

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

2018 Half-Year Financial Report

Result in line with forecasts:

- Net result – Group share: 98 million EUR (65 million EUR as at 30.06.2017)
- Net result from core activities - Group share: 68 million EUR (69 million EUR as at 30.06.2017)
- Confirmation of the forecasted net result from core activities - Group share for the 2018 financial year: 6.51 EUR per share
- Confirmation of the forecasted gross dividend for the 2018 financial year, payable in 2019: 5.50 EUR per ordinary share

Solid operational performance:

- Gross rental revenues up 1.2 % over the last 12 months (on a like-for-like basis)
- Portfolio value up by 3.3 % over the past six months
- High and stable occupancy rate: 95 %
- Particularly long residual lease length: 11 years

Acceleration of investments in healthcare real estate:

- Net investments in healthcare real estate as at 30.06.2018: 200 million EUR
- Committed investment pipeline and undergoing due diligence over the period 01.07.2018 - 31.12.2018: 147 million EUR, of which 114 million EUR in healthcare real estate
- Target of having 50 % of the global portfolio invested in healthcare achieved sooner than forecast

Sale of the Egmont I and II office buildings:

- Realisation of a capital gain of approximately 27 million EUR

Capital reinforcement:

- Capital increase of 155 million EUR, successfully completed on 02.07.2018
- *Pro forma* debt ratio after capital increase: 43 % (compared to 44 % as at 31.12.2017)

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

Table of contents

1. Interim management report	p. 3
1.1. Summary of activities	p.3
1.2. Consolidated key figures	p. 4
1.3. Portfolio evolution	p. 7
1.4. Management of financial resources	p. 14
1.5. Commercial results	p. 18
1.6. Property portfolio	p. 21
1.7. 01.07.2018 - 31.12.2018 investment programme	p. 23
1.8. Information on shares and bonds	p. 25
1.9. Corporate governance	p. 30
1.10. Sustainable development and management policy	p. 32
1.11. Risk management	p. 33
1.12. Events after 30.06.2018	p. 33
2. Summary financial statements	p. 37
2.1. Consolidated global result - Royal Decree of 13.07.2014 form	p. 38
2.2. Consolidated income statement - Analytical form	p. 40
2.3. Consolidated balance sheet	p. 43
2.4. Calculation of the consolidated debt ratio	p. 44
2.5. Consolidated cash flow statement	p. 45
2.6. Consolidated statement of changes in equity	p. 46
2.7. Notes to the interim summary financial statements	p. 47
3. Statement of compliance	p. 68
4. Information on forward-looking statements	p. 68
5. Appendices	p. 70
5.1. Real estate experts' report	
5.2. Statutory auditor's report	
5.3. Table comparing the IFRS 9 and IAS 39 categories	

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).

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1. Interim management report

1.1. Summary of activities

During the first half of 2018, Cofinimmo Group accelerated its investments in healthcare real estate by investing nearly 200 million EUR in this segment. The main transaction consisted of the acquisition of a portfolio of 17 nursing and care homes located in Germany and valued at 172 million EUR. The fair value of Cofinimmo's German portfolio now amounts to over 330 million EUR.

In the office segment, the Group granted a 99-year long leasehold relating to the Egmont I and II office buildings, located in the centre of Brussels, enabling the realisation of a net capital gain of close to 27 million EUR. In addition, redevelopment works on the Belliard 40 building (Brussels CBD) were delivered at the end of March. Nearly 75 % of its office space is already let.

The net result from core activities - Group share* is in line with the forecast and amounts to 68 million EUR (i.e. 3.20 EUR per share) as at 30.06.2018, compared to 69 million EUR (i.e. 3.25 EUR per share) as at 30.06.2017. The net result amounts to 98 million EUR (i.e. 4.58 EUR per share) as at 30.06.2018, compared to 65 million EUR (i.e. 3.06 EUR per share) as at 30.06.2017.

After half-year closing, Cofinimmo strengthened its capital position via a capital increase of approximately 155 million EUR, successfully completed on 02.07.2018. Following this operation, the Group's *pro forma* debt ratio amounts to 43 % providing Cofinimmo with significant investment capacity to pursue its growth ambitions.

In the context of the launch of this operation, the forecast for the net result from core activities – Group share for the whole of the 2018 financial year (published with the annual results on 08.02.2018) has been reviewed last June. It has been estimated at 6.51 EUR per share, a level comparable to that of 2017 (6.53 EUR per share), despite the increase in the number of shares outstanding. Consequently, the forecast for the dividend for the 2018 financial year is confirmed at 5.50 EUR gross per ordinary share¹.

¹ This dividend will be divided between two coupons: coupon no. 33, estimated at 2.74 EUR, went ex date on 20.06.2018, and coupon no. 34, estimated at 2.76 EUR, has not yet went ex date. These two coupons will be paid concurrently in May/June 2019.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.2. Consolidated key figures

Overall figures

(x 1,000,000 EUR)	30.06.2018	31.12.2017
Portfolio of investment properties (in fair value)	3,623	3,508
(x 1,000 EUR)	30.06.2018	30.06.2017
Property result	101,203	107,330
Operating result before result on the portfolio	81,558	85,894
Net result from core activities - Group share	68,214	69,289
Result on financial instruments - Group share*	-1,239	6,914
Result on the portfolio - Group share*	30,612	-11,034
Net result - Group share	97,587	65,169
Operating margin*	83 %	82 %
	30.06.2018	31.12.2017
Operating costs/average value of the portfolio under management ^{1*}	1.00 %	1.00 %
Weighted residual lease length ² (in years)	11	10
Occupancy rate ³	94.8 %	94.6 %
Gross rental yield at 100 % occupancy ⁴	6.6 %	6.7 %
Net rental yield at 100 % occupancy ⁵	6.1 %	6.1 %
Debt ratio ⁶	46.4 %	43.7 %
Average cost of debt ^{7*}	1.9 %	1.9 %
Average debt maturity (in years)	4	5

Data per share (ordinary and preference shares)

(in EUR)	30.06.2018	30.06.2017
Net result from core activities - Group share*	3.20	3.25
Result on financial instruments - Group share*	-0.06	0.32
Result on the portfolio - Group share*	1.44	-0.51
Net result - Group share*	4.58	3.06

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

² Until the first break option date 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. See details of the calculation under point 2.4 of this Half-Year Financial Report.

⁷ Including bank margins.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

Net Asset Value per share (in EUR)	30.06.2018	31.12.2017
Revalued net assets per share in fair value ¹ after dividend distribution for the 2017 financial year*	88.26	83.76
Revalued net assets per share in investment value ² after dividend distribution for the 2017 financial year*	93.10	88.10

To compare the intrinsic value of the share as at 30.06.2018 to that day's stock market price, the ex date of coupon No. 33, which occurred on 20.06.2018 as part of the capital increase initiated on the same day, should be taken into account. As a reminder, coupon No. 33 entitles the holder to receive the *pro rata temporis* 2018 dividend for the period from 01.01.2018 to 01.07.2018. Considering this last item, the intrinsic value of the share as at 30.06.2018, ex coupon No. 33³, can be estimated at 85.61 EUR in fair value and at 90.45 EUR in investment value.

Diluted Net Asset Value per share (in EUR)	30.06.2018	31.12.2017
Revalued diluted net assets per share in fair value ¹ after dividend distribution for the 2017 financial year	88.11	83.61
Revalued diluted net assets per share in investment value ² after dividend distribution for the 2017 financial year	92.94	87.94

In accordance with applicable IAS/IFRS standards, the Mandatory Convertible Bonds (MCB) issued in 2011 and the convertible bonds issued in 2016 were not taken into account in calculating the diluted net assets per share as at 31.12.2017 and as at 30.06.2018, because they would have had an accretive effect.

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 Although coupon No. 33 is estimated at 2.74 EUR per ordinary share, the effect of its detachment on the intrinsic value (calculation based on the total number of shares before capital increase, including both ordinary and preference shares) is 2.65 EUR per share.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

Performance indicators based on the EPRA standard¹

(in EUR per share)	30.06.2018	30.06.2017
EPRA Earnings*	3.20	3.25
EPRA Diluted earnings*	3.20	3.25
(in EUR per share)	30.06.2018	31.12.2017
EPRA Net Asset Value (NAV)*	92.55	93.26
EPRA Triple Net Asset Value (NNNAV)*	90.52	91.24
(in %)	30.06.2018	31.12.2017
EPRA Net Initial Yield (NIY)*	5.6 %	5.6 %
EPRA 'Topped-up' NIY*	5.7 %	5.7 %
EPRA Vacancy Rate*	5.3 %	5.5 %
EPRA Cost ratio (direct vacancy costs included)*	22.6 %	23.3 %
EPRA Cost ratio (direct vacancy costs excluded)*	18.1 %	19.8 %

In accordance with the 'EPRA Best Practice Recommendations', given that the MCBs issued in 2011 and the convertible bonds issued in 2016 were out-of-the-money as at 30.06.2017 and as at 30.06.2018, they were not taken into account for the EPRA Diluted Earnings, the EPRA NAV or the EPRA NNNAV calculation on those dates.

¹ 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 reviewed consolidated interim financial information for the half-year closed on 30.06.2018.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.3. Portfolio evolution

Segment	Net investments/ divestments during H1 2018	Fair value as at 30.06.2018	Reference
Healthcare real estate	+200 million EUR	1.8 billion EUR	1.3.1 to 1.3.4
Offices	-96 million EUR	1.2 billion EUR	1.3.5
Property of distribution networks	-2 million EUR	0.6 billion EUR	1.3.6
TOTAL	102 million EUR	3.6 billion EUR	/

1.3.1. Healthcare real estate in Germany

- **Investments during the first half of 2018: 189 million EUR**
- **Initial gross rental yields: between 5.5 % and 6.5 %**
- **Healthcare real estate portfolio in Germany as at 30.06.2018: 332 million EUR**

Main accomplishments:

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

On 09.04.2018, Cofinimmo Group acquired the 'Seniorenresidenz Langelsheim' nursing and care home located in Langelsheim, in the State of Lower Saxony, for 8 million EUR.

The establishment, built in 2004 and extended in 2010, has an above-ground surface area of approximately 4,500 m² and has nearly 80 beds. It is operated by Convivo Holding GmbH, with which Cofinimmo signed a 'Dach und Fach'¹ lease for a fixed term of 20 years, with two options to extend for five years. The rent will be indexed based on the German consumer price index. The initial gross rental yield amounts to approximately 6.5 %.

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

On 23.04.2018, Cofinimmo became owner of the 'Pflegeheim Seniorenwohnanlage Niebüll-Gath' nursing and care home located in Niebüll, in the State of Schleswig-Holstein, near the Danish border. The acquisition amounted to just over 8 million EUR.

The establishment was built in 1997, has approximately 100 beds and has an above-ground surface area of nearly 6,300 m². The asset is operated by Alloheim Senioren Residenzen, with which Cofinimmo signed a 'Dach und Fach'¹, lease for a fixed term of 20 years, with two options to extend for five years. The initial gross rental yield amounts to approximately 6.5 %.

¹ The owner primarily bears the maintenance costs of the roof and the building structure.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

– **Acquisition of a portfolio of 17 nursing and care homes**

On 15.06.2018, Cofinimmo Group acquired 17 nursing and care homes located in Germany and valued at 172 million EUR, through the acquisition of 94.9 % of the shares of 14 companies holding those assets. The initial gross rental yield for the transaction amounts to approximately 5.5 %.

One asset is at an advanced stage of construction and will be completed during the fourth quarter of 2018. The other 16 are already in operation. The total portfolio offers a capacity of nearly 1,500 beds, spread over more than 75,000 m².

The 17 nursing and care homes acquired are leased to the operator Stella Vitalis, with which Cofinimmo has signed 'Dach und Fach'¹ leases for a fixed term of 30 years. The rents will be indexed based on the German consumer price index.

Stella Vitalis is a German operator established in 2006 that specialises in care and housing for elderly people. The Group currently operates over 1,600 beds spread over more than 20 establishments located on Germany territory and offering a total surface area of nearly 100,000 m². Stella Vitalis has over 1,300 employees.

This transaction, which is the biggest one made by Cofinimmo in Germany, marks a major step and gives Cofinimmo a significant position in healthcare real estate in that country.



Seniorenzentrum Weil am Rhein - Weil am Rhein (DE)



Seniorenzentrum Alsdorf - Alsdorf (DE)



Seniorenzentrum Haus Hüttener Berge - Ascheffel (DE)



Seniorenzentrum Weilerwist - Weilerwist (DE)

¹ The owner primarily bears the maintenance costs of the roof and the building structure.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.3.2. Healthcare real estate in Belgium

- **Investments during the first half of 2018: 7 million EUR**
- **Initial gross rental yields: between 6.0 % and 6.5 %**
- **Healthcare real estate portfolio in Belgium as at 30.06.2018: 867 million EUR**

Main accomplishments:

- **Completion of the renovation and extension works on a nursing and care home in Aartselaar**



Zonnewende nursing and care home - Aartselaar (BE)

On 18.04.2018, the renovation and extension works on the Zonnewende nursing and care home, located in Aartselaar, were delivered. This extension enabled the creation of 13 additional service flats, increasing the total capacity of this establishment to 200 beds, spread over a surface area of over 13,000 m². The budget for the works totalled approximately 7 million EUR. At the time of their completion, Cofinimmo signed a triple net lease¹ for a fixed term of 20 years with the operator/tenant Senior Living Group (Korian Group). The initial gross rental yield amounts to approximately 6.5 %.

- **Renovation and extension works on two nursing and care homes²**

During the first half of 2018, Cofinimmo continued renovation and extension works on two other nursing and care homes in Belgium: the De Nootelaer residence in Keerbergen and the Zonnewende establishment in Rijmenam. On delivery of the works, Cofinimmo will sign a triple net lease for each asset with the operator Senior Living Group (Korian Group). The Initial gross rental yields will be between 6.0 % and 6.5 %.

Name of the facility	De Nootelaer - Keerbergen	Zonneweelde - Rijmenam
Aboveground surface area after works	2,000 m ²	15,000 m ²
Number of beds after works	43	160 + 35 service flats
Estimated completion of the works	Q1 2019	Q1 2021
Estimated budget for the works	3 million EUR	15 million EUR

¹ Insurance, taxes and maintenance are paid by the lessee.

² Also see our press release dated 25.07.2016, available on our website.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.3.3. Healthcare real estate in the Netherlands

- **Investments during the first half of 2018: 1 million EUR**
- **Initial gross rental yields: approximately 6.5 %**
- **Healthcare real estate portfolio in the Netherlands as at 30.06.2018: 189 million EUR**

Main accomplishment:

- **Start of the construction works for a care centre for people suffering from mental disorders in Gorinchem**

The construction works for a care centre for people suffering from mental disorders located in Gorinchem, in the province of South Holland, started on 01.03.2018. As a reminder, Cofinimmo acquired a plot of land for the construction of this asset in early October 2017¹. This centre will have a capacity of approximately 40 beds, spread over an above-ground surface area of approximately 2,500 m². The budget for the works is estimated at 4 million EUR. Their delivery is planned for the first quarter of 2019. The establishment will be operated by the Dutch foundation Stichting Philadelphia Zorg, with which Cofinimmo has signed a 15-year double net lease. The initial gross rental yield amounts to approximately 6.5 %.

