CONSOLIDATED AND STATUTORY CONDENSED FINANCIAL ACCOUNTS

I. CONSOLIDATED ACCOUNTS

A. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IN THOUSANDS EUR)

	NOTES	31/12/2020	31/12/2019
OPERATING INCOME		375 390	419 547
Turnover	2	364 479	408 784
Other operating income	3	10 911	10 763
OPERATING EXPENSES		-333 526	-327 192
Cost of sales	4	-300 766	-291 027
Cost of commercialisation	5	-1 702	-3 160
Administration costs	6	-31 057	-33 005
SALE OF AFFILIATES		133	19 618
Gain on sale of affiliates	7	133	19 618
JOINT VENTURES AND ASSOCIATES		7 994	4 985
Share in the net result of joint ventures and associates	8	7 994	4 985
OPERATING RESULT		49 991	116 958
Interest income		5 773	3 240
Interest expense		-11 859	-7 524
Other financial income		1 440	738
Other financial expenses		-2 649	-1 782
FINANCIAL RESULT	9	-7 295	-5 328
RESULT FROM CONTINUING OPERATIONS BEFORE TAXES		42 696	111 630
Income taxes	10	-8 650	-9 390
RESULT FROM CONTINUING OPERATIONS		34 047	102 240
RESULT OF THE YEAR		34 047	102 240
Share of non-controlling interests		775	- 196
SHARE OF IMMOBEL		33 272	102 436

	NOTES	31/12/2020	31/12/2019
RESULT OF THE YEAR		34 047	102 240
Other comprehensive income - items subject to subsequent recycling in the income statement		2 282	
Currency translation		2 282	
Other comprehensive income - items that are not subject to subsequent recycling in the income statement	27	201	- 1
Actuarial gains and losses (-) on defined benefit pension plans	27	201	- 1
Deferred taxes			
TOTAL OTHER COMPREHENSIVE INCOME		2 483	- 1
COMPREHENSIVE INCOME OF THE YEAR		36 530	102 239
Share of non-controlling interests		964	- 196
SHARE OF IMMOBEL		35 566	102 435

	NOTES	31/12/2020	31/12/2019
NET RESULT PER SHARE (€) (BASIC)	11	3,58	11,66
COMPREHENSIVE INCOME PER SHARE (€) (BASIC)	11	3,82	11,66
NET RESULT PER SHARE (€) (DILUTED)	11	3,58	11,65
COMPREHENSIVE INCOME PER SHARE (€) (DILUTED)	11	3,82	11,65

B. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IN THOUSANDS EUR)

ASSETS	NOTES	31/12/2020	31/12/2019
NON-CURRENT ASSETS		448 370	213 311
Intangible assets	12	582	543
Goodwill	13	43 789	43 789
Property, plant and equipment	14	1 388	983
Right-of-use assets	15	4 390	6 441
Investment property	16	197 149	81 123
Investments in joint ventures and associates	17	106 195	55 899
Advances to joint ventures and associates	17	76 644	9 492
Other non-current financial assets	18	175	4 920
Deferred tax assets	19	16 369	6 374
Other non-current assets	20	1 689	3 747
CURRENT ASSETS		982 768	1 087 903
Inventories	21	683 121	694 580
Trade receivables	22	33 168	72 516
Contract assets	23	57 251	42 228
Tax receivables		3 450	2 703
Other current assets	24	37 269	41 937
Advances to joint ventures and associates		20 399	77 743
Other current financial assets		49	50
Cash and cash equivalents	25	148 059	156 146
TOTAL ASSETS		1 431 137	1 301 214

EQUITY AND LIABILITIES	NOTES	31/12/2020	31/12/2019
TOTAL EQUITY	26	494 490	428 162
EQUITY SHARE OF IMMOBEL		491 922	426 151
Share capital		97 256	97 256
Retained earnings		392 143	328 693
Reserves		2 524	202
NON-CONTROLLING INTERESTS		2 568	2 011
NON-CURRENT LIABILITIES		609 602	523 379
Employee benefit obligations	27	603	633
Deferred tax liabilities	19	37 301	15 447
Financial debts	25	571 139	507 008
Derivative financial instruments	25	560	291
CURRENT LIABILITIES		327 045	349 673
Provisions	28	2 114	3 882
Financial debts	25	180 810	200 063
Trade payables	29	60 927	59 564
Contract liabilities	30	3 896	5 690
Tax liabilities		7 110	1 354
Other current liabilities	31	72 188	79 120
TOTAL EQUITY AND LIABILITIES		1 431 137	1 301 214

C. CONSOLIDATED STATEMENT OF CASH FLOW POSITION (IN THOUSANDS EUR)

	NOTES	31/12/2020	31/12/2019
Operating income		375 390	419 547
Operating expenses		-333 526	-327 192
Amortisation, depreciation and impairment of assets		3 684	5 788
Change in provisions		-1 198	1 839
Dividends received from joint ventures and associates		10 533	2 630
Disposal of joint ventures and associates	17		66
Repayment of capital and advances by joint ventures		17 113	23 608
Acquisitions, capital injections and loans to joint ventures and associates		-70 095	-41 775
CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL		1 901	84 511
Change in working capital	33	-80 846	-210 565
CASH FLOW FROM OPERATIONS BEFORE PAID INTERESTS AND PAID TAXES		-78 945	-126 054
Paid interests	9	-18 936	-12 539
Interest received		5 773	3 240
Other financing cash flows		- 552	-2 534
Paid taxes	10	-6 011	-10 606
CASH FROM OPERATING ACTIVITIES		-98 671	-148 493
Acquisitions of intangible, tangible and other non-current assets		- 878	-5 837
Acquisitions of affiliates	13		-67 019
Disposal of affiliates	7	9 792	28 508
CASH FROM INVESTING ACTIVITIES		8 914	-44 348
Increase in financial debts		151 931	291 307
Repayment of financial debts		-100 881	-91 965
Sales of own shares		57 600	
Gross dividends paid		-26 981	-21 241
CASH FROM FINANCING ACTIVITIES		81 669	178 101
NET INCREASE OR DECREASE (-) IN CASH AND CASH EQUIVALENTS		-8 088	-14 740
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		156 146	170 886
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		148 058	156 146

Acquisitions and sales of projects, either directly or indirectly through the acquisition or the sale of a project company (subsidiaries, joint ventures and associates), are usually directly included in the cash flows from the operating activities, mainly "Operating income / Operating expenses and change in working capital".

Acquisitions of investment property, insofar as these are related to a future development project, are included in the cash flows from the operating activities.

D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IN THOUSANDS EUR)

2020	CAPITAL	RETAINED EARNINGS	ACQUISITION RESERVE	CURRENCY TRANSLATION	RESERVE FOR DEFINED BENEFIT PLANS	HEDGING RESERVES	EQUITY TO BE ALLOCATED TO THE GROUP	NON CONTROLLING INTERESTS	TOTAL EQUITY
Balance as at 01-01-2020	97 256	258 344	70 321	55	175		426 151	2 011	428 162
Before treasury shares	97 256	258 344	124 869	55	175		480 699	2 011	482 710
Treasury shares			-54 548				-54 548		-54 548
Comprehensive income for the year		33 272					33 272	775	34 047
Other comprehensive income				2 092	202		2 294	189	2 483
Dividends and other beneficiaries paid		-26 551					-26 551	- 430	-26 981
Cash flow hedging						- 560	- 560		- 560
Scope changes		- 23					- 23	23	
Transactions on treasury shares		16 216	41 384				57 600		57 600
Other changes		- 261					- 261		- 261
Changes in the year		22 653	41 384	2 092	202	- 560	65 771	557	66 328
Balance as at 31-12-2020	97 256	280 997	111 705	2 147	377	- 560	491 922	2 568	494 490
Before treasury shares	97 256	280 997	124 869	2 147	377	- 560	505 086	2 568	507 654
Treasury shares			-13 164				-13 164		-13 164

2019	CAPITAL	RETAINED EARNINGS	ACQUISITION RESERVE	CURRENCY TRANSLATION	RESERVE FOR DEFINED BENEFIT PLANS	HEDGING RESERVES	EQUITY TO BE ALLOCATED TO THE GROUP	NON CONTROLLING INTERESTS	TOTAL EQUITY
Balance as at 01-01-2019	97 256	177 187	69 960	55	176		344 634	116	344 750
Before treasury shares	97 256	177 187	124 869	55	176		399 543	116	399 659
Treasury shares			-54 909				-54 909		-54 909
Comprehensive income for the year		102 436					102 436	- 196	102 240
Other comprehensive income					- 1		- 1		- 1
Dividends and other beneficiaries paid		-21 241					-21 241		-21 241
Scope changes								2 091	2 091
Other changes		- 38	361				323		323
Changes in the year		81 157	361		- 1		81 517	1 895	83 412
Balance as at 31-12-2019	97 256	258 344	70 321	55	175		426 151	2 011	428 162
Before treasury shares	97 256	258 344	124 869	55	175		480 699	2 011	482 710
Treasury shares			-54 548				-54 548		-54 548

A gross dividend of EUR 2.77 per share (excluding treasury shares) was proposed by the Board of Directors on March 4, 2021. It will be submitted to the shareholders for approval at the general meeting. The appropriation of income has not been recognized in the financial statements as of December 31, 2020.

On December 31, 2020 the treasury shares, resulting from the merger with ALLFIN, remain valued at the share price on June 29, 2016, which was the date of the merger.

The currency translation adjustments are related to Polish entities for which the functional currency is in zloty.

E. ACCOUNTING PRINCIPLES AND METHODS

1) GENERAL INFORMATION

IMMOBEL (hereafter named the "Company") is a limited company incorporated in Belgium. The address of its registered office is Rue de la Régence 58 at 1000 Brussels.

2) STATEMENT OF COMPLIANCE WITH IFRS

The consolidated financial statements have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union. The Board of Directors settled the consolidated financial statements and approved their publication on March 4, 2021.

The accounting principles and methods used are the same as those used for the consolidated financial statements for the year ended December 31, 2019

STANDARDS AND INTERPRETATIONS APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON 1 JANUARY 2020

- Amendments to IAS 1 and IAS 8 Definition of Material
- *Amendments to IFRS 3 Business Combinations: Definition of a Business*
- Amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform
- Amendments to references to the Conceptual Framework in IFRS standards

While the list of new standards is provided below, not all of these new standards will have an impact on these financial statements.

STANDARDS AND INTERPRETATIONS PUBLISHED, BUT NOT YET APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON 1 JANUARY 2020

The Group has not anticipated the following standards and interpretations which are not yet applicable on 31 December 2020:

- IFRS 17 Insurance Contracts (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU)
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts — Cost of Fulfilling a Contract (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU)
- Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU)
- Amendment to IFRS 4 Insurance Contracts – deferral of IFRS 9 (applicable for annual periods beginning on or after 1 January 2021) • Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 (applicable for annual periods beginning on or after 1 January 2021)
- Amendment to IFRS 16 Leases: COVID-19-Related Rent Concessions (applicable for annual periods beginning on or after 1 June 2020)
- Annual Improvements to IFRS Standards 2018–2020 (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU)

The process for determining the potential impact of these standards and interpretations on the Group's consolidated financial statements is ongoing. The group does not expect any changes resulting from the application of these standards.

3) PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements are presented in thousands of EUR.

They are prepared on the historical cost basis, except for some financial instruments which are measured at fair value, as explained in the accounting policies below.

GOING CONCERN

Considering the impact of COVID 19 on the economic circumstances and on the current financial performance of the company, the Board of Directors re-assessed the going concern assumption of the company on March 4, 2021 based on the FY 2021 budget.

In this context of crisis, the Group has paid particular attention to adequately reflect the current and expected impact of the COVID-19 situation on the financial position, performance and cash-flows of the company, applying the IFRS accounting principles in a consistent manner.

- General business performance

Covid-19 is currently still having an impact on the activity of the company and the sector as a whole mainly with respect to progress in permitting as well as for office related commercial activities.

- Impairment losses on non-financial assets

In light of the COVID-19 pandemic, the Group assessed whether its non-financial assets, in particular goodwill arisen from the acquisition of Nafilyan & Partners, could be impaired. The Group thus carried out an analysis of indicators of potential impairment, in accordance with the provisions of IAS 36 – Impairment of Assets.

The slow-down of the sales, also observed in France, has been considered by management as a trigger event, especially in this COVID-19 context. An impairment test was carried out based on the revised business plan, noting no impairment risk as per 31 December 2020 – see note 13.

- Valuation of financial assets and expected credit losses

The COVID-19 crisis gives rise to a potentially increased credit risk and may therefore affect the amount of impairment losses to be recognized in respect of expected credit losses. The Group has therefore monitored payment receipts and counterparty risk more closely, noting no significant deterioration. The impact of the "expected credit losses" (ECL) remains immaterial, especially since a physical asset can be considered, in most cases, as a collateral (guarantee) in the assessment.

With regards to the inventories (projects to be developed), the assumptions used to assess the recoverability of the project under development have been consistently reviewed and updated based on the most recent market data, without significant impact. No impairments have been identified as per December 31, 2020.

- Financial risks (financing, liquidity, compliance with financial ratio)

Financial risks have been monitored carefully.

As a buffer against this market conditions the company has a cash position of EUR 148 million at the end of December 2020, available corporate lines of EUR 76 million, non-issued Commercial Paper for an amount of EUR 26.5 million and substantial headroom on its main debt covenants.
Liquidity risk and trends in interest rate and exchange rate markets, have been reviewed and the related information has been updated based on data available at December 31, 2020 – see note 25.

- Deferred tax assets

Immobel's deferred tax asset positions were reviewed in order to ensure their recoverability through future taxable income. The Group also monitored changes to legislation, revisions to tax rates and other tax measures taken in response to the crisis.

The company did not identify significant impact of the COVID-19 crisis on the estimated future taxable profit.

- Provisions

The Group reviewed whether any current obligations were likely to give rise to the recognition of provisions, noting no specific risk.

- Performance indicators and presentation of COVID-19 impacts in the income statement

The financial impacts of the crisis were rather limited, except in terms of pace of sales, which slowed down, and progress on construction sites.

The Group has neither adjusted its performance indicators, nor included new indicators to describe the impacts of COVID-19.

- Application of support measures

In Belgium, as well as in other countries, the Group utilized government temporary unemployment schemes and deferred the disbursement of some tax debts, all being paid as per December 31, 2020.

- Subsequent events

Given the uncertainties related to the health crisis and the constantly changing environment, the Group paid particular attention to events that occurred during the period from December 31, 2020 until the approval of the financial statements by the Board of Directors – see note 32.

- Going concern

Actuals have shown that the crisis has impacted Immobel financial results to a lower extent than in the stress case developed by management in April 2020. Based on the FY 2021 budget, management re-assessed the going concern assumption of the company and confirmed it remains appropriate.

4) CONSOLIDATION RULES

The consolidated financial statements include the financial statements of the Company and its subsidiaries, as well as interests in joint ventures and in associated companies accounted for using the equity method.

All intragroup balances, transactions, revenue and expenses are eliminated.

SUBSIDIARIES

Subsidiaries are companies controlled by the Group.

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The financial statements of subsidiaries are included in the consolidated financial statements from the date when control begins until the date when control ends.

INTERESTS IN JOINT VENTURES

A joint venture is a contractual agreement whereby the Group and one or several parties agree to undertake an economic activity under joint control. The joint venture agreement generally results in the creation of one or more distinct jointly controlled entities.

Since January 1, 2014, joint ventures, which were previously consolidated using the proportional method, are included in the consolidated financial statements using the equity method.

INTERESTS IN ASSOCIATES

Associates are entities over which the Group has significant influence through its participation in their financial and operating policy decisions. They are neither subsidiaries, nor joint ventures of the Group.

Significant influence is presumed if the Group, directly or indirectly, holds 20 % or more but less than 50 % of the voting rights through its subsidiaries.

Interests in associates are accounted for in the consolidated financial statements using the equity method, from the date when significant influence begins until the date when it ends. The book value of interests is decreased, if applicable, so as to record any impairment of individual interests.

DIFFERENT REPORTING DATES

The financial statements of subsidiaries, joint ventures and associates with reporting dates other than 31 December (reporting date of the Company) are adjusted so as to take into account the effect of significant transactions and events that occurred between the reporting date of the subsidiary, joint venture or associate and 31 December. The difference between 31 December and the reporting date of the subsidiary, joint venture or associate never exceeds 3 months.

BUSINESS COMBINATIONS AND GOODWILL

IMMOBEL analyses any acquisition of subsidiaries based on IFRS 3 and integrates the criteria suggested by IFRS 3 §B5 to B12 to identify any business combination and to define a business. In accordance with IFRS 3, if the acquired assets do not constitute a business, the acquisition is treated as an "acquisition of assets".

