

CHARTER of the AUDIT COMMITTEE
(Latest update: 10 December 2009)

INTRODUCTION	2
I. ROLE	2
II. RESPONSIBILITIES	2
1. Financial Reporting	2
2. Internal control – Risk management and compliance	3
3. Internal audit	3
4. External audit: the external auditor	4
5. Other responsibilities	5
III. COMPOSITION	5
IV. OPERATION OF THE AUDIT COMMITTEE	5
1. Planning, agenda and participation in meetings	5
2. Notice of meetings and prior transmission of documents	6
3. Resolutions	6
4. Minutes of meetings	7
5. Report on activities	7
V. POWERS	7

Introduction

The Audit Committee is a consultative body of the Board of Directors.

The Audit Committee reviews its charter on a regular basis and, where applicable, submits proposed modifications that it deems desirable for the approval of the Board of Directors.

This Charter of the Audit Committee was adopted by the Board of Directors on March 24, 2005. A modified version was adopted by the Board of Directors on February 8, 2006 and it was last modified on 10 December 2009. Furthermore, the Secretary General is authorised to make all formal changes to the text he deems necessary at any time.

This Charter conforms to the Belgian Corporate Governance Code of 12 March 2009. If the Company does not comply with one or more of the provisions of the above Code it will explain the reasons in the Corporate Governance Declaration

I. Role

The role of the Audit Committee is to assist the Board of Directors in:

- Monitoring the process of preparing financial information;
- Monitoring the effectiveness of the company's internal control and risk management systems;
- Monitoring the internal audit and its effectiveness;
- Monitoring the legal control of the annual and consolidated accounts, including follow-up of the questions and recommendations formulated by the external auditor and, as the case may be, by the auditor responsible for checking the consolidated accounts ;
- Examining and monitoring the independence of the external auditor and, as the case may be, of the company auditor responsible for checking the consolidated accounts, in particular as concerns the provision of additional services to the company.

II. Responsibilities

In carrying out its remit, the Audit Committee has the following functions and responsibilities:

1. Financial Reporting

- a. Supervising the integrity of financial statements and press releases relating to Cofinimmo's financial performance with particular emphasis on:
 - any changes in the valuation rules and related accounting principles;
 - important points connected with a value judgement by the Management;
 - modifications requested by the external auditor;

- compliance with accounting standards and the legal and regulatory provisions applicable in particular to listed companies.
- b. Examining any other published document and verifying that the information it contains is consistent with that contained in the company and/or consolidated annual financial statements.
- c. Examining with the Executive Committee and, where applicable, the external auditor, the interim financial statements as well as any financial communication or publication intended for the shareholders, analysts and/or the general public.

2. Internal control – Risk management and compliance

- a. Making sure that the appropriate risk management and control systems have been set up and proposing possible options so as to reduce the risks identified as being significant and monitoring that such systems are operating properly.
- b. Examining the information about internal control and risk management procedures published in the Annual Report.
- c. Examining the results of any inquiries undertaken within the Company as a consequence of fraud, errors or for any other reason, the decisions taken by the Executive Committee on these occasions and, where applicable, formulating its own recommendations.
- d. In the event of a conflict of interest, ensuring particularly that the relevant provisions of the law and regulations in force, as well as the rules of Corporate Governance, are rigorously applied in the Board of Directors and the Committees.
- e. Examining the specific arrangements that the company's staff may use to communicate their concerns about any irregularities related to the preparation of financial information or other matters confidentially.
- f. Examining the efficacy of the systems put in place to ensure compliance with all provisions of the law and regulations and those of the Code of Conduct.

3. Internal audit

- a. Examining proposals by the Executive Committee concerning the appointment and replacement of the person responsible for the Internal Audit.
- b. Examining periodically the efficacy of the Internal Audit, as outlined in the Internal Audit Charter, in particular by analysing its operational procedures, the scope and pertinence of its activities and the respect for its necessary authority by those audited; taking decisions on changes to the Internal Audit Charter to be submitted to the Board of Directors.
- c. Examining the scope of the audit work and plans, including the respective specific audit assignments of the internal and external auditors; guaranteeing the coordination of audit activities to promote comprehensive coverage of the

audit function while avoiding duplication of work, particularly as between the Internal Audit and External Audit.

- d. Holding a private meeting with the internal auditor, where no representative of the Executive Committee is present, at least twice a year. The internal auditor and management controller have the status of key contacts of the Audit Committee. In this capacity, they have access to the Audit Committee on their own initiative whenever they so wish.

4. External audit: the external auditor

- a. Formulating recommendations to the Board of Directors concerning the appointment of the company's external auditor or renewal of his mandate, the amount of his remuneration and, where applicable, his revocation.

- b. Defining, where applicable, by agreement with the company's external auditor, the nature, scope and cost of his mission, for work not covered by his statutory duties.
- c. Analysing problems and reservations arising from the work of the external auditor and any other matter that the latter wishes to address, if need be, in the absence of members of the Executive Committee
- d. Examining the scope of the respective audit work and plans of the internal and external auditors.
- e. Holding a private meeting with the external auditor, where no representative of the Executive Committee is present, at least twice a year.

