



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.





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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 m² 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 m² 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 m²), 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 m² of residential projects, 153,000 m² of offices and 416 ha of landbanking projects (Group's share). IMMOBEL participates in the development of approximately 650,000 m² 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 Piret¹, Managing Director

1. sprl

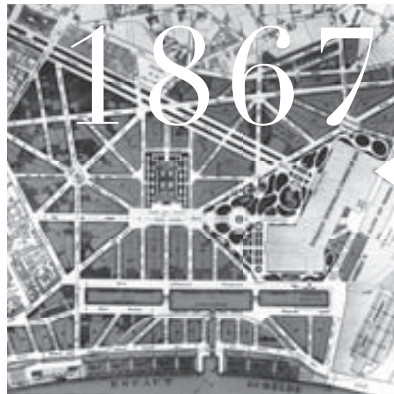
HISTORY

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-XIXth 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.

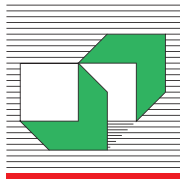


NEW MOMENTUM

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

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

C I B I X

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

LOREAL BELGILUX - Brussels
(Anderlecht) - Assar Architects

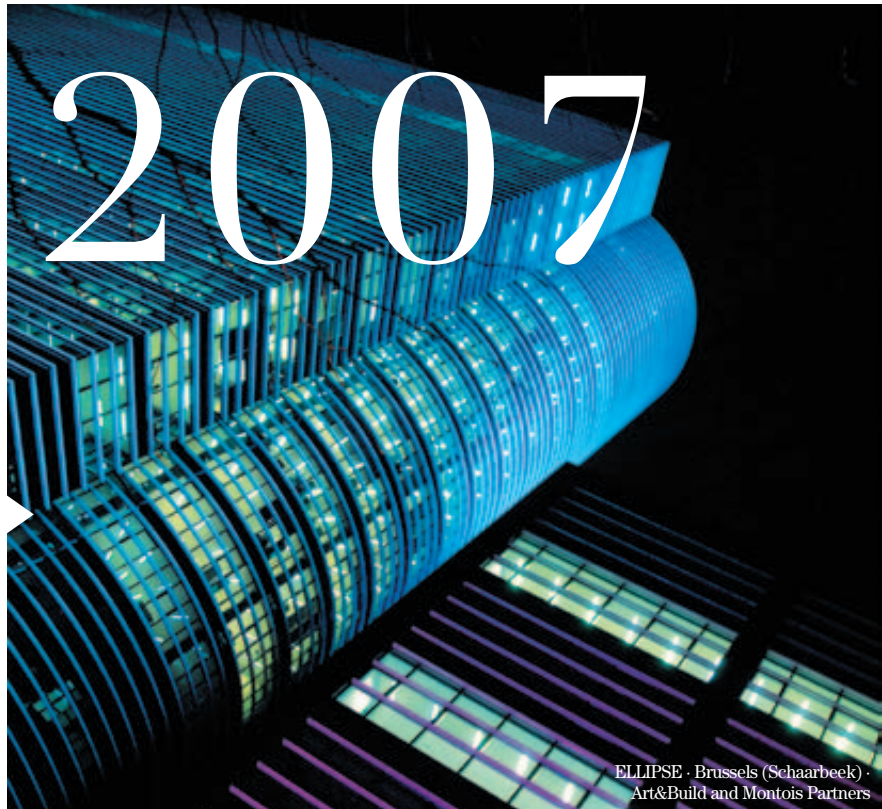


2001

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

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.

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.

HIGHLIGHTS

2012 *in* BRIEF

Major acquisitions and developments for 126 MEUR



PARC SENY · Brussels (Auderghem) · A2RC

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

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).



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

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



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.

WESTSIDE VILLAGE · Capellen ·
Assar Architects



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 DÉL 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

- **Charmeriaie · 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 Berkeïn

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.).

