

INTERIM STATEMENT ON THE FIRST QUARTER OF 2011 OF THE BOARD OF DIRECTORS

Regulated information - embargo till 27/04/2011, 17:45

Antwerp, 27 April 2011

INTERVEST
RETAIL

Stable operating distributable result

Increase of fair value of the real estate portfolio of 3,1 %¹

Low debt ratio: 34 %



Zara - Brussels

1. OPERATING ACTIVITIES OF THE FIRST QUARTER OF 2011

On 31 March 2011, the fair value of the real estate portfolio of Intervest Retail amounts to € 339 million (€ 329 million on 31 December 2010). This increase of € 10 million results mainly from the increase in value of the existing real estate portfolio by € 11 million. This growth in fair value of 3,1 % of the commercial portfolio comes from the positive evolution of the rental values and from lowering the yields as a result of favourable developments on the Belgian investment market for commercial real estate.

Further, the property investment fund has signed in the first quarter of 2011 a sales agreement for the sale of a non-strategic inner-city shop located Carnotstraat in Antwerp for a sales price of € 1,6 million.

On 31 March 2011, the occupancy rate² of the real estate portfolio amounts to 97,2 %. The slight decrease compared to 31 December 2010 is due to vacant premises in Turnhout. In April 2011 the building has already been re-let, starting on 1 July 2011.

For the first quarter of 2011, the operating distributable result of the property investment fund Intervest Retail amounts to € 0,63 per share which is unchanged compared to the first quarter of 2010.

REAL ESTATE PATRIMONY	31.03.2011	31.12.2010
Fair value of investment properties (€ 000)	339.234	329.142
Total leasable space (m ²)	158.282	159.581
Occupancy rate (%)	97,2 %	98,8 %

¹ By unchanged composition of the real estate portfolio.

² The occupancy rate is calculated as the ratio of the rental income to the same rental income plus the estimated rental value of the vacant locations for rent.

2. FINANCIAL RESULTS³

Consolidated income statement



□ Bakker Bart - Antwerp

<i>in thousands €</i>	31.03.2011	31.03.2010
Rental income	5.291	5.356
Rental-related expenses	-37	-23
Property management costs and income	0	-11
PROPERTY RESULT	5.254	5.322
Property charges	-548	-561
General costs and other operating income and costs	-275	-266
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	4.431	4.495
Result on sales of investment properties	405	16
Changes in fair value of investment properties	11.255	2.063
OPERATING RESULT	16.091	6.574
Financial result (excl. changes in fair value - IAS 39)	-1.232	-1.294
Changes in fair value of financial assets and liabilities (ineffective hedges - IAS 39)	814	-957
Financial result	-418	-2.251
Taxes	-7	0
NET RESULT	15.666	4.323
Operating distributable result	3.182	3.192
Result on portfolio	11.660	2.079
Changes in fair value of financial assets and liabilities (ineffective hedges - IAS 39) and other non-distributable elements	824	-948

DATA PER SHARE	31.03.2011	31.03.2010
Number of shares entitled to dividend	5.078.525	5.078.525
Net result per share (€)	3,08	0,85
Operating distributable result per share (€)	0,63	0,63

³ Between brackets comparable figures for the first quarter of 2010.

INTERIM STATEMENT ON THE FIRST QUARTER OF 2011 OF THE BOARD OF DIRECTORS



□ G-star - Gand

In the first quarter of 2011, the **property result** of Intervest Retail remains stable at € 5,3 million compared to the first quarter of 2010 (€ 5,3 million).

The **property charges** and the **general costs** also remain at the same level as in the first quarter of previous financial year.

In the first quarter of 2011, the positive **changes in fair value of the investments properties** amount to € 11,3 million (€ 2,1 million) or 3,1 % on the value of the real estate portfolio. This effect is due to the positive evolution of the rental value and lowering the yields as a result of favourable developments on the Belgian investment market for commercial real estate.

The **financial result (excl. changes in fair value - IAS 39)** amounts to - € 1,2 million (- € 1,3 million). For the first quarter of 2011, the average interest rate of the property investment fund amounts to approximately 4,2 % including bank margins (4,35 %). In the first quarter of 2011 Intervest Retail has prolonged a financing of a credit facility expiring on 30 July 2011 for an amount of € 25 million. The existing credit facility has been refinanced by the same banker with a duration of 5 years and at market conditions.

