



Half year results 2011

August 29th , 2011



AGENDA

- ❑ Important events of the half year 2011 at a glance
- ❑ Portfolio description
- ❑ Analysis of the results
- ❑ Forecasts and goals for 2011
- ❑ Financial calendar

IMPORTANT EVENTS OF THE HALF-YEAR 2011 AT A GLANCE

- **Portfolio evolution**
 - 2 successful sales (Clamart and Antwerp Expo) and 1 acquisition (Secrétan)
 - Built to suit developments evolving positively:
 - Electrolux 8,242 m² delivered end June 2011 (as foreseen)
 - VMM 7,200 m² under Project Management fee of €1.5 Mio
 - Active pipeline to generate new transactions/projects
 - Limited change in portfolio value (€-0.1 Mio)

- **Half year results**
 - Recurrent income increasing by 19%
 - €3.03 Mio capital gains
 - Operational result (EBIT) increasing by 110%

- **Financial management**
 - Refinancing of syndicated loan, for a period of 5 years and an amount of € 120 million
 - Reinforced hedging for years 2014-2016

DYNAMIC PORTFOLIO EVOLUTION

Investments

- Secrétan (*April 2011 – 3,800 m²*)
 - Paris city-center retail development through emphyteotic lease and real estate development contract (CPI) for a contractual amount of €12.0 Mio.
 - Delivery scheduled in 2013. Preletting nearly achieved.



Divestments

- Clamart (*May 2011- 8,000 m²*)
 - Sales price of € 20 Mio (yield of 7%)
 - Capital gain of €3.03 Mio and IRR of 37% during holding period
- Antwerp Expo (*July 2011, after closing – 22,635 m²*)
 - Sale of an exposition hall to Artexis
 - Sales price of € 17.1 Mio (yield of 9.2%)
 - Capital gain of €1.05 Mio and IRR of 13% during holding period



DYNAMIC PORTFOLIO EVOLUTION

▪ Built to suit and renovations

- Electrolux 8,242 m² delivered end June 2011 (as foreseen)
Start of leasing as of 01/07/2011
- VMM 7,200 m² under Project Management fee of €1.5 Mio
Delivery scheduled Q1-Q2 2012
- Vaugirard Renovation (2,083 m²) under way. Letting up process under way
- Eragny Redevelopment planned for end 2014 after extension of lease with Castorama for an additional 3 years at current rent of 1.476 k€



CITY MALL

- Participation of 38.25% in the development of the 3 projects of City Mall in the city-centers of Verviers, Namur & Charleroi for a total investment of € 54.15 Mio

- **Verviers**

- Catchment area: 350,000 consumers & 53,000 habitants
- Covered shopping mall of 29,700 m² GLA with 1,180 parking spaces
- Pre-letting on 31/12/2010: 21% signed and 39% in various stages of negotiation
- Timing
 - Building permit: Q4 2011 pending appeals introduced at Council of State
 - Start construction: Q4 2011 based on pre-letting
 - End construction: Mid-year 2014

- **Namur**

- In the city center, next to the central railway station (at the beginning of Rue de Fer)
- Catchment area: 350,000 consumers & 108,000 habitants
- Shopping mall of 18,500 m² GLA with 1,030 parking spaces
- Timing:
 - Submission building planning permit :September 2011
 - Obtaining building permit: March 2012
 - Start construction: June-Sept 2012
 - End construction: 2015

