ANNUAL REPORT 2012

BUILDING THE FUTURE, ADDING VALUE.

150 YEARS

IMMOBEL
since 1863

150 *years*

1863 — 2013

IMMOBEL has been a major player in property development in Belgium for 150 years. It is also active in the Grand Duchy of Luxembourg and in Poland. Its business covers the office, residential and landbanking sectors, as well as, when the opportunity arises, retail, ensuring the diversification of its portfolio of projects. Its vision of the market and its expertise enable it to design, develop and manage ambitious real estate projects that create long-term value while respecting the environment and integrating the major issues facing society.

REGENCY · Brussels · Headquarter of IMMOBEL


IMMOBEL

INTERVIEW WITH THE PRESIDENT AND THE MANAGING DIRECTOR

Our strategy is geographic and sectoral diversity - the best defence against the vagaries of the market.

Has the difficult economic context, which continued to prevail in 2012, had a noticeable impact on your various markets?

Baron Buysse – The economic situation in Europe impacts the whole real estate market. Belgium, and especially Brussels, cannot escape that. The office market has been stagnating for several years and demand in particular is weaker than it used to be. On the other hand, in Warsaw, offices turned out to be particularly active, with a record year in terms of the number of m^2 leased.

Gaëtan Piret – In Belgium and the Grand Duchy of Luxembourg, moreover, we have noticed a slight drop in terms of residential and landbanking sales since the second half of 2012.

B.B. – The number of transactions is declining despite historically low interest rates. But we still believe in the middle and long-term potential of the residential and landbanking sectors and we will pursue our development strategy in these markets. Furthermore, in Brussels and Luxembourg, we see a demand for new, quality offices in good locations.

In these sluggish economic conditions, what were the strengths of IMMOBEL's strategy in 2012?

G.P. – IMMOBEL pursued the development of its various projects in the 3 sectors it knows well. As usual our activities comprised concluding leases, obtaining various permits, the delivery of certain buildings and the start of new projects. But 2012 was also a year of carefully targeted acquisitions. Either alone or in partnership, IMMOBEL made 3 major acquisitions: *Parc Seny* in Brussels (residential), *Gateway* in Zaventem (offices) and *Kons* in Luxembourg (offices, retail and residential), which was completed in February 2013. In the landbanking sector, too, IMMOBEL has actively pursued its policy of diversifying its acquisitions, with purchases in Flanders as well as Wallonia. In Poland, advanced negotiations should allow us to strengthen our presence in Warsaw as of the 1st half of 2013.

So Poland is a motor for development in IMMOBEL's strategy?

B.B. – Yes. We are continuing to expand there. We have already reaped the first benefits of our investments. We have successfully sold on several pieces of land acquired as part of a portfolio. Furthermore, we are examining several new opportunities.

G.P. – In the centre of Poznan we carried out a thorough renovation on a listed building containing 7,600 m^2 of offices and retail businesses, which was delivered in September 2012. Constructed in the 1950s, the building is a remarkable example of modernist architecture. IMMOBEL was rewarded for this restoration in the category "Best Modernisation of the Year" in Poland. Today, 66 % of the surface area has already been leased. The IMMOBEL POLAND team, which we set up in 2012 to manage our projects, now numbers around 15 people.

Can we count other key events in 2012 and the first few weeks of 2013 as assets for IMMOBEL?

G.P. – In Luxembourg, we have let over 75 % of *WestSide Village* and have signed a long-term lease with ING for a very significant part of the office phase of the *Kons* project. In Brussels, we delivered the last phase of the *Forum* project to the Belgian Chamber of Representatives and signed a long-term lease with Deloitte for the entire *Gateway* project (36,000 m^2), of which we acquired 50 %. In terms of residential projects: *Bella Vita* (in Waterloo), *Lindepark* (in Tervuren), *Charmeraie* (in Uccle) - where building has already started -, as well as *Bredene*, *Etterbeek* and *Eupen* are, in our opinion, exemplary in more than one respect.

Apart from the desire to strengthen its presence in these historic markets and stay the course in Poland, what is IMMOBEL's guiding principle in its development ambitions?

B.B. – As far as acquisitions are concerned we concentrate on first class locations. These locations mean we can make pre-lease or pre-sale agreements. That increases the security of the projects and automatically reduces the development risks.

G.P. – Our focus, both in the residential and the office sector is on investments where we can maximise our chances of signing agreements in the short or medium term, at least for a significant part of the project, either for a long-term lease with a first-class tenant, where offices are concerned, or, in the case of residential projects, for individual sales right at the start of the construction phase.

Is IMMOBEL's future still geographic diversification?

G.P. – Absolutely. We are continuing to pursue the strategy of geographic diversification, sectoral diversification and even in terms of the end investor, that we started nearly 6 years ago. It is an excellent defence against the vagaries of the market. At the end of 2012, Belgium, the Grand Duchy of Luxembourg and Poland made up approximately 72 %, 12 % and 16 % of our portfolio respectively, in all the different sectors.

At the end of 2012 we had a balanced portfolio under development, consisting of 190,000 m^2 of residential projects, 153,000 m^2 of offices and 416 ha of landbanking projects (Group's share). IMMOBEL participates in the development of approximately 650,000 m^2 offices and residential projects, in Belgium, Luxembourg and Poland.

Are you satisfied with IMMOBEL's results for 2012?

B.B. – In the present economic situation the results achieved in 2012 can be considered very reasonable, even though they were inferior to those of 2011. The results of a group like IMMOBEL should be analysed over a long period, because the projects have a lifetime of between 5 and 10 years. It is therefore impossible to guarantee that the results will be the same from one year to the next.

G.P. – In the past few years, IMMOBEL has invested considerable amounts in the acquisition of new projects. Chosen with care, these should enable the renewal and growth of cash flows and future profits. Particular attention has been paid to shortening the development time of these projects and to managing the risks inherent in them. Finally, sustainable development criteria and the major issues facing society are integrated into all the projects developed by IMMOBEL, as is proved by the BREEAM certificates we have obtained and the recognition of the quality of the buildings developed by IMMOBEL which is accorded to us by the authorities and other stakeholders. In this context: the *Black Pearl* project was elected by the Brussels Capital Region as "Exemplary Building 2012", for its remarkable performance in terms of both energy and the environment.

B.B. – Every day our colleagues and partners put a great deal of effort into ensuring that our projects evolve well. Our heartfelt thanks go out to them. We would also like to thank our clients, who support us in our long-term goals. And finally, last but certainly not least, we are very grateful to our shareholders and our bankers for all the support and trust they put in us.

Baron Buysse CMG CBE,
Chairman of the Board of Directors
& Gaëtan Piret[1], Managing Director

1. sprl

150 YEARS *in perspective*

IMMOBEL, founded under the name "Compagnie Immobilière de Belgique", has been listed on the stock market since 1863.

BIRTH

Founded on 9 July 1863 by Messrs J.R. Bischoffsheim (its chairman), Henri de Brouckère and Jules Malou, with the financial support of the Société Générale, the ambition of the Compagnie Immobilière de Belgique is to tackle the major urban challenges resulting from the industrialisation of the mid-XIX[th] century.

FOUNDATION *STONES*

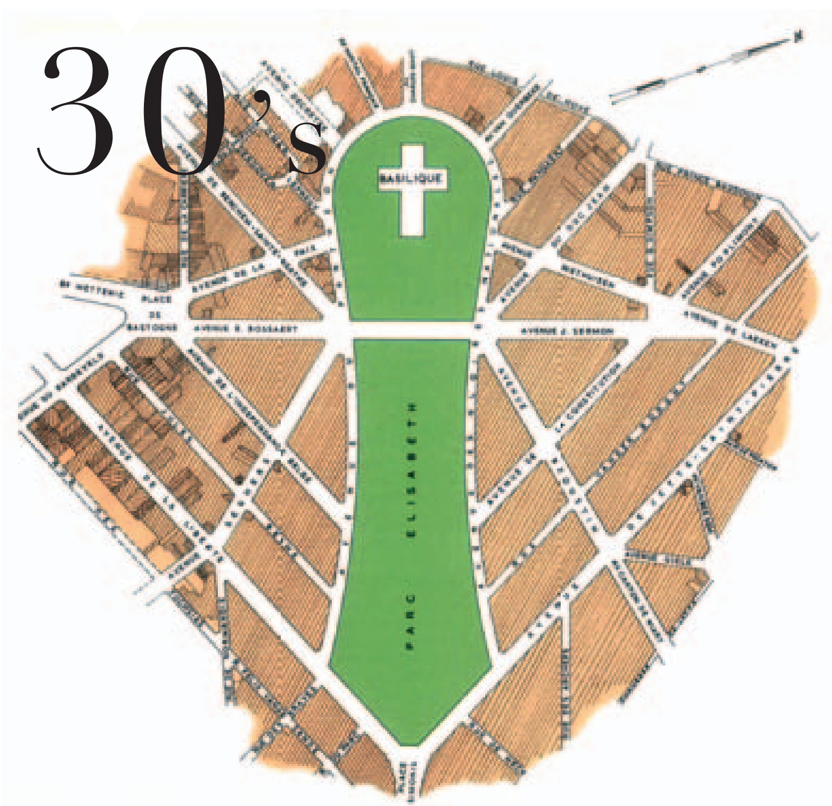
The Compagnie Immobilière de Belgique, whose first shareholder is the Société Générale, makes its primary objective the development of land in and around Brussels and within the fortified area south of Antwerp.

AMBITIOUS PROJECTS

The Company sets about an ambitious programme of urban development in Brussels: the creation of social housing, the construction of a covered market in Saint-Josse and the Palais du Midi, the rehabilitation of a neighbourhood of around 10 ha in the city centre, and the development of the ponds in Ixelles and the Square Jardin du Roi, at the behest of Léopold II.

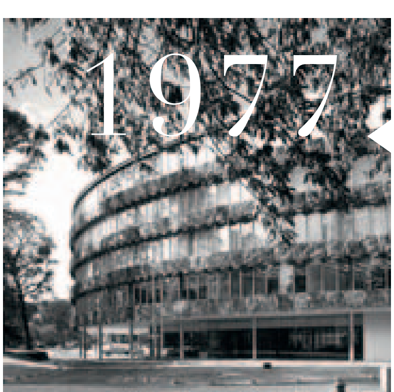
VIEW *on the* BASILICA

Via its subsidiary the Quartier Léopold II, the Compagnie Immobilière de Belgique develops over 80 ha of land around the Basilica in Koekelberg.



GREEN PERIPHERIES

The Compagnie Immobilière de Belgique extends its field of operations to the entire country. Large projects are constructed in the green peripheries of the cities to satisfy the general movement at the time towards more spacious living. Land development projects are in full expansion.



NEW MOMENTUM

The integration of the Compagnie Jacques de Duve, in 1977, strengthens the Company's management and consultancy activities. Its participation in the acquisition of the Glaverbel building and the renovation and sale of the former Union Minière headquarters to the Générale de Banque illustrate this new dynamic.

THE EFFECTS *of* SIZE

The merger with the Consortium Immobilier provides the Compagnie Immobilière de Belgique with a real estate portfolio that assures it recurrent revenue. This operation is followed, a year later, by a capital increase subscribed in cash, tripling the company's equity capital.

1987

1988

INVESTIMMO

The Company takes over Investimmo, which becomes its property development and promotion arm, and is focused mainly on the outskirts of Brussels and the Flemish Region.

THE DE WAELE *GROUP*

Under the auspices of Tractebel, a partnership with the De Waele Group results in the Company taking over De Waele's holding company, which brings with it a portfolio of developments in Brussels and the surrounding area. This merger is the beginning of a new period of expansion into the promotion of office buildings.

1991

CIBIX

The significant interest displayed by investors in Sicafis leads the Company to create Cibix, to which it brings part of its real estate portfolio and buildings belonging to third parties. From the very start it is the third largest Sicafi in Belgium, based on the size of its portfolio. Cibix is first quoted on the stock market on 18 May 1998. It specialises in top quality office buildings situated mainly in Brussels.

1998

L'OREAL BELGILUX · Brussels (Anderlecht) · Assar Architects

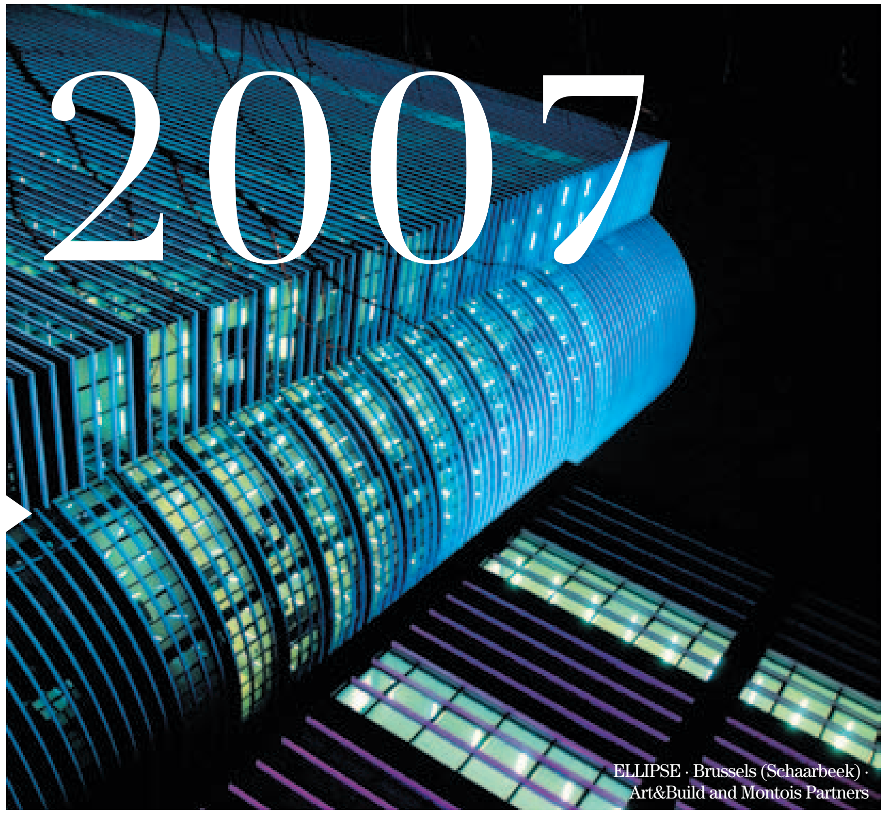
2001

REFOCUSING

The year 2001 marks a turning point in the history of the Compagnie Immobilière de Belgique: debt reduction, asset sales and a refocusing on core real estate promotion and development activities.

Cibix merges with Befimmo.

2007



ELLIPSE · Brussels (Schaarbeek) · Art&Build and Montois Partners

NEW PERSPECTIVES

The year 2007 is marked by the arrival of a new reference shareholder, the constitution of a new Board of Directors, the nomination of a new Chairman and a new Managing Director. The company rethinks its strategy.

2008

IMMOBEL
since 1863

IMMOBEL

The Compagnie Immobilière de Belgique starts using the name under which it is registered on the stock exchange, IMMOBEL. The Company refocuses its operations on its three activities in two countries: Belgium and the Grand Duchy of Luxembourg.

OKRAGLAK · Poznan · RKW Rhode Kellerman Wawrowsky

2010

CENTRAL EUROPE

A new reference shareholder takes the place of the previous one. The industrial experience of this new shareholder, which is already active in the real estate sector, offers IMMOBEL new horizons, resulting in a radical transformation of the Company. With the support of the new shareholder, Poland becomes a major development focus.

150 years
1863 — 2013

2013

150 *YEARS*

IMMOBEL celebrates its one hundred and fiftieth birthday. In the vanguard of sustainable development, IMMOBEL continues to be a reference in the real estate sector, a responsible player, careful to take a long-term perspective in its activities and integrate the major issues facing society.

2012 *in* BRIEF

Major acquisitions and developments for 126 MEUR

PARC SENY · Brussels (Auderghem) · A2RC

SALES *in* BELGIUM

- As planned, work on phase 2 of the *Château-Rempart* project in Tournai (5,633 m² of offices and meeting rooms leased to the Régie des Bâtiments for use by FPS Justice) was completed in 2012. The last stage of the sale could therefore be completed too, as a sale agreement had already been signed in 2011 with a private investor and the Caisse d'Epargne Nord France Europe.
- In 2012, IMMOBEL sold 90 apartments (alone or in partnership).

ACQUISITIONS *in* BELGIUM

- IMMOBEL signed a 50 % partnership agreement with Codic, with a view to jointly developing the *Gateway* project. The project, situated at the heart of Zaventem Airport (old terminal) will consist of the construction and renovation of 36,000 m² of offices.
- IMMOBEL acquired the company holding the office building (13,000 m²) in Brussels (Auderghem) in order to convert it into residential accommodation of the latest generation, integrating the most recent environmental technologies.
- As part of its landbanking activities, IMMOBEL has acquired or taken stakes in various plots of land representing a total of 34 ha to subdivide; it has also concluded agreements to buy 17 supplementary ha situated in the 5 provinces of the Flemish Region.

FORUM · Brussels · Archi 2000

CHÂTEAU-REMPART · Tournai · Yellowstone

COMPLETION

The site of phase 2 of the *Forum site*, in Brussels, was completed in December 2012. The project comprises 18,547 m² of offices pre-sold at the end of 2009, to the Belgian Chamber of Representatives.

The building, which received the BREEAM certification "Very Good", was approved by the buyer on 21 December 2012.

LEASING *in* LUXEMBOURG

The occupancy rate of the *WestSide Village* building went from 41 % to over 70 % in 2012


WESTSIDE VILLAGE · Capellen · Assar Architects

LEASING *in* BELGIUM

- IMMOBEL is developing the *Belair* site (64,308 m² offices above ground), in Brussels, as part of a partnership (40 %). The majority of the office building (phase 1), had already been leased to the Régie des Bâtiments for use by the Federal Police when, in May 2012, an amendment to the agreement was signed for the lease of the remainder of this office project.
- The offices in the *Gateway* project have all been preleased to Deloitte for a period of 18 years, subject to the granting of the appropriate permits.

PUBLIC/PRIVATE *partnership*

IMMOBEL has been selected, with a partner, to construct PPP (public/private partnership) projects in Grez-Doiceau (Gastuche) (approximately 220 housing units in Walloon Brabant) and in Knokke (42 apartments in West Flanders).


LINDEPARK · Tervuren · Jaspers, Eyers & Partners - A.-concept

AWARD *in* POLAND

In September 2012, the construction of the *Okraglak* project in Poznan, was completed. *Okraglak* has been awarded in the category “Best Modernisation of the Year”, in the competition organised annually by the Central & Eastern European Construction & Investment Journal.


OKRAGLAK · Poznan · RKW Rhode Kellerman Wawrowsky

PERMITS

Lindepark · Tervuren In May 2012, IMMOBEL obtained the permits required for phase 1, consisting of 45 apartments out of a planned total of 60 units, including 6 apartments for social housing. Work started in February 2013. At 31 December 2012, 28 apartments had already been reserved.


CLOS DÈL WÈDE, rue Basse Hez · Bolland

FINANCING

- During 2012, IMMOBEL obtained or renewed, either alone or with its partners, credit lines for approximately 470 MEUR (100 % participation) concerning 8 projects.
- The Group also renewed its credit line for “Landbanking” for a total of 50 MEUR, for a period of 3 years.

WORK STARTED

- Bella Vita · Waterloo Having obtained all the necessary permits, IMMOBEL (in a 50 % partnership), started a vast programme of infrastructural work. Commercialisation of the project was also launched, with success as, at 31 December 2012, 34 % of the housing units planned had been reserved.
- Black Pearl · Brussels Following receipt of all the necessary permits in 2011 and the departure of the last occupant, IMMOBEL began demolition and reconstruction work on this 11,000 m² office project in April 2012. Besides the BREEAM certificate “Excellent”, the *Black Pearl* project will also benefit from the “Passive Building” label. Furthermore, IMMOBEL won the “Exemplary Building 2012” award for *Black Pearl* on 19 February this year.


BELLA VITA · Waterloo · SM “FCM Architects - Baudouin Courtens & Associés”


BLACK PEARL · Brussels · Art&Build

- Charmeraie · Uccle The infrastructural work having been carried out in 2011 and the necessary permits obtained in July 2012, IMMOBEL (in an 80 % partnership) started construction work on the first apartment building and 8 houses on this unique site, adjoining the classified green zone, Natura 2000. Once completed, the project will comprise 39 houses and 32 apartments spread over 2 buildings.
- Duinenzicht · Bredene In September 2012, IMMOBEL (in a 50 % partnership) started construction work on an apartment building comprising 24 apartments on a site situated in the immediate proximity of the North Sea. By the end of 2012, 50 % of the apartments had already been sold. The project, which also included infrastructural work and subdivision of the land into plots (all sold now), will be completed in 2015 with the development of a second building comprising 25 apartments.
- Infrastructural work was also started on important sites in the Walloon Region.

TRANSFERS *in* LUXEMBOURG

The first 3 buildings of the *Green Hill* project, B4, B5 and B6, were handed over in 2012. Moreover, sales have maintained a very good rhythm, as 45 apartments were sold in 2012. By the end of 2012, 118 out of the 164 apartments being marketed had already been sold.


GREEN HILL · Luxembourg City (Dommeldange) · Christian Bauer & Associés


DUINENZICHT · Bredene · Architectenburo Berkein

SALES *in* POLAND

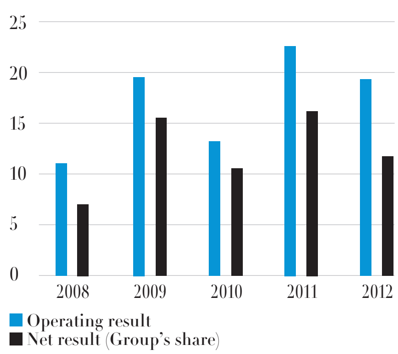
In March 2012, IMMOBEL sold 80 % of its 50 % stake in the company holding a plot of land in Warsaw where around 65,000 m² of offices could be built (Wronia/Prosta St.).

OTHER (POLAND)

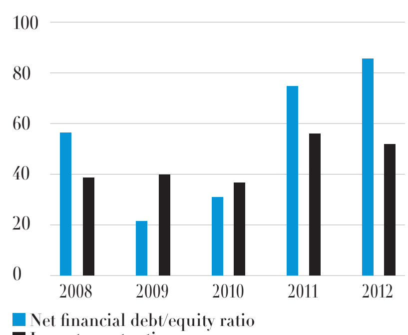
Due to the increased volume of projects in Poland, IMMOBEL POLAND has reinforced its team (around 15 year-end) with professionals with competences in office and retail development.

FINANCIAL INFORMATION

Operating result / net result (MEUR)



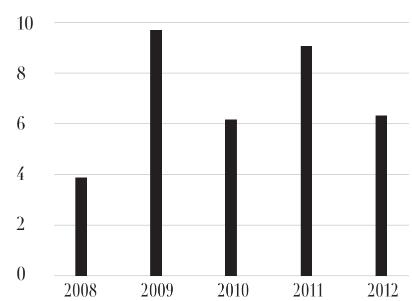
Net financial debt / equity ratio and loan-to-cost ratio* (%)



Net financial debt includes all (current and non-current) financial debts minus cash and cash equivalents.

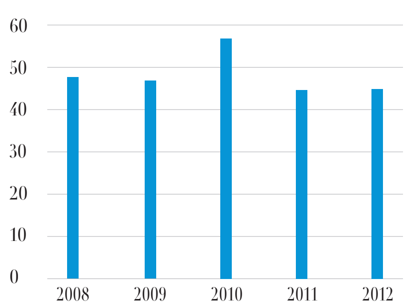
* Financial debts/inventories

Return on equity (%)

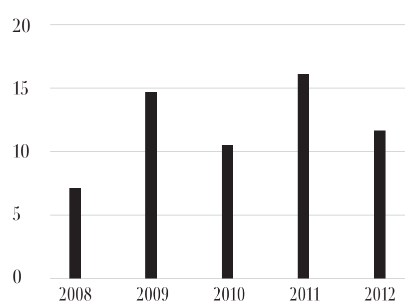


Return on equity is calculated based on the average equity at the beginning and end of the financial year.

