



Société en Commandite par Actions

CREATING VALUE IN REAL ESTATE

**INTERIM STATEMENT BY THE MANAGING AGENT FOR THE
PERIOD 1.07.2011 TO 30.09.2011**

- **Net asset value at €60.50 per share**
- **EPRA earnings exceeding forecasts**
- **Confirmation of interim dividend of €3.94 gross per share for the fiscal year**

The Board of Directors of Befimmo SA, Managing Agent of the Befimmo Sicafi, met on 9 November 2011 to prepare the consolidated quarterly financial statements of the Befimmo Sicafi as of 30 September 2011.

We recall that, following the approval of the change in the Befimmo fiscal year by the General Meeting of Shareholders held on 22 June, the current fiscal year, which opened on 1 October 2010, will close on 31 December 2011. Thus, it will exceptionally last 5 quarters. The first twelve months of this fiscal year are comparable to the fiscal year ended 30 September 2010 as published in the Annual Financial Report 2010.

1. PROPERTY PORTFOLIO

1.1. Change in fair value¹ of the property portfolio

The fair value of Befimmo's consolidated portfolio amounts to €1,959.8 million as of 30 September 2011, as compared to a fair value of €1,922.6 million as of 30 September 2010. This value variation incorporates the cost of the renovation works carried out in the portfolio during the four quarters of the fiscal year, the acquisition of the SA Ringcenter, owner of the Pavilion complex, the sale of the Empress Court and Kattendijkdok buildings and of certain floors in the co-ownership building located at chaussée de La Hulpe 177, as well as changes in fair value booked to the income statement.

¹ 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.

The following table shows the fair values of Befimmo's consolidated portfolio, by geographical area.

| Change in fair values (at 30.09) | | | | | | |
|---|-------------------------------------|---------------------------------|-----------------------------|----------------|----------------|----------------|
| OFFICES | Change over the last 4 quarters (%) | Change over the 4th quarter (%) | Proportion of portfolio (%) | 2011 | 2010 | 2009 |
| | | | | (€ million) | | |
| <i>Properties available for lease</i> | -1.51% | -0.39% | 97.52% | 1 911.3 | 1 835.3 | 1 866.8 |
| Brussels centre [CBD] | -1.46% | -0.45% | 56.13% | 1 100.0 | 1 017.8 | 1 034.2 |
| Brussels decentralised | -2.52% | -0.60% | 6.56% | 128.6 | 129.8 | 139.4 |
| Brussels periphery | -4.70% | -1.08% | 7.98% | 156.3 | 159.6 | 166.7 |
| Flanders | 0.97% | 0.18% | 18.48% | 362.3 | 358.4 | 355.8 |
| Wallonia | -5.58% | -1.50% | 4.22% | 82.6 | 87.5 | 89.2 |
| Luxembourg city | -0.71% | 0.43% | 4.16% | 81.5 | 82.2 | 81.5 |
| <i>Properties that are being constructed or developed for own account in order to be leased</i> | -1.44% | 0.22% | 2.48% | 48.5 | 49.6 | 51.5 |
| INVESTMENT PROPERTIES | -1.51% | -0.39% | 100.00% | 1 959.8 | 1 885.0 | 1 918.3 |
| PROPERTIES HELD FOR SALE | -0.22% | 0.00% | 0.00% | 0.0 | 37.7 | 4.6 |
| TOTAL | -1.51% | -0.39% | 100.00% | 1 959.8 | 1 922.6 | 1 922.9 |

- **Change in floor area between 30 September 2010 and 30 September 2011.** Sale of Empress Court and Kattendijkdok buildings and floors in the Hulpe 177 building, and integration of the Pavilion building.
- The **variation** matches the change in fair value over (i) the 4 past quarters, i.e. from 1 October 2010 to 30 September 2011 and (ii) the 4th quarter, i.e. from 1 July to 30 September 2011 (excluding investments and disinvestments).
- The **proportion of the portfolio** is calculated based on the fair value of the portfolio as of 30 September 2011.

Excluding investments and disinvestments, the unrealized negative change in fair value of the consolidated portfolio was a mere -0.39% or €7.7 million over the fourth quarter of the fiscal year, and amounts to -1.51%, or €30.1 million for the 12 first months of the fiscal year, compared to -1.77% for the same period of the last fiscal year. This small change is in line with published forecasts².

