

IMMOBEL



Half-Yearly Financial Report For the period Ended June 30, 2012

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1. INTERIM MANAGEMENT REPORT

On 30th June 2012 IMMOBEL booked sales of 42.09 MEUR, which generated an operating profit of 8.84 MEUR, compared to sales of 38.31 MEUR and an operating profit of 11.04 MEUR at 30th June 2011.

The Office business line booked sales of 21.43 MEUR, compared to 9.82 at 30th June 2011. Residential sales came to 14.62 MEUR as against 12.70 MEUR in 2011; landbanking sales amounted to 6.04 MEUR as against 15.79 in 2011.

Net financial costs came to - 3.18 MEUR as against - 1.70 at 30th June 2011. The increase in net financial costs was mainly due to the 40 MEUR bond issue at a rate of 7 % in December 2011 and February 2012.

The net result for the period comes to 5 MEUR compared to 9.7 MEUR at 30th June 2011.

IMMOBEL Group Business

a) BELGIUM

Sales and deliveries:

▪ Residential:

1. During the first half of 2012, IMMOBEL continued to sell **apartments** in the *Jardins des Sittelles* in Brussels (Woluwe), *Résidence Saint-Hubert* in Liège (50 % stake) and *Résidence Vallée du Maelbeek* in Brussels (50 % stake) projects.
2. Marketing of the intergenerational *Bella Vita* project in Waterloo (50 % stake) started last May. In just under 7 weeks, nearly 40 % of the 269 housing units for sale were reserved by potential buyers.

- Landbanking: During the first half year the Landbanking department sold 88 **plots**.

Finance:

In the first half of 2012, the Group obtained or renewed 8 credit lines and guarantees for a total of 473 MEUR (IMMOBEL' share equals 241 MEUR).

Once again this confirms the confidence the Group's banks in the company and its projects.

In mid-February 2012 IMMOBEL also raised an extra 10 MEUR over and above the 30 MEUR raised by the private bond placement issued in December 2011, with the collaboration of BNP Paribas Fortis and under the same conditions.

As a consequence of the development of the different growth projects, the net financial debt/equity ratio increased and could still increase.

b) GRAND DUCHY OF LUXEMBOURG

Sales of apartments in the *Green Hill* (participation (50 %) project continue at a good pace (74 units on 127 apartments for sale).

c) POLAND

Sales: In March 2012, IMMOBEL sold a non-strategic plot for a residential development in the order of 5,000 m² in Warsaw, as well as 80 % of its stake (50 %) in the company, Bitra Enterprise Sp. z o.o. It retained a plot situated in Warsaw for the development of approximately 65,000 m² of offices.

Permits and work: last June IMMOBEL obtained an “occupancy permit” for the *Okraglak office project* in Poznan.

Furthermore, following the acquisition of new projects, IMMOBEL has reinforced its development team.

Events since 1st July 2012

There have been no significant events since 1st July 2012 that are likely to alter the financial statements.



Outlook for the financial year 2012

Unfavourable conditions persist in the office market in Brussels and IMMOBEL considers that there will be no fundamental change in this market in the short term. IMMOBEL profits otherwise from its presence in both the residential and landbanking markets in Belgium and in Grand Duchy of Luxembourg, as well as from its increasing activities in Poland.

The full year results 2012 are depending on the conclusion of some major contracts which the Company expects to conclude before the end of the year or in the first semester of next year.

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

Main risks and uncertainties

In accordance with Article 13 of the Royal Decree of 14.11.2007, it can be confirmed that the fundamental risks facing the company for the remainder of the financial year are no different from those described on page 76 of the Annual Report 2011.

Current uncertainties relating to the development of the economic climate, real estate markets and funding availability may require, in circumstances that at this stage cannot be anticipated, new risk evaluation. IMMOBEL will see to it that it identifies and isolates these new risks and limits any negative effects these may have on the company and its shareholders.

