

REGULATED INFORMATION

Brussels, embargo until 27.07.2017, 05:40 PM CET

2017 Half-Year Financial Report

Financial results in line with the 2017 financial year forecast:

- Net result from core activities - Group share: 3.25 EUR per share (compared to 2.86 EUR at 30.06.2016)
- Result on the portfolio – Group share: -0.51 EUR per share (compared to 0.58 EUR at 30.06.2016)
- Net result - Group share: 3.06 EUR per share (compared to 1.65 EUR at 30.06.2016)
- Confirmation of the forecasted net result from core activities - Group share for the 2017 financial year: 6.49 EUR per share
- Confirmation of the forecasted gross dividend for the financial year 2017, payable in 2018: 5.50 EUR per ordinary share

Solid operational performance:

- Sustained letting activity: renegotiations and new lettings for nearly 22,000 m², representing 10.1 million EUR in guaranteed gross rental revenues until the first break option¹
- Stable occupancy rate: 94.4 %
- Particularly long residual lease length: 10.0 years
- Gross rental revenues up 4.3 % over the last 12 months (+0.03 % on a like-for-like basis)
- Portfolio value up by 1.7 % over the past six months (-0.2 % on a like-for-like basis)

Continued investment programme:

- New investments and commitments in healthcare real estate for 58 million EUR²
- Investments since the capital increase of May 2015: 381 million EUR, of which 237 million EUR in healthcare real estate² and 135 million EUR in office buildings
- Committed investment pipeline over the period 01.07.2017 – 31.12.2019: 228 million EUR, of which 100 million EUR in healthcare real estate and 118 million EUR in office buildings and office reconversions into apartments. The sale of the latter should generate about 100 million EUR.

Active debt management and capital reinforcement:

- Renewal of various credit lines for 233 million EUR
- Average cost of debt : 2.0 % (2.4 % in 2016)
- Average debt maturity : 5.0 years (4.8 years as at 31.12.2016)
- Reinvestment of 41 % of the 2016 dividends in new shares (33 million EUR)
- Debt ratio: 45.0 % (43.7 % at 31.12.2016)

¹ Of which a new lease for 2,490 m², signed after 30.06.2017 - see chapter 'Events after 30.06.2017' of this Half-Year Financial Report.

² Including the ECT medical office building located in Tiel (NL), acquired after 30.06.2017 - see chapter 'Events after 30.06.2017' of this Half-Year Financial Report.

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The Alternative Performance Measures (APM) defined by the European Securities and Markets Authority (ESMA) are identified with an asterisk (*) the first time they appear in the body of this press release. Their definition and calculation details are available on Cofinimmo's website (www.cofinimmo.com/investors/reports-and-presentations).

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1. Interim management report

1.1. Summary of activities

During the first half of 2017 Cofinimmo pursued its investments in healthcare real estate, mainly in the Netherlands and Germany. The Group acquired several medical office buildings, a care centre for people suffering from mental disorders and a nursing and care home. Construction works of a care centre for people suffering from severe confusion were delivered as well. In Belgium, reconversion works of an office building into a nursing and care home are nearing completion and a new agreement has been signed for major renovation and extension works on another nursing and care home.

As for the office segment, active marketing of vacant space resulted into more than 10 million EUR in gross rental revenues being secured (until the first break option for the tenants)¹. In the Brussels decentralised area, the company is expanding its Flex Corners® and Lounges® offer in order to respond to increasing tenant demand in terms of flexibility. At the same time, Cofinimmo is conducting the redevelopment works of the Belliard 40 and Arts/Kunst 19H buildings, in the heart of Brussels, and preparing the repositioning of the Souverain/Vorst 23-25 site which will be vacated by AXA Belgium in the beginning of August.

Since the beginning of 2017, investments totalled 81 million EUR, of which 57 million EUR in healthcare real estate² and 22 million EUR in offices. The Group invested 381 million EUR in total since the capital increase of May 2015, of which 237 million EUR in healthcare real estate¹ and 135 million EUR in offices.

41 % of the 2016 dividends have been paid in new shares in the first half of 2017, thus reinforcing Cofinimmo's shareholders' equity by 33 million EUR. The Group's debt ratio amounts to 45.0 % at 30.06.2017. The company renewed multiple credit lines, bringing the average global debt maturity to 5.0 years at the end of June 2017. The average cost of debt over the first half of 2017 was 2.0 %.

The net result from core activities - Group share* was 69.3 million EUR at 30.06.2017, compared to 60.0 million EUR at 30.06.2016. The difference is mainly due to an increase in rental income between these two dates resulting from acquisitions made in 2016 and 2017. Per share, these figures amount to 3.25 EUR at 30.06.2017 and 2.86 EUR at 30.06.2016, with the number of shares entitled to share in the result increasing from 20,984,249 to 21,308,500. The net result amounts to 65.2 million EUR at 30.06.2017, compared to 34.6 million EUR at 30.06.2016, or 3.06 EUR per share at 30.06.2017 and 1.65 EUR per share at 30.06.2016.

In view of these results, taking into account a committed investment pipeline of 228 million EUR over the period 01.07.2017 – 31.12.2019 and barring any unforeseen events that may arise, the Cofinimmo Group confirms the forecasts for the 2017 financial year of a net result from core activities - Group share of 6,49 EUR per share and a gross dividend of 5,50 EUR per ordinary share.

¹ Taking into account a new lease for 2,490 m², signed after 30.06.2017 - see chapter 'Events after 30.06.2017' of this Half-Year Financial Report.

² Including the ECT medical office building located in Tiel (NL), acquired after 30.06.2017 - see chapter 'Events after 30.06.2017' of this Half-Year Financial Report.

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1.2. Consolidated key figures

Global figures

(x 1,000,000 EUR)	30.06.2017	31.12.2016
Portfolio of investment properties (in fair value)	3,425.1	3,366.3
(x 1,000 EUR)	30.06.2017	30.06.2016
Property result	107,331	101,961
Operating result before result on the portfolio	85,893	79,833
Net result from core activities - Group share*	69,289	59,974
Result on financial instruments - Group share*	6,914	-37,482
Result on the portfolio - Group share*	-11,034	12,113
Net result - Group share	65,169	34,605
	30.06.2017	31.12.2016
Operating costs/average value of the portfolio under management ^{1*}	1.08 %	1.08 %
Operating margin*	81.5 %	81.7 %
Weighted residual lease length ² (in years)	10.0	10.2
Occupancy rate ³	94.4 %	94.5 %
Gross rental yield at 100 % portfolio occupancy ⁴	6.9 %	6.9 %
Net rental yield at 100 % portfolio occupancy ⁵	6.4 %	6.4 %
Debt ratio ⁶	45.0 %	43.7 %
Average cost of debt ^{7*}	2.0 %	2.4 %
Average debt maturity (in years)	5.0	4.8

Data per share⁸

(in EUR)	30.06.2017	30.06.2016
Net result from core activities - Group share*	3.25	2.86
Result on financial instruments - Group share*	0.32	-1.79
Result on the portfolio - Group share*	-0.51	0.58
Net result - Group share*	3.06	1.65

¹ Average value of the portfolio to which are added the receivables transferred for the buildings whose maintenance costs payable by the owner are still met by the Group through total cover insurance premiums.

² Until the first break option for the lessee.

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

⁴ Passing rents increased by the estimated value of vacant space, divided by the investment value of the portfolio (transaction costs not deducted), excluding development projects.

⁵ Passing rents increased by the estimated value of vacant space, less direct costs, divided by the investment value of the portfolio, excluding development projects.

⁶ Legal ratio calculated in accordance with the legislation on RRECs such as financial and other debt divided by total assets.

⁷ Including bank margins.

⁸ Ordinary and preference shares.

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Net Asset Value per share (in EUR)	30.06.2017	31.12.2016
Net Asset Value per share in fair value ¹ after dividend distribution for the 2016 financial year*	86.36	82.73
Net Asset Value in investment value ² after distribution of the dividend for the 2016 financial year	90.53	86.81
Diluted Net Asset Value per share (in EUR)	30.06.2017³	31.12.2016⁴
Diluted Net Asset Value per share in fair value ¹ after dividend distribution for financial year 2016*	86.20	82.56
Diluted Net Asset Value per share in investment value ² after dividend distribution for financial year 2016	90.36	86.63

Performance indicators based on the EPRA standard⁵

(in EUR per share)	30.06.2017⁶	30.06.2016⁷
EPRA Earnings*	3.25	2.86
EPRA Diluted earnings*	3.25	2.84
(in EUR per share)	30.06.2017	31.12.2016⁸
EPRA Net Asset Value (NAV)*	89.78	92.76
EPRA Triple Net Asset Value (NNNAV)*	88.15	90.81
(in %)	30.06.2017	31.12.2016
EPRA Net Initial Yield (NIY)*	6.0 %	6.0 %
EPRA 'Topped-up' NIY*	6.0 %	6.0 %
EPRA Vacancy Rate*	5.7 %	5.6 %
EPRA cost ratio (direct vacancy costs included)*	20.7 %	22.3 %
EPRA cost ratio (direct vacancy costs excluded)*	17.6 %	19.5 %

¹ Fair value: after deduction of transaction costs (primarily transfer taxes) 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 issued in 2011 and the convertible bonds issued in 2016 were not taken into account in calculating the diluted net asset value per share at 30.06.2017 because they would have had an accretive effect.

⁴ In accordance with applicable IAS/IFRS standards, the Mandatory Convertible Bonds issued in 2011 and the convertible bonds issued in 2016 were not taken into account in calculating the diluted net asset value per share at 31.12.2016 because they would have had an accretive effect.

⁵ The Auditor has verified that the Alternative Performance Measures 'EPRA Earnings', 'EPRA NAV' and 'EPRA NNNAV' were calculated in accordance with the definitions of the 'EPRA Best Practices Recommendations' and that the financial data used to calculate the figures match the accounting data provided in the audited consolidated financial statements.

⁶ In accordance with 'EPRA Best Practice Recommendations', given that the Mandatory Convertible Bonds issued in 2011 and the convertible bonds issued in 2016 were 'out-of-the-money' at 30.06.2017, they were not taken into account for the EPRA Diluted Earnings, the EPRA NAV or the EPRA NNNAV calculation on that date. 20,095 treasury shares of the stock option plan were 'in-the-money' at 30.06.2017 and were thus included in the calculation of the abovementioned indicators.

⁷ In accordance with the 'EPRA Best Practice Recommendations', the MCB's issued in 2011 were not taken into account in the calculation of the EPRA Diluted Earnings at 30.06.2016 because they were 'out-of-the-money'.

⁸ In accordance with the 'EPRA Best Practice Recommendations', the MCB's issued in 2011 and the convertible bonds issued in 2016 were not taken into account in the calculation of the EPRA NAV and the EPRA NNNAV at 31.12.2016 because they were 'out-of-the-money' at this date.

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1.3. Portfolio evolution

Healthcare real estate (total portfolio):

- **Investments in 2017: 57.3 million EUR¹**
- **Divestments in 2017: 10.5 million EUR**
- **Healthcare real estate portfolio at 30.06.2017: 1,549.3 million EUR**

Healthcare real estate in Germany:

- **Investments in 2017: 13.3 million EUR**
- **Initial rental yields: 6.0 %**
- **Healthcare real estate portfolio in Germany at 30.06.2017: 130.0 million EUR**

Main accomplishment:

- **Acquisition of a nursing and care home in Lüneburg**

On 16.06.2017 the Cofinimmo Group acquired the Christinenhof nursing and care home, in the heart of the city of Lüneburg (Lower Saxony) for 12.6 million EUR. The asset was built in 2001. It has an aboveground surface area of 6,100 m² and offers 140 beds. The property is currently leased to a subsidiary of the Korian Group. The current rent, based on a 'double net' lease contract, represents an initial gross rental yield of 6.0 % on the investment. It will be indexed based on the German consumer price index. The current lease contract will soon be replaced by a new lease contract of the same type for a 17-year period. Renovation works of approximately 300,000 EUR are planned.



Christinenhof nursing and care home – Lüneburg (DE)

¹ Including the ECT medical office building located in Tiel (NL), acquired after 30.06.2017 - see chapter 'Events after 30.06.2017' of this Half-Year Financial Report.

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Healthcare real estate in the Netherlands:

- **Investments in 2017: 33.6 million EUR¹**
- **Initial rental yields: between 6.1 % and 8.1 %**
- **Divestments in 2017: 10.5 million EUR**
- **Healthcare real estate portfolio in the Netherlands at 30.06.2017: 172.9 million EUR**

Main accomplishments:

- **Acquisition of four medical office buildings²**
The Cofinimmo Group acquired four medical office buildings in the Netherlands during the first half of 2017. These centres are leased under 'double net' leases to several professional healthcare providers who receive their patients on site. Cofinimmo signed a collaboration agreement with a local manager, Maron Healthcare, whose mission is to maintain the occupancy rate at an optimal level over the long term.

Name	Oisterwijk Clinic	De Voorste Stroom	Oosterstraat	De Driesten
Location	Oisterwijk (Tilburg)	Oisterwijk (Tilburg)	Baarn (Utrecht)	Eemnes (Utrecht)
Aboveground surface area	1,798 m ²	1,561 m ²	1,676 m ²	1,072 m ²
Year of construction/ refurbishment	2007	2008	2005/2011	2011
Occupancy rate	100 %	100 %	100 %	96 %
Weighted average residual lease length	8.9 years	7.5 years	4.8 years	3.8 years
Acquisition price	4.1 million EUR	3.3 million EUR	2.7 million EUR	2.4 million EUR



Oosterstraat medical office building – Baarn (NL)



Oisterwijk medical office building – Oisterwijk (NL)

¹ Including the ECT medical office building located in Tiel (NL), acquired after 30.06.2017 - see chapter 'Events after 30.06.2017' of this Half-Year Financial Report.

² The Group acquired a fifth centre after 30.06.2017 - see chapter 'Events after 30.06.2017' of this Half-Year Financial Report.

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- **Acquisition of a care centre for people suffering from mental disorders, located in Alphen aan den Rijn**

The Cofinimmo Group became owner of a care centre for people suffering from mental disorders located in Alphen aan den Rijn on 24.04.2017. This asset, which was completed very recently, has an aboveground surface area of 4,587 m² and includes 45 living areas. A 'double net' lease for a 20-year period has been signed with the operator Gemiva. The rent will be indexed annually. The investment amounted to 9.3 million EUR.



