



## PRESS RELEASE

**Cofinimmo**   
**REGULATED INFORMATION**  
EMBARGO UNTIL 04.05.2010 – 7:30AM

INTERMEDIATE DECLARATION (FOR THE PERIOD 01.01.2010 – 31.03.2010)  
OF THE BOARD OF DIRECTORS COMPRISING THE RESULTS<sup>1</sup> ON 31.03.2010

- ☞ Net current result per share (IAS 39 excluded) at €1,90 in line with the forecast for the full year 2010 (€7,55)<sup>2</sup>
- ☞ Occupancy rate at 96.64%
- ☞ The investment portfolio reaches a value of €3 155 million, slightly above the level of 2009 (+0.1%)

Brussels, 04.05.2010, 7:30am CET

The first 3 months of the financial year were marked by rental income of €49.6 million, up 2.3% compared to the first quarter of 2009. The level of rental income is supported by maintaining the high occupancy rate for the portfolio as a whole at 96.64%, which is well above the Brussels office market rate of 88.4%.<sup>3</sup>

The operating result comes to €45.0 million and is in line with the company's forecasts.

Thanks to the restructuring of some of the derivative financial instruments at the end of 2009, the cost of the debt fell from 4.91% (year 2009) to 4.06% (1st quarter of 2010).

The net current result per share (IAS 39 excluded) amounts to €1.90. It too is in line with the forecasts for 2010.

The property valuation by independent experts resulted in a negative variation of €4.3 million (0.14%) in fair value of the investment properties over the first quarter.

The net asset value per share at 31.03.2010 (€99.28) is slightly below the end-2009 figure (€100.00) on account of negative variations in fair value of the hedging instruments (IAS 39).

<sup>1</sup> The results are presented on a fully diluted basis taking into account the complete conversion of all preference shares . Since 01.05.2009 the preference shares are convertible into ordinary shares at a ratio of one ordinary share for one preference share.

<sup>2</sup> As published on 31.03.2010 in the Annual Report 2009

<sup>3</sup> Source : CB Richard Ellis

## 1. Key figures

### Global information

(x €1,000,000)	31.03.2010	31.12.2009
Portfolio of Investment properties (in fair value)	3,045.0	3,040.7
(x €1,000)	31.03.2010	31.03.2009
Property result	53,685	52,236
Operating result before result on portfolio	45,021	45,677
Financial result	-22,525	-29,502
Net current result (Group share)	20,707	14,592
Result on portfolio (Group share)	-3,964	-20,063
Net result (Group share)	16,743	-5,471
(in%)	31.03.2010	31.12.2009
Operating costs/average value of the portfolio <sup>1</sup>	0.95%	0.81% <sup>2</sup>
Operating margin	83.86%	86.42%
Residual lease term <sup>3</sup> (in years)	10.8	11.0
Occupancy rate <sup>4</sup>	96.64%	96.86%
Gross rental yield of portfolio as if it were rented 100%	7.07%	7.06%
Net rental yield of portfolio as if it were rented 100%	6.53%	6.68% <sup>5</sup>
Average interest rate on borrowings <sup>6</sup>	4.06%	4.91%
Debt ratio <sup>7</sup>	49.33%	49.97%
Loan to value ratio <sup>8</sup>	52.13%	52.81%

### Information per share – fully diluted (in €)

Results	31.03.2010	31.03.2009
<b>Net current result – Group share – excluding IAS 39 impact</b>	1.90	1.91
<i>IAS 39 impact – profit/(loss)</i>	(0.42)	(0.83)
<b>Net current result – Group share</b>	1.48	1.08
Realised result on portfolio	0.04	0.04
Unrealised result on portfolio <sup>9</sup>	(0.32)	(1.53)
<b>Net result – Group share</b>	1.20	(0.41)

Net asset value per share	31.03.2010	31.12.2009
Revalued net asset value in fair value <sup>10</sup> after distribution of dividend for the year 2008	99.28	100.00
Revalued net asset value in investment value <sup>11</sup> after distribution of dividend for the year 2008	103.90	104.55

<sup>1</sup> Average value of the portfolio + the value of the receivables sold on buildings of which the maintenance costs are still borne by the Group being the owner. These costs are covered through total liability insurance premiums.

<sup>2</sup> The ratio as published in the Annual Report 2009 (0.80%) has been recalculated following the change in the calculation method in 2010. The assets included in the projects and development sites are no longer included in the portfolio value.

<sup>3</sup> Until the first break option for the lessee.