2. SUMMARISED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

2.1 Consolidated income statement

in thousands of EUR

	Notes	30-06-2012	30-06-2011
OPERATING INCOME		42 811	39 177
Turnover	7	42 093	38 307
Other operating income		718	870
OPERATING EXPENSES		-33 972	-28 138
Cost of sales	8	-25 205	-19 047
Personnel expenses	9	-3 611	-3 253
Amortisation, depreciation and impairment of assets (including reversals)		- 138	- 212
Other operating expenses	10	-5 018	-5 626
OPERATING RESULT		8 839	11 039
Interest income		530	312
Interest expense		-3 360	-2 393
Other financial income		4	656
Other financial expenses		- 352	- 273
FINANCIAL RESULT	11	-3 178	-1 698
Share in the result of investments in associates		10	172
RESULT FROM CONTINUING OPERATIONS BEFORE TAXES		5 671	9 513
Income taxes	12	- 653	191
RESULT FROM CONTINUING OPERATIONS		5 018	9 704
RESULT FOR THE PERIOD		5 018	9 704
Share of non-controlling interests		-5	- 7
SHARE OF IMMOBEL		5 023	9 711
BASIC EARNINGS AND DILUTED EARNINGS PER SHARE (IN EUR)	13		
Result of the continuing operations / Result of the year		1,22	2,35

2.2 Consolidated statement of comprehensive income

in thousands of EUR

	30-06-2012	30-06-2011
Result for the period	5 018	9 704
Other comprehensive income - items subject to subsequent recycling in the income statement		
Currency translation	816	0
Currency translation - recycling in the income statement	- 256	0
Other comprehensive income - items that are not subject to subsequent recycling in the income statement	0	0
Other comprehensive income	560	0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	5 578	9 704
Share of non-controlling interests	- 5	- 7
SHARE OF IMMOBEL	5 583	9 711

2.3 Consolidated statement of financial position

in thousands of EUR

ASSETS	Notes	30-06-2012	31-12-2011
NON-CURRENT ASSETS		7 473	5 844
Intangible assets		222	47
Property, plant and equipment		1 140	1 214
Investment property		2 286	2 286
Investments in associates	14	1 056	1 254
Participating interests available for sale	15	1 379	77
Deferred tax assets	16	1 137	717
Other non-current assets		253	249
CURRENT ASSETS		416 738	400 954
Inventories	17	361 213	327 863
Trade receivables	18	12 006	10 956
Tax receivables		22	5
Other current assets	19	14 326	15 166
Cash and cash equivalents	20	29 171	46 964
TOTAL ASSETS		424 211	406 798

EQUITY AND LIABILITIES	Notes	30-06-2012	31-12-2011
TOTAL EQUITY		181 157	182 792
EQUITY SHARE OF IMMOBEL		181 197	182 825
Share capital		60 302	60 302
Retained earnings		120 328	122 517
Reserves		566	6
Non-controlling interests		- 40	- 33
NON-CURRENT LIABILITIES		103 895	112 644
Employee benefit obligations		299	299
Provisions	21	3 024	2 997
Financial debts	20	100 572	109 348
CURRENT LIABILITIES		139 159	111 362
Provisions	21	1 412	1 479
Financial debts	20	78 121	74 330
Trade payables	22	14 729	20 883
Tax liabilities		2 543	1 476
Derivative financial instruments	20	2 070	1 807
Other current liabilities	23	40 284	11 387
TOTAL EQUITY AND LIABILITIES		424 211	406 798

2.4 Consolidated cash flow statement

in thousands of EUR

	Notes	30-06-2012	30-06-2011
Cash from operating activities	24	-6 023	-57 715
Cash from investing activities		- 17	3 824
Cash from financing activities	25	-11 753	37 300
Net increase or decrease (-) in cash and cash equivalents		-17 793	-16 591
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		46 964	34 239
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		29 171	17 648

Acquisitions and sales of projects, either directly or indirectly through the acquisition of project company, are not considered as investing activities and are directly included in the cash flows from the operating activities.

