

January 2011

Benelux Digest

A wild bull ride



- ◆ Despite rising bond yields risk, sovereign debt problems, fiscal policy tightening and rising commodity costs, we expect risk-on trades to win out. Double-dip fears seem overdone and emerging market problems look to be related more to success than to failure. Company fundamentals have strengthened and valuations look attractive: we go for growth.
- ◆ We look for stocks with: (1) earnings upgrade potential, ie, operational leverage combined with exposure to high GDP growth regions; (2) above-average margin recovery potential; (3) low or positive commodity risk; and (4) valuations reflecting low expectations.
- ◆ Benelux top picks: Akzo Nobel, AMG, Arseus, Bekaert, Boskalis, Brunel, Imtech, Philips, TNT, USG People.

Benelux All Caps Team

Summary

Bipolar performance

Our top picks of our September 2010 report, *Benelux Digest, Bipolar world*, significantly outperformed all the relevant indices with our long picks generating a 23.5% return. Our short list showed a return of -1.6%. The alpha created versus the AEX, BEL20 and MSCI Europe index was +9.9%, +17.0% and +12.5%.

A wild bull ride

Double-dip fears fading to the background on the back of an improving economic outlook and strong action by policymakers, and a low interest environment, makes us positive on equities as an asset class in 2011 but tail risks remain. Valuations still look attractive from an historical perspective while M&A is expected to bring further support. Timing and stock picking will remain key as growth and risk divergence remains an important theme.

What's new

We are leaving our cautious approach from September and are now going for growth, and have built in more risk appetite into our Benelux favourites list. As a result, we include a more aggressive sales growth sensitivity analysis. This as, despite the risks of rising bond yields, sovereign debt problems, tightening of fiscal policy and rising commodity costs that may create short-term setbacks, we believe 'risk-on' trades are likely to win out as fears of a double-dip seem overdone and emerging markets suffer problems more of success than of failure. In addition, the fundamentals of companies have strengthened further in recent months reporting strong margin recovery, and continued strong order intake beyond just re-stocking, and strong balance sheets.

What we look for

We are looking for stocks with: (1) earnings upgrade potential, ie, operational leverage combined with exposure to high GDP growth regions; (2) above-average margin recovery potential; (3) low/positive commodity risk; and (4) valuations reflecting low expectations.

Where we differ

Our numbers differ from consensus with our Benelux earnings growth assumptions for 2011 above consensus at 15.0% vs 10.3%. Our sales growth assumptions are in line, which implies that we are more optimistic on further margin recovery potential. Our top picks score even higher on earnings growth and are thus expected to generate both higher sales and earnings growth (+23%). With valuations in line with the Benelux universe (12.8x versus 12.5x PER 2011F), we believe our top picks could see a further re-rating as they score higher on our earnings upgrade and margin recovery potential.

Fig 1 ING Benelux top picks

Company	Rec	Mcap (€m)	Price (€)	TP (€) (€)	Upside (%)	PER (x)			EV/EBITDA (x)		
						2010F	2011F	2012F	2010F	2011F	2012F
Akzo Nobel	Buy	10,850	46.5	57.0	23	14.2	12.0	10.7	6.8	6.0	5.4
AMG	Buy	326	9.0	11.0	22	24.1	10.6	7.1	6.6	4.9	3.9
Arseus	Buy	343	11.4	13.0	14	13.9	11.0	9.7	10.6	8.5	7.6
Bekaert	Buy	5,111	85.9	97.0	13	13.4	12.9	11.8	8.2	7.4	6.7
Boskalis	Buy	3,605	35.7	43.0	20	12.5	13.9	13.8	7.5	7.4	7.2
Brunel	Buy	683	29.5	36.0	22	25.8	16.0	11.6	15.3	9.7	6.8
Imtech	Buy	2,494	28.4	33.0	16	14.5	13.6	12.8	9.7	8.5	7.9
Philips	Buy	21,870	22.9	28.0	22	12.9	12.2	11.4	6.6	5.6	4.9
TNT	Buy	7,361	19.8	24.0	22	18.7	12.7	11.7	7.9	6.6	6.1
USG People	Buy	1,181	15.2	20.0	32	26.4	13.1	9.0	12.9	8.3	5.9
Median		3,050			22	14.4	12.8	11.5	8.1	7.4	6.4

Prices as at 31 December 2010

Source: ING estimates

Fig 2 ING Benelux all caps valuation comparison

Company	Rec	Mkt cap (€m)	Price (€)	Target price (€)	Upside (%)	PER (x)			EV/EBITDA (x)			Sector
						2010F	2011F	2012F	2010F	2011F	2012F	
Aalberts Industries	Hold	1,683	15.78	14.4	-9	16.8	14.5	13.4	9.4	8.3	7.7	Industrial Goods & Services
AB InBev	Buy	92,457	42.80	50.0	17	18.1	15.1	13.5	11.2	9.9	9.0	Food & Beverage
Ackermans & van Haaren	Hold	2,093	62.48	68.0	9	12.7	11.0	10.2	n/a	n/a	n/a	Financial Services
Aedifica	Sell	195	41.50	34.3	-17	74.8	19.4	23.5	n/a	n/a	n/a	Real Estate
AEGON	Buy	7,811	4.58	5.4	18	7.2	7.4	6.8	n/a	n/a	n/a	Insurance
Ageas	Buy	4,232	1.71	3.1	81	10.9	9.3	7.8	n/a	n/a	n/a	Insurance
Agfa Gevaert	Hold	537	3.20	3.8	19	5.7	12.4	5.7	6.5	7.7	5.6	Industrial Goods & Services
Ahold	Hold	11,436	9.88	10.2	3	12.0	10.7	9.8	5.1	4.8	4.4	Retail
Akzo Nobel	Buy	10,850	46.48	57.0	23	14.2	12.0	10.7	6.8	6.0	5.4	Chemicals
AMG	Buy	326	9.03	11.0	22	24.1	10.6	7.1	6.6	4.9	3.9	Industrial Goods & Services
Arcadis	Buy	1,151	17.41	20.0	15	15.2	13.3	12.1	7.9	7.1	6.3	Industrial Goods & Services
ArcelorMittal	Buy	57,499	28.38	34.0	20	17.1	13.9	9.7	9.2	6.8	5.4	Basic Resources
Arseus	Buy	343	11.38	13.0	14	13.9	11.0	9.7	10.6	8.5	7.6	Healthcare
ASM International	Sell	1,367	26.50	12.0	-55	72.4	29.7	35.6	13.5	8.5	9.4	Technology
ASML	Hold	12,696	28.90	28.0	-3	13.6	13.8	30.4	9.1	8.8	15.8	Technology
Ballast Nedam	Hold	142	14.40	14.0	-3	34.3	15.8	9.1	8.2	7.1	5.9	Construction & Materials
BAM	Buy	1,067	4.60	6.8	48	n/a	6.5	5.2	8.7	6.8	5.6	Construction & Materials
Banimmo	BUY	147	14.25	17.1	20	13.5	9.7	8.6	n/a	n/a	n/a	Real Estate
Barco	Buy	606	48.28	55.0	14	19.6	11.8	9.3	6.3	4.7	3.9	Industrial Goods & Services
Befimmo	Hold	1,029	61.30	59.1	-4	12.3	12.4	12.5	n/a	n/a	n/a	Real Estate
Bekaert	Buy	5,111	85.90	97.0	13	13.4	12.9	11.8	8.2	7.4	6.7	Industrial Goods & Services
Belgacom SA	Hold	8,455	25.13	28.0	11	11.3	11.4	11.6	5.7	5.8	5.7	Telecommunications
Beter Bed	Hold	458	21.26	22.0	3	17.1	13.9	11.7	10.2	8.3	7.0	Retail
BinckBank	Hold	859	11.60	11.3	-3	11.3	10.1	8.9	n/a	n/a	n/a	Financial Services
Boskalis	Buy	3,605	35.70	43.0	20	12.5	13.9	13.8	7.5	7.4	7.2	Construction & Materials
Brunel International	Buy	683	29.49	36.0	22	25.8	16.0	11.6	15.3	9.7	6.8	Industrial Goods & Services
CFE	Buy	703	53.71	57.5	7	9.8	10.7	9.9	4.8	5.2	5.2	Construction & Materials
CMB	Hold	804	23.05	22.4	-3	9.2	12.5	11.5	8.7	10.6	10.0	Industrial Goods & Services
CNP (Nationale a Portefeuille)	Buy	3,953	36.60	44.0	20	n/a	n/a	n/a	n/a	n/a	n/a	Financial Services
Cofinimmo	Hold	1,448	97.41	97.7	0	12.9	12.3	12.5	n/a	n/a	n/a	Real Estate
Colruyt	Hold	6,010	38.05	38.3	1	18.2	16.9	15.5	9.6	8.9	8.3	Retail
Corio	Hold	4,370	48.02	50.2	5	16.5	16.3	16.9	n/a	n/a	n/a	Real Estate
CSM	Hold	1,723	26.19	23.5	-10	15.0	13.6	11.4	8.9	7.6	6.9	Food & Beverage
Deceuninck	Buy	197	1.83	2.2	20	26.7	11.8	10.3	6.1	4.9	4.3	Construction & Materials
Delhaize	Hold	5,555	55.27	57.0	3	10.3	9.9	9.0	5.0	4.8	4.4	Retail
Delta Lloyd	Hold	2,504	15.09	15.7	4	7.0	6.8	6.5	n/a	n/a	n/a	Insurance
Dexia	Hold	4,800	2.60	2.8	8	5.9	6.1	5.0	n/a	n/a	n/a	Banks
D'leteren	Buy	2,610	47.20	53.0	12	11.1	10.6	9.7	5.3	5.0	4.7	Retail
Dockwise	Hold	663	19.55	18.0	-8	17.7	12.4	8.6	6.7	6.0	5.1	Oil & Gas
Draka	Hold	970	19.10	19.5	2	70.9	13.3	10.7	8.9	7.4	6.2	Industrial Goods & Services
DSM	Buy	7,013	42.60	47.0	10	17.4	11.8	12.1	6.7	5.7	5.0	Chemicals
Elia	Hold	1,383	28.66	29.0	1	15.2	16.1	15.9	9.9	9.6	9.6	Utilities
Eurocommercial Properties	Hold	1,388	34.45	32.4	-6	n/a	n/a	n/a	n/a	n/a	n/a	Real Estate
Euronav	Sell	851	12.69	11.1	-13	n/a	n/a	n/a	8.0	10.9	8.8	Industrial Goods & Services
EVS	Hold	647	47.90	44.0	-8	16.8	17.8	14.1	10.7	11.6	9.5	Industrial Goods & Services

Fig 2 ING Benelux all caps valuation comparison

Company	Rec	Mkt cap (€m)	Price (€)	Target price (€)	Upside (%)	PER (x)			EV/EBITDA (x)			Sector
						2010F	2011F	2012F	2010F	2011F	2012F	
Exact Holding	Hold	501	20.55	20.0	-3	14.8	13.2	12.0	9.7	9.0	8.1	Technology
Exmar	Hold	408	5.38	5.5	2	n/a	n/a	27.2	12.6	12.3	10.4	Industrial Goods & Services
Fugro	Buy	4,832	61.50	70.0	14	18.4	16.2	13.5	8.6	7.2	6.1	Oil & Gas
Gamma	Hold	217	28.88	29.0	0	20.6	9.2	7.1	5.0	5.3	4.8	Industrial Goods & Services
GBL	Buy	10,157	62.93	71.0	13	n/a	n/a	n/a	n/a	n/a	n/a	Financial Services
Grontmij	Buy	354	17.30	19.5	13	n/a	n/a	n/a	9.6	6.7	5.6	Construction & Materials
Heijmans	Buy	254	15.05	17.5	16	9.1	4.8	3.9	5.6	3.4	2.8	Construction & Materials
Heineken	Buy	21,133	36.69	47.0	28	14.4	11.9	10.4	9.2	8.1	7.0	Food & Beverage
Home Invest Belgium	Sell	170	60.87	49.5	-19	41.0	27.9	26.7	n/a	n/a	n/a	Real Estate
IBA	Buy	221	8.28	11.5	39	17.5	15.0	11.4	6.7	5.9	4.6	Healthcare
Imtech	Buy	2,494	28.39	33.0	16	14.5	13.6	12.8	9.7	8.5	7.9	Industrial Goods & Services
Kas Bank	Buy	171	11.76	13.7	16	11.2	10.2	9.1	n/a	n/a	n/a	Financial Services
KBC	Hold	8,663	25.50	28.5	12	6.2	6.4	5.2	n/a	n/a	n/a	Banks
KBC Ancora	Hold	1,030	13.15	14.3	9	119.2	100.9	97.1	n/a	n/a	n/a	Banks
Kinepolis	Buy	353	50.99	59.0	16	12.8	12.3	11.1	6.0	5.5	4.9	Travel & Leisure
KPN	Buy	17,332	10.92	14.0	28	9.1	8.7	8.4	5.3	5.3	5.4	Telecommunications
Leasinvest	Hold	260	63.36	62.3	-2	21.5	12.4	12.4	n/a	n/a	n/a	Real Estate
Macintosh	Buy	418	18.24	20.0	10	12.3	10.9	9.1	7.1	6.1	5.5	Retail
Mediq	Hold	830	14.00	15.8	13	9.4	9.2	8.5	7.3	6.7	6.0	Retail
Mobistar	Hold	2,911	48.51	44.0	-9	11.9	12.7	13.2	6.1	6.3	6.4	Telecommunications
Nieuwe Steen Investments	Hold	648	14.98	12.7	-15	n/a	n/a	n/a	n/a	n/a	n/a	Real Estate
Nutreco	Hold	1,954	56.79	58.1	2	13.9	12.8	11.6	7.8	7.0	6.3	Food & Beverage
Nyrstar	Buy	1,121	11.21	13.0	16	11.1	8.3	6.7	8.7	3.4	2.5	Basic Resources
Omega Pharma	Hold	838	35.90	35.0	-3	12.9	11.2	10.7	9.4	8.3	7.6	Healthcare
Ordina	Buy	181	3.68	4.0	9	62.8	13.4	9.3	14.3	7.7	5.7	Technology
Philips	Buy	21,870	22.92	28.0	22	12.9	12.2	11.4	6.6	5.6	4.9	Personal & Household Goods
ProLogis European Properties	Hold	966	4.81	5.1	7	10.0	7.9	7.1	n/a	n/a	n/a	Real Estate
Randstad	Hold	6,705	39.50	37.5	-5	20.4	16.5	12.5	13.0	10.3	7.8	Industrial Goods & Services
Reed Elsevier NV	Buy	12,468	9.26	11.1	20	11.4	9.8	8.7	9.6	8.7	7.5	Media
Roularta Media Group	Hold	324	25.70	27.5	7	10.4	10.0	9.9	5.8	5.3	4.7	Media
Royal Dutch Shell A - Euro	Hold	203,263	24.73	25.0	1	10.9	9.3	8.3	4.9	4.5	4.1	Oil & Gas
Royal Ten Cate	Hold	714	28.00	27.0	-4	15.6	13.3	12.8	8.2	7.2	6.6	Industrial Goods & Services
SBM Offshore	Hold	3,724	16.77	15.5	-8	17.5	15.1	13.2	8.6	8.5	8.5	Oil & Gas
SES	Buy	7,119	17.82	23.1	30	14.8	13.9	12.9	8.9	8.6	8.1	Media
Sligro	Buy	1,027	23.20	29.0	25	13.7	11.3	10.0	7.8	6.9	6.1	Retail
SNS Reaal	Buy	918	3.19	4.8	50	8.0	5.2	3.3	n/a	n/a	n/a	Financial Services
Solvay	Hold	6,476	79.75	84.0	5	3.6	24.2	20.6	4.4	4.4	4.3	Chemicals
Telenet Group	Buy	3,293	29.48	31.0	5	40.4	21.6	19.0	8.3	8.2	7.8	Media
Tessenderlo	Hold	779	27.19	26.0	-4	38.1	14.8	11.0	6.5	5.5	4.9	Chemicals
TKH Group	Buy	712	19.61	21.0	7	21.2	16.2	13.2	8.6	7.3	6.2	Industrial Goods & Services
TNT	Buy	7,361	19.75	24.0	22	18.7	12.7	11.7	7.9	6.6	6.1	Industrial Goods & Services
TomTom	Buy	1,749	7.89	9.3	17	11.5	10.5	9.2	7.1	6.9	6.1	Technology
UCB	Hold	4,626	25.67	24.0	-7	14.5	19.1	18.5	8.4	9.9	9.3	Healthcare
Umicore	Hold	4,670	38.92	35.0	-10	17.6	15.9	14.2	10.7	9.9	9.0	Chemicals
Unilever NV	Hold	65,566	23.30	23.8	2	15.0	14.3	13.6	9.4	8.6	7.8	Food & Beverage

Fig 2 ING Benelux all caps valuation comparison

Company	Rec	Mkt cap (€m)	Price (€)	Target price (€)	Upside (%)	PER (x)			EV/EBITDA (x)			Sector
						2010F	2011F	2012F	2010F	2011F	2012F	
Unit4	Buy	705	24.23	26.0	7	16.2	12.5	11.4	9.4	7.5	6.0	Technology
USG People	Buy	1,181	15.20	20.0	32	26.4	13.1	9.0	12.9	8.3	5.9	Industrial Goods & Services
Van de Velde	Hold	524	39.60	37.0	-7	12.5	13.0	12.2	9.2	8.3	7.4	Personal & Household Goods
Van Lanschot	Hold	1,160	30.05	31.0	3	15.5	9.5	7.9	n/a	n/a	n/a	Banks
VastNed O&I	Buy	236	12.55	13.0	3	27.6	7.1	5.9	n/a	n/a	n/a	Real Estate
VastNed Retail	Hold	949	51.98	51.3	-1	8.8	9.3	9.8	n/a	n/a	n/a	Real Estate
Vopak	Buy	4,495	35.35	40.0	13	16.4	15.3	12.9	11.4	11.0	10.1	Industrial Goods & Services
Wavin	Hold	579	11.39	11.4	0	n/a	18.8	13.3	7.8	6.4	5.3	Construction & Materials
WDP	Hold	459	36.65	33.3	-9	n/a	n/a	n/a	n/a	n/a	n/a	Real Estate
Wereldhave	Buy	1,556	73.06	80.6	10	14.4	15.9	13.9	n/a	n/a	n/a	Real Estate
Wessanen	Hold	218	2.96	2.8	-7	59.1	17.8	13.5	11.1	7.2	5.9	Food & Beverage
Wolters Kluwer	Hold	4,818	16.40	17.1	-7	10.7	10.3	9.8	8.3	7.6	6.8	Media
Benelux avg		7,089				19.3	13.8	12.6	8.4	7.3	6.6	
Benelux median		1,156				14.5	12.5	11.4	8.3	7.2	6.1	
Benelux LC median		8,559				14	12	11	8	7	6	
Benelux SMC median		838				14.9	12.6	11.4	8.4	7.4	6.2	
Premium/discount SMC vs LC						9.6	5.0	0.0	2.5	9.7	5.1	
Benelux Cyclical median		970				15.2	12.7	10.9	8.0	7.1	5.7	
Benelux Defensive median		3,293				14	13	12	9	8	7	
Benelux Growth median		714				16.8	13.6	12.8	8.6	7.2	6.1	
Benelux Financial median		1,832				9.5	8.4	7.3	n/a	n/a	n/a	
Netherlands median		1,274				15	13	11	9	7	6	
Belgium median		1,030				13	12	12	8	8	7	

