

Exane Market Commentary

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Authors: Vishal Lakhani

5) Befimmo – Purchases Blue Tower office funded by private placement

>Befimmo purchased all shares in Blue Tower Louise SA, owner of the Blue Tower office building from Morgan Stanley P2 Value for EUR78.5m

>The office is located in the Louise District of central Brussels and has 24,535m sq m of office space, 3,600 sq m of archive space, 285 sq m of commercial space and 332 parking spaces over 25 floors

>Current gross rents are EUR5.4m (gross initial yield 6.9%). Occupancy is 95.9% and average lease duration 9.08 years. Based on full letting, the property has a gross potential yield of 7.5%.

>To fund the purchase Befimmo launched a private placement of up to 637,371 treasury shares (3.33% of outstanding shares) to institutional investors by means of an accelerated bookbuild offering

>Following the placement EPRA EPS should increase by €0.03 in 2013, €0.06 in 2014 and €0.07 in 2015 and LTV will increase by 0.4% at Dec-13

>Befimmo completed the private placement of 637,371 treasury shares at a price of €49 per share, raising €31.2 million

Source: Company

Exane BNPP view:

>This transaction is inline with its strategy and is modestly accretive to earning for limited impact on leverage.

>The placing appears to have been completed at a c4.5% discount to yesterday's closing price.

European Real Estate Calendar

16-May-13 Befimmo - Q1 IMS (post mkt)

Exane Real Estate Team:

Specialist Sales

Vishal Lakhani: Vishal.Lakhani@exanebnpparibas.com+44 203 430 8706

Analysts

Nick Webb (UK): Nick.Webb@exanebnpparibas.com +44 203 430 8419

Valerie Guezi-Jacob (Cont. Europe): valerie.guezi@exanebnpparibas.com +44 207 039 9505

To contact the entire team, e-mail realestate@exanebnpparibas.com

Corporate Access

Claire Mogford: Claire.Mogford@exanebnpparibas.com +44 203 430 8417