2.5 Consolidated statement of changes in equity

in thousands of EUR

	Capital	Retained earnings	Currency translation	Reserve for defined benefit plans	Equity to be allocated to the Group	Non Controlling interests	Total equity
2011							
Balance as at 01-01-2011	60 302	111 485	-	365	172 152	- 23	172 129
Total comprehensive income for the period		9 711			9 711	- 7	9 704
Dividends paid		-5 152			-5 152		-5 152
Changes in the period		4 559			4 559	- 7	4 552
Balance as at 30-06-2011	60 302	116 044	-	365	176 711	- 30	176 681
2012							
Balance as at 01-01-2011	60 302	122 517	- 418	424	182 825	- 33	182 792
Total comprehensive income for the period		5 023	5 60-		5 583	- 5	5 578
Dividends paid		-7 213			-7 213		-7 213
Other		1			1	- 2	- 1
Changes in the period	0	-2 189	560		-1 628	- 7	-1 635
Balance as at 30-06-2012	60 302	120 328	142	424	181 197	- 40	181 157

Following the merger on 23rd May 2012 with IMMOBEL of the Immobiliën Vennootschap van Vlaanderen, known for short as "INVESTIMMO", the registered capital is represented by 4,121,987 shares.

2.6 Notes to the consolidated financial statements

in thousands of EUR

1. Preparation basis

The half-year consolidated financial statements have been prepared in accordance with the IAS 34 Interim Financial Reporting as adopted in the European Union.

2. Accounting principles and methods

The half-year consolidated financial statements have been prepared on the historical cost basis, except for investment property, securities held for trading, available-for-sale securities and derivative financial instruments which are measured at fair value.

The accounting principles and methods used for the interim financial statements are the same as for the annual financial statements of the accounting year 2011 except for the following standards and interpretations applicable for the annual period beginning on 1 January 2012 :

- Amendments to IFRS 1 First Time Adoption of International Financial Reporting Standards - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (applicable for annual periods beginning on or after 1 July 2011)
- Amendments to IFRS 7 Financial Instruments: Disclosures - Derecognition (applicable for annual periods beginning on or after 1 July 2011)
- Amendments to IAS 12 Income Taxes - Deferred Tax: Recovery of Underlying Assets (applicable for annual periods beginning on or after 1 January 2012)

Standards and interpretations published, but not yet applicable for the annual period beginning on 1 January 2012 :

- IFRS 9 Financial Instruments and subsequent amendments (applicable for annual periods beginning on or after 1 January 2015)
- IFRS 10 Consolidated Financial Statements (applicable for annual periods beginning on or after 1 January 2013)
- IFRS 11 Joint Arrangements (applicable for annual periods beginning on or after 1 January 2013)
- IFRS 12 Disclosures of Interests in Other Entities (applicable for annual periods beginning on or after 1 January 2013)
- IFRS 13 Fair Value Measurement (applicable for annual periods beginning on or after 1 January 2013)
- Improvements to IFRS (2009-2011) (normally applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IFRS 1 First Time Adoption of International Financial Reporting Standards - Government Loans (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IFRS 7 Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IFRS 10, IFRS 11 and IFRS 12 - Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IAS 1 Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income (applicable for annual periods beginning on or after 1 July 2012)
- Amendments to IAS 19 Employee Benefits (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IAS 27 Separate Financial Statements (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IAS 28 Investments in Associates and Joint Ventures (applicable for annual periods beginning on or after 1 January 2013)
- Amendments to IAS 32 Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities (applicable for annual periods beginning on or after 1 January 2014)
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (applicable for annual periods beginning on or after 1 January 2013)

The potential impacts of these standards and interpretations on the consolidated accounts of the group are being determined.

2.6 Notes to the consolidated financial statements

in thousands of EUR

3. Main accounting judgments and estimations

Main accounting judgments and estimations are identical to those given on page 94 (paragraph 21) of the 2011 Annual Report. They mainly concern the deferred tax assets, depreciation and impairment of assets, provisions, projects in inventory and construction contracts.

4. Scope of consolidation

The number of entities included in the scope of consolidation evolve as follows:

	30-06-2012	31-12-2011
Subsidiaries - Global method of consolidation	21	22
Joint ventures - Proportionate method of consolidation	15	17
Associates - Equity method	3	4
Total	39	43

During the first half year of 2011, the consolidation area noted following moves :

Incoming companies :

Immobiëlen Vennootschap van Vlaanderen - company incorporated on 28-06-2012, 100% holding.

