HALF-YEARLY FINANCIAL REPORT

INTERVEST OFFICES & WAREHOUSES

Feel Real Estate

of the board of directors
for the period
01.01.2011 to 30.06.2011

Half-yearly financial report

INTERVEST OFFICES & WAREHOUSES
Feel Real Estate

Antwerp, 2 august 2011

Operating distributable result decreases by 4 % compared to the 2nd semester of 2010 (by 24 % compared to the 1st semester of 2010)

Increase in fair value of the real estate portfolio: 1 % compared to 31 December 2010

Expected gross dividend 2011 between € 1,55 and € 1,65 per share (€ 1,83 in 2010)

1. INTERIM MANAGEMENT REPORT

In the first semester of 2011, property investment fund Intervest Offices & Warehouses[1] has realized an important part of its targets, as formulated in its Annual report 2010:

- The expectation of the property investment fund that the rental market, for logistic real estate as well as for offices, would recover in 2011 has been confirmed by the letting of 3.970 m² offices and laboratories to Biocartis in Malines and of 50.994 m² of logistic space to Nike Europe in Herentals. This market trend has been translated in an increase in fair value of the real estate portfolio of the property investment fund by € 4,1 million or 1%[2] in the first semester of 2011.

- To use adequately the available investment capacity created by the bond loan, three logistic sites (in Huizingen, Houthalen and Oevel) have been acquired in 2011 for a total amount of approximately € 43,5 million (€ 3,2 million rental income on an annual basis). Herewith the aim to expand the portfolio by approximately 5 % in 2011 has been realized.

- The property investment fund has started a marketing program in order to increase the brand recognition of the property investment fund for potential tenants as well as investors. The property investment fund uses since May 2011 the commercial name “Intervest Offices & Warehouses”. The addition of “Warehouses” in the name is a clear confirmation of the market position in logistic real estate and of the ambition to expand the activities in this segment. The acquisition of three logistic sites and the planned expansion of Herentals Logistics 2 by approximately 25.000 m² are concrete examples hereof.

- The plans to better meet the needs of candidate tenants in the rental market by assisting them, for instance, in the design of their offices and by delivering turn-key design projects, have been further elaborated and presented at Realty-Brussels in May 2011. At the change of the name the opportunity has been taken to introduce the baseline “Feel Real Estate”. Herewith Intervest Offices & Warehouses wants to emphasize that its role is considerably larger than being purely owner-lessor of office buildings or logistic spaces. The main aim is to offer housing solutions, not only by letting spaces, but also by providing a global service, through its a own specialized team of ten persons.

[1] Legal name: Intervest Offices sa.

[2] Based on an unchanged composition of the real estate portfolio.

These new investments and initiatives combined with a more pronounced recovery of rental markets and the intensive marketing campaign must form the basis for an improvement of the result of the property investment fund on the long term. As expected and already announced in the Annual report 2010, the operating distributable result of Intervest Offices & Warehouses is still under pressure in 2011. In the first semester of 2011, the operating distributable result of Intervest Offices & Warehouses decreases to € 10,8 million or a fall of approximately 24 % compared to the first semester of 2010 (€ 14,2 million). This result comes mainly from the decrease of rental income, the increase of property charges and the rise of the financing costs of the property investment fund. This means an operating distributable result per share of € 0,78 in the first semester of 2011 compared to € 1,02 in the first semester of 2010. Compared to the second semester of 2010 where € 0,81 was realized per share, the decrease to € 0,78 in the first semester of 2011 is however limited to only 4 %.

REALTY-BRUSSELS 2011 - Tour & Taxis - Brussels

1.1. Rental activity of the first semester of 2011

The occupancy rate[3] of Intervest Offices & Warehouses slightly decreases in the first semester of 2011. On 30 June 2011, the total occupancy rate of the property investment fund is 84 % (85 % on 31 December 2010).

The occupancy rate of the office portfolio decreases by 1 % to 84 % (a status quo compared to 31 March 2011). The occupancy rate of the semi-industrial/logistic portfolio goes from 84 % on 31 December 2010 to 83 % on 30 June 2011 (however a significant increase by 6 % compared to 31 March 2011 (77 %)).

Rental activity of the office portfolio

New lease contracts

In the first semester of 2011, new lease contracts have been signed for a total space of 5.464 m², compared to 2.619 m² in the first semester of 2010.

In 2011, the most important transactions are:

- letting to Biocartis in Intercity Business Park in Malines for 3.970 m²
- letting to MC Square in Mechelen Campus for 717 m²

Intercity Business Park
a design for Biocartis
space 3.970 m²

Renewals or extensions of current lease contracts

In the office portfolio current lease contracts for a space of 11.343 m² have been renegotiated or prolonged in 15 transactions in the first semester of 2011 (on a total office portfolio of ± 231.000 m²). Over the same period in 2010, 18 transactions for a space of 12.078 m² have been renegotiated.

In 2011, the most important transactions are:

- prolongation of Ingram Micro in 3T Estate in Vilvorde for 5.072 m²
- temporary prolongation of Hello Agency in Park Station in Diegem for 2.472 m²
- prolongation and extension of Electro Rent in Intercity Business Park in Malines for 1.029 m²
- extension of SGS Belgium in Intercity Business Park in Malines for 870 m²
- prolongation and extension of Keyrus in Brussels 7 in Strombeek for 772 m²

[3] The occupancy rate is calculated as the ratio of the commercial rental income to the same rental income plus the estimated rental value of the vacant locations for rent. The commercial rental income is the contractual rental income (including the spread rental income from early termination of lease contracts) and the rental income of already signed lease contracts regarding locations which are contractually vacant on balance sheet date.

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Rental activity of the semi-industrial portfolio

New lease contracts

New lease contracts have been concluded for a total space of 68.795 m² in 2 transactions in the first semester of 2011 (including the sale-and-rent-back transaction with Pharma Logistics (DHL) in Huizingen. For the same period in 2010, 4 transactions for a space of 32.119 m² have been concluded.

