

**REGULATED INFORMATION**

EMBARGO UNTIL 29.03.2011 – 5:40PM

- ☞ Acquisition of the public limited company *Hemera*, owner of the nursing home **De Nieuwe Seigneurie**, for €7.33 million
- ☞ Disposal of the **Da Vinci** office block and the **Ledeberg 438** commercial building for a combined gross total of €33.23 million
- ☞ Minutes of the Extraordinary General Meeting of Shareholders of 29.03.2011

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Brussels, 29.03.2011, 5:40PM CET

Acquisition of the public limited company *Hemera*, owner of the nursing home **De Nieuwe Seigneurie**



Cofinimmo announces the acquisition of all the shares of Hemera SA, owner of the nursing home **De Nieuwe Seigneurie**, located at Hovenierstraat 15, Rumbeke (Roeselaere). This newly constructed nursing home, with a total lettable area of 3,460m<sup>2</sup>, comprises 75 beds. It has been valued at €7.33 million, in line with the investment value assigned to it by the independent real estate expert. It will provide a gross rental yield of 6.71% in double net equivalent<sup>1</sup>.

The nursing home will be operated by a subsidiary of the Senior Assist Group, with which Cofinimmo has concluded a 27-year long lease. This triple net lease foresees that all the costs, including those relating to the structure of the building, are payable by the operator.

Through this operation, Cofinimmo strengthens its cooperation with Senior Assist, an operator with whom it is working since 2007.

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<sup>1</sup> The yield in double net equivalent allows comparison with the yields on offices.

### Disposal of the Da Vinci office block and the Ledeborg 438 commercial building

Under the disposal programme announced at the time of the publication of its 2010 annual results on 11.02.2011, Cofinimmo announces the disposal of 2 properties for a gross total of €33.23 million, generating a gross gain, compared to the last investment values determined by the independent expert, totalling €4.12 million or €0.28 per share. These proceeds will be reinvested under the company's investment programme which amounts to €98 million for 2011 (also see press release of 11.02.2011). These disposals are in line with the company's arbitrage strategy.

The properties sold are:

1. the **Da Vinci** office block, located at Avenue de Cortenbergh 107 in Brussels, in the Leopold District, totalling 7,435m<sup>2</sup> and acquired by the Compagnie de Manutention Groupe (CdMG);
2. the **Ledeborg 438** commercial building, located at Brusselsesteenweg 438 in Ghent, with an area of 4,234m<sup>2</sup> and rented to the Delhaize Group which exercised the purchase option provided for in its lease.

### Minutes of the Extraordinary General Meeting of Shareholders of 29.03.2011

The Extraordinary General Meeting of Shareholders of 29.03.2011, chaired by Mr André Dirckx, has approved the amendments to the articles of association as proposed in the agenda. This document is available on the company's website ([www.cofinimmo.com](http://www.cofinimmo.com)). The adaptations made meet 4 main objectives:

1. Bringing the articles of association into compliance with the new Royal Decree on Sicafis of 07.12.2010

Apart from the insertion of the references and legal notices required by the new Royal Decree on Sicafis of 07.12.2010, the Extraordinary General Meeting has adopted the following main amendments with a view to compliance with this Royal Decree:

- the possibility to invest in financial lease projects within the meaning of the IFRS, without the obligation to hold a right in rem;
- the possibility to convert into institutional Sicafis subsidiaries controlled by the company;
- the possibility to limit or abolish the preference right of existing shareholders in case of capital increases in cash, provided that this preference right is replaced by a priority allocation right which existing shareholders can exercise during a minimum 3-day period;
- the possibility to issue convertible bonds, under the same condition;
- the definition of more flexible rules regarding non-cash in kind contributions to capital.

2. Bringing the articles of association into compliance with the Law of 25.11.2010

The Law of 25.11.2010, which did not yet come into force, introduces a certain number of changes concerning the admission to General Meetings. In this context, the Extraordinary General Meeting has adopted the following amendments:

- the replacement of the system of deposit of shares by a system of registration of shares in the name of the shareholder on the fourteenth day preceding the General Meeting;
- the redefinition of the conditions for voting by correspondence and by proxy.