GOODWILL

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the Group's share in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired entity at the date of acquisition. Goodwill is reported as an asset and is not amortised but annually subject to an impairment in value test at reporting date (or more frequently if there are indications of loss in value). Impairment losses are recognised immediately under income and are not reversed in subsequent periods.

Goodwill resulting from the acquisition of a joint venture or an associate is included in the book value of the investments in joint ventures and associates. Goodwill resulting from the acquisition of a subsidiary is presented separately in the balance sheet.

On disposal of a subsidiary, a joint venture or an associate, the book value of the goodwill is included so as to determine the profit or loss on the disposal.

NEGATIVE GOODWILL

Negative goodwill represents the excess of the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary over the price of business combination at the date of acquisition, plus the value of non-controlling interests (owned by minority shareholders of subsidiaries). To the extent that a surplus subsists after review and re-evaluation of the values, the negative goodwill is immediately recognised in profit and loss.

5) FOREIGN CURRENCIES

TRANSLATION OF FINANCIAL STATEMENTS OF FOREIGN ENTITIES

The balance sheets of foreign companies are translated in EUR at the official year-end exchange rate and income statements are translated at the average exchange rate for the financial year.

Translation differences resulting therefrom are included under shareholders' equity under "translation differences". Upon disposal of an entity, translation differences are recognised in profit and loss.

TRANSACTIONS OF FOREIGN CURRENCIES IN GROUP COMPANIES

Transactions are first recorded at the exchange rate prevailing on the transaction date. At each end of the financial year, monetary assets and liabilities are converted at the exchange rates on the balance sheet date. Gains or losses resulting from this conversion are recorded as financial result.

6) INTANGIBLE ASSETS

Intangible assets are recorded in the balance sheet if it is likely that the expected future economic benefits which may be allocated to assets will flow to the entity and if the cost of the assets can be measured reliably.

Intangible assets are measured at cost less accumulated amortisation and any impairment losses.

Intangible assets are amortised using the straight-line method on the basis of the best estimate of their useful lives. The amortisation period and method are reviewed at each reporting date.

7) GOODWILL

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

8) TANGIBLE ASSETS

Tangible assets are measured at cost less accumulated depreciation and any impairment losses. Fixed assets are depreciated prorata temporis on a straight-line basis over their useful lives. Useful lives have been determined as follows:

- buildings: 20 to 50 years,
- furniture and equipment: 3 to 10 years,
- installations, complexes, machinery and specific equipment's: 5 to 20 years.

Land has an unlimited useful life and therefore it is not depreciated.

Subsequent expenses related to tangible assets are only capitalised if it is likely that future economic benefits associated with the item will flow to the entity and if the cost of the item can be measured reliably.

Buildings under construction for manufacturing, leasing or administrative purposes are recorded at cost less any impairment loss. Depreciation of these assets begins when the assets are ready to be used.

9) INVESTMENT PROPERTY

Investment property is measured in accordance with the cost model of IAS 40 - Investment property. They represent real property (land and/or buildings under construction or available) held by the Group so as to earn rent and/or create value for property rather than use or sell them. They mainly relate to buildings acquired to be redeveloped and which are rented until the beginning of development.

Investment property is amortized over a period until the beginning of development, at which time they are transferred to inventories, and taking into account a residual value estimated at that date.

10) LEASES

AS A LESSEE

The Group assesses whether a contract is or contains a lease, at inception of the contract With respect to all lease arrangements in which the Group is the lessee, a lease liability (i.e. a liability to make lease payments) will be recognized, as well as a right-of-use asset (i.e. an asset representing the right to use the underlying asset over the lease term), except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group's leased assets relate mainly to buildings and transportation equipment. The right-of-use assets are presented separately in the consolidated statement of financial position, and the lease liabilities are presented as part of financial debt.

The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar.

After lease commencement, the right-of-use asset is measured using a cost model.

Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described under section 17 hereunder.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is subsequently remeasured to reflect changes in:

- the lease term (using a revised discount rate);
- the assessment of a purchase option (using a revised discount rate);
- the amounts expected to be payable under residual value guarantees (using an unchanged discount rate); or
- future lease payments resulting from a change in an index or a rate used to determine those payments (using an unchanged discount rate).

The remeasurements are treated as adjustments to the right-of-use asset.

AS A LESSOR

The Group enters into lease agreements as a lessor with respect to its investment properties. These mainly relate to buildings acquired to be redeveloped and which are rented until the beginning of development. These contracts are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

11) FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The financial assets include the investments in equity instruments designated at fair value through profit or loss, loans to related parties, receivables including trade receivables and other receivables, derivative financial instruments, financial assets at fair value through profit or loss, cash and cash equivalents.

The acquisitions and sales of financial assets are recognised at the transaction date.

FINANCIAL ASSETS – DEBT INSTRUMENTS

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments include

- Receivables that are measured at amortised cost (advances to joint ventures and associates, other non-current financial assets, contract assets);
- Trade receivables measured at amortised cost;
- Cash and cash equivalents. Cash includes cash at bank and current financial accounts with non-consolidated companies. Cash equivalents consist of risk-free investments with maturities of up to three months or which can be converted into cash almost immediately. These items are recorded in the statement of financial position at their nominal value. Bank overdrafts are included in current financial liabilities. These items are recorded in the statement of financial position at their nominal value.

FINANCIAL ASSETS – INVESTMENTS IN EQUITY INSTRUMENTS

On initial recognition, the Group made an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at fair value through profit and loss account. Investments in equity instruments at fair value through profit and loss account are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in the income statement.

AMORTISED COST AND EFFECTIVE INTEREST METHOD

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING TRANSACTIONS

The Group has elected to adopt the hedge accounting requirements of IFRS 9 Financial Instruments where the hedging instrument and the hedged item match based on an assessment of the effectiveness of the hedge.

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, in the 'other gains and losses' line item.

IMPAIRMENT OF FINANCIAL ASSETS

In relation to the impairment of financial assets, an expected credit loss model is applied. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. Specifically, the following assets are included in the scope for impairment assessment for the Group: 1) trade receivables; 2) current and non-current receivables and loans to related parties; 3) contract assets; 4) cash and cash equivalents.

IFRS 9 requires the Group to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. On the other hand, if the credit risk on a financial instrument has not increased significantly since initial recognition, the Group is required to measure the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses. For long term receivables, IFRS 9 provides a choice to measure expected credit losses applying lifetime or 12 month expected credit losses model. The Group selected the lifetime expected credit loss model.

The expected credit loss is assessed for each financial asset on an individual basis and is generally immaterial in view of the fact that a physical asset can be considered as a collateral (guarantee) in the assessment of the expected credit loss : trade receivables generally relate to the sales of residential units under construction and advances to associates and joint ventures relate to financing projects under development.

DERECOGNITION OF FINANCIAL ASSETS

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

FINANCIAL LIABILITIES

All financial liabilities of the Group are subsequently measured at amortised cost using the effective interest method.

Interest-bearing bank loans and overdrafts are recorded at the amount of cash obtained, after deduction of any transaction costs. After initial recognition, they are measured at amortized cost. Any difference between the consideration received and the redemption value is recognized in income over the period of the loan using the effective interest rate.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

SHAREHOLDER'S EQUITY

Issue costs that may be directly allocated to an equity transaction are recorded as a deduction from equity. As a consequence, capital increases are recorded at the proceeds received, net of issue costs. Similarly, equity transactions on own participation are recognised directly under shareholders' equity.

CASH FLOWS

Cash flows are inflows and outflows of cash and cash equivalents.

Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities. Acquisitions and sales of projects, either directly through the purchase of sale of assets, or indirectly through the acquisition or sale of project companies, are considered as operating activities and are presented as part of the cash flows from operating activities. All project acquisitions are considered operational activities, whether the project is classified in inventory or in investment property if it is leased prior to its development.

Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

12) INVENTORIES

Inventories are measured at cost of the specific asset or net realisable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business, less estimated completion costs and costs to sell.

The acquisition cost of purchased goods includes acquisition cost and incidental expenses. For finished goods and work in progress, the cost price takes into account direct expenses and a portion of production overhead without including administrative and financial expenses.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to make the sale. The impairment in value or loss on inventories to bring them to their net realisable value is recognised as an expense in the year when the impairment in value or loss occurs.

The interests incurred during construction are capitalised. The costs of borrowings are activated depending on the nature of the funding. The cost of funding defined as "project financing" are fully allocated to projects funded. The costs of "Corporate" and "Bonds" financing are partially allocated based on an allocation key taking into account the projects under development and the amounts invested. The activation of the borrowing costs stops as soon as the project is on sale.

13) PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, when it is likely that an outflow of resources will be necessary to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation if necessary.

WARRANTIES

A provision for warranties is made when underlying products or services are sold. The measurement of the provision is based on historical data and by weighing all possible outcomes to which probabilities are associated (expected value method).

CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities, which occurrence is not probably, are not recognized as a provision and are mentioned in the notes to the financial statements, provided that the risk is significant.

Contingent assets are not recognized in the financial statements.

14) EMPLOYEE BENEFITS

POST-EMPLOYMENT BENEFITS

The Group operates a defined-benefit pension plan and a defined-contribution pension plan.

- « Defined-contribution » pension plan

Contributions to these pension plans are recognized as an expense in the income statement when incurred.

- « Defined-benefit » pension plan

For such a plan, the cost of corresponding commitments is determined using the Projected Unit Credit Method, with present values being calculated at year end.

The amount recognised in the balance sheet represents the present value of commitments in terms of the defined benefit pension plans, less the fair value of plan assets and costs of rendered services not yet recognised. Any asset resulting from this calculation is limited to the present value of possible payments for the Group and the decreases in future contributions to the plan.

Actuarial gains and losses are directly recorded in the other elements of comprehensive income and are presented in the statement of comprehensive income.

BONUSES

Bonuses granted to company employees and senior executives are based on targets relating to key financial indicators. The estimated amount of bonuses is recognized as an expense in the year to which they relate.

15) GRANTS RELATED TO ASSETS OR INVESTMENT SUBSIDIES

Received government grants related to assets or investment subsidies are recognised in the balance sheet (presented under other long-term liabilities or other short-term liabilities) as deferred income. They are recognised as income in the same way as the asset margin to which they relate

16) OPERATING REVENUE

Group revenue comes mainly from Real Estate Development activities (including Project Management services) and also from lease agreements.

Under IFRS 15, revenue must be recognised when the customer gains control of the goods or services sold, for a sum which reflects what the entity expects to receive for the goods or services.

The main categories of sale contracts used by the Group comprise:

SALES OF OFFICE BUILDINGS

In accordance with IFRS 15, IMMOBEL assesses on a case-by-case basis:

- Whether the agreement, the contract or the transaction falls within the scope of IFRS 15, including by taking into account the probability of the entity recovering the consideration to which it is entitled;
- Whether, under a contract, the sale of the land, the development and the commercialisation represent distinct performance obligations;
- Whether, for each obligation, the revenue is subject to a gradual transfer of control, particularly for projects which satisfy the third criterion defined by IFRS 15.36 ("Performance creating a specific asset and giving rise to an enforceable right to payment for performance completed to date"), and must be recognised gradually.

SALES OF RESIDENTIAL PROJECTS

For "Residential" projects, the analysis has distinguished the revenue from contracts for which the contractual provisions and the legal context (Breyne Act in Belgium or equivalent in Luxembourg, France and Germany) establish a gradual transfer of the control of the asset to the purchaser as the construction progresses from the other revenue linked to the completion of an obligation.

Projects involving residential units - Breyne Act contracts (Belgium, Luxembourg, France and Germany)

The legal framework in Belgium and Luxembourg gradually transfers the ownership of a residential unit to the purchaser during the construction period. In such a situation, the performance obligation is fulfilled gradually since control over the asset is transferred as the construction progresses.

A single margin (with no distinction between "land" and "development") is recognised gradually for each sale as the asset under development is transferred.

Projects involving residential units - other provisions (Poland)

The regulatory framework in Poland requires to recognise the revenue upon completion of the performance obligation (upon the signing of the final deed, once the unit being sold is delivered).

Other sales of residential projects

Other types of sale may occur (block sale of a project, hotel, commercial space, etc.). Such transactions are therefore subject to an analysis on a case-by-case basis using an approach similar to that described for the "Office" schemes.

LANDBANKING

For this segment, the sales revenue is recorded when the asset is transferred.

The revenue from the sale of a project is recognized in gross (sales price and cost of sales) regardless of the structure of the transaction (share deal / asset deal). Disposals of controlled companies dedicated to a project are therefore considered part of the normal business of the Group and are therefore recognized in sales and cost of sales (IFRS 15). In other circumstances, IFRS 10 will be applied.

The method of legal ownership has no impact on the recognition of the margin but on its presentation, which will differ depending on whether it is:

- Direct property, subsidiary: the results are recorded in sales and cost of sales irrespective of the legal structure of ownership of the asset;
- Joint ventures: in accordance with IFRS 11, when a partnership gives rise to joint control over net assets, IMMOBEL recognizes an investment for its interest in the joint venture and recognizes it using the equity method (IAS 28). The result of the sales is therefore presented under the heading "Share in the profit or loss of joint ventures and associates"
- Joint activities: in accordance with IFRS 11, in the case of a partnership under which the parties exercising joint control have asset rights, and liability obligations, IMMOBEL recognizes assets, liabilities and results for its jointly held share.

When the group loses control of a subsidiary that does not contain a business as defined by IFRS 3 and retains an investment (partial sale of a company dedicated to a project), the transaction is treated as a transaction between an investor and its associate or joint venture and the gain or loss is recognised only to the extent of unrelated investors' interest in the associate or joint venture.

With respect to operating leases, rent is recognised under income on a straight-line basis over the term of the lease, even if payments are not made on this basis. Lease incentives granted by the Group in negotiating or renewing an operating lease are recognised as a reduction of the lease income on a straight-line basis over the term of the lease. Rent income are presented as other operating income in the consolidated statement of comprehensive income.

17) IMPAIRMENT ON VALUE ASSETS

The carrying amount of non-current assets (other than financial assets in the scope of IFRS 9, deferred taxes and non-current assets held for sale) is reviewed at the end of each reporting period in order to determine if an indication exists that an asset has impaired. If such indication exists, the recoverable amount is then determined. Regarding intangible assets with indefinite useful lives and goodwill, the recoverable amount is estimated at the end of each reporting period. An impairment loss is recognized if the carrying amount of the asset or the cash-generating unit exceeds its recoverable amount. Impairment losses are presented in the income statement.

When the recoverable amount cannot be individually determined for an asset, including goodwill, it is measured at the level of the cash generating unit to which the asset belongs.

The recoverable amount of an asset or cash-generating unit is its fair value less selling costs or its use value, whichever is higher. The latter is the present value of expected future cash flows from the asset or the respective cash generating unit. In order to determine the value in use, the future cash flows are discounted using a pre-tax discount rate which reflects both the current market rate and the specific risks of the asset.

A reversal of impairment loss is recognised under income if the recoverable amount exceeds the net book value. However, the reversal may not lead to a higher book value than the value that would have been determined if no impairment loss had been initially recorded on this asset (cash-generating unit). No reversal of impairment loss is recognized on goodwill.

18) TAXES

Income tax for the year includes current and deferred tax. Current and deferred income taxes are recognised in profit and loss unless they relate to items recognised directly under shareholders' equity, in which case they are also recognised under shareholders' equity.

Current tax is the amount of income taxes payable (or recoverable) on the profit (or loss) in a financial year and the adjustments to tax charges of previous years.

Deferred tax is recognised using the liability method of tax allocation, based on timing differences between the book value of assets and liabilities in the consolidated accounts and their tax basis.

Deferred tax liabilities are recognised for all taxable timing differences.

Deferred tax assets are only recognised for deductible timing differences if it is likely that in the future they may be charged against taxable income. This criterion is re-evaluated at each reporting date.

19) DISCONTINUED OPERATIONS

A discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale. Such component represents a separate major line of business or geographical area of operations that can be clearly distinguished, operationally and for financial reporting purposes. The net result of discontinued operations (including possible results on disposal and taxes) is presented separately from the continued operations in the income statement.

20) MAIN JUDGEMENTS AND MAIN SOURCES OF UNCERTAINTIES RELATED TO THE ESTIMATIONS

The deferred tax assets are only recorded as far that they may be in the future used against taxable income.

The tangible and intangible assets with a fixed useful live are straight line depreciated based on the estimation of the live time of these fixed assets.

Investment properties are amortized using the straight-line method based on an estimate of the duration up to the beginning of the development of the project, date when they are transferred to inventories, and taking into account a residual value estimated at that date.

