

Recycling our cities



Year Results 2012



- ❑ **Important events of the Year 2012 at a glance**
- ❑ Portfolio description and valuation
- ❑ Financial management
- ❑ Forecasts and goals for 2013

IMPORTANT EVENTS OF THE YEAR 2012 AT A GLANCE

▪ Commercial management

- New lettings in Belgium: Prins B.5, Alma Court and Diamond for a total surface of 5,145 sqm
- Important lettings in France: les Corvettes, Halle Secrétan and les Jardins des Quais for a total surface of 8,265 sqm. Occupancy rate of les Jardins des Quais increases to 96%

▪ Portfolio evolution

- 3 acquisitions: Rocquencourt (27,000 sqm), Suresnes (4,660 sqm) and a site of 1.47 ha in Evere (Brussels)
- Built to suit developments :
 - Delivery of the building to VMM
 - New JV for development of office building in Charleroi. Start of construction foreseen in 2013
 - Signature of JV-option agreements on Fields 3 and 5 of The Loop in Ghent (56,000 sqm)
- 3 sales:
 - Small disposal of 600 sqm in Orléans
 - Sale of receivables on European Commission for building H3 (Brussels)
 - Sale of a plot of land in Ans

▪ Year results

- Decrease in net rental income to 10.7 K€ due to sales completed in 2011, absence of rental income on acquired assets (Rocquencourt & Suresnes) and change in accounting method for H3 building
- Capital gains (taking into account reevaluation capital gain on sale residual value H3) increase to €7.5 mio vs €4.2 mio in 2011. However, still below historical averages realized by the company because investment markets remain demanding
- Stabilization of net current result

INCOME STATEMENT

Consolidated results (in € '000)	2011	2012
Net rental income	14,308	10,717
Other income (commissions on JV)	2,065	1,417
Share in the result of companies accounted by the equity method	2,581	3,039
Recurrent income	18,954	15,173
SG&A	(7,919)	(7,871)
Other costs	(167)	(326)
(Recurring current result) REBIT	10,868	6,977
Net result of sale on real estate operations & companies accounted EM	4,195	3,226
(Current result) EBIT	15,063	10,203
Net financial costs	(7,892)	(7,697)
EBT	7,171	2,506
Taxes	(198)	(284)
Net current result	6,972	2,222
Deferred taxes	(112)	59
Variations of fair value on investment buildings (IAS 40)	(2,869)	4,128
Variations of fair value of companies accounted by the equity method	(1,301)	(2,092)
Value loss/gain on stocks (IAS 2)	0	368
Variations of fair value on hedging instruments (IAS39)	(1,530)	(2,011)
Net Result	1,161	2,674
Net result (part of the group)	1,163	2,678

KEY ELEMENTS OF THE INCOME STATEMENT

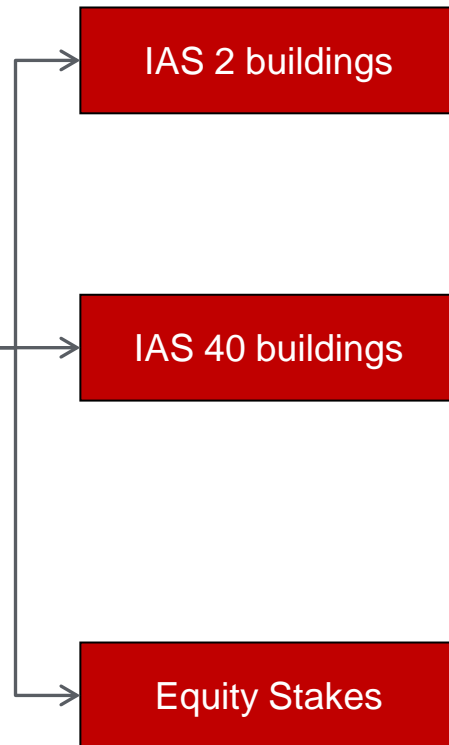
- Decrease of the net rental income: €10,717 K vs €14,308 K 31/12/2011
 - “Loss” of rental income on assets sold in 2011 (Antwerp Expo, Lozana, Clamart)
 - New acquisitions in 2012 don’t generate rental income yet
 - Change in accounting method for H3 building
- Contributing companies accounted by the equity method: €3,039 K vs. €2,581 K on 31/12/2011
 - Except Dolce Conference centers, steady progression of the operational results
 - City Mall: permits delayed in Verviers & Namur
- Operational costs under control
- Increase of capital gains (taking into account reevaluation capital gain on sale residual value H3) to €7,5 mio vs €4,2 mio in 2011: linked mainly to sale of receivables on building H3
- Quasi-stability of net financial charges
- Increase of net result
- Proposed Gross ordinary Dividend: Unchanged at 0.27€ per share



- ❑ Important events of the Year 2012 at a glance
- ❑ **Portfolio description and valuation**
- ❑ Financial management
- ❑ Forecasts and goals for 2013

COMPOSITION OF BANIMMO'S PORTFOLIO

Banimmo



IAS 2- Stocks

- Assets/property acquired exclusively with a view to subsequent disposal in near future or for development and resale
- Assets are **not** revalued by independent expert at market value but remain at historical acquisition cost. Impairment test is performed by company's auditor and E&Y

