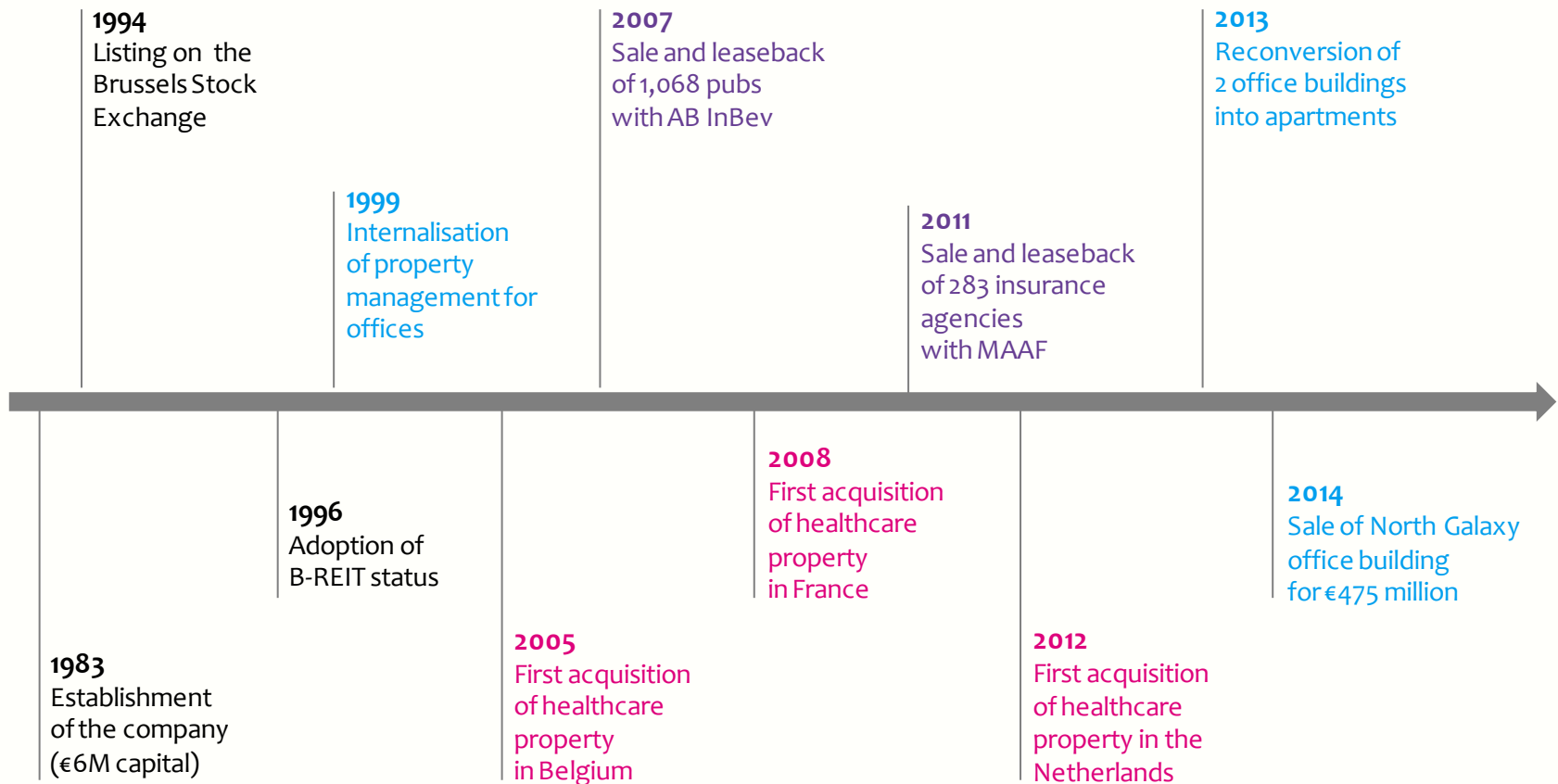


# Demographic trends & real estate needs

Presentation by Jean Edouard Carbonnelle, CEO  
Finance Avenue - Tour & Taxis - November 15, 2014