1.1.1. Overall rental yield

The overall rental yield on current rents of the investment properties (excluding properties that are being constructed or developed for our own account in order to be leased) was 6.59% at 30 September 2011, which is stable compared to 6.60% at the closing of the previous quarter (30 June 2011) and at the beginning of the fiscal year (30 September 2010). Still on 30 September 2011, the overall rental yield on current rents, increased with the estimated rental value of vacant space, is 6.98% compared to 6.99% as of 30 June 2011 and 6.90% as of 30 September 2010.

Taking into account buildings under construction or developed for our own account in order to be leased, current and potential yields as of 30 September 2011 were 6.42% and 6.87% respectively.

² Forecasts published in the Annual Financial Report 2010.

1.1.2. The occupancy rate and the weighted average duration of leases

The occupancy rate³ of the properties available for lease amounts to 94.38% as of 30 September 2011, which is stable since the last quarter (94.44% as of 30 June 2011) compared to 95.53% as the fiscal year opened.

This slight decrease in the occupancy rate since 30 September 2010 resulted from planned departures as well as the completion of renovation works in the Froissart building ($\pm 2.800 \text{ m}^2$) located in Brussels in the European district, of which approximately 25% of the lease space is currently let.

The occupancy rate of all investment properties as of 30 September 2011, i.e. including properties that are being constructed or developed for our own account in order to be leased, is 93.49% compared to 94.03% at the beginning of the fiscal year.

As of 30 September 2011, the weighted average duration of current leases is 9.04 years compared to 9.22 years as of 30 June 2011 and 9.13 years as of 30 September 2010.

During the fourth quarter of the 2010/2011 fiscal year, Befimmo signed new leases and lease renewals for an approximate total of 6,500 m², or more than 54,000 m² over the first 12 months of the fiscal year. Some major tenants such as Alpha Crédit or Avnet renewed their leases for several years.

2. REFINANCING PROGRAM AND HEDGING POLICY

The Company pursues its refinancing program and implemented, in October 2011, two new financing plans to cover the portion of the 2006 syndicated loan maturing in March 2012 for a total amount of €130 million.

This concerns a fixed rate loan of €44 million corresponding to the assignment of future (excluding indexation) rents on a Befimmo building (average weighted duration of 6.8 years) and a bilateral credit line maturing in March 2017 for an amount of €100 million.

As a reminder, in April 2011, Befimmo issued bonds with a maturity of 6 years for an amount of €162 million, which was the first part of its refinancing program for a total of €400 million scheduled in 2011/2012.

As of 30 September 2011, the average duration of Befimmo's debt is 3.79 years. As of the same date, Befimmo has committed financing for a total amount of €1,037 million, drawn up to €839 million. Its average financing cost (including margin and hedging costs) amounts to 3.36% over a period of 12 months ending on 30 September 2011.

³ Occupancy rate: current rent (including space already let but where the lease has yet to begin) / (current rent + estimated rental value of vacant space).

To reduce its financing costs, Befimmo implemented a commercial paper program for an amount up to a maximum of €400 million. As of 30 September 2011, this program had been used for €291.5 million. This program includes back-up lines composed of the various financing lines implemented.

During the next few months, the Company will continue its refinancing and source diversifying program in order to meet its March and June 2013 loan maturity dates, or a total amount of approximately €500 million. It also intends to secure its financing for terms as long as possible.

On 5 October 2011, the Standard & Poor's credit-rating agency confirmed the BBB/outlook stable rating for Befimmo's long-term debt, and the A-2 rating for the short-term debt.

In the course of the last few months, Befimmo has extended its portfolio of interest rate risk hedging instruments and prolonged the average weighted duration of the instruments. The hedging ratio exceeds 80% until the third quarter of 2013, 70% until the second quarter of 2014, 60% until the fourth quarter of 2014, and 30% until the second quarter of 2016.

3. NET ASSET VALUE AS OF 30 SEPTEMBER 2011

As of 30 September 2011, Befimmo's total net asset value – group share – was €1,015.7 million.

The net asset value – group share – is therefore €60.50 per share.

(€/share)

| | |
|--|---------------|
| Net asset value as of 30 September 2010 | €60.60 |
| Dividend 2010 | -€3.90 |
| Net result as of 30 September 2011 | €3.80 |
| Net asset value as of 30 September 2011 | €60.50 |
| EPRA NAV⁴ | €61.26 |
| EPRA NNAV⁴ | €59.96 |

⁴ Details of the EPRA NAV and NNAV are given on page 58 of Befimmo's Annual Financial Report 2010 (www.befimmo.be).

