



MARCH 2ND 2015

Annual Results 2014



RECYCLING OUR CITIES

 **Banimmo**
www.banimmo.be



1 / Evolution of the real estate market

2 / Evolution of the real estate portfolio in 2014

3 / Main projects

4 / Evolution of the equity stakes/joint ventures

5 / Financing

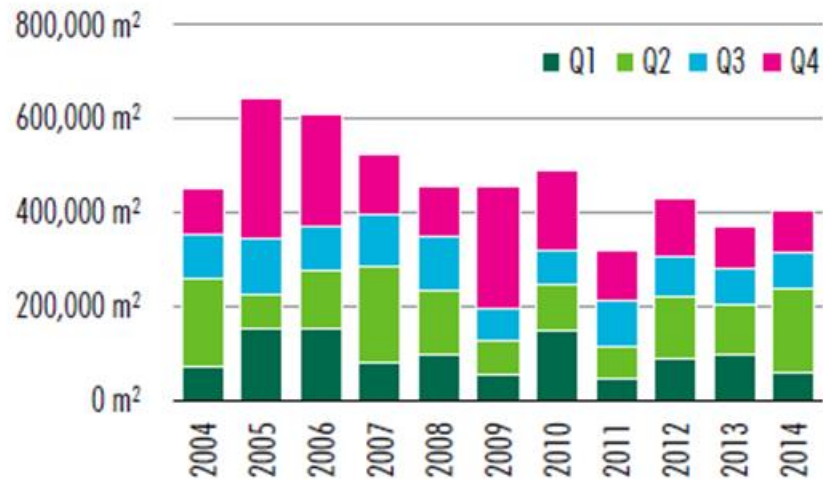
6 / Financial figures

7 / Forecasts

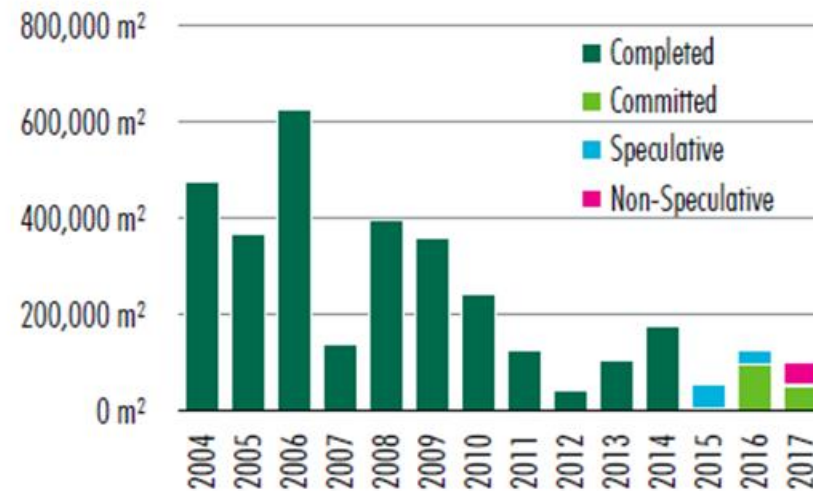
GOOD DEMAND FOR OFFICES IN BRUSSELS

1/ Evolution of the real estate market

Take-up per quarter (2004-2014)



Development (2004-2017)



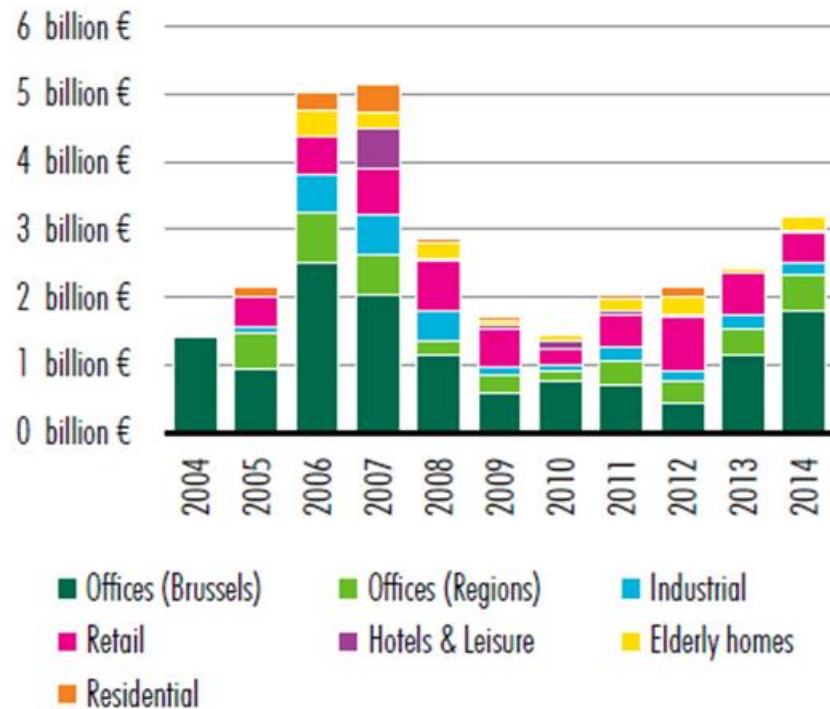
Demand for offices nearly back to level of 2008...

