

Acceleration of Cofinimmo's investments in healthcare real estate in Germany

- **Acquisition of a German portfolio of 17 nursing and care homes, valued at 172 million EUR**
- **Signing of long-term leases with the operator Stella Vitalis**
- **Initial gross rental yield of approx. 5.5 %**

On 14.06.2018, Cofinimmo signed an agreement for the acquisition of 17 nursing and care homes located in Germany. The assets are valued at 172 million EUR and offer approximately 1,500 beds. The acquisition will materialise through the payment of the acquisition price of a 94.9 % stake in 14 companies owning the said assets, which should take place today.

Jean-Pierre Hanin, Chief Executive Officer of Cofinimmo: "This is the most important transaction so far for Cofinimmo in Germany and it represents a major step in our development on this market. Our Group owns 28 sites in Germany, with a total fair value of approx. 330 million EUR. Healthcare real estate now represents 49 % of our global portfolio, and we are approaching, faster than at the end of 2019 as previously announced, the objective of increasing the share of healthcare real estate to 50 % of our global portfolio. We intend to actively pursue our growth in the healthcare real estate sector."



Stella Vitalis Seniorenzentrum Friedrichstadt (DE)



Stella Vitalis Seniorenzentrum Weil am Rhein (DE)

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Brussels, 14.06.2018, 07:30 AM CET

Overview of the transaction

On 14.06.2018, Cofinimmo signed an agreement for the acquisition of 17 nursing and care homes located in Germany. The assets are valued at 172 million EUR. The acquisition will materialise through the payment of the acquisition price of a 94.9 % stake in 14 companies owning the said assets, which should take place today. The seller is a joint venture of Revcap, a leading European private equity house that has invested over 2 billion EUR of equity in real estate, across over 375 transactions.

All 17 assets are let to the operator Stella Vitalis, with which Cofinimmo signed leases for a fixed 30-year period. The initial gross rental yield of the transaction stands at approx. 5.5 %.



Stella Vitalis Seniorenzentrum Alsdorf (DE)



Seniorenzentrum Haus Hüttener Berge - Ascheffel (DE)

- Overview of the real estate assets acquired

One of the assets is under construction and will be delivered in the course of the fourth quarter of 2018. The 16 others are in operation. The global portfolio offers approx. 1,500 beds, spread over 75,000 m².

The 17 real estate assets and their main characteristics are listed in the appendix to this press release.

- Overview of the leases

The 17 acquired nursing and care homes are let to the operator Stella Vitalis under fixed 30-year leases. The rents will be indexed based on the German consumer price index.

The leases are of the 'Dach und Fach' type: the maintenance costs of the roof and building structure are borne by the landlord.

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- Overview of the tenant/operator

Stella Vitalis is a German operator established in 2006 that specialises in care and housing of elderly people. The Group currently operates over 1,600 beds, spread over approx. 20 facilities on the German territory, covering nearly 100,000 m². Stella Vitalis employs over 1,300 people.

- Financing for the transaction

Cofinimmo financed the acquisition by drawdowns on existing credit lines. The Group's debt ratio amounts to approximately 46 % after the transaction.

Transaction impact

- Cofinimmo approaches, faster than at the end of 2019 as previously announced, its objective to increase the share of healthcare real estate to 50 % of its global portfolio.

Following this operation, healthcare real estate represents 49 % of the company's global portfolio (compared to 47 % as at 31.03.2018). The Group thus comes closer, faster than at the end of 2019 as previously announced, to its objective to increase the healthcare real estate share in its global portfolio to 50 %. The Group intends to actively pursue its growth in this segment.

- Cofinimmo's portfolio in Germany reaches a critical size.

The transaction gives Cofinimmo a prominent position in healthcare real estate in Germany: the Group's German healthcare real estate portfolio now has a fair value of approx. 330 million EUR (compared to 149 million EUR as at 31.03.2018) and counts 28 sites.

- Cofinimmo further diversifies its healthcare real estate portfolio.

Cofinimmo Group's healthcare real estate strategy is to expand the portfolio while diversifying it in terms of country, asset type and tenants/operators. Following this operation, 19 % of Cofinimmo's healthcare real estate portfolio is located in Germany (compared to 9 % as at 31.03.2018). The portfolio consists of 24 nursing and care homes, two revalidation clinics and two sport and wellness centres, let to eight different tenants/operators.

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About Cofinimmo:

Founded in 1983, Cofinimmo is today the foremost listed Belgian real estate company specialising in rental property and an important player in the European market.

The company owns a diversified property portfolio spread over Belgium, France, the Netherlands and Germany, worth 3.4 billion EUR, representing a total surface area of over 1,786,000 m². Riding on demographic trends, its main investment segments are healthcare properties (47 %), offices (36 %) and distribution networks (17 %). As an independent company that consistently applies the highest corporate governance and sustainability standards, Cofinimmo services its tenants and manages its properties through its team of over 130 people, operating from Brussels, Paris and Breda.

Cofinimmo is listed on Euronext Brussels (BEL 20) and benefits from the fiscal REIT regime in Belgium (RREC), in France (SIIC) and in the Netherlands (FBI). Its activities are controlled by the Financial Services and Markets Authority, the Belgian regulator.

At 31.03.2018, its total market capitalisation stands at 2.3 billion EUR. The company pursues investment policies which seek to offer a high dividend yield and capital protection over the long term, targeting both institutional and private investors.

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Appendix: Overview of the real estate assets

	Name of the facility	Land	City	Year of construction	In operation/ Under construction	Number of beds
1.	Seniorenzentrum an der Seestraße in Erftstadt-Liblar	NW	Erftstadt	2008	In operation	130
2.	Stella Vitalis Seniorenzentrum Bochum	NW	Bochum	2010	In operation	92
3.	Stella Vitalis Seniorenzentrum Haan	NW	Haan	2010	In operation	91
4.	Pflege Plus + Seniorenzentrum Bottrop	NW	Bottrop	2008	In operation	80
5.	Stella Vitalis Seniorenzentrum Alsdorf	NW	Alsdorf	2010	In operation	90
6.	Pflege Plus + Seniorenzentrum Duisburg	NW	Duisburg	2007	In operation	80
7.	Seniorenzentrum Sonnenhof & Rosengarten	SH	Lunden	1999	In operation	94
8.	Seniorenzentrum Haus Hüttener Berge	SH	Ascheffel	1991	In operation	80
9.	Seniorenzentrum Haus am Mühlenstrom	SH	Schafflund	1997	In operation	78
10.	Seniorenzentrum Haus am Lecker Mühlenstrom	SH	Leck	1999	In operation	73
11.	Landhuus Viöl	SH	Viöl	2002	In operation	60
12.	Stella Vitalis Seniorenzentrum Weilerswist	NW	Weilerswist	2016	In operation	80
13.	Stella Vitalis Seniorenzentrum Weil am Rhein	BW	Weil am Rhein	2015	In operation	100
14.	Stella Vitalis Seniorenzentrum Goslar	NI	Goslar	2014	In operation	99
15.	Stella Vitalis Seniorenzentrum Friedrichstadt	SH	Friedrichstadt	2017	In operation	90
16.	Seniorenzentrum Gelsenkirchen	NW	Gelsenkirchen	2017	In operation	80
17.	Stella Vitalis Seniorenzentrum Swisttal	NW	Swisttal	2018	Under construction	80
Total						1,477