




**HALF-
YEARLY**
FINANCIAL
REPORT

This half-yearly financial report is also available in Dutch.

The half-yearly financial report was translated into English under the responsibility of Xior Student Housing NV. Only the Dutch version of the half-yearly financial report has evidential value. Both versions are available on the Company website (www.xior.be) or from the registered office on request (Xior Student Housing NV, Mechelsesteenweg 34, Box 108, 2018 Antwerp, Belgium).

Alternative Performance Measures and the term 'EPRA earnings'

Alternative performance measures (APMs) are measures used by Xior Student Housing NV 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. The concepts considered by Xior as APMs are contained in Chapter 5.8 of this Half-Yearly Report. The APMs are marked with  and are accompanied by a definition, an objective and reconciliation as required under the ESMA guidelines.

The European Public Real Estate Association (EPRA) is an organisation which promotes, helps to develop and represents the European publicly listed real estate sector in order to boost confidence in the sector and increase investment in publicly listed real estate in Europe. For more information about EPRA, visit the website www.epra.com.

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Kipdorpvest
ANTWERPEN



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Consolidated key figures
on 30 june 2017

The first half of 2017 starts on 1 January 2017 and ends on 30 June 2017.

- The results of the first half year are as follows:
 - EPRA earnings¹ of EUR 0.46 per share² – EUR 0.52 per share after IFRIC 21 adjustment
 - EPRA earnings of KEUR 2,537 –KEUR 2,882 after IFRIC 21 adjustment
 - Net rental income of KEUR 7,387 for H1 2017
 - Net result (IFRS) for H1 2017 of KEUR 5,770
 - The debt ratio is 39.17%, compared to 50.69% on 31 December 2016
 - The occupation rate is 98%, compared to 97.4% on 31 December 2016
 - The property portfolio has risen to EUR 357 million, which is equivalent to an increase of 34.1% compared to 31 December 2016. If all committed acquisitions and redevelopments in the pipeline are completed, the portfolio figure will rise to approximately EUR 500 million, with more than 4,500 lettable student units.

Figures are in thousand EUR.

Consolidated income statement	30/06/2017	30/06/2016
Net rental income	7,387	4,727
Real estate result	6,896	4,413
Operating result before result on the portfolio	4,186	2,184
Financial result (excl. variations in the fair value of financial assets and liabilities)	-1,323	-603
EPRA earnings 	2,537	1,288
EPRA earnings after IFRIC 21 adjustment 	2,882	1,592
Result on the portfolio (IAS 40) 	2,070	1,912
Revaluation of financial instruments (ineffective interest rate hedges)	1,216	-2,173
Net result (IFRS)	5,770	1,018

¹ The definition of EPRA earnings has been changed as from 30 June 2017. Reference is made to Chapter 5.8 of this Half-Yearly Report for the change in definition/calculation and the reasoning behind.



² Figures per share are calculated on the basis of the weighted average number of shares, unless stated otherwise.


Number of lettable student units	30/06/2017	30/06/2016
Student units	2,626	1,535

Figures are in thousand EUR.

Consolidated balance sheet	30/06/2017	31/12/2016
Equity	218,076	131,630
Fair Value of investment property ³	356,560	265,873
Debt ratio (Law on Regulated Real Estate Companies) ⁴	39.17%	50.69%

Figures are in EUR.

Key figures per share	30/06/2017	30/06/2016
Number of shares	8,128,249	4,857,437
Weighted average number of shares ⁵	5,553,555	4,781,396
EPRA earnings per share (based on the weighted average number of shares) 	0,46	0,27
Result on the portfolio per share (IAS 40) (based on the weighted average number of shares) 	0,37	0,39
Revaluation of financial assets and liabilities per share (based on the weighted average number of shares)	0.22	-0.45
Net result per share (IFRS) (based on the weighted average number of shares)	1.04	0.21
Closing price of the share	36.5	34.65
Net asset value per share (IFRS) (based on the number of outstanding shares)	26.83	23.71

In accordance with the guidelines issued by the European Securities and Market Authority (ESMA) on 3 July 2016, the Alternative Performance Measures (APMs) used by Xior will be included in this Half-Yearly Report. The definitions of the APMs, the reconciliation tables and the goal are included in Chapter 5.8 of this Half-Yearly Report. The website will include a separate Glossary of these APMs for future reference. The APMs are marked with .

³ The Fair Value of the investment property is the investment value as determined by an independent property expert less the transaction costs (cf. BE-REIT Association press release dated 10 November 2016). The Fair Value corresponds to the carrying amount under IFRS.

⁴ Calculated in accordance with the Royal Decree of 13 July 2014 pursuant to the Law of 12 May 2014 on Regulated Real Estate Companies.

⁵ Shares are counted from the time of issue.



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LEUVEN



02

Interim management report

2.1

NOTE WITH THE CONSOLIDATED RESULTS FOR THE FIRST HALF OF 2017

The net rental income is KEUR 7,387 in the first half of 2017, compared to KEUR 4,727 in the first half of 2016. This is a 56% increase. The net rental income will continue to increase in 2017, as certain acquisitions are planned for the second half of 2017. There are also a number of properties under construction or being refurbished that will only contribute to rental income from October 2017.


This mainly relates to the following properties:

- The Amstelveen project: generates rental income from April 2017 as a result of the rental of existing office space. Additional rental income will be generated by this property after redevelopment;
- Bokelweg project, Rotterdam: generates rental income from June 2017 as a result of the rental of existing office space. Additional rental income will be generated by this property after redevelopment;
- Burgwal project, The Hague: generates rental income from June 2017 as a result of the rental of existing office space. Additional rental income will be generated by this property after redevelopment;
- Antonia Veerstraat, Delft and Waldorpstraat, The Hague: acquisition and rental income envisaged from mid-2017;
- KVS Project, Brussels: under construction, rental income envisaged from September 2017;
- Bondgenotenlaan, Leuven: under construction, rental income envisaged from October 2017;
- Woudestein campus, Rotterdam: acquisition and rental income envisaged from mid-2017.

There is also the hostel, which generates rental income during the entire year. The rental income is expected to increase in the following quarters due to seasonal activity.

The average occupancy rate of the property portfolio was 98% for the first half of 2017, compared to 97.4% for the first half of 2016.

The real estate result is KEUR 6,896 on 30 June 2017 (KEUR 4,413 on 30 June 2016) and the operational real estate result is KEUR 5,156 (KEUR 3,228 on 30 June 2016). The property charges (KEUR 1,740) mainly include costs related to maintenance and repair, insurance, property management, valuation expert expenses and other property charges, i.e. property tax and taxes on Dutch real estate that cannot be passed on to the tenants.

As a result of the application of the 'IFRIC 21 Levies' accounting regulations (implemented as from the financial year of 2015), the figures dated 30 June 2017 include a provision for the entire year of 2017 with regard to property tax on real estate, taxes on Dutch real estate, taxes on secondary residencies and the so-called 'subscription tax' ('abonnementstaks'). This has a substantial negative impact on the result for the first half of 2017, as these costs are not spread across all quarters but were entirely booked against the first quarter. The effect of this entry will reduce as the financial year unfolds. If these costs were to be spread and one quarter of the costs would be charged during each quarter, the result of the first half of 2017 would increase by KEUR 345. In this hypothesis, the EPRA earnings  would be KEUR 2,882.

The general expenses are KEUR 1,022 and are in line with the general expenses of the previous year (KEUR 1,044 on 30 June 2016). Despite the significant portfolio increase, Xior has managed to keep the general expenses (overheads) under control and manages to achieve economies of scale.

Pursuant to Article 6 of the Law on Regulated Real Estate Companies, Stubis, a wholly owned subsidiary of Xior Student Housing NV, provides limited real estate services to third parties. The fee received for investment property owned by third parties is KEUR 52.

The result on the portfolio for the first half of the year is KEUR 2,070 (KEUR 1,912 on 30 June 2016). New properties were acquired in the first half of 2017 through property acquisitions (sale-purchase c.q. contribution) and share acquisitions.

The property was acquired at the fiduciary value (the purchase price agreed between the parties), which was different from the Fair Value.

- The difference between the Fair Value of properties acquired through property acquisitions (sale-purchase c.q. contribution) and the fiduciary value of such property is processed as 'variations in the Fair Value of investment properties' on the income statement.
- The difference between the Fair Value of properties acquired through share acquisitions and the fiduciary value of such properties as well as other sources of differences between the Fair Value and fiduciary value of the shares are processed as 'other result on the portfolio' on the income statement. This 'other result on the portfolio' concerns amounts resulting from application of the consolidation principles and merger transactions, and consists of the differences between the price paid for real estate companies and the Fair Value of the acquired net assets. This 'other result on the portfolio' also covers directly attributable transaction fees.

The variation in Fair Value between 1 January 2017 and 30 June 2017 was entered under negative or positive variations in investment property. There was a positive net investment property change (KEUR 810).

The financial result is KEUR -107 (KEUR -2,776 on 30 June 2016). This result mainly contains interests on loans (KEUR 944), IRS costs (KEUR 329), bank charges and other commissions (KEUR 29). The increased property portfolio resulted in an increase in the net interest charges. These charges are partly offset by an increase in the market value of the hedging instruments (KEUR +1,216). The market value of these hedging instruments is entered directly in the income statement. The average financing cost is 1.86% for the first half of 2017 (2.24% on 30 June 2016).

The result before taxes is KEUR 6,148. The taxes are KEUR 378. These are mainly taxes on the result of the permanent establishment in the Netherlands.

The net result is KEUR 5,770 (KEUR 1,018 on 30 June 2016) and reflects the EPRA earnings as well as the positive impact of the Fair Value of the property portfolio of KEUR 2,070, the positive impact of the fair value of financial assets and liabilities of KEUR 1,216 and the positive impact of the deferred taxes on IAS 40 corrections of KEUR 52 on 30 June 2017.

The EPRA earnings are KEUR 2,537 (KEUR 1,288 on 30 June 2016). The calculation of the EPRA earnings per share is based on the weighted average number of shares (in function of the dividend entitlements of the relevant shares) on 30 June 2017, which was 5,553,555. The EPRA earnings per share (based on the weighted average number of shares) were EUR 0.46 on 30 June 2017 (EUR 0.27 on 30 June 2016). The EPRA earnings per share after IFRIC 21 adjustment are EUR 0.52 on 30 June 2017 (EUR 0.33 on 30 June 2016).

2.1.1 CONSOLIDATED BALANCE SHEET

On 30 June 2017, the portfolio consisted of 2,626 lettable student units. This resulted in a valuation of the property portfolio of KEUR 356,560 on 30 June 2017, which meant a 34% increase of KEUR 90,687 since 31 December 2016 (KEUR 265,873). This increase was mainly due to the acquisition of the student property located at Barbarasteeg in Delft, the contribution of two properties under construction in Brussels (KVS project), the acquisition of an office building to be converted in Amstelveen, the acquisition of an office building to be converted in The Hague (Burgwal project) and an office building to be converted in Rotterdam (Bokelweg project).

For a detailed description of the acquisitions, please refer to Chapter 2.3.1 of this Half-Yearly Report.

If all projects and acquisitions currently in the pipeline are implemented, including the acquisition of the properties in Utrecht and Venlo on 7 July 2017 and the acquisition of an office building to be converted in Delft on 19 July 2017, this figure will rise to approximately EUR 500 million, with more than 4,500 student units.

On 30 June 2017 the portfolio consisted of 61 properties with 3,542 student units, of which 916 units or 26% were still under construction or being converted into student units. The properties under construction will be operational and fully contributing to the rental income from September/October 2017. The properties to be converted into student units will start contributing to the rental income in 2018/2019. These properties are currently generating rental income as offices.

Current assets are KEUR 9,591 and have risen by KEUR 2,360 since 31 December 2016.

They primarily include:

- Trade receivables to be collected (KEUR 385): this primarily includes rent to be received.
- Other receivables: this primarily includes a receivable from Aloxe NV (KEUR 1,712 payable at market interest rate), which arose from the merger with Devimmo and CPG and from the rental/return guarantees provided in 2016.
- Balance in the bank accounts (KEUR 5,792).

Accruals and deferred payments (KEUR 855) are mainly property costs to be transferred (KEUR 723) and general expenses to be deferred (KEUR 95).

The group equity was KEUR 218,076 on 30 June 2017 (KEUR 131,630 on 31 December 2016).

The net asset value per share increased by 7.4% to EUR 26.83 on 30 June 2017 as compared to 31 December 2016.

The long-term obligations remained stable since 31 December 2016. The capital increase of 22 June 2017 resulted in a fall in debt ratio from 50.69% on 31 December 2016 to 39.17% on 30 June 2017, which again leaves sufficient margin for further growth financed with loan capital.

