

## **PRESS RELEASE**

### **REGULATED INFORMATION**

15 November 2018

Before trading hours

Under embargo until 08h00

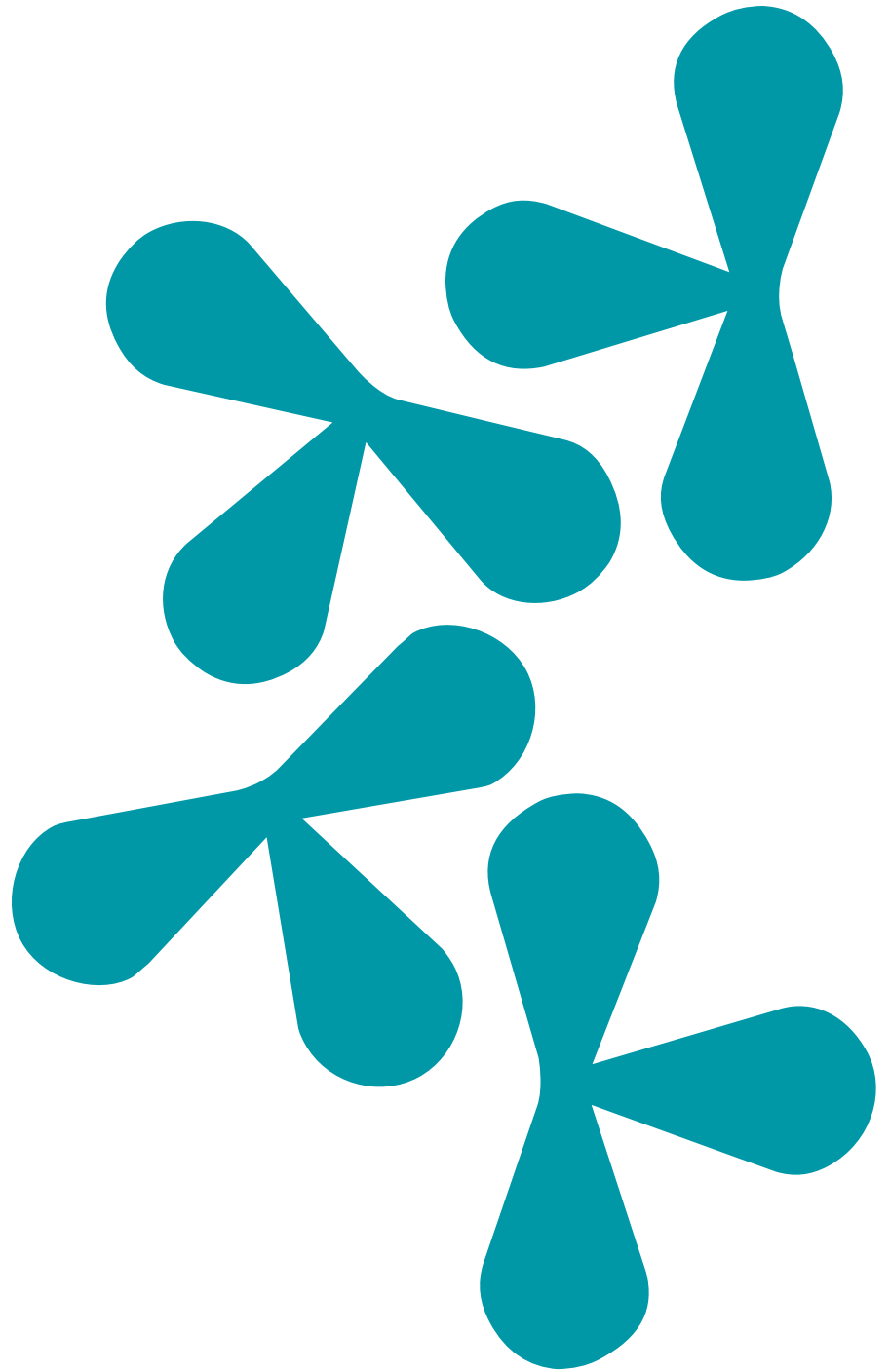
## **CARE PROPERTY INVEST**

Public limited liability company (société anonyme/naamloze vennootschap),  
Public Regulated Real Estate Company (Société Immobilière Réglementée (SIR) /  
Gereguleerde Vastgoedvennootschap (GVV)) under Belgian Law  
Registered Office: 3 Horstebaan, 2900 Schoten  
Companies Registration No. 0456.378.070 (LPR Antwerp)  
(the "Company")

### **INTERIM STATEMENT FROM THE BOARD OF DIRECTORS 3RD QUARTER 2018 - 30 SEPTEMBER 2018**

- ✔ Increase of rental income by 28.07% compared to 30 September 2017.
- ✔ Fair value of the property portfolio as at 30 September 2018: approx. €467 million.
- ✔ Increase of the net result IFRS with approx. 43% compared to 30 September 2017.
- ✔ The market capitalisation amounts to approx. €372 million on 30 September 2018
- ✔ Occupancy rate on 30 September 2018: 100%.
- ✔ Debt ratio on 30 September 2018: 41.88%.
- ✔ Decrease in cost of borrowed funds to 3.11%.





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## 1. Operational activities during the 3rd quarter of 2018

### 1.1 Leasing activities and real estate portfolio

During the third quarter of the 2018 financial year, Care Property Invest was able to add 2 projects to its real estate portfolio, including 1 finance lease in Balen and its first investment abroad, a real estate investment in the province North-Holland in The Netherlands subject to conditions precedent.

#### 1.1.1 NEW PROJECTS THIRD QUARTER 2018

##### 1.1.1.1 INVESTMENT PROPERTIES

##### **Investment properties under development**

##### **First project in The Netherlands - "Care residence in North Holland"**

On 28 September 2018 the Company announces its first investment in The Netherlands. It signed the agreement subject to conditions precedent with regard to the construction of a care residence with 26 residential units in the province North Holland.

After realisation of the conditions precedent, the Company will acquire the land and any associated buildings, permits and authorisations necessary for the construction of this project. Care Property Invest expects that all conditions precedent will be realised by the end of this year, early 2019 at the latest, after which the effective acquisition will take place. In addition to the agreement relating to the acquisition of the land, it also enters into a turnkey agreement with the developer based on an extensive list of requirements and guidelines agreed between the Company, the developer and the future operator of this care residence. In order to complete this transaction, the Company established a Dutch subsidiary, named Care Property Invest.nl B.V., that will be fully under the control of the Company.

The property will be operated by Valuas Zorggroep on the basis of a long-term 'triple net type' leasehold agreement with an initial term of minimum 20 years (renewable), which will be indexed annually.

The construction works for this project are expected to start in early 2019 and the care residence will probably be delivered in the spring of 2020.

The investment cost of the property is estimated at approximately €7.6 million.

##### 1.1.1.2 FINANCIAL LEASES

##### **Investment Properties with immediate income for the Company**

The transaction took place for a total conventional value of approximately €11.1 million.

##### **Group of assisted living apartments "Residentie De Anjers" in Balen**

Following the previously published press release of 8 June 2018, Care Property Invest announced on 17 July 2018 the acquisition of 100% of the shares in the company Igor Balen nv, holder of a right of leasehold on the land on which Igor Balen nv developed the new construction project 'Residentie De Anjers'. This group of assisted living apartments with a capacity of 62 living units is located in Balen, in the Antwerp Campine region.

The property is operated by Astor vzw, an operator who strongly believes in aligning architecture and care, on the basis of a long-term lease agreement with a duration of 32 years of the 'triple net' type with an annually indexed canon.

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The property has a conventional value of approximately €11.1 million.

The project generates additional income for the Company as from 17 July 2018, which financed this project entirely with existing loan capital.

This investment will be qualified as a financial lease (IAS 17) and is therefore closely linked to recent investments such as those in Middelkerke and Deinze.

## 1.1.2. PROJECTS UNDER DEVELOPMENT IN THE THIRD QUARTER OF 2018

### 1.1.2.1. INVESTMENT PROPERTIES UNDER DEVELOPMENT

#### Residential care centre 'Les Saules' in Vorst

On 28 February 2017, Care Property Invest announced the acquisition of the development of the planned residential care centre 'Les Saules' in Vorst. On this date, the Company acquired the land on which the residential care centre will be realised and took over all contracts relating to the construction of the residential care centre. The project will consist of 118 living units licensed by the GGC (Communal Community Committee).

After the provisional acceptance, a subsidiary of Anima Care nv (which is a subsidiary of Ackermans & Van Haaren) will operate 'Les Saules' based on a long-term lease agreement of the 'triple net' type.

