

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

2016 Half-Year Financial Report

Financial results in line with forecasts for the 2016 financial year

- Net current result (excluding IAS 39 impact) - Group share: 2.86 EUR per share (compared to 3.35 EUR at 30.06.2015) – Impact of some non-recurrent elements (-0.25 EUR/share) and the increase in the number of shares entitled to share in the results (-0.35 EUR/share)
- Result on the portfolio: 0.58 EUR per share (compared to -0.38 EUR at 30.06.2015)
- Net result - Group share: 1.65 EUR per share (compared to 3.04 EUR at 30.06.2015)
- Forecast confirmation of the net current result (excluding IAS 39 impact) – Group share for the 2016 financial year : 6.19 EUR per share
- Confirmation of the gross dividend forecast for the 2016 financial year, payable in 2017: 5.50 EUR per ordinary share

Strong operating performances:

- Stable occupancy rate: 94.9 %
- Particularly long residual lease length: 10.2 years
- Gross rental revenues up by 0.2 % over the past 12 months (+0.5 % on a like-for-like basis)
- Portfolio value up by 3.2 % over the past six months (+0.4 % on a like-for-like basis)
- Resilient EPRA Net Asset Value: 94.61 EUR per share (93.34 EUR at 31.12.2015)

Continuation of the investment programme:

- Acquisition of an office building in Brussels for 31 million EUR
- Acquisition of two healthcare assets in Germany for 39 million EUR¹
- Signature of an agreement for the renovation and extension of three healthcare assets in Belgium and France for 16 million EUR
- Investments realised since the May 2015 capital increase: 171 million EUR, of which 120 million EUR in healthcare real estate and 47 million EUR in office buildings
- Committed investment pipeline for the 01.07.2016 – 31.12.2018 period: 308 million EUR, of which 117 million EUR in healthcare real estate and 179 million EUR in office buildings

Conditional sale of the Souverain/Vorst 25 office building (Decentralised Brussels)

- Ownership transfer at the earliest at the departure of the current tenant AXA (August 2017), and subject to obtaining the necessary permits and authorisations from the public authorities
- Reconversion by Cofinimmo of the neighbouring Souverain/Vorst 23 building into residential units

¹ This includes an acquisition agreement for the Calau nursing home in Brandenburg for 9 million EUR, which occurred after 30.06.2016 and is subject to administrative conditions precedent.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Table of contents

1. Interim management report	p. 3
1.1. Summary of activities	p. 3
1.2. Consolidated key figures	p. 4
1.3. Evolution of the portfolio	p. 6
1.4. Financial resources management	p. 11
1.5. Commercial results	p. 15
1.6. Real estate assets	p. 18
1.7. 2016-2018 investment programme	p. 20
1.8. Information on shares and bonds	p. 22
1.9. Corporate Governance	p. 26
1.10. Sustainable development and management policy	p. 27
1.11. Risk management	p. 29
1.12. Events after 30.06.2016	p. 32
2. Summary Financial Statements	p. 33
2.1. Consolidated global result – Royal Decree of 13.07.2014 form	p. 34
2.2. Consolidated income statement – Analytical form	p. 36
2.3. Consolidated balance sheet	p. 39
2.4. Calculation of the consolidated debt ratio	p. 40
2.5. Cash flow statement	p. 41
2.6. Consolidated statement of changes in shareholders' equity	p. 42
2.7. Notes to the consolidated accounts	p. 45
3. Statement of compliance	p. 64
4. Appendices	p. 66
4.1. Real estate experts' report	
4.2. Statutory auditor's report	

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1. Interim management report

1.1. Summary of activities

The first six months of 2016 saw the completion of a number of investments by the Cofinimmo Group in its two main business areas. The half-year realisations concern the acquisition the Kaiser Karl rehabilitation clinic in Bonn (Germany) and the Arts/Kunst 46 office building in Brussels. In addition, the Group signed an acquisition agreement for the Calau nursing home in Brandenburg (Germany)¹ in July. The amount of investments realised since the May 2015 capital increase thus rose to 171 million EUR, of which 120 million EUR in healthcare real estate and 47 million EUR in offices.

In addition, the future of the Souverain/Vorst 23-25 site in Brussels after the departure of the current tenant AXA (planned for August 2017) has been actively worked on: a conditional sales agreement has been reached for the main building Souverain/Vorst 25, and the neighbouring Souverain/Vorst 23 building will be converted into residential units. The adjacent Tenreuken plot of land will also be used for housing, for which the permit application is pending.

The net current result (excluding IAS 39 impact) – Group share was 60.0 million EUR at 30.06.2016, compared to 63.0 million EUR at 30.06.2015. This difference is mainly due to a different breakdown of certain costs over the year and to certain non-recurrent charges, more specifically expenses related to various investment cases. Per share, the figures were 2.86 EUR at 30.06.2016 and 3.35 EUR at 30.06.2015, due to the fact that the number of shares entitled to share in the result of the period evolved from 18,783,949 to 20,984,249 between these two dates. The net result was 34.6 million EUR at 30.06.2016, compared to 57.1 million EUR at 30.06.2015, that is, 1.65 EUR per share at 30.06.2016 and 3.04 EUR per share at 30.06.2015.

Given these results and the non-recurrent nature of some charges booked during the first half-year, and taking into account a committed investment pipeline of 308 million EUR for the 01.07.2016 – 31.12.2018 period, the Cofinimmo Group confirms its 2016 financial year forecast of a net current result (excluding IAS 39 impact) – Group share of 6.19 EUR per share and a gross dividend of 5.50 EUR per ordinary share.

¹ Acquisition subject to administrative conditions precedent.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.2. Consolidated key figures

Global figures

(in million EUR)	30.06.2016	31.12.2015
Investment property portfolio (in fair value)	3,234.4	3,134.4
(in thousand EUR)	30.06.2016	30.06.2015
Property result	101,961	101,199
Operating result before result on the portfolio	79,833	86,273
Financial result (excluding IAS 39 impact)	-14,940	-18,522
IAS 39 impact	-37,482	1,418
Net current result - Group share	22,493	64,149
Result on the portfolio - Group share	12,113	-7,082
Net result - Group share	34,605	57,066
	30.06.2016	31.12.2015
Operating expenses/average value of the portfolio under management ¹	1.26 %	0.93 %
Operating margin	79.9 %	84.0 %
Weighted residual lease term ² (in years)	10.2	10.5
Occupancy rate ³	94.9 %	94.9 %
Gross rental yield at 100 % occupancy	7.0 %	6.9 %
Net rental yield at 100 % occupancy	6.3 %	6.4 %
Debt ratio ⁴	42.1 %	38.6 %
Average cost of debt ⁵	2.7 %	2.9 %
Average debt maturity (in years)	4.6	5.3

Data per share⁶

(in EUR)	30.06.2016	30.06.2015
Net current result (excluding IAS 39 impact) - Group share	2.86	3.35
IAS 39 impact	-1.79	0.07
Net current result - Group share	1.07	3.42
Result on the portfolio - Group share	0.58	-0.38
Net result - Group share	1.65	3.04

¹ Average value of the portfolio plus the value of sold receivables relating to buildings which maintenance costs payable by the owner are still met by the Group through total cover insurance premiums.

² Until the date of the tenant's first break option.

³ Calculated based on real rents and, for vacant space, the rental value estimated by independent real estate experts.

⁴ Legal ratio calculated in accordance with the legislation on RREC such as financial and other debts divided by total assets.

⁵ Including bank margins.

⁶ Ordinary and preference shares.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Net Asset Value per share (in EUR)	30.06.2016	31.12.2015
Revalued Net Asset Value per share in fair value ¹ after dividend distribution for the 2015 financial year	85.18	83.39
Net Asset Value per share in investment value ² after dividend distribution for the 2015 financial year	89.01	86.97

Diluted Net Asset Value per share (in EUR)	30.06.2016	31.12.2015
Diluted Net Asset Value per share in fair value ¹ after dividend distribution for financial year 2015	85.01 ³	83.23 ⁴
The diluted Net Asset Value per share in investment value ² after dividend distribution for financial year 2015	88.83 ³	86.80 ⁴

EPRA⁵ performance indicators

(in EUR per share)	30.06.2016	30.06.2015
EPRA earnings	2.86	3.35
EPRA diluted earnings	2.84 ⁶	3.35 ⁷
(in EUR per share)	30.06.2016	31.12.2015
EPRA Net Asset Value (NAV)	94.61 ⁸	93.34 ⁹
EPRA Adjusted Net Asset Value (NNNAV)	90.96 ⁸	90.93 ⁹
(in %)	30.06.2016	31.12.2015
EPRA Net Initial Yield (NIY)	6.0 %	6.0 %
EPRA 'topped-up' NIY	6.0 %	5.9 %
EPRA vacancy rate	4.9 %	5.2 %
EPRA cost ratio (direct vacancy costs included)	24.7 %	20.1 %
EPRA cost ratio (direct vacancy costs excluded)	21.9 %	17.7 %

¹ Fair value: after deduction of costs (primarily transaction costs) from the value of the investment properties.

² Investment value: before deduction of transaction costs.

³ In accordance with applicable IAS/IFRS standards, the Mandatory Convertible Bonds (MCB) issued in 2011 and the convertible bonds issued in 2013 were not taken into account in calculating the diluted revalued net asset value per share at 30.06.2016 because they would have had an accretive effect.

⁴ In accordance with applicable IAS/IFRS standards, the MCB's issued in 2011 and the convertible bonds issued in 2011 and 2013 were not taken into account in calculating the diluted revalued net asset value per share at 31.12.2015 because they would have had an accretive effect.

⁵ European Public Real Estate Association. Data not required by RREC legislation and not subject to audit by the regulator. The Auditor has verified that the 'EPRA (diluted) earnings' and 'EPRA (NN)NAV' ratios were calculated in accordance with the definitions of the 'EPRA Best Practices Recommendations' and that the financial data used to calculate the ratios match the accounting data provided in the audited consolidated financial statements.

⁶ In accordance with 'EPRA Best Practice Recommendations', given that the MCB's issued in 2011 were 'out-of-the-money' at 30.06.2016, they were not taken into account for the EPRA diluted earnings calculation on that date.

⁷ In accordance with 'EPRA Best Practice Recommendations', given that the MCB's issued in 2011 and the convertible bonds issued in 2011 and 2013 were 'out-of-the-money' at 30.06.2015, they were not taken into account for the EPRA diluted earnings calculation on that date.

⁸ In accordance with 'EPRA Best Practice Recommendations', given that the MCB's issued in 2011 were 'out-of-the-money' at 30.06.2016, they were not taken into account for the EPRA NAV or the EPRA NNNAV calculation on that date.

⁹ In accordance with 'EPRA Best Practice Recommendations', given that the MCB's issued in 2011 and the convertible bonds issued in 2011 and 2013 were 'out-of-the-money' at 31.12.2015, they were not taken into account for the EPRA NAV or the EPRA NNNAV calculation on that date.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.3. Evolution of the portfolio

Healthcare real estate:

- **Investments made during the first half-year of 2016: 44.3 million EUR**
- **Healthcare real estate portfolio at 30.06.2016: 1,419.3 million EUR**

Main transactions:

- **Acquisition of a rehabilitation clinic in Bonn (Germany)**

On 01.03.2016, the Cofinimmo Group became the owner of the Kaiser Karl rehabilitation clinic in Bonn after all conditions precedent of the agreement signed in December 2015 with the seller were met. The 15,500 m² facility built in 1996 and expanded in 2013 specialises primarily in orthopaedics. It has 150 beds, a swimming pool, spas, a restaurant and underground parking spaces.

The Cofinimmo Group purchased the asset for 30.0 million EUR¹ and leases it to a subsidiary of the German operating group Eifelhöhen-Klinik AG under a 'double net' lease for 25 years. The rent will be indexed every three years, upwards only. The initial gross rental yield is 7.32 %.

- **Acquisition of a healthcare centre for the elderly under construction in Bavel (the Netherlands)**

On 12.05.2016, the Cofinimmo Group purchased a care centre for elderly people with dementia, currently under construction, at Bavel. The project is one of five development projects for which Cofinimmo signed an agreement with Green Real Estate in December 2014².

The acquisition price for the land and the construction budget total 3.4 million EUR. The future facility will provide 22 rooms on 2,140 m² and will be operated by the Dutch operator Martha Flora. On completion of the work, expected in early 2017, Cofinimmo will sign a 'double net' lease for 20 years with Martha Flora. The rent will be indexed annually based on the consumer price index. The expected initial gross rental yield is 7.9 %.

- **Signature of an agreement for the renovation and extension of three healthcare assets in Belgium and France**

During the first half-year of 2016, Cofinimmo signed agreements for renovation and extension work on two nursing and care homes in Belgium and a rehabilitation clinic (called 'clinique de Soins de Suite et de Réadaptation – SSR') in France for a total amount of 16.0 million EUR.

When work is completed, Cofinimmo will sign long-term leases with the operators of the facilities. There will be two 'triple net' leases of 20 and 27 years, respectively, in Belgium and a 12-year 'double net' lease in France. Rents will be indexed annually. The initial gross rental yield is between 6.25 % and 6.5 %.

¹ Acquisition fees (registration rights, etc.) of 2.5 million EUR included.

² See our press release of 17.12.2014, available on our website.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Building	Operator	Type of work	Number of (additional) beds	(Additional) area	(Estimated) work completion
Belgium					
De Nootelaer - Keerbergen	Senior Living Group	Renovation and extension	+ 2	+ 500 m ²	Q1 2018
Zonnewende - Aartselaar	Senior Living Group	Renovation and extension	+ 13 service flats	+ 3,500 m ²	Q2 2018
France					
Domaine de Vontes – Esvres-sur-Indre	Inicéa	Renovation and extension	+ 60	+ 2,214 m ²	Q4 2018

- **Completion of extension work of the Millegem nursing and care home in Ranst (Belgium)**

The extension works on the Millegem nursing and care home in Ranst were accepted in May 2016. The total budget for the work was 2.7 million EUR. The facility now has an additional 29 beds on a newly built area of 1,440 m². The extension is covered by a 'triple net' lease for a period of 27 years signed by Cofinimmo and the operator Armonéa. The initial gross rental yield is between 6.0 % and 6.5 %.



Kaiser Karl rehabilitation clinic – Bonn (DE)



De Nootelaer nursing home – Keerbergen (BE)

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Offices:

- **Renegotiations and new leases signed during the first half-year of 2016: 11,500 m²**
- **Investments made during the first half-year of 2016: 40.1 million EUR**
- **Office real estate portfolio at 30.06.2016: 1,245.7 million EUR**

Main transactions:

- **Conditional sale of the Souverain/Vorst 25 office building (Decentralised Brussels)**

On 21.04.2016, Cofinimmo signed an agreement with a foreign state for the sale of the Souverain/Vorst 25 office building located at 1170 Watermael-Boitsfort. The sale will be completed when the permits and authorisations required for the redevelopment of the site have been granted by the competent authorities and, at the earliest, on 02.08.2017, the date on which the lease contract of the current tenant (AXA Group) expires.

Cofinimmo will retain ownership of the neighbouring Souverain/Vorst 23 building and intends to convert this part of the complex to residential flats. The Tenreuken plot of land next to the AXA site will also be used for housing. The permit application is in progress.

- **Acquisition of the Arts/Kunst 46 office building (Brussels CBD)**

On 26.05.2016, Cofinimmo purchased the office building located at the corner of Avenue des Arts/Kunstlaan and Rue Belliard/Belliardstraat, at the heart of the European District in Brussels, and adjacent to the building at n° 47-49 Avenue des Arts/Kunstlaan, which it already owns. The building has 11,516 m² of office space, 921 m² of archive space and 128 underground parking spaces. It is currently 83 % occupied by several tenants. The Arts/Kunst 47-49 building, which has 6,915 m² of rental space, is fully occupied.

