

**Ghelamco Invest NV**  
**Half year results 30.06.2015**

**Sustained growth from continued development, construction and marketing efforts in core market segments**

- **Net profit for the period of 5,720 KEUR (vs. 3,311 KEUR as of 30.06.14)**
- **Solvency ratio of 31% (30% as per 31.12.14)**
- **Finalisation of construction and delivery of the Waterview project (comprising 460 student homes, +/- 5,000 sqm retail space and +/- 1,000 parking spaces) in Leuven, Vaartkom), welcoming of the first tenants in the retail part and sale of a significant number of student units in the residential part in the course of the first semester of 2015**
- **Retention of the Ghelamco/BAM Consortium (“Eurostadium Brussels”) as preferred bidder for the construction of the Euro-stadium on parking C of the Heizel site. Related contract drafting is currently being finalised.**
- **Capital increase by 50 MEUR, fully subscribed by parent company Ghelamco Group Comm. VA**

**Preliminary remark**

Ghelamco Invest NV (formerly International Real Estate Construction NV) (with all of its subsidiaries) represents the Belgian and French activities of the Ghelamco Group, a leading European real estate investor and developer active in the offices, residential, retail and logistics markets.

Ghelamco Invest NV is hereafter referred to as “Ghelamco Invest” or the “Company”.

**Summary**

The Company closed its 2015 half-year accounts with a net profit of 5,720 KEUR, resulting from its continued development, construction and commercialisation efforts. Thanks to these efforts, the Company realised significant residential sales and in addition managed to achieve sustained growth, reflected in an increased balance sheet total of 467,631 KEUR and an equity of 145,558 KEUR. The solvency ratio<sup>1</sup> amounted to 31%.

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<sup>1</sup> For 2014 calculated as (equity + subordinated related party financing)/total assets

In Belgium, the Company has over the past years intensified its project development activities (with currently over 40 projects in portfolio). As a consequence, a significant number of Belgian projects have in the course of the last two to three years been delivered and commercialised. In the current 6-month period, further leasing successes have been achieved on mainly the Blue Towers (+/- 28,000 sqm office space project) in Ghent, resulting in an occupation rate per date of the current report of over 75%. In addition, during the first half of 2015 further realisation efforts were done in the Waterview project in Leuven (mixed retail, student housing and parking space project at the Vaartkom), resulting in the delivery of the retail and parking parts of the project and the welcoming of the first tenants. The residential part of the project was delivered shortly after period-end and over 70% of available student units have per date of the current report been sold.

Mid March 2015 the City of Brussels has retained Eurostadium Brussels as preferred bidder for the construction of the Euro-stadium on parking C of the Heizel site. This new national stadium will amongst others comprise 60.000 seats, 6.000 VIP places and over 14.000 parking spaces. The project is expected to be realized in 2018. Contract drafting is currently being finalised.

In connection with the growing importance which management attaches to corporate governance and the further professionally structuring of the Company, the Board of Directors of Ghelamco Invest has per end May 2015 been extended with a non-executive member and an independent member. In addition, the Board has formally installed an audit committee. Still in the above respect and with the intention to further strengthen the capital structure of the Company Ghelamco Invest's capital has – after the recent 60 MEUR capital increase of November 2014 – in June 2015 been increased by another 50 MEUR.

### Key figures

<b>Results</b>	<b>30.06.2015</b>	<b>30.06.2014</b>
Operating result	13,747	11,425
Net result of the period	5,720	3,311
Share of the group in the net result of the period	5,706	3,300
<b>Balance sheet</b>	<b>30.06.2015</b>	<b>31.12.2014</b>
Total assets	467,631	424,397
Cash and cash equivalents	16,104	39,837
Net financial debt (-)	266,665	257,923
Total equity	145,558	89,835

Revenue for the first semester of 2015 amounts to 40,415 KEUR and mainly relates to rental income (3,170 KEUR) and sales of residential projects (36,882 KEUR).

The investment property (under construction) portfolio evolved from 223,360 KEUR per end 2014 to 242,010 KEUR per end of June 2015; evolution which is the combined result of current period's expenditures (13,022 KEUR) and fair value adjustments (5,628 KEUR). The current period's favorable fair value adjustment is mainly the consequence of the Group's sustained investment and leasing efforts, in combination with market evolution (in terms of yields and rent levels).