Outgoing companies :

- Sale of 80% of the participatin interests in the company Bitra (50% holding)
- Investimmo - 100 % holding - merged by absorption by Immobel
- Harmonia - 100 % holding - merged by absorption by Immobel
- Lex 2000 - 50 % holding - merged by absorption by Société Espace Léopold
- Esplanade 64 - 25% holding - in liquidation

5. Information by segment

The core business of the Company, real estate development, includes the activities of “offices”, “residential development” and “land development”. Projects are allocated to sectors based on their allocation in office buildings, residential buildings or parcelled or to parcel land.

The Group’s activity is mainly carried out in Belgium, Grand Duchy of Luxembourg and Poland.

6. Financial information by business segment

Result	30-06-2012	30-06-2011
Operating result		
Offices ¹	5 857	924
Residential Development ²	713	2 742
Land Development ³	2 269	7 373
Operating result	8 839	11 039
Financial result	-3 178	-1 698
Share in the result of investments in associates	10	172
Income taxes	- 653	191
Result from continuing operations	5 018	9 704
Net result	5 018	9 704

2.6 Notes to the consolidated financial statements

in thousands of EUR

Balance sheet items	Offices	Residential Development	Land Development	Consolidated
30-06-2012				
Segment assets	237 554	77 820	75 819	391 193
Unallocated items ¹				33 018
Total assets				424 211
Segment liabilities	41 224	15 554	2 970	59 748
Unallocated items ¹				183 306
Total liabilities				243 054

31-12-2011

Segment assets	205 073	78 675	73 784	357 532
Unallocated items ¹				49 266
Total assets				406 798
Segment liabilities	18 931	14 104	4 010	37 045
Unallocated items ¹				186 961
Total liabilities				224 006

	Belgium	Grand Duchy of Luxembourg	Poland	Total
Segment assets 30-06-2012	278 760	54 293	58 140	391 193
Segment assets 31-12-2011	240 123	54 499	62 910	357 532

1. Unallocated items: Assets: Investments in associates & participating interests available for sale - Deferred tax assets - Other non-current assets - Tax receivables - Cash and cash equivalents - Liabilities: Deferred tax liabilities - Financial debts - Tax liabilities - Derivative financial instruments. Intangible assets, property plan and equipment are allocated to segments based on an allocation formula.

7. Turnover

Turnover is allocated as follows per segment :

	30-06-2012	30-06-2011
Offices ¹	21 425	9 820
Residential Development ²	14 628	12 696
Land Development ³	6 039	15 791
Total turnover	42 093	38 307

Allocation of this position by geographical area is as follows :

	30-06-2012	30-06-2011
Belgium	13 103	35 654
Grand Duchy of Luxembourg	7 464	1 701
Poland	21 525	952
Total turnover	42 093	38 307

¹ The "offices" turnover is mainly influenced by the sale of 80% of the participating interests in the company Bitra Enterprise Sp. z o.o., which has a lot of approximately 65,000 m², located in Warsaw, for office development.

² The promotions *Jardins des Sittelles* in Brussels (Woluwe-Saint-Lambert), *Résidence Saint-Hubert* in Liège, *Résidence Vallée du Maelbeek* in Brussels City and *Green Hill* in the Grand Duchy of Luxembourg contribute in particular to the "residential development" turnover.

³ Recurrent sales of the "land development" are stable compared to the previous period, period which included the proceeds from the sale of a retail project in Wavre.

2.6 Notes to the consolidated financial statements

in thousands of EUR

8. Cost of sales

Cost of sales is allocated as follows per segment:

	30-06-2012	30-06-2011
Offices	-10 454	-3 958
Residential Development	-12 136	-8 269
Land Development	-2 615	-6 820
Total cost of sales	-25 205	-19 047

and are related with the turnover and the projects above.

9. Personnel expenses

This heading includes salaries and fees of personnel, Members of the Executive Committee and non-executive Directors.

