PRESS RELEASE

REGULATED INFORMATION

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Befimmo

CREATING VALUE IN REAL ESTATE

Annual Results 2013
A year of consolidation for Befimmo

Strategic growth in property portfolio of 11%

Fair value of portfolio, at constant perimeter, nearly unchanged (-0.53%)

Stable net asset value of €54.13 per share

LTV 45%, down 2.74% in relation to 31 December 2012

EPRA earnings of €4.22 per share

Net result of €3.97 per share

Confirmed distribution of proposed final dividend of €0.80 gross per share, giving a total dividend for the year of €3.45 gross per share

The Board of Directors of Befimmo SA met on 18 February 2014 to prepare the annual financial statements as at 31 December 2013.

Contents

Building Value

During the 2013 fiscal year, Befimmo's real-estate assets grew strongly (by about 11% of their fair value), following the inclusion of two high-quality strategic assets, namely the Blue Tower in Brussels and the AMCA building in Antwerp. As a result, on the Belgian investment market, which recovered well during 2013, Befimmo was among the most active companies in the office sector. Furthermore, it succeeded in carrying out these operations, which increased its EPRA earnings per share, while significantly strengthening its financial structure. In fact, as at 31 December 2013, while distributing an interim dividend for the year, its LTV ratio was 45.01% as against 47.75% at the end of 2012.

Another positive factor is that the drop in values expected by the real-estate experts did not occur. Thus, over the fiscal year, the decline was limited to -0.53% which is significantly lower than the outlook published one year ago.

At 31 December 2013, the fair value of the portfolio was €2,184.1 million compared with €1,968.6 million one year ago.

Despite the improving economic outlook, activity on the office rental market nevertheless remained slack in 2013. Over the fiscal year, Befimmo signed leases for some 15,500 m² of space.

The quality portfolio that Befimmo has built up over the years still features strong indicators, an occupancy rate about 95% and a weighted average duration of leases of more than 9 years.

EPRA earnings per share were €4.22, stable in relation to last year and better than expected, clearly boosted by compensation received for early termination of a lease, but also by the first concrete effects of the Blue Tower and AMCA operations.

Finally, in a process of continuous improvement of its Corporate Social Responsibility policy, Befimmo completed its materiality matrix which helped to better identify and prioritise its environmental, economic and social issues taking account of the expectations of its internal and external stakeholders.

Accordingly, a proposal will be made at the General Meeting of shareholders on 29 April 2014 for the payment of a final dividend of €0.80 gross per share not held by the group which, after the interim dividend of €2.6546 gross per share, will bring the total dividend for 2013 to €3.45 gross per share not held by the group.

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The annual financial report 2013 will be available on the company's website at www.befimmo.be as at Friday 28 March 2014.

For the past few years, Befimmo has been standardising its financial reporting and its reporting on corporate social responsibility - with a view to improving the quality and comparability of the information - adopting EPRA reporting guidelines and GRI G4 guidelines.

1. Key events of the 2013 fiscal year

Investments and disinvestments

Acquisition of Blue Tower Louise SA | Brussels | CBD

In April 2013 Befimmo and its subsidiary Fedimmo acquired Blue Tower Louise SA[1], owner of the Blue Tower office building, based on a current yield of 6.9%, valuing the building deed-in-hands at €78.5 million. The Blue Tower is a true landmark of the Brussels office market with excellent visibility on Avenue Louise. It has approximately 24,000 m² of office space, 330 m² of retail space, 1,260 m² of archives and 300 parking spaces. The building, which has BREEAM In-Use certification rated "Good", is nearly 90% let to some 40 prestigious tenants, based on "conventional" (3/6/9-year) lease agreements with expiries well spread over the next years.

At the same time as this acquisition, Befimmo completed a private placement[2] of the 637,371 own shares held by its subsidiaries at a price of €49 per share to raise €31.2 million in capital, thereby significantly reducing the impact of this acquisition on its LTV[3].

With this financing, the annual positive impact of this acquisition on EPRA earnings was estimated at around €0.06 per share (for a full year).

The Extraordinary General Shareholders' Meeting of 6 September 2013 approved the merger by absorption of Blue Tower Louise SA by Befimmo, leading to the issue of 528,615 own shares at a price of €55.36.

[1] For more information, please see the press release published on 18 April 2013 on the Befimmo website (http://www.befimmo.be).

[2] For more information, please see the press releases published on 18 April 2013 on the Befimmo website (http://www.befimmo.be).

[3] Loan-to-value ("LTV") = [(nominal financial debts – cash)/fair value of portfolio].

Contribution in kind of the AMCA building by AXA Belgium | Antwerp

In July 2013 Befimmo acquired the AMCA building[4] - as a contribution in kind by AXA Belgium - at Italiëlei 4, 2000 Antwerp, in the highly sought-after Het Eilandje[5] district. This building, erected in 1992, has around 58,000 m² of total office space, 1,500 m² of archives and 500 parking spaces. The whole building is let for a residual fixed term of 16.5 years to the Buildings Agency (Finance Centre).

The building has an agreed value of €110 million, in line with the fair value determined by an independent real-estate expert.

This new investment is in line with Befimmo's pure-player strategy both for its prime location, visibility and secure long-term revenue from the public sector and for its potential for conversion in one of the finest locations in Antwerp.

After this contribution, Befimmo strengthened the structure of its balance sheet by increasing its equity, within the limits of the authorised capital, by €110 million[6], creating 2,037,037 new shares priced €54 each. Following the capital increase, AXA Belgium became a Befimmo shareholder with a stake of 9.6%.

With this financing, the slightly dilutive effect of the acquisition on the EPRA earnings per share was estimated at around €0.02, more than offset by the very low cost of the capital increase and the advantage of significantly reducing Befimmo's LTV.

Sale of the Mons I building

As announced, Befimmo sold the Mons I building, at rue Joncquois 118, 7000 Mons, for around €8 million. In 2012, the occupant, the Walloon Regional Ministry of Infrastructure and Transport, exercised its option to purchase the building. This operation has an overall neutral impact on the income statement, as the expert valuation of the property was in line with the exercise price of the option.

Sale of the Triomphe III building | Brussels | decentralised

On 11 December 2013, Befimmo sold the Triomphe III building at Avenue Arnaud Fraiteur 25, 1050 Ixelles. This office building was vacant and its potential for conversion did not match Befimmo's strategy as a specialist in offices, so it was sold to a developer to be repurposed as student accommodation. Since the agreed selling price of €6.8 million was in line with the latest fair value of the property, the sale has a relatively neutral impact on the result for the year.

[4] For more information, please see the press releases published on 18 June 2013 and 10 July 2013 on the Befimmo website (http://www.befimmo.be).

[5] "Het Eilandje" is an old port area in Antwerp, located between the old town and the present-day port.

[6] €29.6 million of which in share capital and the remaining €80.4 million as an issue premium.

Construction, redevelopment and renovation projects

In addition to construction and redevelopment projects, Befimmo continually invests in its buildings by renovating them or improving their energy performance.

Eager to meet the needs of its tenants, keep its properties attractive and at a high level of quality, and to ensure the highest possible occupancy rate in the portfolio, over the year Befimmo invested some €55.2 million overall in investment works in its buildings.

The Company spent a further €8.8 million on maintenance, repairs and rehabilitation in its portfolio.

Building the new Finance Centre at rue Paradis in Liège

In early 2009 the Buildings Agency signed a 25-year fixed-term lease with Fedimmo for a building to be erected (39,000 m²) at Rue Paradis in Liège under a public development contract. This building is to house the officials of the Federal Public Finance Service, who will move into a building that satisfies the highest technical and energy performance standards[7]. Furthermore, the tower was rated "Excellent" at the Design stage of its BREEAM certification. The tower is under construction with a view to handing over the building to its tenants at the end of 2014.

The total investment value for this project is around €95 million and it will generate rental income of some €6 million per year at the start of the lease (end of 2014).

At this point, only one action for annulment of the permit, confirmed in February 2012, is still ongoing following the decisions of the Council of State rejecting one by one the various appeals lodged for suspension and cancellation, the latest being issued on 28 January 2014, rejecting the SNCB's request for the cancellation of the permit. Befimmo confidently awaits the decision of the Council of State on the last appeal still pending.