The operating result for the first half-year of 2015 totals to 13,747 KEUR; net profit for the period closes with 5,720 KEUR.

Property development inventories balance increased by 21,449 KEUR to 154,169 KEUR; evolution which is the combined effect of further expenditures on Belgian (residential) projects (mainly the residential part of the Waterview project in Leuven Vaartkom, the Blaisantvest and Tribeca projects in Ghent and the acquisition of



two sites in Brussels for the future development of mixed residential-office-retail projects) and the sale of some residential projects (mainly in the Waterview project in Leuven Vaartkom and the Blaisant Park project in Ghent).

On 10 June 2015 the capital has been increased by 50 MEUR through the issue of 97,080 new shares. The capital increase, paid in cash, has been fully subscribed by Ghelamco Group Comm. VA, parent company of Ghelamco Invest NV.

During the period the Company was able to obtain new bank borrowings and withdraw on existing credit facilities for a total amount of 26.3 MEUR. On the other hand, reimbursements and refinancings have been done for an amount of 5.9 MEUR, bringing the total outstanding amount of bank borrowings to 169.8 MEUR (compared to 149.4 MEUR at 31/12/2014).

## Overview

The Company's main development activities during the first half of 2015 related to:

- Continuation and completion of the construction works of the Waterview project in Leuven Vaartkom (mixed project of +/- 460 student homes, +/- 5,000 sqm retail and +/- 1,000 parking spaces).  
In the retail part of the project, Albert Heijn opened its new retail store on 1 April 2015 and per date of the current report, over 70% of the available retail space has been leased.  
The student homes (residential part of the project) have been delivered in July 2015. Per date of the current report, over 70% of available student units (460 in total) have been sold.  
Also the parking complex has been taken into use.
- Continuation and completion of the Blaisantvest project in Ghent (mixed residential and retail project). Per date of the current report and apart from some still available parking space, over 90% of the units have been sold.
- Acquisition at end of February 2015 of 2 buildings located at the Louizalaan and the Boulevard Bischoffsheim, Brussels for a total amount of 24.5 MEUR, for the future development and realisation of resp. a combined retail-residential project (52 luxurious apartments and approx. 500 sqm of shopping space, in the centre of Brussels) and an office-residential project (approx. 16,000 sqm office space, 22 apartments and 174 parkings).

As to divestures and/or revenues:

- Current period's revenues mainly related to the commercialisation of the residential part of the Waterview project in Leuven Vaartkom. During the first half of 2015 196 student units have been sold and per end of June 2015, 239 units (of 461) in total have been sold. While per date of the current report, already over 70% of total available student units have been sold.

## Outlook

It is the Company's strategy to further diversify its development portfolio by spreading its developments over different real estate segments and/or mixed projects.

For the second half of 2015, the Company will continue its sustained growth. In addition, it will closely monitor specific evolutions in its active markets and real estate segments. Considering its sound financial structure and the expected further market evolutions (in terms of tenant activity and evolution in yields), the Company is confident to achieve this growth and its goals for 2015 in general.

## Risks

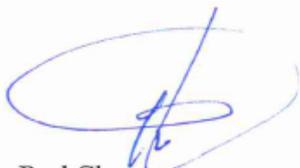
Due to its activities, the Company is exposed to a variety of financial and operational risks: including interest rate risk, price risk, credit risk and liquidity risk. Financial risks relate to the following financial instruments: trade receivables, cash and cash equivalents, trade and other payables and borrowings.

These risks, which are described in detail in the Ghelamco Invest NV IFRS Consolidated Financial Statements at 31 December 2014, remain applicable for 2015 and are closely managed and monitored by the Company's management.

## Declaration in accordance with Art. 13 of the Belgian Royal Decree of 14 November 2007

The Management, acting in the name of and on behalf of GHELAMCO INVEST NV, attest that to the best of their knowledge,

- the interim condensed financial statements are prepared in accordance with applicable accounting standards and give, in all material respect, a true and fair view of the consolidated assets and liabilities, financial position and consolidated results of the Company and of its subsidiaries included in the consolidation for the six month period;
- the interim financial management report, in all material respect, gives a true and fair view of all important events and significant transactions with related parties that have occurred in the first six month period and their effects on the interim financial statements, as well as an overview of the most significant risks and uncertainties we are confronted with for the remaining six months of the financial year.