Care centre for people suffering from mental disorders - Alphen aan den Rijn (NL)

- **Delivery of the construction works of a care centre for people suffering from severe confusion located in Bavel**

The construction works of a care centre for people suffering from confusion were delivered on 24.03.2017. The residence located in Bavel, near Breda, includes 22 rooms and has a surface area of 2,142 m². A 'double net' lease for a 20-year period has been signed with the operator Martha Flora. The total budget of the works amounted to 4.3 million EUR. Note that this project is part of the agreement signed with Green Real Estate in December 2014¹.

- **Disposal of a care centre for elderly people located in Oosterhout**

Due to a strategic refocus of its activities on the care of elderly people, the Dutch foundation Stichting Elisabeth informed the Cofinimmo Group of its wish to end the operation of the service flat centre De Tweesprong located in Oosterhout (Province of North Brabant). The Cofinimmo Group consequently sold the asset to a third party. The transaction took place on 25.04.2017. The sale price amounts to 10.5 million EUR, above the acquisition price paid by the Group in 2014. Note that this facility was part of the agreement signed with Green Real Estate in December 2014².

¹ The care centre for people suffering from confusion, located in Bavel, is one of five development projects for which Cofinimmo signed an agreement with Green Real Estate in December 2014. See our press release dd. 17.12.2014, available on our website.

² The service flat centre located in Oosterhout was part of eight assets in operation for which Cofinimmo signed an agreement with Green Real Estate in December 2014. See our press release dd. 17.12.2014, available on our website.

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Healthcare real estate in Belgium:

- **Investments during the first half of 2017: 8.6 million EUR**
- **Initial rental yields: between 6.0 % and 6.5 %**
- **Healthcare real estate portfolio in Belgium at 30.06.2017: 835.7 million EUR**

Main accomplishment:

- **Signature of an agreement for the extension and renovation of a nursing and care home in Rijmenam**

Cofinimmo signed an agreement with the operator Senior Living Group (Korian Group) regarding the extension and renovation of the Zonneweelde nursing and care home located in Rijmenam. The project will be executed in two phases. During the first phase, an extension will be built on a plot of land adjacent to the existing site. During the second phase, the existing building will be partially demolished and rebuilt. Between both phases, the residents will move to the newly built extension. The acquisition price for the adjacent plot of land and the estimated budget for the works amount to 16 million EUR. Works will start during the third quarter of 2017. Their delivery is expected to take place before the end of 2020. Cofinimmo will subsequently sign a 20-year 'triple net' lease agreement with Senior Living Group, which will be indexed annually. The expected initial rental yield is 6.0 %. The total surface of the Zonneweelde nursing and care home will amount to 17,100 m² after redevelopment, i.e an additional surface area of 5,577 m².

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Offices:

- **Renegotiations and new leases signed in 2017: 22,000 m²¹**
- **Investments in 2017: 22.3 million EUR**
- **Office portfolio at 30.06.2017: 1,294.8 million EUR**

Main accomplishments:

- **9.1 million EUR in gross rental revenues secured²**
In the course of the first half of 2017, Cofinimmo signed renegotiations and new leases for over 19,500 m² of office space in total, which represents 9,1 million EUR in guaranteed rental revenues (until the first break option).
The most significant transactions are shown in the table below:

Property	Type of transaction	Surface area
West-End – Brussels Periphery	Renegociation	4,002 m ²
Avenue Building - Antwerp	Renegociation	2,791 m ²
Loi/Wet 34 – Brussels CBD	New letting	1,112 m ²
Leuvensesteenweg 325 – Brussels Periphery	New letting	955 m ²
The Gradient – Decentralised Brussels	New letting	740 m ²
Garden Square - Antwerp	New letting	588 m ²

The average reversion of rents observed as part of renegotiations and new lettings amounts to -2.2 %.

The occupancy rate of the office portfolio slightly decreased during the first half-year (-0.5 %).

- **Opening of a Lounge[®] in The Gradient building**
Cofinimmo opened the second 'Lounge[®] by Cofinimmo' in June 2017. Thanks to the success of the Lounge[®] at the Park Lane Business Park (Brussels Periphery), the Group decided to implement the concept in its building The Gradient (Decentralised Brussels). The Lounge[®] workspaces are designed to meet office tenants' current expectations in terms of flexibility, connectivity and friendly atmosphere. They have access to quality equipment: meeting rooms, coffee corner, catering, relaxation areas, ... The spaces are managed on site by the Cofinimmo 'Community Manager'.

In parallel, the Group opened three new Flex Corners[®] in the buildings Omega Court (Decentralised Brussels), Souverain/Vorst 36 (Decentralised Brussels) and Waterloo Office Park J (Brussels Satellites) in the course of the first half of 2017. This flexible lease solution is now offered in seven assets of the Group portfolio. Its objective is to meet the needs of small and medium-sized enterprises, start-ups and temporary structures, seeking small office spaces for a specific period.

¹ Of which a new lease for 2,490 m² has been signed after 30.06.2017 - see chapter 'Events after 30.06.2017' of this Half-Year Financial Report.

² An additional lease for 2,490 m² has been signed after 30.06.2017 - see chapter 'Events after 30.06.2017' of this Half-Year Financial Report.

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- **Souverain/Vorst 23-25 site**

The tenant AXA Belgium will vacate this site in the beginning of August.

The main building Souverain/Vorst 25 was sold to the US Government in April 2016, under the condition precedent that the latter obtains the green light from urban planning authorities with respect to the transfer of its embassies to the Kingdom of Belgium and to the European Union from the city centre to this site.

The Government of the Brussels-Capital Region recently chose to start a procedure to put the site and the existing building on a conservation list. The US Government informed them that the initiative to enlist the existing building onto the conservation list does not coincide with the aim of the US Government to develop its new embassy compound on this location. This development supposes a much smaller, adequately secured building, with a superior energy performance, which would be consistent with a sustainable development policy for the site and its immediate environment. Cofinimmo has been notified of the procedure and intends to advocate its own arguments against the listing of the existing building as “monument” on the conservation list.

The buildings Souverain/Vorst 25, Souverain/Vorst 23 and the Tenreuken plot of land (the last two are intended for new residential projects) are valued conservatively on Cofinimmo’s balance sheet given the uncertainty that currently weighs on the repositioning of the site.

- **Launch of the redevelopment works of the Arts/Kunst 19H building**

The existing building is vacant since the end of January 2017 and will be completely demolished. The new project, which was decided by an architectural competition, includes full-length glass walls and a view on the interior garden from Rue Joseph II-sstraat. It will offer 8,600 m² of modern, modular office space on eight floors with ceiling heights of nearly three metres. A terrace will also be included on the roof. The Group's objective is to obtain a BREEAM 'Excellent' environmental certification for the project. Works should be completed during the fourth quarter of 2019. The budget of the works is estimated at 24.2 million EUR, including VAT.



Arts/Kunst 19H – Brussels CBD: Projected situation after works

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Property of distribution networks

- **Investments in 2017: 1.0 million EUR**
- **Divestments in 2017: 2.5 million EUR**
- **Property of distribution networks portfolio at 30.06.2017: 551.7 million EUR**

Main accomplishments:

- **Sale of nine pubs/restaurants from the Pubstone portfolio**
The Cofinimmo Group sold nine pubs/restaurants from the Pubstone portfolio for a total of 2.0 million EUR in the course of the first half of 2017. An average gain of 54.6 % was made on the sales, compared to the asset investment value on 31.12.2016. As at 30.06.2017, 31 out of the total portfolio of 997 assets are for sale because they are vacant (15) or will be vacated before the end of the year (16), as AB Inbev exercises its right to end the lease of these buildings.
- **Sale of an insurance agency from the Cofinimur I portfolio**
The Cofinimmo Group sold an insurance agency from the Cofinimur I portfolio, located in Toulouse, in the course of the first half of 2017. The sale price amounted to 0.5 million EUR, higher than the investment value of the asset on 31.12.2016.

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1.4. Financial resources management

1.4.1. Financing

Main accomplishments:

- **2016 dividend payment in new shares**

As a result of the offer to pay the 2016 dividend in new ordinary shares, Cofinimmo shareholders chose to reinvest a total of 41 % of their dividends in new shares, thus allowing the company to increase shareholders' equity by 33.2 million EUR. The subscription price of the new ordinary shares was established at 103.95 EUR. Note that the share price stood at 107.65 on 30.06.2017.

- **Renewal of credit lines**

The following credit lines were renewed in the course of the first half of 2017:

- a 50 million EUR fixed-rate credit line for a period of eight years;
- a 100 million EUR floating-rate credit line for a period of eight years;
- a 62 million EUR floating-rate credit line for a period of seven years;
- a 21 million EUR floating-rate credit line for a period of seven years;

- **Conclusion of interest rate swaps**

New IRS (Interest Rate Swaps) were concluded for a nominal amount of 100 million EUR for the period 2023-2025.

1.4.2. Debt

Debt structure

At 30.06.2017, Cofinimmo Group's consolidated financial debt amounted to 1,577.0 million EUR. It consisted of:

- 448.9 million EUR of four non-convertible bonds:

Issuer	Nominal amount (x 1,000,000 EUR)	Issue price	Coupon	Issue date	Maturity date
Cofinimmo	140.0	100 %	3.598 %	26.07.2012	07.02.2020
Cofinimmo	50.0	100 %	2.78 %	23.10.2013	23.10.2017
Cofinimmo	190.0	100 %	1.929 %	25.03.2015	25.03.2022
Cofinimmo	70.0	99.092 %	1.70 %	26.10.2016	26.10.2026

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- 54.9 million EUR of non-convertible 'Green and Social Bonds':

Issuer	Nominal amount (x 1,000,000 EUR)	Issue price	Coupon	Issue date	Maturity date
Cofinimmo	55.0	99.941 %	2.00 %	09.12.2016	09.12.2024

- 213.5 million EUR of bonds convertible into Cofinimmo shares:

Issuer	Nominal amount (x 1,000,000 EUR)	Issue price	Conversion price	Coupon	Issue date	Maturity date
Cofinimmo	219.3	100 %	143.4843 EUR	0.1875 %	15.09.2016	15.09.2021

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

- 424.5 million EUR of commercial papers, of which 378.5 million EUR with an initial term of less than one year and 46.0 million EUR with an initial term of over three years;
- 425.0 million EUR of bilateral and syndicated medium- and long-term bank loans, with an initial term of five to ten years, contracted with ten banks;
- 3.1 million EUR corresponding to the discounted value of the minimum coupon of the mandatory convertible bonds issued by Cofinimur I in December 2011;
- 7.1 million EUR in other loans and advances (mainly account debits and rental guarantees received).

At 30.06.2017, Cofinimmo's consolidated current financial debts amounted to 529.2 million EUR, of which:

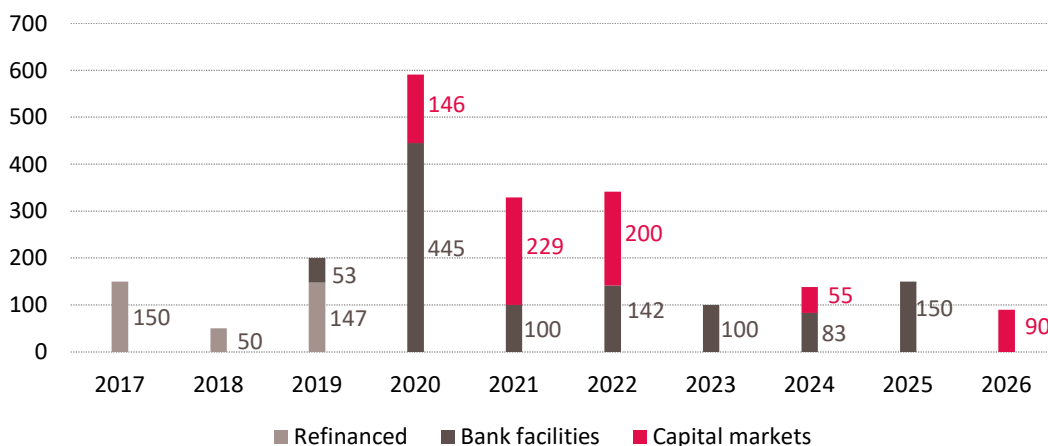
- 50.0 million EUR of bonds issued in 2013;
- 378.5 million EUR of commercial papers with a term of less than one year;
- 100.5 million EUR for drawings on credit lines;
- 0.2 million EUR of other loans (mainly account debits).

The total current financial debts of 529.2 million EUR are fully covered by the undrawn portions of long-term confirmed credit facilities totalling 954.0 million EUR at 30.06.2017.

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Schedule of long-term financial commitments¹ (in million EUR)



The maturities of the long-term financial commitments are staggered between now and 2026. After deducting the full coverage of outstanding commercial papers and the renovation and investment programme, debts maturing in 2017 and 2018 are fully refinanced, as well as 74 % of those maturing in 2019.

Consolidated debt ratios

Cofinimmo met all financial debt ratio limits on 30.06.2017. Cofinimmo's regulatory debt ratio² stands at 45.0 % (versus 43.7 % at 31.12.2016). As a reminder, the statutory maximum debt ratio for Regulated Real Estate Companies is 65 %.

The Loan-to-Value financial debt ratio³, on the other hand, stood at 45.2 % at 30.06.2017.

When the loan agreements granted to Cofinimmo refer to a debt ceiling, they refer to the regulatory debt ratio and cap it at 60 %.

Debt maturity

Cofinimmo's weighted average debt maturity (excluding short-term commercial paper, which is fully covered by the undrawn portions of long-term credit facilities) comes from 4.8 years at 31.12.2016 to 5.0 years at 30.06.2017.

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

² The regulatory ratio calculated in accordance with the regulations on RRECs: Financial and other debts / Total assets.

³ The ratio is defined as: Net financial debt/Fair value of the property portfolio and finance lease receivables.

