

UPDATE AT 30 JUNE 2006 OF THE VALUATION
OF THE REAL ESTATE PORTFOLIO



Creating Value in Real Estate

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- **Book value at €65.60 per share**
 - **Dividend forecast confirmed**
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REAL ESTATE PORTFOLIO AND BUSINESS DEVELOPMENT

The total value of the property portfolio was €1 072.7 million at 30 June 2006 as against €1 064.6 million at 30 September 2005. These values are established in accordance with standard IAS 40 which requires investment property to be booked at “fair value”. This is calculated by deducting transaction costs of 2.5% from the “investment value”.

| (million euros) | 30/09/2005 | 30/06/2006 |
|------------------------------------|----------------|----------------|
| PROPERTY | 1 063.2 | 1 071.2 |
| ▪ Offices | 1 031.1 | 1 044.7 |
| - Brussels CBD | 666.7 | 678.0 |
| - Brussels Decentralised | 143.9 | 146.7 |
| - Brussels Suburbs | 205.1 | 204.4 |
| - Other | 15.4 | 15.6 |
| ▪ Semi-industrial | 26.6 | 26.5 |
| ▪ Commercial¹ | 5.5 | 0 |
| REAL ESTATE CERTIFICATES | 1.4 | 1.5 |
| TOTAL REAL ESTATE PORTFOLIO | 1 064.6 | 1 072.7 |

At a constant floor area, the value of Befimmo’s real estate portfolio has grown overall in relation to the start of the fiscal year. At 30 June 2006, it was worth €1 071.2 million (up 1.15% in relation to 1 October 2005).

This increase – recorded during the first three quarters of the fiscal year – is explained by the high proportion (63.3%) of the portfolio in the Central Business District (CBD), one of the main planks of Befimmo’s strategy. Despite a relatively slack rental market, property values

¹ As a reminder, in November 2005 Befimmo disposed of its only commercial property located in Charleroi.

did rise in the district (+1.63% for Befimmo) to reflect investors' demand for quality rented property.

A similar trend is observed in the decentralised areas for good buildings that are highly visible and accessible by public transport. The value of Befimmo's portfolio has thus grown by 1.39% since the start of the fiscal year.

The suburban portfolio, on the other hand, has further dropped in value (-0.45%), mainly because the abundant supply of property on the rental market has been putting pressure on rents. A certain recovery of demand in the private sector is nevertheless slowing the rate of the drop in value.

The occupancy rate² – calculated taking account of all the buildings in the portfolio – is currently rising, at a constant floor area, from 92.8% at the start of the fiscal year to 93.6% at 30 June 2006.

NET ASSET VALUE AT 30 JUNE 2006

The total (unaudited³) value of Befimmo's net assets at 30 June 2006 was €42.5 million. The book value was €5.60 per share, up on the value of €5.48 (including the gross dividend of €4.80 per share distributed on 22 December 2005) at the close of the 2005 fiscal year.

Over the year ending at 30 June 2006, the return amounted to 12.3%⁴ (including the capital gain of €13.6 million realised on the disposal of the Borschette building in September 2005)⁵.

The Sicafi's leverage at 30 June 2006 was 40.8%, generating an investment capacity through debt of some €765 million⁶.

KEY FIGURES

| | From 01/04/2005 to 30/06/2005 | From 01/10/2004 to 30/06/2005 | From 01/04/2006 to 30/06/2006 | From 01/10/2005 to 30/06/2006 |
|------------------------------------|--|--|--|--|
| Turnover (million €) | 19,6 | 59,0 | 19,0 | 56,9 |
| Net cash flow (€/share) | 1,32 | 3,98 | 1,24 | 3,66 |
| Net current cash flow (€/share) | 1,32 | 3,98 | 1,24 | 3,70 |
| Net profit (€/share) | 1,12 | 3,84 | 1,68 | 4,91 |
| Net current profit (€/share) | 1,12 | 3,84 | 1,68 | 4,87 |

² Occupancy rate = current rent (including area let but for which the lease has yet to begin) / (current rent + estimated rental value for unoccupied area).

³ Auditing of the accounts: the half-yearly accounts (at 31 March) are audited in April and the annual accounts (at 30 September) in October.

⁴ This return is calculated as the percentage ratio between the book value at 30 June 2006 (€65.60) plus the gross dividend of December 2005 (€4.80) and the book value at 30 June 2005 (€62.70) minus one.

⁵ Following Befimmo's press release of 22 September 2005.

⁶ Following the publication on 21 June of the new Royal Decree on real estate Sicafs, amending the Royal Decree of 10 April 1995, maximum leverage was raised from 50% to 65% of the total value of the assets.

Note that these reductions in turnover and cash flow in relation to the previous fiscal year are basically caused by a change in the floor area, namely the strategic disposal of the Borschette and Charleroi buildings. Together, these buildings attracted an annual rent of some €4.1 million.

CURRENT FISCAL YEAR: CASH-FLOW, RESULT AND DIVIDEND FORECASTS CONFIRMED

For a constant floor area, the **current net cash flow** per share should be close to the figure of €4.82 per share as forecast in the press release of 2 February 2006.

All other things being equal, Befimmo can therefore confirm its **dividend** forecast of €4.92 per share gross or €4.18 net as announced in the 2005 annual report.

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