The building permit for the construction of the residential care centre was issued and the construction works started on 15 September 2017. These will be completed within a max. of 24 months.

The total investment cost is estimated at approx. €15.2 million. The fair value of the total project is approximately €15.8 million. 'Les Saules' is included in the balance sheet at fair value based on the progress of the construction works as at 30 September 2018 for an amount of € 8,989,368.00, in accordance with the Company's valuation rules.

This residential care centre was a key milestone for Care Property Invest. This was the first investment in the Brussels Capital Region.

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#### 1.1.2.2. FINANCE LEASES UNDER DEVELOPMENT

##### **Housing complex for persons with disabilities and acquired brain injuries 'De Nieuwe Ceder' in Deinze**

On 30 October 2017, Care Property Invest announced the signing of a DBF agreement (Design, Build and Finance) relating to the housing complex to be developed for persons with disabilities and acquired brain injuries 'De Nieuwe Ceder' in Deinze.

The project is a first within Care Property Invest's property portfolio. This is the first time that the Company adds a project to its property portfolio that is designed for persons with a disability.

For the realisation of this new build project, Care Property Invest acts both as contracting authority and financier. In this capacity, the Company has obtained a right of superficies on the land for a term of minimum 32 years from the owner of the land, cvba De Ceder. In turn, Care Property Invest has concluded the agreements regarding the architecture and construction of the project.

Upon the provisional acceptance of the housing complex (scheduled for mid-2019), the housing complex will be operated by vzw Zorghuizen, through a 27-year 'triple net' type leasehold agreement with an annually indexed ground rent.

The project will consist of 4 free-standing buildings, divided into a group of 2 buildings north of the assisted care hotel located in the same domain, and a group of 2 buildings on the south. Combined, these can accommodate up to 86 residents, of which 36 in rooms and 50 in studios.

The building permit for this project has been issued, after which the construction works started on 3 April 2018.

The total investment cost for this project is estimated at approx. €11.0 million.

On 30 September 2018, € 2,756,572.04 was capitalised as construction cost under 'D. other tangible fixed assets'.

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### Group of assisted living apartments 'Assistentiewoningen De Stille Meers' in Middelkerke

On 5 December 2017, the PCSW (OCMW/CPAS) Middelkerke awarded the public contract for the design, construction and financing of the group of assisted living apartments 'Assistentiewoningen De Stille Meers' in Middelkerke to Care Property Invest. Upon expiration of the statutory qualification period, the Company received a confirmation on 10 January 2018 for the conclusion of the agreement in accordance with the provisions of the specification 'DBF Assistentiewoningen Welzijnshuis' dated 29 June 2017.

Care Property Invest acts as the developer and financier, and participated in this public tender together with Boeckx Architects nv and the joint venture Ibens nv/Bolckmans nv. This group of assisted living apartments will consist of 60 living units as specified in the tender documents by PCSW (OCMW/CPAS) Middelkerke. The Company obtained a right of superficies on the land for a period of at least 32 years by the owner, PCSW (OCMW/CPAS) Middelkerke. At the provisional acceptance of the group of assisted living apartments (scheduled for the first half of 2020), Care Property Invest, in turn, will grant PCSW (OCMW/CPAS) Middelkerke a 27-year right of leasehold of the 'triple net' type with an annually indexed ground rent. After the provisional acceptance, PCSW (OCMW/CPAS) Middelkerke will also serve as the operator of 'Assistentiewoningen De Stille Meers'. The building permit for this project has now been definitively granted and construction works have started on 17 September 2018.

The project 'to be developed Assistentiewoningen De Stille Meers' has an estimated investment cost of approx. €8.2 million. It will be funded with a combination of loan capital and equity capital.

Just as for the projects 'Hof ter Moere' in Moerbeke, 'Hof Driane' in Herenthout and 'De Nieuwe Ceder' in Deinze, the structure of this project is in line with the activities and expertise that the Company has developed within the context of its initial investment programme.

On 30 September 2018, € 204,900.00 was capitalised as construction cost under 'D. other tangible fixed assets' in the balance sheet for this development project.

## 1.2 Other events during the third semester of 2018

The Company has no other events to report that occurred during the third quarter of 2018.

## 2. Events after the closing of the third semester of 2018

### 2.1 Additional investments

#### Acquisition of the residential care centre with group of assisted living apartments 'Ter Meeuwen' in Meeuwen-Gruitrode

On 2 October 2018, Care Property Invest announced the acquisition of the residential care centre with group of assisted living apartments 'Ter Meeuwen' in Meeuwen-Gruitrode, Limburg, by acquiring 100% of the shares in De Meeuwen bvba, the company that owns the real estate of this project.

The residential care centre has a capacity of 81 residential places, including a rehabilitation centre that can accommodate up to 21 people. The group of assisted living apartments in turn consists of 20 residential units. Both the residential care centre and the group of assisted living apartments are operated by Armonea nv on the basis of a long-term leasehold agreement that has been in force since mid-2015 of the "triple net" type with an annually indexed rental fee (renewable).

As of 2 October 2018, the project generates additional income for the Company and has a conventional value of approximately € 14.8 million. This value is largely based on and in line with the valuation of the property expert.

#### Agreement for the redevelopment of care residence 'De Orangerie' in Nijmegen, the Netherlands

On 23 October 2018, Care Property Invest announced the agreement for the redevelopment of the care residence 'De Orangerie' in Nijmegen. This is the Company's second investment in The Netherlands.

Through its Dutch subsidiary, Care Property Invest.nl B.V., it acquired the land and buildings on which this care residence will be redeveloped and subsequently concluded a turnkey purchase agreement with the seller-developer.

'De Orangerie' will be redeveloped into a care residence with 68 rooms and will, after provisional delivery, be operated by Zorghuis Nederland B.V. (part of the Blueprint Group) on the basis of a long-term leasehold agreement with an initial term of at least 20 years with an annually indexed rental fee (renewable). The property is located in the greenest area of the city, named Dukenburg

The total investment cost for this project amounts to approximately € 9.2 million.



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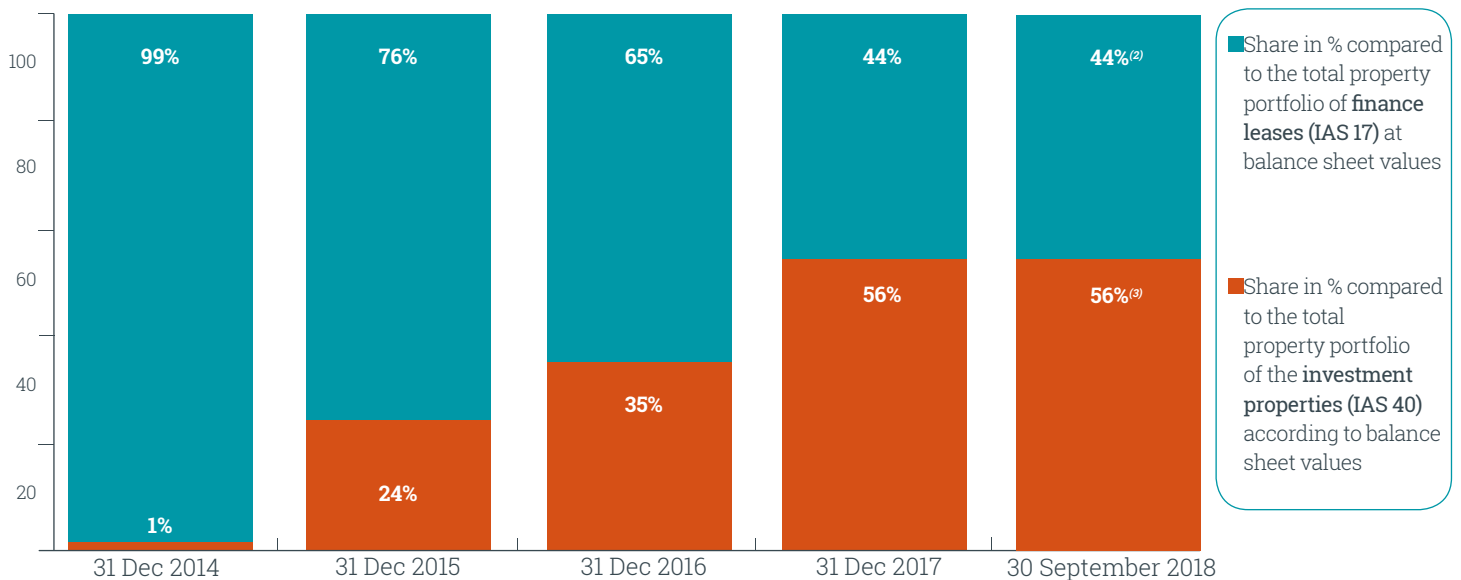
### 3. Property portfolio

Amounts shown in euros.