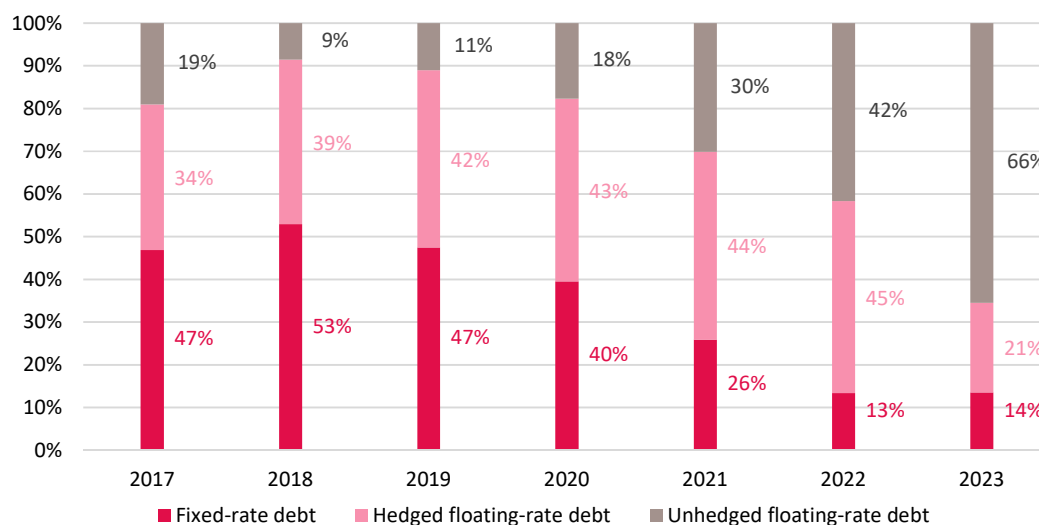
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Cost of debt

The average cost of Cofinimmo's debt including bank margins stands at 2.0 % for the first half of 2017, compared to 2.4 % in 2016.

At constant debt, the share of the contracted fixed-rate debt, the floating-rate debt that is hedged through Interest Rate Swap (IRS) contracts and the unhedged floating-rate debt is as follows for the years to come :



Assuming constant debt, at least 70 % of the interest rate risk is covered until the end of 2021.

1.4.3. Currency risk hedging

Cofinimmo signed a sales contract for the Souverain/Vorst 25 building in a foreign currency (USD) in 2016. The sale is conditioned on the buyer obtaining administrative authorisations. In order to hedge against changes in the foreign currency exchange rate against the euro, Cofinimmo contracted two put options for this currency against euros, which guarantee a minimum price for the property in euros, with a cap on the maximum euro amount.

1.4.4. Financial rating

The S&P rating agency confirmed Cofinimmo's rating at the end of March 2017: BBB for the long term (stable outlook) and A-2 for the short term. The Group's liquidity has been rated 'strong', based on high liquidity available on credit lines.

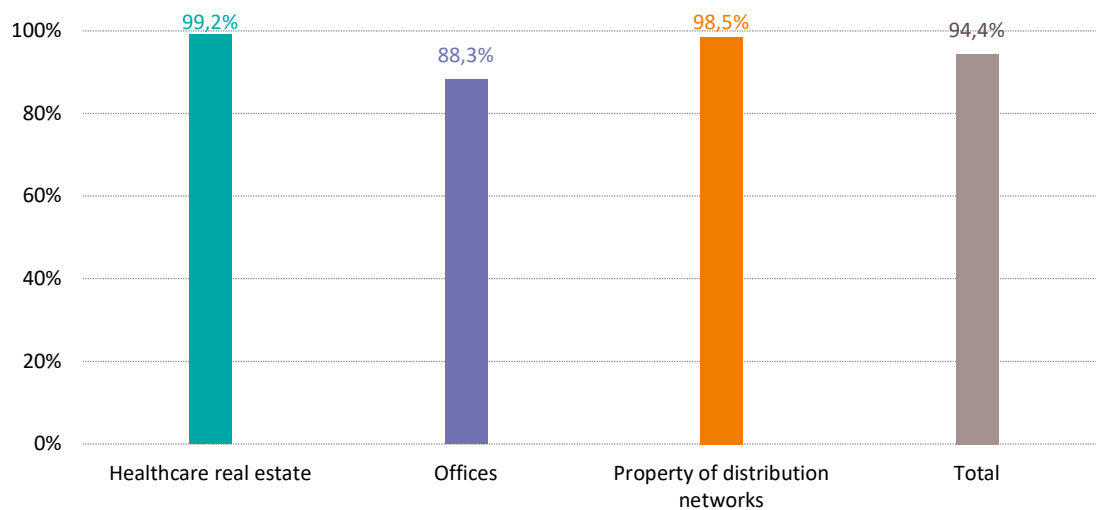
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1.5. Commercial results

1.5.1. Occupancy rate (calculated based on rental income)

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



1.5.2. Main tenants

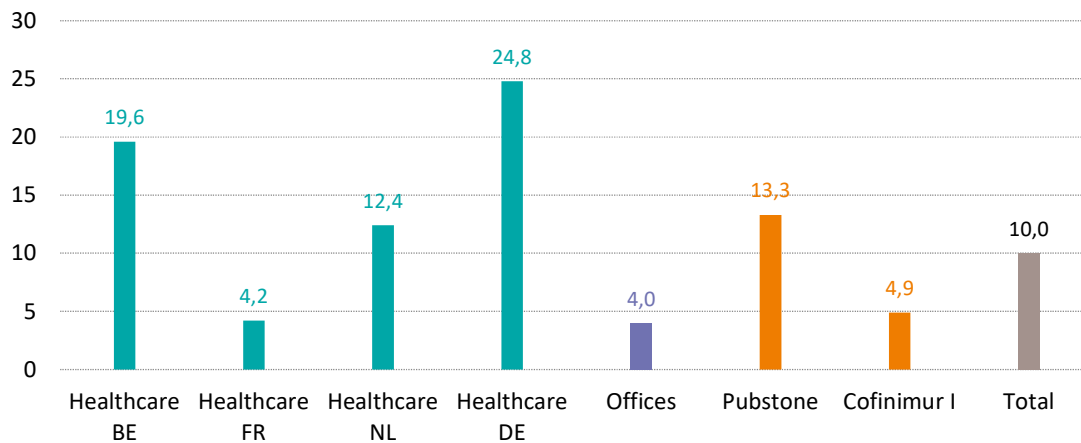
Tenants	Contractual rents	Average residual lease term (in years)
Korian Group	15.5 %	11.2
AB InBev	13.0 %	13.3
Armonia	10.7 %	19.6
Belgian Public Sector	5.5 %	12.4
AXA Group	5.4 %	0.1
Top 5 tenants	50.1 %	12.5
International Public Sector	4.2 %	4.0
ORPEA	4.1 %	9.1
MAAF	3.4 %	4.9
Aspria	3.0 %	27.5
IBM Belgium	1.5 %	1.7
Top 10 tenants	66.3 %	11.8
Top 20 tenants	75.4 %	11.2
Other tenants	24.6 %	6.2
TOTAL	100 %	10.0

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1.5.3. Average residual lease length

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



The average residual lease length would be 10.9 years if no break options were exercised and all tenants remained in their rented space until the contractual end of the leases.

1.5.4. Portfolio maturity

Leases > 9 years	48.2 %
Healthcare real estate	29.9 %
Offices (public sector)	4.2 %
Offices (private sector)	0.5 %
Property of distribution networks Pubstone	13.1 %
Others	0.5 %
Leases 6-9 years	5.9 %
Healthcare real estate	1.3 %
Offices	2.5 %
Property of distribution networks Cofinimur I	1.9 %
Others	0.2 %
Leases > 6 years	45.9 %
Healthcare real estate	11.0 %
Offices	33.4 %
Property of distribution networks Cofinimur I	1.5 %

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

	Gross rental revenues at 30.06.2017 (x 1,000 EUR)	Gross rental revenues at 30.06.2016 (x 1,000 EUR)	Change	Like-for-like change*
Healthcare real estate BE	24,782	24,199	2.41 %	+2.16 %
Healthcare real estate DE	4,233	3,153	34.25 %	+1.26 %
Healthcare real estate FR	12,881	12,622	2.05 %	+0.53 %
Healthcare real estate NL	5,064	3,549	42.69 %	+0.34 %
Offices	39,404	38,293	2.90 %	-1.46 %
Property of distribution networks	18,682	18,824	-0.75 %	+0.04 %
Others	965	1,030	-6.31 %	-6.21 %
TOTAL PORTFOLIO	106,011	101,670	4.27 %	+0.03 %

On a like-for-like basis, the level of rents was stable (+0.03 %) over the past 12 months: the negative effect of departures (-2.84 %) and renegotiations (-0.24 %) was offset by the positive effect of lease indexations (+1.46 %) and new lettings (+1.65 %).

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1.6. Property portfolio

GLOBAL PORTFOLIO OVERVIEW		
<i>Extract from the report prepared by the independent real estate experts Cushman & Wakefield, Jones Lang LaSalle and PricewaterhouseCoopers based on the investment value</i>		
(x 1,000,000 EUR)	30.06.2017	30.06.2016
Total investment value of the portfolio	3,567.0	3,367.8
Projects and development sites	-109.7	-74.1
Total properties under management	3,457.3	3,293.7
Contractual rents	225.7	217.4
Gross yield on properties under management	6.5 %	6.6 %
Contractual rents + Estimated rental value on unlet space on the valuation date	239.2	229.1
Gross yield at 100 % portfolio occupancy	6.9 %	7.0 %
Occupancy rate of properties under management¹	94.4 %	94.9 %

At 30.06.2017 the 'Projects and development sites' item consisted primarily of the office buildings Belliard 40 and Arts/Kunst 19H currently under reconstruction, as well as healthcare projects, the most significant of which are located in Brussels (Woluwe 106-108) and Heerlen (the Netherlands).

Buildings	Surface area aboveground (in m²)	Contractual rents (x 1,000 EUR)	Occupancy rate	Rents + ERV on vacant spaces (x 1,000 EUR)	Estimated Rental value (ERV) (x 1,000 EUR)
Offices	531,790	78,178	86.6 %	90,275	86,451
Offices which receivables have been sold	102,725	13,407	99.9 %	13,416	13,416
Subtotal offices	634,515	91,585	88.3 %	103,691	99,867
Healthcare real estate	720,117	95,078	99.2 %	95,826	98,747
Pubstone	346,868	29,437	98.7 %	29,832	27,726
Cofinimur I	59,300	7,752	97.6 %	7,940	8,212
Others	15,830	1,865	100.0 %	1,865	1,601
Subtotal of investment properties & properties which receivables have been sold	1,776,630	225,717	94.4 %	239,154	236,153
Projects & renovations	35,840				
Development sites		40		40	40
TOTAL PORTFOLIO	1,812,470	225,757	94.4 %	239,194	236,193

¹ Calculated based on rental income.

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Segment	Fair value			Property result after direct costs	
	(x 1,000 EUR)	(in %)	Changes over the period ¹	(x 1,000 EUR)	(in %)
Healthcare real estate	1,549,274	45.2 %	+0.7 %	45,608	45.8 %
Germany	130,000	3.8 %	-0.3 %	4,021	4.1 %
Belgium	835,726	24.4 %	+1.4 %	24,383	24.4 %
France	410,672	12.0 %	-0.6 %	12,673	12.7 %
The Netherlands	172,876	5.0 %	+0.9 %	4,531	4.6 %
Offices	1,294,784	37.8 %	-1.5 %	34,517	34.7 %
Brussels Leopold/Louise districts	405,316	11.8 %	+2.7 %	8,812	8.8 %
Brussels Centre/North	101,503	3.0 %	-1.8 %	2,713	2.7 %
Brussels Decentralised	472,289	13.8 %	-5.6 %	13,751	13.8 %
Brussels Periphery & Satellites	128,060	3.7 %	-4.5 %	3,176	3.2 %
Antwerp	68,272	2.0 %	+1.5 %	2,163	2.2 %
Other Regions	119,344	3.5 %	+3.3 %	3,902	4.0 %
Property of distribution networks	551,656	16.1 %	-0.1 %	18,118	18.2 %
Pubstone - Belgium	283,760	8.3 %	+0.1 %	9,406	9.4 %
Pubstone - Netherlands	141,626	4.1 %	-0.3 %	4,878	4.9 %
Cofinimur I - France	126,270	3.7 %	-0.2 %	3,834	3.9 %
Others	29,346	0.9 %	+9.1 %	1,331	1.3 %
TOTAL PORTFOLIO	3,425,060	100 %	-0.23 %	99,574	100 %

Yield per segment	Healthcare real estate BE + FR	Healthcare real estate DE + NL	Offices	Pubstone	Cofinimur I	Others	Total
Gross rental yield at 100 % occupancy	6.0 %	6.6 %	8.3 %	6.4 %	5.9 %	6.4 %	6.9 %
Net rental yield at 100 % occupancy	5.9 %	6.2 %	6.9 %	6.3 %	5.8 %	5.8 %	6.4 %

¹ On a like-for-like basis.

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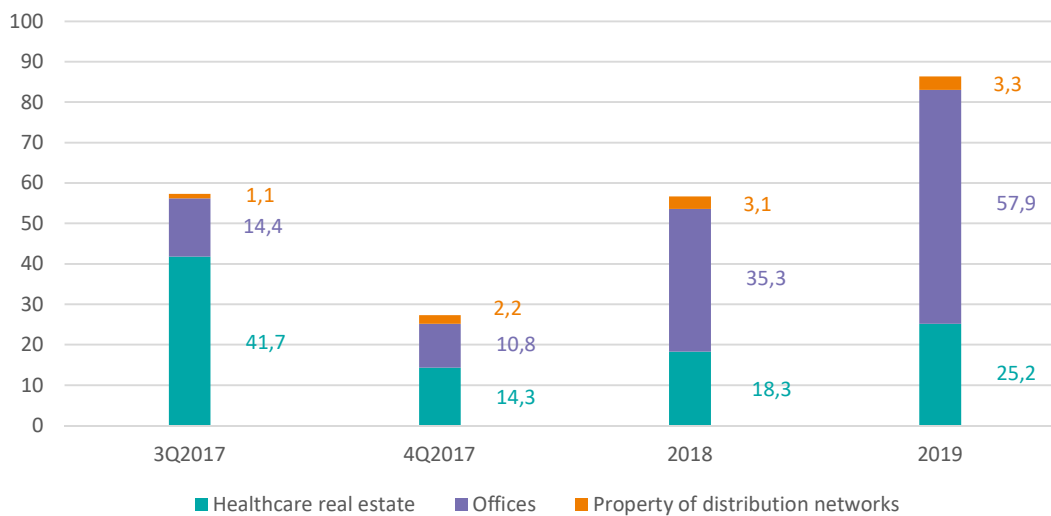
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1.7. 2017-2019 investment programme

Cofinimmo's investment programme for the period 01.07.2017 – 31.12.2019 amounts to 227,7 million EUR, of which :

- 99.5 million EUR in the healthcare real estate segment;
- 118.5 million EUR in the office segment, for redevelopments in offices or conversions/developments into apartments. The sale of the latter should generate about 100 million EUR;
- 9.7 million EUR in the property of distribution networks segment.