1.3.4. Healthcare real estate in France

- **Investments during the first half of 2018: 3 million EUR**
- **Initial gross rental yields: between 6.0 % and 6.5 %**
- **Healthcare real estate portfolio in France as at 30.06.2018: 404 million EUR**

Main accomplishment:

- **Renovation and extension works on an aftercare and rehabilitation clinic in Esvres-sur-Indre²**

During the first half of 2018, the Cofinimmo Group pursued renovation and extension works on the Domaine de Vontes aftercare and rehabilitation clinic in Esvres-sur-Indre. The budget for the works is estimated at approximately 8 million EUR. On their completion, planned for the third quarter of 2018, Cofinimmo will sign a 12-year double net lease with the operator Inicéa. The initial gross rental yield will amount to between 6.0 % and 6.5 %.

¹ Also see our press release dated 08.02.2018, available on our website.

² Also see our press release dated 25.07.2016, available on our website.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.3.5. Offices

- **Renegotiations and new leases signed in 2018: 21,300 m²**
- **Investments during the first half of 2018: 11 million EUR**
- **Net divestments during the first half of 2018: 107 million EUR**
- **Office portfolio as at 30.06.2018: 1.2 billion EUR**

Main accomplishments:

- **Completion of the redevelopment works on the Belliard 40 building**

On 20.03.2018, reconstruction works on the Belliard 40 office building located in the heart of the European district in Brussels (Brussels CBD) were delivered. The building, designed by architect Pierre Lallemand and the firm Art & Build, offers approximately 19,000 m² of office space, 200 m² of retail space and nearly 20 apartments. Its bold design is structured around a volume that rests on two others and a transparent, five-storey atrium offering a view of an interior garden located at the back of the building, visible from Rue Belliard. Slightly set back from Rue Belliard, the site offers a spacious public space along the pavement, which significantly reshapes the appearance of this much-travelled Brussels urban artery. The building satisfies the best standards in terms of technical performance and is 100 % passive in terms of energy consumption. The budget for the works was 48 million EUR, including VAT.

The office space is already nearly 75 % let:

Tenant	Surface area	Start date of the lease	Lease length
CEFIC/PlasticsEurope	6,737 m ²	01.01.2019	15 years
International Workspace Group	4,355 m ²	01.10.2018	15 years
Aedifica	1,357 m ²	01.06.2018	9 years
WindEurope	1,357 m ²	01.06.2019	10 years

- **Signing of a 99-year long leasehold for the Egmont I and II buildings and realisation of a net capital gain of 27 million EUR**

The Egmont I (36,616 m²) and Egmont II (16,262 m²) office buildings located in the Brussels Central Business District have been leased to the Belgian Federal Buildings Agency until 31.05.2031 and house the Belgian Federal Public Service Foreign Affairs, Foreign Trade and Development Cooperation.

On 13.02.2018, Cofinimmo bought back the future lease contract payments under the lease with the Belgian Federal Buildings Agency that it had transferred to BNP Paribas Fortis in 2009, for approximately 232 million EUR.

On 03.04.2018, Cofinimmo and Egmont Luxemburg SARL, an investment vehicle created by a South Korean financial institution, signed a deed concerning the creation of a long-term leasehold right of 99 years over the Egmont I and II buildings. Cofinimmo will retain ownership of the subsoil of the two buildings as an asset on its balance sheet.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

The leasehold was granted in return for payment to Cofinimmo of an initial lease payment (canon) of approximately 370 million EUR, before taxes and duties. This amount is greater than the fair value of both assets on Cofinimmo's balance sheet as at 31.12.2017 (107 million EUR), plus the cost of buying back the rent receivables. The net capital gain realised by Cofinimmo on the transaction amounts to nearly 27 million EUR. Furthermore, the agreement also includes an annual payment of 20,000 EUR by the leasehold lessee to Cofinimmo throughout the term of the leasehold.

Taking into account the current year's rent of approximately 17 million EUR, the initial lease payment corresponds to a gross rental yield of 4.52 %. Calculated based on the rental value of the property estimated by an independent real estate expert, the gross rental yield from the transaction is 3.30 %. Cofinimmo achieved an internal rate of return of 10.4 % on the two buildings over the period of ownership.

– **Redevelopment works on the Quartz building**

The existing building, located in the heart of the Brussels CBD and vacant since the end of January 2017, will very soon be completely demolished. The new project was decided by an architectural competition and will include full-length glass façades providing a view on the interior garden from Rue Joseph II-straat. It will have 8,600 m² of modern, modular office space on eight floors. A terrace will also be included on the roof. Cofinimmo's objective is to obtain a BREEAM 'Excellent' environmental certification for the project. Works should be completed by the end of the fourth quarter of 2019. The budget is estimated at 24 million EUR.

– **Opening of two new Flex Corners®**

During the first half of 2018, two new Flex Corners® were opened in the Bourget 42 and Colonel Bourg 122 buildings (Decentralised Brussels). This flexible lease solution is now offered in ten 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. This innovative approach, started in 2016, has made it possible to attract 26 new lessees since its creation. As at 30.06.2018, the occupancy rate of the Flex Corners amounted to approximately 77 %¹.

– **14 million EUR in gross rental revenues secured**

In the course of the first half of 2018, Cofinimmo signed renegotiations and new leases for approximately 21,000 m² of office space in total, which represents nearly 14 million EUR in guaranteed rental revenues (until the first break option).

¹ Excluding the Flex Corners® in ramp-up phase.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

The most significant transactions are shown in the table below:

Property	Type of transaction	Surface area
Bourget 42	New letting	4,100 m ²
Souverain/Vorst 280	Renegotiation	3,700 m ²
Belliard 40	New letting	1,400 m ²
Belliard 40	New letting	1,400 m ²
The Gradient	Renegotiation	1,200 m ²
Colonel Bourg 122	New letting	1,000 m ²

The average reversion of rents observed as part of renegotiations and new lettings amounts to approximately -15 %.

– **Redevelopment of the sites Souverain/Vorst 23-25 and Tenreuken**

This dossier has not evolved since the last update as described on page 17 of the 2017 annual press release published on 08.02.2018.

1.3.6. Property of distribution networks

- **Investments in 2018: 0.2 million EUR**
- **Divestments in 2018: 2 million EUR**
- **Property of distribution networks portfolio as at 30.06.2018: 557 million EUR**

Main accomplishments:

– **Sale of eight pubs/restaurants from the Pubstone portfolio**

In the course of the first half of 2018, Cofinimmo Group sold eight pubs/restaurants from the Pubstone portfolio for a total of approximately 1 million EUR, an amount higher than the fair value of the assets as at 31.12.2017.

– **Sale of three insurance agencies from the Cofinimur I portfolio**

In the course of the first half of 2018, Cofinimmo Group sold three insurance agencies from the Cofinimur I portfolio for a total of approximately 1 million EUR, an amount higher than the fair value of the assets as at 31.12.2017.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.4. Management of financial resources

1.4.1. Financing

Main accomplishment:

- **Extension of the commercial paper programme**

On 26.01.2018, Cofinimmo increased the maximum amount of its commercial paper programme from 500 million EUR to 650 million EUR. The amount invested as at 30.06.2018 amounted to approximately 550 million EUR.

1.4.2. Debt

Debt structure

As at 30.06.2018, the Cofinimmo Group's non-current consolidated financial debt was 1,173 million EUR. It consisted of:

- 399 million EUR of three non-convertible bonds:

Issuer	Nominal amount (x 1,000,000 EUR)	Issue price	Coupon	Issue date	Maturity date
Cofinimmo	140	100 %	3.598 %	26.07.2012	07.02.2020
Cofinimmo	190	100 %	1.929 %	25.03.2015	25.03.2022
Cofinimmo	70	99.092 %	1.70 %	26.10.2016	26.10.2026

- 55 million EUR in non-convertible Green and Social Bonds:

Issuer	Nominal amount (x 1,000,000 EUR)	Issue price	Coupon	Issue date	Maturity date
Cofinimmo	55	99.941 %	2.00 %	09.12.2016	09.12.2024

- 217 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	100 %	143.4843 EUR	0.1875 %	15.09.2016	15.09.2021

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

- 56 million EUR of commercial papers with an initial term of more than three years;

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

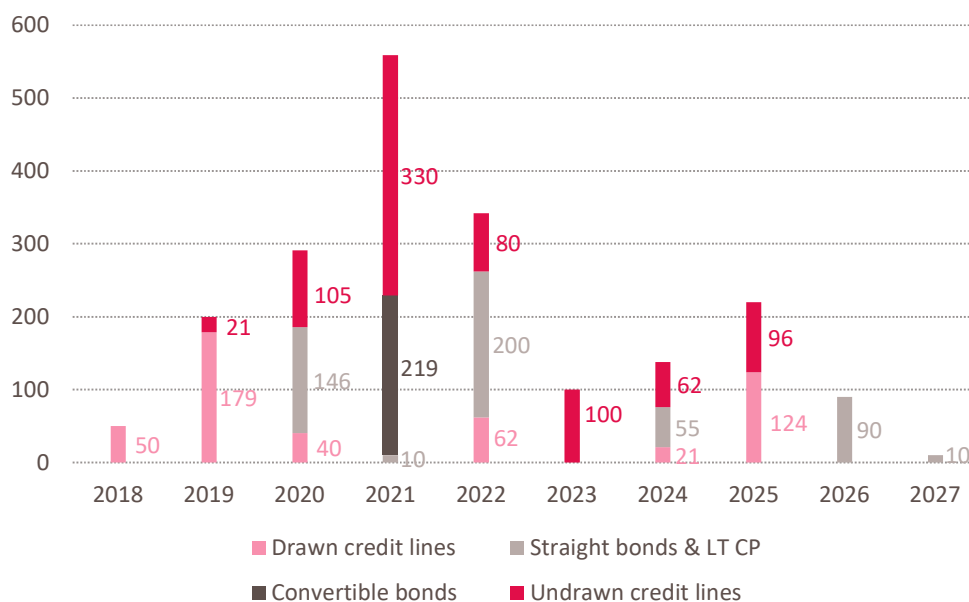
- 433 million EUR of bilateral and syndicated medium- and long-term bank loans, with an initial term of five to ten years, contracted with ten banks;
- 3 million EUR corresponding to the discounted value of the minimum coupon of the mandatory convertible bonds issued by Cofinimur I in December 2011;
- 10 million EUR in other loans and advances (mainly rental guarantees received).

As at 30.06.2018, Cofinimmo's consolidated current financial debts amounted to 543 million EUR, of which:

- 490 million EUR of commercial papers with a term of less than one year;
- 50 million EUR for drawings on credit lines;
- 3 million EUR of other loans.

The total current financial debts of 543 million EUR are fully covered by the undrawn portions of long-term confirmed credit facilities totalling 794 million EUR as at 30.06.2018.

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



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

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

The maturities of the long-term financial commitments are staggered between now and 2027. After deduction of the full hedging of the outstanding short-term commercial paper, Cofinimmo could refinance debt maturities of up to 304 million EUR.

Consolidated debt ratios

Cofinimmo met all financial debt ratio limits on 30.06.2018. Cofinimmo's regulatory debt ratio¹ stands at 46 % (versus 44 % as at 31.12.2017). As a reminder, the statutory maximum debt ratio for Regulated Real Estate Companies is 65 %.

The Loan-to-Value financial debt ratio², on the other hand, stood at 45 % as at 30.06.2018.

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) moved from five years as at 31.12.2017 to four years as at 30.06.2018.

Cost of debt

The average cost of Cofinimmo's debt including bank margins stands at 1.9 % for the first half of 2018, compared to 1.9 % in 2017.

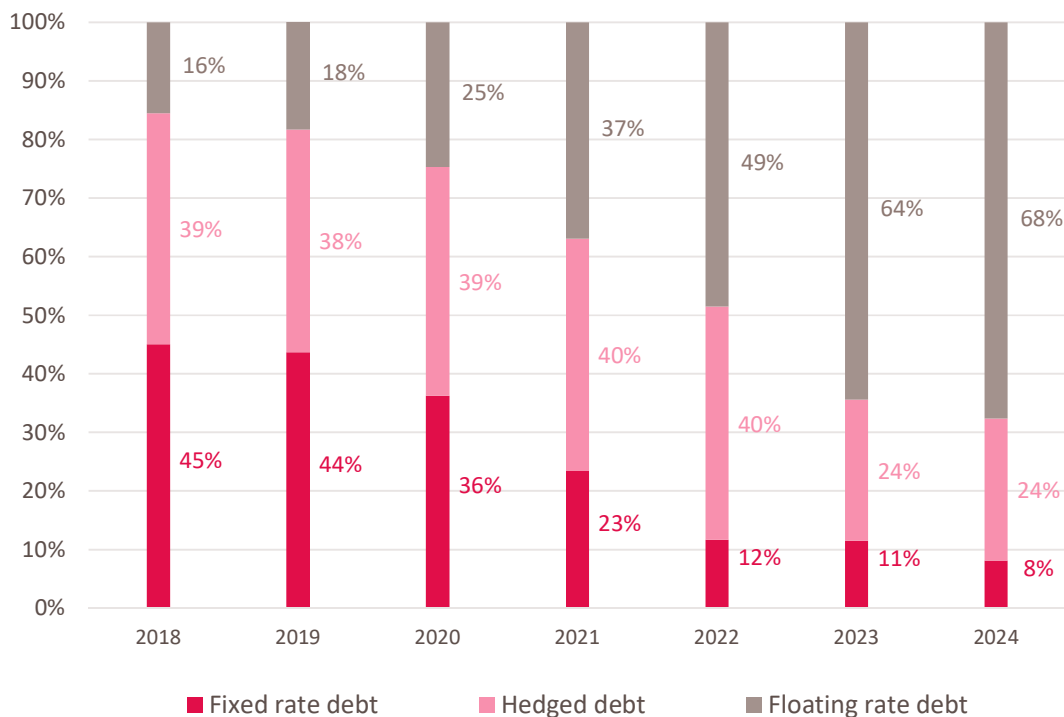
At constant debt, the share of the contracted fixed-rate debt, the floating-rate debt that is hedged through Interest Rate Swap (IRS) contracts and the unhedged floating-rate debt is as follows for the years to come:

¹ The regulatory ratio calculated in accordance with the regulations on RRECs: Financial and other debts / Total assets.

² The ratio is defined as: Net financial debt/Fair value of the property portfolio and finance lease receivables.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET



Assuming constant debt, 75 % of the interest rate risk is covered until the end of 2020.

1.4.3. Cancellation of two foreign exchange put options into euro

On 15.02.2018, the Cofinimmo Group cancelled two foreign exchange put options into euro that it had contracted in 2016. The purpose of the hedge, namely the sale of a building in a foreign currency, had been unlikely to occur before the expiry of the hedge due to steps being taken to register the said building on a list of protected buildings. Cofinimmo therefore wished to take advantage of the prevailing market conditions to cancel the options contracted on favourable terms. Given that the premiums relating to these options were largely accounted for during the 2016 and 2017 financial years, these cancellations generated a profit in the income statements during the first half of 2018.

1.4.4. Financial rating

The S&P rating agency confirmed Cofinimmo's rating in April 2018: BBB for the long term (stable outlook) and A-2 for the short term.

