

BEYOND
REAL
ESTATE



Press & analyst meeting - 1 August 2019

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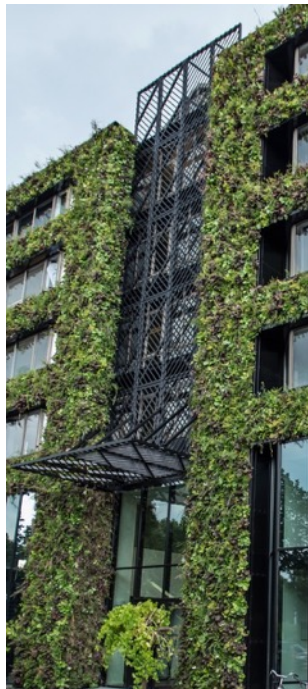


All figures in this presentation are as at 30 June 2019 unless otherwise specified.



Company profile


Highlights





<p>1</p> <p>Unique combination of 2 segments: 62% logistics and 38% offices</p> <p>Strong risk spread</p>	<p>2</p> <p>Beyond Real Estate: reorientation of offices</p> <p>Dynamic in-house asset management</p>	<p>3</p> <p>Acquisition performance: € 24 million in the 1st semester of 2019</p> <p>Solid growth plan</p>	<p>4</p> <p>Project developments in Roosendaal, Eindhoven & potential of 250.000 m² in Genk</p> <p>Growth potential</p>	<p>5</p> <p>6,1% dividend yield & 45,2% debt ratio</p> <p>Attractive yield & well-balanced financing</p>
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About Intervest

 Belgian listed REIT °1999
Euronext Brussels, incl. in EPRA index

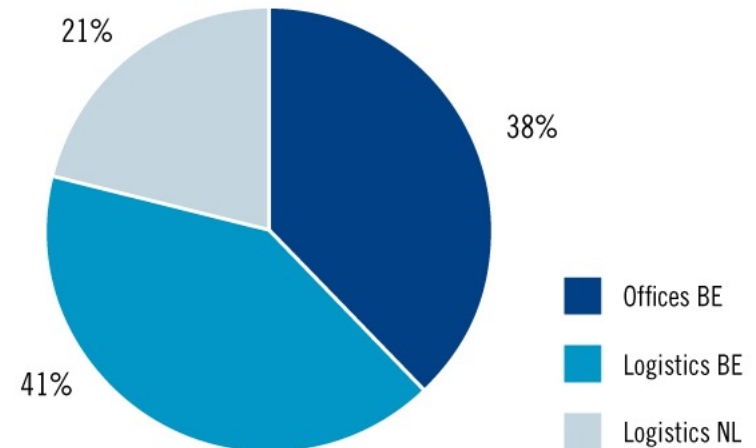
 € 609 million
Market capitalization

 € 909 million
Portfolio fair value

 > 1.000.000 m²
Portfolio surface area

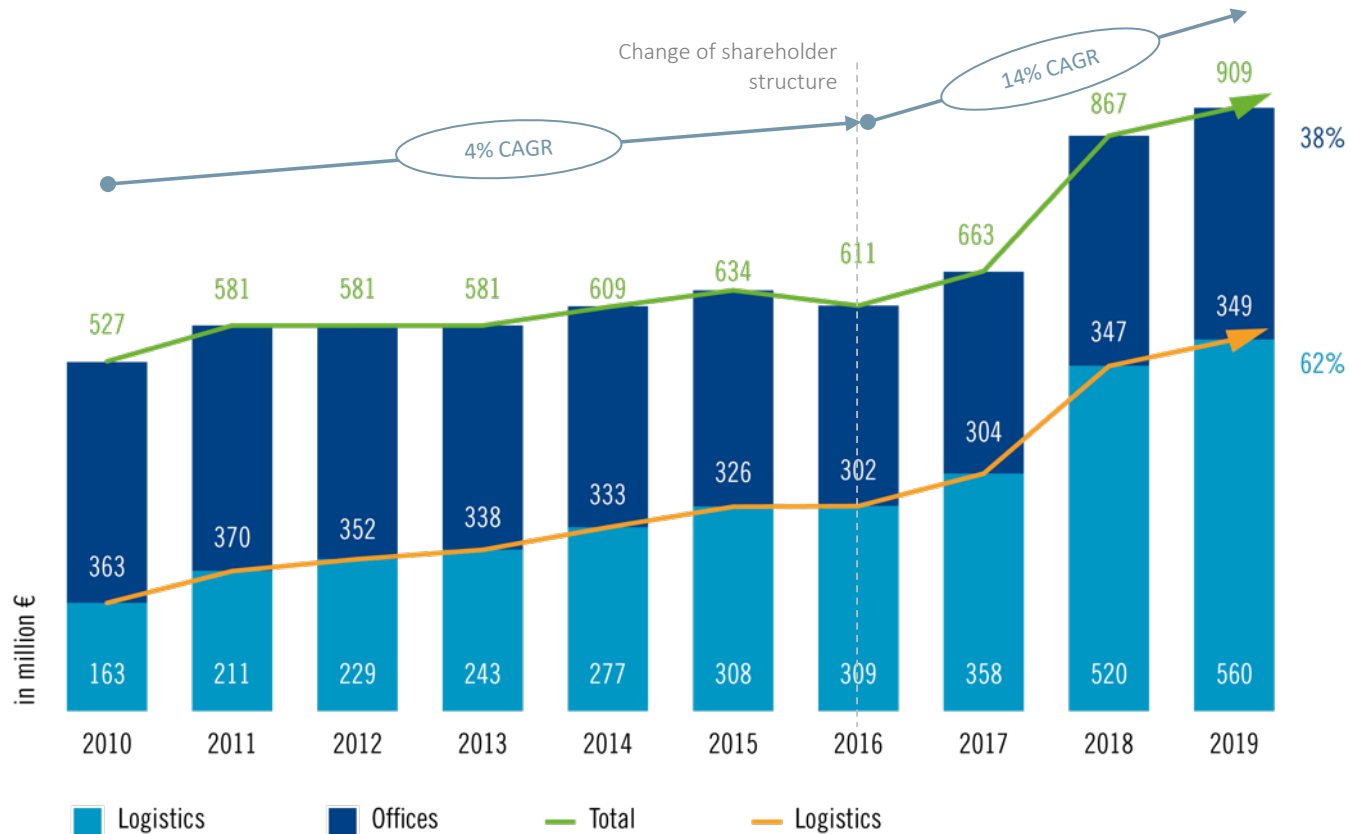
 # 46
In-house real estate team

Portfolio breakdown



Road to growth

- ▶ 49% portfolio growth since change of shareholder structure in 2016, i.e. CAGR of 14%
- ▶ Growth plan: € 1,0 billion by the end of 2019
€ 1,3 billion by the end of 2021



Strategic vision

Continued growth of real estate portfolio

Focus on 2 segments: logistics and offices

Investing in logistics: the Netherlands and Belgium

Reorientation of offices with clear focus on services

Improvement of asset quality

Maintaining a healthy debt ratio of 45% - 50%

Strategy in logistics

- ▶ Focus on investing in modern clustered logistics sites on multimodal reachable locations with a clear geographical focus to maximize synergy advantages

Strategy in offices

- ▶ Investing in inspiring multi-tenant offices on well reachable locations in big agglomerations in Belgium
- ▶ Buildings offering an inspiring experience as well as a full range working environment, with a service oriented and flexible approach towards tenants





















Beyond real estate

“Our mission is to go beyond simply letting square metres. We unburden our customers and offer them added value, listening to what they want, thinking along and proactively with them.”

