

Press and analyst meeting

Annual figures 2008

Tuesday 17 February 2009

AGENDA

1. Description of the portfolio

2. Important facts of 2008

3. Financial results 31.12.2008

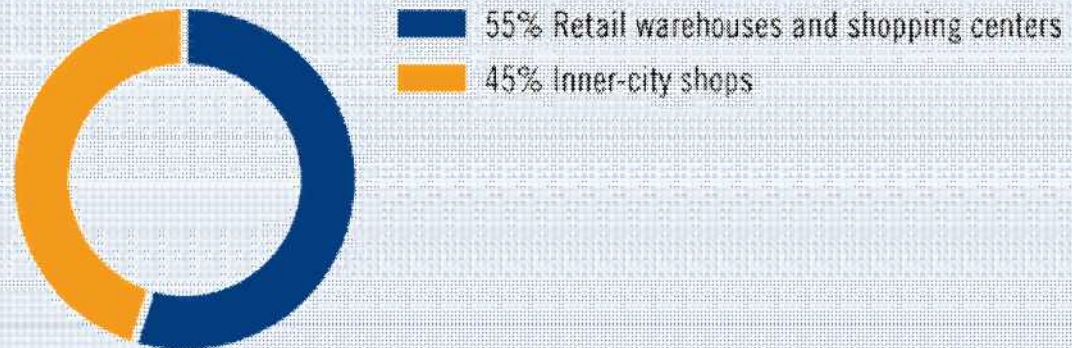
4. Real estate market

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1. Description of the portfolio

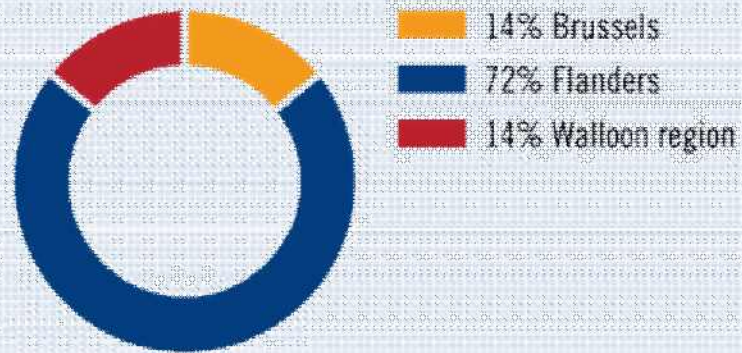
Description of the portfolio

- Commercial real estate type
 - Inner-city locations
 - Retail warehouses

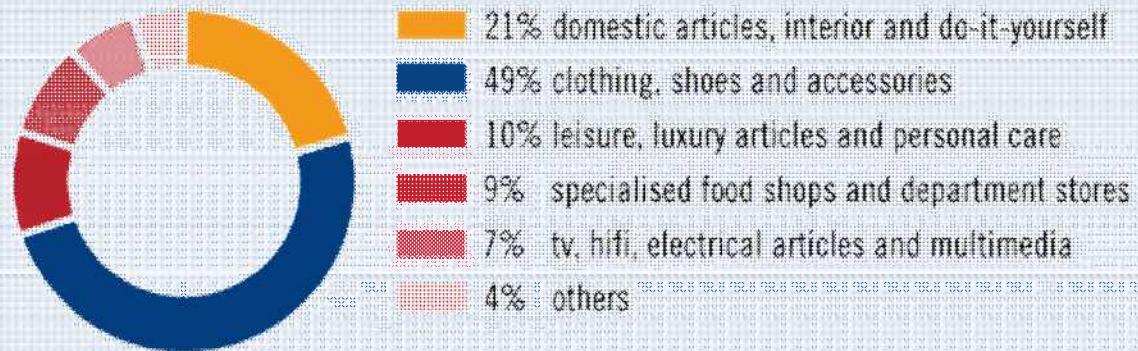


- Occupancy rate
 - 99,3 % on 31.12.2008
 - 99,3 % on 31.12.2007

Geographic spread



Region of activity tenants



2. Important facts of 2008

Important facts of 2008

Investments

- Opening of commercial project Julianus in Tongeren
- Redevelopment project Shopping Park Olen
- Redevelopment Vilvoorde
- Redevelopment retail warehouses Andenne

Rent renewals

Opening of commercial project Julianus in Tongeren

- Successfully opened: March 13, 2008
- Investment value: € 17,4 million
- Fair value 31.12.2008: € 21,4 million
- Entirely let: H&M, Kruidvat, JBC, Torfs Schoenen, Essenza, Bestsellers, Bel Company, Veritas, Zanier, Deloberge, etc.
- Surroundings modified by city of Tongeren ongoing
- Rental income € 1,2 million
- Contributed to operating result of 2008 with € 0,4 million



