



*Creating
opportunities.
Building the future.*

ANNUAL REPORT 2015



IMMOBEL
since 1863

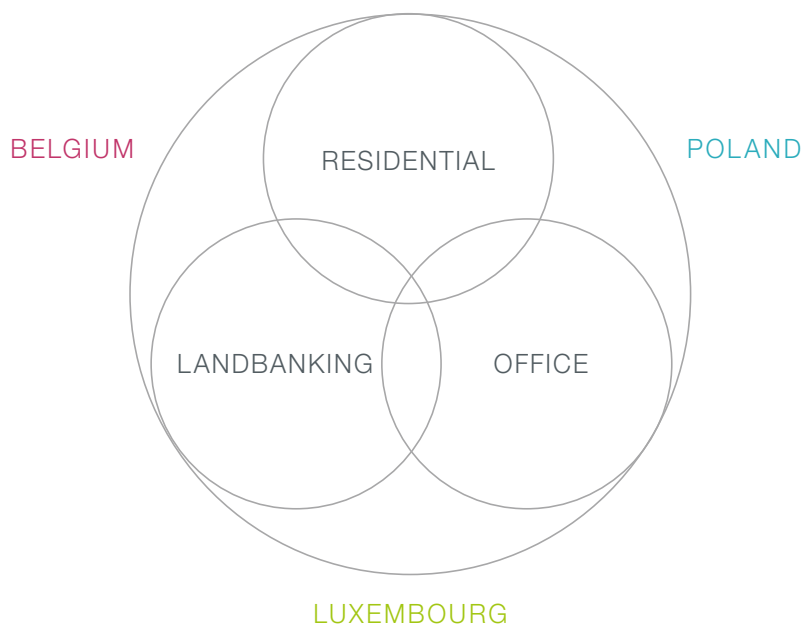
Creating opportunities. Building the future.

IMMOBEL, listed on the Brussels Stock Exchange since 19 September 1863, has been a major player in property development in Belgium for more than 150 years.

It is also active in the Grand Duchy of Luxembourg and in Poland.

Its activities cover the office, residential and landbanking sectors, ensuring the diversification of its portfolio of projects.

Its vision of the market and its expertise enable it to design, develop and manage ambitious real estate projects that create long-term value while respecting the environment and integrating the major issues facing society.



Strategy

Since its incorporation in 1863, property development has been at the heart of IMMOBEL's strategy. Attentive to developments in the market, the company has diversified its activities to encompass three lines of business – offices, residential and landbanking – in three countries – Belgium, Luxembourg and since 2011 in Poland.

The clients who are targeted are institutionals, private or public investors and individuals. The company's goal is to create a portfolio of sustainable developments with a good diversification of risk, through a positioning on different types and internationally, while maximizing value creation for its shareholders.

DIVERSIFY OUR ACTIVITIES

So far, IMMOBEL has developed all three activities in Belgium; the office and residential segments in the Grand Duchy of Luxembourg and in Poland.

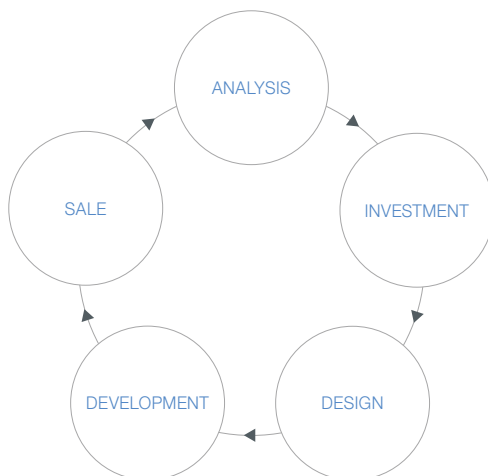
Today this diversification is bearing fruit. Previously, a multi-year average of close to 90% of profits generated by IMMOBEL came from our office activity. In Belgium and Luxembourg profits generated by residential and landbanking have now increased to a multi-year average of 40 to 50% of the company's profits. Thanks to this diversification in terms of geography and markets,

IMMOBEL currently manages a balanced portfolio that is less exposed to economic cycles and to the local market specifications, allowing it to cover its fixed costs in times of low activity in the offices segment.

TO BALANCE RISKS

IMMOBEL takes a prudent approach to the acquisition and development of its projects, applying precise selection criteria. These criteria address, among others, location, size and phasing, the architectural quality that can be deployed, the environmental characteristics that the project must meet, transport facilities and communication routes as well as profitability compared to estimated risk.

Moreover, IMMOBEL ensures it enters into partnerships for particularly large projects or those requiring specific added value. These partnerships are part of its goal of diversification.



Business overview

	BELGIUM	GRAND DUCHY OF LUXEMBOURG	POLAND
HIGHLIGHTS			
Office	<ul style="list-style-type: none"> ▶ Agreement on the sale of Gateway to Befimmo for € 140 millions (100%) ▶ Redefinition of the project Brussels Tower (Möbius) in 2 towers 	<ul style="list-style-type: none"> ▶ On-going construction of the project Galerie Kons, mainly let to ING Luxembourg and pre-sold to AXA Belgium 	<ul style="list-style-type: none"> ▶ Start of the construction of the project Cedet offering 22,400 sqm ▶ Obtaining planning permission for the project CBD One
Residential	<ul style="list-style-type: none"> ▶ Obtaining planning permission for phase 1 of Universalis Park for the construction of 140 residential units ▶ Sale of almost all residential units of Belair (RAC 3) 	<ul style="list-style-type: none"> ▶ Acquisition, in partnership, of the project Route d'Esch allowing the development of +/- 27,000 sqm ▶ Sale of the last apartment of the project Green Hill 	<ul style="list-style-type: none"> ▶ IMMOBEL and his partner won the tender for the development in public-private partnership of the project Granary Island in Gdańsk
Landbanking	<ul style="list-style-type: none"> ▶ The second best year in terms of margin, an increase by 53% ▶ A total portfolio of about 416ha ▶ Obtaining planning permission for Verger de Fayenbois 	<ul style="list-style-type: none"> ▶ N/A¹ 	<ul style="list-style-type: none"> ▶ N/A¹
OUTLOOKS	<ul style="list-style-type: none"> ▶ Maximizing the value of the development portfolio ▶ Focus on mixed projects and the creation of more compact apartments ▶ Increase of the perimeter of activities to other cities besides Brussels, both in Flanders and in Wallonia ▶ Obtaining planning permission for Chien Vert and introduction of a new planning permission for Parc Seny and Brussels Tower (Möbius) 	<ul style="list-style-type: none"> ▶ Introduction of the planning permission of the project Route d'Esch ▶ Delivery of the project Galerie Kons scheduled for Q1 2017 	<ul style="list-style-type: none"> ▶ Identification of development opportunities in secondary cities ▶ Securing pre-leases for the CBD One project ▶ Start of the construction of the first phase of Granary Island ▶ Obtaining planning permission for the Zielna project
KEY FIGURES	 <p>67% of the portfolio</p> <ul style="list-style-type: none"> ■ 35% Offices ■ 35% Residential ■ 30% Landbanking 	 <p>17% of the portfolio</p> <ul style="list-style-type: none"> ■ 79% Offices ■ 21% Residential 	 <p>16% of the portfolio</p> <ul style="list-style-type: none"> ■ 91% Offices ■ 9% Residential

1. N/A: Not applicable.

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MEETING


*Sustainable
engagement*

 ALEXANDER HODAC
CEO

 MARNIX GALLE
Chairman

 MEETING WITH THE CHAIRMAN
AND THE CEO

How did the tight global economic conditions impact IMMOBEL's activities in 2015 ?

Marnix Galle: The real estate market is part of a complex economic reality connected to the global economy. It is one link in a chain where a series of factors end up influencing our activities. The emerging markets are stagnating. China is slowing down while its debt is colossal. Commodity prices are falling, putting the brake on investments. Europe is facing a worrying geopolitical situation. Investors are sliding from the risk curve to the non-risk. Nevertheless Europe's prospects for growth remain stable. Investment

in European real estate was € 263 billion in 2015, a record level.

Alexander Hodac: Our projects evolve with the economy. We adapt to the market. We prefer mixed projects and the creation of more compact apartments to meet the current demand. The offices we offer comply with the best BREEAM standards and are space-efficient. The market as a whole remains buoyant. The noticeable arrival of major Asian funds on the Belgian market illustrates the attractiveness of our country in terms of real estate development.

Have the three sectors where IMMOBEL is active performed in the same way ?

A.H.: Offices in Brussels are lagging behind. There is limited interest from the private sector on large new office spaces, except in renegotiating leases. Supply and demand are weak, though the institutions, including the EU, are returning to the market with new demands for utilising space. On the other hand a lot of leases will expire in the next five years. These are all new opportunities. But building sizes are decreasing. The norm today is more like 15,000 sqm, whereas it used to be over 20,000 sqm.

M.G.: The residential sector is doing well. The basic conditions in the Belgian real estate market improved in 2015. In Brussels volumes increased by nearly 5% compared to 2014. Prices continue to rise slightly in the capital, in Flanders and in Wallonia. The conversion of offices to residential properties is still booming. An average of 80,000 sqm of obsolete office space is transformed annually in Brussels for mainly residential purposes. In Luxembourg the market is very competitive and remains healthy, with prices rising. The prices of new homes increased 10% compared to 2014. IMMOBEL has a promising project there, Route d'Esch.

Did IMMOBEL's results for 2015 match your expectations ?

M.G.: Postponement of the signature of a sizeable project can put an artificial strain on an accounting year. That is what happened to us last year. In the future we do not intend to be so dependent on the cyclical nature of our portfolio. We sold no office buildings in 2015 which had an impact on our results. Our intention to strengthen our presence in the residential sector will allow us to generate recurrent results.

A.H.: Nonetheless, we are delighted with the results booked by our Landbanking department. In terms of profits, 2015 was its second best year.

How has IMMOBEL's strategy evolved with the arrival, at the end of 2014, of its new reference shareholder Allfin Group ?

A.H.: Our strategy is evolving because the market is evolving. Those who invest in offices prefer security. They are looking for new sustainable buildings for which a long-term lease has been signed with institutions or reputable private companies. They can then expect a yield in the order of 4 to 4.5%. IMMOBEL's strategy is to identify the most buoyant locations, to build there, find a lessee and then sell.

M.G.: We favour better rotation and liquidity in our portfolio. Measures have been taken to generate cash in order to start new operations. We are going to activate our portfolio and make sure that we develop the projects so that they offer maximum satisfaction in terms of buyers' expectations in a changing market. We also pay great attention to optimum follow-up of the sales process. Our marketing strategy is going to evolve too.

You have announced that you intend to be more transparent in your communications concerning IMMOBEL's results and activities...

A.H.: Transparency means communicating not only when the company is doing well but also in more difficult times. In particular, it means providing our shareholders with impeccable access to information. That is already reflected in all our financial communications and especially in this new annual report where we present our portfolio in the form of fact sheets.

What are the prospects for 2016 ?

A.H.: 2016 is a transition year. We are going to generate profits and cash flow that will allow us to make new acquisitions in the three countries where we are active.

M.G.: We will be less emotional in our acquisitions, more rigorous, while ensuring that we satisfy our financial criteria in terms of profit margin and return on equity. We intend to concentrate on large, complex projects. We are orienting ourselves towards more mixed projects: residential, hotels, student accommodation, retail, offices, and so on.

A.H.: Moreover, we are going to increase the perimeter of our activities in Belgium to other cities besides Brussels, both in Flanders - in Antwerp and Ghent, for example - and in Wallonia. In Poland, a market that continues to be buoyant, we are going to start looking at the secondary cities.

How do you see IMMOBEL's future in this new context ?

A.H.: We have prepared a business plan 2016-2020 which will be our roadmap for the next few years. It will allow us to have a clear view of possible gaps in our portfolio as well as the deadlines we need to anticipate. It will also give us a framework within which to work effectively for the benefit of our shareholders. Our intention is to avoid the cyclicity linked to our present dependency on the offices portfolio. We are going to substantially increase the proportion of residential property in our projects to secure the dividend. We would like to offer our shareholders a minimum threshold for the dividends we distribute in the years to come. We are committed to creating lasting value for our shareholders.

€ 263 billion
investment in European
real estate in 2015

The challenges for IMMOBEL's teams are numerous...

M.G.: Our teams, which we are in the process of strengthening, face many demands, but they are also very motivated and competent. During this difficult and exciting transition period, we are particularly grateful to them for the energy they have invested. We also want to thank our shareholders for the trust they have shown in us. The directors and the management are conscious of their responsibilities and are convinced that their decisions will allow IMMOBEL to pass another successful milestone in its already long history.

2015 IN BRIEF

Q1

Gateway

IMMOBEL and its partner agreed to sell the Gateway project located at Brussels Airport to Befimmo. The building is fully let to Deloitte for a firm 18-year period and will be delivered in 2016.

Granary Island

Further to the tender organised by the City of Gdańsk, IMMOBEL and its partner have been selected, as Private Partner for the development of Granary Island in Gdańsk.

Cedet

The reconstruction of this well-known historical building of 22,400 sqm in the centre of Warsaw has started.



CEDET



GATEWAY

Q2

Galerie Kons

First foundation stone of the building of 22,700 sqm, Galerie Kons, future headquarter of ING Luxembourg and pre-sold to AXA Belgium.

Middelkerke

IMMOBEL filed the application for the subdivision permit for a development of housing at reasonable price in Middelkerke. The site will include 60 social housing units and 119 units at reasonable price.



GALERIE KONS



GRANARY ISLAND

Q3

Route d'Esch and Differdange

IMMOBEL has acquired, in partnership, the real estate projects Route d'Esch and Differdange in the Grand Duchy of Luxembourg respectively allowing a development of approximately 26,900 sqm and 5,700 sqm.



Q4

Vergers de Fayenbois

Start of the commercialization of the 16ha project Vergers de Fayenbois in Grivegnée. The project provides 151 single-family houses distributed over 115 lots and 36 apartments in two buildings.

Domaine des Vallées

The Provincial Board of Walloon Brabant, IMMOBEL and its partner have put the first spade in the ground for the Domaine des Vallées development in Grez-Doiceau. The intention of this public-private partnership consisting of 203 residential units is to promote access to ownership.

Green Hill

The last apartment from this project of 174 apartments in Dommeldange (Luxembourg) has been sold.

New CEO

On December 1st, Alexander Hodac¹ officially took the helm as CEO of IMMOBEL.

1. Permanent representative of AHO Consulting bvba.

KEY FIGURES

*Summary of the consolidated
financial statements (€ million)¹*

INCOME STATEMENT

	2011	2012	2013	2014	2015
Operating income	81.1	133.7	65.1	183.1	103.6
Operating expenses	-58.6	-114.3	-54.5	-151.8	-93.2
Operating result	22.6	19.4	10.6	31.2	10.5
Financial result	-5.4	-6.8	-9.3	-9.6	-8.9
Share in the results of associates	0.3	0.0	0.2	-0.2	-0.3
Result before taxes	17.5	12.6	1.5	21.4	1.3
Income taxes	-1.3	-0.9	0.0	-1.4	-0.6
Result for the year	16.2	11.7	1.5	20.0	0.7
Share of IMMOBEL	16.2	11.7	1.5	20.0	0.7

€ 103.6 million
operating income in 2015

FINANCIAL POSITION

ASSETS	2011	2012	2013	2014	2015
Non-current assets	5.8	7.7	6.5	5.0	4.6
Intangible assets and goodwill	0.0	0.0	0.1	0.2	0.2
Tangible assets and investment property	2.5	3.9	3.6	3.6	3.6
Financial assets	1.3	2.4	1.1	0.8	0.4
Other	1.0	1.4	1.7	0.5	0.5
Current assets	401.0	409.9	520.4	492.2	506.9
Inventories	327.9	359.9	464.7	423.5	456.8
Treasury	47.0	26.9	31.4	32.0	24.5
Other	26.1	23.1	24.4	36.7	25.6
TOTAL ASSETS	406.8	417.6	527.0	497.2	511.6

€ 457 million
projects in portfolio

+8%
in 2015

EQUITY AND LIABILITIES	2011	2012	2013	2014	2015
Equity	182.8	187.7	183.2	196.7	194.4
Non-current liabilities	112.6	136.2	152.4	166.8	156.9
Financial debts	109.3	135.5	151.5	164.5	155.0
Other	3.3	0.7	0.9	2.3	1.8
Current liabilities	111.4	93.7	191.4	133.7	160.3
Financial debts	74.3	51.8	148.8	99.4	110.4
Derivative financial instruments	1.8	2.1	0.5	0.1	0.1
Other	35.2	39.8	42.2	34.2	49.8
TOTAL EQUITY AND LIABILITIES	406.8	417.6	527.0	497.2	511.6

1. In accordance with IFRS, the Company applied since 1st January 2014, IFRS 11, which strongly amends the readings 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.

Key consolidated figures

KEY FIGURES IMMOBEL GROUP (€ MILLION)

	2011	2012	2013	2014	2015
Cash-flow ²	14.0	8.0	0.0	25.1	3.7
Net result, Group's share	16.2	11.7	1.5	20.0	0.7
Equity, Group's share	182.8	187.7	183.2	196.7	194.4
Market capitalization	101.8	116.4	148.4	177.5	174.2

FIGURES PER SHARE (€)

	2011	2012	2013	2014	2015
Number of shares at year-end (thousand)	4,122	4,122	4,122	4,122	4,122
Cash flow	3.4	1.9	0.0	6.1	0.9
Net result, Group's share	3.9	2.8	0.4	4.9	0.2
Value of equity	44.4	45.6	44.4	47.7	47.2
Gross ordinary dividend	1.75	1.40	0.00	2.40	0.00
Net ordinary dividend	1.31	1.05	0.00	1.80	0.00

€ 42.25
/share

on 31 December 2015

STOCK MARKET RATIOS

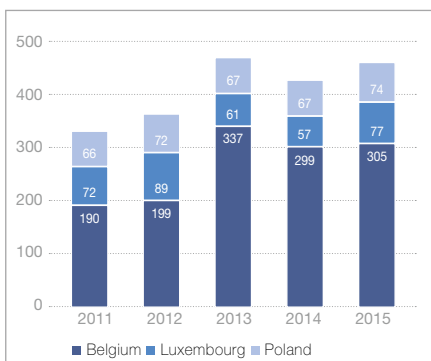
	2011	2012	2013	2014	2015
List price on 31 December (€)	24.7	28.3	36.0	43.05	42.25
Maximum quotation (€)	34.0	28.9	37.4	44.5	52.7
Minimum quotation (€)	23.9	24.2	28.4	36.5	40.1
List price/book value	56%	62%	81%	90%	90%
Gross return for 1 year ³	-18%	22%	32%	24%	0.0%
Gross ordinary dividend/last list price	7.1%	5.0%	0.0%	5.6%	0.0%
Net ordinary dividend/last list price	5.3%	3.7%	0.0%	4.2%	0.0%

2. Net result without the non cash expenses (amortisation, depreciation charges, provisions, ...) and the non cash income (fair value, ...).

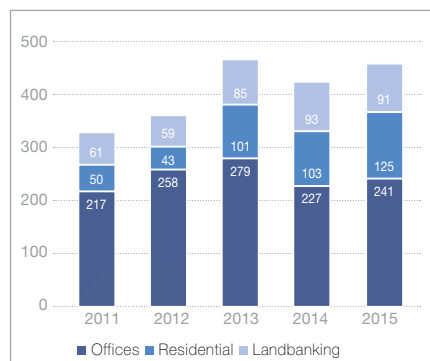
3. Gross return for 1 year: (last closing price + dividends paid during the last 12 months - first list price for the period) / first list price for the period.

Portfolio

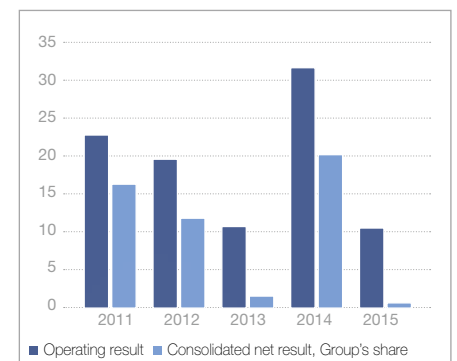
EVOLUTION OF THE PORTFOLIO BY COUNTRY (€ MILLION)



EVOLUTION OF THE PORTFOLIO BY SEGMENT (€ MILLION)



OPERATING RESULT / NET RESULT (€ MILLION)

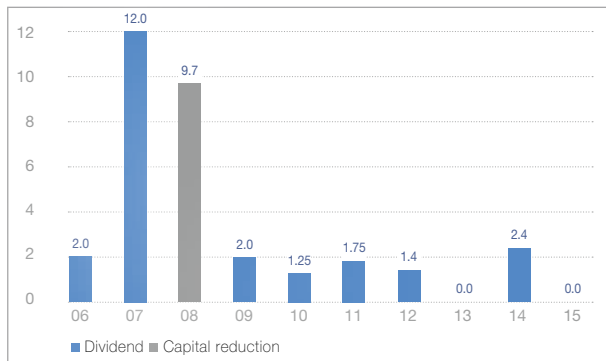


Result

SHAREHOLDER INFORMATION

Dividend policy

DIVIDEND EVOLUTION OVER THE PAST 10 YEARS (€)



In 2008 the Board of Directors adopted the following dividend policy: IMMOBEL pays out between 40 and 50% of the consolidated annual net result.

Some conditions laid down in the bond issues of December 2011 and March 2013 also provide that the company may not distribute more than 50% of its annual net result.

Following the results of 2015, the Board of Directors does not foresee the payment of dividends.

For reference, the following amounts were paid in previous years: € 2.40 for 2014, no dividend in 2013, € 1.40 in 2012, € 1.75 in 2011 and € 1.25 in 2010. In the period 2010-2015, the average gross yearly dividend amounted to € 1.11 gross per share.

Share price evolution

SHARE PRICE EVOLUTION OVER A 5-YEAR PERIOD (€)



SHARE PRICE EVOLUTION IN 2015 (€)

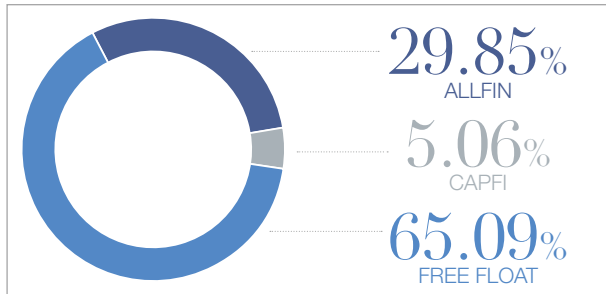


“We are committed to
creating lasting value for
our shareholders.”

Alexander Hodac, CEO

Shareholding structure

SHAREHOLDERS AS AT 31-12-2015 (%)



In accordance with article 29 of the Law of 2 May 2007 on the disclosure of stakes held in issuers whose shares are admitted to trading on a regulated market, IMMOBEL has been informed by the following Shareholders that they hold the following shares (as at 22 September 2014).

Shareholders	Voting rights	% of total shares
ALLFIN GROUP COMM. VA having its registered seat at 1000 Brussels, rue des Colonies, 56	1,230,398	29.85%
CAPFI DELEN ASSET MANAGEMENT NV having its registered seat at 2020 Antwerp, Jan Van Rijswijcklaan 178	208,516	5.06%
FREE FLOAT	2,683,073	65.09%
Total	4,121,987	100.00%

Financial calendar

Publication of annual accounts 2015	24 March 2016
Ordinary General Meeting 2016	26 May 2016
Publication of 2016 half-year results	6 September 2016
Publication of 2016 annual accounts	Before 31 March 2017
Ordinary General Meeting 2017	25 May 2017

“We favour better rotation
and liquidity in
our portfolio.”

Marnix Galle, Chairman

BELGIUM

+/- 115,100 SQM
office space¹

+/- 3,000
residential units²

+/- 416 HA
landbanking³

1. Total surface including partnerships.

2. Total units including partnerships.

3. Including plots of land acquired under conditions precedent.



SHAPING THE
FUTURE

MAIN PROJECTS



BLACK PEARL
BRUSSELS
11,000 sqm

The Brussels Capital Region granted the “Exemplary Building 2012” award. It is also assessed as a “Passive Building” by PMP and will get a BREEAM “Excellent” certification.

UNIVERSALIS PARK
BRUSSELS
110,000 sqm

New major urban redevelopment around the ULB and the VUB university facilities, which will enable the development of up to 110,000 sqm on two pieces of land having an aggregate land surface of 8ha50a.



GATEWAY
ZAVENTEM
34,600 sqm

Gateway is located at Brussels Airport and is adjacent to the Departure Terminal area. The building is fully let to Deloitte for a firm 18-year period.

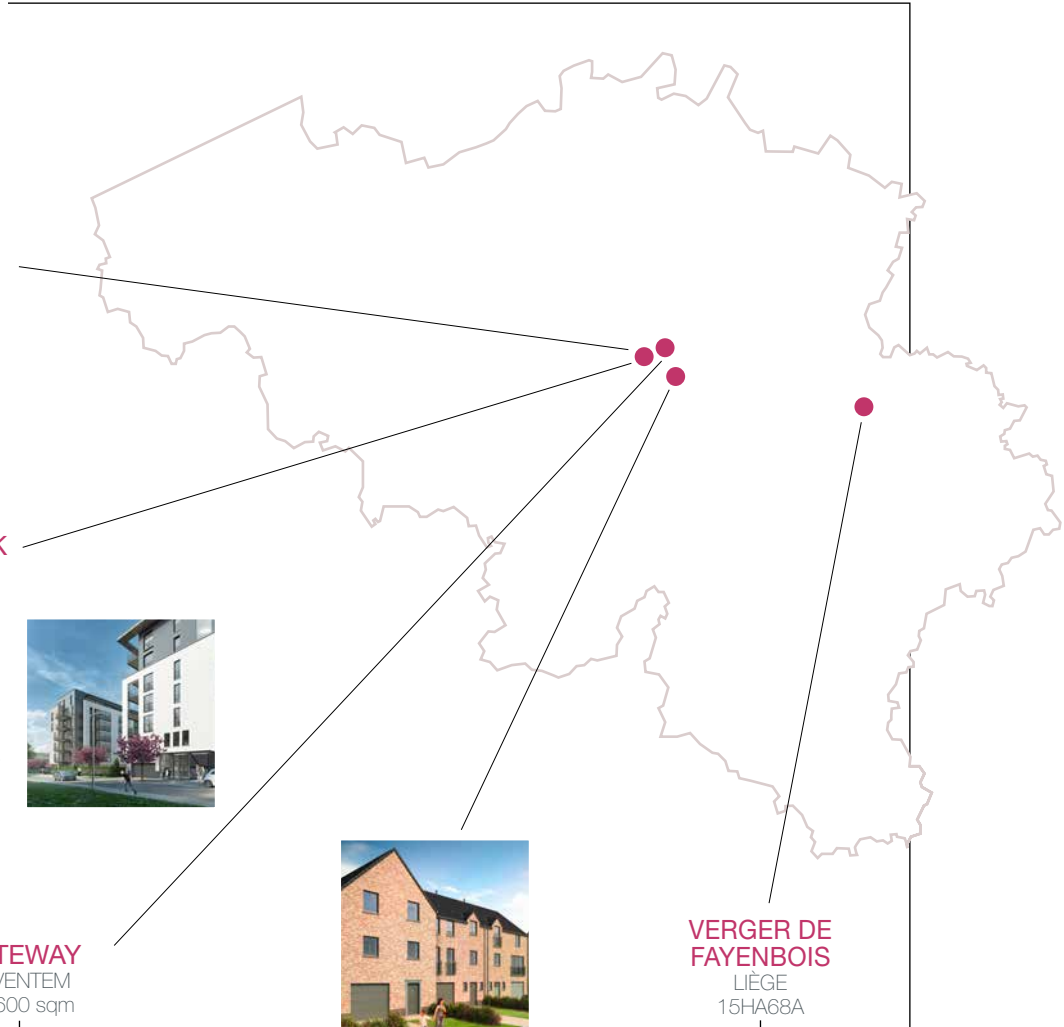


DOMAINE DES VALLÉES
GREZ-DOICEAU
37,000 sqm

This vast project, on a plot of 10ha, includes 45 apartments, 158 single family homes and 7 commercial units.

VERGER DE FAYENBOIS
LIÈGE
15HA68A

Model project in terms of sustainability and landscape quality, comprising housing and numerous quality green areas, including the creation of an orchard and wooded areas.



CONTEXT

Offices

Although investment volumes reached a record high in 2015, the number of square metres taken-up decreased by 15%, the general trend being towards space optimization.

The year 2015 was rather disappointing for the leasing market in Belgium, mainly because of the drop in take-up in Brussels, the majority of Flemish cities and, to a lesser extent, in the towns and cities of Wallonia, which did better than in 2014.

A total of 537,000 sqm was taken up countrywide, which is 15% less than in 2014. The general trend in demand was towards optimisation, a reduction in surface area per employee and accessibility.

In a context in which low levels of short and long-term interest rates were very favourable for real estate investments, investment volumes in Belgium reached record levels in 2015. Indeed we registered a total of € 4.4 billion, or the second highest level reached in Belgium since 2007. Compared to 2014, this was a rise of 30%. It were retail transactions that kept the market buoyant, with several shopping centres sold to both international and local investors. The trend in yields is still downwards for every category of asset. Liquidity is significant and international investment funds have substantial resources at their disposal, which is likely to drive the market again in 2016.

537,000 sqm
of offices taken up
in Belgium in 2015

+30%

investment in Belgian real estate
compared to 2014



BLACK PEARL
Brussels
– Art & Build

Leasing market in Brussels

Key figures

The leasing market in Brussels was particularly calm in 2015, with a total occupancy take-up of 299,200 sqm. On an annual basis this represents a drop of 29% as well as the weakest take-up level recorded since 1990. The issues: the economic situation and in particular the absence of transactions of over 15,000 sqm. Whereas four transactions by the European institutions were expected in 2015, only one actually went through, with the preleasing of the Treurenberg building in the Pentagone (9,700 sqm) by the Single Resolution Board. The proportion of the total take-up involving Europe was therefore only 4%, against an average of 12% in the preceding 5 years. In addition, the local authorities were manifestly less active than in 2014, which was a record year for this category of occupants. The main transaction was the leasing, by Schaerbeek social services, of 10,000 sqm in the Silver building on the Boulevard Reyers, outside the CBD. This brought the contribution of the Belgian public sector to 16% of the total, as opposed to 38% in 2014 and an average of 19% during the last five years. So it was the corporates who were by far the most dominant in the market, with 77% of the total take-up, as opposed to 53% in 2014 and an average of 65% during the last 5 years.



LEASING MARKET IN BRUSSELS

	2014	2015	Trend 2016
Stock (million sqm)	13.2	13.1	↗
Total take-up (sqm)	419,000	299,000	↗
Availability	10.3%	9.7%	↘
CBD	6.1%	5.4%	↘
Outside CBD	17.8%	17.2%	↘
Deliveries (sqm)	88,000	112,000	↗
Prime rent (€/sqm/year)	275	275	→
Upper quartile rent (€/sqm/year)	208	205	↗
Weighted average rent (€/sqm/year)	165	154	↗

GATEWAY
Zaventem –
Jaspers-Eyers Architects
& A2RC

Availability & supply

During the course of 2015, the vacancy rate dropped below the level of 10% for the first time since 2008, and has remained there despite some speculative deliveries and second-hand buildings put back on the market after their occupants' departure. At the end of 2015, the vacancy rate was set at 9.7%, representing a total surface area of 1,269,686 sqm.

There are currently 427,000 sqm under development (excluding projects that have not yet been started), 31% of these are renovations. Only 22% are speculative, which illustrates once again that risk aversion continues to be a very important factor in Brussels. For 2016 we expect around 57,000 sqm of speculative deliveries.

427,000 SQM
under development

+/- 57,000 SQM
of speculative deliveries
expected for 2016

Prospects

A certain number of large transactions that were negotiated in 2015 will only be concluded in early 2016, including at least three transactions involving the European institutions (Commission and Parliament) for at least 35,000 sqm, as well as one transaction of 30,000 sqm involving the public buildings administration (Pacheco building in the Pentagon). Likewise, in early January DKV signed for 10,000 sqm in the Central Plaza building in the Pentagon. Several medium-sized transactions with corporates are also in the pipeline. We think, therefore, that 2016 will be demonstrably better than last year and that the large transactions that failed to materialise will liven up the market again. These transactions will not fail to reduce the vacancy rate even further. We consider that availability will drop below the 5% mark in the CBD during the first half year, while in the greater Brussels area it should fall to just 9% - the lowest level since 2002. At the moment the low level of speculative deliveries in the best sites poses a problem; certain demands from corporate clients cannot be met for lack of a corresponding supply.

Flanders

The total stock in Flanders, with the exception of certain municipalities in Flemish Brabant which are part of the suburbs of Brussels, is estimated at around 5 million sqm, of which 40% is in Antwerp and 26% in Ghent.

Total take-up in Flanders rose to 216,352 sqm in 2015, up 9% compared to 2014. While Antwerp, with 85,212 sqm, showed a drop of 4.7%, Ghent was up by 43% with 49,722 sqm. The main transactions in Antwerp were the pre-lease by Crelan of 4,600 sqm in the Post X project, the lease of 2,537 sqm by the Flemish Community on the Kievitplein, and the pre-lease by Kuhne & Nagel of 2,264 sqm, which is likewise in the Post X project. In Ghent, Optima Bank

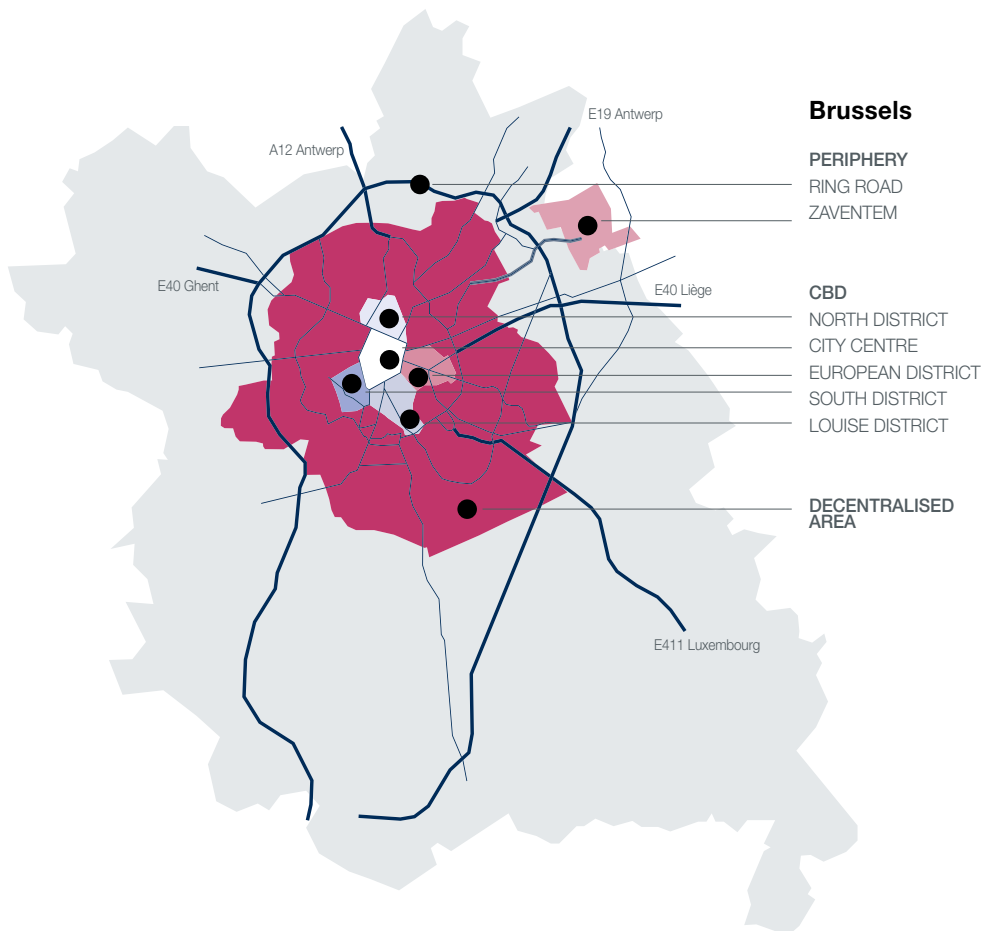
bought the Keizer Karel building in the centre of the city (8,780 sqm), while Electrabel / Engie pre-leased 2,979 sqm in the MG City Station project next to Sint-Pieters Station.