Finally, since the search of the Befimmo/Fedimmo headquarters by the judicial police, among others, on 14 March 2013[8], there have been no further developments. For all intents and purposes, Befimmo and its subsidiary Fedimmo would point out that they have scrupulously observed all the legal procedures in relation to this case.

Paradis Liège | Preparation of Phase 2

In consultation with the City of Liège and the Walloon Region, in October 2013 Fedimmo launched a call for projects[9] on the subject of a mixed real-estate project (around 35,000 m² of offices and housing) on the remainder of the plot of some 1.3 hectares, adjacent to the new Finance Centre which is also owned by Fedimmo. This project opens up new opportunities for creating value in the coming years.

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[7] The building meets the environmental requirements applicable in the Walloon Region, namely: level E60 (in relation to a minimum required level of E80) and level K37 (in relation to a minimum required level of K45).

[8] For more information, please see the press release published on 14 March 2013 on the Befimmo website (http://www.befimmo.be).

[9] For more information, see the website at: www.liege-appel-a-projets.be.

WTC IV project | Brussels | CBD North area

In late 2012 Fedimmo obtained the administrative permits (planning and environmental permits) needed to build Tower IV of the WTC complex located in the North area of Brussels, a "passive" tower[10] of almost 55,000 m². It is a new building, completely independent of the other three towers of the complex that is especially efficient and sustainable in the broad sense, in that its design anticipates the forthcoming legislation on energy and environmental aspects. It was rated "Outstanding" in its BREEAM Design-phase certification.

The "all-in" construction cost of this project is of the order of €150 million.

Since the permits have been obtained, this project is fully available to let off-plan to major tenants, whether public or private. Except for the preparatory work, however, Fedimmo does not intend to commence construction before the occupancy risk is sufficiently covered.

Brederode 13 | Brussels | CBD

In 2011, Befimmo agreed a new 15-year lease with the Linklaters law firm to extend the lease on the building at Rue Brederode No 13 (13,400 m²) which it has now occupied for nearly 30 years.

Under the agreement, this prestigious building, ideally located in the Brussels city centre, is being fully renovated at a total cost of some €26 million. Many alterations are in progress to improve the building's energy performance, such as the fitting of new windows with high-insulation glazing units, roof insulation and heat exchangers for the ventilation units. In addition, to enhance the sustainability impact of the project, installations such as rainwater recovery systems to supply the toilets and green roofs have been fitted. Befimmo was awarded a rating of "Very Good" in the BREEAM Design-phase certification for this building.

Work began in early September 2012 and should be completed during the first half of 2014. The new lease will commence when the renovation is complete. After this work, the contribution of this investment to EPRA earnings is estimated at €0.09 per share.

The neighbouring buildings, located at rue Brederode 9 and rue de Namur 48, currently leased and occupied by Linklaters, will then be vacated. They will be available to let during 2016 after a renovation costing an estimated €10 million.

[10] As per the Brussels legislation that will apply from 2015.

Triomphe I | Brussels decentralised

In May 2013, following the departure of the tenant of its Triomphe I building, Befimmo began a major renovation programme, at a cost of some €10.7 million, for an expected rental income of some €1.9 million per year. The work will enhance the comfort and performance of the building, notably by renovating the interior finishings and replacing the glazing units, creating a new entrance hall and landscaping the areas around the building. The renovation programme is aiming for a rating of "Very Good" in the BREEAM Design-phase certification.

Accordingly, from April 2014, this building, which enjoys excellent visibility alongside Boulevard du Triomphe, will be ready to house tenants looking for flexible and efficient office space.

Ikaros Business Park | Phase II | Brussels periphery | Zaventem

After the renovation of buildings 17/19 in the Ikaros Business Park, which are now around 70% let, in August 2013 Befimmo began a major renovation of buildings 21/23 and 25/27 in Phase II of the Ikaros complex, due for completion in May 2014. The overall budget for the investments in these properties was €5 million, for an expected annual rental income of some €390,000 and should allow a "Very Good" rating in the BREEAM certification.

Other investments

Befimmo carried out other work during the year, including the fitting-out of space in Central Gate (Brussels | CBD) to accommodate new tenants, renovating the facades and approaches of Planet II in Zaventem (Brussels periphery) and the installation of air conditioning in Phase III of Ikaros Business Park in Zaventem (Brussels periphery), at a total cost of €3.4 million.

Energy investments

Between 8% and 10% of the cost of the major renovation projects was invested to improve the energy performance of the buildings in response to current and future legislation and also to its tenants' expectations.

In addition, under its multi-annual investment programme to improve the energy performance of its operational buildings (Befimmo's portfolio excluding Fedimmo), Befimmo invested a total amount of €1.8 million over the fiscal year.

These investments related mainly to the optimisation and upgrade of common technical installations (lighting, boilers, ventilation units, air conditioning systems, etc.) with a view to making more rational use of energy in the Befimmo portfolio.

2. Property portfolio

Change in fair value[11] of the property portfolio

Offices	Change 2013 [1] (in %)	Proportion of portfolio [2] (31.12.2013) (in %)	Fair value (31.12.2013) (€ million)	Fair value (31.12.2012) (€ million)
Brussels centre (CBD)	-1.01	54.4	1 187.9	1 144.8
Brussels decentralised	-5.63	3.3	71.8	101.2
Brussels periphery	-0.46	7.0	152.4	147.0
Flanders	0.47	21.5	469.1	356.8
Wallonia	-5.67	3.4	73.9	78.3
Luxembourg city	1.66	3.8	82.9	81.8
Properties available for lease	*-0.94*	*93.3*	*2 038.1*	*1 909.9*
Properties that are being constructed or developed for own account in order to be leased	*5.71*	*6.7*	*146.0*	*50.8*
Investment properties	**-0.53**	**100.0**	**2 184.1**	**1 960.7**
Properties held for sale	**-0.05**	**-**	**-**	**7.9**
Total	**-0.53**	**100.0**	**2 184.1**	**1 968.6**

[1] The change over the 2013 fiscal year is the change in fair value between 1 January 2013 and 31 December 2013 (excluding the amount of acquisitions, investments and disinvestments).

[2] The proportion of portfolio is calculated on the basis of the fair value of the portfolio as at 31 December 2013.

The fair value of Befimmo's consolidated portfolio was €2,184.1 million at 31 December 2013, compared with €1,968.6 million at 31 December 2012.

This change in value takes account of operations over the past year, namely the entry into the property portfolio of the Blue Tower and AMCA buildings, the sale of the Mons I and Triomphe III buildings, the construction and renovation work carried out in the portfolio and changes in fair value booked to the income statement.

Excluding the amount of acquisitions, investments and disinvestments, the value of the portfolio declined slightly by €11.6 million (-0.53%) over the fiscal year.

[11] These values are determined in accordance with standard IAS 40 which requires investment property to be booked in "fair value". Fair value is obtained by deducting the average costs for transactions established by independent real-estate experts from the "investment value". These costs amount 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.

This drop in value is significantly lower than that published in the outlook (-1.20%) in February 2013, reflecting a much stronger performance of property values over the year than the real-estate experts had expected in December 2012.

2013				2012			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
0.03%	-0.39%	-0.01%	-0.19%	-0.76%	0.07%	-0.37%	-0.72%
Q1 + Q2 + Q3 + Q4 -0.53%				Q1 + Q2 + Q3 + Q4 -1.75%			

New leases and renewals

Over the fiscal year, Befimmo signed leases for some 15,500 m² of space, compared with 24,000 m² in 2012, reflecting the relatively slack Brussels office rental market. New tenants accounted for 46% of leases, while the remainder related to the renewal of current leases.

Befimmo is pursuing its objective of securing the loyalty of its rental customers by continuing to focus on satisfying their needs. In addition, by integrating the property management business during the year, Befimmo has been able to build an even closer relationship with its customers.

Note that the terms of these new leases are in line with the assumptions used to determine the EPRA earnings outlook published in the Annual Financial Report 2012.

