



**HALF YEAR
FINANCIAL
REPORT
2021**

Under embargo until 09/09/2021 5.40 pm

Regulated information

HALF YEAR FINANCIAL REPORT 2021

- **Qualitative residential real estate portfolio**

- Increase in the fair value of the real estate portfolio to € 667.82 million on 30 June 2021.
- The investment properties available for rent consist for 90.4% of residential real estate.
- More than 50% of the investment properties available for rent are younger than 10 years; more than 70% are younger than 20 years.
- Delivery of the residential project The Felicity with 48 housing units in Laken (Brussels).
- Agreement for the acquisition, subject to conditions precedent, of the building land PLOT 4 of the project CITY DOX in Anderlecht (Brussels) in view of the construction of a building with 171 new housing units.
- Agreement for the acquisition, subject to conditions precedent, of the plot of land of building A of the project Key West in Anderlecht (Brussels) in view of the construction of a building with 101 new housing units.
- Agreement for the acquisition, subject to conditions precedent, of 100 % of the shares in The Ostrov, owner of a building located at Het Eilandje in Antwerp.

- **Strong letting market results in a record occupancy rate**

- Accelerating residential letting market with strong demand for qualitative housing.
- Increase of the average occupancy rate to 96.9 % in the first six months of 2021 (compared to 94.5 % million in the first half of 2020).

- **Increase of the operating margin**

- Increase of the operating margin to 64,5 % in the first half of 2021 (compared to 58,3 % during the first three months of 2020).

- **Increase in the EPRA earnings and distributable result**

- 11.4 % increase in the EPRA earnings to € 6.94 million (compared to € 6.23 million in the first half of 2020).
- 11.4 % increase in the EPRA earnings per share to € 2.11 (compared to € 1.90 in the first half of 2020).
- Increase in the distributable result to € 8.73 million during the first six months of 2021 (compared to € 7.57 million during the first half of 2020).
- Increase in the distributable result per share to € 2.66 during the first six months of 2021 (compared to € 2.30 during the first half of 2020).

- **Net Asset Value per share (NAV)**

- Increase in the EPRA NTA per share to € 102.61 on 30 June 2021 (+ 6.3 % compared to € 96.50 on 31 December 2020).

- **Stable debt ratio and strong liquidity position**

- Debt ratio amounts to 51.29% (RREC Royal Decree) and 49.99% (IFRS) on 30 June 2021.
- The average cost of debt amounts to 1.58 % in the first half year of 2021.
- 92.5 % of the financial debts have a fixed interest rate with a weighted average remaining duration of 6.2 years.
- Home Invest Belgium has € 40.00 million available credit lines.
- The company does not have credit lines or bonds maturing in 2021. The first coming maturity date is in the second half of 2022.

- **Dividend**

- The Ordinary General Meeting of 4 May 2021 approved the distribution of a gross dividend of € 4.95 per share for the financial year 2020, which is an increase for the 21nd consecutive year.
- The board of directors expects that for 2021 and the coming year the board of directors will uphold a dividend policy which aims at a yearly dividend increase equal to or higher than the inflation.

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1. REAL ESTATE PORTFOLIO

On 30 June 2021, Home Invest Belgium holds a real estate portfolio¹ of € 667.82 miljoen, compared to € 645.63 miljoen on 31 December 2020, or an increase of 3.4%.

VASTGOEDPORTEFEUILLE	30/06/2021	31/12/2020
Fair value of investment properties	€ 645.73 m	€ 623.88 m
Investment properties available for rent	€ 619.36 m	€ 592.89 m
Development projects	€ 26.37 m	€ 30.99 m
Investments in associates and joint ventures	€ 22.09 m	€ 21.75 m
TOTAL	€ 667.82 m	€ 645.63 m

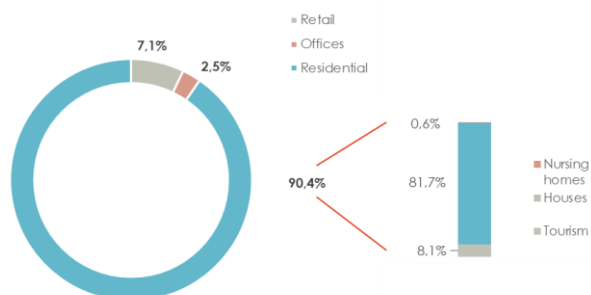
The fair value of the investment properties available for rent amounts to € 645.73 million across 49 sites.

The total contractual annual rents and the estimated rental value of vacant space is € 30.39 million as of 30 June 2021.

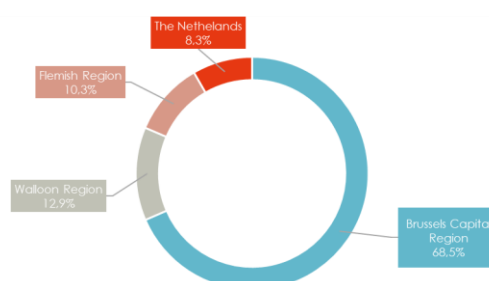
The investment properties available for rent are valued by independent real estate experts at an average gross rental yield² of 4.9%.

Residential properties accounted for 90.4 % of investment properties available for rent on 30 June 2021. On 30 June 2021, 69.4 % of the investment properties available for rent are located in the Brussels Capital Region, 12.5 % in the Walloon region, 10.0% in the Flemish Region and 8,1 % in The Netherlands.

**Investment properties available for rent
By type of property**



**Investment properties available for rent
Geographical distribution**



¹ The real estate portfolio includes (i) investment properties and (ii) investments in associated companies and joint ventures equity method.

² Gross rental yield = (contractual gross rents on a yearly basis + estimated rental value on vacant spaces) / (fair value of the investment properties available for rent).

2. CONSOLIDATED KEY FIGURES

CONSOLIDATED KEY FIGURES			(in k €)
CONSOLIDATED INCOME STATEMENT	H1 2021	H1 2020	
NET RENTAL RESULT	13,219	13,132	
OPERATING RESULT BEFORE PORTFOLIO RESULT	8,528	7,661	
OPERATING MARGIN ³	64.5%	58.3%	
XVI. Result on the sale of investment properties	79	727	
XVIII. Changes in fair value of investment properties	14,825	-1,484	
XIX. Other portfolio result	893	-192	
PORTFOLIO RESULT	15,797	-949	
OPERATING RESULT	24,325	6,712	
XX. Financial income	8	9	
XXI. Net interest charges	-2,210	-2,029	
XXII. Other financial charges	-58	-15	
XXIII. Changes in fair value of financial assets and liabilities	-1,537	-3,615	
FINANCIAL RESULT	-723	-5,650	
XXIV. Share in the profit of associates and joint ventures	-1,102	328	
TAXES	-93	-129	
NET RESULT	24,611	1,261	
Exclusion of portfolio result	-15,797	+ 949	
Exclusion of changes in real value of financial assets and liabilities	-1,537	+3,615	
Exclusion of non-EPRA elements of the share in the result of associates and joint ventures	-336	+406	
EPRA EARNINGS⁴	6,942	6,232	
Average number of shares ⁵	3,288,410	3,288,146	
NET RESULT PER SHARE	7.48	0.38	
EPRA EARNINGS PER SHARE	2.11	1.90	
DISTRIBUTABLE RESULT PER SHARE ⁶	2.66	2.30	

³ Operating margin = (operating result before portfolio result)/(net rental result).

⁴ EPRA earnings is the net result excluding the (i) portfolio result (ii) the changes in the fair value of financial assets and liabilities and (iii) the non-EPRA elements of the share in the result of associated companies and joint ventures. This term is used in accordance with the Best Practices Recommendations of EPRA.

⁵ The average number of shares is calculated excluding the own shares held by the company.

⁶ The distributable result is defined as the EPRA result plus any realised distributable capital gains on sales.

BALANCE	30/06/2021	31/12/2020
Shareholder's equity (attributable to shareholders of parent company)	332,696	310,173
Totaal assets	680,584	653,909
Debt ratio (RREC Royal Decree) ⁷	51.29%	52.40%
Debt ratio (IFRS) ⁸	49.99%	50.97%
PER SHARE	30/06/2021	31/12/2020
Number of shares at end of period ⁹	3,288,682	3,288,146
Stock price at closing date	118.50	115.50
IFRS NAV per share ¹⁰	101.16	94.33
Premium compared to IFRS NAV (at closing date)	17.1%	22.4%
EPRA NTA per share ¹¹	102.61	96.50
Premium compared to EPRA NTA (at closing date)	15.5%	19.7%

⁷ The debt ratio (RREC Royal Decree) is the debt ratio calculated in accordance with RREC Royal Decree. This means that for the purposes of calculations of the debt ratio, participations in associated companies and joint ventures are processed following the proportionate consolidation method.

⁸ The debt ratio (IFRS) is calculated like the debt ratio (RREC Royal Decree) but based on and conciliating with a consolidated balance in accordance with IFRS where participations in joint ventures and associated companies are processed following the changes in equity.

⁹ The number of shares at the end of the period is calculated excluding the own shares held by the company.

¹⁰ IFRS NAV per share = Net Asset Value or Net Value per share according to IFRS.

¹¹ EPRA NAV per share = Net Asset Value or Net Value per share following the Best Practices Recommendations of EPRA.

3. NOTES TO THE CONSOLIDATED KEY FIGURES

3.1. NOTES TO THE CONSOLIDATED INCOME STATEMENT

Net rental result

The net rental result amounts to € 13.22 million during the first half of 2021 (compared to € 13.13 million in the first half of 2020).

Operating result before the portfolio result

Operational costs remained under control thanks to the streamlining of the management platform. The operating result before the portfolio result increased with 11.3 % to € 8.53 million during the first six months of 2021 compared to € 7.66 million during the first six months of 2020).

The operating margin¹² has increased to 64.5 % during the first half of 2021 (compared to 58.3% during the first half of 2020).

