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Limited liability company (*société anonyme/naamloze vennootschap*)  
and public regulated real estate company (*Société Immobilière Réglementée (SIR) / Gereguleerde Vastgoedvennootschap (GVV)*)  
incorporated under Belgian law

## PUBLIC OFFERING OF 3,004,318 NEW SHARES WITHIN THE FRAMEWORK OF A CAPITAL INCREASE IN CASH WITH PREFERENTIAL RIGHTS FOR EUR 95.00 PER NEW SHARE IN THE RATIO OF 1 NEW SHARE FOR 6 PREFERENTIAL RIGHTS

### ADMISSION TO TRADING AND LISTING ON Euronext BRUSSELS OF THE NEW SHARES

Cofinimmo SA/NV, listed on the regulated market of Euronext Brussels under the trading symbol "COFB" (the "Issuer") is offering 3,004,318 new ordinary shares of the Issuer without nominal value (the "New Shares") for a maximum amount of EUR 285,410,210.00. The subscription price is EUR 95.00 per New Share (the "Issue Price"). Subject to the restrictions in this Securities Note and limitations that may apply under applicable securities laws, each shareholder of the Issuer (each, a "Shareholder") will be granted one statutory preferential subscription right (each, a "Preferential Right") per ordinary and preferential share of the Issuer (each, a "Share") it holds on 21 April 2015 at the closing of the regulated market of Euronext Brussels (the "Record Date"). Each Preferential Right will be represented by coupon n° 25 (for the Ordinary Share), coupon n° 14 (for Preferential Shares 1) and coupon n° 13 (for Preferential Shares 2), which will be detached from the underlying Share on the Record Date after closing of the regulated market of Euronext Brussels. The Preferential Rights relating to Ordinary Shares will trade on the regulated market of Euronext Brussels between 22 April 2015 and 6 May 2015, and will be listed on the regulated market of Euronext Brussels. The Preferential Rights relating to Ordinary Shares have been accepted for clearance through Euroclear Bank NV/SA, as operator of the Euroclear system, under ISIN BE0970137403.

Subject to the restrictions in this Securities Note and limitations that may apply under applicable securities laws, the holders of Preferential Rights are entitled to subscribe to the New Shares in the ratio of 1 New Share for 6 Preferential Rights (the "Ratio") in the manner set forth in this securities note (the "Securities Note"). The subscription period for the New Shares is expected to start on 22 April 2015 at 9:00 am CET and end on 6 May 2015 (by 4:00 pm CET) (the "Rights Subscription Period"). Once exercised, the holders of Preferential Rights cannot revoke the exercise of their Preferential Rights, except as set out in Section "Supplement to the Prospectus" of this Securities Note. Holders of Preferential Rights which have not exercised their Preferential Rights during the Rights Subscription Period will no longer be able to exercise their Preferential Rights. The offering of New Shares by exercise of the Preferential Rights is referred to in this Securities Note as the "Rights Offering".

Preferential Rights that are not exercised during the Rights Subscription Period will be converted into an equal number of scrips ("Scrips"). The Scrips will be offered by BNP Paribas Fortis SA/NV, KBC Securities NV and ING Belgium SA/NV (the "Joint Bookrunners") in an accelerated book built private placement, in accordance with an exemption to the obligation to publish a prospectus in article 3.2 of Directive 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading as amended by Directive 2010/73/EU, as implemented in member states of the European Economic Area (the "Prospectus Directive"), that is expected to start on 7 or 8 May 2015 and end on the same date (the "Scrips Private Placement"). The net proceeds of the sale of Scrips in the Scrips Private Placement (if any) will be divided amongst the holders of Preferential Rights that have not exercised their Preferential Rights, except as described in Section "Scrips Private Placement". If the net proceeds divided by the total number of unexercised Preferential Rights is less than EUR 0.01, the net proceeds will instead be transferred to the Issuer, unless the board of directors of the Issuer (the "Board of directors") decides otherwise. Purchasers of Scrips in the Scrips Private Placement shall irrevocably undertake to subscribe to a number of New Shares equal to the number of Scrips purchased by them multiplied by the Ratio at the Issue Price.

The New Shares shall only be profit sharing as from the Closing Date i.e. the New Shares will be entitled to the dividend of the current financial year (started on 1 January 2015) to be declared by the general shareholders' meeting of 2016 calculated *pro rata temporis* as from the Closing Date until 31 December 2015. The New Shares will therefore be issued:  
- ex-coupon n° 26, i.e. the coupon representing the right to a dividend for the financial year which closed on 31 December 2014; and  
- ex-coupon n° 27, i.e. the coupon representing the right to a dividend for the current financial year (started on 1 January 2015) until the day before the issue date of the New Shares.

The New Shares will be issued with coupon n° 28 attached, i.e. the coupon representing the right to a dividend for the second part of the current financial year starting on the Closing Date until 31 December 2015.

### Investing in the New Shares, the Scrips or trading in the Preferential Rights involves risks. See Section 1 "Risk Factors" for a discussion of the factors that should be carefully considered in connection with an investment in the New Shares, the Scrips and trading in the Preferential Rights.

The results of the Rights Offering and the Scrips Private Placement (together referred to as the "Offering") as well as, as the case may be, the amount payable to the holders of unexercised Preferential Rights are expected to be announced on 8 May 2015.

The existing Ordinary Shares are listed and admitted to trading on Euronext Brussels under the trading symbol "COFB", and an application has been submitted to admit the New Shares to listing and trading on Euronext Brussels under the same symbol. It is expected that payment for and delivery of the New Shares will be made on 12 May 2015. The New Shares are expected to have been accepted for clearance through Euroclear Bank NV/SA, as operator of the Euroclear system, under ISIN BE0003593044.

This Securities Note was prepared in accordance with the Belgian Law of 16 June 2006 on public offering of securities and on the admission of securities to trading on a regulated market (the "Prospectus Law") and approved by the Belgian Financial Services and Markets Authority (the "FSMA"). The Securities Note is in respect of a share capital increase with preferential subscription rights and as a result, the disclosure in this Securities Note is in accordance with Article 26a and Annexes XXIII and XXIV of the Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing the Prospectus Directive, as amended from time to time (the "Prospectus Regulation").

This Securities Note does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the New Shares, Preferential Rights or Scrips in any jurisdiction in which such an offer or solicitation is unlawful. The New Shares, the Preferential Rights and the Scrips have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any state or other jurisdiction of the United States. The New Shares, the Preferential Rights and the Scrips are being offered and sold outside the United States in reliance on Regulation S ("Regulation S") under the Securities Act and, unless the New Shares, the Preferential Rights and the Scrips are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available, may not be offered, sold or delivered within the United States.

The Issuer has not authorised any offer of the New Shares, the Preferential Rights and the Scrips to the public in any Member State of the European Economic Area or elsewhere other than Belgium. The distribution of this Securities Note outside Belgium may in certain jurisdictions be restricted by law. Persons into whose possession this Securities Note comes must therefore inform themselves about, and observe such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction. In particular, subject to certain exceptions, this Securities Note must not be distributed, forwarded to or transmitted in or into the United States, Japan, Canada, Australia, or South Africa. Shareholders who have a registered address in, or who are resident or located in, jurisdictions other than Belgium and any person (including, without limitation, agents, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this Securities Note to a jurisdiction outside Belgium should read Section 2.5: "Certain restrictions on the Offering".

### Joint Global Coordinators



### Joint Bookrunners



### Co-Lead Managers

Belfius Bank SA/NV

Bank Degroof SA/NV

Kempen & Co N.V.

Joh. Berenberg, Gossler & Co  
KG, Hamburg

SECURITIES NOTE DATED 20 APRIL 2015

This Securities Note constitutes, together with the Issuer's 2014 annual report approved by the FSMA as a registration document on 31 March 2015 (the "**Registration Document**"), the summary dated of 20 April 2015 (the "**Summary**") and, if applicable, the documents incorporated by reference, the prospectus (the "**Prospectus**") relating to (i) the public offering of 3,004,318 New Shares within the framework of a capital increase in cash with preferential rights for EUR 95 per New Share in the ratio of 1 New Share for 6 Preferential Rights (the "**Rights Offering**") and the offering of the Scrips in an accelerated book built private placement (the "**Scrips Private Placement**", together with the Rights Offering, the "**Offering**") and (ii) the admission to trading and listing on Euronext Brussels of the New Shares (the "**Listing**" and, together with the Offering, the "**Transaction**"). The Securities Note can be distributed separately from the two other documents.

The Registration Document contains a description of the Issuer and the Securities Note contains a description of the New Shares and certain additional information relating to the Issuer. The Summary contains a summary of the main characteristics of the New Shares and the Offering, as well as a summary description of the Issuer. In case of inconsistency between the Summary and the Securities Note or the Registration Document, the latter documents shall prevail.

The Prospectus will be made available to investors as from 21 April 2015 at no cost at the registered offices of the Issuer. The Prospectus will also be made available to investors at no cost from BNP Paribas Fortis SA/NV at +32 2 433 40 32 (French), +32 2 433 40 31 (Dutch) and +32 2 433 40 34 (English) and on its websites ([www.bnpparibasfortis.be/sparenenbeleggen](http://www.bnpparibasfortis.be/sparenenbeleggen) (Dutch) and [www.bnpparibasfortis.be/epargneretplacer](http://www.bnpparibasfortis.be/epargneretplacer) (French)), from KBC Securities at +32 800 920 20 (French) and +32 3 283 29 70 (Dutch), from KBC Bank at +32 3 283 29 70 (Dutch and English), and from CBC Banque at +32 800 92 020 (French) and on the websites of KBC Bank ([www.kbc.be/cofinimmo](http://www.kbc.be/cofinimmo)), KBC Securities ([www.kbcsecurities.be](http://www.kbcsecurities.be), [www.bolero.be/nl/Cofinimmo](http://www.bolero.be/nl/Cofinimmo) (Dutch) and [www.bolero.be/fr/Cofinimmo](http://www.bolero.be/fr/Cofinimmo) (French)) and CBC Banque ([www.cbc.be/Cofinimmo](http://www.cbc.be/Cofinimmo)), from ING Belgium SA/NV at 32 2 464 60 01 (Dutch), +32 2 464 60 02 (French) and 32 2 464 60 04 (English) and on its websites ([www.ing.be/aandelentransacties](http://www.ing.be/aandelentransacties) (Dutch), [www.ing.be/transactionsactions](http://www.ing.be/transactionsactions) (French), [www.ing.be/equitytransactions](http://www.ing.be/equitytransactions) (English)) and on the website of Bank Degroof SA/NV ([www.degroof.be](http://www.degroof.be)), Belfius Bank SA/NV ([www.belfius.be/cofinimmo](http://www.belfius.be/cofinimmo)) and at the office of Joh. Berenberg, Gossler & Co KG, Hamburg in Hamburg. Subject to certain conditions, this Prospectus is also available on the internet at the following website: [www.cofinimmo.com](http://www.cofinimmo.com).

The Registration Document has been prepared and is available in French, Dutch and English. The Securities Note has been prepared in English and is only available in English. The Summary has been prepared in English and has been translated into Dutch and French. The Summary is therefore available in English, Dutch and French. The Issuer is responsible for the consistency between the English, Dutch and French versions of the Summary and of the Registration Document. In connection with the public offering in Belgium and the admission to trading and listing of the New Shares on Euronext Brussels, in case of inconsistencies between the versions in different languages, the English version will prevail since it is the sole legally binding version.

**Any decision to invest in the New Shares, the Scrips or trading in the Preferential Rights should be based on an exhaustive analysis of the Prospectus by the investor.**

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## 1. RISK FACTORS

Investing in the New Shares, the Scrips or trading in the Preferential Rights involves a high degree of risk. Investors should consider carefully the following risk factors, together with the other information contained in the Prospectus, before making any investment decision concerning the New Shares, the Scrips or the Preferential Rights. If any risk set out below were to occur, the Issuer's business, future prospects, financial condition and/or results of operation could be negatively affected and this may have an impact on the trading price or value of the New Shares and the Ordinary Shares. These risks are not the only risks to which the Issuer is currently exposed and, in the future, may be exposed. The order in which the individual risks are presented is not indicative of their likelihood to occur nor of the severity or significance of the individual risks. One or more of the risks described below could affect the Issuer, the New Shares, the Scrips, the Preferential Rights or the Ordinary Shares simultaneously. Additional risks or uncertainties not presently known to it or that it currently may consider immaterial or that may not specially relate to the Issuer or the Issuer's business may also have a negative effect on its business, futures prospects, financial condition and results of operations and thus affect the trading price or value of the New Shares, the Ordinary Shares, the Scrips and/or the Preferential Rights.

### 1.1 Risks relating to the Issuer and its business

Reference is made to the risks described in the Registration Document under the section "*Risks Factors*".

### 1.2 Risks relating to the New Shares

*The market price of the Preferential Rights or the Shares could be negatively affected by sales of substantial numbers of Preferential Rights or Shares in the public markets.*

Sales by the Shareholders of a substantial number of Preferential Rights or Shares in the public markets following the Offering, or the perception that such sales might occur, could cause the market price of the Preferential Rights or the Shares or both to decline. The Issuer cannot make any predictions as to the effect of such sale or perception on the market price of the Preferential Rights or the Shares.

Furthermore, there is no commitment on the part of any of the Existing Shareholders to remain a shareholder or to retain a minimum interest in the Issuer.

*The market price of the Shares may be volatile and could decrease, which may lead to the Shareholders not being able to sell their Shares at a price equal to or above the Issue price or a price which is reasonable.*

The Issue Price of the New Shares may not be indicative of the future market price of the Shares as of the Closing Date. From time to time, publicly traded securities experience significant price fluctuations that may be unrelated to the performance of the companies that have issued them. The market price of the Shares may be volatile as a result of various factors, many of which are beyond the Issuer's control. These factors include, but are not limited to, the following:

- market expectations for the Issuer's financial performance;
- actual or anticipated fluctuations in the Issuer's business, results of operations and financial condition;
- actual or anticipated dividend payments;
- changes in the estimates of the Issuer's results of operations by securities analysts or the Issuer's failure to meet such expectations;
- investor perception of the impact and success of the Offering;
- potential or actual sales of blocks of Shares in the market or short selling of Shares;
- volatility in the market as a whole or investor perception of the Issuer's industries and competitors;
- the level of the Issuer's debt;
- fluctuations in the interest rates; and
- the risk factors described in the Registration Document under the section "*Risk Factors*".

The market price of the Shares may be adversely affected and the Shares may be traded at a market price below the value of the Issuer's net assets by any of the preceding or other factors regardless of the Issuer's actual results of operations and financial condition. Therefore, the Issuer cannot make any predictions about the market price of the New Shares.

*The New Shares may not be traded actively, and there is no assurance that the Offering will improve the trading activity, which may lead the New Shares to trade at a discount to the Issue Price, making sales of the New Shares more difficult.*

On 31 December 2014, the velocity of the free float was 49%. The intended capital increase will increase significantly the number of outstanding Shares. The Issuer cannot make any predictions as to the effect of the Offering on the liquidity of the New Shares in the short or long term. Reduced liquidity may lead to difficulties to sell the New Shares and may lead to a discounted market price for the New Shares. The risk exists that the market price of the New Shares does not accurately reflect the Issuer's actual financial performance and investors may be hampered from selling their New Shares or selling them within the desired deadline. The Issuer has not entered into any liquidity contract with any financial intermediary. The Issuer has not received indications of any shareholder as regard the Offering. No Existing Shareholder is bound by a lock-up commitment in the context of the Offering.

*There is no assurance that a trading market will develop for the Preferential Rights, and if a market does develop, the market price for the Preferential Rights may be subject to greater volatility than the market price for the Shares.*

The Preferential Rights relating to Ordinary Shares are expected to be traded on the regulated market on Euronext Brussels from 22 April 2015 to 6 May 2015. No application for the Preferential Rights on any other exchange will be made. There is no assurance that an active trading market in the Preferential Rights will develop or will sustain during that period or, if a market does develop, there is no assurance regarding the nature of such trading market. If an active trading market does not develop or sustain, the liquidity and market price of the Preferential Rights may be adversely affected. The market price of the Preferential Rights will depend on a variety of factors, including but not limited to the performance of the market price of the Shares, but may also be subject to greater volatility than the Shares.

The Preferential Rights relating to Preferential Shares will not be traded on any stock exchange and there will not be an organised market for such rights during the Rights Subscription Period. Holders of Preferential Rights relating to Preferential Shares may therefore have difficulties to sell their rights or to acquire Preferential Rights of the same class of Preferential Shares. All six (6) Preferential Rights must pertain to Shares of the same class and must therefore have the same coupon number; it is not possible to combine positions in Preferential Rights relating to Ordinary Shares and Preferential Rights relating to Preferential Shares in order to have the requested number of Preferential Rights.

*There is no minimum amount for the Offering.*

The Issuer has the right to proceed with a capital increase in a reduced amount. No minimum amount has been set for the Offering. The actual number of New Shares subscribed for will be confirmed in a press release. If the Offering is not fully subscribed, a lower number of New Shares will be available for trading and hence the free float of the Shares may be smaller than expected. The Issuer's financial means in view of the uses of proceeds as described in "Use of Proceeds" might be reduced if the capital increase is effected with a reduced amount. The Issuer might in such a case reduce its level of investment or have to look for further external funding, which may have an impact on the Issuer's operational and financial results.

*Existing Shareholders will experience dilution as a result of the Offering if they do not or could not exercise their Preferential Rights in full.*

To the extent that a Shareholder fails to exercise the Preferential Rights allocated to it in full by the closing of the regulated market of Euronext Brussels on the last day of the Rights Subscription Period, its pro rata ownership and voting interest in the Issuer is likely to dilute as a result of the increase of the Issuer's share capital. A Shareholder may also slightly dilute to the extent that this Shareholder is not granted a number of Preferential Rights which entitles it to a round number of New Shares in accordance with the Ratio, unless such Shareholder purchases the missing additional Preferential Right(s) on the secondary market and exercises such Preferential

Right(s) accordingly (see "*Impact on the Issuer and dilution*"). In addition, a Shareholder who fails to exercise the Preferential Rights allocated to it may be subject to financial dilution of its portfolio.

For an illustration of the dilution of pro rata ownership and voting rights in the Issuer that a Shareholder could suffer in the context of the above, see "*Impact on the Issuer and dilution*" below.

The number of Preferential Rights required to subscribe for one New Share will be determined based on the total number of outstanding Ordinary Shares and the total number of outstanding Preferential Shares and is the same for holders of Ordinary Shares and holders of Preferential Shares. As Preferential Shares give right to a fixed and capped yearly priority dividend as well as to a fixed priority dividend (equal to their issue prices) in the event of liquidation, this would imply that the holders of Preferential Shares will be less affected by financial dilution if they do not subscribe to the New Shares than the holders of Ordinary Shares will be if they do not subscribe to the New Shares. It should also be noted that Preferential Shares and Ordinary Shares will be treated equally for the Preferential Rights (aside from the fact that Preferential Rights relating to Preferential Shares will not be admitted on a regulated market), despite the fact that they have different economic rights.

*Failure to exercise Preferential Rights during the Rights Subscription Period will result in such Preferential Rights becoming null and void.*

Preferential Rights which are not exercised by the closing of the regulated market of Euronext Brussels on the last day of the Rights Subscription Period will become null and void and will automatically convert into an equal number of Scrips. Each holder of an unexercised Preferential Right at the closing of the Rights Subscription Period will be entitled to receive a proportional part of the Net Scrips Proceeds, unless the Net Scrips Proceeds divided by the number of unexercised Preferential Rights is less than EUR 0.01 (as described in "*Procedure of the Offering*" below). There is, however, no assurance that any Scrips will be sold during the Scrips Private Placement or that there will be any such Net Scrips Proceeds.

*Withdrawal of subscription in certain circumstances may not allow sharing in the Net Scrips Proceeds and may have other adverse financial consequences.*

Subscriptions to New Shares are binding and irrevocable. However, if a supplement to the Prospectus is published (see "*Supplement to the Prospectus*"), subscribers in the Rights Offering and subscribers in the Scrips Private Placement will have the right to withdraw subscriptions made by them prior to the publication of the supplement. Such withdrawal must be done within the time limits set forth in the supplement (which shall not be shorter than two business days after publication of the supplement). Any Preferential Rights or Scrips in respect of which the subscription has been withdrawn as permitted by law following the publication of a supplement to the Prospectus shall be deemed to have been unexercised for purposes of the Offering. Accordingly, holders of such unexercised Preferential Rights shall be able to share in the Net Scrips Proceeds (under the conditions set out below). Subscribers withdrawing their subscription after the close of the Scrips Private Placement, will however not be entitled to share in the Net Scrips Proceeds and will not be compensated in any other way, including for the purchase price (and any related costs or taxes) paid in order to acquire any Preferential Rights or Scrips.

*The revocation of the Offering pursuant to a decision of the Issuer will result in the Preferential Rights and Scrips becoming null and void.*

The Issuer reserves the right to revoke or suspend the Offering, if the Board of directors (or, as the case may be, two members of the Executive Committee among which at least one Board member to which such power is delegated) determines that (i) the market conditions prevent the Offering from taking place under satisfying conditions, (ii) the FSMA has not approved the Securities Note prior to the start of the Rights Subscription Period, or (iii) the Underwriting Agreement has not been signed or has been terminated in accordance with its terms and conditions.