The property was acquired for 31 million EUR, an amount in line with the investment value assigned to it by the independent real estate expert. Its initial gross rental yield is 6.2 % and could increase to 7.5 % if fully occupied.

- **Completion of marketing for the Guimard 10-12 office building (Brussels CBD)**

In early 2016, Cofinimmo signed a lease for the balance of unoccupied space (10 %) in the Guimard 10-12 office building (Brussels CBD). The building is now 100 % occupied.

As a reminder, following the departure of the European Commission in the fall of 2014, the building underwent significant renovation work, including the addition of a new two-story entrance hall, renewal of the inside facilities, complete insulation of the walls and roof and the upgrade of the technical equipment to current standards. The budget for the work was 14.8 million EUR and it was finalised during the third quarter of 2015.

- Overall, new leases were signed and existing leases renegotiated for 11,500 m² of office space during the first half-year of 2016. The main transactions involved The Gradient (formerly Tervuren 270-272), Garden Square, Cockx 8-10 (Omega Court) and Guimard 10-12 buildings.
- **Completion of renovation work for the Souverain/Vorst 24 office building (Decentralised Brussels)**
Cofinimmo finalised the renovation work on the Souverain/Vorst 24 office building during the first half-year of 2016. This included replacement of the technical equipment, renovation of common areas (entrance hall, kitchenettes, bathrooms), creation of a meeting area with mezzanine, renovation and upgrade of the office space layout on the upper floors with the implementation of a loft concept for

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

some, upgrading of the areas around the building, notably to facilitate access by people with reduced mobility. The total budget for the work was 1.9 million EUR. The space is currently being marketed.



Arts/Kunst 46 office building – Brussels (BE)



Souverain/Vorst 24 office building – Brussels (BE)

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Property of distribution networks:

- **Investments made during the first half-year of 2016: 0.4 million EUR**
- **Divestments made during the first half-year of 2016: 3.1 million EUR**
- **Property of distribution networks portfolio at 30.06.2016: 542.2 million EUR**

Main transactions:

Sale of 13 cafés/restaurants from the Pubstone portfolio

During the first half of 2016, the Cofinimmo Group sold 13 cafés/restaurants from the Pubstone portfolio for a total of 3.1 million EUR. An average gain of 51.4 % was realised on the sales, compared to the investment value of the assets on 31.12.2015.

As a reminder, the lease between the Cofinimmo Group and AB InBev for the Pubstone portfolio includes the right for the tenant to leave up to 1.75 % of the cafés/restaurants in the portfolio annually starting from the seventh year of the lease (that is, starting in November 2013). The brewing group has terminated 41 café/restaurant leases since the end of 2013. Of these 41 cafés/restaurants, 31 have already been sold.

Since the acquisition of the Pubstone portfolio at the end of 2007, 56 of the 1,068 cafés/restaurants have been sold. The average gain on these sales was 28.9 % compared to the last investment value of the assets determined by the independent real estate expert.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.4. Financial resources management

1.4.1. Financing

Main transactions during the first half-year of 2016:

- **Issue of 20 million EUR in commercial papers**, in two placements:
 - One placement of 10 million EUR for 10.5 years at a fixed rate of 2.15 %;
 - A second placement of 10 million EUR for 10 years with a floating rate of Euribor 3 months + 148 bps.
- **Renewal of a 100 million EUR credit line** for seven years.
- **Conclusion of two call options** to cover a potential exchange risk in a real estate transaction.
- **Repurchase in the market of 152,630 convertible bonds** maturing in June 2018. The repurchased bonds are deducted from the debt.

1.4.2. Debt

Debt structure

At 30.06.2016, Cofinimmo Group's consolidated financial debt was 1,406.2 million EUR. It consisted of:

- 379.4 million EUR in three non-convertible bonds:

Issuing company	Nominal amount (in million EUR)	Issue price	Coupon	Issue date	Maturity date
Cofinimmo SA/NV	140.0	100 %	3.598 %	26.07.2012	07.02.2020
Cofinimmo SA/NV	50.0	100 %	2.78 %	23.10.2013	23.10.2017
Cofinimmo SA/NV	190.0	100 %	1.929 %	25.03.2015	25.03.2022

- 197.3 million EUR in bonds convertible into Cofinimmo shares:

Issuing company	Nominal amount (in million EUR)	Issue price	Conversion price	Coupon	Issue date	Maturity date
Cofinimmo SA/NV	174.3	100 %	97.905 EUR	2.00 %	20.06.2013	20.06.2018

These convertible bonds are valued at market value on the balance sheet.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

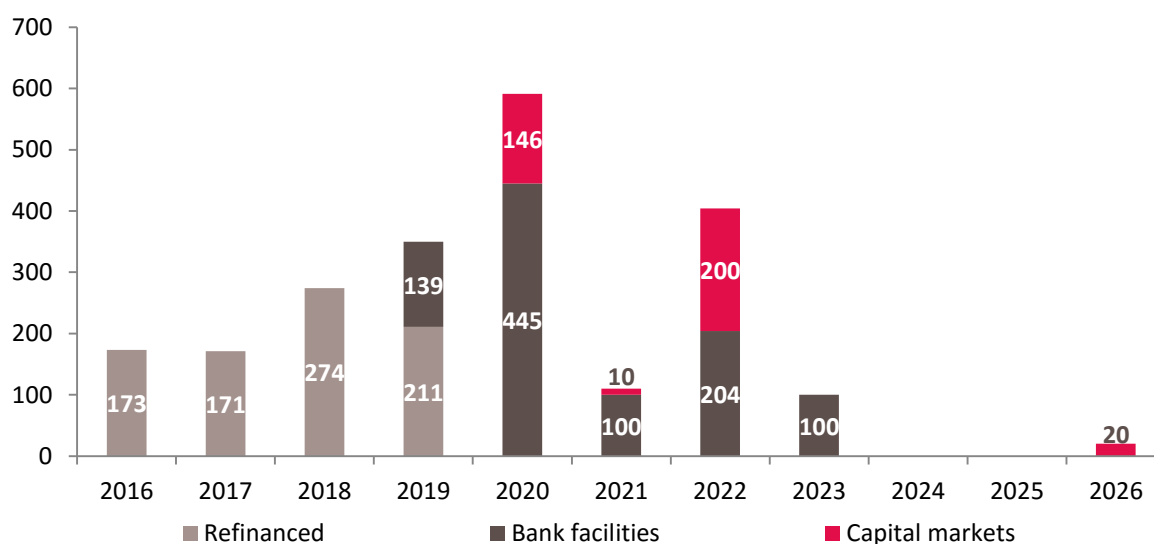
- 336.5 million EUR in commercial papers, of which 290.5 million EUR with an initial duration of less than one year and 46.0 million EUR with an initial duration greater than three years;
- 483.0 million EUR in medium- and long-term bilateral and syndicated bank loans with an initial duration of five to ten years, contracted with ten banks;
- 3.4 million EUR corresponding to the discounted value of the minimum coupon of the Mandatory Convertible Bonds issued by Cofinimur I in December 2011;
- 6.6 million EUR in other loans and advances (primarily account debits and rental guarantees received).

At 30.06.2016, Cofinimmo's consolidated current financial debts amounted to 312.0 million EUR, of which:

- 290.5 million EUR in commercial papers of less than one year;
- 21.0 million EUR for drawdowns on credit lines;
- 0.5 million EUR in other loans (primarily account debits).

The total current financial debt of 312.0 million EUR is fully covered by the undrawn position of long-term confirmed credit lines totalling 930.0 million EUR at 30.06.2016.

Repayment schedule of long-term financial commitments¹ (in million EUR)



¹ The schedule includes the capital of financial commitments and excludes interest payments (generally on a monthly or quarterly basis).

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

The maturities of the long-term financial commitments are spread over the period ending in 2022. Debt maturing in 2016, 2017 and 2018 is entirely refinanced as is 60 % of that maturing in 2019.

Debt maturity

The average maturity of Cofinimmo's debt (excluding short-term maturities for commercial papers which are entirely covered by tranches available under long-term credit lines) decreased from 5.3 years at 31.12.2015 to 4.6 years at 30.06.2016.

Cost of debt

The average cost of Cofinimmo's debt, including bank margins, was 2.7 % for the first half-year of 2016, compared to 2.9 % in 2015.

Consolidated debt ratios

Cofinimmo met all financial debt ratio limits at 30.06.2016. Cofinimmo's regulatory debt ratio¹ was 42.1 % (compared to 38.6 % at 31.12.2015). Note that the legal limit for RRECs is 65 %.

The Loan-to-Value financial debt ratio² was 40.9 % at 30.06.2015.

When Cofinimmo's credit agreements refer to a debt limit, they mean the regulatory ratio and cap it at 60 %.

¹ Legal ratio calculated according to RREC legislation: Financial and other debts/Total assets.

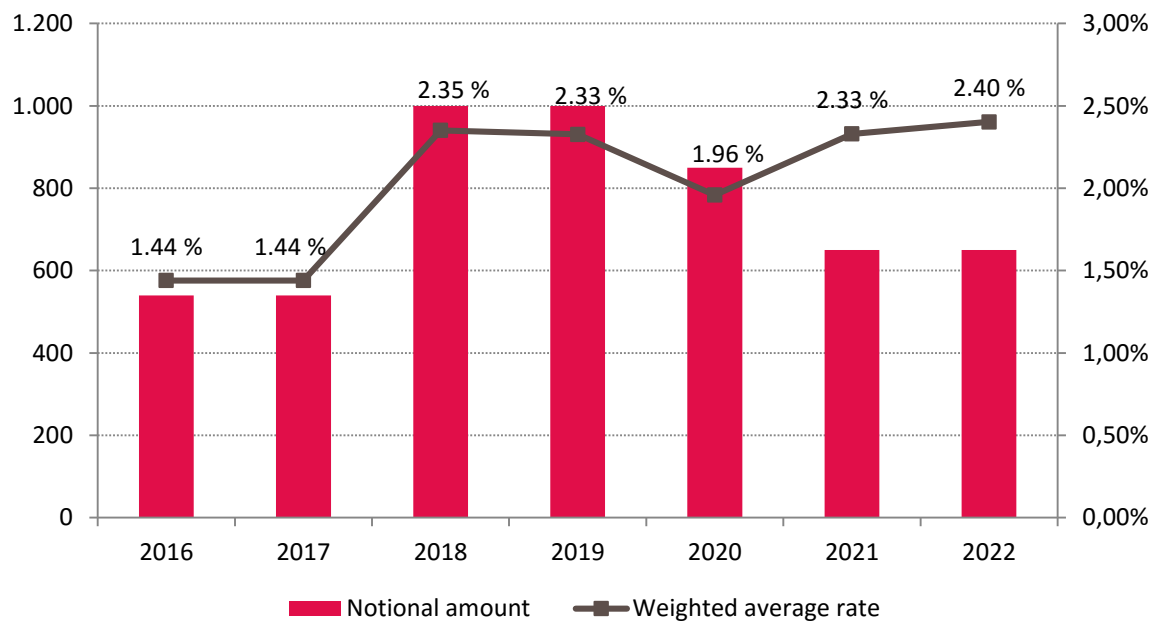
² Ratio defined as: Net financial debts/Fair value of assets and finance lease receivables.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.4.3. Interest rate hedging

Interest rate risk hedging for future years (in million EUR)



At a constant debt ratio, the interest rate risk is covered at over 75 % through mid-2020.

1.4.4. Financial rating

The S&P rating agency confirmed Cofinimmo's rating at the end of March 2016: BBB for the long term (stable outlook) and A-2 for the short term. The liquidity of the Group was rated as strong, based on the significant availabilities on credit lines.

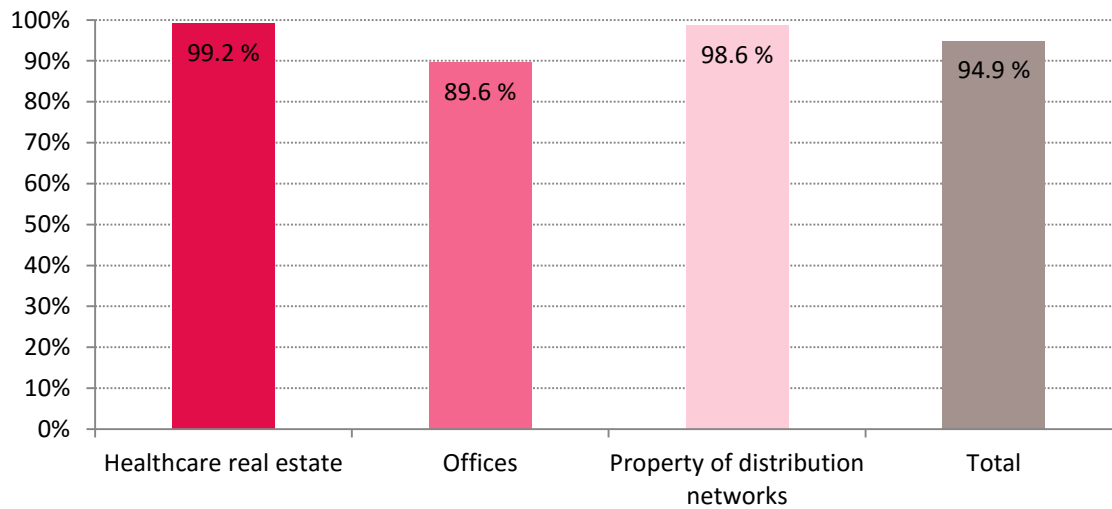
REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.5. Commercial results

1.5.1. Occupancy rate (calculated based on rental revenues)

Calculated based on actual rents and, for vacant space, on the rental values estimated by independent real estate experts.



1.5.2. Main tenants

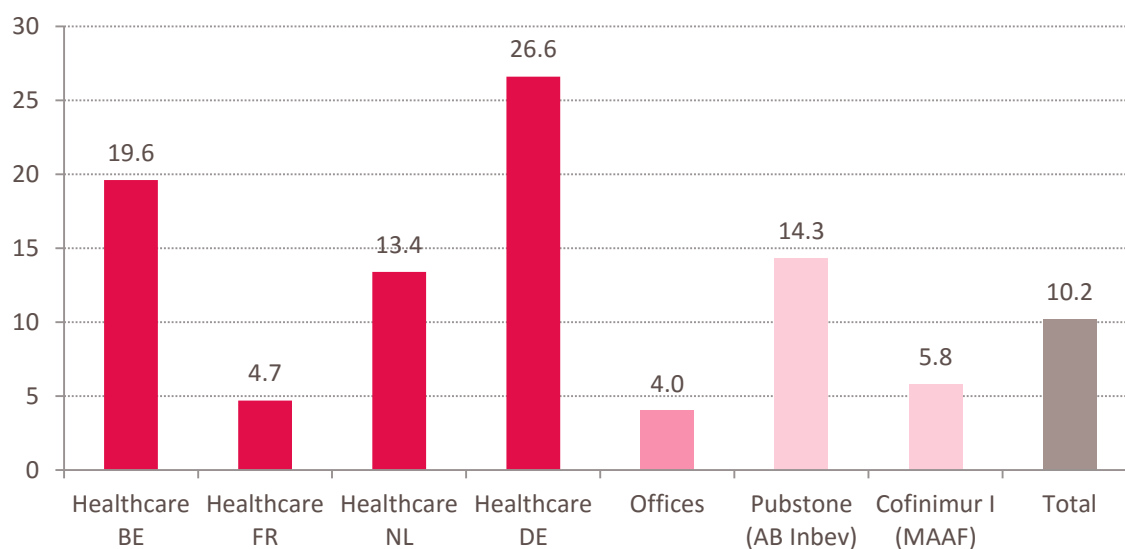
Tenants	Contractual rents	Average residual lease length (in years)
Korian - Medica	15.5 %	11.8
AB InBev	13.7 %	14.3
Armonea	10.9 %	20.5
Belgian public sector	6.1 %	11.6
AXA Group	5.4 %	1.1
Top 5 tenants	51.6 %	13.2
ORPEA	4.2 %	10.0
International public sector	3.7 %	4.8
MAAF	3.6 %	5.8
Aspria	3.1 %	21.9
IBM Belgium	2.0 %	1.9
Top 10 tenants	68.2 %	12.2
Top 20 tenants	77.3 %	11.6
Other tenants	22.7 %	5.3
TOTAL	100 %	10.2

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.5.3. Average residual lease length

In years, until the date of the tenant's first break option:



If no break option is exercised, that is, if all tenants keep their current space until the contractual end of the leases, the average residual lease length would be 11.1 years.