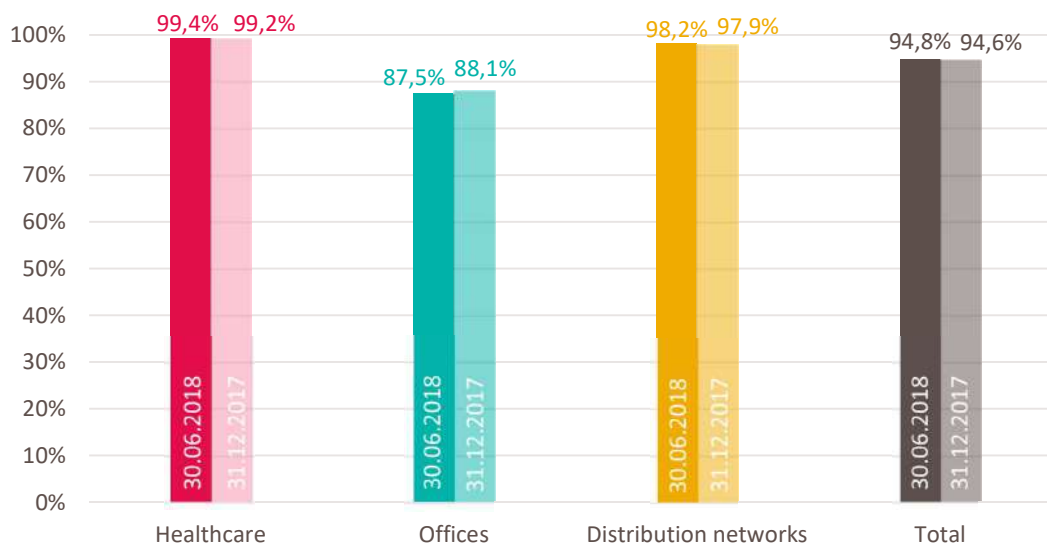
REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.5. Commercial results

1.5.1. Occupancy rate

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



1.5.2. Main tenants

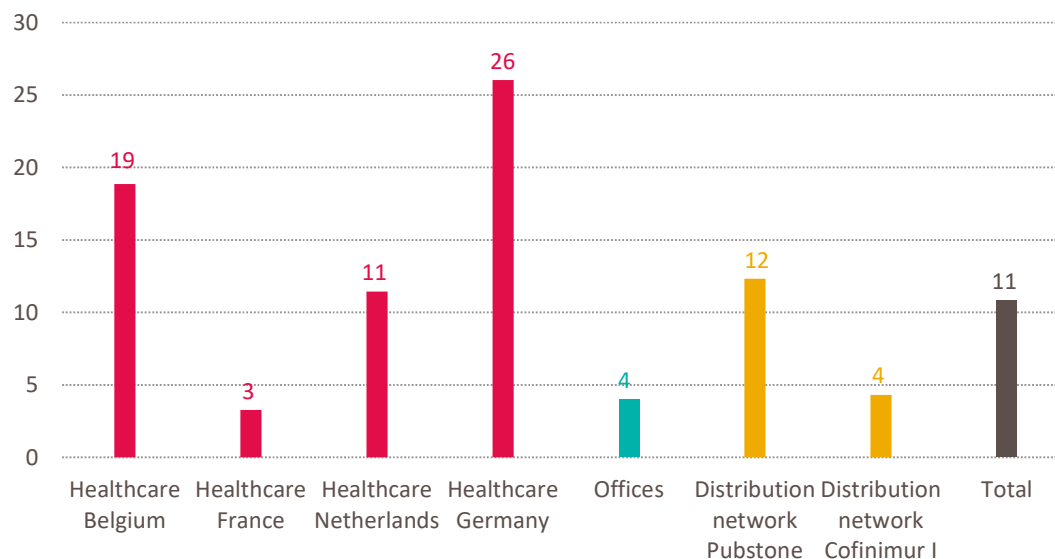
Tenants	Contractual rents	Average residual lease term (in years)
Korian Group	16 %	11
AB InBev	13 %	12
Armonia	11 %	19
Public sector	7 %	6
ORPEA	4 %	10
Top 5 tenants	51 %	12
Stella Vitalis	4 %	30
MAAF	3 %	4
Aspria	3 %	27
CEFIC	2 %	6
RTL Belgium	1 %	4
Top 10 tenants	65 %	13
Top 20 tenants	73 %	13
Other tenants	27 %	6
TOTAL	100 %	11

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.5.3. Average residual lease length

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



The weighted average residual lease length is 11 years as at 30.06.2018. The average residual lease length would be 12 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

Lease maturities	Share of contractual rents
Leases > 9 years	
Healthcare real estate	36 %
Property of distribution networks - Pubstone	13 %
Offices (public sector)	2 %
Offices (private sector)	1 %
Others	1 %
Total leases > 9 years	53 %
Leases 6-9 years	
Offices	3 %
Healthcare real estate	1 %
Total leases 6-9 years	4 %
Leases > 6 years	
Offices	29 %
Healthcare real estate	11 %
Property of distribution networks - Cofinimur I	3 %
Total leases < 6 years	43 %

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

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

	Gross rental revenues as at 30.06.2018 (x 1,000 EUR)	Gross rental revenues as at 30.06.2017 (x 1,000 EUR)	Change	Like-for-like change*
Healthcare Belgium	25,509	24,782	+2.9 %	+1.7 %
Healthcare France	12,942	12,881	+0.5 %	+0.5 %
Healthcare Netherlands	6,133	5,064	+21.1 %	-1.6 %
Healthcare Germany	5,813	4,233	+37.3 %	+1.3 %
Offices	35,216	39,404	-10.6 %	+1.7 %
Distribution networks	18,659	18,682	-0.1 %	+0.4 %
Others	994	965	+2.9 %	+2.9 %
TOTAL PORTFOLIO	105,266	106,011	-0.7 %	+1.2 %

On a like-for-like basis, the level of rents slightly increased (+1.2 %) over the past 12 months: the negative effect of departures (-2.2 %) and renegotiations (-0.6 %) was offset by the positive effect of lease indexations (+1.5 %) and new lettings (+2.5 %).

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

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)	30.06.2018	30.06.2017
Total investment value of the portfolio	3,780	3,567
Projects and development sites	-119	-110
Total properties under management	3,661	3,457
Contractual rents	228	226
Gross yield on properties under management	6.2 %	6.5 %
Contractual rents + Estimated rental value on unlet space on the valuation date	240	239
Gross yield at 100 % portfolio occupancy	6.6 %	6.9 %
Occupancy rate of properties under management¹	94.8 %	94.4 %

As at 30.06.2018, the 'Projects and development sites' item consisted primarily of:

- the Souverain/Vorst 23-25 site (Decentralised Brussels),
- the Quartz office building (Brussels CBD) undergoing redevelopment,
- the subsoil of the Egmont I and II office buildings (Brussels CBD),
- a nursing and care home under construction located in Swisttal (Germany), and
- a nursing and care home undergoing renovation located in Rijmenam (Belgium).

Buildings	Above-ground surface area (in m²)	Contractual rents (x 1,000 EUR)	Occupancy rate	Rents + ERV on vacant spaces (x 1,000 EUR)	ERV (x 1,000 EUR)
Offices	480,893	70,078	86.2 %	81,283	77,137
Offices which receivables have been sold	49,847	8,335	100 %	8,342	8,342
Subtotal offices	530,740	78,413	87.5 %	89,625	85,479
Healthcare real estate	852,675	110,764	99.4 %	111,483	113,277
Pubstone	341,248	29,426	98.7 %	29,814	27,875
Cofinimur I	58,838	7,750	96.4 %	8,037	8,175
Others	15,830	1,896	100 %	1,897	1,602
Subtotal of investment properties & properties which receivables have been sold	1,799,332	228,249	94.8 %	240,856	236,408
Projects & renovations	82,252				
Development sites		58		58	58
TOTAL PORTFOLIO	1,881,584	228,307	94.8 %	240,914	236,466

¹ Calculated based on rental income.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

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					
Belgium	866,584	24 %	+0.4 %	25,384	27 %
France	403,995	11 %	-0.3 %	12,822	14 %
The Netherlands	188,588	5 %	+3.3 %	5,227	5 %
Germany	331,700	9 %	+1.6 %	5,625	6 %
Total healthcare	1,790,867	49 %	+0.8 %	49,058	52 %
Offices					
Brussels Leopold/Louise districts	470,093	13 %	+3.3 %	9,131	10 %
Brussels Centre/North	15,247	1 %	+4.6 %	2,749	3 %
Brussels Decentralised	451,252	12 %	-2.2 %	5,840	6 %
Brussels Periphery & Satellites	123,191	3 %	-3.2 %	3,477	4 %
Antwerp	65,945	2 %	-2.0 %	2,329	2 %
Other Regions	120,712	3 %	+0.2 %	3,905	4 %
Total offices	1,246,440	34 %	0.0 %	27,431	29 %
Distribution networks					
Pubstone - Belgium	289,523	8 %	+0.8 %	9,398	10 %
Pubstone - Netherlands	140,587	4 %	+0.9 %	4,350	4 %
Cofinimur I - France	127,095	3 %	+0.1 %	3,719	4 %
Total distribution networks	557,205	15 %	+0.7 %	17,467	18 %
Others	28,635	1 %	+0.3 %	1,097	1 %
TOTAL PORTFOLIO	3,623,147	100 %	+0.5 %	95,053	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 %	6.1 %	7.6 %	6.3 %	5.9 %	6.5 %	6.6 %
Net rental yield at 100 % occupancy	6.0 %	5.8 %	6.5 %	6.0 %	5.7 %	6.4 %	6.1 %

¹ Excluding initial effect of scope variations.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.7. 01.07.2018 - 31.12.2018 investment programme

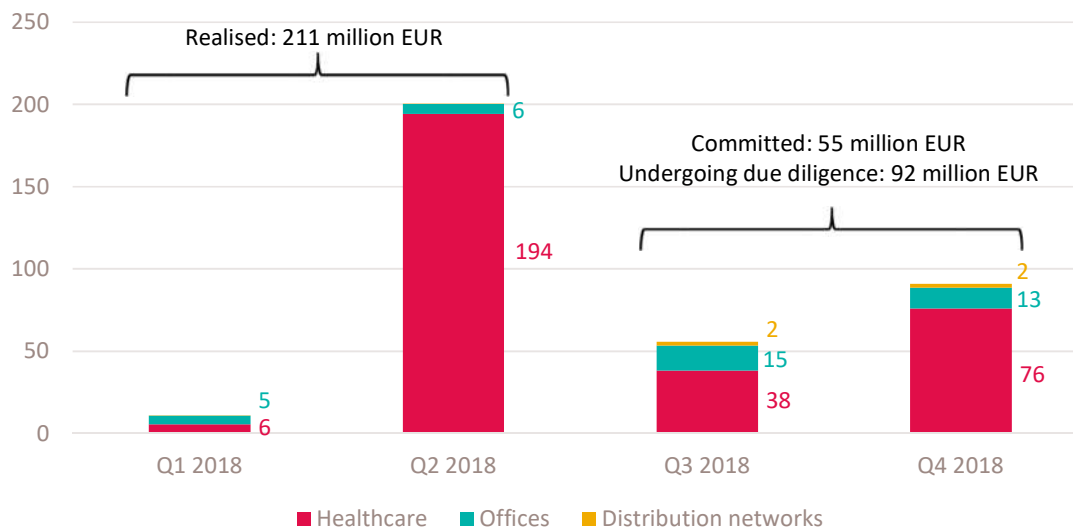
The investment programme committed to and undergoing due diligence by Cofinimmo for the period 01.07.2018 - 31.12.2018 amounts to 147 million EUR, of which:

- 114 million EUR in the healthcare segment;
- 28 million EUR in the office segment;
- 5 million EUR in the property of distribution networks segment.

By adding to these figures the investments realised between 01.01.2018 and 30.06.2018, the investments for the 2018 financial year are estimated at 358 million EUR, of which:

- 314 million EUR in the healthcare segment;
- 39 million EUR in the office segment;
- 5 million EUR in the property of distribution networks segment.

Estimation of the investments for the 2018 financial year by segment (x 1,000,000 EUR)



As for the 55 million EUR committed on 30.06.2018, two healthcare real estate projects (for a total amount of 30 million EUR) have already been communicated in a press release (on 09.07.2018 for a nursing and care home located in Bad Sassendorf in Germany and on 16.07.2018 for a nursing and care home located in Riesa in Germany). As for the projects undergoing due diligence, two healthcare real estate transactions for a total of 26 million EUR have already been communicated in a press release (on 13.07.2018 for a medical office building located in Oisterwijk in the Netherlands and on 20.07.2018 for two buildings located on one site in Rotterdam). The committed investments for the period from 01.07.2018 - 31.12.2018 are presented in the table below.

Assets	Type of works	Number of beds after works	Surface area after works	End of works	Investments as at 30.06.2018 (x 1,000,000)	Investments still to be realised after 2018 (x 1,000,000)
I. Ongoing projects						
Healthcare real estate					14	11
De Nootelaer - Keerbergen (BE)	Renovation and extension of a nursing and care home	200	2,000 m ²	2019	2	0
Zonneweelde - Rijmenam (BE)	Renovation and extension of a nursing and care home	40	15,100 m ²	2021	4	3
Domaine de Vontes - Esvres-sur-Indre (FR)	Renovation and extension of an aftercare and rehabilitation clinic	170	8,600 m ²	2018	5	4
Gorinchem (NL)	Construction of a care centre for people suffering from mental disorders	40	2,400 m ²	2019	2	1
Bismarckpark - Gelsenkirchen (DE)	Renovation of a nursing and care home	120	6,500 m ²	2018		1
Chemnitz (DE)	Renovation of a nursing and care home	110	6,700 m ²	2019		0
Others					1	2
Offices					4	8
Quartz - Brussels CBD	Demolition/Reconstruction		9,100 m ²	2019	4	3
Others						5
Property of distribution networks						5
II. Committed investments:						31
Healthcare real estate						31
Bad Sassendorf (DE)	Purchase of a nursing and care home	150	10,500 m ²	2018		16
Riesa (DE)	Purchase of a nursing and care home	140	6,400 m ²	2018		15
III. Total					18	55

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.8. Information on shares and bonds

As at 30.06.2018, Cofinimmo's market capitalisation amounted to 2.3 billion EUR, taking into account both ordinary and preference shares (COFP1 & COFP2).

The newly issued shares in connection with the recent capital increase are listed on Euronext since 02.07.2018. Cofinimmo's market capitalisation was 2.4 billion EUR at market close the day before the publication of this Half-Year Financial Report.

1.8.1. Share performance

Ordinary share (COFB)

	30.06.2018	31.12.2017	31.12.2016
Share price (over 6/12 months, in EUR)			
Highest	111.90	115.25	114.65
Lowest	102.50	103.40	92.12
At close	105.60	109.75	108.65
Average	106.58	107.82	105.77
Dividend yield¹	5.2 %	5.1 %	5.2 %
Gross return² (over 6/12 months)	4.6 %	6.1 %	14.1 %
Volume (over 6/12 months, in number of shares)			
Average daily volume	37,702	33,670	46,619
Total volume	4,750,399	8,585,830	12,027,768
Number of outstanding ordinary shares at the end of the period³	20,667,801	20,667,381	20,300,773
Market capitalisation at end of period (x 1,000 EUR)	2,182,520	2,268,245	2,205,679
Free float zone	90 %	90 %	95 %

¹ Gross dividend on the average share price.