Prices as at 31 December 2010

Source: Company data, ING estimates

Fig 3 ING Benelux all caps valuation comparison

Company	Country	Style	Rec	Free float (%)	INGF EPS growth (%)			Consensus EPS growth (%)			Net debt/EBITDA (x)		
					2010F	2011F	2012F	2010F	2011F	2012F	2010F	2011F	2012F
Aalberts Industries	Netherlands	Cyclical	Hold	77	140.0	16.0	8.0	103.9	15.4	14.2	2.5	2.0	1.6
AB InBev	Belgium	Defensive	Buy	45	30.0	20.0	11.0	8.6	19.6	12.8	3.0	2.4	1.8
Ackermans & van Haaren	Belgium	Financial	Hold	66	41.0	15.0	8.0	37.7	13.9	12.7	n/a	n/a	n/a
Aedifica	Belgium	Real Estate	Sell	69	n/a	286.0	-18.0	n/a	-0.5	3.5	n/a	n/a	n/a
AEGON	Netherlands	Financial	Buy	85	82.0	-2.0	8.0	n/a	-10.8	12.1	n/a	n/a	n/a
Ageas	Belgium	Financial	Buy	90	-9.0	18.0	19.0	-43.8	-29.6	15.8	n/a	n/a	n/a
Agfa Gevaert	Belgium	Cyclical	Hold	100	n/a	-54.0	120.0	n/a	-49.3	62.9	0.9	1.0	0.4
Ahold	Netherlands	Defensive	Hold	100	0.0	13.0	9.0	7.9	14.0	8.0	0.4	0.1	-0.2
Akzo Nobel	Netherlands	Cyclical	Buy	100	54.0	19.0	13.0	167.1	14.0	10.0	1.1	0.8	0.5
AMG	Netherlands	Cyclical	Buy	100	n/a	126.0	49.0	n/a	209.6	52.2	1.8	1.2	0.8
Arcadis	Netherlands	Cyclical	Buy	75	-3.0	15.0	10.0	3.0	11.4	9.1	0.8	0.5	0.2
ArcelorMittal	Netherlands	Cyclical	Buy	56	n/a	23.0	43.0	n/a	11.7	42.2	2.5	1.7	1.1
Arseus	Belgium	Cyclical	Buy	52	26.0	27.0	13.0	48.5	18.1	10.5	3.5	2.7	2.3
ASM International	Netherlands	Cyclical	Sell	78	n/a	144.0	-17.0	n/a	-1.6	1.0	-1.2	-1.1	-1.8
ASML	Netherlands	Cyclical	Hold	100	n/a	-1.0	-55.0	n/a	23.0	-5.0	-0.7	-1.1	-2.5
Ballast Nedam	Netherlands	Cyclical	Hold	100	-30.0	116.0	74.0	-25.8	93.5	57.3	4.6	4.1	3.4
BAM	Netherlands	Cyclical	Buy	100	n/a	n/a	25.0	207.9	1.8	28.9	4.7	3.5	2.9
Banimmo	Belgium	Real Estate	Buy	17	-1.0	40.0	13.0	-21.6	90.8	13.8	n/a	n/a	n/a
Barco	Belgium	Growth	Buy	93	n/a	67.0	26.0	n/a	63.1	14.6	-0.1	-0.2	-0.4
Befimmo	Belgium	Real Estate	Hold	81	-6.0	-1.0	0.0	n/a	1.7	1.3	n/a	n/a	n/a
Bekaert	Belgium	Cyclical	Buy	61	134.0	4.0	9.0	134.7	10.3	5.2	0.7	0.3	0.0
Belgacom SA	Belgium	Defensive	Hold	41	-9.0	-1.0	-1.0	-13.1	-2.0	-0.8	1.0	1.2	1.1
Beter Bed	Netherlands	Defensive	Hold	44	11.0	23.0	19.0	12.5	15.9	12.0	-0.2	-0.3	-0.3
BinckBank	Netherlands	Financial	Hold	70	-1.0	12.0	13.0	60.3	8.9	15.5	n/a	n/a	n/a
Boskalis	Netherlands	Cyclical	Buy	67	11.0	-10.0	1.0	11.2	-10.5	3.5	1.0	0.9	0.8
Brunel International	Netherlands	Cyclical	Buy	34	-16.0	61.0	38.0	-17.8	46.4	40.9	-1.8	-1.3	-1.2
CFE	Belgium	Cyclical	Buy	55	16.0	-8.0	8.0	7.6	3.8	11.9	1.2	1.3	1.4
CMB	Belgium	Cyclical	Hold	43	-6.0	-27.0	9.0	-49.4	-2.6	4.7	2.7	4.1	4.0
CNP (Nationale a Portefeuille)	Belgium	Financial	Buy	28	n/a	n/a	n/a	-3.6	11.1	11.7	n/a	n/a	n/a
Cofinimmo	Belgium	Real Estate	Hold	100	1.0	5.0	-1.0	227.3	0.1	-1.6	n/a	n/a	n/a
Colruyt	Belgium	Defensive	Hold	43	10.0	8.0	9.0	17.8	7.6	8.1	-0.4	-0.4	-0.4
Corio	Netherlands	Real Estate	Hold	63	-4.0	1.0	-4.0	n/a	3.6	6.0	n/a	n/a	n/a
CSM	Netherlands	Defensive	Hold	100	31.0	11.0	19.0	46.9	15.5	16.5	2.5	2.1	1.7
Deceuninck	Belgium	Cyclical	Buy	65	5.0	125.0	15.0	-118.6	87.5	23.3	1.9	1.2	0.8
Delhaize	Belgium	Defensive	Hold	100	-1.0	5.0	9.0	2.9	2.8	6.4	1.3	1.2	0.9
Delta Lloyd	Netherlands	Financial	Hold	37	-3.0	3.0	5.0	-563.0	-39.1	3.7	n/a	n/a	n/a
Dexia	Belgium	Financial	Hold	27	-54.0	-3.0	22.0	-21.0	-7.0	27.5	n/a	n/a	n/a
D'leteren	Belgium	Cyclical	Buy	41	29.0	4.0	9.0	52.7	4.6	8.8	1.9	1.7	1.5
Dockwise	Netherlands	Cyclical	Hold	61	-61.0	43.0	43.0	n/a	-4.7	129.4	2.8	2.5	2.0
Draka	Netherlands	Cyclical	Hold	52	n/a	n/a	25.0	n/a	49.2	20.7	2.9	1.4	0.7
DSM	Netherlands	Cyclical	Buy	100	58.0	47.0	-2.0	58.2	6.4	12.1	0.5	0.1	-0.1
Elia	Belgium	Defensive	Hold	52	8.0	-6.0	2.0	12.6	-1.8	-7.0	3.7	6.2	6.3
Eurocommercial Properties	Netherlands	Real Estate	Hold	100	n/a	n/a	n/a	n/a	6.9	21.9	n/a	n/a	n/a
Euronav	Belgium	Cyclical	Sell	43	n/a	n/a	n/a	n/a	n/a	n/a	4.7	5.8	5.0
EVS	Belgium	Growth	Hold	82	61.0	-6.0	26.0	45.7	-0.4	24.2	-0.4	-0.4	-0.4

Fig 3 ING Benelux all caps valuation comparison

Company	Country	Style	Rec	Free float (%)	INGF EPS growth (%)			Consensus EPS growth (%)			Net debt/EBITDA (x)		
					2010F	2011F	2012F	2010F	2011F	2012F	2010F	2011F	2012F
Exact Holding	Netherlands	Defensive	Hold	43	-13.0	12.0	9.0	-8.2	6.7	7.6	-1.0	-1.0	-1.0
Exmar	Belgium	Cyclical	Hold	39	n/a	n/a	386.0	n/a	n/a	70.0	6.6	7.9	6.6
Fugro	Netherlands	Growth	Buy	91	-2.0	13.0	20.0	-2.0	12.7	15.2	1.0	0.7	0.5
Gamma	Netherlands	Cyclical	Hold	15	n/a	123.0	31.0	n/a	127.0	30.3	3.1	2.9	2.6
GBL	Belgium	Financial	Buy	50	n/a	n/a	n/a	-38.4	15.8	12.2	n/a	n/a	n/a
Grontmij	Netherlands	Defensive	Buy	69	n/a	n/a	n/a	34.6	17.3	18.3	2.8	1.8	1.3
Heijmans	Netherlands	Cyclical	Buy	100	n/a	87.0	23.0	-144.0	23.9	38.6	2.6	1.3	0.9
Heineken	Netherlands	Defensive	Buy	64	18.0	21.0	15.0	19.2	12.5	14.3	2.4	1.9	1.4
Home Invest Belgium	Belgium	Real Estate	Sell	55	-49.0	47.0	5.0	-49.3	47.3	4.6	n/a	n/a	n/a
IBA	Belgium	Growth	Buy	60	n/a	16.0	32.0	n/a	62.0	65.4	1.4	1.0	0.7
Imtech	Netherlands	Growth	Buy	95	2.0	7.0	6.0	23.5	9.0	14.2	1.7	1.2	0.8
Kas Bank	Netherlands	Financial	Buy	44	-27.0	10.0	12.0	-32.8	2.2	7.8	n/a	n/a	n/a
KBC	Belgium	Financial	Hold	40	-19.0	-3.0	23.0	-172.5	-4.3	17.2	n/a	n/a	n/a
KBC Ancora	Belgium	Financial	Hold	39	n/a	18.0	4.0	n/a	1.3	37.7	n/a	n/a	n/a
Kinepolis	Belgium	Defensive	Buy	64	37.0	4.0	11.0	23.6	10.1	5.7	0.9	0.5	0.1
KPN	Netherlands	Defensive	Buy	100	-10.0	5.0	4.0	-13.5	6.1	5.7	2.1	2.1	2.2
Leasinvest	Belgium	Real Estate	Hold	34	-36.0	73.0	0.0	17.4	-7.4	-0.8	n/a	n/a	n/a
Macintosh	Netherlands	Defensive	Buy	29	13.0	13.0	19.0	0.7	16.3	20.1	1.8	1.1	1.0
Mediq	Netherlands	Defensive	Hold	37	13.0	2.0	9.0	13.4	3.8	7.4	1.6	1.1	0.8
Mobistar	Belgium	Defensive	Hold	47	-6.0	-6.0	-4.0	-4.4	-5.8	-2.0	0.7	0.8	0.8
Nieuwe Steen Investments	Netherlands	Real Estate	Hold	66	n/a	n/a	n/a	n/a	-3.6	2.5	n/a	n/a	n/a
Nutreco	Netherlands	Defensive	Hold	100	32.0	9.0	10.0	56.7	5.9	12.0	0.7	0.3	-0.1
Nyrstar	Belgium	Cyclical	Buy	100	213.0	34.0	23.0	n/a	100.0	36.0	3.6	0.3	-0.3
Omega Pharma	Belgium	Defensive	Hold	61	13.0	15.0	5.0	-4.8	14.6	3.3	2.4	2.0	1.6
Ordina	Netherlands	Cyclical	Buy	85	n/a	371.0	44.0	n/a	171.0	34.5	3.8	1.3	0.6
Philips	Netherlands	Cyclical	Buy	100	174.0	5.0	7.0	309.1	10.0	13.9	0.4	-0.1	-0.5
ProLogis European Properties	Luxembourg	Real Estate	Hold	55	3.0	26.0	11.0	n/a	n/a	n/a	n/a	n/a	n/a
Randstad	Netherlands	Cyclical	Hold	67	59.0	24.0	32.0	438.9	31.4	24.3	1.3	0.9	0.3
Reed Elsevier NV	Netherlands	Defensive	Buy	94	4.0	16.0	12.0	140.6	7.1	10.3	2.5	2.1	1.6
Roularta Media Group	Belgium	Cyclical	Hold	16	n/a	4.0	1.0	n/a	15.7	9.0	1.6	1.1	0.6
Royal Dutch Shell A - Euro	Netherlands	Defensive	Hold	100	62.0	16.0	12.0	52.2	20.1	15.5	0.8	0.7	0.7
Royal Ten Cate	Netherlands	Growth	Hold	63	86.0	18.0	4.0	107.2	20.4	11.2	2.1	1.7	1.3
SBM Offshore	Netherlands	Growth	Hold	100	-12.0	16.0	15.0	-8.8	17.2	15.0	2.7	3.0	3.2
SES	Luxembourg	Defensive	Buy	73	0.0	6.0	8.0	25.7	9.0	6.4	2.9	2.8	2.5
Sligro	Netherlands	Defensive	Buy	66	1.0	21.0	13.0	3.9	17.2	7.6	1.0	0.7	0.4
SNS Reaal	Netherlands	Financial	Buy	43	-20.0	54.0	56.0	n/a	67.1	57.4	n/a	n/a	n/a
Solvay	Belgium	Cyclical	Hold	70	253.0	-85.0	18.0	-47.0	5.4	17.9	-2.9	-2.2	-1.9
Telenet Group	Belgium	Defensive	Buy	49	-65.0	87.0	14.0	-40.2	16.0	15.5	3.4	3.6	3.4
Tessengerlo	Belgium	Cyclical	Hold	74	n/a	157.0	34.0	-112.5	148.0	35.5	1.0	1.0	1.0
TKH Group	Netherlands	Cyclical	Buy	100	n/a	31.0	22.0	n/a	23.3	15.1	0.9	0.6	0.2
TNT	Netherlands	Cyclical	Buy	92	37.0	47.0	9.0	81.2	12.9	12.7	1.2	1.0	0.7
TomTom	Netherlands	Growth	Buy	43	-20.0	9.0	13.0	46.8	10.1	11.8	1.1	0.7	0.3
UCB	Belgium	Defensive	Hold	62	1.0	-24.0	4.0	-40.7	-4.4	8.4	2.1	2.1	1.7
Umicore	Belgium	Cyclical	Hold	100	213.0	11.0	12.0	228.8	11.5	8.3	0.4	0.3	0.3
Unilever NV	Netherlands	Defensive	Hold	100	16.0	5.0	5.0	22.3	8.4	9.0	0.8	0.6	0.3

Fig 3 ING Benelux all caps valuation comparison

Company	Country	Style	Rec	Free float (%)	INGF EPS growth (%)			Consensus EPS growth (%)			Net debt/EBITDA (x)		
					2010F	2011F	2012F	2010F	2011F	2012F	2010F	2011F	2012F
Unit4	Netherlands	Growth	Buy	72	9.0	29.0	10.0	101.4	24.5	14.8	1.3	0.8	0.3
USG People	Netherlands	Cyclical	Buy	80	336.0	102.0	45.0	-231.8	82.8	34.9	3.3	1.7	0.9
Van de Velde	Belgium	Defensive	Hold	41	60.0	-4.0	7.0	38.7	4.3	5.9	-0.8	-1.0	-1.4
Van Lanschot	Netherlands	Defensive	Hold	18	167.0	64.0	20.0	n/a	99.7	17.9	n/a	n/a	n/a
VastNed O&I	Netherlands	Real Estate	Buy	100	n/a	288.0	20.0	-158.7	-12.9	-9.6	n/a	n/a	n/a
VastNed Retail	Netherlands	Real Estate	Hold	100	n/a	-5.0	-5.0	-200.8	-1.0	1.5	n/a	n/a	n/a
Vopak	Netherlands	Defensive	Buy	47	4.0	8.0	18.0	9.9	11.8	12.4	2.5	2.7	2.6
Wavin	Netherlands	Cyclical	Hold	80	n/a	n/a	42.0	n/a	151.9	47.1	2.4	1.6	1.1
WDP	Belgium	Real Estate	Hold	69	n/a	n/a	n/a	n/a	8.3	1.2	n/a	n/a	n/a
Wereldhave	Netherlands	Real Estate	Buy	100	3.0	-9.0	15.0	n/a	1.5	3.9	n/a	n/a	n/a
Wessanen	Netherlands	Defensive	Hold	100	n/a	232.0	32.0	n/a	133.3	20.0	2.2	1.2	0.8
Wolters Kluwer	Netherlands	Defensive	Hold	100	6.0	4.0	5.0	261.0	7.4	7.9	2.3	1.9	1.4
Benelux avg				68.6	28.8	35.2	19.3	15.9	23.5	17.2	1.7	1.4	1.0
Benelux median				67.0	5.0	15.0	12.0	9.9	10.3	12.2	1.6	1.2	0.8
Benelux LC median				79	10.0	6.0	9.0	8.6	8.0	12.1	1.2	1.0	0.7
Benelux SMC median				66.0	4.0	16.0	13.0	9.9	11.5	12.4	1.9	1.2	0.8
Premium/discount SMC vs LC													
Benelux Cyclical median				74.0	26.0	23.5	16.5	48.5	14.0	16.5	1.8	1.2	0.8
Benelux Defensive median				64	8.0	8.5	9.0	12.5	9.0	8.1	1.6	1.2	0.9
Benelux Growth median				82.0	2.0	16.0	15.0	45.7	17.2	14.8	1.3	0.8	0.5
Benelux Financial median				41.5	-9.0	11.0	16.0	-38.3	-1.5	16.5	n/a	n/a	n/a
Netherlands median				80	6.0	16.0	13.0	12.9	12.6	14.0	1.8	1.2	0.8
Belgium median				55	6.5	5.0	9.0	-0.3	6.5	10.5	1.4	1.2	0.9

Source: Company data, ING estimates

Benelux market valuation

Benelux universe

Fig 4 Benelux PER multiples (x)

	2010F	2011F	2012F
Benelux universe	13.4	12.2	10.9
Large caps (> €2bn)	13.7	12.5	11.1
Small and midcaps (<€2bn)	13.4	12.0	10.7
Discount SMC vs LC (%)	-2.1	-3.6	-3.4

Source: Factset

The Benelux universe currently trades at a 2011F PER of 12.2x based on consensus estimates, up 14% from 10.7x on 31 August 2010. The multiple expansion is almost entirely due to underlying share price increases, since EPS estimates on average remained largely unchanged.

Historical trends

Fig 5 Benelux universe 12-month-forward PER (x)

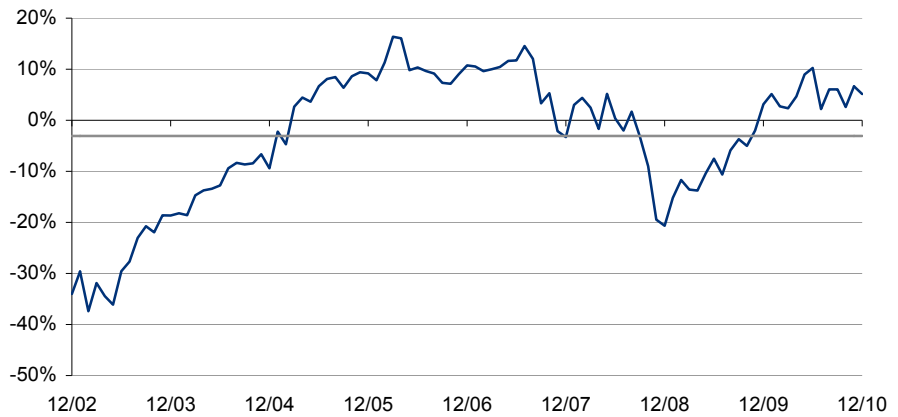


Source: Factset

While six months ago, Benelux stocks traded below the historical average PER of 11.5x, today they trade exactly at the historical average. We believe this reflects the declining fear for a double-dip scenario during the past six months, and suggest there is still room for further multiple expansion should there be apparent further economic recovery.

Benelux vs European market

Fig 6 Benelux universe PER vs Eurostoxx 600 (%)

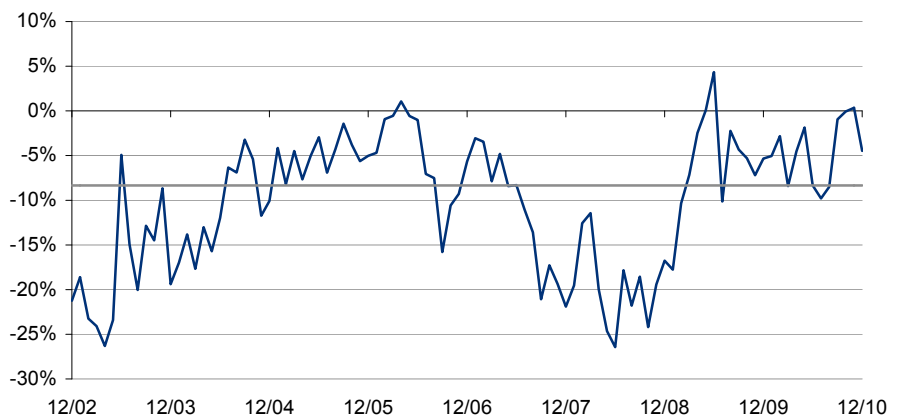


Source: Factset

The Benelux universe currently trades at a 5% premium to the European markets. This in line with the previous six-month period, yet, historically, Benelux stocks traded at a slight (3%) discount, which suggests some 8% relative risk.

Small and midcaps vs large caps

Fig 7 Benelux small and midcaps vs large caps (%)



Source: Factset

Benelux small and midcaps (market cap below €2bn) now trade at a 4% discount to large caps (market cap above €2bn). Historically, the discount was closer to 8%, which implies we could see a limited shift from small and midcaps towards large caps.

Fig 8 Benelux all cap: sales growth and EPS vs Bloomberg consensus

Company	Sales growth (%)						EPS (€)					
	ING sales growth (%)		Consensus		ING vs consensus (%)		ING EPS (€)		Consensus		ING vs consensus (%)	
	2011F	2012F	2011F	2012F	2011F	2012F	2011F	2012F	2011F	2012F	2011F	2012F
Aalberts Industries	8.0	3.0	10.6	4.9	-2.6	-1.9	1.09	1.18	1.20	1.37	-9	-14
AB InBev	5.0	4.0	5.9	5.0	-0.9	-1.0	2.83	3.17	3.78	4.27	-25	-26
Ackermans & van Haaren	n/a	n/a	5.1	4.8	n/a	n/a	5.7	6.1	5.6	6.3	2	-2
Aedifica	24.0	7.0	6.6	5.8	17.4	1.2	2.14	1.77	1.85	1.92	16	-8
AEGON	n/a	n/a	2.7	3.5	n/a	n/a	0.62	0.67	0.70	0.79	-12	-14
Ageas	n/a	n/a	7.6	11.1	n/a	n/a	0.18	0.22	0.19	0.22	-3	0
Agfa Gevaert	7.0	0.0	5.7	0.5	1.3	-0.5	0.26	0.56	0.35	0.57	-26	-2
Ahold	0.0	3.0	2.1	3.6	-2.1	-0.6	0.92	1.01	0.94	1.01	-1	0
Akzo Nobel	5.0	4.0	4.9	4.4	0.1	-0.4	3.87	4.34	3.75	4.12	3	5
AMG	11.0	6.0	9.5	8.7	1.5	-2.7	0.85	1.3	1.13	1.7	-25	-26
Arcadis	2.0	6.0	3.7	4.1	-1.7	1.9	1.31	1.44	1.32	1.44	-1	0
ArcelorMittal	14.0	6.0	11.9	7.7	2.1	-1.7	2.04	2.93	2.81	4.00	-27	-27
Arseus	10.0	7.0	10.2	6.6	-0.2	0.4	1.03	1.17	1.14	1.26	-9	-7
ASM International	6.0	-13.0	2.4	4.7	3.6	-17.7	0.89	0.74	2.39	2.41	-63	-69
ASML	0.0	-25.0	16.5	-5.8	-16.5	-19.2	2.09	0.95	2.62	2.49	-20	-62
Ballast Nedam	-2.0	4.0	-0.6	2.3	-1.4	1.7	0.91	1.58	0.89	1.40	2	13
BAM	2.0	2.0	-0.9	2.2	2.9	-0.2	0.71	0.88	0.57	0.74	24	20
Banimmoo	2.0	2.0	11.6	8.3	-9.6	-6.3	1.47	1.66	1.45	1.65	1	0
Barco	11.0	9.0	11.1	7.0	-0.1	2.0	4.1	5.2	4.1	4.7	0	10
Befimmo	2.0	2.0	3.2	2.5	-1.2	-0.5	4.94	4.9	4.69	4.8	5	3
Bekaert	9.0	7.0	9.1	7.1	-0.1	-0.1	6.66	7.28	6.64	6.98	0	4
Belgacom SA	-6.0	1.0	-2.0	0.5	-4.0	0.5	2.20	2.17	2.40	2.38	-8	-9
Beter Bed	6.0	8.0	7.0	7.7	-1.0	0.3	1.53	1.82	1.46	1.64	5	11
BinckBank	7.0	10.0	9.6	10.2	-2.6	-0.2	1.15	1.30	1.10	1.27	4	3
Boskalis	-1.0	3.0	3.9	4.1	-4.9	-1.1	2.57	2.59	2.57	2.66	0	-3
Brunel International	16.0	15.0	14.6	13.9	1.4	1.1	1.84	2.54	1.63	2.29	13	11
CFE	-1.0	3.0	2.6	5.1	-3.6	-2.1	5.02	5.43	5.27	5.89	-5	-8
CMB	-11.0	4.0	2.3	1.3	-13.3	2.7	1.8	2.0	1.7	1.8	9	13
CNP (Nationale a Port)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	3.0	3.3	n/a	n/a
Cofinimmo	2.0	1.0	-1.0	0.4	3.0	0.6	7.92	7.79	7.57	7.45	5	5
Colruyt	8.0	6.0	6.7	6.5	1.3	-0.5	2.25	2.45	2.42	2.62	-7	-6
Corio	12.0	9.0	10.9	11.2	1.1	-2.2	2.95	2.84	3.02	3.20	-2	-11
CSM	5.0	4.0	4.6	3.5	0.4	0.5	1.93	2.30	2.16	2.51	-11	-8
Deceuninck	3.0	5.0	4.3	4.9	-1.3	0.1	0.16	0.18	0.15	0.19	3	-4
Delhaize	0.0	4.0	0.9	3.5	-0.9	0.5	5.58	6.14	5.46	5.81	2	6
Delta Lloyd	n/a	n/a	-3.8	4.2	n/a	n/a	2.22	2.32	2.29	2.37	-3	-2
Dexia	-6.0	8.0	-4.1	3.8	-1.9	4.2	0.43	0.52	0.40	0.51	7	2
D'leteren	2.0	4.0	2.3	4.3	-0.3	-0.3	4.45	4.87	4.62	5.02	-4	-3
Dockwise	2.0	9.0	-0.5	11.4	2.5	-2.4	1.58	2.27	1.63	3.74	-3	-39
Draka	5.0	3.0	4.5	3.0	0.5	0.0	1.44	1.79	1.43	1.72	1	4
DSM	-6.0	4.0	-1.0	4.5	-5.0	-0.5	3.61	3.52	3.39	3.80	7	-7
Elia	3.0	2.0	19.4	7.2	-16.4	-5.2	1.8	1.8	1.9	1.7	-4	4
Eurocommercial Prop	n/a	n/a	4.9	-18.5	n/a	n/a	n/a	n/a	1.5	1.9	n/a	n/a
Euronav	-17.0	1.0	-5.7	3.3	-11.3	-2.3	n/a	n/a	-0.03	0.80	n/a	n/a
EVS	0.0	14.0	0.9	18.0	-0.9	-4.0	2.69	3.40	2.73	3.39	-1	0
Exact Holding	3.0	4.0	0.2	4.0	2.8	0.0	1.56	1.71	1.44	1.55	8	10
Exmar	82.0	-44.0	26.9	-13.3	55.1	-30.7	0.04	0.20	0.20	0.34	-80	-42
Fugro	12.0	10.0	8.7	11.0	3.3	-1.0	3.80	4.56	3.82	4.40	-1	4
Gamma	16.0	2.0	4.4	1.7	11.6	0.3	3.1	4.1	3.2	4.2	-2	-2
GBL	n/a	n/a	0.0	-27.3	n/a	n/a	n/a	n/a	4.85	5.44	n/a	n/a
Grontmij	18.0	4.0	16.7	4.2	1.3	-0.2	n/a	n/a	1.80	2.13	n/a	n/a
Heijmans	5.0	4.0	-1.0	5.3	6.0	-1.3	3.14	3.86	1.76	2.44	78	58
Heineken	4.0	3.0	7.2	4.1	-3.2	-1.1	3.08	3.53	2.79	3.19	11	11
Home Invest Belgium	2.0	2.0	2.5	2.4	-0.5	-0.4	2.18	2.28	2.18	2.28	0	0
IBA	11.0	11.0	11.3	13.1	-0.3	-2.1	0.55	0.73	0.41	0.67	36	8
Imtech	6.0	4.0	6.8	5.2	-0.8	-1.2	2.09	2.22	2.18	2.49	-4	-11
Kas Bank	2.0	3.0	2.9	3.6	-0.9	-0.6	1.15	1.29	1.16	1.25	-1	3
KBC	3.0	2.0	-0.7	1.3	3.7	0.7	3.98	4.90	5.04	5.90	-21	-17
KBC Ancora	0.0	0.0	0.8	24.9	-0.8	-24.9	0.13	0.14	0.77	1.06	-83	-87
Kinepolis	2.0	3.0	1.3	2.8	0.7	0.2	4.1	4.6	4.5	4.8	-8	-3
KPN	0.0	1.0	-0.2	0.5	0.2	0.5	1.26	1.30	1.22	1.29	3	1
Leasinvest	-3.0	0.0	-1.2	-1.2	-1.8	1.2	5.11	5.11	5.00	4.96	2	3
Macintosh	3.0	4.0	2.8	2.9	0.2	1.1	1.67	2.00	1.64	1.97	2	2
Mediq	7.0	4.0	6.4	3.6	0.6	0.4	1.5	1.6	1.5	1.6	2	3
Mobistar	0.0	0.0	0.2	0.1	-0.2	-0.1	3.82	3.68	3.91	3.83	-2	-4
Nieuwe Steen Investments	n/a	n/a	1.1	0.2	n/a	n/a	n/a	n/a	1.22	1.25	n/a	n/a
Nutreco	3.0	3.0	3.8	4.4	-0.8	-1.4	4.44	4.90	4.33	4.85	2	1
Nyrstar	5.0	1.0	12.8	8.9	-7.8	-7.9	1.35	1.67	1.78	2.42	-24	-31
Omega Pharma	6.0	4.0	5.9	2.8	0.1	1.2	3.21	3.36	3.60	3.72	-11	-10
Ordina	2.0	8.0	0.8	6.3	1.2	1.7	0.27	0.40	0.29	0.39	-5	1
Philips	4.0	4.0	4.3	4.5	-0.3	-0.5	1.88	2.01	1.98	2.26	-5	-11
ProLogis European Prop	5.0	12.0	n/a	n/a	n/a	n/a	0.61	0.68	n/a	n/a	n/a	n/a
Randstad	9.0	12.0	10.7	9.3	-1.7	2.7	2.39	3.16	2.55	3.17	-6	0
Reed Elsevier NV	4.0	6.0	1.3	4.5	2.7	1.5	0.94	1.06	0.83	0.91	15	17