We think there is an important potential market in Antwerp for residential conversions and that the trend for the structural redevelopment of empty buildings to create apartments will continue in the coming years, especially in the centre.

Wallonia

We consider part of the Walloon Brabant property market to be part of the Brussels suburbs. Consequently, Liège, Charleroi and Namur are the three major markets for offices in Wallonia, with a combined stock of approximately 1.5 million sqm.

The total take-up in 2015 increased by 21%, on an annual basis, to 20,755 sqm, buoyed up by the pre-lease by CBC Bank of a new, 8,000 sqm building in Namur. Apart from this key transaction, the market has been rather calm, with several transactions around the 1,000 sqm mark in Namur and in the Parc Nivaxis in Nivelles.



216,352 sqm

take-up in Flanders

+21%

take-up in Wallonia



GATEWAY
Zaventem –
Jaspers-Eyers Architects
& A2RC

INVESTMENT MARKET (€ MILLION)

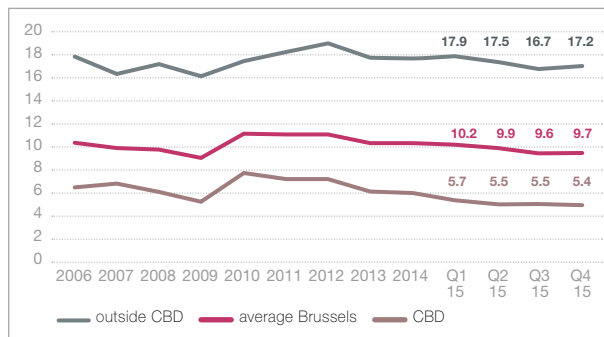
	2014	2015	10 year average	Trend 2016
Offices	2,226	1,358	1,456	↗
Industrial	239	340	239	↘
Retail	584	2,086	691	↘
Retirement homes	183	371	174	→
Other	166	274	101	→
Total	3,398	4,429	2,833	→

Investment market

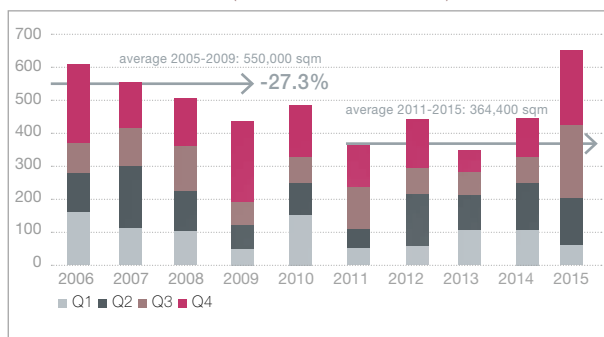
Key figures

For 2015 we recorded an investment volume of € 4.4 billion, which is 30% up on 2014. That makes it the second best year recorded in Belgium since 2007. Retail had an exceptional year thanks to the sale of the Wijnegem shopping centre (50%) and the Waasland shopping centre for € 825 million. These two shopping centres were part of the CBRE Global Investors' Celsius portfolio, which was sold to the Chinese sovereign fund CIC in partnership with the French fund manager AEW. Besides them, three other shopping centres were sold in the course of the year: the Basilix in Brussels (€ 64 million, bought by Primonial), the Galeries Saint-Lambert in Liège (€ 135 million, bought by AG Real Estate) and the Espace Sain Michel, which is also in Liège (€ 55 million, bought by Benson Elliot). Consequently, retail's share of the total volume is 47%, compared to only 31% for offices. The biggest office transaction was the sale of Gateway (suburbs) to Befimmo for the sum of € 140 million. This building, developed in partnership by Codic and IMMOBEL, will be occupied by Deloitte. Other transactions over € 100 million were concluded too: the Tour Bastion in the European Quarter was sold to Schroders for € 110 million and Leasinvest acquired the

EVOLUTION OF VACANCY RATE (%)



TAKE-UP BY QUARTER (THOUSANDS OF SQM)



€ 4.4 billion
investment volume
in 2015

from 5.35% to
6.50%
yields on top-of-the-range
offices in the CBD

Entrepôt Royal in the quartier Nord, for € 108 million. The year 2015 was also good for industrial investment, the volume of which increased by 44% to € 340 million.

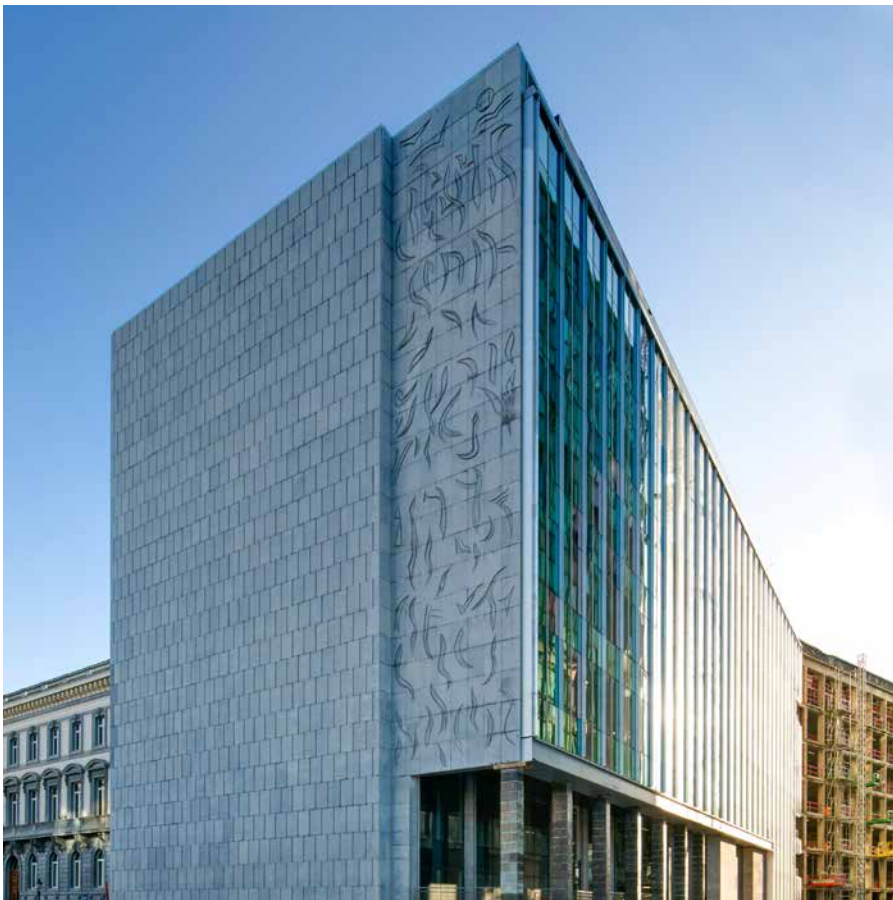
The trend towards an increased appetite for risk on the part of investors, which started mid-2014, continued in 2015. Of a total volume of € 4.4 billion, 62% involved “core” transactions, as opposed to 68% in 2014, 17% were “opportunistic”, 12% were “value add” and 9% were “core+” transactions.

The investor base in Belgium continues to internationalize. In 2015, the Belgian share of the total volume was only 48%, as opposed to an average of 67% in the period 2010-2014. The Chinese contributed around 19%, but on the basis of a single transaction: the Wijnegem and Waasland shopping centres. British and American investors follow with 11% and 10% respectively.

Yield

In Brussels, yields on top-of-the-range offices with standard leases are under pressure in the CBD, and now fall within the range of 5.35% to 6.5%, or 40 base points lower than in 2014. As the liquidity of property located outside the CBD has increased, pressure on yields has spread to decentralised areas and to a lesser extent to the suburbs. In the decentralised districts yields shrank 75 base points to 6.75%, and we even registered one transaction at 6.15%, which is close to the level in certain parts of the CBD. In the suburbs, prime yields shrank 25 base points to 7.75%, although second-hand products are being exchanged for a yield closer to 10%, if not slightly higher.

In Antwerp and Ghent, the best buildings are being traded for yields of between 6.25% and 7.5%, unchanged compared to 2014



BRUSSELS TOWER
(MOBIUS)
Brussels –
Assar Architects

BELAIR (RAC 2)
Brussels –
Jaspers-Eyers Architects



BLACK PEARL
Brussels –
Art & Build

7.75%
prime yields on offices
in the suburbs

due to the absence of noteworthy transactions. Yields on office buildings with long-term leases are likewise under pressure in Belgium and went from 5% to 4.25% in the space of a year. We expect yields of around 4%, if not lower, in the course of the first half year of 2016, as demand from institutional investors and international fund managers for this type of product remains strong.

Yields on top-of-the-range logistics properties declined 50 base points to 6.5% in 2015, although liquidity is becoming limited.

Yields on shopping centres have also shrunk markedly to 4.25% as opposed to 5% previously. This level corresponds to that obtained on the Wijnegem and Waasland shopping centres. As far as high streets are concerned, prime yields remain unchanged at 3.75%, however it is possible to get up to 3% for super prime, i.e. exceptionally good

locations on the best thoroughfares with a very reputable tenant. Finally, retail warehousing is no exception when it comes to the general shrinkage in yields. In this segment yields should now be counted at 5.75% as opposed to 6% a year ago.

The retirement home market and its liquidity are fairly recent; yields are estimated at between 5% and 6.5%. The same range applies to student rooms, a segment of the market that is likewise recent and which is being professionalised with the launch of specialised funds.

Prospects

While investment volumes in other countries are shrinking, activity should remain buoyant in Belgium in 2016 with, especially, other sizeable transactions. Several office buildings will be sold in the course of the first half year, notably: the Ellipse building, the Astro Tower and the Meander in the quartier Nord. In the retail category, the Médiacité shopping centre in Liège could likewise, after numerous ups and downs, finally be sold; so could the Toison d'Or in Brussels which, nota bene, houses the first Apple Store in Belgium.

International investors are behind the majority of these new mega transactions; nonetheless we believe that Chinese investors and, even more, those from the Middle East will cut back their activity in order to concentrate primarily on their native regions, which have fallen prey to a certain economic slowdown or to geopolitical tensions. In any case, the Americans and British will remain very active and will continue to compete with local investors.

Source: Jones Lang LaSalle.

Residential

The Belgian residential market shows good stability. All three regions of the country have recorded a growth in business supported by a slight increase in prices.

The population of Belgium continues to grow, as a result of increased life expectancy, the rising birth rate and significant net immigration.

By 2030, therefore, the Belgian population is going to reach 11,950,000 as opposed to 11,200,000 currently, which represents an increase of over 6.5%. Belgium is amongst the most dynamic European countries in terms of population growth.

Compared to the other two regions of the country, it is Brussels that has the highest population growth:

- ▶ The population of Brussels is going to increase by more than 10% in the coming years to reach 1,300,000 in 2030
- ▶ In Flanders, the expected growth rate is in the order of 5% (approximately + 400,000 inhabitants)
- ▶ Wallonia falls between these two extremes, with expected growth around 7% between now and 2030, or 270,000 more inhabitants than today.

It is important to note that this demographic pressure will be accompanied by a more rapid rise in the number of new households in Belgium, as a result mainly of the aging population (the level of dependency amongst elderly people is going to increase noticeably in the years to come) and the emergence of new forms of communal living.

The Federal Planning Bureau estimates that the number of households will rise from 4.8 million in 2013 to some 5.3 million in 2030 (+ 11%). This represents an annual growth of over 33,000 households on a national scale.

The average size of households is going to continue to decrease, going from 2.26 individuals per household in 2013 to 2.17 in 2030. This evolution can be explained by an increase in the number of one-person households and single-parent families. The number of households will increase the least in the Brussels Region, with an extra 9% by 2030, as opposed to 10% in Flanders and 13% in Wallonia.

The pressure is greatest in Brussels, where over 3,500 to 5,000 new housing units need to be made available annually to accommodate the increase in the population – against a background of limited property stocks.

The situation is strained in Flanders too. Indeed Flanders has announced several times that it needs to take measures in terms of residential densification and put the brakes on classic private houses. The situation is less problematic in Wallonia, which still has

numerous pieces of building land; however the authorities are calling for vigilance in the face of increasing demographic pressure.

As a whole, the evolution of the macroeconomic indicators was positive throughout 2015. The growth in GDP has been confirmed, while the unemployment rate seems to be decreasing slightly. The predictions for 2016 – 2019 confirm this slight economic upturn.

In view of this, the level of consumer confidence improved noticeably in 2015 to reach its highest level since early 2011. Consumers are more confident in their financial capabilities and their prospects of saving.

Interest rates remained at historically low levels for the whole of 2015, making debt more attractive. The banks have also slightly eased requirements for acquiring credit, even if the effort demanded of prospective buyers themselves remains significant. Throughout

EVOLUTION OF THE AVERAGE PRICE (€)

	2013	2014	2015	Δ 2014-2015
Houses				
Flanders	252,864	250,000	259,349	+ 3.74%
Wallonia	175,796	176,000	176,478	+ 0.27%
Brussels	448,923	440,000	437,547	- 0.56%
Belgium	234,686	233,000	235,502	+ 1.07%
Apartments				
Flanders	206,036	204,402	209,615	+ 2.55%
Wallonia	157,002	155,000	155,373	+ 0.24%
Brussels	214,113	228,000	225,504	- 1.09%
Belgium	201,295	204,101	205,125	+ 0.50%

+6.7%

for the house prices in
the Brussels Region

-1%

for the average price of
apartments in Brussels

the year low interest rates encouraged considerable activity, which was up 15% compared to 2014, both for new acquisitions and for refinancing existing credits.

The improvement in the economic context, and low interest rates in particular, contributed to boosting activity throughout the whole of 2015. Indeed at the Belgian level it was up 6.5% compared to 2014.

Contrary to 2014, all three regions of the country recorded a growth in activity.

As a whole, the property indexes confirm the strong activity noted in Belgium. The index of the Belgian notaries, Eurostat's House Price Index and the TREVI Index are all at their highest levels for several months, if not several years.

At the Belgian level, prices remained relatively stable in 2015, both for one-family houses and for apartments. The growth in the average price of one-family houses was 1% compared to 2014, while the average price of apartments was up 0.5% compared to the previous year.

At the end of 2015, then, the average price quoted for an ordinary house was € 235,000 whereas the average price of an apartment was € 205,100.

The trends observed vary depending on the region concerned and the type of property in question.

The strongest growth in house prices was recorded in the Brussels Region, where prices were up 6.7% compared to 2014. Flanders comes next with an increase in prices in the order of 3.3%, while average prices in Wallonia rose only 0.2%.

The trend is different for apartments. In that particular segment price growth is greatest in Flanders, at around +2.5% in comparison

to 2014. In Wallonia prices remain stable, up 0.2% on last year. In Brussels, in contrast to house prices, the average price of apartments dropped by 1% in the course of the year.

The slow but steady rise in the price of residential property in Belgium, observed since 2010, is confirmed.

The market for apartments in the Brussels Region

In Brussels, although the demographic pressure is not as strong as in the period 2010 – 2014 (when over 6,000 new households were registered annually), it still continues to be significant. The demographic prospects suggest a growing increase in the number of households and, consequently, in the amount of additional housing needed to receive this population. Around 3,000 – 3,500 additional homes will therefore be required annually during the period 2016 – 2018, and the demand is likely to reach over 4,000 units a year between now and 2030.

This demand contrasts with the latest annual supply registered on Brussels territory. Although planning permission was granted for some 4,000 new homes during the period 2003 – 2010, since 2011 the number of new homes authorised annually has been closer to 3,200 – 3,500. If the procedures for obtaining planning permits, which are often long and complicated, partly explain this decrease, the increasing rarity of land and

the capacity to absorb such projects, which are much more costly than secondary properties, will also have an impact.

The market for new residential property continues to arouse a lot of interest amongst developers and buyers, both on a Belgian scale and in Brussels. As a result, around 45,000 planning permits for new homes are issued annually on a national scale. About 40% of these applications involve a single home, the remaining 60% are buildings comprising a minimum of 2 apartments.

In Brussels in particular, given the age of many current buildings and the increase in the standards of energy performance required, a certain lack of interest has been noted in so-called secondary residential properties, which often consume excessive amounts of energy and are more expensive to renovate.

However, the price gap between secondary properties and new ones often acts as a brake on a population that consists mainly of households with average incomes.

Although the average price (of new and secondary properties added together) is in the order of € 2,200 to € 2,300 per sqm in Brussels, the price of new residential property is higher:

- ▶ The average price for a new property in a standard location and with a standard level of finishing, varies between € 2,500 and € 3,000 per sqm;
- ▶ In areas where demand is higher and/or quality projects, the average price is higher, at around € 3,000 to € 3,500 per sqm;
- ▶ For the best locations and the best quality projects, the average price exceeds € 4,000 per sqm. These projects are, however, rare and the time to market is longer.

BELLA VITA
Waterloo –
Baudouin Courtens,
Jaspers-Eyers Architects
& FCM Architects

Seen in the past as a solution to demographic growth and as a remedy for the office market (where the vacancy rate was 13% at one time), the conversion of offices into residential buildings continues.

However, this trend seems to have peaked about 18 to 24 months ago. At the moment, around 80,000 sqm of obsolete offices are repurposed annually, mainly for residential use.

This type of project is aimed at a wealthier clientele able to pay over € 3,500 per sqm, as the cost of conversion is high, which is inevitably reflected in the sales price of these projects.

Prospects

The Belgian residential market has been nicely stable for quite a few years. Prices have been slightly but steadily rising since 2010 and activity has been particularly dynamic for the last 18 months. In 2015 the residential market was able to benefit from the historically low interest rates and a slight economic upturn.

Several elements, both positive and negative, should be taken into consideration regarding the evolution of the residential market in 2016:

- ▶ Demographic growth is set to continue in Belgium at a steady pace;
- ▶ The refugee crisis raises a number of questions concerning their reception and their prospects for housing in the future;
- ▶ Interest rates are going to rise in the coming months, which could mean a decrease in residential activity;
- ▶ Recent shockwaves observed on the Asian stock markets, the evolution of economic growth in China and the evolution of the price of oil are also likely to impact on European markets.



However, one should bear in mind that Belgium has always shown great stability in the face of economic shocks. The clear framework, the absence of elections till 2019 and strong demographic growth are key elements in ensuring a certain stability in the residential market.



PARC SAINTE-ANNE
Brussels –
Assar Architects

Landbanking

Planning permissions were down noticeably compared to 2014, according to preliminary 2015 statistics. The Flemish Region, with the most significant drop, represents 72% of authorized housing, while we recorded 24% in the Walloon Region and 4% in the Brussels Region.

Contrary to previous years, the statistics on the real estate transactions carried out in the financial year 2015, published by the Department of Economics of the Federal Public Service Finance, were not available when this section was written. It is therefore difficult to comment on the number of transactions of land for construction and the evolution of prices.

With regard to sales of land for construction in 2014, the fourth quarter of the year was, as anticipated in the previous Annual Report, more active, as no less than 4,824 transactions of this nature were concluded, that is 30.5% of the 15,822 transactions for the year. Once again, the total number of transactions marks a new low and is down by 3% compared to 2013. On the other hand, global sales for 2014 were up by nearly 2%, with a 5% increase in the average price compared to 2013.

Flanders was by far the most active region with 10,244 transactions, or 64.7% of the transactions, for a total of over € 1.65 billion, representing 77% of landbanking revenues for the year.

Wallonia booked 5,461 transactions for a total of € 0.46 billion, or 21.3% of the volume for the year.

With 117 transactions the Brussels Region constitutes only 1.7% of sales for the year,

15,822

sales of land for
construction in 2014

64.7%

of the transactions
in Flanders



GINGELOM –
Limbourg

but far exceeds the other two regions in terms of average price. At € 619/sqm it is 3.5 times higher than the average price in Flanders and 12 times higher than the average price in Wallonia.

For 2014 as a whole, the 903ha sold in Wallonia represent 49% of all the landbanking transactions and 21.3% of the value, while the 926ha sold in Flanders constitute 50.5% of the sales and 77% of the global value.

The year 2015 will no doubt show the same trends as 2014, i.e. a slight drop in the number of transactions of building land with a very slight increase or even stagnation in prices.

The statistics on planning permissions authorized in 2015 are available for the first three quarters of the year. The number of permits was down significantly compared to 2014. They fell by 18% to a total of 16,907 (as against 20,634 for the first three quarters of 2014 and 25,481 for the year 2014), representing 35,171 residential units, or a drop of 21% compared to the 44,720 units authorized for the same period in 2014. The drop is more marked in Flanders which experienced a fall of 22% in the number of permits issued and of 23% in residential units, whereas in Wallonia the permits issued fell only 6% and the number of residential units 11%.

The number of permits granted in Flanders constitutes the most important part of the

MONTZEN
(PLOMBIÈRES) – Liège



WATERLOO CARAUTE –
Wallon Brabant



VERGER DE
FAYENBOIS – Liège

market, as 72% of the housing authorized is situated in this region, while a total of 24% is in Wallonia and 4% in the Brussels Region.

As far as the type of housing is concerned, in the Brussels Region 71 permits were granted for one-family houses and 83 for 1,265 apartments (or an average of 15 apartments per permit).

In Flanders 10,560 permits were issued for one-family houses and 1,432 for 14,790 apartments (or an average of 10 units per permit). In Wallonia 4,147 permits pertained

to one-family houses and 614 to 4,311 apartments (or an average of 7 units per permit).

In the whole of the year 2014 25,481 permits were granted for a total of 54,791 homes: 32,581 apartments and 22,210 one-family houses.

The entry into force of the CoDT (Code de développement territorial - land development code of Wallonia), which had already been put back from January to October 2015, has been postponed again to a date as yet unspecified.

ACTIVITY REPORT

The Belgian market, historically the heart of IMMOBEL's activity, remains buoyant in the residential field, but the slowdown in offices continues. In 2015 the company had 22 projects, or a total of +/- 450,000 sqm¹, under development.

Offices

BRUSSELS TOWER (MÖBIUS)

60,000 SQM **BRUSSELS**



WHAT HAPPENED IN 2015?

Redesign of the project with Assar Architects (2 independent office buildings).

CHARACTERISTICS OF THE PROJECT

- > The project is located in the North District, adjacent to the North Station.
- > The shape of the buildings.

ADDRESS	Boulevard Roi Albert II, 1000 Brussels
ARCHITECTS	Assar Architects
TECHNICAL DATA	Excellent thermal and acoustic insulation / Gas condensing boiler / Solar panels / Green roof / BREEAM "Excellent" / Recovery of rainwater / Use of recyclable materials / Low energy lighting / High quality finishing / Presence and absence detectors
STATUS	Scheme being worked up
CONTRACTING AUTHORITY	N/A
PROGRAM	2 office buildings
PARKING SPACES	310 underground
GENERAL CONTRACTOR	N/A
ACQUISITION YEAR	2005
PERMITS OBTAINED	Planning permission: New planning permission initiated Environmental permit: New planning permission initiated
START / END OF CONSTRUCTION	N/A / N/A
OWNERSHIP STRUCTURE	100% IMMOBEL

1. Total surface including partnerships.

GATEWAY

34,600 SQM FLEMISH BRABANT


WHAT HAPPENED IN 2015?

- > Sold to Befimmo.
- > The building is fully let to Deloitte for a firm 18-year period.
- > The construction is on-going.

CHARACTERISTICS OF THE PROJECT

Gateway is located at Brussels Airport and is adjacent to the Departure Terminal area.

ADDRESS	Brussels National Airport - Building 1j, 1930 Zaventem
ARCHITECTS	Jaspers-Eyers Architects & A2RC
TECHNICAL DATA	Excellent thermal and acoustic insulation / BREEAM "Excellent" in design stage / Use of recyclable materials / Urban heating / Low energy lighting / Very high quality finishing / Presence and absence detectors
STATUS	Under construction
CONTRACTING AUTHORITY	Gateway SA - Joint venture Codic - IMMOBEL
PROGRAM	Office building
PARKING SPACES	398 underground
GENERAL CONTRACTOR	JV CIT Blaton - Van Laere
ACQUISITION YEAR	2012
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q2 2014 / Q3 2016
OWNERSHIP STRUCTURE	Sold to Befimmo

BLACK PEARL

11,000 SQM BRUSSELS


WHAT HAPPENED IN 2015?

- > Letting procedure with the EU, interrupted in mid-2015 due to a recourse submitted by a competitor.
- > Procedure re-launched in autumn.
- > Building selected by the EU for the final phases (technical & legal).

CHARACTERISTICS OF THE PROJECT

- > The Brussels Capital Region granted the "Exemplary Building 2012" award.
- > It is also assessed as a "Passive Building" by PMP and will get a BREEAM "Excellent" certification.

ADDRESS	Rue Montoyer 15, 1000 Brussels
ARCHITECTS	Art & Build
TECHNICAL DATA	Passive building / Excellent thermal and acoustic insulation / Geothermal wells and pumps / Double flow ventilation / Gas heaters / Green roof/ BREEAM "Excellent" / Recovery of rainwater / Use of recyclable materials / Low energy lighting / Triple glazing / Presence and absence detectors / Charging points for electric vehicles
STATUS	Completed
CONTRACTING AUTHORITY	The Green Corner SA
PROGRAM	Office building
PARKING SPACES	55 underground
GENERAL CONTRACTOR	Herpain Entreprise SA
ACQUISITION YEAR	2010
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q2 2012 / Q4 2014
OWNERSHIP STRUCTURE	100% IMMOBEL

BELAIR (RAC 2)

9,500 SQM BRUSSELS


WHAT HAPPENED IN 2015?

- > Provisional acceptance occurred in June.
- > The letting and sales process is in progress.

CHARACTERISTICS OF THE PROJECT

The C de Ligne office complex is the aesthetic result of the complete redevelopment of a building built in 1958.

ADDRESS	Rue de Ligne 40, 1000 Brussels
ARCHITECTS	Jaspers-Eyers Architects
TECHNICAL DATA	Excellent thermal and acoustic insulation / Double flow ventilation / Gas heaters / Gas cogeneration / Solar panels / Green roof / BREEAM "Very Good" / Recovery of rainwater / Low energy lighting / Presence and absence detectors
STATUS	Completed
CONTRACTING AUTHORITY	RAC 2 SA
PROGRAM	Office building, 3,750 sqm archives underground
PARKING SPACES	35 underground
GENERAL CONTRACTOR	JV RACAIR (Cordeel - De Waele - Kumpen - Willemen)
ACQUISITION YEAR	2003
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q1 2012 / Q2 2015
OWNERSHIP STRUCTURE	40% IMMOBEL

Residential

UNIVERSALIS PARK

110,000 SQM **BRUSSELS**


WHAT HAPPENED IN 2015?

- > Planning permission obtained to build a first phase of 140 units on LOT 3.
- > The permit has been the subject of an action for annulment.
- > Planning permission application filed to subdivide the LOT 2 in December.
- > Planning permission application filed to an urban planning permit for the central park of LOT 3.
- > The draft of the PPAS initiated by the Commune of Ixelles should be approved in the first half of 2016.

CHARACTERISTICS OF THE PROJECT

New major urban redevelopment around the ULB and the VUB university facilities, which will enable the development of up to 110,000 sqm on two different pieces of land having an aggregate land surface of 8ha50a.



ADDRESS	Boulevard du Triomphe, 1050 Brussels
ARCHITECTS	Art & Build
TECHNICAL DATA	Excellent thermal and acoustic insulation / Double flow ventilation / Gas heaters / Green roof / Recovery of rainwater / Use of recyclable materials
STATUS	Scheme being worked up
CONTRACTING AUTHORITY	Universalis Park SA
UNITS	+/- 1,260
PROGRAM	Mostly residential (+/- 600 apartments), student housing (+/- 650 units), 2 nursing homes, retail (+/- 8 units) and eventually offices
PARKING SPACES	N/A
GENERAL CONTRACTOR	N/A
ACQUISITION YEAR	2007
PERMITS OBTAINED	Planning permission: Yes (Phase 1) Environmental permit: Yes (Phase 1)
START / END OF CONSTRUCTION	Q2 2016 / Q1 2023
OWNERSHIP STRUCTURE	

110,000 SQM

+/- 1,260

units

BELAIR (RAC 4)

55,600 SQM BRUSSELS

**WHAT HAPPENED IN 2015?**

Application for permit under preparation.

CHARACTERISTICS OF THE PROJECT

RAC 4 is the remaining part of the former Cité Administrative, mainly residential and will be redeveloped in residential, facilities and retail.

ADDRESS	Rue de Ligne 40, 1000 Brussels
ARCHITECTS	Jaspers-Eyers Architects & Archi 2000
TECHNICAL DATA	N/A
STATUS	Scheme being worked up
CONTRACTING AUTHORITY	RAC 4 SA
UNITS	+/- 460
PROGRAM	5,000 sqm retail, 6,100 sqm public equipment, 15,000 sqm conventional housing, 29,500 sqm classic residential
PARKING SPACES	N/A
GENERAL CONTRACTOR	JV RACAIR (Cordeel - De Waele - Kumpen - Willemen)
ACQUISITION YEAR	2003
PERMITS OBTAINED	Planning permission: No Environmental permit: No
START / END OF CONSTRUCTION	Q3 2017 / Q2 2021
OWNERSHIP STRUCTURE	40% IMMOBEL

DOMAINE DES VALLÉES

37,000 SQM GREZ-DOICEAU

**WHAT HAPPENED IN 2015?**

- > The allotment permit has been delivered in Q2.
- > The contractor for the infrastructure works has been designated.
- > Works have started in October.

CHARACTERISTICS OF THE PROJECT

- > This vast project in partnership with a developer and the Provincial Board of Walloon Brabant, on a plot of 10ha, includes 45 apartments, 158 single family homes and 7 commercial units.
- > In this project, 88 housing units are reserved for buyers with ties to Walloon Brabant.
- > The conditions of access to these 88 homes are among others based on purchasers' incomes.

ADDRESS	Rue Joseph Decooman, 1390 Grez-Doiceau
ARCHITECTS	L'Atelier Architects SCIV SA (Assar Architects)
TECHNICAL DATA	Excellent thermal and acoustic insulation / Gas heaters / Recovery of rainwater
STATUS	Under construction
CONTRACTING AUTHORITY	JV IMMOBEL - Thomas & Piron
UNITS	210
PROGRAM	203 residential units (158 houses and 45 apartments) and 7 retail units including 37 units purchased by the Provincial Board of Walloon Brabant
PARKING SPACES	54 underground + 14 external
GENERAL CONTRACTOR	Thomas & Piron Home and Thomas & Piron Bâtiment
ACQUISITION YEAR	2015
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q4 2015 / Q4 2019
OWNERSHIP STRUCTURE	50% IMMOBEL

BELLA VITA

33,300 SQM WALLOON BRABANT



WHAT HAPPENED IN 2015?

- > The first occupants moved in.
- > Out of 269 residential units (182 apartments and 87 houses), 39 sales notary deeds were signed in 2015, bringing the total sales to 192 units at the end of 2015.
- > Inauguration of Orpea serviced apartments.

CHARACTERISTICS OF THE PROJECT

First intergenerational concept in Belgium with services such as a nursery, serviced apartments, a health center, a swimming pool, a restaurant, a shop, a library, a gymnasium, offices, meeting rooms, ...

ADDRESS	Drève des Dix Mètres 36, 1410 Waterloo
ARCHITECTS	Baudouin Courtens, Jaspers-Eyers Architects & FCM Architects
TECHNICAL DATA	Excellent thermal and acoustic insulation / Double flow ventilation / Recovery of rainwater / Urban heating with use of pellets/biomass / Very high quality finishing
STATUS	Under construction
CONTRACTING AUTHORITY	Bella Vita SA
UNITS	269
PROGRAM	182 apartments and 87 houses, a nursery, serviced apartments, a health center, a swimming pool, a restaurant, a shop, a library, a gymnasium, offices, meeting rooms
PARKING SPACES	269 underground, inside and outside
GENERAL CONTRACTOR	JV De Waele – Franki – CIT
ACQUISITION YEAR	2005
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q2 2013 / Q4 2015 (end of landscaping and constructions: Q2 2016)
OWNERSHIP STRUCTURE	50% IMMOBEL

ÎLOT SAINT-ROCH

UP TO 25,500 SQM WALLOON BRABANT



WHAT HAPPENED IN 2015?

Further investigations of the soil pollution and program.

CHARACTERISTICS OF THE PROJECT

- > Brownfield land that will be transformed into a mix of different types of buildings, including retail spaces, small blocks of flats and single-family houses.
- > The whole site will be crossed by local roads, pedestrian paths and green zones.

ADDRESS	Rue des Combattants, 1400 Nivelles
ARCHITECTS	DDS Partners
TECHNICAL DATA	N/A
STATUS	Scheme being worked up
CONTRACTING AUTHORITY	Espace Nivelles SA
UNITS	+/- 200
PROGRAM	Mix of retail and residential
PARKING SPACES	+/- 210 interior and 140 exterior
GENERAL CONTRACTOR	N/A
ACQUISITION YEAR	2000 and 2011
PERMITS OBTAINED	Planning permission: No Environmental permit: No
START / END OF CONSTRUCTION	N/A / N/A
OWNERSHIP STRUCTURE	100% IMMOBEL

PARC SENY

13,200 SQM BRUSSELS


WHAT HAPPENED IN 2015?

Handling of several recourses against both planning and environmental permits and start of the dismantling works.

CHARACTERISTICS OF THE PROJECT

The project will keep a mark of the architecture of the past, being an office building of the 70s with an exostructure.

ADDRESS	Rue Charles Lemaire 1, 1160 Brussels
ARCHITECTS	A2RC
TECHNICAL DATA	Excellent thermal and acoustic insulation / Double flow ventilation / Gas heaters / Low energy consumption building / Green roof / Recovery of rainwater / Very high quality finishing
STATUS	Scheme being worked up
CONTRACTING AUTHORITY	SPI Parc Seny SA
UNITS	123
PROGRAM	121 apartments and 2 units dedicated to liberal professions
PARKING SPACES	182 underground
GENERAL CONTRACTOR	N/A
ACQUISITION YEAR	2012
PERMITS OBTAINED	Planning permission: Yes, definitive but not yet implemented Environmental permit: Yes, definitive but not yet implemented
START / END OF CONSTRUCTION	Dismantling works started in Q3 2015 / N/A
OWNERSHIP STRUCTURE	100% IMMOBEL

BELAIR (RAC 3)

11,200 SQM BRUSSELS


WHAT HAPPENED IN 2015?

- > 55 units were sold out of a total of 77.
- > Provisional acceptance is done.
- > First residents moved in end of the year.

CHARACTERISTICS OF THE PROJECT

- > Reconversion of an office building into residential.
- > A new reference for IMMOBEL.

ADDRESS	Rue Montagne de l'Oratoire 26-28, 1000 Brussels
ARCHITECTS	Archi 2000
TECHNICAL DATA	Excellent thermal and acoustic insulation / Double flow ventilation / Gas heaters / Green roof / Low energy lighting
STATUS	Completed
CONTRACTING AUTHORITY	RAC 3 SA
UNITS	78
PROGRAM	77 apartments and 1 unit for retail
PARKING SPACES	73 underground
GENERAL CONTRACTOR	JV RACAIR (Cordeel - De Waele - Kumpen - Willemen)
ACQUISITION YEAR	2003
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q2 2013 / Q4 2015
OWNERSHIP STRUCTURE	40% IMMOBEL

CLOS BOURGEOIS

10,200 SQM BRUSSELS


WHAT HAPPENED IN 2015?