If the Board of directors (or, as the case may be, the two members of the Executive Committee) decides to revoke the Offering, the Preferential Rights (and Scrips, as the case may be) will become null and void. Investors will not be compensated, including for the purchase price (and any related costs or taxes) paid in order to acquire any Preferential Rights on the secondary market. Investors who have acquired any such Preferential Rights on the secondary market will thus suffer a loss, as trades relating to such Preferential Rights will not be unwound once the Offering is revoked.

*Termination of the Underwriting Agreement could have a material adverse effect on the trading price and underlying value of the Shares*

The Underwriting Agreement is expected to be entered into between the Underwriters and the Issuer immediately after closing of the Scrips Private Placement and prior to delivery of the New Shares. Pursuant to the Underwriting Agreement, the Underwriters are expected to agree, on the terms and subject to the conditions stipulated therein, to underwrite and procure payment for those New Shares as will be agreed in the Underwriting Agreement. The Underwriting Agreement will entitle the Joint Global Coordinators, acting on behalf of the Underwriters, to terminate the Underwriting Agreement under certain circumstances, as more fully described in "*Underwriting Agreement*" below, whereupon the Underwriters would be released from their obligations under the Underwriting Agreement. These circumstances include the occurrence of a material adverse change to the Issuer or the occurrence of force majeure events, including disruption to certain financial markets.

If the Underwriting Agreement is terminated prior to the start of trading of the New Shares, the Issuer will publish a supplement to the Prospectus. If a supplement to the Prospectus is published, subscribers in the Offering will have the right, within two (2) Business Days, to withdraw subscriptions made by them prior to the publication of the supplement, as further described in "*Supplement to the Prospectus*". The termination of the Underwriting Agreement, the circumstances giving rise to such termination, or the publication of a supplement to the Prospectus could have a material adverse effect on the trading price of the Shares, regardless of the Issuer's actual results of operations and financial condition.

*A substantial decline in the market price of the Shares may result in the Preferential Rights becoming worthless.*

If there is a substantial decline in the market price of the Shares, this may have a material adverse effect on the market price of the Preferential Rights. Any volatility in the market price of Shares may also adversely affect the market price of the Preferential Rights and the Preferential Rights may become worthless as a result thereof.

*Investors outside of Belgium may be restricted from participating in this Rights Offering, and may be subject to dilution or other financial adverse consequences (notice for non-Belgian resident investors)*

The Preferential Rights and New Shares are only publicly offered in Belgium through the publication of this Securities Note. The Issuer has not registered the Preferential Rights and New Shares under the securities laws of any other jurisdiction, including but not limited to the United States, Japan, Canada, Australia and South Africa, and does not expect to do so in the future. The Preferential Rights, the Scrips and the New Shares may not be offered or sold in any jurisdiction in which the registration or qualification of the Preferential Rights and New Shares for sale or for subscription is required but has not taken place, including but not limited to the United States, Japan, Canada, Australia and South Africa, unless an exemption from the applicable registration or qualification requirements is available and the Rights Offering occurs in connection with a transaction that is not subject to such provisions. Investors may therefore not be entitled to purchase, sell, or otherwise transfer Preferential Rights, or purchase, sell, otherwise transfer or subscribe for New Shares and as a consequence may be subject to dilution or other financial adverse consequences in the Rights Offering.

*Investors may not be entitled to participate in future equity offerings, and may be subject to dilution.*

The Issuer may decide in the future to increase its share capital by means of public offerings or private placements, with or without transfer and selling restrictions, and with or without preferential subscription rights. Belgian law and the Articles of Association grant preferential subscription rights to the Shareholders in case of a share capital increase by contribution of cash (no preferential subscription rights apply in the event of a contribution in kind), unless such rights are disapplied by a resolution of the Shareholders' meeting or the Board of directors, if so authorised by a resolution of the Shareholders' meeting. Pursuant to the RREC Legislation, such preferential subscription rights may only be dissapplied if replaced by a priority allocation right offered to the existing shareholders pro rata to their existing shareholding. Additionally, certain investors residing outside of Belgium may also not be able to participate in future equity offerings unless the securities offered are registered or qualified for sale under the relevant securities laws. Therefore, a risk exists that investors may be subject to dilution of voting rights and pro rata ownership in the Issuer's share capital to the extent they are not entitled to participate in future share capital increases.

*Investors should not place undue reliance on the forward-looking forecast with respect to the financial year 2015, as such information could differ materially from the actual results for the period.*

The Registration Document includes a forecast for the Issuer with respect to the financial year 2015. The forecast is based on a number of assumptions and estimates, which, while considered reasonable by the Issuer on the date of the Registration Document, are inherently subject to significant business, operational, economic and other risks and uncertainties, many of which are beyond the Issuer's control.

The forecast with respect to the financial year 2015 is forward-looking and involves known and unknown risks, estimates, assumptions and uncertainties which could cause actual results of operations to differ materially from those expressed in the forecast for the financial year 2015. New factors will emerge in the future and it is not possible for the Issuer to predict which factors they will be. In addition, the Issuer cannot assess the impact of each factor on the Issuer's business or the extent to which any factor, or combination of factors, may cause its actual results of operations to differ materially from those described in the forecast for the financial year 2015.

The last forecast was released on 6<sup>th</sup> February 2015 in the press release containing the 2014 full year results and also appears on pages 43 to 45 of the English version of the Registration Document. It contained a forecast for the full year 2015 income statement and included a forecast balance sheet as at 31 December 2015.

In the context of this Offering, the Issuer has updated that forecast to include the effects on income, charges, assets, shareholders' equity and liabilities of all significant ~~rentals~~, acquisitions, disposals and of the related financings which took place since 6<sup>th</sup> February 2015 and until the date of publication of this Securities Note and which were not included in the original forecast. For the period from 1 January 2015 until the date of this Securities Note, the Issuer has based itself on estimates and not on actual results for Q1 which will only be published on 13 May 2015.

Based on the updated forecast, the net current result per share (without impact of the Offering) remains unchanged at EUR 6.85. Nevertheless, the revised assumptions taken into account in the updated forecast have an impact on rental income, financial charges and numbers of shares.

Because assumptions, estimates and risks could cause the results of operation to differ materially from those expressed in the forecast and the updated forecast (see "*Dividend forecast for the financial year 2015*"), investors should not place undue reliance or importance on such information. For more information regarding risks relating to forward-looking statements, see Section 2.6 "*Forward-looking statements*".

*Legal investment considerations may restrict certain investments.*

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the New Shares are legal investments for it, (ii) the New Shares can be used as collateral for various types of borrowing, and (iii) other restrictions apply to its purchase or pledge of any New Shares.

The investors should consult their legal advisers to determine the appropriate treatment of New Shares under any applicable risk-based capital or similar rules.

Applicable foreign securities laws may limit the ability for certain investors and shareholders to participate in the Offering or to own, purchase or sell the New Shares.

*Shareholders in jurisdictions with currencies other than the Euro face additional investment risk from currency exchange rate fluctuations in connection with their investment in the Preferential Rights or the Shares.*

The Preferential Rights and the New Shares are quoted only in Euro and any future payments of dividends on the New Shares will be denominated in Euro. An investment in the Preferential Rights or the New Shares by an investor whose principal currency is not Euro may expose the investor to currency exchange rate risk, which may adversely affect the value of its investment in the Preferential Rights or the New Shares (e.g. in case of appreciation of such investor's principal currency relative to the Euro).

*Any sale, purchase or exchange of New Shares may become subject to the Financial Transaction Tax.*

On 14 February 2013, the EU Commission has adopted a proposal for a directive on a common financial transaction tax (the "Financial Transaction Tax"), to be implemented in 11 participating EU Member States (a.o. Belgium). Pursuant to the proposed directive, the Financial Transaction Tax will be payable provided that at



least one party is established or deemed established in a participating Member State and there is a financial institution established or deemed established in a participating Member State which is a party to the financial transaction. The Financial Transaction Tax shall not apply to (inter alia) primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 (a.o. the activity of underwriting and subsequent allocation of financial instruments in the framework of their issue).

The rates shall be fixed by each participating Member State, but for transactions involving financial instruments other than derivatives shall amount to at least 0.1% (by reference to the consideration paid or owed in return for the transfer). Where the Financial Transaction Tax due has not been paid within the applicable time limits, each party to a financial transaction, including persons other than financial institutions, shall become jointly and severally liable for the payment.

Investors should note that any sale, purchase or exchange of Shares may be subject to the Financial Transaction Tax and that, when a single transaction is carried out through a chain of financial intermediaries the tax will be a multiple of such rate (the "cascade effect"). The issuance of new Shares should not be subject to the Financial Transaction Tax.

According to press sources, on 27 January 2015 at a meeting organised at the initiative on Austria and France, 10 of the 11 participating EU member states committed to reach an agreement. Certain press sources report that a new proposal could be ready in late April 2015. The anticipated implementation date remains 1 January 2016. Investors should consult their own tax advisors in relation to the consequences of the Financial Transaction Tax associated with subscribing for, purchasing, holding and disposal of the New Shares.

*Investors' rights as shareholders will be governed by Belgian law and may differ in some respects from the rights of shareholders in other companies under the laws of other countries.*

The Issuer is a limited liability company (*société anonyme/naamloze vennootschap*) and a public regulated real estate company (*SIR/GVV*) organized under the laws of Belgium. The rights of holders of the Issuer's Shares are governed by Belgian law and by the Issuer's Articles of Association. These rights may differ in material respects from the rights of shareholders in companies organized outside of Belgium. In addition, the Issuer's directors and members of senior management may not be resident in the jurisdiction of investors and the Issuer's assets and the assets of its directors and senior management may be located outside the jurisdiction of investors. As a result, it may be difficult for investors to prevail in a claim against the Issuer or to enforce liabilities predicated upon the securities laws of jurisdictions outside of Belgium and, in general, for investors outside of Belgium to serve process on or enforce foreign judgments against the Issuer, its directors or its senior management.

*It may be difficult for investors outside Belgium to serve process on or enforce foreign judgments against the Issuer in connection with the Offering.*

As the Issuer is incorporated in Belgium, it may be difficult for investors outside of Belgium to serve process on or enforce foreign judgments against the Issuer, its executive officers or directors in connection with the Offering.

*Several provisions of Belgian law and actions by the Board of directors may create hurdles to unsolicited tender offers, mergers, change in management or other change of control.*

There are several provisions of the Belgian Company Code and Belgian law that may discourage potential takeover attempts and could thereby adversely affect the market price of the Shares (e.g. the obligation to disclose major holdings, merger control and the obligation to ensure that at least 30 per cent. of the Issuer's shares are held by the public) (see "*Public takeover bids*"). In addition, the Belgian Company Code allows the Board of directors to, in certain circumstances, and subject to prior authorization by the shareholders, take actions aimed at deterring or frustrating public takeover bids (see "*Public takeover bids*", "*Changes to the share capital*" and "*Purchase and sale of own shares*"). Hurdles to successfully effecting a takeover bid may also deprive Shareholders of the possibility to sell their Shares at a premium (which is typically offered in the framework of a takeover bid).

*Reliance on the procedures of Euroclear Belgium*

The New Shares will be dematerialised shares and will be delivered in book-entry form through the settlement system of Euroclear Belgium, the Belgian central securities depository, except for the New Shares subscribed for

by registered Shareholders that will be delivered in the form of registered Shares recorded in the Issuer's Share register. Transfers of Shares in dematerialised form will be effected between participants to Euroclear Belgium in accordance with their respective rules and operating procedures. Neither the Issuer nor any of the Underwriters will have any responsibility for the proper performance by Euroclear Belgium and its participants (other than the relevant Underwriter itself) of their obligations under their respective operating rules and procedures.

## DEFINITIONS

<b><i>Act of 16 June 2006</i></b>	The Belgian Act of 16 June 2006 concerning the public offerings of securities and the admission of securities to trading on a regulated market ( <i>Loi relative aux offres publiques d'instruments de placement et aux admissions d'instruments de placement à la négociation sur des marchés réglementés / Wet op de openbare aanbieding van beleggingsinstrumenten en de toelating van beleggingsinstrumenten tot de verhandeling op een gereguleerde markt</i> )
<b><i>Board of directors or Board</i></b>	The board of directors of the Issuer.
<b><i>Closing Date</i></b>	The date on which the New Shares are issued, i.e. on or about 12 May 2015.
<b><i>Closing Date of the Rights Offering</i></b>	The closing date of the Rights Subscription Period, i.e. 6 May 2015 (4.00 pm CET).
<b><i>New Shares</i></b>	Maximum 3,004,318 Ordinary Shares to be issued by the Company on the Closing Date.
<b><i>Coupon n° 25</i></b>	The relevant coupon representing the right to Preferential Rights for the Ordinary Shares.
<b><i>Coupon n° 14</i></b>	The relevant coupon representing the right to Preferential Rights for the Preferential Shares 1.
<b><i>Coupon n° 13</i></b>	The relevant coupon representing the right to Preferential Rights for the Preferential Shares 2.
<b><i>Coupon n° 26</i></b>	The relevant coupon representing the right to a dividend for the financial year which closed on 31 December 2014.
<b><i>Coupon n° 27</i></b>	The relevant coupon representing the right to a dividend for the current financial year (started on 1 January 2015) until the day before the Closing Date.
<b><i>Coupon n° 28</i></b>	The relevant coupon representing the right to a dividend for the second part of the current financial year starting on the day of the issue date of the New Shares until 31 December 2015.
<b><i>Debt Ratio</i></b>	The legal ratio calculated in accordance with the RREC Legislation as financial and other debts divided by total assets.
<b><i>EGM of 29 March 2011</i></b>	The extraordinary shareholders' meeting of the Issuer held on 29 March 2011.
<b><i>Euroclear</i></b>	Euroclear Bank SA/NV.
<b><i>Euronext Brussels</i></b>	The regulated market of Euronext Brussels.
<b><i>Existing Shareholders</i></b>	The existing shareholders of the Issuer who hold Ordinary and/or Preferential Shares of the Issuer on 21 April 2015, after closing of markets on Euronext

	Brussels.
<b>FSMA</b>	The Belgian Financial Services and Market Authority ( <i>Autorité des services et des marchés financiers / Autoriteit financiële diensten en markten</i> ).
<b>IFRS</b>	International Financial Reporting Standards as executed by the RREC Decree.
<b>Issue Price</b>	The issue price of the New Shares, i.e. EUR 95 per New Share.
<b>Issuer or Cofinimmo</b>	Cofinimmo SA/NV, Boulevard de la Woluwe 58, 1200 Brussels, BE 0426.184.049 RLE Brussels, a limited liability company ( <i>société anonyme/naamloze vennootschap</i> ) and public regulated real estate company ( <i>SIR/GVV</i> ) incorporated under Belgian law.
<b>ITC</b>	The Belgian Income Tax Code 1992.
<b>Joint Bookrunners</b>	BNP Paribas Fortis SA/NV, KBC Securities NV and ING Belgium SA/NV.
<b>Joint Global Coordinators</b>	BNP Paribas Fortis SA/NV and KBC Securities NV.
<b>Listing</b>	The admission to trading and listing on Euronext Brussels of the New Shares.
<b>Listing Agent</b>	BNP Paribas Fortis SA/NV.
<b>Member State</b>	A member state of the European Economic Area.
<b>Net Scrips Proceeds</b>	The net proceeds from the sale of Scrips (rounded down to a whole Eurocent per unexercised Preferential Right) after deducting all expenses, charges and all forms of expenditure which the Issuer has to incur for the sale of the Scrips.
<b>Net Scrips Proceeds Payment</b>	The payment of the Net Scrips Proceeds if any to all the holders of unexercised Preferential Rights.
<b>Offering</b>	The public offering of 3,004,318 New Shares within the framework of a capital increase in cash with preferential rights for EUR 95 per New Share in the ratio of 1 New Share for 6 Preferential Rights (the " <b>Rights Offering</b> ") and the offering of the Scrips in an accelerated book built private placement (the " <b>Scrips Private Placement</b> ").
<b>The Opening Date of the Rights Offering</b>	The opening date of the Rights Subscription Period, i.e. 22 April 2015 at 9.00 am CET.
<b>Order</b>	The Financial Services and Markets Act (Financial Promotion) Order 2005, as amended.
<b>Ordinary Shares</b>	The ordinary shares issued by the Issuer.
<b>Preferential Shares</b>	The preferential shares issued by the Issuer.

<b><i>Preferential Right</i></b>	One statutory preferential right per Share of the Issuer.
<b><i>2010 PD Amending Directive</i></b>	The Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 amending Directives 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading and 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market.
<b><i>Prospectus</i></b>	This Securities Note, the Registration Document and the Summary.
<b><i>Prospectus Directive</i></b>	The Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented or having direct effect in the Relevant Member State).
<b><i>Prospectus Law</i></b>	The Belgian Law of 16 June 2006 on public offering of securities and on the admission of securities to trading on a regulated market.
<b><i>Prospectus Regulation</i></b>	Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing the Prospectus Directive, as amended by the Commission regulations (EC) No 211/2007 and No 1289/2008 as well as the Commission delegated regulations (EU) No 486/2012, No 862/2012 and No 759/2013.
<b><i>Ratio</i></b>	The ratio of 1 New Share for 6 Preferential Right.
<b><i>Record Date</i></b>	21 April 2015 at the closing of the regulated market of Euronext Brussels.
<b><i>Registration Document</i></b>	The Issuer's 2014 annual report approved by the FSMA as a registration document on 31 March 2015.
<b><i>Regulation S</i></b>	Regulation S under the Securities Act.
<b><i>Rights Offering</i></b>	The public offering of 3,004,318 New Shares within the framework of a capital increase in cash with preferential rights for EUR 95 per New Share in the ratio of 1 New Share for 6 Preferential Rights.
<b><i>Rights Subscription Period</i></b>	From 22 April 2015 to 4.00 pm CET on 6 May 2015.
<b><i>Relevant Member State</i></b>	Each Member State that has implemented the Prospectus Directive.
<b><i>Royal Decree of 14 November 2007</i></b>	The Belgian Royal Decree of 14 November 2007 relating to the obligations of issuers of financial instruments admitted to trading on a regulated market ( <i>Arrêté royal relatif aux obligations des émetteurs d'instruments financiers admis à la négociation sur un marché réglementé / Koninklijk besluit betreffende de verplichtingen van emittenten van financiële instrumenten die zijn toegelaten tot de verhandeling op een gereguleerde markt</i> ).
<b><i>RREC</i></b>	A regulated real-estate company ( <i>société immobilière réglementée /</i>

*gereguleerde vastgoedvennootschap).*

<b><i>RREC Decree</i></b>	The Royal Decree of 13 July 2014 on regulated real-estate companies ( <i>sociétés immobilières réglementées / gereguleerde vastgoedvennootschappen</i> ).
<b><i>RREC Law</i></b>	The Act of 12 May 2014 on regulated real-estate companies ( <i>sociétés immobilières réglementées / gereguleerde vastgoedvennootschappen</i> ).
<b><i>RREC Legislation</i></b>	The RREC Decree and the RREC Law.
<b><i>Scripts Private Placement</i></b>	The offering of the Scripts in an accelerated book built private placement.
<b><i>Section</i></b>	Any section in this Securities Note.
<b><i>Securities Act</i></b>	The U.S. Securities Act of 1933, as amended.
<b><i>Securities Note</i></b>	This securities note approved by the FSMA.
<b><i>Share</i></b>	The Ordinary Shares and Preferential Shares.
<b><i>Shareholders</i></b>	The shareholders of the Issuer who hold Ordinary and/or Preferential Shares of the Issuer.
<b><i>Summary</i></b>	The summary approved by the FSMA in relation to the Transaction.
<b><i>Transaction</i></b>	The Offering and the Listing.
<b><i>TERP</i></b>	The theoretical ex-rights price.
<b><i>Underwriters</i></b>	BNP Paribas Fortis SA/NV, KBC Securities NV, ING Belgium SA/NV, Belfius Bank SA/NV, Bank Degroof SA/NV, Kempen & Co N.V. and Joh. Berenberg, Gossler & Co KG, Hamburg.
<b><i>Underwriting Agreement</i></b>	The underwriting agreement which is expected to be entered into on 7 or 8 May 2015 by the Underwriters and the Issuer.

## **2. IMPORTANT INFORMATION AND CAUTIONARY STATEMENTS**

### **2.1 Approval of the Prospectus**

This Securities Note constitutes, together with the Registration Document, the Summary and, if applicable, the documents incorporated by reference, the Prospectus.

The FSMA approved this English-language Securities Note for the purpose of the Offering and the Listing in accordance with Article 23 of the Act of 16 June 2006.

This Securities Note has been prepared in accordance with chapter II of the Prospectus Regulation. This Securities Note relates to a share capital increase with preferential rights and as a result, the level of disclosure of this Prospectus is proportionate to this type of issue in accordance with Article 26a and Annexes XXIII and XXIV of the Prospectus Regulation.

The FSMA's approval does not imply any judgement on the merits or the quality of the Offering, the New Shares or the Issuer.

The Securities Note and the Summary have been prepared in English. The Summary has been translated into Dutch and French. The Issuer is responsible for the consistency between the English, Dutch and French versions of the Summary in connection with the public offering in Belgium and the admission to trading and listing of the New Shares and Preferential Rights on Euronext Brussels. In case of inconsistencies between the versions in different languages, the English version will prevail since it is the sole legally binding version.

