

Acquisition of a development project in Molenbeek

- ◆ Signature of a purchase agreement, subject to certain conditions precedent among which the obtaining of a building permit, for the redevelopment of a former industrial site located rue Brunfaut and rue Fin in 1080 Molenbeek.

Half-year financial report

- ◆ Growth of the portfolio thanks to:
 - The acquisition of 38 apartments in the building Livingstone I, in the heart of the European district, in 1000 Brussels;
 - The completion of the Residence Trône in 1000 Brussels;
 - The continuation of the other development projects.
- ◆ High occupancy rate of 95.06%⁽¹⁾
- ◆ Renegotiation of hedges
- ◆ Distributable result per share of € 1.68⁽²⁾
- ◆ Net asset value per share brought to € 64.84⁽³⁾
- ◆ Debt ratio of 39.77%

Home Invest Belgium draws attention to the fact that the accounts on 30 June integrate for the first time the implementation of the new IFRIC21 standard, which makes the interim results difficult to compare with those of last year.

More details regarding this standard are available on page 5 of the current press release and on page 18 of the half-year financial report.

(1) The average rate of the first half-year of 2015 expresses the percentage of rents generated by the occupied properties, in comparison to the total rents of the occupied properties and the estimated rental value of the unoccupied properties. The calculation takes no properties held for sale into account, nor development projects, nor buildings subject to major renovations.

(2) Distributable result on a consolidated basis.

(3) Excluding the 12 912 shares held in auto-control.

Acquisition of a development project in Molenbeek

On 2 September, the company signed a purchase agreement, subject to certain conditions precedent among which the obtaining of a building permit, for the redevelopment of a former industrial site located rue Brunfaut and rue Fin in 1080 Molenbeek. It concerns the acquisition of 100% of the shares of a company, owner of the site; the shares shall be transferred and the price definitely fixed and paid once all conditions precedent are fulfilled.

Home Invest Belgium has assigned the architectural studies to the company DDS & Partners. The preliminary studies in order to introduce the permit are ongoing and let presume a potential of $\pm 7\,500$ up to 10 000 sqm building area.

The filing of the permit that allows the reconversion of the site into a mainly residential project shall be introduced in the course of the 4th quarter of 2015.

DTZ intervened as counsel of the sellers.

Through this acquisition, Home Invest Belgium confirms its strategy of developer/investor in important residential urban projects held for letting.



Half-year financial report

PROPERTY PORTFOLIO

On 30 June 2015, Home Invest Belgium owns a portfolio comprising 72 buildings in operation and 4 projects. The portfolio of buildings in operation totalizes approximately **1 360 units for letting** spread across $\pm 148\ 000$ sqm and the portfolio of projects comprises about **390 units** for a total surface of $\pm 28\ 000$ sqm.

On the balance sheet, the **fair value** of the investment properties ⁽⁴⁾ amounts to € 340 million on 30 June 2015 and increases by 7.4% in comparison with the situation on 31 December 2014 (€ 316.5 million).

In the course of the first half-year 2015, the portfolio of buildings in operation of Home Invest Belgium grew in size thanks to two important events, being:

- I. **The acquisition of 38 apartments in the building Livingstone I**, avenue Livingstone 6 in 1000 Brussels, on 29 May 2015 ;
The Livingstone I building is located in the heart of the European district, close to the Berlaymont, and benefits from easy accessibility both by public transport and by car. The former office building located at this site was subject to a successful reconversion into a high-quality residential building, according to the project of the architecture agency Archi 2000.
The 38 apartments (2 studios, 30 2-bedroom apartments and 6 3-bedroom apartments) all have large terraces and high-end finishing. By this acquisition, Home Invest Belgium becomes the most important co-owner of the building comprising 122 apartments.
The last finishing works have been carried out in the course of June, the apartments became therefore available for letting since 1 July 2015. On 28 August, 12 apartments were already rented.

- II. **The completion of the Residence Trône**, rue de la Pépinière & rue de Bréderode in 1000 Brussels;
Residence Trône offers 15 apartments and 1 office and represents +/- 2 120 m².
The provisional acceptance of the building took place on 30 June 2015; the building welcomes since then its first occupants. On 28 August, the company signed already 10 lease contracts.
www.residencetrone.be

⁽⁴⁾ This fair value corresponds to the item « Investment properties » of the balance sheet and include the development projects according to IAS 40 without taking into account the properties held for sale.



→ Residence Trône

Overall, the **occupancy rate** of the portfolio remains at a high level of **95.06%**.

The development projects and renovation works of the buildings of the portfolio continue at a normal rhythm. The renovation works of the shopping gallery Charles Woeste were finished on the first half-year and all the retail shops are currently rented.