Turnkey solutions

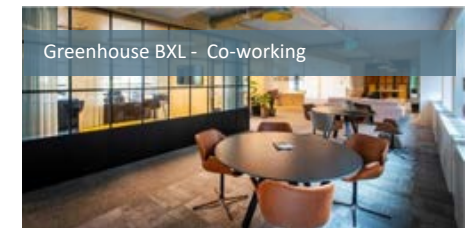


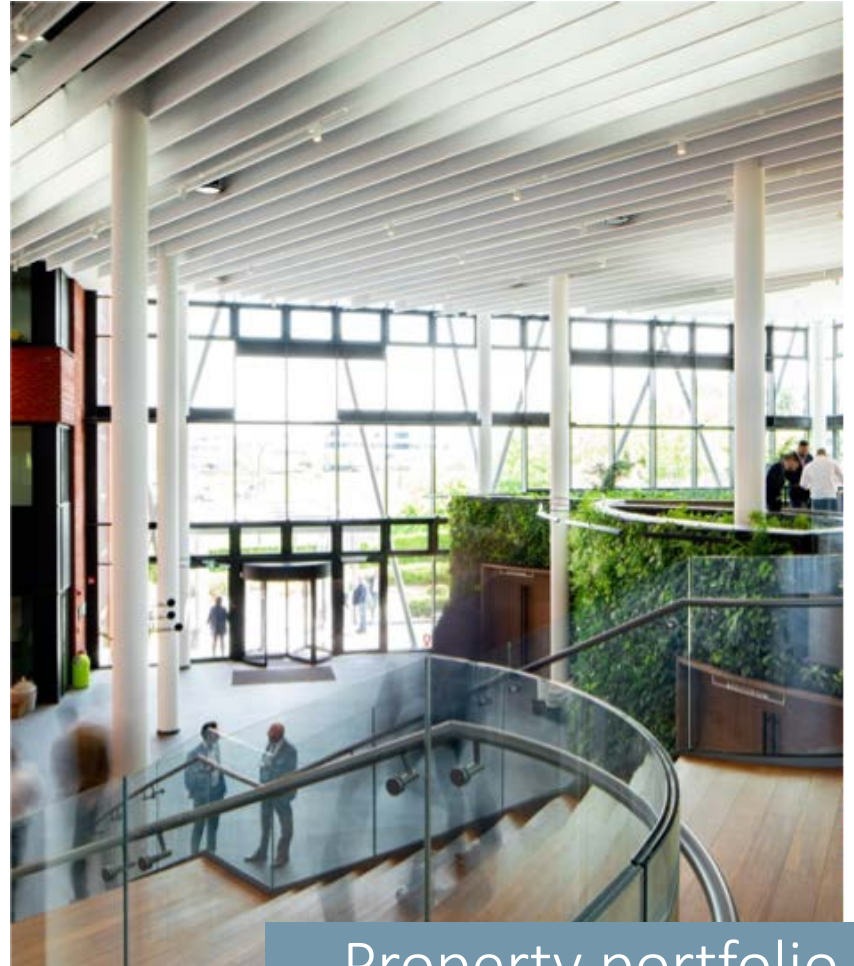
Extended services

 Access 24/7 Greenhouse Flex GOLD members	 Printing and copying facilities	 High speed internet	 Assigned telephone number	 Cleaning service
 Parcel service	 Meeting rooms	 Seminar facilities	 Coffee	 Restaurant
 Ironing service	 Parking	 Charging station electrical cars	 Shuttle service	 Rental cars
 Reception services	 Postal services	 Catering	 Showers	 Handyman service

Greenhouse concept

- Inspiring & innovative offices
- Co-working
- Wellbeing facilities
- Meeting rooms & event spaces





