



Public regulated real estate company  
Limited Liability Company  
Auderghem (1160 Brussels), 1945 Chaussée de Wavre  
Register of Legal Entities No 0455.835.167 – VAT BE 455.835.167  
(Hereinafter, the “Company”)

Special Report of the Board of Directors on the renewal of the authorised capital, pursuant to article 604 of the Belgian Company Code

*The original version of this report is written in Dutch and French, neither language taking preference over the other; this English version is an unofficial translation*

This report has been prepared by the Board of Directors of Befimmo SA/NV pursuant to article 604 of the Belgian Company Code.

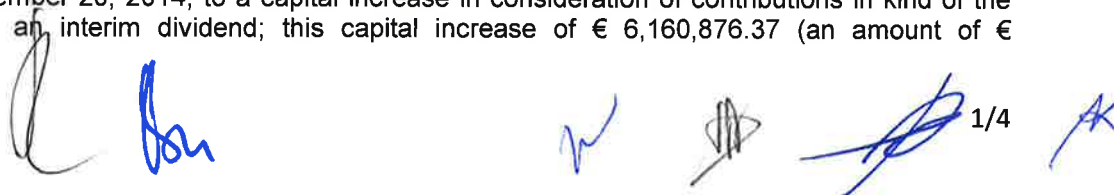
Pursuant to article 604 of the Belgian Company Code, when the Board of Directors proposes to the General Meeting to grant or to renew the authorization to increase, in one or several stages, the share capital, it prepares a special report indicating the specific circumstances under which the Board of Directors may make use of the authorized capital as well as the objectives pursued.

#### **I. Authorization given by the Extraordinary General Meeting of June 22, 2011 and partial use of the authorized capital**

The Extraordinary General Meeting of June 22, 2011 granted to the Board of Directors of Befimmo SA/NV the authorization to increase the share capital, in one or several stages, on the dates and pursuant to the terms and conditions to be resolved by it, up to an amount of € 253,194,780.59. This authorization has been granted for a period of five years from the publication date of the minutes of the shareholders' meeting and expires on July 5, 2016.

The Board of Directors partially used this authorization by proceeding:

- on November 24, 2011, to a capital increase in consideration of contributions in kind of the right to an interim dividend; this capital increase of € 10,866,812.21 (an amount of € 24,212,793.19 was allocated to the "Issue premium" account) occurred on December 15, 2011;
- on October 3, 2012, to a capital increase of € 8,628,481.29 (an amount of € 21,981,176.25 was allocated to the "Issue premium" account), in consideration of the contribution by the Société Fédérale de Participations et d'Investissement / Federale Participatie en Investeringsmaatschappij of 491,008 shares, fully paid-up, of the limited liability company Fedimmo, that the Company did not already own and allowing the Company to hold 100% of the share capital of Fedimmo (which has been converted into an institutional sicafi / vastgoedbevak (real estate investment trust) afterwards and after in an institutional Regulated Real Estate Company (institutional SIR/GVV);
- on November 23, 2012, to a capital increase in consideration of contributions in kind of the right to an interim dividend; this capital increase of € 5,104,844.44 (an amount of € 9,992,770.92 was allocated to the "Issue premium" account) occurred on December 19, 2012;
- on July 10, 2013, to a capital increase of € 29,595,059.86 (an amount of € 80,404,940.14 was allocated to the "Issue premium" account) in consideration of the contribution by AXA Belgium SA/NV of the AMCA building located in Anvers/Antwerp;
- on November 22, 2013, to a capital increase in consideration of contributions in kind of the right to an interim dividend; this capital increase of € 5,467,649.74 (an amount of € 12,808,361.51 allocated to the "Issue premium" account) occurred on December 18, 2013;
- on November 20, 2014, to a capital increase in consideration of contributions in kind of the right to an interim dividend; this capital increase of € 6,160,876.37 (an amount of €

 1/4 AK

18,550,928.76 was allocated to the "Issue premium" account) occurred on December 16, 2014;

- on November 25, 2014, to a capital increase of € 2,714,690.86 (an amount of € 8,057,384.59 was allocated to the "Issue premium" account) in consideration of the contribution by AXA Belgium SA/NV of the building rue au Choux 35 located in Brussels;
- on November 19, 2015, to a capital increase in consideration of contributions in kind of the right to an interim dividend; this capital increase of € 5,051,321.50 (an amount of € 13,859,211.26 was allocated to the "Issue premium" account) occurred on December 15, 2015.

As a result, the amount of the authorized capital currently amounts to € 179,605,044.32.

**II. Proposal to renew the authorization given to the Board of Directors to proceed to a capital increase in the context of article 603 of the Belgian Company Code, for a new period of five years**

In view of the next Extraordinary General Meeting to be held either on April 6, 2016 or on April 26, 2016 (if the required number of shares present or represented at the first meeting is not reached), the Board of Directors proposes to the shareholders of the Company to renew, for a new period of five years from the publication date of the minutes of the Extraordinary General Meeting, the authorization to increase, in one or several stages, the share capital of the Company up to a maximum amount equal to the current share capital which amounts to € 334,464,491.53, under the terms and conditions set out below.

The renewal of the authorized capital will provide the Company with the opportunity to have a financial flexibility allowing it, on the one hand, to react quickly to any opportunity that would arise on the market and, on the other hand, to fund, through its equity funds, new investments falling within its strategy and which are value-creating for the shareholders, while controlling its debt level. This authorisation aims at strengthening the real estate portfolio of the Company, in the interest of the Company and its shareholders.

