



Building
the future,
adding value.



IMMOBEL
since 1863

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GREEN HILL (Grand-Duchy of Luxemburg)
Christian Bauer & Associés

For over 145 years IMMOBEL has been a major player in property development in Belgium. It is also active in the Grand-Duchy of Luxemburg and is in the process of developing a new growth pole by investing in projects in Poland. Its business covers the office, residential and landbanking sectors, assuring the diversification of its portfolio of projects in function of commercial opportunities. Its vision of the market and its expertise allow it to design, promote and manage ambitious real estate projects that create long-term value while respecting the environment and integrating the major issues facing society.



Message from the Chairman and the Managing Director

In 2010, IMMOBEL continued to implement its operating strategy based on the development of large groups of real estate in the Office, Residential and Landbanking sectors.

During this year, IMMOBEL once again demonstrated its capacities and know-how in the development and management of big, complex projects.

The Belair project, for example, advanced significantly when 65,000 m² of it were let to the Federal Police on a long-term lease. This demonstrates the pertinence of the ambitious choice the Board of Directors made in 2008 when it increased its stake in one of the most important Office and Residential projects in Brussels.

Some projects, such as *Château-Rempart*, *South City (Broodthaers and Fonsny)*... have reached maturity, been leased and then sold. New town planning permits have also been obtained, which will contribute to IMMOBEL's future results; take for example *Bella Vita*, *Charmeriaie*, *Cour Saint-Hubert (Trianon)*, *Forum Phase II* and *Jardin des Sittelles*.

The Group has also acquired new real estate projects in Belgium and the Grand-Duchy of Luxemburg.

The financial structure of the Group was sound at 31st December 2010, with a weak net debt of approximately 31 %.

IMMOBEL ended 2010 with a net consolidated profit of 10.6 MEUR and an operating income of 13.2 MEUR, despite the fact that the economic environment was not very encouraging and the property market extremely difficult.

The Board of Directors has confirmed its support for a dividend distribution policy corresponding to the expectations of the market and geared to the net consolidated income. The pay-out ratio is around 40-50 %. The Board of Directors therefore considers it opportune to propose to the Annual General Meeting a gross dividend for 2010 of 1.25 EUR per share. In September 2010, the Eastbridge Group acquired a 25 % stake in IMMOBEL. Eastbridge is a quality shareholder that invests with long-term vision. Its know-how and in-depth knowledge of the real estate market in Central Europe and the United State of America (New York) will allow IMMOBEL to benefit from its experience.

Thanks to the trust it enjoys with its partners, this new reference shareholder opens up new prospects for the company to develop flagship real estate projects.

In the course of the second half of the year, the Board of Directors reviewed profitable growth opportunities in the European market.



Having been briefed by the Managing Director, the Board of Directors gave its agreement for important strategic development in Central Europe.

Based on the potential in the Central European market and the expertise IMMOBEL possesses, the strategic plan was implemented immediately following an in-depth analysis of the Polish market.

During this process Eastbridge was in a position to help us accelerate and facilitate the acquisition procedure for projects that were already under consideration.

In 2011 IMMOBEL will continue to pursue the strategic choices that drove its activity in 2010, taking into account the economic situation and the evolution of the markets as well as its investment capacity following the sale, purchase or lease of various assets.

Made strong by more than 145 years of experience in the development of its projects and supported by professional employees and 1st class partners, IMMOBEL will maintain its efforts to stay at the cutting edge of energy performance technology and sustainable development in the projects it develops. The achievement of BREEAM certificates will testify to this. Heedful of the issues preoccupying society, IMMOBEL is careful to situate its projects in the context of greater urban harmony.

We would like to thank our partners and our clients for their trust and the profitable cooperation that unites us.

We would also like to thank the Shareholders for the trust they demonstrate regarding IMMOBEL and its evolution.

Finally, since the results we have achieved are due to teamwork, we would like to thank all the employees of the Group for their keenness to carry out their work with passion and professionalism in the interests of your Company.



A handwritten signature in black ink, appearing to read 'Piret', written in a cursive style.

Gaëtan Piret SPRL
Managing Director

A handwritten signature in black ink, appearing to read 'Buysse', written in a cursive style.

Baron Buysse CMG CBE
Chairman of the Board
of Directors

Key events

2010 was mainly marked by the following operations in the various projects:

Sales

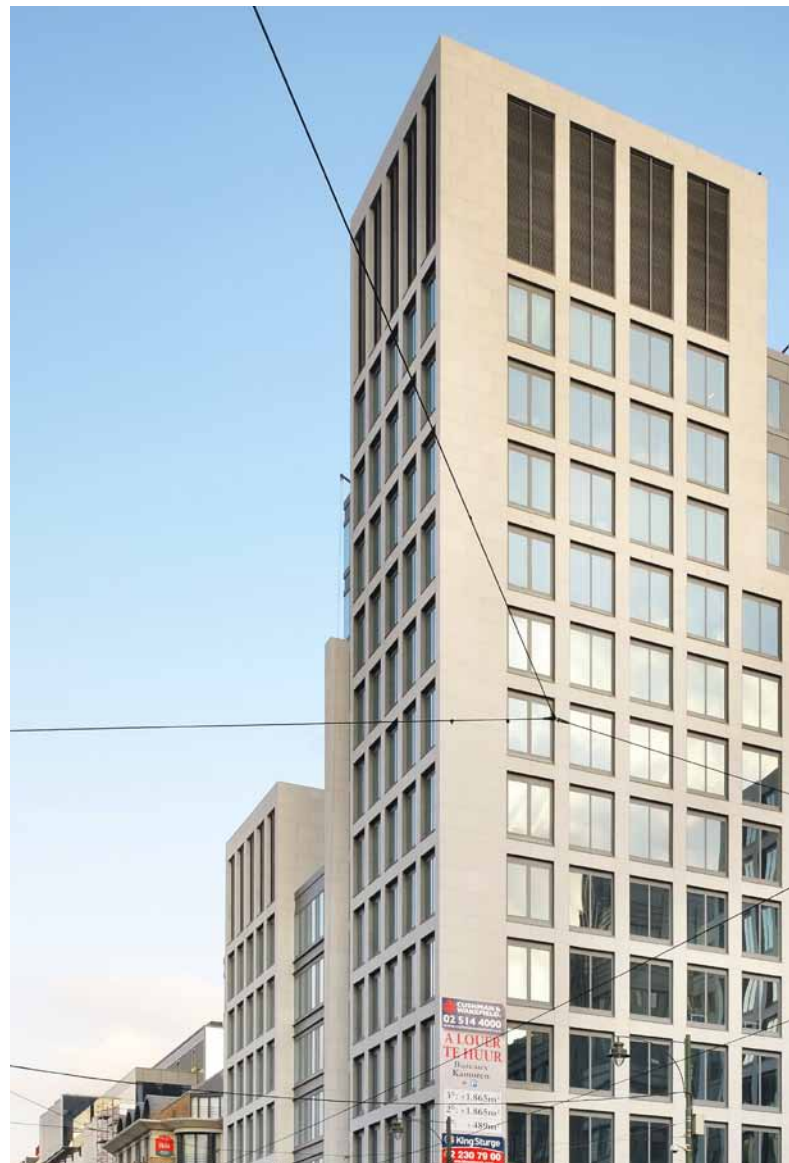
Château-Rempart – Tournai

IMMOBEL sold the whole of the *Château-Rempart* office development in Tournai. This project comprises 3 phases with a total area of 13,642 m² of offices, all let to the Régie des Bâtiments on a long-term lease. The purchasers are a private investor and the Caisse d'Épargne Nord France Europe.

South City (10 % holding) – Brussels

The whole of the *Broodthaers* and *Fonsny* phases having been leased, the sale could be concluded in 2010. The *Broodthaers* wing was sold to the investor Allianz and the wing leased to SMALS – known as *Fonsny* – was sold to Intégrale.

The project *South City* develops an above-ground area of 30,723 m² in the immediate proximity of the Brussels South Station.





CHÂTEAU-REMPART (Tournai)
Yellowstone



SOUTH CITY OFFICE (Brussels / Saint-Gilles)
SM A.2R.C (Michel Verliefdien) and Jaspers, Eyers & Partners



GREEN HILL (Grand-Duchy of Luxembourg)
Christian Bauer & Associés

Acquisitions

Rue Montoyer and rue du Commerce – Brussels

IMMOBEL acquired the long-term lease rights for a term of 99 years for the building belonging to Euler Hermès situated at the corner of rue Montoyer and rue du Commerce. In the meantime IMMOBEL has applied for town planning permission with a view to developing an office building with a surface area of approximately 11,000 m² aimed at achieving an “Excellent” BREEAM certification rating.

Green Hill – Grand-Duchy of Luxembourg

IMMOBEL has also taken a 50 % holding in the *Green Hill* project, situated in Beggen in the Grand-Duchy of Luxembourg, with a view to developing 170 apartments there.

Leases

In the *Belair* project (formerly *Cité Administrative de l'Etat*), IMMOBEL and its partner have received a green light to conclude a lease with the Régie des Bâtiments. The Council of Ministers of the Federal Government of Belgium gave its approval on 15 December 2010 to lease 65,000 m² for use by the Federal Police for the centralisation of a considerable number of its services.

Landbanking

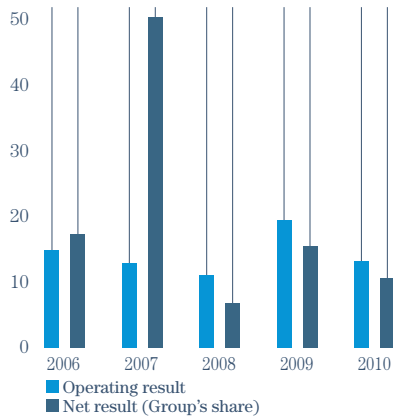
During 2010 development permits were granted for various development projects totalling over 18 ha.

Administrative procedures are currently underway aimed at obtaining development permits, town and country planning or urban planning permission for around 150 ha of land belonging to IMMOBEL or being under its control.

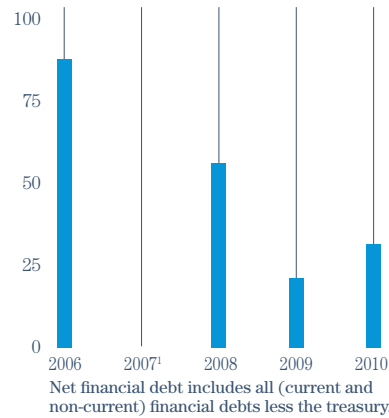
IMMOBEL has acquired a project in the Léopold district and intends to develop an office building of approximately 11,000 m² and to obtain a BREEAM certification “Excellent”.

Financial information and key figures

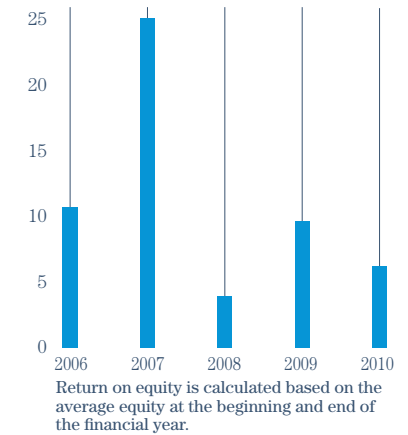
Consolidated operating result / Net result (MEUR)



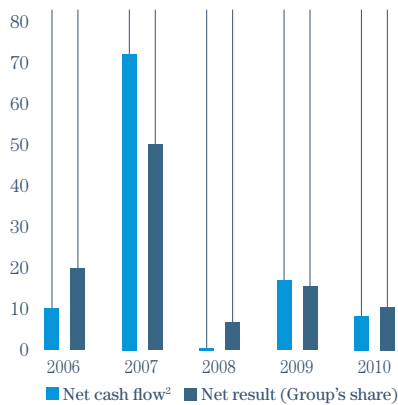
Net financial debt / Equity ratio (%)



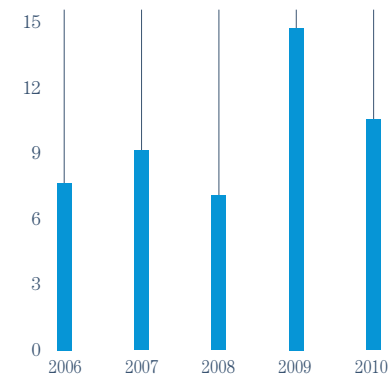
Return on equity (%)



Net cash flow / Net result (MEUR)



Net result from continuing operations (MEUR)



Net financial debt limited to
31 %

1. At 31st December 2007, the net treasury was positive.
2. Net result without the non cash expenses (amortisation, depreciation charges, provisions ...) and the non cash income (fair value ...).

