

## **IMMOBEL FULL-YEAR RESULTS 2021**

### **STRONG FULL YEAR RESULTS UNDERLINE IMMOBEL'S RESILIENT BUSINESS MODEL**

Immobel delivered a strong set of results achieving substantial growth in revenues. Net profit group share grew to EUR 92.2 million up from EUR 33.3 million in 2020. The return on equity stood at 19%, well above the Company's 15% target. EBITDA doubled from EUR 52.8 million to EUR 103.8 million.

The acquisition of several high-profile projects supported the growth of Immobel's underlying portfolio from EUR 5.1 billion in 2020 to EUR 5.5 billion at the end of 2021, providing it with a strong pipeline of future projects.

With this solid performance, Immobel has committed to a 10% dividend increase in line with its dividend policy, bringing the 2021 dividend to EUR 3.05 gross per share.



## FINANCIAL HIGHLIGHTS

- Net profit group share almost tripled from EUR 33.3 million in 2020 to EUR 92.2 million in 2021. EBITDA doubled to EUR 103.8 million (2020: EUR 52.8 million)
- Solid activity in the office market was supported by the continued 'downsizing and upgrading'-trend with a clear focus on sustainability. Residential sales were supported by strong markets driven by rising prices and a structural supply-demand imbalance.
- Permits obtained for a sales value of EUR 892 million in 2021, compared to EUR 506 million in 2020. This includes final permits amounting to a sales value of EUR 580 million in 2021, compared to EUR 315 million in 2020.
- Future growth position strengthened with new strategic acquisitions in Belgium, France and Luxembourg, amounting to EUR 560 million in sales value. This brings the total gross development value (GDV) of the portfolio to EUR 5.5 billion.
- Growth strategy supported by strong balance sheet with cash position of EUR 273 million and gearing ratio of 52.9% at the end of the year.
- Dividend increase for the fifth year in a row, in line with the dividend policy, this year by 10%, resulting in a dividend of EUR 3.05 gross per share.

## BUSINESS MILESTONES

- In Brussels, Immobel and Whitewood fully let the MULTI office development project (45.800 m<sup>2</sup>), with a WALT<sup>1</sup> of approximately 12 years.
- In France, Immobel partnered with renowned institutional investors, Goldman Sachs Asset Management and Pictet Alternative Advisors, for strategic acquisitions in Paris.
- In Brussels, Immobel was selected by Proximus as the preferred candidate to reach an agreement on the sale, partial lease-back and redevelopment of Proximus' headquarters.
- In Spain, Immobel made strong progress with the necessary urban planning procedures for the construction of the Four Seasons Marbella Resort<sup>2</sup>.
- In Luxembourg, Immobel signed an agreement with TotalEnergies for the acquisition of their Luxembourg headquarters located Route d'Esch.
- Immobel laid the groundworks for the launch of Immobel Capital Partners<sup>3</sup> in the United-Kingdom, significantly strengthening its European investment management activity.
- Immobel defined its comprehensive sustainability strategy based on 13 themes linked to the United Nations Sustainable Development Goals.

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<sup>1</sup> Weighted average lease term.

<sup>2</sup> For further information: <https://www.immobelgroup.com/en/news/immobel-to-develop-four-seasons-marbella-resort-following-urban-planning-approval>

<sup>3</sup> For further information: <https://www.immobelgroup.com/en/news/immobel-launches-immobel-capital-partners-under-the-leadership-of-duncan-owen>

## Financial results – Net profit almost tripled

The table below shows the main consolidated figures for 2021 (in EUR million):

Results	31/12/21	31/12/20	Variance
Revenues and other operating income	392.8	375.4	5%
EBITDA <sup>4</sup>	103.8	52.8	97%
Net profit Group share	92.2	33.3	177%
Net profit Group share per share (EUR/share)	9.25	3.58	158%
ROE <sup>5</sup>	18.7%	7.8%	140%