3. Renewal of certain authorisations conferred to the Board of Directors

The Extraordinary General Meeting of 29.03.2011 has decided to replace the authorisation given to the Board of Directors by the Extraordinary General Meeting of 21.01.2008 (i.e. an authorised capital of €640,000,000.00, of which the balance available is currently €595,382,016.98) by a new authorisation to increase the share capital of the company by application of Articles 603 and following of the Company Code, in one or more instalments, up to a maximum amount of €799,000,000.00. This authorisation is conferred for a period of 5 years from the date of publication of the minutes of this Meeting.

The Extraordinary General Meeting has also adopted the proposal to renew, for a period of 3 years from the date of publication of the minutes of this Meeting, the authorisation given to the Board of Directors to acquire, accept as security and transfer on behalf of Cofinimmo the own shares of the company without a prior decision by the General Meeting, where this acquisition, acceptance as security or transfer is necessary to prevent serious and imminent harm to the company.

Finally, it has accepted the proposal to increase the maximum amount of the distribution under the profit-sharing scheme from 0.65% to 1.00% of the profit for the financial year. The new authorisation is conferred for a period of 5 years from 01.01.2012. The current authorisation, conferred during the Extraordinary General Meeting of 27.04.2007, remains in force until 01.01.2012.

4. Reduction of the non-distributable “Share premium account” reserve for the purpose of increasing the reserves available for any distribution

The Extraordinary General Meeting has accepted the proposal to reduce the non-distributable “Share premium account” reserve by transfer to the “Result carried forward of previous years” of an amount of €214,087,000.00.

As a reminder, the reason for this transfer is that Cofinimmo has, on its mergers by absorption of other companies since 2004 and up to 2010, transferred not only the capital and share premium account of the absorbed companies to the corresponding shareholders’ equity items (“Capital” and “Share premium account”) of the absorber Cofinimmo, but also the gains made at this time by the absorbed companies, by recording them in the item “Share premium account”. The advantage of this accounting method was that it kept the Cofinimmo share’s par value unchanged. A more classic accounting method for mergers (applied up to 2003), would have been to allocate the balance sheet items of the absorbed companies to the same balance sheet items of Cofinimmo, the absorber, and thus to credit the realised gains to the result carried forward of previous years. Looking back, the method followed since 2004 has raised the minimum threshold below which, by virtue of Article 617 of the Company Code (and its interpretation in the new Royal Decree on Sicafis), a dividend distribution cannot lower the net asset value. The reduction of the non-distributable reserve “Share premium account” was proposed within this context.

Cofinimmo SA carried out these reclassifications in its statutory shareholders’ equity in order to guarantee the dividend distribution. Indeed, immediately after the proposed remuneration of the capital for the financial year 2010, i.e. €96.45 million, the total amount of the reserves and the result of Cofinimmo SA will be negative at €-31.35 million whereas the remaining distributable amount in accordance to the provision defined by Article 617 of the Company Code will reach €+95.17 million. The abovementioned €214.09 million will thus be added by virtue of this Meeting’s decision to these €95.17 million.

This item transfer will be operated within a time laps of minimum 2 months after the decision of this Meeting, which decided according to the conditions of a capital decrease provided for in Article 613 of the Company Code.

As a reminder, in 2010 the consolidated net current result (Group share) stood at €105.4 million and the consolidated net result (Group share) at €83.8 million. The proposed pay-out ratio on this consolidated net current result (IAS 39 excluded) corresponds to 81% (compared to 87% for 2009).

#### Publication of the 2010 Annual Financial Report

On 31.03.2011, after stock market, Cofinimmo will publish its **Annual Financial Report 2010** on the company's website ([www.cofinimmo.com](http://www.cofinimmo.com)) under the heading «Investor Relations & Media/Reports and Publications/Annual Financial Reports».

This Report, which is approved as a registered document by the Banking, Finance and Insurance Commission, gives an overview of the events and results of the year 2010 as well as a forecast for the year 2011. It also includes an important chapter on Corporate Social Responsibility.

A paper copy can be obtained as from mid-April on simple request ([info@cofinimmo.be](mailto:info@cofinimmo.be)) or at the registered offices.



Press  
release

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**About Cofinimmo**

Cofinimmo is the foremost listed Belgian real estate company specialising in rental property. The company owns a property portfolio worth over €3 billion, representing a total area of 1,700,000m<sup>2</sup>. Its main investment segments are office property and care homes. Cofinimmo is an independent company, which manages its properties in-house. It is listed on Euronext Brussels (BEL20) and benefits from the Belgian fiscal Sicafi regime and the French SIIC regime. At 31.12.2010, its total market capitalisation stood at €1.5 billion.

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

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