The goodwill is not amortised but is reviewed for impairment at least annually, or more frequently when there is an indication that one or more cash-generating unit(s) to which the goodwill has been allocated may be impaired.

As part of the impairment tests, the recoverable value of an asset (or cash-generating unit) is estimated based on the present value of the expected cash flows generated by this asset (or cash-generating unit).

For the provisions, the book value fits with the best estimation of the expense necessary to pay off the present obligation (legal or implicit) at closing date.

The projects in inventory and construction contracts are subject to feasibility studies used in determining the net realisable value and any required write down, and if applicable for the release of margin and the computation of the rate of completion. At each closing date, the expenses to be incurred are estimated.

The assessment of the recoverable amount of a project involves assumptions about future events that are inherently subject to change. These assumptions include the expected selling price (depending on the nature of the project, its location, etc...), the estimated total cost per project, the economic market conditions. These assumptions are monitored during the project by the project manager through the update of the feasibility and on a quarterly basis by the management.

The valuation of the revenues from the sale of real estate development involves significant judgments, mainly related to the determination of the existence of an effective contract in accordance with IFRS 15, the assessment of when IMMOBEL meets the performance obligation (at a specific point in time or over time (based on the percentage of completion)), the evaluation of the costs to be incurred and, in case the revenue is recognized at percentage of completion, the determination of the completion rate, taking into account the costs already incurred and the total estimated cost price.

Income from the sale of a project is recognized in gross (sales price and cost of sales) regardless of the structure of the transaction (asset deal / share deal). Disposals of controlled companies dedicated to a project are therefore considered part of the Group's normal business and are therefore recognized as revenue and cost of sales. The Group has decided this presentation taking into account the specificities of its sector and activity.

End December 2019, Immobel was notified with 2 decisions of the Belgian Council of State in a legacy file relating to the purchase of land plots in 2007 from the Université Libre de Bruxelles. A joint venture between Immobel and its partner, Thomas & Piron, obtained in 2014 all necessary building permits for the development of a residential project on the relevant land plot. The decisions of the Council of State of end 2019, however, lead to an annulment of the building permits obtained back in 2014 due to a missing [procedural requirement] at the time of purchase of the land from Université Libre de Bruxelles in 2007. The purchasers of the relevant apartment units were duly informed on the pending legal procedure before the Council of State at the time of purchase of their unit and their purchase deed provides for the right to apply for a judicial rescission of the sale of their unit under certain circumstances, including in case of an untimely regularisation of the relevant building permits. The missing procedural requirement is eligible for regularisation and, at the date hereof, Immobel and its partner Thomas & Piron expect that the financial impact of such right to rescind will not materially impact the financial position of the joint venture partners.

To the Directors' knowledge, there should not be any circumstances likely to have any significant influence on the development of

The Company. With respect to Covid-19 on the economic circumstances and on the financial performance of the company, the Board of Directors assesses on a continuous basis the going concern assumption of the company based on the FY 2021 budget.

21) JOINT OPERATIONS

IMMOBEL considers that the activities carried out under joint control through temporary vehicles, which do not have a legal personality, meet the definition proposed by the standard IFRS 11 of joint operation, which is a joint agreement by which parties that exercise joint control have rights over the assets, and obligations for the liabilities.

As a consequence, the assets, liabilities, income and expense of the temporary vehicles are included in the financial statements of the Group under each relevant heading of the balance sheet and of the income statement in proportion to the share held by the Group in the temporary vehicle.

22) SEGMENT REPORTING

A segment is a distinguishable component of the Group, which generates revenues and costs.

The operating results are regularly reviewed by the Management Committee in order to monitor the performance of the various segments in terms of strategic goals, plans and budgets. In this context, the management has opted to follow up the operating results by country.

F. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (IN THOUSANDS EUR)

1) OPERATING SEGMENT - FINANCIAL INFORMATION BY BUSINESS SEGMENT

The segment reporting is presented based on the operational segments used by the Board and Management to monitor the financial performance of the Group, being the geographical segments (by country). The choice made by Management to focus on geographical segment rather than on other possible operating segments is motivated by the new investments or projects in several new countries, which made this criterion more relevant for the follow up of business and better reflecting the organization of the Group.

The core business of the Group, real estate development, is carried out in Belgium, Luxemburg, France, Germany, Poland and Spain.

The breakdown of sales by country depends on the country where the activity is executed.

The results and asset and liability items of the segments include items that can be attributed to a sector, either directly, or allocated through an allocation formula.

In accordance with IFRS, the Company applied since January 1, 2014, IFRS 11, which strongly amends the reading of the financial statements of the Company but does not change the net income and shareholders' equity.

The Board of Directors believes that the financial data in application of the proportional consolidated method (before IFRS 11) give a better picture of the activities and financial statements.

The “Internal” financial statements are those used by the Board and Management to monitor the financial performance of the Group and are presented below.

SUMMARY OF THE CONSOLIDATED COMPREHENSIVE INCOME (INTERNAL VIEW)

INCOME STATEMENT	31/12/2020	31/12/2019
OPERATING INCOME	431 153	486 298
Turnover	413 751	470 626
Other operating income	17 402	15 672
OPERATING EXPENSES	-378 746	-379 551
Cost of sales	-341 373	-340 310
Cost of commercialisation	-2 410	-3 253
Administration costs	-34 964	-35 988
SALE OF SUBSIDIARIES	133	19 618
Gain (loss) on sales of joint ventures and associates	133	19 618
JOINT VENTURES AND ASSOCIATES	90	-2 563
Share in the net result of joint ventures and associates	90	-2 563
OPERATING RESULT	52 630	123 802
Interest income	4 810	2 374
Interest expense	-12 587	-9 394
Other financial income / expenses	- 973	- 949
FINANCIAL RESULT	-8 750	-7 969
RESULT FROM CONTINUING OPERATIONS BEFORE TAXES	43 880	115 833
Income taxes	-10 587	-13 482
RESULT FROM CONTINUING OPERATIONS	33 293	102 351
RESULT OF THE YEAR	33 293	102 351
Share of non-controlling interests	21	- 85
SHARE OF IMMOBEL	33 272	102 436

	TURNOVER	OPERATING RESULT	TURNOVER	OPERATING RESULT
	31/12/2020	31/12/2020	31/12/2019	31/12/2019
Belgium	240 913	43 456	174 657	57 603
Luxembourg	44 773	11 106	204 734	65 216
France	64 057	-8 686	70 263	- 162
Germany	35 010	5 375	17 171	2 506
Poland	28 999	1 379	3 801	-1 361
Spain				
TOTAL CONSOLIDATED	413 751	52 630	470 626	123 802

SUMMARY OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (INTERNAL VIEW)

STATEMENT OF FINANCIAL POSITION	31/12/2020	31/12/2019
NON-CURRENT ASSETS	420 271	252 412
Intangible and tangible assets	2 021	1 526
Goodwill	43 789	43 789
Right-of-use assets	4 390	6 441
Investment property	294 494	179 597
Investments and advances to associates	46 945	3 740
Deferred tax assets	19 813	8 321
Other non-current assets	8 819	8 998
CURRENT ASSETS	1 356 329	1 279 702
Inventories	997 161	860 718
Trade receivables	39 327	80 498
Tax receivables and other current assets	145 363	160 521
Cash and cash equivalents	174 478	177 965
TOTAL ASSETS	1 776 600	1 532 114
TOTAL EQUITY	492 907	426 182
NON-CURRENT LIABILITIES	731 077	642 663
Financial debts	685 169	625 530
Deferred tax liabilities	44 745	16 209
Other non-current liabilities	1 163	924
CURRENT LIABILITIES	552 616	463 269
Financial debts	291 112	219 978
Trade payables	83 177	75 884
Tax payables and other current liabilities	178 327	167 407
TOTAL EQUITY AND LIABILITIES	1 776 600	1 532 114

FINANCIAL POSITION ITEMS	NON-CURRENT SEGMENT ASSETS	CURRENT SEGMENT ASSETS	UNALLOCATED ITEMS [1]	CONSOLIDATED
Belgium	209 336	878 317		1 087 653
Luxembourg	43 866	244 031		287 897
France	91 536	22 737		114 273
Germany	1	42 286		42 287
Poland	10	10 888		10 898
Spain	51	26 856		26 907
Unallocated items[1]			206 685	206 685
TOTAL ASSETS	344 800	1 225 115	206 685	1 776 600

FINANCIAL POSITION ITEMS	SEGMENT LIABILITIES	UNALLOCATED ITEMS [1]	CONSOLIDATED
Belgium	845 990		845 990
Luxembourg	184 339		184 339
France	96 596		96 596
Germany	39 789		39 789
Poland	32 694		32 694
Spain	24 778		24 778
Unallocated items[1]		59 507	59 507
TOTAL LIABILITIES	1 224 186	59 507	1 283 693

(1) Unallocated items: Assets: Deferred tax assets - Other non-current financial assets - Other non-current assets - Tax receivables - Other current financial assets - Cash and equivalents - Liabilities: Employee benefit obligations – Provisions - Deferred tax liabilities - Tax liabilities – Derivative financial instruments.

For the analysis of projects in progress by operational segment, inventories should be taken into consideration, as well as investment property, since the latter contains leased out property acquired with a view to be redeveloped.

INVENTORIES AND INVESTMENT PROPERTY	31/12/2020	31/12/2019
Belgium	761 788	631 718
Luxembourg	245 067	175 562
France	139 603	117 458
Germany	61 875	54 955
Poland	49 367	56 925
Spain	33 955	3 697
TOTAL INVENTORIES AND INVESTMENT PROPERTY	1 291 655	1 040 315

RECONCILIATION TABLE

	31/12/2020		
	Operating Segment	Adjustments	Published Information
Turnover	413 751	-49 272	364 479
Operating result	52 630	- 2 639	49 991
Total balance sheet	1 776 600	- 345 463	1 431 137

For segment information, joint ventures are consolidated using the proportional method. The adjustments result from the application of IFRS 11, resulting in the consolidation of joint ventures using the equity method.

2) TURNOVER

The group generates its revenues through commercial contracts for the transfer of goods and services in the following main revenue categories:

Cross-analysis by type of project and by geographical zone	Offices	Residential	Landbanking	31/12/2020
Belgium	100 243	97 330	19 668	217 241
Luxembourg	1 415	25 491		26 906
France	625	55 431		56 056
Germany		35 010		35 010
Poland	562	28 704		29 266
Total	102 846	241 965	19 668	364 479

Cross-analysis by type of project and by geographical zone	Offices	Residential	Landbanking	31/12/2019
Belgium	6 519	100 559	37 908	144 986
Luxembourg	137 051	37 648		174 699
France		68 243		68 243
Germany		17 171		17 171
Poland	3 585	100		3 685
Total	147 155	223 721	37 908	408 784

The diversification of the Group's "customers" portfolio guarantees its independence in the market.

The developments Mobius I, Vaartkom, Parc Seny, O'sea as well as the landbanking activity, contribute in particular to the turnover in Belgium.

From an international viewpoint, the projects Infinity in Luxembourg, Granaria in Poland and Eden Tower Frankfurt in Germany have also contributed to the turnover.

Revenue on commercial contracts is recognized when the customer obtains control of the goods or services sold for an amount that reflects what the entity expects to receive for those goods and services.

The contractual analysis of the Group's sales contracts led to the application of the following recognition principles:

SALES OF OFFICE BUILDINGS

The revenue from office sale contracts is recognized after analysis on a case-by-case basis of the performance obligations stipulated in the contract (land, buildings, commercialisation). The revenue allocated to each performance obligation is recognized:

- either upon progress of completion when the goods or services are the subject to a gradual transfer of control;
- or at the transfer of control of goods or services rendered.

As of December 31, 2020, no "Office" contract organizing a gradual transfer of control is in progress.

RESIDENTIAL PROJECT SALES

For "Residential" projects, revenue is recognized according to the contractual and legal provisions in force in each country to govern the transfer of control of projects sold in the future state of completion.

- Belgium / Luxembourg / France / Germany: upon progress of completion based on costs incurred (Breyne Act or equivalent);
- Poland: when the performance obligation is fulfilled (at the signing of the final act, once the sold unit has been delivered).

LANDBANKING

The sales revenue is generally recorded when the asset is transferred.

The breakdown of sales according to these different recognition principles is as follows:

	Timing of revenue recognition		
	Point in time	Over time	31/12/2020
OFFICES	102 846		102 846
RESIDENTIAL	28 704	213 261	241 965
Residential unit per project - Breyne Act or equivalent		213 261	213 261
Residential unit per project - Other	28 704		28 704
LANDBANKING	19 668		19 668
TOTAL TURNOVER	151 218	213 261	364 479

	Timing of revenue recognition		
	Point in time	Over time	31/12/2019
OFFICES	147 155		147 155
RESIDENTIAL	100	223 621	223 721
Residential unit per project - Breyne Act or equivalent		223 621	223 621
Residential unit per project - Other	100		100
LANDBANKING	37 908		37 908
TOTAL TURNOVER	185 163	223 621	408 784

Revenues relating to performance obligations unrealized or partially realized at 31 December 2020 amounted to EUR 57,6 million.

It mainly concerns the sales of residential units of which construction is in progress (for the totality of their value or the unrecognized part based on progress of completion) as well as the sales of offices of which the contract analysis deemed to assume that the recognition criteria were not met under IFRS 15.

	31/12/2020	31/12/2019
OFFICES		
Construction, commercialisation and other contractual arrangements	10 618	143 603
RESIDENTIAL		
Construction of sold units	46 942	70 127
LANDBANKING		
TOTAL	57 560	213 730

The Group's management estimates that 83 % of the price allocated to these outstanding performance obligations as at December 31, 2020 will be recognized as revenue in fiscal year 2021.

3) OTHER OPERATING INCOME

Break down as follows:

	31/12/2020	31/12/2019
Rental income on projects awaiting future development	5 031	6 832
Other income (recoveries of taxes and withholdings, miscellaneous reinvoicing...)	5 879	3 931
TOTAL OTHER OPERATING INCOME	10 911	10 763

Rental income fully relates to leased properties awaiting future development and which are presented as investment properties.

4) COST OF SALES

Cost of sales is allocated as follows per geographical area:

	31/12/2020	31/12/2019
Belgium	-171 341	-103 156
Luxembourg	-19 569	-103 534
France	-53 899	-65 622
Germany	-28 873	-14 112
Poland	-27 084	-4 603
TOTAL COST OF SALES	-300 766	-291 027

And are related to the turnover and the projects mentioned in note 2.

5) COST OF COMMERCIALISATION

This caption includes the fees paid to third parties in relation with the turnover, which are not capitalized under "Inventories" heading.

Cost of commercialization is allocated as follows per geographical area:

	31/12/2020	31/12/2019
Belgium	- 599	-1 396
France	-1 104	-1 764
TOTAL COST OF COMMERCIALISATION	-1 702	-3 160

6) ADMINISTRATION COSTS

Break down as follows:

	31/12/2020	31/12/2019
Personnel expenses	-9 149	-10 519
Amortisation, depreciation and impairment of assets	-3 684	-5 788
Other operating expenses	-18 224	-16 698
TOTAL ADMINISTRATION COSTS	-31 057	-33 005

PERSONNEL EXPENSES

Break down as follows:

	31/12/2020	31/12/2019
Salaries and fees of personnel and members of the Executive Committee	-19 592	-21 093
Project monitoring costs capitalized under "inventories"	13 388	13 801
Salaries of the non-executive Directors	- 217	- 290
Social security charges	-2 770	-2 644
Pension costs	- 172	- 14
Other	214	- 279
TOTAL PERSONNEL EXPENSES	-9 149	-10 519

The decrease in personnel expenses (before capitalization) is mainly explained by the cost savings measures decided by the management.

AMORTISATION, DEPRECIATION AND IMPAIRMENT OF ASSETS

Break down as follows:

	31/12/2020	31/12/2019
Amortisation of intangible and tangible assets, and of investment property	-3 531	-5 677
Write down on inventories		- 6
Write down on trade receivables	- 153	- 105
TOTAL AMORTISATION, DEPRECIATION AND IMPAIRMENT OF ASSETS	-3 684	-5 788

OTHER OPERATING EXPENSES

Break down as follows:

	31/12/2020	31/12/2019
Services and other goods	-17 610	-12 461
Other operating expenses	-1 813	-2 398
Provisions	1 198	-1 839
TOTAL OTHER OPERATING EXPENSES	-18 224	-16 698

Main components of services and other goods:

	31/12/2020	31/12/2019
Service charges of the registered offices	-1 599	- 531
Third party payment, including in particular the fees paid to third parties and related to the turnover	-7 531	-7 077
Other services and other goods, including company supplies, advertising, maintenance and repair expense of properties available for sale awaiting for development	-8 480	-4 853
TOTAL SERVICES AND OTHER GOODS	-17 610	-12 461

Amount of fees allocated during the year to SC s.f.d. SCRL Deloitte Reviseurs d'Entreprises and its network:

	31/12/2020	31/12/2019
Audit fees at consolidation level	- 429	- 448
Fees for extraordinary services and special missions accomplished within the Group:	- 180	- 75
- Missions of legal advice	- 12	- 10
- Tax advice and other missions	- 138	- 11
- Other missions outside the audit mission	- 30	- 54

The missions outside the audit mission were approved by the Audit & Finance Committee.