The Offering and the Prospectus have not been submitted for approval to any supervisory body or governmental authority outside Belgium.

### **2.2 Person responsible for the Prospectus**

The Issuer, Cofinimmo SA/NV, with registered office Boulevard de la Woluwe 58, 1200 Brussels, represented by its Board of directors, assumes responsibility for the content of this Securities Note and the Summary. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Securities Note and in the Summary is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

### **2.3 No representation**

Neither the Underwriters, nor their affiliates or any person acting on their behalf make any representation or warranty, express or implied, as to, nor assume any responsibility for, the accuracy or completeness of any of the information in this Securities Note, in the Summary or the Registration Document, and nothing in this Securities Note, in the Summary or in the Registration Document is, or shall be relied upon as, a promise or representation by any of the Underwriters and their advisors whether as to the past or the future. The Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer or Underwriters that any recipient of any part of the Prospectus should subscribe for the New Shares or purchase any Preferential Rights or Scrips.

The Prospectus is intended to provide information to the Existing Shareholders and to prospective investors in the context of and for the sole purpose of evaluating a possible investment in the New Shares and the Preferential Rights. It contains selected and summarised information, does not express any commitment or acknowledgement or waiver and does not create any right, expressed or implied, towards anyone other than a potential investor. It cannot be used except in connection with the Offering. The content of this Prospectus is not to be construed as an interpretation of the rights and obligations of the Issuer, of the market practices or of contracts entered into by the Issuer.

The Underwriters and their affiliates are acting exclusively for the Issuer and no one else in connection with the Offering. They will not regard any other person (whether or not a recipient of any part of the Prospectus) as their

respective clients in relation to the Offering and will not be responsible to any other person for providing the protections afforded to their client or for providing advice in relation to the Offering or any transaction or arrangement referred to in the Prospectus.

None of the Issuer or the Underwriters, or any of their respective representatives, is making any representation to any offeree, subscriber for the New Shares or purchaser of the Preferential Rights or Scrips regarding the legality of an investment in the New Shares by such offeree or subscriber under the laws applicable to such offeree or subscriber. Each investor should consult with his or her own advisers as to the legal, tax, business, financial and related aspects of a subscription for the New Shares.

Each investor also acknowledges that: (i) it has not relied on the Underwriters or any person affiliated with the Underwriters in connection with any investigation of the accuracy of any information contained in the Prospectus or its investment decision; and (ii) it has relied only on the information contained in this Prospectus and no person has been authorised to give any information or to make any representation concerning the Issuer or the New Shares (other than as contained in the Prospectus) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Issuer or the Underwriters.

#### **2.4 Notices to Existing Shareholders and prospective investors**

In making an investment decision, Existing Shareholders and prospective investors must rely on their own examination of the Issuer and the terms of the Offering, including the merits and risks involved as described in the Prospectus. Existing Shareholders and prospective investors should rely only on the information contained in the Prospectus. Neither the Issuer nor any of the Underwriters have authorised any other person to provide Existing Shareholders or other prospective investors with different information. If anyone provides different or inconsistent information, it should not be relied upon.

None of the information in this Securities Note should be considered as an investment, legal or tax advice. Investors should consult their own counsel, accountant and other advisors for legal, tax, business, financial and related advice regarding purchasing the New Shares. Neither the Issuer nor any of the Underwriters make any representation to any offeree or purchaser regarding the legality of an investment in the New Shares by such offeree or purchaser under applicable investment or similar laws.

The information appearing in this Securities Note should be assumed to be accurate as of the date on the front cover of this Securities Note only. In accordance with Belgian law, if a significant new fact, material mistake or inaccuracy relating to the information included in the Prospectus which is capable of affecting the assessment of the New Shares and which arises or is noted between the time when the Securities Note is approved and the Closing Date of the Offering, or as the case may be, prior to the start of the trading of the New Shares on the relevant market, the same will be set out in a supplement to the Prospectus. Any supplement is subject to approval by the FSMA, and must be made public, in the same manner as the Prospectus.

If a supplement to the Prospectus is published on or prior to the Closing Date, subscribers in the Offering shall have the right to withdraw their subscriptions made prior to the publication of the supplement. Such withdrawal must be done within the time limits set forth in the supplement (which shall not be shorter than two business days after publication of the supplement).

#### **2.5 Certain restrictions on the Offering**

##### ***General***

The Offering is conducted as a public offering addressed to the Existing Shareholders in Belgium with respect to the New Shares to which any holder of Preferential Rights may subscribe (whether they hold their Preferential Rights as an Existing Shareholders or following the acquisition of Preferential Rights or Scrips) and a private placement with respect to the Scrips, addressed to qualified investors in the EEA or in accordance with another exemption from the obligation to publish a prospectus in Article 3.2 of the Prospectus Directive.

Subject to certain exceptions, the Offering described in this Securities Note is not being made to Shareholders or investors in the United States, Japan, Canada, Australia or South Africa. Accordingly, this Prospectus (or any document thereof) should not be forwarded or transmitted in or into the United States, Japan, Canada, Australia or South Africa.



The Offering and this Prospectus (or any document thereof) have not been and will not be submitted for approval to any supervisory authority outside Belgium. Therefore, no steps may be taken that would constitute or result in a public offering of the New Shares, the Preferential Rights or the Scrips outside Belgium. The distribution of this Prospectus (or any document thereof), the exercise of the Preferential Rights and the Offering may, in certain jurisdictions, be restricted by law, and this Prospectus (or any document thereof) may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

Accordingly, the New Shares, the Preferential Rights or the Scrips may not be offered or sold, directly or indirectly, and neither this Prospectus (or any document thereof) nor any other documents related to the Offering may be distributed or published in any jurisdiction, except in circumstances that will result in the compliance with all applicable laws and regulations. Persons into whose possession the Prospectus (or any document thereof) (or any document related to the Offering) comes, are required by the Issuer and the Underwriters to inform themselves about, and to observe, any such restrictions. Neither the Issuer nor the Underwriters assume any responsibility in respect thereof.

Investors must comply with all applicable laws and regulations in force in any jurisdiction in which they offer, purchase, subscribe for, re-sell, pledge or otherwise transfer the New Shares, the Preferential Rights or the Scrips or possess or distribute this Prospectus (or any document thereof) and must obtain any consent, approval or permission required for the offer, purchase, subscription for, resale, pledge or other transfer of the New Shares, the Preferential Rights or the Scrips under the laws and regulations in force in any jurisdiction in which any offer, purchase, subscription for, resale, pledge or other transfer is made. Neither the Issuer nor any of the Underwriters is making an offer to sell the New Shares, the Preferential Rights or the Scrips or soliciting an offer to purchase any of the New Shares, the Preferential Rights or the Scrips to any person in any jurisdiction where such an offer or solicitation is not permitted.

Without prejudice to any of the foregoing, the Issuer and the Underwriters reserve the right to reject any offer to purchase or subscription for the New Shares, the Preferential Rights and the Scrips which the Issuer or Underwriters believe may give rise to a breach of any laws, rules or regulations.

#### ***Notice to prospective investors in the United States***

The New Shares, the Preferential Rights and the Scrips have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. The New Shares, the Preferential Rights and the Scrips may not be offered, sold or delivered within the United States, except pursuant to an exemption from the registration requirements of the Securities Act. Accordingly, the New Shares, the Preferential Rights and the Scrips are being offered and sold outside the United States in accordance with Regulation S under the Securities Act. There will be no public offering of the New Shares, the Preferential Rights and the Scrips in the United States. In addition, until 40 days after commencement of the Offering, an offer or sale of New Shares, the Preferential Rights and the Scrips within the United States by a dealer whether or not participating in the Offering may violate the registration requirements of the Securities Act.

#### ***Notice to prospective investors in the European Economic Area***

The Issuer has not authorized any offer to the public of New Shares and the Preferential Rights in any Member State, other than Belgium. With respect to each Relevant Member State other than Belgium, no action has been undertaken or will be undertaken to make an offer to the public of the New Shares and the Preferential Rights requiring a publication of a prospectus in that Relevant Member State. As a result, the New Shares, the Preferential Rights and the Scrips may only be offered in a Relevant Member State under the following exemptions of the Prospectus Directive, if they have been implemented or have direct effect in that Member State:

- i. to qualified investors as defined in the Prospectus Directive ("**Qualified Investors**");
- ii. to fewer than 100 or, if the relevant provisions of the 2010 PD Amending Directive have been implemented or have direct effect in the Relevant Member State, 150 natural or legal persons in aggregate (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the Joint Bookrunners for any such offer; or
- iii. in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of New Shares, Preferential Rights or Scrips shall result in a requirement for the publication by the Issuer or any Underwriters of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this paragraph, the expression an “offer to the public” of New Shares, Preferential Rights or Scrips in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and the New Shares to be offered so as to enable an investor to decide to purchase or subscribe to any such securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “**Prospectus Directive**” includes any relevant implementing measure in each Relevant Member State.

#### ***Notice to prospective investors in the United Kingdom***

This Prospectus is directed at and for distribution in the United Kingdom only to Qualified Investors (as defined in “*Notice to prospective investors in the European Economic Area*”) who are (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act (Financial Promotion) Order 2005, as amended (the “**Order**”), or (ii) persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order, and other persons to whom this Prospectus may otherwise lawfully be communicated (all such persons together being referred to as “**Relevant Persons**”). Any investment or investment activity to which this Prospectus relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this Prospectus or any of its contents.

#### ***Notice to prospective investors in Canada, Australia, Japan and South Africa***

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, New Shares, Preferential Rights or Scrips in Canada, Australia, or Japan and is not for distribution in or into any of these countries.

## **2.6 Forward-looking statements**

The Prospectus includes forward-looking statements. By their nature, forward-looking statements are subject to inherent risks and uncertainties, both general and specific, and the predictions, forecasts, projections and other forward-looking statements contained in the Prospectus could be materially different from what actually occurs in the future.

In addition, the Prospectus contains estimates of growth in the markets in which the Issuer operates that have been obtained from independent, third party studies and reports. These estimates assume that certain events, trends and activities will occur. Although the Issuer believes that these estimates are generally indicative of the matters reflected in those studies and reports, these estimates are also subject to risks and uncertainties and investors are cautioned to read these estimates in conjunction with the rest of the disclosure in the Prospectus, particularly “*Risk Factors*” in the Registration Document and Section 1, “*Risk Factors*” in this Securities Note.

Although the Issuer believes that its expectations with respect to forward-looking statements are based on reasonable assumptions within the bounds of its knowledge of its business and operations at the date of the Prospectus, Existing Shareholders and prospective investors are cautioned that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. Some of these factors are discussed in Section 1, “*Risk Factors*” and elsewhere in the Prospectus.

The forward-looking statements contained in the Prospectus speak only at the date of the Prospectus or, if obtained from third party studies or reports, the date of the corresponding study or report and are expressly qualified in their entirety by the cautionary statements included in the Prospectus. Without prejudice to the Issuer’s obligations under Belgian law in relation to disclosure and ongoing information, the Issuer does not undertake any obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in the Prospectus might not occur.

## **2.7 Rounding**

Certain amounts that appear in the Securities Note or the Prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be arithmetic aggregations of the figures that precede them.

## **2.8 Industry and other statistical information**

Unless otherwise mentioned in the Prospectus, industry data and market size/share data provided in the Prospectus are derived from independent publications by leading organisations, from reports by market research firms and from other independent sources or from the Issuer's management own estimates, believed by management to be reasonable. When information has been derived from third parties, the Prospectus refers to such third parties.

The information provided by third parties has been accurately reproduced with their agreement and as far as the Issuer is aware and able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, the Issuer and its advisors have not independently verified any of the abovementioned information.

Certain market share information and other statements in the Prospectus regarding the industry and the Issuer's position relative to its competitors may not be based on published statistical data or information obtained from independent third parties. Rather, such information and statements reflect the Issuer's best estimates based upon information obtained from trade and business organisations and associations and other contacts within the industry. This information from the Issuer's internal estimates and surveys has not been verified by any independent sources.

Market information is subject to change and cannot always be verified with complete certainty due to limits on the availability and reliability of primary data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent to any statistical survey of market information. As a result, prospective investors should be aware that market share, ranking and other similar data in the Prospectus, and estimates and beliefs based on such data, may not be reliable.

## **2.9 Statutory auditor**

Deloitte Réviseurs d'Entreprises SC s.f.d. SCRL, a civil company having the form of a co-operative company with limited liability (*Burgerlijke coöperatieve vennootschap met beperkte aansprakelijkheid/ société civile sous forme de société cooperative à responsabilité limitée*) organized and existing under the laws of Belgium, and represented by Mr. Frank Verhaeghen has been reappointed as statutory auditor of the Issuer on 14 May 2014 for a term ending immediately after the closing of the annual shareholders' meeting to be held in 2017.

The statutory standalone financial statements of the Issuer for the year ended on 31 December 2014 were prepared in accordance with International Financial Reporting Standards ("IFRS"). They have been audited by Deloitte Réviseurs d'Entreprises, who delivered an unqualified opinion.

The consolidated financial statements of the Issuer for the year ended on 31 December 2014 were prepared in accordance with IFRS. They have been audited by Deloitte Réviseurs d'Entreprises, who delivered an unqualified opinion.

## **2.10 Available information**

### ***Prospectus***

The Prospectus, which is composed of this Securities Note, the Summary and the Registration Document, is available in English (the official version of the Registration Document is the French version, the English version being a translation). The Summary of the Prospectus has also been translated into Dutch and French. The English version of the Prospectus and the documents incorporated by reference therein (including the Registration Document) as well as the translations in Dutch and French of the Summary will be made available to investors at no cost at the registered offices of the Issuer. The Prospectus will also be made available to investors at no cost upon request from BNP Paribas Fortis SA/NV at +32 2 433 40 32 (French), +32 2 433 40 31 (Dutch) and +32 2 433 40 34 (English) and on its websites ([www.bnpparibasfortis.be/sparenenbeleggen](http://www.bnpparibasfortis.be/sparenenbeleggen) (Dutch) and [www.bnpparibasfortis.be/epargneretplacer](http://www.bnpparibasfortis.be/epargneretplacer) (French)), from KBC Securities at +32 800 920 20 (French) and

+32 3 283 29 70 (Dutch), from KBC Bank at +32 3 283 29 70 (Dutch and English), and from CBC Banque at +32 800 92 020 (French) and on the websites of KBC Bank ([www.kbc.be/Cofinimmo](http://www.kbc.be/Cofinimmo)), KBC Securities ([www.kbcsecurities.be](http://www.kbcsecurities.be), [www.bolero.be/nl/Cofinimmo](http://www.bolero.be/nl/Cofinimmo) (Dutch) and [www.bolero.be/fr/Cofinimmo](http://www.bolero.be/fr/Cofinimmo) (French)) and CBC Banque ([www.cbc.be/Cofinimmo](http://www.cbc.be/Cofinimmo)), from ING Belgium SA/NV at 32 2 464 60 01 (Dutch) ,+32 2 464 60 02 (French) and 32 2 464 60 04 (English) and on its websites ([www.ing.be/aandelentransacties](http://www.ing.be/aandelentransacties) (Dutch), [www.ing.be/transactionsdactions](http://www.ing.be/transactionsdactions) (French), [www.ing.be/equitytransactions](http://www.ing.be/equitytransactions) (English)) and on the website of Bank Degroof SA/NV ([www.degroof.be](http://www.degroof.be)), Belfius Bank SA/NV ([www.belfius.be/cofinimmo](http://www.belfius.be/cofinimmo)) and at the office of Joh. Berenberg, Gossler & Co KG, Hamburg in Hamburg. Subject to certain conditions, the Prospectus as well as the translations in Dutch and French of the Registration Document and the Summary are also available on the internet at the following website: [www.cofinimmo.com](http://www.cofinimmo.com).

#### ***Company documents and other information***

The Issuer must file its (amended and restated) articles of association and all other deeds that are to be published in the Annexes of the Belgian Official Gazette with the Clerk's office of the Commercial Court of Brussels, where they are available to the public. A copy of the most recently restated articles of association (as amended for the last time on 14 April 2015) and the corporate governance charter will also be available on the Issuer's website.

In accordance with Belgian law, the Issuer must also prepare annual and consolidated audited statutory financial statements. The annual and consolidated statutory financial statements and the reports of the Board of directors and statutory auditor relating thereto are filed with the National Bank of Belgium, where they are available to the public. Furthermore, as a company listed on a regulated market, the Issuer publishes an annual financial report, a half-yearly financial report and interim management statements. A summary of these documents is made publicly available to the Belgian financial press in the form of a press release. Copies thereof are also available on the Issuer's website.

The Company has to disclose price sensitive information, information about its shareholders' structure, and certain other information to the public. In accordance with the Royal Decree of 14 November 2007, such information and documentation is made available through press releases, the financial press in Belgium, the Issuer's website, the communication channels of Euronext Brussels or a combination of these media.

The Issuer's website can be found at [www.cofinimmo.com](http://www.cofinimmo.com) and the Issuer can be reached at +32 (0) 2 373 00 00.

### 3. ESSENTIAL INFORMATION

#### 3.1 Working capital statement

As at 31 December 2014, the consolidated working capital of the Issuer amounted to EUR – 497.8 million. The working capital is calculated as the current assets minus the current liabilities. The negative working capital is mainly due to the short term financial debts maturing within the year. At 31 December 2014, the current consolidated debt of the Issuer amounted to EUR 473.5 million, including:

- EUR 216.5 million in commercial papers with a term of less than one year;
- EUR 257 million in debt maturing within the year.

As at 31 December 2014, the short term financial debt of EUR 473,5 million was fully covered by the undrawn portions of long-term confirmed credit facilities totalling EUR 608.2 million. Hence, at 31 December 2014 the Issuer had EUR 1,319 million of committed revolving credit facilities at its availability, of which EUR 701.7 million was drawn. After deduction of the overdraft on the bank accounts on 31 December 2014 of EUR 9.4 million, this leaves an amount of EUR 608.2 available.

During the first quarter of 2015 the Issuer was able to strengthen its financial resources by:

- Issuing a non-convertible bond for 7 years for an amount of EUR190 million;
- Issuing new floating rate notes for an amount of EUR 26 million with tenors spread over 5, 6 and 7 years;
- Renegotiating revolving credit facilities with a scheduled maturity date in the course of 2015 for an amount of EUR 227 million.

The proceeds of the bond and the floating rate notes allowed to further decrease the drawings on the revolving credit facilities.

As at 31 March 2015 the Issuer had committed revolving credit facilities for a total amount of EUR 1,319 million, of which EUR 462 million was drawn. Hence, an amount of EUR 857 million was available on committed credit facilities.

On the date of this Securities Note, the Issuer is of the opinion that, taking into account its available cash and equivalents, it has sufficient working capital to meet its present requirements and cover the working capital needs for a period of at least 12 months as of the date of the Securities Note. As at 31 March 2015, Cofinimmo had EUR 857 million available on undrawn committed credit facilities. This amount allows to cover the financial obligations of the company for the coming 12 months. These obligations include:

- the commercial paper program for EUR 221 million
- debt maturities for EUR 420,3 million:
  - a bilateral credit facilities of EUR 62 million maturing on 01 July 2015 with BNP Paribas Fortis;
  - three bilateral credit facilities of EUR 20 million maturing on 31 May 2015, EUR 70 maturing on 30 June 2015 and EUR 50 million maturing on 28 February 2016 with ING, these facilities are currently not drawn;
  - A bilateral credit facility of EUR 30 million maturing on 15 January 2016 with Bayerische Landesbank;
  - A convertible bond for a nominal amount of EUR 173,3 million maturing on 28 April 2016;
  - EUR 10 and EUR 5 million of long term commercial paper maturing on respectively 02 April 2015 and 02 July 2015;
- the investment pipeline for EUR 78.98 million:
  - health care assets: EUR 39.97 million
  - offices: EUR 35.92 million
  - distribution property networks: EUR 3.09 million
- the dividend payment of the 2014 dividend payable in June 2015 for an amount of EUR 99,44 million.

The below table describes the expected use of the working capital for the coming 12 months:

(amounts in EUR million)

Undrawn credit facilities on 31 March 2015	857
Back up short term commercial	-221

paper programm						
Available headroom under credit facilities		636				
		<b>2015</b>			<b>2016</b>	
		<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>till 30.04.16</b>
Available financial resources start of period		636.00	482.34	391.86	313.64	218.03
Investments		-24.22	-20.48	-11.22	-15.61	-7.46
distribution property networks		-0.66	-0.61	-1.19	-0.38	-0.25
nursing homes		-14.43	-11.47	-5.78	-5.66	-2.63
offices		-9.14	-8.40	-4.25	-9.56	-4.57
Debt maturities		-30.00	-70.00	-67.00	-80.00	-173.00
Dividend		-99.44				
Available financial resources end of period		482.34	391.86	313.64	218.03	37.57

At the end of this 12 months period, it is expected that the balance of the working capital will amount to approximatively EUR 37,57 million.