Paul Gheysens  
CEO & Managing Director  
Ieper  
28/09/2015



Philippe Pannier  
CFO  
Ieper  
28/09/2015

## About Ghelamco

*Ghelamco Group is a leading European real estate investor and developer active in the offices, residential, retail and logistics markets. It maintains a high quality internal control with respect for agreed milestones over all its project development phases: land purchase, planning, coordinating the construction phase and sale or lease. Its projects combine prime and strategic locations with efficient and aesthetically inspiring designs and correct timing. Its successes on the Belgian, French, Polish, Ukrainian and Russian markets are generated by the group's professional and enthusiastic staff that is driven by the vision and passion of its management.*

### Condensed consolidated income statement (in KEUR)

	30/06/2015	30/06/2014
Revenue	40,415	16,740
Other operating income	846	808
Cost of Property Development Inventories	-21,910	-9,096
Employee benefit expense	-185	-208
Depreciation amortisation and impairment charges	-27	-32
Gains from revaluation of Investment Property	5,628	5,888
Other operating expense	-10,809	-2,675
Share of results of associates	-211	0
<b>Operating result</b>	<b>13,747</b>	<b>11,425</b>
Finance income	219	268
Finance costs	-5,753	-6,271
<b>Result before income tax</b>	<b>8,213</b>	<b>5,422</b>
Income tax expense	-2,493	-2,111
<b>Result of the period</b>	<b>5,720</b>	<b>3,311</b>
<b>Attributable to</b>		
Equity holders of parent	5,706	3,300
Non-controlling interests	14	11

### Condensed consolidated statement of comprehensive income (in KEUR)

	30/06/2015	30/06/2014
<b>Profit for the period</b>	<b>5,720</b>	<b>3,311</b>
Exchange differences on translating foreign operations	0	0
Other	0	-12
<b>Other recyclable comprehensive income of the period</b>	<b>0</b>	<b>-12</b>
<b>Total Comprehensive income for the period</b>	<b>5,720</b>	<b>3,299</b>
<b>Attributable to</b>		
Equity holders of parent	5,706	3,288
Non-controlling interests	14	11

## Condensed consolidated balance sheet (in KEUR)

	30/06/2015	31/12/2014
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment Property	242,010	223,360
Property, plant and equipment	248	277
Investments in associates	380	590
Receivables and prepayments	2,673	2,580
Deferred tax assets	3,043	2,985
Other financial assets	1,059	561
Restricted cash	0	0
	<b>249,413</b>	<b>230,353</b>
<b>Current assets</b>		
Property Development Inventories	154,169	132,720
Trade and other receivables	46,970	20,512
Current tax assets	0	0
Derivatives	0	0
Assets classified as held for sale	975	975
Restricted cash	0	0
Cash and cash equivalents	16,104	39,837
	<b>218,218</b>	<b>194,044</b>
<b>Total current assets</b>		
	<b>218,218</b>	<b>194,044</b>
<b>TOTAL ASSETS</b>	<b>467,631</b>	<b>424,397</b>

**Condensed consolidated balance sheet (in KEUR) (cont'd)**

	<b>30/06/2015</b>	<b>31/12/2014</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves attributable to the Company's equity holders</b>		
Share capital	111,490	61,490
CTA		0
Retained earnings	33,987	28,278
	<b>145,477</b>	<b>89,768</b>
Non-controlling interests	81	67
<b>TOTAL EQUITY</b>	<b>145,558</b>	<b>89,835</b>
<b>Non-current liabilities</b>		
Interest-bearing loans and borrowings	196,095	165,346
Deferred tax liabilities	14,144	12,190
Other non-current liabilities	0	0
Long-term provisions	177	178
<b>Total non-current liabilities</b>	<b>210,416</b>	<b>177,714</b>
<b>Current liabilities</b>		
Trade and other payables	23,660	23,605
Current tax liabilities	1,323	829
Interest-bearing loans and borrowings	86,674	132,414
Short-term provisions	0	0
<b>Total current liabilities</b>	<b>111,657</b>	<b>156,848</b>
<b>Total liabilities</b>	<b>322,073</b>	<b>334,562</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>467,631</b>	<b>424,397</b>