IAS 40- Investment Properties

- Assets that are not classified as IAS 2-Stocks remain classified as investment property even if a sale is possible. Amount of IAS 40 buildings will decrease in the future

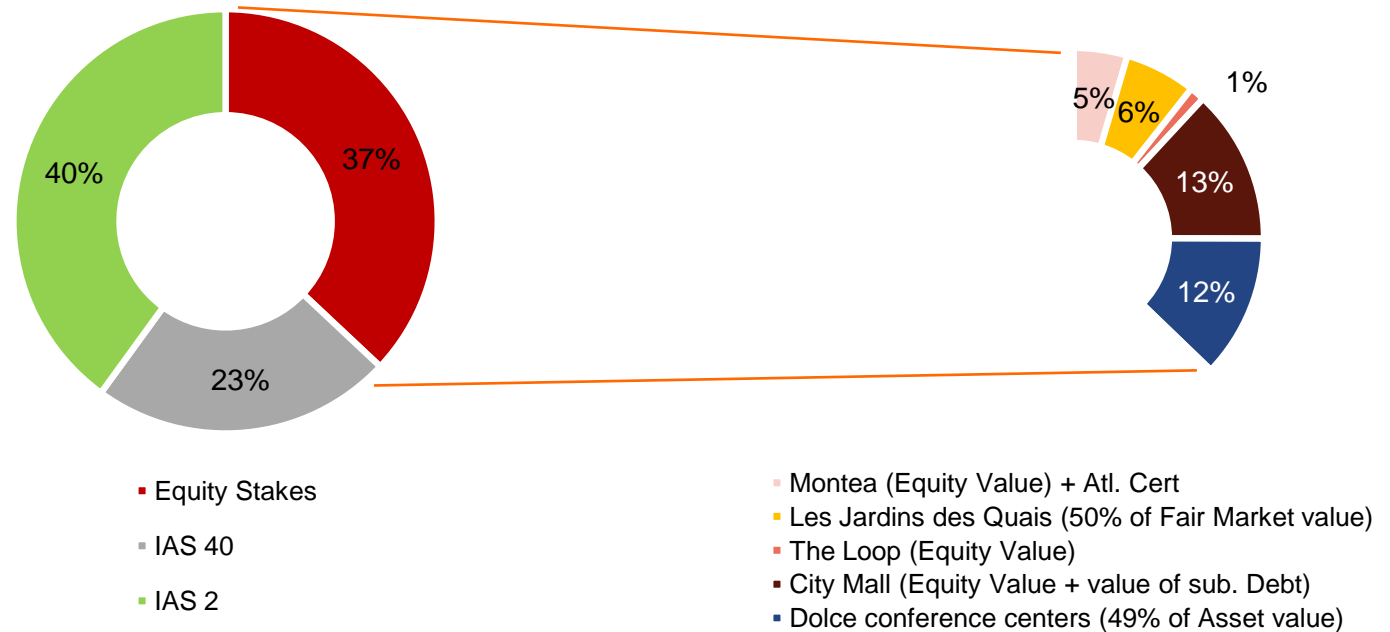
Equity Stakes

- Banimmo has 6 different equity stakes which are the result of a strategic decision to invest in larger projects by limiting the financial exposure. Those 6 equity stakes are:
 1. Montea: participation in logistic REIT
 2. les Jardins des Quais: Outlet Center in Bordeaux
 3. Conferinvest: Conference Centers
 4. City Mall: 2 city center shopping mall projects and Charleroi Expo Site
 5. The Loop: mixed projects in Ghent
 6. New built-to-suit in Charleroi

COMPOSITION OF BANIMMO'S PORTFOLIO (CONTINUED)

By investment type

(based on total portfolio value of €417 mio)



IAS 2 ASSETS - STOCKS

Buildings

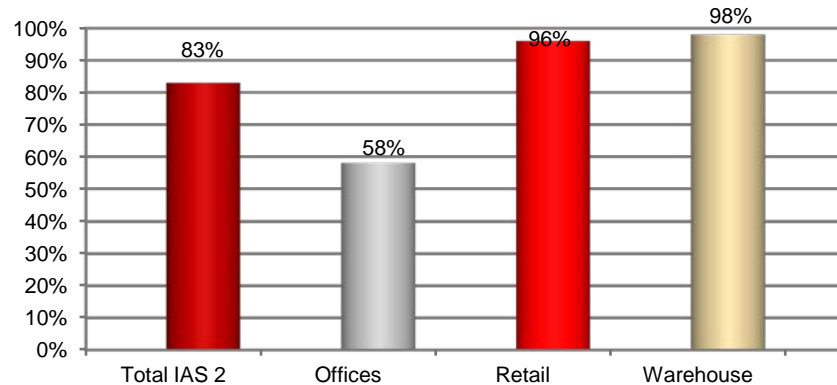
Name	Surface	Country	Location	Segment	E-Level	Acquisition date
Prins B. 5	6,492 sqm	Belgium	Antwerp	Offices	E104	2007
North Plaza	13,630 sqm	Belgium	Brussels	Offices	E90	2008
Da Vinci H5	3,785 sqm	Belgium	Brussels	Offices	E91	2001
Electrolux	8,242 sqm	Belgium	Brussels	Offices	E60	2004
Arts 27	3,734 sqm	Belgium	Brussels	Offices	E79	2006
Vaugirard	2,083 sqm	France	Paris	Retail		2008
Marché-Saint-Germain	3,179 sqm	France	Paris	Retail		2009
Rouen	2,848 sqm	France	Rouen	Retail	<i>Not applicable for retail</i>	2010
Eragny	12,465 sqm	France	Eragny	Retail		2010
Secrétan (VEFA)	3,800 sqm	France	Paris	Retail		2011
Suresnes	4,660 sqm(1)	France	Suresnes	Retail		2012
Rocquencourt	27,060 sqm	France	Versailles	Offices to be reconverted into hotel		2012

