

Ghelamco Invest NV
Half year results 30.06.2016

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

- **Net profit for the period of 2,688 KEUR (compared to 5,720 KEUR as of 30.06.15)**
- **Stable solvency ratio at 30% (compared to 30% as per 31.12.15)**
- **Further commercialisation of the Waterview student housing project in Leuven (461 available student units in total, with a sales rate per date of the current report of over 90%)**
- **Construction efforts and commercial successes on the 2nd phase (72 apartments, 5 lofts, underground parking garages and commercial units) of the Tribeca project in Ghent, contemporary, green project at the Nieuwevaart. Per date of the current report, approx. 80% of available units have been (pre-) sold.**
- **Kick-off and fast progress of the construction works of the 4-stars business hotel next to the Ghelamco Arena in Ghent in view of the expected opening by end 2017.**

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 2016 half-year accounts with a net profit of 2,688 KEUR, resulting from its continued development, construction and commercialisation efforts. Thanks to these efforts, the Company again realised significant residential sales and in addition managed to achieve sustained growth, reflected in an increased balance sheet total of 627,609 KEUR and an equity of 187,882 KEUR. The solvency ratio¹ remained stable at 30%.

¹ For 2016 calculated as equity/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 three years been delivered and commercialised.

In the current 6-month period, further sales efforts were done in the delivered Waterview student housing project in Leuven (461 student units in total), resulting in a sales rate per 30 June 2016 of over 80% (and even over 90% per date of the current report). In addition, construction of phase 2 of the Tribeca project in Ghent (affordable, contemporary, green project, consisting of 72 apartments, 5 lofts, underground parking garages and retail units) has well advanced. At the same time, commercialisation of this project is going smoothly, as per date of the current report approx. 80% of available residential units have already been (pre-)sold.

Also, the construction of the 4-stars business hotel next to the Ghelamco Arena in Ghent has started and is progressing at a fast pace, in view of the expected delivery by the end of 2017. This hotel is covering approx. 25,000 sqm and will offer 125 hotel rooms, 83 extended stay rooms and 98 underground parking bays to its guests.

Key figures

Results	30.06.2016	30.06.2015
Operating result	10,163	13,747
Net result of the year	2,688	5,720
Share of the group in the net result of the period	2,689	5,706
Balance sheet	30.06.2016	31.12.2015
Total assets	627,609	621,359
Cash and cash equivalents	10,187	35,141
Net financial debt (-)	386,631	358,725
Total equity	187,882	185,193

Revenue for the first semester of 2016 amounts to 49,080 KEUR and mainly relates to rental income (3,884 KEUR) and sales of residential projects (43,336 KEUR).

The investment property (under construction) portfolio evolved from 265,150 KEUR per end 2015 to 278,112 KEUR per end of June 2016; evolution which is the combined result of current period's expenditures (9,136 KEUR) and fair value adjustments (3,826 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 2016 totals to 10,163 KEUR; net profit for the period closes with 2,688 KEUR.

Property development inventories balance decreased by 28,360 KEUR to 178,271 KEUR; evolution which is the combined effect of further expenditures on Belgian (residential) projects (mainly connected with the construction of the Tribeca project in Ghent) and the sale of some (residential) projects (mainly the De Ligne building in Rue de la Banque in Brussels, student units in the Waterview project in Leuven Vaartkom and invoicing of tranches under the Breyne legislation in the Tribeca project in Ghent).

Connected with the intention to further strengthen the capital structure of the Company, Ghelamco Invest's capital has – after a first 60 MEUR capital increase in November 2014 – in June 2015 been increased by another



50 MEUR (in cash) and in december 2015 by another 50 MEUR (combined cash and contribution in kind increase, of which 35 MEUR was paid in).

During the period the Company was able to obtain new bank borrowings and withdraw on existing credit facilities for a total amount of 10.2 MEUR. On the other hand, reimbursements and refinancings have been done for an amount of 7.8 MEUR, bringing the total outstanding amount of bank borrowings to 180.2 MEUR (compared to 177.9 MEUR at 31/12/2015).

