



Cofinimmo: 2010 Annual Results



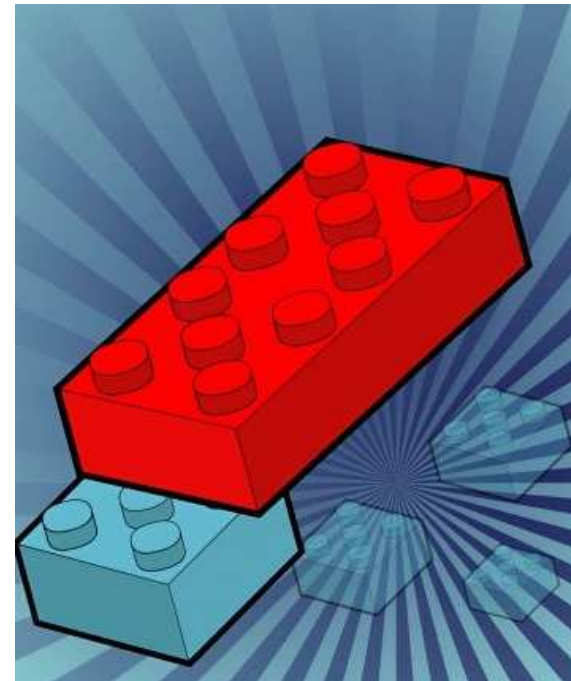
together in real estate

February 11, 2011



What have we done in 2010?

- **Strategy: investments & divestments**
- **Managing financial resources**





Investments

Total investments amount to €102.0 million:

€18.4 million in offices, €80.6 million in nursing homes and €3.1 million in Pubstone

Office building Square de Meeûs in Brussels

- Area of 8,468 sqm
- Superb location in Leopold district and exceptional view over Brussels
- Completely renovated and delivered in July 2010



Nursing home Bellevue in Brussels

- Area of 7,500 sqm accommodating 153 beds
- Operated by the Senior Assist Group
- Annual initial rent: €1.05 million





Investments – nursing homes Q4 acquisitions

Prinsenpark in Genk

- Area of 8,169 sqm accommodating 120 beds
- Operated by the Senior Living Group
- Annual initial rent : €0.70 million
- Extra area of 7,510 sqm accommodating 34 beds and 40 service flats to be built



Saint Ignace in Brussels

- Area of 8,708 sqm accommodating 150 beds
- Operated by the Senior Assist Group
- Annual initial rent: €0.72 million



Lucie Lambert in Buizingen

- Area of 5,700 sqm accommodating 132 beds
- Operated by the Orpea Group
- Annual initial rent: €1.34 million
- Extra area accommodating 17 beds





Divestments

Total disposals amount to €100.0 million

- ☞ Arbitrage strategy continues
 - fine-tuning of assets to target an optimal portfolio
 - taking advantage of significant upturn in values for well let office buildings.

- ☞ Disposals in 2010:
 - Offices
 - Kortrijksesteenweg 39 (Ghent)
 - Luchthavenlaan 18-20-22 (Vilvoorde)
 - Montoyer 40 (Brussels, Leopold district)
 - Regence 55-65 & Allard 40-42 (Brussels, Centre)
 - Louise 140 (Brussels, Louise district)
 - Other
 - Noorderlaan 75 (Antwerp)

- ☞ Disposal prices on average 6.3% above last investment value (which includes 2.5% transfer tax estimate, i.e. 8.8% above fair value)



Managing financial resources

Actions undertaken to reinforce financial resources in 2010:

- **Equity**
 - Sale of 747,500 treasury shares: €69.0 million
 - Contribution in kind of the shares of Prinsenpark NV for 113,577 new Cofinimmo shares: €11.0 million
- **Debt**
 - Private placement of a 3-year non-convertible bond: €50 million
 - New 5-year bilateral loan: €30 million
 - Extension until 2019 of a bilateral credit line maturing initially in 2017: €100 million
- **Disposals (€100 million) = Investments (€102 million)**

2011 financial resources:

