



PRESS RELEASE

Cofinimmo 

REGULATED INFORMATION
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Closing of the acquisition of 14 healthcare properties in France from the Korian Group

Acquisition of 2 nursing homes in Belgium

Brussels, 01.10.2008, 5:40pm CET

Closing of the acquisition of 14 healthcare properties in France from the Korian Group

Cofinimmo announces today the closing of the acquisition from the Korian Group of **14 healthcare properties**¹ (1,272 beds, 63,493m²) spread throughout France. All conditions precedent of administrative nature included in the agreement signed on 23.05.2008 have been fulfilled². The acquisition of the 5 additional homes (423 beds, 21,910m²) currently under construction which was also foreseen in this agreement, is expected at the physical completion during the first half year of 2009 for a price of € 39.9 million³, transaction costs included.

This first portfolio of 14 assets is acquired by Cofinimmo SA, which benefits from the SIIC-regime since 03.08.2008, through its French branch office for an amount of € 104.5 million³, transaction costs included with a, yearly indexed, gross initial yield of 6.58%⁴. The gross initial rental yield for the 19 properties, that is inclusive the 5 additional homes under construction, will stand at 6.55%⁴. They are operated by the Korian Group with whom triple net leases⁵ with a fixed duration of 12 years have been concluded for all the buildings. The tenant has the option of renewing the leases for two consecutive periods of 9 years each.

Acquisition of 2 nursing homes in Belgium

Cofinimmo also announces having acquired the following 2 nursing homes in Belgium:

Hof ter Dennen, Regtenboom 15 – 2350 Vosselaar

This nursing home was acquired on 02.09.2008 for an amount of € 3.55 million³, transaction costs included, from the Senior Assist Group, with whom long leases for a period of 27 years have been concluded, renewable by the lessee for 2 consecutive periods of 9 years each. The building totalises 77 beds and 2,292m². The gross initial rental yield stands at 7.30%⁴. The acquisition agreement stipulates that, in case the operator obtains an extension permit, Cofinimmo will pay an additional acquisition price of € 398,000⁶, which will bring the rental yield to 6.56%⁴.

¹ It concerns nursing homes (the so-called EPHAD, *Etablissements d'Hébergement pour Personnes Agées Dépendantes*) and aftercare and rehabilitation clinics (SSR, *Cliniques de soins de suite et de Rééducation*).

² See also the press release of 26.05.2008.

³ Below the investment value determined by the independent expert.

⁴ Estimated double net equivalent.

⁵ Maintenance and repairs to the buildings are entirely borne by the tenant.

⁶ Taking into account this price supplement, the total acquisition price (€ 3.95 million) remains below the investment value determined by the independent expert.



☛ **Zevenbronnen, Walshoutemstraat 75 – 3401 Walshoutem**

This nursing home, as well as a land reserve allowing future developments, was acquired on 27.08.2008 from an individual vendor for a total amount of € 5.18 million¹, transaction costs included. The gross initial rental yield stands at 6.10%². Long leases for a period of 27 years have been concluded with the operator, Zevenbronnen ASBL, member of the Calidus Group³, which can be renewed twice by the lessee for a period of 9 years each. The building totalises 68 beds and 2,653m².

These acquisitions have been financed by existing credit lines.

After these new investments, the health and nursing home segment will represent 21.1% (€ 704.2 million) of the total consolidated portfolio of the Cofinimmo Group, of which 9.6% in France (€ 321.1 million) and 11.5% in Belgium (€ 383.1 million). This reconfirms the Group's commitment to this real estate segment and its ambition to actively develop its activities on the French market.

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together
in real estate

Cofinimmo is the foremost listed Belgian real estate company specialising in rental property. The company owns a portfolio of more than € 3 billion, representing a total area of 1,600,000m². Its core activity is office property. The portfolio also comprises care homes and the Pubstone portfolio. Cofinimmo is an independent company, which manages its properties in-house. It is listed on NYSE Euronext Brussels (BEL20) and Paris and benefits from this Belgian fiscal Sicafi regime and the French SIIC regime. Its market capitalisation runs to € 1.6 billion.

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¹ Corresponding to the investment value determined by the independent expert.

² Estimated double net equivalent.

³ Calidus is an initiative of several nursing home operators aiming to centralise and share certain support services.