In million EUR :



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The main projects for the period 01.07.2017 – 31.12.2019 are presented in the two tables hereafter.

Healthcare real estate:

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

Property	Operator	Type of works	Number of (additional) beds	(Additional) surface area	(Expected) End of works
Belgium					
Woluwe 106-108 - Brussels	Vivalto	Reconversion of an office building into a nursing and care home	151	8,422 m ²	Q4 2017
De Nootelaer - Keerbergen	Senior Living Group (Korian Group)	Renovation and extension	+ 2	+ 500 m ²	Q4 2018
Zonnewende - Aartselaar	Senior Living Group (Korian Group)	Renovation and extension	+ 13 service flats	+ 3,500 m ²	Q4 2018
Zonneweelde – Rijmenam	Senior Living Group (Korian Group)	Renovation and extension	+ 32 beds + 21 service flats	+ 5,577 m ²	Q4 2020
France					
Domaine de Vontes – Esvres-sur-Indre	Inicéa	Renovation and extension	+ 60	+ 2,214 m ²	Q4 2018
The Netherlands					
Plataan - Heerlen	Sevagram	Renovation	133	14,700 m ²	Q3 2017
Germany					
Brühl - Chemnitz	Azurit	Renovation and extension	+ 14	+ 222 m ²	Q2 2019

Offices:

Building	Type of works	Surface area	(Expected) end of works
The Gradient	Renovation of floor +4	2,900 m ²	Q3 2017
The Gradient	Renovation of floor +6 and specialised technical rooms	1,455 m ²	Q4 2017
Belliard 40	Demolition and reconstruction of offices	20,000m ²	Q1 2018
Tenreuken	Construction of apartments	11,800 m ²	Q3 2019
Arts/Kunst 19H	Demolition and reconstruction of offices	8,600 m ²	Q4 2019
Bourget 40	Renovation	14,250 m ²	Q4 2019
Serenitas	Complete renovation of building B and partial renovation of building C	10,274 m ²	Q2 2020
Souverain/Vorst 23	Reconversion into residential	23,000 m ²	Q1 2021

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Information on shares and bonds

1.7.1. Share performance

Ordinary share (COFB)

	30.06.2017	31.12.2016	31.12.2015
Share price (over 6/12 months, in EUR)			
Highest	115.25	114.65	110.83
Lowest	103.40	92.12	90.15
At close	107.65	108.65	98.41
Average	107.43	105.77	99.52
Dividend yield¹	5.1 %	5.2 %	5.5 %
Gross return² (over 6/12 months)	4.1 %	14.1 %	11.2 %
Volume (over 6/12 months, in number of shares)			
Average daily volume	40,453	46,619	46,900
Total volume	5,137,495	12,027,768	12,006,493
Number of outstanding ordinary shares at end of period³	20,625,041	20,300,773	20,294,264
Market capitalisation at end of period (x 1,000 EUR)	2,220,286	2,205,679	1,997,159
Free float zone	90 %	95 %	100 %

Preference shares (COFP1 & COFP2)

	COFP1 30.06.2017	COFP1 31.12.2016	COFP2 30.06.2017	COFP2 31.12.2016
Share price (over 6/12 months, in EUR)				
At close	127.00	127.00	110.00	151.00
Average	127.00	126.65	104.53	100.11
Dividend yield¹	5.0 %	5.0 %	6.1 %	6.4 %
Gross return² (over 6/12 months)	5.0 %	5.5 %	-21.1 %	58.9 %
Volume (over 6/12 months, in number of shares)				
Average daily volume ⁴	0	16	44	22
Total volume	0	16	349	178
Number of shares	395,011	395,048	288,550	290,505
Market capitalisation at end of period (x 1,000 EUR)	50,166	50,171	31,741	43,866

¹ Gross dividend on the average share price.

² Increase in the share price + dividend yield.

³ Excluding own ordinary shares.

⁴ Average calculated based on the number of stock exchange days on which volume was recorded.

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Bonds

	Cofinimmo SA/NV 140 million EUR – 2012-2020 ISIN BE6241505401		Cofinimmo SA/NV 50 million EUR – 2013-2017 ISIN BE6258604675	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Stock market price (over 12 months, in % of nominal)				
At close	102.9	103.7	100.6	101.6
Average	103.8	104.4	101.1	102.1
Average yield through maturity	2.4 %	2.3 %	0.7 %	0.8 %
Effective yield at issue	3.6 %	3.6 %	2.8 %	2.8 %
Interest coupon (in %)				
Gross (per 100,000 EUR)	3.6	3.6	2.8	2.8
Net (per 100,000 EUR)	2.5	2.5	1.9	1.9
Number of securities	1,400	1,400	500	500

	Cofinimmo SA/NV 190 million EUR – 2015-2022 ISIN BE0002224906		Cofinimmo SA/NV 70 million EUR – 2016-2026 ISIN BE0002267368	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Stock market price (over 12 months, in % of nominal)				
At close	101.4	102.4	95.7	99.6
Average	102.0	102.2	95.6	n/a
Average yield through maturity	1.6 %	1.4 %	2.2 %	1.7 %
Effective yield at issue	1.9 %	1.9 %	1.7 %	1.7 %
Interest coupon (in %)				
Gross (per 100,000 EUR)	1.9	1.9	1.7	1.7
Net (per 100,000 EUR)	1.3	1.3	1.2	1.2
Number of securities	1,900	1900	700	700

	Cofinimmo SA/NV 55 million EUR – 2016-2024 ISIN BE0002269380	
	30.06.2017	31.12.2016
Stock market price (over 12 months, in % of nominal)		
At close	99.3	100.2
Average	99.5	100.0
Average yield through maturity	2.1 %	2.0 %
Effective yield at issue	2.0 %	2.0 %
Interest coupon (in %)		
Gross	2.0	2.0
Net	1.4	1.4
Number of securities	550	550

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Convertible bonds

	Cofinimmo SA/NV 219.3 million EUR – 2016-2021 ISIN BE0002259282	
	30.06.2017	31.12.2016
Stock market price (over 6/12 months, in EUR)		
At close	142.1	141.8
Average	140.8	142.3
Yield to maturity (12-month average)	0.8 %	0.8 %
Effective yield at issue	0.2 %	0.2 %
Interest coupon (in %)		
Gross (per 146,00 EUR)	0.2	0.2
Net (per 146,00 EUR)	0.1	0.1
Number of securities	1,502,196	1,502,196
Conversion price (in EUR)	143.5	146.0

1.7.2. 2017 Dividend

Excluding any unforeseen events, the 2017 dividend forecast published in the 2016 Annual Financial Report is maintained. It is 5.50 EUR gross (3.85 EUR net) per ordinary share and 6.37 EUR gross (4.459 EUR net) per preference share taking into account a 30 % withholding tax.

1.7.3. Conversion of preference shares

In accordance with Article 8.2 of the Articles of Association, two new exercise windows for the conversion of Cofinimmo preference shares into Cofinimmo ordinary shares were opened during the first half of 2017. Requests to convert 1,992 preference shares were received during the period. As a result, since the beginning of the conversion procedure (01.05.2009), 816,205 preference shares have been converted into ordinary shares. There are still 683,561 preference shares outstanding. As from 2019, Cofinimmo will have the right to purchase the shares mentioned above at their issue price, i.e. 107.89 EUR and 104.40 EUR for COFP1 and COFP2, respectively.

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1.7.4. Shareholding

On 18.07.2017 the BlackRock, Inc. Group notified Cofinimmo that its participation in the Group's capital exceeds the 5 % threshold.

Company	Ordinary shares	Preference shares	Total number of shares (voting rights)	%
BlackRock, Inc. Group	1,116,385	0	1,116,385	5.23 %
Cofinimmo Group	42,374	0	42,374	0.20 %
Total number of issued shares	20,667,313	683,561	21,350,874	100 %

1.7.5. Shareholders calendar

Event	Date
Interim report: results at 30.09.2017	09.11.2017
Annual press release: results at 31.12.2017	08.02.2018
Publication of the 2017 Annual Financial Report	06.04.2018
Publication of the 2017 Sustainability Report	06.04.2018
Interim report: results at 31.03.2018	26.04.2018
2017 Ordinary General Meeting	09.05.2018
Half-Year Financial Report: results at 30.06.2018	26.07.2018
Interim report: results at 30.09.2018	08.11.2018
Annual press release: results at 31.12.2018	07.02.2019

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1.8. Corporate governance

With respect to corporate governance, Cofinimmo seeks to maintain the highest standards and continuously reassesses its methods in relation to the principles, practices and requirements of the field. Cofinimmo's corporate governance practice is fully compliant with the related Belgian Code¹. A detailed description of the various Committees and their respective roles and members is available in the 'Corporate Governance Statement' chapter of the 2016 Annual Financial Report.

1.8.1. Authorisation to increase the share capital

The Extraordinary General Meeting of 01.02.2017 conferred the Board of Directors a new authorisation, valid for five years from the publication date of 17.02.2017 in the annexes of the Belgian Official Gazette (Moniteur belge/Belgisch Staatsblad) of the minutes of the Extraordinary General Meeting, to increase the share capital, in one or more times, up to a maximum amount of:

- a) 1,127,000,000 EUR if the capital increase to be performed is a capital increase by subscription in cash with the possibility for shareholders of the company to exercise a preferential subscription right;
- b) 225,000,000 EUR for all other forms of capital increase not referred to above.

it being understood that in any case, the share capital may never be increased as part of the authorised capital beyond 1,127,000,000 EUR in total, for a period of five years from the publication of the decision.

1.8.2. Appointments

The Ordinary General Meeting of 10.05.2017 appointed/renewed the following people as members of Cofinimmo's Board of Directors with immediate effect.

Full name	Type of term	Decision taken by the OGM	(New) End of term
Archer-Toper, Inès	Independent Director within the meaning of Article 526ter of the Company Code	Term renewal	12.05.2021
Roels, Françoise	Managing Director	Term renewal	12.05.2021
Scalais, Cécile	Independent Director within the meaning of Article 526ter of the Company Code	New term	12.05.2021
van Rijckevorsel, Jacques	Independent Director within the meaning of Article 526ter of the Company Code	New term	12.05.2021

¹ See our Corporate Governance Charter, available on our website.

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The term of Mr. André Bergen, independent Director since 2010 and Chairman of the Board of Directors since 2011, expired at the end of the Ordinary General Meeting held on 10.05.2017. For personal reasons and in accordance with his wishes, his term was not renewed. The Board of Directors decided to assign its chairmanship to Mr. Jacques van Rijckevorsel as of this date.

1.8.3. Renewal of the mandate of the Statutory Auditor

The Ordinary General Meeting of 10.05.2017 has accepted the proposal to renew the mandate of the SC s.f.d. SCRL Deloitte Company Auditors, represented by Mr. Rik Neckebroeck, Statutory Auditor, having its registered office at 1930 Zaventem, Luchthaven Nationaal 1J, until the end of the Ordinary General Meeting to be held in 2020. Moreover, it accepted the proposal to set the Statutory Auditor's annual fee at 140 000 EUR¹, excluding VAT and disbursements, to be indexed annually based on the health index.

¹ This amount includes fees for special assignments known at the date of the General Meeting.

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1.10. Sustainable development and management policy

1.10.1. Publications

Cofinimmo published a Sustainability Report on 07.04.2017 for the third consecutive year. The company received an external certification that the Report complies with the GRI Standards¹ guidelines at Core level.

At the same time, Cofinimmo published its 2016 consumption data of electricity and gas for 100 % of its office portfolio (compared to 97 % in 2015), 64 % of its healthcare real estate portfolio (compared to 43 % in 2015) and 2 % of its pubs/restaurants portfolio (compared to 1 % in 2015), as well as water consumption and waste figures, using the performance indicators recommended by EPRA².

1.10.2. Certifications and environment labels

The external audit on the management system's operational application did not raise any remarks, enabling the company to renew the ISO 14001:2004 certification.

In the beginning of March 2017, Cofinimmo obtained the BREEAM In-Use 'Good' or 'Very Good' certificate for the operation of six office buildings. On 10.04.2017, the Group obtained the BREEAM Interim – Design Stage 'Excellent' certificate for the Arts/Kunst 19H office building renovation project. The objective of this certification system is twofold: on the one hand, to continually improve its buildings' environmental performance, and, on the other hand, to increase their commercial competitiveness.

1.10.3. Mobility

The first vehicles ordered as part of Cofinimmo's new mobility policy are in circulation as from January 2017. Note that this policy, which includes an eco-score and promotes alternative means of transportation, was put in place by the Company at the end of 2016. Cofinimmo hopes that this initiative will encourage its personnel to use alternative modes of transportation, thus reducing its vehicle fleet's CO₂ emissions.

1.10.4. Innovation

In the beginning of June 2017, Cofinimmo closed the contracting phase for the Arts/Kunst 19H office building renovation project in Brussels. This project will be one of the buildings financed by the Green & Social Bonds issued by Cofinimmo at the end of December 2016. The Group decided to use Building Information Modelling (BIM), a new tool for building development, for this project. This software is supported by one or more intelligent and structured parametric virtual 3D models which are used throughout the building's life span. These models create a virtual building image before its actual construction in order to prevent construction errors.

¹ Global Reporting Initiative. NGO created in order to establish reporting guidelines to measure the evolution of company programmes in terms of sustainable development (www.globalreporting.org).

² European Public Real Estate Association (www.epra.com).

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1.11. Risk management

The main risks to which Cofinimmo is exposed in its activities are described below. For a more detailed description of risk management, please refer to pages 2 to 9 of the 2016 Annual Financial Report.

Risks associated with the overall economic climate

Cofinimmo's activities are partially linked to the overall economy. Slowing economic growth or prosperity indirectly impacts occupancy rate as well as rents. It can also increase the risk of tenant default.

The impact on Cofinimmo's results is, however, mitigated by the duration of its lease agreements (as at 30.06.2017, the average period until the first break option is 10.0 years), the diversification of its tenant portfolio (536 clients), and the fact that over 20 % of its office tenants are from the public sector. Moreover, healthcare real estate and sale and leaseback transactions with AB InBev and MAAF are less sensitive to the overall economic environment than the office segment.

Vacancy risk

99.2 % of the Cofinimmo healthcare real estate portfolio is leased primarily for the long term: in general, 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 30.06.2017, the average residual lease length is 4.2 years in France, 12.4 years in the Netherlands, 19.6 years in Belgium and 24.8 years in Germany.

