

Under embargo until 7 May 2013 at 5.40pm

Regulated information

**INTERIM STATEMENT  
FROM THE BOARD OF DIRECTORS  
ON THE RESULTS CLOSED AT 31 MARCH 2013**

- **8.7% increase of the fair value of the property portfolio<sup>1</sup>, mainly connected to the acquisition of the buildings of the real estate certificate “Louvain-la-Neuve 1976”**
- **94.14%<sup>2</sup> occupancy rate**
- **Net current result per share excluding IAS 39 increases by 2%<sup>3</sup> and represents €0.70**
- **Distributable result progresses by 18%<sup>3 4</sup>**
- **Debt ratio of 40.59%**
- **Signature of a sales agreement related to the acquisition of a real estate project including 14 apartments and 2 offices behind the Royal Palace at 1000 Brussels**
- **Home Invest Belgium “Preferred Bidder” for the acquisition of the building situated on Rue Montoyer 25 at 1000 Brussels**
- **New credit lines for a total amount of €35 million.**

1 Compared to the situation on 31 March 2012, and excluding the buildings held for sale.

2 Average rate over the first quarter of 2013, expressing the percentage of rent generated by the occupied properties, including the rental guarantees on the unoccupied properties, compared with the total rents of the occupied properties and the estimated rental value (ERV) of the unoccupied properties.

3 Compared to the situation on 31 March 2012.

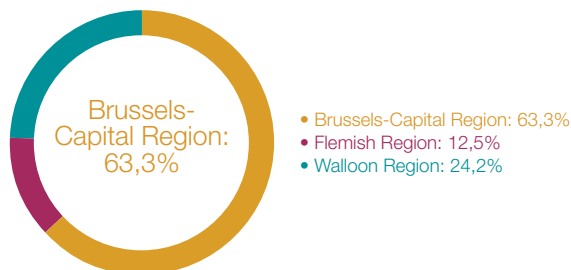
4 The distributable result per share increases by 18% (€ 0.91 vs € 0.77 on 31 March 2012).

## ► PROPERTY PORTFOLIO

The **fair value** of the property portfolio<sup>5</sup> amounts to € 276.8 million on 31 March 2013 compared with € 254.7 million on 31 March 2012, or a growth of nearly 8.7%. This growth is mainly explained by the incorporation (for the first time) of the buildings of the certificate “Louvain-la-Neuve 1976”.

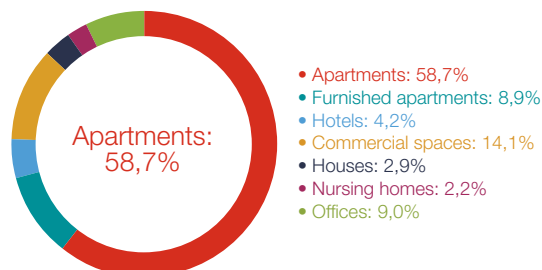
### Geographical breakdown

The investment properties<sup>6</sup> located in the Brussels-Capital Region currently represent 63.3% of this portfolio, those in the Walloon Region 24.2% and those in the Flemish Region 12.5%.



### Breakdown according to property type

Calculated on the basis of the fair value of the investment properties, the portfolio is broken down as follows:



Since the legislation dated 27 December 2012, at least 80% of the total value of the assets of Home Invest Belgium must be invested directly in real estate located in a member state of the European Economic Area and allocated to or intended *exclusively for accommodation*. Residential Sicafis (fixed capital real estate investment trusts) (such as Home Invest Belgium) have a transition period of 2 years to comply, given that the threshold before the new legislation was only 60% of the total asset value. On 31 March 2013, 72.7% of Home Invest Belgium's property portfolio is property allocated to or intended exclusively for accommodation. Home Invest Belgium will therefore endeavour to reach this 80% threshold over the course of the transition period.

The average **occupancy rate** of the portfolio for the first quarter of 2013 was 94.14%, almost equal to the 94.16% recorded for the whole year 2012. In a market that continues to be difficult because of the frailty of economic activities, this stability is a result of the dynamic marketing policy for the properties in the portfolio.

## ► CONSOLIDATED KEY FIGURES

The total value of Home Invest Belgium's **equity** on 31 March 2013 amounts to € 172 million, or € 56.53 per share, compared with € 55.80 last year (+1.31%).

The **debt ratio** rose compared with the situation on 31 March 2012 (40.59% on 31 March 2013 compared with 35.42% on 31 March 2012), because of the acquisition of the buildings of the certificate “Louvain-la-Neuve 1976”. Home Invest Belgium now has a debt capacity of almost €55 million without exceeding the 50% level above which, according to the terms of the Royal Decree of 7 December 2010, the Sicafi would need to put together a financial plan supervised by the FSMA.

<sup>5</sup> This fair value corresponds to the “Investment Properties” entry on the balance sheet, which also includes development projects in accordance with IAS 40.

