

Exane Market Commentary

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Befimmo announces a public bond offering

>Befimmo SCA announces today a public bond offering maturing in 2015 for a minimum amount of EUR75m

>The purpose of the offering is to contribute to the assurance of Befimmo's general financing needs.

>The issue price is set at 101.947%, which includes the sales commission of 1.625%¹. A coupon of 4.75% (gross) shall be payable on 30 December of each year, starting on 30 December 2012. The gross actuarial yield on the issue price is 4.211% per year.

>The repayment will take place at the due date on 30 December 2015, up to 100% of the face value.

>The subscription period opens on 8 December (9 AM, Belgian time) and closes on 27 December 2011 (5.30 PM, Belgian time), subject to early closing. The payment date of the issue price is 30 December 2011.

Exane BNPP View:

> It is not surprising to see Befimmo continuing to diversify its sources of finances. Belgian 10-year bond yields are currently trading at 4.4% (vs 2.3% for Germany and 3.2% for France), suggesting that bonds could be a cheaper source of financing for Befimmo than bank debt. As a reminder, on 5 October 2011, S&P confirmed the BBB/outlook stable rating for Befimmo's long-term debt

> This refinancing should have a negative impact on Befimmo's cost of debt (3.36% over a period of 12 months ending on 30 September 2011)