



RESULTS ON 31 DECEMBER 2010

Net current result¹ increases by 5.6%²
 Distributable result¹ progresses by 10.6%²
 Dividend of € 2.75³ per share, a substantial increase of 13.2%⁴
 Net asset value of € 54.68, an increase by 3.3%⁵
 Average occupancy rate stable at 94.6%⁶

1 Summary of the consolidated annual accounts

At the end of its 11th financial year Home Invest Belgium reaches a record **net current result**, thanks to controlling its operational costs realised in a still uncertain sectorial context explaining the caution by which the Sicafi controls its growth, more specifically in the course of the 1st half year. The increase of the **distributable result** was additionally fed by a sound policy regarding the lot per lot sales, which have led to the realization of substantial capital gains.

- The **portfolio** of investment properties, in which the development projects are included, increases by 3.4% to € 233.3 million, mainly thanks to the investment in the residential complex City Gardens in Leuven;
- The **net current result**³ progresses by 5.6 % thanks to a decrease of the global property costs;
- The **result on the portfolio**, which comprises the realized capital gains and changes (in + en -) of the fair value of the buildings, reaches a never recorded result of € 6.3 million, or four times the result of 2009;
- The **distributable result**, which comprises the distributable capital gains realized during the financial year improves again (+10.6%).

This proves the ability of Home Invest Belgium, despite a difficult general context, to take advantage of the opportunities which the residential real estate market offers (apartments and single-family houses) - its core business - and allow the creation of value in the interest of its shareholders.

The Board of directors has thus decided to propose to the General meeting of shareholders of next 3 May a dividend of € 2.75 gross for net, per share, compared to € 2.43 last year. This remuneration, increased by 13.2% in comparison with the one of 2009, related to an average number of shares for the period itself risen by 1.9%, which results in a global profit distribution progressing by 15.3%.

This remuneration corresponds to a **payout ratio** of 91% (87.3% in 2009) and allows a result to be carried forward of € 0.56 per share.

¹ See the definition in the table of the consolidated results hereafter.

² Calculated per share, the net current result and the distributable result respectively increase by 3.7% and 8.6%.

³ The **result** data per share recorded in this press release are calculated based on the average number of shares with full dividend rights for the financial year 2010.

⁴ In comparison with 2009. Showing an improvement by 10% in comparison with the outlook recorded in the chapter Outlook published on the pages 118 to 121 of the annual financial report 2009.

⁵ The **net asset value** per share is calculated based on the number of shares at the end of December 2010, excluding the 12 912 shares held under auto-control (IAS 33, paragraph 20) by Home Invest Management, subsidiary of the Sicafi.

⁶ Average rate over the financial year, calculated based on the rents, possible rental guarantees on vacant spaces included, with the exception of the development projects and the buildings held for sale.



2 Activities and important events of the financial year 2010

The activities in the course of the past financial year were mainly characterized by the continuance of the development projects, the acquisition of a diversified real estate portfolio and the execution of the sales program by separate units.

2.1 Regarding the project situated in Brussels, **at the corner of the Rue Belliard and the Rue de l'Industrie**, developed by Nexit IG for the account of the SA **Belliard 21**, a 100% subsidiary of Home Invest Belgium, we remind the fact that the works were interrupted in the middle of the summer of 2010 following a contamination by lime of the concrete used for the realization of the project. It concerns one of the 93 construction sites registered as contaminated, due to a manipulation error that apparently took place in a stone pit of the SA Carmeuse. A settlement has been concluded between all parties concerned with this issue in the course of the 3rd quarter of 2010 in order to settle this problem definitively. Since the beginning of the month of January of 2011 the works for the removal of the contaminated concrete have started, and the completion of this project, initially foreseen by the first quarter of 2011, has now been postponed to the second quarter of 2012. On the other hand it has turned out, in the course of the month of December 2010, that Nexit IG, invoking a case of force majeure, contests having to continue paying rents to Belliard 21, intended to compensate for the interim interests on the progressively invested capital. Belliard 21 has thus initiated a legal procedure in order to settle this dispute. In the meanwhile this dispute has no impact on the results of the Sicafi, knowing that as well the interim interests as the rent are both being activated.