Portfolio result

During the first six months of 2021, Home Invest Belgium has recorded a result of € 15.80 million was recorded.

The result on the sale of investment properties amounted to € 0.08 million during the first half of 2021.

In addition, during the first half of 2021, Home Invest Belgium recorded a positive change in the fair value of its real estate investments amounting to € 14.83 million. These changes are mainly due to:

- A positive change of € 18.98 million in Belgium, mainly in the residential segment of the property portfolio;
- A negative change of € 4.15 million in The Netherlands, due to an increase of the real estate transfer tax from 2.00% to 8.00%.

In accordance with the 'Valuation Practice Alert' published by the Royal Institute of Chartered Surveyors (RICS) on April 2nd 2020, the reports of the independent real estate experts state that for the tourist segment they were prepared taking into account a 'material evaluation uncertainty', as determined by the RICS standards. All other segments are valued without 'material evaluation uncertainty'.

The other portfolio result amounts to € 0.89 million. In this item, the changes in deferred taxes are recorded.

Financial result

The net interest charges amounted to € -2.21million in the first half of 2021. The average cost of debt¹³ amounted to 1.58% in the same period.

The changes in the fair value of the financial assets and liabilities amounted to € 1,54 million during the first half of 2021. These changes are the consequence of a change in the fair value of the interest rate swaps.

¹² Operating margin = (operating result before portfolio result)/(net rental result).

¹³ The average cost of debt = the interest costs including the credit margin and the cost of hedge instruments and increased by capitalized interests divided by the weighted average amount of financial debt over the period.

Taxes

Taxes amounted to € -0.09 million during the first half of 2021 (compared to € -0.13 million during the first half of 2020).

Net result

The net result (group share) of Home Invest Belgium amounted to € 24.61 million during the first half of 2021, or € 7.48 per share.

EPRA earnings

After adjustment of the net result before (i) the portfolio result, (ii) the changes in the fair value of the financial assets and liabilities and (iii) non-EPRA elements of the share in the result of associates and joint ventures, EPRA earnings amount to € 6.94 million during the first half of 2021, an increase of 11.4 % compared to € 6.23 million during the first half of 2020.

EPRA earnings per share increased by 11.4% from € 1.90 during the first half of 2020 to € 2.11 in the first half of 2021.

Distributable result

The sales of investment properties, realised in the first six months of 2021, resulted in a capital gain of € 1.79 million compared to the acquisition value (plus activated investments). These realised capital gains contribute to the distributable result, which forms the basis for the distribution of the dividend.

The distributable result, defined as the EPRA earnings increased by the distributable capital gains realised on the sale of investment properties, amounted to € 8.73 million in the first six months of 2021, or € 2.66 per share.

3.2. NOTES TO THE CONSOLIDATED BALANCE SHEET**Shareholder's equity and NAV per share**

On 30 June 2021, the group's shareholder's equity stood at € 332.70 million, which is an increase of 7.3% compared to 31 December 2020.

De IFRS NAV per share has risen by 7,2% to stand at € 101.16 on 30 juni 2021 (compared to € 94,16 on 31 December 2020).

De EPRA NTA per share has risen by 6,3% to stand at € 102.61 on 30 juni 2021 (compared to € 96.50 on 31 December 2020).

3.3. FUNDING STRUCTURE

Debt ratio

The debt ratio (RREC Royal Decree) amounted to 51.29% on 30 June 2021. The debt ratio (IFRS) amounts to 49.99%.

Considering a maximum permitted debt ratio of 65%, Home Invest Belgium still has a debt capacity of € 273.87 million, as defined by the RREC Royal Decree, in order to fund new investments.

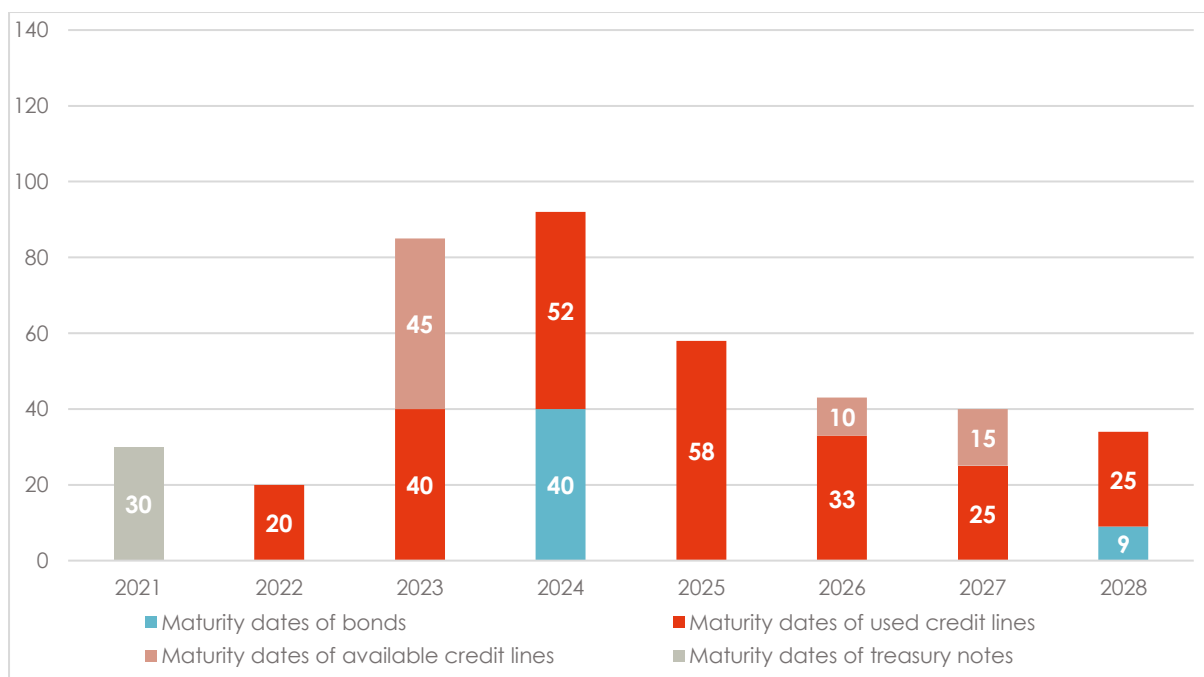
Considering Home Invest Belgium's strategy to keep the debt ratio in the medium and long term below 55%, Home Invest Belgium still has a debt capacity of € 57.68 million to fund new investments.

Debt composition

On 30 June 2021, Home Invest Belgium had € 332.00 million in financial debts, composed of:

- Bilateral credit lines drawn for an amount of € 253.00 million with 7 different financial institutions, with well spread maturity dates until 2028. There are no maturity dates falling in 2021. The first coming maturity date is in the second half of 2022;
- A bond for an amount of € 40.00 million, maturing in 2024 and a bond under the EMTN program for an amount of € 9.00 million with maturity date in 2028;
- Treasury notes ("commercial paper") for an amount of € 30.00 million. Notwithstanding the short-term nature of the outstanding commercial paper, the outstanding amount is fully covered by available long-term credit lines (*back-up lines*).

Maturity dates of the financial debts (in € million)



The weighted average remaining duration of the financial debts amounts to 3.9 years.

On 30 June 2021, Home Invest Belgium disposed of € 70.00 million of undrawn available credit lines of which:

- € 30.00 million long-term back-up lines covering short-term outstanding treasury notes;
- € 40.00 million available credit lines.

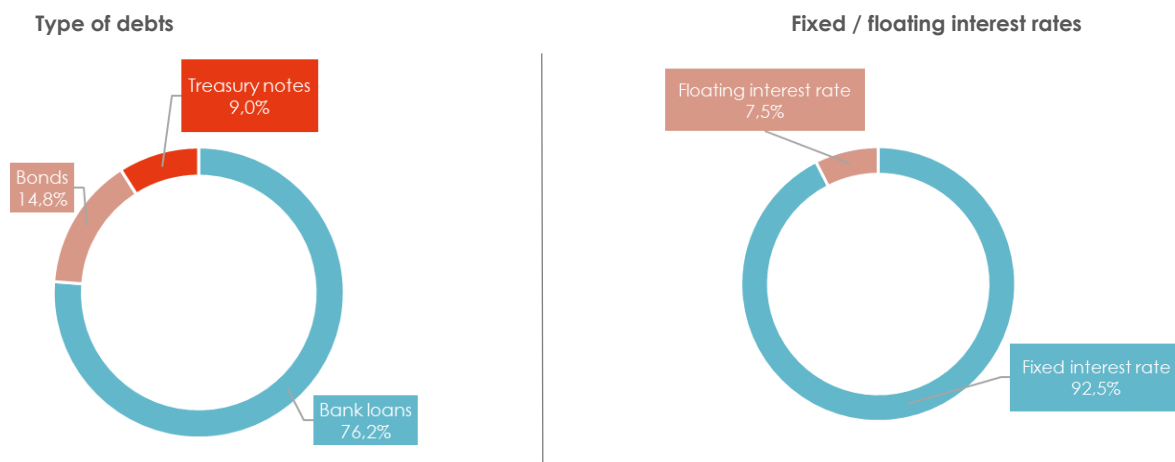
Hedges

On 30 June 2021 92.5% of financial debts (€ 307.0 million) had a fixed interest rate, using Interest Rate Swaps as hedging instruments, among other things.

The fixed interest rates have a weighted average remaining duration of 6.2 years.

The total value of the hedges at closing date was negative for an amount of € 3.69 million due to a decrease in interest rates after conclusion of the hedges.

Through its hedging policy, the board of directors wishes to protect the company against potential increases in interest rate.



4. ACTIVITY REPORT

4.1. ACQUISITIONS

Anderlecht (Brussels) – City Dox (Lot 4)

Home invest Belgium has purchased LOT 4 from City Dox in Anderlecht, under the usual condition precedent that the permit becomes definitively enforceable.