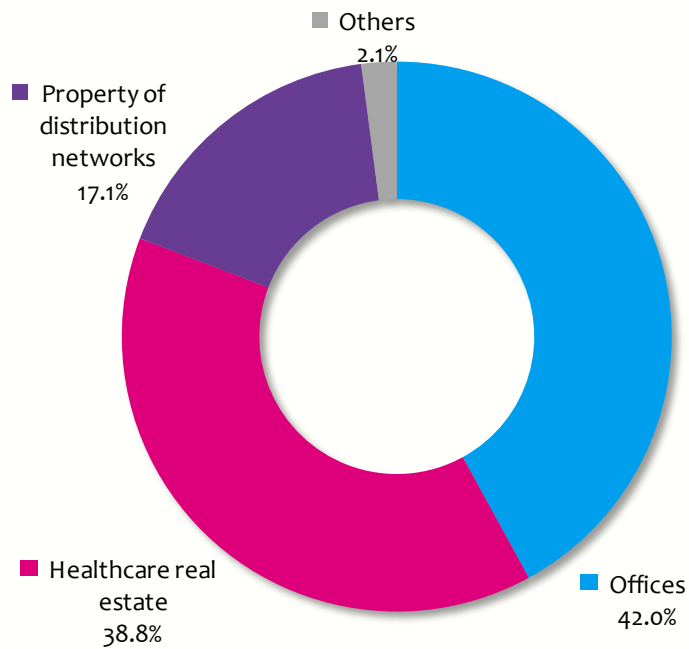
# 30 Years of experience in real estate



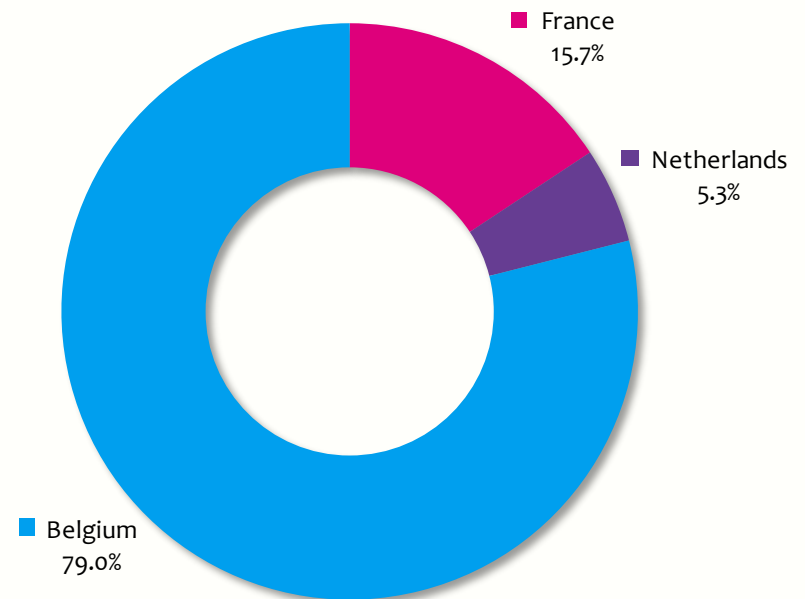
# Portfolio breakdown

Fair value of total portfolio: 3.1 billion  
Average residual lease length: 10.9 years  
Occupancy rate: 95.0%

Portfolio breakdown by segment:



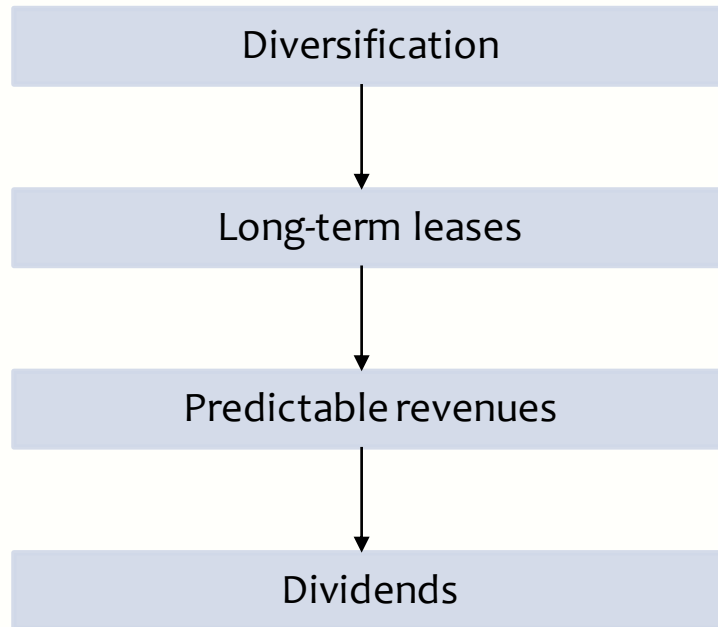
Portfolio breakdown by location:



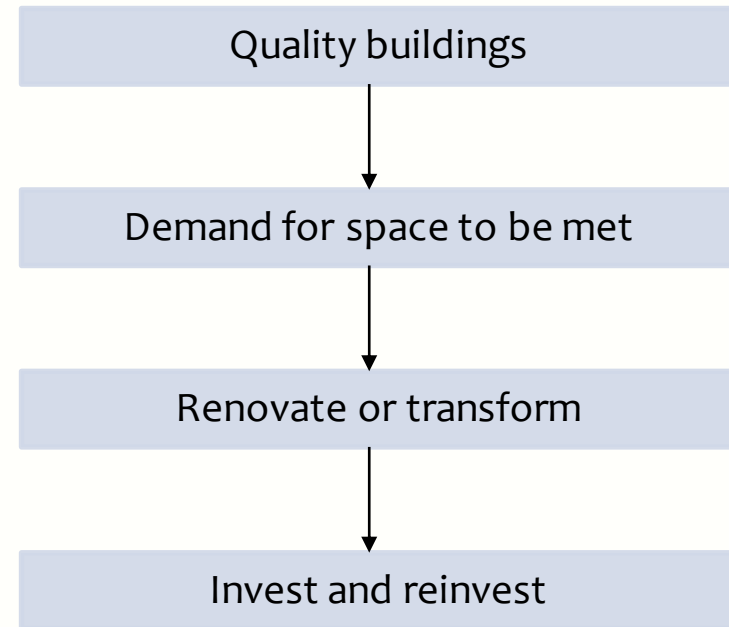


# Mission

## Transform rents into dividends

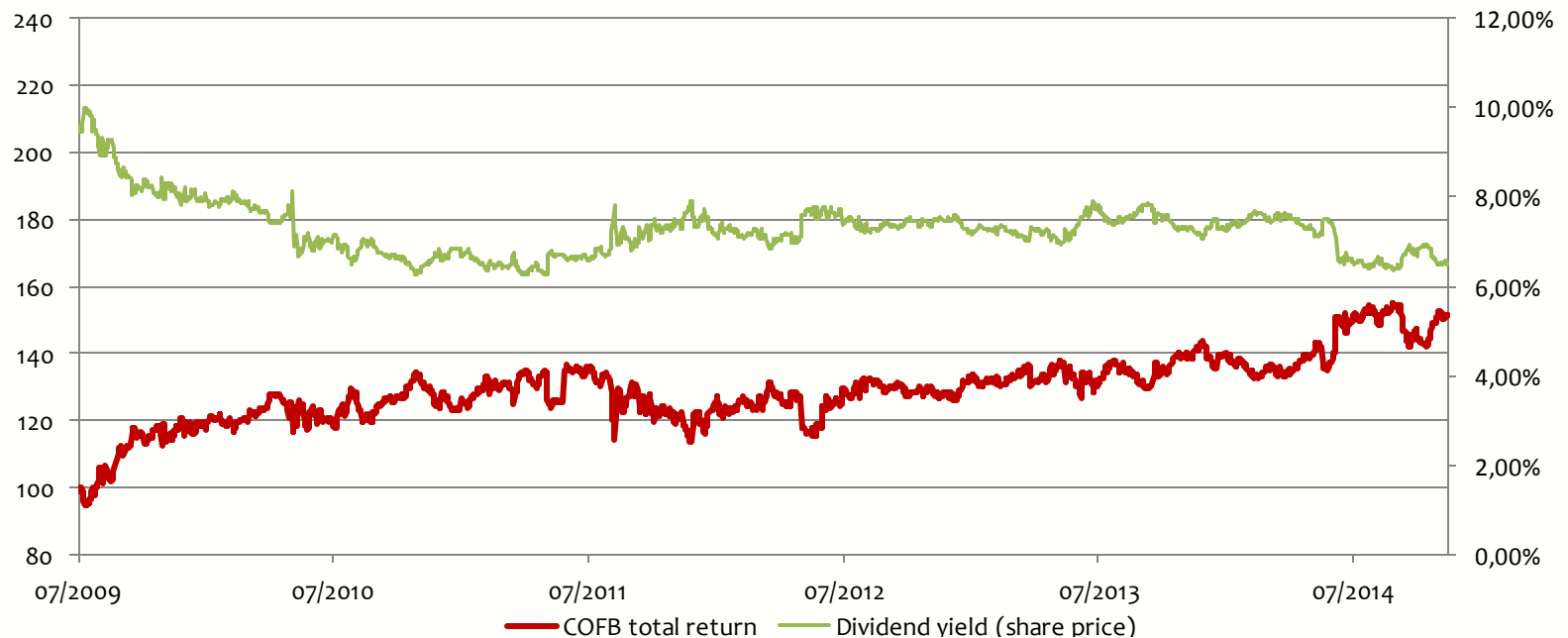


## Preserve the invested capital



# Cofinimmo in the stock market

- Total market capitalisation at 31.10.2014: €1.6 billion
- Included in major indices: BEL20, EPRA Europe and GPR 250
- 5Y Total Return: +51%
- 5Y Annualized Total Return: +8.0%
- Dividend yield (gross): 6.5%





# Offices



Office building Omega Court – Brussels (BE)



Office building Souverain/Vorst 23-25 – Brussels (BE)



Office building Loi/Wet 57 – Brussels (BE)