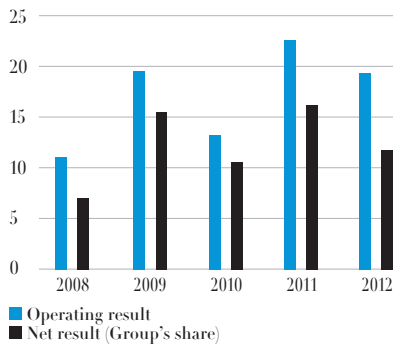
OTHER (POLAND)

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.

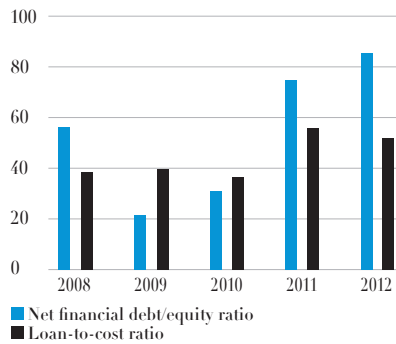
KEY FIGURES

FINANCIAL INFORMATION

Operating result / net result (MEUR)



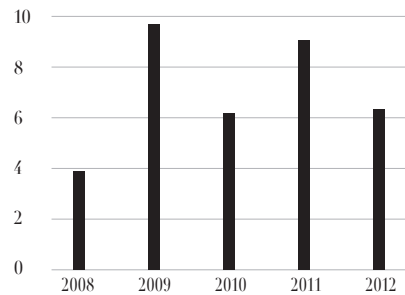
Net financial debt / equity ratio and loan-to-cost ratio* (%)



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

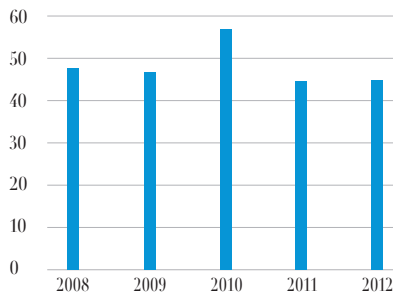
* Financial debts/inventories

Return on equity (%)

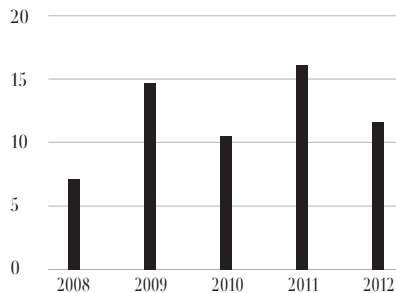


Return on equity is calculated based on the average equity at the beginning and end of the financial year.

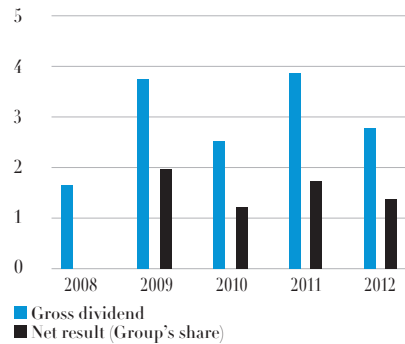
Gearing ratio: equity / total assets (%)



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

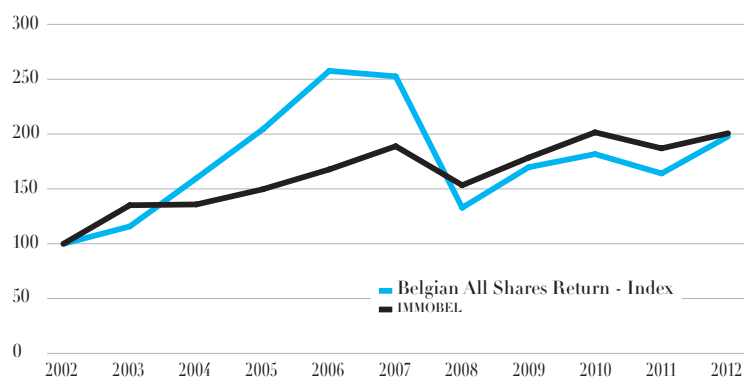
KEY CONSOLIDATED FIGURES

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)

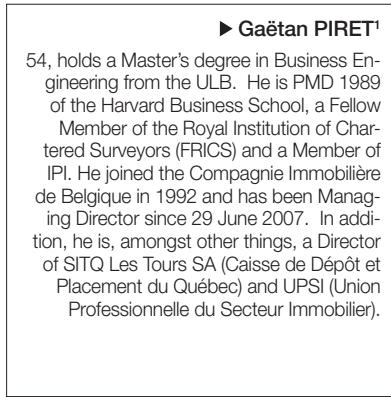
THE BOARD OF DIRECTORS

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



► Baron BUISSE

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 Buisse 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 PIRET¹

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 BELLENS²

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.