Overview

The Company's main development activities during the first half of 2016 related to:

- Continuation of the construction works of phase 2 of the Tribeca project at the Nieuwevaart in Ghent (mixed project of +/- 35,000 sqm lettable/sellable area in total of which phase 2 will offer 72 apartments, 5 lofts, underground parking garages and commercial units). Per date of the current report approx. 80% of available units have already been (pre-)sold.
- Start of the construction works of the business hotel next to the Ghelamco Arena (125 hotel rooms, 83 extended stay rooms and 98 underground parking bays). Delivery and opening is foreseen by end 2017.
- Signing of a conditional share purchase agreement on 15 February 2016 for the acquisition of the shares of a company holding the freehold rights on a site in Berchem, in view of the realisation of the City Link project (27,000 sqm office space and approx. 540 underground parking spaces, divided over 2 buildings). The transaction value of the plot amounted to 8,7 MEUR. The acquisition has been closed and the ownership has been transferred after period-end; i.e. on 19 August 2016. The ongoing construction works will be continued in the second half of 2016.

As to divestures and/or revenues:

- Current period's revenues mainly related to the sale of the De Ligne building at Rue de la Banque to the City of Brussels for a sales price of 27,000 KEUR, further commercialisation of the residential part of the Waterview project in Leuven Vaartkom (30 units sold during the first half of 2016) and invoicing under the Breyne legislation connected to (29 apartments and 28 parking spaces in) phase 2 of the Tribeca project at the Nieuwevaart in Ghent. While no investment property projects have been disposed in the current period.

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 2016, 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 2016 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 2015, remain applicable for 2016 and are closely managed and monitored by the Company's management.

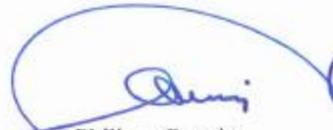
Declaration in accordance with Art. 13 of the Belgian Royal Decree of 14 November 2007

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 Group 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
23/09/2016



Philippe Pannier
CFO
Ieper
23/09/2016

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)

	30/06/2016	30/06/2015
Revenue	49,080	40,415
Other operating income	1,596	846
Cost of Property Development Inventories	-37,851	-21,910
Employee benefit expense	-281	-185
Depreciation amortisation and impairment charges	7	-27
Gains from revaluation of Investment Property	3,826	5,628
Other operating expense	-6,214	-10,809
Share of results of associates	0	-211
Operating result	10,163	13,747
Finance income	1,425	219
Finance costs	-6,844	-5,753
Result before income tax	4,744	8,213
Income tax expense	-2,056	-2,493
Result of the period	2,688	5,720
Attributable to		
Equity holders of parent	2,689	5,706
Non-controlling interests	-1	14

Condensed consolidated statement of comprehensive income (in KEUR)

	30/06/2016	30/06/2015
Profit for the period	2,688	5,720
Exchange differences on translating foreign operations	0	0
Other	0	0
Other recyclable comprehensive income of the period	0	0
Total Comprehensive income for the period	2,688	5,720
Attributable to		
Equity holders of parent	2,689	5,706
Non-controlling interests	-1	14

Condensed consolidated balance sheet (in KEUR)

	30/06/2016	31/12/2015
ASSETS		
Non-current assets		
Investment Property	278,112	265,150
Property, plant and equipment	150	148
Investments in associates	0	0
Receivables and prepayments	675	2,163
Deferred tax assets	5,305	5,181
Other financial assets	4,304	3,637
Restricted cash	0	0
	288,546	276,279
Current assets		
Property Development Inventories	178,271	206,631
Trade and other receivables	150,016	102,719
Current tax assets	14	14
Derivatives	0	0
Assets classified as held for sale	575	575
Restricted cash	0	0
Cash and cash equivalents	10,187	35,141
	339,063	345,080
Total current assets		
	627,609	621,359
TOTAL ASSETS		

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

	30/06/2016	31/12/2015
EQUITY AND LIABILITIES		
Capital and reserves attributable to the Company's equity holders		
Share capital	146,490	146,490
CTA		
Retained earnings	41,217	38,527
	187,707	185,017
Non-controlling interests	175	176
TOTAL EQUITY	187,882	185,193
Non-current liabilities		
Interest-bearing loans and borrowings	303,807	328,325
Deferred tax liabilities	20,403	19,068
Other non-current liabilities	0	0
Long-term provisions	120	140
Total non-current liabilities	324,330	347,533
Current liabilities		
Trade and other payables	20,570	21,434
Current tax liabilities	1,816	1,658
Interest-bearing loans and borrowings	93,011	65,541
Short-term provisions	0	0
Total current liabilities	115,397	88,633
Total liabilities	439,727	436,166
TOTAL EQUITY AND LIABILITIES	627,609	621,359

