

**INTERIM STATEMENT
OF THE BOARD OF DIRECTORS
ON THE RESULTS CLOSED AT 30 SEPTEMBER 2013**

- **The net current result excluding IAS 39 at € 2.20 per share, increased by 9% ¹**
- **Distributable result per share increased by 10.8% ¹**
- **Net asset value per share reaches € 59.90 ²**
- **Average occupancy rate of 94.9% ³**
- **Acquisition – subject to a resolatory condition - of all the shares of Charlent 53 Leasehold Ltd. (SPRL) and Charlent 53 Freehold Ltd. (SPRL), owners of the property rights relating to a property located at 1160 Auderghem, Maurice Charlent street nr. 51-53**
- **Home Invest Belgium retained by bpost for the acquisition of a property located at 1950 Kraainem, Avenue Reine Astrid 278**
- **Debt ratio of 37.7%**

¹ Compared to the situation on 30 September 2012.

² As compared to € 58.74 on 30 June 2013 and to € 57.52 on 30 September 2012. Figures calculated after the elimination of 12 912 treasury shares (IAS 33, paragraph 20).

³ Average rate during the first three quarters of 2013, indicating the percentage of the rents generated by occupied properties, including the rental guarantees on the unoccupied properties, in comparison to the total rents of the occupied properties and the estimated rental value of the unoccupied properties.

► THE PROPERTY PORTFOLIO

On 30 September 2013, the **fair market value** of the property portfolio of Home Invest Belgium - calculated on the basis of the valuation report of Winssinger & Associates, the Sicafi's independent expert - amounts to € 285.7 million, compared to € 241.1 million on 30 September 2012, an increase of almost 18.5%. This increase can be explained mainly by the incorporation of the buildings of the certificate Louvain-la-Neuve 1976 and by the integration of the Pépinière-Brederode project.

On 30 September 2013, the property portfolio of Home Invest Belgium consists of 71.7% of buildings, allocated to or intended exclusively for accommodation. Since the legislation of 27 December 2012, *at least 80%* of the total value of the assets of Home Invest Belgium has to be invested directly in real estate properties located in a member state of the European Economic Area and *exclusively allocated to or intended for accommodation*. Home Invest Belgium disposes of a transitional period of 2 years to comply with this legislation, since the threshold prior to this legislation amounted up to only 60% of the total value of the assets. As a consequence, Home Invest Belgium will endeavor to achieve the threshold of 80% from now until May 2015.

The average **occupancy rate** of the portfolio continues to increase, from 94.5% on 30 September 2012 to 94.9% on 30 September 2013.

► CONSOLIDATED KEY FIGURES ON 30 SEPTEMBER 2013

The **liabilities** of Home Invest Belgium amount to € 182 million compared to € 175 million on 30 September 2012.

Notwithstanding the acquisition of the Pépinière-Brederode project last 8 July, the **debt ratio** decreased during the quarter from 39.6% on 30 June 2013 to 37.7% on 30 September 2013, as a result of financial returns. Consequently, this ratio remains far from the legal limit of 65% imposed on Sicafi's.

Based on the fair value of the investment properties, as it appears from the valuation report of Winssinger & Associates, and of the results accumulated in the course of the three first quarters of the financial year, the **net asset value** of the Home Invest Belgium share—after the elimination of 12 912 treasury shares — amounts to € 59.90 on 30 September 2013, an increase of 4% compared to the situation on 30 September 2012 (€ 57.52).

4 Deze reële waarde stemt overeen met de rubriek « Vastgoedbeleggingen » van de balans, waarin tevens de ontwikkelingsprojecten begrepen zijn conform IAS 40.

