

16 October 2019 – Embargo until 7:30 am (CET)

Regulated information – Inside Information

**Xior expands its portfolio in Spain and Portugal by approx. EUR 171.0 million
Xior strengthens its team with Bastiaan Grijpink as CIO and Country Manager for Iberia**

**Interim announcement of the Board of Directors
Third quarter 2019 – ending on 30 September 2019**

Antwerp, Belgium – Expansion of portfolio, appointment of CIO / Country Manager Iberia & interim results for the period from 1 January 2019 until 30 September 2019

Xior continues growth trajectory and announces new investments in Spain and Portugal for an aggregate amount of approx. EUR 171.0 million.

Xior strengthens its team with Bastiaan Grijpink as Chief Investment Officer and Country Manager Iberia.

Xior announced its entry into the Spanish and Portuguese market in the first quarter of 2019, at the same time stating its ambition of creating a second home market in the Iberian peninsula, alongside the Benelux, with a stated target of at least EUR 250 million in investment value.

On 30 September 2019, the announced investment value in Spain and Portugal was approx. EUR 139.1 million. Today, Xior is adding approx. EUR 171.0 million, which means that, upon completion of these announced projects, its first stated target will be reached and exceeded. Combined with the announced reinforcement of its local team, Xior's expansion into Iberia as its second home market is therefore moving ahead smoothly.

Xior confirms its guidance for 2019: expected minimum EPRA earnings of EUR 1.60 per share, which represents an increase of 9.6% compared to 2018.

The EPRA earnings at the end of Q3 are EUR 1.24 per share¹, which represents an 18.1% increase compared to Q3 2018 (EUR 1.05 per share after IFRIC 21 adjustment).

EPRA earnings at the end of Q3 2019 amount to EUR 17.5 million, an increase of 60.6% compared to Q3 2018 (EUR 10.9 million after IFRIC 21 adjustment).

The net rental income at the end of Q3 2019 rose to EUR 31.8 million, an increase of 52.6 % compared to Q3 2018.

EPRA NAV per share² of EUR 32.72 on 30 September 2019, compared to EUR 30.36 as at 30 September 2018.

IFRS NAV per share³ of EUR 29.50 on 30 September 2019 compared to EUR 28.56 on 30 September 2018.

Debt ratio of 55.29% on 30 September 2019 compared to 49.32% on 31 December 2018.

Occupancy rate of 98.32% on 30 September 2019 compared to 98.65% on 30 September 2018.

The fair value of the property portfolio on 30 September 2019 has increased to approx. EUR 1.0 billion, which is an increase of 23% compared to 31 December 2018. If all of the acquisitions and redevelopments in the current committed pipeline would be realized, the fair value of the portfolio will increase to over EUR 1.5 billion with more than 12,000 lettable student units.

¹ Unless stated otherwise, the figures per share are based on the weighted average number of shares (depending on the respective dividend entitlements) on 30 September 2019, or 14,092,576 shares.

² Based on the number of outstanding shares as at 30 September 2019, or 14,349,847 shares.

³ Based on the number of outstanding shares as at 30 September 2019, or 14,349,847 shares.

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I. NEW INVESTMENTS IN SPAIN AND PORTUGAL FOR A TOTAL AMOUNT OF APPROX. EUR 171.0 MILLION

Xior announces new investments in Barcelona (Spain) and Lisbon and Porto (Portugal) for a total amount of approx. EUR 171.0 million. These acquisitions take the total number of student units in Iberia from 1,190 to approx. 3,290 and the total value of investments in these countries to approx. EUR 310.1 million.

A. Acquisition of an operational residence and a project in Barcelona – > 206 units

On 5 October 2019, Xior entered into an agreement for the acquisition (under conditions precedent) of an operational residence (The Lofttown) and a project in licensing stage (Project Collblanc), both located in Barcelona, which will be acquired simultaneously and are managed by the same operational team. With this acquisition, Xior adds two new locations to its portfolio in Barcelona, thereby strengthening its position in the second largest student city in Spain, a city that is characterised by an acute shortage of student accommodations. Xior already owns the Diagonal-Besòs residence in Barcelona, and this acquisition brings the total number of residential units owned by Xior in this city (after completion) to approx. 400, enabling the realisation of additional economies of scale.

The Lofttown: This operational residence, recognised as one of the prime student residences in Spain, has 78 units with 140 beds. This property has been operational for several years and will generate rental income for Xior as of its acquisition. It is situated in a prime location, right next to the Paseo de Gràcia, one of Barcelona's main commercial and tourist boulevards, and just a short stroll from a number of faculty buildings and the old city centre.

The students have access to the public spaces, such as a restaurant (half-board & full-board), movie room, study areas, drawing studio with 3D printers, laundry, gym and terraces.

This residence will be acquired through the purchase of 100% of the shares in the real estate company involved, and will contribute to Xior's result immediately on acquisition.



The Lofttown – Barcelona



The Lofttown – Barcelona

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Project Collblanc: This project involves the construction of a student residence in Barcelona. The residence will have at least 128 units as well as various common areas, and will be developed on the basis of the blueprint of 'The Lofttown'. This project is currently applying for permits, and is expected to be completed in 2021. The permit is expected in the first half of 2020.

It is located in a triple A location in the south of Barcelona, close to the university campuses of UPC (Universitat Politècnica de Catalunya) and UB (Universitat de Barcelona), is easily accessible by public transport and has good connections to the city centre.

The Collblanc project will be acquired through the purchase of 100% of the shares in the relevant real estate company (after turnkey delivery of the project, which will be carried out by the sellers at their risk).

The total investment value for both of these acquisitions is approx. EUR 41.0 million and is expected to generate stabilized gross yields of approx. 7.0%.