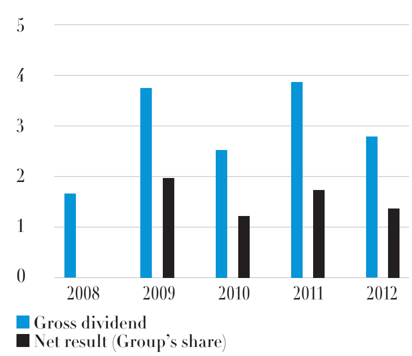
Gearing ratio: equity / total assets (%)



Net result from continuing operations (MEUR)



Net results and gross dividend per share (EUR)



SUMMARY OF THE CONSOLIDATED FINANCIAL STATEMENTS (MEUR)

INCOME STATEMENT	2008	2009	2010	2011	2012
Operating income	58.5	113.0	85.6	81.1	**133.7**
Operating expenses	-47.4	-93.5	-72.4	-58.6	**-114.3**
Operating result	**11.1**	**19.4**	**13.2**	**22.6**	**19.4**
Financial result	-4.3	-4.0	-4.9	-5.4	**-6.8**
Share in the results of associates	2.3	0.0	2.9	0.3	**0.0**
Result before taxes	**9.1**	**15.4**	**11.2**	**17.5**	**12.6**
Income taxes	-2.0	-0.7	-0.7	-1.3	**-0.9**
Result from continuing operations	**7.1**	**14.7**	**10.5**	**16.2**	**11.7**
Result from discontinued operations	-0.2	0.9	0.0	0.0	**0.0**
Result for the year	**6.9**	**15.6**	**10.5**	**16.2**	**11.7**
Share of IMMOBEL	**6.9**	**15.6**	**10.6**	**16.2**	**11.7**

FINANCIAL POSITION	2008	2009	2010	2011	2012
ASSETS					
Non-current assets	**15.9**	**13.2**	**11.4**	**5.8**	**7.7**
Intangible assets and goodwill	0.0	0.0	0.0	0.0	**0.0**
Tangible assets and investment property	2.9	3.4	3.6	2.5	**3.9**
Financial assets	12.7	9.3	7.5	1.3	**2.4**
Other	0.3	0.6	0.3	1.0	**1.4**
Current assets	**303.3**	**345.3**	**292.1**	**401.0**	**409.9**
Inventories	262.0	260.3	240.8	327.9	**359.9**
Treasury	15.8	67.7	34.2	47.0	**26.9**
Other	25.5	17.3	17.1	26.1	**23.1**
Total assets	**319.2**	**358.5**	**303.5**	**406.8**	**417.6**

EQUITY AND LIABILITIES	2008	2009	2010	2011	2012
Equity	**152.7**	**168.7**	**172.1**	**182.8**	**187.8**
Non-current liabilities	**86.6**	**69.3**	**71.9**	**112.6**	**136.1**
Financial debts	71.2	58.8	65.6	109.3	**135.5**
Other	15.4	10.4	6.3	3.3	**0.6**
Current liabilities	**79.9**	**120.5**	**59.4**	**111.4**	**93.7**
Financial debts	30.5	44.9	22.5	74.3	**51.8**
Derivative financial instruments	1.5	2.2	1.8	1.8	**2.1**
Other	47.9	73.4	35.1	35.2	**39.8**
Total equity and liabilities	**319.2**	**358.5**	**303.5**	**406.8**	**417.6**

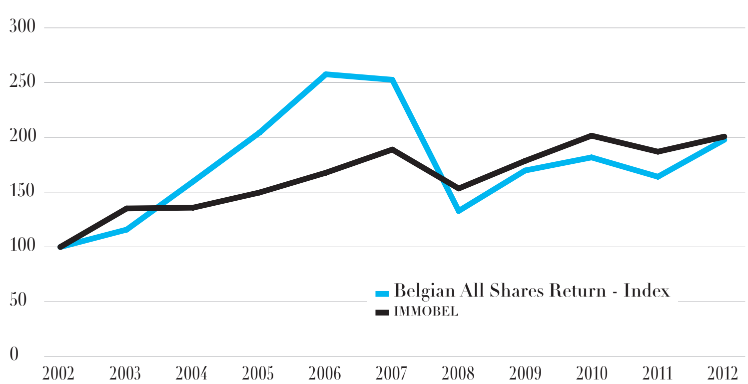
KEY CONSOLIDATED FIGURES

KEY FIGURES IMMOBEL GROUP (MEUR)	2008	2009	2010	2011	2012
Cash flow[1]	0.7	17.2	8.5	14.0	**8.0**
Net result, Group's share	6.9	15.6	10.6	16.2	**11.7**
Equity, Group's share	152.7	168.7	172.2	182.8	**187.8**
Market capitalization	61.8	101.8	130.2	101.8	**116.4**

FIGURES PER SHARE (EUR)	2008	2009	2010	2011	2012
Number of shares at year-end (in thousand)	4 122	4 122	4 122	4 122	**4 122**
Cash flow	0.2	4.2	2.1	3.4	**1.9**
Net result, Group's share	1.7	3.8	2.6	3.9	**2.8**
Value of equity	37.1	40.9	41.8	44.4	**45.6**
Gross ordinary dividend	0.0	2.0	1.25	1.75	**1.40**
Net ordinary dividend	0.0	1.5	0.94	1.3125	**1.05**

STOCK MARKET RATIOS	2008	2009	2010	2011	2012
List price on 31 December (EUR)	15.0	24.7	31.6	24.7	**28.3**
Maximum quotation (EUR)	43.4	24.7	32.9	34.0	**28.9**
Minimum quotation (EUR)	11.2	11.0	23.0	23.4	**24.2**
List price/book value	0.4	0.6	0.8	0.6	**0.6**
Gross return for 1 year[2]	-31.7 %	64.8 %	36.0 %	-17.8 %	**21.5%**
Gross ordinary dividend/last list price	0.0 %	8.1 %	4.0 %	7.1 %	**5.0%**
Net ordinary dividend/last list price	0.0 %	6.1 %	3.0 %	5.3 %	**3.7%**

Evolution of IMMOBEL's return compared to the Belgian stock market over 10 years



11.7 MEUR

net consolidated result

360 MEUR

total value of projects portfolio

1. Net result without the non cash expenses (amortisation, depreciation charges, provisions ...) and the non cash income (fair value ...)
2. Gross return for 1 year: (last closing price + dividends and capital repayments paid during the last 12 months - first list price for the period)/ first list price for the period

CORPORATE GOVERNANCE STATEMENT

IMMOBEL adheres to the principles of corporate governance contained in the Belgian Corporate Governance Code published on 12 March 2009 (hereafter Code 2009), which is available on the GUBERNA website: www.guberna.be.

IMMOBEL believes that its Corporate Governance Charter and the present Corporate Governance Statement reflect both the spirit and the rules of the Belgian Corporate Governance Code.

The Corporate Governance Charter describes in detail the structure of the Company's governance and its policies and procedures in matters of governance. This Charter can be consulted on the Company's website: www.immobel.be.

This section of the Annual Report contains information concerning the way IMMOBEL put the principles of governance into practice during the past year.

I. Decision-making bodies (at 31 December 2012)

THE BOARD OF DIRECTORS

The curriculum vitae of each Director (or of its permanent representative) can be summarized as follows:

▶ Baron BUYSSE

CMG CBE, 67, following an international career in London, where he was an Executive Director of BTR Ltd and Chief Executive Officer of Vickers Ltd, he is currently Chairman of Bekaert, a Bel20 company.
It was he who initiated the Buysse Code on Corporate Governance for companies that are not listed on the stock market. He is the Chairman of the Board of Censors of the National Bank of Belgium and Director or Chairman of other organizations.

▶ Gaëtan PIRET[1]

54, holds a Master's degree in Business Engineering from the ULB. He is PMD 1989 of the Harvard Business School, a Fellow Member of the Royal Institution of Chartered Surveyors (FRICS) and a Member of IPI. He joined the Compagnie Immobilière de Belgique in 1992 and has been Managing Director since 29 June 2007. In addition, he is, amongst other things, a Director of SITQ Les Tours SA (Caisse de Dépôt et Placement du Québec) and UPSI (Union Professionnelle du Secteur Immobilier).

▶ Didier BELLENS[2]

57, has a degree in Economics and Business Administration from the ULB (Solvay Business School) and has been the Managing Director of Belgacom since March 2003. He is also a Member of the International Committee of NYSE. He was previously the CEO of the RTL Group and Managing Director of GBL (Groupe Bruxelles Lambert).

▶ **Maciej DROZD**

48, obtained degrees from the Faculty of Philosophy and Sociology and the Faculty of Management of Warsaw University. He also has an MBA from the University of Illinois in Urbana-Champaign. He joined Eastbridge in 1995. Since June 2009, he has been a Director and the CFO of Eastbridge Group and a Member of the Supervisory Board of EM&F Group. Since 2002, he has been a Member of the Board of Directors and CFO of the Commercial Real Estate department of the Eastbridge Group. Previously he worked as CFO in various companies in Poland.

▶ **Dany DWEK**

54, has been active in real estate - predominantly in residential property, retail and offices - since 1985. Alone or in partnership (with Interparking and the Brussels Regional Development Agency (SDRB), amongst others), he has simultaneously initiated, developed and managed multiple successful ventures both in Belgium and internationally, especially in Central Europe and the US. Since 1992 he has been one of the initiators and developers involved in the conversion of landmark office buildings into residential projects in the financial district of Manhattan, New York. He is a shareholder and Member of the Supervisory Board of Eastbridge.

▶ **Maciej DYJAS**

49, has degrees in Information Technology and Business Administration from the Universities of Warsaw and Stuttgart. He joined Eastbridge in 1994. He currently holds the post of CEO of the Eastbridge Group and Chairman of the EM&F Group. He is in charge of the group's growth strategy, management of its operations in Europe and the United States, and relations with its business partners and investors. He has previously worked for consulting companies in Europe and the United States. He is a Member of the Polish Business Circle, the Polish-German Chamber of Commerce and the Association of Germans in Poland.

▶ **Marc GROSMAN**

58, supplemented his Master at the ISG business school with an MBA from Harvard Business School in 1982. Since 1978, he has been the cofounder and CEO of Celio, the number 1 in Europe for men's ready-to-wear fashion, which has 1,600 shops in 65 countries. Since 2006, he has been a majority shareholder of the women's ready-to-wear fashion label, Jennyfer. He is also a Member of the Supervisory Board of Eastbridge and Director of Bata Shoes.

▶ **Marek MODECKI**

54, holds a Master in Law from the University of Warsaw. He also studied International Law at the Max Planck Institute and Law at the University of Hamburg. He is currently a partner at Concordia (since 1997), an investment firm located in Warsaw and Brussels, specialized in M&A transactions and corporate finance in Poland and Europe. In 2006-2008 he worked as a Senior Banker for Concordia Espirito Santo Investment, a joint venture between Concordia and the Portuguese group Espirito Santo Group. He is currently a Member of the Supervisory Board of Pegas Nonwovens Ltd (Czech Republic) and Empik M&F SA.

▶ **Wilfried VERSTRAETE**

54, studied Economics at the VUB (Brussels) and obtained a Master in Financial Management from VLEKHO in Brussels. He also completed the IEP programme at INSEAD. He is currently Chairman of the Board of Management of the Euler Hermes Group, Member of the Allianz Group, which he joined in 2007 as CFO of Allianz Global Corporate & Specialty. He was Chairman of the Board of Management of the Dutch credit insurance company Atradius NV from May 2004 till October 2006. From 1996 till 2004 he was CFO successively of Mobistar, Wanadoo and Orange, all of which are part of the France Télécom Group.

▶ **Laurent WASTEELS**

57, obtained a Master in Economic and Social Sciences (FNDP Namur) in 1981. He also followed the Entrepreneurial Management programme at the University of Boston. He is currently Director of the Compagnie Européenne de Constructions Immobilières SA and Manager of Antibes Investissements Sàrl. He also holds two public mandates in Monaco: he is Economic and Social Advisor to the Government of the Princedom of Monaco and Honorary Consul of the Kingdom of Belgium in Monaco.

1. In carrying out the functions concerned in the present report, Mr Gaëtan PIRET acts as the permanent representative of the company GAETAN PIRET sprl.
2. In carrying out the functions concerned in the present report, Mr Didier BELLENS acts as the permanent representative of the company ARSEMA sprl.

The Board of Directors

NAME	FUNCTION	DATE FIRST APPOINTMENT	END MANDATE	PROFESSIONAL ADDRESS
Baron BUYSSE	Chairman of the Board (Independant)	13 November 2007	2016	c/o Bekaert SA, Diamant Building, Boulevard Auguste Reyers 80, 1030 Brussels
Gaëtan PIRET[1]	Managing Director	10 May 1995	2015	Rue de la Régence 58, 1000 Brussels
Didier BELLENS[2]	Director (Independant)	29 August 2007	2015	c/o Belgacom SA, Boulevard du Roi Albert II 27, 1030 Brussels
Maciej DROZD	Director	8 September 2010	2013	c/o Eastbridge Group, c/o Global Asset Management Sp. z o.o., 104/122 Marszalkowska Street, PL-00-017 Warsaw (Poland)
Dany DWEK	Director	24 May 2012	2016	c/o Eastbridge Group, c/o Global Asset Management Sp. z o.o., 104/122 Marszalkowska Street, PL-00-017 Warsaw (Poland)
Maciej DYJAS	Director	8 September 2010	2014	c/o Eastbridge Group, c/o Global Asset Management Sp. z o.o., 104/122 Marszalkowska Street, PL-00-017 Warsaw (Poland)
Marc GROSMAN	Director	8 September 2010	2014	c/o Celio International SA, South Center Titanium, Place Marcel Broodthaers 8b2, 1060 Brussels
Marek MODECKI	Director (Independant)	8 September 2010	2015	c/o Concordia Sp. z o.o., Aleje Jerzolimskie 65/79, PL-00-697 Warsaw (Poland)
Wilfried VERSTRAETE	Director (Independant)	29 August 2007	2015	c/o Euler Hermes SA, 1 rue Euler, F-75008 Paris (France)
Laurent WASTEELS	Director (Independant)	8 September 2010	2015	c/o Wasteels S.à r.l., 5 allée Guillaume Apollinaire, MC-98000 Monaco

1. In carrying out the functions concerned in the present report, Mr Gaëtan PIRET acts as the permanent representative of the company GAETAN PIRET sprl.
2. In carrying out the functions concerned in the present report, Mr Didier BELLENS acts as the permanent representative of the company ARSEMA sprl.

Activity report

Pursuant to article 18 of the Articles of Association, the Board shall be convened by the Chairman of the Board of Directors, the Managing Director or two Directors.

In principle the Board meets at least three times a year (in March, August and December). Additional meetings may be organized at any time, with reasonable notice. This frequency enables the Directors, among other things, to review the half-yearly accounts in August and the annual accounts in March, as well as the budgets in December. In 2012, the Board met on six occasions.

The Board of Directors of IMMOBEL will focus on gender diversity over the next few years, as the law won't apply to the Board until 1 January 2017 at the earliest or even later, in 2019. For this purpose, a Committee already met in 2012. During this Committee, it was decided to propose a reflection to the Board of Directors on its future evolution as well as what it implies for IMMOBEL.

THE COMMITTEES OF THE BOARD OF DIRECTORS

The Audit & Finance Committee

The Audit & Finance Committee (hereafter "AFC") assists the Board of Directors mainly in, on the one hand, monitoring financial reports and financial information intended for Shareholders and third parties, as well as the quality of internal control and risk management, and on the other hand, following up on the auditor's work, and monitoring the Company's accounts department and finances.

The AFC is made up of at least three Directors who do not have executive responsibilities within IMMOBEL; a majority of the Members of this Committee are independent and at least one Member is competent in accounting and auditing matters.

The Members of the AFC and its Chairman are appointed by the Board of Directors for a maximum duration of four years.

Composition:

Wilfried VERSTRAETE, Chairman,
Didier BELLENS and
Maciej DROZD, Members.

In 2012, the AFC met four times at the request of its Chairman.

The Remuneration & Appointments Committee

The main mission of the Remuneration & Appointments Committee (hereafter "RAC") is to make proposals to the Board of Directors concerning remuneration (elements of the remuneration of the Directors, the Members of the Management and Executive Committees, the managers and people in charge of day-to-day management; policy on employee share ownership, etc.) and concerning appointments (appointment or reelection of the Members of the Committees etc.). In application of the Law on Corporate Governance of 6 April 2010, the RAC draws up the Remuneration Report which the Board includes in the Statement on Corporate Governance, which will be discussed during the Annual General Meeting (see infra p. 86).

The RAC is made up of only non-executive Directors, a majority of whom are independent Directors and have the necessary expertise in remuneration policy.

The Managing Director takes part in the meetings of the RAC with an advisory vote when this Committee treats the remuneration of the other executive Directors, the other Members of the Management Committee and the other Members of the Executive Committee.

The Members of the RAC and its Chairman are appointed by the Board of Directors for a maximum duration of four years.

Composition:

Didier BELLENS, Chairman,
Dany DWEK,
Marek MODECKI and
Laurent WASTEELS, Members.

In 2012, the RAC met four times at the request of its Chairman.

The Investment & Asset Management Committee

The Investment & Asset Management Committee (hereafter "IAMC") assists the Board of Directors in the strategic management of all of IMMOBEL's assets that are valued in excess of 5 MEUR. It also helps it to identify and understand the strategic challenges posed by potential new real estate projects valued in excess of 5 MEUR.

The IAMC is made up of at least three Directors, including the Managing Director.

The Members of the IAMC are appointed by the Board of Directors for a maximum duration of four years. The Managing Director is the Chairman of the IAMC.

Composition:

Gaëtan PIRET, Chairman,
Dany DWEK,
Maciej DYJAS,
Marc GROSMAN and
Wilfried VERSTRAETE, Members.

In 2012, the IAMC met four times at the request of its Chairman.

THE MANAGEMENT COMMITTEE

The main roles of the Management Committee are:

- to monitor the performance of the various departments of IMMOBEL in terms of the strategic goals, plans and budgets
- to submit the financial statements to the Board of Directors, under the leadership of the Managing Director
- to examine, define and prepare proposals and strategic choices, including financial ones, likely to contribute to the growth of IMMOBEL.

Composition:

Gaëtan PIRET, Chairman,
Philippe HELLEPUTTE,
Christian KARKAN and
Philippe OPSOMER, Members.

The Members of the Management Committee are not related to each other.

In 2012, the Management Committee met four times at the request of its Chairman.

The curriculum vitae of the Members of the Management Committee can be summarized as follows:

THE EXECUTIVE COMMITTEE

The role of the Executive Committee is to introduce efficient systems of internal control and risk management as well as to ensure the day-to-day management of operations. It draws up and implements the policies of IMMOBEL the Managing Director esteems to be of the competences of the Executive Committee.

Under the responsibility of the Managing Director, he:

- gives leadership, advice and support to IMMOBEL's various subsidiaries and departments,
- manages and organizes the support functions within IMMOBEL covering areas such as human resources, legal, tax, accounting and financial matters.

Composition:

Gaëtan PIRET, Chairman,
Pierre DELHAISE[1],
Bartlomiej HOFMAN[2],
Philippe HELLEPUTTE[3],
Christian KARKAN[4],
Sophie LAMBRIGHS[5],
Jean-Louis MAZY[6],
Joëlle MICHA[7],
Paul MUYLDERMANS[8] and
Philippe OPSOMER[9], Members.

The Members of the Executive Committee are not related to each other.

The curriculum vitae of the Members of the Management Committee and the Executive Committee can be summarized as follows:

1. Head of Legal Services and Secretary of the Executive Committee
2. Head of IMMOBEL POLAND
3. Head of Landbanking
4. Permanent representative of REALEYDE DEVELOPMENT sprl; Head of Development
5. Since 7 January 2013; Permanent representative of ZOU2 sprl; Advisor
6. Permanent representative of JEAN-LOUIS MAZY sprl; Advisor
7. Permanent representative of JOMI sprl; Head of Corporate Affairs and General Secretary of the Board of Directors and the Committees of IMMOBEL and its subsidiaries. She is also Compliance Officer at IMMOBEL.
8. Permanent representative of PAUL MUYLDERMANS sprl; Head of Project Management
9. Permanent representative of ASAP CONSULTING sprl; Head of Finance and Secretary of the Management Committee

▶ Gaëtan PIRET

54, holds a Master's degree in Business Engineering from the ULB. He is PMD 1989 of the Harvard Business School, a Fellow Member of the Royal Institution of Chartered Surveyors (FRICS) and a Member of IPI. He joined the Compagnie Immobilière de Belgique in 1992 and has been Managing Director since 29 June 2007. In addition, he is, amongst other things, a Director of SITQ Les Tours SA (Caisse de Dépôt et Placement du Québec) and UPSI (Union Professionnelle du Secteur Immobilier).

▶ Philippe HELLEPUTTE

61, joined IMMOBEL in 1977 as legal Advisor, after having worked 2 years for Coopers & Lybrand. He is, since 1984, in charge of the landbanking activities of the Group, Managing Director of Lotinvest, Director of various subsidiaries of IMMOBEL Group and Member of the Executive Committee since 1987. He holds a Master in Law (UCL), is Member of the IPI and General Counsel of the UPSI (Union Professionnelle du Secteur Immobilier).

▶ Pierre DELHAISE

62, joined IMMOBEL in 1984 as Company Lawyer after having worked for the office of Notary Marc Bernaerts in Brussels for 7 years. He is currently Head of Legal Services of IMMOBEL and a Member of the Association of the Company Lawyers. He holds a Master in Law (RUG), a Master in Notary Law (VUB) and a Master in European Law (ULB). He also holds a Common law certificate from St. Catherine's College (Cambridge).

▶ Bartlomiej HOFMAN

38, joined the Group in 2011 as head of our Polish subsidiary (Head of IMMOBEL POLAND) and is member of the RICS. Prior to joining IMMOBEL, he has worked, since 1999, for Knight Frank and DTZ, specializing in the office sector, and from 2005, he has worked for Austrian based investment fund Europolis. He holds a Master degree from Warsaw University in International Relations and a Postgraduate degree in Property Valuation from Warsaw Technical University.

▶ Christian KARKAN

49, Member of IPI and RICS, joined IMMOBEL as Head of Development in 2009. He started his career in 1986 when he joined Healey & Baker (now Cushman & Wakefield) as property agent specialized in offices, lettings and investments. From 1989 until 1993, he was in charge of real estate projects at Fibelaf. In 1995 he became an Associate of Cushman & Wakefield and Equity Partner in 2000 when he accepted the position of Head of the investment team. He studied Marketing at EPHEC (Ecole Pratique des Hautes Etudes Commerciales) and has a degree in Corporate Management.

▶ Sophie LAMBRIGHS

41, joined IMMOBEL in January 2013 as an Advisor and Member of the Executive Committee. She started her career in the building trade, where she held several positions both in Brussels and Paris, involving the design of buildings and works of art. In 2003 she joined the real estate department of Axa Belgium, initially as a Project Manager and later as an Investment Manager. She was also a Director of the real estate investment trust, Retail Estates, and a Member of the Investment Committee of Home Invest. She holds a Master's Degree in Civil Engineering (Construction) from the ULB and obtained an Executive Master in Management from Solvay Brussels School.

▶ Jean-Louis MAZY

57, joined IMMOBEL in 2001 as internal Consultant and afterwards as Member of the Executive Committee. Prior to this, he was a Member of the Executive Committee of Cibix – sicafi (Reit) (1999-2001). He began his professional career as Inspector General of Finance (1979-1996). Afterwards he joined the P&V Group as CFO (from 1990 till 1997). He holds a Master's degree in Economics (ULB) and an Advanced Management Program (Harvard Business School).

▶ Joëlle MICHA

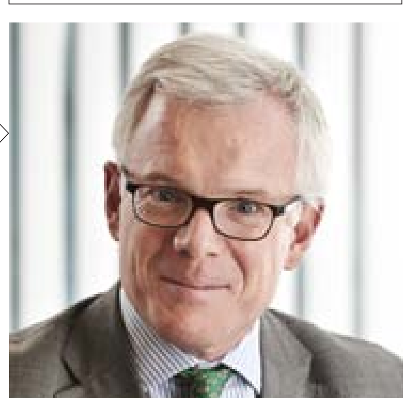
43, joined the Group in 2000 as Company Secretary of the sicafi Cibix (Reit). Since 2007, she is Head of Corporate Affairs and Compliance Officer of IMMOBEL. Prior she worked as a Lawyer for Loeff Claeys Verbeke (currently Allen & Overy), as an authorised agent in a private bank, and at the FSMA (formerly BFIC) in the Markets Supervision department. She holds a Master in Law (UCL), a Master in Taxation (HEC-Liège) and she also obtained the Certified European Financial Analyst qualification (ABAF). She is a Company Director in Belgium and the Grand Duchy of Luxembourg.

▶ Paul MUYLDERMANS

58, joined IMMOBEL in 2002 as Head of Project Management. He was previously Commercial Director at Valens (Eiffage group). He holds a degree in Civil Engineering (KUL) and a Postgraduate from the RUG. He is AMP 1997 from INSEAD and Member of the Royal Institution of Chartered Surveyors (MRICS).

▶ Philippe OPSOMER

50, joined IMMOBEL as CFO. After a career start in the banking sector, he joined Nestlé Belgium in April 1989 where he spent 9 years (in the Finance, Audit, IT and Logistics departments). In November 1997, he joined Econocom in Belux, where he spent 10 years in senior management jobs, in Belux & France, in Finance, Operations and IT. He left Econocom in November 2007 (being at that time CFO, Products and Services Benelux). He holds a Master's degree in Business Engineering (Solvay Business School 1987).



II. Internal control and risk management

The Belgian legislative framework for internal controls and risk management consists in the Law of 17 December 2008 (in application of the European Directive 2006/43 concerning corporate financial control), the Corporate Governance Law of 6 April 2010 (CG Law) and the Code 2009.

Nevertheless, the current Belgian legislative and normative framework specify neither the model of internal control to which the companies for which it is intended should conform, nor the modalities for implementing it (level of detail required).

IMMOBEL uses a system of risk management and internal control that was drawn up internally based on the "COSO" model of internal control.

The COSO methodology is organized around five elements:

- the internal control environment
- risk analysis
- control activities
- information and communication, as well as
- supervision and monitoring.