The current liabilities are KEUR 7,371. They fell by KEUR 1,041 since 31 December 2016. The Company follows up outstanding debts very closely in order to keep the Company's debt ratio under control.

Current liabilities consist of exit tax debt (KEUR 2,126), which include the exit taxes payable following the mergers with Karibu Invest, Kwartma and Retail Design. This exit tax must be paid by the end of this year. They also include outstanding debts to suppliers (KEUR 792), advance deposits received from tenants (KEUR 610), VAT, tax and social security debts (KEUR 668), security deposits received from tenants (KEUR 1,605) and accruals and deferred payments (KEUR 1,570). The accruals and deferred payments are mainly rental income to be transferred (KEUR 323), accrued real estate costs (KEUR 885), accrued interests (KEUR 92) and accrued general expenses (KEUR 269).

2.1.2 COMPOSITION OF DEBTS

Xior Student Housing NV had KEUR 137,768 in long-term debt on 30 June 2017. This debt consisted of drawn down long-term credit lines with Belfius Bank, ING Belgium and Argenta Spaarbank. There are no loans that will mature within 12 months. Xior had EUR 225 million in credit lines on 30 June 2017. This amount is made up of credit lines with ING Belgium NV (EUR 78 million), Belfius Bank NV (EUR 52 million), KBC Bank NV (EUR 45 million), BNP Paribas Fortis (EUR 25 million) and Argenta Spaarbank NV (EUR 25 million). The part of the credit lines that has not been drawn down was KEUR 87,000. Part of the loans was paid back as a result of the capital increase of 22 June 2017.

The main covenants the Company must meet with respect to these financing agreements are about compliance with a debt ratio (calculated according to the Royal Decree on Regulated Real Estate Companies) that must always be less than 60%, an interest coverage ratio that must be greater than 2.5 and hedging of at least 70% of financing debt. The ICR stood at 3,16 for H1 2017.

On 30 June 2017, the drawn down credit lines were hedged with interest rate swaps for KEUR 130,000 (94%).

The total market value of the interest rate swaps was negative (KEUR -650), which is KEUR 1,216 more than the market value on 31 December 2016. This value increase has a positive effect on the net result on 30 June 2017.

On 30 June 2017, the average maturity of the outstanding loans was 3.8 years (3.13 years on 31 December 2016). The Company has always concluded financing contracts with a minimum maturity of three years. For a breakdown of debts according to maturity, please refer to *Chapter 5.9.8 of this Half-Yearly Report*.

2.2

DATA ACCORDING TO THE EPRA REFERENCE SYSTEM⁶

2.2.1 EPRA KEY PERFORMANCE INDICATORS

These details are not required by the legislation on Regulated Real Estate Companies. The statutory auditor verified whether the EPRA earnings, EPRA net asset value (NAV) and EPRA triple net asset value (NNNAV) ratios were calculated according to the definitions quoted in the EPRA Best Practice Recommendations and whether the financial data used in the calculation of these ratios correspond with the accounting information included in the consolidated financial statements.

⁶ Financial performance indicator calculated in accordance with the EPRA (European Public Real Estate Association) Best Practice Recommendations. See also www.epra.com.

	Definition	In KEUR	EUR per share
EPRA earnings	Underlying result derived from the strategic operating activities.	2,537	0.46
EPRA NAV	Net asset value (NAV) adjusted to take into account the fair value of the real estate property and excluding certain elements that are not part of a financial model of long-term property investments.	218,726	26.91
EPRA triple net asset value (NNNAV)	EPRA net asset value (NAV) adjusted to take into account (i) the Fair Value of the assets and liabilities, (ii) the fair value of debts and (iii) the deferred tax.	218,076	26.83
			%
EPRA cost ratio (incl. vacancy costs)	EPRA costs (including vacancy costs) divided by the gross rental income.		37.5% ⁷
EPRA cost ratio (excl. vacancy costs)	EPRA costs (excluding vacancy costs) divided by the gross rental income.		37.2% ⁸

EPRA earnings per share	30/06/2017	30/06/2016
Net result	5,770	1,018
Variations in the fair value of investment property	-810	-1,964
Other result on the portfolio	-1,260	52
Result from the sale of investment property	0	0
Variations in the fair value of financial assets and liabilities	-1,216	2,173
Deferred taxes on IAS 40 corrections	52	8
Weighted average number of shares	5,553,555	4,781,396
EPRA earnings per share	0.46	0.27
IFRIC 21 impact	345	305
EPRA earnings per share after IFRIC 21 adjustment	0.52	0.33

⁷ The EPRA cost ratio (including vacancy costs) after IFRIC 21 adjustment is 32.8%.

⁸ EPRA cost ratio (excluding vacancy costs) after IFRIC 21 adjustment is 32.5%.

EPRA NAV	30/06/2017	31/12/2016
Net asset value according to the financial statement	218,076	131,630
To be excluded:		
Fair value of permitted hedging transactions	650	1,866
EPRA NAV	218,726	133,496
EPRA NAV (EUR/share)	26.91	25.33

EPRA triple net asset value (NNNAV)	30/06/2017	31/12/2016
EPRA NAV	218,726	133,496
To be added:		
Fair Value of permitted hedging transactions	-650	-1,866
EPRA NAV	218,076	131,630
EPRA NAV (EUR/share)	26.83	24.97

EPRA cost ratio	30/06/2017	30/06/2016
General expenses	1,022	1,044
Impairment of trade receivables	9	0
Property charges	1,740	1,186
EPRA costs (incl. vacancy costs)	2,771	2,230
Vacancy costs	19	0
EPRA costs (excl. vacancy costs)	2,751	2,230
Gross rental income	7,396	4,727
EPRA cost ratio (incl. vacancy costs)	37.5%	47.2%
EPRA cost ratio (excl. vacancy costs)	37.2%	47.2%
IFRIC 21 impact	345	305
EPRA cost ratio (incl. vacancy costs) after IFRIC 21 adjustment	32.8%	40.7%
EPRA cost ratio (excl. vacancy costs) after IFRIC 21 adjustment	32.5%	40.7%

2.3

TRANSACTIONS AND ACHIEVEMENTS

2.3.1 TRANSACTIONS AND ACHIEVEMENTS DURING THE FIRST HALF OF 2017

2.3.1.1 General

After its first year as a regulated real estate company listed on the stock market, Xior continued to work on the further growth of its portfolio in the first half of 2017. During the implementation of its growth strategy, Xior strives towards a balanced growth of both equity and loan capital with a healthy combination of various financing sources, whilst keeping the debt ratio under control and increasing the earnings per share. Xior achieved a contribution in kind in January 2017 and successfully completed a capital increase of approximately EUR 84 million on 22 June 2017. If all acquisitions and redevelopment projects currently in the pipeline are implemented, the portfolio figure will rise to approximately EUR 500 million, with more than 4,500 units.

As always, the Board of Directors and management also focused continuously on the operational and financial management.

2.3.1.2 Acquisitions in the first half of the year⁹

Acquisition of office complexes to be converted in Rotterdam and The Hague

On 31 May 2017, Xior acquired two office complexes to be converted on Heer Bokelweg in Rotterdam and on Lutherse Burgwal in The Hague. This transaction has an expected initial return of approximately 7% after reconversion and will result in about 500 extra units with a total investment value of approximately EUR 67.4 million after reconversion once the permit has been obtained and the planned redevelopment has been completed. The Company expects both buildings to be operational from September 2019. Part of the buildings in Rotterdam and The Hague will continue to be rented for some time to come, which will already generate a total income of around EUR 2.11 million on an annual basis from the acquisition date. Xior acquired the property in question on the site by first buying 55% of the shares in the relevant real estate companies (Bokelweg B.V and Burgwal B.V.) and then by purchasing the other 45% of the shares in both real estate companies by exercising the call option it had been granted on 30 June 2017.

The property in Rotterdam is located on Heer Bokelweg, 200 m from the central station in the centre of this student city. The Company plans to develop about 350 units in this property as the perfect complement to the 280 units in



⁹ The investment values are in line with the estimates of the independent property expert.

the development project located on the Woudestein Campus (Erasmus University Rotterdam). Completion is planned in September 2019.

The property in The Hague is located on Lutherse Burgwal, which is situated at the interconnection between the Company's existing properties on Eisenhowerlaan and Waldorpstraat. Xior plans to develop 182 units on this property, which will increase the total number of units in this student city to 450.

Acquisition of an office complex in Amstelveen that is to be converted

On 6 April 2017 Xior acquired a development project consisting of an office complex¹⁰, which the Company intends to convert after having obtained the necessary permits. Xior acquired these properties by buying 100% of the shares in the relevant real estate company Amstelveen Keesomlaan 6-10 B.V. After the proposed redevelopment of the complex, the property will provide approximately 300 student units with a total investment value of approximately EUR 30 million. Part of the office complex will continue to be rented for some time to come, which will generate around KEUR 350 in income from the acquisition date. The complex is situated next to the Uilenstede student campus, has direct public transport connections to the centre of Amsterdam and is within cycling distance of Vrije Universiteit Amsterdam.

Acquisition of 69 student units in Brussels via contribution in kind

Xior acquired a student complex (under construction)¹¹ consisting of two buildings opposite each other on Ladderstraat in Brussels (KVS project). The land and structures already erected at the time were entered by means of a contribution in kind to Xior's capital on 17 January 2017. The value of the contribution was determined based on the value of the land and the structures (already completed at the time) and has resulted in a capital increase of EUR 5,064,067 (incl. issue premium). This acquisition has a total investment value of approximately EUR 8.1 million (once the works have been completed). The units are expected to be operational in September 2017.



¹⁰ See Press Release dated 7 April 2017.

¹¹ See Press Releases dated 9 June 2016 and 17 January 2017

Acquisition of 108 independent student units in Delft

On 5 January 2017, Xior acquired a student property¹² consisting of 108 brand-new, independent, furnished student units in one of the fastest-growing student cities in the Netherlands. This acquisition has a total investment value of approximately EUR 13.5 million. The property is situated in a premium location in the centre of Delft, near the station and close to Delft University of Technology.

Additional financing contracts

In the first half of 2017, the Company secured additional financing from BNP Paribas Fortis, KBC Bank NV and Argenta Spaarbank NV. It took out a EUR 25 million credit line with each bank.

2.3.1.3 Annual General Meeting

The Annual General Meeting of Xior Student Housing NV took place on 18 May 2017. The annual financial statements for 2016 were approved at the Annual General Meeting. The Annual General Meeting also approved the payment of EUR 1.15 gross or EUR 0.805 net in a dividend¹³ per share.

2.3.1.4 Acquisitions in the pipeline

In the first half of 2017 and in 2016, Xior also concluded various agreements under certain conditions for the acquisition of various strategic student complexes which confirmed Xior's planned growth strategy.

- The acquisition of (the shares in the real estate company owning) a total of 190 student units in The Hague (72 units) and Delft (118 units) in the Netherlands with a total investment value of approximately EUR 26.3 million and an expected initial return of 5.9%. The property in The Hague is on Waldorpstraat and has 72 independent studios. The property in Delft under construction is on Antonia Veerstraat and will consist of 118 units. It is part new construction and part redevelopment. The takeover of both properties is planned in mid-2017 and they are expected to be operational in the academic year starting in September 2017. The Company was granted a one-year rental guarantee for 100% of the rental income.¹⁴
- The acquisition of a student complex in Rotterdam (Woudestein Campus near Erasmus University) with an investment value of approximately EUR 30 million and an expected initial return of 5.8%. The building consists of 280 independent student units between 20 m² and 39 m² on eight floors as well as common areas such as a bicycle area and roof terrace. The property is in a prime location near Erasmus University Rotterdam in this bustling city. The takeover is planned in mid-2017 and the complex is expected to be operational in the academic year starting in September 2017. The Company was granted a one-year rental guarantee for 100% of the rental income.¹⁵



¹² See Press Releases dated 5 August 2016 and 5 January 2017.

¹³ Taking account of a withholding tax of 30%.

¹⁴ See Press Releases dated 20 April 2016 and 2 June 2016.

¹⁵ See Press Release dated 11 May 2016.

- A joint venture (in cooperation with a private developer) for a development project in Etterbeek, Belgium to create 115 units for EUR 6.3 million. The total investment value (after reconversion) will be approximately EUR 11.7 million (assuming that 100% ownership of the real estate company is obtained) and the project has an expected initial return of approximately 6%. Once planning permission has been obtained, the existing property on Oudergemlaan in Etterbeek will be converted into a complex of 115 independent studios and six parking spaces based on a design by architectural firm Jaspers-Eyers. This student property is expected to be operational in the academic year starting in September 2018. The Company was granted a one-year rental guarantee for 50% of the rental income.