...but with much lower development pipeline, leading to decrease in vacancy rate

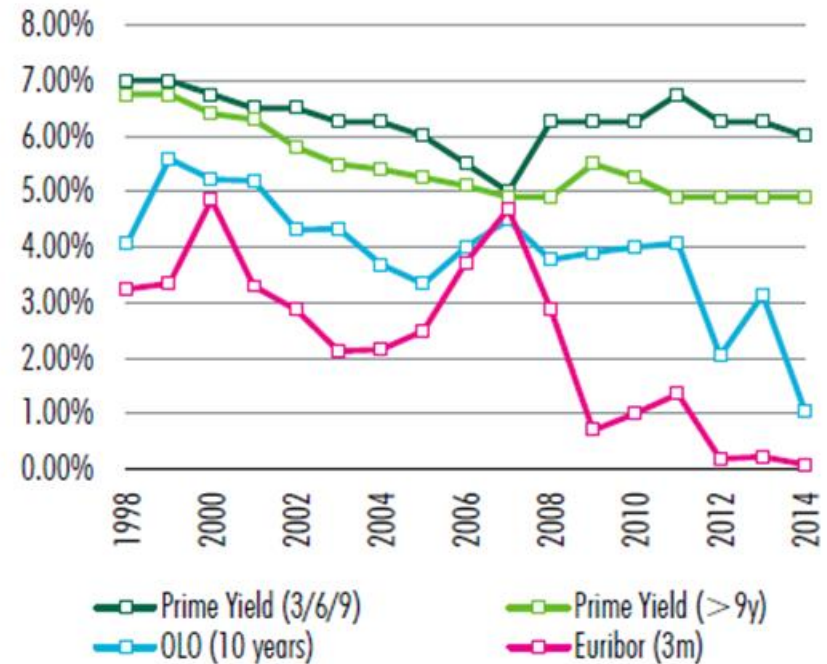
INVESTORS ARE BACK AT HISTORICAL LOW YIELDS FOR CORE PRODUCTS

1/ Evolution of the real estate market

Total property investment volume in Belgium (2004-2014)



Prime yield evolution (2004-2014)

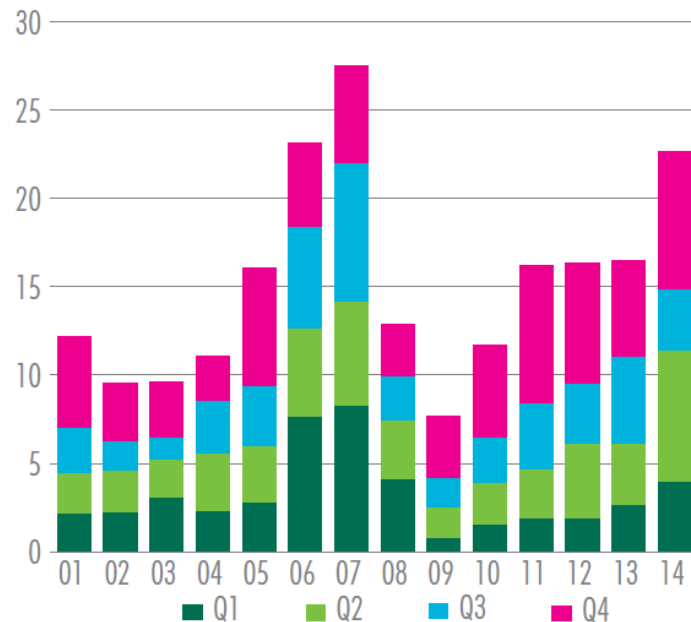


Total investment volume in 2014 highest since 7-year and at yields for core products below 5 %

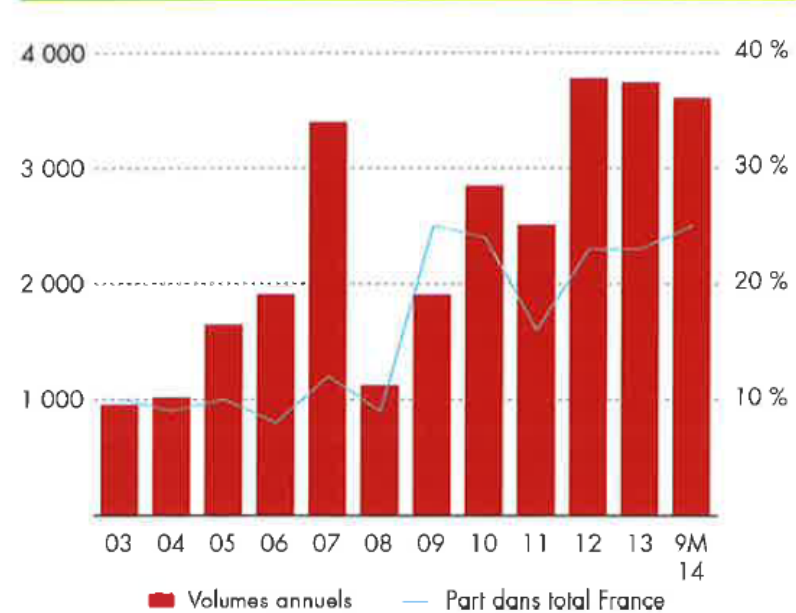
SAME TRENDS FOR RETAIL IN FRANCE

1/ Evolution of the real estate market

Quarterly investment change in standard commercial real estate in France (in billion euros)



ÉVOLUTION DES ENGAGEMENTS EN COMMERCE EN FRANCE (EN MILLIONS D'EUROS)



Total investment volume in 2014 highest since 7-year and investment in retail still very important



1 / Evolution of the real estate market

2 / Evolution of the real estate portfolio in 2014

3 / Main projects

4 / Evolution of the equity stakes/joint ventures

5 / Financing

6 / Financial figures

7 / Forecasts

Portfolio evolution

- 1 new investment: land in Charleroi
- 1 new built-to-suit: Tirou (for BNPParibas Fortis) realized in partnership
- 1 new partnership: acquisition of land in Namur (Cauchy) allowing the development of 15,000 sqm offices
- 2 disposals: sale of Luso Invest (holding Veridis building) (€ 23 M) and sale of the Galerie Bagatelle in Suresnes (€ 27M)
- Sale of participation (9.2%) in Montea for an amount of € 25 M



Consolidation of the portfolio

- New lettings or contract renewals for a total surface of nearly 12,000 sqm
- Important improvement in the occupancy rate of some offices in Belgium:
 - Alma Court: 94% (vs 77% in December 2013)
 - H5: 100% (vs 67% in December 2013)
 - Diamond: 68% (vs 60% in December 2013)
 - Arts 27: 70% (vs 59% in December 2013)
 - North Plaza: Selected by EU in final run for a LT lease (13,000 sqm)
 - Ongoing progress on Marché Saint-Germain
- Global occupancy rate of 82,1% (vs 78.8% in 2013) and important increase for offices 80,8% vs 74,3% in 2013. Over 90% if North Plaza signed



