I M M O B E L

Annual Accounts
as of 3 1-12-2012

Contents

Consolidated statement of comprehensive income

in thousands of EUR

	Notes	31-12-2012	31-12-2011
OPERATING INCOME		**133 706**	**81 146**
Turnover	2	126 771	76 101
Other operating income	3	6 935	5 045
OPERATING EXPENSES		**-114 319**	**-58 556**
Cost of sales	4	-95 135	-42 479
Personnel expenses	5	-7 999	-7 097
Amortisation, depreciation and impairment of assets (including reversals)	6	- 675	614
Change in the fair value of investment property	13	377	6
Other operating expenses	7	-10 887	-9 600
OPERATING RESULT		**19 387**	**22 590**
Interest income		465	284
Interest expense		-6 529	-5 221
Other financial income		57	14
Other financial expenses		- 784	- 501
FINANCIAL RESULT	8	**-6 791**	**-5 424**
Share in the result of investments in associates	14	23	305
RESULT FROM CONTINUING OPERATIONS BEFORE TAXES		**12 619**	**17 471**
Income taxes	9	- 910	-1 297
RESULT FROM CONTINUING OPERATIONS		**11 709**	**16 174**
RESULT OF THE YEAR		**11 709**	**16 174**
Share of non-controlling interests		-10	- 10
SHARE OF IMMOBEL		**11 719**	**16 184**

RESULT OF THE YEAR		**11 709**	**16 174**
Other comprehensive income - items subject to subsequent recycling in the income statement		**827**	**- 418**
Currency translation		1 083	- 418
Currency translation - recycling in the income statement		- 256	0
Other comprehensive income - items that are not subject to subsequent recycling in the income statement		**- 304**	**59**
Actuarial gains and losses (-) on defined-benefit plans		- 304	59
Deferred taxes		**-**	**-**
TOTAL OTHER COMPREHENSIVE INCOME		**523**	**- 359**
COMPREHENSIVE INCOME OF THE YEAR		**12 232**	**15 815**
Share of non-controlling interests		- 10	- 10
SHARE OF IMMOBEL		**12 242**	**15 825**

NET RESULT PER SHARE (EUR) (DILUTED AND BASIC)	**10**	**2,84**	**3,93**
COMPREHENSIVE INCOME PER SHARE (EUR) (DILUTED AND BASIC)		**2,97**	**3,84**

Consolidated statement of financial position

in thousands of EUR

ASSETS	Notes	31-12-2012	31-12-2011
NON-CURRENT ASSETS		**7 693**	**5 844**
Intangible assets	11	36	47
Property, plant and equipment	12	1 255	1 214
Investment property	13	2 663	2 286
Investments in associates	14	1 069	1 254
Financial assets available for sale	15	1 300	77
Deferred tax assets	16	1 117	717
Other non-current assets		253	249
CURRENT ASSETS		**409 874**	**400 954**
Inventories	17	359 924	327 863
Trade receivables	18	12 816	10 956
Tax receivables	9	376	5
Other current assets	19	9 840	15 166
Cash and cash equivalents	20	26 918	46 964
TOTAL ASSETS		**417 567**	**406 798**

EQUITY AND LIABILITIES	Notes	31-12-2012	31-12-2011
TOTAL EQUITY	21	**187 811**	**182 792**
EQUITY SHARE OF IMMOBEL		**187 855**	**182 825**
Share capital		60 302	60 302
Retained earnings		127 024	122 517
Reserves		529	6
Non-controlling interests		**- 44**	**- 33**
NON-CURRENT LIABILITIES		**136 144**	**112 644**
Employee benefit obligations	22	605	299
Provisions	23	11	2 997
Financial debts	20	135 528	109 348
CURRENT LIABILITIES		**93 612**	**111 362**
Provisions	23	1 785	1 479
Financial debts	20	51 788	74 330
Trade payables	24	21 509	20 883
Tax liabilities	9	1 424	1 476
Derivative financial instruments	20	2 132	1 807
Other current liabilities	25	14 974	11 387
TOTAL EQUITY AND LIABILITIES		**417 567**	**406 798**

Consolidated statement of cash flow

in thousands of EUR

	Notes	31-12-2012	31-12-2011
Operating result		19 387	22 590
Amortisation, depreciation and impairment of assets	6	675	- 614
Change in the fair value of investment property	13	- 377	- 6
Change in provisions	7 - 23	-2 678	- 872
Disposal of participating interests		-	59
CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL		**17 007**	**21 157**
Change in working capital	26	-21 725	-89 935
CASH FLOW FROM OPERATIONS BEFORE PAID INTERESTS AND PAID TAXES		**-4 718**	**-68 778**
Paid interests	8	-10 016	-4 997
Paid income taxes	9	-1 733	- 490
CASH FROM OPERATING ACTIVITIES		**-16 467**	**-74 265**
Disposal of associates	14	220	241
Repayment of capital and dividends collected from associates		-	6 509
Acquisitions of intangible, tangible and other non-current assets		- 286	- 144
CASH FROM INVESTING ACTIVITIES		**- 66**	**6 606**
Increase in financial debts	20	81 442	90.922
Repayment of financial debts	20	-77 804	-5 424
Interest received	8	465	284
Other financing cash flows	8	- 403	- 246
Gross dividend paid		-7 213	-5 152
CASH FROM FINANCING ACTIVITIES		**-3 513**	**80 384**
NET INCREASE OR DECREASE (-) IN CASH AND CASH EQUIVALENTS		**-20 046**	**12 725**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**46 964**	**34 239**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**26 918**	**46 964**

Acquisitions and sales of projects, either directly or indirectly through the acquisition or the sale of project company, are not considered as investing activities and are directly included in the cash flows from the operating activities.

Consolidated statement of changes in equity

in thousands of EUR

	Capital	Retained earnings	Currency translation	Reserve for defined benefit plans	Equity to be allocated to the Group	Non Controlling interests	Total equity
2011							
Balance as at 01-01-2011	**60 302**	**111 485**	**0**	**365**	**172 152**	**- 23**	**172 129**
Total comprehensive income for the year		16 184	- 418	59	15 825	- 10	15 815
Dividends paid		-5 152			-5 152		-5 152
Changes in the year		**11 032**	**- 418**	**59**	**10 673**	**- 10**	**10 663**
Balance as at 31-12-2011	**60 302**	**122 517**	**- 418**	**424**	**182 825**	**- 33**	**182 792**
2012							
Balance as at 01-01-2011	**60 302**	**122 517**	**- 418**	**424**	**182 825**	**- 33**	**182 792**
Total comprehensive income for the year		11 719	827	- 304	12 242	- 10	12 232
Dividends paid		-7 213			-7 213		-7 213
Other		1			1	- 1	
Changes in the year		**4 507**	**827**	**- 304**	**5 030**	**- 11**	**5 019**
Balance as at 31-12-2012	**60 302**	**127 024**	**409**	**120**	**187 855**	**- 44**	**187 811**

Following the merger on 23rd May 2012 between IMMOBEL and Immobiliën Vennootschap van Vlaanderen, known for short as "INVESTIMMO", the registered capital is represented by 4,121,987 shares.

A dividend of 5,771 KEUR, corresponding to 1,40 EUR gross per share, was proposed by the Board of Directors of 11 March 2013 and will be submitted to the Shareholder's approval at General Assembly of Shareholders of 23 May 2013. The appropriation of the result has not been accounted for in the consolidated financial statements as per 31 December 2012.

Accounting Principles and Methods

1. General information
IMMOBEL (hereafter named the "Company") is a limited company incorporated in Belgium. The address of its registered office is Rue de la Régence 58 at 1000 Brussels.

2. Statement of compliance with IFRS
The consolidated financial statements have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union. The Board of Directors settled the consolidated financial statements and approved their publication on 11th March 2013.

Standards and interpretations applicable for the annual period beginning on 1 January 2012
- Amendments to IFRS 7 *Financial Instruments: Disclosures – Transfers of Financial Assets* (applicable for annual periods beginning on or after 1 July 2011)

Standards and interpretations published, but not yet applicable for the annual period beginning on 1 January 2012
- IFRS 9 *Financial Instruments* and subsequent amendments (normally applicable for annual periods beginning on or after 1 January 2015)
- IFRS 10 *Consolidated Financial Statements* (applicable for annual periods beginning on or after 1 January 2014)
- IFRS 11 *Joint Arrangements* (applicable for annual periods beginning on or after 1 January 2014)
- IFRS 12 *Disclosures of Interests in Other Entities* (applicable for annual periods beginning on or after 1 January 2014)
- IFRS 13 *Fair Value Measurement* (applicable for annual periods beginning on or after 1 January 2013)
- IAS 27 *Separate Financial Statements* (applicable for annual periods beginning on or after 1 January 2014)
-IAS 28 *Investments in Associates and Joint Ventures* (applicable for annual periods beginning on or after 1 January 2014)
- Improvements to IFRS (2009-2011) (normally applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IFRS 1 *First Time Adoption of International Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters* (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IFRS 1 *First Time Adoption of International Financial Reporting Standards – Government Loans* (normally applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IFRS 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IFRS 10, IFRS 11 and IFRS 12 – *Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance* (applicable for annual periods beginning on or after 1 January 2014)
- Amendments to IFRS 10, IFRS 12 and IAS 27 – *Consolidated Financial Statements and Disclosure of Interests in Other Entities: Investment Entities* (applicable for annual periods beginning on or after 1 January 2014)
- Amendments to IAS 1 *Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income* (applicable for annual periods beginning on or after 1 July 2012)
- Amendments to IAS 12 *Income Taxes – Deferred Tax: Recovery of Underlying Assets* (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IAS 19 *Employee Benefits* (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IAS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities* (applicable for annual periods beginning on or after 1 January 2014)
- IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* (applicable for annual periods beginning on or after 1 January 2013)

Application of IFRS 11 will result in review of the classification of interests in joint ventures. Joint ventures, currently consolidated applying the proportionate consolidation method will be consolidated using the equity method, which result in a decrease of the amounts of inventories and liabilities in the balance sheet.