2.3.1.5 Operations

Xior continues to develop its management structure and operational teams who are responsible for the day-to-day management of the properties and rental of the student rooms. The rental activities for the following academic year are in full swing, supported by commercial initiatives such as an update of the website that makes it even easier for students to find their ideal student rooms, an expansion of the features of the Xior app (the very first app specifically aimed at finding student rooms) and the 'Golden Ticket' campaign that offered students a chance to win free digs for one year and a wide range of fun Xior gadgets.

2.3.1.1 Interest rate hedges

The Company pursues a policy that hedges a substantial part of the interest rate risk with regard to its long-term financing up to at least 70%, either with a fixed interest rate for the entire agreement term or with hedging instruments such as interest rate swaps and forward rate agreements. 94% of outstanding loans were hedged with interest rate swap contracts on 30 June 2017. The Company's hedging policy will be regularly evaluated and adjusted when necessary (for example with regard to the instrument types, hedging period, etc.).

Xior Student Housing renegotiated its interest rate swap contracts in 2016 and 2017.

We also refer to *Chapter 5.9.7 of this Half-Yearly Report* for the valuation of these hedging instruments on 30 June 2017.

2.3.2 TRANSACTIONS AND ACHIEVEMENTS AFTER THE FIRST HALF OF 2017

2.3.2.1 Acquisition of an office property for redevelopment in Delft (Phoenix) – approximately 100 units

On 19 July 2017, Xior acquired an office property for redevelopment from the local council of Delft located at Phoenixstraat 16, Delft in order to develop around 100 units with a total investment value (after conversion) of approximately EUR 8.6 million. This post-modernist building was designed by the well-known architect Jo Coenen and is characterised by the atrium structure of the circular 'drum' running all the way down to the ground floor. This property is situated in a premium location in Delft at only a stone's throw from the student property on Barbarasteeg near Delft station in an area currently undergoing extensive redevelopment. The Company expects an initial return of 6.5% once planning permission has been obtained and the planned redevelopment has been completed. The Company expects this building to be operational from September 2019.



2.3.2.2 The acquisition of three properties in Utrecht and Venlo – 300 units

On 7 July 2017, Xior acquired the shares in three real estate companies (Utrecht Willem Dreeslaan B.V., De Keulse Poort B.V. and The Safe B.V.), which own one recently renovated property in Utrecht and two properties in Venlo respectively. The total conventional value of the underlying real estate is approximately EUR 27.5 million and the total average initial return is approximately 6.8%. The transferor provides a rental guarantee for a period of two years.

The property near various educational institutions in Utrecht is called 'The Hive'. It has 134 non-independent units and therefore complements the Company's independent units in the portfolio mix.

The acquisition in Utrecht also involves a student property called 'The Bank' of 110 independent units in the centre of Venlo near the station. The ground floor is rented out to a financial institution. Xior used the momentum of this purchase to optimise this transaction immediately by acquiring a second rented property in the centre of Venlo called 'The Safe', which allows Xior to achieve a sufficient presence in this city. This property consists of 56 independent units and a commercial ground floor, also partly rented out to a financial institution.




2.4 FORECAST FOR THE SECOND HALF OF 2017

2.4.1 GROWTH PROSPECTS FOR THE SECOND HALF OF THE FINANCIAL YEAR 2017

Xior intends to continue pursuing its growth strategy. This involves promoting the growth of the company by adding high-quality student properties to its property portfolio. Xior has made great efforts in this respect in the first half of 2017 in order to achieve this growth.

We also refer to the above-mentioned transactions and achievements of the first half of 2017 (see item 2.3 above) in this context Xior intends to complete the acquisitions planned for the second half of 2017, including those in Delft, The Hague and Rotterdam (see items 2.3.1.4 above).

2.4.1 OUTLOOK

Barring any unforeseen circumstances, Xior confirms its projected EPRA earnings  per share of EUR 1.40 for the financial year 2017 and the associated gross dividend of EUR 1.20 (subject to approval by the shareholders' meeting).

The debt ratio was 39.17% on 30 June 2017 compared to 50.69% on 31 December 2016, which leaves sufficient margin for further growth financed with loans.

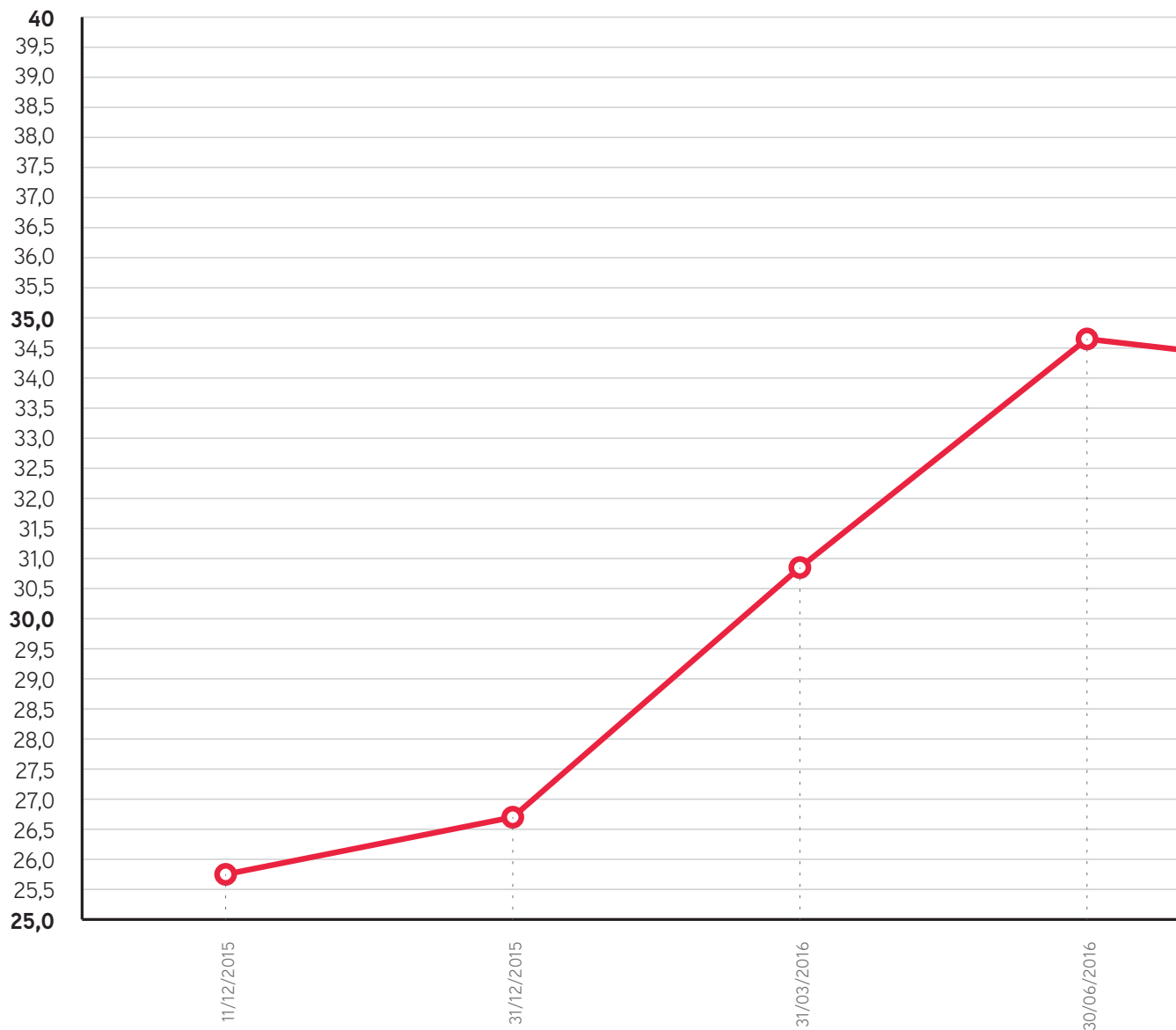


2.5

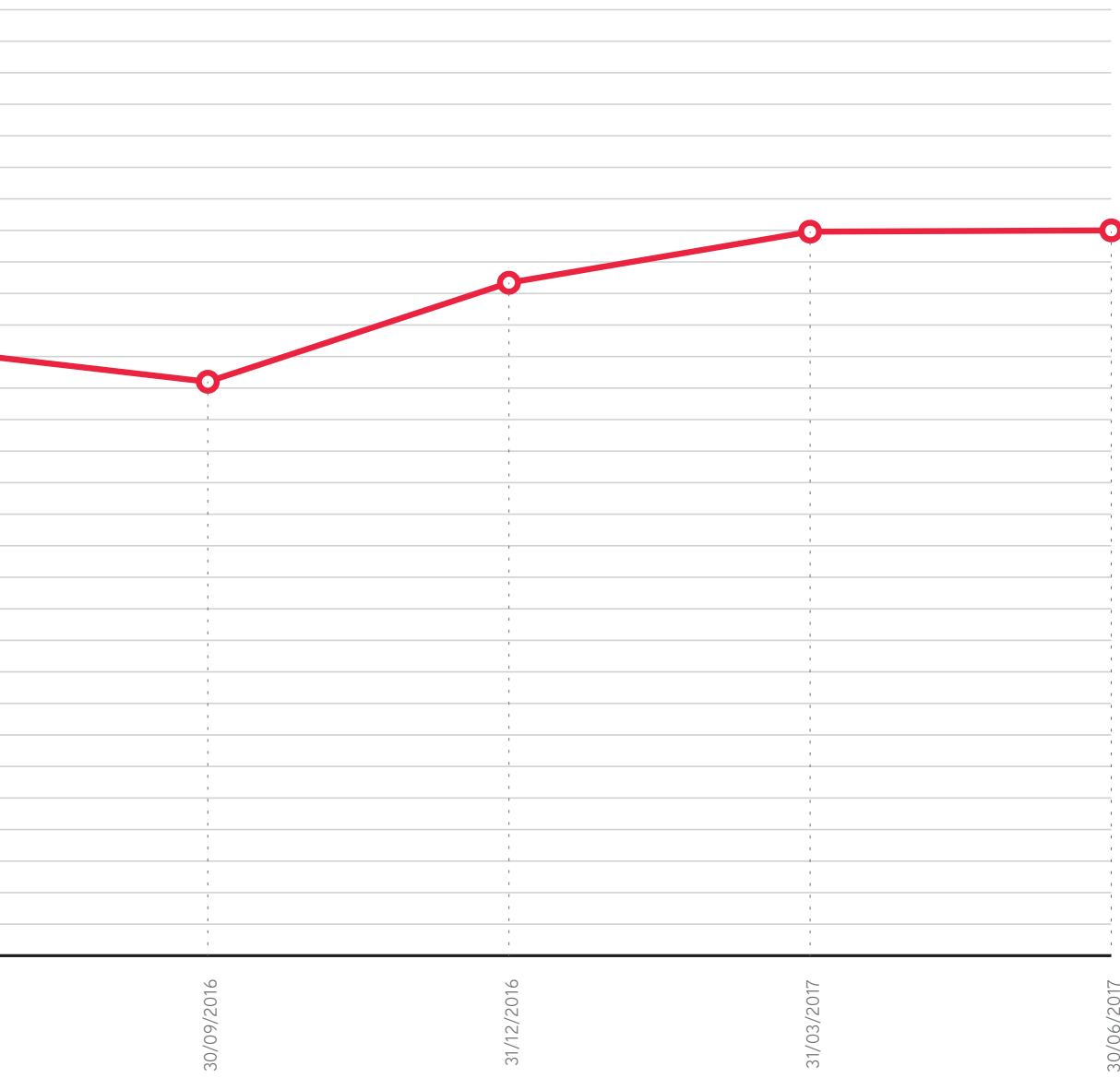
THE XIOR SHARE

2.5.1 THE SHARE ON EURONEXT BRUSSELS



The Xior share (ISIN code BE0974288202) has been listed on the regulated Euronext Brussels market since 11 December 2015. Xior is included in the Bell Small index.



XIOR share price evolution (in EUR)



The closing price on 30 June 2017 was EUR 36.50, which represents a premium of 36% compared with the net value per share on 30 June 2017 (cf. Royal Decree on Regulated Real Estate Companies), which was EUR 26.83 per share. Xior's market capitalisation on Euronext Brussels rose to approximately EUR 297 million in the first half of 2017.