Period closed on	30 September 2018	31 December 2017
<b>Investment properties</b>		
Investment properties	224,718,928.11	201,664,978.49
<b>Leasing activities (projects made available through long leases)</b>		
Finance lease receivables	173,314,293.55	160,251,205.00
Trade receivables with respect to finished projects	13,373,945.61	10,885,750.18

On 30 September 2018, Care Property Invest has 97 projects in portfolio of which 3 are under development and 1 for which an agreement was signed. The increase of the finance lease receivables from € 160,251,205.00 to € 173,314,293.55 is due to the inclusion of the project 'Hof Driane' in Herenthout, delivered on 20 February 2018, as a finance lease (IAS 17), as well as the acquisition of the company nv Igor Balen, owner of 'Residentie De Anjers'. Unlike the projects in the initial portfolio, for the projects 'Hof Driane' in Herenthout and 'Residentie De Anjers' in Balen, the canon consists not only of the interest component but also of the capital repayment, as a result of which the amount of the receivable will gradually decrease over the period of the leasehold agreement.

#### DISTRIBUTION BETWEEN INVESTMENTS PROPERTIES AND LEASINGS <sup>(1)</sup>



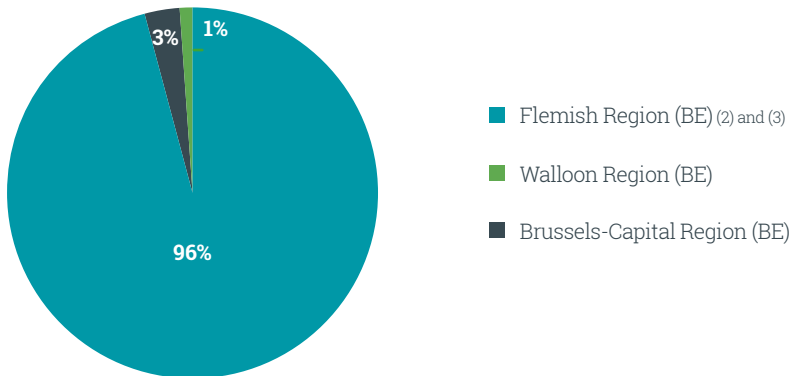
- (1) This representation takes balance sheet values into account. The distribution based on fair values as at 30 September 2018 is as follows: investment properties 48% and finance leases 52%.
- (2) On 30 September 2018 the project "De Nieuwe Ceder" in Deinze and "Assistentiewoningen De Stille Meers" in Middelkerke are still under development. Both projects have been qualified as finance leases (IAS 17).
- (3) On 30 September 2018, the "Les Saules" project in Vorst, included in the balance sheet at fair value for the construction costs already booked, is still under construction. This project has been qualified as an investment property (IAS 40).

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### 3.1 Geographical distribution

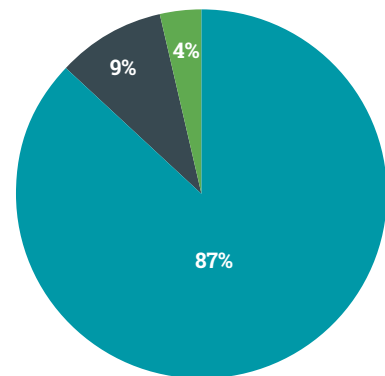
Most of the projects are still on Belgian territory, more specifically within the Flemish Region. During the third quarter of 2018, the company signed the agreement for its first investment in The Netherlands<sup>(1)</sup>. The 96 projects effectively acquired in portfolio on 30 September 2018 are geographically spread over the different Belgian regions as follows:

GEOGRAPHICAL DISTRIBUTION OF THE NUMBER OF PROJECTS



Figures as at 30 September 2018

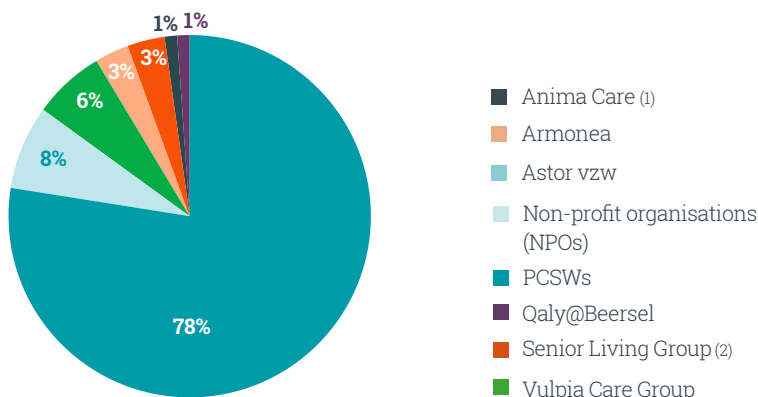
GEOGRAPHICAL DISTRIBUTION OF THE NUMBER OF RESIDENTIAL UNITS



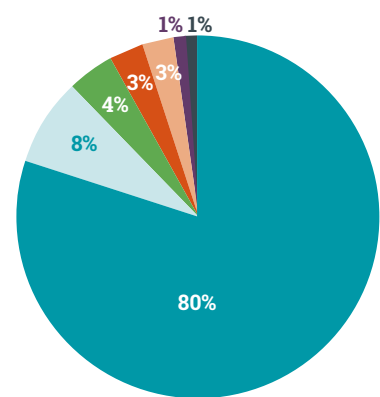
Figures as at 30 September 2018

- (1) On 28 September 2018, Care Property Invest signed the agreement under suspensory conditions for the construction of a care residence in the Dutch province of North Holland. Only when these conditions are met will this project be effectively acquired by the Company and thus included in the balance sheet. Including this care residency, there are a total of 97 projects in the Company's portfolio, of which 96 were effectively acquired on 30 September 2018.
- (2) On 30 September 2018, the project 'De Nieuwe Ceder' in Deinze, for which the DBF contract was signed on 30 October 2017, is still under development. The construction works started on 3 April 2018.
- (3) On 30 September 2018 the project "De Nieuwe Ceder" in Deinze and "Assistentiewoningen De Stille Meers" in Middelkerke are still under development. In the meantime, the building permit for the project in Middelkerke has been permanently granted. The construction works for this project have started on 17 September 2018.

### 3.2 Distribution of the number of projects per operator



Figures as at 30 September 2018



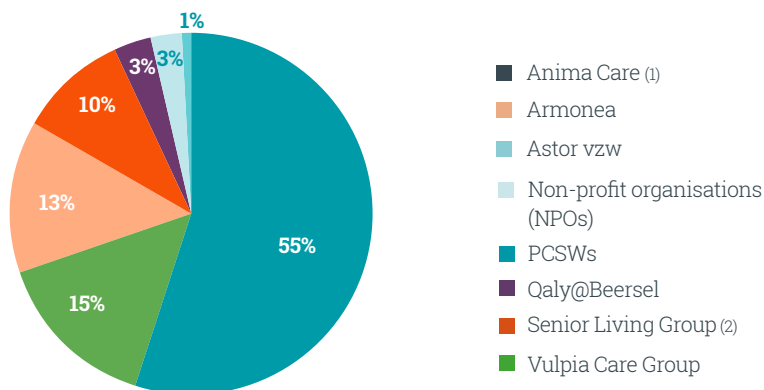
Figures as at 31 December 2017

Within the total property portfolio, the PCSW of Antwerp has a share of 4 projects, the PCSW of Bruges also has 4 projects and the following PCSWs each have 2 projects in portfolio: Tienen, Leopoldsburg, Zonhoven, Opwijk, Zaventem, Sint-Niklaas, Destelbergen, Hooglede, Brecht, Ninove, Hamme, Hamont-Achel and Essen.

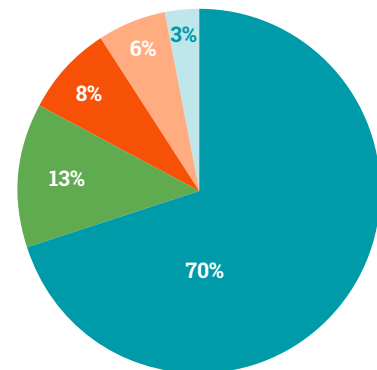
- (1) The residential care centre 'Les Saules' in Vorst, for which construction works have started on 15 September 2017, will be operated by a subsidiary of Anima Care nv (which is a full subsidiary of Ackermans & Van Haaren) after the provisional acceptance
- (2) A subsidiary of the French listed company Korian.