10,6 MEUR
net consolidated profit

Summary of consolidated financial statements (MEUR)

Income statement	2006	2007	2008	2009	2010
Operating income	232.4	142.3	58.5	113.0	85.6
Operating expenses	-209.0	-129.4	-47.4	-93.5	-72.4
Operating result	23.4	12.9	11.1	19.4	13.2
Financial result	-11.8	-6.6	-4.3	-4.0	-4.9
Share in the results of associates	1.7	3.8	2.3	0.0	2.9
Result before taxes	13.2	10.1	9.1	15.4	11.2
Income taxes	-5.6	-1.0	-2.0	-0.7	-0.7
Result from continuing operations	7.6	9.1	7.1	14.7	10.5
Result from discontinued operations	12.6	41.1	-0.2	0.9	0.0
Result for the year	20.2	50.2	6.9	15.6	10.5
Share of IMMOBEL	20.2	50.2	6.9	15.6	10.6

Balance sheet	2006	2007	2008	2009	2010
Assets					
Non-current assets	90.7	27.3	15.9	13.2	11.4
Intangible assets and goodwill	0.1	0.0	0.0	0.0	0.0
Tangible assets and investment property	68.6	5.4	2.9	3.4	3.6
Financial assets	20.4	20.7	12.7	9.3	7.5
Other	1.7	1.2	0.3	0.6	0.3
Current assets	430.6	393.1	303.3	345.3	292.1
Inventories	302.3	224.6	262.0	260.3	240.8
Treasury	62.5	132.7	15.8	67.7	34.2
Derivative financial instruments	0.0	0.2	0.0	0.0	0.0
Other	65.8	35.6	25.5	17.3	17.1
Total assets	521.3	420.4	319.2	358.5	303.5

Equity and liabilities	2006	2007	2008	2009	2010
Equity	194.8	206.2	152.7	168.7	172.1
Non-current liabilities	105.0	49.7	86.6	69.3	71.9
Financial debts	98.0	29.5	71.2	58.8	65.6
Other	7.0	20.2	15.4	10.4	6.3
Current liabilities	221.5	164.5	79.9	120.5	59.4
Financial debts	135.9	91.8	30.5	44.9	22.5
Derivative financial instruments	0.0	0.0	1.5	2.2	1.8
Other	85.6	72.7	47.9	73.4	35.1
Total equity and liabilities	521.3	420.4	319.2	358.5	303.5

6,2 %

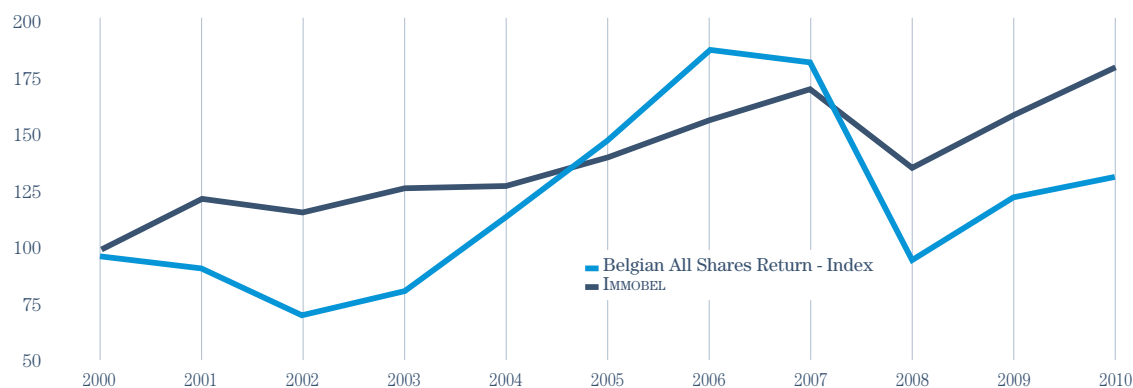
return on equity

IFRS	2006	2007	2008	2009	2010
Consolidated accounts (MEUR)					
Cash-flow	10.2	72.2	0.7	17.2	8.5
Net result, Group's share	20.2	50.2	6.9	15.6	10.6
Equity, Group's share	194.8	206.2	152.7	168.7	172.2
Market capitalization	182.4	178.1	61.8	101.8	130.2

Information per share (EUR)					
Number of shares (thousands) at year-end	4 122	4 122	4 122	4 122	4 122
Consolidated cash flow	2.5	17.5	0.2	4.2	2.1
Net consolidated result from continuing operations	1.9	2.2	1.7	3.6	2.6
Net consolidated result, Group's share	4.9	12.2	1.7	3.8	2.6
Value of consolidated equity	47.3	50.0	37.1	40.9	41.8
Net common dividend	1.5	9.0	0.0	1.5	0.94
Gross common dividend	2.0	12.0	0.0	2.0	1.25
Closing price	44.3	43.2	15.0	24.7	31.6
Maximum quotation	44.3	49.8	43.4	24.7	32.9
Minimum quotation	37.6	36.5	11.2	11.0	23.0

Belgian GAAP	2006	2007	2008	2009	2010
Company financial statements (MEUR)					
Cash-flow	-3.7	78.9	10.0	31.0	-3.1
Net earnings	10.2	56.8	12.6	31.8	-5.4
Allocated earnings	8.2	49.5	0.0	8.2	5.2
Equity	179.6	186.3	158.9	182.4	171.9

Comparison of IMMOBEL's return with the Belgian stock market over 10 years



Corporate governance statement

Adherence to the Belgian Code of Corporate Governance

IMMOBEL adheres to the principles of Corporate Governance contained in the Belgian Corporate Governance Code published on 12th March 2009 (hereafter "Code 2009"), which is available on the GUBERNA website: www.guberna.be.

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

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

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

Management bodies (on 1st January 2011)

The Board of Directors

Members

Baron BUYSSE	Chairman of the Board	Independent
Gaëtan PIRET ¹	Managing Director	
Didier BELLENS ²	Director	Independent
Maciej DROZD	Director	
Maciej DYJAS	Director	
Marc GROSMAN	Director	
Luc LUYTEN	Director	Independent
Marek MODECKI	Director	Independent
Wilfried VERSTRAETE	Director	Independent
Laurent WASTEELS	Director	Independent



Baron BUYSSE (1), CMG CBE, 66. Following an international career in London, where he was an Executive Director of *BTR Ltd* and Chief Executive Officer of *Vickers Ltd*, he is currently Chairman of *Bekaert*, a Bel20 company. It was he who initiated the Buyssse Code on Corporate Governance for companies that are not listed on the stock market. He is the Chairman of the Board of Censors of the *National Bank of Belgium* and a Director or Chairman of other organisations.



Gaëtan PIRET (2), 52, holds a degree in Commercial Engineering from the ULB; he is PMD 1989 of the Harvard Business School and a Fellow Member of the Royal Institution of Chartered Surveyors (FRICS). He joined the *Compagnie Immobilière de Belgique* in 1992, and has been Managing Director since 29 June 2007. In addition, he is, amongst other things, an Independent Director of *SITQ Europe (Finances) SA (Société Immobilière Trans-Québec – Groupe Caisse de Dépôt et Placement du Québec)*.



Didier BELLENS (3), 55, has a degree in Economics and Business Administration from the ULB (Solvay Business School) and has been the Managing Director of *Belgacom* since March 2003. He is also a Director of *AXA Belgium* and a member of the International Committee of NYSE. He was previously the CEO of the *RTL Group* and Managing Director of *GBL (Groupe Bruxelles Lambert)*.



Maciej DROZD (4), 45, obtained degrees from the Faculty of Philosophy and Sociology and the Faculty of Management of Warsaw University. He also has an MBA from the University of Illinois in Urbana-Champaign. He joined *Eastbridge* in 1995. Since June 2009, he has been a Member of the Board of Directors and the CFO of *Eastbridge Group* and a Member of the Supervisory Board of *EM&F Group*. Since 2002, he has been a Member of the Board of Directors and CFO of the Commercial Real Estate department of the *Eastbridge Group*, which has operated since 2007 as *Centrum Development & Investments SA (CDI)*. Previously he worked as CFO in various companies in Poland.



Maciej DYJAS (5), has degrees in Information Technology and Business Administration from the Universities of Warsaw and Stuttgart. He joined *Eastbridge* in 1994. He currently holds the post of CEO of the *Eastbridge Group* and Chairman of the *EM&F Group*. He is in charge of the Group's global growth strategy, management of its operations in Europe and the United States, and relations with its business partners and investors. He has previously worked for consulting companies in Europe and the United States. He is a Member of the Polish Business Circle, the Polish-German Chamber of Commerce and the Association of Germans in Poland.



Marc GROSZMAN (6), 56, supplemented his Master at the ISG business school with an MBA from *Harvard Business School* in 1982. Since 1978, he has been the cofounder and CEO of *Celio*, the number 1 in Europe for men's ready-to-wear fashion, and, since 2006, majority shareholder of the women's ready-to-wear fashion label, *Jennyfer*. Together the two labels have 1,400 shops in 62 countries. M. Grosz is also Member of the Supervisory Board of *Eastbridge S.à r.l.* and Director of *Bata Shoes* and *Calvin Klein Industries NY*.



Luc LUYTEN (7), 57, got an MBA from the University of Chicago, as well as a Diploma in Civil Engineering and a Degree in Applied Economics from the University of Ghent and the Catholic University of Leuven respectively. He joined *Bain & Company* in London in 1986 and became a Partner in 1988. He is a Senior Partner of *Bain & Company* in the Benelux.



Marek MODECKI (8), 52, holds a Master in Law from the University of Warsaw. He also studied International Law at the *Max Planck Institute* and Law at the University of Hamburg. He is currently a partner at *Concordia* (since 1997), an investment firm located in Warsaw and Brussels specialised in M&A transactions and corporate finance in Poland and the European Union countries. Amongst other things, he led the negotiations for the sale of *Argos SA* to *Pernod Ricard*, the sale of *Warta Insurance* to *KBC*, and the acquisition of *Multivita* by *Coca-Cola Company*.

In 2006-2008 he worked as a Senior Banker for *Concordia Espirito Santo Investment*, a joint venture between *Concordia* and the Portuguese group *Espirito Santo Group*. In the past, Mr Modecki was a Member of the Supervisory Board of *Argos SA*, *Clif SA*, *Atlantis SA*, *Metalexport SA*, *Prokom Software SA* and *Concordia Espirito Santo Investment Ltd*. He is currently a Member of the Supervisory Board of *Pegas Nonwovens Ltd* (Czech Republic) and *Polnord Ltd* (Poland).



Wilfried VERSTRAETE (9), 52, studied Economics at the VUB (Brussels) and obtained a Master in Financial Management from VLEKHO in Brussels. He also completed the IE programme at INSEAD. He is currently Chairman of the Group Executive Committee of *Euler Hermes* and a Member of the *Allianz Group*, which he joined in 2007 as CFO of the *Allianz Global Corporate & Specialty Group*. He was Chairman of the Dutch credit insurance company *Atradius NV* from May 2004 to October 2006. From 1996 to 2004 Wilfried Verstraete was CFO successively of *Mobistar*, *Wanadoo* and *Orange*, all of which are part of the *France Télécom Group*.



Laurent WASTEELS (10), 55, obtained a Master in Economic and Social Sciences (FNDP Namur) in 1981. He also followed the "Entrepreneurial Management" programme at the University of Boston. He is presently the Chairman of the Board of Directors of *Wasteels Trains de Nuit* (via an EIG with *Compagnie des Wagons-Lits* for the exploitation of night trains), a Director of the *Compagnie Européenne de Constructions Immobilières SA* and Manager of *Antibes Investissements S.à r.l.* He also holds two public mandates in Monaco: he is Economic and Social Advisor to the Government of the Principality of Monaco and Honorary Consul of the Kingdom of Belgium in Monaco.

1. In carrying out the functions concerned in the present report, M. Gaëtan PIRET acts as the permanent representative of GAËTAN PIRET sprl.
2. In carrying out the functions concerned in the present report, M. Didier BELLENS acts as the permanent representative of ARSEMA sprl.



From left to right: Pierre DELHAISE, Joëlle MICHA, Philippe HELLEPUTTE, Gaëtan PIRET, Christian KARKAN, Philippe OPSOMER, Jean-Louis MAZY and Paul MUYLDERMANS

Activity Report

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

In principle the Board meets at least 3 times a year (in March, August and December). Additional meetings may be organised at any time, with reasonable notice. This frequency enables the Directors, among other things, to review the half-yearly accounts in August and the annual accounts in March, as well as the budgets in December. In 2010, the Board met on eight occasions.

The Committees of the Board of Directors

Members of the Audit & Finance Committee (hereafter AFC)

Wilfried VERSTRAETE, Chairman,
Didier BELLENS, and
Maciej DROZD, Members.