	30/06/2017	31/12/2016	31/12/2015
Number of issued shares	8,128,249	5,270,501	4,626,780
Weighted average number of shares¹	5,553,555	4,926,405	4,626,780
Market capitalisation (in EUR)	296,640,447	187,998,771	123,535,026
Free float	71.64%²	71.00%	75.33%
Share price (closing price) for relevant period (in EUR)			
Highest	37.27	36.80	26.81
Lowest	35.13	26.76	25.75
Average	36.33	33.22	26.50
At year-end closing	36.50	35.67	26.70
Volume (in number of shares)			
Number of shares traded	461,011	1,246,297	313,862
Average daily volume	3,630	4,849	22,419
NAV (IFRS) (in EUR)	26.83	24.97	23.42
EPRA NAV (in EUR) 	26.91	25.33	23.42
Dividend payout ratio	N/A	98.3%	N/A
EPRA earnings per share (in EUR) 	0.46	1.17	N/A

¹ Weighted average number of shares taking into account the dividend entitlements for the relevant shares.

² Approximate estimate taking into account the known percentages of shareholders who issued a transparency notice (based on the current total number of shares (denominator)).



Market: Euronext Brussels
 Symbol: XIOR
 ISIN code: BE0974288202
 Listing: continuous
 Liquidity provider: Degroof Petercam

2.5.2 SHAREHOLDERS

On 30 June 2017, the authorised capital of Xior Student Housing NV was EUR 146,308,482.00, represented by 8,128,249 fully paid-up shares.

The following table illustrates Xior's shareholder structure, based on the information received from the shareholders (cf. the transparency notifications) and/or publicly known information on Aloxe NV.

	# shares	% shares
Aloxe NV - Christian Teunissen & Frederik Snauwaert	1,882,997	23.17% ¹
AXA Investment Managers S.A.	273,348	5.19% ²

¹ The number of shares and percentage are updated based on public information on the capital increase of June 2017 and the denominator on 22 June 2017 (8,128,249).

² Based on the transparency notice of 21 December 2016 and the denominator on 21 December 2016 (5,270,501).



Eisenhowerlaan
DEN HAAG



03

Risks for the remaining months of 2017

The Board of Directors and management of Xior are aware of the specific risks associated with the provision and management of a property portfolio, and try to optimally manage these risks by mitigating or neutralising them as far as possible.

With regard to the main risks and uncertainties for the remaining months of the financial year 2017, we refer to the description of these risks and uncertainties on pages 12 to 26 of the Annual Financial Report 2016 (available on the Company website www.xior.be), which will also remain relevant for the remaining part of 2017.



Kipdorpvest
ANTWERPEN



Minderbroedersstraat
LEUVEN



04

Property report

4.1

PROPERTY MARKET

Student housing is highly fragmented in both Belgium and the Netherlands, with many private landlords renting out student rooms. Students also often live in studios, apartments or houses in the regular housing market. Student accommodation is often expensive or outdated and there is a shortage in most cities. A strong wave of new large student complex developments has eliminated this shortage somewhat, but student numbers continue to grow and there is still a need for more and better accommodation.

This property segment is also characterised by growing consolidation and professionalisation. The recent influx of large new student complexes is a conscious strategy on the part of the cities and educational institutions, in partnership with major developers and institutional investors. The cities are imposing stricter urban planning requirements, primarily designed to allow young families to acquire affordable housing in the city centre again. Students belong in good student rooms or student complexes, and cities are increasingly taking the necessary steps to ensure this.

The student housing sector also has a fragmented regulatory framework with variations of a national (for example Belgium compared to the Netherlands), regional (depending on region to region), and local (depending on municipality to municipality) nature. The regulatory framework is currently evolving. In the three Belgian regions, for example, several initiatives are being taken to review the regionalised rental legislation (albeit at different rates).

Educational institutions also require a high-quality supply of student accommodation, better management and maintenance, and affordable rents. They also tend to enter into public-private partnerships with the professional property sector to increase and improve the supply in their city. The future lies with well-equipped and affordable student accommodation, under good management. There is increasing demand for self-contained rooms and more privacy in both the Netherlands and Belgium.

The number of students in Belgium and the Netherlands is expected to continue to grow over the next few years. This is mainly because of further internationalisation often due to coordinated European or international exchange programmes. The relatively low educational costs, the quality of the education and the courses taught in English (particularly in the Netherlands, which is the front runner in Europe in this respect) attract even more international students. International students need excellent facilities and are increasingly requesting self-contained rooms. It is mostly major student cities and the most popular universities that attract international students.

4.2

PROPERTY PORTFOLIO

A summary and description of the Company's property portfolio, including its composition and diversification, is provided below.

4.2.1 PORTFOLIO SUMMARY

	Rental income on 30 June 2017	Units – rooms	Units – other	Fair Value
Belgium	4,000	1,689	49	178,608,259
The Netherlands	2,804	937	9	93,557,686
Under construction – Belgium		98	1	9,746,359
Hostel – Belgium	328	-	50	7,692,649
To be reconverted – Netherlands ¹	264	832	200	66,955,283
Total	7,396	3,556	309	356,560,236

¹The mentioned number of room units refers to the planned number of student units after the planning permission and reconversion. The mentioned number of other units refers to the number of current car park spaces.

4.2.2 DESCRIPTION AND DIVERSIFICATION OF THE PROPERTY PORTFOLIO

4.2.2.1 General description of the property portfolio

On 30 June 2017, the Company's property portfolio consisted of 61 properties. Of these, 43 properties are located in Belgium and 18 in the Netherlands. These properties offer a total of 2,626 student rooms and there is retail activity on the ground floor of ten of these buildings. The property portfolio also includes three properties used only for retail activity, a hostel in Ghent with 50 units and a car park in Antwerp and some parking spots in Leuven. Not including the properties that are being renovated/constructed (Bondgenotenlaan 74, Arendstraat 11, KVS project), the total property portfolio occupancy rate on 30 June 2017 was 98%.

The total Fair Value of the property portfolio on 30 June 2017 was EUR 356,560,236. The Company is a pure player in student housing and has student property as its core activity. The property portfolio is strategically diversified: its student accommodation is a well-balanced mix in terms of geographical diversification and student property types (see different types of student rooms). The large number of different tenants and various room types attract a wide range of different types of student tenants, ensuring a good diversification in terms of tenant types.

4.2.2.2 Breakdown in subportfolios

The following summary lists the property portfolio by subportfolio, country and city. Every subportfolio shows the Fair Value, rental income and insured value.

The rental income is the annual rent based on the tenancy schedule on 31 December 2016.

		Fair Value	Contract rental income on 31 December 2016	Insured value	Acquisition value
BE	Antwerp	47,516,562	2,249,597	21,432,855	45,845,500
	Brussels	10,253,545	122,640	5,515,580	10,190,000
	Ghent	65,654,630	2,955,452	37,689,704	54,094,700
	Leuven	70,727,442	2,723,682	30,404,638	67,584,669
	Mechelen	1,895,089	75,780	1,408,700	1,894,000
NL	Amstelveen	21,068,912	350,000	27,000,000	21,000,000
	Breda	17,032,137	992,085	10,560,509	17,385,443
	Delft	13,441,718	804,060	5,561,000	13,266,990
	The Hague	32,691,147	1,983,822	25,978,696	29,287,000
	Eindhoven	10,475,784	652,256	5,206,621	10,400,000
	Maastricht	30,118,048	1,988,730	20,553,243	28,296,957
	Rotterdam	30,145,224	1,150,000	40,118,240	28,266,500
	Tilburg	5,540,000	378,326	3,927,083	5,441,826
TOTAL		356,560,236	16,426,430	235,356,869	332,953,585

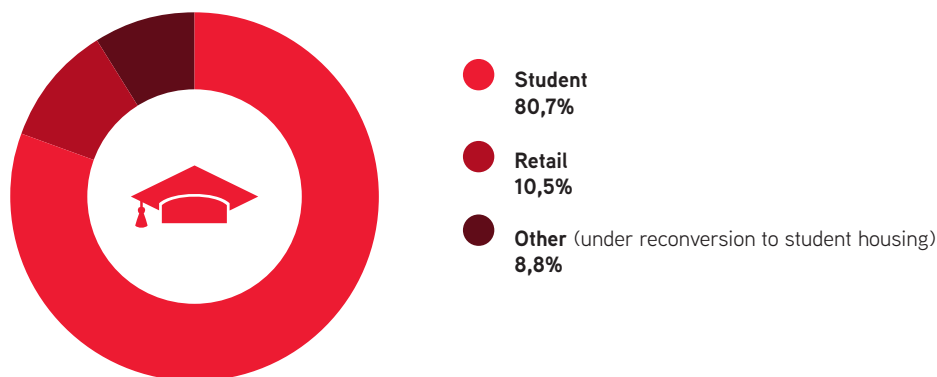
Xior Student Housing's property portfolio is insured for a total reconstruction value of EUR 235 million, which does not include the land on which the property was built, compared with a Fair Value of EUR 357 million (including the land) on 30 June 2017, i.e. 66% of the Fair Value.

The insurance policies also include additional cover of lost rent if the properties can no longer be used. The lost rent will be paid out for as long as the building has not been reconstructed. Xior Student Housing also has civil liability insurance.

4.2.2.3 Property portfolio type

The following graph shows the diversification of rental income for every type of property based on the rental income achieved for the respective properties in the property portfolio on 30 June 2017.

Total rent - Diversification by type



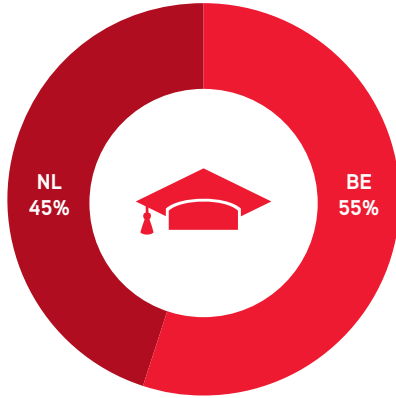
The above summary shows the strong focus on student property, which accounts for 80.7% of rental income. The portfolio also includes a limited number of retail spaces (10.5% of the rental income), which are mostly situated on the ground floor of properties primarily serving as student accommodation. Four properties are used exclusively for a retail purpose. As the properties typically have an excellent central location in the city, the retail spaces tend to be city shops, pubs and restaurants in a central, concentrated shopping district. The "Other" segment (8.8% of the portfolio) includes the rental income resulting from other activities, such as the hostel in Ghent, the car park in Antwerp, the limited office space at the property in Overwale 42-44¹⁶, Ghent and the office space in Amstelveen, Rotterdam (Bokelweg project) and The Hague (Burgwal project), of which the latter three will be converted into student units.

4.2.2.4 Geographical diversification of the property portfolio

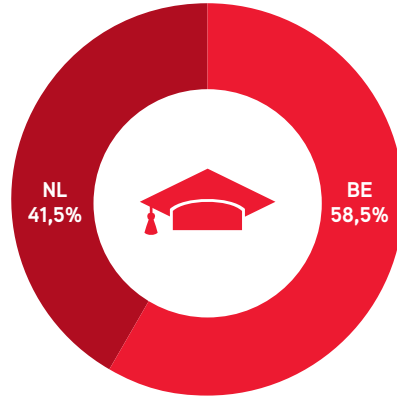
The following graphs show the diversification of the property portfolio by country based on the Fair Value. The centre of activity currently still lies in Belgium (particularly in Flanders), where there are 43 properties with a total Fair Value of EUR 196 million (including EUR 9.7 million under construction), which accounts for 55% of the property portfolio. The other 45% is located in the Netherlands, where there are 18 properties with a Fair Value of EUR 160.5 million, of which EUR 67 million is covered by office properties to be converted. Based on rental income, Belgium accounts for 58.5% of the property portfolio with EUR 4.3 million. The other EUR 3 million, which is 41.5% of rental income, is generated in the Netherlands. The acquisitions of 2017 resulted in a rise in the Fair Value and rental income of the Dutch properties.

¹⁶ Dit is het nieuwe, officiële adres van de Campus gelegen aan de Voskenslaan te Gent.