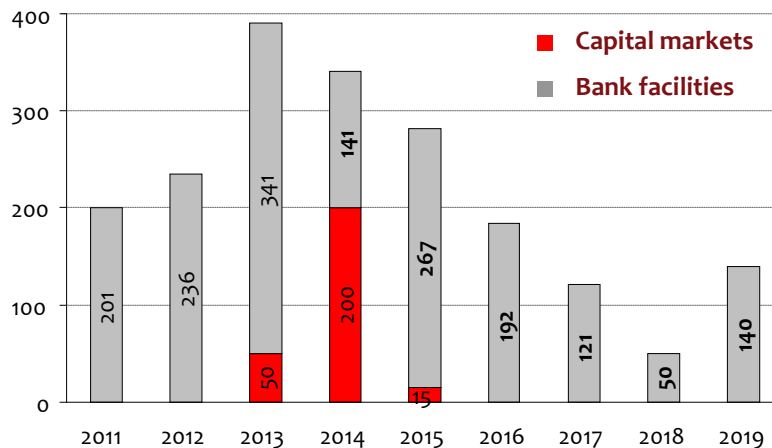
- **Standard & Poors' rating (January 18, 2011):**
 - Long term: BBB/Outlook stable
 - Short term: A-2
- **Expected disposals (still subject to administrative authorizations) in the office segment:**
 - €119 million



Financial debt at 31.12.2010

☞ Cofinimmo has a well-balanced debt maturity profile and limited maturities every year

Maturity profile of LT debt commitments (€1,953.7 M)



- ☞ Bank facilities: 21 high-quality partners
- ☞ Average maturity: 3.8 years
- ☞ Repayment in August 2011: the syndicated loan for €200 million = 14 % of outstanding LT debt
- ☞ Cost of financial debt: 4.33%

- ☞ Bank facilities: 86% of total long term commitments
- ☞ €530.8 million available LT credit lines
 - €106.2 million to cover short term CP in 2010
 - €201.0 million to cover debt maturities in 2011
 - €223.6 million credit lines
- ☞ Bond issues with maturity in 2013-2014
 - Fair value (IFRS): €258.5 million
 - Market value: €255.5 million
 - Redemption value: €250.0 million

Debt type	Financial debt	Total LT commitments
Capital market facilities		
Bond	258.5	250.0
Long term CP	15.0	15.0
Short term CP	106.2	
Bank facilities		
Roll over loans	1,020.4	1,528.7
Term loans	125.0	155.0
Others	12.6	5.1
Total	1,537.6	1,953.7



Where do we stand?

- Key operational indicators
- Key financial indicators
- Results per share
- Dividend
- Valuation
- Stock performance



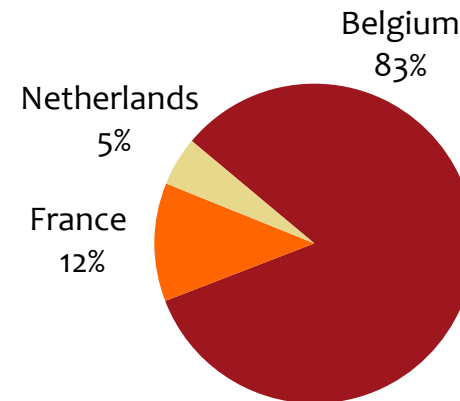
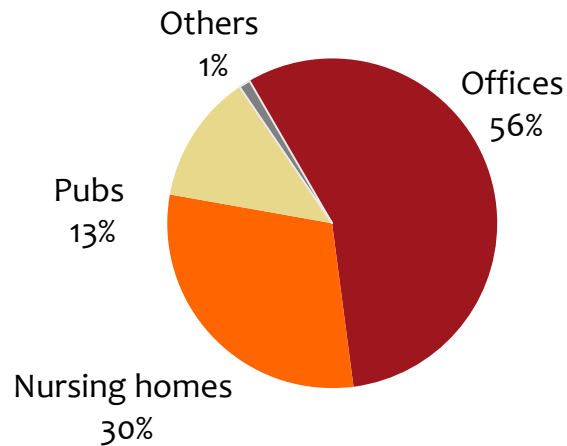