The Brussels office market has faced a significant rental vacancy since 2008, although it seems to decrease slowly. At 30.06.2017, the vacancy rate in Brussels stood at 9.3 % (source : CBRE). Cofinimmo's office portfolio vacancy rate was 11.7 % at 30.06.2017. Cofinimmo actively manages its customers to limit vacancy and tenant turnover in the office segment. An internal team is responsible for the property management and with quickly resolving tenant complaints. The sales team maintains regular contact with existing customers and actively prospects new tenants.

At 30.06.2017, 98.7 % of the cafés/restaurants were leased to AB InBev for an average minimum residual lease length of 13.3 years. Moreover, 97.6 % of the insurance agencies were leased to MAAF or GMF for an average residual lease period of 4.9 years.

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Risk of tenant insolvency

Cofinimmo is exposed to the risk of tenant default. At 30.06.2017, the five most important clients accounted for 50.2 % of its rental income. Of the top three most important tenants of office space, two belong to the public sector.

An advance deposit or bank guarantee of six months' rent is usually required from non-public sector tenants.

Investment and development risk

Cofinimmo does limited development for its own account with a ceiling of no more than 10 % maximum of the fair value of the portfolio.

When reviewing investment projects, Cofinimmo makes a number of estimates with respect to economic, market and other conditions, including estimates of the value or potential value of the real estate asset and its potential return on investment. The estimates may be incorrect, which would make the Cofinimmo investment policy unsuitable, resulting in negative consequences for Cofinimmo's income, its operating results, its financial conditions and its prospects.

Prior to acquiring a building, Cofinimmo first carries out an internal evaluation to determine a price for the building with a view to its long-term operation. In addition, an independent real estate expert assesses each real estate asset acquisition or sale.

Risk related to the deterioration of buildings and major renovations

Cofinimmo regularly maintains and renovates its buildings to ensure that they remain attractive for tenants. The current trend toward increased durability and energy savings in both construction and building use can require additional investments.

Risk associated with changes in the fair value of buildings

Cofinimmo's real estate portfolio is valued quarterly by independent real estate experts. At 30.06.2017, a 1 % change in the value of the real estate assets would have an impact of approximately 34.3 million EUR on the net result and of 1,61 EUR on the intrinsic value of the share. It would also have an impact of about 0.5 % on the debt ratio.

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Liquidity and financing risk

Diversified sources of financing, a stable and extensive bank pool with high financial ratings (Cofinimmo has 11 banking partners) and a balanced allocation of loan maturities staggered over time enable Cofinimmo to obtain the most favourable financial conditions.

Cofinimmo's ability to borrow is also limited by the maximum debt ratio allowed by regulations governing RRECs (65 %) and by the limit agreed with its bankers in credit documents (60 %). At 30.06.2017, the consolidated regulatory debt ratio was 45.0 %.

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

Interest rate risk

Cofinimmo obtains a significant portion of its financial debt at a floating interest rate. Derivative instruments are used to hedge related financing costs against increases in interest rates. These instruments include specifically Interest Rate Swaps.

Given existing hedging mechanisms and a constant level of debt, a 0.5 % increase or decrease in interest rates would not entail any significant change in financial charges for the current year.

The interest-rate derivative instruments are assessed at market value at the end of each quarter. Future changes in rates will therefore have an impact on the net asset value and the result of the period.

Exchange risk

Cofinimmo concluded a real estate transaction in 2016 which creates a currency risk. In order to hedge this potential currency risk Cofinimmo signed derivatives contracts that allow the company to protect itself against an adverse evolution in currency rates.

The sensitivity of the intrinsic value of both options to the exchange rate movements is not material.

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1.12. Events after 30.06.2017

Acquisition of a medical office building in the Netherlands

In July 2017, the Cofinimmo Group acquired a medical office building in Tiel (province of Gelderland, the Netherlands) for 7.6 million EUR. The asset, built in 2009, has an aboveground surface area of 4,279 m². It is fully leased under 'double net' leases to several professional healthcare providers who receive their patients on site. The weighted average residual lease length is 5.9 years. The initial rental yield is 6.6 %.

This is the fifth medical office building acquired by Cofinimmo in the Netherlands in 2017. There are currently nine of this type of assets in the Group's healthcare real estate portfolio, with a total market value of nearly 45 million EUR.



ECT medical office building – Tiel (NL)

Signature of a new lease agreement for the Loi/Wet 34 office building

In July 2017, Cofinimmo concluded a new lease agreement for 2,490 m² in the Loi/Wet 34 office building, located in the heart of the European District in Brussels. Note that the company acquired this asset in August 2016. 53 % of the rental space were to be vacated by 31.03.2017. Thanks to active marketing, these vacated spaces are already re-let.

No other major events took place between 30.06.2017 and the time of writing of this Half-Year Financial Report.

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2. Summary financial statements

The summary financial statements were prepared using accounting methods that comply with IFRS standards as adopted by the Belgian Royal Decree of 13.07.2014 on Regulated Real Estate Companies and in particular the IAS 34 standard for interim financial reporting.

The information included in the interim summary financial statements is not as comprehensive as that in the annual financial statements. Consequently, these interim summary financial statements must be read in conjunction with the annual financial statements.

The accounting principles and methods used to draw up these interim summary financial statements are identical to those used to prepare the annual financial statements for the financial year 2016.

As for IFRS 15 – *Revenue from Contracts with Customers* (effective 01.01.2018), IFRS 9 - *Financial instruments* (effective 01.01.2018) and IFRS 16 – *Leases* (effective 01.01.2019), preliminary analyses show that their application will not have a material impact on the Group's accounts. For more information regarding the potential impact of these standards on the Group's accounts, see appendix 4.1.

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2.1. Consolidated global result – Royal Decree of 13.07.2014 form (x 1,000 EUR)

A. NET RESULT	Notes	Q2 2017	Q2 2016	H1 2017	H1 2016
Rental income	5	51,827	50,503	104,082	99,765
Writeback of lease payments sold and discounted	5	3,118	2,816	6,237	5,633
Rental-related expenses		124	5	125	-2
Net rental income	4; 5	55,069	53,324	110,444	105,396
Recovery of property charges		15	31	1,657	44
Recovery income of charges and taxes normally payable by the tenant on let properties		4,559	16,016	33,495	30,493
Costs payable by the tenant and borne by the landlord on rental damage and redecoration at end of lease		-774	-633	-1,388	-883
Charges and taxes normally payable by the tenant on let properties		-4,682	-16,096	-36,878	-33,089
Property result		54,187	52,642	107,330	101,961
Technical costs		-1,358	-2,313	-2,857	-3,494
Commercial costs		-395	-212	-806	-465
Taxes and charges on unlet properties		-911	-647	-4,092	-2,892
Property management costs		-4,207	-5,181	-9,577	-10,409
Property charges		-6,871	-8,353	-17,332	-17,260
Property operating result		47,316	44,289	89,998	84,701
Corporate management costs		-1,802	-1,683	-4,104	-4,868
Operating result before result on the portfolio		45,514	42,606	85,894	79,833
Gains or losses on disposals of investment properties and other non-financial assets		40	1,219	423	1,412
Changes in the fair value of investment properties		-8,414	4,136	-7,870	11,718
Other result on the portfolio		-3,450	-298	-3,385	-764
Operating result		33,690	47,663	75,062	92,199
Financial income	6	1,381	1,267	2,704	2,553
Net interest charges	7	-7,515	-8,010	-14,977	-16,861
Other financial charges	8	-128	-399	-407	-632
Changes in the fair value of financial assets and liabilities	9	1,031	-3,950	7,216	-37,482
Financial result		-5,231	-11,092	-5,464	-52,422
Share in the result of associated companies and joint ventures		99	119	236	549
Pre-tax result		28,558	36,690	69,834	40,326
Corporate tax		801	-1,096	-1,904	-2,842
Exit tax		-37	-5	-76	-92
Taxes		764	-1,101	-1,980	-2,934
Net result		29,322	35,589	67,854	37,392
Minority interests		-1,353	-1,402	-2,685	-2,787
Net result – Group share		27,969	34,187	65,169	34,605
Net result from core activities - Group share		38,980	33,256	69,289	59,974
Result on financial instruments - Group share		935	-3,851	6,914	-37,482
Result on the portfolio – Group share		-11,946	4,782	-11,034	12,113

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B. OTHER ELEMENTS OF THE GLOBAL RESULT RECYCLABLE UNDER THE INCOME STATEMENT	Notes	Q2 2017	Q2 2016	H1 2017	H1 2016
Change in the effective part of the fair value of authorised cash flow		18	10	40	2
Impact of the recycling under the income statement of hedging instruments which relationship with the hedged risk was terminated		2,820	1,395	5,640	3,122
Other elements of the global result recyclable under the income statement		2,838	1,405	5,680	3,124
Minority interests					
Other elements of the global result recyclable under the income statement - Group share		2,838	1,405	5,680	3,124

C. GLOBAL RESULT	Notes	Q2 2017	Q2 2016	H1 2017	H1 2016
Global result		32,160	36,994	73,534	40,516
Minority interests		-1,353	-1,402	-2,685	-2,787
Global result – Group share		30,807	35,592	70,849	37,729

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2.2. Consolidated income statement – Analytical form (x 1,000 EUR)

A. NET RESULT FROM CORE ACTIVITIES	30.06.2017	30.06.2016
Rental income, net of rental-related expenses*	104,207	99,763
Writeback of lease payments sold and discounted (non-cash item)	6,237	5,633
Taxes and charges on rented properties not recovered*	-1,291	-904
Taxes on refurbishment not recovered ¹ *	-2,092	-1,692
Redecoration costs, net of tenant compensation for damages*	269	-839
Property result	107,330	101,961
Technical costs	-2,857	-3,494
Commercial costs	-806	-465
Taxes and charges on unlet properties	-4,092	-2,892
Property result after direct property costs	99,575	95,110
Corporate management costs ²	-13,681	-15,277
Operating result (before result on the portfolio)	85,894	79,833
Financial income	2,704	2,553
Net interest charges	-14,977	-16,861
Other financial charges	-407	-632
Share in the net result from core activities of associated companies and joint ventures	237	237
Taxes	-1,904	-2,842
Net result from core activities	71,547	62,288
Minority interests related to the net result from core activities	-2,258	-2,314
Net result from core activities - Group share	69,289	59,974
B. RESULT ON FINANCIAL INSTRUMENTS	30.06.2017	30.06.2016
Change in the fair value of hedging instruments	12,931	-34,360
Restructuring costs of financial instruments*	-5,715	-3,122
Share in the result on financial instruments of associated companies and joint ventures		
Result on financial instruments*	7,216	-37,482
Minority interests related to the result on financial instruments	-302	
Result on financial instruments - Group share*	6,914	-37,482

¹ The item 'Taxes and charges on rented properties not recovered' has been split into two items in order to offer a better overview: 'Taxes and charges on rented properties not recovered' on the one hand, and 'Taxes on refurbishment not recovered', on the other hand.

² In order to simplify the layout of the consolidated income statements, the Cofinimmo Group decided to record the 'property management costs' under the 'corporate management costs' item as from 01.01.2017.

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C. RESULT ON THE PORTFOLIO	30.06.2017	30.06.2016
Gains or losses on disposals of investment properties and other non-financial assets	423	1,412
Changes in the fair value of investment properties	-7,870	11,718
Share in the result on the portfolio of associated companies and joint ventures	-1	312
Other result on the portfolio	-3,461	-856
Result on the portfolio*	-10,909	12,586
Minority interests regarding the result on the portfolio	-125	-473
Result on the portfolio - Group share*	-11,034	12,113

D. NET RESULT (=A+B+C)	30.06.2017	30.06.2016
Net result	67,854	37,392
Minority interests	-2,685	-2,787
Net result – Group share	65,169	34,605

NUMBER OF SHARES	30.06.2017	30.06.2016
Number of ordinary shares issued (including treasury shares)	20,667,313	20,345,001
Number of ordinary shares outstanding	20,624,939	20,298,502
Number of ordinary shares used to calculate the result per share	20,624,939	20,298,502
Number of preference shares issued	683,561	685,747
Number of preference shares outstanding	683,561	685,747
Number of preference shares used to calculate the result per share	683,561	685,747
Total number of shares issued (including treasury shares)	21,350,874	21,030,748
Total number of shares outstanding	21 308 500	20,984,249
Number of shares taken used to calculate the result per share	21,308,500	20,984,249

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Comments on the consolidated income statement – analytical form

Net rental income was 104.2 million EUR at 30.06.2017, compared to 99.8 million EUR at 30.06.2016, i.e. a 4.4 % increase mainly due to the acquisition of healthcare assets in the Netherlands and Germany in 2016 and 2017, as well as the acquisition of five office buildings in 2016. On a like-for-like basis, gross rental revenues are stable (+0,03 %) between 30.06.2016 and 30.06.2017: the positive effect of lease indexations (+1.46 %) and new lettings (+1.65 %) slightly exceeded the negative impact of departures (-2.84 %) and renegotiations (-0.24 %).

Direct operating costs (taxes and charges on rented properties not recovered, taxes on refurbishment not recovered, net redecoration costs, technical costs, commercial costs, taxes and charges on unlet properties) increased by 0.6 million EUR between 30.06.2016 and 30.06.2017.

- Taxes on refurbishment not recovered increased by 0.4 million EUR between these two dates as a result of the start of redevelopment works on the Woluwe 106-108 and Arts/Kunst 19H office buildings.
- Redecoration costs, net of tenant compensation for damages were 0.3 million EUR at 30.06.2017, compared to -0.8 million EUR at 30.06.2016. This positive difference is mainly due to the receipt of a rental indemnity of 1.6 million EUR in the course of the first quarter of 2017 resulting from the acquisition of the Loi/Wet 34 building in 2016. Note that this is a non-recurrent item already incorporated in the results forecast for the 2017 financial year.
- Commercial costs were -0.8 million EUR at 30.06.2017, compared to -0.5 million EUR at 30.06.2016. This increase is primarily the result of a technical audit on the French healthcare assets in order to evaluate the impact of the entry into force of the Pinel Law¹, expenses paid to third parties for the management of the medical office buildings in the Netherlands, as well as property management of the German assets.
- The acquisition in 2016 of five office buildings with some vacant space, the departure of a major tenant of the Bourget 42 building and the completion of renovation works on the Souverain/Vorst 24 building resulted in a 1.2 million EUR increase in taxes and charges on unlet properties between 30.06.2016 and 30.06.2017.

