



Banimmo update
Meeting at KBC Securities
September 14, 2018



RECYCLING OUR CITIES



Banimmo in 4 questions

1) Who are we ?

Banimmo is a real estate development company listed on Euronext Brussels since 2007. Active in Belgium and France in the areas of office, retail and segments of niche as hotels, **Banimmo today refocuses its activities around its first activity: Offices in Belgium.** Banimmo technical and expertise in project management to lead with efficiency and speed of the ambitious programs.

2) What is our activity ?

Key player in the offices since its inception in 1995, Banimmo places its action around two axes: **the repositioning of real estate assets**, become obsolete, by implementing the highest standards of construction; **and the construction of Office buildings build-to-suit**, focusing on sustainable and efficient technologies for tenants looking for work surfaces of more modest surfaces and attentive to the comfort of life dimension.

3) Where are we active?

Present in two countries (Belgium and France), Banimmo now gives priority to the geographical sphere where she worked since its inception: **Belgium**. Banimmo has, in the country, 9 existing buildings totaling 104 000 sqm and a **land reserve over 300,000 sqm to be developed** to lead this strategy. In his choice of locations, the company gives priority to the immediate urban centers but, in its policy of redevelopment of office buildings, is also interested in the heart of the cities.

4) How do we differentiate ourselves ?

Banimmo is particularly sensitive to the developments which are **in line with the expectation of the occupants of the building she puts on the market**. So smaller, functional and rooted surfaces in an environment with all the facilities for users, meet growing businesses success. Banimmo also aims to offer services, to create communities of tenants, to integrate the approach "Smart Building" and anticipate the expectations of SMEs.



Strategy: a new generation of Offices

With his twenty years of experience in the areas of rehabilitation of obsolete offices and construction of offices built-to-suit, Banimmo is refocused around this segment, in its historic geographic range: Belgium.

Banimmo is emerging as an innovative actor, attentive to the wishes of the occupants of its buildings, forerunner of the new trends that drive the sector.

REDEVELOPMENT

Banimmo has a part of its activities in the redevelopment of offices become obsolete, requiring a technical and architectural, rehabilitation, offering them a new visibility. Banimmo can count on teams perfectly honed to meet the challenges of renovation and configuration spaces, in a perspective of sustainability and energy performance. To optimize costs, the company keeps tenants until the start of the construction.

BUILD-TO-SUIT

Banimmo, strong from its experience in the office market in which it is active since its inception, has changed its offer to respond appropriately to the criteria of today, the concerns of small and medium-sized enterprises, in research of solutions to the card, with the build-to-suit.

Strong of a land reserve of 300,000 square meters, Banimmo offers surfaces of sizes varied, where she works in phases. Speed of execution, custom construction, shared surfaces, reflection on the spaces created, thought "new places of life", including all of the current facilities, Banimmo focuses on a formula that is experiencing increasing success.



Summary on Figures as of June 30, 2018

Summary on figures as of June 30, 2018

- At break-even
- Strategic Plan aiming to a severe debt decrease and a concentration on Offices in Belgium almost finalized
- 5 sales for 76M with margin (but on different P&L lines)
- Strong costs reduction with -22%
- Fair value adjustments on assets for +1,2M
- Drop in net financial debt with -47M at 66M
- Commercial activities: nice signature for Diamond and shortlisted in numerous files.



Consolidated P&L and Balance Sheet as of June 30, 2018

Consolidated P&L in KEUR

Consolidated results			
<i>(in '000 euros)</i>	1st Half 2018	2017	1st Half 2017
Rental income from Investment properties	1.868	6.996	3.857
Income from sales of Inventories	49.486	54.952	13.250
Income from sales of works in progress	0	3.142	0
Turnover from recurring activities	51.354	65.090	17.107
Rental charges	-636	-3.027	-1.552
Costs from sold Inventories	-47.830	-44.011	-13.251
Costs from sold Works in progress	0	-2.577	0
Costs from recurring activities	-48.467	-49.615	-14.803
Résultat opérationnel des immeubles	2.887	15.475	2.304
Management fees and commissions	159	587	233
Net result of transfers on real estate operations (IP)	0	0	0
Variations of fair value on investment properties (IAS40)	1.209	-1.101	-897
Variations of value of assets in Inventories	0	-3.829	-722
Other operational charges/revenues	-811	-155	-330
Real estate result	3.444	10.977	588
Administrative costs	-2.563	-6.941	-3.296
Operational result	881	4.036	-2.708
Financial costs	-2.987	-6.029	-1.873
Financial revenues	106	482	242
Share in result of joint ventures and associates	3.386	81	-60
Impairment (provisions / reversals) on investments in joint ventures and associates	0	-203	0
Net result of transfers on participations accounted by the equity method	0	0	0
Net result of transfers on joint ventures and associates	176	0	0
Other financial assets revenues/costs	0	-1	-1
Result before taxes	1.562	-1.634	-4.400
Taxes	-1.643	-2.278	-4
Result of the financial year	-81	-3.912	-4.404