The site, ideally located right next to the Digue du Canal in Anderlecht, is part of a large-scale project along the Brussels-Charleroi canal, which is currently being redeveloped. LOT4 offers 171 residential units and 2,700m² destined to production activities.

The total investment amounts to some € 50 million. The gross initial yield is estimated at approximately 4.5% at full occupancy of the building. Completion is expected in 2023.



Anderlecht (Brussels) – Key West (Building A)

Home Invest Belgium has undertaken to acquire building A from Key West in Anderlecht, subject to the usual condition of obtaining a definitively enforceable permit. The site, which borders the Biestebroek basin, is part of a mixed project ideally located at the entrance to the heart of the city. Building A offers 101 housing units and 840m² of retail space.

The total investment for the project will be close to €30 million and the estimated gross initial yield will be around 4.5% once the building is fully occupied. Delivery of the project is scheduled for 2025.

Antwerp – Ankerrui 9

Home Invest Belgium has reached an agreement – subject to certain conditions precedent – to acquire 100% of the shares in The Ostrov NV, the company that owns the building located at 9 Ankerrui in Antwerp. The conditions precedent should be satisfied, and the transaction completed in the second half of 2021. The share price of the company is based on an investment value of the existing office building of approximately €10 million.

The building will be let as office space under a fixed-term lease, with a contractually stipulated annual rent of €648,000. After expiration of the lease, Home Invest Belgium plans to convert the building into a mixed project with about 30 residential units and a retail space on the ground floor. With its convenient location by the entrance to the Waasland tunnel and a nearby tram connection that runs right through the city, the project is also easily accessible.

With this acquisition in Antwerp, Home Invest Belgium is accelerating its growth strategy in Belgium's larger cities. The project is located near the Eilandje, an Antwerp hotspot that includes the Museum Aan de Stroom (MAS) on the Napoleondok. The district, a popular home for many Antwerp residents, lies at the crossroads between the Port of Antwerp and the historic city centre.



4.2. PROJECT DEVELOPMENTS

Delivery of The Felicity – Laken (Brussels)

Het project The Felicity (Meyers-HennAustraaf 5-17 in 1020 Brussel) ass been delivered in June 2021. This project consists of the reconversion of an obsolete storage facility in Laken into 37 new appartements, 11 houses and 51 parking places.



The Fairview – Sint-Lambrechts-Woluwe (Brussels)

The project The Fairview (Marcel Thiry laan 204 in 1200 Sint-Lambrechts-Woluwe) is a new construction with 42 residential units. The building is now airtight and watertight. The finishing and techniques are currently being worked on. The delivery is expected during the first trimester of 2022.



Jourdan 95 – Sint-Gillis (Brussels)

Architects A2RC were appointed and developed a design for the residential project. The permit application was submitted in the fourth quarter of 2020 and the urban development permit is expected to be granted in the second semester of 2021.

Samberstraat 8-12 – Antwerp

The Samberstraat project consists of the construction of 37 apartments, 1 office space, 39 parking spaces and 36 bicycle sheds.

Home Invest Belgium has started the works in the second quarter of 2021 and it to be completed in the third quarter of 2023.



Niefhout – Turnhout

The Niefhout project consists of the development, in collaboration with ION, of a residential project consisting of 92 residential units, 47 parking spaces, bicycles sheds and a commercial surface.

The provisional acceptance of the works is planned for the fourth quarter of 2022.

Galerie de l'Ange - Namur

Home Invest Belgium started the total renovation of the residential part of Galerie de l'Ange in Namur (rue de la Monnaie 4-20 in 5000 Namen). Altogether 57 units are to be refurbished. The works have started during the first quarter of 2021. The completion is expected by the end of 2022.



4.3 SALES

During the first semester of 2021, Home Invest Belgium has sold property for a total net amount of € 4.81 million (compared to € 8.21 million during the first semester of 2020).

A net capital gain of € 0.08 million was realised on these sales compared to the latest fair value and a capital gain of € 1.79 million compared to the acquisition value (increased by activated investments).

The realised capital gain in relation to the acquisition value (increased by the capitalised investments) contributes to the distributable result of the company, which forms the basis for the distribution of the dividend.

4.4 MANAGEMENT OF THE PORTFOLIO

Within its portfolio of more than 2,400 residential units, Home Invest Belgium maintained a good level of occupancy in the first half of 2021. In this period, the average occupancy rate¹⁴ 96.9% (compared to 94.5% over the same period in 2020).

4.5 CORPORATE GOVERNANCE

The board of directors has decided to proceed to the appointment by co-optation of Philip De Greve as independent director with effect from 22 February 2021 for the remaining term of Koen Dejonckheere's mandate (in particular up to and including the ordinary general meeting to be held in 2023). This appointment has been approved by the FSMA. The appointment of Mr Philip De Greve as director was ratified at the general meeting of shareholders of 4 May 2021.

Home Invest Belgium is pleased that Philip De Greve is joining the board of directors. His accumulated experience in fund management and in-depth knowledge of the real estate markets will be a valuable support for Home Invest Belgium in its growth ambitions.

¹⁴The average occupancy rate calculated as the average percentage over a certain period of the contractual rents of the rented spaces, in relation to the sum of the contractual rents of the rented spaces and the estimated rental value of the vacant spaces. The occupancy rate is calculated excluding (i) buildings being renovated (ii) building being commercialised for the first time and (iii) buildings being sold.

5. STOCK MARKET ACTIVITY

Evolution of the stock market prices

Home Invest Belgium's shares have been listed on the Euronext Brussels continuous market since 16 June 1999 and are part of the BEL Mid Index.

On 30 June 2021, Home Invest Belgium's shares closed at € 118.50 (compared to € 117.50 on 30 June 2020).

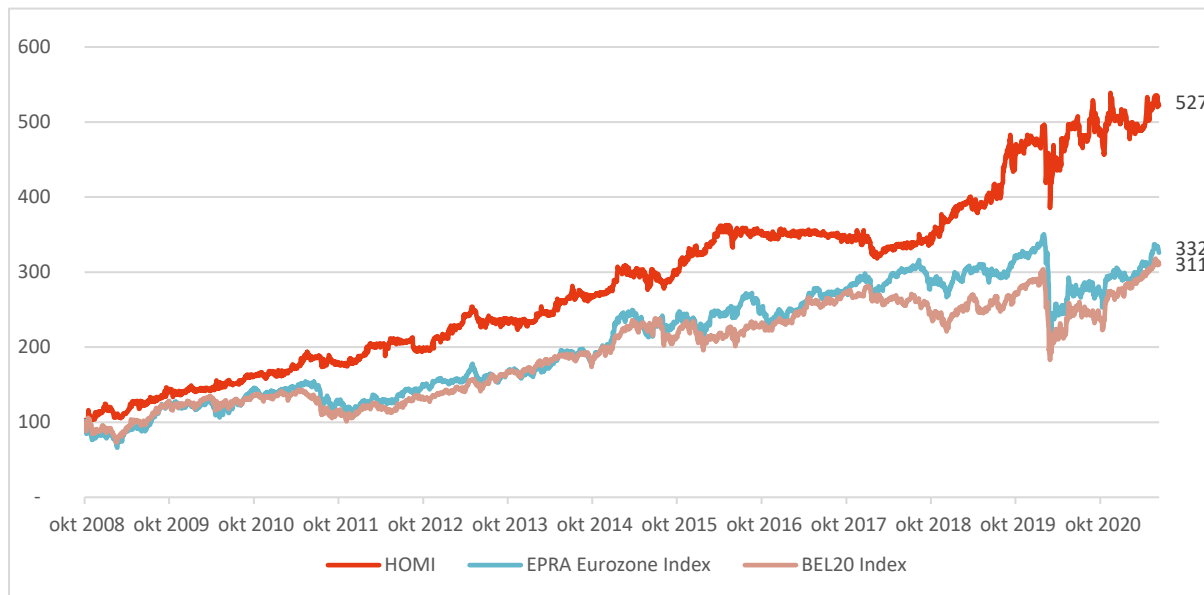
The liquidity of the shares decreased to an average of 979 share transactions per trading day, during the first half of 2021 (compared to 1,563 during the first half of 2020).

