



Half Year Results

September 2007

Agenda

- Banimmo in a nutshell
- Business model
- Real estate portfolio
- IPO - Banimmo
- Financials
- Results of Conference Centers
- Objectives of second semester 2007

Banimmo in a nutshell

- **Property company generating both capital gains and recurrent income**
 - Capital gains from 'asset redevelopment'
 - Rental income from diversified tenant base
 - Ownership / strategic management of conference centers
 - Financial income from stake in listed SICAFI Montea
 - Fee income
- **Strong track record since years**
 - More than 25 assets 'restructured' since spin-off in 2000 (3-5 assets/year)
 - Strong financial track record
 - Operation teams both in Brussels and France
- **Focus on B2B property in Belgium, France & Luxembourg**
 - Offices
 - Retail
 - Conference centers

Business model

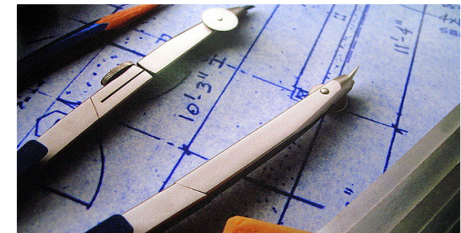
3 components



**property
repositioning**



**conference
centers**



**other
revenues**

Business model

Property repositioning



ACQUIRE
6-12 months

- Identification of inefficient asset
- Extensive due diligence (including fiscal & financial)

TRANSFORM
3-5 years

- Technical upgrading
- Commercial repositioning – improved tenant situation
- Financial & fiscal repositioning – ‘repackaging’ of asset
- Improve occupancy and lease conditions

SELL
6-12 months

- Exit timing according to portfolio approach and P&L
- No hurry in order to optimize terms and conditions

Case study

Case : heavy technical refurbishment of Brouckère Tower

- **Location**
 - Brussels downtown
- **Specifications**
 - 32,700 m²
 - 18 floors
 - 520 parking places → long lease to parking operator
- **Acquisition (1998)**
 - Long lease (→ 2066)
 - Amount : € 27.3 Mio
- **Refurbishment**
 - Progressive renovation of all floors, entrance and techniques
 - Tenants removing according to work planning (min. net income stabilized at € 1.5 Mio)
 - Invested amount : € 17 Mio
- **Results**
 - Full occupancy by mid 2006
 - Sale of 60% of the SPV to Morgan Stanley in December 2006 with call option on remaining 40%, exercised in June 2007
 - Project management contract for final work phase of € 12 Mio
 - **29% IRR**



Business model

Conference centers

- **Ownership & management of 2 conference centers**
 - acquisition of Dolce Chantilly and grand opening of Dolce La Hulpe Brussels in Jan 2007
 - 'sales & manage back': ownership + full business risk & return retained
 - day-to-day management incl. HR, IT and booking trusted to professional partner
 - 'residential conference center' concept : fully integrated hotel & catering facilities
 - 'scenic' out-of-town locations close to main cities and mass transportation
- **Management contract with Dolce International (established in 1981)**
 - 25+ residential conference centers in North America and Europe
 - base management fees + cumulative incentive fees based on financial targets (EBITDA)
- **Exposure syndicated**
 - both conference centers brought in La Hulpe Services (LHS)
 - 51% of LHS sold to private equity investors
 - Banimmo retains management control of LHS and collects management fees



Business model

Conference centers

- **High profitability**

- traditionally higher yield vs. offices
- high profitability from 'all in' & 'no surprises' pricing
- La Hulpe gaining momentum

- **Moderate risk**

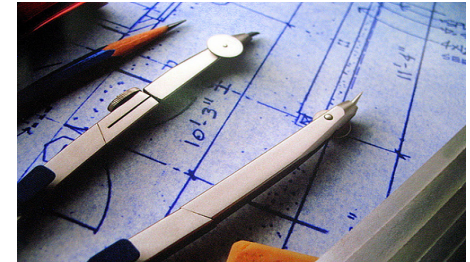
- less cyclical than traditional hotel : conference arrangements typically booked well in advance
 - 67% of Dolce budgeted rooms for 2006 already booked in Q1
 - 60-70% of mature Dolce centers is repeat business
- flexible cost base → 20-30% of staff at La Hulpe is temporary
 - Dolce reckons profitability starts at 50% occupancy
- prestigious corporate client base: McKinsey, Philips, Total, GE...
- exposure shared with third party investors while retaining strategic & recurrent fee



