

Cofinimmo Investors Day

January 20th, 2012



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Cofinimmo 



Introduction

by Serge Fautré, CEO and Jean-Edouard Carbonnelle, CFO

Welcome to Meeûs 23: history of the building...

☞ Past:

- Previously named ‘Place de l’industrie’
- Tribute to the first Governor of the Société Générale de Belgique (1840): Fernand de Meeûs, “the Rothschild of the Belgian Finance”, president of the Civil Society for the embellishment of Belgium’s capital
- The Civil Society initiated the creation of the Leopold District (residential area for upper class)



☞ Present: “Our building Meeûs 23”

- Blaton Aubert companies bought the site from Sobeco in 1939
- A tower was built in 1940 and called Residence Albert
- Visionary architect, Jean-Jules Eggerick who participated in the construction of the pavilions of the Brussels 1935 Universal Exhibition and the Belgian pavilion of 1937 Paris Exhibition
- One of the 1st buildings of great height (55m) built in 1940
- Cofinimmo bought the building in 2006 with renovation works done by CIT Blaton



COFINIMMO TODAY

- ☞ Leading Belgian listed real estate investment company exposed to the office property market in Brussels, nursing homes in Belgium and France and distribution property networks in Belgium, the Netherlands and France.
- ☞ Total portfolio fair value of >€3 billion.
- ☞ SICAFI status in Belgium and SIIC status in France.
- ☞ Internal real estate management platform with 110 employees.
- ☞ Two longest shareholders (<5%) are Dexia Insurance and Allianz Belgium.
- ☞ Included in major indices: BEL20, EPRA Europe, GPR 250.
- ☞ Total market capitalisation at 31.12.2011: €1.35 billion.



Track record in the property market

- ☞ Diversification strategy started by Cofinimmo in 2005, from 100% in Belgian offices, allowed Cofinimmo to enlarge its portfolio to the nursing homes/clinics segment
- ☞ In 2007, first distribution property networks contract with the acquisition of AbInBev pubs portfolio in Belgium and Netherlands (AbInBev retains 10% interest)
- ☞ During 2010-2011: Cofinimmo reinforces its position in healthcare real estate assets and becomes a European leader in the nursing homes segment
- ☞ In December 2011, with the acquisition of the MAAF branches, Cofinimmo improves the overall composition of its portfolio and reinforces its distribution property networks segment which now accounts for 16.5% of Cofinimmo's portfolio
- ☞ End 2011, the percentage of the office buildings segment is below the 50% mark



Global Portfolio – Portfolio Spread (1)

Portfolio mix by segment (in investment value) - 21.12.2011*



Distribution property networks
16,5%



Others
1,4%

Offices
48,8%



Nursing homes
33,3%

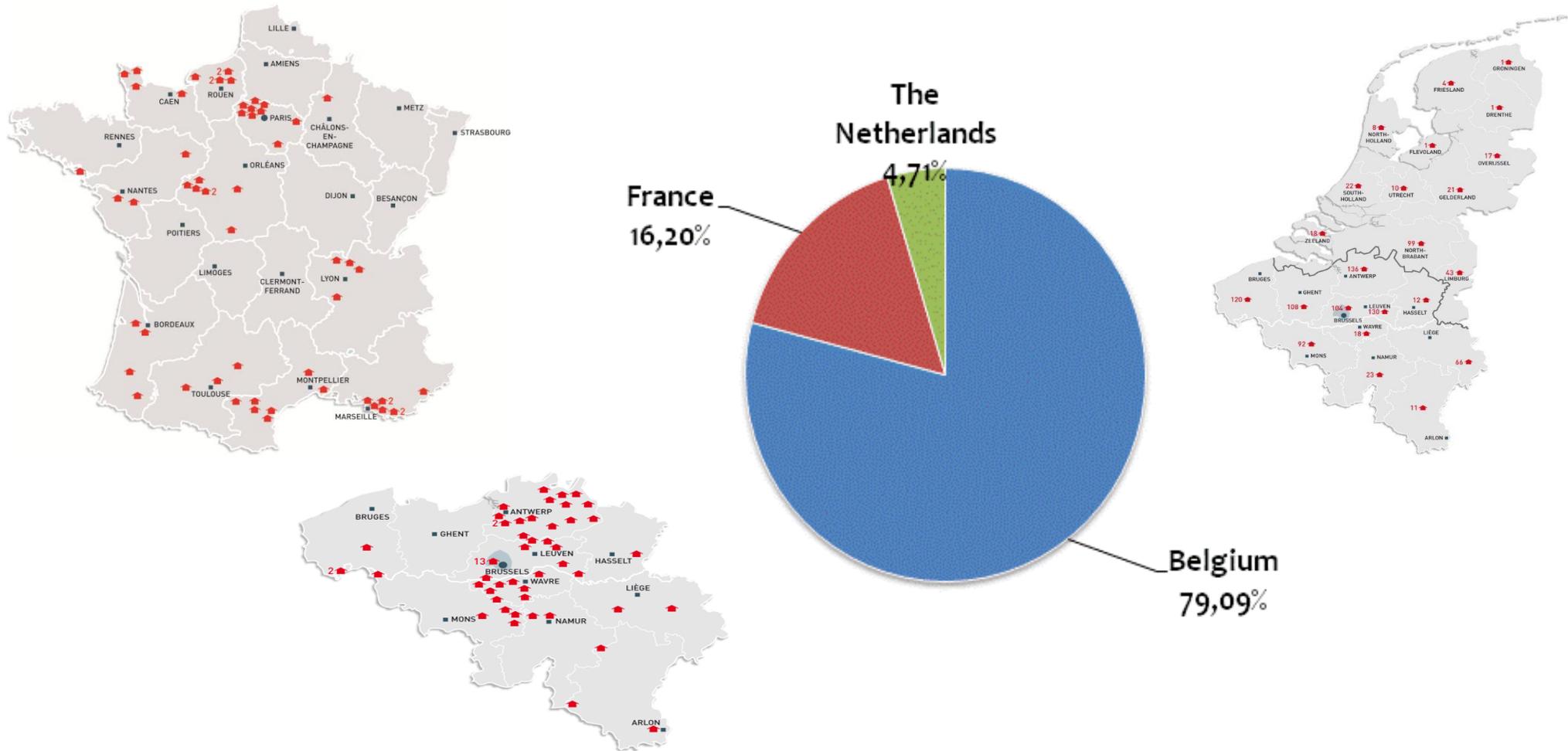


* Pro forma on 21.12.2011

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Global Portfolio – Portfolio Spread (2)

Portfolio mix by country (in investment value) - 21.12.2011*



* Pro forma on 21.12.2011

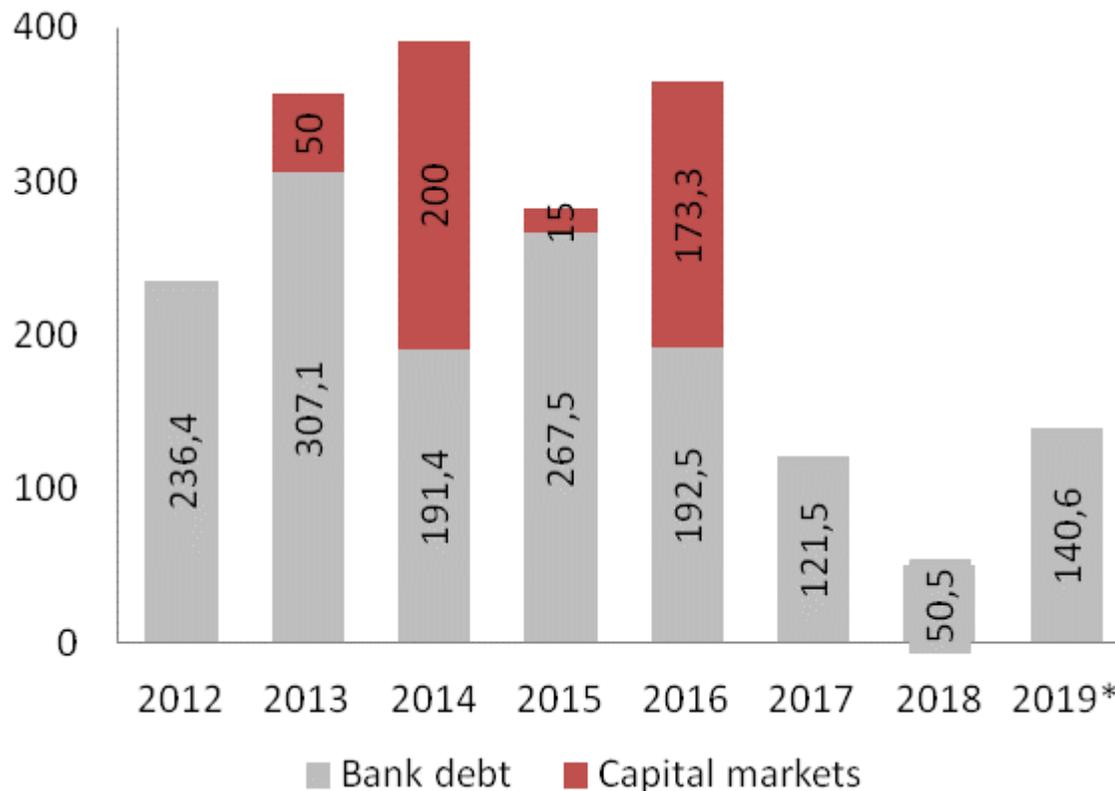
Key operational & financial indicators

	30.09.2011
Portfolio of investment properties - Fair value (x €1,000,000)	3,110.2
Residual lease term in years - Total portfolio (years)	11.5
Residual lease term in years - Office portfolio (years)	6.2
Occupancy rate - Total portfolio (%)	95.70
Occupancy rate - Office portfolio (%)	92.40
(in %)	30.09.2011
Operating margin	85.2%
Average cost of debt	4.29%
Debt ratio	50.5%
LTV	53.9%

Financial Resources



Maturity profile of LT debt commitments on 30.09.2011(€ 1,953.3 M)



- ☞ Average maturity: 3.6 years
- ☞ Good liability management with diversified sources of funding:
 - Bank facilities (13 high-quality partners)
 - Capital markets (38% of financial debt)
 - Commercial Paper program of € 500 million
- ☞ In 2011, private placement of a 5 year convertible bond due in 2016 (3.125% coupon)
- ☞ Refinancing of € 236 million maturity in 2012 is already in place
- ☞ Standard & Poors' LT rating: BBB/Outlook stable

* Term loan with an outstanding of € 7.5 million at the end of 2019 and a remaining tenor till 2029 with quarterly capital reimbursements

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Cofinimmo Investors Day

“Trends in the Belgian office market - Overview of Cofinimmo’s position - Presentation of key redevelopments”

January 20, 2012

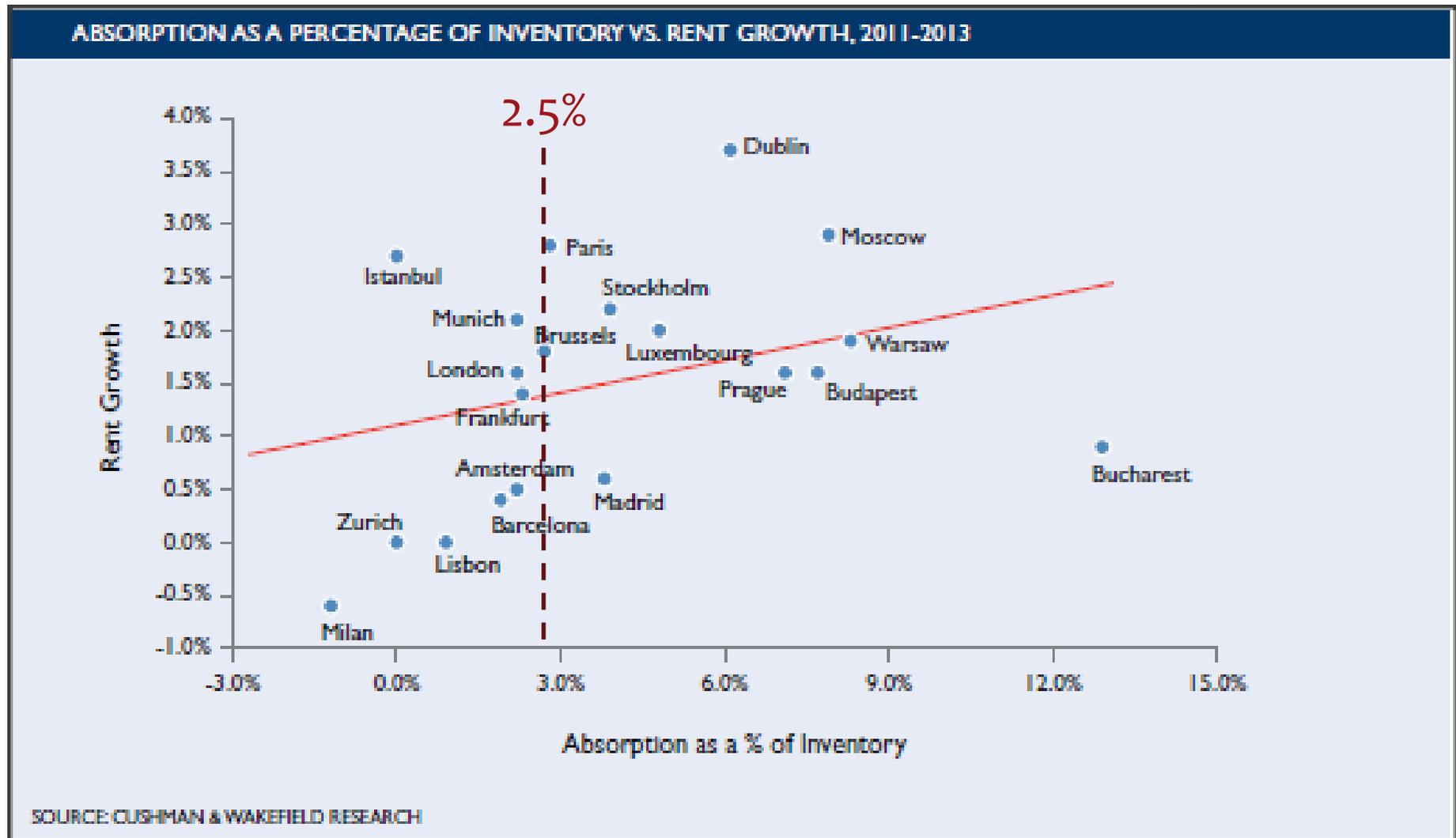


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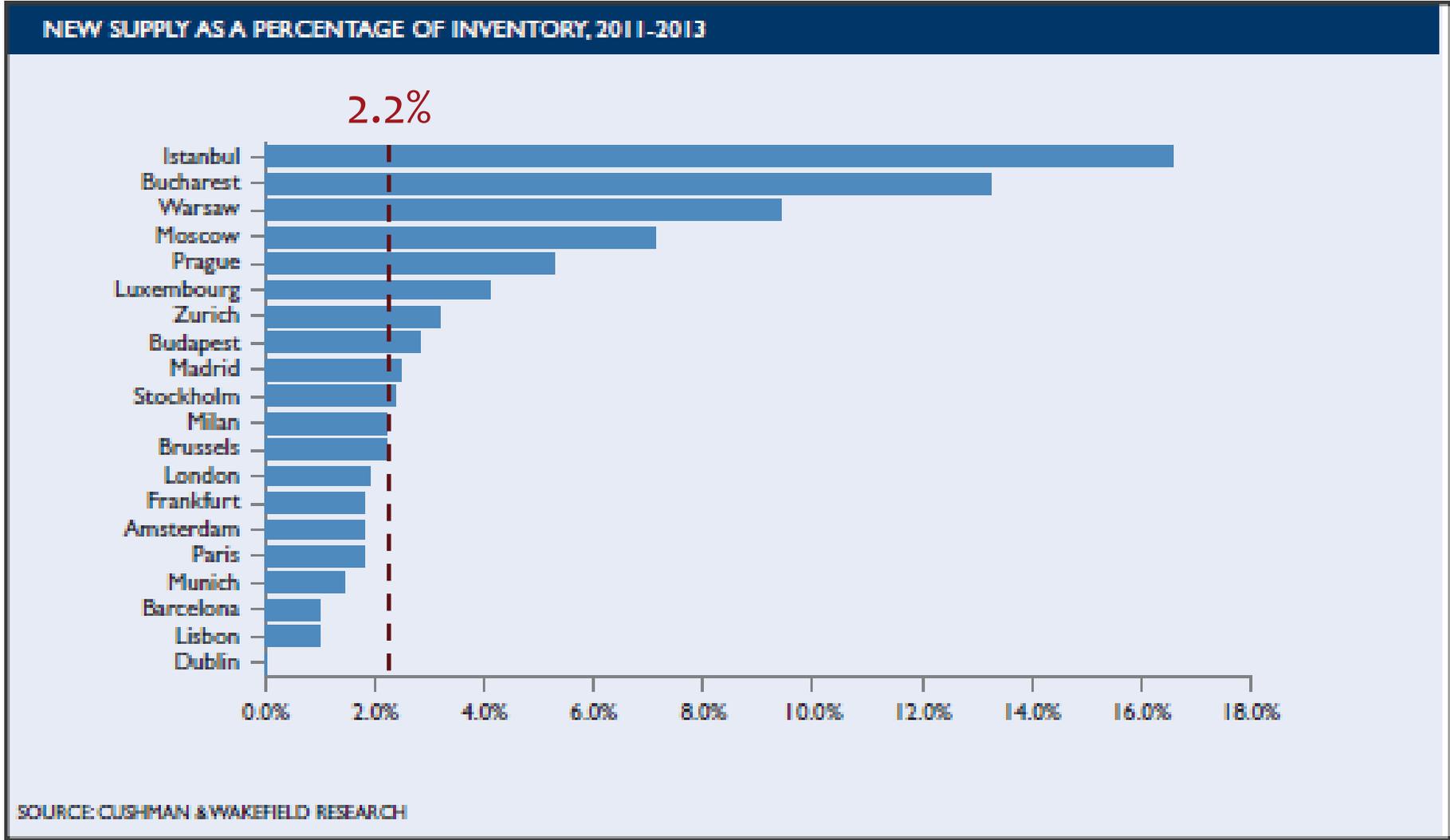
1. Trends in the Belgian office market