Key operational indicators

	31.12.2010	31.12.2009
Portfolio of Investment Properties- Fair value (x €1,000,000)	3,041.9	3,040.7
Portfolio under management (x €1,000,000)	4,047.7	4,027.7
Residual lease term in years-Total portfolio (years)	11.5	11.0
Residual lease term in years-Office (years)	6.7	6.5
Occupancy rate	95.77%	96.86%

Breakdown by asset type (% fair value)

Breakdown by location





Operational performance

	Gross rental revenues 31.12.2010 (x €1,000,000)	Gross rental revenues 31.12.2009 (x €1,000,000)	Growth (%)	Like-for-like growth (%)
NH Belgium	29.7	23.7	25.3%	0.8%
NH France	24.1	22.5	7.1%	1.3%
Offices	113.6	120.8	-6.0%	-3.0%
Pubs	28.1	28.0	0.4%	-0.1%
Other	4.1	6.2	-33.9%	-0.3%
Total portfolio	199.6	201.2	-0.8%	-1.6%

- ☞ Total gross rental revenues have decreased by 0.8% and on a like-for-like basis by 1.6% with a contribution of indexation of +0.5%
- ☞ Rental growth for the nursing homes amounted to +25.3% in Belgium and +7.1% in France thanks to the acquisitions
- ☞ Negative like-for-like growth in the office segment is caused by negative reversion of renegotiated contracts



Key financial indicators

(x €1,000,000)

 Stable operating performance

 Financial result

- Interest charges -31.6%
- Cost of debt down from 4.91% to 4.33%
- Decrease in base rates overcompensates increase in margins

 Net current result (excl IAS 39): +13.8%

 Sustainable financing position

- Average debt: €1,577 million
- All funding needs (debt repayments + committed investments) covered until mid 2012
- Substantial headroom under financial covenants

	31.12.2010	31.12.2009
Property result (rental income-costs of vacancy)	214.3	214.3
Operating result (EBITDA before portfolio result)	185.0	185.2
Net financial result (excl. IAS 39)	-58.3	-72.7
Net current result (excl. IAS 39)- Group share	119.2	104.7
Net current result- Group share	105.4	92.3
Result on portfolio- Group share	-21.6	-59.9
Net result- Group share	83.8	32.4

(in %)	31.12.2010	31.12.2009
Operating costs/average value portfolio	0.80%	0.80%
Operating margin	86.3%	86.4%
Average cost of debt	4.33%	4.91%
Debt ratio	47.50%	49.97%
LTV	50.26%	52.81%



Results per share

Net current result (excl. IAS 39) €8.02 above forecast of €7.55

Results – Fully diluted (in €)	31.12.2010	31.12.2009
Net current result – Group share – excluding IAS 39 impact	8.02	7.47
IAS 39 impact – profit/(loss)	(0.93)	(0.88)
Net current result – Group share	7.09	6.59
Realised result on portfolio	0.49	0.21
Unrealised result on portfolio	(1.94)	(4.49)
Net result – Group share	5.64	2.31



