

PRESS RELEASE

Regulated information
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Consolidated accounts as at December 31, 2011

- **Stable recurrent net rental income.** The income of the assets acquired in 2010 compensates the rental income of the assets sold in 2011.
 - **Banimmo has completed four sales transactions generating a net capital gain of €4.19 million, whereas no sale was realized in 2010.**
 - **Weakening of the contribution of companies consolidated by the equity method (decrease with €3.48 million) mainly due to fair value adjustments on real estate assets and hedging instruments.** The operational performances of these participations remain good and in line with expectations.
 - **The operational result progresses from €10.05 million to €15.06 million (+50%).**
 - **The net current result increases from €2.6 million to €6.97 million (+168%).**
 - **The intrinsic net value ⁽¹⁾ amounts to €14.52 per share.**
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1. ACTIVITIES ON THE PORTFOLIO

A. Leases

The net rental income amounts to €14,308 K versus € 14,260 K in 2010.

The stability of the income is achieved thanks to a compensation of the rental income on the sold assets (Clamart, Antwerp Expo, Lozana and Saran in Orléans) by the rental income of the assets acquired in Eragny and Rouen, and the rental income on the Electrolux building.

In December, two important lettings have been completed: 1,040 m² in Alma Court (Brussels) and 3,791 m² in Corvettes (Paris).

On December 31 2011, the average occupancy rate of the investment properties reached 79% versus 83% as at 31 December 2010.

B. Redevelopments and built to suit developments

The new headquarters of Electrolux in Evere (Brussels) have been delivered on June 30, 2011 and let according to a VAT leasing agreement.

Acting as delegated principal, Banimmo will deliver the future headquarters of the *Vlaamse Milieu Maatschappij (VMM)* in Ghent. Works are nearly achieved and delivery is scheduled in April 2012.

In Eragny, the tenant Castorama has been stabilized until 2014, after which redevelopment works of this retail surface will start.

The repositioning of the Vaugirard gallery in Paris is underway with a modified and extended work program.

C. Investments and sales

In the course of the first semester, Banimmo won the public tender, organized by the City of Paris, for the heavy renovation of a *Halle Baltard*. The project develops 3,800 m² retail area that was already largely prelet. The renovation studies have been launched.

Banimmo, in partnership with a private partner, has been selected for the construction of a built to suit office building in Charleroi.

Banimmo has been active on the disposal side with the first sales transactions in its French portfolio. Four transactions have been completed for a total net amount of €51.96 million (asset value):

- The retail complex in Clamart has been sold for a net amount of € 19.60 million generating an IRR of 37%.
- Antwerp Expo has been sold to its tenant on the basis of an asset value of € 17.1 million. The transaction generated an IRR of 13%.
- The building Lozana has been sold in December on the basis of an asset value of €15.45 million. The transaction generated an IRR of 16% during its holding period .
- One of the two retail assets near Orléans has been sold for a net amount of €2.58 million. This operation generates an IRR of 9% during its holding period. The second retail asset is put up for sale.

2. COMMENTS ON THE RESULTS

Consolidated Income statement	K €	K €
	31/12/2010	31/12/2011
Recurrent income	17,703	18,954
of which net rental income	14,260	14,308
gross rental income	17,466	17,502
rental costs	-3,206	-3,194
of which management fees and commissions	1,274	2,065
of which shares in the result of companies accounted by the equity method	2,169	2,581
Other operational costs on building	-826	-167
Operational and administrative costs	-7,072	-7,919
Other income	0	0
Recurrent operational result (REBIT)	9,805	10,868
Net result of transfers on real estate operations	254	4,195
Net result of transfers on participations of companies accounted by the equity method	0	0
Operational result (EBIT)	10,059	15,063
Net financial costs	-7,264	-7,931
Dividends	88	39
Result before taxes	2,883	7,171
Taxes	-283	-198
Net current result	2,600	6,972
Variations of fair value on investment buildings (IAS 40)	-2,978	-2,869
Variations of fair values on hedging instruments (IAS 39)	-2,745	-1,530
Variations of fair value in the result of companies accounted by the equity method	2,589	-1,301
Change in value on inventories (IAS 2)	400	0
Deferred taxes	590	-112
Result of the financial year - continued activities	456	1,161
Result of the financial year - activities abandoned	0	0
Result of the financial year	456	1,161
Minority interests	0	-2
Result of the financial year - group share	456	1,163
Attributable to:		
- Company shareholders	456	1,161
- Minority interests	0	-2
Total number of shares	11,356,544	11,356,544