- > 46 apartments are sold out of a total of 78.
- > The first apartments were delivered and sold in Q4.
- > The entire site will be delivered in Q2 2016.

CHARACTERISTICS OF THE PROJECT

36 passive apartments and 42 low energy apartments at the heart of Berchem-Sainte-Agathe.

ADDRESS	Venelle du Champ du moulin, 1082 Berchem-Sainte-Agathe
ARCHITECTS	Bureau d'études Franz Dupont sprl
TECHNICAL DATA	Passive buildings (36 apartments) with pellet boiler / Low energy (42 apartments) / Double flow ventilation / Green roof / Triple glazing
STATUS	Completed
CONTRACTING AUTHORITY	Les Jardins du Nord SA
UNITS	78
PROGRAM	36 passive and conventional housing units; the other 42 apartments being available for sale without specific conditions.
PARKING SPACES	68 underground and 10 external parking space
GENERAL CONTRACTOR	CDI SA
ACQUISITION YEAR	2004
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q2 2014 / Q1 2016
OWNERSHIP STRUCTURE	97% IMMOBEL

LINDEPARK

6,800 SQM FLEMISH BRABANT


WHAT HAPPENED IN 2015?

All the apartments of phase 1 were delivered and sold.

CHARACTERISTICS OF THE PROJECT

Architecturally and environmentally high-quality apartments situated in a prime location in the heart of Tervuren, close to the shops and communication routes.

ADDRESS	Wandelaarstraat, 3080 Tervuren
ARCHITECTS	Jaspers-Eyers Architects & A-Concept
TECHNICAL DATA	Excellent thermal and acoustic insulation / Double flow ventilation / Gas heaters / Green roof / Recovery of rainwater / Use of recyclable materials / Very high quality finishing / Charging points for electric vehicles installed on demand
STATUS	Phase 1 completed and sold Phase 2 scheme being worked up
CONTRACTING AUTHORITY	IMMOBEL SA
UNITS	60
PROGRAM	60 apartments in 2 phases of respectively 45 (5,000 sqm) and 15 units (1,800 sqm)
PARKING SPACES	91 underground
GENERAL CONTRACTOR	Willemen General Contractor
ACQUISITION YEAR	2011
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q1 2013 (Phase 1) / Q2 2015 (Phase 1)
OWNERSHIP STRUCTURE	100% IMMOBEL

KONINGSLAAN

5,300 SQM **KNOKKE**


WHAT HAPPENED IN 2015?

- > Following the public inquiry into the application for planning permission, it appeared that a neighbor had an easement on the land.
- > The plans of the new project will be filed in 2016 with the town administration.

CHARACTERISTICS OF THE PROJECT

- > The new plans foresee the construction of 43 apartments and 2 commercial surfaces at the ground floor.
- > This PPP with AGSO Knokke is realised in partnership.

ADDRESS	Koningslaan, 8300 Knokke
ARCHITECTS	Architectenbureau H-C Demyttenaere
TECHNICAL DATA	Excellent thermal and acoustic insulation / Double flow ventilation / Gas heaters / Very high quality finishing
STATUS	In permit application
CONTRACTING AUTHORITY	ODD Construct
UNITS	45
PROGRAM	43 apartments and 2 retail units
PARKING SPACES	39 underground
GENERAL CONTRACTOR	N/A
ACQUISITION YEAR	N/A
PERMITS OBTAINED	Planning permission: No Environmental permit: No
START / END OF CONSTRUCTION	N/A / N/A
OWNERSHIP STRUCTURE	50% IMMOBEL

DUINENZICHT

5,200 SQM **BREDENE**


WHAT HAPPENED IN 2015?

- > The construction phase of the second phase ended in Q3.
- > 46 apartments out of 49 are sold.

CHARACTERISTICS OF THE PROJECT

- > Construction of two buildings of respectively 24 and 25 apartments with a contemporary architecture.
- > The project was a huge commercial success, due among other things to its proximity to the sea.

ADDRESS	Duinenzichterf, 8450 Bredene
ARCHITECTS	Architectenburo Berkein
TECHNICAL DATA	Excellent thermal and acoustic insulation / Gas heaters / Recovery of rainwater / Very high quality finishing
STATUS	Completed
CONTRACTING AUTHORITY	JV Duinenzicht
UNITS	49
PROGRAM	49 apartments comprised of 2 separate buildings
PARKING SPACES	49 underground
GENERAL CONTRACTOR	K&W Construction
ACQUISITION YEAR	2011
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q2 2012 / Q4 2015
OWNERSHIP STRUCTURE	50% Lotinvest Development

CHIEN VERT

5,000 SQM BRUSSELS


WHAT HAPPENED IN 2015?

Treatment of the planning permission by the local authorities, two public enquiries and Concertation Committees led to adapt the initial permit application.

CHARACTERISTICS OF THE PROJECT

Current construction being an office building of the late 80s that will be converted into an eye catching and contemporary apartment building.

ADDRESS	Avenue de Tervuren 300, 1150 Brussels
ARCHITECTS	MDW Architecture
TECHNICAL DATA	Excellent thermal and acoustic insulation / Double flow ventilation / Gas heaters / Low energy consumption building / Green roof / Recovery of rainwater / Very high quality finishing
STATUS	Scheme being worked up
CONTRACTING AUTHORITY	Green Dog SA
UNITS	46
PROGRAM	44 apartments and 2 office units of which 1 bank agency let to KBC Bank
PARKING SPACES	57 underground
GENERAL CONTRACTOR	N/A
ACQUISITION YEAR	2014
PERMITS OBTAINED	Planning permission: No Environmental permit: Yes
START / END OF CONSTRUCTION	Q3 2016 / 2019
OWNERSHIP STRUCTURE	100% IMMOBEL

RÉSIDENCE GEORGE GRARD

4,400 SQM OOSTDUINKERKE


WHAT HAPPENED IN 2015?

- > Sales process and construction phase has started in Q2.
- > 5 apartments out of a total of 23 are sold.
- > End 2015, the project was at the stage of the floor slab of the 2nd floor.

CHARACTERISTICS OF THE PROJECT

- > This project of contemporary architecture is located close to the North sea.
- > It comprises 23 luxury and qualitative apartments.

ADDRESS	Leopold II laan 147-149-151, 8860 Oostduinkerke
ARCHITECTS	2.12 Architecten bvba
TECHNICAL DATA	Excellent thermal and acoustic insulation / Double flow ventilation / Gas heaters / Very high quality finishing / Triple glazing / Geothermal wells and pumps
STATUS	Under construction
CONTRACTING AUTHORITY	IMMOBEL SA
UNITS	23
PROGRAM	23 apartments
PARKING SPACES	34 underground
GENERAL CONTRACTOR	P&J Maes Veurne
ACQUISITION YEAR	2014
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q2 2015 / Q1 2017
OWNERSHIP STRUCTURE	100% IMMOBEL

CLOS DE LA CHARMERAIE

4,300 SQM BRUSSELS

**WHAT HAPPENED IN 2015?**

- > 12 of 14 apartments and 5 of 8 houses are sold.
- > An amended allotment permit is in preparation and will be filed in Q1 2016.

CHARACTERISTICS OF THE PROJECT

- > Development on a site bordering a green zone and an area of high biological value.
- > The project includes the construction of 32 apartments and 39 villas.

ADDRESS	Avenue Dolez, Rue Engeland, 1180 Uccle
ARCHITECTS	Trio Architecture
TECHNICAL DATA	Excellent thermal and acoustic insulation / Double flow ventilation / Gas heaters / Triple glazing
STATUS	Completed
CONTRACTING AUTHORITY	IMMOBEL SA & Lotinvest Development SA
UNITS	22
PROGRAM	14 apartments and 8 houses (Phase 1)
PARKING SPACES	17 underground
GENERAL CONTRACTOR	Herpain Entreprise SA
ACQUISITION YEAR	2001
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q3 2012 / Q1 2015
OWNERSHIP STRUCTURE	100% IMMOBEL (land) — 80% Lotinvest Development (development)

ZUR ALTEN BRAUEREI

3,800 SQM EUPEN

**WHAT HAPPENED IN 2015?**

- > All the apartments and 2 out of the 3 office units are sold.
- > Construction works have been completed.
- > A new planning permission has been introduced for the last phase of this project, located Klosterstrasse.

CHARACTERISTICS OF THE PROJECT

- > Redevelopment in the city center of the ancient site of Eupen Breweries.
- > Renovation of listed buildings and construction of an internal courtyard with public footpath.

ADDRESS	Paveestrasse, Klosterstrasse, 4700 Eupen
ARCHITECTS	Architekturbüro Radermacher
TECHNICAL DATA	Excellent thermal and acoustic insulation / Double flow ventilation with 90% heat recovery / Gas heaters / Very high quality finishing
STATUS	Completed
CONTRACTING AUTHORITY	AM Zur Alten Brauerei
UNITS	28
PROGRAM	25 apartments and 3 office units built around an external atrium
PARKING SPACES	69 underground
GENERAL CONTRACTOR	J. Convents AG - W. Steffens AG
ACQUISITION YEAR	2000
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q4 2012 / Q3 2015
OWNERSHIP STRUCTURE	33% IMMOBEL

PARC SAINTE-ANNE

3,500 SQM BRUSSELS


WHAT HAPPENED IN 2015?

- > Start of the remediation work (asbestos disposal).
- > Start of commercialization in May.
- > 6 units sold out of 26.

CHARACTERISTICS OF THE PROJECT

26 luxurious and spacious apartments located next to Château Sainte-Anne, nearby Natura 2000 area.

ADDRESS	Rue du Vieux Moulin 103, 1160 Brussels
ARCHITECTS	Assar Architects
TECHNICAL DATA	Excellent thermal and acoustic insulation / Double flow ventilation / Green roof / Recovery of rainwater / Low energy lighting / High quality finishing / Presence and absence detectors / Charging points for electric vehicles / High quality double glazing
STATUS	Under construction
CONTRACTING AUTHORITY	IMMOBEL SA
UNITS	26
PROGRAM	1 residential building consisting of 26 luxury apartments
PARKING SPACES	41 underground
GENERAL CONTRACTOR	Socatra SA
ACQUISITION YEAR	2014
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q1 2016 / Q1 2018
OWNERSHIP STRUCTURE	100% IMMOBEL

RÉSIDENCES TROIS RUISSEAUX ET GRAND PRÉ

2,200 SQM CHASTRE


WHAT HAPPENED IN 2015?

- > The nursery and 9 apartments out of a total of 16 are sold.
- > The provisional acceptance for the Residence Trois Ruisseaux occurred in October and in December for the Résidence Grand Pré.

CHARACTERISTICS OF THE PROJECT

In a subdivision of 24 lots, 2 lots were reserved for an apartment building.

ADDRESS	Rue du Chêne, 1450 Chastre
ARCHITECTS	DS-Architecture
TECHNICAL DATA	Excellent thermal and acoustic insulation / Gas heaters / Recovery of rainwater
STATUS	Completed
CONTRACTING AUTHORITY	IMMOBEL SA
UNITS	16
PROGRAM	16 apartments (including 2 social) and a nursery distributed on 2 plots of a site of 2ha and also including 22 plots for houses and villas
PARKING SPACES	8 underground and 6 covered
GENERAL CONTRACTOR	Cobardi SA
ACQUISITION YEAR	2011
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q2 2014 / Q4 2015
OWNERSHIP STRUCTURE	100% IMMOBEL

P.E. DEVROYE

1,900 SQM BRUSSELS


WHAT HAPPENED IN 2015?

> 10 out of 12 apartments are sold and 1 office space still to be sold.

CHARACTERISTICS OF THE PROJECT

Great location, this project had technical constraints due to the configuration of the plot, located between 2 buildings of several floors.

ADDRESS	Rue Père Eudore Devroye, 1040 Etterbeek
ARCHITECTS	Accarain-Bouillot Architectes Associés
TECHNICAL DATA	Excellent thermal and acoustic insulation / Double flow ventilation / Gas heaters / Green roof / Very high quality finishing
STATUS	Completed
CONTRACTING AUTHORITY	DHR Clos du Château SA
UNITS	14
PROGRAM	12 apartments and 2 office units
PARKING SPACES	31 underground
GENERAL CONTRACTOR	Socatra SA
ACQUISITION YEAR	2008
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q1 2012 / Q4 2014
OWNERSHIP STRUCTURE	33% IMMOBEL

Landbanking

VERGER DE FAYENBOIS

15HA68A LIÈGE

WHAT HAPPENED IN 2015?

Town planning permit for construction of roads obtained and both the infrastructure works and marketing have begun.

CHARACTERISTICS OF THE PROJECT

Model project in terms of sustainability and landscape quality, comprising housing and numerous quality green areas, including the creation of an orchard and wooded areas.

ADDRESS	Rue du Bois de Breux, 4030 Grivegnée
ARCHITECT - TOWN PLANNER	Bureau Boland-Tailleur (Wandre)
TOWN PLANNING STATUS	ZACC with RUE in 04/2009 - Subdivision permit 30/10/2013 - Planning permission roads 6/03/2015
STATUS	Roadworks underway
PROGRAM	115 lots for the construction of 151 single family homes (terraced, semi-detached, detached) and 2 lots for apartment blocks (36)
END OF INFRASTRUCTURE WORKS	Q4 2016
OWNERSHIP STRUCTURE	100% IMMOBEL (land) - Lotinvest Development (infra)



15_{HA}68_A
of total surface

117
lots

187
units

MIDDELKERKE

6HA50A MIDDELKERKE


WHAT HAPPENED IN 2015?

- > A plot of land 2ha24a was sold to a housing association for the construction of 60 social housing units.
- > The subdivision permit was obtained on the remainder of the land which still belongs to IMMOBEL.

CHARACTERISTICS OF THE PROJECT

Project comprising 119 houses that meet the “affordable housing” criteria.

ADDRESS	Zeelaan, Hoogstraat and Schoolstraat, 8434 Middelkerke
ARCHITECT - TOWN PLANNER	Design office Lobelle bvba (Jabbeke)
TOWN PLANNING STATUS	OR 19 Lombardsijde 12/06/2014 – Subdivision permit 24/11/2015
STATUS	Study underway
PROGRAM	60 lots for social housing (sold) and 119 houses at affordable prices
END OF INFRASTRUCTURE WORKS	Q1 2017
OWNERSHIP STRUCTURE	100% IMMOBEL (land)

MONTZEN (PLOMBIÈRES)

1HA34A LIÈGE


WHAT HAPPENED IN 2015?

Whilst sales were being made in phase 1 of this project, the roads in phase 2 were built and have been completely finished. This has allowed marketing of the second phase to be launched.

CHARACTERISTICS OF THE PROJECT

Beautiful site situated in the municipality of Plombières.

ADDRESS	Rue Vicair Arnold and rue Gustave Demoulin, 4850 Plombières
ARCHITECT - TOWN PLANNER	Bureau Boland-Tailleur (Wandre)
TOWN PLANNING STATUS	Town planning permit (PUR) 25/11/2013
STATUS	On sale
PROGRAM	Phase 1: 34 lots Phase 2: 15 lots
END OF INFRASTRUCTURE WORKS	Q3 2015
OWNERSHIP STRUCTURE	100% IMMOBEL (land) - Lotinvest Development (infra)

WAREMME

3HA50A LIÈGE


WHAT HAPPENED IN 2015?

- > Amenities on the site have been completed and were provisionally accepted.
- > Already 9 sales have been completed.

CHARACTERISTICS OF THE PROJECT

Large site developed in a region that is much in demand, at the entrance to the town of Waremmes close to the station.

ADDRESS	Rue Hyacinthe Docquier, 4300 Waremmes
ARCHITECT - TOWN PLANNER	Bureau Boland-Tailleur (Wandre)
TOWN PLANNING STATUS	PCA 14/06/2010 – Subdivision permit 9/09/2013 and 19/05/2014 – Planning permission roads 22/08/2013 – Sale certificate 2/3/2015
STATUS	On sale
PROGRAM	50 lots for single family homes (terraced, semi-detached and detached)
END OF INFRASTRUCTURE WORKS	Q1 2015
OWNERSHIP STRUCTURE	100% IMMOBEL (land) - Lotinvest Development (infra)

GEEL

3HA20A ANTWERP


WHAT HAPPENED IN 2015?

15 sales were concluded in the course of the year.

CHARACTERISTICS OF THE PROJECT

Extremely well situated site in the centre of Geel, very close to the train station.

ADDRESS	Gansakker, Antwerpsedries, 2440 Geel
ARCHITECT - TOWN PLANNER	Design office Arcadis (Berchem)
TOWN PLANNING STATUS	Subdivision permit 25/11/2013
STATUS	On sale
PROGRAM	69 lots for the construction of single family homes (terraced, semi-detached and detached) and 1 lot for an apartment block
END OF INFRASTRUCTURE WORKS	Q4 2014
OWNERSHIP STRUCTURE	50% IMMOBEL

EGHEZÉE

3HA06A NAMUR



ADDRESS	Rue Sanson-Rue des Oiseaux, rue du Culot, 5310 Eghezée
ARCHITECT - TOWN PLANNER	Design office AGENAM (Vedrin)
TOWN PLANNING STATUS	Subdivision permit 9/04/2013 - Certificate amenities 16/12/2015
STATUS	On sale
PROGRAM	34 lots for single family homes (semi-detached and detached)
END OF INFRASTRUCTURE WORKS	Q4 2015
OWNERSHIP STRUCTURE	100% IMMOBEL (land) - Lotinvest Development (infra)

WHAT HAPPENED IN 2015?

- > The infrastructure is finished and was provisionally accepted at the end of 2015.
- > The first sales have been concluded.

CHARACTERISTICS OF THE PROJECT

The site is located at the entrance to the village of Longchamps close to the centre of Eghezée and the motorway exit.

WALHAIN

2HA96A WALLOON BRABANT



ADDRESS	Rue de Saint Paul and rue du Tilleul, 1457 Walhain
ARCHITECT - TOWN PLANNER	A3A Architecture (J. de Hulst)
TOWN PLANNING STATUS	Town planning permit group constructions 18/09/2013 - Planning permit roads 28/08/2014
STATUS	On sale
PROGRAM	Phase 1: 8 houses and Phase 2: 8 houses
END OF INFRASTRUCTURE WORKS	Q4 2015
OWNERSHIP STRUCTURE	100% IMMOBEL (land) - Lotinvest Development (infra)

WHAT HAPPENED IN 2015?

- > The site infrastructure and amenities have been completed and were provisionally accepted at the end of the year.
- > A building partner will start construction work on the houses in the spring 2016.

CHARACTERISTICS OF THE PROJECT

Project being developed in a green and highly desirable municipality in Walloon Brabant.

GINGELOM

2HA58A LIMBOURG


ADDRESS	Hekberg and Naamsestraat, 3890 Gingelom
ARCHITECT - TOWN PLANNER	Design office Arcadis (Berchem)
TOWN PLANNING STATUS	Subdivision permit 17/12/2013 - Authorisation Province 25/02/2015
STATUS	Roadworks underway
PROGRAM	31 lots for single family houses and 2 lots for group accommodation
END OF INFRASTRUCTURE WORKS	Q2 2016
OWNERSHIP STRUCTURE	100% IMMOBEL (land) - Lotinvest Development (infra)

WHAT HAPPENED IN 2015?

Following the conclusion of an archaeological study, the infrastructure works have started.

CHARACTERISTICS OF THE PROJECT

Project being developed on a naturally sloping site offering beautiful views of the surrounding orchards, which are typical of Haspengouw/Hesbaye.

WATERLOO

1HA64A WALLOON BRABANT



ADDRESS	Clos du Cardinal, 1410 Waterloo
ARCHITECT - TOWN PLANNER	Etrax
TOWN PLANNING STATUS	Subdivision permit 13/06/2001 – Planning permission roads 12/11/2009 - Subdivision modification permit 7/11/2014
STATUS	Sold
PROGRAM	Last phase A-B1: 21 lots Previous phases: 46 lots
END OF INFRASTRUCTURE WORKS	Q2 2011
OWNERSHIP STRUCTURE	72.5% IMMOBEL

WHAT HAPPENED IN 2015?

Each phase sold at a brisk pace, with the whole of the last phase sold in 2015.

CHARACTERISTICS OF THE PROJECT

10ha site to be developed in 4 successive phases.



GRAND DUCHY OF LUXEMBOURG

+/- 34,300 SQM
office space¹

+/- 480
residential
units²

1. Total surface including partnerships.
2. Total units including partnerships.



STAYING
AHEAD

MAIN PROJECTS



WESTSIDE VILLAGE

CAPPELLEN
11,600 sqm

3 office buildings,
contemporary architecture.
A restaurant and a nursery.
Easy access from Belgium.



ROUTE D'ESCH

LUXEMBOURG
26,900 sqm

Ideally located in Gasperich, a
district in full expansion in the
city of Luxembourg.
This project will benefit from a
location on the back of a major
axis which is the Route d'Esch.



GALERIE KONS

LUXEMBOURG
22,700 sqm

Located right in the centre of
Luxembourg City, opposite
the station.

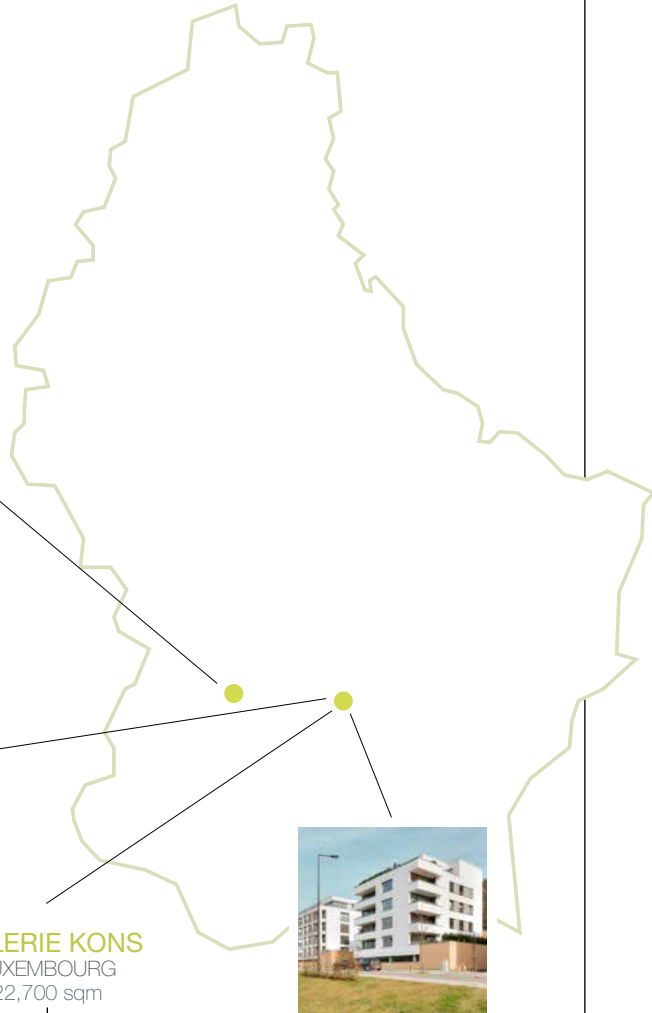
IMMOBEL and its partners pre-
sold their participation in the
company holding the project
Galerie Kons in Luxembourg
to AXA Belgium.



GREEN HILL

LUXEMBOURG
23,500 sqm

Creation of a new
neighbourhood with high
architectural, environmental
and technical value, with
excellent visibility, on the
heights of Luxembourg.



CONTEXT

Offices

Take-up of offices has increased by 15%. Transactions of over 10,000 sqm are on the increase. On the other hand, prime yields are under pressure as they are all over Europe.

Key figures

In Luxembourg, 2015 was an excellent year for the leasing market: take-up reached 231,000 sqm, or 15% up on 2014. It was the second best year since 2008 when a take-up of 246,000 sqm was recorded.

This can be explained, among other things, by a considerable number of transactions of over 10,000 sqm. In 2015, we registered seven, as opposed to three in 2014 and one in 2013. Of these, four involved the European institutions. The European Investment Bank (EIB) concluded two major transactions: the pre-lease on the IAK building in Kirchberg (21,400 sqm) and the lease on the Monnet 3 building (ex-LB Lux) for a total of 10,750 sqm, also in Kirchberg. For its part, the European Commission signed for two buildings in Cloche d'Or: the Ariane, with a surface area of 13,600 sqm, as well as 11,300 sqm in the Laccolith building.

Kirchberg's share of the total take-up has significantly increased, reaching 41% in 2015 as opposed to 22% in 2014. The decentralised area, essentially Cloche d'Or, Strassen and Bertrange, has a slightly smaller share now, with 23% as opposed to 26% in 2014, thanks in part to two transactions involving the European Commission. There were more transactions in the CBD, which now accounts for 21% of the take-up as opposed to 16% last year, although the station district

231,000 sqm
take-up in 2015

4.15%
vacancy rate at the end of
December 2015



WESTSIDE VILLAGE
Luxembourg –
Assar Architects

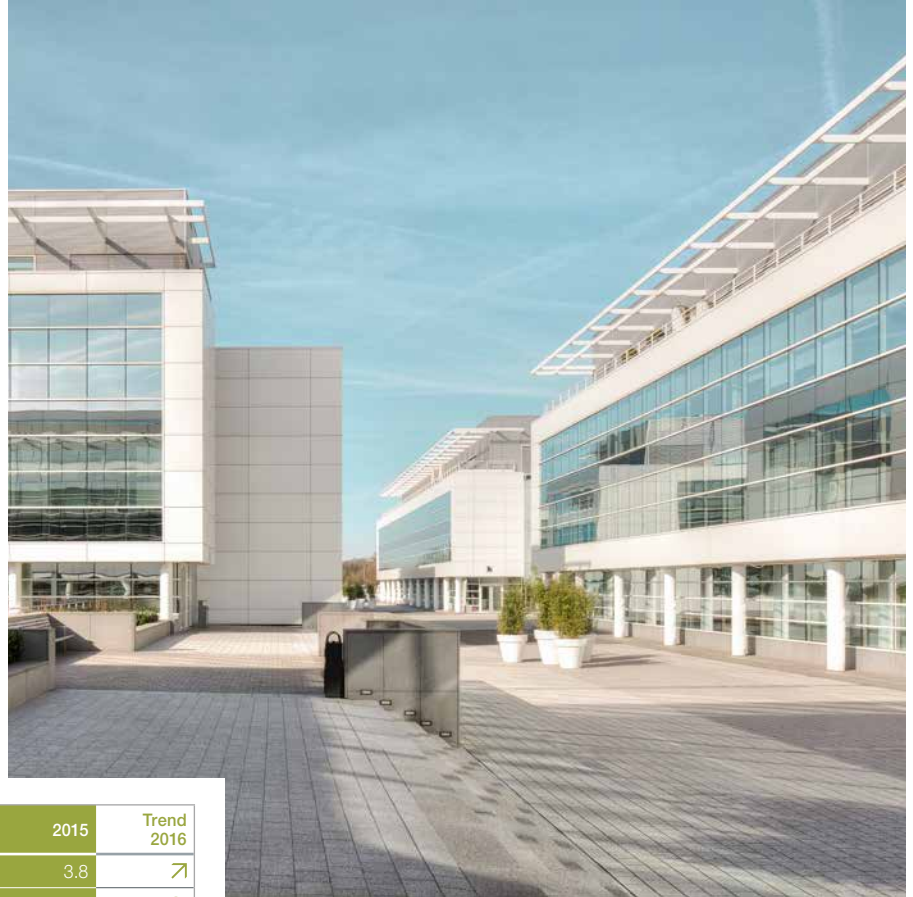
dropped sharply to 4% compared to 13% a year earlier. The suburbs also showed a decline in 2015, with a relative share of 9% as against 15% the year before. Finally, less than 1% of take-up was recorded in Esch and in the other cities in the Grand Duchy.

There have been approximately 116,000 sqm of new deliveries of offices, of which 28,000 sqm are speculative. The total stock of office buildings is now 3,834,000 sqm. Fact worth noting: with the delivery of the BGL BNP Paribas building, six months before deadline, the stock in Kirchberg now exceeds one million sqm of buildings, and this is going to increase in view of the large amount of construction in the pipeline, only a small part of which is speculative.

At the end of December 2015, the office stock with immediate availability came to 159,000 sqm, which implies a vacancy rate of 4.15%. Compared to 2014, that is a drop of over 10,000 sqm. At the start of the year we feared that the available supply would dry up, because the European Commission was looking for more than 50,000 sqm, which was equivalent to nearly 35% of all the vacant surface area available in Luxembourg, including in the suburbs. In the end, after falling to below 4% in the second quarter of 2015, new deliveries have eased the market a little and the risk of overheating has retreated somewhat.



WESTSIDE VILLAGE
Luxembourg –
Assar Architects



LEASING MARKET IN LUXEMBOURG

	2014	2015	Trend 2016
Stock (million sqm)	3.6	3.8	↗
Total occupancy take-up (sqm)	196,000	201,000	→
Availability rate (%)	4.7%	4.2%	↗
Deliveries (sqm)	104,000	116,000	→
Prime rents (€/sqm/month)	42	45	↗
Investment volume (€ million)	889	979	→
Prime yields (%)	5.50	5.00	↘

Prime rents have risen in Luxembourg, at € 45/sqm/month in the CBD, € 34/sqm/month in Kirchberg, € 35/sqm/month at the station, € 29.5/sqm/month in Cloche d'Or and € 25/sqm/month in the suburbs, excluding VAT, price levels are on average 5% higher than a year ago.

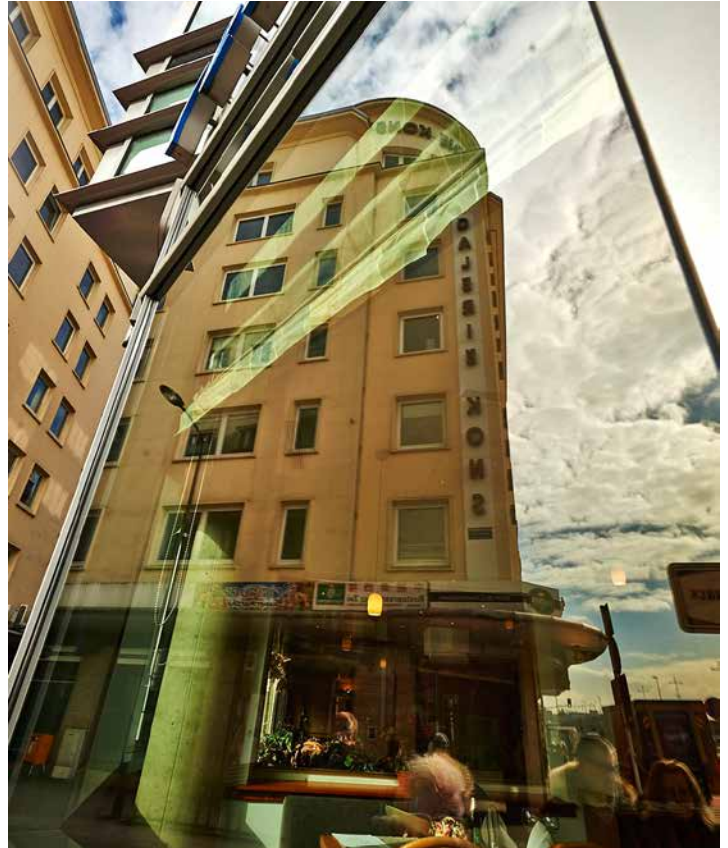
2015 was an excellent year for investments in real estate in Luxembourg. Including land sales, a total volume of € 979 million was registered, which is 10% up on 2014 and makes it the best year since 2007.

Several large transactions kept the market buoyant in 2015, the main one being the acquisition by the Abu Dhabi Investment Authority of the mixed project Royal Hamilius, which is currently under construction on the Boulevard Royal. Another notable transaction is the acquisition of the Vertigo building in the Cloche d'Or district by the American investment fund Starwood, for € 120 million, and the acquisition by AG Real Estate of the LB-Lux building, likewise in Kirchberg, for € 70 million.

Prime yields are under pressure all over Europe, and Luxembourg is no exception. For offices, they have settled now at between 5% and 6%, or 50 base points lower than a year ago. We think that yields are still going to shrink in 2016, as the demand from international investment funds remains high.



GALERIE KONS
Luxembourg –
M3 Architects



Prospects

Other large-scale transactions are expected in 2016, notably RTL's move to its new headquarters on the north-eastern edge of Kirchberg and BGL BNP Paribas's move, also to Kirchberg. The average take-up over the last five years is between 175,000 sqm and 190,000 sqm. For the moment, the uncertainties linked to the economic slowdown in China and the fall in oil prices should not impact demand from the private sector, as the Grand Duchy of Luxembourg has a good economic bill of health, with an economic growth rate of 5% in the third quarter of 2015. If this crisis were to last or worsen, the office market would be impacted in one way or another.

The fact that several second-hand buildings have been put back on the market, as well as the speculative delivery of a number of other buildings, is going to push up the vacancy rate towards 5% during the course of the year. The imbalance between supply and demand will remain significant, which implies that rents should still rise in 2016, and indeed the new deliveries on the Boulevard Royal are being marketed at rents as high as € 50/sqm/month.

€ 979 million
investment in real estate
in Luxembourg

+5%
on prime rents in
Luxembourg

Residential

Prices have been rising for several years, for both existing housing and new build. The country's economic dynamism exerts positive pressure on transactions.

Luxembourg is characterised by its solid economic fundamentals, which are amongst the best in Europe.

GDP growth is over 3% and should stay above this mark between now and 2019, while the unemployment rate hovers around 4%. Its good economic results are reflected in the consumer confidence index which is at its highest since January 2012.

In 2015, Luxembourg had 563,000 inhabitants on its territory. In 1990 there were only 380,000, so the population of Luxembourg has increased by nearly 50% in the last 25 years.

Between now and 2030, population growth is expected to be close to 40%, which is the equivalent of over 220,000 extra inhabitants in the country.

Luxembourg's economic dynamism is definitely one of the factors that contributes to its attraction. The significant demographic growth will exercise a certain pressure on prices in the residential market and on the construction of new homes in the years to come.

Prices in 2015

Since 2012, housing prices have increased by an average of 4 to 6% per year. In 2015, they rose nearly 6%, mainly as a result of a marked increase in the price of residential units under construction.

The average price of new housing has risen by more than 10% compared to 2014, while the increase in the price of existing housing is in the order of 4%.

+40%

population growth is
expected between now
and 2030

+6%

increase of the housing
prices in 2015

DIFFERDANGE
Luxembourg -
Dewey-Muller



The prices of houses and apartments are evolving in parallel, with a slightly stronger increase in the price of houses, at + 4.5% as opposed to 3.4% for apartments.

The market in 2015

The end of 2014 saw an explosion in the volume of transactions following the announcement of an increase in the VAT rate. Although this effect ran over to some extent into the first quarter of 2015, the rest of the year was comparable to previous years. Around 1,300 to 1,600 transactions were registered each quarter in the apartments segment, for a financial volume of about € 500 to 600 million. In the last quarter of 2014, by comparison, an extraordinary volume of nearly € 900 million and over 2,000 transactions was recorded.

Over a longer period both the financial volume and the number of transactions show relatively steady growth.

On average in 2015, the sales price for apartments was in the order of € 4,400/sqm for existing properties and around € 5,400/sqm for new properties.

The average price hides marked disparities in the age, size and/or location of apartments. Indeed, new apartments of less than 50 sqm are on average 10% more expensive than the average, whereas the price of existing apartments over 130 sqm is 11% lower than the average. The price per sqm decreases as the size of existing apartments increases.

The difference in prices of new build is much less marked, with prices varying only 4%

GREEN HILL
Luxembourg –
Christian Bauer
Architects

to 8% from the average, depending on the size of the property concerned. In this particular segment, it are apartments between 70 and 90 sqm that are least expensive per sqm, at around € 5,150/sqm, as opposed to € 5,800/sqm on average for apartments of less than 50 sqm.

It is no surprise that prices are highest in Luxembourg City, at around € 5,600/sqm for existing apartments (+ 27% compared to the average price recorded for the whole of the country) and nearly € 6,800 sqm for new build (+ 25% compared to the average for the country).