4. CONSOLIDATED KEY FIGURES

| Data per share | 30-Sept-11 | 30-Sept-10 |
|---|------------|------------|
| Weighted average of shares outstanding* | 16 790 103 | 16 790 103 |
| Shareholders' equity (€ million) | 1 015.7 | 1 017.4 |
| Net asset value (IFRS) (€) | €60.50 | €60.60 |
| EPRA NAV (€) | €61.26 | €61.68 |
| EPRA NNAV (€) | €59.96 | €60.26 |
| Return on shareholders' equity (last 12 months) (%) | 6.61% | 4.78% |
| Net result (€) | €3.80 | €2.78 |
| Net current result (€) | €5.29 | €5.06 |
| EPRA earnings (€) | €4.41 | €5.05 *** |
| Gross dividend (€) | €3.94 ** | €3.90 |
| Debt ratio (%) | 45.06% | 44.08% |
| Loan-to-value (%) | 42.51% | 40.85% |
| Market capitalisation (€ million) | 942.4 | 1 041.0 |
| Closing share price (€) | €56.13 | €62.00 |
| Gross yield (€) | 7.02% | 6.29% |
| Return on share price (last 12 months) (%) | -3.33% | 1.71% |

* Please note that, as of 22 June 2011, Meifree SA and Vitalfree SA, 100% subsidiaries of Befimmo, together hold 637,371 additional shares of Befimmo, which brings the total amount of existing shares to 17,427,474.

** The amount of €3.94 (gross) corresponds to the interim dividend due in December 2011 and decided at the close of the first four quarters of the 2010/2011 fiscal year.

*** EPRA earnings as of 30 September 2010 (€5.05/share) includes €0.39/share resulting from the termination of the leasehold granted on Block II of the WTC described below.

- **EPRA earnings, EPRA NAV and EPRA NNAV** were calculated according to the definitions published in the Best Practices Recommendations of the European Public Real Estate Association (« EPRA »). This report is available on the EPRA website at www.epra.com.
- **Debt ratio:** calculated in accordance with article 6 of the Royal Decree of 21 June 2006 on the accounting, annual accounts and consolidated accounts of public real-estate Sicafs.
- **Loan-to-value:** [(financial debts - cash) / fair value of portfolio].
- **Gross yield:** the gross dividend divided by the share price as of 30 September.

4.1. Share price and yield

As of 30 September 2011, Befimmo shares closed at €56.13, a -7.22% discount from its net asset value.

As of 30 September 2011, return on equity amounts to 6.61%⁵. The return on the share price is -3.33%⁵ over the one-year period ending on 30 September 2011.

As of 30 September 2011, the debt ratio amounts to 45.06% and the loan-to-value ratio to 42.51%.

5. EVOLUTION OF THE RESULT OVER THE FIRST TWELVE MONTHS

5.1. Events modifying the Company's floor area

The Company's real estate floor area was modified during the first 12 months of the current fiscal year, primarily following the sales of the Kattendijkdok (January 2011) and Empress Court (March 2011) buildings and the sale of floors in the co-ownership building located chaussée de La Hulpe 177 in Brussels (June 2011), and the acquisition of Ringcenter SA, owner of the Pavilion complex (February 2011).

The comparison of the first twelve months of the 2010/2011 fiscal year with the 12 months of the 2009/2010 fiscal year is therefore affected by the impact of this floor area modification.

⁵ This is the internal rate of return calculated over the last 12 months, taking into account the dividend of €3.90 per share (gross) distributed in December 2010.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET (in thousand €)