3. Preparation and presentation of the financial statements

The consolidated financial statements are presented in thousands of EUR.
They are prepared on the historical cost basis, except for investment property, securities held for trading, available-for-sale securities and derivative financial instruments which are measured at fair value.

4. Consolidation rules

The consolidated financial statements include the financial statements of the Company and its subsidiaries, as well as interests in joint ventures consolidated using the proportionate method and in associated companies accounted for using the equity method. All intragroup balances, transactions, revenue and expenses are eliminated.

Subsidiaries

Subsidiaries are companies controlled by the Group. Control is defined as the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. Control is presumed to exist when the Group holds more than half of the voting rights, directly or indirectly.
The financial statements of subsidiaries are included in the consolidated financial statements from the date when control begins until the date when control ends.

Interests in joint ventures

A joint venture is a contractual agreement whereby the Group and one or several parties agree to undertake an economic activity under joint control. The joint venture agreement generally results in the creation of one or more distinct jointly controlled entities.
The Group consolidates its interests in joint ventures applying the proportionate consolidation method until the date when joint control ends.

Interests in associates

Associates are entities over which the Group has significant influence through its participation in their financial and operating policy decisions. They are neither subsidiaries, nor joint ventures of the Group.
Significant influence is presumed if the Group, directly or indirectly, holds 20 % or more but less than 50 % of the voting rights through its subsidiaries.
Interests in associates are accounted for in the consolidated financial statements using the equity method, from the date when significant influence begins until the date when it ends. The book value of interests is decreased, if applicable, so as to record any impairment of individual interests.

Different reporting dates

The financial statements of subsidiaries, joint ventures and associates with reporting dates other than 31 December (reporting date of the Company) are adjusted so as to take into account the effect of significant transactions and events that occurred between the reporting date of the subsidiary, joint venture or associate and 31 December. The difference between 31 December and the reporting date of the subsidiary, joint venture or associate never exceeds 3 months.

Business combinations and goodwill

Goodwill

Goodwill represents the excess of the price of the business combination over the Group's share in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired entity at the date of acquisition. Goodwill is reported as an asset and is not amortised but annually subject to an impairment in value test at reporting date (or more frequently if there are indications of loss in value). Impairment losses are recognised immediately under income and are not reversed in subsequent periods.
Goodwill resulting from the acquisition of an associate is included in the book value of the associate. Goodwill resulting from the acquisition of subsidiaries and joint ventures is presented separately in the balance sheet.
On disposal of a subsidiary, a joint venture or an associate, the book value of the goodwill is included so as to determine the profit or loss on the disposal.

Negative goodwill

Negative goodwill represents the excess of the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, a joint entity or an associate over the price of business combination at the date of acquisition. To the extent that a surplus subsists after review and re-evaluation of the values, the negative goodwill is immediately recognised in profit and loss.

5. Foreign currencies

Translation of financial statements of foreign entities

The balance sheets of foreign companies are translated in EUR at the official year-end exchange rate and income statements are translated at the average exchange rate for the financial year.
Translation differences resulting therefrom are included under shareholders' equity under "translation differences". Upon disposal of an entity, translation differences are recognised in profit and loss.

Transactions in foreign currencies in Group companies

Transactions are first recorded at the exchange rate prevailing on the transaction date. At each end of the financial year, monetary assets and liabilities are converted at the exchange rates on the balance sheet date. Gains or losses resulting from this conversion are recorded as financial result.

6. Intangible assets

Intangible assets are recorded in the balance sheet if it is likely that the expected future economic benefits which may be allocated to assets will flow to the entity and if the cost of the assets can be measured reliably.
Intangible assets are measured at cost less accumulated amortisation and any impairment losses.
Intangible assets are amortised using the straight-line method on the basis of the best estimate of their useful lives. The amortisation period and method are reviewed at each reporting date.

7. Tangible assets

Tangible assets are measured at cost less accumulated depreciation and any impairment losses. Fixed assets are depreciated prorata temporis on a straight-line basis over their useful lives. Useful lives have been determined as follows :
- buildings : 20 to 50 years,
- furniture and equipment : 3 to 10 years,
- right of building, emphyteutic lease or long lease : according to the duration of the right or the life span of the related asset, whichever is shorter,
- installations, complexes, machinery and specific equipments : 5 to 20 years.

Land has an unlimited useful life and therefore it is not depreciated.
Subsequent expenses related to tangible assets are only capitalised if it is likely that future economic benefits associated with the item will flow to the entity and if the cost of the item can be measured reliably.
Buildings under construction for manufacturing, leasing or administrative purposes are recorded at cost less any impairment loss. Depreciation of these assets begins when the assets are ready to be used.

8. Investment property

Investment property is measured in accordance with the fair value model of IAS 40 - *Investment property.* It represents real property (land and/or buildings under construction or available) held by the Group so as to earn rent and/or create value for property rather than use or sell it. Investment property (under construction) is initially measured at cost and subsequently carried at fair value. Any change in fair value is directly recognised in the income statement.

9. Leases

The Group distinguishes finance leases and operating leases by determining if objective criteria indicate that the major part of the value of the asset will be used by the group:

- because the present value of the lease payments approximates the majority of the fair value of assets,
- because the lease period covers the major part of the useful life of the asset
- because the Group has a pruchase option for a price lower than the estimated value of the asset at the exercise date
- based on other indicators

Finance lease
Assets held by the Group under finance lease are initially recognised at their fair value or at the present value of the minimum lease payments, whichever is lower. The corresponding obligation to the lessor regarding this asset is included in the balance sheet as a finance lease obligation.
Lease payments are apportioned between financial expenses and the decrease in lease obligation at a constant interest rate with respect to the remaining debt balance. Financial expenses are directly recognised in profit and loss. Assets held under finance leases are depreciated on a straight-line basis over their expected useful lives or the lease term, whichever is shorter.

Operating lease
Lease payments under an operating lease are recognised as expenses in the income statement on a straight-line basis over the lease term.

10. Financial instruments
Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Trade receivables
Short term trade receivables are measured at nominal value less appropriate allowances for estimated irrecoverable amounts. An assessment of the permanent character of doubtful trade receivables is carried out and any write-downs are recorded.

Cash and cash equivalents
Cash includes cash on hand and demand deposits (deposits of less than 3 months). Cash equivalents are very short term, highly liquid investments that are subject to an insignificant risk of change in value.
Cash and cash equivalents are carried in the balance sheet at amortized cost.

Cash flows
Cash flows are inflows and outflows of cash and cash equivalents.
Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities. Acquisitions and sales of projects, either directly through the purchase of sale of assets, or indirectly through the acquisition or sale of project companies, are considered as operating activities and are presented as part of the cash flows from operating activities.
Investing activities are the acquisition and disposal of longterm assets and other investments not included in cash equivalents.
Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.
The classification of cash outflows resulting from acquisition of project companies as operating cash flows resulted in an impact of 23.870 KEUR (see note 31).

Shareholders' equity
Issue costs that may be directly allocated to an equity transaction are recorded as a deduction from equity. As a consequence, capital increases are recorded at the proceeds received, net of issue costs. Similarly, equity transactions on own participation are recognised directly under shareholders' equity.

Bank borrowings and overdrafts
Interest-bearing bank borrowings and overdrafts are recorded at the cash amount, less any transaction costs. After the initial recording they are measured at amortised cost. Any difference between the received consideration and the expected exit value is recognised under income over the term of the borrowing using the effective interest rate.
Trade payables
Short-term trade payables are recorded at their nominal value.

Derivative financial instruments and hedging transactions
Derivative financial instruments are initially measured at cost and subsequently carried at their fair values. The method of recognising the unrealised result from derivatives depends on the nature of the hedged item. On the date a derivative contract is entered into, the instrument is designated either as a hedge of

the fair value of recognised assets or liabilities (fair value hedge) or as a hedge of future cash flows (cash flow hedge). Changes in the fair value of derivative financial instruments designated as fair value hedge are recorded in profit and loss, in addition to the changes in the fair value of the hedged asset or liability. With respect to cash flow hedges, the changes in the fair value are recognised in the other elements of comprehensive income. The ineffective hedging portion is recorded directly in profit and loss.
The changes in the fair value of derivative instruments that do not meet the hedge accounting requirements are recognised directly under income.

11. Construction contracts – Real Estate Development
Contract proceeds and costs are recognised according to the stage of completion of the contract based on the cost method (the relation between the costs already accrued for work performed and the total estimated contract costs) excluding the costs that do not reflect the work performed (land costs, goodwill allocated to the land, installation costs, etc.).
Contract proceeds include the amounts agreed to in the initial contract and in its amendments, indemnities, and other bonuses and incentive payments, if it is likely that they will be acquired and if they can be reliably measured.
Contract costs include costs that relate directly to the specific contract, expenses that may be allocated to contract activity in general and that may be reasonably allocated to the contract, and other similar costs that may be specifically invoiced to the customer under the terms of the contract.
If it seems that total contract costs will exceed total contract proceeds, the expected loss is immediately recognised as an expense.
Interests during construction are capitalised, for the projects started after 1 January 2009.

12. Inventories
Inventories are measured at cost or net realisable value, whichever is lower.
The acquisition cost of purchased goods includes acquisition cost and incidental expenses. For finished goods and work in progress, the costprice takes into account direct expenses and a portion of production overhead without including administrative and financial expenses. Interests during construction are capitalised, for the projects started after 1 January 2009.
When specific identification is not possible, cost is determined using the weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to make the sale. The impairment in value or loss on inventories to bring them to their net realisable value is recognised as an expense in the year when the impairment in value or loss occurs.

13. Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, when it is likely that an outflow of resources will be necessary to settle the obligation and when a reliable estimate of the amount of the obligation can be made.
The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation if necessary.

Warranties
A provision for warranties is made when underlying products or services are sold. The measurement of the provision is based on historical data and by weighing all possible outcomes to which probabilities are associated (expected value method).

Contingent Liabilities and Contingent Assets
Contingent liabilities, which occurrence is not probably, are not recognized as a provision and are mentioned in the notes to the financial statements, provided that the risk is significant.
Contingent assets are not recognized in the financial statements.

14. Post-employment benefits
The current post employment benefit plan of the Group is a defined benefit plan.
For such a plan, the cost of corresponding commitments is determined using the Projected Unit Credit Method, with present values being calculated at year end.
The amount recognised in the balance sheet represents the present value of commitments in terms of the defined benefit pension plans, less the fair value of plan assets and costs of rendered services not yet

recognised. Any asset resulting from this calculation is limited to the present value of possible payments for the Group and the decreases in future contributions to the plan.
Actuarial gains and losses are directly recorded in the other elements of comprehensive income and are presented in the statement of comprehensive income.

15. Grants related to assets or Investment Subsidies
Received government grants related to assets or investment subsidies are recognised in the balance sheet (presented under other long-term liabilities or other short-term liabilities) as deferred income. They are recognised as income in the same way as the asset margin to which they relate.

16. Revenue
Group revenue comes mainly from Real Estate Development activities (including Project Management services) and also from lease agreements.
Revenue from Real Estate Development activities is measured at the fair value of the consideration received or receivable.
To the extent that the sale contract contains several distinct parts and whose delivery is separate, the different parts are recognised separately for the proceeds of the sale.
To the extent that the contract of sale of a property development (or part of this contract) qualifies as a construction contract, the proceeds of the sale is recognized at the advancement of the project, as detailed in paragraph 11.
To the extent that the sale contract of a property development (or part of this contract) does not qualifies as a construction contract, the proceeds of the sale is recognised at delivery, unless the contract states that there is continuing transfer of ownership in order to be possible to recognise the revenue of the sale over the period of the transfer of ownership, or at the advancement of the project.
With respect to operating leases, rent is recognised under income on a straight-line basis over the term of the lease, even if payments are not made on this basis. Lease incentives granted by the Group in negotiating or renewing an operating lease are recognised as a reduction of the lease income on a straight-line basis over the term of the lease. Rent income are presented as other operating income in the consolidated statement of comprehensive income.

17. Expenses
Impairment in value of assets
The carrying amount of non-current assets (other than financial assets in the scope of IAS 39, deferred taxes and non-current assets held for sale) is reviewed at the end of each reporting period in order to determine if an indication exists that an asset has impaired. If such indication exists, the recoverable amount is then determined. Regarding intangible assets with indefinite useful lives and goodwill, the recoverable amount is estimated at the end of each reporting period. An impairment loss is recognized if the carrying amount of the asset or the cash-generating unit exceeds its recoverable amount. Impairment losses are presented in the income statement.
When the recoverable amount cannot be individually determined for an asset, including goodwill, it is measured at the level of the cash generating unit to which the asset belongs.
The revoverable amount of receivables and investments of the company held to maturity is the present value of the future cash flows, discounted at the original effective interest rate inherent to those assets.
The recoverable amount of other assets or cash-generating unit is its fair value less selling costs or its use value, whichever is higher. The latter is the present value of expected future cash flows from the asset or the respective cash generating unit.
In order to determine the value in use, the future cash flows are discounted using a pre-tax discount rate which reflects both the current market rate and the specific risks of the asset.
A reversal of impairment loss is recognised under income if the recoverable amount exceeds the net book value. However, the reversal may not lead to a higher book value than the value that would have been determined if no impairment loss had been initially recorded on this asset (cash-generating unit). No reversal of impairment loss is recognized on goodwill

18. Borrowing costs
Borrowing costs include interests on bank overdrafts and short- and long-term borrowings, amortisation of share premiums or repayment of borrowings, amortisation of accrued incidental borrowing costs. The costs are capitalised into the cost of qualifying assets. The fair value adjustements of financial derivatives

associated to financial debts related to specific projects are capitalised, even if the derivative is not accounted as hedging instrument.

19. Taxes

Income tax for the year includes current and deferred tax. Current and deferred income taxes are recognised in profit and loss only if they relate to items recognised directly under shareholders' equity, in which case they are also recognised under shareholders' equity.
Current tax is the amount of income taxes payable (or recoverable) on the profit (or loss) in a financial year and the adjustments to tax charges of previous years.
Deferred tax is recognised using the liability method of tax allocation, based on timing differences between the book value of assets and liabilities in the consolidated accounts and their tax basis.
Deferred tax liabilities are recognised for all taxable timing differences.
Deferred tax assets are only recognised for deductible timing differences if it is likely that in the future they may be charged against taxable income. This criterion is re-evaluated at each reporting date.

20. Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale. Such component represents a separate major line of business or geographical area of operations that can be clearly distinguished, operationally and for financial reporting purposes. The net result of discontinued operations (including possible results on disposal and taxes) is presented separately from the continued operations in the income statement.

21. Main sources of incertainties related to the estimations

The deferred tax assets are only recorded as far that they may be in the future used against taxable income.
The tangible and intangible assets with a fixed useful live are straight line depreciated based on the estimation of the live time of these fixed assets.
The fair value of the investment properties is estimated by independent experts in accordance with the principles as described under note 13 of the financial statements.
As part of the tests of impairment losses, the recoverable value of an asset is estimated based on the present value of the expected cash flows generated by this asset.
For the provisions, the bookvalue fits with the best estimation of the expense necessary to pay off the present obligation (legal or implicit) at closing date.
The projects in inventory and construction contracts are subject to feasibility studies used for the release of margin and the computation of the rate of completion. At each closing date, the expenses to be incurred are estimated.

22. Temporary joint ventures

The accounts of the temporary joint venture are accounted for in the financial statements using the proportionate consolidation method, each heading of the balance sheet and of the income statement is included in proportion to the share held by the partner in the temporary joint venture.

23. Segment reporting

A segment is a distinguishable component of the company, which generates revenues and costs.
The operating results are regularly reviewed by the Management Committee in order to monitor the performance of the various segments in terms of strategic goals , plans and budgets.
The company is composed of 3 segments : “offices”, “residential development” and “land development”.

in thousands of EUR

1. Operating segments - Financial information by business segment

The segment reporting is presented in respect of the operational segments. The results and asset and liability items of the segment include items that can be attributed to a sector, either directly, or allocated on an allocation formula.
The core business of the Company, real estate development, includes the activities of "offices", "residential development" and "land development".
There are no transaction between the different sectors.
The Group's activity is carried out in Belgium, Grand Duchy of Luxembourg and Poland.
The breakdown of sales by country, depending on the country where the activity is executed.

STATEMENT OF INCOME	TURNOVER		OPERATING RESULT	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Offices				
Belgium	59 039	11 204	4 725	-1 186
Grand-Duchy of Luxemburg	-	-	842	494
Poland	19 091	-	8 590	150
Subtotal offices	**78 130**	**11 204**	**14 157**	**- 542**
Residential				
Belgium	18 585	35 173	394	11 249
Grand-Duchy of Luxemburg	16 220	4 029	2 179	768
Poland	2 417	-	-	-
Subtotal residential	**37 222**	**39 202**	**2 573**	**12 017**
Landbanking				
Belgium	11 419	25 695	2 657	11 115
Subtotal landbanking	**11 419**	**25 695**	**2 657**	**11 115**
Total consolidated	**126 771**	**76 101**	**19 387**	**22 590**
Belgium	89 043	72 072	7 776	21 178
Grand-Duchy of Luxemburg	16 220	4 029	3 021	1 262
Poland	21 508	-	8 590	150

	31-12-2012	31-12-2011
Financial result	-6 791	-5 424
Share in the result of investments in associates	23	305
Income taxes	- 910	-1 297
Result from continuing operations	**11 709**	**16 174**
Net result	**11 709**	**16 174**

in thousands of EUR

CASH FLOW PER SEGMENT	Offices	Residential Develop-ment	Land Develop-ment	Consolida-ted
2012				
Operating result	14 157	2 573	2 657	**19 387**
Amortisation, depreciation and impairment	219	378	78	**675**
Change in fair value of investment property	- 377			**- 377**
Change in provisions	-2 620	- 33	- 25	**-2 678**
Change in working capital	3 286	-20 491	-4 520	**-21 725**
Operating cash flow before paid interests and paid income taxes	**14 665**	**-17 573**	**-1 810**	**-4 718**
Cash from investing activities	67	- 65	- 68	**- 66**
2011				
Operating result	- 542	12 017	11 115	**22 590**
Amortisation, depreciation and impairment	- 227	- 434	47	**- 614**
Change in fair value of investment property	- 6			**- 6**
Change in provisions	- 886	34	- 20	**- 872**
Disposal of participating interets		59		**59**
Change in working capital	-71 372	-1 092	-17 471	**-89 935**
Operating cash flow before paid interests and paid income taxes	**-73 033**	**10 584**	**-6 329**	**-68 778**
Cash from investing activities	6 428	241	- 63	**6 606**