Land bank

Name	Construction potential	Country	Location	Segment
Ans	Min. 12,000 sqm	Belgium	Ans (Liege)	Offices/retail
Da Vinci H2	20,000 sqm	Belgium	Brussels	Offices
Da Vinci Bourget	+/- 30,000 sqm	Belgium	Brussels	Offices
Land Diamond	+/- 10,000 sqm	Belgium	Brussels	Offices
The Loop V5 East	36,000 sqm	Belgium	Ghent	Offices
The Loop V3	20,000 sqm	Belgium	Ghent	Offices
+ 50% on The Loop V12	28,000 sqm (agreements to be finalized in 2013)	Belgium	Ghent	Offices/retail/Leisure

IAS 2 ASSETS - STOCKS

Occupancy



Gross rental yield 6.6%

Gross rental yield if fully occupied 8.9%

Total IAS 2 value in accounts €166.7 mio

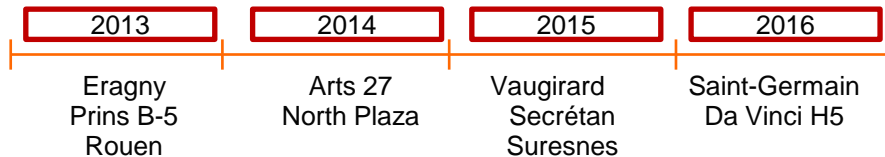
Of which retail €80.6 mio

Of which offices €86.1 mio

Total IAS 2 building surface 92,000 sqm

Total IAS 2 construction potential of land bank 156,000 sqm

Anticipated rotation



IAS 40 ASSETS

List of buildings

Name	Surface	Country	Location	Segment	E-Level*	Acquisition date
Diamond	12,771 sqm	Belgium	Brussels	Offices	E139 to E195	2008
ABC	18,180 sqm	Belgium	Brussels	Offices/whs	E302	2002
Alma Court	16,042 sqm	Belgium	Brussels	Offices	E135	1997
Colombes	14,215 sqm	France	Corvettes (Paris)	Offices	E161	2004
Fontenay	1,970 sqm	France	Fontenay	Retail	Not applicable for retail	2008
Da Vinci H3	12,449 sqm	Belgium	Brussels	Offices/whs	Not applicable	2001

Gross rental yield 7.2%

Gross rental yield if fully occupied 8.7%

Total IAS 40 value in accounts €94.0 mio

Of which Retail €7.0 mio

Of which Offices €87.0 mio

Total IAS 40 building surface 75,600 sqm

Anticipated rotation



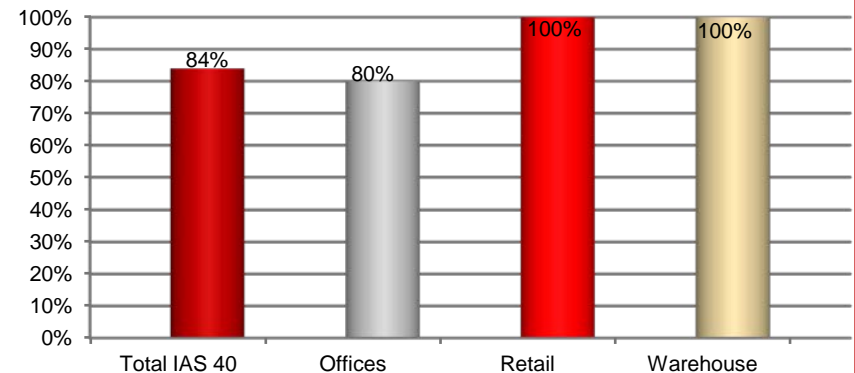
* For the retail assets, no analysis is currently performed as sustainability issues are less present (depending on tenant, etc)

For Diamond and Alma Court there is an asset plan to improve energy efficiency. Objective for Alma Court is to obtain a E-level of E80

Athena Business Center will be converted into a residential development

February 22th, 2013

Occupancy



EQUITY STAKE INVESTMENTS: MONTEA AND JARDINS DES QUAIS

This category includes as of today 6 investments

1. Equity participation in Belgian logistic oriented REIT **Montea**

- Equity value : € 23.7 Mio as at 31/12/2012 (Based on stock price of 18/02/2012, value of € 25.4 Mio)
- Dividend: € 1.53 Mio
- Improved liquidity of the stock
- No shareholder's agreement → quasi cash

