

Glossary of Alternative Performance Measures (APM) used by Cofinimmo

Name	Definition	Purpose
Rental income, net of rental-related expenses	These are the rents less rent-free periods, concessions granted to tenants and rental-related expenses, plus early lease termination indemnities.	To measure rental income, net of rent-free periods, concessions, termination indemnities and other rental-related expenses.
Taxes and charges on rented properties not recovered	This is the difference between the taxes and rental charges borne by the owner and the recovery of taxes and charges payable by the tenant.	To measure the taxes and charges on rented properties which are not rechargeable to the tenants.
Taxes on properties under renovation	These are the taxes on properties under renovation borne by the owner and thus not rechargeable to the tenants.	To measure the taxes on properties under renovation.
Redecoration costs, net of tenant compensation for damages	These are redecoration costs borne by the owner at the end of the lease, net of received compensation for damages.	To measure the redecoration costs of rental space after the departure of tenants, net of compensation for damages received from these tenants.
Net result from core activities - Group share	The net result from core activities is the net result excluding the result on financial instruments and the result on the portfolio. The net result from core activities – Group share is the net result from core activities less related minority interests.	To measure the result of the strategic operational activities, excluding (i) the change in fair value of financial instruments, (ii) the cost of restructuring financial instruments, and (iii) realised and unrealised gains and losses on the portfolio, or to measure the result directly impacted by the company's property and financial management, excluding the impact related to the volatility of property and financial markets.

Name	Definition	Purpose
Restructuring costs of financial instruments	This is the impact of the recycling under the income statement of interest rate hedging instruments, which relationship with the hedged risk was terminated, as well as the result related to the disposal of hedging instruments.	To measure the impact of restructuring financial instruments on the result of the period .
Result on financial instruments - Group share	<p>The result on financial instruments consists of the following items:</p> <ul style="list-style-type: none"> - Changes in the fair value of the financial instruments; - Restructuring costs of financial instruments; - Share of associated companies and joint ventures in the result on financial instruments; <p>The result on financial instruments – Group share is the result on financial instruments less related minority interests.</p>	To measure the unrealised gains and losses related to the financial instruments, as well as their restructuring costs.
Result on the portfolio - Group share	<p>The result on the portfolio consists of the following items:</p> <ul style="list-style-type: none"> - Gains or losses on disposals of investment properties and other non-financial assets; - Change in the fair value of investment properties; - Share in the result on the portfolio of associated companies and joint ventures; - Other result on the portfolio. <p>The result on the portfolio – Group share is the result on the portfolio less related minority interests.</p>	To measure realised and unrealised gains and losses related to the portfolio, compared to the last valuation by independent real estate experts.

Name	Definition	Purpose
Results per share	<ul style="list-style-type: none"> - Net result from core activities per share - Group share: Net result from core activities - Group share, divided by the number of outstanding shares entitled to share in the results. - Result on financial instruments per share - Group share: Result on financial instruments - Group share, divided by the number of outstanding shares entitled to share in the results. - Result on the portfolio per share - Group share: Result on the portfolio - Group share, divided by the number of outstanding shares entitled to share in the results. - Net result per share - Group share: Net result - Group share, divided by the number of outstanding shares entitled to share in the results. 	To measure the result per share and enable a comparison with the dividend paid per share.
Revalued net assets per share at fair value	<p>This is the book value of the share after deduction of transaction costs (primarily transfer taxes) from the value of investment properties.</p> <p>It is calculated by dividing the amount of shareholders' equity attributable to shareholders of the parent company by the number of outstanding shares entitled to share in the results.</p>	To measure the fair value of the share and enable a comparison with its stock market value.
Revalued net assets per share at investment value	<p>This is the book value of the share before deduction of transaction costs (primarily transfer taxes) from the value of investment properties.</p> <p>It is calculated by dividing the amount of shareholders' equity attributable to shareholders of the parent company, less transfer taxes booked under shareholders' equity at the closing date and those booked under the income statement during the period, by the number of outstanding shares entitled to share in the results.</p>	To measure the fair value of the share and enable a comparison with its stock market value.

Name	Definition	Purpose
Change in gross rental revenues on a like-for-like basis	This is the change from one year to the next, expressed as a percentage, of the gross rental revenues, excluding variations related to changes in scope (major renovations, acquisitions and disposals) occurring during the period.	To identify changes in gross rental revenues which do not result from major renovations, acquisitions or disposals.
Operating costs/average value of the portfolio under management	These are the direct and indirect operating costs (direct property costs, property management costs and corporate management costs), divided by the average value of the portfolio under management over the period, taking into account the scope inflows and outflows.	To measure the level of operating costs compared to the average value of the property portfolio under management.
Operating margin	This is the property result divided by the operating result (before result on the portfolio).	To evaluate the company's ability to generate profit from its sole operating activity without taking into account the financial result, taxes and result on the portfolio.
Average cost of debt	<p>This is the average interest rate of debt obtained by dividing the interest charges recorded by the Group for its various loans (on an annual basis) by the weighted average debt of the current period.</p> <ul style="list-style-type: none"> - The numerator corresponds to the net interest charges as shown in the income statement, annualised. - The denominator corresponds to the average debt of the current period calculated by taking into account the daily drawdowns on loans (bank loans, bonds, commercial paper, etc.). 	To measure the average interest rate of the debt and analyse its evolution over time.