Property portfolio

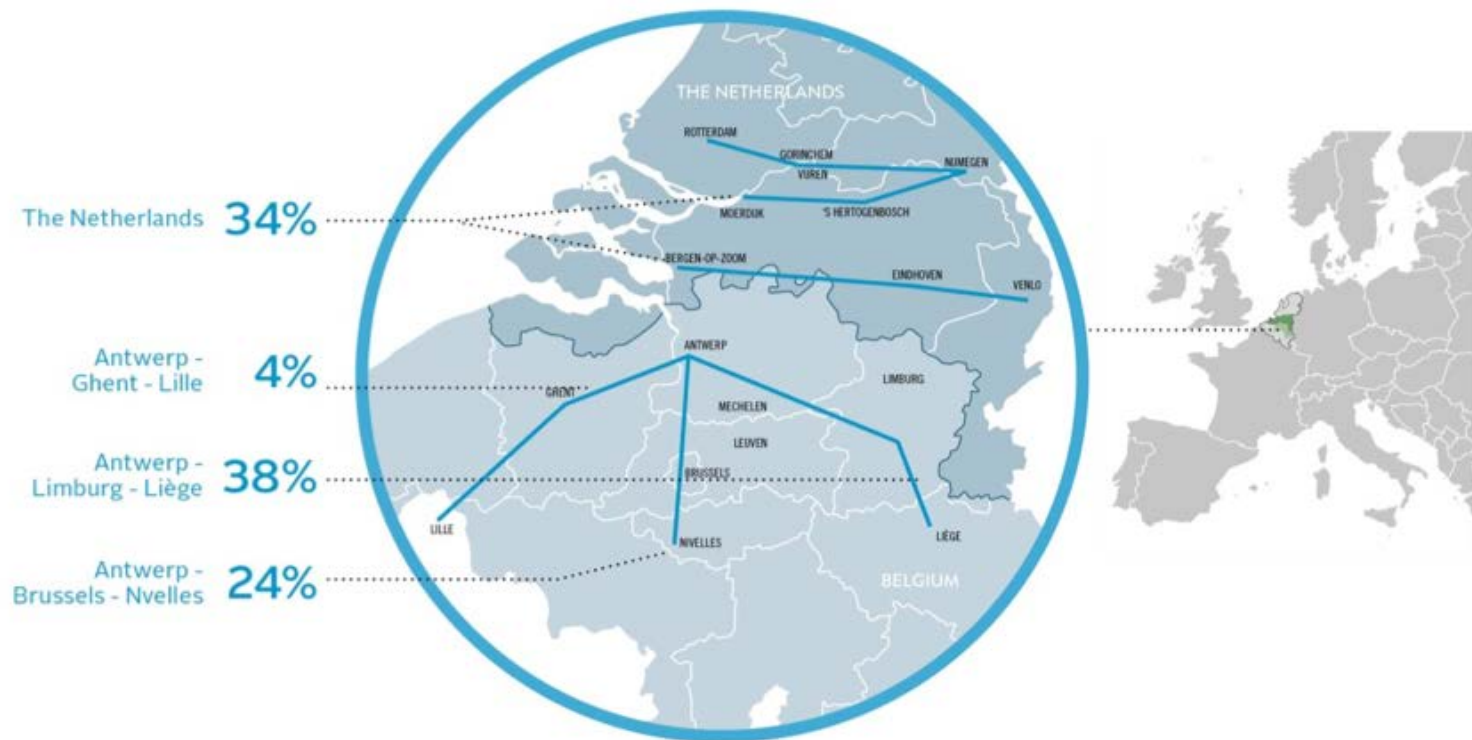
Overview logistics

€ 560 million
Fair value

93%
Occupancy rate

6,7%
Yield
7,2% fully let

822.400 m²
Lettable space



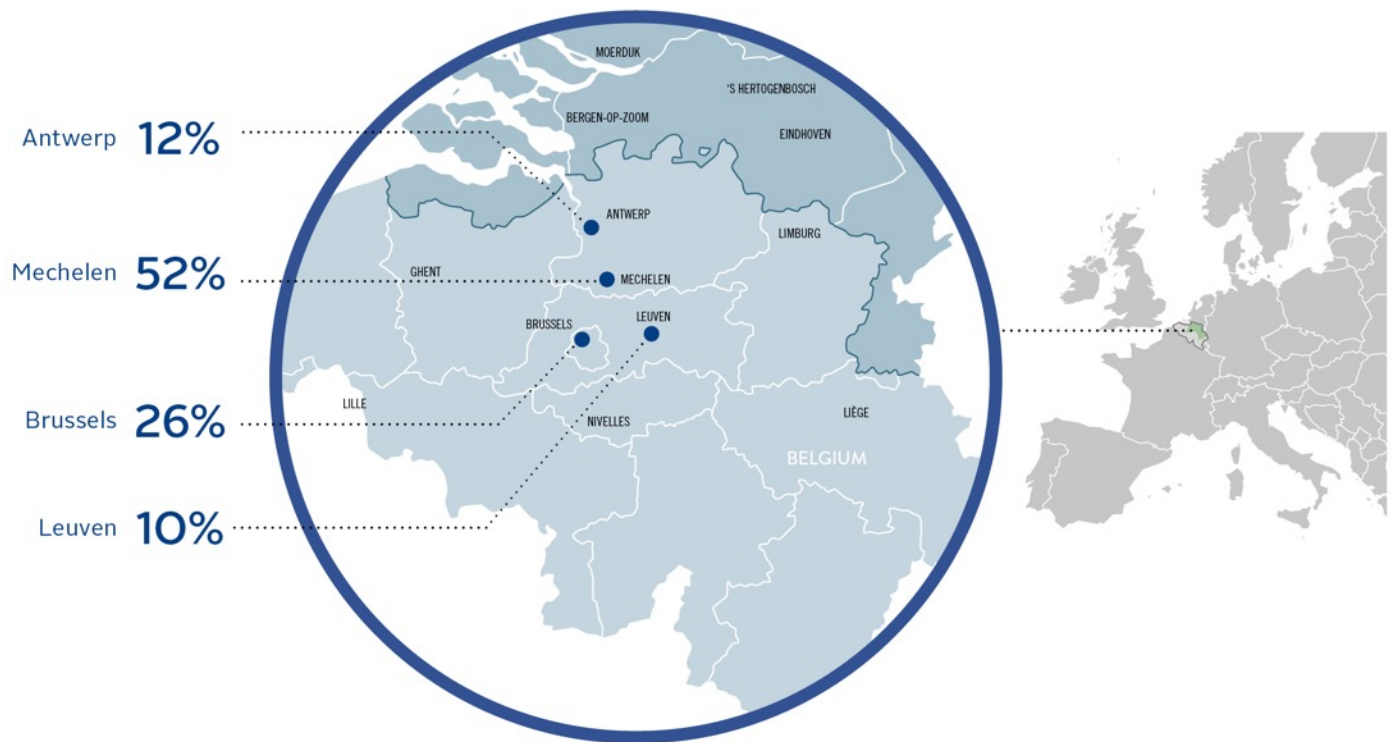
Overview offices

€ 349 million
Fair value

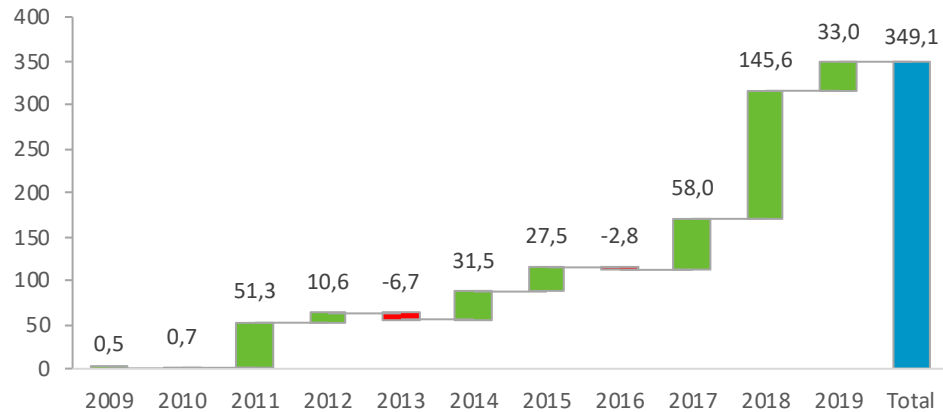
88%
Occupancy rate

7,9%
Yield
8,9% fully let

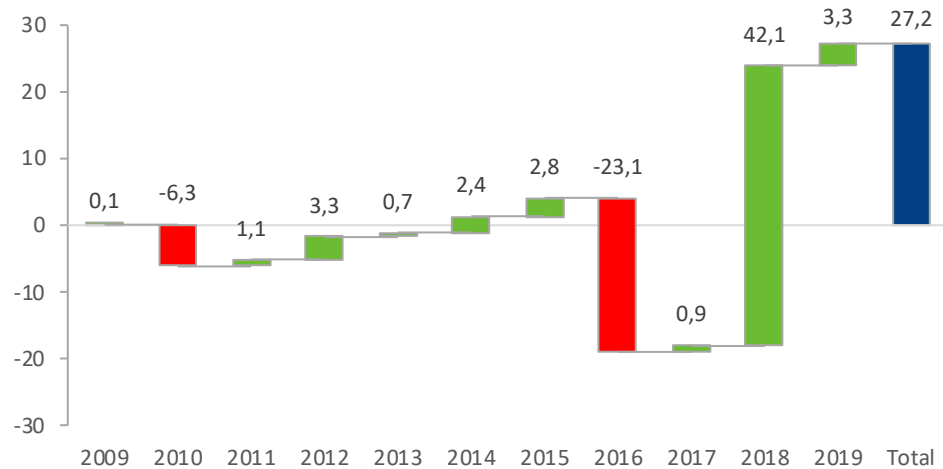
237.700 m²
Lettable space



10 year portfolio rotation *



Logistics net investment of
€ 349 million

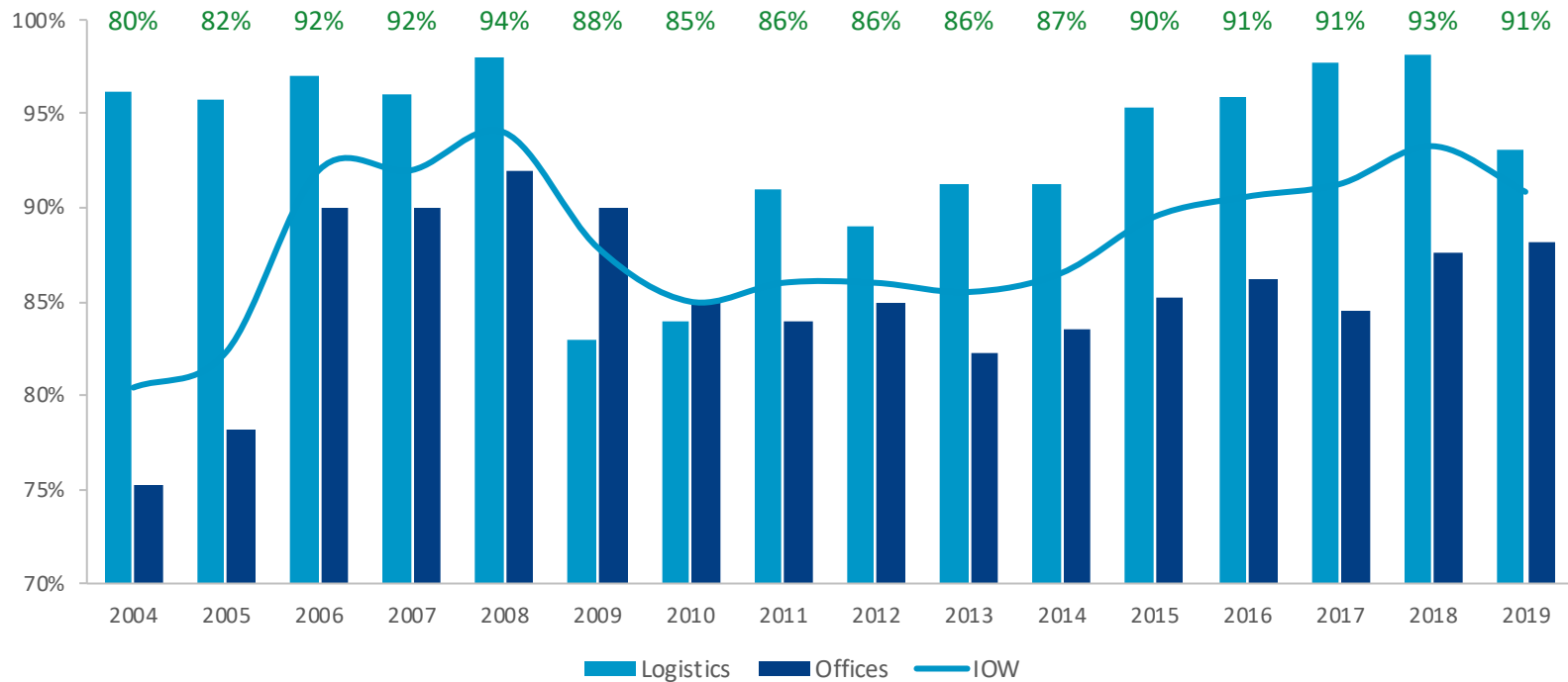


Offices net investment of
€ 27 million

* Investments at fair value, revaluations of the portfolio are not included.