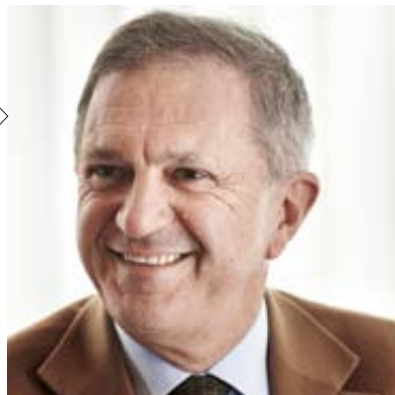


► **Wilfried VERSTRAETE**

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 Principedom 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 BUYASSE	Chairman of the Board (Independant)	13 November 2007	2016	c/o Bekaert SA, Diamant Building, Boulevard Auguste Reyers 80, 1030 Brussels
Gaëtan PIRET¹	Managing Director	10 May 1995	2015	Rue de la Régence 58, 1000 Brussels
Didier BELLENS²	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 Marszałkowska 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 Marszałkowska 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 Marszałkowska 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 re-election 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 DELHAISE¹,
Bartłomiej HOFMAN²,
Philippe HELLEPUTTE³,
Christian KARKAN⁴,
Sophie LAMBRIGHTS⁵,
Jean-Louis MAZY⁶,
Joëlle MICHA⁷,
Paul MUYLDERMANS⁸ and
Philippe OPSOMER⁹, 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).



► 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).



► 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).



► **Bartłomiej 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 Claeyns 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 Direc-

tors 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.

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.



Philippe Garin & Frédéric Hovine

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 Rijswijklaan 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 cancellation 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 cancellation 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 Immoebel 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 2013¹

Leasing market

BRUSSELS	2011	2012	OUTLOOK 12 MONTHS
Stock (in millions of m ²)	13.0	13.1	→
Total take-up (in m ²)	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 m ²)	111 000	85 000	↗
Prime rent (in EUR/m ² /pa)	300	285	→
Top quartile rent (in EUR/m ² /pa)	222	219	→
Weighted average rent (in EUR/m ² /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.

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 %,



“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

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

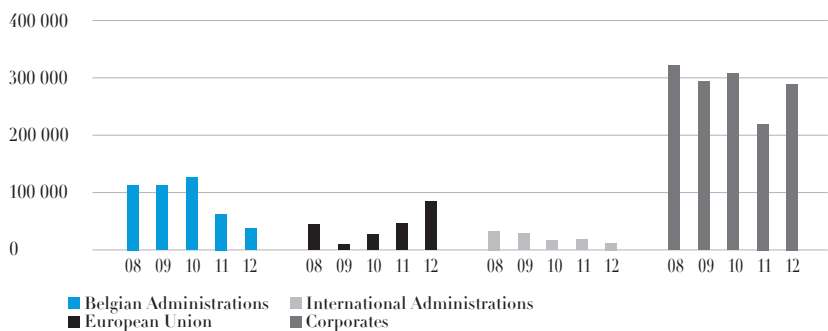
Prime office yields for standard leases remain stable at 6-6.5 % in the CBD, although the availability of prime offices is still limited. Outside the CBD, demand from specialised investors is subsiding, with a resulting increase in yields to 7.25-7.50 %. Yields on office buildings with long-term leases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

Prime industrial yields have remained stable at 7 %.