The decrease in corporate management costs between the first half of 2016 and 2017 (1.6 million EUR) is mainly due to various non-recurrent expenses incurred during the first half of 2016 (in particular costs related to the study of various investment cases).

The decrease in net interest charges between 30.06.2016 and 30.06.2017 (1.9 million EUR) is due to refinancing transactions at favourable conditions in 2016 and 2017 and the positive effect of the restructuring of convertible bonds in 2016. The average cost of debt fell from 2.7 % to 2.0 % between these two dates.

Taxes decreased by 0.9 million EUR between 30.06.2016 and 30.06.2017 as a result from the recuperation of various taxes in the course of the first half of 2017 (non-recurrent elements).

The net result from core activities - Group share was 69.3 million EUR at 30.06.2017, compared to 60.0 million EUR at 30.06.2016, i.e. a 15.5 % increase. Per share, these figures amount to 3.25 EUR et 2.86 EUR respectively.

¹ This Law stipulates that some taxes and charges, because of their nature, cannot be charged to the tenants.

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As for the result on financial instruments, the 'change in fair value of financial instruments' item amounts to 12.9 million EUR at 30.06.2017, compared to -34.4 million EUR at 30.06.2016. This positive evolution is the result of the increase in interest rates between these two dates.

Within the result on the portfolio, the changes in the fair value of investment properties amounted to -7.9 million EUR at 30.06.2017 compared to 11.7 million EUR at 30.06.2016. The value appreciation of healthcare assets did not compensate the value depreciation of certain office buildings. On a like-for-like basis, the fair value of investment properties is overall stable compared to 30.06.2016. The 'Other result on the portfolio' item decreases from -0,9 million EUR to -3,5 million EUR between 30.06.2016 and 30.06.2017 because of the recognition of a tax provision regarding the Group's French portfolio in 2017 (non-recurrent element)¹.

The net result - Group share amounted to 65.2 million EUR at 30.06.2017, compared to 34.6 million EUR at 30.06.2016. Per share, the figures were 3.06 EUR at 30.06.2017 and 1.65 EUR at 30.06.2016.

¹ This is a deferred tax on the unrealised gain of the investment properties owned by Cofinimmo's French branch. This branch would be subject to a French withholding tax if this gain were to be realised.

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2.3. Consolidated balance sheet (x 1,000 EUR)

ASSETS	Notes	30.06.2017	31.12.2016
Non-current assets		3,619,375	3,547,181
Goodwill	4	99,256	99,256
Intangible assets		700	751
Investment properties	4; 10	3,422,510	3,363,636
Other tangible assets		916	635
Non-current financial assets		2,314	758
Finance lease receivables		85,940	75,718
Trade receivables and other non-current assets		1,064	29
Participations in associated companies and joint ventures		6,675	6,398
Current assets		104,195	114,101
Assets held for sale	4	2,550	2,695
Finance lease receivables		1,796	1,795
Trade receivables		28,996	25,642
Tax receivables and other current assets		10,832	20,446
Cash and cash equivalents		25,949	41,271
Accrued charges and deferred income		34,072	22,252
TOTAL ASSETS		3,723,570	3,661,282

SHAREHOLDERS' EQUITY AND LIABILITIES	Notes	30.06.2017	31.12.2016
Shareholders' equity		1,907,303	1,919,459
<i>Shareholders' equity attributable to shareholders of the parent company</i>		1,840,201	1,852,923
Capital	11	1,141,893	1,124,628
Share premium account	11	520,626	504,544
Reserves		112,513	126,358
Net result of the financial year	12	65,169	97,393
Minority interests		67,102	66,536
Liabilities		1,816,267	1,741,823
Non-current liabilities		1,158,982	1,074,668
Provisions		26,778	16,890
Non-current financial debts		1,047,911	970,604
Other non-current financial liabilities		42,824	49,971
Deferred taxes		41,469	37,203
Current liabilities		657,285	667,155
Current financial debts		529,058	558,167
Other current financial liabilities		8,366	12,949
Trade debts and other current debts		97,130	72,280
Accrued charges and deferred income		22,731	23,759
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		3,723,570	3,661,282

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Comments on the consolidated balance sheet

The investment value of the property portfolio¹, as determined by the independent real estate experts, amounts to 3,567.0 million EUR at 30.06.2017, compared with 3,505.0 million EUR at 31.12.2016. The fair value included in the consolidated balance sheet, in application of the IAS 40 standard, is obtained by deducting the transaction fees from the investment value. At 30.06.2017, fair value reached 3,425.1 million EUR, compared to 3,366.3 million EUR at 31.12.2016.

The item 'Participations in associated companies and joint ventures' 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.

The distribution of 41 % of the 2016 dividends in new ordinary shares for a total amount of 33.2 million EUR resulted in an increase in the 'Capital' item for 17.1 million EUR and an increase in the 'Share premiums' item for 16.1 million EUR.

The 'Provisions' item increased from 16.9 million EUR to 26.8 million EUR between 31.12.2016 and 30.06.2017 due to reclassification of a provision regarding the Antwerp courthouse. This provision was previously offset against the finance lease receivable.

2.4. Calculation of the consolidated debt ratio

(x 1,000 EUR)		30.06.2017	31.12.2016
Non-current financial debts		1,047,911	970,604
Other non-current financial liabilities (except for hedging instruments)	+	332	152
Current financial debts	+	529,058	558,167
Trade debts and other current debts	+	97,130	72,280
Total debt	=	1,674,431	1,601,203
Total assets		3,723,570	3,661,282
Hedging instruments	-	2,314	758
Total assets (except for hedging instruments)	/	3,721,256	3,660,524
DEBT RATIO	=	45.00 %	43.74 %

¹ Including buildings held for own use and development projects.

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2.5. Consolidated cash flow statement (x 1,000 EUR)

	30.06.2017	30.06.2016
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	41,271	22,040
OPERATING ACTIVITIES		
Net result for the period	65,169	34,605
Adjustments for interest charges and income	12,521	14,530
Adjustments for gains and losses on disposal of property assets	-423	-994
Adjustments for gains and losses on disposals of financial assets		-418
Adjustments for non-cash charges and income	-536	21,698
Changes in working capital requirements	11,045	-6,079
Cash flow from operating activities	87,776	63,342
INVESTMENT ACTIVITIES		
Investments in intangible assets and other tangible assets	-480	-668
Acquisitions of investment properties	-26,343	-66,148
Extensions of investment properties	-12,389	-9,105
Investments in investment properties	-19,365	-7,420
Acquisitions of consolidated subsidiaries	-1,058 ¹	
Disposals of investment properties	13,107	3,047
Disposals of assets held for sales		59
Disposal of consolidated subsidiaries		418
Disposal and reimbursement of finance lease receivables	909	912
Net cash from investing activities	-45,619	-78,905
FINANCING ACTIVITIES		
Capital increase		60
Disposal of own shares	227	392
Dividends paid to shareholders	-83,158	-110,363
Coupons paid to Mandatory Convertible Bondholders	-2,496	-2,752
Coupons paid to minority shareholders	-58	-371
Increase of financial debts	43,134 ²	393,820
Decrease of financial debts		-243,531
Financial income received	2,704	2,934
Financial charges paid	-15,225	-17,078
Other cash flows from financing activities	-2,607	28
Cash flow resulting from financing activities	-57,479	23,139
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	25,949	29,616

¹ This is the acquisition of the company Castorstraat BV, owner of the care centre for people suffering from mental disorders, located in Alphen aan den Rijn.

² This amount includes primarily the increase in bank debts.

2.6. Consolidated statement of changes in equity (x 1,000 EUR)

	Capital	Share premium account	Reserves ¹	Net result of the financial year	Shareholders' equity Parent company	Minority interests	Shareholders' equity
AT 01.01.2016	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 hedging 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
Elements recognised in the global result			2,841	62,788	65,629	2,055	67,683
Cash flow hedging ²			2,841		2,841		2,841
Result of the period				62,788	62,788	2,055	64,842
Others			-393		-393	275	-118
SUBTOTAL	1,124,517	504,469	126,392	97,393	1,852,771	66,939	1,919,709
Issue of new shares ³	24	19			43		43
Acquisitions/disposals of own shares	87	55			142		142
Dividends/Coupons			-36		-36	-403	-439
AT 31.12.2016	1,124,628	504,543	126,356	97,393	1,852,920	66,536	1,919,455

¹ Reserves are presented in detail in the following pages.

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

³ Shares issued in capital and share premiums 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 the conversion of bonds into shares (2016) and the 2016 dividend payment in new shares (2017).

	Capital	Share premium account	Reserves ¹	Net result of the financial year	Shareholders' equity Parent company	Minority interests	Shareholders' equity
AT 31.12.2016	1,124,628	504,543	126,356	97,393	1,852,920	66,536	1,919,455
Appropriation of the 2016 net result			97,393	-97,393			
Elements recognised in the global result			5,680	65,169	70,849	2,685	73,534
Cash flow hedging ²			5,680		5,680		5,680
Result of the period				65,169	65,169	2,685	67,854
Others			-130		-130	434	304
SUBTOTAL	1,124,628	504,543	229,299	65,169	1,923,639	69,655	1,993,293
Issue of new shares ³	17,131	15,989			33,120		33,120
Acquisitions/disposals of own shares	133	94			227		227
Dividends/Coupons			-116,787		-116,787	-2,553	-119,341
AT 30.06.2017	1,141,892	520,626	112,512	65,169	1,840,199	67,101	1,907,299

¹ Reserves are presented in detail in the following pages.

Detail of the reserves (x 1,000 EUR)

	Reserve for the positive/negative balance of changes in the fair value of 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	TOTAL RESERVES
AT 01.01.2016	-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 hedging			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
Elements recognised in the global result		252	2,841		-252		2,841
Cash flow hedging			2,841				2,841
Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties		252			-252		
Others					-252	-141	-393
SUBTOTAL	-181,038	-74,481	-4,554	-80,788	462,062	5,191	126,392
Dividends					-34		-34
AT 31.12.2016	-181,038	-74,481	-4,554	-80,788	462,028	5,191	126,358

	Reserve for the positive/negative balance of changes in the fair value of 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	TOTAL RESERVES
AT 31.12.2016	-181,038	-74,481	-4,554	-80,788	462,028	5,191	126,358
Appropriation of the 2016 net result	23,081	-11,098	-2,414	-61,196	26,315	310	97,390
Elements recognised in the global result		163	5,680		-163		5,680
Cash flow hedging			5,680				5,680
Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties		163			-163		
Others					-37	-94	-130
SUBTOTAL	-157,957	-85,147	-1,289	-19,592	488,143	5,408	229,298
Dividends					-116,787		-116,787
AT 30.06.2017	-157,957	-85,147	-1,289	-19,592	371,356	5,408	112,512

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2.7. Notes to the interim summary financial statements

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 interim summary financial statements, which closed on 30.06.2017, cover the Company and its subsidiaries ('the Group'). The scope of consolidation has changed since 31.12.2016 (see Note 14).

The interim summary financial statements were closed by the Board of Directors on 27.07.2017. The statutory auditor Deloitte, Réviseurs d'Entreprises, represented by Mr. Rik Neckebroeck, 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 executed by the Belgian Royal Decree of 13.07.2014 on Regulated Real Estate Companies and in accordance with the IAS 34 standard for *interim financial reporting*.

The information included in the interim summary financial statements is not as comprehensive as that in the annual financial statements. Consequently, these interim summary financial statements must be read in conjunction with the annual financial statements.

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 2016.

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 30.06.2017 were substantially the same as those identified and described in the 2016 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	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
At 30.06												
Net rental income	46,912	43,452	43,842	42,115	18,731	18,822	958	924			110,444	105,396
Property result after direct property costs	45,490	42,673	34,517	33,560	18,118	18,150	1,449	1,060			99,575	95,110
Property management costs									-9,577	-10,409	-9,577	-10,409
Corporate management costs									-4,104	-4,868	-4,104	-4,868
Gains or losses on disposals of investment properties and other non-financial assets	-370		190	418	603	994					423	1,412
Changes in the fair value of investment properties	10,460	36,775	-20,350	-31,207	-437	5,748	2,457	401			-7,870	11,718
Other result on the portfolio	-3,768	-831	227		156	546				-479	-3,385	-764
Operating result	51,811	78,617	14,584	2,771	18,441	25,438	3,906	1,461	-13,681	-15,756	75,062	92,199
Financial result									-5,464	-52,422	-5,464	-52,422
Share in the result of associated companies and joint ventures									236	549	236	549
Taxes									-1,980	-2,934	-1,980	-2,934
NET RESULT											67,854	37,392
NET RESULT – GROUP SHARE											65,169	34,605

BALANCE SHEET	Healthcare real estate		Offices		Property of distribution networks		Others		Unallocated amounts		TOTAL	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
AT 30.06/31.12												
Assets												
Goodwill	26,929	26,929			72,327	72,327					99,256	99,256
Investment properties, including:	1,547,273	1,497,919	1,294,785	1,286,680	551,106	552,149	29,346	26,889			3,422,510	3,363,636
<i>Development projects</i>	35,552	28,631	68,120	36,106	1,885	1,851	805	1,369			106,362	67,957
<i>Assets held for own use</i>			8,787	8,995							8,787	8,995
Assets held for sale	2,000	2,000			550	695					2,550	2,695
Other assets									199,253	195,695	199,253	195,695
TOTAL ASSETS	1,576,202	1,526,847	1,294,785	1,286,680	623,983	625,171	29,346	26,889	199,253	195,695	3,723,570	3,661,282
Shareholders' equity and liabilities												
Shareholders' equity									1,907,303	1,919,459	1,907,303	1,919,459
<i>Shareholders' equity attributable to shareholders of the parent company</i>									1,840,201	1,852,923	1,840,201	1,852,923
<i>Minority interests</i>									67,102	66,536	67,102	66,536
Liabilities									1,816,267	1,741,823	1,816,267	1,741,823
SHAREHOLDERS' EQUITY AND LIABILITIES											3,723,570	3,661,282