### 3.2 Capitalization and indebtedness

As at 31 March 2015, the shareholders' equity of the Issuer amounted to EUR 1,612.6 million as shown in the table below;

<b>Shareholders' equity</b>	<b>1,612.6</b>
<i>Shareholders' equity attributable to shareholders of the parent company</i>	<i>1,544.5</i>
Capital	963.1
Share premium account	384.0
Reserves	202.7
Net result	-5.3
<b>Minority interests</b>	<b>68.1</b>

The net result as at 31 March 2015 represents a loss of EUR 5.3 million. This loss is mainly caused by the negative revaluation of derivative financial instruments (IAS 39) of EUR 29.6 million. Excluding this revaluation of derivative financial instruments, the net result is a profit of EUR 24.3 million.

As at 31 March 2015, the consolidated debt of the Issuer amounted to EUR 1,900.0 million as shown in the table below:

<b>Liabilities</b>	<b>1,900.0</b>
<b>Non-current liabilities</b>	<b>1,434.2</b>
Provisions	18.4
Non-current financial debts	1,296.4
Other non-current financial liabilities	83.7
Deferred taxes	35.7
<b>Current liabilities</b>	<b>465.8</b>
Current financial debts	328.5
Other current financial liabilities	28.9
Trade debts and other current debts	76.2
Accrued charges and deferred income	32.2
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>3,512.6</b>

As at 31 March 2015, the non-current consolidated financial debts of the Issuer amounted to EUR 1,296.4 million, comprising of:

- EUR 380.0 million in the form of non-convertible bonds:

Issuer	Par value (in M€)	Issue price	Coupon	Issue date	Maturity date
Cofinimmo	140.0	100%	3.598%	26.07.2012	07.02.2020
Cofinimmo	50.0	100%	2.78%	23.10.2013	23.10.2017
Cofinimmo	190.0	100%	1.929%	25.03.2015	25.03.2022

- EUR 399.3 million in the form of two bonds convertible into Cofinimmo shares:

Issuer	Par value (in M€)	Issue price	Conversion price	Coupon	Issue date	Maturity date
Cofinimmo	173.3	100%	EUR 116.60	3.125%	28.04.2011	28.04.2016
Cofinimmo	190.8	100%	EUR104.23	2.00%	20.06.2013	20.06.2018

These bonds are booked at market value on the balance sheet. The conversion price can be adjusted in accordance with the terms and conditions applicable to such convertible bonds.

- EUR 26.0 million in commercial papers, all with an initial term of more than three years;
- EUR 480.7 million in bilateral medium- and long-term loans, with an initial term of three to ten years;
- EUR 4.1 million in minimum coupons of the mandatory convertible bonds issued by Cofinimur I (a subsidiary of the Issuer) in December 2011;
- EUR 6.3 million of other loans and advances (account debits and rental guarantees received).

As at 31 March 2015, the current consolidated financial debt of the Cofinimmo Group amounted to EUR 328.5 million, including:

- EUR 236.5 million in commercial papers with a term of less than one year;
- EUR 92.0 million in debts maturing within the year.

The short-term financial debt of EUR 328.5 million is fully covered by the undrawn portions of long-term confirmed credit facilities totalling EUR 856.9 million at 31 March 2015.

The long-term financial commitments mature in a staggered manner until 2022. All of the debts maturing in 2015 and 2016 have been refinanced.

As at 31 March 2015, the debt ratio (as defined in the RREC Legislation) stood at 48.45 %.

### 3.3 Interest of natural and legal persons involved in the Offering

The Underwriters are expected to enter into the Underwriting Agreement with the Issuer on or about 7 or 8 May 2015. In addition, BNP Paribas Fortis SA/NV provides financial services to the Issuer in connection with the Offering.

BNP Paribas Fortis SA/NV, KBC Securities NV and its affiliates, ING Belgium SA/NV and Belfius Bank SA/NV have entered into credit and derivative agreements with the Issuer. In addition, each of the Underwriters and each of their affiliates have or may have, in the past, performed investment banking and advisory services and various banking services for the Issuer and the Cofinimmo group, for which they have received customary

fees and expenses. They may, from time to time, engage in further transactions with, and perform services for, the Issuer and the Cofinimmo group in the ordinary course of their businesses.

The Issuer has not received indications of any shareholders as regards the Offering.

The following members of the Board of directors or the management hold Existing Shares in the Issuer: Mr Jean-Edouard Carbonnelle, Mr Xavier Denis and Mr Vincent Doumier. Mr Jean-Edouard Carbonnelle and Mr Vincent Doumier have informed the Company that they have the intention to subscribe to the Offering. Mr Xavier Denis has informed the Company that he does not have the intention to subscribe to the Offering.

### **3.4 Reasons for the Offering and use of proceeds**

The net proceeds from the capital increase, provided it is fully subscribed, should amount to approximately EUR 280,998,274.00 (after the deduction of Transaction Costs amounting to approximately 1.55% of the gross proceeds of the Offering, as estimated in Section 5.11). These funds will be allocated to the investments already planned by Cofinimmo for 2015 to 2017, as described below; they should also allow Cofinimmo to strengthen its balance sheet structure in order to pursue its growth, in the context of its investment program 2015-2017 which is planned and the strategic priorities which the group has set for itself.

To facilitate efficient cash management, the net proceeds from the transaction will initially be used to partially and temporarily repay drawings on bank credit lines. Cofinimmo's long term objective is to maintain a Debt Ratio of maximum 50%.

#### *3.4.1 Strategic priorities*

Cofinimmo's investment strategy is structured around two major focus areas.

The healthcare real estate sector is currently the principal growth driver for the portfolio. Cofinimmo has a solid position in Belgium and – to a lesser extent – in France and has acquired significant knowledge and understanding of the Dutch and German healthcare markets in recent years and has developed extensive contacts, evidenced by the recent successful acquisitions of first assets in 2012 and 2014 respectively in these geographies. This sector includes, in particular, nursing homes (care residences for elderly dependent persons, often referred to as “Maisons de Repos” in Belgium, “Établissements d’Hébergement pour Personnes Agées Dépendantes”<sup>1</sup> in France), as well as psychiatric and rehabilitation clinics and small-size acute care clinics. Growth in Belgium and France is driven by the construction of new buildings or the extension of existing ones and, more recently, in the Netherlands and Germany by the acquisition or construction of new buildings. This growth is sustained by demographic changes and influenced by changes in the structure of healthcare and in public health policies.

The office sector, in which Cofinimmo is active only in Belgium, is influenced by new methods of working, urban mobility policies and requirements pertaining to the flexibility and energy performance of buildings. Cofinimmo is not aiming to achieve growth in the absolute size of its office asset base but rather the repositioning of a number of its buildings by fully renovating or reconstructing them. In some cases, it is also planning to convert the buildings into residential use or for other purposes.

The other sectors in the portfolio, i.e. property distribution networks and buildings used by public authorities operated under partnerships with these bodies, represent more opportunistic investments.

Cofinimmo favours active management, sustainable operating cash flows and, generally, a high return on the capital invested combined with a moderate risk profile, for its entire portfolio.

#### *3.4.2 Planned investment programme 2015-2017*

Cofinimmo's planned investment programme for 2015-2017 amounts to EUR 250 million and is fully committed. The funds raised by the capital increase will be allocated to this investment programme, which will be spread over three years. The programme can be broken down as follows:

#### *Offices*

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<sup>1</sup> The French term is only relevant for approximately 15% of the healthcare real estate sector of Cofinimmo.



### *Renovation of office buildings*

Cofinimmo currently owns 155,000m<sup>2</sup> of office buildings in the Léopold district, with an occupancy rate of more than 99%. The first three projects listed below are located in this district.

#### *a) Belliard 40: budget of EUR 46 million over the course of 2015 to 2017*

In February 2015, Cofinimmo launched the demolition and rebuilding of the Belliard 40 office building, located at the corner of Rue de la Science and Rue Belliard in Brussels. The construction of this flagship building, designed in keeping with the progressive transformation of Rue Belliard, will maximise the comfort and efficiency of the premises for its occupants. The project includes the creation of a plaza and a green space next to the pavement, and the construction of a transparent five-storey atrium. The interior garden behind the building will be visible from the street. The site will offer over 17,000m<sup>2</sup> of modern, flexible and sustainable offices. The project was labelled an "Exemplary Building 2011" by the Brussels Institute of Environmental Management (IBGE) and has been awarded the BREAM Excellent quality label.

The new building should be completed and functional by the second quarter of 2017. Several potential tenants have already been approached. By launching the redevelopment works of this site, Cofinimmo seeks to meet the demand of occupants for this type of building in the Brussels European district for 2017.

#### *b) Arts/Kunsten 19h: budget of EUR 23 million over the course of 2016 and 2017*

This building, with an aboveground surface area of 11,000m<sup>2</sup>, will be vacated by its current tenant, the Government Buildings Agency (Belgian federal government), in January 2016. It will be fully renovated without being demolished.

The new building is expected to be completed and operational during Q4 2017. No marketing activities have been undertaken yet.

#### *c) Guimard 10-12: budget of EUR 11 million in 2015*

This 10,000m<sup>2</sup> building was also vacated during 2014 by the European Commission and is currently undergoing a full renovation, which is scheduled for completion in August 2015. The asset is already more than 65% let.

#### *d) Sovereign Project - Souverain/Vorst 23-25: budget of EUR 29 million over the course of 2015 to 2017*

Cofinimmo has already provided for an investment programme worth EUR 29 million over the course of 2015 to 2017 for the full renovation of the Souverain 23-25 site, which is located in southeast Brussels. This is a magnificent 11-hectare site comprising two connected buildings leased by AXA Belgium until July 2017. The 2015-2017 investment programme includes preparatory/feasibility analyses and studies. The full renovation of these buildings will begin only at the end of 2017 and could represent an investment of around EUR 200 million over the course of 2018 to 2020; this is a very approximate figure as the programme has still not been defined.

Rental payments from AXA for this site represented 5.4% of the total rents received by the Group in 2014. On AXA's exit in 2017, the value of the Souverain site will represent 2% of the total value of the portfolio, on a like-for-like basis.

It is foreseen that the buildings will be maintained as offices in the future. A portion of the site is also suitable for conversion into residential use.

Cofinimmo is working closely with the regional and local authorities to prepare for the future of this exceptional site in Brussels.

#### *e) Other renovation projects: budget of EUR 13 million over the course of 2015-2017*

### *Reconversion of office buildings*

#### *a) Woluwe 34: budget of EUR 4 million in 2015, including EUR 0.5 million for the 2nd quarter of 2015*

The conversion of this office building in southeast Brussels into 69 apartments is almost complete and more than 90% of the apartments have been sold or reserved by buyers. Sales in the 1st quarter of 2015 amounted to EUR 2.9 million and the apartments still for sale as of 1 April 2015 represent a value of EUR 2.6 million.

*b) Ten Reuken: budget of EUR 33 million over the course of 2015 to 2017*

This undeveloped land with a surface area of 1.2 hectares was originally part of the Sovereign site leased to AXA, but is now available for residential development. Cofinimmo has applied for a construction permit for 87 apartments totalling nearly 12,000m<sup>2</sup>. The apartments will be sold.

*c) Woluwe 106-108: budget of EUR 13 million over the course of 2015 to 2017*

This office building, located in southeast Brussels, is currently vacant. Cofinimmo intends to transform it into a nursing and care home with a surface area of 8,500m<sup>2</sup> and 151 beds. An agreement has been signed with an operator, providing for a long lease of 27 years beginning on the completion of the works. An application has been filed for planning permission for the conversion.

### ***Healthcare real estate***

Cofinimmo has undertaken the construction of new care homes in this sector as well as the extension of existing ones, and their full renovation in some cases. A programme of works worth EUR 69 million has been planned for the period 2015-2017, including EUR 44 million on 17 buildings in Belgium, EUR 19 million for 7 buildings in the Netherlands and EUR 6 million for 3 buildings in France.

### ***Property of distribution networks***

For the two networks, i.e. pubs and restaurants leased to InBev and insurance agencies leased to MAAF, the investments planned for the three-year period amount to EUR 9 million and EUR 0.6 million, respectively.

All the aforementioned investments, with the exception of the Sovereign Project and the residential buildings intended for sale and provided the other assets are all leased, will contribute (on a non-annualised basis) EUR 1.8 million in 2015, EUR 5.6 million in 2016 and EUR 10.5 million in 2017 to Cofinimmo's rental income.

#### ***3.4.3 Divestments***

In the context of its strategy of assets rotation, Cofinimmo has decided to put up for sale the shares of Livingstone II SA, as described below. No other divestments are planned at present, with the exception of the sale of apartments and some insurance agencies.

### ***Livingstone II***

This building was fully renovated by Livingstone II SA, 100% of whose shares are owned by Cofinimmo, and the European Commission took it in usufruct for 15 years to house its training centre in August 2014. The annual usufruct charges amount to EUR 2.7 million. Cofinimmo has put all the shares in this company up for sale as part of a call for tenders launched in March 2015. Although the sale of the shares could be realised in the coming months, this divestment has not been included in the forecasts for financial year 2015.

No other divestments are planned at present, with the exception of the sale of apartments and some insurance agencies.

#### ***3.4.4 Potential additional investments other than the planned investments***

As well as the planned investments detailed in point II above, the capital increase enables Cofinimmo to bolster its balance sheet structure in order to continue its growth. At the date of the Securities Note, the Company studies potential investment opportunities, mainly in the healthcare sector. However it is not yet able to disclose any detailed information on them, none of them having reached the stage of an irrevocable and unconditional engagement at this point in time. The result of the capital increase, combined with the available amount from existing credit lines, provides the Company with more flexibility to finance interesting investment opportunities.

Over the past five years Cofinimmo has invested almost EUR100 million by year in the healthcare sector through acquisitions abroad and organic growth in Belgium, France and more recently in The Netherlands and Germany.

As a major player in healthcare real estate in Continental Europe, Cofinimmo aims at continuing its development which is based on spreading risks by combining a strategy of diversification by country, by operator and by care specialty (geriatrics, psychiatry, revalidation, acute care) and an investment policy in to-be-built and newly-built properties.

Cofinimmo is in close contact with current and/or new healthcare operators who present opportunities for expanding its own real estate portfolio. From a geographical perspective and given the degree of maturity and national specifications, the Company's growth perspectives may focus on nursing and care homes, revalidation and specialized care clinics in the Netherlands, Germany and less pronounced in Belgium and France. Cofinimmo is keen to address adequately the real estate needs of health specialists resulting from changes in the population age pyramid, changes in way care and cure services are provided and changes in lifestyles.

Cofinimmo's property investments in the healthcare sector are generally accompanied by long-term leases (15 years in The Netherlands, 20 or 25 years in Germany, 27 years in Belgium and 12 years in France) and achieve initial gross yields broadly between 6% and 7.50%.

Through this Cofinimmo intends to reinforce its position as major player in Continental Europe in healthcare real estate.

## **4. INFORMATION RELATING TO THE NEW SHARE**

### **4.1 General**

This section summarizes the Issuer's share capital and the material rights of its shareholders under Belgian law and the Articles of Association. It is based on the Issuer's restated Articles of Association dated 14 April 2015.

The description provided below is only a summary and does not purport to give a complete overview of the Articles of Association, nor of all relevant provisions of Belgian law. Neither should it be considered as legal advice regarding these matters.

The Ordinary Shares are listed on Euronext Brussels under the symbol COFB and ISIN BE0003593044.

Information about the past performance and projections regarding future performance of the Ordinary Shares and their volatility can be obtained on the Issuer's website ([www.cofinimmo.com](http://www.cofinimmo.com)) and on the website of Euronext ([www.euronext.com](http://www.euronext.com)).

The Issuer has agreed to use all reasonable endeavours to ensure that the New Shares will be admitted to listing on Euronext Brussels and will be listed, quoted or dealt in on any other stock exchange or securities market on which the shares may then be listed, quoted or dealt in.

### **4.2 Share capital and shares**

On the date of this Securities Note, the share capital of the Issuer amounts to EUR 965,983,255.79 and is fully paid-up. It is represented by 17,339,462 Ordinary Shares, without nominal value. In order to modify the rights attaching to these, the procedure referred to in the articles of association, as provided by law, is applicable.

In addition to the Ordinary Shares, the Issuer issued 2 series of Preferential Shares in 2004. The key features of the Preferential Shares are:

- priority right to an annual fixed gross dividend of EUR 6.37 per share, capped at this amount;
- priority right in case of liquidation to a distribution equal to the issue price, capped at this amount;
- option for the holder to convert his Preferential Shares into Ordinary Shares from the 5th anniversary of their issue date (1 May 2009), at a rate of one new Ordinary Share for one Preferential Share;
- option for a third party designated by Cofinimmo (for example one of its subsidiaries) to purchase in cash and at their issue price, from the 15th anniversary of their issue, the Preferential Shares that have not yet been converted;
- the Preferential Shares are in registered form, listed on Euronext Brussels and carry a voting right identical to that for Ordinary Shares.

The 1st series of 702,490 Preferential Shares (denomination on Euronext: COFP1, ISIN BE0003811289) was issued on 30 April 2004, the 2nd series of 797,276 shares (denomination on Euronext: COFP2, ISIN BE0003813301) was issued on 26 May 2004. The characteristics of these series of Preferential Shares are identical, with the exception of the issue price (EUR 107.89 for the COFP1 vs. EUR 104.44 for the COFP2).

Considering the conversions effected so far, there are 686,446 Preferential Shares outstanding (representing 3,81% of all outstanding Ordinary Shares and Preferential Shares), of which 395,048 are COFP1 and 291,398 COFP2.

The Preferential Shares are convertible into Ordinary Shares, on one or more occasions, at the option of their holders in the following cases:

- since 2010, during the last ten days of each quarter of the calendar year;
- at any time during a period of one month following notification of the exercise of the call option referred to above; and
- in the event of the Issuer being liquidated, during a period starting two weeks after publication of the decision to liquidate the Issuer and ending on the day before the General Meeting convened to resolve on the closing of the liquidation process.

The conversion rate is one Ordinary Share for one Preferential Share.

The conversion is effected by issuing new Ordinary Shares without increasing the Issuer's capital. The conversion request must be addressed to the Issuer by the holder of the Preferential Shares by registered post, indicating the number of Preferential Shares for which conversion is requested. Conversion will be deemed to have taken effect on the date of dispatch of the request for conversion.

#### **4.3 Form and transferability of the shares**

Existing Ordinary Shares of the Issuer are in registered form or dematerialized shares.

The Ordinary Shares in dematerialised form are held in book-entry form through the settlement system of Euroclear Belgium, the Belgian central securities depository.

Shareholders may at any time ask the Issuer for their Shares in book-entry form to be converted into registered shares, or vice versa, at the cost of the shareholder, in accordance with the Articles of Association.

All shares are fully paid-up and freely transferable.

#### **4.4 Currency**

The Ordinary Shares are denominated in Euro.

#### **4.5 Governing law and jurisdiction**

The Ordinary Shares and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, Belgian law.

In the event of litigation initiated in Belgium, the Belgian courts which will have jurisdiction will, in principle, be those where the registered office of the Issuer is located if the Issuer is defendant in such litigation, and will be designated according to the nature of the litigation, unless otherwise provided by Belgian law, applicable treaties or contractual jurisdiction or arbitration clauses.

#### **4.6 Issuance of the New Shares**

The New Shares will be issued pursuant to a decision of the Board of directors of 20 April 2015 to increase the Issuer's share capital by way of the issuance of New Shares within the framework of the authorised capital. The New Shares will in principle be issued on or about 12 May 2015.

#### **4.7 The New Shares offered**

The New Shares will be Ordinary Shares of the Issuer, without nominal value, fully paid-up in cash upon their delivery and each representing an identical fraction of the Issuer's share capital.

The New Shares to be issued within the framework of the Offering shall have the same rights as the existing Ordinary Shares. However, the New Shares shall only be profit sharing as from the Closing Date i.e. the New Shares will be entitled to the dividend of the current financial year (started on 1 January 2015) to be declared by the general shareholders' meeting of 2016 calculated *pro rata temporis* as from the Closing Date until 31 December 2015. The New Shares will therefore be issued:

- ex-coupon n° 26, i.e. the coupon representing the right to a dividend for the financial year which closed on 31 December 2014; and
- ex-coupon n° 27, i.e. the coupon representing the right to a dividend for the current financial year (started on 1 January 2015) until the day before the Closing Date.

Such dividends represented by the coupons n° 26 and n° 27 will be reserved to the existing Ordinary Shares.

The dividend for the current financial year has been estimated by the Board of directors at EUR 1.96 per Ordinary Share determined on the basis of a dividend amount of EUR 5.50 estimated prior to the capital increase

relating to the financial year 2015 (see "Dividend forecast for the financial year 2015" in Section 6.2 for a discussion of the dividend forecast), *pro rata temporis* as from 1 January 2015 until the day before the Closing Date. This estimated amount is made subject to approbation by the ordinary general meeting which will be held in 2016 and which will decide to distribute a dividend for the financial year 2015.

Coupon n° 26 giving right to a dividend for the financial year which closed on 31 December 2014 will be detached on the Business Day preceding the Opening Date of the Rights Subscription Period (after closing of markets), i.e. on 21 April 2015 and will be payable in May 2015.

Coupon n° 27 giving right to a dividend for the current financial year (started on 1 January 2015) until the day before the Closing Date, will be detached on the Business Day preceding the Opening Date of the Rights Subscription Period (after closing of markets), i.e. on 21 April 2015 and will be payable simultaneously to the payment of the outstanding amount of dividend for the financial year ended on 31 December 2015 (if any).