² Evolution of the share price + dividend yield.

³ Excluding own ordinary shares.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

Preference shares (COFP1 & COFP2)

	COFP1 30.06.2018	COFP1 31.12.2017	COFP2 30.06.2018	COFP2 31.12.2017
Share price (over 6/12 months, in EUR)				
At close	127.00	127.00	93.00	100.10
Average	N/A	N/A	98.33	102.58
Dividend yield¹	5.0 %	5.0 %	6.5 %	6.2 %
Gross return² (over 6/12 months)	5.0 %	5.0 %	-0.6 %	-27.5 %
Volume (over 6/12 months, in number of shares)				
Average daily volume ³	0	0	42	62
Total volume	0	0	125	802
Number of shares	395,011	395,011	288,062	288,482
Market capitalisation at end of period (x 1,000 EUR)	50,166	50,166	26,790	28,877

Bonds

	Cofinimmo SA/NV 140 million EUR - 2012-2020 ISIN BE6241505401		Cofinimmo SA/NV 190 million EUR - 2015-2022 ISIN BE0002224906	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
Stock market price (over 12 months, in % of nominal)				
At close	103.61	104.49	101.63	101.44
Average	104.05	103.73	100.99	101.97
Average yield through maturity	1.3 %	1.4 %	1.5 %	1.6 %
Effective yield at issue	3.6 %	3.6 %	1.9 %	1.9 %
Interest coupon (in %)				
Gross	3.55	3.55	1.90	1.92
Net	2.49	2.49	1.33	1.34
Number of securities	1,400	1,400	1,900	1,900

¹ Average calculated based on the number of stock exchange days on which volume was recorded.

² Evolution of the share price + dividend yield.

³ Average calculated based on the number of stock exchange days on which volume was recorded.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

	Cofinimmo SA/NV 70 million EUR - 2016-2026 ISIN BE0002267368		Cofinimmo SA/NV 55 million EUR - 2016-2024 ISIN BE0002269380	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
Stock market price (over 12 months, in % of nominal)				
At close	96.24	95.95	98.79	99.00
Average	94.60	96.19	98.38	99.49
Average yield through maturity	2.2 %	2.2 %	2.2 %	2.2 %
Effective yield at issue	1.7 %	1.7 %	2.0 %	2.0 %
Interest coupon (in %)				
Gross	1.70	1.70	2.00	2.00
Net	1.19	1.19	1.40	1.40
Number of securities	700	700	550	550

Convertible bonds

	Cofinimmo SA/NV 219.3 million EUR - 2016-2021 ISIN BE0002259282	
	30.06.2018	31.12.2017
Stock market price (over 12 months, in EUR)		
At close	144.18	142.62
Average	143.02	141.42
Average yield through maturity	0.5 %	0.8 %
Effective yield at issue	0.2 %	0.2 %
Interest coupon (in %)		
Gross	0.19	0.19
Net	0.13	0.13
Number of securities	1,502,196	1,502,196
Conversion price (in EUR)	140.11	143.48

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.8.2. 2018 Dividend

Excluding any unforeseen events, the 2018 dividend forecast published in the operation note for the capital increase successfully completed on 02.07.2018 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.

As a reminder, coupon no. 33 for ordinary shares reached its ex date on 20.06.2018. This coupon represents the right to a dividend for the period from 01.01.2018 to 01.07.2018, namely 2,74 EUR gross per ordinary share. The 1,642,374 new shares issued on 02.07.2018 in the context of the capital increase were issued ex coupon no. 33.

Coupon no. 34 gives entitlement to the dividend for the period from 02.07.2018 to 31.12.2018, namely 2,76 EUR gross per ordinary share. The 1,642,374 new shares issued on 02.07.2018 in the context of the capital increase were issued with coupon no. 34.

Coupons no. 33 and no. 34 will be paid concurrently in May/June 2019.

1.8.3. Conversion of preference shares

In accordance with Article 8.2 of the Articles of Association, two new exercise windows for the conversion of preference shares into ordinary shares were opened during the first half of 2018. Requests to convert 420 preference shares were received during these periods. As a result, since the beginning of the conversion procedure (01.05.2009), 816,693 preference shares have been converted into ordinary shares. There are still 683,073 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 the COFP1 and COFP2 series, respectively.

1.8.4. Shareholder structure as at 30.06.2018

Company	Ordinary shares	Preference shares	Total number of shares (voting rights)	%
BlackRock, Inc.	1,182,102	0	1,182,102	5.5 %
Crédit Agricole Group	1,068,707	0	1,068,707	5.0 %
Cofinimmo Group	42,374	0	42,374	0.2 %
Free float	18,374,618	683,073	19,087,691	89.3 %
Total number of issued shares	20,667,801	683,073	21,350,874	100 %

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.8.5. Shareholder calendar

Event	Date
Interim report: results as at 30.09.2018	08.11.2018
Annual press release: results as at 31.12.2018	07.02.2019
Publication of 2018 Annual Financial Report	05.04.2019
Publication of 2018 Sustainability Report	05.04.2019
Interim report: results as at 31.03.2019	25.04.2019
2018 Ordinary General Meeting	08.05.2019
Half-Year Financial Report: results as at 30.06.2019	25.07.2019
Interim report: results as at 30.09.2019	07.11.2019
Annual press release: results as at 31.12.2019	06.02.2020

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.9. 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 2017 Annual Financial Report.

1.9.1. Appointment of a new Chief Executive Officer²

Since the term of Mr Jean-Edouard Carbonnelle as Managing Director expired at the end of the Ordinary General Meeting of Shareholders of 09.05.2018 without its renewal being requested by him, that General Meeting appointed Mr Jean-Pierre Hanin as Managing Director, with immediate effect and until the end of the Ordinary General Meeting of Shareholders that will be held in May 2022. Mr Hanin was appointed as Chairman of the Executive Committee and Chief Executive Officer from 09.05.2018. His appointment was approved by the FSMA.

Mr Jean-Pierre Hanin has a licentiate degree in Law from KUL. He also holds a Master in Tax Management from Solvay Business School and a LL.M from Georgetown University. During his career, he has held a range of financial and management positions in international groups, including Chief Financial Officer and Chief Executive Officer of Lhoist Group, global leader in lime and dolime. In more recent years, he was Chief Financial Officer and finally responsible for the Building Performance division of the construction materials group Etex.

1.9.2. Appointment of a new Chief Financial Officer³

Since Mr Jérôme Descamps resigned his position as Director with effect from 08.02.2018, the General Meeting of Shareholders of 09.05.2018 appointed Mr Jean Kotarakos as Executive Director, with immediate effect and until the end of the Ordinary General Meeting of Shareholders that will be held in May 2022. Mr Kotarakos has held the position of Chief Financial Officer since 01.06.2018. His appointment was approved by the FSMA.

Mr Jean Kotarakos holds a degree in Commercial Engineering from the Solvay Brussels School of Economics and Management (ULB). He has taught there since 2010 in the Real Estate Executive Programme. After a few years spent at KPMG and D'Ieteren, he joined Aedifica where he has held the position of Chief Financial Officer since 2007.

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

² See our press release dated 08.02.2018, available on our website.

³ See our press release dated 29.03.2018, available on our website.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.9.3. Departure of the Chief Operating Officer¹

Cofinimmo and Mr Xavier Denis, Chief Operating Officer and Director of the Group, decided by mutual agreement to bring their collaboration to an end. Mr Denis left his position as a Director on 21.05.2018 and his position of Chief Operating Officer on 31.05.2018.

Mr Jean-Pierre Hanin, Chief Executive Officer, has been temporarily supervising Cofinimmo's teams and operational activities since 31.05.2018.

¹ See also our press release dated 24.05.2018, available on our website.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.10. Sustainable development and management policy

1.10.1. Publications



Cofinimmo published a Sustainability Report on 09.04.2018 for the fourth consecutive year. In that edition, Cofinimmo's fields of actions, included in the company's materiality matrix, were directly and clearly linked to the United Nations Sustainable Development Goals (SDG).

The complete version of that new report also contains a series of appendices, such as the first report devoted to 'Green & Social Bonds' issued in December 2016, the dashboard and data relating to electricity, gas and water consumption, as well as to waste production, all in line with the performance indicators advocated by the EPRA. The information collected represents 74 % coverage of the Group's rental space.

1.10.2. Extra-financial rating

Since December 2017, Cofinimmo is part of the Euronext Vigeo Eiris - Eurozone 120 index. That index, revised on a half-yearly basis, includes the 120 most advanced companies in the euro area in terms of environmental, social and governance (ESG) performance. Cofinimmo kept its place in this index following the revision of June 2018.

1.10.3. Awards and distinctions

At the social level, Cofinimmo obtained the 'Gold' level of the 'Investors in People' label. That accreditation highlights the investments made in the interest of employees and enables Cofinimmo Group to attract new talent.

In March 2018, the European Parking Association awarded the 'ESPA¹ Gold Award' to the car park building located on the site of the Amphia hospital in Breda (Netherlands), which belongs to Cofinimmo, thus highlighting the quality of that construction.

1.10.4. Photovoltaic panels

Currently, over 1,700 photovoltaic panels are installed on the roof of the Amphia car park building in Breda. The 381 MWh/year generated can supply the entire building, in particular the electric charging points and the lighting. In January 2018, Cofinimmo also signed a contract for the installation of 180 photovoltaic panels on the roof of the Colonel Bourg 122 building. Together they will generate a total of 54 MWh/year.

¹ European Standard Parking Award.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.11. Risk management

The Board of Directors considers that the key risk factors detailed on pages 5 to 14 of the securities note of 20.06.2018 (published within the context of the capital increase of 02.07.2018) continue to be relevant for the remaining months of the 2018 financial year.

1.12. Events after 30.06.2018

1.12.1. Capital increase with priority allocation rights in the amount of 155 million EUR

On 20.06.2018, Cofinimmo launched a capital increase with priority allocation rights in the amount of 155 million EUR, with the aim of financing the 2018 committed investment pipeline and undergoing due diligence, while maintaining a debt ratio of around 45 %.

The subscription price of one new share was set at 94.50 EUR, representing a 10 % reduction compared to the theoretical price (after ex date of the coupon representing the priority allocation right and of the coupon representing the *pro rata temporis* 2018 dividend). The exchange ratio was 13 priority allocation rights against 1 new share.

At the end of the subscription period for the holders of priority allocation rights, 80.41 % of the maximum amount of the offering had been subscribed. Unexercised priority allocation rights, converted to scrips, were placed with institutional investors the following day. The offering was fully subscribed in the context of this placement, without a discount compared to the closing market price of the preceding day (103.50 EUR).

Thus, on 02.07.2018, Cofinimmo issued 1,642,374 new shares at a subscription price of 94.50 EUR, or approximately 155 million EUR. These new shares were immediately listed for trading and give entitlement to a *pro rata temporis* dividend from 02.07.2018.

Within the context of this operation, the forecast for the net result from core activities – Group share of 6.54 EUR per share for the whole of the 2018 financial year, published with the annual results on 08.02.2018 and in the 2017 Annual Financial Report, has been reviewed last June. Given the issuance of 1,642,374 new shares contributing to the result for the 2018 financial year from 02.07.2018, and given the committed investment pipeline, the forecast is now at 6.51 EUR per share¹. The dividend forecast for the 2018 financial year of 5.50 EUR gross per ordinary share as published in the 2017 Financial Report has been confirmed.

At the close of this increase in capital, the Group's *pro forma* debt ratio was 43 % and its investment capacity reached 173 million EUR, taking account of a long-term debt ratio of around 45 %.

The table below shows the *pro forma* Net Asset Value per share after the capital increase closed on 02.07.2018.

¹ This forecast does not take into account the 2018 investments under due diligence.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

Net Asset Value per share (in EUR)	02.07.2018	31.12.2017
Revalued net assets per share in fair value ¹ after dividend distribution for the 2017 financial year	88.56	83.76
Revalued net assets per share in investment value ² after dividend distribution for the 2017 financial year	93.06	88.10

To compare the intrinsic value of the share to the market price, the ex date of coupon No. 33, which occurred on 20.06.2018 as part of the capital increase on the same day, should be taken into account. As a reminder, coupon No. 33 entitles the holder to receive the *pro rata temporis* 2018 dividend for the period from 01.01.2018 to 01.07.2018. Considering this last item, the intrinsic value of the share, ex coupon No. 33³, can be estimated at 86.10 EUR in fair value and at 90.60 EUR in investment value.

Diluted Net Asset Value per share (in EUR)	02.07.2018	31.12.2017
Revalued diluted net assets per share in fair value ¹ after dividend distribution for the 2017 financial year	88.42	83.61
Revalued diluted net assets per share in investment value ² after dividend distribution for the 2017 financial year	92.91	87.94

1.12.2. Agreement related to the acquisition of a nursing and care home in Bad Sassendorf (Germany)

On 09.07.2018, Cofinimmo Group signed an agreement before a notary, under conditions, related to the acquisition of the 'Seniorenzentrum Bad Sassendorf' nursing and care home located in Bad Sassendorf (State of North Rhine-Westphalia), a region known for its spa treatments and clinics. The acquisition price of 15 million EUR will be paid when the conditions precedent have been met.



The asset, built in 1968, was renovated and extended in 2013 and counts approximately 130 beds and 20 service flats on an above-ground surface area of close to 11,000 m². The establishment is operated by the local operator Vital Wohnen Holding GmbH, a new tenant for Cofinimmo with whom it signed a 'Dach und Fach'⁴ lease for a fixed term of 20 years. The rent will be indexed annually based on the German consumer price index. The initial gross rental yield for the transaction is approximately 6 %.

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 Although coupon No. 33 is estimated at 2.74 EUR per ordinary share, the effect of its detachment on the intrinsic value (calculation based on the total number of shares after capital increase, including both ordinary and preference shares) is 2.46 EUR per share.

⁴ The owner primarily bears the maintenance costs of the roof and the building structure.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.12.3. Acquisition of a medical office building in Oisterwijk (Netherlands)

On 13.07.2018, Cofinimmo acquired the MC Oisterwijk medical office building located in Oisterwijk, near Tilburg, for approximately 3 million EUR.

The building, initially built in 2002 to serve as an office building, was renovated and converted to a medical office building in 2017 and has an above-ground surface area of approximately 1,600 m². It recently opened its doors and is currently almost 70 % leased by several healthcare professionals. As for vacant spaces, the ramp up, which will be performed by Maron Healthcare, has begun upon acquisition.

Each tenant has signed or will sign a 'double net' lease. Rents will be indexed annually based on the consumer price index. The weighted average residual lease length for current leases is five years. The gross rental yield will amount to approximately 8 % of the building's total occupancies.

1.12.4. Acquisition of a nursing and care home in Riesa (Germany)

On 13.07.2018, Cofinimmo Group acquired the 'Azurit Seniorenzentrum Riesa' nursing and care home located in the town of Riesa, halfway between Leipzig and Dresden, in the State of Saxony.