Business model

Other revenues

- **Commissions for managing Joint Ventures (JV)**
 - La Hulpe Services (02. 2007)
 - JV with Pramerica (US Prudential Group) to develop retail assets portfolio (planned for 09.2007)
- **Recurrent income gaining momentum**
 - Additional JV's targeted in 2008-2009
 - Acquisition of an additional Dolce center under negotiations
 - Higher dividends from Montea
 - € 0.4 mio interim dividend paid in 2007
 - € 0.7 mio in 2008 (e)*
 - € 0.9 mio in 2009 (e)*
 - Higher dividends from Devimo



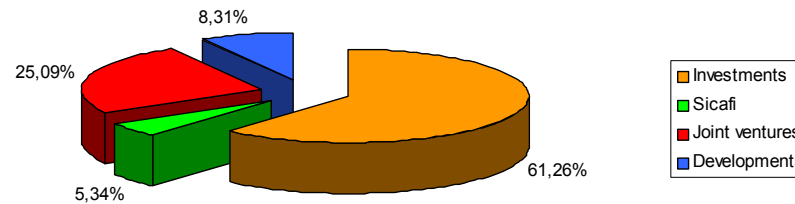
➔ **expected higher share of dividend/fee income**

* source: ING Belgium

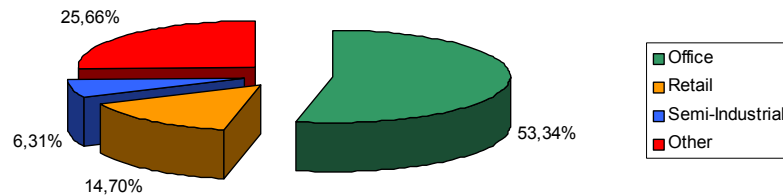
Real estate portfolio

Portfolio diversification

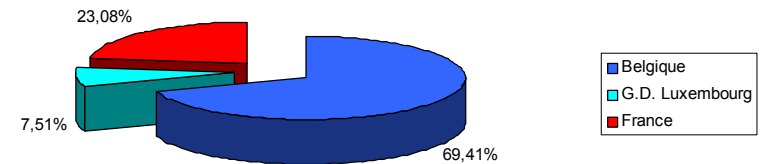
PORTFOLIO BY INVESTMENT TYPE



PORTFOLIO BY PROPERTY TYPE

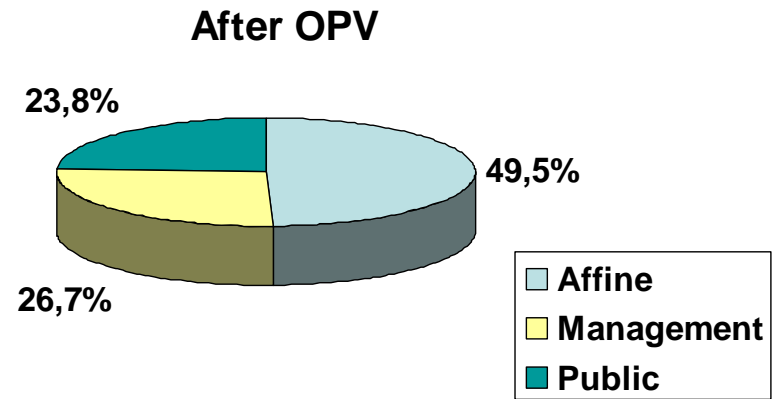
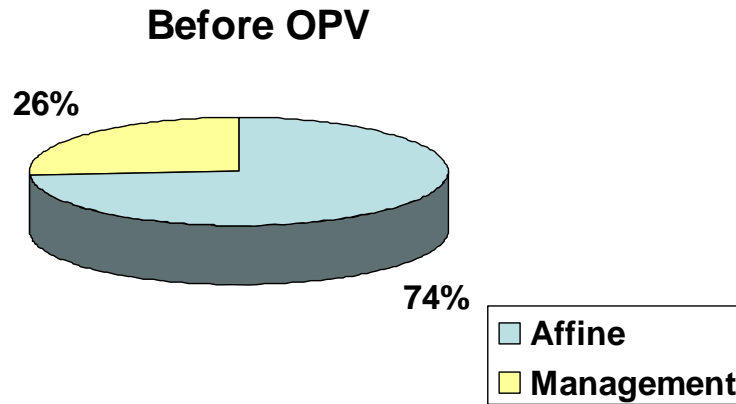


PORTFOLIO BY LOCATION



IPO - Banimmo

- IPO closed on June 26, 2007 – 1,4 oversubscribed
- Market capitalisation € 222 M (share price €19,50)
- Share holder's composition (on 31st July)



- Important financial resources to achieve target of €500 M portfolio under management
 - New shares issued: + €57 M
 - Confirmed bank credit lines: €215 M - € 25 M for JV
 - Joint Venture on conference center: €100 - €150 M
 - Joint Venture on retail centers with Pramerica: €200 M