2.2 The construction for own account of the building situated **rue Jourdan 85 in Saint-Gilles** could be completed at the beginning of the month of October 2010, as scheduled. As a reminder, the building comprises 23 apartments on the floors and 1 small office space and 15 parking spaces on the ground floor as well as 14 existing parking spaces at -1.

This development on a plot that was part of the contribution in kind of AXA Belgium in 2003 is an encouraging success for the future of the Sicafi, as it shows its ability to create value by developments. This realisation contributes a/o to the rejuvenation of the portfolio of investment properties and allows offering a higher initial yield to the shareholders (+/- 9% gross after full letting), by the absence of a promotional margin to remunerate third parties.

On 31 December 2010, 21 apartments were already let at a rental level slightly higher than the outlook: remained 2 three bedroom-premises and a small office space on the ground floor.

2.3 The renovation in 4 phases of the residential property complex **City Gardens in Leuven** proceeds according to planning: the 1st phase of this programme, started in March 2010, could be completed in last July. The 41 apartments could be let very rapidly and this at a rent level exceeding the outlook. The works of the 2nd phase have been completed since the end of November and commercialization is ongoing: already 14 apartments and 2 commercial spaces on the ground floor were let, despite the harsh winter period, less favourable for lettings. On 31 December 2010 25 apartments remained, to be let at a more normal pace.

This heavy renovation is another example of the new policy regarding developments of the Sicafi allowing it to create value for its shareholders in a faster way, in a first-rate rental market.

2.4 On 30 November 2010 the final agreements were signed between Home Invest Belgium and the shareholders of the **SA Masada**, in view of the contribution in the Sicafi, through a partial demerger, of a large part of the real estate assets of the aforementioned company. The extraordinary general meetings of Home Invest Belgium and Masada have approved this transaction on 31 January 2011.

The split-up real estate comprises a real estate portfolio composed of buildings with an excellent location, mainly situated in the municipalities Ixelles, Brussels-City, Uccle and Forest, comprising a conventional amount of € 8.5 million¹ and bank debts of € 2.1 million, the difference of € 6.4 million being added to the equity of the Sicafi.

¹ This value is not higher than the value estimated by the appointed surveyor.

This transaction should contribute to increasing the results of the company, knowing that a number of smaller buildings can be sold with profit, in the short or medium term.

2.5 In the course of this financial year Home Invest Belgium has successfully continued its strategy of lot per lot sales, with apartments situated in buildings estimated to have reached the peak of their valuation, or being too small compared to the management costs, or non-strategic and/or insufficiently performing with regard to energy in the medium term. These transactions relate to:

- the sale of the leasehold rights for a remaining duration of +/- 63 years on the balance of the apartments and garages in the buildings **Hottat** in Ixelles and **Milcamps** in Schaerbeek;
- two additional sales of commercial spaces in **Nieuwpoort**;
- the sale of the second of the two plots situated in **Maransart**;
- the sale of the janitor pad adjacent to the building in '**s Gravenwezel**'.

The realization of these sales has generated a total of € 2 439 604 of capital gains in 2010, or nearly double of the amount in 2009, of which € 1 085 454 is distributable in comparison with € 704 590 during the financial year 2009.

For the sixth consequent year, and this, despite a relapse in the economic climate and the real estate market mid-2007, the effectively realized sales prove the importance of the capital gains that can be reached by investing in high-quality real estate at the right moment. These arbitrage transactions should be further developed in the future and contribute substantially to the growth of the result distributable to the shareholders.

2.6 Home Invest Belgium has also been put in its right by court orders of last 6 October in two lawsuits against the Belgian government. Consequently, the exit tax paid in 2006 following the mergers with **SA Belliard 205** and **Patroonshuis** in 2005, erroneously charged to these two companies, while they were liquidated following their merger with the Sicafi, will be refunded at the beginning of 2011, for an amount of € 0.8 million, to be augmented by interests of € 0.2 million. The first of these amounts has been accounted for as a deduction of the acquisition price of the buildings concerned, that way increasing their latent capital gain, while the second one has been accounted for in the financial income, in the accounts of the last quarter of the financial year.