Redevelopment project Shopping Park Olen

- Built surface area: $\pm 35.000 \text{ m}^2$ ($\pm 26.642 \text{ m}^2$ lettable commercial area)
- Total estimated investment: € 35 à 40 million
- Letting process - target: 50 % let by 30.06.2009
- Current letting ratio: 15 %
- End 2008: letting to Decathlon
- Request for cancellation of building permit and socio-economic permit pending



Redevelopment Vilvoorde

- Built surface area: $\pm 2.720 \text{ m}^2$ ($\pm 1.113 \text{ m}^2$ lettable commercial area)
- High quality architectural design
- Building commercial space and 11 luxury apartments
- Opening H&M: September 24, 2008
- Delivery luxurious apartments: February 2009
- 8 apartments sold



Redevelopment retail warehouses Andenne

- Reason of redevelopment: fire in May 2006
- Building works have started in September 2008
- Target completion: April 2009
- Lettable commercial area: 5.721 m² (821 m² first floor)
- Total estimated investment: € 3,8 million (€ 1,6 million fire insurance)
- Letting contracts signed: Delhaize (1.800 m²), CASA, Charles Vögele, Koodza (group Decathlon), fitness
- 92 % let



Rent renewals starting in 2009

	Tenant	Start date	Old rent / m ²	New rent / m ²	Increase in %	Remarks
RETAIL WAREHOUSES						
Walloon Region	Shoes	01/01/2009	82	85		
Flemish region	Clothing	01/02/2009	71	95		
Walloon Region	Electronics	01/04/2009	85	105		
Walloon Region	Services	01/06/2009	64	64		
Walloon Region	Specialty food	01/06/2009	86	124		
Increase retail warehouses:			388	473	21,9%	
INNER CITY SHOPS						
Mortsel	Clothing	01/03/2009				
Leuven	Clothing	23/03/2009				
Wavre	Clothing	01/08/2009				
Increase inner city shops:			1.068	1.107	3,6%	

3. Financial results

31.12.2008

A. Evolution of the portfolio

	31.12.2008	31.12.2007
Fair value investment properties (€ 000)	328.044	298.667
Value property developments (€ 000)	7.539	21.670
Current rents (€ 000)	20.490	18.674
Yield (%)	6,2 %	6,3 %
Current rents, including ERV on vacant properties (€ 000)	20.631	18.803
Yield if fully let (%)	6,3 %	6,3 %
Occupancy rate (%)	99,3 %	99,3 %

B. Consolidated P & L account 31.12.2008

<i>(in € 000)</i>	31.12.2008	31.12.2007
Rental income	20.034	17.686
Rental related expenses	26	-518
Property management related expenses and income	-6	-61
Property result	20.054	17.107
Property charges	-2.266	-4.094
General costs and other operating income and expenses	-1.023	-1.034
Operating result before result on the portfolio	16.765	11.979
Result on disposals of investment properties	87	-19.531
Changes in the fair value of investment properties	11.415	36.014
Operating result	28.267	28.462

B. Consolidated P & L account 31.12.2008

<i>(in € 000)</i>	31.12.2008	31.12.2007
Operating result	28.267	28.462
Financial result	-6.230	-4.556
Taxes	-51	-20
Net result	21.986	23.886
Operating distributable result (€ 000)	10.872	7.462
Result on portfolio (€ 000)	11.502	16.483

C. Consolidated balance sheet 31.12.2008

ASSETS (in € 000)	31.12.2008	31.12.2007
Fixed assets	327.692	313.413
Intangible fixed assets	12	18
Investment properties	320.043	291.382
Developments projects	7.355	21.556
Other tangible fixed assets	264	379
Financial fixed assets	0	60
Trade receivables and other tangible fixed assets	18	18
Current assets	7.199	18.563
Assets held for sale	1.246	12.133
Trade receivables	426	675
Tax receivables and other current assets	4.742	4.085
Cash and cash equivalents	498	1.486
Deferred charges and accrued income	287	184
Total assets	334.891	331.976

C. Consolidated balance sheet 31.12.2008

SHAREHOLDERS' EQUITY AND LIABILITIES <i>(in € 000)</i>	31.12.2008	31.12.2007
Shareholders' equity	199.248	187.762
Non current liabilities	99.750	67.178
Provisions	215	195
Non current financial debts	99.478	66.608
Other non current liabilities	57	69
Deferred tax liabilities	0	306
Current liabilities	35.893	77.036
Current financial debts	27.574	62.754
Trade debts and other current debts	3.902	10.625
Other current liabilities	3.259	2.341
Accrued charges and deferred income	1.158	1.316
Total shareholders' equity and liabilities	334.891	331.976