BALANCE SHEET ITEMS	Offices	Residential Develop-ment	Land Develop-ment	Consolida-ted
2012				
Segment assets	210 786	96 103	79 645	**386 534**
Unallocated items [1]				**31 033**
Total assets				**417 567**
Segment liabilities	23 901	10 022	4 961	**38 884**
Unallocated items [1]				**190 872**
Total liabilities				**229 756**
2011				
Segment assets	205 073	78 675	73 784	**357 532**
Unallocated items [1]				**49 266**
Total assets				**406 798**
Segment liabilities	18 931	14 104	4 010	**37 045**
Unallocated items [1]				**186 961**
Total liabilities				**224 006**

	Belgium	Grand-Duchy of Luxemburg	Poland	TOTAL
Segment assets 31-12-2012	279 053	47 920	59 561	**386 534**
Segment assets 31-12-2011	240 123	54 499	62 910	**357 532**
Non-current segment assets 31-12-2012	5 047	225	1 304	**6 576**
Non-current segment assets 31-12-2011	4 900	225	2	**5 127**

1. Unallocated items: Assets: Investments in associates & participating interests available for sale - Deferred tax assets - Other non-current assets - Tax receivables - Cash and cash equivalents - Liabilities: Deferred tax liabilities - Financial debts - Tax liabilities - Derivative financial instruments. Intangible assets, property plan and equipment are allocated to segments based on an allocation formula.

in thousands of EUR

2. Turnover

The components of the turnover are as follows :

	31-12-2012	31-12-2011
Asset sales	125 324	75 591
Services fees	1 447	510
Total turnover	**126 771**	**76 101**

Turnover is allocated as follows per segment :

	31-12-2012	31-12-2011
Offices [1]	78 130	11 204
Residential Development [2]	37 222	39 202
Land Development [3]	11 419	25 695
Total turnover	**126 771**	**76 101**

The only clients representing more than 10% of the turnover are those resulting from the sale of the last phase of the Forum project in Brussels and the sale of the company Bitra Enterprise Sp.z.o.o.
These clients are part of the turnover "Offices".

[1] The "Offices" turnover is mainly influenced by the sale of the last phase of the *Forum* project in Brussels City, the phase two of the *Château-Rempart* project in Tournai and by the sale of 80% of the participating interests (50%) in the company Bitra Enterprise Sp. z o.o., which has a land of approximately 65,000 m², located in Warsaw, for office development.

[2] The promotions *Jardin des Sittelles* in Brussels (Woluwe-Saint-Lambert), *Vallée du Maelbeek* and *Forum* in Brussels City, *Résidence Saint-Hubert* in Liège and *Green Hill* in the Grand-Duchy of Luxemburg contribute mainly to the "Residential Development" turnover.

[3] Major recurrent sales (turnover more than 200 KEUR) of the year relate to the land development projects in *Bredene, Bolline, Chastre, Cortil Noirmont, Enghien, Eupen, Limbourg, Sart-Bernard, Soumagne, Temploux, Waterloo and Woluwe-Saint-Lambert.*

3. Other operating income

Other operating income is allocated by segment as follows :

	31-12-2012	31-12-2011
Offices	6 017	4 633
Residential Development	727	183
Land Development	191	229
Total other operating income	**6 935**	**5 045**

This heading includes rental income (3,990 KEUR compared to 3,122 KEUR in 2011) on properties available for sale or awaiting for development, recoveries of taxes and withholdings, reinvoicing of expenses and other miscellaneous reimbursements.

4. Cost of sales

Cost of sales is allocated as follows per segment :

	31-12-2012	31-12-2011
Offices	-58 768	-6 936
Residential Development	-30 512	-24 158
Land Development	-5 855	-11 385
Total cost of sales	**-95 135**	**-42 479**

and are related to the turnover and the projects mentionned in note 2.

in thousands of EUR

5. Personnel expenses

This heading includes salaries and fees of personnel, members of the Executive Committee and non-executive Directors. They break down as follows :

	31-12-2012	31-12-2011
Salaries and fees of personnel and members of the Executive Committee	-6 676	-5 760
Salaries of the non-executive Directors	- 656	- 662
Social security charges	- 483	- 424
Pension costs - defined benefits plan	- 123	- 209
Other	- 61	- 42
Personnel expenses	**-7 999**	**-7 097**

The number of full time equivalents on 31 December, 2012 amounted 28 compared to 18 in 2011.
The increase of the personnel expenses, also the number of personnel, is related to the Group's expansion in Poland.

6. Amortisation, depreciation and impairment of assets

Break down as follows :

	31-12-2012	31-12-2011
Amortisation of intangible and tangible assets	- 251	- 174
Impairment loss on participating interests available for sale	- 77	-
Write down on inventory	- 506	- 471
Reversal of write down on inventory	158	928
Write down on trade receivables		- 5
Reversal of write down on trade receivables	1	336
Amortisation, depreciation and impairment of assets	**- 675**	**614**

7. Other operating expenses

Break down as follows :

	31-12-2012	31-12-2011
Services and other goods	-9 631	-8 274
Other expenses	-3 894	-2 205
Provisions	2 638	879
Other operating expenses	**-10 887**	**-9 600**

Main components of **services and other goods** :

	31-12-2012	31-12-2011
Rent and service charges, including mainly rent and service charges for the registered office	- 679	- 508
Third party payment, including in particular the fees paid to third parties and related to the turnover	-7 337	-6 301
Other services and other goods, including company supplies, advertising, maintenance and repair expenses, etc.	-1 615	-1 465
Total services and other goods	**-9 631**	**-8 274**

Operating lease obligations

Total amount of payments recognised under expenses for the year	- 429	- 424
Total minimum payments to be made :		
- within one year	- 416	- 389
- after one year but within 5 years	-1 622	-1 465
- more than 5 years	- 60	- 408

These amounts correspond mainly to the rent for the registered office and cars.

in thousands of EUR

Amount of fees allocated during the year to SC s.f.d. SCRL Deloitte Reviseurs d'Entreprises :

	31-12-2012	31-12-2011
Audit fees at consolidation level	- 190	- 175
Fees for extraordinary services and special missions accomplished within the Group[1] :	- 105	- 28
- tax consultin missions		-
- Other missions outside the audit mission	- 105	- 28

[1] The missions outside the audit mission were approved by the Audit & Finance Committee.

In addition to taxes (property withholding taxes, regional and municipal taxes) not capitalised on assets included in inventory, the **other expenses** of - 3,894 KEUR include an indemnity of - 1,537 KEUR paid in connection with a litigation related to the "Offices" sector. This indemnity was provisioned in the past, see below - use of provisions.

Main components of variations in provisions :

	31-12-2012	31-12-2011
Provisions related to the sales	2 638	861
Other provisions	-	18
Total variations in provisions	**2 638**	**879**
Increase	- 400	- 267
Use	1 538	1 046
Reversal	1 500	100

A provision of 400 KEUR has been recognised to cover the risk of a litigation relating to prior year.
The use of provisions are related to the other expenses - see above.
The reversal of provision is mainly linked to an old construction project. Following a favorable outcome for Immobel, the provision of 1,500 KEUR has been reversed.

8. Financial result

The financial result breaks down as follows :

	31-12-2012	31-12-2011
Cost of gross financial debt at amortised costs	-9 473	-6 210
Activated interests on projects in development	2 944	989
Fair value changes on financial instruments	- 464	- 241
Financial income from cash and cash equivalents	465	284
Other financial charges	- 320	- 260
Other financial income	57	14
Financial result	**-6 791**	**-5 424**

Cost of gross financial debt at amortised costs	-9 473
Interest paid on N-1	- 683
Interest payable in N +1	140
Paid interests (statement of cash flow)	**-10 016**

The increase in interest cost of financial debt is explained primarily by the financial charges linked to the bond issue of December 2011 for an amount of 40 MEUR at a rate of 7%.
The amounts relating to fair value changes are from financial instruments acquired for hedging purposes, but which were not designated as hedging for hedge accounting under IAS39. These instruments are detailed in note 20.

in thousands of EUR

9. Income taxes

Income taxes are as follows :

	31-12-2012	31-12-2011
Current income taxes for the current year	-1 308	-2 065
Current income taxes for the previous financial years	- 2	53
Deferred taxes	400	715
Total of tax expenses recognized in the statement of comprehensive income	**- 910**	**-1 297**

Current income taxes for the current year	-1 310
Increase in taxes receivables	- 371
- excess taxes paid	- 353
- other miscellaneous	- 18
Decrease in tax liabilities	- 52
- estimate income taxes	746
- income taxes paid on previous years	- 798
Paid income taxes (statement of cash flow)	**-1 733**

The reconciliation of the actual tax charge with the theoretical tax charge is summarised as follows :

	31-12-2012	31-12-2011
Result before taxes	12 619	17 471
Share in the result of investments in associates	- 23	- 305
Result before taxes and share in the result of investments in associates	**12 596**	**17 166**
Theoretical income taxe charge at 33,99%	**-4 281**	**-5 835**
Tax impact :		
- non-taxable income	2 774	-
- non-deductible expenses	- 239	- 181
- use of taxes losses and notional interests deduction carried forward on which no DTA was recognised in previous years	1 312	5 595
- losses and notional interests deduction in 2012, on which no DTA is recognised	- 507	-1 366
- recognition during the year of DTA on tax losses and notional interests deduction generated in prior years	-	445
Adjustment to current income taxes for the previous financial years & Other	31	45
Tax charge	**- 910**	**-1 297**
Effective tax rate of the exercise	**7,2%**	**7,6%**

10. Earnings per share

Due to the absence of potential dilutive ordinary shares in circulation, the basic result per share is the same as the diluted result per share.