THE INTERNAL CONTROL ENVIRONMENT

The element "internal control environment" focuses on the following components:

Precise definition of the company's objectives:
"IMMOBEL is a leading Belgian listed company active in the real estate business and more specifically in the offices, residential and landbanking sectors as well as in function of retail/commercial opportunities. IMMOBEL's objective is to ensure a diversification of its project portfolio via these sectors and to design, manage and promote real estate projects that create long-term value, while respecting the environment and integrating corporate social responsibility."

A definition of the roles of the decision-making bodies:
IMMOBEL has a Board of Directors, an IAMC, an AFC, an RAC, an Executive Committee and a Management Committee.

Responsibility for drawing up IMMOBEL's strategy and for controlling the way it does business belongs primarily to the Board of Directors. The main responsibilities of the different Committees have been mentioned above (cfr. Decision-making bodies).

Risk culture:
IMMOBEL takes a prudent attitude, managing a portfolio of diversified projects that create long-term value through its three lines of activity.

Application of ethical standards and integrity:
IMMOBEL has a Good Behaviour Code that describes the principles of good conduct that apply to each of the Directors and the Members of the Management and Executive Committees as well as all the employees and external collaborators. This Code deals with aspects of conflict of interest, professional secrecy, the buying and selling of shares, corruption and misuse of corporate funds, business gifts and even human dignity. The position of Compliance Officer has been created.

Measures geared to ensuring the level of competence:

- Competence of the Directors – Given their experience, the Directors possess the competencies and qualifications necessary to assume their responsibilities, particularly in matters of finance, accounting, investment and remuneration policy.

- Competence of the Members of the Management Committee, the Members of the Executive Committee and other staff: a recruitment process geared to the profiles required, adequate training and a policy of remuneration and evaluation based on the achievement of realistic and measurable goals make it possible to ensure the competence of IMMOBEL's staff. A procedure dealing with remuneration policy for the Directors and the Members of the Executive and Management Committees: IMMOBEL has introduced a remuneration procedure that complies with the requirements of the CG Law of 6 April 2010 on Corporate Governance.

RISK ANALYSIS

IMMOBEL regularly carries out risk identification and evaluation exercises. The risks are mapped out and formal action plans are drawn up to deal with those risks for which the level of control is deemed to be inadequate. The AFC monitors the implementation of these action plans.

The principal risks to which IMMOBEL is exposed are set out in detail in section I.B of the Directors' Report.

CONTROL ACTIVITIES

The control activities correspond to the regulations and procedures used to deal with the principal risks identified. Amongst the main regulations and procedures established within IMMOBEL, we would like to mention the following:

- Feasibility studies are carried out systematically, allowing project margins to be monitored. The feasibility studies are then analysed by the project manager, the Head of Development and the Head of Finance. It should be noted that for all investment projects in excess of 5 MEUR, the feasibility study is also submitted to the IAMC.

- A review of the discrepancies between the budget and the actual financial situation is carried out at least twice a year by the Head of Finance. Any significant differences observed are submitted to the Management and/or the Executive Committee as well as to the AFC.

- The accounts department and future financial requirements are monitored and regular reports submitted to the Management bodies and the AFC.

- The principle of multiple approvals exists at every phase of the engagement process: the double signature procedure applies to approval of all transactions and the signatories are specified in function of the sums involved in the transaction.

INFORMATION AND COMMUNICATION

IMMOBEL uses the software program Navision as its financial management information system, of which the maintenance and development are subcontracted to a partner.

Data continuity is also subcontracted to a partner who is contractually bound to follow a strict procedure to establish a reliable and secure information storage system.

For the large majority of entities in the IMMOBEL Group accounting is outsourced to a firm specialised in financial services. The accounts are kept in IMMOBEL's ERP, the integrated management software program Navision. The finance department of IMMOBEL is always in charge of the closure process and drafting the Annual Report, the Consolidated Financial Statements drawn up according to IFRS standards and the Annual Accounts. Communication with the personnel and the various employees of IMMOBEL is appropriate to the size of the business. It is based mainly on work sessions, verbal communications from the management to the personnel as a whole, or internal e-mail notes signed by the Managing Director.

In order to ensure rapid communication and equal treatment of all Shareholders, IMMOBEL publishes the agenda and the minutes of the Annual General Meetings, the half-yearly and annual financial results, press releases, the Articles of Association, the Charter of Corporate Governance and the Annual Report on its website. Certain information is also published in the press.

SUPERVISION AND MONITORING

The AFC is responsible for supervising internal control. Given the size and the activities of the Company and the Group, the AFC does not consider it necessary to create the position of internal auditor to assist it in this mission.

In order to evaluate the control environment regularly, the AFC entrusts the auditor with certain specific missions involving more thorough examination of internal control, consisting of testing the existing controls and identifying possible weaknesses compared to best practice. The AFC ensures that the recommendations are implemented if the need arises.

Should the nature and size of the Group's activities change, the AFC would re-examine the need to get an internal auditor.

Philippe Garin &
Frédéric Hovine

III. Rules and procedures

TRANSACTIONS AND OTHER CONTRACTUAL RELATIONSHIPS BETWEEN THE COMPANY, INCLUDING ASSOCIATED COMPANIES, WITH THE DIRECTORS, THE MEMBERS OF THE MANAGEMENT COMMITTEE, THE MEMBERS OF THE EXECUTIVE COMMITTEE AND THE OTHER STAFF

In 2012, the Directors had recourse to the procedure applicable in case of conflict of interest, as laid down in articles 523 and 524 of the Companies Code and described in the Charter of Corporate Governance, twice. Apart from that, there was one transaction between, on the one hand, the IMMOBEL Group and, on the other hand, a Member of the Management Committee, that was subject to the procedure mentioned above. Article 524 § 5 of the Belgian Companies Code has been applied once in the framework of intended operations between subsidiaries (affiliated companies) of IMMOBEL, for the sake of prudence.

Application of the rules cited above has not given rise to any difficulty.

COMMENTS ON THE MEASURES TAKEN BY THE COMPANY IN THE CONTEXT OF THE DIRECTIVE ON INSIDER TRADING AND MANIPULATION OF THE MARKET

In its Code of Good Conduct the Corporate Governance Charter provides rules intended to prevent the abuse of the market, which are applicable to Directors, to de facto managers, and to any other person liable to possess privileged information because of his/her involvement in the preparations for a particular operation.

These rules have been supplemented by an internal note summarizing the main legal obligations in this matter, particularly taking into account the Royal Decree of 5 March 2006 on abuse of the market, with a view to increasing an awareness of their obligations in those concerned.

The Compliance Officer is tasked with ensuring compliance with said rules in order to reduce the risk of abuse of the market by insider trading. The Compliance Officer keeps lists of people who have or are liable to have privileged information and who know or cannot reasonably be unaware of the privileged nature of this information.

When these people consider carrying out operations involving financial instruments issued by IMMOBEL, they must give the Compliance Officer prior notice in writing or by email of their intention to carry out this operation. Within 5 working days of reception of this prior notice the Compliance Officer will inform the persons concerned whether there is any reason to think that the operation under consideration constitutes insider trading. Should that be the case, it would be inadvisable to carry out the operation. These persons must notify the FSMA of any operations carried out on their own behalf and involving Company shares within five working days of the operation concerned being performed, this notification can be deferred, however, in conformity with the law, as long as the total sum of the operations carried out during the calendar year in progress does not exceed the threshold of 5,000 EUR.

During these so-called "closed" periods, it is forbidden for these people to carry out operations involving IMMOBEL's financial instruments.

During the past financial year the job of Compliance Officer at IMMOBEL was carried out by Mrs Joëlle Micha, Head of Corporate Affairs.

Application of the rules cited above has not given rise to any difficulty.

LEGAL AND ARBITRATION PROCEDURES

The Board of Directors of IMMOBEL assesses that no governmental, legal or arbitration proceeding exists that may have, or have had in the recent past, significant effects on the Company and that the Company is not aware of proceedings which are pending that could cause these governmental, legal or arbitration proceedings.

IV. Information about the issued capital

31 DECEMBER 2012	NUMBER	VOTING RIGHTS RELATED THERE TO
Ordinary shares	4 121 987	4 121 987

SHAREHOLDING STRUCTURE:

In application of article 29 of the Law of 2 May 2007 on the disclosure of shareholding in issuers whose shares are admitted to trading on a regulated market, IMMOBEL has been informed by the following Shareholders that they hold the following shares (7 March 2013):

SHAREHOLDERS	VOTING RIGHTS	% OF TOTAL SHARES
CRESIDA INVESTMENT S.à r.l. having its registered seat at L-1469 Luxembourg, rue Ermesinde 67	1 030 484	24.99 %
JER AUDREY S.à r.l. having its registered seat at L-1931 Luxembourg, Avenue de la Liberté 41	228 081	5.53 %
CAPFI DELEN ASSET MANAGEMENT NV[1] having its registered seat at 2020 Antwerp, Jan Van Rijswijcklaan 178	208 516	5.06 %

1. Mutual fund

ELEMENTS THAT COULD HAVE AN INFLUENCE IN CASE OF A TAKEOVER BID ON SECURITIES ISSUED BY THE COMPANY

The General Meeting of Shareholders authorized the Board of Directors to increase the Company's capital by a maximum amount of 50,000,000 EUR, in one or more occasions, dates and manner to be determined by the Board of Directors, and for a term of five years from the publication of this authorization in the Belgian Official Gazette. This authorization has expired on 7 December 2012. It will be proposed during a next Extraordinary General Meeting to renew this authorization.

The Company may acquire or take as security its own shares under the conditions determined by the law. The Board of Directors is authorized to sell, on the stock exchange or outside, at the conditions it determines, without prior authorization of the General Meeting, in accordance with the law.

By decision of the Extraordinary General Meeting of Shareholders of 13 April 2011 the Board of Directors is authorized, for a term of 3 years dating from said Extraordinary General Meeting, to purchase or dispose of shares in the Company when this purchase or disposal is necessary to prevent any serious imminent harm. This authorization is granted for a period of three (3) years dating from publication of this authorization in the Annexes to the Belgian Official Gazette. Such authorization shall also be valid for the acquisition or the alienation of shares of the Company by a direct subsidiary according to article 627 of the BCC. The Board of Directors has full powers to cancel the shares acquired by the company in this way, to have the cancelation certified by notarial act and to amend and coordinate the Articles of Association to bring them into line with the decisions taken.

Furthermore, by decision of the Extraordinary General Meeting of 13 April 2011, the Board of Directors is authorized to acquire shares of the Company to a maximum of twenty percent (20 %) of the issued shares at a price which will not be less than ten (10) EUR nor more than twenty percent (20 %) during the highest closing of the last twenty trading days of the Company shares on Euronext Brussels before the acquisition. This authorization is granted for a period of five (5) years from the date of the Extraordinary General Meeting of 13 April 2011. This authorization also applies to the acquisition of shares of the Company by a direct subsidiary according to article 627 of the BCC. The Board of Directors has full powers to cancel the shares acquired by the company in this way, to have the cancelation certified by notarial act and to amend and coordinate the Articles of Association to bring them into line with the decisions taken.

The rules governing the appointment and replacement of Directors and the amendment of the Articles of Association shall be those provided by the Companies Code.

The terms of change of control contained in credit agreements with financial institutions were approved by the General Meeting of 24 May 2012, pursuant to section 556 of the BCC.

V. Other contributors

STATUTORY AUDITOR

The Statutory Auditor is Deloitte Reviseurs d'Entreprises, represented by Mr Laurent Boxus, which has its registered seat at 1831 Diegem, Berkenlaan 8B. The fixed fees payable to the Statutory Auditor Deloitte for examination and review of the Statutory and Consolidated

Accounts of Immobel amounted to 65,000 EUR (excluding VAT). His fee for the revision of the statutory accounts of subsidiaries came to 125,500 EUR (excluding VAT).

CENTRAL PAYING AGENT

Fortis Banque is the Central Paying Agent of IMMOBEL for an indefinite period. The remuneration of the commission is calculated as follows:

- Coupons and income securities presented physically: 4.00 % of the net amount of the coupon + 0.10 EUR per cut coupon + VAT
- Coupons and income securities presented in a securities account: 0.20 % of the net amount of the coupon + VAT

EVOLUTION OF THE PROPERTY MARKET IN BELGIUM

The Belgian office real estate market in 2012 and the outlook for 2013[1]

Leasing market

BRUSSELS	2011	2012	OUTLOOK 12 MONTHS
Stock (in millions of m²)	13.0	13.1	→
Total take-up (in m²)	350 000	423 000	→
Vacancy rate (in %)	11.1	10.4	↘
CBD (in %)	6.8	6.2	↘
Non-CBD (in %)	18.8	17.6	↘
Completions (in m²)	111 000	85 000	↗
Prime rent (in EUR/m²/pa)	300	285	→
Top quartile rent (in EUR/m²/pa)	222	219	→
Weighted average rent (in EUR/m²/pa)	171	172	→

Investment market – investment volume (in MEUR)

BRUSSELS	2011	2012	10-YEAR AVERAGE	TREND 2013
Offices	1 077	857	1 570	↗
Industrial	255	191	201	→
Retail	295	755	491	→
Care Homes	135	302	134	↘
Other	82	94	126	→
Total	**1 850**	**2 200**	**2 700**	→

1. Source: Jones Lang LaSalle

Brussels

The office leasing market in Brussels is marked by a trend towards a certain equilibrium, with a constant decrease in lease vacancy, thanks to a recovery in the occupants' activities, particularly since the summer of 2012. The drop in vacancy affects all districts, particularly the CBD where the vacancy rate is at 6.2 %. So far the economic climate has not been propitious for a multiplication of risky developments and the rise in demand has also led to a drop in the supply of new space, which has barely or not been renewed. Although it has been declining in recent quarters, the vacancy rate still remains high in the decentralised districts and the periphery. The revival of activity in the leasing market tends to confirm the drop in vacancy in these areas and the trend to convert structurally vacant buildings for other purposes.

The investment volume for all types of property increased by 20 % to approximately 2.21 billion EUR in 2012, higher than the average of the last 5 years, which is 1.8 billion EUR. The investment market is clearly polarised with, on the one hand, increased demand for investment products that bring in secure income streams with low perceived risk (such as offices with long-term leases and well established shopping centres) while, on the other hand, the demand for non-core properties with the potential for redevelopment for other uses has shown definite signs of life and increased liquidity. Between these two extremes demand has been weak and liquidity reduced.

"Historically low interest rates and the fact that a great many investors are risk-averse, mean that investments in real estate for which long-term leases have been signed, remain very attractive."

▶ **Gaétan Clermont**
CEO Belgium, Luxembourg & Switzerland – CBRE

TAKE-UP

There was noticeable improvement in the office leasing market in Brussels in 2012, with a total of 423,000 m² of transactions, or 21 % more than in 2011. This figure is still slightly lower than the 5-year average, but shows a recovery in the market despite the difficult economic context. It was mainly the corporates that buoyed the market with 68 % of the total take-up and, in particular, several large transactions in the periphery, including the preleasing by Deloitte of 36,000 m² of the *Gateway* project at Brussels National Airport. The European institutions have also been very active with a volume of 85,000 m², spread over several large buildings in the Leopold and North districts. The Belgian administrations were virtually absent from the leasing market in 2012, mainly because of the austerity measures imposed by budgetary constraints. The principle transaction with the Belgian administrations was the preleasing of 12,000 m² in *Belair*.

VACANCY AND SUPPLY

The decline in the vacancy rate was accentuated in 2012. Although it was at 11.1 % at the end of 2011, it gradually decreased to 10.4 % in the 4th quarter of 2012. The discrepancy between the CBD and the non-CBD remains significant, although vacancy is declining in both zones. In the CBD, the rate dropped from 6.8 % at the end of 2011 to 6.2 % a year later and it is set to drop even further in 2013. Outside the CBD vacancy has gone from 18.8 % to 17.6 %, mainly due to strong activity in the leasing market in the periphery and the conversion of office buildings for other purposes in the decentralised areas. Approximately 165,000 m² of office space were removed from the stock in 2012 following reconversion for other uses, a clear increase compared to the 118,000 m² in 2011. The trend to reallocate structurally vacant buildings is set to continue in our opinion.

RENTS

In 2012, face rents were relatively stable, as illustrated by the virtually unchanged level of top quartile rents and the weighted average rent. On the other hand, prime rents for exceptional buildings declined slightly for the second consecutive year, from 300 EUR/m²/pa to 285 EUR/m²/pa.

Incentives remain high and an analysis of a sample of transactions during the past year shows an average delta between face rents and economic rents of between 15 and 25 %, with a trend towards stabilisation in non-CBD districts and the suggestion of a decline in the CBD.

OUTLOOK

Demand from the European institutions and the Belgian public sector should maintain activity in the leasing market at a level similar to that in 2012. The low level of speculative completions is going to entail a new fall in vacancy both in the CBD and outside.

Mobility and accessibility by efficient public transport are key factors affecting companies' decisions in the event of relocation. Another important factor is workplace efficiency, the average space per employee is declining too, there is a general trend towards open-plan offices amongst a wider variety of occupants and the flexible or hot desk solution is envisaged by a growing number of businesses.

INVESTMENT VOLUME

The total investment volume in Belgium during 2012 reached approximately 2.2 billion EUR, an increase of 20 % compared to 2011. There was a net increase in activity in the retail sector above the 10-year average, although offices booked a noticeable decline, as did the industrial sector. Care homes are now considered to be a separate asset class. The sector underwent strong growth in 2012 with volumes even higher than those in the industrial sector.

Belgian investors (69 %) are still responsible for the lion's share of the total investment volume. Institutional investors, especially insurance companies, were active in the core products sector, particularly offices, but also care homes, of which they were the major buyers. Private investors and promoters were active in more opportunistic acquisitions, both in retail and in offices, and in redevelopment transactions.

YIELD

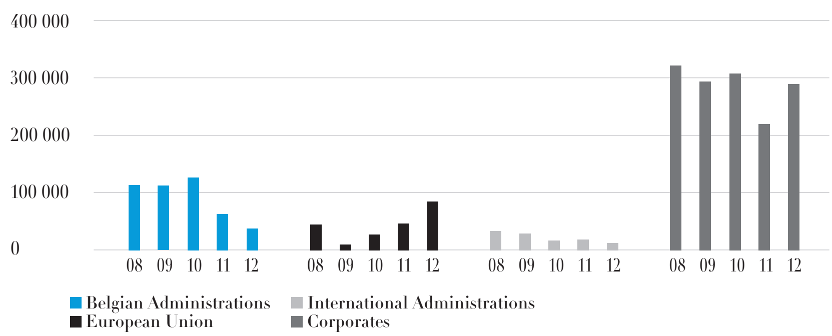
Prime office yields for standard leases remain stable at 6-6.5 % in the CBD, although the availability of prime offices is still limited. Outside the CBD, demand from specialised investors is subsiding, with a resulting increase in yields to 7.25-7.50 %. Yields on office buildings with long-term leases have remained stable at 5.25 %.

Prime industrial yields have remained stable at 7 %.

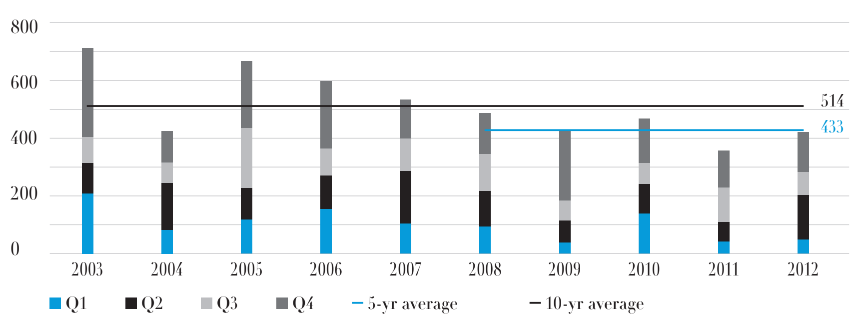
Yields on retail buildings have remained low due to strong competition between investors for all types of prime property, both in shopping centres and on high streets. Demand from private investors for high street properties in prime locations remains very solid and yields have gone down to 4.25 %. In 2012, there were several large transactions involving well-situated shopping centres. Yields are stable at between 5 and 5.25 %.

There is still a world of difference between retail, which has already proved its strength, and the more speculative assets that have not yet demonstrated an ability to perform well over time. Due to the lease structure in Belgium income security on retail assets is only guaranteed by the success of the location, whether it is high street, shopping centre or retail park.

Evolution of the office take-up in Brussels by sector



Take-up by quarter (in thousands of m²)



The care home market and liquidity in it are fairly recent; however we estimate yields of between 5 % and 6.50 %.

OUTLOOK 2013

In our view, investments in the office sector will increase again in 2013, while the industrial and retail sectors are set to remain stable.

The difference between returns on sovereign or corporate bonds and returns on real estate having reached high levels now, property yields will continue to be attractive compared to other investment products, as long as income security is either guaranteed by long-term leases with creditworthy tenants (offices) or underwritten by a proven ability to re-let on attractive terms (shopping centres in large cities, high street shops or logistics).

Where these elements are not present, private investors and private property companies are likely to continue to be active and to seize opportunities which, while presenting a certain degree of risk, also offer added value in the medium term.

Finally, in our opinion there will continue to be high levels of transactions involving former offices for redevelopment, mainly with a view to converting them into medium to prime residential accommodation, as well as care homes and schools. The profitability of this type of transaction depends on the purchase price of the building and the cost price of the building in its new guise; we think therefore that it is essential to be extremely selective concerning location, amongst other things.

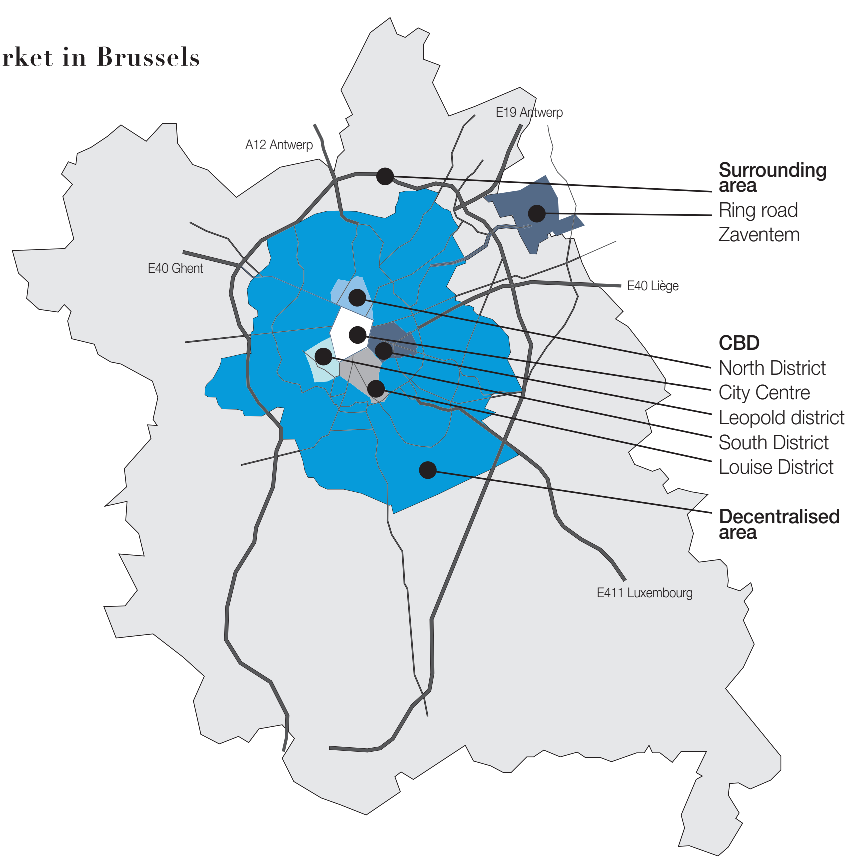
Walloon Region

We consider the Walloon Brabant area to be part of the Brussels periphery market. Liège, Charleroi and Namur are therefore the three major markets for office space in Wallonia, with a combined stock of approximately 1 million m².

Total take-up was of the order of 33,000 m² during 2012, down 27 % on last year, with 17,000 m² in Liège and the surrounding area. The main transaction in Liège was the leasing of 7,000 m² by the population service of the City of Liège. The leasing market was very active in Namur too, with a total take-up of about 7,000 m², around 10 % more than in 2011. 5,000 m² was leased by Atradius in the Montagne du Parc project. It is noticeable that although Namur's biggest market is traditionally the public sector, the most important transaction this year came from the private sector.

No completions took place in 2012 in the three principle markets in Wallonia, and no project is scheduled to be completed in 2013 either.

Real estate market in Brussels



The 38,000 m² of the Tour Paradis in Liège, which has been preleased by FPS Finance, may be finished by the end of 2014. The vacancy rate has remained very low, varying from city to city between 3 % and 5 %.

Prime rents in Liège, Charleroi and Namur remained stable at 135 EUR/m²/pa, 125 EUR/m²/pa and 160 EUR/m²/pa respectively.

There was no significant transaction in the investment market in 2012; however we think that if an opportunity for a core property leased long-term to a creditworthy tenant were to present itself, it would very quickly find a buyer.