Occupancy rates follow economic cycle

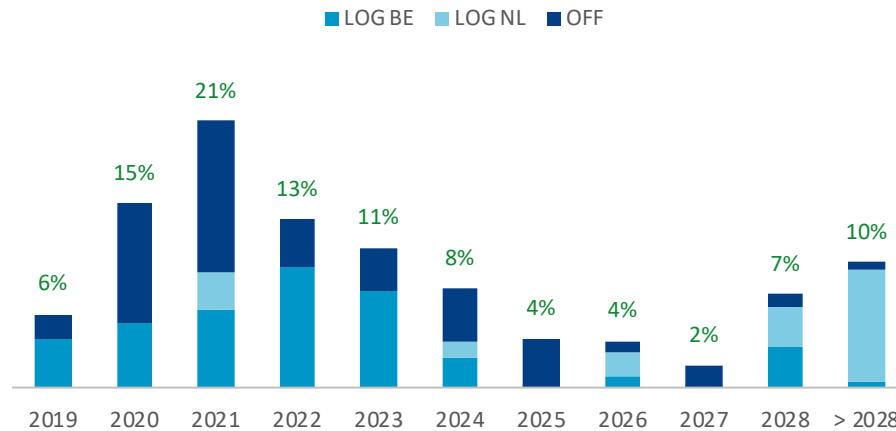
- ▶ Decrease of occupancy rate with 2% points to 91% (from 2018): early departure in logistics portfolio of tenant Medtronic in Opglabbeek (previously announced)
- ▶ At the high end of historical bracket: logistics 93% (83%-98%)
offices 88% (75%-92%)



Lease terms & major tenants

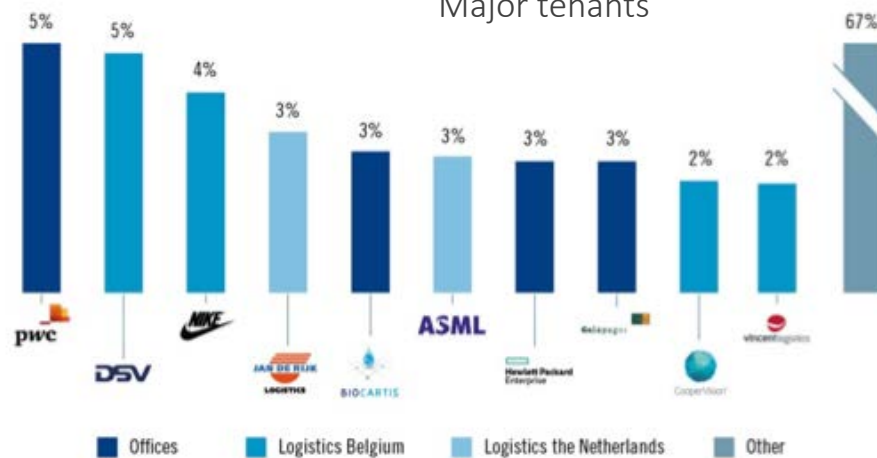
- ▶ Well-spread final expiry dates
- ▶ WALB (at 30.06.2019):
logistics 5,4 years
offices 3,4 years

Lease terms - first break dates



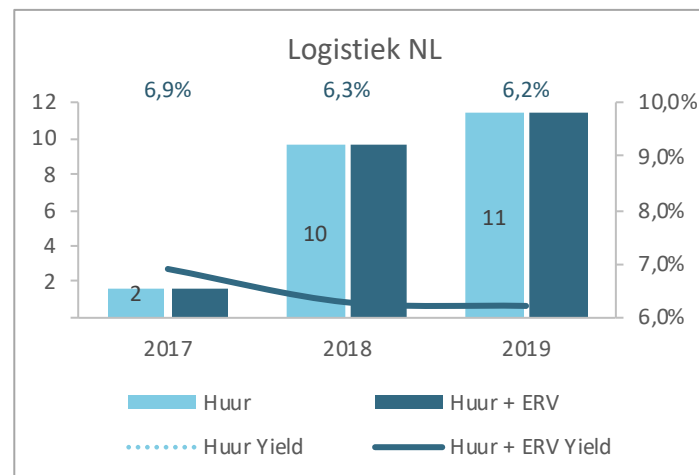
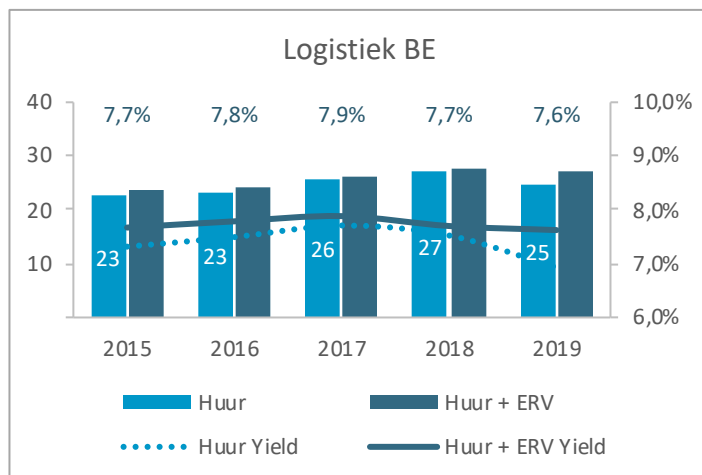
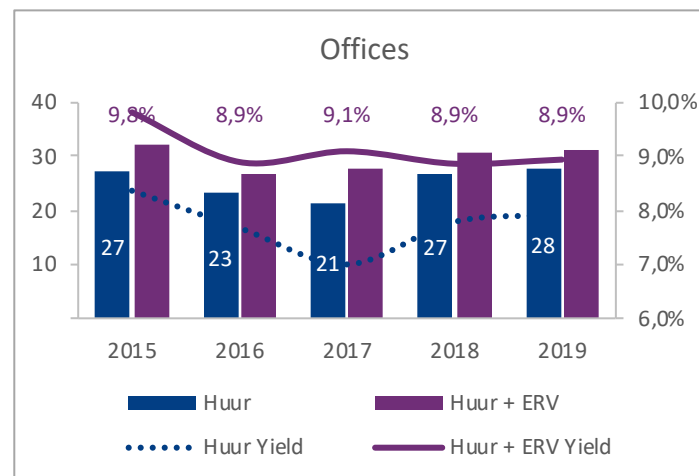
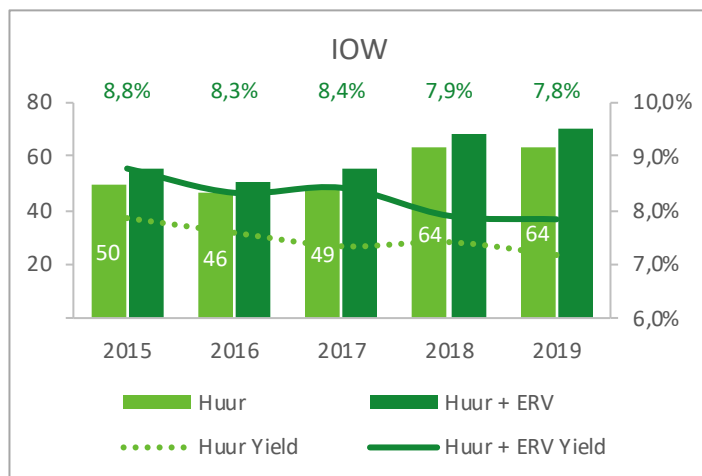
- ▶ Limited exposure to tenant concentration
- ▶ 33% of rental income comprises 10 tenants
- ▶ Quality tenants prominent in their field

Major tenants



Attractive yields

► Gross initial yield (including ERV vacancy) of 7,8%





Acquisitions 2019

Acquisitions 2019

€ 24 million
Acquisition value

€ 1,7 million
Annual rent

6,7%
Gross initial yield

37.000 m²
Lettable space

Site	Date	Segment	Country	Surface area (m ²)	Investment value (€ million)	GIY	Annual rent (€ million)	WALB	Occupancy
Acquisitions 2019									
1. Rosendaal - Blauwhekken 2	01/03/2019	Logistics	NL	17.800	16,5	5,7%	0,9	15,0	100%
2. Nijmegen - De Vlotkampweg	29/05/2019	Logistics	NL	19.200	7,5	10,0%	0,8	10,0	100%
Total acquisitions 2019				37.000	24,0	7,0%	1,7	12,6	100%
Total investments 2019					24,0				

1. Roosendaal - Blauwhekken 2

- Newly constructed built-to-suit building – delivered on 1 March 2019
 - Very well located in business park Borchwerf II in Roosendaal, NL
 - BREEAM Very Good certification, photovoltaic installation on the roof will be fitted
 - Long-term lease of 15 years: Fri-Jado
-
- **Key facts**
 - Surface area: 15.700 m² warehouse
2.100 m² offices
 - Investment value: € 16,8 m
 - Annual rent: € 1,0 m
 - Gross initial yield: 5,7%
 - WALB: 15 years
 - Deal: Asset deal



2. Nijmegen - De Vlotkampweg

- Logistics site
- Located in business park Westkanaaldijk in Nijmegen, NL
- Let to De Klok Logistics
- A strategic land position for the long term

- Key facts

- Surface area: 17.500 m² warehouse
1.700 m² offices
- Investment value: € 7,0 m
- Annual rent: € 0,7 m
- Gross initial yield: 9,6%
- WALB: 10 years
- Deal: Sale-and-lease-back agreement



Development projects 2019

Site	Date	Segment	Country	Surface area (m ²)	Invested 30.06.19 (€ million)	Total committed value (€ million)	GIY	Annual rent (€ million)
Projects								
1. Roosendaal - Braak 1	Q1 2020	Logistics	NL	28.000	7,2	20,9	6,2%	1,3
2. Eindhoven - Gold Forum	Q3 2019	Logistics	NL	21.000	1,9	18,9	6,2%	1,2
Total projects				67.000	9,1	39,8	6,3%	2,5
Land reserve								
3. Genk Green Logistics - Infrastructure	2019-2021	Logistics	BE		4,9	12,0		
Total land reserve					4,9	12,0		
Total projects					14,0	51,8		

Of the projects under development, € 14 million have already been invested, of which € 10 million in 2019.