This is a newly-built asset with a value of over 15 million EUR, offering an above-ground surface area of close to 6,500 m² and comprising approximately 140 beds. The establishment is operated by the Azurit Rohr GmbH Group, with whom Cofinimmo signed a 'Dach und Fach' lease¹ for a term of 25 years. The initial gross rental yield is close to 6 %. The rent will be indexed based on the German consumer price index.

1.12.5. Assignment of the Neo Phase 2 public procurement to the consortium CFE/Cofinimmo

On 19.07.2018, NEO sprl/cvba announced that it had assigned the Neo Phase 2 public procurement to the consortium CFE/Cofinimmo, associated with Ateliers Jean Nouvel and MDW Architecture. The public procurement, which was launched by the City of Brussels and the Brussels Capital Region in 2013, concerns the construction of a conference centre and a hotel on the Heysel plateau in the North of Brussels. In accordance with public procurement regulation, no contract can be signed before expiration of a 15-day period as from the announcement of the decision or, in case of an appeal during this period, before the decision taken by the competent appeal body.

¹ The owner primarily bears the maintenance costs of the roof and building structure.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

1.12.6. Acquisition of a geriatric rehabilitation centre and a nursing and care home in Rotterdam (the Netherlands)

On 19.07.2018, Cofinimmo and Fundis signed an agreement, subject to conditions, regarding the acquisition of a site located in Hilleegersberg, a district of Rotterdam, which comprises a geriatric rehabilitation centre built in 1966 and a nursing and care home built in 1999.

Cofinimmo will finance the renovation works of the rehabilitation centre as well as the demolition and redevelopment works of the nursing and care home. The acquisition of the actual site and the budget of the works represent a total amount of 23 million EUR. The delivery of the works is planned for end 2020. They will take place in several phases and care will continue to be provided during the entire duration of the works. The new buildings will offer 27 rehabilitation units, 60 geriatric rehabilitation units and 48 long-term care units, spread over an above-ground surface area of approx. 11,000 m².

The assets will be managed by Fundis, with which Cofinimmo signed a 'double net'¹ lease contract, with effect on the acquisition date. After delivery of the works, the lease contract will be reviewed for a 25-year duration. The rent will be indexed annually based on the Dutch consumer price index. The gross rental yield of this transaction will stand at approx. 6 % after works.

¹ The owner mainly bears maintenance costs of the roof and the building structure.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

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 2017 financial year, with the exception of the application of the new IFRS standards 9 and 15.

- IFRS 9 - *Financial instruments* (came into force on 01.01.2018)
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 replaces most parts of IAS 39 - *Financial Instruments: Recognition and Measurement*. The application of IFRS 9 has no material impact on the consolidated financial statements of Cofinimmo. Reference is made to note 11 regarding the impact of the IFRS 9 standard.
- IFRS 15 - *Revenue from Contracts with Customers* (came into force on 01.01.2018)
IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 does not have a material impact on the consolidated financial statements of Cofinimmo as lease contracts are excluded from the scope of the standard and represent the main source of income for Cofinimmo. 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 confirms that IFRS 15 has no material impact in that respect.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

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

A. NET RESULT	Notes	H1 2018	H1 2017
Rental income	5	103,421	104,082
Writebacks of lease payments sold and discounted	5	4,736	6,237
Rental-related expenses		-278	125
Net rental income	4; 5	107,879	110,444
Recovery of property charges		-23	1,657
Recovery income of charges and taxes normally payable by the tenant on let properties		31,973	33,495
Costs payable by the tenant and borne by the owner for rental damage and redecoration at end of lease		-762	-1,388
Charges and taxes normally payable by the tenant on let properties		-37,864	-36,878
Property result		101,203	107,330
Technical costs		-1,542	-2,857
Commercial costs		-994	-806
Taxes and charges on unlet properties		-3,614	-4,092
Property management costs		-9,447	-9,577
Property charges		-15,597	-17,332
Property operating result		85,606	89,998
Corporate management costs		-4,048	-4,104
Operating result before result on the portfolio		81,558	85,894
Gains or losses on disposals of investment properties and other non-financial assets		27,731	423
Changes in the fair value of investment properties		4,901	-7,870
Other result on the portfolio		-2,045	-3,385
Operating result		112,145	75,062
Financial income	6	6,146	2,704
Net interest charges	7	-15,212	-14,977
Other financial charges	8	-332	-407
Changes in the fair value of financial assets and liabilities	9	-928	7,216
Financial result		-10,326	-5,464
Share in the result of associated companies and joint ventures		394	236
Pre-tax result		102,213	69,834
Corporate tax		-1,966	-1,904
Exit tax		269	-76
Taxes		-1,697	-1,980
Net result		100,516	67,854
Minority interests		-2,929	-2,685
Net result - Group share		97,587	65,169

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

B. OTHER ELEMENTS OF THE GLOBAL RESULT RECYCLABLE UNDER THE INCOME STATEMENT	Notes	H1 2018	H1 2017
Impact of the recycling under the income statement of hedging instruments for which the relationship with the hedged risk was terminated		-578	5,640
Share in the other elements of the global result of associated companies and joint ventures		41	40
Other elements of the global result recyclable under the income statement		-537	5,680
Minority interests			
Other elements of the global result recyclable under the income statement - Group share		-537	5,680

C. GLOBAL RESULT	Notes	H1 2018	H1 2017
Global result		99,979	73,534
Minority interests		-2,929	-2,685
Global result - Group share		97,050	70,849

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

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

	30.06.2018	30.06.2017
Rental income, net of rental-related expenses*	103,143	104,207
Writebacks of lease payments sold and discounted (non-cash item)	4,736	6,237
Taxes and charges on rented properties not recovered*	-1,408	-1,291
Taxes on refurbishment not recovered*	-4,483	-2,092
Redecoration costs, net of tenant compensation for damages*	-784	269
Property result	101,203	107,330
Technical costs	-1,542	-2,857
Commercial costs	-994	-806
Taxes and charges on unlet properties	-3,614	-4,092
Property result after direct property costs	95,053	99,575
Corporate management costs	-13,495	-13,681
Operating result (before result on the portfolio)	81,558	85,894
Financial income	6,146	2,704
Net interest charges	-15,212	-14,977
Other financial charges	-332	-407
Share in the net result from core activities of associated companies and joint ventures	241	237
Taxes	-1,966	-1,904
Net result from core activities*	70,434	71,547
Minority interests related to the net result from core activities	-2,220	-2,258
Net result from core activities - Group share	68,214	69,289
Change in the fair value of hedging instruments	-2,382	12,931
Restructuring costs of financial instruments*	1,454	-5,715
Share in the result on financial instruments of associated companies and joint ventures		
Result on financial instruments*	-928	7,216
Minority interests related to the result on financial instruments	-312	-302
Result on financial instruments - Group share*	-1,239	6,914
Gains or losses on disposals of investment properties and other non-financial	27,731	423
Changes in the fair value of investment properties	4,901	-7,870
Share in the result on the portfolio of associated companies and joint ventures	153	-1
Other result on the portfolio	-1,776	-3,461
Result on the portfolio*	31,009	-10,909
Minority interests related to the result on the portfolio	-397	-125
Result on the portfolio - Group share*	30,612	-11,034
Net result	100,516	67,854
Minority interests	-2,929	-2,685
Net result - Group share	97,587	65,169

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

NUMBER OF SHARES	30.06.2018	30.06.2017
Number of ordinary shares issued (including treasury shares)	20,667,801	20,667,313
Number of ordinary shares outstanding	20,625,629	20,624,939
Number of ordinary shares used to calculate the result per share	20,625,629	20,624,939
Number of preference shares issued	683,073	683,561
Number of preference shares outstanding	683,073	683,561
Number of preference shares used to calculate the result per share	683,073	683,561
Total number of shares issued (including treasury shares)	21,350,874	21,350,874
Total number of shares outstanding	21,308,702	21,308,500
Total number of shares used to calculate the result per share	21,308,702	21,308,500

Comments on the consolidated income statement - Analytical form

Net rental income was 103 million EUR as at 30.06.2018, compared to 104 million EUR as at 30.06.2017 (-1.0 %). The loss of income from AXA Belgium's departure from the Souverain/Vorst 23-25 site in August 2017 was partially offset by the rental income generated from investments in healthcare real estate in Germany and the Netherlands, and by the Egmont I and II office buildings between the date of buying back the rent receivables and the date of signing of the long-term leasehold (2 million EUR, non-recurring item in the first quarter of 2018). On a like-for-like basis*, gross rental revenues rose (+1.2 %) between 30.06.2017 and 30.06.2018: the positive effect of new lettings (+2.5 %) and lease indexation (+1.5 %) largely offset the negative impact of departures (-2.2 %) and renegotiations (-0.6 %).

The item 'Writeback of lease payments sold and discounted' (non-monetary item) decreased from 6 million EUR as at 30.06.2017 to 5 million EUR as at 30.06.2018, a change mainly due to the buyback of rent receivables relating to the Egmont I and II office buildings on 13.02.2018.

In terms of direct operating costs:

- The end of operation of the Souverain/Vorst 23-25 site resulted in an increase of 2 million EUR in taxes on refurbishment not recovered between 30.06.2017 and 30.06.2018.
- Redecoration costs, net of tenant compensation for damages* were -1 million EUR as at 30.06.2018 whereas they were close to zero as at 30.06.2017. This variation is mainly due to the receipt of a rental indemnity of 2 million EUR during the first quarter of 2017 following the acquisition of the Loi/Wet 34 office building in 2016 (non-recurring item from the previous financial year).
- Technical costs were -2 million EUR as at 30.06.2018, compared to -3 million EUR as at 30.06.2017. These costs by their very nature are not regularly included in the financial year or from one financial year to the next. The amount for 2018 also includes the recovery of a full guarantee for the Souverain/Vorst 23-25 office buildings (non-recurring item)

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

Financial income increased by 3 million EUR between 30.06.2017 and 30.06.2018. This increase is mainly due to the reversal of a maintenance provision relating to the Egmont I and II office buildings, a provision that had become superfluous following the signing of the long-term leasehold for these buildings (non-recurring item). This provision had been recorded in the financial result at the time of the sale of receivables.

Taxes are stable between 30.06.2017 and 30.06.2018 as the positive effect of the decrease in Belgian corporate income tax (29.58 % vs. 33.99 %) was offset by the change in non-recurring items between the first half of 2017 and the first half of 2018.

The net result from core activities - Group share was 68 million EUR as at 30.06.2018, compared to 69 million EUR as at 30.06.2017. The net result from core activities - Group share per share was in line with the forecasts and stood at 3.20 EUR per share as at 30.06.2018, compared to 3.25 EUR per share as at 30.06.2017.

As for the result on financial instruments, the 'Changes in the fair value of financial instruments' item amounted to -2 million EUR as at 30.06.2018, compared to 13 million EUR as at 30.06.2017. This decrease can be explained by changes in the future interest rate curve between these two periods. 'Restructuring costs of financial instruments' were 1 million EUR as at 30.06.2018, whereas they were -6 million EUR as at 30.06.2017. The 2018 figures reflect the positive result of the cancellation of two foreign exchange put options into euro. The 2017 figures reflect the recycling under the income statement of hedging instruments, for which the relationship to the hedged risk had come to an end.

Within the result on the portfolio, the Gains or losses on disposals of investment properties and other non-financial assets were 28 million EUR as at 30.06.2018 and mainly include the capital gain of 27 million EUR realised on the long leasehold granted for the Egmont I and II buildings (non-recurring item). The item 'Changes in the fair value of investment properties' stood at 5 million EUR as at 30.06.2018: the increase in value of the healthcare real estate and distribution network portfolios, as well as the positive effect of marketing of the Belliard 40 office building largely offset the impairment of certain office buildings. Outside the initial effect of changes in scope, the changes in the fair value of investment properties is positive (+0.5 %) for the half year. The item 'Other result on the portfolio' came to -2 million EUR as at 30.06.2018 and mainly includes the effect from deferred taxes¹.

The net result - Group share amounted to 98 million EUR as at 30.06.2018, compared to 65 million EUR as at 30.06.2017. Per share, the figures were 4.58 EUR as at 30.06.2018 and 3.06 EUR as at 30.06.2017.

¹ Deferred taxes on the unrealised gains of the investment properties owned by certain subsidiaries.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

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

ASSETS	Notes	30.06.2018	31.12.2017
Non-current assets		3,803,982	3,689,016
Goodwill	4	85,156	85,156
Intangible assets		963	826
Investment properties	4; 10	3,622,347	3,506,981
Other tangible assets		953	926
Non-current financial assets		463	871
Finance lease receivables		84,867	85,148
Trade receivables and other non-current assets		1,374	1,370
Deferred taxes		525	448
Participations in associated companies and joint ventures		7,333	7,290
Current assets		107,828	93,566
Assets held for sale	4; 10	800	800
Finance lease receivables		1,983	1,826
Trade receivables		25,038	23,698
Tax receivables and other current assets		13,548	19,917
Cash and cash equivalents		33,607	22,532
Accrued charges and deferred income		32,852	24,793
TOTAL ASSETS		3,911,810	3,782,582

SHAREHOLDERS' EQUITY AND LIABILITIES	Notes	30.06.2018	31.12.2017
Shareholders' equity		1,964,525	1,986,440
<i>Shareholders' equity attributable to shareholders of the parent company</i>		1,880,619	1,903,160
Capital	12	1,141,904	1,141,904
Share premium account	12	520,644	520,655
Reserves		120,485	103,239
Net result of the financial year	12	97,587	137,362
Minority interests		83,905	83,280
Liabilities		1,947,285	1,796,142
Non-current liabilities		1,285,572	1,222,857
Provisions		23,964	25,886
Non-current financial debts		1,172,796	1,112,890
Other non-current financial liabilities		47,059	43,729
Deferred taxes		41,753	40,352
Current liabilities		661,713	573,285
Current financial debts		542,818	462,810
Other current financial liabilities		276	4,544
Trade debts and other current debts		100,984	81,362
Accrued charges and deferred income		17,635	24,569
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		3,911,810	3,782,582

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

Comments on the consolidated balance sheet

The investment value of the property portfolio¹, as determined by the independent real estate experts, amounts to 3,780 million EUR as at 30.06.2018, compared with 3,654 million EUR as at 31.12.2017. The fair value included in the consolidated balance sheet, pursuant to the IAS 40 standard, was obtained by deducting the transaction fees from the investment value. As at 30.06.2018, fair value reached 3,623 million EUR, compared to 3,508 million EUR as at 31.12.2017.

The item 'Participations in associated companies and joint ventures' refers to Cofinimmo's 51 % holding in Cofinea I SAS (nursing and care homes in France). The item 'Minority interests' includes the Mandatory Convertible Bonds issued by the Cofinimur I SA subsidiary (MAAF/GMF distribution network in France), and the minority interests of seven subsidiaries.

2.4. Calculation of the consolidated debt ratio

(x 1,000 EUR)		30.06.2018	31.12.2017
Non-current financial debts		1,172,796	1,112,891
Other non-current financial liabilities (except for hedging instruments)	+	312	281
Current financial debts	+	542,818	462,810
Trade debts and other current debts	+	100,984	81,363
Total debt	=	1,816,910	1,657,343
Total assets		3,911,810	3,782,582
Hedging instruments	-	463	871
Total assets (except for hedging instruments)	/	3,911,346	3,781,711
DEBT RATIO	=	46.4 %	43.7 %

¹ Including buildings held for own use, development projects and assets held for sale.

