

## **PRESS RELEASE**

Regulatory information.

**Sustained real estate investment activity with the completion of acquisitions for a total amount of €58.9 million, excluding investment in renovation and development. Those investments will sustain the growth of the recurrent income.**

**Economical operational result (EBIT) of €6.68 million at mid-year not comparable with result of first semester 2007 due to the absence of real estate transfers.**

**Positive evolution of the Conference Centres, in particular Dolce La Hulpe, which is confirming its commercial success.**

29<sup>th</sup> August, 2008

### **Activities on the portfolio**

Concerning rentals, Banimmob has improved the occupancy rate of some buildings, in particular the Atlantic House tower in Antwerp which is nearly fully occupied.

In France, the leasing of the shopping centre of Clamart in Paris which will be acquired during the second half of the year is developing favourably with a current filling rate of 67%. The contribution to the cash-flow in the second half of the year will amount to €1,500,000, including a right to a non-recurrent lease payable by Intermarché.

The commercial repositioning of the complex in Bordeaux is developing favourably with several commercial leases taking effect in the second half of the year.

The contribution of this asset in the consolidated results of the year, however, still remains marginal.

Overall, the occupancy rate stands at 88%, a slight decrease in comparison with 31 March. This is due to the entrance into the perimeter of the North Plaza building, whose occupancy rate is 80%.

The net rental income increased with 23% during the half year and will improve significantly during the year 2008.

Concerning the activities affecting the perimeter, Banimmob has concluded different significant operations.

- Banimmo completed the takeover of the Unilever site in Forest in cooperation with the Montea Sicafi, last March.  
The investment of €25.9 million generates a net rental income of €1,800,000 on an annualised basis.  
Within the framework of this operation, Banimmo strengthened its investment in the Montea Sicafi in two stages, to reach 23.14% of the capital.  
Banimmo intends remaining at this level.
- Banimmo concluded the takeover operation of the North Plaza building for an amount of €32.3 million.  
This acquisition brings the takeover bid initiated at the end of 2007 to a favourable end. On an annualised basis the investment generates a net rental income of €2,200,000.  
This real estate property certificate liquidation which is meant to occur in the near future will make it possible to recuperate €9,300,000 in cash, an amount currently invested in the real estate property certificates undergoing liquidation.

As at 30 June and excluding the investment in renovation and development, Banimmo invested an overall amount of €71.0 million (of which €12.4 million in Montea) in line with its objective for the growth of the portfolio to €500 million.

In terms of disinvestment, Banimmo has transferred its 33% minority participating interest in the capital of Devimo, the management company for shopping centres, to Fortis Real Estate.

This operation generated a net capital gain of €3,448,000.

The same was the case for the French company JM Consulting. This transfer did not have any impact on our accounts.

Banimmo is thus re-focussing on its activity as an investor.

Via its participation in Grondbank The Loop and with its partner the city of Ghent, Banimmo is continuing to set up the infrastructures of the site "The Loop". A first transfer of a 39,739 m<sup>2</sup> plot of land to IKEA should materialise at the end of the year.

