

Interim announcement of the Board of Directors
Third quarter 2020 – ending on 30 September 2020

Reaffirmation of profit and dividend forecast for 2020



Antwerp, Belgium – 23 October 2020 – Interim results for the period 1/1/2020 – 30/09/2020

Q3 2020 results according to expectations. For the full financial year 2020, Xior reaffirms the previously announced EPRA earnings forecast of 1.70 EUR (an increase of 6.3%) and thereby the envisaged gross dividend of 1.36 EUR (an increase of 4.6%).

The EPRA earnings – group share amount to 1.10 EUR per share¹ and amount to 1.13 EUR per share after IFRIC 21 adjustment. The EPRA earnings – group share amount to 21,269 KEUR, an increase of 25% compared to Q3 2019 – 21,845 KEUR after adjustment for IFRIC 21.

Net rental result rose to 41,057 KEUR, an increase of 29% compared to Q3 2019.

EPRA NAV per share² of 35.55 EUR compared to 35.96 EUR as of 31 December 2019.

IFRS NAV per share³ of 31.47 EUR compared to 32.71 EUR as of 31 December 2019.

Debt ratio of 53.62%, taking into account the contribution in kind on 7 October 2020⁴, this falls to 52.29%.

Occupancy rate amounts to 97.58% over the first nine months of 2020 compared to 98% for the full year 2019. The majority of the rents for Q3 were received and the collection rate is in line with the same period last year.

The property portfolio rose to 1,392 MEUR with 9,957⁵ lettable student units. If all acquisitions and redevelopments in the committed pipeline are completed, the portfolio will increase to approx. 1,800 MEUR, with almost 15,000 lettable student units.

¹ Figures per share are calculated on the basis of the weighted average number of shares (in function of the respective dividend entitlement), unless stated otherwise.

² Based on the number of outstanding shares.

³ Based on the number of outstanding shares.

⁴ See press release of 7 October 2020 regarding the acquisition of 365 Rooms in Brussels.

⁵ This number takes into account the lettable units of Uhub Benfica and Campus Asprela, since the properties have been completed. These assets are currently still held through a JV structure, so the value is not included in the investment property.

I. KEY FIGURES

Consolidated income statement	in KEUR	30/09/2020	30/09/2019
Net rental result		41,057	31,755
Property result		40,286	31,573
Operating result before result on the portfolio		29,602	24,251
Financial result (excl. variations in fair value of financial assets and liabilities)		-6,451	-4,960
EPRA earnings ⁶ - group share		21,269	17,054
EPRA earnings - group share  after IFRIC 21 adjustment		21,845	17,487
Result on the portfolio (IAS 40) 		-19,297 ⁷	5,170
Revaluation of financial instruments (ineffective interest rate hedges)		-8,838	-18,305
Share in the result of joint ventures		-453	215
Deferred taxes		221	-953
Net result (IFRS)		-6,735	3,181
Number of lettable student units		9,957⁸	6,752
Consolidated balance sheet	in KEUR	30/09/2020	31/12/2019
Equity capital		607,288	625,808
Equity - group share		589,228	610,428
Fair value of the investment property ⁹		1,391,771	1,190,791
Debt ratio (Law on Regulated Real Estate Companies) ¹⁰		53.62%	45.67%
Key figures per share	in EUR	30/09/2020	30/09/2019
Number of shares		19,295,291	14,349,847
Weighted average number of shares		19,295,291	14,092,576
EPRA earnings ¹¹ per share 		1.12	1.21
EPRA earnings ¹² per share  - group share		1.10	1.21

⁶ Alternative Performance Measures (APMs) are measures that Xior Student Housing NV uses to measure and monitor its operational performance. The European Securities and Markets Authority (ESMA) has issued guidelines applicable from 3 July 2016 for the use and explanation of the alternative performance measures. The terms that Xior considers to be APMs are included in Chapter 10.8 of the Annual Financial Report 2019. The APMs are marked with  and are accompanied by a definition, objective and reconciliation, see X and XI of this Press Release, as required by the ESMA guidelines.

⁷ The portfolio result amounts to -19,297 KEUR, of which 12,284 KEUR is booked under other portfolio result. During the first nine months of 2020, new real estate was acquired by means of share acquisitions, the first consolidation difference after adjustments to IFRS is booked under other portfolio result. On the other hand, a final purchase price settlement was made for certain historical acquisitions, the impact of which was also booked in other portfolio result.

⁸ This number takes into account the lettable units of Uhub Benfica and Campus Asprela, since the properties have been completed. These assets are currently still held through a JV structure, so the value is not included in the investment property.

⁹ The Fair Value of the investment property is the investment value as determined by an independent real estate expert, from which the transaction costs (cf. Press release BE-REIT Association of 10 November 2016) have been deducted. The Fair Value corresponds to the carrying amount under IFRS.

¹⁰ Calculated in accordance with the R.D. of 13 July 2014 pursuant to the Act of 12 May 2014 on Regulated Real Estate Companies.

¹¹ Calculated on the basis of the weighted average number of shares.

¹² Calculated on the basis of the weighted average number of shares.

EPRA earnings ¹³ per share  after IFRIC 21 adjustment	1.15	1.24
EPRA earnings ¹⁴ per share  after IFRIC 21 adjustment – group share	1.13	1.24
Result on the portfolio (IAS 40) 	-0.35	0.37
Revaluation of hedging instruments	-0.46	-1.30
Net result per share (IFRS) ¹⁵	-0.35	0.23
Closing price of the share	55.60	49.75
Net asset value per share (IFRS) (before dividend) – group share	30.54	29.50

II. CONSOLIDATED FINANCIAL RESULTS

The financial information for the period ending on 30 September 2020 was drawn up in accordance with the International Financial Reporting Standards (IFRS).