In 2011, these transactions are:

- letting to Nike Europe in Herentals Logistics 2 for 50.994 m²
- letting to Pharma Logistics (DHL) in Huizingen for 17.801 m²

Renewals or extensions of current lease contracts

In the semi-industrial portfolio, lease contracts for a space of 6.125 m² in 2 transactions have been renewed or prolonged in the first semester of 2011:

- extension of Yusen Logistics Benelux in Herentals Logistics 1 upto 4.809 m²
- extension of Pharma Logistics (DHL) in Intercity Industrial Park in Malines for 1.316 m²

Partial re-letting of former Tibotec-Virco spaces in Malines to Biocartis

Intervest Offices & Warehouses has obtained with Biocartis an agreement in principle regarding the conclusion of a lease contract for 3.970 m² laboratories, offices and production space in Intercity Business Park in Malines. The lease contract has a fixed duration of 15 years, with a (partial) possibility of termination after 9 years and has started on 15 May 2011. This contract represents (in a first stage) a net rental income of € 445.000 a year. For the period from May 2011 till November 2013 half of the net rental income from this lease contract will be shared with Tibotec-Virco in the framework of an agreement from 2010 regarding the retrocession of rental income[4]. As a result of this re-letting transaction the property investment fund has recorded a part of the compensation received from Tibotec-Virco into the result in the first semester of 2011 for an amount of approximately € 0,7 million.

> After a thorough analysis of different options and according to the needs of the company, Malines has been chosen due to the high quality, the appropriate infrastructure and the very active collaboration of Intervest Offices & Warehouses, so that Biocartis could nearly immediately start its activities.
>
> **Rudi Pauwels - CEO - Biocartis**

[4] See press release of 3 June 2010: Intervest Offices concludes an agreement with Tibotec-Virco and starts the re-letting.

Letting on the site Herentals Logistics 2 of 50.994 m² logistic space to Nike Europe[5]

In June 2011,the property investment fund has concluded for its site Herentals Logistics 2 a new lease agreement with Nike Europe. It concerns the entire already existing new building of 20.270 m² warehouse space, 4.124 m² mezzanine and 1.276 m² offices, as well as the extension to be built of 20.270 m² warehouse space, 4.124 m² mezzanine and 930 m² offices, where Nike Europe will on term employ approximately 300 people. Nike Europe will occupy this surface area in phases as from September 2011 and after full occupation, expected in the first quarter of 2012, this agreement will generate approximately € 2 million net rental income on an annual basis for the property investment fund.

The construction cost of the extension still to be realized amounts to approximately € 10 million[6] (excluding the purchase of the land parcel which has already been acquired in 2008). After the full development, the fair value of the entire site will amount to approximately € 28,2 million and the yield of the site will reach approximately 7,8 %. The available credit lines of the property investment fund are used to finance the development.

"Because of the location, the high quality and the sustainable character of the buildings, we have chosen for the site of Herentals Logistics of Intervest Offices & Warehouses. This site which is a perfect complement to the European Distribution Centre of Nike in Laakdal, offers us the necessary flexibility for further growth."

Mike van der Zanden, R.o.E. Distribution Manager - Nike Logistics Europe

Herentals Logistics 2 - Atealaan 34 - Herentals - space 25.510 m²

[5] See press release of 24 June 2011: Letting Herentals Logistics 2 to Nike Europe.

[6] 6,6 % lower than the valuation of the independent property expert as a result of the concluded agreement for the development price of the second phase of the project.

1.2. Investments in the first semester of 2011

Acquisition of a logistic site in Huizingen through a sale-and-rent-back transaction with Pharma Logistics (DHL)[7]

On 16 February 2011, the property investment fund has acquired a logistic site in Huizingen through a sale-and-rent-back transaction with Pharma Logistics (DHL). The logistic site is located in the industrial area 'De Gijzeleer' in the southern periphery of Brussels and is easily accessible by the E19 Brussels-Mons-Paris.

The site consists mainly of 3 buildings, built in 1987 and 1993. Since then, several modifications and renovations have been carried out to the buildings in order to use them as storage for pharmaceutical products. As a consequence, the entire warehouse is equipped with air conditioning. The total surface area of these buildings amounts to 15.902 m² storage, 1.899 m² office space and there are 85 parking spaces.

The site is entirely re-let by Pharma Logistics (DHL) through of a lease contract for 9 years including a possibility of termination after the 6th year. The rental income amounts to € 605.000 on an annual basis. The acquisition is subject to registration rights. The purchase price amounts to € 7,7 million (registration rights included), which corresponds to a gross initial yield of 7,85 %. The investment value determined by the independent real estate appraiser of the property investment fund is also € 7,7 million. The transaction is funded from the existing credit lines of the property investment fund.

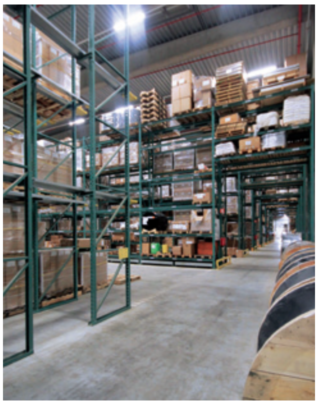
Pharma Logistics (DHL) - Industrial area 'De Gijzeleer' - Huizingen - storage hall space 15.902 m² - 1.899 m² offices space

[7] See press release of 16 February 2011: Intervest Offices acquires logistic site in Huizingen.

1.3. Investments after the balance sheet date of 30 June 2011[8,9]

On 1 July 2011, Intervest Offices & Warehouses has expanded its real estate portfolio through an investment of € 35,8 million via the acquisition of two logistic sites in Flanders. Both sites are located on the important logistic corridor Antwerp - Limbourg - Liège and are easy accessible by the E313 and the E314.

Acquisition logistic site in Oevel



West-Logistics - Oevel - 27.548 m² storage hall space - 1.711 m² offices space

The property investment fund has acquired the control of West-Logistics sa, owner of a logistic site along the E313 motorway in Oevel (Westerlo).

The site, built in 2007, is a modern state-of-the-art complex of warehouses with office facilities and external parking spaces. The site comprises 27.548 m² warehouses, 1.711 m² offices and 65 external parking spaces. Besides, it is possible to realize on term an additional unit of approximately 2.000 m² on the site.

The building is entirely let to UTI Belgium (87 %) till 2017 and to Berry Plastics (13 %) till 2013. The part of the site let to UTI Belgium is used as European distribution centre for Northern Europe for the cosmetic concern Estée Lauder. This acquisition generates rental income for the property investment fund of approximately € 1,5 million on an annual basis and contributes immediately to the operating distributable result of the property investment fund.