## Comments on the results

<b>CONSOLIDATED INCOME STATEMENT</b>		K €	K €
		<b>1st semester 2008</b>	<b>1st semester 2007</b>
<b>Recurrent income</b>		7.175	5.975
of which net rental income from investment buildings		6.376	5.196
Gross rental income		7.775	6.564
Rental costs		-1.399	-1.368
of which management fees and commissions		347	596
of which share in the result of companies by the equity method		452	183
Other operational costs on buildings		-70	-460
Operational and administrative costs		-3.843	-3.267
Other income		0	0
<b>Recurring operating result (REBIT)</b>		<b>3.262</b>	<b>2.248</b>
<b>Net result of transfers on the real estate operations</b>		<b>0</b>	<b>12.891</b>
<b>Net result of transfers on participations of companies by the equity method</b>		<b>3.424</b>	<b>0</b>
<b>Operating result (EBIT)</b>		<b>6.686</b>	<b>15.139</b>
Net financial costs		-2.787	-4.208
Dividends		191	366
<b>Result before taxes</b>		<b>4.090</b>	<b>11.297</b>
Taxes		-379	97
<b>Net operational result</b>		<b>3.711</b>	<b>11.394</b>
Variations of fair value on investment buildings		-2.798	2.768
Variations of fair value on hedging instruments		1.015	1.434
Deferred taxes		271	-531
Result of the financial year - continued activities		<b>2.198</b>	<b>15.065</b>
Result of the financial year - activities abandoned		0	0
<b>Result of the financial year</b>		<b>2.198</b>	<b>15.065</b>
Attributable to:			
- Company shareholders		2.198	15.065
- Minority interests		0	0
Number of shares weighted average		11.356.544	8.653.100
<b>KEY FIGURES</b>		K €	K €
		<b>1st semester 2008</b>	<b>1st semester 2007</b>
Coverage ratio of recurring revenue to operational costs		1,83	1,60
Net operational result per share	<u>Figures per share</u>	0,33	1,32
<b>BALANCE SHEET</b>		30.06.2008	31.12.2007
<u>Total Balance Sheet</u>		327.499	233.289
of which investment buildings		225.485	167.933
of which fixed assets		27.310	14.505
of which investments in companies by equity method		37.020	11.052
of which long-term financial assets		25.030	29.793
of which inventory		894	894
of which cash		1.677	1.524
<u>Equity Capital ( before allocation)</u>		141.481	157.452
Long-term financial debts		86.023	21.931
Short-term financial debts		60.679	27.029

The recurring income of Banimmo originates from three sources: the net rental income, the management fees and commissions arising from the partnerships, and the share in the results of the companies accounted by the equity method.

The net rental income amounts to 6,376 K€ versus 5,196 K€. This improvement, which is going to be increased in the second half of the year, arises essentially from 100% occupancy of the shopping centre of Verviers, from the impact of six full months of the asset Antwerp Expo, and from the entry into the perimeter of new acquisitions in the first half of the year, named the Diamond Building in March (465 K€) and North Plaza at the end of June (95 K€).

The fees and commissions amount to 347 K€ in comparison with 596 K€. They are basically connected to the follow-up of the participation in the Dolce Conference Centres.

No commission related to the joint venture with Pramerica in France is envisaged for the year 2008.

The share in the profits/losses of companies accounted by the equity method amounts to 452 K€ in comparison with 183 K€. This amount is made up principally of the SNC Jardin des Quais (-585 K€), Devimo (315 K€), Montea (446 K€), Conference Centre (372 K€) and The Loop project in Ghent (-127 K€).

- SNC Jardin des Quais  
The commercial repositioning is following its course favourably with several rentals that will take effect in the second half of the year. The half-year result is therefore temporary.  
SNC expects to reach at least a break even at the end of the year.
- Montea  
The participation in Montea is being accounted by the equity method starting in April 1, 2008.  
Banimmo is consequently integrating its share of 23.14% into the consolidated profits and losses of the company for the second quarter to be compared with the dividend of 366 K€ paid in 2007. At the time of this first integration and according to the IFRS rules, Banimmo integrated a net increase of own capital of 426 K€.
- Devimo  
The figure of 315 K € refers to our share in the profits and losses until the transfer date.
- The Loop Ghent  
The company Grondbank The Loop has initiated the infrastructure works of the project. In the second half of the year, the company should proceed with the transfer of three plots of land, among them, in

particular, the 39,739 m<sup>2</sup> plot taken over by IKEA, which will build a 30,000 m<sup>2</sup> store and 1,271 parking places there.

Consequently, the contribution of this investment will be positive for the year.

- La Hulpe and Chantilly Conference Centres

The contribution went from – 471 K€ to 372K €. Dolce La Hulpe is mentioned for six full months of activity in comparison with four months in 2007.