Condensed consolidated cash flow statement (in KEUR)

	30/06/2016	30/06/2015
Cash flow from operating activities		
Result of the year before income tax	4,744	8,213
<i>Adjustments for:</i>		
- Share of results of associates	0	210
- Change in fair value of investment property	-3,826	-5,628
- Depreciation, amortization and impairment charges	-7	27
- Result on disposal investment property	0	0
- Change in provisions	-20	-1
- Net finance costs	4,606	4,708
- Movements in working capital:		
- change in inventory	28,360	-21,449
- change in trade & other receivables	-47,297	-26,458
- change in trade & other payables	-1,848	4,766
- change in fair value of derivatives		
- Movement in other non-current liabilities		
- Other non-cash items	34	5
Income tax paid	-687	-103
Interest paid	-5,047	-9,638
Net cash from operating activities	-20,988	-45,348
Cash flow from investing activities		
Interest received	1,425	219
Purchase of property, plant & equipment	-28	0
Purchase of investment property	-7,718	-11,544
Capitalized interest in investment property	-1,418	-1,478
Proceeds from disposal of investment property	0	0
Net cash outflow on other non-current financial assets	821	-591
Movement in restricted cash accounts		
Net cash flow used in investing activities	-6,918	-13,394
Financing Activities		
Proceeds from borrowings	10,747	24,977
Repayment of borrowings	-7,795	-39,968
Capital increase		50,000
Dividends paid		
Net cash inflow from / (used in) financing activities	2,952	35,009

Net increase in cash and cash equivalents	-24,954	-23,733
Cash and cash equivalents at 1 January	35,141	39,837
Cash and cash equivalents at the end of the period	10,187	16,104

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		
Balance at 1 January 2015	61,490	0	28,278	67	89,835
Capital Increase	50,000				50,000
Profit/(loss) for the period			5,706	14	5,720
Dividend distribution					0
Change in non-controlling interests					0
Change in the consolidation scope					0
Other			3		3
Balance at 30 June 2015	111,490	0	33,987	81	145,558
Balance at 1 January 2016	146,490	0	38,527	176	185,193
Capital increase					0
Profit/(loss) for the period			2,689	-1	2,688
Dividend distribution					0
Change in non-controlling interests					0
Change in the consolidation scope					0
Other			1		1
Balance at 30 June 2016	146,490	0	41,217	175	187,882

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 2016

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 2016 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 2015.

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.

	30/06/2016	31/12/2015
Property Development Inventories	178,202	206,575
Raw materials	69	56
Finished goods	0	0
	178,271	206,631

The inventory mainly relates to residential projects at the Belgian coast (both finalized and under construction), mainly in Knokke and (East Dune) Oostduinkerke, the Tribeca site in Ghent (24,000 m² plot, for the development of an approx. 35,000 m² mixed residential and retail space project, currently under construction), the residential part of the Waterview project (+/- 460 student homes at Vaartkom Leuven, per 30/06/2016 sold for over 80%) 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)

Balance at 31 December 2015	265,150
Acquisition of properties	1,871
Acquisition through business combinations	
Subsequent expenditure	7,265
Transfers	
- Assets classified as held for sale	
- Other transfers	
Adjustment to fair value through P/L	3,826
Disposals	
CTA	
Other	
Balance at 30 June 2016	278,112

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 m²);
- C. Land + Construction ongoing (fair value based on the residual method);
- D. Completed Projects held for investment.

Country + SPV	Commercial Name	Valuation	Cat	30/06/2016	31/12/2015
				KEUR	KEUR
BELGIUM					
Leisure Property Invest	Golf Knokke Zoute	Man	A	39,550	36,828
WRP	Wavre Retail Park	Man	A	12,600	12,600
Retail Gent	Retail Gent	CBRE	D	14,000	15,000
Parking Gent	Parking Gent	CBRE	C/D	30,250	30,390
Parking Estates	Parking Estates	CBRE	D	2,371	2,371
Zeewind	Zeewind	Man	D	1,746	1,746
Schelde Offices	Blue Towers	JLL	D	36,600	34,250
Arte Offices	Blue Towers	JLL	D	39,500	37,250
Ring Hotel	Ring Hotel	Man	C	9,811	5,598
Ring Multi	Ghelamco Arena Multifunctional space	Cushman	D	21,825	20,425
Meetdistrict	Meetdistrict	Cushman	C/D	31,120	31,000
Ghelamco Invest	Le 8300	Man	C	21,805	21,258
Waterview/Parking Leuven	Waterview Parkings	Cushman	D	8,434	8,434
Waterview/Retail Leuven	Waterview Retail space	Cushman	D	8,500	8,000