Well diversified portfolio

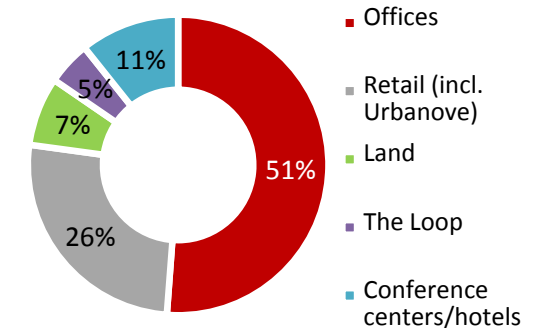
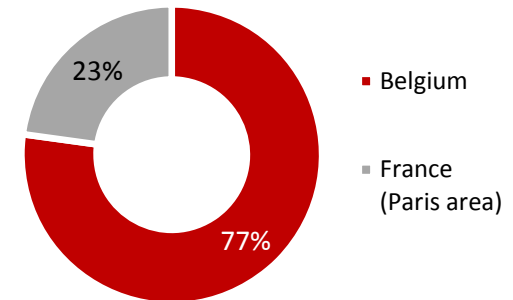
Diversified real estate portfolio

- Geographically:
 - Belgium
 - France
 - Luxemburg
- Type of segment:
 - Offices
 - Retail
 - Conference centers/hotels
- At different phases of the repositioning process :
 - Pre-development
 - Under development
 - Development finished

Real estate strategy

- Average rotation period of 5 years, which explains why Banimmo's portfolio is made of assets at different phases of the repositioning process
- Medium-sized projects: achieve diversification (+/- 75% in the € 10 -25 Mio range)

Diversification (based on total portfolio value of €335 M at 12/2014)





- 1 / Evolution of the real estate market
- 2 / Evolution of the real estate portfolio in 2014
- 3 / Main projects
- 4 / Evolution of the equity stakes/joint ventures
- 5 / Financing
- 6 / Financial figures
- 7 / Forecasts

Building of 6,685 sqm

- 6,534 sqm offices
- 151 sqm archives
- 69 parking spots

Lease contract and occupancy

- Fully let to Marsh & McLennan
- 15 years (fixed-indexed)

Delivery date

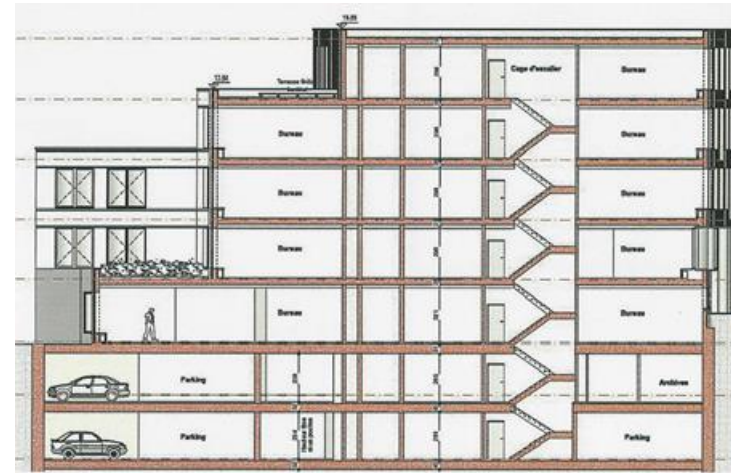
- March 2015 with final payment from acquiror

Very good accessibility

- Bus stop and underground station in front of the building
- Proximity of the ring road

Exit

- Forward sale realized in June 2014 for an amount of €23 M with capital gain. About 90% of margin booked in 2014



Building of 7,400 sqm

- 7,400 sqm offices
- 160 parking spots

Lease contract and occupancy

- Fully let to Deloitte
- 15 years (fixed - indexed)

Timing

- Permit obtained and works started this summer
- Delivery : 2015
- Expected sale: H1 2015 as exclusivity granted

Very good accessibility

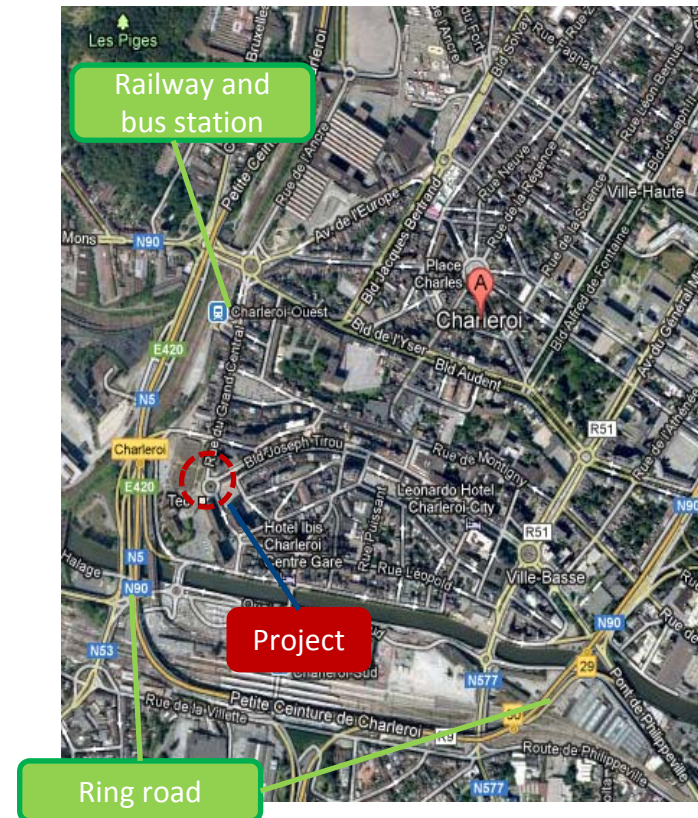
- Located on the Tetris Business Park Ghent, a site located at the intersection of the E40 and E17 motorways
- The Gent-Sint-Pieters railway station is within easy reach through a convenient tram system