Fig 8 Benelux all cap: sales growth and EPS vs Bloomberg consensus

Company	Sales growth (%)						EPS (€)					
	ING sales growth (%)		Consensus		ING vs consensus (%)		ING EPS (€)		Consensus		ING vs consensus (%)	
	2011F	2012F	2011F	2012F	2011F	2012F	2011F	2012F	2011F	2012F	2011F	2012F
Roularta Media Group	4.0	3.0	4.4	4.3	-0.4	-1.3	2.57	2.60	3.02	3.29	-15	-21
Royal Dutch Shell A - Euro	4.0	2.0	5.0	5.2	-1.0	-3.2	2.66	2.98	3.73	4.31	-29	-31
Royal Ten Cate	7.0	5.0	9.7	7.1	-2.7	-2.1	2.11	2.19	2.42	2.69	-13	-19
SBM Offshore	-3.0	2.0	1.1	7.6	-4.1	-5.6	1.11	1.27	1.57	1.81	-29	-30
SES	5.0	5.0	5.2	4.8	-0.2	0.2	1.28	1.38	1.33	1.42	-4	-2
Sligro	7.0	5.0	5.3	4.5	1.7	0.5	2.05	2.32	2.05	2.20	0	5
SNS Reaal	0.0	3.0	-1.9	9.0	1.9	-6.0	0.61	0.97	0.61	0.96	1	1
Solvay	-2.0	4.0	-2.4	4.1	0.4	-0.1	3.30	3.87	3.51	4.14	-6	-6
Telenet Group	6.0	4.0	6.5	5.5	-0.5	-1.5	1.36	1.55	1.45	1.68	-6	-7
Tessengerlo	5.0	6.0	6.7	4.7	-1.7	1.3	1.84	2.47	1.86	2.52	-1	-2
TKH Group	6.0	6.0	8.2	9.0	-2.2	-3.0	1.21	1.49	1.30	1.49	-7	0
TNT	4.0	4.0	3.2	4.5	0.8	-0.5	1.56	1.69	1.57	1.77	-1	-5
TomTom	1.0	4.0	1.9	3.6	-0.9	0.4	0.75	0.86	0.76	0.85	-1	1
UCB	-8.0	3.0	-2.5	1.7	-5.5	1.3	1.34	1.39	1.62	1.75	-17	-21
Umicore	7.0	9.0	10.3	6.7	-3.3	2.3	2.45	2.74	2.42	2.62	1	5
Unilever NV	5.0	3.0	6.1	5.2	-1.1	-2.2	1.63	1.71	1.61	1.75	2	-2
Unit4	13.0	10.0	9.5	7.0	3.5	3.0	1.94	2.13	1.86	2.13	4	0
USG People	9.0	11.0	8.2	7.1	0.8	3.9	1.2	1.7	1.1	1.4	9	18
Van de Velde	11.0	5.0	10.1	8.6	0.9	-3.6	3.0	3.2	2.9	3.1	6	6
Van Lanschot	6.0	4.0	7.6	4.3	-1.6	-0.3	3.16	3.80	2.93	3.45	8	10
VastNed O&I	1.0	6.0	-2.5	-1.3	3.5	7.3	1.77	2.1	1.15	1.0	54	105
VastNed Retail	-1.0	1.0	4.4	5.7	-5.4	-4.7	5.59	5.30	3.61	3.66	55	45
Vopak	12.0	10.0	6.8	7.1	5.2	2.9	2.3	2.7	2.4	2.7	-4	1
Wavin	5.0	4.0	5.3	6.3	-0.3	-2.3	0.61	0.86	0.68	1.00	-11	-14
WDP	n/a	n/a	3.3	-2.2	n/a	n/a	n/a	n/a	3.27	3.31	n/a	n/a
Wereldhave	6.0	6.0	9.4	3.2	-3.4	2.8	4.59	5.26	5.18	5.38	-11	-2
Wessanen	3.0	4.0	0.4	1.8	2.6	2.2	0.17	0.22	0.18	0.21	-5	4
Wolters Kluwer	3.0	3.0	1.7	3.3	1.3	-0.3	1.59	1.67	1.59	1.72	0	-2
Median	4.0	4.0	4.4	4.5	-0.3	-0.3	1.8	2.1	1.9	2.3	-1.2	-0.3

Source: Bloomberg, ING estimates

Insurers will benefit more from rising interest rates than banks**Top-line growth outlook modest**

Against a background of deleveraging, margin pressure (higher funding costs), and a flatter yield curve, we expect top-line growth to be low single digit at best for European banks. For insurance companies, we see top-line growth in the high single digits. Rising interest rates are impacting banks and insurers in several ways. In general, we believe that gradually increasing interest rates will result in steeper yield curves and therefore increases in bank interest margins, which is a positive. In addition, banks generally fail to translate rising interest rates into higher rates paid on deposits while a bank perfectly matches a decreasing trend and this, in turn, further supports interest margins. However, it has to be said that the impact can differ substantially between banks depending on: (1) funding profiles; (2) asset/liability durations; (3) the split between adjustable and fixed-rated loans; (4) investment strategies (including hedging); and (5) competition. Moreover, the biggest risk is that short-term rates rise faster than long-term rates, flattening the curve. Insurance companies, especially life insurers, are set to benefit more than banks as the durations of liabilities are much longer than assets and this reduces the risk of interest rate guarantees embedded in many insurance products. In other words, the shorter the duration the lower the interest rate sensitivity. So, in terms of valuation in a raising interest rate environment, there might be more upside for insurers than for banks.

Banks: low P/B multiples explained by debt crisis**Valuation**

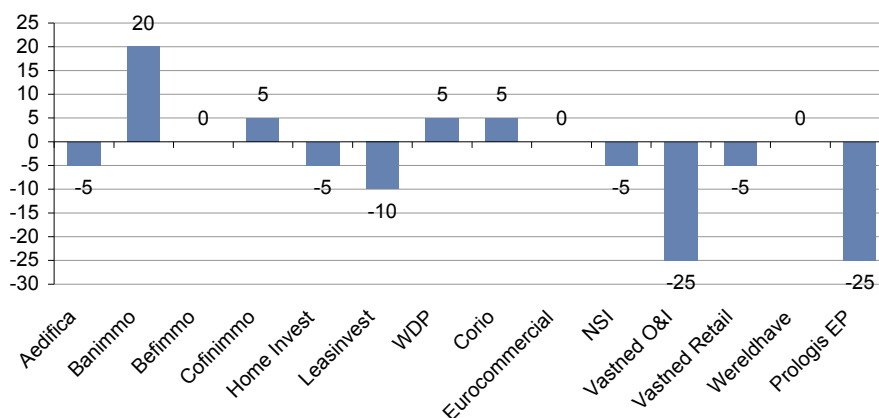
We estimate that, post crisis, the bank sector ROE will be in range of 10-13% versus pre-crisis levels of 15-20%. The lower ROE outlook will be reflected in lower P/B multiples, which we estimate to be in range of 1.0-1.3x, well below peak levels of >2.0x as witnessed pre-crisis. Given the current sovereign debt woes, it is not surprising that the sector is currently trading at an average ROE multiple of 0.8x. The deviation per region is wide. UK, Nordic and Swiss banks generally trade above 1.0x and are, indeed, better equipped to deal with regulatory, capital and sovereign challenges, in our view.

Insurance: improving fundamentals should provide upside in valuation

For insurance companies, the risk premium in 2010 was high but should ease in 2011 as the Solvency II capital requirement could be less than feared, and rising interest rates favour especially life insurers. The insurance sector is trading at 9x 2011 PER and 0.9x P/EV and with improving fundamentals we see upside in valuation going into 2011.

The sector should trade at a discount to 2011 IFRS NAV but it doesn't**Real estate stocks in 2011**

We expect the Benelux real estate sector to post a total return of c.5% in 2011. This expectation is based on a targeted 3% discount to 2011 IFRS NAV estimates. For individual property stocks our target discounts range from minus 25% for PEPR and VastNed O&I to +20% for Banimmo. The average target for Belgium is a 1.4% premium and for the Netherlands we have a 5% target discount. Figure 31 illustrates our target discounts.

Fig 31 Target discounts/premiums (%)

Source: ING

The expected return of 4% includes a gross dividend yield of 6.2%, 7.4% for our Dutch universe, 6.0% for our Belgian universe and 0% for PEPR, which is listed in Luxembourg.

Development will become fashionable again

We believe that investors will start to appreciate development pipelines in 2011. This will benefit companies, such as Corio, Wereldhave and Banimmo, that have large development portfolios in comparison to their investment portfolio. Returning themes for 2011 will be e-commerce and sustainability, about which we have written extensively.

Equity issuance ahead?

Concerns for refinancing of debt of the listed sector seem to have gone away and if the non-listed sector gets into trouble the listed property companies can finance acquisitions with equity issues above NAV. Modern office space, which does not need additional capex, could come back into fashion because of the attractive yield gap with so-called risk free interest rates. It is this yield gap that is probably the biggest risk to our fairly pessimist outlook.

Our Benelux top picks are Banimmo, VastNed O&I and Wereldhave.

Banimmo (Buy, TP €17.10) is an entrepreneurial property developer in Belgium, small market cap and good alignment with management that owns x% of the shares. High risk, high return.

VastNed O&I (Buy, TP €12.96) is a valuation call. We believe the company has been oversold, even after the recovery, as a result of the offer by NSI. Vacancies offer good upside.

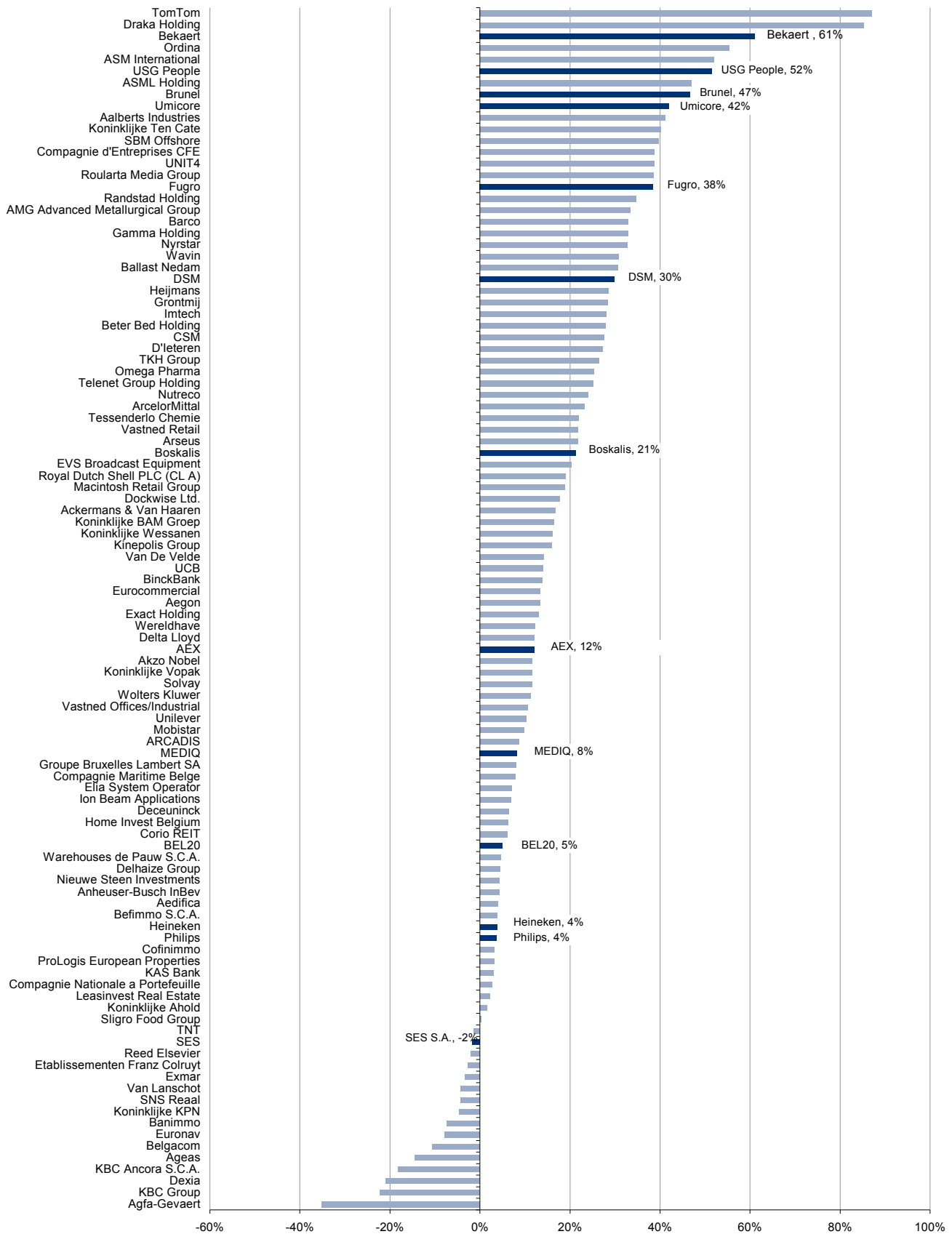
Prudent financing, good timing, strong hires and brave property calls

Wereldhave (Buy, TP €80.62) has rapidly beefed up its development pipeline by over €300m with three deals in the past month. Management's new strategy is unpopular because of its UK and US ambitions. We agree with the criticism but believe the market is focusing too much on these issues and should reward Wereldhave for its prudent financing, good timing, strong hires and brave property calls. NAV growth and EPS growth above sector average.

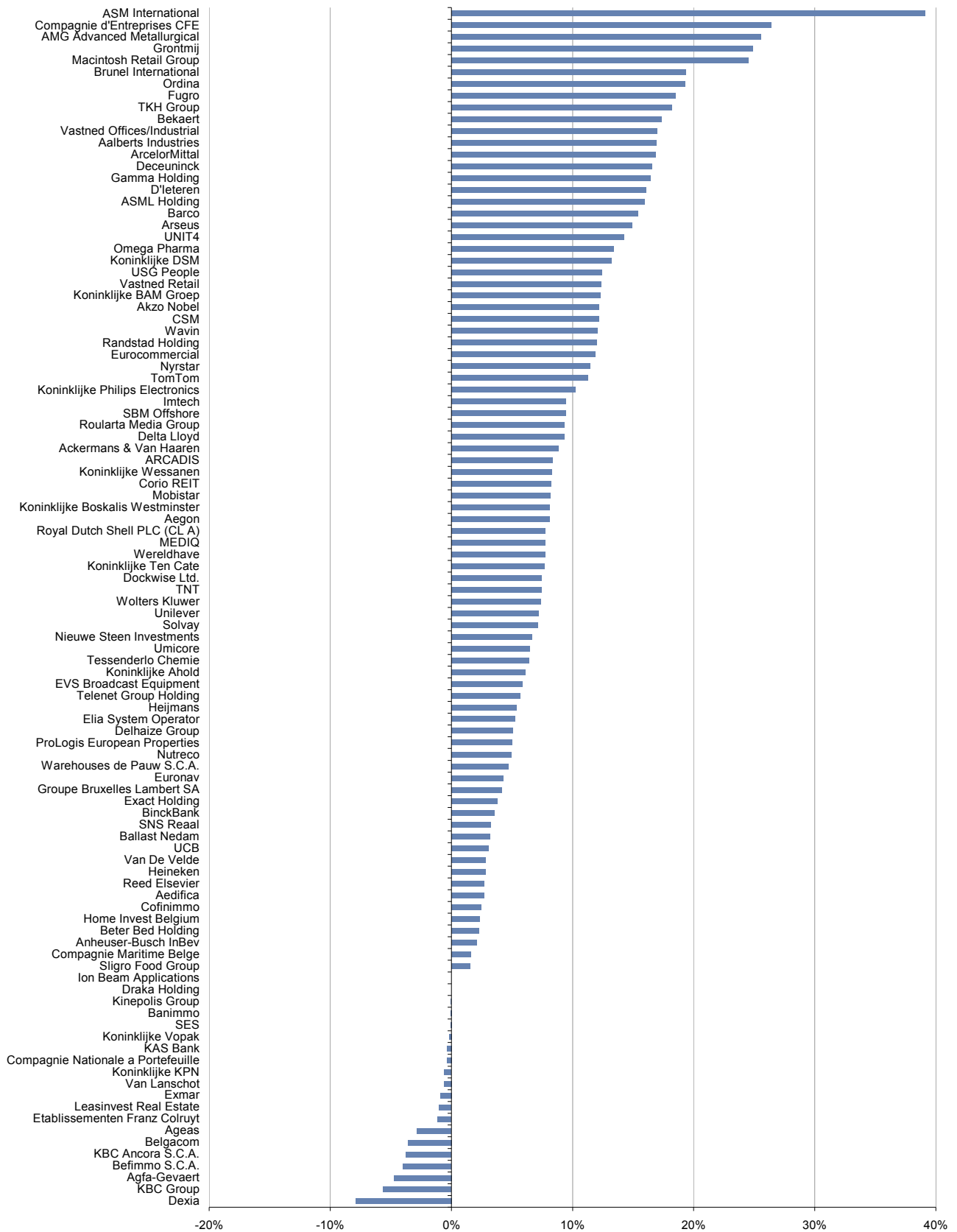
Fig 32 Geographical breakdown of Benelux property portfolios (%)

	Belgium	CH	CZ	Finland	France	Germany	Italy	Lux	NL	Spain	Sweden	Turkey	HU	P	PL	UK	US
Belgium																	
Aedifica	100																
Banimmo	61				39												
Befimmo	96							4									
Cofinimmo	84				11				5								
Home Invest Belgium	100																
Leasinvest Real Estate	61							40									
WDP	68		4		10				18								
Netherlands																	
Corio					27	8	20		28	11			6				
Eurocommercial properties					37		40				24						
Nieuwe Steen Investments		8							92								
Vastned Offices/Industrial	48						10		42								
Vastned Retail	16				21				37	22			3				
Wereldhave	14			19	7				19	6						8	28
Luxembourg																	
Prologis European Properties	1		3		29	8	9		9	9	3		3		9	17	