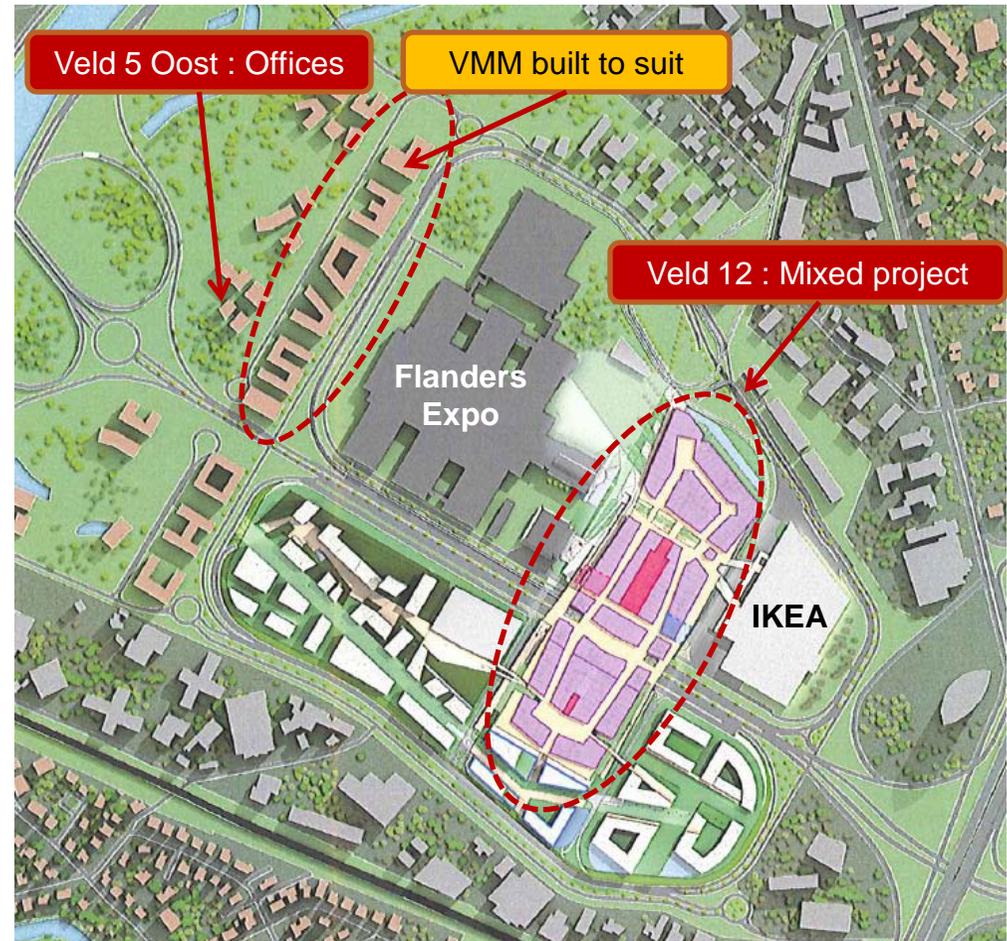
- **Charleroi**

- Acquisition of nearly 7 hectares located on the “Charleroi Expo” site
- Catchment area: 650,000 consumers & 200,000 habitants
- Scope of shopping mall still to be defined with city by Q4 2011
- Downside risk limited in view of low acquisition price for 7 hectares



THE LOOP

- Banimmo has a participation of 25% in Grondbank The Loop, owner of the land
- Development of offices on Veld 5
 - Constructible area of +/- 45,000 m²
 - First development ongoing with development of a built to suit office building (7,200 m²) for the Vlaamse MilieuMaatschappij with delivery expected in Q1 2012-Q2 2012. Development will meet highest environmental standards
 - Ambition to move forward with other corporates
- Development of a mixed project on Veld 12 anchored by a retail complex (Design Outlet Factory)
 - Constructible area of +/- 100,000 m² made of a.o.
 - Retail (+/-35,000 m²)
 - Offices (+/-20,000 m²)
 - Leisure (+/-15-30.000 m²)
 - Pre-development phase under way with a specialised operator in view of a joint offer in order to acquire the land



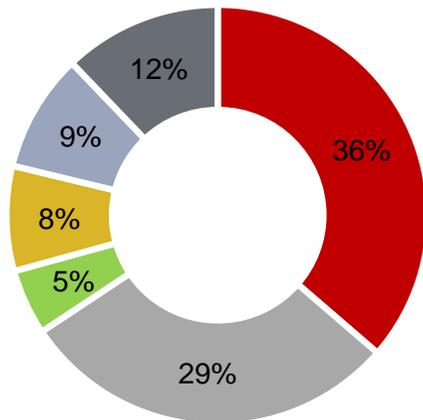
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- ❑ **Portfolio description**
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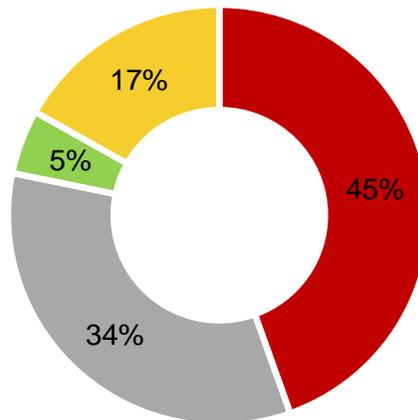
BANIMMO'S PORTFOLIO DISTRIBUTION

By investment type



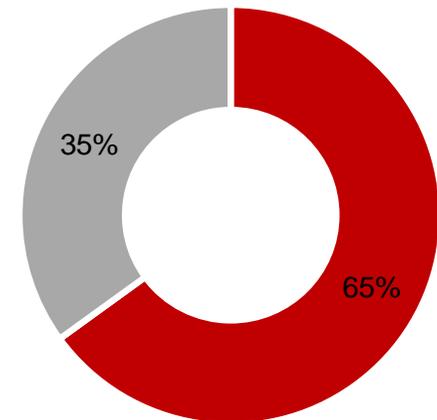
- Stocks
- Investments
- Montea + Atlantic Cert.
- Joint-Ventures (excl. Dolce & City Mall)
- City Mall
- Dolce conference centers

By asset type



- Offices
- Retail (incl. City Mall)
- Warehouse (Montea)
- Conference centers

By country



- Belgium
- France

New investment of Secrétan (Halle Baltard) realized in April 2011 will have a future impact as it is an engagement with future capital expenditures: will increase share of retail segment and of French portfolio

BANIMMO'S PORTFOLIO INDICATORS

Total surface of real estate portfolio (IAS 2 & IAS 40) (in m²) **163,327**

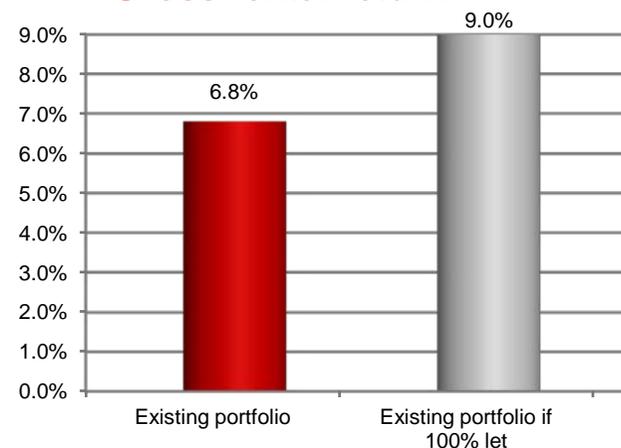
Of which	Offices	89,373
	Retail	27,378
	Warehouse	24,748
	Other	21,828