The New Shares will be issued with coupon n° 28 attached, i.e. the coupon representing the right to a dividend for the second part of the current financial year starting on the Closing Date until 31 December 2015.

The payment in full of the priority dividend on the Preferential Shares for the year 2015 (i.e. EUR 6.37 per Preferential Share) shall precede in rank the payments on both coupon n° 27 and n° 28 of the Ordinary Shares.

The New Shares will be dematerialised shares and will be delivered in book-entry form through the settlement system of Euroclear Belgium, the Belgian central securities depository. Shareholders may at any time ask the Issuer for their New Shares in book-entry form to be converted into registered shares, or vice versa, at the cost of the shareholder, in accordance with the Articles of Association. The costs charged by financial institutions in that respect range between EUR 30.25 EUR (inclusive VAT) and EUR 48.40 (inclusive VAT).

#### **4.8 Rights attached to the shares**

Under Belgian law, the main rights attached to shares in a *société anonyme / naamloze vennootschap* are the right to vote, the right to attend shareholders meetings, the right to dividend and the right to liquidation proceeds.

##### *4.8.1 Voting rights attached to the shares*

Each shareholder of the Issuer is entitled to one vote per share irrespective of whether the share is an Ordinary Share or a Preferential Share.

Each shareholder has the right to participate in and to vote at a shareholders' meeting in person or by proxy. In accordance with the Articles of Association, proxies must be delivered to the Issuer at least six days prior to the shareholders' meeting. The Board of directors may request Shareholders to use a standard form of proxy.

Co-owners, usufructuaries and bare owners, creditors and debtors-pledgees must be represented respectively by one and the same person.

Voting rights can be suspended in the circumstances provided for in the Belgian Company Code and in particular if the shareholder has not complied with its notification of major holdings obligations (see "Legislation and jurisdiction - Notification of major holdings"). In addition, in accordance with the Belgian Company Code, the voting rights attached to shares owned by the Issuer are suspended.

Generally, the General Meeting has sole authority with respect to:

- the approval of the annual financial statements and the remuneration report of the Issuer;
- the distribution of profits;
- the appointment and dismissal of the Issuer's directors and statutory auditor;
- the granting of release from liability to the directors and the statutory auditor;
- the determination of the remuneration of the directors and of the statutory auditor for the exercise of their mandate, including inter alia, as relevant, (i) in relation to the remuneration of executive and non-executive directors, the approval of an exemption from the rule that share based awards can only vest during a period of at least three years as of the grant of the awards, (ii) in relation to the remuneration of

- executive directors, the approval of an exemption from the rule that (unless the variable remuneration is less than a quarter of the annual remuneration) at least one quarter of the variable remuneration must be based on performance criteria that have been determined in advance and that can be measured objectively over a period of at least two years and that at least another quarter of the variable remuneration must be based on performance criteria that have been determined in advance and that can be measured objectively over a period of at least three years, and (iii) in relation to the remuneration of independent directors, the approval of any variable part of the remuneration;
- the approval of provisions of service agreements to be entered into with executive directors, members of the management committee and other executives providing (as the case may be) for severance payments exceeding 12 months' remuneration (or, subject to a motivated opinion by the remuneration committee, 18 months' remuneration);
  - the filing of a claim for liability against directors;
  - decisions relating to the dissolution, merger and certain other re-organizations of the company; and
  - the approval of amendments to the Articles of Association.

#### 4.8.2 *Right to attend General Meetings*

The annual General Meeting is held at the place determined in the notice convening the meeting. It is held every year on the second Wednesday of May at 15:30 (Central European Time, GMT+1). If this date is a public holiday in Belgium, the meeting is held the next business day at the same time.

The Board of directors and the company's statutory auditor submit their respective annual report at the annual General Meeting which then discusses the annual accounts. Before approving the annual accounts and the proposed allocation of the company's profit or loss, the General Meeting must vote on the release from liability of the directors and the statutory auditor. When applicable, the annual General Meeting also votes on the (re-) appointment or dismissal of the statutory auditor and/or of all or certain directors and on all remuneration issues falling within its remit. The annual General Meeting shall also approve by a separate vote the remuneration report to be included in the annual report.

The Board of directors or the statutory auditor may, whenever the interest of the company so requires, convene a special or extraordinary General Meeting.

Such General Meeting must also be convened every time one or more shareholders holding shares representing at least 5 per cent. of the Issuer's share capital so request.

Shareholders holding at least 3 per cent. of the Issuer's share capital are entitled to request that one or more items be put on the agenda of a General Meeting already convened and to make proposal of resolutions with respect to items already existing or to be put on the agenda.

The notice convening the General Meeting must state the place, date and hour of the meeting and must include an agenda indicating the items to be discussed as well as any motions for resolutions. The notice must be published at least 30 days prior to the meeting in the Belgian Official Gazette (*Moniteur Belge / Belgisch Staatsblad*), in a nation-wide newspaper as well as in media that can reasonably be relied upon for the dissemination of information within the EEA. The convening notice must in addition be sent by ordinary mail to the holders of registered shares or registered bonds. The annual financial statements, the annual report of the board of directors and the annual report of the statutory auditor must be made available to the public at the company's registered office from the date of the convening notice. The company must also publish on its website various information including the convening notice and all documents to be submitted to the General Meeting.

All holders of shares and bonds issued by the Issuer can attend General Meetings. Only shareholders, however, may vote. The right to participate to and vote at a General Meeting is subject to the shareholder being recorded as such on the 14th day preceding the General Meeting (the record date) either in the shareholders register (in the case of registered shares), or on the books of a recognized account holder or a settlement institution (in the case of dematerialized shares), or by submission of the shares to a financial intermediary (in the case of bearer shares). The actual holding on the date of the General Meeting is not relevant. Holders of dematerialized or bearer shares wishing to participate to and vote at a General Meeting must submit, at least 6 days prior to the meeting, to the Issuer a certificate issued by the recognized account holder, settlement institution or financial intermediary establishing their holding on the record date. Holders of registered shares must notify the Issuer of their wish to participate to and vote at a General Meeting at least 6 days prior to the meeting.

Each shareholder has the right to participate to and to vote at a General Meeting in person or by proxy. Proxies must be delivered to the Issuer at least 6 days prior to the meeting. The Board of directors can request that shareholders use a standard form of proxy.

The Issuer's Articles of Association allow the Board of directors to authorise in the convening notice shareholders to vote by mail by means of a form that is made available by the company. The form must be filled in and signed by the shareholders and returned to the company by registered mail at least 6 days before the meeting.

In general, there is no attendance quorum requirement for a General Meeting and decisions are passed with a simple majority of the votes of the shares present or represented. However, capital increases (other than those decided by the Board of directors pursuant to the authorized capital), decisions with respect to the company's dissolution, mergers, de-mergers and certain other reorganizations of the company, amendments to the Articles of Association and certain other matters referred to in the Belgian Company Code require that at least 50 per cent. of the share capital of the Issuer be present or represented and that at least 75 per cent. of the votes cast be in favour of the resolution. When an attendance quorum requirement exists and is not met at the first meeting, a second meeting must be convened and the second meeting can validly deliberate and vote on the items of the agenda irrespective of the shares present or represented.

In accordance with Article 560 of the Belgian Company Code, any decision to modify the rights of a class of shares or to replace a class of shares with another class of shares require compliance in each class of shares with the quorum and majority requirements applicable to amendments to the Articles of Association. This means that any amendment to the rights attached to Ordinary Shares and/or to Preferential Shares "P1" and/or to Preferential Shares "P2" require that at least 50 per cent. of the share capital of the Issuer represented by the relevant class of shares be present or represented in each class of shares and that at least 75 per cent. of the votes cast in each class of shares be in favour of the resolution.

Any proposed change of the Issuer's Articles of Association is subject to the prior approval of the FSMA.

During any general meeting, shareholders have the right to ask questions to the directors in connection with any item on the agenda. They may also ask questions to the directors or the statutory auditor in connection with their respective reports presented during the meeting.

#### 4.8.3 *Right to dividends*

All Ordinary Shares entitle their holders to an equal right to participate in Cofinimmo's profits (if any). Preferential Shares entitle their holders to a fixed dividend which amounts to EUR 6.37 on a gross annual basis to be paid by priority over the dividend relating to Ordinary Shares.

The distribution of a dividend is as a matter of principle decided by the General Meeting. The Board of directors may however declare an interim dividend in accordance with the conditions set forth in the Belgian Company Code.

Dividends can only be distributed if following the declaration and issuance of the dividends the amount of the company's net assets on the date of the closing of the last financial year, does not fall below the amount of the paid-up capital (or, if higher, the issued capital), increased with the amount of non-distributable reserves.

The distribution of a dividend by the Issuer to its shareholders constitutes an obligation under the Belgian RREC Legislation, which applies without prejudice to the provisions of Articles 617 and following of the Belgian Company Code and of their accounting implications. The Issuer must in that respect distribute at least 80 per cent. of an amount to be calculated pursuant to the Belgian RREC Legislation. This amount corresponds essentially to the current cash flow (thus not taking into account the change in fair value of investment properties and certain other non cash items that are included in the net current result). A RREC can also waive the distribution of an amount equal to the decrease of its net debts between the beginning and the end of the financial year.

The payment of dividends, if any, and the amounts and timing thereof, will depend on a number of factors, including future revenue, capital requirements, financial conditions, general economic and business conditions, and future prospects and such other factors as the Board and the executive committee may deem relevant and



will in any case be subject to the approval of the General Meeting, without prejudice to the possibility for the Board to declare an interim dividend.

Claims against the Issuer for payment of dividend shall be prescribed and become void unless made within five years (in the case of interest) from the due date for such payment.

The New Shares shall only be profit sharing as from the Closing Date i.e. the New Shares will be entitled to the dividend of the current financial year (started on 1 January 2015) to be declared by the general shareholders' meeting of 2016 calculated *pro rata temporis* as from the Closing Date until 31 December 2015.

#### 4.8.4 *Changes to the share capital*

As a matter of principle, changes to the share capital are decided by the General Meeting. The General Meeting may at any time decide to increase or decrease the share capital. Such resolution must satisfy the quorum and majority requirements that apply to amendments of the Articles of Association (see "*Right to attend General Meetings*").

Subject to the same quorum and majority requirements, the General Meeting may authorize the Board of directors, within certain limits, to increase the share capital without any further approval of the shareholders. This is the so-called authorized capital. This authorization needs to be limited in time (i.e., it can only be granted for a renewable period of maximum five years) and in scope (i.e., the authorized capital may not exceed the amount of the registered capital at the time of the authorization). See Section 5.1 for an overview of the outstanding authorized capital.

The RREC Legislation provides for specific rules to be complied with in case of capital increases, in addition to the requirements laid down in the Belgian Company Code.

In the event of a capital increase for cash with the issue of new shares, or in the event of an issue of convertible bonds or warrants, the existing shareholders have a preferential right to subscribe, *pro rata*, to the new shares, convertible bonds or warrants. These preferential subscription rights are transferable during the subscription period. The General Meeting or the Board of directors, as the case may be, may decide to limit or cancel this preferential subscription right, provided certain conditions are satisfied. However, pursuant to the RREC Legislation, in case the preferential subscription right is limited or cancelled, existing shareholders must be granted a priority allocation right under the following conditions:

- it pertains to the total amount of the new securities to be issued;
- it is granted to the Existing Shareholders *pro rata* their stake in the share capital of the Issuer at the launch of the Offering;
- the public offer period may not be shorter than three (3) Business Days; and
- the maximum issue price per security is announced at the latest the day before the start of the public offer.

The General Meeting has also authorised the Board of directors to increase the share capital through contributions in cash with cancellation or limitation of the preferential subscription right of the existing shareholders (but with application of the priority allocation right) in case of public takeover bids in accordance with the conditions laid down in the Belgian Company Code.

Capital increases by contribution in kind must comply with the following conditions, which are laid down in the Belgian Company Code and in the RREC Legislation. Those conditions are summarised in the Articles of Association and below.

- the identity of the person contributing in kind should be mentioned in a Board report;
- the issue price cannot be lower than the lowest value between (a) a net asset value dated no longer than four months preceding the contribution agreement or, at the company's discretion, preceding the date of the deed enacting the capital increase and (b) the average market closing price of the thirty calendar days preceding that date.
- unless the issue price and its modalities are determined and publicly disclosed at the latest on the business day following the conclusion of the contribution agreement specifying the term within which the capital increase shall effectively be realised, the deed related to the capital increase should be enacted within maximum four months; and

- the report referred to hereabove should also explain the impact of the proposed contribution on the financial situation of the existing shareholders, in particular with regard to their share in the profits, in the net inventory value and in the capital as well as the impact with regard to the voting rights.

These additional requirements are not applicable in case of a share issue related to a stock dividend.

The preferential subscription right does not apply in the case of capital increases by contribution in kind.

#### 4.8.5 *Purchase and sale of own shares*

In accordance with the Issuer's Articles of Association and the Belgian Company Code, the Issuer is authorised to purchase, take a pledge on and sell its own shares either by a resolution of the General Meeting or by a resolution of the Board of directors.

A shareholders resolution to that effect must be approved by at least 80 per cent. of the votes validly cast at a shareholders' meeting where at least 50 per cent. of the share capital are present or represented (if at such shareholders' meeting 50 per cent. of the share capital is not present or represented, a new shareholder's meeting must be convened which will be able to resolve even if 50 per cent. of the share capital is not present or represented).

The General Meeting of 5 December 2013 has authorised the Board of directors to approve a purchase, pledge or sale of the Issuer's own shares for a price per share which may not be less than 85 per cent. nor more than 115 per cent. of the closing price on the date preceding the transaction. The Issuer may never hold more than 10 per cent. of the outstanding shares.

Shares can only be acquired with funds that would otherwise be available for distribution as a dividend to the shareholders.

As at the date of the Prospectus, the Issuer and its Subsidiaries held 54,414 treasury Ordinary Shares.

#### 4.8.6 *Rights in case of dissolution and liquidation*

The Issuer can only be dissolved by a shareholders' resolution passed with a majority of at least 75 per cent. of the votes cast at an extraordinary General Meeting where at least 50 per cent. of the share capital is present or represented.

If, as a result of losses incurred, the ratio of the Issuer's net assets to share capital is less than 50 per cent., the Board of directors must convene an extraordinary General Meeting within two months as of the date upon which the Board of directors became aware or should have become aware of these losses. At this General Meeting, the Board of directors needs to propose either the dissolution or the continuation of the Issuer. In the latter case, the Board must propose measures to redress the financial situation. Shareholders representing at least 75 per cent. of the votes validly cast at this meeting have the right to dissolve the Issuer, provided that at least 50 per cent. of the share capital is present or represented at the meeting.

If, as a result of losses incurred, the ratio of the Issuer's net assets to share capital is less than 25 per cent., the same procedure must be followed. However, in that case, shareholders representing 25 per cent. of the votes validly cast at the meeting can decide to dissolve the company. If the amount of the company's net assets drops below EUR 61,500 (i.e. the minimum amount of share capital of a *société anonyme / naamloze vennootschap*), any interested party may request the competent court to dissolve the company. The court can order the dissolution of the company or grant a grace period within which the company is to remedy the situation.

### **4.9 Applicable Legislation**

#### 4.9.1 *Notification of major holdings*

Belgian law imposes disclosure requirements on any individual or entity acquiring or transferring voting securities or securities which give a right to voting securities, as soon as, following such acquisition or transfer,

the total number of voting rights directly or indirectly held by such individual or entity, alone or in concert with others, goes above or falls below a threshold of 5 per cent., or any multiple of 5 per cent., of the total number of voting rights attached to the company's securities. Notwithstanding the possibility to provide for other thresholds<sup>2</sup>, the Issuer's Articles of Association provide for the same thresholds (i.e. 5 per cent. and any multiple of 5 per cent.).

In case a threshold is crossed, a notification must be made to the Issuer and to the FSMA. Forms for the latter notification can be found on the website of the FSMA ([www.fsma.be](http://www.fsma.be)). Breaches of the disclosure requirements may result in the suspension of voting rights, a court order to sell the securities to a third party and/or criminal liability. The FSMA may also impose administrative fines.

The Issuer is required to publicly disclose any notifications received regarding increases or decreases in major holdings of the Issuer's securities, and must mention these notifications in the notes to its financial statements. A list as well as a copy of such notifications can be viewed on Cofinimmo's website ([www.cofinimmo.com](http://www.cofinimmo.com)).

It should be noted that notifications are also required where, as a result of events changing the allocation of voting rights, the percentage of voting rights attached to securities with voting rights reaches, exceeds or falls below the applicable thresholds, even where no acquisition or disposal of securities occurred (e.g., share capital increase or cancellation of treasury shares) as well as when natural or legal persons enter into, change or terminate an agreement to act in concert, where as a result of such event, the percentage of voting rights subject to the action in concert or the percentage of voting rights of one of the parties acting in concert, reaches, exceeds or falls below the applicable thresholds.

#### 4.9.2 *Public takeover bids*

Public takeover bids for the Issuer's shares and other securities giving access to voting rights (such as warrants or convertible bonds) are subject to supervision by the FSMA. Any public takeover bid must be extended to all of the company's voting securities, as well as all other securities giving access to voting rights. Prior to making a bid, a bidder must publish a prospectus, approved by the FSMA prior to publication.

Belgium implemented the Thirteenth Company Law Directive (Directive 2004/25/EC) by an act of 1 April 2007 and a royal decree of 27 April 2007 (the "takeover bid legislation"). According to the takeover bid legislation, a mandatory bid will need to be launched if a person, as a result of his own acquisition or the acquisition by persons acting in concert with him or by persons acting for his account, directly or indirectly holds more than 30 per cent. of the voting securities in a company having its registered office in Belgium and of which at least part of the voting securities are traded on a regulated market or on a multilateral trading facility designated by a Royal Decree. This requirement applies to shares in the Issuer.

There are several provisions of the Belgian Company Code and certain other provisions of Belgian law, such as the obligation to disclose major holdings (see "*Notification of major holdings*") and merger control, that may apply towards the Issuer and which may create hurdles to an unsolicited tender offer, merger, change in management or other change in control. These provisions could discourage potential takeover attempts that other shareholders may consider to be in their best interest and could adversely affect the market price of the Issuer's shares. Such provisions may also have the effect of depriving the shareholders of the opportunity to sell their shares at a premium. In addition, pursuant to the Belgian Company Code, the Board of directors of the Issuer may in certain circumstances, and subject to prior authorization by the shareholders, deter or frustrate public takeover bids through dilutive issuances of equity securities (pursuant to the authorized capital) or through share buy-backs (i.e. purchase of own shares). (see also "*Changes to the share capital*" and "*Purchase and sale of own shares*").

Pursuant to the RREC Legislation, an offeror which would control the Issuer as a result of a takeover bid would be considered as a sponsor (*promoteur/promotor*) of the Issuer. As long as the Issuer has a RREC status, the sponsor must ensure that at least 30 per cent. of the Issuer's shares are held by investors who do not act in concert with such sponsor or who do not have a link of participation of interest ("*lien de participation / deelnemingsverhouding*") (within the meaning of the Belgian Company Code) with the sponsor. Non-

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<sup>2</sup> The transparency act of 2 May 2007 provides that a listed issuer's articles of association may provide for one or more of the following additional disclosure thresholds: 1%, 2%, 3%, 4% or 7.5%.

compliance with this requirement may result in the termination of the RREC status by the FSMA in accordance with the provisions of the RREC Legislation.

No public takeover bid for the Issuer's shares and other securities giving access to voting rights has been launched during the financial year which closed on 31 December 2014 up to the date of this Securities Note.

#### 4.9.3 *Squeeze-out*

Pursuant to Article 513 of the Belgian Company Code, a person or entity, or different persons or entities acting alone or in concert, who, together with the relevant company, own 95 per cent. of the voting securities in a public company, can acquire the totality of the securities conferring (potential) voting rights in that company following a squeeze-out offer. The shares that are not voluntarily tendered in response to such offer are deemed to be automatically transferred to the bidder at the end of the procedure. The consideration for the securities must be in cash and must represent the fair value as to safeguard the interests of the transferring shareholders and is, for these purposes, verified by an independent expert.

A squeeze-out offer is also possible upon completion of a public takeover, provided that the bidder holds 95 per cent. of the voting securities and, in case of a voluntary takeover bid, that the bidder has acquired 90 per cent. of the voting securities to which the offer relates. The bidder may require that all remaining shareholders sell their securities to the bidder at the offer price of the takeover bid. Shares that are not voluntarily tendered in response to such offer are deemed to be automatically transferred to the bidder at the end of the procedure. The bidder is required to reopen the public takeover offer within three months following expiration of the offer period.

The 95 per cent. ownership would be contrary to the free float requirement discussed in "Public takeover bids" above and the de-listing which would follow a squeeze-out is contrary to the requirement for a RREC such as the Issuer to have its shares admitted to trading on a Belgian regulated market. This could result in the termination of the Issuer's RREC status.

#### 4.9.4 *Sell-out right*

Holders of securities conferring (potential) voting rights may require an offeror who, acting alone or in concert, following a takeover bid, owns 95 per cent. of the voting capital or 95 per cent. of the securities conferring voting rights in a public company to buy their securities at the price of the bid, upon the condition that the offeror has acquired, through the bid, securities representing at least 90 per cent. of the voting capital subject to the takeover bid.

