Banimmo

First half year results 2009

September 1st, 2009

AGENDA

- **Important events of the first half year 2009 at a glance**
- **Portfolio description**
- **Analysis of the results**
- **Forecasts**
- **Financial calendar**

IMPORTANT EVENTS OF THE FIRST HALF YEAR 2009 AT A GLANCE

Investments & Disposals

- No sale or acquisition of real estate asset during the first half year of 2009
  - Disruption of investments markets overall (compared to H1/2008, decline of investments: 78% in Belgium and 73% in France) (1)
- Disposal occurred after June 30th: sale of Atlantic House at the beginning of July 2009
- Acquisition in progress since June 30th: Galerie St. Germain at the end of July 2009

Refinancing of bank debts strengthening the balance sheet

Developments

- Sirius (Mobistar) building progressing well: completion and acceptance scheduled for September/October 2009
- Arts 27 building completed by September/October 2009

Commercial letting activity

- New rentings in Alma Court , Atlantic House, Prins B. 5, Diamond, Corvettes...

(1) *Source: Jones Lang LaSalle*

Sirius

Localisation

- Avenue du Bourget, 3 in Evere
- Brussels decentralized

Specifications

- 29,500 m²
- 6 floors (GL +5)
- 3 basement floors with 630 parking spots

Tenant

- Mobistar (100%)
- Leasing contract of 15 years (fixed)
  At the end of this period, purchase option for Mobistar or option to extend the rental period with additional 9 years

Construction completion

- September/October 2009

Rental level

- €4,654 K (as of April 2010) (without long lease charge)

For sale

Arts 27

Localisation

- Avenue des Arts, 27 in Brussels
- Brussels Central Business District (CBD)

Specifications

- 3,700 m²
- 9 floors (GL +8)
- 2 basement floors with 36 parking spots

Tenant

- Ground level rented to Citibank
- Start commercialisation for other levels

Construction completion

- September/October 2009

LETTING ACTIVITY DURING THE FIRST HALF YEAR 2009

❑ Commercial letting activity

New rentings signed in 2009	Surface	Financial rental impact 2010	2011
Alma Court	4,652 m²	none	€371 K
Atlantic House	1,318 m²	none (asset sold)	
Picardie	225 m²	€22 K	€22 K
Prins B. 5	1,687 m²	€48 K	€191 K
Diamond	699 m²	€103 K	€103 K
Corvettes	939 m²	€139 K	€139 K
Clamart	954 m²	€161 K	€161 K
Les Jardins des Quais (Bordeaux) (1)	501 m²	€110 K	€110 K
	10,976 m²	€583 K	€1097 K

(1) *50% Banimmo*

AGENDA

- Important events of the first half year 2009 at a glance
- **Portfolio description**
- Analysis of the results
- Forecasts
- Financial calendar

REAL ESTATE PORTFOLIO

❑ Investment properties [(1)] in Belgium

Name	Localisation	Total lettable area (GLA)	Parking places	Number of tenants	Occupancy rate
Alma Court	Zaventem	16.042	280	7	95%
Antwerp Expo	Antwerp	22.635	400	1	100%
Arts 27	Brussels	3.707	35	1	n.a. (2)
Athena Business Center	Vilvoorde	18.180	333	5	88%
Atlantic House	Antwerp	27.995	630	22	91%
Da Vinci H3	Brussels	12.449	100	1	100%
Da Vinci H5	Brussels	3.951	-	-	-
Diamond	Brussels	13.670	269	2	72%
Evere	Brussels	6.350	129	1	100%
Kruger Center	Eeklo	12.718	264	20	100%
Lozana	Antwerp	6.976	187	1	100%
North Plaza	Brussels	13.630	146	3	80%
Picardie Park	Brussels	4.077	73	9	74%
Prins B. 5	Kontich	6.541	218	3	74%[(3)]

(1) According to IFRS standards (IAS 40)

(2) Occupancy rate based on leased areas compared to available areas. Arts 27 is currently being renovated and therefore no areas are available.

(3) Renovation due to start in 2010

Real Estate portfolio

Investment properties [1] in France

Name	Localisation	Total lettable area (GLA)	Parking places	Number of tenants	Occupancy rate
Les Corvettes	Colombes	14.215	476	14	75%
Saran	Saran (Orléans)	2.355	40	2	100%
Saran II	Saran (Orléans)	600	70	1	100%
Vaugirard	Paris	2.083	28	16	n.a.
Fontenay	Fontenay-sous-Bois	1.970	93	1 [3]	100% [2]
Clamart	Clamart (Paris)	8.015	230	20	87%

(1) *According to IFRS standards (IAS 40)*

(2) *Occupancy rate based on leased areas compared to available surfaces.*
Vaugirard will be renovated and non-occupied areas are therefore not available for renting.