Occupancy rate[12]

The occupancy rate of the properties available for lease was 95.2% at 31 December 2013 (compared with 95.9% at 31 December 2012). For all the investment properties[13], the occupancy rate at 31 December 2013 was 94.2% (compared with 95.9% at 31 December 2012).

Despite the current market climate, new leases and renewals, together with the acquisitions, have allowed Befimmo to maintain an occupancy rate of more than 95% in the buildings available for lease.

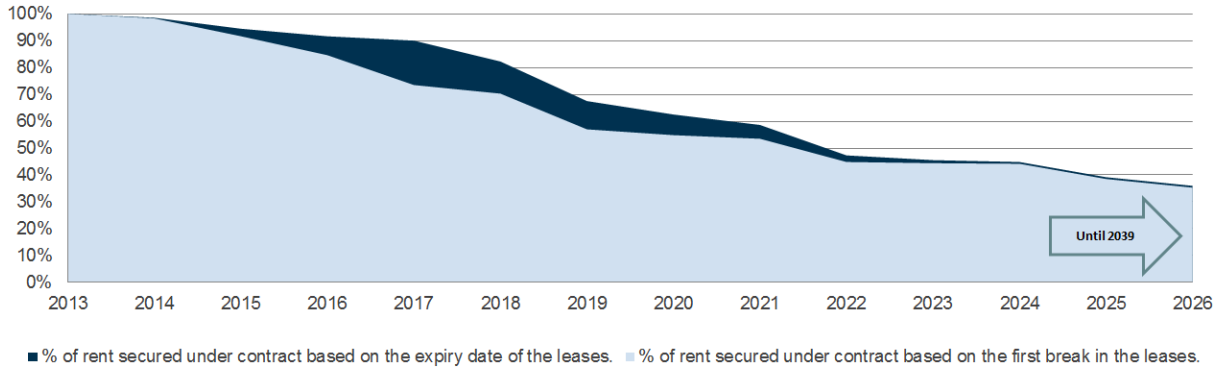
[12] Occupancy rate = current rents (including the rent for space let but for which the lease has yet to begin)/(current rent + estimated rental value for vacant space).

[13] This includes properties that are being constructed or developed for own account in order to be leased.

Weighted average duration of leases

At 31 December 2013, the weighted average duration of current leases was 9.1 years as against 9.3 years at 31 December 2012.

Percentage of rent guaranteed under contract on the basis of the remaining term of the leases in the consolidated portfolio[14] (for ongoing and signed future leases) (in %)



Overall rental yield

Yield (as at 31.12.2013)	**Properties available for lease**		**Investment properties** [3]	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Initial yield [1]	6.80%	6.91%	6.46%	6.73%
Potential yield [2]	7.14%	7.21%	6.87%	7.02%

[1] *The initial yield is the overall rental yield on current rents.*

[2] *The potential yield is the overall rental yield on current rent plus the estimated rental value of vacant space.*

[3] *Taking into account the properties that are being constructed or developed for own account in order to be leased.*

[14] Rents for future years are calculated on the basis of the present situation, assuming that each tenant leaves at the first break and that no further lease is agreed in relation to current rents as at 31 December 2013.

Reversion rate

	Current rent [1] (€ thousand)	Proportion of rents [2] (in %)	Weighted residual average duration [3] 1st break (in years)	Reversion rate [4] (in %)
Brussels centre (CBD)	81 206	57.2	8.4	-14.0
Brussels decentralised	5 011	3.5	4.4	-9.8
Brussels periphery	10 461	7.4	2.9	-7.5
Wallonia	10 639	7.5	16.1	-10.2
Flanders	29 497	20.8	12.3	-2.9
Luxembourg city	5 259	3.7	2.6	-8.6
Properties available for lease	**142 072**	**100.0**	**9.1**	**-10.4**

[1] *The current rent at the closing date plus future rent on leases signed as at 31 December 2013, as reviewed by the real-estate experts.*

[2] *The proportion of rents is calculated on the basis of the current rent as at 31 December 2013.*

[3] *Weighted average duration of leases, i.e. the sum of (annual current rent for each lease multiplied by the term remaining up to the first break in the lease) divided by the total current annual rent of the portfolio.This duration is calculated taking into account current projects.*

[4] *Reversion rate: 1-((current rent + estimated rental value of vacant space)/estimated rental value of total space).*

The reversion rate of the portfolio as at 31 December 2013 was -10.4% (compared with -12.0% as at 31 December 2012).

This year-on-year reduction in the reversion rate may be linked to a combination of the following factors: (i) the stabilisation of estimated rental values over the year, compared with the declines that occurred in previous years, mainly in decentralised areas and the periphery; (ii) leases renegotiated during the year, generally at lower rents close to the estimated rental values determined by the real-estate experts; (iii) entry into the portfolio of two buildings, let at the equivalent of the market rent.

The risk of reversion applies in the short term mainly in the decentralised areas and periphery of Brussels and in Luxembourg (15% of the total rent, with a weighted average duration of leases of 3.2 years). Excluding Brussels decentralised areas, periphery and Luxembourg city, the weighted average duration of the leases is 10.0 years.

If the full reversion is realised, the impact on the current rent as at 31 December 2013 (€142.1 million) of the potential negative reversion of the leases expiring over the next three years would be €1.9 million.

The EPRA earnings forecasts presented hereafter (page 28) take account of a potential reversion on the expiry of the current leases.

3. Corporate Social Responsibility

With the aim of continuously improving its position as a responsible business and property owner, Befimmo has initiated a process of recurring dialogue with all its internal and external stakeholders (employees, directors, tenants, investors, public sector, etc.). Befimmo seeks to strike a balance between the expectations of its stakeholders and the challenges it regularly faces.

In late 2013, it completed its materiality matrix which helped to refine its Corporate Social Responsibility strategy and identify and prioritise 12 environmental, economic and social challenges - taking into account the expectations of its stakeholders - grouped into four major themes: **the environment, its team, its rental customers and governance**. For each of these challenges, Befimmo undertakes to act on important initiatives both in its own interests and for the society in which it operates.

It responds to these challenges through specific measures and qualitative goals that are increasingly quantifiable and measurable, described in detail in the Corporate Social Responsibility programme prepared in cooperation with the management and Befimmo's team. This programme is set out in the Corporate Social Responsibility chapter of the Annual Financial Report 2013.

4. Consolidated key figures

(€ million)	31.12.2013	31.12.2012
Fair value of portfolio	2 184.1	1 968.6
Shareholders' equity	1 165.6	998.2
Debt ratio (%) according to the Royal Decree	46.56%	49.31%
Loan-to-value (%) [1]	45.01%	47.75% [4]
Key figures per share (group share)		
Number of shares issued	22 062 701	19 120 709
Number of shares not held by the group	21 534 086	18 452 987
Average number of shares not held by the group	19 923 168	17 687 471
Net asset value (€)	54.13	54.10
Net result (€)	3.97	0.44
Net current result (€)	4.24	4.25
EPRA earnings (€)	4.22	4.24
Return on shareholders' equity (€) [2]	3.72	1.03
Return on shareholders' equity (%) [2]	6.95%	1.82%
Closing share price (€)	50.45	48.83
Gross dividend (€)	3.45	3.45
Gross yield (%) [3]	6.84%	7.07%
Return on share price (%) [2]	10.70%	4.84%

[1] Loan-to-value (LTV): [(nominal financial debts – cash)/fair value of portfolio].

[2] Calculated on 31 December 2013 for the shareholder who invested in Befimmo on 31 December 2012, who is not subject to a withholding and who opted for the interim dividend of December 2013 in shares.

[3] Gross dividend divided by the closing share price as at 31 December 2013.

[4] Based on the new definition applied since 30 September 2013. The LTV ratio based on the old definition (Loan-to-value (LTV) = [(financial debts – cash)/fair value of portfolio]) amounted to 48.03% as at 31 December 2012.

5. Net asset value as at 31 December 2013

As at 31 December 2013, Befimmo's total net asset value was €1,165.6 million.

The net asset value is therefore €54.13 per share, as against €54.10 per share as at 31 December 2012. Note that the number of shares issued rose by 15% over the year.