Xior was advised and counselled by Bank Degroof Petercam for this transaction as well as for its successful expansion into Spain.

B. Acquisition of a portfolio of student residences and projects in Porto and Lisbon – approx. 1,900 units – operating and development partnership with U.hub

(i) Property portfolio

On 11 October 2019, Xior signed an agreement (subject to certain conditions precedent) for the acquisition of the U.hub portfolio consisting of two operational student residences (98 units) and four projects (approx. 1,800 units), all located in Porto and Lisbon. With this acquisition, Xior is taking a major next step in the roll-out of its portfolio in Iberia, adding approx. 1,900 student units in one go in the two largest Portuguese student cities, both of which are characterised by a major imbalance in supply and demand for student accommodation.

Two of the residences in this portfolio (U.hub Alameda and U.hub Alvalade, both in Lisbon) have been operational for several years and will generate rental income from the time of the acquisition.

Two out of the four projects in the portfolio have been granted a construction license and are already under construction. They are expected to reach completion in 2020 (the Asprela project in Porto with approx. 450 units and the Benfica project in Lisbon with approx. 350 units). The two other projects (Lumiar in Lisbon with approx. 500 units and Boavista in Porto with approx. 500 units) are still in the process of obtaining permits and are expected to be completed in 2021 and 2022. The construction license for the Lumiar project is expected to be obtained in the course of 2020. The license for the Boavista project is expected to be obtained in the course of 2021. These new residences will include a number of common areas as well as all of the amenities and comforts expected of a modern student residence.

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The four locations in Lisbon are ideally located in the vicinity of public transport (metro) and various universities, giving students a wide choice of different locations in Lisbon in various price categories.

In Porto, the projects are also in strategically interesting locations. U.hub Asprela, located on Asprela, the largest campus in Porto with 35,000 students, and U.hub Boavista is in the city centre with excellent public transport connections.



U.hub Lumiar – Lisbon



U.hub Asprela – Porto

This acquisition will take place through the purchase, in two stages, of 100% of the shares in the relevant real estate companies.

The total investment value is approx. EUR 130.0 million with an expected stabilised gross yield of approx. 9.5% and will set Xior on course to become the market leader in Portugal.

Thanks to these additional acquisitions, the number of student units in the Portuguese portfolio (including the pipeline) will increase from 335 to approx. 2,235 units.

The final investment value may still vary depending on the exact number of rooms (and construction surface area), especially for the projects still in the licensing process.

(ii) Partnership

Along with these real estate companies, the Company will also acquire 85% of the company that manages the rental operations of the up and running residences and will enter into a framework agreement regarding collaboration in respect of future developments with the development company headed by the founding team behind U.hub, one of the pioneers and challengers in the professional student housing market in Portugal. In this way, Xior enters into a solid partnership with the U.hub team, which has already created an impressive track record, and which had made a highly promising start, with the projects listed above, on its stated ambition of becoming the Portuguese market leader in student housing. This

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partnership puts the rollout of the Xior brand in Portugal on the fast track, and provides Xior with the indispensable local on the ground expertise to optimally structure its activities in Portugal “in-house”.

II. XIOR STRENGTHENS ITS TEAM WITH BASTIAAN GRIJPKINK AS CHIEF INVESTMENT OFFICER AND COUNTRY MANAGER FOR IBERIA

Xior has signed a contract with Mr Bastiaan Grijpink, who will join the Company as from 1 January 2020 in a number of roles. On the one hand, he will take on the role of Country Manager for Spain (where he will be located) and Portugal, which will include overseeing the management and further expansion of the property portfolio. In addition to (and aside from) that role, through his management company, he will serve as Chief Investment Officer in the executive management of the Company. In this role, he will also be responsible for the further expansion of the Company's property portfolio outside Spain and Portugal. Mr Grijpink holds a Master of Science degree in Business Economics and a Master of Law degree in Financial Law from Erasmus University Rotterdam, and has worked as an investment banker with J.P. Morgan for ten years. Until October of this year he has spent four years as Partner and Portfolio Manager at Maven Securities, a London-based investment fund.

III. KEY FIGURES

Consolidated income statement	in KEUR	30/09/2019	30/09/2018
Net rental result		31,755	20,808
Property result		31,573	21,081
Operating result before result on the portfolio		24,251	15,386
Financial result (excl. fluctuations in the fair value of financial assets and liabilities)		-4,958	-2,846
EPRA earnings  ⁴		17,054	10,675
EPRA earnings  after IFRIC 21 adjustment		17,487	10,950
Result on the portfolio (IAS 40) 		5,170	513
Revaluation of financial instruments (ineffective interest rate hedges)		-18,305	-1,045
Share in the result of joint ventures		215	474
Deferred taxes		-953	-4,517
Net result (IFRS)		3,181	6,099
Number of lettable student units		6,752	4,173

⁴ Alternative performance measures (APMs) are measures Xior Student Housing NV uses to measure and monitor its operational performance. The European Securities and Markets Authority (ESMA) has issued guidelines applying as from 3 July 2016 for the use and explanation of alternative performance measures. Chapter 10.8 of the Annual Financial Report 2018 includes the concepts Xior considers as APMs. The APMs are marked with  and are accompanied by a definition, objective and reconciliation (see XI and XII of this Press Release), as required by the ESMA guidelines.