Main components of variations in provisions:

	31/12/2020	31/12/2019
Provisions related to the sales	- 430	695
Other provisions	1 629	-2 534
TOTAL VARIATIONS IN PROVISIONS	1 198	-1 839
Increase	-1 322	-2 534
Use and reversal	2 520	695

7) GAIN ON SALE OF AFFILIATES

The net gain realized relates to the sale of 50% of the shares of De Brouckère Land as part of the restructuring with a new partner.

Break down as follows:

	31/12/2020	31/12/2019
Sale price of affiliates	9 792	28 508
Book value of sold or liquidated investments	-9 659	-8 890
GAIN ON SALES OF AFFILIATES	133	19 618

8) JOINT VENTURES AND ASSOCIATES

The share in the net result of joint ventures and associates breaks down as follows:

	31/12/2020	31/12/2019
Operating result	13 343	11 947
Financial result	-2 195	-2 767
Income taxes	-3 154	-4 195
RESULT OF THE PERIOD	7 994	4 985

Further information related to joint ventures and associates are described in note 17.

9) FINANCIAL RESULT

The financial result breaks down as follows:

	31/12/2020	31/12/2019
Cost of gross financial debt at amortised cost	-15 543	-12 314
Activated interests on projects in development	3 684	5 413
Fair value changes	291	227
Interest income	5 773	3 240
Other financial income and expenses	-1 500	-1 894
FINANCIAL RESULT	-7 295	-5 328
Cost of gross financial debt at amortised costs	-15 543	-12 314
Amortization of loan expenses	292	370
Change in interest paid / unpaid	-3 684	- 595
PAID INTERESTS (STATEMENT OF CASH FLOW)	-18 936	-12 539

10) INCOME TAXES

Income taxes are as follows:

	31/12/2020	31/12/2019
Current income taxes for the current year	-10 756	-6 643
Current income taxes for the previous financial years	- 265	1 768
Deferred taxes on temporary differences	2 371	-4 515
Derecognized deferred tax asset		
TOTAL OF TAX EXPENSES RECOGNIZED IN THE STATEMENT OF COMPREHENSIVE INCOME	-8 650	-9 390
Current taxes	-11 021	-4 875
Change in tax receivables / tax payables	5 009	-5 731
PAID INCOME TAXES (STATEMENT OF CASH FLOW)	-6 011	-10 606

The reconciliation of the actual tax charge with the theoretical tax charge is summarised as follows:

	31/12/2020	31/12/2019
Result from continuing operations before taxes	42 696	111 630
Result from joint ventures and associates	-7 994	-4 985
RESULT BEFORE TAXES AND SHARE IN THE RESULT OF JOINT VENTURES AND ASSOCIATES	34 702	106 645
THEORETICAL INCOME TAXE CHARGE AT :	25,00%	29,58%
	-8 675	-26 661
Tax impact		
- non-taxable income	1 047	19 667
- non-deductible expenses	- 703	-3 421
- use of tax losses and notional interests deduction carried forward on which no DTA was recognised in previous years	685	634
- tax losses of current year on which no DTA is recognised	-1 511	-1 899
- tax losses of prior years on which a DTA is recognised	925	1 034
- (un)recognized tax latencies	251	54
- different tax rates	822	- 566
- Income taxes for the previous financial years	-1 491	1 768
TAX CHARGE	-8 650	-9 390
EFFECTIVE TAX RATE OF THE YEAR	24,93%	8,80%

11) EARNINGS PER SHARE

The basic result per share is obtained by dividing the result of the year (net result and comprehensive income) by the average number of shares.

Basic earnings per share are determined using the following information:

	31/12/2020	31/12/2019
Net result of the year	33 272	102 436
Comprehensive income of the year	35 566	102 435
Weighted average share outstanding		
Ordinary shares as at 1 January	9 997 356	9 997 356
Treasury shares as at 1 January	-1 212 179	-1 220 190
Treasury shares granted to a member of the executive committee		
Treasury shares sold	819 652	8 011
Ordinary shares as at 31 December	9 604 829	8 785 177
Weighted average ordinary shares outstanding	9 303 809	8 782 429
Net result per share	3,576	11,664
Comprehensive income per share	3,823	11,664

To take into account the potential dilutive impact of performance shares, diluted earnings per share are calculated. The calculation of the diluted earnings per share is based on the following data:

	31/12/2020	31/12/2019
Net result of the year	33 272	102 436
Comprehensive income of the year	35 566	102 435
Weighted average ordinary shares outstanding	9 303 809	8782 429
Dilutive element : performance shares	1 606	12 486
Weighted average shares for diluted earnings per share	9 305 415	8794 915
Diluted net result per share	3,576	11,647
Diluted comprehensive income per share	3,822	11,647

12) INTANGIBLE ASSETS

Intangible assets evolve as follows:

	31/12/2020	31/12/2019
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD	1 563	975
Entry in consolidation scope		518
Acquisitions	201	87
Disposals	- 138	- 17
ACQUISITION COST AT THE END OF THE YEAR	1 626	1 563
AMORTISATION AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD	-1 020	- 549
Entry in consolidation scope		- 346
Amortisation	- 162	- 142
Depreciation cancelled on disposals	138	17
AMORTISATION AND IMPAIRMENT AT THE END OF THE YEAR	-1 044	-1 020
NET CARRYING AMOUNT AS AT 31 DECEMBER	582	543

13) GOODWILL

The goodwill arises from the acquisition in 2019 of Nafilyan & Partners, an unlisted company based in France that specializes in real estate development.

The acquisition provides to Immobel 100% of the voting shares and the control over Nafilyan & Partners. The acquisition qualifies as a business combination as defined in IFRS 3. The Group has acquired Nafilyan & Partners to enlarge its coverage on the French market by sharing the know-how, expertise and potential synergies with Immobel France.

The reconciliation of the carrying amount of the goodwill at beginning and end of the reporting period is as follows:

	31/12/2020	31/12/2019
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD	43 789	
Acquisition of Nafilyan & Partners		43 789
ACQUISITION COST AT THE END OF THE YEAR	43 789	43 789
IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD		
Impairment of the period		
IMPAIRMENT AT THE END OF THE YEAR		
NET CARRYING AMOUNT AS AT 31 DECEMBER	43 789	43 789

The carrying amount of the goodwill has been allocated to cash-generating units as follows:

	31/12/2020	31/12/2019
France	43 789	43 789
NET CARRYING AMOUNT AS AT 31 DECEMBER	43 789	43 789

Immobel Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

The recoverable amount of the French segment as a cash-generating unit (including currently known projects and assumed future projects) is determined based on a value in use calculation which uses cash flow projections, based on a "Dividend Discount Model" covering a five-year period, in order to evaluate the equity

This valuation allows to estimate the future dividend payments, discounted back to their present value.

This Net Present Value is hence considering:

- a cash flow forecast from 2020 to 2025, allowing to estimate future dividend;
- with a fixed growth rate of dividend until perpetuity at 2% ("Long term growth rate");
- with an actualisation rate[1], here below as "cost of equity", made of a risk free rate (at 1.14 per cent[2]), a market premium (between 4 and 6 per cent) and an industry beta levered (between 1.14 and 1.31)

Nine simulations have supported the impairment analysis, based on different combinations, as per below:

Long term growth rate	2,00%
with a risk free rate	1,14%

		Cost of Equity		
Beta	Beta	Market Premium		
unlevered	levered	4,00%	5,00%	6,00%
0,65	1,14	5,7%	6,8%	8,0%
0,70	1,23	6,0%	7,3%	8,5%
0,75	1,31	6,4%	7,7%	9,0%

As a result of this analysis, the fair value exceeds the carrying value, regardless the level of cost of equity considered.

Therefore, the management has decided not to recognize any impairment charge in the current year against goodwill.

[1] As per following formula: (Risk free rate) + [(market premium) * (industry beta levered)]

[2] based on OLO 30 years, average of year 2019 from NBB (National Bank of Belgium).

14) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment evolve as follows:

	31/12/2020	31/12/2019
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD	4 181	4 155
Entry in consolidation scope		659
Acquisitions	677	438
Disposals	- 716	-1 071
ACQUISITION COST AT THE END OF THE YEAR	4 142	4 181
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD	-3 198	-3 208
Entry in consolidation scope		- 245
Depreciations	- 269	- 801
Depreciation cancelled on disposals	713	1 056
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE YEAR	-2 754	-3 198
NET CARRYING AMOUNT AS AT 31 DECEMBER	1 388	983

Property, plant and equipment consist primarily of installation costs of the various registered offices.

15) RIGHT-OF-USE ASSETS

The right-of-use assets evolve as follows:

	31/12/2020	31/12/2019
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD	7 976	
Adoption of IFRS 16 as per January 1, 2019		3 891
Entry in consolidation scope		
Acquisitions		421
Disposals	- 679	
ACQUISITION COST AT THE END OF THE YEAR	7 297	7 976
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD	-1 535	
Entry in consolidation scope		- 298
Depreciations	-1 372	-1 237
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE YEAR	-2 907	-1 535
NET CARRYING AMOUNT AS AT 31 DECEMBER	4 390	6 441

16) INVESTMENT PROPERTY

This heading includes leased out property acquired with a view to be redeveloped. Investment property evolve as follows:

	31/12/2020	31/12/2019
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD	87 838	108 465
Net carrying value of investment property transferred from/to inventories	-9 471	
Entry in consolidation scope/acquisitions	127 088	
Disposal/exit from the consolidation scope/transfers	-6 040	-20 627
ACQUISITION COST AT THE END OF THE YEAR	199 415	87 838
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD	-6 715	-4 175
Depreciations	-1 591	-3 497
Depreciations and impairment cancelled following disposal/exit from the consolidation scope/transfers	6 040	957
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE YEAR	-2 266	-6 715
NET CARRYING AMOUNT AS AT 31 DECEMBER	197 149	81 123

The increase of the net carrying value is mainly due to the acquisition of two projects (Total and Scorpio).

The fair value of the investment property at 31 December 2020 amounts to EUR 197.4 million. This amount is determined on the basis of a valuation of level 3 which does not integrate observable market data and is based on internal analyses (feasibility study sensitive to the expected rent after redevelopment, to the estimated rate of return and to the construction costs to incur).

17) INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

The contributions of joint ventures and associates in the statement of financial position and the statement of comprehensive income is as follows:

	31/12/2020	31/12/2019
Investments in joint ventures	98 663	47 385
Investments in associates	7 532	8 514
TOTAL INVESTMENTS INCLUDED IN THE STATEMENT OF FINANCIAL POSITION	106 195	55 899

	31/12/2020	31/12/2019
Share in the net result of joint ventures	7 987	9 649
Share in the net result of associates	7	-4 664
SHARE OF JOINT VENTURES AND ASSOCIATES IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	7 994	4 985

	31/12/2020	31/12/2019
Gain (loss) on sale or liquidation of joint ventures and associates		- 3
Book value of sold or liquidated investments		69
CASH FLOW FROM DISPOSAL OR LIQUIDATION OF JOINT VENTURES AND ASSOCIATES		66

The book value of investments in joint ventures and associates evolve as follows:

	31/12/2020	31/12/2019
VALUE AS AT 1 JANUARY	55 899	46 451
Share in result	7 994	4 985
Acquisitions and capital injections	44 214	5 488
Scope changes	9 660	1 674
Dividends received from joint ventures and associates	-10 533	-2 630
Disposals or liquidation of joint ventures and associates		- 69
Repayment of capital	-1 039	
Currency translation		
CHANGES FOR THE YEAR	50 296	9 448
VALUE AS AT 31 DECEMBER	106 195	55 899

The table below shows the contribution of joint ventures and associates in the statement of financial position and the statement of comprehensive income.

NAME	% INTEREST 31/12/2020	% INTEREST 31/12/2019	BOOK VALUE OF THE INVESTMENTS 31/12/2020	BOOK VALUE OF THE INVESTMENTS 31/12/2019	SHARE IN THE COMPREHENSIVE INCOME 31/12/2020	SHARE IN THE COMPREHENSIVE INCOME 31/12/2019
Bella Vita	50%	50%	54	70	- 16	- 42
Boralina Investments, S.L.	50%		-2 884			
Brouckère Tower Invest	50%		29 059		386	
CBD International	50%	50%	-1 431	-1 938	508	- 140
Château de Beggen	50%	50%	17	655		78
Cityzen Holding	50%	50%	- 19	- 13	- 7	- 13
Cityzen Hotel	50%	50%	564	510	55	66
Cityzen Office	50%	50%	1 546	1 382	164	163
Cityzen Residence	50%	50%	561	483	78	40
CP Development Sp. z o.o.	50%	50%	- 59	- 83	23	- 83
CSM Development	50%	50%	24	29	- 5	- 1
CSM Properties	50%	50%	3 900	3 609	291	75
Debrouckère Development	50%	50%	548	616	- 68	- 9
Debrouckère Land (ex-Mobius I)	50%		102		67	
Debrouckère Leisure	50%		2 310		- 15	
Debrouckère Office	50%		3 770		20	
Gateway	50%	50%	322	325	- 3	- 2
Goodways SA	50%	50%	3 237	3 300	- 63	155
Ilot Ecluse	50%	50%	165	168	- 3	- 6
Immo Keyenveld 1						- 7
Immo Keyenveld 2						- 7
Immo PA 33 1	50%	50%	1 272	1 436	- 35	131
Immo PA 44 1	50%	50%	683	846	- 13	218
Immo PA 44 2	50%	50%	2 385	2 643	416	711
Immobel Marial SàRL	50%		8		2	
Key West Development	50%	50%	471	522	- 52	- 103
Les Deux Princes Develop.	50%	50%	-1 755	1 970	1 075	1 656
Livingstone Retail S.à.r.l.	33%		4			
M1	33%	33%	5 603	4 984	2 993	6 096
M7	33%	33%	132	756	46	280
Mobius II	50%	50%	8 121	8 171	- 50	- 37
NP_AUBER	50%	50%	- 89	11	- 100	- 13
NP_AUBER_VH	50%	50%	681	474	207	206
NP_AUBERVIL	50%	50%	- 17	- 14	- 2	- 9
NP_BESSANC2	50%	50%	149	- 17	219	- 42
NP_BESSANCOU	50%	50%	185	- 70	202	- 10
NP_CHARENT1	50%	51%	34	58	- 24	- 78
NP_CRETEIL	50%	50%	- 1		- 1	
NP_EPINAY	50%	50%	- 49	- 93	44	- 22
NP_VAIRES	50%	50%	1 417	1 001	416	370
ODD Construct	50%	50%	682	17	665	- 9
PA_VILLA	51%	51%	- 40	- 47	7	- 9
Plateau d'Erpent	50%	50%	838	170	668	158
RAC3	40%	40%	3 264	3 129	135	125
RAC4	40%	40%	1 331	2 856	438	- 247
RAC4 Developt	40%	40%	1 587	1 349	- 2	- 12
RAC5	40%	40%	5 451	5 259	192	132
RAC6	40%		2 168		206	
Surf Club Marbella Beach, S.L.	50%		19 855		- 775	
Surf Club Spain Invest Property SL	50%	50%	- 61	- 35	23	- 86
Unipark	50%	50%	4 063	4 033	30	160
Universalis Park 2	50%	50%	-1 627	-1 470	- 156	- 147
Universalis Park 3	50%	50%	-2 249	-2 058	- 192	- 191
Universalis Park 3AB	50%	50%	1 967	1 970	- 4	281
Universalis Park 3C	50%	50%	418	421	- 4	- 127
TOTAL JOINT VENTURES			98 663	47 385	7 987	9 649
DHR Clos du Château	33%	33%	106	16	90	- 9
Elba Advies						151
Graspa Development						
Nafilyan						-2 553
ULB Holding	60%	60%	-5 363	-5 152	- 210	- 319
Urban Living Belgium	30%	30%	12 789	13 650	128	-1 934
TOTAL ASSOCIATES			7 532	8 514	7	-4 664
TOTAL JOINT VENTURES AND ASSOCIATES			106 195	55 899	7 994	4 985

The table below presents condensed financial information of joint ventures and associates of the Group. The amounts reported are the amounts determined in accordance with IFRS, before elimination of intercompany.

