



IMMOBEL
since 1863

“Building the future, adding value.”

Brussels, 24th March 2011 – 17h40
Regulated Information

PRESS RELEASE

ANNUAL RESULTS 2010

IMMOBEL announces positive results despite unfavourable property market

- Consolidated net profits: 10.6 MEUR.
- Operating income: 13.2 MEUR.
- Proposal to distribute a gross dividend of 1,25 EUR per share.
- 180,000 m² of Offices, 173,000 m² of Residential, 380 ha of Landbanking, at different stages of development (Group share).
- Balance of accounts healthy and net financial debt limited to 31 %.

Market situation

In terms of **office property** the letting market in Brussels improved slightly in 2010 compared to 2009, which was a very unfavourable year. Take-up increased by 10% compared to 2009 but remains below average for the last 5 years. The vacancy rate continues to be very high (11.2% or 1.6 million m²), which limits rent growth and encourages rental incentives.

In the investment market for offices, which is weak in comparison with the average of the last 5 years, the majority of transactions were carried out by local investors. Most transactions were concluded in the Brussels Capital Region, illustrating the tendency of investors to concentrate on top-quality rental products in prime locations as well as their aversion to risk.

The **residential** market turned out to be more active in the second half of the year in anticipation of changes in the VAT and registration fees for new buildings.

IMMOBEL in this market

In this property market, IMMOBEL has continued to pursue its activity in the following three spheres: Offices, Residential & Landbanking:

“Building the future, adding value.”



Offices

IMMOBEL acquired the office redevelopment project located in Brussels on the corner of the rue Montoyer and the rue du Commerce from Euler Hermes. In the meantime IMMOBEL has applied for town planning permission with a view to developing an office building there with a surface area in the order of 11,000 m² and achieving an excellent BREEAM certification.

IMMOBEL has concluded the following leases:

- In Brussels:
 - the *Belair* project (40% holding): the Council of Ministers has agreed to conclude a lease for 18 years to accommodate some of the Federal Police services in a surface area of around 65,000 m²;
 - the *South City "Broodthaers"* project (10% holding): 13,662 m² have been leased to the Belgian railway company SNCB and the remaining 4,000 m² have been leased to Smals;
 - the *Crystal (Ilot D) Espace Midi* project (20% holding): the entire project has been leased to the SNCB.
- In the Grand Duchy of Luxembourg: at the *WestSide Village* project several leases and agreements have been concluded with tenants such as IBM and Fujitsu. At the start of 2011, 40% of the 11,667 m² office complex had been let.
- In Tournai: the last two phases (9,190 m²) of the *Château-Rempart* project have been leased to the Régie des Bâtiments (the Belgian Buildings Agency) for use by the Ministries of Finance and Justice.

IMMOBEL sold the entire *Château-Rempart* office project (3 phases covering 13,642 m²), in Tournai, fully leased, to a partnership comprising a private investor and the Caisse d'Épargne Nord France Europe. The third phase, which is still under construction, will be delivered in the first half of 2012.

In the *South City* project (10% holding), the whole of the *Broodthaers* and *Fonsny* phases having been leased, they were able to be sold. The "*Broodthaers*" phase (17,662 m²) was sold to the investor Allianz and the "*Fonsny*" phase (13,106 m²) to Integrale and OGEO Fund.

IMMOBEL obtained planning permissions for phase II of the *Forum* project, making it possible to carry out the whole project.

Residential

IMMOBEL acquired the *Green Hill* project situated in Beggen (City of Luxembourg), as part of a partnership, with a view to developing 170 apartments there.

The Group started, continued or completed the development and construction of housing projects such as: *Bolinne*, *Crespel*, *Espace Midi*, *Espace Trianon* (*Cour Saint-Hubert* building), *Jardin des Sittelles*, *Place des Martyrs (Ilot 7)*, *South City Hôtel*, and sold 66 apartments and 7 houses.

Town planning permission obtained:

- for the construction of 26 units in the *Cour Saint-Hubert* building (*Espace Trianon*) in Liège ;
- for 32 apartments in the *Jardin des Sittelles* in Woluwe-Saint-Lambert ;
- for the construction of roads for the *Charmeraie* project in Uccle; the road works have begun.

Town planning and environmental permits for the *Bella Vita* project in Waterloo, which were delivered in 2010, are currently being appealed at the Council of State (the supreme administrative court in Belgium).

“Building the future, adding value.”



Landbanking

Acquisitions for the Landbanking business in 2010 involved over 15 ha of urbanization zone. Acquisitions under conditions precedent, partnership or option agreements involving around 4.5 ha were also finalised.