D. Data per share

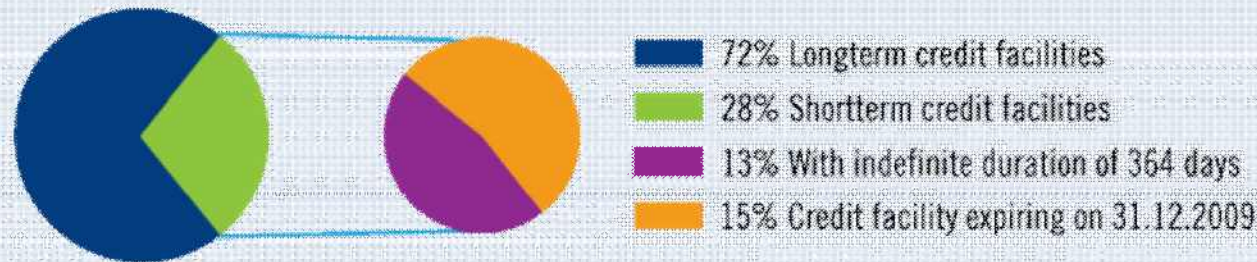
	31.12.2008	31.12.2007
Number of shares	5.078.525	5.078.525
Net asset value (fair value) (€)	39,23	36,97
Net asset value (investment value) (€)	40,85	38,43
Operating distributable result (€ 000)	10.872	7.462
Gross dividend (€)	2,14	1,47
Net dividend (€)	1,82	1,25
Share price on closing date (€)	28,49	32,80
Discount to net asset value (fair value) (%)	- 27 %	-11 %

E. Financial structure

31.12.2008

Conservative financial structure

- Amount financial debts: € 123,6 million (excl. market value of financial derivatives)
- Value of the financial derivatives: € 3,4 million negative (€ 80 million)
- 72 % long-term financings with an average remaining duration of 3 years



- Limited debt ratio of 39 % (legal maximum: 65 %)

E. Financial structure 31.12.2008

- Well-spread expiry dates of the credit facilities between 2009 and 2014



- Spread of credit facilities over 5 European financial institutions
- € 10,2 million of available non-withdrawn credit lines
- 66 % of the credit facilities have a fixed interest rate, 34 % a variable interest rate
- Fixed interest rates are fixed for a remaining period of 2,7 years in average
- Average interest rate for 2008: 4,9 %

4. Real estate market

Real estate market

- Inner-city shops

- Wait and see approach by many retailers concerning take up new locations
- AAA-locations - tight market- “If you want/need to be there, the price needs to be paid”
- Letting market in general is not (yet ?) undergoing effects of crisis (no comparison with the UK or Spanish market)
- Some discount retailers even performing very strong (H&M)

- Retail warehouses

- Market activity slowing down for formulas in electronics, home decoration, kitchens
- Many retailers in retail warehousing are still discounters or food retailers (Aldi, Lidl)

Real estate market

- Investments

- Only demand for small investment volumes (up to € 5 million)
- Prime yields softening
 - inner city AAA: prime yield 5 %
- Retail warehouses: clear shift between “top” quality and “average” quality
 - yields for well located and clustered shops have risen by 75 base points (from 5,75 % up to 6,25 %)
 - for stand alone shops yields can be estimated up to 7,25 %

5. Outlook 2009

Outlook 2009

- Rising dividend expected
- Limited decline in property values expected
- Redevelopment of Shopping Park Olen - depending on letting possibilities and financing possibilities
- Further investments depending on the market (more likely in retail warehousing)

Interinvest Retail in the current economic environment

- Rent levels on the safe side - strong lease covenants
- Valuation rather conservative
 - yield retail warehousing: 7,24 % (prime yields 6,25 %)*
 - yield inner-city shops: 5,55 % (prime yields 5,25 %)*
- Strong balance - debt ratio 39 %
- Legal framework of commercial leases creating a hedge
 - rent renewal/reversion only after 9 years
 - market rental growth much stronger than indexation on the basis of consumer health index
- Strong lease covenants
 - bank guarantee of 6 months
 - payment of rent three months in advance

* Source Cushman&Wakefield (Q1-2009-market beat)

Retail in Belgium on the safe side compared to other countries

- Consumer health index over the last 5 years was on a rather low level compared to countries which are suffering most
 - Belgium: 2,8 % /year
 - Spain: 3,7 % /year - combined with no legal restrictions on leases
 - France: 7,2 % /year
- Belgium wages are linked to inflation - no loss of purchase power
- Recent years no excessive consumption or excessive housing prices

Questions ?