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

1. Net rental result

During the first nine months of 2020 Xior achieved a net rental result of 41,057 KEUR compared to 31,755 KEUR in the first nine months of 2019. This is an increase of 29%. This net rental result will continue to increase throughout the fourth quarter, as certain acquisitions only generate rental income from September or October onwards.

This mainly relates to the following properties:

- Lutherse Burgwal, The Hague: reconversion completed, property provides rental income since September 2020;
- U.hub Benfica: property was completed in September 2020 and provides rental income;
- Campus Asprela: property was completed in September 2020 and provides rental income;
- 365 Rooms, Brussels: property was acquired on 7 October 2020 and from then on will generate rental income.

As of 30 September 2020, we were able to calculate Like for Like for 56% of the rental income. For this rental income we have realised a growth of 1.89%.

Over the first nine months of 2020, the average occupancy rate of the property portfolio was 97.58%.

2. EPRA earnings

EPRA earnings  (excluding the portfolio result, excluding the impact of deferred taxes related to IAS 40 adjustments and excluding the impact of the variation in fair value of the financial assets and liabilities)

¹³ Calculated on the basis of the weighted average number of shares.

¹⁴ Calculated on the basis of the weighted average number of shares.

¹⁵ Based on the number of shares.

amount to 21,633 KEUR compared to 17,054 KEUR in Q3 2019. The EPRA earnings – group share amount to 21,269 KEUR. The EPRA earnings after IFRIC 21 adjustment amount to 22,209 KEUR per 30 September 2020 compared to 17,487 KEUR per Q3 2019. The EPRA earnings after IFRIC 21 adjustment – group share amount to 21,845 KEUR.

EPRA earnings per share amount to¹⁶ 1.12 EUR, EPRA earnings per share – group share amount to 1.10 EUR. After IFRIC 21 adjustment it amounts to 1.15 EUR per share. The EPRA earnings after IFRIC 21 adjustment – group share amount to 1.13 EUR.

In KEUR	30/09/2020	Per share	30/09/2019
EPRA earnings	21,633	1.12	17,054
EPRA earnings – group share	21,269	1.10	17,054
EPRA earnings – after IFRIC 21 adjustment	22,209	1.15	17,487
EPRA earnings – after IFRIC 21 adjustment – group share	21,845	1.13	17,487

As a result of the application of the 'IFRIC 21 levies' accounting rules (implemented in the financial year 2015), the figures dated 31 March 2020 include a provision for the full year 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 result of the first quarter of 2020, as these costs are no longer spread across all quarters but are entirely booked against the first quarter. 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 at 30 September 2020 would increase by an amount of 576 KEUR. In that case the EPRA earnings – group share would amount to 21,845 KEUR.

3. Net result

The net result is negative and amounts to -6,735 KEUR on 30 September 2020 compared to 3,181 KEUR on 30 September 2019. The net result per share amounts to -0.35 EUR.¹⁷

The net result includes the impact of variations in the fair value of the investment property, other portfolio result, deferred taxes related to IAS 40 and variations in the fair value of financial assets and liabilities. EPRA earnings are the net result adjusted for the above-mentioned elements.

4. Fair value of the property portfolio

As of 30 September 2020, the portfolio consists of 9,957¹⁸ lettable student units. The total property portfolio is valued at 1,392 KEUR as of 30 September 2020.

If all the committed acquisitions and projects are realised, this increase will continue to approximately 1.8 billion EUR, with almost 15,000 lettable student units.

¹⁶ For the calculation of the EPRA earnings per share, the weighted average number of shares at 31 March 2020 is taken into account, being 19,133,129.

¹⁷ Based on the weighted average number of shares.

¹⁸ This number takes into account the lettable units of Uhub Benfica and Campus Asprela, since the properties have been completed. These assets are currently still held through a JV structure, so the value is not included in the investment property.

5. Debt ratio

As of 30 September 2020, the debt ratio was 53.62% compared to 45.67% on 31 December 2019. As a result of the acquisition of 365 Rooms in Brussels via a contribution in kind, the debt ratio fell by 1.33% to 52.29% after 30 September 2020. Following the Dutch government's recently announced plans to adjust the transfer tax, an estimate has already been made of the maximum impact on the debt ratio. If the adjustment is calculated on a one-to-one basis in the property estimates, the maximum increase in the debt ratio would be 1.7%.

III. FINANCING

As of 30 September 2020 the Company had concluded financing agreements with 12 lenders for a total amount of 870 MEUR. As of 30 September 2020 the Company had drawn down 706 MEUR in financing.

The company aims to stagger the loan maturities, with an average maturity of 4.35 years as of 30 September 2020.

Furthermore, as of 30 September 2020, the company has IRS contracts totalling 622 MEUR. At 30 September 2020, 88% of the drawn down financing (706 MEUR) was hedged either through Interest Rate Swap agreements or through fixed interest rates.

The average financing cost  per Q3 2020 was 2.06% (Q3 2019: 2.05%).

With the current financing lines (164 MEUR undrawn) the company can finance its pipeline for the next 12 months.

