



Limited Liability Company

**INTERIM STATEMENT BY THE BOARD OF DIRECTORS
FOR THE PERIOD 01.01.2013 TO 31.03.2013**

- **Stability of the fair value of portfolio**
- **Net asset value of €55.36 per share as at 31 March 2013**
- **EPRA earnings of €1.13 per share as at 31 March 2013**

The Board of Directors of Befimmo SA met to prepare the consolidated quarterly financial statements as at 31 March 2013.

1. EVOLUTION OF THE BUSINESS ACTIVITIES SINCE 1 JANUARY 2013

Befimmo finalised attractive transactions in the last few months.

Acquisition of Blue Tower Louise SA and success of the private placement of 637,371 treasury shares

On 18 April, subsequent to quarter end¹, Befimmo and its 100% subsidiary Fedimmo acquired all shares of Blue Tower Louise SA², owner of the Blue Tower office building (28,500 m²) valued at €78.5 million. This building is a true landmark in the Brussels office market and is located in the heart of the Louise area. This acquisition is perfectly in line with Befimmo's strategy to focus on its market: Brussels, other Belgian cities, as well as the city of Luxembourg, as announced in October 2012.

To maintain its LTV ratio³ and keep credit lines available in view of new projects, Befimmo successfully completed a private placement⁴ of the 637,371 treasury shares held by its subsidiaries, hereby raising €31.2 million.

¹ This press release presents the results as at 31 March 2013. The marginal impact of the acquisition of Blue Tower Louise SA and of the private placement is described in paragraph 6 on page 6.

² For more information, please see the press release published on 18 April 2013, available on Befimmo's website (www.befimmo.be).

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

⁴ For more information, please see the press releases published on 18 April 2013, available on Befimmo's website (www.befimmo.be).

Disposal of the Mons I building

As announced, Befimmo sold the Mons I building for an amount of approximately €8 million. The occupant of this building, the Ministry of Infrastructure and Transport, exercised in 2012 its option to purchase the property. This transaction has a neutral impact on the income statement as the property is valued at the same price as the purchase option.

Integration of property management activities

As previously announced⁵, the last phase of the simplification process of the Company structure was completed with the integration of the property management activities. Since the beginning of the second quarter of the fiscal year, Befimmo is the sole daily direct contact for all its rental customers. Befimmo now gathers within its team all real estate, technical and financial capacities of an asset manager.

2. PROPERTY PORTFOLIO

Change in fair values⁶ of the property portfolio

The fair value of Befimmo's consolidated portfolio was €1,966 million⁷ as at 31 March 2013, compared with a fair value of €1,969 million as at 31 December 2012. This change in value incorporates the cost of the renovation works carried out in the portfolio over the past quarter, the sale of the Mons I building and the changes in the fair value.

Excluding investments and disinvestments, portfolio values remain stable with a slight increase of €0.6 million (+0.03%) during the first quarter of the 2013 fiscal year.

⁵ For additional information, please see the press release published on 31 October 2012, available on Befimmo's website (www.befimmo.be).

⁶ These values are established in application of standard IAS 40 that requires investment property to be booked as "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.

⁷ The fair value of the portfolio as at 31 March 2013 does not take into account the fair value of the Blue Tower building.

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

OFFICES	Change over the quarter (%)	Proportion of portfolio (%)	Fair value as at 31.03.2013 (in € million)	Fair value as at 31.12.2012 (in € million)
Brussels centre (CBD)	-0.12%	56.94%	1 119.3	1 144.8
Brussels decentralised	-1.14%	5.09%	100.1	101.2
Brussels periphery	1.44%	7.60%	149.5	147.0
Wallonia	-1.85%	3.91%	76.9	78.3
Flanders	-0.04%	18.14%	356.7	356.8
Luxembourg city	1.58%	4.22%	82.9	81.8
<i>Properties available for lease</i>	-0.03%	95.90%	1 885.3	1 909.9
<i>Properties that are being constructed or developed for own account in order to be leased</i>	1.58%	4.10%	80.5	50.8
Total investment properties	0.03%	100.0%	1 965.9	1 960.7
Properties held for sale	-	-	-	7.9
TOTAL	0.03%	100.0%	1 965.9	1 968.6

- The **change over the quarter** is the change in fair values, at constant floor area, from 1 January 2013 to 31 March 2013 (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 2013.

Overall rental yield

	Properties available for lease		Investment properties ⁽³⁾	
	31.03.2013	31.12.2012	31.03.2013	31.12.2012
Initial yield ⁽¹⁾	6.89%	6.91%	6.74%	6.73%
Potential yield ⁽²⁾	7.19%	7.21%	7.03%	7.02%

(1) The current 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.

Occupancy rate and weighted average duration of leases

As at 31 March 2013, the occupancy rate⁸ is 95.74% for 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) and 95.83%⁹ on all investment properties, compared with the rate of 95.87% for properties available for lease as well as for all investment properties as the year opened.

As at 31 March 2013, the weighted average duration of leases is 9.08 years compared with 9.32 years as at 31 December 2012.

⁸ Occupancy rate: current rent (including space already let but where the lease has yet to begin) / (current rent + estimated rental value of vacant space).

⁹ Please note that, taking into account the departure of Levis Strauss on 30 April 2013 (as announced in the Annual Financial Report 2012), the occupancy rate for investment properties should amount, unless other factors intervene, to approximately 93.5%.