## Condensed consolidated cash flow statement (in KEUR)

	30/06/2015	30/06/2014
<b>Cash flow from operating activities</b>		
<b>Result of the year before income tax</b>	<b>8,213</b>	<b>5,422</b>
<i>Adjustments for:</i>		
- Share of results of associates	210	
- Change in fair value of investment property	-5,628	-5,888
- Depreciation, amortization and impairment charges	27	32
- Result on disposal investment property	0	
- Change in provisions	-1	
- Net finance costs	4,708	5,449
- Movements in working capital:		
- change in inventory	-21,449	-15,188
- change in trade & other receivables	-26,458	-27,399
- change in trade & other payables	4,766	5,070
- change in fair value of derivatives		
- Movement in other non-current liabilities		
- Other non-cash items	5	19
Income tax paid	-103	-1,235
Interest paid	-9,638	-4,496
<b>Net cash from operating activities</b>	<b>-45,348</b>	<b>-38,214</b>
<b>Cash flow from investing activities</b>		
Interest received	219	268
Purchase of property, plant & equipment	0	-22
Purchase of investment property	-11,544	-20,065
Capitalized interest in investment property	-1,478	-932
Proceeds from disposal of investment property	0	2,500
Cash outflow on other non-current financial assets	-591	-79
Movement in restricted cash accounts		
<b>Net cash flow used in investing activities</b>	<b>-13,394</b>	<b>-18,330</b>
<b>Financing Activities</b>		
Proceeds from borrowings	24,977	58,603
Repayment of borrowings	-39,968	-3,459
Capital increase	50,000	
Dividends paid		
<b>Net cash inflow from / (used in) financing activities</b>	<b>35,009</b>	<b>55,144</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>-23,733</b>	<b>-1,400</b>

Cash and cash equivalents at 1 January	39,837	20,752
Cash and cash equivalents at the end of the period	16,104	19,352

### Condensed consolidated statement of changes in equity (in KEUR)

	Attributable to the equity holders			Non-controlling interests	Total equity
	Share capital	Cumulative translation reserve	Retained earnings		
<b>Balance at 1 January 2014</b>	<b>1,490</b>	<b>0</b>	<b>23,710</b>	<b>90</b>	<b>25,290</b>
Capital Increase					
Profit/(loss) for the period			3,300	11	3,311
Dividend distribution					0
Change in non-controlling interests					
Change in the consolidation scope				31	31
Other			-12		-12
<b>Balance at 30 June 2014</b>	<b>1,490</b>	<b>0</b>	<b>26,998</b>	<b>132</b>	<b>28,620</b>
<b>Balance at 1 January 2015</b>	<b>61,490</b>	<b>0</b>	<b>28,278</b>	<b>67</b>	<b>89,835</b>
Capital increase	50,000				50,000
Profit/(loss) for the period			5,706	14	5,720
Dividend distribution					
Change in non-controlling interests					
Change in the consolidation scope					0
Other			3		3
<b>Balance at 30 June 2015</b>	<b>111,490</b>	<b>0</b>	<b>33,987</b>	<b>81</b>	<b>145,558</b>

## Segment reporting

A segment is a distinguishable component of the Company which is engaged either in providing products or services (business segment), or in providing products or services within a particular economic area (geographic segment) and which is subject to risks and rewards that are different to those of other segments.

As the vast majority of the assets (and resulting income) of the Company is geographically located in Belgium, and Management has a regional approach in decision taking, no segmenting has been included in this financial reporting.

## Notes to the condensed consolidated interim financial statements at 30 June 2015

### 1. Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”, as adopted by the European Union.

The new interpretations and standards that are applicable from 2015 (including IFRIC21) did not have any significant impact on the Company’s financial statements.

### 2. Significant accounting policies

The condensed consolidated interim financial statements are prepared on a historic cost basis, with the exception of investment property (under construction) and derivative financials instruments, which are stated at fair value.

All figures are in thousands of EUR (KEUR), unless stated otherwise.

The accounting policies adopted are consistent with those followed for the preparation of the Company’s consolidated financial statements for the year ended 31 December 2014.

