

## Exane Market Commentary

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### 5) Befimmo – Buys rest of Fedimmo

>As of 3 October 2012, Befimmo SCA purchased the shares (10%) of Fedimmo SA that it did not own yet and that were held, up to now, by Société Fédérale de Participations et d'Investissement ("SFPI") and by Sopima.

>Befimmo now owns all Fedimmo shares and is now the sole beneficiary of Fedimmo's results, which will have a positive impact, notably an annual increase of its estimated EPRA earnings of some €0.03 per share.

>The transaction is being partly financed half in cash (at a 10% discount to Fedimmo's NAV) and half in shares (based on NAV parity between Befimmo and Fedimmo). By acquiring the cash portion at a discount, the transaction has a small positive impact on Befimmo's NAV of EUR0.18/share.

>Befimmo's share capital increases by 3% as a result of the transaction while on a pro-forma basis, LTV rises modestly to 47% (from 45.5% at end-June).

Source: Company

#### **Exane BNPP view:**

>This looks like a sensible transaction for Befimmo, with a small positive impact on both cash flows and NAV albeit at the expense of an increase in its financial gearing.

>The Fedimmo portfolio was originally purchased in 2006 and consists of a number of buildings leased to the Belgian government, so Befimmo has increased its exposure to the most defensive part of its portfolio with this transaction.