Land sales represented 174 transactions in 2010, covering an area of 17 ha.

Subdivision permits were delivered for various landbanking projects totalling over 18 ha.

* * *

IMMOBEL has projects at various stages of development representing in the order of 180,000 m² of Offices and approximately 173,000 m² of Residential property (Group share) as well as nearly 380 ha (including 90 ha under option) in its Landbanking department.

IMMOBEL's financial situation at 31 December 2010 was sound; the coefficient of net debt to equity capital was 31% compared to 21% at the end of 2009 and 40% at 30 June 2010. During 2010, therefore, the Group – alone or with its partners – renewed or renegotiated credit lines for around 280 MEUR (100% stake).

* * *

Outlook

IMMOBEL has confidence in the continued implementation of its development plan in the spheres that represent its core business: Offices, Residential and Landbanking, as well as commercial projects in function of the opportunities. Certain development projects have evoked the interest of both tenants and investors. IMMOBEL will continue to analyse the opportunities during 2011 but cannot anticipate how these will evolve at the moment. The current economic uncertainties and the unfavourable property market make it impossible to give any indication of future income. Despite these uncertainties IMMOBEL is well positioned to seize any interesting new opportunities for acquisitions that meet its investment criteria, as it did in 2010 and early 2011.

In the course of the second semester of 2010, the Board of Directors reviewed the opportunities for profitable growth in the European Union. Briefed by the Managing Director, the Board of Directors agreed to important strategic development in Central Europe. Based on the potential market in Central Europe and on IMMOBEL's expertise the strategic plan was put into practice immediately after an in-depth analysis of the Polish market with the acquisition of 2 projects in Warsaw and Poznan.

“Building the future, adding value.”



Financial Agenda

Annual General Meeting	26	May	2011
Dividend <i>ex-date</i>	30	May	2011
Payment of dividend (coupon n° 22) subject to approval by AGM	6	June	2011
Results 1 st half 2011	31	August	2011

* * *

The Auditor confirmed the fact that his audit did not reveal any significant corrections that need to be made to the accounting information included in the Press Release. The consolidated financial statements were established in accordance with the IFRS accounting standards as adopted by the European Union.

* * *

For further information:

Gaëtan PIRET*, Managing Director

T. +32(0)2 422 53 21 ^{*sprl}

gaetan.piret@immobel.be

About IMMOBEL:

IMMOBEL has, for 145 years, been an undisputed player in property development in Belgium. Its business covers the offices, Residential, land sectors and in function of the opportunities, commercial projects, thus enabling it to diversify its project portfolio.

Its vision of the market and its expertise mean it can design, manage and sponsor ambitious property projects, making for added value in the long term, in keeping with the surrounding area and incorporating major corporate imperatives.

IMMOBEL is listed on Euronext Brussels as “IMMOBEL”.
For further information see : www.immobel.be

“Building the future, adding value.”



Consolidated results in MEUR	31/12/2010	31/12/2009
Turnover	81.85	106.68
Operating results	13.22	19.43
Net financial costs	- 4.88	- 4.04
Operating result after deduction of net financial costs	8.34	15.39
Share in the results of entities accounted for by the equity method	2.86	0.01
Result before taxes	11.20	15.40
Taxes	- 0.67	- 0.69
Result for continuing activities	10.53	14.71
Result for discontinued activities	-	0.90
Result for the year	10.53	15.61
Group share of result for the year	10.55	15.61
Net cash flow (*)	8.46	17.17
Consolidated results in EUR	31/12/2010	31/12/2009
Basic earnings per share	2.56	3.79
Gross dividend per share	1,25	2,00
Number of shares	4,121,934	4,121,934

(*) net income adjusted according to non-debited fees (amortisations, depreciations, provisions, etc.) and non-credited income (fair values, etc.)

“Building the future, adding value.”



Consolidated income statement

In 2010 IMMOBEL booked sales of 81.85 MEUR which generated an operating income of 13.22 MEUR, compared to sales of 106.68 MEUR and an operating income of 19.43 MEUR in 2009.

The Office activity, mainly influenced by the sale of the buildings from phase 1 of the *Forum* project and the sale of the first 2 phases of the *Château-Rempart* project in Tournai, booked sales of 58.67 MEUR as opposed to 82.06 MEUR in 2009 and an operating result of 10.96 MEUR as opposed to 16.84 MEUR in 2009.

The Residential and Landbanking activities generated sales of 23.18 MEUR as opposed to 24.62 MEUR in 2009 and an operating result of 2.26 MEUR as opposed to 2.59 MEUR in 2009.