Evolution of the share

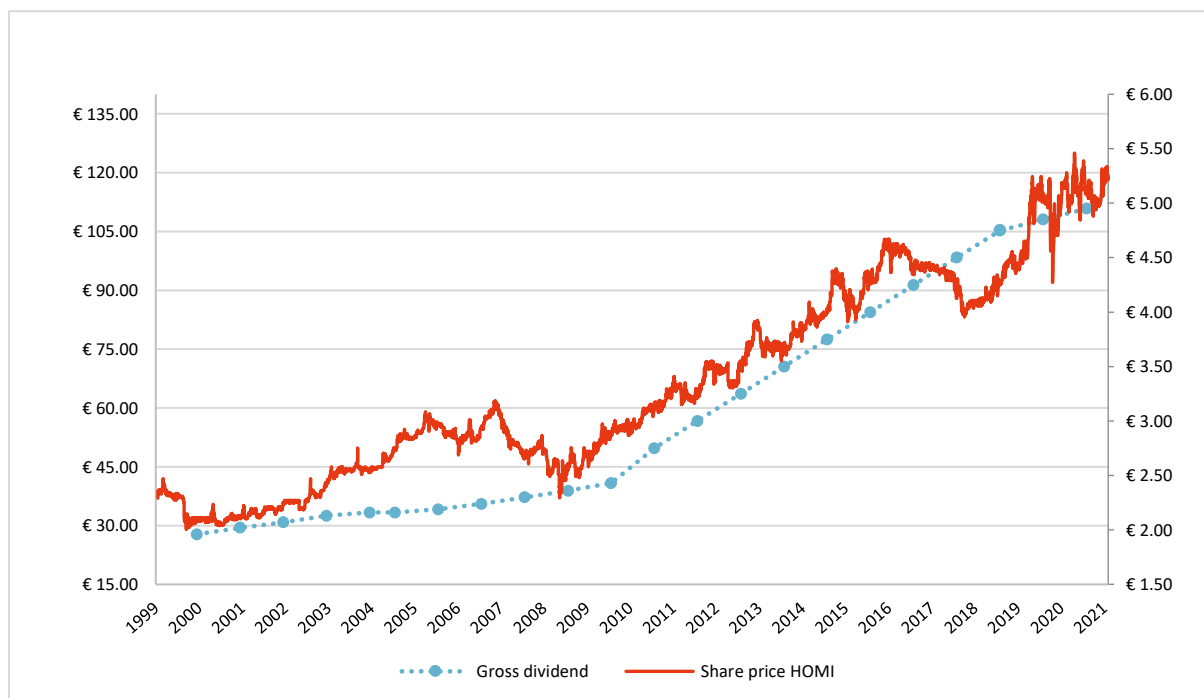
	1H 2021	1H 2020
Share price (in €)		
On the last day	€ 118.50	€ 117.50
Highest	€ 121.50	€ 118.50
Lowest	€ 109.00	€ 92.00
Average	€ 115.10	€ 110.73
Volume		
Average daily volume	979	1.563
Total volume (6 months)	123,414	196,933
Total number of shares on June 30 th	3,299,858	3,299,858
Market capitalisation on June 30 th	€ 391 million	€ 388 million
Free float ¹⁵	54.4%	54.4%

¹⁵ Free float = [(total number of shares on the last day) - (total number of shares held by parties who have made themselves known by a transparency declaration in accordance with the Law of 2 May 2007)] / [total number of shares outstanding].

Total return of Home Invest Belgium compared to the BEL 20 and EPRA Eurozone Index



Evolution of the share price and gross dividend (in €)



Shareholder structure

The table below lists shareholders in Home Invest Belgium who hold more than 3% of the company's shares. Notifications applying to the Belgian Transparency Law (Law of 2 May 2007 regarding the disclosure of major holdings) can be found on the company's website.

Based on the transparency notifications received up to 30 June 2021, Home Invest Belgium's shareholder structure is as follows:

SHAREHOLDERS ¹⁶	NUMBER OF SHARES	% OF THE CAPITAL
Van Overstraeten Group ¹⁷	880,965	26.7%
AXA Belgium NV ¹⁸	521,830	15.8%
Spouses Van Overtveldt – Henry de Frahan	102,792	3.1%
Other aandeelhouders	1,794,271	54.4%
Total	3 299 858	100.0%



¹⁶ Shareholders who deposited a statement in accordance with the Law of 2 May 2007 regarding transparency.

¹⁷ Stavos Real estate BV is 97% controlled by Burgerlijke Maatschap BMVO 2014. BMVO 2014 is 25% controlled by Stichting Administratiekantoor Stavos and 75% controlled by Burgerlijke Maatschap Van Overstraeten. Burgerlijke Maatschap Van Overstraeten is 99.9% controlled by Stichting Administratiekantoor Stavos. Stichting Administratiekantoor Stavos is controlled by Liévin, Hans, Johan en Bart Van Overstraeten. Cocky NV is 99.9% controlled by Burgerlijke Maatschap Van Overstraeten. VOP NV is 99.9% controlled by Stavos Real Estate BV. Sippelberg NV is 75% controlled by V.O.P. NV and 25% by Stichting Administratiekantoor Stavos.

¹⁸ AXA Belgium SA is a subsidiary of AXA Holdings Belgium SA who in turn is a subsidiary of AXA SA.

6. OUTLOOK

DIVIDEND

The general meeting of 4 May 2021 approved the dividend for the financial year 2020 of € 4.95 gross per share (or an increase of 2.1% compared to 2019). This implies a continuous increase in dividends for the 21st year in a row.

For the years to come, the Board of Directors anticipates a dividend policy based on an annual increase in dividends equal to or higher than inflation. This is based on:

- the constant indexed rent flow from existing investment properties;
- the control of the operational costs of the company;
- the company's hedging policy, which provides good visibility on interest charges and makes them assessable in the medium term;
- the existing pipeline of project developments;
- the reserves that the company has built up over the years.

OUTLOOK

During the first half year of 2021, the operational results of Home Invest Belgium have developed positively.

The residential rental market continues to grow steadily in those cities where Home Invest Belgium is active, mostly thanks to:

- a long-term urbanisation trend, marked by demographic growth in big cities, including both young and older people, leading to increased demand for housing;
- an increasing number of tenants in big cities, due to factors including an increasing need for flexibility and a change in attitudes to private property and concepts of urban sharing.

This development is contributing to the high occupancy rate of the company's portfolio as well as its increasing rental income.

Home Invest Belgium owns a sustainable portfolio given its young age. More than 50% of the investment properties available for rent are younger than 10 years. Given the quality and the location of the properties in predominantly large urban areas, Home Invest Belgium is well positioned to take on a leading role in the favourable trends of the residential market.

Home Invest Belgium is considering international expansion of its activities as a specialist in the residential rental market.

Against this background, the board of directors confirms its confidence in the long-term prospects of the company.

7. CONSOLIDATED FINANCIAL STATEMENTS OF THE FIRST HALF OF 2021

CONSOLIDATED INCOME STATEMENT

(in k €)	1H 2021	1H 2020
I. Rental income	13,457	13,175
III. Rental-related expenses	-238	-43
NET RENTAL RESULT	13,219	13,132
IV. Recovery of property charges	79	78
V. Recovery of charges and taxes normally payable by the tenant on let properties	1,346	803
VII. Charges and taxes normally payable by the tenant on let properties	-3,206	-2,729
VIII. Other incomes and expenses related to letting	0	0
PROPERTY RESULT	11,439	11,284
IX. Technical costs	-469	-727
X. Commercial costs	-342	-258
XI. Taxes and charges on unlet properties	-120	-23
XII. Property management costs	-708	-1,052
XIII. Other property costs	0	0
Property costs	-1,638	-2,061
PROPERTY OPERATING RESULT	9,800	9,224
XIV. General corporate expenses	-1,324	-1,563
XV. Other operating incomes and expenses	52	0
OPERATING RESULT BEFORE PORTFOLIO RESULT	8,528	7,661
XVI. Result sale investment properties	79	727
XVIII. Changes in fair value of investment properties	14,825	-1,484
XIX. Other portfolio result	893	-192
Portfolio result	15,797	-949
OPERATING RESULT	24,325	6,712
XX. Financial income	8	9
XXI. Net interest charges	-2,210	-2,029
XXII. Other financial charges	-58	-15
XXIII. Changes in fair value of financial assets and liabilities	1,537	-3,615
Financial result	-723	-5,650
XXIV. Share in the result of associates and joint ventures	1,102	328
PRE-TAX RESULT	24,704	1,390
XXV. Corporation tax	-93	-129
XXVI. Exit taxes	0	0
Taxes	-93	-129
NET RESULT	24,611	1,261
NET RESULT ATTRIBUTABLE TO THE PARENT COMPANY	24,611	1,261
Exclusive portfolio result	-15,797	+949
Exclusive changes in the real value of the financial assets	-1,537	+3,615
Exclusive non-EPRA earnings in the share of the result of associates and joint ventures	-336	+406
EPRA EARNINGS	6,942	6,232

Average number of shares ¹⁹	3,288,410	3,288,146
NET RESULT PER SHARE	7.48	0.38
EPRA EARNINGS PER SHARE	2.11	1.90
	1H 2021	1H 2020
NET RESULT	24,611	1,261
Other elements of the global result	0	0
GLOBAL RESULT	24,611	1,261

¹⁹ The average number of shares at the end of period was calculated excluding own shares held by the company.

CONSOLIDATED BALANCE SHEET

(In k €)	30/06/2021	31/12/2020
ASSETS		
I. Non-current assets	670,141	647,274
B. Intangible assets	244	288
C. Investment properties	645,729	623,883
D. Other tangible assets	504	607
E. Non-current financial assets	1,300	473
F. Lease receivables	272	272
I. Investments in associates and joint ventures	22,091	21,750
II. Current assets	10,443	6,635
C. Lease receivables	61	61
D. Trade receivables	3,173	2,328
E. Tax receivables and other current assets	1,847	441
F. Cash and cash equivalents	3,928	3,328
G. Deferred charges and accrued income	1,433	447
TOTAL ASSETS	680,584	653,909
SHAREHOLDER'S EQUITY		
	332,696	310,173
I. Shareholder's equity attributable to the shareholders of the mother company	332,696	310,173
A. Capital	87,999	87,999
B. Share premium account	24,903	24,903
C. Reserves	195,182	192,359
D. Net result of the financial year	24,611	4,912
II. Minority interests	0	0
LIABILITIES		
	347,888	343,735
I. Non-current liabilities	308,681	305,175
A. Provisions	0	0
B. Non-current financial debts	301,895	296,862
a. Financial debts	252,846	247,832
b. Financial leasing	167	167
c. Others	48,882	48,862
C. Other non-current financial liabilities	4,838	5,473
F. Deferred taxes-liabilities	1,948	2,840
a. Exit Tax	572	572
b. Others	1,376	2,268
II. Current liabilities	39,207	38,560
B. Current financial debts	30,565	30,654
a. Financial debts	0	0
b. Financial leasing	28	109
c. Others	30,537	30,545
D. Trade debts and other current debts	6,778	5,456
b. Others	6,778	5,456
E. Other current liabilities	342	184
F. Accrued charges and deferred income	1,522	2,266
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES	680,584	653,909