Key figures	31/12/2010	31/12/2011
Coverage ratio of recurrent income to operational costs	2.57	2.34
<u>Figures per share</u>		
Average number of A shares	10,318,172	10,318,172
Average number of B shares	1,038,372	1,038,372
<u>Basis result diluted per share (in €)</u>		
Shares A	0.04	0.10
Shares B	0.04	0.10

Balance sheet	31/12/2010	31/12/2011
<u>Total Balance Sheet</u>	410,320	376,260
of which investment buildings	113,057	84,166
of which fixed assets	1,528	1,577
of which investments in companies accounted by equity method	60,165	60,779
of which long-term financial assets	41,033	54,969
of which inventory	162,888	151,544
of which cash	3,514	5,390
<u>Equity Capital (before allocation)</u>	136,758	133,322
Long-term financial debts	223,615	212,178
Short-term financial debts	22,397	4,165

Banimmo's recurrent revenue is generated by three main sources:

- - The net rental income
- - The management fees and commissions within the framework of partnerships
- - The share in the results of companies consolidated by the equity method.

The **net rental income** amounts to €14,308 K versus €14,256 K in 2010 due to the reasons mentioned in point "Letting".

The **fees and commissions** reached €2,064 K versus 1,274 K in 2010.

The realization of the two "built to suit" buildings are the main contributors of this item.

The **share in the profits/losses of companies consolidated by the equity method** amounts to € 1,280K against € 4,758 K in 2010. This important variation of €3,480 K is mainly attributable to non cash fair value variations on real estate and hedging instruments. The operational performances of these participations remain good and satisfying.

This result is broken down as following :

i. Montea

The percentage of this participation has changed in comparison to 2010. Banimmo has sold shares on the market, generating a capital gain of €747,238. Banimmo holds now a participation of 14.8%, versus 23.26% previously. Having subscribed shares during the capital increase launched by the company in June 2010, Banimmo found that this participation exceeded the desired commitment level.

The operational results of Montea remain very satisfying.

The net current result, excluding non realized items, amounts to €10,244,311 versus €7,938,401 in 2010.

The fair value variations on real estate assets and hedging instruments amounted however to -4,419,896 and € -4,917,543, which brings the net accounting result of the exercise back to €906,751, versus 8,223,544 in 2010.

The dividend of Montea will remain stable.

ii. SNC Les Jardins des Quais (Bordeaux)

The contribution of this Joint Venture amounts to €632,068, versus €2,169,363 in 2010.

From an operational point of view, the results are increasing further to higher rents and thus a higher turnover of the SNC. In addition to increasing rents, the retailers of the center also experienced a substantial growth on average of their own turnover.

The outlook for renting up the last vacant building in 2012 is good.

The decline in contribution is attributable to a change in fair value that is less important in 2011 compared to 2010.

iii. Grondbank The Loop

After having realized land sale transactions to Ikea in 2009 and to Participatie Maatschappij Vlaanderen in 2011, the company continues and completes the redevelopment of the different plots of land that the company owns on this important site.

In the course of 2012, the company expects to reach pre-development agreements for fields 3, 5 and 12.

For 2011, the contribution to the results of Banimmo is negative up to €250,530 versus a positive contribution of €298,919 in 2010.

Unlike previous years, there has been no land disposals in 2011.

iv. Conferinvest (Dolce La Hulpe – Dolce Chantilly)

Conferinvest holds the two conference centers hotels in Brussels and Paris that are being operated by Dolce International.

The year 2011 confirmed the trend of 2010 that saw a revival in the hotel sector.

In Chantilly (Paris), the turnover increased from €14,775,623 to € 15,711,276 and the operational result (EBITDA) increased from €2,516,140 to €3,526,053.

In La Hulpe (Brussels), the turnover went from €21,020,604 to €21,422,016 and the operational result (EBITDA) from €3,914,021 to €4,487,883.

The decrease of the financial indebtedness of the two hotels continues gradually with almost €2,500,000 per year.