(3) *Rental agreements being terminated*

Real Estate portfolio

❑ Development properties

Name	Localisation	Total lettable area (GLA)	Delivery	Description
Da Vinci H4	Brussels	29.500	3° quarter 2009	Future HQ of Mobistar with a total office area of 29.500 m²
Ans	Ans	91.655 m²		
Da Vinci H2	Brussels	6.805 m² (building permit for 20.000 m² GLA)		

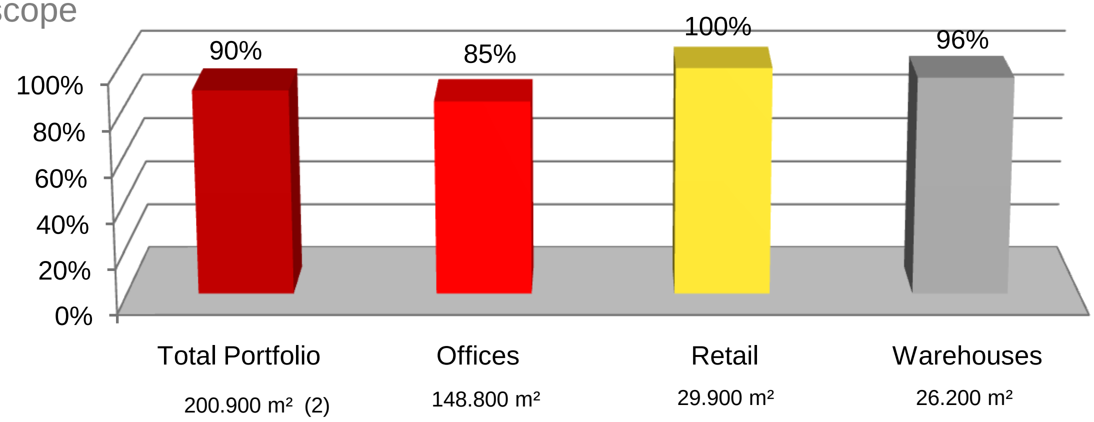
❑ Properties held in JV

Name	Localisation	Total lettable area (GLA)	Parking places	Number of tenants	Occupancy rate
Dolce La Hulpe	La Hulpe	35.977	538	1	100%
La Hulpe (Office building)	La Hulpe	4.450	160	1	100%
Dolce Chantilly	Vineul St-Firmin	17.000	300	1	100%
Les Jardins des Quais	Bordeaux	25.334	770	46	82%
The Loop (Flanders Expo)	Gent	Area of 454.645	-	-	-

OCCUPANCY RATE

❑ Investment properties

- Year on year increase of the occupancy rate (1) : 90% for the investment portfolio vs. 88% on 30/06/2008
- Increase mainly the result of good commercial letting activity and integration of new assets in the portfolio scope



- New incoming gross rental revenues (on 100% owned assets)
  - From letting activity: positive impact of €80 K on H2/2009 (compared to H1/2009) (excluding new rental agreement in Atlantic House)
- Lost revenues during H1/2009: Unilever (Diamond): negative impact of €130 K on H2/2009 (compared to H1/2009)
- Expected loss of revenues H2/2009: North Plaza: negative impact of €280 K on H2/2009 (compared to H1/2009)

(1) Based on leased areas compared to available areas

(2) Surface comprehends also other type of assets (Exposition halls) and archives

RENTAL INCOME

Investment properties

- Annual gross rental income of €21,1 M based on signed leases on 30/06/2009 *(excluding Mobistar lease)*
- Gross rental yield of 8,2% on fair value
- ERV[(1)] of €25,4 M for investment properties implying gross yield of 9,9%
- **Total ERV of €32,3 M** taking into account built to suit project (Mobistar), leasing up of Les Jardins des Quais (50%) and office buildings on the Dolce La Hulpe-site (49%)

(1) Estimated Rental Value

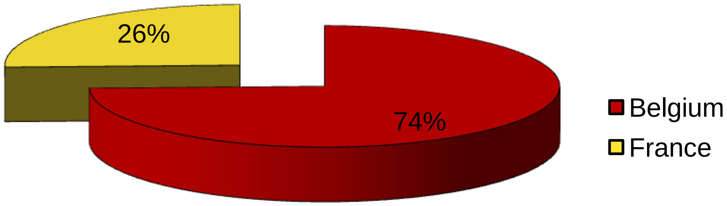
PORTFOLIO DISTRIBUTION

- Portfolio value: €399 M(1) (vs. €390 M on 31/12/2008)
  - IPO objective in 2007: reach €500 M level by year-end 2009
  - NAV of €126 M (see page 15)

- Variation mainly due to combination of:
  - Positive impact due to progression of current developments (Mobistar and Arts 27)
  - Negative revaluation on exiting portfolio

- Value underestimated:
  - Accounting value of conference centers (IAS 16) based on acquisition cost (+ capex) (versus DCF methodology for expert)
  - Value of development projects (IAS 16) based on acquisition cost (for the time being) - Bookvalue of €45 M on 30/06/2009
  - Fair market value (IAS 40) not suited for buildings being refurbished
    - Ex.: Arts 27 (Fair Value increase of only €300 K whereas €2.8 M capex realized) or North Plaza (Fair Value decrease of €2.8 M)