1. Roosendaal – Braak 1

- Acquisition of logistics development site of 28.600 m²
- Well located in Roosendaal on business park Borchwerf I
- Construction of state-of-the-art warehouse in 2019: first pile was driven on 29 May 2019
- Delivery expected in Q1 2020

Key facts

- Surface area: 24.000 m² warehouse
3.500 m² mezzanine
1.100 m² offices
- Investment value: € 17,9 m to € 21,7 m
- Est. annual rent: € 1,3 m
- Gross initial yield: 7,25% - 6,0%
- Deal: Asset deal - development project

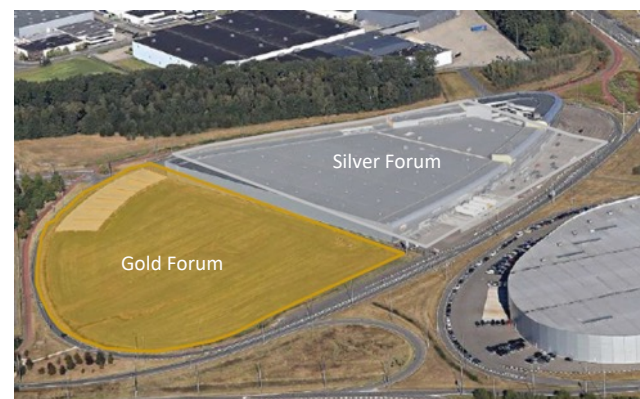


2. Eindhoven - Gold Forum

- State-of-the-art sustainable logistics project development
- Strategically located at Business Park Flight Forum in the vibrant zone surrounding Eindhoven Airport
- Strong complement to neighboring Silver Forum acquired in June 2018, resulting in a total logistic complex of about 50.000 m²
- Acquisition upon delivery: expected in Q4 2019
- Strong demand and limited availability in the region
- 2 year rental guarantee provided by the seller

Key facts

- Surface area: 21.000 m²
- Investment value: € 18,9 m
- Est. annual rent: € 1,2 m
- Gross initial yield: 6,2%
- Deal: Asset deal - development project



3. Genk Green Logistics

- Planned redevelopment of zone B on former Ford site in Genk
- Potential for state-of-the-art logistics complex of 250.000 m²
- To be fully developed over the next 5 years
- Expected: start first logistics building of approx. 20.000 m² in Q4 2019

Strengths

- Land scarcity
 - Plot size of 42 ha
 - SEVESO site: possibility for storage of chemical products
- Strategically located, large-scale and tri-modal access
- Inbound activity
 - Proximity to gateways Antwerp and Liège
 - Connectivity through Albert Canal (extended gateway concept)
- Clear focus on e-commerce, also open to other logistics needs or smart manufacturing
- Proximity to consumer markets: very competitive
- Collaboration with Flemish Government
- Low land price (€ 40/m²) allows for very competitive rental conditions





Property market

Logistics real estate - Belgium

Rental market

- Companies want higher standards on the properties to optimising and making business operations more sustainable: cost saving is a key factor
- Companies search built-to-suit locations
- Due to demand increase and scarcity: Prime rents of € 49 /m² (Brucargo a record high of € 65 /m²)

Investment market

- Continuing demand from investors: expectation that yields reach an all-time low
- Yields not yet fallen below 5%

Logistics real estate - the Netherlands

Rental market

- Average rents of € 45/m²
- Prime rents (Southern Netherlands):
 - € 50 - € 55 /m² in Tilburg
 - € 52,5 - € 57,5 in Eindhoven

Investment market

- Survey by CBRE: logistics real estate market is most sought
- Built-to-suit projects and prime products most popular, but limited supply
- Yields below 5%
- Expectation: further downward trend

Offices - Belgium

Rental market

Brussels & periphery

- A remarkable number of pre-lets in new developments
- Rents:
 - Average rents of € 150/m² in Brussels, with peak rents of € 320/m² (Leopold area)

Regional markets

- Performed remarkably well
- Prime rents of € 155/m²
- Antwerp remains main office market in Flanders
- Expectation: further increase in rents due to a shortage of suitable and easily accessible office buildings
- Success of co-working locations

Offices - Belgium

Investment market

Brussels & periphery

- International investors
- Performed remarkably : € 1,4 bn
- Prime yields decrease:
 - 4,15%: 3/6 lease agreements
 - 3,5%: longer lease agreements

Regional markets

- Also quite active in the first half of the year: € 217 million
- Belgian investors
- Yields in Flanders decrease: 6%



Financial results

Income statement 30 June 2019

+75%
YoY EPRA earnings
(+42% excl. termination indemnity
Medtronic)

€ 64 million
Contractual rent

84%
Operating margin
(82% excl. termination indemnity
Medtronic)

2,3%
Avg. interest rate

in thousands €	30.06.2019	30.06.2018
Rental income	35.519	22.945
Rental-related expenses	-110	-44
Property management costs and income	266	524
PROPERTY RESULT	35.675	23.425
Property charges	-3.660	-3.566
General costs and other operating income and costs	-2.127	-1.651
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	29.888	18.208
Changes in fair value of investment properties	4.595	8.866
Other result on portfolio	-1.554	-1.518
OPERATING RESULT	32.929	25.556
Financial result (excl. changes in fair value of financial assets and liabilities)	-4.407	-3.807
Changes in fair value of financial assets and liabilities (ineffective hedges)	-4.138	-381
Taxes	-427	-70
NET RESULT	23.957	21.298
- Minority interests	-9	0
NET RESULT - Group share	23.966	21.298
Note:		
EPRA earnings	25.063	14.331
Result on portfolio	3.041	7.348
Changes in fair value of financial assets and liabilities (ineffective hedges)	-4.138	-381

- Rental income, a 55% increase, without the termination indemnity of Medtronic the increase is 34% mainly from the acquisitions
- Stable property charges
- Higher general costs due to team expansion and stock exchange tax (capital increase in November 2018)
- Operating margin increased 5 percent points (from 79% to 84%)
- Positive changes in fair value investment properties: +1% due to improvement of yields
- 16% higher financial costs mainly from acquisitions
- 75% increase in EPRA earnings without the termination indemnity of Medtronic the increase is 42%