The commercial success of this centre is being confirmed with a strong increase in the turnover and an occupation rate of 61.9% exceeding expectations. The forecasts for the second half of the year remain positive. Moreover, since 2007, Banimmo has rented additional spaces to Swift and SCA Packaging.

New meeting rooms have been built and completed in August. The construction work of a top of the range SPA centre operated as franchisee by the international company “5 Mondes” was launched with an opening for the beginning of 2009.

In the third quarter, Dolce Chantilly will terminate its renovation work, which amounted to €7.4 million, financed by its own funds.

These works harmed the operation by limiting the reception capacity of the Centre.

In spite of this, it was possible to maintain the occupation rate of 69.1%.

<b>Key figures (6 months)</b>			
(K €)	<b>Dolce la Hulpe</b>	<b>Dolce Chantilly</b>	<b>Total</b>
TURNOVER	<b>10,300</b>	<b>8,356</b>	<b>18,656</b>
EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTISATION (EBITDA)	<b>2,605</b>	<b>2,037</b>	<b>4,642</b>
TURNOVER INCREASE			<b>+28%</b>
EBITDA INCREASE 07/08	<b>+270%</b>	<b>+1.4%</b>	<b>+156%</b>

Note: the contribution to the consolidated profits and losses amounts only to 372 K € due to the financial charges but also to the weight of the amortisation of assets (2,025 K€).

Bearing these amortisations, unusual for a real estate company, is explained by the classification of the assets as operational buildings but does not at all reflect a reduction in the economic value of the centres.

The operational and administrative costs amount to 3,843 K€ compared to 3,267 K€ representing an increase of 18%. This increase was foreseen due to the strengthening of the teams, mainly in France.

The other items did not experience any significant change.

The capital gains on transfers are related exclusively to the sale of the participation in Devimo.

For the second half year Banimmo expects booking price supplements on prior operations.

Banimmo is negotiating the sale of two assets. Contrary to the quarterly release, Banimmo expects to realise this transfer during the second half of the year.

The net financial costs reaches 2,787 K€ in comparison with 4,208 K€. These figures are difficult to compare from one half year to the other due to the realisation of the capital increase which had no effect on the half year of 2007. The acquisitions completed in the course of the first half of 2008 as well as operations carried out after 30 June or foreseen between now and the end of the year will increase the financial charges.

The significant rise in the interest rate is without impact for Banimmo, due to the interest rate coverage instruments contracted below 4% and the confirmed bank lines for which the conditions have remained unchanged since 2006.

The net operational result reaches 3,711 K€ compared to 11,394 K€; as explained, this difference results from the absence of the sale of real estate assets in the first half of the year.

Strong variations from one half year to the next will be frequent due to a different schedule of completions from one year to the next.

The net consolidated half-year result amounts to 2,198 K € as compared to 15,065 K € for the same reasons.

The net consolidated asset on the basis of the IFRS standards amounts to 12.45€ per share and underestimates the value of the company. The Board of Directors repeats that this net asset is not very relevant for evaluating the value of the company, considering the fact that a major part of the portfolio (conference centre and assets under extensive renovation or in development) has not been the subject of a re-evaluation at the "fair market value" by experts.

#### Forecasts

The portfolio has increased noticeably from 224 million € as at 31 December 2007 to 315 million € as at 30 June 2008. This increase will gradually strengthen the rental revenues and the announced objective of 14 million € will be surpassed.

Banimmo aims to make 50 million € of new investments over the second half of the year.

The achievement of an economical operational result (EBIT) 2008 close to the result reached in 2007 will depend on certain transfers of assets that remain to be carried out in an uncertain economic climate.

The complete results of the first half of the year as at 30 June 2008 are available on the company's Internet site [www.banimmo.be](http://www.banimmo.be) as well as the auditors' report.

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