Basic earnings and diluted earnings per share are determined using the following information :

	31-12-2012	31-12-2011
Average number of shares considered for basic earnings and diluted earnings	4 121 987	4 121 934
Net result from continuing operations	11 709	16 174
Group’s share in the net result for the year	11 719	16 184
Net per share (in EUR) :		
Result of the continuing operations	2,84	3,92
Group's share in the net result of the year	2,84	3,93

in thousands of EUR

11. Intangible assets

Intangible assets evolve as follows :

	31-12-2012	31-12-2011
Acquisition cost at the end of the previous period	**184**	**144**
Acquisitions	47	40
Transfer to Property, plant and equipment	- 36	
Acquisition cost at the end of the year	**195**	**184**
Amortisation and impairment at the end of the previous period	**- 137**	**- 132**
Amortisation	- 22	- 5
Amortisation and impairment the end of the year	**- 159**	**- 137**
Net carrying amount as at 31st December	**36**	**47**

12. Property, plant and equipment

Property, plant and equipment evolve as follows :

	31-12-2012	31-12-2011
Acquisition cost at the end of the previous period	**1 742**	**1 682**
Acquisitions	234	104
Transfer from intangible assets	36	
Disposals and retirements	-	- 44
Acquisition cost at the end of the year	**2 012**	**1 742**
Depreciations and impairment at the end of the previous period	**- 528**	**- 404**
Depreciations	- 229	- 168
Disposals and retirements	-	44
Depreciations and impairment at the end of the year	**- 757**	**- 528**
Net carrying amount as at 31st December	**1 255**	**1 214**

Property, plant and equipment consist primarily of installation costs of the headquarters, amortized over the lease term, or 9 years.

13. Investment property

Investment property is measured by independent experts in accordance with the fair value model of the IAS 40 standard.

Investment property evolve as follows :

	31-12-2012	31-12-2011
Fair value on 1st January	**2 286**	**2 280**
Change in the fair value recognized in the statement of comprehensive income	377	6
fair value on 31st December	**2 663**	**2 286**

This account contains a land under leasehold of an office building.

The fair value of this asset is estimated considering the transfer charges to be on charge of the purchaser.

Key assumptions used to determine fair value:

	31-12-2012	31-12-2011
Rental price (EUR) per m² of offices	175	185
Discount rate	7.40%	8.15 %

14. Investments in associates

Investments in associates refer to the “Offices Development” activity and are as follows :

	31-12-2012	31-12-2011
Value as at 1st January	**1 254**	**7 445**
Share in result	23	305
Acquisitions and reclassifications	12	13
Disposals and retirements	- 220	-
Dividends paid by the associates	-	-4 634
Repayment of capital by the associates	-	-1 875
Changes for the year	**- 185**	**-6 191**
Value as at 31st December	**1 069**	**1 254**

in thousands of EUR

The condensed financial statements of these entities are as follows :

	31-12-2012	31-12-2011
Total assets	10 990	11 474
Total liabilities	7 684	7 394
Net assets	3 306	4 080
Share in the net asset of the group IMMOBEL	853	1 055
Turnover	596	6 534
Net result of the year	136	1 651
Share of IMMOBEL in the net result of the year	23	305

The associates are listed under note 31.

15. Investments available for sale

The investments available for sale moved as follows :

	31-12-2012	31-12-2011
Value as at 1st January	**77**	**77**
Acquisition	1 300	-
Impairment loss	- 77	-
Changes for the year	**1 223**	**0**
Value as at 31st December	**1 300**	**77**

16. Deferred tax assets

Deferred tax assets or liabilities are recorded in the balance sheet on deductible or taxable temporary differences, tax losses and tax credits carried forward.

Changes in the deferred taxes in the balance sheet having occurred over the financial year are recorded in the statement of comprehensive income unless they refer to items directly recognised under the equity. Deferred taxes on the balance sheet refer to the following temporary differences :

	Deferred tax assets	
	31-12-2012	31-12-2011
Tax losses	1 012	717
Fair value on financial instruments	105	
Total	**1 117**	**717**

On 1st january	**717**
Deferred tax recognised in the statement of comprehensive income	400
On 31st december	**1 117**

	31-12-2012	31-12-2011
Temporary differences or tax losses for which no deferred tax assets are recognised in the balance sheet, from which :	**56 203**	**33 327**
Expiring at the end of 2013	164	92
Expiring at the end of 2014	631	176
Expiring at the end of 2015	1 672	850
Expiring at the end of 2016	2 610	1 019
Expiring at the end of 2017	1 514	732
Expiring at the end of 2018	1 036	1 210
Expiring at the end of 2019	2 418	-
Not time-limited	46 158	29 248

in thousands of EUR

17. Inventories

Inventories consist of buildings and land acquired for development and resale.

Allocation of inventories by segment is as follows :

	31-12-2012	31-12-2011
Offices	199 296	190 381
Residential Development	88 881	71 500
Land Development	71 747	65 982
Total inventories	**359 924**	**327 863**

Allocation of inventories by geographical area is as follows :

	31-12-2012	31-12-2011
Belgium	257 640	217 141
Grand-Duchy of Luxemburg	43 441	49 866
Poland	58 843	60 856
Total inventories	**359 924**	**327 863**

The book value of inventories is as follows :

	31-12-2012	31-12-2011
Inventory as at 1^{st} january	**327 863**	**240 769**
Purchases for the year	126 183	127 668
Disposals of the year	-96 718	-41 757
Borrowing costs	2 944	989
Reclassifications	-	- 263
Write-offs recorded	- 506	- 471
Write-offs reversed	158	928
Movements during the year	**32 061**	**87 094**
Inventory as at 31^{st} december	**359 924**	**327 863**
Book value of inventories which are pledged for bank loan securities	335 913	274 022

Break down of the movements of the year per segment :

	Purchases	Disposals	Borrowing costs	Transfers	Net write-offs	Net
Offices	70 006	-58 621	2 792	-5 232	- 30	8 915
Residential Development	43 278	-32 361	152	6 630	- 318	17 381
Land Development	12 899	-5 736		-1 398		5 765
Total	**126 183**	**-96 718**	**2 944**		**- 348**	**32 061**

The purchases of the "Offices" segment mainly concern the projects *Belair, Black Pearl, Forum, Château-Rempart* and *Okraglak* (Poland); the disposals include the last phase of the *Forum* project, the phase two of the *Château-Rempart* project and the sale of the *Bitra* project (Poland).

The purchases and the sales of the "Residential" segment mainly relate to the projects *Bella Vita, Charmeraie, Vallée* d*u Maelbeek, Forum, Green Hill* and *Saint-Hubert* . Purchases also include the acquisition of the company owner of the building *Parc Seny* in Auderghem (see note 31).

Break down of the movements of the year per geographical area :

	Purchases	Disposals	Borrowing costs	Transfers	Net write-offs	Net
Belgium	109 061	-71 219	2 681		- 24	40 499
Grand-Duchy of Luxemburg	7 719	-14 144				-6 425
Poland	9 403	-11 355	263		- 324	-2 013
Total	**126 183**	**-96 718**	**2 944**		**- 348**	**32 061**

in thousands of EUR

Market risks and uncertainties

With the exception of the risks and uncertainties inherent in the activities carried out by the Group (in particular a significant increase in interest rates and credit margins, a downturn in the real estate market, changes in global economic trends, loss of interest by investors in the real estate market, a tightening of credit conditions by the banks,…) and in view of the building permits already obtained, the Board of Directors is confident that it will obtain the necessary permits to develop the Group's existing projects and is not aware, on the basis of the information currently available, of any major risks or uncertainties that could significantly damage the Group's future results.

The main risks and uncertainties are described in the director's report.

18. Trade receivables[1]

Trade receivables refer to the following segments :

	31-12-2012	31-12-2011
Offices	3 422	2 174
Residential Development	3 470	2 893
Land Development	5 924	5 889
Total	**12 816**	**10 956**

The analysis of the delay of payment at the end of 2012 arises as follows :	due < 3 months	4 112
	due > 3 months < 6 months	216
	due > 6 months < 12 months	367
	due > 1 year	111

Credit risk

The credit risk is related to the possible failure of the customers in respecting their commitments towards the Group.

Due to the nature of the customers, being mainly known investors, public clients or equivalent, the Group does not use instruments to cover the customer credit risk.

The customers are closely followed up and adequate impairments are recorded as to cover the amounts that are considered being not recoverable.

At 31 December 2012 there was no concentration of credit risk with a sole third party.

The maximum risk amounts to the book value of the receivables.

The recorded impairments of trade receivables is as follows :

	31-12-2012	31-12-2011
Balance at 1st January	**222**	**553**
Additions	-	5
Reversals	- 1	- 336
Movements of the year	**- 1**	**- 331**
Balance at 31st December	**221**	**222**

19. Other current assets[1]

The components of this account are :

	31-12-2012	31-12-2011
Other receivables	7 072	10 634
of which : advances to joint ventures, associates and on projects in participation	2 193	4 205
taxes (other than income taxes) and VAT receivable	2 118	3 518
grants and allowances receivable	1 238	1 358
other	1 523	1 553
Deferred charges and accrued income	2 768	4 532
of which : on projects in developement	1 873	3 833
other	895	699
Total other current assets	**9 840**	**15 166**

1. The book value of this account approximates its fair value.

in thousands of EUR

and are related to the following segments :

	31-12-2012	31-12-2011
Offices	4 849	9 675
Residential Development	3 499	4 074
Land Development	1 492	1 417
Total other current assets	**9 840**	**15 166**

20. Information related to the net financial debt[1]

The Group's net financial debt is the balance between the cash & cash equivalents and the financial debts (current and non current). It amounts to - 160,398 KEUR as at 31 December 2012 compared to - 136,714 KEUR as at 31 December 2011.

	31-12-2012	31-12-2011
Cash and cash equivalents (+)	26 918	46 964
Non current financial debts (-)	135 528	109 348
Current financial debts (-)	51 788	74 330
Net financial debt	**-160 398**	**-136 714**

The Group's gearing ratio (net financial debt / equity) is 85 % as at 31 December 2012 compared to 75% at the end of 2011.