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Consolidated balance sheet	in KEUR	30/09/2019	31/12/2018
Equity		423,288	410,019
Fair value of the investment property ⁵		1,001,353	814,908
Debt ratio (Law on Regulated Real Estate Companies) ⁶		55.29%	49.32%

Key figures per share	in EUR	30/09/2019	30/09/2018
Number of shares		14,349,847	12,968,815
Weighted average number of shares		14,092,576	10,403,555
EPRA earnings ⁷ per share 		1.21	1.03
EPRA earnings ⁸ per share  after IFRIC 21 adjustment		1.24	1.05
Result on the portfolio (IAS 40) 		0.37	0.05
Variations in the fair value		-1.30	-0.05
Net result per share (IFRS) ⁹		0.23	0.59
Closing price of the share		49.75	40.10
Net asset value per share (IFRS) (before dividend)		29.50	28.56

IV. CONSOLIDATED FINANCIAL RESULTS

The financial information for the period ending on 30 September 2019 was drawn up in accordance with the International Financial Reporting Standards (IFRS).

The figures published represent consolidated figures; stakes and subsidiaries have been consolidated in accordance with the relevant legislation.

1. Net rental result

Xior achieved a net rental result of KEUR 31,755 for the first nine months of 2019, compared with KEUR 20,808 for the first nine months of 2018. This is a 52.6% increase. This net rental result will continue to increase throughout the next quarter, as certain acquisitions will only start to generate rental income in the course of Q4 2019. There are also a number of properties under construction or being refurbished that will only contribute to rental income in the course of Q4 2019.

This mainly relates to the following properties:

- Ariënsplein, Enschede: building completed, further ramp-up of rental income in Q4;
- Alma, Brussels: completed, rental income forecast from October 2019;

⁵ The Fair Value of the investment property is the investment value as determined by an independent property expert less the transaction fees (see BE-REIT Association press release dated 10 November 2016). The fair value corresponds to the carrying amount under IFRS.

⁶ Calculated in accordance with the Royal Decree of 13 July 2014 pursuant to the Act of 12 May 2014 on Regulated Real Estate Companies.

⁷ Calculated on the basis of the weighted average number of shares.

⁸ Calculated on the basis of the weighted average number of shares.

⁹ Based on the number of shares.

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- Woodskot, Brussels: completed, rental income forecast from October 2019;
- Bonnefanten, Maastricht: partially completed and commissioned since September 2019, further gradual completion and a further ramp-up of rental income from October 2019;
- Xior Diagonal Besos, Barcelona: completed, ramp-up of rental income forecast since September 2019.

During the third quarter of 2019, the average occupancy rate of the property portfolio was 98.32%.

2. EPRA earnings

The EPRA earnings  (excluding the portfolio result, excluding the impact of deferred taxes with regard to IAS 40 adjustments and excluding the impact of the fluctuations in fair value of the financial assets and liabilities) amount to KEUR 17,054, compared to KEUR 10,675 in Q3 2018. The EPRA earnings  after IFRIC 21 adjustment amount to KEUR 17,487 on 30 September 2019, compared with KEUR 10,950 in Q3 2018.

The EPRA earnings  per share¹⁰ are EUR 1.21. After the IFRIC 21 adjustment, this amounts to EUR 1.24 per share.

As a result of the application of the ‘IFRIC 21 levies’ accounting rules (implemented in the 2015 financial year), the figures dated 31 March 2019 include a provision for the entire year of 2019 with regard to real estate withholding tax, Dutch property taxes, taxes on secondary residences and the so-called ‘subscription tax’. This has a substantial negative impact on the third quarter result in 2019, as these costs are no longer spread across each quarter, but must be taken in full against the first quarter for the entire year. The effect of this accounting treatment will reduce as the financial year unfolds. If these costs were to be spread, with a quarter of the costs being charged in each quarter, the result on 30 September 2019 would increase by KEUR 433. In that case, the EPRA earnings would be  KEUR 17,487.

3. Net result

The net result is KEUR 3,181 on 30 September 2019, compared with KEUR 6,099 on 30 September 2018. The net result per share is EUR 0.23.¹¹

The net result includes the impact of fluctuations in the fair value of the investment property, other portfolio result, deferred taxes with regard to the effects of IAS 40 and fluctuations in the fair value of financial assets and liabilities. The EPRA earnings  are the net result corrected for the impacts set out above.

¹⁰ The calculation of the EPRA earnings per share is based on the weighted average number of shares on 30 September 2019, which was 14,092,576.

¹¹ Based on the weighted average number of shares on 30 September 2019 of 14,092,576.

4. Fair value of the property portfolio

On 30 September 2019, the portfolio consists of 6,752 lettable student units. The fair value of the total property portfolio was valued at around EUR 1.0 billion as at 30 September 2019.

If all committed acquisitions and projects are realized, this will increase further to approx. EUR 1.5 billion, with more than 12,000 lettable student units.

5. Debt ratio and increase in equity

As at 30 September 2019, the debt ratio was 55.29% compared to 49.32 % on 31 December 2018.

V. FINANCING

On 30 September 2019, Xior had concluded financing agreements with ING Belgium SA/NV, Belfius Bank SA/NV, KBC Bank SA/NV, BNP Paribas Fortis SA/NV, Argenta Spaarbank SA/NV, vdk bank, Bank Nagelmackers and Caisse d'Epargne/Natixis for a total amount of EUR 651 million. ING Belgium SA/NV made available a total of EUR 136 million, Belfius Bank SA/NV EUR 120 million, KBC Bank SA/NV EUR 55 million, BNP Paribas Fortis EUR 100 million, Argenta Spaarbank SA/NV EUR 70 million, Caisse d'Epargne/Natixis EUR 150 million, vdk bank EUR 10 million and Bank Nagelmackers EUR 10 million.

By 30 September 2019, the Company had drawn down EUR 561 million in financing, and had further available credit lines totalling EUR 90 million.