The acquisition value of this logistic site amounts to approximately € 21,5 million (fair value € 21,0 million). This acquisition value is in line with the valuation made by the independent property expert of the property investment fund. This acquisition provides Intervest Offices & Warehouses a gross initial yield of 7 %.

The purchase price of the shares of the company West-Logistics sa amounts to € 12,9 million. The transaction is funded from the existing credit lines of the property investment fund and from the take-over of the credit facilities of the company West-Logistics sa for approximately € 8 million (with a duration till 2017 and 2022).

[8] These investments occurred on the 1st of July 2011 and are consequently not recorded in the balance sheet and the income statement of the property investment fund on 30 June 2011.

[9] See press release of 1 July 2011: Intervest Offices & Warehouses acquires approximately 58.000 m² distribution centres in Oevel and Houthalen.

Acquisition logistic site in Houthalen

Caterpillar Logistics - Industrial area Europark - Houthalen - space 26.255 m²

Furthermore, Intervest Offices & Warehouses has acquired the shares of MGMF Limburg sa, owner of a logistic site in the industrial zone Europark in Houthalen, easy accessible by the E314.

The site, built in 2001, is a modern complex of 26.255 m² warehouses, with 740 m² offices and 123 parking spaces.

The buildings are let to Caterpillar Logistics. The lease agreement runs until 2016. This acquisition immediately generates rental income for the property investment fund of approximately € 1,1 million on an annual basis and contributes immediately to the operating distributable result of the property investment fund.

The acquisition value of this real estate property amounts to approximately € 14,2 million (fair value of € 13,9 million) and provides Intervest Offices & Warehouses an attractive gross initial yield of 7,7 %. The acquisition value is in line with the valuation carried out by the independent property expert of the property investment fund.

The purchase price of the shares of the company MGMF Limburg sa amounts to € 12,8 million. The transaction is funded from the existing credit lines of the property investment fund.

The sites in Oevel and Houthalen are a long-term strategic complement to the real estate portfolio of the property investment fund. Logistic real estate in important logistic corridors remains an interesting investment as the offer of easily accessible real estate properties is relatively limited.

Jean-Paul Sols - CEO - Intervest Offices & Warehouses

1.4. Real estate portfolio on 30 June 2011

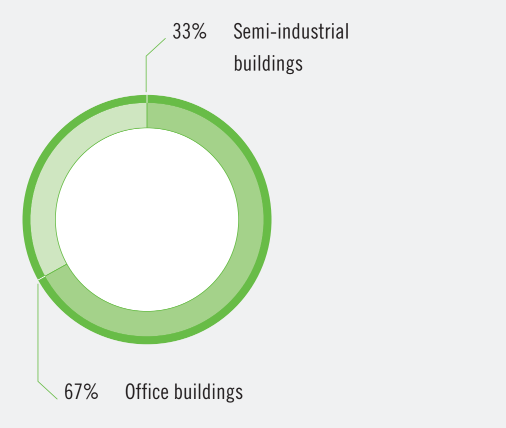
Composition of the portfolio

REAL ESTATE PATRIMONY	30.06.2011	31.12.2010	30.06.2010
Fair value of investment properties (€ 000)	540.740	526.680	527.701
Investment value of investment properties (€ 000)	554.341	539.929	540.978
Total leasable space (m^2)	553.221	535.420	535.426
Occupancy rate (%)	84 %	85 %	87 %

Intervest Offices & Warehouses focuses on an investment policy based on the principles of high-quality professional real estate with respect for the principles of risk diversification in the real estate portfolio based on building type and geographic spread. On 30 June 2011 the risk spread is as follows:

Nature of the portfolio

On 30 June 2011, the real estate portfolio of Intervest Offices & Warehouses consists of 67 % offices and 33 % semi-industrial and logistic real estate.

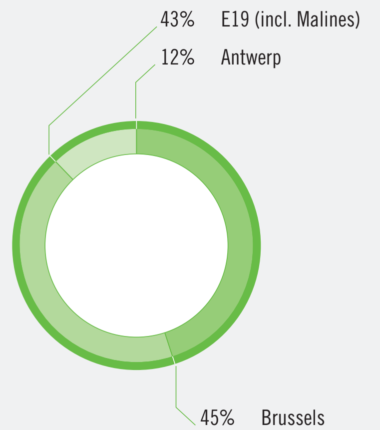


After the investment in the two logistic sites in Oevel and Houthalen on 1 July 2011, the real estate portfolio of the property investment fund comprises 63 % offices and 37 % semi-industrial and logistic real estate.

Geographic spread

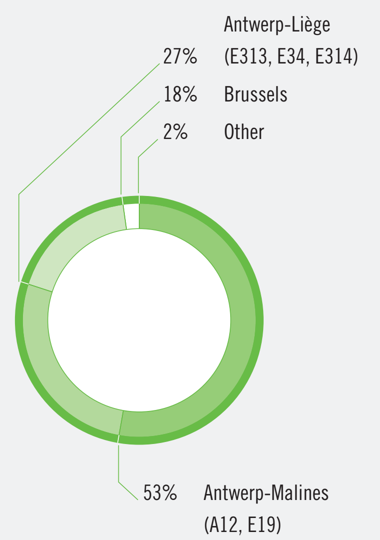
The Antwerp-Brussels axis is still the most important and most liquid office region of Belgium. The entire office portfolio of Intervest Offices & Warehouses is located in this region.

OFFICE BUILDINGS

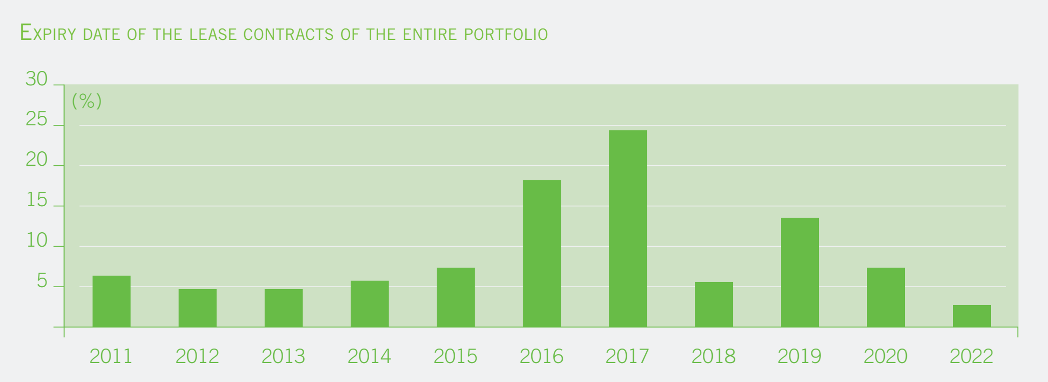


82 % of the logistic portfolio is located on the Antwerp-Malines axis (primarily the E19 and A12) and Antwerp-Liège (primarily the E313) which are the most important logistic axes in Belgium. 18 % of the properties are in the centre of the country, in the area of Brussels.