  

Balance sheet	31/12/21	31/12/20	Variance
Inventory <sup>6</sup>	1,261.9	1,140.8	11%
Equity Group share	571.6	491.9	16%
Net debt <sup>7</sup>	593.3	603.9	-2%
Portfolio GDV (in EUR billion) <sup>8</sup>	5.5	5.1	8%

In 2021, Immobel's net profit group share increased by 177% to EUR 92.2 million. At 19%, its ROE is well above the Company's 15% target. EBITDA increased by 97% to EUR 103.8 million. The gross development value (GDV) of the company's portfolio grew by 8% from EUR 5.1 billion in 2020 to EUR 5.5 billion in 2021 while the underlying inventory grew by 11% to EUR 1.3 billion, driven by new acquisitions made in 2021. Net debt remained stable as the additional debt incurred for new acquisitions were offset by the operational cash flow generated in 2021. This resulted in an improved gearing ratio<sup>9</sup> of 52.9% (compared to 57% at the end of 2020).

## Strong take up across residential and commercial markets

Residential sales were supported by strong markets characterised by the structural imbalance between supply and demand, resulting in rising prices for residential projects. Sales were mainly driven by O'Sea and Immobel Home (Belgium), Eden (Germany) and Fort d'Aubervilliers (île A), Bucolia and Montévrain (France). The pandemic's impact on how and where people want to live has continued to translate into high demand for second and suburban homes.

2021 was also marked by substantial rental and investment activity within our office division. The sales of the BREEAM Outstanding and CO<sub>2</sub>-neutral 'Commerce 46'-building to Allianz and the BREEAM Excellent and Smart

<sup>4</sup> EBITDA (Earnings Before Interest, Depreciation and Amortization) refers to the operating result before amortization, depreciation and impairment of assets (as included in Administration Costs)

<sup>5</sup> ROE (Return on Equity) refers to the net profit group share divided by the equity group share at the beginning of the year.

<sup>6</sup> Inventory refers to investment property, investments in joint ventures and associates, advances to joint ventures and associates, inventories and contract assets.

<sup>7</sup> Net debt refers to the outstanding non-current and current financial debt offset by the cash and cash equivalents.

<sup>8</sup> Sales value or gross development value: total expected future turnover (group share) of a project or all projects in the current portfolio (including projects subject to conditions precedent for which the management judges there is a high likelihood of closing).

<sup>9</sup> Gearing ratio is calculated by dividing net debt by the sum of net debt and equity group share with goodwill subtracted from equity group share.

'Möbius II'-building to the Belgian State (ahead of schedule) made a substantial contribution towards delivering a strong net profit. A 12-year lease agreement was signed with TotalEnergies and a 9-year lease agreement was signed with a top-tier US financial institution for their new Belgian headquarters in the MULTI-building – the first CO<sub>2</sub>-neutral office building in Brussels. These transactions are a clear illustration of how investors and occupiers are viewing the office market following the pandemic. We continue to see growing evidence of a trend towards 'downsizing and upgrading' and a growing focus on sustainability, wellbeing and flexibility in work patterns, all areas in which Immobel has a strong track record.

## **Improvement in rate of permitting activity**

2021 permitting activity improved compared to 2020, although the company was still faced with delays for some of its residential projects. During the year, Immobel obtained permits for a sales value of EUR 892 million compared to EUR 506 million in 2020. In 2021, final permits were obtained for a total sales value of EUR 580 million, compared to EUR 315 in 2020.

In Belgium, Immobel obtained a permit for the residential Îlot Saint-Roch project with a sales value of EUR 103 million. Together with Dumobil, it obtained planning permission for the development of 200 units with a sales value of EUR 65 million in Tielt. In Éghezée near Namur, Immobel will develop a new, sustainable residential district with 168 residential units (including 118 houses and 50 apartments) with a sales value of EUR 57 million.