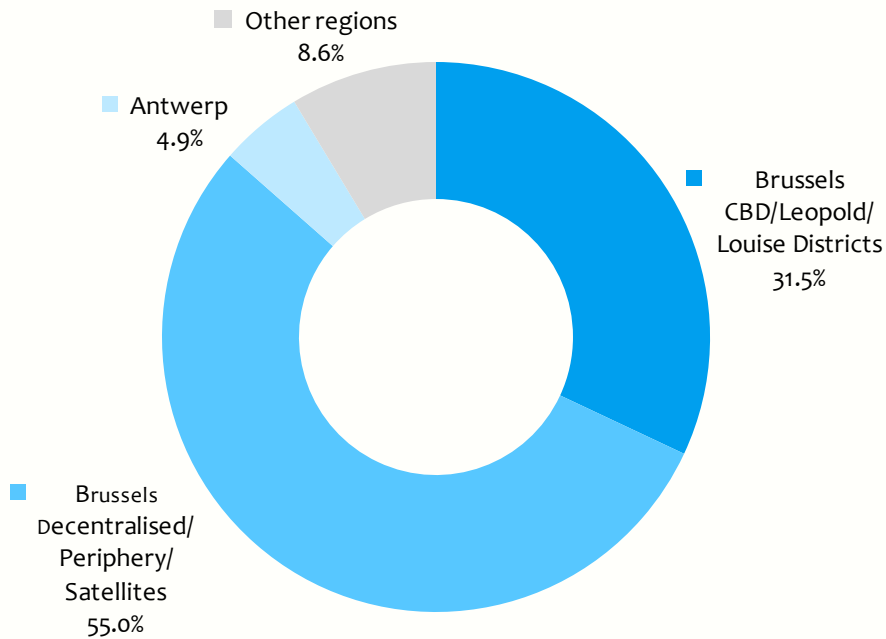


Avenue office building – Antwerp (BE)

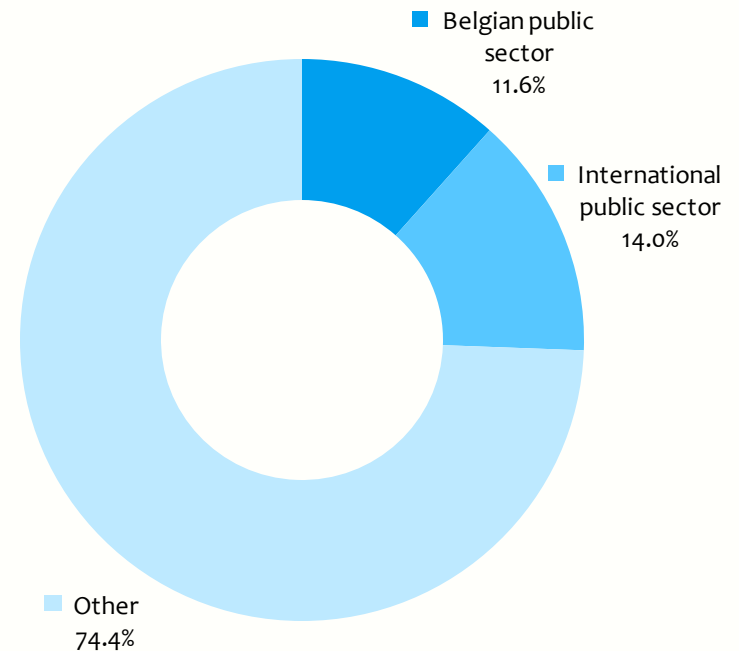


# Office portfolio breakdown

Office portfolio breakdown  
by location:



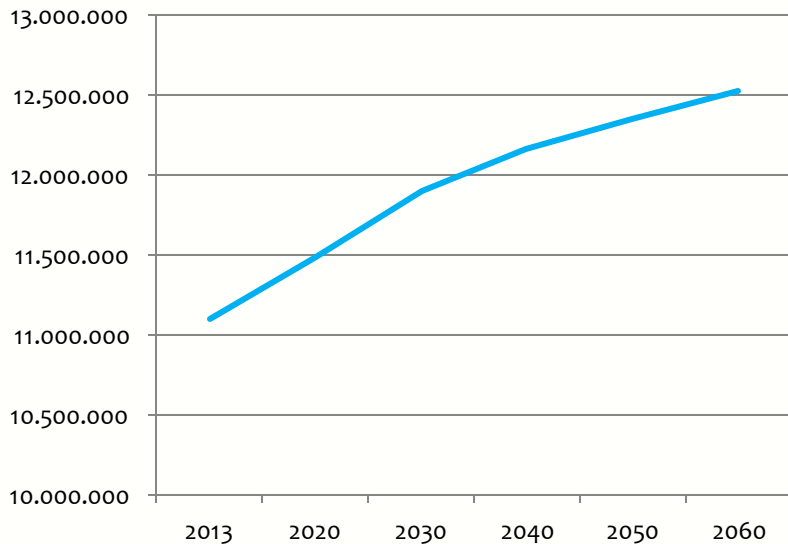
Office portfolio breakdown  
by type of tenant:



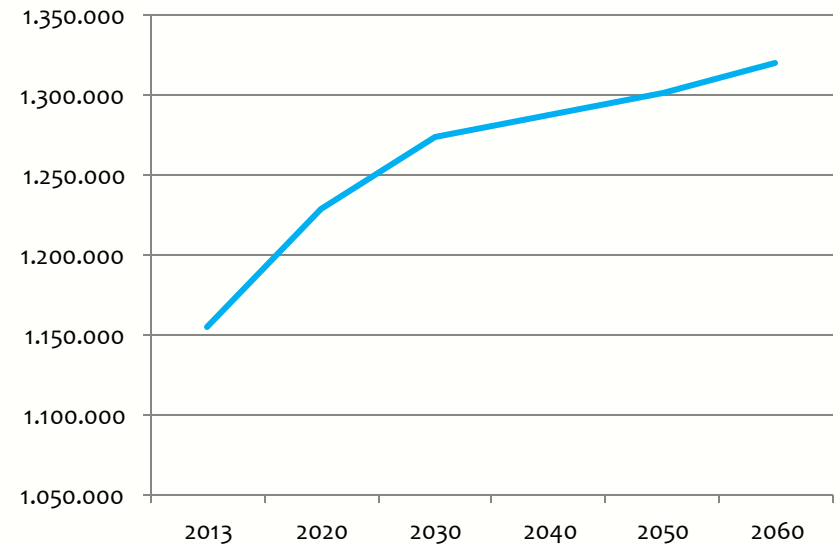


# Growing population

Total population in Belgium 2013 – 2060:  
+12.8%



Total population in Brussels 2013 – 2060:  
+14.3%



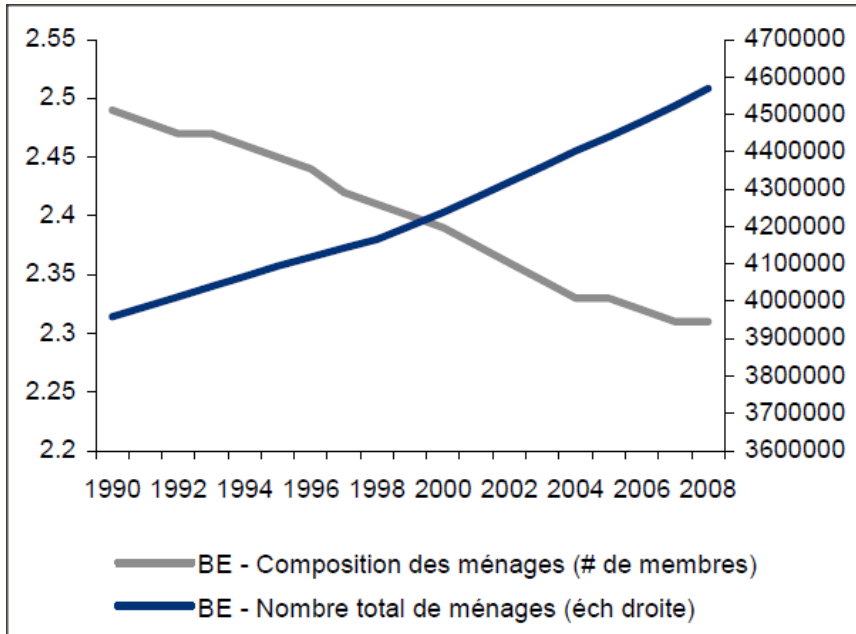
Source: Bureau Fédéral du Plan / Federaal Planbureau



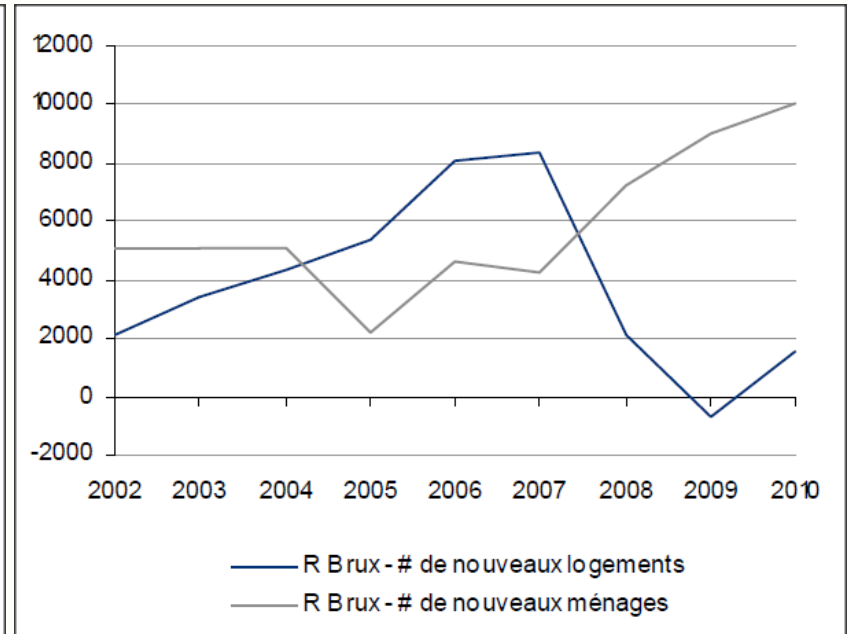


# Growing number of households

Size and number of households in Belgium:



Number of residential units and households in Brussels:

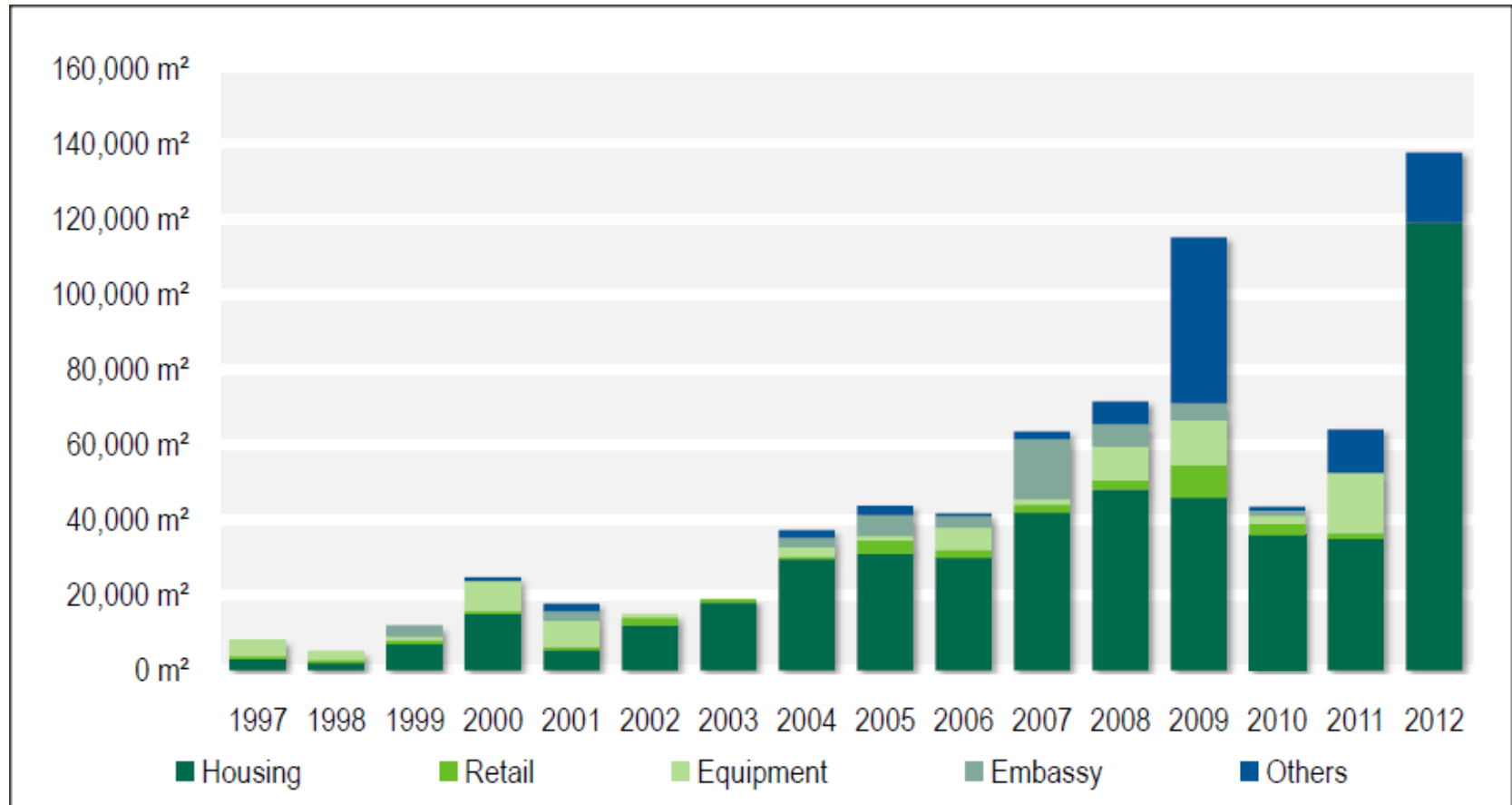


Source: DGSIE



# Office reconversion projects into residential

Office reconversions in Brussels 1997 – 2012:



Source: CBRE



# Woluwe 34 – Decentralised Brussels

Former office building of 6,700 m<sup>2</sup>

- Reconversion to 69 apartments - €13 million
- Apartments are put up for sale - Price: €3,300/m<sup>2</sup>
- Expected end of works: 1Q2015 – 86% already sold or reserved

Before works



After works





# Livingstone I – Brussels Leopold District

Former office building of 17,000 m<sup>2</sup>

- Reconversion to 122 apartments - €24 million
- Apartments are put up for sale – Fixed price guaranteed by co-developer
- Expected end of works: 1Q2015 – 63% already sold or reserved





# Office renovation projects

## Guimard 10-12 – Brussels CBD (10,800m<sup>2</sup>)

- Renovation - €14 million
- Expected end of works 3Q2015
- Lease signed for 45% of space after works
- Marketing of remaining 55% underway

## Belliard 40 – Brussels CBD (20,000m<sup>2</sup>)

- Construction of new building with offices, residential units and retail - €42 million
- Expected duration of works: 2 years
- Marketing underway







# Healthcare real estate



Bergman clinic – Naarden (NL)



Nursing home Damiaan – Tremelo (BE)



Nursing home La Cambre/Ter Kameran – Brussels (BE)