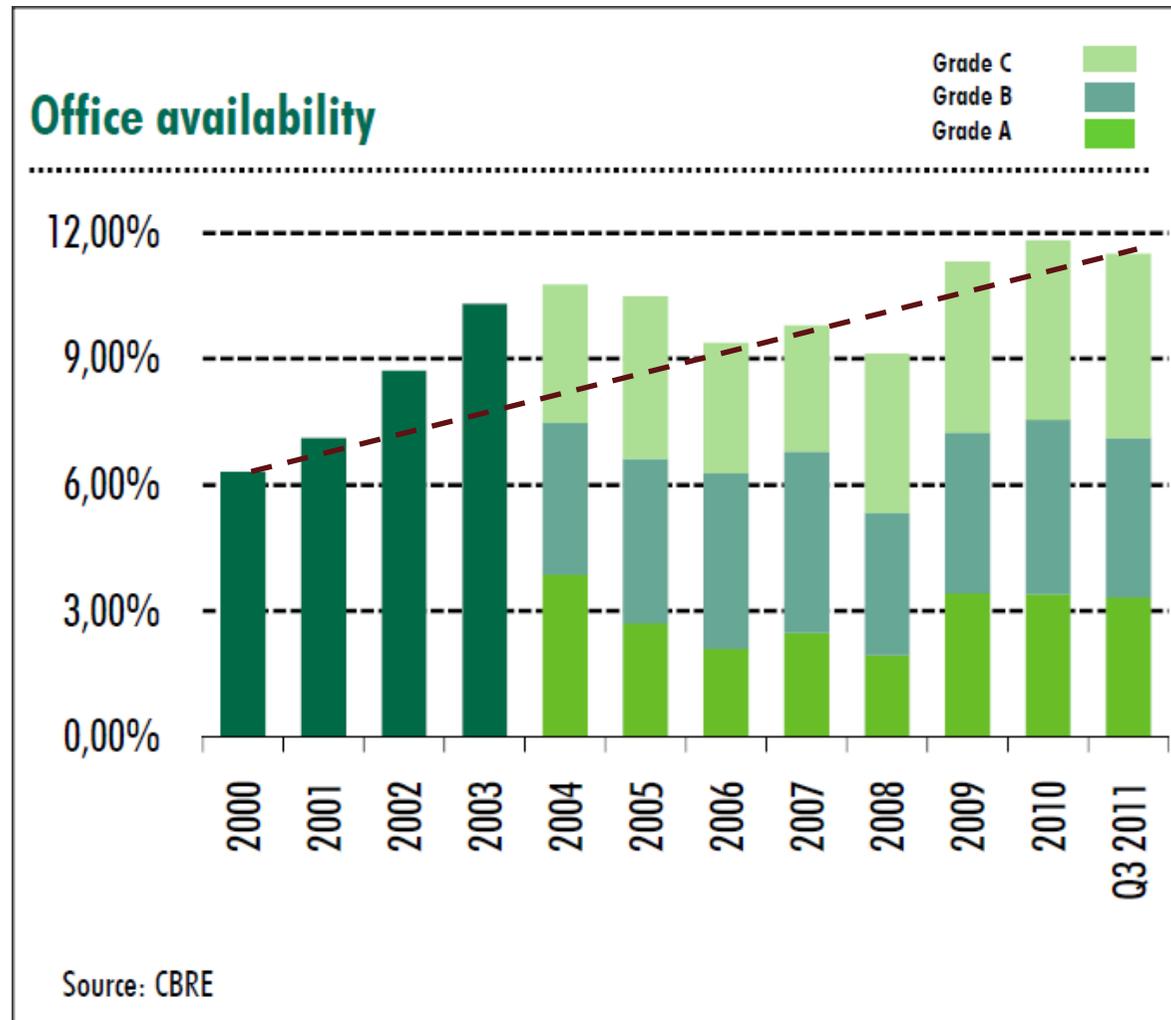
Absorption as % of inventory vs. Rent growth



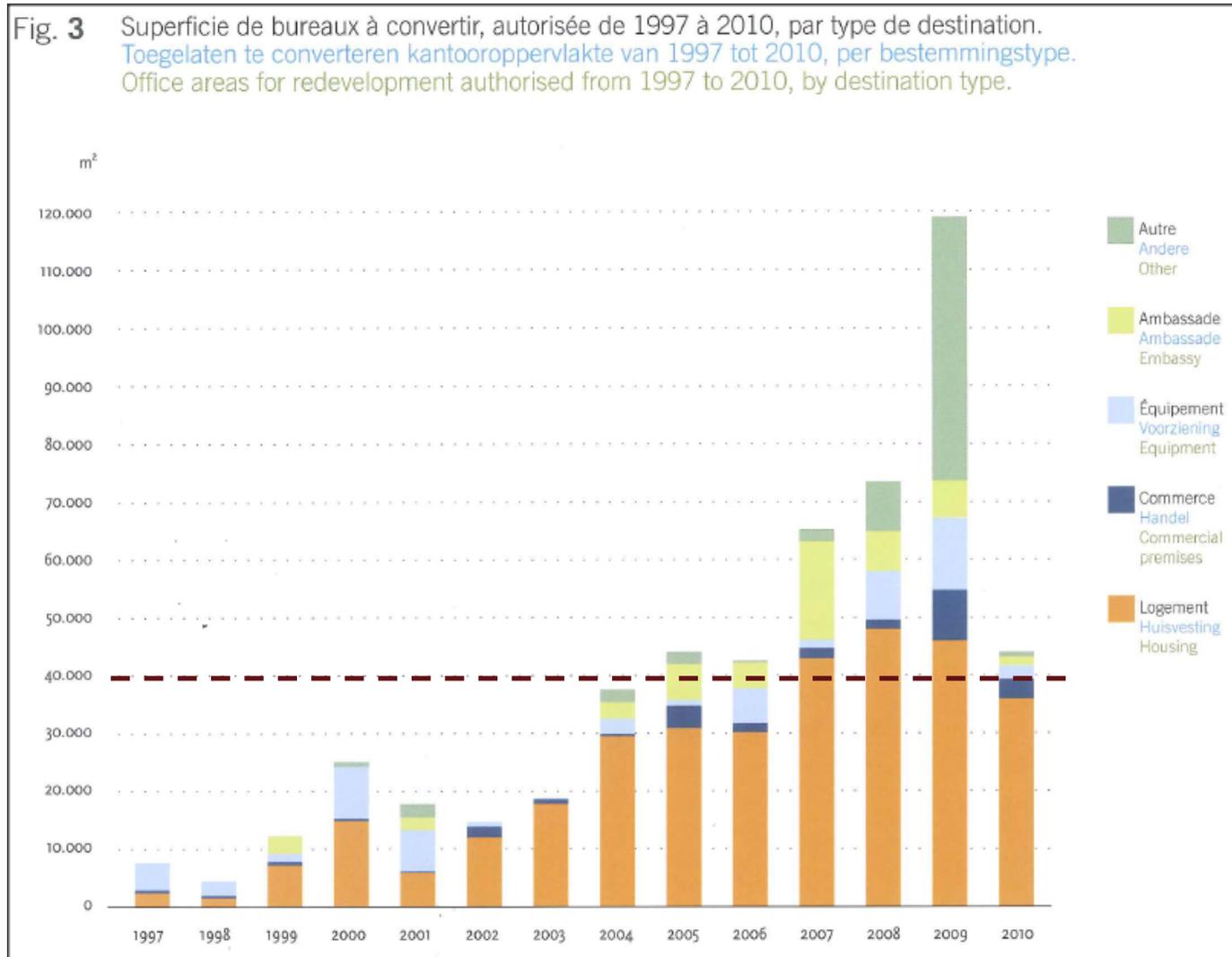
New supply as % of inventory



Office availability in Brussels



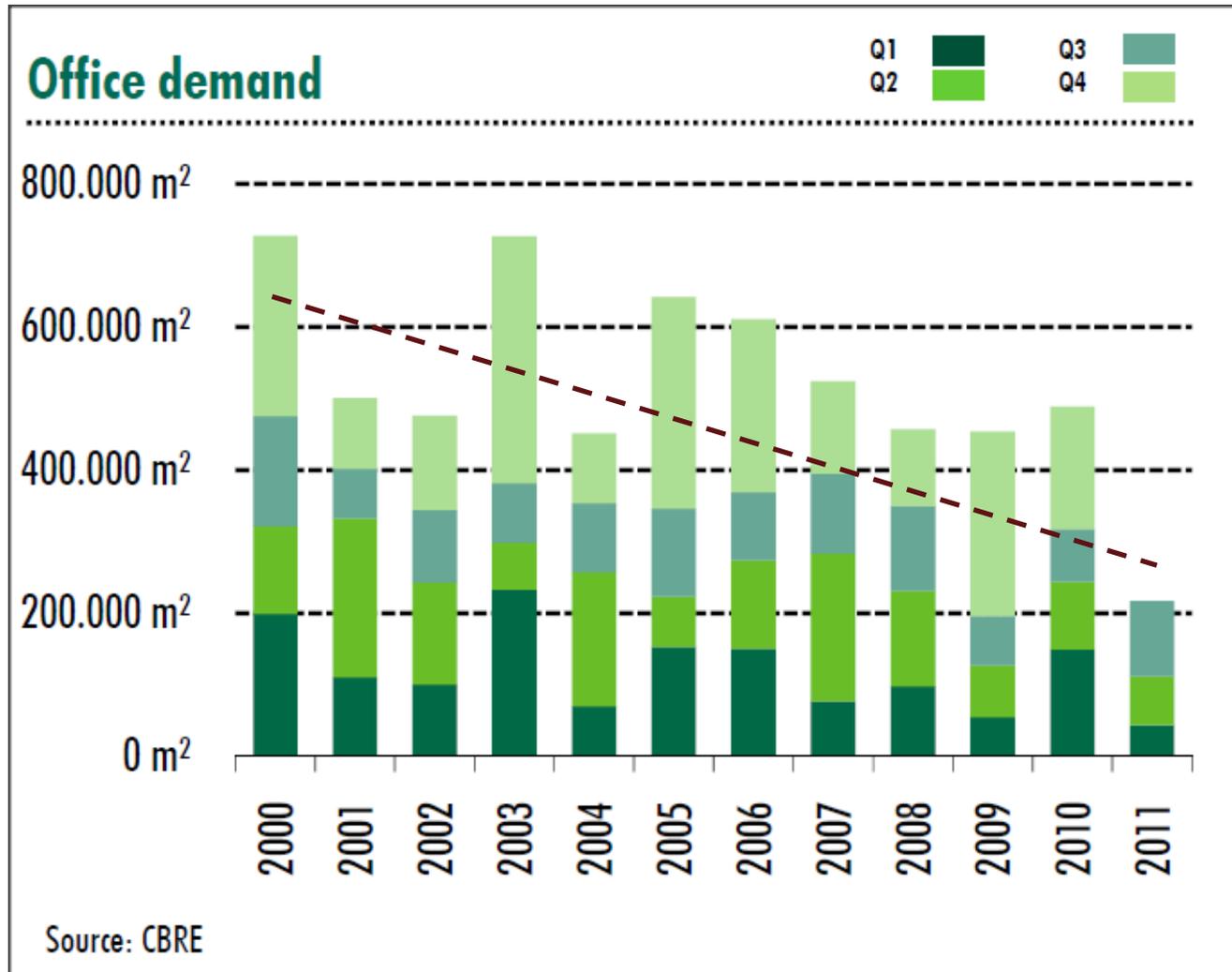
Office building conversions



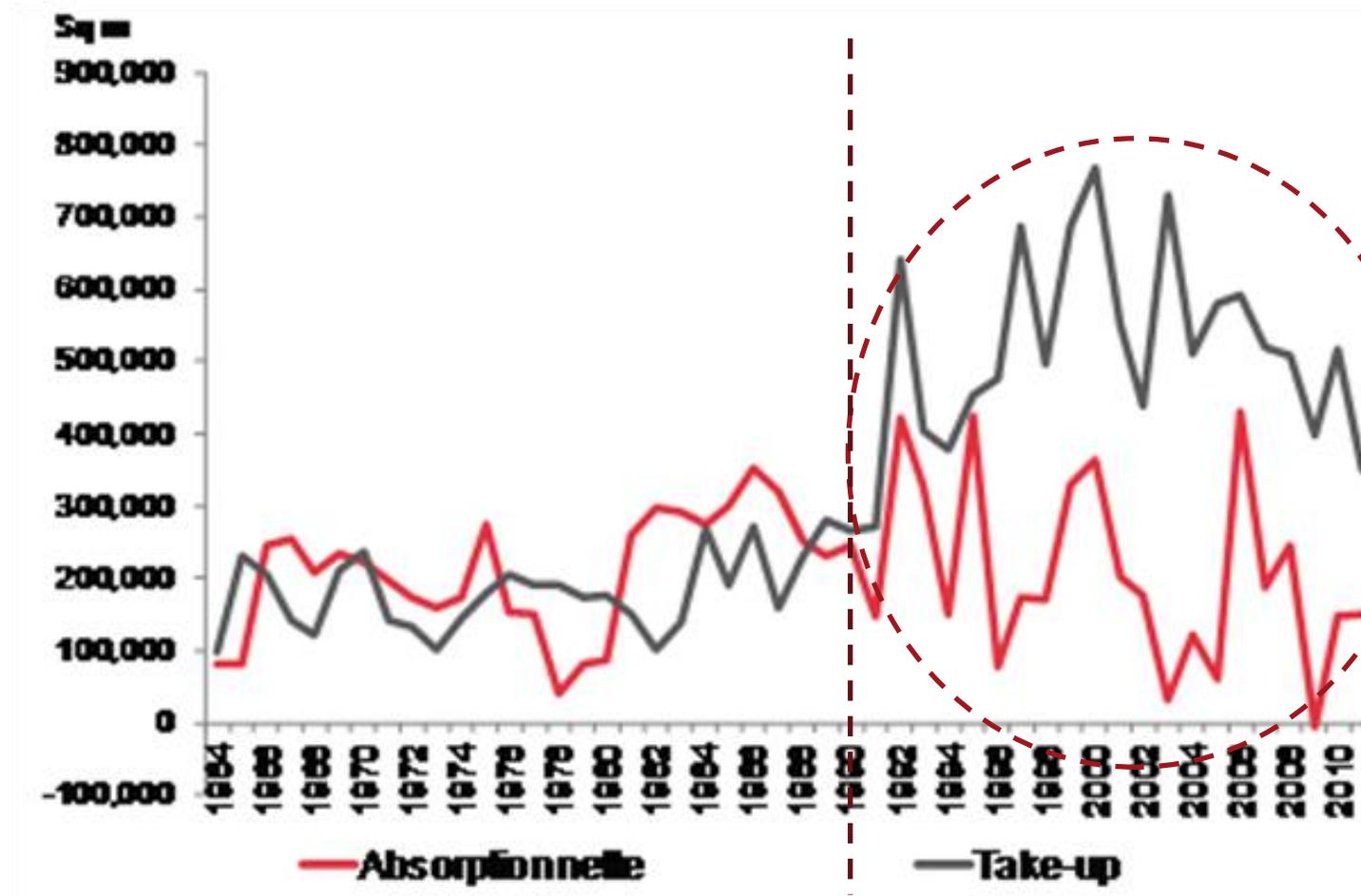
Office to residential = 40.000 m² or 2.6% of vacancy a year

Source: Observatoire des Bureaux

Office demand i.e. gross take up



Net absorption vs. gross take up



Source: DTZ

1990

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Net absorption vs. gross take up

☞ Statistics of the Office market 1965-2005

Prime rental level: +0.75% per year real increase

Average rental level: -0.59% per year real decrease

☞ Statistics of the Office market 1990-2005

Prime rental level: +0.08% per year real increase

Average rental level: -2.50% per year real decrease

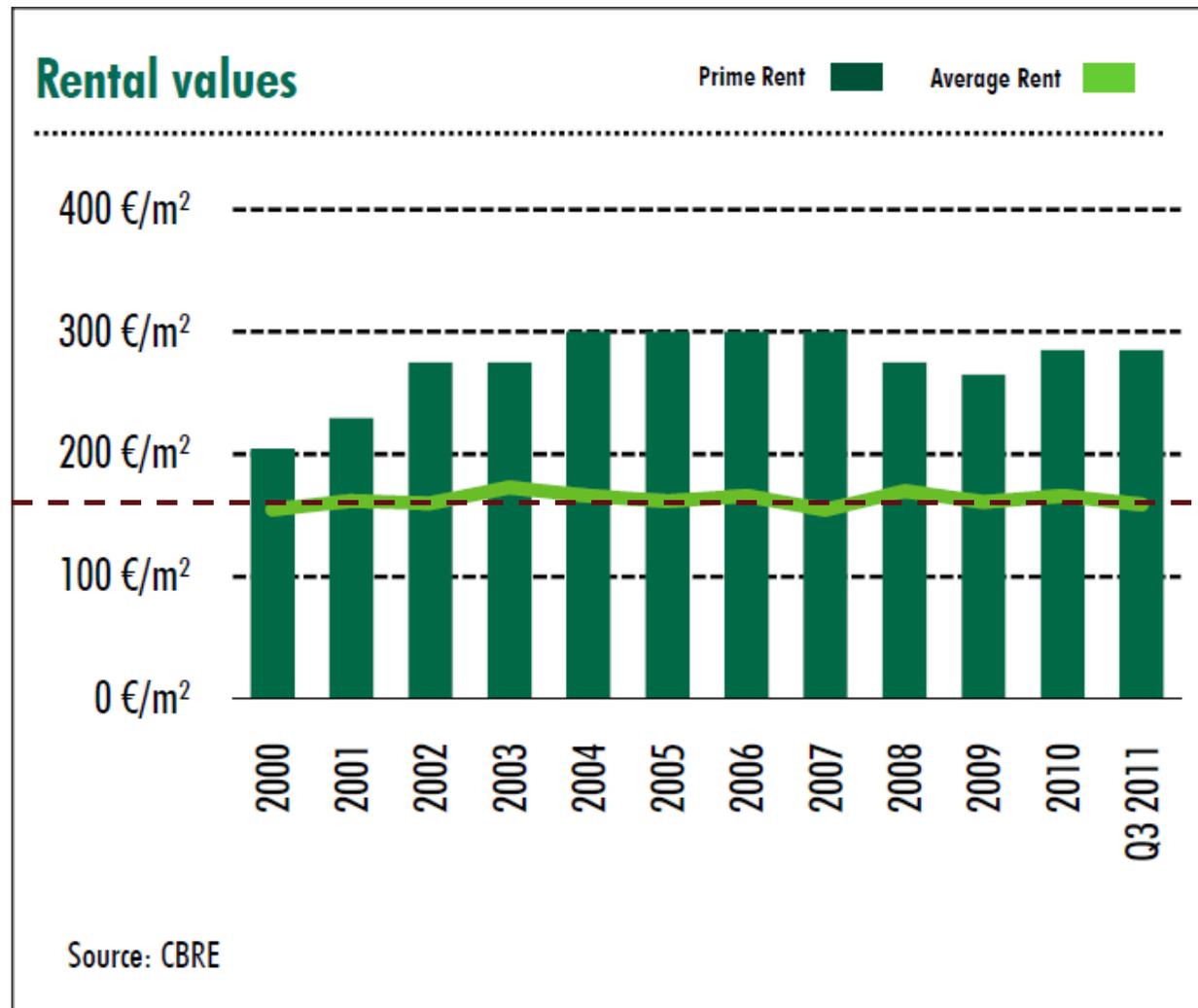
☞ Office stock 1965-2005 = +10.000.000 m² (or +250.000 m² per year)