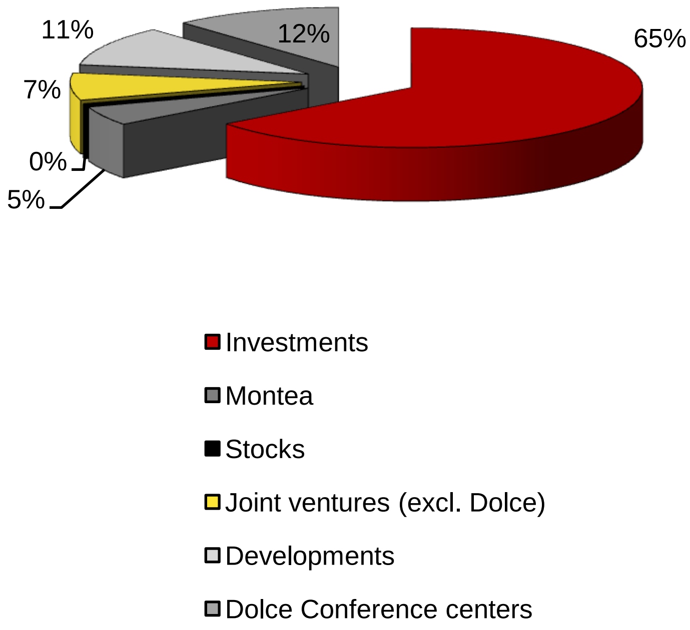
- Portfolio made up of 29 sites in Belgium and France (200.900 m² for the investment portfolio)



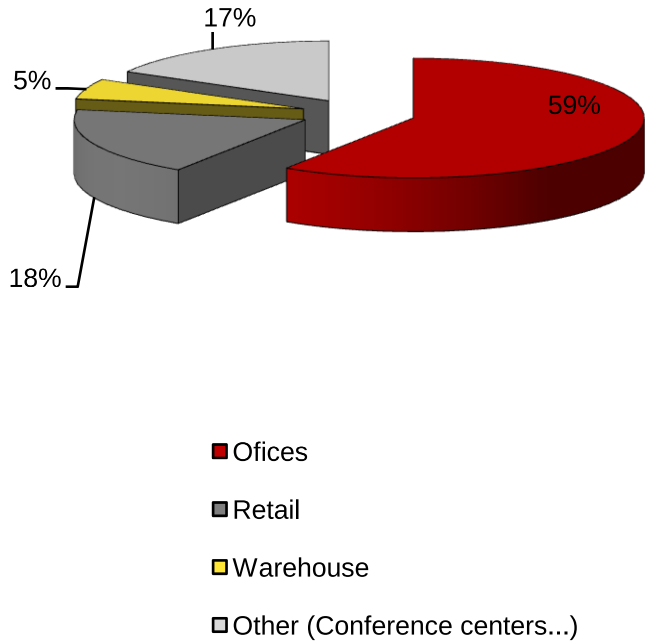
(1) Based on either the fair value, either acquisition cost for the conference centers and the assets in development