### 3. Property development inventories

Property Development Inventories contain mainly plots of land held for development of residential purposes and residential buildings either finished or still under construction.

	<b>30/06/2015</b>	<b>31/12/2014</b>
Property Development Inventories	154,107	132,671
Raw materials	62	49
Finished goods	0	0
	<b>154,169</b>	<b>132,720</b>

The inventory mainly relates to residential projects (both finalized and under construction) at the Belgian coast, mainly in Knokke and (East Dune) Oostduinkerke, the Tribeca brownfield site in Ghent (24,000 m<sup>2</sup> plot, for the development of an approx. 35,000 m<sup>2</sup> mixed residential, student flat and retail space project), the residential part of the Waterview project (+/- 460 student homes at Vaartkom Leuven) and two sites located at the Louizalaan and the Boulevard Bischoffsheim, Brussels for the future realisation of (combined) residential-office-retail projects.

**4. Investment property (under construction)**

<b>Balance at 31 December 2014</b>	<b>223,360</b>
Acquisition of properties	3,006
Acquisition through business combinations	
Subsequent expenditure	10,016
Transfers	
- Assets classified as held for sale	
- Other transfers	
Adjustment to fair value through P/L	5,628
Disposals	
other	
<b>Balance at 30 June 2015</b>	<b>242,010</b>

Investment Properties are stated at fair value as determined by either independent appraisers or by management and are classified in 4 categories:

- A. Land without pre-permit approval, held for capital appreciation or undetermined use (fair value based on comparative method);
- B. Land with pre-permit approval held for development and investment (fair value based on the potential of constructing leasable m<sup>2</sup>);
- C. Land + Construction ongoing (fair value based on the residual method);
- D. Completed Projects held for investment.

Country + SPV	Commercial Name	Valuation	Cat	30/06/2015	31/12/2014
				KEUR	KEUR
<b>BELGIUM</b>					
Leisure Property Invest	Golf Knokke Zoute	Man	A	35,497	31,700
WRP	Wavre Retail Park	Man	B	12,600	12,600
Retail Gent	Retail Gent	CBRE	D	16,375	17,250
Parking Gent	Parking Gent	CBRE	C/D	29,789	29,729
Parking Estates	Parking Estates	CBRE	D	2,371	2,371
Zeewind	Zeewind	Man	D	1,737	1,737
Schelde Offices	Schelde Offices	Cushman	D	31,000	27,450
Arte Offices	Arte Offices	Cushman	D	32,200	29,350
Ring Hotel	Ring Hotel	Man	B	5,489	5,473
Ring Multi	Ghelamco Arena Multifunctional space	Cushman	D	20,625	19,275
Docora	Ghelamco Arena Offices	Cushman	C/D	14,576	13,926
Ring Offices	Ghelamco Arena Offices	Cushman	D	2,900	2,410
Ghelamco Invest	Le 8300	Man	C	20,491	19,566
Waterview/Parking Leuven	Waterview Parkings	Cushman	C	8,360	5,691
Waterview/Retail Leuven	Waterview Retail space	Cushman	D	8,000	4,832

**TOTAL :** **242,010**    **223,360**

Legend : Man = Management valuation, CBRE = CBRE valuation report, Cushman = Cushman & Wakefield valuation report

The average yields used in the expert valuations (applying residual method) on 30 June are as follows:

- 6.00% to 7.00% for Belgian office projects, depending on the location, specifics and nature of the investment (vs. 6.00% to 7.00% per 31/12/2014);
- 6.00% to 7.0% for other Belgian (mainly retail) projects, depending on the specifics, nature and location of the investment (vs. 6.00% to 7.00% per 31/12/2014).

## 5. Interest bearing loans and borrowings

	30/06/2015	31/12/2014
<b>Non-current</b>		
Bank borrowings – floating rate	109,868	44,755
Other borrowings	86,227	120,591
Finance lease liabilities		
	<b>196,095</b>	<b>165,346</b>
<b>Current</b>		
Bank borrowings – floating rate	59,910	104,650
Other borrowings	26,764	27,764
Finance lease liabilities		
	<b>86,674</b>	<b>132,414</b>
<b>TOTAL</b>	<b>282,769</b>	<b>297,760</b>

### 5.1 Bank borrowings

During the period, the Company obtained new secured bank loans expressed in EUR and drew on existing credit facilities for a total amount of 26.3 MEUR, all of which are Euribor based. On the other hand, reimbursements (and/or refinancings) have been done for a total amount of 5.9 MEUR, net of prolongation of a number of bank borrowings.