REGULATED INFORMATION

Brussels, embargo until 26.07.2018, 05:40 PM CET

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

	30.06.2018	30.06.2017
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	22,531	41,271
OPERATING ACTIVITIES	30.06.2018	30.06.2017
Net result for the period	97,587	65,169
Adjustments for interest charges and income	12,694	12,521
Adjustments for gains and losses on disposal of property assets	-27,731	-423
Adjustments for gains and losses on disposals of financial assets		
Adjustments for non-cash charges and income	-9,359	-536
Changes in working capital requirements	-2,374	11,045
Cash flow from operating activities	70,818	87,776
INVESTMENT ACTIVITIES	30.06.2018	30.06.2017
Investments in intangible assets and other tangible assets	-523	-480
Acquisitions of investment properties	-251,588	-26,343
Extensions of investment properties	-12,358	-12,389
Investments in investment properties	-15,414	-19,365
Acquisitions of consolidated subsidiaries	-150,876	-1,058
Disposals of investment properties	370,488	13,107
Disposal of other assets	51	
Disposal of consolidated subsidiaries		
Payment of the exit tax	-442	
Disposal and reimbursement of finance lease receivables	811	909
Other cash flows from investing activities	-4	
Net cash from investing activities	-59,854	-45,619
FINANCING ACTIVITIES	30.06.2018	30.06.2017
Disposal of own shares		227
Dividends paid to shareholders	-118,328	-83,158
Coupons paid to Mandatory Convertible Bondholders	-2,884	-2,496
Coupons paid to minority shareholders	-1,372	-58
Increase of financial debts	135,104	43,134
Decrease of financial debts	-1	
Financial income received	3,193	2,704
Financial charges paid	-15,496	-15,225
Other cash flows from financing activities	-103	-2,607
Cash flow resulting from financing activities	112	-57,479
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	33,607	25,949

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

(x 1.000 EUR)	As at 01.01.2018	Appropriation of the 2017 net result	Dividends/ Coupons	Issue of new shares	Acquisitions/ disposals of own shares	Cash flow hedging	Transfer between distributable and non- distributable reserves during the disposal of assets	Others	Result of the financial year	As at 30.06.2018
Capital	1,141,904									1,141,904
Share premiums	520,655			-11						520,644
Reserves	103,239	137,362	-118,071	0	0	-537	0	-1,508	0	120,485
Reserve for the balance of changes in the fair value of properties	-169,760	18,809					-8,234			-159,185
Reserve for the estimated transaction costs resulting from the hypothetical disposal of investment properties	-83,955	-8,362					2,546			-89,771
Reserve for the balance of changes in the fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	4,969	-2,668				-537	-1,948			-185
Reserve for the balance of changes in the fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	-19,592	18,942					141			-509
Distributable reserve	366,119	111,099	-118,071			0	7,496	-1,565		365,078
Non-distributable reserve	5,457	-457						58		5,058
Net result of the financial year	137,362	-137,362							97,587	97,587
Total shareholders' equity attributable to shareholders of the parent company	1,903,160	0	-118,071	-11	0	-537	0	-1,508	97,587	1,880,620
Minority interests	83,280		-4,256					1,952	2,929	83,905
Total shareholders' equity	1,986,440	0	-122,327	-11	0	-537	0	445	100,516	1,964,525

REGULATED INFORMATION

Brussels, embargo until 27.07.2017, 05:40 PM CET

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) organised 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 30.06.2018, cover the Company and its subsidiaries ('the Group'). The scope of consolidation has changed since 31.12.2017 (see Note 14).

The interim summary financial statements were closed by the Board of Directors on 26.07.2018. The statutory auditor Deloitte, Réviseurs d'Entreprises/Bedrijfsrevisoren, represented by Mr Rik Neckebroeck, completed its 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 on *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 the 2017 financial year, with the exception of the application of the new IFRS standards 9 and 15. Their impact on the consolidated accounts of Cofinimmo is nonetheless not material.

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 30.06.2018 were substantially the same as those identified and described in the 2017 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		Distribution networks		Others		Unallocated amounts		TOTAL	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
AS AT 30.06												
Net rental income	50,020	46,912	38,211	43,842	18,661	18,731	988	958			107,879	110,444
Property result after direct property costs	49,058	45,490	27,431	34,517	17,467	18,118	1,096	1,449			95,053	99,575
Property management costs									-9,446	-9,577	-9,446	-9,577
Corporate management costs									-4,048	-4,104	-4,048	-4,104
Gains or losses on disposals of investment properties and other non-financial assets		-370	27,393	190	339	603					27,731	423
Changes in the fair value of investment properties	1,402	10,460	-192	-20,350	3,601	-437	90	2,457			4,901	-7,870
Other result on the portfolio	-1,352	-3,768	-90	227	-602	156					-2,045	-3,385
Operating result	49,108	51,811	54,541	14,584	20,805	18,441	1,187	3,906	-13,495	-13,681	112,145	75,062
Financial result									-10,326	-5,464	-10,326	-5,464
Share in the result of associated companies and joint ventures									394	236	394	236
Taxes									-1,697	-1,980	-1,697	-1,980
NET RESULT											100,516	67,854
NET RESULT - GROUP SHARE											97,587	65,169

BALANCE SHEET	Healthcare real estate		Offices		Distribution networks		Others		Unallocated amounts		TOTAL	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
AT 30.06/31.12												
Assets												
Goodwill	23,329	23,329			61,827	61,827					85,156	85,156
Investment properties, including:	1,790,067	1,588,113	1,246,440	1,335,119	557,205	555,205	28,635	28,544			3,622,347	3,506,981
<i>Development projects</i>	23,420	12,681	92,811	157,741		560					116,231	170,983
<i>Assets held for own use</i>			8,736	8,752							8,736	8,752
Assets held for sale	800	800									800	800
Other assets									203,507	189,644	203,507	189,644
TOTAL ASSETS	1,814,196	1,612,242	1,246,440	1,335,119	619,032	617,032	28,635	28,544	203,507	189,644	3,911,810	3,782,582
Shareholders' equity and liabilities												
Shareholders' equity									1,964,725	1,986,440	1,964,525	1,986,440
<i>Shareholders' equity attributable to shareholders of the parent company</i>									1,880,619	1,903,159	1,880,619	1,903,159
<i>Minority interests</i>									83,905	83,280	83,905	83,280
Liabilities									1,947,285	1,796,142	1,947,285	1,796,142
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES											3,911,810	3,782,582

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

INCOME STATEMENT	Germany		Belgium		France		The Netherlands		TOTAL	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
AS AT 30.06										
Net rental income	5,790	4,233	25,451	24,752	12,942	12,881	5,837	5,046	50,020	46,912
Property result after direct property costs	5,625	4,021	25,384	24,265	12,822	12,673	5,227	4,531	49,058	45,490
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	-6,939	-340	3,682	11,508	-1,418	-2,312	6,077	1,603	1,402	10,460
Other result on the portfolio	-1,444	-165		118	-185	-3,494	277	-228	-1,352	-3,768
Operating result	-2,757	3,516	29,066	35,891	11,218	6,867	11,581	5,536	49,108	51,811
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	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
AT 30.06/31.12										
Assets										
Goodwill					23,329	23,329			23,329	23,329
Investment properties, including:	331,700	148,600	866,584	856,160	403,195	401,740	188,588	181,613	1,790,067	1,588,113
<i>Development projects</i>	10,800		9,800	11,121			2,820	1,560	23,420	12,681
<i>Assets held for own use</i>										
Assets held for sale					800	800			800	800
Other assets										
TOTAL ASSETS	331,700	148,600	866,584	856,160	427,324	425,869	188,588	181,613	1,814,196	1,612,242
Shareholders' equity and liabilities										
Shareholders' equity										
<i>Shareholders' equity attributable to shareholders of the parent company</i>										
<i>Minority interests</i>										
Liabilities										
TOTAL 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	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
AS AT 30.06												
Net rental income	13,552	12,936	14,020	20,355	4,250	4,217	2,399	2,337	3,989	3,997	38,211	43,842
Property result after direct property costs	11,880	11,525	5,840	13,750	3,477	3,176	2,329	2,163	3,905	3,902	27,431	34,517
Property management costs												
Corporate management costs												
Gains or losses on disposals of investment properties and other non-financial assets	26,892	39					500	151			27,393	190
Changes in the fair value of investment properties	15,126	8,908	-10,035	-28,120	-4,146	-5,968	-1,335	1,037	198	3,793	-192	-20,350
Other result on the portfolio	-90	227									-90	227
Operating result	53,808	20,700	-4,195	-14,369	-669	-2,792	1,495	3,350	4,102	7,695	54,541	14,584
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	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
AT 30.06/31.12												
Assets												
Goodwill												
Investment properties, including:	485,340	564,649	451,252	456,529	123,191	126,451	65,945	67,379	120,712	120,110	1,246,440	1,335,119
<i>Development projects</i>	30,869	102,060	61,163	54,822	390	380	388	479			92,811	157,741
<i>Assets held for own use</i>			8,736	8,752							8,736	8,752
Assets held for sale												
Other assets												
TOTAL ASSETS	485,340	564,649	451,252	456,529	123,191	126,451	65,945	67,379	120,712	120,110	1,246,440	1,335,119
Shareholders' equity and liabilities												
Shareholders' equity												
<i>Shareholders' equity attributable to shareholders of the parent company</i>												
<i>Minority interests</i>												
Liabilities												
TOTAL 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	
	2018	2017	2018	2017	2018	2017	2018	2017
AS AT 30.06								
Net rental income	9,905	9,765	4,884	5,018	3,872	3,948	18,661	18,731
Property result after direct property costs	9,398	9,405	4,350	4,878	3,719	3,835	17,467	18,118
Property management costs								
Corporate management costs								
Gains or losses on disposals of investment properties and other non-financial assets	176	621	140	27	23	-44	339	603
Changes in the fair value of investment properties	2,165	268	1,300	-449	135	-256	3,601	-437
Other result on the portfolio	-12		-590	156			-602	156
Operating result	11,728	10,295	5,200	4,611	3,876	3,535	20,805	18,441
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	
	2018	2017	2018	2017	2018	2017	2018	2017
AT 30.06/31.12								
Assets								
Goodwill	37,277	37,277	24,550	24,550			61,827	61,827
Investment properties, including:	289,523	287,574	140,587	140,116	127,095	127,515	557,205	555,205
<i>Development projects</i>						560	0	560
<i>Assets held for own use</i>								
Assets held for sale							0	0
Other assets								
TOTAL ASSETS	326,800	324,851	165,137	164,666	127,095	127,515	619,032	617,032
Shareholders' equity and liabilities								
Shareholders' equity								
<i>Shareholders' equity attributable to shareholders of the parent company</i>								
<i>Minority interests</i>								
Liabilities								
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES								

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

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

	30.06.2018	30.06.2017
Rental income		
Gross potential income ¹	112,847	112,788
Vacancy ²	-7,303	-6,902
Rents³	105,544	105,886
Cost of rent-free periods	-1,978	-1,908
Concessions granted to tenants	-286	-365
Early lease termination indemnities ⁴	141	469
SUBTOTAL	103,421	104,082
Writebacks of lease payments sold and discounted	4,736	6,237
Rental-related expenses	-278	125
Rent payable on rented premises	-3	121
Writedowns on trade receivables	-275	-1
Writeback of writedowns on trade receivables		5
SUBTOTAL	-278	125
TOTAL	107,879	110,444

The rental income and charges classification and treatment method is described in detail on page 172 of the 2017 Annual Financial Report.

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

	30.06.2018	30.06.2017
Interests and dividends received ⁵	190	253
Interest receipts in respect of finance lease and similar receivables	2,614	2,451
Other	3,342 ⁶	
TOTAL	6,146	2,704

¹ Gross potential rental income is the sum of real rents received and estimated rent 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.

⁵ The amount of dividends received is zero as at 30.06.2018 and 30.06.2017.

⁶ This amount mainly includes the reversal of a maintenance provision relating to the Egmont I and II office buildings, a provision that had become superfluous following the signing of the long-term leasehold for these buildings (non-recurring item). This provision had been recorded in the financial result at the time of the sale of receivables.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

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

	30.06.2018	30.06.2017
Nominal interests on loans at amortised cost	-7,970	-8,222
Bilateral loans - floating rate	-1,877	-1,304
Commercial papers - floating rate	-175	-304
Investment credits - floating or fixed rate	-263	-288
Bonds - fixed rate	-5,451	-6,122
Convertible bonds	-204	-204
Writeback of nominal financial debts	-387	-374
Charges relating to authorised hedging instruments	-5,725	-4,820
Authorised hedging instruments not qualifying for hedge accounting	-5,725	-4,820
Income relating to authorised hedging instruments		
Authorised hedging instruments not qualifying for hedge accounting		
Other interest charges	-1,130	-1,561
TOTAL	-15,212	-14,977

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

	30.06.2018	30.06.2017
Bank fees and other commissions	-284	-248
Others	-48	-159
Realised gains/losses on disposals of financial instruments		
Others	-48	-159
TOTAL	-332	-407

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

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

	30.06.2018	30.06.2017
Authorised hedging instruments qualifying for hedge accounting	578	-5,586
Changes in fair value of authorised hedging instruments qualifying for hedge accounting		54
Impact of the recycling under the income statement of hedging instruments which relationship with the hedged risk was terminated	578	-5,640
Authorised hedging instruments not qualifying for hedge accounting	-2,806	12,877
Changes in fair value of authorised hedging instruments qualifying for hedge accounting	-452	13,414
Convertible bonds	-2,354	-537
Others	1,300¹	-75
TOTAL	-928	7,216

¹ This amount mainly includes the positive result of the cancellation of two foreign exchange put options into euro.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

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

	Properties available for lease	Development projects	Assets held for own use	Total
Asset category¹	Level 3	Level 3	Level 3	
As at 01.01.2017	3,286,684	67,957	8,995	3,363,636
Investments	16,206	56,649	-6	72,849
Acquisitions	58,988	622		59,610
Transfers from/to development projects	-35,951			-35,951
Transfer from/to properties available for lease		36,646		36,646
Sales/Disposals (fair value of assets sold/disposed of)	-16,493	-1,474		-17,967
Writebacks of lease payments sold and discounted	12,473			12,473
Changes in the fair value	5,340	10,582	-237	15,685
As at 31.12.2017	3,327,247²	170,982	8,752	3,506,981²
Investments	7,390	13,805		21,195
Acquisitions	396,175	10,599		406,774
Transfers from/to development projects	76,923			76,923
Transfer from/to properties available for lease		-76,923		-76,923
Sales/Disposals (fair value of assets sold/disposed of)	-335,165	-100		-335,265
Writebacks of lease payments sold and discounted	4,736			4,736
Changes in the fair value	20,074	-2,132	-16	17,926
As at 30.06.2018	3,497,380³	116,231	8,736	3,622,347³

The global portfolio fair value as determined by the independent experts amounts to 3,623,147 KEUR ; it includes the investment properties for 3,622,347 KEUR and the assets held for sale for 800 KEUR.