5 De investeringswaarde wordt vastgesteld op € 319 212 000.



MAIN RESULTS (IN €) ^{(1) (2)}	from 01/01/2013 to 30/09/2013	from 01/01/2012 to 30/09/2012	Variation (%)
Net rental result	14 229 278	12 311 403	+ 15,6
Property result	13 306 182	11 432 803	+ 16,4
Operational result before portfolio result	9 630 915	8 167 696	+17,9
Portfolio result			
- Result on sale	2 037 179	2 053 575	-0,8
- Changes in fair value	2 039 654	2 324 733	-12,3
Financial result			
- Financial result excluding changes in fair value of financial assets and liabilities	-2 918 387	-1 996 046	46,2
- Changes in the fair value of financial assets and liabilities ⁽³⁾	1 443 175	-2 753 574	-152,4
Net result	12 229 235	7 781 210	+57,2
Net current result	8 152 402	3 402 903	+139,6
Net current result per share ⁽⁴⁾	2,68	1,12	+139,6
Net current result excluding IAS 39	6 709 227	6 156 477	+9
Net current result excluding IAS 39 per share ⁽⁴⁾	2,20	2,02	+9
Distributable result	9 040 389	8 157 658	+10,8
Distributable result per share ⁽⁴⁾	2,97	2,68	+10,8
Net asset value per share	59,90	57,52	+4,1
EPRA NAV ⁽⁵⁾ per share	61,41	59,73	+2,8

In comparison with the situation a year ago, the **net rental result** increased by 15.6%, while the property result increased by 16.4%.

The **property expenses** increased by 10% and amount to € - 3.1 million, which is a logical consequence of the growth of the property portfolio, but also of unexpected charges that appeared since Home Invest Belgium insourced the management of the properties in the Brussels Capital Region. The company is finalizing the completion of this insourcing and proceeds to the verification before the end of the current financial year of the final account of the expenses, prepared by the preceding external managers.

The **operational result before the portfolio result** amounts to € 9.6 million on 30 September 2013, an increase of 17.9% compared to the situation on 30 September 2012.

The **current net result excluding IAS 39** indicates a substantial increase of 9% in comparison to its level a year ago, amounting to € 6.7 million, in comparison to € 6.2 million on 30 September 2012. It should be noted, however, that this strong growth is partly explained by the exceptional contra-entry of provisions accounted in the course of the previous financial years for the sections “renovation work” and “expenses on vacant properties” this contra-entry was made in the context of the insourcing of the management of the properties of Home Invest Belgium in the Brussels Capital Region; these contra-entries accounted for in the course of the third quarter have in fact been higher than the actual expenses that had to be entered in this context.

The **distributable result**—which includes the distributable gains realized during the fiscal year—also increased in a notable manner (+10.8%) going from € 8.2 million on 30 September 2012 to € 9 million on 30 September 2013. The same increase can be seen at the level of the distributable result per share which currently amounts to € 2.97 in comparison with € 2.68 on 30 September 2012.

These favorable results demonstrate the capacity of Home Invest Belgium to take advantage, despite a general economical context that still remains difficult, of the opportunities offered by the rental residential real estate sector (apartments and single-family homes)— its core business—which allows her to continue to create value in the interest of her shareholders, year after year.

1 IAS 34 has not been applied on the contents of the accounting information provided above.

2 Figures reviewed by the Auditor but not audited.

3 Concerns the changes in fair value of the interest rate hedging instruments.

4 The number of total shares with full dividend rights by 30 September 2013 amounts to 3 043 231 after the elimination of 12 912 treasury shares on the same date.

4 “EPRA NAV” corresponds to the net asset value, adjusted in order to exclude, among others, the fair value of the financial hedging instruments.



► MILESTONE EVENTS IN THE COURSE OF THE 3rd QUARTER OF 2013

Developments for own account

In her capacity as deputy project owner for her parent company (Home Invest Belgium), Home Invest Development SA continued working on current development projects :

- for obtaining the necessary permits for the **Marcel Thiry** project located at 1200 Brussels ;
- for the preparation of the renovation project and the request of the permit for the **Montoyer 25** project at 1000 Brussels.
- and finally, for the start of the construction plot of the **Pépinière-Brederode** project at 1000 Brussels.

Note that the site of the Pépinière-Brederode project was acquired by Home Invest Belgium by way of notarial deed dated 8 July 2013. The acquisition of the Montoyer 25 property is planned for the month of December 2013. Concerning the Marcel Thiry project, one should remember it is still owned by AXA Belgium SA and that the contribution is subject to several conditions precedent including obtaining the building permit, which the company hopes to obtain in the course of the first quarter of 2014.

Administrative, commercial and technical management

In the course of the 3rd quarter of 2013, the Sicafi continued the insourcing of the administrative, commercial and technical management as well as the accounting of her main properties in the Brussels Capital Region. The new team on site applies for this purpose new management and monitoring procedures, in order to initiate well this new kind of activities.

