

# Press and Analyst meeting annual figures 2007

Tuesday 19 February 2008

# AGENDA

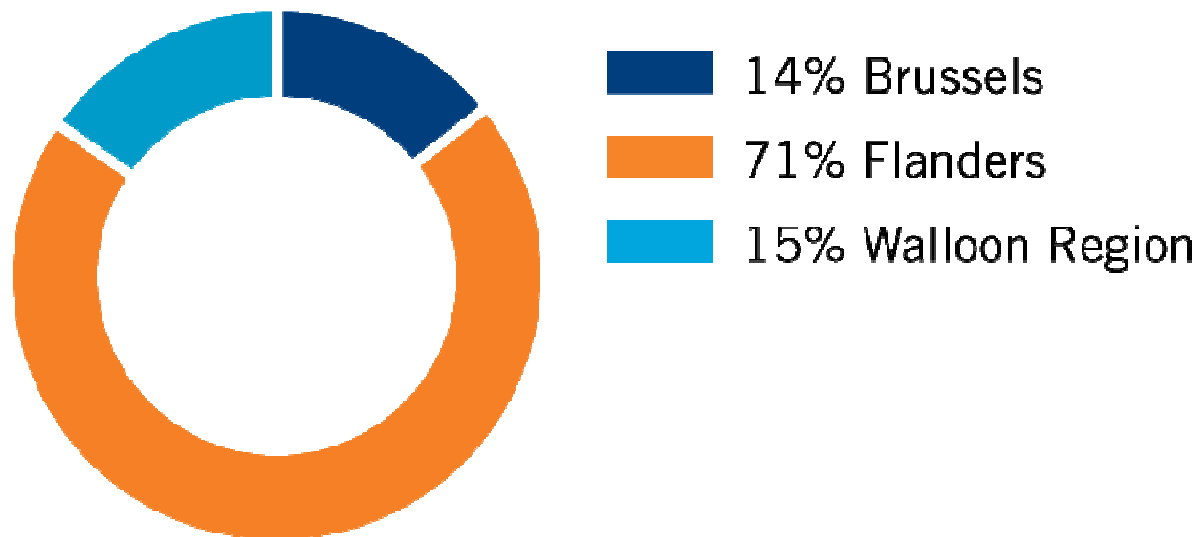
1. Description of the portfolio
2. Important facts
3. Financial results 31.12.2007
4. Real estate market
5. Outlook

# 1. Description of the portfolio

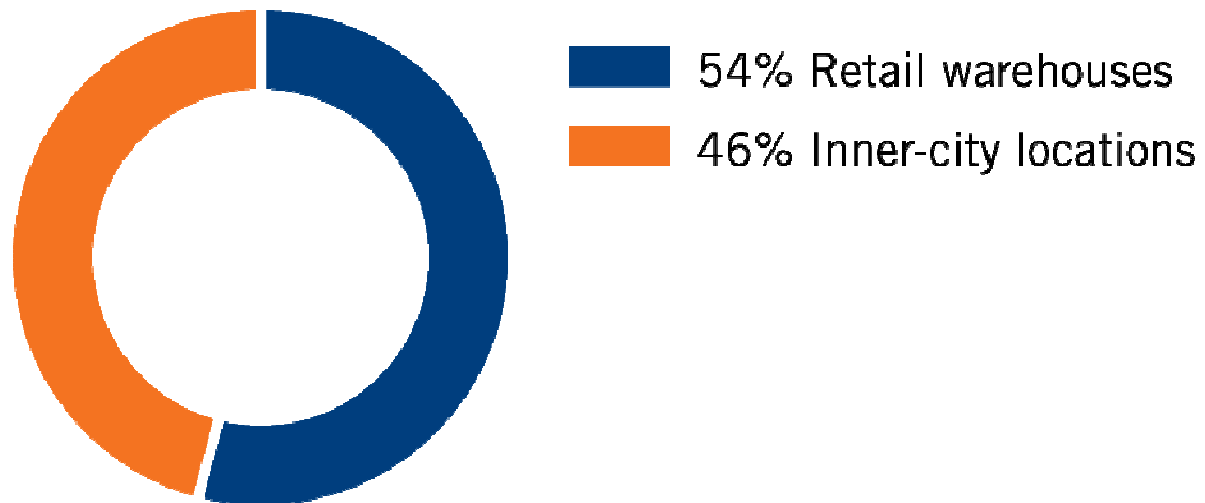
# The portfolio

- Commercial real estate
  - Inner-city locations
  - Retail warehouses
- Occupancy rate
  - 99,3 % on 31 December 2007