2.7 We remind of the heavy explosion on 27 January 2010 in Liège at nr. 18 of the **rue Léopold**, damaging the property complex of which Home Invest Belgium is the owner of the nrs. 2 to 8 in the same street. The necessary repair works have been carried out in the course of the financial year; they were accompanied by renovations of a number of installations and have allowed to progressively increasing the occupancy rate from 27.6% on average for the first quarter of 2010 to 60.1% for the second, to 70.1% for the third, and finally 81.8% for the last quarter.

2.8 Taking into account the difficult economic climate the average **occupancy rate** for the entire financial year 2010 amounts to 94.61%, compared to 94.60% in 2009 and 96% in 2008. It should be mentioned that the occupancy rate is higher than the 93.6% stated within the framework of the outlook for the financial year 2010. The occupancy rate has been subject, purely temporarily, to the negative influence of the development projects Jourdan 85 and City Gardens (phases 1 and 2); without these, it would amount to 94.80%.

During the past financial year no transaction with related parties took place.

3 Consolidated balance sheet on 31 December 2010 (in €)

	2010	2009
ASSETS		
I. Non-current assets	234 721 489	227 160 629
B. Intangible assets	8 349	1 815
C. Investment properties	233 344 258	225 625 958
E. Other tangible assets	41 094	53 236
F. Non-current financial assets	46 767	105 846
G. Finance lease receivables	1 281 021	1 373 774
II. Current assets	4 825 437	7 108 327
A. Assets held for sale	0	2 176 005
C. Finance lease receivables	92 752	86 947
D. Trade receivables	684 851	1 207 863
E. Tax receivables and other current assets	2 989 647	1 656 784
F. Cash and cash equivalents	1 036 510	1 964 597
G. Deferred charges and accrued income	21 678	16 131
TOTAL ASSETS	239 546 926	234 268 956
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY	153 968 037	149 050 809
A. Capital	70 946 880	70 946 880
B. Share premium account	19 093 664	19 093 664
C. Treasury shares (-)	-757 323	-757 323
D. Reserves	76 697 294	70 043 381
E. Profit/(loss)		
E.1. Profit/(loss) carried forward from previous periods	5 416 341	4 321 403
E.2. Profit/(loss) from the current financial year ⁽²⁾	9 329 651	7 811 649
F. Impact on fair value of estimated transfer rights resulting from hypothetical disposal of investment properties	-23 784 358	-19 608 464
G. Changes in fair value of financial assets and liabilities	-2 974 112	-2 800 381
LIABILITIES	85 578 890	85 218 147
I. Non-current liabilities	82 171 517	80 011 639
B. Non-current financial debts	78 433 750	76 848 750
C. Other non-current financial liabilities	3 737 767	3 162 889
II. Current liabilities	3 407 373	5 206 508
B. Current financial debts	465 055	835 312
D. Trade debts and other current debts	2 029 317	3 205 872
E. Other current liabilities	477 347	692 153
F. Accrued charges and deferred income	435 653	473 171
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	239 546 926	234 268 956
Number of shares at end of the period ⁽¹⁾	2 815 630	2 815 630
Net asset value	153 968 037	149 050 809
Net asset value per share	54.68	52.94
Indebtedness according to RD of 7 December 2010	81 405 470	81 582 087
Debt ratio	33.98 %	34.82 %

¹ The total number of issued shares is 2 828 542, from which have to be excluded the 12 912 shares held in auto-control by Home Invest Belgium (IAS33, paragraph 20).² The item E.2 is calculated based on the net result of the results account minus the item XVIII Changes in the fair value of investment properties.