Again, the 95 per cent. ownership would be contrary to the free float requirement discussed in *Public takeover bids* above.

## **5. INFORMATION ON THE OFFERING**

### **5.1 Information related to the capital increase**

On 20 April 2015, the Board of directors decided to increase the Issuer's share capital for a maximum amount of EUR 285,410,210.00 (including issue premium), by way of the issuance of New Shares with Preferential Rights granted to the Shareholders on the closing of the regulated market of Euronext Brussels on the Record Date.

Pursuant to an authorisation granted by the Issuer's EGM of 29 March 2011 and article 6.2 of the Issuer's Articles of Association, the Board has the authority to issue the New Shares within the framework of the authorized capital and to increase the share capital in one or more tranches up to a maximum amount of EUR 799,000,000.00.

So far, the Board of directors has used this option in the context of (i) the placement of a convertible bond offering dated 28 April 2011 for a maximum capital increase of EUR 79,652,977.11 (to date, the capital having been increased by EUR 2,518.66 following the conversion of 47 convertible bonds), (ii) the capital increase by contribution in kind of dividend rights of EUR 17,697,422.45 decided on 24 May 2011, (iii) the capital increase by contribution in kind of dividend rights of EUR 20,941,247.88 decided on 25 May 2012, (iv) the capital increase by contribution in kind of dividend rights of EUR 28,367,771.12 decided on 6 June 2013, (v) the placement of a convertible bond offering dated 20 June 2013 for a maximum capital increase of EUR 94,544,660.97 and (vi) the capital increase by contribution in kind of dividend rights, decided on 5 June 2014, amounting to EUR 20,536,439.56. On the date of this Securities Note the amount by which the Board of directors could increase the share capital under the authorised capital amounts to EUR 537,259,480,91.

The Issuer reserves the right to revoke or suspend the Offering if it determines that (i) the market conditions prevent the Offering from taking place under satisfying conditions, (ii) the FSMA has not approved the Prospectus prior to the start of the Rights Subscription Period, or (iii) the Underwriting Agreement has not been signed or has been terminated in accordance with its terms and conditions (see Section 5.2.8 "*Suspension or revocation of the Offering*").

### **5.2 Terms and conditions of the Offering**

#### *5.2.1 Maximum amount of the Offering*

The Issuer has resolved to increase its Share Capital in cash by an amount of up to EUR 285,410,210.00 (including issue premium), with Preferential Rights granted to the Existing Shareholders on the closing of the regulated market of Euronext Brussels on the Record Date, in accordance with Articles 592 and 593 of the Company Code. The Issuer reserves the right to proceed with a share capital increase for a lower amount. No minimum has been set for the Offering.

#### *5.2.2 Maximum number of New Shares*

A maximum of 3,004,318.00 New Shares are offered for subscription by exercise of the Preferential Rights in accordance with the Ratio.

The results of the Offering (i.e. the final amount of the capital increase and the final number of New Shares issued) will be announced by a press release on or about 8 May 2015.

#### *5.2.3 Allocation of the Preferential Rights*

Each Share will entitle its holder on the closing of the regulated market of Euronext Brussels on the Record Date to receive one Preferential Right.

The Preferential Rights will be represented by coupon n° 25 (for the Ordinary Shares), coupon n° 14 (for the Preferential Shares 1) and coupon n° 13 (for the Preferential Shares 2) which will be detached after market closing on Euronext Brussels on the Record Date.

The holders of dematerialised Shares booked on a securities account in their name on the Record Date will automatically receive the number of Preferential Rights they are entitled to, by book-entry into their securities account, subject to the restrictions in this Securities Note and subject to applicable securities laws (see Section 2.5). Their financial intermediary will, in principle, inform them on the procedures that must be followed to exercise or trade their Preferential Rights.

The holders of registered Shares recorded in the Issuer's Share register on the Record Date, will receive at the address indicated in said Share register, a letter from the Issuer informing them of the aggregate number of Preferential Rights to which they are entitled in respect of their registered Shares, and of the procedures that they must follow in order to exercise or trade their Preferential Rights (see Section 5.2.5 and 5.2.6), subject to the restrictions in this Securities Note and subject to applicable securities laws (see Section 2.5).

#### 5.2.4 *Issue Price and Ratio*

The Issue Price is EUR 95 per New Share. The Issue Price was determined on 20 April 2015 by the Board of directors, in consultation with the Joint Bookrunners, based, amongst others, on the market price of the Ordinary Share on Euronext Brussels after deduction of the right to a dividend for the financial year which closed on 31 December 2014 amounting to EUR 5.50 (detachment of coupon n°26 representing that dividend) and of the right to a dividend for the current financial year (started on 1 January 2015) until the day before the Closing Date (detachment of coupon n°27 representing that dividend) on which, as usual in similar transactions, a discount was applied, as determined by the Board of directors, in consultation with the Joint Bookrunners, in the light of market conditions and the requirements applicable at that time.

The Issue Price is below the closing price of EUR 111.55 per Share quoted on the regulated market of Euronext Brussels on 20 April 2015. Based on the closing price on such date, the theoretical ex-rights price ("TERP") is EUR 109.19, the theoretical value of one Preferential Right is EUR 2.36, and the discount of the Issue Price to TERP is 12.99%. The discount of the Issue Price to TERP, taking into account the detachment of coupons n° 26 and 27, i.e. the coupons representing respectively the right to a dividend for the financial year which closed on 31 December 2014 and the right to a dividend for the current financial year (started on 1 January 2015) until the day before the Closing Date, is 7.58%.

A portion of the Issue Price per New Share that is equal to the fractional value of the Shares on the date preceding the Closing Date of the Offering (i.e. 12 May 2015), will be allocated to the Issuer's share capital. The portion of the Issue Price in excess of the fractional value of such Shares will be allocated to the undistributable reserves as issue premium.

The holders of Preferential Rights may subscribe for New Shares in the proportion of 6 Preferential Rights for 1 New Share. All six (6) Preferential Rights must pertain to Shares of the same class and must therefore have the same coupon number; it is not possible to combine positions in Preferential Rights relating to Ordinary Shares and Preferential Rights relating to Preferential Shares in order to have the requested number of Preferential Rights.

#### 5.2.5 *Rules for subscription*

Holders of Preferential Rights may only exercise their right to subscribe for New Shares in accordance with the Ratio during the Rights Subscription Period, i.e. from 22 April 2015 to 6 May 2015 (by 4.00 pm CET), to the extent permissible under the restrictions in this Securities Note and subject to applicable securities laws (see Section 2.5).

There is no minimum or maximum number of New Shares that an investor may subscribe for, in accordance with the Ratio, pursuant to the Rights Offering. Investors, however, must be aware that all New Shares subscribed for will be fully allocated to them. The subscriptions made are binding and irrevocable, except as described in Sections 5.2.7 and 5.2.8.

Holders of dematerialised Preferential Rights wishing to exercise and subscribe for New Shares should instruct their financial intermediary accordingly (see Section 5.2.6). The financial intermediary is responsible for obtaining the subscription request and for duly transmitting the subscription request to the Underwriters. Holders of registered Preferential Rights wishing to exercise and subscribe for New Shares, should comply with the instructions delivered to them in the letter received from the Issuer (see Section 5.2.6). All six (6) Preferential Rights must pertain to Shares of the same class and must therefore have the same coupon number; it is not

possible to combine positions in Preferential Rights relating to Ordinary Shares and Preferential Rights relating to Preferential Shares in order to have the requested number of Preferential Rights.

Investors purchasing Scrips shall irrevocably commit to exercise the Scrips, and hence, will subscribe for the corresponding number of New Shares at the Issue Price in accordance with the Ratio.

#### 5.2.6 *Procedure of the Offering*

##### *Rights Offering*

The Rights Offering will be open during the Rights Subscription Period from 22 April 2015 (the “**Opening Date of the Rights Offering**”) until and including 6 May 2015 (4.00 pm CET) (the “**Closing Date of the Rights Offering**”). Subject to restrictions under this Securities Note and subject to applicable securities laws (see Section 2.5) the holders of Preferential Rights may subscribe for New Shares by exercising their Preferential Rights in accordance with the Ratio or trade their Preferential Rights.

Depending on the financial intermediary, investors may be required to provide their subscription request prior to 6 May 2015. Investors wishing to sell part or all of their dematerialised Preferential Rights should instruct their financial intermediary accordingly. Holders of registered Preferential Rights wishing to sell their Preferential Rights should comply with the instructions delivered to them in the letter received from the Issuer. After the Rights Subscription Period, the Preferential Rights may no longer be exercised or traded and as a result subscription requests received thereafter will be void.

During the Rights Subscription Period, investors who do not hold the exact number of Preferential Rights to subscribe for a round number of New Shares, may elect either to (i) purchase the missing Preferential Rights in order to subscribe for an additional New Share or (ii) sell their Preferential Rights, or (iii) elect not to take any action but await for the Net Scrips Proceeds Payment, if any. All six (6) Preferential Rights must pertain to Shares of the same class and must therefore have the same coupon number; it is not possible to combine positions in Preferential Rights relating to Ordinary Shares and Preferential Rights relating to Preferential Shares in order to have the requested number of Preferential Rights.

The Issuer reserves the right to revoke or suspend the Offering (see Section 5.2.8).

The results of the Rights Offering will be announced by a press release on or about 7 or 8 May 2015.

##### *Scrips Private Placement*

At the closing of the Rights Offering, the unexercised Preferential Rights will convert automatically into an equal number of Scrips and the offer of the Scrips will be made solely to qualified investors in the EEA or in accordance with another exemption from the obligation to publish a prospectus further to Article 3.2 of the Prospectus Directive, as implemented in Member States of the EEA.

If all Preferential Rights are exercised during the Rights Subscription Period, the Scrips Private Placement will not take place.

The Scrips Private Placement will be organised by way of an accelerated book-building procedure, in order to determine a single market price per Scrip and is expected not to last longer than one business day and to take place on 7 or 8 May 2015.

The Board of directors’ meeting dated 20 April 2015 delegated the power to determine the modalities of the Scrip Private Placement, such as criteria for admissibility of investors and the power to set criteria for allocation in case of oversubscription, to two members of the Executive Committee among which at least one Board member acting jointly, acting in consultation with the Joint Bookrunners.

The investors who acquire Scrips enter into an irrevocable commitment to exercise the Scrips which will be allocated to them and thus to subscribe to the corresponding number of New Shares at the Issue Price and in accordance with the Ratio.

The net proceeds from the sale of Scrips (rounded down to a whole Eurocent per unexercised Preferential Right) after deducting all expenses, charges and all forms of expenditure which the Issuer has to incur for the sale of the

Scripts, if any, will be distributed proportionally between all holders of unexercised Preferential Rights (the “**Net Scripts Proceeds**”).

The Net Scripts Proceeds will be announced by a press release and will be paid to the holders of such unexercised Preferential Rights upon presentation of coupon n° 25 (for the Ordinary Shares), coupon n° 14 (for the Preferential Shares 1) and coupon n° 13 (for the Preferential Shares 2). Holders of Preferential Rights should consult their financial intermediary if they have any questions concerning the Net Scripts Proceeds Payment, except for registered Shareholders who should consult the Issuer. There is, however, no assurance that any Scripts will be sold during the Scripts Private Placement, or that there will be any Net Scripts Proceeds (see Section 1.2). Neither the Issuer nor the Underwriters nor any other person procuring a sale of the Scripts will be responsible for any lack of Net Scripts Proceeds arising from the sale of the Scripts in the Scripts Private Placement. If the Net Scripts Proceeds are less than EUR 0.01 per unexercised Preferential Right, the holders of such unexercised Preferential Rights are not entitled to receive any payment and, instead, the Net Scripts Proceeds will be transferred to the Issuer. In case insufficient proceeds are raised to cover the costs of the Scripts Private Placement, the uncovered costs will be borne by the Issuer.

If the Issuer announced that the Net Scripts Proceeds are available for distribution to holders of unexercised Preferential Rights and such holders have not received payment thereof within a reasonable time after the closing of the Scripts Private Placement, such holders are advised to contact their financial intermediary, except for registered Shareholders who are advised to contact the Issuer.

The results of the Scripts Private Placement will be announced by a press release on or about 7 or 8 May 2015.

#### 5.2.7 *Supplement to the Prospectus*

Every significant new factor, material mistake or any inaccuracy relating to the information included in the Prospectus, which is capable of affecting the assessment of the New Shares, and which arises or is noted between the time when the Securities Note is approved and the time when trading of the New Shares on Euronext Brussels begins, shall be set forth by the Issuer in a supplement to the Prospectus. Such supplement shall be approved by the FSMA and shall be published by the Issuer in accordance with at least the same communication methods as were applied when the Prospectus was published. The summary of this Prospectus, and any translations thereof, shall also be supplemented, if necessary to take into account the new information included in the supplement.

Investors who have already agreed to subscribe for the New Shares in the Rights Offering or the Scripts Private Placement, before the supplement is published, shall have the right, exercisable within the time limit set forth in the supplement which shall not be shorter than two Business Days after publication of the supplement, to withdraw their subscriptions in accordance with Article 34, § 3 of the Prospectus Law. Any Preferential Rights or Scripts of which the subscription has been withdrawn, in accordance with the above, shall be deemed to have been unexercised for purposes of the Offering. Accordingly, holders of such unexercised Preferential Rights shall be able to share in the Net Scripts Proceeds, if any. However, subscribers withdrawing their subscriptions after the end of the Scripts Private Placement will not be entitled to share in the Net Scripts Proceeds and will not be compensated in any other way, including the purchase price (and any related cost or taxes) paid in order to acquire any Preferential Rights or Scripts.

#### 5.2.8 *Suspension or revocation of the Offering*

The Issuer has the right to proceed with a capital increase in a reduced amount. The actual number of New Shares subscribed for will be confirmed by a press releases. The Issuer reserves the right to revoke or suspend the Offering, before or after the start of the Rights Subscription Period, if the Board of directors (or, as the case may be, two members of the Executive Committee among which at least one Board member to which such power is delegated) determines that (i) the market conditions prevent the Offering from taking place under satisfying conditions (such as, for example, an event adversely affecting the Issuer or the Group as a whole or market turmoil), (ii) the FSMA has not approved the Prospectus prior to the start of the Rights Subscription Period, or (iii) the Underwriting Agreement has not been signed or has been terminated in accordance with its terms and conditions (certain events which can lead to the termination of the Underwriting Agreement are described in Section 5.6).

If the Board of directors (or, as the case may be, the two members of the Executive Committee) decides to revoke or suspend the Offering, a press release will be published and, to the extent legally required, the Issuer



will publish a supplement to the Prospectus (see Section 5.2.7). As a result of the decision by the Board of directors (or, as the case may be, the two members of the Executive Committee) to revoke the Offering, the subscriptions for New Shares will automatically be withdrawn and the Preferential Rights (and Scrips, as the case may be) will become null and void. If the Issuer decides to revoke the Offering, the subscription amount already paid by investors shall be reimbursed as soon as possible and, in any case within a period of 5 working days from the publication of the decision to revoke the Offering, to the bank account from which the amount was paid. Investors will not be compensated, including for the purchase price (and any related costs or taxes) paid in order to acquire any Preferential Rights on the secondary market. Investors who have acquired any such Preferential Rights in the secondary market will thus suffer a loss, as trades relating to such Preferential Rights will not be unwound once the Offering is revoked (see Section 1.2).

Any possible suspension of the Offering may not give rise to clearing and settlement of the New Shares after 12 May 2015, except through the publication of a supplement to the Prospectus. If a supplement to the Prospectus is published, the date of clearing and settlement of the New Shares could be postponed.

#### 5.2.9 *Publication of the results of the Offering*

The results of the Offering, including the amount and the number of New Shares subscribed for and the Net Scrips Proceeds, will be announced by a press release on or about 8 May 2015.

#### 5.2.10 *Payment of funds and terms of delivery of the New Shares*

The payment for the New Shares subscribed for with Preferential Rights is expected to take place on 12 May 2015. The payment will be done by debiting the subscriber's account or for the registered Shareholders through a wire instruction.

The payment for the New Shares subscribed for in the Scrips Private Placement will be made by delivery against payment.

Delivery of the New Shares will take place on or around 12 May 2015. The New Shares will be delivered in the form of dematerialised Shares (booked in the securities account of the subscriber), or as registered Shares recorded in the Issuer's Share register for registered Shareholders.

#### 5.2.11 *Reduction of the subscriptions and refunding excess amounts*

The maximum amount of the Offering is 285,410,210.00 (including issue premium), represented by the issuance of maximum 3,004,318 New Shares. The Issuer does not have the possibility to reduce subscriptions. Therefore, there is no procedure organised to refund any excess amounts paid by subscribers.

Subscriptions to New Shares are binding and irrevocable unless a supplement to the Prospectus is published (see Section 5.2.7).

#### 5.2.12 *Expected timetable of the Offering*

Publication of the notice required by Article 593 of the Company Code	9 April 2015
Decision by the Board of directors to proceed to a capital increase	20 April 2015
Determination of the Issue Price and Ratio	20 April 2015
Publication of the terms of the Rights Offering	21 April 2015
Publication of the Prospectus	21 April 2015
Detachment of coupon n° 25, coupon n° 26, coupon n° 27 (for the Ordinary Shares), coupon n° 14 (for the Preferential Shares 1) and coupon n° 13 (for the Preferential Shares 2) after closing of the regulated market on Euronext Brussels	21 April 2015
Start trading of the Shares ex Preferential Rights	22 April 2015
Listing of the Preferential Rights relating to Ordinary Shares on the regulated market of Euronext Brussels	22 April 2015
Start trading of the Preferential Rights relating to Ordinary Shares on the regulated market of Euronext Brussels	22 April 2015
Opening date of the Rights Subscription Period	22 April 2015 at 9.00

End of trading of the Preferential Rights relating to Ordinary Shares on the regulated market of Euronext Brussels	am CET 6 May 2015
End of listing of the Preferential Rights relating to Ordinary Shares on the regulated market of Euronext Brussels	6 May 2015
Closing Date of the Rights Subscription Period	6 May 2015 by 4.00 pm CET
Announcement of the results of the Rights Offering	7 or 8 May 2015
Scripts Private Placement	7 or 8 May 2015 <sup>3</sup>
Announcement of the results of the Scripts Private Placement	7 or 8 May 2015
Publication of the results of the Offering and of the Net Scripts Proceeds	8 May 2015
Payment of the Issue Price by or on behalf of the subscribers	12 May 2015
Realisation of the share capital increase	12 May 2015
Delivery of the New Shares to the subscribers	12 May 2015
Listing of the New Shares on the regulated market of Euronext Brussels	12 May 2015
Start trading of the New Shares on the regulated market of Euronext Brussels	12 May 2015
Payment to holders of unexercised Preferential Rights	As from 12 May 2015

The Issuer may amend the dates and times of the share capital increase and periods indicated in the above timetable. In such event, the Issuer will notify Euronext Brussels and inform the investors through a publication on the Issuer's website ([www.cofinimmo.com](http://www.cofinimmo.com)). In addition, to the extent required by law, the Issuer will publish a supplement to the Prospectus in accordance with Section 5.2.7 including but not limited to in the event of a change to the start or closing date of the Rights Subscription Period.

### 5.3 Plan of distribution and allocation of the New Shares

#### 5.3.1 *Categories of potential investors*

The Rights Offering is carried out with Preferential Rights for Existing Shareholders on the closing of the regulated market of Euronext Brussels on the Record Date. The allocation of Preferential Rights is described in Section 5.2.3. The Preferential Rights will be tradable during the Rights Subscription Period (see Section 5.2.6). The unexercised Preferential Rights at the closing of the Rights Offering will automatically convert in an equal number of Scripts and will be offered in the Scripts Private Placement taking place in an accelerated book built private placement addressed to qualified investors in the EEA or in accordance with another exemption from the obligation to publish a prospectus as set forth in Article 3.2 of Prospectus Directive, as implemented in Member States of the EEA.

Both the initial holders of the Preferential Rights and any subsequent purchaser of the Preferential Rights, as well as any purchasers of Scripts in the Scripts Private Placement, may subscribe for the New Shares, subject to the restrictions in this Securities Note and subject to applicable securities laws (see Section 2.5).

### 5.4 Allocation of the New Shares

Investors will be allocated the New Shares subscribed for, in accordance with the terms and subject to the conditions in this Securities Note, in full (subject to rounding, see "*Rounding*"). The results of the Offering will be publicly disclosed as set forth in Section 5.2.9.

### 5.5 Legislation and competent courts

The New Shares will be issued in accordance with Belgian law.

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<sup>3</sup> The Scripts Private Placement will take place following the announcement of the results of the Rights Offering, i.e. on 7 May or 8 May 2015.

With respect to the Offering in Belgium, the Offering is subject to Belgian law and the courts and tribunals of Brussels have sole jurisdiction should any dispute arise with an investor in relation to the Offering.

## 5.6 Underwriting Agreement

The Underwriters (and each one an “Underwriter”) and the Issuer expect to enter into a placement and soft underwriting agreement (the “**Underwriting Agreement**”) (i.e. the undertaking of the Underwriters to pay for the subscribed New Shares), which is expected to take place immediately after the closing of the Scrips Private Placement and prior to delivery of the New Shares.