3/ Main projects

BUILT-TO-SUIT CHARLEROI

- Built-to-suit in Charleroi for +/- 8,000 sqm – 75 parkings
- 15 years rental agreement (fixed - indexed) with BNPParibas Fortis
- In partnership with IRET group (50/50)
- Timing:
 - Permits obtained
 - Works started in June 2014
 - Delivery foreseen end 2015



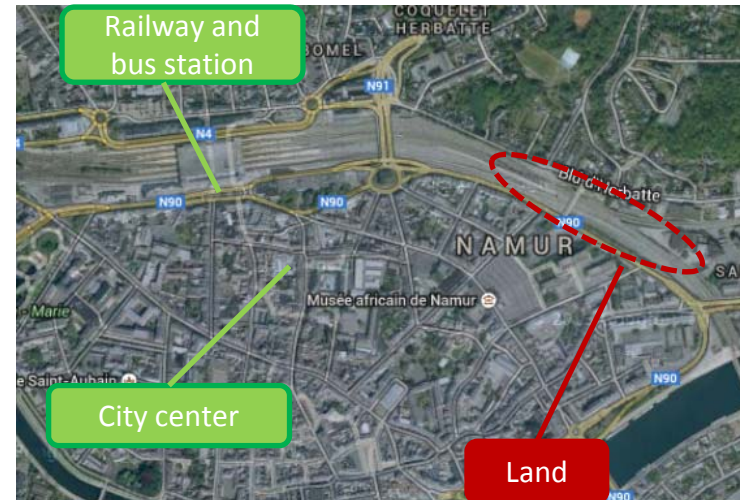
LAND PLOT in NAMUR

Description

- 52 acres land in the city center of Namur, capital of Walloon Region
- Located along the Boulevard Cauchy, close to railway and bus station
- In partnership with Thomas & Piron (50/50)

Strategy

- Permits have been obtained
- Development of 15,000 sqm offices, spread over 3 buildings (A:7,000 B:5,000 and C:3,000 sqm)
- Common basement for 150 parking spots and 50 bicycle places
- First building (3,000 sqm) let to Walloon public entity on the basis of 27 years leasehold



GHENT – MAG Outlet Centre

Scheme of 52,800 sqm

- 32,000 sqm McArthurGlen Outlet Centre
- 14,500 sqm leisure
- 6,300 sqm big box store

Scheme

- Development and investment through a joint-venture (50/50) between Banimmo and McArthurGlen
- Right to acquire land (Field 12)

Timing

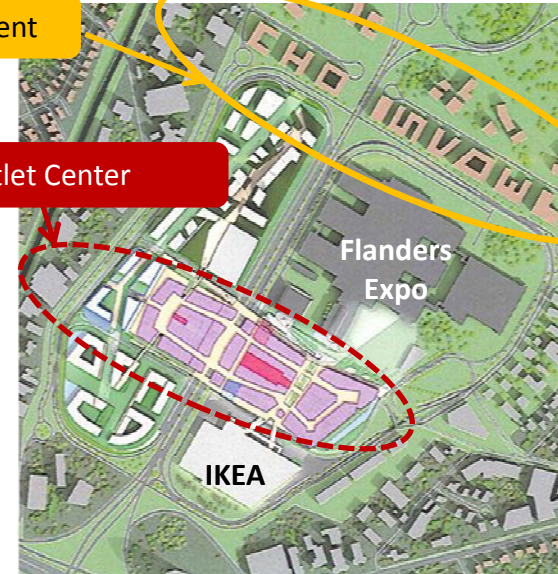
- RUP obtained – Socio economic permit granted
- Pre-development phase under way in order to fulfil conditions precedent and obtain final necessary permits
- Permit for parking granted in January 2015 with start of works mid February. Other permits to be filed. Delivery foreseen in 2017 -2018

Investment

- Total investment of about € 170-180 Mio (together with McArthurGlen)