IV. KEY ACHIEVEMENTS IN THE FIRST NINE MONTHS OF 2020

- XIOR WINS 'BRINKTOREN TENDER' AT PRIME LOCATION IN AMSTERDAM

After winning a tender together with DubbeLL and Mecanoo, Xior acquires an option on a new development project in the Netherlands, located at a strategic location on the north side of the IJ waterfront in Amsterdam. The city of Amsterdam has awarded the tender for the very last high-rise lot on Overhoeks to the team of Xior, consisting, alongside Xior itself, of DubbeLL-buurtontwikkelaars, Mecanoo Architecten, Merosch, Dakdokters, Pim Evers, WeDriveSolar, Van Rossum and Nelissen Ingenieurs, with their "BrinkToren" submission. The BrinkToren will be a real eye-catcher with 28 floors (approx. 90 metres high) and will provide space for approx. 400 new residents after completion (expected by 2026 at the latest). The total net investment value of this development for Xior amounts to approximately 61 MEUR, with an expected initial yield in line with market yields.

- LAUNCH 'XL FUND': A COLLABORATION BETWEEN XIOR (90%) AND LIFE (10%)

On 18 June 2020, Xior announced the launch of 'XL Fund': a partnership between Xior and real estate developer LIFE (with a 90% Xior – 10% LIFE distribution). From the start, the XL Fund will comprise a substantial portfolio consisting of 6 different student residences and projects at various locations in

Belgium and the Netherlands. These projects have all been developed or are still under development by LIFE, for a total expected investment value of around 155 MEUR with an average expected gross yield of 5.83%. In one fell swoop, Xior realises an important step in the further roll-out of its growth plan and significantly strengthens its position in its historic domestic market. The XL Fund also provides a platform for further potential cooperation between both parties to further expand the portfolio in Belgium and the Netherlands. Xior has an option on the remaining 10% of the shares of XL Fund (2,481 KEUR).

1. Locations

Katzensprung - Vaals (Netherlands)

This existing and already operational student residence is located near the tri-border point of the Netherlands, Belgium and Germany and grew out of the demand from the University of Aachen for more student accommodation and the desire of the city of Vaals to provide an answer to the existing scarcity. This location, aimed at students at the German University of Aachen, but located just across the border in the Netherlands, offers students the advantage of being able to make use of the Dutch rent subsidy system, which explains the popularity of this destination. This modern residence (completed in 2017) has 461 student rooms and is located on the Sneeuwberglaan in Vaals, the Netherlands. It is the ideal place for students to live on a green site, with all the advantages of a nearby city. The residence offers students various facilities including study and relaxation areas, a laundry bar and parking facilities.

This project is held in full ownership by the project company being taken over (which also includes the local operational team). The expected investment value amounts to 38,500,000 EUR, with an expected gross yield of 6.17%. This residence has had a very high occupancy rate since its opening, further supported by a rental guarantee from LIFE for 18 months from the transfer calculated at an occupancy rate of 98%.

Prince - Antwerp (Belgium)

The second project to be contributed to the XL Fund concerns the redevelopment of the old student home Ten Prinsenhove in Antwerp. The project will be completed at the end of 2020 - beginning of 2021, on the basis of a long-term lease of 50 years, allowing it to be rented out partly for the next academic year. The Prince project is located in the heart of Antwerp's student district and, with its 12 floors, towers far above all the surrounding buildings. The residence has 156 units and will feature all modern facilities including a 360° sky bar, fitness, laundry bar, living room, communal kitchens, yoga room, meeting and study room and a roof terrace. Students, as well as guest professors, summer school students, PhD students and others will be welcome here in the coming years. The redevelopment of this Antwerp landmark, centrally located on the UAntwerp city campus, can be seen as one of the last opportunities to realise new student housing in the centre of Antwerp. In addition to having its headquarters in Antwerp, Xior has been active on the Antwerp student rental market for many years, with other residences and a well-oiled local rental and management organisation, allowing immediate economies of scale to be realised.

The expected investment value amounts to 18,750,000 EUR, with an expected gross return of 5.24%. LIFE has given a rental guarantee as from September 2021 for a period of 5 years, based on an average occupancy rate of 98%.

ARC - Liège (Belgium)

The former university site, which ARC is part of, is located between the centre of Liège and the Sart-Tilman campus of the University of Liège's, is currently in full transition to become a dynamic site where living, education and leisure meet. This development involves 232 loft-style units aimed at students and young professionals, complemented by no less than 2,000 m² of communal areas including a living room, reading and study room, game and cinema room, fitness and yoga room, wellness with steam bath, laundry room and a sky lounge with roof terrace. The solar panels, heat pumps, balanced ventilation system and smart building technology make this residence an example of a fully sustainable building.

This project is held in full ownership by the project company being taken over. The expected investment value amounts to 29,950,000 EUR, with an expected gross return of 5.47%. The total project is expected to be completed by the end of 2020, early 2021. LIFE will provide a partial rental guarantee during the ramp-up period of 2 years as from April 2021, during which LIFE will support the XL Fund with the start-up of the commercialisation.

This top project in the lively student city of Liège reaffirms Xior's desire to expand in Wallonia and will even surpass the previously announced project in Namur as the first operational Xior building south of the language border.

Felix - Antwerp (Belgium)

Currently, this site, surrounded by the parks of Wilrijk in a green oasis between Campus Groenenborger and Middelheim Park, serves as a Theology campus and has around 120 social student rooms. The existing buildings, designed by Paul Felix, are protected and will be thoroughly renovated while additional student accommodation will be created, bringing the total number of rooms to 203. Moreover, investments will be made in a large communal outdoor area and central meeting place in order to create the desired campus feeling and create an integrated community. This unique site will provide a seamless connection with the Campus Groenenborger of the UAntwerp and offer an answer to the ever growing demand for student housing in Wilrijk.