3. FINANCIAL STRUCTURE

Since January 2013, Befimmo finalised the implementation of bilateral lines with 3 banking institutions for a total amount of €215 million.

As at 31 March 2013, the debt ratio amounts to 48.7% (compared with 49.3% as the fiscal year opened) and the Loan-to-value¹⁰ was at 46.6% (compared with 48.03% at the beginning of the fiscal year).

4. NET ASSET VALUE AS AT 31 MARCH 2013

As at 31 March 2013, Befimmo's total net asset value¹¹ amounts to €1,023.3 million.

The net asset value is therefore €55.36 per share.

	€/share	€ million	Number of shares in circulation
Net asset value as at 31 December 2012	€54.10	€998.2 million	18 452 987
Net result as at 31 March 2013		€23.5 million	
Transactions on treasury shares		€1.5 million	
Net asset value as at 31 March 2013	€55.36	€1 023.3 million	18 483 338
EPRA NAV¹² as at 31 March 2013	€55.20	€1 020.3 million	18 483 338
EPRA NNNAV¹² as at 31 March 2013	€54.47	€1 006.8 million	18 483 338

For the 2012 fiscal year, the Ordinary General Meeting of Befimmo SA of 30 April 2013 approved the distribution of a dividend of €3.45 gross per share, consisting of an interim dividend of €2.59 gross per share paid from 20 December 2012 and a final dividend of €0.86 gross per share distributed from 8 May 2013.

¹⁰ Loan-to-value (LTV) = [(financial debts – cash / fair value of portfolio)].

¹¹ 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.

¹² Details of the EPRA NAV and NNNAV calculation method are given on page 54 of Befimmo's Annual Financial Report 2012 (www.befimmo.be).

5. TREND OF RESULTS

	31.03.2013 3 months	31.03.2012 3 months
Net rental result ¹³ (€ million)	32.5	31.7
Property operating result (€ million)	30.5	30.1
Average number of shares in circulation during the period	18 475 990	17 538 069
Net result (€/share) [group share]	1.27	0.04
EPRA earnings (€/share) [group share]	1.13	0.99

The **property operating result** is up 1.2% on the result for the same period of the previous fiscal year, mainly due to the increase of rental income at constant floor area.

The higher **EPRA earnings per share** as compared with last year is also due to the improvement of financial results following the decrease of financial charges (decline of interest rates).

The increase in the **net result** is mainly due to the stability of the portfolio's fair value during the past quarter while a decrease in value was observed during the first quarter of 2012.

¹³ 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.

6. MARGINAL IMPACT OF THE ACQUISITION OF BLUE TOWER LOUISE SA AND OF THE PRIVATE PLACEMENT OF 637,371 TREASURY SHARES

Based on data as at 31 March 2013, the marginal impacts of this transaction are as follows:

- The occupancy rate for the entire portfolio and the weighted average duration of leases remain at a high level. The limited impact of these ratios is -0.2% and -0.2 year, respectively.
- The EPRA earnings per share should increase by approximately €0.03 in 2013.
- The anticipated net impact on the LTV ratio is limited to +0.4%.

Following this transaction, at constant floor area, Befimmo has the necessary lines to cover its needs until the 3rd quarter 2014.

7. OUTLOOK

All other factors remaining equal, the outlook for the results, as published¹⁴ in the Annual Financial Report 2012, still applies. Accordingly, the Board of Directors confirms the forecast dividend of €3.45¹⁵ per share (gross) for the current fiscal year.

8. STOCK EXCHANGE AND YIELDS

At 31 March 2013, the Befimmo share closed at €49.6, thus being listed at a discount of -10.4% in relation to the net asset value.

The return on shareholders' equity is 4.13%¹⁶. The return on share price is 7.48%¹⁶ for the one-year period ending at 31 March 2013.

¹⁴ See Annual Financial Report 2012, chapter 'Outlook and dividend policy' pages 65 to 69.

¹⁵ The gross dividend of €3.45 per share could be paid as an interim dividend of €2.59 in December 2013 and a final dividend of €0.86 in May 2014.

¹⁶ This is the IRR [Internal Rate of Return] calculated over the 12 previous months, taking account of the interim dividend of €2.59 per share (gross) allocated in December 2012, for shareholders accepting the share option.

9. FORTHCOMING PUBLICATIONS¹⁷

Thursday 1 August 2013	Publication of the Half-Yearly Financial Report 2013 on Befimmo's website (www.befimmo.be)
Thursday 14 November 2013	Publication of the Interim Statement as at 30 September 2013
Thursday 20 February 2014	Publication of the annual results as at 31 December 2013

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Befimmo is a Pure Player investor specialising in high quality office buildings located in city centres in Belgium and in the Grand-Duchy of Luxembourg. Its portfolio currently includes approximately one hundred office buildings for a total surface over 850,000 m² of which a large part is rented long-term to public institutions (> 65%). The fair value of its portfolio as at 31 March 2013 was €1,966 million. The Company strives to enhance its current portfolio and to seize any investment opportunity creating value for its shareholders. Befimmo has been listed on NYSE Euronext Brussels since its creation and in the BEL 20 index since March 2009; the Company applies a purposeful strategy aiming at obtaining optimised results over time. Befimmo bases its strategic prospects on optimal integration of the challenges of sustainable development and conducts its daily activities according to applicable rules of corporate social responsibility.

Additional information:

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¹⁷ Publication after closing of the stock exchange.