The Company aims to stagger loan maturities, with an average maturity of 4.3 years on 30 September 2019.

The Company also has IRS contracts totalling EUR 430 million as at 30 September 2019. As at 30 September 2019, drawn down financing (EUR 561 million) was hedged 87% using Interest Rate Swap agreements or through fixed interest rates.

The average financing cost  for Q3 2019 was 2.05% (Q3 2018: 2.38%).

VI. KEY PROJECTS COMPLETED IN THE FIRST NINE MONTHS OF 2019

- Acquisition of an on-campus student residence in Madrid – 664 units

On 11 September 2019, Xior signed an agreement, subject to conditions precedent, for the acquisition of the Leonardo da Vinci student residence on the campus of Universidad Europea de Madrid (UEM) in Villaviciosa de Odón, Madrid. This operational residence of 464 units (528 beds) is in a strategic location on the campus of one of the most prestigious private universities in Madrid and has additional development potential for just over 200 extra beds. The total expected investment amount is approx. EUR 85.4 million, of which Xior will be acquiring 80% from the real estate company that both owns and runs the residence, as well as owning the land, including an expected initial yield of approx. 7%. The university's current owner and manager, who is also the vendor, will retain the remaining 20%.

- Joint venture agreement for Granjo (Porto) – 211 units

On 28 August 2019 Xior acquired 50% of the Promgranjo S.A. joint venture when it received the necessary comfort under administrative law that the permit would be issued for the Granjo project in Porto, covering the redevelopment of a fully owned existing building into a student complex with 211 units (420 beds), 3 parking spaces and 16 residential apartments, thereby implementing the earlier agreement for this project (which is set out in more detail below).

- Agreement on development of a student residence in Namur – minimum 206 units

On 2 July 2019, Xior announced the signature of an agreement for the development of a new student complex of at least 206 units (to be optimised in the current permit process) located near Université de Namur and the train station in Namur, Belgium. Following the proposed development, this transaction will have a total investment value of approx. EUR 20 million. The joint venture Baltissimmo NV – Promiris NV will be responsible for the development. This is a collaboration between Baltissimmo NV and Promiris NV, a developer Xior has successfully collaborated with in the past (for the project at Oudergemlaan, Etterbeek and for its expansion into Portugal). Xior will acquire the shares of the real estate company concerned following the provisional completion of the project which, according to the current schedule, is expected around Q2 2022 (or one year before, at the very earliest). This is Xior's entry into Wallonia, adding a new student city to its portfolio.

- Launch of the Roxi concept

On 19 June 2019, Xior launched ROXI – The Urban Residence, a new concept that focuses on both long and short stays. The Belgian real estate player has long offered a more traditional range of student accommodation in Belgium, the Netherlands, Spain and Portugal, and is now expanding its services with a more hybrid housing concept that effortlessly blends housing, living, studying and/or working. It is Xior's response to the growing trend of co-living. This practice is very common among students and is now also finding its way to young professionals, millennials, expats and so on.

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- **Acquisition of the Meteo building in Wageningen – 22 units**

On 13 June 2019, Xior acquired a student residence in Wageningen, as already announced at the time of the acquisition of the nearby main building on the same site, reported in the 2018 annual report, next to the main building on the same Duivendaal site. The building has 22 rooms.

- **Acquisition of the 'Studax' student residence in Leuven – 292 units**

On 13 June 2019 Xior acquired the 'Studax' student residence near the train station in Leuven, which consists of 292 student rooms. This investment was achieved by acquiring 100% of the shares of the real estate company concerned through a contribution in kind. The residence is part of 'Kop van Kessel-Lo', the new place to be in Leuven after the full redevelopment of the area and Belle-Vue Park in particular in 2019. It offers many facilities. KU Leuven university will continue to operate the building based on a long-term rental agreement, as it has done since the building's opening in 2016. This means that the management costs are limited, no property tax is due and there are limited maintenance costs, so the operating margin is higher than for normal properties under our own management. The investment values are in line with the estimates of the independent property expert.

Xior Student Housing has acquired 100% of the shares of Stratos KvK NV for this transaction. Xior Student Housing used its right not to pay for the Stratos KvK NV shares in cash. Instead, it has decided to pay with newly issued Xior Student Housing shares by contributing the shares of Stratos KvK NV to Xior Student Housing within the framework of the authorised capital. The contribution of the Stratos KvK shares was financed by issuing 430,889 new shares for a total value of EUR 18,097,363.01. The new Xior shares were issued on 13 June 2019 as part of a capital increase within the total authorised capital, following a resolution by the Xior board of directors. The transaction resulted in an equity increase of EUR 18,097,363.01, of which EUR 7,756,002.00 was assigned as capital and the balance of EUR 10,241,361.01 was assigned as issue premiums after deduction of the costs of the capital increase according to the applicable IFRS rules. The issue price of the new shares amounts to EUR 42.00 per share (rounded) and is equal to the average volume-weighted average price (VWAP) for Xior Student Housing during the 5 trading days prior to 13 June 2019 (not including the date of contribution), minus the proportional part of the gross dividend for the 2019 financial year (EUR 0.581 per share), minus either a 4.97% discount or a 5.45% discount compared to the closing price in the evening of 12 June 2019, minus the proportional part of the gross dividend for the 2019 financial year.

- **Optional dividend**

On 16 May 2019 Xior shareholders were informed at the annual general meeting about the detailed arrangements for an optional dividend relating to the dividend for financial year 2018. On 4 June 2019 Xior announced that approx. 62.74% of Xior shareholders entitled to dividends opted for the contribution of net dividend entitlement in exchange for new shares rather than a cash dividend payment for the financial year 2018. This result led to a Xior capital increase (including issue premium) of approx. EUR 6.08 million by creating 150,143 new shares.