2. **Jardins des Quais** (Bordeaux – France)

- 50% stake with Affine since 2005
- Multi purpose complex: 13,271 sqm Retail / 12,524 sqm Offices – spread over 5 blocs
- Occupancy 96% at 31/12/2012.
- Commercial repositioning completed → mature asset
- Significant cash generation
- Asset valued in books of Banimmco in accordance with IAS 40
- Exit target: End 2013

EQUITY STAKE INVESTMENTS: CONFERENCE CENTERS

3. Conference Centers (Dolce Hotels)

- Equity stake: 49% with 2 family offices
- Two assets: Dolce La Hulpe (Brussels) : 35,977 sqm ; reconstruction in 2007; green label
Dolce Chantilly (Paris): 17,000 sqm; renovation in 2008
 - Both with a 15 years Management contract with US operator Dolce – 10 years to go
 - At Brussels, 4,000 sqm offices let to Swift (termination 2013)
- Banimmo and investors underwrote the operating risk. Banimmo is asset manager for an annual fee of €400K
- Trading performance: stabilized assets. Respective occupation rate : 58%, 60%

In '000 €	La Hulpe 2010	La Hulpe 2011	La Hulpe 2012	Chantilly 2010	Chantilly 2011	Chantilly 2012
Turnover	21,021	21,422	20,801	14,755	15,711	15,349
EBITDA	3,915	4,487	3,737	2,515	3,526	2,447
Rents	850	850	850	None	None	None

- Net bank debt : €42.3 Mio with an annual capital amortization of €3,750 K
DSCR (*Debt Service Coverage Ratio*) (hotel): 1,28
- Asset valuation above € 100 Mio (*Source CBRE Hotels London*)

EQUITY STAKE INVESTMENTS: CITY MALL

4. Three large retail projects in City Mall

▪ Verviers

- Covered shopping mall of 29,700 sqm GLA with 1,150 parking spaces
- Catchment area: 350,000 consumers & 53,000 inhabitants
- Building permit suspended by Council of State. New building permit obtained but new appeal before Council of State has been introduced
- Permit foreseen for YE 2013
- Delay will result in higher costs and lower margin

▪ Namur

- Covered shopping mall of 22,500 sqm GLA with 1,000 parking spaces
- Catchment area: 350,000 consumers & 108,000 inhabitants
- In the city center, next to the central railway
- PRU plan launched by City of Namur and finalization expected in H2 2013
- This PRU will cause a delay in the project execution but without impact on the expected margin
- Building permit H2 2013 and construction – 25 months
- Support of local and regional authorities

▪ Charleroi Expo

- The “Charleroi Expo” site is a site of 7 hectares
- In front of City House – excellent road & public transport accesses
- Catchment area: 650,000 consumers & 200,000 inhabitants
- Initial project reshaped into a multifunctional project including exposition area, retail, offices, residential and leisure
- No precise time schedule because master plan (PCA) has become an objective



EQUITY STAKE INVESTMENTS: CITY MALL (CONTINUED)

Financial Framework

- Equity stake: 42.5% Economical stake in projects/sites: 38.25%
- Joint-control with Huon (PH) partner who has management mandate. Previously Foruminvest Belgium managing director.
- Team dedicated thru specific entity CMM (City Mall Management) owned by PH. Entity aside.
- Total investment of €54 Mio
 Split: €19 Mio Equity
 €35 Mio Mezzanine Financing (8%)
- Equity price is allocated to the 3 projects based on potential surfaces to be developed

<i>Base 100%</i>	<i>Verviers</i>	<i>Namur</i>	<i>Charleroi *</i>
	<i>423 €/sqm</i>	<i>503 €/sqm</i>	<i>593 €/sqm</i>
<i>Time Horizon</i>	<i>2017</i>	<i>2017</i>	<i>To be determined</i>