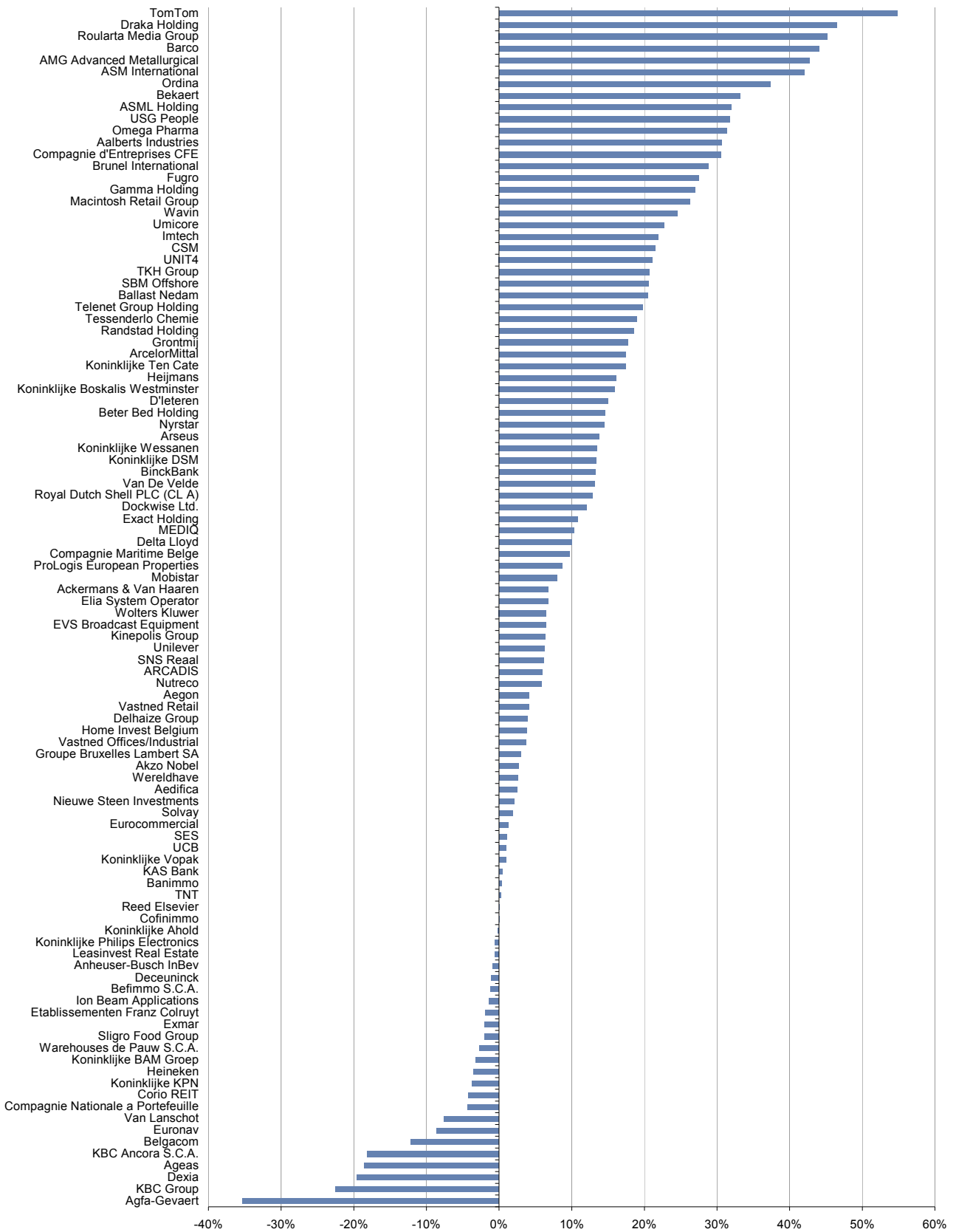
Source: ING estimates

Fig 37 Benelux market performance since 31 August 2010: previous top pick selection highlighted


Source: Datastream

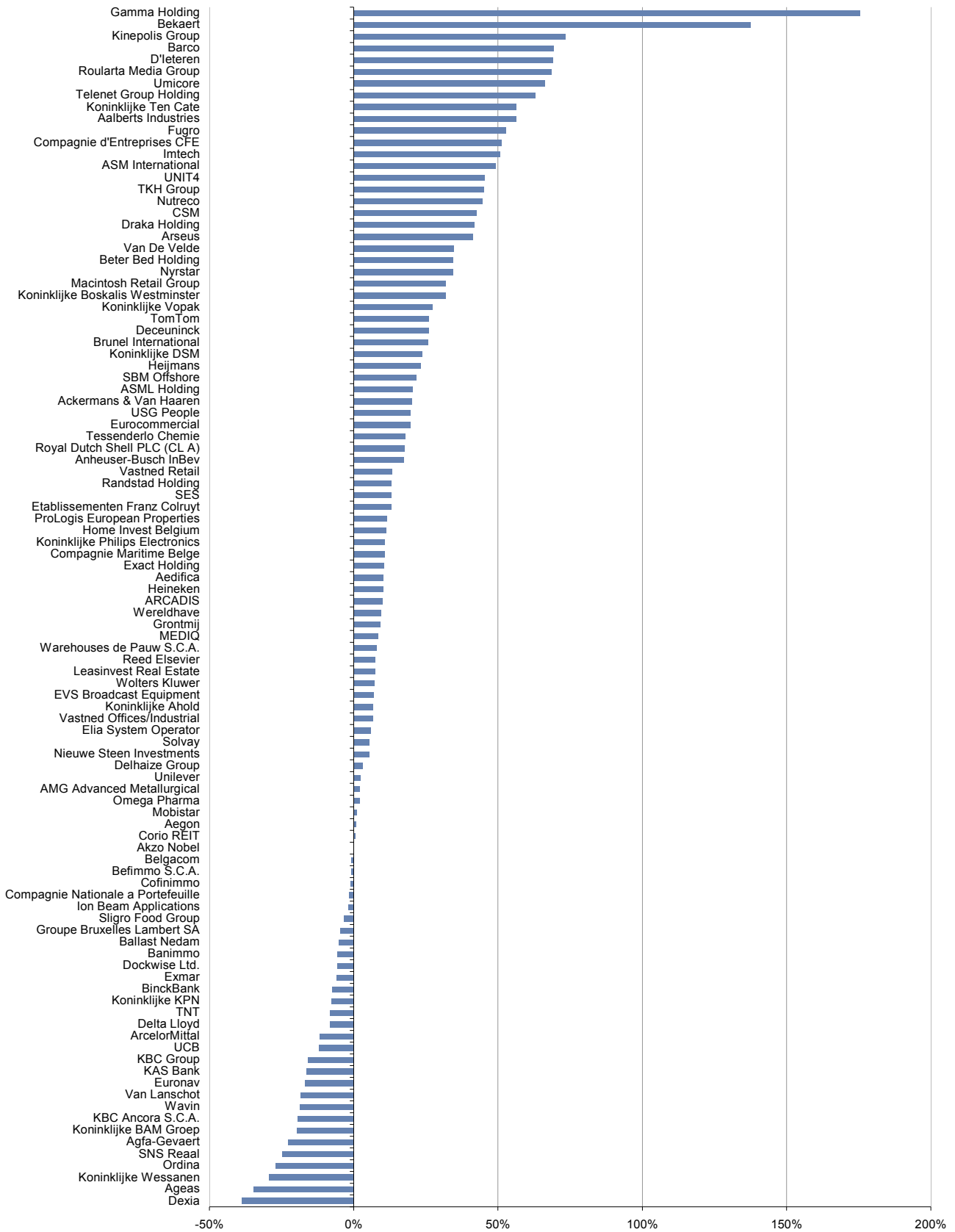
Fig 38 Benelux market performance: 1 month


Source: Datastream

Fig 39 Benelux market performance: 3 month


Source: Datastream

Fig 40 Benelux market performance: 12 month



Source: Datastream

Companies

Befimmo

HOLD

Belgium	Price (31/12/10)	€61.30	Forecast total return	-3.5%
Real Estate	Target price (12-mth)	€59.13	Bloomberg	BEFB BB

Investment summary

Befimmo was initially founded as a mixed investor, but it now distinguishes itself from other Belgian REITs/SICAFIs as a pure-play investor. The company's investment strategy focuses on: 1) solely office buildings; 2) assets in prime and central locations; and 3) a low-risk tenant base (64.6% public sector) with long-term contracts (nine years on average).

With increased competition for quality assets in Brussels, Befimmo made its first investment in Luxembourg. The €96m Axento office development was acquired in 2009 (announced YE 2006). Until now, the company has not been able to use any of the funds from its 2009 €160m capital increase for further investments. This led to a dilution of cash flow (CFPS) and dividend per share while improving the risk profile (LTV down from 51% to 45%). With its 2008 listing on Euronext Paris, the company looked to invest in France. However, no opportunities have arisen that meet Befimmo's criteria and it has refocused on its core market (Brussels). To date, no investments have been made in Brussels, but the company is in the bidding process for a Belgian state tender in Brugge and has been able to improve its occupancy rate to 95% (as at 30/09/10). This is considerably better than the Brussels office market, that will see the vacancy rate increase to >12%.

Even though yields are stabilising, Befimmo's portfolio value dropped by 2% in 2009/10, mainly as a result of lower rental levels. We expect incentives to maintain the occupancy rate to affect CFPS. This is reflected in the company's CFPS guidance, from €5.00 last year to €4.14 in 2010/11 and set at €4.27 in 2011/12. We maintain our **HOLD** recommendation and target price of €59.10, as the dividend adjustment implies a payout ratio of around 90%, backed by almost two-thirds of rental income from the public sector. For 2011F, this is supported by the €0.70 per share gain on the sale of its speculative Empress development in Brussels.

Company profile

Befimmo is the second largest SICAFI in Belgium, with a portfolio worth €1.9bn. Berheim-Comofi (later acquired by Fortis Real Estates Asset Management and now known as AG Insurance) founded the company in 1995. AG Insurance is still the largest shareholder (18.8%). The remainder of the shares is free float. In 2006, Befimmo won the tender for the Fedimmo (Belgian government) portfolio (€725m at 5.5% NIY). The initial duration of 17 years significantly enhanced Befimmo's defensive profile.

Newsflow

Date	Description
17 February 2011	1Q11 results
26 May 2011	1H11 results

Financials

Yr end Sept (€m)	FY08/09	FY09/10	FY10/11F	FY11/12F	FY12/13F
Profit and loss					
Rental income	119.1	124.0	125.2	127.9	130.4
Net rental income	118.6	123.5	124.8	127.5	130.1
Total property charges	(17.7)	(14.3)	(18.1)	(18.5)	(18.9)
Corporate management costs	(9.8)	(12.5)	(10.0)	(10.2)	(10.4)
Operating result before result on portfolio	106.1	112.2	111.0	113.4	115.7
Gains/losses on disposal of inv property	0.2	0.2	0.0	0.0	0.0
FV on investment property	(75.0)	(34.6)	(2.9)	0.0	0.0
Operating result	31.4	77.8	108.1	113.4	115.7
Net financing expenses	(64.3)	(26.6)	(27.5)	(30.1)	(31.2)
Pre tax result	(32.9)	51.2	80.6	83.3	84.5
Corporation tax	(0.5)	(0.7)	(0.5)	(0.5)	(0.5)
Net result	(33.4)	50.6	80.1	82.8	84.0
Per share data					
Direct result per share	5.15	5.00	4.81	4.80	4.87
Indirect result per share	(6.33)	(2.05)	(0.16)	0.01	0.01
Total result per share	(1.94)	2.95	4.65	4.81	4.88
DPS	4.22	3.90	3.94	3.98	4.04
IFRS NAV	58.87	60.60	59.13	59.98	60.90
Balance sheet					
Investment properties	1,918.3	1,884.4	1,831.4	1,831.4	1,831.4
Assets held for sale	4.6	37.6	5.0	5.1	5.2
Cash and cash equivalents	6.1	3.5	47.9	64.7	82.9
Total assets	1,989.4	1,985.1	1,946.6	1,964.4	1,983.6
Equity group share	988.4	1,017.4	1,010.9	1,007.0	1,022.5
Minorities	61.6	64.4	61.0	61.0	61.0
Total equity	1,050.0	1,081.9	1,076.9	1,068.0	1,083.5
Long term liabilities	764.3	604.9	625.4	625.4	625.4
Current liabilities	175.1	298.3	279.5	283.1	286.8
Total equity and liabilities	1,989.4	1,985.1	1,981.8	1,976.5	1,995.7
Cash flow statement					
Operating income	31.4	71.2	108.1	113.4	115.7
Fair value adjustments	(35.0)	0.0	0.0	0.0	0.0
CF from operations	87.6	81.8	86.3	85.0	86.2
CF from investing	(29.4)	0.0	0.0	0.0	0.0
CF from financing	(56.7)	(61.5)	(64.9)	(68.2)	(68.0)
Net change in cash	1.5	20.3	21.5	16.8	18.2
Ending cash balance	6.1	26.4	47.9	64.7	82.9

FY09/10 cash flow statement figures are ING estimates.

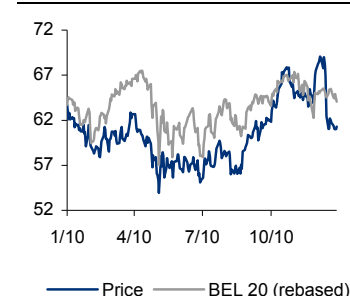
Share data

Avg daily volume (3-mth)	23,046
Free float (%)	81.0
Market cap (€m)	1,029.2

Major shareholders (%)

AG Insurance	18.8
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Share price performance



Sources: Company data, ING estimates

Rankings

Fig 42 Benelux rankings

Value traded daily (6M avg)			EV/EBITDA 2011F			PER 2011F		
Company	Country	(€m)	Company	Country	(x)	Company	Country	(x)
ArcelorMittal	Netherlands	204.2	Heijmans	Netherlands	3.4	Heijmans	Netherlands	4.8
Royal Dutch Shell A	Netherlands	130.5	Nyrstar	Belgium	3.4	SNS Reaal	Netherlands	5.2
Unilever NV	Netherlands	125.2	Solvay	Belgium	4.4	Dexia	Belgium	6.1
Philips	Netherlands	107.0	Royal Dutch Shell A	Netherlands	4.5	KBC	Belgium	6.4
AB InBev	Belgium	85.1	Barco	Belgium	4.7	BAM	Netherlands	6.5
KPN	Netherlands	63.4	Ahold	Netherlands	4.8	Delta Lloyd	Netherlands	6.8
ASML	Netherlands	61.3	Delhaize	Belgium	4.8	VastNed O&I	Netherlands	7.1
AEGON	Netherlands	52.9	AMG	Netherlands	4.9	AEGON	Netherlands	7.4
Akzo Nobel	Netherlands	46.9	Deceuninck	Belgium	4.9	ProLogis European Prop	Luxembourg	7.9
Ahold	Netherlands	44.9	D'leteren	Belgium	5.0	Nyrstar	Belgium	8.3
Heineken	Netherlands	37.3	CFE	Belgium	5.2	KPN	Netherlands	8.7
TNT	Netherlands	30.6	Gamma	Netherlands	5.3	Gamma	Netherlands	9.2
DSM	Netherlands	30.3	KPN	Netherlands	5.3	Mediq	Netherlands	9.2
Reed Elsevier NV	Netherlands	22.4	Roularta Media Group	Belgium	5.3	Ageas	Belgium	9.3
KBC	Belgium	21.0	Kinopolis	Belgium	5.5	Royal Dutch Shell	Netherlands	9.3
Randstad	Netherlands	20.8	Tessenderlo	Belgium	5.5	VastNed Retail	Netherlands	9.3
Delhaize	Belgium	18.0	Philips	Netherlands	5.6	Van Lanschot	Netherlands	9.5
Fugro	Netherlands	16.0	DSM	Netherlands	5.7	Banimmo	Belgium	9.7
Ageas	Belgium	14.9	Belgacom SA	Belgium	5.8	Reed Elsevier NV	Netherlands	9.8
Bekaert	Belgium	14.2	IBA	Belgium	5.9	Delhaize	Belgium	9.9
Wolters Kluwer	Netherlands	13.4	Akzo Nobel	Netherlands	6.0	Roularta Media Group	Belgium	10.0
SES	Luxembourg	13.1	Dockwise	Netherlands	6.0	BinckBank	Netherlands	10.1
Umicore	Belgium	13.0	Macintosh	Netherlands	6.1	Kas Bank	Netherlands	10.2
Boskalis	Netherlands	12.8	Mobistar	Belgium	6.3	Wolters Kluwer	Netherlands	10.3
Corio	Netherlands	12.3	Wavin	Netherlands	6.4	TomTom	Netherlands	10.5
Belgacom SA	Belgium	12.2	TNT	Netherlands	6.6	AMG	Netherlands	10.6
Dexia	Belgium	12.1	Grontmij	Netherlands	6.7	D'leteren	Belgium	10.6
Solvay	Belgium	11.9	Mediq	Netherlands	6.7	Ahold	Netherlands	10.7
SBM Offshore	Netherlands	11.4	ArcelorMittal	Netherlands	6.8	CFE	Belgium	10.7
TomTom	Netherlands	10.9	BAM	Netherlands	6.8	Macintosh	Netherlands	10.9
Vopak	Netherlands	9.2	Sligro	Netherlands	6.9	Ackermans & van Haaren	Belgium	11.0
Imtech	Netherlands	9.2	TomTom	Netherlands	6.9	Arseus	Belgium	11.0
BAM	Netherlands	7.7	Nutreco	Netherlands	7.0	Omega Pharma	Belgium	11.2
UCB	Belgium	7.5	Arcadis	Netherlands	7.1	Sligro	Netherlands	11.3
Telenet Group	Belgium	7.5	Ballast Nedam	Netherlands	7.1	Belgacom SA	Belgium	11.4
CSM	Netherlands	7.2	Fugro	Netherlands	7.2	Barco	Belgium	11.8
Nutreco	Netherlands	7.1	Royal Ten Cate	Netherlands	7.2	Deceuninck	Belgium	11.8
Wereldhave	Netherlands	7.0	Wessanen	Netherlands	7.2	DSM	Netherlands	11.8
GBL	Belgium	6.9	TKH Group	Netherlands	7.3	Heineken	Netherlands	11.9
Colruyt	Belgium	6.6	Bekaert	Belgium	7.4	Akzo Nobel	Netherlands	12.0
Nyrstar	Belgium	6.2	Boskalis	Netherlands	7.4	Philips	Netherlands	12.2
ASM International	Netherlands	6.1	Draka	Netherlands	7.4	Cofinimmo	Belgium	12.3
Draka	Netherlands	5.7	Unit4	Netherlands	7.5	Kinopolis	Belgium	12.3
Mobistar	Belgium	5.6	CSM	Netherlands	7.6	Agfa Gevaert	Belgium	12.4
Delta Lloyd	Netherlands	5.2	Wolters Kluwer	Netherlands	7.6	Befimmo	Belgium	12.4
USG People	Netherlands	4.5	Agfa Gevaert	Belgium	7.7	Dockwise	Netherlands	12.4
SNS Reaal	Netherlands	4.4	Ordina	Netherlands	7.7	Leasinvest	Belgium	12.4
Aalberts Industries	Netherlands	4.1	Heineken	Netherlands	8.1	CMB	Belgium	12.5
Agfa Gevaert	Belgium	4.1	Telenet Group	Belgium	8.2	Unit4	Netherlands	12.5
BinckBank	Netherlands	3.9	Aalberts Industries	Netherlands	8.3	Mobistar	Belgium	12.7
Eurocommercial Prop	Netherlands	3.5	Beter Bed	Netherlands	8.3	TNT	Netherlands	12.7
Cofinimmo	Belgium	3.2	Omega Pharma	Belgium	8.3	Nutreco	Netherlands	12.8
D'leteren	Belgium	2.6	USG People	Netherlands	8.3	Bekaert	Belgium	12.9
VastNed Retail	Netherlands	2.5	Van de Velde	Belgium	8.3	Van de Velde	Belgium	13.0
CNP	Belgium	1.9	Arseus	Belgium	8.5	USG People	Netherlands	13.1
Omega Pharma	Belgium	1.8	ASM International	Netherlands	8.5	Exact Holding	Netherlands	13.2
Ackermans & van Haaren	Belgium	1.8	Imtech	Netherlands	8.5	Arcadis	Netherlands	13.3
AMG	Netherlands	1.7	SBM Offshore	Netherlands	8.5	Draka	Netherlands	13.3
Wavin	Netherlands	1.5	SES	Luxembourg	8.6	Royal Ten Cate	Netherlands	13.3
Arcadis	Netherlands	1.5	Unilever NV	Netherlands	8.6	Ordina	Netherlands	13.4
Befimmo	Belgium	1.4	Reed Elsevier NV	Netherlands	8.7	CSM	Netherlands	13.6
KBC Ancora	Belgium	1.4	ASML	Netherlands	8.8	Imtech	Netherlands	13.6
Brunel International	Netherlands	1.4	Colruyt	Belgium	8.9	ASML	Netherlands	13.8
Unit4	Netherlands	1.3	Exact Holding	Netherlands	9.0	ArcelorMittal	Netherlands	13.9
Mediq	Netherlands	1.3	Elia	Belgium	9.6	Beter Bed	Netherlands	13.9
EVS	Belgium	1.1	Brunel International	Netherlands	9.7	Boskalis	Netherlands	13.9
Royal Ten Cate	Netherlands	1.1	AB InBev	Belgium	9.9	SES	Luxembourg	13.9
Ordina	Netherlands	1.0	UCB	Belgium	9.9	Unilever NV	Netherlands	14.3
Barco	Belgium	1.0	Umicore	Belgium	9.9	Aalberts Industries	Netherlands	14.5
Wessanen	Netherlands	0.9	Randstad	Netherlands	10.3	Tessenderlo	Belgium	14.8

