
Befimmo crystallises value by granting a 99-year leasehold on the Brederode complex



Befimmo announces the signing of a private agreement¹ granting CBRE Global Investors (on behalf of one of its SMA² clients) a 99-year leasehold on the Brederode complex, for an amount of €122 million, corresponding to a yield of 3.69%.

As at 31 December 2016, the Brederode complex³, located in the centre of Brussels, was occupied for a residual weighted average duration of 13.61 years. At that date, the average occupancy rate of the complex was 86.62%.

This operation will generate a net capital gain of about €0.8 per share and reduce the LTV ratio⁴ by -3.3% (in absolute terms). It will have an impact on the EPRA earnings forecast⁵ of -€0.08 per share in 2017, -€0.13 per share in 2018 and -€0.12 per share in 2019.

Taking account of the operation, on the basis of the figures as at 31 December 2016, the weighted average duration of contracts in the Befimmo portfolio would amount to 7.93 years (compared with 8.07 years) and the occupancy rate of the properties available for lease would be 95.02% (compared with 94.79%).

As announced previously, this operation is in line with Befimmo's objective of punctually crystallising value, in a Brussels office market where the search for yields in an environment of low interest rates creates opportunities for quality properties, which are well-located and occupied on a long-term basis.

¹ The passing of the notarial deed is expected before the end of March 2017.

² "Separate Managed Accounts".

³ This concerns the Brederode 13 (11,340 m²), Brederode 9 (6,864 m²) and Namur 48 (1,517 m²) buildings.

⁴ Loan-to-value (LTV): [(nominal financial debts – cash)/fair value of portfolio]. Calculated using the LTV ratio as at 31 December 2016.

⁵ For more information, please see page 31 of the press release on the Befimmo annual results 2016, published on 16 February 2017 on the Befimmo website (www.befimmo.be). These forecasts will be updated in the Befimmo Annual Financial Report 2016 to be published on 24 March 2017.

Befimmo is a Belgian REIT (SIR/GVV), a real-estate operator specialising in high-quality office buildings located in Belgium, mainly in Brussels and the other main Belgian cities, and the Grand Duchy of Luxembourg.

Its portfolio currently consists of around one hundred office buildings, with a total space of more than 850,000 m².

As at 31 December 2016, the fair value of the portfolio was assessed at €2,511.7 million. The Company strives to enhance its current portfolio while seizing any investment opportunity that can create value for its shareholders.

Listed on Euronext Brussels since it was created, Befimmo pursues a 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 social responsibility.

Further information:

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