- **Acquisition of Eendrachtskade, Groningen – at least 225 units**

On 10 April 2019, Xior acquired a redevelopment project in Groningen with at least 225 residential units, offices and 180 parking spaces. This transaction has an anticipated investment value of approx. EUR 46 million and is expected to have an initial yield of 6.2%. Completion and commissioning are planned for Q4 2020. The existing building is being acquired by procuring 100% of the shares in the SPV. Renovation work will begin after a permit has been obtained. Current rental income of EUR 2 million in total will continue to be generated until Q4 2020.

- **Closing Karspeldreef, Amsterdam – 320 units**

On 12 July 2018, Xior signed a purchase agreement resulting from the exercise of its purchase option with regard to a site located in Amsterdam. This site, which has a long-term lease, is located on Karspeldreef, near Amsterdam Bijlmer Arena Station. Xior plans to redevelop a total of 320 self-contained student units on this site. This office building conversion project consists of 6 connected buildings, each with its own facilities (such as a lift). The building will also have 170 parking spaces. The announced expected investment value will be around EUR 55 million (subject to the further adjustment of the number of units and the expected rental values during the project's development). The vendors will provide a yield guarantee for this project from 1 September 2018, and will also provide a one-year rental guarantee. This acquisition was successfully completed on 8 April 2019.

- **Acquisition of a student complex in Barcelona – 191 units**

On 13 March 2019, Xior signed an agreement to acquire a student complex to be developed in Barcelona. This is a brand-new student residence located in the recently opened new campus of the Universitat Politècnica de Catalunya (UPC) (with 3,500 students and 400 professors and researchers), near the beach and the trendy 22@ district. The residence will have 191 self-contained rooms and will offer all modern facilities, such as an in-house restaurant, a gym, study rooms, a swimming pool and a roof terrace. The building is fully furnished and was constructed based on a 50-year concession (until 2067). The residence was completed and commissioned from September 2019. The seller has given a 50% rental guarantee for the building's occupancy during the summer months (July and August) for a 3-year term (from 2019). This allows Xior to find tenants for the remaining units during the summer holidays in collaboration with the university, local companies and summer work experience providers. During the academic year, the units are rented out under 10-month contracts. The concession was awarded and is actively managed by a consortium made up by the UPC and three local authorities (Catalonia, Barcelona and Besòs), with whom Xior expects to be working closely and productively in order to make the residence and the entire campus a success. The transaction took place on 21 May 2019 through the acquisition of all shares of the relevant project company of LIFE, a Belgian developer with which Xior has already successfully collaborated in the past. The total investment value is approx. EUR 25.5 million and the expected initial yield is approx. 7%.

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- **Agreement on the development of two student properties in Portugal in a joint venture structure – 335 units**

On 13 March 2019, Xior signed a deal for the development of student properties in Lisbon and Porto in a joint venture structure.

The project in Lisbon (Artur Lamas) concerns a student residence of 124 units (254 beds) and 14 parking spaces on a wholly owned greenfield site. This residence was already the subject of a 12-year triple net lease agreement with Odalys Portugal at a fixed rent (the parent company, Odalys Groupe, has provided a full *parent guarantee* for its Portuguese subsidiary). The project will also house a laundry room, fitness room, study room, cafeteria and reception. The development will involve a joint venture with various parties including Promiris, a Belgian party that Xior has worked with successfully on projects in Belgium in the past. Xior's entry will be phased: 50% of the joint venture shares will be purchased upon obtaining the necessary administrative assurances that the permit will be obtained (under certain suspensive conditions) and the remaining 50% will be acquired upon completion. The permit is expected to be obtained during the fourth quarter of 2019. Completion is planned in 2021, with acquisition of initial stake scheduled to take place later this year.

The project in Porto (Granjo) concerns the redevelopment of an existing, wholly owned building into a student complex with 211 units (420 beds) and 3 parking spaces. The building will also house a laundry room, reception, fitness room and cafeteria. The transaction also includes 16 residential apartments to be realised under the project. Odalys Portugal will also act as the operator and tenant on a triple net basis (with a guarantee by the Odalys Groupe) for 12 years at an annually increasing rent, which the seller will guarantee and supplement during the first 7 years (up to the level that is reached in year 7). This ensures a stable, high rent for Xior. The development will be structured in the same way as the Lisbon project in a joint venture – also involving Promiris – with phased acquisition. The necessary assurances have been obtained under administrative law that the permit will be obtained and acquisition of initial stake was obtained on 28 August 2019 (see above). Completion is expected in the second half of 2021.

The total investment value of both projects is approx. EUR 28.2 million. The expected theoretical gross initial yield on the student accommodation is approx. 8%.

- **Acquisition of project land in Ghent**

On 17 January 2019, Xior acquired project land on Bagattenstraat, a prime location in the centre of Ghent. Xior aims to develop a quality student property there.

VII. IMPORTANT EVENTS AFTER THE END OF THE THIRD QUARTER

- Capital increase announcement

Xior announces a capital increase in cash within its authorised capital with irreducible allocation rights for a maximum amount of EUR 205.7 million on 16 October 2019.

- Acquisition of an operational residence and a project in Barcelona – > 206 units

See Chapter I

- Acquisition of a portfolio of student residences and projects in Porto and Lisbon – approx. 1,900 units – operating and development partnership with U.hub

See Chapter I

- Exercise of call option on the remaining 50% of the shares in Alma Student NV

On 4 October 2019 Xior, as already planned when the first shareholding was taken in August 2018, acquired the remaining 50% of the shares in Alma Student NV, owner of the redeveloped student complex located on the edge of Brussels (Zaventem) consisting of 240 units, 99 short-stay rooms rented under the ROXI concept and a retail ground floor. As a result, this company is now a 100% subsidiary of Xior. The building was recently completed and is generating rental income.