SEMI-INDUSTRIAL BUILDINGS



Evolution of the portfolio



The expiry dates are well spread over the coming years. Several large lease contracts run for a fixed period of 9 years or more, which strengthens the stability of the portfolio.

On 31 December 2010, approximately 8 % of the lease contracts had their expiry date in 2011. On 30 June 2011 this has decreased to 6 %. The property investment fund expects that at least two third (4%) of the lease contracts will be renewed. The part of the lease contracts expiring in the next 3 years has strongly decreased compared to the situation on 31 December 2010 through the extension of the lease contract with Fiege in Puurs till 2017.

The above graph shows a worst case scenario. On 31 December 2010, approximately 13 % of the lease contracts had their first expiry date in 2011. On 30 June 2011, this has decreased to less than 8 % through the prolongation of a number of lease contracts at market rates. On the basis of the contacts with its tenants, the property investment fund expects that approximately three quarter (6 %) will prolong the lease contract after the interim expiry date.

Valuation of the portfolio

Valuation of the portfolio by the property experts on 30 June 2011:

Valuator	Valued properties	Fair value (€ 000)	Investment value (€ 000)
Cushman & Wakefield	Office buildings	364.800	373.920
Jones Lang LaSalle	Semi-industrial properties	175.940	180.421
TOTAL		540.740	554.341

In the first semester of 2011, the fair value of the real estate portfolio of the property investment fund increases by € 14 million and amounts on 30 June 2011 to € 541 million (€ 527 million on 31 December 2010). This increase in fair value is mainly the effect, on the one hand, of the acquisition of the logistic site in Huizingen, with a fair value of € 7,5 million, and on the other hand, the increase in fair value through the lettings of the logistic site Herentals Logistics 2 to Nike Europe and of Intercity Business Park in Malines to Biocartis.

1.5. Market situation of professional real estate in 2011[10]

The office market

In the first semester of 2011, the take-up of offices in the Belgian office market reaches approximately 216.000 m², which is still extremely low.

The prime rents remain stable but the net rents are still under pressure, although less than in 2010, in the centre of Brussels as well as in other important Belgian office markets (Brussels periphery, Antwerp, Malines and Ghent), through the considerable incentives and reductions granted by owners. Moving decisions are still taking a lot of time, which is in itself not unfavourable for keeping existing tenants.

In the first semester of 2011, investments in office real estate have increased considerably compared to 2010, which is an indication of the recovery of the market for qualitative real estate. Top yields remain mainly stable.

The general expectation in 2010, namely that the rents and yields had respectively reached their lowest and highest level, is confirmed in 2011. The rental market as well as the investment market seem to recover and improvement is expected in 2012.

The market of semi-industrial logistic real estate

Lettings in the logistic real estate market are recovering faster than those in the office market. Since 2009, the demand has gradually increased, with some interesting transactions. The transaction of Intervest Offices & Warehouses with Nike Europe in Herentals is one of the most important transactions of last year in the market.

Currently, prime rents remain more or less stable although an upward tendency can be expected due to the limited qualitative offer.

The investment market for logistic real estate is still very low in absolute figures. A recovery is expected in the second semester of 2011. Intervest Offices & Warehouse plays in this respect an important role (investments in Huizingen, Oevel and Houthalen). Currently, top yields remain stable, although improvement can be expected on the short term.

10 Source: discussion with Cushman & Wakefield in July 2011.

1.6. Analysis of the results[11]

In the first semester of 2011, the **rental income** of the property investment fund amounts to € 18,8 million. This is a decrease by € 1,1 million compared to the first semester of 2010 (€ 19,9 million) mainly resulting from the departure of tenants and from renegotiations of lease contracts at lower rents. Compared to the second semester of 2010, a positive tendency is noticeable as the rental income of the first semester of 2011 increases by € 0,1 million.

The **other rental-related income and expenses** amount to € 0,4 million in the first semester of 2011 (€ 0,1 million) and comprise a part of the compensation received from Tibotec-Virco taken into profit as a result of the letting to Biocartis.

On 30 June 2011, the **property charges** of the property investment fund amount to € 2,5 million (€ 1,6 million). This increase by € 0,9 million comes mainly from the increase of the costs for maintenance and repair, higher vacancy costs and the increased management costs of the property investment fund.

The increase of the **general costs** to € 0,7 million (€ 0,5 million) in the first semester of 2011 results mainly from the marketing campaign implemented to improve the brand recognition of Intervest Offices & Warehouses.

The decrease of the rental income and the increase of the property charges lead to a decrease of the **operating result before result on portfolio** of 8 % or € 1,5 million to € 16,5 million (€ 18 million).

In the first semester of 2011, the positive **changes in fair value of the investment properties** amount to € 4,1 million (- € 7,1 million). This increase in fair value results mainly from the recent letting of 3.970 m² offices and laboratories in the Intercity Business Park in Malines to Biocartis and of 50.994 m² of logistic space in Herentals Logistics 2 to Nike Europe.

The **financial result (excl. the changes in fair value - IAS 39)** amounts for the first semester of 2011 to - € 5,6 million (- € 3,8 million). The increase in interest charges comes from the issuance of the bond loan in June 2010 at an interest rate of 5,1 %. For the first semester of 2011, the average interest rate of the property investment fund amounts to approximately 4,8 % including bank margins (3,2 %).

The **changes in fair value of financial assets and liabilities (ineffective hedges - IAS 39)** comprise the change of the market value of interest rate swaps which, in accordance with IAS 39, cannot be classified as cash flow hedging instrument, for an amount of - € 0,1 million (- € 0,6 million).