PORTFOLIO DISTRIBUTION

Distribution by investment type

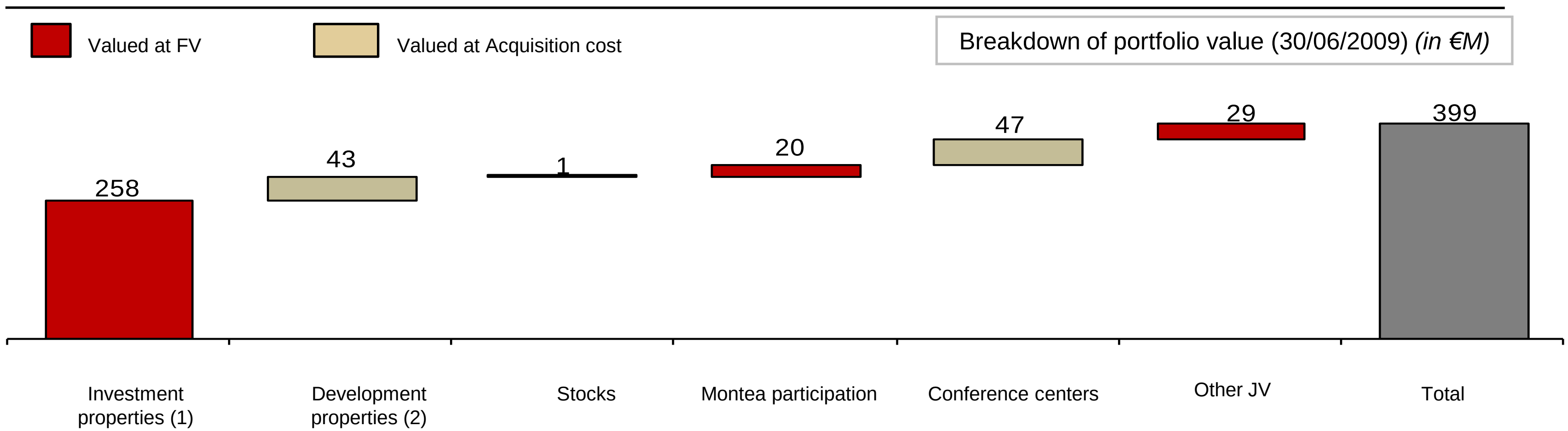


Distribution by type of asset



PORTFOLIO DISTRIBUTION

- Portfolio of €399 M* (IFRS), compared to Shareholder funds of €126 M
- Value under-valued:
  - Valuation of conference centers at acquisition value (and not market value) due to imposed accounting principles
  - Valuation of development projects (Mobistar) at their acquisition cost (for the time being)
  - Conservative valuation of investment properties done by independent expert (e.g. capital gain on Gérardchamps sold in december 2008, capital gain of €10 M for asset Capellen sold in December 2007 and capital gain on Atlantic House sold in July 2009)
  - NAV methodology is not a relevant approach because of the important under-valuation of the portfolio and the current developments



(1) Includes properties for which renovation capex is lower that 50% of acquisition price

(2) Includes new developments or assets requiring a heavy renovation (amount >50% of acquisition price)

* *Based on either fair value, either acquisition cost*

RECONCILIATION BETWEEN PORTFOLIO VALUE AND BALANCE SHEET

Portfolio value: €399 M versus Balance sheet amounts

	In %	Value (in €M)	Valuation Method	Balance sheet amount	Comment
Investments	65%	258	Recycling of marketvalue delivered to the banking syndicate	248	Difference linked to fiscal impact deducted from fair-value
Developments	11%	45	Acquisition cost (value in transition)	45	
Stocks	0.5%	1	Fair-Value by ext. valuer	1	
Montea (REIT)	5%	20	Pro-rate participation Banimmo in Shareholders Funds Montea	20	
Joint-Ventures (excl. conference centers)	7%	29	Fair-Value by ext. valuer (share Banimmo)	20	The project Jardins des Quais is partially accounted in "LT financial assets" and in "Participations in companies held by the equity method". Project The Loop is also accounted in "Participations in companies held by the equity method"
Conference centers	12%	47	Acquisition cost (+capex) (share Banimmo 49%)	14	Part of the conference centers is being accounted as "LT receivable", for an amount of €12,25 millions and for a small part in "Participations in companies held by the equity method".
Total	**100%**	**399**		**348**	
		139	**Equity (economic before fiscal impact, taken into account debt in JV)**	**126**	**Equity (IFRS)**
		12.2	**Equity per share**	**11.1**	**Equity per share**

AGENDA

- Important events of the first half year 2009 at a glance
- Portfolio description
- **Analysis of the results**
- Forecasts
- Financial calendar

INCOME STATEMENT

€ '000	H1 2008	H1 2009	H1 2009 Conf.cent in IAS 40 (non audited)	H1 2009 Cash approach (non audited)
Net rental income	6,376	8,343	*Idem*	idem
Other income (commissions on JV)	347	743	*Idem*	idem
Share in the result of companies accounted by the equity method:	452	(3,130)	*3,518*	
Montea *(incl. fair value adjustments)*				*1,743*
Conferinvest				*1,449*
Jardins des Quais				*401*
The Loop				*Not significant*
Recurrent income	**7,175**	**5,956**	**12,604**	**12,679**
Operational costs	(3,913)	(4,337)	Idem	idem
(Recurring current result) REBIT	**3,262**	**1,619**	**8,267**	**8,342**
Net result of sale on real estate operations & companies accounted EM	3,424	254	Idem	idem
(Current result) EBIT	**6,686**	**1,873**	**8,521**	**8,596**
Net financial costs	(2,596)	(3,736)	Idem	idem
EBT	**4,090**	**(1,863)**	**4,785**	**4,860**
Taxes	(379)	844	Idem	idem
Net current result	**3,711**	**(1,019)**	**5,629**	**5,704**
Deferred taxes	271	4,390	Idem	
Variations of fair value on investment buildings	(2,798)	(8,318)	Idem	
Variations of fair value on hedging instruments	1,015	(1,008)	Idem	
Net Result	**2,198**	**(5,955)**	**693**	

* *Base principle: exclusion of IFRS non-cash items excepting linearization of broker's fees and free periods on letting. Replacement by net cash-flow (net lease income or EBITDA from conference centres and Jardins des Quais or dividend from Montea)*

Key elements of the Income statement

- Net rental income: €8,343 K vs. €6,376 K on 30/06/2008 (increase of 31%)
  - Change in scope compared to H1 2008: new buildings such as Vaugirard, Fontenay, Clamart, North Plaza (6 months), Diamond (6 months) and sale of building Verviers
  - Increase of occupancy rate (Atlantic House, Alma Court, Diamond)