☞ European institutions in Brussels since 1957 = +30.000 per year

☞ Take up is not net absorption

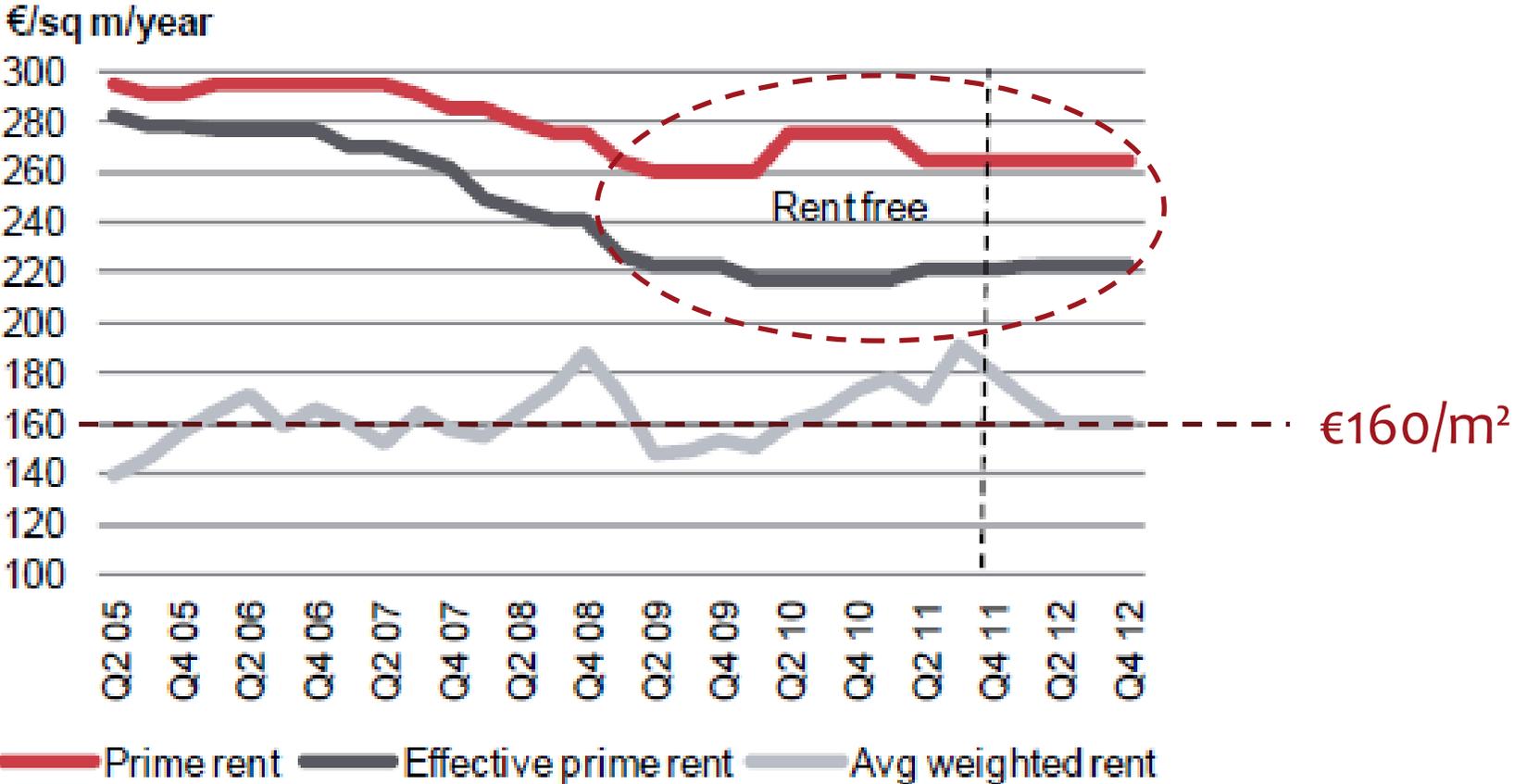
Rental values (nominal)