This development will take place on the basis of a long-term lease of 50 years. The expected investment value amounts to 17,440,000 EUR, with an expected gross return of 5.81% and an additional earn-out if additional units could be realised on this site. LIFE will rent the existing social student units from XL Fund on a triple net basis for a period of 12 months. Completion of the total project is expected in 2022.

Campus 3 Eiken (Wilrijk)

This concerns a purchase option for a project located at Campus 3 Eiken in Wilrijk. As soon as the permit and administrative processing are completed, the project will be taken over and the development of this brand new residence will start. The project is situated at a prime location, fully in line with Xior's strategy and will accommodate 387 students after completion.

The expected investment value amounts to 33,805,000 EUR, with an expected gross yield of 5.70% and an additional earn-out if additional units could be realised on this site. The total project is expected to be completed in 2022.

With the three new projects in Antwerp, Prince, Felix and Campus 3 Eiken, the total number of student units operated under the Xior flag in Antwerp reaches the milestone of 1,000 units.

Ariënsplein - Enschede (Netherlands)

Connect-U/Ariënsplein in Enschede (the Netherlands) is an excellent location for Xior, close to the city centre and public transport. Moreover, the presence of the Saxion educational institute (which considers this site to be strategic) makes the site an ideal base for students and their accommodation.

On 12 March 2018 Xior already signed an agreement on the acquisition of a student complex consisting of 271 student rooms (and two teaching rooms that were rented out to Saxion University of Applied Sciences), in the former hospital located on the Ariënsplein¹⁹. This student complex formed part of an old hospital site which LIFE is redeveloping in several phases into a new city campus. Following this purchase of the first phase, XL Fund is now acquiring the remaining building components of this development project and the 55,000 m² site will be reunited in full ownership under one roof, which can considerably facilitate the development process. These remaining parts include a redevelopment of educational spaces, additional residential units (young professionals), incubators, offices, co-working and support functions. Together with LIFE, in the coming months the strategic part for XL Fund (student accommodation, teaching spaces and starter homes, etc.) will be demarcated within this entire site and non-strategic parts will be prepared for redevelopment and sale.

The acquisition of the "strategic part", after completion of the sale of the non-strategic parts, will have an expected initial yield of approx. 6.28% for an expected investment value of approx. 16,000,000 EUR. The margin realised on the sale of the non-strategic parts will be shared 50/50 between XL Fund and LIFE. The completion dates and concrete details of the redevelopment have yet to be determined.

2. Capital increase and issue of new shares

Part of LIFE's claim on Xior resulting from the transaction was brought in exchange for 162,162 new Xior shares for a total amount of 7,499,992.50 EUR.

- ACQUISITION OF DEVELOPMENT PROJECT IN HASSELT

On 18 May 2020, Xior acquired a development project at a prime location in Hasselt with a total of at least 157 units (final number to be determined after completion of the current licensing procedure). This new student tower, with a minimum of 10 floors, is strategically located in Hasselt, on the campus of PXL University of Applied Sciences. After the proposed development and licence, this transaction will have a total investment value of approximately 17 MEUR and an expected initial yield of approximately 6.0%. Full completion is scheduled for mid-November 2020, adding a completely new and sustainable complex to Xior's portfolio at an exceptional location in a vibrant student city.



- ACQUISITION OF A STUDENT COMPLEX IN GRANADA

On 28 February 2020, Xior concluded an agreement, under suspensive conditions, on the acquisition of a new student residence in Granada (Andalusia). The former 'colegio mayor', formerly known as Loyola and located at a strategic location on the Cartuja campus of the University of Granada, has been redeveloped

¹⁹ See press release of 12 March 2018

and extended into a residence of 347 units (354 beds). Completion and commissioning took place in June 2020, adding a brand new complex to Xior's portfolio in one of Spain's most important student cities. The operational company of the seller and developer of the project, Amro Estudiantes, will operate the residence during the first 2 academic years on the basis of a triple net lease. After this period of 2 years operations will be taken over by Xior. The total expected investment value for Xior amounts to 37 MEUR with an expected stabilised gross return of approx. 7%. This acquisition will contribute to Xior's results as from 18 June 2020, the date on which the acquisition was effectively completed.

- **ACQUISITION OF EINDHOVEN - 250 UNITS**

On 30 January 2020, Xior acquired a redevelopment project in Eindhoven with an expected total of 250 independent student units. This transaction has an expected investment value of approximately 32 MEUR and an expected initial yield of approximately 6.0%. Completion and commissioning is scheduled for H2 2022, adding a fully refurbished complex to Xior's portfolio. This office building, known as Boschdijk Veste, will be transformed into a student residence equipped with all modern comforts, consisting of an expected 250 independent student rooms, various communal areas, a courtyard garden, bicycle parking, etc. At the moment this building is rented out as an office and will still generate income during the expected duration of the permit process. The permit will be applied for and followed up by the vendors, with Xior having a buy-back guarantee if the permit process cannot be successfully completed.

- **CONCLUSION OF ADDITIONAL FINANCING CONTRACTS**

ISSUANCE OF A US GREEN BOND PRIVATE PLACEMENT OF 100 MILLION EUROS

On 9 April 2020, Xior successfully completed its first debt capital market transaction by signing the contractual documentation for an issue of 100 MEUR to Green Bonds via a US private placement. The bonds were placed through a US private placement with three institutional investors belonging to a large international insurance group. The bonds represent a nominal amount of 100 MEUR, divided over a tranche of 34 MEUR with a maturity of 6 years and a tranche of 66 MEUR with a maturity of 12 years, with a coupon of 1.92% (for the 6-year bonds) and 2.32% (for the 12-year bonds). The bonds were issued under Xior's new Green Finance Framework, dated 13 March 2020, on which Xior received a positive Second Party Opinion from Sustainalytics.