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

INCOME STATEMENT	Germany		Belgium		France		The Netherlands		TOTAL	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
At 30.06										
Net rental income	4,233	3,153	24,752	24,042	12,881	12,718	5,046	3,540	46,912	43,452
Property result after direct property costs	4,021	3,107	24,265	23,653	12,673	12,624	4,531	3,290	45,490	42,673
Property management costs										
Corporate management costs										
Gains or losses on disposals of investment properties and other non-financial assets							-370		-370	
Changes in the fair value of investment properties	-340	3,332	11,508	15,991	-2,312	11,453	1,603	6,000	10,460	36,775
Other result on the portfolio	-165		118		-3,494	-596	-228	-235	-3,768	-831
Operating result	3,516	6,439	35,891	39,643	6,867	23,481	5,536	9,055	51,811	78,617
Financial result										
Share in the result of associated companies and joint ventures										
Taxes										
NET RESULT										
NET RESULT – GROUP SHARE										

BALANCE SHEET	Germany		Belgium		France		The Netherlands		TOTAL	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
AT 30.06/31.12										
Assets										
Goodwill					26,929	26,929			26,929	26,929
Investment properties, including:	130,000	117,084	835,726	815,598	408,672	409,134	172,876	156,103	1,547,273	1,497,919
<i>Development projects</i>			20,532	13,075			15,020	15,556	35,552	28,631
<i>Assets held for own use</i>										
Assets held for sale					2,000	2,000			2,000	2,000
Other assets										
TOTAL ASSETS	130,000	117,084	835,726	815,598	437,601	438,063	172,876	156,103	1,576,202	1,526,847
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	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
At 30.06												
Net rental income	12,936	11,229	20,355	20,320	4,217	4,104	2,337	2,501	3,997	3,960	43,842	42,115
Property result after direct property costs	11,525	6,888	13,750	17,093	3,176	3,275	2,163	2,441	3,902	3,864	34,517	33,560
Property management costs												
Corporate management costs												
Gains or losses on disposals of investment properties and other non-financial assets	39	418					151				190	418
Changes in the fair value of investment properties	8,908	-6,436	-28,120	-22,986	-5,968	-1,987	1,037	173	3,793	29	-20,350	-31,207
Other result on the portfolio	227										227	
Operating result	20,700	870	-14,369	-5,893	-2,792	1,288	3,350	2,613	7,695	3,893	14,584	2,771
Financial result												
Share in the result of associated companies and joint ventures												
Taxes												
NET RESULT												
NET RESULT – GROUP SHARE												

BALANCE SHEET	Brussels CBD		Brussels Decentralised		Brussels Periphery		Antwerp		Other regions		TOTAL	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
AT 30.06/31.12												
Assets												
Goodwill												
Investment properties, including:	506,819	478,203	472,289	492,469	128,060	133,832	68,272	67,284	119,345	114,892	1,294,785	1,286,680
<i>Development projects</i>	66,966	34,925	317	305	370	370	467	506			68,120	36,106
<i>Assets held for own use</i>			8,787	8,995							8,787	8,995
Assets held for sale												
Other assets												
TOTAL ASSETS	506,819	478,203	472,289	492,469	128,060	133,832	68,272	67,284	119,345	114,892	1,294,785	1,286,680
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	
	2017	2016	2017	2016	2017	2016	2017	2016
At 30.06								
Net rental income	9,765	9,844	5,018	5,091	3,948	3,887	18,731	18,822
Property result after direct property costs	9,405	9,704	4,878	4,627	3,835	3,819	18,118	18,150
Property management costs								
Corporate management costs								
Gains or losses on disposals of investment properties and other non-financial assets	621	998	27	-4	-44		603	994
Changes in the fair value of investment properties	268	4,869	-449	-2,120	-256	2,999	-437	5,748
Other result on the portfolio			156	546			156	546
Operating result	10,295	15,572	4,611	3,050	3,535	6,817	18,441	25,438
Financial result								
Share in the result of associated companies and joint ventures								
Taxes								
NET RESULT								
NET RESULT – GROUP SHARE								

BALANCE SHEET	Pubstone - Belgium		Pubstone - Netherlands		Cofinimur I - France		TOTAL	
	2017	2016	2017	2016	2017	2016	2017	2016
AT 30.06/31.12								
Assets								
Goodwill	44,277	44,277	28,050	28,050			72,327	72,327
Investment properties, including:	283,760	283,561	141,626	142,408	125,720	126,180	551,106	552,149
<i>Development projects</i>	1,320	1,311			565	540	1,885	1,851
<i>Assets held for own use</i>								
Assets held for sale					550	695	550	695
Other assets								
TOTAL ASSETS	328,037	327,838	169,676	170,458	126,270	126,875	623,983	625,171
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								

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

	30.06.2017	30.06.2016
Rental income		
Gross potential income ¹	112,788	107,288
Vacancy ²	-6,902	-5,617
Rents³	105,886	101,671
Cost of rent-free periods	-1,908	-2,022
Concessions granted to tenants	-365	-237
Early lease termination indemnities ⁴	469	353
SUBTOTAL	104,082	99,765
Writeback of lease payments sold and discounted	6,237	5,633
Rental-related expenses		
Rent payable on rented premises	121	-1
Writedowns on trade receivables	-1	-9
Writeback of writedowns on trade receivables	5	8
SUBTOTAL	125	-2
TOTAL	110,444	105,396

The rental income and charges classification and treatment method is described in detail on page 202 of the 2016 Annual Financial Report.

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

	30.06.2017	30.06.2016
Interests and dividends received ⁵	253	171
Interest receipts in respect of finance lease and similar receivables	2,451	2,382
TOTAL	2,704	2,553

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 30.06.2017 and at 30.06.2016.

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

	30.06.2017	30.06.2016
Nominal interests on loans at amortised cost	-8,222	-10,331
Bilateral loans - floating rate	-1,304	-1,235
Commercial papers - floating rate	-304	-472
Investment credits - floating or fixed rate	-288	-292
Bonds - fixed rate	-6,122	-5,025
Convertible bonds	-204	-3,307
Writeback of nominal financial debts	-374	-317
Charges relating to authorised hedging instruments	-4,820	-5,593
Authorised hedging instruments not qualifying for hedge accounting	-4,820	-5,593
Income relating to authorised hedging instruments		1,170
Authorised hedging instruments not qualifying for hedge accounting		1,170
Other interest charges	-1,561	-1,790
TOTAL	-14,977	-16,861

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

	30.06.2017	30.06.2016
Bank fees and other commissions	-248	-217
Others	-159	-415
Realised gains/losses on disposals of financial instruments		-237
Others	-159	-178
TOTAL	-407	-632

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

	30.06.2017	30.06.2016
Authorised hedging instruments qualifying for hedge accounting	-5,586	-3,758
Changes in fair value of authorised hedging instruments qualifying for hedge accounting	54	-636
Impact of the recycling under the income statement of hedging instruments which relationship with the hedged risk was terminated	-5,640	-3,122
Authorised hedging instruments not qualifying for hedge accounting	12,877	-33,724
Changes in fair value of authorised hedging instruments qualifying for hedge accounting	13,414	-31,946
Convertible bonds	-537	-1,778
Others	-75	
TOTAL	7,216	-37,482

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

	30.06.2017	31.12.2016
Asset category	Level 3 ¹	Level 3 ¹
Properties available for lease	3,307,360	3,286,684
Development projects	106,362	67,957
Assets held for own use	8,788	8,995
TOTAL²	3,422,510	3,363,636

Properties available for rental (x 1,000 EUR)

	30.06.2017	31.12.2016
Asset category	Level 3 ¹	Level 3 ¹
AT 01.01	3,286,684	3,061,314
Capital expenditures	8,419	12,095
Acquisitions	34,401	160,035
Transfers from/to Development projects	-3,421	28,078
Sales/Disposals (fair value of assets sold/disposed of)	-12,636	-5,065
Writeback of lease payments sold and discounted	6,237	11,265
Increase/Decrease in the fair value	-12,324	18,962
AT 30.06/31.12	3,307,360	3,286,684

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.

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Development projects (x 1,000 EUR)

	30.06.2017	31.12.2016
Asset category	Level 3 ¹	Level 3 ¹
AT 01.01	67,957	61,544
Investments	28,144	29,675
Acquisitions	148	4,565
Transfer from/to Properties available for lease	3,421	-28,078
Sales/Disposals (fair value of assets sold/disposed of)	-49	-7
Increase/Decrease in the fair value	6,741	258
AT 30.06/31.12	106,362	67,957

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

	30.06.2017	31.12.2016
AT 01.01	8,995	8,625
Investments		552
Increase/Decrease in the fair value	-207	-182
AT 30.06/31.12	8,788	8,995

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)

	30.06.2017						
	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	Interests accrued and not due
Non-current financial assets			2,314	93,431	135,628		
Hedging instruments			2,314		2,314		
<i>Derivative financial instruments</i>			2,314		2,314	Level 2	
Credits and receivables				93,431	133,315		
<i>Non-current finance lease receivables</i>				85,940	125,824	Level 2	
<i>Trade receivables and other non-current assets</i>				817	817	Level 2	
<i>Participations in associated companies and joint ventures</i>				6,674	6,674	Level 2	
Current financial assets				56,741	58,148		
Credits and receivables				30,792	32,199		
<i>Current finance lease receivables</i>				1,796	3,203	Level 2	
<i>Trade receivables</i>				28,996	28,996	Level 2	
Cash and cash equivalents				25,949	25,949	Level 2	
TOTAL			2,314	150,172	193,776		

	30.06.2017						
	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	Interests accrued and not due ¹
Non-current financial liabilities	1,424	216,568	41,400	831,347	1,090,739		
Non-current financial debts		216,568		831,347	1,047,915 ²		
<i>Bonds</i>				453,776	453,776	Level 2	
<i>Convertible bonds</i>		213,500			213,500	Level 1	
<i>Mandatory Convertible Bonds (MCB)</i>		3,068			3,068	Level 2	
<i>Banks</i>				324,688	324,688	Level 2	
<i>Commercial papers - floating rate</i>				46,000	46,000	Level 2	
<i>Rental guarantees received</i>				6,883	6,883	Level 2	
Other non-current financial liabilities	1,424		41,400		42,824		
<i>Derivative financial instruments</i>			41,400		42,824	Level 2	
<i>Derivative financial instruments – FX options</i>	1,424						
Current financial liabilities			8,366	591,922	600,288		8,885
Current financial debts				529,058	529,058		9,076
<i>Commercial papers - floating rate</i>				378,500	378,500	Level 2	
<i>Bonds</i>				50,000	50,000	Level 2	5,793
<i>Banks</i>				100,535	100,535	Level 2	1,111
<i>Others</i>				23	23	Level 2	
Other current financial liabilities			8,366		8,366		1,981
<i>Derivative financial instruments</i>			8,366		8,366	Level 2	1,981
Trade debts and other current debts				97,130	97,130	Level 2	
TOTAL	1,424	216,568	49,766	1,457,535	1,725,292		8,885

¹ Interests accrued and not due are included in the accrued charges and deferred income.

² Non-current financial debts do not include "Non-current finance leases" as their amount is not material.

	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	Interests accrued and not due
Non-current financial assets				81,545	145,904		
Credits and receivables				81,545	145,904		
<i>Non-current finance lease receivables</i>				75,308	139,666	Level 2	
<i>Trade receivables and other non-current assets</i>				41	41	Level 2	
<i>Participations in associated companies and joint ventures</i>				6,197	6,197	Level 2	
Current financial assets				51,816	53,326		
Credits and receivables				22,200	23,710		
<i>Current finance lease receivables</i>				1,767	3,277	Level 2	
<i>Trade receivables</i>				20,433	20,433	Level 2	
Cash and cash equivalents				29,616	29,616	Level 2	
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	Interests accrued and not due
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 2	
<i>Convertible bonds</i>				46,000	46,000	Level 1	
<i>Mandatory Convertible Bonds (MCB)</i>		177,769			177,769	Level 2	
<i>Banks</i>				461,473	461,473	Level 2	
<i>Commercial papers - floating rate</i>				6,442	6,442	Level 2	
<i>Rental guarantees received</i>				35,604	35,604	Level 2	
Other non-current financial liabilities			98,816		98,816		
<i>Derivative financial instruments</i>			98,816		98,816	Level 2	
Current financial liabilities	636		18,227	389,309	408,171		6,151
Current financial debts				312,037	312,037		5,498
<i>Commercial papers - floating rate</i>				290,500	290,500	Level 2	
<i>Bonds</i>						Level 2	3,918
<i>Convertible bonds</i>						Level 1	115
<i>Banks</i>				21,505	21,505	Level 2	1,199
<i>Others</i>				32	32	Level 2	265
Other current financial liabilities	636		18,227		18,863		653
<i>Derivative financial instruments</i>			18,227		18,227	Level 2	653
<i>Derivative financial instruments - FX options</i>	636				636		
Trade debts and other current debts				77,272	77,272	Level 2	
TOTAL	636	177,769	117,043	1,318,827	1,614,274		6,151

REGULATED INFORMATION

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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 bonds¹ (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 financial assets and liabilities, particularly derivatives owned at fair value, with standard terms and conditions and negotiated on active and liquid markets is established based on stock market prices available on Bloomberg.
- 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 finance lease receivables
Fair value of finance lease receivables is calculated based on the discounted cash flow method in accordance with the applicable yield curves obtained on the basis of the market interest rates available on Bloomberg.

¹ The listed bonds relate to convertible bonds and Mandatory Convertible Bonds.