¹ The basis for the valuations resulting in the fair values can be classified according to IFRS 13 as :

- 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 having been subject to the disposal of receivables, which amounts to 250,126 KEUR.

³ Including the fair value of investment properties subject to the disposal of receivables, which amounts to 136,137 KEUR.

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

The classification criteria for financial assets and liabilities have changed: the new IFRS 9 standard specifies three main categories for classifying financial assets and liabilities, namely *Fair value through net result*, *Necessarily quantified at fair value through net result* and *Quantified at amortised Cost*. The category *Held for trading*, which is related to IFRS 39, has been eliminated. A table comparing IFRS 9 and IAS 39 categories is available in appendix 5.3.

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 applied under IAS 39. Considering the relatively limited amount of trade and finance lease receivables combined with the low associated credit risk, this has no material impact on the consolidated financial statements of Cofinimmo.

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.

	30.06.2018					
	Designated at fair value through the net result	Must be measured at fair value through the net result	Financial assets or liabilities measured at amortised cost	Fair value	Interests accrued and not due	Fair value qualification
(x 1,000 EUR)						
Non-current financial assets		463	86,241	135,600		
Hedging instruments		463		463		
<i>Derivative financial instruments</i>		463		463		Level 2
Credits and receivables			86,241	135,137		
<i>Non-current finance lease receivables</i>			84,867	133,762		Level 2
<i>Trade receivables and other non-current assets</i>			1,374	1,374		Level 2
Current financial assets		0	63,675	65,213		
Hedging instruments		0		0		
<i>Derivative financial instruments</i>		0		0		Level 2
Credits and receivables			30,068	31,211		
<i>Current finance lease receivables</i>			1,983	3,125		Level 2
<i>Trade receivables</i>			25,038	25,038		Level 2
<i>Others</i>			3,048	3,048		Level 2
Cash and cash equivalents			33,607	34,002		Level 2
TOTAL		463	149,917	200,813		

	30.06.2018					
	Designated at fair value through the net result	Must be measured at fair value through the net result	Financial assets or liabilities measured at amortised cost	Fair value	Interests accrued and not due	Fair value qualification
(x 1,000 EUR)						
Non-current financial liabilities	219,288	46,747	953,835	1,219,870	4,686	
Non-current financial debts	219,288		953,523	1,172,811	4,686	
<i>Bonds</i>			453,947	453,947	4,361	Level 2
<i>Convertible bonds</i>	216,593			216,593	324	Level 1
<i>Mandatory Convertible Bonds (MCB)</i>	2,696			2,696		Level 2
<i>Banks</i>			433,472	433,472	0	Level 2
<i>Long-term commercial papers</i>			56,000	56,000	0	Level 2
<i>Rental guarantees received</i>			10,104	10,104		Level 2
Other non-current financial liabilities		46,747	312	47,059	0	
<i>Derivative financial instruments</i>		46,747		46,747		Level 2
<i>Others</i>			312	312		Level 2
Current financial liabilities		276	644,650	644,926	1,235	
Current financial debts			542,817	542,817	998	
<i>Commercial papers</i>			490,000	490,000	0	Level 2
<i>Bonds</i>			0	0	0	Level 2
<i>Convertible bonds</i>			0	0		Level 1
<i>Banks</i>			52,795	52,795	999	Level 2
<i>Others</i>			22	22	0	Level 2
Other current financial liabilities		276		276	237	
<i>Derivative financial instruments</i>		276		276	237	Level 2
Trade debts and other current debts			101,833	101,833	0	Level 2
TOTAL	219,288	47,023	1,598,485	1,864,796	5,921	

	31.12.2017					
	Designated at fair value through the net result	Held for trading	Loans, receivables and financial liabilities at amortised cost	Fair value	Interests accrued and not due	Fair value qualification
(x 1,000 EUR)						
Non-current financial assets		871	86,518	129,780	0	
Hedging instruments		871		871	0	
<i>Derivative financial instruments</i>		871		871	0	Level 2
Credits and receivables			86,518	128,909	0	
<i>Non-current finance lease receivables</i>			85,148	127,539	0	Level 2
<i>Trade receivables and other non-current assets</i>			1,370	1,370	0	Level 2
Current financial assets		0	43,056	43,965	0	
Hedging instruments		0		0	0	
<i>Derivative financial instruments</i>		0		0	0	Level 2
Credits and receivables			25,525	26,434	0	
<i>Current finance lease receivables</i>			1,826	2,736	0	Level 2
<i>Trade receivables</i>			23,698	23,698	0	Level 2
Cash and cash equivalents			17,531	17,531	0	Level 2
TOTAL	0	871	129,574	173,745	0	

	31.12.2017					
	Designated at fair value through the net result (x 1,000 EUR)	Held for trading	Loans, receivables and financial liabilities at amortised cost	Fair value	Interests accrued and not due	Fair value qualification
Non-current financial liabilities	217,377	43,445	895,796	1,156,618	7,733	
Non-current financial debts	217,377		895,512	1,112,890	7,733	
<i>Bonds</i>			453,861	453,861	7,612	Level 2
<i>Convertible bonds</i>	214,239			214,239	121	Level 1
<i>Mandatory Convertible Bonds (MCB)</i>	3,139			3,139		Level 2
<i>Banks</i>			378,559	378,559	0	Level 2
<i>Long-term commercial papers</i>			56,000	56,000	0	Level 2
<i>Rental guarantees received</i>			7,092	7,092		Level 2
Other non-current financial liabilities		43,445	284	43,729	0	
<i>Derivative financial instruments</i>		43,445		43,445		Level 2
<i>Others</i>			284	284		Level 2
Current financial liabilities		4,544	544,172	548,716	1,820	
Current financial debts			462,810	462,810	1,098	
<i>Commercial papers</i>			411,500	411,500		Level 2
<i>Bonds</i>			0	0	0	Level 2
<i>Convertible bonds</i>			0	0		Level 1
<i>Banks</i>			51,287	51,287	1,098	Level 2
<i>Others</i>			23	23	0	Level 2
Other current financial liabilities		4,544		4,544	722	
<i>Derivative financial instruments</i>		4,544		4,544	722	Level 2
Trade debts and other current debts			81,363	81,363	0	Level 2
TOTAL	217,377	47,989	1,439,968	1,705,334	9,552	

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Categories of financial instruments

Fair value is estimated:

- At book value for trade receivables and debt, loans and variable rate loans and debt;
- based on future cash flows discounted at adapted market rates for lease-finance receivables;
- by reference to a price quoted on an active market for listed 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, may be presented 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 identical 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 in question, 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 related to convertible bonds and Mandatory Convertible Bonds.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

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 on page 5 of the 2017 Annual Financial Report.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Note 12. Share capital and share premiums

(in number)	Total shares	
Number of shares (A)	30.06.2018	31.12.2017
As at 01.01	21,350,874	21,031,190
Capital increase		319,684
Conversion of convertible bonds into ordinary shares		
As at 30.06/31.12	21,350,874	21,350,874
Own shares held by the Group (B)	30.06.2018	31.12.2017
As at 01.01	42,172	44,864
Own shares (sold/acquired) - net		-2,692
As at 30.06/31.12	42,172	42,172
Number of outstanding shares (A-B)	30.06.2018	31.12.2017
As at 01.01	21,308,702	20,986,326
Capital increase		319,684
Conversion of convertible bonds into ordinary shares		
Own shares (sold/acquired) - net		2,692
As at 30.06/31.12	21,308,702	21,308,702¹

¹ The number of outstanding shares also includes preference shares amounting to 683,073 as at 30.06.2018 (31.12.2017: 683,493). The difference is explained by the conversion of 420 preference shares into ordinary shares during the first six months of the 2018 financial year.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Note 13. Result per share

(x 1,000 EUR)	30.06.2018	30.06.2017
Net result from core activities attributable to ordinary and preference shares	68,214	69,289
Net result from core activities for the period	70,434	71,547
Minority interests	-2,220	-2,258
Result on financial instruments attributable to ordinary and preference shares	-1,239	6,914
Result on financial instruments for the period	-928	7,216
Minority interests	-312	-302
Result on portfolio attributable to ordinary and preference shares	30,612	-11,034
Result on portfolio for the period	31,009	-10,909
Minority interests	-397	-125
Net result attributable to ordinary and preference shares	97,587	65,169
Net result for the period	100,516	67,854
Minority interests	-2,929	-2,685

Result per share (in EUR)	30.06.2018	30.06.2017
Net result - Group share	97,586,784	65,168,974
Number of ordinary and preference shares taken into account in the calculation of the result per share	21,308,702	21,308,500
Net result from core activities per share - Group share	3.20	3.25
Result on financial instruments per share - Group share	-0.06	0.32
Result on portfolio per share - Group share	1.44	-0.51
Net result per share - Group share	4.58	3.06

Diluted result per share (in EUR)	30.06.2018	30.06.2017
Diluted net result - Group share	97,326,847	63,086,894
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	22,732,004	22,412,156
Diluted net result per share - Group share	4.28¹	2.81²

¹ In accordance with IAS 33, the Mandatory Convertible Bonds issued in 2011, the convertible bonds issued in 2016 and 36,175 treasury shares of the stock option plan were taken into account in the calculation of the net diluted result per share as at 30.06.2018 because they have a dilutive impact.

² In accordance with IAS 33, the Mandatory Convertible Bonds issued in 2011 and the convertible bonds issued in 2016 were taken into account in calculating the diluted net result per share as at 30.06.2017 because they have a dilutive impact.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Note 14. Consolidation criteria and scope

Consolidation perimeter

Name and address of the registered office of subsidiaries held at 100 % by the Group (full consolidation)	VAT or national number (NN)	Direct and indirect interests and voting rights (in %)
BELLIARD III-IV PROPERTIES SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation BE 0475 162 121	100.00
BESTONE SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation BE 0670 681 160	100.00
BOLIVAR PROPERTIES SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation BE 0878 423 981	100.00
COFINIMMO INVESTISSEMENTS ET SERVICES SA 13 rue du Docteur Lancereaux, 75008 Paris (France)	FR 88 487 542 169	100.00
SCI AC NAPOLI 13 rue du Docteur Lancereaux, 75008 Paris (France)	FR 71 428 295 695	100.00
SCI BEAULIEU 13 rue du Docteur Lancereaux, 75008 Paris (France)	FR 50 444 644 553	100.00
SCI CHAMTOU 13 rue du Docteur Lancereaux, 75008 Paris (France)	FR 11 347 555 203	100.00
SCI CUXAC II 13 rue du Docteur Lancereaux, 75008 Paris (France)	FR 18 343 262 341	100.00
SCI DE L'ORBIEU 13 rue du Docteur Lancereaux, 75008 Paris (France)	FR 14 383 174 380	100.00
SCI DU DONJON 13 rue du Docteur Lancereaux, 75008 Paris (France)	FR 06 377 815 386	100.00
SNC DU HAUT CLUZEAU 13 rue du Docteur Lancereaux, 75008 Paris (France)	FR 39 319 119 921	100.00
SARL HYPOCRATE DE LA SALETTE 13 rue du Docteur Lancereaux, 75008 Paris (France)	not subject to taxation NN 388 117 988	100.00
SCI LA NOUVELLE PINÈDE 13 rue du Docteur Lancereaux, 75008 Paris (France)	FR 78 331 386 748	100.00
SCI PRIVATEL INVESTISSEMENT 13 rue du Docteur Lancereaux, 75008 Paris (France)	FR 13 333 264 323	100.00
SCI RESIDENCE FRONTENAC 13 rue du Docteur Lancereaux, 75008 Paris (France)	FR 80 348 939 901	100.00
SCI SOCIBLANC 13 rue du Docteur Lancereaux, 75008 Paris (France)	not subject to taxation NN 328 781 844	100.00
COFINIMMO LUXEMBOURG SA 19, rue Aldringen, L-1118 Luxembourg, (Grand Duchy of Luxembourg)	not subject to taxation NN B100 044	100.00
COFINIMMO SERVICES SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 0437 018 652	100.00

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

COF STERN I SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation BE 0696.911.940	100.00
FPR LEUZE SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 0839 750 279	100.00
GESTONE SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 0655 814 822	100.00
GESTONE II SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 0670 681 259	100.00
KAISERSTONE SA 19, rue Aldringen, L-1118 Luxembourg, (Grand Duchy of Luxembourg)	B 202.584	100.00
LEOPOLD SQUARE SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation BE 0465 387 588	100.00
LUEHRSEN 12. CARE PROJECT SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 0683 716 475	100.00
PRIME BEL RUE DE LA LOI - T SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 0463 603 184	100.00
RM1743 VERMÖGENSVERWALTUNGS GMBH Platz der Einheit 1, D-60327 Frankfurt-am-Main	not subject to taxation HRA 237849	100.00
STERN-FIIS SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation 0691.982.756	100.00
STERN-FIIS II SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation 0696.912.831	100.00
STERN-FIIS III SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation 0696.912.930	100.00
STERN-FIIS IV SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation 0696.913.029	100.00
SUPERSTONE NV Claudius Prinsenlaan 128, 4818 CP Breda (Netherlands)	NL 85.07.32.554.B.01	100.00
TRIAS BEL SOUVERAIN - T SPRL/BVBA Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 0597 987 776	100.00
WELLNESSTONE SA 19, rue Aldringen, L-1118 Luxembourg (Grand Duchy of 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 13 rue du Docteur Lancereaux, 75008 Paris (France)	FR 74 537 946 824	97.65

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

GREAT GERMAN NURSING HOMES SARL Rue des Capucins 2a, L-1313 Luxembourg	LU 23915815	94.90
PFLEGE PLUS + OBJEKT ALSDORF GMBH Platz der Einheit 1, D-60327 Frankfurt-am-Main	DE 257452843	94.90
PFLEGE PLUS + OBJEKT BOCHUM GMBH Platz der Einheit 1, D-60327 Frankfurt-am-Main	DE 267049821	94.90
PFLEGE PLUS + OBJEKT BOTTROP GMBH Platz der Einheit 1, D-60327 Frankfurt-am-Main	DE 254326928	94.90
PFLEGE PLUS + OBJEKT ERFSTADT/LIBLAR GMBH Platz der Einheit 1, D-60327 Frankfurt-am-Main	DE 257452851	94.90
PFLEGE PLUS + OBJEKT FRIEDRICHSTADT GMBH Platz der Einheit 1, D-60327 Frankfurt-am-Main	DE 300460324	94.90
PFLEGE PLUS + OBJEKT GELSENKIRCHEN GMBH Platz der Einheit 1, D-60327 Frankfurt-am-Main	DE 308809615	94.90
PFLEGE PLUS + OBJEKT GOSLAR GMBH Platz der Einheit 1, D-60327 Frankfurt-am-Main	DE 304637004	94.90
PFLEGE PLUS + OBJEKT HAAN GMBH Platz der Einheit 1, D-60327 Frankfurt-am-Main	DE 259464502	94.90
PFLEGE PLUS + OBJEKT WEIL AM RHEIN GMBH Platz der Einheit 1, D-60327 Frankfurt-am-Main	DE 304637004	94.90
PFLEGE PLUS + OBJEKT WEILERWIST GMBH Platz der Einheit 1, D-60327 Frankfurt-am-Main	DE 308809607	94.90
PFLEGE PLUS + OBJEKT SWISTTAL GMBH Platz der Einheit 1, D-60327 Frankfurt-am-Main	DE 313889030	94.90
PRESIDENTIAL NORDIC 1 GMBH & CO. KG Platz der Einheit 1, D-60327 Frankfurt-am-Main	DE 290828203	94.90
PRESIDENTIAL NORDIC 2 GMBH & CO. KG Platz der Einheit 1, D-60327 Frankfurt-am-Main	DE 290828203	94.90
PUBSTONE GROUP SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	not subject to taxation BE 0878 010 643	90.00
PUBSTONE SA/NV Boulevard de la Woluwe/Woluwedal 58, 1200 Brussels	BE 0405 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 0893 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 13 rue du Docteur Lancereaux, 75008 Paris (France)	FR 74 538 144 122	51.00

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

Consolidation criteria

The consolidation criteria published in the 2017 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 2018 as meant in the IAS 34 standard and Article 8 of the Royal Decree of 13.07.2014 other than those described in note 42 of the consolidated accounts as at 31.12.2017 (page 219 of the 2017 Annual Financial Report).