Leaving the centre of the city prices fall quite sharply. In Esch-sur-Alzette, for example, the average prices are € 3,900/sqm for existing apartments and € 4,700/sqm for new build. In the cantons in the north of the country prices drop as far as € 3,500/sqm for existing properties and € 4,100/sqm for new ones.

VAT rate change

On the 1st of January 2015, the VAT rate on construction was modified¹. Prior to this date purchasers of new housing benefitted from a reduced rate of 3% up to a maximum of € 416,667, beyond which the normal VAT rate of 15% applied.

Since the 1st of January 2015, the VAT rate depends on the use of the housing. Owner-occupiers continue to benefit from the reduced rate of 3% up to a maximum of € 357,133, beyond which the new normal rate of 17% applies. For owner-investors the normal rate of 17% applies uniformly².



It is still too early to say exactly what the impact of the change in the VAT regime will be on residential prices in Luxembourg. During the first half year of 2015, however, prices rose 5% for owner-investors as opposed to 2% for owner-occupiers.

Prospects

Luxembourg's dynamism is obvious both from the macroeconomic point of view and that of population growth. The economic indicators are set to green, while demographic growth is amongst the highest in Europe and is likely to continue in the years to come.

Prices have been rising for several years now, both for existing housing and for new build. In view of the demographic pressure and the increase in the cost of land, in particular, this evolution should continue into the future.

We have not yet seen all of the consequences of the change in the VAT regime. In the months to come, the change in the VAT rate could affect the demand for housing, for example by orienting more investors towards buying and renovating existing housing.

Source: Cushman & Wakefield.

1. NB: VAT is not calculated on the final price of a transaction but only on the price of the construction of the housing, excluding the price of the land.
2. A transitional regime makes it possible to benefit from a reduced rate of 3% on projects approved before the end of 2014.

ACTIVITY REPORT

Offices

In Luxembourg the market is very healthy and continues to offer attractive yields. Prices are rising. IMMOBEL is developing 5 projects there, including both residential and office properties, with a total surface area of +/-90,000 sqm¹.

GALERIE KONS

22,700 SQM LUXEMBOURG




WHAT HAPPENED IN 2015?

- > The construction is on-going.
- > ING has rent an additional surface of 2,600 sqm.
- > IMMOBEL and its partners pre-sold their participation in the company holding the project Galerie Kons in Luxembourg to AXA Belgium. This sale is subject to the delivery and acceptance of this building, which are scheduled for Q1 2017.
- > A long-term lease has been signed with ING Bank Luxembourg for 75% of the office space.

CHARACTERISTIC OF THE PROJECT

- > Located right in the centre of Luxembourg City, opposite the station.

ADDRESS	Place de la Gare 26, L-1616 Luxembourg
ARCHITECTS	M3 Architects
TECHNICAL DATA	Excellent thermal and acoustic insulation / Green roof / BREEAM "Very Good" / Recovery of rainwater / Use of recyclable materials / Urban heating / Low energy lighting / Very high quality finishing / Triple glazing / Presence and absence detectors / Air conditioning system with cold beams / Hot ceiling
STATUS	Under construction
CONTRACTING AUTHORITY	Pef Kons Investments SA
PROGRAM	15,200 sqm offices, 4,400 sqm retail, auditorium, restaurant underground, 670 sqm retail ground floor, 2,430 sqm residential (31 units)
PARKING SPACES	235 underground
GENERAL CONTRACTOR	CLE - Besix - Lux TP
ACQUISITION YEAR	2013
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q2 2014 / Q1 2017
OWNERSHIP STRUCTURE	 <p>33% IMMOBEL</p>

1. Total surface including partnerships.

WESTSIDE VILLAGE

11,600 SQM LUXEMBOURG



WHAT HAPPENED IN 2015?

- > New tenants KBC Autolease, CLE (CFE Group).
- > Occupancy rate of 92% on 31/12/2015.
- > Signature of LOI in July for the sale of the shares of WestSide SA to a Real Estate Fund.

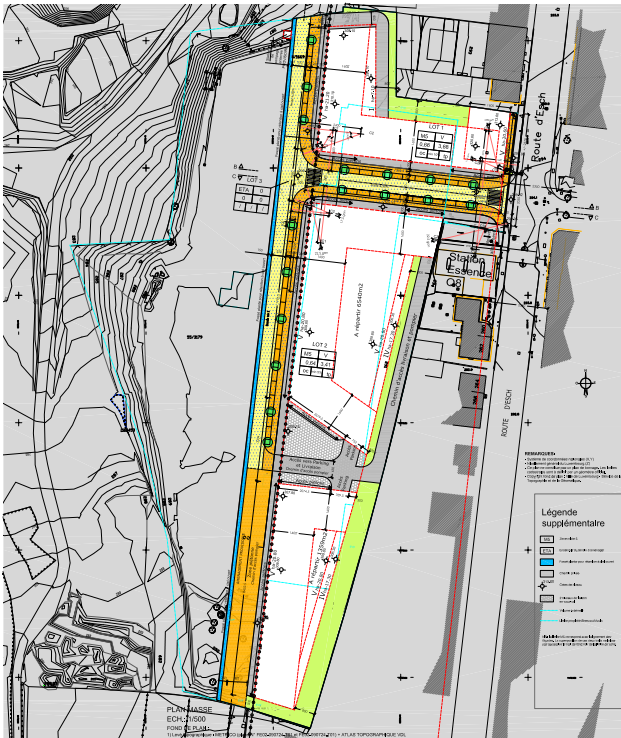
CHARACTERISTIC OF THE PROJECT

- > 3 office buildings, contemporary architecture.
- > A restaurant and a nursery.
- > Easy access from Belgium.

ADDRESS	Rue Pafebruch 89, L-8308 Cappelenn
ARCHITECTS	Assar Architects
TECHNICAL DATA	Excellent thermal and acoustic insulation / Gas heaters / Gas cogeneration / Low energy lighting / Air conditioning system with cold beams
STATUS	Completed
CONTRACTING AUTHORITY	WestSide SA
PROGRAM	3 office buildings
PARKING SPACES	457 internal 77 external
GENERAL CONTRACTOR	De Waele L. Entreprises SA
ACQUISITION YEAR	2007
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q1 2008 / Q1 2010
OWNERSHIP STRUCTURE	100% IMMOBEL

Residential

ROUTE D'ESCH


26,900 SQM **LUXEMBOURG**


WHAT HAPPENED IN 2015?

- > Acquisition of the property in July.
- > Agreement signed with the Luxembourg state to host refugees in existing sheds until the end of 2016.
- > Organization of an architecture competition to design a preliminary project on the site.

CHARACTERISTIC OF THE PROJECT

- > Ideally located in Gasperich, a district in full expansion in the city of Luxembourg.
- > This project will benefit from a location on the back of a major axis which is the Route d'Esch.
- > Route d'Esch has an ideal orientation and unobstructed view of the Cessange neighbourhood.

ADDRESS	Route d'Esch 242-248, L-1471 Luxembourg
ARCHITECTS	N/A
TECHNICAL DATA	Excellent thermal and acoustic insulation (AAA) / Double flow ventilation / Green roof / Recovery of rainwater / Use of recyclable materials / Urban heating / Low energy lighting / Very high quality finishing / Triple glazing / Presence and absence detectors / Charging points for electric vehicles
STATUS	Scheme being worked up
CONTRACTING AUTHORITY	M1 SA
UNITS	253
PROGRAM	22,200 sqm residential for sale net area, 2,200 sqm residential (low income), 2,500 sqm retail
PARKING SPACES	338
GENERAL CONTRACTOR	CLE and Giorgetti
ACQUISITION YEAR	2015
PERMITS OBTAINED	Planning permission: Zoning permit only Environmental permit: No
START / END OF CONSTRUCTION	Q2 2017 / Q1 2021
OWNERSHIP STRUCTURE	 33% IMMOBEL

26,900 sqm
total surface

253
units

GREEN HILL

23,500 SQM LUXEMBOURG

**WHAT HAPPENED IN 2015?**

The last apartments were sold and delivered in October.

CHARACTERISTIC OF THE PROJECT

- > Creation of a new neighbourhood with high architectural, environmental and technical value, with excellent visibility, on the heights of Luxembourg.
- > This project is a beautiful reference in Luxembourg.

ADDRESS	Rue Chingiz, Aitmatov 1-13, 6-20, L-1161 Luxembourg
ARCHITECTS	Christian Bauer Architects
TECHNICAL DATA	Excellent thermal and acoustic insulation (AAB) / Double flow ventilation / Green roof / Recovery of rainwater / Use of recyclable materials / Urban heating / Low energy lighting / Very high quality finishing / Triple glazing / Presence and absence detectors
STATUS	Completed
CONTRACTING AUTHORITY	Château de Beggen SA
UNITS	174
PROGRAM	174 high-quality apartments in 14 buildings
PARKING SPACES	191 underground
GENERAL CONTRACTOR	CLE (CFE Luxembourg)
ACQUISITION YEAR	2010
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q1 2011 / Q4 2015
OWNERSHIP STRUCTURE	50% IMMOBEL

DIFFERDANGE

5,700 SQM LUXEMBOURG

**WHAT HAPPENED IN 2015?**

- > Acquisition of the property in July.
- > Changes have been made in the project to optimize the apartments so that they meet the market demand.
- > A MOU was signed with Delhaize wishing to set a supermarket on the ground floor as provided for in the original license.

CHARACTERISTIC OF THE PROJECT

- > The project is located in the heart of the city of Differdange, which is the 3rd largest city of the Grand Duchy of Luxembourg, bordering La Place des Alliés who has just been completely renovated and has underground public parking.
- > There will be retail on the ground floor including a supermarket.

ADDRESS	Place des Alliés 4-10, L-3754 Differdange
ARCHITECTS	Dewey-Muller
TECHNICAL DATA	N/A
STATUS	Scheme being worked up
CONTRACTING AUTHORITY	M7 SA
UNITS	50
PROGRAM	3,600 sqm residential, 2,100 sqm retail
PARKING SPACES	60 underground (residential) 73 underground (retail)
GENERAL CONTRACTOR	CLE and Giorgetti
ACQUISITION YEAR	2015
PERMITS OBTAINED	Planning permission: Yes, not definitive Environmental permit: No
START / END OF CONSTRUCTION	Q2 2016 / Q2 2018
OWNERSHIP STRUCTURE	33% IMMOBEL

POLAND

+/- 58,200 sqm
office space¹

+/- 780
residential
units²

1. Total surface including partnerships.
2. Total units including partnerships.



THINKING
AHEAD

MAIN PROJECTS



GRANARY ISLAND
GDAŃSK
60,000 sqm

Mixed-use development with dominant residential function. Retail on ground floor, parking on 2 basement levels and 4 star hotel located at the northern tip of the island as a key-stone of the scheme.



CEDET
WARSAW
22,400 sqm

Cedet is an office building with retail part. It is situated at the centre of Warsaw, right in the main public district. The project incorporates the restoration of the historical, protected and modernistic building as well as a newly designed part.



ZIELNA
WARSAW
9,200 sqm

30m tall building with 3 underground levels for parking places and technical utilities. Retail on ground floor, levels 1-7 for office use.



CBD ONE
WARSAW
18,700 sqm

CBD One is situated at the centre of Warsaw, directly above the intersection of two metro lines. It will be a high quality building with a mixture of offices and retail.



CONTEXT

Offices

The leasing market in Warsaw has grown 36% in terms of take-up, while the volume of transactions involving offices in the country is at a record high, exceeding the € 4 billion mark.

Leasing market in Warsaw

At the end of 2015, the total modern office supply in Warsaw reached the level of 4.68 million sqm.

Leasing activity in Warsaw boomed, reaching a record-breaking 834,000 sqm let, an impressive 36% growth year-on-year.

Take-up volumes have been boosted by new transactions and corporate tenants that decided to renew their leases in 2015. Such high numbers were largely driven by the Upper South district (Mokotów), a firm favorite of occupiers for the last few years (229,300 sqm let), and the City Centre Fringe, a rapidly growing business hub underpinned by expanding infrastructure, healthy consumer and business confidence (227,000 sqm let). Together they accounted for almost 55% of Warsaw's demand. Take-up volume has also picked up strongly in the CBD, reaching 88,200 sqm in 2015.

Services and IT & telecom were the most active sectors, accounting for 24% and 19% of demand, respectively, and leasing more than 313,300 sqm. Approximately 379,000 sqm of the office space leased in 2015 was for new deals in existing buildings; a further 124,400 sqm of space was pre-let and 60,500 sqm came from expansions. Net take-up accounted for 68% of total demand.

4.68 million SQM

total modern office
supply in Warsaw

+36%

leasing activity in Warsaw
compared to 2014



OKRAGLAK
Poznań – RKW Rhode
Kellerman Wawrowsky

Positive market sentiment is further confirmed by the net absorption level, which stood at almost 280,000 sqm in 2015.

Outlook

This robust occupier activity will likely continue in 2016 and 2017.

In 2015, approximately 277,600 sqm of modern office space entered the market in Warsaw. The most notable openings were Postępu 14 (34,300 sqm) and Royal Wilanów (29,800 sqm).

In 2016, the level of completions may exceed 400,000 sqm, while the pipeline for 2017 is approximately 300,000 sqm. The largest developments scheduled for 2016 are Warsaw Spire A (59,100 sqm) and Q22 (48,000 sqm).

The vacancy rate decreased marginally in 2015 and stood at 12.3% (15.8% in the CBD, 11.9% in the City Centre Fringe and 11.8% in Non-Central locations). We expect the rate to grow with the new office completions planned for delivery in 2016 and onwards. However, if the long-term vacant space of more than two years is excluded, the rate stands at 8.5%.

CEDET
Warsaw – AMC
Andrzej Chodzyński,
RKW Rhode Kellermann
Wawrowsky



LEASING MARKET IN WARSAW

	2014	2015	Trend 2016
Inventory (million sqm)	4.4	4.68	↗
Total take-up (sqm)	612,000	834,000	↗
Vacancy rate	13.3%	12.3%	↗
CBD	15.2%	15.8%	↗
Outside CBD	12.4%	11.8%	↗
Completions (sqm)	277,000	277,600	↗
Prime rents (€/sqm/month)	22-24	22-24	→

Prime headline rents in Warsaw edged down over the course of 2015, with City Centre rents declining from € 22–24/sqm/month to € 21–23.5/sqm/month and Non-Central locations commanding rents of € 11–18/sqm/month.

Downward pressures are applicable to effective rents, which are on average 15–20% below headline rents and we may expect even higher levels of incentives in terms of strategic occupiers.

Regional market

The major regional office markets outside of Warsaw continue to grow at a robust pace, with 2015 full year take-up surging to 682,900 sqm, the best outcome on record, up by 54% on the strong 2014 total of 444,600 sqm.

The modern business services represented a share of 56% in take-up, responsible for most of the notable deals of the year.

In 2015, around 365,000 sqm of new office space was brought to the market outside of Warsaw. This represents a growth of 13% on the amount recorded in 2014. Major office schemes opened in 2015 included: Business Garden in Poznań (40,500 sqm), Dominikański in Wrocław (35,700 sqm) and Alchemia II in Gdańsk (21,500 sqm). A further 768,000 sqm is currently under construction (of which 25% is already secured by pre-let agreements). Kraków and Wrocław maintain their lead in this respect, and each account for around 24% of that pipeline.

Poznań

Poznań modern office stock increased to 387,500 sqm with 57,000 sqm delivered onto the market in 2015.

Take-up amounted to approximately 65,000 sqm.

+30%
growth in office investment
transactions compared to
2014

Vacancy rate at the Poznań office market increased and is currently at the level of 15.9%.

The prime headline rents are stable and are currently within the range of € 14.00–14.50/sqm/month.

Tri-City

Tri-City modern office stock amounts currently to 573,000 sqm, with 79,000 sqm delivered to the market in 2015.

Leasing activity witnessed substantial growth in volumes which went up 61% year-on-year, and amounted to approximately 107,000 sqm take-up.

Vacancy rate is currently at the level of 10.8%.

Headline rents are within the range of € 12.75–13.50/sqm/month.

Investment market

The end-year volume of investment transactions exceeded € 4.0 billion, which is the second highest result in history of Polish investment market (the record level of € 4.7 billion was recorded in 2006) and reflects a 30% growth compared to 2014. The last quarter of 2015 recorded the highest quarterly level in history, significantly exceeding € 2.0 billion.

Last year results were boosted by two large share transactions - takeover of 41.55% stake in Echo Investment S.A. by Oaktree and PIMCO managed by Griffin Real Estate in June 2015 and acquisition of some SPVs of Trigranit by TPG Real Estate in November 2015.

Retail transactions dominated the last year activity with +/- 55% share of the total volume followed by the office and warehouse sectors with respective shares of +/- 32% and 11.5%.

Office transactions in 2015 amounted to +/- € 1.3 billion, +/- 27% less than in the year before. Investor interest in the office sector is shifting from Warsaw towards regional cities, which is a result of a massive supply coming to the Warsaw office market, putting rental levels under pressure. More than half of the sector's volume last year accounted for office properties located outside Warsaw.

Prime achievable office yields in Warsaw City Centre decreased to +/- 5.50%, whereas in Warsaw non-central locations prime yields range within 6.75%–7.25% depending on the asset type and location.

In the most established regional office markets of Wrocław and Kraków prime yields are now at +/- 6.50–7.00%. In Poznań and Gdańsk prime yields are slightly higher at +/- 7.25–7.75%, whereas in Łódź and Katowice at +/- 7.75–8.00%.

Source: 2015 Market Reports (Jones Lang LaSalle), Savills and REAS.

CBD ONE
Warsaw –
Kazimierski i Ryba Sp.j.



Residential

2015 was an exceptional year with a 20.4% increase in the number of new apartments on the market. While sales rose by 28% compared to 2014.

2015 was again a record year in sales as compared to 2014 with a 28% increase.

This also resulted from new rules of operation of the scheme "Housing for the Young" which entered into force in September 2015, primarily including the support of transactions on the secondary market but also more generous support for larger families.

For real estate developers, 2015 was a very hot year, with almost 52,000 new apartments delivered to the market, an increase by 20.4% as compared to 2014. Total stock of apartments offered in completed projects is stable in Warsaw and Tri-City.

Number of completed unsold apartments dropped by 18.4% as compared to 2014. Flats completed in 2015 or earlier constitute currently only 19% of total stock. The largest decline in the number of finished, unsold flats was in the Tri-City – 47.4%.

52,000
new apartments delivered

+5.2%
average price for units sold
in Warsaw

Average prices of units sold in Warsaw went slightly up by 5.2% when compared to same period last year and are currently at the level of +/- € 1,830/m² incl. VAT.

In Tri-City the average price of units sold is currently at the level of +/- € 1,445/m² incl. VAT, which represents a growth of 4.7% when compared to the end of 2014 with the average price for prime residential development increasing by more than 50% as compared to the average market price.

1. Source: Reas – Residential Market in Poland Q4 / Q3 2015.



GRANARY ISLAND
Gdańsk – RKW Rhode
Kellerman Wawrowsky,
KWADRAT architectural
studio, EUROPROJEKT
Stagiewny bridge and
footbridge designers

ACTIVITY REPORT

Real estate in Poland is doing well. The projects that IMMOBEL is developing there are attracting a lot of interest. In 2015 the company's portfolio comprised 6 projects, including both residential and office properties, covering a total of +/- 170,000 sqm¹.

Offices

CEDET

22,400 SQM **WARSAW**



WHAT HAPPENED IN 2015?

- > In Q1 construction has been started.
- > Demolition works regarding parts of the historical building and the entire old office building have been completed.
- > Execution of special foundations and underground structure has been commenced.

CHARACTERISTIC OF THE PROJECT

- > Cedet is an office building with a retail part.
- > It is situated at the centre of Warsaw, right in the main public district.
- > The project incorporates the restoration of the historical, protected and modernistic building as well as a newly designed part.

ADDRESS	Krucza 50 Street, Warsaw
ARCHITECTS	AMC Andrzej Chołdzyński, RKW Rhode Kellermann Wawrowsky
TECHNICAL DATA	Excellent thermal and acoustic insulation / BREEAM "Excellent" / Recovery of rainwater / Use of recyclable materials / Urban heating / Low energy lighting / Very high quality finishing/ Triple glazing / Charging points for electric vehicles
STATUS	Under construction
CONTRACTING AUTHORITY	Cedet Development Sp. z o.o.
PROGRAM	Office building and retail
PARKING SPACES	140 underground
GENERAL CONTRACTOR	KB Doraco Sp. z o.o.
ACQUISITION YEAR	2010
PERMITS OBTAINED	Planning permission: Yes Environmental permit: N/A
START / END OF CONSTRUCTION	Q1 2015 / Q4 2017
OWNERSHIP STRUCTURE	100% IMMOBEL

1. Total surface including partnerships.

CBD ONE

18,700 SQM WARSAW


WHAT HAPPENED IN 2015?

- > Planning permission has been obtained.
- > Acceptance and positive opinion from Metro Warszawskie have been granted what was crucial to obtain the Planning permission.

CHARACTERISTIC OF THE PROJECT

- > CBD One is situated at the centre of Warsaw, directly above the intersection of two metro lines.
- > It will be a high quality building with a mixture of offices and retail.
- > The building will have a very ambitious structure which will partly be placed directly over the metro station.

ADDRESS	Corner of Marszałkowska / Świętokrzyska Street, Warsaw
ARCHITECTS	Kazimierski i Ryba Sp.j.
TECHNICAL DATA	Excellent thermal and acoustic insulation/ BREEAM "Excellent" / Recovery of rainwater / Use of recyclable materials / Urban heating / Low energy lighting / Very high quality finishing / Charging points for electric vehicles
STATUS	Scheme being worked up
CONTRACTING AUTHORITY	CBD International Sp. z o.o.
PROGRAM	Office building and retail
PARKING SPACES	83 (31 underground, 52 above ground)
GENERAL CONTRACTOR	N/A
ACQUISITION YEAR	2013
PERMITS OBTAINED	Planning permission: Obtained in Q3 2015 (subject to validation, under appeals) Environmental permit: N/A
START / END OF CONSTRUCTION	Q4 2016 / Q4 2018
OWNERSHIP STRUCTURE	50% IMMOBEL

ZIELNA

9,200 SQM WARSAW


WHAT HAPPENED IN 2015?

- > Multi branch design concept completed.
- > Zoning application filed.

CHARACTERISTIC OF THE PROJECT

- > 30m tall building with 3 underground levels for parking places and technical utilities.
- > Retail on ground floor, levels 1-7 for office use.

ADDRESS	Zielna Street, Warsaw
ARCHITECTS	KIR (Kazimierski i Ryba Architects)
TECHNICAL DATA	Excellent thermal and acoustic insulation / BREEAM "Excellent" / Recovery of rainwater / Use of recyclable materials / Urban heating / Low energy lighting / Very high quality finishing / Charging points for electric vehicles
STATUS	Scheme being worked up
CONTRACTING AUTHORITY	N/A
PROGRAM	Office building and retail
PARKING SPACES	50 underground
GENERAL CONTRACTOR	N/A
ACQUISITION YEAR	2014 - 2016
PERMITS OBTAINED	Planning permission: No Environmental permit: N/A
START / END OF CONSTRUCTION	Q3 2017 / Q1 2019
OWNERSHIP STRUCTURE	Option for 100% subject to planning permission

OKRĄGLAK

7,900 SQM POZNAŃ

**WHAT HAPPENED IN 2015?**

- > Leasing of the project is almost completed with 98.12% office/retail occupancy.
- > Preliminary sale transaction was concluded with Benson Elliot, with closing date that took place in January 2016.
- > Disposal price agreed on the level of +/- € 17.6 million.

CHARACTERISTIC OF THE PROJECT

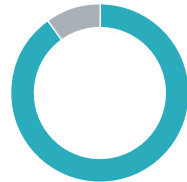
- > The project consists of two buildings Okrągłak and Kwadraciak, offering premium office space and retail area on the ground floor.
- > Multi-tenant building with currently 19 tenants of different scope of services, in general legal offices, consultancy and finance sector.

ADDRESS	Mielżyńskiego 14, Poznań
ARCHITECTS	RKW Rhode Kellerman Wawrowsky
TECHNICAL DATA	Excellent thermal and acoustic insulation / BREEAM "Pass" / Recovery of rainwater / Use of recyclable materials / Urban heating / Very high quality finishing
STATUS	Completed
CONTRACTING AUTHORITY	Okrągłak Development Sp. z o.o.
PROGRAM	Office building and retail
PARKING SPACES	23 (surface, next door on lease hold)
GENERAL CONTRACTOR	Elektrobudowa S.A.
ACQUISITION YEAR	2011
PERMITS OBTAINED	Planning permission: Yes Environmental permit: N/A
START / END OF CONSTRUCTION	Q2 2011 / Q3 2012
OWNERSHIP STRUCTURE	100% IMMOBEL

Residential

GRANARY ISLAND

60,000 SQM **GDAŃSK**


ADDRESS	Motławska / Pożarnicza Street, Gdańsk
ARCHITECTS	RKW Rhode Kellerman Wawrowsky, KWADRAT architectural studio, EUROPROJEKT Stągiewny bridge and footbridge designers
TECHNICAL DATA	Excellent thermal and acoustic insulation / Urban heating / Low energy lighting / Presence and absence detectors
STATUS	Scheme being worked up
CONTRACTING AUTHORITY	Granaria Development Gdańsk Sp. z o.o., Hotel Granaria Gdańsk Sp. z o.o., Granaria Development Gdańsk Bis SA
UNITS	572
PROGRAM	Retail, apart hotel, residential, hotel
PARKING SPACES	444 underground
GENERAL CONTRACTOR	N/A
ACQUISITION YEAR	PPP contract signed in 2015 Plots will be purchased in phases
PERMITS OBTAINED	Planning permission: No Environmental permit: No
START / END OF CONSTRUCTION	Q4 2016 / Q4 2023
OWNERSHIP STRUCTURE	 90% IMMOBEL

WHAT HAPPENED IN 2015?

- > Public-private partnership - development agreement between the City and IMMOBELS' consortium signed on 31st of March.
- > Main design contracts signed with KWADRAT architectural studio, MSE structure designers, CREON - MEP designs, EUROPROJEKT Stągiewny bridge and footbridge designers.
- > LOI and negotiation with UBM - buyer of hotel part.

CHARACTERISTIC OF THE PROJECT

- > Mixed-use development with dominant residential function.
- > Retail on ground floor, parking on 2 basement levels and 4 star hotel located at the northern tip of the island as a key-stone of the scheme.

EKO NATOLIN

51,100 SQM WARSAW

WHAT HAPPENED IN 2015?

► Part of Nowokabacka Street and main water connection executed.

CHARACTERISTIC OF THE PROJECT

Landbanking, semi-detached, detached houses of high quality and ecological standards on a 36ha site.



ADDRESS	Nowokabacka / Gąsek Street, Warsaw
ARCHITECTS	ELM Studio
TECHNICAL DATA	Excellent thermal and acoustic insulation / Geothermal wells and pumps / Double flow ventilation / Solar panels / Low energy lighting / Very high quality finishing / Triple glazing / Presence and absence detectors / Charging points for electric vehicles / Geothermal wells and pumps
STATUS	Scheme being worked up
CONTRACTING AUTHORITY	Graspa Development Sp. z o.o.
UNITS	205
PROGRAM	Residential - semi-detached houses
PARKING SPACES	Single or double spaces in garages in houses
GENERAL CONTRACTOR	N/A
ACQUISITION YEAR	2014
PERMITS OBTAINED	Planning permission: Nowokabacka str. planning permission, fullo Infrastructure over 36ha (water, sewage, electricity, IT, Internal roads), 1 st phase of houses planning permission: 31 houses on north part and 4 houses in south part Environmental permit: N/A
START / END OF CONSTRUCTION	N/A / N/A
OWNERSHIP STRUCTURE	25% IMMOBEL

DIRECTORS' REPORT

Ladies and Gentlemen,

We have great pleasure in presenting our report on the activities of the IMMOBEL Group during 2015.

In a still difficult economic environment, particularly in the office property segment in Brussels, IMMOBEL ended 2015 with an operating income of € 7.08 million, compared to € 27.6 million in 2014.

This income generated a net consolidated profit of € 0.70 million, compared to € 20.04 million in 2014.

I. BUSINESS DEVELOPMENT (art. 96 § 1, 1° and 119, 1° Companies Code)

A. IMMOBEL Group business

Sales for the year came to € 53.93 million (before IFRS11: € 96.64 million) compared to € 31.61 million (before IFRS11: € 173.03 million) in 2014.

During the year 2015, IMMOBEL pursued its development plan in its various spheres of activity, Offices, Residential and Landbanking, in Belgium, the Grand Duchy of Luxembourg and Poland. It has therefore carried out several important sales, acquisitions and leases, in accordance with its objectives, as described below:

a) Belgium Landbanking

The book value of the Landbanking inventory was € 90.7 million; part of the stock in use (subdivision permit and/or planning permission issued) represents 843 plots for houses and 32 plots for a total of 444 apartments (being € 36.8 million). Furthermore 54ha are subject to suspensive conditions, which allows the Company to limit its risks.

Sales

▶ IMMOBEL (in partnership, 50%) finalised the sale of the Gateway project to Befimmo. As

the actual transfer of the long lease rights relates to the land and the current constructions, a first part of the purchase price was paid on 27 April 2015. Constructions will be transferred as the building works progress. Provisional delivery, and the transfer, are scheduled for September 2016.

▶ In this year 2015, IMMOBEL sold 130 houses and apartments in the following projects: Belair (RAC 3), Clos de la Charmeriaie, Clos Bourgeois and P.E. Devroye in Brussels, Duinenzicht in Bredene, Résidences Trois Ruisseaux et Grand Pré in Chastre, Résidence George Grard in Oostduinkerke, Lindepark in Tervuren, Bella Vita in Waterloo.

▶ Within the Landbanking, sales consisted of 16 ha of land including 150 plots of building land at sites in Braine-l'Alleud, Eupen, Geel, Middelkerke, Soumagne, Uccle, Waterloo and Waremmé.

Permits and works

▶ Planning permission for the construction of 140 homes in Ixelles as part of the Universalis Park project (in partnership, 50%) was issued on 18 June 2015.

▶ Remediation works have begun at the Parc Sainte-Anne project in Auderghem.

▶ Building works have begun for the Résidence George Grard in Oostduinkerke (which will consist of 23 apartments).

▶ The first apartments at Clos Bourgeois in Berchem-Sainte-Agathe (project with 78 apartments) were accepted.

▶ The building site of the project Verger de Fayenbois (which consists of 115 houses and 36 apartments, allocated on two buildings) in Grivegnée started in June.

▶ The construction works of Domaine des Vallées (this public-private partnership, realised in partnership, will consist of

158 single family homes, 45 apartments and 7 retail spaces) in Grez-Doiceau have started.

▶ Road works are under way at the developments in Andenne, Eghezée, Gastuche, Grivegnée, Montzen, Soumagne, Stembert and Waremmé.

Litigation

IMMOBEL has received a compensation of € 690 thousand following a decision of the Civil Section of the French-speaking Tribunal of first instance ("Tribunal de première instance francophone") in Brussels.

b) Grand Duchy of Luxembourg

Sales

▶ The deed for the last apartment in the Green Hill project (in partnership, 50%) was signed during the first half of 2015.

▶ Discussions regarding the sale of the WestSide Village Offices project (consisting of 11,600 sqm) are ongoing. This building is for sale since 7 years.

Acquisitions

IMMOBEL acquired (in partnership, 33%) the following properties:

▶ Luxembourg City – 242-248 Route d'Esch (with a Special Development Plan), a 16,255 sqm plot of land (and buildings to demolish) which, subject to ad hoc permits, will enable the development of a Residential, Commercial and Office project of around 26,900 sqm above ground.

▶ Municipality of Differdange – 4-10 Place des Alliés, a 5,700 sqm plot of land with planning permission authorising the construction of 50 apartments and about 2,100 sqm of commercial premises.

Leases

- ▶ The occupancy rate for the WestSide Village project was 82% as at 31 December 2014. Additional leases were recorded at this date (which will become effective in 2016), bringing the occupancy rate at 92%.
- ▶ In the Galerie Kons project, ING has leased additional 2,600 sqm offices and additional 33 parking plots; a retail space of 471 sqm was also leased. The occupancy rate was 83% at 31 December 2015.

Permits and works

Works on the Galerie Kons project have continued, despite considerable delays incurred during the demolitions.

c) Poland

Acquisitions

At the end of March 2015, IMMOBEL (in partnership, 90%) signed a contract with the City of Gdańsk for the development of 1.8ha on Granary Island. This project aims to develop around 60,000 sqm of residential and commercial spaces as well as a hotel and car parks in four phases.

Leases

- ▶ The occupancy rate for the Okrażlak project in Poznań was 98.12% as at 31 December 2015.
- ▶ The pre-lease rate for the Cedet project in Warsaw is 24.95%. Discussions continue regarding additional pre-leases.

Permits and works

- ▶ Works on the Cedet project began in the first half of 2015 and are running according to latest schedule. Completion is planned for the second half of 2017.
- ▶ Planning permission was obtained in March 2015 for the first phase (45 houses) of the Eko Natolin residential project. The road works were completed in May 2015.

- ▶ Planning permission for the CBD One project was obtained on 14 September 2015 for the development of 18,700 sqm of office and retail spaces.

Finance

During 2015, IMMOBEL obtained or renewed, either alone or with its partners, credit lines for around € 233 million (100% participation) relating to 9 projects. The Company also negotiated a renewal of its Landbanking Credit line, for a total of € 50 million, for a period of 3 years.

B. Comments on the annual accounts

1. Key indicators

In accordance with the IFRS standards, the Company applies from 1 January 2014 the IFRS 11 standard "Partnerships". This standard amends strong reading financial statements of the Company without changing the net income and shareholders' equity.

The Board considers that the financial data before IFRS 11 give a better picture of the activities and financial statements.

The table below shows the figures relating to the activities of IMMOBEL Group IFRS 11 and IFRS 11 before.

