

# **Equivalent information required for admission to trading of 493,571 new shares in accordance with Article 18 § 2 d) of the Belgian Law of 16.06.2006**

## **1. Introduction**

On 20.03.2008 the Board of Directors took the decision to issue 493,571 ordinary shares on the occasion of a contribution in kind within the authorised capital. The company has requested the admission to trading of the 493,571 new shares on Eurolist by Euronext Brussels.

During the 12-month period preceding the issue of the above shares, the company issued, including these 493,571 shares, a total of 1,219,071 shares, representing over 10% (11.2%) of the number of ordinary shares already admitted to trading at the time of issue of the 493,571 shares.

Under Article 18 § 2, d) of the Law of 16.06.2006 on the public offering of securities and the admission of securities to trading on a regulated market, the admission to trading of shares allotted in exchange for contributions other than by way of cash does not require a prospectus provided that the information made available to the public is considered by the Banking, Finance and Insurance Commission to be equivalent to the information which needs to be provided in a listing prospectus.

## **2. Description of the issue**

### **- The transaction**

On 20.03.2008 Cofinimmo acquired all the shares of Medimur, a limited company incorporated in France, by means of (i) a contribution in kind amounting to 83% of this company's shares, and (ii) the acquisition in cash of the remaining 17% of the shares.

- The contribution in kind by the company SCI Foncière du Troncq, the property company owned by the Austruy family, of 83% of the Medimur shares to Cofinimmo has been financed by the issuing of 493,571 new ordinary Cofinimmo shares, for a total amount of € 63.0 million. The new Cofinimmo shares are entitled to share in the results as of 01.01.2008 (first dividend payable in 2009). The issuing price of the new shares has been set at € 127.63, which corresponds to the average share price on Euronext Brussels (adjusted for the different date of entitlement to share in the results) between 19.02.2008 and 19.03.2008. This average is higher than the intrinsic value projected as at 20.03.2008 (€ 124.03, also adjusted for the different date of entitlement). The protocol agreement signed with Foncière du Troncq set the issuing price at the higher of the two values, which is in conformity with Cofinimmo's policy.

The 493,571 new ordinary shares which Cofinimmo issued on the occasion of the contribution in favour of the Contributors are of the same class and enjoy the same rights and advantages as the existing Cofinimmo ordinary shares. As from their creation, and excepting what is set out below, these shares are subject to all the provisions of the Cofinimmo articles of association.

The new ordinary shares to be issued by Cofinimmo will be entitled to a share in the profits with effect from 01.01.2008 and have an entitlement to the dividends for 2008 (dividend payable in 2009) and following years.

Cofinimmo will apply for a listing for the new shares on Euronext Brussels following detachment of the 2007 coupon (Coupon No 16), payable on 06.05.2008.

- The balance of the shares held by minority shareholders, that is 17%, was also acquired against payment on the same date by Cofinimmo in the form of a share transfer. The price paid for these shares was € 13,306,665. Cofinimmo also acquired a bond convertible into Medimur shares, a financial instrument under French law which will be redeemed at maturity, on 31.12.2009, by the issue of 3,869,000 Medimur shares. Cofinimmo will never become the issuer of the convertible bond, but only the holder.

### **- Financing**

In spite of the sharp turbulences prevailing in the financial markets, Cofinimmo financed this important acquisition under favourable conditions. New equity is issued at a price per share 2.9% above the intrinsic value (in which the portfolio is evaluated in investment value, i.e. without deduction of transaction costs). The purchase for €26.3 million of the remaining Medimur shares and the bond convertible into Medimur shares is financed by the use of credit lines already available to Cofinimmo. Finally, the existing debt of the Medimur Group (€ 116.3 million) has today been entirely refinanced by a bank loan with margin conditions only 10 basis points (0.10%) above the average banking margins applied to the entire Cofinimmo loans before this transaction.

### **- Cofinimmo France**

Medimur, whose name has been changed to *Cofinimmo France SA*, holds directly and indirectly 32 care institutions spread throughout France:

- 14 aftercare and rehabilitation clinics (*Soins de Suite et de Rééducation, SSR*) ;
- 6 psychiatric clinics; and
- 12 nursing homes (*Établissements d'Hébergement pour Personnes Agées Dépendantes, EHPAD*).

These 32 care institutions (128,000 m<sup>2</sup> - 2,473 beds) are operated by the Korian (21 institutions, 80,500 m<sup>2</sup>) and Méditer Groups (11 institutions, the remaining m<sup>2</sup>). The leases have average residual terms of 6.5 years (Korian) and 11.5 years (Méditer). Under the terms of these leases, the tenants are entirely responsible for maintenance and repairs to the buildings. The portfolio has been acquired for an investment value of € 229.0 million at 31.12.2007 and an initial yield of 6.25 %, which reflects notably the higher land values in France.

This acquisition, which will allow it to consolidate its real estate operations in the health care sector and to gain a foothold in France, ties in with the Cofinimmo investment policy as defined in its last Annual Report and increases the company's market capitalisation. Incorporating this portfolio therefore meets the criteria defined in the Cofinimmo strategy.

Cofinimmo will create a management structure in France and apply for the status of Société d'Investissement Immobilier Cotée (SIIC), similar to the Sicafi status in Belgium. The Cofinimmo share will then also need to be listed in France, which will have a positive impact for the Cofinimmo shareholders, in terms of both image and profile.

The procedures for obtaining the status of Société d'Investissement Immobilier Cotée (SIIC) and a listing for the Cofinimmo ordinary share on Euronext Paris will be set in motion shortly.

### **3. References to the documents made available**

Under Article 18 § 2, d) of the Law of 16.06.2006 on the public offering of securities and the admission of securities to trading on a regulated market, the following information is available to the public (website and in printed form):

[Press release of 14/02/2008](#)

[Press release of 20/03/2008](#)

[Instrument of contribution of 20/03/2008](#)

[Report by the Board of Directors prepared in accordance with Article 602 of the Company Code](#)

[Report by the Auditor prepared in accordance with Article 602 of the Company Code](#)

[Annual Report 2005](#)

[Annual Report 2006](#)

[Annual Report 2007](#)

[Corporate Governance Charter](#)

[Coordinated articles of association of Cofinimmo](#)