Available cash and cash equivalents

Cash deposits and cash at bank and in hand amount to 26,918 KEUR compared to 46,964 KEUR at the end of 2011, representing a decrease of 20,046 KEUR.

The available cash moved as follows :

	31-12-2012	31-12-2011
Term deposits with duration of maximum 3 months	-	2 191
Cash at bank and in hand	26 918	44 773
Available cash and cash equivalents	**26 918**	**46 964**

The explanation of the change in available cash is given in the consolidated cash flow statement.

Cash and cash equivalents are fully available, either for distribution to the shareholders or to finance projects owned by different companies.

Financial debts

Financial debts increase with 3,638 KEUR, from 183,678 KEUR at 31st December 2011 to 187,316 KEUR at 31st December 2012. The components of financial debts are as follows :

	31-12-2012	31-12-2011
Bond issue maturity 21-12-2016 at 7% - nominal amount 40 MEUR 31-12-2012 / 30 MEUR 31-12-2011	39 363	29 403
Credit institutions	96 165	79 945
Non current financial debts	**135 528**	**109 348**
Credit institutions	51 788	74 330
Current financial debts	**51 788**	**74 330**
Total financial debts	**187 316**	**183 678**

Financial debts evolve as follows :

	31-12-2012	31-12-2011
Financial debts as at 1st january	**183 678**	**88 180**
Contracted debts	81 442	100 922
Repaid debts	-77 804	-5 424
Financial debts as at 31st december	**187 316**	**183 678**

Amount of debts guaranteed by securities	147 953	154 275
Book value of Group's assets pledged for debt securities	338 576	276 308

1. The book value of this account approximates its fair value.

in thousands of EUR

All the financial debts are denominated in EUR.
IMMOBEL has completed on February 2012 an additional bookbuilding of 10 MEUR to the private placement of bonds of 15 December 2011, at the same conditions as the first placement of 30 MEUR, maturity December 2016 and bearing a coupon of 7% payable annually in arrears.
In March 2012, a bank syndicate has granted a specific funding of 224 MEUR (100%) in the framework of the BelAir project, co-developed by Immobel for 40%; this credit is due in March 2014.
Except the bond, the financing of the Group and the financing of the Group's projects are provided based on a short-term rate, the 1 to 12 month euribor, increased by commercial margin.
Immobel disposes at December 31, 2012 of 60 MEUR credit facility (corporate credit signed in May 2011), of which 10 MEUR used at end of December 2012, due in June 2014.
Moreover, Immobel disposes at December 31, 2012 of confirmed bank credit lines for 221 MEUR of which 138 MEUR used at end of December 2012. These credit lines (project financing credits) are specific for certain projects in development and include the part of IMMOBEL in the credit of the Belair project.

Financial debt maturity (cash-flows)

Due in	2013	2014	2015	2016	Total	
Bond				40 000	**40 000**	*
Corporate credit		10 000			**10 000**	
Project Financing credits	51 788	44 445	41 720		**137 953**	
Total financial debt	**51 788**	**54 445**	**41 720**	**40 000**	**187 953**	

* The amount on the balance sheet, 39,363 KEUR, includes 637 KEUR charges to be amortized until maturity in 2014.

Interest rate risk

On the basis of the situation as per 31st December 2012, each change in interest rate of 1 % involves an annual increase or decrease of the interest charge on debts at variable rate of 1,480 KEUR.
In the frame of the availability of long term credits, Corporate or Project Financing, the Group uses financial instruments mainly for the hedging of interest rates.
At 31st December 2012, the derivative financial instruments have been concluded to hedge future risks and are the following :

	Period	Instruments	Strike	Notional amounts
	02/2011 - 06/2013	CAP bought	3,50%	15 750
	06/2011 - 06/2014	CAP bought	4,00%	36 000
	09/2012 - 09/2013	CAP bought	1,00%	19 775
	07/2014 - 07/2017	CAP bought	2,00%	20 000
	03/2010 - 03/2014	IRS	3,02%	10 000
	03/2010 - 03/2014	IRS	3,07%	8 000
	03/2010 - 03/2014	IRS	2,99%	7 000
	06/2010 - 06/2013	IRS	2,88%	20 000
	07/2012 - 07/2015	IRS	0,75%	26 000
	03/2012 - 03/2014	IRS	0,94%	89 600
			Total	**252 125**

The fair value of derivatives is determined based on valuation models and interest rate futures ("level 2").
The change in fair value of financial instruments is recognized through the statement of comprehensive income as thos have not been designated as cash flow hedges.

	31-12-2012	31-12-2011
Fair value of financial instruments		
Hedging instruments		
- Bought CAP Options	80	20
- IRS	-2 212	-1 827
Total	**-2 132**	**-1 807**

in thousands of EUR

	31-12-2012	31-12-2011
Change in fair value of the derivative financial instruments		
Situation at 1st January	**-1 807**	**-1 824**
Changes during the period :		
Premiums paid	139	258
Change in the fair value recognised in the statement of comprehensive income	- 464	- 241
Situation at 31st December	**-2 132**	**-1 807**

No instrument has been documented as hedge accounting at 31st December 2012.

Liquidity risk

The Company starts only new projects in case of appropriate financing by corporate, specific financing or pre-sale.
As a consequence, the cash risk related to the progress of a project is very limited.

Financial commitments

The Group is, for the majority of the mentioned financial debts, subject to a number of financial commitments. These commitments are taking into account the equity, the net financial debt and its relation with the equity and the inventories.
At 31 December 2012, as for the previous years, the Group was in conformity with all these financial commitments.

Risk of fluctuation in foreign currencies

The Group does not currently hedge the foreign exchange rates risks on its development activities.
However, the functional currency of the offices activity currently developped in Poland has been determined to be the EUR, thereby eliminating any exchange risk.

21. Equity

The equity amounts to 187,811 KEUR compared to 182,792 KEUR as at 31st December 2011, representing an increase of 5,019 KEUR.
The explanation of the change in equity is given in the consolidated statement of changes in equity.

Risk management related to the capital

IMMOBEL is optimising the structure of its permanent capital through a balance between capital and long term debts. The target is to maximise the value for the shareholder while maintaining the required flexibility to achieve the development projects. Other elements, like the expected return on each project and the respect of a number of balance sheet ratios, influence the decision taking.

in thousands of EUR

22. Pensions and similar obligations

The pensions and similar obligations cover the obligations of the Company as far as the group insurance is concerned.

The amount recognised in the balance sheet represents the present value of obligations in terms of defined benefit pension plans less the fair value of plan assets.

	31-12-2012	31-12-2011
Amounts recorded in the balance sheet		
Present value of funded defined benefit obligations	2 281	2 200
Fair value of plan assets at the end of the period	-1 676	-1 901
Liabilities recognised in the balance sheet	**605**	**299**
Movements of the net obligations in the balance sheet		
Obligations as at 1st january	**299**	**346**
Total expense breaks down as follows :	81	115
- Cost of services rendered during the year	78	93
- Financial Cost	78	99
- Expected return on plan's assets	- 75	- 77
Group contributions	- 79	- 103
Amount recognised in Statement of comprehensive income	304	- 59
Obligations as at 31st december	**605**	**299**
Present value of the obligations as at 1st january	**2 200**	**2 222**
Cost of services rendered during the period	78	93
Employee contributions	27	37
Interest cost	78	99
Actuarial (gains) losses	254	- 109
Paid benefits	- 356	- 142
Present value of the obligations as at 31st december	**2 281**	**2 200**
Fair value of the plan assets as at 1st january	**1 901**	**1 876**
Expected return on plan's assets	75	77
Group contributions	79	103
Employee contributions	27	37
Actuarial gains (losses)	- 50	- 50
Paid benefits	- 356	- 142
Fair value of the plan assets as at 31st december	**1 676**	**1 901**
Contribution of the employer expected for 2013 / 2012	76	104
Actual return on the plan assets	**25**	**26**
Actuarial assumptions used to determine obligations		
Discount rate	2,00%	3,80%
Expected rate of return on plan's assets	-	4,10%
Expected salary growth rate	3,50%	3,50%
Average inflation rate	2,00%	2,00%

The pension plans are funded through a group insurance. The underlying assets of the insurance contracts are primarily invested in bonds. The expected rate of return on the plan assets reflects the guaranteed interest rate by the insurance company and the expected insurance dividends.

The actuarial loss recognized in the statement of other comprehensive income equals -304 KEUR.
The accumulated amount of actuarial gains and losses recognized in other comprehensive income equals 120 KEUR.

	2012	2011	2010	2009
Present value of defined benefit obligations	2 281	2 200	2 222	2 540
Fair value of plan assets at the end of the period	1 676	1 901	1 876	1 754
Deficit of financed plans	605	299	346	786
Experience adjustments on :				
plan assets	77	223	136	1 168
plan liabilities	-50	-50	-51	-83

in thousands of EUR

23. Provisions

The components of provisions are as follows :

					31-12-2012	31-12-2011
Provisions related to the sales					1 620	1 278
Provisions for litigations					-	2 980
Other provisions					176	218
Total provisions	**Related to the sales**	**Litigations**	**Subtotal**	**Other**	**1 796**	**4 476**
Provisions as at 1st january	**1 278**	**2 980**	**4 258**	**218**	**4 476**	**5 360**
Increase	400	-	400	-	400	266
Use (other operating expenses)	- 58	-1 480	-1 538	-	-1 538	-1 050
Reversal (other operating expenses)	-	-1 500	-1 500	-	-1 500	- 100
Use (personnel expenses)	-	-		- 42	- 42	-
Changes for the year (see note 7 above)	**342**	**-2 980**	**-2 638**	**- 42**	**-2 680**	**- 884**
Provisions as at 31st december	**1 620**	**-**	**1 620**	**176**	**1 796**	**4 476**
From which current provisions					1 785	1 479

Changes of the provisions for the year	-2 680
Changes of the provisions linked to employee benefit obligations	2
Changes of the provisions (consolidated statement of cash flow)	**-2 678**

Allocation of this position by segment is as follows :

	31-12-2012	31-12-2011
Offices	1 004	2 988
Residential Development	697	1 062
Land Development	95	426
Total	**1 796**	**4 476**

These provisions made correspond to the best estimate of outgoing resources considered as likely by the Board of Directors. The Group has no indication on the final amount of disbursement or the timing of the disbursement, it depends on court decisions.