<sup>4</sup> Calculated according to the actual rents for the occupied buildings and the estimated rental value for unlet buildings. For the office properties alone, it stands at 94.50% as against 88.38% for the Brussels office market (source: CB Richard Ellis).

<sup>5</sup> The ratio as published in the Annual Report 2009 (6.79%) has been recalculated following the change in the calculation method in 2010.

<sup>6</sup> Including bank margins and the amortisation cost of hedging instruments active during the period.

<sup>7</sup> Legal ratio calculated according to the Sicafi regulation as financial and other debts/total assets.

<sup>8</sup> Conventional ratio defined in the documents with the banks as net financial debt/fair value of the property portfolio and of lease finance receivables.

<sup>9</sup> Changes in fair value of investment properties.

<sup>10</sup> Fair value: after deduction of transaction costs (mainly transfer taxes) from the value of the Investment properties.

<sup>11</sup> Investment value: before that deduction.

**2. Consolidated income statement – Analytical form (x €1,000)**

	31.03.2010	31.03.2009
<b>A. NET CURRENT RESULT</b>		
Rental income, net of rental-related expenses	49,644	48,527
Writeback of lease payments sold and discounted (non-cash)	4,335	4,373
Taxes and charges on rented properties not recovered	-21	-245
Refurbishment costs, net of tenant compensation for damages	-273	-419
<b>Property result</b>	<b>53,685</b>	<b>52,236</b>
Technical costs	-1,393	-462
Commercial costs	-472	-192
Taxes and charges on unlet properties	-1,005	-207
<b>Property result after direct property costs</b>	<b>50,815</b>	<b>51,375</b>
Property management costs	-4,013	-3,951
<b>Property operating result</b>	<b>46,802</b>	<b>47,424</b>
Corporate management costs	-1,781	-1,747
<b>Operating result (before result on portfolio)</b>	<b>45,021</b>	<b>45,677</b>
Financial income (IAS 39 excluded)	1,344	2,463
Financial charges (IAS 39 excluded) <sup>1</sup>	-18,035	-20,762
Revaluation of derivative financial instruments (IAS 39)	-5,834	-11,203
Taxes	-1,669	-1,363
<b>Net current result<sup>2</sup></b>	<b>20,827</b>	<b>14,812</b>
Minority interests	-120	-220
<b>Net current result – Group share</b>	<b>20,707</b>	<b>14,592</b>
<b>B. RESULT ON PORTFOLIO</b>		
Gains or losses on disposals of investment properties	517	490
Changes in fair value of investment properties	-4,383	-20,636
Exit tax	-99	-69
<b>Result on portfolio</b>	<b>-3,965</b>	<b>-20,215</b>
Minority interests	1	152
<b>Result on portfolio – Group share</b>	<b>-3,964</b>	<b>-20,063</b>
<b>C. NET RESULT</b>		
<b>Net result – Group share</b>	<b>16,743</b>	<b>-5,471</b>

<sup>1</sup> IAS 39 included, at 31.03.2010 and 31.03.2009, financial charges stand at respectively K€23 869 and K€31 965.

<sup>2</sup> Net result excluding gains or losses on disposals of investment properties and changes in fair value of investment properties.

NUMBER OF SHARES	31.03.2010	31.03.2009
Number of ordinary shares issued (own shares included)	12,759,754	12,307,030
Number of preference shares issued and not converted	1,272,009	1,499,766
Number of outstanding ordinary shares	12,737,380	11,954,656
Average number of outstanding ordinary shares entitled to share in the result of the period	12,737,380	11,954,656
Number of preference shares entitled to share in the result of the period	1,272,009	1,499,766
<b>Total number of shares entitled to share in the result of the period</b>	<b>14,009,389</b>	<b>13,454,422</b>

## Comments on the consolidated income statement – Analytical form

### Results of the 1st quarter (3 months)

Compared to the 1st quarter of 2009, the 1st quarter of the current financial year was marked by growth in rental income (+2.3%) and a fall in the operating result (-1.4%).

The property result at 31.03.2010 amounts to €53.7 million, up 2.8% compared to 31.03.2009 (€52.2 million). The level of rental income is supported by maintaining a high occupancy rate (96.64%). With a constant portfolio (like-for-like), the level of rents fell by 0.48% over the past 12 months.

Total direct and indirect operating costs represent 0.95% of the average value of the portfolio at 31.03.2010, compared to 0.81% in 2009. The changes in this ratio are attributable mainly to the commercial costs incurred to maintain a high occupancy rate and the particularly low level of technical costs recorded in 2009.