	FIGURES AT 100%					TOTAL EQUITY ALLOCATED TO THE GROUP	SHAREHOLDER LOANS BY THE GROUP
AS AT 31 DECEMBER 2020	TURNOVER	COMPREHENSIVE INCOME	TOTAL ASSETS	TOTAL LIABILITIES	TOTAL EQUITY		
Bella Vita	0	- 33	375	268	108	54	0
Boralina Investments, S.L.	0	- 1	41 705	6 108	35 597	-2 884	0
Brouckère Tower Invest	0	772	154 834	96 717	58 117	29 059	0
CBD International	7	1 016	41 853	45 137	-3 284	-1 431	18 720
Château de Beggen	0	0	239	204	35	17	0
Cityzen Holding	0	- 14	20 454	16 282	4 172	- 19	8 138
Cityzen Hotel	0	109	19 287	18 158	1 129	564	15 234
Cityzen Office	0	328	82 970	79 878	3 091	1 546	0
Cityzen Residence	0	155	19 354	18 232	1 121	561	15 217
CP Development Sp. z o.o.	0	46	46 863	46 982	- 119	- 59	0
CSM Development	0	- 11	2 833	2 785	48	24	1 646
CSM Properties	0	583	104 041	96 241	7 800	3 900	44
Debrouckère Development	1 906	- 135	4 176	3 080	1 096	548	1 338
Debrouckère Land (ex-Mobius I)	43 004	11 550	25 734	25 530	203	102	0
Debrouckère Leisure	0	- 30	5 458	838	4 620	2 310	29
Debrouckère Office	0	40	16 237	8 697	7 540	3 770	0
Gateway	0	- 6	647	3	644	322	0
Goodways SA	0	- 126	21 711	17 928	3 783	3 237	2 858
Ilot Ecluse	0	- 6	375	45	330	165	40
Immo PA 33 1	537	- 69	3 496	953	2 543	1 272	0
Immo PA 44 1	1 360	- 26	2 741	1 375	1 366	683	0
Immo PA 44 2	4 081	832	9 543	4 774	4 769	2 385	0
Immobel Marial SàRL	0	4	2 181	2 165	16	8	958
Key West Development	0	- 104	10 729	9 787	941	471	4 733
Les Deux Princes Develop.	14 545	2 150	3 419	6 929	-3 510	-1 755	0
Livingstone Retail S.à.r.l.	0	0	12	0	12	4	0
M1	54 660	8 979	52 610	35 788	16 822	5 603	-2 500
M7	0	137	1 006	611	395	132	0
Mobius II	0	- 100	56 356	40 113	16 242	8 121	7 913
NP_AUBER	0	- 199	1 147	1 325	- 178	- 89	251
NP_AUBER_VH	4 940	413	5 044	3 685	1 359	681	158
NP_AUBERVIL	0	- 5	1 984	2 017	- 33	- 17	922
NP_BESSANC2	6 540	438	6 477	6 179	298	149	1 322
NP_BESSANCOU	66	403	509	140	370	185	145
NP_CHARENT1	2 947	- 48	7 591	7 524	67	34	475
NP_CRETEIL	0	- 1	708	710	- 2	- 1	380
NP_EPINAY	3 838	89	3 808	3 906	- 98	- 49	1 177
NP_VAIRES	6 770	830	11 472	8 644	2 828	1 417	1 851
ODD Construct	7 710	1 330	3 747	2 383	1 364	682	562
PA_VILLA	0	13	4 030	4 110	- 79	- 40	47
Plateau d'Erpent	9 125	1 335	20 395	18 720	1 675	838	1 679
RAC3	11	338	8 173	14	8 159	3 264	0
RAC4	0	1 094	31 619	28 290	3 329	1 331	0
RAC4 Developt	0	- 4	4 640	672	3 968	1 587	160
RAC5	0	481	14 056	428	13 628	5 451	0
RAC6	0	515	13 495	8 075	5 420	2 168	0
Surf Club Marbella Beach, S.L.	0	-1 549	81 303	41 593	39 710	19 855	3 000
Surf Club Spain Invest Property SL	0	46	7 809	7 932	- 123	- 61	0
Unipark	1	61	10 517	2 391	8 126	4 063	0
Universalis Park 2	0	- 313	22 514	25 768	-3 254	-1 627	6 532
Universalis Park 3	0	- 383	32 783	37 281	-4 499	-2 249	8 588
Universalis Park 3AB	0	- 8	4 365	432	3 933	1 967	0
Universalis Park 3C	0	- 7	1 009	174	835	418	0
TOTAL JOINT VENTURES	162 047	30 910	1050 433	798 001	252 431	98 667	101 617
DHR Clos du Château	1 625	270	1 491	1 172	319	106	376
ULB Holding	0	- 351	18 245	18 678	- 432	-5 363	5 593
Urban Living Belgium	16 477	989	192 165	172 452	19 713	12 789	21 022
TOTAL ASSOCIATES	18 101	908	211 901	192 302	19 599	7 532	26 991
TOTAL JOINT VENTURES AND ASSOCIATES	180 148	31 818	1262 334	990 303	272 031	106 199	128 608

Main components of assets and liabilities:		
Investment property	195 255	
Other fixed assets	76 985	
Inventories	674 872	
Cash and cash equivalents	67 246	
Receivables and other assets	247 976	
Non-current financial debts		205 315
Current Financial debts		279 950
Deferred tax liabilities		16 459
Shareholder's loans		151 017
Other Liabilities		337 562
TOTAL	1 262 334	990 303

Main projects and financial debts	INVENTORIES AND INVESTMENT PROPERTY	FINANCIAL DEBTS
Cityzen Office	54 675	68 000
CSM Properties	102 372	96 150
Mobius II	55 931	22 470
RAC4	22 777	28 000
Universalis Park 2	22 183	12 700
Universalis Park 3	32 598	18 930
Urban Living Belgium	151 376	76 982
Debrouckère Land (ex-Mobius I)	21 318	21 150
CP Development Sp. z o.o.	44 717	15 968
Brouckère Tower Invest	148 601	92 977
Surf Club Marbella Beach, S.L.	61 752	
Others	151 825	31 937
TOTAL	870 127	485 265

	FIGURES 100%					TOTAL EQUITY ALLOCATED TO THE GROUP	SHAREHOLDER LOANS BY THE GROUP
AS AT 31 DECEMBER 2019	TURNOVER	COMPREHENSIVE INCOME	TOTAL ASSETS	TOTAL LIABILITIES	TOTAL EQUITY		
Bella Vita	12	- 84	400	259	141	70	
CBD International	231	- 281	34 523	38 823	-4 300	-1 938	14 201
Château de Beggen		155	1 569	259	1 310	655	
Cityzen Holding		- 25	20 168	15 983	4 185	- 13	7 990
Cityzen Hotel		132	19 227	18 208	1 019	510	14 937
Cityzen Office		326	82 203	79 440	2 763	1 382	-27 702
Cityzen Residence		79	19 219	18 253	966	483	14 937
CSM Development		- 3	409	350	59	29	141
CSM Properties		150	107 306	100 089	7 217	3 609	810
Debrouckère Development		- 18	2 808	1 577	1 231	616	250
Gateway		- 3	651	1	650	325	
Goodways		309	22 221	18 312	3 909	3 300	7 709
Ilot Ecluse		- 12	379	43	336	168	39
Immo Keyenveld 1		- 14					
Immo Keyenveld 2		- 14					
Immo PA 33 1	2 702	262	4 148	1 276	2 872	1 436	
Immo PA 44 1	2 182	436	2 974	1 282	1 692	846	
Immo PA 44 2	6 551	1 422	9 315	4 028	5 287	2 643	
Key West Development		- 205	10 041	8 996	1 045	522	
Les Deux Princes Developement	24 058	3 313	5 819	1 879	3 940	1 970	
M1	83 297	18 290	65 894	50 940	14 954	4 984	
M7	7 230	840	3 640	1 372	2 268	756	
Möbius II		- 74	34 635	18 293	16 342	8 171	3 723
NP Auber RE SCCV		- 41	1 149	373	776	11	607
NP Auber Victor Hugo SCCV		- 29	3 828	4 020	- 192	474	157
NP Aubervilliers 1 SCCV		- 17	1 260	1 288	- 28	- 14	555
NP Bessancourt 1 SCCV		-1 011	339	702	- 363	- 17	145
NP Bessancourt 2 SCCV		- 141	635	774	- 139	- 70	535
NP Charenton Le Pont SCCV		- 2	4 836	4 945	- 109	58	476
NP Creteil SCCV			670	670			360
NP Epinay s/ Orge SCCV		- 189	3 423	3 612	- 189	- 93	1 035
NP Vaires s/ Marne SCCV		- 53	5 101	5 538	- 437	1 001	1 851
ODD Construct	600	- 18	1 572	1 538	34	17	551
PA Villa Colomba SCCV			2 063	2 136	- 73	- 47	48
Plateau d'Erpent		201	16 726	16 386	340	170	4 006
RAC 3		313	7 854	32	7 822	3 129	
RAC 4		- 618	41 778	34 639	7 139	2 856	
RAC4 Developement		- 31	3 393	21	3 372	1 349	
RAC 5		331	13 499	352	13 147	5 259	
SPV WW 13		- 166	23 023	23 188	- 165	- 83	
Surf Club Spain Invest Property		- 172	7 587	7 656	- 69	- 35	3 799
Unipark	7 002	319	10 796	2 731	8 065	4 033	
Universalis Park 2		- 294	21 729	24 670	-2 941	-1 470	6 070
Universalis Park 3		- 383	31 945	36 061	-4 116	-2 058	7 993
Universalis Park 3AB	2 519	562	4 797	857	3 940	1 970	229
Universalis Park 3C		- 253	1 327	485	842	421	159
TOTAL JOINT VENTURES	136 384	23 289	656 879	552 337	104 542	47 385	65 611
DHR Clos du Château		- 28	2 098	2 049	49	16	372
Elba Advies		251					
ULB Holding		- 532	18 234	18 316	- 82	-5 152	
Urban Living Belgium	24 548	-5 846	175 089	155 375	19 714	13 650	21 252
TOTAL ASSOCIATES	24 548	-6 155	195 421	175 740	19 681	8 514	21 624
TOTAL JOINT VENTURES AND ASSOCIATES	160 932	17 134	852 300	728 077	124 223	55 899	87 235

Main components of assets and liabilities :			Main projects and financial debts:	INVENTORIES AND INVESTMENT PROPERTY	FINANCIAL DEBTS
Investment property	197 552		Central Point	33 230	
Other fixed assets	22 054		Cityzen	90 903	70 500
Inventories	440 046		CSM	104 220	97 637
Cash and cash equivalents	58 885		Goodways	20 609	3 944
Receivables and other assets	133 763		Möbius II	33 286	9 074
Non-current financial debts		269 359	M1 M7	25 569	
Current financial debts		42 322	Nafilyan	51 486	2 781
Deferred tax liabilities		1 801	RAC(s)	30 348	28 000
Shareholder's loans		120 990	Universalis Park	54 936	31 630
Other liabilities		293 605	Urban Living Belgium	149 477	67 461
TOTAL	852 300	728 077	Others	43 534	654
			TOTAL	637 598	311 681

In case of financial debts towards credit institutions, the shareholder loans reimbursements (reimbursement of cash to the mother company) are subordinated to the reimbursements towards credit institutions.

	31/12/2020	31/12/2019
Amount of debts guaranteed by securities	285 484	356 018
Book value of Group's assets pledged for debt securities	260 839	311 681

For the main debts towards credit institutions mentioned above, the company IMMOBEL SA has engaged itself to provide the necessary financial means in order to bring the different projects to a good end ("cash deficiency" and "cost overrun" engagements). There are no significant restrictions which limit the Group's ability to access the assets of joint ventures and associates, nor specific risks or commitments other than those relating to bank loans.

18) OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets relate to investments in shares or bonds, and are allocated as follows per geographical area:

	31/12/2020	31/12/2019
Belgium	175	29
France		4 891
TOTAL OTHER NON-CURENT FINANCIAL ASSETS	175	4 920

19) DEFERRED TAX

Deferred tax assets or liabilities are recorded in the balance sheet on deductible or taxable temporary differences, tax losses and tax credits carried forward. Changes in the deferred taxes in the balance sheet having occurred over the financial year are recorded in the statement of income unless they refer to items directly recognised under other comprehensive income.

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

	DEFERRED TAX ASSETS		DEFERRED TAX LIABILITIES	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Tax losses and tax latencies	18 202	11 574		
Revenue recognition	2 115	1 344	41 380	22 155
Financial debts				
Fair value of financial instruments	40	73	4	
Other items	21	91	- 74	
Netting (net tax position per entity)	-4 009	-6 708	-4 009	-6 708
TOTAL	16 369	6 374	37 301	15 447

VALUE AS AT 1 JANUARY	6 374	15 447
Scope changes	1 605	-1 099
Deferred tax recognised in the consolidated statement of comprehensive income	8 390	22 953
VALUE AS AT 31 DECEMBER	16 369	37 301

Based on the situation per 31 December 2020, each change in tax rate of 1% involves an increase or decrease of taxes of EUR 837 thousand.

TEMPORARY DIFFERENCES OR TAX LOSSES FOR WHICH NO DEFERRED TAX ASSETS ARE RECOGNISED IN THE BALANCE SHEET, FROM WHICH:	24 981
Expiring at the end of 2021	111
Expiring at the end of 2022	528
Expiring at the end of 2023	102
Expiring at the end of 2024	2 022
Expiring at the end of 2025	1 813
Not time-limited	20 405

20) OTHER NON-CURRENT ASSETS

Other non-current assets relate exclusively to cash guarantees and deposits, and are allocated as follows per geographical area:

	31/12/2020	31/12/2019
Belgium	556	72
Luxembourg		
France	839	785
Germany	148	2 890
Poland	146	
TOTAL OTHER NON-CURENT ASSETS	1 689	3 747

21) INVENTORIES

Inventories consist of buildings and land acquired for development and resale. Allocation of inventories by geographical area is as follows:

	31/12/2020	31/12/2019
Belgium	311 038	338 496
Luxembourg	196 192	143 595
France	92 290	117 142
Germany	61 875	54 955
Poland	21 396	40 098
Spain	331	294
TOTAL INVENTORIES	683 121	694 580

The inventories break down as follows:

	31/12/2020	31/12/2019
INVENTORIES AS AT 1 JANUARY	694 580	511 837
Net book value of investment property transferred from/to inventories	9 471	
Purchases of the year	10 976	51 376
Developments	271 981	373 721
Disposals of the year	-300 766	-291 027
Borrowing costs	3 684	4 892
Scope changes	-6 805	43 787
Write-off		- 6
CHANGES FOR THE YEAR	-11 459	182 743
INVENTORIES AS AT 31 DECEMBER	683 121	694 580

Break down of the movements of the year per operational sector :	Purchases/ Develop-ments	Disposals	Borrowing costs	Scope changes	Transfer of the net book value	Net
Belgium	95 595	-171 341	372	-6 805	54 720	-27 458
Luxembourg	70 983	-19 569	1 183			52 597
France	72 334	-53 899	1 962		-45 249	-24 852
Germany	35 793	-28 873				6 920
Poland	8 216	-27 084	166			-18 702
Spain	37					37
Total	282 958	-300 766	3 684	-6 805	9 471	-11 459

The value of the stock to be recovered in:

12 months	527 925
> 12 months	155 196
Breakdwon of the stock by type:	
Without permit	483 442
Permit obtained but not yet in development	
In development	199 679

22) TRADE RECEIVABLES

Trade receivables refer to the following operational segments:

	31/12/2020	31/12/2019
Belgium	7 206	10 733
Luxembourg	2 404	520
France	13 116	56 063
Germany	8 050	1 948
Poland	240	3 252
Spain	2 152	
TOTAL TRADE RECEIVABLES	33 168	72 516

The analysis of the delay of payment arises as follows:	31/12/2020	31/12/2019
Due < 3 months	9 388	5 151
Due > 3 months < 6 months	845	826
Due > 6 months < 12 months	2 389	2 742
Due > 1 year	1 248	885

CREDIT RISK

The credit risk is related to the possible failure of the customers in respecting their commitments towards the Group and is considered immaterial, especially since in most cases the asset sold serves as collateral (guarantee).

At 31 December 2019, there was no concentration of credit risk with a sole third party. The maximum risk amounts to the book value of the receivables. However, within the meaning of IFRS 9, there is no expected credit loss that can be deemed significant at that date.