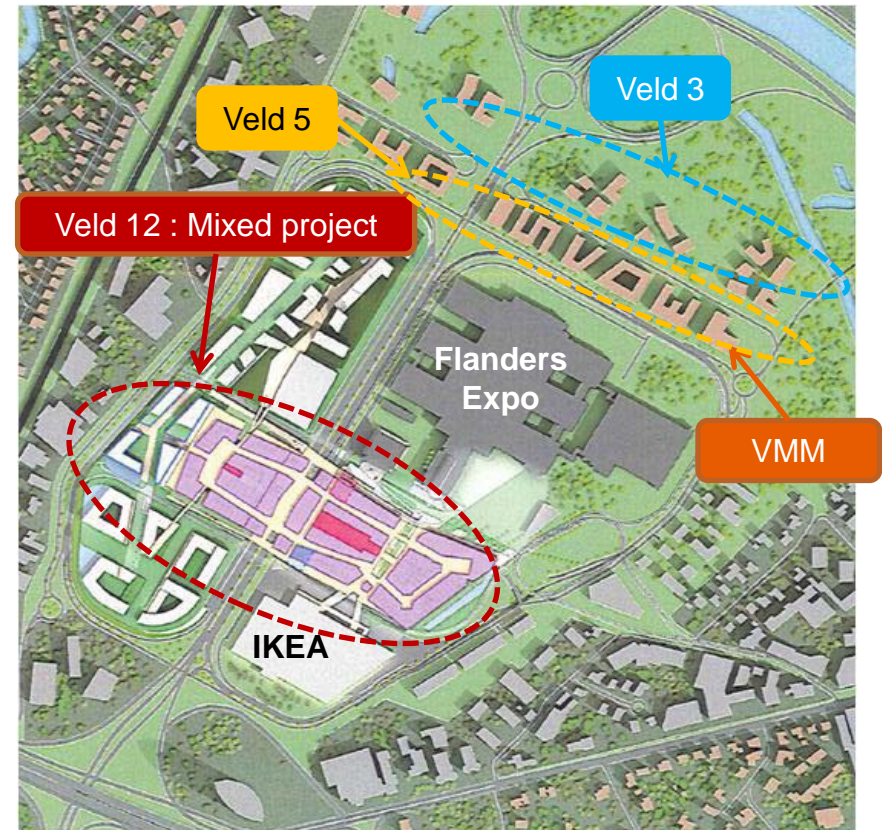
* Retail area only

- Targeted average rent/sqm parkings included : €450 - €500/sqm
- Market cap yields on shopping centers: ~6%
- Delay in obtaining permits will cause additional development costs and reduce expected margin

EQUITY STAKE INVESTMENTS: THE LOOP

5. The Loop

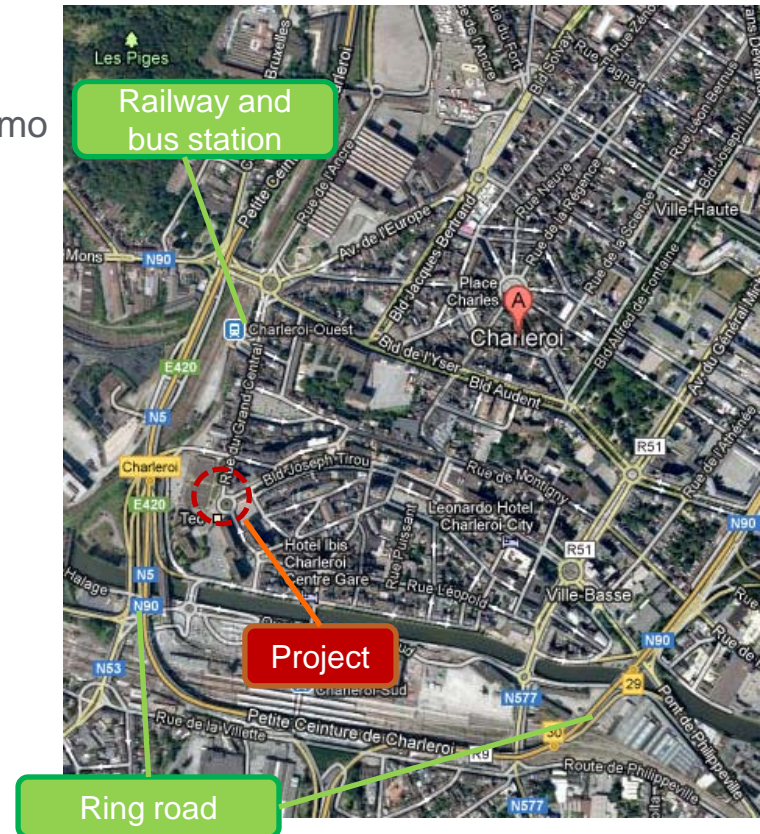
- Banimmo has a participation of 25% in Grondbank **The Loop (GBTL)**, owner of the land
- With first realization (VMM-PMV), GBTL enters into an active development phase / sales of land plots
- Development of a mixed project on Veld 12 anchored by a retail complex (Design Outlet Factory)
 - Constructible area of +/- 100,000 sqm made of a.o.
 - Retail (+/-35,000 sqm)
 - Offices (+/-20,000 sqm)
 - Leisure (+/-15-40.000 sqm)
 - Pre-development phase under way with a specialised operator in view of a joint offer in order to acquire the land
 - Completion of final agreement between Banimmo and Grondbank The Loop reasonably expected end Q2 2013
- Signing of the agreements related to the cooperation in view of the commercialization and developments of the Veld 3 and Veld 5 (56,000 sqm). Beginning of commercialization : Q1 2013



EQUITY STAKE INVESTMENTS: BUILT-TO-SUIT CHARLEROI

6. Built-to-suit in Charleroi

- Built-to-suit in Charleroi for +/- 8,000 sqm – 75 parkings
- Land belonged to a third party who teamed up with Banimmco
- Leased 15 years firm with financial institution
- ERV: 156€/sqm
- Sustainable building: target E60
- Production cost/sqm: € 2,077/sqm (land included)
- Start expected mid-2013: 6 months delay resulting from appeal against permit
- Exit 2015