- Bokelweg

On 18 September 2019, Xior acquired part 3 of the building located at Heer Bokelweg, Rotterdam, of which the other parts had already been acquired on 31 May 2017 with the intention of developing an integrated construction programme for the entire existing building.

- Announcement of project in Amsterdam region

The Company also announces today a new project for the redevelopment of an office building to be converted located in the Amsterdam region with a total investment value of up to EUR 123.0 million (depending on the number of licensed units). The Company has already paid EUR 40.0 million to the seller after it purchased the existing office building on 28 September 2018. The remaining amount due, according to current expectations, is therefore still EUR 83.0 million.

In order to avoid affecting the permit process for this phase, no more precise details of the project will be released at this stage.

This initial price is in line with the fair value of the current structures as estimated by the valuation expert. If the necessary conversion permits are not obtained, this purchase will be cancelled. Once the project has been fully developed, it is expected to contain 700 to 900 units. The Company expects the initial yield to be at least in line with the average initial yield of the Dutch portfolio. The conversion is expected to be completed in 2022.

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- **Banque de Luxembourg loan**

On 15 October 2019, Xior agreed additional financing with Banque de Luxembourg for a total of EUR 25 million. The loan is split into two tranches, with the first tranche of EUR 10 million having a term of 6 years and the second tranche of EUR 15 million having a term of 7 years.

- **ABN AMRO loan**

On 10 October 2019, Xior agreed a new financing arrangement with ABN AMRO for an amount of EUR 35 million. The loan has a term of 3 years.

VIII. GROWTH PROSPECTS¹²

Xior has every intention of continuing to actively pursue its growth strategy for the remainder of 2019 by adding quality student properties to its property portfolio and by completing the projects in its development pipeline. Xior is convinced that several attractive growth opportunities continue to be available in Belgium, the Netherlands, Spain and Portugal, particularly by expanding into the Walloon region in Belgium and by expanding further in certain Dutch student cities where Xior is not yet (or not sufficiently) present, as well as further expansion in the Iberian Peninsula.

Barring unforeseen circumstances, Xior confirms its forecast of EUR 1.60 EPRA earnings per share for the financial year 2019, an increase of 9.6% compared to 2018, as well as the EUR 1.30 target for the gross dividend per share (a 4% increase compared to 2018). Xior therefore expects a healthy increase in its earnings per share compared to the previous year even though the number of shares increased by 135.39% in the course of 2018 and 2019, as a result of the successful capital increase in June 2018 and contributions in kind in March 2018, December 2018 and June 2019, and assuming a full take-up of the capital increase announced today.

For 2019, Xior is expecting an occupancy rate that is similar to the current rate.

¹² These forecasts are based on the current situation and subject to unforeseen circumstances (such as a substantial deterioration of the economic and financial environment and/or the materialisation of risks to which the Company and its activities are exposed). Forecasts regarding dividends are also subject to approval by the Annual General Meeting.

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IX. FINANCIAL CALENDAR*

Detachment of coupon 11 (after markets close)	16 October 2019
Detachment of coupon 12 (after markets close)	16 October 2019
Annual Communiqué – Announcement of 2019 annual results	6 February 2020
Publication of 2019 Annual Financial Report	22 April 2020
Publication of results up to 30 March 2020	29 April 2020
Annual General Meeting	22 May 2020
Payment date 2019 dividend (coupons 10-12-13)	27 May 2020
Announcement of result up to 30 June 2020	5 August 2020
Announcement of result up to 30 September 2020	24 October 2020

* Future dates are subject to change.

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X. FINANCIAL OVERVIEWS

CONSOLIDATED OVERVIEW OF THE FINANCIAL POSITION

ASSETS (in KEUR)	30/09/2019	31/12/2018
I. FIXED ASSETS	1,012,629	823,559
B. Intangible fixed assets	8	13
C. Investment property	1,001,353	814,908
a. Property available to let	956,769	735,927
b. Property developments	44,584	78,981
D. Other tangible fixed assets	843	698
a. Tangible fixed assets for own use	843	698
E. Financial fixed assets	26	21
Other	26	21
G. Trade receivables and other fixed assets	135	135
H. Deferred taxes – assets	206	460
I. Participating interests in associated companies and joint ventures with equity movements	10,058	7,325
II. CURRENT ASSETS	51,341	38,193
D. Trade receivables	1,772	1,218
E. Tax receivables and other current assets	44,809	34,225
a. Taxes	2,027	738
c. Other	42,782	33,487
F. Cash and cash equivalents	3,096	1,676
G. Accruals and deferred payments	1,664	1,074
Prepaid property charges	1,428	9
Accrued rental income not due	85	980
Other	151	85
TOTAL ASSETS	1,063,970	861,752
LIABILITIES (in KEUR)	30/09/2019	31/12/2018
EQUITY	423,288	410,019
I. Equity attributable to parent company shareholders	423,288	410,019
A. Capital	256,026	245,672
a. Issued capital	258,297	247,839
b. Capital increase costs (-)	-2,271	-2,167

