



Société en Commandite par Actions

**INTERIM STATEMENT BY THE MANAGING AGENT
FOR THE PERIOD 01.01.2012 TO 31.03.2012**

- **Net asset value as at 31 March 2012 of €57.21 per share**
- **EPRA earnings of €0.99 per share in line with forecasts for the fiscal year**

The Board of Directors of Befimmo SA, Managing Agent of the Befimmo Sicafi, met to prepare the consolidated quarterly financial statements of the Befimmo Sicafi as at 31 March 2012.

Despite a challenging economic environment, affecting the property market as much as any other, Befimmo is staying on track thanks to the quality of its portfolio which is reflected in a steady occupancy rate (94.57% as at 31 March 2012) and long-term income (the weighted average duration of leases was 9.75 years¹ as at 31 March 2012) from solid tenants.

1. PROPERTY PORTFOLIO

Change in fair values² of the property portfolio and rotation of the real-estate experts

The fair value of Befimmo's consolidated portfolio was €1,964.9 million as at 31 March 2012, compared with a fair value of €1,971.3 million as at 31 December 2011. This change in value incorporates the cost of the renovation works carried out in the portfolio over the past quarter and the changes in the fair value.

Excluding investments, the portfolio lost €15 million (-0.76%) of its fair value during the quarter.

Following the principles introduced by the Royal Decree of 7 December 2010 on Sicafis, since the mandates of the two real-estate experts Jones Lang LaSalle and DTZ - Winssinger & Associés had expired on 31 December 2011, new expert mandates were assigned, as at 1 January 2012 and for a

¹ This duration takes account, for the first time, of the 25-year lease agreed with the Buildings Agency for the new Paradis building in Liège, following the granting of the permit and the commencement of the work.

² These values are established in application of standard IAS 40 that requires investment property to be booked at "fair value". Fair value is obtained by deducting the average costs for transactions established by independent real-estate experts from the "investment value". It corresponds to (i) 2.5% for property worth more than €2.5 million and (ii) 10% (Flanders) or 12.5% (Wallonia and Brussels) for property worth less than €2.5 million. The Befimmo portfolio comprises both investment properties and properties held for sale.

three-year term, to Jones Lang LaSalle, DTZ - Winssinger & Associates and Price Waterhouse Coopers, as follows:

Mission	Until 31 December 2011	From 1 January 2012
Fedimmo's real-estate portfolio	Jones Lang LaSalle	DTZ - Winssinger & Associates
Befimmo's real-estate portfolio, let to public institutions³	Jones Lang LaSalle	Price Waterhouse Coopers
Befimmo's real-estate portfolio, let to private-sector tenants	DTZ - Winssinger & Associates	Jones Lang LaSalle

This rotation of experts in Befimmo's consolidated portfolio confirmed the overall valuation of the portfolio at €1,964.9 million (-0.76% in relation to 31 December 2011). For some buildings, substantial positive or negative differences in value were observed, due mainly to each real-estate expert's specific estimate of the key valuation parameters and approach to the various sub-markets. Barring unforeseen events, the outlook for changes in value (-1.44%) over the full 2012 fiscal year remains unchanged.

Fair value of Befimmo's consolidated portfolio, by geographical area

Changes in fair value				
OFFICES	Change over the quarter (%)	Proportion of portfolio (%)	Fair value as at 31.03.2012 (in € million)	Fair value as at 31.12.2011
<i>Properties available for lease</i>	-1.30%	97.77%	1 921.1	1 939.7
Brussels centre [CBD]	0.89%	58.01%	1 139.8	1 124.9
Brussels decentralised	-12.07%	5.71%	112.2	127.3
Brussels periphery	-9.07%	7.34%	144.2	156.3
Flanders	-1.28%	18.31%	359.9	364.6
Wallonia	-2.06%	4.25%	83.5	85.3
Luxembourg city	0.88%	4.15%	81.5	81.4
<i>Properties that are being constructed or developed for own account in order to be leased</i>	31.15%	2.23%	43.8	31.5
TOTAL INVESTMENT PROPERTIES	-0.76%	100.00%	1 964.9	1 971.3

- The **change over the quarter** is the change in fair values, at constant floor area, from 1 January 2012 to 31 March 2012 (excluding investments and disinvestments).
- The **proportion of the portfolio** is calculated on the basis of the fair value of the portfolio as at 31 March 2012.