€160/m²



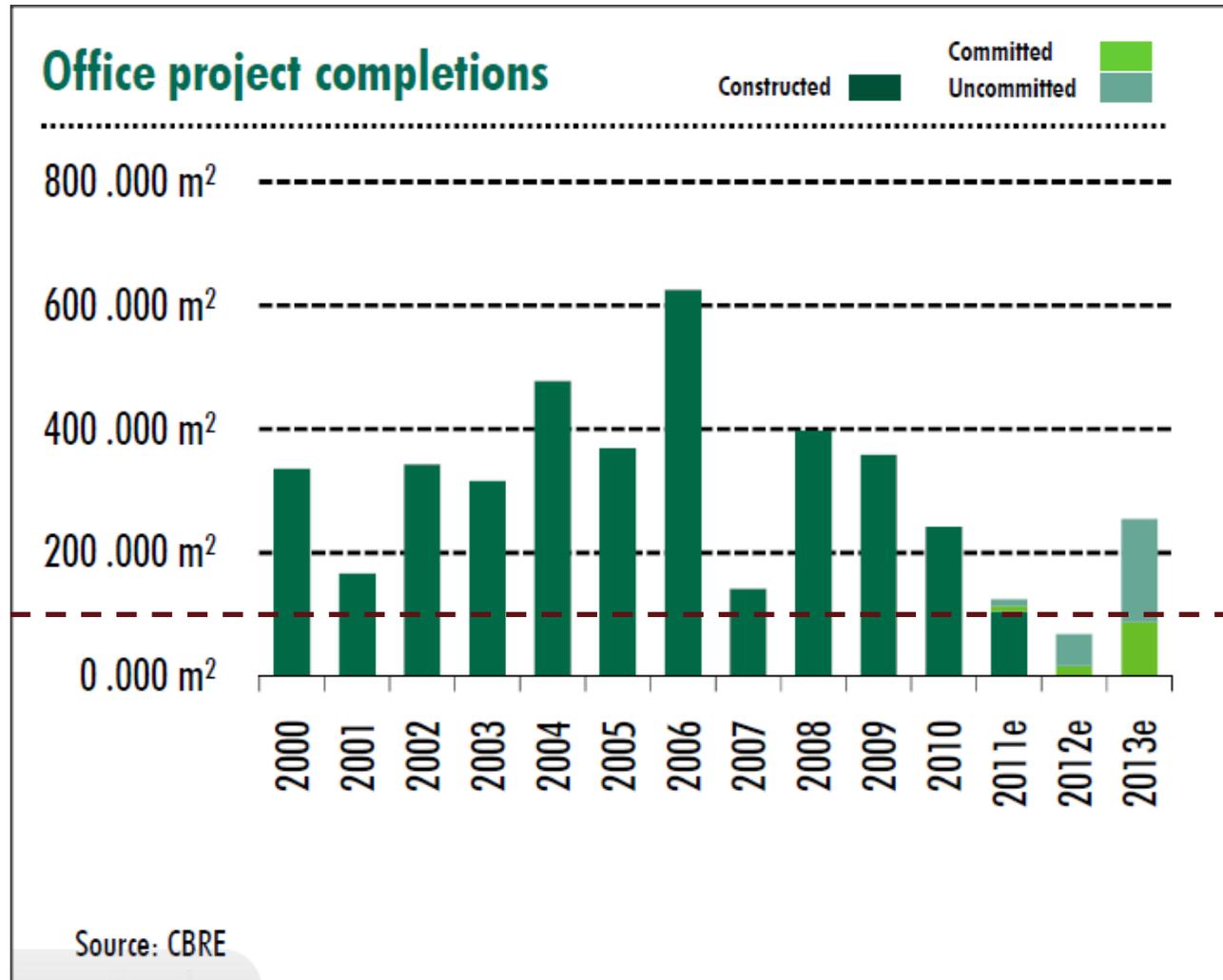
Incentives

Rents



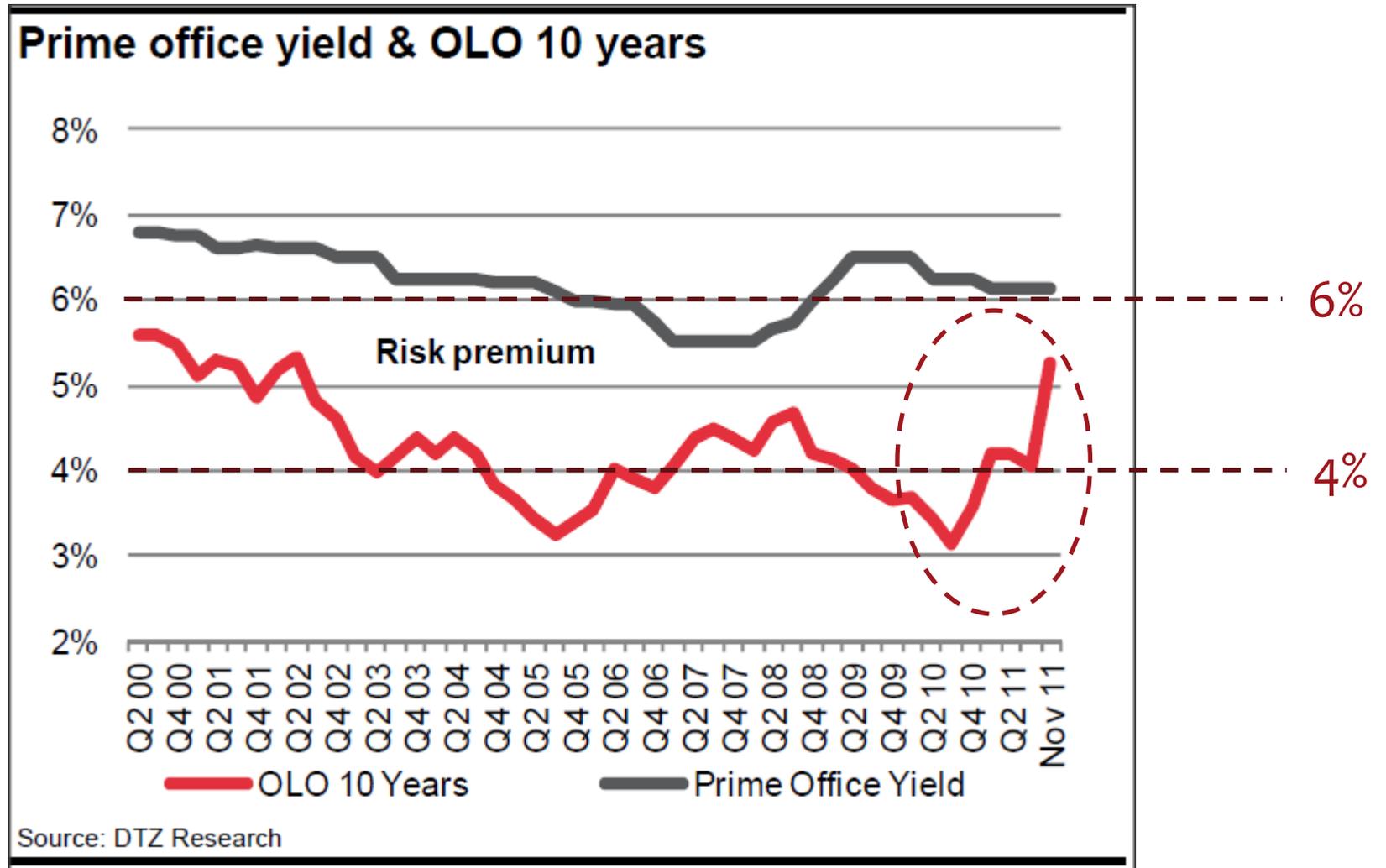
Source: DTZ Research

Office project completions

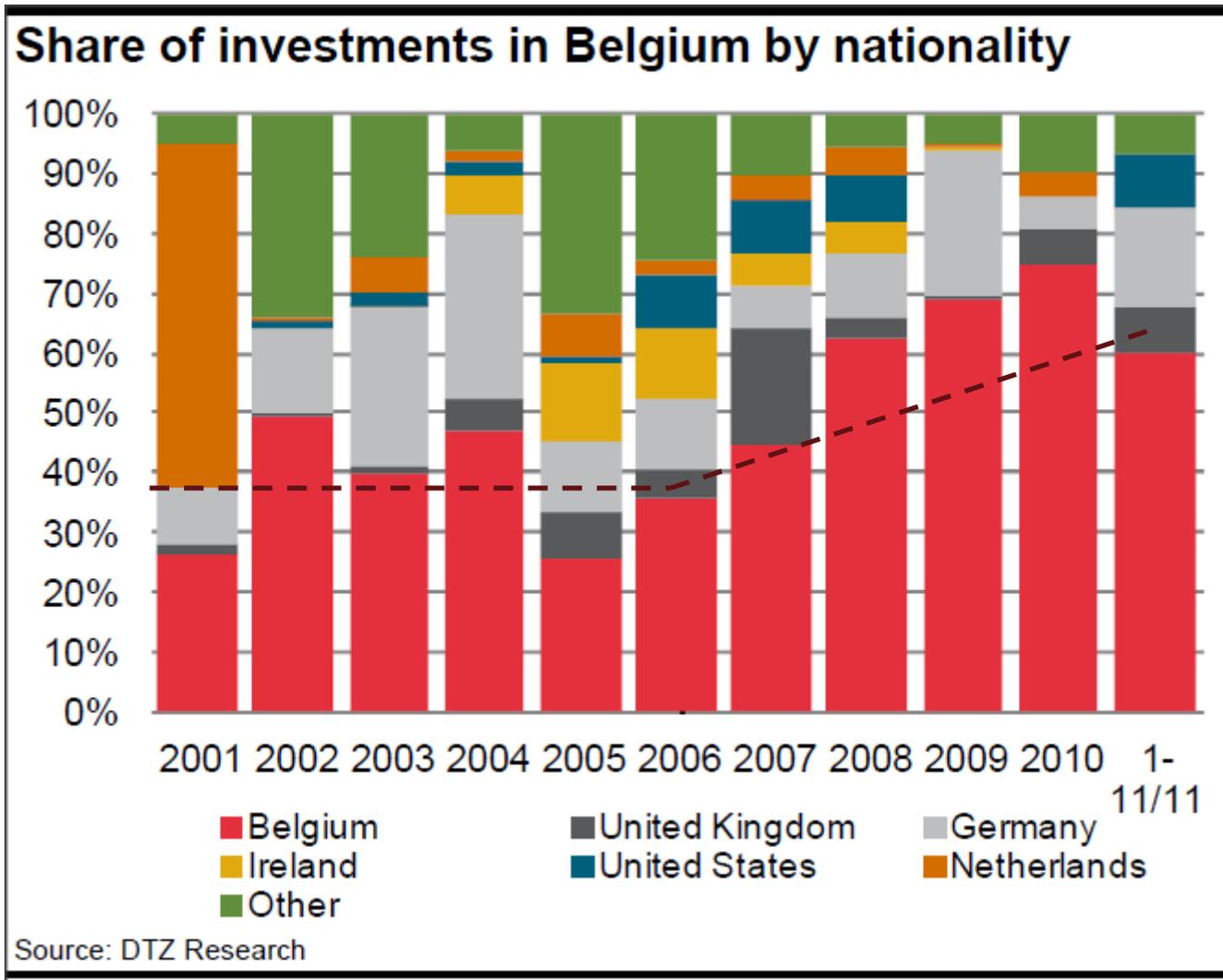


100.000 m²

Risk premium

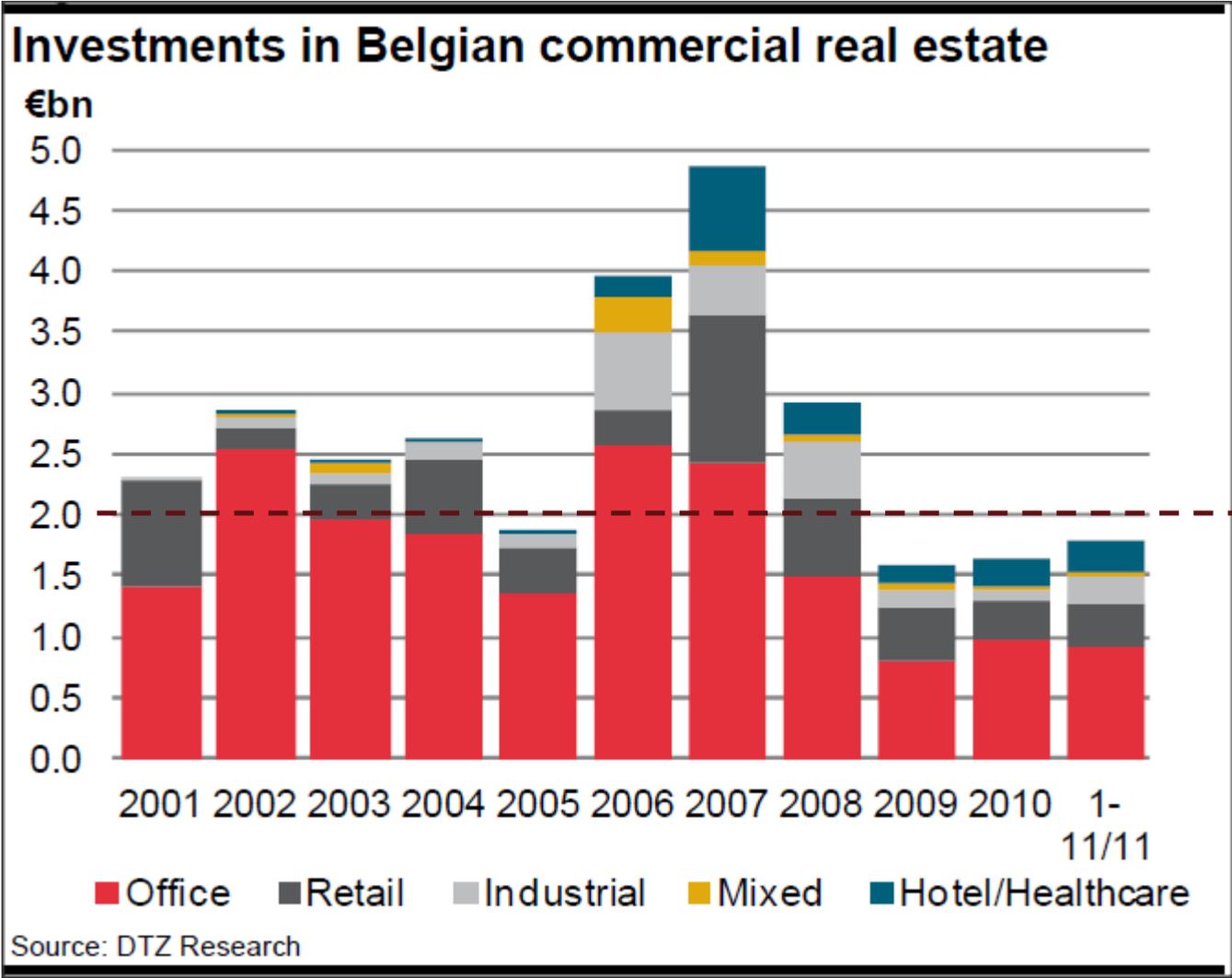


Investors origin



Investment volumes

€2bn



2. Overview of Cofinimmo's position



Office Portfolio

Highlights:

Soft occupational market in Brussels, active in Antwerp.
Very low take-up mainly due to absence of public sector.
Stabilising vacancy level due to lower development activity.
Strong investment demand for long-let buildings.

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Office portfolio mainly located in Brussels (85.5% of which 37.7% in CBD) and in Antwerp (7.5%).

Over 35% is rented to national and international public authorities.

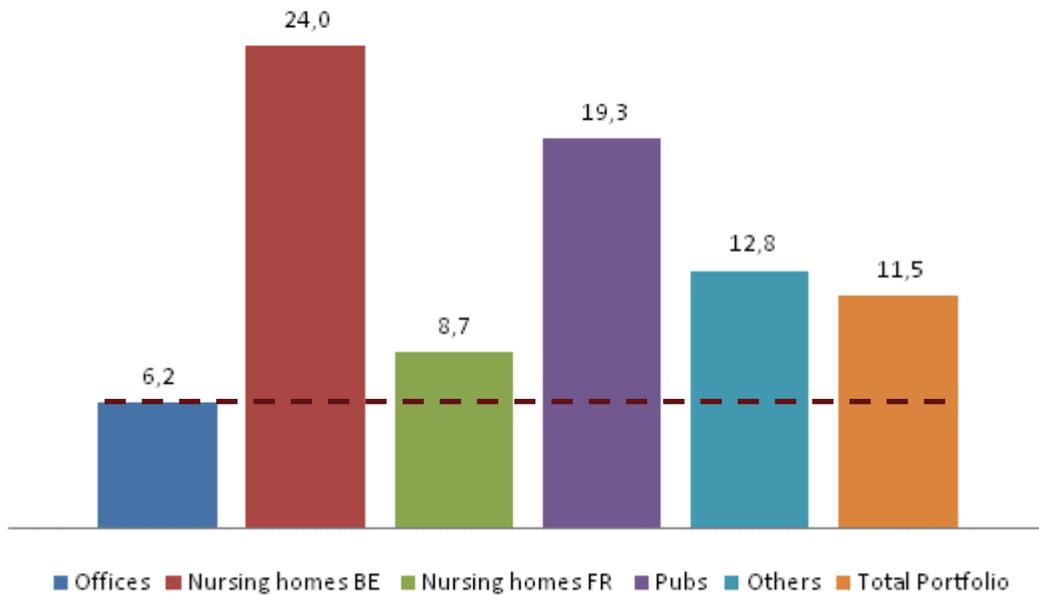
Weighted residual lease length: 6.2 years.

Net decrease of 15% of office exposure (€2.0bn to €1.7bn) since beginning of diversification in 2005



Long term quality leases

Lease maturity by property type (years)



Top 5 Master Tenants

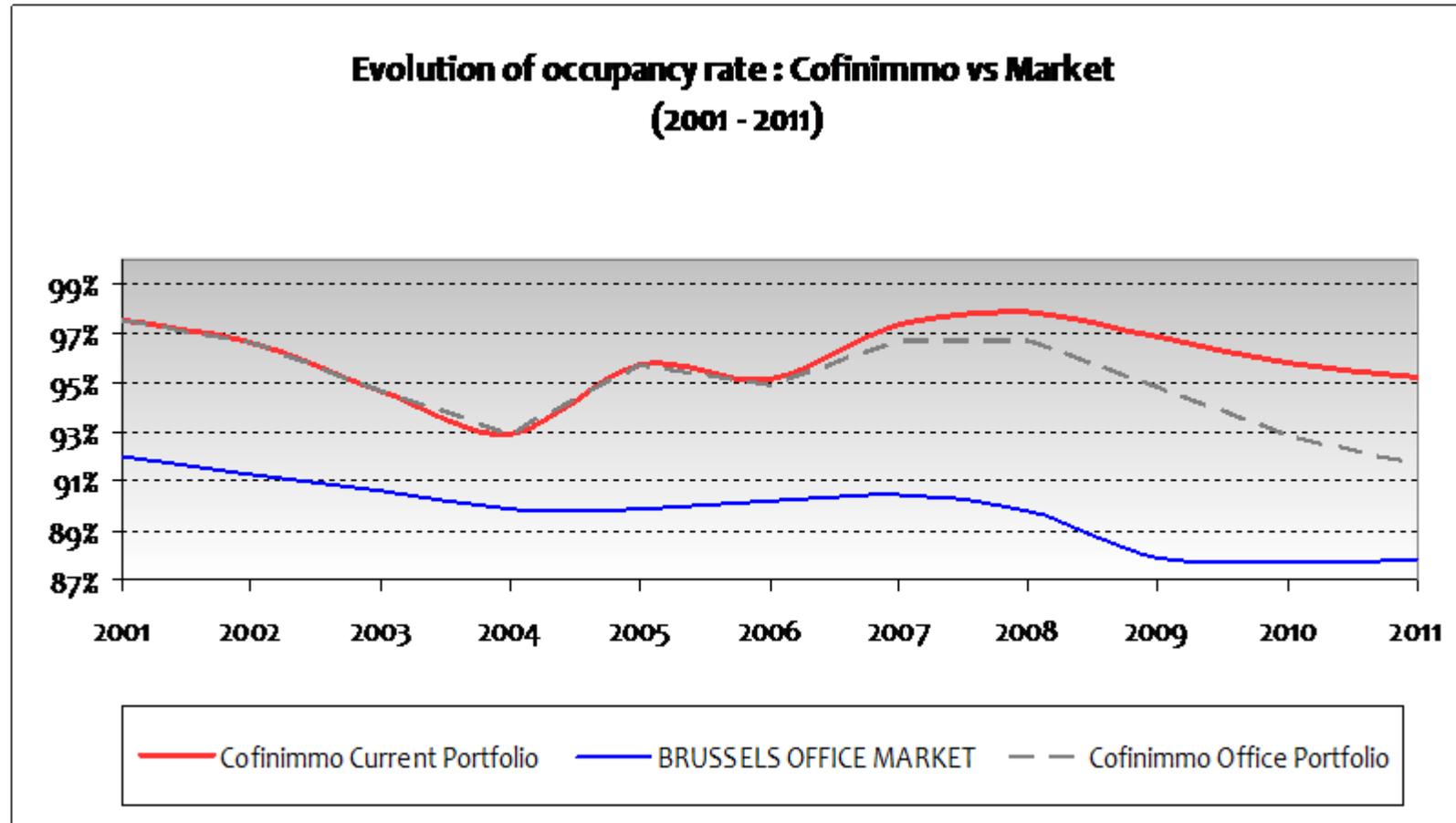
Activity sector (305 clients)	Contractual revenues (% of total)	Lease length until first break (years)
AB InBev Group	13.5%	19.3
Belgian State	11.7%	13.3
Korian Group	8.9%	8.4
Senior Living Group	6.6%	24.0
Armonea	6.6%	22.9
Top 5 clients	47.2%	16.9
Others	52.8%	6.7
Total	100.0%	11.5

Portfolio valuation

	Unrealised gain/loss 2011 (9m)
Offices	-1.57%
Nursing homes	+0.94%
- Belgium	+1.14%
- France	+0.62%
Pubs	+0.01%
Others	+0.38%
Total portfolio	-0.51%

- ☞ Total portfolio devaluation on 30.09.2011:
-€16.2 million or -0.51% (-0.3 million during 3Q2011 alone)
- ☞ Positive revaluation of nursing home portfolio (+0.94%)
- ☞ Negative revaluation of office portfolio (-1.6%)
 - Devaluation of Livingstone I-II and Science 15-17, 2 office buildings in the Brussels area which are expected to undergo a heavy renovation as from 2012.
 - Over-renting due to past indexation of lease contracts now coming to an end.
 - Inclusion of AMCA SA acquired above expert's value due to changing market climate between signature acquisition agreement (2007) and effective acquisition (2011).

Occupancy rate Cofinimmo



Source: DTZ Research.

Key operational indicators

	30.09.2011	31.12.2010
Portfolio of investment properties - Fair value (x €1,000,000)	3,110.2	3,041.9
Residual lease term in years - Total portfolio (years)	11.5	11.5
Residual lease term in years - Office portfolio (years)	6.2	6.7
Occupancy rate - Total portfolio (%)	95.70	95.77
Occupancy rate - Office portfolio (%)	92.40	92.85

Office portfolio = 840.000 m² (31/12/2010)

Vacancy = 60.000 m² (31/12/2010)

Letting activity 2011 (new tenants) = 40.000 m²

Letting activity 2011 (renegotiation) = 70.000 m²

Gross rental revenues

	Gross rental revenues 2011 (9m) (x €1,000,000)	Gross rental revenues 2010 (9m) (x €1,000,000)	Growth (%)	Like-for-like growth (%)
NH Belgium	26.4	22.1	+19.46%	+1.5%
NH France	19.3	18.0	+7.22%	+1.7%
Offices	73.8	85.6	-13.8%	+2.91%
Pubs	21.5	21.0	+2.4%	+2.1%
Other	2.8	3.2	-12.5%	+0.57%
Total portfolio	143.8	149.9	-4.06%	+2.36%

☞ Total gross rental revenues fall by -4.06%, due mainly to the disposal of properties carried out over the last 12 months.

☞ On a like-for-like basis they increase by +2.36% (indexation accounts for a +2.01% growth).

Yields

Stable yields:

	Gross Yield 3Q2011	Gross Yield 2010	Gross Yield 2009	Gross Yield 2008
Offices	7.51%	7.44%	7.44%	7.18%
Nursing homes	6.28%	6.28%	6.45%	6.24%
- Belgium	6.12%	6.10%	6.15%	5.94%
- France	6.51%	6.54%	6.83%	6.59%
Pubs	6.57%	6.61%	6.55%	6.51%
Others	7.26%	7.15%	7.12%	7.19%
Total portfolio	6.98%	6.98%	7.06%	6.88%

Cofinimmo is investing in segments with lower property costs, hence benefiting from a smaller gap between gross and net yield:

	Offices	Nursing homes	Pubstone	Others	Total
Gross yield	7.51%	6.28%	6.57%	7.26%	6.98%
Net yield	6.82%	6.31%	6.48%	5.72%	6.59%
Delta	-0.69%	+0.03%	-0.09%	-1.54%	-0.39%

Sale of Citylink

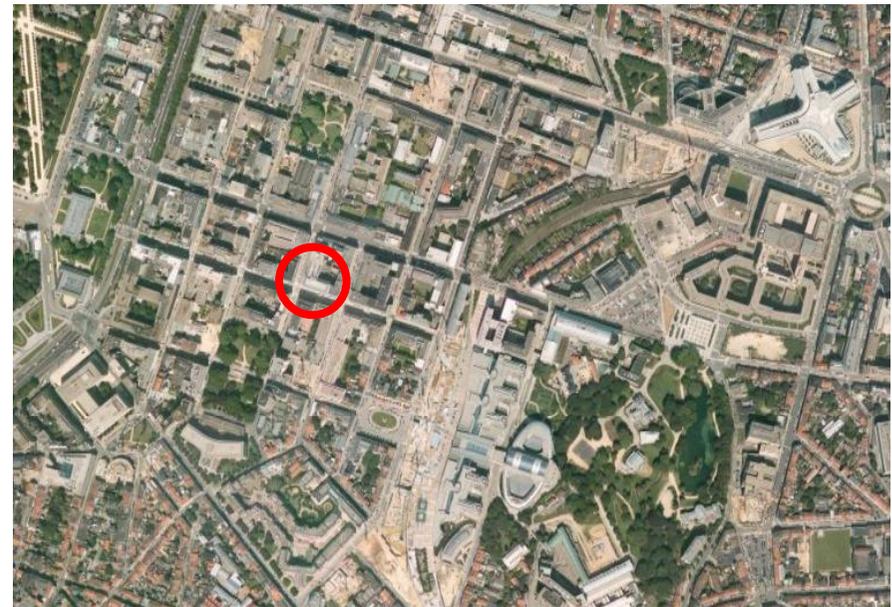
- ☞ Sale of the Antwerp located Citylink office business park for a price of €63.2 million
- ☞ Business park composed of 4 office buildings of 27 108 m² and 587 parking slots delivered in 2009 (contract signed in 2007)
- ☞ 100% occupancy thanks to successful letting by Cofinimmo



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Sale of Montoyer 34

- ☞ Sale of the Montoyer 34 office building for a price of €57.2 million
- ☞ Building of 13 215 m² and 276 parking spaces developed in 1993
- ☞ 100% occupancy by the European Commission



Sale of Da Vinci

- ☞ Sale of the Da Vinci office building for a price of €31.4 million
- ☞ Building of 7 635 m2 and 128 parking spaces developed in 1993
- ☞ 100% occupancy by the European Commission