4 Fair value of investment properties – Net asset value

On 31 December 2010 the **fair value** of the investment properties of Home Invest Belgium, based on the surveyor's report of Winssinger & Associates, independent surveyor of the Sicafi, amounted to € 233.3 million compared to € 225.6 million on 31 December 2009, or an increase by 3.4% in the course of the past financial year. It has to be noted that these amounts also comprise the value of the development projects Belliard/Industrie in Brussels and City Gardens in Leuven (3rd and 4th phases).

Without these development projects and the buildings held for sale, the fair value of the portfolio amounts to € 222.8 million in comparison with € 207.2 million a year before, or a rise by 7.5%. The **net rental yield** calculated on this basis amounts to 6.34%.

The **investment value** of the investment properties (transfer rights and deed costs included) amounted to € 246.6 million (+ 8.7%), resulting in a **net rental yield** of 5.72% on the investment properties.

The breakdown of this portfolio¹, calculated based on the fair value of the investment properties is as follows: 81.2% of residential buildings (of which 62.2% apartments, 10.6% furnished apartments, 5.8% single-family homes and 2.6% of nursing homes), 12% of commercial spaces and 6.8% of office spaces, showing that these figures perfectly reflect the 'pure player' strategy of Home Invest Belgium.

The investment properties¹ situated in the Brussels-Capital Region currently represent 73.4% of the portfolio, while those in the Walloon Region stand at 14.3% and those in the Flemish Region at 12.2%.

Based on the fair value of the real estate portfolio and the accumulated results in the course of the past financial year, the **net asset value per share** stands at € 54.68, or an increase by 3.3% - more than the average inflation over the past financial year - almost recovering its pre-crisis level (€ 54.82 on 31 December 2007).

On 31 December 2010 the share price of the Home Invest Belgium share on Euronext Brussels was € 60.50, grossly corresponding to the current share price, or a new increase of 11.4% (after a rise of nearly 21% in comparison with end-2009), and represented a premium of 10.6% in comparison with the net asset value at the end of the financial year.

5 Debt ratio

The consolidated debt ratio keeps up at a very reasonable level of 33.98%, leaving Home Invest Belgium thus with an additional debt capacity of nearly € 70 million without exceeding the 50% level as from which, according to the dispositions of the new Royal Decree of 7 December 2010 (article 54), the Sicafi would have to develop a financial plan, accompanied by a schedule for execution and a special report from the Auditor, all of this information having to be filed with the CBFA.

¹ Without the development projects and the buildings held for sale.



6 Consolidated results account on 31 December 2010 (in €)

	2010	2009
I. Rental income	14 253 402	13 895 469
III. Rental-related expenses	-137 465	-219 846
NET RENTAL RESULT	14 115 937	13 675 622
IV. Recovery of property charges	106 657	87 602
V. Recovery of charges and taxes normally payable by the tenant	370 467	366 730
VII. Charges and taxes normally payable by the tenant	-1 458 373	-1 255 773
PROPERTY RESULT	13 134 688	12 874 181
IX. Technical costs	-1 097 433	-1 261 645
X. Commercial costs	-535 683	-480 575
XI. Taxes and charges on un-let properties	-265 738	-197 475
XII. Property management costs	-1 419 884	-1 492 323
(+/-) <i>Property costs</i>	-3 318 738	-3 432 018
PROPERTY OPERATING RESULT	9 815 950	9 442 163
XIV. General corporate expenses	-641 319	-518 191
OPERATING RESULT BEFORE PORTFOLIO RESULT (A)	9 174 630	8 923 972
XVI. Gains or losses on the sale of investment properties (B)	2 439 604	1 288 364
XVII. Gains or losses on the sale of other non-financial assets (C)	0	0
XVIII. Changes in fair value of investment properties (D)	3 876 459	270 644
OPERATING RESULT (E)	15 490 693	10 482 980
XIX. Financial revenues	412 723	271 082
XX. Interest charges	-2 201 999	-2 241 000
XXI. Other financial charges	-582 350	-424 747
(+/-) <i>Financial result</i>	-2 371 625	-2 394 665
PRE-TAX RESULT (F)	13 119 068	8 088 315
XXII. Corporation tax	87 042	-6 022
(+/-) <i>Taxes</i>	87 042	-6 022
NET RESULT ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY (G)	13 206 110	8 082 294
Net result attributable to the owners of the parent company, per share	4.69	2.92
Net current result = ((G) - (B) - (C) - (D))	6 890 047	6 523 285
Net current result per share	2.45	2.36
Net current result excluding IAS39	7 344 977	6 821 677
Net current result excluding IAS39, per share	2.61	2.47
Result on the portfolio = ((B) + (C) + (D))	6 316 063	1 559 009
Result on the portfolio per share	2.24	0.56
Result distributable to the owners of the parent company ⁽¹⁾	8 509 343	7 695 513
Result distributable to the owners of the parent company, per share	3.02	2.78
Average number of shares with full dividend rights	2 815 630	2 764 079 ⁽²⁾
Number of shares at end of period ⁽³⁾	2 815 630	2 815 630
Proposed dividend ⁽⁴⁾	2.75	2.43
Operating result before portfolio result, per share	3.26	3.23
Result on the portfolio, per share	2.24	0.56
Net result per share	4.69	2.92
Net current result per share	2.45	2.36
Distributable profit per share	3.02	2.78
Operating margin ⁽⁵⁾	69.85 %	69.32 %
Operating margin before tax ⁽⁶⁾	51.79 %	50.72 %
Net current margin ⁽⁷⁾	52.46 %	50.67 %
Payout ratio ⁽⁸⁾	90.99 %	87.28 %