In the first quarter of 2011, the **changes in fair value of financial assets and liabilities (ineffective hedges - IAS 39)** comprise the increase of the market value of the interest rate swaps which in accordance to IAS 39 cannot be classified as cash flow hedge instrument, for an amount of € 0,8 million (- € 0,9 million).

For the first quarter of 2011, the **net result** of Intervest Retail amounts to € 15,7 million (€ 4,3 million) and can be divided in:

- ▶ the operating distributable result of € 3,2 million (€ 3,2 million)
- ▶ the result on portfolio of € 11,7 million (€ 2,1 million)
- ▶ the changes in fair value of financial assets and liabilities (ineffective hedges - IAS 39) and other non-distributable elements for an amount of € 0,8 million (- € 0,9 million).

The **operating distributable result⁴** per share remains stable and amounts for the first quarter of 2011 to € 0,63 (€ 0,63).

BALANCE SHEET DATA PER SHARE	31.03.2011	31.12.2010
Number of shares entitled to dividend	5.078.525	5.078.525
Net asset value (fair value) (€)	43,72	40,41
Net asset value (investment value) (€)	45,31	42,00
Share price on closing date (€)	48,00	43,00
Premium to net asset value (fair value) (%)	10 %	6 %

On 31 March 2011, the **net asset value** (fair value) of the share is € 43,72 (€ 40,41 on 31 December 2010). Given that the share price on 31 March 2011 is € 48,00, the share of Intervest Retail is quoted at a premium of 10 % compared to this net asset value (fair value).

The **debt ratio** of the property investment fund decreases in the first quarter of 2011 due to the revaluation of the real estate portfolio and amounts to 34 % on 31 March 2011 (37 % on 31 December 2010), calculated in accordance with the Royal Decree of 7 December 2010.

⁴ As legally speaking only the operating distributable result of the statutory annual accounts can be distributed and not of the consolidated annual accounts, the present profit distribution is based on the statutory figures.

3. FORECAST

The first generation of retail parks developed in the eighties was mainly meant to be a discount concept, focussing essentially on an easy accessibility and large parking facilities. Since then, the sector of peripheral commercial real estate has undergone an important evolution and it is no longer the exclusive playground of discount concepts. The tenants, who are meanwhile much diversified, as well as the consumers expect that shopping takes place in a pleasant environment corresponding to the image of the brand. Not only the accessibility and easy parking facilities are important, but meanwhile also the quality of the building has become decisive.

In order to respond to this evolution and to guarantee the value of the buildings in the future, an upgrading of a number of retail parks in the real estate portfolio of Intervest Retail is taking place with regard to architecture, lay-out and management.



□ Retailpark Roosevelt - Vilvorde
Image: Architects Tecro & Krea

► Renovation Retail Park Roosevelt - Chaussée de Malines 30 in Vilvorde

In the fourth quarter of 2010 Intervest Retail has submitted a request for a building permit for the renovation of this retail park. These plans also include the building of a smaller apartment building comprising 3 apartments. The building permit has been obtained and the construction works have started. The end of the renovation is planned for October 2011. All shops will remain operational during the works.

► Redevelopment project Bruul 42-44 in Malines

Intervest Retail owns an important building that extends from the Bruul and connects to the Match supermarket in the Borzestraat. The commercial spaces of the complex, let to H&M and Coolcat, are spread over the ground floor and the first floor.

Intervest Retail wishes to redevelop this building into a high-quality architectural complex. On the ground floor an additional commercial space is planned along the Borzestraat. On the upper floors 19 lofts are planned. The building permit has already been submitted in December 2010. Intervest Retail aspires to obtain the building permit as soon as possible.

Besides the optimization of the existing real estate portfolio, Intervest Retail tries to extend the fund in a scarce market and to realise additional acquisitions. Given the limited debt ratio and the relatively easy availability of bank credit facilities, there is sufficient room for additional investments. In this segment Intervest Retail focuses by preference on buildings or portfolios with a range of minimum € 5 million to maximum € 50 million.