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

(in k €)	Capital	Capital increase expenses	Share premium	Legal reserve	Reserve from the changes in fair value of investment properties	Reserve from estimates transfer costs and rights
BALANCE ON 31/12/2019	88,949	-950	24,903	99	185,438	-48,738
Allocation of net result 2019	0	0	0	0	18,825	30,642
Allocation of operational distributable result						
Changes in deferred taxes					124	
Changes in fair value of investment properties					17,831	30,642
Changes in fair value of hedging instruments					870	
Dividends financial year 2019 (balance paid in May 2020)	0	0	0	0	0	0
<i>Full dividend relating to financial year 2019</i>						
<i>Interim dividend financial year 2019 (paid in December 2019)</i>						
Sales of buildings					-6,278	2,450
Result of the financial year 2019						
Other increases (decreases)						
BALANCE ON 31/12/2020	88,949	-950	24,903	99	197,986	-15,646
BALANCE ON 31/12/2020	88,949	-950	24,903	99	197,986	-15,646
Allocation of net result 2020	0	0	0	0	8,627	0
Allocation of operational distributable result						
Changes in deferred taxes						
Changes in fair value of investment properties					8,627	-978
Changes in fair value of hedging instruments						
Dividends financial year 2020 (balance paid in May 2021)	0	0	0	0	0	0
<i>Full dividend relating to financial year 2020</i>						
<i>Interim dividend financial year 2020 (paid in December 2020)</i>						
Sales of buildings					-2,086	208
Results first half year of financial year 2021						
Share based payments						
SALDO OP 30/06/2021	88,949	-950	24,903	99	204,527	-16,416

Reserve of the balance of changes in fair value of the authorised hedging instruments to which hedge accounting as defined in IFRS is applied (+/-)	Reserve of the balance of changes in fair value of the authorised hedging instruments to which hedge accounting as defined in IFRS is not applied (+/-)	Reserve for fiscal deferral	Reserve for treasury shares	Reserve for share based payments	Other reserves	Result carried forward from previous financial years	Net result of the financial year	Total
0	-9,667	-1,031	-687	0	1,259	26,143	43,899	309,618
0	4,613	-661	0	0	0	-13,878	-43,899	0
		-661				-4,311	4,311	0
							537	0
	4,613					9,568	-48,473	0
							4,083	0
0	0	0	0	0	0	0	-4,357	-4,357
							-15,948	-15,948
							11,591	11,591
						3,829		0
							18,887	18,887
							-13,975	-13,975
0	-5,053	-1,692	-687	0	1,259	16,093	4,912	310,173
0	-5,053	-1,692	-687	0	1,259	16,093	4,912	310,173
0	-908	-576	0	0	0	-3,554	-4,912	-2,302
		576				-3,554	3,554	0
							576	0
	-908						-7,649	0
							908	0
0	0	0	0	0	0	0	-2,302	-2,302
							-16,276	-16,276
							13,975	13,975
						1,888		0
			31	181			24,611	24,611
								213
0	-5,962	-2,268	-656	181	1,259	14,417	24,611	332,696

CONSOLIDATED CASH FLOW STATEMENT

(in k €)	1H 2021	1H 2020
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3,328	4,201
1. Cash flows from operating activities	7,013	7,283
Result of the financial year	24,611	1,260
Result of the financial year before interest and taxes	24,325	6,712
Interests received	8	9
Interests paid	-2,267	-2,044
Change in fair value of financial assets and liabilities	1,537	-3,615
Share in the result of associates and joint ventures	1,102	328
Taxes	-93	-129
Adjustment of profit for non-cash transactions	-15,127	7,120
Depreciation and impairments	99	103
- Depreciation and impairments on non-current assets	99	103
Other non-monetary elements	-17,350	4,983
- Depreciation of previously capitalised financing costs	33	20
- Changes in fair value of investment properties (+/-)	-14,825	1,484
- Changes in fair value of financial non-current assets (+/-)	-128	-328
- Changes in fair value of hedging instruments and other portfolio results	-2,429	3,807
Gain on realization of assets	-79	-727
- Capital gains realized on sale of non-current assets	-79	-727
Reversal of financial income and expenses	2,202	2,034
Changes in working capital needs	-2,471	-1,098
Movements in asset items:	-3,207	-2,364
- Current financial assets	0	0
- Trade receivables	-845	-1,883
- Tax receivables and other short-term assets	-1,407	-568
- Deferred charges and accrued income	-956	-480
Movements in liabilities items	737	1,266
- Trade debts and other current debts	1,322	1,850
- Other current liabilities	158	218
- Accrued charges and deferred income	-744	-802
2. Cash flow from investment activities	-6,874	-3,782
Investment properties – capitalized investments	-8,752	-1,794
Investment properties – new acquisitions	-3,000	-2,657
Sales of investment properties	4,810	8,210
Development projects	0	-7,411
Other intangible assets	0	0
Other tangible assets	-7	-130
Non-current financial assets	75	0
Lease receivables	0	0
3. Cash flow from financing activities	461	-4,665
Increase (+) / Decrease (-) in bank debts	5,000	1,726
Increase (+) / Decrease (-) in financial debts	-35	0
Other long-term financial debts	0	0
Interest received	8	9
Interest paid	-2,210	-2,043
Paid financial charges	0	0
Dividend of the previous financial year	-2,302	-4,356
CASH AND CASH EQUIVALENTS AT END OF PERIOD	3,928	2,310

NOTES

NOTE 1: BASIS OF FINANCIAL REPORTING

NOTE 2: SEGMENTED INFORMATION

NOTE 3: INVESTMENT PROPERTIES

NOTE 4: FINANCIAL LIABILITIES

NOTE 5: DEBT RATIO

NOTE 6: FINANCIAL ASSETS AND LIABILITIES

NOTE 7: CONSOLIDATED SCOPE

NOTE 8: OFF-BALANCE SHEET RIGHTS AND OBLIGATIONS

NOTE 9: EVENTS AFTER THE BALANCE DATE

NOTE 10: AUDITOR'S REPORT

NOTE 11: STATEMENT OF RESPONSIBLE PERSONS

NOTE 1: BASIS OF FINANCIAL REPORTING

The consolidated half-year results have been prepared in accordance with the International Financial Reporting Standards (IFRS) and with IAS 34 on "Interim financial reporting". The accounting methods and principals used to draw up these interim summary financial statements are identical to those used to prepare the annual financial statements for the financial year 2020.

NOTE 2: SEGMENTED INFORMATION

The investment strategy of Home Invest Belgium focuses on residential real estate in a broad sense of the word (apartments, holiday homes, etc.). The segmentation of the company is consequently determined by the geographical location of its buildings. Home Invest Belgium distinguishes between 4 geographical segments: The Brussels Capital Region, The Flemish Region, the Walloon Region and The Netherlands.

INCOME STATEMENT PER GEOGRAFICAL SEGMENT

1H 2021 (in k €)	Consolidated total	Brussels Region	Flemish Region	Walloon Region	The Netherlands	Unattributed
I. Rental income	13,457	8,195	1,236	2,567	1,460	0
III. Rental-related expenses	-238	-71	0	-168	0	0
NET RENTAL RESULT	13,219	8,124	1,237	2,398	1,460	0
IV. Recovery property charges	79	71	8	1	0	0
V. Recovery of charges and taxes normally payable by the tenant on let properties (+)	1,346	1,142	63	44	97	0
VII. Charges and taxes normally payable by the tenant on let properties (+)	-3,206	-2,722	-222	-165	-97	0
VIII. Other incomes and expenses related to letting (+/-)	0	0	0	0	0	0
PROPERTY RESULT	11,439	6,615	1,086	2,278	1,460	0
IX. Technical costs (-)	-469	-302	-60	-106	0	0
X. Commercial costs (-)	-342	-286	-36	-16	-3	0
XI. Taxes and charges on unlet properties (-)	-120	-98	1	-22	0	0
XII. Property management costs (-)	-708	0	0	0	0	-708
XIII. Other property costs (-)	0	0	0	0	0	0
PROPERTY COSTS	-1,638	-686	-96	-145	-3	-708
PROPERTY OPERATING COSTS	9,800	5,929	990	2,133	1,457	-708
XIV. General corporate expenses (-)	-1,324	0	0	0	0	-1,324
XV. Other operating incomes and expenses (+/-)	52	0	0	0	0	52
OPERATING RESULT BEFORE PORTFOLIO RESULT	8,528	5,929	990	2,133	1,457	-1,980
XVI. Result sale investment properties (+/-)	79	79	0	0	0	0
XVIII. Variations in the fair value of property investments (+/-)	14,825	16,421	5,461	-2,906	-4,150	0
XIX. Other portfolio result	893	0	0	0	0	893
OPERATING RESULT	24,325	22,428	6,450	-773	-2,693	-1,088
XX. Financial income (+)	8	0	0	0	0	8
XXI. Net interest charges (-)	-2,210	0	0	0	0	-2,210
XXII. Other financial costs (-)	-58	0	0	0	0	-58
XXIII. Variations in the fair value of financial assets and liabilities (+/-)	1,537	0	0	0	0	1,537
FINANCIAL RESULT	-723	0	0	0	0	-723
XXIV. Share in the result of associates and joint ventures	1,102	0	0	0	0	1,102
PRE-TAX RESULT	24,704	22,428	6,450	-773	-2,693	-708
XXV. Corporate Tax (-/+)	-93	0	0	0	0	-93
XXVI. Exit tax	0	0	0	0	0	0
TAXES	-93	0	0	0	0	-93
NET RESULT	24,611	22,428	6,450	-773	-2,693	-801

