



## Hold

Recommendation unchanged

**Share price: EUR 53.13**

closing price as of 13/02/2012

**Target price: EUR 57.00**

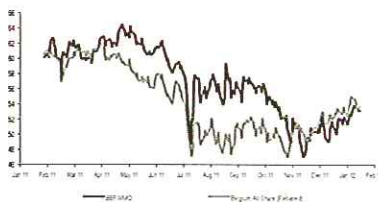
Target Price unchanged

Reuters/Bloomberg

BEFB BR:BEFB BB

Market capitalisation (EURm)	892
Current N° of shares (m)	17
Free float	81%
Daily avg. no. trad. sh. 12 mth	21,915
Daily avg. trad. vol. 12 mth (m)	1
Price high 12 mth (EUR)	64.40
Price low 12 mth (EUR)	47.11
Abs. perf. 1 mth	2.97%
Abs. perf. 3 mth	-2.06%
Abs. perf. 12 mth	-11.83%

Key financials (EUR)	09/10	12/11e	12/12e
Gross Rental Income (m)	123	153	123
EBITDA (m)	112	129	106
EBITDA margin	86.3%	79.5%	78.4%
Portfolio Result (m)	(34)	(19)	(10)
Net Financial Result	(27)	(31)	(29)
Net Profit (adj.)(m)	85	93	68
Funds From Operations	85	93	68
EPS (adj.)	5.05	5.53	4.06
DPS	3.90	4.93	3.98
IFRS NAVPS	60.60	61.35	60.34
EPRA NAVPS	61.68	60.85	59.84
Premium/(Discount)	2.3%	(18.0%)	(12.0%)
Earnings adj. yield	9.5%	10.4%	7.6%
Dividend yield	7.3%	9.3%	7.5%
EV/EBITDA	16.9	13.7	17.9
P/E (adj.)	12.3	9.1	13.1
InL cover(EBITDA/Fin.Int)	4.2	4.2	3.6
Net debt/(cash) (m)	787	866	939
Net Debt/Total Assets	39.7%	41.9%	44.5%



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## FY 2010/11 (5Q) preview

**The facts:** the company will release its FY 2011 figures (made exceptionally of 5 quarters) on Thursday 15 after market close. An analyst meeting will be organised at the same time.

**Our analysis:** As a reminder, the interim trading update (figures at end September) had beaten somewhat our expectations and guidance.

For Q5, we may in addition anticipate good earnings figures as well, having in mind the solid indexation of rents in offices of Cofinimmo during the last three months of 2011.

By contrast, and on the same comparative basis, we may also fear further negative revaluations of the portfolio in the CBD, which represents 58.4% of Befimmo portfolio while the remaining average length of leases is lower.

On top of current activity, the previous financial year has been characterised by three asset sales (Kattendijkdok in January 2011, Empress Court in March and part of a building in Brussels in June) and one acquisition (Pavillon in February 2011).

All in all, we anticipate net rental income to emerge at EUR 152.8 (from EUR 124.3m at the end of September 2011 and EUR 123.5m at the end of September 2010) compared to a consensus figure (inquiry estimates) of EUR 152m.

We expect a current EPS (exclusive of non cash costs of hedging and revaluations of the portfolio, and gain from the results of sales in the portfolio) of EUR 5.53 compared to a consensus figures of EUR 5.11.

We anticipate NAVps IFRS based to emerge at EUR 61.35 compared to a consensus figure of EUR 60.2.

**Conclusion & Action:** In addition to a good set of figures for the first four quarters, the last fifth quarter of this exceptional 15 months financial year could also benefit from indexations. Befimmo share price today has the highest discount to NAV (12%) compared to the other Belgian REITs which show a premium of 8.4%, however made of discounts for companies involved in the office segment. No change in TP and recommendation.