Flemish Region

The total stock in the Flemish Region, excluding the municipalities in Flemish Brabant that belong to the Brussels periphery, is estimated at around 4.5 million m², 40 % of it in Antwerp. In recent years we have observed more competition between the main cities in Flanders. Antwerp is no longer the only city with an active office market; it now has to contend with new and accessible property in Mechelen, Ghent, Hasselt, Leuven and even Aalst. Take-up has therefore fallen by 14 % in Antwerp, to 90,000 m², although in Flanders as a whole it has gone up by 45 %. In Mechelen, for example, transactions have increased fivefold to reach 28,000 m², and in Ghent they have increased by 153 % to 36,000 m². The heightened competition can be explained by the mobility problems in Antwerp.

As in other towns and cities, the private sector in Antwerp has monopolised demand, the public sector being virtually absent from the market, with the exception of a transaction of 9,000 m² for the Federal Police in Dendermonde. The vacancy rate has declined slightly in Antwerp but remains high at 11.6 %, whereas in Mechelen and Ghent it has settled at 10.3 % and 3.7 % respectively. We estimate vacancy in Leuven at 10.7 %.

Developments in Antwerp are limited at the moment, and in 2013 and 2014 only 23,000 m² are scheduled to be completed. In the longer term, the Antwerpen X and Nieuw Zuid projects should give a new dynamic to the supply of new properties, although only a small part of these projects has a permit. In the short or medium term this will result in a reduction in the vacancy rate but will also strengthen the competition with the other cities, including Ghent, which offers opportunities.

Prime rents in Antwerp have remained stable at 145 EUR/m²/pa in the CBD. In the area around the Ring, prime rents have remained unchanged at 140 EUR/m²/pa, the same level as they have reached in Mechelen now (up 4 % in one year). In Ghent, prime rents are also up 4 % and have reached 145 EUR/m²/pa, or the same level as in Antwerp. In Leuven, rents have remained unchanged at 155 EUR/m²/ pa.

Incentives are always an important element in lease negotiations. Incentives equivalent to an 8-10 % reduction in face rent are usual, which is significant but still below the levels of incentives given in the decentralised areas of Brussels and its periphery.

As far as the investment market is concerned, the most important transactions in the country have taken place in Flanders, with the sale to a sovereign wealth fund from Abu Dhabi of the Zuiderpoort in Ghent for 110 MEUR and the sale to Belfius Insurance of the Justitie Paleis in Hasselt for 95 MEUR. Though the sale of the Zuiderpoort can be categorised as a distressed sale, the transaction in Hasselt is a core property, leased long term to the Régie des Bâtiments.

Yields on core property are between 6.75 % and 7.5 % in the Antwerp Ring district, Mechelen, Ghent and Leuven.

The Belgian residential real estate market in 2012[1]

2012 was a record year for the property investment market in the health sector. It was also a year for student housing and, finally, one in which the transformation of offices into residential accommodation became a reality.

The health sector

Le marché des maisons de repos a The retirement home market performed well throughout 2012 with an overall investment volume of 301 MEUR. The main operations were 1) AG Real Estate, which took over Vulpia retirement homes, 2) Belfius Insurance, which took over 3 retirement homes from Orpéa, and 3) Ethias, which invested 129 MEUR in the acquisition of 3 retirement homes.

The student housing market

After private investors, institutional investors began to acquire student accommodation. In May 2012, Cofinimmo purchased 2 buildings in Etterbeek intended for students at the ULB, followed by Home Invest, which acquired one in Louvain-la-Neuve. In Kortrijk, Hecta invested in a building on which work will start in 2013 and Wereldhave acquired a building in Ghent. This market has the benefit of offering immediate high yields but requires more active management.

Office conversions

In the office to housing conversion sector, a volume of 80 MEUR was reached. Examples are: the Antwerp Tower by Wilma Project Development, Parc Seny by IMMOBEL, Marcel Thiry 208 by Home Invest Belgium, the Pleiades by Senior Assist, and Marcel Thiry 83 by Immogra. Not forgetting Souverain 2 and La Hulpe 154, which were bought by Eaglestone.

Similarly, Cofinimmo started the renovation and conversion of 2 office buildings in Brussels to produce a total of 191 housing units.

A look at the traditional segment of old and new apartments in 2012

LATE 2011 AND EARLY 2012

The real estate market in Brussels showed signs of recovery in 2011. However, the main problem was without doubt the reduction in permits granted in 2011, which brought with it a reduction of 9 % in the number of new apartments available for sale.

The figure put on this was minus 11 % in Flanders, or 16,000 apartments instead of 17,950 (5-year average); in Brussels, there were 1.3 % fewer, or 2,108 apartments instead of 2,290 (5-year average); and in Wallonia, the figure was 6 % fewer or 5,200 apartments instead of 5,970 (5-year average).

Initially 2012 looked positive in terms of permits granted in Belgium.

January saw permits issued for 1,962 apartments, which was an increase of 26 % compared to January 2011 and 17 % compared to January 2010. In February permits were granted for 1,984 units, which was 7 % better than in February 2011. April 2012 was considered to be a record, with a doubling of the figures for 2011 and 3,493 permits delivered.

1 Source: Latour & Petit

Based on the figures from FPS Economy, though the budget spent was bigger, fewer existing apartments were sold in Belgium in the first 6 months of 2012, the volume being 9 % lower than in the first semester of 2011.

The increase in the scale of sales prices was 5.5 % in the first 6 months of the year, compared to the same period in 2011.

The end of the year was less positive as far as permits granted, with 2,318 for apartments, or -11 % compared to the same month in 2011.

The price of apartments increased by 2.25 % and the total volume of sales increased by 3.2 % compared to the same period in 2011.

House prices went up 2.45 %, but the overall sales volume decreased by 3.7 % compared to the same period in 2011.

Villa prices decreased by 1.2 % and the total volume of sales recorded was -6 % compared to the same period in 2011.

In Flanders, prices varied between 1,750 EUR/m² (in Hasselt) and 2,450 EUR/m² (in Leuven); while in Wallonia, prices varied between 1,450 EUR/m² (in Charleroi) and 2,100 EUR/m² (in Namur).

Brussels continued to be the most expensive part of the country with an average price of 2,600 EUR/m².

The most expensive municipalities are Woluwe-Saint-Pierre, where the trend was 17 % higher than in 2011, Etterbeek with an increase of 8.8 %, Ixelles with an increase of 2.1 %, Uccle with 0.4 % and Brussels City with prices varying between 2,900 EUR/m² and 3,200 EUR/m².

The municipalities where the m² is cheapest are in the west of Brussels; there prices varied between 2,000 EUR/m² and 2,200 EUR/m².

The figures communicated by the Chamber of Notaries in early February 2013 on the number of transactions are very positive. They indicate an increase of 3.8 % in 2012, for both apartments and houses. That is as many transactions as in 2007.

House prices in Brussels have increased again to reach an average of 403,900 EUR, which is an increase of 10 %, whereas the national average increase is 5.8 %.

The cost is highest in Ixelles, at 545,000 EUR. In 2012 the average price for an apartment in Brussels was 185,000 EUR, an increase of 5.7 %.

Conclusion

There are no major trends discernible in the Belgian property market. Opinions among players in Belgium are highly contradictory, because the current economic situation is unclear and complicated.

Contrary to other European countries, Belgium is doing well, with a constant positive evolution.

According to Standard & Poor's, prices in the Belgian residential market will continue to rise in 2013 and 2014, but moderately.

The Belgian landbanking market in 2012[1]

In our 2011 annual report we predicted that the number of transactions of building land in 2011 would be lower than in 2010, which turned out to be correct. In the end, in 2011 the number of sales of building land came to 18,657, representing a surface area of 22,622,925 m² and a total value of 2,322 MEUR.

For the first 3 quarters of 2012, we counted 12,025 transactions, compared to 12,806 for the first 3 quarters of 2011 – representing a surface area of 14,297,338 m² and a total sales price of 1,519 MEUR, which is again a slight reduction in the number of transactions, with an increase in the average price of 3 %.

The average price, however, conceals major differences: in the Flemish Region the average price is 168 EUR/m², in the Brussels Region it is 695 EUR/m² and in the Walloon Region 52 EUR/m².

It is worth remembering that in 1989, there were 46,271 sales of building land, representing a surface area of 57,987,509 m² and a total sales price of 1,219 MEUR. These figures lead us to draw the following conclusions: in 22 years the average price of building land has multiplied by 5 (by 8 in the Flemish Region and by 4 in the Brussels and Walloon Regions), the number of transactions and the area built on have decreased by 60 %. By comparison, in the same period the average price of residential housing has multiplied by 4.

The increase in building land sales prices is due to various factors: the fact that the rise in the price of real estate is generally higher than the inflation rate, the relative dearth of available land for building, especially in the Flemish Region, and the constant increase in the cost of equipping building land with utilities. There are two reasons for the latter: tougher requirements on the part of the authorities concerning the level of completion of these utilities and a very marked increase in the cost of the utilities themselves (water, gas, electricity, street lighting, etc.).

The number of applications for building permits in 2012 will be similar to that of 2011 (23,513 permits granted), but it is nevertheless constantly decreasing. In 2006 permits were granted for 61,083 homes. This fell to 44,355 in 2011. Since 2004, the proportion of applications for apartments has been greater than for houses.

Population growth and the reduction in the size of households, due principally to the aging of the population, has increased the demand for new housing, consequently requiring the availability of well-situated land equipped with utilities and commercial, cultural and educational facilities.

A reduction in the size of households from 2.4 to 2.3 people, would bring with it the demand for an additional 200,000 homes.

12,025

transactions during the first 3 quarters of 2012

Densification and energy performance are the themes that condition and will continue to condition legislative developments in the years to come. The effect will be to reduce the size of both building plots and housing. Existing, older accommodation will be divided up as well, to suit household budgets, energy performance and the need for extra housing.

In all three Regions studies on important legislative modifications concerning urban planning are well underway and could be completed in 2013. These include the PRAS Démographique (Regional Demographic Zoning Plan) in the Brussels Region, the SDER (Regional Spatial Development Perspective) and the CWATUPE (Walloon Code for Town and Country Planning, Heritage and Energy) in the Walloon Region, and the BRV (Spatial Policy Plan Flanders) in the Flemish Region.

1. Information relating to the first 3 quarters of 2012

EVOLUTION OF THE PROPERTY MARKET IN LUXEMBOURG

The real estate market in 2012 and the outlook for 2013

Offices[1]

The office market in Luxembourg showed a decline compared to 2011 with a take-up of 145,000 m², which is 12 % less than the previous year. The banks and financial services have kept demand up and contributed to 37 % of transactions. Paradoxically, the restructuring of the banking sector has been advantageous for the real estate market, with several organisations - like the Société Générale - regrouping their services, which had been spread over several buildings, into single new complexes that are more accessible and more efficient in terms of energy consumption.

"The investment volume recorded in Luxembourg in 2012 was higher than in 2011 and prime yields continued to fall, but they still remain attractive around 5.25 %."

▶ Vincent Bechet
Managing Director & Partner – Property Partners

The vacancy rate is one of the lowest in Europe; in December 2012 it was 6.2 %, as against an average in Europe of 9.6 %. This has remained unchanged since the end of 2011. At the end of 2012, vacancy in the CBD was at 4.6 %, while the rates in Kirchberg and the station district were 2.5 % and 3.4 % respectively. In the periphery and decentralised areas, the vacancy rate settled at 14.5 % and 10.8 % respectively.

Some 56,000 m² are expected to be completed in 2013, which is below the 5-year average of 121,000 m². An improvement is expected in 2014 with 132,000 m². We think, therefore, that the vacancy rate should fall again in the course of 2013, as long as demand continues at the present level.

Upmarket rents increased in early 2012, going from 38 EUR/m²/pa to 40 EUR/m²/pa in the CBD. We are of the opinion that this will remain unchanged in 2013.

The investment market made marked progress in 2012, with a volume of 552 MEUR, up 49 % on 2011. Of this 72 % were offices, while retail was responsible for 20 %. Liquidity was on the increase with more opportunities in the market, which is illustrated amongst other things by an average transaction size in the order of 31 MEUR as against 13 MEUR in 2011.

With 57 % of the total volume, Belgian investors were in the majority, followed by Luxembourgers (27 %) and Germans (absent in 2011) with 12 %. The main transactions were the acquisition by AG Real Estate of the future headquarters of PwC (30,000 m²) in the decentralised area, and the acquisition by Union Investment of the K-Point building, which is leased to several occupants and is situated on the Kirchberg plateau.

Yields on upmarket offices with standard leases were 5.75 %, unchanged compared to the previous year. For long-term leases and good quality property, yields may drop to 5 %.

Residential

Prices per m² for apartments are up: +5 % for existing apartments and +1.4 % for apartments under construction. A significant rise in the average surface area of properties sold is also evident. New apartments with an area of less than 80 m² have risen in price to an average of 4,771 EUR/m².

1. Source: Jones Lang LaSalle

EVOLUTION OF THE PROPERTY MARKET IN POLAND

The real estate market in Warsaw and Poznan in 2012[1]

Warsaw, offices

In Warsaw, the office real estate market was marked by a strong demand from occupiers throughout 2012, with the high level of gross take-up of 608,000 m². This result is 6 % higher than the previous, record-breaking volume in 2011. The figures have also improved in terms of net take-up (excluding renewals), with transactions of 440,000 m² (up 9 % year-on-year) where nearly half of them accounted for pre-lets. At the end of 2012 around 8.8 % of the modern office stock remained vacant with total stock in Warsaw at 3.9 million m².

Prime headline rents in Warsaw remained stable throughout 2012 and are in the range of 22-25 EUR/m²/month.

Poznan, offices

In Poznan the office market comprises 288,000 m². The vacancy rate has risen in 2012 and is currently at 10.3 %. Prime headline rents remained stable within a range of 14-16 EUR/m²/month. Take-up in Poznan in 2012 reached 20,500 m².

Warsaw, residential

The current situation on the Warsaw residential market is stable. The high factor of new apartments delivered to the market was balanced by high take-up. The percentage of unsold apartments has a slight upward trend. The average sale price in Warsaw has slightly decreased to around 1,900 EUR/m² (incl. VAT).

Poland, investment market

Total assets transacted in 2012, amounted to 1.09 billion EUR in offices and around 1.07 billion EUR in retail. 2012 witnessed 11 deals in excess of 100 MEUR proving that there is still significant capital searching for placement in quality products in Poland. Prime office yields are stable at around 6.25 % to 6.50 %. The yield gap between prime and secondary products is from 100 to 250 bps (basis points) and is expected to remain at the same level or even widen further.

1. Sources: JLL, Pulse, Office Market Profile Poland Q4 2012 and JLL, Warsaw City Report Q4 2012

"Poland continues to be an attractive destination for both corporate and capital market investment. The Polish economy cemented its reputation as a stable and growing consumer market, and an expanding professional and manufacturing destination for goods and services to be provided to the CEE and wider European region. An example of this was gross take up in office space which reached a record gross level of 978,000 m² (figure for Warsaw and major office markets in Poland) in 2012, an increase by 12 % from the previous year. The trend underlines the continuing attractiveness of Poland for good quality investment assets amongst a range of domestic and international investors."

▶ John Duckworth
Managing Director –
Jones Lang LaSalle Poland/CEE

SUSTAINABLE DEVELOPMENT

For 150 years IMMOBEL has taken a long-term view of its projects. Strategically located, at the heart of human activity, IMMOBEL's buildings are also a benchmark of sustainable construction. IMMOBEL has always endeavoured to anticipate the standards of the future, where environmental conservation is concerned. The projects developed by the Group integrate the most innovative technological developments, in terms of renewable energy and design and the occupants' well-being, too. IMMOBEL uses the BREEAM label as its reference, a label that certifies buildings' energy and environmental characteristics.

Interview with Paul Muyldermans, Head of Project Management, who is responsible for sustainable construction at IMMOBEL.

More than ever before, sustainable development is essential to all of our new development projects, because of legal obligations and also because of IMMOBEL's desire to comply with the wishes of purchasers that are increasingly aware of buildings' energy performance. Is IMMOBEL still ahead of the pack on these issues?

Paul Muyldermans – Very early on we integrated this particular reality into our considerations when designing ambitious development projects in the office and residential sectors. Brussels, where we have an important presence, is a city that is in the vanguard of new environmental standards. Our Group is completely committed to this policy and tries to anticipate it. We are not waiting for 2015, when all new buildings in Brussels will have to meet "passive" standards, to incorporate into our projects the whole package of industrial and organisational technologies required for sustainable building. This gives us a head start on other less avant-garde projects. It is a positive challenge that motivates the whole team.

What standards do you apply with regard to sustainable development?

P.M. – We have chosen the BREEAM label as our basic benchmark for office projects. There is a whole checklist of benchmarking systems that we can measure each of our projects against. They concern energy, use of materials, and the comfort and well-being of future occupants. The Flemish Community has its own label for the evaluation of office buildings, "Waardering van kantoorgebouwen". In the residential sector the main standard is the PEB[1] assessment of energy performance, following the regional legislation.

All that has a price tag. Is it still reasonable? Is it advantageous for the purchaser in the final analysis?

P.M. – The cost of the investment is obviously higher, but in the long term the savings in energy are considerable.

In the long run both the purchaser and the community as a whole benefit. This approach is a commitment on IMMOBEL's part to its civic responsibility regarding environmental issues.

Does buildings' energy performance sometimes take priority over functionality - the practical side of it, that is?

P.M. – Projects with the IMMOBEL signature on them, prove that the construction of new buildings that meet the latest standards, particularly as far as passive construction goes, is not incompatible with the notion of comfortable living standards for the occupants of these buildings. Quite the contrary. We are very careful to take that into account. In the office sector, for example, we do not reduce the size of the windows to meet the criteria, we improve their performance.

And what about the aesthetics? Is the decision to opt for energy performance compatible with the desire for innovation in terms of design and materials?

P.M. – Yes. Constructing a “low energy” building does not automatically mean a facade with roughcast on top of insulating materials. Depending on the project we also look for new, more sophisticated and less classic solutions - like marble, for example. For the *Lindepark* project, a residential complex in Tervuren, the facades are faced in natural stone. The aim is twofold: an aesthetic as well as an energy-conscious choice. These facades will perform excellently.

> ***“I would like to congratulate IMMOBEL on the quality of the* Black Pearl *project, which was nominated as an ‘Exemplary building’ in 2012 for its energy and environmental performance. This is the way to build a Sustainable City together.”***
>
> **▶ Evelyne Huytebroeck**
> **Minister of the Government of the Brussels-Capital Region, responsible for Environment, Energy and Urban Renewal**

The new buildings you are constructing use increasingly sophisticated technology. When it comes to regulating these buildings’ energy performance, is the end-customer equipped to take charge of the responsibility?

P.M. – BREEAM and other benchmarking systems have taken this problem into account. They attach particular importance to training the teams charged with the day-to-day management of the buildings. To limit any discomfort for the occupants to a minimum, IMMOBEL carries out checks during the first few seasons they are in service to make sure that the technical installations function well and are properly managed. It’s called “seasonal commissioning”.

With regard to the technologies used by IMMOBEL in terms of sustainable construction, or the initiatives taken as part of the construction of new buildings, what developments have you noticed?

P.M. – Apart from the important ongoing improvements in technologies and commonly used materials, geothermics is definitely the most promising development. The *Black Pearl* will be the first IMMOBEL building equipped with a geothermal system. This technology can only be used where one has access to the ground. It is impossible, or simply too expensive, in the case of simple renovations. The procedure has a great future in Brussels. Economically it is very interesting and it is not dependent on climatological conditions. Furthermore we anticipate an evolution towards greater use of electric cars. We have therefore made sure that more than half of the parking spaces have charging stations for electric vehicles. Installation of a geothermal system was not possible in the *Belair* building; there we have used cooling towers, with savings in consumption of around 50 % compared to more traditional technologies. PIR sensors and the use of natural luminosity mean that our projects continue to be at the cutting edge in terms of light production and regulation, too. The lighting adapts to requirements. The savings in electricity are significant.

Do you observe trends evolving as far as clients’ demands are concerned?

P.M. – In our sector things evolve slowly … but surely. Apart from the demand for the construction of buildings that consume less and less energy, the trend continues to be for a densification of occupation. To meet the customers’ needs, IMMOBEL’s office buildings are, as a matter of priority, carefully designed for efficiency, flexibility and workstation capacity.

1. Perfomance Energétique des Bâtiments

BREEAM

IMMOBEL is proud of its continuing success in developing projects with an optimal balance of comfort, flexibility and innovative technology. “Sustainable development” has been an important factor in this for many years. Besides the ethical aspects and consumer comfort, the importance of sustainable development in building evaluations is constantly increasing.

IMMOBEL has systematically adopted BREEAM Europe Commercial certification standards since 2009. Apart from being an objective means of assessing projects in terms of sustainability, the BREEAM certification process also serves as a guide for design teams to all the different aspects of sustainable development.

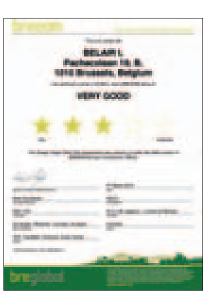
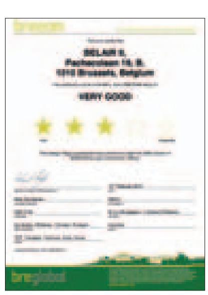
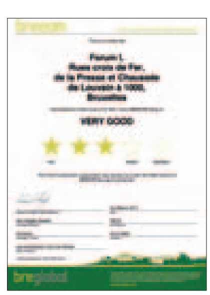
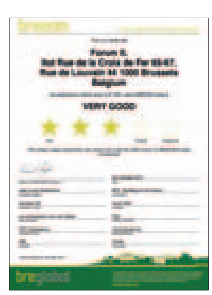
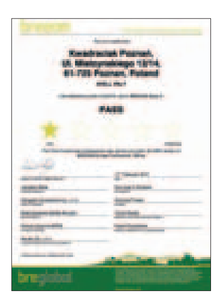
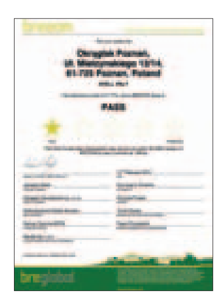
BREEAM Europe Commercial seeks to minimise the adverse effects of new buildings on the environment at both the global and local scales, whilst promoting healthy indoor conditions for the occupants.

The environmental impact of a new building on the environment is assessed at both the design and post-construction stages and compared with good practice by independent assessors. An overall rating of the building’s performance is given using the terms “Pass” (score > 30), “Good” (score > 45), “Very Good” (score > 55), “Excellent” (score > 70) or “Outstanding” (score > 85). In addition there are minimum standards which must be met to achieve the various BREEAM ratings.

The *Forum 1*, *Forum 2*, *Belair 1* (RAC1) and Belair 2 (RAC2) buildings have already been BREEAM certified and all received a “Very Good” rating. The *Black Pearl* building is expected to be rated “Excellent” (target score 78 %) and even the renovations of the historic *Okraglak* and Kwadraciak buildings in Poznan, in Poland, were given BREEAM “Pass” certificates.

78 %

“Excellent” is the expected rating for the *Black Pearl* project

BLACK PEARL - Brussels - Art&Build

BLACK PEARL
Brussels

Expected BREEAM rating:
"Excellent" with a score of 78 %.

Most important sustainability characteristics:

The *Black Pearl* building is located in the Leopold district, on the corner of the rue Montoyer and the rue du Commerce and therefore has excellent transport connections (bus, metro, train, "Villo") and access to various amenities. It consists of 8 floors, each of which can be divided in two, allowing for very considerable flexibility. A car park is being built in the basement, where over half the parking spaces will be fitted with charging stations for electric cars. There will be cycle racks there, too, and showers. A roof garden and terraces will add to the ecological nature of the development. Occupants will also have access to an interior garden.

The facades are triple-glazed. The south and east-facing facades are fitted with both fixed and mobile shades, as is the top floor of the west-facing facade. The building has an overall insulation rating of K22 (EPB regulations).

The electrical installation includes fluorescent tubes with high frequency control gear with daylight, presence/absence detectors and occupier controls. The HVAC installation consists of reversible geothermal heat pumps for heating and air-conditioning, supplemented by gas burners and water-cooled chillers for peak loads. Heating and cooling occurs via radiant ceiling panels. The ventilation consists of a high-performance energy exchanger with fluid recuperation and a Variable Air Volume (VAV) system for meeting rooms. As a result the building gets an energy score of E47 on the EPB scale, which meets the criteria for the BREEAM certificate "Outstanding".

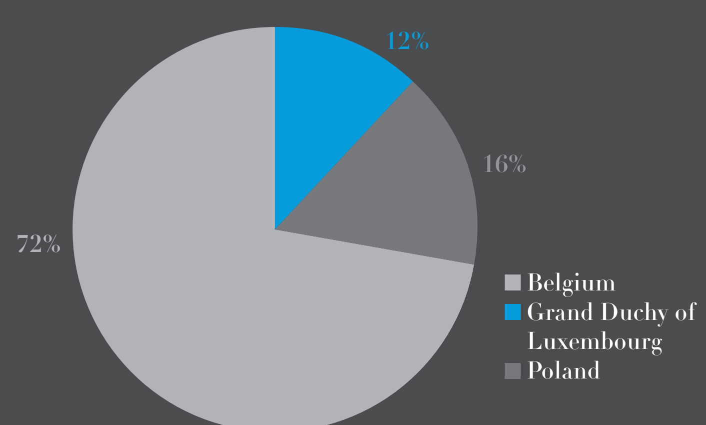
Rain water is recuperated and used for toilets, watering and maintenance.