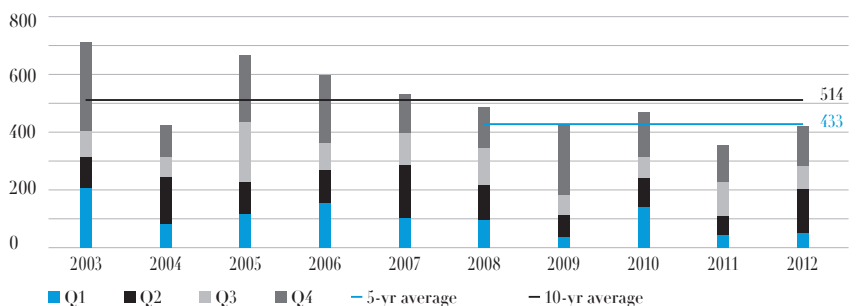
Yields on retail buildings have remained low due to strong competition between investors for all types of prime property, both in shopping centres and on high streets. Demand from private investors for high street properties in prime locations remains very solid and yields have gone down to 4.25 %. In 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 redevel-

ment, 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

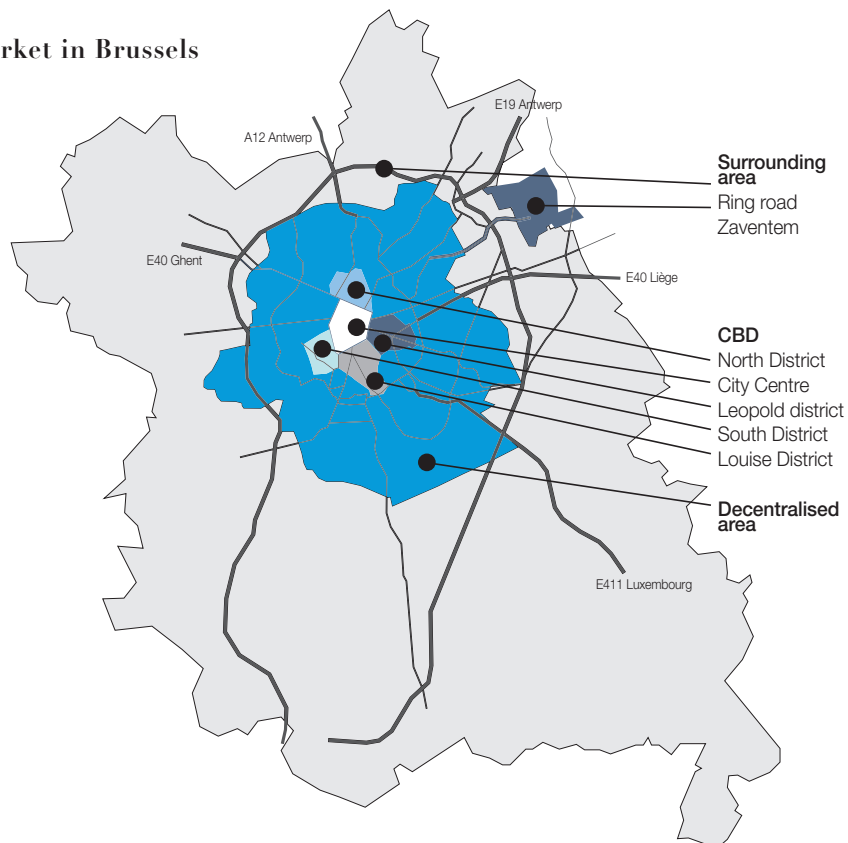
We consider the Walloon Brabant area to be part of the Brussels periphery market. Liège, Charleroi and Namur are therefore the three major markets for office space in Wallonia, with a combined stock of approximately 1 million m².

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 ser-

vice 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 2012¹

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 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 2012¹

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

Offices¹

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 2012¹

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 Brus-

sels 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 PEB¹ 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. Performance 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

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.

