



IMMOBEL
since 1863

“Building the future, adding value.”

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Regulated information

PRESS RELEASE

FIRST HALF YEAR RESULTS 2010

IMMOBEL announces solid results generated mainly by the completion of a landmark project.

- **Net consolidated profit: 9.3 MEUR (compared to 0.4 MEUR at 30th June 2009).**
- **Operating profit: 10.6 MEUR (compared to 3.0 MEUR at 30th June 2009).**
- **Continued development of its projects in the three areas of activity: Offices, Residential and Landbanking.**
- **Financial structure sound and net debt limited to 40%.**

Market conditions

IMMOBEL is conscious of the challenges posed by a market that will continue to be unfavourable in the short term; the real estate market for offices, in particular, is under strong pressure: the rental vacancy rate in the order of 11.5 % at 30th June 2010, an increase from 31st December 2009, and corresponds to the availability of more than 1.5 million m², a significant amount of which is in new or recent buildings. Nevertheless, take-up during the first six months of 2010 is in line with the average of the last five years, thanks, in particular, to certain owner-occupier purchases.

The volume of investments during the first six months is considerably less than the average for the last five years.

There was little activity in the residential market during the first half of 2010 even though there was a certain stabilisation, even a resumption of transactions following on from the second half of 2009. Average prices have stabilised and have even started to rise again slightly. The intrinsic quality of the projects (location, price/quality ratio, environmental quality, etc) is more important than ever in determining the success of a project in these market conditions.

IMMOBEL in this market

In these difficult economic circumstances, IMMOBEL has continued to develop its projects in its three areas of activity: Offices, Residential & Landbanking:



As far as **Offices** are concerned, IMMOBEL delivered the first phase of the *Forum* project in March 2010.

The owner of the *Fonsny* building near Brussels Midi station, South City Office Fonsny SA (in which IMMOBEL has a 10% share), has been sold to the group insurance company Integrale and OGEO Fund.

The Federal Council of Ministers has authorised the Public Buildings Administration (“Régie des Bâtiments”) to rent parts of the *Château-Rempart* real estate complex, located in rue du Château in Tournai, which have not yet been leased. As a result of this the building, which is still under construction, will be fully leased.

As for **Residential**, IMMOBEL has acquired a 50% share in the Luxembourg companies that own the “Château de Beggen” site in Luxemburg. This will make it possible to construct 14 residential buildings for the development of approximately 170 flats.

Furthermore, IMMOBEL has sold 13 apartments from the *Mercelis* and *Jardins de Jette* projects (50% holding) as well as the 5 remaining single-family houses of the *Jardins des Sittelles* project.

In the **Landbanking** department, 9.5 ha of land have been bought in housing zones and 61 sales have been completed.

■

IMMOBEL has also negotiated the renewal of two credit lines with its banks, for a total of 30 MEUR and for periods of two and three years.

■

Gaëtan Piret, Managing Director, commented: “*In an unfavourable real estate market, IMMOBEL has once again achieved positive results, thanks to the experience acquired since 1863, the competence of its employees and the solid financial structure of the Company.*”

Events since 1st July 2010

There have been no significant events since 1st July 2010 that are liable to alter the financial statements.

Outlook

Based on the information available to date, and all else remaining equal, the consolidated results of the first half of 2010 cannot be extrapolated to the second half. Bearing this in mind, IMMOBEL reiterates that there are no current plans to sell any major project in the second half of 2010.

Moreover, given the unfavourable conditions in the real estate market (especially for offices) and its nature of being late in the cycle, IMMOBEL does not expect there to be any fundamental change in the market in the short term.

In view of its portfolio of high-quality projects as well as the negotiations currently underway, the Board of Directors of IMMOBEL is confident about the future development of the Company.



Half-yearly financial report

IMMOBEL has drawn up a half-yearly financial report in accordance with IAS 34 “Interim financial reporting”. The Auditor has issued a limited report reviewing information for the half year ending 30th June 2010.

On the basis of this limited review, no information has been brought to his attention which would suggest that the interim financial information has not been presented in accordance with IAS 34 “Interim financial reporting”.

This half-yearly report and the Auditor’s report are available at www.immobel.be (on the “Press Release” page).

For further information:

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About IMMOBEL:

IMMOBEL has, for more than 145 years, been a key player in real estate development in Belgium. Its business covers the office, residential and landbanking sectors, ensuring the diversification of its project portfolio. Its vision of the market and its expertise mean it can design, manage and promote ambitious real estate projects, creating long-term value, respectful of the environment and integrating corporate social responsibility.