In the course of Q1 2020, a new financing agreement (Green Loan) was also concluded with Pensio B for an amount of 10 MEUR and with a term of 10 years.

REFINANCING OF EXISTING LOANS

At the end of December 2020, 2 loans totalling 30 MEUR matured. Negotiations were held with the 2 banks, ING and Belfius, and an agreement was reached to refinance the loans until 30/06/2024 and 31/12/2025 respectively.

V. UPDATE COVID-19 ("Corona crisis")

This quarter was still dominated by the pandemic that continues to affect the entire world economy. The start of the new academic year was marked by the fact that both educational institutions and students

were looking for a way to deal with the effects of COVID-19 and find a balance between student life and containing the virus. Nevertheless, the start of the academic year went well in general, and the impact on Xior and its activities so far has been limited.

- **Operations:** As announced in the half-yearly update, it was of the utmost importance for Q3 (rental for the start of the academic year 20-21) that universities would start as normal as possible, with a maximum offer of on-campus classes. Despite the fact that, as feared in almost all the countries in which Xior is active, a second wave of COVID-19 infections was to be anticipated, universities did start up as normal for the most part, and students in Belgium, the Netherlands, Spain and Portugal were able to move in normally.

In Belgium, the focus was on national students, even more than usual. Here, too, it was communicated relatively early and clearly by educational institutions (as early as the summer) that every effort would be made to start up as normal as possible and to offer students, as far as possible, an "on campus" student experience. Partly because of this, these students have been able to move in relatively easily and we have only seen a limited impact on the rental rates. In the Netherlands, the scarcity of qualitative and (especially) affordable student accommodation remains so high that any impact due to international students is more than compensated by the unanswered demand from domestic students. Our residences in Barcelona are also partly aimed at international students, where demand is affected by the current health crisis, and the tourism sector has also turned to the supply side in an attempt to find an alternative fill in their unused capacity. The ramp up of newly completed residences in Portugal is also affected by the decline in international mobility and the long period of uncertainty at the start of the academic year. However, the financial impact of this is largely neutralised by means of an EBITDA guarantee provided by our partner U.hub.

Bearing in mind that the majority of the students that housed in this quarter signed their contracts just after the first wave of the crisis, and in the full knowledge that there would more than likely be further outbreaks (with accompanying measures by the authorities) during the course of the year, we do not expect these students to be inclined to try to terminate their contracts prematurely due to COVID-19. After all, at the moment this crisis has become part of (student) life, rather than (as was the case at the end of the previous academic year) an unexpected event that affects us all. One factor of uncertainty is possible measures that governments would impose to protect consumers.

- **Finance - collection of rents:** as always, and especially since the outbreak of the pandemic, the commercial teams continue to pay extra attention to the collection of rents and, given the circumstances, continue to monitor this very closely. Defaulting tenants are all contacted in order to keep the dialogue with the tenants open and to find constructive solutions, taking into account the situation of the individual tenant. Where necessary, judicial and extrajudicial means will be used to make recoveries. The majority of the rents for Q3 were received and the collection rate is in line with the same period last year. As of 30 September 2020, the collection rate was 96% compared to 96.7% as of 30 September 2019. Our provisions for doubtful debtors (as already set up in Q2) have been updated. One of our retail tenants has payment problems, for which a partial provision has already been included. This tenant has initiated legal reorganisation proceedings

and a verdict on the recovery plan is expected coming December. We are monitoring this situation closely.

- **Health & Safety:** Our residences have already been adapted at the end of the previous academic year (and further during the summer) in order to accommodate students safely and in compliance with social distancing rules. The necessary safety measures, such as disinfecting gel dispensers, mouth masks, clear signage and instructions, adapted



passage routes, VR tours as an alternative for physical visits and extra cleaning were introduced to ensure that students could move in safely. Our operational teams (residence managers, student coaches) ensure that occupants comply with all measures, and intervene quickly and decisively where necessary (dorm parties, inappropriate occupation of communal areas). In the event of detected COVID-19 infections in the residence, the necessary measures are taken to implement a quarantine, to provide the student in question with the necessary supplies and to inform the housemates and encourage them to take protective measures (mouth masks, hand hygiene). In practice, we note that the vast majority of our students handle this very responsibly. For the time being, we are fortunate to be able to report that only individual cases of infection have occurred among our students without a more general spread within a residence.

VI. IMPORTANT EVENTS AFTER THE CLOSE OF THE THIRD QUARTER

- ENTRY MARIVEAUX

Xior has signed an agreement for the redevelopment of a real estate complex to be reconverted in the centre of Brussels, the former Marivaux cinema complex. For this purpose, Xior has acquired a 50% interest in the real estate company in which the property will be acquired and redeveloped. The redevelopment will take place via a joint venture with a private developer, with whom Xior has previously joined forces. This will enable Xior to strengthen its position in the Brussels region, where there is still great demand for new high-quality student accommodation. The total investment value (after reconversion, for which the permit has already been obtained) will be approximately 20 MEUR and the project will have an expected average initial yield of approx. 5.3%. Subsequently, the building will be converted into a complex with 2 floors consisting of 22 flats for "young professionals" and 5 floors with a total expected 113 student housing units, including a space on the ground floor which will have an entrance hall, a concierge flat, a large communal area and an office for the manager. In addition, underground bicycle storage and car parking will also be provided.

