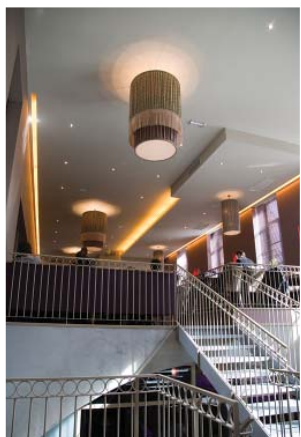


HALF-YEAR REPORT 2008



INTERVEST
RETAIL

KEY FIGURES

INVESTMENT PROPERTY	30.06.2008	31.12.2007
Total lettable area (m ²)	174.593	166.591
Occupancy rate (%)	99 %	99 %
Fair value of investment properties (€ 000)	322.059	291.382
Value of development properties (€ 000)	8.527	21.556
Debt ratio RD of 21 June 2006 (max. 65 %) (%)	40 %	43 %

RESULTS (€ 000)	30.06.2008	30.06.2007
Net rental income	10.083	8.447
Property management costs and income	-2	-52
Property result	10.081	8.395
Property charges	-1.085	-1.830
General costs and other operating cost and income	-645	-514
Operating result before result on the portfolio	8.351	6.051
Result on the portfolio	16.071	10.266
Operating result	24.422	16.317
Financial result	-2.832	-2.178
Taxes	-51	0
Net profit	21.539	14.139

DATA PER SHARE	30.06.2008	30.06.2007
Number of shares	5.078.525	5.078.525
Net asset value (fair value) (€)	39,82	35,10
Net asset value (investment value) (€)	41,44	36,48
Gross dividend of the half year (€)	1,06	0,77
Net dividend of the half year (€)	0,90	0,65
Share price on closing date (€)	30,68	36,00
Premium (+) / discount (-) to net asset value (fair value) (%)	-23 %	3 %

KEY FIGURES



3 Interest Retail

- 3 Profile
- 3 Investment policy
- 3 Corporate governance

4 Developments first half year 2008

- 4 Investments
- 5 Exchange transaction real estate
- 5 Lettings
- 5 Merger regarding the acquisition of the Heytens portfolio

6 Growth prospects



7 Financial results

- 7 Analysis of the results
- 9 Condensed financial statements
- 16 Net asset value and share price
- 16 Report of the statutory auditor

18 Real estate portfolio

- 18 Valuations and overview of the real estate as at 30 June 2008
- 18 Situation on the commercial market
- 18 Charts and key figures

20 Terminology

MANAGEMENT AND ORGANISATION

Interinvest Retail

Uitbreidingstraat 18
2600 Berchem

Public property investment fund
with fixed capital under Belgian law,
founded as limited liability company

Registered office

Uitbreidingstraat 18, 2600 Berchem

Company identification number

RPM 0431.391.860

Board of directors

Paul Christiaens, chairman
Gérard Philippson, director
Nick van Ommen, director
EMSO bvba, permanently represented by Chris Peeters, director
Reinier van Gerrevink, managing director
Hubert Roovers, managing director
Hans Pars, director

Management committee

SPRL Jean-Paul Sols, ceo
SPRL Rudi Taelemans, coo
Inge Tas, cfo
Reinier van Gerrevink, managing director

Statutory auditor

Deloitte Bedrijfsrevisoren SC s.f.d. SCRL, represented by Rik Neckebroeck,
with offices at 1831 Diegem, Berkenlaan 8b

Custodian bank – Financial services – Liquidity provider

Bank Degroof, rue de l'industrie 44, 1000 Brussels

Property experts

Cushman & Wakefield, avenue des Arts 58 B 7, 1000 Brussels
CB Richard Ellis, avenue Lloyd George 7, 1000 Brussels
de Crombrughe & Partners, avenue Hermann-Debroux 54, 1160 Brussels

Date annual meeting

First Wednesday of April at 14h30

INTERVEST
RETAIL



INTERVEST RETAIL

Profile

Property investment fund Interest Retail invests exclusively in Belgian commercial property, focusing primarily on inner-city locations in prime locations, retail warehouses and shopping centres.

At present the portfolio is made up of 278 lettable units, spread over 97 different locations. 44 % of the real estate portfolio consists of inner-city locations, 56 % of retail warehouses and shopping centres.

On 30 June 2008, the fair value of the investment properties amounts to € 322 million and the value of the development projects amounts to € 8,5 million. At 30 June 2008, the occupancy rate of the real estate portfolio of the property investment fund amounts to 99 % (99 % end 2007).

Interest Retail has been registered as a property investment fund on the list of Belgian investment institutions since 22 December 1998 and is listed on NYSE Euronext Brussels.

Investment policy

The investment policy is established on the achievement of a combination of a direct return based on rental income and an indirect return based on the increase in value of the real estate portfolio.

The property investment fund maintains an investment policy focussed on high-quality commercial real estate which is leased to first-class tenants. This real estate does not require major repair work in the short term and is strategically situated on good locations.

Interest Retail's aim is to make its share more attractive by increasing its liquidity, by expanding its real estate portfolio and by improving the risk profile. The expansion of the portfolio must always lead to a better risk spread, cost advantages and increasing shareholders' value.

Corporate governance

Interest Retail strictly respects the Belgian principles of the corporate governance for companies listed on the stock exchange, summarized in the "Belgian Corporate Governance Charter" of the Lippens Commission. From

the terms of the code is only derogated when specific circumstances require it.

The complete 'Corporate governance charter' that describes the important internal procedures for the administrative bodies of Interest Retail can be consulted on the company website (www.interest.be).