The financial charges excluding IAS 39 (€18.0 million) at 31.03.2010 comprise the interest charges on the financial debt, amounting to a total of €14.7 million, and the cost of restructuring part of the derivative financial instruments relating to the year 2011, amounting to €3.3 million. The average debt of the first 3 months of 2010 stands at €1 609.3 million, compared to €1 798.1 million for the same period in 2009. The average interest rate, including bank margins and the amortisation cost of hedging instruments active during the period, fell from 4.91% in 2009 (12 months) to 4.06%<sup>1</sup> in the first quarter of 2010.

The revaluation of optional financial instruments gives rise to a latent net loss of €5.8 million at 31.03.2010, compared to the latent net loss of €11.2 million at 31.03.2009. The balance-sheet heading under shareholders' equity "Reserve for the balance of net changes in fair value of financial instruments"<sup>2</sup>, which registers the changes in effective value of optional as well as non-optional financial instruments, swells considerably from €47.1 million at 31.12.2009 to €73.4 million at 31.03.2010, under the impact of the fall in future interest rates during the quarter. This item is not entered in the income statement but has a negative impact on the net asset value.

<sup>1</sup> The average interest rate is calculated by dividing, on an annual basis, the interest charges on the financial debt (€14.7 million) and the amortisation cost of hedging instruments (€1.6 million) by the average debt for the period (€1 609.3 million).

<sup>2</sup> The heading "Reserve for the balance of changes in fair value of financial instruments" is shown in the balance sheet under the heading "Reserve".



Taxes (€1.7 million) comprise the tax on the non-deductible costs of the Sicafi (chiefly the office tax in the Brussels-Capital Region) and the corporate income taxes payable by subsidiaries (of which Pubstone SA) not covered by the Sicafi tax regime.

The net current result – Group share at 31.03.2010 amounts to €20.7 million, compared to €14.6 million at 31.03.2009 (+41.7%), i.e. €1.48 per share compared to €1.08 at 31.03.2009 (+37.0%). Excluding the negative impact of the application of IAS 39, the net current result – Group share amounts to €26.5 million, compared to €25.8 million at 31.03.2009 (+ 2.7%), i.e., per share, €1.90 compared to €1.91 at 31.03.2009 (- 0.5%).

The result on portfolio comprises a realised gain of €0.5 million on disposals, identical to that registered at 31.03.2009. It also includes a depreciation of the portfolio fair value of €4.4 million, compared to €20.6 million at 31.03.2009. The depreciation of the portfolio fair value expressed as Group share stands at €0.28 per share at 31.03.2010, compared to a depreciation of €1.49 per share for the same period in 2009.

The net result – Group share, after inclusion of the result on portfolio of €4.0 million for the 1st quarter of 2010 (€20.2 million for the 1st quarter of 2009), amounts to €16.7 million, compared to €-5.5 million for the 1st quarter of 2009. This net result per share amounts to €1.20, compared to €-0.41 for the 1st quarter of 2009.

**3. Consolidated balance sheet (x €1,000)**

	31.03.2010	31.12.2009
<b>Non-current assets</b>	<b>3,307,777</b>	<b>3,308,866</b>
Goodwill	163,924	163,924
Intangible assets	1,892	1,984
Investment properties	3,045,030	3,040,736
Other tangible assets	667	723
Non-current financial assets	29,219	34,470
Finance lease receivables	66,972	66,956
Trade receivables and other non-current assets	73	73
<b>Current assets</b>	<b>84,775</b>	<b>93,818</b>
Assets held for sale	1,438	755
Current financial assets	15,599	8,603
Finance lease receivables	2,736	2,762
Trade receivables	13,121	12,490
Tax receivables and other current assets	29,458	46,730
Cash and cash equivalents	1,448	2,343
Deferred charges and accrued income	20,975	20,135
<b>TOTAL ASSETS</b>	<b>3,392,552</b>	<b>3,402,684</b>
<b>Shareholders' equity</b>	<b>1,399,145</b>	<b>1,409,057</b>
<b>Shareholders' equity attributable to shareholders of parent company</b>	<b>1,390,914</b>	<b>1,400,904</b>
Capital	750,715	750,715
Share premium account	479,541	479,541
Reserves	143,915	138,198
Net result of the financial year	16,743	32,450
<b>Minority interests</b>	<b>8,231</b>	<b>8,153</b>
<b>Liabilities</b>	<b>1,993,407</b>	<b>1,993,627</b>
<b>Non-current liabilities</b>	<b>1,556,402</b>	<b>1,587,615</b>
Provisions	17,765	17,766
Non-current financial debts	1,351,245	1,381,474
Other non-current financial liabilities	50,556	51,522
Deferred taxes	136,836	136,853
<b>Current liabilities</b>	<b>437,005</b>	<b>406,012</b>
Current financial debts	258,959	244,659
Other current financial liabilities	89,449	63,233
Trade debts and other current debts	58,593	69,555
Accrued charges and deferred income	30,004	28,565
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>3,392,552</b>	<b>3,402,684</b>