In 2010, the AFC met four times at the request of its Chairman.

Members of the Remuneration & Appointments Committee (hereafter RAC)

Didier BELLENS, Chairman,
Luc LUYTEN, and
Marek MODECKI, Members.

In 2010, the RAC met four times at the request of its Chairman.

Members of the Investment & Asset Management Committee (hereafter IAMC)

Gaëtan PIRET, Chairman,
Maciej DYJAS,
Marc GROSMAN, and
Wilfried VERSTRAETE, Members.

In 2010, the IAMC met seven times at the request of its Chairman.

Members of the Executive Committee

Gaëtan PIRET, Chairman,
Pierre DELHAISE¹,
Philippe HELLEPUTTE²,
Christian KARKAN³,
Jean-Louis MAZY⁴,
Joëlle MICHA⁵,
Paul MUYLDERMANS⁶, and
Philippe OPSOMER⁷, Members.

Members of the Management Committee

The Board of Directors, following a decision on 9th December 2010, has established a Management Committee, which comprises the following members:

Gaëtan PIRET, Chairman,
Philippe HELLEPUTTE,
Christian KARKAN,
Philippe OPSOMER, Members.

1. Head of Legal Services and Secretary of the Executive Committee.
2. Head of Landbanking.
3. Permanent representative of REALEYDE DEVELOPMENT sprl, Head of Development for IMMOBEL.
4. Permanent representative of JEAN-LOUIS MAZY sprl, Advisor.
5. Permanent representative of MINOS sprl, Head of Corporate Affairs and General Secretary of the Board of Directors and the Committees of IMMOBEL and its subsidiaries. She is also Compliance Officer at IMMOBEL.
6. Permanent representative of PAUL MUYLDERMANS bvba, Head of Project Management.
7. Permanent representative of ASAP CONSULTING sprl, Head of Finance.

Remuneration Report

Procedure for drawing up the remuneration policy

For the Directors:

In 2010, the Company implemented the remuneration policy for the Directors described in Appendix 2 to the regulation of the Board of Directors, and in point I.2.8. of the Charter of Corporate Governance available on the Company's website (www.immobel.be).

The Board of Directors of IMMOBEL respects the prerogatives of the Annual General Meeting in deciding the remuneration of its Directors.

The RAC makes detailed proposals to the Board of Directors concerning the remuneration of Non-Executive Directors.

The level and structure of their remuneration are determined on the basis of their general and specific responsibilities and market practice. Unless the Board of Directors decides otherwise, this remuneration includes a basic remuneration for membership of the Board and additional remuneration for participation in the meetings or for each Chairmanship or Vice-Chairmanship of a Committee or the Board. Non-Executive Directors receive no performance-related remuneration, nor any benefits in kind, nor benefits linked to pension plans, nor an annual bonus, nor share options, nor participation in retirement plans. They are not entitled to any kind of compensation when their mandate comes to an end.

Remuneration of the Non-Executive Directors also takes into account the time they devote to their functions. Non-Executive Directors may receive remuneration determined according to the legal provisions and the policy on Directors' remuneration.

The Executive Directors' mandates may likewise be remunerated. In this case the remuneration is taken into account in the global framework of remuneration paid to Executive Directors for the executive functions they hold within IMMOBEL

in accordance with the remuneration policy for Directors and for the Management Committee as well as for the Executive Committee.

No changes were made to the remuneration policy in 2010.

For the Members of the Management Committee:

For 2010, the remuneration policy implemented by the Company with regard to the Members of the Management Committee was as described in point III.4 of the Charter of Corporate Governance on the Company's Internet website (www.immobel.be).

The Board of Directors approves the appointment contracts of the Members of the Management Committee and decides on their remuneration based on the recommendations of the RAC, following a proposal by the Managing Director.

The level and structure of remuneration for the Members of the Management Committee at IMMOBEL are reviewed annually, and are such that they allow IMMOBEL to recruit, retain and motivate qualified and competent professionals taking into account the nature and the extent of their individual responsibilities on an ongoing basis.

A procedure exists for the evaluation of their performances. The Board of Directors analyses the competitiveness of IMMOBEL's remuneration structure on the initiative of the RAC.

Remuneration of the Members of the Executive Committee aims to:

- enable IMMOBEL to attract, motivate and retain first-rate, high-potential managers, bearing in mind the competitive environment in which it operates,
- encourage the achievement of ambitious performance targets by ensuring consistency between the interests of the managers and the Shareholders in the short, medium and long term,

- stimulate, recognise and compensate both significant individual contributions and strong collective performances.

As far as necessary, IMMOBEL reminds that the Management Committee has been created by decision of the Board of Directors dated 9th December 2010, and thus no change was made to the remuneration policy of the Members of the Management Committee for 2010 compared to 2009.

Procedure for determining individual remuneration

For Non-Executive Directors:

- At the meeting of 27th August 2008 the Board of Directors decided that as of 2008 the remuneration of the Directors (with the exception of the Chairman of the Board) would be determined as follows: attribution of fixed gross annual fee of 12,500 EUR per Director and per membership of a Committee (except for representatives of the reference shareholder). These fees are doubled for the Chairmanship of the Board or a Committee.
- The Chairman of the Board of Directors receives a sum of 200,000 EUR per year¹.
- A mandate as a Non-Executive Director does not include any entitlement to variable remuneration linked to the results or to any other performance criteria. It does not include entitlement to rights to stock options, nor to any corporate pension.
- The Company reimburses the Directors' travel and accommodation expenses for attendance at the meetings and the exercise of their functions in the Board of Directors and its Committees.

The Chairman of the Board of Directors is the only Non-Executive Director to have a permanent infrastructure (office and secretariat) at his disposal. The other Non-Executive Directors receive logistical support from the General Secretariat in function of their requirements.

Furthermore, the Company ensures it takes the usual insurance policies to cover the activities that the members of the Board of Directors carry out within the scope of their mandates.

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

The individual sums of remuneration given directly or indirectly to (Non-Executive) Directors in 2010 are shown in the table below. All of the amounts shown are gross, i.e. before the deduction of withholding tax.

Baron BUYSE		200 000.00 EUR
ARSEMA sprl ²		50 000.00 EUR
Chester BARNES	(resigned on 08-09-2010)	8 561.64 EUR
Maciej DROZD	(since 08-09-2010)	3 938.36 EUR
Maciej DYJAS	(since 08-09-2010)	3 938.36 EUR
Barden GALE	(resigned on 08-09-2010)	8 561.64 EUR
Marc GROSMAN	(since 08-09-2010)	3 938.36 EUR
Karim HABRA	(v 08-09-2010)	8 561.64 EUR
Luc LUYTEN		25 000.00 EUR
Marek MODECKI	(depuis le 08-09-2010)	7 876.71 EUR
Wilfried VERSTRAETE		50 000.00 EUR
Daniel WARD	(resigned on 08-09-2010)	8 561.64 EUR
Laurent WASTEELS	(since 08-09-2010)	7 876.71 EUR
Thomas WERNINK	(resigned on 08-09-2010)	25 684.93 EUR
Christopher ZEUNER	(resigned on 08-09-2010)	8 561.64 EUR
Total gross remuneration		421 061.64 EUR

For Members of the Management Committee:

The remuneration of the Chairman and the Members of the Management Committee is determined globally at gross rates. Consequently it does not only include the gross pro-rated remuneration from IMMOBEL, but also that for any contractual office or representative function in the companies in which IMMOBEL has holdings, be they majority or otherwise.

Individual remuneration is fixed by the Board of Directors, on the recommendations of the RAC, following a proposal by the Managing Director. Variable remuneration is foreseen for the Members of the Management Committee: their remuneration is linked to the results of the Company, taking into account the performance evaluation criteria relating to targets, the evaluation period and the method of evaluation.

1. Including a share in the cost of leasing a car.

2. Represented by its permanent representative Didier BELLENS.

Remuneration of the CEO and the other members of the Management Committee related to financial year 2010

The principles of remuneration and the link between remuneration and performance:

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

- a variable quantitative remuneration based on a series of criteria such as, in particular, the level of the acquisitions, the net profit and the management and control of the risks,
- a variable qualitative remuneration determined in function of the responsibilities, the mission and the targets achieved by the Members of the Management Committee.

The relative importance of the various components of remuneration:

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

Remuneration and other benefits accorded, directly or indirectly, to the CEO and other Members of the Management Committee (cf. members on page 12)

	CEO	Other Members
Basic remuneration	434 859.32 EUR	778 252.28 EUR
Variable remuneration	254 000.00 EUR	356 000.00 EUR
Individual Pension commitment	None	50 101.37 EUR
Company vehicle	24 000.00 EUR	22 696.87 EUR
Other benefits	None	None

The variable remuneration is assigned, upon proposal of the RAC, after the Board of Directors approving the Accounts per 31st December of the past year.

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

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

Particulars concerning (options on) shares/warrants – "incentives":

As specified above, a mandate as a Member of the Management Committee does not entail entitlement to "stock options".

Information regarding remuneration policy for the next two fiscal years:

The Board of Directors does not expect any fundamental changes to its remuneration policy in the next two financial years.

Shares and share options

Remuneration of the Members of the Management Committee and of the Members of the Executive Committee entails no entitlement to shares and/or share options.

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

Appointment

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

Departure

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

The table below shows the indemnities that would be owed by the Group in case of the termination of contracts with the following Members of the Management Committee:

Gaëtan PIRET		24 months
Christian KARKAN		18 months
Philippe OPSOMER		9 months
Philippe HELLEPUTTE	termination before 31-12-2011	36 months
	termination between 01-01-2012 and 31-12-2013	24 months
	termination after 01-01-2014	18 months

Report on internal controls and risk management systems¹

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

Nevertheless, the current Belgian legislative and normative framework specify neither the model of internal control to which the companies for which it is intended should conform, nor the modalities for implementing it (level of detail required). IMMOBEL uses a system of risk management and internal control that was drawn up internally based on the COSO model of internal control².

The COSO methodology is organised around five elements:

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

The internal control environment

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

Precise definition of the company's objectives:

"IMMOBEL is a leading Belgian listed company active in the real estate business and more specifically in the offices, residential and landbanking sectors as well as in function of retail/commercial opportunities. IMMOBEL's objective is to ensure a diversification of its project portfolio via these 3 sectors and to design, manage and promote real estate projects that create long-term value, while respecting the environment and integrating corporate social responsibility."

A definition of the roles of the management bodies:

IMMOBEL has a Board of Directors, an Investment & Asset Management Committee, an Audit & Finance Committee, a Remuneration & Appointments Committee, an Executive Committee and a Management Committee.

Responsibility for drawing up IMMOBEL's strategy and for controlling the way it does business belongs primarily to the Board of Directors.

The Investment and Asset Management Committee assists the Board of Directors in the strategic management of all of IMMOBEL's assets that are valued in excess of 5 MEUR. It also helps it identify and understand the strategic challenges posed by potential new real estate projects valued in excess of 5 MEUR.

The Audit and Finance Committee assists the Board of Directors mainly in the following matters:

- monitoring financial reports and financial information intended for shareholders and third parties,
- monitoring the quality of internal control and risk management,
- following up on the auditor's work, and
- monitoring the company's accounts department and finances.

The main mission of the Remuneration & Appointments Committee is to make proposals to the Board of Directors concerning remuneration (elements of the remuneration of the Directors, the members of the Executive and Management Committees, the managers and people in charge of day-to-day management; policy on employee share ownership, etc.) and concerning appointments (appointment or re-election of the members of the Committees etc.). In application of the Law on Corporate Governance of 6th April 2010, the Remuneration and

1. Art. 96, §2, par. 1, 3^o Companies Code.

2. Committee of Sponsoring Organizations of the Threadway Commission is an international, private, non-governmental body recognised in matters of governance, internal control, risk management and financial reporting.

Appointments Committee draws up the Annual Remuneration Report which the Board includes in the Statement on Corporate Governance which will be discussed during the Annual General Meeting.

The main roles of the Management Committee are:

- to monitor the performance of the various departments of IMMOBEL in terms of the strategic goals, plans and budgets,
- to submit the financial statements to the Board of Directors,
- under the leadership of the Managing Director, to examine, define and prepare proposals and strategic choices, including financial ones, likely to contribute to the growth of IMMOBEL.

The main role of the Executive Committee is to introduce efficient systems of internal control and risk management as well as to ensure the day-to-day management of operations.

Risk culture:

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

Application of ethical standards and integrity:

IMMOBEL has a code of ethics and integrity that describes the principles of good conduct that apply to each of the Directors and the Members of the Management and Executive Committees as well as all the employees and external collaborators. This Code deals with aspects of conflict of interest, professional secrecy, the buying and selling of shares, corruption and misuse of corporate funds, business gifts and even human dignity. The position of Compliance Officer has been created.