In addition to this, the building will also be equipped with a high-performance Building Management System (BMS).

Belgium

Property DEVELOPMENT

Assets per country (at 31 December 2012)



Grand Duchy of Luxembourg

Poland

BLACK PEARL · Brussels · Art&Build

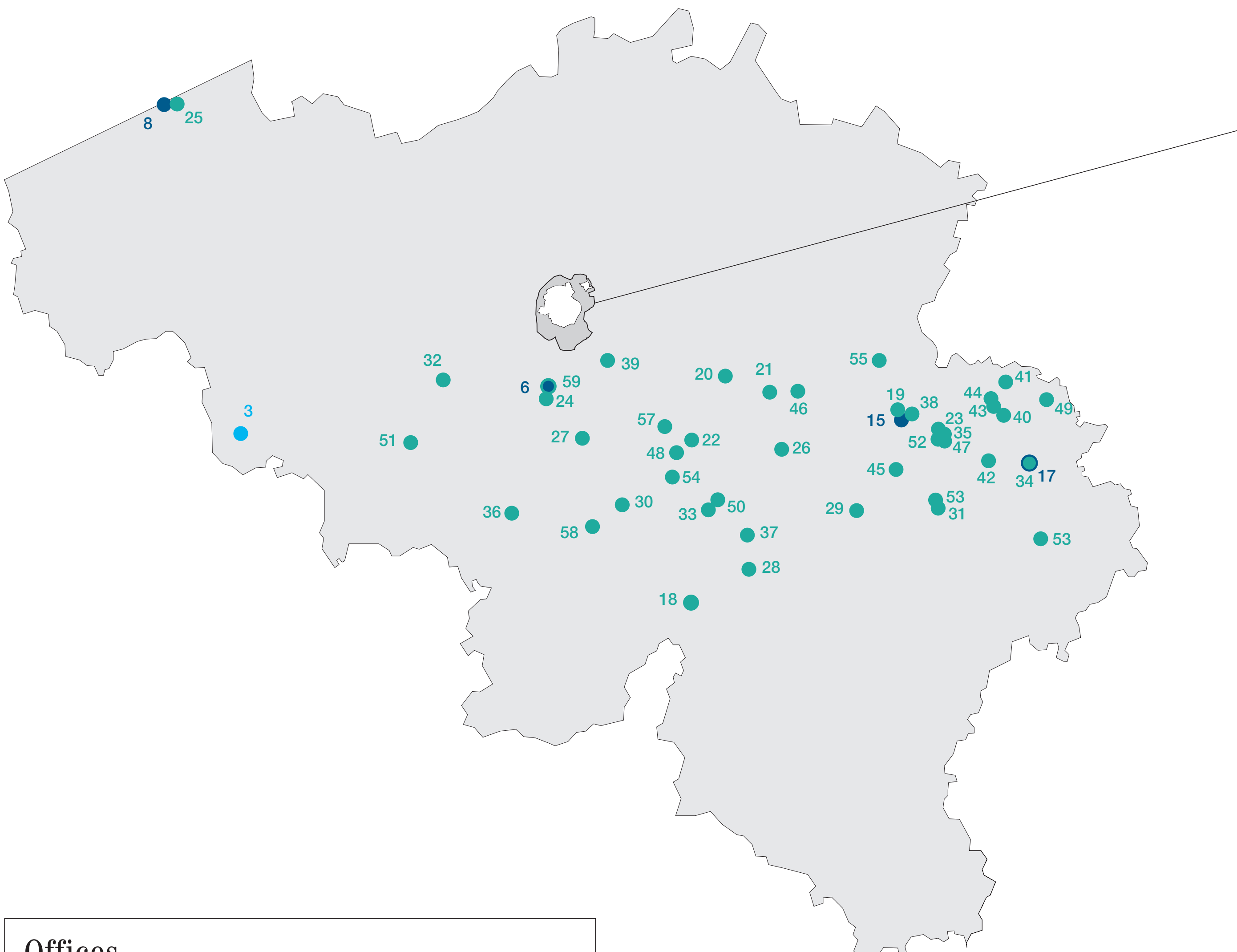
BELGIUM

113,700 m²
office space

179,100 m²
residential space

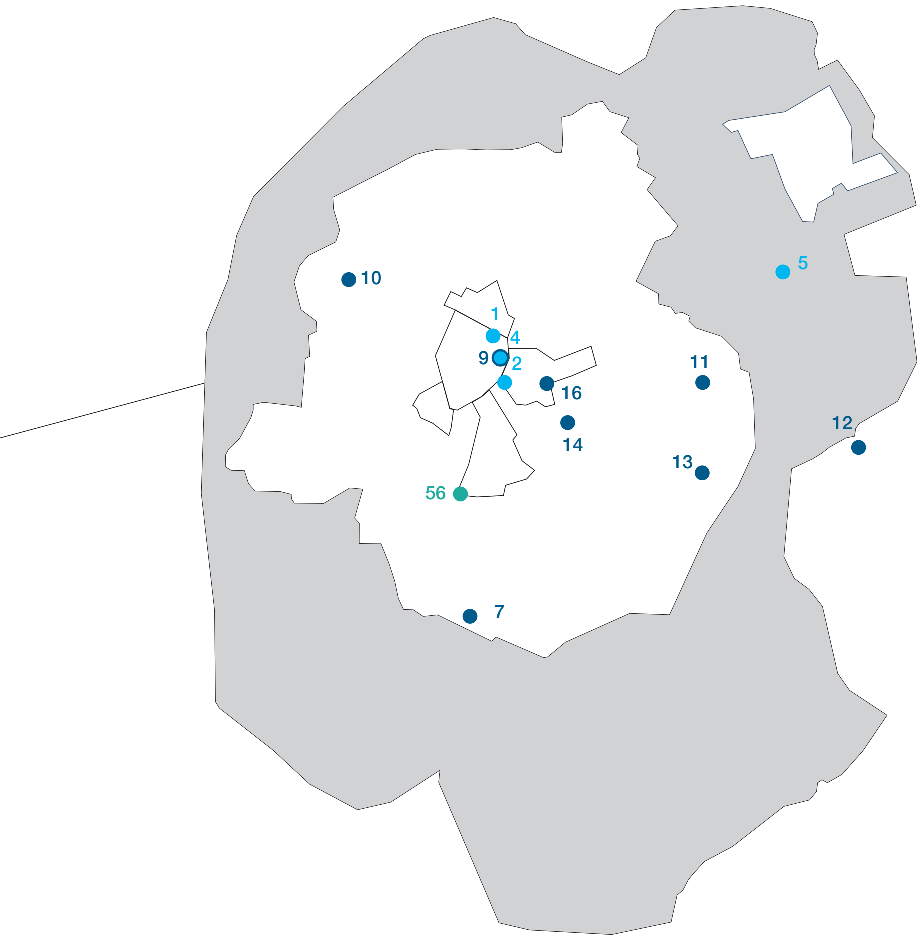
416 ha
landbanking

LOCATIONS



Offices

Belair	> Brussels	1
Black Pearl	> Brussels	2
Château-Rempart	> Tournai	3
Forum 2	> Brussels	4
Gateway	> Zaventem	5



Residential

Bella Vita	> Waterloo	6
Charmeraie	> Brussels (Uccle)	7
Duinenzicht	> Bredene	8
Forum	> Brussels	9
Hôpital Français	> Brussels (Sint-Agatha-Berchem)	10
Jardin des Sittelles (phase 2)	> Brussels (Woluwe-Saint-Lambert)	11
Lindepark	> Tervuren	12
Parc Seny	> Brussels (Auderghem)	13
Père Eudore Devroye	> Brussels (Etterbeek)	14
Résidence Saint-Hubert	> Liège	15
Vallée du Maelbeek	> Brussels	16
Zur alten Brauerei	> Eupen	17

Landbanking[1]

Achêne	18
Ans	19
Avernas-le-Bauduin-Hannut	20
Berloz	21
Bolinne	22
Bolland	23
Braine-l'Alleud	24
Bredene	25
Burdinne	26
Chastre	27
Ciney	28
Clavier	29
Cortil-Noirmont	30
Dolembreux	31
Enghien	32
Erpent	33
Eupen	34
Fléron	35
Forchies-la-Marche	36
Gesves	37
Herstal	38
Hoeilaart	39
Kettenis	40
La Calamine	41
Limbourg	42
Lontzen	43
Montzen	44
Neupré	45
Oleye	46
Olne	47
Rhisnes	48
Raeren	49
Sart-Bernard	50
Soignies	51
Soumagne	52
Stavelot	53
Temploux	54
Tongeren	55
Uccle	56
Walhain	57
Wanfercée-Baulet	58
Waterloo	59

1. Sales ongoing in 2012

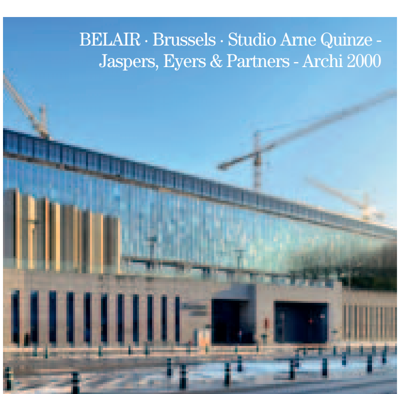
OFFICES

The site of phase 2 of the *Forum* project, comprising 18,547 m² of offices and 6 large meeting rooms, was completed and handed over to the purchaser in December 2012.

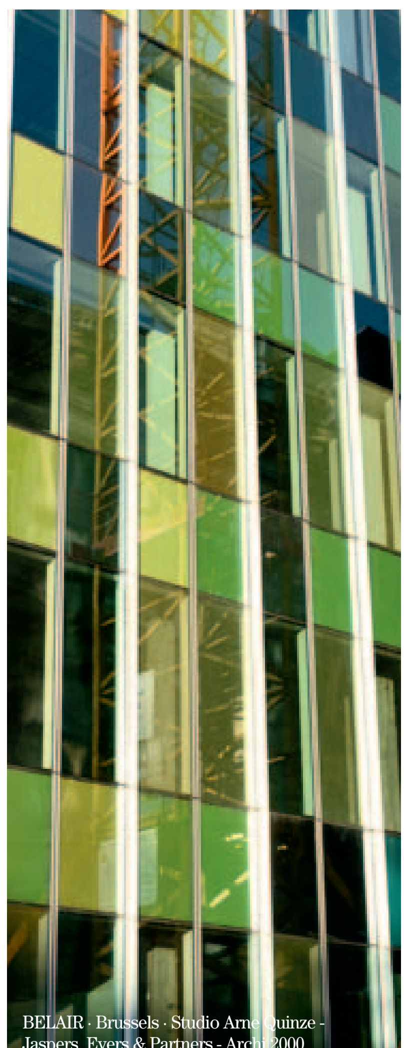
Construction and/or commercialisation started, continued or completed

BELAIR • BRUSSELS

The majority of this office project (64,308 m² above ground) phase 1, which was developed in partnership (40 %), was leased for 18 years in 2011 to the "Régie des Bâtiments" for use by the Federal Police. In May 2012, an amendment was signed for the lease of the remainder of phase 1, the office project. The entire 64,308 m² above ground of this 1st phase has therefore been leased. Total renovation of the project started in 2012.



BELAIR · Brussels · Studio Arne Quinze - Jaspers, Eyers & Partners - Archi 2000



BELAIR · Brussels · Studio Arne Quinze - Jaspers, Eyers & Partners - Archi 2000

A lease for 1,081 m² is being negotiated with the emergency services, SIAMU.

Besides continuing work on this building, IMMOBEL and its partner also began the redevelopment/reconstruction of phase 2, involving 9,500 m² of offices and 7,500 m² of residential surfaces.

"The Belair renovation project (formerly the Cité Administrative de l'Etat) is currently the largest renovation site in Belgium. That makes it a challenge but at the same time an important reference for our company in a sector where there is growing demand."

▶ **ir Johan Willemen**
Managing Director – Willemen

11,000 m²

of offices in *Black Pearl*

"*We took part in the call for tenders for the ambitious* Black Pearl *building project and won it. We are delighted to be associated with the construction of the first development of more than 10,000 m² in the European district, which aims to achieve the* BREEAM *certificate 'Excellent'.*"

▶ Olivier Herpain
Managing Director –
Herpain Enteprise

BLACK PEARL • BRUSSELS
(**SEE ALSO BELOW**)

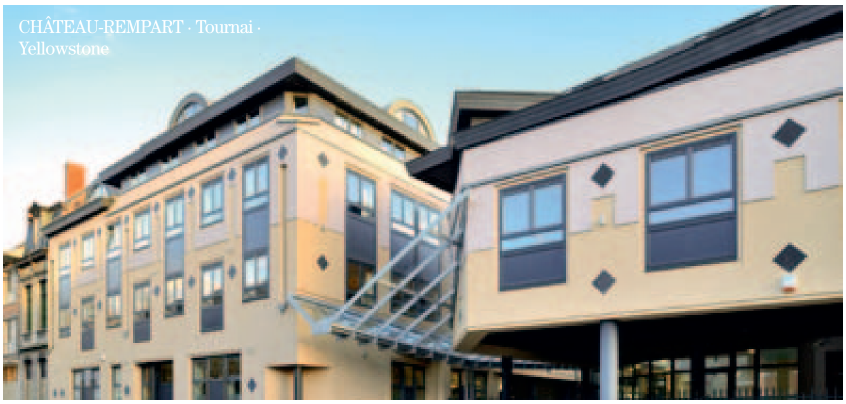
IMMOBEL acquired this office project (for redevelopment), situated in Brussels at the corner of the rue Montoyer and the rue du Commerce, in 2010.

In 2011 IMMOBEL applied for and obtained the environmental and urban planning permits for a new 11,000 m² office building.

As soon as the last occupant left, in April 2012, IMMOBEL started demolition and reconstruction work on the project. In addition to BREEAM certification "Excellent", the Black Pearl project will also benefit from the "Passive building" label and, on 19 February 2013, it was named "Exemplary Building 2012" by the Brussels Capital Region.

Construction of the project should be finished in autumn 2014.

BLACK PEARL · Brussels · Art&Build


CHÂTEAU-REMPART · Tournai · Yellowstone

5,633 m²

of offices and meeting rooms leased to the "Régie des Bâtiments" in Tournai

"The Forum *complex, for the use of the Federal Parliament, is a nice example of a successful project. The genuine partnership between the developer, the authors of the project and the contractor means that not only have all the commitments been met, but the building has obtained a* BREEAM *certificate and also complies with the highest quality standards."*

▶ **Maurice de Montjoye**
Managing Director –
Les Entreprises Louis De Waele


FORUM · Brussels · Archi 2000

CHÂTEAU-REMPART • TOURNAI

As planned, phase 2 of the *Château-Rempart* project in Tournai (5,633 m² of offices and meeting rooms leased to the "Régie des Bâtiments" for use by FPS Justice) was completed in 2012, so the last stage of the sale could also be completed, a sale agreement having been signed in 2011 with a private investor and the Caisse d'Epargne Nord France Europe.

FORUM 2 • BRUSSELS

This huge project involving over 43,000 m² of offices, situated in the immediate vicinity of the Federal Parliament in the block formed by the rue du Parlement, rue de la Croix de Fer, rue de la Presse and rue de Louvain, comprises 3 phases:

- A first new office building (phase 1) was made available during the 1st quarter of 2010. Its environmental qualities were confirmed in 2011 by the BREEAM "Post Construction Assessment" certification "Very Good", a first in Belgium.
- The site of phase 2 of the *Forum* project, comprising 18,547 m² of offices and six large meeting rooms, was completed in December 2012. The building, which has the BREEAM certificate "Very Good", was handed over to the purchaser on 21 December 2012.
- The third phase involved the removal of asbestos from the building situated between the rue de Louvain and the rue du Parlement. Once the asbestos removal work had been completed the building was delivered to the Chamber of Representatives on 25 May 2011.

GATEWAY • ZAVENTEM

In November 2012, IMMOBEL acquired 50 % of the *Gateway* project, which includes the construction/reconstruction of an office building consisting of approximately 36,000 m² above ground on the site of the old terminal at Zaventem airport. The project is planned to achieve high-level BREEAM certification. Situated at the airport, the building will be particularly visible. Permit applications will be submitted soon in collaboration with The Brussels Airport Company.

The entire project has been pre-leased to Deloitte for a period of 18 years, subject to the necessary permits being granted.

The *Gateway* project is a nice example of sustainable conversion with respect for the original concept. In total it will offer enough office space for 2000 employees.

Its unique location is a considerable asset: situated at the heart of the airport, above a railway station that can accommodate both high-speed and regional trains, with one of the largest bus stations in the country and a constant supply of taxis. With over 610 flights, 140 trains and 1,000 buses daily, plus 19 million passengers annually, as well as 17,000 parking spaces on site, Brussels Airport is a workplace that benefits from some of the best transport connections in Belgium.

Office space for
2,000
employees in *Gateway*

36,000 m²
above ground in *Gateway*

GATEWAY · Zaventem · Jaspers-Eyers

Patrick De Meirleir &
Charles-Antoine Schobbens

"The development of this exemplary building shows IMMOBEL's desire to create state-of-the-art buildings and to meet the energy challenges of the future".

BLACK PEARL

Brussels

The *Black Pearl* project is an office building comprising 11,000 m² above ground, situated in the heart of the Léopold district, at the corner of the rue Montoyer and the rue du Commerce. Besides excellent energy performance (K22–E47), allowing reduced consumption for both heating and air-conditioning requirements, the building will be passive. It will also receive the BREEAM label "Excellent".

The technical qualities of the project include the use of geothermics, rain water recuperation by green roofs, an impermeable high-performance exterior, triple glazing, PIR and sunshine sensors to reduce the use of artificial lighting, automatic external shutters and a battery of lifts with "destination" commands.

As a result of this IMMOBEL won the "Exemplary Buildings 2012" award for the project. The competition was organised by the Brussels Capital Region to encourage projects in Brussels that are ambitious and exemplary in terms of sustainable building or renovation. The projects submitted were assessed, in particular, for their energy performance and their environmental impact, as well as their architectural quality and urban integration.

The prize was awarded on 19 February 2013 by Evelyne Huytebroeck, Minister of the Environment, Energy and Urban Renewal in the Government of the Brussels-Capital Region.

In the basement there will be a car park, where more than half of the spaces will be fitted with charging stations for electric vehicles, as well as bicycle racks and showers.

The ambitious and unusual architecture of the corner, which cuts into the landscape, produces a curve running from top to bottom. Well-lit spaces will be created thanks to windows over the full floor height, bringing natural light into the offices. The typology of the building also means that the interior of the plot can be kept free for the creation of a garden area (it used to be completely built up on two levels). The garden will communicate with the street, thanks to the transparency of the ground floor.

RESIDENTIAL

2012 confirmed that the residential market is sound. Both the demographic evolution and increased demand from investors supported this positive trend.

Construction and/or commercialisation started, continued or completed

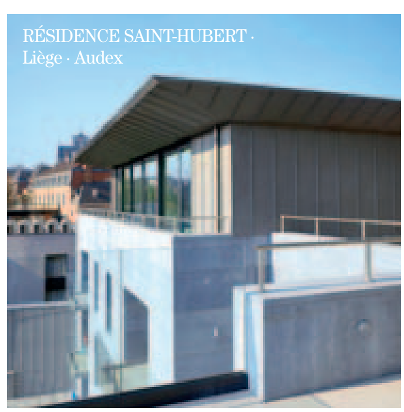
BELLA VITA • WATERLOO
(SEE ALSO BELOW)

Having obtained all the necessary permits, IMMOBEL (in a 50 % partnership) began a vast programme of infrastructural work. Commercialisation of the project was also launched, successfully, and by 31 December 2012, 34 % of the housing units planned had been reserved.

CHARMERAIE • BRUSSELS (UCCLE)

After infrastructural work had been carried out in 2011 and the urban planning permits had been obtained for the first phase in July 2012, IMMOBEL (in an 80 % partnership) started construction work on the first phase, which consists of 8 houses and a building with 14 apartments, in the 2nd quarter of 2012. Once completed, the whole project on this unique site adjoining a classified green zone, Natura 2000, will comprise 39 houses and 32 apartments spread over 2 buildings.


ZUR ALTEN BRAUEREI · Eupen · Radermacher & Schoffers Architekten


RÉSIDENCE SAINT-HUBERT · Liège · Audex


DUINENZICHT · Bredene · Architectenburo Berkein

DUINENZICHT • BREDENE

In September 2012, IMMOBEL (in a 50 % partnership) started construction work on a building consisting of 24 apartments, on a plot of land ideally situated 250 m from the sea. By the end of 2012, 50 % of the apartments had already been sold. The project, which also includes infrastructural work and subdivision into plots (all sold now), will be completed in 2015 with the development of a second building comprising 25 apartments.

FORUM • BRUSSELS

Construction of 32 apartments continued in 2012. Of these, 5 have already been transferred to the City of Brussels as part of the urban planning costs associated with the *Forum* offices project sold to the Chamber of Representatives.

Regarding the 27 apartments and 3 retail businesses put up for sale: 24 units were sold in 2012.

These will be delivered in 2013.

JARDIN DES SITTELLES: PHASE 2 • BRUSSELS (WOLUWE-SAINT-LAMBERT)

The “Orchidées” building, consisting of 32 apartments, was completed and handed over in 2012. All the apartments have been sold.

PARC SENY · Brussels (Auderghem) · A2RC

"We are delighted to be able to apply our experience and knowhow to the Parc Seny *project, which involves the conversion of former offices into residential accommodation that meets the highest environmental standards and levels of comfort."*

▶ **Michel Verliefden**
Architect, Managing Director – A2RC Architects

© Ellen Goegebuer

The last phase of construction in this residential development was started in 2012. It comprises 17 apartments of which 14 were sold in 2012. The building will be handed over in 2013.

Overall this development consists of 68 one-family houses and 77 apartments.

LINDEPARK • TERVUREN

In May 2012, IMMOBEL obtained the permits for phase 1, that is for 45 apartments out of a total of 60 planned units, including 6 apartments for social housing. Work started in February 2013. At 31 December 2012, 28 apartments had already been reserved.

RÉSIDENCE SAINT-HUBERT • LIÈGE

Work on this residential project (a 50 % partnership) situated in Liège, in the rue Mont Saint-Martin, in the vicinity of the boulevard de la Sauvenière, was completed in August 2012.

Following 10 additional sales made in the course of the year, only one retail business remains to be sold.

VALLÉE DU MAELBEEK • BRUSSELS

Sales in this project (a 50 % partnership) in Brussels continued in 2012. At 31 December 2012, 61 out of 66 apartments and 5 out of 7 ground-floor retail properties had been sold.

ZUR ALTEN BRAUEREI • EUPEN

Construction (a 34 % partnership) of a building situated right in the centre of the city, comprising 25 apartments and 2 office units, was started in September 2012. 60 % of the apartments have already been sold or reserved.

Projects under consideration

HÔPITAL FRANÇAIS • BRUSSELS (SINT-AGATHA-BERCHEM)

A new application for an urban planning permit, including subsidised housing, was submitted for the construction of 78 apartments.

PARC SENY • BRUSSELS (AUDERGHEM)

In September 2012 IMMOBEL purchased the shares of SPI Parc Seny, which holds the *Parc Seny* building, situated in the verdant municipality of Auderghem, opposite the park of the same name.

This building, comprising over 13,000 m², is currently used as offices and is leased, among others, to Sodexo.

IMMOBEL intends eventually to completely renovate and convert it into residential accommodation.

Parc Seny has the advantage of both a green environment and first-rate access and communication facilities, such as the metro and the ring, both of which are in the immediate vicinity. The final product that IMMOBEL wants to develop (high-quality housing with the latest environmental technologies) corresponds to an important structural demand and addresses major social issues facing the Brussels Capital Region.

UNIVERSALIS PARK • BRUSSELS (IXELLES)

The application for a permit for a first phase of 140 apartments was submitted in 2012. Other phases are under consideration.

BELLA VITA

Waterloo

Situated in the centre of Waterloo, the Bella Vita project is the first intergenerational project of this size in Belgium. It consists of 269 residential units and a services area that includes a restaurant, swimming pool, crèche, local shop, polyclinic, retirement home, serviced accommodation and the Bella Vita Club, which will organise activities and facilitate everyday life at the demand of the occupants.

The project is being built on an historic site and will revalorize classified architecture while at the same time blending it with contemporary architecture. The whole project is being developed around a central park in a garden-city style. Particular attention is being paid to soft mobility.

District biomass heating, rainwater infiltration zones, thermal insulation of buildings and biodiversity zones are just some of the elements of the overall environment-friendly approach. Various housing units are adapted for use by the less able.

The aim of this project is to create a place where several generations can live together harmoniously in an area that boasts technical, aesthetic and environmental qualities, all in an exceptional setting.

Harry Chkolar & Griet Trekels

“In 2012, over 30 % of the residential units in this project were reserved by potential buyers.”

LANDBANKING

The Group controls 416 ha of land holdings. Of these, 319 ha are in urban development zones and 26 ha are in agricultural zones. Another 71 ha are being held on condition precedent that the necessary permits are obtained.