At 30 June 2008, the board of directors comprises 7 members, 4 of which are independent directors. The directors are appointed for a period of 3 years, but their appointment can be revoked at any time by the general meeting. The main tasks of the board of directors consist of developing a strategy, approving the annual accounts and controlling the management committee. Within the board of directors, an audit committee has been set up, mainly controlling the correctness, completeness and the quality of the financial information to be published.

On 30 June 2008 the board of directors consists of the following members:

- Paul Christiaens, chairman, independent director and member of the audit committee
- Gérard Philippon, independent director and member of the audit committee
- Nick van Ommen, independent director and chairman of the audit committee
- EMSO sprl, permanently represented by Chris Peeters, independent director and member of the audit committee
- Reinier van Gerrevink, managing director
- Hubert Roovers, managing director
- Hans Pars, director

Interest Retail is a 'self managed fund' with own personnel and an own management committee. This management committee has all powers, with the exception of the actions that are legally assigned to the board of directors and the strategic policy.

On 30 June 2008 the management committee consists of the following members:

- Jean-Paul Sols sprl, represented by Jean-Paul Sols, chairman, chief executive officer
- Rudi Taelemans sprl, represented by Rudi Taelemans, chief operating officer
- Inge Tas, chief financial officer
- Reinier van Gerrevink, managing director





Julianus Shopping
Tongeren

DEVELOPMENTS DURING THE FIRST HALF YEAR OF 2008

Investments

Commercial centre Julianus in Tongeren

The opening of the commercial centre Julianus in Tongeren took place on 12 March 2008 with festivities, followed by a very successful commercial opening for shoppers on 13 March 2008.

Shopping Julianus consists of 23 shops with a total surface area of approximately 8.800 m² and is let for 100 %. The centre comprises renowned tenants with an interesting tenant mix such as Kruidvat, H&M, JBC, Torfs, Veritas, Essenza, Bel Company, Esprit, Appel's, Damart, Pepe Jeans, SportsWorld, Biosleepworld, IJsbuerke, Deloberghe and KBC.

Furthermore, the Julianus complex includes an underground car park, a hotel and about forty private apartments which are not owned by Intervest Retail. The underground car park, run by CityParking, is operational since the opening of the shopping centre. The Eburon hotel, property of the Differenthotels chain, opens in the summer of 2008 and the delivery of the private apartments is planned from September 2008 onwards.

The works in the surroundings realised by the city of Tongeren are also in a final phase. The redevelopment of the De Schiervelstraat and the Leopoldwal are finished, the redevelopment of the Maastrichterstraat and the Clarissenstraat will be ended very soon. After the finishing of these surrounding works and the total completion of the Julianus complex, the entire site will undoubtedly represent a considerable added value and a pole of attraction for the historic city of Tongeren.

The development project has been realised in collaboration with Heijmans Vastgoed for a total acquisition value of € 17,4 million at an initial gross yield of 6,9 %. On 30 June 2008 this finalised project is valued as investment property by the property expert de Crombrugghe & Partners at a fair value of € 22,3 million. Consequently, this project has provided the property investment fund during the first half year of 2008 a non-realised capital gain of € 4,9 million compared to the acquisition value. This investment has contributed during the first half year to the operating result of Intervest Retail for an amount of € 0,6 million.

Redevelopment Vilvorde

For the commercial-residential project at the corner of the Leuvensestraat and the Jean-Baptiste Nowélei in Vilvorde, the construction of the commercial space reserved for H&M is finished and the works are in progress for 11 luxury apartments on the floors. The built surface area amounts to approximately 2.720 m², with 1.113 m² lettable commercial surface area.

At the beginning of June 2008, the commercial part was delivered to H&M. The sale on plan of the apartments evolves favourably; currently 9 apartments are already sold.

Redevelopment Shopping Park in Olen

Intervest Retail works at the redevelopment of the present Van de Ven shopping centre in Olen into a unique, innovative new generation shopping park in order to exploit the existing retail site's potential to the optimum. More specific, an open air park will be created based on the themes 'home', 'garden' and 'hobbies and leisure' with a large range of services and facilities. The centre will have a surface area of 33.000 m² and will be nested in pleasant surroundings. The overall project is intended to provide visitors with the optimal shopping experience and represents commercial added value for the tenants.

At the end of 2007, Intervest Retail has proceeded to the demolition of the at that moment vacant buildings. The remaining part (approximately 12.000 m²) is currently still occupied by several tenants. At the end of December 2007 an agreement, cancelling the lease contract on 30 June 2008, was concluded with the major tenant.

Retailers, who signed earlier declarations of intent with Intervest Retail for renting in the shopping park, are presently contacted again in order to conclude binding lease contracts.

H&M
Vilvorde

Exchange transaction real estate

Acquisition Bruul 44 in Malines by an exchange transaction with IJzerenleen 30 in Malines

Intervest Retail acquired for strategic reasons the corner building (75 m²), located on Bruul 44 in Malines. This extremely commercial building forms a unity with the building of Intervest Retail located on Bruul 40-42. This acquisition is consequently a transaction which considerably strengthens the commercial position of Intervest Retail on the most attractive part of the Bruul in Malines. The acquisition of this corner building on Bruul 44 has been realised through the exchange of the building of Intervest Retail located IJzerenleen 30 in Malines, in accordance with the valuation of the property expert of the property investment fund.