Portfolio value (in € Mio) **414**

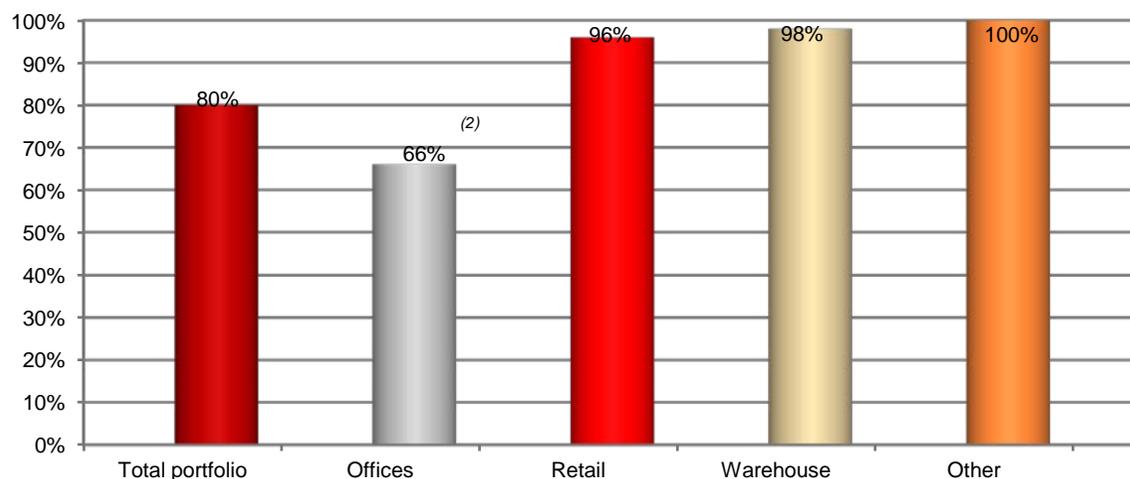
Current rent (in € Mio) 18.6

Rent if fully let 24.4

Gross rental return (1)



Occupancy rate global portfolio

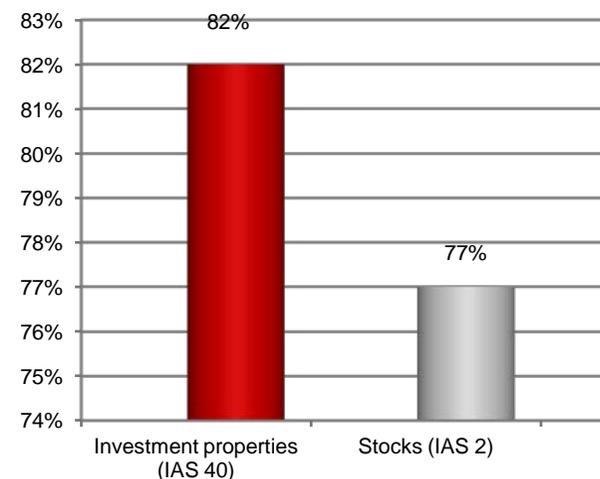


(1) Based on Gross rent divided by value of properties (IAS 40 -investment properties and IAS 2 -stocks)

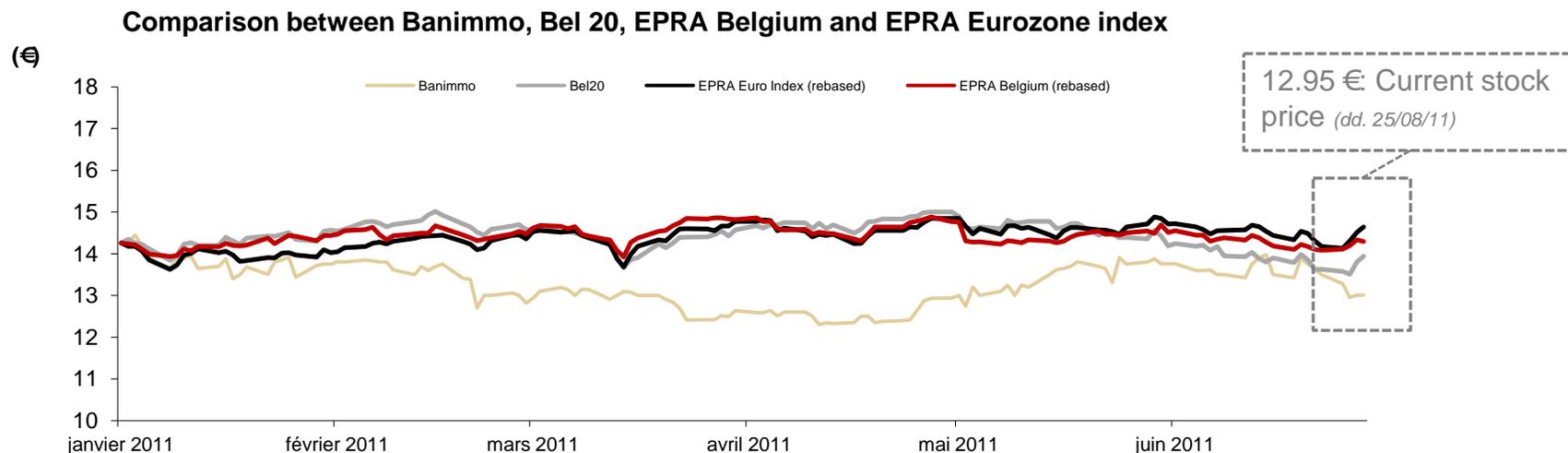
(2) Impact leave of tenant on Alma Court (as of June 30th 2011)

