



Hold

Recommendation unchanged

Share price: EUR 45.28

closing price as of 03/10/2012

Target price: EUR 50.00

Target Price unchanged

Reuters/Bloomberg

BEFB.BR/BEFB.BB

Market capitalisation (EURm)	803
Current N° of shares (m)	18
Free float	81%
Daily avg. no. trad. sh. 12 mth	21,170
Daily avg. trad. vol. 12 mth (m)	1
Price high 12 mth (EUR)	57.53
Price low 12 mth (EUR)	42.72
Abs. perf. 1 mth	-3.08%
Abs. perf. 3 mth	-1.85%
Abs. perf. 12 mth	-18.17%

Key financials (EUR)	12/11	12/12e	12/13e
Gross Rental Income (m)	156	128	128
EBITDA (m)	129	105	105
EBITDA margin	78.1%	77.0%	76.6%
Portfolio Result (m)	(12)	(29)	(18)
Net Financial Result	(29)	(30)	(33)
Net Profit (adj.)(m)	105	68	65
Funds From Operations	105	68	65
EPS (adj.)	6.22	3.89	3.69
DPS	4.93	3.45	3.69
IFRS NAVPS	57.14	54.35	53.30
EPRA NAVPS	56.64	53.85	53.30
Premium/(Discount)	(12.0%)	(16.7%)	(15.1%)
Earnings adj. yield	13.7%	8.6%	8.1%
Dividend yield	10.9%	7.6%	8.1%
EV/EBITDA	14.1	17.3	17.9
P/E (adj.)	8.1	11.6	12.3
Int. cover(EBITDA/Fin.int)	4.4	3.4	3.1
Net debt/(cash) (m)	874	941	995
Net Debt/Total Assets	43.1%	45.6%	47.2%



Shareholders: AG Insurance 19%;

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From 90% to 100% in Belgian State buildings of Fedimmo

The facts: Befimmo disclosed that it has acquired the 10% of Fedimmo that it did not own yet.

As a reminder, in December 2006 Befimmo had purchased 90% of Fedimmo's equity to which the Belgian State and Sopima had previously contributed 62 buildings occupied by the federal public services. Following this transaction, Fedimmo's capital was owned by Befimmo (90%), SFPI (7.34%) and by Sopima (2.66%).

The purchase of the 10% in Fedimmo will be made half in cash and half by issuing new shares (+ 3.4%). The exchange ratio is build on NAVs (IFRS) less a discount of 10%. The operation is slightly accretive: + EUR 0.03 on EPS and + EUR 0.18 per share on NAV (EUR 57.45 on an IFRS basis while EPRA NAV is pretty similar).

LTV will increase by 1.5% to 47%.

After the operation, the State (through Société Fédérale de Participations – SFPI) will have a stake of 3.16% in Befimmo.

Fedimmo will also benefit from the Belgian REIT status.

Conclusion & Action: This operation is positive for Befimmo since it is slightly accretive not only at the issue of the operation but also in the future thanks to the Belgian REIT status of Fedimmo, while it could give somewhat more freedom to Befimmo but however also to the Belgian State. No change in TP and recommendation.