3. Presentation of key redevelopments



Future developments

Science 15

Livingstone I-II

Woluwé 34



Three projects: Development of 60.000 m² over the next 5 years

Mixed-use: Office for 55%, residential for 40% and retail for 5%

Location: 88% in the European district

Strategy: 60% as investment property and 40% for sale

Science 15



Science 15



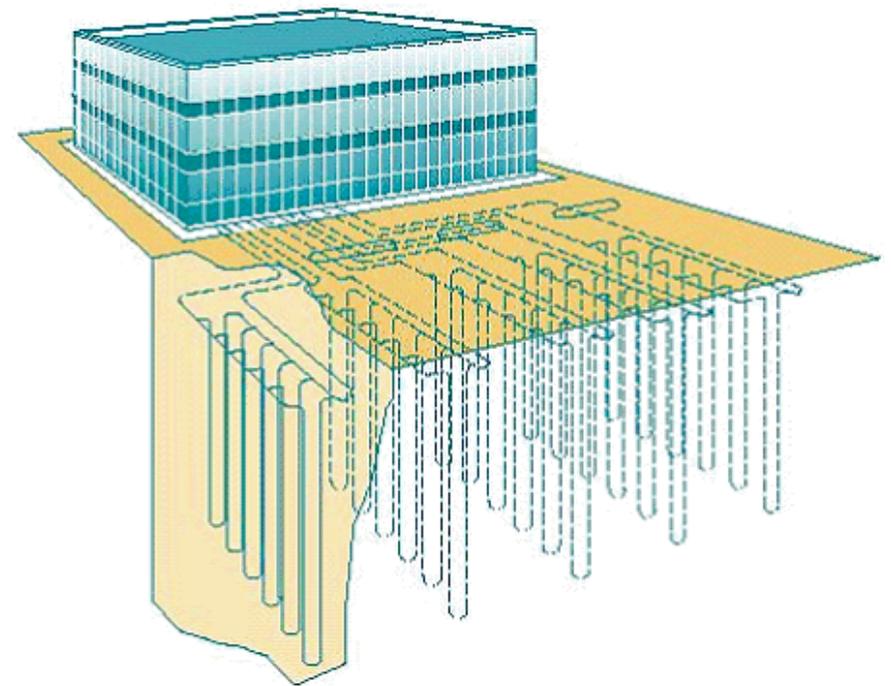
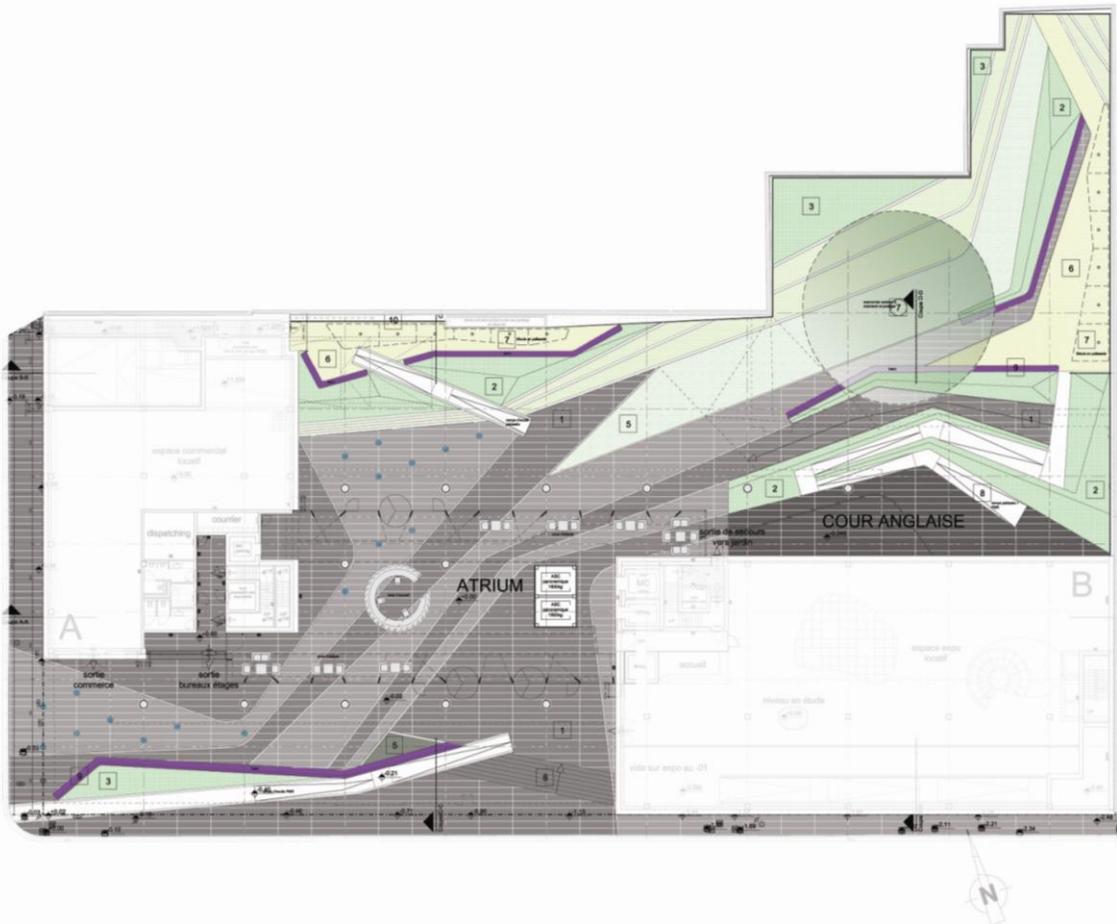
Science 15



- Science 15-17 – Brussels Leopold District – 17,700m²
- Permit request: mixed project (offices – commercial)
- Building let to the European Commission until 31.12.2012
- Objective: BREEAM ‘Very Good’ – E-level 45-60 – K-level <35
- Brussels Region IBGE’s ‘Exemplary Building 2011’
- Passive building according to PHPP¹ calculation
PHPP: The Passive House Planning Package is a design tool aimed at designing and calculating passive house standards.

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Science 15



- Footprint of the building < $\frac{1}{3}$ of the land in the project vs. > $\frac{2}{3}$ in the existing building
- 20% of land used as a plaza in front of the building
- Geothermal system covering 33% of cooling requirements and 80% of warming requirements

Livingstone

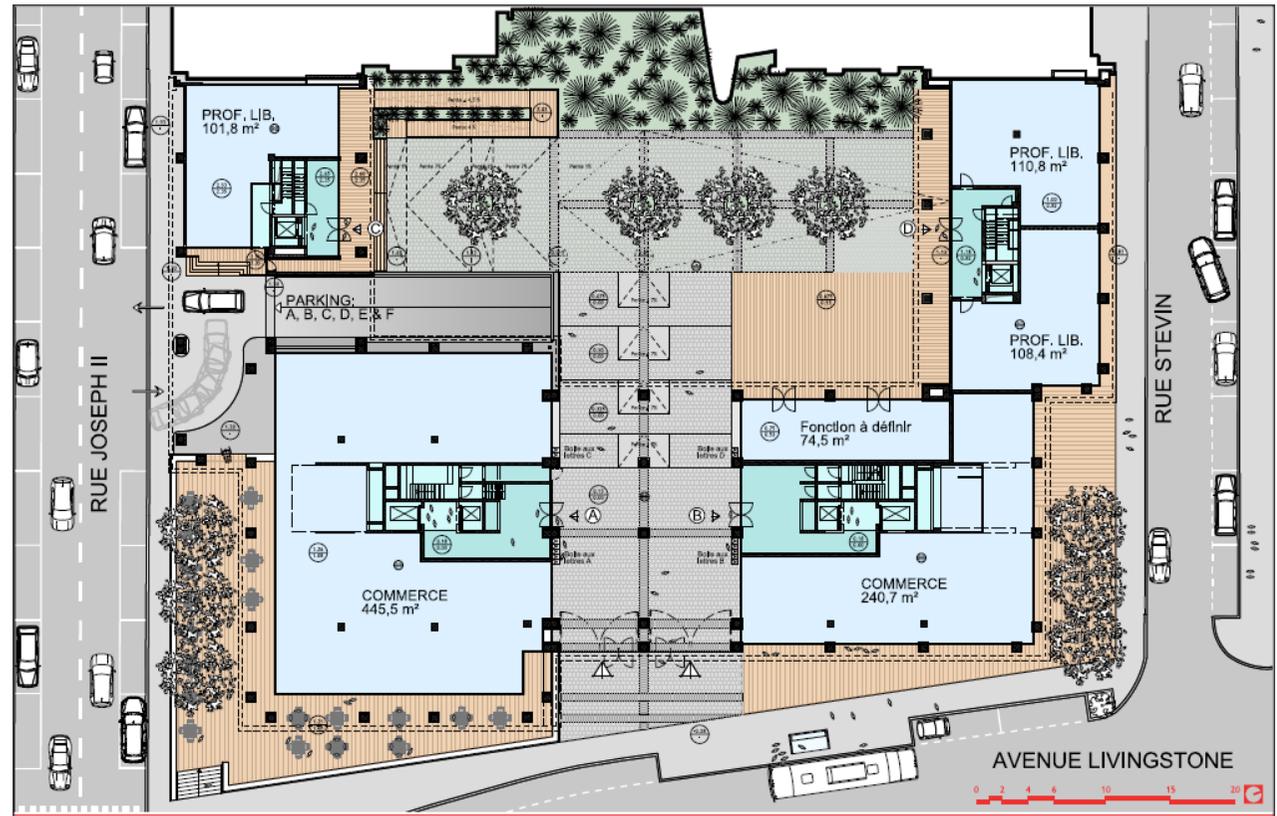


Livingstone



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Livingstone



- Livingstone I-II – Brussels Leopold District – 35,000m²
- Permit request: mixed project (offices – apartments for sale)
- Rental indemnity from current tenant for early leave >2012 (DVV-Lap – €11.2 million)
- Objective Livingstone I: E-level 60 – K-level 30

Livingstone



- 122 residential units with large terraces
- Internal garden
- 500 m from the Schuman roundabout

Woluwe 34



Woluwé 34



Woluwé 34



- **Woluwé 34** – Brussels Decentralised Area – 7,300m²
- Permit request: residential project (apartments for sale)
- Office building occupied until end 2012
- **Objective: E-level 60 – K-level 30**

Conclusion



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Cofinimmo – Investors' Day

20 January 2012



Distribution property networks segment – Key Characteristics

Example of the MAAF branches acquisition



Cofinimmo distribution property networks segment

Key characteristics

- ☞ Sale & lease back
- ☞ Strategic distribution network for the tenant activities
- ☞ Long term leases
- ☞ Low rental levels and attractive acquisition price per sqm
- ☞ City center or high visibility street location
- ☞ Large possibilities of alternative uses – local retail
- ☞ If vacated these assets attract interest from local investors
- ☞ Granularity - small unit values – residual value risk widely spread

Cofinimmo 's experience in the distribution property networks segment (1)

- ☞ In 2007, first distribution property networks contract with the acquisition of Pubstone portfolio of ABInBev
 - ☞ > 1000 pubs in Belgium and Netherlands
 - ☞ 1 tenant AB InBev; no direct relationship with a pub operator
 - ☞ Indexed leases with residual lease term of 19 years
 - ☞ No risk related to operation of the pubs, exclusively borne by AB Inbev
 - ☞ Only structural maintenance obligation
 - ☞ Initial yield at 6.15%
 - ☞ Gross yield at 6.57% (at 30.09.2011)



Cofinimmo 's experience in the distribution property networks segment (2)

☞ Decision to invest in this segment motivated by:

- ☞ Increased diversification of assets

- ☞ Attractive yield

- ☞ Recurrent cash flows

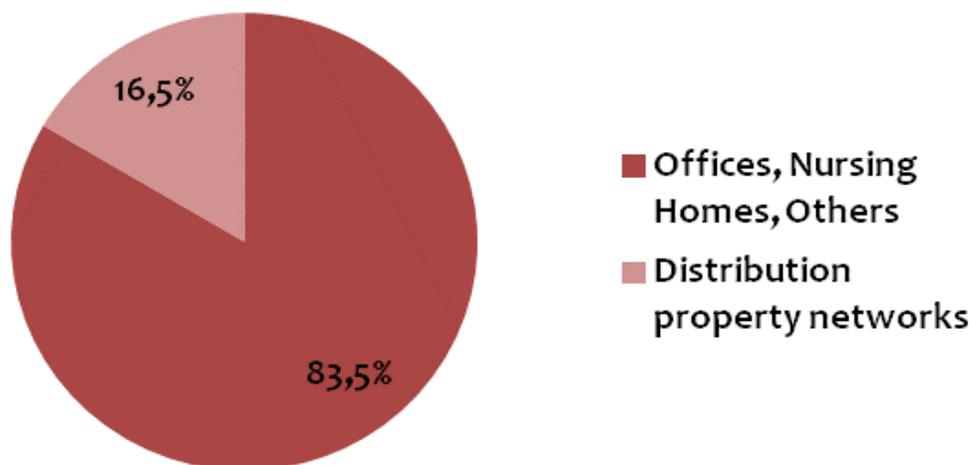
- ☞ Attractive values/m2

☞ Acquisition of MAAF properties portfolio is a further step in the Cofinimmo portfolio diversification strategy

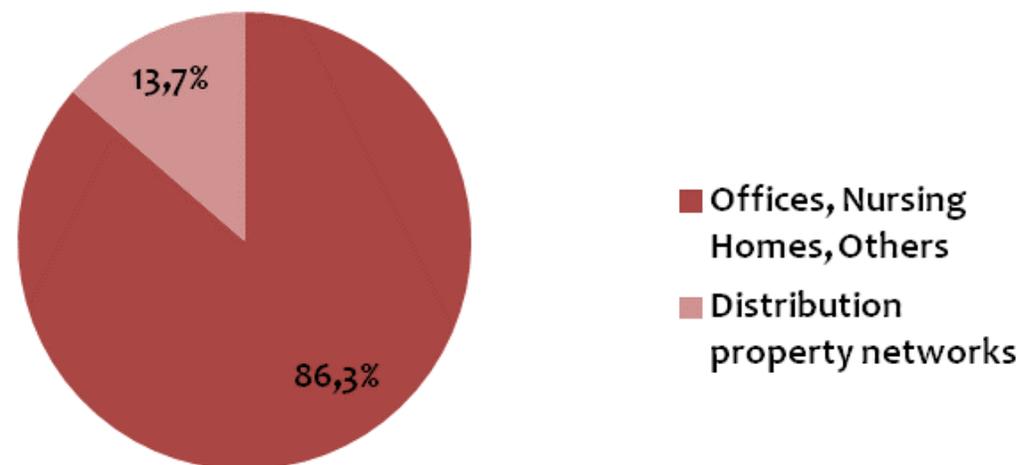
Distribution property networks segment vs Global Portfolio

	21.12.2011*	31.12.2010
Portfolio in investment value (x €1,000,000)	3,270.2	3,153.2
Distribution Property Networks	540.4	431.7

Portfolio in investment value: 21.12.2011*



Portfolio in investment value : 31.12.2010



* Pro forma on 21.12.2011

Presentation of the MAAF acquisition (1)

- ☞ Acquisition of all 285 sites (branches and offices) currently owned by MAAF.
- ☞ All sites located in France .
- ☞ Total surface of 60 411 m².
- ☞ Total investment of € 107.6 million (price of € 1 781/m²).
- ☞ MAAF Assurances SA is sole tenant of the properties.
- ☞ Indexed leases with an average weighted duration of 9.7 years
- ☞ Annual indexation based on the commercial leases index (“ ILC”).
- ☞ Rental income: € 7.86 million per annum (rent of € 130/m²).
- ☞ Gross yield of 7.31%.
- ☞ Renovation and compliance works on 219 sites to be undertaken by MAAF, at their own cost, before 2017, for €79.3 million.



Presentation of the MAAF acquisition (2)

- ☞ Portfolio to be acquired by a newly formed subsidiary of Cofinimmo, Cofinimur I SA (“Cofinimur”):

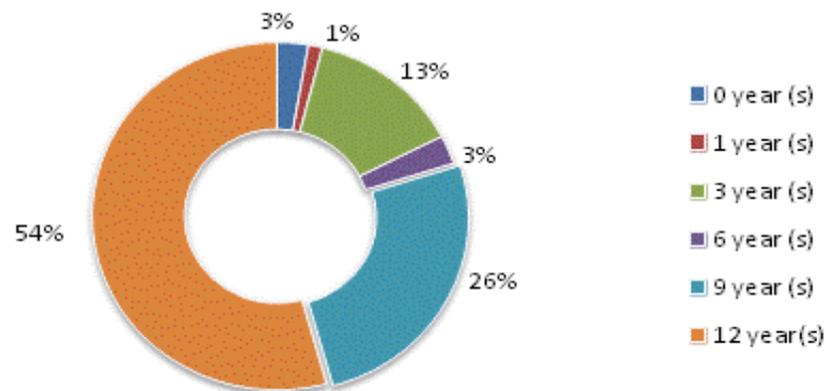


- ☞ Foncière Atland REIM responsible for
 - ☞ asset management
 - ☞ property management

Description of the MAAF portfolio (1)

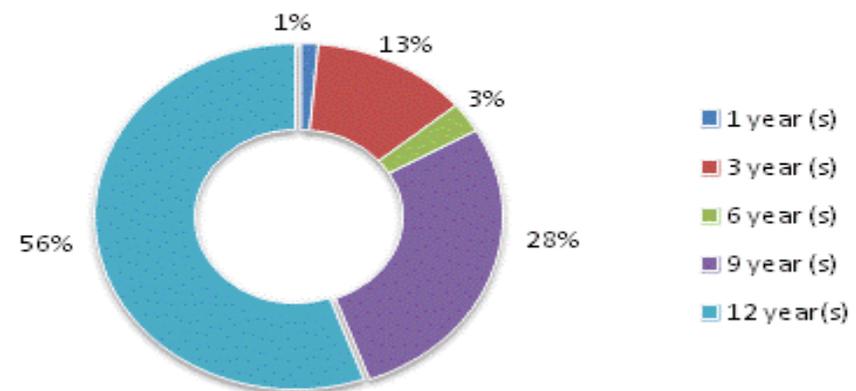
- ☞ Portfolio of 270 branches and 15 properties used mainly as offices
- ☞ Weighted average lease term of 9.7 years
- ☞ 83% of rental income comes from fixed leases for 9/12 year, 3% from 6/9 year leases and 13% from 3/6/9 year leases. The remaining is vacant or 1 year leases.