Fig 42 Benelux rankings

Value traded daily (6M avg)			EV/EBITDA 2011F			PER 2011F		
Company	Country	(€m)	Company	Country	(x)	Company	Country	(x)
Tessenderlo	Belgium	0.9	CMB	Belgium	10.6	IBA	Belgium	15.0
Nieuwe Steen Investments	Netherlands	0.9	Euronav	Belgium	10.9	AB InBev	Belgium	15.1
ProLogis European Prop	Luxembourg	0.8	Vopak	Netherlands	11.0	SBM Offshore	Netherlands	15.1
Euronav	Belgium	0.7	EVS	Belgium	11.6	Vopak	Netherlands	15.3
Heijmans	Netherlands	0.7	Exmar	Belgium	12.3	Ballast Nedam	Netherlands	15.8
Sligro	Netherlands	0.7	Ackermans & van Haaren	Belgium	n/a	Umicore	Belgium	15.9
Elia	Belgium	0.6	Aedifica	Belgium	n/a	Wereldhave	Netherlands	15.9
CFE	Belgium	0.6	AEGON	Netherlands	n/a	Brunel International	Netherlands	16.0
Dockwise	Netherlands	0.6	Ageas	Belgium	n/a	Elia	Belgium	16.1
Beter Bed	Netherlands	0.6	Banimmo	Belgium	n/a	Fugro	Netherlands	16.2
Grontmij	Netherlands	0.5	Befimmo	Belgium	n/a	TKH Group	Netherlands	16.2
VastNed O&I	Netherlands	0.5	BinckBank	Netherlands	n/a	Corio	Netherlands	16.3
CMB	Belgium	0.5	CNP (Nationale a Porte)	Belgium	n/a	Randstad	Netherlands	16.5
WDP	Belgium	0.4	Cofinimmo	Belgium	n/a	Colruyt	Belgium	16.9
TKH Group	Netherlands	0.4	Corio	Netherlands	n/a	EVS	Belgium	17.8
Kinopolis	Belgium	0.4	Delta Lloyd	Netherlands	n/a	Wessanen	Netherlands	17.8
Deceuninck	Belgium	0.3	Dexia	Belgium	n/a	Wavin	Netherlands	18.8
Gamma	Netherlands	0.3	Eurocommercial Prop	Netherlands	n/a	UCB	Belgium	19.1
Exact Holding	Netherlands	0.3	GBL	Belgium	n/a	Aedifica	Belgium	19.4
Arseus	Belgium	0.3	Home Invest Belgium	Belgium	n/a	Telenet Group	Belgium	21.6
Macintosh	Netherlands	0.2	Kas Bank	Netherlands	n/a	Solvay	Belgium	24.2
Aedifica	Belgium	0.2	KBC	Belgium	n/a	Home Invest Belgium	Belgium	27.9
Exmar	Belgium	0.2	KBC Ancora	Belgium	n/a	ASM International	Netherlands	29.7
IBA	Belgium	0.2	Leasinvest	Belgium	n/a	KBC Ancora	Belgium	100.9
Roularta Media Group	Belgium	0.2	CNP (Nieuwe Steen Inv)	Netherlands	n/a	CNP	Belgium	n/a
Van de Velde	Belgium	0.2	ProLogis European Prop	Luxembourg	n/a	Eurocommercial Prop	Netherlands	n/a
Ballast Nedam	Netherlands	0.1	SNS Reaal	Netherlands	n/a	Euronav	Belgium	n/a
Van Lanschot	Netherlands	0.1	Van Lanschot	Netherlands	n/a	Exmar	Belgium	n/a
Leasinvest	Belgium	0.1	VastNed O&I	Netherlands	n/a	GBL	Belgium	n/a
Kas Bank	Netherlands	0.1	VastNed Retail	Netherlands	n/a	Grontmij	Netherlands	n/a
Banimmo	Belgium	0.1	WDP	Belgium	n/a	Nieuwe Steen Inv	Netherlands	n/a
Home Invest Belgium	Belgium	0.0	Wereldhave	Netherlands	n/a	WDP	Belgium	n/a
Median		3.4			7.2			12.5

Source: ING estimates

Fig 43 Benelux rankings

Net debt/EBITDA 2010F			EPS growth 2011F			Dividend yield 2010F		
Company	Country	(€m)	Company	Country	(%)	Company	Country	(x)
Exmar	Belgium	6.6	Draka	Netherlands	434	VastNed O&I	Netherlands	10.7
BAM	Netherlands	4.7	Wavin	Netherlands	400	Grontmij	Netherlands	9.2
Euronav	Belgium	4.7	Ordina	Netherlands	371	Belgacom SA	Belgium	8.7
Ballast Nedam	Netherlands	4.6	VastNed O&I	Netherlands	288	Nieuwe Steen Inv	Netherlands	8.2
Ordina	Netherlands	3.8	Aedifica	Belgium	286	WDP	Belgium	8.2
Elia	Belgium	3.7	Wessanen	Netherlands	232	Heijmans	Netherlands	8.0
Nyrstar	Belgium	3.6	Tessengerlo	Belgium	157	Mobistar	Belgium	7.9
Arseus	Belgium	3.5	ASM International	Netherlands	144	KPN	Netherlands	7.8
Telenet Group	Belgium	3.4	AMG	Netherlands	126	VastNed Retail	Netherlands	7.0
USG People	Netherlands	3.3	Deceuninck	Belgium	125	Banimmo	Belgium	6.8
Gamma	Netherlands	3.1	Gamma	Netherlands	123	Telenet Group	Belgium	6.8
AB InBev	Belgium	3.0	Ballast Nedam	Netherlands	116	Befimmo	Belgium	6.7
Draka	Netherlands	2.9	USG People	Netherlands	102	Cofinimmo	Belgium	6.7
SES	Luxembourg	2.9	Heijmans	Netherlands	87	Exact Holding	Netherlands	6.6
Dockwise	Netherlands	2.8	Telenet Group	Belgium	87	Beter Bed	Netherlands	6.5
Grontmij	Netherlands	2.8	Leasinvest	Belgium	73	Leasinvest	Belgium	6.5
CMB	Belgium	2.7	Barco	Belgium	67	Wereldhave	Netherlands	6.5
SBM Offshore	Netherlands	2.7	Van Lanschot	Netherlands	64	Delta Lloyd	Netherlands	6.2
Heijmans	Netherlands	2.6	Brunel International	Netherlands	61	AEGON	Netherlands	5.9
Aalberts Industries	Netherlands	2.5	SNS Reaal	Netherlands	54	Corio	Netherlands	5.7
ArcelorMittal	Netherlands	2.5	DSM	Netherlands	47	EVS	Belgium	5.7
CSM	Netherlands	2.5	Home Invest Belgium	Belgium	47	Kas Bank	Netherlands	5.5
Reed Elsevier NV	Netherlands	2.5	TNT	Netherlands	47	Gamma	Netherlands	5.4
Vopak	Netherlands	2.5	Dockwise	Netherlands	43	Van Lanschot	Netherlands	5.3
Heineken	Netherlands	2.4	Banimmo	Belgium	40	Royal Dutch Shell A - €	Netherlands	5.1
Omega Pharma	Belgium	2.4	Nyrstar	Belgium	34	SES	Luxembourg	5.0
Wavin	Netherlands	2.4	TKH Group	Netherlands	31	BinckBank	Netherlands	4.9
Wolters Kluwer	Netherlands	2.3	Unit4	Netherlands	29	GBL	Belgium	4.9
Wessanen	Netherlands	2.2	Arseus	Belgium	27	Tessengerlo	Belgium	4.9
KPN	Netherlands	2.1	ProLogis European Prop	Luxembourg	26	Elia	Belgium	4.8
Royal Ten Cate	Netherlands	2.1	Randstad	Netherlands	24	Ageas	Belgium	4.7
UCB	Belgium	2.1	ArcelorMittal	Netherlands	23	BAM	Netherlands	4.6
Deceuninck	Belgium	1.9	Beter Bed	Netherlands	23	CSM	Netherlands	4.5
D'leteren	Belgium	1.9	Heineken	Netherlands	21	Reed Elsevier NV	Netherlands	4.4
AMG	Netherlands	1.8	Sligro	Netherlands	21	CMB	Belgium	4.3
Macintosh	Netherlands	1.8	AB InBev	Belgium	20	Wolters Kluwer	Netherlands	4.1
Imtech	Netherlands	1.7	Akzo Nobel	Netherlands	19	Arseus	Belgium	4.0
Mediq	Netherlands	1.6	Ageas	Belgium	18	TNT	Netherlands	4.0
Roularta Media Group	Belgium	1.6	KBC Ancora	Belgium	18	Aedifica	Belgium	3.9
IBA	Belgium	1.4	Royal Ten Cate	Netherlands	18	Philips	Netherlands	3.9
Delhaize	Belgium	1.3	Aalberts Industries	Netherlands	16	Mediq	Netherlands	3.8
Randstad	Netherlands	1.3	IBA	Belgium	16	Macintosh	Netherlands	3.7
Unit4	Netherlands	1.3	Reed Elsevier NV	Netherlands	16	Solvay	Belgium	3.7
CFE	Belgium	1.2	Royal Dutch Shell A - €	Netherlands	16	Royal Ten Cate	Netherlands	3.6
Fugro	Netherlands	1.2	SBM Offshore	Netherlands	16	Sligro	Netherlands	3.5
TNT	Netherlands	1.2	Ackermans & van Haar	Belgium	15	TKH Group	Netherlands	3.5
Akzo Nobel	Netherlands	1.1	Arcadis	Netherlands	15	Unilever NV	Netherlands	3.5
TomTom	Netherlands	1.1	Omega Pharma	Belgium	15	Akzo Nobel	Netherlands	3.4
Belgacom SA	Belgium	1.0	Ahold	Netherlands	13	Barco	Belgium	3.4
Boskalis	Netherlands	1.0	Fugro	Netherlands	13	Brunel International	Netherlands	3.4
Sligro	Netherlands	1.0	Macintosh	Netherlands	13	Home Invest Belgium	Belgium	3.4
Tessengerlo	Belgium	1.0	BinckBank	Netherlands	12	UCB	Belgium	3.4
Agfa Gevaert	Belgium	0.9	Exact Holding	Netherlands	12	Boskalis	Netherlands	3.3
Kinopolis	Belgium	0.9	CSM	Netherlands	11	DSM	Netherlands	3.3
TKH Group	Netherlands	0.9	Umicore	Belgium	11	SBM Offshore	Netherlands	3.3
Arcadis	Netherlands	0.8	Kas Bank	Netherlands	10	Ahold	Netherlands	3.2
Royal Dutch Shell A	Netherlands	0.8	Nutreco	Netherlands	9	Ballast Nedam	Netherlands	3.2
Unilever NV	Netherlands	0.8	TomTom	Netherlands	9	Delhaize	Belgium	3.2
Bekaert	Belgium	0.7	Colruyt	Belgium	8	Nutreco	Netherlands	3.2
Mobistar	Belgium	0.7	Vopak	Netherlands	8	Randstad	Netherlands	3.2
Nutreco	Netherlands	0.7	Imtech	Netherlands	7	Arcadis	Netherlands	3.0
DSM	Netherlands	0.5	SES	Luxembourg	6	Omega Pharma	Belgium	2.8
Ahold	Netherlands	0.4	Cofinimmo	Belgium	5	Nyrstar	Belgium	2.7
Philips	Netherlands	0.4	Delhaize	Belgium	5	CNP (Nationale a Porte)	Belgium	2.6
Umicore	Belgium	0.4	KPN	Netherlands	5	Colruyt	Belgium	2.6
Barco	Belgium	-0.1	Philips	Netherlands	5	Heineken	Netherlands	2.6
Beter Bed	Netherlands	-0.2	Unilever NV	Netherlands	5	Ackermans & van Haaren	Belgium	2.5
Colruyt	Belgium	-0.4	Bekaert	Belgium	4	Imtech	Netherlands	2.5
EVS	Belgium	-0.4	D'leteren	Belgium	4	USG People	Netherlands	2.5
ASML	Netherlands	-0.7	Kinopolis	Belgium	4	Van de Velde	Belgium	2.5
Van de Velde	Belgium	-0.8	Roularta Media Group	Belgium	4	Fugro	Netherlands	2.4
Exact Holding	Netherlands	-1.0	Wolters Kluwer	Netherlands	4	Kinopolis	Belgium	2.4
ASM International	Netherlands	-1.2	Delta Lloyd	Netherlands	3	Draka	Netherlands	2.3
Brunel International	Netherlands	-1.8	Mediq	Netherlands	2	Umicore	Belgium	2.3
Solvay	Belgium	-2.9	Corio	Netherlands	1	ArcelorMittal	Netherlands	2.2

Fig 43 Benelux rankings

Net debt/EBITDA 2010F			EPS growth 2011F			Dividend yield 2010F		
Company	Country	(€m)	Company	Country	(%)	Company	Country	(x)
Ackermans & van Haaren	Belgium	n/a	ASML	Netherlands	-1	CFE	Belgium	2.2
Aedifica	Belgium	n/a	Befimmo	Belgium	-1	Unit4	Netherlands	2.2
AEGON	Netherlands	n/a	Belgacom SA	Belgium	-1	Wessanen	Netherlands	2.2
Ageas	Belgium	n/a	AEGON	Netherlands	-2	Bekaert	Belgium	2.0
Banimmo	Belgium	n/a	Dexia	Belgium	-3	IBA	Belgium	2.0
Befimmo	Belgium	n/a	KBC	Belgium	-3	KBC	Belgium	2.0
BinckBank	Netherlands	n/a	Van de Velde	Belgium	-4	Vopak	Netherlands	2.0
CNP	Belgium	n/a	VastNed Retail	Netherlands	-5	Aalberts Industries	Netherlands	1.9
Cofinimmo	Belgium	n/a	Elia	Belgium	-6	AB InBev	Belgium	1.7
Corio	Netherlands	n/a	EVS	Belgium	-6	Euronav	Belgium	1.6
Delta Lloyd	Netherlands	n/a	Mobistar	Belgium	-6	Roularta Media Group	Belgium	1.6
Dexia	Belgium	n/a	CFE	Belgium	-8	Exmar	Belgium	1.4
Eurocommercial Prop	Netherlands	n/a	Wereldhave	Netherlands	-9	D'leteren	Belgium	1.3
GBL	Belgium	n/a	Boskalis	Netherlands	-10	ASML	Netherlands	1.2
Home Invest Belgium	Belgium	n/a	UCB	Belgium	-24	ASM International	Netherlands	0.4
Kas Bank	Netherlands	n/a	CMB	Belgium	-27	Agfa Gevaert	Belgium	0.0
KBC	Belgium	n/a	Agfa Gevaert	Belgium	-54	AMG	Netherlands	0.0
KBC Ancora	Belgium	n/a	Solvay	Belgium	-85	Deceuninck	Belgium	0.0
Leasinvest	Belgium	n/a	BAM	Netherlands	n/a	Dexia	Belgium	0.0
Nieuwe Steen Inv	Netherlands	n/a	CNP (Nationale a Porte)	Belgium	n/a	Dockwise	Netherlands	0.0
ProLogis European Prop	Luxembourg	n/a	Eurocommercial Prop	Netherlands	n/a	Eurocommercial Prop	Netherlands	0.0
SNS Reaal	Netherlands	n/a	Euronav	Belgium	n/a	KBC Ancora	Belgium	0.0
Van Lanschot	Netherlands	n/a	Exmar	Belgium	n/a	Ordina	Netherlands	0.0
VastNed O&I	Netherlands	n/a	GBL	Belgium	n/a	ProLogis European Prop	Luxembourg	0.0
VastNed Retail	Netherlands	n/a	Grontmij	Netherlands	n/a	SNS Reaal	Netherlands	0.0
WDP	Belgium	n/a	Nieuwe Steen Inv	Netherlands	n/a	TomTom	Netherlands	0.0
Wereldhave	Netherlands	n/a	WDP	Belgium	n/a	Wavin	Netherlands	0.0
Median		1.6			15.0			3.4

Source: ING estimates

Fig 44 Benelux rankings

FCF yield 2011F (%)			P/B 2011F (x)			ROACE 2011F (%)		
Company	Country	(%)	Company	Country	(x)	Company	Country	(%)
Ordina	Netherlands	34.6	SNS Reaal	Netherlands	0.2	EVS	Belgium	78.3
Heijmans	Netherlands	19.6	Ageas	Belgium	0.4	Beter Bed	Netherlands	67.0
Nyrstar	Belgium	13.7	Dexia	Belgium	0.5	Mobistar	Belgium	42.7
Macintosh	Netherlands	12.8	AEGON	Netherlands	0.5	ASML	Netherlands	38.6
Deceuninck	Belgium	12.0	Heijmans	Netherlands	0.5	Colruyt	Belgium	37.1
DSM	Netherlands	12.0	Delta Lloyd	Netherlands	0.5	Unilever NV	Netherlands	30.5
Gamma	Netherlands	11.4	Agfa Gevaert	Belgium	0.5	Van de Velde	Belgium	29.6
Grontmij	Netherlands	10.6	Dockwise	Netherlands	0.6	Brunel International	Netherlands	29.5
Kinopolis	Belgium	10.6	Elia	Belgium	0.7	Exact Holding	Netherlands	29.5
Mediq	Netherlands	10.6	ProLogis European Prop	Luxembourg	0.7	Fugro	Netherlands	24.3
KPN	Netherlands	10.2	VastNed O&I	Netherlands	0.7	Reed Elsevier NV	Netherlands	23.5
Ahold	Netherlands	9.8	Van Lanschot	Netherlands	0.7	Bekaert	Belgium	22.9
UCB	Belgium	9.6	Nyrstar	Belgium	0.7	Royal Dutch Shell A - €	Netherlands	19.1
Wavin	Netherlands	9.3	Aedifica	Belgium	0.8	Umicore	Belgium	19.1
Wolters Kluwer	Netherlands	9.3	KBC	Belgium	0.8	Wolters Kluwer	Netherlands	19.1
Nutreco	Netherlands	8.8	Ballast Nedam	Netherlands	0.8	TNT	Netherlands	18.8
Imtech	Netherlands	8.5	Euronav	Belgium	0.8	Sligro	Netherlands	18.7
Heineken	Netherlands	8.1	Roularta Media Group	Belgium	0.9	Belgacom SA	Belgium	18.6
TomTom	Netherlands	8.1	Kas Bank	Netherlands	0.9	KPN	Netherlands	18.6
Arcadis	Netherlands	8.0	ArcelorMittal	Netherlands	0.9	ASM International	Netherlands	18.0
Reed Elsevier NV	Netherlands	8.0	Solvay	Belgium	0.9	Arcadis	Netherlands	17.8
Draka	Netherlands	7.9	BAM	Netherlands	0.9	Unit4	Netherlands	17.4
Telenet Group	Belgium	7.8	Deceuninck	Belgium	0.9	Barco	Belgium	17.3
D'leteren	Belgium	7.7	Wereldhave	Netherlands	0.9	Nutreco	Netherlands	17.3
Mobistar	Belgium	7.7	Leasinvest	Belgium	0.9	Mediq	Netherlands	16.7
Philips	Netherlands	7.7	VastNed Retail	Netherlands	0.9	TKH Group	Netherlands	16.7
Delhaize	Belgium	7.6	Delhaize	Belgium	1.0	Imtech	Netherlands	16.5
AB InBev	Belgium	7.3	Wavin	Netherlands	1.0	Kinopolis	Belgium	16.3
Belgacom SA	Belgium	7.3	Exmar	Belgium	1.0	Nyrstar	Belgium	16.3
Roularta Media Group	Belgium	7.3	Ordina	Netherlands	1.0	Grontmij	Netherlands	16.0
Exact Holding	Netherlands	7.2	Befimmo	Belgium	1.0	Gamma	Netherlands	15.6
Wessanen	Netherlands	7.2	CMB	Belgium	1.0	AMG	Netherlands	15.5
IBA	Belgium	7.1	UCB	Belgium	1.1	AB InBev	Belgium	15.2
Sligro	Netherlands	6.9	Cofinimmo	Belgium	1.1	Heineken	Netherlands	15.2
Van de Velde	Belgium	6.8	Tessengerlo	Belgium	1.1	Ahold	Netherlands	14.2
Beter Bed	Netherlands	6.7	Omega Pharma	Belgium	1.1	SES	Luxembourg	14.1
CSM	Netherlands	6.6	Home Invest Belgium	Belgium	1.2	Telenet Group	Belgium	14.0
TKH Group	Netherlands	6.6	Royal Dutch Shell A - €	Netherlands	1.2	Aalberts Industries	Netherlands	13.9
Akzo Nobel	Netherlands	6.3	IBA	Belgium	1.3	Boskalis	Netherlands	13.9
Unit4	Netherlands	6.3	DSM	Netherlands	1.3	Macintosh	Netherlands	13.9
USG People	Netherlands	6.3	Akzo Nobel	Netherlands	1.3	D'leteren	Belgium	12.9
Aalberts Industries	Netherlands	6.2	Philips	Netherlands	1.3	Randstad	Netherlands	12.8
Royal Dutch Shell A - €	Netherlands	6.2	Wessanen	Netherlands	1.3	Vopak	Netherlands	12.8
BAM	Netherlands	6.1	CFE	Belgium	1.4	Royal Ten Cate	Netherlands	12.1
Unilever NV	Netherlands	6.1	TomTom	Netherlands	1.4	Philips	Netherlands	12.0
Royal Ten Cate	Netherlands	6.0	AMG	Netherlands	1.4	Arseus	Belgium	11.8
Bekaert	Belgium	5.8	Barco	Belgium	1.5	Delhaize	Belgium	11.7
Boskalis	Netherlands	5.7	Macintosh	Netherlands	1.5	TomTom	Netherlands	11.7
AMG	Netherlands	5.5	CSM	Netherlands	1.5	Akzo Nobel	Netherlands	11.5
Randstad	Netherlands	5.4	D'leteren	Belgium	1.5	CSM	Netherlands	10.7
ASML	Netherlands	5.2	Draka	Netherlands	1.5	CFE	Belgium	10.5
Omega Pharma	Belgium	5.2	Mediq	Netherlands	1.5	USG People	Netherlands	10.5
EVS	Belgium	5.1	Royal Ten Cate	Netherlands	1.6	DSM	Netherlands	10.4
ASM International	Netherlands	4.7	Arseus	Belgium	1.6	Omega Pharma	Belgium	10.4
Barco	Belgium	4.4	USG People	Netherlands	1.7	Heijmans	Netherlands	10.2
Brunel International	Netherlands	4.3	Grontmij	Netherlands	1.7	Roularta Media Group	Belgium	9.9
Elia	Belgium	4.3	Ahold	Netherlands	1.8	Agfa Gevaert	Belgium	9.8
Arseus	Belgium	4.1	BinckBank	Netherlands	1.8	Draka	Netherlands	9.6
Ballast Nedam	Netherlands	4.0	SBM Offshore	Netherlands	1.8	SBM Offshore	Netherlands	9.0
Euronav	Belgium	4.0	Kinopolis	Belgium	2.0	Deceuninck	Belgium	8.9
ArcelorMittal	Netherlands	3.8	Sligro	Netherlands	2.0	Wessanen	Netherlands	8.8
SES	Luxembourg	3.8	Aalberts Industries	Netherlands	2.1	Tessengerlo	Belgium	8.6
TNT	Netherlands	3.4	Boskalis	Netherlands	2.2	IBA	Belgium	7.9
Colruyt	Belgium	3.1	Nutreco	Netherlands	2.3	Wavin	Netherlands	7.5
Tessengerlo	Belgium	2.9	TKH Group	Netherlands	2.3	BAM	Netherlands	7.0
Fugro	Netherlands	2.6	Randstad	Netherlands	2.4	ArcelorMittal	Netherlands	6.7
Solvay	Belgium	2.6	Gamma	Netherlands	2.4	CMB	Belgium	5.6
Umicore	Belgium	2.5	Arcadis	Netherlands	2.6	Elia	Belgium	5.6
Agfa Gevaert	Belgium	2.3	Heineken	Netherlands	2.6	Solvay	Belgium	5.5
CFE	Belgium	1.6	Bekaert	Belgium	2.7	Dockwise	Netherlands	5.4
Dockwise	Netherlands	1.5	Wolters Kluwer	Netherlands	2.7	Cofinimmo	Belgium	5.0
CMB	Belgium	0.4	Vopak	Netherlands	2.7	UCB	Belgium	4.9
Exmar	Belgium	0.4	Belgacom SA	Belgium	2.8	Ballast Nedam	Netherlands	4.8
Ackermans & van Haaren	Belgium	n/a	Umicore	Belgium	2.8	Ordina	Netherlands	4.7
Aedifica	Belgium	n/a	Van de Velde	Belgium	2.8	WDP	Belgium	3.0