The opening of this student building (and the acquisition of the remaining 50%) is planned for the academic year starting in September 2022.

- ACQUISITION OF STUDENT RESIDENCE "365 ROOMS" IN BRUSSELS BY CONTRIBUTION IN KIND

On 7 October 2020, Xior concluded an agreement on the acquisition of the student residence "365 Rooms" in Ixelles (Brussels), Belgium. This fully operational and sustainable residence was delivered in 2014 in consultation with the VUB/ULB and is located in an exceptionally favourable location in Brussels, Belgium's largest student city. In addition to 323 student rooms, the residence also contains 5 studios, 9 flats and approximately 1,000m² of multifunctional spaces. The contributor offers a rental guarantee for a period of 3 years based on full occupancy. The total investment value of this acquisition is approximately 34 MEUR, with an expected initial yield of 5.5%, with Xior paying the purchase price in full by means of a contribution in kind. As a result of this contribution which entails a capital increase (including a share premium) of 33,883,013 EUR, 657,539 new shares in Xior Student Housing were issued. The shares have been listed since 13 October 2020. The issue price was 51.53 EUR per share (rounded). The transaction resulted in an increase in equity of 33,883,013 EUR, of which an amount of 11,835,702 EUR was assigned to capital and 22,047,311 EUR (after deduction of an amount equal to the costs of the capital increase within the meaning of the applicable IFRS rules) was assigned to share premiums.

VII. GROWTH PROSPECTS

Xior has every intention to continue its growth strategy in 2020, by expanding its real estate portfolio with the acquisition of quality student properties and by further completing the projects in its development pipeline. Although there is still uncertainty in the market at the moment, Xior remains convinced that various attractive growth opportunities will remain available in Belgium, the Netherlands and Iberia, and that interesting investment opportunities will present themselves for Xior this year.

Based on the information available today, Xior does not expect any significant change in the projected EPRA earnings for 2020. For the financial year 2020, the company is still anticipating EPRA earnings per share of 1.70 EUR, representing an increase of 6.25% compared to 2019, with a target for the gross dividend per share of 1.36 EUR per share with a minimum payout of 80% (an increase of 4.6% compared to 2019). Xior therefore expects an increase in its results per share again compared to the previous year, despite the fact that the number of shares increased by 40% in the course of 2019 and 2020 as a result of the successful capital increase of October 2019, the contribution in kind of June 2019 and the contribution in kind of October 2020. Partly thanks to this capital increase, Xior was able to secure a strong project development pipeline, which over the course of 2020 and 2021 will be able to fully contribute to the yield and the intended further growth of the portfolio, the EPRA earnings and the dividend.

Xior expects a debt ratio of between 50% and 55% by the end of 2020 as a result of the continued implementation of the growth strategy.

Xior expects an occupancy rate in 2020 that is in line with the current occupancy rate.

The actual development of the forecast of the consolidated EPRA earnings based on current information depends on the evolution of the economy, financial markets and property markets. Xior's prospective information, projections, convictions, opinions and estimates regarding the expected future performance

of Xior and the market in which it operates are not a Company commitment. Forecasts regarding dividends are also subject to approval by the Annual General Meeting. By nature, prospective statements involve inherent risks, uncertainties and assumptions, both general and specific, and there is a risk that the prospective statements will not be achieved. Given the current circumstances regarding Covid-19, these forecasts are more uncertain than usual.

VIII. FINANCIAL CALENDAR*

Annual communiqué - Publication of the 2020 annual results (before market)	24 February 2021
Publication of the 2020 Annual Financial Report	20 April 2021
Publication of results per 31 March 2021 (before market)	27 April 2021
Annual General Meeting	20 May 2021
Payment date dividend 2020 (coupon 14-15)	26 May 2021
Publication of results per 30 June 2021 (before market)	6 August 2021
Publication of results per 30 September 2021 (before market)	26 October 2021

* Future dates are subject to change.

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IX. FINANCIAL OVERVIEWS

CONSOLIDATED OVERVIEW OF FINANCIAL POSITION

ASSETS (in KEUR)	30/09/2020	31/12/2019
I. FIXED ASSETS	1,460,299	1,255,584
B. Intangible fixed assets	84	52
C. Investment properties	1,391,771	1,190,791
a. Properties available for letting	1,240,854	1,111,685
b. Property developments	150,917	79,106
D. Other tangible fixed assets	1,001	851
a. Tangible fixed assets for own use	1,001	851
E. Financial fixed assets	4,101	25
Others	4,101	25
G. Trade receivables and other fixed assets	135	135
H. Deferred taxes - assets	25	96
I. Participating interests in associated companies and joint ventures with equity movements	63,183	63,635
II. CURRENT ASSETS	36,164	20,945
D. Trade receivables	2,924	1,163
E. Tax receivables and other current assets	20,502	13,410
a. Taxes	2,642	714
c. Other	17,859	12,695
F. Cash and cash equivalents	7,797	4,269
G. Accruals and deferred payments	4,941	2,103
Prepaid property charges	1,205	1,247
Accrued rental income not due	142	36
Other	3,594	820
TOTAL ASSETS	1,496,464	1,276,529

LIABILITIES (in KEUR)	30/09/2020	31/12/2019
EQUITY	607,288	625,808
I. Equity attributable to equity holders of the parent company	589,228	610,428
A. Capital	345,026	342,125
a. Issued capital	347,315	344,396
b. Capital increase costs (-)	-2,289	-2,271
B. Issue premiums	281,022	276,441
C. Reserves	-30,093	-16,108