Evolution of the net asset value

(€ million)	
Net asset value as at 31 December 2012	**998.2**
Placements of own shares	32.4
Final dividend of the 2012 fiscal year	-16.4
Capital increases linked to real-estate operations (AMCA and BTL)	139.1
Shares held by the group	-29.3
Interim dividend of the 2013 fiscal year	-56.2
Capital increase (optional dividend)	18.3
Other elements of comprehensive income	0.3
Net result as at 31 December 2013	79.2
Net asset value as at 31 December 2013	**1 165.6**

EPRA NAV and NNNAV

(€ thousand)	**31.12.2013**	**31.12.2012**
Net Asset Value (group share)	**1 165 614**	**998 239**
Net Asset Value (€/share) (group share)	**54.13**	**54.10**
To include:		
II. Revaluation at fair value of finance lease credit	28	117
To exclude:		
IV. Fair value of financial assets and liabilities	4 688	1 503
To include/exclude:		
Adjustments in respect of non-controlling interests	-	- 8
EPRA NAV (group share)	**1 170 330**	**999 851**
EPRA NAV (€/share) (group share)	**54.35**	**54.18**
To include:		
I. Fair value of financial assets and liabilities	- 4 688	- 1 503
II. Revaluations at fair value of fixed-rate loans	- 16 346	- 14 071
To include/exclude:		
Adjustments in respect of non-controlling interests	-	348
EPRA NNNAV (group share)	**1 149 296**	**984 624**
EPRA NNNAV (€/share) (group share)	**53.37**	**53.36**

6. Financial results as at 31 December 2013

The Auditor has confirmed that its audit of the consolidated financial statements has been substantially completed and has not revealed any material correction to be made to the financial information included in this press release.

The consolidated income statement includes the restated data published as at 31 December 2012. When integrating the property management business, the Company reviewed the breakdown of the income statement. As a result, from the 2013 fiscal year, operating costs (staff, projects, etc.) directly related to property, previously booked under "Corporate overheads" now come under the item "Net property charges". This reclassification has no impact on the net result.

Condensed consolidated income statement (€ thousand)

	31.12.2013	31.12.2012 restated data
Net rental result	136 765	128 754
Net property charges	-11 391	-12 538
Property operating result	**125 373**	**116 216**
Corporate overheads	-10 973	-10 215
Other operating income & charges	- 663	-19 247
Operating result before result on portfolio	**113 737**	**86 755**
Operating margin [1]	***83.2%***	***83.4%***
Gains or losses on disposals of investment properties	293	206
Net property result	**114 030**	**86 961**
Financial result (excl. changes in fair value of financial assets and liabilites)	-28 926	-29 601
Corporate taxes	- 860	- 750
Net result before changes in fair value of investment properties and financial assets and liabilities	**84 244**	**56 610**
Changes in fair value of investment properties	-11 643	-35 172
Changes in fair value of financial assets and liabilities	6 555	-11 000
Changes in fair value of investment properties & financial assets and liabilities	**-5 087**	**-46 172**
Net result	79 156	10 438
Net result (group share)	79 156	7 868
Net result - non-controlling interests	-	2 570
EPRA earnings (group share)	84 125	74 926
Net result (€/share) (group share)	**3.97**	**0.44**
Net current result (€/share) (group share)	**4.24**	**4.25**
EPRA earnings (€/share) (group share)	**4.22**	**4.24**

[1] *In 2012, the operating margin in % does not include the exceptional charge of €20.6 million, which is linked to the transformation of the legal structure of the Sicafi in the context of the agreement with AG Real Estate by the end of 2012 and which is booked under 'Other operating income & charges'.*

Net result, net current result and EPRA earnings

(€ thousand)	31.12.2013	31.12.2012
Net result IFRS (group share)	**79 156**	**7 868**
Net result IFRS (€/share) (group share)	**3.97**	**0.44**
Ajustments to calculate EPRA earnings	4 969	67 058
To exclude:		
I. Changes in fair value of investment properties and porperties held for sale	11 643	35 172
II. Result on disposals of investment properties	- 293	- 206
V. Negative goodwill / goodwill impairment	-	20 594
VI. Changes in fair value of financial assets and liabilities and close out costs	- 6 381	11 741
X. Adjustments in respect of non-controlling interests	-	- 243
EPRA earnings (group share)	**84 125**	**74 926**
EPRA earnings (€/share) (group share)	**4.22**	**4.24**
Ajustments to calculate the net current result	293	206
To include:		
II. Result on disposals of investment properties	293	206
Net current result (group share)	**84 418**	**75 132**
Net current result (€/share) (group share)	**4.24**	**4.25**

Events with an impact on the perimeter of the Company's portfolio

The perimeter of the Company was changed during the 2013 fiscal year by the following events:

- the sale of the Mons I building in February 2013 and the Triomphe III building in December 2013;
- the acquisition in April 2013 of Blue Tower Louise SA, owner of the Blue Tower building;
- the integration of the property management business in May 2013;
- the acquisition of the AMCA building, in July 2013, by way of a contribution in kind by AXA Belgium.

The comparison of data per share is also affected by the fact that, since October 2012, the Company has benefited from 100% of the result of its subsidiary Fedimmo following the acquisition of the 10% of shares it did not already own, as well as the new shares issued under the optional dividend in December 2012.

Analysis of the net result

The analysis of the result is based on a comparison with the restated data from the 2012 fiscal year.

The **net rental result** rose by €8.0 million, or 6.2%. This increase is explained by the combined impact of:

- a compensation payment for early termination of a lease (€3.7 million);
- a change in the perimeter (acquisition of Blue Tower Louise SA and the AMCA building, the disposal of the Mons I and Triomphe III buildings in 2013 and the disposal of the Devroye building in 2012) with a net positive impact of €2.8 million;

- new leases agreed in 2013 and the full year's impact of leases signed during 2012 (Axento, Central Gate, Science-Montoyer, Ocean House) and departures/renegotiations of tenants (Triomphe I & II) (net positive impact of €0.9 million);
- and finally, the indexing of rents and smoothing of gratuities applied in accordance with IFRS.

Net property charges are down by €1.1 million. This decrease is explained mainly by a delay in carrying out some works and lower commercial costs.

The **property operating result** is therefore up €9.2 million (+7.9%).

Overheads are up 7.4% compared with 2012. Besides bearing certain one-off expenses related to the integration of the property management business, the Company also incurred costs related to the growth of various regulations and taxes, and costs related to miscellaneous projects.

Other operating income and charges amounted to -€0.7 million. This heading includes fees charged for coordinating work, the IFRS restatement of rental gratuities incorporated into income, and various provisions.

A **capital gain** of €0.3 million was realised on the disposals of the Mons I and Triomphe III buildings.

The **financial result (excluding changes in fair value of financial assets and liabilities)** is up from -€29.6 million in 2012 to -€28.9 million in 2013, despite the increase in average financial debts over the year to €963 million as against €889 million for 2012. The decrease in financial charges, despite the rise in the volume of borrowings, is explained by the fall in the average cost of financing from 3.38% over the 2012 fiscal year to 3.18% over the 2013 fiscal year. This drop is explained by lower Euribor rates (Euribor 1 month and 3 months averaging 0.175% for 2013 as against 0.45% for 2012) but also by the net increase in the volume of debts at floating rates.

The **change in fair value of the investment properties** (excluding investments) over the period was limited to -€11.6 million (-0.53%) as against -€35.2 million (-1.75%) for the 2012 fiscal year.

The **change in fair value of the financial assets and liabilities** was €6.6 million as against -€11.0 million for the 2012 fiscal year. During the 2013 fiscal year, the change in the fair value of the financial assets and liabilities is primarily due to the rise in the interest rate curve at 31 December 2013 in relation to 31 December 2012, while the reverse was true over the 2012 fiscal year.

All of these factors result in a **net result** of €79.2 million as at 31 December 2013, compared with €10.4 million for the 2012 fiscal year. This increase is due mainly to an improvement in the property operating result, lower declines in the fair value of the investment properties, a positive evolution in the fair value of the financial assets and liabilities in 2013, and also to the absence of the one-off negative impact of €20.6 million recorded in 2012 following the transformation of the legal structure of the Sicafi in the context of the agreement with AG Real Estate.