1.5.4. Portfolio maturity

Leases > 9 years	47.4 %
Healthcare real estate	28.4 %
Offices (public sector)	4.0 %
Offices (private sector)	0.5 %
Property of distribution networks - Pubstone	13.7 %
Other	0.8 %
Leases 6-9 years	8.0 %
Healthcare real estate	2.8 %
Offices	3.1 %
Property of distribution networks - Cofinimur I	2.1 %
Leases < 6 years	44.6 %
Healthcare real estate	9.3 %
Offices	33.8 %
Property of distribution networks - Cofinimur I	1.5 %

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.5.5. Change in gross rental revenues on a like-for-like basis

	Gross rental revenues at 30.06.2016 (in thousand EUR)	Gross rental revenues at 30.06.2015 (in thousand EUR)	Change	Like-for-like change
Healthcare real estate BE	24,199	26,669	-9.3 %	+1.3 %
Healthcare real estate DE	3,153	690	+357.0 %	+0.9 %
Healthcare real estate FR	12,622	12,446	+1.4 %	+0.0 %
Healthcare real estate NL	3,549	3,131	+13.4 %	+0.7 %
Offices	38,293	38,669	-1.0 %	+0.2 %
Property of distribution networks	18,824	18,870	-0.2 %	+0.1 %
Other	1,030	1,018	+1.2 %	+1.2 %
TOTAL PORTFOLIO	101,670	101,493	+0.2 %	+0.5 %

On a like-for-like basis, the level of rents increased by 0.5 % over the past 12 months: the negative impact of departures (-1.8 %) and renegotiations (-0.3 %) was compensated by the positive effect of lease indexation (+1.1 %) and new leases (+1.5 %).

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.6. Real estate assets

CHANGES IN THE OVERALL PORTFOLIO		
<i>Excerpt from the report of independent real estate experts Cushman & Wakefield, Jones Lang LaSalle and PricewaterhouseCoopers based on investment value</i>		
(in million EUR)	30.06.2016	31.12.2015
Investment value of the entire portfolio	3,367.8	3,262.3
Projects and land reserve	-74.1	-63.1
Total properties under management	3,293.7	3,199.2
Contractual rents	217.4	210.1
Gross yield on properties under management	6.6 %	6.6 %
Contractual rents + Estimated rental value of vacant buildings on the valuation date	229.1	221.4
Gross yield at 100 % occupancy	7.0 %	6.9 %
Occupancy rate of properties under management¹	94.9 %	94.9 %

At 30.06.2016, the 'Projects and land reserve' item primarily included the Belliard 40 office building and healthcare real estate construction and extension projects, the most important of which are in Brussels (Woluwe 106-108), Heerlen (the Netherlands), Breda (the Netherlands) and Néville (France).

Buildings	Area in superstructure (in m²)	Contractual rents (in thousand EUR)	Occupancy rate	Rents + ERV for vacant space (in thousand EUR)	Estimated Rental Value (ERV) (in thousand EUR)
Offices	508,914	77,958	88.2 %	88,374	84,085
Offices of which receivables were sold	102,725	12,124	99.9 %	12,133	12,341
Sub-total offices	611,639	90,082	89.6 %	100,507	96,426
Healthcare real estate	684,146	87,911	99.2 %	88,632	90,307
Pubstone	353,698	29,801	98.9 %	30,132	27,558
Cofinimur I	59,752	7,780	97.3 %	7,995	8,309
Other	15,830	1,836	100.0 %	1,836	1,636
Sub-total of investment properties & properties of which receivables were sold	1,725,065	217,410	94.9 %	229,102	224,236
Projects & renovations	28,637				
Land reserve		152		152	177
OVERALL PORTFOLIO TOTAL	1,753,702	217,562	94.9 %	229,254	224,413

¹ Calculated based on rental income.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Segment	Fair value			Property result after direct expenses	
	(in thousand EUR)	(in %)	Change over the period ¹	(in thousand EUR)	(in %)
Healthcare real estate	1,419,313	43.9 %	+2.7 %	42,673	44.9 %
Belgium	801,962	24.8 %	+2.0 %	23,653	24.9 %
France	395,489	12.2 %	+3.0 %	12,624	13.3 %
Germany	100,280	3.1 %	+3.5 %	3,107	3.3 %
The Netherlands	121,582	3.8 %	+5.2 %	3,289	3.4 %
Offices	1,245,714	38.5 %	-2.4 %	33,560	35.3 %
Brussels Léopold/Louise Districts	319,547	9.9 %	+1.9 %	4,536	4.8 %
Brussels Centre/North	106,158	3.3 %	-10.5 %	2,352	2.5 %
Brussels Decentralised	501,118	15.5 %	-4.4 %	17,093	18.0 %
Brussels Periphery & Satellites	137,198	4.2 %	-1.4 %	3,275	3.4 %
Antwerp	66,305	2.0 %	+0.3 %	2,440	2.6 %
Other regions	115,388	3.6 %	+0.0 %	3,864	4.0 %
Property of distribution networks	542,227	16.8 %	+1.1 %	18,150	19.1 %
Pubstone - Belgium	277,575	8.6 %	+1.8 %	9,704	10.2 %
Pubstone - The Netherlands	144,731	4.5 %	-1.4 %	4,627	4.9 %
Cofinimur I - France	119,921	3.7 %	+2.6 %	3,819	4.0 %
Other	27,194	0.8 %	+1.5 %	727	0.7 %
TOTAL PORTFOLIO	3,234,448	100 %	+0.4 %	95,110	100 %

Yield per segment	Healthcare real estate BE + FR	Healthcare real estate DE + NL	Offices	Pubstone	Cofinimur I	Other	Total
Gross rental yield at 100 % occupancy	6.1 %	6.8 %	8.1 %	6.5 %	6.3 %	7.0 %	7.0 %
Net rental yield at 100 % occupancy	6.0 %	6.5 %	6.6 %	6.3 %	6.1 %	6.4 %	6.3 %

¹ On a like-for-like basis.

REGULATED INFORMATION

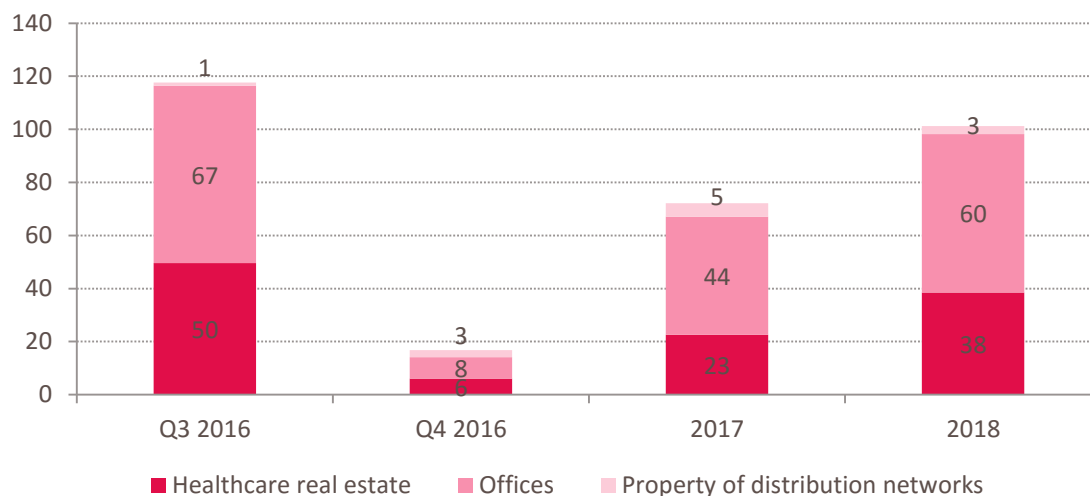
Brussels, embargo until 28.07.2016, 05:40 PM CET

1.7. 2016-2018 investment programme

The Cofinimmo investment programme for the 01.07.2016 – 31.12.2018 period is 307.7 million EUR, of which:

- 116.7 million EUR in the healthcare real estate segment;
- 179.1 million EUR in the office segment;
- 11.9 million EUR in the property of distribution networks segment;

In million EUR:



This pipeline includes the purchasing price of the Calau nursing home in Brandenburg (DE). The main projects for the 01.07.2016 – 31.12.2018 period are presented in the two tables below.

Healthcare real estate:

All healthcare facilities to be built/extended/renovated are pre-let.

Building	Operator	Type of work	Number of (additional) beds	(Additional) area	(Estimated) work completion
Belgium					
Woluwe 106-108 - Brussels	Vivalto	Reconversion of an office building into a nursing home	151	8,422 m ²	Q4 2017
Pérou 80 – Brussels	Aspria	Construction of a sports and well-being centre	N/A	15,188 m ²	Q4 2018
De Nootelaer - Keerbergen	Senior Living Group	Renovation and extension	+ 2	+ 500 m ²	Q1 2018
Zonnewende - Aartselaar	Senior Living Group	Renovation and extension	+ 13 service flats	+ 3,500 m ²	Q2 2018

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Building	Operator	Type of work	Number of (additional) beds	(Additional) area	(Estimated) work completion
France					
Caux du Littoral - Néville	Handra	Renovation and extension	+ 24	+ 1,939 m ²	Q3 2016
Les Lubérons – Le Puy Sainte Réparate	Korian-Medica	Renovation and extension	+ 25	+ 1,400 m ²	Q3 2016
William Harvey – Saint Martin d’Aubigny	Korian-Medica	Renovation and extension	+ 10	+ 670 m ²	Q3 2016
Domaine de Vontes – Esvres-sur-Indre	Inicéa	Renovation and extension	+ 60	+ 2,214 m ²	Q4 2018
The Netherlands					
Alphen aan den Rijn	Philadelphia	New construction	24	1,976 m ²	Q3 2016
Parking Amphia - Breda	Amphia	New construction	N/A	24,610 m ²	Q3 2016
Bavel	Martha Flora	New construction	22	2,198 m ²	Q1 2017
Plataan - Heerlen	Sevagram	Renovation	133	14,700 m ²	Q2 2017

Offices:

Building	Type of work	Area	(Estimated) work completion
The Gradient (formerly Tervuren 270-272)	Renovation of the entrance hall and parking lots	550 m ²	Q3 2016
The Gradient (formerly Tervuren 270-272)	Creation of a co-working area	1,050 m ²	Q1 2017
The Gradient (formerly Tervuren 270-272)	Renovation of floor +4	2,900 m ²	Q1 2017
Belliard 40	Demolition and reconstruction of offices	20,000 m ²	Q4 2017
Arts/Kunst 19H	Demolition and reconstruction of offices	8,600 m ²	Q1 2019
Bourget 40	Medium-scale renovation	14,250 m ²	Q2 2019
Tenreuken	Construction of apartments	11,800 m ²	Q2 2019
Souverain/Vorst 23	Conversion into residential units	23,000 m ²	Q4 2020

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.8. Information on shares and bonds

1.8.1. Share performance

Ordinary share (COFB)

	30.06.2016	31.12.2015	31.12.2014
Market price (over 6/12 months, in EUR)			
Highest	111.3	110.8	97.8
Lowest	92.1	90.2	84.7
At close	105.8	98.4	96.0
Average	103.9	99.5	89.8
Dividend yield¹	5.3 %	5.5 %	6.7 %
Gross return² (over 6/12 months)	11.0 %	11.2 %	14.3 %
Volume (over 6/12 months, in number of shares)			
Average daily volume	56,927	46,900	33,883
Total volume	7,286,671	12,006,493	8,844,025
Number of outstanding ordinary shares at close³	20,298,502	20,294,264	17,339,423
Market capitalisation at close (in thousand EUR)	2,146,567	1,997,159	1,664,064
Free float zone⁴	90 %	90 %	90 %

Preference shares (COFP1 & COFP2)

	COFP1 30.06.2016	COFP1 31.12.2015	COFP2 30.06.2016	COFP2 31.12.2015
Market price (over 6/12 months, in EUR)				
At close	126.4	126.4	84.0	99.0
Average	126.4	115.9	95.8	96.8
Dividend yield¹	5.0 %	5.5 %	6.6 %	6.6 %
Gross return² (over 6/12 months)	5.0 %	38.6 %	-8.5 %	15.6 %
Volume (over 6/12 months, in number of shares)				
Average daily volume ⁵	0	16	3	361
Total volume	0	16	3	11,546
Number of shares	395,048	395,048	290,699	290,800
Market capitalisation at close (in thousand EUR)	49,934	49,934	24,419	28,789

¹ Gross dividend on the average share price.

² Increase in the share price + dividend yield.

³ Excluding own ordinary shares.

⁴ According to the Euronext method.

⁵ Average calculated based on the number of market days on which volume was recorded.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Bonds

	Cofinimmo SA/NV 140 million EUR – 2012-2020 ISIN BE6241505401	
	30.06.2016	31.12.2015
Market price (over 6/12 months, as a % of nominal)		
At close	104.6	105.9
Average	104.9	106.5
Average yield to maturity (annual average)	2.2 %	2.0 %
Effective yield at issue	3.6 %	3.6 %
Interest coupon (in %)		
Gross (per 100,000 EUR)	3.6	3.6
Net (per 100,000 EUR)	2.6	2.6
Number of securities	1,400	1,400

	Cofinimmo SA/NV 50 million EUR – 2013-2017 ISIN BE6258604675	
	30.06.2016	31.12.2015
Market price (over 6/12 months, as a % of nominal)		
At close	102.1	102.4
Average	102.3	102.4
Average yield to maturity (annual average)	1.1 %	1.4 %
Effective yield at issue	2.8 %	2.8 %
Interest coupon (in %)		
Gross (per 100,000 EUR)	2.8	2.8
Net (per 100,000 EUR)	2.0	2.0
Number of securities	500	500

	Cofinimmo SA/NV 190 million EUR – 2015-2022 ISIN BE0002224906	
	30.06.2016	31.12.2015
Market price (over 6/12 months, as a % of nominal)		
At close	103.2	99.9
Average	101.8	100.1
Average yield to maturity (annual average)	1.3 %	1.9 %
Effective yield at issue	1.9 %	1.9 %
Interest coupon (in %)		
Gross (per 100,000 EUR)	1.9	1.9
Net (per 100,000 EUR)	1.4	1.4
Number of securities	1,900	1,900

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Convertible bonds

	Cofinimmo SA/NV 190.8 million EUR – 2013-2018 ISIN BE6254178062	
	30.06.2016	31.12.2015
Market price (over 6/12 months, in EUR)		
At close	122.4	102.6
Average	122.3	120.8
Average yield to maturity (annual average)	-4.4 %	-2.6 %
Effective yield at issue	2.0 %	2.0 %
Interest coupon (in %)		
Gross	2.0	2.0
Net	1.5	1.5
Number of shares	1,611,638	1,764,268
Conversion price (in EUR)	97.9	100.4

The convertible shares which matured at 28.04.2016 have been reimbursed at their nominal value.