Reserve for the balance of fluctuations in fair value of property	43,861	29,530
Reserve for the impact on the fair value of estimated transaction fees and costs resulting from the hypothetical disposal of investment property	-25,293	-22,072
Reserve for the balance of fluctuations in fair value of authorised hedging instruments that are not subject to hedging accounting as defined in IFRS	-15,467	-8,184
Other reserves	-21,602	-19,447
Retained earnings from previous financial years	-11,593	4,066
D. Net result for the financial year	-6,726	7,969
II. Minority interests	18,060	15,381
LIABILITIES	889,176	650,720
I. Non-current liabilities	810,552	582,035
B. Non-current financial debts	704,004	500,425
a. Credit institutions	594,686	500,425
b. Others	109,318	0
C. Other non-current financial liabilities	26,314	15,467
a. Permitted hedging instruments	26,314	15,467
E. Other non-current liabilities	25,335	19,329
F. Deferred taxes - liabilities	54,900	46,813
a. Exit tax	2,585	0
b. Other	52,315	46,813
II. Current liabilities	78,623	68,685
B. Current financial liabilities	212	1,706
a. Credit institutions	212	1,706
D. Trade and other current liabilities	15,481	10,806
a. Exit tax	-108	206
b. Other	15,590	10,600
Suppliers	9,191	5,657
Tenants	2,920	686
Taxes, wages and social security contributions	3,479	4,257
E. Other current liabilities	57,230	50,906
Other	57,230	50,906
F. Accruals charges and deferred payments	5,700	5,266
a. Deferred income	581	1,176
b. Accrued interest not due and other costs	2,224	2,083
c. Other	2,895	2,007

TOTAL EQUITY AND LIABILITIES	1,496,464	1,276,529
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CONSOLIDATED PROFIT AND LOSS ACCOUNT

Income statement (in KEUR)	30/09/2020	30/09/2019
I.(+) Rental income	41,395	31,820
(+) Rental income	40,605	28,199
(+) Rental guarantees	1,388	3,757
(-) Rent reductions	-599	-136
Impairments of trade receivables	-337	-65
NET RENTAL RESULT	41,057	31,755
V. (+) Recovery of rental charges and taxes normally payable by tenants on let properties	8,238	5,453
- Transmission of rental charges borne by the proprietor	8,115	5,346
- Calculation of withholding taxes and taxes on let properties	123	107
VII. (-) Rental charges and taxes normally payable by tenants on let properties	-9,399	-6,096
- Rental charges borne by the proprietor	-9,182	-5,986
- Withholding taxes and taxes on let properties	-217	-110
VIII. (+/-) Other rental-related income and expenditure	390	462
PROPERTY RESULT	40,286	31,573
IX.(-) Technical costs	-1,636	-829
Recurring technical costs	-1,652	-915
(-) Maintenance	-1,309	-636
(-) Insurance premiums	-344	-279
Non-recurring technical costs	17	86
(-) Damages	17	86
X.(-) Commercial costs	-311	-311
(-) Publicity, ...	-252	-266
(-) Legal costs	-59	-44
XI.(-) Charges and taxes on non-let buildings	-501	-290
XII.(-) Property management costs	-1,935	-1,956
(-) Management costs (external)	0	-718
(-) Management costs (internal)	-1,935	-1,238
XIII.(-) Other property charges	-2,130	-1,574
(-) Architects' fees	0	-4

(-) Valuation expert fees	-427	-218
(-) Other property charges	-1,703	-1,351
(+/-) PROPERTY CHARGES	-6,513	-4,960
PROPERTY OPERATING RESULT	33,773	26,613
XIV.(-) General company expenses	-4,212	-2,404
XV.(+/-) Other operating income and costs	40	42
OPERATING RESULT BEFORE THE RESULT ON THE PORTFOLIO	29,602	24,251
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 fair value of the investment property	-7,013	6,190
(+) Positive fluctuations in fair value of the investment property	1,365	7,793
(-) Negative fluctuations in the fair value of the investment property	-8,378	-1,603
XIX.(+) Other portfolio result	-12,284	-1,020
OPERATING RESULT	10,304	29,421
XX.(+) Financial income	535	246
(+) Interest and dividends collected	113	246
(+) Interest on Joint Ventures	422	0
XXI.(-) Net interest costs	-6,147	-5,011
(-) Nominal interest paid and loans	-3,825	-3,136
(-) Reconstitution of the nominal amount of financial debt	-244	-150
(-) Cost of authorised hedging instruments	-2,078	-1,724
XXII.(-) Other financial costs	-839	-194
- Bank costs and other commissions	-706	-162
- Other	-133	-32
XXIII. (+/-) Fluctuations in fair value of financial assets and liabilities	-8,838	-18,305
(+/-) FINANCIAL RESULT	-15,289	-23,265
XXIV Share of result of associated companies and joint ventures	-453	215
RESULT BEFORE TAXES	-5,438	6,371
XXV. Corporate taxes	-1,319	-3,094
XXVI. Exit tax	23	-96
(+/-) TAXES	-1,297	-3,190
NET RESULT	-6,735	3,181
EPRA EARNINGS	21,633	17,054
EPRA EARNINGS – GROUP SHARE	21,269	17,054
RESULT ON THE PORTFOLIO	-19,297	5,170
DEFERRED TAXES WITH REGARD TO IAS 40 ADJUSTMENTS	198	-857
VARIATIONS IN THE FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	-9,291	-18,090
EPRA EARNINGS PER SHARE (in EUR)	1.15	1.21
EPRA EARNINGS PER SHARE (in EUR) – GROUP SHARE	1.13	1.21