For the first semester of 2011, the **net result** of Intervest Offices & Warehouses amounts to € 14,9 million (€ 7 million) and can be divided in:

- the **operating distributable result** of € 10,8 million (€ 14,2 million) or a decrease by € 3,4 million or approximately 24 %. This result mainly comes from the decrease of the rental income, the increase of the property charges and the rise of the financing costs of the property investment fund.
- the **result on portfolio** of € 4,1 million (- € 6,6 million) as a result of recent lettings in offices as well as in logistic real estate.
- the **changes in fair value of the financial assets and liabilities (ineffective hedges - IAS 39)** for an amount of - € 0,1 million (- € 0,6 million).

This generates per share for the first semester of 2011 an **operating distributable result** of € 0,78 (€ 1,02).

[11] Between brackets comparable figures on 30 June 2010.

On the consolidated balance sheet of Intervest Offices & Warehouses, the **non-current assets** mainly comprise the investment properties of the property investment fund. On 30 June 2011, the fair value of these investment properties amounts to € 541 million (€ 527 million on 31 December 2010).
This increase of the fair value of € 14 million results mainly, on the one hand, from the acquisition of the logistic site in Huizingen with a fair value of € 7,5 million and, on the other hand, from the increase of the fair value through the lettings of the logistic site Herentals Logistics 2 to Nike Europe and of Intercity Business Park in Malines to Biocartis.

The **current assets** amount to € 7 million and consist of € 2 million in trade receivables, of € 2 million in tax receivables and other current assets, of € 1 million in cash on bank accounts and € 2 million in deferred charges and accrued income.

On 30 June 2011, after the payment of the dividend over 2010, the **net asset value** (fair value) of the share is € 20,01 (€ 20,59 on 31 December 2010). The share price on 30 June 2011 of the Intervest Offices share (INTO) is € 22,25. Herewith the share is quoted on 30 June 2011 with a premium of 11 % compared to the net asset value (fair value).

The **non-current liabilities** mainly consist of non-current financial liabilities for an amount of € 188 million (€ 176 million on 31 December 2010). These comprise € 113 million long-term bank financings of which the expiry date is after 30 June 2012 and the bond loan issued in June 2010 for a net amount of € 74 million.

The **current liabilities** amount to € 80 million (€ 69 million on 31 December 2010) and consist of € 67 million in current financial debts (bank loans with an expiry date before 30 June 2012), of € 3 million in trade debts and invoices to be received, of € 1 million in other current liabilities, and of € 9 million in accrued charges and deferred income.

On 30 June 2011, the **debt ratio** of the property investment fund increases by 4 % compared to 31 December 2010 (calculated in accordance with the Royal Decree of 7 December 2010) through the payment of the dividend for the financial year 2010 in April 2011 and the acquisition of the logistic site in Huizingen in February 2011. The debt ratio of the property investment fund will increase by approximately 3 % through the investment of the two logistic sites in Oevel and Houthalen on 1 July 2011.

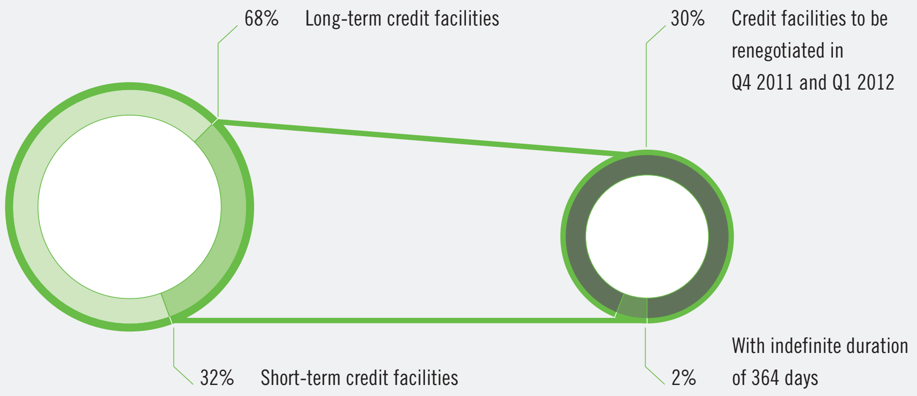
CONSOLIDATED KEY FIGURES PER SHARE	30.06.2011	31.12.2010	30.06.2010
Number of shares entitled to dividend	13.907.267	13.907.267	13.907.267
Net result per share (6 months/1 year/6 months) (€)	1,07	1,25	0,50
Operating distributable result (6 months/1 year/6 months) (€)	0,78	1,83	1,02
Net asset value per share (fair value) (€)	20,01	20,59	19,70
Net asset value per share (investment value) (€)	20,97	21,57	20,68
Share price on closing date (€)	22,25	23,49	21,41
Premium to net asset value (fair value) (%)	11 %	14 %	9 %

1.7. Financial structure on 30 June 2011

The most important characteristics of the financial structure of Intervest Offices & Warehouses on 30 June 2011 are:

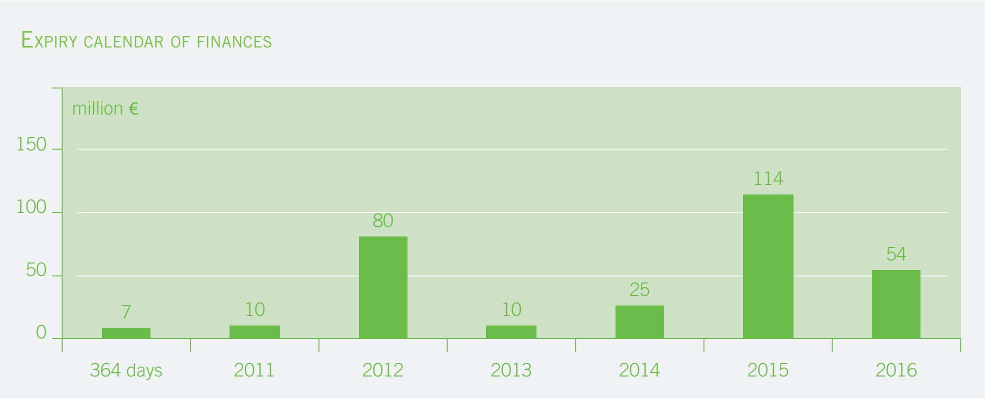
- Amount of financial debts: € 254 million (excluding the market value of financial derivatives)
- 68 % long-term financings with an average remaining duration of 3,9 years
- 32 % are short-term financings with 2 % consisting of financings with an unlimited duration progressing each time for 364 days (€ 7,5 million) and 30 % of credit facilities which must be extended or repaid for a total amount of € 90 million spread over two financial institutions. From one financial institution a proposal for the refinancing of a credit facility for an amount of € 40 million has already been received. Another European financial institution has already granted a credit facility for an amount of € 25 million at market conditions.

