

**REGULATED INFORMATION**

Brussels, embargo until 04.01.2016, 07:40 AM CET

## **Cofinimmo sells its stake in Silverstone SA/NV, owner of 20 nursing and care homes in Belgium, for 92.6 million EUR**

Cofinimmo signed an agreement to sell its 95 % stake in Silverstone SA/NV, an Institutional Regulated Real Estate Company.

Silverstone SA/NV owns 20 nursing and care homes in Belgium, operated by the Senior Assist Group.

Cofinimmo has sold its 95 % stake in Silverstone SA/NV to a company of the Senior Assist Group for 92.6 million EUR. Given the other assets and liabilities of the sold company, the transaction values the properties at 134.5 million EUR, 12.7 million EUR above their fair value determined by the independent real estate expert as at 31.12.2014. Over the period during which Cofinimmo owned the assets, Silverstone's portfolio generated an average annual internal rate of return (IRR) of 8.5 %.

This transaction means the loss of Silverstone SA/NV's status of Institutional Regulated Real Estate Company.

Considering that Senior Assist is already a 5 % shareholder in Silverstone SA/NV and a 2.62 % shareholder in Rheastone SA/NV, another subsidiary of the Cofinimmo Group, this transaction is between two related parties. However, it was closed under normal market conditions or under conditions more favourable to Cofinimmo's shareholders than normal market conditions - see appendix.

The sale of Silverstone will allow Cofinimmo to rebalance its healthcare real estate portfolio geographically. The funds raised from this transaction will be used to acquire other properties.

### **For more information:**

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**About Cofinimmo:**

Founded in 1983, Cofinimmo is today the foremost listed Belgian real estate company specialising in rental property and an important player in the European market.

The company owns a diversified property portfolio spread over Belgium, France, the Netherlands and Germany, worth 3.3 billion EUR, representing a total surface area of over 1,800,000 m<sup>2</sup>. Riding on demographic trends, its main investment segments are healthcare properties (44 %), offices (39 %) and distribution networks (16 %). As an independent company that consistently applies the highest corporate governance and sustainability standards, Cofinimmo services its tenants and manages its properties through its team of over 110 people, operating from Brussels.

Cofinimmo is listed on Euronext Brussels (BEL20) and benefits from the fiscal REIT regime in Belgium (RREC), in France (SIIC) and in the Netherlands (FBI). Its activities are controlled by the Financial Services and Markets Authority, the Belgian regulator.

At 30.09.2015, its total market capitalisation stands at 2.0 billion EUR. The company pursues investment policies which seek to offer a high dividend yield and capital protection over the long term, targeting both institutional and private investors.

[www.cofinimmo.com](http://www.cofinimmo.com)

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**Appendix: Communication to the FSMA in accordance with Article 37 of the Law of 12.05.2014 on Regulated Real Estate Companies**

In accordance with Article 37 of the Law of 12.05.2014 on Regulated Real Estate Companies (the "RREC Law"), Cofinimmo SA/NV (a public Regulated Real Estate Company subject to Belgian law) hereby wishes to inform the Financial Services and Markets Authority ("FSMA") that it plans to carry out the following transactions with one of the companies directly or indirectly related to the "Senior Assist SA/NV" Group (Senior Assist holds a 5 % stake in the capital of Silverstone SA/NV and a 2.62 % stake in Rheastone SA/NV):

- sale of its entire stake (95 % or all type A shares) in Silverstone SA/NV, an institutional Regulated Real Estate Company, to MRE-Silverstone-B SARL/BVBA, whose controlling shareholders are identical to those of Senior Assist.

This sale is the next stage in the restructuring of Silverstone and Rheastone, the objective of which was to leave within Silverstone only the assets operated by the operational companies of the Senior Assist Group by virtue of their long lease right.

This approach meets Cofinimmo's interests for two reasons. In the first place, Cofinimmo's investment in nursing homes in Belgium represents more than 25.7 % of the fair value of our company's total consolidated portfolio at 31.12.2014, and the sale of Silverstone will allow our company, in accordance with its announced strategy, to invest in other healthcare real estate segments abroad, particularly in the Netherlands and Germany, and it has begun to do so in recent months. This will result in a better distribution of risks, particularly those related to changes possible at any time to the social security systems on which tenants in this sector depend for the financial soundness of their operating activities.

Secondly, the parties established the financial terms of this sale on the basis of the fair value of Silverstone's shareholders' equity as at the closing date (of the sale of its shares), plus a gain fixed by agreement at 10,000,000 EUR, with the value of the investment properties (except those transferred to Rheastone) being, for the calculation of shareholders' equity, again by agreement, the value established by the independent real estate experts as at 30.06.2015. Because the difference between the value of these investment properties as at 30.09.2015 (124,593,537.13 EUR) and the value of the same properties as at 30.06.2015 (124,534,992.95 EUR) is only +58,544.18 EUR, which is well below the contractual gain, it can be concluded that this transaction is clearly to Cofinimmo's advantage, with reference to the assessment of the independent experts as at 30.09.2015, who also confirm that the general economic situation and the condition of this portfolio do not require a new assessment compared with the one that they prepared on that date.

The planned transaction will therefore be carried out under normal market conditions and is clearly of interest for Cofinimmo.

In addition, this transaction is subject to various guarantee conditions granted by the seller to the buyer that are less than the customary conditions, as the seller has full knowledge of Silverstone and its assets.

Lastly, this transaction is clearly in line with Cofinimmo's strategy and corporate purpose.