### Comments on the consolidated balance sheet

The portfolio is valued by the independent real estate experts.

The fair value of the property portfolio<sup>1</sup>, recorded in the consolidated balance sheet, in application of IAS 40, is obtained by deducting the transaction costs<sup>2</sup> from the investment value. At 31.03.2010, the fair value is €3,045.0 million, as compared to €3,040.7 million at 31.12.2009.

The investment value of the property portfolio<sup>1</sup> comes to €3,155.4 million at 31.03.2010 as compared to €3,151.0 million at 31.12.2009 (see also the table in "Property portfolio" on this page).

### 4. Property portfolio

<b>GLOBAL PORTFOLIO OVERVIEW</b>		
<i>Extract from the report by the independent real estate expert Winssinger &amp; Associates based on the investment value</i>		
<b>(x €1,000,000)</b>	<b>31.03.2010</b>	<b>31.12.2009</b>
Total estimated investment value of the portfolio	3,155.44	3,150.96
Projects and development sites	-50.81	-61.77
<b>Total marketable properties</b>	<b>3,104.62</b>	<b>3,089.79</b>
Contractual rents	212.21	211.18
<b>Gross yield on marketable properties</b>	<b>6.84%</b>	<b>6.83%</b>
Contractual rents and estimated rental value on unlet space at the valuation date	219.59	218.02
Gross yield on the portfolio as if it were rented 100%	7.07%	7.06%
<b>Occupancy rate of marketable properties<sup>3</sup></b>	<b>96.64%</b>	<b>96.86%</b>

As at 31.03.2010, the caption *Projects and development sites* mainly includes the office buildings Square de Meeûs 23 in Brussels, and, in the nursing home segment, several projects or extensions in Ittre, Grez-Doiceau and Oud-Turnhout.

<sup>1</sup> Including assets held for own use and the development projects.

<sup>2</sup> As defined on page 115 of the Annual Report 2009.

<sup>3</sup> Calculated on the basis of rental income.

Segment	Fair value			Property result after direct costs	
	(in €)	(in%)	Changes in fair value over 1 year	(in €1,000)	(in%)
<b>Offices</b>	<b>1,770,237,659</b>	<b>58.1%</b>	<b>-0.82%</b>	<b>30,543</b>	<b>60.1%</b>
Brussels Leopold/Louise districts	491,159,024	16.2%	-1.15%	7,754	15.3%
Brussels Centre/North	259,454,634	8.5%	0.07%	7,409	14.6%
Brussels Decentralised	646,853,659	21.2%	-1.47%	9,828	19.3%
Brussels Periphery & Satellites	155,284,878	5.1%	0.33%	2,614	5.1%
Antwerp	110,031,805	3.6%	-0.26%	858	1.7%
Other Regions	107,453,659	3.5%	0.18%	2,080	4.1%
<b>Nursing homes/Clinics</b>	<b>817,538,927</b>	<b>26.9%</b>	<b>1.33%</b>	<b>13,361</b>	<b>26.3%</b>
Belgium	484,458,927	15.9%	1.77%	7,442	14.7%
France	333,080,000	11.0%	0.69%	5,919	11.6%
<b>Pubstone</b>	<b>389,540,915</b>	<b>12.8%</b>	<b>-0.18%</b>	<b>6,879</b>	<b>13.5%</b>
Belgium	245,737,141	8.1%	-0.01%	4,625	9.1%
The Netherlands	143,803,774	4.7%	-0.46%	2,254	4.4%
<b>Others</b>	<b>67,712,882</b>	<b>2.2%</b>	<b>0.11%</b>	<b>32</b>	<b>0.1%</b>
<b>TOTAL PORTFOLIO</b>	<b>3,045,030,383</b>	<b>100.0%</b>	<b>-0.14%</b>	<b>50,815</b>	<b>100.0%</b>