Fair Value - Diversification by country

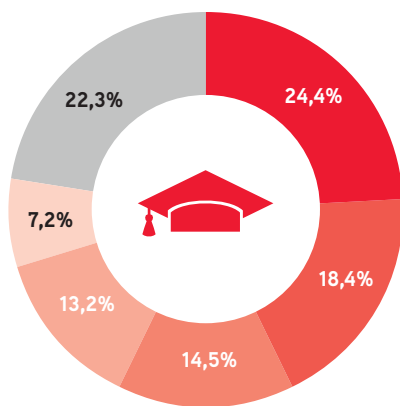


Rental Income - Diversification by country

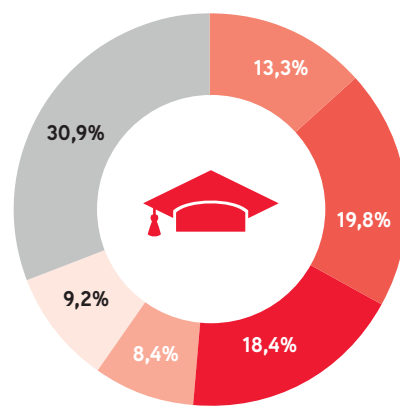


The RREC's property portfolio includes 61 properties spread across five cities in Belgium and eight cities in the Netherlands. The properties are located in the main student cities in Flanders, such as Leuven, Ghent and Antwerp, and the main student cities in the Netherlands, such as Breda, The Hague, Tilburg, Maastricht, Eindhoven, Delft, Amstelveen and Rotterdam. The locations of the various properties in Belgium and the Netherlands and their representation in the property portfolio's Fair Value and rental income are provided below:

Fair Value - Diversification by city



Rental Income - Diversification by city

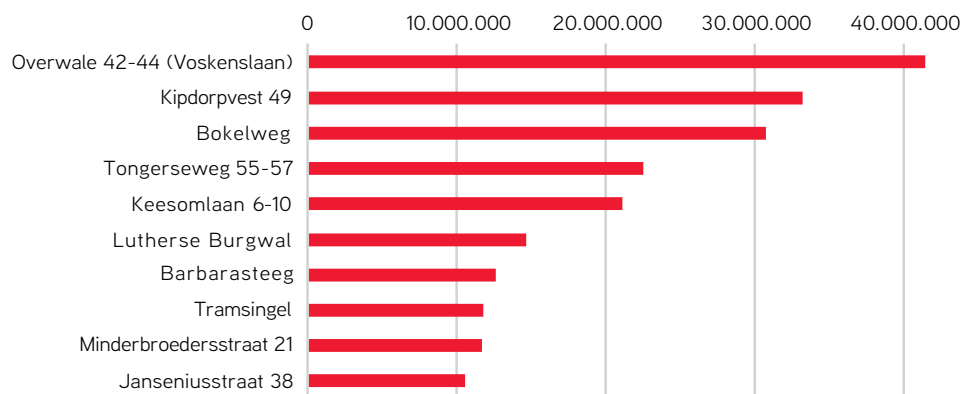


- Ghent
- Leuven
- Antwerp
- Maastricht
- Breda
- The Hague
- Other

4.2.2.5 Diversification in terms of Fair Value

The following tables show the property portfolio top 10 in terms of Fair Value.

Table: Top 10 Total Rent



Overwale 42-44¹⁷ has the highest Fair Value: EUR 43,380,300, which is 11.89% of the property portfolio's total Fair Value. The property consists of 490 units. The top three biggest portfolio properties in terms of Fair Value also include Kipdorptest 49 and Bokelweg. They represent 9.8% and 8.45% of the property portfolio's total Fair Value, respectively.

¹⁷ This is the new official address of the Campus on Voskenslaan in Ghent.

4.2.3 REPORT BY PROPERTY EXPERTS STADIM AND CUSHMAN & WAKEFIELD¹⁸ OF 30 JUNE 2017

"Dear Sir/Madam,

We are pleased to present our appraisal of the value of the property portfolio of Xior Student Housing NV (Stadim: 43 properties in Belgium and 8 properties in the Netherlands; Cushman & Wakefield: 10 properties in the Netherlands) on 30 June 2017.

Xior has appointed us, as independent property experts, to determine the investment value and Fair Value of its property portfolio. The appraisals were made taking into account the comments and definitions stated in the reports and the guidelines of the International Valuation Standards issued by the International Valuation Standards Council (IVSC).

IAS 40 defines Fair Value as the amount for which assets would be transferred between two well-informed parties, on a voluntary basis, and without any special interests, mutual or otherwise. IVSC considers these conditions fulfilled if the parties observe the aforementioned definition of market value. The market value must therefore be a reflection of the current tenancy agreements, the current gross margin of self-financing (or cash flow), the reasonable assumptions concerning the potential rental income and of the expected costs.

The notarial charges must be adapted in this context to the factual market situation. After the analysis of a large number of transactions, the property experts who act on the request of listed real estate companies, came to the conclusion in a working group that since property can be transferred in various ways, the impact of the transaction fees on large investment properties in the Belgian market, whose value exceeds EUR 2.5 million, is limited to 2.5%. The value including the transaction fees payable by the purchaser is therefore the Fair Value plus 2.5% in notarial charges. The Fair Value is therefore calculated by dividing the value including the transaction fees by 1.025. Properties valued at less than the EUR 2.5 million threshold and foreign companies fall under the normal registration duty and their Fair Value thus corresponds with the value that includes the transaction fees payable by the purchaser.

We have acted as independent experts. As property experts, we hold a relevant and accredited qualification and have up-to-date experience with properties of a similar type and location to those in Xior's property portfolio.

The appraisal of the properties took both the current tenancy agreements and all rights and obligations arising from these agreements into consideration. Each property was appraised separately. The appraisal does not take account of potential added value that could be achieved by offering the entire portfolio for sale. Our appraisals do not take into account any marketing costs inherent to a transaction, such as estate agent fees or advertising costs. In addition to an annual inspection of the properties concerned, our appraisals are also based on the information supplied by Xior in relation to the tenancy situation, floor areas, drawings or plans, rental charges and taxes in relation to the specific property, conformity and any environmental pollution. The information provided was considered to be accurate and complete. Our appraisals assume that any non-disclosed information is not of such a nature as to influence the value of the property.

Based on the comments above, we can confirm that the Fair Value of the part of Xior's property portfolio appraised by Stadim (43 properties in Belgium and 8 in the Netherlands) on 30 June was EUR 325,310,213 (three hundred and twenty-five million, three hundred and ten thousand and two hundred and thirteen euros).

Based on the comments above, we can confirm that the rounded Fair Value of the part of Xior's property portfolio appraised by Cushman & Wakefield (10 properties in the Netherlands) on 30 June 2017 was EUR 32,070,000 (thirty-two million, seventy thousand euros).

Yours faithfully,

Stadim
Cushman & Wakefield"

¹⁶ DTZ Zadelhof Vof was acquired by Cushman & Wakefield.



Minderbroedersstraat
LEUVEN



Nieuwlandstraat
TILBURG

B
BENCHMARK
DESIGN STUDIO - STORE

B
BENCHMARK
DESIGN STUDIO - STORE

WONINGEN - KANTOORRUIMTE - ORATIE

INTERIEUR ADVIES EN REALISATIE • VERLICHTING



05

Consolidated condensed financial statements for the first half of 2017

5.1

CONSOLIDATED CONDENSED INCOME STATEMENT

In KEUR.

		30/06/2017	30/06/2016
I.	(+) Rental income	7,396	4,727
	(+) Rental income	7,396	4,727
	(+/-) Rental guarantees	43	
	(+/-) Rent reductions	-14	
III.	(+/-) Rent-related expenses	-9	
	Impairment of trade receivables	-9	
	NET RENTAL INCOME	7,387	4,727
V.	(+) Recovery of rental charges and taxes normally payable by the tenants for let properties	1,191	587
	Transmission of rental charges borne by the owner	1,082	587
	Charges for withholding tax and taxes on let properties	109	
VII.	(-) Rental charges and taxes normally payable by the tenants for let properties	-1,369	-678
	Rental charges borne by the proprietor	-1,216	-528
	Advance levies and taxes on let properties	-154	-150
VIII.	(+/-) Other rent-related income and expenditure	-314	-223
	Property result	6,896	4,413
IX.	(-) Technical costs	-433	-332
	Recurring technical costs	-433	-332
	(-) Maintenance	-387	-286
	(-) Insurance premiums	-46	-46
	Non-recurring technical costs		
	(-) Damages		
X.	(-) Commercial costs	-102	-145
	(-) Publicity	-102	-145
XI.	(-) Costs and taxes for non-let properties	-19	
XII.	(-) Property management costs	-551	-224
	(-) Management costs (external)	-253	-76
	(-) Management costs (internal)	-297	-148
XIII.	(-) Other property charges	-635	-484
	(-) Architects' fees	-1	

(-)	Valuation expert fees	-65	-59
(-)	Other	-568	-425
(+/-)	Property charges	-1,740	-1,186
	Property operating result	5,156	3,228
XIV. (-)	General company expenses	-1,022	-1,044
XV. (+/-)	Other operating result and costs	52	
	Operating result before result on the portfolio	4,186	2,184
XVI. (+/-)	Result from the sale of investment property	0	0
(+)	Net property sales (sales price - transaction fees)	0	0
(-)	Book value of the sold property	0	0
XVIII. (+/-)	Variations in the Fair Value of investment property	810	1,964
(+)	Positive variations in the Fair Value of investment property	1,949	2,884
(-)	Negative variations in the Fair Value of investment property	-1,139	-921
XIX. (+)	Other portfolio result	1,260	-52
	Operating result	6,256	4,096
XX. (+)	Financial income	17	21
(+)	Interest and dividends collected	17	21
XXI. (-)	Net interest costs	-1,323	-489
(-)	Nominal interest paid on loans	-944	-301
(-)	Reconstitution of the nominal amount of financial debt	-39	-28
(-)	Costs of permitted hedging instruments Permitted hedging instruments that are not subject to hedging accounting as defined by the IFRS	-329	-160
(-)	Income from permitted hedging instruments		
(-)	Other interest charges	-12	
XXII. (-)	Other financial costs	-17	-136
	Bank costs and other commissions	-25	-138
	Other	9	3
XXIII. (+/-)	Variations in the fair value of financial assets and liabilities	1,216	-2,173
	Permitted hedging instruments that are not subject to hedging accounting as defined by the IFRS	1,216	-2,173
	Other		
(+/-)	Financial result	-107	-2,776
	Result before taxes	6,148	1,319
XXV. (+/-)	Corporate tax	-374	-301
XXVI. (+/-)	Exit tax	-4	
(+/-)	Taxes	-378	-301
	Net result	5,770	1,018

5.2

SUMMARY OF THE COMPREHENSIVE INCOME

Figures are in thousand EUR.

	30/06/2017	30/06/2016
Net result	5,770	1,018
Other components of the comprehensive income	0	0
(+/-) Impact on the fair value of the estimated transaction fees and costs resulting from hypothetical disposal of investment property	0	0
(+/-) Variations in the effective part of the fair value of permitted cash flow hedging instruments	0	0
Comprehensive result	5,770	1,018
Attributable to:		
Minority interests	0	0
Group shareholders	5,770	1,018

5.3

CONDENSED CONSOLIDATED BALANCE SHEET

Figures are in thousand EUR.

Assets	30/06/2017	31/12/2016
Fixed assets	356,994	266,276
A Goodwill	0	0
B Intangible fixed assets	0	0
C Investment property	356,560	265,873
a Property available to let	342,799	265,873
b Property developments	13,761	
D Other tangible fixed assets	278	248
a Tangible fixed assets for own use	278	248
Other		
E Financial fixed assets	21	21
Assets held until maturity		
Other	21	21
F Financial leasing receivables		
G Trade receivables and other fixed assets	135	135
H Deferred taxes – assets		
Current assets	9,591	7,231
A Assets held for sale		
Investment property		
Real estate certificates		
c Other assets		
D Trade receivables	385	542
E Tax receivables and other current assets	2,559	2,051
a Taxes	748	172
Wages and social security contributions		
c Other	1,811	1,879
F Cash and cash equivalents	5,792	4,098
G Accruals and deferred payments	855	540
Prepaid property charges	723	430
Accrued rental income not due	37	
Other	95	110
Total assets	366,585	273,507

Liabilities	30/06/2017	31/12/2016
Equity	218,076	131,630
I Equity attributable to parent company shareholders	218,076	131,630
A Capital	144,156	94,869
a Issued capital	146,308	94,869
b Capital increase costs	-2,152	
B Issue premiums	69,877	32,261
C Reserves	-1,728	-515
Statutory reserves		
Reserve for the balance of the variations in the fair value of property	6,668	4,044
Reserve for the impact on the fair value of the estimated transaction fees and costs resulting from the hypothetical disposal of investment property	-6,642	-4,565
Reserve for the balance of the changes in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in the IFRS	-1,866	
Retained earnings over from previous financial years	113	6
D Net result for the financial year	5,770	5,016
II Minority interests	0	0
Liabilities	148,509	141,877
I Non-current liabilities	141,139	133,465
A Provisions	0	0
Pensions		
Other		
B Non-current financial debts	137,768	131,315
a Credit institutions	137,768	131,315
b Financial leasing		
C Other non-current financial liabilities	650	1,866
Permitted hedging instruments	650	1,866
Other		
F Deferred taxes – liabilities	2,720	284
a Exit tax	0	0
b Other	2,720	284
II Current liabilities	7,371	8,412
D Trade debts and other current liabilities	4,196	5,729
Exit taxes	2,126	3,469
Andere	2,070	2,260
Suppliers	792	1,244
Tenants	610	0
Trade debts and other current liabilities	668	1,016

E	Other current liabilities	1,605	1,583
	Other	1,605	1,583
F	Accruals and deferred payments	1,570	1,100
	Property income received in advance	323	512
	Other	1,247	588
Total equity and liabilities		366,585	273,507

5.4

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Figures in thousands of EUR.