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### 3.3 Distribution of rental income per operator



Figures as at 30 September 2018



Figures as at 31 December 2017

As at 30 September 2018, the PCSWs represent 55.09% of the Company's total rental income. PCSW (OCMW/CPAS) Antwerp has the largest share (3.97%), followed by PCSW (OCMW/CPAS) Bruges (3.06%) and PCSW (OCMW/CPAS) Waregem (2.41%). The remaining balance of the rental income is derived from the projects operated by NPOs and various private operators.

- (1) The residential care centre 'Les Saules' in Vorst, for which construction works have started on 15 September 2017, will be operated by a subsidiary of Anima Care nv (which is a full subsidiary of Ackermans & Van Haaren) after the provisional acceptance. As the project does not currently generate any rental income, it is not yet included in this graph.
- (2) A subsidiary of the French listed company Korian.

### 3.4 Breakdown of projects by the remaining term of the leasehold or rental period

Period closed on 30 September 2018	Number of projects ending						Total
	between 0 and 1 years	between 1 and 5 years	between 5 and 10 years	between 10 and 15 years	between 15 and 20 years	> 20 years	
Investment properties in operation	0	0	0	1	1	12	14
Financial leases	0	0	13	25	15	26	79
<b>Total</b>	<b>0</b>	<b>0</b>	<b>13</b>	<b>26</b>	<b>16</b>	<b>38</b>	<b>93<sup>(1)</sup></b>

- (1) On 30 September 2018 Care Property Invest has 97 projects in its portfolio, of which 93 completed projects at the end of the third quarter of 2018 and 3 projects under development (the residential care centre 'Les Saules' in Vorst, the housing complex for persons with disabilities and acquired brain injuries 'De Nieuwe Ceder' in Deinze and the group of assisted living apartments 'Assistentiewoningen De Stille Meers in Middelkerke) and 1 project for which it has already signed an agreement under suspensory conditions (construction of a care residence in North Holland).

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The first building right (of the initial investment programme) will expire in 2026, i.e. within 7.76 years.

The average remaining term of the contracts is 17.21 years <sup>(1)</sup>. This period includes the remaining term of the building right which, for the contracts in the initial leasing programme, is equal to the remaining leasehold period and the remaining tenancy period. For the new projects, only the rental or leasehold period is taken into account.

(1) The average remaining term of finance leases is 15.98 years and that of investment properties 24.18 years.

### 3.5 Breakdown of income deriving from leasehold and rental agreements in function of their residual duration

x € 1.000.

Period closed on 30 September 2018	Income to be received for the period					
	0-1 years	1-5 years	5-10 years	10-15 years	15-20 years	> 20 years
Investment properties in operation	10,599,567	42,398,268	52,997,835	52,559,752	50,025,871	54,411,649
Financial leases	9,548,890	38,195,560	46,135,689	32,257,600	20,680,582	8,331,343
<b>Total (1)</b>	<b>20,148,457</b>	<b>80,593,828</b>	<b>99,133,524</b>	<b>84,817,352</b>	<b>70,706,453</b>	<b>62,742,992</b>

(1) The balance includes the remaining lease and rental income as at 30 September 2018 on the basis of the non-index-linked ground rent for the full remaining term of the contract (due dates not split) and with regard to the project for which the Company bears the risk of voids ('Tilia' in Gullegem), taking into account an occupancy rate of 100%.

### 3.6 Breakdown of projects by age of the buildings

Period closed on 30 September 2018	number of projects first occupied				Total
	less than 1 year ago	between 1 and 5 years ago	5 and 10 years ago	more than 10 years ago	
Investment properties in operation	0	8	3	3	14
Financial leases	2	3	24	50	79
<b>Total</b>	<b>2</b>	<b>11</b>	<b>27</b>	<b>53</b>	<b>93 (1)</b>

(1) On 30 September 2018 Care Property Invest has 97 projects in its portfolio, of which 93 completed projects at the end of the third quarter of 2018 and 3 projects under development (the residential care centre 'Les Saules' in Vorst, the housing complex for persons with disabilities and acquired brain injuries 'De Nieuwe Ceder' in Deinze and the group of assisted living apartments 'Assistentiewoningen De Stille Meers in Middelkerke) and 1 project for which it has already signed an agreement under suspensory conditions (construction of a care residence in North Holland).

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### **3.7 Occupancy rate**

Due to the increasing demand for modified forms of housing for the elderly, the buildings have few, if any voids and enjoy a very high occupancy rate.

The vast majority of contracts concluded are 'triple net' contracts, as a result of which the ground rent or rental charge is always due in full regardless of the actual occupancy rate and as a result of which the economic occupancy rate of these projects is always 100%<sup>(1)</sup>. Any voids of the residential units therefore have no impact on the revenues generated by the Company.

Therefore the Company can confirm that the general occupancy rate of its investment properties and finance leases amounts to 100% on 30 September 2018.

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(1) Care Property Invest runs a vacancy risk only on the project 'Tilia' in Gullegem. The vacancy rate for the project 'Tilia' is negligible on the scale of the portfolio as a whole. The project was fully occupied on both 30 September 2018 and 31 December 2017, as a result of which there was no vacancy. For the projects from the initial investment programme, the risk is borne by the counterparty. The Company receives the annual leasehold payment irrespective of occupancy rates. For new projects, the Company aims to transfer most or all of this risk to the counterparty.

## 4. Care Property Invest on the stock market

### 4.1 Stock price and volume

#### 4.1.1 NUMBER AND TYPES OF SHARES

*Amounts shown in euro.*

Number of ordinary and special shares on	30 September 2018	31 December 2017
<b>Total number of shares</b>	<b>19,322,845</b>	<b>19,322,845</b>
<b>of which:</b>		
- number of ordinary shares	19,322,845	19,172,845
- number of special shares (1)	0	150,000

(1) All shares are without nominal value. See Article 6 of the Company's Articles of Association. The extraordinary general meeting of 16 May 2018 approved an amendment to the articles of association with regard to the abolition of these special shares. The converted shares were admitted to trading on the regulated market of Euronext Brussels on 27 June 2018 with the same ISIN code as the existing shares in Care Property Invest (BE0974273055).

*Amounts shown in euro.*

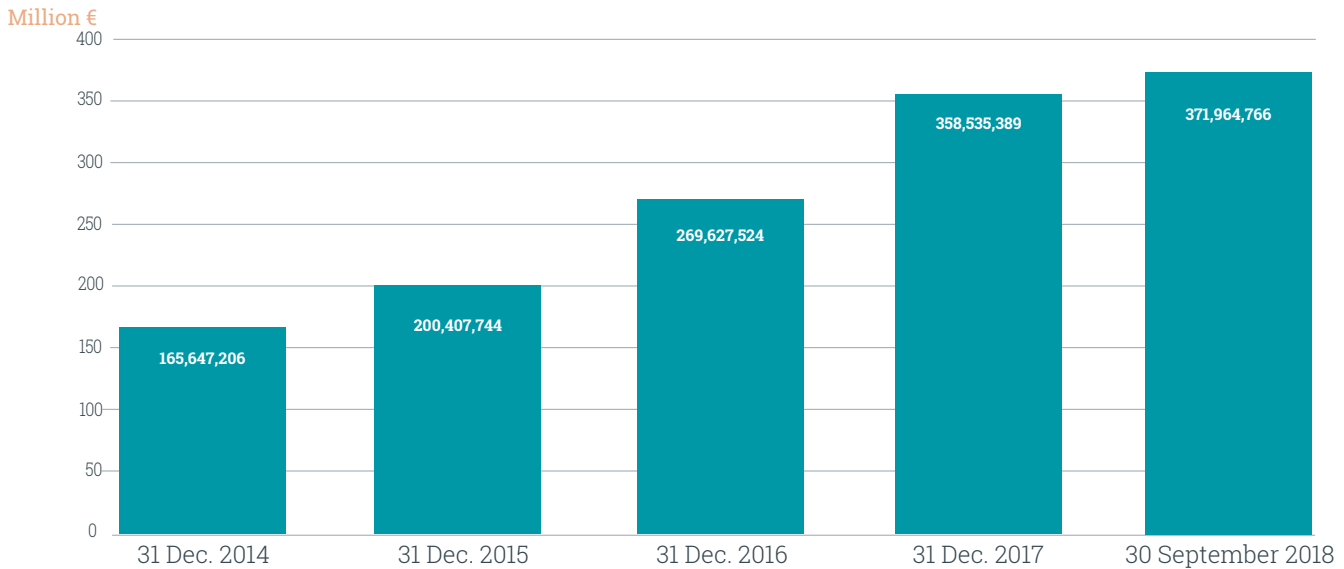
Number of registered and dematerialised shares on	30 September 2018	31 December 2017
<b>Total number of shares</b>	<b>19,322.845</b>	<b>19,322.845</b>
<b>of which:</b>		
- number of registered ordinary shares	1,311,795	1,418,659
- number of dematerialised ordinary shares	18,011,050	17,904,186
- number of own shares	0	0
- number of ordinary shares in circulation (after deduction of any own shares and registered shares)	18,011,050	17,904,186
- weighted average number of shares	19,322,845	15,805,323