EPRA earnings were €84.1 million as against €74.9 million (group share) for the 2012 fiscal year, an increase of 12.3%. This increase is explained mainly by the rise in the property operating result.

Moreover, **EPRA earnings per share** were €4.22 as at 31 December 2013, stable in relation to last year. Despite higher nominal EPRA earnings, this stability is explained by the 12.6% increase in the average number of shares not held by the group during the fiscal year.

7. Financial structure

The Company makes sure that it arranges the necessary finance in due time, seeking a balance between cost, duration and diversification of its sources of finance.

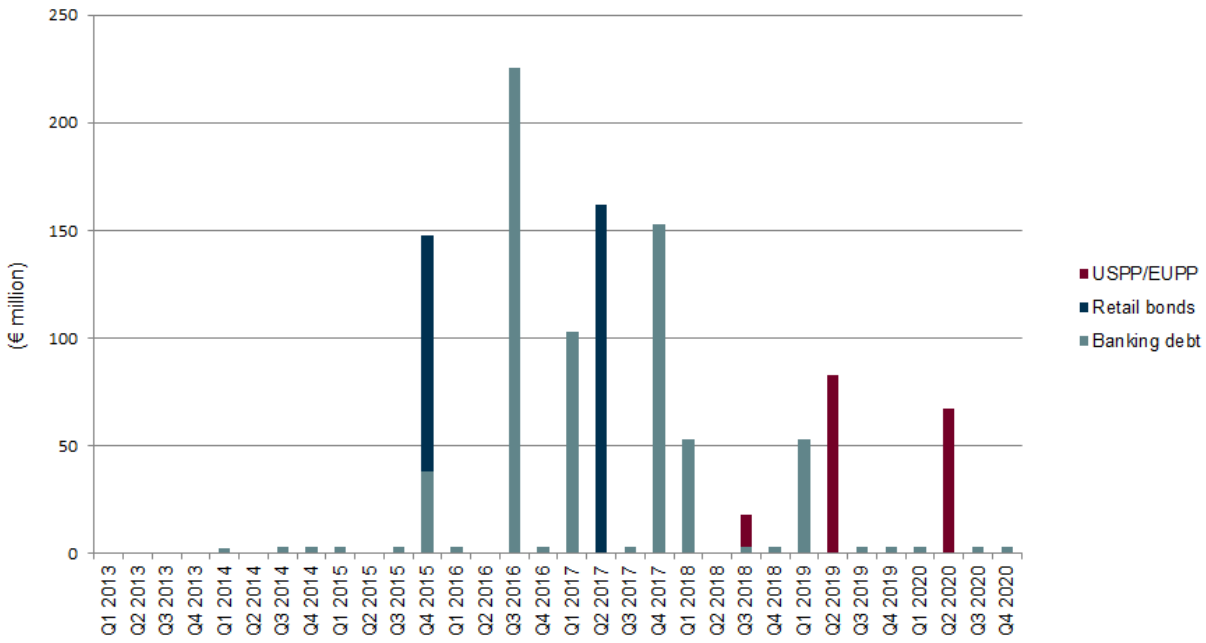
Financing arranged

During 2013, Befimmo concluded bilateral loans with three banks totalling €215 million. In July 2013 it also made a first European private placement of debt for an amount of €18 million.

In early 2014, Befimmo arranged an additional bilateral bank credit line of €50 million.

At constant perimeter, the Company needs no further financing before the fourth quarter of 2015.

Maturities for commitments by quarter (situation as at 18 February 2014)



Main characteristics of the financial structure

At 31 December 2013, Befimmo's financial structure had the following main characteristics:

- confirmed financing totalling €1,100.6 million[15], €984.5 million of which were in use. The volume of unused lines is a provision for the commitments of constructions and renovations planned for 2014 and 2015;
- a debt ratio of 46.56%,[16] a Loan-to-value (LTV) of 45.01%[17];
- a weighted average duration of debts of 4.1 years;
- 59.5% of total debts at fixed rates (including IRS);
- an average financing cost (margin and hedging cost included) amounting to 3.18% over the year, compared with 3.38% for 2012.

On 25 February 2013 the Standard & Poor's rating agency confirmed the rating of BBB/outlook stable for Befimmo's long-term borrowings and A-2 for its short-term borrowings.

To reduce its financing costs, Befimmo has a commercial paper programme for an amount up to €400 million, €255 million of which was in use for short-term issues at 31 December 2013. This programme has backup facilities consisting of the various credit lines arranged. The documentation for this programme also covers the European private debt placement.

Hedging the interest rate and exchange risk

The interest rate hedging policy is designed to hedge a decreasing portion of borrowings over a 10-year period. The objectives and implementation of this policy are regularly reviewed. The choice and level of instruments is based on an analysis of rate forecasts by a number of banks, and arbitrage between the cost of the instrument and their level and type of protection. The Company's hedging policy also aims to limit variations in financial charges under existing covenants and to protect EPRA earnings as required to pay out the forecast dividend.

Befimmo holds a portfolio of instruments to hedge (i) the interest rate risk, consisting of IRS, CAP and COLLAR[18], and (ii) the exchange-rate risk on its fixed-rate United States private placement (USPP) by holding Cross Currency Swaps.

This policy allows the Company to take advantage of falling interest rates in a period of low economic context on part of borrowings, while limiting the volatility of financial charges by fixing rates on the remainder of borrowings (either directly by arranging financing at fixed rates or by purchasing IRS type hedging instruments). The impact of rising interest rates on financial charges is also mitigated by the hedge options (CAP). Such a hedging and financing structure creates a situation in which the result is still sensitive to changing interest rates.

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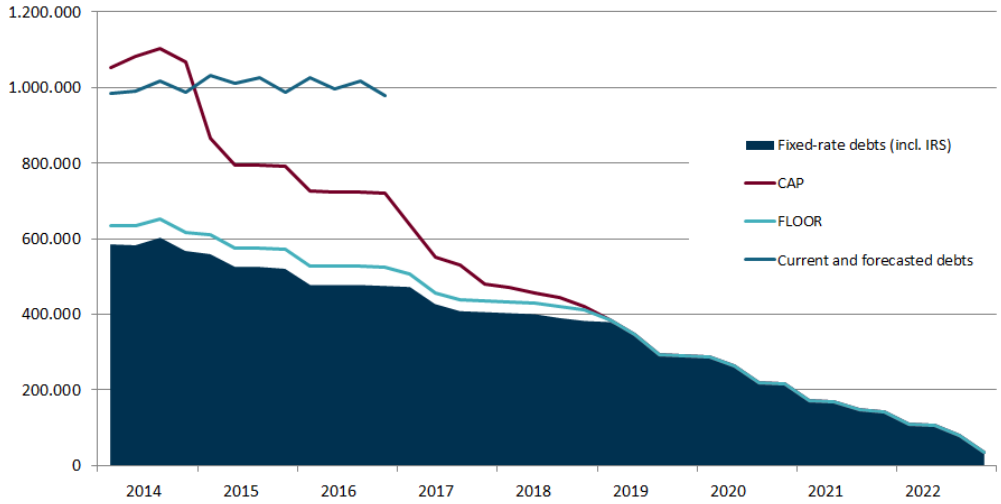
[15] This amount does not include the bilateral line of €50 million signed in early 2014.
[16] The debt ratio is calculated in accordance with the Royal Decree of 7 December 2010.
[17] Loan-to-value (LTV) = [(nominal financial debts – cash)/fair value of portfolio].
[18] Buying a COLLAR limits the rise in interest rates (CAP), but also involves an undertaking to pay a minimum rate (FLOOR).

The package of instruments currently in place gives the Company a hedge ratio of 74.8%[19] as at 31 December 2013. The hedge ratio remains above 60% until the first quarter of 2017 and above 40% until the fourth quarter of 2018.