Lettings

New leases: Bruul 40-42 in Malines to H&M

The commercial building located on Bruul 40-42 in Malines was till the beginning of 2008 entirely let to the clothing specialist Charles Vögele who only used the ground floor. This lease contract expired at the beginning of this year and Intervest Retail managed to let the building to the clothing specialist H&M. The ground floor as well as the first floor is used as shop, the second floor is used as a social space. The rental income increases through this transaction with 60 %, which results in an increase in value of this property with approximately € 4,5 million to € 12 million.

Rental renewal Gasthuisstraat 5-7 in Turnhout for Charles Vögele

During the first half year of 2008 a rental increase of 40 % was realised with the rental renewal in Turnhout to the clothing specialist Charles Vögele, which implies an increase in value of the property of approximately 11 %.

During the first half year of 2008 new lease contracts were concluded with Wibra in Tielt-Winge (increase of rental value of 40 %) and Atita in Vilvorde (increase of rental value of 6 %). With the rental renewal of Ici Paris XL in Mouscron an increase of the rental value of 11 % was realised.

Merger regarding the acquisition of the Heytens portfolio

On 2 April 2008 the extraordinary general meeting of shareholders of Intervest Retail decided of the merger by absorption of the limited liability company Pegagus Vastgoedmaatschappij, a 100 % subsidiary of Intervest Retail and owner of the portfolio of retail warehouses let to Decor Heytens.



Heytens Montignies



GROWTH PROSPECTS

On the short term the efforts of the property investment fund will be concentrated on the optimisation of the rental income of the existing portfolio and the realisation of ongoing projects. On the long term it is also the aim to let the portfolio grow depending on investment opportunities which occur on the investment market.

Intervest Retail estimates the main risk factors and uncertainties for the remaining months of 2008¹ the financial year as follows:

- **evolution of the interest rates:** due to financing with borrowed capital the return of the property investment fund depends on the evolution of the interest rates. To limit this risk an appropriate ratio between borrowed capital with variable interest rates and borrowed capital with fixed interest rates is pursued at the composition of the credit facilities portfolio. On 30 June 2008, 64 % of the credit facilities portfolio consists of loans with a fixed interest rate or fixed through interest rate swaps. Furthermore, a balanced spread of the expiry dates and a duration of minimally 3 years are pursued. On 30 June 2008, 71 % of the credit withdrawals are long term financings, with an average duration of 3,1 years. Finally, on 30 June 2008, the property investment fund still disposes of € 6 million of non-withdrawn credit facilities at financial institutions for the financing of future investments.
- **evolution of the value of the real estate portfolio:** a certain degree of uncertainty has been observed regarding the future evolution of the value of buildings on the Belgian real estate market, such as described in the chapter “ commercial market” of this report and based on a round table discussion with the property experts of Interinvest Retail in June 2008. Consequently engagements to commit to investments, presently or in the next months, will be very carefully evaluated in view of appropriate risk/return ratios. Appropriate guarantees will be included, in order to protect as good as possible the income and value of the buildings.

- **rental risks:** given the nature of the buildings which are mainly let to national and international companies, the real estate portfolio is sensitive to the conjuncture. On the short term no direct risks are recognized that can influence fundamentally the results of the financial year 2008. Furthermore, within the property investment fund there are, on the level debtor's risks, clear and efficient internal control procedures to limit this risk.

In spite of these market circumstances the property investment fund Interinvest Retail expects that the operating result in 2008 will strongly improve with the sale of the outlet centre Factory Shopping Messancy and the acquisition of the Heytens warehouses portfolio end 2007.

On the basis of the half-yearly results on 30 June 2008, the property investment fund expects that the gross dividend will increase with largely 50 eurocent per share compared to the dividend of 2007 which amounted to € 1,47. Consequently, Interinvest Retail will be able to propose to its shareholders a gross dividend per share between € 2,00 and € 2,10. On the basis of the average share price during the first half year of 2008 (€ 32,91), this represents a dividend yield between 6,1 % and 6,4 %.

¹ In accordance with article 13 § 5 of the RD of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.

FINANCIAL RESULTS

The condensed consolidated interim accounts for the first half year ending on 30 June 2008 are established on the basis of the principles for financial reporting in accordance with IFRS and in accordance with IAS 34 "Interim financial reporting" as adopted by the European Union.

In these condensed interim financial statements the same principles for financial reporting and calculation method are applied as those applied for the consolidated financial statements at 31 December 2007.

These condensed financial statements have been approved for publication by the board of directors on 4 August 2008.

Analysis of the results²

Positive half-yearly results for Interinvest Retail: operating distributable profit result improves with 38 %

During the first half year of 2008 the net rental income of Interinvest Retail increases with € 1,6 million to € 10,1 million (€ 8,5 million). This increase results for € 0,6 million from the new commercial centre Julianus in Tongeren which opened successfully on 13 March 2008, for € 0,7 million from rental income of the warehouses portfolio let to Decor Heytens, acquired end 2007, and for € 0,2 million from higher rental income from the existing real estate portfolio. Besides, the sale of the outlet centre Factory Shopping Messancy has as a consequence that in 2008 a lower number of write offs have been necessary for doubtful trade receivables.

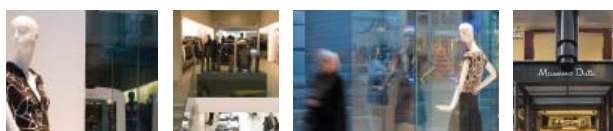
During the first quarter of 2008 the property charges decrease with € 0,7 million and amount to € 1,1 million (€ 1,8 million). The decrease results from the fact that marketing and service charges for Factory Shopping Messancy are no longer incurred because of the sale of this centre at the end of 2007.