Balance between long-term and short-term finances



- € 46 million not-withdrawn credit lines by financial institutions, mainly for the financing of the investments in the two logistic sites on 1 July 2011 and for counterbalancing the fluctuations in liquidity needs of the property investment fund.

- Spread expiry dates of the credit facilities between 2011 and 2016



- Spread of credit facilities over 4 European financial institutions and bondholders
- 78 % of the credit lines have a fixed interest rate, 22 % have a variable interest rate. On 30 June 2011, 87 % of the withdrawn credit facilities have a fixed interest rate and 13 % a variable interest rate.
- The interest rates are fixed for a remaining average period of 2,7 years
- Average interest rate for the first semester of 2011: 4,8 % including bank margins (3,2 % for the first semester of 2010)
- Market value of financial derivatives: € 0,5 million in negative
- Limited debt ratio of 47 % (legal maximum: 65 %) (43 % on 31 December 2010)

1.8. Risks for the remaining months of 2011

Intervest Offices & Warehouses estimates the main risk factors and uncertainties for the remaining months of the financial year 2011 as follows:

- **Rental risks:** Given the nature of the buildings which are mainly let to national and international companies, the real estate portfolio is to a certain degree sensitive to the economic situation. On the short term no direct risks are recognized that can fundamentally influence the results of the financial year 2011. Furthermore, within the property investment fund, there are clear and efficient internal control procedures to limit the debtors' risk.

- **Evolution of the value of the real estate portfolio:** Given the evolution of the value of buildings that largely depends on the rental situation of the buildings (occupancy rate, rental income) the persisting difficult economic circumstances will have a possible negative influence on the valuation of buildings on the Belgian real estate market.

- **Evolution of the interest rates:** Due to the financing with borrowed capital, the return of the property investment fund depends on the evolution of the interest rate. To limit this risk an appropriate ratio between borrowed capital with a variable interest rate and borrowed capital with a fixed interest rate is pursued at the composition of the credit facilities portfolio. On 30 June 2011, as a result of the issue of the bond loan, 87 % of the withdrawn credit facilities consists of financings with a fixed interest rate or fixed through interest rate swaps. Only 13 % of the credit facilities portfolio has a variable interest rate which is subject to unforeseen rises of the currently low interest rates.

1.9. Forecast for 2011

The first signs of recovery which were already noticeable in 2010 are confirmed in 2011. Currently, this recovery focuses mainly on qualitative buildings let for a longer time to first class tenants. As the rental market seems to recover slowly from the crisis, it is expected that the recovery on the investment market will be pursued in 2011 and 2012. From a financial and economic point of view several uncertainties remain caused by the earthquakes in Japan, the precarious situation of Greece and the increasing inflation, and, consequently, the rising rental curve.

In these economic circumstances Intervest Offices & Warehouses spends a lot of attention to the relation with its existing tenants, looking for a win-win situation for both parties, such as for instance the prolongation of the lease contract in exchange for incentives, scenarios of gradual increase of the rent in case of extension, etc. Besides, Intervest Offices and Warehouses wants to play a larger role than purely lessor-owner of office space or logistic space and acts merely as a service provider offering tailor-made real estate solutions to the tenant (i.e. complete design of offices by an own interior architect)

Although recently some very nice transactions for offices as well as logistic real estate have been realized (Nike Europe, Biocartis, etc), the most important effort for the coming months focuses on the letting of some vacant (or not entirely let) buildings, offices as well as logistic real estate. The letting of offices in the tower building in Mechelen Campus receives special attention. Currently, negotiations are on-going with several parties showing interest in a part of the building.

The investment market is also closely followed-up and interesting investments within logistic real estate are looked for. The recent acquisitions of properties in Huizingen, Oevel and Houthalen, as well as the extension of Herentals are good examples.

On the basis of the half-yearly results and the forecast on 30 June 2011, Intervest Offices & Warehouses expects to be able to propose its shareholders for the financial year 2011 a gross dividend between € 1,55 and € 1,65 per share (€ 1,83 for the financial year 2010). Based on the closing share price on 30 June 2011 (€ 22,25) this represents a gross dividend yield between 6,9 % and 7,4 %.

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2. CONDENSED CONSOLIDATED HALF-YEARLY FIGURES

2.1. Condensed consolidated income statement

in thousands €	30.06.2011	30.06.2010
Rental income	18.765	19.862
Rental related expenses	-28	-24
NET RENTAL INCOME	18.737	19.838
Recovery of property charges	570	311
Recovery of charges and taxes normally payable by tenants on let properties	2.097	8.046
Costs payable by tenants and borne by the landlord for rental damage and refurbishment	-87	-31
Rental charges and taxes normally payable by tenants on let properties	-2.087	-8.043
Other rental related income and expenses	428	64
PROPERTY RESULT	19.658	20.185
Technical costs	-550	-227
Commercial costs	-93	-163
Charges and taxes on unlet properties	-546	-320
Property management costs	-1.117	-888
Other property charges	-166	-15
PROPERTY CHARGES	**-2.472**	**-1.613**
OPERATING PROPERTY RESULT	17.186	18.572
General costs	-683	-542
Other operating income and costs	12	13
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	16.515	18.043
Result on sales of investment properties	0	494
Changes in fair value of investment properties	4.078	-7.123
OPERATING RESULT	20.593	11.414
Financial income	47	22
Interest charges	-5.680	-3.816
Other financial charges	-9	-6
Changes in fair value of financial assets and liabilities (ineffective hedges - IAS 39)	-57	-641
FINANCIAL RESULT	**-5.699**	**-4.441**
RESULT BEFORE TAXES	14.894	6.973
TAXES	**-36**	**1**