Measures geared to ensuring the level of competence:

- Competence of the Directors – Given their experience, the Directors possess the competencies and qualifications necessary to assume their responsibilities, particularly in matters of finance, accounting, investment and remuneration policy.
- Competence of the Members of the Management Committee, the Members of the Executive Committee and other staff: a recruitment process geared to the profiles required, adequate training and a policy of remuneration and evaluation based on the achievement of realistic and measurable goals make it possible to ensure the competence of IMMOBEL's staff.

A procedure dealing with remuneration policy for the Directors and the Members of the Executive and Management Committees: IMMOBEL has introduced a remuneration procedure that complies with the requirements of the Law of 6th April 2010 on Corporate Governance.

Risk analysis

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

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

Control activities

The control activities correspond to the regulations and procedures used to deal with the principle risks identified.

Amongst the main regulations and procedures established within IMMOBEL, we would like to mention the following:

- Feasibility studies are carried out systematically, allowing project margins to be monitored. The feasibility studies are then analysed by the project manager, the Head of Development and the Head of Finance. It should be noted that for all investment projects in excess of 5 MEUR, the feasibility study is also submitted to the Investment & Asset Management Committee.
- A review of the discrepancies between the budget and the actual financial situation is carried out at least twice a year by the Head of Finance. Any significant differences observed are submitted to the Management and/or the Executive Committee as well as the Audit & Finance Committee.
- The accounts department and future financial requirements are monitored and regular reports submitted to the Management bodies and the Audit & Finance Committee.
- The principle of multiple approvals exists at every phase of the engagement process: the double signature procedure applies to approval of all transactions and the signatories are specified in function of the sums involved in the transaction.

Information and communication

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

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

For the large majority of entities in the IMMOBEL Group accounting is outsourced to a firm specialised in financial services. The accounts are kept in IMMOBEL's ERP, the integrated management software programme Navision. The finance department of IMMOBEL is always in charge of the closure process and drafting the annual report, the consolidated financial statements drawn up according to IFRS standards and the annual accounts. Communication with the personnel and the various employees of IMMOBEL is appropriate to the size of the business. It is based mainly on work sessions, verbal communications from the management to the personnel as a whole, or internal e-mail notes signed by the Managing Director.

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

Supervision and Monitoring

The Audit & Finance Committee is responsible for supervising internal control.

Given the size and the activities of the Company and the Group, the Audit and Finance Committee does not consider it necessary to create the position of internal auditor to assist it in this mission.

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

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

Other Governance matters

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

In 2010, the Directors had recourse to the procedure applicable in case of conflict of interest, as laid down in articles 523 and 524 of the Companies Code and described in the *Charter of Corporate Governance*, on one occasion. Apart from that there were no transactions between, on the one hand, the IMMOBEL Group and, on the other, the Members of the Management Committee, the Members of the Executive Committee and the other staff that was subject to the procedure mentioned above.

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

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

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

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

When these people consider carrying out operations involving financial instruments issued by IMMOBEL, they must give the Compliance Officer prior notice in writing or by email of their intention to carry out this operation. Within 5 working days of reception of this prior notice the Compliance Officer will inform the persons concerned whether there is any reason to think that the operation under consideration constitutes insider trading. Should that be the case, it would be inadvisable to carry out the operation. These persons must notify the CBFA (Belgian Banking, Finance and Insurance Commission) of any operations

carried out on their own behalf and involving Company shares within five working days of the operation concerned being performed, this notification can be deferred, however, in conformity with the law, as long as the sum total of the operations carried out during the calendar year in progress does not exceed the threshold of 5,000.00 EUR.

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

During the past financial year the job of Compliance Officer at IMMOBEL was carried out by Mrs Joëlle Micha, Head of Corporate Affairs.

Application

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

Shareholding structure (on 7th September 2010)

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

Shareholders	Voting rights	% of total shares
CRESIDA INVESTMENT S.à r.l. Registered office at rue Ermesinde 67, L-1469 Luxembourg.	1 030 484	25.00 %
JER AUDREY S.à r.l. Registered office at rue Notre Dame 15, L-2240 Luxembourg.	228 081	5.53 %
CAPFI DELEN ASSET MANAGEMENT NV ¹ Registered office at Jan Van Rijswijcklaan 178, 2020 Antwerp.	208 516	5.06 %
KBC ASSURANCES NV ² Registered office at Prof. Roger Van Overstraetenplein 2, 3000 Leuven.	71 275	1.73 %
FIDEA NV ³ Registered office at Van Eycklei 14, 2018 Antwerp.	142 413	3.46 %

1. Joint investment group

2. Subsidiary of KBC GROUP NV.

3. Subsidiary of KBC ASSURANCES NV.

Real estate market trends

Office real estate market: trends 2010 and outlook 2011¹

I. Brussels

The office leasing market activity improved somewhat during 2010 as tenants are once more willing to make real estate decisions. The vacancy rate is high which continues to make the leasing market very competitive and is a break on rental growth. The development market became more prudent, and speculative future supply for the next two years is historically low at less than 50,000 m². This is likely to lead to a decrease in vacancy, especially in new buildings.

The investment volume for offices increased. The risk aversion of investors still exists but they are now prepared to look at other than low risk long term leased buildings, although the market for these remains by far the most liquid. The slightly healthier letting market combined with an improvement of the investment fundamentals leads us to believe that there will be a significant increase in activity in 2011.

Letting market

Key figures

	5 year average	2009	2010
Take-up (in m ²)	551 000	424 000	467 000
Stock (in million m ²)	12.2	12.7	13.0
Completions (in m ²)	335 000	357 000	268 000
Vacancy (in m ²)	1 235 000	1 422 000	1 463 000
Vacancy Rate (in %)	10.1	11.2	11.2
Prime Rent (in EUR/m ² /year)	284	265	310
Top Quartile Rent (in EUR/m ² /year)	207	217	219
Weighted Average Rent (in EUR/m ² /year)	166	168	172

Take-up

The total Brussels office letting market for 2010 reached 474,000 m². Despite the fact that the level is 14 % below the five year average, take-up improved by 11% on 2009.

Take-up by the Corporate sector improved slightly by 5 % on 2009, representing 63 % of the total take-up of 2010. Corporate transactions between 500 and 2500 m² increased by a third on 2009 which indicates that corporates are again taking real estate decisions with a close eye on costs. Their office take-up is predominately driven by repositioning, regrouping and rationalisation. The largest transaction was the letting by BNP Paribas Fortis (35,000 m²- North District).

Take-up by the Belgian Administrations including related activities saw a large increase (up 20 % on 2009) largely driven by the letting of the Federal Police of 54,500 m², public companies and two universities. Take-up by the European Institutions and

1. Source : Jones Lang LaSalle.



“The increase in the volume of properties leased this year is mainly due to the private sector. This trend will persist in 2011 which, combined with the major activity expected in the public sector, will enable Brussels to remain in the top 5 most important cities in Europe in terms of take-up.”

Antoine BRUSSELMANS,
Partner and Head of Office Agency – CUSHMAN & WAKEFIELD

European Agencies also improved (25,000 m²) and comprises mainly net absorption. Take-up by the International Administrations (21,000 m²) decreased slightly.

Vacancy & supply

The vacancy rate in our view reached its peak in the current cycle during the second quarter 2010 (11.5 %) and decreased since to 11.2 %, back to the same level as end 2009. The decrease in the vacancy rate is predominantly witnessed in the CBD where the supply of new buildings started to decrease, whereas vacancy outside CBD continued to increase with further completions of new buildings combined with second hand products coming back onto the market. The vacancy rate in the CBD decreased to 7.2 % (7.7 % in Q4 2009) and increased outside CBD to 18.2 % (17.5 % Q4 2009).

Rents

During 2010, face rents in the Pentagon increased by 7 % and in the Leopold District by 17 % to reach 230 EUR/m²/year and 310 EUR/m²/year respectively. This rental level proves that there is increased demand for high quality buildings at strategic locations near public transport. The face rents in other districts remained stable. Top quartile rent and weighted average rent remained relatively stable at 219 EUR/m²/year and 172 EUR/m²/year. An analysis of the transactions during last year shows an average delta between face rents and economic rents of around 15 %.

Outlook

Future completion is historically low: 113,000 m² in 2011 (of which 11 % speculative) and 84,000 m² in 2012 (of which 60 % speculative) compared to a five year average of 335,000 m². The low speculative pipeline for the two years to come is predominantly concentrated in the CBD and no projects are foreseen in the Periphery for this period.

The decrease of future supply should indicate a further decrease in vacancy for 2011 especially in new buildings. The level of rent free periods or other incentives should start to decrease as result of falling vacancy especially in the CBD.

The office market is driven by a new dynamic. The market seems to be adapting to meet the increasing need for residential units, retirement homes and educational facilities. The reconversion of offices to these uses is leading to more mixity in some areas.

Interest for station locations or locations near large transport nodes is obvious not only in Brussels but also in regional cities, and becomes more and more important in occupiers location decisions.

Investment market

Key figures

	5 year average	2009	2010
Investment volume BE (in BEUR)	3.3	1.49	1.41
Investment volume BE – Offices (in BEUR)	1.8	0.74	0.91
Investment volume BRUX – Offices (in BEUR)	1.3	0.57	0.69
Prime Yield (in %) for 6/9 year lease contract	6.00-6.35	6.20-6.50	6.00-6.50

Investment volume

The total investment volume in Belgium during 2010 saw a slight decrease during 2010 to reach 1.41 BEUR (-5 % compared to 2009), but the office sector increased during 2010 by 23 % from 0.57 BEUR to 0.69 BEUR, this is still below the 5 year average however.

Belgian purchasers (57 %) are still responsible for the lions share of this volume but international investors are more active than in 2009 including the German (25 %) and UK investors (12 %). Institutional investors were the most active investors taking 28 % of the total Brussels office investment volume followed by private investors (16 %) and the corporates (14 %), buying for their own occupation. Developers and property companies were the buyers of 14 % and third party fund managers 12 %. The developers are back, acquiring strategically to be ready when the next property cycle takes off.

Investors are finding it difficult to find core products (products with long term secured income), as a result we see that the market is again widening to near prime products including products with shorter lease terms.

Yield

Prime office yields for standard leases started already to harden in many cities in 2009 but only as of the second half 2010 in Brussels and this by 20bp from 6.20 to 6.00 %. Yields for buildings with longer terms leases decreased further and remain at or close to pre-crisis levels.

Outlook 2011

The investment volume in Europe increased by 40 % during 2010 and is expected to increase further by 25-35 % during 2011 to 130 BEUR backed by improving market fundamentals and a decreasing risk aversion. There will be more funds available worldwide to invest in 2011 and the capital allocation of many institutions into real estate is expected to increase.

We also expect an increasing investment volume in Belgium as more products will be available. We see more interest from investors for “core +” products. Developers will remain active looking for products with 1-4 year cash flow and clear development potential. An important factor is that banks are once more willing to provide loans also for higher amounts, although they are much more selective in terms of loan to value and borrower track record that they were in the years leading up to the crisis.

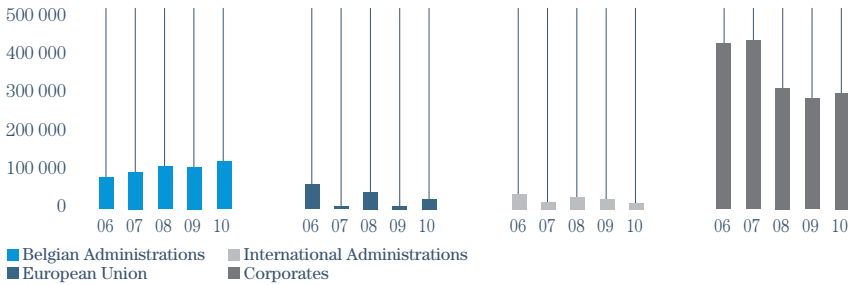
German Closed Ended funds have clearly found their way to Belgium and we expect this trend to be continued for 2011. Local insurance companies will remain active as they will also increase capital allocation into real estate. Belgian SICAFI's (REITS) are expected to grow further and some consolidation within this sector is possible.

II. Walloon Region

Liège, Charleroi and Namur are the three major real estate markets in terms of office space in Wallonia.