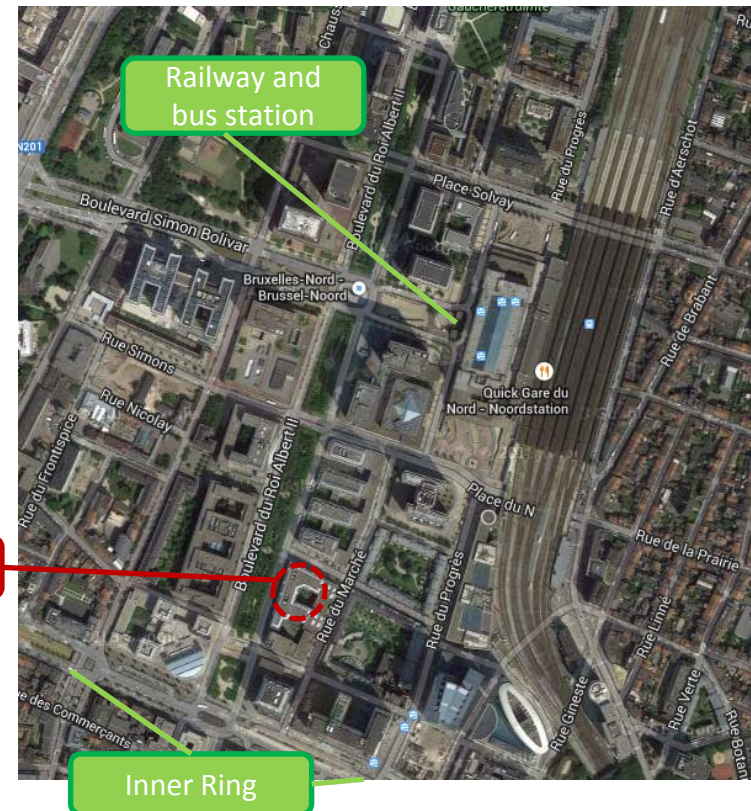
Tetris Business Park Ghent

Outlet Center



BRUSSELS – NORTH PLAZA

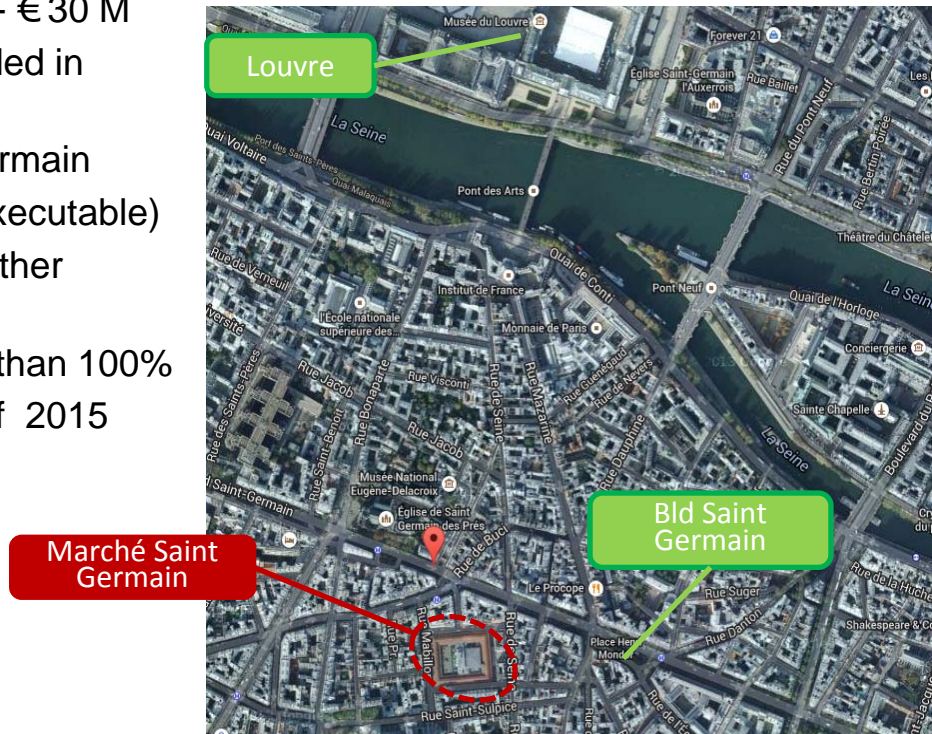
- Office building of 13,600 sqm
- Start of renovation process at the beginning of 2015
- In the framework of a tender with European Commission (15 y rental agreement), building has been retained amongst list of four buildings
- Joint offer with neighboring building of IVG
- European Commission decision for preferred bidder mid March
- Renovation work till end 2015 to meet highest standards



3/ Main projects

PARIS – MARCHÉ SAINT-GERMAIN

- Acquisition made in 2009 for an amount of +/- €30 M
- Retail gallery of 3,200 sqm that will be extended in 4,400 sqm area
- Located in 6th district of Paris, near Bld St Germain
- All necessary permits have been obtained (executable)
- Pre-letting with major international anchors either signed or under *Letter of Intent*
- Objective to increase existing rent with more than 100%
- Start of renovation process in first half-year of 2015
- End (and expected sale) at the end of 2016



PARIS – HALLE SECRETAN

- Old retail gallery of 4,200 sqm that is completely renovated
- Located in 19th district of Paris
- All necessary permits have been obtained and works have started at the end of 2013 (+/- €15 M project)
- Creation of additional surfaces by creating underground level
- Pre-letting already more than 90%
- End of renovation process in first half-year of 2015



ROCQUENCOURT

- Acquisition made in 2012 of old Mercedes Benz France headquarters (27,000 sqm)
- Located in Rocquencourt (Versailles)
- Built-to-suit (subject to financing) for large international upperscale hotel operator
- The procedure for obtaining permits is launched following the agreement of one of the four largest global hotel chains with a view to the reconversion of the site into a 4 or 5 –star hotel with more than 250 rooms.





- 1 / Evolution of the real estate market
- 2 / Evolution of the real estate portfolio in 2014
- 3 / Main projects
- 4 / Evolution of the equity stakes/joint ventures
- 5 / Financing
- 6 / Financial figures
- 7 / Forecasts

4. DIFFERENT EQUITY STAKES

Banimmo has 5 different equity stakes which are the result of a strategic decision to invest in larger projects by limiting the financial exposure. Those 5 equity stakes are:

1. Conferinvest (49%): Conference Centers
2. Urbanove (49%): 2 city center shopping mall projects
3. The Loop (25%): mixed projects in Ghent
4. *New built-to-suit in Charleroi (Tirou) 50% (See slide 3/ main projects)*
5. *Land plot in Namur (Cauchy) 50% (See slide 3/ main projects)*

Equity Stake Investments: CONFERENCE CENTRES

4/ Evolution of the equity stakes

Two Conference centres in Conferinvest (49%)

- Equity stake: 49% with 2 family offices
- Two assets:
 - Dolce La Hulpe (Brussels) : 35,977 sqm ; reconstruction in 2007; green label
 - Dolce Chantilly (Paris): 17,000 sqm; renovation in 2008
- Both with a 15 years management contract with US operator Dolce: 8 years remaining
- Dolce resorts (40 hotels worldwide) taken over by Wyndham hotels (7,400 hotels worldwide)
- Banimmo and investors underwrote the operating risk. Banimmo is asset manager for an annual fee of € 400K
- Trading performance:
 - Results for Dolce Chantilly in line in 2014 due to weak economical climate and renovation works affecting hotel capacity. Good start in 2015
 - Satisfactory level for Dolce La Hulpe due to signature of major agreement with Deloitte EMEA for next five years, guaranteeing occupancy of 50% of available corporate capacity.
- Net bank debt: € 35.2 Mio (annual debt reimbursement of €2.8 M). Refinancing underway
- Asset valuation of € 73.3 Mio *(Source CBRE Hotels London 2014)*



Equity Stake Investments: URBANOVE

4/ Evolution of the equity stakes

Two retail projects in Urbanove (49%) with Walloon public investment entities– Besix – Degroof. Major breakthru: Banimmio regained control of the 2 projects