Net Asset Value

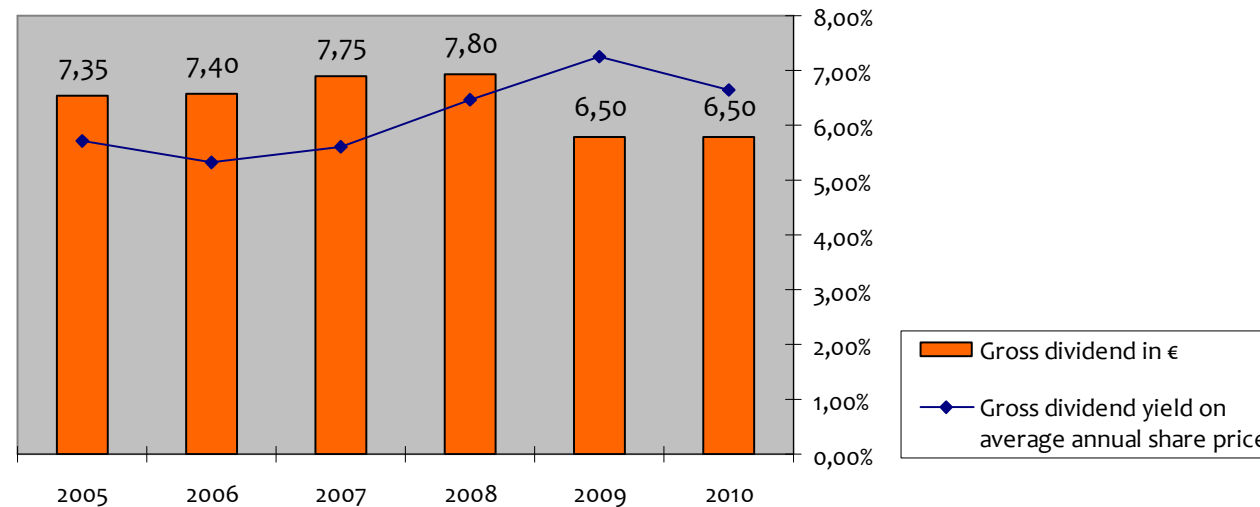
Net asset value per share (in €)	31.12.2010	31.12.2009
Revalued net asset value in fair value after distribution of dividend for the year 2009	98.21	93.51
Revalued net asset value in investment value after distribution of dividend for the year 2009	102.56	98.06
Roll forward NAV per share over 2009-2010 (in €)		
NAV in investment value on 31.12.2009 before dividend 2009	104.55	
Dividend 2009	-6.49	
NAV in investment value on 31.12.2009 after dividend 2009	98.06	
Disposal treasury shares - dilution	-0.29	
Net current result 2010 (excl IAS 39)	8.02	
IAS39 Impact (P&L)	-0.93	
IAS39 Impact (Variation in reserves)	-0.87	
Portfolio result 2010	-1.42	
Other	0.01	
NAV in investment value on 31.12.2010	102.56	



Dividend

☞ 2010 dividend on ordinary share: €6.50 per share
(preference share: €6.37 per share)

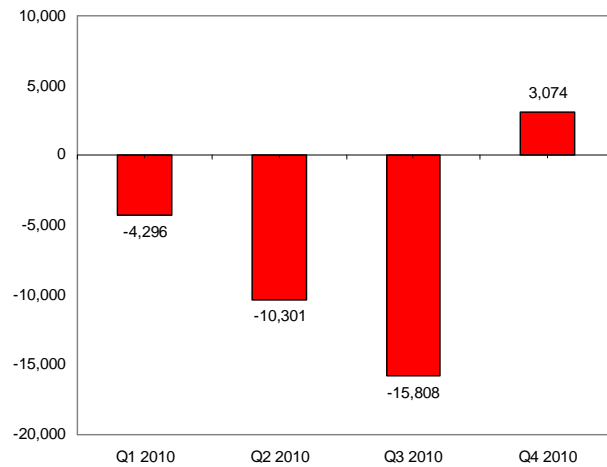
☞ Pay-out ratio at a sustainable level of 81% of the net current EPS (excluding IAS 39)





Depreciation of the portfolio reversed in 4 Q 2010

Change in fair value of investment properties
(x € 1,000)



Total portfolio devaluation on 12 months:
0.90% or €27.3 million (actual portfolio)

Asset type	Gross Yield 2010 Q4	Gross Yield 2010 Q3	Gross Yield 2009	Gross Yield 2008
Offices	7.44%	7.41%	7.44%	7.18%
Nursing homes	6.28%	6.38%	6.45%	6.24%
<i>Belgium</i>	6.10%	6.03%	6.15%	5.94%
<i>France</i>	6.54%	6.86%	6.83%	6.59%
Pubs	6.61%	6.51%	6.55%	6.51%
Others	7.15%	7.14%	7.12%	7.19%
Portfolio	6.98%	7.00%	7.06%	6.88%