The Underwriting Agreement is expected to provide, subject to the conditions and events stipulated therein, that each Underwriter will, severally but not jointly, in its own name but for the account of the investors, underwrite and procure payment for those New Shares as will be agreed in the Underwriting Agreement, in the proportion set out opposite its name in the table below at the Issue Price. The Underwriters shall underwrite these New Shares with a view to immediately place these with the final subscribers.

<b>Underwriters</b>	<b>Underwriting Commitment (per cent.)</b>
BNP Paribas Fortis SA/NV	25%
KBC Securities NV	25%
ING Belgium SA/NV	18%
Belfius Bank SA/NV	8%
Bank Degroof SA/NV	8%
Kempen & Co N.V.	8%
Joh. Berenberg, Gossler & Co KG, Hamburg	8%
<b>Total</b>	<b>100%</b>

None of the Underwriters shall have any obligation to underwrite prior to the execution of the Underwriting Agreement (and then only in accordance with the terms and subject to the conditions set forth therein). In case the Underwriting Agreement is not entered into, one of the conditions precedent to the decision by the Board of directors will not be fulfilled, and to the extent that the Board of directors has not waived this condition precedent, the capital increase will not take place (see "*Information on the Offering – Terms and conditions of the Offering – Suspension or revocation of the Offering*" above).

The Underwriters' commitment to subscribe and deliver the New Shares is subject to the fulfilment of certain conditions on or prior to the Closing Date, including:

- the receipt of certain documents, including legal opinions from the Issuer's counsel and the Underwriters' counsel, closing certificates, comfort letters from the Issuer's statutory auditor and evidence of the approval of the Prospectus by the FSMA;
- no material adverse change having occurred, since the entering into the Underwriting Agreement, on the business, properties, management, financial position, shareholders' equity, results of operations or prospects of the Issuer and its subsidiaries and their respective investments taken as a whole;
- the representations and warranties by the Issuer in the Underwriting Agreement being true and correct;

provided, however, that the Joint Global Coordinators may, at their discretion, waive satisfaction of any of these conditions.

The Issuer is expected to agree in the Underwriting Agreement to pay to the Underwriters on the Closing Date, an aggregate sum of up to 1.35% of the actual amount of the Offering.

In addition, the Underwriting Agreement is expected to provided that the Joint Global Coordinators may terminate the Underwriting Agreement on or prior the Closing Date, in certain conditions set out in the

Underwriting Agreement, including upon the occurrence of certain events since the time of execution of the Underwriting Agreement. These events include (among others):

- certain changes in the financial markets, in national or international monetary, political, financial or economic conditions, in each case as would be likely to prejudice the success of the offering and distribution of the New Shares or the effect of which is such as to make it impracticable or inadvisable to market the New Shares or to enforce contracts for the issue of the New Shares;
- there has occurred any outbreak of hostilities or escalation thereof, incident of terrorism or other calamity, in each case the effect of which is such as to make it impracticable or inadvisable to market the New Shares or to enforce contracts for the issue of the New Shares;
- trading in any securities of the Issuer has been suspended or materially limited by Euronext Brussels (for reasons other than the announcement of the offering of the New Shares), or trading generally on the New York Stock Exchange, the London Stock Exchange or Euronext Brussels has been suspended or limited, or a material disruption has occurred in the commercial banking or securities settlement or clearance services in certain countries; or
- a general banking moratorium has been declared by certain national regulatory authorities.

In case of termination of the Underwriting Agreement, investors will be informed thereof by a publication in the Belgian financial press and, to the extent legally required, the Issuer will publish a supplement to the Prospectus (see Section 5.2.7 "*Supplement to the Prospectus*").

## **5.7 Lock-up and standstill**

### *5.7.1 The Issuer*

In the Underwriting Agreement, the Issuer is expected to undertake that during the period commencing on the signing date of the Underwriting Agreement and ending 90 days after the Closing Date (both dates inclusive) it will not, without the prior written consent of the Joint Global Coordinators (such consent not to be unreasonably withheld), directly or indirectly (including through its subsidiaries or affiliate companies)

(i) issue, offer, sell, transfer, pledge, lend or otherwise dispose of any shares of the Issuer, whether directly or indirectly, or enter into any agreement to do so,

(ii) issue or offer any other securities which confer a right to shares of the Issuer (or any interest therein) or which represent the shares of the Issuer (or any interest therein), including any right to convert or exchange into Ordinary Shares, or enter into any agreement to do so,

(iii) enter into any agreement that transfers or might transfer any of the economic consequences of ownership of the shares of the Issuer (including, but not limited to, stock lending, derivative or hedging and swap transactions),

(iv) issue any shares through its board of directors, propose, or if proposed by others not to vote, or implement capital increases, or issues of securities that are convertible into or exchangeable for Ordinary Shares or issues of any instrument, in each case of the Issuer, that has the aim or effect of delivery or transferring, directly or indirectly, the ownership of Ordinary Shares or the right to acquire any Ordinary Shares or any securities which are convertible into or exchangeable for Ordinary Shares or which carry rights to acquire Ordinary Shares or such securities (or any interest in any Ordinary Shares or such securities)).

The foregoing limitations shall not apply to (i) the issue of the New Shares, (ii) the granting of options over Ordinary Shares by the Issuer pursuant to the stock option plan launched by the Issuer in 2006 and the transfer of any Ordinary Shares necessary to satisfy the early exercise of such options, (iii) the Issuer's obligations arising upon conversion of any convertible bond due 28 April 2016 and issued by the Issuer on 28 April 2011, (iv) the Issuer's obligations arising upon conversion of any convertible bond due 20 June 2018 and issued by the Issuer on 20 June 2013, (v) the conversion of the Preferential Shares 1 and the Preferential Shares 2 of the Issuer which may be converted into Ordinary Shares during certain conversion periods, (vi) the issue of Ordinary Shares by the Issuer within the framework of a capital increase of the Issuer by contribution in kind (including by way of

merger) of real estate assets or real estate companies provided that the Issuer obtains from the beneficiary of the newly issued shares, an undertaking not to sell, or attempt to dispose of, any shares in the Issuer (or the relevant subsidiary) or grant or issue any options, warrants, convertible securities or other rights to purchase shares in the Issuer (or the relevant subsidiary) for a period expiring 90 days following the Closing Date or (vii) the issue of a stock dividend.

#### 5.7.2 *The Shareholders*

No Existing Shareholder is bound by a lock-up commitment in the context of the Offering.

### **5.8 Admission to trading and listing**

#### 5.8.1 *Preferential Rights*

Coupons n° 25 (for the Ordinary Shares), n° 14 (for Preferential Shares 1) and n° 13 (for Preferential Shares 2), representing the Preferential Right, will be detached after market closing on Euronext Brussels on the Record Date.

The application for the listing and admission to trading of the Preferential Rights relating to the Ordinary Shares on the regulated market of Euronext Brussels was submitted on 13 April 2015 and was granted on 17 April 2015. As a result, the Preferential Rights relating to the Ordinary Shares will be tradable on the regulated market of Euronext Brussels under ISIN code no. BE0970137403 during the Rights Subscription Period.

Preferential Rights relating to Preferential Shares will not be admitted to trading on any stock exchange. Holders of Preferential Shares willing to transfer their Preferential Rights should follow the instructions set out in the letter sent by the Issuer in relation to the Offering. All six (6) Preferential Rights must pertain to Shares of the same class and must therefore have the same coupon number; it is not possible to combine positions in Preferential Rights relating to Ordinary Shares and Preferential Rights relating to Preferential Shares in order to have the requested number of Preferential Rights.

As from 22 April 2015 the Shares will trade ex Preferential Rights on the regulated market of Euronext Brussels.

#### 5.8.2 *Scripts*

No application for the listing and admission to trading of the Scripts will be made.

#### 5.8.3 *New Shares*

An application for the listing and admission to trading of the New Shares on the regulated market of Euronext Brussels was submitted on 13 May 2015. The admission is expected to take place on 12 May 2015. The New Shares will be listed and traded under ISIN code BE0003593044 and trading symbol "COFB".

### **5.9 Stabilisation - intervention on the markets**

No stabilisation will be carried on by the Underwriters in the framework of the Offering.

The Issuer has not entered into any liquidity contract with any financial intermediary.

### **5.10 Existing Shareholders wishing to sell their Shares**

The Offering only concerns New Shares and no existing Shares are offered in the framework of the Offering.

### **5.11 Costs and remuneration of intermediaries**

The maximum gross proceeds of the Offering amount to EUR 285,410,210.00. The aggregate costs of the Offering are estimated to be approximately 1.55% of the gross proceeds of the Offering (assuming the capital increase is subscribed in full) and include, among others, legal, consulting, administrative, audit and other costs, the remuneration of the FSMA, the legal publications, the printing of this Prospectus, the cost of Underwriters and the selling fees and the fees payable to Euronext. The maximum net proceeds of the Offering therefore amount to EUR 280.998.274.00.

## 5.12 Financial service

The financial service for the New Shares of the Issuer is provided in Belgium by BNP Paribas Fortis SA/NV free of charges. Should the Issuer alter its policy in this respect, this will be announced in accordance with applicable law.

## 5.13 Impact on the Issuer and dilution

### 5.13.1 Consequences in terms of intrinsic value

The Issue Price is above the intrinsic value of the Share as at 31 December 2014 which amounted to EUR 92.01 per Share, (i.e. EUR 84.55 per Share ex-coupon n° 26 and n° 27).

Based on the assumption that 3,004,318 New Shares are issued, the intrinsic value of the Share (ex-coupon number n° 26 and n° 27) will increase from EUR 84.55 as at 31 December 2014 to EUR 85.84.

### 5.13.2 Consequences in terms of participation in the Share Capital

The Shareholders will not be subject to dilution if they exercise all of their Preferential Rights. However, to the extent a Shareholder is granted a number of Preferential Rights that does not entitle him to a round number of New Shares in accordance with the Ratio, such Shareholder may slightly dilute if it does not purchase the missing Preferential Right(s) on the secondary market and exercises such Preferential Right(s) accordingly. The dilution (in percentage terms) of the Shareholders, who do not exercise any of their Preferential Rights, may be calculated as follows:

$$\frac{(S-s)}{S}$$

S = total number of Shares after the Share Capital increase pursuant to the Offering, *i.e.* maximum 21,030,226

s = total number of Shares before the Share Capital increase pursuant to the Offering, *i.e.* 18,025,908.

Assuming that a Shareholder holding 1% of the Issuer's Share Capital prior to the Offering (i) does not subscribe for the New Shares or (ii) exercises 50% of its Preferential Rights, such Shareholder's participation in the Issuer's Share Capital would decrease as shown below:

	Ownership in %
Prior to the issue of the New Shares	1%
After the issue of the New Shares when not subscribing	0.86%
After the issue of the New Shares when exercising 50% of its Preferential rights	0.93%

### 5.13.3 Financial consequences

Shareholders who decide not to exercise all of their Preferential Rights should take into account the risk of a financial dilution of their portfolio. Such risk is a consequence of the fact that the Offering is priced at an Issue Price lower than the market price of the Ordinary Share. Theoretically, the value of the Preferential Rights should compensate for the reduction in the financial value caused by the Issue Price being lower than the market price. Existing Shareholders may suffer a financial loss if they cannot trade (sell) their Preferential Rights at their theoretical value (and the price at which the Scrips will be sold during the Scrips Private Placement does not lead to a payment equal to the theoretical value of the Scrips).

## **5.14 Intention of the major shareholders, the Board of directors, management and others**

### *5.14.1 Intention of the Shareholders*

The Issuer has not received indications of any shareholder as regards the Offering.

### *5.14.2 Intention of the Board of directors, management and other persons*

The following members of the Board of directors or the management hold Existing Shares in the Issuer: Mr Jean-Edouard Carboneille, Mr Xavier Denis, Mr Vincent Doumier. Mr Jean-Edouard Carboneille and Mr Vincent Doumier have informed the Company that they have the intention to subscribe to the Offering. Mr Xavier Denis has informed the Company that he does not have the intention to subscribe to the Offering.

## **6. RECENT DEVELOPMENT AND PERSPECTIVES**

### **6.1 Developments after the closing of the financial year 2014**

#### *6.1.1 Restructuring of interest rate hedging instruments*

Cofinimmo cancelled during the month of January 2015 FLOOR options sold with a strike of 3% for a notional amount of EUR 200 million which extend until the end of 2017.

#### *6.1.2 Extension of two credit lines*

In January 2015, two credit lines were extended:

- a line of EUR 50 million, maturing in 2018, was extended for five years;
- a line of EUR 62 million, maturing in 2016, was extended for seven years.

Following this operation, the average maturity of the Group's consolidated debt has been extended to 3.7 years.

#### *6.1.3 Bonds issue*

End of March 2015, Cofinimmo successfully placed a bond loan with a term of seven years maturing on 25 March 2022 for a total amount of EUR 190,000,000. The bond offers a fixed coupon of 1.929% of the nominal value, payable annually on March 25th. The bonds were placed with a limited number of institutional investors

#### *6.1.4 No optional dividend in shares for the financial year 2014*

The Board of directors will not propose an optional dividend in shares during the ordinary general meeting of Shareholders of 13 May 2015.

### **6.2 Dividend forecast for the financial year 2015**

#### *6.2.1 Important information*

The Issuer's 2015 forecast of selected income statement information set forth below is based on a number of assumptions and estimates, which, while presented with numerical specificity and considered reasonable by the Board and the Executive Committee of the Issuer, are inherently subject to significant business, operational and economic uncertainties, many of which are beyond the Issuer's control.

Further, the expectations for the financial year 2015 have been prepared on the basis of assumptions with respect to future business decisions that may not be made as assumed. The most significant assumptions for the financial year 2015 are described in "—Assumptions regarding the updated 2015 forecast" below.

The updated 2015 forecast represents the Board and the Executive Committee's estimates as of the date of this Securities Note, taking into account all material information of which they are aware.

The forward-looking statements under this section "*Dividend forecasts for the financial year 2015*" are not guarantees of future financial performance and the Group's actual results could differ materially from those expressed or implied by these forward-looking statements as a result of many factors, including, but not limited to, the factors described under "—Assumptions regarding the updated 2015 forecast" as well as the factors described under "*Forward-Looking Statements*" and "*Risk Factors*". Other than as required by law, the Issuer does not undertake any obligation to release publicly the results of any future revisions it may make to the expectations or to update the expectations to reflect events or circumstances after the date of this Securities Note. Investors are urged not to place undue reliance on any of the statements set forth below.

#### *6.2.2 Scope of the updated 2015 forecast*



At the beginning of each financial year, the Issuer prepares a forecast (income statement for the following 12 months as well as a forecast year-end balance sheet). The last forecast was released on 6<sup>th</sup> February 2015 in the press release containing the 2014 full year results and also appears on pages 43 to 45 of the English version of the Issuer's annual report for the financial year ended 31 December 2014. It contained a forecast for the full year 2015 income statement and included a forecast balance sheet as at 31 December 2015.

In the context of this Offering, the Issuer has updated that forecast to include the effects on income, charges, assets, shareholders' equity and liabilities of all significant acquisitions, disposals and of the related financings which took place since 6<sup>th</sup> February 2015 and until the date of publication of this Securities Note and which were not included in the original forecast. For the period from 1 January 2015 until the date of this Securities Note, the Issuer has based itself on estimates and not on actual results for Q1 which will only be published on 13 May 2015.

Compared to the initial forecast 2015 released on 6 February 2015, the following main assumptions which are discussed above have changed:

- an inflation rate (used for the increase in rents) of 0.5 per cent, compared to 1.2 per cent in the initial forecast;
- an updated future interest rate curve;
- financial charges impacted by the EUR 190 million bond issue closed on 25 March 2015 for a maturity of seven years (see Section 6.1);
- the dividend for the financial year 2014 will be exclusively payable in cash (no stock dividend being offered).

#### 6.2.3 *Assumptions regarding the updated 2015 forecast*

##### ***Assumptions about factors which the Group can influence***

###### *Maintenance and repairs – Major renovation works*

The forecasts by building include both the repairs and maintenance costs, which are entered under operating costs (in the line item technical costs), and major renovation costs, which are capitalised and paid from operating cash flows and borrowings. The repair and maintenance expenses taken into account in the forecast for 2015 are EUR 4,6 million for office properties, EUR 0,5 million for the distribution network properties and EUR 0,7 million for the healthcare sector.

###### *Investments and divestments*

The following investment and divestment projects are taken into account in the updated forecast for 2015:

- Acquisitions and development in the healthcare sector: EUR 46.9 million
- Acquisition and development in distribution network (insurance agencies and pubs): EUR 3.4 million
- Development and Refurbishments in offices sector: EUR 30.3 million
- Disposals of apartments (after reconversion of office buildings): EUR 12.4 million

##### ***Assumptions about factors which are outside the influence of the Group***

###### *Valuation of investment properties*

The fair value, which is the investment value of the properties from which the potentially applicable transaction costs are deducted, is presented in the consolidated balance sheet. For the end 2015 forecast balance sheet, this valuation is entered as an overall figure for the portfolio, increased by major renovation expenses. The fair value of the investment properties is the fair value as at 31 December 2014 or the anticipated fair value as at the expected acquisition date, for properties acquired or to be acquired during the period ending 31 December 2015. Management does not express any view as to the evolution of the fair value of the investment properties during the period ending on 31 December 2015 except in relation to the anticipated costs of renovating certain large properties.

### *Rental income*

Rental income forecasts include assumptions for each lease as to tenant departures, analysed on a case-by-case basis, and, in the event of an expected or assumed departure of tenants, estimates of each of refurbishment costs, a period of rental vacancy, rental charges and taxes on unlet space plus agency commission when the space is relet. Letting forecasts are based on management's view of the current market situation, without assuming any change of the market conditions for the period ending 31 December 2015.

Property result also includes the writeback of lease payments sold and discounted relating to the gradual reconstitution of the full value of buildings for which leases have been sold to a third party.

### *Inflation*

The inflation rate used for the increase in rents is 0.5 per cent for leases being indexed in 2015. The sensitivity of the forecast to changes in the inflation rate is small over the remainder of the year 2015.

### *Financial expenses*

The calculation of financial charges is based on the future interest rate curve, and takes into account the hedging positions and the current loan agreements that Cofinimmo has with its lending institutions and its bondholders. Considering the hedging instruments in place, the average cost of debt for 2015 should be below 3 per cent. (including margins and amortisation of premia/costs of hedging instruments, but excluding changes in fair value of hedging instruments).

### ***Main changes to assumptions***

Compared to the initial forecast 2015 released on 6 February 2015, the following main assumptions which are discussed above have changed:

- an inflation rate (used for the increase in rents) of 0.5 per cent, compared to 1.2 per cent in the initial forecast;
- an updated future interest rate curve;
- financial charges impacted by the EUR 190 million bond issue closed on 25 March 2015 for a maturity of seven years (see Section 6.1);
- the dividend for the financial year 2014 will be exclusively payable in cash (no stock dividend being offered).

### ***Other information***

#### *Result on portfolio*

The result on portfolio comprises mainly the changes in fair values of investment properties (unrealised result) and the gains or losses on disposal of investment properties.

A forward projection of the future market values of the Group's investment properties is uncertain, so that no reliably assessed forecast can be given or is given at the present time for the changes in fair value of investment properties. This result will depend on the trends in the rental market, the capitalisation rates as well as the anticipated renovation costs of the buildings.

No forecast of gains or losses on disposal of investment properties is included in the forecast income statement or balance sheet.

#### *Shareholders' equity*

Shareholders' equity will evolve depending, among others, on the current result, the result on portfolio and the dividend distribution. Shareholders' equity in the 2015 forecast is presented after distribution of the dividends of the financial year 2014.

#### 6.2.4 Pre-money updated 2015 forecast

The table below sets forth the revised forecast for the financial year 2015 on the basis of the assumptions set out above. This revised forecast does not take into account the Offering (hence the qualification "pre-money").

The operating result is before the result on portfolio. The net current result, financial income/charges and net current result items of the updated 2015 forecast are excluding the impact of IAS 39<sup>4</sup>. Management does not consider it appropriate to forecast the IAS 39 impact, as the forward interest rate curve is impossible to predict reliably.

