

Xior acquires the Annadal site in Maastricht Agreed value of approximately EUR 62.6 million

Proposed capital increase of approximately EUR 30 million
Private placement – detachment of coupon no. 8

Antwerp, Belgium – 5 December 2018 – Xior Student Housing NV, the Belgian real estate investment trust (BE-REIT) specialised in student housing in Belgium and the Netherlands, has concluded an agreement on the acquisition of the so-called 'Annadal site' in Maastricht (the Netherlands). The buildings on this former hospital site have been converted into 723 rooms with shared facilities, in addition to other facilities that are rented out to care institutions and (para)medical professionals. The acquisition will be carried out through the acquisition of 100% of the shares in the real estate company concerned. The agreed value of the underlying real estate is approximately EUR 62.6 million and the number of student units in the portfolio (including pipeline) will increase by more than 10% and the portfolio value (including pipeline) will exceed EUR 900 million as a result of this acquisition.

Xior intends to carry out this acquisition partly through a contribution in kind of these shares against the issue of new Xior shares. This will hereby increase Xior's equity by approximately EUR 30 million. In this context, a private placement is also being announced today.



Acquisition of the 'Annadal site' in Maastricht

Xior has concluded an agreement on the acquisition of the so-called 'Annadal site' in Maastricht. On this former hospital site, which later housed the Maastricht campus of the Japanese Teikyo University, several buildings have been converted into a total of 723 rooms with shared facilities. These units have been made available to Maastricht University and Stichting Studenten Huisvesting through long-term leases, which they in turn rent to students. In addition to these student units spread across various buildings, the

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site accommodates various care and office facilities that are rented out to Maastricht University and several care institutions and (para)medical professionals. The 6.6 ha site includes basketball and tennis courts, ample parking facilities, a bike shed and various green areas. The site may also offer further development potential. The site is located right next to the Court of Limburg (which is not included in the subject of the transaction).

The complex is located in the district *de Brusselsepoort*, with good connections to main roads and public transport. The Maastricht University campus (with 16,000 students) is nearby and is easily accessible by bicycle, as is the centre of this fast-growing student city. The site is also close to two of Xior's other properties in Maastricht (the Carré building and Bonnefanten College). Xior is hereby again adding a local *landmark* to its presence in the most international student city in the Netherlands¹.



This property will be acquired through the acquisition of 100% of the shares in the real estate company concerned. The price of the real estate company's shares is based on an agreed value for the property of approximately EUR 62.6 million. This amount includes the value of the existing buildings as well as the site's additional development potential. The existing buildings generate an expected initial yield of approximately 6.2%. A number of entities within the existing buildings are still being delivered by the transferor, who will also provide a rental guarantee for a maximum period of two years in this regard.

Planned contribution in kind

Xior intends to carry out part of this acquisition through a capital increase by way of a contribution in kind of part of the shares in the property company concerned, against the issue of new Xior shares. The balance will be paid in cash. The Company intends to effect this contribution on 12 December 2018. This will hereby be done as follows:

- Pursuant to the agreement between the buyer and the seller, the shares in the real estate company concerned will be transferred to Xior, whereby Xior will be entitled to pay the seller in newly issued Xior shares, by way of a contribution in kind (expected on 12 December 2018).
- The contribution value, which is the value of the shares to be contributed, is estimated at EUR 30 million, which would result in a capital increase of the same amount.
- As a result of the contribution in kind, the contributor, namely the seller of the real estate company, will receive new shares with a total issue price equal to the contribution value of the shares concerned in the real estate company.
- The new Xior shares issued to the contributor at the time of the contribution in kind will then be transferred by the contributor to Xior's reference shareholder (Aloxe NV) at a share price per share equivalent to the issue price.
- In preparation for the contribution transaction and in order to be able to acquire the new Xior shares to be issued from the contributor, at Xior's request and as from the start of trading today and by means of a private placement with institutional investors, Aloxe NV will place a number of existing Xior shares up to the amount of the payment for the new Xior shares in accordance with the previous

¹ Source: Nederland als Europese talent hub - ongekende kansen voor Nederlandse universiteitssteden. Class of 2020 (2018).