The operating result before the result on the portfolio increases with € 2,3 million to € 8,4 million (€ 6,1 million) due to the increase of the net rental income with € 1,6 million and the decrease of property charges with € 0,7 million.

The demand for commercial real estate on the rental and investment market is still high in 2008. In spite of more difficult market circumstances in the retail trade, retailers are prepared to pay higher rents for good locations. New leases and rental renewals in the commercial portfolio of Interinvest Retail are still concluded at higher rents. During the first half year of 2008, the existing real estate portfolio of the property investment fund has been revaluated with € 11,1 million (€ 10,5 million) for a total fair value of the portfolio of € 331 million. Besides, the change of the fair value of the investment properties comprises the non-realised capital gain on the development project Julianus for an amount of € 4,9 million compared to the acquisition value of the project.

The financial result amounts to - € 2,8 million (- € 2,2 million) through the increase of the interest charges as a result of the investments in the commercial centre Julianus and the acquisition of the Heytens portfolio end 2007. For the first half year of 2008, the average interest rate of the property investment fund amounts to 4,9 % (2007: 4,5 %).

² Between brackets comparable figures on 30 June 2007.





Charles Vögele
Turnhout

During the first half year of 2008 the property investment fund has proceeded to refinancing of the short term credits for an amount of € 25 million. The existing credit is replaced by a credit with a duration of 3 years and is concluded at market conformed conditions, with a flexible interest rate, partly covered by a financial instrument. Through this transaction the non-current liabilities increase from € 67 million to € 91 million and the current liabilities know an analogous decrease. The debt ratio of the property investment fund amounts to 40 % on 30 June 2008 (43 % on 31 December 2007).

During the first half year of 2008, the net result of the property investment fund Intervest Retail amounts to € 21,5 million (€ 14,1 million) and can be divided in:

- the distributable operating result of € 5,4 million (€ 3,9 million) or an increase of 38 %. This result is positively impacted by the opening of the commercial centre Julianus in Tongeren, the acquisition of the Heytens portfolio and the sale of the badly performing outlet centre Factory Shopping Messancy; and
- the result on portfolio of € 16,1 million (€ 10,3 million).

This represents for the first half year of 2008 distributable earnings per share of € 1,06 (€ 0,77) which corresponds to our previously formulated expectations for the financial year 2008.

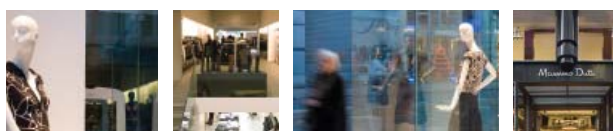
On 30 June 2008 the fair value of the portfolio amounts to € 331 million (€ 313 million on 31 December 2007). This rise with € 18 million is mainly due to the increases in value of the commercial portfolio (with € 11 million), the capital gain resulting from the opening of the Julianus project in Tongeren (with € 4,9 million) and investments in the existing portfolio.

On 30 June 2008, the net asset value (fair value) of the share amounts to € 39,82 (€ 36,97 on 31 December 2007). Given that the share price on 30 June 2008 is € 30,68, the Intervest Retail share is quoted with a discount of 23 % compared to this net asset value (fair value).

Condensed financial statements

Condensed consolidated income statement

<i>in thousands €</i>	30.06.2008	30.06.2007
Rental income	9.942	8.866
Rental related expenses	141	-419
NET RENTAL INCOME	10.083	8.447
Property management costs and income	-2	-52
PROPERTY RESULT	10.081	8.395
Technical costs	-207	-252
Commercial costs	-56	-40
Charges and taxes on unlet properties	-175	-939
Property management costs	-645	-599
Other property charges	-2	0
Property charges	-1.085	-1.830
OPERATING PROPERTY RESULT	8.996	6.565
General costs	-694	-538
Other operating income and expenses	49	24
OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	8.351	6.051
Result on disposals of investment properties	87	-207
Changes in fair value of investment properties and development projects	15.984	10.473
OPERATING RESULT	24.422	16.317
Financial income	43	24
Interest charges	-2.927	-2.195
Other financial charges	-14	-7
Revaluation financial instruments - IAS 39	66	0
Financial result	-2.832	-2.178
RESULT BEFORE TAXES	21.590	14.139
Taxes	-51	0
NET PROFIT	21.539	14.139
Attributable to:		
Equity holders of the parent	21.539	14.139
Minority interests	0	0
<i>Note:</i>		
<i>Operating distributable profit</i>	<i>5.370</i>	<i>3.873</i>
<i>Result on portfolio</i>	<i>16.071</i>	<i>10.266</i>
<i>Revaluation financial instruments - IAS 39</i>	<i>66</i>	<i>0</i>
RESULT PER SHARE	30.06.2008	30.06.2007
Number of ordinary shares	5.078.525	5.078.525
Basic earnings per share (in €)	4,24	2,78
Diluted earnings per share (in €)	4,24	2,78
Distributable earnings per share (in €)	1,06	0,77