*Amounts shown in euro.*

Value of shares on	30 September 2018	31 December 2017
Stock price on cut-off date	€19.25	€18.56
Highest closing share price of this period	€19.30	€20.85
Lowest closing stock price of this period	€17.80	€18.13
Average share price	€18.79	€19.90
Market capitalisation	€371,964,766	€358,535,389
Net value per share	€11.60	€11.29
Premium compared to the net fair value	39.74%	39.15%
EPRA NAV	€15.57	€15.98
Premium compared to the EPRA NAV	19.10%	13.89%
Free float	100.00%	99.22%
Average daily volume	8,652	9,573
Turnover rate	8.55%	12.58%

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#### 4.1.2 EVOLUTION MARKET CAPITALISATION



### 4.2 Index inclusions of the Care Property Invest share

The Care Property Invest share was included in 2 indexes as at 30 September 2018 being the BEL Mid Index and the GPR Index. Since December 2016, the Company is also a member of the EPRA organisation and although its share is not included in the EPRA index, it uses this index as a benchmark and also applies the EPRA standards to its yearly and half-yearly financial reporting. With the appointment of Bank Degroof Petercam as liquidity provider from February 2018 onwards, the Company seeks to make the necessary efforts to meet the liquidity requirements needed to be included in the EPRA index. The Company appointed KBC Securities as additional liquidity provider in November 2018 to further improve the liquidity of its share.

#### 4.2.1 BEL MID INDEX

The BEL Mid Index is an index of Euronext Brussels that reflects the evolution of a number of Belgian listed companies with a medium-sized market capitalization. To be included in this index a high free float of the shares is required. The composition of this index is reviewed every 3 months

As at 30 September 2018, Care Property Invest is included in the BEL Mid Index with a weight of 1.53%. For more information about this index and the conditions for admission, see [www.euronext.com/nl/indices/index-rules](http://www.euronext.com/nl/indices/index-rules) (Belgium/Brussels Indices-BEL family rules).

#### 4.2.2 GPR INDEX

Global Property Research (GPR) specialises in creating benchmarks for leading financial institutions based on its own, unique database of international listed real estate and infrastructure companies.

Since 1 June 2017, Care Property Invest has been included in the GPR General Europe index. On 30 September 2018, it was included in the aforementioned index with a weighting of 0.0892% and in the GPR General Europe Quoted Index (excluding open-end bank funds) with a weighting of 0.1212%. For more information about this index, see [www.globalpropertyresearch.com](http://www.globalpropertyresearch.com).

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### 4.3 Shareholding structure

The Company has no knowledge of any shareholders holding more than 5% of the voting rights, as no notifications have been received to this effect within the context of the transparency legislation. During the third quarter of 2018 the Company has received no notifications for exceeding the threshold of 3%.

Share division on	30 September 2018 (2)		31 December 2017 (1)	
	% proportion vis-à-vis total capital	Number of shares (expressed in nominal value)	% proportion vis-à-vis total capital	Number of shares (expressed in nominal value)
ORDINARY SHARES	100%	19,322,845	99.22%	19,172,845
SPECIAL SHARES	0%	0	0.78%	150,000
<b>The special shareholders all held registered shares up until 27 June 2018</b>				
Bank Degroof Petercam nv/SA	0%	0	0.05%	10,000
BNP Paribas Fortis Bank nv/SA	0%	0	0.16%	30,000
KBC Bank nv/SA	0%	0	0.16%	30,000
Belfius Bank nv/SA	0%	0	0.41%	80,000
Registered ordinary shares	6.79%	1,311,795	6.56%	1,268,659
Dematerialised ordinary shares	93.21%	18,011,050	92.66%	17,904,186

The table above shows the shareholding structure before and after the abolition of the special shares on 27 June 2018, following a decision of the extraordinary shareholders' meeting on 16 May 2018. On 30 September 2018, all shares are therefore ordinary shares, the vast majority of which are dematerialised.

- (1) Following the completion of a capital increase in cash and the issuance of 4,293,965 new shares on 27 October 2017. Within the framework of this transaction, the share capital of the Company amounts to € 114,961,266.36 on 27 October 2017. As of 27 October 2017, the capital will be represented by a total number of voting rights attached to voting securities of 19,322,845 shares, of which 19,172,845 ordinary shares and 150,000 special shares.
- (2) On 16 May 2018, the extraordinary general meeting decided to abolish the status of the special shares and shareholders and to convert these shares into ordinary shares with the same rights as ordinary shares. Following this decision, they (the shares) were converted into ordinary shares and were admitted to trading on the regulated market of Euronext Brussels as of 27 June 2018 with the same ISIN code as the existing shares in Care Property Invest (BE0974273055). As from this moment, Care Property Invest's capital is represented by 19,322,845 ordinary shares.

### 4.4 Financial calendar

Press release annual financial report 2018	20 March 2019, after trading hours
Annual financial report 2018	25 April 2019, before trading hours
Interim statement of the board of directors 1st quarter 2019	16 May 2019, before trading hours
Ordinary General Meeting	29 May 2019, 11 a.m.
Half-yearly financial report 2019	5 September 2019, before trading hours
Interim statement 3rd quarter 2019	14 November 2019, before trading hours

These dates are subject to change.



## 5. Financial information

### 5.1 Synthesis of the consolidated balance sheet and the global result statement

#### 5.1.1 CONSOLIDATED GLOBAL RESULT STATEMENT

Amounts shown in euros.

Period closed on 30 September	2018	2017
I. Rental income (+)	18,641,636.78	14,555,848.35
<b>NET RENTAL RESULT</b>	<b>18,641,636.78</b>	<b>14,555,848.35</b>
<b>REAL ESTATE OPERATING RESULT</b>	<b>18,641,636.78</b>	<b>14,555,848.35</b>
IV. Recovery of real estate costs (+)	0.00	0.00
XIV. General expenses of the Company (-)	-2,746,035.32	-2,202,433.44
XV. Other operating income and expenses (+/-)	-359,633.90	1,135,428.60
<b>OPERATING RESULT BEFORE RESULT ON PORTFOLIO</b>	<b>15,535,967.56</b>	<b>13,488,843.51</b>
Operating margin (1)	83.34%	92.67%
XVIII. Changes in fair value of real estate investments (+/-)	1,393,786.51	-554,903.66
XIX. Other results on portfolio (+/-)	711,526.58	824,136.99
<b>OPERATING RESULT</b>	<b>17,641,280.65</b>	<b>13,758,076.84</b>
XX. Financial income (+)	201.86	8,542.42
XXI. Net interest expense (-)	-4,230,982.41	-3,282,321.33
XXII. Other financial costs (-)	-95,631.53	-96,657.87
XXIII. Changes in fair value of financial assets/liabilities (+/-)	1,320,644.39	3,142,033.24
<b>FINANCIAL RESULT</b>	<b>-3,005,767.69</b>	<b>-228,403.54</b>
<b>RESULT BEFORE TAXES</b>	<b>14,635,512.96</b>	<b>13,529,673.30</b>
XXIV. Corporation tax (-)	-298,422.76	-206,767.53
XXV. Exit tax (-)	1,678,215.63	-49,419.68
<b>NET RESULT (part of the group)</b>	<b>16,015,305.83</b>	<b>13,273,486.09</b>
<b>GLOBAL RESULT</b>	<b>16,015,305.83</b>	<b>13,273,486.09</b>
The weighted average number of shares issued	19,322,845	15,028,880
<b>Net result per share based on the weighted average number of shares issued (2)</b>	<b>€0.8288</b>	<b>€0.8832</b>
<b>NON CASH ELEMENTS INCLUDED IN THE NET RESULT</b>	<b>-3,323,703.42</b>	<b>-4,386,106.08</b>
<b>NET RESULT IFRS</b>	<b>12,691,602.41</b>	<b>8,887,380.01</b>
<b>Net IFRS result per share based on weighted average outstanding shares</b>	<b>€0.6568</b>	<b>€0.5914</b>

(1) Operating result before result on portfolio divided by the rental income .

