



IMMOBEL  
since 1863

# “Building the future, adding value.”

Brussels, 31<sup>st</sup> August 2011 – 5.40 p.m.  
Regulated information

## PRESS RELEASE

### IMMOBEL announces sound results for first half of 2011

- **Net consolidated profit: 9.7 MEUR (9.3 MEUR at 30<sup>th</sup> June 2010).**
- **Consolidated operating profit: 11 MEUR (10.6 MEUR at 30<sup>th</sup> June 2010).**
- **Important acquisitions in its three fields of activity.**
- **Strategy of implantation in Central Europe got off to a successful start.**
- **Sound financial structure and net debt limited to 64%.**

#### **Market conditions**

Letting activity in the offices market in Brussels deteriorated during the 1st half year compared to the same period in 2010. Take-up came to 110,000 m<sup>2</sup>, which corresponds to half of the long term average. The vacancy rate remains high (11.2% or 1.6 million m<sup>2</sup>), which keeps down growth in rents and favours rental incentives.

The market for investment in offices recovered in terms of volume during the first six months of 2011; the majority of transactions were carried out by local and German investors.

The rate of return on offices (Premium) let for 6/9 years in Brussels (Léopold district) has stabilised at 6%. As far as long-term leases signed by the State or the European bodies, the rates of return have settled at around 5%.

The new residential and landbanking markets turned out to be active in the first half year.

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The Warsaw office market in the first half of 2011 continues to see high levels of occupiers' demand. Over 321,000 m<sup>2</sup> was leased in comparison to the total take-up in the corresponding period last year of 220,000 m<sup>2</sup>.



Following the stabilization of the vacancy rate in 2010, sound demand and limited supply has continued to push this rate down. At the end of Q2, 2011 approximately 6.2% of modern office stock in Warsaw remained vacant (6.7% in the CBD, 9.0% in the City Centre and 5.2% in the Non-Central locations). The vacancy rate is expected to decrease further due to the relatively low number of new completions.

The rate of return on offices (Premium) let for 5/10 years in Warsaw (CBD) dropped in the first half of 2011 to 6.25%.

### **IMMOBEL in this market**

IMMOBEL has acquired:

- two mixed office/commercial projects for development in Poland, one in the heart of Warsaw ( $\pm 20,000$  m<sup>2</sup>) and the other, right in the centre of Poznan ( $\pm 7,600$  m<sup>2</sup>);
- the company that owns the Papeblok site in Tervuren, which is designated for the construction of 2 residential buildings, with the possibility of developing around 60 apartments;
- a total of 35.4 ha of ground for land development in urbanisation zones.

IMMOBEL has signed a lease with the Belgian public buildings administration (“Régie des Bâtiments”), for 65,000 m<sup>2</sup> to be used by the Federal Police, in phases D and F of the Belair project (40% stake), as approved by a decision of the Council of Ministers in December 2010. Following the conclusion of the lease, demolition and renovation/reconstruction work has started on this major project.

The Group has sold,

- its 20 % stake in the South Crystal building, near the Gare du Midi, to Ethias;
- a commercial building in Wavre, where Décathlon has opened a retail space covering 4,400 m<sup>2</sup>;
- 43 apartments in the Château de Beggen project (Grand Duchy of Luxembourg) (50 % stake), 15 apartments in the Jardin des Sittelles project (Brussels) and 24 apartments in the Résidence Vallée du Maelbeek (Brussels) (50 % stake);
- 65 plots.

At the end of May the Group also delivered phase III of the Forum project to the Chamber of Representatives in line with the schedule and the contract. The project was pre-sold at the end of 2009.

IMMOBEL has also renegotiated the renewal of its corporate credit line with its banks for a total of 85 MEUR for a period of 3 years, as well as the financing project for the development of the Okraglak project in Poznan for 10 MEUR for 2 years.

### **Events since 1<sup>st</sup> July 2011**

There have been no significant events since 1<sup>st</sup> July 2011 that are liable to alter the financial statements.



## **Outlook for the financial year 2011**

Unfavourable conditions in offices market in Brussels and its post-cyclical nature persist and IMMOBEL considers that there will be no fundamental change in this market in the short term.

On the basis of the information we have today, the consolidated result of the first half of 2011 cannot be extrapolated to the second half year. The results for the whole of 2011 should be superior to those for 2010.

In view of its portfolio of good quality projects and the negotiations currently underway, the Board of IMMOBEL is confident about the Company's future development.



Gaëtan Piret, the Managing Director, commented: *"IMMOBEL'S results are once again positive, thanks to the contributions of its three business lines and, in particular, landbanking. The Group is successfully implementing a strategy of geographic diversification with the acquisition of two projects key to the future development of IMMOBEL and is analysing other projects in Central Europe and in Flanders."*

## **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 30<sup>th</sup> June 2011.

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](http://www.immobel.be) (on the "Press Release" page).