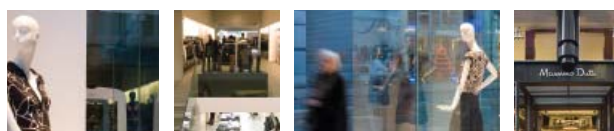
Condensed consolidated balance sheet

ASSETS <i>in thousands €</i>	30.06.2008	31.12.2007
Non-current assets	331.400	313.413
Intangible fixed assets	8	18
Investment properties	322.059	291.382
Development projects	8.527	21.556
Other tangible fixed assets	289	379
Financial fixed assets	499	60
Trade receivables and other non-current assets	18	18
Current Assets	8.267	18.563
Assets held for sale	579	12.133
Trade receivables	977	675
Tax receivables and other current assets	5.070	4.085
Cash and cash equivalents	1.193	1.486
Deferred charges and accrued income	448	184
TOTAL ASSETS	339.667	331.976

SHAREHOLDERS' EQUITY AND LIABILITIES <i>in thousands €</i>	30.06.2008	31.12.2007
Shareholders' Equity	202.209	187.762
Shareholders' equity attributable to the shareholders of the parent company	202.206	187.759
Share capital	97.213	97.213
Share premium	4.183	4.183
Reserves	102.358	85.421
Result	6.218	8.281
Impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	-8.265	-7.399
Changes in fair value of financial assets and liabilities	499	60
Minority interests	3	3
Liabilities	137.458	114.214
Non-current liabilities	90.851	67.178
Provisions	215	195
Non-current financial debts	90.571	66.608
<i>Credit institutions</i>	90.563	66.587
<i>Financial lease</i>	8	21
Other non-current liabilities	65	69
Deferred taxes - liabilities	0	306
Current liabilities	46.607	77.036
Current financial debts	37.576	62.754
<i>Credit institutions</i>	37.574	62.749
<i>Financial lease</i>	2	5
Trade debts and other current debts	4.421	10.625
Other current liabilities	3.307	2.341
Accrued charges and deferred income	1.303	1.316
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	339.667	331.976

Condensed consolidated cash-flow statement

<i>in thousands €</i>	30.06.2008	30.06.2007
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	1.486	1.069
1. Cash-flow from operating activities	2.926	5.294
Operating result	24.422	16.317
Interests paid	-3.078	-2.195
Other non-operating elements	44	17
Adjustment of the profit for non cash-flow transactions	-16.466	-9.791
Depreciations on intangible and other tangible fixed assets	92	64
Result on the sale of investment properties	-87	207
Spread of benefits granted of tenants	-136	466
Changes in fair value of investment properties and development projects	-16.289	-10.472
Changes in fair value of financial assets and liabilities	-66	0
Other non cash-flow transactions	20	-56
Changes in working capital	-1.996	946
Movement of assets	-1.527	796
Movement of liabilities	-469	150
2. Cash-flow from investment activities	5.465	-3.428
Acquisition of intangible and other tangible fixed assets	-17	-9
Acquisition of investment properties	-1.050	0
Investments in existing investment properties	-467	-276
Investments in development projects	-5.242	-2.786
Investments in assets held for sale	-446	0
Capitalised interest expenses	-183	-357
Proceeds from the sale of investment properties	12.870	0
3. Cash-flow from financing activities	-8.684	-997
Repayments of loans	-11.199	-165
Drawdown of loans	10.000	11.200
Repayment of financial lease liabilities	-16	-6
Receipts from non-current liabilities as guarantee	-4	-28
Dividends paid	-7.465	-10.004
CASH AND CASH EQUIVALENTS AT THE END OF THE FIRST HALF YEAR	1.193	3.932

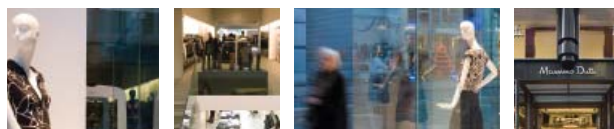


Condensed statement of changes in equity

<i>in thousands €</i>	Share capital ordinary shares	Share premium
Balance sheet at 31 December 2006	97.213	4.183
Profits of the first half year 2007		
Transfer of the result on the portfolio to the reserves not available for distribution		
Impact on fair value*		
Dividends of financial year 2006		
Changes in fair value of financial assets and liabilities		
Balance sheet at 30 June 2007	97.213	4.183
Balance sheet at 31 December 2007	97.213	4.183
Profits of the first half year 2008		
Transfer of the result on the portfolio to the reserves not available for distribution		
Impact on fair value*		
Dividends of financial year 2007		
Changes in fair value of financial assets and liabilities		
Balance sheet at 30 June 2008	97.213	4.183

*of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties

Reserves not available for distribution	Result	Impact on fair value*	Changes in fair value of financial assets and liabilities	Minority interests	Total shareholders' equity
68.328	10.882	-6.789	-94	3	173.726
	14.139				14.139
10.266	-10.266				0
225		-225			0
	-10.004				-10.004
			409		409
78.819	4.751	-7.014	315	3	178.270
85.421	8.281	-7.399	60	3	187.762
	21.539				21.539
16.071	-16.071				0
866		-866			0
	-7.465				-7.465
	-66		439		373
102.358	6.218	8.265	499	3	202.209



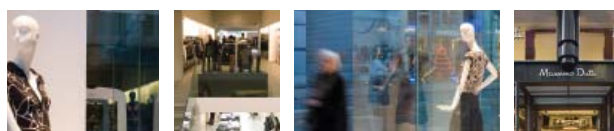
Condensed income statement by segment

BUSINESS SEGMENTS	Inner-city shops	
	30.06.2008	30.06.2007
<i>in thousands €</i>		
Rental income	4.317	4.268
Rental related expenses	-9	-5
Net rental income	4.308	4.263
Property management costs and income	0	-34
Property result	4.308	4.229
Operating result before result on the portfolio	4.171	4.084
Result on disposals of investment properties	87	-155
Changes in fair value of investment properties and development projects	6.777	3.822
Operating result of the segment	11.035	7.751
Financial result		
Taxes		
NET PROFIT	11.035	7.751