Applications for permits have either been submitted or are under consideration for over

140 ha

The Landbanking department owns or holds the rights to 416 ha of land, 71 ha of which on condition precedent that the necessary permits are obtained.

Applications for permits have either been submitted or are under consideration for over 140 ha (the IMMOBEL Group share is 128 ha).

Acquisitions were made involving 9 ha 59 a of land. Following the delivery of the subdivision permit, partnerships came into effect covering 6 ha 73 a. IMMOBEL also took a 60 % stake in a company with 40 ha of land in the Antwerp region and, finally, the acquisition of 9.99 ha was finalised on condition precedent that the necessary permits are obtained.

In association with partners, IMMOBEL Group's candidacy for a PPP (Public-Private Partnership) at Grez-Doiceau (Gastuche) (approximately 10 ha and 220 homes) has been accepted, as has an application to build 42 apartments in Knokke.

Likewise, the Group's application - again within a partnership - to participate in a competition to develop approximately 8 ha of land on the site of the Genappe sugar refinery, was also successful.

In 2012, new subdivision permits were granted for approximately 8 ha 26 a, and town planning permits for roads or buildings were granted in Bredene, Clavier, Etterbeek, Eupen, Olne, Soignies, Soumagne, Uccle, Vilvoorde and Woluwe-Saint-Lambert.

Roadworks were begun, continued or completed in landbanking projects in Achêne, Berloz, Chastre, Enghien, Eupen, Fleurus, Kettenis, Lontzen, Montzen, Olne, Soumagne, Sprimont, Wanfercée-Baulet and Waterloo.


CHAUSSÉE DE NIVELLES · Temploux ·
In partnership with SA AJIPRO
Promotion construction: AD Réalisation


CLOS DÈL WÈDE,
RUE BASSE HEZ ·
Bolland

During 2012 land sales constituted 155 transactions. They involved 93,000 m² net (IMMOBEL Group share), in urban planning zones.

The landbanking projects that figured largest in sales were Bredene (24 lots), Chastre (7 lots), Eupen (12 lots), Herstal (13 lots), Sart-Bernard (7 lots), Soumagne (12 lots), Temploux (9 lots) and Woluwe-Saint-Lambert (19 lots).

93,000 m²
sold


RUE GUSTAVE DEMOULIN · Montzen

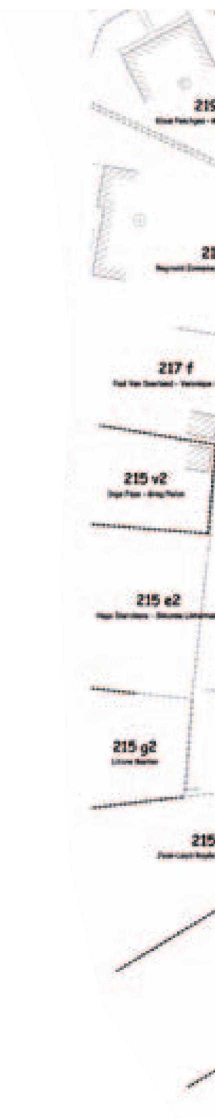
BREEWEG

Bredene

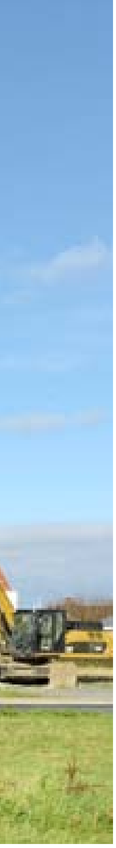
In the course of several decades the Group has developed numerous projects in this neighbourhood.

Currently, in association with a builder specialized in single family houses, we are developing an estate of over 300 homes (Grote Polder) covering approximately 10 ha and another landbanking project, which was the subject of various operations in 2011-2012, notably: the transfer of a 5,000 m² plot to the Social Services (OCMW) in Bredene for the construction of a retirement home comprising 50 units by the firm NV Serviceflats, a residential plot sold in 2012 and, finally, a residential development of 49 apartments (a 50 % partnership), the first phase of which, comprising 24 apartments, was successfully begun in 2012.

Finally, in 2012, the Group sold a piece of land measuring 10,000 m² to a developer. Situated in a residential expansion area the land was part of a development in which our Company had a minority holding.



Wauthier Dumont de Chassart,
Marina Blijkers & Nicolas Mommens



Cathy Duchêne, Luce Hermans
& Olivier Xhonneux

GREEN HILL · Luxembourg City (Dommeldange) · Christian Bauer & Associés

GRAND DUCHY OF LUXEMBOURG

11,700 m²
office space

10,900 m²
residential space

LOCATIONS

Office
WestSide Village > Capellen **1**

Residential
Green Hill > Luxembourg City (Dommeldange) **2**

OFFICES

WESTSIDE VILLAGE · Capellen · Assar Architects

WESTSIDE VILLAGE • CAPELLEN

The occupancy rate of the *West-Side Village* building went from 41 % to over 70 % in 2012, thanks to leases signed with Grant Thornton (940 m^2), Initio (362 m^2), Business Training (551 m^2), Oracle (648 m^2), Easi (325 m^2), EMC (548 m^2) and the extension of the lease with Fujitsu Technology Solutions (295 m^2).

RESIDENTIAL

GREEN HILL • LUXEMBOURG CITY (DOMMELDANGE) (SEE BELOW)

Development of this project (a 50 % partnership) continued in 2012. The project consists of 174 apartments, situated in Dommeldange, spread over 14 buildings. In particular, they offer first rate environmental performances: grade A/B energy performance (on a scale of A to I) thanks, among other things, to a district heating system fuelled by wood chips.

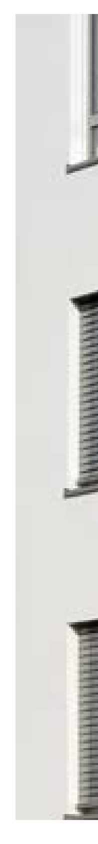
The first buildings, B4, B5 and B6, were handed over in 2012.

Sales have continued at a good rhythm, as 45 apartments were sold in 2012. By 31 December 2012, 118 of the 164 apartments being commercialised had already been sold.

174 **apartments**

spread over 14 buildings, in the project *Green Hill*

Pascale Devuyst,
Jean-Louis Amandt &
Patrick Morant



GREEN HILL

Luxembourg City (Dommeldange)

The *Green Hill* project (a 50 % partnership) is located in Dommeldange, in the northern part of the City of Luxembourg.

It comprises a group of 174 apartments spread over 14 buildings on the flank of a hill, offering occupants optimal exposure to the sun and an unrestricted view over the Alzette Valley.

The project is being developed in an ecodistrict with a biomass district heating system and the buildings show first-class energy performance (energy classes A and B on a scale of A to I).

Triple glazing, underfloor heating, dual flow ventilation with energy recovery, approaches and gardens that favour the development of biodiversity, high-quality finishings and sober, contemporary architecture designed by the renowned architect, Christian Bauer, make the *Green Hill* project a benchmark in Luxembourg.

Work started in March 2011 and late 2012, 3 buildings (comprising a total of 51 apartments) have been delivered to the purchasers. Six additional buildings are due to be delivered in 2013.

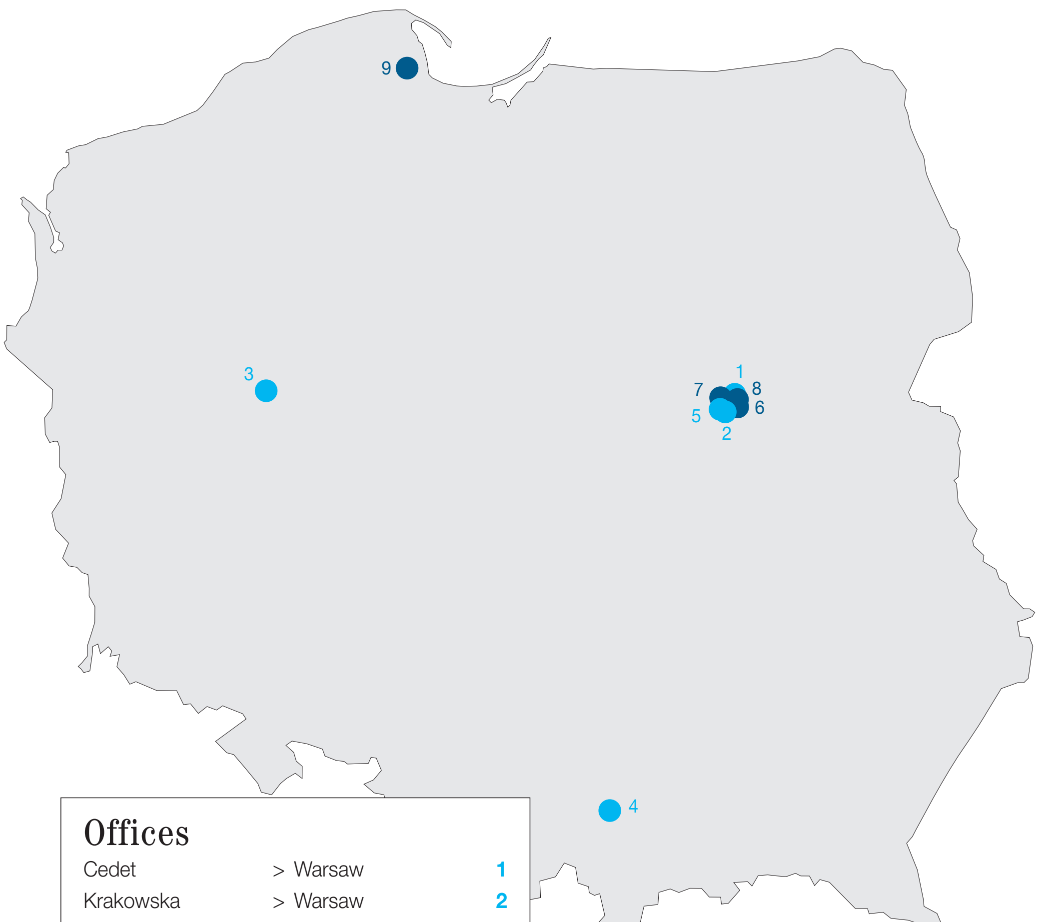
There has never been any doubt as to the success of *Green Hill* since commercialisation started. Indeed by the end of 2012, sales had been made on 118 of the 164 apartments on the market.

POLAND

27,600 m^2
office space

OKRAGLAK · Poznan · RKW Rhode Kellerman Wawrowsky

LOCATIONS



Offices

Cedet	> Warsaw	1
Krakowska	> Warsaw	2
Okraglak	> Poznan	3
Pokoju	> Cracow	4
Wronia-Towarowa	> Warsaw	5

Residential

Duracza	> Warsaw	6
Jana Kazimierza	> Warsaw	7
Kierbedzia	> Warsaw	8
Kopernika	> Gdansk	9


CEDET · Warsaw ·
Rhode Kellerman Wawrowsky
and Andrzej M. Choldzynski

Due to the increased volume of projects in Poland, IMMOBEL POLAND has reinforced its team (around 15 people year-end) with professionals with competences in office and retail development.

OFFICES

CEDET • WARSAW

During 2012 extensive design work was carried out on the *Cedet* project in the heart of Warsaw, for approximately 21,000 m^2 of leasable office and retail space. In December 2012 the building design application was submitted to the Warsaw conservation office for approval. Construction of the project may start in 2013, subject to the necessary permits being obtained.

KRAKOWSKA • WARSAW

For the plot in Warsaw, on Al. Krakowska, IMMOBEL has applied for a zoning decision for a retail building with two levels of garages above ground, and a gross surface area of 4,500 m^2. The zoning decision is expected by Q3 2013. Work continues to obtain the building permit, expected in H1 2014. The demolition works will be completed in Q2 2013.

OKRAGLAK • POZNAN
(SEE ALSO BELOW)

In September 2012, the renovation of the *Okraglak* project was completed, with 7,600 m^2 of leasable space in *Okraglak* and the adjacent Kwadraciak building, both of which are BREEAM certified. *Okraglak* has been awarded in the category "Best Modernisation of the Year", in the competition organised annually by the Central & Eastern European Construction & Investment Journal. By the end of 2012 almost 50 % of the project had been leased to reputable companies. To date the project has attracted, among others, Nordea Bank, Kredyt Bank, Open Finance, GWW (Grynhoff), Citytravel, Intermax, Tuxbel, Exorigo and Colliers and 66 % has now been leased.

POKOJU • CRACOW

In July 2012, IMMOBEL sold its stake in a plot from the Ruch portfolio, a 15,000 m^2 office development plot in Cracow (Pokoju Av.).

CEDET · Warsaw · Rhode Kellerman Wawrowsky and Andrzej M. Choldzynski

WRONIA-TOWAROWA • WARSAW

In March 2012, IMMOBEL sold 80 % of its 50 % stake in the company holding a plot of land in Warsaw (Wronia/Prosta St.), with potential for 65,000 m^2 office development. The site had been acquired from Ruch in November 2011 in a 50 % partnership with Griffin Real Estate.

Beginning 2013, IMMOBEL sold the remainder of its 50 % stake in the company holding an office development site in Warsaw (Wronia/Prosta St.).

RESIDENTIAL[1]

DURACZA • WARSAW

IMMOBEL also sold its stake in another plot from the Ruch portfolio in March 2012, which had been acquired in 2011 in a 50 % partnership: a residential development located at Duracza St. in Warsaw with potential for 5,200 m² of sales area.

JANA KAZIMIERZA • WARSAW

The design plans for this residential development with a surface area of almost 35,000 m² have been completed and IMMOBEL has obtained an environmental decision for a residential development. Work continues to obtain the zoning permit and demolition works are in progress and will be completed in Q2 2013.

KIERBEDZIA • WARSAW

This site is suitable for a residential development with a surface area of approximately 16,000 m². IMMOBEL has already obtained a zoning decision and a permit for the demolition of the existing buildings. Work is continuing on the building permit application, which will be filed in Q3 2013. Demolition works are in progress.

KOPERNIKA • GDANSK

Design work continues on the Gdansk (Kopernika) plot with the potential for 4,000 m² of residential space based on the provisions of the master plan and the conceptual drawings.

1. IMMOBEL is considering selling these assets once the various permits have been obtained.

KIERBEDZIA · Warsaw ·
Jan Kucza - Kuczynski

KIERBEDZIA · Warsaw ·
Jan Kucza - Kuczynski

"Warsaw is currently undergoing the next growth phase. Old post-industrial districts with warehouses and low class office buildings are becoming modern, high class areas. It is both an opportunity and a challenge for us, as architects, to create a quality business environment for future generations in partnership with IMMOBEL."

▶ Andrzej Ryba & Tomasz Kazimierski
Architects – Biuro Projektow
Kazimierski i Ryba

OKRAGLAK

Poznan (Poland)

IMMOBEL has finalized the redevelopment of its mixed office and commercial project situated in the centre of Poznan (approximately 7,600 m^2 in *Okraglak* and Kwadraciak). The building, erected in the 1950s and designed by the architect Marek Leykam, has been a landmark building, an icon of modernism and symbol of Poznan ever since.

Financial and banking sector companies prevail amongst the *Okraglak* tenants, including Kredyt Bank, Nordea, Open Finance and a law firm.

IMMOBEL POLAND converted Okraglak into a state-of-the-art building, one of the most modern office buildings in Poznan, whilst preserving the original architecture of the building. Several environmental solutions have been introduced, thanks to which the project has joined the prestigious group of "Green Office Buildings" and has obtained a BREEAM certification.

IMMOBEL POLAND has been awarded in the category "Best Modernisation of the Year" for the *Okraglak* project in the competition organised annually by the Central & Eastern European Construction & Investment Journal (CEE CIJ), a leading magazine covering the project development sector in Central and Eastern Europe.

The CIJ Awards Poland Competition has been organized for 11 years. The jury, consisting of specialists in real estate and construction business, select the award winners in different categories.

“Winner of the best office renovation in Poland”

(From left to right)
Executive Committee of IMMOBEL POLAND:
Barbara Sikora, Joanna Richter,
Bartlomiej Hofman & Patrycja van Triet

THE REAL ESTATE PORTFOLIO IN TABLES

Offices

COUNTRY	PROJECT	LOCATION	PARTICIPATION	AREA (M² ABOVE GROUND)	IMMOBEL'S SHARE (M²)	DISPOSITION DATE	STATE OF COMMERCIALISATION AND/OR CONSTRUCTION
Belgium	Belair (RAC 1)	Brussels	40 %	64 308	25 723	December 2013	Leased in its entirety; construction in progress
Belgium	Belair (RAC 2)	Brussels	40 %	9 500	3 800	Q2 2014	Redevelopment/ reconstruction started in 2012
Belgium	Black Pearl	Brussels	100 %	11 013	11 013	October 2014	Demolition and reconstruction work started in April 2012; commercialisation in progress
Belgium	Brussels Tower	Brussels	50 %	59 327	29 664		In progress
Belgium	Château-Rempart (phase 2)	Tournai	100 %	5 633	5 633	Mid-2012	Transferred
Belgium	Forum	Brussels	100 %	43 053	43 053	- Phase 1: Q1 2010 - Phase 2: Q4 2012 - Phase 3: Q2 2011	Transferred
Belgium	Gateway	Zaventem	50 %	36 000	18 000	2016	18-year lease signed with Deloitte for entire project
Luxembourg	WestSide Village	Capellen	100 %	11 667	11 667	Completed	Over 70 % leased, rest in progress
Poland	Cedet	Warsaw	100 %	21 000	21 000	2016	In progress
Poland	Okraglak	Poznan	100 %	7 600	7 600	Completed	50 % leased, rest in progress

Residential

COUNTRY	PROJECT	COUNTRY	PARTICIPATION	UNITS
Belgium	Belair	Brussels	40%	70 apartments under construction and commercialisation
Belgium	Bella Vita	Waterloo	50 %	269 residential units of which 34 % have been reserved
Belgium	Charmeraie (phase 1)	Brussels (Uccle)	80 %	8 houses, 14 apartments
Belgium	Duinenzicht	Bredene	50 %	24 apartments 50 % of which were sold in 2012
Belgium	Forum	Brussels	100 %	32 apartments, 24 of which were sold in 2012 and 5 transferred to the City of Brussels
Belgium	Jardin des Sittelles (phase 2)	Brussels (Woluwe-Saint-Lambert)	80 %	28 apartments reserved out of a total of 45
Belgium	Lindepark (phase 1)	Tervuren	100 %	28 apartments reserved out of a total of 45
Belgium	Parc Seny	Brussels (Auderghem)	100 %	Permit application to be submitted in 2013
Belgium	Père Eudore Devroye	Brussels (Etterbeek)	33 %	12 apartments, 6 of which are the object of a signed pre-sale agreement
Belgium	Résidence Saint-Hubert (apartments)	Liège	50 %	All 25 apartments have been sold; one retail unit remains
Belgium	South City Hotel	Brussels (Saint-Gilles)	10 %	Hotel with 142 rooms
Belgium	Universalis Park	Brussels (Ixelles)	50 %	Permit application submitted in 2012 for a first phase of 140 apartments
Belgium	Vallée du Maelbeek	Brussels	50 %	61 apartments out of 66 and 5 ground-floor businesses out of 7 have been sold
Belgium	Zur alten Brauerei	Eupen	33 %	25 apartments, 17 of which were sold in 2012
Luxembourg	Green Hill	Luxembourg City (Dommeldange)	50 %	118 apartments sold out of a total of 164 being commercialised

Landbanking

LAND STOCK (IN M²)[1]	2005	2006	2007	2008	2009	2010	2011	2012
Under exploitation	545 887	653 136	573 012	501 953	569 384	581 099	544 161	675 145
In reserve	2 557 573	2 294 693	2 267 505	2 392 694	2 436 762	2 315 857	2 511 758	2 509 943
Total at 31 December	**3 103 460**	**2 947 829**	**2 840 517**	**2 894 647**	**3 006 146**	**2 896 956**[2]	**3 055 919**[3]	**3 188 308**[4]
Net surface area sold	115 596	184 316	132 582	215 824	97 178	253 340	205 603	93 048
Number of transactions	**222**	**232**	**141**	**150**	**159**	**174**	**168**	**155**

1. IMMOBEL Group share
2. To be increased with 91ha acquired under conditions precedent
3. To be increased with 69 ha acquired under conditions precedent
4. To be increased with 71 ha acquired under conditions precedent

DIRECTORS' REPORT

Ladies and Gentlemen,

We have great pleasure in presenting our report on the activities of the IMMOBEL Group during 2012.

Despite the ongoing difficult economic situation and the fact that the office market in Brussels is generally very unfavourable, IMMOBEL ended 2012 with an operating income of 19.4 MEUR, compared to 22.6 MEUR in 2011.This income generated a net consolidated profit of 11.7 MEUR, compared to 16.2 MEUR in 2011.

I. Business development (art. 96 § 1, 1° and 119, 1° Companies Code)

IMMOBEL GROUP BUSINESS

Sales for the year ended came to 126.77 MEUR compared to 76.10 MEUR in 2011.

Throughout 2012, IMMOBEL pursued its development plan in its various spheres of activity, Offices, Residential and Landbanking, in the three countries where it is now active, Belgium, the Grand Duchy of Luxembourg and Poland. It has therefore made several important acquisitions, sales and leases, in accordance with its objectives, as described below:

a) Belgium

- Acquisitions
  - IMMOBEL acquired the company holding the *Parc Seny* office building (13,000 m^2) in Brussels (Auderghem) in order to convert it into residential accommodation of the latest generation, integrating the most recent environmental technologies.
  - IMMOBEL signed a 50 % partnership agreement with Codic for the development of the *Gateway* project. Situated at the heart of Zaventem Airport (old terminal), it will consist of the construction and renovation of 36,000 m^2 of offices.
  - As part of its landbanking activities, IMMOBEL has acquired or taken stakes in various plots of land representing a total of 34 ha to subdivide; it has also concluded agreements to buy 17 supplementary ha situated in the 5 provinces of the Flemish Region.
- Sales and completions
  - Phase 2 of the *Forum* project, comprising 18,547 m^2 of offices and six large meeting rooms, was completed in December 2012. The building, which obtained the BREEAM certification "Very Good", was handed over to the buyer on 21 December 2012.
  - As planned, work on phase 2 of the *Château-Rempart* project in Tournai (5,633 m^2 of offices and meeting rooms leased to the Régie des Bâtiments for use by FPS Justice) was finished in 2012, which also made it possible to complete the last stage of the sale, the sale agreement having already been signed in 2011 with a private investor and the Caisse d'Epargne Nord France Europe.
  - In 2012, IMMOBEL sold 90 apartments (alone or in partnership), in the following projects: *Père Eudore Devroye*, *Forum*, *Jardins des Sitelles*, and *Vallée du Maelbeek* located in Brussels, *Duinenzicht* situated in Bredene and *Saint-Hubert* in Liège and over 30 % of the 269 residential units in the *Bella Vita* project in Waterloo have been reserved by potential buyers.
- Leasing: IMMOBEL is developing the *Belair* site (64,308 m^2 offices above ground), in Brussels, in partnership (40 %). The majority of the office building (phase 1) was let in 2011 with an 18-year lease to the "Régie des Bâtiments" for use by the Federal Police. In May 2012, an amendment was signed for the lease of the remainder of the office project (phase 1).
- In the *Gateway* project (36,000 m^2 offices above ground), subject to the necessary permits being granted, the offices have all been preleased to Deloitte for 18 years.
- Permits and work
  - *Bella Vita* – Waterloo: The required permits having been obtained, an

extensive programme of infrastructural work was started.

- *Black Pearl* – Brussels: following receipt of the required permits in 2011 and the departure of the last occupant, IMMOBEL began demolition and reconstruction work on this 11,000 m² office project in April 2012. Besides the BREEAM certificate "Excellent", the *Black Pearl* project will also benefit from the "Passive Building" label, and it was named "Exemplary Building 2012" by Brussels Capital Region on 19 February this year.

- *Charmeraie* – Brussels (Uccle): After the infrastructural work had been carried out in 2011 and the required permits had been obtained for phase 1 in July 2012, IMMOBEL (in an 80 % partnership) started the construction work on the first apartment building and 8 houses. The project on this unique site, adjoining the classified green zone Natura 2000, will consist of 39 houses and 32 apartments.

- *Duinenzicht* – Bredene: IMMOBEL (in a 50 % partnership) began in September 2012 the construction work on a building comprising 24 apartments on an area of land situated in the immediate proximity of the North Sea. By the end of 2012, 50 % of the apartments had already been sold. The project, which also includes building infrastructure and subdividing the land into plots (all of which have been sold now), will be completed in 2015 with the development of a second building comprising 25 apartments.

- *Zur alten Brauerei* – Eupen: IMMOBEL (in a 34 % partnership) started construction of an apartment building, situated right in the centre of the city and comprising 25 apartments and 2 offices, in September 2012. 60 % of the residential accommodation has already been sold or reserved.

- IMMOBEL has also begun important infrastructural work on 14 developments in the Walloon Region.

- *Lindepark* – Tervuren: in May 2012 IMMOBEL obtained the permits necessary for phase 1, i.e. for 45 apartments out of a total of 60 units, including 6 apartments that will be used for social housing. Work started in February 2013. By 31 December 2012, 28 apartments had already been reserved.