Note to the editors: for more information, please contact:

INTERVEST RETAIL SA, public property investment fund under Belgian law,
Jean-Paul Sols - CEO or Inge Tas - CFO, T + 32 3 287 67 87, www.intervestretail.be

FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

<i>in thousands €</i>	31.03.2011	31.03.2010
Rental income	5.291	5.356
Rental-related expenses	-37	-23
NET RENTAL INCOME	5.254	5.333
Recovery of rental charges and taxes normally payable by tenants on let properties	51	42
Rental charges and taxes normally payable by tenants on let properties	-51	-42
Other rental related income and expenses	0	-11
PROPERTY RESULT	5.254	5.322
Technical costs	-194	-166
Commercial costs	-39	-91
Charges and taxes on unlet properties	-16	-23
Property management costs	-287	-281
Other property charges	-12	0
PROPERTY CHARGES	-548	-561
OPERATING PROPERTY RESULT	4.706	4.761
General costs	-290	-273
Other operating income and costs	15	7
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	4.431	4.495
Result on sales of investment properties	405	16
Changes in fair value of investment properties	11.255	2.063
OPERATING RESULT	16.091	6.574
Financial income	8	2
Interest charges	-1.236	-1.291
Other financial charges	-4	-5
Changes in fair value of financial assets and liabilities (ineffective hedges - IAS 39)	814	-957
FINANCIAL RESULT	-418	-2.251
RESULT BEFORE TAXES	15.673	4.323
TAXES	-7	0
NET RESULT	15.666	4.323
<i>Note:</i>		
<i>Operating distributable result</i>	<i>3.182</i>	<i>3.192</i>
<i>Result on portfolio</i>	<i>11.660</i>	<i>2.079</i>
<i>Changes in fair value of financial assets and liabilities (ineffective hedges - IAS 39) and other non-distributable elements</i>	<i>824</i>	<i>-948</i>
Attributable to:		
Equity holders of the parent company	15.666	4.323
Minority interests	0	0

INTERIM STATEMENT ON THE FIRST QUARTER OF 2011
OF THE BOARD OF DIRECTORS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>in thousands €</i>	31.03.2011	31.03.2010
NET RESULT	15.666	4.323
Changes in fair value of financial assets and liabilities (effective hedges - IAS 39)	1.138	-104
COMPREHENSIVE INCOME	16.804	4.219
Attributable to:		
Equity holders of the parent company	16.804	4.219
Minority interests	0	0

INTERIM STATEMENT ON THE FIRST QUARTER OF 2011
OF THE BOARD OF DIRECTORS

CONSOLIDATED BALANCE SHEET

ASSETS <i>in thousands €</i>	31.03.2011	31.12.2010
Non-current assets	339.406	329.341
Intangible assets	14	16
Investment properties	339.234	329.142
Other tangible assets	140	165
Trade receivables and other non-current assets	18	18
Current assets	3.863	3.915
Assets held for sale	1.947	287
Trade receivables	359	376
Tax receivables and other current assets	573	2.249
Cash and cash equivalents	476	766
Deferred charges and accrued income	508	237
TOTAL ASSETS	343.269	333.256

SHAREHOLDERS' EQUITY AND LIABILITIES <i>in thousands €</i>	31.03.2011	31.12.2010
Shareholders' equity	222.010	205.206
Shareholders' equity attributable to the shareholders of the parent company	222.010	205.206
Share capital	97.213	97.213
Share premium	4.183	4.183
Reserves	99.119	99.119
Net result of the previous financial year	17.632	17.632
Net result of the financial year - first quarter	15.666	0
Impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	-8.108	-8.108
Changes in fair value of financial assets and liabilities	-3.695	-4.833
Minority interests	0	0
Liabilities	121.259	128.050
Non-current liabilities	98.423	75.544
Provisions	0	195
Non-current financial debts	98.240	75.193
<i>Credit institutions</i>	98.227	75.179
<i>Financial lease</i>	13	14
Other non-current liabilities	48	48
Deferred taxes - liabilities	135	108
Current liabilities	22.836	52.506
Provisions	37	56
Current financial debts	18.668	46.548
<i>Credit institutions</i>	18.665	46.545
<i>Financial lease</i>	3	3
Trade debts and other current debts	2.235	4.079
Other current liabilities	690	632
Accrued charges and deferred income	1.206	1.191
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	343.269	333.256