CONSOLIDATED TURN-OVER PER SECTOR AND PER COUNTRY (€ MILLION)

Year 2015	IFRS11				Before IFRS11			
	Offices	Residential	Landbanking	Total	Offices	Residential	Landbanking	Total
Per activities sector, of which:	13.57	22.86	17.51	53.93	23.68	55.45	17.51	96.64
Belgium	13.57	22.85	17.51	53.93	23.68	51.23	17.51	92.42
Grand-Duchy of Luxembourg	-	-	-	-	-	4.22	-	4.22
Poland	-	-	-	-	-	-	-	-
Year 2014								
Per activities sector, of which:	1.79	16.95	12.87	31.61	116.74	43.43	12.87	173.05
Belgium	1.79	16.95	12.87	31.61	116.74	27.36	12.87	156.97
Grand-Duchy of Luxembourg	-	-	-	-	-	12.45	-	12.45
Poland	-	-	-	-	-	3.62	-	3.62

CONSOLIDATED OPERATIONAL RESULT PER SECTOR AND PER COUNTRY (€ MILLION)

Year 2015	IFRS11				Before IFRS11			
	Offices	Residential	Landbanking	Total	Offices	Residential	Landbanking	Total
Per activities sector, of which:	3.59	-2.06	5.55	7.08	5.35	-0.44	5.55	10.46
Belgium	4.87	-2.05	5.55	8.37	5.84	-0.93	5.55	10.46
Grand-Duchy of Luxembourg	-1.12	0.45	-	-0.67	-0.66	0.67	-	0.02
Poland	-0.16	-0.46	-	-0.62	0.16	-0.18	-	-0.02
Year 2014								
Per activities sector, of which:	19.12	5.33	3.20	27.65	20.94	7.10	3.20	31.24
Belgium	20.47	2.24	3.20	25.91	21.49	3.20	3.20	27.89
Grand-Duchy of Luxembourg	0.15	1.55	-	1.70	0.59	2.00	-	2.59
Poland	-1.50	1.54	-	0.04	-1.14	1.90	-	0.76

CONSOLIDATED STOCK EVOLUTION PER SECTOR AND COUNTRY (€ MILLION)

Year 2015	IFRS11				Before IFRS11			
	Offices	Residential	Landbanking	Total	Offices	Residential	Landbanking	Total
Per activities sector, of which:	189.72	54.11	90.71	334.54	241.23	124.90	90.71	456.85
Belgium	93.17	51.96	90.71	235.84	108.35	106.24	90.71	305.31
Grand-Duchy of Luxembourg	34.50	-	-	34.50	60.91	16.51	-	77.42
Poland	62.05	2.15	-	64.20	71.97	2.15	-	74.12
Year 2014								
Per activities sector, of which:	167.75	50.42	92.80	310.97	227.45	103.23	92.80	423.48
Belgium	74.46	50.42	92.80	217.68	104.11	102.08	92.80	298.99
Grand-Duchy of Luxembourg	35.00	-	-	35.00	55.83	1.15	-	56.98
Poland	58.29	-	-	58.29	67.51	-	-	67.51

2. Consolidated accounts

INCOME STATEMENT (€ MILLION WITH IFRS11)

	31-12-2014	31-12-2015
Operating income	27.65	7.08
Financial result	-7.00	-6.43
Result before tax	20.65	0.65
Taxes	-0.61	0.05
Income from ongoing business	20.04	0.70
Income for the year	20.04	0.70
IMMOBEL share of income	20.04	0.74

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (€ MILLION WITH IFRS11)

	31-12-2014	31-12-2015
Inventories	311.0	334.5
Investments in associates and available for sale	73.4	63.4
Trade receivables and other assets	34.7	32.3
Cash	25.4	16.9
TOTAL ASSETS	444.5	447.1
Shareholder equity	196.7	194.4
Provisions	3.9	4.0
Long-term financial debt	150.5	143.8
Short-term financial debt	67.7	62.2
Trade payables and other liabilities	25.7	42.7
TOTAL EQUITY & LIABILITIES	444.5	447.1

3. IMMOBEL SA company results

Income statement

The operating profit amounts to € 7.20 million for the past financial year compared to € -3.84 million for the year closed at 31st December 2014.

The financial result amounts to € 0.24 million as opposed to € -0.71 million in 2014.

The exceptional result amounts to € -0.41 million compared to € 21.98 million in 2014.

IMMOBEL's financial year ended with a net profit of € 7.04 million, compared to a net profit of € 17.32 million at 31st December 2014.

The Balance sheet

The Balance sheet total amounts to € 422.14 million compared to € 421.66 million for the financial year closed at 31st December 2014.

On 31st December 2015 equity amounts to € 207.45 million. It was € 200.41 million in 2014.

Allocation of results

The profit to be allocated, taking into account the amount carried forward from the previous year, amounts to € 137.07 million.

Given the dividend policy approved by the Board of Directors and the 2015 results, the

Board of Directors proposes to the General Meeting of Shareholders of 26th May 2016 not to distribute a dividend for the year 2015.

Main risks and uncertainties

The IMMOBEL Group faces the risks and uncertainties inherent to the property development sector as well as those associated with the economic situation and the financial world. Without the list being exhaustive, we would like to mention the following in particular:

Market risk

Changes in general economic conditions in the markets in which IMMOBEL's properties are located can adversely affect the value of IMMOBEL's property development portfolio, as well as its development policy and, consequently, its growth prospects.

IMMOBEL is exposed to the national and international economic conditions and other events and occurrences that affect the markets in which IMMOBEL's property development portfolio is located: the office property market in Belgium (mainly in Brussels), Luxembourg and Poland; and the residential (apartments and plots) property market (Belgium, Luxembourg and Poland).

This diversification of both business and countries means it can target different clients, economic cycles and sales volumes.

Changes in the principal macroeconomic indicators, a general economic slowdown in Belgium or one or more of IMMOBEL's other markets, or on a global scale, could result in a fall in demand for office buildings or residential property or building plots, higher vacancy rates and higher risk of default of service providers, building contractors, tenants and other counterparties, any of which could materially adversely affect IMMOBEL's value of its property portfolio, and, consequently, its development prospects.

IMMOBEL has spread its portfolio of projects under development or earmarked for development so as to limit the impact of any deterioration in the real estate market by spreading the projects in terms of time and nature.

Operational risk

IMMOBEL may not be able to dispose of some or all of its real estate projects.

IMMOBEL's revenues are determined by disposals of real estate projects. Hence, the results of IMMOBEL can fluctuate significantly from year to year depending on the number of projects that can be put up for sale and can be sold in a given year.

Furthermore, it cannot be guaranteed that IMMOBEL will find a buyer for the transfer of its assets or that the transfer price of the assets will reach a given level. IMMOBEL's inability to conclude sales can give rise to significant fluctuations of the results.

The policy of diversification implemented by IMMOBEL for the last 5 years has allowed it to reduce its concentration on and therefore its exposure to offices in Brussels with an increased portfolio of residential and land-banking projects, which should give it a revenue base and regular cash flows.

The development strategy adopted by IMMOBEL may prove to be inappropriate.

When considering property development investments, IMMOBEL makes certain estimates as to economic, market and other conditions, including estimates relating to the value or potential value of a property and the potential return on investment. These estimates may prove to differ from reality, rendering IMMOBEL's strategy inappropriate with consequent negative effects for IMMOBEL's business,

results of operations, financial condition and prospects.

IMMOBEL takes a prudent approach to the acquisition and development of new projects and applies precise selection criteria. Each investment follows a clear and strict approval process.

IMMOBEL may face a higher risk due to the expansion of its operations into Poland.

Since 2011 IMMOBEL acquired several offices/residential/commercial projects in Poland, which are either under development or will be developed, thereby confirming its strategy to further expand in in Poland.

Although IMMOBEL has carried out development projects in Poland in the past, it has a more limited experience in managing projects outside of the Belux market and has a more restricted knowledge of the market and regulatory situation and requirements in this new market.

That is the reason why IMMOBEL does not launch itself on a new market until it can count on the expertise and network of a local partner on the spot, who can help it limit the risks linked to the new market.

IMMOBEL's development projects may experience delays and other difficulties.

Before acquiring a new project, IMMOBEL carries out feasibility studies with regard to urban planning, technology, the environment and finance, usually with the help of specialised consultants. Nevertheless these projects are always subject to a variety of risks, each of which could cause late delivery of a project and consequently increase the length of time before it can be sold, engender a budget overrun or cause the loss or decrease of expected income from a project or even, in some cases, its actual termination.

Risks involved in these activities include but are not limited to: (i) delays resulting from amongst other things adverse weather conditions, work disputes, construction process, insolvency of construction contractors, shortages of equipment or construction materials, accidents or unforeseen technical difficulties; (ii) difficulty in acquiring occupancy permits or other approvals required to complete the project; (iii) a refusal by the planning authorities in the countries in which IMMOBEL operates to approve development plans; (iv) demands of

planning authorities to modify existing plans; (v) intervention by pressure groups during public consultation procedures or other circumstances; and (vi) upon completion of the development project, occupancy rates, actual income from sale of properties or fair value being lower than forecasted.

Taking into account these risks, IMMOBEL cannot be sure that all its development projects (i) can be completed in the expected timeframe, (ii) can be completed within the expected budgets or (iii) can even be completed at all. It is in the framework of controlling this risk and others that IMMOBEL has increased the diversification of its business/countries/clients, which allows it to reduce its concentration on any particular project or another.

Furthermore IMMOBEL has some projects where an asset under development is pre-leased or pre-sold to a third party and where IMMOBEL could incur substantial liabilities if and when such projects are not completed within the pre-agreed timeline.

IMMOBEL may be liable for environmental issues regarding its property development portfolio.

IMMOBEL's operations and property development portfolio are subject to various laws and regulations in the countries in which it operates concerning the protection of the environment, including but not limited to regulation of air, soil and water quality, controls of hazardous or toxic substances and guidelines regarding health and safety.

Such laws and regulations may also require IMMOBEL to obtain certain permits or licenses, which it may not be able to obtain in a timely manner or at all. IMMOBEL may be required to pay for clean-up costs (and in specific circumstances, for aftercare costs) for any contaminated property it currently owns or may have owned in the past.

As a property developer, IMMOBEL may also incur fines or other penalties for any lack of environmental compliance and may be liable for remedial costs. In addition, contaminated properties may experience decreases in value.

IMMOBEL may lose key management and personnel or fail to attract and retain skilled personnel.

Loss of its managerial staff and other key personnel or the failure to attract and retain

skilled personnel could hamper IMMOBEL's ability to successfully execute its business strategies.

IMMOBEL believes that its performance, success and ability to fulfil its strategic objectives depend on retaining its current executives and members of its managerial staff who are experienced in the markets and business in which IMMOBEL operates. IMMOBEL might find it difficult to recruit suitable employees, both for expanding its operations and for replacing employees who may resign, or recruiting such suitable employees may entail substantial costs both in terms of salaries and other incentive schemes.

The unexpected loss of the services of one or more of these key individuals and any negative market or industry perception arising from such loss could have a material adverse effect on IMMOBEL's business, results of operations, financial condition and prospects.

The conduct of its management teams, in Belgium, Luxembourg and in Poland, is therefore monitored regularly by the CEO and the Remuneration & Appointments Committee (hereafter "RAC"), one of the organs of the Board of Directors.

IMMOBEL is subject to the risk of litigation, including potential warranty claims relating to the lease, development or sale of real estate.

In the normal course of IMMOBEL's business, legal actions, claims against and by IMMOBEL and its subsidiaries and arbitration proceedings involving IMMOBEL and its subsidiaries may arise. IMMOBEL may be subject to other litigation initiated by sellers or purchasers of properties, tenants, contractors and subcontractors, current or former employees or other third parties.

In particular, IMMOBEL may be subject to warranty claims due to defects in quality or title relating to the leasing and sale of its properties. This liability may apply to defects in properties that were unknown to IMMOBEL but could have, or should have, been revealed.

IMMOBEL may also be subject to claims by purchasers of its properties as a result of representations and warranties about those properties given by IMMOBEL at the time of disposal.

IMMOBEL makes sure to control these risks with a systematic policy of taking out adequate insurance cover.

IMMOBEL is exposed to risk in terms of liquidity and financing.

IMMOBEL is exposed to risk in terms of liquidity and financing which might result from a lack of funds in the event of non-renewal or cancellation of its existing financing contracts or its inability to attract new financing.

IMMOBEL does not initiate the development of a project unless financing for it is assured by both internal and external sources for the estimated duration of its development.

IMMOBEL gets its financing from several first-rate Belgian banking partners with which it has maintained longstanding good relations and mutual trust. During 2015, IMMOBEL renewed or negotiated credit lines for € 285 million (100% participation) either alone or with partners.

IMMOBEL is exposed to risk linked to the interest rate which could materially impact its financial results.

Given its current and future indebtedness, IMMOBEL is affected by a short or long-term change in interest rates, by the credit margins taken by the banks and by the other financing conditions.

With the exception of bond issues of 2011 and 2013, which are at a fixed rate, IMMOBEL's financing is mainly provided on the basis of short-term interest rates (based on Euribor rates for 1 to 12 months). In the context of a global programme of risk management coverage, IMMOBEL has set up a "hedging" policy aimed to provide adequate cover against the risk of interest rates on its debt with financial instruments.

Feasibility studies for each project are based on the predictions for long-term rates.

IMMOBEL is exposed to a currency exchange risk which could materially impact its results and financial position.

Following its entering in the Polish market, IMMOBEL is subject to currency exchange risks. There is the foreign currency transaction risk and the foreign currency translation risk.

IMMOBEL also makes sure whenever possible to carry out all of its operations outside the Eurozone in €, by having purchase, lease and

sales contracts drawn up for the most part in €.

IMMOBEL is subject to regulatory risk.

Any development project depends on obtaining urban planning, subdivision, urban development, building and environmental permits. A delay in granting them or failure to grant them could impact on IMMOBEL's activities.

Furthermore, the granting of a subdivision permit does not mean that it is immediately enforceable. An appeal against it is still possible.

Furthermore, IMMOBEL has to respect various urban planning regulations. Local authorities or public administrations might embark on a revision and/or modification of these regulations, which could have a material impact on IMMOBEL's activities.

IMMOBEL is exposed to counterparty risk.

IMMOBEL has contractual relations with multiple parties, such as partners, investors, tenants, contractors, financial institutions, architects. The inability of such counterparty to live up to their contractual obligations could have an impact on IMMOBEL's operational and financial position. IMMOBEL pays great attention, through appropriate studies, to the choice of its counterparties.

Changes in direct or indirect taxation rules could impact the financial position of IMMOBEL.

IMMOBEL is active in Belgium, Luxemburg and Poland. Changes in direct or indirect fiscal legislation in any of these could impact IMMOBEL's financial position.

II. Important events that took place after the end of the year (art. 96 § 1, 2° and 119, 2° Companies Code)

The finalisation of the sale of the Okraglak project in Poznań on 13th January latest excepted, there were, to the Directors' knowledge, no important events after the closure of the financial year.

III. Circumstances likely to have a significant influence on the development of the Group (art. 96 § 1, 3° and 119, 3° Companies Code)

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

IV. Activities in terms of research & development (art. 96 § 1, 4° and 119, 4° Companies Code)

In as much as it is necessary the Board of Directors reiterates that, given the nature of its business, the Group did not engage in any research and development activities during the year which has just ended.

V. Use of financial instruments (art. 96 § 1, 8° and art. 119, 5° Companies Code)

The Board of Directors confirms that IMMOBEL used financial instruments intended to cover any rise in interest rates. The market value of these financial instruments was € 140 thousand at 31st December 2015.

VI. Evidence of the independence and competence of at least one member of the Audit & Finance Committee (art. 96 § 1, 9° and 119, 6° Companies Code)

The Boards of Directors of 26th August and 25th September latest decided to co-opt Mrs. Astrid DE LATHAUWER as well as the company ARFIN sprl, represented by Mr. Pierre NOTHOMB, as new Directors. These Directors meet all of the criteria of independence in Articles 524 and 526ter of the Companies' Code and sit on the Board of Directors and the Audit & Finance Committee of IMMOBEL as independent Directors¹. These Directors hold university degrees and hold the roles of Director in international groups.

Mrs. Hilde DE VALCK, permanent representative of DV CONSULTING, De Valck. H. Comm. V. and the present CFO of Allfin Group, also has the necessary expertise in accounting and audit.

1. The Board of Directors was informed of the existence of a study carried out in the past by Deminor on behalf of Allfin. IMMOBEL's Board of Directors considered that this did not affect the independence of Mr NOTHOMB and thus approved unanimously his co-optation as independent Director.

VII. Additional information

In as far as it is necessary, the Board of Directors reiterates:

- ▶ that IMMOBEL has not set up any branches (art. 96 § 1, 5° Companies Code); and
- ▶ that, given the results of the Company, there has been no reason to justify the application of continuity accounting rules (art. 96 § 1, 6° Companies Code).

Regarding the information to be inserted pursuant to art. 96 § 1, 7° of the Companies Code the Board of Directors report:

- ▶ that during the past year the Board of Directors of the Company has decided not to increase the capital of IMMOBEL under the authorized capital (article 608 Companies Code);
- ▶ that neither IMMOBEL, nor any direct subsidiary, nor any other person acting in his own name but on behalf of IMMOBEL or a direct subsidiary has bought or sold shares in IMMOBEL (art. 624 Companies Code).

VIII. Application of article 523/524 of the Companies Code – “Corporate opportunities”

The Board reports that it has started the conflict of interest procedure three times in February 2015 as part of a possible merger between IMMOBEL and Allfin Group, its main shareholder:

- ▶ art. 523 Companies Code:
 - deliberation and decision on a study of the feasibility / opportunity of the said merger;
 - approval of a non-disclosure agreement between IMMOBEL and Allfin Group;

"The Board of Directors of IMMOBEL has decided to start the feasibility study on the proposed merger and approve the non-disclosure agreement between IMMOBEL and Allfin and his advisers."

- ▶ art. 524 Companies Code - decision about a possible merger between IMMOBEL and Allfin Group.

Whereas that decision could justify the application of article 524 Companies Code, the Board of Directors has decided to enter a Committee of Independent Directors consisting of Messrs. Didier BELLENS, Marek MODECKI and Wilfried

VERSTRAETE in order to advise it, with assistance of Mr. Jean-François CATS acting as an independent expert within the meaning of that provision. As it has not lead to a merger, the procedure has not been finalized.

Messrs. Marnix GALLE and Piet VERCRUYSSSE as well as Mrs. Hilde DE VALCK¹ and Sophie LAMBRIGHS² reported having a potential conflict of interest in connection with the deliberation on a possible merger, and had therefore not taken part in the deliberations of the Board in this framework. More in particular, Mr. GALLE had a potential conflict of interest within the meaning of Article 523 Companies Code as he has ultimate control (in the sense of "ultimate controlling shareholder") in Allfin; while the conflict of interest of Mrs. DE VALCK was of a more functional nature (as she is a member of the management team of Allfin). The other Directors appointed by Allfin i.e. Sophie LAMBRIGHS and Piet VERCRUYSSSE, had estimated, in the spirit of the Companies Code, not to be enabled to attend the deliberations of the Board for these two items on the Agenda.

The costs associated with the study of the proposed merger with Allfin amounted to € 2,031 thousand in the year under review.

- ▶ For the sake of completeness, we also inform you that the Board has also followed the procedure in the context of the ratification of the letter of intent for the sale of the Cedet project. As the transaction was unsuccessful, this procedure has become without object.

IX. Corporate Governance Statement (art. 96 § 2 Companies Code), including the remuneration report (art. 96 § 3 Companies Code) and the description of the internal control systems and risk management (art. 119, 7° Companies Code)

The Corporate Governance Statement is part of this Director's report. (cf. page 72 of the Annual Report).

X. Takeover bid

Pursuant to article 34 of the Royal Decree of 14th November 2007 concerning the obligations of issuers of financial instruments admit-

ted for trading on a regulated market, the Board of Directors of IMMOBEL states that the following information could have an incidence in case of takeover bid (being understood that the other elements are currently not applicable for IMMOBEL):

- 1° The capital stock is € 60,302,318.47 represented by 4,121,987 shares, without any mention of par value, each representing an equal share of the capital stock (art. 4 of the Articles of Association).
- 2° The Board of Directors is authorized to increase the Company's capital by a maximum of € 50,000,000 (art. 13 of the Articles of Association), bearing in mind that the exercise of this power is limited in the case of a takeover bid by article 607 of the Companies Code.
- 3° ▶ The authorization to the Board of Directors (article 14 of the Articles of Association) for a term of 3 years from the date of publication in the Belgian Official Journal of the latter to acquire and dispose of the company shares when such acquisition or alienation is necessary to prevent a serious and imminent harm, expired in May 2014.
 - ▶ Concerning the nomination and replacement of the Members of the Board of Directors, the Articles of Association specify that the Board of Directors should be composed of at least 5 Members, appointed by the Ordinary General Meeting at the proposal of the RAC for a maximum of 4 years.
 - ▶ For the modification of the Articles of Association there are no regulations other than those established by the Companies Code.

1. As permanent representative of DV Consulting, DE VALCK H. Comm. V.

2. As permanent representative of Zou2 sprl.

XI. Management of the company – Executive Committee

Board of Directors

At the General Meeting to be held on next 26th May, you will have to vote on the *final election* of the following Directors:

- ▶ Ms. Astrid DE LATHAUWER in order to complete the mandate of Count BUYASSE, until the Ordinary General Meeting to be held in 2016;
- ▶ The company AHO CONSULTING bvba, represented by Mr Alexander HODAC in order to complete the mandate the company GAETAN PIRET sprl, represented by Mr Gaëtan PIRET, until the Ordinary General Meeting to be held in 2019;
- ▶ The company ARFIN sprl, represented by Mr Pierre NOTHOMB as permanent representative, in order to complete the term of Mr Wilfried VERSTRAETE, until the Ordinary General Meeting to be held in 2019;
- ▶ Mr Jacek WACHOWICZ in order to complete the mandate of the company ARSEMA sprl, represented by Mr Didier BELLENS, until the Ordinary General Meeting to be held in 2019.

Moreover, you will also be proposed to vote on:

- ▶ The *reappointment* of Mr Piet VERCRUYSSSE for a period of 4 years expiring at the Annual General Meeting to be held in 2020; and
- ▶ The *appointment* of the company ADL Comm. V. represented by Mrs Astrid DE LATHAUWER for a period of 4 years expiring at the Annual General Meeting to be held in 2020.

Thus, following the resignations occurred, the Board of Directors consists, since February 18, 2016, of the following Directors:

- ▶ Marnix GALLE³, Chairman of the Board;
- ▶ Alexander HODAC³, Managing Director;
- ▶ Astrid DE LATHAUWER, also Chairman of the Remuneration & Appointments Committee;
- ▶ Pierre NOTHOMB³, also Chairman of the Audit & Finance Committee;
- ▶ Hilde DE VALCK³;
- ▶ Sophie LAMBRIGHS³;
- ▶ Piet VERCRUYSSSE; and
- ▶ Jacek WACHOWICZ.

Executive Committee

It is also recalled that the positions held by Messrs. Pierre DELHAISE, Christian KARKAN³, Jean-Louis MAZY³, Paul MUYLDERMANS³, Philippe OPSOMER³ and Gaëtan PIRET³ as Members of the Executive Committee of IMMOBEL ended during the fourth quarter 2015. The Board expresses its most heartfelt thanks.

Mr. Jean-Louis MAZY continues to exercise certain missions on behalf of the Company until 31 December 2016.

At the Board of Directors held on 10 December 2015, Messrs. Valéry AUTIN⁴, Nicolas BILLEN⁵, Jean-Paul BUESS⁵ and Alexander HODAC⁵ were appointed to serve as new members of the Executive Committee. In addition, Mr. Alexander HODAC, as permanent representative of the Managing Director of the Company, assumes the Chair of the Executive Committee since 10 December 2015.

As the Management Committee has ceased to exist on 1st December 2015, its tasks have been taken over by the Executive Committee, composed as follows, since 1st January 2016:

- ▶ Alexander HODAC³, CEO;
- ▶ Valéry AUTIN⁴, CFO;
- ▶ Nicolas BILLEN³, Head of Development;
- ▶ Jean-Paul BUESS³, Head of Technical Development;
- ▶ Philippe HELLEPUTTE, Head of Landbanking;
- ▶ Bartłomiej HOFMAN, Head of IMMOBEL Poland;
- ▶ Joëlle MICHA³, Head of Legal & Corporate Affairs.

* * *

We therefore ask you to approve the terms of this report and grant discharge to the Members of the Board and the Statutory Auditor.

* * *

Agreed at the Meeting of the Board of Directors on 24th March 2016.

AHO CONSULTING bvba

represented by Alexander HODAC
Managing Director

A³ MANAGEMENT bvba

represented by Marnix GALLE
Chairman of the Board

3. Acting for a company.

4. Acting for a company, since 1st February 2016.

5. Acting for a company, since 1st January 2016.

CORPORATE GOVERNANCE

IMMOBEL adheres to the principles of corporate governance contained in the Belgian Corporate Governance Code published on 12 March 2009 (hereafter Code 2009)¹.

IMMOBEL believes that its Corporate Governance Charter and the present Corporate Governance Statement reflect both the spirit and the rules of the Belgian Corporate Governance Code.

The Corporate Governance Charter describes in detail the structure of the Company's governance and its policies and procedures in matters of governance. This Charter can be consulted on the Company's website: www.immobel.be.

This section of the Annual Financial Report contains information concerning the way IMMOBEL put the principles of governance into practice during the past year.

Decision-making bodies (as per 24 March 2016)

The Board of Directors

Composition

The curriculum vitae of each Director in function (or of its permanent representative) can be summarized as follows:

1. Marnix GALLE

52, having completed his schooling in the United States (baccalaureate from Indian Springs High School in Birmingham, Alabama), he also completed a "Bachelor Degree in Arts & Sciences" with Economics as a major and Law as a minor at Tulane University (New Orleans, Louisiana). He began his professional career at Cegos Belgium in 1987 as a consultant and made his first steps in real estate in 1989 (family portfolio) until 2002. He is currently the CEO of Allfin Group, one of Belgium's leading real estate developers, since its founding in 2001, and Chairman of Urban Land Institute Belgium.

2. Alexander HODAC

34, after having obtained a degree in business engineering (Solvay/VUB), he started his professional career at Deloitte Corporate Finance-Real Estate (2005-2013) and served as *Chief Commercial Officer* of the Belgian residential REIT Home Invest Belgium from 2013 till 2015. In this



¹. Available on the Guberna website: www.guberna.be.

last function he was responsible for the entire acquisition and disposal process of existing assets/ portfolios and development projects

3. Astrid DE LATHAUWER

52, after studying art history in Ghent and international politics and diplomatic sciences at KU Leuven, she started her career at Monsanto, first of all in the Marketing department, then as *HR Manager* for Eastern Europe. Afterwards she joined AT & T, where she works for eight years at various positions in Europe and the United States. In 2000 she went back in Belgium and joined Belgacom where she became *Executive Vice President Human Resources* for the Group in 2003. From January 2012 till September 2014, she worked at Acerta as General Manager of

the branch Acerta Consult. Since October 2014 she is *Group HR Director* at Ontex. She is also an Independent Director at Colruyt Group since September 2011.

4. Hilde DE VALCK

52, holds a Master in Commercial and Financial Sciences (EHSAL) and is a Graduate of the “*International Management Program*” of the Vlerick Business School. Since 1991 she is member of the Institute of Chartered Accountants (IEC/IAB). After her studies she worked for ten years at VGD Auditors. Afterwards she became finance manager, then CFO of Group Staels, active in the textile and clothing industry. Since 2009 she is CFO of Allfin Group.

5. Sophie LAMBRIGHS

44, started her career within the construction industry, in Brussels and Paris with a degree in civil engineering and construction (ULB) and an *Executive Master in Management (Solvay Business School)*. Currently she is CEO of the regulated real estate company Home Invest Belgium, and Managing Director of its subsidiary Home Invest Development, in charge with the development of the projects for the REIT. Before joining Home Invest Belgium in June 2014, she was Consultant and Member of the Executive Committee of IMMOBEL. Precedently she was working within the real estate department of AXA Belgium, first as *Project Manager* and finally as *Investment Manager*. She was also a member of the Board of Directors of the REIT Retail Estates.

6. Pierre NOTHOMB

53, obtained a Master's degree in applied economics (UCL Louvain-la-Neuve). He joined Deminor at its launch 24 years ago, and has had (or still holds) numerous assignments with the Board of Directors of various companies or associations (such as Modulart, DBAssociates, Cercle de

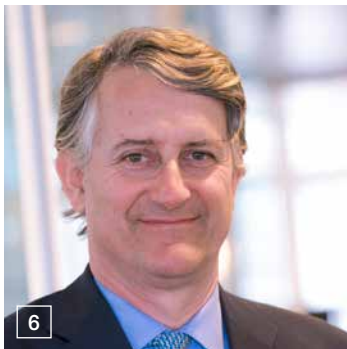
Lorraine, Domaine du Pont d'Oye, Epsilon) and of several Deminor group companies. Additionally, he is also active as a member of the audit committee of Sabam and of the Epsilon psychiatric hospitals group (La Ramée - Fond'Roy). Prior to joining Deminor in 1991, he served with Coopers & Lybrand (now PriceWaterhouse Coopers) as Senior Auditor, and afterwards as corporate finance consultant with Petercam Securities.

7. Piet VERCRUYSE

66, graduated in law (magna cum laude) at KU Leuven in 1973 after technical studies. Admitted to the Brussels Bar in 1973, he also was assistant at KU Leuven from 1976 till 1979. He is co-founder of the law firm Vercruyse & Kadaner. He became Honorary Solicitor in 2003, and was a director of Allfin and Allfin Group between 2004 and 2010. He currently is Director of A³ Management, and Director of several non-listed holding companies.

8. Jacek WACHOWICZ

49, after studying at University of Warsaw, he started his career at Raiffeisen Bank in Warsaw in 1992 as currency and bond trader. Afterwards he joined Cargill in Cobham (UK), where he first continued in the same field, and then as an *Investment Manager* responsible for proprietary equity investments in real estate transactions and non-performing loan portfolios in Central Europe. In 2007, after working five years at Heitman in London and Warsaw as *Senior Vice-President*, responsible for real estate investments, he joined TriGranit Development as *Managing Director* for Poland. Afterwards he went in a temporary partnership with Allfin Lux, to acquire and develop real estate assets in Poland. From 2009 till 2010 he served as Consultant to the Warsaw stock listed, Austria based developer - Warimpex. Since 2010 he is Chief Investment Officer and Member of the Management Board at the Warsaw stock listed company GTC.



COMPOSITION

Name	Function	Date first appointment	End mandate	Professional address
Marnix GALLE ¹	Chairman of the Board	25 September 2014	AGM 2018	c/o Allfin Group Comm. VA, rue des Colonies 56, 1000 Brussels
Alexander HODAC ²	Managing Director	1 December 2016	AGM 2019	Rue de la Régence, 58, 1000 Brussels
Astrid DE LATHAUWER	(Independent) Director	26 August 2015	AGM 2016	c/o Ontex BVBA – Aalst Office Korte Keppestraat 21 9320 Erembodegem
Hilde DE VALCK ³	Director	25 September 2014	AGM 2018	c/o Allfin Group Comm. VA, rue des Colonies 56, 1000 Brussels
Sophie LAMBRIGHS ⁴	Director	25 September 2014	AGM 2017	c/o Home Invest Belgium SA, Boulevard de la Woluwe 60, 1200 Brussels
Pierre NOTHOMB ⁵	(Independent) Director	25 September 2015	AGM 2019	c/o Deminor SA/NV Av. Edmond Van Nieuwenhuysse 6/8, 1160 Brussels
Piet VERCRUYSE	Director	25 September 2014	AGM 2016	c/o Allfin Group Comm. VA, rue des Colonies 56, 1000 Brussels
Jacek WACHOWICZ	(Independent) Director	18 February 2016	AGM 2019	Platnica 44, 01-832 Warszawa, Poland

1. In carrying out the functions concerned in the present report, Mr Marnix GALLE acts as the permanent representative of the company A³ Management sprl.
2. In carrying out the functions concerned in the present report, Mr Alexander HODAC acts as the permanent representative of the company AHO Consulting sprl.
3. In carrying out the functions concerned in the present report, Ms Hilde DE VALCK acts as the permanent representative of the company DV Consulting, De Valck H. Comm. V.
4. In carrying out the functions in the present report, Ms Sophie LAMBRIGHS acts as the permanent representative of the company ZOU2 sprl.
5. In carrying out the functions concerned in the present report, Mr Pierre NOTHOMB acts as the permanent representative of the company ARFIN sprl.
6. As permanent representative of the company DV Consulting, De Valck H. Comm. V.
7. As permanent representative of the company Zou2 sprl.
8. Since 25th September 2015, in replacement of Wilfried VERSTRAETE.
9. Since 18th February 2016, in replacement of Didier BELLENS.

Activity report

Pursuant to article 18 of the Articles of Association, the Board shall be convened by the Chairman of the Board of Directors, the Managing Director or two Directors.

In principle the Board meets at least three times a year (in March, September and December). Additional meetings may be organized at any time, with reasonable notice. This frequency enables the Directors, among other things, to review the half-yearly accounts in September and the annual accounts in March, as well as the budgets in December. In 2015, the Board met on ten occasions.

The Board of Directors of IMMOBEL has focussed on gender diversity. The Board of Directors is currently already composed with three women, Hilde DE VALCK⁶, Sophie LAMBRIGHS⁷ and Astrid DE LATHAUWER.

Be reminded that the law won't apply to the Board until 1 January 2017 at the earliest or even later, in 2019.

Committees of the Board of Directors

Audit & Finance Committee

The Audit & Finance Committee (hereafter "AFC") assists the Board of Directors mainly in, on the one hand, monitoring financial reports and financial information intended for Shareholders and third parties, as well as the quality of internal control and risk management, and on the other hand, following up on the auditor's work, and monitoring the Company's accounts department and finances.

The charter foresees that the AFC is made up of at least three Directors who do not have executive responsibilities within IMMOBEL; a majority of the Members of this Committee are independent and at least one Member is competent in accounting and auditing matters.

The Members of the AFC and its Chairman are appointed by the Board of Directors for a maximum duration of four years.

Composition:

Pierre NOTHOMB⁸, Chairman, Astrid DE LATHAUWER⁹, and Hilde DE VALCK, Members.

In 2015, the AFC met four times, at the request of its Chairman.

Remuneration & Appointments Committee

The main mission of the Remuneration & Appointments Committee (hereafter "RAC") is to make proposals to the Board of Directors concerning remuneration (elements of the remuneration of the Directors, the Members of the Executive Committee, the managers and people in charge of day-to-day management; policy on employee share ownership, etc.) and concerning appointments (appointment or re-election of the Members of the Committees etc.). In application of the Law on Corporate Governance of 6 April 2010, the RAC draws up the Remuneration Report which the Board includes in the Statement on Corporate Governance, which will be discussed during the Annual General Meeting (see *infra* p. 83).

The IMMOBEL Charter foresees that the RAC is made up of only non-executive Directors, a majority of whom are independent Directors and have the necessary expertise in remuneration policy.

The Managing Director takes part in the meetings of the RAC with an advisory vote when this Committee treats the remuneration of the other Directors and the other Members of the Executive Committee.

The Members of the RAC and its Chairman are appointed by the Board of Directors for a maximum duration of four years.

Composition:

Astrid DE LATHAUWER¹⁰, Chairman,
Pierre NOTHOMB¹¹, and
Marnix GALLE, Members.

In 2015 the RAC met eight times, at the request of its Chairman.

Investment & Asset Management Committee

The Investment & Asset Management Committee (hereafter "IAMC") assists the Board of Directors in the strategic management of all of IMMOBEL's assets that are valued in excess of € 5 million. It also helps it to identify and understand the strategic challenges posed by potential new real estate projects valued in excess of € 5 million.

The IAMC is made up of at least three Directors, including the Managing Director who is the Chairman of it.

The Members of the IAMC are appointed by the Board of Directors for a maximum duration of four years.

Composition:

Alexander HODAC¹², Chairman,
Marnix GALLE,
Sophie LAMBRIGHS and
Jacek WACHOWICZ¹³, Members.

In 2015 the IAMC met four times, at the request of its Chairman.

Committee of Independent Directors

In February 2015, the Board of Directors has received to deliberate on an eventual merger between IMMOBEL and Allfin Group, its reference shareholder.

Whereas this decision might justify the application of article 524 of the Belgian Companies Code, the Board of Directors decided to enter a Committee of Independent Directors that consists of Messrs. Didier BELLENS, Marek MODECKI and Wilfried VERSTRAETE for a

notice to be agreed with Mr Jean-François CATS' assistance, acting as independent expert within the meaning of that provision. The merger being postponed, the procedure has not yet been finalized.

10. Since 26th August 2015, in replacement of Count Buysse, appointed ad-interim since 28th May in replacement of Marek MODECKI.

11. Since 18th February 2016, in replacement of Didier BELLENS.

12. Since 1st December 2015, in replacement of Gaëtan PIRET.

13. Since 18th February 2016.

The Executive Committee

The Management Committee having ceased to exist on 1st December 2015, all its powers have been taken over by the Executive Committee for the year 2016 and following. The role of the latter is, amongst others, to introduce efficient systems of internal control and risk management as well as to ensure the day-to-day management of operations. It draws up and implements the policies of IMMOBEL the Managing Director esteems to be of the competences of the Executive Committee.

Under the responsibility of the Managing Director, he:

- ▶ gives leadership, advice and support to IMMOBEL's various subsidiaries and departments;
- ▶ approves or decides to agree, reassess or cease any alliance, spin-off or merger, investment, acquisition and disposal, which does not fall under the responsibilities reserved for the Board of Directors;
- ▶ ensures:
 - ▶ the monitoring of the performance of IMMOBEL's departments in line with strategic objectives, business plans and budgets;
 - ▶ the monitoring compliance with laws and regulations in force, as well as policies and standards set by IMMOBEL;
- ▶ manages and organizes the support functions within IMMOBEL covering areas such as legal, tax, accounting and financial matters.