Despite a 28% reduction in the average debt and an average interest rate that remained practically identical to the previous year, net financial costs increased by 0.84 MEUR to – 4.88 MEUR as opposed to -4.04 MEUR in 2009.

This increase is mainly linked to the cost of coverage and the inclusion in the results of the variation in the fair value of financial instruments due to changes in interest rates.

IMMOBEL's share in the income of associated companies is 2.86 MEUR and essentially comes from the sale of holdings in the *South City Office Fonsny* and *South City Office Broodthaers* projects.

Taxes for 2010 are estimated at 0.67 MEUR. As in 2009, the low tax costs are the result of using tax deferrals.

Net income for the financial year 2010 is therefore 10.55 MEUR as opposed to 15.61 MEUR in 2009.

Balance sheet : sound financial structure maintained

Consolidated balance sheet

in thousands of EUR	31-12-2010	31-12-2009
Inventories	243 049	262 221
Investments	7 822	9 641
Trade receivables & other assets	18 398	18 887
Cash	34 239	67 736
TOTAL ASSETS	303 508	358 485
Shareholders Equity	172 129	168 680
Provisions	5 706	7 961
Long-term financial debts	65 640	58 835
Short-term financial debts	22 540	44 940
Trade payables	37 493	78 069
TOTAL LIABILITIES	303 508	358 485

**“Building the future,
adding value.”**



Consolidated balance sheet

Consolidated equity at 31 December 2010 was 172.1 MEUR or 56.7% of the total assets. In 2009 it was 168.7 MEUR or 47.1% of the total assets. That represents a value of 42 EUR per share at the end of 2010 as opposed to 41 EUR at the end of 2009.

The net liquid assets of the Group, the balance between long and short-term financial debts and available funds, was – 54 MEUR at the end of 2010 as opposed to – 36 MEUR at the end of 2009, i.e. there was an increase in net debt of 18 MEUR. The ratio of net debt to equity was 31% at the end of 2010 as opposed to 21% in 2009 and 56% in 2008.

Inventories came to 240.8 MEUR as opposed to 260.2 MEUR at the end of 2009, i.e. a decrease of 19.4 MEUR resulting in particular from the sale of holdings in the buildings of phase I of the *Forum* project and the first 2 phases of the Tournai / *Château-Rempart* project, and the acquisition of the *Green Hill* project.

“Building the future, adding value.”



Consolidated income statement

in thousands of EUR	31/12/2010	31/12/2009
OPERATING INCOME	85 616	112 952
Turnover	81 850	106 681
Other operating income	3 766	6 271
OPERATING COSTS	-72 399	-93 521
Purchases	-30 477	-70 677
Change in inventories	-26 272	-850
Personnel costs	-6 363	-6 955
Amortisation and depreciation of assets	-349	-2 076
Change in the fair value of investment property	309	-806
Other operating costs	-9 247	-12 157
OPERATING RESULT	13 217	19 431
Income from interest	423	1 479
Interest costs	-4 771	-5 028
Other financial income and costs	-532	-493
FINANCIAL RESULT	-4 880	-4 042
Share in the result of associates	2 859	7
INCOME FROM CONTINUING OPERATIONS BEFORE TAXES	11 196	15 396
Income taxes	-670	-687
INCOME FROM CONTINUING OPERATIONS	10 526	14 709
INCOME FROM DISCONTINUED OPERATIONS	0	898
RESULT FOR THE YEAR	10 526	15 607
Share of minority interests	-24	0
SHARE OF IMMOBEL	10 550	15 607
BASIC EARNINGS AND DILUTED EARNINGS PER SHARE (IN EUR)		
Result from continuing operations	2.55	3.57
Result for the year	2.56	3.79

Consolidated statement of comprehensive income

in thousands of EUR	31/12/2010	31/12/2009
Result for the year	10.526	15.607
Other comprehensive income		
Cash flow hedges	1 114	-562
Actuarial gains and losses (-) on defined-benefit plans	53	910
Other comprehensive income	1 167	348
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	11 693	15 955
Share of minority interests	-24	0
SHARE OF IMMOBEL	11 717	15 955

**“Building the future,
adding value.”**



The Financial Results and Allocations of IMMOBEL s.a. (non-consolidated)

IMMOBEL's fiscal year ended with a loss of 5.35 MEUR, compared to a net profit of 31.78 MEUR at 31 December 2009.

The profit to be allocated, taking into account the sum carried forward from the previous year, is 106.71 MEUR.

The Board of Directors will propose to the Annual General Meeting on 26 May 2011 that a gross dividend of 1,25 EUR per share be distributed and that the credit balance of 101,56 MEUR be allocated to be carried forward again. If this proposition is accepted, the dividends will be payable as of 6 June 2011.