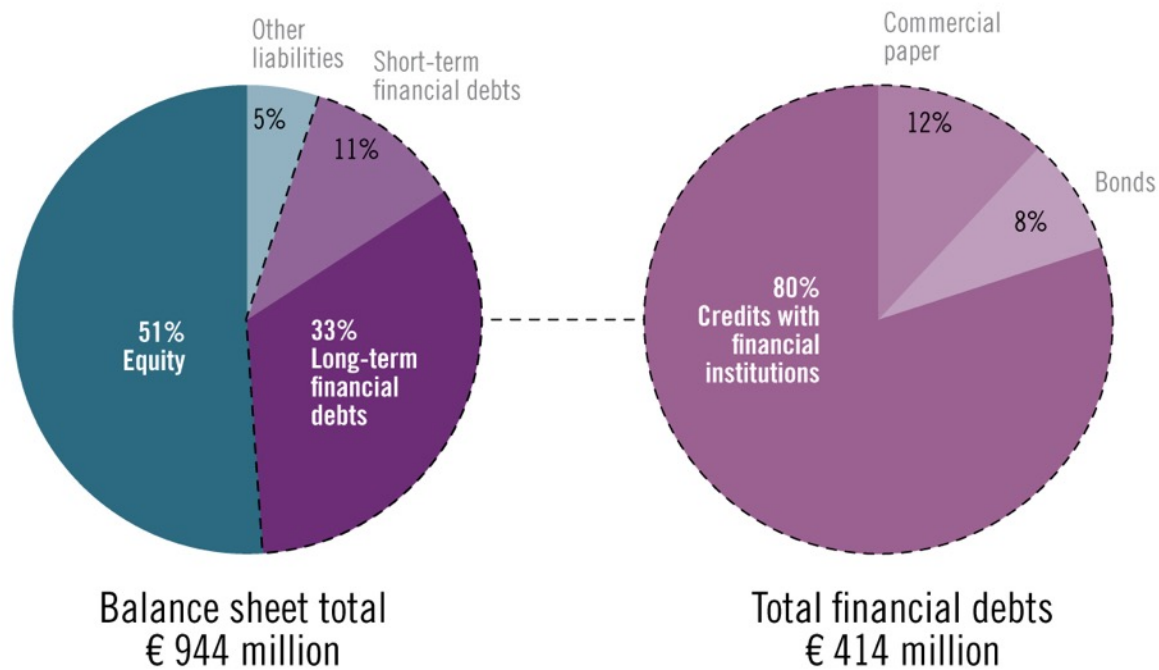
Funding

45,2%
Debt ratio

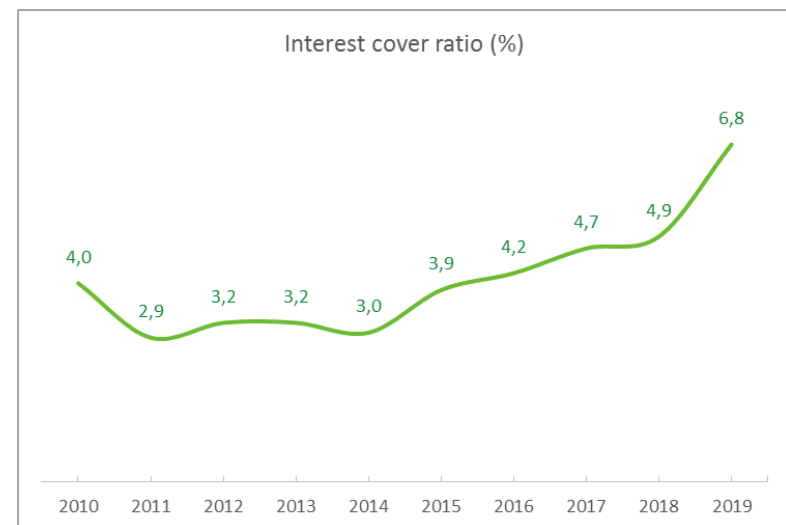
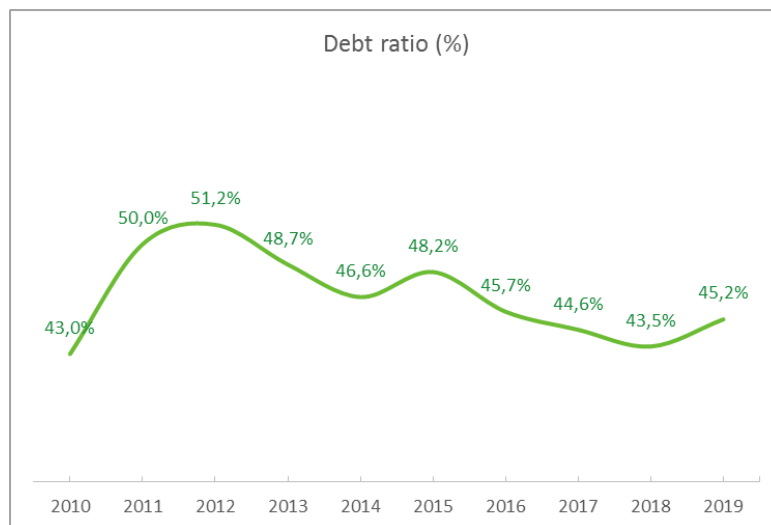
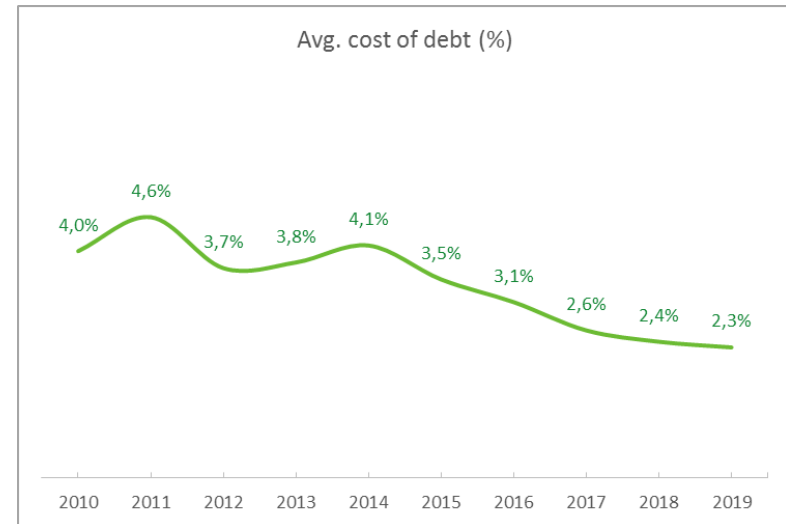
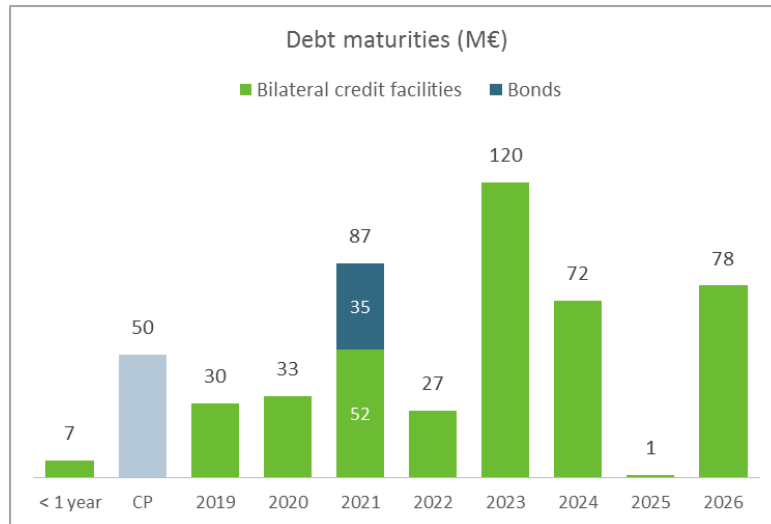
€ 76 million
Unused credit
facilities

2,3%
Avg. cost of debt

€ 609 million
Market capitalisation



Funding KPI's



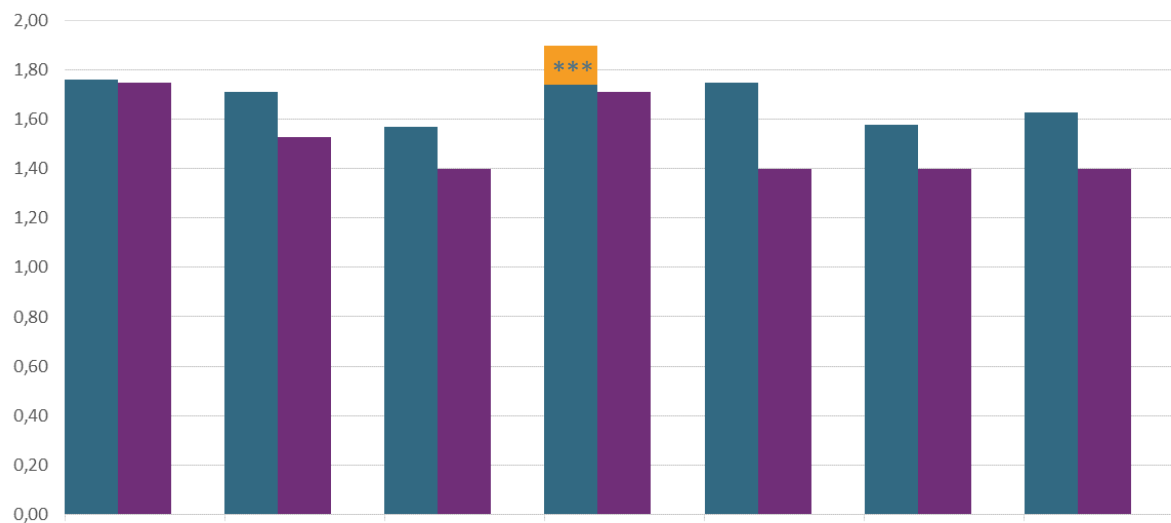
EPS / DPS 2019

€ 24,70
Share price
(30/06/2019)