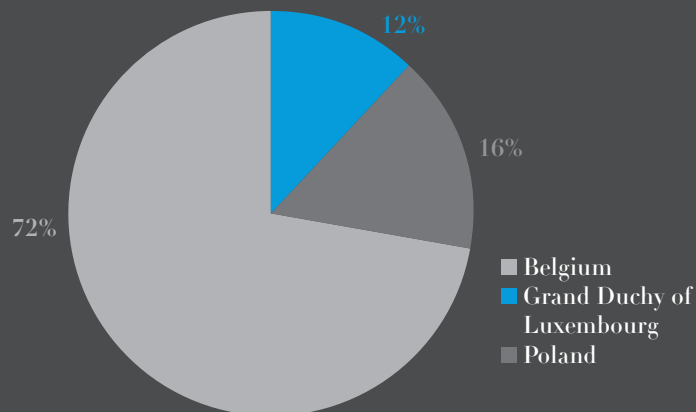
In addition to this, the building will also be equipped with a high-performance Building Management System (BMS).

Belgium



Property DEVELOPMENT

Assets per country (at 31 December 2012)



Grand Duchy of Luxembourg



Poland





BELGIUM

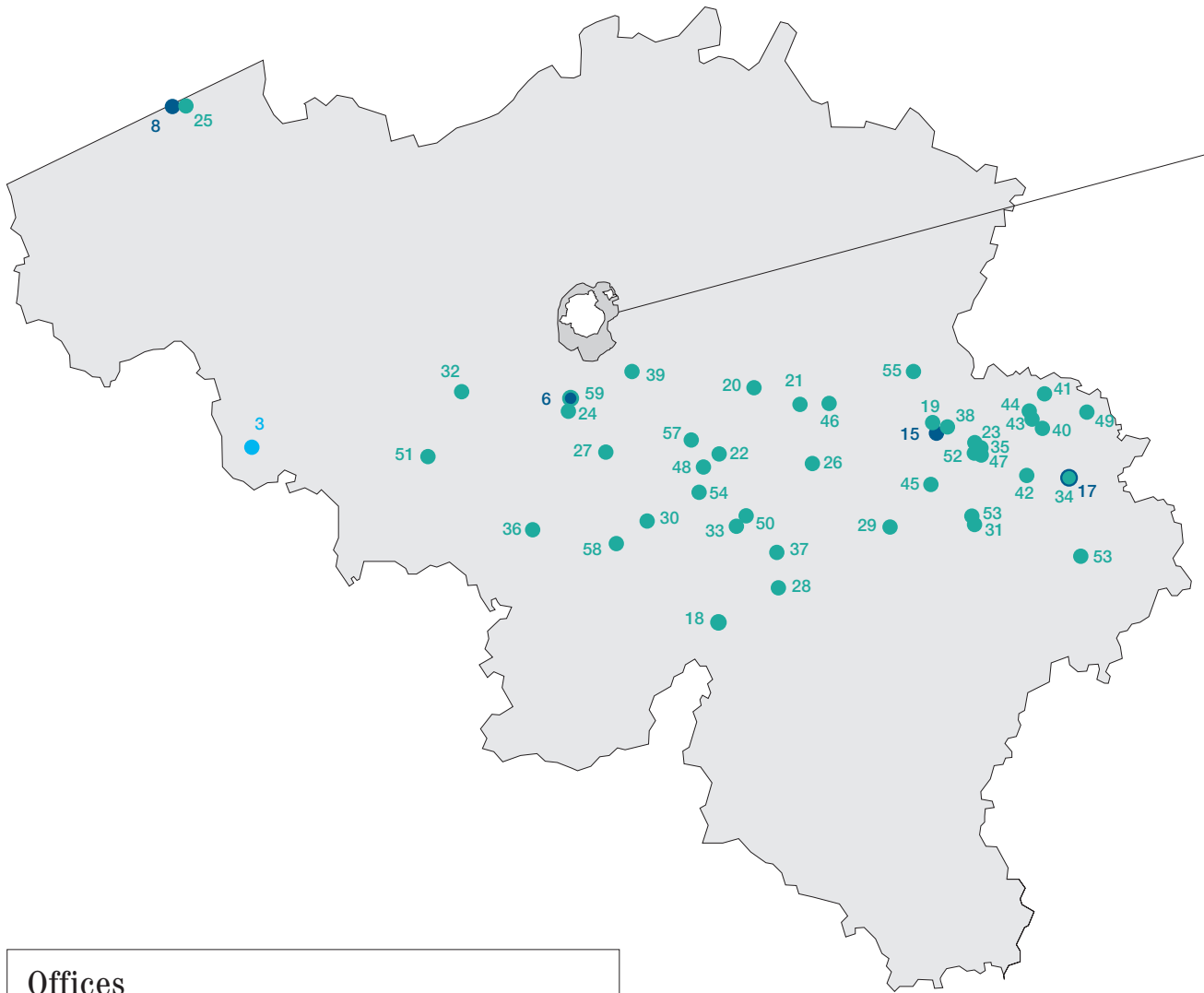
113,700 m²
office space

179,100 m²
residential space

416 ha
landbanking

BELGIUM

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

Landbanking¹

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

BELGIUM

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.



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*

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.



“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 Entreprise

BLACK PEARL • Brussels •
Art&Build



CHÂTEAU-REMPART • Tournai •
Yellowstone

“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 •
Archit 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:

5,633 m²