³ With the addition of the Meir (Antwerp) and Vital (Leuven) buildings, let long-term to BNP Paribas Fortis.

Overall rental yield

The overall rental yield on current rents (current yield) of properties available for lease was 6.74% as at 31 March 2012, compared to 6.61% as the fiscal year opened.

Again at 31 March 2012, the overall rental yield on current rents, plus the estimated rental value of vacant space (potential yield), is 7.13% compared with 7.01% as at 31 December 2011.

Taking into account buildings under construction or developed for own account in order to be leased, current and potential yields as at 31 March 2012 were 6.59% and 6.97% respectively.

New leases and lease renewals in the portfolio

During the first quarter of the 2012 fiscal year, Befimmo signed new leases and lease renewals for approximately 3,300 m² of space, 3,200 m² of offices and 100 m² of multi-purpose space. This result shows the ongoing low level of activity within the Brussels rental market, caused by the current challenging economic climate.

As at 31 March 2012, the weighted average duration of leases is 9.75⁴ years compared with 9.02 years as at 31 December 2011.

Occupancy rate

The occupancy rate⁵ of the properties available for lease (i.e. the investment properties excluding properties that are being constructed or developed for own account in order to be leased) is the same as the rate for the total of the investment properties: 94.57% as at 31 March 2012, compared with 94.30% as the fiscal year opened.

Project to build the new Finance Centre at rue Paradis in Liege (39,000 m²)

We would recall that in early 2009 the Buildings Agency signed a lease with Fedimmo, a 90% subsidiary of Befimmo, for a building to be erected at Rue Paradis in Liège under a public promotion contract. This building is to house the new offices of the Finance Federal Public Service, and is let for a fixed 25-year term, expiring in June 2038.

Fedimmo obtained a “single permit”, confirmed on appeal by Ministerial Order of 10 February 2012, which prompted the real-estate expert to recognise an unrealised increase in the value of the project.

Moreover, this Ministerial Order has been challenged by several appeals for suspension and annulment before the Council of State. Fedimmo has filed a voluntary third party's intervention against each of these appeals.

⁴ This duration takes account, for the first time, of the 25-year lease agreed with the Buildings Agency for the new Paradis building in Liège, following the granting of the permit and the commencement of the work.

⁵ Occupancy rate: current rent (including space already let but where the lease has yet to begin) / (current rent + estimated rental value of vacant space).

In execution of its commitments towards its tenant, the Buildings Agency, Fedimmo began erecting the building in early March 2012. The total cost of the project is estimated at around €95 million.

2. REFINANCING PROGRAMME

Befimmo continued to diversify its sources of financing by negotiating a private bond placement in the United States with institutional investors, for the sum of \$165 million and £22 million, equivalent to approximately €150 million. The exchange and interest rate risks related to this placement were hedged through foreign-exchange and interest-rate swaps. The contracts for this placement are currently being finalised, with a final closing planned for the end of May 2012.

3. NET ASSET VALUE AS AT 31 MARCH 2012

As at 31 March 2012, Befimmo's total net asset value⁶ – group share – was €1,003.4 million.

The net asset value – group share – is therefore €57.21 per share.

(€/share)

Net asset value as at 31 December 2011	€57.17
Net result as at 31 March 2012	€0.04
Net asset value as at 31 March 2012	€57.21
EPRA NAV⁷	€57.44
EPRA NNAV⁷	€56.98

For the 2010/2011 fiscal period (5 quarters), the Ordinary General Meeting of Befimmo SCA of 25 April 2012 approved the distribution of a dividend of €4.9285 gross per share, consisting of an interim dividend of €3.9412 gross per share declared on 24 November 2011 and a final dividend of €0.9873 gross per share distributed on 4 May 2012.

⁶ Audit of the accounts: the quarterly results are not audited. By contrast, the half-yearly accounts are subject to a limited review and the annual accounts are subject to an audit.