August 29th, 2011

Occupancy rate per type



BANIMMO'S STOCK PRICE STANDS AT NAV



Current stock price of € 12.95 € only slightly higher than NAV per share of €12.17 (premium of 6.4%)

As a reminder, the NAV of Banimmo is obtained on the basis of assets booked and valued based on various methods:

- Fair Value : 41%
- Historical Acquisition Price : 54%
- Depreciated Historical Cost : 5%

Premium/discount of share price vs NAV for Belgian real estate companies

Offices Reits ⁽¹⁾	Retail Reit's ⁽¹⁾	Atenor ⁽²⁾	Immobel ⁽²⁾
-1%	11%	53%	-37%

(1) Based on Degroof Belgian REIT overview 01-08-2011

(2) Based on share price dd 29/08/2011 and on Shareholders funds dd 31/12/2010

CONFERENCE CENTERS ARE LARGELY UNDERVALUED IN BANIMMO'S ACCOUNTS

- Conference centers are being valued according to IAS 16 norm. As a consequence
 - Assets are depreciated and net result is negative
 - Accounting wise, financial participation is decreasing (even if participation is generating positive CF) (€1 mio at 30/06/2011) and will further decrease due to depreciation charge

Asset value⁽¹⁾ Dolce La Hulpe⁽²⁾ 60.4 Mio

Asset value⁽¹⁾ Dolce Chantilly 42.6 Mio

Total Asset value 103.0 Mio

Net Financial Debt (06/11)⁽³⁾ 46.0 Mio (will further decrease as a consequence of yearly amortisation)

Shareholder debt (06/11) 33.5 Mio

Equity Value 23.5 Mio

Banimmo's part (49%) 11.7 mio



1.0 mio bookvalue of participation

More than €10 mio undervaluation of participation compared to conservative asset value made by independent appraiser, representing nearly 1 €/s

(1) Based on independent appraisal from CBRE Hotels London ordered by financing banks and based on DCF methodology of a business plan discounted at conservative rate of 11% for Dolce La Hulpe and 9.75% for Dolce Chantilly

(2) Including offices building on the site

(3) Financial debt being amortized for an amount of €2.5 mio in 2011 and 2012 and €3.0 mio as of 2013

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INCOME STATEMENT

€ '000	2010 H1 (after retreatment following IAS 2 adoption)	2011 H1
Net rental income	6,525	7,774
Other income (commissions on JV)	469	1,207
Share in the result of companies accounted by the equity method	1,926	1,643
Recurrent income	8,920	10,623
SG&A	(3,684)	(3,948)
Other costs	(879)	(557)
(Recurring current result) REBIT	4,357	6,119
Net result of sale on real estate operations & companies accounted EM	0	3,028
(Current result) EBIT	4,357	9,147
Net financial costs	(3,041)	(3,782)
EBT	1,316	5,365
Taxes	(224)	(230)
Net current result	1,092	5,135
Deferred taxes	190	(1,263)
Variations of fair value on investment buildings (IAS 40)	(2,652)	(79)
Value loss/gain on stocks (IAS 2)	-	-
Variations of fair value on hedging instruments	(4,617)	2,247
Net Result	(5,987)	6,041

KEY ELEMENTS OF THE INCOME STATEMENT

- Net rental income: €7,774 K vs. €6,525 K on 30/06/2010: increase of 21.8%
 - Increase of 22% linked to new lettings and contribution of assets acquired during H2 2010
- Other income: Increase to €1,207 K linked to fees for VMM and Electrolux projects
- Contributing companies accounted by the equity method: €1,643 K vs. €1,926 K on 30/06/2010
 - Montea: €1,262 K for 14.8% versus loss of € 106 K for 23.26% in 2010 H1
 - Sale of 8.5% of Montea shares generating capital gain of €800 K
 - Better operational efficiency – decrease of vacancy of Montea
 - New acquisitions
 - Positive fair value adjustments on investments and hedging instruments
 - Dolce La Hulpe and Dolce Chantilly: €152 K versus €297 K in 2010
 - Hotel sector bottoming out, particularly in France with increase of ADR
 - Trends 2011 positive
 - Expiry of expensive historical hedging instruments will have positive impact of € 1Mio on fin. charges

In '000 €	La Hulpe 30/06/2010	La Hulpe 30/06/2011	Chantilly 30/06/2010	Chantilly 30/06/2011	Consolidated 30/06/2011
Turnover	10,371	10,907	7,599	8,041	18,948
EBITDA (excl. except.)	2,059	2,312	1,377	1,484	3,689