BUSINESS SEGMENTS: KEY FIGURES	Inner-city shops	
	30.06.2008	30.06.2007
Investment properties at fair value (€ 000)	163.572	136.264
Investment value investment properties (€ 000)	167.661	139.670
Accounting yield of the segment (%)	5,3 %	6,3 %
Total surface for rent (m ²)	32.147	31.052
Occupancy rate (%)	100 %	100 %

Retail warehouses and shopping centres		Corporate		TOTAL	
30.06.2008	30.06.2007	30.06.2008	30.06.2007	30.06.2008	30.06.2007
5.625	4.598			9.942	8.866
150	-414			141	-419
5.775	4.184			10.083	8.447
-2	-18			-2	-52
5.773	4.166			10.081	8.395
5.404	3.052	-1.224	-1.085	8.351	6.051
0	-52			87	-207
9.207	6.651			15.984	10.473
14.611	9.651	-1.224	-1.085	24.422	16.317
		-2.832	-2.178	-2.832	-2.178
		-51	0	-51	0
14.611	9.651	-4.107	-3.263	21.539	14.139

Retail warehouses and shopping centers		TOTAL	
30.06.2008	30.06.2007	30.06.2008	30.06.2007
167.014	156.491	330.586	292.755
171.190	160.099	338.851	299.769
6,7 %	5,9 %	6,0 %	6,1 %
142.446	135.302	174.593	166.354
99 %	93 %	99 %	96 %



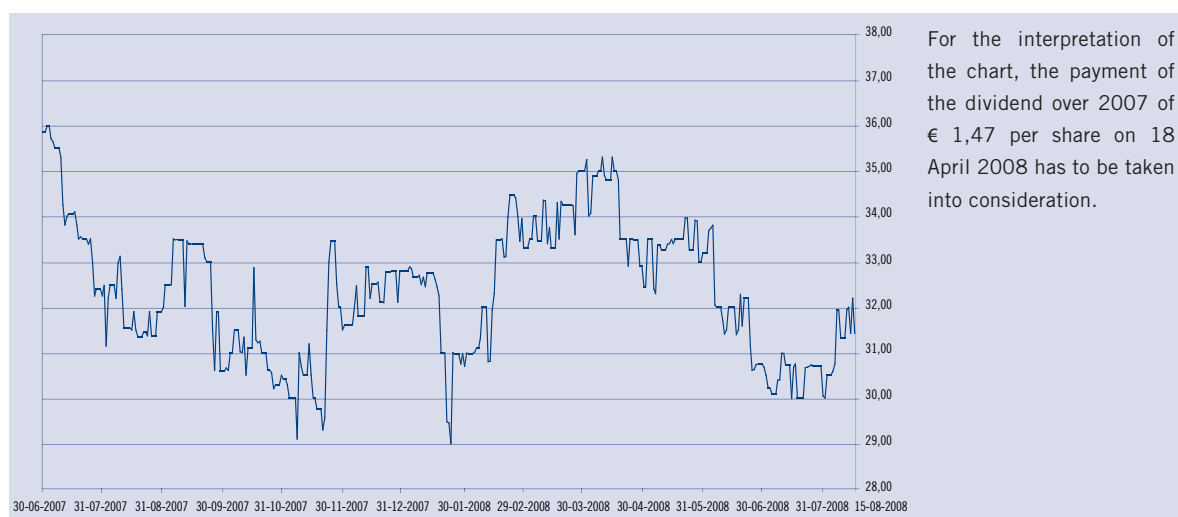
Net asset value and share price

In € per share	30.06.2008	31.12.2007	30.06.2007	31.12.2006
Net asset value (fair value)	39,82	36,97	35,10	34,21
Net asset value (investment value)	41,44	38,43	36,48	35,54
Gross dividend (per year resp. per half year)	1,06	1,47	0,77	1,97
Net dividend (per year resp. per half year)	0,90	1,25	0,65	1,67
Share price on closing date	30,68	32,80	36,00	39,70
Premium (+) / discount (-) to net asset value (fair value) (%)	-23 %	-11 %	3 %	16 %
Dividend yield (%)	6,4 %	4,2 %	4,1 %	4,9 %

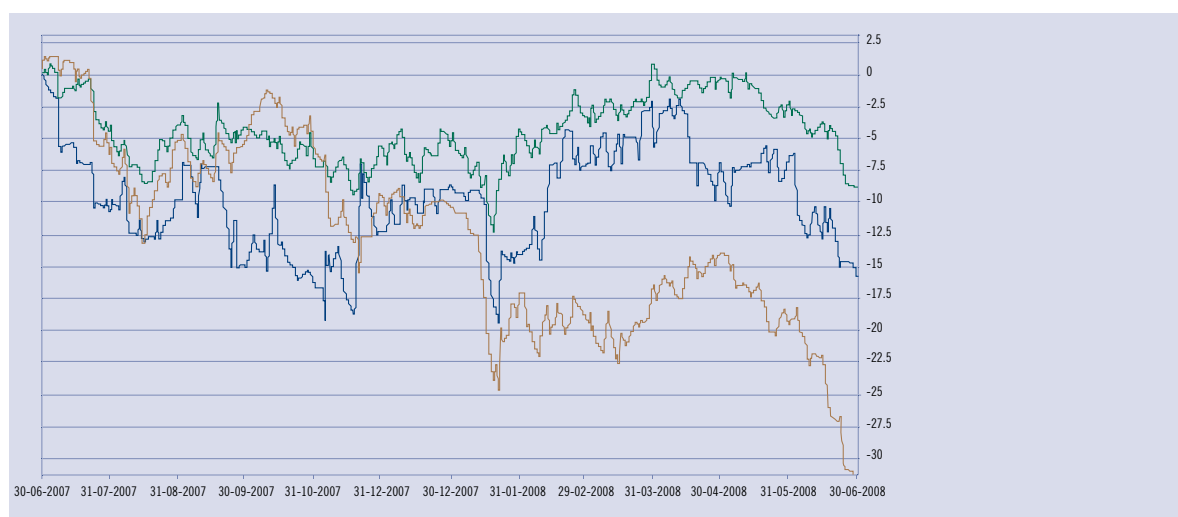
During the first six months of 2008 the share price fluctuated between € 35,30 and € 29,00. Also as a result of the current negative climate on the stock exchange the share price of Intervest Retail has decreased on 30 June 2008 to € 30,68. Herewith the share quotes on 30 June 2008 with a discount of 23 % compared to the net asset value (fair value).