	Capital	Issue premiums	Reserves	Net result of the financial year	Equity
Balance on 1 January 2016	76,321	25,615	6,961	-515	108,382
Net appropriation of income 2015	6,961		-514	514	6,961
Transfer of result on the portfolio to reserves			-514	514	0
Transfer of operating result to reserves					0
Result for the period				1,018	1,018
Other elements recognised in the comprehensive result					0
Impact on the fair value of the estimated transaction fees and costs					0
resulting from hypothetical disposal of investment property					0
Variations in the fair value of financial assets and liabilities					0
Issue of new shares					0
Capital increase through non-cash contribution	5,766				5,766
Costs of issuing new shares and of capital increase					0
Capital reduction to create an available reserve to cover future losses			-6,961		-6,961
Partial allocation of capital to issue premiums	-1,615	1,615			0
Dividends					0
Balance on 30 June 2016	87,434	27,230	-514	1,017	115,166

	Capital	Issue premiums	Reserves	Net result of the financial year	Equity
Balance on 1 January 2017	94,869	32,261	-515	5,016	131,631
Net appropriation of income 2016					
Transfer of result on the portfolio to reserves			1,110	-1,110	0
Transfer of operating result to reserves			108	-108	0
Result for the period				5,770	5,770
Other elements recognised in the comprehensive result					0
Impact on the fair value of the estimated transaction fees and costs resulting from hypothetical disposal of investment property					0
Variations in the fair value of financial assets and liabilities			-1,866	1,866	0
Issue of new shares	83,992				83,992
Capital increase through non-cash contribution	5,064				5,064
Costs of issuing new shares and of capital increase	-2,152				-2,152
Capital reduction to create an available reserve to cover future losses					0
Partial allocation of capital to issue premiums	-37,616	37,616			0
Deferred taxes related to Dutch property			-563		-563
Dividends				-5,665	-5,665
Balance on 30 June 2017	144,156	69,877	-1,726	5,769	218,077

Figures in thousands of EUR.

Detail of reserves	Statutory reserves	Reserve for the balance of the variations in the Fair Value of property	Reserve for the impact on the Fair Value of the estimated transaction fees and costs resulting from the hypothetical disposal of investment property
Balance on 1 January 2016	0	0	0
Net appropriation of income	0	0	0
Transfer of result on the portfolio to reserves		4,044	-4,565
Transfer of operating result to reserves			
Other elements recognised in the comprehensive result	0	0	0
Impact on the Fair Value of the estimated transaction fees and costs resulting from hypothetical disposal of investment property			
Variations in the Fair Value of financial assets and liabilities			
Issue of new shares			
Capital increase through non-cash contribution			
Costs of issuing new shares and of capital increase			
Capital reduction to create an available reserve to cover future losses			
Dividends			
Other			
Balance on 30 June 2016	0	4,044	-4,565

Reserve for the balance of the variations in the Fair Value of permitted hedging instruments that are subject to hedging accounting as defined in the IFRS	Available reserve: reserve for expected losses	Other reserves	Retained earnings over from previous financial years	Total of the reserves
0	6,961	0	0	6,961
0	0	0	0	0
			6	-515
				0
0	0	0	0	0
				0
				0
				0
				0
				0
				0
	-6,961			-6,961
0	0	0	6	-515

Figures in thousands of EUR.

	Statutory reserves	Reserve for the balance of the variations in the Fair Value of property	Reserve for the impact on the Fair Value of the estimated transaction fees and costs resulting from the hypothetical disposal of investment property
Balance on 1 January 2017		4,044	-4,565
Net appropriation of income			
Transfer of result on the portfolio to reserves		3,187	-2,077
Transfer of operating result to reserves			
Other elements recognised in the comprehensive result			
Impact on the Fair Value of the estimated transaction fees and costs resulting from hypothetical disposal of investment property			
Variations in the Fair Value of financial assets and liabilities			
Issue of new shares			
Capital increase through non-cash contribution			
Costs of issuing new shares and of capital increase			
Capital reduction to create an available reserve to cover future losses			
Deferred taxes related to Dutch property		-563	
Dividends			
Other			
Balance on 30 June 2017	0	6,668	-6,642

Reserve for the balance of the variations in the Fair Value of permitted hedging instruments that are subject to hedging accounting as defined in the IFRS	Available reserve: reserve for expected losses	Other reserves	Retained earnings over from previous financial years	Total of the reserves
0	0	0	6	-515
			5,015	5,015
			-1,110	0
				0
				0
				0
				0
				0
-1,866			1,866	0
				0
				0
				0
				0
				-563
			-5,665	-5,665
-1,866	0	0	112	-1,728

5.5

CONSOLIDATED CONDENSED CASH FLOW STATEMENT

Figures in thousands of EUR.

	30/06/2017	30/06/2016
Cash and cash equivalents at the start of the period	4,098	4,384
1 Cash flow from operating activities	1,113	-1,591
Cash flow from operations	4,814	3,493
Operating income	6,256	4,096
Interest paid	-1,209	-624
Interest received	17	21
Other	0	0
Corporate taxes paid	-250	0
Non-cash elements added to/subtracted from the result	-2,339	-1,890
Amortisations and impairments		22
Amortisations/impairments (or writebacks) on tangible and intangible assets		22
Other non-cash elements	-2,339	-1,912
Variations in the fair value of the real estate property	-2,070	-1,912
Other non-cash elements	-269	0
Variation in working capital requirements:	-798	-3,193
Movement of assets:	-782	-611
Movement of liabilities:	-316	-2,582
2 Cash flow from investment activities	-80,189	-8,469
Acquisition of investment property and property developments	-53,726	-8,801
Sale of investment property	0	0
Purchase of shares in real estate companies	-26,434	0
Sale of shares in real estate companies	0	0
Acquisition of other tangible assets	-30	-47
Acquisition of non-current financial fixed assets	0	-2
Receivables on trade and other non-current assets	0	195
Assets held for sale	0	185
3 Cash flow from financing activities	80,766	5,995

Change in financial liabilities and financial debts		
Increase in financial debts	76,414	8,022
Decrease in financial debts	-70,000	-2,031
Repayment of shareholder loans		0
Change in other liabilities		
Increase (+)/decrease (-) in other liabilities	-1,822	0
Increase (+)/decrease (-) in other debts	0	0
Change in equity		
Increase (+)/decrease (-) in capital/issue premiums	83,992	0
Other		4
Costs for the issue of shares	-2,152	0
Dividend		
Dividend for the previous financial year (-)	-5,665	0
Increase in cash following merger/acquisitions	4	65
Cash and cash equivalents at the end of the period	5,792	384

5.6 NOTES

5.6.1 FINANCIAL REPORTING PRINCIPLES – GENERAL

Xior Student Housing NV is a public RREC (Regulated Real Estate Company) that is subject to the application of Belgian law and has its registered office in Antwerp.

This interim financial information for the period ending on 30 June 2017 was drawn up in accordance with IAS 34 'Interim Financial Reporting'. This interim report must be read together with the financial statement for the financial year ending on 31 December 2016. In the first half of 2017, Xior did not include any new IFRS standards or interpretations in its principles and the valuation rules applied to prepare the interim financial information are identical to those applied for the financial year ending on 31 December 2016.

These figures include Xior Student Housing NV and its subsidiaries (the 'Group').

No statutory half-year financial report was drawn up on 30 June 2017. The statutory financial statement is only drawn up at year-end.

5.6.2 CONSOLIDATION

The figures published in this Half-Yearly Report are consolidated figures: the subsidiaries are consolidated in accordance with the relevant legislation.

5.7 SEGMENT INFORMATION

The segmentation basis for reporting by segment is by geographic region. The rental income is broken down by geographic location: Belgium and the Netherlands. Every location is broken down further into students and other. Commercial decisions are taken at this level and rental income and occupancy rate are followed up at this level.

The unallocated amounts category includes all expenses that cannot be allocated to a segment.

Only the net rental income and result on the portfolio are broken down by segment on the income statement.

Figures in thousands of EUR.

	Belgium		The Netherlands		Non-allocated amounts	Total
	Students	Other	Students	Other		
On 30/06/2017						
Net rental income	3,531	788	2,436	632		7,387
Real estate result						6,896
Property charges					-1,740	-1,740
Real estate operating result						5,156
General expenses					-1,022	-1,022
Other operating result and costs					52	52
Operating result before result on the portfolio						4,186
Result from the sale of investment property						0
Variations in the Fair Value of investment property	394	-73	624	-135		810
Other result on the portfolio				1,260		1,260
Operating result						6,256
Financial result					-107	-107
Result before taxes						6,148
Taxes					-378	-378
Net result						5,770
EPRA earnings						2,537
Result on the portfolio	394	-73	624	1,125		2,070

	Belgium		The Netherlands		Non-allocated amounts	Total
	Students	Other	Students	Other		
Per 30/06/2017						
Total assets	165,709	30,338	91,058	69,455	10,025	366,585
Investment property	165,709	30,338	91,058	69,455		356,560
Other assets					10,025	10,025
Total liabilities and equity					366,585	366,585
Equity					218,076	218,076
Liabilities					148,509	148,509

	Belgium		The Netherlands		Non-allocated amounts	Total
	Students	Other	Students	Other		
On 30/06/2016						
Net rental income	2,578	1,059	918	174		4,729
Real estate result						4,413
Property charges					-1,186	-1,186
Real estate operating result						3,227
General expenses					-1,044	-1,044
Other operating result and costs					0	0
Operating result before result on the portfolio						2,183
Result from the sale of investment property						0
Variations in the Fair Value of investment property	628	-1	1,270	78		1,975
Other result on the portfolio	-63					-63
Operating result						4,096
Financial result					-2,776	-2,776
Result before taxes						1,320
Taxes					-301	-301
Net result						1,018
EPRA earnings						1,288
Result on the portfolio	565	-1	1,270	78		1,912

On 31/12/2016	Belgium		The Netherlands		Non-allocated amounts	Total
	Students	Other	Students	Other		
Total assets	158,349	28,278	76,611	2,635	7,634	273,507
Investment property	158,349	28,278	76,611	2,635		265,873
Other assets					7,634	7,634
Total liabilities and equity					273,507	273,507
Equity					131,630	131,630
Liabilities					141,877	141,877

5.8

ALTERNATIVE PERFORMANCE MEASURES (APMS)

I. Lexicon of the Alternative Performance Measures (APM) used by Xior Student Housing

APM terms	Definition	Use
EPRA earnings	The net result +/- variations in the fair value of investment property +/- other result on the portfolio +/- income from the sale of investment property +/- variations in the fair value of financial assets and liabilities +/- deferred taxes on IAS 40 corrections	Measuring the income from the strategic operating activities, excluding variations in the fair value of investment property, other result on the portfolio, the result from the sale of investment property, variations in the fair value of financial assets and liabilities and the deferred taxes on IAS 40 corrections. This indicates the extent to which dividend payments are supported by the earnings.
EPRA earnings after IFRIC 21 adjustment	The net result +/- variations in the Fair Value of investment property +/- other result on the portfolio +/- result from the sale of investment property +/- variations in the fair value of financial assets and liabilities +/- deferred taxes on IAS 40 correction +/- impact of IFRIC 21 divided over the four quarters.	Measuring the income from the strategic operating activities, excluding variations in the fair value of investment property, other result on the portfolio, the result from the sale of investment property and variations in the fair value of financial assets and liabilities , deferred taxes on IAS 40 corrections and with adjustment for the impact of IFRIC 21. This indicates the extent to which dividend payments are supported by the earnings.

Result on the portfolio	Income from the sale of investment property +/- variations in the fair value of investment property +/- other result on the portfolio	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	The net result +/- income from the sale of investment property +/- variations in the fair value of investment property +/- other result on the portfolio +/- variations in the fair value of financial assets and liabilities, +/- deferred taxes on IAS 40 correction 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 +/- income from the sale of investment property +/- variations in the fair value of investment property +/- other result on the portfolio +/- variations in the fair value of financial assets and liabilities +/- deferred taxes on IAS 40 correction +/- IFRIC 21 adjustment, divided by the average number of shares	Comparability with other RRECs and international property players

EPRA earnings: as per 30 June 2017 the definition and calculation of the APM EPRA earnings has been changed. The calculation now also takes into account the impact of deferred taxes on IAS 40 corrections. This is related to deferred taxes on the Dutch property. As the deferred taxes are an accessorium of the movement in fair value and as the movements are also non-cash items, it seems more relevant to include these also in the EPRA earnings calculation.