TOTAL :

278,112

265,150

Legend : Man = Management valuation, CBRE = CBRE valuation report, Cushman = Cushman & Wakefield valuation report, JLL = Jones Lang Lasalle

The average yields used in the expert valuations (applying residual method) on 30 June 2016 are as follows:

- 5.4% for Belgian office projects, depending on the location, specifics and nature of the investment (vs. 5.50% per 31/12/2015);
- 6.00% to 6.95% for other Belgian (mainly retail) projects, depending on the specifics, nature and location of the investment (vs. 6.00% to 7.00% per 31/12/2015).

5. Interest bearing loans and borrowings

	30/06/2016	31/12/2015
Non-current		
Bank borrowings – floating rate	87,235	112,321
Other borrowings	216,571	216,004
Finance lease liabilities		
	303,807	328,325
Current		
Bank borrowings – floating rate	93,011	65,541
Other borrowings – floating rate		
Finance lease liabilities		
	93,011	65,541
TOTAL	396,818	393,866

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 10.2 MEUR, all of which are Euribor based. On the other hand, reimbursements (and/or refinancings) have been done for a total amount of 7.8 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.

77% of the outstanding non-current bank borrowings is maturing within a 3 years-period, 23% is maturing after more than 3 years.

With respect to the outstanding short-term bank borrowings, it is to be mentioned that in the second half of 2016 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 (216,571 KEUR)

The Company has in 2012 issued private unsecured bonds for a total amount of 42 MEUR (25.05 MEUR bond serie A, maturing on 13/12/15 and bearing a fixed interest of 7.0% - 16.95 MEUR bond serie B, maturing on 13/12/17 and bearing a fixed interest of 7.875%). These bonds were secured by a first demand guarantee from Ghelamco Group Comm. VA and were underwritten by a select group of institutional investors and high-net-worth individuals.

In December 2015, the Company redeemed its 2012 private unsecured bonds for the total amount of 42 MEUR (serie A for an amount of 25.05 MEUR on its contractual maturity date 13/12/15 and serie B for an amount of 16.95 MEUR on the same date, through early redemption).

Also, 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.

In addition, 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 has in July 2015 resulted in the issue of a first tranche of 79,100 KEUR and in December 2015 the remaining amount of 70,900 KEUR has been raised. The bonds, which are listed on Euronext, have as maturity date 3/07/2020 (first tranche) and 14/06/2021 (second tranche), bear an interest rate of 4.5% (first tranche) and 4.125% (second tranche) and are secured by a first demand guarantee from Ghelamco Group Comm. VA. The program has been coordinated by Belfius, BNP and KBC. Both tranches have 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.

Total balance of outstanding bonds per balance sheet date (216,571 KEUR) represents the amount of issue (220 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

There are no other loans outstanding as of 30 June 2016.

No defaults of payments or breaches of borrowing agreements occurred as of 30 June 2016.

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:

	30.06.2016	30.06.2015
Sales of Residential Projects	43,336	36,882
Rental Income	3,884	3,170
Other	1,860	363
TOTAL REVENUE	49,080	40,415

The rental income as of 30 June 2016 relates to rent from commercial projects (mainly the Blue Towers, the Brico Plan-It retail hall in Ghent, the parking project around and multifunctional space in the Ghelamco Arena).

The residential projects sales as of 30 June 2016 mainly relate to:

- Sale of the De Ligne building at rue de la Banque to the City of Brussels (27,000 KEUR)
- Villas and apartments at the Belgain coast (7,507 KEUR)
- Student units in the Waterwiew project in Leuven Vaartkom (4,233 KEUR; 30 units sold in the first half of 2016)
- Invoicing under the Breyne legislation re. phase 2 of the Tribeca project in Ghent (4,575 KEUR re. 29 apartments and storage spaces and 27 parking places which have been sold in the first half of 2016)

7. Other items included in operating profit/loss

	30/06/2016	30/06/2015
Gains from revaluation of Investment Property	3,826	5,628

Fair value adjustments over the first half of 2016 amount to 3,826 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).