Consolidated Balance Sheet (in KEUR)

Balance Sheet			
<i>(in '000 euros)</i>	30-06-2018	31-12-2017	31-12-2016
ASSETS			
Non-current assets			
Investment properties	27.311	26.995	37.879
Property, plant & Equipment	128	219	335
Intangible assets	227	200	58
Investments in companies accounted by equity method	4.834	5.271	6.403
Deferred tax assets	0	281	255
Long-term financial assets	4.536	4.496	24.423
Commercial receivables and other receivables	212	540	1.628
Total non-current assets	37.248	38.002	70.981
Current assets			
Inventories	51.435	98.035	138.613
Work in progress	0	0	2.569
Short-term financial assets	4	19.171	819
Commercial payables and other payables	9.802	16.897	22.424
Deferred tax liabilities	2	152	54
Cash	2.360	5.651	37.157
Non current assets hold for sale and of discontinued operations	41.640	10.541	0
Total current assets	105.243	150.447	201.636
Total assets	142.490	188.449	272.617

Consolidated Balance Sheet (in KEUR)

(in '000 euros)	30-06-2018	31-12-2017	31-12-2016
Equity			
Capital	79.539	79.539	79.539
Réserves consolidées	-25.483	-25.402	-21.796
Capitaux propres part du groupe	54.056	54.137	57.743
Intérêts minoritaires	-	-	-
Total Equity	54.056	54.137	57.743
LIABILITIES			
Non-current liabilities			
Long-term financial debts	57.085	77.751	108.213
Long-term derivative financial instruments	2.745	2.182	6.053
Provisions	1.322	1.591	2.751
Commercial payables and other payables	1.476	1.983	2.591
Total non-current liabilities	62.628	83.507	119.608
Current liabilities			
Short-term financial debts	1.253	37.374	63.950
Short-term derivative financial instruments	241	602	33
Current tax debts	1.419	2.723	17.437
Provisions	28	29	74
Commercial payables and other payables	8.881	10.077	13.772
Liabilities associated to assets from discontinued activities	13.983		
Total current liabilities	25.806	50.805	95.266
Total equity and liabilities	142.490	188.449	272.617



What did we achieve?

What did we achieve ?

- Q3-Q4 2016 : set up and validation of a new Strategic Plan
- Plan aiming to transform the Banimmo of 2016 into a New Banimmo focussed on Offices in Belgium, by
 - Selling assets at maturity in the best conditions
 - Operational costs to be cut
 - Portfolio to be re-assessed
 - Huge debt to be repaid
 - Rebuild the confidence
 - Search for new financial resources

What did we achieve ?

- Complete review of the portfolio with value update in our books when needed
- Sales of the assets at maturity or not belonging any longer to the strategy → asset sales for 296 MEUR in good conditions (gross margin of 78M), at least at book value, despite the very negative atmosphere around the Company. See next page.
- Debt divided by 4
- Bond repaid
- Covenants fullfiled
- Operational costs and Staff divided by 2
- Etc.

What did we achieve ?

	Asset	Value
sept-16	Alma Court	30.000
nov-16	Paris Marché Saint Germain	130.000
déc-16	Bureau Cauchy B	2.000
févr-17	Desguinlei Antwerpen	13.250
juil-17	Halles Secretan Paris	27.800
nov-17	Vaugirard	11.700
déc-17	Bureau Cauchy A	1.900
déc-17	Bureau Cauchy C	3.100
févr-18	Banimmo France	39.500
avr-18	Rocquencourt	10.000
mai-18	Dolce La Hulpe	26.460
		295.710

What did we achieve ?