Breakdown by leases term - in weighted surface (in%)



Total weighted surface : 60.411 m²

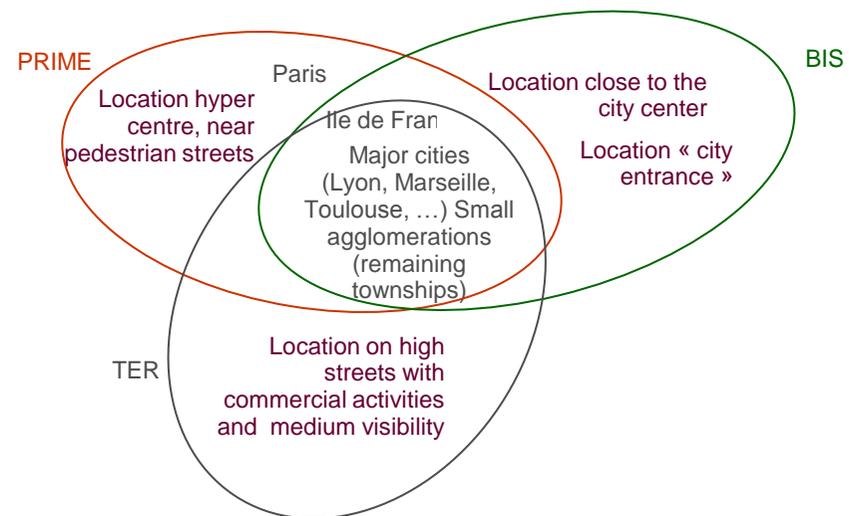
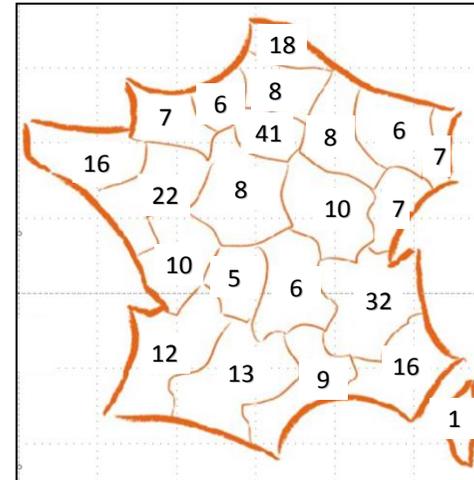
Breakdown by leases term - in rental income (in %)



Rental income p.a. : € 7.86 million

Description of the MAAF portfolio (2)

- ☞ Out of a total of 587 branches constituting the total MAAF network in France (the other 317 already rented)
- ☞ 15 sites rented by GIE Europac (guarantee of MAAF)
- ☞ Total surface of 60 411 m²
- ☞ 2/3 of the portfolio is located in geographical areas with high population growth (“Ile- de- France”, PACA region and Western France)
- ☞ 55% of the sites are located in cities with more than 50.000 inhabitants
- ☞ Prime, Bis and Ter locations



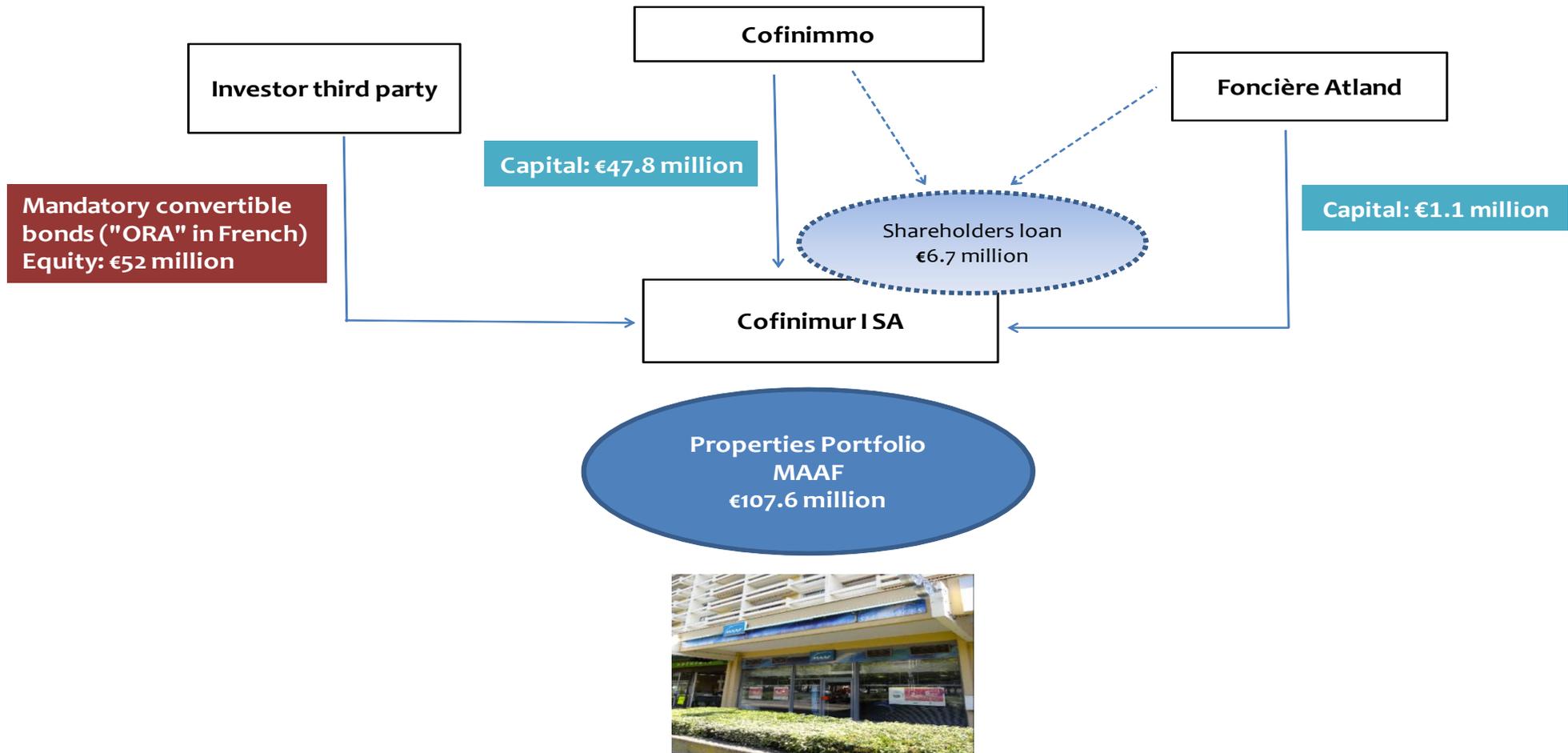
About MAAF Assurances SA

- ☞ MAAF is part of the Covéa Group, a mutual insurance company
- ☞ Multi-line insurer aimed at the general public, private individuals and businesses
- ☞ 587 branches in France –sales network operated by employees (--> no subletting)
- ☞ MAAF with 2 others brands of the Covéa Group (MMA and GMF) account for 20% of the French insurance market.
- ☞ Renovation and compliance works of branches and offices before 2017 financed by MAAF for € 79.3 million (from € 1300/m2 to € 1800/m2).
- ☞ Key MAAF figures on 31.12.2010:
 - Income € 3 915 million
 - Net Result –Group Share € 134 million
 - Equity € 2 502 million
 - Members and clients 4.1 million

About Foncière Atland

- ☞ Foncière Atland is a real estate investment trust (SIIC), listed on Euronext Paris. It operates in the “Ile-de-France” region and in the French regions
- ☞ Key player in the sector through 3 business lines :
 - Outsourcing of property assets
 - Construction on own account and development of turnkey properties for rent
 - Opportunistic investments
- ☞ Portfolio of € 100 million own assets and € 170 million assets under management mainly within corporate partnerships
- ☞ Foncière Atland REIM is responsible for the asset management and the property management of the MAAF 285 sites portfolio

Financing of the acquisition





Q&A



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Healthcare Properties



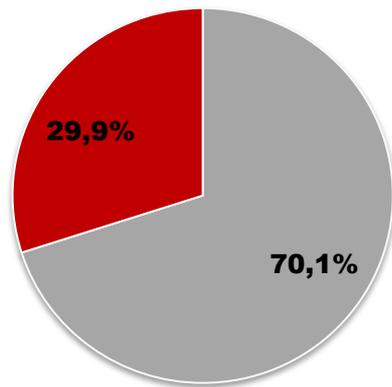


A. Introduction



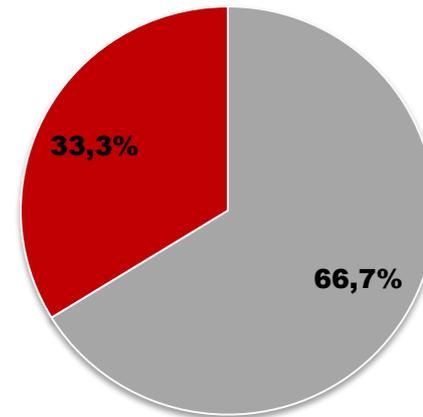
Evolution of Cofinimmo properties portfolio

Portfolio in investment value: 31.12.2010



- Offices, Distribution property networks & Others
- Nursing homes

Portfolio in investment value: 21.12.2011*



- Offices, Distribution property networks & Others
- Nursing homes

Nursing homes portfolio residual lease term/order book : 17,5 years

	31/12/2010	21/12/2011*
Nursing Home Belgium – Investment value (x €1,000,000)	567.93	665.38
Nursing Home France – Investment value (x €1,000,000)	374.50	422.27
Total France & Belgium	942.43	1087.65

* Pro forma on 21.12.2011



Elderly and Healthcare properties

☞ Elderly care institutions

- Nursing homes (NH)
 - Homes for dependent elderly offering shelter and common domestic services on the long term
- Nursing and Care homes (NCH)
 - Homes for dependent elderly offering shelter and specialised care and support services on the long term
- Service flats
 - Flats offering shelter to (semi-)autonomous elderly in which personalised domestic services are provided

Cofinimmo investments:

✓

✓

✓

☞ Healthcare institutions

- Acute care clinics
 - Establishments where patients are admitted for medical or chirurgial treatment
- Aftercare & rehabilitation clinics
 - Facilities providing post-trauma therapy and training for rehabilitation
- Psychiatric clinics
 - Clinics for the care and treatment of patients affected with acute or chronic mental illness

envisaged

✓

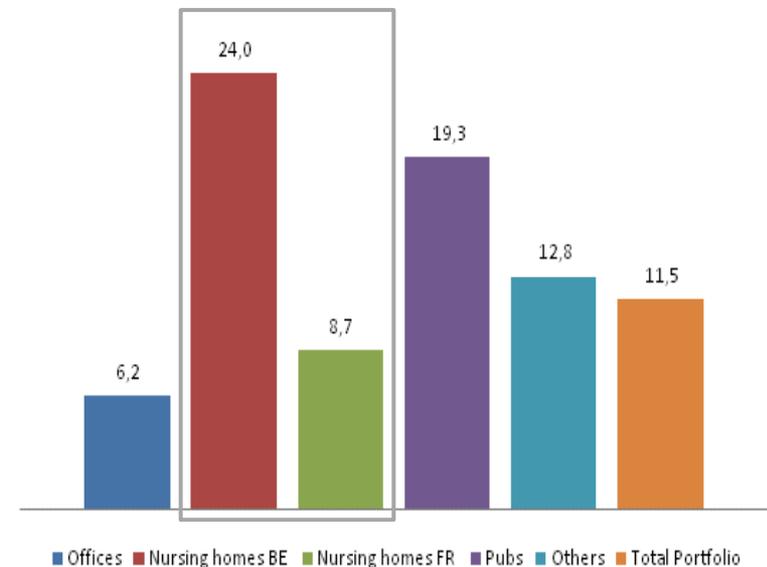
✓



Key feature of rental Contracts

- ☞ 119 nursing homes with 12,443 beds in Belgium and France
- ☞ Long-term contractual relationships
 - 27 years in Belgium
 - 12 years in France
- ☞ Fixed rents from operator indexed annually
- ☞ No risk relating to the management of the care homes
- ☞ Mostly triple net leases or limited maintenance obligation
- ☞ Credit risk on operator group, not on individual unit
- ☞ In-house Project Management Department specialised in this segment

Weighted residual lease length per sector
(in number of years on 30/09/2011)

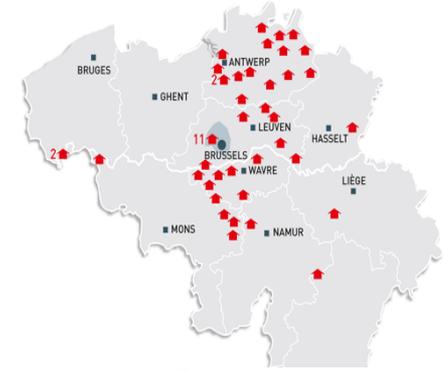
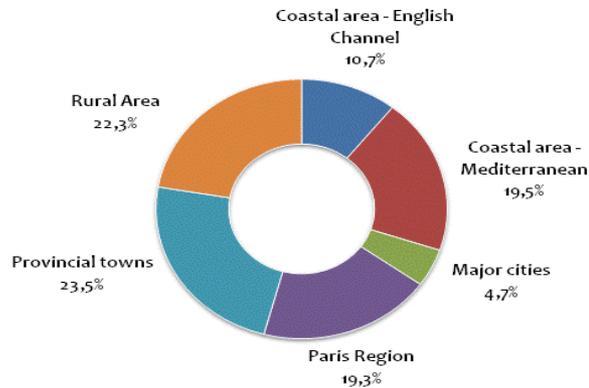
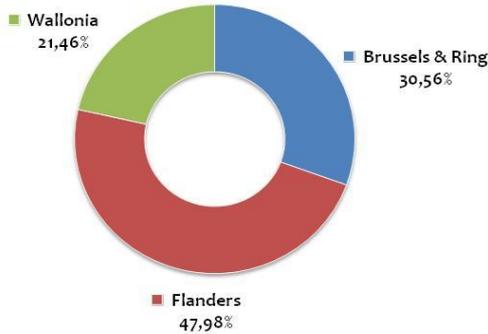




Risk management – geographical spread

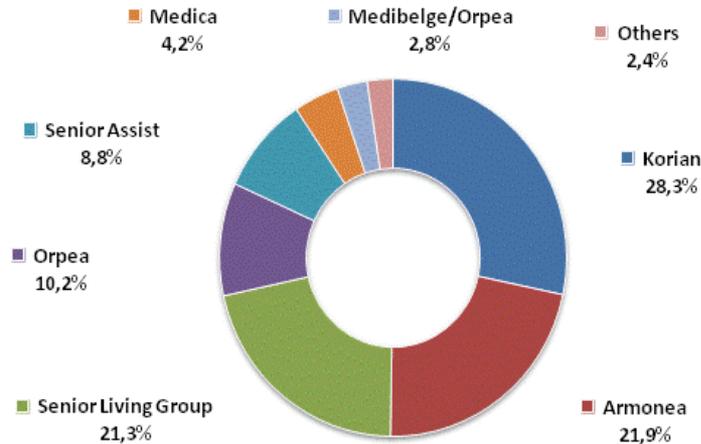
Sector Information Geographic breakdown

Belgium: 61%



Risk management – Rental quality

Breakdown by operator - in contractual rents (in %)



Belgium

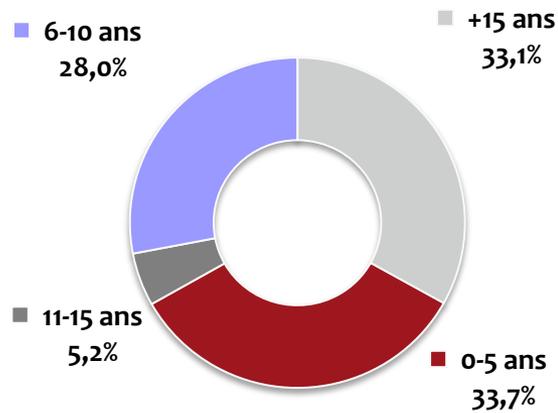
- Armonea (5,500 residents) is a joint venture of 2 family-owned companies with more than 30 years of experience in the nursing home sector.
- Médibelge (1,800 residents) is a private nursing home operator owned for 49% by Orpéa Belgium.
- Senior Assist (5,000 residents) is a nursing home operator owned by a private family.
- Senior Living Group (4,950 residents) was created in 2004 by Waterland Private Equity.
- Le Noble Age is the Belgian subsidiary (507 residents) of Le Noble Age, a French listed operator (5,107 beds)
- Others : Calidus, Anima Care

France

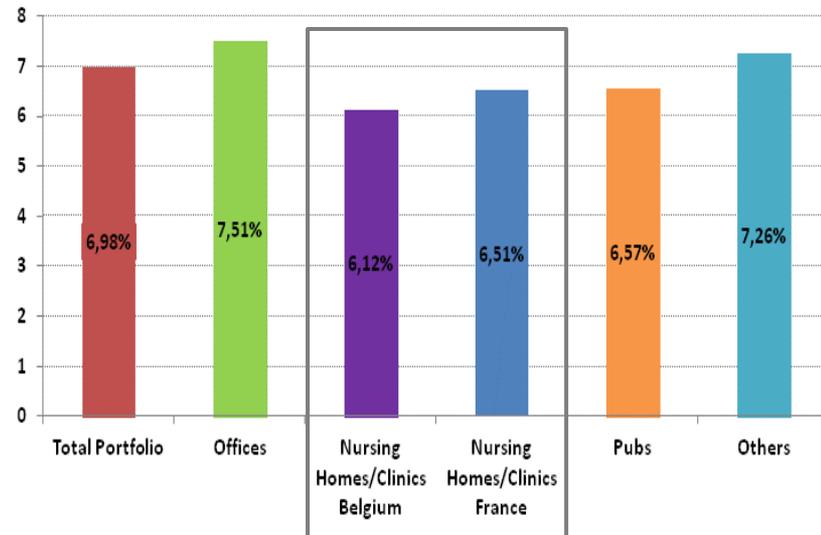
- Orpéa with 36,714 beds is the largest player in senior care in continental Europe and is listed on the Paris Stock Exchange.
- Korian is the second largest nursing home operator in continental Europe, with over 21,400 beds. The company is also listed on the Paris Stock Exchange.
- Medica is the fourth largest nursing home operator in France and is listed on the Paris Stock Exchange. The company manages a network of 14,300 beds

Risk management – Conservative valuations

Average age of the institutions (in years)



Gross rental yield (in %) -30.09.2011





B. Key Features of the market

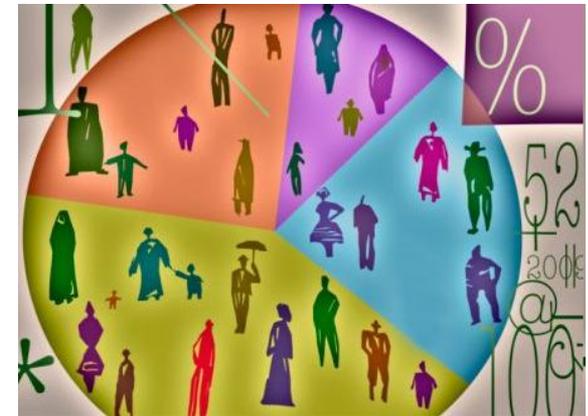




Elderly care segment

Demographic trends (Example: Belgium)

- o Increase in life expectancy: 2007=83 (♀) and 77 (♂) – 2060=91 (♀) and 83 (♂)
- o Faster rise in numbers of 60+ and 80+ aged persons; growth perspective for 2050: +60% and 150% respectively
- o Increasing dependency due to aging but also disintegration of the family unit



Elderly care needs

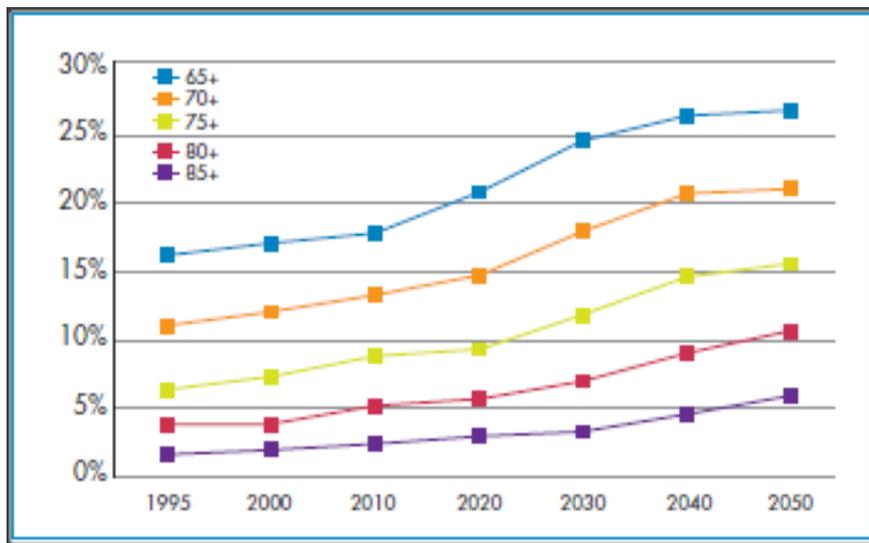
	Dependent elderly persons (000)			% Nursing home residents	New nursing homes beds needed <10 years (000)	New property investment required ³ (€Bn)
	2007	2010	2020	2010		
Belgium	248	266	322	51 ¹	29	2.3
Germany	1,589	1,691	2,117	50 ²	213	17.0
France	1,505	1,632	1,941	50 ²	155	12.4
Netherlands	622	658	824	50 ²	83	6.6

¹= actual; ²= assumptions; ³= €80,000 per bed.