This modified calculation also aligns better to the definition of EPRA earnings under the EPRA reference system¹⁹.

This change in definition/calculation has a positive impact of 0.01 Euro on the EPRA earnings per share per 30 June 2017. There is no impact of this change in calculation on the EPRA earnings per share per 30 June 2016.

Alternative Performance Measures (APMs): reconciliation tables

EPRA earnings	30/06/2017	30/06/2016
Net result	5,770	1,018
Variations in the fair value of the real estate property	-810	-1,964
Other result on the portfolio	-1,260	52
Result from the sale of investment property	0	0
Variations in the fair value of financial assets and liabilities	-1,216	2,173
Deferred taxes on IAS 40 corrections	52	8
EPRA earnings	2,537	1,288

EPRA earnings after IFRIC 21 adjustment	30/06/2017	30/06/2016
Net result	5,770	1,018
Variations in the fair value of the real estate property	-810	-1,964
Other result on the portfolio	-1,260	52
Result from the sale of investment property	0	0
Variations in the fair value of financial assets and liabilities	-1,216	2,173
Deferred taxes on IAS 40 corrections	52	8
EPRA earnings	2,537	1,288
IFRIC 21 impact	345	305
EPRA earnings after IFRIC 21 adjustment	2,882	1,592

¹⁹ Reference is made to the EPRA Best Practices Recommendations. Visit the website www.epra.com.

Result on the portfolio	30/06/2017	30/06/2016
Result from the sale of investment property	0	0
Variations in the fair value of the real estate property	810	1,964
Other result on the portfolio	1,260	-52
Result on the portfolio	2,070	1,912

Average interest rate	30/06/2017	30/06/2016
Nominal interest paid on loans	944	301
Costs of permitted hedging instruments	329	160
Capitalised interest	171	246
Average outstanding debt for the period	162,215	77,578
Average interest rate	1.78%	1.82%
Average interest rate excl. costs of permitted hedging instruments	1.37%	1.41%

Average financing costs	30/06/2017	30/06/2016
Nominal interest paid on loans	944	301
Costs of permitted hedging instruments	329	160
Capitalised interest	171	246
Reconstitution of the nominal amount of financial debt	39	28
Bank costs and other commissions	29	135
Average outstanding debt for the period	162,215	77,578
Average financing costs	1.86%	2.24%
Average financing cost excl. costs of permitted hedging instruments	1.46%	1.83%

EPRA earnings per share	30/06/2017	30/06/2016
Net result	5,770	1,018
Variations in the fair value of the real estate property	-810	-1,964
Other result on the portfolio	-1,260	52
Result from the sale of investment property	0	0
Variations in the fair Value of financial assets and liabilities	-1,216	2,173
Deferred taxes on IAS 40 corrections	52	8
Weighted average number of shares	5,553,555	4,781,396
EPRA earnings per share	0.46	0.27
IFRIC 21 impact	345	305
EPRA earnings per share after IFRIC 21 adjustment	0.52	0.33

EPRA NAV	30/06/2017	31/12/2016
Net asset value according to the financial statement	218,076	131,630
To be excluded:		
Fair value of the assets and liabilities	650	1,866
EPRA NAV	218,726	133,496
EPRA NAV (EUR/share)	26.91	25.33

EPRA triple net asset value (NNNAV)	30/06/2017	31/12/2016
EPRA NAV	218,726	133,496
To be added:		
Fair Value of the assets and liabilities	-650	-1,866
EPRA NAV	218,076	131,630
EPRA NAV (EUR/share)	26.83	24.97

EPRA cost ratio	30/06/2017	30/06/2016
General expenses	1,022	1,044
Impairment of trade receivables	9	0
Property charges	1,740	1,186
EPRA costs (incl. vacancy costs)	2,771	2,230
Vacancy costs	19	0
EPRA costs (excl. vacancy costs)	2,751	2,230
Gross rental income	7,396	4,727
EPRA cost ratio (incl. vacancy costs)	37.5%	47.2%
EPRA cost ratio (excl. vacancy costs)	37.2%	47.2%
IFRIC 21 impact	345	305
EPRA cost ratio (incl. vacancy costs) after IFRIC 21 adjustment	32.8%	40.7%
EPRA cost ratio (excl. vacancy costs) after IFRIC 21 adjustment	32.5%	40.7%

5.9

OTHER NOTES

Due to the rounding off to thousands, rounding differences may arise between the balance sheet, income statement and enclosed details.

5.9.1 PROPERTY RESULT

Figures in thousands of EUR

	30/06/2017	30/06/2016
(+) Rental income	7,396	4,727
Rent	7,367	4,171
Rental guarantees	43	556
Rent reductions	-14	0
(+) Writeback of rental carried over and discounted		
(+/-) Rent-related expenses	-9	0
Net rental income	7,387	4,727
(+) Recovery of property charges	0	0
(+) Recovery of rental charges and taxes normally payable by the tenants for let properties	1,191	587
(-) Costs payable by tenants and borne by the landlord for rental damage and refurbishment at the end of the tenancy	0	0
(-) Rental charges and taxes normally payable by the tenants for let properties	-1,369	-678
(+/-) Other rent-related income and expenditure	-314	-223
Real estate result	6,895	4,413

Rent-related expenses include entered impairments on rent receivables.

Figures in thousands of EUR

	30/06/2017	30/06/2016
(+/-) Summary of rental income that could cease to exist in future		
Within one year	5,999	4,205
Between one and five years	466	168
More than five years	931	354
Total	7,396	4,727

The above table shows how much of the rental income earned in the first half of 2017 could theoretically cease to exist in future if the current tenants give notice of termination on the next contractually permitted date and no new tenant is found.

Most of Xior Student Housing NV's tenancy agreements are short-term contracts for letting student units. These contracts are typically concluded for a one-year period, after which they can be extended. Xior also tries to conclude long-term contracts with colleges or universities for some of the rooms in its portfolio. In the course of 2016, the Company signed a contract with Hogeschool Gent for a 20-year term for the rental of 318 of the 490 student rooms in the complex located at Overwale 42-44 in Ghent. The Company also signed a contract with Stichting Zuyd Hogeschool for the rental of 60 of 134 student rooms and with Maastricht University for the rental of 20 of 134 student rooms at the student complex located at Vijverdalseweg in Maastricht. These contracts were originally signed for a three-year term in August 2014 and were extended by one year until August 2018. On 30 June 2017, 15% of the total number of lettable student units was let with the help of colleges or universities. These contracts with colleges and universities account for 11% of the rental income.

Xior Student Housing NV also has several other types of tenancy agreements that are also long-term. These are mainly the tenancy agreements for the commercial properties, which typically have terms that exceed one year. The term of these contracts generally varies from three to ten years.

Rents are paid monthly and in advance. Certain property-related costs, such as running costs, taxes and levies and the communal costs are also charged to the tenant. Tenants pay a fixed monthly advance payment for this purpose with an annual settlement, or a fixed annual amount is charged to cover these costs. In order to guarantee tenants comply with their obligations, a rental guarantee of at least one month's rent, and in most cases two months' rent, is charged. This is paid mostly in cash and reflected on the balance sheet under other short-term liabilities.

5.9.2 RESULT ON THE PORTFOLIO

Figures in thousands of EUR

	30/06/2017	30/06/2016
(+/-) Result from the sale of investment property	0	0
(+/-) Result from the sale of other non-financial assets	0	0
(+/-) Variations in the Fair Value of investment property	810	1,964
Positive variations in the Fair Value of investment property	1,949	2,884
Negative variations in the Fair Value of investment property	-1,139	-921
Positive variations of the estimated transaction fees and costs resulting from hypothetical disposal of investment property	0	0
Negative variations of the estimated transaction fees and costs resulting from hypothetical disposal of investment property	0	0
(+/-) Other result on the portfolio	1,260	-52
Result on the portfolio	2,070	1,912

Properties were acquired through property acquisitions (sale-purchase c.q. contributions) and share acquisitions in the first half of 2017.

The property was acquired at the fiduciary value (the purchase price agreed between the parties), which was different from the Fair Value.

- The difference between the Fair Value of properties acquired through property acquisitions (sale-purchase c.q. contribution) and the fiduciary value of such property is processed as 'variations in the Fair Value of investment properties' on the income statement.
- The difference between the Fair Value of properties acquired through share acquisitions and takeover mergers and the fiduciary value of such properties as well as other sources of differences between the Fair Value and fiduciary value of the shares are processed as 'other result on the portfolio' on the income statement. This 'other result on the portfolio' concerns amounts resulting from application of the consolidation principles and merger transactions, and consists of the differences between the price paid for real estate companies and the Fair Value of the acquired net assets. This 'other result on the portfolio' also covers directly attributable transaction fees.
- The variation in Fair Value between 1 January 2017 and 30 June 2017 was entered under negative or positive variations in investment property.

5.9.3 FINANCIAL RESULT

Figures in thousands of EUR

	30/06/2017	30/06/2016
(+) Financial income	17	21
(-) Net interest expense	-1,323	-489
Nominal interest paid on loans	-944	-301
Reconstitution of the nominal amount of financial debt	-39	-28
Costs of permitted hedging instruments	-329	-160
(-) Other interest costs	-11	
(-) Other financial costs	-16	-135
Bank costs and other commissions	-25	-138
Other	9	3
(+/-) Variations in the fair value of financial assets and liabilities		
Market value of interest rate swaps	1,216	-2,173
Variations in the fair value of participations		
Financial result	-107	-2,776

The average interest rate ²⁰ was 1.78% (1.37% without hedging instruments) on 30 June 2017 and was 1.82% on 30 June 2016. The average financing cost ²⁰ was 1.86% on 30 June 2017, compared to 2.24% on 30 June 2016.

The Company is subject to fluctuations in interest rates, because all long-term liabilities were entered into on the basis of variable interest rates. An increase in the interest rate can therefore cause an increase in the interest charges. One of the IRS contracts was renegotiated in the course of May 2017. 94% of the loans was hedged with IRS contracts on 30 June 2017.

The derivatives used by Xior Student Housing NV do not qualify as hedging transactions. As a result, the changes in fair value are included in the income statement immediately.

²⁰ For the calculation of the APMs, please refer to Chapter 5.8 of this Half-Yearly Report.

5.9.4 INVESTMENT PROPERTY

Figures in thousands of EUR

Investment table	Investment property in operation	Property developments	Total
Balance on 1 January 2016	157,879	36,875	194,754
Acquisition through purchase or contributions of real estate companies	33,048	0	33,048
Further CAPEX investments	2,270	11,767	14,037
Purchase and contribution of investment property	25,298	0	25,298
Sale of investment property	-2,763	0	-2,763
Capitalised interest charges	0	389	389
Variation in the Fair Value	603	509	1,112
Transfer from/to	49,539	-49,539	0
Balance on 31 December 2016	265,873	0	265,873
Acquisition through purchase or contributions of real estate companies	66,955	0	66,955
Further CAPEX investments	795	3,441	4,236
Purchase and contribution of investment property	13,528	5,063	18,591
Sale of investment property			0
Capitalised interest charges	75	21	96
Variation in the Fair Value	419	391	810
Transfer from/to	-4,845	4,845	0
Balance on 30 June 2017	342,800	13,761	356,560



Campus Schoonmeersche
GHENT

5.9.5 CAPITAL

Figures in EUR

Evolution of capital

Date	Transaction
10/03/2014	Incorporation of company
23/09/2015	Capital increase
23/11/2015	Share split
11/12/2015	Sister mergers
11/12/2015	Capital increase by way of non-cash contribution as a result of the Share Contribution
11/12/2015	Mergers by acquisition
11/12/2015	Capital increase below accounting par value through cash contributions for the issue of new shares
11/12/2015	Capital reduction to create a reserve to cover foreseeable losses
1/03/2016	Merger with Devimmo NV
1/08/2016	Merger with CPG CVBA
11/10/2016	Contribution in kind of Woonfront-Tramsingel BV
17/01/2017	KVS project contribution in kind
22/06/2017	Capital increase

Evolution of issue premiums

In KEUR

Date	Transaction	Issue premiums
31/12/2015		25,615
1/03/2016	Merger with Devimmo NV	1,615
1/08/2016	Merger with CPG CVBA	514
11/10/2016	Woonfront contribution in kind	4,517
17/01/2017	KVS project contribution in kind	2,394
22/06/2017	Capital increase	35,222
Total issue premiums on 30 June 2017		69,877

	Previous capital (EUR)	Capital increase (EUR)	New capital (EUR)	Previous number of shares	New number of shares	Accounting par value (EUR)
		20,000.00	20,000.00		200.00	100.00
	20,000.00	1,230,000.00	1,250,000.00	200.00	12,500.00	100.00
	1,250,000.00		1,250,000.00	12,500.00	42,500.00	29.41
	1,250,000.00	23,328,937.02	24,578,937.02	42,500.00	975,653.00	25.19
	24,578,937.02	3,256,783.01	27,835,720.03	975,653.00	1,105,923.00	25.17
	27,835,720.03	3,696,060.08	31,531,780.11	1,105,923.00	1,253,764.00	25.15
	31,531,780.11	58,710,898.28	90,242,678.39	1,253,764.00	4,626,780.00	19.50
	90,242,678.39	-6,960,638.39	83,282,040.00	4,626,780.00	4,626,780.00	18.00
	83,282,040.00	4,151,826.00	87,433,866.00	4,626,780.00	4,857,437.00	18.00
	87,433,866.00	1,320,948.00	88,754,814.00	4,857,437.00	4,930,823.00	18.00
	88,754,814.00	6,114,204.00	94,869,018.00	4,930,823.00	5,270,501.00	18.00
	94,869,018.00	2,669,976.00	97,538,994.00	5,270,501.00	5,418,833.00	18.00
	97,538,994.00	48,769,488.00	146,308,482.00	5,418,833.00	8,128,249.00	18.00

5.9.6 EARNINGS PER SHARE

	30/06/2017	30/06/2016
Number of ordinary shares in circulation	8,128,249	4,857,437
Weighted average number of shares	5,553,555	4,781,396
Net result per ordinary share (in EUR)	1.04	0.21
Diluted net result per ordinary share (in EUR)	1.04	0.21
EPRA earnings per share (in EUR) [↗]	0.46	0.27
EPRA earnings per share after IFRIC 21 adjustment [↗]	0.52	0.33

5.9.7 OTHER NON-CURRENT FINANCIAL LIABILITIES

The other non-current financial liabilities on 30 June 2017 were KEUR 650. They relate to the market value of the outstanding interest rate swap (IRS) agreements on 30 June 2017.