(2) There are no instruments with a potential dilutive effect on the net result per share.

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### 5.1.2 NET RESULT PER SHARE ON A CONSOLIDATED BASIS

*Amounts shown in euros.*

Period closed on 30 September	2018	2017
<b>NET RESULT / GLOBAL RESULT</b>	<b>16,015,305.83</b>	<b>13,273,486.09</b>
<b>net result per share based on weighted average shares outstanding</b>	<b>0.8288</b>	<b>0.8832</b>
<i>gross yield compared to the initial issuing price in 1996</i>	13.93%	14.85%
<i>gross yield compared to stock market price on closing date</i>	4.31%	4.37%

### 5.1.3 COMPONENTS OF THE NET RESULT

*Amounts shown in euros.*

Period closed on 30 September	2018	2017
<b>NET RESULT/ GLOBAL RESULT</b>	<b>16,015,305.83</b>	<b>13,273,486.09</b>
<b>NON-CASH ELEMENTS INCLUDED IN THE NET RESULT</b>	<b>-3,323,703.42</b>	<b>-4,386,106.08</b>
<i>depreciation, impairments and reversals of impairments</i>	92,748.03	75,476.09
<i>variations in fair value of investment properties</i>	-1,393,786.51	554,903.66
<i>variations in fair value of authorised hedging instruments</i>	-1,320,644.39	-3,142,033.24
<i>Tax- transfer of tax from deferred taxation</i>	0.00	0.00
<i>projects' profit or loss margin attributed to the period</i>	9,506.03	-1,050,315.60
<i>decrease in trade receivables (profit or loss margin attributed to previous periods)</i>	0.00	0.00
<i>other results on portfolio</i>	-711,526.58	-824,136.99
<b>NET RESULT IFRS</b>	<b>12,691,602.41</b>	<b>8,887,380.01</b>
<b>net result IFRS per share, based on the weighted average number of outstanding shares</b>	<b>€0.6568</b>	<b>€0.5914</b>
<i>gross yield compared to the issue price</i>	11.04%	9.94%
<i>gross yield compared to stock market price on closing date</i>	3.41%	2.93%

The weighted average outstanding shares amounted to 15,028,880 as at 30 September 2017 and increased to 19,322,845 shares as at 30 September 2018, due to the fact that the newly issued shares following the capital increase on 27 October 2017 are fully entitled to dividends for this financial year. The initial issue price in 1996 amounted to €5,949.44 (or €5.9495 after the share split of 24 March 2014 based on 1/1,000), The share price was €19.25 as at 30 September 2018 and €20.21 as at 30 September 2017.

The gross yield is calculated in the table '5.1.2 Net result per share on a consolidated basis' by dividing the net result per share by the initial issue price in 1996 on the one hand and the market capitalisation on the other hand. In table '5.1.3 Components of the net result' the gross yield is calculated by dividing the net result IFRS per share by the initial issue price in 1996 on the one hand and the share price on the closing date on the other hand. There are no instruments with a potentially dilutive effect on the net result or net result IFRS per share.

Following the completion of a capital increase in cash and the issue of 4,293,965 new shares on 27 October 2017, the Company's share capital amounted to €114,961,266,36 as at 27 October 2017. Care Property Invest raised approximately €72 million gross, of which the item capital amounted to €25,546,944,78 and the item share premium to €44,366,742,30. The costs incurred in the context of the capital increase amounting to €2,224,924,94 were deducted from the item Issue premium. As from 27 October 2017, the capital was represented by a total number of securities with voting rights of 19,322,845 shares.

On 16 May 2018, the extraordinary general meeting decided to abolish the status of the special shares and to convert these special shares into ordinary shares with the same rights as ordinary shares. Care Property Invest's capital is therefore represented by 19,322,845 ordinary shares, The 150,000 new ordinary shares are now all registered shares.

## Notes to the global result statement

### Operating result

The Company's operating result increased by 28.22% compared to 30 September 2017.

The **rental income** as at 30 September 2018 increased by 28.07% compared to the same period last year. This increase can be explained by an increase in rental income coming from the investment properties by acquiring a number of new projects during the last two quarters of 2017 and the first quarter of 2018, as well as the acquisition of a new finance lease in the third quarter of 2018.

For example, the projects 'Bois de Bernihé' in Libramont, 'Qaly@Beersel' in Beersel, 'Oase' in Wolvertem, 'Residentie Moretus' in Berchem and 'Park Kemmelberg' in Berchem, acquired during the last 2 quarters of 2017, generated an increase in rental income of €2,368,370.31. The project 'Les Terrasses du Bois' in Watermaal-Bosvoorde, purchased in the first semester of 2017, generated €494,155.00 in additional rental income as at 30 September 2018 compared to the same period last year.

Furthermore, two investment properties were acquired on 29 March 2018, namely the projects 'Home Aldante' in Koekelberg and 'Residentie 't Neerhof' in Brakel, which also generate income for the Company as of this date. As at 30 September 2018, these investment properties already generated an increase in rental income of €462,356.27.

On 20 February 2018, the development project 'Hof Driane' in Herenthout, built on behalf of the PCSW Herenthout, was completed. This project generates additional income for Care Property Invest as of 1 March 2018 and therefore generated a €64,344.91 increase in the remuneration of the finance leases as at 30 September 2018.

On 17 July 2018, the project 'Residentie de Anjers' in Balen was acquired, which also generates income for the Company as from this date. This project therefore resulted in an increase in the remuneration of the financial leases by €128,333.34.

The **general operating costs** have risen by €543,601.88 compared to those of 30 September 2017. The increase in the general operating expenses can be explained by the increase in the number of subsidiaries as a result of the investment efforts, the increase in market capitalisation and growth of the size of the Company, and by the additional recruitment of 4 full-time equivalents in the course of 2017 and 2018.

The **other operating costs and income** decreased from an income of €1,135,428.60 on 30 September 2017 to a cost of €359,633.90 on 30 September 2018.

The operating costs and income of the three first quarters of 2018 mainly relate to depreciation on capital gains. Capital gains are recognised in the balance sheet in proportion to the development costs. From the moment of provisional delivery, these are depreciated during the term of this project.

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The operating costs and income of the same period last year relate to the adjustment of the provision for the project costs as the profit or loss margin allocated in the previous periods, which was reclassified from rental income to other operating costs and income, for €544,137.66. The invoices receivable with respect to the initial portfolio were also written off for an amount of €1,676,182.22.

Both the profit or loss margin allocated in the previous period and the capital gains and depreciation on these capital gains have not been realised and will therefore be corrected in the net result IFRS. Therefore, these costs and income do not qualify for the payment of dividend.

The **changes in the fair value of investment properties** increased by €1,948,690.17 compared to the same period last year and resulted in a positive result of €1,393,786.51. The increase can largely be attributed to the development project 'Les Saules' in Vorst, which showed an increase in fair value of €4,390,770.00 compared to 30 September 2017. The other investment properties in the portfolio also showed, without exception, a positive net change in fair value. These are also non-realised variations that are corrected in the net IFRS result.

### **Financial result**

Interest expenses increased due to the acquisition of existing loans from newly acquired subsidiaries and the raising of borrowed funds to finance the acquisitions in the first quarter of 2018. In the second quarter of 2018, financing was contracted for the dividend payment. In the third quarter, an additional commercial paper of €12,000,000 was issued to finance the acquisition of the company IGOR Balen nv, owner of the 'Residentie De Anjers' project in Balen.

The financial result was positively influenced by the inclusion of the fair value of the financial instruments concluded. As a result of an increase in the current low (negative) interest rates and a further maturity, a capital gain had to be recorded on 30 September 2018 in the Company's global result statement for an amount of €1,320,644.39. As a result, the total impact to date amounts to €-18,496,642.80 compared to €-18,715,953.00 as at 30 September 2017.

The variation in fair value of financial assets and liabilities is a non-cash element and is therefore not taken into account for the calculation of the distributable result, i.e. the net result IFRS.

### **Taxes**

The tax amount of 30 September 2018 includes the estimated and prepaid corporate income tax as well as the change of the calculated exit tax of the subsidiaries.

On 10 August 2018, an amendment was published in the Belgian Official Gazette on the entry into force of the reduction of the exit tax. As a result of this amendment to the law, the exit tax rate is no longer determined by the tax year, linked to the taxable period in which the merger takes place, but instead the new rule is introduced that the rate is determined by the date of the merger.