When securing debt finance for its (larger) projects, the Company always negotiates long term agreements with its banks. Under these agreements, the bank swaps land acquisition loans (usually 2-year term) into development loans (usually additional 2-year term) and swaps development loans into investment loans (mostly 5 years term) upon the fulfilment of pre-agreed conditions.

Most banking partners of the Company have accepted the above as a “framework” for past, current and future co-operation.

98% of the outstanding non-current bank borrowings is maturing within a 3 years-period, 2% is maturing after more than 5 years.

With respect to the outstanding short-term bank borrowings, it is to be mentioned that in the second half of 2015 part will be reimbursed following the contractual terms, but significant parts will also be repaid upon sale/disposal of the related projects and parts will be prolonged or refinanced (e.g. through resp. swap to development or investment loan).



## 5.2 Bonds (110,311 KEUR)

The Company has in 2012 issued private unsecured bonds for a total amount of 42 MEUR (25.05 MEUR bond serie A, 16.95 MEUR bond serie B). These bonds, which are secured by a first demand guarantee from Ghelamco Group Comm. VA and of which the issuance has been coordinated by KBC Securities and Belfius Bank, have been underwritten by a select group of institutional investors and high-net-worth individuals. Bonds serie A has as maturity date 13/12/15 and bears a fixed interest of 7.0%. Bonds serie B has as maturity date 13/12/17 and bears a fixed interest of 7.875%.

Goal of the issue is to diversify financial resources and secure the mid-term funding necessary to secure the realization of the pipeline of Belgian and French projects.

In addition, the Company has in the second half of 2013 and the first half of 2014 again issued private unsecured bonds for a total amount of 70 MEUR, secured by a first demand guarantee from Ghelamco Group Comm. VA, having as maturity date 28/02/2018 and bearing an interest rate of 6.25%. The above bond program has again been coordinated by KBC Securities and Belfius Bank.

Total balance of outstanding bonds per balance sheet date (110,311 KEUR) represents the amount of issue (112 MEUR) less capitalized issue costs (of which mainly the issuing banks' arrangement fees), which are amortized over the term of the bonds.

## 5.3 Other loans

Remaining outstanding loans (2,680 KEUR) relate to:

- long-term intercompany loans from the Ghelamco Group cash pool (Peridot SL), to which the Company has access at all times, and
- other short-term balances to third parties, which have been reimbursed in Q3 2015 .

The above mentioned intercompany loans are granted at arm's length conditions.

No defaults of payments or breaches of borrowing agreements occurred as of 30 June 2015.

Bank borrowings are secured by amongst others the property development projects of the Company, including land and in-process construction, pledge on SPV shares, etc.

The bonds are secured by a first demand guarantee by Ghelamco Group Comm. VA.

The loan agreements granted by the bank are sometimes subject to a number of covenants (Loan to Value, Loan to Cost, Debt Service Cover). During the period and per end of the period, there were no events of default in respect of these borrowings.

Also the terms and conditions of the bond issue have been complied with as of balance sheet date.

## 6. Revenue

Revenue can be detailed as follows:

	30.06.2015	30.06.2014
Sales of Residential Projects	36,882	13,835
Rental Income	3,170	2,470
Other	363	435
<b>TOTAL REVENUE</b>	<b>40,415</b>	<b>16,740</b>

The rental income as of 30 June 2015 relates to rent from commercial projects (mainly the Brico Plan-It retail hall in Ghent, the Blue Towers, the Ghelamco parking project around and multifunctional space in the Ghelamco Arena).

