

Brussels, embargo until 12.11.2020, 5:40 PM CET

Cofinimmo extends its healthcare portfolio to Finland

Cofinimmo (Euronext Brussels: COFB) enters the Finnish healthcare real estate sector with a construction project of a medical centre. The total investment budget for both the plot of land and the works amounts to 20 million EUR. The project is already pre-let to Mehiläinen, the largest private care provider in Finland.



Jean-Pierre Hanin, CEO of Cofinimmo: *“After Belgium, France, the Netherlands, Germany and Spain, Cofinimmo expands its healthcare activities to Finland. This is in line with the Group’s strategy to consolidate its leadership in healthcare real estate in Europe as well as increase the geographical diversification of its portfolio. The acquisition of this first modern and large-scale complex enables the Group to start a partnership with Mehiläinen, a leading operator in the Finnish healthcare segment. We will progressively build our presence in Finland.”*

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1. The Finnish healthcare real estate segment

Finland has approximately 5.5 million inhabitants, of whom 22% are 65 or older and approximately 10% are 75 or older. The proportion of inhabitants aged 65 and above is expected to reach over 26% by 2030. This current demographic situation will increase the need for high-quality healthcare services.

Through the years 2000, the importance of social and health services companies and associations has continually increased in Finland. Private service providers produce a quarter of all social and health services. The demand for social and health services continues to increase due to an ageing population. They usually include home service accommodation for older people, family and child care, physiotherapy services, medical doctor and dentist consultations, occupational health care. The growth of the private healthcare sector has created a high demand for state-of-the-art innovative medical centres for such use. The medical centre that is under construction in Vaasa is a fine example of this trend.

As a result, Finland offers interesting perspectives for Cofinimmo which has the ambition to contribute to catering the healthcare need of the Finnish population. The company is well positioned to fulfil that ambition through its deep knowledge of European healthcare real estate and its 35 years of experience in developing and improving high-quality real estate assets.

2. The site

The medical centre is being built in Vaasa, the regional capital of Ostrobothnia on the west coast of Finland.

The site will bring all of Mehiläinen's local services in Vaasa under one roof: medical center, occupational health services, Hospital Mehiläinen, Urheilu (Sports) Mehiläinen, Hammas (Dentistry) Mehiläinen. The building is ideally located in the city centre and is within walking distance of the train station of Vaasa. It also has a bus stop just across the street and offers parking spaces in sufficient number, which makes it easily accessible.

The complex will have a surface area of 4,200 m² spread over a ground floor and five storeys. Works started in Q2 2020 and delivery is planned for Q3/Q4 2021.

The building will have a B-level energy performance. Energy consumption will be limited thanks to LED lighting as well as mechanical supply and exhaust air ventilation system with heat recovery systems. The site will employ approximately 150 people.

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3. The transaction

The Cofinimmo group signed, through a subsidiary, an agreement to acquire a medical centre currently under construction in the city of Vaasa, Finland. The total investment budget for the plot of land and the works amount to 20 million EUR.

The double net¹ lease will have a 20-year term and the gross rental yield will be in line with the current market conditions. The rent will be indexed annually according to the Finnish consumer price index.

4. The operator

Founded in 1909, Mehiläinen is the largest and one of the oldest private care providers in Finland. The company operates across the whole spectrum of healthcare services. These range from private healthcare services, occupational healthcare services, outsourced public healthcare services to public social care services (nursing and care homes, etc.).

The group operates more than 200 healthcare facilities in Finland where 21,800 employees and professionals take care of more than 1.3 million customers annually, making it the largest operator in Finland.

5 Local partner

Cofinimmo has chosen to cooperate in the sourcing and management of investments in the Nordics with Mirabel Partners, an investment management firm based in Helsinki and Stockholm. The Mirabel Partners team have a track record of acquiring, developing and managing over 100 healthcare properties in the Nordics in the last decade.

¹ The owner primarily bears the maintenance costs of the roof and the structure of the building.

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About Cofinimmo:

Cofinimmo has been acquiring, developing and managing rental properties for over 35 years. The company has a portfolio spread across Belgium, France, the Netherlands, Germany and Spain, with a value of approximately 4.5 billion EUR. With attention to social developments, Cofinimmo has the mission of making high-quality care, living and working environments available to its partners-tenants, from which users benefit directly. *'Caring, Living and Working - Together in Real Estate'* is the expression of this mission. Thanks to its expertise, Cofinimmo has built up a healthcare real estate portfolio of approximately 2.6 billion EUR in Europe.

As an independent company that applies the highest standards of corporate governance and sustainability, Cofinimmo offers its tenants services and manages its portfolio through a team of over 130 employees in Brussels, Paris, Breda and Frankfurt.

Cofinimmo is listed on Euronext Brussels (BEL20) and benefits from the REIT system in Belgium (RREC), France (SIIC) and the Netherlands (FBI). Its activities are supervised by the Financial Services and Markets Authority (FSMA), the Belgian regulator.

On 30.10.2020, Cofinimmo's total market capitalisation stood at approximately 3.2 billion EUR. The company applies an investment policy aimed at offering a socially responsible, long-term, low-risk investment that generates a regular, predictable and growing dividend.



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