



Press Release

Luxembourg, 31 March 2020

CPI FIM SA

2019 Financial Results

Financial highlights

Performance		31-Dec-19	31-Dec-18	Change
Gross rental income	€ thousands	4,207	1,683	150%
Total revenues	€ thousands	23,710	26,722	(11%)
Operating result	€ thousands	19,503	8,079	141%
Net profit for the period	€ thousands	72,448	122,019	(41%)

Assets		31-Dec-19	31-Dec-18	Change
Total assets	€ thousands	5,244,046	3,192,868	64%
EPRA NAV	€ thousands	864,644	736,066	17%
Property Portfolio	€ thousands	1,193,000	483,000	147%
Gross leasable area	sqm	174,000	10,000	1,640%
Occupancy in %	%	93.0%	87.3%	5.7 p.p.
Land bank area	sqm	18,068,000	17,626,000	3%
Total number of properties	No.	8	6	33%

Financing structure		31-Dec-19	31-Dec-18	Change
Total equity	€ thousands	997,878	868,866	15%
Equity ratio	%	19%	27%	(8 p.p.)

Income statement

Income statement for the 12 month period ended on 31 December 2019 and 31 December 2018 is as follows:

€ thousands	31-Dec-19	31-Dec-18
Gross rental income	4,207	1,683
Sale of services	19,503	25,029
Cost of service charges	(1,959)	(950)
Property operating expenses	(1,949)	(1,215)
Net service and rental income	19,802	24,547
Development sales	--	10
Development operating expenses	--	(7)
Net development income	--	3
Total revenues	23,710	26,722
Total direct business operating expenses	(3,908)	(2,172)
Net business income	19,802	24,550
Net valuation gain on investment property	7,963	3,225
Net gain on the disposal of investment property and subsidiaries	2,522	3,069
Amortization, depreciation and impairments	3,249	(9,539)
Administrative expenses	(12,951)	(13,925)
Other operating income	122	968
Other operating expenses	(1,204)	(269)
Operating result	19,503	8,079
Interest income	150,185	111,860
Interest expense	(89,200)	(60,750)
Other net financial result	22,930	10,408
Net finance income	83,915	61,518
Share of profit of equity-accounted investees (net of tax)	(217)	(698)
Profit before income tax	103,201	68,899
Income tax expense	(30,753)	53,120
Net Profit for the period	72,448	122,019

Sale of services

In 2019, the service revenue decreased due to lower advisory and management services provided to entities controlled by the ultimate shareholder of the Group. The advisory and management services amounted to EUR 17.8 million in 2019 and EUR 24.2 million in 2018, respectively.

Net finance income

Total net finance income increased by EUR 22.4 million in 2019. The interest income increased from EUR 111.9 million to EUR 150.2 million. The increase in interest income reflects primarily the increase in loans provided by the Company to related parties. The interest expenses increased from EUR 60.8 million to EUR 89.2 million in 2019.

The other net financial result increased by EUR 12.5 million in 2019. Net foreign exchange gain was driven by retranslation of loans provided in foreign currencies.

Balance sheet

€ thousands	31-Dec-19	31-Dec-18
NON-CURRENT ASSETS		
Intangible assets	1,123	27
Investment property	1,191,435	474,778
Property, plant and equipment	662	398
Equity accounted investees	3,672	3,890
Other investments	188,293	125,406
Loans provided	3,442,619	2,283,819
Trade and other receivables	12	7,988
Deferred tax assets	153,126	180,021
Total non-current assets	4,980,942	3,076,327
CURRENT ASSETS		
Inventories	341	7,967
Income tax receivables	36	275
Trade receivables	7,175	5,400
Loans provided	103,908	84,474
Cash and cash equivalents	129,447	14,705
Other current assets	20,693	3,334
Assets held for sale	1,504	386
Total current assets	263,104	116,541
TOTAL ASSETS	5,244,046	3,192,868
EQUITY		
Equity attributable to owners of the Company	826,356	702,413
Non-controlling interests	171,522	166,453
Total equity	997,878	868,866
NON-CURRENT LIABILITIES		
Financial debts	3,886,792	2,091,697
Deferred tax liabilities	38,200	34,160
Provisions	1,594	1,574
Other financial liabilities	10,794	2,356
Total non-current liabilities	3,937,380	2,129,787
CURRENT LIABILITIES		
Financial debts	252,538	87,853
Trade payables	10,543	18,941
Income tax liabilities	747	141
Other current liabilities	44,939	87,280
Liabilities held for sale	21	-
Total current liabilities	308,788	194,215
TOTAL EQUITY AND LIABILITIES	5,244,046	3,192,868

Total assets and total liabilities

Total assets increased by EUR 2,051.2 million (64.2 %) to EUR 5,244.0 million as at 31 December 2019 primarily due to increase of long-term loans provided to CPI Property Group S.A. by EUR 1,049.1 million and due to newly acquired investment property in Poland and south France in total amount of EUR 594.3 million.

Non-current and current liabilities total EUR 4,246.2 million as at 31 December 2019. The increase by EUR 1,922.2 million (82.7 %) compared to 31 December 2018 was driven by additional drawdown of the loan received from CPI Property Group S.A.

EPRA Net Asset Value

The EPRA Net Asset Value per share as at 31 December 2019 is EUR 0.66 compared to EUR 0.56 as at 31 December 2018.

The EPRA Triple NAV as at 31 December 2019 is EUR 0.63 per share compared to EUR 0.53 as at 31 December 2018.

The calculation is in compliance with the EPRA (European Public Real Estate Associations) “Triple Net Asset Value per share”.

	31 December 2019	31 December 2018
Consolidated equity	826,356	702,413
Deferred taxes on revaluations	38,288	33,653
EPRA Net asset value	864,644	736,066
Existing shares (in thousands)	1,314,508	1,314,508
Net asset value in EUR per share	0.66	0.56
EPRA Net asset value	864,644	736,066
Deferred taxes on revaluations	(38,288)	(33,653)
EPRA Triple Net asset value (*)	826,356	702,413
Fully diluted shares	1,314,508	1,314,508
Triple net asset value in EUR per share	0.63	0.53

In 2019, the consolidated equity increased by EUR 124 million. The main driver of the increase was profit for the year amounting to EUR 67 million and increase of translation and revaluation reserve of EUR 31 million.

Managerial changes

The Company announces that it mutually agreed to terminate the collaboration with Jiri Dedera. Mr. Dedera has worked for the Company on various senior positions since 2013.

Mr. Dedera’s positions of the CEO and Managing Director are terminated as of 31 March 2020. The Company does not intend to fill in the role of the CEO immediately. The senior executive duties will be taken over by David Greenbaum, Managing Director.

For disclosures regarding Alternative Performance Measures used in this press release please refer to our 2019 Financial Information, chapter GLOSSARY & DEFINITIONS; accessible at <http://www.cpfimsa.com> (FOR INVESTORS – Financial Reports – FULL YEAR RESULTS).

For full Management Report as at 31 December 2019, including Consolidated Financial Statements as at 31 December 2019, please refer to our website at www.cpfimsa.com.