The provisions are made up based on the risks related to the sales and to the litigations, in particular when the recognition conditions of those liabilities are met.

The provisions related to the sales mainly consist of rental guarantees, good end of execution...

No provision has been recorded for the other litigations that mainly concern :

- problems of decennial guarantee for which the Group has recourse on the contractor who is generally covered by an insurance of "decennial liability coverage" for this purpose;
- pure administrative recourses concerning planning and environmental permits introduced by third parties at the State Council without any financial consequence for the Group.

24. Trade payables[1]

This account is allocated by segment as follows :

	31-12-2012	31-12-2011
Offices	13 893	12 441
Residential Development	5 231	6 156
Land Development	2 385	2 286
Total	**21 509**	**20 883**

1. The book value of this account approximates its fair value.

in thousands of EUR

25. Other current liabilities[1]

The components of this account are :

	31-12-2012	31-12-2011
Personnel debts	736	611
Taxes (other than income taxes) and VAT payable	5 093	286
Advance on sales (mainly related to residential projects)	715	3 088
Advances from joint ventures and associates	1 436	2 313
Accrued charges and deferred income	1 550	1 052
Operating grants	2 263	2 263
Other	3 181	1 774
Total	**14 974**	**11 387**

Other current liabilities are related to the following segments :

	31-12-2012	31-12-2011
Offices	8 671	3 359
Residential Development	3 943	6 832
Land Development	2 360	1 196
Total	**14 974**	**11 387**

Trade receivables and payables and other receivables and payables[1]

	31-12-2012	31-12-2011
Trade receivables	12 816	10 956
Other current assets	9 840	15 166
Total of trade receivables and other current assets	**22 656**	**26 122**
Trade payables	21 509	20 883
Other current liabilities	14 974	11 387
Total of trade payables and other current liabilities	**36 483**	**32 270**
Net situation of receivables and payables	**-13 827**	**-6 148**

26. Change in working capital

The change in working capital by nature is established as follows :

	31-12-2012	31-12-2011
Inventories, including acquisition of entities that are not considered as business combinations	-30 765	-77 055
Trade receivables	-1 859	- 744
Trade payables	626	4 916
Other current assets and liabilities	10 273	-17 052
Change in working capital	**-21 725**	**-89 935**

Changes by segment are described under note 1 (financial information by segment)

1. The book value of this account approximates its fair value.

in thousands of EUR

27. Main contingent assets and liabilities

	31-12-2012	31-12-2011
Guarantees from third parties on behalf of the Group with respect to :		
- inventories	42 836	48 085
- construction contracts	215	215
- other assets	111	329
Total guarantees from third parties on behalf of the group	**43 162**	**48 629**
These guarantees consist of :		
- guarantees "Real estate trader" (acquisitions with registration fee at reduced rate)	13 615	13 615
- guarantees "Law Breyne" (guarantees given in connection with the sale of houses or apartments under construction)	11 667	7 036
- guarantees "Good end of execution" (guarantees given in connection with the execution of works)	17 769	16 718
- guarantees "Payment" and "Other" (successful completion of payment, rental...)	111	11 260
Total	**43 162**	**48 629**
Mortgage power - Amount of inscription	59 631	49 036
Book value of Group’s assets pledged for debt securities related to :		
- investment property and inventory as a whole	338 576	276 308
Book value of pledged group's assets	**338 576**	**276 308**
Amount of debts guaranteed by above securities		
- Non current debts	96 165	79 945
- Current debts	51 788	74 330
Total	**147 953**	**154 275**
Commitments for the acquisition of inventories	21 412	15 124
Commitments for the disposal of inventories	11 199	26 607
The commitments from which the value of acquisition or disposal can not be defined, because depending from future events (permit to obtain, number of m² to construct…), are not included.		

28. Information on related parties

The list of subsidiaries, joint ventures and associates is included under note 31.

The transactions between IMMOBEL, subsidiaries and joint ventures are eliminated in consolidation. The relationships with associates consist mainly of loans or advances, whose amounts are recorded in the balance sheet in the following accounts :

	31-12-2012	31-12-2011
Other current assets	1 253	1 229
Other current liabilities	-	-

Relationships with shareholders - Main shareholders

	31-12-2012	31-12-2011
Cresida Investment S.à.r.l.	25.00 %	25.00 %
JER Audrey S.à.r.l.	5.53 %	5.53 %
Capfi Delen Asset Management n.v.	5.06 %	5.06 %
Fidea n.v.	3.46 %	3.46 %
KBC Assurances n.v.	-	1.73 %
Other	60.95 %	59.22 %
Number of representative capital shares	4 121 987	4 121 934

in thousands of EUR

Relationships with senior executives

These are the remuneration of members of the Management Committee, of the Executive Committee and of the Board of Directors.

	31-12-2012	31-12-2011
Salaries	3 635	3 897
Post-employment benefits	91	81
Other Benefits	9	9
Total	**3 735**	**3 987**

Relationships with other related parties

	31-12-2012	31-12-2011
Amounts recognized as income - Services fees	1 007	0
Amounts recognized as income - Asset sales	491	-
Amounts recognized as expenses	472	276
Amounts capitalized on inventories	200	200
Amounts due to related parties	124	33
Amounts due by related parties	102	0

29. Events subsequent to reporting date

Since 1st January 2013, IMMOBEL acquired :

- with two oher partners, each for a third, the company under Luxembourg law PEF Kons Investment, owner of the complex "Galerie Kons" , located in front of the train station of Luxembourg;
- 50% of a company owner of a project in the city centre of Warsaw.

Except these acquisitions, no significant event that may change the financial statements occurred from the reporting date on 31st December 2012 up to 11th March 2013 when the financial statements were approvedby the Board of Directors.

30. Joint ventures

The companies jointly controlled are listed under note 31. The participating interests of the Group in these companies are reported using the proportionate consolidation method grouping the accounts line by line.

The share of the joint ventures in the consolidated financial statements are detailed as follows :

	31-12-2012	31-12-2011
Total non-current assets	1	2
Total current assets	122 245	117 200
Total non-current liabilities	36 454	7 565
Total current liabilities	27 915	42 718
Total income	20 793	6 970
Total charges	21 015	7 828

in thousands of EUR

31. Subsidiaries, joint ventures and associates - Companies forming part of the Group as at 31st December 2012

Name	Company number	Registered office	% interest [1]
Subsidiaries			
Cedet	-	Warsaw	100.00
Compagnie Immobilière de Lotissements (Lotinvest)	0451 565 088	Brussels	100.00
Compagnie Immobilière de Participations Financières (CIPAF)	0454 107 082	Brussels	100.00
Compagnie Immobilière de Wallonie (CIW)	0401 541 990	Wavre	100.00
Compagnie Immobilière Luxembourgeoise	-	Luxemburg	100.00
Entreprise et Gestion Immobilières (Egimo)	0403 360 741	Brussels	100.00
Espace Nivelles	0472 279 241	Brussels	100.00
Foncière Jennifer	0464 582 884	Brussels	100.00
Foncière Montoyer	0826 862 642	Brussels	100.00
Galt Spv 23Y	-	Warsaw	100.00
Immobel Poland	-	Warsaw	100.00
Immobiliën Vennootschap van Vlaanderen	0403 342 826	Brussels	100.00
Immobilière Deka	0417 100 196	Brussels	100.00
Immo-Puyhoek	0847 201 958	Brussels	100.00
Katavia Invesment	-	Warsaw	100.00
Les Jardins du Nord	0444 857 737	Brussels	76.00
Okraglak Development	-	Warsaw	100.00
Project Papeblok	0831 193 097	Brussels	100.00
Quomago	0425 480 206	Brussels	100.00
SPI Parc Seny	0478 120 522	Brussels	100.00
The Green Corner	0443 551 997	Brussels	100.00
Torres Investment	-	Warsaw	100.00
Veldimmo	0430 622 986	Brussels	100.00
WestSide	-	Luxemburg	100.00
Joint ventures			
Bella Vita	0890 019 738	Brussels	50.00
Château de Beggen	-	Luxemburg	50.00
Espace Trianon	0450 883 417	Embourg	50.00
Fanster Enterprise	-	Warsaw	50.00
Foncière du Parc	0433 168 544	Brussels	50.00
Gateway	0501 968 664	Brussels	50.00
Ilot Ecluse	0441 544 592	Gilly	50.00
Intergénérationnel de Waterloo	0890 182 460	Brussels	50.50
RAC 1	0819 582 791	Antwerp	40.00
RAC 2	0819 585 959	Antwerp	40.00
RAC 3	0819 588 830	Antwerp	40.00
RAC 4	0819 593 481	Antwerp	40.00
Société Espace Léopold	0435 890 977	Brussels	50.00
Temider Enterprise	-	Warsaw	50.00
Universalis Park	0891 775 438	Brussels	50.00
Vilpro	0437 858 295	Brussels	50.00
Associates			
DHR Clos du Château	0895 524 784	Brussels	33.33
Espace Midi	0402 594 342	Brussels	20.00
Promotion Léopold	0439 904 896	Brussels	35.50

[1] The % interest corresponds with the voting rights.

in thousands of EUR

Scope of consolidation - number of entities

	31-12-2012	31-12-2011
Subsidiaries - Global method of consolidation	24	22
Joint ventures - Proportionate method of consolidation	16	17
Associates - Equity method	3	4
TOTAL	**43**	**43**

During the year 2012, following changes in the consolidation perimeter occurred :

Incoming companies :
- Gateway - company incorporated, 50% holding;
- Immobiliën Vennootschap van Vlaanderen - company incorporated, 100% holding;
- Galt spv 23 Y sp. Z.o.o. - acquisition of 100% of shares of the company;
- Immo-Puyhoek - acquisition of 100% of shares of the company;
- SPI Parc Seny - acquisition of 100% of shares of the company.