Financials

Income statements (IFRS)

€ '000	2004	2005	2006
Net lease revenues	14,741	15,220	16,675
Group's share in other operating revenues	344	764	1,325
Other revenues (fees for JV)	18	17	334
Recurring revenues	15,103	16,001	18,334
Operating costs	(6,120)	(7,244)	(8,118)
Other revenues	-	-	540
(Recurring operating results) REBIT	8,983	8,757	10,756
Net capital gains on disposal	18,189	4,049	23,348
EBIT	27,172	12,806	34,104
Net financial charges	(6,240)	(5,507)	(5,522)
EBT	20,932	7,299	28,582
Taxes	(7,170)	(2,089)	(2,195)
Net economical result	13,762	5,210	26,387
Non realized gains (losses) IFRS	(189)	(463)	(3,630)
Net result	13,572	4,747	22,757
Result from withdrawn activity	932	-	-
Final result	14,505	4,747	22,757

Financials

Half Year Results (in €K)

	30/06/2007	30/06/2006
Net lease revenues	5.196	8.469
Group share in operating revenues	183	82
Other revenues (fees)	596	24
Recurring Income	5.975	8.575
Operating costs	-3.727	-3.453
Other revenues	0	540
REBIT	2.248	5.662
Net capital gains on disposal	12.891	3.328
Economical Result (EBIT)	15.139	8.990
Net fin charges	-3.842	-3.395
EBT	11.297	5.595
Taxes (cash)	97	-998
Net economical result	11.394	4.597
Non realized gains		
Portfolio	2.768	1.111
Hedges	1.434	825
Differed taxes	-531	-799
Net result	15.065	5.734

Financials

Key Events (K €)

- **Net Leases : decrease from €8.469 to €5.196**

Reason :

- change of perimeter : Brouckère Blue Star ⇒ € 3300 K
- shift net lease to dividend in logistic assets (€ 366 K)

Excellent lease up activity during H1: 9.453 m² in office
5.856 m² in warehouse (building ABC)
€ 1,800 K annual income (perimeter unchanged)

Q3 : 6100 m² office in negotiation

- **Group share in other operating companies: €183 K versus €82 K**

Composition :

- JMC : € 130 K
- Devimo : € 345 K
- Jardin des Quais : - € 166 K
- La Hulpe/Chantilly : - € 11 K

Mixed result :

- Dolce : substantial deductions for property depreciation and La Hulpe not yet fully contributing
- Jardin des Quais : proceeding through the repositioning till mid 2008

Financials

Key Events (K €)

- **Other Revenues : €596 K versus €24 K**

- Conference Center

- Pramerica

- will further increase as number of Joint Venture grows

- **Capital Gains : €12.891 K versus €3.328 K**

- Transactions:** 40% Brouckère Tower

- 51% sale of pool of conference centers (new JV)

- 100% land in Gosselies

- Still one to come

- Objective of €20.000 K likely to be achieved**

- **Financial charges : positive impact of capital increase not reflected yet**

- **Taxes (current taxes) : minimal**

- by year end, will remain in line with previous years**

Financials

Key P/L Ratios

	30/06/2007	30/06/2006
Leverage (net debt/net worth)	45%	N.A.
Net economical result per share	€ 1,32	€ 0,53
Cash flow per share	€ 1,33	€ 0,54
Net (accounting) result per share	€ 1,74	€ 0,66

Results of Conference Centers

- **Strong EBITDA generation with Chantilly on track and a excellent start of La Hulpe**
- **IAS rules does not allow to reflect full contribution of those assets**
 - ⇒ not reevaluated at market value
 - ⇒ recorded at cost and depreciated
- **Dolce La Hulpe supporting one-off opening costs : €700 K (100%)**
- **Partial renovation of Dolce Chantilly started in July**

Results of Conference Centers

Key indicators (€K) 100% base

	Dolce La Hulpe (4 months)	Dolce Chantilly	Total
Sales	6.163	8.405	14.568
Ebitda	965	2.010	2.975
Occupancy	46,3% Start Up	71,1% Cruising Level	
Revenue per available room (revpar)	65,39 €	95,44 €	
Budgeted revpar	55,64 €	95,28 €	

Objectives of second semester 2007

- **Finalize sale of a third asset**
- **Focus on portfolio expansion thru acquisitions**
 - ⇒ 4 acquisitions in negotiation
some other in pipeline
 - Objective : close € 40 Mio of acquisitions in 2007
 - ⇒ bid made for one new conference center
- **Result : IPO objective likely to be met**
- **Dividend objective (€13 Mio or €1,15 per share) likely to be met**



turning obsolescence to state-of-the-art **real estate**