KEY ELEMENTS OF THE INCOME STATEMENT

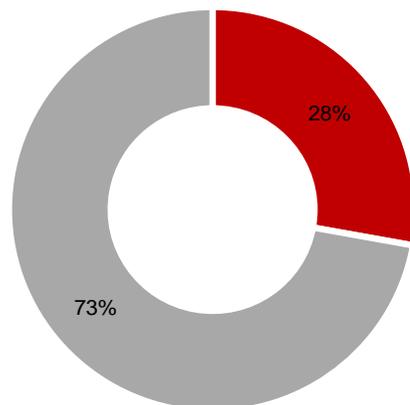
- The Loop
 - Overall development plan defined by Grondbank The Loop (25% Banimmco)
 - Site divided into various fields and Banimmco interested to develop V12 (Retail+Leisure) and V5 (Offices)
 - First office development for VMM (7,200 m²)– Project Management fee granted to Banimmco
 - Partnership agreement with specialized operator for Design Outlet Center
- Bordeaux JDQ
 - Occupancy rate of 83% (only building 5 has an important vacancy)
 - Decrease of contribution (€458 K vs €1,553 K) linked to lower fair value increase
- City Mall
 - Participation generates structural loss of €149 K but also generates fin. income of €800 K on mezzanine financing
- Operational charges: €3,948K vs. €3,684 K on 30/06/2010
 - After decrease of 10% in 2010, increase is linked to non-recurring elements
- Capital gains of €3,028 K linked to sale of Clamart
- Net financial charges of €3,782 K: Increase mainly the result of increased indebtedness
- Net Current result: €5,135 K vs. €1,092 K on 30/06/2010

FINANCIAL MANAGEMENT

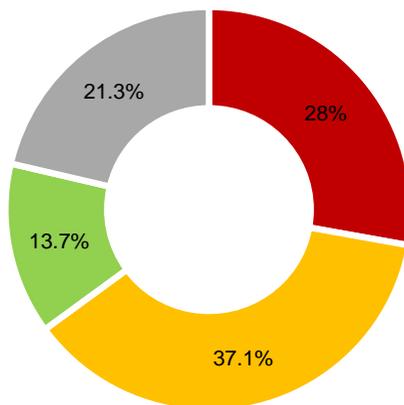
Key ratios	30/06/2010	31/12/2010	30/06/2011
Net debt (€ Mio)	170.8	242.5	216.0
Net debt/shareholders equity	1.39	1.77	1.56
Fin debt/Total assets	53.8	60.0%	56.7