Fig 44 Benelux rankings

FCF yield 2011F (%)			P/B 2011F (x)			ROACE 2011F (%)		
Company	Country	(%)	Company	Country	(x)	Company	Country	(%)
AEGON	Netherlands	n/a	Imtech	Netherlands	2.9	Exmar	Belgium	2.8
Ageas	Belgium	n/a	TNT	Netherlands	2.9	Befimmo	Belgium	2.0
Banimmo	Belgium	n/a	Unit4	Netherlands	3.0	Euronav	Belgium	0.1
Befimmo	Belgium	n/a	Fugro	Netherlands	3.1	Ackermans & van Haaren	Belgium	n/a
BinckBank	Netherlands	n/a	Brunel International	Netherlands	3.2	Aedifica	Belgium	n/a
CNP	Belgium	n/a	SES	Luxembourg	3.4	AEGON	Netherlands	n/a
Cofinimmo	Belgium	n/a	ASM International	Netherlands	3.4	Ageas	Belgium	n/a
Corio	Netherlands	n/a	Exact Holding	Netherlands	3.7	Banimmo	Belgium	n/a
Delta Lloyd	Netherlands	n/a	ASML	Netherlands	3.8	BinckBank	Netherlands	n/a
Dexia	Belgium	n/a	AB InBev	Belgium	4.0	CNP (Nationale a Port)	Belgium	n/a
Eurocommercial Prop	Netherlands	n/a	Colruyt	Belgium	4.3	Corio	Netherlands	n/a
GBL	Belgium	n/a	Unilever NV	Netherlands	4.7	Delta Lloyd	Netherlands	n/a
Home Invest Belgium	Belgium	n/a	KPN	Netherlands	5.0	Dexia	Belgium	n/a
Kas Bank	Netherlands	n/a	Reed Elsevier NV	Netherlands	5.1	Eurocommercial Pro	Netherlands	n/a
KBC	Belgium	n/a	Beter Bed	Netherlands	6.9	GBL	Belgium	n/a
KBC Ancora	Belgium	n/a	Mobistar	Belgium	7.3	Home Invest Belgium	Belgium	n/a
Leasinvest	Belgium	n/a	EVS	Belgium	10.3	Kas Bank	Netherlands	n/a
Nieuwe Steen Inv	Netherlands	n/a	Banimmo	Belgium	11.3	KBC	Belgium	n/a
ProLogis European Prop	Luxembourg	n/a	KBC Ancora	Belgium	32.2	KBC Ancora	Belgium	n/a
SBM Offshore	Netherlands	n/a	Corio	Netherlands	109.3	Leasinvest	Belgium	n/a
SNS Reaal	Netherlands	n/a	Telenet Group	Belgium	-16.0	Nieuwe Steen Inv	Netherlands	n/a
Van Lanschot	Netherlands	n/a	Ackermans & van Haaren	Belgium	n/a	ProLogis European Prop	Luxembourg	n/a
VastNed O&I	Netherlands	n/a	CNP (Nationale a Port)	Belgium	n/a	SNS Reaal	Netherlands	n/a
VastNed Retail	Netherlands	n/a	Eurocommercial Prop	Netherlands	n/a	Van Lanschot	Netherlands	n/a
Vopak	Netherlands	n/a	GBL	Belgium	n/a	VastNed O&I	Netherlands	n/a
WDP	Belgium	n/a	Nieuwe Steen Inv	Netherlands	n/a	VastNed Retail	Netherlands	n/a
Wereldhave	Netherlands	n/a	WDP	Belgium	n/a	Wereldhave	Netherlands	n/a
Median		6.6			1.5			13.9

Source: ING estimates

Appendices

Peer group valuations (consensus data)

	Ccy	Mkt cap (€m)	Price (lc)	Performance (%)					PER (x)		EV/EBITDA (x)	
				1 week	1 month	3 month	6 month	1 year	FY11F	FY12F	FY11F	FY12F
Aalberts	EUR	1,683	15.78	1.3	16.9	30.6	47.6	56.3	13.0	11.6	7.4	6.6
Wavin	EUR	579	11.40	1.6	12.0	24.5	20.0	-18.6	17.0	10.9	5.7	4.5
Uponor	EUR	1,013	13.84	1.1	6.6	14.0	18.8	-7.7	18.7	15.2	9.1	7.8
Georg Fischer 'R'	CHF	2,163	527.50	-3.7	7.1	34.2	48.7	101.5	14.0	10.4	6.1	5.0
AB InBev	EUR	68,686	42.80	-2.2	2.1	-0.8	7.7	17.6	15.3	13.2	9.5	8.2
Heineken	EUR	21,134	36.69	-1.5	2.8	-3.5	5.2	10.3	13.1	11.8	7.4	6.8
SabMiller	USD	35,792	2,256.50	-1.7	10.9	10.9	19.5	23.6	19.4	17.0	11.3	10.1
Carlsberg 'B'	DKK	66,382	558.50	-1.6	3.0	-2.0	19.6	45.4	13.6	11.7	7.8	6.7
Ackermans & van Haaren	EUR	2,093	62.48	0.5	8.8	6.7	23.1	20.2	10.8	9.5	5.0	4.2
GIMV	EUR	947	40.87	1.3	4.7	8.3	10.1	11.9	10.4	50.9	4.7	4.5
AEGON	EUR	7,944	4.58	-0.7	8.1	4.1	3.3	0.8	6.3	5.8	4.6	3.7
Ageas	EUR	4,204	1.71	-2.1	-2.8	-18.6	-7.6	-34.8	8.9	7.9	5.3	4.7
Delta Lloyd	EUR	2,527	15.09	-0.6	9.3	10.0	8.4	-10.9	6.5	6.0	8.3	NA
SNS Reaal	EUR	918	3.19	0.9	3.3	6.2	-11.2	-24.8	4.1	2.9	NA	NA
Axa	EUR	28,885	12.45	-3.0	12.6	-2.9	-2.3	-24.7	6.4	6.0	3.3	7.0
Aviva	GBP	11,083	393.00	-1.5	10.8	-1.5	25.1	-1.2	6.7	6.0	5.1	5.3
Prudential	GBP	17,005	668.00	-1.8	17.6	4.9	31.4	4.4	13.1	11.7	8.2	7.5
Agfa	EUR	550	3.20	-1.2	-4.8	-35.3	-26.0	-22.8	6.7	5.3	5.2	4.7
Kodak	USD	1,441	5.36	-4.6	13.8	27.6	23.5	27.0	NA	NA	NA	NA
Fujifilm Hdq	JPY	1,510,940	2,936.00	0.1	4.4	6.2	13.4	5.2	NA	NA	NA	NA
Cerner	USD	7,849	94.74	-0.4	7.8	12.8	24.8	14.9	27.1	22.5	10.3	8.4
Ahold	EUR	11,771	9.88	-0.2	6.1	-0.1	-2.8	6.7	10.6	9.8	4.8	4.4
Colruyt	EUR	6,376	38.05	-3.1	-1.1	-1.9	-1.4	13.0	17.0	15.7	9.0	8.3
Delhaize	EUR	5,613	55.27	-2.0	5.1	3.9	-7.5	3.1	10.1	9.5	4.6	4.3
Kroger	USD	14,220	22.36	2.9	-5.1	3.2	13.6	8.9	12.7	11.5	5.7	5.3
Safeway	USD	8,384	22.49	0.8	-2.2	6.3	14.4	5.6	13.0	11.6	5.1	4.9
Supervalu	USD	2,043	9.63	5.2	6.5	-16.5	-11.2	-24.2	6.4	6.3	4.5	4.2
Casino Guichard-P	EUR	8,055	72.95	-1.6	7.5	8.6	16.9	16.7	12.7	11.3	6.1	5.7
Carrefour	EUR	21,746	30.85	-3.0	-11.5	-21.7	-5.8	-8.1	11.9	9.9	5.9	5.3
Akzo Nobel	EUR	10,769	46.49	-0.9	12.2	2.7	8.1	0.2	12.4	11.1	6.2	5.6
DSM	EUR	7,730	42.61	0.2	13.2	13.4	29.7	23.6	12.4	11.3	5.6	5.0
Solvay	EUR	6,755	79.75	-0.3	7.1	1.9	13.7	5.6	22.0	19.1	4.6	4.2
Tessenderlo	EUR	781	27.19	-0.3	6.4	18.9	30.1	18.0	13.7	10.5	5.2	4.6
Umicore	EUR	4,670	38.92	-1.6	6.5	22.7	63.2	66.3	16.6	15.1	9.1	8.1
Basf (Xet)	EUR	54,833	59.70	-2.8	3.8	29.1	32.3	37.4	11.4	10.3	5.8	5.2
Bayer (Xet)	EUR	45,730	55.30	-2.2	-1.2	8.1	20.2	-1.2	12.5	11.1	7.7	6.8
Clariant	CHF	4,359	18.94	-0.7	4.5	31.8	37.6	55.0	10.5	9.7	5.2	4.6
Kemira	EUR	1,818	11.70	-0.3	10.3	16.0	32.7	70.8	15.8	14.5	8.0	7.3
Lanxess	EUR	4,884	58.70	-0.6	7.9	45.6	67.4	122.1	11.9	10.6	6.5	5.7
Rhodia	EUR	2,586	24.75	2.3	21.7	40.8	78.8	96.3	8.0	7.5	4.6	4.3
Wacker Chemie	EUR	6,858	131.50	0.4	-0.8	-2.8	10.4	8.1	11.5	10.0	5.3	4.7
Ppg Industries	USD	13,705	84.07	1.5	7.8	15.5	39.2	43.6	NA	NA	NA	NA
Sherwin-Williams	USD	9,040	83.75	-0.4	12.9	11.5	21.0	35.8	NA	NA	NA	NA
Valspar	USD	3,361	34.48	1.3	4.4	8.3	14.5	27.0	13.5	11.9	7.9	7.0
Dow Chemical	USD	39,627	34.14	-0.8	9.5	24.3	43.9	23.6	14.1	10.8	6.7	5.7
E I Du Pont De Nemours	USD	45,535	49.88	0.2	6.2	11.8	44.2	48.1	14.1	12.5	8.2	7.2
Arkema	EUR	3,301	53.87	3.4	17.4	43.5	87.8	107.2	9.9	9.1	4.4	4.0
Lonza Group	CHF	3,966	74.95	-3.0	-3.2	-10.7	3.7	2.7	12.2	10.7	7.1	6.2
Croda International	GBP	2,219	1,616.00	2.0	11.1	9.0	60.3	102.0	15.9	14.7	9.9	9.0
AMG	EUR	248	9.03	0.9	25.6	42.8	27.7	2.1	10.5	7.2	3.8	3.3
Eramet	EUR	6,797	256.50	0.1	7.8	18.3	25.2	16.2	13.3	11.7	6.1	5.1
Evrax Group	USD	15,706	35.87	2.2	17.2	20.2	51.8	27.0	14.2	10.4	5.4	NA
Delachaux	EUR	783	60.00	1.0	5.4	6.9	27.7	46.4	11.1	10.0	NA	NA
Xstrata	USD	44,633	1,505.50	0.7	16.5	23.6	69.8	34.3	9.6	9.2	NA	NA
Hoganas	SEK	8,973	263.00	-3.3	15.6	20.4	29.2	60.4	11.6	11.0	NA	NA
GT Solar	USD	1,377	9.12	1.4	36.3	9.0	62.9	64.0	8.1	7.3	5.2	4.5
Meyer Burger	CHF	1,304	29.15	-0.9	12.1	-6.0	8.6	10.4	NA	NA	NA	NA
PVA Tepla	EUR	88	4.05	-1.2	6.3	-9.0	-16.9	-21.8	9.8	9.2	4.4	3.6
Roth & Rau	EUR	186	12.22	-12.0	12.1	-30.6	-45.4	-60.1	11.1	8.8	3.9	4.7
Arcadis	EUR	1,179	17.42	0.5	8.4	6.0	18.1	10.0	13.4	12.0	6.8	6.1
Grontmij	EUR	360	17.30	5.2	24.9	17.7	12.1	2.4	9.7	8.2	5.9	5.0
Shaw	USD	2,910	34.23	-2.1	6.8	2.0	0.0	19.1	19.8	12.8	2.4	1.2
URS	USD	3,443	41.61	-1.2	5.2	9.6	5.7	-6.5	11.4	10.6	NA	NA
Tetra Tech	USD	1,548	25.06	-5.7	8.4	19.5	27.8	-7.8	18.3	16.0	4.6	NA
WS Atkins	GBP	701	700.50	-1.5	0.1	-4.8	2.5	14.6	9.7	8.9	7.6	6.9
Poyry	EUR	544	9.15	2.6	7.0	-17.9	-9.5	-18.1	23.2	15.4	12.7	8.5
Sweco	SEK	4,784	58.25	3.1	6.9	3.6	17.4	8.4	NA	NA	6.8	5.8
WSP Group	GBP	227	355.00	6.7	0.3	-5.1	4.7	28.9	NA	NA	NA	NA

Peer group valuations (consensus data)

	Ccy	Mkt cap (€m)	Price (lc)	Performance (%)					PER (x)		EV/EBITDA (x)	
				1 week	1 month	3 month	6 month	1 year	FY11F	FY12F	FY11F	FY12F
ArcelorMittal	USD	44,299	28.38	-0.2	16.9	17.5	27.0	-11.8	13.2	9.0	6.6	5.2
Thyssenkrupp	EUR	15,995	31.09	-1.9	4.8	29.5	52.2	17.0	13.9	9.2	6.9	5.4
Salzgitter	EUR	3,421	56.92	-0.7	14.4	19.0	15.7	-17.1	14.7	9.7	5.7	4.4
Voestalpine	EUR	6,027	35.65	-1.6	14.0	31.9	57.7	38.7	13.0	10.2	6.7	5.8
Nucor	USD	13,835	43.82	-1.7	16.1	14.7	14.5	-6.1	NA	NA	NA	NA
Us.Steel	USD	8,390	58.42	0.6	20.2	33.3	51.5	6.0	20.5	11.5	7.5	5.6
SSAB	SEK	27,207	113.00	4.9	19.1	5.1	6.8	-7.5	16.2	10.8	8.2	6.3
Rautaruukki	EUR	2,456	17.51	0.4	25.3	15.5	45.7	8.5	14.4	10.0	6.9	5.3
Kloeckner & Co	EUR	1,398	21.03	-1.4	8.2	26.2	44.6	17.5	11.5	9.1	4.9	4.2
ASM International	EUR	1,438	26.50	4.1	39.1	42.0	63.7	49.2	11.7	NA	NA	NA
ASML	EUR	12,464	28.90	0.1	16.0	31.9	26.4	20.4	10.5	11.6	6.1	6.0
Applied Mats.	USD	18,654	14.05	0.4	13.1	20.3	16.9	0.8	11.6	10.6	5.7	5.1
Novellus Systems	USD	2,915	32.32	-0.6	7.2	21.6	27.4	38.5	10.5	10.1	5.0	4.6
KLA Tencor	USD	6,455	38.64	-2.4	5.4	9.7	38.6	6.9	9.5	10.1	5.1	4.9
LAM research	USD	6,368	51.78	-0.6	14.1	23.7	36.0	32.1	9.0	10.3	5.9	5.3
Barco	EUR	612	48.28	-0.6	15.4	44.1	31.4	69.5	12.2	10.0	4.4	3.7
Daktronics	USD	660	15.92	-3.5	18.1	62.1	112.3	72.9	42.7	28.7	NA	NA
Sony	JPY	2,940,448	2,927.00	-1.1	-1.5	13.4	22.8	9.6	NA	NA	NA	NA
Belgacom SA	EUR	8,493	25.13	-1.9	-3.6	-12.2	-2.9	-0.8	10.6	10.6	5.4	5.3
KPN	EUR	17,173	10.92	-1.4	-0.6	-3.7	4.2	-7.8	9.0	8.5	5.3	5.2
Mobistar	EUR	2,911	48.51	0.2	8.2	8.0	11.2	1.3	12.2	12.4	5.8	5.8
Swisscom 'R'	CHF	21,296	411.10	-1.7	0.5	3.7	12.0	3.9	11.0	10.8	6.3	6.1
Telefonica	EUR	77,428	16.97	-2.4	3.5	-6.6	11.2	-13.1	9.0	8.6	5.6	5.4
Deutsche Telekom	EUR	41,584	9.62	-0.8	-2.8	-4.3	-1.0	-6.9	12.2	11.5	4.8	4.6
France Telecom	EUR	41,307	15.60	-2.7	0.0	-1.6	9.2	-10.5	8.9	8.9	4.7	4.7
British Telecom	GBP	14,031	180.80	-2.8	6.4	29.1	39.0	33.9	9.9	9.2	4.8	4.6
BinckBank	EUR	864	11.60	-0.9	3.6	13.2	13.0	-7.5	10.2	9.2	6.7	NA
Swissquote	CHF	785	53.60	-0.2	5.1	36.2	25.2	4.1	15.5	12.5	NA	NA
DAB Bank	EUR	324	4.31	-0.3	0.1	3.6	2.8	1.3	12.3	11.0	NA	NA
Comdirect	EUR	1,022	7.24	-1.1	3.1	10.5	-4.7	10.4	13.2	12.3	NA	NA
Boursorama	EUR	691	7.91	1.0	-1.4	-9.7	-3.1	-18.2	14.2	12.5	10.1	9.1
Bourse Direct	EUR	58	1.05	-0.9	-0.9	2.9	19.3	-18.0	0.0	0.0	NA	NA
CSM	EUR	1,728	26.19	1.7	12.2	21.5	7.1	42.5	12.1	10.6	6.9	6.0
Aryzta	EUR	2,898	34.99	0.8	7.0	8.3	12.3	36.1	11.4	10.4	8.3	7.1
Premier Foods	GBP	462	19.28	-0.1	18.8	18.5	0.5	-46.0	3.5	3.3	4.9	4.8
Dexia	EUR	4,801	2.60	-4.2	-7.9	-19.6	-10.0	-38.9	6.8	5.3	3.4	3.2
KBC	EUR	9,127	25.50	-3.1	-5.6	-22.5	-19.9	-16.0	5.3	4.5	2.9	2.8
KBC Ancora	EUR	1,030	13.15	-2.6	-3.7	-18.2	-10.1	-19.5	17.7	13.4	NA	NA
Van Lanschot	EUR	890	30.05	-2.7	-0.6	-7.5	-13.9	-18.4	10.1	8.6	6.2	NA
Societe Generale	EUR	30,021	40.22	-4.5	12.6	-4.8	17.3	-17.8	6.7	5.6	3.9	3.5
Bnp Paribas	EUR	57,044	47.61	-4.0	4.4	-8.7	6.3	-14.8	6.7	5.8	3.8	3.5
Euronav	EUR	657	12.69	0.5	4.3	-8.6	-14.5	-17.1	78.6	26.0	7.8	6.7
OSG	JPY	2,215	443.00	1.4	26.6	37.2	43.8	31.1	0.0	0.0	NA	NA
Frontline	USD	11,718	150.50	-2.2	-7.4	-9.7	-20.9	-7.1	19.2	14.5	9.2	8.3
General Maritime	USD	289	3.25	-7.4	-14.9	-33.8	-46.2	-53.5	-19.5	16.8	8.8	6.9
EVS	EUR	653	47.90	-1.3	5.9	6.4	44.7	6.9	17.2	13.8	10.7	8.6
Harmonic	USD	959	8.57	0.5	26.8	24.6	57.5	35.6	18.0	14.8	7.2	6.5
Miranda Techs	CAD	119	5.50	3.8	7.8	12.2	14.8	1.9	NA	NA	NA	NA
Exact Holding	EUR	501	20.55	-2.0	3.8	10.8	10.2	10.5	14.2	13.3	7.7	7.2
Unit4	EUR	705	24.23	0.7	14.3	21.1	40.4	45.5	13.9	12.2	6.9	5.9
Cegid	EUR	209	22.65	-0.3	6.9	6.6	11.2	45.2	8.6	7.5	3.7	3.3
Lawson	USD	1,508	9.25	-1.5	7.7	9.2	26.7	39.1	18.6	16.1	7.7	7.1
JDA Software	USD	1,225	28.00	-0.8	6.0	10.4	27.4	9.9	11.8	NA	NA	NA
Epicor	USD	640	10.10	-2.3	7.9	16.1	26.4	32.5	14.8	13.5	8.0	6.8
Intuit	USD	15,313	49.30	-1.0	9.8	12.5	41.8	60.4	20.6	18.0	10.6	8.9
Microsoft	USD	238,785	27.91	-1.4	10.5	14.0	21.3	-8.4	11.4	10.3	6.9	6.0
Oracle	USD	158,141	31.30	-0.8	15.7	16.6	45.9	27.6	15.0	13.6	8.9	7.7
SAP	EUR	46,527	37.93	-1.1	4.7	4.6	3.5	14.6	15.3	13.6	9.3	8.2
Sage	GBP	3,607	273.40	-0.2	6.3	-1.0	18.0	24.3	13.7	12.6	9.3	8.3
Misys	GBP	1,315	343.00	3.2	17.4	20.1	46.6	58.8	26.3	19.1	13.2	6.6
Fugro	EUR	4,937	61.50	1.7	18.5	27.5	60.7	52.8	16.3	14.0	7.2	6.2
Petroleum Geo Services	NOK	19,787	90.85	-0.2	20.5	35.5	64.9	36.6	20.5	11.6	5.9	4.3
Cgg Veritas (Fra)	EUR	3,421	22.59	-0.1	24.9	43.4	50.5	53.4	33.0	15.0	6.0	4.4
Oceaneering	USD	3,984	73.63	-1.3	6.6	36.7	64.0	25.8	19.7	16.8	7.7	7.1
Tgs-NOPEC Geophs.	NOK	13,608	131.50	1.9	23.8	55.5	73.0	25.5	13.5	11.3	3.5	2.9
Melexis	EUR	582	13.46	0.0	7.0	21.0	61.2	98.5	12.3	11.5	NA	NA
STMicro	USD	7,045	7.74	-1.5	12.0	37.8	17.5	20.5	11.8	10.4	3.9	3.2

Peer group valuations (consensus data)

