

15 March 2013

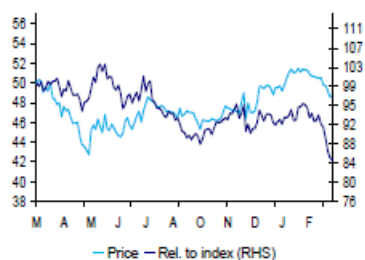
BEFIMMO

Judicial police search at the company's HQ

REAL ESTATE INVESTMENT TRUSTS
BELGIUM

CURRENT PRICE € 48.68
TARGET PRICE € 50.00

HOLD
RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg	BEFB.BB
Reuters	BEFB.BR
www.befimmo.be	
Market Cap	€ 817.3m
Shares outst.	16.8m
Volume (daily)	€ 949,452
Free float	77.6%

Next corporate event

General Assembly 12: 24 April 2013

(€ m)	2012	2013E	2014E
Current Result	74.9	74.9	73.2
Portf. Result	-46.0	-14.4	-4.2
Net Profit	29.0	60.5	69.0
Adj. EPS (€)	4.25	4.06	4.08
NAV (€)	54.1	54.7	54.9
P/E (x)	11.2	12.0	11.9
DPS (€)	3.45	3.45	3.45
Dividend yield	7.2%	7.1%	7.1%

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Summary:

The judicial police conducted a search at the company's HQ related to the contract between Fedimmo and the Finance Federal Service in Liège. Befimmo and Fedimmo certify that they strictly complied with all legal procedures.

News:

In 2009, Fedimmo, a subsidiary of the Sicafi Befimmo, was granted the public promotion tender for a building to be erected and to host the Finance Federal Service ("SPF Finances") in Liège. In the meantime, construction of the Finance tower has begun.

This 14 March 2013, the judicial police conducted simultaneously several searches, including one at the Company's head office with regard to this case.

Befimmo and its subsidiary Fedimmo hereby certify that they strictly complied with all legal procedures with regard to this case.

Befimmo and Fedimmo are, of course, available for the judicial process to answer any questions they could have in this regard.

Our View:

We remain neutral related to this investigation and welcome the company's transparency by sending this press release.

However, if we would make a worst case scenario, Befimmo could lose this contract with the Finance Federal Service leading to a potential loss of projected rents of € 5.5m annually (25 years lease contract) and this as of June 2014, when the new building would be entered into service. On a net basis our pro forma calculations show a drop in annual recurring EPS of € 0.25. However, we believe this building could quite easily find new tenants given its sustainable character and excellent location nearby the train station.

Conclusion:

We make no changes to our estimates or investment case.