1.8.2. 2016 financial year dividend

Barring any unexpected events, the dividend forecast for the 2016 financial year published in the 2015 Annual Financial Report remains unchanged. It is 5.50 EUR gross (4.015 EUR net) per ordinary share and 6.37 EUR gross (4.6501 EUR net) per preference share.

1.8.3. Conversion of preference shares

In accordance with Article 8.2 of the Articles of Association, two new conversion windows for Cofinimmo preference shares into Cofinimmo ordinary shares were opened during the first half-year of 2016. Requests to convert 101 preference shares were received during these windows. As a result, since the beginning of the conversion procedure (01.05.2009), a total of 814,019 preference shares have been converted into ordinary shares. There are still 685,747 outstanding preference shares.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.8.4. Shareholding at 30.06.2016

On 11.05.2016, Cofinimmo was notified by the Crédit Agricole Group that it holds over 5 % of the Group's capital.

Company	Ordinary shares	Preference shares	Total number of shares (voting rights)	%
Crédit Agricole Group	1,058,265	0	1,058,265	5.03 %
Cofinimmo Group	46,499	0	46,499	0.22 %
Total number of shares issued	20,345,001	685,747	21,030,748	100 %

1.8.5. Shareholder calendar

Event	Date
Interim report: results at 30.09.2016	10.11.2016
Annual press release: results at 31.12.2016	09.02.2017
Publication of the 2016 Annual Financial Report	07.04.2017
Publication of the 2016 Sustainability Report	07.04.2017
Interim report: results at 31.03.2017	27.04.2017
2016 Ordinary General Meeting of Shareholders	10.05.2017
Half-year financial report: results at 30.06.2017	27.07.2017
Interim report: results at 30.09.2017	09.11.2017
Annual press release: results at 31.12.2017	09.02.2018

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.9. Corporate Governance

Cofinimmo applies the strictest corporate governance standards and constantly compares its methods to the principles, practices and requirements of the field. Cofinimmo's corporate governance is fully compliant with the Belgian Code governing the matter¹. A detailed description of the various Committees, their roles and their respective members is included in the chapter entitled 'Corporate Governance Statement' of the 2015 Annual Financial Report.

The Extraordinary General Meeting of 06.01.2016 granted the Board of Directors with a new authorisation, valid for five years as of the publication of the minutes of the Extraordinary General Meeting in the Belgian Official Gazette on 03.02.2016, to increase the share capital, in one or more times, up to a total maximum amount of:

- a) 1,100,000,000 EUR if the capital increase is a capital increase by subscription in cash with the option for shareholders of the company to exercise their preferential subscription right;
- b) 220,000,000 EUR for all other types of capital increases not covered in point a) above

it being agreed that, in any event, the capital can never be increased as part of the authorised capital in excess of 1,100,000,000 EUR total during the five-year period beginning on the date of publication of the decision.

The Ordinary General Meeting of 11.05.2016 (re)appointed, with immediate effect, subject to the condition precedent of approval by the FSMA, the persons listed below as members of the Board of Directors of Cofinimmo.

Name	Type of mandate	Decision by the Ordinary General Meeting of Shareholders	(New) Date mandate expires
Carbonnelle, Jean-Edouard	Managing Director	Mandate renewal	09.05.2018
Chapelle, Olivier	Independent Director, as meant in Article 526ter of the Company Code	New mandate	13.05.2020
de Walque, Xavier	Independent Director, as meant in Article 526ter of the Company Code	Mandate renewal	13.05.2020
Demain, Christophe	Director representing the shareholder Belfius Insurance	Mandate renewal	10.05.2017
Gauchot, Maurice	Independent Director, as meant in Article 526ter of the Company Code	New mandate	13.05.2020
Monissen, Diana	Independent Director, as meant in Article 526ter of the Company Code	New mandate	13.05.2020

¹ Also refer to our Corporate Governance Charter available on our Internet site.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.10. Sustainable development and management policy

1.10.1. Publications

Cofinimmo published its Sustainability Report separate from the Annual Financial Report for the second time on 08.04.2016. It obtained outside certification of the conformity of the report with the guidelines of the GRI G4¹, 'Core' level.

Cofinimmo concurrently published data about its electricity and gas consumption on its website for the near-totality of its office portfolio and nearly half of its healthcare real estate portfolio as well as information about the water consumption and waste production, all in line with the performance indicators recommended by EPRA².

1.10.2. Certification and environmental labels

The external audit of the operational application of the management system did not result in any comments. This led to an extension of the ISO 14001:2004 certification.

Cofinimmo obtained a final BREEAM 2010 International certificate on 03.05.2016: Bespoke (fully fitted) with a 'Good' rating for the Leuze-en-Hainaut prison. To date, this prison is the only one in Belgium to have been awarded the BREEAM Final certificate.

1.10.3. Mobility

Cofinimmo tries to contribute to better mobility in the vicinity of its registered office since June 2016 by providing its employees with a shared electric car, scooter and electrical bicycles for their travel during and outside of working hours. The company hopes that this will further motivate employees to use alternative methods of transportation and help to reduce the average CO₂ emissions of its vehicle fleet.

The 'Parkbrug' was installed in Antwerp on 11.06.2016. The new walkway for pedestrians and cyclists designed by Ney & Partners has an unusual and remarkable shape. The steel construction weighs 170 tons and is 67 m long. On one side, it rests on the London Tower, a building in the Cofinimmo portfolio, and links 'het Eilandje' with 'Park Spoor Noord'. The company is very proud to have contributed to sustainable mobility in the city of Antwerp.

¹ Global Reporting Initiative sustainability reporting guidelines.

² European Public Real Estate Association

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.10.4. Innovation

Flex Corner® and garden enhancement concepts were implemented at several of the buildings of the portfolio during the first half of 2016:

- Two Flex Corners® were installed in Cofinimmo office buildings: one on the ground floor of a building in the Paepsem Business Park at 1070 Brussels, and another one on the second floor of the The Gradient building (formerly Tervuren 270-272) at 1150 Brussels. A third Flex Corner® is being finalised at the Park Lane in Diegem. This solution provides office building tenants small private spaces and larger common spaces (meeting rooms, kitchenettes, spaces for relaxation), totaling 1,000 m², for which they pay rent and costs. With this innovative concept, Cofinimmo also offers more flexible lease lengths (compared to conventional tenants). The new concept is being marketed using a special website.
- Two new gardens were inaugurated in June 2016. The areas around the Park Hill and Paepsem Business Park sites now have larger parking areas and spaces for persons with reduced mobility, a food truck area and recreational areas.

1.10.5. Diversity and staff management

On 15.02.2016, Cofinimmo took part in the 'Ondernemersdag KULeuven' day organised to facilitate meetings between companies and third- and fourth-year university students for future hiring or internships.

Cofinimmo took part in the fifth edition of 'Career Nights' on 01.06.2016. The testimonial of one of its employees during the event enabled young job seekers to find out more about the Property Manager position and about the qualifications required for the job.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.11. Risk management

Below are the main risks to which Cofinimmo is exposed in its business activities. For a more in-depth review of risk management, please refer to pages 2 to 11 of the 2015 Annual Financial Report.

Economic environment risks

Cofinimmo's business activities are partially dependent on the overall economic environment. A decrease in economic growth indirectly impacts the occupancy rate of offices by the private sector, as well as rents. It can also increase the risk of tenant default.

However, the impact on Cofinimmo's results is lessened by the length of its rental leases (at 30.06.2016, the average length to the first break option was 10.2 years for the portfolio overall), diversification of the tenant portfolio (406 clients) and the presence of nearly 23 % public sector tenants. In addition, thanks to diversification into less cyclical sectors such as healthcare real estate and sale-and-lease-back transactions with AB InBev et MAAF, the portfolio is now less exposed to the overall economic environment.

Vacancy risk

The Cofinimmo healthcare real estate portfolio is 99.2 % let on long-term leases, generally for an initial period of 12 years in France, 15 years in the Netherlands, 25 or 30 years in Germany and 27 years in Belgium. At 30.06.2016, the average residual lease length was 4.7 years in France, 13.4 years in the Netherlands, 19.6 years in Belgium and 26.6 years in Germany.

The Brussels office space market has been faced with a high vacancy rate since 2008, although it tends to decrease slowly. At 30.06.2016, the percentage of rental vacancies in Brussels reached 9.7 % (source: CBRE). The vacancy rate for the Cofinimmo office portfolio was 10.4 % at 30.06.2016. Cofinimmo manages its clientèle actively to limit vacancies and tenant rotation in the office space sector. An internal team is responsible for managing the buildings and for quickly addressing tenant complaints. The commercial team maintains regular contact with existing clients and actively prospects new tenants.

At 30.06.2016, 98.9 % of cafés/restaurants were leased to AB InBev with a minimum residual lease length of 14.3 years. In addition, 97.3 % of insurance services agencies were leased to MAAF or GMF with an average residual lease length of 5.8 years.

Tenant insolvency risk

Cofinimmo is exposed to the risk of tenant failure. At 30.06.2016, the top five most important clients accounted for 51.6 % of rental income. Two of the top three office space tenants are public sector entities.

An advance or bank guarantee in the amount of six months' rent is normally requested from non-public sector tenants.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Investment and development risk

Cofinimmo does limited development on its own behalf with a cap of 10 % maximum of the fair value of the portfolio.

When reviewing investment files, Cofinimmo makes estimates about economic, market and other conditions, including estimates about the value or potential value of a property and its potential return on investment. The estimates can turn out to be inaccurate which would make Cofinimmo's investment policy unsuitable, resulting in negative consequences for the company's revenue, its operational results, financial conditions and prospects.

Prior to acquiring a building, Cofinimmo carries out an internal assessment to determine a price for the building for long-term operation. In addition, an independent real estate expert values each property acquisition or sale.

Building deterioration and major works risk

Cofinimmo maintains and renovates its buildings on a regular basis to ensure that they remain attractive to tenants. The current trend in favour of increased sustainability and energy savings both in construction and the use of buildings may require additional investment.

Risk of changes in the fair value of buildings

The company's property portfolio is valued quarterly by independent real estate experts. A change in the value of the real estate assets of 1 % would have an estimated impact of 32.3 million EUR on the net result and of 1.53 EUR on the intrinsic value per share. It would also have an impact of about 0.4 % on the debt ratio.

Liquidity and financing risk

Diversification of financing sources, a stable and extensive banking pool with good financial ratings (Cofinimmo has eleven banking partners) and the balanced allocation of credit maturities over time ensure that the most favourable financial conditions can be obtained.

Cofinimmo is limited in its ability to borrow by the maximum debt ratio allowed by RREC legislation (65 %) and by the limit agreed with bankers in the credit documents related to the ratio (60 %). At 30.06.2016, the consolidated regulatory debt ratio was 42.1 %.

Cofinimmo has a medium-term financial plan which is completely revised in the spring of each year and updated during the year with each significant acquisition or sale of real estate assets. The purpose of the plan is to position Cofinimmo's regulatory consolidated debt ratio at an appropriate level based on an assessment by the Board of Directors of the risks inherent in the characteristics of the assets and of the portfolio of leases in effect.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Interest rate risk

Cofinimmo contracts a significant portion of its financial debt with a floating interest rate. It subscribes to derivative instruments as a hedge for financial and other charges against rate hikes. The instruments consist of Interest Rate Swaps in particular.

Based on existing hedging mechanisms and a constant level of debt, an increase or decrease in interest rates of 0.5 % would not result in a significant change in interest rate charges for the current year.

Derivative instruments on interest are valued at market price at the end of each quarter. Future changes in rates have an impact on the net asset value and result for the period.

Exchange risk

Cofinimmo has concluded a real estate transaction which generates an exchange rate risk. In order to cover the potential risk, Cofinimmo has concluded two call options which allow for the company to sell the currency at a fixed price. This covers the decrease risk and Cofinimmo can still benefit from a positive exchange rate evolution.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

1.12. Events after 30.06.2016

Acquisition of the Calau nursing and care home in Brandenburg (Germany)¹

On 22.07.2016, the Cofinimmo Group acquired the Seniorenresidenz Calau nursing and care home in the Brandenburg region of Germany. It is a new complex of 4,600 m² with a total of 81 beds and 20 day care spots. The investment totalled 9.1 million EUR².

Cofinimmo is renting the facility to the German operating group M.E.D. Gesellschaft für Altenpflege mbH, under a 'double net' lease for a fixed 25-year period with an option to extend for five years. The rent will be indexed based on the German consumer price index. The initial gross rental yield of the transaction is 6.14 %.

No other major event occurred between 30.06.2016 and the date of publication of this press release.

¹ Acquisition subject to administrative conditions precedent.

² Acquisition fees (registration rights, etc.) included.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

2. Summary financial statements

The summary financial statements were prepared using accounting methods which comply with IFRS standards, as adopted by the European Union, and with the IAS 34 standard on interim financial reporting in particular.

The accounting principles and methods used to prepare the summary interim financial statements are identical to those used for the 2015 annual financial statements, except for the recognition of interest rate derivatives.

As of 01.01.2016, all of the interest rate derivatives are qualified as trading instruments under the IFRS reference system. This implies that a change in their value is booked entirely in the income statement under the item IAS 39. Before, a change in the value of some instruments, more specifically the part which was considered efficient from a hedged future cash flow point of view, was differed in shareholders' equity until the date on which the instrument became active.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

2.1. Consolidated global result – Royal Decree of 13.07.2014 form

A. NET RESULT (in thousand EUR)	Notes	Q2 2016	Q2 2015	30.06.2016	30.06.2015
Rental income	5	50,503	49,956	99,765	99,561
Writeback of lease payments sold and discounted	5	2,816	2,553	5,633	5,107
Rental-related expenses		5	47	-2	31
Net rental income	4; 5	53,324	52,556	105,396	104,699
Recovery of property charges		31		44	-2
Recovery income of charges and taxes normally payable by the tenant on let properties		16,016	10,972	30,493	31,652
Costs payable by the tenant and borne by the landlord on rental damage and redecoration at end of lease		-633	-184	-883	-428
Charges and taxes normally payable by the tenant on let properties		-16,096	-12,197	-33,089	-34,723
Property result		52,642	51,147	101,961	101,198
Technical costs		-2,313	-863	-3,494	-1,518
Commercial costs		-212	-218	-465	-399
Taxes and charges on unlet properties		-647	-421	-2,892	-2,300
Property management costs		-5,181	-3,225	-10,409	-6,921
Property charges		-8,353	-4,727	-17,260	-11,138
Property operating result		44,289	46,420	84,701	90,060
Corporate management costs		-1,683	-1,814	-4,868	-3,787
Operating result before result on the portfolio		42,606	44,606	79,833	86,273
Gains or losses on disposals of investment properties and other non-financial assets		1,219	798	1,412	1,956
Changes in the fair value of investment properties		4,136	-1,765	11,718	-8,740
Other result on the portfolio		-298	313	-764	-134
Operating result		47,663	43,952	92,199	79,355
Financial income	6	1,267	1,352	2,553	2,909
Net interest charges	7	-8,010	-10,922	-16,861	-21,488
Other financial charges	8	-399	34	-632	57
Changes in the fair value of financial assets and liabilities	9	-3,950	30,998	-37,482	1,418
Financial result		-11,092	21,462	-52,422	-17,104
Share in the result of associated companies and joint ventures		119	111	548	230
Pre-tax result		36,690	65,525	40,326	62,481
Corporate tax		-1,096	-1,662	-2,842	-2,628
Exit tax		-5	27	-92	-76
Taxes		-1,101	-1,635	-2,934	-2,704
Net result		35,589	63,890	37,392	59,777
Minority interests		-1,402	-1,551	-2,787	-2,711
Net result – Group share		34,187	62,339	34,605	57,066
Net current result – Group share		29,405	63,111	22,492	64,149
Result on the portfolio – Group share		4,782	-772	12,113	-7,083