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



Consolidated figures in MEUR

	31/12/2009	30/06/2009	30/06/2010
Turnover	106,68	18,01	48,21
Operating profit	19,43	3,02	10,64
Net financial costs	-4,04	-2,40	-2,39
Operating profit after deduction of net financial costs	15,39	0,63	8,25
Share in the results of investments in associates	0,01	-0,02	1,17
Profit before taxes	15,40	0,61	9,42
taxes	-0,69	-0,17	-0,09
Results from continuing operations	14,71	0,44	9,33
Result from discontinued operations	0,90	0,00	0,00
Result for the period	15,61	0,44	9,33
Group's share in the result for the period	15,61	0,44	9,36
Net cash-flow (*)	17,17	0,17	10,25

Consolidated figures in EUR

	31/12/2009	30/06/2009	30/06/2010
Basic earnings earnings per share	3,79	0,11	2,26
Gross dividend per share	2,00	NA	NA
Number of shares	4.121.934	4.121.934	4.121.934

(*) Net result without the non cash expenses (amortisation, depreciation charges, provisions...) and the non cash income (fair value...).



Clear progression in results

IMMOBEL recorded a turnover of 48.2 MEUR at 30th June 2010, a sharp increase of 30.2 MEUR (i.e. + 168%) over the same period in 2009. This number generates a significant growth of the operating profit which reaches 10.6 MEUR, i.e. an increase of + 7.6 MEUR. This progression is mainly linked to the “Offices” activity and in particular to the sale of the buildings of the first phase of the *Forum* project and to the sale of the *Fonsny* project. Compared to 30th June 2009, the “Residential” turnover has decreased by 39% while the “Landbanking” activity increased by 12%.

The net financial costs amount to -2.4 MEUR as a result on one hand of a lower average level of debt and on the other hand of the readjustment of the fair value of financial instruments reaching -0.9 MEUR.

The share in the results of associates progresses by 1.2 MEUR; this result is linked to the “Offices” activity.

Net profit for the period reaches 9.33 MEUR.

Sound Balance sheet

Shareholders equity reaches 170.7 MEUR, i.e. 56.2% of total assets, at 30th June 2010.

Net financial debt (67.5 MEUR) increases as compared to 31st December 2009 (36 MEUR). The ratio of net debt over shareholders equity is of 40% at 30th June 2010 as opposed to 21% at the close of the previous financial year.

Inventories reached 255.2 MEUR as opposed to 262.2 MEUR at the end of 2009.

Consolidated balance sheet in KEUR	31-12-2009	30-06-2010
Inventories	262.221	255.187
Investments	9.534	6.084
Receivables & other assets	18.994	17.152
Cash	67.736	25.390
TOTAL ASSETS	358.485	303.813
Shareholders equity	168.680	170.741
Provisions	7.961	7.351
Financial liabilities	103.775	92.906
Trade & other liabilities	78.069	32.815
TOTAL EQUITY & LIABILITIES	358.485	303.813



Consolidated income statement

in thousands of €	30-06-2010	30-06-2009
OPERATING INCOME	50 841	22 005
Turnover	48 212	18 007
Other operating income	2 629	3 998
OPERATING EXPENSES	-40 196	-18 983
Purchases	-14 348	-37 313
Change in inventory	-17 789	25 312
Personnel expenses	-3 132	-3 689
Amortisation, depreciation and impairment of assets	91	198
Other operating expenses	-5 018	-3 491
OPERATING RESULT	10 645	3 022
Interest income	445	644
Interest expense	-1 865	-2 716
Other financial income and expenses	- 969	- 324
FINANCIAL RESULT	-2 389	-2 396
Share in the result of associates	1 169	- 19
RESULT FROM CONTINUING OPERATIONS BEFORE TAXES	9 425	607
Income taxes	- 93	- 170
RESULT FROM CONTINUING OPERATIONS	9 332	437
RESULT FROM DISCONTINUED OPERATIONS	0	0
RESULT FOR THE YEAR	9 332	437
Share of minority interests	- 23	0
SHARE OF IMMOBEL	9 355	437
Basic earnings and Diluted earnings per share (in EUR)		
Result of the continuing operations	2,26	0,11
Result of the year	2,26	0,11

Consolidated statement of comprehensive income

in thousands of €	30-06-2010	30-06-2009
Result for the year	9 332	437
Other comprehensive income		
Cash flow hedges	973	-561
Other comprehensive income	973	-561
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	10 305	-124
Share of minority interests	- 23	0
SHARE OF IMMOBEL	10 328	- 124