Composition:

Alexander HODAC¹, Chairman,
Valéry AUTIN²,
Nicolas BILLEN³,
Jean-Paul BUESS⁴,
Philippe HELLEPUTTE⁵,
Bartłomiej HOFMAN⁶,
Joëlle MICHA⁷, Members.

The Members of the Executive Committee are not related to each other.

The "curriculum vitae" of the Members of the Executive Committee (except for Alexander HODAC, already listed above) can be summarized as follows:

1. Permanent representative of AHO Consulting bvba, Chief Executive Officer.
2. Permanent representative of Val U Invest sprl. Chief Financial Officer.
3. Permanent representative of Pride Rock Belgium sprl. Head of Development.
4. Permanent representative of JPB Consulting bvba. Head of Technical Department.
5. Head of Landbanking.
6. Head of IMMOBEL Poland.
7. Permanent representative of JOMI sprl, Head of Legal & Corporate Affairs. She is also Compliance Officer at IMMOBEL.



1. Valéry AUTIN

37, before joining IMMOBEL in February 2016, he worked for the real estate investor Teychené Finance, in charge of research, purchasing and financing of real estate assets in Belgium and the Grand Duchy of Luxembourg (since November 2012). After studying at the *Solvay Business School* (1996-2001) and having obtained a degree in Finance & Business Administration, he began his professional career with Arthur Andersen (which became Deloitte afterwards). In early 2008 he returned to Deloitte (after an interlude at CFE, as *Chief Financial Officer* of the division "International Real Estate", responsible for legal and financial structuring of real estate transactions) and became *Senior Manager* in charge of clients in the real estate sector and the development of the business line "Real Estate Services". Between January 2010 and October 2012 he was *Chief Financial Officer* and member of the Executive Committee of Ascensio. Since September 2010, he was also assistant of the course "Advanced Accounting" at the *Solvay Business School*.



2. Nicolas BILLEN

36, has joined IMMOBEL in September 2015, after an interlude of a few months (creation and launching of an internet start-up) especially allowing him to discover a new sector of activity and to complete his financial knowledge. Before, he worked for Allfin Group for nearly 7 years, first as commercial director, afterwards as development director. After his candidacies in Economic, Social and Political Sciences at the Université Catholique de Louvain (2002), he pursued his studies at EPHEC and obtained his Bachelor in Marketing in 2004. Afterwards, he acquired a first rewarding experience in real estate as *Junior Account Manager* at King Sturge and joined Jones Lang LaSalle in 2004 as *Account Manager*. He left JLL in 2008 as *Key Account Manager* after having contributed to the reinforcement of the visibility of the departments "Office Agency" and "Investment" on the market.

3. Jean-Paul BUESS

56, joined IMMOBEL in 2014 to monitor major projects (including Bella Vita in Waterloo, and Gateway in Zaventem). He started his career at CFE in 1982 where he worked - mostly - abroad (Saudi Arabia, Egypt, United States). Back in Belgium, he joined CFE in Brussels as Project Manager (September 1991-March 1993). Then he joined Soficom Development (currently Eiffage Develop-

ment); from March 2002 until February 2013 he was the Managing Director. He is a Civil Engineer Construction and lecturer for an introduction course to real estate development at the ULB and director of RICS.

4. Philippe HELLEPUTTE

64, joined IMMOBEL in 1977 as legal Advisor, after having worked 2 years for Coopers & Lybrand. He is, since 1984, responsible of the landbanking activities of the Group, Managing Director of Lotinvest Development, Director of various subsidiaries of IMMOBEL Group and Member of the Executive Committee since 1987. He holds a Master in Law (UCL), is Member of the IPI and general counsel of the UPSI (*Union Professionnelle du Secteur Immobilier*).

5. Alexander HODAC

(see bio on p. 74-75)

6. Bartłomiej HOFMAN

40, joined the Group in 2011 as head of our Polish subsidiary (Head of IMMOBEL Poland) and is Member of the Royal Institution of Chartered Surveyors (RICS). Prior to joining IMMOBEL, he has worked, since 1999, for Knight Frank and DTZ, specializing in the office sector, and from 2005, he was General Manager in charge with the Polish operations of the Austrian based investment

fund Europolis (now CA Immo). He holds a Master degree from Warsaw University in International Relations and a Postgraduate degree in Property Valuation from *Warsaw Technical University*.

7. Joëlle MICHA

46, joined the Group in 2000 as Company Secretary of the real estate investment trust Cibix. Then, since 2007, *Head of Corporate Affairs*, *Compliance Officer* and since 1st January 2016, *Head of Legal & Corporate Affairs* of IMMOBEL. Prior she worked as a Lawyer for Loeff Claeys Verbeke (currently Allen & Overy), as an authorised agent in a private bank (Bank Delen), and at the FSMA (formerly BFIC) in the Markets Supervision department. She holds a Master in Law (UCL), a Master in Taxation (HEC-Liège), she also obtained the "Certified European Financial Analyst" qualification (ABAF) and is Member of the IPI (Owner, Broker and Trustee). She is a Company Director in Belgium and the Grand Duchy of Luxembourg.

Internal control and risk management

The Belgian legislative framework for internal controls and risk management consists in the Law of 17 December 2008 (in application of the European Directive 2006/43 concerning corporate financial control), the Belgian Corporate Governance Code 2009 and Law of 6 April 2010 (CG Law).

The IFRS 7 likewise defines additional requirements with regards to management of risks related to financial instruments.

Nevertheless, the current Belgian legislative and normative framework specify neither the model of internal control to which the companies for which it is intended should conform, nor the modalities for implementing it (level of detail required).

IMMOBEL uses a system of risk management and internal control that was drawn up internally based on the "COSO" model of internal control.

The COSO methodology is organized around five elements:

- ▶ the internal control environment
- ▶ risk analysis
- ▶ control activities
- ▶ information and communication, as well as
- ▶ supervision and monitoring.

The internal control environment

The element "internal control environment" focuses on the following components:

Precise definition of the company's objectives

IMMOBEL, is listed on the Brussels Stock Exchange since 19th September 1863, has for over 150 years a major player in property development in Belgium. It also operating in the Grand Duchy of Luxembourg and in Poland. Its business covers the sectors of offices, residential and subdivision, a diversification of its portfolio.

Its vision of the market and its expertise allow it to design, promote and manage ambitious real estate projects, long-term value-creating, environmentally and incorporating major social issues.

A definition of the roles of the decision-making bodies

IMMOBEL has a Board of Directors, an IAMC, an AFC, an RAC and an Executive Committee.

Responsibility for drawing up IMMOBEL's strategy and for controlling the way it does business belongs primarily to the Board of Directors. The main responsibilities of the different Committees have been mentioned above (cfr. Decision-making bodies).

Risk culture

IMMOBEL takes a prudent attitude. Managing a portfolio of diversified projects that create long-term value through its three lines of activity.

Application of ethical standards and integrity

IMMOBEL has a Good Behaviour Code that describes the principles of ethics and integrity that apply to each of the Directors and the Members of the Executive Committees as well as all the employees and external collaborators.

This Code deals with aspects of conflict of interest, professional secrecy, the buying and selling of shares, corruption and misuse of corporate funds, business gifts and even human dignity. The position of *Compliance Officer* has been created.

Measures geared to ensuring the level of competence

- ▶ Competence of the Directors: Given their experience, the Directors possess the competencies and qualifications necessary to assume their responsibilities, particularly in matters of finance, accounting, investment and remuneration policy.
- ▶ Competence of the Members of the Executive Committee and other staff: a recruitment process geared to the profiles required, adequate training and a policy of remuneration and evaluation based on the achievement of realistic and measurable goals make it possible to ensure the competence of IMMOBEL's staff.
- ▶ A procedure dealing with remuneration policy for the Directors and the Members of the Executive Committees: IMMOBEL has introduced a remuneration procedure that complies with the requirements of the CG Law of 6 April 2010 on Corporate Governance.

Risk analysis

IMMOBEL regularly carries out risk identification and evaluation exercises. They are mapped out and formal action plans are drawn up to deal with those risks for which the level of control is deemed to be inadequate. The AFC monitors the implementation of these action plans.

The principle risks to which IMMOBEL is exposed are set out in detail in section I.B of the Directors' Report.

Control activities

The control activities correspond to the regulations and procedures used to deal with the principal risks identified. Here are the main regulations and procedures established within IMMOBEL, we would like to mention:

- ▶ Feasibility studies are carried out systematically, allowing project margins to be monitored. The feasibility studies are then analysed by the project manager, the *Head of Development* or the *CEO* and the *CFO*. For all investment projects in excess of € 5 millions, the feasibility study is also submitted to the IAMC before to be approved by the Board of Directors.
- ▶ A review of the discrepancies between the budget and the actual financial situation is carried out at least twice a year by the *CFO*. Any significant differences observed are submitted to the Management bodies.
- ▶ The accounts department and future financial requirements are monitored and regular reports submitted to the Management bodies.
- ▶ The principle of multiple approvals exists at every phase of the engagement process. So, the double signature procedure applies to approval of all transactions and the signatories are specified in function of the sums involved in the transaction.

Information and communication

IMMOBEL uses the software program Navision as its financial management information system, of which the maintenance and development are subcontracted to a partner.

Data continuity is also subcontracted to a partner who is contractually bound to follow a strict procedure to establish a reliable and secure information storage system.

1. Abbreviation of "Committee of Sponsoring Organizations of the Treadway Commission".

For the large majority of entities in the IMMOBEL Group accounting is outsourced to a firm specialised in financial services. The accounts are kept in IMMOBEL's ERP², the integrated management software program Navision. The finance department of IMMOBEL is always in charge of the closure process and drafting the Annual Report, the Consolidated Financial Statements drawn up according to IFRS standards and the Annual Accounts.

Communication with the personnel and the various employees of IMMOBEL is appropriate to the size of the business. It is based mainly on work sessions, verbal communications from the management to the personnel as a whole, or internal e-mail notes signed mostly by the Managing Director.

In order to ensure rapid communication and equal treatment of all Shareholders, IMMOBEL publishes the Agenda and the minutes of the Annual General Meetings, the half-yearly and annual financial results, Press Releases, the Articles of Association, the Corporate Governance Charter and the Annual Report on its website. Certain information is also published in the press.

Supervision and monitoring

The AFC is responsible for supervising internal control. Given the size and the activities of the Company and the Group, the AFC does not consider it necessary to create the position of internal auditor to assist it in this mission.

In order to evaluate the control environment regularly, the AFC entrusts the auditor with certain specific missions involving more thorough examination of internal control, consisting of testing the existing controls and identifying possible weaknesses compared to best practice. The AFC ensures that the recommendations are implemented if the need arises.

Should the nature and size of the Group's activities change, the AFC would re-examine the need to get an internal auditor.

Rules and procedures

Transactions and other contractual relationships between the Company, including associated companies, with the Directors, the Members of the Executive Committee and the other staff

During 2015, the Board of Directors decided at three times to initiate the procedure provided for in Article 523 and 524 BCC (cfr. point VIII of the Management Report).

There has also been a transaction between a consultant of the Group and the Company IMMOBEL.

Application of the rules cited above has not given rise to any difficulty.

Comments on the measures taken by the Company in the context of the Directive on insider trading and manipulation of the market

In its Code of Good Conduct the Corporate Governance Charter provides rules intended to prevent the abuse of the market, which are applicable to Directors, to de facto managers, and to any other person liable to possess privileged information because of his/her involvement in the preparations for a particular operation.

These rules have been supplemented by an internal note summarizing the main legal obligations in this matter, particularly taking into account the Royal Decree of 5 March 2006 on abuse of the market, with a view to increasing an awareness of their obligations in those concerned.

The *Compliance Officer* is tasked with ensuring compliance with said rules in order to reduce the risk of abuse of the market by insider trading. The *Compliance Officer* keeps lists of people who have or are liable to have privileged information and who know or cannot reasonably be unaware of the privileged nature of this information.

When these people consider carrying out operations involving financial instruments issued by IMMOBEL, they must give the *Compliance Officer* prior notice in writing or by email of their intention to carry out this operation. Within 5 working days of reception of this prior notice the *Compliance Officer* will inform the persons concerned whether there is any

reason to think that the operation under consideration constitutes insider trading.

Should that be the case, it would be inadvisable to carry out the operation. These persons must notify the FSMA of any operations carried out on their own behalf and involving Company shares within five working days of the operation concerned being performed, this notification can be deferred, however, in conformity with the law, as long as the total sum of the operations carried out during the calendar year in progress does not exceed the threshold of € 3,000.

During these so-called "closed" periods, it is forbidden for these people to carry out operations involving IMMOBEL's financial instruments.

During the past financial year the job of *Compliance Officer* at IMMOBEL was carried out by Mrs Joëlle MICHA.

Application of the rules cited above has not given rise to any difficulty.

Legal and arbitration procedures

The Board of Directors of IMMOBEL assesses that no governmental, legal or arbitration proceeding exists that may have, or have had in the recent past, significant effects on the Company and that the Company is not aware of proceedings which are pending that could cause these governmental, legal or arbitration proceedings.

2. Abbreviation of "Enterprise Resource Planning".

INFORMATION ABOUT THE ISSUED CAPITAL

As at 31 December 2015	Number	Voting rights related there to
Ordinary shares	4,121,987	4,121,987

Shareholding structure

In application of article 29 of the Law of 2 May 2007 on the disclosure of shareholding in issuers whose shares are admitted to trading on a regulated market, IMMOBEL has been informed by the following Shareholders that they hold the following shares:

Shareholders as at 31 December 2015	Voting rights	% of total shares
ALLFIN GROUP Comm. VA having its registered seat at 1000 Brussels, rue des Colonies 56	1,230,398	29.85%
CAPFI DELEN ASSET MANAGEMENT NV ¹ having its registered seat at 2020 Antwerp, Jan Van Rijswijcklaan 178	208,516	5.06%

Elements that could have an influence in case of a takeover bid on securities issued by the Company

The General Meeting of Shareholders of 23rd May 2013 authorized the Board of Directors to increase the **Company's capital** by a maximum amount of € 50,000,000, in one or more occasions, dates and manner to be determined by the Board of Directors, and for a term of five years from the publication of this authorization in the Belgian Official Gazette.

The Company may acquire or take as security its **own shares** under the conditions determined by the law. The Board of Directors is authorized to sell, on the stock exchange or outside, at the conditions it determines, without prior authorization of the General Meeting, in accordance with the law.

The authorization given to the Board of Directors by decision of the Extraordinary General Meeting of Shareholders of 13 April 2011 to purchase or dispose of shares in the company when this purchase or disposal is necessary to prevent any serious imminent harm, has expired in May 2014.

It is intended to have these authorizations renewed during next Extraordinary General Meeting of Shareholders.

During the second half of 2015, IMMOBEL has proceeded with the sale, pursuant to section 11 of the Act of 14th December 2005, as amended by the Act of 21st December 2013, of 1,801 bearer shares whose holders were not known the day of the sale, being 18th August 2015.

Furthermore, by decision of the Extraordinary General Meeting of 13 April 2011, the Board of Directors is authorized to acquire shares of the Company to a maximum of twenty percent (20%) of the issued shares at a price which will not be less than ten (10) € nor more than twenty percent (20%) during the highest closing of the last twenty trading days of the Company shares on Euronext Brussels before the acquisition. This authorization is granted for a period of five (5) years from the date of the Extraordinary General Meeting of 13 April 2011. This authorization also applies to the acquisition of shares of the Company by a direct subsidiary according to article 627 of the BCC. The Board of Directors has full powers to cancel the shares acquired by the company in this way, to have the cancellation certified by notarial act and to amend and coordinate the Articles of Association to bring them into line with the decisions taken.

The rules governing the **appointment and replacement of Directors and the amendment of the Articles of Association** shall be those provided by the Companies Code, as well as by the Corporate Governance Charter of IMMOBEL.

The **terms of change of control** contained in credit agreements with financial institutions were approved by the General Meeting of 22nd May 2014, pursuant to section 556 of the Companies Act.

Other contributors**Statutory Auditor**

The Statutory Auditor is Deloitte Reviseurs d'Entreprises, represented by Mr Kurt Dehoorne, which has its registered seat at 1831 Diegem, Berkenlaan 8B. The fixed fees payable to the Statutory Auditor Deloitte for examination and review of the Statutory and Consolidated Accounts of IMMOBEL amounted to € 93,900 (excluding VAT). His fee for the revision of the statutory accounts of subsidiaries came to € 83,470 (excluding VAT).

The total fees charged by the Statutory Auditor and its network in 2015 for exercising its mandate (on group level) amounted to € 227,000.

By letter of 26th November 2015, the Company has been informed the permanent representative would be, as from that date, Mr Kurt Dehoorne, in replacement of Mr Laurent Boxus.

Central Paying Agent

BNP Paribas Fortis Bank is the Central Paying Agent of IMMOBEL for an indefinite period. The remuneration of the commission amounts up to 0.20% of the net amount (VAT excluded) of the coupon and of the income securities presented in a securities account.

1. Mutual fund.

REMUNERATION REPORT

Preliminary remark: The Management Committee¹ has ceased to exist on 1st December 2015 by Board decision of 10th December 2015. Its prerogatives have been taken over by the Executive Committee² for the financial years 2016 and following.

Procedure applied during the year 2015 for the creation of the remuneration policy

For the Directors

In 2015, the Company implemented the remuneration policy for the Directors described in point I.2.8 of the Corporate Governance Charter and in Appendix 2 of the regulation of the Board of Directors available on the Company's website (www.immobel.be).

- ▶ The Remuneration & Appointments Committee (hereafter "RAC") makes detailed proposals to the Board of Directors in respect of the remuneration of Directors.
- ▶ The General Meeting of Shareholders decides about the remuneration of its Directors upon proposal of the Board of Directors.

The level and structure of the remuneration of the non-executive Directors are determined on the basis of their general and specific responsibilities and market practice (and more specifically in other listed companies). In 2015, the RAC contracted Guberna, the Institute of Directors, to benchmark the current Director remuneration practices and recommend changes. These recommendations have been implemented. This remuneration includes a basic remuneration for Membership of the Board and an additional remuneration for the participation in the meetings or for each Chairmanship of a Committee or of the Board. Non-executive Directors receive no performance related remuneration, nor any benefits in kind, nor benefits linked to pension plans, nor an annual bonus, nor share options, nor participation in retirement plans. They are not entitled to any kind of compen-

sation when their mandate comes to an end. Remuneration of the non-executive Directors also takes into account the time they devote to their functions.

The executive Directors' mandates as Member of the Board may likewise be remunerated. In this case, the remuneration is taken into account in the global framework of remuneration paid to executive Directors for the executive functions they hold within IMMOBEL, in accordance with the remuneration policy for Directors and for the Management Committee.

For the Members of the Management Committee

In 2015, the Company implemented the remuneration policy for the Members of the Management Committee as described in point III.4 of the Corporate Governance Charter.

The Board of Directors approves the appointment propositions of the Members of the Management Committee and decides on their remuneration, based on the recommendations of the RAC, following a proposal by the Managing Director. The Managing Director does not assist to the deliberations if these concern his remuneration.

The level and structure of remuneration for the Members of the Management Committee at IMMOBEL are reviewed annually, and are such that they allow IMMOBEL to recruit, retain and motivate qualified and competent professionals taking into account the nature and the extent of their individual responsibilities on an ongoing basis. In 2015, the RAC contracted Towers Watson to perform a benchmark study for the remuneration of the Executive Committee. The recommendations in this study have been taken into account for the

new management and will be implemented as of 2016.

A procedure exists for the evaluation of their performances: the Managing Director establishes a proposal of the remuneration to the RAC, which evaluates in its turn the performances of the Management Committee.

The final decision with regard to the variable remuneration to be paid out belongs to the Board of Directors (bearing in mind that the final decision will be taken upon evaluation of the performance in view of the objectives/performance criteria). The Board of Directors analyses the competitiveness of IMMOBEL remuneration structure on the initiative of the RAC.

Remuneration of the Members of the Management Committee aims to:

- ▶ enable IMMOBEL to attract, motivate and retain first-rate, high-potential managers, bearing in mind the competitive environment in which it operates;
- ▶ encourage the achievement of ambitious performance targets by ensuring consistency between the interests of the managers and the Shareholders in the short, medium and long term;
- ▶ stimulate, recognize and compensate both significant individual contributions and strong collective performances.

No changes were made in 2015 to the remuneration policy of the Members of the Management Committee. However, the Board of

1. Made up till 1st December 2015 of Mr. Gaëtan PIRET, Philippe HELLEPUTTE, Christian KARKAN and Philippe OPSOMER.

2. Made up till 1st December 2015 of Mrs. Joëlle MICHA and Mr. Pierre DELHAISE, Bartłomiej HOFMAN as well as Jean-Louis MAZY (in addition of the Members of the Management Committee).

Directors of 10th December 2015 has decided to wind-up the Management Committee. As from 1st January 2016, the Company owes an Executive Committee which has taken over all the prerogatives of the Management Committee.

Individual remuneration and procedure applied in 2015 for determining this remuneration

For the Chairman of the Board of Directors

- ▶ The Board of Directors elects a Chairman from among its Members. The Chairman is designated on the basis of his knowledge, skills, experience and mediation strength. In particular, he must be respected and recognized by the financial world and public authorities (local, regional and federal), and as such have a network which will also command a respect of IMMOBEL on a geographical level.
- ▶ It is up to the Chairman, if necessary, with the support of the Committees set up by the Board of Directors, to assume the leading role in all initiatives aimed at ensuring the Board of Directors functions effectively in accordance with these Regulations.
- ▶ Since 1st July 2014, the remuneration of the Chairman of the Board amounts to € 200,000 per year for all its responsibilities (Chairman of the Board of IMMOBEL and Chairman of the Supervisory Board of IMMOBEL Poland). Moreover, he also assists to all meetings of the several Committees of the Board of Directors, i.e. AFC, RAC and IAMC.
- ▶ Since 1st January 2016, the remuneration of the Chairman of the Board amounts to € 50,000 per year.
- ▶ It is for the Chairman of the Board of Directors to:
 - ▶ establish a close relationship with the Managing Director, providing support and advice, while fully respecting the executive responsibilities of the Managing Director;
 - ▶ ensure the optimal composition of the Board of Directors. He/she initiates and conducts the process that governs:
 - (i) the formulation of requirements in respect of independence, competency and qualifications of IMMOBEL Directors;

- (ii) the appointment or re-election of Directors and of the Members of the Committees set up by the Board of Directors;
- (iii) the evaluation of the effectiveness of the Board of Directors as a whole;
- ▶ monitor the quality and effectiveness of the activities of the Board of Directors:
 - (i) by managing the calendar of meetings of the Board of Directors. The Chairman defines, in consultation with the Managing Director, the calendar of meetings of the Board of Directors and its Committees;
 - (ii) by preparing, chairing and leading meetings of the Board of Directors. The Chairman is consulted on all proposals to be submitted to the Board of Directors;
 - (iii) by continuously supervising and monitoring the quality of interaction and dialogue at the level of the Board of Directors. The Chairman ensures that the Board of Directors is kept fully informed of essential aspects of IMMOBEL's strategy, activities and financial situation;
- ▶ chair and conduct the General Shareholders' Meetings and ensures that they run smoothly.

For the other non-executive Directors

- ▶ In line with the benchmark study and the recommendations of Guberna, the Belgian Institute of Administrators, the Board of Directors of 27th March 2015, decided, with immediate effect, that the remuneration of the Directors (excepted the remuneration of the Chairman of the Board) would be determined as follows:
 - ▶ attribution of a fixed gross annual fee of € 10,000 for each Member of the Board of Directors;
 - ▶ attribution of a participation fee of € 1,500 (for the physically attended Meetings) for each Member of the Board of Directors, of the AFC, of the RAC and of the IAMC;
 - ▶ attribution of a participation fee of € 2,250 (for the physically attended Meetings) for the Chairman of the AFC (since 1st January 2016);
 - ▶ attribution of a participation fee of € 1,700 (for the physically attended Meetings) for the Chairman of the RAC (since 1st January 2016);
 - ▶ attribution of a participation fee of € 750 (for the Meetings attended by conference-call) per Member of the Board of Directors, of

the AFC (its Chairman included), of the RAC and of the IAMC.

- ▶ A mandate as non-executive Director does not include any entitlement to variable remuneration linked to the results or to any other performance criteria. It does not include entitlement to rights to stock options, nor to any corporate pension.
- ▶ The Company reimburses the Directors' travel and accommodation expenses for attendance at the meetings and the exercise of their functions in the Board of Directors and its Committees. The Chairman of the Board of Directors is the only non-executive Director to have an infrastructure (office and secretariat) at his disposal. The other non-executive Directors receive logistical support from the General Secretariat in function of their requirements. Furthermore, the Company ensures it takes the usual insurance policies to cover the activities that the Members of the Board of Directors carry out within the scope of their mandates.

For Members of the Management Committee until 1st December 2015

- ▶ The remuneration of the Members of the Management Committee is determined globally at gross rates. Consequently it does not only include the gross pro-rated remuneration from IMMOBEL, but also that for any contractual office or representative function in the companies in which IMMOBEL has holdings, be they majority or otherwise.
- ▶ Individual remuneration is fixed by the Board of Directors, on recommendation of the RAC, following a proposal by the Managing Director. Variable remuneration is foreseen for the Members of the Management Committee: their remuneration is linked to the results of the Company, taking into account the performance evaluation criteria relating to targets, the evaluation period and the method of evaluation.
- ▶ The variable remuneration is defined, upon proposal of the RAC, during the Board of Directors establishing the Annual Accounts per 31 December of the past year.

The amount of remuneration and other benefits accorded, directly or indirectly, to non-executive Directors by IMMOBEL or by an associated company.

The individual sums of remuneration given directly or indirectly to (non-executive) Directors in 2015 are shown in the table alongside. All of the amounts shown are gross, i.e. before the deduction of tax.

Remuneration of the Managing Director and the other Members of the Management Committee related to financial year 2015

The principles of remuneration and the link between remuneration and performance

Remuneration of the Members of the Management Committee is divided into a fixed part and a variable part; the latter includes:

- ▶ a variable quantitative remuneration exclusively based on the level of Return on Equity;
- ▶ a measurable variable qualitative remuneration determined in function of the responsibilities, the missions and targets to be achieved during the reviewed financial year, on an individual basis by each of the Members of the Management Committee.

The variable qualitative remuneration is based on two types of criteria:

- ▶ the optimal realization of the projects;
- ▶ the respect of the initial delays and feasibility;
- ▶ the reduction of the time necessary to obtain necessary permits and required for the development of the projects;
- ▶ as well as the management and control of the risks.

These elements are analyzed in perspective with the permits, the leases, the sales, the financings as well as the monitoring of the projects in development.

The relative importance of the various components of remuneration

The Members of the Management Committee do benefit from a weighted remuneration, at 60% for quantitative aspects, and at 40% for qualitative aspects, compared to total variable remuneration.

REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

	Attendances					Basic remuneration (€)
	BoD	AFC	RAC	IAMC	CID	
Paul Buysse*	7/7	2/2 (invited)	5/5 (invited)	2/2 (invited)	3/3 (invited)	130,411
Astrid De Lathauwer**	2/3	-	2/3	-	-	9,479
GAETAN PIRET sprl ¹ ***	9/9	3/3 (invited)	1/1 (invited)	3/3	3/3 (invited)	Cfr. p. 85
AHO Consulting bvba ²	1/1	-	-	-	-	Cfr. p. 86
ARSEMA sprl ³	10/10	3/4	7/8	-	3/3	50,000
DV CONSULTING, DE VALCK H. Comm. V. ⁴	10/10	4/4	-	-	-	31,589
Marnix Galle	2/2	-	2/2	1/1	-	10,445
A ³ Management bvba ⁵	8/8	-	6/6	3/3	-	33,144
Marek Modeckj ⁶ ****	4/4	-	2/2	-	2/2	15,839
ARFIN sprl ⁶ *****	1/1	1/1	-	-	-	6,408
Piet Vercruyse	10/10	-	-	-	-	24,839
Wilfried Verstraete ⁶ *****	8/9	3/4	-	4/5	3/3	36,712
Sandra Wiliikens ⁶ *****	-	-	-	-	-	1,849
ZOU2 ⁷ sprl	10/10	-	-	4/4	-	30,839
Total gross remuneration						381,554

* Resigned on 26th August 2015.
 ** Appointed since 26th August 2015.
 *** Resigned on 1st December 2015.
 **** Mandate not renewed during AGM 2015.
 ***** Appointed since 25th September 2015.
 ***** Resigned since 25th September 2015.
 ***** Resigned since 23rd February 2015.

1. Represented by its permanent representative Mr. Gaëtan PIRET.
 2. Represented by its permanent representative Mr. Alexander HODAC.
 3. Represented by its permanent representative Mr. Didier BELLENS.
 4. Represented by its permanent representative Mrs. Hilde DE VALCK.
 5. Represented by Marnix GALLE.
 6. Represented by its permanent representative Mr. Pierre NOTHOMB.
 7. Represented by its permanent representative Mrs. Sophie LAMBRIGHTS.

Based on the global performance of the Company during 2015 and on the realization of the individual targets of the Members of the Management Committee between 1st January and 1st December 2015, the variable part of the global remuneration (qualitative and quantitative) paid for 2015, represented 5.30% of the basic remuneration for the Members of the Management Committee (with exclusion of the one of the Managing Director).

Remuneration and other benefits accorded, directly or indirectly, to the Managing Director and other Members of the Management Committee

During the financial year 2015, the contracts with the companies represented by following persons, Members of the Management Committee, have come to an end:

- ▶ Gaëtan PIRET (CEO)
- ▶ Christian KARKAN (Head of Development)
- ▶ Philippe OPSOMER (Head of Finance)

MANAGEMENT COMMITTEE (€)

Till 01-12-2015	Managing Director	Members
Basic remuneration	341,297.70	759,698.78
Variable remuneration	-	95,288.71
Severance payment	1,453,431.19	717,419.64
Individual pension commitment	-	48,295.38
Company car	22,000.00	19,014.90
Other benefits	-	-

EXECUTIVE COMMITTEE⁸ (€)

From 1 st till 31-12-2015	Managing Director	Members
Basic remuneration	18,750.00	93,051.68
Variable remuneration	-	12,570.00
Severance payment	-	32,547.00
Individual pension commitment	-	7,582.37
Company car	-	3,896.99
Other benefits	-	522.57

8. Made up of Mrs Joëlle MICHA and of Mr. Alexander HODAC, Philippe HELLEPUTTE, Pierre DELHAISE, Bartlomiej HOFMAN and Jean-Louis MAZY.

One Member of the Management Committee has an individual pension commitment type “defined contribution and defined benefit plan” paid by the Company which includes life insurance, death insurance, disability insurance and a waiver of premium.

Regarding professional expenses chargeable to the Company, the same rules apply to Members of the Management Committee, including the Chairman of the Management Committee (Managing Director), as they apply to all the employees: professional expenses incurred must be justified post by post. The Company is not responsible for private expenses.

The remuneration accorded to AHO Consulting bvba, represented by Alexander HODAC, in its capacity of CEO for the period from 1st December 2015 till 31st December 2015 amounts to € 18,750.

Performance evaluation

Under the leadership of its Chairman, the Board of Directors regularly examines and evaluates its own performance and that of its Committees, as well as the efficacy of IMMOBEL’s governance structure, including the number, role and responsibilities of the various Committees set up by the Board of Directors. In 2014, the Chairman of the Board of Directors has initiated an evaluation procedure. Given the change of ownership occurred in September 2014 and the restructuring of the Board of Directors, it was decided to postpone the continuation of this exercise.

A periodic evaluation of the contribution made by each **Director** is carried out with a view to fine-tuning the composition of the Board of Directors to take into account changing circumstances. Individual Directors’ performance is evaluated as part of the re-election procedure.

Each year, at the proposal of the RAC the Board of Directors decides on the objectives of the **Managing Director** for the coming financial year and evaluates his performance for the period drawing to a close, in conformity with the procedure currently in place. This evaluation of the Managing Director’s performance is also used to fix the variable part of his annual remuneration.

The remuneration of the individual **Members of the Management Committee** is fixed by the Board of Directors at the recommendation of the RAC, following proposals made by

the Managing Director. Remuneration of the Members of the Management Committee is variable: their remuneration is linked to the Company’s results, taking into account the performance evaluation criteria with respect to the objectives, the evaluation period and the evaluation method.

Number and main features of (options on) shares/warrants – incentives

The mandate as Member of the Management Committee does not entail entitlement to shares, share options or any other rights to acquire shares.

Information regarding remuneration policy for the financial years to come

As in 2015, the remuneration policy will be reviewed during 2016 for the coming years.

The most important terms of their contractual relationship with IMMOBEL and/or a related company, including the terms concerning remuneration in case of early departure

Appointment

The Members of the Management Committee fulfill their duties to the Company based on a service provision contract. These contracts are similar to those generally agreed to with Members of their Management Committee by other listed companies.

Departure

Any indemnity due to a Member of the Management Committee by the IMMOBEL Group in the event of the termination of his service provision contract, will vary in function of the terms and conditions of the contract concerned, as specified hereafter, increased, if appropriate, by part of the variable remuneration linked to IMMOBEL’s results.

The table below shows the periods of notice or compensatory severance payment effectively owed by the Group when the termination of contracts with the following Members of the Management Committee happened:

▶ Gaëtan PIRET:	24 months ¹
▶ Christian KARKAN:	12 months ²
▶ Philippe OPSOMER:	12 months ³

To the extent necessary, it is specified that the compensations paid to the persons mentioned above, were under existing contractual arrangements, except the one paid to Christian KARKAN (instead of 18 months contractually agreed).

In case of future termination of contract with Alexander HODAC, before 1st December 2016, the compensation due will amount to 3 months; to be increased with one month on each anniversary date of the agreement, without exceeding 5 months.

On the recommendation of the RAC, the Board of Directors approved that in case of future termination of the contract with Philippe HELLEPUTTE and / or the company represented by Joëlle MICHA, the compensation due will remain 18 months.

Right of recovery

As the variable remuneration will only be attributed after approval of the Annual Accounts by the Ordinary General Meeting, there exists no specific right to recover variable remuneration paid out based on erroneous financial information.

Changes to the procedure applied for the creation of the Remuneration policy

In 2015, the RNC contracted Towers Watson to perform a benchmark study for the remuneration of the Executive Committee. The results of this benchmark have led to changes which have been implemented for the new members of the Executive Committee and for all other members as of 2016. In 2016, the Variable Remuneration will be calculated taking into account quantitative (Return on Equity) and qualitative criteria (such as risk management, leadership, new strategy development, etc.). A weight will be attributed to both group of criteria, and it is agreed that the future target is 80% on quantitative and 20% on qualitative. However, taking into account the new Management has limited impact on the returns of the current portfolio, for 2016 this weight will be equally divided: 50% / 50%.