When deducting financial charges and depreciation (IAS 16) and other non-cash items, the contribution to the consolidated results amounts to €773,306 versus €824,543 in 2010.

v. City Mall

As a result of the project development costs, the contribution of this company is negative up to €304,159 versus a loss of €223,781 in 2010.

This loss is attributable to charges that cannot be activated.

The project in Verviers underwent a series of delays.

Indeed, the permits were delivered but have been the object of appeals introduced at the Region and thereafter at the Council of State.

In January 2012, the Council of State suspended the positive decision of the Region. This suspension will cause a delay in the project timing, which will have an impact on the accrued financial charges and thus on the margin. The company analyzes with regional authorities how to regularize the means that have been invoked by the Council of State to suspend the permit.

The project in Namur is progressing positively and in accordance with its initial time-schedule with a building permit demand that should be introduced in the second semester of 2012.

City Mall continues its studies in order to develop a multifunctional project on an important land area.

The **net financial charges and dividends** amount to €9,422K versus €9,921K in 2010.

The gross financial charges amounted to €9,206K versus €6,833K in 2010. As a reminder, the bond issue of €75 million has been placed in April 2010 and an important part of this financing source has been allocated to finance the acquisition of the participation in City Mall, that generates an annual financial revenue of €2,253K.

The financial charge paid on the hedging instruments amounts to €2,642K and will decrease automatically as from March 2012 following the end of hedging contracts that had been concluded before the crisis of 2008.

The ratio « Net financial debt on total balance sheet » amounts to 56.1% versus 59.1% in 2010.

The **net current result** before fair value adjustments (IAS 40 and IAS 39) amounts to €6,972K versus €2,600K in 2010, which represents an increase of 168%.

The net fair value adjustments on real estate assets and hedging instruments have known an important volatility and a significant variation during the last year, and especially during the last 6 months. Compared to the results as at June 30, the not realized fair value adjustments record a negative variation of €5.42 million.

The **net consolidated result** part of the group amounts to €1,163 K versus €456K in 2010.

3. FORECASTS AND POST CLOSING EVENTS

Banimmo is working on several non-speculative acquisition and development transactions in the retail, conference center and office segments. In this framework, Banimmo has obtained in France an exclusivity to perform a due diligence for the acquisition of a retail complex of 5,300 m² in Paris.

Banimmo considers to realize several asset disposals in 2012 with a sales objective that could amount to up to €80 million. The degree of success of this objective will depend on market conditions.

4. DIVIDEND

The Board of Directors will propose to the General Meeting of Shareholders the payment of an ordinary gross dividend of €0.27. Compared to the net current result, this represents a payout ratio of 44%.

5. AUDITOR'S CERTIFICATION

The statutory auditor confirmed that its audit of the draft consolidated balance sheet and income statement is substantially completed and has to date not revealed any significant misstatements. The statutory auditors also confirmed that the financial accounting information included in this press release is in all material aspects in accordance with the draft financial statements from which the information is derived.

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(1) Intrinsic net value methodology : figure that hasn't been audited.

This value is the sum of i) the investment properties, valued at their net market value according to experts (IAS 40), ii) buildings in stocks (IAS 2), valued at their historical cost and iii) financial participations valued at their stock market. For the Joint-Ventures, City Mall is valued at its historical acquisition cost; Les Jardins des Quais, The Loop and the Dolce hotels are valued at market value according to experts. From this overall sum, the net financial debt of the company is deducted.

About Banimmo

Banimmo, a real estate company for repositioning and redevelopment, acquires buildings that have a high potential for redevelopment in order to re-sell them after transformation. The company, which is active in Belgium, in France and in Luxembourg in the office, retail and semi-industrial sectors, as well as in conference and exhibition centres, is established in Brussels. Its subsidiary, Banimmo France, covers the French market from its headquarters in Paris. The company has thirty employees. Until now, the Banimmo group has invested in around 27 real estate properties representing a total value of more than € 392 million. Belgium constitutes the predominant market, with 65% of the portfolio in terms of market value. France represents 35% of Banimmo's portfolio. The portfolio is continually evolving thanks to the ongoing repositioning and to the high rotation of the assets. Banimmo is listed on Euronext Brussels. Currently the company is held by the SIIC Affine (49.61%) and the management (25.05%) that have signed a shareholder agreement. The remainder, that is 25.34%, is in the hands of the public.