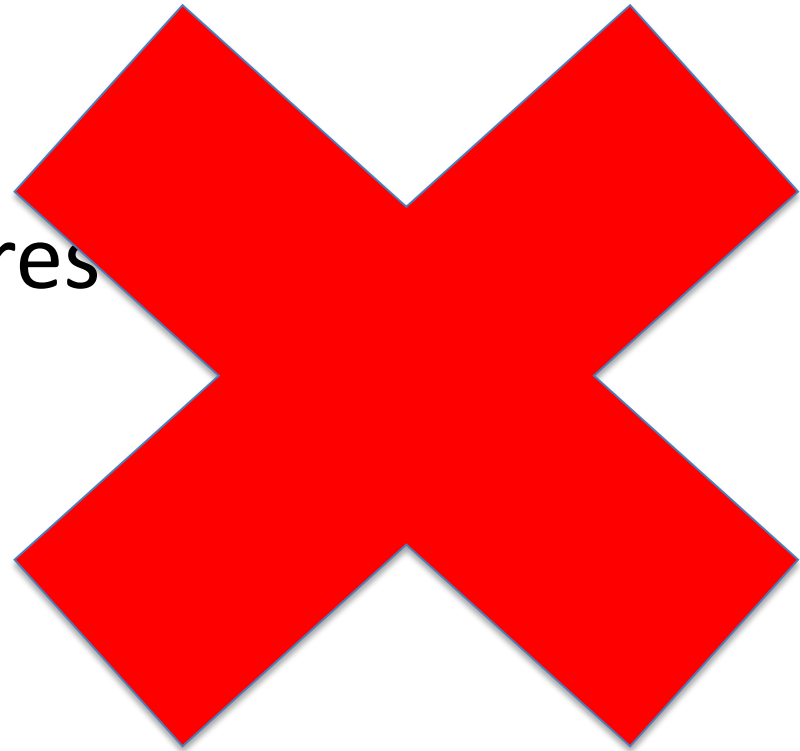
France

Shopping centres

Retail

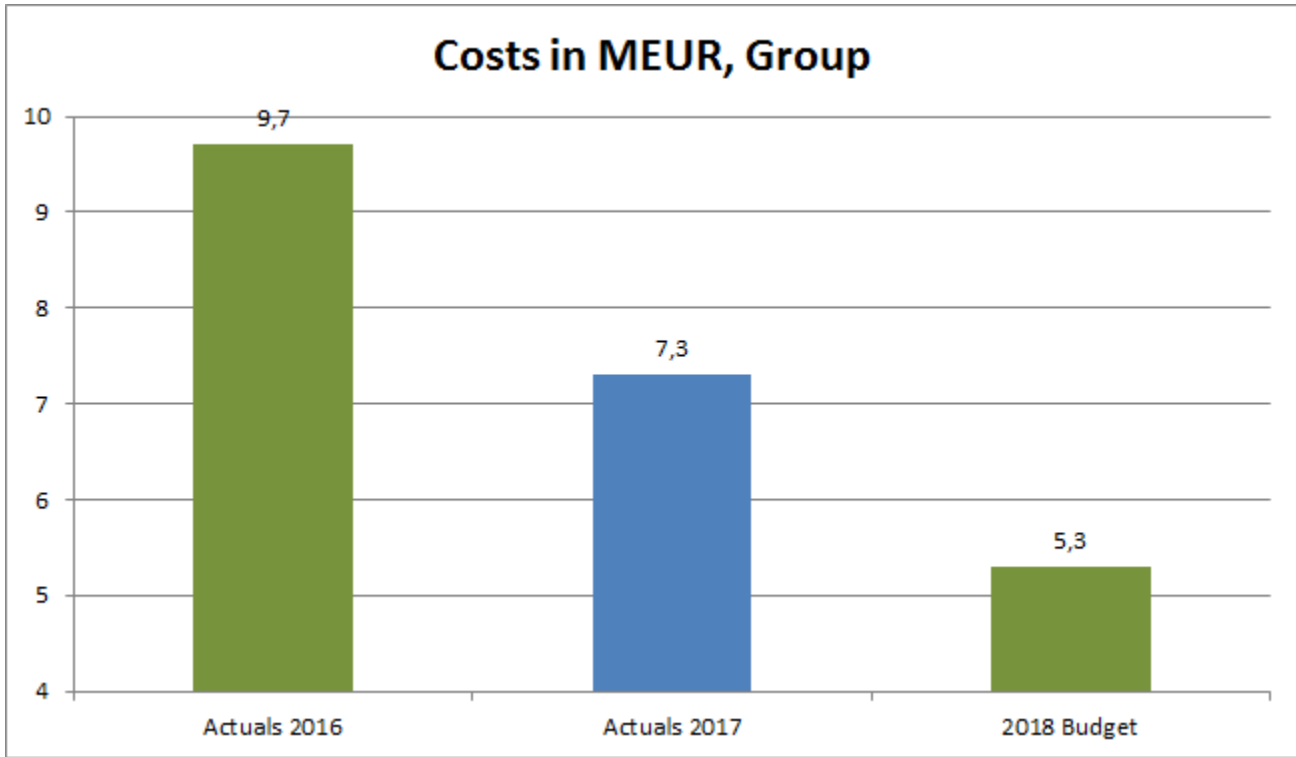
Residential

Hotels





Operational and administrative costs





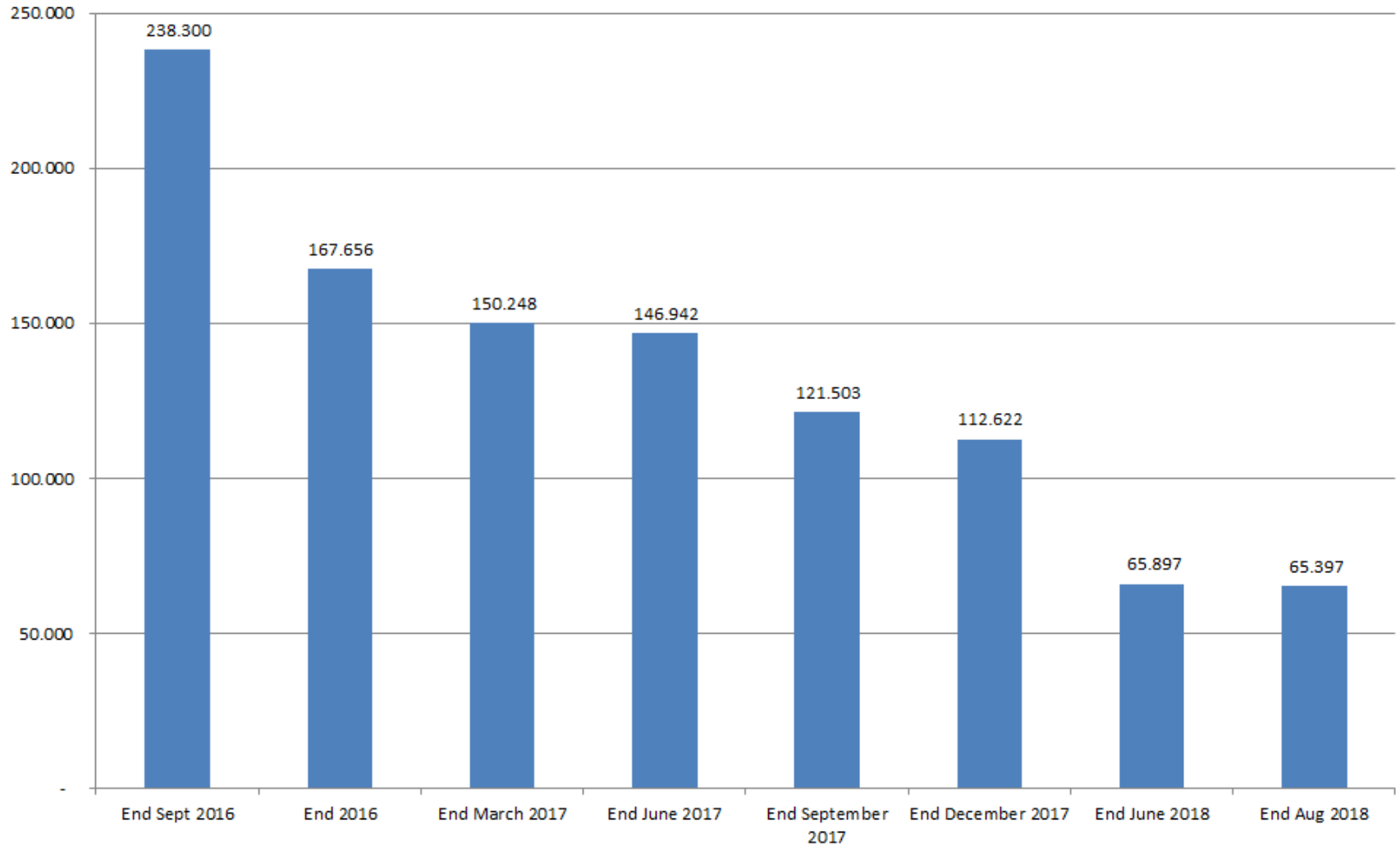
Financing

LTV Evolution (values in KEUR)

<i>(in '000 euros)</i>	30-06-2018	31-12-2017	31-12-2016	31-12-2015
Financial debt including the one in liabilities associated to assets from discontinued activities	65.985	115.125	172.163	246.546
Net Financial debt	63.625	109.474	135.006	242.995
Loan-to Value ratio	45%	58%	50%	69%
Gearing ratio	1,18	2,02	2,34	3,32

(*) Expressed as net financial debt on total assets

Total consolidated financial debt, in '000 EUR



- These are the figures of the *consolidated debt*: 66 Mios
- But this amount doesn't include the debts in the JV's
 - End 2016 the amount of our share in the debts in the JV's was of 20,3 Mios
 - As of today it represents only 2,9M (in Gent, The Loop).