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

B. OTHER ELEMENTS OF THE GLOBAL RESULT RECYCLABLE UNDER THE INCOME STATEMENT (in thousand EUR)	Notes	Q2 2016	Q2 2015	30.06.2016	30.06.2015
Change in the effective part of the fair value of authorised cash flow hedging instruments as defined under IFRS		1,405	3,463	3,124	11,238
Other elements of the global result recyclable under the income statement		1,405	3,463	3,124	11,238
Minority interests					
Other elements of the global result recyclable under the income statement – Group share		1,405	3,463	3,124	11,238

C. GLOBAL RESULT (in thousand EUR)	Notes	Q2 2016	Q2 2015	30.06.2016	30.06.2015
Global result		36,994	67,353	40,516	71,015
Minority interests		-1,402	-1,551	-2,787	-2,711
Global result – Group share		35,592	65,802	37,729	68,304

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

2.2. Consolidated income statement - Analytical form

A. NET CURRENT RESULT (in thousand EUR)	30.06.2016	30.06.2015
Rental income, net of rental-related expenses	99,763	99,592
Writeback of lease payments sold and discounted (non-cash item)	5,633	5,107
Taxes and charges on rented properties not recovered	-2,596	-3,071
Redecoration costs, net of tenant compensation for damages	-839	-430
Property result	101,961	101,198
Technical costs	-3,494	-1,518
Commercial costs	-465	-399
Taxes and charges on unlet properties	-2,892	-2,300
Property result after direct property costs	95,110	96,981
Property management costs	-10,409	-6,921
Property operating result	84,701	90,060
Corporate management costs	-4,868	-3,787
Operating result before result on the portfolio	79,833	86,273
Financial income (IAS 39 excluded)	2,553	2,909
Financial charges (IAS 39 excluded)	-17,493	-21,431
Revaluation of derivative financial instruments (IAS 39)	-37,482	1,418
Share in the result of associated companies and joint ventures	237	230
Taxes	-2,842	-2,628
Net current result	24,806	66,771
Minority interests	-2,314	-2,622
Net current result – Group share	22,492	64,149

B. RESULT ON THE PORTFOLIO (in thousand EUR)	30.06.2016	30.06.2015
Gains or losses on disposals of investment properties and other non-financial assets	1,412	1,956
Changes in the fair value of investment properties	11,718	-8,740
Share in the result of associated companies and joint ventures	312	
Other result on the portfolio	-856	-210
Result on the portfolio	12,586	-6,994
Minority interests	-473	-89
Result on the portfolio – Group share	12,113	-7,083

C. NET RESULT (in thousand EUR)	30.06.2016	30.06.2015
Net result	37,392	59,777
Minority interests	-2,787	-2,711
Net result – Group share	34,605	57,066

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

NUMBER OF SHARES	30.06.2016	30.06.2015
Number of ordinary shares issued (including treasury shares)	20,345,001	20,344,218
Number of outstanding ordinary shares	20,298,502	20,293,404
Number of ordinary shares taken into account in the calculation of the result per share	20,298,502	18,097,941 ¹
Number of preference shares issued	685,747	686,008
Number of outstanding preference shares	685,747	686,008
Number of preference shares taken into account in the calculation of the result per share	685,747	686,008
Total number of shares issued (including treasury shares)	21,030,748	21,030,226
Total number of outstanding shares	20,984,249	20,979,412
Total number of shares taken into account in the calculation of the result per share	20,984,249	18,783,949¹

RESULT PER SHARE (in EUR)	30.06.2016	30.06.2015
Net current result per share – Group share	1.07	3.42
Result on portfolio per share – Group share	0.58	-0.38
Net result per share – Group share	1.65	3.04

DILUTED RESULT PER SHARE (in EUR)²	30.06.2016	30.06.2015
Diluted number of shares	20,341,837	19,621,129
Diluted net result per share - Group share	1.49	2.49

Comments on the consolidated income statement – analytical form

The net rental income amounts to 99.8 million EUR at 30.06.2016, against 99.6 million EUR as at 30.06.2015. The investments realised in healthcare real estate in Germany and the Netherlands, as well as the letting of the Guimard 10-12 office building, have fully absorbed the decrease in revenues resulting from the disposal of assets in 2015 (Livingstone II office building and Silverstone portfolio of nursing and care homes). On a like-for-like basis, gross rental revenues increased by 0,5 % between 30.06.2015 and 30.06.2016, thanks to both new lettings in the office portfolio and lease indexations. All segments in the portfolio show a positive evolution.

The direct (technical costs) and indirect (property management costs and corporate management costs) operating costs increased by 6.5 million EUR between 30.06.2015 and 30.06.2016. This increase includes only 0.8 million EUR of additional recurrent costs related to the development of the Group's activities.

- The increase in technical costs is the result of a different breakdown of maintenance works during the full financial year. In 2015 these works were strongly concentrated in the fourth quarter, which is not the case this year.

¹ Prorata temporis number of shares, to take into account the fact that 3,004,318 new ordinary shares issued in May 2015 were entitled to share in the result of the financial year 2015 as from 12.05.2015.

² Also see Note 13. In accordance with IAS 33, elements that would have an accretive impact are excluded from the calculation of the diluted result - Group share. The following elements have been excluded at 30.06.2016 and 30.06.2015: the Mandatory Convertible Bonds issued in 2011 and the convertible bonds issued in 2013.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

- The increase in property management costs corresponds to an increase in the number of fulltime-equivalent employees, expenses related to studies of various investment cases and the decreased billing of asset management fees due by a third party.
- The increase in corporate management costs is due to the fact that the subscription tax of the entire financial year 2016 was booked in the first quarter of the year.

The financial result (excluding IAS 39 impact) amounts to -14.9 million EUR as at 30.06.2016, compared to -18.5 million EUR as at 30.06.2015. The average debt level decreased from 1,526 million EUR as at 30.06.2015 to 1,272 million EUR as at 30.06.2016. In addition, the average cost of debt declined from 2,8 % to 2,7 % between these two dates.

The item 'Revaluation of financial instruments' stands at -37.5 million EUR at 30.06.2016, compared with 1.4 million EUR at 30.06.2015. It includes a charge related to the restructuring of interest rate hedging instruments for -3.1 million EUR, the effect of the revaluation of the interest rate hedging instruments which were not restructured for -32.0 million EUR, the effect of the revaluation of exchange risk hedging instruments for -0,6 million EUR, as well as the revaluation of the convertible bonds for -1.8 million EUR.

The net current result – Group share amounts to 22.5 million EUR at 30.06.2016, compared with 64.1 million EUR at 30.06.2015. Per share, these numbers are 1.07 EUR as at 30.06.2016 and 3.42 EUR as at 30.06.2015. The number of shares entitled to share in the result of the period increased from 18,783,949 to 20,984,249 between these two dates, mainly as a result of the May 2015 capital increase.

Within the result on the portfolio, the change in the fair value of investment properties stands at 11.7 million EUR as at 30.06.2016, compared to -8.7 million EUR as at 30.06.2015. The positive revaluation of the healthcare assets and the renovated office building Guimard 10-12 largely compensated the value depreciation of certain office buildings. On a like-for-like basis, the fair value of the investment properties slightly increased versus 31.12.2015 (+0.4 %).

The net result - Group share amounts to 34.6 million EUR as at 30.06.2016, compared to 57.1 million EUR as at 30.06.2015. Per share, these numbers are 1.65 EUR as at 30.06.2016 and 3.04 EUR as at 30.06.2015.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

2.3. Consolidated balance sheet

ASSETS (in thousand EUR)	Notes	30.06.2016	31.12.2015
Non-current assets		3,425,886	3,325,414
Goodwill	4	111,256	111,256
Intangible assets		804	565
Investment properties	4; 10	3,231,737	3,131,483
Other tangible assets		543	364
Non-current financial assets			20
Finance lease receivables		75,308	75,652
Trade receivables and other non-current assets		41	41
Participations in associated companies and joint ventures		6,197	6,033
Current assets		99,180	87,066
Assets held for sale	4	2,710	2,870
Current financial assets			14
Finance lease receivables		1,767	1,656
Trade receivables		20,433	19,801
Tax receivables and other current assets		11,327	17,363
Cash and cash equivalents		29,616	22,040
Accrued charges and deferred income		33,327	23,322
TOTAL ASSETS		3,525,066	3,412,480

SHAREHOLDERS' EQUITY AND LIABILITIES (in thousand EUR)	Notes	30.06.2016	31.12.2015
Shareholders' equity		1,852,144	1,924,615
<i>Shareholders' equity attributable to shareholders of the parent company</i>		1,787,535	1,860,099
Capital	11	1,124,517	1,124,295
Share premium account	11	504,469	504,240
Reserves		123,944	127,597
Net result of the financial year	12	34,605	103,967
Minority interests		64,609	64,516
Liabilities		1,672,922	1,487,865
Non-current liabilities		1,246,491	926,891
Provisions		17,183	17,636
Non-current financial debts		1,094,126	809,313
Other non-current financial liabilities		99,578	64,656
Deferred taxes		35,604	35,286
Current liabilities		426,431	560,974
Current financial debts		312,037	445,676
Other current financial liabilities		18,226	20,572
Trade debts and other current debts		77,272	62,865
Accrued charges and deferred income		18,896	31,861
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		3,525,066	3,412,480

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Comments on the consolidated balance sheet

The investment value of the property portfolio¹, as determined by the independent real estate experts, stands at 3,367.8 million EUR as at 30.06.2016, compared to 3,262.3 million EUR as at 31.12.2015. The fair value, recorded in the consolidated balance sheet in application of the IAS 40 standard, is obtained by deducting transaction costs from the investment value. As at 30.06.2016, the fair value amounts to 3,234.4 million EUR, compared to 3,134.4 million EUR as at 31.12.2015.

The 'Participations in associated companies and joint ventures' item refers to Cofinimmo's 51 % stake in Cofinea I SAS (nursing homes in France). The 'Minority interests' item includes the mandatory convertible bonds issued by the Cofinimur I SA subsidiary (MAAF/GMF distribution network in France), as well as the minority interests of the subsidiaries Aspria Maschsee, Aspria Uhlenhorst, Pubstone, Pubstone Group, Pubstone Properties and Rheastone.

2.4. Calculation of the consolidated debt ratio

(in thousand EUR)		30.06.2016	31.12.2015
Non-current financial debts		1,094,126	809,313
Other non-current financial liabilities (except for hedging instruments)	+	126	97
Current financial debts	+	312,037	445,676
Trade debts and other current debts	+	77,272	62,865
Total debt	=	1,483,561	1,317,951
Total assets		3,525,066	3,412,480
Hedging instruments	-		34
Total assets (except for hedging instruments)	/	3,525,066	3,412,446
DEBT RATIO	=	42.1 %	38.6 %

¹ Including buildings held for own use and development projects.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

2.5. Cash flow statement (in thousand EUR)

	30.06.2016	30.06.2015
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	22,040	17,116
OPERATING ACTIVITIES		
Net result for the period	34,605	57,066
Adjustments for interest charges and income	14,530	18,875
Adjustments for gains and losses on disposal of property assets	-994	-1,957
Adjustments for gains and losses on disposals of financial assets	-418	
Adjustments for non-cash charges and income	21,698	3,231
Changes in working capital requirements	-6,079	8,210
Cash flow from operating activities	63,342	85,425
INVESTMENT ACTIVITIES		
Investments in intangible assets and other tangible assets	668	-168
Acquisitions of investment properties	-66,148	-10,291
Extensions of investment properties	-9,104	-11,399
Investments in investment properties	-7,420	-13,199
Acquisitions of consolidated subsidiaries		-10,323
Disposals of investment properties	3,047	15,019
Disposals of assets held for sales	59	103
Disposal of consolidated subsidiaries	418	
Disposal and reimbursement of finance lease receivables	912	859
Other cash flows from investment activities		14,201
Net cash from investing activities	-78,905	-15,198
FINANCING ACTIVITIES		
Capital increase	60	281,056
Disposal of own shares	392	331
Dividends paid to shareholders	-110,363	-99,842
Coupons paid to minority shareholders	-2,752	-2,904
Coupons paid to Mandatory Convertible Bondholders	-371	-700
Increase of financial debts	393,820	291,884
Decrease of financial debts	-243,531	-495,727
Financial income received	2,934	2,781
Financial charges paid	-17,078	-21,655
Other cash flows from financing activities	29	-17,724
Cash flow resulting from financing activities	23,139	-62,500
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	29,616	24,843

2.6. Consolidated statement of changes in shareholders' equity (in thousand EUR)

	Capital	Share premium account	Reserves ¹	Net result of the financial year	Shareholders' equity Parent company	Minority interests	Shareholders' equity
AT 01.01.2015	963,067	384,013	247,562	-52,671	1,541,971	66,994	1,608,965
Appropriation of the 2014 net result			-52,671	52,671			
Elements recognised in the global result			11,238	57,066	68,304	2,710	71,016
Cash flow hedge ²			11,238		11,238		11,238
Result of the period				57,066	57,066	2,710	59,778
Others			-437		-437	1,156	719
SUBTOTAL	963,067	384,013	205,692	57,066	1,609,838	70,860	1,680,698
Issue of new shares ³	160,997	120,059			281,056		281,056
Acquisitions/disposals of own shares	193	138			331		331
Dividends/Coupons			-99,882		-99,882	-3,605	-103,487
AT 30.06.2015	1,124,257	504,210	105,810	57,066	1,791,343	67,255	1,858,598
Elements recognised in the global result			21,971	46,901	68,872	1,772	70,644
Cash flow hedge ²			21,971		21,971		21,971
Result of the period				46,901	46,901	1,772	48,673
Acquisitions/disposals of minority interests						-3,623	-3,623
Others			-185		-185	-844	-1,029
SUBTOTAL	1,124,257	504,210	127,596	103,967	1,860,030	64,560	1,924,590
Acquisitions/disposals of own shares	38	30			68		68
Dividends/Coupons						-44	-44
AT 31.12.2015	1,124,295	504,240	127,596	103,967	1,860,098	64,516	1,924,614
Appropriation of the 2015 net result			103,967	-103,967			
Elements recognised in the global result			3,124	34,605	37,729	2,787	40,516
Cash flow hedge ²			3,124		3,124		3,124
Result of the period				34,605	34,605	2,787	37,392
Others			-101		-101	58	-43
SUBTOTAL	1,124,295	504,240	234,586	34,605	1,897,726	67,361	1,965,087
Issue of new shares ³	28	32			60		60
Acquisitions/disposals of own shares	194	197			391		391
Dividends/Coupons			-110,642		-110,642	-2,752	-113,394
AT 30.06.2016	1,124,517	504,469	123,944	34,605	1,787,535	64,609	1,852,144

¹ Reserves are presented in detail in the following pages.

² Including recycling under the income statement of hedging instruments which relationship with the hedged risk was terminated.

³ Shares (capital + share premiums) issued in the context of intragroup mergers, without shares being awarded to third parties outside the Group, are directly eliminated during consolidation. The issued shares listed here are related to a capital increase (2015) and the conversion of bonds into shares (2016).