- Contribution companies accounted by the equity method: €-3,130 K vs. €452 K on 30/06/2008
  - Negative nominal contribution substantially due to fair value adjustments:
    - **France (-€483 K)**
      - Positive commercial evolution for Jardins de Quais: increase of occupancy to (82%) but negative impact on fair value of hedging instrument and stabilisation of asset value *(€42.4 M)*
    - **Belgium(€-2647 K)**
      - Montea (-€1,775K)
        - Increase of net current result to €4.1 M
        - Substantial impact of non-cash IFRS items: €-1.7 M mark to market swaps, €-9.8 M FV valuation
        - Consolidated IFRS result: €-7.5 M
        - Dividends received (2009): €1,743 K versus €935 K in 2008

KEY ELEMENTS OF THE INCOME STATEMENT

- **Belgium(€-2,647K) *(continued)***
  - **La Hulpe and Chantilly (€-960 K) if centers remain valued at acquisition cost less depreciation**
    - Decrease of EBITDA: €2.96 M versus €4.64 M (decrease of 36%)
    - Contribution would be €593 K if centers were valued at investment value (or a total difference of €1.553 K)
    - Outstanding consolidated long term bank credit on 30/06/2009 of €59.5 M

In '000 €	La Hulpe 30/06/2008	La Hulpe 30/06/2009	Chantilly 30/06/2008	Chantilly 30/06/2009	Consolidated 30/06/2009
Turnover	10.300	9.550	8.356	6.964	16.514
EBITDA	2.605	1.853	2.037	1.105	2.958
Occupancy rate	62%	58%	69%	64%	-

- **The Loop**
  - No significant accounting impact during H1/2009
  - Projects are progressing: after the opening of IKEA at the end of December 2008, Grondbank the Loop prepares a second infrastructure phase: the permits for the construction of two bridges linking the two sides of the Pegoudlaan have been introduced. The feasibility study of the retail and leisure development has been finalized. Plans for the development of Field 5 and of a parking on Field 8 are being elaborated.

KEY ELEMENTS OF THE INCOME STATEMENT

- **Other income:** €743K vs. €347 K on 30/06/2008

  Commission predominantly resulting from managing the participation Conferinvest (conference centers) and specific project management mission on behalf of third parties

- **Operational charges:** €4,337K vs. €3,913 K on 30/06/2008

  Increase predominantly the result of automatic indexation of wages and internalisation of property management services being charged to tenants

- **Capital gains:**
  - Price complements on previous sales: €254 K

KEY ELEMENTS OF THE INCOME STATEMENT

- Net financial charges: €-3,818 K vs. €-2,787 K on 30/06/2008
  - Increase of financial charges due to:
    - New acquisitions occurred in second half-year of 2008 (Vaugirard, Fontenay, Clamart, etc.) or at the end of first half year (North Plaza) amount to €88 M
    - Increase of financial charges linked to increase of average indebtednes partially compensated by decrease of base interest rate (Average Euribor 3M: H1/2008 4.67%; H1/2009 1.66%)
    - Negative Impact of current hedging instruments (Floor): €425 K
    - Average cost of debt: 4.3% (without hedging) and 4.8% with hedging. Of this percentage, about 60 bps is linked to the commitment fees on undrawn amounts of current credit lines

- Taxes (effectively paid): €844K
  - Positive amount due to exceptional positive impact of €1,064 K
  - Deferred taxes have no impact on treasury/cash position
  - Banimmo has structurally a low taxation rate thanks to
    - Depreciation of assets
    - Notional interest
    - Non-taxation of capital gains on shares
    - Possibility of immunisation by re-investing the real estate capital gains

KEY ELEMENTS OF THE INCOME STATEMENT

- Variation of fair value: -€8,317 K (vs. -€2,798 K on 30/06/2008)
  - Decrease of 3.3% on investment properties
  - Decrease comparable with other Belgian real estate players:
    - Cofinimmo: -1.3%
    - Befimmo: -3.1% (9 months)
    - Leasinvest: -2.1%
    - Intervest Offices: -3%
  - Decrease slightly higher for Banimmo due to its French exposure, market having known a higher price correction, and to Banimmo's exposure to development assets
  - Belgian market has always remained very stable and has never known the excessive yield compressions observed in neighbouring cities (Paris, Madrid, London, etc.)
  - Current price correction in Belgium is therefore limited compared to other major cities

Key elements of the Income statement

- Consolidated net result: €-5,955 K (vs. €2,198 K on 30/06/2008)
- Net current result: €-1,019 K (vs. €3,711 K on 30/06/2008)
- Net result non representative because of absence of sale of real estate assets in the first half of the year 2009 whilst important impact of fair value adjustments
- Result per share:
  - Net current result €-0.09 (vs. €0.33 on 30/06/2008)
  - Net consolidated result €-0.52 (vs. €0.19 on 30/06/2008)

Half year results not representative
Net result lower than 2008 as a result of a absence of asset sale