The impairments recorded on trade receivables evolve as follows:

	31/12/2020	31/12/2019
BALANCE AT 1 JANUARY	473	368
Additions	69	105
MOVEMENTS OF THE YEAR	69	105
BALANCE AT 31 DECEMBER	542	473

23) CONTRACT ASSETS

Contract assets, arising from the application of IFRS 15, refer to the following operational segments:

	31/12/2020	31/12/2019
Belgium	9 315	7 278
Luxembourg	7 610	21 060
France	21 108	
Germany	19 218	13 890
TOTAL CONTRACT ASSETS	57 251	42 228

The increase of contract assets in France is due to a reclass of trades receivable to contract assets.

Upon initial recognition, the Group measures trade receivables at their transaction price as defined by IFRS 15. Contract assets include the amounts to which the entity is entitled in exchange for goods or services that it already has provided to a customer but for which the payment is not yet due or is subject to the fulfilment of a specific condition provided for in the contract.

When an amount becomes due, it is transferred to the receivable account.

A trade receivable is recognized as soon as the entity has an unconditional right to collect a payment. This unconditional right exists from the moment in time which makes the payment due.

It is expected that the entire amount reflected as at December 31, 2020 will become due and be cashed in fiscal year 2021.

In the same way as trade receivables and other receivables, contract assets are subject to an impairment test in accordance with the provisions of IFRS 9 on expected credit losses. This test does not show any significant potential impact since these contract assets (and their related receivables) are generally covered by the underlying assets represented by the building to be transferred.

24) OTHER CURRENT ASSETS

The components of this item are:

	31/12/2020	31/12/2019
Other receivables	30 435	36 636
of which : advances and guarantees paid		2 013
taxes (other than income taxes) and VAT receivable	17 589	26 656
receivable upon sale (escrow account)	3 075	142
other	9 771	7 825
Deferred charges and accrued income	6 834	5 301
of which: on projects in development	190	
other	6 644	5 301
TOTAL OTHER CURRENT ASSETS	37 269	41 937

25) INFORMATION RELATED TO THE NET FINANCIAL DEBT

The Group's net financial debt is the balance between the cash and cash equivalents and the financial debts (current and non-current). It amounts to EUR -603 890 thousand as at 31 December 2020 compared to EUR -550 925 thousand as at 31 December 2019.

	31/12/2020	31/12/2019
Cash and cash equivalents	173 009	156 146
Non current financial debts	591 558	507 008
Current financial debts	185 341	200 063
NET FINANCIAL DEBT	-603 890	-550 925

The Group's gearing ratio (net financial debt / equity) is 122,1% as at 31 December 2020, compared to 128,7% as at 31 December 2019.

CASH AND CASH EQUIVALENTS

Cash deposits and cash at bank and in hand amount to EUR 148 059 thousand compared to EUR 156 146 thousand at the end of 2019, representing a decrease of EUR 8 087 thousand. The breakdown of cash and cash equivalents is as follows:

	31/12/2020	31/12/2019
Term deposits with an initial duration of maximum 3 months		
Cash at bank and in hand	148 059	156 146
AVAILABLE CASH AND CASH EQUIVALENTS	148 059	156 146

The explanation of the change in available cash is given in the consolidated cash flow statement. Cash and cash equivalents are fully available, either for distribution to the shareholders or to finance projects owned by the different companies.

FINANCIAL DEBTS

Financial debts increase with EUR 48 878 thousand, from EUR 707 071 thousand at 31 December 2019 to EUR 751 949 thousand at 31 December 2020. The components of financial debts are as follows:

	31/12/2020	31/12/2019
Bond issues:		
Bond issue maturity 31-05-2022 at 3.00% - nominal amount 100 MEUR	99 709	99 515
Bond issue maturity 17-10-2023 at 3.00% - nominal amount 50 MEUR	50 000	50 000
Bond issue maturity 17-10-2025 at 3.50% - nominal amount 50 MEUR	50 000	50 000
Bond issue maturity 14-04-2027 at 3.00% - nominal amount 75 MEUR	75 000	75 000
Lease contracts	2 872	5 060
Credit institutions	293 558	227 433
NON CURRENT FINANCIAL DEBTS	571 139	507 008
Credit institutions	175 131	195 590
Lease contracts	1 614	1 502
Bonds - not yet due interest	4 065	2 971
CURRENT FINANCIAL DEBTS	180 810	200 063
TOTAL FINANCIAL DEBTS	751 949	707 071
Financial debts at fixed rates	274 709	274 515
Financial debts at variable rates	473 175	429 585
Bonds - not yet due interest	4 065	2 971
Amount of debts guaranteed by securities	468 690	423 023
Book value of Group's assets pledged for debt securities	816 694	590 941

Financial debts evolve as follows:

	31/12/2020	31/12/2019
FINANCIAL DEBTS AS AT 1 JANUARY	707 071	515 789
Liabilities resulting from the implementation of IFRS 16 (lease contracts) as per January 1, 2019		3 891
Repaid liabilities related to lease contracts	-2 872	
Contracted debts	303 861	291 307
Repaid debts	-252 905	-91 965
Change in the fair value recognized in the statement of comprehensive income		
Scope changes		-10 986
Bonds - paid interest	-8 500	-7 453
Bonds - not yet due interest	1 094	4 021
Not yet due interest on other loans	4 005	2 097
Amortization of deferred debt issue expenses	195	370
CHANGES FOR THE YEAR	44 878	191 282
FINANCIAL DEBTS AS AT 31 DECEMBER	751 949	707 071

All the financial debts are denominated in EUR.

Except for the bonds, 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 margin.

As of December 31, 2020, IMMOBEL is entitled to use undrawn Corporate credit lines of EUR 76 million, has non-issued commercial paper of EUR 26,5 million and EUR 639 million of confirmed project finance lines of which EUR 354 million were used.

These credit lines (Project Financing Credits) are specific for the development of certain projects.

At December 31, 2020, the book value of Group's assets pledged to secure the corporate credit and the project financing credits amounts to EUR 817 million.

The table below summarizes the maturity of the financial liabilities of the Group:

DUE IN	2021	2022	2023	2024	2025	2025 and more	Total
Bonds (*)		100 000		50 000		125 000	275 000
Project Financing Credits	126 631	89 224	35 376	73 823	12 779		337 835
Corporate Credit lines	25 000	38 500	2 000	2 500	23 000		91 000
Commercial paper	23 500					16 355	39 855
Interets payable	17 459	10 299	7 621	5 059	4 104	3 047	47 588
IRS - cash flow hedge	150	150	150	150	12		612
TOTAL AMOUNT OF DEBTS	192 740	238 173	45 148	131 532	39 895	144 402	791 889

* The amount on the balance sheet, EUR 274 515 thousand, includes emission costs.

INTEREST RATE RISK

To hedge its variable interest rate exposure, the company uses variable type of financial instruments. In April 2020, the company entered into an agreement to cap the interest rate at 0,5% for about 75% of the exposure on the variable part of the debt (based on the internal view, i.e. before application of IFRS 11) up to July 1st, 2023. In December 2020, Immobel has entered in a new contract to hedge a variable interest loan. The Company uses interest rate swap agreements to convert a portion of its interest rate exposure from floating rates to fixed rates to reduce the risk of an increase of the EURIBOR interest rate. The notional amount amounts to EUR 30 million. The interest swap replaces the Euribor rate with a fixed interest rate per year on the outstanding amount. The derivative is formally designated and qualifies as a cash flow hedge and are recorded at fair value in the consolidated balance sheets in other assets and/or other liabilities. The interest rate swap and debt have same terms.

	31/12/2020	31/12/2019
DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS		
Interest rate swaps		291
DERIVATIVES DESIGNATED AS HEDGING INSTRUMENTS		
Interest rate swaps - cash flow hedges	560	
TOTAL	560	291
CHANGE IN FAIR VALUE OF THE DERIVATIVE FINANCIAL INSTRUMENTS		
SITUATION AT 1 JANUARY	291	536
Changes during the period in the consolidated result	- 291	- 245
Changes during the period in other comprehensive income	560	
SITUATION AT 31 DECEMBER	560	291

The increase in interest rate would result in an annual increase of the interest charge on debt of EUR 1.549 thousand per 1%-increase for about 25% of the variable part of the debt and maximum EUR 2.323 thousand in total for about 75% of the variable part of the debt to the extent the applicable EURIBOR-rate stands at 0%. Given that current applicable EURIBOR-rates are below 0% the impact of such increase would be even lower than these respective amounts.

INFORMATION ON FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table list the different classes of financial assets and liabilities with their carrying amounts in the balance sheet and their respective fair value and analysed by their measurement category.

The fair value of financial instruments is determined as follows:

- If their maturity is short-term (e.g.: trade receivables and payables), the fair value is assumed to be similar at amortized cost,
- For fixed rate debts, based on discounted future cash flows estimated based on market rates at closing,
- For variable rate debts, the fair value is assumed to be similar at amortized cost,
- For derivative financial instruments, the fair value is determined on the basis of discounted future cash flows estimated based on curves of forward interest rates. This value is mentioned by the counterparty financial institution.
- For quoted bonds, on the basis of the quotation at the closing (level 1).

The fair value measurement of financial assets and financial liabilities can be characterized in one of the following ways:

- Level 1: the fair values of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices in active markets for identical assets and liabilities,
- Level 2: the fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments. This mainly relates to derivative financial instruments,
- Level 3: the fair values of the remaining financial assets and financial liabilities are derived from valuation techniques which include inputs which are not based on observable market data.

		Amounts recognized in accordance with IFRS 9				
	Level of the fair value	Carrying amount 31/12/2020	Amortized cost	Fair value trough profit or loss	Fair value 31/12/2020	Cash flow hedging 31/12/2020
ASSETS						
Cash and cash equivalents	Level 1	148 059	148 059		148 059	
Other non-current financial assets	Level 1	175		175	175	
Other non-current assets	Level 2	1 689	1 689		1 689	
Trade receivables	Level 2	33 168	33 168		33 168	
Contract assets	Level 2	57 251	57 251		57 251	
Other operating receivables	Level 2	137 762	137 762		137 762	
Other current financial assets	Level 1	49		49	49	
TOTAL		378 154	377 929	225	378 154	
LIABILITIES						
Interest-bearing debt	Level 1 & 2	751 949	751 949		751 949	
Trade payables	Level 2	60 927	60 927		60 927	
Contract liabilities	Level 2	3 896	3 896		3 896	
Other operating payables	Level 2	79 298	79 298		79 298	
Derivative financial instruments	Level 2	560				560
TOTAL		896 629	896 069		896 069	560

INVESTMENT GRADE

The bank accounts are held by banks with 'investment grade' rating (Baa3/BBB- or better).

LIQUIDITY RISK

The Company starts only new projects in case of appropriate financing by corporate, specific financing or pre-sale. Therefore, the cash risk related to the progress of a project is very limited.

FINANCIAL COMMITMENTS

The Group is subject, for bonds and credit lines mentioned hereabove, to a number of financial commitments.

These commitments are taking into account the equity, the net financial debt and its relation with the equity and the inventories. At 31 December 2020, as for the previous years, the Group was in conformity with all these financial commitments.

RISK OF FLUCTUATION IN FOREIGN CURRENCIES

The Group has a limited hedge on the foreign exchange rates risks on its development activities. The functional currency of the offices activity currently developed in Poland is translated from PLN to EUR (except for Central Point managed in EUR), with an impact on the other comprehensive income.

26) EQUITY

	2020	2019
Number of shares at 31 December	9 997 356	9 997 356
Number of shares fully paid at 31 December	9 997 356	9 997 356
Treasury shares at 31 December	392 527	1 212 179
Nominal value per share	9,740	9,740
Number of shares at 1 January	9 997 356	9 997 356
Number of treasury shares at 1 January	-1 212 179	-1 220 190
Treasury shares granted to a member of the executive committee		
Treasury shares sold	819 652	8 011
Number of shares (excluding treasury shares) at 31 December	9 604 829	8 785 177

RISK MANAGEMENT RELATED TO THE CAPITAL

IMMOBEL is optimising the structure of its permanent capital through a balance between capital and long-term debts.

The target is to maximise the value for the shareholders while maintaining the required flexibility to achieve the development projects. Other elements, like the expected return on each project and the respect of a number of balance sheet ratios, influence the decision taking.

27) PENSIONS AND SIMILAR OBLIGATIONS

The pensions and similar obligations cover the obligations of the Company as far as the group insurance is concerned.

The amount recognised in the balance sheet represents the present value of obligations in terms of defined benefit pension plans less the fair value of plan assets.

	31/12/2020	31/12/2019
STATEMENT OF FINANCIAL POSITION		
Present value of the defined benefit obligations	1 963	1 674
Fair value of plan assets at the end of the period	-1 360	-1 041
NET LIABILITY ARISING FROM DEFINED BENEFIT OBLIGATION	603	633
STATEMENT OF COMPREHENSIVE INCOME		
Current service cost	-52 941	- 50
Past service cost or settlement		
Interest cost on the defined benefit obligation	-8 343	- 20
Interest income on plan assets	5 317	12
Administration costs	-4 039	- 3
DEFINED BENEFIT COSTS RECOGNIZED IN PROFIT OR LOSS	- 238	- 61
Acturial (gains) / losses on defined benefit obligation arising from		
- changes in financial assumptions		
- return on plan assets (excluding interest income)	32	65
- experience adjustments	170	- 66
REMEASUREMENTS OF NET DEFINED BENEFIT LIABILITY RECOGNISED IN OTHER COMPREHENSIVE INCOME	202	- 1
DEFINED BENEFIT COSTS	- 36	- 62

	31/12/2020	31/12/2019
PRESENT VALUE OF THE OBLIGATIONS AS AT 1 JANUARY	1 674	1 576
Current service cost	52 941	50
Interest cost	8 343	20
Contributions from plan participants	10 266	10
Actuarial (gains) losses	-169 676	66
Benefits paid	-8 246	- 48
Past service cost, settlement or business combination	395 449	
PRESENT VALUE OF THE OBLIGATIONS AS AT 31 DECEMBER	1 963	1 674

	31/12/2020	31/12/2019
FAIR VALUE OF THE PLAN ASSETS AS AT 1 JANUARY	1 042	959
Interest income	5 317	12
Contributions from employer	65 941	47
Contributions from plan participants	10 266	10
Benefits paid	-8 246	- 48
Return on plan assets (excluding interest income)	31 876	65
Administrative costs	-4 039	- 3
Settlement or business combination	216 835	
FAIR VALUE OF THE PLAN ASSETS AS AT 31 DECEMBER	1 360	1 042
CONTRIBUTION OF THE EMPLOYER EXPECTED FOR 2019 / 2020	103	48

ACTURIAL ASSUMPTIONS USED TO DETERMINE OBLIGATIONS		
Discount rate	0,30%	
Future salary increases	3,10%	
Inflation rate	1,71%	
Mortality table	MR-3/FR-3 (BE) INSEE H/F 14-16 (FR)	

SENSITIVITY ANALYSIS OF THE DBO 31/12/2019			
Discount rate	-0,20%	0,30%	0,80%
Amount of the DBO	2 086	1 963	1 850

The Belgian defined benefit pension plan and defined contribution pension plans with guaranteed return are funded through group insurance contracts. The plans are funded through employer and employee contributions. The underlying assets of the insurance contracts are primarily invested in bonds. The defined benefit plan is closed for new employees. The plan participants are entitled to a lump sum on retirement. Active members also receive a benefit on death-in-service.

The French retirement indemnity plan offers a lump sum on retirement as defined by the collective labor agreement of the real estate industry. The plan is unfunded and open to new employees.

The liabilities of the Belgian defined contribution plans with guaranteed return and French retirement indemnity plan are recognized for the first time, and this through a past service cost of - EUR 178 thousand.

EMPLOYER CONTRIBUTIONS IN THE DEFINED CONTRIBUTION PLAN (DC)	111

28) PROVISIONS

The components of provisions are as follows:

	31/12/2020	31/12/2019
Provisions related to the sales	1 217	332
Other provisions	897	3 550
TOTAL PROVISIONS	2 114	3 882

	Related to sales	Other	31/12/2020
PROVISIONS AS AT 1 JANUARY	332	3 550	3 882
Scope changes	454	-2 346	-1 892
Increase	693	579	1 272
Use/Reversal	- 262	- 886	-1 148
CHANGES FOR THE YEAR	885	-2 653	-1 768
PROVISIONS AS AT 31 DECEMBER	1 217	897	2 114

Allocation by operational segment is as follows:

	31/12/2020	31/12/2019
Belgium	134	2 319
Luxembourg	500	542
France	1 480	1 021
TOTAL PROVISIONS	2 114	3 882

These provisions made correspond to the best estimate of outgoing resources considered as likely by the Board of Directors. The Group has no indication on the final amount of disbursement or the timing of the disbursement, it depends on court decisions.

The provisions are made up based on the risks related to the sales and to the litigations, in particular when the recognition conditions of those liabilities are met.