As part of its hedging policy, the Company carried out various operations on hedging instruments over the year:

- it bought IRS worth a notional €50 million covering the period from September 2013 to September 2022;
- it bought a number of CAP at 1.0%, 1.5%, 2.0% and 2.25% worth a notional €175 million covering a period of 4 to 6 years starting in 2013 or 2014;
- it restructured an IRS of €100 million covering 2016 and 2017 into several IRS for a notional total of €70 million covering 2016 to 2020 inclusive (€40 million) and 2021 inclusive (€30 million).

Evolution of the portfolio of hedging instruments and fixed-rate debts (situation as at 18 February 2014)



Annual average		2014	2015	2016	2017	2018	2019	2020	2021	2022
CAP	Notional (€ million)	492	279	246	121	54	2	-	-	-
	Average rate (in %)	2.97%	2.06%	1.84%	1.85%	2.21%	2.25%	-	-	-
FlOOR	Notional (€ million)	50	50	50	31	30	2	-	-	-
	Average rate (in %)	1.09%	1.09%	1.09%	0.83%	0.82%	0.82%	-	-	-
Fixed-rate debts (incl. IRS)	Notional (€ million)	585	533	477	428	394	328	246	157	82
	Average rate[(1)] (in %)	2.27%	2.29%	2.50%	2.43%	2.39%	2.45%	2.51%	2.48%	2.60%

(1) Average fixed rate excluding credit margin.

[19] Hedge ratio = (fixed-rate borrowings + notional rate of IRS and CAP)/total borrowings.
This is the hedge ratio excluding optional CAP instruments which have become out of the money owing to the fall in interest rates (namely three CAP positions for a total notional amount of €275 million at hedging interest rates of 4.5%, 4.0% and 3.5%). The high hedge ratio of 102.7%, which includes the out of the money CAP, is temporary as these CAP will reach maturity at the end of 2014.

8. Befimmo share

The Befimmo share has been listed on NYSE Euronext Brussels since its founding, and has been in the BEL 20 index since March 2009.

Share price

Over 2013, the major stock-market indexes recovered well, a sign of regained investor confidence.

During the fiscal year, Befimmo carried out strategic real-estate transactions that have been warmly welcomed by the markets, as reflected in its share price. Accordingly, the Befimmo share closed on 31 December 2013 at €50.45, as against €48.83 one year previously. Assuming the reinvestment of the dividend, which was distributed in 2013, of €3.52 gross per share, it offered a gross yield of 10.4%[20] over one year.

Note that the total number of shares issued by Befimmo increased from 19,120,709 to 22,062,701 during the year, an increase of 15% due to (i) the creation of 2,037,037 shares for the contribution in kind of the AMCA building by AXA Belgium in July, (ii) the issue of 528,615 shares in the context of the merger by absorption of Blue Tower Louise SA in September, and (iii) the creation of 376,340 shares related to the distribution of the interim dividend in shares in December.

At 31 December 2013, the Befimmo share was trading at a discount of 6.8% in relation to net asset value.

Based on transactions recorded on all market platforms, the Befimmo share offers stable liquidity, with an average daily volume of around 36,000 shares, which corresponds to a free-float velocity of the order of 61%.

Over the 18 years since it was listed on the stock market, the share has offered a total annualised yield of 7.2%[21].

Befimmo's market capitalisation stood at €1,113,063,265 at 31 December 2013.

[20] Source: KBC Securities.
[21] Source: KBC Securities.

9. Dividend for the 2013 fiscal year

Distribution of interim dividend: 44.5% reinvested in new shares

A proportion of 44.5% of the interim dividend for the 2013 fiscal year was distributed in new shares, 376,340 new shares at a price of €48.5625, which increased the Company's equity by €18.3 million.

For shareholders who opted for a stock dividend, return on equity over the fiscal year was 6.95% and the return on the share price was 10.70%. Shareholders opting for a cash dividend earned a return on equity of 6.64% and a return on the share price of 10.65%.

Final dividend for the 2013 fiscal year

The agenda of the Ordinary General Meeting of shareholders to be held on 29 April 2014, at which the accounts for the 2013 fiscal year are to be approved, will include a proposal for the distribution of a final dividend of €0.80 gross per share not held by the group. The final dividend will supplement the interim dividend of €2.6546 gross per share paid out in December 2013, bringing the total dividend for the fiscal year to €3.45 gross per share not held by the group.

10. Key dates for shareholders 2014

Key dates for shareholders 2014

Online publication of the Annual Financial Report 2013	Friday 28 March 2014
Ordinary General Meeting	Tuesday 29 April 2014
Payment of the final dividend of the 2013 fiscal year on presentation of coupon No 26	
- Ex-date	*Friday 2 May 2014*
- Record date	*Tuesday 6 May 2014*
- Payment date	*from Wednesday 7 May 2014*
Interim statement - publication of the net asset value as at 31 March 2014	Thursday 15 May 2014 [1]
Publication of the half-yearly results and the net asset value as at 30 June 2014 and online publication of the Half-Yearly Financial Report 2014	Friday 1 August 2014 [2]
Interim statement - publication of the net asset value as at 30 September 2014	Friday 14 November 2014 [2]
Payment of the interim dividend of the 2014 fiscal year on presentation of coupon No 27	
- Ex-date	*Wednesday 17 December 2014*
- Record date	*Thursday 18 December 2014*
- Payment date	*from Friday 19 December 2014*
Publication of the annual results and the net asset value as at 31 December 2014	Thursday 19 February 2015 [1]
Online publication of the Annual Financial Report 2014 on Befimmo's website	Friday 27 March 2015
Ordinary General Meeting of the fiscal year closing as at 31 December 2014	Tuesday 28 April 2015
Payment of the final dividend of the 2014 fiscal year on presentation of coupon No 28	
- Ex-date	*Wednesday 6 May 2015*
- Record date	*Thursday 7 May 2015*
- Payment date	*from Friday 8 May 2015*

[1] *Publication after closing of the stock exchange.*

[2] *Publication before opening of the stock exchange.*

11. Outlook and dividend forecast

The outlook for the next three fiscal years, prepared in accordance with IFRS standards and presented in consolidated form, is based on information available as at 31 December 2013 (principally existing agreements) and on Befimmo's assumptions[22] and assessments of certain risks.

This outlook may not be interpreted as a commitment on the part of Befimmo. Whether or not these forecasts will actually be achieved depends on a number of factors beyond Befimmo's control, such as developments on the real-estate and financial markets. Given the present context of uncertainty and economic recession, the assumptions used may be highly volatile in future.

The assumptions and risk assessments seemed reasonable at the time they were made but, since it is impossible to predict future events, they may or may not prove to be correct. Accordingly, Befimmo's actual results, financial situation, performance or achievements, or the market results, may differ substantially from these forecasts. Given these uncertainties, shareholders should not give undue credence to these forecasts.

Moreover, these forecasts are valid only at the time of writing of this press release. Befimmo does not undertake to update the forecasts, for example to reflect a change in the assumptions on which they are based, except of course as required by law, notably the law of 2 August 2002 on the surveillance of the financial sector and financial services, and the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.

In the current economic climate, and taking into account the significant discrepancies recorded in previous years between the real-estate experts' forecasts and the actual market figures, it would not seem appropriate for Befimmo to continue to publish assumptions about changes in the fair values of the property portfolio for the coming years. The Company will therefore no longer publish any such forecasts (IAS 40).

Since financial market data are volatile, the differences between the forecast changes in the fair value of the financial assets and liabilities and the actual figures at year-end are also considerable. Against this background, Befimmo no longer finds it worthwhile publishing changes in the value of the financial assets and liabilities (IAS 39).

IAS 39 and 40 aggregates are in fact unrealised items of the income statement.

Befimmo is therefore forecasting only its future EPRA earnings, on which it is particularly focused.

As an indication, it can be estimated that a 1% change in the fair value of the property portfolio (IAS 40) would have an impact of the order of €2.2 million on the result, generating a change of about €1.1 on the net asset value per share as well as 0.46% on the LTV. Furthermore, a change in the forecast movements of short-term interest rates could alter the fair value of the financial assets and liabilities booked at fair value (IAS 39). Based on their fair value as at 31 December 2013, if the Euro, US Dollar and Pound Sterling interest rate curves had been 0.5% lower than the reference rate curves as at 31 December 2013, the change in fair value as at 31 December 2013 of the financial assets and liabilities booked at fair value would have been -€13.3 million. In the opposite case, the change would have been +€13.3 million.