FINANCIAL DEBT

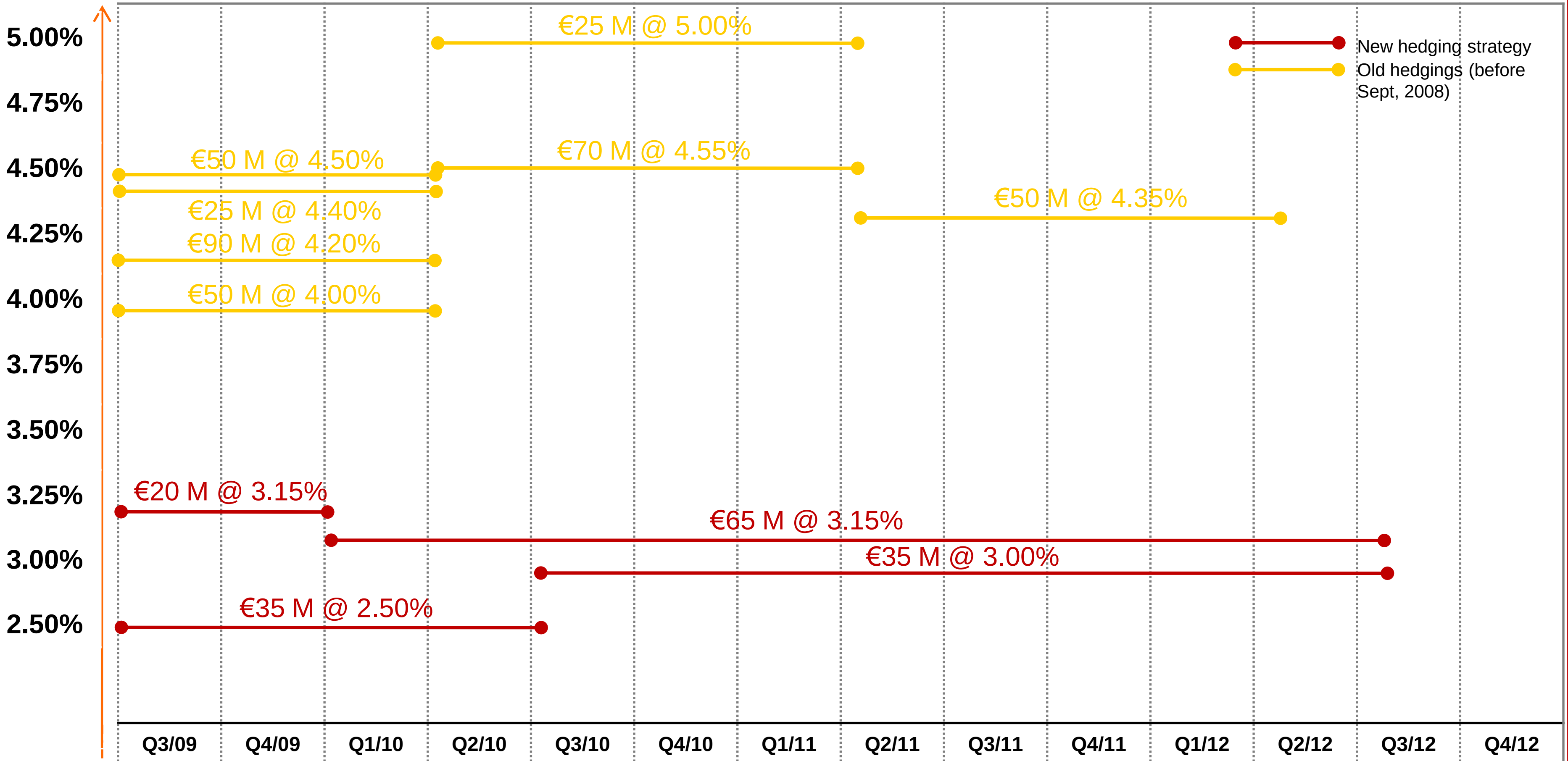
Key figures

Key ratios	31/12/2007	31/12/2008	30/06/2009 (1)
Net debt (€ M)	47.4	**172.8**	**204.3**
Net debt / shareholders equity	0.30	**1.20**	**1.66**
Fin. debt / Total assets	21.0%	**51.5%**	**56.2%**

(1) After the sale of Atlantic House, the financial debt on 31/07/2009 amounts to 185.1 M. The ratio total financial debt on total assets amounts therefore to 52%.