SUM OF THE PARTS

Value

Banimmo

<div style="border: 1px solid black; background-color: red; color: white; padding: 5px; text-align: center;">IAS 2 assets</div> <div style="border: 1px solid black; background-color: red; color: white; padding: 5px; text-align: center;">IAS 40 buildings</div> <div style="border: 1px solid black; background-color: red; color: white; padding: 5px; text-align: center;">Equity Stakes</div>		€161.6 mio	Book-value (historical acquisition cost (not revalued at Fair Market Value by independent expert) (+/- 92,000 sqm))
		€5.1 mio	Book-value (historical acquisition cost of land bank of +/-156.000 sqm)
		€94.0 mio	Book-value (Fair Market Value by ind. expert) including fiscal latency
	14.8%	€23.7 mio	Stock Market value at 31/12/2012 (€28.40 per share)
	50%	€22.4 mio	50% of Fair Market value less Financial Debt of €4.0 mio
	49%	€28.3 m	49% of Asset Value of €100 less financial debt of €42.3 mio
	38.25%	€53.8 mio	Total investment cost
	25%	€16 mio	Fair Market Value value by independent expert
	50%	€0 mio	Total investment cost (under purchase option)
15%	€3.0 mio	Fair Market Value value by independent expert	
Total		€407.9 mio	

Fair market value (by independent expert)

Historical acquisition cost

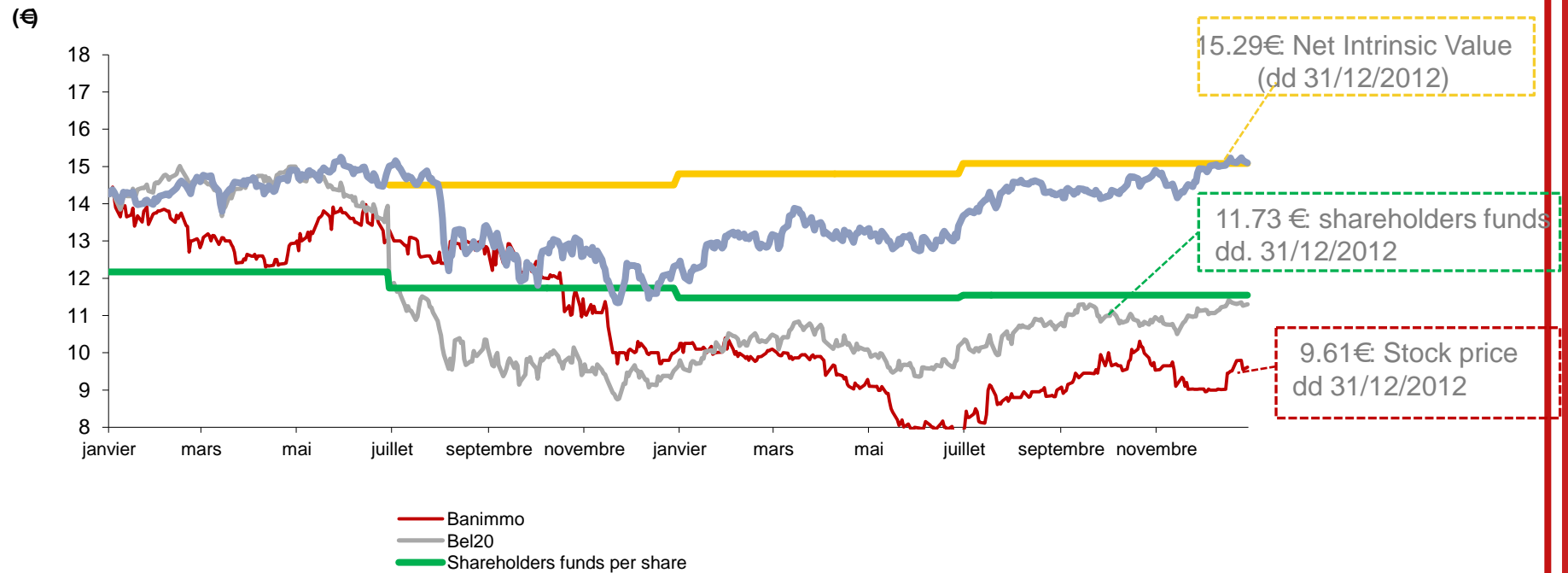
SUM OF THE PARTS (CONTINUED)

	Value
Total Value	€ 407.9 mio
Net financial debt	€234.2 mio
Banimmo's equity value	€173.7mio
→ Total number of shares	11.356.544
→ Equity value per share (Net Intrinsic Value)	€15.29

This computed Net Intrinsic Value is only a partial Intrinsic Value as more than 50% of the total asset value (IAS 2 buildings and City Mall) is valued at historical acquisition cost and not at Fair Market Value by an independent expert