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B. Issue premiums	160,859	147,239
C. Reserves	3,222	1,003
Reserve for the balance of fluctuations in the fair value of property	29,530	19,333
Reserve for the impact on the fair value of the estimated transaction fees and costs resulting from the hypothetical disposal of investment property	-22,071	-19,065
Reserve for the balance of the fluctuations in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in the IFRS	-8,184	-924
Retained earnings from previous financial years	3,947	1,659
D. Net result for the financial year	3,181	16,105
II. Minority interests	0	0
LIABILITIES	640,682	451,733
I. Non-current liabilities	606,922	424,203
B. Non-current financial debts	558,857	401,177
a. Credit institutions	558,857	401,177
C. Other non-current financial liabilities	24,623	6,317
a. Permitted hedging instruments	24,623	6,317
F. Deferred taxes – liabilities	23,442	16,709
a. Exit tax	1,807	34
b. Other	21,636	16,675
II. Current liabilities	33,760	27,530
B. Current financial liabilities	1,822	1,637
a. Credit institutions	1,822	1,637
D. Trade debts and other current liabilities	10,730	8,899
a. Exit tax	96	0
b. Other	10,634	8,899
Suppliers	7,206	6,486
Tenants	1,131	184
Taxes, wages and social security contributions	2,298	2,230
E. Other current liabilities	16,957	13,263
Other	16,957	13,263
F. Accruals and deferred payments	4,251	3,731
a. Deferred income	1,201	1,035
b. Accrued interest not due and other costs	1,206	907

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c. Other	1,844	1,791
TOTAL EQUITY AND LIABILITIES	1,063,970	861,752

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Income statement (in KEUR)	30/09/2019	30/09/2018
I. (+) Rental Income	31,820	20,927
(+) Rental income	28,199	19,368
(+) Rental guarantees	3,757	1,588
(-) Rent reductions	-136	-29
Impairments of trade receivables	-65	-120
NET RENTAL INCOME	31,755	20,808
V. (+) Recovery of rental charges and taxes normally payable by the tenant on let properties	5,453	3,529
- Transmission of rental charges borne by the proprietor	5,346	3,449
- Calculation of withholding tax and taxes on let properties	107	80
VII. (-) Rental charges and taxes normally payable by the tenant on let properties	-6,096	-3,905
- Rental charges borne by the proprietor	-5,986	-3,822
- Withholding tax and taxes on let properties	-110	-82
VIII. (+/-) Other rental-related income and expenditure	462	649
PROPERTY RESULT	31,573	21,081
IX. (-) Technical costs	-829	-615
Recurring technical costs	-915	-602
(-) Maintenance	-636	-474
(-) Insurance premiums	-279	-128
Non-recurring technical costs	86	-13
(-) Damages	86	-13
X. (-) Commercial costs	-311	-246
(-) Publicity and so on	-266	-233
(-) Legal costs	-44	-13
XI. (-) Costs and taxes for non-let properties	-290	-180
XII. (-) Property management costs	-1,956	-1,284
(-) Management costs (external)	-718	-881
(-) Management costs (internal)	-1,238	-403
XIII. (-) Other property charges	-1,574	-1,047
(-) Architects' fees	-4	
(-) Valuation expert fees	-218	-152
(-) Other property charges	-1,351	-895
(+/-) PROPERTY CHARGES	-4,960	-3,372
PROPERTY OPERATING RESULT	26,613	17,709
XIV. (-) General company expenses	-2,404	-2,363
XV. (+/-) Other operating income and costs	42	40

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OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	24,251	15,386
XVI. (+/-) Result on the sale of investment property	0	0
XVII. (+/-) Result on the sale of other non-financial assets	0	0
XVIII. (+/-) Fluctuations in the fair value of the investment property	6,190	3,893
(+) Positive fluctuations in the fair value of the investment property	7,793	7,084
(-) Negative fluctuations in the fair value of the investment property	-1,603	-3,191
XIX. (+) Other portfolio result	-1,020	-3,380
OPERATING RESULT	29,421	15,898
XX. (+) Financial income	246	124
(+) Interest and dividends collected	246	124
XXI. (-) Net interest costs	-5,011	-2,780
(-) Nominal interest paid on loans	-3,136	-1,487
(-) Reconstitution of the nominal amount of financial debt	-150	-66
(-) Costs of permitted hedging instruments	-1,724	-1,227
XXII. (-) Other financial costs	-194	-190
- Bank costs and other commissions	-162	-182
Other	-32	-8
XXIII. (+/-) Fluctuations in the fair value of financial assets and liabilities	-18,305	-1,045
(+/-) FINANCIAL RESULT	-23,265	-3,891
XXIV Share in the result of associated companies and joint ventures	215	474
RESULT BEFORE TAXES	6,371	12,481
XXV. Corporation taxes	-3,094	-6,382
XXVI. Exit tax	-96	
(+/-) TAXES	-3,190	-6,382
NET RESULT	3,181	6,099
EPRA EARNINGS	17,054	10,675
RESULT ON THE PORTFOLIO	5,170	513
DEFERRED TAXES WITH REGARD TO IAS 40 ADJUSTMENTS	-857	-4,517
VARIATIONS IN THE FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	-18,090	-571
EPRA EARNINGS  PER SHARE (in EUR)	1.21	1.03

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XI. ALTERNATIVE PERFORMANCE MEASURES (APMs): RECONCILIATION TABLES

EPRA earnings	30/09/2019	30/09/2018
Net result	3,181	6,099
Fluctuations in the fair value of the investment property	-6,190	-3,893
Other portfolio result	1,020	3,380
Result from the sale of investment properties	0	0
Fluctuations in the fair value of financial assets and liabilities	18,090	571
Deferred taxes with regard to IAS 40 adjustments	953	4,517
EPRA earnings	17,054	10,675

EPRA earnings after IFRIC 21 adjustment	30/09/2019	30/09/2018
Net result	3,181	6,099
Fluctuations in the fair value of the investment property	-6,190	-3,893
Other portfolio result	1,020	3,380
Result from the sale of investment properties	0	0
Fluctuations in the fair value of financial assets and liabilities	18,090	571
Deferred taxes with regard to IAS 40 adjustments	953	4,517
IFRIC 21 impact	432	275
EPRA earnings after IFRIC 21 adjustment	17,487	10,950