[22] Notably regarding renewal of leases or seeking new rental customers, but also changes in interest rates and inflation.

Such changes (IAS 39 and 40) have no impact on the Company's EPRA earnings. Aside from the general market trends, Befimmo has incorporated into its forecasts the actual characteristics of its buildings, mainly in terms of their rental situation (notably the residual duration of the occupancy), potential reversion and their obsolescence (technical and environmental performance, etc.).

Regarding new investments, Befimmo intends, subject to balance-sheet equilibrium, to continue growing by seizing any market opportunities arising that offer sustainable prospects for value creation for its shareholders.

This growth can take two forms:

- steady and gradual internal growth, through direct and indirect acquisitions, in line with Befimmo's investment capacities;
- occasional external growth through mergers with other real-estate portfolios, as opportunities arise.

In normal operation, Befimmo's loan-to-value ratio would be around 45-50%. Befimmo is careful to optimise the use of its borrowing capacity.

The forecasts are made on the basis of a constant perimeter of its property assets and equity, although it is assumed that shareholders avail themselves each year of the opportunity to obtain a dividend in new shares (of about 30% of the interim dividend proposed in December for 9 months of the fiscal year) and the forecasts also include limited disposals of properties (that are no longer strategic) foreseen in 2014 and 2015 (to €21 million and €6.8 million respectively). They do not take account of any potential new investments.

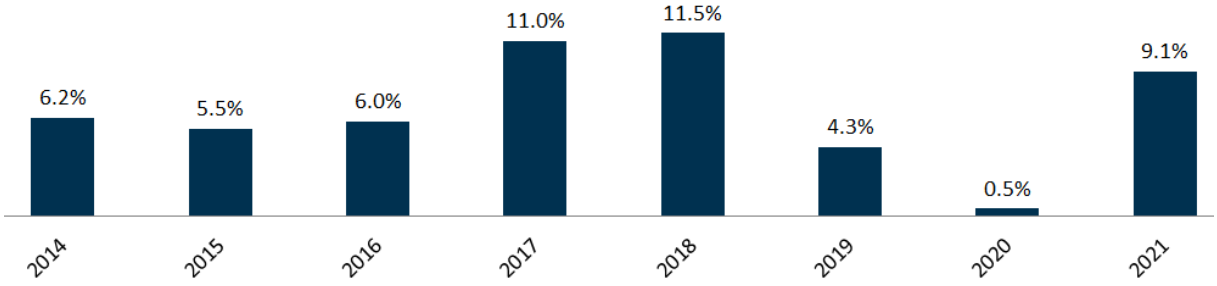
Accordingly, these projections do not include any assumption about external growth.

The following external and internal assumptions are made:

	Realised	Assumptions		
	2013	2014	2015	2016
External assumptions				
Evolution of the health index	1.01%	0.90%	1.37%	1.60%
Average of Euribor 1- and 3-month interest rates	0.17%	0.20%	0.31%	0.84%
Internal assumptions				
Actual net income/potential income [1]	90.69%	92.09%	92.54%	94.85%
Average financing cost (including margin and hedging costs)	3.18%	3.22%	3.20%	3.48%
Total number of shares not held by the group	**21 534 086**	**21 792 495**	**22 064 901**	**22 340 712**

[1] *The ratio of actual net income to potential income is calculated by dividing all rents actually received during the fiscal year by all rents that would have been received during that year had not only the let space but also the vacant space been let throughout the year at the estimated rental value (ERV).*

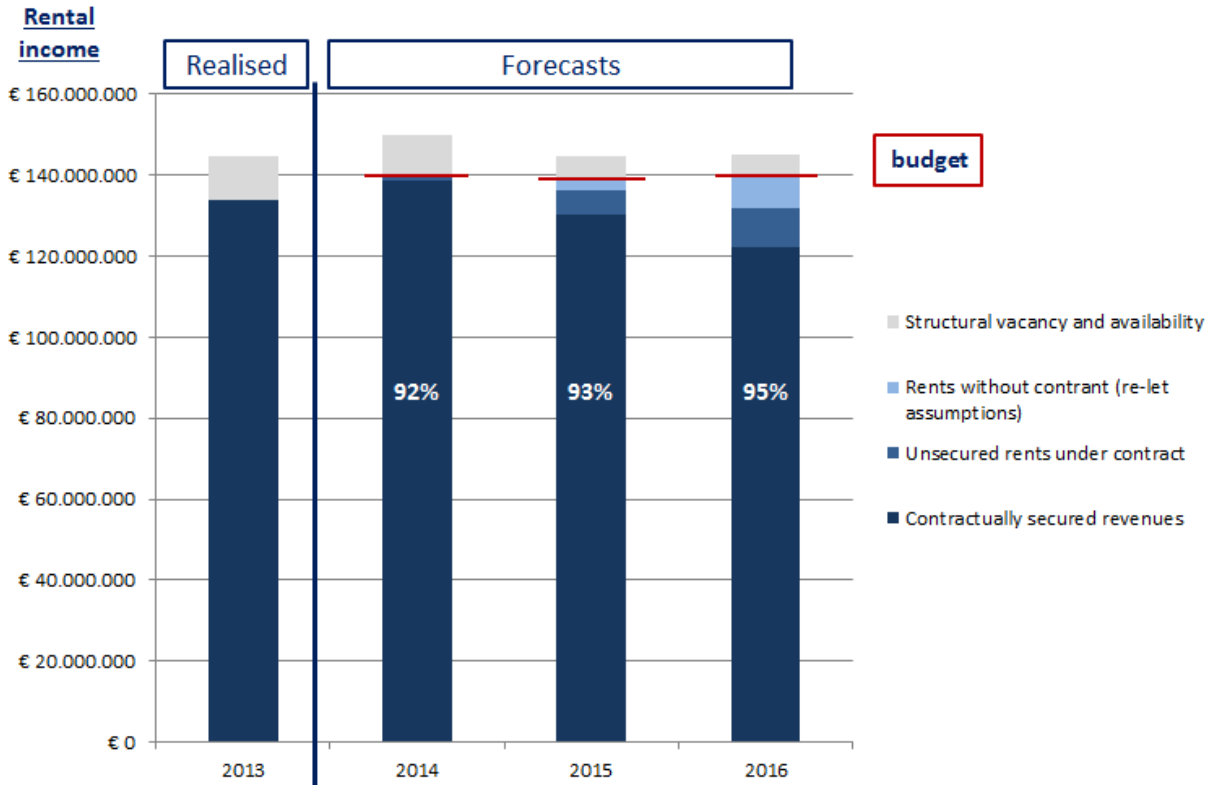
Expiries of leases [first break]



Each percentage is the sum of the annual rent of leases with an intermediate break or final expiry during the year in relation to the current rent as at 31 December 2013.

Rents potentially at risk with an expiry over the next three years were included, based on an estimated probability of departure of the tenant, in the EPRA earnings outlook set out hereafter.

Income guaranteed under contract



Work planned over the next 3 years (€ million)

	Realised	Forecasts		
	2013	2014	2015	2016
Brederode (20 700 m²)	13.2	10.6	6.8	3.0
Ikaros Business Park Phase II (3 114 m²)	1.3	3.5		
New Finance centre (Tower Paradis) (39 000 m²)	24.3	37.3	13.3	0.3
Triomphe I (11 500 m²)	5.4	5.1		
WTC Tower IV (PU) [1] (56 400 m²)	2.6	3.5		
Others	6.5	13.5	4.3	11.1
Energy investments	**1.8**	**1.5**	**1.9**	**1.8**
Total	**55.2**	**74.9**	**26.4**	**16.1**

[1] *Building permit.*

Forecast of consolidated EPRA earnings

When integrating the property management business, the Company reviewed the breakdown of the income statement. As a result, from the 2013 fiscal year, operating costs (staff, projects, etc.) directly related to property, previously booked under "Overheads" now come under the item "Net property charges". This reclassification has no impact on the net result.