of offices and meeting rooms
leased to the “Régie des
Bâtiments” in Tournai

- 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)

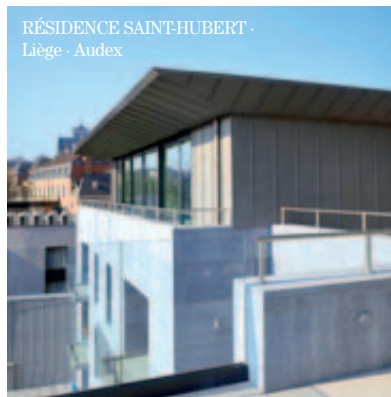
Having obtained all the necessary permits, IMMOBEL (in a 50 % partnership) began a vast programme of infrastructural work. Commercialisation of the project was also launched, successfully, and by 31 December 2012, 34 % of the housing units planned had been reserved.

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 SITTELES: PHASE 2 • BRUSSELS (WOLUVE-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 Verliefdien
Architect, Managing Director –
A2RC Architects



© Ellen Goegebuuer

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 DEL WÈDE,
RUE BASSE HEZ ·
Bolland



93,000 m²
sold

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).



RUE GUSTAVE DEMOULIN · Montzen



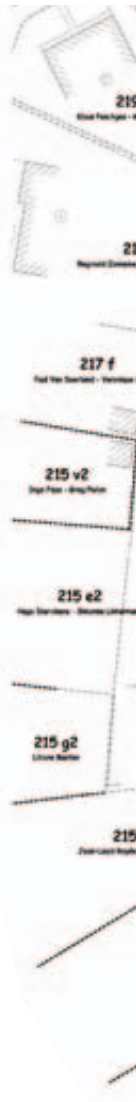
BREEWEG

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 Blijckers & Nicolas Mommens