We wanted and obtained a well diversified and hedged funding structure

Financing base before hedging Financing base after hedging



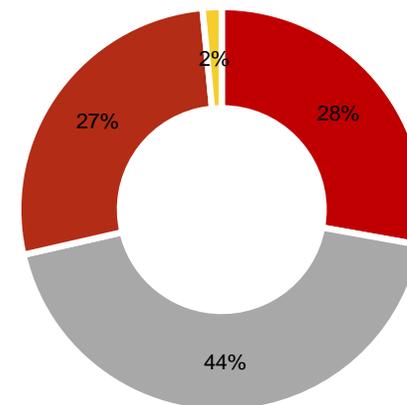
■ Fixed ■ Floating



■ Fixed ■ Hedging ■ Swaps ■ Floating

Nearly 80% of debt is now hedged or based on fixed rate

Funding source diversification



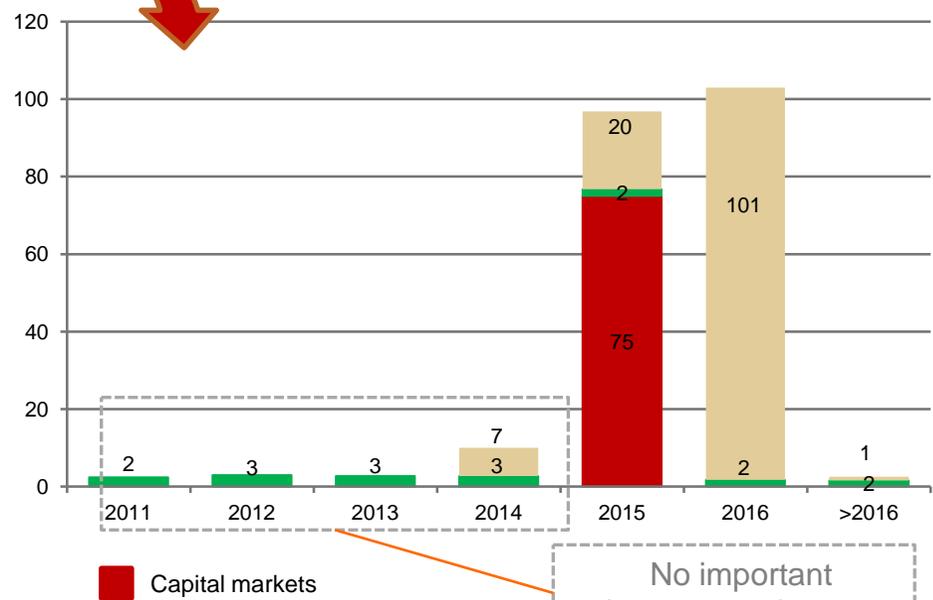
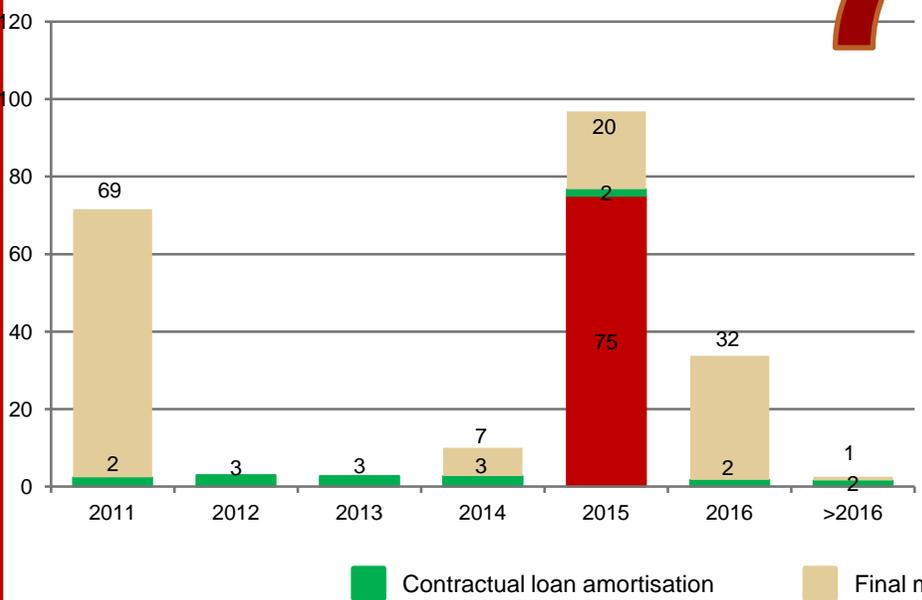
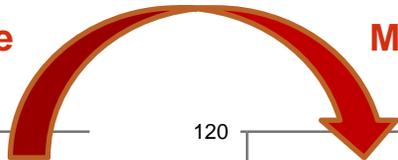
■ Bond
■ Syndicated loan
■ Bilateral credits (Asset based)
■ Finance lease

Well-diversified financing sources: Dependence from syndicated credit has progressively been decreased through signing of bilateral loans and bond issuance

NEW CLUB DEAL AVOIDS REFINANCING RISK BEFORE 2015

Maturity profile of financial debt before refinancing syndicated loan

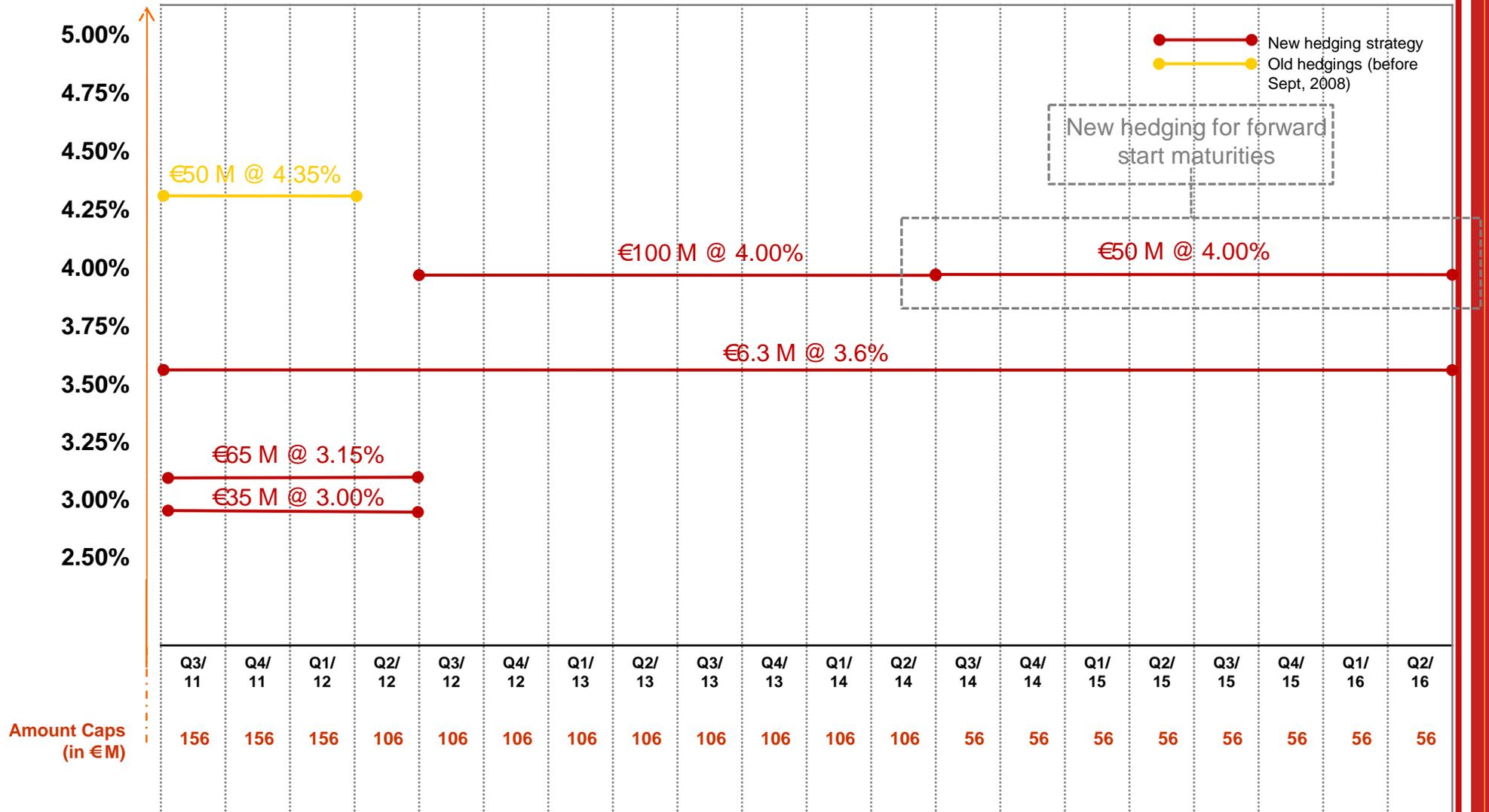
Maturity profile of financial debt after refinancing syndicated loan