€ 1,03 (*)
EPRA EPS
(6 months)

€ 1,50 (**)
DPS
(minimum)

6,1%
Gross dividend yield



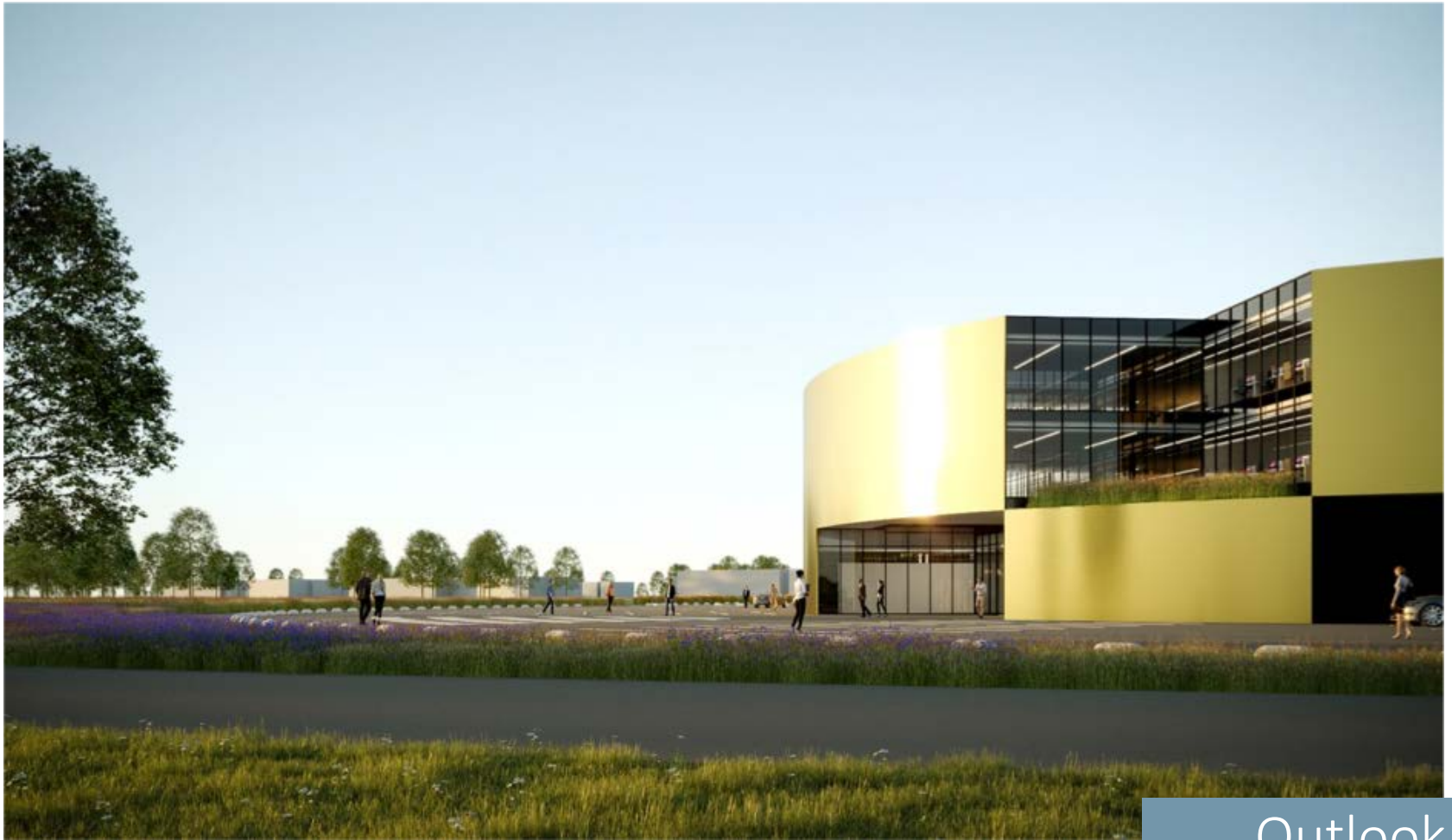
	2012	2013	2014	2015	2016	2017	2018
EPRA EPS(€)	1,76	1,71	1,57	1,90 (1,74)	1,75	1,58	1,63
DPS(gross) (€)	1,75	1,53	1,40	1,71	1,40	1,40	1,40
Pay-out ratio	99%	89%	89%	90%	80%	89%	86%

- Gross dividend 2019: minimum €1,50 (**)
- EPRA EPS 30.06.2019: € 1,03 without the termination indemnity from Medtronic the EPRA EPS amounts to € 0,83
- Pay-out ratio 2019: 80%-85% of the expected EPRA earnings without the one-off termination indemnity from tenant Medtronic

* The EPRA EPS for the first semester of 2019 amounts to € 0,83 without the termination indemnity from Medtronic.

** Subject to approval by the annual general meeting in 2020

*** In 2015 € 0,16 EPRA EPS was generated by one-time € 2,5 million refurbishment fee from departing tenant Deloitte



Outlook

Outlook 2019

Growth plan

- Growth of the portfolio to € 1 billion by the end of 2019 and € 1,3 billion by end of 2021
- Continued focus on reorientation of offices portfolio and expansion of logistics real estate
- Further development of Genk Green Logistics, construction of first logistics building expected to start in Q4 2019
- Project developments in the pipeline in the Netherlands: Roosendaal Borchwerf I and Goldforum in Eindhoven – investment of approx. € 40 million

Financing

- Maintain a debt ratio of 45%-50%
- To ensure the financing of the continued growth, Intervest will examine the possibility of issuing debt instruments and shares, as much as possible tailored to the pipeline of investments

EPRA result and dividend 2019

- Expecting at least 3 % increase of EPRA result per share in 2019
- Gross dividend of minimum € 1,50 per share for 2019
- Corresponding to a gross dividend yield of 6,1% (based on the closing price of the share as at 30 June 2019)



Thank you



Property list

Logistics properties - Belgium



Aarschot

Nieuwlandlaan 321 - 3200 Aarschot

14.602 m²

Occupancy rate: 100%

Key tenants: BPost, Farmac



Duffel

Stocletlaan 23 - 2570 Duffel

23.386 m²

Occupancy rate: 100%

Key tenants: Iron Mountain Belgium, Sofidel Benelux, Reynaers Aluminium



Aartselaar

Dijkstraat 1A - 2630 Aartselaar

9.866 m²

Occupancy rate: 100%

Key tenant: Party Rent



Genk Green Logistics

Henry Fordlaan 8 + 4 - 3600 Genk

250.000 m²



Boom Krekelenberg

Industrieweg 18 - 2850 Boom

24.871 m²

Occupancy rate: 100%

Key tenant: Iron Mountain, Dynalobic



Gent

Eddastraat 21 - 9042 Gent

37.944 m²

Occupancy rate: 100%

Key tenant: DSV

Property list

Logistics properties - Belgium



Herentals Logistics 1

Atealaan 34b - 2200 Herentals

17.346 m²

Occupancy rate: 91%

Key tenants: Nike Europe, Yusen Logistics, Engie (Cofely Services)