- *Hôpital Français* – Brussels (Sint-Agatha-Berchem): a new permit application has been submitted for the construction of 78 apartments, 36 of them subsidized, in partnership with the S.D.R.B./G.O.M.B.

• Public/Private Partnership

- IMMOBEL was selected, with a partner, to construct the *Gastuche* project in Grez-Doiceau, a PPP (Public/Private Partnership) comprising approximately 220 housing units.

- IMMOBEL has also been selected, with a partner, to construct a PPP project in Knokke for 42 apartments.

Following the transfers and leases cited below, sales for the "offices" activity in Belgium reached 59.03 MEUR for the past fiscal year compared to 11.20 MEUR in 2011. The operating income came to 4.73 MEUR in 2012 compared to -1.19 MEUR in 2011.

As far as the "residential" activity is concerned sales for the activity reached 18.59 MEUR in Belgium for the past fiscal year as opposed to 35.17 MEUR in 2011.

The operating income generated was 0.39 MEUR in 2012 compared to 11.25 MEUR in 2011.

Sales for the "landbanking" activity in Belgium came to 11.42 MEUR for the past fiscal year compared to 25.70 MEUR in 2011.

The operating income generated was 2.66 MEUR as against 11.12 MEUR in 2011.

b) Grand Duchy of Luxembourg

• Sales

The first 3 buildings of the *Green Hill* project, B4, B5 and B6, were completed and handed over in 2012. Furthermore, sales continued at a brisk pace as 45 apartments were sold this year. By 31 December 2012, 118 apartments out of the 164 being marketed had already been sold.

• Leasing

The occupancy rate of the *West-Side Village* went from 41 % to over 70 % in 2012.

The operating income for the "offices" activity in the Grand Duchy of Luxembourg came to 0.84 MEUR for the past fiscal year (compared to 0.49 MEUR in 2011).

As far as "residential" is concerned, sales figures for the Grand Duchy of Luxembourg came to 16.22 MEUR for the past fiscal year (compared to 4.03 MEUR in 2011) and the operating income generated was 2.18 MEUR compared to 0.77 MEUR in 2011.

c) Poland

- Sales

  In March 2012 IMMOBEL sold 80 % of its 50 % participation in a company holding a plot of land in Warsaw where around 65,000 m² of offices could be built (Wronia).

- Completions and leasing

  The *Okraglak* project in Poznan (7,600 m²) was completed and handed over in September 2012. *Okraglak* was rewarded in the category "Best Modernisation of the Year", in a competition organised each year by the Central & Eastern European Construction & Investment Journal (CEE CIJ).

The "offices" activity in Poland made sales of 19.09 MEUR during the past fiscal year (0 in 2011). The operational result amounted to 8.59 MEUR in 2012 compared to 0.15 MEUR in 2011.

The "residential" activity amounted to a turnover of 2.42 MEUR in Poland during the past fiscal year (0 in 2011).

FINANCE

- During 2012, IMMOBEL obtained or renewed, alone or with its partners, its credit lines for around 470 MEUR (100 % participation) concerning 8 projects.
- The Group also renewed the credit line for Landbanking for a total of 50 MEUR for a period of 3 years.
- In February 2012, IMMOBEL supplemented the private bond placement it issued with BNP Paribas in December 2011 with another tranche of 10 MEUR, under the same conditions.

COMMENTS ON THE ANNUAL ACCOUNTS

1. Consolidated accounts

Income statement

(MEUR)	31-12-2012	31-12-2011
Operating income	19.39	22.59
Financial result	-6.79	-5.42
Shares in the income of entities accounted for by the equity method	0.02	0.30
Result before tax	12.62	17.47
Taxes	-0.91	-1.30
Income from ongoing business	**11.71**	**16.17**
Income for the year	**11.71**	**16.17**
Group share of income	**11.72**	**16.18**

Balance sheet

(MEUR)	31-12-2012	31-12-2011
Inventories	359.9	327.9
Investments available for sale	2.4	1.3
Trade receivables & other assets	28.4	30.6
Cash	26.9	47.0
Total assets	**417.6**	**406.8**
Shareholder equity	187.8	182.8
Provisions	2.4	4.8
Long-term financial liabilities	135.5	109.3
Short-term financial liabilities	51.8	74.3
Trade payables and other liabilities	40.1	35.6
Total equity & liabilities	**417.6**	**406.8**

2. IMMOBEL SA company results

Income statement

The operating profit amounts to 3.86 MEUR for the past financial year compared to 8.75 MEUR for the year closed at 31 December 2011.

The financial result amounts to 2.58 MEUR as opposed to 6.96 MEUR in 2011. This decrease is mainly due to the costs linked to the 40 MEUR bond issue at 7 % in December 2011 and February 2012.

The exceptional result, affected by adjustments in the value resulting from the merger by absorption of IMMOBILËN VENNOOTSCHAP VAN VLAANDEREN NV, amounts to 5.15 MEUR.

IMMOBEL's financial year ended with a net profit of 11.59 MEUR, compared to a net profit of 18.92 MEUR at 31 December 2011.

The Balance sheet

The Balance sheet total amounts to 270.20 MEUR compared to 313.66 MEUR for the financial year closed at 31 December 2011.

On 31 December 2012 equity came to 189.47 MEUR. It was 183.65 MEUR in 2011.

Allocation of results

The profit to be allocated, taking into account the amount carried forward from the previous year, amounts to 124.86 MEUR.

The Board of Directors proposes to the Ordinary General Meeting of 23 May 2013 to distribute a gross dividend in respect of the 2012 financial year of 1.40 EUR per share.

The profit will therefore be allocated as follows:

- Dividend for the year: 5.77 MEUR
- Profit carried forward: 119.09 MEUR

The dividend will be made available for payment on 31 May 2013 upon presentation of coupon n° 24.

MAIN RISKS AND UNCERTAINTIES

The IMMOBEL Group faces the risks and uncertainties inherent to the property development sector as well as those associated with the economic situation and the financial world. Without the list being exhaustive, we would like to mention the following in particular:

Market risk

Changes in general economic conditions in the markets in which IMMOBEL's properties are located can adversely affect the value of IMMOBEL's property development portfolio, as well as its development policy and, consequently, its growth prospects.

IMMOBEL is exposed to the national and international economic conditions and other events and occurrences that affect the markets in which IMMOBEL's property development portfolio is located: the office property market in Belgium (mainly in Brussels), Luxembourg and Poland; and the residential (apartments and plots) property market (Belgium, Luxembourg and Poland).

This diversification of both business and countries means it can target different clients, economic cycles and sales volumes.

Changes in the principal macroeconomic indicators, a general economic slowdown in Belgium or one or more of IMMOBEL's other markets, or on a global scale, could result in a fall in demand for office buildings or residential property or building plots, higher vacancy rates and higher risk of default of service providers, building contractors, tenants and other counterparties, any of which could materially adversely affect IMMOBEL's value of its property portfolio, and, consequently, its development prospects.

IMMOBEL has spread its portfolio of projects under development or earmarked for development so as to limit the impact of any deterioration in the real estate market by spreading the projects in terms of time and nature.

Operational risk

IMMOBEL may not be able to dispose of some or all of its real estate projects.

IMMOBEL's revenues are determined by disposals of real estate projects. Hence, the results of IMMOBEL can fluctuate significantly from year to year depending on the number of projects that can be put up for sale and can be sold in a given year.

Furthermore, it cannot be guaranteed that IMMOBEL will find a buyer for the transfer of its assets or that the transfer price of the assets will reach a given level. IMMOBEL's inability to conclude sales can give rise to significant fluctuations of the results.

The policy of diversification implemented by IMMOBEL for the last 5 years has allowed it to reduce its concentration on and therefore its exposure to offices in Brussels with an increased portfolio of residential and landbanking projects, which should give it a revenue base and regular cash flows.

The development strategy adopted by IMMOBEL may prove to be inappropriate.

When considering property development investments, IMMOBEL makes certain estimates as to economic, market and other conditions, including estimates relating to the value or potential value of a property and the potential return on investment. These estimates may prove to differ from reality, rendering IMMOBEL's strategy inappropriate with consequent negative effects for IMMOBEL's business, results of operations, financial condition and prospects.

IMMOBEL takes a prudent approach to the acquisition and development of new projects and applies precise selection criteria. Each investment follows a clear and strict approval process.

IMMOBEL may face a higher risk due to the expansion of its operations into Poland.

Since 2011 IMMOBEL acquired several offices/residential/commercial projects in Poland, which are either under development or will be developed, thereby confirming its strategy to further expand in Poland.

Although IMMOBEL has carried out development projects in Poland in the past, it has a more limited experience in managing projects outside of the Belux market and has a more restricted knowledge of the market and regulatory situation and requirements in this new market.

That is the reason why IMMOBEL does not launch itself on a new market until it can count on the expertise and network of a local partner on the spot, who can help it limit the risks linked to the new market.

IMMOBEL's development projects may experience delays and other difficulties.

Before acquiring a new project, IMMOBEL carries out feasibility studies with regard to urban planning, technology, the environment and finance, usually with the help of specialised consultants. Nevertheless these projects are always subject to a variety of risks, each of which could cause late delivery of a project and consequently increase the length of time before it can be sold, engender a budget overrun or cause the loss or decrease of expected income from a project or even, in some cases, its actual termination.

Risks involved in these activities include but are not limited to: (i) delays resulting from amongst other things adverse weather conditions, work disputes, construction process, insolvency of construction contractors, shortages of equipment or construction materials, accidents or unforeseen technical difficulties; (ii) difficulty in acquiring occupancy permits or other approvals required to complete the project; (iii) a refusal by the planning authorities in the countries in which IMMOBEL operates to approve development plans; (iv) demands of planning authorities to modify existing plans; (v) intervention by pressure groups during public consultation procedures or other circumstances; and (vi) upon completion of the development project, occupancy rates, actual income from sale of properties or fair value being lower than forecasted.

Taking into account these risks, IMMOBEL cannot be sure that all its development projects (i) can be completed in the expected timeframe, (ii) can be completed within the expected budgets or (iii) can even be completed at all. It is in the framework of controlling this risk and others that IMMOBEL has increased the diversification of its business/countries/clients, which allows it to reduce its concentration on any particular project or another.

Furthermore IMMOBEL has some projects where an asset under development is pre-leased or pre-sold to a third party and where IMMOBEL could incur substantial liabilities if and when such projects are not completed within the pre-agreed timeline.

IMMOBEL may be liable for environmental issues regarding its property development portfolio.

IMMOBEL's operations and property development portfolio are subject to various laws and regulations in the countries in which it operates concerning the protection of the environment, including but not limited to regulation of air, soil and water quality, controls of hazardous or toxic substances and guidelines regarding health and safety.

Such laws and regulations may also require IMMOBEL to obtain certain permits or licenses, which it may not be able to obtain in a timely manner or at all. IMMOBEL may be required to pay for clean-up costs (and in specific circumstances, for aftercare costs) for any contaminated property it currently owns or may have owned in the past.

As a property developer, IMMOBEL may also incur fines or other penalties for any lack of environmental compliance and may be liable for remedial costs. In addition, contaminated properties may experience decreases in value.

IMMOBEL may lose key management and personnel or fail to attract and retain skilled personnel.

Loss of its managerial staff and other key personnel or the failure to attract and retain skilled personnel could hamper IMMOBEL's ability to successfully execute its business strategies.

IMMOBEL believes that its performance, success and ability to fulfil its strategic objectives depend on retaining its current executives and members of its managerial staff who are experienced in the markets and business in which IMMOBEL operates. IMMOBEL might find it difficult to recruit suitable employees, both for expanding its operations and for replacing employees who may resign, or recruiting such suitable employees may entail substantial costs both in terms of salaries and other incentive schemes.

The unexpected loss of the services of one or more of these key individuals and any negative market or industry perception arising from such loss could have a material adverse effect on IMMOBEL's business, results of operations, financial condition and prospects.

The conduct of its management teams, in Belgium, Luxembourg and in Poland, is therefore monitored regularly by the CEO and the Remuneration & Appointments Committee (hereafter "RAC"), one of the organs of the Board of Directors.

IMMOBEL is subject to the risk of litigation, including potential warranty claims relating to the lease, development or sale of real estate.

In the normal course of IMMOBEL's business, legal actions, claims against and by IMMOBEL and its subsidiaries and arbitration proceedings involving IMMOBEL and its subsidiaries may arise. IMMOBEL may be subject to other litigation initiated by sellers or purchasers of properties, tenants, contractors and subcontractors, current or former employees or other third parties.

In particular, IMMOBEL may be subject to warranty claims due to defects in quality or title relating to the leasing and sale of its properties. This liability may apply to defects in properties that were unknown to IMMOBEL but could have, or should have, been revealed.

IMMOBEL may also be subject to claims by purchasers of its properties as a result of representations and warranties about those properties given by IMMOBEL at the time of disposal.

IMMOBEL makes sure to control these risks with a systematic policy of taking out adequate insurance cover.

IMMOBEL is exposed to risk in terms of liquidity and financing.

IMMOBEL is exposed to risk in terms of liquidity and financing which might result from a lack of funds in the event of non-renewal or cancellation of its existing financing contracts or its inability to attract new financing.

IMMOBEL does not initiate the development of a project unless financing for it is assured by both internal and external sources for the estimated duration of its development.

IMMOBEL gets its financing from several first-rate Belgian banking partners with which it has maintained longstanding good relations and mutual trust. During 2012, IMMOBEL renewed or negotiated credit lines for 520 MEUR (100 % participation) either alone or with partners, and raised on 13 February 2012 10 MEUR (complementary with the bond issue in mid-December 2011 in the form of a private placement).

IMMOBEL is exposed to risk linked to the interest rate which could materially impact its financial results.

Given its current and future indebtedness, IMMOBEL is affected by a short or long-term change in interest rates, by the credit margins taken by the banks and by the other financing conditions.

With the exception of the bond issue at the end of 2011, which is at a fixed rate, IMMOBEL's financing is mainly provided on the basis of short-term interest rates (based on Euribor rates for 1 to 12 months). In the context of a global programme of risk management coverage, IMMOBEL has set up a "hedging" policy aimed to provide adequate cover against the risk of interest rates on its debt with financial instruments.

Feasibility studies for each project are based on the predictions for long-term rates.

IMMOBEL is exposed to a currency exchange risk which could materially impact its results and financial position.

Following its entering in the Polish market, IMMOBEL is subject to currency exchange risks. There is the foreign currency transaction risk and the foreign currency translation risk.

IMMOBEL also makes sure whenever possible to carry out all of its operations outside the Eurozone in EUR, by having purchase, lease and sales contracts drawn up for the most part in EUR.

IMMOBEL is subject to regulatory risk.

Any development project depends on obtaining urban planning, subdivision, urban development, building and environmental permits. A delay in granting them or failure to grant them could impact on IMMOBEL's activities.

Furthermore, IMMOBEL has to respect various urban planning regulations. Local authorities or public administrations might embark on a revision and/or modification of these regulations, which could have a material impact on IMMOBEL's activities.

IMMOBEL is exposed to counterparty risk.

IMMOBEL has contractual relations with multiple parties, such as partners, investors, tenants, contractors, financial institutions, architects. The inability of such counterparty to live up to their contractual obligations could have an impact on IMMOBEL's operational and financial position. IMMOBEL pays great attention, through appropriate studies, to the choice of its counterparties.

Changes in direct or indirect taxation rules could impact the financial position of IMMOBEL.

IMMOBEL is active in Belgium, Luxemburg and Poland. Changes in direct or indirect fiscal legislation in any of these could impact IMMOBEL's financial position.

II. Important events that took place after the end of the year (art. 96 § 1, 2° and 119, 2° Companies Code)

Since 1 January 2013, IMMOBEL has acquired, with two other partners, each for one third, the "société anonyme" under Luxembourg law PEF Kons Investment, owner of the "Galerie Kons", situated opposite the Luxembourg railway station, as well as 50 % of a company holding a project in the city centre of Warsaw.

To the Directors' knowledge there were no other important events after the closure of the financial year.

III. Circumstances likely to have a significant influence on the development of the group (art. 96 § 1, 3° and 119, 3° Companies Code)

To the Directors' knowledge, there should not be any circumstances likely to have any significant influence on the development of the Group.

IV. Activities in terms of research & development (art. 96 § 1, 4° and 119, 4° Companies Code)

In as much as it is necessary the Board of Directors reiterates that, given the nature of its business, the Group did not engage in any research and development activities during the year which has just ended.

V. Use of financial instruments (art. 96 § 1, 8° and art. 119, 5° Companies Code)

The Board of Directors confirms that IMMOBEL used financial instruments intended to cover any rise in interest rates. The market value of these financial instruments was -2.13 MEUR at 31 December 2012.

VI. Evidence of the independence and competence of at least one member of the audit & finance committee (art. 96 § 1, 9° and 119, 6° Companies Code)

As proposed by the Board of Directors, the Shareholders appointed as Directors Mr Wilfried Verstraete (during the Extraordinary General Meeting on 29 August 2007) and ARSEMA sprl, represented by Mr Didier Bellens, (during the Ordinary General Meeting on 28 May 2009).

These Directors meet all of the criteria of independence in Articles 524 and 526ter of the Companies Code and sit on the Board of Directors and the Audit & Finance Committee of IMMOBEL as independent Directors. These Directors hold university degrees in Economics and Business Administration (MBA) and have held or continue to hold the roles of Chief Executive Officer in international groups.

Mr Maciej Drozd, the present CFO of Eastbridge Group, also has the necessary expertise in accounting and audit.

VII. Additional information

In as far as it is necessary, the Board of Directors reiterates:

- that IMMOBEL has not set up any branches (art. 96 § 1, 5° Companies Code; and
- that, given the results of the Company, there has been no reason to justify the application of continuity accounting rules (art. 96 § 1, 6° Companies Code).

Regarding the information to be inserted pursuant to art. 96 § 1, 7° of the Companies Code the Board of Directors report:

- that during the past year the Board of Directors of the Company has, further to the merger by absorption of the company IMMOBILIËN VENNOOTSCHAP VAN VLAANDEREN, dated 23rd May 2012, decided to raise the share capital up to 60,302,318.47 EUR represented by 4,121,987 shares (article 608 Companies Code);
- that neither IMMOBEL, nor any direct subsidiary, nor any other person acting in his own name but on behalf of IMMOBEL or a direct subsidiary has bought or sold shares in IMMOBEL (art. 624 Companies Code).

VIII. Information to be inserted pursuant to article 524 of the Companies Code

The Board points out that it applied the procedure foreseen in Article 524 of the Companies Code when it took the decision concerning the operations contemplated as part of the Belair project, which is held by the companies RAC1, RAC2, RAC3 and RAC4. In particular, these involved the company RAC4 making a contribution in kind of parking spaces which it owns to the companies RAC1 and RAC2, the re-invoicing by RAC3 of certain historical costs to RAC1 and RAC2, as well as the issue of guarantees by RAC1, RAC2 and RAC4.

The companies RAC1, RAC2, RAC3 and RAC4 are each directly linked to the IMMOBEL Group as the latter directly holds 40 % of the shares representing the capital of these companies.

On 4 July 2012, the Board of Independent Directors issued an advice (cf. Appendix 1) on the contribution in kind and the re-invoicing of historic costs mentioned above.

On the basis of this report by the Board of Independent Directors and the report by the registered auditor, Jean-François Cats, who assisted the Board of Independent Directors in assessing the possible financial consequences of the operations contemplated for both the said companies, RAC1, RAC2, RAC3 and RAC4, and for the IMMOBEL Group, the Board of Directors of 30 August 2012 decided to approve the operations contemplated.

The Auditor made an assessment (cf. Appendix 2) of the accuracy of the information in the advice given by the Board of Independent Directors dated 4 July 2012 and in the minutes of the Board of Directors on 30 August 2012.

IX. Corporate Governance statement (art. 96 § 2 Companies Code), including the Remuneration Report (art. 96 § 3 Companies Code) and the description of the internal control systems and risk management (art. 119, 7° Companies Code)

The Corporate Governance Statement is part of this Director's report. (cf. page 14 of the Annual Report).

X. Takeover bid

Pursuant to article 34 of the Royal Decree of 14 November 2007 concerning the obligations of issuers of financial instruments admitted for trading on a regulated market, IMMOBEL states that:

1° The capital stock is 60,302,318.47 EUR represented by 4,121,987 shares, without any mention of par value, each representing an equal share of the capital stock (art. 4 of the Articles of Association)

2° The clause authorising the Board of Directors to increase the Company's capital by a maximum of 50,000,000 EUR (art. 13 of the Articles of Association), bearing in mind that the exercise of this power is limited in the case of a takeover bid by article 607 of the Companies Code, has expired on 7 December 2012. It is intended to renew this authorisation on the occasion of a next Extraordinary General Meeting.

3° - The Board of Directors was specially authorised for a term of 3 years dating from the Extraordinary General Meeting of 13 April 2011, to purchase or dispose of shares in the company when this purchase or disposal is necessary to prevent any serious imminent harm (art. 14 of the Articles of Association)

- concerning the nomination and replacement of the Members of the Board of Directors, the Articles of Association specify that the Board of Directors should be composed of at least 5 Members, appointed by the Ordinary General Meeting at the proposal of the RAC for a maximum of 4 years
- for the modification of the Articles of Association there are no regulations other than those established by the Companies Code.

XI. Management of the Company – Executive Committee

- During the Ordinary General Meeting on 23 May 2013, you will be able to express your opinion on the re-election of Mr Maciej Drozd as a Director of the Company for a period of 4 years, i.e. until the Ordinary General Meeting to be held in 2017.
- The Board of Directors of 30 August 2012 took note of the resignation of Mr Luc Luyten as Director of the Company and appointed Mr Dany Dwek as Member of the RAC.
- On 18 October 2012 the Board of Directors has noticed the resignation of Mr Laurent Wasteels as Member the Investment & Asset Management Committee and appointed him as Member of the RAC. The same Board of Directors appointed Mr Dany Dwek as new Member of the Investment & Asset Management Committee, to replace Mr Laurent Wasteels.
- During the Board Meeting held on 18 October 2012, Mrs Sophie Lambrighs was asked to sit as a new Member of the Executive Committee as of beginning January 2013.

We therefore ask you to approve the terms of this report and grant discharge to the Members of the Board and the Auditor.

Agreed at the Meeting of the Board of Directors on 11 March 2013

Baron BUYSSE
Chairman of the Board

GAËTAN PIRET sprl
Managing Director

COMMITTEE OF INDEPENDENT DIRECTORS

Advice to the Board of Directors of 30th August 2012 on the envisaged transactions to be operated by joint subsidiaries of IMMOBEL

Brussels, 4th of July 2012

In conformity with the procedure provided for in article 524 Belgian Companies Code, we have analysed the operations envisaged.

Even if it may not have been the intention of the legislator to include, for the purpose of the above-mentioned article, the subsidiaries ("filiales") of a listed company in the notion of affiliated companies ("sociétés liées"), we applied article 524 §5 to the contemplated operations between RAC1, RAC 2, RAC3 and RAC4 (the "RAC companies"), companies involved in the development of real estate projects undertaken on the site of the Cité Administrative de l'Etat (the "BelAir" project), ; the RAC companies being joint subsidiaries of IMMOBEL, a listed company.

In the context of the 224 MEUR senior financing to be extended to RAC 1 and RAC 2, following security interests will be created and transactions will be operated between RAC companies, such as, amongst others:

- the contribution in kind of parts of Parking B, currently owned by RAC 4, contributing company, into RAC 1 and RAC 2, receiving companies;
- the re-invoicing, by RAC 3 in this context, of certain historical costs to RAC 1 (EUR 3,081,198.35) and RAC 2 (EUR 455,126.94)
- the issue of guarantees (mortgages, term mortgages and pledging of debts) by RAC 1 and RAC 2 in joint debiting;
- the pledging by RAC 4 of the shares held in RAC 1 and RAC 2 following the contribution operation.

We have called on Jean-François Cats, registered auditor, Member of RSM INTERAUDIT, to help us assess the possible financial consequences of the operations envisaged, both for IMMOBEL and for the RAC companies (in particular for RAC 4, the contributing company, and for RAC 1 and RAC 2, the receiving companies, as well as with regard to the afore-mentioned re-invoicing by RAC 3 of certain historical costs). As explained below, there are no financial consequences for IMMOBEL as long as its holdings remain identical (40 %) in the companies concerned.

From a financial point of view, the value of the contributions to receiving companies, RAC 1 and RAC 2, as at 31st December 2011 are set out in the table below:

RAC 1 (681 car parks in B)	7,190,000 EUR
RAC 2 (301 car parks in B)	5,110,000 EUR

The contributions in kind will be remunerated in new category C shares (after amendment of the articles of association of RAC 1 and RAC 2) as follows:

RAC 1	by issuing of 8 new category C shares, in counterpart for the capital increase with an amount of EUR 135,352.69 as well as a share premium of EUR 7,054,647.30
RAC 2	by issuing of 71 new category C shares, in counterpart for the capital increase with an amount of EUR 181,361.41 as well as a share premium of EUR 4,928,638.59

For RAC 1 and RAC 2, 40% joint subsidiaries of IMMOBEL, the interest of the operation is the opportunity of being able to complete the financing of real estate projects undertaken on the site of the Cité Administrative de l'Etat (the "BelAir" project). The interest for RAC 4, also a 40 % joint subsidiary, is to be able to realize part of its property assets stock intended for sale in the form of share participation in RAC 1 and RAC 2.