Portfolio as of June 30, 2018

- Existing assets
 - 9 buildings/assets
 - From which 1 is hold in partnership (we have 15%)
 - For a total of 104 000 m²
- Lands or assets to be developed
 - 7 assets/projects
 - Gent the Loop is now considered as 1 asset an no longer as 3 assets (veld 3 + 5 + 12)
 - From which 1 is hold in partnership (we have 25%)
 - For a total to be developed of 302 000 m² (our share)

Portfolio in SQM

30/08/2018					
Existing buildings: 9 sites					
	SQM	Our share	Existing SQM	Comments on the short term evolution	
Diamond Hartog	14.300	100%	14.300		
Athena BP/Groenloo Vilvoorde	26.000	100%	26.000	Under sale process.	
Da Vinci H3	12.450	100%	12.450		
North Plaza	14.500	100%	14.500		
Da Vinci Quentris	3.050	100%	3.050		
Da Vinci H5	3.800	100%	3.800		
Da Vinci Raket Electrolux	8.250	100%	8.250		
Atlantic House	28.000	15%	4.200		
Dolce Chantilly	17.000	100%	17.000	Under rental process. Sale process to be launched	
		Total	103.550		
Land reserve for future developments : 7 sites					
	SQM	Our share	SQM to be developed		
Da Vinci H2	22.000	100%	22.000		
Da Vinci H3 (additional)	21.550	100%	21.550		
Da Vinci AES	22.700	100%	22.700		
Ans	85.100	100%	85.100	Part of the surfaces (25 000 sqm) under sale process.	
SDEC Charleroi	72.600	100%	72.600		
Forest 3	7.500	100%	7.500		
Gent The Loop (zones 3 & 5 & 12)	281.490	25%	70.373		
		Total	301.823		
		Grand Total	405.373		

- After the exit of Chantilly and Groenloo, we are on track in terms of strategy execution : Offices in Belgium only !

Portfolio valuation

Based on <u>external</u> valuations of end 2017	In Mio EUR
Assets in Investment Properties (2)	27,3
Assets in Inventories (10)	58,0
Assets hold for sale or of discontinued operations (2)	38,3
Assets in JV (2)	19,6
Total	143,2



NAV and adjusted NAV

NAV Evolution

	31/12/2017	30/06/2018
Equity in KEUR	54 137	54 056
NAV/share in EUR	4,8	4,8

* Based on 11,356,544 total shares

	31/12/2017	30/06/2018
Equity after reevaluation in KEUR	66 291	65 759
Adjusted NAV/share	5,8	5,8

Based on 11,356,544 total shares



Voluntary Take Over Bid

Patronale Life, a Belgian life insurance company, announced on July 12, 2018, that it will enter with the FSMA a file for a takeover bid, voluntary and unconditional, in cash, covering the whole of the Banimmo shares for a price of 3,30 euros per share.

The reference shareholder of Banimmo, Affine, holding 49,51% of the shares, will bring its shares to the Bid.

Prospective planning

- Validation of the prospectus by the FSMA: early October
- Take over Bid period: in October
- Change of shareholdership: end October or begin November

Support from Banimmo to the Bid of Patronale Life based on, among others:

- Belgian institutional investor
- Able to provide new financial resources with regular cash flow
- Not a competitor
- Entrepreneurship mentality
- Willingness to share its network and its experience in Belgium
- Willingness to maintain the listing on Euronext
- Willingness to pursue the strategy with the management



Perspectives

A New Start which must make Banimmo a profitable, sustainable and major actor in the Belgian Offices Market.

- Let's remember the results of the past : average net result of the period 2008 – 2016 = losses of 5,2M per year (range between +17M till -33M).
- 2017 and half 2018 have been years of restructuring
- Half 2018 and 2019 will see the start of some new developments. Keep in mind the average duration of a project from its purchase till the first generation of margin.
- 2020 and beyond should benefit of all these actions.

Back on the market as an Offices developer !

- Start of the works at Ghent Field 5 where 2 permits can be executed. In partnership 50-50.
- Request of building permits for first development in Ans
- Finalization of the agreements with a well known tenant for a 10 000 sqm Offices Build-to-Suit in Wallonia
- Search for new acquisitions, opportunistic, 5 – 8 000 sqm Offices, CBD Brussels.
- ...



Thank you for your attention



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