

Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-2224

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Befimmo SA/NV			2 Issuer's employer identification number (EIN) N/A	
3 Name of contact for additional information Aminata Kake		4 Telephone No. of contact +32-(0)2 679 38 60		5 Email address of contact a.kake@befimmo.be
6 Number and street (or P.O. box if mail is not delivered to street address) of contact Parc Goemaere, Chaussée de Wavre 1945			7 City, town, or post office, state, and Zip code of contact B-1160 Brussels, Belgium	
8 Date of action September 15, 2016		9 Classification and description Rights Offering		
10 CUSIP number N/A	11 Serial number(s) See attachment.	12 Ticker symbol BEFB	13 Account number(s) N/A	

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ [See attachment.](#)

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ [See attachment.](#)

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ [See attachment.](#)

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See attachment.

Multiple horizontal lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ See attachment.

Multiple horizontal lines for providing information on resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See attachment.

Multiple horizontal lines for providing other necessary information.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ 

Date ▶ October 28, 2016

Print your name ▶ **Aminata Kake**

Title ▶ **General Counsel and Secretary General**

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Question 11. Serial number(s).

Existing Shares: BE0003678894

Priority Allocation Rights: BE0970151545

Question 14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

On September 15, 2016 (the “**Distribution Date**”) each holder of Befimmo’s ordinary shares received one tradable priority allocation right (each, a “**Priority Allocation Right**”) per ordinary share held at the closing of Euronext Brussels on September 14, 2016 (each, an “**Existing Share**”). The exercise of 9 Priority Allocation Rights entitled the exercising holder to subscribe for 1 new ordinary share (each, a “**New Share**”) against the payment of a subscription price of €49.75 per New Share. The subscription period for the Priority Allocation Rights began on the Distribution Date and closed on September 22, 2016 (inclusive). During the subscription period, the Priority Allocation Rights traded on Euronext Brussels.

Question 15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

Because the fair market value of the Priority Allocation Rights distributed to holders on the Distribution Date was less than 15 percent of the fair market value of the Existing Shares, the Priority Allocation Rights will be allocated a zero basis for U.S. federal income tax purposes unless the holder affirmatively elects to allocate basis between its Existing Shares and the Priority Allocation Rights in proportion to their relative fair market values as determined on the Distribution Date. If a U.S. taxpayer chooses to allocate basis between its Existing Shares and the Priority Allocation Rights, it must make this election in its tax return for the taxable year in which it receives the Priority Allocation Rights. The election is irrevocable once made.

Based on trading prices on Euronext Brussels on the Distribution Date as reported by Bloomberg, the volume-weighted average price of the Existing Shares (ex-Rights) was €53.71, with an opening price of €54.00 and a closing price of €53.30. The volume-weighted average price of the Priority Allocation Rights was €0.41, with an opening price of €0.46 and a closing price of €0.37.

For illustrative purposes, the below table provides a sample basis allocation using the reported volume-weighted average prices on the Distribution Date.

	Volume-Weighted Average Price on Euronext Brussels as of 9/15/16	Percentage
One Existing Share	€53.71	99.23%
One Priority Allocation Right	€0.41	0.77%
Total	€54.13	100%

Hence, using the prices in this example, a U.S. taxpayer that makes the basis election referred to above must allocate 0.77% of its basis in its Existing Shares to the rights and reduce its basis in its Existing Shares by an equal amount.

If the Priority Allocation Rights were obtained by a U.S. taxpayer in a distribution with respect to the U.S. taxpayer’s Existing Shares, but expire unexercised, then the U.S. taxpayer will not realize gain or loss, and the tax basis of the U.S. taxpayer’s corresponding Existing Shares will be the same as they were prior to the receipt of the Priority Allocation Rights pursuant to the Offering.

Question 16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.

The average of trading price on Euronext Brussels for the Existing Shares (ex-Rights) on the Distribution Date was €53.71. The average trading price on Euronext Brussels for the Priority Allocation Rights on the Distribution Date was €0.41. Using these numbers, each Priority Allocation Right represented 0.77% of the combined fair market values of an Existing Share and a Priority Allocation Right (see calculation under Question 15 above). If a U.S. taxpayer makes the election regarding basis allocation described in the response to Question 15, then the U.S. taxpayer would allocate basis as follows (these numbers are supplied for illustrative purposes only):

Assumed tax basis in one Existing Share:	€20
Fair market value of one Existing Share:	€53.71
Fair market value of one Right:	€0.41
Percentage of total fair market value allocated to Existing Shares:	99.23%
Percentage of total fair market value allocated to Rights:	0.77%
Basis allocated to Existing Share:	€19.85
Basis allocated to Right:	€0.15

Question 17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

The treatment of the distribution of Priority Allocation Rights to holders of Existing Shares as a non-taxable distribution is based on Sections 305(a) and 305(d) of the Internal Revenue Code of 1986, as amended (the

“Code”) and Treasury Regulations Section 1.305-1. The tax basis calculations described above and elections with regard to such calculations are described in section 307 of the Code and Treasury Regulations Sections 1.307-1 and 1.307-2.

Question 18. Can any resulting loss be recognized?

If a U.S. taxpayer sold or otherwise disposed of its Priority Allocation Rights, the U.S. taxpayer will recognize gain or loss for U.S. federal income tax purposes equal to the difference between the U.S. dollar value of the amount that the U.S. taxpayer realized and its tax basis in its Priority Allocation Rights, if any, determined in U.S. dollars.

If the Priority Allocation Rights were obtained by a U.S. taxpayer in a distribution with respect to the U.S. taxpayer’s Existing Shares, but expired unexercised, then the U.S. taxpayer will not realize gain or loss. In addition, the tax basis of the U.S. taxpayer’s corresponding Existing Shares will be the same as they were prior to the receipt of the Priority Allocation Rights pursuant to the Offering.

Question 19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.

For a U.S. taxpayer whose taxable year is the calendar year, the reportable year is 2016.