<sup>6</sup> Excluding development projects and buildings held for sale.



MAIN RESULTS (IN €) <sup>(1) (2)</sup>	1 <sup>st</sup> quarter 2013	1 <sup>st</sup> quarter 2012	Variation
Net rental result	4,669,611	3,961,625	+ 18 %
Property result	4,331,132	3,654,001	+ 19 %
Operating result before portfolio result	2,949,282	2,706,067	+ 9 %
Portfolio result			
- Result on sale	588,178	186,584	+ 215 %
- Change in fair value	-292,358	1,297,081	- 123 %
Financial result			
- Financial result excluding change in fair value for financial assets and liabilities	-809,573	-608,491	+ 33 %
- Change in fair value for financial assets and liabilities <sup>(3)</sup>	509,699	-241,427	-311 %
<b>Net result</b>	<b>2,940,090</b>	<b>3,334,751</b>	<b>- 12 %</b>
Net current result	2,644,270	1,851,085	+ 43 %
<b>Net current result per share <sup>(4)</sup></b>	<b>0.87</b>	<b>0.61</b>	<b>+ 43 %</b>
Net current result excluding IAS 39	2,134,572	2,092,512	+2 %
<b>Net current result excluding IAS 39 per share <sup>(4)</sup></b>	<b>0.70</b>	<b>0.69</b>	<b>+2 %</b>
Distributable result	2,754,381	2,336,114	+18 %
<b>Distributable result per share <sup>(4)</sup></b>	<b>0.91</b>	<b>0.77</b>	<b>+18 %</b>
<b>Net asset value per share</b>	<b>56,53</b>	<b>55,80</b>	<b>+1,31 %</b>
<b>EPRA NAV per share <sup>(5)</sup></b>	<b>56,91</b>	<b>56,69</b>	<b>+0,38%</b>

During the first quarter of 2013, the **net rental income** rose by 18%. This increase can in part be explained by the integration of the income from the buildings of the certificate "Louvain-la-Neuve 1976", even though they are not valid for the whole quarter as the transfer of enjoyment of the properties was completed on 25 January 2013.

**Technical costs** rose by 54% to € 418,000 on 31 March 2013, which can largely be explained by the works required to repair certain properties in the portfolio (e.g. the Florida houses in Waterloo) and by the management costs incurred by the acquisition of the properties of the certificate "Louvain-la-Neuve 1976".

The **operating result before portfolio result** amounts to € 2.9 million on 31 March 2013, an increase of 9% compared to 31 March 2012.

The **current net result** rose by 43%, while the **current net result excluding IAS 39** reflects a rise of 2% compared to its 2012 level, reaching € 2.13 million, compared with € 2.09 million on 31 March 2012.

The **distributable result** – which includes the distributable capital gains generated during the year – rose significantly (+ 18%) from € 2.3 million on 31 March 2012 to € 2.8 million on 31 March 2013.

These positive results demonstrate Home Invest Belgium's ability to benefit from the opportunities presented by the residential rental market (apartments and single-family homes) – its core business – despite a general economic climate that remains difficult, and helps it create value for the benefit of its shareholders.

1 IAS 34 has not been applied to the accounting information given above.

2 Figures reviewed by the Auditor but not audited.

3 This is the change in fair value for interest rate hedging instruments.

4 The total number of shares entitled to dividends on 31 March 2013 amounts to 3,043,231, after the adjustment of 12,912 shares held under auto-control on the same dates.

5 "EPRA NAV" corresponds to the Net Asset Value (NAV) adjusted to exclude, among others, the fair value of hedging financial instruments.



## ► SIGNIFICANT EVENTS IN THE FIRST QUARTER OF 2013

### Changes to the property portfolio

#### Acquisitions

##### 25 January 2013 – Acquisition of the buildings of the certificate “Louvain-la-Neuve 1976”

Home Invest Belgium's acquisition of three buildings (“CV9”, “CV10” and “CV18”) located in the centre of Louvain-la-Neuve, the property rights to which were previously held by the “Louvain La Neuve 1976” real estate certificate, was finalised following the signature of the official purchase deed on 25 January 2013. The “CV9” building is part of a co-ownership; Home Invest Belgium became the owner of 447.75/1 000<sup>ths</sup> of the common parts, in addition to the private areas involved, including the leasehold.

The results of this significant investment are, for the first time, visible and have been included in the figures for the first quarter of 2013, at a rate of +/- 2/3 of the quarter, as the transfer of ownership was only completed at the end of January.

As a reminder, this transaction involved +/- 23 000 m<sup>2</sup> of rental space, 40% of which is for accommodation, 36% for commercial use, and the remainder for offices and auditoria. This transaction has the particular feature of transferring a leasehold on the related plots, granted by UCL for a period of 50 years, ending in 2026, as well as the transfer of buildings built on these plots on the basis of this leasehold. In 2026, the UCL will therefore become the owner of the buildings, with the obligation of either:

- paying Home Invest Belgium the market value of the buildings;
- or granting a 49-year long lease at the end of which the UCL will become the exclusive owner of the buildings free of charge.