On a commercial level, Home Invest Belgium has worked to optimize its **occupancy rate** by renting for own account certain spaces in its real estate portfolio when the occasion presented itself. These efforts allowed for the realization of rising occupancy rates quarter after quarter.

Sales

In the context of its arbitrage strategy, Home Invest Belgium continued to proceed with the sales of individual units of residential assets in the course of the 3rd quarter of 2013. At the end of the three first quarters, the sales thus realized allowed a net realized capital gain of € 2 million in respect of the last fair value of the sold properties.

► EVENTS OCCURRED AFTER 30 SEPTEMBER 2013

Home Invest Belgium retained for the acquisition of a property located at 1950 Kraainem, Reine Astrid Avenue 278

On 8 October 2013, Home Invest Belgium was selected by bpost as the purchaser of a property located at Kraainem, on the corner of Reine Astrid Avenue and Wezembeek Avenue, near Dumon square, constructed on a site with an area of +/- 3 360 m². This purchase remains nevertheless subject to the non-exercise of the right of pre-emption stated in the Flemish Housing Code.

Home Invest Belgium intends to demolish the existing building, used as post office, and to construct a new mainly residential property and to submit, for this purpose, requests for the necessary permits. The transfer of the property shall take place at the end of 2013 or at the beginning of 2014. The price of the acquisition amounts to € 2.6 million, which, following the present estimates, should provide a gross initial yield estimated at +/- 6%, after reconversion. The investment budget for the realization of the construction works is estimated at approximately € 6 million.

Acquisition - subject to a resolutive condition - of all shares of Charlent 53 Leasehold Ltd. (SPRL) and of Charlent 53 Freehold Ltd. (SPRL), owners of the property rights relating to a property located at 1160 Auderghem nr. 51-53 Maurice Charlent-street, at the corner of Jules Cockx-street

On 17 October 2013, Home Invest Belgium acquired all the shares of Charlent 53 Leasehold Ltd. (SPRL), owner of a long-term lease right until 2056 over a property located at the corner of Maurice Charlent-street nr. 51-53 and Jules Cockx-street at Auderghem.

The property is located nearby the university campuses of the ULB and the VUB. The acquisition of the shares is subject to obtaining the permits allowing for the transformation of the existing office building into a residential property with multiple housing accommodation that suits students. On 2 September 2013, a request for a building permit was submitted for the realization of 127 accommodations.

Once the required permits obtained no later than the 31st of December 2014, payment shall be made of the amounts due to the sellers. In case such permits are not obtained before the abovementioned date, the operation shall be declared null and void, by consequence of the resolutive condition.

The remaining property rights over this property belong to Charlent 53 Freehold Ltd. (SPRL), the shares of which have been acquired by Home Invest Development under the same resolutive condition.

The conventional value of the full ownership of the property, on the basis of which the price of the acquisition of the shares of these two Ltd's was calculated, amounts to € 5.1 million, while the budget for renovation was estimated at € 5.1 million; following the current estimates this operation should provide for a gross initial yield of +/- 6.5% after reconversion.

All of these new transactions form part of the progressive implementation of the decision taken in 2012 by the Board of Directors of the Sicafi to develop projects for its own account and thus to rejuvenate its portfolio.



► OUTLOOK FOR THE CURRENT FINANCIAL YEAR

Since the initial public offering of the company in June 1999, 14 years ago, the dividend distributed by the Sicafi has increased each year in a noticeable manner.

For the current financial year, on the basis of the results generated in the first 9 months and except in case of unforeseen events, the Board of Directors considers to distribute a higher gross dividend per share, in comparison to the last financial year (it amounted to € 3.25 in the financial year 2012, compared to € 3 in the financial year 2011), except in case of sudden and substantial deterioration of the residential property sales or rental market, which the Board does not expect at the time of writing this press release.

The Board of Directors continues to follow the uncertainties concerning the evolution of interest rates closely, the general economic situation and the rhythm of sales, and will take adequate measures in view of limiting the adverse effects of a possible deterioration of the situation.

The 15th of November 2013
The Board of Directors



For further 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 30 September 2013, its operating portfolio consisted of 75 buildings on 44 sites with a total surface area of ±149 000 m² and a fair value of ± € 279 million, excluding development projects and properties for sale.

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

At 30 September 2013, the total market capitalisation of Home Invest Belgium amounted to € 228 million.

www.homeinvestbelgium.be