As at 30 September 2018 the change in the calculation of the exit tax of has a positive impact on the exit tax balance of €2,799,304.51 as a result of the same legislative amendment, as a result of which the percentage of the exit tax for the tax years 2019 and 2020 will decrease from 16.995% to 12.75% and then increase again to 15%. Since the Company has no concrete plans that could directly trigger the payment of the exit tax, the Company applies the 15% rate.

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A number of companies apply the rate of 12.75%, such as 't Neerhof Service nv, which has been converted into a specialised real estate investment fund. This rate has also been applied for Ter Bleuk nv, VSP Lanaken nv and Dermedil nv, all of whom were merged with Care Property Invest nv on 27 September 2018. The rate of 12.25% has been applied to Konli bvba as well, as it will merge with Care Property Invest nv this year.

**Net IFRS-based result**

The net IFRS-based result amounted to €12,691,602.42 on a consolidated basis as at 30 September 2018 compared to €8,887,380.01 as at 30 September 2017. This is an increase of 42.80%. The net FRS-based result per share amounted to €0.6568 as at 30 September 2018.

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**5.1.3 CONSOLIDATED BALANCE SHEET**
*Amounts shown in euros*

Period closed on	30 September 2018	31 December 2017
<b>ASSETS</b>		
<b>I. NON-CURRENT ASSETS</b>	<b>416,982,137.55</b>	<b>377,785,655.00</b>
B. Intangible assets	108,847.55	0.00
C. Investment properties	224,718,928.11	201,664,978.49
<i>Investment properties- other</i>	215,729,560.11	195,312,280.93
<i>Investment properties- project developments</i>	8,989,368.00	6,352,697.56
D. Other tangible fixed assets	5,457,237.33	4,978,201.33
E. Financial fixed assets	8,885.40	5,520.00
F. Finance lease receivables	173,314,293.55	160,251,205.00
G. Trade receivables and other non-current assets	13,373,945.61	10,885,750.18
<i>concerning projects in progress</i>	0.00	0.00
<i>concerning delivered projects</i>	13,373,945.61	10,885,750.18
<b>II. CURRENT ASSETS</b>	<b>7,260,001.28</b>	<b>6,327,560.44</b>
D. Trade receivables	1,283,648.46	576,665.20
E. Tax receivables and other current assets	102,995.21	32,900.47
<i>corporation tax</i>	102,689.30	1,312.25
<i>other</i>	305.91	31,588.22
F. Cash and cash equivalents	5,702,201.48	5,641,055.11
G. Deferrals and accruals	171,156.13	76,939.66
<b>TOTAL ASSETS</b>	<b>424,242,138.83</b>	<b>384,113,215.44</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>	<b>224,229,148.97</b>	<b>218,157,243.26</b>
A. Capital	114,961,266.34	114,961,266.34
B. Share premium	87,551,065.26	87,551,065.26
C. Reserves	5,701,511.54	1,357,197.36
D. Net result for the financial year	16,015,305.83	14,287,714.30
<b>LIABILITIES</b>	<b>200,012,989.86</b>	<b>165,955,972.18</b>
<b>I. Non-current liabilities</b>	<b>162,026,683.00</b>	<b>157,410,810.84</b>
B. Non-current financial liabilities	140,382,038.96	127,896,019.73
C. Other non-current financial liabilities	18,496,642.80	19,413,963.30
<i>authorised hedging instruments</i>	18,496,642.80	19,413,963.30
F. Deferred taxation	3,148,001.24	10,100,827.81
<b>II. Current liabilities</b>	<b>37,986,306.86</b>	<b>8,545,161.34</b>
B. Current financial liabilities	32,148,011.89	2,307,237.86
D. Trade payables and other current liabilities	4,965,028.51	5,733,085.25
a. Exit tax	10,023.73	2,334,245.75
b. Other	4,955,004.78	3,398,839.50
<i>suppliers</i>	4,106,976.65	2,979,922.01
<i>tenants</i>	0.00	0.00
<i>taxes, remuneration and social insurance charges</i>	848,028.13	418,917.49
E. Other current liabilities	163,075.80	6,448.21
F. Deferrals and accruals	710,190.66	498,390.02
<i>prepayments of property revenue</i>	163,160.98	178,013.33
<i>accrued interest and other costs</i>	264,268.52	0.00
<i>accrued costs</i>	282,761.16	320,376.69
<b>TOTAL EQUITY + LIABILITIES</b>	<b>424,242,138.83</b>	<b>384,113,215.44</b>

## Notes to the consolidated balance sheet

### Investment Properties

The Company's real estate portfolio increased in the first three quarters by €23,053,949.62 due to the acquisition of 2 new investment properties, being the projects 'Home Aldante' in Koekelberg and 'Residentie 't Neerhof' in Brakel and the further development of the project 'Les Saules' in Vorst.

The 2 new projects in Koekelberg and Brakel have a combined fair value of €18,576,776.00. The value of the investment properties that were already in portfolio on 31 December 2017 increased to €206,142,152.11, including €8,989,368.00 for the development project in Vorst. All investment properties in the portfolio showed an increase in fair value, without exception.

The real estate expert confirms that the total value of the real estate portfolio amounts to €224,718,900.00. The fair value is equal to the investment value (or the 'deed-in-hand' value including all purchase costs) from which the transfer taxes have been deducted at a rate of 2.5%.

### Other tangible fixed assets

As at 30 September 2018, this item contains € 1,993,956.12 in tangible fixed assets for own use and €3,463,281.21 in finance lease receivables relating to projects in progress. For the projects in Deinze and Middelkerke, this section also contains €495,000 in added value.

### Finance lease receivables

The item Finance lease receivables includes all final building rights fees that were due for repayment within the context of the building rights contracts for the 76 projects in the initial investment programme and for the 'Hof ter Moere' project in Moerbeke, the 'Hof Driane' project in Herenthout and the 'Residentie De Anjers' project<sup>(1)</sup> in Balen.

The increase in finance lease receivables can mainly be explained by the acquisition of the company IGOR Balen nv, owner of the 'Residentie De Anjers' project, for an amount of € 9,781,179.71.

The fair value of the finance leases amounted to € 241,737,188.02<sup>(2)</sup> on 30 September 2018.

### Trade receivables regarding the projects included in the item 'Finance lease receivables'

The difference between the nominal value of the final building right fees (included in the item 'Finance lease receivables') and the fair value, calculated on the date it becomes available by discounting the future cash flows, is included in the item 'Trade receivables' and is depreciated on an annual basis. .

The increase in trade receivables regarding the projects included in the item 'Finance lease receivables' can mainly be explained by the acquisition of the company IGOR Balen nv, owner of the 'Residentie De Anjers' project, for an amount of €2,587,906.03.

- 
- (1) As opposed to the projects of the initial portfolio, the ground rent for the Moerbeke, Herenthout and Balen projects, in addition to an interest component, also consists of a capital repayment, as a result of which the amount of the receivable will gradually decrease over the term of the long-term lease agreement.
- (2) The fair value of the finance leases is calculated by discounting the future cash-flows of the projects delivered, including the investment costs, as set out in the item Finance lease receivables, at an IRS interest rate as applicable on the closing date of the relevant financial year in proportion with the remaining term of the superficie period, increased with a risk margin that the bank would charge on the relevant closing date, i.e. the financing cost for the Company, assuming that all these financing contracts could be financed on these conditions on the date of concluding the contracts. The average IRS interest rate amounted to 1.37% as at 30 September 2018, and 1.32% as at 31 December 2017. The risk margins were 0.88% and 0.78% respectively. These details were provided by Belfius Bank nv. This calculation is based on a conservative approach since it does not take into account any further indexation of future cash flows.

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### Financial fixed assets

The acquisition of the Balen project was financed by the issue of a commercial paper for an amount of €12,000,000. The Company has entered into an interest rate swap to hedge the interest rate risk for a term of 8 years. On 30 September 2018 the latter had a positive value of €5,115.40 due to the rise in interest rates. This positive value is included under the item 'Financial fixed assets' in the balance sheet.

### Debts and liabilities

The Company also has an MTN programme at Belfius amounting to €50 million and an extension of this programme of € 50 million at Belfius and KBC. The Company has provided the necessary backup lines for this purpose. As of 30 September 2018, the amount already drawn amounts to € 47 million, being 2 bonds of € 5 million each with an initial term of 6 and 7 years, an additional bond of € 7.5 million with an initial term of 11 years, and a commercial paper withdrawal of € 29.5 million, which represents an increase of € 12 million compared to the previous quarter in order to finance the acquisition in Balen.