| ASSETS | 30.09.11 | 30.09.10 |
|---|------------------|------------------|
| I. Non-current Assets | 1 985 411 | 1 905 723 |
| A. Goodwill | 15 774 | 15 890 |
| C. Investment properties | 1 959 810 | 1 884 964 |
| E. Other property, plant and equipment | 517 | 658 |
| F. Non-current financial assets | 7 105 | 1 888 |
| G. Finance leases receivables | 2 205 | 2 323 |
| II. Current Assets | 45 014 | 79 352 |
| A. Assets held for sale | - | 37 647 |
| B. Current financial assets | 487 | 411 |
| C. Finance leases receivables | 60 | 58 |
| D. Trade receivables | 17 004 | 19 475 |
| E. Tax receivables and other current assets | 6 881 | 3 973 |
| F. Cash and cash equivalents | 4 370 | 3 492 |
| G. Deferred charges and accrued income | 16 212 | 14 296 |
| TOTAL ASSETS | 2 030 424 | 1 985 075 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | 30.09.11 | 30.09.10 |
| TOTAL SHAREHOLDERS' EQUITY | 1 082 326 | 1 081 884 |
| I. Equity attributable to shareholders of the parent company | 1 015 732 | 1 017 445 |
| A. Capital | 243 245 | 233 985 |
| B. Share premium account | 491 981 | 485 340 |
| C. Own shares (-) | - 36 888 | - |
| D. Reserves | 21 113 | 21 113 |
| E. Result | 296 281 | 277 008 |
| a. Result brought forward from previous years | 232 398 | 230 349 |
| b. Net result for the fiscal year | 63 883 | 46 659 |
| II. Non controlling interests | 66 594 | 64 439 |
| LIABILITIES | 948 098 | 903 191 |
| I. Non-current liabilities | 714 411 | 604 919 |
| B. Non-current financial debts | 696 934 | 584 796 |
| a. Credit institution | 403 481 | 425 552 |
| c. Other | 293 453 | 159 245 |
| C. Other non-current financial liabilities | 17 477 | 20 122 |
| II. Current liabilities | 233 687 | 298 272 |
| A. Provisions | 2 954 | 1 383 |
| B. Current financial debts | 142 460 | 205 967 |
| a. Credit institution | 142 460 | 205 967 |
| C. Onther current financial liabilities | 2 414 | - |
| D. Trade debts and other current debts | 75 393 | 84 169 |
| E. Other current liabilities | 43 | - |
| F. Accrued charges and deferred income | 10 423 | 6 752 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 2 030 424 | 1 985 075 |

The statements were subject to a limited review by Deloitte Réviseurs d'Entreprises SC s.f.d SCRL, represented by Kathleen De Brabander and Rik Neckebroek, jointly acting auditors, who will issue an unqualified opinion.

CONSOLIDATED INCOME STATEMENT (in thousand €)

| | 30.09.11 | 30.09.10 |
|--|----------------|----------------|
| I. (+) Rental income | 124 457 | 124 012 |
| III. (+/-) Charges linked to letting | - 189 | - 560 |
| NET RENTAL RESULT | 124 268 | 123 452 |
| IV. (+) Recovery of property charges | 6 938 | 5 572 |
| V. (+) Recovery of rental charges and taxes normally paid by tenants on let properties | 25 816 | 26 936 |
| VII. (-) Rental charges and taxes normally paid by tenants on let properties | -25 292 | -26 109 |
| VIII. (+/-) Other revenue and charges for letting | 503 | 106 |
| PROPERTY RESULT | 132 234 | 129 956 |
| IX. (-) Technical costs | -8 748 | -9 417 |
| X. (-) Commercial costs | - 770 | - 948 |
| XI. (-) Charges and taxes on unlet properties | -2 284 | -2 124 |
| XII. (-) Property management costs | -1 540 | -1 584 |
| XIII. (-) Other property charges | - 242 | - 185 |
| (+/-) Property charges | -13 584 | -14 258 |
| PROPERTY OPERATING RESULT | 118 650 | 115 699 |
| XIV. (-) Corporate overheads | -13 991 | -12 512 |
| XV. (+/-) Other operating income and charges | - 183 | 8 970 |
| OPERATING RESULT BEFORE RESULT ON PORTFOLIO | 104 477 | 112 157 |
| XVI. (+/-) Gains and losses on disposals of investment | 15 041 | 215 |
| XVIII. (+/-) Changes in fair value of investment properties | -30 131 | -34 557 |
| OPERATING RESULT | 89 387 | 77 814 |
| XIX. (+) Financial income | 28 004 | 5 510 |
| XX. (-) Interest charges | -25 201 | -20 704 |
| XXI. (-) Other financial charges | -23 694 | -11 371 |
| (+/-) Financial result | -20 890 | -26 566 |
| PRE-TAX RESULT | 68 496 | 51 249 |
| XXIII. (-) Corporation tax | - 618 | - 651 |
| (+/-) Taxes | - 618 | - 651 |
| NET RESULT | 67 878 | 50 598 |
| NET RESULT (group share) | 63 883 | 46 659 |
| NON CONTROLLING INTERESTS | 3 995 | 3 938 |
| BASIC NET RESULT AND DILUTED (€/share) (group share) | 3.80 | 2.78 |
| Other comprehensive income | - | - |
| TOTAL COMPREHENSIVE INCOME | 67 878 | 50 598 |
| TOTAL COMPREHENSIVE INCOME (group share) | 63 883 | 46 659 |
| NON CONTROLLING INTERESTS | 3 995 | 3 938 |

- The item "non-controlling interests" refers to the item "minority interests".