Astrid DE LATHAUWER

Chairman of the Remuneration & Nomination Committee

A³ Management bvba

(represented by Marnix GALLE)
Chairman of the Board of Directors

1. Contract of 2008.

2. Contract of 2009.

3. Contract of 2007.

CONSOLIDATED ACCOUNTS

and
Condensed
Company
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CONSOLIDATED ACCOUNTS

Consolidated statement of comprehensive income (in thousands of €)

	NOTES	31-12-2015	31-12-2014
OPERATING INCOME		60,641	41,201
Turnover	2	53,926	31,606
Other operating income	3	6,715	9,595
OPERATING EXPENSES		-53,113	-38,409
Cost of sales	4	-33,695	-22,154
Personnel expenses	5	-6,796	-6,488
Amortisation, depreciation and impairment of assets (including reversals)	6	-2,638	-2,289
Change in the fair value of investment property	14	115	111
Other operating expenses	7	-10,099	-7,589
JOINT VENTURES AND ASSOCIATES	8 - 15	-445	24,854
Gain (loss) on sales of joint ventures and associates		-	23,817
Share in the net result of joint ventures and associates		-445	1,037
OPERATING RESULT		7,083	27,646
Interest income		2,271	2,385
Interest expense		-8,281	-9,106
Other financial income		135	318
Other financial expenses		-556	-594
FINANCIAL RESULT	9	-6,431	-6,997
RESULT FROM CONTINUING OPERATIONS BEFORE TAXES		652	20,649
Income taxes	10	52	-609
RESULT FROM CONTINUING OPERATIONS		704	20,040
RESULT OF THE YEAR		704	20,040
Share of non-controlling interests		-34	-1
SHARE OF IMMOBEL		738	20,041
RESULT OF THE YEAR		704	20,040
Other comprehensive income - items subject to subsequent recycling in the income statement		54	-367
Currency translation		54	-120
Currency translation - recycling in the income statement		-	-247
Other comprehensive income - items that are not subject to subsequent recycling in the income statement		178	456
Actuarial gains and losses (-) on defined benefit pension plans		178	456
Deferred taxes		-	-
TOTAL OTHER COMPREHENSIVE INCOME		232	89
COMPREHENSIVE INCOME OF THE YEAR		936	20,129
Share of non-controlling interests		-34	-1
SHARE OF IMMOBEL		970	20,130
NET RESULT PER SHARE (€) (DILUTED AND BASIC)	11	0.18	4.86
COMPREHENSIVE INCOME PER SHARE (€) (DILUTED AND BASIC)		0.24	4.88

Consolidated statement of financial position
(in thousands of €)

ASSETS	NOTES	31-12-2015	31-12-2014
NON-CURRENT ASSETS		67,538	77,493
Intangible assets	12	169	154
Property, plant and equipment	13	730	873
Investment property	14	2,829	2,714
Investments in joint ventures and associates	15	63,373	73,356
Deferred tax assets	16	186	145
Other non-current assets		251	251
CURRENT ASSETS		379,607	366,980
Inventories	17	334,541	310,971
Trade receivables	18	6,037	6,383
Tax receivables		178	74
Other current assets	19	21,899	24,082
Cash and cash equivalents	20	16,952	25,470
TOTAL ASSETS		447,145	444,473

EQUITY AND LIABILITIES	NOTES	31-12-2015	31-12-2014
TOTAL EQUITY	21	194,358	196,711
EQUITY SHARE OF IMMOBEL		194,375	196,703
Share capital		60,302	60,302
Retained earnings		133,596	136,156
Reserves		477	245
NON-CONTROLLING INTERESTS		-17	8
NON-CURRENT LIABILITIES		145,534	152,446
Employee benefit obligations	22	264	429
Provisions	23	4	24
Financial debts	20	143,757	150,484
Trade payables	24	1,509	1,509
CURRENT LIABILITIES		107,253	95,316
Provisions	23	3,728	3,483
Financial debts	20	62,267	67,726
Trade payables	24	18,894	12,251
Tax liabilities		163	149
Derivative financial instruments	20	140	80
Other current liabilities	25	22,061	11,627
TOTAL EQUITY AND LIABILITIES		447,145	444,473

Consolidated statement of cash flow

(in thousands of €)

	NOTES	31-12-2015	31-12-2014
Operating income		60,641	41,201
Operating expenses		-53,113	-38,409
Amortisation, depreciation and impairment of assets	6	2,638	2,289
Change in the fair value of investment property	14	-115	-111
Change in provisions	23	239	-132
Disposal of joint ventures and associates	15	134	29,800
Repayment of capital and advances by joint ventures	15	16,541	9,310
Acquisitions, capital injections and loans to joint ventures and associates	15	-7,133	-21,764
CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL		19,832	22,184
Change in working capital	26	-4,369	-23,972
CASH FLOW FROM OPERATIONS BEFORE PAID INTERESTS AND PAID TAXES		15,463	-1,788
Paid interests	9	-9,688	-9,492
Interest received	9	2,271	2,385
Paid / received taxes	9	-421	-276
Other financing cash flows	10	-79	292
CASH FROM OPERATING ACTIVITIES		7,546	-8,879
Acquisitions of intangible, tangible and other non-current assets		-150	-205
CASH FROM INVESTING ACTIVITIES		-150	-205
Increase in financial debts	20	16,711	38,175
Repayment of financial debts	20	-29,327	-13,512
Gross dividend paid		-3,298	-6,595
CASH FROM FINANCING ACTIVITIES		-15,914	18,068
NET INCREASE OR DECREASE (-) IN CASH AND CASH EQUIVALENTS		-8,518	8,984
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		25,470	16,486
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		16,952	25,470

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

Consolidated statement of changes in equity
(in thousands of €)

	CAPITAL	RETAINED EARNINGS	CURRENCY TRANSLATION	RESERVE FOR DEFINED BENEFIT PLANS	EQUITY TO BE ALLOCATED TO THE GROUP	NON CONTROLLING INTERESTS	TOTAL EQUITY
2014							
BALANCE AS AT 01-01-2014	60,302	122,710	310	-154	183,168	9	183,177
Total comprehensive income for the year		20,041	-367	456	20,130	-1	20,129
Dividends paid ¹		-6,595			-6,595		-6,595
CHANGES IN THE YEAR		13,446	-367	456	13,535	-1	13,534
BALANCE AS AT 31-12-2014	60,302	136,156	-57	302	196,703	8	196,711
2015							
BALANCE AS AT 01-01-2015	60,302	136,156	-57	302	196,703	8	196,711
Total comprehensive income for the year		738	54	178	970	-34	936
Dividends paid ²		-3,298			-3,298		-3,298
Other changes						9	9
CHANGES IN THE YEAR		-2,560	54	178	-2,328	-25	-2,353
BALANCE AS AT 31-12-2015	60,302	133,596	-3	480	194,375	-17	194,358

1. Gross interim unit dividend of € 1.60 per share paid in September 2014.

2. Dividend saldo for the year 2014 of € 0.80 gross per share paid in June 2015.

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 24th March 2016.

STANDARDS AND INTERPRETATIONS APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON 1 JANUARY 2015

- Improvements to IFRS (2011-2013) (applicable for annual periods beginning on or after 1 January 2015)
- IFRIC 21 Levies (applicable for annual periods beginning on or after 17 June 2014)

STANDARDS AND INTERPRETATIONS PUBLISHED, BUT NOT YET APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON 1 JANUARY 2015

- IFRS 9 *Financial Instruments and subsequent amendments* (applicable for annual periods beginning on or after 1 January 2018, but not yet endorsed in the EU)
- IFRS 14 *Regulatory Deferral Accounts* (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in the EU)
- IFRS 15 *Revenue from Contracts with Customers* (applicable for annual periods beginning on or after 1 January 2018, but not yet endorsed in EU)
- IFRS 16 *Leases* (applicable for annual periods beginning on or after 1 January 2019, but not yet endorsed in EU)
- Improvements to IFRS (2010-2012) (applicable for annual periods beginning on or after 1 February 2015)
- Improvements to IFRS (2012-2014) (applicable for annual periods beginning on or after 1 January 2016)
- Amendments to IFRS 10, IFRS 12 and IAS 28 *Investment Entities: Applying the Consolidation Exception* (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in EU)
- Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (the effective date has been deferred indefinitely, and therefore the endorsement in EU has been postponed)
- Amendments to IFRS 11 *Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations* (applicable for annual periods beginning on or after 1 January 2016)

- Amendments to IAS 1 *Presentation of Financial Statements – Disclosure Initiative* (applicable for annual periods beginning on or after 1 January 2016)
- Amendments to IAS 7 *Statement of Cash Flows – Disclosure Initiative* (applicable for annual periods beginning on or after 1 January 2017, but not yet endorsed in EU)
- Amendments to IAS 12 *Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses* (applicable for annual periods beginning on or after 1 January 2017, but not yet endorsed in EU)
- Amendments to IAS 16 and IAS 38 *Property, Plant and Equipment and Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation* (applicable for annual periods beginning on or after 1 January 2016)
- Amendments to IAS 16 and IAS 41 *Agriculture: Bearer Plants* (applicable for annual periods beginning on or after 1 January 2016)
- Amendments to IAS 19 *Employee Benefits - Employee Contributions* (applicable for annual periods beginning on or after 1 February 2015)
- Amendments to IAS 27 *Separate Financial Statements - Equity Method* (applicable for annual periods beginning on or after 1 January 2016).

The impact of these new standards is under investigation by the Group, at least for IFRS15. We do expect changes in the revenue recognition compared to IFRIC15, eg by more easily recognizing revenue according to the percentage of completion.

3. Preparation and presentation of the financial statements

The consolidated financial statements are presented in thousands of €.

They are prepared on the historical cost basis, except for investment property, securities held for trading, available-for-sale securities and derivative financial instruments which are measured at fair value.

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 1st January 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

Goodwill

Goodwill represents the excess of the price of the business combination 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 an associate is included in the book value of the associate. Goodwill resulting from the acquisition of subsidiaries and joint ventures 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, a joint entity or an associate over the price of business combination at the date of acquisition. 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 € 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 IN 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. 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,
- right of building, emphyteutic lease or long lease : according to the duration of the right or the life span of the related asset, whichever is shorter,
- installations, complexes, machinery and specific equipments : 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.

8. Investment property

Investment property is measured in accordance with the fair value model of IAS 40 - Investment property. It represents 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 it. Investment property (under construction) is initially measured at cost and subsequently carried at fair value. Any change in fair value is directly recognised in the income statement.

9. Leases

The Group distinguishes finance leases and operating leases by determining if objective criteria indicate that the major part of the value of the asset will be used by the group:

- because the present value of the lease payments approximates the majority of the fair value of assets,
- because the lease period covers the major part of the useful life of the asset
- because the Group has a purchase option for a price lower than the estimated value of the asset at the exercise date
- based on other indicators

FINANCE LEASE

Assets held by the Group under finance lease are initially recognised at their fair value or at the present value of the minimum lease payments, whichever is lower. The corresponding obligation to the lessor regarding this asset is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between financial expenses and the decrease in lease obligation at a constant interest rate with respect to the remaining debt balance. Financial expenses are directly recognised in profit and loss. Assets held under finance leases are depreciated on a straight-line basis over their expected useful lives or the lease term, whichever is shorter.

OPERATING LEASE

Lease payments under an operating lease are recognised as expenses in the income statement on a straight-line basis over the lease term.

10. 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.

TRADE RECEIVABLES

Short term trade receivables are measured at nominal value less appropriate allowances for estimated irrecoverable amounts. An assessment of the permanent character of doubtful trade receivables is carried out and any write-downs are recorded.

CASH AND CASH EQUIVALENTS

Cash includes cash on hand and demand deposits (deposits of less than 3 months). Cash equivalents are very short term, highly liquid investments that are subject to an insignificant risk of change in value.

Cash and cash equivalents are carried in the balance sheet at amortized cost.

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.

Investing activities are the acquisition and disposal of longterm 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.

SHAREHOLDERS' 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.

BANK BORROWINGS AND OVERDRAFTS

Interest-bearing bank borrowings and overdrafts are recorded at the cash amount, less any transaction costs. After the initial recording they are measured at amortised cost. Any difference between the received consideration and the expected exit value is recognised under income over the term of the borrowing using the effective interest rate.

TRADE PAYABLES

Short-term trade payables are recorded at their nominal value.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING TRANSACTIONS

Derivative financial instruments are initially measured at cost and subsequently carried at their fair values. The method of recognising the unrealised result from derivatives depends on the nature of the hedged item. On the date a derivative contract is entered into, the instrument is designated either as a hedge of the fair value of recognised assets or liabilities (fair value hedge) or as a hedge of future cash flows (cash flow hedge). Changes in the fair value of derivative financial instruments designated as fair value hedge are recorded in profit and loss, in addition to the changes in the fair value of the hedged asset or liability. With respect to cash flow hedges, the changes in the fair value are recognised in the other elements of comprehensive income. The ineffective hedging portion is recorded directly in profit and loss. The changes in the fair value of derivative instruments that do not meet the hedge accounting requirements are recognised directly under income.

11. Inventories

Inventories are measured at cost or net realisable value, whichever is lower.

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.

Interests during construction are capitalised, for the projects started after 1 January 2009.

When specific identification is not possible, cost is determined using the weighted average cost method. 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.

12. 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.

13. Post-employment benefits

The current post employment benefit plan of the Group is a defined benefit 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.

14. 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.

15. Revenue from ordinary operation

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

Revenue from Real Estate Development activities is measured at the fair value of the consideration received or receivable.

To the extent that the sale contract contains several distinct parts and whose delivery is separate, the different parts are recognised separately for the proceeds of the sale.

To the extent that the contract of sale of a property development (or part of this contract) qualifies as a construction contract, the proceeds of the sale is recognized at the advancement of the project.

To the extent that the sale contract of a property development (or part of this contract) does not qualifies as a construction contract, the proceeds of the sale is recognised at delivery, unless the contract states that there is continuing transfer of ownership in order to be possible to recognise the revenue of the sale over the period of the transfer of ownership, or at the advancement of the project.

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.

16. Impairment on value of assets

The carrying amount of non-current assets (other than financial assets in the scope of IAS 39, 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 receivables and investments of the company held to maturity is the present value of the future cash flows, discounted at the original effective interest rate inherent to those assets.

The recoverable amount of other assets 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

17. Borrowing costs

Borrowing costs include interests on bank overdrafts and short- and long-term borrowings, amortisation of share premiums or repayment of borrowings, amortisation of accrued incidental borrowing costs. The costs are capitalised into the cost of qualifying assets. The fair value adjustments of financial derivatives associated to financial debts related to specific projects are capitalised, even if the derivative is not accounted as hedging instrument.

18. Taxes

Income tax for the year includes current and deferred tax. Current and deferred income taxes are recognised in profit and loss only if 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 sources of uncertainties related to the estimations and main judgements

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.

The fair value of the investment properties is estimated by independent experts in accordance with the principles as described under note 14 of the financial statements.

As part of the impairment tests, the recoverable value of an asset is estimated based on the present value of the expected cash flows generated by this asset.

For the provisions, the bookvalue 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.

21. Temporary joint ventures

The accounts of the temporary joint venture are accounted for in the financial statements using the proportionate consolidation method, each heading of the balance sheet and of the income statement is included in proportion to the share held by the partner in the temporary joint venture.

22. Segment reporting

A segment is a distinguishable component of the company, 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.

The company is composed of 3 segments : "offices", "residential development" and "land development".

Notes to the consolidated financial statements

(in thousands of €)

1. Operating segment - Financial information by business segment

The segment reporting is presented in respect of the operational segments. The results and asset and liability items of the segment include items that can be attributed to a sector, either directly, or allocated on an allocation formula.

The core business of the Company, real estate development, includes the activities of “offices”, “residential development” and “land development”.

There are no transactions between the different sectors. The Group’s activity is carried out in Belgium, Grand Duchy of Luxemburg and Poland. The breakdown of sales by country depends on the country where the activity is executed.

In accordance with IFRS, the Company applied since 1st January 2014, IFRS 11, which amends the strong readings 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.

SUMMARY OF THE INTERNAL CONSOLIDATED FINANCIAL STATEMENTS (BEFORE APPLICATION OF IFRS 11)

INCOME STATEMENT (INTERNAL)	31-12-2015	31-12-2014
OPERATING INCOME	103,647	183,083
Turnover	96,643	173,045
Other operating income	7,004	10,038
OPERATING EXPENSES	-93,184	-151,838
Cost of sales	-72,083	-129,980
Personnel expenses	-6,796	-6,488
Amortisation, depreciation and impairment of assets (including reversals)	-2,904	-2,293
Change in the fair value of investment property	115	111
Other operating expenses	-11,516	-13,188
OPERATING RESULT	10,463	31,245
Interest income	333	489
Interest expense	-8,765	-9,731
Other financial income and expenses	-466	-379
FINANCIAL RESULT	-8,898	-9,621
Share in the net result of investments in associates	-295	-225
RESULT FROM CONTINUING OPERATIONS BEFORE TAXES	1,270	21,399
Income taxes	-566	-1,359
RESULT FROM CONTINUING OPERATIONS	704	20,040
RESULT OF THE YEAR	704	20,040
Share of non-controlling interests	-34	-1
SHARE OF IMMOBEL	738	20,041

INCOME STATEMENT (INTERNAL)	TURNOVER		OPERATING RESULT	
	31-12-2015	31-12-2014	31-12-2015	31-12-2014
OFFICES				
Belgium	23,682	116,740	5,844	21,498
Grand-Duchy of Luxemburg	-	-	-656	586
Poland	-	-	161	-1,141
SUBTOTAL OFFICES	23,682	116,740	5,349	20,943
RESIDENTIAL				
Belgium	51,229	27,360	-930	3,190
Grand-Duchy of Luxemburg	4,224	12,451	673	2,007
Poland	-	3,623	-183	1,901
SUBTOTAL RESIDENTIAL	55,453	43,434	-440	7,098
LANDBANKING				
Belgium	17,508	12,871	5,554	3,204
SUBTOTAL LANDBANKING	17,508	12,871	5,554	3,204
TOTAL CONSOLIDATED	96,643	173,045	10,463	31,245
Belgium	92,419	156,971	10,468	27,892
Grand-Duchy of Luxemburg	4,224	12,451	17	2,593
Poland	-	3,623	-22	760
			31-12-2015	31-12-2014
Financial result			-8,898	-9,621
Share in the result of investments in associates			-295	-225
Income taxes			-566	-1,359
RESULT FROM CONTINUING OPERATIONS			704	20,040
NET RESULT			704	20,040

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (INTERNAL)	31-12-2015	31-12-2014
NON-CURRENT ASSETS	4,630	5,032
Investments in joint ventures and associates	384	806
Other non-current assets	4,246	4,226
CURRENT ASSETS	506,948	492,191
Inventories	456,844	423,479
Trade receivables and other current assets	25,633	36,726
Cash and cash equivalents	24,471	31,986
TOTAL ASSETS	511,578	497,223
TOTAL EQUITY	194,358	196,711
NON-CURRENT LIABILITIES	156,914	166,846
Financial debts	155,029	164,488
Other non-current liabilities	1,885	2,358
CURRENT LIABILITIES	160,306	133,666
Financial debts	110,409	99,393
Trade payables and other current liabilities	49,897	34,273
TOTAL EQUITY AND LIABILITIES	511,578	497,223

FINANCIAL POSITION ITEMS (INTERNAL)	OFFICES	RESIDENTIAL	LANDBANKING	CONSOLIDATED
2015				
Segment assets	252,936	137,647	95,446	486,029
Unallocated items ¹				25,549
TOTAL ASSETS				511,578
Segment liabilities	34,093	12,012	4,338	50,443
Unallocated items ¹				266,777
TOTAL LIABILITIES				317,220
2014				
Segment assets	248,148	117,232	98,493	463,873
Unallocated items ¹				33,350
TOTAL ASSETS				497,223
Segment liabilities	13,295	17,482	4,846	35,623
Unallocated items ¹				264,889
TOTAL LIABILITIES				300,512

	BELGIUM	GRAND-DUCHY OF LUXEMBURG	POLAND	TOTAL
Segment assets 31-12-2015	327,333	81,533	77,163	486,029
Segment assets 31-12-2014	330,694	63,946	69,233	463,873
Non-current segment assets 31-12-2015	3,775	225	365	4,365
Non-current segment assets 31-12-2014	3,940	225	643	4,808

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

INVENTORIES

Allocation of inventories by segment is as follows:

INTERNAL	31-12-2015	31-12-2014
Offices	241,233	227,454
Residential Development	124,900	103,226
Land Development	90,711	92,799
TOTAL INVENTORIES	456,844	423,479

Allocation of inventories by geographical area is as follows:

INTERNAL	31-12-2015	31-12-2014
Belgium	305,227	298,986
Grand-Duchy of Luxemburg	77,499	56,979
Poland	74,118	67,514
TOTAL INVENTORIES	456,844	423,479

The book value of inventories evolve as follows:

INTERNAL	31-12-2015	31-12-2014
INVENTORIES AS AT 1 JANUARY	423,479	464,655
Purchases of the year	21,585	4,931
Developments of the year	82,655	77,504
Disposals of the year	-73,027	-123,774
Borrowing costs	3,163	1,592
Write-offs recorded	-1,011	-1,429
MOVEMENTS DURING THE YEAR	33,365	-41,176
INVENTORIES AS AT 31 DECEMBER	456,844	423,479

Break down of the movements of the year per segment:

INTERNAL	PURCHASES	DEVELOPMENTS	DISPOSALS	BORROWING COSTS	NET WRITE-OFFS	TRANSFERS	NET
Offices	-	33,452	-11,529	1,620	-747	-9,017	13,779
Residential Development	17,870	43,233	-52,817	632	-264	13,020	21,674
Land Development	3,715	5,970	-8,681	911	-	-4,003	-2,088
TOTAL	21,585	82,655	-73,027	3,163	-1,011	-	33,365

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

INTERNAL	PURCHASES	DEVELOPMENTS	DISPOSALS	BORROWING COSTS	NET WRITE-OFFS	TRANSFERS	NET
Belgium	3,715	69,597	-68,853	2,057	-275	-	6,241
Grand-Duchy of Luxemburg	16,045	8,965	-4,174	420	-736	-	20,520
Poland	1,825	4,093	-	686	-	-	6,604
TOTAL	21,585	82,655	-73,027	3,163	-1,011	-	33,365

CASH FLOW ITEMS (INTERNAL)	OFFICES	RESIDENTIAL	LANDBANKING	CONSOLIDATED
2015				
Operating result	5,349	-440	5,554	10,463
Amortisation, depreciation and impairment	2,461	377	66	2,904
Change in the fair value of investment property	-115	-	-	-115
Change in provisions	71	282	-	353
Acquisitions and disposals of associates	-	134	-	134
Change in working capital	15,471	-25,868	3,481	-6,916
OPERATING CASH FLOW BEFORE PAID INTERESTS AND PAID INCOME TAXES	23,237	-25,515	9,101	6,823
CASH FROM INVESTING ACTIVITIES	-70	-53	-19	-142
2014				
Operating result	20,943	7,098	3,204	31,245
Amortisation, depreciation and impairment	1,578	643	72	2,293
Change in the fair value of investment property	-111	-	-	-111
Change in provisions	2,286	-21	-8	2,257
Acquisitions and disposals of associates	-	-518	-	-518
Change in working capital	35,787	-8,854	-7,723	19,210
OPERATING CASH FLOW BEFORE PAID INTERESTS AND PAID INCOME TAXES	60,483	-1,652	-4,455	54,376
CASH FROM INVESTING ACTIVITIES	-102	-40	-68	-210

2. Turnover

Turnover is allocated as follows per segment:

	31-12-2015	31-12-2014
Offices ¹	13,566	1,785
Residential Development ²	22,852	16,950
Land Development ³	17,508	12,871
TOTAL TURNOVER	53,926	31,606

The total turnover mentioned above has been realised in Belgium.

In 2015, there are no sales transactions with an individual client representing more than 10% of the turnover.

3. Other operating income

Other operating income is allocated by segment as follows :

	31-12-2015	31-12-2014
Offices	5,187	4,735
Residential Development	1,057	4,483
Land Development	471	377
TOTAL OTHER OPERATING INCOME	6,715	9,595

This heading includes rental income (€ 5,044 thousand compared to € 7,144 thousand in 2014) on properties available for sale or awaiting for development, recoveries of taxes and withholdings, re invoicing of expenses and other miscellaneous reimbursements.

The decrease in rental income is to be linked with the vacancy before work of the *Parc Seny* project.

1. The "Offices" turnover is mainly influenced by the sale of the Gateway project.

2. The promotions Clos de la Charmeriaie and Clos Bourgeois in Brussels, Duinenzicht in Bredene, Résidences Trois Ruisseaux et Grand Pré in Chastre and Lindepark in Tervuren contribute in particular to the "Residential Development" turnover.

3. Durant the year 2015, sales consisted of 16ha of land including 150 plot of building land at sites in Braine-l'Alleud, Eupen, Geel, Middelkerke, Soumagne, Uccle, Waterloo and Waremme.

4. Cost of sales

Cost of sales is allocated as follows per segment:

	31-12-2015	31-12-2014
Offices	-5,025	-1,563
Residential Development	-20,113	-14,116
Land Development	-8,557	-6,475
TOTAL COST OF SALES	-33,695	-22,154

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

5. Personnel expenses

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

They break down as follows:

	31-12-2015	31-12-2014
Salaries and fees of personnel and members of the Executive Committee	-6,249	-6,905
Severance pay of Executive Committee members	-2,495	-
Project monitoring costs capitalized under "Inventories" ¹	2,990	1,633
Salaries of the non-executive Directors	-342	-525
Social security charges	-456	-415
Pension costs	-199	-232
Other	-45	-44
PERSONNEL EXPENSES	-6,796	-6,488

The number of full time equivalents on 31 December, 2015 amounted 27.6.

6. Amortisation, depreciation and impairment of assets

Break down as follows:

	31-12-2015	31-12-2014
Amortisation of intangible and tangible assets	-278	-293
Impairment loss on investments in associates	-	-565
Write down on inventory	-747	-1,426
Write down on trade receivables	-57	-5
Write down on other current assets	-1,556	-
AMORTISATION, DEPRECIATION AND IMPAIRMENT OF ASSETS	-2,638	-2,289

Write down on other current assets mainly concern an office project located in the Grand-Duchy of Luxembourg.

1. The Company capitalizes consistently the real costs incurred for the monitoring of its projects in its various business segments.

7. Other operating expenses

Break down as follows :

	31-12-2015	31-12-2014
Services and other goods	-8,012	-6,651
Other expenses	-1,862	-1,039
Provisions	-225	101
OTHER OPERATING EXPENSES	-10,099	-7,589

Main components of **services and other goods**:

	31-12-2015	31-12-2014
Rent and service charges, including mainly rent and service charges for the registered office	-518	-646
Third party payment, including in particular the fees paid to third parties and related to the turnover.	-3,795	-4,241
Costs related to the study of the proposed merger with ALLFIN	-2,031	-
Other services and other goods, including company supplies, advertising, maintenance and repair expense of properties available for sale or awaiting for development	-1,668	-1,764
TOTAL SERVICES AND OTHER GOODS	-8,012	-6,651

Operating lease obligations:

	31-12-2015	31-12-2014
Total amount of payments recognised under expenses for the year	-357	-421
Total minimum payments to be made:		
- within one year	-339	-384
- after one year but within 5 years	-403	-803
- more than 5 years	-	-

These amounts correspond mainly to the rent for the registered office and cars.

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

	31-12-2015	31-12-2014
Audit fees at consolidation level	-227	-208
Fees for extraordinary services and special missions accomplished within the Group ² :	-141	-41
- Tax consulting missions	-25	-25
- Other missions outside the audit mission	-116	-16

The **other expenses** of € -1,862 thousand mainly concern taxes (property withholding taxes, regional and municipal taxes) not capitalised on assets included in inventory.

Main components of variations in provisions:

	31-12-2015	31-12-2014
Provisions related to the sales	-237	95
Other provisions	12	6
TOTAL VARIATIONS IN PROVISIONS	-225	101
Increase	-422	-20
Use	197	6
Reversal	-	115

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

8. Joint ventures and associates

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

	31-12-2015	31-12-2014
Operating result	2,963	4,658
Financial result	-2,791	-2,861
Income taxes	-617	-760
RESULT OF THE PERIOD	-445	1,037

Further information related to joint ventures and associates are described in note 15.

9. Financial result

The financial result breaks down as follows:

	31-12-2015	31-12-2014
Cost of gross financial debt at amortised cost	-10,118	-9,821
Activated interests on projects in development	1,897	527
Fair value changes on financial instruments	-60	189
Interest income	2,271	2,385
Other financial charges & income	-421	-276
FINANCIAL RESULT	-6,431	-6,997

Cost of gross financial debt at amortised costs	-10,118	-9,821
Amortization of loan expenses	430	430
Change in interest paid / unpaid	-	-101
PAID INTERESTS (STATEMENT OF CASH FLOW)	-9,688	-9,492

The amounts relating to fair value changes are from financial instruments acquired for hedging purposes, but which were not designated as hedging for hedge accounting under IAS 39. These instruments are detailed in note 20.

10. Income taxes

Income taxes are as follows:

	31-12-2015	31-12-2014
Current income taxes for the current year	-48	-200
Current income taxes for the previous financial years	59	42
Deferred taxes	41	-450
TOTAL OF TAX EXPENSES RECOGNIZED IN THE STATEMENT OF COMPREHENSIVE INCOME	52	-609

Current taxes	11	-158
Change in tax receivables	-104	315
Change in tax liabilities	14	135
Paid income taxes (statement of cash flow)	-79	292

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

	31-12-2015	31-12-2014
Result before taxes	652	20,649
Share in the net result of joint ventures and associates	445	-1,037
RESULT BEFORE TAXES AND SHARE IN THE RESULT OF JOINT VENTURES AND ASSOCIATES	1,097	19,612
THEORETICAL INCOME TAXE CHARGE AT 33.99%	-373	-6,666
Tax impact:		
- non-taxable income (disposal of shares)	-	8,095
- non-deductible expenses	-303	-514
- use of taxes losses and notional interests deduction carried forward on which no DTA was recognised in previous years	3,460	1,198
- losses on which no DTA is recognised	-2,791	-2,659
Income taxes for the previous financial years	59	-63
TAX CHARGE	52	-609
EFFECTIVE TAX RATE OF THE YEAR	NA	3.1%

11. Earnings per share

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

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

	31-12-2015	31-12-2014
Average number of shares considered for basic earnings and diluted earnings	4,121,987	4,121,987
Net result from continuing operations	704	20,040
Group's share in the net result for the year	738	20,041
Net per share (€):		
- Result of the continuing operations	0.17	4.86
- Group's share in the net result of the year	0.18	4.86

12. Intangible assets

Intangible assets evolve as follows:

	31-12-2015	31-12-2014
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD	357	270
Acquisitions	60	87
ACQUISITION COST AT THE END OF THE YEAR	417	357
AMORTISATION AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD	-203	-175
Amortisation	-45	-28
AMORTISATION AND IMPAIRMENT AT THE END OF THE YEAR	-248	-203
NET CARRYING AMOUNT AS AT 31 DECEMBER	169	154

13. Property, plant and equipment

Property, plant and equipment evolve as follows:

	31-12-2015	31-12-2014
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD	2,149	2,033
Acquisitions	90	137
Disposals	-	-21
ACQUISITION COST AT THE END OF THE YEAR	2,239	2,149
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD	-1,276	-1,011
Depreciations	-233	-265
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE YEAR	-1,509	-1,276
NET CARRYING AMOUNT AS AT 31 DECEMBER	730	873

Property, plant and equipment consist primarily of installation costs of the headquarters, amortized over the lease term, or 9 years.

14. Investment property

Investment property is measured by independent experts in accordance with the fair value model of the IAS 40 standard.

Investment property evolve as follows:

	31-12-2015	31-12-2014
FAIR VALUE ON 1 JANUARY	2,714	2,603
Change in the fair value recognized in the statement of comprehensive income	115	111
FAIR VALUE ON 31 DECEMBER	2,829	2,714

This account contains a land under leasehold of an office building with a long lease expiring October 31, 2025.

The fair value of this asset is estimated considering the transfer charges to be on charge of the purchaser.

Key assumptions used to determine fair value:

	31-12-2015	31-12-2014
Rental price (€) per m ² of residential	115	115
Discount rate	6.75%	6.75%

15. 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:

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	31-12-2015	31-12-2014
Investments in associates	384	1,540
Investments in joint ventures	62,989	71,816
TOTAL INVESTMENTS INCLUDED IN THE STATEMENT OF FINANCIAL POSITION	63,373	73,356

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

	31-12-2015	31-12-2014
VALUE AS AT 1 JANUARY	73,356	69,238
Share in result	-445	1,037
Acquisitions, capital injections and loans to joint ventures and associates	7,133	21,764
Dividends, liquidations and disposals of joint ventures and associates	-134	-8,773
Repayment of capital and advances by joint ventures and associates	-16,541	-9,310
Impairment loss on investments in joint ventures and associates	-	-565
Currency translation	4	-35
CHANGES FOR THE YEAR	-9,983	4,118
VALUE AS AT 31 DECEMBER	63,373	73,356

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	31-12-2015	31-12-2014
Share in the net result of joint ventures	-150	1,261
Share in the net result of associates	-295	-224
SHARE OF JOINT VENTURES AND ASSOCIATES IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	-445	1,037

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

NAMES	% INTEREST		BOOK VALUE OF THE INVESTMENTS		SHARE IN THE COMPREHENSIVE INCOME	
	2015	2014	2015	2014	2015	2014
Bella Vita	50.0%	50.0%	7,027	6,334	667	918
CBD International	50.0%	50.0%	-619	-300	-320	-347
Château de Beggen	50.0%	50.0%	239	2,796	178	1,074
Espace Trianon	50.0%	50.0%	2,114	2,469	-355	102
Fenster Enterprise	50.0%	50.0%	1,274	-197	-33	305
Foncière du Parc	50.0%	50.0%	170	880	5	0
Gateway	50.0%	50.0%	605	11,212	598	-253
Ilot Ecluse	50.0%	50.0%	191	194	-3	-4
Intergénérationnel de Waterloo	50.0%	50.0%	19	23	-3	-1
Pef Kons Investment	33.3%	33.3%	9,466	9,035	-515	-508
M1	33.3%	-	4,600	-	-215	-
M7	33.3%	-	320	-	-23	-
RAC2	40.0%	40.0%	8,188	8,477	-940	-672
RAC3	40.0%	40.0%	3,438	2,453	940	-20
RAC4	40.0%	40.0%	12,425	12,424	-117	-63
Société Espace Léopold	50.0%	50.0%	2,911	2,364	548	-64
Temider Enterprise	50.0%	50.0%	-	1,279	58	1,471
Universalis Park	50.0%	50.0%	10,498	12,238	-607	-664
Vilpro	50.0%	50.0%	121	134	-13	-11
TOTAL JOINT VENTURES			62,989	71,816	-150	1,261
DHR Clos du Château	33.3%	33.3%	86	135	51	3
Espace Midi	20.0%	20.0%	-	779	-11	5
Graspa Development	25.0%	25.0%	298	626	-335	-233
TOTAL ASSOCIATES			384	1,540	-295	-224
TOTAL JOINT VENTURES AND ASSOCIATES			63,373	73,356	-445	1,037

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 intercompanies.

AS AT 31 DECEMBER 2015	FIGURES 100%					TOTAL EQUITY ALLOCATED TO THE GROUP	SHAREHOLDER LOANS BY THE GROUP	BOOK VALUE OF THE INVESTMENTS
	TURNOVER	COMPREHENSIVE INCOME	TOTAL ASSETS	TOTAL LIABILITIES	TOTAL EQUITY			
Bella Vita	44,678	1,334	32,977	23,889	9,088	4,544	2,483	7,027
CBD International	-	-639	20,322	21,561	-1,239	-619		-619
Château de Beggen	8,448	356	4,314	3,836	479	239		239
Espace Trianon	10	-710	5,603	1,375	4,228	2,114		2,114
Fanster Enterprise	-	-65	3,520	973	2,547	1,274		1,274
Foncière du Parc	104	11	344	3	341	170		170
Gateway	14,478	1,196	1,274	64	1,211	605		605
Ilot Ecluse	-	-6	391	9	382	191		191
Intergénérationnel de Waterloo	-	-7	41	2	39	19		19
Pef Kons Investment	-	-1,544	80,908	81,136	-228	-76	9,542	9,466
M1	-	-645	46,207	46,552	-345	-115	4,715	4,600
M7	-	-70	2,651	2,421	230	77	243	320
RAC2	-	-2,350	36,279	37,781	-1,502	-601	8,789	8,188
RAC3	14,978	2,350	10,484	3,438	7,046	2,818	620	3,438
RAC4	-	-294	30,885	3,804	27,081	10,833	1,593	12,425
Société Espace Léopold	5,754	1,095	6,138	315	5,823	2,911		2,911
Temider Enterprise	-	117	-	-	-	-	-	-
Universalis Park	-	-1,214	61,202	67,663	-6,462	-3,231	13,729	10,498
Vilpro	-	-25	1,083	841	242	121		121
TOTAL JOINT VENTURES	88,450	-13	344,623	295,662	48,961	21,275	41,714	62,989
DHR Clos du Château	-	152	2,303	2,046	258	86	-	86
Espace Midi	-	-53	-	-	-	-	-	-
Graspa Development	-	-1,341	24,767	23,574	1,194	298	-	298
TOTAL ASSOCIATES	-	-1,241	27,070	25,619	1,451	384		384
TOTAL JOINT VENTURES AND ASSOCIATES	88,450	-1,254	371,694	321,282	50,412	21,659	41,714	63,373

Main components of assets and liabilities:

Inventories	325,747
Cash and cash equivalents	16,291
Receivables and other assets	29,656
Non-current financial debts	82,157
Current financial debts	78,148
Shareholder's loans	140,820
Other liabilities	20,156
TOTAL	371,694
	321,282

	INVENTORIES	FINANCIAL DEBTS
Bella Vita	22,364	12,971
CBD International	19,843	-
Pef Kons Investment	79,724	48,340
M1 M7	48,135	33,817
RAC(S)	64,225	13,857
Universalis Park	60,955	40,000
Other	30,503	10,319
TOTAL	325,747	159,305

During financial year 2015 the companies Château de Beggen and Foncière du Parc have proceeded to a capital reimbursement of respectively € 2,500 thousand and € 1,430 thousand. The company DHR Clos du Château proceed to a dividend payment of € 300 thousand.