Take-up in the three cities was relatively modest in 2010 compared to 2009 and the five-year averages as there were no large transactions (> 5,000 m²) registered. In 2010, Namur and

Evolution of office take-up in Brussels by sector



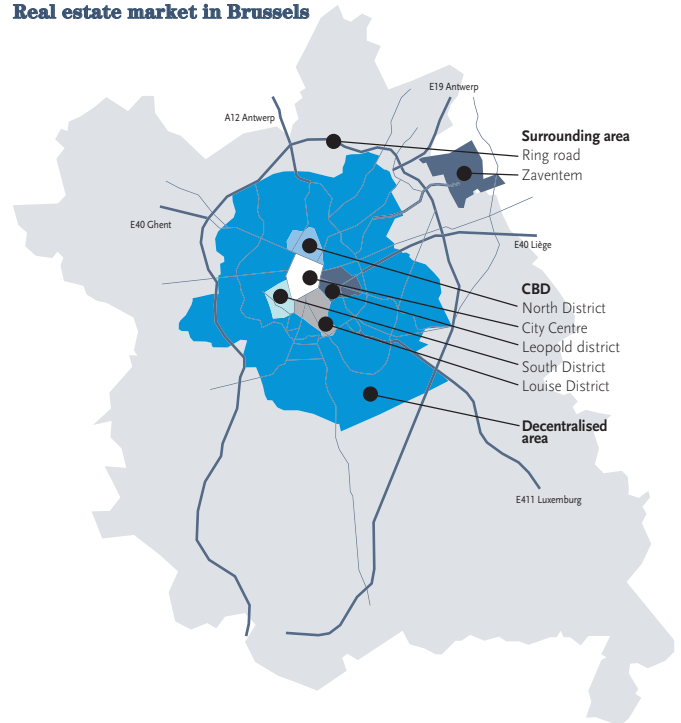
Liège saw the highest level of take-up of 9,900 m² and 9,100 m² respectively followed by Charleroi (3,900 m²). In Namur, the largest letting transactions were by the Administrations including the Walloon Region for the buildings at Chaussée de Liège (2,800 m²) and Avenue Prince de Liège (1,500 m²) and the Régie des Bâtiments took 2,450 m² in the building Celestines 25. The largest transactions in Liège include two letting transactions in Office Park Alleur 2,900m² by Arcelor Group and 975 m² by Deloitte. The largest transaction in Charleroi was the letting by Carnoy (1,600 m²) in the building Talon 55.

There were no office completions during 2010 in the three markets except for one office building in Liège; Office Park Alleur - a 8,000 m² office building which is almost 50 % let. This keeps the vacancy in the three markets very low, i.e. below 3 %. The future supply pipeline for 2011 remains very modest and includes only two projects in Namur including Namur Office Park 8 (4,200 m² - 75 % let) and the building at Chaussée de Marche (3,240 m² - 60 % let). There are no projects foreseen in Liège or Charleroi in 2011.

Prime annual face rents in Liège and Charleroi were revised upwards in 2010 to 130 EUR and 125 EUR respectively, up with 10 % and 9 % compared to 2009 and kept stable in Namur at 161 EUR /m²/year.

The total investment volume in Wallonia remained low in 2010 at 80 MEUR - comparable to the 2009 level - and was driven by one major office transaction; the sale of *Château-Rempart* (13,600 m² office at 34 MEUR) by IMMOBEL Group to the Caisse d'Épargne Nord France Europe and a private investor. The largest logistic transaction was the acquisition by the Belgian SICAFI (REIT) Montea of the Coca Cola Distribution Center in Heppignies including 13,000 m² of warehouse space at 9,3 MEUR.

Real estate market in Brussels



Real estate market in Brussels



“In the Grand-Duchy of Luxemburg, after economic stagnation during 2009, 2010 was a year of gradual recovery. The Office property market improved in 2010 with an office take-up of 125,000 m² for the whole of 2010 (+10 % compared to 2009) and 216 transactions (+30 %) with an average area of 580 m².”

Vincent BECHET,
Senior Partner, Managing Director – PROPERTY PARTNERS

III. Flemish Region

The main office market in Flanders includes Antwerp, Ghent, Leuven and Mechelen.

The overall take-up in Antwerp is up by 40 % on 2009 and up by 25 % compared to the five year average. The Corporate sector (90,000 m² - 2010) increased by 5 % driven by the letting transaction of Vivium (14,000 m²) in the former Mercator building. The take-up by the Administrations (30,000 m² - 2010) saw a boost due to letting by the VDAB Antwerpen of 15,600 m² in the building Copernicus. There were two transactions of 3,600 m² each by the Antwerpse Verkeerspolitie and the Vlaamse Verkeers- en Tunnelcentrum in the building Kievit located near the central station of Antwerp. Other notable transactions in Flanders include the take-up of 36,000 m² in Ghent (VAC) and 39,000 m² in Brugge (KAM Building) by the Flemish government which regrouped its services near the main train stations in the provincial capitals, a trend which also occurred in other provincial capitals in Flanders during the last two years.

The strong take-up and the low completion level (13,600 m²) in Antwerp could not prevent vacancy rate to increase further from 11.1 % to 12.8 % on an annual basis. This increase can be explained by some regroupments to locations outside Antwerp. The speculative pipeline for 2011 is only 6,000 m² which could halt the increase in vacancy. The prime rents in the City Center have decreased from 144 EUR/m²/year to 136 EUR/m²/year as result of increased competition which is the same level as at the Ring. The prime rent at the Port has revised upwards to EUR 130/m²/year with a top rack transaction at 135 EUR/m²/year. The prime rents at the Periphery are kept stable at 125 EUR/m²/year.

The total investment volume in Flanders (excluding the Brussels periphery) recorded 325 MEUR for 2010, down to almost 50 % compared to 2009. The investment volume for the office

sector saw an upswing of 10 % to reach 170 MEUR. The two largest transactions occurred in Ghent including the acquisition of Axxes Park by the Belgian closed ended fund called Axxes Certificates managed by Bank Degroof for 44.4 MEUR and the acquisition of 49 % of the VAC Ghent by the PMV (Participatie Maatschappij Vlaanderen) for 36 MEUR. The two largest transactions in Antwerp include the acquisition by Vabeld (private investor) of the retail warehouse at the Noorderlaan for a reported price of 23 MEUR from Cofinimmo and the acquisition by Intégrale of the office building Copernicus which is recently let to VDAB Antwerpen (18 year lease) from the Belgian developer IRET at a reported price of 22 MEUR.



ESPACE MIDI - Block D (Brussels / Saint-Gilles)
A.2R.C (Michel Verhiefden)

The residential property and landbanking market in Belgium in 2010¹

I. Residential

2010 was marked by 2 periods:

- At the start of 2010, potential buyers regained a modicum of confidence regarding the events that took place at the end of 2008 and early 2009. It took prospective buyers a certain amount of time before they realised that property remains a safe investment. One should not forget that in the Brussels area only 40 % of occupants own their housing. Despite an easing of the conditions imposed by the financial bodies, it is difficult to obtain a 100 % loan. In order to improve access to housing, the Brussels Region has just set up a “young loan” at interest rates that are considerably lower than the lowest market rates. At the moment, the demand for mid-range housing is the highest, which confirms the trends underlined in 2008 and 2009.
- The end of 2010 was characterised by an acceleration of sales as buyers became aware of the advantages they could gain (viz. government subsidy on VAT, reductions in property registration fees – in the Brussels Region only). The approach of 31st December 2010 (change of regime for VAT and registration fees for new properties) provoked an acceleration of sales. Despite these changes, the reduction in the registration fees (up to 60,000 EUR and 75,000 EUR), still applies with certain provisos.
- The suburban property market is still, in general, attractive in terms of prices compared to those in the Brussels Region. As of 2011, the requirement to prove the energy savings imposed by the Regions will have to be taken into account, which will have direct implications for the cost of construction. Nevertheless, the financial repercussions may consti-

tute an advantage for future buyers in the long term, when their properties are valued.

II. Landbanking

In terms of building plots, the number of transactions has been in constant decline for several years. This can be partly explained by the rarity of available land. 2009 showed a drop of over 10 % in the number of transactions compared to 2008. For the first three quarters of 2010, the number of transactions increased by 6 % compared to the same three quarters in 2009. These figures would suggest that the number of transactions would be similar to those in 2008. Average prices increased by about 5 % in 2010.

New regulations have come into effect. In the Walloon Region the new provisions of the town planning permit (“permis d’urbanisation”) came into force on 1st September 2010, replacing the “development permit” (“permis de lotir”). The aim of this regulation is to increase the importance attached to the urbanization and architectural aspects of town and country planning.

In the Flemish Region, the Planning Code (VCRO) became effective on 1st September 2009. In the meantime, it has already undergone changes in landbanking in 2010. New regulations concerning the accessibility of buildings came into force on 1st March 2010.

1. With thanks to Mr. Serge Fraeijs de Veubeke (Consortium Immobilier Général).

Immobel and sustainable construction

IMMOBEL integrates the latest technological developments into its projects, thereby developing projects with high energy performance and top quality environmental characteristics. Indeed recent developments in design and in industrial techniques make it possible to construct buildings that meet the highest energy performance requirements. This also means that IMMOBEL actively participates in the renewal of the existing real estate park and the achievement of targets for the reduction of CO₂ emissions.

As a basic international reference system for the development of its office projects IMMOBEL has chosen the BRE Environmental Assessment Method (BREEAM), supplemented by the Brussels Institute for Environmental Management's (IBGE) "Green-BuildingBrussels" and the Flemish government Agency for Facility Management's (AFM) "Assessment of office buildings" (Waardering van kantoorgebouwen).

Via BREEAM a project is assessed in terms of both its energy and its environmental qualities. A project that meets only the legal and regulatory requirements does not get points. Depending on the extent to which a project surpasses these requirements it wins points on a scale of 5 "ratings":

- Pass: at least 30 points
- Good: at least 45 points
- Very Good: at least 55 points
- Excellent: at least 70 points
- Outstanding: at least 85 points

IMMOBEL also pays special attention to new developments in energy saving and sustainability in the residential sector. Here the principle reference system is the PEB calculation of buildings' energy performance according to regional regulations. Performance is expressed in terms of an E value for energy consumption and K for insulation. In the residential sector the notions of "passive" or "low energy" houses and apartments are very much in use too. These are houses and apartments whose consumption of heating does not exceed:

- 15 kWh/m² per year for "passive" houses and apartments, which is usually achieved with K 15 and K20 levels of insulation,
- 60 kWh/m² per year for "low energy" houses and apartments, which is usually achieved with insulation levels K30 and K35.

Large scale residential projects like *Bella Vita*, *Green Hill* and *Universalis Parc* are being developed as eco-districts. They are equipped with urban heating, storm drains, rain water seepage systems, etc.

Three examples:

The Forum project

The *Forum* project comprises several phases of which the first was delivered early in 2010. The second phase is under construction. The first phase underwent a BREEAM "Post Construction" assessment and was given a "VERY GOOD" rating. A BREEAM "Design Stage" assessment is underway on the second stage. Based on the pre-assessment, the "VERY GOOD" label will also be obtained for this second phase.

As far as energy performance goes, the values are E86 and K34 for the first phase, and E71 and K31 for the second phase, with an airtightness of 5 m³/h.m².

The gap between the E values of these two phases, which were constructed at an interval of only 3 years, is very significant. When the technical installations of the first phase were being developed no E value was imposed in Brussels and the reference value in Flanders was E100.

The main differences between the two phases concern the ventilation, secondary energy use, i.e. electricity consumption by ventilators and circulating pumps, and the performance of refrigeration installations. The second phase will be equipped with water-cooled refrigeration condensing units connected to the cooling towers. The insulation, which is already very effective in the first phase, has been boosted and the downlight-type lighting is equipped with LEDs.

The edict of 27th May 2010 on the energy performance of public buildings defines the energy classes of these buildings on a

“Having a nice home in the right place is essential for quality of life, especially if you can combine nature with an urban environment.”

Christian BAUER,
Founder – CHRISTIAN BAUER &
ASSOCIÉS ARCHITECTES



scale of A+ to G. The *Forum 1* building meets the criteria for class B- (with 153.4 kWh/m² per year, i.e. 0.4 kWh/m² per year above the class B limit) and the *Forum 2* building meets the criteria for class B (with 136.8 kWh/m² per year) in Category 1: Administrative and technical services.

The Bella Vita project in Waterloo

This project is being developed as a real eco-district. The project comprises particularly charming buildings and houses built between 1912 and 1926, which will be completely renovated with respect for the architecture and the new constructions. Besides the 54 units of accommodation planned in the renovated buildings and the 215 units of accommodation in the new buildings, the project also includes complementary functions such as a convalescent home, a convalescent and care home, a services and commercial pole in the vicinity, a care centre, a nursery, a community area, a swimming pool and a large park.

In terms of energy, the site is equipped with a heating installation based on centralised cogeneration using pellets (90 %) and gas (10 %). This installation will supply part of the electricity required and all of the heat required on the site. The urban heating network will provide heat for the heating system as well as for the hot water for the sanitary installations.

This installation enables significant primary energy savings and will contribute to a very substantial reduction in CO₂ emissions. All of the houses and apartments, both renovated and new, are also equipped with a ventilation system, dual flow with heat recuperation for the new buildings and single flow adjusted by humidity gauges for the renovated buildings. The new buildings are all “low energy” with a global inclusive insulation rating of between K26 and K35.