The free float on 30 June 2008 amounts 27,62 % (27,62 % end 2007). The daily average traded volume for the first half year amounts to 676 units.

Share price Intervest Retail



Comparison Intervest Retail with BEL Real Estate index and with BEL 20 Close index



Report of the statutory auditor

INTERVEST RETAIL SA, PUBLIC PROPERTY INVESTMENT FUND

LIMITED REVIEW REPORT ON THE CONSOLIDATED HALF-YEAR FINANCIAL INFORMATION FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2008

To the board of directors

We have performed a limited review of the accompanying consolidated condensed balance sheet, condensed income statement, condensed cash flow statement, condensed statement of changes in equity and selective notes (jointly the “interim financial information”) of INTERVEST RETAIL SA, PUBLIC PROPERTY INVESTMENT FUND (“the company”) and its subsidiaries (jointly “the group”) for the six months period ended 30 June 2008. The board of directors of the company is responsible for the preparation and fair presentation of this interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

The interim financial information has been prepared in accordance with IAS 34, “Interim Financial Reporting” as adopted by the EU.

Our limited review of the interim financial information was conducted in accordance with the recommended auditing standards on limited reviews applicable in Belgium, as issued by the “Institut des Réviseurs d’Entreprises/Instituut der Bedrijfsrevisoren”. A limited review consists of making inquiries of group management and applying analytical and other review procedures to the interim financial information and underlying financial data. A limited review is substantially less in scope than an audit performed in accordance with the auditing standards on consolidated annual accounts as issued by the “Institut des Réviseurs d’Entreprises/Instituut der Bedrijfsrevisoren”. Accordingly, we do not express an audit opinion.

Based on our limited review nothing has come to our attention that causes us to believe that the interim financial information for the six months period ended 30 June 2008 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

5 August 2008

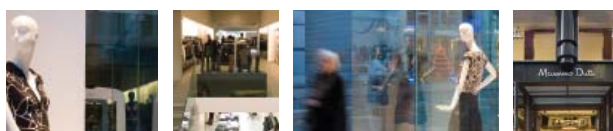


The statutory auditor

DELOITTE Réviseurs d’Entreprises

SC s.f.d. SCRL

Represented by Rik Neckebroeck



Valuations and overview of the real estate at 30 June 2008

All the commercial properties of Intervest Retail are valued by Cushman & Wakefield or CB Richard Ellis. The commercial centre Julianus in Tongeren and the redevelopment project in Olen are valued by de Crombrugghe & Partners.

Situation on the commercial market³

Economic climate

With the inflation and the increasing oil prices the average consumer spent less than usual during the past half year. In Belgium, the employment figures are however high. Even if the consumer confidence is currently damaged, the Belgian consumer will continue to spend in all segments, although to a lesser extent. The fear for a doom scenario seems therefore unnecessary.

Rental market

In the past, periods of recession have also occurred. The increase of rental levels is less marked during these periods, but nevertheless present. After previous years with extremely important rental increases, a period of steadier grow has started.

In this period of economic crisis professional players distinguish themselves from the others. They can better anticipate the changing market situation.

Retailers from the leisure segment, including the clothing branch, know a certain decrease of their turnover. Now hard discounters attract new clients who formerly performed their shopping in the medium segment, but, this evolution is somewhat countered by the reduced purchasing power of the existing clients who feel the repercussion of the economic crisis more than clients from the medium segment.

Key figures and charts⁴

Evolution of the real estate portfolio

	30.06.2008	31.12.2007	30.06.2007	31.12.2006
Value investment properties (€ 000)	322.059	291.382	276.071	266.991
Value development projects (€ 000)	8.527	21.556	16.684	13.851
Current rents (€ 000)	20.451	18.674	18.773	18.780
Yield (%)	6,3 %	6,4 %	6,8 %	7,0 %
Current rents, including estimated rental value on vacancy (€ 000)	20.626	18.803	19.590	19.674
Yield if fully let (%)	6,4 %	6,5 %	7,1 %	7,4 %

Nevertheless the majority of the retailers remain positive and about 80 % still think of expansion. They expect that the rents will increase steadily.

In inner-cities the demand remains important and the offer limited. Rents will undergo more slowly a downward pressure. Also in the periphery the demand remains important. New players appear on the market: retailers who in the past were only present in inner-cities (for exemple Damart, Lola & Liza) and also international groups from outside the Benelux. Till now these international groups were only present on inner-city locations.