The residential projects sales as of 30 June 2015 mainly relate to:

- Villas and apartments at the Belgain coast (2,284 KEUR)
- Blaisant Park Ghent (4,901 KEUR; sale of 9 apartments, 12 student houses and 10 parkings in the first half of 2015 + invoicing of remaining part of 41 apartments and 43 parking spaces under the Breyne legislation)
- Student units in the Waterview project in Leuven Vaartkom (29,491 KEUR; 239 units sold in total)

## 7. Other items included in operating profit/loss

	30/06/2015	30/06/2014
<b>Gains from revaluation of Investment Property</b>	5,628	5,888

Fair value adjustments over the first half of 2015 amount to 5,628 KEUR, which is mainly the result of current period's further investment and leasing efforts, in combination with evolution in market conditions (yield and rent level evolution).

	30/06/2015	30/06/2014
<b>Other operating expenses</b>		
Taxes and charges	322	153
Insurance expenses	100	47
Audit, legal and tax expenses	435	540
Sales expenses	7,612	558
Rental guarantee expenses	231	-
Housing costs (incl maintenance)	293	206
Operating expenses with related parties	1,070	933
Miscellaneous	746	238
<b>Total:</b>	<b>10,809</b>	<b>2,675</b>

The increased sales expenses are to a significant extent related to commission expenses on the Waterview (student houses) project.

#### 8. Finance income and finance costs

	30/06/2015	30/06/2014
Foreign exchange gains		
Interest income	219	268
Other finance income		
<b>Total finance income</b>	<b>219</b>	<b>268</b>
Interest expense	-4,927	-5,717
Other interest and finance costs	-826	-554
Foreign exchange losses		
<b>Total finance costs</b>	<b>-5,753</b>	<b>-6,271</b>

#### 9. Financial instruments

The table below summarizes all financial instruments by category and discloses the fair values of each instrument and the fair value hierarchy.

Financial instruments (x € 1 000)	30.06.2015				
	At fair value through P/L-held for trading	Available for sale	Loans and receivables/HTM at amortised cost	Fair value	Fair value level
Other financial investments					
Other financial assets		-	1,059	1,059	2
Non-current receivables					
Receivables and prepayments			2,673	2,673	2
Restricted cash			-	-	
Current receivables					
Trade and other receivables			44,472	44,472	2
Derivatives	-			-	
Cash and cash equivalents			16,104	16,104	2
<b>Total Financial Assets</b>	<b>0</b>	<b>0</b>	<b>64,308</b>	<b>64,308</b>	
Interest-bearing borrowings - non-curr.					
Bank borrowings			109,868	109,868	2
Bonds			85,547	95,160	2
Other borrowings			680	680	2
Interest-bearing borrowings – current					
Bank borrowings			59,910	59,910	2
Bonds			24,764	26,041	
Other borrowings			2,000	2,000	
Current payables					
Trade and other payables			20,927	20,927	2
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>303,696</b>	<b>314,586</b>	

Financial instruments (x € 1 000)	31.12.2014				
	At fair value through P/L-held for trading	Available for sale	Loans and receivables/HTM at amortised cost	Fair value	Fair value level
Other financial investments					
Other financial assets		-	561	561	2
Non-current receivables					
Receivables and prepayments			2,580	2,580	2
Restricted cash			-	-	
Current receivables					
Trade and other receivables			17,634	17,634	2
Derivatives	-			-	
Cash and cash equivalents			39,837	39,837	2
<b>Total Financial Assets</b>	<b>0</b>	<b>0</b>	<b>60,612</b>	<b>60,612</b>	
Interest-bearing borrowings - non-curr.					
Bank borrowings			44,755	44,755	2
Bonds			85,355	93,046	2
Other borrowings			35,236	35,236	2
Interest-bearing borrowings – current					
Bank borrowings			104,650	104,650	2
Bonds			24,764	25,212	
Other borrowings			3,000	3,000	
Current payables					
Trade and other payables			21,247	21,247	2
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>319,007</b>	<b>327,146</b>	

## 10. Transactions with related parties

Since 2007, Ghelamco (Consortium)'s business activities are structured in three major holdings under common control of the ultimate shareholders (jointly referred to as "Ghelamco"):

- Investment Holding: comprises resources invested in the development of real estate projects in Belgium, Poland, Russia and Ukraine and the intra-group Financing Vehicles – referred to as "Investment Group" or the "Group";
- Development Holding: represents international entities that provide construction, engineering and development services to the Investment Group;



- Portfolio Holding: consists of all other activities and real estate investments controlled by the ultimate shareholders.