Stable yields

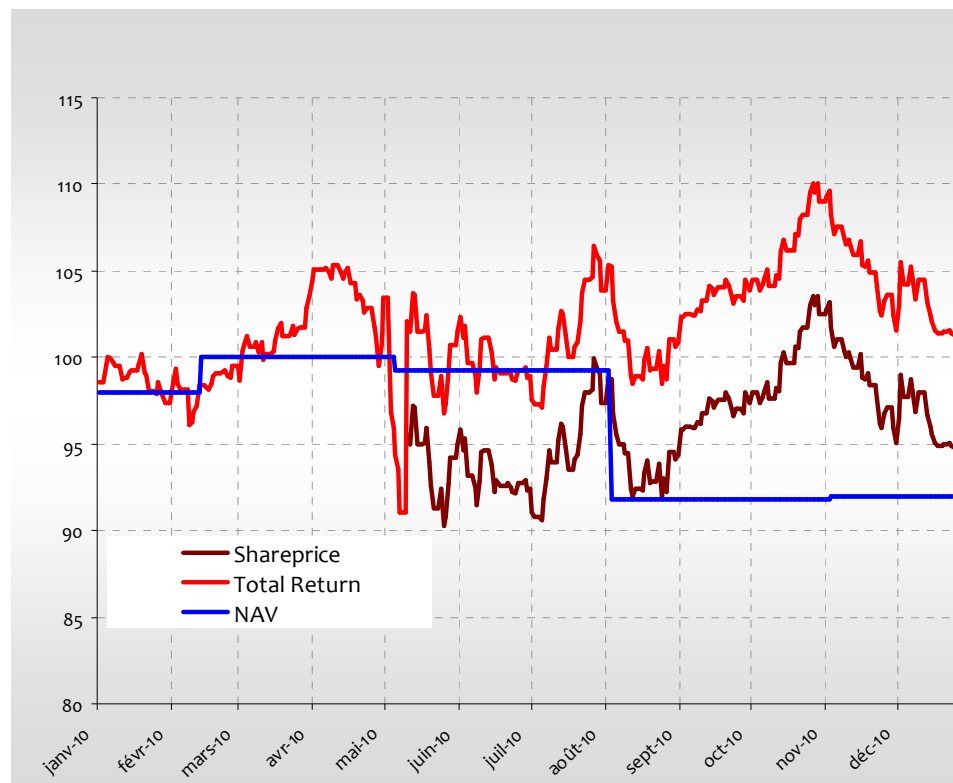
Gross yield: 6.98%
Net yield after deduction of direct property costs: 6.52%



Stock trading performance

Total return on 1 year for an investor who bought on 31/12/2009: 5.37%

Share trading again above NAV





Looking forward into 2011?

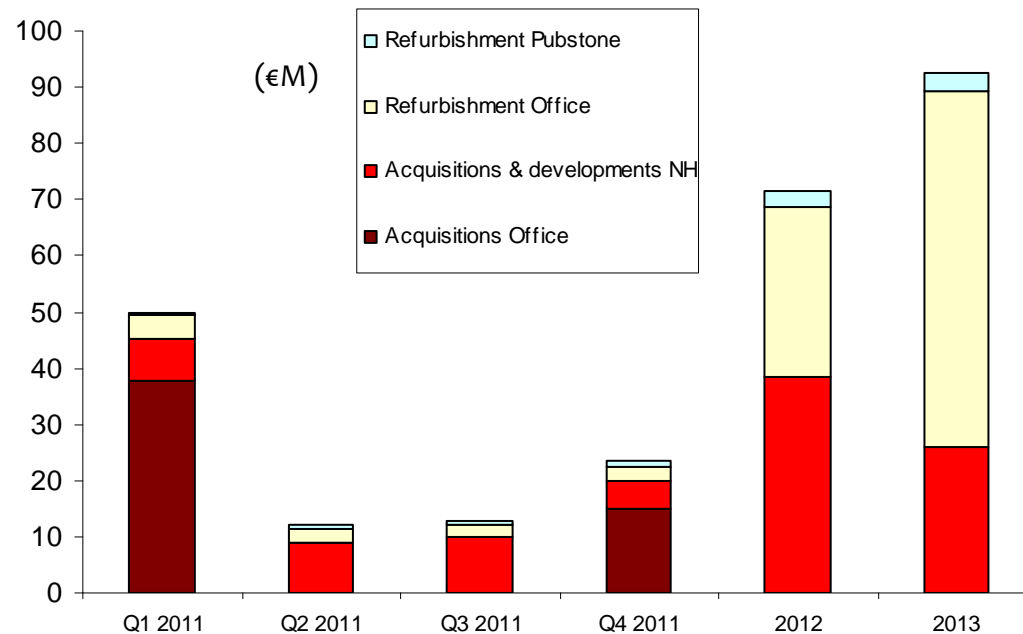
- Investment pipeline
- Forecast
- EGM
- Management