Houthalen

Europark 1026 - 3530 Houthalen

26.996 m²

Occupancy rate: 100%

Key tenant: Neovia Logistics



Herentals Logistics 2

Atealaan 34c - 2200 Herentals

50.912 m²

Occupancy rate: 100%

Key tenant: Nike Europe



Huizingen

Gustave Demeurslaan 69-71 - 1654 Huizingen

17.548 m²

Occupancy rate: 100%

Key tenant: DHL Pharma Logistics



Herentals Logistics 3

Atealaan 34b - 2200 Herentals

12.123 m²

Occupancy rate: 100%

Key tenant: Schrauwen Sanitair en Verwarming



Liège

Première Avenue 32 - 4040 Liège

55.468 m²

Occupancy rate: 100%

Key tenants: Vincent Logistics, CooperVision

Property list

Logistics properties - Belgium



Mechelen 1

Oude Baan 12 - 2800 Mechelen

15.341 m²

Occupancy rate: 100%

Key tenants: DHL Freight, DHL Global Forwarding



Oevel 1

Nijverheidsstraat 9 - 2260 Oevel

12.159 m²

Occupancy rate: 100%

Key tenant: Estée Lauder



Mechelen 2

Dellingstraat 57 - 2800 Mechelen

7.046 m²

Occupancy rate: 100%

Key tenants: ThyssenKrupp



Oevel 2

Nijverheidsstraat 9a +11 - 2260 Oevel

33.955 m²

Occupancy rate: 100%

Key tenants: Seal For Life Industries, DSV



Merchtem

Preenakker 20 - 1785 Merchtem

7.268 m²

Occupancy rate: 100%

Key tenant: Zeb



Oevel 3

Nijverheidsstraat 8 - 2260 Oevel

11.660 m²

Occupancy rate: 100%

Key tenant: Vos Logistics

Property list

Logistics properties - Belgium



Opglabbeek

Weg naar Zwartberg 231 - 3660 Opglabbeek

77.718 m²
Occupancy rate: 47%
Key tenants: Scania, Mirka



Wilrijk 1

Boomsesteenweg 801-803 - 2610 Wilrijk

5.364 m²
Occupancy rate: 100%
Key tenant: Peugeot



Puurs

Koning Leopoldlaan 5 - 2870 Puurs

43.534 m²
Occupancy rate: 58%
Key tenants: Fiege, Delhaize



Wilrijk 2

Geleegweg 1-7 - 2610 Wilrijk

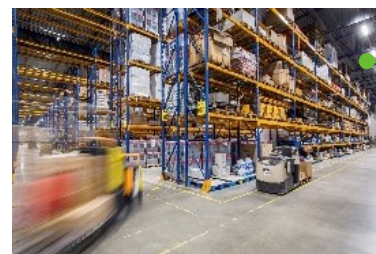
24.521 m²
Occupancy rate: 100%
Key tenants: Toyota Material Handling, Ikea



Schelle

Molenberglei 8 - 2627 Schelle

8.317 m²
Occupancy rate: 87%
Key tenant: Rogue Benelux



Wommelgem

Koralenhoeve 25 - 2160 Wommelgem

24.181 m²
Occupancy rate: 100%
Key tenant: PGZ Retail Concept

Property list

Logistics properties - Belgium



Zellik

Brusselsesteenweg 464 - 1731 Zellik

26.637 m²

Occupancy rate: 100%

Key tenants: NedCargo, Facq

Property list

Logistics properties - the Netherlands



Eindhoven - Gold Forum

Flight Forum 1800-1950 - 5657 EZ Eindhoven

21.000 m²
Project: Q3 2019



Eindhoven - Silver Forum

Flight Forum 1800-1950 - 5657 EZ Eindhoven

28.695 m²
Occupancy rate: 100%
Key tenant: ASML



Nijmegen 1

De Vlotkampweg 67-71 – 6545 AE Nijmegen

19.160 m²
Occupancy rate: 100%
Key tenant: De Klok Logistics



Raamsdonksveer 1

Zalmweg 37 - 4941 VX Raamsdonksveer

20.653 m²
Occupancy rate: 100%
Key tenant: Leen Bakker



Raamsdonksveer 2

Zalmweg 41 - 4941 VX Raamsdonksveer

38.573 m²
Occupancy rate: 100%
Key tenant: Welzorg



Raamsdonksveer 3

Steurweg 2 - 4941 VR Raamsdonksveer

14.581 m²
Occupancy rate: 100%
Key tenant: Itsme

Property list

Logistics properties - the Netherlands



Roosendaal 1

Borchwerf I - Braak
4704 RJ Roosendaal

28.600 m²
Project: Q1 2020



Roosendaal 2

Leemstraat 15-17, 21, 23
Boerkeersleen 23a - 4705 RT Roosendaal

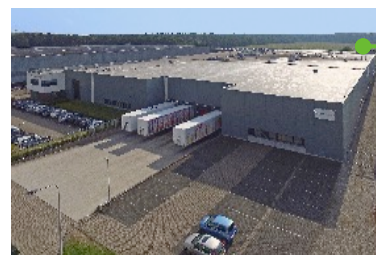
38.162 m²
Occupancy rate: 100%
Key tenant: Jan de Rijk



Roosendaal 3

Borchwerf II - Blauwhekken 2
4751 XD Roosendaal

18.029 m²
Occupancy rate: 100%
Key tenant: Fri-Jado



Tilburg 1

Kronosstraat 2 - 5048 CE Tilburg

13.309 m²
Occupancy rate: 100%
Key tenant: Dutch Bakery



Tilburg 2

Belle van Zuylenstraat 15 - 5032 MA Tilburg

28.493 m²
Occupancy rate: 100%
Key tenant: Kwantum



Vuren

Hooglandseweg 6 - 4214 KT Vuren

14.020 m²
Occupancy rate: 100%
Key tenant: The Medical Export Group

Property list

Serviced offices & coworking lounges



Greenhouse Antwerp

Uitbreidingstraat 66 - 2600 Berchem

5.763 m²

Occupancy rate: 100%

Key tenants: Givi Group, VTG, LeasePlan Fleet Management, CWT Belgium, RSA Insurance, Mercuri Urval, Nationale Borg Maatschappij



Mechelen Campus

Schaliënhoevedreef 20 A-J & T - 2800 Mechelen

58.147 m²

Occupancy rate: 85%

Key tenants: a.o. Borealis Polymers, Cochlear, Endemol België, Imperial Tobacco Belgium, Basic-Fit, Galapagos, On Semiconductor Belgium, Unit-T, MC Square



Greenhouse BXL

Berkenlaan 8A + 8B - 1831 Diegem

20.262 m²

Occupancy rate: 86%

Key tenants: Cazimir, Goodyear, Konica Minolta, Essity, Roche



Leuven - Ubicenter

Philippsite 5 - 3001 Leuven

27.027 m²

Occupancy rate: 96%

Key tenants: a.o. MC Square, Aveve, Volkswagen D'Ieteren, Regie der gebouwen

Property list

Offices



Aartselaar

Kontichsesteenweg 54 - 2630 Aartselaar

4.140 m²

Occupancy rate: 100%

Key tenants: Protime,
Schneider Electric Systems Belgium



Edegem - De Arend

Prins Boudewijnlaan 45 - 49 - 2650 Edegem

6.931 m²

Occupancy rate: 100%

Key tenants: Technicolor, Euromex,
Cheops Technology, Nedelko



Antwerpen - Gateway House

Brusselstraat 59 / Montignystraat 80
2018 Antwerp

11.171 m²

Occupancy rate: 66%

Key tenants: Kuwait Petroleum, DLA Piper



Hoeilaart - Park Rozendal

Terhulpesteenweg 6A - 1560 Hoeilaart

2.830 m²

Occupancy rate: 86%

Key tenants: Mylan, Sysmex



Dilbeek - Inter Access Park

Pontbeekstraat 2 & 4 1700 Dilbeek - (Groot-Bijgaarden)

6.391 m²

Occupancy rate: 95%

Key tenants: Amplifon, Edwards Lifesciences, ING,
Allegion, Systech, Commercial Finance Group,
Mitiska, KBC Bank, Rooryck & Co



Mechelen Business Tower

Blarenberglaan 2C - 2800 Mechelen

13.574 m²

Occupancy rate: 86%

Key tenant: Enterprise services Belgium
(Hewlett-Packard)

Property list

Offices



Mechelen - Intercity Business Park

Generaal De Wittelaan 9 - 21 2800 Mechelen

54.190 m²

Occupancy rate: 83%

Key tenants: a.o. Biocartis, SGS Belgium, Galapagos



St.-Stevens-Woluwe - Woluwe Garden

Woluwedal 18-22 1932 Sint-Stevens-Woluwe

23.681 m²

Occupancy rate: 100%

Key tenant: PricewaterhouseCoopers



Zellik - Exiten

Zuiderlaan 91 1731 Zellik

3.628 m²

Occupancy rate: 100%

Key tenants: Willis Towers Watson, Rexel Belgium, IFM Electronic Belgium



BEYOND
REAL
ESTATE

INTERVEST
OFFICES &
WAREHOUSES

Uitbreidingstraat 66
2600 Berchem

T + 32 3 287 67 67

contact@intervest.be
www.intervest.be