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2.1. Condensed consolidated income statement (continuation)

in thousands €	30.06.2011	30.06.2010
NET RESULT	14.858	6.974
Note:		
Operating distributable result	10.837	14.244
Result on portfolio	4.078	-6.629
Changes in fair value of financial assets and liabilities (ineffective hedges - IAS 39)	-57	-641
Attributable to:		
Equity holders of the parent company	14.859	6.974
Minority interests	-1	0

2.2. Condensed consolidated statement of comprehensive income

in thousands €	30.06.2011	30.06.2010
NET RESULT	14.859	6.974
Changes in fair value of financial assets and liabilities (effective hedges - IAS 39)	2.545	-664
COMPREHENSIVE INCOME	17.403	6.310
Attributable to:		
Equity holders of the parent company	17.404	6.310
Minority interests	-1	0

2.3. Condensed consolidated balance sheet

ASSETS ***in thousands €***	**30.06.2011**	**31.12.2010**
Non-current assets	541.072	526.959
Intangible assets	40	47
Investment properties	540.740	526.680
Other tangible assets	277	218
Trade receivables and other non-current assets	15	14
Current assets	6.778	5.644
Trade receivables	2.361	1.726
Tax receivables and other current assets	1.870	1.943
Cash and cash equivalents	914	816
Deferred charges and accrued income	1.633	1.159
TOTAL ASSETS	547.850	532.603

2.3. Condensed consolidated balance sheet (continuation)

SHAREHOLDERS' EQUITY AND LIABILITIES *in thousands €*	**30.06.2011**	**31.12.2010**
Shareholders' equity	278.276	286.324
Shareholders' equity attributable to the shareholders of the parent company	**278.236**	**286.283**
Share capital	126.729	126.729
Share premium	60.833	60.833
Reserves	89.754	98.621
Net result of the financial year	14.859	17.432
Impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	-13.413	-13.606
Changes in fair value of financial assets and liabilities	-526	-3.726
Minority interests	**40**	**41**
Liabilities	269.574	246.279
Non-current liabilities	**189.154**	**177.239**
Provisions	990	990
Non-current financial debts	187.560	175.659
Credit institutions	*113.149*	*101.322*
Bond loan	*74.400*	*74.325*
Financial lease	*11*	*12*
Other non-current liabilities	604	590
Current liabilities	**80.420**	**69.040**
Provisions	426	426
Current financial debts	67.138	53.425
Credit institutions	*67.134*	*53.419*
Financial lease	*4*	*6*
Trade debts and other current debts	3.196	2.110
Other current liabilities	698	476
Accrued charges and deferred income	8.962	12.603
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	547.850	532.603

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2.4. Condensed consolidated cash flow statement

in thousands €	30.06.2011	30.06.2010
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	816	733
1. Cash flow from operating activities	7.683	13.979
Operating result	20.593	11.414
Interests paid	-7.653	-3.784
Other non-operating elements	-56	-702
Adjustment of the result for non-cash flow transactions	-3.908	7.138
- Depreciations on intangible and other tangible assets	77	69
- Result on sales of investment properties	0	-494
- Spread of rental discounts and benefits granted to tenants	38	-200
- Changes in fair value of investment properties	-4.078	7.123
- Changes in fair value of financial assets and liabilities (ineffective hedges - IAS 39)	57	641
- Other non-cash flow transactions	-2	-1
Change in working capital	-1.293	-87
- Movement of assets	-827	-3.183
- Movement of liabilities	-466	3.096
2. Cash flow from investment activities	-10.148	-437
Acquisition of intangible and other tangible assets	-128	-73
Acquisitions of investment properties	-7.730	0
Investments in existing investment properties	-2.290	-364
3. Cash flow from financing activities	2.563	-13.434
Repayment of loans	-8.020	-87.779
Drawdown of loans	36.050	30.000
Issuance bond loan	0	74.250
Repayment of financial lease liabilities	-3	-3
Receipts from non-current liabilities as guarantee	-14	-2
Dividend paid	-25.450	-29.900
CASH AND CASH EQUIVALENTS AT THE END OF THE SEMESTER	914	841

2.5. Condensed statement of changes in consolidated equity

in thousands €	Share Capital	Share premium	Reserves	Net result of the financial year	Impact on the fair value*	Change in fair value of financial assets and liabilities	Minority interests	Total share-holders' equity
Balance at 31 December 2009	126.729	60.833	130.875	-2.597	-13.606	-4.746	45	297.533
Comprehensive income of the first semester of 2010				6.974		-664		6.310
Transfers through the result allocation of 2009:								
- Transfer from result on portfolio to reserves			-32.270	32.270				0
- Transfer changes in fair value of financial assets and liabilities				240		-240		0
- Other mutations			13	-13				
Dividends financial year 2009				-29.900				-29.900
Balance at 30 June 2010	126.729	60.833	98.618	6.974	-13.606	-5.650	45	273.943

in thousands €	Share Capital	Share premium	Reserves	Net result of the financial year	Impact on the fair value*	Change in fair value of financial assets and liabilities	Minority interests	Total share-holders' equity
Balance at 31 December 2010	126.729	60.833	98.621	17.432	-13.606	-3.726	41	286.324
Comprehensive income of the first semester of 2011				14.859		2.545	-1	17.403
Transfers through the result allocation 2010:								
- Transfer from result on portfolio to reserves			-8.675	8.675				0
- Transfer impact on fair value*			-193		193			0
- Transfer changes in fair value of financial assets and liabilities				-655		655		0
Dividends financial year 2010				-25.450				-25.450
Balance at 30 June 2011	126.729	60.833	89.754	14.859	-13.413	-526	40	286.276

* of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties

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2.6. Notes to the condensed consolidated half-yearly figures

Condensed consolidated income statement by segment

BUSINESS SEGMENT	Offices		Semi-industrial properties		Corporate		TOTAL	
in thousands €	30.06.2011	30.06.2010	30.06.2011	30.06.2010	30.06.2011	30.06.2010	30.06.2011	30.06.2010
Rental income	13.468	14.543	5.297	5.319			18.765	19.862
Rental-related expenses	21	-6	-49	-18			-28	-24
Rental related costs and income	898	346	23	1			921	347
PROPERTY RESULT	14.387	14.883	5.271	5.302			19.658	20.185
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	13.517	14.435	4.848	5.093	-1.850	-1.485	16.515	18.043
Result on sales of investment properties	0	494	0	0	0	0	0	494
Changes in fair value of investment properties	1.132	-6.059	2.946	-1.064	0	0	4.078	-7.123
OPERATING RESULT OF THE SEGMENT	14.649	8.870	7.794	4.029	-1.850	-1.485	20.593	11.414
Financial result					-5.699	-4.441	-5.699	-4.441
Taxes					-36	1	-36	1
NET RESULT	14.649	8.870	7.794	4.029	-7.585	-5.925	14.858	6.974