Detail of the reserves (in thousand EUR)

	Reserve for the positive/negative balance of changes in the fair value of investment properties	Reserve for the estimated transaction costs and transfer duties resulting from the hypothetical disposal of investment properties	Reserve for the balance of changes in the fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	Reserve for the balance of changes in the fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	Distributable reserve	Non-distributable reserve	Tax-exempt reserves	Legal reserve	TOTAL RESERVES
AT 01.01.2015	-127,851	-73,694	-32,370	-13,851	490,275	5,053			247,562
Appropriation of the 2014 net result	-29,390	-3,261	-10,512	-71,324	61,504	312			-52,671
Elements recognised in the global result		534	11,238		-534				11,238
Cash flow hedge			11,238						11,238
Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties		534			-534				
Others					-258	-179			-437
SUBTOTAL	-157,241	-76,421	-31,644	-85,175	550,987	5,186			205,692
Dividends					-99,882				-99,882
AT 30.06.2015	-157,241	-76,421	-31,644	-85,175	451,105	5,186			105,810

	Reserve for the positive/negative balance of changes in the fair value of investment properties	Reserve for the estimated transaction costs and transfer duties resulting from the hypothetical disposal of investment properties	Reserve for the balance of changes in the fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	Reserve for the balance of changes in the fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	Distributable reserve	Non-distributable reserve	Tax-exempt reserves	Legal reserve	TOTAL RESERVES
AT 30.06.2015	-157,241	-76,421	-31,644	-85,175	451,105	5,186			105,810
Elements recognised in the global result		4,751	21,971		-4,751				21,971
Cash flow hedge			21,971						21,971
Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties		4,751			-4,751				
Others	-18,576	-56			18,421	26			-185
AT 31.12.2015	-175,817	-71,726	-9,673	-85,175	464,775	5,212			127,596
Appropriation of the 2015 net result	-5,221	-3,227	-846	4,387	108,563	311			103,967
Elements recognised in the global result		220	3,124		-220				3,124
Cash flow hedge			3,124						3,124
Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties		220			-220				
Others					90	-191			-101
SUBTOTAL	-181,038	-74,733	-7,395	-80,788	573,208	5,332			234,586
Dividends					-110,642				-110,642
AT 30.06.2016	-181,038	-74,733	-7,395	-80,788	462,566	5,332			123,944

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

2.7. Notes to the consolidated accounts

Note 1. General information

Cofinimmo SA/NV (the 'Company') is a public RREC (Regulated Real Estate Company) organized under Belgian law with registered offices at 1200 Brussels (boulevard de la Woluwe/Woluwedal 58).

Cofinimmo SA/NV's consolidated half-year statements, which closed on 30.06.2016, cover the Company and its subsidiaries ('the Group'). The scope of consolidation has changed since 31.12.2015 (see Note 14).

The half-year consolidated financial statements were closed by the Board of Directors on 28.07.2016. The statutory auditor Deloitte, Reviseurs d'Entreprises, represented by Mr Frank Verhaegen, completed their limited audit and confirmed that they had no reservations with respect to the accounting information presented in the half-year financial report and that it corresponded to the financial statements closed by the Board of Directors.

Note 2. Significant accounting methods

The consolidated half-year financial statements were prepared in accordance with IFRS standards (*International Financial Reporting Standards*) as adopted in the European Union and in accordance with the IAS 34 *Interim Financial Reporting* standard.

The accounting principles and methods used to draw up these interim financial statements are identical to those used to prepare the annual financial statements for FY 2015.

Some of the figures in this half-year financial report have been rounded and, consequently, the overall totals in the report may differ slightly from the exact arithmetical sums of the preceding figures.

Note 3. Operational and financial risk management

The risks to which the Group was exposed at 30.06.2016 were substantially the same as those identified and described in the 2015 Annual Financial Report. Risk was managed using the same methods and the same criteria during the half-year as during the previous financial year.

Note 4. Segment information (x 1,000 EUR) – Global portfolio

INCOME STATEMENT	Healthcare Real estate		Offices		Property of distribution networks		Others		Unallocated amounts		TOTAL	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
At 30.06												
Net rental income	43,452	42,701	42,115	42,149	18,822	18,870	1,007	979			105,396	104,699
Property result after direct property costs	42,673	42,522	33,560	35,549	18,150	17,995	727	915			95,110	96,981
Property management costs									-10,409	-6,921	-10,409	-6,921
Corporate management costs									-4,868	-3,787	-4,868	-3,787
Gains or losses on disposals of investment properties and other non-financial assets			418	1,854	994	102					1,412	1,956
Changes in the fair value of investment properties	36,775	10,363	-31,207	-18,730	5,748	-325	401	-48			11,718	-8,740
Other result on the portfolio	-831	67			546	-47			-479	-154	-764	-134
Operating result											92,199	79,355
Financial result									-52,422	-17,104	-52,422	-17,104
Share in the result of associated companies and joint ventures							548	230			548	230
Taxes	-11	6		-149	-82	67			-2,841	-2,628	-2,934	-2,704
NET RESULT											37,392	59,777
NET RESULT – GROUP SHARE											34,605	57,066

BALANCE SHEET	Healthcare Real estate		Offices		Property of distribution networks		Others		Unallocated amounts		TOTAL	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
AT 30.06/31.12												
Assets												
Goodwill	26,929	26,929			84,327	84,327					111,256	111,256
Investment properties, including:	1,418,324	1,326,106	1,245,714	1,241,151	540,504	537,434	27,195	26,792			3,231,737	3,131,483
<i>Development projects</i>	36,575	12,720	33,416	45,525	505	1,648	1,662	1,651			72,158	61,544
<i>Assets held for own use</i>			9,218	8,625							9,218	8,625
Assets held for sale	2,000	2,180			710	690					2,710	2,870
Other assets									179,363	166,871	179,363	166,871
TOTAL ASSETS											3,525,066	3,412,480
Shareholders' equity and liabilities												
Shareholders' equity									1,852,144	1,924,615	1,852,144	1,924,615
<i>Shareholders' equity attributable to shareholders of the parent company</i>									1,787,535	1,860,099	1,787,535	1,860,099
<i>Minority interests</i>									64,609	64,516	64,609	64,516
Liabilities									1,672,923	1,487,865	1,672,923	1,487,865
SHAREHOLDERS' EQUITY AND LIABILITIES											3,525,066	3,412,480

Note 4. Segment information (x 1,000 EUR) – Healthcare real estate

INCOME STATEMENT	Germany		Belgium		France		Netherlands		TOTAL	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
At 30.06										
Net rental income	3,153	690	24,042	26,452	12,718	12,433	3,540	3,126	43,452	42,701
Property result after direct property costs	3,107	690	23,653	26,459	12,624	12,342	3,290	3,031	42,673	42,522
Property management costs										
Corporate management costs										
Gains or losses on disposals of investment properties and other non-financial assets										
Changes in the fair value of investment properties	3,332	1,069	15,991	7,059	11,453	-112	6,000	2,347	36,775	10,363
Other result on the portfolio					-596	171	-235	-104	-831	67
Operating result										
Financial result										
Share in the result of associated companies and joint ventures										
Taxes					-11	6			-11	6
NET RESULT										
NET RESULT – GROUP SHARE										

BALANCE SHEET	Germany		Belgium		France		Netherlands		TOTAL	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
AT 30.06/31.12										
Assets										
Goodwill					26,929	26,929			26,929	26,929
Investment properties, including:	100,280	67,081	802,974	772,719	393,489	381,334	121,582	104,972	1,418,324	1,326,106
<i>Development projects</i>			12,374	2,300	5,320	4,690	18,881	5,730	36,575	12,720
<i>Assets held for own use</i>										
Assets held for sale					2,000	2,180			2,000	2,180
Other assets										
TOTAL ASSETS										
Shareholders' equity and liabilities										
Shareholders' equity										
<i>Shareholders' equity attributable to shareholders of the parent company</i>										
<i>Minority interests</i>										
Liabilities										
SHAREHOLDERS' EQUITY AND LIABILITIES										

Note 4. Segment information (x 1,000 EUR) – Offices

INCOME STATEMENT	Brussels CBD ¹		Brussels Decentralised		Brussels Periphery		Antwerp		Other Regions		TOTAL	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
At 30.06												
Net rental income	11,229	11,037	20,320	20,375	4,104	4,544	2,501	2,327	3,960	3,866	42,115	42,149
Property result after direct property costs	6,888	9,181	17,093	17,041	3,275	3,695	2,441	1,960	3,864	3,672	33,560	35,549
Property management costs												
Corporate management costs												
Gains or losses on disposals of investment properties and other non-financial assets	418	1,678		176							418	1,854
Changes in the fair value of investment properties	-6,436	2,169	-22,986	-19,197	-1,987	-1,688	173	-5	29	-9	-31,207	-18,730
Other result on the portfolio												
Operating result												
Financial result												
Share in the result of associated companies and joint ventures												
Taxes		-149										-149
NET RESULT												
NET RESULT – GROUP SHARE												

BALANCE SHEET	Brussels CBD ¹		Brussels Decentralised		Brussels Periphery		Antwerp		Other Regions		TOTAL	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
AT 30.06/31.12												
Assets												
Goodwill												
Investment properties, including:	425,705	391,313	501,118	529,268	137,198	139,186	66,305	66,123	115,388	115,261	1,245,714	1,241,151
<i>Development projects</i>	32,239	27,068	302	17,611	373	358	501	488			33,416	45,525
<i>Assets held for own use</i>	9,218			8,625							9,218	8,625
Assets held for sale												
Other assets												
TOTAL ASSETS												
Shareholders' equity and liabilities												
Shareholders' equity												
<i>Shareholders' equity attributable to shareholders of the parent company</i>												
<i>Minority interests</i>												
Liabilities												
SHAREHOLDERS' EQUITY AND LIABILITIES												

¹ Central Business District

Note 4. Segment information (x 1,000 EUR) – Property of distribution networks

INCOME STATEMENT	Pubstone - Belgium		Pubstone - Netherlands		Cofinimur I - France		TOTAL	
	2016	2015	2016	2015	2016	2015	2016	2015
At 30.06								
Net rental income	9,844	9,869	5,091	5,138	3,887	3,863	18,822	18,870
Property result after direct property costs	9,704	9,514	4,627	4,771	3,819	3,710	18,150	17,995
Property management costs								
Corporate management costs								
Gains or losses on disposals of investment properties and other non-financial assets	998	202	-4	-98		-2	994	103
Changes in the fair value of investment properties	4,869	-550	-2,120	-284	2,999	509	5,748	-325
Other result on the portfolio		-2	547	-45			547	-47
Operating result								
Financial result								
Share in the result of associated companies and joint ventures								
Taxes			-82	67			-82	67
NET RESULT								
NET RESULT – GROUP SHARE								

BALANCE SHEET	Pubstone - Belgium		Pubstone - Netherlands		Cofinimur I - France		TOTAL	
	2016	2015	2016	2015	2016	2015	2016	2015
AT 30.06/31.12								
Assets								
Goodwill	50,977	50,977	33,350	33,350			84,327	84,327
Investment properties, including:	276,563	274,299	144,731	147,117	119,210	116,018	540,504	537,434
<i>Development projects</i>		973			505	675	505	1,648
<i>Assets held for own use</i>								
Assets held for sale					710	690	710	690
Other assets								
TOTAL ASSETS								
Shareholders' equity and liabilities								
Shareholders' equity								
<i>Shareholders' equity attributable to shareholders of the parent company</i>								
<i>Minority interests</i>								
Liabilities								
SHAREHOLDERS' EQUITY AND LIABILITIES								

Note 4. Segment information (x 1,000 EUR) – Other

INCOME STATEMENT	Brussels CBD ¹		Brussels Decentralised		Brussels Periphery		Antwerp		Other Regions		TOTAL	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
At 30.06												
Net rental income			41	41	320	302	4	4	642	633	1,007	980
Property result after direct property costs			-3		319	301	3	3	408	611	727	915
Property management costs												
Corporate management costs												
Gains or losses on disposals of investment properties and other non-financial assets												
Changes in the fair value of investment properties						-42		1	401	-8	401	-49
Other result on the portfolio												
Operating result												
Financial result												
Share in the result of associated companies and joint ventures									548	230	548	230
Taxes												
NET RESULT												
NET RESULT – GROUP SHARE												

BALANCE SHEET	Brussels CBD ¹		Brussels Decentralised		Brussels Periphery		Antwerp		Other Regions		TOTAL	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
AT 30.06/31.12												
Assets												
Goodwill												
Investment properties, including:					7,188	7,088	155	154	19,852	19,549	27,195	26,792
<i>Development projects</i>					1,662	1,651					1,662	1,651
<i>Assets held for own use</i>												
Assets held for sale												
Other assets												
TOTAL ASSETS												
Shareholders' equity and liabilities												
Shareholders' equity												
<i>Shareholders' equity attributable to shareholders of the parent company</i>												
<i>Minority interests</i>												
Liabilities												
SHAREHOLDERS' EQUITY AND LIABILITIES												

¹ Central Business District

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Note 5. Rental income and rental-related expenses (x 1,000 EUR)

	30.06.2016	30.06.2015
Rental income		
Gross potential income ¹	107,288	106,757
Vacancy ²	-5,617	-5,295
Rents³	101,671	101,462
Cost of rent-free periods	-2,022	-1,734
Concessions granted to tenants	-237	-285
Early termination indemnities ⁴	353	118
SUBTOTAL	99,765	99,561
Writeback of lease payments sold and discounted	5,633	5,107
Rental-related expenses		
Rent payable on rented premises	-1	-45
Writedowns on trade receivables	-9	76
Writeback of writedowns on trade receivables	8	
SUBTOTAL	-2	31
TOTAL	105,396	104,699

The rental income and charges classification and treatment method is described in detail on page 168 of the 2015 Annual Financial Report.

Note 6. Financial income (x 1,000 EUR)

	30.06.2016	30.06.2015
Interests and dividends received ⁵	171	534
Interest receipts in respect of finance lease and similar receivables	2,382	2,375
TOTAL	2,553	2,909

¹ Gross potential rental income is the sum of real rents received and estimated rents attributed to unlet spaces.

² Vacancy is calculated on unlet spaces based on the rental value estimated by independent real estate experts.

³ Including income guaranteed by developers to replace rents.

⁴ Early termination indemnities are recognised in full in the income statement, in accordance with IAS 17.50.

⁵ The amount of dividends received is nil at 30.06.2016 and 30.06.2015.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Note 7. Net interest charges (x 1,000 EUR)

	30.06.2016	30.06.2015
Nominal interests on loans at amortised cost	-10,331	-12,553
Bilateral loans - floating rate	-1,235	-2,932
Commercial papers - floating rate	-472	-594
Investment credits - floating or fixed rate	-292	-306
Bonds - fixed rate	-5,025	-4,143
Convertible bonds	-3,307	-4,578
Writeback of nominal financial debts	-317	-361
Charges relating to authorised hedging instruments	-5,593	-8,705
Authorised hedging instruments qualifying for hedge accounting		-3,250
Authorised hedging instruments not qualifying for hedge accounting	-5,593	-5,455
Income relating to authorised hedging instruments	1,170	1,961
Authorised hedging instruments qualifying for hedge accounting		51
Authorised hedging instruments not qualifying for hedge accounting	1,170	1,910
Other interest charges	-1,790	-1,830
TOTAL	-16,861	-21,488

Note 8. Other financial charges (x 1,000 EUR)

	30.06.2016	30.06.2015
Bank fees and other commissions	-217	-168
Others	-415	225
Interests on cash advances		353
Realised gains/losses on disposals of financial instruments	-237	
Others	-178	-128
TOTAL	-632	57

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Note 9. Changes in the fair value of financial assets and liabilities (x 1,000 EUR)

	30.06.2016	30.06.2015
Authorised hedging instruments qualifying for hedge accounting	-3,758	-6,392
Changes in fair value of authorised hedging instruments qualifying for hedge accounting	-636	-46
Impact of the recycling under the income statement of hedging instruments which relationship with the hedged risk was terminated	-3,122	-6,347
Authorised hedging instruments not qualifying for hedge accounting	-33,724	4,931
Changes in fair value of authorised hedging instruments qualifying for hedge accounting	-31,946	13,091
Convertible bonds	-1,778	-8,160
TOTAL	-37,482	-1,462

Note 10. Investment properties (x 1,000 EUR)

	30.06.2016	31.12.2015
Asset category	Level 3 ¹	Level 3 ¹
Properties available for lease	3,150,361	3,061,314
Development projects	72,158	61,544
Assets held for own use	9,218	8,625
TOTAL²	3,231,737	3,131,483

Properties available for lease (x 1,000 EUR)

	30.06.2016	31.12.2015
Asset category	Level 3 ¹	Level 3 ¹
AT 01.01	3,061,314	3,097,932
Capital expenditures	3,161	16,685
Acquisitions	59,427	68,635
Transfers from/to Development projects	11,144	49,381
Sales/Disposals (fair value of assets sold/disposed of)	-2,052	-177,878
Writeback of lease payments sold and discounted	5,633	10,214
Increase/Decrease in the fair value	11,734	-3,655
AT 30.06/31.12	3,150,361	3,061,314

¹ According to IFRS 13, the basis for the valuations resulting in the fair values can be described as follows:

Level 1: quoted prices observable in active markets;

Level 2: observable data other than the quoted prices included in level 1;

Level 3: unobservable data.