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### About IMMOBEL:

IMMOBEL has, for 145 years, been an undisputed player in property development in Belgium. Its business covers the offices, residential, land sectors, thus enabling it to diversify its project portfolio. It is also active in Belgium, Grand Duchy of Luxembourg and Poland. 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](http://www.immobel.be).



## Consolidated figures in MEUR

	31/12/2010	30/06/2011	30/06/2010
Turnover	81,85	38,31	48,21
Operating results	13,22	11,04	10,64
Net financial costs	-4,88	-1,70	-2,39
Operating result after deduction of net financial costs	8,34	9,34	8,25
Share in the results of investments in associates	2,86	0,17	1,17
Result before taxes	11,20	9,51	9,42
Taxes	-0,67	0,19	-0,09
<b>Result for the period</b>	<b>10,53</b>	<b>9,70</b>	<b>9,33</b>
<b>Group's share in the result for the period</b>	<b>10,55</b>	<b>9,71</b>	<b>9,36</b>
Net cash flow (*)	8,46	9,42	10,25

## Consolidated figures in EUR

	31/12/2010	30/06/2011	30/06/2010
Basic earnings per share	2,56	2,35	2,26
Gross dividend per share	1,25	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...).



## Balanced results

On 30 June 2011 IMMOBEL booked a consolidated turnover of 38.3 MEUR compared to 48.2 MEUR at 30 June 2010. Despite the decrease in turnover, the operating profit remained stable in relation to last year's, with 11 MEUR at 30 June 2011 as against 10.6 MEUR at 30 June 2010.

Net financial costs came to – 1.7 MEUR compared to – 2.4 MEUR at 30 June 2010. They were favourably influenced by, amongst other things, positive adjustments in the fair value of financial instruments of up to 0.6 MEUR.

The net result for the period comes to 9.7 MEUR, in line with that of June 2010.

## Sound balance sheet

Consolidated shareholder equity came to 176.7 MEUR at 30 June 2011, or 52% of the total assets.

Net financial debt (113 MEUR) increased compared to 31 December 2010 (54 MEUR). This is explained by the high level of acquisitions and investments in developments during the first half year.

The ratio of debt to equity capital was 64% at 30 June 2011 as against 31% at the closure of the previous financial year.

Inventories amount to 299 MEUR compared to 243 MEUR at the end of 2010, or an increase of 56 MEUR. This increase in inventories, a consequence of an active policy of acquisition and investment, applies to its three business lines.

<b>Consolidated balance sheet in KEUR</b>	<b>31-12-2010</b>	<b>30-06-2011</b>
Inventories	243 049	298 546
Investments	7 822	4 030
Receivables & other assets	18 398	21 885
Cash	34 239	17 648
<b>TOTAL ASSETS</b>	<b>303 508</b>	<b>342 109</b>
Shareholders equity	172 129	176 681
Provisions	5 706	5 851
Financial liabilities	88 180	130 632
Trade & other liabilities	37 493	28 945
<b>TOTAL LIABILITIES</b>	<b>303 508</b>	<b>342 109</b>



## Consolidated income statement

in thousands of €	30-06-2011	30-06-2010
<b>OPERATING INCOME</b>	<b>39 177</b>	<b>50 841</b>
Turnover	38 307	48 212
Other operating income	870	2 629
<b>OPERATING EXPENSES</b>	<b>-28 138</b>	<b>-40 196</b>
Cost of sales	-19 047	-32 137
Personnel expenses	-3 253	-3 132
Amortisation, depreciation and impairment of assets	- 212	91
Other operating expenses	-5 626	-5 018
<b>OPERATING RESULT</b>	<b>11 039</b>	<b>10 645</b>
Interest income	312	445
Interest expense	-2 393	-1 865
Other financial income	656	4
Other financial expenses	- 273	- 973
<b>FINANCIAL RESULT</b>	<b>-1 698</b>	<b>-2 389</b>
Share in the result of associates	172	1 169
<b>RESULT FROM CONTINUING OPERATIONS BEFORE TAXES</b>	<b>9 513</b>	<b>9 425</b>
Income taxes	191	- 93
<b>RESULT FROM CONTINUING OPERATIONS</b>	<b>9 704</b>	<b>9 332</b>
<b>RESULT FOR THE YEAR</b>	<b>9 704</b>	<b>9 332</b>
Share of minority interests	- 7	- 23
<b>SHARE OF IMMOBEL</b>	<b>9 711</b>	<b>9 355</b>
<b>Basic earnings and Diluted earnings per share (in EUR)</b>		
Result of the continuing operations / Result of the year	2,35	2,26

## Consolidated statement of comprehensive income

in thousands of €	30-06-2011	30-06-2010
<b>Result for the year</b>	<b>9 704</b>	<b>9 332</b>
Cash flow hedges	0	973
<b>Other comprehensive income</b>	<b>0</b>	<b>973</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>9 704</b>	<b>10 305</b>
Share of minority interests	- 7	- 23
<b>SHARE OF IMMOBEL</b>	<b>9 711</b>	<b>10 328</b>