Investment pipeline

- ☞ Total investment 2011-2013: €262 million (incl. refurbishments for €105 million)
 - €98 million in 2011 - €72 million in 2011 - €92 million in 2012
- ☞ Nursing homes: €96 million (fully pre-let)
- ☞ Avenue Building, office building in Antwerp: €38 million
- ☞ Police station in Dendermonde: €15 million (fully pre-let)





Renovation projects

Cofinimmo prepares the large-scale renovation of 2 office buildings

Livingstone I-II

- Office building of 35,000 sqm
- Located in the European district between the Berlaymont building and the residential square Marie-Louise
- Currently occupied by DVV-LAP (Dexia Group) who will vacate the site towards the end of 2011 (i.e. 3 years before the end of the ongoing lease)
- Rental indemnity to be paid by DVV-LAP of € 11.2 million (equivalent to 21.5 months of rent)
- Part of the building ($\pm 17,000$ sqm) will be kept as offices and part will most probably be reconverted into residential property for sale

Science 15-17

- Office building of 17,700 sqm
- Located in the European district along the rue Belliard
- Currently occupied by the European Commission who may vacate the site by 31.12.2011 (i.e. at the end of the ongoing lease)
- Demolition and new construction



Forecast 2011

- Weight of office portfolio expected to diminish (from 55% to close to 50%) and of healthcare assets to further increase (above 30%)
- Stabilized occupancy rate close to 96%
- Operating result decrease by 6.2% caused by 2010 and 2011 office disposals
- Cost of debt easing: 4.13% (4.33% in 2010)
- Income tax decrease by € 3 million as Pubstone converts to Sicafi regime (exit tax €50 million)

- Net current result per share forecast : **€7.33** vs € 8.02 in 2010 (-8.6%)
 - Cash portion €5.95
 - Non cash portion (write back of lease payments sold) : €1.38
- Disposals already signed for €119 million with realized gain of approx. **€0.54** per share
- If forecast is met 2011 dividend unchanged at **€6.50** per share
- 3 ways to look at 2011 pay-out ratio :

On current result	$6.50 / 7.33$	= 89 %
On cash flow	$6.50 / (5.95 + 0.54)$	= 100 %
On constant LTV 50 %	$6.50 / (5.95 + 1.38 \times 50 \% + 0.54)$	= 91 %



Extraordinary General Meeting

 EGM convened for March 29, 2011 to vote on

- **Changes in corporate by-laws following Royal Decree of December 7, 2010**
 - Allowing use of accelerated (1-day) bookbuilding procedure to issue new shares for cash with compulsory 3-day clawback period for existing shareholders wishing to subscribe
 - as an alternative to 3-weeks rights issue procedure
 - cfr common practice in most European equity markets
 - Introducing the possibility to issue convertible bonds and bonds with warrants
 - same option for existing shareholders to subscribe when such bonds are issued
 - Introducing the possibility to propose shareholders to choose individually between dividend in cash or in new shares
 - Identical tax treatment: 15 % withholding tax
- **Reconstitute the authorised capital at the level of the issued capital**
- **Transfer of €214 million of gains booked in 2004-2010 mergers from Share premium account to Profit brought forward**
 - Distributable profit: €351 million (3.6 x 2010 dividend distribution)