The provisions related to the sales mainly consist of rental guarantees, good end of execution...

No provision has been recorded for the other litigations that mainly concern:

- problems of decennial guarantee for which the Group has recourse on the contractor who is generally covered by an insurance of "decennial liability coverage" for this purpose,
- pure administrative recourses concerning planning and environmental permits introduced by third parties at the without any financial consequence for the Group.

29) TRADE PAYABLES

This account is allocated by operational segment as follows:

	31/12/2020	31/12/2019
Belgium	29 181	25 207
Luxembourg	6 449	2 518
France	9 764	29 585
Germany	4 295	990
Poland	7 190	1 262
Spain	4 048	2
TOTAL TRADE PAYABLES	60 927	59 564

30) CONTRACT LIABILITIES

The contract liabilities, arising from the application of IFRS 15, relate to following operational segment:

	31/12/2020	31/12/2019
Belgium	2 362	5 690
France	1 534	
TOTAL CONTRACT LIABILITIES	3 896	5 690

Contract liabilities include amounts received by the entity as compensation for goods or services that have not yet been provided to the customer. The contract liabilities are settled by the recognition of the turnover.

Current contract liabilities include income still to be recognized of EUR 3 896 thousand at 31 December 2020. 100% of the contract liabilities per 31 December 2019 were recognized as revenue in 2020.

All amounts reflected in contract liabilities are related to residential activities for which revenue is recognized as a percentage of progress, thus creating discrepancies between payments and the realization of benefits.

31) OTHER CURRENT LIABILITIES

The components of this account are:

	31/12/2020	31/12/2019
Payroll related liabilities	3 578	1 655
Taxes (other than income taxes) and VAT payable	16 240	22 179
Advances on sales	2 181	25 481
Advances from joint ventures and associates	28 544	18 416
Accrued charges and deferred income	3 305	2 155
Operating grants		
Acquisition price payable	2 038	2 038
Other	16 302	7 196
TOTAL OTHER CURRENT LIABILITIES	72 188	79 120

Other current liabilities mainly consist of taxes (other than income taxes), the non-eliminated balance of advances received from joint ventures and associates, as well as advances received from customers under commercial contracts for which revenue recognition is expected at a specific point in time.

32) MAIN CONTINGENT ASSETS AND LIABILITIES

	31/12/2020	31/12/2019
Guarantees from third parties on behalf of the Group with respect to:		
- inventories	198 192	160 304
- other assets		
TOTAL GUARANTEES FROM THIRD PARTIES ON BEHALF OF THE GROUP	198 192	160 304
These guarantees consist of:		
- guarantees "Real estate trader" (acquisitions with registration fee at reduced rate)	15 518	27 305
- guarantees "Law Breyne" (guarantees given in connection with the sale of houses or apartments under construction)	162 683	109 684
- guarantees "Good end of execution" (guarantees given in connection with the execution of works) and "other" (successful completion of payment, rental,...)	19 991	23 315
TOTAL GUARANTEES FROM THIRD PARTIES ON BEHALF OF THE GROUP	198 192	160 304
Mortgage power - Amount of inscription	810 140	463 941
Book value of Group's assets pledged for debt securities related to investment property and inventory as a whole	758 676	590 941
BOOK VALUE OF PLEDGED GROUP'S ASSETS	758 676	590 941
Amount of debts guaranteed by above securities		
- Non current debts	289 028	227 433
- Current debts	179 662	195 590
TOTAL AMOUNT OF DEBTS GUARANTEED	468 690	423 023

33) CHANGE IN WORKING CAPITAL

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

	31/12/2020	31/12/2019
Inventories, including acquisition and sales of entities and investment property that are not considered as		
investing activities	-122 815	-134 070
Other current assets	35 796	-45 015
Other current liabilities	-7 363	-31 480
CHANGE IN WORKING CAPITAL	-94 382	-210 565

34) INFORMATION ON RELATED PARTIES

RELATIONSHIPS WITH SHAREHOLDERS – MAIN SHAREHOLDERS

	31/12/2020	31/12/2019
A3 Capital NV & A3 Management BVBA	58,94%	58,82%
IMMOBEL (Treasury shares)	2,90%	12,12%
Number of representative capital shares	9 997 356	9 997 356

RELATIONSHIPS WITH SENIOR EXECUTIVES

These are the remuneration of members of the Executive Committee and of the Board of Directors.

	Executive Chairman/ CEO	Executive Committee
Basic remuneration	640 000	2 056 263
Variable remuneration STI	waived	172 000
Variable remuneration LTI	139 332	198 220
Individual pension commitment	None	None
Other	None	58 125

RELATIONSHIPS WITH JOINT VENTURES AND ASSOCIATES

The relationships with joint ventures and associates consist mainly of loans or advances, whose amounts are recorded in the balance sheet in the following accounts:

	31/12/2020	31/12/2019
Investments in joint ventures and associates - shareholder's loans	76 644	9 492
Other current assets	20 399	77 743
Other current liabilities	28 544	18 416
Interest income	4 630	2 982
Interest expense	1 287	636

Those relationships are conducted in accordance with formal terms and conditions agreed with the Group and its partner. The interest rate applicable to these loans and advances is Euribor + margin, defined based on internal transfer pricing principles.

See note 17 for further information on joint ventures and associates.

35) EVENTS SUBSEQUENT TO REPORTING DATE

On 5th January 2021 Immobel SA/NV sold 262,179 treasury shares, representing c. 2.6% of Immobel current outstanding share capital, through a private placement, to qualified institutional investors.

36) COMPANIES OWNED BY THE IMMOBEL GROUP

Companies forming part of the Group as at 31 December 2020:

SUBSIDIARIES – FULLY CONSOLIDATED

NAME	COMPANY NUMBER	HEAD OFFICE	GROUP INTEREST (%) (Economic interest)
ARGENT RESIDENTIAL NV	837 845 319	Brussels	100
BEIESTACK HOLDING SARL	B 247.602	Luxemburg	100
BEIESTACK S.A.	B 183 641	Luxemburg	100
BEYAERT NV	837 807 014	Brussels	100
BOITEUX RESIDENTIAL NV	837 797 314	Brussels	100
BRUSSELS EAST REAL ESTATE SA	478 120 522	Brussels	100
BULL'S EYE PROPERTY LUX SA	B 138 135	Luxemburg	100
CANAL DEVELOPEMENT SARL	B 250 642	Luxemburg	100
CHAMBON NV	837 807 509	Brussels	100
CLUSTER CHAMBON NV	843 656 906	Brussels	100
COMPAGNIE IMMOBILIÈRE DE PARTICIPATIONS FINANCIÈRES (CIPAF) SA	454 107 082	Brussels	100
COMPAGNIE IMMOBILIÈRE DE WALLONIE (CIW) SA	401 541 990	Brussels	100
COMPAGNIE IMMOBILIÈRE LUXEMBOURGEOISE SA	B 29 696	Luxemburg	100
EDEN TOWER FRANKFURT GMBH	B235375	Frankfurt	100
EMPEREUR FROISSART NV	871 449 879	Brussels	100
ENTREPRISE ET GESTION IMMOBILIÈRES (EGIMO) SA	403 360 741	Brussels	100
ESPACE NIVELLES SA	472 279 241	Brussels	100
FLINT CONSTRUCT NV	506 899 135	Brussels	65
FLINT LAND NV	506 823 614	Brussels	65
FONCIÈRE JENNIFER SA	464 582 884	Brussels	100
FONCIÈRE MONTOYER SA	826 862 642	Brussels	100
GARDEN POINT SP. Z.O.O.	0000 38 84 76	Warsaw	100
GRANARIA DEVELOPMENT GDANSK BIS SP. Z.O.O.	0000 48 02 78	Warsaw	90
GRANARIA DEVELOPMENT GDANSK SP. Z.O.O.	0000 51 06 69	Warsaw	90
HERMES BROWN II NV	890 572 539	Brussels	100
HOTEL GRANARIA DEVELOPMENT SP. Z.O.O.	0000 51 06 64	Warsaw	90
ILOT SAINT ROCH SA	675 860 861	Brussels	100
IMMO DEVAUX I NV	694 904 337	Brussels	100
IMMO DEVAUX II NV	694 897 013	Brussels	100
IMMOBEL FRANCE GESTION SARL	809 724 974	Paris	100
IMMOBEL FRANCE SAS	800 676 850	Paris	100
IMMOBEL FRANCE TERTIAIRE SAS	833 654 221	Paris	100
IMMOBEL GERMANY GMBH	5050 817 557	Köln	100
IMMOBEL GERMANY SARL	B231 412	Luxemburg	100
IMMOBEL GP SARL	B 247 503	Luxemburg	100
IMMOBEL GUTENBERG BERLIN INVESTMENT GMBH	HRB 90319	Dusseldorf	100
IMMOBEL HOLDCO SPAIN S.L.	B 881 229 62	Madrid	100
IMMOBEL HOLDING LUXEMBOURG SARL	B 138 090	Luxemburg	100
IMMOBEL LUX SA	B 130 313	Luxemburg	100
IMMOBEL PM SPAIN S.L.	B 882 567 06	Madrid	100

IMMOBEL POLAND SP. Z.O.O.	0000 37 22 17	Warsaw	100
IMMOBEL PROJECT MANAGEMENT SA	475 729 174	Brussels	100
IMMOBEL R.E.M. FUND SARL	B 228 335	Luxemburg	100
IMMOBEL REAL ESTATE FUND SC	B 228 393	Luxemburg	100
IMMOBEL URBAN LIVING	695 672 419	Brussels	100
IMMO-PUYHOEK SA	847 201 958	Brussels	100
IMZ NV	444 236 838	Brussels	100
INDUSTRIE 52 BV	759 472 584	Brussels	100
INFINITO S.A.	403 062 219	Brussels	100
INFINITY LIVING SA	B 211 415	Luxemburg	100
LAKE FRONT SA	562 818 447	Brussels	100
LEBEAU DEVELOPMENT	711 809 556	Brussels	100
LEBEAU SABLON SA	551 947 123	Brussels	100
LES JARDINS DU NORD SA	444 857 737	Brussels	96,2
LOTINVEST DEVELOPMENT SA	417 100 196	Brussels	100
MICHAEL OSTLUND PROPERTY SA	436 089 927	Brussels	100
MILAWEY INVESTMENTS SP. ZO.O.	0000 63 51 51	Warsaw	100
MÖBIUS CONSTRUCT SA	681 630 183	Brussels	100
MONTAGNE RESIDENTIAL SA	837 806 420	Brussels	100
NENNIG DEVELOPPEMENT SARL	B 250.824	Luxemburg	100
NP EXPANSION	829 708 981	Paris	100
NP EXPANSION RIVE GAUCHE	829 683 093	Paris	100
NP SHOWROOM SNC	837 908 086	Paris	100
OKRAGLAK DEVELOPMENT SP. Z.O.O.	0000 26 74 81	Warsaw	100
PERCIPI NV	478 273 940	Brussels	100
POLVERMILLEN SARL	B 207 813	Luxemburg	100
PORCELYNEGOED NV	429 538 269	Brussels	100
PRINCE ROYAL CONSTRUCT SA	633 872 927	Brussels	100
QUOMAGO SA	425 480 206	Brussels	100
RIGOLETTO SA	536 987 545	Brussels	100
SAS NP CROISSANCE	817 733 249	Paris	100
SAS NP DEVELOPPEMENT	817 733 264	Paris	100
SAS PARIS LANNELONGUE	851 891 721	Paris	100
SAS RUEIL COLMAR	852 152 412	Paris	100
SAS SAINT ANTOINE COUR BERARD	851 891 721	Paris	100
SCCV BUTTES CHAUMONT	882 258 510	Paris	100
SCCV IMMO BOUGIVAL 1	883460420	Paris	100
SCCV IMMO MONTEVRAIN 1	884552308	Paris	100
SCCV IMMO TREMBLAY 1	883461238	Paris	100
SCCV NP ASNIERES SUR SEINE 1	813 388 188	Paris	100
SCCV NP AUBERGENVILLE 1	837 935 857	Paris	100
SCCV NP AULNAY SOUS BOIS 1	811 446 699	Paris	100
SCCV NP BEZONS 1	820 345 718	Paris	100
SCCV NP BEZONS 2	829 707 348	Paris	100
SCCV NP BOIS D'ARCY 1	829 739 515	Paris	100
SCCV NP BONDOUFLE 1	815 057 435	Paris	100
SCCV NP BUSSY SAINT GEORGES 1	812 264 448	Paris	100
SCCV NP CHATENAY-MALABRY 1	837 914 126	Paris	100
SCCV NP CHELLES 1	824 117 196	Paris	100

SCCV NP CHILLY-MAZARIN 1	838 112 332	Paris	100
SCCV NP CROISSY SUR SEINE 1	817 842 487	Paris	100
SCCV NP CROISSY SUR SEINE 2	822 760 732	Paris	100
SCCV NP CROISSY SUR SEINE 3	822 760 625	Paris	100
SCCV NP CROISSY SUR SEINE 4	832 311 047	Paris	46
SCCV NP DOURDAN 1	820 366 227	Paris	100
SCCV NP DRANCY 1	829 982 180	Paris	100
SCCV NP EAUBONNE 1	850 406 562	Paris	100
SCCV NP FONTENAY AUX ROSES 1	838 330 397	Paris	100
SCCV NP FRANCONVILLE 1	828 852 038	Paris	90
SCCV NP GARGENVILLE 1	837 914 456	Paris	100
SCCV NP ISSY LES MOULINEAUX 1	820 102 770	Paris	85
SCCV NP LA GARENNE-COLOMBES 1	842 234 064	Paris	100
SCCV NP LE PLESSIS TREVISE 1	829 675 545	Paris	100
SCCV NP LE VESINET 1	848 225 884	Paris	51
SCCV NP LIVRY-GARGAN 1	844 512 632	Paris	100
SCCV NP LONGPONT-SUR-ORGE 1	820 373 462	Paris	100
SCCV NP LOUVECIENNES 1	827 572 173	Paris	100
SCCV NP MEUDON 1	829 707 421	Paris	100
SCCV NP MOISSY-CRAMAYEL 1	838 348 738	Paris	100
SCCV NP MONTESSON 1	851 834 119	Paris	51
SCCV NP MONTLHERY 1	823 496 559	Paris	100
SCCV NP MONTLHERY 2	837 935 881	Paris	100
SCCV NP MONTMAGNY 1	838 080 091	Paris	100
SCCV NP NEUILLY SUR MARNE 1	819 611 013	Paris	100
SCCV NP PARIS 1	829 707 157	Paris	100
SCCV NP PARIS 2	842 239 816	Paris	100
SCCV NP RAMBOUILLET 1	833 416 365	Paris	100
SCCV NP ROMAINVILLE 1	829 706 589	Paris	100
SCCV NP SAINT ARNOULT EN YVELINES 1	828 405 837	Paris	100
SCCV NP SAINT GERMAIN EN LAYE 1	829 739 739	Paris	100
SCCV NP SAINT GERMAIN EN LAYE 2	844 464 768	Paris	100
SCCV NP VAUJOURS 1	829 678 960	Paris	100
SCCV NP VILLE D'AVRAY 1	829 743 087	Paris	100
SCCV NP VILLEJUIF 1	829 674 134	Paris	100
SCCV NP VILLEMOMBLE 1	847 809 068	Paris	100
SCCV NP VILLEPINTE 1	810 518 530	Paris	100
SCCV NP VILLIERS SUR MARNE 1	820 147 072	Paris	100
SCCV SCI COMBS LES NOTES FLORALES	820 955 888	Paris	60
SCI LE COEUR DES REMPARTS DE SAINT-ARNOULT-EN-YVELINES	831 266 820	Paris	100
SNC IMMO MDB	882328339	Paris	100
T ZOUT CONSTRUCT SA	656 754 831	Brussels	100
THOMAS SA	B 33 819	Luxemburg	100
VAARTKOM SA	656 758 393	Brussels	100
VAL D'OR CONSTRUCT SA	656 752 257	Brussels	100
VELDIMMO SA	430 622 986	Brussels	100
VESALIUS CONSTRUCT NV	543 851 185	Brussels	100
ZIELNA DEVELOPMENT SP. Z.O.O.	0000 52 76 58	Warsaw	100