Verviers

- Shopping mall of 29,700 sqm GLA with 1,150 parking spaces
- Catchment area: 350,000 consumers & 53,000 inhabitants
- Building permit obtained and executable since April 2014
- Complex project requiring additional contacts with local authorities beginning of March

Namur

- Shopping mall of 22,500 sqm GLA with 1,000 parking spaces
- Catchment area: 350,000 consumers & 108,000 inhabitants
- In the city center, next to the central railway station
- **PCA-R (local use plan) launched by City of Namur in April 2013 and approved by City and Region – executable since November**
- Popular consultation in February leading to roundtable organized with different stakeholders
- Support of city and regional authorities
- Pre-letting process will start with permit granting

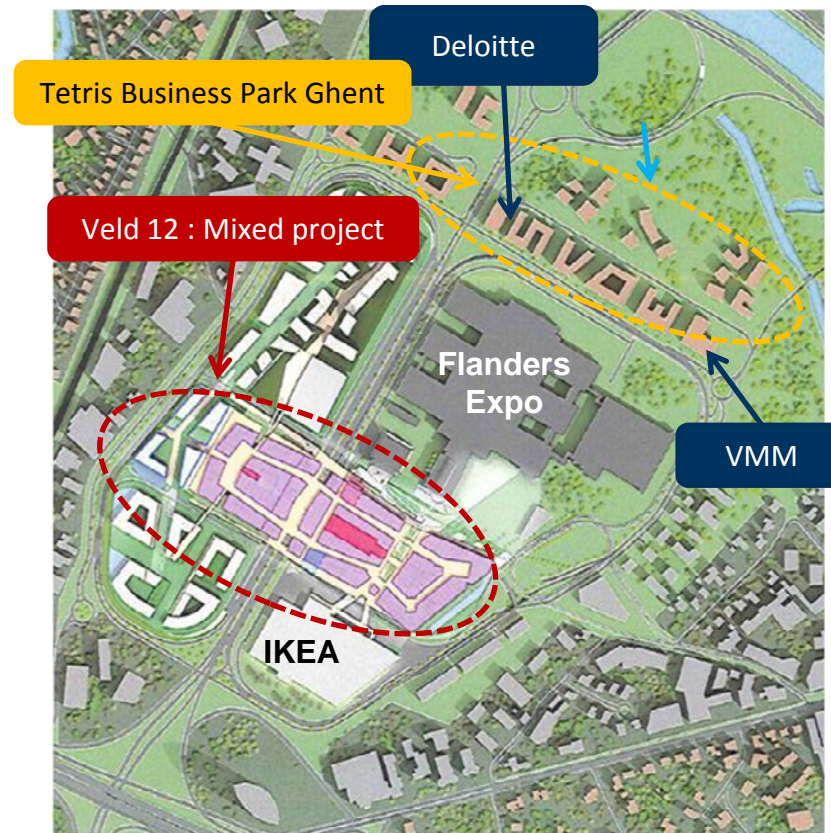


Equity Stake Investments: THE LOOP

4/ Evolution of the equity stakes

Important landbank (25%)

- Banimmo has an historical participation of 25% in Grondbank The Loop (GBTL), owner of the land
- Landbank enables development of more than 350,000 sqm in different phases over 10 years
- Land divided in several fields to be sold to developers. Banimmo is active on Tetris Business Park (Field 3 & 5) and Field 12
- Banimmo is currently involved in the development of Veld 12 (with MCArthurGlen) and Deloitte built-to-suit
- Additionally, Banimmo has launched Tetris Business Park Ghent (former Veld 5 and Veld 3)
 - After VMM-building, second built-to-suit signed with Deloitte – Third to be signed soon
 - Still about 50,000 sqm offices to be developed



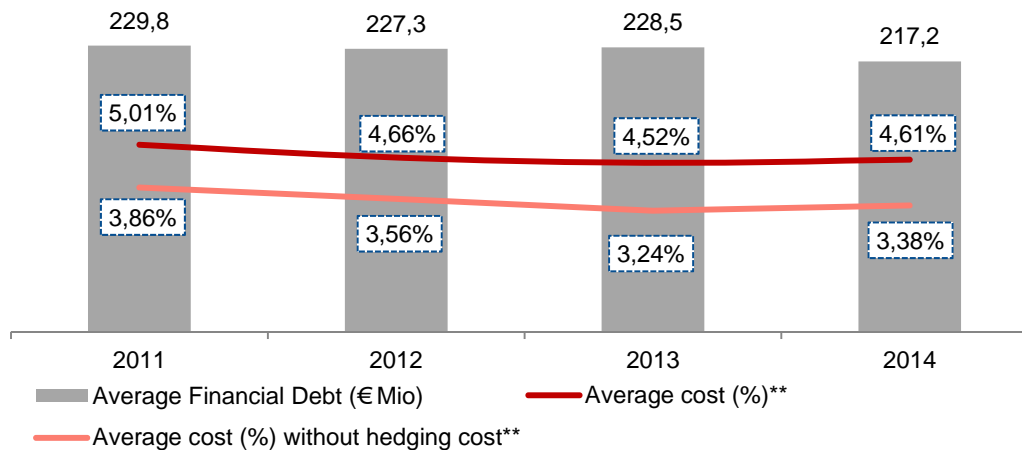
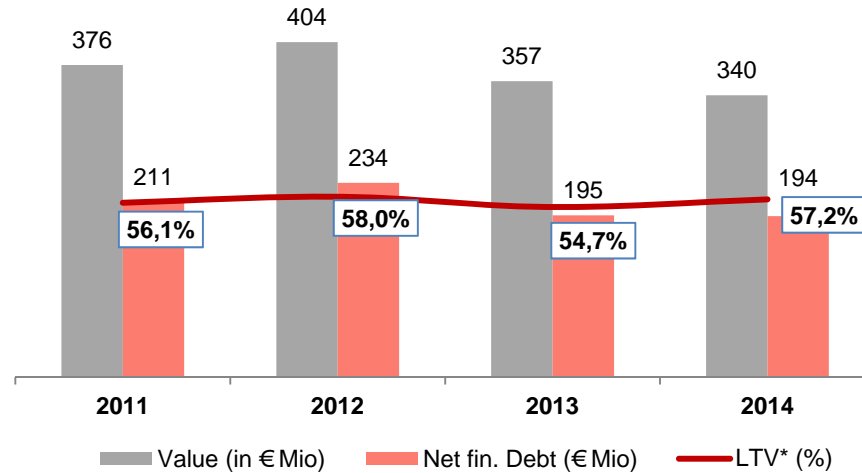
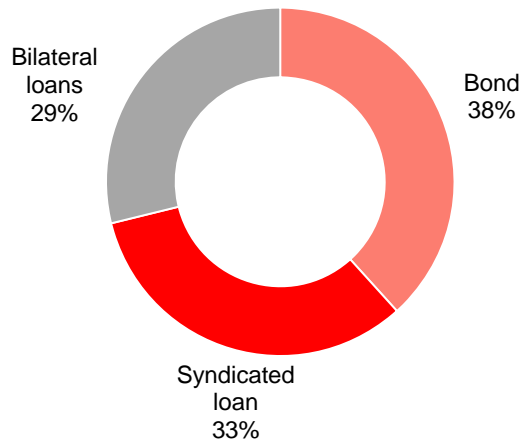