INCOME STATEMENT PER GEOGRAFICAL SEGMENT

1H 2020 (in k €)	Consolidated totaal	Brussels gewest	Flemish gewest	Walloon gewest	The Netherlands	Unattributed
I. Rental income	13,175	7,836	1,345	2,559	1,436	0
III. Rental-related expenses	-43	0	0	0	0	-43
NET RENTAL RESULT	13,132	7,836	1,345	2,559	1,436	-43
IV. Recovery property charges	78	71	5	3	0	0
V. Recovery of charges and taxes normally payable by the tenant on let properties (+)	803	784	8	11	0	0
VII. Charges and taxes normally payable by the tenant on let properties (+)	-2,729	-1,941	-240	-549	0	0
VIII. Other incomes and expenses related to letting (+/-)	0	0	0	0	0	0
PROPERTY RESULT	11,284	6,750	1,118	2,024	1,436	-43
IX. Technical costs (-)	-727	-482	-111	-134	0	0
X. Commercial costs (-)	-258	-202	-13	-43	0	0
XI. Taxes and charges on unlet properties (-)	-23	-7	-5	-10	0	0
XII. Property management costs (-)	-1,052	0	0	0	0	-1,052
XIII. Other property costs (-)	0	0	0	0	0	0
PROPERTY COSTS	-2,061	-691	-129	-187	0	-1,052
PROPERTY OPERATING COSTS	9,224	6,059	989	1,837	1,436	-1,095
XIV. General corporate expenses (-)	-1,563	0	0	0	0	-1,563
XV. Other operating incomes and expenses (+/-)	0	0	0	0	0	0
OPERATING RESULT BEFORE PORTFOLIO RESULT	7,661	6,059	989	1,837	1,436	-2,658
XVI. Result sale investment properties (+/-)	727	194	470	63	0	0
XVIII. Variaties in de reële waarde van vastgoedbeleggingen (+/-)	-1,484	-1,057	44	-430	-41	0
XIX. Ander portefeuilleresultaat	-192	0	0	0	-192	0
OPERATIONEEL RESULTAAT	6,712	5,196	1,503	1,470	1,203	-2,658
XX. Financiële inkomsten (+)	8	0	0	0	0	8
XXI. Netto interestkosten (-)	-2,029	0	0	0	0	-2,029
XXII. Andere financiële kosten (-)	-15	0	0	0	0	-15
XXIII. Variations in the fair value of financial assets and liabilities (+/-)	-3,615	0	0	0	0	-3,615
FINANCIAL RESULT	-5,650	0	0	0	0	-5,650
XXIV. Share in the result of associates and joint ventures	328	0	0	0	0	328
PRE-TAX RESULT	1,390	5,196	1,503	1,470	1,203	-7,980
XXV. Corporate Tax (-/+)	-129	0	0	0	0	-129
XXVI. Exit tax	0	0	0	0	0	0
TAXES	-129	0	0	0	0	-129
NET RESULT	1,261	5,196	1,503	1,470	1,203	-8,109

NOTE 3: INVESTMENT PROPERTIES

Investment properties in operation are investments in real estate assets held for long term rent and/or to increase capital.

The investment properties are originally booked based on their purchase price, including transaction costs and the non-deductible VAT (the "acquisition cost"). For buildings acquired through merger, demerger or contribution of business sectors, the taxes payable on the potential capital gains on the assets thus integrated are included in the cost of the assets concerned.

At the end of the first accounting period after their initial booking, all investment properties are booked at their fair value.

The fair value is determined in two steps.

In the first step, an independent property expert carries out an evaluation of all investment properties including transfer taxes (registration fees or other transfer taxes), the so called "investment value".

The expert estimates the investment value based on two methods: the capitalization of the estimated rental value and the Discounted Cash Flow method (DCF method). The expert is allowed to use other methods for his expertise.

In the second step, in order to switch from the investment value to the fair value, the expert withholds an estimated amount of transfer taxes from the estimated investment value.

The investment value minus the estimated transfer taxes is the fair value as defined by IFRS 13.

In Belgium, the fair value is determined as follows:

- for buildings included in the Belgian portfolio with a global investment value of at least € 2.500.000, the expert applies a downward adjustment on the investment value of 2,5%²⁰.
- for buildings included in the Belgian portfolio with a global investment value of less than € 2 500 000, the expert applies a downward adjustment corresponding to registration duties in accordance with the regional regulation:
 - 12,5% for real estate located in Brussels and the Walloon Region;
 - 10% for real estate located in the Flemish Region;
 - 2% for leasehold rights;
 - ...

When Home Invest Belgium decides to sell a building from its Belgian portfolio under a certain transaction structure, the effective transaction fees, which are expected to apply during the transaction, are deducted in order to determine the fair value, regardless of the global investment value of the building.

In the Netherlands, transaction taxes for residential real estate amount to 8%.

²⁰ The accounting treatment (2.5% transaction costs) has been clarified in a press release published by BeAMA on 8 February 2006 and confirmed in a press release from the BE-REIT Association on 10 November 2016.

The fair value of the investment properties stood at € 645.73 million on 30 June 2021, which represents an increase of € 21.85 million compared to 31 December 2020.

The table below shows the evolution of the investment properties in the first half of 2021.

(in k €)	30.06.2021	31.12.2020
C. Investment properties, balance at the beginning of the financial year	623.883	609.595
a. Investment properties available for rent at the beginning of the period	592,892	573,377
Completion of development projects (+)	13,178	21,072
Acquisition of buildings (+)	0	0
Capitalized subsequent expenses (+)	6,053	4,956
Acquisition of buildings through companies (+)	0	5,939
Changes in the fair value of investment properties (+/-)	11,966	8,422
Sales (-)	-4,732	-20,875
a. Investment properties available for rent at the end of the period	619,357	592,892
b. Development projects at the beginning of the period	30,991	36,218
Capitalized subsequent expenses (+)	5,699	14,880
Delivered development projects	-13,178	-21,072
Changes in the fair value of the investment properties (+/-)	2,859	-1,832
Acquisitions of projects (+)	0	2,797
Acquisitions of buildings through companies (+)	0	0
b. Development project at the end of the period	26,372	30,991
c. Tangible fixed assets for own use	None	None
d. Others	None	None
C. Investment properties, balance at the end of the period	645,729	623,883

The fair value is based on the following quantitative parameters:

Investment properties available for rent		30/06/2021
Rent capitalisation method		
Estimated rental value (ERV)	Weighted average of € 141/m ² (range between: € 55/m ² and € 285/m ²)	
Vacancy assumptions	Average of 5 months (range between: 0 and 18 months)	
Capitalization rate	Average of 5,1% (range between 3,5% and 11,9%)	
Number of m ² or number of units	Average of 4,011 m ² (range between: 61 m ² and 14,107 m ²)	
Discounted cash flow method		
Estimated rental value (ERV)	Weighted average of € 143m ² (range between: € 76/m ² and € 183/m ²)	
Vacancy Assumptions (long-term)	/	
Number of m ² or number of units	Average of 6,321m ² (range between: 1.368 m ² and 20.488 m ²)	
Discount rate	Average of 5,1% (range between 4,8% and 6,1%)	
Inflation	1,5%	
Project development		30/06/2021
Rent capitalisation method		
Estimated rental value (ERV)	Weighted average of € 116/m ² (range between: € 96/m ² and € 147/m ²)	
Vacancy assumptions	6 months	
Capitalization rate	Average of 4.1% (range between 3.8% and 4.4%)	
Number of m ² or number of units	Average of 5,357 m ² (range between: 2,858m ² en 8,675m ²)	

Non-observable input	Impact of fair value with:	
	Decrease	Increase
Estimated rental value (ERV)	Negative	Positive
Vacancy Assumptions (long-term)	Negative	Positive
Capitalization rate	Positive	Negative
Number of m ² or number of units	Negative	Positive

Investment properties are valued on a quarterly basis by an independent and qualified property expert. The reports are drafted based on information shared by the company including the lease state, expenses and taxes borne by the lessee, rents and works to be carried out.

The property expert uses market-related parameters (discount rate, etc.) based on his judgment and professional experience. The information shared with the property expert, the parameters and the assessment model used by the property expert are checked by the management, the audit committee, and the board of directors.

NOTE 4: FINANCIAL LIABILITIES

Financial liabilities (in k €)	30/06/2021	31/12/2020
Short-term liabilities within one year	30,000	30,000
Long-term liabilities between one and five years	237,000	229,000
Long-term liabilities over more than five years	65,000	68,000
TOTAL	332,000	327,000

Up till 30 June 2021, Home Invest Belgium had liabilities of € 332.00 million composed of:

- Bilateral credit lines for an amount of € 253.00 million. The bilateral credit lines are entered into with 7 different financial institutions, with well spread maturity dates until 2027. Home Invest Belgium does not have any maturities falling in 2021. The first coming maturity date is in 2022;
- A bond for an amount of € 40.00 million, maturing in 2024 and a bond, issued under the EMTN-program, for an amount of € 9.00 million, with maturity date in 2028;
- Commercial paper for an amount of € 30.00 million. Notwithstanding the short-term nature of the outstanding commercial paper (with maturity date in 2021), the outstanding amount is fully covered by available long-term credit lines (*back-up lines*).

NOTE 5: DEBT RATIO

Financial Plan (Art.24 of the Royal Decree of 13 juli 2014)

If the consolidated debt ratio of the public RREC and its subsidiaries amounts to more than 50% of its consolidated assets, less the authorised financial hedging instruments, the public RREC is required to draw up a financial plan with an implementation schedule, setting out the measures that will be taken to prevent the consolidated debt ratio from exceeding 65% of the consolidated assets.

A special report will be drawn up by the auditor about the financial plan, confirming that the auditor has verified the drafting of the plan, in particular its economic base, and that the figures contained in the plan correspond with those in the accounting records of the public RREC. The financial plan and the special report from the auditor will be submitted to the FSMA for information.

The general guidelines of the financial plan are included in detail in the annual and half-yearly financial reports. The annual and half-yearly reports will describe and justify how the financial plan was implemented during the course of the relevant period, and how the public RREC will implement the plan in the future.