Permits were also obtained in France for the Montrouge office project in Paris with an area of 8,700 m<sup>2</sup>, the residential project Montévrain with a sales value of EUR 19 million and the residential project Bucolia with a sales value of EUR 54 million, amongst others.

## **GDV of EUR 5.5 billion provides a strong platform for Immobel's further growth**

Immobel grew its gross development value by more than 8% to EUR 5.5 billion by acquiring assets with a sales value of EUR 560 million, which will provide a strong pipeline of future opportunities.

In Paris, Immobel partnered with two renowned institutional investors; with Goldman Sachs Asset Management, it acquired a high-quality mixed-use commercial and office building in the centre of Paris and with Pictet Alternative Advisors, it acquired an office property located in the Paris Opera district, which presents a significant redevelopment opportunity in one of Paris's most sought-after locations. In addition, Immobel was awarded the contract for the conversion of the iconic Tati Barbès-building into homes, shops, and offices.

By repurposing real estate to change its use or by introducing sustainable mixed uses into developments, Immobel is responding to the key challenges of major European cities by addressing housing shortages and environmental challenges.

In Luxembourg it acquired, within the framework of the investment management business, the Scorpio-building in the Cloche d'Or district. It also signed an agreement with TotalEnergies for the acquisition of their Luxembourg headquarters located Route d'Esch in Luxembourg.

In Belgium Immobel acquired the Sabam headquarters and the head office of TotalEnergies in the European Quarter in Brussels.

FY 2021's solid financials enable Immobel to maintain its business plan. Following this strong performance and in line with its dividend policy, Immobel has committed to a 10% dividend increase, bringing the 2021 dividend to

EUR 3.05 gross per share. Potential permitting delays are expected to be mitigated in 2022 by a robust office activity and the continued strong demand within the residential market.

As ImmoBel has limited exposure to the Eastern European market (with only two projects in Poland), it does not expect the war in Ukraine to have any direct impact on its business. However, management remains vigilant on potential indirect impacts such as rising interest rates, inflation, and construction costs.

## **Strong balance sheet**

ImmoBel has a strong balance sheet with EUR 273 million in cash and a gearing ratio of 52.9%. In 2021, ImmoBel successfully issued EUR 125 million in green bonds, reinforcing the Company's ESG strategy and demonstrating the importance investors attach to climate and environmental issues whilst also confirming their confidence in ImmoBel and its underlying business plan. ImmoBel's strategy remains focused on the development of projects with high sustainability targets which contribute to the creation of the European cities of tomorrow.

## **Annual Financial Report 2021**

The full Annual Financial Report 2021, including ImmoBel's ESG Report, will be available on the website as from Friday March 18<sup>th</sup>, 2022.

## **Financial calendar**

### **Financial calendar 2022/2023**

General Meeting 2022	21 April 2022
Publication of the Half-Yearly Results 2022	8 September 2022
Publication of the Annual Results 2022	9 March 2023
General Meeting 2023	20 April 2023

*The statutory auditor, KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises, represented by Filip De Bock, has confirmed that the audit procedures, which have been substantially completed, have not revealed any material misstatement in the accounting information included in the Company's press release.*



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**About Immobel:** Immobel is the largest listed real estate developer in Belgium. The Group, which dates back to 1863, creates high-quality, future-proof urban environments with a positive impact on the way people live, work and play, and specialises in mixed real estate. With a market capitalization of over EUR 650 million and a portfolio of more than 1,600,000 m<sup>2</sup> of project development in 6 countries (Belgium, Grand Duchy of Luxembourg, Poland, France, Spain, Germany), Immobel occupies a leading position in the European real estate landscape. The group strives for sustainability in urban development. Furthermore, it uses part of its profits to support good causes in the areas of health, culture and social inclusion. Approximately 200 people work at Immobel.

For more information, please go to: [www.immobelgroup.com](http://www.immobelgroup.com)