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

3. Statement of compliance

The Board of Directors of Cofinimmo SA/NV assumes responsibility for the content of the 2018 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-Pierre Hanin, Mr Jean Kotarakos, Mr Olivier Chapelle, Mr Xavier de Walque and Mr Maurice Gauchot, Directors,

state that, to the best of their knowledge:

1. The 2018 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 2018 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 5 of the 2017 Annual Financial Report).

4. Information on forward-looking statements

This Half-Year Financial Report contains forecast information based on plans, estimates and projections, as well as on its reasonable expectations regarding external events and factors. By its nature, the forecast information is subject to risks and uncertainties that may have as a consequence that the results, financial situation, performance and actual figures differ from this information. Given these uncertainty factors, the statements made regarding future developments cannot be guaranteed.

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

For more information:

Ellen Grauls

Head of External Communication and
Investor Relations

Tel.: +32 2 373 94 21

egrauls@cofinimmo.be

Benoît Mathieu

Investor Relations Officer

Tel.: +32 2 373 60 42

bmathieu@cofinimmo.be

About Cofinimmo:

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

The company owns a diversified property portfolio spread over Belgium, France, the Netherlands and Germany worth 3.6 billion EUR, accounting for a total surface area of nearly 2,000,000 m². Riding on demographic trends, its main investment segments are healthcare properties (50 %), offices (34 %) and distribution networks (16 %). As an independent company that consistently applies the highest corporate governance and sustainability standards, Cofinimmo offers services to its tenants and manages its properties through a team of over 130 people operating from Brussels, Paris and Breda.

Cofinimmo is listed on Euronext Brussels (BEL 20) and benefits from the REIT tax regime in Belgium (RREC), in France (SIIC) and in the Netherlands (FBI). Its activities are supervised by the Financial Services and Markets Authority, the Belgian regulator.

At 02.07.2018, its total market capitalisation stood at 2.4 billion EUR. The company pursues investment policies which seek to offer a high dividend yield and capital protection over the long term, targeting both institutional and private investors.

www.cofinimmo.com

Follow us on:



5. Appendices

5.1. Real estate experts' report

Real estate Valuer's report



Brussels, 3 July 2018

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

Re: Valuation as of 30 June 2018

Context

We have been engaged by Cofinimmo to value its real estate assets as of **30 June 2018** with a view to finalising its financial statements at that date.

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

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

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

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

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

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

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

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

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

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

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

Opinion

We confirm that our valuation has been done in accordance with national and international market practices and standards (International Valuation Standards issued by the International Valuation Standards Council and included in RICS Valuation – Professional Standards June 2017, 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 2018 is estimated at EUR 3.780.205.000.

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 2018, corresponding to the fair investment value under IAS/IFRS, is estimated at EUR 3.623.147.000.

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 6,24% of the investment value.

If the properties were to be let in full, the yield would increase to 6,58%.

Investment properties have an occupancy rate of 94,77%.

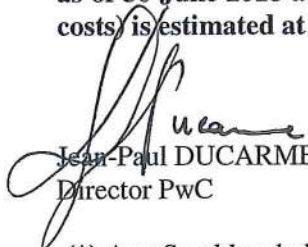
The contractually passing rent and the estimated rental value on the empty spaces (excluding projects, buildings undergoing refurbishment and assets that form the object of an assignment of receivables) for let space plus the estimated rental value for vacant space is 1,97% above the estimated fair rental 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:

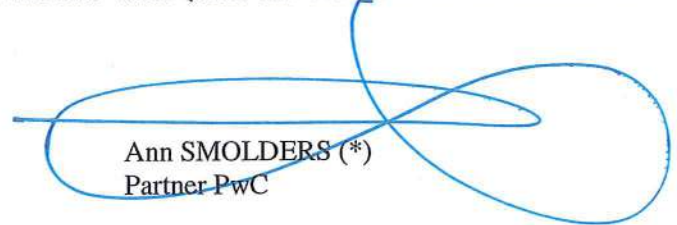
	Investment value	Fair Value	% Fair Value
Healthcare	1.867.038.000	1.790.867.000	49,4%
Offices	1.277.601.000	1.246.440.000	34,4%
Distribution prop. net	606.215.000	557.205.000	15,4%
Others	29.351.000	28.635.000	0,8%
TOTAL	3.780.205.000	3.623.147.000	100%

PwC opinion

The investment value of the part of Cofinimmo's real estate portfolio valued by PwC is estimated as of 30 June 2018 at EUR 1.329.372.000 and the fair value (after the deduction of the transaction costs) is estimated at EUR 1.283.462.000.



Jean-Paul DUCARME FRICS (**)
Director PwC



Ann SMOLDERS (*)
Partner PwC

(*) Ann Smolders bvba, represented by its permanent representative Ann Smolders
(**) JP Ducarme Consulting sprl, represented by its permanent representative Jean-Paul Ducarme

C&W Opinion

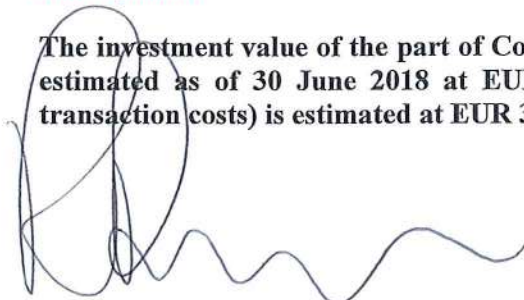
The investment value of the part of Cofinimmo's real estate portfolio valued by C&W and by JLL in France is estimated as of 30 June 2018 at EUR 2.057.211.000 and the fair value (after deduction of transaction costs) at EUR 1.955.664.000.



Emeric Inghels, MRICS
C&W Partner

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 2018 at EUR 393.622.000 and the fair value (after the deduction of transaction costs) is estimated at EUR 384.021.000.



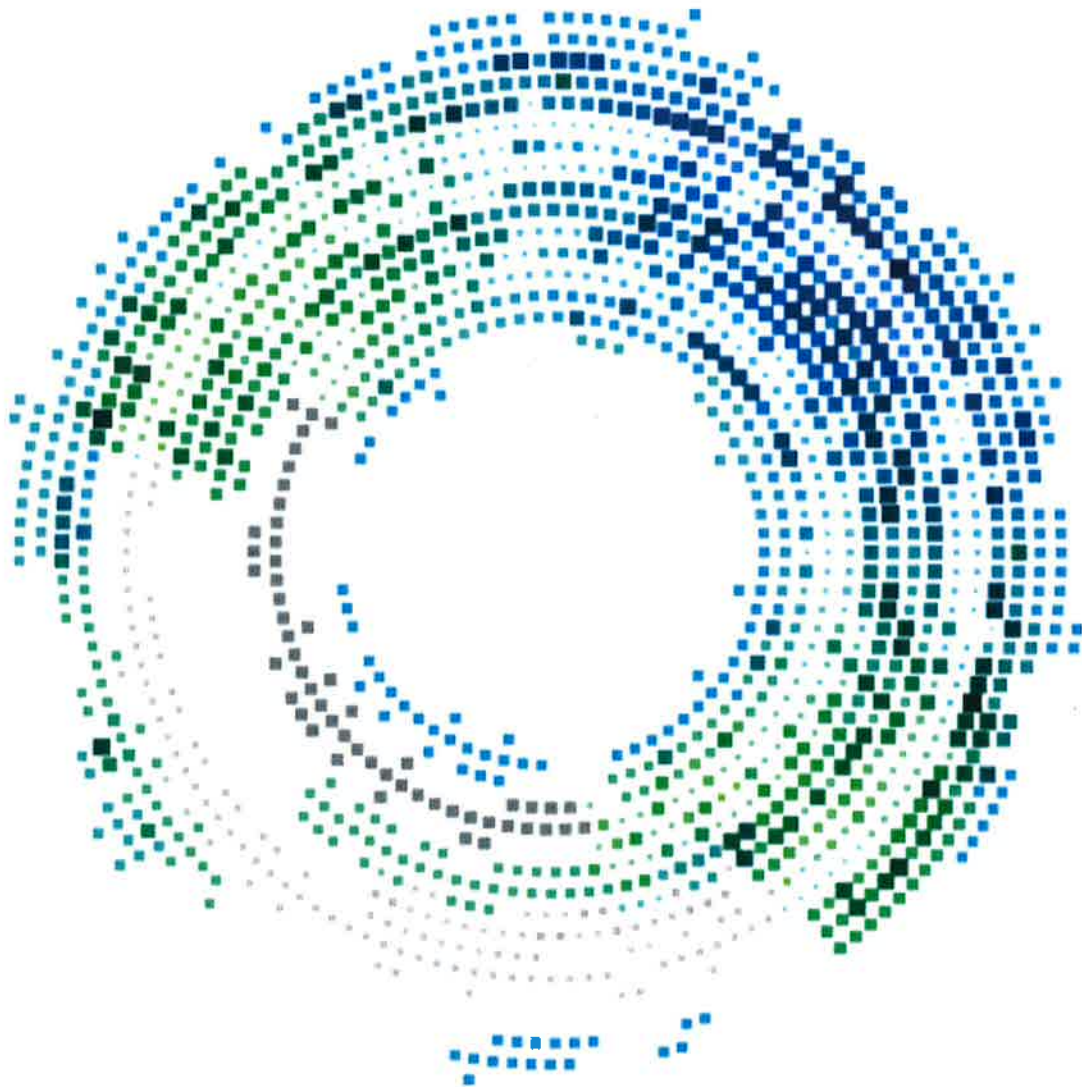
Roderick Scrivener, FRICS
JLL Director

PwC Enterprise Advisory
Société coopérative à responsabilité limitée
Woluwe Garden, Woluwedal 18
1932 Sint-Stevens-Woluwe - Belgium
Tel: +32 (0)710 42 11
Fax: +32 (0) 710 42 99
www.pwc.com

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

JLL
Société privée à responsabilité limitée
Avenue Marnix, 23, b1
1000 Bruxelles
Tel: +32 (0)2 550 25 25
Fax: +32 (0)2 550 26 26
www.jll.be

5.2. 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 2018

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 2018

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 2018, 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 3 912 million EUR and the consolidated condensed income statement shows a consolidated profit (group share) for the period then ended of 98 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, 26 July 2018

The statutory auditor



DELOITTE Bedrijfsrevisoren / Réviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Rik Neckebroeck

Deloitte Bedrijfsrevisoren / Réviseurs d'Entreprises
Burgerlijke vennootschap onder de vorm van een coöperatieve vennootschap met beperkte aansprakelijkheid /
Société civile sous forme d'une société coopérative à responsabilité limitée
Registered Office: Gateway building, Luchthaven Nationaal 1 J, B-1930 Zaventem
VAT BE 0429.053.863 - RPR Brussel/RPM Bruxelles - IBAN BE 17 2300 0465 6121 - BIC GEBABEBB

Member of Deloitte Touche Tohmatsu Limited

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

5.3. Table comparing the IFRS 9 and IAS 39 categories.

31.12.2017		IAS 39		IFRS 9
	Book value	Category	Book value	Category
Non-current financial assets	87,389		87,389	
Hedging instruments	871		871	
Derivative financial instruments	871	Financial assets held for trading	871	Financial assets that must be measured at being at fair value through the net result
Credits and receivables	86,518		86,518	
Non-current finance lease receivables	85,148	Loans and receivables	85,148	Financial assets measured at amortised cost
Trade receivables and other non-current assets	1,370	Loans and receivables	1,370	Financial assets measured at amortised cost
Current financial assets	43,055		43,055	
Credits and receivables	25,524		25,524	
Current finance lease receivables	1,826	Loans and receivables	1,826	Financial assets measured at amortised cost
Trade receivables	23,698	Loans and receivables	23,698	Financial assets measured at amortised cost
Others	17,531	Loans and receivables	17,531	Financial assets measured at amortised cost
Cash and cash equivalents	130,444		130,444	

REGULATED INFORMATION

Brussels, embargo until 28.07.2016, 05:40 PM CET

31.12.2017		IAS 39		IFRS 9
	Book value	Category	Book value	Category
Non-current financial liabilities	1,164,352		1,164,352	
Non-current financial debts	1,120,623		1,120,623	
Bonds ¹	461,473	Financial liabilities at amortised cost	461,473	Financial liabilities measured at amortised cost
Convertible bonds ¹	214,360	Financial liabilities designated at fair value through the net result	214,360	Financial liabilities designated at fair value through the net result
Mandatory Convertible Bonds (MCB)	3,139	Financial liabilities designated at fair value through the net result	3,139	Financial liabilities designated at fair value through the net result
Credit establishments	378,559	Financial liabilities at amortised cost	378,559	Financial liabilities measured at amortised cost
Long-term commercial papers	56,000	Financial liabilities at amortised cost	56,000	Financial liabilities measured at amortised cost
Rental guarantees received	7,092	Financial liabilities at amortised cost	7,092	Financial liabilities measured at amortised cost
Other non-current financial liabilities	43,729		43,729	
Derivative financial instruments	43,445	Financial liabilities held for trading	43,445	Financial liabilities that must be measured at fair value through the net result
Others	284	Financial liabilities at amortised cost	284	Financial liabilities measured at amortised cost
Current financial liabilities	550,538		550,538	
Current financial debts	463,909		463,909	
Commercial papers	411,500	Financial liabilities at amortised cost	411,500	Financial liabilities measured at amortised cost
Convertible bonds ¹	1		1	Financial liabilities designated at fair value through the net result
Credit establishments ¹	52,385	Financial liabilities at amortised cost	52,385	Financial liabilities measured at amortised cost
Others	23	Financial liabilities at amortised cost	23	Financial liabilities measured at amortised cost
Other current financial liabilities	5,266		5,266	
Derivative financial instruments¹	5,266	Financial liabilities held for trading	5,266	Financial liabilities that must be measured at fair value through the net result
Trade debts and other current debts	81,363		81,363	Financial liabilities measured at amortised cost
Total	1,714,890		1,714,890	

¹ The amounts for these financial instruments include the interests accrued and not due, which are booked under the item 'Accrued charges and deferred income'.