Consolidated balance sheet

Based on the figures as at 30 June 2021, debt ratio (RECC Royal Decree) is 51.29%. For more information on the consolidated balance sheet up till 30 June 2021, we refer to the financial statements of the present report.

Evolution of the debt ratio of the BE-REIT'

Based on the figures as at 30 June 2021, the debt ratio (RREC-Royal Decree of the company amounts to 51.29%. At the end of the 2018, 2019 and 2020 financial years, the debt ratio (RREC-Royal Decree) was equal to 50.16%, 51.41% and 52.40% respectively.

Home Invest Belgium's investment potential

Based on the current consolidated debt ratio (RREC Royal Decree) of 51.29 %, the investment potential amounts to approximately € 273.9 million, not exceeding the maximum rate of 65%. This amount does not take into account potential variations in the value of the real estate assets. These may have a significant impact on the debt ratio. Based on the current equity as of 30 June 2021, only a negative variation of close to € 148.7 million in the fair value of the real estate investments would cause the maximum authorised debt of 65% to be exceeded. That would represent a drop of close to 22% in the value of the existing portfolio.

Projected changes in the debt ratio

The company expects to reach a debt ratio (RECC Act) of 52,98 % by 31 December 2021. This evolution is based on the following assumptions:

- a debt ratio of 51.29% on 30 June 2021;
- 6 months EPRA earnings like forecasted in the company's budget;
- completion of sales following the rhythm foreseen in het budget of the company;
- continuation of investments in running development projects;
- continuation of the current distribution policy regarding dividends.

The board of directors confirms its decision to not structurally exceed the debt ratio of 55%. According to financial plan, this limit could be exceeded in the course of the financial year 2021. The above calculations do not take into account any potential changes in the fair value of the real estate portfolio.

Conclusion

Home Invest Belgium believes that its debt ratio will not exceed 65%. Consequently, no additional measure is required in light of the inherent characteristics of the real estate assets and in the expected changes in the equity. Home Invest Belgium maintains its intention to finance itself with a debt ratio below 55%. The board of directors pays close attention to the realisation (or non-realisation) of new investments and anticipates the preparation of a strengthening of the equity capital should this be necessary. Should events require the RREC's strategy to be modified, it would be done without delay; the shareholders would be informed of it.

	30/06/2021	31/12/2020
Liabilities	367,539	364,354
- Adjustments	9,039	-11,521
Debts as referred to in art. 13 of the REIT Royal Decree	358,500	352,833
Adjusted assets for the calculation of the debt ratio	699,008	673,343
Debt ratio (RREC Royal Decree)	51.29%	52.40%

NOTE 6: FINANCIAL ASSETS AND LIABILITIES

E. Non-current financial assets (in k €)	Category	30/06/2021		31/12/2020	
		Book value	Fair value	Book value	Fair value
Financial instruments	A	1,227	1,227	325	325
Granted guarantees	B	73	73	148	148
TOTAAL		1,300	1,300	473	473

I. Non-current liabilities (in k €)		30/06/2021		31/12/2020	
		Book value	Fair value	Book value	Fair value
A. Provisions		0	0	0	0
<i>b. Others</i>	B	0	0	0	0
B. Non-current financial debts		301,895	304,815	296,862	300,700
<i>a. Financial institutions</i>	B	252,846	25,846	247,832	247,832
<i>b. Financial leasing</i>	B	167	167	167	167
<i>c. Other debts</i>	B	48,882	51,802	48,863	52,701
C. Other non-current financial liabilities		4,838	4,838	5,473	5,473
<i>a. Hedging</i>	A	4,838	4,838	5,473	5,473
TOTAL		306,733	309,653	302,335	306,173

II. Current liabilities (in k €)		30/06/2021		31/12/2020	
		Book value	Fair value	Book value	Fair value
B. Current financial debts		30,565	30,565	30,654	30,654
<i>a. Financial institutions</i>	B	0	0	0	0
<i>b. Financial leasing</i>	B	28	28	110	110
<i>c. Others</i>					
- <i>Received guarantees</i>	B	537	537	545	545
- <i>Others</i>	B	30,000	30,000	30,000	30,000
D. Trade debts and other current debts		6,778	6,778	5,456	5,456
<i>c. Others</i>					
- <i>Suppliers</i>	B	2,180	2,180	3,208	3,208
- <i>Tenants</i>	B	702	702	1,072	1,072
- <i>Tax, salary and social security payables</i>	B	3,897	3,897	1,175	1,175
TOTAAL		37,343	37,343	36,110	36,110

The categories correspond to the following classifications:

- A. Assets or liabilities held at fair value;
- B. Assets or liabilities held at amortised cost.

The other non-current financial debts totalling € 48.88 million consist of a bond issuance (excluding costs) and long-term treasury notes (EMTN).

The other current financial obligations amount to € 30.00 million up till 30 June 2020 consisting of short term treasury notes ("Commercial paper").

The other non-current financial liabilities consist of the hedging instruments as described hereafter. This post consists of the negative fair value of the hedging instruments amounting to € 4.82 million at the closing of the financial year. The positive fair value of the hedging instruments amounted to € 1.14 million and has been included under the non-current financial assets. All hedges are considered to be cash flow hedges.

IFRS 13 mentions an element in the appreciation, being the obligation to take into account the own credit risk and that of the counterparty in the calculations. The correction on the fair value following the application of the credit risk on the counterparty is being called Credit Valuation Adjustment (CVA). Quantifying the company's own credit risk is being called DVA – debt valuation adjustment. In this context, CVA and DVA have been included into the calculations at the amount of 0.08 million.

The interest rate hedge instruments are exclusively of the IRS type (Interest Rate Swap). These contracts provide for the conversion from variable interest rates to fixed rates. Up till 30 June 2021, the total nominal amount of the IRS hedges amounted to € 218.00 million.

The hedging instruments are not considered as cash flow hedges. Changes in the value of the hedging instruments are accounted directly in the income statement. The total value of the hedges up till 30 June 2021 was a negative sum of € -3,69 million due to a fall in interest rates after the hedges were closed. The board of directors aims that its hedge policy will provide the company with maximum protection against any interest rate increases.

Hedging instruments at 30/06/2021 (In k €)	Type	Amount	Interest rate	Deadline	Qualification	Fair value at 30/06/2021
Belfius	IRS	10,000	1,280%	31/08/2026	Transaction	-831
Belfius	IRS	10,000	1,060%	31/08/2027	Transaction	-807
Belfius	IRS	15,000	-0,210%	29/08/2028	Transaction	87
Belfius	IRS	21,500	0,585%	10/11/2025	Transaction	-923
Belfius	IRS	17,000	0,435%	31/10/2024	Transaction	-490
Belfius	IRS	8,000	0,410%	31/10/2026	Transaction	-312
Belfius	IRS	15,000	0,158%	31/03/2028	Transaction	-313
BNP Paribas Fortis	IRS	25,000	-0,283%	30/09/2028	Transaction	281
BNP Paribas Fortis	IRS	21,500	0,248%	31/03/2031	Transaction	-438
BNP Paribas Fortis	FLOOR	21,500		31/03/2024	Transaction	292
ING	FLOOR	15,000		01/06/2022	Transaction	76
ING	FLOOR	15,000		30/06/2024	Transaction	161
ING	IRS	15,000	0,350%	01/06/2022	Transaction	241
ING	IRS	30,000	-0,331%	25/09/2027	Transaction	-130
KBC	IRS	15,000	0,196%	29/09/2029	Transaction	-236
KBC	IRS	15,000	0,300%	29/09/2029	Transaction	-93
IRS type of coverage		218,000				-3,435
ING	IRS	15,000	0,293%	21/06/2031	Transaction	-251
Future IRS type of coverage		15,000				-251
Total		233,000				-3,686

IFRS 13 applies to IFRS standards that require or allow fair value valuations or the communication of the fair value information, and thus IFRS 9. IFRS 13 provides a hierarchy of fair values under 3 levels of data input (levels 1, 2 and 3).

Regarding the financial instruments, all these fair values are level 2. As Home Invest Belgium has no levels other than level 2, the company has not implemented a follow-up policy for transfers between hierarchical levels.

The valuation is determined by the banks based on the current value of the estimated future cash flows. Although most of the derivative instruments used are considered to be trading instruments within the meaning of IFRS, they are only intended to hedge interest rate risk and are not used for speculative purposes.

NOTE 7: CONSOLIDATION SCOPE

Up till 30 June 2021, the following companies formed part of the consolidation scope of Home Invest Belgium:

Name	Company number	Country of origin	Shareholding (direct or indirect)
Home Invest Belgium NV	0420 767 885	Belgium	-
Charlent 53 Freehold BVBA	0536 280 237	Belgium	100%
De Haan Vakantiehuzen NV	0707 946 778	Belgium	50%
BE Real Estate NV	0474 055 727	Belgium	100%
Clarestates BV	0887 101 820	Belgium	100%

All legal entities of the consolidation scope are domiciled in Belgium: Woluwedal 46/11 in 1200 Brussels. On 30 June 2021, there were no minority interests recorded.

NOTE 8: OFF-BALANCE SHEET RIGHTS AND OBLIGATIONS

- Home Invest Belgium has a number of current collection procedures which may have a very limited effect on the results.
- Home Invest Belgium is involved in several court cases. These cases have no meaningful impact on the financial position or profitability of Home Invest Belgium.
- The majority of the (residential) tenancy agreements signed by Home Invest Belgium stipulate the provision of a rent deposit of 2 months' rent in favour of Home Invest Belgium.
- Home Invest Belgium and its perimeter companies are also linked to specific contracts such as estimates, insurance contracts, and Asset Management Services Contracts.
- In the light of the acquisition by Home Invest Belgium on 4 November 2019 of all the shares of Be Real Estate SA, it has been agreed that Home Invest Belgium can owe an amount of up to € 2,50 million in a period up to 3 years after the date of acquisition to the sellers, subject to the realization of certain conditions

NOTE 9: EVENTS AFTER THE BALANCE DATE

No important events occurred after the end of the half year which had an impact on the company.