##### 5 March 2013 – Acquisition of a real estate project on the corner of Rue de la Pépinière and Rue Brederode, 1000 Brussels

Within the context of its new strategy, which involves developing projects on its own behalf in order to accelerate the rejuvenation of its portfolio and to invest in sustainable projects, on 5 March 2013, Home Invest Belgium signed a sales agreement with the King Baudouin Foundation regarding the acquisition of three plots with constructions located in an exceptional surrounding, behind the Royal Palace and in front of the Place du Trône, 1000 Brussels. A construction permit was issued for the whole lot, authorising a real estate project made up of 14 apartments and 2 offices as well as 15 parking spaces. The project was put together with particular attention to sustainable development and optimum energy performance of the building.

The sales agreement is subject to various conditions precedent, the fulfilment of which is expected by 5 July 2013.

Within the context of this transaction, the parties have agreed to value the project at € 2.6 million, which should generate an initial gross return of +/- 5.6%.

## Developments

### 18 February 2013 – Provisional acceptance of the apartments on Rue Belliard 21, 1000 Brussels

Provisional acceptance of six apartments on Rue Belliard 21, 1000 Brussels took place on 18 February 2013, thus bringing to an end the development of the “Belliard/Industrie” project, completed by the Nexity group for Home Invest Belgium.

## Sales

During the 1<sup>st</sup> quarter of 2013, Home Invest Belgium completed several individual sales of its residential properties, resulting in capital gains of somewhere in the region of € 0.59 million compared to the latest fair value of the properties sold.

## Consolidation of the financial structure and interest rate hedging – New credit line

A new line of credit for a total of € 25 million was secured at the beginning of January 2013 with the BELFIUS bank, to mature on 31/01/2019.

## ► EVENTS THAT OCCURRED AFTER 31 MARCH 2013

### Home Invest Belgium “Preferred Bidder” for the sale of the property located Rue Montoyer 25, 1000 Brussels

The Greek fund (“*Hellenic Republic Asset Development Fund*”) in charge of the sale of the property located rue Montoyer 25 at 1000 Brussels has nominated Home Invest Belgium as “Preferred Bidder” on April 10, 2013. The sale is still subject to the approval of the offer made by Home Invest Belgium by the “*Court of Auditors*” of the said Fund. The building rue Montoyer 25 is situated in the heart of the Leopold district in Brussels and represents +/- 2 900 m<sup>2</sup> office space; it benefits of an excellent situation, close to the place of Luxembourg. Home Invest Belgium intends to transform the building into a residential building and shall do the necessary steps to introduce the requested authorizations as soon as possible. The acquisition price amounts to € 3.2 million, which should allow to generate a gross initial yield estimated between +/- 6% and 7%, after transformation of the building”

## New credit line

After the end of the quarter, a new line of credit for € 10 million was secured on 18 April 2013 with the DEGROOF bank, to mature on 18 April 2018.



## ► OUTLOOK

It is the Board's opinion that at the end of this first quarter – in spite of the solid results achieved – it would be premature to talk about the prospects for the current financial year, especially given the uncertainties relating to interest rate changes, the general economic climate and the rhythm of the sales.

The Board of Directors has identified various assets that could generate significant capital gains for shareholders, without compromising the pursuit of growth in terms of the company's results, by actively seeking out investment and development opportunities that create value for its shareholders, whilst also actively managing its existing portfolio, by modernising and improving it, and also continuing to listen to the needs of its tenants.

A number of new investment and development projects for itself are also currently being looked at, one of which should become concrete between now and the end of the financial year.

## ► DIVIDEND PAYMENT

The dividend of the financial year 2012 – namely a gross dividend of € 3.25 per share – is payable **as from 17 May 2013** at the offices of BNP Paribas Fortis, in return for coupon nr. 16, detached from the bearer shares, and by automatic bank transfer for registered shareholders and holders of dematerialised shares.

Since 1 January 2013, this dividend has been subject to a 15% withholding tax, so the net dividend will be € 2.76.



### More information:

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Home Invest Belgium is a residential Sicafi, created in June 1999 and listed on the continuous market of NYSE Euronext Brussels.

At 31 March 2013, its operating portfolio consisted of 76 buildings on 45 sites with a total surface area of +/- 149 000 m<sup>2</sup> and a fair value of € 277 million, excluding development projects and properties for sale.

Its activities are controlled by the Financial Services and Markets Authority (FSMA).

On 31 March 2013, the total market capitalisation of Home Invest Belgium amounted to € 235 million.

[www.homeinvestbelgium.be](http://www.homeinvestbelgium.be)