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.

Book value of assets pledged for debt securities	301,345
Amount of debts guaranteed by above securities	160,305

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 differents projects to a good end ("cash deficiency" and "cost overrun" engagements).

AS AT 31 DECEMBER 2014	FIGURES 100%					TOTAL EQUITY ALLOCATED TO THE GROUP	SHAREHOLDER LOANS BY THE GROUP	BOOK VALUE OF THE INVESTMENTS
	TURNOVER	COMPREHENSIVE INCOME	TOTAL ASSETS	TOTAL LIABILITIES	TOTAL EQUITY			
Bella Vita	19,744	1,836	39,494	31,741	7,753	3,877	2,457	6,334
CBD International	-	-695	18,986	19,586	-600	-300	-	-300
Château de Beggen	24,902	2,147	11,547	8,924	2,623	1,311	1,485	2,796
Espace Trianon	-	204	6,090	1,151	4,939	2,469	-	2,469
Fanster Enterprise	7,247	609	265	660	-395	-197	-	-197
Foncière du Parc	123	1	1,765	5	1,760	880	-	880
Gateway	-	-505	12,623	12,608	15	7	11,205	11,212
Ilot Ecluse	-	-9	397	9	388	194	-	194
Intergénérationnel de Waterloo	-	-2	47	2	45	23	-	23
Pef Kons Investment	-	-1,523	62,914	61,540	1,374	458	8,577	9,035
RAC2	-	-1,681	35,397	34,549	848	339	8,138	8,477
RAC3	960	-51	14,148	9,452	4,696	1,878	575	2,453
RAC4	232	-158	31,354	3,979	27,375	10,950	1,474	12,424
Société Espace Léopold	-	-128	4,802	74	4,728	2,364	-	2,364
Temider Enterprise	-	2,943	2,972	413	2,559	1,279	-	1,279
Universalis Park	-	-1,328	60,375	65,622	-5,247	-2,624	14,862	12,238
Vilpro	-	-23	1,084	817	267	134	-	134
TOTAL JOINT VENTURES	53,208	1,637	304,260	251,132	53,128	23,043	48,773	71,816
DHR Clos du Château	575	10	3,210	2,804	406	135	-	135
Espace Midi	33	26	3,883	3,659	224	45	734	779
Graspa Development	-	-933	24,038	21,534	2,504	626	-	626
TOTAL ASSOCIATES	608	-897	31,131	27,998	3,133	806	734	1,540
TOTAL JOINT VENTURES AND ASSOCIATES	53,816	740	335,391	279,130	56,261	23,849	49,507	73,356

Main components of assets and liabilities:

		INVENTORIES	FINANCIAL DEBTS
Inventories	288,524	Bella Vita	27,839
Cash and cash equivalents	13,723	CBD International	18,443
Receivables and other assets	33,144	Gateway	12,604
Non-current financial debts	40,851	Pef Kons Investment	62,360
Current financial debts	76,435	RAC(S)	66,531
Shareholder's loans	138,486	Universalis Park	60,276
Other liabilities	23,358	Other	40,471
TOTAL	335,391	TOTAL	288,524
			117,286

Book value of assets pledged for debt securities	257,406
Amount of debts guaranteed by above securities	117,286

16. Deferred tax assets

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:

	31-12-2015	31-12-2014
Tax losses	186	145
Other tax latencies	-	-
TOTAL	186	145

	31-12-2015	31-12-2014
VALUE AS AT 1 JANUARY	145	595
Deferred tax recognised in the consolidated statement of comprehensive income	41	-450
VALUE AS AT 31 DECEMBER	186	145

	31-12-2015	31-12-2014
TEMPORARY DIFFERENCES OR TAX LOSSES FOR WHICH NO DEFERRED TAX ASSETS ARE RECOGNISED IN THE BALANCE SHEET, FROM WHICH:	52,146	57,746
Expiring at the end of 2015	-	1,308
Expiring at the end of 2016	1,351	2,045
Expiring at the end of 2017	1,141	1,141
Expiring at the end of 2018	2,065	2,197
Expiring at the end of 2019	9,292	8,927
Expiring at the end of 2020	821	-
Not time-limited	37,476	42,128

17. Inventories

Inventories consist of buildings and land acquired for development and resale.

Allocation of inventories by segment is as follows:

	31-12-2015	31-12-2014
Offices	189,722	167,751
Residential Development	54,108	50,421
Land Development	90,711	92,799
TOTAL INVENTORIES	334,541	310,971

Allocation of inventories by geographical area is as follows:

	31-12-2015	31-12-2014
Belgium	235,844	217,679
Grand-Duchy of Luxemburg	34,500	35,000
Poland	64,197	58,292
TOTAL INVENTORIES	334,541	310,971

Break down of the movements of the year per segment:

	31-12-2015	31-12-2014
INVENTORIES AS AT 1 JANUARY	310,971	284,632
Purchases of the year	5,540	4,931
Developments of the year	51,312	44,803
Disposals of the year	-34,432	-22,496
Borrowing costs	1,897	527
Write-offs recorded	-747	-1,426
MOVEMENTS DURING THE YEAR	23,570	26,339
INVENTORIES AS AT 31 DECEMBER	334,541	310,971

Break down of the movements of the year per segment:

	PURCHASES	DEVELOPMENTS	DISPOSALS	BORROWING COSTS	NET WRITE-OFFS	TRANSFERS	NET
Offices	-	27,228	-5,209	986	-747	-287	21,971
Residential Development	1,825	18,114	-20,543	-	-	4,291	3,687
Land Development	3,715	5,970	-8,680	911	-	-4,004	-2,088
TOTAL	5,540	51,312	-34,432	1,897	-747	-	23,570

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

	PURCHASES	DEVELOPMENTS	DISPOSALS	BORROWING COSTS	NET WRITE-OFFS	TRANSFERS	NET
Belgium	3,715	47,682	-34,432	1,211	-11	-	18,165
Grand-Duchy of Luxemburg	-	236	-	-	-736	-	-500
Poland	1,825	3,394	-	686	-	-	5,905
TOTAL	5,540	51,312	-34,432	1,897	-747	-	23,570

MARKET RISKS AND UNCERTAINTIES

With the exception of the risks and uncertainties inherent in the activities carried out by the Group (in particular a significant increase in interest rates and credit margins, a downturn in the real estate market, changes in global economic trends, loss of interest by investors in the real estate market, a tightening of credit conditions by the banks,...) and in view of the building permits already obtained, the Board of Directors is confident that it will obtain the necessary permits to develop the Group's existing projects and is not aware, on the basis of the information currently available, of any major risks or uncertainties that could significantly damage the Group's future results.

The main risks and uncertainties are described in the Director's report.

18. Trade receivables

Trade receivables refer to the following segments:

	31-12-2015	31-12-2014
Offices	2,532	1,706
Residential Development	573	1,030
Land Development	2,932	3,647
TOTAL TRADE RECEIVABLES	6,037	6,383

The analysis of the delay of payment arises as follows:

	31-12-2015	31-12-2014
Due < 3 months	1,060	1,321
Due > 3 months < 6 months	498	82
Due > 6 months < 12 months	27	155
Due > 1 year	99	20

CREDIT RISK

The credit risk is related to the possible failure of the customers in respecting their commitments towards the Group.

Due to the nature of the customers, being mainly known investors, public clients or equivalent, the Group does not use instruments to cover the customer credit risk.

The customers are closely followed up and adequate impairments are recorded as to cover the amounts that are considered being not recoverable.

At 31 December 2015 there was no concentration of credit risk with a sole third party. The maximum risk amounts to the book value of the receivables.

The recorded impairments of trade receivables is as follows:

	31-12-2015	31-12-2014
BALANCE AT 1 JANUARY	213	208
Additions	57	5
MOVEMENTS OF THE YEAR	57	5
BALANCE AT 31 DECEMBER	270	213

19. Other current assets

The components of this line item are:

	31-12-2015	31-12-2014
Other receivable	20,921	20,705
of which: advances to joint ventures, associates and on projects in participation	12,253	11,652
taxes (other than income taxes) and VAT receivable	2,203	-
advances and guarantees paid	1,385	1,034
receivable on sale (escrow account)	2,050	5,212
grants and allowances receivable	1,617	1,617
other	1,413	1,190
Deferred charges and accrued income	978	3,377
of which: on projects in development	663	2,560
other	315	817
TOTAL OTHER CURRENT ASSETS	21,899	24,082

and are related to the following segments:

	31-12-2015	31-12-2014
Offices	13,481	16,828
Residential Development	6,986	5,590
Land Development	1,432	1,664
TOTAL OTHER CURRENT ASSETS	21,899	24,082

20. 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 € -189,072 thousand as at 31 December 2015 compared to € -192,740 thousand as at 31 December 2014.

	31-12-2015	31-12-2014
Cash and cash equivalents (+)	16,952	25,470
Non current financial debts (-)	143,757	150,484
Current financial debts (-)	62,267	67,726
NET FINANCIAL DEBT	-189,072	-192,740

The Group's gearing ratio (net financial debt / equity) is 97% as at 31 December 2015 compared to 98% at the end of 2014.

CASH AND CASH EQUIVALENTS

Cash deposits and cash at bank and in hand amount to € 16,952 thousand compared to € 25,470 thousand at the end of 2014, representing a decrease of € 8,518 thousand.

The available cash are as follows:

	31-12-2015	31-12-2014
Term deposits with an initial duration of maximum 3 months	-	-
Cash at bank and in hand	16,952	25,470
AVAILABLE CASH AND CASH EQUIVALENTS	16,952	25,470

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 different companies.

FINANCIAL DEBTS

Financial debts decrease with € 12,186 thousand, from € 218,210 thousand at 31 December 2014 to € 206,024 thousand at 31 December 2015.

The components of financial debts are as follows:

	31-12-2015	31-12-2014
Bond issue maturity 21-12-2016 at 7% - nominal amount € 40 million	-	39,683
Bond issue maturity 28-03-2018 at 5.50% - nominal amount € 60 million	59,396	59,126
Credit institutions	84,361	51,675
NON CURRENT FINANCIAL DEBTS	143,757	150,484
Bond issue maturity 21-12-2016 at 7% - nominal amount € 40 million	39,843	-
Credit institutions	19,817	65,119
Bonds - not yet due interest	2,607	2,607
CURRENT FINANCIAL DEBTS	62,267	67,726
TOTAL FINANCIAL DEBTS	206,024	218,210
Amount of debts guaranteed by securities	104,178	116,794
Book value of Group's assets pledged for debt securities	308,524	301,192

Financial debts evolve as follows:

	31-12-2015	31-12-2014
FINANCIAL DEBTS AS AT 1 JANUARY	218,210	193,117
Contracted debts	16,711	38,175
Repaid debts	-29,327	-13,512
Bons - paid interest	-2,607	-2,607
Bonds - not yet due interest	2,607	2,607
Amortization of deferred debt issue expenses	430	430
Charges for the year	-12,186	25,093
FINANCIAL DEBTS AS AT 31 DECEMBER	206,024	218,210

All the financial debts are denominated in €.

Except 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 commercial margin.

IMMOBEL disposes at December 31, 2015 of € 60 million credit facility (corporate credit signed in May 2011 and renewed in June 2014), of which € 25 million used at end of December 2015, due in June 2017. Moreover, IMMOBEL disposes at December 31, 2015 of confirmed bank credit lines for € 126 million of which € 79 million used at end of December 2015.

These credit lines (project financing credits) are specific for certain projects in development.

At December 31, 2015, the book value of Group's assets pledged to secure the corporate credit and the project financing credits amounts to € 309 million.

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

DUE IN	2016	2017	2018	TOTAL
Bonds	40,000	-	60,000	100,000 ¹
Bonds - Interest	6,100	3,300	3,300	12,700
Corporate credit	-	25,000	-	25,000
Project Financing Credits	19,817	5,300	54,061	79,178
TOTAL AMOUNT OF DEBTS	65,917	33,600	117,361	216,878

1. The amount on the balance sheet, € 99,239 thousand, includes € 761 thousand charges to be amortized until maturity in 2016 and 2018.

INTEREST RATE RISK

On the basis of the situation as per 31 December 2015, each change in interest rate of 1% involves an annual increase or decrease of the interest charge on debts at variable rate of € 1,042 thousand.

In the frame of the availability of long term credits, Corporate or Project Financing, the Group uses financial instruments mainly for the hedging of interest rates.

At 31 December 2015, the derivative financial instruments have been concluded to hedge future risks and are the following:

	PERIOD	INSTRUMENTS	STRIKE	NOTIONAL AMOUNTS
	09/2015 - 09/2018	IRS bought	0.10%	26,000
	07/2014 - 07/2017	CAP bought	2.00%	16,000
	07/2014 - 07/2017	CAP bought	2.00%	10,000
	07/2014 - 07/2017	CAP bought	2.00%	10,000
TOTAL				62,000

The fair value of derivatives is determined based on valuation models and future interest rates ("level 2"). The change in fair value of financial instruments is recognized through the statement of income as those have not been designated as cash flow hedges.

	31-12-2015	31-12-2014
FAIR VALUE OF FINANCIAL INSTRUMENTS		
Hedging instruments:		
- Bought CAP Options	-140	8
- Bought IRS Options	0	-88
TOTAL	-140	-80

	31-12-2015	31-12-2014
CHANGE IN FAIR VALUE OF THE DERIVATIVE FINANCIAL INSTRUMENTS		
SITUATION AT 1 JANUARY	-80	-269
Changes during the period:		
- Change in the fair value recognised in the consolidated income statement	-60	189
SITUATION AT 31 DECEMBER	-140	-80

No instrument has been documented as hedge accounting at 31 December 2015.

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 analyzed by their measurement category.

The fair value of financial instruments is determined as follows:

- If their maturities is short-term (eg: 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.

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.

	LEVEL OF THE FAIR VALUE	CARRYING AMOUNT 31-12-2015	AMOUNTS RECOGNIZED IN BALANCE SHEET IN ACCORDANCE WITH IAS39		FAIR VALUE 31-12-2015
			AMORTIZED COST	FAIR VALUE TROUGH PROFIT OR LOSS	
ASSETS					
Cash and cash equivalents	Level 2	16,952	16,952		16,952
Other non-current assets	Level 2	251	251		251
Trade receivables	Level 2	6,037	6,037		6,037
Other operating receivables	Level 2	21,899	21,899		21,899
TOTAL		45,139	45,139		45,139
LIABILITIES					
Interest-bearing debt	Levels 1 and 2	203,417	203,417		204,178
Trade payables	Level 2	20,403	20,403		20,403
Other operating payables	Level 2	24,668	24,668		24,668
Derivative financial instruments	Level 2	140		140	140
TOTAL		248,628	248,488	140	249,389

LIQUIDITY RISK

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

FINANCIAL COMMITMENTS

The Group is, for the majority of the mentioned financial debts, subject 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 2015, as for the previous years, the Group was in conformity with all these financial commitments.

RISK OF FLUCTUATION IN FOREIGN CURRENCIES

The Group does not currently hedge the foreign exchange rates risks on its development activities. However, the functional currency of the offices activity currently developed in Poland has been determined to be the €, reducing significantly the exchange risk.

21. Equity

The equity amounts to € 194,358 thousand compared to € 196,711 thousand as at 31 December 2014, representing a decrease of € 2,353 thousand. The explanation of the change in equity is given in the consolidated statement of changes in equity.

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 shareholder 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.

22. 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.

	31-12-2015	31-12-2014
STATEMENT OF FINANCIAL POSITION		
Present value of the defined benefit obligations	3,749	3,952
Fair value of plan assets at the end of the period	-3,486	-3,523
NET LIABILITY ARISING FROM DEFINED BENEFIT OBLIGATION	264	429
SATEMENT OF COMPREHENSIVE INCOME		
Current service cost	-115	-91
Interest cost on the defined benefit obligation	-31	-85
Interest income on plan assets	28	64
Administration costs	-8	-11
DEFINED BENEFIT COSTS RECOGNIZED IN PROFIT OR LOSS	-126	-123
Actuarial (gains) / losses on defined benefit obligation arising from		
- changes in financial assumptions	139	-433
- return on plan assets (excluding interest income) ¹	-68	806
- experience adjustments	107	83
REMEASUREMENTS OF NET DEFINED BENEFIT LIABILITY RECOGNISED IN OTHER COMPREHENSIVE INCOME	178	456
DEFINED BENEFIT COSTS	52	333
PRESENT VALUE OF THE OBLIGATIONS AS AT 1 JANUARY		
Current service cost	115	91
Interest cost	31	85
Contributions from plan participants	21	25
Actuarial (gains) losses	-246	350
Benefits paid	-124	-19
PRESENT VALUE OF THE OBLIGATIONS AS AT 31 DECEMBER	3,749	3,952
FAIR VALUE OF THE PLAN ASSETS AS AT 1 JANUARY		
Interest income	28	64
Contributions from employer	114	154
Contributions from plan participants	21	25
Benefits paid	-124	-19
Return on plan assets (excluding interest income) ¹	-68	806
Administration costs	-8	-11
FAIR VALUE OF THE PLAN ASSETS AS AT 31 DECEMBER	3,486	3,523
CONTRIBUTION OF THE EMPLOYER EXPECTED FOR 2016/2015	64	131

1. The return on plan assets (excluding interest income) for the year 2015 is explained, on the one hand, by the valuation of the fair value of plan assets value of based on the present the discounted capital insurance group and, on the other hand, by the decrease in the discount rate below the technical interest rate guaranteed by the insurance company.

		31-12-2015	31-12-2014
ACTUARIAL ASSUMPTIONS USED TO DETERMINE OBLIGATIONS			
Discount rate		1.30%	0.80%
Future salary increases		3.50%	3.50%
Inflation rate		2.00%	2.00%
Mortality Table		MR/FR -3	MR/FR -3
SENSITIVITY ANALYSIS OF THE DBO 31-12-2015			
Discount rate	1.30%	1.80%	0.80%
Amount of the DBO	3,749	3,620	3,888
SENSITIVITY ANALYSIS OF THE DBO 31-12-2014			
Discount rate	0.80%	1.30%	0.30%
Amount of the DBO	3,952	3,796	4,120
EMPLOYER CONTRIBUTIONS IN THE DEFINED CONTRIBUTION PLAN (DBC)			
		12	12

The pension plans are funded through a group insurance. The underlying assets of the insurance contracts are primarily invested in bonds. The actuarial loss recognized in the statement of other comprehensive income equals € 178 thousand.

The accumulated amount of actuarial gains and losses recognized in other comprehensive income equals € 480 thousand.

Historical review of the key figures of the four last years:

	2015	2014	2013	2012
Present value of defined benefit obligations	3,749	3,952	3,420	2,361
Fair value of plan assets at the end of the period	3,486	3,523	2,504	1,676
Deficit of financed plans	264	429	916	685
Experience adjustments on:				
- plan assets	246	-350	-968	77
- plan liabilities	-68	806	760	-50

Belgian pension plan with guaranteed return: 7 employees benefit from contribution plans subject to Belgian law on supplementary pensions (minimum guaranteed return). The law of 18 December 2015 set the minimum guaranteed rate as follows:

- > For contributions paid from 1 January 2016: guaranteed minimum rate based on the OLO rate with a minimum of 1.75% and a maximum of 3.75%.
- > For contributions paid until 31 December 2015, the rates applied since 2004 continue to be apply (3.25% and 3.75% respectively on the contributions paid by the employer and the employee)

Given these minimum guaranteed rates, these plans qualify as defined benefit plan. Following the recent publication of the law, the company has not obtained, on 31 December 2015, detailed actuarial valuation based on the projected credit method (PUC method). A comparison between the realized return and the guaranteed minimum rate has nevertheless been made and the Company concluded on this basis that the underfunding observed was not significant at 31 December 2015. The treatment of these plans will be changed in 2016.

24. Trade payables

This account is allocated by segment as follows:

	31-12-2015	31-12-2014
Offices	12,531	4,325
Residential Development	4,500	5,490
Land Development	3,372	3,945
TOTAL TRADE PAYABLES	20,403	13,760
OF WHICH CURRENT TRADE PAYABLES	18,894	12,251

25. Other current liabilities

The components of this account are:

	31-12-2015	31-12-2014
Personnel debts	427	537
Taxes (other than income taxes) and VAT payable	457	445
Advance on sales (which for 2015 advances received on the sale Gateway)	11,896	1,553
Advances from joint ventures and associates	6,154	5,317
Accrued charges and deferred income	149	544
Operating grants	299	1,810
Other	2,679	1,421
TOTAL OTHER CURRENT LIABILITIES	22,061	11,627

Other current liabilities are related to the following segments:

	31-12-2015	31-12-2014
Offices	16,594	4,833
Residential Development	4,652	6,088
Land Development	815	706
TOTAL OTHER CURRENT LIABILITIES	22,061	11,627

Trade receivables and payables and other receivables and payables:

	31-12-2015	31-12-2014
Trade receivables	6,037	6,383
Other current assets	21,899	24,082
TOTAL OF TRADE RECEIVABLES AND OTHER CURRENT ASSETS	27,936	30,465
Trade payables	20,403	13,760
Other current liabilities	22,061	11,627
TOTAL OF TRADE PAYABLES AND OTHER CURRENT LIABILITIES	42,464	25,387
NET SITUATION OF RECEIVABLES AND PAYABLES	-14,528	5,078

26. Change in working capital

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

	31-12-2015	31-12-2014
Inventories, including acquisition and sales of entities that are not considered as business combinations	-22,420	-27,239
Trade receivables & Other current assets	917	2,839
Trade payables & Other current liabilities	17,134	428
CHANGE IN WORKING CAPITAL	-4,369	-23,972

27. Main contingent assets and liabilities

	31-12-2015	31-12-2014
Guarantees from third parties on behalf of the Group with respect to:		
- inventories	48,249	33,988
- other assets	111	111
TOTAL GUARANTEES FROM THIRD PARTIES ON BEHALF OF THE GROUP	48,360	34,099
These guarantees consist of:		
- guarantees "Real estate trader" (acquisitions with registration fee at reduced rate)	13,166	13,097
- guarantees "Law Breyne" (guarantees given in connection with the sale of houses or apartments under construction)	22,761	10,261
- guarantees "Good end of execution" (guarantees given in connection with the execution of works)	10,813	8,115
- guarantees "Payment" and "Other" (successful completion of payment, rental...)	1,620	2,626
TOTAL	48,360	34,099
Mortgage power - Amount of inscription	138,025	138,012
Book value of Group's assets pledged for debt securities related to investment property and inventory as a whole	308,524	301,192
BOOK VALUE OF PLEDGED GROUP'S ASSETS	308,524	301,192
Amount of debts guaranteed by above securities		
- non current debts	84,361	51,675
- current debts	19,817	65,119
TOTAL	104,178	116,794
Commitments for the acquisition of inventories	285	20,785
Commitments for the disposal of inventories	22,620	6,547
The commitments from which the value of acquisition or disposal can not be defined, because depending from future events (permit to obtain, number of m ² to construct...), are not included.		

28. Information on related parties

The Board of Directors has complied with the compliance obligations under Article 11 § 1, 2 and 4 of the Law of 14 December 2005 on the abolition of bearer shares and has obtained confirmation of its auditor.

RELATIONSHIPS WITH SHAREHOLDERS - MAIN SHAREHOLDERS

	31-12-2015	31-12-2014
Allfin Group Comm. VA	29.85%	29.85%
Capfi Delen Asset Management n.v.	5.06%	5.06%
Other	65.09%	65.09%
Number of representative capital shares	4,121,987	4,121,987

RELATIONSHIPS WITH SENIOR EXECUTIVES

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

	31-12-2015	31-12-2014
Salaries	5,086	4,119
Post-employment benefits	89	125
Other Benefits	10	8
TOTAL	5,185	4,252

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:

	31-12-2015	31-12-2014
Investments in joint ventures and associates - shareholder's loans (note 15)	41,714	49,507
Other current assets	11,529	10,742
Interest income	2,128	2,290

See note 15 for further information on joint ventures and associates.

29. Events subsequent to reporting date

No significant event that may have an impact on the financial statements occurred from the reporting date on 31st December 2015 up to 24th March 2016 when the financial statements were approved by the Board of Directors.

30. Subsidiaries, joint ventures and associates

Companies forming part of the Group as at 31 December 2015:

FILIALES

SUBSIDIARIES	COMPANY NUMBER	REGISTERED OFFICE	% INTEREST ¹
Cedet	-	Warsaw	100.00
Cedet Development	-	Warsaw	100.00
Compagnie Immobilière de Participations Financières (CIPAF)	0454.107.082	Brussels	100.00
Compagnie Immobilière de Wallonie (CIW)	0401.541.990	Brussels	100.00
Compagnie Immobilière Luxembourgeoise	-	Luxemburg	100.00
Entreprise et Gestion Immobilières (Egimo)	0403.360.741	Brussels	100.00
Espace Nivelles	0472.279.241	Brussels	100.00
Foncière Jennifer	0464.582.884	Brussels	100.00
Foncière Montoyer	0826.862.642	Brussels	100.00
Garden Point	-	Warsaw	100.00
Green Dog	0897.498.339	Brussels	100.00
IMMOBEL Poland	-	Warsaw	100.00
Granaria Development Gdańsk	-	Warsaw	90.00
Granaria Development Gdańsk bis	-	Warsaw	90.00
Hotel Granaria Development	-	Warsaw	90.00
IMMOBEL Poland SPV 12	-	Warsaw	100.00
Immobilien Vennootschap van Vlaanderen	0403.342.826	Brussels	100.00
Immo-Puyhoek	0847.201.958	Brussels	100.00
Les Jardins du Nord	0444.857.737	Brussels	96.20
Lotinvest Development	0417.100.196	Brussels	100.00
OD 214	-	Warsaw	100.00
Okraġlak Development	-	Warsaw	100.00
Quomago	0425.480.206	Brussels	100.00
SPI Parc Seny	0478.120.522	Brussels	100.00
The Green Corner	0443.551.997	Brussels	100.00
Torres Investment	-	Warsaw	100.00
Veldimmo	0430.622.986	Brussels	100.00
WestSide	-	Luxemburg	100.00

1. The % interest corresponds with the voting rights.

JOINT VENTURES

SUBSIDIARIES	COMPANY NUMBER	REGISTERED OFFICE	% INTEREST ¹
Bella Vita	891.019.738	Brussels	50.00
CBD International	-	Warsaw	50.00
Château de Beggen	-	Luxembourg	50.00
Espace Trianon	451.883.417	Embourg	50.00
Fanster Enterprise	-	Warsaw	50.00
Foncière du Parc	434.168.544	Brussels	50.00
Gateway	502.968.664	Brussels	50.00
Ilot Ecluse	442.544.592	Gilly	50.00
Intergénérationnel de Waterloo	891.182.460	Brussels	50.50
Pef Kons Investment	-	Luxembourg	33.33
M1	-	Strassen	33.33
M7	-	Strassen	33.33
RAC2	820.585.959	Antwerp	40.00
RAC3	820.588.830	Antwerp	40.00
RAC4	820.593.481	Antwerp	40.00
Société Espace Léopold	436.890.977	Brussels	50.00
Universalis Park	892.775.438	Brussels	50.00
Vilpro	438.858.295	Brussels	50.00

ASSOCIATES

SUBSIDIARIES	COMPANY NUMBER	REGISTERED OFFICE	% INTEREST ¹
DHR Clos du Château	0895.524.784	Brussels	33.33
Graspa Development	-	Warsaw	25.00

SCOPE OF CONSOLIDATION - NUMBER OF ENTITIES

	31-12-2015	31-12-2014
Subsidiaries - Global method of consolidation	28	27
Joint ventures - Equity method	18	17
Associates - Equity method	2	3
TOTAL	48	47

During the year 2015, following changes in the consolidation perimeter occurred:

- > **Disposals** of 10% of the companies Granaria Developpt Gdańsk (formerly IMMOBEL Poland SPV 10) and Granaria Developpt Hotel (formerly IMMOBEL Poland SPV 11H);
- > **Acquisition** of 90% of shares of the company Granaria Developpt Gdańsk Bis
Disposals and acquisitions above are related to the development of the project Granary Island in Gdańsk (Poland);
- > **Incorporation** of the companies M1 & M7 (33.33% owned by IMMOBEL), companies intended for a residential development in the Grand Duchy of Luxembourg;
- > **Liquidation** of the company Espace Midi, 20% owned by IMMOBEL;
- > **Merger by absorption** of the company Temider by the company Fanster.

1. The % interest corresponds with the voting rights.

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 2015 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; and
- ▶ the Director's Report on the financial year ended at 31st December 2015 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:

Alexander Hodac²
Chief Executive Officer

Marnix Galle³
Chairman of the Board of Directors

2. Permanent representative of the Company AHO Consulting bvba.

3. Permanent representative of the Company A³ Management bvba.

STATUTORY AUDITOR'S REPORT

to the shareholders' meeting on the consolidated financial statements
for the year ended 31 December 2015

To the shareholders

As required by law, we report to you in the context of our appointment as the company's statutory auditor. This report includes our report on the consolidated financial statements together with our report on other legal and regulatory requirements. These consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2015, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, as well as the summary of significant accounting policies and other explanatory notes.

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS – UNQUALIFIED OPINION

We have audited the consolidated financial statements of IMMOBEL SA ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

The consolidated statement of financial position shows total assets of 447,145 (000) EUR and the consolidated statement of comprehensive income shows a consolidated profit (group share) for the year then ended of 738 (000) EUR.

Board of directors' responsibility for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of 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.

Statutory auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The pro-

cedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the group's preparation and fair presentation of consolidated financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the consolidated financial statements. We have obtained from the group's officials and the board of directors the explanations and information necessary for performing our audit.

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

Unqualified opinion

In our opinion, the consolidated financial statements of IMMOBEL SA give a true and fair view of the group's net equity and financial position as of 31 December 2015, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements.

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we make the following additional statement, which does not modify the scope of our opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements includes the information required by law, is consistent with the consolidated financial statements and is free from material inconsistencies with the information that we became aware of during the performance of our mandate.

Gent, 25 March 2016

The statutory auditor



DELOITTE Bedrijfsrevisoren / Réviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Kurt Dehoorne

Deloitte.

STATUTORY CONDENSED FINANCIAL STATEMENTS

(in thousands of €)

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.IMMOBEL.be

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

Statement of financial position

	31-12-2015	31-12-2014
ASSETS		
FIXED ASSETS	99,237	110,862
Start-up costs	761	1,191
Intangible fixed assets	168	154
Tangible fixed assets	945	1,139
Financial fixed assets	97,363	108,378
CURRENT ASSETS	322,903	310,797
Amounts receivable after one year	-	100
Stocks and contracts in progress	133,742	115,871
Amounts receivable within one year	173,028	172,148
Cash balance	10,828	20,227
Deferred charges and accrued income	5,305	2,451
TOTAL ASSETS	422,140	421,659
LIABILITIES		
SHAREHOLDERS' EQUITY	207,452	200,410
Capital	60,302	60,302
Reserves	10,076	10,076
Accumulated profits	137,074	130,032
PROVISIONS AND DEFERRED TAXES	3,166	2,942
Provisions for liabilities and charges	3,166	2,942
DEBTS	211,522	218,307
Amounts payable after one year	131,809	153,184
Amounts payable within one year	71,921	57,908
Accrued charges and deferred income	7,792	7,215
TOTAL LIABILITIES	422,140	421,659

Statement of comprehensive income

	31-12-2015	31-12-2014
Operating income	20,714	9,393
Operating charges	-13,515	-13,229
OPERATING RESULT	7,199	-3,836
Financial income	9,217	8,433
Financial charges	-8,974	-9,142
FINANCIAL RESULT	243	-709
CURRENT PROFIT BEFORE TAXES	7,442	-4,545
Extraordinary income	-	34,389
Extraordinary charges	-410	-12,409
EXTRAORDINARY RESULT	-410	21,980
PROFIT OF THE FINANCIAL YEAR BEFORE TAXES	7,032	17,435
Taxes	10	-113
PROFIT OF THE FINANCIAL YEAR	7,042	17,322
PROFIT OF THE FINANCIAL YEAR TO BE APPROPRIATED	7,042	17,322

Appropriation account

	31-12-2015	31-12-2014
PROFIT TO BE APPROPRIATED	137,074	139,925
Profit for the financial year available for appropriation	7,042	17,322
Profit carried forward	130,032	122,603
RESULT TO BE CARRIED FORWARD	137,074	130,032
Profit to be carried forward	137,074	130,032
PROFIT AVAILABLE FOR DISTRIBUTION	0	9,893
Dividends	0	9,893

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.

GENERAL INFORMATION

Company name

IMMOBEL

Registered office

Rue de la Régence, 58 - 1000 Brussels - Belgium
RPM / RPR (Legal Entities Register) - VAT BE 0405.966.675

Form of the Company

Belgian registered joint stock company, constituted on 9 July 1863, authorised by the Royal Decree of 23 July 1863.

Term

Indefinite

Crossing statutory thresholds

(Art. 12 of the Articles of Association – excerpt)

Any physical or moral person who acquires securities in the Company, whether representative of capital or not, conferring the right to vote, must declare to the Company and to the Belgian Banking, Finance and Insurance Commission the number of securities s/he holds, when the voting rights pertaining to these securities reach the level of three percent or more of the total voting rights that exist.

She/he must make the same declaration in the event of an additional acquisition of securities referred to in paragraph 1, if when this acquisition is completed, the voting rights pertaining to the securities that she/he possesses reach the level of five, ten, fifteen percent, and so on in tranches of five points, of the total number of existing voting rights.

He must make the same declaration in the event of disposal of securities when, following the disposal, his voting rights are reduced to below one of the thresholds referred to in paragraph 1 or paragraph 2.

When a physical or moral person acquires or transfers control, be it direct or indirect, de jure or de facto, of a company which possesses three percent at least of the voting power of the company, she/he must declare this to the company and to the Banking, Financial and Insurance Commission. The aforementioned declarations must be addressed to the Banking, Financial and Insurance Commission, as well as to the Company, at the latest on the second work day after the completion of the acquisition or transfer concerned, without prejudice to the special legal provisions regarding securities acquired by succession.

Website

www.IMMOBEL.be

Financial calendar

Publication of annual accounts 2015:	24 March 2016
Ordinary General Meeting 2015:	26 May 2016
Publication of 2016 half-year results:	6 September 2016
Publication of 2016 annual accounts:	Before 31 March 2017
Ordinary General Meeting 2017:	25 May 2017

Financial services

- BNP Paribas Fortis
- KBC Bank
- ING Belgique
- Banque Degroof

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IMMOBEL
since 1863

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