NOTE 10: AUDITOR'S REPORT

Statutory auditor's report to the board of directors of Home Invest Belgium nv on the review of the condensed consolidated interim financial information as at 30 June 2021 and for the six-month period then ended

Introduction

We have reviewed the accompanying interim condensed consolidated balance sheet of Home Invest Belgium nv as at 30 June 2021, the related interim condensed consolidated income statement, the statement of changes in shareholders' equity and the consolidated cash flow statement for the six-month period then ended, and notes ("the condensed consolidated interim financial information"). The board of directors is responsible for the preparation and presentation of this condensed 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 condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 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 conducted in accordance with International Standards on Auditing 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2021 and for the six-month period then ended is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Brussels, 9 September 2021

EY Bedrijfsrevisoren bv/EY Réviseurs d'Entreprises srl

Statutory auditor

Represented by

Joeri Klaykens*

Partner

* Acting on behalf of a bv/srl

NOTE 11: STATEMENT BY RESPONSIBLE PERSONS

As per article 13, §2 of the Royal Decree of 14 November 2007, the board of directors of Home Invest Belgium declares that after taking all necessary actions and to the extent known:

a. the half-year summary figures drafted on the basis of the foundations for financial reporting in accordance with IFRS and IAS 34 "Interim financial reporting" as approved by the European Union give an accurate representation of the assets, the financial situation and the results of Home Invest Belgium and the companies included in the consolidation;

b. the half-year report gives an accurate account of the primary events of the first six months of the current accounting year, of their influence of the summary figures, of the main risk factors and uncertainties in relation to the remaining months of the financial year as well as the primary transactions between the associated parties and any effect on the summary figures should these transactions be of significant importance, and were not carried out under normal market conditions;

c. the details in the interim annual statement are true to the actual situation and that no details have been omitted that may alter the scope of the half yearly statement.

The consolidated half-year results were approved by the board of directors on 8 September 2021.

8. APM – ALTERNATIVE PERFORMANCE MEASURES

Home Invest Belgium has used Alternative Performance Measures (APM) within the meaning of the Guidelines issued by the European Securities and Markets Authority (ESMA) on 5 October 2015 in its financial communication for many years. A number of these APMs are recommended by the European Public Real Estate Association, EPRA, while others were established by the sector or by Home Invest Belgium to provide the reader with a better understanding of the company's results and performances.

Performance indicators that are defined by the IFRS or by law, and indicators that are not based on items in the income statement or the balance sheet, are not considered to be APMs.

All information related to the APMs is included in this report and has been approved by the auditor.

Hedging ratio

Definition:

This is the percentage of financial debt with a fixed interest rate compared to the total financial debt. The numerator corresponds to the sum of fixed-rate borrowing plus floating-rate debts after conversion into fixed-rate debts via IRS contracts in effect at the end of the financial year. The denominator corresponds to the total amount of financial debt drawn on the closing date.

Purpose:

A significant portion of the company's financial debts are concluded at floating rates. This APM is used to measure the risk associated with interest rate fluctuations and its potential impact on the results.

Reconciliation:

(in k €)	30/06/2021	31/12/2020
Fixed-rate financial debt	89,000	79,000
Floating-rate financial debts converted into fixed-rate debt via IRS	218,000	203,000
Total fixed-rate debt	307,000	282,000
Total floating-rate debt	25,000	45,000
Total debt	332,000	327,000
Hedging ratio	92.47%	86.24%

Average cost of debt

Definition:

The interest costs (including the credit margin and the cost of the hedging instruments) divided by the weighted average financial debt over the period in question. The numerator corresponds to the sum of the net interest costs included in item XXI of the income statement, after addition of the capitalized interest. The denominator corresponds to the average amount of financial debt calculated over the period.

Purpose:

The company is partly financed by debt. This APM is used to measure the average cost of the interests paid..

Reconciliation:

(in k €)	1H 2021	1H 2020
Net interest charges (heading XXI)	2,210	2,029
Capitalized interests	378	353
Total cost of financial debt	2,587	2,381
Weighted average amount of debt	163,293	157,992
Average cost of debt	1.58%	1.51%

EPRA NAV

Definition:

EPRA published the new Best Practice Recommendations for financial disclosures of listed real estate companies in October 2019. EPRA NAV is being replaced by three new Net Asset Value indicators: EPRA Net Reinstatement Value (NRV), EPRA Net Tangible Assets (NTA) and EPRA Net Disposal Value (NDV). The EPRA NAV indicators are obtained by adjusting the IFRS NAV in such a way that any shareholders receive the most relevant information about the value of the company's assets and liabilities.

These three EPRA-metrics are calculated based on the following principles:

- EPRA NRV: displaying the resources required to reconstitute the company through the investment markets based on the current capital and financing structure, including transfer taxes;
- EPRA NTA: displaying a NAV in which the real property and other investments have been revalued to their respective fair values, excluding certain items that are not expected to materialise into a long-term investment property business model;
- EPRA NDV: represents the NAV of the company in a scenario when all assets are being old, and this scenario results in the value of any deferred taxes, debts and financial instruments being realised.

Reconciliation:

(In k €)	30/06/2021		
	EPRA NTA	EPRA NRV	EPRA NDV
IFRS NAV (shareholders of the group)	332,696	332,696	332,696
(v) Deferred taxes in respect of increases in the fair value of investment properties	1,376	1,376	
(vi) Fair value of financial instruments	3,611	3,611	
(viii.b) Intangible fixed assets	-244		
(x) Fair value of fixed rate debt			-2,920
(xi) Transfer taxes		20,028	
NAV	337,438	357,710	329,776
Number of shares	3,288,682	3,288,682	3,288,682
NAV per share	102.61	108.77	100.28

(In k €)	31/12/2020		
	EPRA NTA	EPRA NRV	EPRA NDV
IFRS NAV (shareholders of the group)	310,173	310,173	310,173
(v) Deferred taxes in respect of increases in the fair value of investment properties	2,268	2,268	
(vi) Fair value of financial instruments	5,148	5,148	
(viii.b) Intangible fixed assets	-288		
(x) Fair value of fixed rate debt			-3,513
(xi) Transfer taxes		16,557	
NAV	317,302	334,147	306,661
Number of shares	3,288,146	3,288,146	3,288,146
NAV per share	96.50	101.62	93.26

EPRA earnings (per share)**Definition:**

The EPRA earnings is the net result (share group) excluding the (i) portfolio result, (ii) the changes in the fair value of financial assets and liabilities, and (iii) the non-EPRA elements of the share in the results of associates and joint ventures. The term is used in accordance with the Best Practices Recommendations of EPRA.

Purpose:

This APM measures the underlying operational result of the company, without regard to the result of the change in the value of the assets or liabilities on the portfolio, gains or losses on the sale of investment properties and the other result of the portfolio.

Reconciliation:

(In k €)	1H 2021	1H 2020
NET RESULT (GROUP SHAREHOLDERS) (IFRS)	24,611	1,261
- Excluding: results of sale of investment properties (ii)	-79	-727
- Excluding: changes in the fair value of properties (i)	-14,825	1,484
- Excluding: other portfolio result (viii)	-893	192
- Excluding: variations in the fair value of financial assets and liabilities (vi)	-1,537	3,615
- Excluding: non-EPRA elements in the share of the result of associates and joint ventures (ix)	-336	406
EPRA EARNINGS	6,942	6,232
Average number of shares	3,288,410	3,288,146
EPRA EARNINGS PER SHARE	2.11	1.90

Operating margin

Definition:

This alternative performance indicator measures the company's operational profitability as a percentage of rental income and is calculated by dividing the "operating result before the result on the portfolio" by "the net rental result".

Purpose:

This APM is used to assess the operating performance of the company.

Reconciliation:

(in k €)	1H 2021	1H 2020
Operating result before portfolio result	8,528	7,661
Net rental result	13,219	13,132
Operating margin	64.5%	58.3%

Distributable result per share

Definition:

The distributable result per share is composed of the consolidated EPRA earnings plus the realised capital gains on sales, divided by the number of shares.

Purpose:

This APM is used to measure the benefit capacity of the company.

Reconciliation:

(in k €)	1H 2021	1H 2020
EPRA earnings	6,942	6,232
Realised distributable capital gains on sales	1,789	1,339
Distributable result	8,731	7,571
Average number of shares	3,288,410	3,288,146
Distributable result per share (in €)	2.66	2.30

9. SHAREHOLDER'S CALENDAR

2021

Interim statement: results up till 30 September 2021

Thursday 18 November 2021

2022

Annual press release on the financial year 2021

Thursday 24 February 2022

Publication of the annual financial report on the website

Friday 1 April 2022

Ordinary general meeting of the financial year 2021

Tuesday 3 May 2022

Payment of the dividend of the financial year 2021 – Ex date

Monday 9 May 2022

Payment of the dividend of the financial year 2021 – Record date

Tuesday 10 May 2022

Payment of the dividend of the financial year 2021 – Payment date

Wednesday 11 May 2022

Interim statement: results up till 31 March 2022

Wednesday 18 May 2022

Half-year financial report: results up till 30 June 2022

Thursday 7 September 2022

Interim statement: results up till 30 September 2022

Thursday 17 November 2022

FOR ADDITIONAL INFORMATION

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About Home Invest Belgium

Home Invest Belgium is a public regulated real estate company (GVV/SIR or BE-REIT) specializing in acquisition, sale, development and management of residential real estate. On 30 June 2021, Home Invest Belgium held a property portfolio of € 668 million in Belgium and The Netherlands.

Home Invest Belgium is listed on Euronext Brussels [HOMI] since June 1999. On 30 June 2021, the market capitalization amounted to € 391 million.