X. ALTERNATIVE PERFORMANCE INDICATORS (APMs): RECONCILIATION TABLES

EPRA earnings	30/09/2020	30/09/2019
Net result	-6,735	3,181
Fluctuations in the fair value of the investment property	7,013	-6,190
Other portfolio result	12,284	1,020
Result on sales of investment properties	0	0
Fluctuations in the fair value of financial assets and liabilities	9,291	18,090
Deferred taxes with regard to IAS 40 adjustments	-221	953
EPRA earnings	21,633	17,054
EPRA earnings - group share	21,269	17,054

EPRA earnings after adjustment IFRIC 21	30/09/2020	30/09/2019
Net result	-6,735	3,181
Fluctuations in the fair value of investment properties	7,013	-6,190
Other portfolio result	12,284	1,020
Result from sales of investment properties	0	0
Fluctuations in the fair value of financial assets and liabilities	9,291	18,090
Deferred taxes with regard to IAS 40 adjustments	-221	953
EPRA earnings	21,632	17,054
Impact IFRIC 21	576	432
EPRA earnings after adjustment IFRIC 21	22,208	17,487
EPRA earnings after adjustment IFRIC 21 – group share	21,845	17,487

Result on the portfolio	30/09/2020	30/09/2019
Result from the sale of investment properties	0	0
Fluctuations in the fair value of investment properties	-7,013	6,190
Other portfolio result	-12,284	-1,020
Result on the portfolio	-19,297	5,170

Average interest rate	30/09/2020	30/09/2019
Nominal interest paid on loans	3,825	3,136
Cost of permitted hedging instruments	2,078	1,724
Capitalised interest	2,419	1,853
Average outstanding debt for the period	607,467	458,931
Average interest rate	1.83%	1.95%
Average interest rate excl. cost of permitted hedging instruments	1.37%	1.45%

Average financing costs	30/09/2020	30/09/2019
Nominal interest paid on loans	3,825	3,136
Cost of permitted hedging instruments	2,078	1,724
Capitalised interest	2,419	1,853
Breakdown of the nominal amount of financial debt	244	150
Bank costs and other commissions	839	194
Average outstanding debt for the period	607,467	458,931
Average financing cost	2.06%	2.05%
Average loan cost excluding cost of permitted hedging instruments	1.61%	1.55%

XI. Glossary of Alternative Performance Measures (APM) used by Xior Student Housing

APM designation	Definition	Use
EPRA earnings	Net result +/- fluctuations in fair value of investment property, +/- other portfolio result, +/- result on the sale of investment property, +/- fluctuations in fair value of financial assets and liabilities +/- deferred taxes related to IAS 40 adjustments	Measuring the result of strategic operating activities, excluding fluctuations in the fair value of investment property, other portfolio result, result on the sale of investment property and fluctuations in the fair value of financial assets and liabilities and deferred taxes related to IAS 40. This indicates the extent to which dividend payments are covered by earnings.
EPRA earnings after adjustment for IFRIC 21	Net result +/- fluctuations in fair value of investment property, +/- other portfolio result, +/- result on the sale of investment property, +/- fluctuations in fair value of financial assets and liabilities +/- deferred taxes related to IAS 40 adjustments +/- impact of IFRIC 21 spread over 4 quarters.	Measuring the results of strategic operational activities excluding fluctuations in the fair value of investment property, other portfolio result, result on the sale of investment property and fluctuations in the fair value of financial assets and liabilities and deferred taxes related to IAS 40. This indicates the extent to which dividend payments are supported by earnings and adjusted for the impact of IFRIC 21.
Result on the portfolio	Income from the sale of investment properties +/- fluctuations in fair value of investment properties +/- other portfolio result	Measurement of realised and unrealised gains/losses on investment property
Average interest rate	Interest charges including IRS interest expense divided by the average outstanding debt during the period	Measurement of the average interest cost of the debt to allow comparison with peers + analysis of the evolution over the years.
Average interest rate excl. IRS interest cost	Interest charges excluding IRS interest expense divided by the average outstanding debt during the period	Measurement of the average interest cost of the debt to allow comparison with peers + analysis of the evolution over the years.
Average financing cost	Interest costs including IRS interest cost + arrangement fees and commitment fees divided by average outstanding debt during the period	Measurement of the average cost of debt to allow comparison with peers + analysis of the evolution over the years.
Average financing cost excl. IRS interest cost	Interest cost excluding IRS interest cost + arrangement fees and commitment fees divided by average outstanding debt during the period	Measurement of the average cost of debt to allow comparison with peers + analysis of the evolution over the years.
EPRA earnings per share	Net result +/- earnings from the sales of investment properties, +/- fluctuations in fair value of investment properties, +/- other portfolio result +/- fluctuations in fair value of financial assets and liabilities +/- deferred taxes related to IAS 40 adjustments divided by the average number of shares.	Comparability with other RREC's and international real estate players
EPRA earnings per share after adjustment IFRIC 21	Net result +/- result on the sale of investment property, +/- fluctuations in fair value of investment property, +/- other portfolio result +/- fluctuations in fair value of financial assets and liabilities +/- deferred taxes related 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 RREC's and international real estate players

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, 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. On 30 September 2020, Xior Student Housing held a property portfolio worth approximately 1.392 billion EUR. More information is available at www.xior.be.

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Disclaimer

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