IFRS classification	Level (IFRS)	Notional amount	Variable interest rate (in %)	Fixed interest rate (in %)	Expires on	Fair value liabilities
Interest rate swap	2	52,000,000	Euribor 3M	0.465%	29/12/2023	-372,900.00
Interest rate swap	2	78,000,000	Euribor 3M	0.56%	25/05/2024	-277,562.76
Totaal		130.000.000				-650.462,76

The market value of the outstanding IRS contracts is received from the various financial institutions.

5.9.8 FINANCIAL DEBTS

Figures in thousands of EUR

	30/06/2017	31/12/2016
Non-current financial debts		
Bilateral loans – variable or fixed interest rate	138,000	131,500
Loan drawdown costs	-232	-185
Total	137,768	131,315

Figures in thousands of EUR

	30/06/2017	31/12/2016
Non-current financial debts (excl. interest) - Breakdown according to maturity²¹		
Between one and two years	12,000	29,971
Between two and five years	118,000	101,345
More than five years	8,000	0
Total	138,000	131,315

Figures in thousands of EUR

	30/06/2017	31/12/2016
Unused loans		
Due within one year	17,000	0
Due after one year	70,000	18,500
Total	87,000	18,500

All financial debts have no underlying collateral.

All financial debts have a variable interest rate. In January 2016, IRS contracts were concluded with a start date of 2 February 2016. These contracts were renegotiated in December 2016 and May 2017, respectively. A total of KEUR 130,000 in financing is hedged with IRS contracts. This means 94% of drawn down financing is hedged.

²¹ The estimated future interest charges broken down based on maturity are included below in a separate table.

Figures in thousands of EUR

	30/06/2017	31/12/2016
Estimated future interest charges		
Within one year	1,434	1,985
Between one and five years	3,110	4,207
More than five years		
Total	4,544	6,192

Figures in thousands of EUR

	30/06/2017	31/12/2016
Liquidity liability at maturity dates associated with the hedging instruments		
Within one year	679	543
Between one and five years	2,219	1,126
More than five years		
Total	2,898	1,669

The estimate of interest expenses takes into account the debt position on 30 June 2017.

5.9.9 FINANCIAL ASSETS AND LIABILITIES

Figures in thousands of EUR

	30/06/2017	30/06/2017	31/12/2016	31/12/2016
Summary of financial assets and liabilities	Carrying amount	Fair Value	Carrying amount	Fair Value
Assets				
Financial fixed assets	156	156	156	156
Financial fixed assets	21	21	21	21
Trade receivables and other fixed assets	135	135	135	135

Financial current assets	8,737	8,737	6,691	6,691
Trade receivables	385	385	542	542
Tax receivables and other current assets	2,560	2,560	2,051	2,051
Cash and cash equivalents	5,792	5,792	4,098	4,098
Total financial assets	8,893	8,893	6,847	6,847
Liabilities				
Non-current financial liabilities	138,418	138,418	133,181	133,181
Non-current financial liabilities	137,768	137,768	131,315	131,315
Financial derivatives	650	650	1,866	1,866
Current financial liabilities	5,801	5,801	7,312	7,312
Trade debts and other current liabilities	4,196	4,196	5,729	5,729
Other current liabilities	1,605	1,605	1,583	1,583
Total financial liabilities	144,219	144,219	140,493	140,493

Trade debts and payables are recorded at amortised cost. The above are all assets for which the change in fair value is entered under the result.

5.9.10 TRANSACTIONS WITH RELATED PARTIES

Figures in thousands of EUR

	30/06/2017	30/06/2016
Transactions with related parties		
Management fee	336	300
Fee of independent directors	37	48
Total	373	348

The related parties the Company associates with are its subsidiaries and its directors and executives. Transactions with the subsidiaries are eliminated in the consolidation.

The fee for directors and executives is included under the item 'General company expenses'.

On 30 June 2017, Xior Student Housing NV had KEUR 1,712 in receivables from Aloxe, the Company's promoter. These receivables resulted mainly from the provided rental guarantees for certain projects during the IPO.

No other transactions took place with persons or institutions regarded as direct company stakeholders during the first half of 2017.

5.9.11 EVENTS AFTER THE BALANCE SHEET DATE

We refer to *chapter 2.3.2 of this Half-Yearly Report* for events after the balance sheet date.

There have been no other significant events with an impact on the consolidated figures since the closing of the half year.

5.9.12 SCOPE OF CONSOLIDATION

The following subsidiaries are part of Xior Student Housing NV's scope of consolidation on 30 June 2017:

Name	Country	Share in the capital
Stubis BVBA	Belgium	100%
Amstelveen Keesomlaan 6-10 B.V.	The Netherlands	100%
Bokelweg B.V.	The Netherlands	100%
Burgwal B.V.	The Netherlands	100%

5.9.13 DEBT RATIO

Figures in thousands of EUR

Consolidated debt ratio (max. 65%)	30/06/2017	31/12/2016
Total liabilities	148,509	141,877
Adjustments	-4,941	-3,250
Total debts according to the Royal Decree of 13 July 2014	143,569	138,627
Total assets	366,585	273,507
Adjustments	0	0
Total assets according to the Royal Decree of 13 July 2014	366,585	273,507
Debt ratio (in %)	39.17%	50.69%

5.9.14 OFF-BALANCE SHEET RIGHTS AND OBLIGATIONS

A number of properties were acquired from third parties in the course of 2016 and 2017. The sellers provided rental guarantees for a number of these properties. The term of these rental guarantees varies from 12 to 24 months starting from the transfer date. More specifically, the Company received rental guarantees for the properties on Tongerseweg in Maastricht, Kronehoefstraat in Eindhoven, Tramsingel in Breda and Barbarasteeg in Delft.

Please refer to the press releases of 20 April 2016, 11 May 2016 and 7 June 2017 announcing that the Company signed agreements to acquire properties in Delft, The Hague and Rotterdam and agreed to a joint venture with regard to a development in Etterbeek. Please also refer to *Chapter 5.6.1.2 of the Annual Report of 2016*.

The Company has a few ongoing development projects for which agreements with contracts were concluded for the construction of these buildings.

5.9.15 AUDITOR'S REPORT

STATUTORY AUDITOR'S REVIEW REPORT ON THE CONDENSED CONSOLIDATED INTERIM FIGURES FOR THE PERIOD OF 6 MONTHS ENDED 30 JUNE 2017

Introduction

We have reviewed the condensed consolidated interim figures of Xior Student Housing Ltd. and its subsidiaries as of 30 June 2017, consisting of the condensed consolidated income statement, the statement of other comprehensive income, the condensed consolidated balance sheet, the condensed consolidated statement of changes in shareholders' equity and the condensed consolidated cash flow statement for the 6-month period then ended, as well as the explanatory notes (together: "condensed consolidated interim figures"). The board of directors of the Statutory Management is responsible for the preparation and presentation of these condensed consolidated interim figures in accordance with IAS 34, as adopted by the European Union and implemented by the royal decree of 13 July 2014. Our responsibility is to express a conclusion on these condensed consolidated interim figures based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists in making inquiries, primarily of persons responsible for financial and accounting matters, and in applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does

not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim figures on 30 June 2017 is not prepared, in all material respects, in accordance with IAS 34, as adopted by the European Union and implemented by the royal decree of 13 July 2014.

Sint-Stevens-Woluwe, 23 August 2017

The statutory auditor
PwC Reviseurs d'Entreprises scrl / Bedrijfsrevisoren bcva
Represented by

Damien Walgrave
Reviseur d'Entreprises / Bedrijfsrevisor

5.9.17 STATEMENT WITH THE HALF-YEARLY FINANCIAL REPORT

In accordance with Article 13, Section 2, 3° of the Royal Decree of 14 November 2007, the Board of Directors of Xior Student Housing NV²² states that to its knowledge:

- The condensed interim financial statements, drawn up based on the principles for financial reporting in accordance with IFRS and IAS 34 on Interim Financial Reporting as accepted by the European Union, give a true and fair view of the assets, financial situation and results of Xior Student Housing NV and the companies included in the consolidation.
- The interim financial report gives a true and fair view of the main events of the first six months of the current financial year, their effect on the condensed financial statements, the main risk factors and insecurities for the remaining months of the financial year and the main transactions between the related parties (including all changes since the most recent annual report) of the first six months of the current financial year and their possible effect on the condensed financial statements if these transactions had any material consequences for the financial position or results of Xior Student Housing NV.

5.9.18 FORWARD-LOOKING STATEMENTS

This Half-Yearly Report contains forward-looking information, projections, convictions, opinions and estimates produced by Xior in relation to the expected future performance of Xior and the market in which it operates ('forward-looking statements'). By nature, forward-looking statements involve inherent risks, uncertainties and assumptions, both general and specific, that appear justified at the time at which they are made but which may or may not turn out to be accurate, and there is a risk that the forward-looking statements will not be realised. Some events are difficult to predict, and may depend on factors outside of Xior's control. In addition, the forward-looking statements are only valid on the date of this Half-Yearly Report. Statements in this press release relating to past trends or activities may not be interpreted as an indication that such trends or activities will persist in future. Neither Xior nor its representatives, officers or advisers can guarantee that the parameters upon which the forward-looking statements are based are free of errors, nor can they indicate, guarantee or predict whether the expected results set out in such a forward-looking statement will ultimately be achieved. Actual profits, the financial situation and Xior's performance or results may therefore differ substantially from the information projected or implied in forward-looking statements. Xior expressly declines any obligation or guarantee to publicly update or review forward-looking statements unless it is required to do so by law.

²² The Board of Directors consists of Leen Van den Neste, Joost Uwents, Wilfried Neven, Wouter De Maeseineire, Christian Teunissen and Frederik Shauwaert.



Kipdorpvest
ANTWERP




Klapdorp
ANTWERPEN



06

Identity card

Name:	Xior Student Housing NV
	
Status:	Public regulated real estate company (RREC) under Belgian law (BE-RREC)
Registered office:	Mechelsesteenweg 34, Box 108, 2018 Antwerp
Tel.:	+32 3 257 04 89
E-mail:	info@xior.be
Website:	www.xior.be
Register of Legal Entities:	Antwerp, Antwerp section
VAT:	BE 0547.972.794
Enterprise number:	0547.972.794
Date of incorporation:	10 March 2014
Licence as RREC:	24 November 2015
Financial year-end	31 December
General meeting:	Third Thursday in May (10am)
Listing:	Euronext Brussels – continuous market
ISIN code:	BE0974288202 (XIOR)
Statutory auditor:	PwC Bedrijfsrevisoren BCVBA, Woluwe Garden, Woluwedal 18, 1932 Sint-Stevens-Woluwe, represented by Damien Walgrave
Financial services:	ING Belgium
Property experts:	Stadim CVBA & Cushman & Wakefield



Campus Schoonmeersche
GENT

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Public RREC under Belgian law (BE-RREC)
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Antwerp Register of Legal Entities,
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