*Amounts shown in euros*

Period closed on	30 September 2017	31 December 2017
average remaining term of financial debts	10.65 years	11.92 years
nominal amount of current and long-term financial debts	172,530,050.85	130,203,257.59
weighted average interest rate (1)	3.11%	3.76%
amount of financial debts hedged with a financial instrument	47,791,937.59	35,791,937.59
fair value of the hedging instruments	-18,491,527.49	-19,413,963.30
movements in financial liabilities	42,326,793.26	7,182,498.52

(1) The weighted average interest rate refers to interest rates after conversion of variable interest rates to fixed interest rates through swaps.

The Company expects that the weighted average interest rate will further decrease during the financial year as the Company incurs new debts to finance additional investments -as it has already done for the acquisition of the project in Meeuwen - Gruitrode- and will fall below 3% at the end of the financial year. The Company has provided the necessary room for manoeuvre in view of its debt ratio.

The debt ratio, calculated in accordance with Article 13, §1, 2° of the RREC Decree, was 41.88% on 30 September 2018. The available space for further investments before reaching a debt ratio of 55% on 30 September 2018 (i.e. before completion of the acquisition in Meeuwen-Gruitrode) amounts to €123 million.



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#### 5.1.4 NET ASSETS AND NET VALUE PER SHARE ON A CONSOLIDATED BASIS <sup>(1)</sup>

Period closed on	Amounts shown in euros	
	30 September 2018	31 December 2017
total assets	424,242,138.83	384,113,215.44
liabilities	-200,012,989.86	-165,955,972.18
<b>NET ASSETS</b>	<b>224,229,148.97</b>	<b>218,157,243.26</b>
<b>net value per share</b>	<b>€11.60</b>	<b>€11.29</b>
total assets	424,242,138.83	384,113,215.44
current and long-term liabilities (excluding 'authorised hedging instruments' item)	-181,516,347.06	-146,542,008.88
<b>NET ASSETS, EXCLUDING 'AUTHORISED HEDGING INSTRUMENTS'</b>	<b>242,725,791.77</b>	<b>237,571,206.56</b>
<b>Net value per share, excluding the 'authorised hedging instruments' column</b>	<b>€12.56</b>	<b>€12.29</b>
total assets including the calculated fair value of finance lease receivables (2)	480,288,193.81	445,171,942.84
current and long-term liabilities (excluding 'authorised hedging instruments' and 'deferred taxes' item)	-178,368,345.82	-136,441,181.07
<b>NET ASSETS EXCLUDING 'AUTHORISED HEDGING INSTRUMENTS' AND 'DEFERRED TAXES' AND INCLUDING THE 'FAIR VALUE OF LEASE RECEIVABLES' EPRA NAV</b>	<b>301,919,847.99</b>	<b>308,730,761.77</b>
<b>Net value per share, excluding the 'authorised hedging receivables' and 'deferred taxes' and including the 'fair value of the finance lease receivables'</b>	<b>€15.63</b>	<b>€15.98</b>

The total number of shares was 19,322,845 as at 31 December 2017 as well as at 30 September 2018.

- (1) In accordance with the RREC Act, the net value per share is calculated based upon the total number of shares minus treasury shares.
- (2) The fair value of the finance leases is calculated by discounting the future cash-flows of the projects delivered, including the investment costs, as set out in the item Finance lease receivables, at an IRS interest rate as applicable on the closing date of the relevant financial year in proportion with the remaining term of the superficie period, increased with a risk margin that the bank would charge on the relevant closing date, i.e. the financing cost for the Company, assuming that all these financing contracts could be financed on these conditions on the date of concluding the contracts. The average IRS interest rate amounted to 1.37% as at 30 September 2018, and 1.32% as at 31 December 2017. The risk margins were 0.88% and 0.78% respectively. These details were provided by Belfius Bank nv. This calculation is based on a conservative approach since it does not take into account any further indexation of future cash flows.

## 6. Outlook

The debt ratio is calculated in accordance with Article 13, §1, 2° of the 'RREC Decree' and amounts to 41.88% as at 30 September 2018. In view of the fact that Care Property Invest's debt ratio does not exceed 50%, it is not subject to mandatory submission of a financial plan as referred to in Article 24 of the 'RREC Decree'.

### 6.1 Assumptions

Based on the balance sheet and the overall statement of income of the 2017 financial year and the first three quarters of 2018, a forecast was prepared to create an outlook for the subsequent financial years.

The following hypotheses are used as points of view:

**Assumptions regarding factors that can be influenced by the members of the Company's administrative, management and supervisory bodies directly:**

- increase in the Company's operating expenses;
- for the time being, new projects are financed using own resources from operating activities and additional new credit lines, or the revenue from issuing debt securities;
- the financial costs are in line with the increase in financing during the financial year 2017.

**Assumptions regarding factors that can not be influenced by the members of the Company's administrative, management and supervisory bodies directly:**

- rental income was increased by the annual indexation and the impact of new investments;
- further fluctuations in the fair value of the financial instruments were not included as they are difficult to predict and, moreover, have no impact on the result to be distributed;
- Care Property Invest expects no impact from any doubtful debt;
- due to the 'triple net' nature <sup>(1)</sup> of the agreement, no maintenance costs were taken into account for the investment properties. In spite of the fact that the finance lease agreements also concern 'triple net' agreements, a limited provision was created for these agreements.

### 6.2 Conclusion on outlook for the debt ratio

Based on the afore-mentioned hypotheses, even if the Company realises the next investments, the maximum debt ratio of 65% will not be exceeded on a consolidated basis in 2018. The capital increase completed by the Company in October 2017 reinforced its shareholder's equity. The debt ratio as calculated in accordance with Article 13 of the 'RREC Decree' amounts to 41.88% as at 30 September 2018. The Company forecasts an increase in the debt ratio during the financial year 2018 based on additional investments and further completion of the projects currently in development.

The board of directors evaluates the liquidity needs in due time. In order to avoid reaching the maximum debt limit, the board may opt for a capital increase, as well as a contribution in kind.

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(1) With the exception of the project 'Les Terrasses du Bois' in Watermaal-Bosvoorde, for which a long-term 'double net' agreement was concluded. For this project, the risk of the maintenance costs is incurred by Care Property Invest.

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### **6.3 Conclusion on outlook for dividends and distributable results**

Taking into account the commercial uncertainty of the current economic situation and the impact on Care Property Invest's results, the Company would have no obligation to distribute a compensation for the capital in the event of a negative result. Based on the current contracts, which on average will generate income for another 17.21 years, barring unforeseen circumstances, the Company assumes an increase in the distributable result and the dividend payment for the 2018 financial year. The Company therefore maintains its guidance on rental income (€24 million), earnings per share (€0.80) and dividend per share (€ 0.72). The Company's solvency is supported by the stable value of its real estate assets.

## **7. Principal risks and uncertainties for the remaining months of the financial year**

The Company operates in an economic climate that entails risks. The Board of Directors believes that the risk factors and uncertainties described on pages 8 to 31 of the 2017 annual financial report will continue to apply to the first months of the 2018 financial year. The 2017 annual financial report is available on the Company's website, [www.carepropertyinvest.be](http://www.carepropertyinvest.be).

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**The information included in this press release has not been subject to an audit by the Auditor.**

*Caution relating to prospects*

*This press release contains prospects implying risks and insecurities, among others statements about plans, targets, expectations and intentions of Care Property Invest. Readers are advised that such prospects imply known and unknown risks, and that they are subject to important company, economic and competitive insecurities, which Care Property Invest does not control for the most part. If one or more of these risks or insecurities were to produce or if the basic assumptions prove incorrect, there may be a serious discrepancy with the envisaged, expected, estimated or extrapolated results. Care Property Invest therefore accepts no responsibility whatsoever for the exactness of these prospects.*

The interim Statement of the Board of Directors third quarter 2018 is available on the website of the Company, [www.carepropertyinvest.be](http://www.carepropertyinvest.be).

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**About Care Property Invest**

Care Property Invest NV is a Public Regulated Real Estate Company (Public SIR/GVV) under Belgian law. Based on a solid organisation, Care Property Invest helps healthcare entrepreneurs to undertake property projects by offering real estate tailored to the end user, that is both qualitative and socially responsible. For its shareholders, Care Property Invest strives for a stable long-term rate of return.

This year, Care Property Invest's share celebrated its 22nd anniversary on **Euronext Brussels**. The share is listed under the name of CPINV and has the following **ISIN-Code: BE0974273055**. As from December 2016, the share has also been included in the **BEL Mid index** and the Company has become a member of **EPRA**.

In September 2018, the Company received its **second EPRA BPR Gold Award**.