

Exane Market Commentary

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2) Befimmo – Strategy update

>**Befimmo SCA is to purchase Befimmo SA, the Statutory Manager of Befimmo SCA, from AG Real Estate for a consideration of €21 million.**

>Full internalisation of property management activities: transfer of property management activities, currently performed by AG Real Estate Property Management, to Befimmo for a consideration of €1.

>The transformation of the corporate form of Befimmo SCA into a Limited Liability Company will be proposed to the Extraordinary General Meeting of Shareholders in December 2012. This transformation will result in the **cancellation of the perpetual yearly fee arrangement (management fee 2011 amounted to €1.6 million)**.

>The actions mentioned above would have a **net positive impact on the EPRA earnings of €0.07 per share** and a **one-off net negative impact of €1.09 per share on the NAV for 2012** and a net positive annual impact on the EPRA earnings of €0.06 per share for subsequent years.

>Befimmo confirms its strategic profile with full focus on the Belgian and Luxembourg office markets.

>Conf call at 9am UK today - +44 (0)20 304 324 42 / 72553424# or watch at

http://player.companywebcast.com/befimmo/20121031_1/en/Player.

Source: Company

Exane BNPP view:

>This is encouraging news as 1) investors, largely, did not like the external management structure as internal management structure tends to be more transparent and efficient and 2) It is earnings accretive. We would note the marginal hit to NAV although this is relatively small.

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