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point. The advisers are ING Belgium and Bank Degroof Petercam. In this context, at Xior's request, the trading of Xior shares on Euronext Brussels will be suspended today, 5 December 2018. In view of the processing of the detachment of coupon number 8 announced in the context of this transaction (see below), Xior shares will remain suspended throughout the day;

- Trading in Xior shares will resume after the announcement of the results of the private placement through a press release and after the detachment of coupon number 8 has been correctly processed in Euronext Brussels' systems, which is expected on 6 December 2018, before trading hours;
- The issue price and the number of new Xior shares to be issued as part of the contribution in kind will be equal to the placement price and the number of existing Xior shares placed by Aloxe NV. By equating the issue price with the placement price, no arbitrage profits will be realised on the price of the Xior shares.

The ability to pay in shares allows Xior to actively manage its capital structure and to maintain a buffer of credit facilities that will enable Xior to carry out additional debt financed transactions in the future. On a *pro forma* basis (only taking into account the impact of this transaction, and thus not taking into account other transactions or evolutions in working capital), this transaction structure ensures that the debt ratio as at 30 September 2018 is kept almost stable (from 48.50% to 48.70%).

Detachment of coupon number 8 (with estimated value of approximately EUR 0.58) – listing of new shares

Given that the new Xior shares only confer a *pro rata temporis* right (subject to approval by the shareholders' general meeting) to the dividend for the 2018 financial year (they will in fact only participate in the result of Xior from today, 5 December 2018), coupon number 8, which represents the proportional (part of the) dividend right *pro rata temporis* from 12 June 2018 to 4 December 2018 inclusive, will be detached from the existing Xior shares² on 6 December 2018 before the start of trading. The existing Xior shares will be listed ex-coupon number 8 from 6 December 2018.

Xior is aiming to have the new shares listed on Euronext Brussels from 12 December 2018 with coupon number 9.

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² **Note:** This proposed (part of the) dividend is estimated at an amount of EUR 0.58 (rounded) and is based on the proposed gross dividend of EUR 1.20 for the 2018 financial year (see the information previously published by Xior with regard to the Forecast for the company), less the dividend right represented by coupon number 7 (with an estimated value of EUR 0.53 (rounded)) already detached on 31 May 2018 in the context of the June 2018 capital increase. The existing Xior shares have therefore been listed since 31 May 2018 ex-coupon number 7.

About Xior Student Housing

Xior Student Housing NV is the first Belgian public regulated real estate company (RREC) specialising in the student housing segment in Belgium and the Netherlands. Within this property segment, Xior Student Housing offers a variety of accommodation, ranging from rooms with shared facilities to en-suite rooms and fully-equipped studios. Since 2007, as owner-operator, Xior Student Housing has built high-quality, reliable student housing for students looking for the ideal place to study, live and relax. A place with that little bit extra, where every student will feel at home right away.

Xior Student Housing has been accredited as a public REIT under Belgian law since 24 November 2015. Xior Student Housing's shares have been listed on Euronext Brussels (XIOR) since 11 December 2015. On 30 September 2018, Xior Student Housing had a property portfolio worth approximately EUR 716 million. More information is available at www.xior.be.

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The reference in this press release to the private placement by Aloxe NV, Xior's reference shareholder, does not constitute a public offer or any other offer, nor an invitation to purchase or subscribe for any of Xior's securities or a recommendation with regard to any offer. Persons considering an investment in financial instruments should consult an authorised person specialised in advising on such investments. This press release and the other information made available in connection with the proposed transactions described in this press release do not constitute an offer or invitation to purchase or subscribe for Xior securities in, or addressed to residents or citizens of, the United States of America, Canada, Australia, Japan, Switzerland, South Africa or any other jurisdiction where such offer or invitation without registration, exemption from registration, or qualification is not permitted under the relevant jurisdiction's applicable laws, or does not satisfy the conditions required under the relevant jurisdiction's laws. Nor does it constitute an offer or invitation to any person not legally entitled to receive such an offer or invitation. Xior's securities have not been, and will not be registered under the US Securities Act of 1933, as amended, and Xior's securities may not be offered or sold in the United States of America without registration under the US Securities Act of 1933, as amended, or any exemption therefrom. Neither the information contained in this press release nor any copy thereof may be taken or transmitted in and to or distributed, directly or indirectly, in the United States of America, Canada, Australia, Japan, Switzerland, South Africa or elsewhere outside Belgium. The dissemination of the information contained in this press release or on Xior's website in jurisdictions other than Belgium may be subject to legal restrictions and any persons who receive and/or are provided with such information should acquaint themselves and comply with any such restrictions.