¹ This distributable result is calculated on a consolidated basis. The statutory distributable result according to the RD of 7 December 2010 amounts to € 8 733 629 or € 3.09 per share (including shares in auto-control). On 31 December 2009, it amounted to € 7 915 526, or € 2.85 per share. All other references to the distributable result in the present press release relate to the distributable result on a consolidated basis.

² The average number of shares with entitlement is corrected to take account of the 109 111 shares with entitlement as from 1 June 2009 on a pro rata basis and the 12 177 shares with entitlement as from 1 July 2009 on a pro rata basis. The 12 912 shares held in auto-control are excluded (IAS33, paragraph 20).

³ The total number of shares in circulation is 2 828 542, from which should be excluded the 12 912 Home Invest Belgium shares held in auto-control (IAS33, paragraph 20). Consequently we obtain 2 815 630 shares at the end of the period.

⁴ The dividend is determined on the basis of the statutory result.

⁵ Operating result before portfolio result / property result.

⁶ Pre-tax result – portfolio result / property result.

⁷ Net result for the financial year – portfolio result / property result.

⁸ Dividend / distributable result.



Net rental result

The net rental result amounts to a total of € 14.12 million compared to € 13.68 million in 2009, or an increase by 3.2%, more than the health index (+ 2.6%) during the period, thanks to the progressive growth of the investment properties portfolio (City Gardens, phases 1 and 2, and Jourdan 85) in the course of the second semester and despite the aforementioned lot per lot sales often leading to the premature departure of the tenant having no intention to buy the premises.

Property result

After deduction of the rental-related costs and taxes, consisting to a large extent of the property tax, and the recuperation of property costs and taxes, the property result stands at € 13.13 million compared to € 12.87 million, or a growth by 2% in comparison with met 2009.

Property operating result

After taking into account the total of the costs related to the technical management, the commercial management, the management by the management company ('syndic') and the maintenance of the buildings, the property operating result amounts to € 9.82 million compared to € 9.44 million the previous year, or an increase by 4%.

Property operating result before the portfolio result

After deduction of the general corporate expenses related to its stock exchange listing and its Sicafi statute, the property operating result before the portfolio result stands at € 9.17 million in comparison with € 8.92 million in 2009, or a rise by 2.8%. The operating margin slightly progresses from 69.3% to 69.9%.

Portfolio result

The portfolio result has quadrupled: from € 1.56 million in 2009 to € 6.32 million, under the influence of a positive variation of the fair value of the portfolio of € 3.88 million and capital gains on the sales per separate unit for a total amount of € 2.44 million.