10. Other operating expenses

Break down as follows :

	30-06-2012	30-06-2011
Services and other goods	-4 018	-4 195
Provisions	37	- 145
Other expenses	-1 037	-1 286
Other operating expenses	-5 018	-5 626

11. Financial result

The financial result breaks down as follows :

	30-06-2012	30-06-2011
Cost of gross financial debt at amortises costs	-4 958	-2 847
Fair value changes on financial instruments	- 263	640
Financial income from cash investments	530	312
Other financial charges	- 89	- 273
Other financial income	4	16
Activated costs on projects in development	1 598	454
Financial result	-3 178	-1 698

The increase in cost of financial debt is explained primarily by the financial charges with the bond issue for an amount of 40 MEUR at a rate of 7%, issued in December 2011 for 30 MEUR and February 2012 for 10 MEUR.

12. Income taxes

Income taxes are as follows :

	30-06-2012	30-06-2011
Current income taxes	-1 073	- 423
Recognition of deferred tax assets on tax losses and notional interests	420	614
Total of tax expenses recognized in the statement of comprehensive income	- 653	191

13. Earnings per share

Due to the absence of potential dilutive ordinary shares in circulation, the basic result per share is the same as the diluted result per share.

Basic earnings and diluted earnings per share are determined using the following information :

	30-06-2012	30-06-2011
Average number of shares considered for basic earnings and diluted earnings	4 121 987	4 121 934
Net result from continuing operations	5 018	9 704
Group's share in the net result for the year	5 023	9 711
Net per share (inEUR):		
- Result of the continuing operations	1,22	2,35
- Group's share in the net result of the year	1,22	2,36

2.6 Notes to the consolidated financial statements

in thousands of EUR

Saisonable character of the results

Due to intrinsic character of its activity, Real Estate Development, the results of the first half year 2012 can not be extrapolated over the whole year.

These results depend from the final transactions before 31st December 2012.

14. Investments in associates

Investments in associates refer to the "offices development" activity and are as follows :

	30-06-2012	31-12-2011
Value as at 1 january	1 254	7 445
Share in result	10	305
Acquisitions and transfers from accounts	13	13
Disposals and retirements	- 220	-
Dividends paid by the companies	-	-4 634
Repayment of capital by the companies	-	-1 875
Changes for the year	- 198	-6 191
Value as at 30 june / 31 december	1 056	1 254

15. Investments available for sale

The investments available for sale moved as follows :

	30-06-2012	31-12-2011
Value as at 1 january	77	77
Disposals/Reverse	0	0
Acquisitions	1 302	-
Changes for the year	1 302	0
Value as at 30 june / 31 december	1.379	77

16. Deferred tax assets

Deferred taxes on the balance sheet refer to the following temporary differences :

	30-06-2012	31-12-2011
Tax losses	1 137	717
TOTAL	1 137	717

	30-06-2012	31-12-2011
On 1 january	717	74
Recognition of deferred tax assets	420	643
Value as at 30 june / 31 december	1 137	717

17. Inventories

Inventories consist of buildings and land acquired for development and resale. Allocation of this position by segment is as follows :

	30-06-2012	31-12-2011
Offices	225 877	190 381
Residential Development	67 281	71 500
Land Development	68 055	65 982
Total inventories	361 213	327 863

Allocation of this position by geographical area is as follows :

	30-06-2012	31-12-2011
Belgium	257 570	217 141
Grand Duchy of Luxembourg	46 849	49 866
Poland	56 793	60 856
Total inventories	361 213	327 863

2.6 Notes to the consolidated financial statements

in thousands of EUR

The book value of inventories is as follows :

	30-06-2012	31-12-2011
Inventory as at 1 january	327 863	240 769
Purchases and developments for the year	57 297	127 668
Disposals of the year	-25 538	-41 757
Activated financial costs	1 598	989
Transfers from other accounts	-	- 263
Write-offs recorded	- 7	- 471
Write-offs reversed	-	928
Movements during the year	33 350	87 094
Inventory as at 30 june / 31 december	361 213	327 863

Break down of the movements of the year per segment:

	Purchases and develop- ment	Disposals	Activated financial costs	Transfers	Net impairment	Net
Offices	41 385	-9 995	1 534	2 578	- 5	35 496
Residential Development	11 205	-12 909	64	-2 578	- 1	-4 220
Land Development	4 708	-2 634				2 074
Total	57 297	-25 538	1 598		- 7	33 350

Break down of the movements of the year per geographical area :

	Purchases and develop- ment	Disposals	Activated financial costs	Transfers	Net impairment	Net
Belgium	47 800	-8 795	1 431		- 7	40 429
Grand Duchy of Luxembourg	3 153	-6 233	64			-3 017
Poland	6 345	-10 510	103			-4 063
Total	57 297	-25 538	1 598		- 7	33 350

18. Trade receivables

Trade receivables refer to the following segments :

	30-06-2012	31-12-2011
Offices	869	2 174
Residential Development	5 438	2 893
Land Development	5 699	5 889
Total trade receivables	12 006	10 956

19. Other current assets

The components of this account are :

	30-06-2012	31-12-2011
Other receivables	9 475	10 634
from which: advances to joint ventures, associates and on projects in participation	3 709	4 205
taxes (other than income taxes) and VAT receivable	2 542	3 530
grants and allowances receivable	1 358	1 358
other	1 866	1 541
Deferred charges and accrued income	4 851	4 532
from which: on projects in development	3 982	3 833
other	869	699
Total other current assets	14 326	15 166

2.6 Notes to the consolidated financial statements

in thousands of EUR

and are related to the following segments :

	30-06-2012	31-12-2011
Offices	7 853	9 675
Residential Development	4 900	4 074
Land Development	1 573	1 417
Total other current assets	14 326	15 166

20. Information related to the net financial debt

The Group's net financial debt is the balance between the cash & cash equivalents and the financial debts (current and non current). It's -149,522 KEUR as at 30 june 2012 compared to - 136,714 KEUR as at 31 december 2011.

	30-06-2012	31-12-2011
Cash and cash equivalents (+)	29 171	46 964
Non current financial debts (-)	100 572	109 348
Current financial debts (-)	78 121	74 330
Net financial debt	-149 522	-136 714

The Group's gearing ratio is 82,5 % as at 30 june 2012 compared to 75% at the end of 2011.

Financial debts

Financial debt decrease with 4,985 KEUR, from 183,678 KEUR as at 31 december 2011 to 178,693 KEUR as at 30 june 2012. The components of financial debts are as follows :

	30-06-2012	31-12-2011
Bond issue maturity 21-12-2016 at 7% - nominal amount 40 MEUR 30-06-2012 / 30 MEUR 31-12-2011	39 283	29 403
Credit institutions	61 289	79 945
Non current financial debts	100 572	109 348
Credit institutions	78 121	74 330
Current financial debts	78 121	74 330
Total financial debts	178 693	183 678

Financial debts evolve as follows :

	30-06-2012	31-12-2011
Financial debts as at 1 january	183 678	88 180
Contracted debts	29 021	100 922
Repaid debts	-34 006	-5 424
Financial debts as at 31 december	178 693	183 678

All the financial debts are denominated in EUR.

IMMOBEL has completed on February 2012 an additional bookbuilding of 10 MEUR to the private placement of bonds of 15 December 2011, at the same conditions as the first placement of 30 MEUR, maturity December 2016 and bear a coupon of 7% payable annually in arrears.

Except the bond, the financing of the Group and the financing of the Group's projects are provided based on a short-term rate, the 1 to 12 month euribor, increased by commercial margin.

Immobel disposes at June 30, 2012 of 60 MEUR credit facility (corporate credit signed in May 2011), of which 30 MEUR used at end of June 2012, due in June 2014.

Moreover, Immobel disposes at June 30, 2012 of confirmed bank credit lines for 208 MEUR of which 109 MEUR used at end of June 2012. These credit lines (project financing credits) are specific for certain projects in development.

In March 2012, a bank syndicate has granted a specific funding of 224 MEUR (100%) in the framework of the BelAir project, co-developed by Immobel for 40%; this credit is due in March 2014.