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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	
Number of shares (A)	30.06.2017	31.12.2016	30.06.2017	31.12.2016	30.06.2017	31.12.2016
AT 01.01	20,345,637	20,344,378	685,553	685,848	21,031,190	21,030,226
Capital increase	319,684				319,684	
Conversion of preference shares into ordinary shares	1,992	295	-1,992	-295		
Conversion of convertible bonds into ordinary shares		964				964
AT 30.06/31.12	20,667,313	20,345,637	683,561	685,553	21,350,874	21,031,190

Own shares held by the Group (B)	30.06.2017	31.12.2016	30.06.2017	31.12.2016	30.06.2017	31.12.2016
AT 01.01	44,864	50,114			44,864	50,114
Own shares sold	-2,490	-5,250			-2,490	-5,250
AT 30.06/31.12	42,374	44,864			42,374	44,864

Number of outstanding shares (A-B)	30.06.2017	31.12.2016	30.06.2017	31.12.2016	30.06.2017	31.12.2016
AT 01.01	20,300,773	20,294,264	685,553	685,848	20,986,326	20,980,112
AT 30.06/31.12	20,624,939	20,300,773	683,561	685,553	21,308,500	20,986,326

(x 1,000 EUR)	Ordinary shares		Convertible preference shares		TOTAL	
Capital	30.06.2017	31.12.2016	30.06.2017	31.12.2016	30.06.2017	31.12.2016
AT 01.01	1,088,069	1,087,720	36,559	36,575	1,124,628	1,124,295
Own shares sold	133	281			133	281
Capital increase	17,132				17,132	
Conversion of preference shares into ordinary shares	106	16	-106	-16		
Conversion of convertible bonds into ordinary shares		52				52
AT 30.06/31.12	1,105,440	1,088,069	36,453	36,559	1,141,893	1,124,628

Share premium account	30.06.2017	31.12.2016	30.06.2017	31.12.2016	30.06.2017	31.12.2016
AT 01.01	468,399	468,079	36,145	36,161	504,544	504,240
Own shares sold	94	253			94	253
Capital increase	15,988				15,988	
Conversion of preference shares into ordinary shares	105	16	-105	-16		
Conversion of convertible bonds into ordinary shares		51				51
AT 30.06/31.12	484,586	468,399	36,040	36,145	520,626	504,544

Note 13. Result per share

(x 1,000 EUR)	30.06.2017	30.06.2016
Net result from core activities attributable to ordinary and preference shares	69,289	59,974
Net result from core activities for the period	71,547	62,288
Minority interests	-2,258	-2,314
Result on financial instruments attributable to ordinary and preference shares	6,914	-37,482
Result on financial instruments for the period	7,216	-37,482
Minority interests	-302	
Result on portfolio attributable to ordinary and preference shares	-11,034	12,113
Result on portfolio for the period	-10,909	12,586
Minority interests	-125	-473
Net result attributable to ordinary and preference shares	65,169	34,605
Net result for the period	67,854	37,392
Minority interests	-2,685	-2,787

Result per share (in EUR)	30.06.2017	30.06.2016
Number of ordinary and preference shares taken into account in the calculation of the result per share	21,308,500	20,984,249
Net result from core activities per share - Group share	3.25	2.86
Result on financial instruments per share – Group share	0.32	-1.79
Result on portfolio per share – Group share	-0.51	0.58
Net result per share – Group share	3.06	1.65

Diluted result per share (in EUR)	30.06.2017	30.06.2016
Diluted net result - Group share	63,086,894	30,237,244
Number of ordinary shares entitled to share in the result of the period taking into account the theoretical conversion of convertible bonds and stock options	22,412,156	20,341,837
Diluted net result per share - Group share	2.81¹	1.49²

¹ In accordance with IAS 33, the Mandatory Convertible Bonds issued in 2011 and the convertible bonds issued 2016 were taken into account in calculating the diluted net result per share at 30.06.2017 because they would have had a dilutive impact.

² In accordance with IAS 33, the Mandatory Convertible Bonds issued in 2011 and the convertible bonds issued 2013 (bought back or redeemed in 2016) were not taken into account in calculating the diluted net result per share at 30.06.2016 because they would have had an accretive effect.

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
BESTONE SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 670 681 160	100.00
BOLIVAR PROPERTIES SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation BE 878 423 981	100.00
CASTORSTRAAT BV Claudius Prinsenlaan 128, 4818 CP Breda (Netherlands)	NL 616 306 40	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 Luxembourg (Luxembourg)	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
GESTONE II SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 670 681 259	100.00
KAISERSTONE SA Rue Eugène Ruppert 6, 2453 Luxembourg (Luxembourg)	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
PRIME BEL RUE DE LA LOI – T SPRL/BVBA Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 0463 603 184	100.00
SUPERSTONE BV Claudius Prinsenlaan 128, 4818 CP Breda (Netherlands)	NL 85.07.32.554.B.01	100.00
TRIAS BEL LEOPOLD 2 – T SPRL/BVBA Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 0863 981 770	100.00
TRIAS BEL SOUVERAIN – T SPRL/BVBA Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 0597 987 776	100.00
WELLNESSTONE SA Rue Eugène Ruppert 6, 2453 Luxembourg (Luxembourg)	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 (Netherlands)	NL 81.89.06.108.B.01	94.90
ASPRIA UHLENHORST BV Claudius Prinsenlaan 128, 4818 CP Breda (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 (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 2016 Annual Financial Report have not been changed and are still used by the Cofinimmo Group.

Note 15. Transactions between related parties

There were no transactions between related parties in the first half of 2017 as meant in the IAS 34 standard and Article 8 of the Royal Decree of 13.07.2014.

3. Statement of compliance

The Board of Directors of Cofinimmo SA/NV assumes responsibility for the content of the 2017 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. Jacques van Rijckevorsel, in his position as Chairman of the Board of Directors, Mrs. Inès Archer-Topper, Mrs. Diana Monissen, Mrs. Françoise Roels, Mrs. Cécile Scalais and Mrs. Kathleen Van den Eynde, Mr. Jean-Edouard Carbonnelle, Mr. Olivier Chapelle, Mr. Xavier de Walque, Mr. Xavier Denis, Mr. Jérôme Descamps and Mr. Maurice Gauchot, Directors,

state that, to the best of their knowledge:

1. The 2017 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 2017 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 9 of the 2016 Annual Financial Report and pages 31 to 34 of this 2017 Half-Year Financial Report).

For more information:

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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 over 3.4 billion EUR, representing a total surface area of over 1,810,000 m². Riding on demographic trends, its main investment segments are healthcare properties (45 %), offices (38 %), and distribution networks (16 %). 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 130 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 30.06.2017, its total market capitalisation stands at 2.3 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

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4. Appendices

4.1. Impact IFRS 9, IFRS 15 and IFRS 16 standards

Cofinimmo SA/NV did not apply the following new standards, interpretations and amendments that have been published but are not yet in force:

IFRS 9 - Financial instruments (effective 01.01.2018)

IFRS 9 was finalised and published by IASB in July 2014 and endorsed by the EU in November 2016. IFRS 9 contains the requirements for the classification and measurement of financial assets and financial liabilities, the impairment of financial assets, and the general hedge accounting. IFRS 9 will replace most parts of IAS 39 – *Financial Instruments: Recognition and Measurement*.

Based on an analysis of Cofinimmo SA/NV's situation as at 30.06.2017, IFRS 9 is not expected to have a material impact on the consolidated financial statements

With respect to the impairment of financial assets measured at amortised cost, including trade receivables and finance lease receivables, the initial application of the expected credit loss model under IFRS 9 will result in earlier recognition of credit losses compared to the incurred loss model currently applied under IAS 39. Considering the relatively limited amount of trade and finance lease receivables combined with the low associated credit risk, Cofinimmo SA/NV does however not anticipate a material impact on the consolidated financial statements.

The convertible bond does not meet the requirements to qualify as equity instrument in full or in part. The instrument contains embedded derivatives. In order to facilitate this instrument's valuation, Cofinimmo decided to value it at fair value. Changes in fair value are booked under the income statement.

Residual change in fair value of the convertible bond attributable to changes in credit risk will be booked under shareholders' equity; that which is attributable to changes in market conditions will be booked under the income statement.

IFRS 15 – Revenue from Contracts with Customers (effective 01.01.2018)

IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Upon its effective date IFRS 15 will replace IAS 18 which covers revenue arising from the sale of goods and the rendering of services and IAS 11 which covers construction contracts and the related interpretations.

IFRS 15 is not expected to have a material impact on the consolidated financial statements of Cofinimmo SA/NV as lease contracts are excluded from the scope of the standard and represent the main source of income for Cofinimmo SA/NV. The principles of IFRS 15 are still applicable to the non-lease components that may be contained in lease contracts or in separate agreements, such as maintenance related services charged to the lessee. Considering however that such non-lease components are relatively limited in amount and mostly represent services recognised over time under both IFRS 15 and IAS 18, Cofinimmo SA/NV does not anticipate a material impact in that respect.

IFRS 16 – Leases (effective 01.01.2019)

IFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. It will supersede IAS 17 – Leases and related interpretations upon its effective date. IFRS 16 has not yet been endorsed at the EU level. Significant changes to lessee accounting are introduced by IFRS 16, with the distinction between operating and finance leases removed and assets and liabilities recognised in respect of all leases (subject to limited exceptions for short-term leases and leases of low value assets).

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

As Cofinimmo SA/NV is almost exclusively acting as lessor, IFRS 16 is not expected to have a material impact on its consolidated financial statements. In the limited cases where Cofinimmo SA/NV is the lessee in contracts classified as operating leases under IAS 17 and not subject to the IFRS 16 exemptions (e.g. lease of cars, property used by the Group), a right-of-use asset and related liability will be recognised on the consolidated balance sheet.

4.2. Real estate experts' report

Real estate Valuer's report



Brussels, 3 July 2017

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

Re: Valuation as of 30 June 2017

Context

We have been engaged by Cofinimmo to value its real estate assets as of **30 June 2017** with a view to finalising its financial statements at that date.

Cushman & Wakefield (C&W), PwC Entreprise Advisory cvba/scri (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 and reviewed on 30/06/2016) 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 2017 is estimated at EUR 3.567.021.000.

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 2017, corresponding to the fair investment value under IAS/IFRS, is estimated at EUR 3.425.060.000.

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 6,53% of the investment value.

If the properties were to be let in full, the yield would increase to 6,92%.

Investment properties have an occupancy rate of 94,38%.

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 1,36% 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	1.609.750.000	1.549.273.000	45,2%
Offices	1.327.154.000	1.294.785.000	37,8%
Distribution prop. net	600.037.000	551.656.000	16,1%
Others	30.080.000	29.346.000	0,9%
TOTAL	3.567.021.000	3.425.060.000	100%

PwC opinion

The investment value of the part of Cofinimmo's real estate portfolio valued by PwC is estimated as of 30 June 2017 at EUR 1.079.102.000 and the fair value (after the deduction of the transaction costs) is estimated at EUR 1.049.048.000.



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 2017 at EUR 2.097.197.000 and the fair value (after deduction of transaction costs) at EUR 1.994.820.000.



Emeric Inghels, MRICS
C&W Director

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 2017 at EUR 390.722.000 and the fair value (after the deduction of transaction costs) is estimated at EUR 381.192.000.



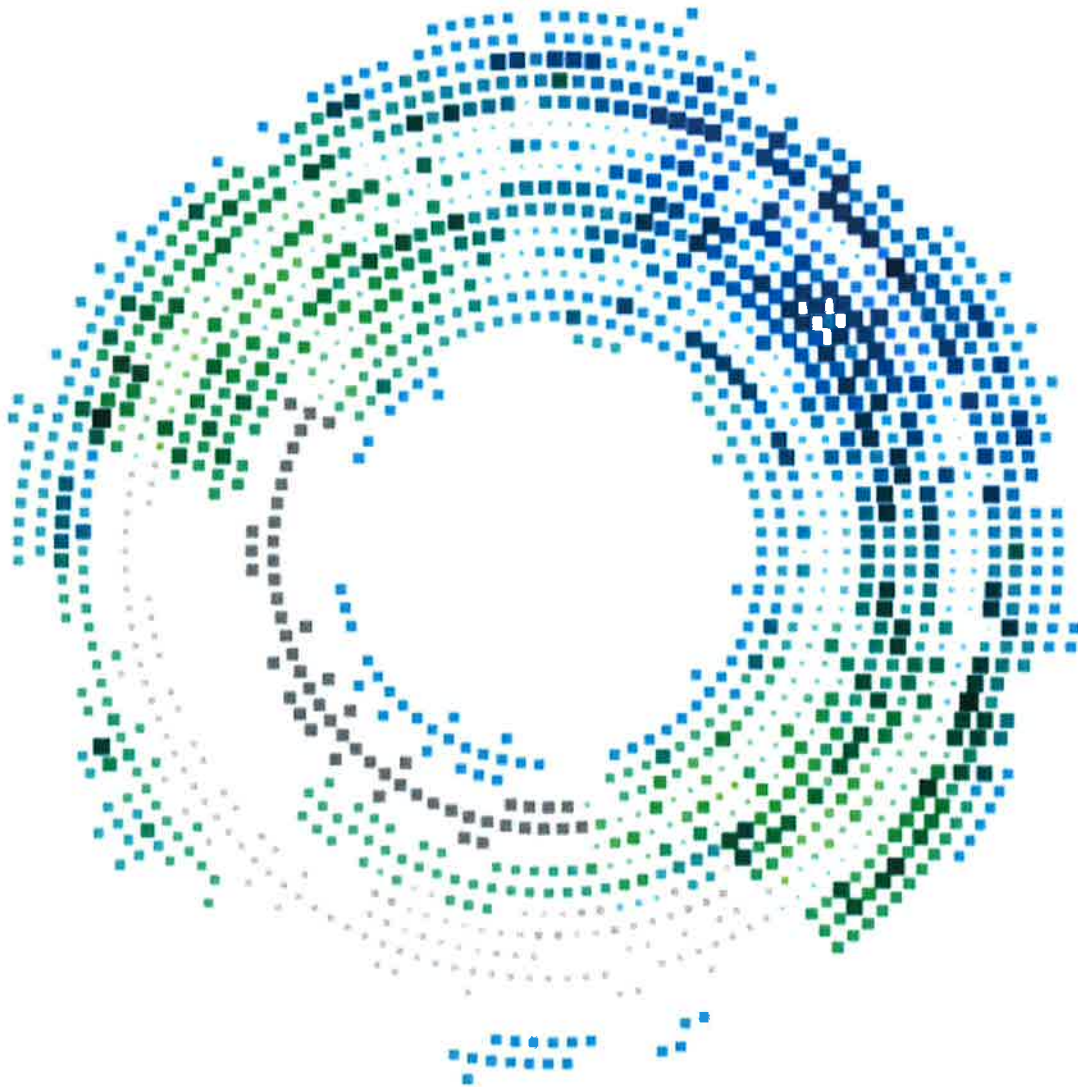
Roderick Scrivener, FRICS
JLL Director

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4.3. Statutory auditor's report



Cofinimmo SA/NV

Report on the review of the consolidated interim financial information for the six-month period ended 30 June 2017

The original text of this report is in French and Dutch

Report on the review of the consolidated interim financial information of Cofinimmo SA/NV for the six-month period ended 30 June 2017

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 as at 30 June 2017, the consolidated condensed income statement, 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 Accounting Standard (IAS) 34, "Interim Financial Reporting" as adopted by the European Union.

The consolidated condensed balance shows total assets of 3 724 million EUR and the consolidated condensed income statement shows a consolidated profit (group share) for the period then ended of 65 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.

Zaventem, 27 July 2017

The statutory auditor



DELOITTE Bedrijfsrevisoren / Réviseurs d'Entreprises

BV o.v.v.e. CVBA / SC s.f.d. SCRL

Represented by Rik Neckebroeck