- 1 / Evolution of the real estate market
- 2 / Evolution of the real estate portfolio in 2014
- 3 / Main projects
- 4 / Evolution of the equity stakes/joint
- 5 / Financing**
- 6 / Financial figures
- 7 / Forecasts

FUNDING SOURCES -LTV EVOLUTION-FINANCING COST

5/ Financing

Funding sources(based on financial debt on 31/12/2014)



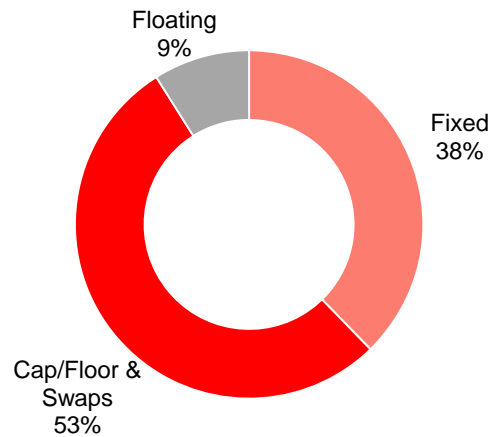
Based on 31/12/2014 figures

(*) Expressed as net financial debt on total assets (**) Without taking into account non-cash items

5/ Financing

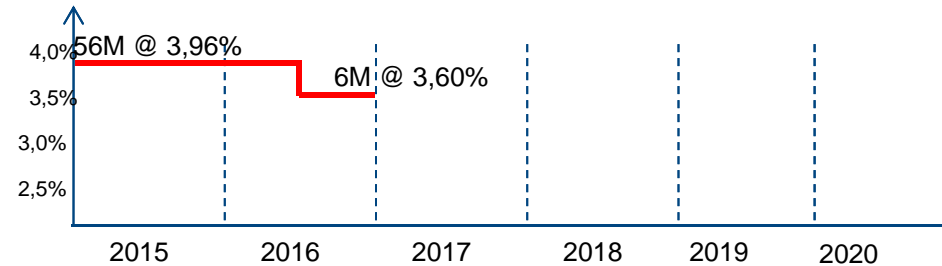
MOST OF BANIMMO'S FINANCIAL DEBT IS AT FIXED RATE OR HEDGED

Hedging and fixed-variable mix (based on hedging instruments on 31/12/2014)

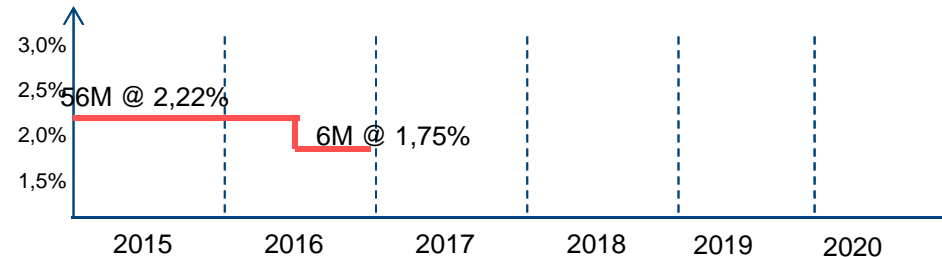


- 91% of outstanding debt (bond included) is fixed or capped, only 9% is floating
- Oldest (expensive) hedges nearly at the end (2016)
- Cost reduction of +/- € 1.2 Mio linked to end of hedging products as of 06/2016