² Including the fair value of investment properties subject to the disposal of receivables.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Development projects (x 1,000 EUR)

	30.06.2016	31.12.2015
Asset category	Level 3 ¹	Level 3 ¹
AT 01.01	61,544	88,966
Investments	14,470	34,932
Acquisitions	4,077	6,158
Transfer from/to Properties available for lease	-11,144	-49,381
Sales/Disposals (fair value of assets sold/disposed of)		-19,287
Increase/Decrease in the fair value	3,211	156
AT 30.06/31.12	72,158	61,544

Assets held for own use (x 1,000 EUR)

	30.06.2016	31.12.2015
AT 01.01	8,625	8,875
Investments	573	51
Increase/Decrease in the fair value	20	-301
AT 30.06/31.12	9,218	8,625

¹ According to IFRS 13, the basis for the valuations resulting in the fair values can be described as follows:

Level 1: quoted prices observable in active markets;

Level 2: observable data other than the quoted prices included in level 1;

Level 3: unobservable data.

Note 11. Financial instruments (x 1,000 EUR)

	30.06.2015					
	Designated in a hedging relationship	Designated at fair value through the net result	Held for trading	Loans, receivables and financial liabilities at amortised cost	Fair value	Fair value qualification
Non-current financial assets	419			86,046	114,611	
Hedging instruments	419				419	
<i>CAP</i>	419				419	Level 2
Credits and receivables				83,679	111,825	
<i>Loans to associated companies</i>				6,125	6,125	Level 2
<i>Non-current finance lease receivables</i>				77,516	105,662	Level 2
<i>Trade receivables and other non-current assets</i>				38	38	Level 2
Other non-current financial liabilities				2,367	2,367	Level 2
Current financial assets			284	64,722	66,518	
Hedging instruments			284		284	
<i>IRS</i>			284		284	Level 2
Credits and receivables				39,879	41,391	
<i>Current finance lease receivables</i>				1,912	3,424	Level 2
<i>Trade receivables</i>				23,270	23,270	Level 2
<i>Trade receivables and other non-current assets</i>				14,697	14,697	Level 2
Cash and cash equivalents				24,843	24,843	Level 2
TOTAL	419		284	150,768	181,129	

	30.06.2015					
	Designated in a hedging relationship	Designated at fair value through the net result	Held for trading	Loans, receivables and financial liabilities at amortised cost	Fair value	Fair value qualification
Non-current financial liabilities	62,809	211,996		825,664	1,100,469	
Non-current financial debts		211,996		821,822	1,033,818	
<i>Bonds</i>				379,376	379,376	Level 2
<i>Commercial papers - fixed rate</i>				26,000	26,000	Level 2
<i>(Mandatory) Convertible Bonds</i>		211,996			211,996	Level 1
<i>Bank debts</i>				409,978	409,978	Level 2
<i>Rental guarantees received</i>				6,468	6,468	Level 2
Other non-current financial liabilities	62,809			3,842	66,651	
<i>CAP</i>	31				31	Level 2
<i>FLOOR</i>	11,789				11,789	Level 2
<i>IRS</i>	50,989				50,989	Level 2
<i>Other non-current financial liabilities</i>				3,842	3,842	Level 2
Current financial liabilities	24,542	177,556		336,782	538,870	
Current financial debts		177,556		248,690	426,236	
<i>Convertible bonds</i>		177,556			177,556	Level 1
<i>Commercial papers - fixed rate</i>				5,000	5,000	Level 2
<i>Commercial papers - floating rate</i>				203,100	203,100	Level 2
<i>Bank debts</i>				40,558	40,558	Level 2
<i>Finance lease</i>				10		
<i>Other current financial debts</i>				22	22	Level 2
Other current financial liabilities	24,542				24,542	
<i>FLOOR</i>	3,289				3,289	Level 2
<i>IRS</i>	21,253				21,253	Level 2
Trade debts and other current debts				88,092	88,092	Level 2
TOTAL	87,351	389,552		1,162,446	1,639,338	

	30.06.2016					
	Designated in a hedging relationship	Designated at fair value through the net result	Held for trading	Loans, receivables and financial liabilities at amortised cost	Fair value	Fair value qualification
Non-current financial assets				81,545	145,904	
Credits and receivables				81,545	145,904	
<i>Loans to associated companies</i>				6,197	6,197	<i>Level 2</i>
<i>Non-current finance lease receivables</i>				75,308	139,666	<i>Level 2</i>
<i>Trade receivables and other non-current assets</i>				41	41	<i>Level 2</i>
Current financial assets				51,816	53,326	
Credits and receivables				22,200	23,710	
<i>Current finance lease receivables</i>				1,767	3,277	<i>Level 2</i>
<i>Trade receivables</i>				20,433	20,433	<i>Level 2</i>
Cash and cash equivalents				29,616	29,616	<i>Level 2</i>
TOTAL				133,361	199,230	

	30.06.2016					
	Designated in a hedging relationship	Designated at fair value through the net result	Held for trading	Loans, receivables and financial liabilities at amortised cost	Fair value	Fair value qualification
Non-current financial liabilities		177,769	98,816	929,518	1,206,103	
Non-current financial debts		177,769		929,518	1,107,287	
<i>Bonds</i>				380,000	380,000	Level 1
<i>Commercial papers - fixed rate</i>				46,000	46,000	Level 2
<i>(Mandatory) Convertible Bonds</i>		177,769			177,769	Level 1
<i>Bank debts</i>				461,473	461,473	Level 2
<i>Rental guarantees received</i>				6,442	6,442	Level 2
<i>Deferred taxes</i>				35,604	35,604	
Other non-current financial liabilities			98,816		98,816	
<i>IRS</i>			98,816		98,816	Level 2
Current financial liabilities	636		18,227	389,309	408,171	
Current financial debts				312,037	312,037	
<i>Commercial papers - floating rate</i>				290,500	290,500	Level 2
<i>Bank debts</i>				21,505	21,505	Level 2
<i>Others</i>				32	32	Level 2
Other current financial liabilities	636		18,227		18,863	
<i>IRS</i>			18,227		18,227	Level 2
<i>FX options</i>	636				636	Level 2
Trade debts and other current debts				77,272	77,272	Level 2
TOTAL	636	177,769	117,043	1,318,827	1,614,274	

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Categories of financial instruments

Fair value is estimated:

- At book value for trade receivables and debt, loans and variable rate loans and debt;
- Based on future cash flows discounted at adapted market rates for lease-finance receivables;
- By reference to a price quoted on an active market for listed bonds (retail bonds and private placements).

Financial instruments designated as being at fair value through the net result

The financial instruments that are valued, subsequent to initial recognition, at fair value on the balance sheet, are grouped in three levels (1 to 3), based on the degree to which the fair value is observable:

- **Level 1** fair value measurements are those derived from quoted prices (unadjusted) in active markets for similar assets or liabilities;
- **Level 2** fair value measurements are those derived from data other than quoted prices included in level 1, which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. data derived from prices);
- **Level 3** fair value measurements are those derived from valuation techniques that include data for the asset or liability that are not based on observable market data (unobservable data).

Level 1

Convertible bonds issued by Cofinimmo are level 1.

Level 2

The financial assets and liabilities as well as the financial derivatives owned at fair value by Cofinimmo are all level 2, except for the convertible bonds issued by Cofinimmo, which are level 1.

Their fair value is established as follows:

- Fair value of financial assets and liabilities
The fair value of the assets and liabilities with standard terms and conditions and which are traded on active and liquid markets is established based on stock market prices.
- Fair value of participations in associated companies and joint ventures
Fair value is determined based on the share in the associated company of which all the assets are valued at their fair value.
- Fair value of hedging derivative financial instruments
The fair value of derivative instruments is calculated based on stock market prices. When such prices are not available, analyses of discounted cash flows based on the applicable yield curve with respect to the duration of the instruments are used in the case of non-optional derivatives, and option evaluation models are used in the case of optional derivatives. Interest rate swaps are evaluated according to the discounted value of estimated and discounted cash flows in accordance with the applicable yield curves obtained on the basis of the market interest rates.

Level 3

Cofinimmo does not currently hold any level 3 financial instruments.

There were no asset transfers between the different fair value categories.

A description of financial risks is available in chapter '1.11. Risk management' of this Half-Year Financial Report.

Note 12. Share capital and share premiums

(in number)	Ordinary shares		Convertible preference shares		TOTAL	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015	30.06.2016	31.12.2015
Number of shares (A)						
AT 01.01	20,344,378	17,339,423	685,848	686,485	21,030,226	18,025,908
Capital increase		3,004,318				3,004,318
Conversion of preference shares into ordinary shares	101	637	-101	-637		
Conversion of convertible bonds into ordinary shares	522				522	
AT 30.06/31.12	20,345,001	20,344,378	685,747	685,848	21,030,748	21,030,226

Own shares held by the Group (B)	30.06.2016	31.12.2015	30.06.2016	31.12.2015	30.06.2016	31.12.2015
	AT 01.01	50,114	54,414			50,114
Own shares sold/purchased – net	-3,615	-4,300			-3,615	-4,300
AT 30.06/31.12	46,499	50,114			46,499	50,114

Number of outstanding shares (A-B)	30.06.2016	31.12.2015	30.06.2016	31.12.2015	30.06.2016	31.12.2015
	AT 01.01	20,294,264	17,285,009	685,848	686,485	20,980,112
AT 30.06/31.12	20,298,502	20,294,264	685,747	685,848	20,984,249	20,980,112

(x 1,000 EUR)	Ordinary shares		Convertible preference shares		TOTAL	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015	30.06.2016	31.12.2015
Capital						
AT 01.01	1,087,720	926,485	36,575	36,609	1,124,295	963,067
Own shares sold/purchased – net	194	230			194	230
Capital increase		160,997				160,997
Conversion of preference shares into ordinary shares	5	34	-5	-34		
Conversion of convertible bonds into ordinary shares	28				28	
AT 30.06/31.12	1,087,947	1,087,720	36,570	36,575	1,124,517	1,124,295

Share premium account	30.06.2016	31.12.2015	30.06.2016	31.12.2015	30.06.2016	31.12.2015
	AT 01.01	468,079	347,818	36,161	36,195	504,240
Own shares sold/purchased – net	198	168			198	168
Capital increase		120,059				120,059
Conversion of preference shares into ordinary shares	5	34	-5	-34		
Conversion of convertible bonds into ordinary shares	31				31	
AT 30.06/31.12	486,313	468,079	36,156	36,161	504,469	504,240

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Note 13. Result per share

(x 1,000 EUR)	30.06.2016	30.06.2015
Net current result attributable to ordinary and preference shares	22,493	64,149
Net current result for the period	24,807	66,771
Minority interests	-2,314	-2,622
Result on portfolio attributable to ordinary and preference shares	12,113	-7,083
Result on portfolio for the period	12,586	-6,994
Minority interests	-473	-89
Net result attributable to ordinary and preference shares	34,605	57,066
Net result for the period	37,392	59,777
Minority interests	-2,787	-2,711
Diluted net result attributable to ordinary and preference shares	30,237	48,846
Diluted net result for the period	33,024	51,557
Minority interests	-2,787	-2,711

Result per share (in EUR)	30.06.2016	30.06.2015
Number of ordinary and preference shares taken into account in the calculation of the result per share	20,984,249	18,783,949 ¹
Net current result per share – Group share	1.07	3.42
Result on portfolio per share – Group share	0.58	-0.38
Net result per share – Group share	1.65	3.04

Diluted result per share (in EUR) ²	30.06.2016	30.06.2015
Number of ordinary and preference shares taken into account in the calculation of the diluted result per share	20,341,837	19,621,129 ¹
Diluted net current result per share – Group share	0.89	2.85
Diluted result on portfolio per share – Group share	0.60	-0.36
Diluted net result per share - Group share	1.49	2.49

¹ Prorata temporis number of shares, to take into account the fact that 3,004,318 new ordinary shares issued in May 2015 were entitled to share in the result of the financial year 2015 as from 12.05.2015.

² In accordance with IAS 33, elements that would have an accretive impact are excluded from the diluted result - Group share. The following elements have been excluded at 30.06.2016 and at 30.06.2015: the Mandatory Convertible Bonds issued in 2011 and the convertible bonds issued in 2013.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Note 14. Consolidation criteria and scope

Consolidation perimeter

Name and address of the registered office of subsidiaries held at 100 % by the Group (full consolidation)	VAT or national number (NN)	Direct and indirect interests and voting rights (in %)
BELLIARD III-IV PROPERTIES SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation BE 475 162 121	100.00
BOLIVAR PROPERTIES SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation BE 878 423 981	100.00
COFINIMMO INVESTISSEMENTS ET SERVICES SA Avenue de l'Opéra 27, 75001 Paris (France)	FR 88 487 542 169	100.00
SCI AC NAPOLI Avenue de l'Opéra 27, 75001 Paris (France)	FR 71 428 295 695	100.00
SCI BEAULIEU Avenue de l'Opéra 27, 75001 Paris (France)	FR 50 444 644 553	100.00
SCI CHAMTOU Avenue de l'Opéra 27, 75001 Paris (France)	FR 11 347 555 203	100.00
SCI CUXAC II Avenue de l'Opéra 27, 75001 Paris (France)	FR 18 343 262 341	100.00
SCI DE L'ORBIEU Avenue de l'Opéra 27, 75001 Paris (France)	FR 14 383 174 380	100.00
SCI DU DONJON Avenue de l'Opéra 27, 75001 Paris (France)	FR 06 377 815 386	100.00
SNC DU HAUT CLUZEAU Avenue de l'Opéra 27, 75001 Paris (France)	FR 39 319 119 921	100.00
SARL HYPOCRATE DE LA SALETTE Avenue de l'Opéra 27, 75001 Paris (France)	not subject to taxation NN 388 117 988	100.00
SCI LA NOUVELLE PINÈDE Avenue de l'Opéra 27, 75001 Paris (France)	FR 78 331 386 748	100.00
SCI PRIVATEL INVESTISSEMENT Avenue de l'Opéra 27, 75001 Paris (France)	FR 13 333 264 323	100.00
SCI RESIDENCE FRONTENAC Avenue de l'Opéra 27, 75001 Paris (France)	FR 80 348 939 901	100.00
SCI SOCIBLANC Avenue de l'Opéra 27, 75001 Paris (France)	not subject to taxation NN 328 781 844	100.00
COFINIMMO LUXEMBOURG SA Boulevard Grande-Duchesse Charlotte 56, 1331 Luxemburg (Grand Duchy of Luxemburg)	not subject to taxation NN 100 044	100.00
COFINIMMO SERVICES SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 437 018 652	100.00
FPR LEUZE SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 839 750 279	100.00
GESTONE SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 655 814 822	100.00

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

KAISERSTONE SA Rue Eugène Ruppert 6, 2453 Luxemburg (Grand Duchy of Luxemburg)	B 202.584	100.00
LEOPOLD SQUARE SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation BE 465 387 588	100.00
SUPERSTONE BV Claudius Prinsenlaan 128, 4818 CP Breda (The Netherlands)	NL 85.07.32.554.B.01	100.00
WELLNESSTONE SA Rue Eugène Ruppert 6, 2453 Luxemburg (Grand Duchy of Luxemburg)	not subject to taxation B 197.443	100.00

Name and address of the registered office of the subsidiaries held by the Group, but with minority interests (full consolidation)	VAT or national number (NN)	Direct and indirect interests and voting rights (in %)
ASPRIA MASCHSEE BV Claudius Prinsenlaan 128, 4818 CP Breda (The Netherlands)	NL 81.89.06.108.B.01	94.90
ASPRIA UHLENHORST BV Claudius Prinsenlaan 128, 4818 CP Breda (The Netherlands)	NL 81.89.06.182.B.01	94.90
COFINIMUR I SA Avenue George V 10, 75008 Paris (France)	FR 74 537 946 824	97.65
PUBSTONE GROUP SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation BE 878 010 643	90.00
PUBSTONE SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 405 819 096	99.99
PUBSTONE PROPERTIES BV Claudius Prinsenlaan 128, 4818 CP Breda (The Netherlands)	NL 81.85.89.723.B.01	90.00
RHEASTONE SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 893 787 296	97.38

Name and address of the joint ventures' registered office (equity consolidation)	VAT or national number (NN)	Direct and indirect interests and voting rights (in %)
COFINEA I SAS Avenue de l'Opéra 27, 75001 Paris (France)	FR 74 538 144 122	51.00

Consolidation criteria

The consolidation criteria published in the 2015 Annual Financial Report have not been changed and are still used by the Cofinimmo Group.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Note 15. Transactions between related parties

There were no transactions between related parties in the first half-year of 2016 as meant in the IAS 34 standard and Article 8 of the Royal Decree of 13.07.2014.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

3. Statement of compliance

The Board of Directors of Cofinimmo SA/NV assumes responsibility for the content of the 2016 Half-Year Financial Report, subject to the information supplied by third parties, including the reports of the statutory auditor and the real estate experts.