JOINT VENTURES – ACCOUNTED FOR UNDER THE EQUITY METHOD

NAME	COMPANY NUMBER	HEAD OFFICE	GROUP INTEREST (%) (Economic interest)
BELLA VITA SA	890 019 738	Brussels	50
BORALINA INVESTMENTS SL	B 884 669 33	Madrid	50
BROUCKERE TOWER INVEST NV	874 491 622	Brussels	50
CBD INTERNATIONAL Sp. z.o.o.	0000 22 82 37	Warsaw	50
CHÂTEAU DE BEGGEN SA	B 133 856	Luxemburg	50
CITYZEN HOLDING SA	721 884 985	Brussels	50
CITYZEN HOTEL SA	721 520 444	Brussels	50
CITYZEN OFFICE SA	721 520 840	Brussels	50
CITYZEN RESIDENCE SA	721 520 642	Brussels	50
CP DEVELOPMENT Sp. z o.o.	0000 63 51 51	Warsaw	50
CSM DEVELOPMENT NV	692 645 524	Brussels	50
CSM PROPERTIES NV	692 645 425	Brussels	50
DEBROUCKERE DEVELOPMENT SA	700 731 661	Brussels	50
DEBROUCKERE LAND NV	662 473 277	Brussels	50
DEBROUCKERE LEISURE NV	750 734 567	Brussels	50
DEBROUCKERE OFFICE NV	750 735 557	Brussels	50
GATEWAY SA	501 968 664	Brussels	50
GOODWAYS SA	405 773 467	Brussels	50
ILOT ECLUSE SA	441 544 592	Gilly	50
IMMO PA 33 1 SA	845 710 336	Brussels	50
IMMO PA 44 1 SA	845 708 257	Brussels	50
IMMO PA 44 2 SA	845 709 049	Brussels	50
KEY WEST DEVELOPMENT SA	738 738 439	Brussels	50
LES 2 PRINCES DEVELOPMENT SA	849 400 294	Brussels	50
LIVINGSTONE RETAIL SARL	B 250 233	Luxemburg	33,33
M1 SA	B 197 932	Strassen	33,33
M7 SA	B 197 934	Strassen	33,33
MÖBIUS II SA	662 474 069	Brussels	50
ODD CONSTRUCT SA	682 966 706	Knokke-Heist	50
PLATEAU D'ERPENT	696 967 368	Namur	50
RAC 3 SA	819 588 830	Antwerp	40
RAC 4 DEVELOPMENT SA	673 640 551	Brussels	40
RAC 4 SA	819 593 481	Brussels	40
RAC5 SA	665 775 534	Antwerp	40
RAC6 SA	738 392 110	Brussels	40
SCCV NP AUBER RE	813 595 956	Paris	50,1
SCCV NP AUBER VICTOR HUGO	833 883 762	Paris	50,12
SCCV NP AUBERVILLIERS 1	824 416 002	Paris	50,1
SCCV NP BESSANCOURT 1	808 351 969	Paris	50,1
SCCV NP BESSANCOURT 2	843 586 397	Paris	50,1
SCCV NP CHARENTON LE PONT 1	833 414 675	Paris	50,98
SCCV NP CRETEIL 1	824 393 300	Paris	50,1

SCCV NP EPINAY SUR ORGE 1	838 577 419	Paris	50,1
SCCV NP VAIRES SUR MARNE 1	813 440 864	Paris	50,1
SCCV PA VILLA COLOMBA	838 112 449	Paris	51
SCHOETTERMARIAL SARL	B 245 380	Luxemburg	50
SURF CLUB HOSPITALITY GROUP SL	B 935 517 86	Madrid	50
SURF CLUB MARBELLA BEACH SL	B 875 448 21	Madrid	50
UNIPARK SA	686 566 889	Brussels	50
UNIVERSALIS PARK 2 SA	665 921 529	Brussels	50
UNIVERSALIS PARK 3 SA	665 921 133	Brussels	50
UNIVERSALIS PARK 3AB SA	665 922 420	Brussels	50
UNIVERSALIS PARK 3C SA	665 921 430	Brussels	50

ASSOCIATES – ACCOUNTED FOR UNDER THE EQUITY METHOD

NAME	COMPANY NUMBER	HEAD OFFICE	GROUP INTEREST (%) (Economic interest)
DHR CLOS DU CHÂTEAU SA	895 524 784	Brussels	33,33
URBAN LIVING BELGIUM HOLDING NV	831 672 258	Antwerp	60
URBAN LIVING BELGIUM NV	831 672 258	Antwerp	30

Except the mentioned elements on note 17, there are no significant restrictions that limit the Group's ability to access assets and settle the liabilities of subsidiaries.

In case of financial debts towards credit institutions, the shareholder’s loans reimbursements (reimbursement of cash to the mother company) are subordinated to the reimbursements towards credit institutions.

G. STATEMENT FROM THE RESPONSIBLE PERSONS

The undersigned persons state that, to the best of their knowledge:

- the Consolidated Financial Statements of IMMOBEL SA and its subsidiaries as of 31st December 2020 have been prepared in accordance with the International Financial Reporting Standards (“IFRS”), and give a true and fair view of the assets and liabilities, financial position and results of the whole of the companies of the IMMOBEL Group as well as the subsidiaries included in the consolidation;
- the Director’s Report on the financial year ended at 31st December 2020 gives a fair overview of the development, the results and of the position of the IMMOBEL Group as well as the subsidiaries included in the consolidation, as well as a description of the principal risks and uncertainties faced by the IMMOBEL Group.

On behalf of the Board of Directors:

Marnix Galle[3]

Chairman of the Board of Directors

[3] Vaste vertegenwoordiger van de vennootschap A³ Management bvba

H. STATUTORY AUDITOR'S REPORT

Statutory auditor's report to the shareholders' meeting of Immobel NV/SA for the year ended 31 December 2020 - Consolidated financial statements

In the context of the statutory audit of the consolidated financial statements of Immobel NV/SA ("the company") and its subsidiaries (jointly "the group"), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 28 May 2020, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration") issued upon recommendation of the audit committee. Our mandate expires on the date of the shareholders' meeting deliberating on the annual accounts for the year ending 31 December 2020, in view of Article 41 of EU Regulation nr. 537/2014 that states that as from 17 June 2020, an audit mandate can no longer be prolonged for those audit mandates running 20 years or more at the date of entry into force of the regulation. Due to a lack of online archives dating back prior to 1997, we have not been able to determine exactly the first year of our appointment. We have performed the statutory audit of the consolidated financial statements of Immobel NV/SA for at least 24 consecutive periods.

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Unqualified opinion

We have audited the consolidated financial statements of the group, which comprise the consolidated statement of financial position as at 31 December 2020, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flow for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated statement of financial position shows total assets of 1 431 million EUR and the consolidated statement of comprehensive income shows a profit for the year then ended of 37 million EUR.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and financial position as of 31 December 2020 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the consolidated financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matters</th></tr>
<tr><td>Project development costs and revenue, including those costs and revenue in investments accounted for under the equity method</td><td></td></tr>
<tr><td>• The group recognized 414 million EUR of project development revenue and 315 million EUR of
cost of sales (including an amount reported in the net result of joint ventures and associates of respectively 50 million EUR and 14 million EUR).
• The group contracts in a variety of ways. Each project has a different risk and revenue profile based on its individual contractual and delivery characteristics.
• The measurement of revenue from the sale of development projects is a key audit matter due to the significant expertise and high level of judgment required in particular for:
- assessing the contractual terms of sale and settlement risks to determine when the risks and rewards of ownership transfer to the purchaser: at a single point in time (at completion upon or after delivery) or as construction progress (on the percentage of completion basis);
- determining the total costs to complete, including land acquisition costs, construction costs, development related costs and eligible capitalized interest;
- assessing, when the revenue should be recognized on percentage of completion basis, the stage of completion of the project based on the proportion of contract costs incurred and the estimated costs to complete and the expected margin of the project.</td><td>• We designed our audit procedures to be responsive to this key audit matter. Our audit procedures included:
- Understanding of the group's processes regarding project management covering sales, purchases and project feasibilities. The relevant controls were subject to testing of both the design & implementation and the operating effectiveness.
- Reviewing the main projects on a discussion basis with the relevant project manager to assess the management estimates and the margin recognized during the period. This review was covering construction status and commercialization and was performed by comparison with the updated feasibilities and prior year figures. Any material deviations were investigated.
- Testing a sample of projects based on quantitative and qualitative information such as sales value, potential settlement risk and complexity of the contractual terms. For the sample selected we have:
• traced a sample of sales recorded to the underlying sale documents and the receipt of cash;
• assessed the group's determination of the risks and rewards related to ownership transfer by a detailed analysis of the contractual terms of sale against the criteria in the accounting standards;
• recalculated the recognized margin over the period considering the actual recognized cost incurred and the project's expected profit margin.</td></tr>
</table>

Reference to disclosure

The revenue from the sale of projects recognized in the period is disclosed in Note F.2 of the consolidated financial statements. The costs of the projects are disclosed in Note F.4.

Note E.16 of the financial report discloses the accounting policy for recognition of such amounts.

<table>
<tr><th>Recoverability of Projects under Development - carrying value of inventories, including those in investments accounted for under the equity method</th><th></th></tr>
<tr><td>

- The group capitalizes development costs into inventory over the life of its projects. The inventories amount to 997 million EUR as of 31 December 2020 (including an amount of 314 million EUR reported in the investments in joint ventures and associates).
- Development costs include the acquisition costs, development costs, borrowing costs and all other costs directly related to specific projects. An allocation of direct overhead expenses is also included.
- Inventories are stated at the lower of the acquisition cost and net realizable value for each development project.
- The recoverability of these costs is a significant judgment as this assessment includes assumptions about future events which inherently are subject to the risk of change. These assumptions include future sales prices, total estimated costs of completion, selling costs, the nature and quality of inventory held, location and economic growth factors.
Changes in the group's assumptions may have a material impact on net realizable value and therefore in determining whether the value of the project should be written down (impaired).
- This is a key audit matter given the relative size of the inventory balance in the consolidated statement of financial position and the significant judgment involved in the estimates used to calculate the net realizable value and the timing of recognition of the capitalized incurred costs.

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- We designed our audit procedures to be responsive to this key audit matter. Our audit procedures included:
  - Understanding of the group's processes regarding project management covering sales, purchases and project feasibilities. The relevant controls were subject to testing of both the design & implementation and the operating effectiveness.
  - For a sample of projects, we performed a risks analysis to review the ability of the group to sell those projects with a positive margin. Our selection of projects was based on quantitative and qualitative information such as inventory value, permit risks, economic conditions. We also selected projects, which have previously been impaired or where sales realized were not in line with projections. For the sample selected, we:
    - enquired with project manager and management to develop an understanding of the progress of development, the risks associated to the project and the projected performance. We also assessed their basis of estimates of net realizable value used;
    - inspected project feasibility and assessed the assumptions used in forecasting revenues and costs to complete by comparison with market data or similar transactions;
    - agreed a sample of costs capitalized over the period to invoice, including testing whether they were allocated to the appropriate project;
    - assessed the calculation of revenue and the related cost of sales recognized in the period against the criteria in the accounting standards;

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	• assessed whether the carrying value is the lower of the expected net realizable value and cost. - Testing of the financial cost allocated to the development business and thereafter capitalized to individual projects.

Reference to disclosure
The costs of the projects under development are disclosed in Note F.17 (for projects owned in investments accounted for under the equity method) and F.21 (Inventories) of the Consolidated Financial Statements.

Note E.12 discloses the accounting policy for recognition of such amounts.

Responsibilities of the board of directors for the preparation of the consolidated financial statements
The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the group or to cease operations, or has no other realistic alternative but to do so.

Responsibilities of the statutory auditor for the audit of the consolidated financial statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;

- conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and we communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes any public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Responsibilities of the board of directors
The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements.

Responsibilities of the statutory auditor
As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements as well as to report on these matters.

Aspects regarding the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements
In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are also responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements and other information disclosed in the annual report, i.e. :

- « Message from the Executive Chairman »;
- « Key figures 2020 »;
- « Shareholder Information »;
- « Activities »;

is free of material misstatement, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such material misstatement.

Statements regarding independence

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

Other statements

- This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) No 537/2014.

Signed in Gent.

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d’Entreprises CVBA/SCRL
Represented by Kurt Dehoorne

II. STATUTORY CONDENSED FINANCIAL STATEMENTS

The financial statements of the parent company, IMMOBEL SA, are presented below in a condensed form.

In accordance with Belgian company law, the Directors' Report and Financial Statements of the parent company, IMMOBEL SA, together with the Statutory Auditor's Report, have been filed at the National Bank of Belgium.

They are available on request from:

IMMOBEL SA

Rue de la Régence 58

BE-1000 Brussels

Belgium

www.immobelgroup.com

The statutory auditor issued an unqualified report on the financial statements of IMMOBEL SA.

A. STATEMENT OF FINANCIAL POSITION (IN THOUSANDS EUR)

ASSETS	31/12/2020	31/12/2019
FIXED ASSETS	346 615	289 771
Start-Up costs	113	193
Intangible fixed assets	285	303
Tangible fixed assets	846	424
Financial fixed assets	345 371	288 851
CURRENT ASSETS	592 886	512 887
Amounts receivable after one year	327	327
Stocks and contracts in progress	47 887	54 069
Amounts receivable within one year	491 618	364 208
Treasury shares	13 076	54 186
Cash equivalents	34 476	35 453
Deferred charges and accrued income	5 502	4 644
TOTAL ASSETS	939 501	802 658

LIABILITIES	31/12/2020	31/12/2019
SHAREHOLDERS' EQUITY	322 491	276 443
Capital	97 357	97 357
Reserves	107 076	107 076
Accumulated profits	118 058	72 010
PROVISIONS AND DEFERRED TAXES	478	1 725
Provisions for liabilities and charges	478	1 725
DEBTS	616 532	524 490
Amounts payable after one year	380 006	300 332
Amounts payable within one year	231 710	220 579
Accrued charges and deferred income	4 816	3 579
TOTAL LIABILITIES	939 501	802 658

B. STATEMENT OF COMPREHENSIVE INCOME (IN THOUSANDS EUR)

	31/12/2020	31/12/2019
Operating income	20 162	37 136
Operating charges	-15 993	-21 669
OPERATING RESULT	4 169	15 467
Financial income	87 727	10 956
Financial charges	-15 528	-11 096
FINANCIAL RESULT	72 199	- 140
PROFIT OF THE FINANCIAL YEAR BEFORE TAXES	76 368	15 327
Taxes	- 220	
PROFIT OF THE FINANCIAL YEAR	76 148	15 327
PROFIT OF THE FINANCIAL YEAR TO BE APPROPRIATED	76 148	15 327

C. APPROPRIATION ACCOUNT (IN THOUSANDS EUR)

	31/12/2020	31/12/2019
PROFIT TO BE APPROPRIATED	146 000	96 401
Profit for the financial year available for appropriation	76 148	15 327
Profit carried forward	69 852	81 074
APPROPRIATION TO EQUITY		
To other reserves		
RESULT TO BE CARRIED FORWARD	118 058	72 010
Profit to be carried forward	118 058	72 010
PROFIT AVAILABLE FOR DISTRIBUTION	69 852	81 074
Divididents	27 609	23 369
Other beneficiaries	333	1 022

D. SUMMARY OF ACCOUNTING POLICIES

Tangible assets are recorded as assets net of accumulated depreciation, at either their cost price or contribution value (value at which they were brought into the business), including ancillary costs and non-deductible VAT. Depreciation is calculated by the straight-line method. The main depreciation rates are the following:

- Buildings 3 %
- Buildings improvements 5 %
- Office furniture and equipment 10 %
- Computer equipment 33 %
- Vehicles 20 %

Financial Fixed Assets are entered either at their purchase price, after taking into account any amounts still not paid up and any write-offs made. They are written down if they suffer a capital loss or a justifiable long-term loss in value.

Amounts Receivable within one year and those receivable after one year are recorded at their nominal value. Write-downs are applied in case of permanent impairment or if the repayment value at the closing date is less than the book value.

Stocks are recorded at their purchase price or contribution value, including, in addition to the purchase price, the ancillary costs, duties and taxes relating to them. The infrastructure costs are recorded at their cost price. Realisation of stocks is recorded at the weighted average price. Work in progress is valued at cost price. Profits are, in principle, recorded on the basis of the percentage of completion of the work. Write-downs are applied as appropriate, according to the selling price or the market value.

The sales and the purchases of properties are recorded at the signature of the notarial act in so far as the eventual conditions precedents are lifted and a clause of deferred property transfer is foreseen in the compromise under private signature

Short term investments are recorded as assets at their purchase price (ancillary costs excluded) or contribution value. Their values are adjusted, provided that the depreciation is lasting.

Cash at bank and in hand are recorded at their nominal value. Values are adjusted if the estimated value at the end of the financial year is lower than the book value.

At the close of each financial year, the Board of Directors, acting with prudence, sincerity and in good faith, examines the provisions to be set aside to cover the major repairs or major maintenance and the risks arising from completion of orders placed or received, advances made, technical guarantees after sale or delivery and current litigations.

Amounts Payable are recorded at their nominal value.