As far as water management is concerned, extensive studies have led to the design of a group of cisterns and seepage pits for the rainwater caught by the roofs and various storm drains and seepage ditches for the water running off the roads and surrounding areas.

The Green Hill project in the Grand-Duchy of Luxemburg

The *Green Hill* project consists of 170 apartments spread over 14 buildings situated in 4 ha of park. It is being developed in accordance with the strictest Luxemburg standards. These regulations provide for the verification of primary energy requirements, heat required for heating and CO₂ emissions. There are 9 performance ratings, from A to I. Three A codes correspond to the classification “passive construction”, while 3 B codes or higher correspond to the classification “low energy consumption”.

The very special care taken in the design and proportioning of the apartments has resulted in an A-B-A classification for each of them.

The whole *Green Hill* apartment project therefore meets the criteria for the classification “low energy consumption”.

This excellent performance comes, amongst other things, from the extremely careful thermal insulation of the building envelopes, which are partially equipped with triple-glazed windows, and the installation of dual flow ventilation with heat recuperation. This high level of performance is completed by the connection of the *Green Hill* buildings to an urban heating installation that uses wood pellets.

All of these measures together mean that the *Green Hill* site can save an estimated 240 tonnes of CO₂ emissions per year, or over 70% of the emissions that would be produced by heating with a fossil-based fuel such as, for example, natural gas.

At the ecological level, one study was specifically devoted to facilities that could be constructed to limit any negative impact on the environment, the creation of landscapes and the choice of plants and trees.

Green roofs, lagooning and water retention reservoirs, as well as the construction of a children’s playground, are also planned.



Offices

around

180,000 m²

Real estate
development



Residential
development

around

173,000 m²



Landbanking

nearly

290 ha

(+ 90 ha under option)

Offices

around

180,000 m²



FORUM (Brussels City)
Archi 2000

-
- Sale of *South City*

 - Sale of *Château-Rempart* in Tournai

 - Letting of 65.000 m² for *Belair*

 - Acquisition of the *Euler Hermes* project



Offices

Key events

- IMMOBEL sold the entire *Château-Rempart* project in Tournai.

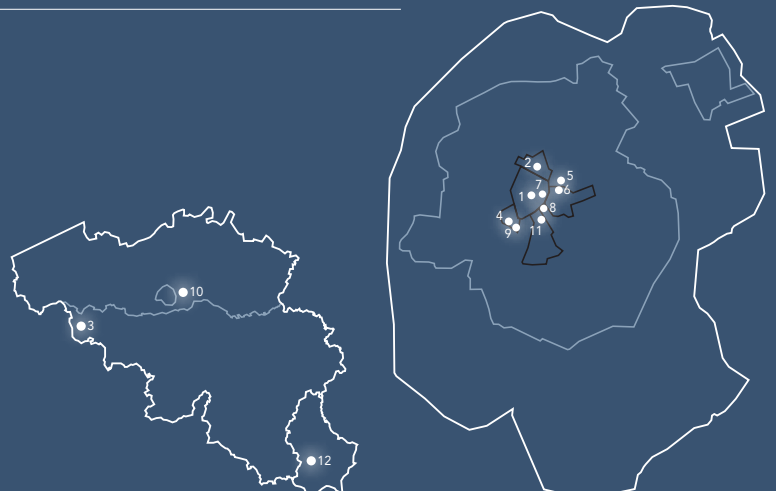
- It also sold the *Broodthaers* and *Fonsny* phases of the *South City* project (10 % holding).

- IMMOBEL concluded some important leases as well:
 - The *Belair* project in Brussels (40 % holding): the Council of Ministers gave its agreement for the conclusion of an 18 year lease to accommodate some of the Federal Police services in a surface area of about 65,000 m².
 - The *South City* and *Espace Midi* projects in Brussels: what remained of the projects has been leased.
 - In Tournai: phases 1B and 2 have been leased to the Régie des Bâtiments.
 - In the Grand-Duchy of Luxemburg, the *WestSide Village* project: several leases have been concluded. The tenants are mainly IBM, Magellan and C-Dev.

- IMMOBEL has acquired long-term lease rights on the *Euler Hermes* building located in the Léopold district on the corner of the rue Montoyer and rue du Commerce with a view to redeveloping a new office building of approximately 11,000 m².

Locations

Belair	> Brussels City	1
Brusselstower	> Brussels City	2
Château-Rempart	> Tournai	3
Espace Midi - Ilot D	> Brussels (Saint-Gilles)	4
Esplanade Émeraude	> Brussels (Schaerbeek)	5
Etterbeek Offices	> Brussels (Etterbeek)	6
Forum	> Brussels City	7
Montoyer Commerce	> Brussels City	8
South City - Broodthaers & Fonsny	> Brussels (Saint-Gilles)	9
Transpolis	> Zaventem	10
Universalis Park	> Brussels (Ixelles)	11
WestSide Village - Phase II	> Grand-Duchy of Luxemburg	12





BELAIR (Brussels City)
Studio Arne Quinze - Jaspers, Eyers & Partners - Archi 2000

Office projects where construction was started, in progress or completed in 2010.

Belair (formerly Cité Administrative de l'Etat) Brussels City

The *Belair* project is being jointly developed by Breevast (60 %) and IMMOBEL (40 %). It is a mixed development (offices, residential, retail, public areas...) of about 150,000 m². The Master Plan, which has been approved by Brussels Region as conforming to regional town planning regulations, was drawn up by Studio Arne Quinze.

The *Belair* building (formerly *Cité Administrative de l'Etat*) is located on the Boulevard Pacheco, very close to the centre of the city, which marks the border between the mainly residential part of the city and the business area. The site is highly visible and might be considered a flagship location.

Work to remove asbestos continued in 2010.

On 15th December 2010 IMMOBEL and its partner received a green light from the Federal Government to conclude a contract with the Régie des Bâtiments for a fixed term of 18 years on behalf of the Federal Police. This decision applies to a surface area of 65,000 m², i.e. the bulk of the office part of the project.

Major renovation work will start on buildings D, F and C in the second half of 2011.

Château-Rempart Phase 1B & Phase 2 Tournai

The "*Château-Rempart*" project is very well located.

The proximity of major road axes offers excellent access to Tournai's city centre and the surrounding area. An excellent network of public transport adds to the site's attraction: within 150 metres of it there are railway and bus stations. The centre of Tournai is just a few hundred metres from the project.

IMMOBEL continued and finished construction of phase 1B. It also started construction of phase 2. The whole development has been leased long term to the Régie des Bâtiments for use by the Ministries of Finance and Justice. The entire project has been sold to a private investor and the Caisse d'Epargne Nord France Europe.



SOUTH CITY OFFICE (Brussels / Saint-Gilles)
SM A.2R.C (Michel Verlieftden) and Jaspers, Eyers & Partners



WESTSIDE VILLAGE - Phase II (Grand-Duchy of Luxembourg)
Assar Architects

**Espace Midi
Block D**
Brussels (Saint-Gilles)

This project is located along avenue Fonsny, which fronts the Gare du Midi (Eurostar & Thalys). The location has the advantage of excellent access by public transport and is gradually confirming its position as a recognised sub-market for offices in Brussels. IMMOBEL continued construction of this building, a mixed development of offices (6,400 m²) and residential (2,830 m²). The offices were let to the SNCB on a 9 year fixed-term lease. There are negotiations to sell it to an investor.

Forum
Brussels City

This vast project of over 43,000 m² of offices is situated in the immediate vicinity of the Federal Parliament, in the area bordered by the rue du Parlement, rue de la Croix de Fer, rue de la Presse and rue de Louvain. It comprises 3 phases.

- A first new office building was made available during the first quarter of 2010.
- A second new building consisting of offices and quantities of shell, to be finished by the Chamber of Representatives itself, will be made available in the course of the first quarter of 2013.
- The two buildings will use the most modern high-performance technology, especially where sustainable development is concerned.
- The third phase involves asbestos removal and renovation of the building, located on rue de Louvain and rue du Parlement, as well as making it available for marketing. This is scheduled for mid-2011.

In 2010 construction work on phase I was completed and work on phase II was started.

South City Office
Brussels (Saint-Gilles)

The project is located along avenue Fonsny which fronts the Gare du Midi (Eurostar & Thalys). This location has the advantage of excellent access by public transport and is gradually confirming its position as a recognised sub-market for office in Brussels.

Broodthaers Phase

IMMOBEL (10 %) continued construction of this 17,662 m² office building, which has been let to SMALS and the SNCB as part of a long-term lease. The property was sold to the investor Allianz.

Fonsny Phase

IMMOBEL (10 %) continued construction of this 13,106 m² office building, which has likewise been let to SMALS in the framework of a long-term lease. The property was sold to the investor Intégrale.



“West Side Village is located in the pretty Luxemburg countryside. The objective is to create a commercial village by means of a plaza, some pavilions,... a soul.”

Eric YSEBRANT,
Partner architect – ASSAR-GROUP-ARCHITECTS SCRL

Westside Village Phase II Grand-Duchy of Luxemburg

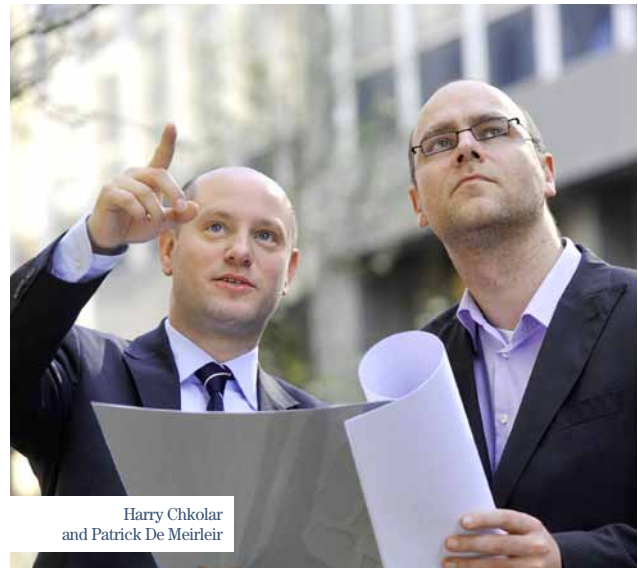
WestSide Village is located along the Luxemburg-Brussels motorway, less than 10 minutes by car from the city centre. It enjoys excellent visibility and access, which is an important asset. Construction started in June 2008 and was completed, according to plan, in February 2010. The project represents a surface area of 11,670 m² of offices. In 2010, IMMOBEL has let:

- 2,260 m² to IBM on a 9 year lease,
- 224 m² have been let to Magellan,
- 647 m² have been let to C – DEV,
- 443 m² have been let to “Crèche Pétronille”.

		Holding %	Area (m ² above ground)	IMMOBEL share (m ²)	Date available	Marketing situation (m ² above ground)
Office projects where construction was started, in progress or completed during 2010						
Belair	Brussels City	40 %	75 000	30 000	2013	Lease of 65 000 m ² approved by the Council of Ministers (Federal Police)
Château-Rempart, Phase 1B	Tournai	100 %	3 557	3 557	11/2010	Sold
Château-Rempart, Phase 2	Tournai	100 %	5 633	5 633	mid-2012	Sold
Forum	Brussels City	100 %	43 053	43 053	03/2010 Phase I 06/2013 Phase II 06/2011 Phase III	Sold
Espace Midi Block D	Brussels (Saint-Gilles)	20 %	6 418	1 284	02/2011	In progress 100 % of the offices have been let
South City Office - Broodthaers - Fonsny	Brussels (Saint-Gilles)	10 % 10 %	17 662 13 106	1 766 1 310	Completed Completed	Sold Sold
WestSide Village - Phase II (A, B, C)	Grand-Duchy of Luxemburg	100 %	11 667	11 667	01/2010	3 574 m ² leased rest in progress
Total			176 096	98 270		



MONTOYER COMMERCE (Brussels City)
Art & Build



Harry Chkolar
and Patrick De Meirleir

Projects under consideration

Brusselstower Brussels City

As part of a joint venture (50 %), IMMOBEL has obtained town planning permission allowing for the size of the building to be modified to accommodate 24 floors. The majority of the asbestos removal work was completed in 2008 and a new permit, which was applied for at the end of 2006, was granted in April 2009. The validity of the permit, which applies to an area of about 60,000 m² of offices, has been prolonged to April 2011. There are various contacts with potential occupants.

Etterbeek Offices Brussels (Etterbeek)

This office project, previously called *Juste Lipse II*, will be developed as part of a joint venture (50 %). A new implantation has been considered to enable the enlargement of the Chaussée d'Etterbeek.