5.2. Analysis of the result

Net rental income is slightly higher (+0.7%) than the net income recorded over the first four quarters of the previous fiscal year. At a constant floor area, this result is slightly lower -0.9%. This decrease, primarily resulting from the end of the income guarantee for the Axento building in Luxembourg and the impact of renegotiating certain leases, is offset by the contribution of the Pavilion complex since its integration into Befimmo's portfolio in February 2011, and by rent indexation.

Net real-estate charges decreased (-27.5%) compared to the previous fiscal year. This decrease essentially results from non-recurring items, notably compensations associated with departing tenants.

The result from the sale of investment properties amounts to €15.0 million. This amount was generated by sales completed in early 2011 (Empress Court building in Brussels, Kattendijkdok building in Antwerp, and sale of floors in the co-ownership building located at chaussée de La Hulpe 177 in Brussels) and is higher than previously announced.

The financial result (excluding the IAS 39 result) amounts to -€26.3 million compared to -€22.8 million one year earlier. This evolution in the financial result is primarily explained by a rise in the interest rates on the short term, but also by a small increase in the average debt of the Company.

The change in fair value of financial instruments is +€5.4 million compared to -€3.8 million one year earlier. Due to the large volatility of the interest rate curve, the recorded variations during the first 6 months amounted to +€17.4 million compared to -€11.9 million during the 6 following months.

The change in fair value of investment properties amounts to -€30.1 million (or -1.51%) compared to -€34.6 million (or -1.77%) one year earlier.

These factors result in a **net result (group share)** of €63.9 million (or €3.80/share), compared with €46.7 million (or €2.78/share) one year earlier.

EPRA earnings for the first twelve months of the fiscal year were down (-12.6%) compared to last fiscal year. This decline is explained by the non-recurring result, recorded last year, of the termination of the leasehold granted on Block II of the WTC (+€7.2 million, or €6.5 million group share). In comparison with previously published forecasts⁶, EPRA earnings are, however, rising (+6.5%) primarily as a result of the contribution of the Pavilion building (February 2011), of an indexation of leases higher than forecasted and of several non-recurring operational economies.

⁶ Please refer to the press release dated 6 May 2011, published on Befimmo's website (www.befimmo.be).

6. OUTLOOK

Following the change in the Befimmo fiscal year decided by the General Meeting of Shareholders on 22 June, and as previously announced⁷, the Board of Directors of the Managing Agent of the Sicafi has decided to distribute an interim dividend for the fiscal year, which confirms the neutral effect of the change of the fiscal year for the shareholders.

This interim dividend amounts to €3.9412 gross per share (amount rounded to 4 decimals), or €3.3500 net per share, i.e. the dividend amount foreseen for the 2010/2011 fiscal year (4 quarters⁸).

In April 2012, the agenda of the Ordinary General Meeting of Shareholders at which the accounts for the 2010/2011 fiscal year are to be approved, will include a proposition to distribute, as the case may be, a final dividend (currently estimated at €0.99 gross per share) for the 2010/2011 fiscal year, based on the current net result for the fifth quarter of said fiscal year.

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BEFIMMO PRAISED FOR ITS ANNUAL FINANCIAL REPORT 2010



On 1 September 2011, Befimmo received the "Most Improved Annual Report 2010-2011" award and a Gold Award in London. This award is given each year by the European Public Real Estate Association (EPRA) - www.epra.com)⁹. Befimmo's Annual Financial Report was selected among over 80 annual reports from major European listed real estate companies.

This award is the first in the Company's history, and Befimmo intends to enthusiastically pursue its process of continuous enhancement of corporate communication.

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Additional information:

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⁷ Please refer to the press release dated 6 May 2011, published on Befimmo's website (www.befimmo.be).

⁸ From 1 October to 30 September 2011.

⁹ With over 200 active members, EPRA is the voice of the European real estate industry and represents €250 billion in real estate assets.