Mr André Bergen, in his position as Chairman of the Board of Directors, Mrs Diana Monissen, Mrs Inès Reinmann-Toper, Mrs Françoise Roels and Mrs Kathleen Van den Eynde, Mr Jean-Edouard Carbonnelle, Mr Olivier Chapelle, Mr Xavier de Walque, Mr Xavier Denis, Mr Christophe Demain, Mr Jérôme Descamps, Mr Maurice Gauchot and Mr Alain Schockert, Directors,

state that, to the best of their knowledge:

1. The 2016 Half-Year Financial Report contains a fair and true statement of the important events and, as the case may be, of major transactions between related parties that have occurred during the half year and their impact on the financial statements;
2. The 2016 Half-Year Financial Report contains no omissions likely to significantly modify the scope of any statements made in it;
3. The financial statements were prepared in accordance with applicable accounting standards and submitted to the statutory auditor for limited review. They give a fair and true picture of the portfolio, financial situation and results of Cofinimmo and its subsidiaries included in the consolidation. Moreover, the Interim Management Report provides the outlook for the result of the coming year as well as comments on the risks and uncertainties facing the company (see pages 2 to 11 of the 2015 Annual Financial Report and pages 29 to 31 of this 2016 Half-Year Financial Report).

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

For more information:

Valerie Kibieta

Head of External Communication and
Investor Relations
Tel.: +32 2 373 60 36
vkibieta@cofinimmo.be

Ellen Grauls

Investor Relations Manager
Tel.: +32 2 373 94 21
egrauls@cofinimmo.be

About Cofinimmo:

Founded in 1983, Cofinimmo is today the foremost listed Belgian real estate company specialising in rental property and an important player in the European market.

The company owns a diversified property portfolio spread over Belgium, France, the Netherlands and Germany, worth 3.2 billion EUR, representing a total surface area of over 1,700,000 m². Riding on demographic trends, its main investment segments are healthcare properties (44 %), offices (39 %), and distribution networks (17 %). As an independent company that consistently applies the highest corporate governance and sustainability standards, Cofinimmo services its tenants and manages its properties through its team of over 110 people, operating from Brussels.

Cofinimmo is listed on Euronext Brussels (BEL20) and benefits from the fiscal REIT regime in Belgium (RREC), in France (SIIC) and in the Netherlands (FBI). Its activities are controlled by the Financial Services and Markets Authority, the Belgian regulator.

At 30.06.2016, its total market capitalisation stands at 2.2 billion EUR. The company pursues investment policies which seek to offer a high dividend yield and capital protection over the long term, targeting both institutional and private investors.

www.cofinimmo.com

Follow us on:



REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

4. Appendices

4.1. Real estate experts' report

Real estate Valuer's report



Brussels, 30 June 2016

To the Board of Cofinimmo s.a./n.v.

Re: Valuation as of 30 June 2016

Context

We have been engaged by Cofinimmo to value its real estate assets as of **30 June 2016** with a view to finalising its financial statements at that date.

Cushman & Wakefield (C&W), PwC Enterprise Advisory cvba/srl (PwC) and JLL sprl/bvba have each separately valued a part of the portfolio of offices and other properties¹.

C&W and PwC have each separately valued part of the portfolio of nursing homes in Belgium.

C&W and JLL France have each separately valued part of the portfolio of nursing homes and other care facilities in France.

The portfolio of clinics in The Netherlands has been valued by PwC Netherlands.

The portfolio of healthcare in Germany has been valued by PwC Germany.

The portfolios of pubs in Belgium and the Netherlands have been valued by C&W.

The portfolio of insurance agencies in France has been valued by C&W.

C&W, PwC and JLL have in-depth knowledge of the real estate markets in which Cofinimmo is active and have the necessary, recognised professional qualifications to perform this assessment. In conducting this assessment, they have acted with complete independence.

As is customary, our assignment has been carried out on the basis of information provided by Cofinimmo regarding tenancy schedules, charges and taxes borne by the landlord, works to be carried out and all other factors that could affect property values. We assume that the information provided is complete and accurate.

¹ Other properties: semi-industrial, retail and residential.

Our valuation reports do not in any way constitute an assessment of the structural or technical quality of the buildings or an in-depth analysis of their energy efficiency or of the potential presence of harmful substances. This information is well known to Cofinimmo, which manages its properties in a professional way and performs technical and legal due diligence before acquiring each property.

Opinion

We confirm that our valuation has been done in accordance with national and international market practices and standards (International Valuation Standards issued by the International Valuation Standards Council and included in RICS Valuation – Professional Standards January 2014, the Red Book of the Royal Institute of Chartered Surveyors).

The Investment value (in the context of this valuation) is defined as the amount most likely to be obtained at normal conditions of sale between willing and well-informed parties, inclusive of transactions costs (mainly transfer taxes) to be paid by the acquirer. It does not reflect the costs of future investments that could improve the property or the benefits associated with such costs.

Valuation methodology

The valuation methodology adopted is mainly based on the following methods:

METHOD OF ESTIMATED RENTAL VALUE CAPITALISATION (ERV CAPITALISATION)

This method consists in capitalising the estimated rental value of the property by using a capitalisation rate ('yield') in line with the investment market. The choice of the capitalisation rate used is linked to the capitalisation rates applied in the real estate investment market, which takes into account the property location, the quality of the buildings and that of the tenant, and the quality and duration of the lease at the valuation date. The rate corresponds to the rate anticipated by potential investors at the valuation date. To determine the estimated rental value, one takes into account the market data, the location of the property and the quality of the building.

The resulting value must be adjusted if the passing rent generates operational income higher or lower than the estimated market value used for capitalisation. The valuation takes into consideration the charges that will need to be incurred in the near future.

DISCOUNTED CASH FLOW METHOD (DCF)

Under this method, it is required to assess the net rental income generated by the property on a yearly basis for a specific period and discounted at today's value. The projection period generally varies between 10 and 18 years. At the end of the period, a residual value is calculated using a capitalisation rate that takes into account the anticipated condition of the building at the end of the projection period, discounted at today's value.

RESIDUAL VALUE METHOD

The value of a project is determined by defining the development potential on site. This implies that the intended use of the project is known or foreseeable in a qualitative (planning) and quantitative manner (number of square metres that can be developed, future rents, etc.). The value is obtained by deducting the costs upon completion of the project from its anticipated value.

APPROACH BY MARKET COMPARABLES

This method is based on the principle that a potential purchaser will not pay more for the acquisition of a property than the price recently paid on the market for similar properties.

Transaction Costs

In theory, the disposal of properties is subject to a transfer tax charged by the Government and paid by the acquirer, which represent substantially all transaction costs. For properties situated in Belgium, the amount of this tax mainly depends on the mode of transfer, the capacity in which the acquirer acts and the property's location. The first two variables, and therefore the amount of tax payable, are only known once the sale is contracted. Based on a study from independent real estate experts dated 8 February 2006 and periodically reviewed, the "average" transaction cost for properties over EUR 2,500,000 is assessed at 2.5%.

The fair value (as defined under IFRS 13 and by the BEAMA's (Belgian Asset Managers Association) press release of 8 February 2006) for properties over EUR 2,500,000 can therefore be obtained by deducting 2.5% of "average" transaction cost from their investment value. This 2.5% figure will be reviewed periodically and adjusted if on the institutional investment transaction market a change of at least +/- 0.5% in the effectively "average" transaction cost is observed.

For properties with an investment value under € 2,500,000 transfer taxes of 10% or 12.5% have been subtracted, depending on the region of Belgium where they are situated.

The transfer taxes on properties in France, Germany and the Netherlands have been deducted in full from their investment values to obtain their fair values.

Assets subject to a sale of receivables

Cofinimmo is owner of several buildings of which the rents have been sold in the past to a third party. The valuers have valued those properties as freehold (before sale of receivables). At the request of Cofinimmo, the values mentioned below represent for these buildings the freehold value net of the rents still due (residual value), as calculated by Cofinimmo. This calculation by Cofinimmo has not been analysed in depth by the valuers. In the forthcoming quarters, the residual value will evolve in such a way as to be, at the maturity of the sale of the receivables, equivalent to the freehold value.

Investment value and sale value (fair value)

Taking into account the three opinions, the investment value (transaction costs not deducted) of Cofinimmo's total real estate portfolio as of 30 June 2016 is estimated at EUR 3.367.843.000.

Taking into account the three opinions, the fair value, after the deduction of the “transaction” transfer costs, of Cofinimmo's total real estate portfolio as of 30 June 2016, corresponding to the fair investment value under IAS/IFRS, is estimated at EUR 3.234.448.000.

On this basis, the yield on rent, received or contracted, including from assets that form the object of an assignment of receivables, but excluding projects, land and buildings undergoing refurbishment, and after the application of imputed rent to the premises occupied by Cofinimmo, amounts to 6,60% of the investment value.

If the properties were to be let in full, the yield would increase to 6,96%.

Investment properties have an occupancy rate of 94,90%.

The contractually passing rent and the estimated rental value on the empty spaces (excluding projects, buildings undergoing refurbishment and assets that form the object of an assignment of receivables) for let space plus the estimated rental value for vacant space is 2,32% above the estimated fair rental value for the whole portfolio at this date. This difference results mainly from the inflation indexation of contractual rents since the inception of the in-place leases.

The assets are broken down as follows:

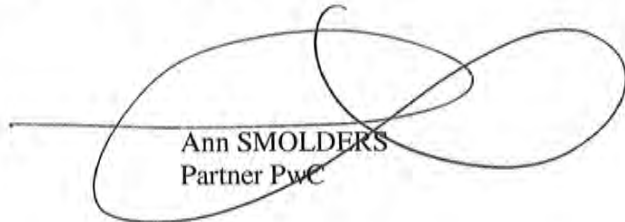
	Investment value	Fair Value	% Fair Value
Healthcare	1.473.508.000	1.419.313.000	43,9%
Offices	1.276.857.000	1.245.714.000	38,5%
Distribution prop. net.	589.604.000	542.227.000	16,8%
Others	27.874.000	27.194.000	0,8%
TOTAL	3.367.843.000	3.234.448.000	100%

PwC opinion

The investment value of the part of Cofinimmo's real estate portfolio valued by PwC is estimated as of 30 June 2016 at EUR 923.347.000 and the fair value (after the deduction of the transaction costs) is estimated at EUR 899.711.000.



Jean-Paul DUCARME FRICS
Director PwC



Ann SMOLDERS
Partner PwC

C&W Opinion

The investment value of the part of Cofinimmo's real estate portfolio valued by C&W and by JLL in France is estimated as of 30 June 2016 at EUR 2.127.736.000 and the fair value (after deduction of transaction costs) at EUR 2.025.703.000.

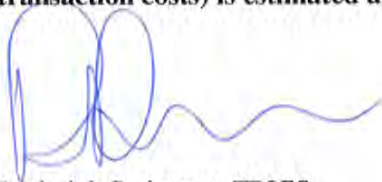


Christophe Ackermans, MRICS *
C&W Director

* SPRC / BVBA

JLL opinion

The investment value of the part of Cofinimmo's real estate portfolio valued by JLL in Belgium is estimated as of 30 June 2016 at EUR 316.760.000 and the fair value (after the deduction of transaction costs) is estimated at EUR 309.034.000.



Roderick Scrivener, FRICS
JLL Director

PwC Enterprise Advisory

Woluwe Garden, Woluwedal 18
1932 Sint-Stevens-Woluwe - Belgium
Tel: +32 (0)710 42 11
Fax: +32 (0) 710 42 99
www.pwc.com

C&W- WINSSINGER & ASSOCIÉS

Chaussée de La Hulpe 166
1170 Brussels - Belgium
Tel: +32 (0)2 629 02 90/91
Fax: +32 (0)2 648 79 89
www.C&W.com

JLL

Avenue Marnix, 23, b1
1000 Bruxelles
Tel: +32 (0)2 550 25 25
Fax: +32 (0)2 550 26 26
www.jll.be

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

4.2. Statutory auditor's report

Cofinimmo SA/NV

**Report on review
of the consolidated interim financial
information for the six-month period
ended 30 June 2016**

The original text of this report is in French and Dutch

Cofinimmo SA/NV

Report on review of the consolidated interim financial information for the six-month period ended 30 June 2016

To the board of directors

In the context of our appointment as the company's statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the consolidated condensed balance sheet as at 30 June 2016, the consolidated condensed statement of comprehensive income, the consolidated condensed statement of changes in equity and the consolidated condensed statement of cash flows for the period of six months then ended, as well as selective notes 1 to 15.

Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of Cofinimmo SA/NV ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standard IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

The consolidated condensed balance sheet shows total assets of 3,525 million EUR and the consolidated condensed statement of comprehensive income shows a consolidated profit (group share) for the period then ended of 35 million EUR.

The board of directors of the company is responsible for the preparation and fair presentation of the consolidated interim financial information in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of review

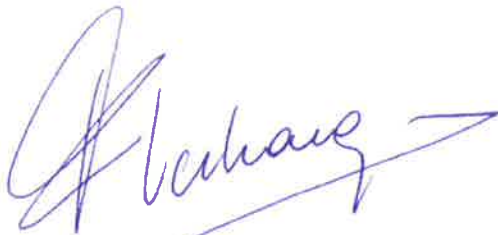
We conducted our review of the consolidated interim financial information in accordance with International Standard on Review Engagements (ISRE) 2410 – *Review of interim financial information performed by the independent auditor of the entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated interim financial information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Cofinimmo SA/NV has not been prepared, in all material respects, in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

Diegem, 28 July 2016

The statutory auditor



DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Frank Verhaegen