RESTRUCTURING OF THE INTEREST RATE HEDGES

In the course of the 1st half-year of 2015, Home Invest Belgium proceeded to the restructuring of two IRS for a total amount of € 40 million. This restructuring has allowed to undo the over-hedging that existed at the closing of the financial year 2014 and to reduce as of May 2015 the related financial charges. All other things being equal, the gain over the financial 2015 is estimated at € 0.34 million.

Overview of the financial structure

| Financing | Confirmed lines | Used |
|----------------|-----------------|-----------|
| Bank financing | € 95 M | € 93.5 M |
| Bond loans | € 40 M | € 40 M |
| Total | € 135 M | € 133.5 M |

The average duration of the financing is 5 years and 1 month.

| | |
|-------------------------------|--------|
| Hedges active at closing date | IRS |
| Total | € 70 M |

The average duration of the hedges is 4 years and 3 months.

CONSOLIDATED KEY FIGURES

Important remark:

The accounts on 30 June integrate for the first time the implementation of the **new IFRIC21 standard**, what makes the interim results difficult to compare with the interim results of last year.

This new IFRIC21 standard provides indeed to reflect immediately and in full in the accounts the fiscal levies that are due within the period of presentation of the financial statements. In the case of Home Invest Belgium, this concerns the property tax and its possible rebilling and the subscription tax. In the past, those amounts were reflected in the accounts prorata temporis. This new standard has a **merely temporary** negative impact on the property result and the results that are impacted by the property result on the accounts on 30 June 2015, in instance of € - 788 349 or € - 0.25 per share.

| MAIN RESULTS (IN €) ^{(1) (2)} | 1 st half-year 2015 | 1 st half-year 2014 |
|---|--------------------------------|--------------------------------|
| Net rental result | 8 577 550 | 9 562 234 |
| Property result | 7 405 760 | 8 951 926 |
| Operating result before portfolio result | 4 452 713 | 6 099 967 |
| Portfolio result | | |
| - Result on sales | 365 578 | 1 838 333 |
| - Changes in fair value | 2 653 986 | 5 342 200 |
| Financial result | -83 879 | -4 003 601 |
| - Financial result excluding the change in fair value of financial assets and liabilities | - 1 846 657 | - 1 836 411 |
| - Changes in fair value of financial assets and liabilities ⁽³⁾ | 1 762 778 | -2 167 190 |
| Net result | 7 371 031 | 9 261 234 |
| Net current result | 4 351 467 | 2 080 701 |
| Net current result per share ⁽⁴⁾ | 1.38 | 0.68 |
| Net current result excluding IAS 39 | 2 588 689 | 4 247 891 |
| Net current result excluding IAS 39 per share⁽⁴⁾ | 0.82 | 1.39 |
| Distributable result | 5 286 502 | 6 327 621 |
| Distributable result per share ⁽⁴⁾ | 1.68 | 2.07 |
| Net asset value per share | 64.84 | 64.03 |
| EPRA NAV⁽⁵⁾ per share | 66.78 | 66.27 |

⁽¹⁾ IAS 34 has not been implemented regarding the contents of the financial information communicated above.

⁽²⁾ Figures reviewed by the Company auditor but not audited.

⁽³⁾ Concerns the changes in fair value of the interest rate hedging instruments.

⁽⁴⁾ The total number of shares with full dividend rights by 30 June 2015 amounts to 3 147 897, excluding the 12 912 treasury shares held in auto-control on the same date.

⁽⁵⁾ « EPRA NAV » corresponds to the net asset value, adjusted in order to exclude, among others, the fair value of the financial hedging instruments.

EVENTS AFTER THE CLOSING OF THE FIRST HALF-YEAR

The press announced in the course of August that the reduced withholding tax of 15% on the dividends of the residential RRECs could be revised upwards by the government (25% vs 27%). On 28 August, the Board of Directors however had no official knowledge that such kind of decision was indeed taken by the government, the current tax regime (as described in the annual financial report 2014, p. 152) remains thus valid.

THE HALF-YEAR FINANCIAL REPORT IS FROM NOW ON AVAILABLE ON THE WEBSITE OF THE COMPANY.
A PAPER VERSION CAN BE SENT ON SIMPLE REQUEST TO THE REGISTERED OFFICE OF THE COMPANY.

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Home Invest Belgium is a residential public Regulated Real Estate Company (RREC/GVV/SIR). As a pure player, the company offers high-quality residential units to its 1 360 tenants and provides them professional management. On 30 June 2015, the fair value of its real estate portfolio amounted to 343 million EUR, comprising 72 buildings in operation (for a total surface area of ± 148 000 sqm) and 4 projects (for approximately 390 units). Since its creation in June 1999, Home Invest Belgium is listed on the regulated market of Euronext Brussels [HOMI]. On 30 June 2015 its market capitalization amounted to € 275 million.