Cathy Duchène, Luce Hermans
& Olivier Xhonneux





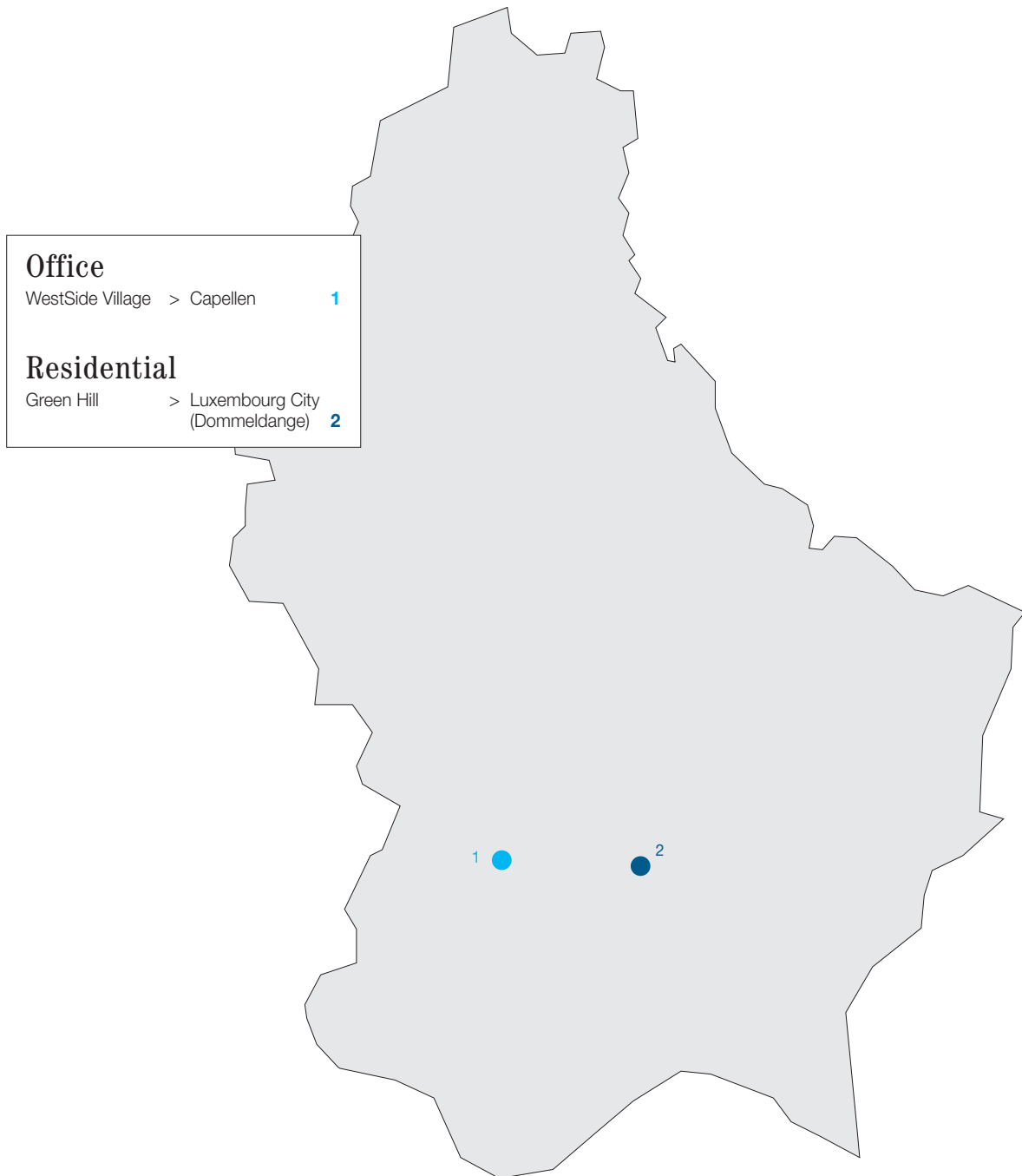
GRAND DUCHY OF LUXEMBOURG

11,700 m²
office space

10,900 m²
residential space



LOCATIONS



OFFICES



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 m²), Initio (362 m²), Business Training (551 m²), Oracle (648 m²), Easi (325 m²), EMC (548 m²) and the extension of the lease with Fujitsu Technology Solutions (295 m²).

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 m²
office space





POLAND

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 m² 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 m². The zoning decision is expected by Q3 2013. Work con-

tinues 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 m² 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 m² office development plot in Cracow (Pokoju Av.).



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 m² 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.).



RESIDENTIAL¹

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 demoli-

tion 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 m² 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,
Bartłomiej Hofman & Patrycja van Triet

SUMMARY

THE REAL ESTATE PORTFOLIO IN TABLES

Offices

COUNTRY	PROJECT	LOCATION	PARTICIPATION	AREA (M ² ABOVE GROUND)	IMMOBEL'S SHARE (M ²)	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 M ²) 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 956²	3 055 919³	3 188 308⁴
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

GENERAL INFORMATION

Company name

IMMOBEL

Registered office

Rue de la Régence, 58 -1000 Brussels - Belgium
RPM/RPR (Legal Entities 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 calendar

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

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IMMOBEL
since 1863

IMMOBEL
Limited company
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