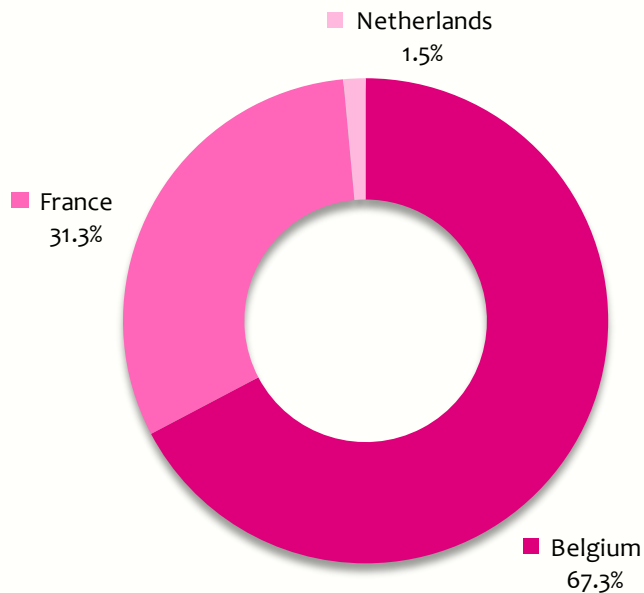


Nursing home L'Orchidée – Ittre (BE)

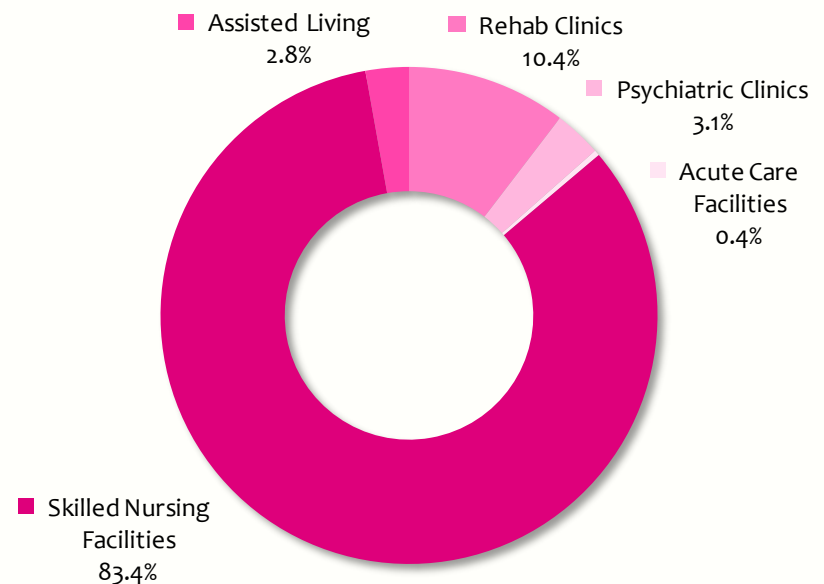
# Healthcare portfolio breakdown

Strategic diversification by country and medical specialty:  
no dependency on one single social security system

Healthcare portfolio breakdown  
by location:

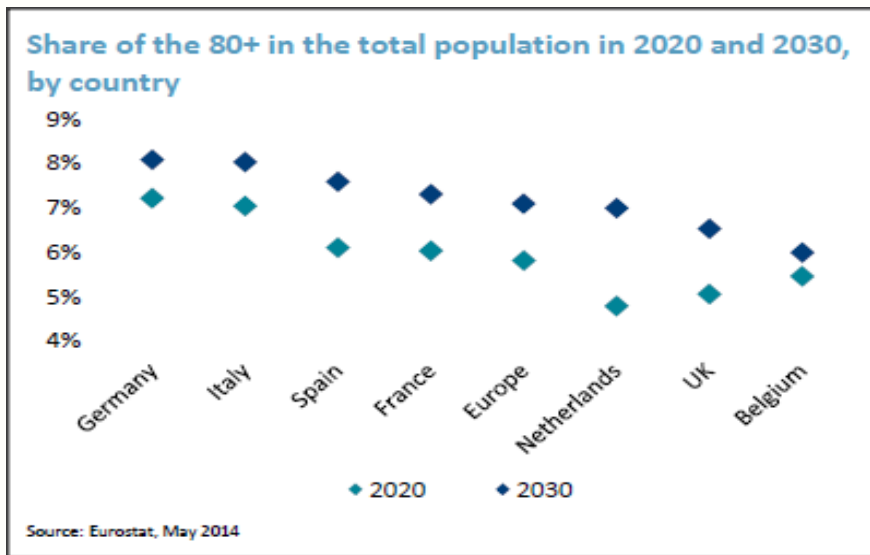


Healthcare portfolio breakdown  
by medical specialty:

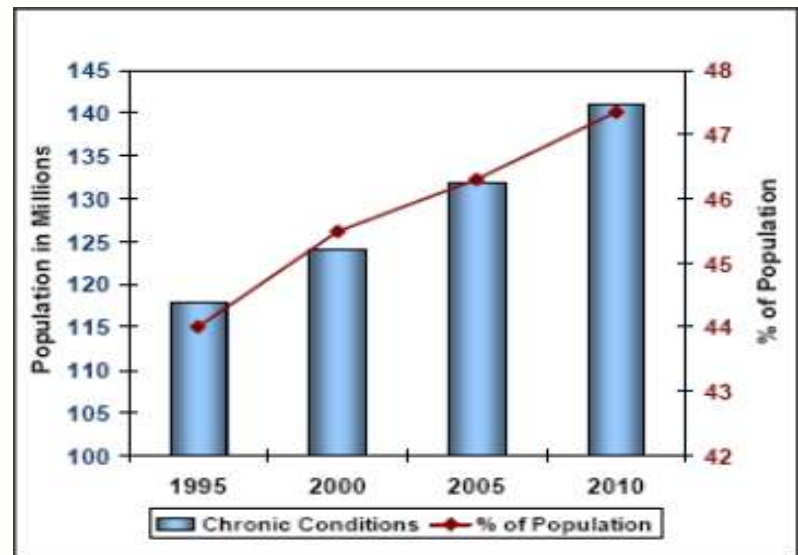


# Ageing population & more chronic diseases

Ageing population:



Increasing importance of chronic diseases:





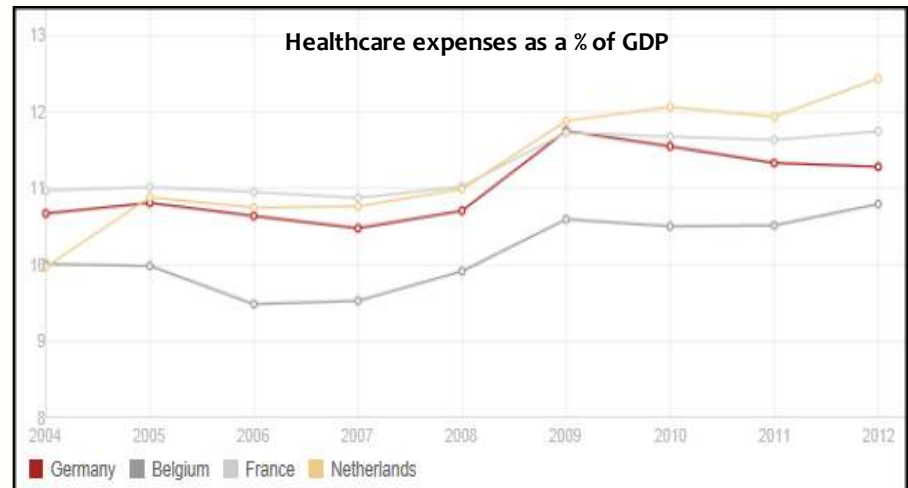
# Consequences

Complementary needs  
in terms of beds:

Complementary needs in terms of beds in the selected countries			
Country	Number of beds in 2013	Number of beds expected in 2020	% change between 2013 and 2020
Belgium	138,000	160,000	+ 14%
The Netherlands	165,000	160,000	- 3%
France	684,000	734,000	+ 7%
Germany	876,000	1,076,000	+ 22%
Spain	350,000	n.a.	
Italy	340,000	440,000	+ 29%

Source: Eurostat, OECD, DTZ

Increasing share of healthcare expenses  
in national budgets:



Need to redirect long-term or low complexity patients to less costly residential and ambulatory/short-term facilities

# Examples of realisations in 2014

## Lakendal – Aalst (BE)

- New construction of 7,894m<sup>2</sup>
- 80 beds and 29 service flats
- Operator : Armonea
- Cost of works: €12.8 million

## Les Jours Heureux – Lodelinsart (BE)

- Extension of 1,350m<sup>2</sup>
- + 20 beds
- Operator : Senior Assist
- Cost of works: €2.3 million

## Ede (NL)

- Reconversion of office building
- Eye care clinic of 2,663m<sup>2</sup>
- Operator : Bergman
- Cost of works : €2.5 million





# Public-Private Partnerships



Police Station - Dendermonde



Court of Justice - Antwerp



Fire Station - Antwerp



Police Station - Antwerp



# Purpose-built facilities for public authorities

In a context of demographic growth, increasing need for **purpose-built facilities for public authorities:**

- Police stations, prisons,
- Schools, student housing,
- Public nursing homes,...

One of the options tailored to these needs is the **Public-Private Partnership:**

- Long-term leases with public authorities – no residual value;
- Long-term maintenance obligation;
- Public tenders;
- Financing: banks and insurance companies.







# Prison of Leuze-en-Hainaut

- Delivery of construction works in June 2014
- 25-year lease with Buildings Agency - Annual rent: €12.1 million
- At end of lease: transfer of building to Buildings Agency
- Total cost: €106 million



# Q&A



# Disclaimer

This presentation is directed to financial analysts and institutional investors and is not to be considered as an incentive to invest or as an offer to acquire Cofinimmo shares. The information herein is extracted from Cofinimmo annual and half-yearly reports and press releases but does not reproduce the whole content of these documents. Only the French annual and half-yearly reports and press releases form legal evidence.