	Ccy	Mkt cap (€m)	Price (lc)	Performance (%)					PER (x)		EV/EBITDA (x)	
				1 week	1 month	3 month	6 month	1 year	FY11F	FY12F	FY11F	FY12F
Infineon	EUR	7,616	7.01	-2.1	2.3	38.2	44.9	80.6	15.5	14.2	5.3	4.7
Elmos	EUR	183	9.41	4.6	15.6	21.3	37.5	39.4	11.3	9.2	3.4	2.8
Micronas	CHF	326	11.00	-0.9	14.6	59.4	120.0	178.5	20.8	14.6	5.6	4.1
Ordina	EUR	184	3.68	15.4	19.3	37.4	28.7	-27.2	12.7	9.5	6.6	5.0
Cap Gemini	EUR	5,441	34.93	-1.4	7.5	-5.1	-3.8	9.3	13.7	11.8	5.0	4.2
Logica	GBP	2,099	131.00	0.2	12.1	3.3	20.0	15.2	9.9	9.2	6.0	5.5
Atos Origin	EUR	2,781	39.84	0.5	26.7	20.1	20.1	24.2	12.5	10.4	4.9	3.6
Groupe Steria	EUR	582	19.40	0.5	9.7	-11.5	-3.9	-9.8	8.9	7.8	5.0	4.2
Sopra Group	EUR	680	57.80	-0.3	6.5	0.3	9.1	16.8	10.2	9.2	5.5	4.6
ADB Business Partners	NOK	4,251	15.90	3.2	26.7	27.1	10.0	-22.5	9.3	6.7	5.5	5.2
Philips	EUR	22,601	22.92	0.5	10.2	-0.6	-7.3	10.8	11.4	10.5	5.1	4.4
Van de Velde	EUR	528	39.60	1.5	2.9	13.2	23.8	34.9	13.5	12.7	7.5	6.6
Siemens	EUR	85,176	93.17	-1.7	9.9	20.1	25.6	44.7	14.1	12.6	7.3	6.2
Electrolux 'B'	SEK	57,273	191.00	0.3	14.4	15.1	6.2	14.0	11.8	10.7	5.4	4.8
Legrand	EUR	8,020	30.48	-2.2	3.6	22.8	24.6	56.5	15.4	14.2	8.7	8.0
Schneider Electric	EUR	30,250	112.00	-3.1	3.6	20.4	33.9	37.0	14.1	12.4	8.4	7.4
Zumtobel	EUR	909	20.89	2.9	31.8	66.1	50.8	52.5	19.2	14.7	8.2	6.9
Abb 'R'	CHF	48,520	20.83	-1.3	7.1	0.6	12.7	7.3	15.9	14.2	8.0	7.0
Seb	EUR	3,883	77.73	-0.5	9.4	23.5	45.9	95.8	14.3	13.1	7.5	7.1
Brunel International	EUR	684	29.49	2.4	19.4	28.8	26.0	25.8	17.1	12.8	7.9	5.8
Randstad	EUR	6,717	39.50	2.3	12.0	18.5	21.8	13.2	15.8	12.6	9.3	7.4
USG People	EUR	1,181	15.20	3.5	12.5	31.8	30.7	19.7	13.9	10.2	7.5	5.6
Adecco 'R'	CHF	11,592	61.25	-3.4	7.2	19.3	18.4	7.4	17.5	13.9	9.5	7.4
Hays	GBP	1,784	128.90	-0.6	19.1	14.0	40.6	23.8	26.5	18.1	13.2	9.8
Michael Page	GBP	1,785	555.00	0.5	16.4	20.4	48.9	46.5	23.9	16.4	12.1	8.4
Reed Elsevier NV	EUR	6,701	9.26	-0.6	2.7	0.1	1.5	7.6	11.2	10.3	7.1	6.2
Wolters Kluwer	EUR	4,898	16.40	-1.8	7.4	6.5	4.0	7.2	10.7	9.9	7.3	6.5
Roularta Media Group	EUR	337	25.70	-1.4	9.4	45.2	51.6	68.5	8.7	8.1	4.8	4.3
Pearson	GBP	8,191	1,008.00	-2.5	8.9	2.3	13.5	13.1	13.8	12.9	8.4	7.8
Mcgraw-Hill	USD	11,178	36.41	0.4	5.6	10.1	29.4	8.7	12.7	11.6	6.1	NA
Royal Dutch Shell A - Euro	EUR	88,136	24.73	-1.0	6.6	11.4	19.2	17.2	8.5	7.5	3.8	3.3
Dockwise	EUR	1,496	157.00	6.1	3.6	9.2	2.5	-11.4	10.6	6.7	6.0	4.6
Total	EUR	93,115	39.65	-2.0	6.3	4.9	7.3	-11.9	8.0	7.4	3.2	2.9
Eni	EUR	65,447	16.34	-2.0	5.4	3.2	7.6	-8.2	7.9	7.1	3.0	2.8
Statoil	NOK	441,946	138.60	-0.4	12.6	13.0	9.7	-4.3	8.8	7.5	2.2	1.9
Repsol Ypf	EUR	25,455	20.85	-1.5	12.2	10.3	25.1	11.3	10.0	8.6	4.5	4.1
BP	GBP	87,530	465.55	-1.9	9.3	8.8	46.0	-22.4	6.6	6.3	3.2	3.1
SBM Offshore	EUR	2,810	16.77	1.6	9.4	20.6	42.0	21.7	14.2	12.5	7.4	7.1
Prosafe	NOK	10,669	46.40	1.1	13.2	28.1	77.1	25.9	8.5	8.2	6.6	6.3
Technip	EUR	7,556	69.10	-1.2	15.5	17.1	45.2	39.9	17.8	15.0	7.3	6.0
Saipem	EUR	16,256	36.84	-0.5	14.9	25.4	46.0	52.9	18.6	16.2	9.1	7.8
SES	EUR	6,125	18.39	0.5	3.3	5.4	6.9	22.5	13.8	12.9	NA	NA
Eutelsat Communications	EUR	6,029	27.39	-1.2	5.6	-2.2	-0.6	22.0	19.1	17.4	9.5	8.8
Inmarsat	USD	3,102	673.50	-1.8	3.9	1.5	-5.7	-2.7	16.4	16.3	8.2	8.3
TNT	EUR	7,433	19.75	4.7	7.4	0.2	-5.0	-8.1	11.6	10.2	6.1	5.5
Deutsche Post	EUR	15,282	12.64	-1.1	1.4	-5.5	5.0	-6.7	10.4	9.3	4.7	4.2
Osterreichische Post	EUR	1,670	24.72	2.2	9.3	12.6	22.7	30.0	14.7	13.7	6.0	5.7
Fedex	USD	29,300	93.01	0.0	2.1	8.8	32.7	11.5	18.0	14.8	7.0	6.0
United Parcel Ser.	USD	52,904	72.58	-0.2	3.5	8.8	27.6	26.5	17.5	15.2	9.4	8.2
TomTom	EUR	1,750	7.89	0.9	11.3	54.9	75.2	26.2	10.8	9.4	5.9	4.9
Garmin	USD	5,994	30.99	2.1	7.0	2.1	6.2	0.9	12.1	12.9	6.6	NA
UCB	EUR	4,707	25.67	-1.3	3.1	1.0	-0.6	-12.1	16.4	15.1	9.3	8.6
Merck Kgaa	EUR	3,894	60.26	-0.2	-0.1	-2.4	0.3	-6.9	8.4	7.9	6.9	6.4
Ipsen	EUR	1,923	22.84	0.4	-0.8	-6.1	-8.7	-41.1	12.4	10.8	7.1	6.0
Actelion	CHF	6,642	51.20	-1.3	-2.8	30.0	26.4	-7.2	13.5	11.8	7.7	6.4
Shire	GBP	8,675	1,543.00	0.7	2.7	7.6	12.3	27.5	15.5	13.5	9.5	7.8
H Lundbeck	DKK	20,788	106.00	2.5	6.6	9.8	27.3	11.9	8.0	10.3	4.3	5.0
Almirall	EUR	1,133	6.82	0.1	10.2	-15.4	5.9	-25.4	9.0	9.5	4.8	4.6
Novo Nordisk 'B'	DKK	309,791	629.00	-0.6	10.7	15.9	27.3	89.5	22.2	19.3	13.5	11.9
Unilever NV	EUR	39,953	23.30	-1.7	7.2	6.3	3.4	2.4	14.7	13.5	9.1	8.4
Nestle 'R'	CHF	189,709	54.75	-3.3	0.4	4.6	4.9	9.1	15.9	14.3	9.6	8.7
Danone	EUR	30,465	47.02	-2.4	4.2	7.2	6.4	9.8	15.7	14.1	9.7	8.8
Kraft Foods	USD	55,041	31.51	-1.2	4.2	2.1	12.5	15.9	13.6	12.1	9.2	8.4
Procter & Gamble	USD	180,072	64.33	-1.4	5.3	7.3	7.3	6.1	16.1	14.7	10.7	9.8
L'Oreal	EUR	49,783	83.08	-3.9	1.4	0.7	2.6	6.5	19.1	17.4	10.9	9.7
Beiersdorf	EUR	10,508	41.70	0.6	-6.8	-6.8	-7.7	-9.7	23.6	20.6	11.1	9.2

Prices as at 31 December 2010

Source: Datastream

Changes to ING sales, EBITDA and EPS estimates, 2010-12F

		2010F			2011F			2012F		
		Old	New	Diff (%)	Old	New	Diff (%)	Old	New	Diff (%)
Ballast Nedam	Sales	1,294.2	1,294.2	0.0	1,265.9	1,265.9	0.0	1,316.3	1,316.3	0.0
	EBITDA	37.8	39.8	5.3	47.9	47.5	-0.8	56.7	56.6	-0.1
	Adj EPS	0.27	0.42	56.7	0.94	0.91	-3.1	1.58	1.58	-0.3
CMB	Sales	412.1	436.5	5.9	387.3	387.3	0.0	403.0	403.0	0.0
	EBITDA	131.4	143.8	9.4	123.4	123.4	0.0	133.8	133.8	0.0
	Adj EPS	2.15	2.50	16.6	1.84	1.84	0.0	2.00	2.00	0.0
Dockwise	Sales	443.3	425.2	-4.1	434.9	434.9	0.0	475.7	475.7	0.0
	EBITDA	183.1	169.2	-7.6	185.3	185.3	0.0	212.3	212.3	0.0
	Adj EPS	1.62	1.48	-8.3	2.12	2.12	0.0	3.03	3.03	0.0
DSM	Sales	8,901.9	8,798.9	-1.2	8,687.7	8,273.3	-4.8	8,968.3	8,609.9	-4.0
	EBITDA	1,235.1	1,148.7	-7.0	1,359.4	1,279.6	-5.9	1,449.5	1,390.1	-4.1
	Adj EPS	2.87	2.45	-14.6	3.38	3.60	6.5	3.76	3.52	-6.6
Euronav	Sales	565.6	562.6	-0.5	449.8	469.6	4.4	476.6	474.0	-0.5
	EBITDA	263.1	263.8	0.3	190.7	191.4	0.4	227.2	227.7	0.2
	Adj EPS	0.02	0.08	283.0	-1.59	-1.53	-4.2	-0.84	-0.78	-7.4
Gamma	Sales	738.9	655.5	-11.3	763.0	762.5	-0.1	780.3	779.9	0.0
	EBITDA	94.5	94.9	0.4	91.7	91.9	0.3	96.8	97.0	0.2
	Adj EPS	1.41	1.40	-0.9	3.20	3.13	-2.2	4.17	4.08	-2.2
Grontmij	Sales	901.2	901.3	0.0	1,059.1	1,059.1	0.0	1,099.7	1,099.7	0.0
	EBITDA	53.0	52.1	-1.6	76.2	73.0	-4.1	85.8	82.6	-3.8
	Adj EPS	1.07	1.05	-1.5	1.76	1.66	-5.4	2.17	1.98	-8.7
KBC Ancora	Adj EPS	0.64	0.11	-82.6	0.66	0.13	-80.1	0.66	0.14	-79.5
Nyrstar	Sales	2,523.7	2,523.7	0.0	2,573.5	2,655.1	3.2	2,596.6	2,678.8	3.2
	EBITDA	215.9	210.9	-2.3	274.8	356.5	29.7	310.2	410.9	32.5
	Adj EPS	1.05	1.01	-3.9	1.49	1.36	-8.7	1.77	1.67	-5.7
Reed Elsevier NV	Sales	5,957.7	6,042.4	1.4	6,178.2	6,130.8	-0.8	6,571.0	6,496.2	-1.1
	EBITDA	1,729.4	1,766.0	2.1	1,839.4	1,821.3	-1.0	2,045.2	1,995.4	-2.4
	Adj EPS	0.81	0.81	-0.3	0.95	0.92	-2.4	1.06	1.05	-1.1
SBM Offshore	Sales	2,952.0	2,952.0	0.0	2,877.8	2,877.8	0.0	2,926.4	2,926.4	0.0
	EBITDA	649.1	639.4	-1.5	689.2	689.2	0.0	709.0	709.0	0.0
	Adj EPS	1.31	1.29	-1.7	1.49	1.49	0.0	1.67	1.71	2.1
Telenet Group	Sales	1,309.8	1,301.4	-0.6	1,388.7	1,380.9	-0.6	1,439.2	1,436.9	-0.2
	EBITDA	666.9	673.9	1.0	704.5	714.1	1.4	727.5	741.9	2.0
	Adj EPS	0.80	0.73	-8.5	1.43	1.36	-5.0	1.59	1.55	-2.3

Source: ING estimates

Real estate valuations

Overview of real estate universe; target prices, recommendations, expected returns

	Curr	REIT type	Book year end	Bloomberg code	Reuters code	Market cap (€m)	Enterprise value (€m)	Price (€)	Target premium/discount (%)	2010F IFRS NAV (€)	12m target price (€)	12m expected return (%)	Expected dividend yield (%)	12m total expected return (%)	Rating
Belgium															
Aedifica	EUR	Bevak	June	AED BB	AOO.BR	292	478	41.5	-5	36.2	34.3	-17.2	3.9	-13.3	SELL
Banimmo	EUR	not a Bevak	December	BANI BB	BANI.BR	147	247	14.3	20	12.8	17.1	19.7	6.8	26.6	BUY
Befimmo	EUR	Bevak	September	BEFB BB	BFB.BR	1,029	1,724	61.3	0	59.1	59.1	-3.7	6.7	3.0	HOLD
Cofinimmo	EUR	Bevak	December	COFB BB	COFB.BR	1,331	2,806	97.4	5	90.9	97.7	0.3	6.7	7.0	HOLD
Home Invest Belgium	EUR	Bevak	December	HOMI BB	HINV.BR	171	247	60.5	-5	52.1	49.5	-18.2	3.5	-14.7	SELL
Leasinvest Real Estate	EUR	Bevak	December	LEAS BB	LNRE.BR	254	468	63.4	-10	69.3	62.3	-1.6	6.5	4.8	HOLD
WDP	EUR	Bevak	December	WDP BB	WDPP.BR	459	970	36.7	5	31.7	33.2	-9.3	8.2	-1.1	HOLD
Netherlands															
Corio	EUR	FBI	December	CORA NA	COR.AS	4,370	7,422	48.0	5	47.8	50.2	4.6	5.7	10.4	HOLD
Eurocommercial Properties	EUR	FBI	June	ECMP NA	SIPFc.AS	1,407	2,524	34.4	0	32.4	32.4	-5.9	6.1	0.2	HOLD
Nieuwe Steen Investments	EUR	FBI	December	NISTI NA	NSTEc.AS	648	1,392	15.0	-5	13.4	12.7	-15.2	8.2	-7.0	HOLD
Vastned Offices/Industrial	EUR	FBI	December	VNOI NA	VWNN.AS	238	796	12.6	-25	17.3	13.0	3.2	10.7	13.9	BUY
Vastned Retail	EUR	FBI	December	VASTN NA	VASN.AS	961	1,806	52.0	-5	54.0	51.3	-1.3	7.0	5.7	HOLD
Wereldhave	EUR	FBI	December	WHA NA	WEHA.AS	1,567	2,559	73.1	0	80.6	80.6	10.3	6.5	16.8	BUY
Luxembourg															
Prologis European Properties	EUR	FCP	December	PEPR.NA	PEPR.AS	916	2,253	4.8	-25	6.9	5.1	6.9	0.0	6.9	HOLD
France															
Foncière des Murs	EUR	SIIC	December	FMU FP	FERP.PA	1,092	2,862	19.4	5	21.1	22.2	14.5	8.7	23.2	BUY
Foncière des Régions	EUR	SIIC	December	FDR FP	FDR.PA	3,882	7,792	72.4	-5	70.5	66.9	-7.5	6.8	-0.7	HOLD
Foncière Europe Logistique	EUR	SIIC	December	FEL FP	FEL.PA	335	911	2.9	-10	3.5	3.2	9.4	8.1	17.5	HOLD
Italy															
Beni Stabili	EUR	SIIQ	December	BNS IM	BNSI.MI	1,213	3,126	0.63	-10	0.98	0.89	40.0	3.40	43.4	BUY
Average Belgium (unweighted)						526.4	991.3		1.4			-4.3	6.0	1.8	
Average Netherlands (unw)						1,531.9	2,749.7		-5.0			-0.7	7.4	6.7	
Average Benelux (unw)						985.2	1,835.0		-3.2			-2.0	6.2	4.2	
Average France (unw)						1,769.5	3,854.7		-3.3			5.5	7.9	13.4	
Average Europe (unw)						1,128.5	2,243.3		-3.6			1.6	6.3	7.9	

Prices as at 31 December 2010

Note: Calculation of enterprise value is based on net financial debt as at end-2010 and the market capitalisation at pricing date.

Source: Company data, ING estimates

Total returns, gearing, EPS and EPS per quarter

	Free float (%)	Avg daily volume 3m (shares)	Daily turnover (€000)	Total return (%)					LTV (%)				EPS recurring (€)				EPS recurring per quarter (€)			
				-1wk	-1m	-3m	-6m	-12m	2009	2010F	2011F	2012F	2009	2010F	2011F	2012F	Jun 10	Sept 10	Dec 10	Mar 11F
Belgium																				
Aedifica	100	8,987	373	0	3	2	3	9	49.2	52.6	42.6	42.6	2.09	1.99	1.63	1.56	n/a	n/a	n/a	n/a
Banimmo	17	1,357	19	0	0	0	-14	-6	45.8	40.4	42.4	47.3	0.76	0.77	1.15	1.32	n/a	n/a	n/a	n/a
Befimmo	81	23,507	1,441	-1	-4	-1	9	-1	40.9	38.9	37.9	37.1	4.39	4.85	4.81	4.80	n/a	n/a	n/a	n/a
Cofinimmo	100	34,672	3,377	3	2	0	5	-1	53.9	49.5	49.8	49.3	7.49	7.53	7.54	7.64	2.05	1.99	1.83	1.93
Home Invest Belgium	100	1,030	62	-2	2	4	6	11	33.4	33.9	33.7	33.6	2.36	2.09	2.14	2.18	n/a	n/a	n/a	n/a
Leasinvest Real Estate	34	997	63	1	-1	-1	8	7	47.7	41.2	40.4	39.2	5.41	5.11	4.85	4.84	n/a	n/a	n/a	n/a
WDP	69	13,116	481	0	5	-3	14	8	56.6	61.9	60.8	59.2	3.10	3.02	3.24	3.41	0.80	0.74	0.76	0.79
Netherlands																				
Corio	63	286,436	13,753	1	8	-4	20	1	38.5	42.7	44.5	46.8	3.02	2.87	2.96	2.86	0.73	0.70	0.71	0.74
Eurocommercial Properties	100	111,946	3,856	1	12	1	31	20	53.2	49.8	47.4	45.7	1.82	2.01	2.22	2.40	0.47	0.47	0.50	0.51
Nieuwe Steen Investments	66	72,322	1,083	2	7	2	12	5	54.9	55.0	54.7	53.2	1.37	1.26	1.23	1.28	0.30	0.31	0.31	0.30
Vastned Offices/Industrial	100	52,255	656	2	17	4	25	7	53.5	54.8	53.7	52.3	1.58	1.30	1.34	1.48	0.30	0.31	0.31	0.30
Vastned Retail	100	46,482	2,416	1	12	4	26	13	41.6	42.7	41.8	40.9	4.03	3.66	3.65	3.74	0.91	0.93	0.92	0.92
Wereldhave	100	105,432	7,703	0	8	3	20	10	27.7	38.0	37.5	35.9	4.92	5.16	5.33	5.68	1.35	1.31	1.31	1.32
Luxembourg																				
Prologis European Properties	55	173,627	835	4	5	9	15	12	54.7	52.6	47.5	42.1	0.47	0.49	0.61	0.68	0.11	0.11	0.14	0.14
France																				
Foncière des Murs	10	6,510	126	-1	7	5	26	29	61.7	57.2	55.5	53.8	1.88	2.02	2.11	2.23		0.52	0.49	0.52
Foncière des Régions	40	103,891	7,522	0	-2	1	4	-14	55.6	50.8	48.0	45.4	6.90	5.64	6.17	6.56	1.51	1.37	1.37	1.48
Foncière Europe Logistique	1	188	1	0	3	-7	6	12	60.9	56.7	53.9	51.7	0.37	0.30	0.33	0.34	0.07	0.08	0.08	0.08
Italy																				
Beni Stabili	40	3,190,234	2,019	-2	1	-8	1	10	51.7	50.1	51.1	52.3	0.030	0.030	0.036	0.039	0.010	0.004	0.005	0.007
Average Belgium (unweighted)	72	11,952	831						46.8	45.5	43.9	44.0								
Average Netherlands (unw)	88	112,479	4,911						44.9	47.2	46.6	45.8								
Average Benelux (unw)	77	66,583	2,580						46.6	46.7	45.3	44.6								
Average France (unw)	17	36,863	2,549						59.4	54.9	52.5	50.3								
Average Europe (unw)	65	235,166	2,544						49.0	48.3	46.9	46.0								

Prices as at 31 December 2010

Notes: Befimmo per share data and number of shares outstanding are adjusted historically with a scrip factor to reflect the 2009 rights issue; NSI 1Q10 recurring EPS includes a one-off fee paid of €2.4m paid by Ernst&Young as an indemnity for early termination of its lease contract (quarterly lease fee is €0.3m); Banimmo is not a REIT, hence its LTV is presented as net financial debt to total assets.