Result on the portfolio	30/09/2019	30/09/2018
Result from the sale of investment properties	0	0
Fluctuations in the fair value of the investment property	6,190	3,893
Other portfolio result	-1,120	-3,380
Result on the portfolio	5,170	513

EPRA earnings per share	30/09/2019	30/09/2018
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Net result	3,181	6,099
Fluctuations in the fair value of the investment property	-6,190	-3,893
Other portfolio result	1,020	3,380
Result from the sale of investment properties	0	0
Fluctuations in the fair value of financial assets and liabilities	18,090	571
Deferred taxes with regard to IAS 40 adjustments	953	4,517
Weighted average number of shares	14,092,576	10,403,555
EPRA earnings per share	1.21	1.03
IFRIC 21 impact	432	275
EPRA earnings per share after IFRIC 21 adjustment	1.24	1.05
Average interest rate	30/09/2019	30/09/2018
Nominal interest paid on loans	3,136	2,552
Costs of permitted hedging instruments	1,724	1,227
Capitalised interest	1,853	1,065
Average outstanding debt for the period	458,931	284,904
Average interest rate	1.95%	2.27%
Average interest rate excl. costs of permitted hedging instruments	1.45%	1.69%
Average financing costs	30/09/2019	30/09/2018
Nominal interest paid on loans	3,136	2,552
Costs of permitted hedging instruments	1,724	1,227
Capitalised interest	1,853	1,065
Breakdown of the nominal amount of financial debt	150	66
Bank costs and other commissions	194	182
Average outstanding debt for the period	458,931	284,904
Average financing costs	2.05%	2.38%
Average financing costs excl. costs of permitted hedging instruments	1.55%	1.81%

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XII. Glossary of the Alternative Performance Measures (APMs) used by Xior Student Housing

APM terms	Definition	Use
EPRA earnings	The net result +/- fluctuations in the fair value of the investment property +/- other portfolio result +/- result from the sale of investment property +/- fluctuations in the fair value of financial assets and liabilities +/- deferred taxes with regard to IAS 40 adjustments	Measuring the results of the strategic operational activities, excluding fluctuations in the fair value of the investment property, other portfolio result, the earnings from the sale of investment property and fluctuations in the fair value of financial assets and liabilities and the deferred taxes with regard to IAS 40. This indicates the extent to which dividend payments are covered by earnings.
EPRA earnings after IFRIC 21 adjustment	The net result +/- fluctuations in the fair value of the investment property +/- other portfolio result +/- result of the sale of investment property +/- fluctuations in the fair value of financial assets and liabilities +/- deferred taxes with regard to IAS 40 adjustments +/- the impact of IFRIC 21 divided over 4 quarters.	Measuring the results of the strategic operational activities, excluding fluctuations in the fair value of the investment property, other portfolio result, the earnings from the sale of investment property and fluctuations in the fair value of financial assets and liabilities and the deferred taxes with regard to IAS 40. This indicates to which extent dividend payments are covered by earnings and adjusts for the impact of IFRIC 21. This indicates the extent to which dividend payments are covered by earnings.
Result on the portfolio	Income from the sale of investment property +/- fluctuations in the fair value of the investment property +/- other portfolio result	Measuring the realised and unrealised gain / loss on investment property
Average interest rate	Interest charges including IRS interest expense divided by the average outstanding debt during the period	Measuring the average debt interest costs to allow a comparison with peers and analysis of the evolution over time
Average interest rate excl. IRS interest charges	Interest charges excluding IRS interest expense divided by the average outstanding debt during the period	Measuring the average debt interest costs to allow a comparison with peers and analysis of the evolution over time
Average financing costs	Interest costs including IRS interest expense + arrangement fees and commitment fees, divided by the average outstanding debt during the period	Measuring the average debt financing cost to allow a comparison with peers and analysis of the evolution over time
Average financing cost excl. IRS interest charges	Interest charges including IRS interest charges + arrangement fees and commitment fees, divided by the average outstanding debt during the period	Measuring the average debt financing cost to allow a comparison with peers and analysis of the evolution over time
EPRA earnings per share	Net result +/- earnings from the sale of investment property +/- fluctuations in the fair value of the investment property +/- other portfolio result +/- fluctuations in the fair value of financial assets and liabilities +/- deferred taxes with regard to IAS 40 adjustments divided by the average number of shares	Comparability with other RRECs and international property players
EPRA earnings per share after IFRIC 21 adjustment	The net result +/- earnings from the sale of investment property +/- fluctuations in the fair value of the investment property +/- other portfolio result +/- fluctuations in the fair value of financial assets and liabilities +/- deferred taxes with regard to IAS 40 adjustments divided by the average number of shares +/- adjustment for IFRIC 21 divided by the average number of shares	Comparability with other RRECs and international property players

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About Xior Student Housing

Xior Student Housing NV is the first Belgian public regulated real estate company (RREC) specialising in the student accommodation segment in Belgium, the Netherlands, Spain and Portugal. 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 accommodation for students looking for the ideal place to study, live and relax. A place with that little bit extra, where every student immediately feels at home.

Xior Student Housing has been accredited as a public RREC under Belgian law since 24 November 2015. Xior Student Housing's shares have been listed on Euronext Brussels (XIOR) since 11 December 2015. As at 30 September 2019, Xior Student Housing had a property portfolio worth approx. EUR 1.0 billion. More information is available on www.xior.be.

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Disclaimer

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