At June 30, 2012, the book value of Group's assets pledged to secure the corporate credit and the project financing credits amounts to 305 MEUR

2.6 Notes to the consolidated financial statements

in thousands of EUR

The financial debt schedule of the Group is summarised as follows :

Due in	2012	2013	2014	2016	Total
Bond	-	-	-	39 283	39 283
Corporate crédit	-	-	30 000	-	30 000
Project Financing credits	44 775	35 996	28 639	-	109 410
Total financial debts	44 775	35 996	58 639	39 283	178 693

Interest rate risk

In the frame of the availability of long term credits, corporate or project financing, the Group uses financial instruments mainly for the hedging of interest rates.

At 30 June 2012, the derivative financial instruments have been concluded as to hedge future risks and are the following:

	Period	Instruments	Strike	Notional amounts
	02/2011 - 06/2013	CAP bought	3,50%	15 750
	06/2011 - 06/2014	CAP bought	4,00%	36 000
	09/2011 - 09/2012	CAP bought	5,00%	19 775
	03/2010 - 03/2014	IRS	3,02%	10 000
	03/2010 - 03/2014	IRS	3,07%	8 000
	03/2010 - 03/2014	IRS	2,99%	7 000
	06/2010 - 06/2013	IRS	2,88%	20 000
	03/2012 - 06/2014	IRS	0,94%	22 964
		Total		139 489

The change in fair value of financial instruments is recognized through the income statement.

	30-06-2012	31-12-2011
Fair value of financial instruments		
Hedging instruments		
- Bought CAP Options	11	20
- IRS	-2 081	-1 827
TOTAL	-2 070	-1 807

	30-06-2012	31-12-2011
Change in fair value of the derivative financial instruments		
Situation at 1 january	-1 807	-1 824
Changes during the period	- 263	17
Situation at 30 june / 31 december	-2 070	-1 807

No instrument has been documented as hedge accounting at 30 june 2012.

21. Provisions

The components of provisions are as follows:

				30-06-2012	31-12-2011
Provisions related to the sales				1 250	1 278
Provisions for litigations				3 007	2 980
Other provisions				179	218
Total provisions	Related to the sales	Litigations	Other	4 436	4 476
Provisions as at 1 january	1 278	2 980	218	4 476	5 360
Additions	2	27		29	266
Utilisations	- 30	-	- 39	- 69	-1 050
Release		-	-		- 100
Changes for the year	- 29	27	- 39	- 40	- 884
Provisions at 30 june / 31 december	1 249	3 007	179	4 436	4 476
From which current provisions				1 412	1 479

2.6 Notes to the consolidated financial statements

in thousands of EUR

Allocation of this position by segment is as follows :

	30-06-2012	31-12-2011
Offices	2 977	2 988
Residential Development	1 032	1 062
Land Development	426	426
Total	4 436	4 476

22. Trade payables

This account is allocated by segment as follows:

	30-06-2012	31-12-2011
Offices	8 096	12 441
Residential Development	5 136	6 156
Land Development	1 497	2 286
Total trade payables	14 729	20 883

23. Other current liabilities

The components of this account are:

	30-06-2012	31-12-2011
Personnel debts	695	611
Taxes (other than income taxes) and VAT payable	4 682	286
Advance on sales ¹	25 989	3 088
Advances from joint ventures and associates	2 731	2 313
Accrued charges and deferred income	2 694	1 052
Operating grants	2 263	2 263
Other current liabilities	1 230	1 774
Total other current liabilities	40 284	11 387

¹ In addition to advances received related to residential projects, this item includes the advance received on the sale of the buildings of the second phase of the Forum project.

Other current liabilities are related to the following segments :

	30-06-2012	31-12-2011
Offices	29 964	3 359
Residential Development	9 330	6 832
Land Development	990	1 196
Other current liabilities	40 284	11 387

Trade receivables and payables and other receivables and payables :

	30-06-2012	31-12-2011
Trade receivables	12 006	10 956
Other current assets	14 326	15 166
Total of trade receivables and other current assets	26 332	26 122
Trade payables	14 729	20 883
Other current liabilities	40 284	11 387
Total of trade payables and other current liabilities	55 013	32 270
Net situation of receivables and payables	-28 681	-6 148