## 5. Conversion of preference shares

In accordance with Article 10a of the Articles of Association, the fourth window for conversion of Cofinimmo preference shares into Cofinimmo ordinary shares was open from 22.03.2010 to 31.03.2010. During this fourth period, applications for conversion were received for a total of 54 684 preference shares. In this way, since the conversion procedure was first launched (01.05.2009), 227 757 preference shares have been converted into ordinary shares. 1 272 009 preference shares are still in issue. The changes resulting from this in terms of the composition of the capital are communicated via press releases and in the company Articles of Association, as well as on the company's website ([www.cofinimmo.com](http://www.cofinimmo.com)) under the heading "Investor Relations & Media /Share information /Types of Share + Shareholding Structure".

To recap, the next possibility for conversion is available during the last 10 calendar days of the next quarter, i.e. from 21.06.2010 to 30.06.2010.





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**About Cofinimmo**

Cofinimmo is the foremost listed Belgian real estate company specialising in rental property. The company owns a property portfolio worth over €3 billion, representing a total area of 1,700,000m<sup>2</sup>. Its main investment segments are office property and care homes. Cofinimmo is an independent company, which manages its properties in-house. It is listed on Euronext Brussels (BEL20) and Paris and benefits from the Belgian fiscal Sicafi regime and the French SIIC regime. At 31.12.2010, its total market capitalisation was €1.4 billion.

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

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**Appendix : Consolidated income statement – Form Royal Decree (x €1,000)**

	31.03.2010	31.12.2009
<b>A. NET RESULT</b>		
Rental income	49,856	49,327
Writeback of lease payments sold and discounted	4,335	4,373
Rental-related expenses	-212	-801
<b>Net rental income</b>	<b>53,979</b>	<b>52,900</b>
Recovery of property charges	7	337
Recovery income of charges and taxes normally payable by the tenant on let properties	8,137	10,744
Costs payable by the tenant and borne by the landlord on rental damage and refurbishment at end of lease	-281	-756
Charges and taxes normally payable by the tenant on let properties	-8,157	-10,989
<b>Property result</b>	<b>53,685</b>	<b>52,236</b>
Technical costs	-1,393	-462
Commercial costs	-472	-192
Taxes and charges on unlet properties	-1,005	-207
<b>Property result after direct property costs</b>	<b>50,815</b>	<b>51,375</b>
Property management costs	-4,013	-3,951
<b>Property operating result</b>	<b>46,802</b>	<b>47,424</b>
Corporate management costs	-1,781	-1,747
<b>Operating result before result on portfolio</b>	<b>45,021</b>	<b>45,677</b>
Gains or losses on disposals of investment properties	517	490
Changes in fair value of investment properties	-4,383	-20,636
<b>Operating result</b>	<b>41,155</b>	<b>25,531</b>
Financial income	1,344	2,463
Net interest charges	-14,680	-19,867
Other financial charges	-3,355	-895
Changes in fair value of financial assets and liabilities	-5,834	-11,203
<b>Financial result</b>	<b>-22,525</b>	<b>-29,502</b>
<b>Pre-tax result</b>	<b>18,630</b>	<b>-3,971</b>
Corporate tax	-1,669	-1,363
Exit tax	-99	-69
<b>Taxes</b>	<b>-1,768</b>	<b>-1,432</b>
<b>Net result</b>	<b>16,862</b>	<b>-5,503</b>
Minority interests	-119	-68
<b>Net result – Group share</b>	<b>16,743</b>	<b>-5,471</b>
<b>Net current result – Group share</b>	<b>20,707</b>	<b>14,592</b>
<b>Result on portfolio – Group share</b>	<b>-3,964</b>	<b>-20,063</b>

<b>B. OTHER ELEMENTS OF THE COMPREHENSIVE RESULT</b>		
Change in estimated transaction costs resulting from hypothetical disposal of investment properties	-132	-676
Change in the effective part of the fair value of authorised cash flow hedging instruments	-26,362	-27,710
<b>Other elements of the comprehensive result</b>	<b>-26,494</b>	<b>-28,386</b>
Minority interests	0	8
<b>Other elements of the comprehensive result – Group share</b>	<b>-26,494</b>	<b>28,378</b>
<b>C. COMPREHENSIVE RESULT</b>	<b>-9,632</b>	<b>-33,889</b>
Minority interests	-119	60
<b>Comprehensive result – Group share</b>	<b>9,751</b>	<b>-33,829</b>