⁷ Details of the EPRA NAV and NNAV calculation method are given on page 52 and 53 of Befimmo's Annual Financial Report 2010/2011 (www.befimmo.be).

4. TREND OF RESULTS

	31.03.2012 <i>3 months</i>	31.03.2011 <i>3 months restated period⁸</i>
Net rental result ⁹ (€ million)	31.7	29.9
Property operating result (€ million)	30.1	29.2
Number of shares in circulation	17 538 069	16 790 103
Net result (€/share) [group share]	0.04	2.19
EPRA earnings (€/share) [group share]	0.99	1.09

The **property operating result** is up 3% on the result for the same period of the previous fiscal period (restated period of 3 months from 1 January to 31 March 2011, corresponding to the 2nd quarter of the 2010/2011 fiscal period), mainly due to the contribution of the Pavilion complex and the impact of the indexing of rents.

The decrease in the **EPRA earnings per share** compared with last year is due, firstly, to higher financial charges, in line with forecasts and, secondly, to the impact of the higher number of shares outstanding than at 31 March 2011, following the share option proposed for the interim dividend in December 2011.

The decrease in the **net result** is mainly due to the combined impact of the capital gains realised on sales of investment properties last year, amounting to €14.6 million, the negative change in fair value on investment properties, which was higher this year (-€15 million as against -€5.7 million last year) and changes in the fair value of the financial instruments of -€1.6 million compared with +€9.8 million last year.

⁸ Readers are reminded that, following the change in Befimmo's fiscal year decided by the General Meeting of Shareholders on 22 June 2011, the 2010/2011 fiscal period began on 1 October 2010 and ended on 31 December 2011. This explains why the information as at 31 March 2011 shown in this table relates to a restated three-month period beginning on 1 January 2011.

⁹ Net rental result as presented in the layout of the IFRS Income statement in the Royal Decree of 21 June 2006 on accounting, annual accounts and consolidated accounts of public real-estate Sicafs, and amending the Royal Decree of 10 April 1995 on real-estate Sicafs, Belgian Government Gazette, 29 June 2006.

5. OUTLOOK

Unless other factors intervene, the outlook for the results, as published¹⁰ in the Annual Financial Report 2010/2011, still applies. Accordingly, the Managing Agent confirms the forecast dividend of €3.45¹¹ per share (gross) for the current fiscal year.

Befimmo is pursuing its core business of asset manager, based on a strategy as a pure-player investor in quality office buildings located in city centres. The Company strives to enhance its current portfolio while seizing any investment opportunity that can create value for its shareholders.

6. STOCK EXCHANGE AND YIELDS

At 30 March 2012, the Befimmo share closed at €49.83, thus being listed at a discount of 12.9% in relation to the net asset value.

The return on shareholders' equity was 3.03%¹². The year-on-year return on the share price at 31 March 2012 was -12.43%¹².

Befimmo has seen its share price falling regularly since early April. As is apparent from reading this press release, no new factors specific to the Company have emerged that could explain this development.

¹⁰ See pages 67 to 71 of the Annual Financial Report 2010/2011, 'Outlook and dividend policy'.

¹¹ The gross dividend of €3.45 per share could be paid as an interim dividend of €2.59 in December 2012 and a final dividend of €0.86 in May 2013. Following the adoption of the law of 28 December 2011 and the programme law of 29 March 2012, the rate of withholding tax for a Sicafi is 21% rather than 15% for dividends allocated or paid out from 1 January 2012. Natural persons earning over €20,020 in capital income in 2012 are also subject to a surcharge of 4% on the portion of capital income that exceeds €20,020.

¹² This is the Internal Rate of Return (IRR), calculated over the 12 previous months, taking account of the interim dividend of €3.94 per share (gross) allocated in December 2011, for shareholders accepting the share option.

7. FORTHCOMING PUBLICATIONS¹³

Thursday 30 August 2012	Publication of the 2012 Half-Yearly Financial Report on Befimmo's website (www.befimmo.be)
Thursday 15 November 2012	Publication of the Interim Statement as at 30 September 2012
Tuesday 19 February 2013	Publication of the annual results as at 31 December 2012

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Further information:

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¹³ Publication after the closing of the stock exchange.