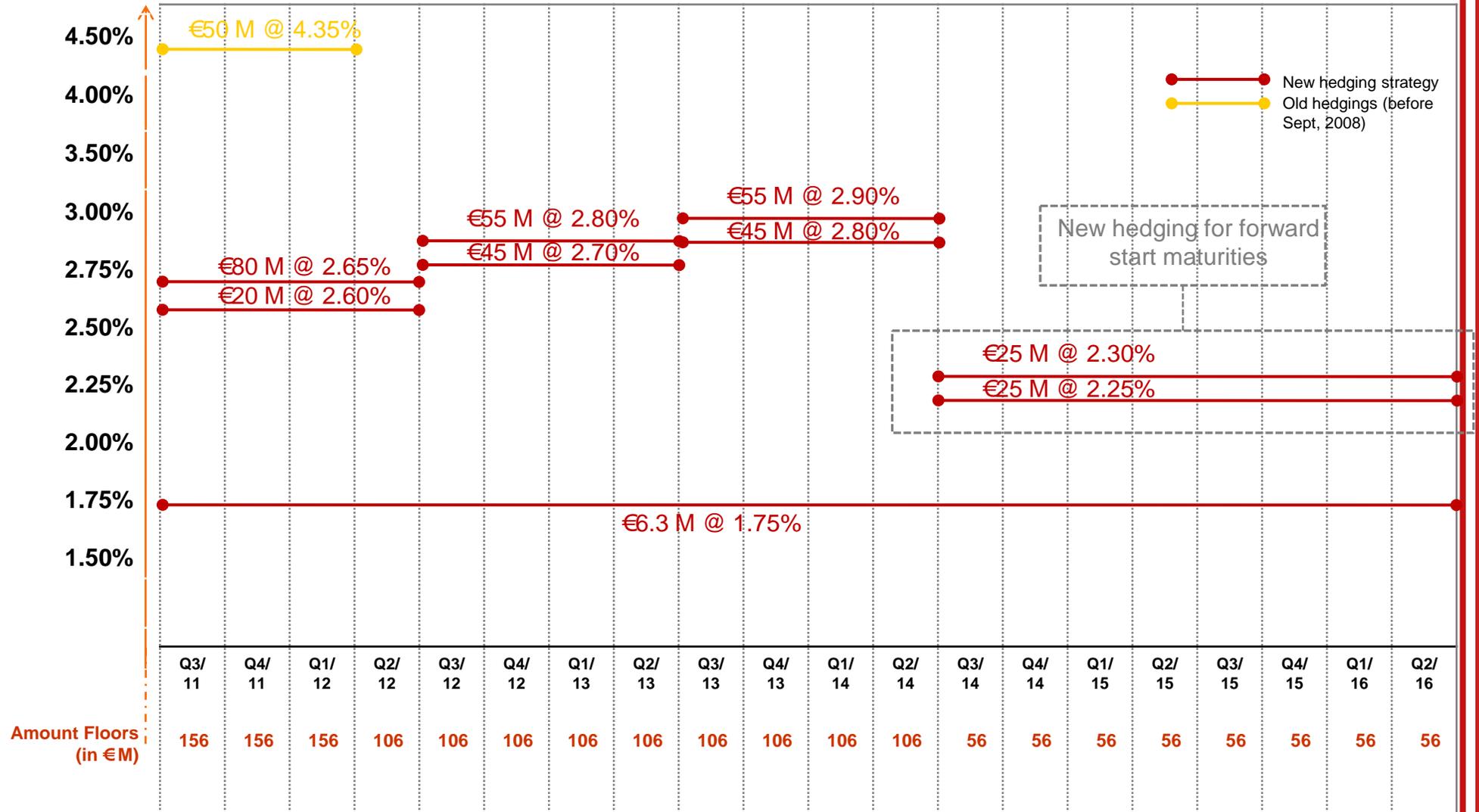
No important refinancing before 2015

- Exit of existing syndicated loan (4 banks) into a club deal with two banks (ING-KBC):
 - Duration of 5 years (till 09/2016)
 - Nominal amount of € 120 Mio
 - Revolving type with LTV ratio of 65%
- Average cost of debt H1 2011:
 - 4.7% (hedging instruments included) versus 4.5% in 2010 (still important impact of Floor of €50 Mio @ 4.35%)

