308	6 409
- Excluding: variations in the fair value of financial assets and liabilities (vi)	3 615 159	6 121 523
- Excluding: non-EPRA elements in the share of the result of associates and joint ventures (ix)	406 282	379 168
<b>EPRA EARNINGS</b>	<b>6 231 803</b>	<b>4 609 867</b>
Average number of shares	3 288 146	3 288 146
<b>EPRA EARNINGS PER SHARE</b>	<b>1,90</b>	<b>1,40</b>

## OPERATING MARGIN

### Definition:

This alternative performance indicator measures the company's operational profitability as a percentage of rental income and is calculated by dividing the "operating result before the result on the portfolio" by "the net rental income".

### Purpose:

This APM is used to assess the operating performance of the company.

### Reconciliation:

	1H 2020	1H 2019
Operating result before portfolio result	7 661 012	6 609 313
Net rental income	13 132 062	12 382 638
<b>Operating margin</b>	<b>58.3%</b>	<b>53.4%</b>



## 9. SHAREHOLDER'S CALENDAR

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### 2020

Interim statement: results up till 30 September 2020

Friday 13 November

### 2021

Annual press release on the financial year 2020

Wednesday 24 February

Publication of the annual financial report on the website

Friday 2 April

Ordinary General Meeting of the financial year 2020

Tuesday 4 May

Payment of the dividend of the financial year 2020 – Ex date

Monday 10 May

Payment of the dividend of the financial year 2020 – Record date

Tuesday 11 May

Payment of the dividend of the financial year 2020 – Payment date

Wednesday 12 May

Interim statement: results up till 31 March 2021

Wednesday 19 May

Half-year financial report: results up till 30 June 2021

Thursday 9 September

Interim statement: results up till 30 September 2021

Thursday 18 November



HOME INVEST  
BELGIUM

#### FOR ADDITIONAL INFORMATION

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#### About Home Invest Belgium

Home Invest Belgium is a public regulated real estate company (GVV/SIR or BE-REIT) specializing in acquisition, sale, development and management of residential real estate. On 30 June 2020, Home Invest Belgium held a property portfolio of more than € 636 million in Belgium and The Netherlands.

Home Invest Belgium is listed on Euronext Brussels [HOMI] since June 1999. On 30 June 2020, the market capitalization amounted to € 388 million.