5. Other responsibilities

- a. Formulating recommendations to the Board of Directors in matters falling within the province of the Audit Committee
- b. Accomplishing any other tasks assigned to it by the Board of Directors.

III. Composition

The Audit Committee comprises at least three non-executive directors, of whom at least two are independent, within the meaning of article 526b of the Companies Law. They are appointed by the Board of Directors on the proposal of the Chairman of the Board, after consulting the Appointments, Remuneration and Corporate Governance Committee, for a three-year term of office. However, this term may be extended by a maximum of two further consecutive three-year periods, provided that the members continue to satisfy the independence criteria.

The Board of Directors guarantees continuity within the Audit Committee by operating a policy of partial renewal of its members. To this end, it may appoint certain members for a shorter period. The Board may revoke the mandates of Committee members before their term of office expires.

The Chairman of the Audit Committee must be an independent director. He is appointed by the Board of Directors. The Chairman of the Board may not chair the Audit Committee, but has a permanent invitation to attend all its meetings

All the members of the Audit Committee must possess in-depth knowledge of financial and accounting matters.

Where a member of the Audit Committee no longer holds the office of director, this automatically results in the termination of his term of office in the Committee

IV. Operation of the Audit Committee

1. Planning, agenda and participation in meetings

The Audit Committee meets as often as is necessary for the performance of its duties

and in any case at least three times a year. Extraordinary meetings may be convened by its Chairman, whenever the need is felt or at the request of one of its members, by the external auditor, the internal auditors or by the Board of Directors. Members are expected to attend all the meetings of the Committee.

The Chairman of the Audit Committee, in consultation with the CEO, draws up the agenda for each meeting of the Audit Committee. The Executive Committee or one of its members may ask the Chairman of the Audit Committee to add an item to the Committee's agenda.

The Audit Committee ensures that free and open communications exist with the Executive Committee. It may invite to its meetings any person whose presence it considers may be useful.

2. Notice of meetings and prior transmission of documents

In principle, members are notified at least seven calendar days before the Committee meeting. However, the notification period may be shorter if (i) the Chairman of the Audit Committee thus decides, owing to unforeseen circumstances or where (ii) all the members agree to this shorter notification period.

The notice states the date and venue of the meeting as well as the agenda.

At the request of the Chairman of the Audit Committee, information and data of vital importance to the good understanding of the matters to be discussed at the meeting are prepared by the Executive Committee or by any other person designated by the Chairman of the Audit Committee and reviewed by the latter. This documentation and the draft minutes of the previous meeting are distributed in written form to each member before the end of the week preceding the meeting. The members are supposed to have examined the documents before the meeting. In the case of matters which it would be too delicate to put in writing, these will be outlined at the meeting with full disclosure of the circumstances.

The Chairman of the Audit Committee is responsible for ensuring that all information received by the members is accurate, complete and clear. The Executive Committee has an obligation to provide all necessary information, but the Audit Committee can request any clarification that it wishes.

Between Committee meetings, only the Chairman of the Audit Committee may communicate directly with members of the Executive Committee to request additional information. The other members can submit their questions via the Chairman

3. Resolutions

The resolutions of the Audit Committee are taken by a majority vote. If there is a tie vote, the Chairman has the casting vote.

The Audit Committee may invite to its meetings or to part of these meetings the external auditor, the internal auditor, the management controller, the Finance Director as well as any other member of the Executive Committee or of the Company's staff.

4. Minutes of meetings

The Secretary-General, or a person designated by him by joint agreement with the Chairman of the Audit Committee, has responsibility for the secretariat of the Audit Committee and for preparing the minutes of meetings. These minutes set out the different points of view expressed at the meeting as well as the final position adopted by the Committee. A copy of the minutes is forwarded to the Executive Committee.

The minutes are held at the disposal of all members of the Board of Directors as well as the external auditor at the general secretariat

5. Report on activities

The Audit Committee communicates its conclusions, recommendations and/or proposals to the Board of Directors after each meeting

Furthermore, under the direction of its Chairman, the Committee submits to the Board of Directors an annual report on its activities. This report comprises an assessment of the Committee's performance in accomplishing its remit, of its operation and of the contribution by each of its members

V. Powers

The Audit Committee has unlimited access to all information and can contact any member of the Company's staff. All members of the Executive Committee and all employees of the company are obliged to cooperate with the Audit Committee.

All contacts with members of the Executive Committee or the staff are channelled through the Chairman of the Audit Committee.

The Audit Committee has the widest powers that it deems necessary for the accomplishment of its remit: accordingly, it may, on its own initiative, organise any inquiries in the company and may take advice from outside experts and invite such experts to its meetings should it consider this necessary.

The Chairman of the Audit Committee ensures that the Board of Directors is informed of the expected and actual cost of any external assignment that the Audit Committee decides to undertake

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