

REAL ESTATE MORNING NEWS

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Befimmo, Hold, EUR 48.8 TP

Befimmo purchased the remaining shares (10%) of Fedimmo SA that it did not own yet. We remind that these shares were held by Société Fédérale de Participations et d'Investissement (SFPI) and by Sopima. Befimmo will finance this acquisition for 50% by additional debt and the other half by creating 593,901 new shares. LTV of the company will now amount 47% vs. 45% at the H1s. The new shares will be listed as from October 5th.

Our view: Why we like this deal: i) Befimmo controls Fedimmo for 100% ii) 10% discount received on the NAV of Fedimmo (we assume because of the illiquidity of the shares) iii) net current result will increase by EUR 0.03/share. This is just weird as Befimmo liked the stake of the government (which showed commitment of the State) and the Befimmo share is trading at a higher discount than the 10% granted by the State on Fedimmo.