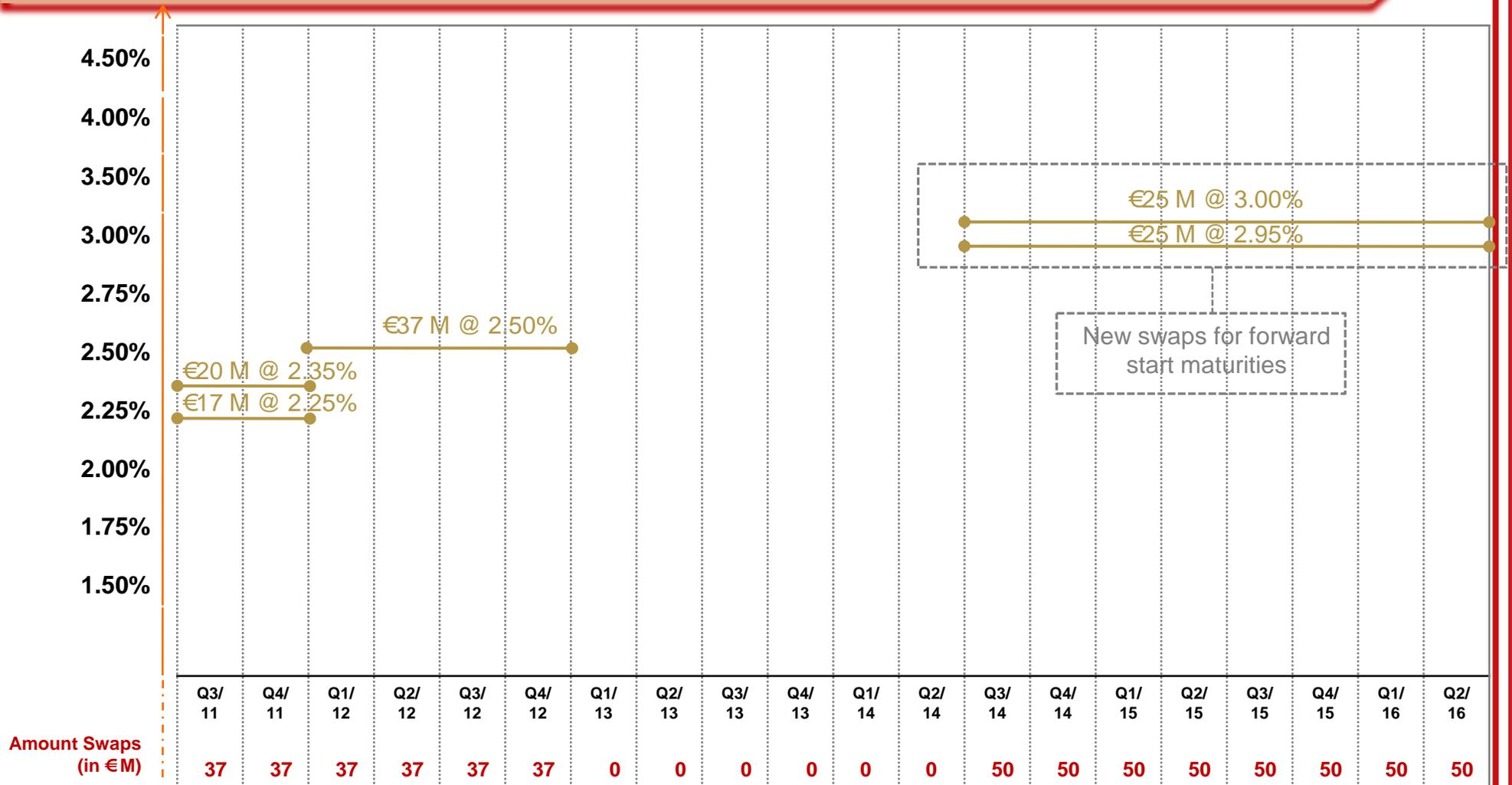
Hedging strategy: overview of caps



Hedging strategy: overview of floors



Hedging strategy: overview of step-up swaps



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FORECASTS AND GOALS FOR 2011

- Total sale objective of € 65 Mio
 - Already €37 Mio achieved
 - Several transactions in process in order to achieve minimal targets
- Montea
 - Sale of shares realized in H1 2011 has allowed Banimmo to go back to its initial holding level
 - Remains strategic participation and no further share sales is planned
- Pipeline of “built to suit” products in discussion (3 assets) for decision in 2011
- Increasing opportunities to reposition aging assets and conversion into “sustainable” assets
- Focus on retail will persist:
 - Less vacancy on Retail compared to Offices and attractive investment segment currently sought by investors
 - City Mall: Progress of pre-lettings for Verviers, secure permits for Namur and define scope & timing for Charleroi
 - The Loop: breakthrough on this retail development opportunity after signing of partnership agreement
 - Important pipeline of Banimmo France

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FINANCIAL CALENDAR

- Trading update Q3/2011 November, 2011
- Communication annual results 2011 February, 2012
- Trading update Q1/2012 May , 2012
- Ordinary General Assembly May 15th, 2012
- Dividend payment May 25th, 2012
- Communication half-year results 2012 End of August, 2012



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