	30/06/2016	30/06/2015
Other operating expenses		
Operating lease/ rental expenses		
Taxes and charges	558	322
Insurance expenses	95	100
Audit, legal and tax expenses	875	435
Sales expenses	2,017	7,612
Rental guarantee expenses	182	231
Housing costs (incl maintenance)	692	293
Operating expenses with related parties	1,148	1,070
Miscellaneous	647	746
Total:	6,214	10,809

The decreased sales expenses are to a significant extent related to commission expenses on the Waterview (student houses) project, which is per mid 2016 already sold out for over 80% (+/- 200 units sold in the first half of 2015 compared to 30 units sold in the first half of 2016).

8. Finance income and finance costs

	30/06/2016	30/06/2015
Foreign exchange gains		
Interest income	1,425	219
Other finance income		
Total finance income	1,425	219
Interest expense	-6,031	-4,927
Other interest and finance costs	-813	-826
Foreign exchange losses		
Total finance costs	-6,844	-5,753

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)	30.06.2016				
	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		-	4,304	4,304	2
Non-current receivables					
Receivables and prepayments			675	675	2
Restricted cash			-	-	
Current receivables					
Trade and other receivables			147,588	147,588	2
Derivatives	-			-	
Cash and cash equivalents			10,187	10,187	2
Total Financial Assets	0	0	162,754	162,754	
Interest-bearing borrowings - non-curr.					
Bank borrowings			87,235	87,235	2
Bonds			69,240	73,197	2
Bonds (Euronext)			147,331	148,582	1
Other borrowings			-	-	2
Interest-bearing borrowings - current					
Bank borrowings			93,011	93,011	2
Bonds			-	-	2
Other borrowings			-	-	2
Current payables					
Trade and other payables			17,180	17,180	2
Total Financial Liabilities	-	-	413,997	419,205	

Financial instruments (x € 1 000)	31.12.2015				
	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		-	3,637	3,637	2
Non-current receivables					
Receivables and prepayments			2,163	2,163	2
Restricted cash			-	-	
Current receivables					
Trade and other receivables			97,469	97,469	2
Derivatives	-			-	
Cash and cash equivalents			35,142	35,142	2
Total Financial Assets	0	0	138,411	138,411	
Interest-bearing borrowings - non-curr.					
Bank borrowings			112,321	112,321	2
Bonds			68,987	75,424	2
Bonds (Euronext)			147,017	149,448	1
Other borrowings			-	-	2
Interest-bearing borrowings - current					
Bank borrowings			65,541	65,541	2
Bonds			-	-	2
Other borrowings			-	-	2
Current payables					
Trade and other payables			17,644	17,644	2
Total Financial Liabilities	-	-	411,510	420,378	

The above table provides an analysis of financial instruments grouped into Levels 1 to 3 based on the degree to which the fair value (recognized on the statement of financial position or disclosed in the notes) is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).



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:	-8,700
related party trade receivable	6,789
related party trade accounts payable	-573
related party non-current loans receivable	295
related party non-current trade and other receivable	-
related party interests receivable	2,682
related party C/A receivable	131,311
related party non-current loans payable	-
related party interests payable	-1
related party C/A payable	-

11. Post balance sheet events

- After the signing of a conditional share purchase agreement for the acquisition of the shares of a company holding the freehold rights on a site in Berchem in February 2016, the formal acquisition has been closed and the ownership has been transferred on 19 August 2016. The acquisition has been done in view of the realisation of the City Link project (27,000 sqm office space and approx. 540 underground parking spaces, divided over 2 buildings). The transaction value of the plot in the share deal amounted to 8,7 MEUR.



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Ghelamco Invest NV and subsidiaries

**Report on review
of the consolidated interim financial
information for the six-month period
ended 30 June 2016**

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Ghelamco Invest NV and subsidiaries

Report on review of the consolidated interim financial information for the six-month period ended 30 June 2016

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 2016, 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 627,609 (000) EUR and the condensed consolidated income statement shows a consolidated profit (group share) for the period then ended of 2,689 (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.



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, 23 September 2016

The statutory auditor



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BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Rik Neckebroeck