A town planning permit for the construction of 10,000 m² of offices has been granted.

Montoyer Commerce Brussels City

IMMOBEL has acquired the long-term lease rights for 99 years on the Euler Hermes building situated in Brussels, at the corner of rue Montoyer and rue du Commerce.

The site is extremely well located in the Léopold district, which is the number one most dynamic office district in Brussels thanks to the European Institutions located in the vicinity of the Schuman Roundabout.

The "Arts-Loi" (lines 1, 2, 5 and 6) and "Trône" (lines 2 and 6) metro stations are located within short walking distance, providing access to the Gare du Midi railway station (Eurostar, Thalys, TGV and ICE terminal) in less than 10 minutes and the airport in approximately 30 minutes.

The building is easily accessible by car. Situated close to the rue de la Loi and the rue Belliard, access to the motorway system and the international airport is easy.

In the meantime IMMOBEL has applied for town planning permission with a view to developing a new office building there with a surface area in the order of 11,000 m² aimed at achieving a BREEAM certification "Excellent".

Universalis Park Brussels (Ixelles)

In December 2006, IMMOBEL acquired 2 parcels of land (85,000 m²) for a mixed office and residential development as part of a joint venture (50 %). The land previously belonged to the ULB and is situated on the Campus de la Plaine in Ixelles.

The Master Plan for the whole project, which was drawn up by the architecture firm Art & Build, was approved by Universalis Park in June 2008.



BRUSSELSTOWER (Brussels City)
Jaspers, Eyers & Partners



Jean-Louis Amandt, Griet Trekels
and Charles-Antoine Schobbens

Land holding

Esplanade Emeraude Brussels (Schaerbeek)

As part of a joint venture, IMMOBEL has presented a town planning project for the Reyers / Colonel Bourg site.

The plan is for a consolidation of the whole rue Colonel Bourg / Boulevard Reyers zone including: the construction of an esplanade at the end of the rue Colonel Bourg, a park-and-ride car park under the esplanade, new road access to the RTBF and the car parks of the adjoining buildings, a modification of the motorway exit, an extension of the existing Block B (MCM-Agoria) and the development of Block C. This last is to be built along the boulevard Reyers. Town planning certificates were granted in 2009.

Transpolis Zaventem

In association with Brussels Airport and Wilma Project Development, IMMOBEL is considering the possibility of building an office complex, to be called Transpolis, in the immediate vicinity of Brussels National Airport in Zaventem.

Residential development

around

173,000 m²



-
- Acquisition of a residential project allowing the development of 170 apartments in the Grand-Duchy of Luxembourg

 - Start of construction of *Résidence Saint-Hubert* in Liège

 - Begin of individual sales in *Vallée du Maelbeek*
-



Residential development

Key events

- In 2010, IMMOBEL took a 50 % holding in the *Green Hill* project located in Beggen, in the Grand-Duchy of Luxembourg, with a view to developing 170 apartments there.
- The Group also started, continued and/or finalised a number of different housing developments including, in particular, *Bolinne*, *Crespel*, *Espace Midi*, *Jardin des Sittelles - phase 2*, *Place des Martyrs (Block 7)*, *Résidence Saint-Hubert* and *South City Hotel*.
- It should be noted that, in the framework of the development permit granted by the Commune of Uccle for the *Charmeraie* project, town planning permission to carry out road works was granted in the course of the year. The road works have started.
- During 2010, 61 apartments and 7 houses were sold.

Locations

Albatross Village	> Brussels (Haren)	1
Bella Vita	> Waterloo	2
Bolinne	> Eghezée	3
Boulevard Melot	> Namur	4
Charmeraie	> Brussels (Uccle)	5
Condorcet	> Charleroi	6
Crespel 40-42	> Brussels (Ixelles)	7
Espace Midi - Block D	> Brussels (Saint-Gilles)	8
Forum	> Brussels City	9
Green Hill	> Luxembourg (Beggen)	10
Hôpital Français	> Brussels (Berchem-Sainte-Agathe)	11
Ilot Saint-Roch	> Nivelles	12
Jardin des Sittelles - Phase 2	> Brussels (Woluwe-Saint-Lambert)	13
Jardins de Jette	> Brussels (Jette)	14
Mercelis	> Brussels (Ixelles)	15
Place des Martyrs - Block 7	> Brussels City	16
Résidence Saint-Hubert	> Liège	17
South City Hotel	> Brussels (Saint-Gilles)	18
Universalis Park	> Brussels (Ixelles)	19
Vallée du Maelbeek	> Brussels City	20





BOLINNE (Eghezée)
Benoît Hock

Residential projects on which construction was started, continued or finished during 2010

Bolinne Eghezée

The construction of 5 houses has been started. Two were sold in 2010.

Crespel 40-42 Brussels (Ixelles)

Rue Capitaine Crespel runs off Avenue de la Toison d'Or in close proximity to Avenue Louise. It is considered to be a trendy residential location with the advantage of numerous restaurants and shopping facilities.

The construction of 32 apartments as part of a joint venture (50 %) began in September 2008. The whole development was sold to a private investor in 2009. The work finished in April 2010.

Espace Midi – Block D Brussels (Saint-Gilles)

This project is located along Avenue Fonsny, which fronts the South Station (Eurostar & Thalys). This location has the advantage of excellent access by public transport and is gradually confirming its position as a recognised sub-market for offices in Brussels.

The work was carried out in 2010 and consisted of 22 residential units.

Jardin des Sittelles **Phase 2** Brussels (Woluwé-Saint-Lambert)

This project is located in a prime location on the border between Woluwé-Saint-Pierre and Woluwé-Saint-Lambert, in close proximity to Place Dumon and Blvd de la Woluwe.

The sale of the last houses was completed in 2010. In total the Group has already finished 66 single-family houses and 28 apartments on this 3.50 ha site.

During the second part of the year a new project comprising 32 apartments was started. 11 apartments were sold in three months.

One final building remains to be constructed comprising about 15 apartments.

Place des Martyrs **Block 7** Brussels City

Place des Martyrs is located in the historical centre of Brussels in the immediate vicinity of Rue Neuve, the pedestrian shopping street.

Construction work on a closed-shell development was continued and finished in 2010. Provisional delivery of the work has been agreed.



SOUTH CITY HOTEL (Brussels / Saint-Gilles)
SM A.2R.C (Michel Verliefdien) and Jaspers, Eyers & Partners



RÉSIDENCE SAINT-HUBERT (Liège)
Audex

Résidence Saint-Hubert Liège

This project consists of 2 phases, one comprising 25 apartments and a commercial property; the other is a hotel project situated along the Boulevard de la Sauvenière. Construction of the residential phase started in August 2010. It is situated in Rue Saint-Hubert, right in the centre of Liège. The 25 apartments and one commercial property are divided into 2 entities.

South City Hotel Brussels (Saint-Gilles)

This project is located along Avenue Fonsny which fronts the Gare du Midi (Eurostar & Thalys). The location has the advantage of excellent access by public transport and is gradually confirming its position as a recognised sub-market for offices in Brussels.

Construction of this 142 room hotel continued in 2010 and should be completed during the first half of 2011. A management contract has been signed with Rezidor.

		Holding %	Units
Main residential and/or commercial property and/or hotels on which construction was started, continued or finished during 2010 (7 projects)			
Bolinne	Eghezée	100 %	5 houses under construction, 2 of which were sold in 2010.
Crespel	Brussels (Ixelles)	50 %	32 apartments under construction. The whole development has been sold to an investor.
Espace Midi	Brussels (Saint-Gilles)	20 %	22 apartments under construction, 2 of which have been sold.
Jardin des Sittelles - Phase 2	Brussels (Woluwe-Saint-Lambert)	80 %	5 houses sold and 32 apartments under construction, 11 of which were sold in 2010.
Place des Martyrs - Block 7	Brussels City	100 %	Hotel with 46 rooms.
Résidence Saint-Hubert	Liège	50 %	25 apartments and one business under construction. 8 sales in 2010.
South City Hotel	Brussels (Saint-Gilles)	10 %	Hotel with 142 rooms under construction.



VALLÉE DU MAELBEEK (Brussels City)
BEAI-Jaspers, Eyers & Partners

Sales of residential projects ongoing in 2010

Jardins de Jette Brussels (Jette)

This is an extensive (about 1,000 accommodations) mixed-use partnership development (50 %). 25 apartments were sold in 2010.

Mercelis Brussels (Ixelles)

This project is located along rue Mercelis, which runs off Chaussée d'Ixelles a short distance on foot from the town hall of Ixelles. Work finished in October 2009. Besides the apartments already sold in 2008 (2) and 2009 (8), 2 apartments were sold in 2010. One remains to be sold.

Vallée du Maelbeek Brussels City

This project is located in the heart of the Léopold district on the corner of Rue Belliard and Rue Froissart, nearby the European Parliament and Council of Ministers. Work on the site began in November 2009, but because of the failure of the initial purchaser, unit sales could only begin mid-2010. 13 residential units and 5 commercial units were sold in 2010.

		Holding %	Units
Sales of residential projects ongoing in 2010 (3 projects)			
Jardins de Jette	Brussels (Jette)	50 %	25 apartments sold in 2010.
Mercelis	Brussels (Ixelles)	100 %	13 residential units of which 2 were sold in 2010.
Vallée du Maelbeek	Brussels City	50 %	66 residential units and 7 commercial properties of which 18 (13 apartments and 5 retails) were sold in 2010.



BELLA VITA (Waterloo)
SM "FCM Architects - Baudouin Courtens & Associés" - © Picture Pixelab.be



Valérie Loriaux
and Frédéric van Marcke de Lummen

Projects under consideration

Bella Vita Waterloo

The "Bella Vita" project offers an exceptional location close to the centre and the railway station. Waterloo's lively centre, with its shops, services, pubs, restaurants, banks etc, is just a few hundred metres from the project.

This 14.9 ha site (50 % holding), a significant part of which is classified as an architectural ensemble, will be restored as a mixed, multi-generational centre oriented towards the 3rd and 4th ages. Amongst other things, it could include a medical or paramedical activity, a convalescent and care home, a service residence, a recreation centre, a residential development...

Studies were carried out on this 50,000 m² site in the course of the year. Town planning permission was granted in November 2010.

Boulevard Melot Namur

Early in 2007, IMMOBEL acquired the site for the development of a mixed project which is currently in study.

Boulevard Melot enjoys a very central location, a short distance on foot from the train station.

Charmerai Brussels (Uccle)

This project is situated at the corner of Avenue Dolez and the Rue Engeland in a first-rate residential area in Uccle.

Once the development permit and town planning permission for the road works have been granted, planning permission for the construction of houses and apartments will be studied. The project is on a site measuring over 3 ha and will comprise some 70 residential units. Sales will start in 2012.

Forum Brussels City

These premises are located very close to the Belgian Parliament in the so-called "secure area". The building is easy to reach by public transport. The Gare Centrale is within walking distance and there are metro and tram stops in the immediate vicinity of the building.

IMMOBEL acquired this ensemble of buildings situated in the "Block" formed by Rue du Parlement, Rue de la Presse, Rue de Louvain and Rue Croix de Fer in March 2006. This is a mixed project (offices/residential) being developed in several phases, one of which is residential.

Planning permission applying to the old buildings of the Institut National de Statistique and part of the more recent buildings of the Moniteur Belge was obtained in 2010. Work on the residential phase, which comprises 32 apartments, will start in 2011.



UNIVERSALIS PARK (Brussels / Ixelles)
Art & Build

Green Hill Luxemburg (Beggen)

IMMOBEL took a 50 % holding in the *Green Hill* project, situated in Beggen in the Grand-Duchy of Luxemburg, with a view to developing 170 apartments there. The site is well oriented on a hill with a clear view, at the north of the city of Luxemburg, 3.5 km from the city centre and 1.5 km from the Kirchberg Plateau.

Construction work on the first phase of 50 residential units will start early in 2011. It should be noted that the project will apply for class "low energy" certification with urban biomass heating.

Hôpital Français Brussels (Berchem-Sainte-Agathe)

This project is located in Berchem Sint-Agathe, one of the 19 municipalities of Brussels, in the northern part of the city. Avenue Josse Goffin is a residential avenue.

The construction of the apartments, approximately half of which are intended to be government-subsidized housing is in study.

Ilot Saint-Roch Nivelles

This project is situated on a parcel of land bordered by Boulevard des Arbalétriers, Rue des Combattants and Rue du Faubourg Sainte-Anne.

First drafts of site plans have been submitted to the local authorities with a view to launching a mixed project comprising residential and commercial properties. The site has the advantage of being in the immediate vicinity of the centre of Nivelles.

Universalis Park Brussels (Ixelles)

In December 2006 IMMOBEL acquired 2 parcels of land (85,000 m²) for a mixed office and residential project as part of a joint venture (50 %). The land previously belonged to the ULB and is situated on the Campus de la Plaine in Ixelles.