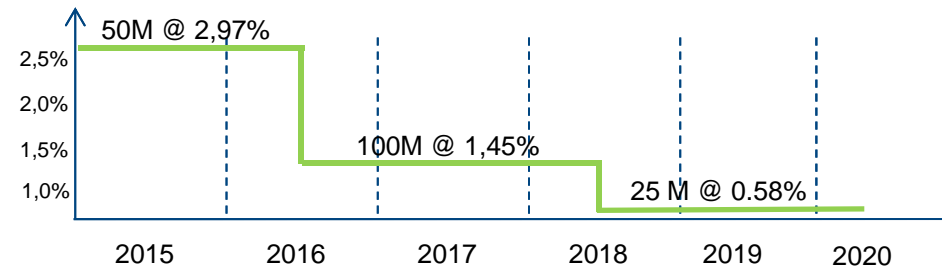
Cap evolution



Floor evolution

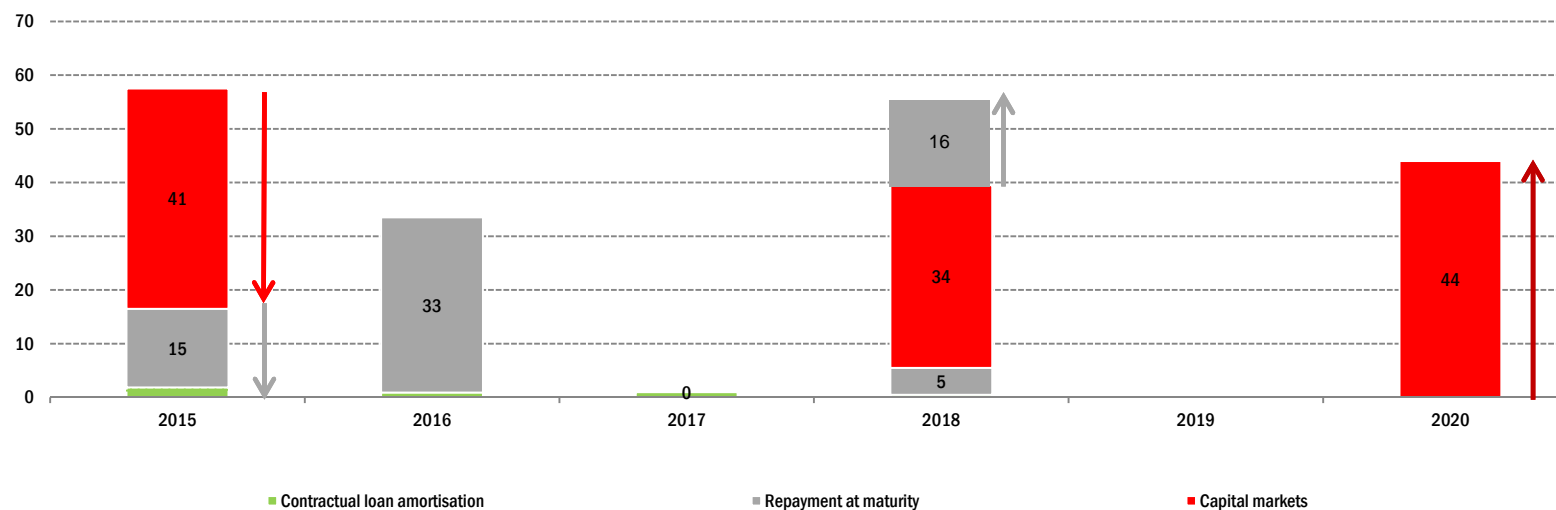


Swap evolution



IMPACT OF BOND OFFERING ON DEBT MATURITY

Debt maturity based on outstanding amount of funding sources (€ 195,8M € @ 31/12/2014)



The issuance of a private placement bond in February 2015 (€ 44 million @ 4.25%) has strengthened the capital structure by:

- Enabling the refinancing of the bond maturing in June 2015 (€ 41 million)
- Lengthening the average maturity (from 1.8 years to 3.0 years)
- Continue to diversify the funding sources and lowering financing cost

As of February 2015, all debt maturing in 2015 are refinanced. Next major maturity is the club deal maturing in September 2016



- 1 / Evolution of the real estate market
- 2 / Evolution of the real estate portfolio in 2014
- 3 / Main projects
- 4 / Evolution of the equity stakes/joint ventures
- 5 / Financing
- 6 / Financial figures
- 7 / Forecasts

Consolidated Accounts

CONSOLIDATED RESULTS

6/ Financial figures

(Mio €)	31/12/2013	31/12/14
Gross rental income	12.4	13.0
Net rental income	9.9	9.0
Other income (commissions on JV)	0.9	1.0
Share in the result of companies accounted by the equity method (cash)	(0.3)	(0.1)
Recurrent income	10.4	9.9
General and administrative costs	(7.9)	(8.4)
Recurring current result (REBIT)	2.6	1.5
Net result on sale of real estate assets (& JV)	4.6	9.0
Current result (EBIT)	7.2	10.5
Net financial costs	(5.5)	(4.8)
Earnings before taxes	1.7	5.7
Taxes	(5.9)	(2.5)
Net Current result	(4.2)	3.2
Variations of fair value on investment buildings (IAS 40) and stocks (IAS 2)	(12.3)	(4.3)
Value reduction on companies accounted by the EM	(3.2)	(4.0)
Result of reclassification of companies accounted by the EM	10.5	-
Gain/Loss and Value reduction on receivable on companies accounted by the EM	(11.5)	(4.1)
Variations of fair value on hedging instruments (IAS 39)	2.8	(0.8)
Deferred taxes	4.0	0.7
Net result	(13.9)	(9.3)



- 1 / Evolution of the real estate market
- 2 / Evolution of the real estate portfolio in 2014
- 3 / Main projects
- 4 / Evolution of the equity stakes/joint ventures
- 5 / Financing
- 6 / Financial figures
- 7 / Forecasts

- Continue letting efforts to improve global occupancy rate of offices:
 - Alma Court has occupancy of 94% → go for 100%
 - North Plaza (13,600 sqm) important tender ongoing
 - Arts 27: Increase current occupancy rate of 70% by letting last 2.5 levels
→ Objective to increase substantially occupancy rate of existing buildings
- Objective to sign a new built-to-suit on Tetris Business Park Ghent (former Loop V5) in 2015
- Progress on built-to-suit in Belgium:
 - Continue built-to-suit for Marsh with delivery March 2015
 - Continue built-to-suit for Deloitte with delivery at the end of 2015
 - Continue built-to-suit for BNPParibas Fortis with delivery at the end of 2015

- Focus on retail will persist with:
 - Completion of Secrétan commercialization with delivery in H1 2015
 - After having obtained final permits in November 2014, start of repositioning works on Saint-Germain in spring 2015 with a sale objective in late 2016.
 - Obtaining necessary permits for the McArthurGlen Design Outlet Center. First construction phase: parkings by the subsidiary Grondbank The Loop
 - Shopping projects: progress on Verviers, building-permit for Namur (expected end 2015)
 - Beginning of repositioning of income generating retail gallery in Pantin (Paris)
- Launch permit application after having signed built-to-suit agreement with hotel operator in Rocquencourt (lease agreement).
- Acquisitions:
 - None for Belgium. Focus on completion of ongoing projects.
 - 1 new retail operation in France. Negotiation ongoing.
- Sales objective of €100 to 120 million