Fair values of assets and liabilities of acquired companies are :

	31-12-2012
Inventories	23 970
Other assets	253
Cash and cash equivalents	312
Total assets	**24 535**
Financial debts	
Other liabilities	353
Total liabilities	**353**
Paid price	**24 182**
Purchase price paid in cash	-24 182
Acquired cash	312
Operating cash flow	**-23 870**

The acquisitions are not recognized as business combinations under IFRS 3 since the acquired assets and liabilities are not activities ("business"). The acquired assets and liabilities are therefore accounted for using the applicable standard (mainly IAS 2 - "Stock").
The cash outflows linked to the acquisitions of such project companies are classified as operating cash flows.

Outgoing companies :
- Sale of 80% of the participatin interests in the company Bitra (50% holding);
- Investimmo - 100 % holding - merged by absorption by Immobel;
- Harmonia - 100 % holding - merged by absorption by Immobel;
- Lex 2000 - 50 % holding - merged by absorption by Société Espace Léopold;
- Esplanade 64 - 25% holding - liquidation of the company.

The sales of project companies are considered as part of the normal business of the group and are therefore recorded as turnover and cost of sales. They are part of the operating cash flow. This accounting treatment is consistent with the purchase of project companies as described above.

Statement from the responsible persons

The undersigned persons state that, to the best of their knowledge:

• the Consolidated Financial Statements of NV Immobel SA and its subsidiaries as of 31 December 2012 have been prepared in accordance with the International Financial Reporting Standards (IFRS), and give a true and fair view of the assets and liabilities, financial position and results of the whole of the companies of the Immobel Group as well as the subsidiaries included in the consolidation; and

• the Director's Report on the financial year ended at 31 December 2012 gives a fair overview of the development, the results and of the position of the Immobel Group as well as the subsidiaries included in the consolidation, as well as a description of the principal risks and uncertainties faced by the Immobel Group.

On behalf of the Board of Directors:

Gaëtan Piret SPRL	Baron Buysse CMG CBE
Chief Executive Officer	Chairman of the Board of Directors

Deloitte.

Deloitte Bedrijfsrevisoren /
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www.deloitte.be

Compagnie Immobilière de Belgique, en abrégé: Immobel SA

Statutory auditor's report to the shareholders' meeting on the consolidated financial statements for the year ended 31 December 2012

To the shareholders

As required by law, we report to you on the performance of our mandate of statutory auditor. This report includes our report on the consolidated financial statements as defined below together with our report on other legal and regulatory requirements.

Report on the consolidated financial statements – Unqualified opinion

We have audited the accompanying consolidated financial statements of Compagnie Immobilière de Belgique, en abrégé: Immobel SA (the "company") and its subsidiaries (jointly the "group"), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium. These consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2012, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, as well as the summary of accounting principles and methods and notes to the consolidated financial statements. The consolidated statement of financial position shows total assets of 417.567 (000) EUR and the consolidated statement of comprehensive income shows a consolidated profit (group share) for the year then ended of 11.719 (000) EUR.

Responsibility of the board of directors for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Statutory auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the consolidated financial statements. We have obtained from the company's officials and the board of directors the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Deloitte Bedrijfsrevisoren / Reviseurs 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

Deloitte.

Unqualified opinion

In our opinion, the consolidated financial statements of Compagnie Immobilière de Belgique, en abrégé: Immobel SA give a true and fair view of the group's net equity and financial position as of 31 December 2012, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Report on other legal and regulatory requirements

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements.

In the framework of our mandate, our responsibility is to verify, for all significant aspects, the compliance with some legal and regulatory requirements. On this basis, we provide the following additional comment which does not modify the scope of our audit opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements includes the information required by law, is, for all significant aspects, in agreement with the consolidated financial statements and is not in obvious contradiction with any information obtained in the performance of our mandate.

Diegem, 12 March 2013

The statutory auditor

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

Statutory Condensed Financial Statements

The financial statements of the parent company, IMMOBEL SA, are presented below in a condensed form.
In accordance with Belgian company law, the Directors' Report and Financial Statements of the parent company, IMMOBEL SA, together with the Statutory Auditor's report, have been filed at the National Bank of Belgium.
They are available on request from:
IMMOBEL SA
Rue de la Régence 58
BE-1000 Brussels
Belgium
www.immobel.be
The statutory auditor issued an unqualified report on the financial statements of IMMOBEL SA.

Statement of Financial Position

in thousand of EUR

ASSETS	31-12-2012	31-12-2011
FIXED ASSETS	**93 936**	**105 848**
Start-up costs	637	597
Intangible fixed assets	36	47
Tangible fixed assets	1 565	1 155
Financial fixed assets	91 698	104 049
CURRENT ASSETS	**176 264**	**207 813**
Stocks and contracts in progress	39 879	63 235
Amounts receivable within one year	128 930	109 170
Short term investments	0	192
Cash balance	7 086	34 128
Deferred charges and accrued income	369	1 088
TOTAL ASSETS	**270 200**	**313 661**

LIABILITIES	31-12-2012	31-12-2011
SHAREHOLDERS' EQUITY	**189 467**	**183 645**
Capital	60 302	60 302
Reserves	10 076	10 075
Accumulated profits	119 089	113 268
PROVISIONS AND DEFERRED TAXES	**1 035**	**3 024**
Provisions for liabilities and charges	1 035	3 024
DEBTS	**79 698**	**126 992**
Amounts payable after one year	50 000	83 700
Amounts payable within one year	29 628	43 019
Accrued charges and deferred income	70	273
TOTAL LIABILITIES	**270 200**	**313 661**

Statement of Comprehensive Income

in thousand of EUR

	31-12-2012	31-12-2011
Operating income	14 931	22 407
Operating charges	-11 070	-13 655
OPERATING PROFIT	**3 861**	**8 752**
Financial income	7 979	9 576
Financial charges	-5 396	-2 615
FINANCIAL RESULT	**2 583**	**6 961**
OPERATING PROFIT BEFORE TAXES	**6 444**	**15 713**
Extraordinary income	5 216	7 209
Extraordinary charges	- 65	-3 996
EXTRAORDINARY RESULT	**5 151**	**3 213**
PROFIT OF THE FINANCIAL YEAR BEFORE TAXES	**11 595**	**18 926**
Taxes	- 3	- 4
PROFIT OF THE FINANCIAL YEAR	**11 592**	**18 922**
PROFIT OF THE FINANCIAL YEAR TO BE APPROPRIATED	**11 592**	**18 922**

Appropriation Account

in thousand of EUR

	31-12-2012	31-12-2011
PROFIT TO BE APPROPRIATED	**124 860**	**120 481**
Profit for the financial year available for appropriation	11 592	18 922
Profit carried forward	113 268	101 559
RESULT TO BE CARRIED FORWARD	**119 089**	**113 268**
Profit to be carried forward	119 089	113 268
PROFIT AVAILABLE FOR DISTRIBUTION	**5 771**	**7 213**
Dividends	5 771	7 213

Summary of accounting policies

Tangible assets are recorded as assets net of accumulated depreciation, at either their cost price or contribution value (value at which they were brought into the business), including ancillary costs and non-deductible VAT. Depreciation is calculated by the straight line method. The main depreciation rates are the following:

o Buildings	3%
o Buildings improvements	5%
o Office furniture and equipment	10%
o Computer equipment	33%
o Vehicles	20%

Financial Fixed Assets are entered either at their purchase price, after taking into account any amounts still not paid up and any write-offs made. They are written down if they suffer a capital loss or a justifiable long-term loss in value.

Amounts Receivable within one year and those receivable after one year are recorded at their nominal value. Write-downs are applied in case of permanent impairment or if the repayment value at the closing date is less than the book value.

Stocks are recorded at their purchase price or contribution value, including, in addition to the purchase price, the ancillary costs, duties and taxes relating to them. The infrastructure costs are recorded at their cost price. Realisation of stocks is recorded at the weighted average price. **Work in progress** is valued at cost price. Profits are, in principle, recorded on the basis of the percentage of completion of the work. Write-downs are applied as appropriate, according to the selling price or the market value. The sales and the purchases of properties are recorded at the signature of the notarial act in so far as the eventual conditions precedents are lifted and a clause of deferred property transfer is foreseen in the compromise under private signature

Short term investments are recorded as assets at their purchase price (ancillary costs excluded) or contribution value. Their values are adjusted, provided that the depreciation is lasting.

Cash at bank and in hand are recorded at their nominal value. Values are adjusted if the estimated value at the end of the financial year is lower than the book value.

At the close of each financial year, the Board of Directors, acting with prudence, sincerity and in good faith, examines the **provisions** to be set aside to cover the major repairs or major maintenance and the risks arising from completion of orders placed or received, advances made, technical guarantees after sale or delivery and current litigations.

Amounts Payable are recorded at their nominal value.