The Master Plan for the whole project, which was drawn up by the architecture firm Art & Build, was approved by Universalis Park in June 2008.

The master plan for the n° 13 + ULB leverage zone is still being finalised. Despite this, Ixelles council has appointed a project author for the ULB + VUB special land use plan (PPAS). The use of this procedure should make it possible to define the new urbanisation purposes for which the site is to be used within a period of two years.

In the meantime, an application for town planning permission for a first phase of 130 homes will be submitted during the first half of 2011.



Land holding

Albatross Village Brussels (Haren)

The application for a permit for a residential development has been shelved as the Ministry of Justice has retained the site, via an expropriation procedure, for the construction of a new prison to replace the prisons located in Forest, Saint-Gilles and Berkendael.

Condorcet Charleroi (rue Tumelaire and rue du Parc)

The IMMOBEL Group has 80 % ownership of a piece of land situated between rue Tumelaire and rue du Parc. Town planning permission has been obtained in conformity with the Local Urban Plan. The development will comprise 54 apartments and offices for the liberal professions. Various development options are being considered.



JARDIN DES SITTELES - Phase 2 (Bruxelles / Woluwé-Saint-Lambert)
Bureau Trio

Landbanking

around

290 ha

(+ 90 ha under option)



DOLHAIN (Limbourg)

-
- More than 15 ha acquisitions in development zones

 - 174 sale transactions for a total surface of 17 ha

 - More than 18 ha planning permissions



Landbanking

Key events

- In 2010 acquisitions amounted to more than 15 ha of urban development zone. Acquisitions under conditions precedent, joint ventures or options covering approximately 4.5 ha were also completed.
- By the end of the year the company owned 260 ha in urban development zones and 29 ha in agricultural zones. It also controlled, under conditions precedent or options, 91 ha of land situated in urban development zones.
- In 2010, new development permits and/or building permits were granted in Achêne, Bolinne, Bredene, Burdinne, Enghien, Eupen, Forchies-la-Marche, Kettenis, Lontzen, Mons, Montzen, Neupré, Rhisnes, Soumagne, Uccle, Vilvorde, Waterloo, Waremme and Woluwé-Saint-Lambert.
- A planning and environmental report was approved for the exploitation of a vast designated development zone, of approximately 15.6 ha in Liège.
- Road works at the land development projects in Baillonville, Bredene, Chastre, Enghien, Eupen, Hannut, Soumagne, Walhain and Waterloo were carried out.
- During 2010 land sales represented 174 transactions, including the sale of two blocks of agricultural land in Ghent and in Alesberg totalling an area of 17 ha. Land sales from development projects amounted to 8.2 ha net (Group share). Expertises and mandates were also carried out on behalf of third parties.

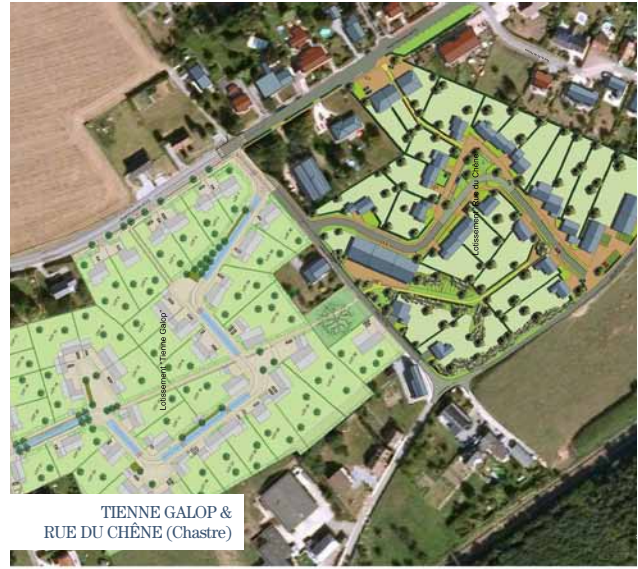
Implantations

Al Trappe	> Limbourg	1
Basse Levée	> Stavelot	2
Braibant	> Ciney	3
Breeweg	> Bredene	4
Caraute	> Waterloo	5
Chaussée d'Ath	> Enghien	6
Chaussée de Nivelles	> Temploux	7
Chemin Mahy	> Walhain	8
Deux Tilleuls	> Soumagne	9
Kettenis	> Eupen	10
Klosterstraße	> Lontzen	11
La Charmeriaie	> Uccle	12
Noreth	> Eupen	13
Parkbos	> Bredene	14
Rue du Bouny	> Fléron	15
Rue du Chêne	> Achêne	16
Rue Gustave Demoulin	> Montzen	17
Rue Jean Jaurès	> Soumagne	18
Ruelle Burton	> Gesves	19
Taille d'Harscamp	> Sart-Bernard	20
Tienne Galop	> Chastre	21





Jacques Lambotte, Nicolas Mommens and Wauthier Dumont de Chassart



TIENNE GALOP & RUE DU CHÊNE (Chastre)

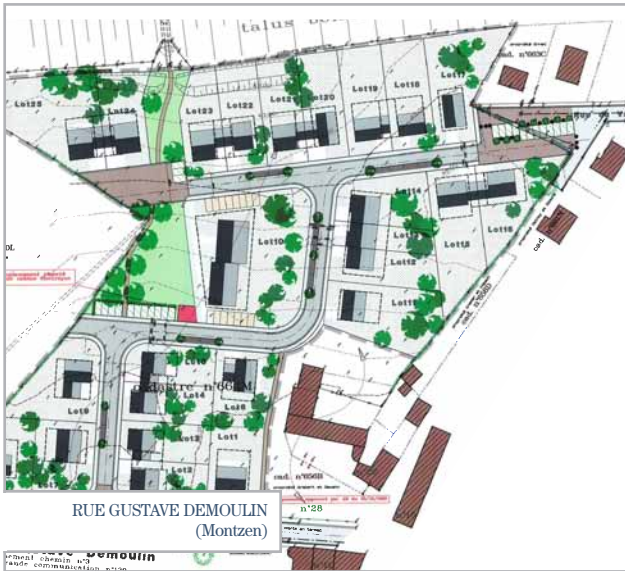
Main landbanking projects for sale at 31 december 2010

<p>Al Trappe Limbourg</p>	<p>In this development of 74 plots, 8 of the 40 plots still available for sale were sold in the course of 2010.</p>
<p>Basse Levée Stavelot</p>	<p>In this development of 33 plots, 4 sales were completed in 2009; there are still 21 plots for sale.</p>
<p>Caraute Waterloo</p>	<p>The last 8 plots of this development were sold during the year.</p>
<p>Chaussée d’Ath Enghien</p>	<p>In this important development comprising 91 parcels, 12 sales were completed in 2010; 13 pieces of land are still for sale.</p>
<p>Chaussée de Nivelles Temploux</p>	<p>In this development 17 plots were started in 2010, 8 plots have been sold.</p>
<p>Deux Tilleuls Soumagne</p>	<p>Sales of plots have started in this development of 26 plots. Two sales contracts were signed in 2010.</p>
<p>Parkbos Bredene</p>	<p>Sales in this important project comprising 226 parcels for single-family houses and 6 for villa apartments are proceeding according to plan. 15 sales were completed in 2010; 121 plots are still for sale including 6 plots for villa apartments.</p>
<p>Rue de Bouny Fléron</p>	<p>5 plots were sold during the year; there are still 26 pieces of land for sale.</p>
<p>Rue Jean Jaurès Soumagne</p>	<p>In this development of 39 plots there is still 1 plot for sale; 3 plots were sold in 2010.</p>
<p>Taille d’Harscamp Sart-Bernard</p>	<p>In 2010, 7 plots were sold; there are still 22 plots for sale.</p>
<p>Tienne Galop Chastre</p>	<p>Marketing of this development of 36 plots started in 2010; 4 sales contracts were signed in 2010.</p>



Landbanking projects to be put up for sale or started in 2011

- | | |
|--|---|
| <p>Braibant
Ciney</p> | Utility works were carried out on the land in 2009. The 15 plots will be put up for sale in 2011. |
| <p>Brewweg
Bredene</p> | After town planning permission had been granted for the roads, work started at the end of 2010; they will finish in 2011. |
| <p>Caraute
Waterloo</p> | Work on the roads and utilities for the third and fourth phases of this development project were started in 2010. Marketing of the plots will start in the second half of 2011. |
| <p>Chaussée d'Ath
Enghien</p> | Delivery will be taken of the road works for the last phase of this development, comprising 8 plots, in 2011. |
| <p>Chemin Mahy
Walhain</p> | Delivery was taken of the works in 2010. The 6 plots that make up this development will be put up for sale in 2011. |
| <p>Kettenis
Eupen</p> | The development permit for 37 plots and town planning permission for road works were granted in 2010. Work will begin in the first half of 2011. |
| <p>Klosterstraße
Lontzen</p> | Utility works for this important development comprising 53 plots will be started once the permit for the roads has been granted. |
| <p>La Charmeriaie
Uccle</p> | Town planning permission for the road works was granted in 2010. Work starts in January 2011. |
| <p>Noreth
Eupen</p> | Town planning permission for the road works was granted in 2010 and utility works for this development of 38 plots is underway. |
| <p>Rue du Chêne
Achêne</p> | As a development permit for 34 plots has been granted, road works will start in 2011. The project consists of 34 plots. |
| <p>Rue Gustave Demoulin
Montzen</p> | A development permit for 25 plots was granted in 2010 and the utility works will be carried out in 2011, once the permit for the road works has been granted. |
| <p>Ruelle Burton
Gesves</p> | Utility works for the development have finished. The 12 plots will be put up for sale as of 2011. |



Projects under consideration

Alleur, Andenne, Ans, Arlon, Beaufays, Belgrade, Berchem-Sainte-Agathe, Berloz, Bierset, Braine-L'Alleud, Bredene, Chastre, Clavier, Cortil-Noirmont, Eghezée, Etterbeek, Gembloux, Grivegnée, Hermée, Herstal, Lontzen, Maizeret, Montzen, Nandrin, Olné, Ottignies, Plombières, Soignies, Soumagne, Tinlot, Uccle, Vilvorde, Walhain, Waremme, Waterloo, Wavre, Woluwé-Saint-Lambert. In these various localities impact studies, applications for town planning and development permits, and planning and environmental reports (RUE – rapports urbanistique et environnementaux - or RUP – ruimtelijke uitvoeringsplannen) are in progress and/or instructions have been given for them.

Inventory¹	2005	2006	2007	2008	2009	2010
Stock (in m²)						
Under Development	545 887	653 136	573 012	501 953	569 384	581 099
In Reserve	2 557 573	2 294 693	2 267 505	2 392 694	2 436 762	2 315 857
Total	3 103 460	2 947 829	2 840 517	2 894 647	3 006 146	2 896 956²
Net sales of plots (in m²)	115 596	184 316	132 582	215 824	97 178	253 340
Number of transactions	222	232	141	150	159	174

1. Group share.

2. To be increased with 91 ha acquired under conditions precedent.

General information

Company name

IMMOBEL

Registered office

Rue de la Régence, 58
1000 Brussels - Belgium
RPM/RPR (Legal Entities Register) VAT BE 0405.966.675

Form of the company

Belgian registered joint stock company, constituted on 9th July 1863, authorised by the Royal Decree of 23rd July 1863.

Term

Indefinite

Crossing statutory thresholds

(Art. 12 of the Articles of Association – excerpts)

Any person (...) acquiring Company shares, (...) that confer voting rights, must declare to the Company and to the Banking, Finance and Insurance Commission the number of shares it holds, when the voting rights associated with these shares reach a level of three per cent or more of total existing voting rights.

The same declaration must be made in the event of acquisition of additional shares referred to in the first indent when, following this acquisition, the voting rights associated with the shares owned reach a level of five, ten or fifteen percent, and so forth, by tranches of five points, of the total of existing voting rights.

The same declaration must be made in the event of disposal of shares when, as a result of this disposal, voting rights fall below one of the thresholds referred to in the first and second indent.

When a person or legal entity acquires or disposes of direct or indirect control, in law or in fact, of a company that owns at least three percent of the total voting rights of the Company, it must declare this fact to the Banking, Financial, and Insurance Commission.

Financial services

- BNP Paribas Fortis
- KBC Bank
- ING België
- Banque Degroof

Investor relations

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Financial calendar

Publication of annual accounts 2010 : 24th March 2011
Ordinary General Meeting 2010 : 25th May 2011
Publication of 2010 half-year results : 31th August 2011
Publication of 2010 annual accounts : March 2012
Ordinary General Meeting 2012 : 24th May 2012

Chief editor

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IMMOBEL
since 1863

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