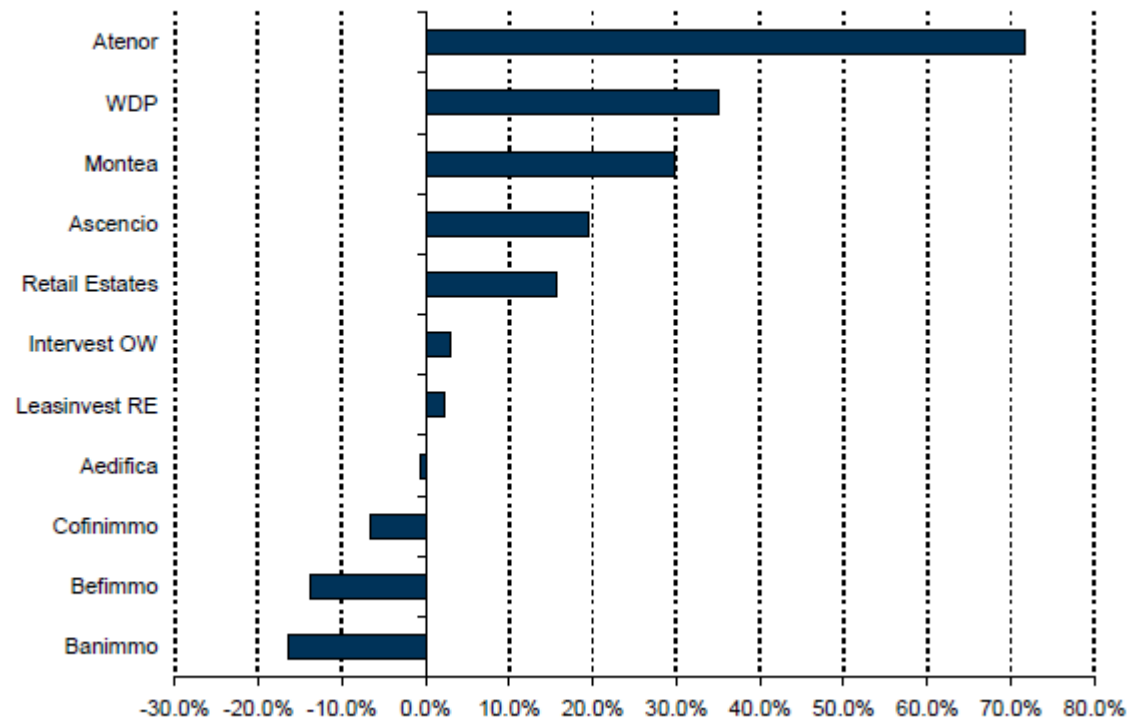
BANIMMO'S STOCK PRICE STANDS WELL BELOW NIV

Stock price evolution Banimmo vs Bel 20 and EPRA Euro (rebased)



BANIMMO'S STOCK PRICE STANDS WELL BELOW NIV

PREMIUM / DISCOUNT TO NAV (EPRA)



Source: KBC Securities 10/01/2013

Current stock price trades at discount of about 20% compared with shareholders funds and nearly 40% compared with to Net Intrinsic Value of 15.29€/s.



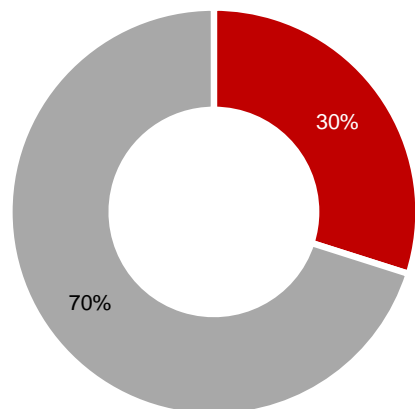
- ❑ Important events of the Year 2012 at a glance
- ❑ Portfolio description and valuation
- ❑ **Financial management**
- ❑ Forecasts and goals for 2013

FINANCIAL MANAGEMENT

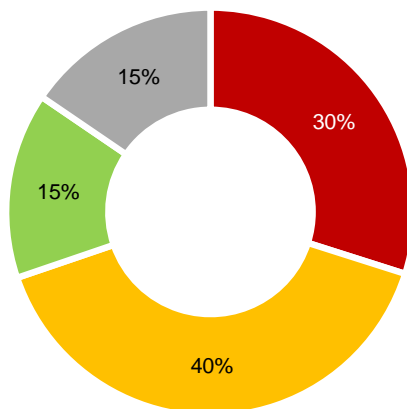
Key ratios	31/12/2010	31/12/2011	31/12/2012
Net debt (€ mio)	242.5	211.0	234.2
Net debt/shareholders equity	1.77	1.58	1.76
Fin debt/Total assets	60.0%	57.5%	59.0%

We wanted and obtained a well diversified and hedged funding structure

Financing base before hedging Financing base after hedging*

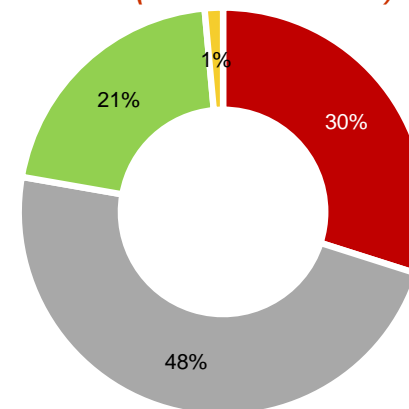


■ Fixed (Bond) ■ Floating



■ Fixed ■ Hedging ■ Swaps ■ Floating

Funding source diversification
(Total of €250.8 mio)