The interest of retailers, who were formerly only present in inner-cities, for the periphery is an extremely positive trend for Intervest Retail. It is expected that this trend will also lead to an increase of rents in the periphery.

These new players on the peripheral market prefer modern clusters forming one unity and offering common services to the consumers (comparable to an open air shopping centre). High-quality buildings result in higher rents. Slowly but surely a distinction appears between modern well located retail parks and inferior and/or solitary located buildings.

Investment market

On the retail market the credit crisis is less pronounced than on the housing or office market. The demand remains high, but the number of candidate buyers decreases. Investors with a short term strategy stay away. Herewith the yields – especially on secondary locations – know a slightly decreasing trend.

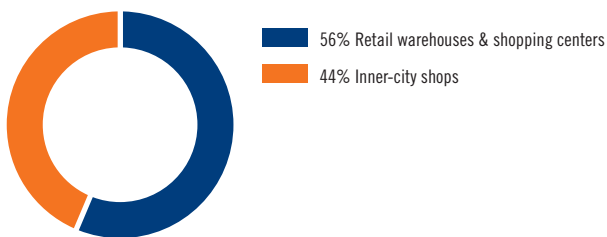
In prior years the professional Belgian investors were often excluded from the market by offers of private investors and international groups, but now they gradually obtain more opportunities to acquire buildings at acceptable yields.

³ This text is based on a round table discussion with the property experts of Intervest Retail on 18 June 2008.

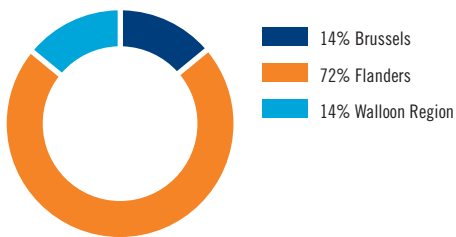
⁴ The charts do not take the development projects into account. They have been compiled on the basis of the annual rental income and the value of the portfolio.

Real estate portfolio Interest Retail as at 30 June 2008

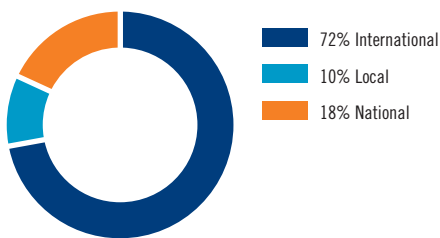
Region	Surface area (m ²)	Annual rent (€ 000)	Investment value (€ 000)	Fair value (€ 000)	Weighing (%)
Investment properties					
Brussels	11.262	2.449	44.808	43.715	13 %
Flanders	129.112	14.891	238.996	233.167	70 %
Walloon provinces	34.220	3.286	46.307	45.177	14 %
Total investment properties	174.593	20.626	330.110	322.059	97 %
Development projects					
Flanders	20.132	0	8.740	8.527	3 %
Total development projects	20.132	0	8.740	8.527	3 %
TOTAL INVESTMENT PROPERTIES AND DEVELOPMENT PROJECTS	194.725	20.626	338.851	330.586	100 %



Type of retail property



Geographic spread



Region of activity of tenants



TERMINOLOGY

Acquisition value of an investment property

This term is used at the acquisition of a property. If transfer costs are paid, they are included in the acquisition value.

Corporate governance

Corporate governance is an important instrument to constantly improve the management of the property investment fund and to protect the interest of the shareholders.

Current rents

Annual rent on the basis of the rental situation on a certain moment in time.

Debt ratio

The debt ratio is calculated as the liabilities (excluding provisions and accrued charges and deferred income) less the change in the fair value of the financial coverage instruments, divided by the total assets. By means of the RD of 21 June 2006, the maximum debt ratio for the property investment funds rose from 50 % to 65 %.

Distributable earnings

The distributable earnings per share is the amount liable for compulsory distribution, divided by the weighted average number of ordinary shares.

Dividend yield

The dividend yield is the gross dividend divided by the annual average of the share price.

Fair value of investment properties (in accordance with Beama interpretation of IAS 40)

This value is equal to the amount at which a building might be exchanged between well-informed parties, agreeing and acting in conditions of normal competition. From the perspective of the seller they should be understood as involving the deduction of registration fees.

In practice this means that the fair value is equal to the investment value divided by 1,025

(for buildings with a value of more than € 2,5 million) or the investment value divided by 1,10/1,125 (for buildings with a value of less than € 2,5 million).

Free float

Free float is the number of shares circulating freely on the stock exchange and therefore not in permanent ownership.

Gross dividend

The gross dividend per share is the distributable operating result divided by the number of shares.

Investment value of an investment property

This is the value of a building estimated by an independent property expert, and including the transfer costs without deduction of the registration fee. This value corresponds to the formerly used term "value deed in hand".

Liquidity of the share

The ratio between the number of daily traded shares and the number of capital shares.

Net asset value (fair value)

Total shareholders' equity divided by the number of shares.

Net asset value (investment value)

Total shareholders' equity adjusted for the impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties, divided by the number of shares.

Net dividend

The net dividend is equal to the gross dividend after deduction of withholding tax of 15 %.

Occupancy rate

The occupancy rate is calculated as the ratio of the actual rental income to the same rental income plus the estimated rental value of the vacant locations for rent.

Ordinary earnings

The ordinary earnings per share is the net result as published in the income statement, divided by the weighted average number of ordinary shares.

Yield

Annual rental income compared to the investment value.



Intervest Retail

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