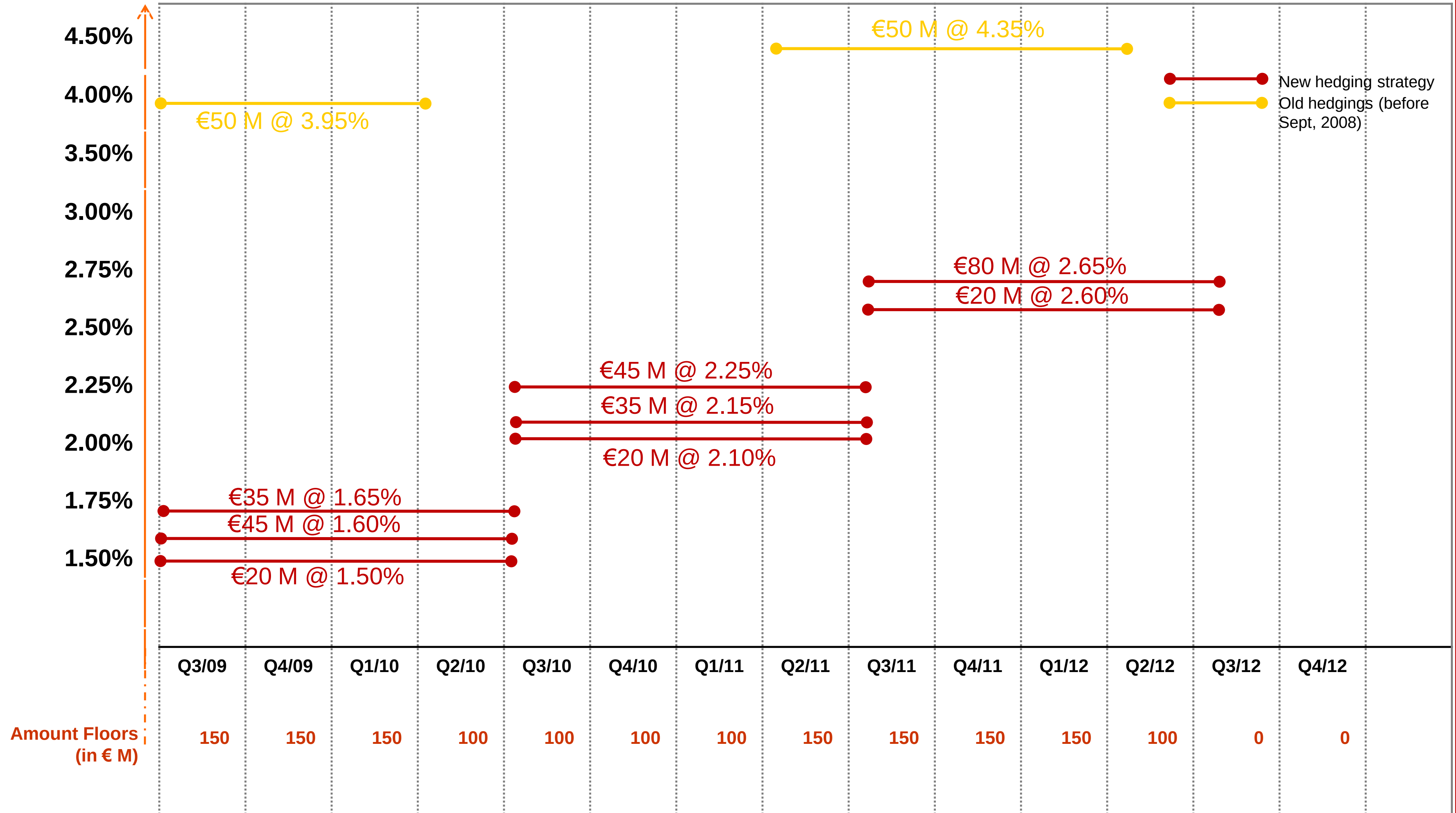
- Resources:
  - €190 M syndicated bank credit
  - Two new specific asset financing loan have been put in place for a total amount of €64,9 M of which €48,5 M linked to Sirius building
  - €50 M commercial paper program (included in syndicated bank credit). Back stop facility extended to 2012
- Maturities:
  - No debt maturity in 2009
  - Maturity of Sirius asset financing in May 2010. If building is still in portfolio at this date, maturity of credit will be extended
  - Syndicated bank credit: September 2011 (€140 M) and September 2012 (€50 M)
  - New credit (€16,4 M): 2012
- If all credit lines are drawn with this new debt structure, the average credit margin on financial debt is 145bps all-in