This motivation is identical to the one described in the previous reports established by the Company on the basis of the article 604 of the Belgian Company Code. Therefore, this report mainly adapts this authorization to the evolution of the share capital since June 2011.

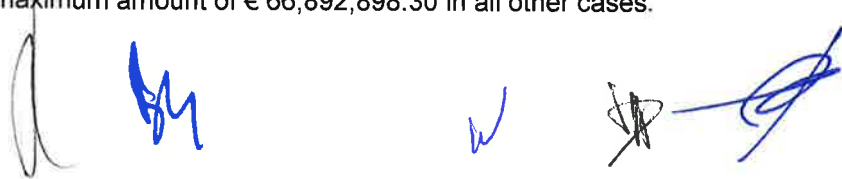

The Board of Directors therefore proposes to the shareholders of the Company to vote in favour of the following proposal:

- purely and simply cancel the authorization granted to the Board of Directors by the Extraordinary General Meeting of June 22, 2011, according to the minutes published in the Belgian Official Gazette of July 5, 2011, under number 2011-07-05 / 0100535 and, consequently, cancel any unused balance of the authorised capital existing at the publication date in the Belgian Official Gazette of the amendments to the articles of association of the Company approved by the Extraordinary General Meeting which will deliberate on its renewal;
- replace it with a new authorization to increase the share capital pursuant to articles 603 and following of the Belgian Company Code, in one or several stages, according to the terms and conditions below :

1°) by a maximum amount of € 334,464,491.53, if the contemplated capital increase is a capital increase by subscription in cash including preferential subscription rights for shareholders of the Company;

2°) by a maximum amount of € 66,892,898.30, if the contemplated capital increase is a capital increase by subscription in cash including an irreducible allocation right for shareholders of the Company: the irreducible allocation right is, for a Regulated Real Estate Company (SIR/GVV), the only legal alternative in case of cancellation of preferential subscription rights in the framework of a capital increase by subscription in cash and offers the same economic protection against a potential dilution of the existing shareholders;

3°) by a maximum amount of € 66,892,898.30 in all other cases.

 2/4 

It being understood that in no case, the share capital can be increased by application of the authorized capital by more than € 334,464,491.53.

It is therefore proposed to replace subparagraphs 1 to 4 of article 7 of the articles of association by the following wording:

« The Board of directors is authorized to increase the share capital, in one or several stages, on the dates and pursuant to the terms and conditions resolved by him, by a maximum amount of :

1°) three hundred thirty four million four hundred sixty four thousand four hundred ninety one euros and fifty three cents (EUR 334,464,491.53) if the contemplated capital increase is a capital increase by subscription in cash including preferential subscription rights for shareholders of the Company, such as provided for in 592 and subsequent of the Belgian Company Code;

2°) sixty six million eight hundred ninety two thousand eight hundred ninety eight euros and thirty cents (EUR 66,892,898.30), if the contemplated capital increase is a capital increase by subscription in cash including an irreducible allocation right for shareholders of the Company, such as provided for by article 26, §2, 2° of the Act of May 12, 2014 on Regulated Real Estate Companies;

3°) sixty six million eight hundred ninety two thousand eight hundred ninety eight euros and thirty cents (EUR 66,892,898.30) for all other types of capital increase not falling under points 1°) and 2°) here above ;

it being understood that in no case, the share capital can be increased by application of the authorized capital by more than the amount of three hundred thirty four million four hundred sixty four thousand four hundred ninety one euros and fifty three cents (EUR 334,464,491.53).

The shareholders' preferential right can be limited or withdrawn solely pursuant article 9 of the articles of association.

Under the same conditions, the Board of directors is authorized to issue convertible bonds or subscription rights.

This authorization is granted for a period of five years, as of the date of publication in the Appendixes of the Belgian State Gazette of the minutes of the shareholders' meeting held on [date] 2016.

It is renewable. »

This resolution will take effect on the date of the publication of the minutes which record its adoption and will be valid for a period of five years.

In accordance with the Act of May 12, 2014 on Regulated Real Estate Companies, the proposed amendment to the articles of association has been approved by the FSMA.

Brussels, February 26, 2016.

For the Board of Directors

Befimmo SA/NV

Benoît De Blicq  
Executive Director

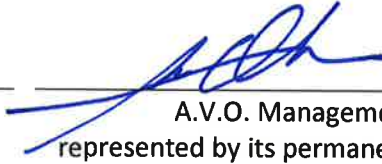
Alain Devos  
Chairman of the Board of Directors

3/4



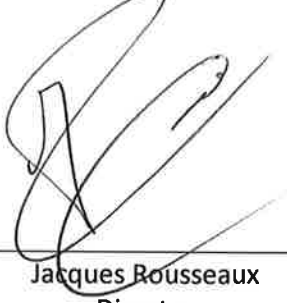
---

Benoit Godts  
Director



---

A.V.O. Management SPRL  
represented by its permanent representative  
Annick Van Overstraeten  
Director



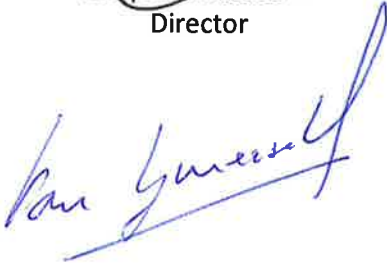
---

Jacques Rousseaux  
Director



---

Hugues Delpire  
Director



---

Guy Van Wymersch-Moons  
Director