Net result – Net current result – Distributable result

After taking into account the financial charges and taxes, the net result of Home Invest Belgium grows from € 8.08 million in 2009 to € 13.21 million in 2010, or a progress of 63.4% (already + 53.2% in 2009). The net current result also increases from € 6.52 million to € 6.89 million (+5.6%), with a net current margin going from 50.67% the previous year to 52.46% at the end of 2010, while the distributable result increases from € 7.7 million to € 8.5 million (+10.6%).

7 Dividend – Financial service

Taking into consideration this substantial net current result, such as the distributable result per unit amounting to € 3.02 per share, the Board of directors of last 25 February has decided to propose to the General meeting of shareholders of next 3 May a **dividend** (gross for net) for distribution of € 2.75 for the shares with dividend rights on 1 January 2010.

This dividend globally corresponds to 91.0% of consolidated distributable profit of the financial year. At a statutory level this corresponds to 89.1% of the distributable profit of the financial year.

This will be payable as from 13 May 2011 by automatic transfer to the nominative shareholders and to the holders of dematerialized securities, and to the branches of BNP Paribas Fortis Bank against presentation of coupon nr. 14, detached from the balance of the bearer shares.



8 Events after the closing of the financial year

As mentioned under point 2.4 above, the final agreements were signed on 30 November 2010 between Home Invest Belgium and the shareholders of **Masada** in view of the contribution into the Sicafi, through partial demerger, of a large part of the real estate assets of the aforementioned company. The extraordinary general meetings of Home Invest Belgium and Masada have approved this transaction on 31 January 2011, following which the shareholders of the latter have become shareholders of the Sicafi for 3.5% of the increased capital; the 102 792 newly issued shares for this transaction have dividend rights as from 31 January 2011.

Moreover, Mr. Michel Pleeck, Director and Chairman of the Board of directors has announced during the Board of directors of 19 January 2011 his wish to end his director's mandate at the end of the Ordinary general meeting of shareholders of 3 May 2011, as his mandate has reached the limit of 12 years. This meeting will also be asked to decide on the appointment of a new independent director.

On 25 February 2011 the Board of directors has appointed among its members Mr. Guy Van Wymersch-Moons as the new Chairman of the Board of directors, subject to the approval by the CBFA. His mandate will commence at the end of the Ordinary general meeting of 3 May 2011.

The Board wishes to thank as well Mrs. Ghislaine Darquennes as Mr. Michel Pleeck for their substantial contribution to the stock exchange listing of Home Invest Belgium in June 1999 and their frequent and unremitting contribution to the development of the Sicafi during its twelve years of existence.

9 Outlook

Based on the outlook drawn up for the coming three years, which will be detailed in the Annual financial report 2010 based on the selected working hypothesis, the Board of directors of Home Invest Belgium remains confident in the continuance of the growth of the results and their distribution to the shareholders, taken into account the relative stabilization of the prices recorded in the residential real estate sector for letting (apartments - houses) wherein the Sicafi operates, in the potential for capital gains of the portfolio regarding the buildings selected for sale, and in the strength of its balance sheet.

10 Auditor's mandate

The Auditor has confirmed that his completed audit has not shown any grounds for a substantial correction that should be applied to the accounting data recorded in this press release¹ and that he will deliver an unqualified report.

Brussels, 3 March 2011

Home Invest Belgium is a residential Sicafi, created in June 1999, and listed on the continuous market of Euronext Brussels. Its portfolio of investment properties, composed of 86 buildings on a total surface of 125 903 m², amounts to € 222.8 million (fair value) on 31 December 2010 and is mainly situated in the Brussels-Capital Region.

INVESTOR RELATIONS

Xavier Mertens, Chief Executive Officer

T +32 2 740 14 51 - F +32 2 740 14 59

E xavier.mertens@homeinvest.be

www.homeinvestbelgium.be

¹ This statement can however not be considered as an opinion regarding the comprehensiveness of the information published in this press release.