Hedging strategy: overview of caps

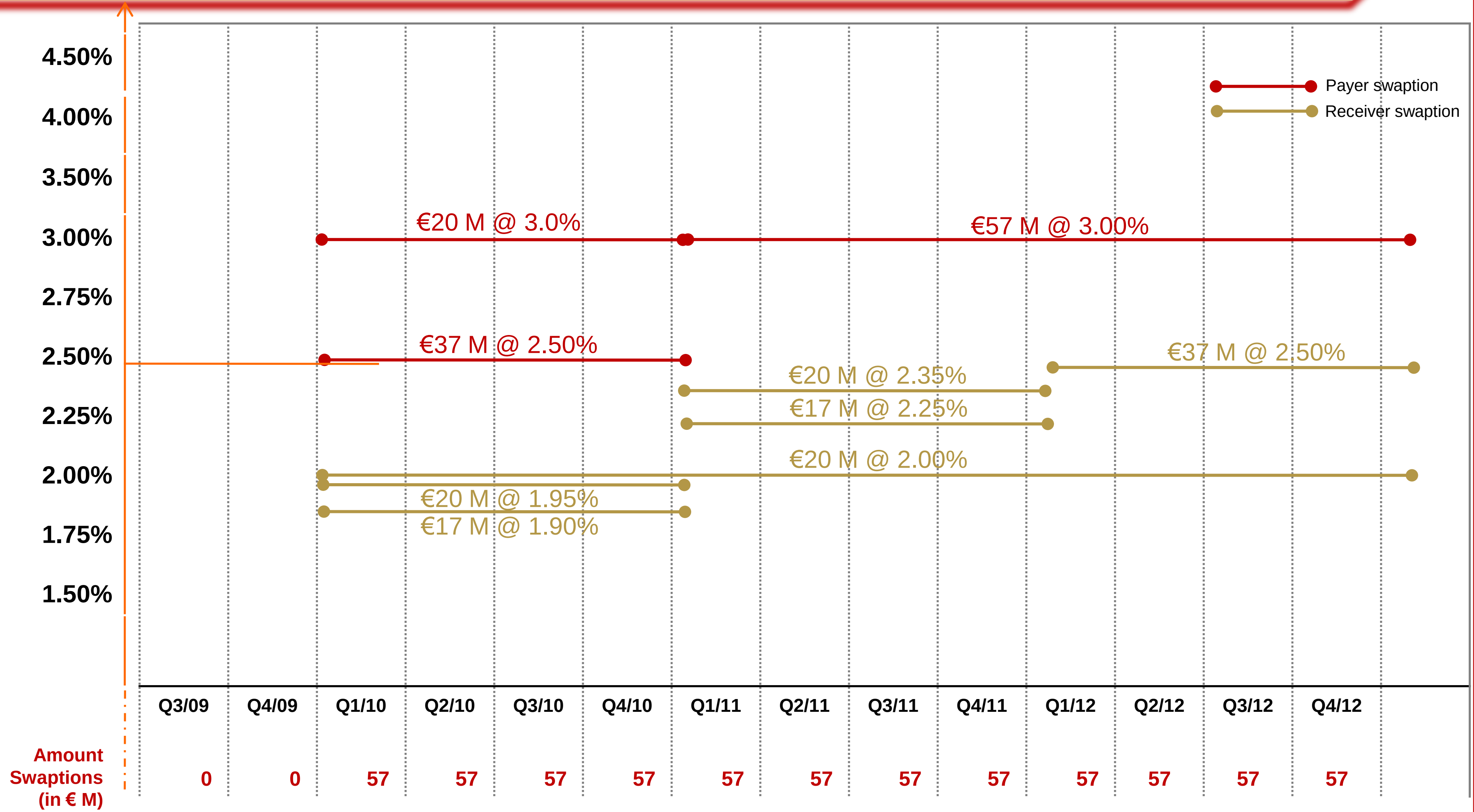


	Q3/09	Q4/09	Q1/10	Q2/10	Q3/10	Q4/10	Q1/11	Q2/11	Q3/11	Q4/11	Q1/12	Q2/12	Q3/12	Q4/12
Amount Caps (in € M)	270	270	315	195	195	195	195	150	150	150	150			

Hedging strategy: overview of floors



Hedging strategy: overview of swaptions



AGENDA

- Important events of the first half year 2009 at a glance
- Portfolio description
- Analysis of the results
- **Forecasts**
- Financial calendar

FORECASTS

- **Net rental income:**
  - Level of H1 not doubled on full year:
    - Sale of Atlantic House: €0.9 M
    - Potential sale of another investment asset
    - Potential sale of Sirius has no impact
    - Restructuring of Vaugirard

- **Capital gains / Sale / Investment activity:**
  - Sale of Atlantic House for €30,81 M
    - Specific commitments assumed by Banimmo regarding renovation program and lease guarantees still to be finalised
    - Banimmo will book €3 M provision
    - Banimmo maintains 15% certificates ownership and incentive clause if target sale achieved before 2015

    Net capital gain (IFRS): €5.5 M
  - Two assets under negotiation (including Sirius) amounting potential proceeds over €85 M
  - Exclusivity agreement signed on acquisition of an A1 retail asset located downtown Paris for just under €30 M

Forecasts

- Conclusion:
  - All asset sales will generate capital gains – fair values are conservative and prudent
  - Strong cash generation: > €100 M not including new credit facilities will enhance our opportunistic buyer position
    - Strict control of operational costs
    - Expected decrease of financial charges
      - Average net debt decreasing
      - Euribor €3 M at 0,88%
  - Positive IFRS net result achieved conditioned by asset sale under discussion

AGENDA

- Important events of the first half year 2009 at a glance
- Portfolio description
- Analysis of the results
- Forecasts
- **Financial calendar**

FINANCIAL CALENDAR

➢ Trading update Q3/2009	November 16th, 2009
➢ Communication annual results 2009	End February, 2010
➢ Trading update Q1/2010	May, 2010
➢ Ordinary General Assembly	May 18th, 2010
➢ Dividend payment	May 28th, 2010
➢ Communication half-year results 2010	August 31th, 2010

Banimmo

Turning obsolescence into excellence

www.banimmo.be