■ Bond
■ Syndicated loan
■ Bilateral credits (Asset based)
■ Finance lease

85% of debt is hedged on 31/12/2012. As swaps end in January 2013, hedging ratio decreases to 70%

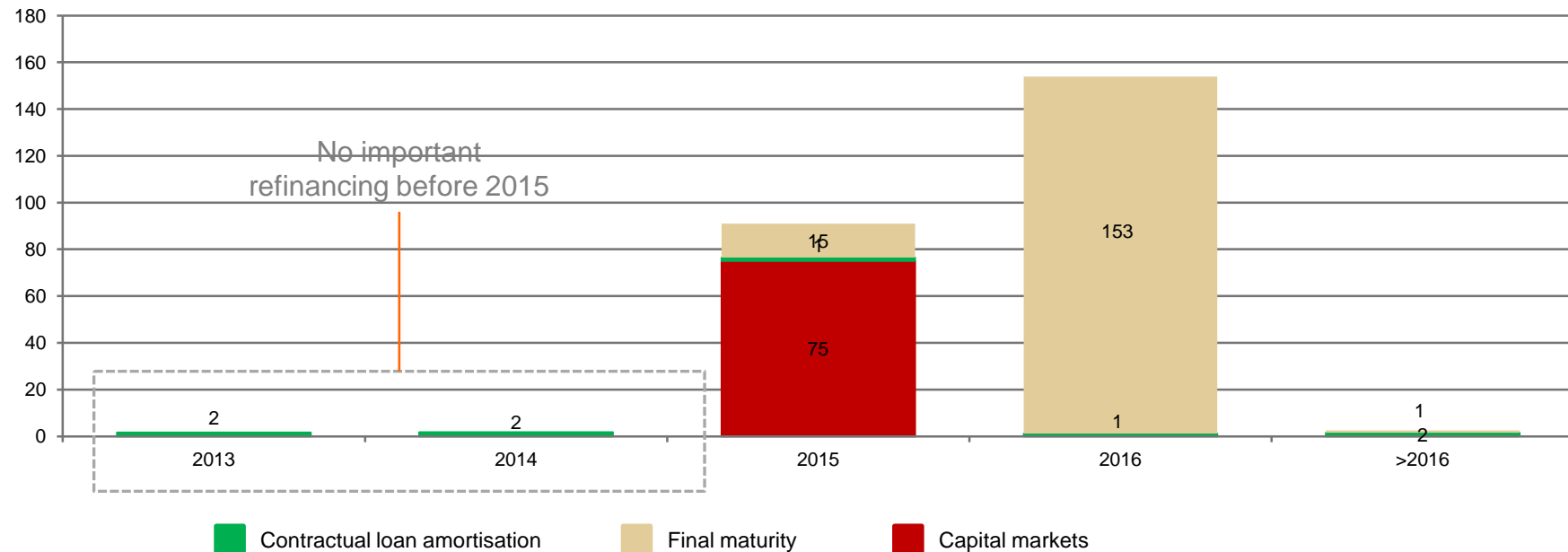
Well-diversified financing sources: Dependence from syndicated credit has progressively been decreased through signing of bilateral loans and bond issuance

(*) Percentage as of Q4 2012 till Q3 2014

February 22th, 2013

NEW CLUB DEAL AVOIDS REFINANCING RISK BEFORE 2015

Maturity profile of financial debt after refinancing syndicated loan



- Existing club deal with two banks (ING-KBC):
 - Duration of 5 years (till 09/2016)
 - Nominal amount of € 120 mio – extended to € 130 mio
 - Revolving type with LTV ratio of 65%
- Bond maturing in June 2015 (Coupon of 5.15%)
- Average cost of debt 2012:
 - 4.66% (hedging instruments included) versus 5.01% in 2011.



- ❑ Important events of the Year 2012 at a glance
- ❑ Portfolio description and valuation
- ❑ Financial management
- ❑ **Forecasts and goals for 2013**

FORECASTS AND GOALS FOR 2013

- **Continue disposals of assets acquired before 2007 (before asset value deflation) to position Banimmo on new acquisition opportunities at present (lower) market prices. 2012 objectives were not met.**
- Total sale objective of more than €60 mio with sales for 1 asset (Prins B. 5) signed and 1 retail asset with firm offer, both for a total of about €28 mio
- Finalize a new built-to-suit and one acquisition (FR/BE)
- Continue letting efforts in order to improve existing occupancy for Alma Court, Arts 27 and North Plaza office buildings, despite difficult letting market
- Focus on retail will persist with:
 - Completion of repositioning on Saint-Germain with a sale objective in 2015-2016
 - Effective launch of repositioning (capex) on Secrétan (Paris) with completion in 2014
 - Continuing repositioning on Suresnes (Paris) with completion in 2014
 - Closing agreement on Veld 12 (The Loop) with City of Ghent
 - City Mall: Obtain final permit for Verviers, moving forward on permit for Namur and progressing on master planning for Charleroi Expo
 - Search for hotel operator at Rocquencourt ongoing (lease agreement)



Turning obsolescence into sustainable excellence
www.banimmo.be