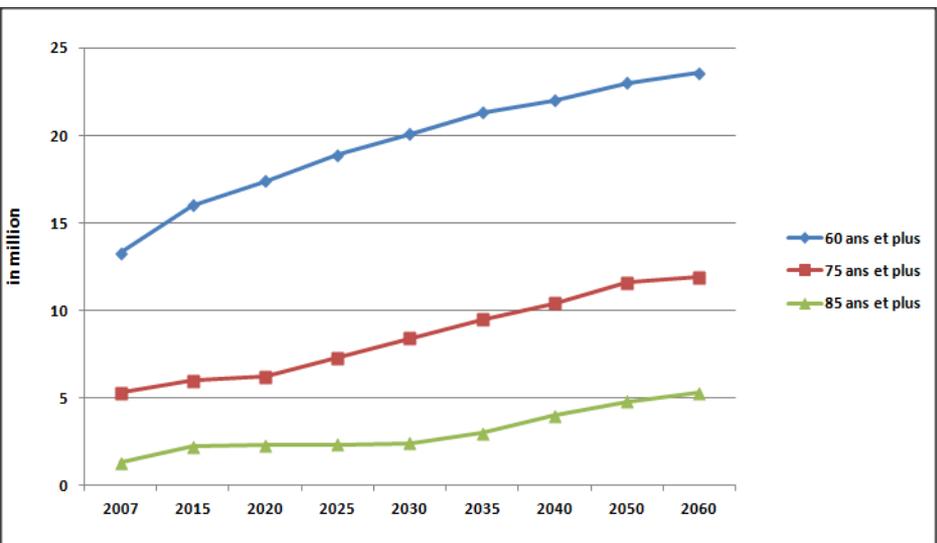


Elderly care segment

Belgium - Population perspectives, 1995-2050



France - Population perspectives, 1995-2050

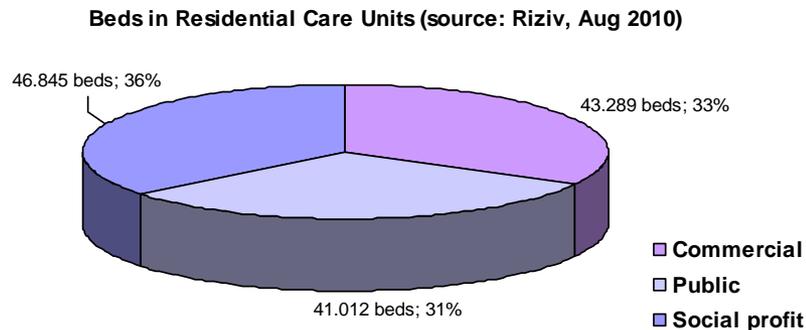


Source : Pacolet, J. ET AL. (2004)



Focus on Belgium, Demand potential

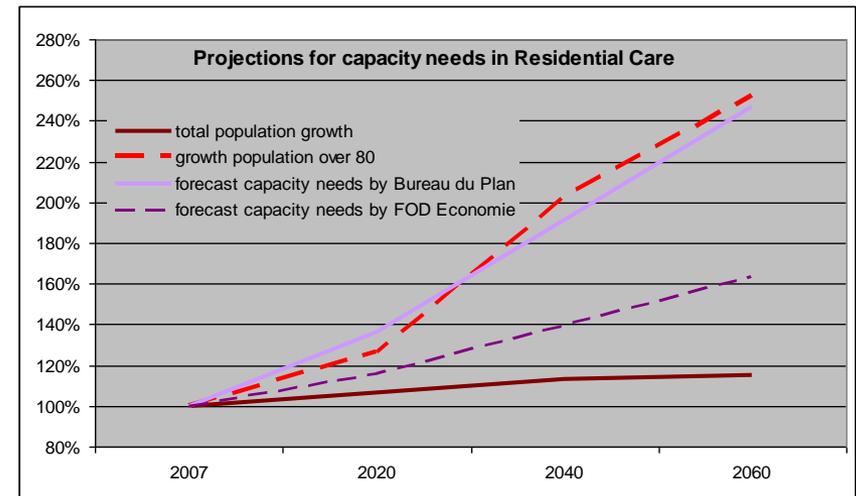
Actual size of the market



Actual capacity : 131.000 beds

Strict capacity planning by Authorities

Demand Potential



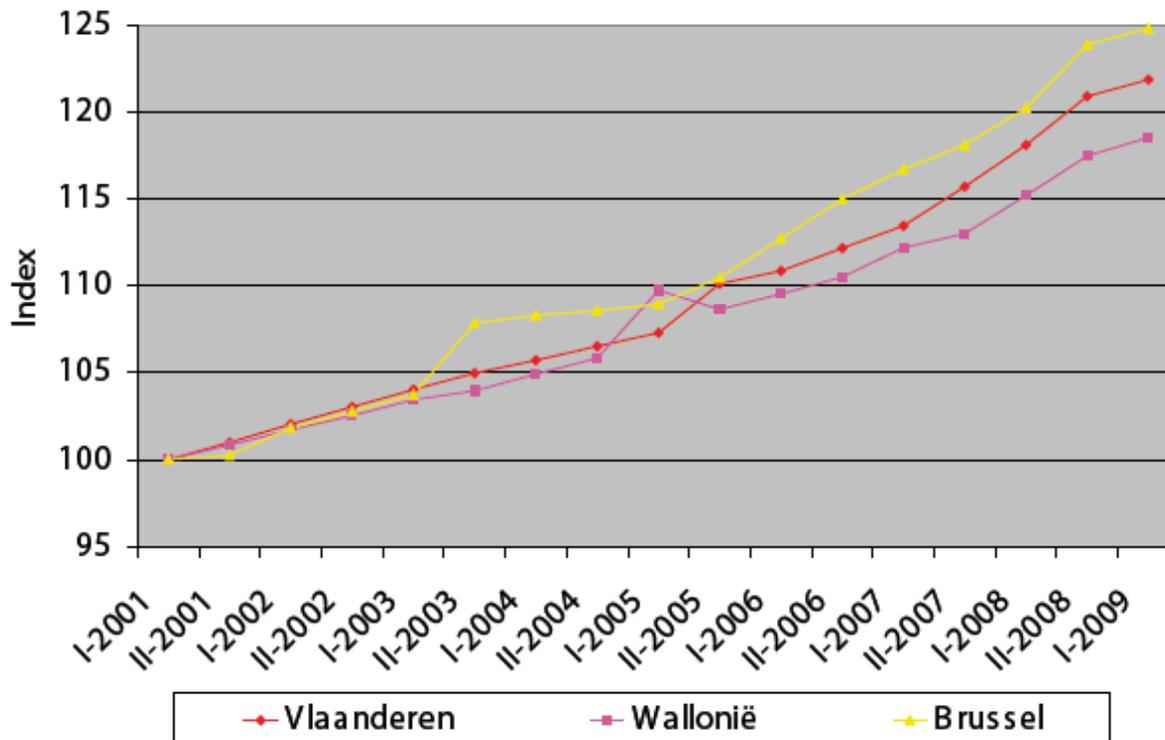
Needed capacity in 2050:

- Bureau du Plan: + 180.000 beds
- FOD Economie: + 74.000 beds

Compensating factors :

- Healthy life expectancy (+0.3 years per year 95-01)
- Policies towards elderly and healthcare spending
- Consumption patterns of elderly

Evolution of nursing homes day prices - Belgium



Once day prices are fixed they can only be modified by

- **Indexation**
- **Structural works**

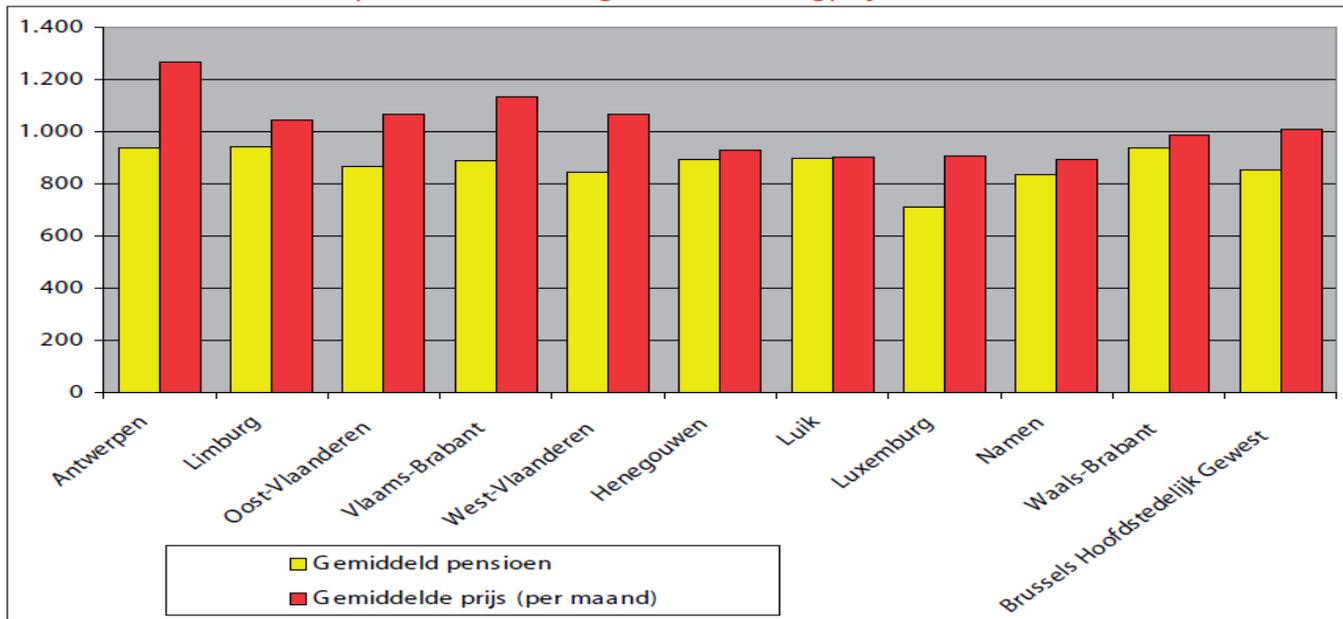
Day prices are annually indexed to composite index derived from CPI and health care costs

2.56% average annual indexation over period (2001 – 2009)

Sustainability of the NH Care Model

Average Day Prices vs. Average Retirement Allowances

Grafiek 14: Gemiddelde pensioen versus gemiddelde dagprijs



Bron: FOD Economie & RVP.

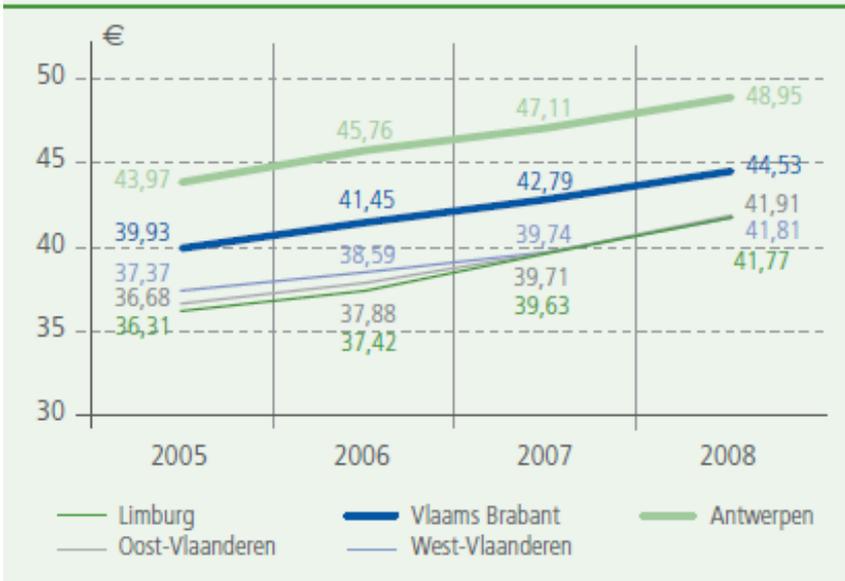


Focus on Belgium, Resilience of operators' revenues

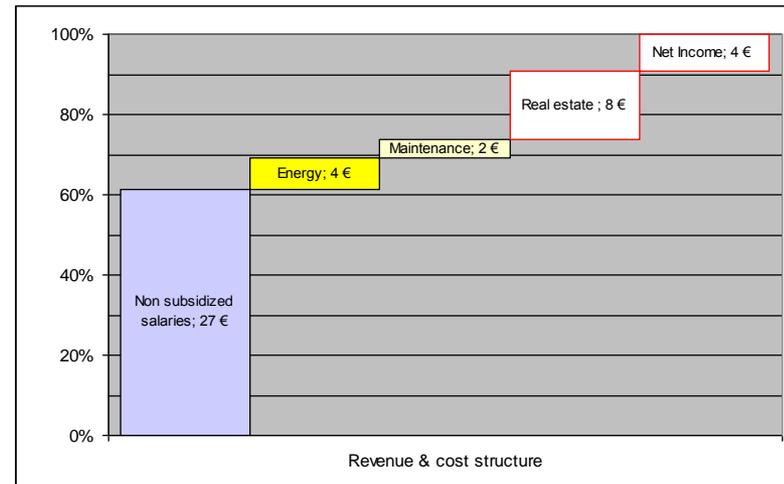
Evolution of operator's revenue

Geographical breakdown of day prices for single room

Dagprijzen voor eenpersoonkamer per provincie (geaggr.) (n=172)



Revenue structure



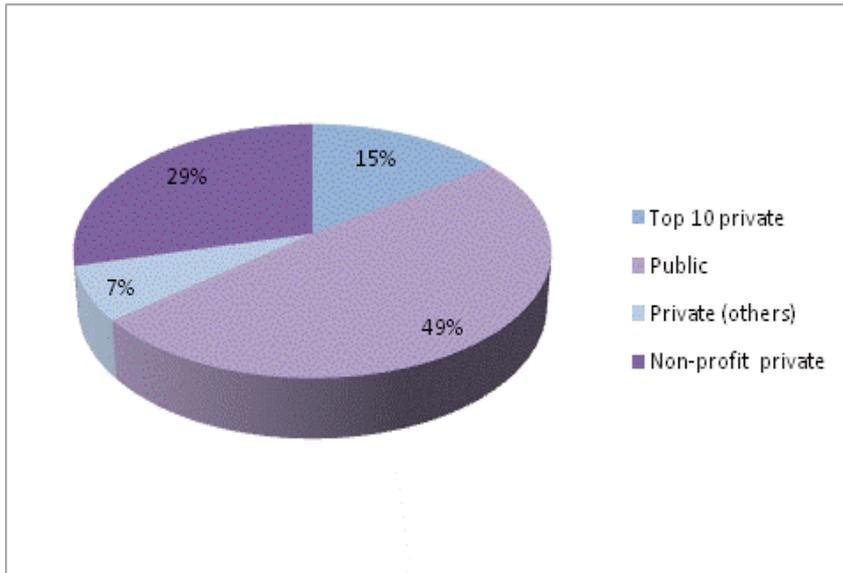
Conclusion:

- EBITDAR Margin: 27%
- Net Income margin: 9%
- Target RE cost/Ebitdar: 66%



Focus on France, Demand potential

Actual size of the market



Source: Korian , Medica - 2011

Actual capacity : 684.000 beds

Strict capacity planning by Authorities

Demand Potential

Annual Needed capacity :

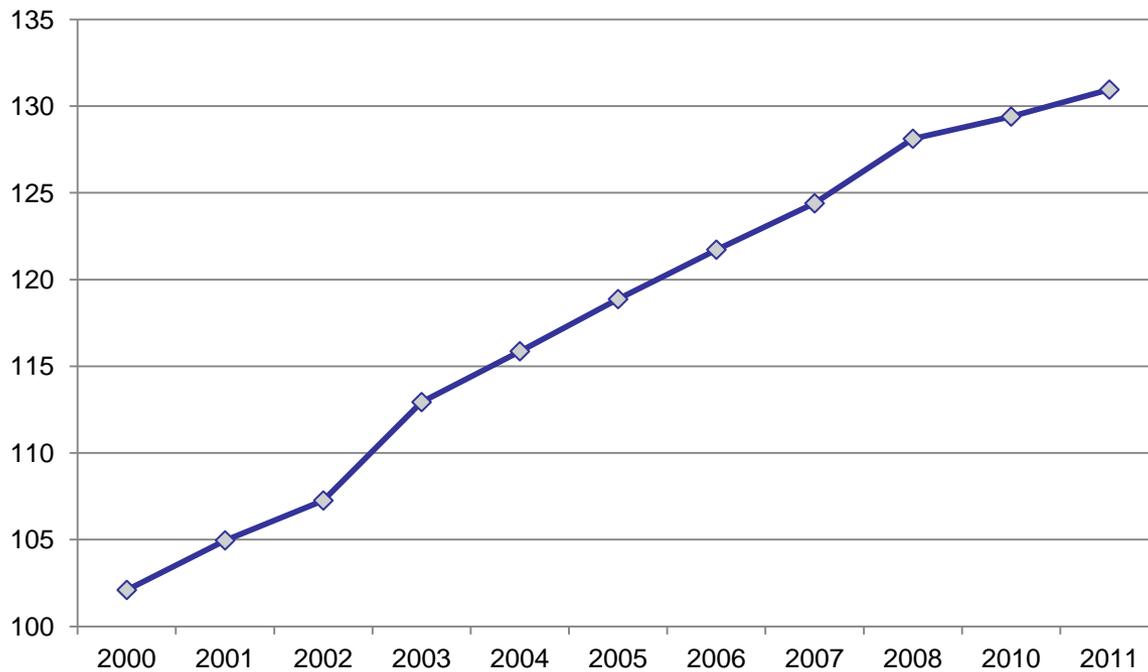
- 7500-10.000 beds/year

New rules to obtain beds adopted in 2010

Auction system (“appel à projets”) in which the authority (Region – ARS) determines the needs for new beds and requests operators bid on a determined plot of land

Except for extension of existing facilities (10 to 15 beds) no new beds were created under this new system

Evolution of day prices based upon IPT index- France



Once day prices are fixed they can only be modified :

- **by indexing the day price for existing patient**
- **for each new patient**

Day prices indexation is based upon IPT index (care cost evolution in EHPAD)

Yearly annual indexation on period 2000-2012 : 2.38% on average



Focus on France, Resilience of operators' revenues

Evolution of operators revenues

The average day price (2011) stands between 75-80 € with a minimum of 40 € to a maximum of 250 €.