Management change

 Jean Franken Chief Operating Officer and Member of the Board of Directors since 1997 has indicated he will retire at end June 2011

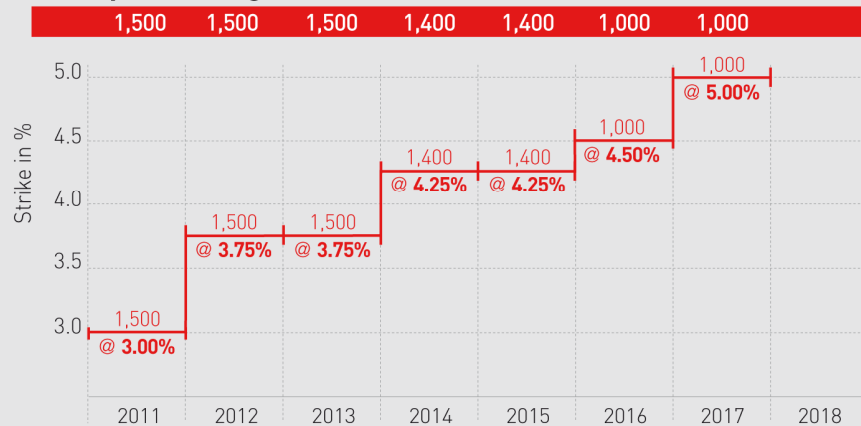
 Xavier Denis to succeed him

- 38 years old
- Belgian and French national
- Civil engineer and architect (Catholic University of Louvain)
- Master of Business Administration (Insead)
- 5 years with architecture practices in London
- Joined Cofinimmo in 2002 as Head of Project Development and Area manager

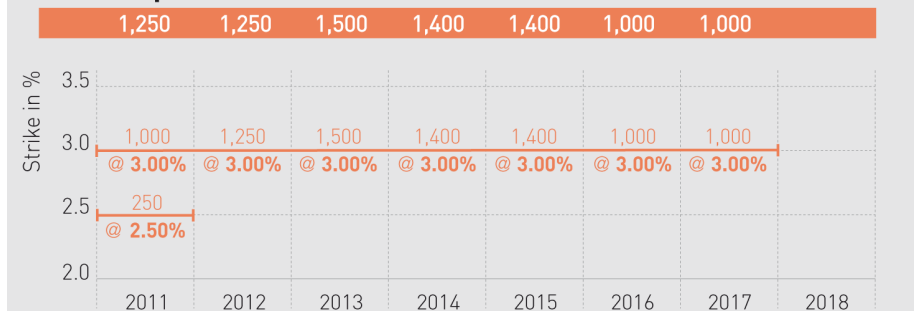


Appendix : interest rate hedging positions at 31.01.2011

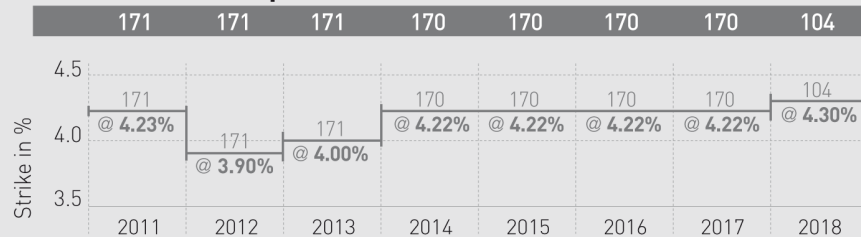
CAP options bought (in € million)



FLOOR options sold (in € million)



Interest Rate Swaps* (in € million)



* average of various IRS with different strikes and assuming that IRS cancellable by anticipation at the option of the bank are active under final maturity



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.

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