Source: Company data, ING estimates

Recurring cash flows, cash flow growth, yield and dividends per share

	Recurring CFPS (€)				Recurring CFPS per quarter (€)				Recurring CF yield (%)				Recurring CFPS growth (%)			DPS (€)			
	2009	2010F	2011F	2012F	June 10	Sept 10	Dec 10F	Mar 11F	2009	2010F	2011F	2012F	2010F	2011F	2012F	2009	2010F	2011F	2012F
Belgium																			
Aedifica	2.09	1.99	1.57	1.56	n/a	n/a	n/a	n/a	5.0	4.8	3.8	3.8	-5.1	-20.9	-0.7	1.80	1.82	1.63	1.56
Banimmo	1.99	1.28	1.46	1.51	n/a	n/a	n/a	n/a	14.0	9.0	10.2	10.6	-36.0	14.2	3.4	1.00	0.65	0.98	1.12
Befimmo	4.39	4.85	4.82	4.81	n/a	n/a	n/a	n/a	7.2	7.9	7.9	7.8	10.4	-0.6	-0.3	4.22	3.90	4.09	4.08
Cofinimmo	6.24	6.35	6.35	6.26	1.73	1.69	1.54	1.63	6.4	6.5	6.5	6.4	1.8	0.0	-1.4	6.50	6.50	6.50	6.50
Home Invest Belgium	2.36	2.09	2.14	2.18	n/a	n/a	n/a	n/a	3.9	3.5	3.5	3.6	-11.5	2.4	2.1	2.43	2.05	2.10	2.14
Leasinvest Real Estate	5.90	5.11	4.85	4.84	n/a	n/a	n/a	n/a	9.3	8.1	7.7	7.6	-13.4	-5.1	-0.2	4.00	4.05	4.10	4.12
WDP	3.20	3.02	3.24	3.41	0.80	0.74	0.76	0.79	8.7	8.2	8.8	9.3	-5.6	7.5	5.1	2.94	2.95	2.99	3.05
Netherlands																			
Corio	2.78	2.79	2.95	2.84	0.76	0.70	0.71	0.74	5.8	5.8	6.1	5.9	0.5	5.7	-3.9	2.65	2.70	2.76	2.81
Eurocommercial Properties	1.69	1.75	1.97	2.18	0.42	0.46	0.49	0.50	4.9	5.1	5.7	6.3	3.6	12.7	10.6	1.78	1.91	2.11	2.28
Nieuwe Steen Investments	1.32	1.23	1.19	1.24	0.28	0.30	0.30	0.29	8.8	8.2	7.9	8.3	-7.1	-3.4	4.5	1.34	1.27	1.23	1.28
Vastned Offices/Industrial	1.57	1.30	1.34	1.48	0.34	0.30	0.31	0.32	12.5	10.4	10.7	11.8	-17.4	2.7	10.8	1.58	1.30	1.34	1.48
Vastned Retail	4.77	4.18	3.65	3.74	1.08	1.10	0.92	0.92	9.2	8.0	7.0	7.2	-12.4	-12.6	2.3	4.03	3.66	3.65	3.74
Wereldhave	4.46	3.47	4.04	4.32	0.85	0.98	0.92	0.93	6.1	4.7	5.5	5.9	-22.3	16.6	6.8	4.65	4.68	4.72	4.01
Luxembourg																			
Prologis European Properties	0.46	0.45	0.58	0.65	0.11	0.11	0.13	0.13	9.6	9.4	12.0	13.4	-1.8	27.0	12.1	0.00	0.00	0.00	0.54
France																			
Foncière des Murs	1.92	2.02	2.11	2.23		0.52	0.49	0.52	9.9	10.4	10.9	11.5	5.2	4.6	5.9	1.40	1.61	1.69	1.79
Foncière des Régions	6.90	5.64	6.17	6.56	1.51	1.37	1.37	1.48	9.5	7.8	8.5	9.1	-18.3	9.5	6.2	6.90	4.51	4.94	5.24
Foncière Europe Logistique	0.38	0.30	0.33	0.34	0.07	0.08	0.08	0.08	12.9	10.5	11.3	11.6	-19.1	8.0	2.5	0.00	0.18	0.24	0.25
Italy																			
Beni Stabili	0.035	0.030	0.036	0.039	0.010	0.004	0.005	0.007	5.6	4.7	5.7	6.1	-14.8	19.3	7.5	0.015	0.018	0.022	0.023
Average Belgium (unweighted)									7.79	6.85	6.92	7.02	-8.5	-0.4	1.1				
Average Netherlands (unw)									7.89	7.04	7.17	7.57	-9.2	3.6	5.2				
Average Benelux (unw)									7.96	7.11	7.39	7.71	-8.3	3.3	3.7				
Average France (unw)									10.79	9.56	10.25	10.73	-10.7	7.4	4.8				
Average Europe (unw)									8.30	7.39	7.77	8.13	-9.1	4.9	4.1				

Prices as at 31 December 2010

Note: Banimmo DPS does not include the preferred dividend paid out to B shares.

Source: Company data, ING estimates

Interim dividends, dividend yields, DPS growth, IFRS NAV and EPRA NAV

	Interim DPS per quarter (€)*				Dividend yield (%)				DPS growth (%)			IFRS NAV (€)				EPRA NAV (€)			
	Jun 10	Sept 10	Dec 10F	Mar 11F	2009	2010F	2011F	2012F	2010F	2011F	2012F	2009	2010F	2011F	2012F	2009	2010F	2011F	2012F
Belgium																			
Aedifica	n/a	n/a	n/a	n/a	4.3	4.4	3.9	3.8	1.1	-10.5	-4.2	37.7	35.9	36.2	36.3	n/a	n/a	n/a	n/a
Banimmo	n/a	n/a	n/a	n/a	7.0	4.6	6.8	7.9	-34.7	49.3	15.2	12.6	12.3	12.8	13.2	n/a	n/a	n/a	n/a
Befimmo	n/a	n/a	n/a	n/a	6.9	6.4	6.7	6.7	-7.5	4.9	-0.3	58.9	58.3	59.1	59.7	n/a	n/a	n/a	n/a
Cofinimmo	n/a	n/a	n/a	n/a	6.7	6.7	6.7	6.7	0.0	0.0	0.0	99.8	92.4	90.9	92.2	n/a	n/a	n/a	n/a
Home Invest Belgium	n/a	n/a	n/a	n/a	4.0	3.4	3.5	3.5	-15.7	2.4	2.1	52.9	52.0	52.1	52.3	n/a	n/a	n/a	n/a
Leasinvest Real Estate	n/a	n/a	n/a	n/a	6.3	6.4	6.5	6.5	1.2	1.1	0.4	68.5	67.7	69.3	71.0	n/a	n/a	n/a	n/a
WDP	n/a	n/a	n/a	n/a	8.0	8.1	8.2	8.3	0.4	1.4	1.9	29.3	29.8	31.7	33.3	n/a	n/a	n/a	n/a
Netherlands																			
Corio	n/a	n/a	n/a	n/a	5.5	5.6	5.7	5.9	2.0	2.0	2.0	44.3	45.9	47.8	50.5	n/a	n/a	n/a	n/a
Eurocommercial Properties	n/a	n/a	n/a	n/a	5.2	5.5	6.1	6.6	7.2	10.5	8.3	28.8	30.1	32.4	35.2	n/a	n/a	n/a	n/a
Nieuwe Steen Investments	0.28	0.31	0.31	0.30	8.9	8.5	8.2	8.6	-5.0	-3.6	4.5	14.1	13.2	13.4	14.3	n/a	n/a	n/a	n/a
Vastned Offices/Industrial	1.05	0.41	0.00	0.00	12.6	10.4	10.7	11.8	-17.7	2.7	10.8	18.8	17.1	17.3	17.7	19.8	18.0	18.3	18.7
Vastned Retail	2.78	1.10	0	0	7.8	7.0	7.0	7.2	-9.2	-0.2	2.3	51.4	52.0	54.0	55.6	56.4	55.3	57.1	58.7
Wereldhave	n/a	n/a	n/a	n/a	6.4	6.4	6.5	5.5	0.6	0.9	-14.9	73.8	75.0	80.6	84.6	n.a.	n.a.	n.a.	n.a.
Luxembourg																			
Prologis European Properties	n/a	n/a	n/a	n/a	0.0	0.0	0.0	11.3	0.0	0.0	0.0	6.0	6.0	6.9	7.7	6.5	6.3	7.1	8.0
France																			
Foncière des Murs	n/a	n/a	n/a	n/a	7.2	8.3	8.7	9.2	0.0	0.0	0.0	18.8	19.8	21.1	22.5	n/a	n/a	n/a	n/a
Foncière des Régions	n/a	n/a	n/a	n/a	9.5	6.2	6.8	7.2	0.0	0.0	0.0	67.5	64.9	70.5	76.2	n/a	n/a	n/a	n/a
Foncière Europe Logistique	n/a	n/a	n/a	n/a	0.0	6.3	8.1	8.7	0.0	0.0	0.0	2.9	3.2	3.5	3.9	n/a	n/a	n/a	n/a
Italy																			
Beni Stabili	n/a	n/a	n/a	n/a	2.4	2.8	3.4	3.7	0.0	0.0	0.0	0.89	0.99	0.98	0.98	n/a	n/a	n/a	n/a
Average Belgium (unweighted)					6.2	5.7	6.0	6.2	-7.9	6.9	2.2								
Average Netherlands (unw)					7.7	7.2	7.4	7.6	-3.7	2.0	2.2								
Average Benelux (unw)					6.4	6.0	6.2	7.2	-5.5	4.3	2.0								
Average France (unw)					5.6	6.9	7.9	8.4	0.0	0.0	0.0								
Average Europe (unw)					6.0	5.9	6.3	7.2	-4.3	3.4	1.6								

Prices as at 31 December 2010

*If not applicable, please refer to the full year DPS on the previous page.

Source: Company data, ING estimates

EPRA NNAV, IFRS NAV growth, premiums and discounts, EV/EBIT adjusted, EBIT adjusted growth

	EPRA NNAV (€)				IFRS NAV growth (%)			P/IFRS NAV (x)				EBIT adj (€m)*				EV/EBIT adj (x)*				EBIT adj growth (%)*			
	2009	2010F	2011F	2012F	2010F	2011F	2012F	2009	2010F	2011F	2012F	2009	2010F	2011F	2012F	2009	2010F	2011F	2012F	2010F	2011F	2012F	
Belgium																							
Aedifica	n/a	n/a	n/a	n/a	-4.8	0.6	0.4	1.10	1.16	1.15	1.14	16	17	21	23	29.3	28.1	22.2	20.8	4.3	26.2	7.0	
Banimmo	n/a	n/a	n/a	n/a	-2.0	4.0	2.7	1.13	1.16	1.11	1.08	27	18	18	18	9.1	13.6	13.5	13.3	-32.9	0.9	1.0	
Befimmo	n/a	n/a	n/a	n/a	-1.0	1.3	1.1	1.04	1.05	1.04	1.03	109	111	113	116	15.9	15.5	15.2	14.9	2.1	2.2	2.0	
Cofinimmo	n/a	n/a	n/a	n/a	-7.5	-1.5	1.3	0.98	1.05	1.07	1.06	185	183	190	194	15.2	15.4	14.8	14.4	-1.4	4.1	2.2	
Home Invest Belgium	n/a	n/a	n/a	n/a	-1.8	0.3	0.4	1.14	1.16	1.16	1.16	9	8	8	8	27.6	30.7	30.0	29.3	-10.0	2.4	2.4	
Leasinvest Real Estate	n/a	n/a	n/a	n/a	-1.2	2.3	2.5	0.92	0.94	0.91	0.89	32	33	32	32	14.6	14.2	14.7	14.7	3.0	-3.2	-0.2	
WDP	n/a	n/a	n/a	n/a	1.7	6.4	5.1	1.25	1.23	1.16	1.10	53	59	64	66	18.2	16.4	15.1	14.6	10.8	8.7	3.1	
Netherlands																							
Corio	47.1	48.5	50.2	52.6	3.6	4.2	5.6	1.08	1.05	1.00	0.95	310	355	396	433	23.9	20.9	18.8	17.2	14.4	11.5	9.3	
Eurocommercial Properties	n/a	n/a	n/a	n/a	4.5	7.5	8.5	1.19	1.14	1.06	0.98	114	120	133	143	22.1	21.0	18.9	17.6	5.3	10.8	7.4	
Nieuwe Steen Investments	n/a	n/a	n/a	n/a	-6.6	1.5	6.9	1.06	1.14	1.12	1.05	85	85	85	88	16.4	16.5	16.5	15.9	-0.3	0.0	3.4	
Vastned Offices/Industrial	19.5	17.7	18.0	18.3	-9.4	1.3	2.2	0.67	0.74	0.73	0.71	66	61	62	65	12.0	13.0	12.9	12.3	-7.1	0.1	5.6	
Vastned Retail	53.4	53.9	57.1	58.6	1.2	3.8	3.0	1.01	1.00	0.96	0.93	109	105	105	106	16.6	17.2	17.2	17.0	-3.3	-0.3	1.4	
Wereldhave	n/a	n/a	n/a	n/a	1.7	7.5	4.9	0.99	0.97	0.91	0.86	131	147	153	162	19.5	17.4	16.7	15.8	12.0	4.3	5.6	
Luxembourg																							
Prologis European Properties	n/a	n/a	n/a	n/a	1.2	13.4	12.5	0.81	0.80	0.70	0.62	225	209	218	244	10.0	10.8	10.3	9.2	-7.1	4.2	11.7	
France																							
Foncière des Murs	21.9	22.6	23.9	25.3	5.3	6.8	6.7	1.03	0.98	0.92	0.86	184	192	210	217	15.5	14.9	13.6	13.2	4.2	9.7	3.0	
Foncière des Régions	71.3	68.4	74.0	79.8	-3.8	8.6	8.2	1.07	1.12	1.03	0.95	802	710	780	803	9.7	11.0	10.0	9.7	-11.4	9.8	3.0	
Foncière Europe Logistique	3.0	3.3	3.7	4.0	9.6	11.4	8.9	1.00	0.92	0.82	0.76	76	70	71	72	12.0	13.0	12.7	12.7	-8.0	2.2	0.4	
Italy																							
Beni Stabili	1.0	1.2	1.1	1.1	10.9	-0.6	-0.6	0.71	0.64	0.64	0.65	177	184	193	201	17.7	17.0	16.2	15.6	4.0	4.7	4.2	
Average Belgium (unweighted)					-2.4	1.9	1.9	1.08	1.11	1.09	1.07					18.6	19.1	17.9	17.4	-3.4	5.9	2.5	
Average Netherlands (unw)					-0.8	4.3	5.2	1.00	1.01	0.96	0.91					18.4	17.6	16.8	16.0	3.5	4.4	5.4	
Average Benelux (unw)					-1.5	3.8	4.1	1.03	1.04	1.01	0.97					17.9	17.9	16.9	16.2	-0.7	5.1	4.4	
Average France (unw)					3.7	8.9	7.9	1.04	1.00	0.92	0.85					12.4	13.0	12.1	11.9	-5.1	7.2	2.1	
Average Europe (unw)					0.1	4.4	4.5	1.01	1.01	0.97	0.93					17.0	17.0	16.1	15.5	-1.2	5.5	4.0	

Prices as at 31 December 2010

*Adjusted for non recurring items (portfolio and derivatives valuation result)

Source: Company data, ING estimates

Price earnings ratios, Interest cover ratios, total debts, shares, prefs and convertibles, occupancy and number of employees

	PER (x)		ICR (x)				Total financial debt (€m)	Ref date	No. of ordinary shares outstanding (m)				No. of pref shares outstanding (m)				No. of convertibles outstanding (m)				Occupancy (%)	Ref date	Employees (000)
	2010F	2011F	2009	2010F	2011F	2012F			2009	2010F	2011F	2012F	2009	2010F	2011F	2012F	2008	2009	2010F	2011F			
Belgium																							
Aedifica	20.9	25.5	2.1	2.2	2.1	1.9	230.3	Jun 10	4.6	5.0	7.0	7.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	97.2	Jun 10	25
Banimmo	18.5	12.4	2.9	3.7	3.7	3.6	108.5	Dec 10	10.3	10.3	10.3	10.3	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	82.0	Dec 09	24
Befimmo	12.6	12.7	3.5	4.4	4.0	3.7	791.9	Sep 10	16.8	16.8	16.8	16.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	93.7	Sep 09	34
Cofinimmo	12.9	12.9	2.3	2.8	2.7	2.8	1,555.6	Dec 10	14.0	14.9	14.9	14.9	12.5	13.1	13.7	13.7	0.0	0.0	0.0	0.0	97.8	Dec 09	108
Home Invest Belgium	29.0	28.3	4.0	3.0	3.1	3.1	77.3	Dec 10	2.8	2.8	2.8	2.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	96.0	Dec 09	10
Leasinvest Real Estate	12.4	13.1	3.6	2.8	2.7	2.6	309.7	Dec 10	4.0	4.0	4.0	4.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	97.2	Dec 09	17
WDP	12.1	11.3	3.0	2.9	2.9	3.0	575.8	Dec 10	12.5	12.5	12.5	12.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	92.0	Dec 09	25
Netherlands																							
Corio	16.7	16.2	3.3	3.4	3.2	2.5	3,195.4	Dec 10	76.4	91.0	91.0	91.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	96.2	Dec 09	348
Eurocommercial Properties	17.2	15.5	2.3	2.6	2.8	2.8	1,177.0	Jun 10	35.8	40.3	40.3	40.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	99.0	Jun 09	48
Nieuwe Steen Investments	11.9	12.2	2.4	2.5	2.5	2.5	708.7	Dec 10	39.4	43.3	43.3	43.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	89.8	Dec 09	27
Vastned Offices/Industrial	9.6	9.4	2.8	2.6	2.9	3.1	574.0	Dec 10	18.8	18.9	18.9	18.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	85.0	Dec 09	104
Vastned Retail	14.2	14.2	3.3	3.4	3.3	3.4	894.3	Dec 10	18.3	18.5	18.5	18.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	96.8	Dec 09	104
Wereldhave	14.2	13.7	7.2	5.4	4.5	4.6	1,073.1	Dec 10	21.3	21.4	21.4	21.4	0.0	0.0	0.0	0.0	2.1	2.1	8.1	6.0	91.8	Dec 09	127
Luxembourg																							
Prologis European Properties	9.9	7.9	2.4	2.1	2.4	3.4	1,576.7	Dec 10	190.5	190.5	190.5	190.5	10.3	10.3	10.3	10.3	0.0	0.0	0.0	0.0	94.8	Mar 10	0
France																							
Foncière des Murs	9.6	9.2	1.3	1.1	2.3	2.4	1,930.0	Dec 10	49.9	56.4	56.4	56.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100	Jun 10	
Foncière des Régions	12.8	11.7	2.2	2.0	2.3	2.4	4,989.7	Dec 10	50.6	53.5	54.9	54.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	92.2	Jun 10	
Foncière Europe Logistique	9.6	8.8	2.1	2.0	2.1	2.1	688.1	Dec 10	115.0	115.0	115.0	115.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	87.5	Jun 10	
Italy																							
Beni Stabili	21.1	17.7	1.9	2.1	1.7	1.9	2,396.3	Dec 10	1,779.8	1,914.6	1,914.6	1,914.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	95.8	Jun 10	141
Average Belgium (unweighted)	16.9	16.6	3.1	3.1	3.0	3.0															93.7		
Average Netherlands (unw)	14.0	13.5	3.6	3.3	3.2	3.2															93.1		
Average Benelux (unw)	15.2	14.7	3.2	3.1	3.1	3.1															93.5		
Average France (unw)	10.7	9.9	1.9	1.7	2.2	2.3															93.2		
Average Europe (unw)	14.7	14.0	2.9	2.8	2.8	2.9															93.6		

Prices as at 31 December 2010

Notes: Befimmo number of ordinary shares outstanding adjusted historically with a scrip factor to reflect the rights issue; 2008 number of Befimmo shares is post capital increase (3.4m new shares were created); FdR numbers are group share values; Banimmo NOSH reflect A shares only.

Source: Company data, ING estimates

Reported property yields, total surface, value per sqm, value of investment property, geographical breakdown

	Net property yield reported (%)		Total m ² (000)	Ref date	Avg value per m ² on ref date	Value of investment properties (€m)				Geographical breakdown of investment properties (%)												Ref date					
	2008	2009				2009	2010F	2011F	2012F	Belgium	CH	CZ	Finland	France	Germany	Italy	Lux	NL	Spain	Swed	Turk		Hu	P	PL	UK	US
	Belgium																										
Aedifica	5.6	6.5	183.9	Jun 09	1,909.2	351	435	488	490	100															Jun 10		
Banimmo	N/R	N/R	158.0	Dec 09	1,477.2	233	235	249	274	61				39											Jun 10		
Befimmo	6.3	6.5	858.3	Sep 09	2,235.1	1,918	1,834	1,830	1,827	96						4									Jun 10		
Cofinimmo	6.6	6.8	1,696.0	Dec 09	1,792.9	3,041	2,964	2,943	2,963	84				11			5								Jun 10		
Home Invest Belgium	5.9	6.1	118.8	Dec 09	1,898.5	226	224	224	224	100															Jun 10		
Leasinvest Real Estate	7.2	7.3	353.4	Dec 09	1,520.8	538	529	530	531	61						40									Jun 10		
WDP	7.0	7.2	1,303.0	Dec 09	625.8	815	840	882	899	68		4		10			18								Jun 10		
Netherlands																											
Corio	6.1	6.7	1,833.0	Mar 10	3,701.0	5,516	6,858	7,626	8,811					27	8	20	28	11		6					Jun 10		
Eurocommercial Properties	5.0	5.6	589.0	Dec 09	2,626.0	2,125	2,356	2,468	2,593					37		40			24						Jun 10		
Nieuwe Steen Investments	7.1	7.3	788.0	Dec 09	1,653.8	1,303	1,360	1,370	1,411		8						92								Jun 10		
Vastned Offices/Industrial	7.8	8.2	910.0	Dec 09	1,293.4	1,177	1,040	1,035	1,034	48					10		42								Jun 10		
Vastned Retail	6.3	6.7	673.0	Dec 09	2,765.8	1,861	2,020	2,051	2,075	16				21			37	22		3					Jun 10		
Wereldhave	6.2	6.7	1,004.0	Dec 09	2,408.6	2,418	2,646	2,848	2,920	14			19	7			19	6					8	28	Jun 10		
Luxembourg																											
Prologis European Properties	8.3	8.7	4,922.0	Dec 09	576.8	2,839	2,812	2,853	2,894	1		3		29	8	9	9	9	3		3		9	17	Mar 10		
France																											
Foncière des Murs	6.5	6.6	1,592.0	Dec 09	1,839.0	2,928	3,138	3,186	3,236	8												4			Jun 10		
Foncière des Régions	8.1	8.3	2,075.0	Dec 09	1,928.0	8,513	8,015	8,139	8,288																Jun 10		
Foncière Europe Logistique	8.1	9.0	1,830.0	Dec 09	551.8	1,010	1,040	1,068	1,097						15										Jun 10		
Italy																											
Beni Stabili	5.2	5.4	2,181.0	Dec 09	1,621.0	3,535	3,681	3,740	3,793							100									Jun 10		
Average Belgium (unw)	6.4	6.7			1,637.1																						
Average Netherlands (unw)	6.4	6.9			2,408.1																						
Average Benelux (unw)	6.6	6.9			1,891.8																						
Average France (unw)	7.6	8.0			1,439.6																						
Average Europe (unw)	6.7	7.0			1,801.4																						

Prices as at 31 December 2010

Notes: Net yields for Corio, NSI and Wereldhave are net theoretical yields, implying an assumed lease of vacant properties at market rental level; Corio portfolio incorporates the six shopping centres that were acquired on 25 March 2010; Distribution of the Banimmo portfolio only refers to the investment portfolio of standing assets and does not take into account joint ventures which are valued on cost. The FdR yield, surface and portfolio breakdown refers to the French offices portfolio. See other FdR group parts for other specific data.

Source: Company data, ING estimates