BUSINESS SEGMENT: KEY FIGURES	Offices		Semi-industrial properties		TOTAL	
in thousands €	30.06.2011	30.06.2010	30.06.2011	30.06.2010	30.06.2011	30.06.2010
Fair value of investment properties	364.800	366.439	175.940	161.262	540.740	527.701
Investment value of investment properties	373.920	375.600	180.421	165.378	554.341	540.978
Assets held for sale	0	7.200	0	0	0	7.200
Total leasable space (m^2)	231.109	231.115	322.112	304.311	553.221	535.426
Occupancy rate (%)	84 %	89 %	83 %	81 %	84 %	87 %

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Principles for the preparation of the half-yearly figures

The consolidated condensed half-yearly figures are prepared on the basis of the principles of financial reporting in accordance with IAS 34 “Interim financial reporting”. In these condensed half-yearly figures the same principles and calculation methods are used as those used for the consolidated annual accounts at 31 December 2010.

Evolution of the investment properties

in thousands €	30.06.2011	30.06.2010
Amount at the end of the prior financial year	526.680	540.817
Acquisitions of investment properties	7.730	0
Sales of investment properties	0	-6.557
Investment in existing investment properties	2.290	364
Change in fair value of investment properties (+/-)	4.040	-6.923
Amount at the end of the semester	540.740	527.701

Overview of future minimum rental income

For an update of the future minimum rental income on 30 June 2011 is referred to the description of the evolution of the portfolio in paragraph 1.1. and 1.4 (supra) of the interim management report.

Non-current and current liabilities

An update of the financial structure of Intervest Offices & Warehouses as at 30 June 2011 is provided in paragraph 1.7. (supra) of the interim management report.

Off-balance sheet obligations

In the first semester of 2011, there have been no changes in the off-balance sheet obligations of the property investment fund as described in note 23 of the Financial report of the Annual report 2010, except for:

- Bond loan: put option granted to every bondholder in the event of a change in control
  At the time of issuing the bond loan in June 2010 for an amount of € 75 million, Intervest Offices & Warehouses granted every bondholder a "put option" on all or part of the bonds held by the bondholder if a change of control takes place. This put option if a change of control takes place has been approved by the general meeting of shareholders of Intervest Offices sa during the annual meeting of 6 April 2011 and the approval decision has been filed at the court registry, pursuant to article 556 of the Belgian Companies Code.

- Framework convention logistic development in Herentals
  As a result of letting the site in Herentals Logistics 2 to Nike Europe, the property investment fund will start the 2nd phase of this development (extension of 20.270 m² warehouse space, 4.124 m² mezzanine and 930 m² offices). Intervest Offices sa has a building obligation towards Cordeel Zetel Hoeselt sa for the general building works, agreed at the market conditions, as determined in the framework convention of November 2007.

Post-balance sheet event

There are no significant events to be mentioned that occurred after the closing of the accounts as at 30 June 2011.

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2.7. Statutory auditor's report

INTERVEST OFFICES SA,
PUBLIC PROPERTY INVESTMENT FUND UNDER BELGIAN LAW

LIMITED REVIEW REPORT ON THE CONSOLIDATED HALF-YEAR FINANCIAL INFORMATION
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2011

To the board of directors

We have performed a limited review of the accompanying consolidated condensed balance sheet, condensed income statement, condensed statement of comprehensive income, condensed cash flow statement, condensed statement of changes in equity and selective notes (jointly the "interim financial information") of Intervest Offices SA, public property investment fund under Belgian law ("the company") and its subsidiaries (jointly "the group") for the six-month period ended 30 June 2011. The board of directors of the company is responsible for the preparation and fair presentation of this interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

The interim financial information has been prepared in accordance with IAS 34, *"Interim Financial Reporting"* as adopted by the EU.

Our limited review of the interim financial information was conducted in accordance with the recommended auditing standards on limited reviews applicable in Belgium, as issued by the "Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren". A limited review consists of making inquiries of group management and applying analytical and other review procedures to the interim financial information and underlying financial data. A limited review is substantially less in scope than an audit performed in accordance with the auditing standards on consolidated annual accounts as issued by the "Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren". Accordingly, we do not express an audit opinion.

Based on our limited review, nothing has come to our attention that causes us to believe that the interim financial information for the six-month period ended 30 June 2011 is not prepared, in all material respects, in accordance with IAS 34, *"Interim Financial Reporting"* as adopted by the EU.

Antwerp, 2 August 2011

The statutory auditor

DELOITTE Réviseurs d'Entreprises
SC s.f.d. SCRL
Represented by

Frank Verhaegen

Kathleen De Brabander

3. STATEMENT TO THE HALF-YEARLY FINANCIAL REPORT

In accordance with article 13 § 2 of the Royal Decree of 14 November 2007, the board of directors, composed of Paul Christiaens (chairman), Jean-Pierre Blumberg, Nick van Ommen, Reinier van Gerrevink, Wim Fieggen and Taco de Groot, declare that according to its knowledge,

a) the condensed half-yearly figures, prepared in accordance with the principles of financial information in accordance with IFRS and in accordance with IAS 34 *"Interim Financial Information"* as accepted by the European Union, give a true and fair view of the equity, the financial position and the results of Intervest Offices sa and the companies included in the consolidation

b) the interim annual management report gives a true statement of the main events which occurred during the first six months of the current financial year, their influence on the condensed half-yearly figures, the main risk factors and uncertainties regarding the remaining months of the financial year, as well as the main transactions between related parties and their possible effect on the condensed half-yearly figures if these transactions should have a significant importance and were not concluded at normal market conditions.

These condensed half-yearly figures have been approved for publication by the board of directors of 1 August 2011.

Note to the editors: for more information, please contact:
INTERVEST OFFICES SA, public property investment fund under Belgian law,
Jean-Paul Sols - CEO or Inge Tas - CFO, T + 32 3 287 67 87, www.intervestoffices.be