This wide price range is due to the wide geographical distribution of revenues in France reflected in the residential real estate prices

Yearly evolution :

- existing resident : IPT Index
- new resident : 3.5-4%

Revenue structure

Turn Over Care	25%
Turn Over Dependance	10%
Turn Over Accomodation	65%
Turn Over	100%
Personnel Cost	45-55%
Purchasing & External Charges Cost	15-25%
EBITDAR	25-35%
Rent	15-20%
EBITDA	10-15%

Ratio :

- EBITDAR/Turn Over : 25-35%
- Rent/EBITDAR : 50-60 %

Obligations and recommendations for Nursing Homes

Nursing homes – obligations (BE)

☞ Accommodation

- Minimal room surface depending on Region
- Additional equipment & services (living areas, sanitary, comfort, ...) regulated by Region
- Single/double room ratio to be respected

☞ Staffing

- Depending on degree of care: 0.3-0.4 FTE/resident

☞ Fire security

- Federal rules regarding fire safety of all buildings
- Regional rules by Health Care Administrations for nursing homes and service flats
- Project approval and operational inspection by local Fire Department

☞ Building permits & environmental regulations

- Building permits to be delivered by local Administration
- Environmental permit to be delivered by the municipality (classified installations), mostly limited validity in time
- Soil pollution: certification of soil condition at acquisition of land or building

☞ EPB-prescriptions

- Regional specifications in accordance with EU Directive
- Currently limited to insulation performances for nursing houses
 - Minimal energy performance for service flats
- European tendency versus energy neutral buildings in 2020

Obligations and recommendations for Nursing Homes

Nursing homes – Rules (FR)

☞ Accommodation

- Minimal room surface depending on the agreement with the Region.
- Additional equipment & services (living areas, sanitary, comfort, ...) on the agreement with the local authority.
- Single/double room ratio to be respected on the agreement with the local authority.

☞ Staffing

- Depending on degree of care : on average 0.5 FTE/resident

☞ Fire security

- National rules (law) regarding fire safety of all buildings
 - Controlled by the firemen
 - Accredited by the municipality

☞ Building permits & environmental regulations

- Building permits to be delivered by the municipality
 - Environmental permit to be delivered by the municipality (classified installations), mostly limited validity in time
 - Soil pollution: certification of soil condition at acquisition of land or building

☞ Accreditation

- Delivered by ARS since 2010 (Agence Régionale de Santé)

A decorative graphic at the top left of the slide, consisting of numerous overlapping circles of various sizes and colors (blue, purple, red, orange). Each circle contains a different image of a building or architectural structure, creating a collage effect.

Conclusion – Investment Rationale Belgium & France

- ☞ Significant potential due to demographic trends
- ☞ Strict authorisation and accreditation system of lessees/operators constitute a high entry barrier
- ☞ Revenues of the operators guaranteed by Social Security: 50% in Belgium and up to 30% in France
- ☞ Attractive residual value and redevelopment potential
- ☞ Some units are post-acute care or psychiatric facilities

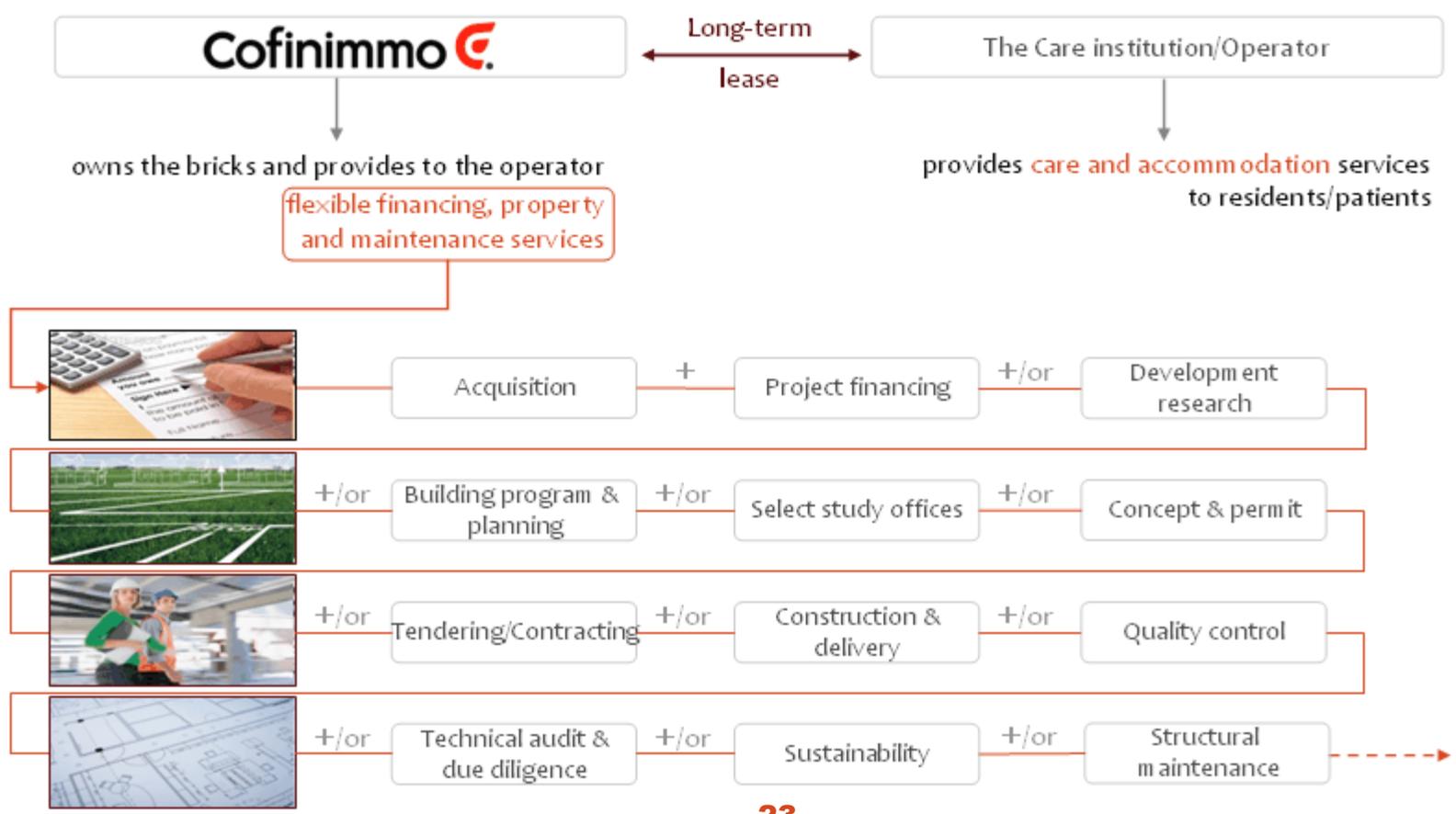


C. Our role in this market





Leverage of real estate construction expertise



Examples of recent Cofinimmo developments in Belgium

Weverbos, Gentbrugge: Construction of a new nursing home for 100 residents

- ☞ Total surface superstructure: 5,387m²
- ☞ Optimisation of the operator's project; construction next to the existing nursing home (instead of on top of it)
- ☞ Negotiation of the urban regulations & building program
- ☞ Budget of works: € 10.442.622 VAT included
- ☞ Works started: May 2010
- ☞ Delivery in Sept 2011
- ☞ Mission Cofinimmo: full Project Management & Development

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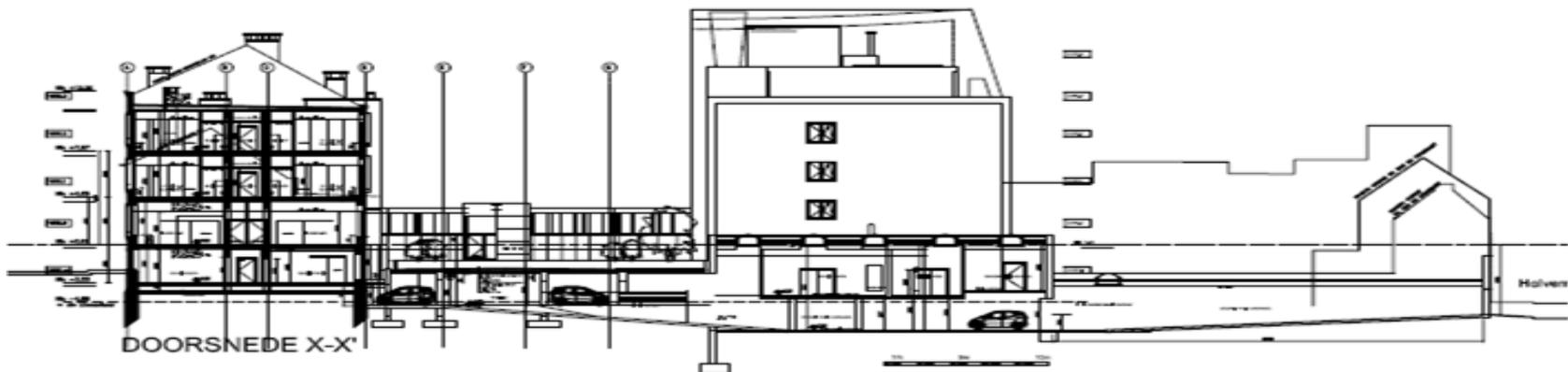
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Examples of recent Cofinimmo developments (cont'd)

Bellevue, Brussels: Transformation of 2 office buildings into a nursing home with 143 rooms

- ☞ 2 buildings: 3,056m² and 4,597m²
- ☞ Construction of a 1,000m² underground parking lot with 35 places
- ☞ Creation of a garden in between the 2 buildings on top of the parking
- ☞ Budget of works: €9,500,000, VAT & studies excluded
- ☞ Work started: June 2008
- ☞ Works ended: January 2010
- ☞ Mission Cofinimmo: full Project Management





Examples of recent Cofinimmo developments (cont'd)

Bellevue, Brussels: Transformation of 2 office buildings into a nursing home with 143 rooms

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Recent Cofinimmo Developments

Belgium - Property	Operator	Type of works	Number of (additional) beds	(Additional) floor area	(Expected) end of works
't Smeedeshof – Oud-Turnhout	Armonea	Extension	+ 60 service flats	+ 6542 m ²	Q4 2012
Parkside	Noble Age	Extension & renovation	100 + 35 beds	5921 m ²	Q4 2012
Prinsenpark – Genk	Senior Living Group	Extension	+ 34 rooms + 40 services flats	+ 4253 m ²	Q4 2012
Wipstraat – Antwerpen (greenfield)	Armonea	New construction	95 beds	5020m ²	Q1 2013
Résidence Susanne Wesley – Uccle	Armonea	Extension & renovation	84 beds	4900m ²	Q4 2014
De Abdij – Koksijde (greenfield)	Armonea	New construction	87 beds	6440m ²	Q3 2013
Solva – Aalst (greenfield)	Senior Assist	New construction	114 beds	7504m ²	Q4 2013
De Mouterij – Aalst (greenfield)	Senior Assist	New construction	127 beds + 16 Service Flats	7643m ²	Q1 2014
Lucie Lambert – Buizingen	Orpea	Extension	18 beds	2614m ²	Q3 2013
Vishay – Evere (greenfield)	In negociation	New construction	159 beds	8425m ²	Q2 2014

important to note that the information provided is in the form of estimates which may be changed during the execution of the works.



D. Track record and Pipeline



Belgium – example of some important investments in 2011

“De Nieuwe Seigneurie” in Flanders (Roeselaere)

- Area of 3,391m² accommodating 75 beds
- Operated by the Senior Assist Group
- Annual initial rent: €0.5 million



“Le Progrès” in Wallonia (La Louvière)

- Area of 4852 sqm accommodating 117 beds
- Operated by the Senior Living Group
- Annual initial rent: €0.43 million



“Prinsenpark” in Flanders (Genk)

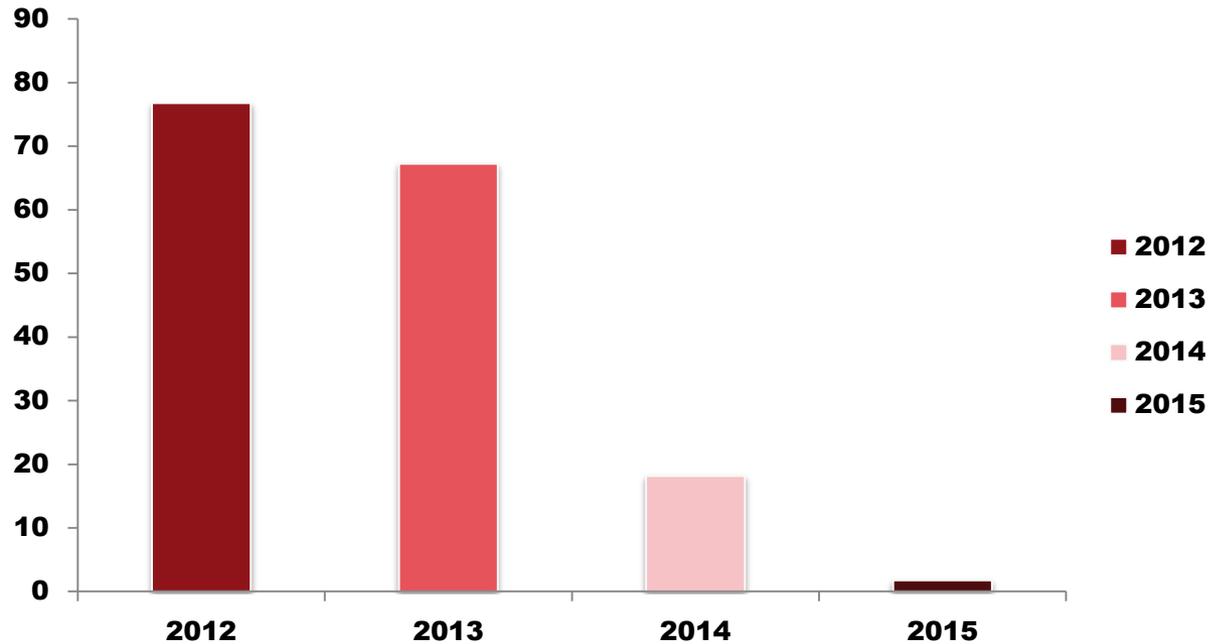
- Area of 6777m² accommodating 120 beds
- Operated by the Senior Living Group
- Annual initial rent: €0.7 million





Belgium – NH Investment Pipeline

Total investment 2012-2015: €164million (incl. refurbishments and extensions)



France - Investments - Important transactions in 2011

€ Acquisition of a portfolio of 6 care homes located in France (Q2 2011)

Total surface of 21,653m² and accommodate 475 beds

Operated by Medica

Acquisition value : €44.5 million

Offer a gross rental yield of 6.51%

	Type of institution	City	Region
1.	EHPAD	Cannes-la-Bocca	Provence-Alpes-Côte d'Azur
2.	EHPAD	Carnoux-en-Provence	Provence-Alpes-Côte d'Azur
3.	SSR	Létra	Rhône-Alpes
4.	EHPAD	Reims	Champagne-Ardenne
5.	EHPAD	Sarzeau	Bretagne
6.	EHPAD	Villars-les-Dombes	Rhône-Alpes



This transaction allows Cofinimmo to pursue its portfolio diversification, both in terms of asset class and geographical spread, as its tenants' portfolio.



Cannes-la-Bocca



Carnoux-en-Provence



Létra



Reims



Sarzeau **32**



Villars-les-Dombes

A decorative graphic at the top left of the slide features a cluster of overlapping circles in various shades of blue, purple, and orange. Each circle contains a different image of a building or architectural structure, creating a collage effect.

☞ Framework agreement regarding a property partnership between Orpea and Cofinimmo covering health-care sector assets potentially amounting to €500 million

- Under this partnership, joint ventures will be set up for the purpose of acquiring, holding and renting property assets in the health-care sector (nursing homes and clinics for post-acute care and psychiatric care) which will be exploited by Orpea.
- 51% of the capital of each joint venture will be held by Cofinimmo and the balance, i.e. 49% of each joint venture, by the Orpea group's OPCI.
- The two partners aim at reaching a size of €500 million assets over a five -year horizon.

Disclaimer:

This presentation is directed to public health professionals is not to be considered as an incentive to invest or as an offer to acquire Cofinimmo shares.

The information herein is extracted from Cofinimmo yearly and half-yearly financial reports and press releases but does not reproduce the whole content of these documents.

Only the French yearly and half-yearly financial reports and press releases form legal evidence.o

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