2.6 Notes to the consolidated financial statements

in thousands of EUR

24. Cash from operating activities

The components by kind are :

	30-06-2012	30-06-2011
Operating result	8 839	11 039
Non cash items	-1 204	416
Cash flow from operations before changes of working capital, paid interests and paid taxes	7 635	11 455
Change in working capital	-9 716	-66 616
Cash flow from operations before paid interests and paid taxes	-2 081	-55 161
Paid interests	-3 919	-2 367
Paid taxes	- 23	- 187
Cash from operating activities	-6 023	-57 715

The change in working capital by kind is established as follows :

	30-06-2012	30-06-2011
Inventories, including acquisition and sale of entities that are not considered as business combinations	-31 199	-55 945
Advance on sales	22 901	-3 760
Trade payables	-6 154	- 476
Taxes (other than income taxes) and VAT payable	4 396	-1 835
Other current assets and liabilities	340	-4 600
Change in working capital	-9 716	-66 616

25. Cash from financing activities

The components by kind are :

	30-06-2012	30-06-2011
Increase in financial debts	29 021	47 452
Repayment of financial debts	-34 006	-5 000
Gross dividend paid	-7 213	-5 152
Other financing cash flow	445	-
Cash from financing activities	-11 753	37 300

26. Main commitments

	30-06-2012	31-12-2011
Commitments for the acquisition of inventories	4 051	15 124
Commitments for the disposal of inventories	39 819	26 607

27. Events subsequent to interim reporting date

No significant event that may change the financial statements occurred from the reporting date on 30 June 2012 up to 30 August 2012 when the financial statements were approved by the Board of Directors.

3. DECLARATION IN ACCORDANCE WITH ARTICLE 13 OF THE ROYAL DECREE OF 14.11.2007

Baron Buysse, in his capacity of President of the Board of Directors, Gaëtan Piret ^{SPRL}, represented by M. Gaëtan Piret, in his capacity of Managing Director and M. Philippe Opsomer, in his capacity of Head of Finance, declare that, as far as they are aware :

- a. the interim report contains a true representation of the major events and, where appropriate, of the main transactions between the parties involved that took place during the first 6 months of the financial year and of their impact on the set of summarised accounts, as well as a description of the main risks and uncertainties for the remaining months of the financial year.
- b. the set of summarised financial statement, which have been drawn up in accordance with applicable accounting regulations, and which have been the subject of a limited review by the auditor, give a true representation of the financial situation and profits and losses of the IMMOBEL Group and of its subsidiaries.

Compagnie Immobilière de Belgique SA, en abrégé Immobel SA

Limited review report on the consolidated interim financial information for the six-month period ended 30 June 2012

To the board of directors

We have performed a limited review of the accompanying condensed consolidated statement of financial position, condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated cash flow statement, condensed consolidated statement of changes in equity and selective notes 1 to 27 (jointly the "consolidated interim financial information") of Compagnie Immobilière de Belgique SA, en abrégé Immobel SA ("the company") and its subsidiaries (jointly "the group") for the six-month period ended 30 June 2012. The board of directors of the company is responsible for the preparation and fair presentation of this consolidated interim financial information. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

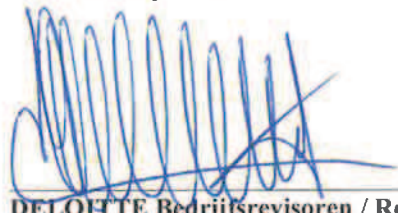
The consolidated interim financial information has been prepared in accordance with international financial reporting standard IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

Our limited review of the interim financial information was conducted in accordance with international standard ISRE 2410 – *Review of interim financial information performed by the independent auditor of the entity*. A limited review consists of making inquiries of group management and applying analytical and other review procedures to the consolidated interim financial information and underlying financial data. A limited review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA). Accordingly, we do not express an audit opinion on the consolidated interim financial information.

Based on our limited review, nothing has come to our attention that causes us to believe that the consolidated interim financial information for the six-month period ended 30 June 2012 is not prepared, in all material respects, in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

Diegem, 30 August 2012

The statutory auditor



DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Laurent Boxus