<b>Consolidated income statement - 2015 Forecast</b>	<b>Forecast published on 6th February 2015</b>		<b>Updated Forecast</b>
<b>in K EUR</b>	<b>2014</b>	<b>2015</b>	<b>2015</b>
<b>A. NET CURRENT RESULT</b>			
Rental income, net of rental-related expenses	195,827	199,605	198,968
Writeback of lease payments sold and discounted (non-cash)	15,931	10,214	10,214
Taxes and charges on rented properties not recovered	-2,756	-2,211	-2,211
Redecoration costs, net of tenant compensation for damages	-928	-1,391	-1,391
<b>Property result</b>	<b>208,074</b>	<b>206,217</b>	<b>205,580</b>
Technical costs	-3,802	-5,662	-5,662
Commercial costs	-1,137	-904	-904
Taxes and charges on unlet properties	-3,922	-6,082	-6,082
<b>Property result after direct costs</b>	<b>199,213</b>	<b>193,570</b>	<b>192,933</b>
Property management costs	-14,294	-15,937	-15,937
<b>Property operating result</b>	<b>184,919</b>	<b>177,632</b>	<b>176,995</b>
Corporate management costs	-7,176	-6,771	-6,771
<b>Operating result before result on the portfolio</b>	<b>177,742</b>	<b>170,861</b>	<b>170,224</b>
Financial income (IAS 39 excluded)	5,577	5,436	5,436
Financial charges (IAS 39 excluded)	-57,009	-43,311	-44,923
Revaluation of derivative financial instruments (IAS 39)	-136,143		
Share in results of associated companies and joint ventures	1,180	440	440
Taxes	-2,493	-3,644	-3,644
<b>Net current result</b>	<b>-11,146</b>	<b>129,782</b>	<b>127,534</b>
Minority interests	-4,509	-4,357	-4,357
<b>Net current result – Group share</b>	<b>-15,655</b>	<b>125,425</b>	<b>123,176</b>
<b>Number of shares entitled to share in the result of the period</b>	<b>17,971,494</b>	<b>18,306,437</b>	<b>17,971,494</b>
<b>Net current result per share – Group share</b>	<b>-0.87</b>	<b>6.85</b>	<b>6.85</b>
<b>Net current result per share – Group share (IAS 39 impact excluded)</b>	<b>6.70</b>	<b>6.85</b>	<b>6.85</b>

#### 6.2.5 Auditors' review of the updated 2015 forecast

Dear Madams, Dear Sirs

<sup>4</sup> IAS 39 covers the valuation of financial hedge instruments, which relates -in the case of the Issuer- to interest rate swaps, cap and floor options on interest rates and the valuation of the issuer's convertibles bonds due 28 April 2016 and of the issuer's convertible bonds due 20 June 2018.

## **Cofinimmo SA/NV**

We report on the profit forecast comprising projected profit and loss account of Cofinimmo SA/NV (“the Company”) and its subsidiaries (together “the Group”) for the year ended 31 December 2015 (the “Profit Forecast”). The Profit Forecast, and the material assumptions upon which it is based, are set out on pages 48 to 52 of the Securities Note (“the Investment Circular”) issued by the Company dated 20 April 2015. This report is required by Annex I item 13.2 of Commission Regulation (EC) No 809/2004 (the “Prospectus Directive Regulation”) and is given for the purpose of complying with that rule and for no other purpose.

### **Responsibilities**

It is the responsibility of the directors of the Company (the “Directors”) to prepare the Profit Forecast in accordance with the requirements of the Prospectus Directive Regulation.

It is our responsibility to form an opinion as required by the Prospectus Directive Regulation as to the proper compilation of the Profit Forecast and to report that opinion to you.

Save for any responsibility arising under art. 61 of the Law of 16 June 2006 to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with this report or our statement, required by and given solely for the purposes of complying with Annex I item 23.1 of the Prospectus Directive Regulation, consenting to its inclusion in the prospectus.

### **Basis of Preparation of the Projected Financial Information**

The Profit Forecast has been prepared on the basis stated on pages 48 to 52 of the Investment Circular and is based on a forecast for the 12 months to 31 December 2015. The Profit Forecast is required to be presented on a basis consistent with the accounting policies of the Group.

### **Basis of opinion**

We conducted our work in accordance with the International Standard on Assurance Engagement 3400 “The Examination of Prospective Financial Information” (“ISAE 3400”) issued by the International Auditing and Assurance Standards Board (“IAASB”). Our work included evaluating the basis on which the historical financial information included in the Profit Forecast has been prepared and considering whether the Profit Forecast has been accurately computed based upon the disclosed assumptions and the accounting policies of the Group. Whilst the assumptions upon which the Profit Forecast are based are solely the responsibility of the Directors, we considered whether anything came to our attention to indicate that any of the assumptions adopted by the Directors which, in our opinion, are necessary for a proper understanding of the Profit Forecast have not been disclosed or if any material assumption made by the Directors appears to us to be unrealistic.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Profit Forecast has been properly compiled on the basis stated.

Since the Profit Forecast and the assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the Profit Forecast and differences may be material.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside Belgium, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

### **Opinion**

In our opinion, the Profit Forecast has been properly compiled on the basis stated and the basis of accounting used is consistent with the accounting policies of the Group.

#### **Declaration**

For the purposes of art. 61 of the Law of 16 June 2006 we are responsible for this report as part of the Investment Circular and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Investment Circular in compliance with Annex I item 1.2 of the Prospectus Directive Regulation.

#### *6.2.6 Dividend coverage simulation*

The Issuer should distribute a dividend for the financial year 2014 (payable in May 2015) of EUR 5.50 gross per Ordinary Share and EUR 6.37 gross per Preferential Share, subject to approval of the general shareholders' meeting which is scheduled to take place on 13 May 2015.

Without the impact of the Offering, and taking into account the change in assumptions outlined above, the Issuer estimates that, for the 12 month period as from 31 December 2014, its net current revenue per Share remains unchanged to EUR 6.85.

Assuming the dilutive impact of the Offering, the decrease in financial charges due to the temporary reimbursement of debt with the proceeds of the Offering and on the basis of the pre-money 2015 forecast, the Issuer estimates that, for the 12 month period as from 31 December 2014, its net current revenue per Ordinary Share will amount to EUR 5.93.

The Board of directors expects to propose the distribution of a gross dividend of EUR 5.5 per Ordinary Share for the financial year 2015. Taking into account the dilutive effect of the Offering, this will represent a consolidated pay-out ratio of 92.75 per cent.



## **7. TAXATION**

### **7.1 Preliminary warning**

*The paragraphs below present a summary of certain material Belgian federal income tax consequences relating to the purchase, acquisition, possession, ownership, sale and disposal of New Shares. The summary is based on laws, treaties and regulatory interpretations in effect in Belgium on the date of this Prospectus, all of which are subject to change, including changes that could have retroactive effect.*

*This summary does not purport to address all tax consequences of an investment in New Shares, and does not take into account the specific circumstances of particular investors, some of which may be subject to special rules, or the tax laws of any country other than Belgium. This summary does not describe the tax treatment of investors that are subject to special rules, such as banks, insurance companies, collective investment undertakings, dealers in securities or currencies, persons that hold, or will hold, shares (including New Shares) as a position in a straddle, share-repurchase transaction, conversion transaction, synthetic security or other integrated financial transaction.*

*For purposes of this summary, a Belgian resident is (i) an individual subject to Belgian personal income tax (i.e., an individual who is domiciled in Belgium or has his seat of wealth in Belgium or a person assimilated to a resident); (ii) a company subject to Belgian corporate income tax (i.e., a corporate entity that has its statutory seat, its main establishment, or its seat of administration or management in Belgium); (iii) an Organization for Financing of Pensions subject to Belgian corporate income tax (i.e., a Belgian pension fund incorporated under the form of an Organization for Financing of Pensions); or (iv) a legal entity subject to Belgian income tax on legal entities (i.e., a legal entity other than a company subject to Belgian corporate income tax, that has its statutory seat, its main establishment, or its seat of administration or management in Belgium). A non-resident is any person that is not a Belgian resident.*

*Investors should consult their own advisers regarding the tax consequences of an investment in New Shares in the light of their particular circumstances, including the effect of any state, local or other national laws.*

### **7.2 Taxation of dividends on New Shares**

#### **7.2.1 Belgian Withholding Tax on New Shares**

Under the present tax legislation, a withholding tax of 25% is levied on the gross amount of dividends paid on or attributed to New Shares, subject to such relief as may be available under applicable domestic provisions and tax treaties concluded by Belgium. Dividends subject to the dividend withholding tax include all benefits paid on or attributed to New Shares, irrespective of their form, as well as reimbursements of statutory capital, except reimbursements of fiscal capital made in accordance with the Belgian Companies Code. In principle, fiscal capital includes the paid-up statutory capital, paid-up issuance premiums and the amounts subscribed to at the time of the issuance of profit-sharing certificates, if treated in the same way as capital according to the articles of association of the Issuer.

If the Issuer redeems its own New Shares, the redemption distribution (after deduction of the portion of fiscal capital represented by the redeemed New Shares) will be treated as a dividend that is normally subject to a withholding tax of 25%, subject to such relief or renouncement as may be available under applicable Belgian tax legislation or tax treaties. No withholding tax will be levied if the redemption takes place on a stock exchange and satisfies certain conditions.

In case of liquidation of the Issuer, the liquidation proceeds that exceed the fiscal capital will be treated as a dividend that is normally subject to a withholding tax of 25%, subject to such relief or renouncement as may be available under applicable Belgian tax provisions.

#### **7.2.2 Belgian resident individuals**

For Belgian resident individuals who acquire and hold New Shares as a private investment, the Belgian dividend withholding tax fully discharges their personal income tax liability. They may nevertheless elect to report the

dividends in their personal income tax return. Where the beneficiary opts to report them, dividends will normally be taxable at the applicable withholding tax rate (or at the progressive personal tax rate taking into account the taxpayer's other declared income, whichever is lower). If the dividends are reported, the dividend withholding tax withheld at source may, under certain conditions, be credited against the personal income tax due and is reimbursable to the extent that it exceeds the personal income tax due.

For Belgian resident individuals who acquire and hold the New Shares for professional purposes, the Belgian withholding tax does not fully discharge their income tax liability. Dividends received must be reported by the investor and will be taxable at the investor's personal income tax rate. Withholding tax withheld at source may be credited against the income tax due and is reimbursable to the extent that it exceeds the income tax due, subject to two conditions: (i) the taxpayer must own the New Shares in full legal ownership at the time the dividends are paid or attributed; and (ii) the dividend distribution may not result in a reduction in value of or a capital loss on the New Shares. The latter condition is not applicable if the investor can demonstrate that he has held the full legal ownership of the New Shares for an uninterrupted period of twelve months prior to the attribution of the dividends or that the New Shares have never been held during that period by a resident company or by a non-resident company holding the New Shares through a permanent establishment in Belgium.

### 7.2.3 *Belgian resident companies*

For Belgian resident companies subject to corporate income tax, the dividend withholding tax does not fully discharge the corporate income tax liability. Gross dividends received must be reported and will be subject to corporate income tax at a rate of 33.99%, unless the reduced corporate income tax rates apply.

Dividends paid by the Issuer are not eligible for the so-called "dividends received deduction" (allowing for a deduction up to 95% of gross dividends included in taxable profits for dividends on qualifying holdings) since the Issuer as qualifying public regulated real estate company benefits from a derogatory tax regime and, hence, the so-called taxation condition of Article 203 of the ITC is not satisfied.

If withholding tax is withheld at source, it may be offset against the corporate income tax due and is reimbursable to the extent that it exceeds the income tax due, subject to two conditions: (i) the taxpayer must own the New Shares in full legal ownership at the time the dividends are paid or attributed; and (ii) the dividend distribution may not give rise to a reduction in value of or a capital loss on the New Shares. The latter condition is not applicable if the company can demonstrate that it has held the New Shares in full legal ownership for an uninterrupted period of 12 months prior to the attribution of the dividends or that the New Shares have never been held during that period by a taxpayer other than a resident company or a non-resident company holding the New Shares through a permanent establishment in Belgium.

### 7.2.4 *Organisations for Financing Pensions*

Dividends paid or attributed to "Organisations for Financing Pensions" within the meaning of Article 8 of the Law of 27 October 2006 on the activities and supervision of institutions for occupational retirement provision are as a rule subject to Belgian withholding tax at a rate of 25%. This Belgian withholding tax is creditable against corporate income tax due and any excess is as a rule refundable.

### 7.2.5 *Belgian legal entities subject to Belgian legal entities tax*

For legal entities subject to the Belgian legal entities tax, the Belgian dividend withholding tax (at a rate of 25%) fully discharges their income tax liability.

### 7.2.6 *Non-resident persons*

For non-residents, the dividend withholding tax will be the only tax on dividends in Belgium, unless the non-resident holds New Shares in connection with a business conducted in Belgium through a fixed base in Belgium or a Belgian establishment. In the latter case, the withholding tax levied does not fully discharge the tax liability of the non-resident, meaning that the recipient non-resident must report the dividends in its non-resident income tax return where they will be taxed at the applicable non-resident income tax rate. The withholding tax levied at source may be credited against non-resident income tax and is reimbursable to the extent that it exceeds the income tax due subject to two conditions: (i) the taxpayer must own the New Shares in full legal ownership at



the time the dividends are paid or attributed; and (ii) the dividend distribution may not result in a reduction in value of or a capital loss on the New Shares. The latter condition is not applicable if it can be demonstrated that the taxpayer has held the New Shares in full ownership for an uninterrupted period of 12 months prior to the attribution of the dividends or, if the shareholder is a foreign company with a Belgian permanent establishment, if it can be demonstrated that during this period the New Shares have never belonged to a taxpayer other than a company subject to corporate income tax or a foreign company that has invested the New Shares uninterruptedly in a Belgian establishment.

Belgium has concluded tax treaties with numerous countries by virtue of which the rate of withholding tax may be reduced, subject to certain conditions and provided certain formalities are complied with, if the shareholder is resident of the relevant country with which Belgium has concluded such treaty. Prospective holders should consult their own tax advisors as to whether they qualify for reduction in withholding tax upon payment of dividends, and as to the procedural requirements for obtaining a reduced withholding tax upon the payment of dividends or for making claims for reimbursement.

### **7.3 Taxation of capital gains and losses on Shares**

#### *7.3.1 Belgian resident individuals*

As a general rule, Belgian resident individuals are not subject to Belgian capital gains tax on the disposal of New Shares, while capital losses are not tax deductible. Belgian resident individuals may, however, be subject to a 33% tax (plus local surcharges) if the capital gain is realised outside the scope of the normal management of one's private estate. In that respect, capital losses continue to be non-deductible from income of the same nature. In addition, capital gains realised on the direct or indirect transfer of New Shares to a non-resident company established outside the European Economic Area by an individual/private investor holding more than 25% of the shares of the Issuer (i.e. a so-called "significant holding") during any of the five years prior to the transfer are subject to income tax at the rate of 16.5% (plus local surcharges). For the purpose of calculating the 25%-threshold, account is taken not only of the shareholdings held in own name by the private investor concerned, but also of those held by his spouse (or her husband) or certain other of his or her family members. Capital gains realised by Belgian resident individuals upon the redemption of New Shares or upon liquidation of the Issuer will be taxed as a dividend (see above).

As regards Belgian resident individuals acting as professional investors, capital gains realized on the transfer of New Shares are taxable at the usual progressive rate of the individual income tax. An exception applies for capital gains on New Shares that are used for a period of more than five years by the individual for the exercise of the professional activity – such gains are taxable separately at a rate of 16.5%. Capital losses incurred are in principle deductible. Capital gains realized upon the redemption of New Shares or upon liquidation of the Issuer are in principle taxable as a dividend.

#### *7.3.2 Belgian resident companies*

Capital gains realized on New Shares by Belgian resident companies subject to Belgian corporate taxation are taxable at the standard (or, for qualifying companies, reduced) corporate income tax rate because the income of the New Shares is not eligible for the dividends received deduction as it does not qualify under the taxation condition (see above). Capital losses are as a rule not tax deductible.

Capital gains realised by Belgian resident companies upon the redemption of New Shares or upon liquidation of the Issuer are in principle taxable as a dividend (see above).

#### *7.3.3 Organisations for Financing Pensions*

Capital gains realised by "Organisations for Financing Pensions" within the meaning of the Law of 27 October 2006 on the activities and supervision of institutions for occupational retirement provision are generally not subject to income tax. Capital losses are not tax deductible.

#### *7.3.4 Belgian legal entities*

Capital gains realised with respect to the Shares are as a rule not subject to income tax, save in case of a sale of Shares which are directly or indirectly part of a stake representing more than 25% of the share capital in the Issuer which may, under certain conditions, give rise to a 16.5% tax (plus local surcharges).

Capital gains realised upon the redemption of the Shares or upon liquidation of the Issuer are in principle taxable as a dividend (see above).

#### 7.3.5 *Non-resident persons*

Capital gains realized by non-resident individuals on the disposal of New Shares are in principle not taxable provided that (i) the New Shares are not held for professional purposes by way of a fixed base of which the non-resident disposes in Belgium, (ii) the capital gains are realized within the scope of the normal management of his or her private estate, and (iii) the transfer does not concern a “significant holding” (see above). Capital gains realized by a non-resident individual upon the transfer of New Shares held for professional purposes through a fixed base of which he or she disposes in Belgium must be reported in the non-resident income tax return where they will be taxed at the normal rate of the non-resident individual income tax.

Non-resident legal entities subject to the non-resident legal entities tax are generally not subject to Belgian income tax on capital gains realized on the transfer of New Shares. Capital losses are not tax deductible.

Non-resident companies holding New Shares but not through a Belgian establishment are in principle not taxable on capital gains realized on the disposal of New Shares and capital losses are not tax deductible. Where New Shares are held through a Belgian establishment, capital gains realized must be reported in the non-resident corporate income tax return in which case they will be taxable at the normal rate of the non-resident corporate income tax. Capital losses are not tax deductible.

Under a strict reading of Article 228, §3 of the ITC, capital gains realized on New Shares by non-resident companies could be subject to Belgian taxation, by way of levy of professional withholding tax, if the following three conditions are cumulatively met: (i) the capital gain would have been taxable if the non-resident were a Belgian tax resident; (ii) the income is “borne by” a Belgian resident (including a Belgian establishment of a foreign entity) implying, in such a context, that the capital gain is realized upon a transfer of New Shares to a Belgian resident (or a Belgian (permanent) establishment of a non-resident); and (iii) Belgium has the right to tax such capital gain pursuant to a tax treaty or, if no such tax treaty is applicable, to the extent that the taxpayer does not demonstrate that the capital gain is effectively taxed in the State of which it is a resident. The application of this recently introduced tax is unclear. First, the question arises whether a capital gain included in the purchase price of an asset may be considered as being “borne by” the purchaser of the asset within the meaning of the second condition mentioned above. Second, the application of the tax would require that the Belgian resident/purchaser is aware of the identity of the non-resident/seller (to assess the third condition mentioned above), which will normally not be the case where shares are traded on a stock exchange. Third, the application of the tax would require the Belgian resident/purchaser to know the amount of the capital gain realized by the non-resident/seller, as such amount is necessary to determine the amount of professional withholding tax to be levied by the Belgian purchaser. In addition to these uncertainties, the legislative history of the Act that introduced Article 228, §3 of the ITC would seem to support the view that the legislator did not intend for Article 228, §3 of the ITC to apply to a capital gain included in the purchase price of an asset. The Minister of Finance acknowledges these flaws and practical difficulties and has indicated that a solution is being sought.

Capital gains realized upon redemption of New Shares or upon liquidation of the Issuer are in principle taxable as a dividend.

## **7.4 Tax on stock exchange transactions**

No tax on stock exchange transactions is due upon subscription to New Shares (i.e. primary market transactions). By contrast, the purchase and sale, and all other acquisitions and disposals for consideration of New Shares in Belgium through a professional intermediary are subject to the tax on stock exchange transactions (i.e. secondary market transactions). This tax amounts, as regards the trading of New Shares, to 0.09% of the purchase or sales price (due on each purchase and sale separately), with a maximum of EUR 650 per transaction per party.

No tax on stock exchange transactions is due by (i) professional intermediaries referred to in Articles 2, 9° and 10° of the Act of 2 August 2002 on the supervision of the financial sector and financial services, acting for their own account; (ii) insurance companies referred to in Article 2, §1 of the Insurance Supervision Act of 9 July 1975, acting for their own account; (iii) institutions for occupational retirement provision funds referred to in Article 2, 1° of the Act of 27 October 2007 on the supervision of institutions for occupational retirement provision, acting for their own account; (iv) collective investment undertakings referred to in the Act of 3 August 2012, acting for their own account; and (v) non-residents (upon delivery of a certificate of non-residency in Belgium), acting for their own account.

## **7.5 Proposed financial transaction tax**

On 14 February 2013, the EU Commission has adopted a proposal for a directive on a common financial transaction tax (“FTT”) in eleven participating EU Member States (Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia). The proposed directive currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. The proposed directive is still subject to negotiation amongst the participating Member States and may therefore be changed at any time.

## **7.6 Net Scrips Proceeds Payment and sale of the Preferential Rights prior to the closing of the Rights Subscription Period**

The Net Scrips Proceeds Payment should not be subject to Belgian withholding tax. The Net Scrips Proceeds Payment will, in principle, not be taxable in the hands of Belgian resident or non-resident individuals except for resident individuals who hold the Preferential Rights for professional purposes or for non-resident individuals who hold the Preferential Rights for a business conducted in Belgium through a fixed base. In these cases, the gains realised upon the receipt of the Net Scrips Proceeds Payment will be taxed at the progressive income tax rates, increased by local surcharges. The gain realised upon the receipt of the Net Scrips Proceeds Payment will be taxable at the ordinary corporate tax rate for Belgian resident companies. Non-resident companies holding the Preferential Rights through a Belgian permanent establishment will also be taxed at the ordinary non-resident income tax rate on the gain realised upon the receipt of the Net Scrips Proceeds Payment.

Legal entities subject to Belgian tax on legal entities are, as a rule, not subject to tax on the Net Scrips Proceeds Payment. The same Belgian tax analysis applies to gains realised upon the sale of the Preferential Rights prior to the closing of the Rights Subscription Period. For professional investors, losses realised on the Preferential Rights are, in principle, deductible.

The rules regarding the tax on stock exchange transactions equally apply to the Net Scrips Proceeds Payment and to the sale of the Preferential Rights prior to the closing of the Rights Subscription Period.

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