Ghelamco Invest NV (the “Company”) is the holding company of the Belgian and French activities of Ghelamco Group Comm. VA, which is in turn the holding company of the Investment Group. Ghelamco Invest NV, together with its subsidiaries, constitute the reporting entity for the purpose of these interim condensed financial statements.

Balances and transactions between the Company and related parties (belonging to the Development Holding and the Portfolio Holding) mainly relate to construction and development services on the one hand and financial related party transactions on the other hand.

**Trading transactions: purchase of construction, engineering and other related services from related parties**

*Construction and development services*

The Company has entered into property development and construction contracts with property development and construction companies (“Contractors”), subsidiaries of International Real Estate Services Comm. VA (the parent company of Ghelamco’s “Development Holding”):

- Ghelamco Belgium with its registered office in Ieper.

*Engineering and architectural design services*

APEC Architectural Engineering Projects Limited (a limited liability company registered under the laws of Ireland), legal subsidiary of International Real Estate Services Comm. VA (the parent company of Ghelamco’s “Development Holding”) coordinates engineering and architectural design services provided to the Company’s larger projects, in accordance with terms of the respective contracts.

Above described related party transactions and balances can be detailed as follows:

Purchases of construction, engineering and architectural design:	-17,296
related party trade receivable	7,514
related party trade accounts payable	-2,195
related party non-current loans receivable	-
related party non-current trade and other receivable	1,960
related party interests receivable	853
related party C/A receivable	18,965
related party non-current loans payable	-680
related party interests payable	-71
related party C/A payable	-



## 11. Post balance sheet events

- The Company has on 24 June 2015 launched a new EMTN bonds program for a maximum amount of 150 MEUR. First tap on this program – which was very successful, causing an early close of the subscription period – has resulted in the issue of a first tranche of 79,100 KEUR . The bonds, which are listed on Euronext, have as maturity date 3/07/2020, bear an interest rate of 4.5% and are secured by a first demand guarantee from Ghelamco Group Comm. VA. The program has been coordinated by Belfius, BNP and KBC. The above first tranche has been underwritten by institutional investors and high-net-worth individuals. Since its bond listing on Euronext, Ghelamco Invest is formally considered as a Public Interest Entity (PIE), with related transparency, governance and reporting requirements to the benefit of the investors.



Deloitte Bedrijfsrevisoren /  
Reviseurs d'Entreprises  
Berkenlaan 8b  
1831 Diegem  
Belgium  
Tel. + 32 2 800 20 00  
Fax + 32 2 800 20 01  
[www.deloitte.be](http://www.deloitte.be)

## Ghelamco Invest NV and subsidiaries

**Report on review  
of the consolidated interim financial  
information for the six-month period  
ended 30 June 2015**



**Deloitte.**

Deloitte Bedrijfsrevisoren /  
Reviseurs d'Entreprises  
Berkenlaan 8b  
1831 Diegem  
Belgium  
Tel. + 32 2 800 20 00  
Fax + 32 2 800 20 01  
www.deloitte.be

## Ghelamco Invest NV and subsidiaries

### Report on review of the consolidated interim financial information for the six-month period ended 30 June 2015

To the board of directors

In the context of our appointment as the company's statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the condensed consolidated balance sheet as at 30 June 2015, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated cash flow statement for the period of six months then ended, as well as selective notes 1 to 11.

#### Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of Ghelamco Invest NV ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standard IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

The condensed consolidated balance sheet shows total assets of 467,631 (000) EUR and the condensed consolidated income statement shows a consolidated profit (group share) for the period then ended of 5,706 (000) EUR.

The board of directors of the company is responsible for the preparation and fair presentation of the consolidated interim financial information in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

#### Scope of review

We conducted our review of the consolidated interim financial information in accordance with International Standard on Review Engagements (ISRE) 2410 – *Review of interim financial information performed by the independent auditor of the entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated interim financial information.



**Deloitte.**

*Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Ghelamco Invest NV has not been prepared, in all material respects, in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

Diegem, 28 September 2015

**The statutory auditor**

A handwritten signature in blue ink, appearing to be "Rik Neckebroeck".

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**DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises**  
BV o.v.v.e. CVBA / SC s.f.d. SCRL  
Represented by Rik Neckebroeck