(€ thousand)	2013 Realised	2014 Forecasts	2015 Forecasts	2016 Forecasts
Rental income	137 803	140 858	139 196	139 771
Charges linked to letting	-1 038	- 595	- 663	- 663
Net rental result	**136 765**	**140 263**	**138 533**	**139 109**
Net property charges	-11 391	-15 803	-14 656	-13 512
Property operating result	**125 373**	**124 460**	**123 877**	**125 597**
Corporate overheads	-10 973	-10 433	-10 669	-10 749
Other operating income and charges (excl. negative goodwill/goodwill impairment)	- 663	-	-	-
Operating result before result on portfolio	**113 737**	**114 027**	**113 208**	**114 848**
Financial result (excl. the changes in fair value of the assets and liabilities and close-out costs)	-28 752	-28 679	-30 864	-33 672
Corporate taxes	- 860	-1 224	-1 248	-1 273
EPRA earnings	**84 125**	**84 124**	**81 095**	**79 902**
EPRA earnings (€/share)	**4.22**	**3.90**	**3.72**	**3.62**
Average number of shares not held by the group	19 923 168	21 545 414	21 804 436	22 076 992

The net nominal forecasted debt amounts to €1,031 million by the end of 2014, to €1,027 million by the end of 2015 and €1,025 million by the end of 2016.

Dividend forecast

The assumptions used for making forecasts at **constant floor area and perimeter** indicate that EPRA earnings of €3.90 per share should be achieved in the 2014 fiscal year.

Based on these forecasts at **constant floor area and perimeter** Befimmo expects to be able to offer a gross dividend of €3.45 per share not held by the group for the 2014 fiscal year. It may be paid via an interim dividend of €2.59 in December 2014 and a final dividend of €0.86 in May 2015.

Based on a share price of €50.45 as at 31 December 2013, this dividend would give a gross yield of 6.8% and, based on the net asset value of €54.13 as at 31 December 2013, a gross yield of 6.4%.

The dividend in subsequent years will depend on the economic climate and the investment opportunities that the Company takes, while continuing to benefit from a stable income, thanks to the defensive nature of its property assets.

Befimmo is a pure player investor specialising in high-quality office buildings located in Brussels, other Belgian towns and cities and the Grand Duchy of Luxembourg.

Its portfolio currently consists of around one hundred office buildings, with a total space of more than 900,000 m², a large part of which (>65%) is let long-term to public institutions. The fair value of the portfolio as at 31 December 2013 was assessed at €2,184.1 million.

The Company strives to enhance its current portfolio while seizing any investment opportunity that can create value for its shareholders.

Listed on NYSE Euronext Brussels since it was founded, and a member of the BEL 20 index since March 2009, Befimmo pursues an informed strategy of optimising its results over the long term.

Befimmo endeavours to incorporate the challenges of sustainable development into its strategic thinking, and models its day-to-day activities on the principles of corporate social responsibility.

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Annexes

Consolidated income statement (€ thousand)

When integrating the property management business, the Company reviewed the breakdown of the income statement. As a result, from the 2013 fiscal year, operating costs (staff, projects, etc.) directly related to property, previously booked under "Overheads" now come under the item "Net property charges". This reclassification has no impact on the net result.

		31.12.2013	31.12.12 Restated data
I.	(+) Rental income	137 803	129 313
III.	(+/-) Charges linked to letting	-1 038	- 559
NET RENTAL RESULT		**136 765**	**128 754**
IV.	(+) Recovery of property charges	7 194	4 925
V.	(+) Recovery of rental charges and taxes normally paid by tenants on let properties	27 948	28 712
VII.	(-) Rental charges and taxes normally paid by tenants on let properties	-26 677	-27 904
VIII.	(+/-) Other revenue and charges for letting	41	40
PROPERTY RESULT		**145 271**	**134 527**
IX.	(-) Technical costs	-9 542	-7 709
X.	(-) Commercial costs	- 491	- 981
XI.	(-) Charges and taxes on unlet properties	-3 514	-2 808
XII.	(-) Property management costs	-1 999	-1 499
XIII.	(-) Other property charges	-4 351	-5 314
	(+/-) Property charges	**-19 898**	**-18 311**
PROPERTY OPERATING RESULT		**125 373**	**116 216**
XIV.	(-) Corporate overheads	-10 973	-10 215
XV.	(+/-) Other operating income and charges	- 663	-19 247
OPERATING RESULT BEFORE RESULT ON PORTFOLIO		**113 737**	**86 755**
XVI.	(+/-) Result on disposals of investment properties	293	206
XVIII.	(+/-) Changes in fair value of investment properties	-11 643	-35 172
OPERATING RESULT		**102 388**	**51 789**
XX.	(+) Financial income	86	80
XXI.	(-) Net interest charges	-26 284	-26 297
XXII.	(-) Other financial charges	-2 728	-3 384
XXIII.	(+/-) Changes in fair value of financial assets and liabilities	6 555	-11 000
	(+/-) Financial result	**-22 371**	**-40 601**
PRE-TAX RESULT		**80 016**	**11 188**
XXV.	(-) Corporation tax	- 860	- 750
	(+/-) Taxes	**- 860**	**- 750**
NET RESULT		**79 156**	**10 438**
NET RESULT (group share)		79 156	7 868
NON-CONTROLLING INTERESTS		-	2 570
BASIC NET RESULT AND DILUTED (€/share) (group share)		**3.97**	**0.44**
Other comprehensive income		287	-
TOTAL COMPREHENSIVE INCOME		**79 443**	**10 438**
TOTAL COMPREHENSIVE INCOME (group share)		79 443	7 868
NON-CONTROLLING INTERESTS		-	2 570

Consolidated balance sheet (€ thousand)

ASSETS		31.12.13	31.12.12
I.	**Non-current assets**	**2 222 859**	**1 990 799**
A.	Goodwill	15 774	15 774
C.	Investment properties	2 184 142	1 960 718
D.	Other property, plant and equipment	746	639
E.	Non-current financial assets	20 300	11 646
F.	Finance lease receivables	1 897	2 022
II.	**Current assets**	**26 500**	**36 449**
A	Properties held for sale	-	7 896
B.	Current financial assets	1 775	380
C.	Finance lease receivables	125	122
D.	Trade receivables	15 239	14 781
E.	Tax receivables and other current assets	4 744	7 664
F.	Cash and cash equivalents	1 524	2 314
G.	Deferred charges and accrued income	3 092	3 291
TOTAL ASSETS		**2 249 359**	**2 027 248**

SHAREHOLDERS' EQUITY AND LIABILITIES		31.12.13	31.12.12
TOTAL SHAREHOLDERS' EQUITY		**1 165 614**	**998 239**
I.	**Equity attributable to shareholders of the parent company**	**1 165 614**	**998 239**
A.	Capital	310 293	267 720
B.	Share premium account	662 080	548 168
C.	Reserves	170 252	182 350
D.	Net result for the fiscal year	22 989	-
II.	**Non controlling interests**	-	-
LIABILITIES		**1 083 744**	**1 029 009**
I.	**Non-current liabilities**	**726 418**	**566 332**
B.	Non-current financial debts	709 560	553 541
	a. Credit institution	292 123	123 123
	c. Other	417 436	430 418
	Bond issues	*271 850*	*271 821*
	EUPP	*18 000*	-
	USPP	*143 502*	*156 582*
	Guarantees received	*2 084*	*2 016*
C.	Other non-current financial liabilities	16 858	12 791
II.	**Current liabilities**	**357 327**	**462 678**
A.	Provisions	5 004	2 172
B.	Current financial debts	269 103	396 319
	a. Credit institution	13 853	120 119
	c. Other	255 250	276 200
	Commercial papers	*255 250*	*276 200*
C.	Other current financial liabilities	508	257
D.	Trade debts and other current debts	61 268	33 503
E.	Other current liabilities	1 513	10 636
F.	Accrued charges and deferred income	19 932	19 791
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**2 249 359**	**2 027 248**