As the operations concern joint subsidiaries of IMMOBEL, all sister-companies in which IMMOBEL holds 40 %, the financial consequences for the IMMOBEL Group are rather limited, see inexistent, for following reasons:

1) non-dilution of the shareholders, as well as non-dilution of the representation in the management bodies, within the companies RAC 1, RAC 2 and RAC 4 (as long as its holdings remain identical in the companies concerned);
2) the re-invoicing of historical costs from RAC 3 to RAC 1 and RAC 2 is also neutral as regards the consolidated accounts of the IMMOBEL group (as long as its holdings in the companies concerned remains identical);
3) at consolidated level, the impact will remain neutral for the IMMOBEL l group (as long as he holds an equivalent number of shares in RAC 1, RAC 2, RAC 3 and RAC 4).

According the above-mentioned, the CID considers that the operations envisaged are not of a nature likely to cause obvious serious damage to the Company in the light of the policy pursued by the Company.

Laurent Wasteels
Independent
Director

Luc Luyten
Independent
Director

Arsema sprl
represented by Mr. Didier Bellens
Independent Director

Baron Buysse
Chairman of the Board,
Independent Director

ASSESSMENT OF THE STATUTORY AUDITOR

in accordance with article 524 of the Companies Code Decision of the Board of Directors dated 30 August 2012

To the board of directors

In the context of the contemplated transactions between the companies RAC 1 SA, RAC 2 SA, RAC 3 SA and RAC 4 SA (jointly "the RAC companies"), 40% jointly controlled subsidiaries of Compagnie Immobilière de Belgique SA, en abrégé Immobel SA (the "Company" or "Immobel"), our assessment is required in accordance with the requirements of article 524 of the Companies Code with respect to the faithfulness of the data included in the opinion dated 4 July 2012 of the committee of the independent directors, and in the minutes of the meeting of the board of directors held on 30 August 2012. This assessment will be attached to the minutes of the board of directors and will be included in the directors' report.

The proposed transactions are:

- The contribution in kind of parts of Parking B, currently owned by RAC 4 SA, the contributing company, into RAC 1 SA and RAC 2 SA, the receiving companies;
- The re-invoicing by RAC 3 SA of certain historical costs to RAC 1 SA (EUR 3,081.198,35) and RAC 2 SA (EUR 455,126.94);
- The issue of guarantees (mortgages, term mortgages and pledging of receivables) by RAC 1 and RAC 2 in joint;
- The pledging by RAC 4 SA of the shares held in RAC 1 SA and RAC 2 SA following the contribution in kind referred to above.

These transactions will take place in the context of the EUR 224 million senior financing granted to RAC 1 SA and RAC 2 SA, companies responsible for the development of real estate projects in "la Cité Administrative de l'Etat" (the « Belair » project).

In the frame of our mission, we have performed the following procedures:

a) we have obtained the report dated 4 July 2012 of the committee of independent directors and have compared the financial data included in this report with the report issued on 20 June 2012 by the independent expert Jean-François Cats (RSM InterAudit);

b) we have obtained the minutes of the meeting of the board of directors held on 30 August 2012 and have compared the conclusion with the conclusion of the committee of the independent directors.

Based on our procedures, our findings are as follows:

- with respect to item a) above, we have found that the financial data included in the report of the committee of the independent directors dated 4 July 2012 correspond to the report issued on 20 June 2012 by the independent expert Jean-François Cats;
- with respect to item b) above, we have found that the conclusion included in the minutes of the meeting of the board of directors held on 30 August 2012 corresponds to the conclusion of the committee of the independent directors; and therefore that
- the financial data included in the report of the committee of the independent directors and in the minutes of the meeting of the board of directors are faithful. This does not entail that we have assessed neither the value of the transactions nor the opportunity of the opinion of the committee of the independent directors or of the decision of the board of directors.

Our report can only be used in the frame of the above described transactions and cannot be used for other purposes. This report relates only to the financial data mentioned here above, excluding any other data whatever its nature.

Diegem, 18 September 2012

The statutory auditor

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

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
Registered Office: Berkenlaan 8b, B-1831 Diegem
VAT BE 0429.053.863 - RPR Brussel/RPM Bruxelles - IBAN BE 17 2300 0465 6121 - BIC GEBABEBB

Member of Deloitte Touche Tohmatsu Limited

REMUNERATION REPORT

Procedure for drawing up the remuneration policy

FOR THE DIRECTORS:

In 2012, the Company implemented the remuneration policy for the Directors described in Appendix 2 to the regulation of the Board of Directors, and in point I.2.8. of the Corporate Governance Charter available on the Company's website (www.immobel.be).

The General Meeting of Shareholders decides about the remuneration of its Directors upon proposal of the Board of Directors.

The Remuneration & Appointments Committee (hereafter "RAC") makes detailed proposals to the Board of Directors concerning the remuneration of non-executive Directors.

The level and structure of their remuneration are determined on the basis of their general and specific responsibilities and market practice (and more especially in other listed companies). This remuneration includes a basic remuneration for Membership of the Board and additional remuneration for participation in the meetings or for each Chairmanship or Vice-Chairmanship of a Committee or the Board. Non-executive Directors receive no performance-related remuneration, nor any benefits in kind, nor benefits linked to pension plans, nor an annual bonus, nor share options, nor participation in retirement plans. They are not entitled to any kind of compensation when their mandate comes to an end.

Remuneration of the non-executive Directors also takes into account the time they devote to their functions. Non-executive Directors may receive remuneration determined according to the legal provisions and to the policy on Directors' remuneration.

The Executive Directors' mandates may likewise be remunerated. In this case the remuneration is taken into account in the global framework of remuneration paid to executive Directors for the executive functions they hold within IMMOBEL in accordance with the remuneration policy for Directors and for the Management Committee.

No changes were made to the remuneration policy in 2012.

FOR THE MEMBERS OF THE MANAGEMENT COMMITTEE:

For 2012, the remuneration policy implemented by the Company with regard to the Members of the Management Committee was as described in point III.4 of the Corporate Governance Charter on the Company's Internet website (www.immobel.be).

The Board of Directors approves the appointment contracts of the Members of the Management Committee and decides on their remuneration based on the recommendations of the RAC, following a proposal by the Managing Director.

The level and structure of remuneration for the Members of the Management Committee at IMMOBEL are reviewed annually, and are such that they allow IMMOBEL to recruit, retain and motivate qualified and competent professionals taking into account the nature and the extent of their individual responsibilities on an ongoing basis. A procedure exists for the evaluation of their performances: the Managing Director establishes a proposal of the remuneration to the RAC, which evaluates in its turn the performances of the Management Committee. The final decision with regard to the variable remuneration to be paid out belongs to the Board of Directors.

The Board of Directors analyses the competitiveness of IMMOBEL's remuneration structure on the initiative of the RAC.

Remuneration of the Members of the Management Committee aims to:

- enable IMMOBEL to attract, motivate and retain first-rate, high-potential managers, bearing in mind the competitive environment in which it operates
- encourage the achievement of ambitious performance targets by ensuring consistency between the interests of the managers and the Shareholders in the short, medium and long term
- stimulate, recognize and compensate both significant individual contributions and strong collective performances.

No changes were made to the remuneration policy in 2012. Provided that the Board of Directors applies the new rules regarding the deferral of the variable remuneration as from financial year 2012.

Procedure for determining individual remuneration

FOR NON-EXECUTIVE DIRECTORS:

- At the meeting of 27 August 2008 the Board of Directors decided that as of 2008 the remuneration of the Directors (with the exception of the Chairman of the Board) would be determined as follows: attribution of fixed gross annual fee of 12,500 EUR per Director and per Membership of a Committee (except for representatives of the reference Shareholder). These fees are doubled for the Chairmanship of the Board or a Committee. The remuneration due to the reference shareholder representatives, is retroceded to the latter.
- Since financial year 2011, the remuneration of the Chairman of the Board amounts to 450,000 EUR per year for all its responsibilities, as well as Chairman of the Board of IMMOBEL, as in his capacity as Chairman of the Supervisory Board of IMMOBEL POLAND. Moreover, Baron Buysse assists also to all meetings of the several Committees of the Board of Directors, i.e. AFC, RAC and IAMC.
- A mandate as non-executive Director does not include any entitlement to variable remuneration linked to the results or to any other performance criteria. It does not include entitlement to rights to stock options, nor to any corporate pension.
- The Company reimburses the Directors' travel and accommodation expenses for attendance at the meetings and the exercise of their functions in the Board of Directors and its Committees. The Chairman of the Board of Directors is the only non-executive Director to have a permanent infrastructure (office and secretariat) at his disposal. The other non-executive Directors receive logistical support from the General Secretariat in function of their requirements.

Furthermore, the Company ensures it takes the usual insurance policies to cover the activities that the members of the Board of Directors carry out within the scope of their mandates.

- The amount of remuneration and other benefits accorded, directly or indirectly, to non-executive Directors by IMMOBEL or by an associated company. The individual sums of remuneration given directly or indirectly to (non-executive) Directors in 2012 are shown in the table below. All of the amounts shown are gross, i.e. before the deduction of tax.

FOR MEMBERS OF THE MANAGEMENT COMMITTEE:

The remuneration of the Chairman and the Members of the Management Committee is determined globally at gross rates. Consequently it does not only include the gross pro-rated remuneration from IMMOBEL, but also that for any contractual office or representative function in the companies in which IMMOBEL has holdings, be they majority or otherwise.

Individual remuneration is fixed by the Board of Directors, on the recommendations of the RAC, following a pro-

	PRESENCE AT BOARD	PRESENCE AT AFC	PRESENCE AT RAC	PRESENCE AT IAMC	REMUNERATION
Baron Buysse	6/6	4/4 (invited)	4/4 (invited)	4/4 (invited)	450 000 EUR[1]
GAETAN PIRET sprl[2]	6/6	4/4 (invited)	4/4 (invited)	4/4	Cfr. page 88
ARSEMA sprl[3]	6/6	4/4	4/4	-	50 000 EUR
Maciej Drozd	5/6	4/4	-	-	12 500 EUR
Maciej Dyjas	5/6	-	-	4/4	12 500 EUR
Dany Dwek	3/3		2/2	1/1	7 603 EUR
Marc Grosman	3/6	-	-	3/4	12 500 EUR
Luc Luyten	4/4	-	2/2	-	16 575 EUR
Marek Modecki	5/6	-	2/4	-	25 000 EUR
Wilfried Verstraete	5/6	4/4	-	4/4	50 000 EUR
Laurent Wasteels	6/6	-	-	-	25 000 EUR
Total gross remuneration					**661 678 EUR**

1. Including a participation for the leasing cost of a car
2. Represented by its permanent representative Mr Gaëtan PIRET
3. Represented by its permanent representative Mr Didier BELLENS

posal by the Managing Director. Variable remuneration is foreseen for the Members of the Management Committee: their remuneration is linked to the results of the Company, taking into account the performance evaluation criteria relating to targets, the evaluation period and the method of evaluation.

The variable remuneration is assigned, upon proposal of the RAC, after the Board of Directors establishing the Annual Accounts per 31 December of the past year.

Remuneration of the Managing Director and the other Members of the Management Committee related to financial year 2012

THE PRINCIPLES OF REMUNERATION AND THE LINK BETWEEN REMUNERATION AND PERFORMANCE:

Remuneration of the Members of the Management Committee is divided into a fixed part and a variable part; the latter includes:

- a variable quantitative remuneration based on a series of criteria such as:
  - the net profit
  - the level of the investments (acquisitions) and
  - the management and the control of risks during the financial year under review.

  These three criteria intervene each for 1/3 in the determination of the quantitative variable remuneration and are linked to the realized performances of the Group.

  In case the minimum targets were not reached, no variable remuneration will be attributed for the concerned criterion.
- a variable qualitative remuneration determined in function of the responsibilities, the mission and the targets achieved during the reviewed financial year, on an individual basis by each of the Members of the Management Committee.

THE RELATIVE IMPORTANCE OF THE VARIOUS COMPONENTS OF REMUNERATION:

In general, the Members of the Management Committee do benefit from a weighted remuneration, at 60 % for quantitative aspects, and at 40 % for qualitative aspects, compared to total variable remuneration.

Based on the performance of the Company during 2012 and on the realization of the individual targets of the Members of the Management Committee between 1 January and 31 December 2012, the variable part of the global remuneration paid for 2012, represented 30.10 % of its basic remuneration for the Managing Director and 32.91 % for the other Members.

As from 2012 (variable due in 2013) and pursuant to the Law, if the variable remunerations of a Member of the Management Committee do exceed 1/4 of their total remuneration, they are deferred; as such only half of the total variable remuneration is attributed in 2013 and the 3rd and 4th quarter of the variable for 2012 are attributed, insofar the targets linked to this variable remuneration were attained, respectively over a period of two years (2012-2013) and over a period of three years (2012-2013-2014). For this deferral, quantitative criterion that has been taken in account is the return on equity.

Remuneration and other benefits accorded, directly or indirectly, to the Managing Director and other Members of the Management Committee (cfr. members on page 18)

	MANAGING DIRECTOR	OTHER MEMBERS
Basic remuneration	498 279.20 EUR	849 616.24 EUR
Variable remuneration	150 000.00 EUR	279 600.00 EUR
Individual pension commitment	None	53 414.54 EUR
Company car	24 000.00 EUR	23 097.50 EUR
Other benefits	None	None

One Member of the Management Committee has an individual pension commitment type "defined contribution" paid by the Company which includes life insurance, death insurance, disability insurance and a waiver of premium.

Regarding professional expenses chargeable to the Company, the same rules apply to Members of the Management Committee, including the Chairman, as they apply to all the employees: professional expenses incurred must be justified post by post. The Company is not responsible for private expenses.

PARTICULARS CONCERNING (OPTIONS ON) SHARES/WARRANTS – INCENTIVES:

As specified above, the mandate as Member of the Management Committee does not entail entitlement to stock options.

INFORMATION REGARDING REMUNERATION POLICY FOR THE NEXT TWO FISCAL YEARS:

As from year 2013 the quantitative variable remuneration will be exclusively based on the Return on Equity.

PERFORMANCE EVALUATION:

Under the leadership of its Chairman, the Board of Directors regularly examines and evaluates its own performance and that of its Committees, as well as the efficacy of IMMOBEL's governance structure, including the number, role and responsibilities of the various Committees set up by the Board of Directors.

A periodic evaluation of the contribution made by each Director is carried out with a view to fine-tuning the composition of the Board of Directors to take into account changing circumstances. Individual Directors' performance is evaluated as part of the re-election procedure.

Each year, at the proposal of the RAC the Board of Directors decides on the objectives of the Managing Director for the coming financial year and evaluates his performance for the period drawing to a close, in conformity with the procedure currently in place. This evaluation of the Managing Director's performance is also used to fix the variable part of his annual remuneration.

The remuneration of the individual Members of the Management Committee is fixed by the Board of Directors at the recommendation of the RAC, following proposals made by the Managing Director. Remuneration of the Members of the Management Committee is variable: their remuneration is linked to the Company's results, taking into account the performance evaluation criteria with respect to the objectives, the evaluation period and the evaluation method.

Shares and share options

Remuneration of the Members of the Management Committee entails no entitlement to shares and/or share options.

The most important terms of their contractual relationship with IMMOBEL and/or a related company, including the terms concerning remuneration in case of early departure

APPOINTMENT

The Members of the Management Committee fulfill their duties to the Company based on a service provision contract. These contracts are similar to those generally agreed to with Members of their Management Committee by other listed companies.

DEPARTURE

Any indemnity due to a Member of the Management Committee by the IMMOBEL Group in the event of the termination of his service provision contract, will vary in function of the terms and conditions of the contract concerned, as specified hereafter, increased, if appropriate, by part of the variable remuneration linked to IMMOBEL's results.

The table below shows the indemnities that would be owed by the Group in case of the termination of contracts with the following Members of the Management Committee:

Gaëtan PIRET	24 months
Christian KARKAN	18 months
Philippe OPSOMER	12 months
Philippe HELLEPUTTE	
- in case of termination between 01-01-2012 and 31-12-2013	24 months
- in case of termination after 01-01-2014	18 months

As the variable remuneration will only be attributed after approval of the Annual Accounts by the Ordinary General Meeting, there exists no specific right to recover variable remuneration paid out based on erroneous financial information.

CONSOLIDATED ACCOUNTS *and Condensed Company Accounts*

CONTENTS

CONSOLIDATED ACCOUNTS
(IN THOUSANDS OF EUR)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	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**

	NOTES	31-12-2012	31-12-2011
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

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

	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

	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 01-01-2012	**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 23 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 11 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. 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”.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(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.

INCOME STATEMENT

	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**

CASH FLOW ITEMS

	OFFICES	RESIDENTIAL DEVELOPMENT	LAND DEVELOPMENT	CONSOLIDATED
2012				
Operating result	14 157	2 573	2 657	19 387
Amortisation, depreciation and impairment	219	378	78	675
Change in the 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 the 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**

FINANCIAL POSITION ITEMS

	OFFICES	RESIDENTIAL DEVELOPMENT	LAND DEVELOPMENT	CONSOLIDATED
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**

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.

	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

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”.

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.

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*.

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.

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**:

	31-12-2012	31-12-2011
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.

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
- Other missions outside the audit mission	-105	-28

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.

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

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 in 2012 related to 2011	-683
Interest related to 2012 payable in 2013	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.

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	-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

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 AT THE END OF THE YEAR	**-159**	**-137**
NET CARRYING AMOUNT AS AT 31 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 31 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 1 JANUARY	**2 286**	**2 280**
Change in the fair value recognized in the statement of comprehensive income	377	6
FAIR VALUE ON 31 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 1 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 31 DECEMBER	**1 069**	**1 254**

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 1 JANUARY	**77**	**77**
Acquisition	1 300	-
Impairment loss	-77	-
CHANGES FOR THE YEAR	**1 223**	**0**
VALUE AS AT 31 DECEMBER	**1 300**	**77**

The book value as at 31 December 2012 of the participating interests available for sale is considered to be representative of their fair value.

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:

	IMPÔTS DIFFÉRÉS ACTIFS	
	31-12-2012	31-12-2011
Tax losses	1 012	717
Fair value on financial instruments	105	-
TOTAL	**1 117**	**717**

ON 1 JANUARY	**717**
Deferred tax recognised in the statement of comprehensive income	400
ON 31 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

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 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 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 du 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**

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:

	31-12-2012
due < 3 months	4 112
due > 3 months < 6 months	216
due > 6 months < 12 months	367
due > 1 year	111

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

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 1 JANUARY	**222**	**553**
Additions	-	5
Reversals	-1	-336
MOVEMENTS OF THE YEAR	**-1**	**-331**
BALANCE AT 31 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**

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**

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

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 31 December 2011 to 187,316 KEUR at 31 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**
Amount of debts guaranteed by securities	147 953	154 275
Book value of Group's assets pledged for debt securities	338 576	276 808

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

Financial debts evolve as follows:

	31-12-2012	31-12-2011
FINANCIAL DEBTS AS AT 1 JANUARY	**183 678**	**88 180**
Contracted debts	81 442	100 922
Repaid debts	-77 804	-5 424
FINANCIAL DEBTS AS AT 31 DECEMBER	**187 316**	**183 678**

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.

The table below summarizes the maturity of the financial liabilities of the Group:

DUE IN	2013	2014	2015	2016	TOTAL
Bond	-	-	-	40 000	40 000[1]
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**

INTEREST RATE RISK

On the basis of the situation as per 31 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 31 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 bought	3.02 %	10 000
	03/2010 - 03/2014	IRS bought	3.07 %	8 000
	03/2010 - 03/2014	IRS bought	2.99 %	7 000
	06/2010 - 06/2013	IRS bought	2.88 %	20 000
	07/2012 - 07/2015	IRS bought	0.75 %	26 000
	03/2012 - 03/2014	IRS bought	0.94 %	89 600
TOTAL				**252 125**

1. The amount on the balance sheet, 39,363 KEUR, includes 637 KEUR charges to be amortized until maturity in 2016.

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
- Bought IRS Options	-2 212	-1 827
TOTAL	**-2 132**	**-1 807**

	31-12-2012	31-12-2011
CHANGE IN FAIR VALUE OF THE DERIVATIVE FINANCIAL INSTRUMENTS		
SITUATION AT 1 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 31 DECEMBER	**-2 132**	**-1 807**

No instrument has been documented as hedge accounting at 31 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 31 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.

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 1 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 31 DECEMBER	**605**	**299**
PRESENT VALUE OF THE OBLIGATIONS AS AT 1 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 31 DECEMBER	**2 281**	**2 200**
FAIR VALUE OF THE PLAN ASSETS AS AT 1 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 31 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[1]	-	4.10 %
Expected salary growth rate	3.50 %	3.50 %
Average inflation rate	2.00 %	2.00 %

1. Replaced by the discount rate.

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.

Historical review of the key figures of the four last years:

	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

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					**1 796**	**4 476**
	RELATED TO THE SALES	LITIGATIONS	SUBTOTAL	OTHER		
PROVISIONS AS AT 1 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	**342**	**-2 980**	**-2 638**	**-42**	**-2 680**	**-884**
PROVISIONS AS AT 31 DECEMBER	**1 620**	**-**	**1 620**	**176**	**1 796**	**4 476**
From which current provisions					**1 785**	**1 479**

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**
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**	

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 TRADE PAYABLES	**21 509**	**20 883**

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 OTHER CURRENT LIABILITIES	**14 974**	**11 387**

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

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.

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

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

RELATIONSHIPS WITH SHAREHOLDERS - MAIN SHAREHOLDERS

	31-12-2012	31-12-2011
Cresida Investment S.à r.l.	24.99 %	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 %
Autres	60.95 %	59.22 %
Number of representative capital shares	4 121 987	4 121 934

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 1 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 31 December 2012 up to 11 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

31. Subsidiaries, joint ventures and associates

Companies forming part of the Group as at 31 December 2012:

SUBSIDIARIES

NAME	COMPANY NUMBER	REGISTERED OFFICE	% INTEREST[1]
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
Garden Point	-	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

1. The % interest corresponds with the voting rights.

JOINT VENTURES

NAME	COMPANY NUMBER	REGISTERED OFFICE	% INTEREST[1]
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

NAME	COMPANY NUMBER	REGISTERED OFFICE	% INTEREST[1]
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

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**

1. The % interest corresponds with the voting rights.

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**
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
Chief Executive Officer

Baron Buysse CMG CBE
Chairman of the Board of Directors

STATUTORY AUDITOR'S REPORT

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.

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 (IN THOUSANDS OF EUR)

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

	31-12-2012	31-12-2011
ASSETS		
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		
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

	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

	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:

• Buildings	3 %
• Buildings improvements	5 %
• Office furniture and equipment	10 %
• Computer equipment	33 %
• 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.

GENERAL INFORMATION

Company name
IMMOBEL

Registered office
Rue de la Régence, 58 -1000 Brussels - Belgium
RPM/RPR (Legal Entitites Register) - VAT BE
0405.966.675

Form of the Company
Belgian registered joint stock company, constituted on 9 July 1863, authorised by the Royal Decree of 23 July 1863.

Term
Indefinite

Crossing statutory thresholds
(Art. 12 of the Articles of Association – excerpt)
Any physical or moral person who acquires securities in the Company, whether representative of capital or not, conferring the right to vote, must declare to the Company and to the Belgian Banking, Finance and Insurance Commission the number of securities s/he holds, when the voting rights pertaining to these securities reach the level of three percent or more of the total voting rights that exist.

She/he must make the same declaration in the event of an additional acquisition of securities referred to in paragraph 1, if when this acquisition is completed, the voting rights pertaining to the securities that she/he possesses reach the level of five, ten, fifteen percent, and so on in tranches of five points, of the total number of existing voting rights.

He must make the same declaration in the event of disposal of securities when, following the disposal, his voting rights are reduced to below one of the thresholds referred to in paragraph 1 or paragraph 2.

When a physical or moral person acquires or transfers control, be it direct or indirect, de jure or de facto, of a company which possesses three percent at least of the voting power of the company, she/he must declare this to the company and to the Banking, Financial and Insurance Commission. The aforementioned declarations must be addressed to the Banking, Financial and Insurance Commission, as well as to the Company, at the latest on the second work day after the completion of the acquisition or transfer concerned, without prejudice to the special legal provisions regarding securities acquired by succession.

Website
www.immobel.be

Financial calender

Publication of annual accounts 2012:	12 March 2013
Ordinary General Meeting 2013:	23 May 2013
Publication of 2013 half-year results:	30 August 2013
Publication of 2013 annual accounts:	21 March 2014
Ordinary General Meeting 2014:	22 May 2014

Financial services
- BNP Paribas Fortis
- KBC Bank
- ING Belgique
- Bank Degroof

Investor relations
Philippe Opsomer
Tel.: 32(0)2/422.53.61 - Fax: 32(0)2/422.53.02
E-mail: philippe.opsomer@immobel.be

Chief editor
Joëlle Micha
Tel.: 32(0)2/422.53.57 - Fax: 32(0)2/422.53.02
E-mail: joelle.micha@immobel.be

Main translations
Lindsay Edwards – Christine Leroy

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Massoz

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IMMOBEL
since 1863

IMMOBEL
Limited company
Rue de la Régence, 58 - 1000 Brussels - Belgium