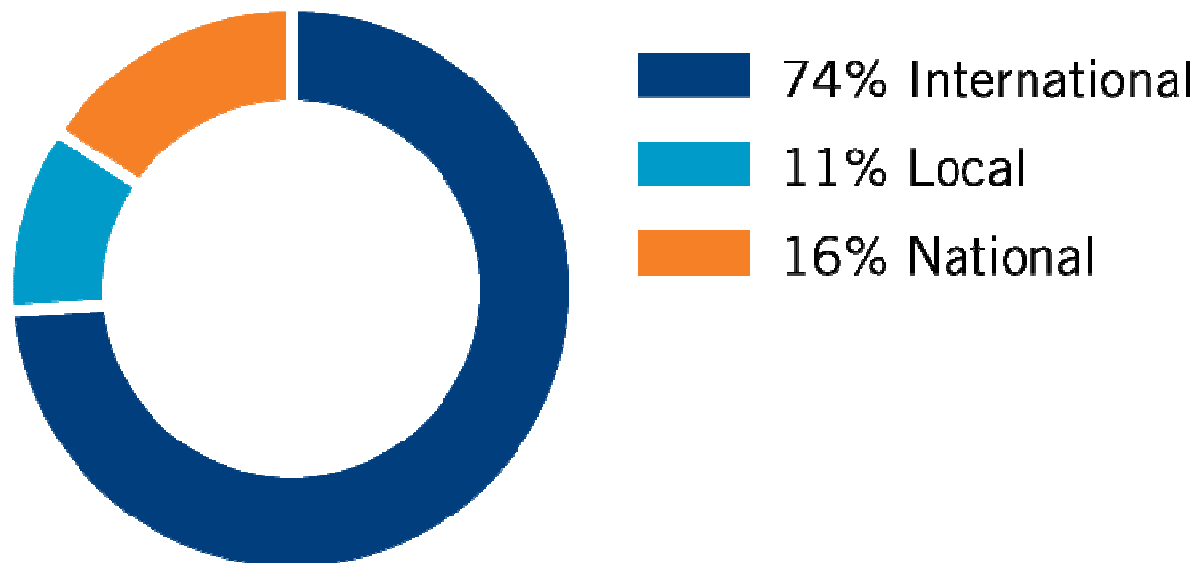
## Geographic spread



## Type of retail property



## Region of activity tenants



## 2. Important facts of 2007



# Important facts

## Divestments

- Sale of Factory Shopping Messancy
- Divestment of 3 non-strategic properties

## Investments

- Redevelopment Wooncentrum Van de Ven in Olen
- Commercial project Julianus in Tongeren
- Redevelopment Vilvoorde
- Acquisition Heytens retail portfolio

# Divestments of 2007

## Factory Shopping Messancy

- Sales agreement between parties: November 2007
- Notary deed: January 29, 2008
- Sales price: € 12 million
- No reps and warranties
- Buyer: Henderson Global Investors
- Effect of sale on 2008 operational dividend: € 0,40 per share

# Redevelopment Olen

- Council of State: rejected request for suspension of building permit
- Request for cancellation of building permit pending
- Demolition works have started in December 2007



# Commercial project Julianus in Tongeren

- Investment value: € 18 million
- Opening: 13 March 2008
- Entirely let: H&M, Kruidvat, JBC, Torfs Schoenen, Essenza, Bestsellers, Bel Company, Veritas, Zanier, etc.
- Catering: Deloberge
- Surroundings modified by city of Tongeren ongoing



# Redevelopment Vilvoorde

- Build 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 10 luxury apartments has started
- Delivery H&M: September 2008
- Delivery luxurious apartments: end 2008
- 5 apartments already sold



# Heytens retail portfolio

- Investment value: € 19,5 million
- 21 retail warehouses spread across Belgium
- Occupancy rate: 100 %
- Total lettable floor area: 17.351 m<sup>2</sup>
- 75% of shops leased to Decor Heytens



## 3. Financial results

31.12.2007

## A. Evolution of the portfolio

	31.12.2007	31.12.2006
Fair value investment properties (€ 000)	291.382	266.991
Value property developments (€ 000)	21.556	13.851
Current rents (€ 000)	18.674	18.780
Yield (%)	6,4	7,0
Current rents, including ERV on vacant properties (€ 000)	18.803	19.674
Yield if fully let (%)	6,4	7,4
Occupancy rate (%)	99,3	95,5



## B. Consolidated P & L account 31.12.2007

<i>(in € 000)</i>	31.12.2007	31.12.2006
Rental income	17.686	18.457
Rental related expenses	-518	-95
Property management related expenses and income	-61	59
<b>Property result</b>	<b>17.107</b>	<b>18.421</b>
Property charges	-4.094	-3.653
General costs and other operating income and expenses	-1.034	-953
<b>Operating result before result on the portfolio</b>	<b>11.979</b>	<b>13.815</b>
Result on disposals of investment properties	-19.531	-1.151
Changes in the fair value of investment properties	36.014	3.537
<b>Operating result</b>	<b>28.462</b>	<b>16.201</b>
Financial result	-4.556	-3.906
Taxes	-20	0
<b>Net result</b>	<b>23.886</b>	<b>12.295</b>

## C. Consolidated balance sheet

### 31.12.2007

<i>ASSETS (in € 000)</i>	31.12.2007	31.12.2006
<b>Fixed assets</b>	<b>313.413</b>	<b>281.284</b>
Intangible fixed assets	18	24
Investment properties	291.382	266.991
Developments projects	21.556	13.851
Other tangible fixed assets	379	400
Financial fixed assets	60	0
Trade receivables and other tangible fixed assets	18	18
<b>Current assets</b>	<b>18.563</b>	<b>6.124</b>
Assets held for sale	12.133	0
Trade receivables	675	1.094
Tax receivables and other current assets	4.085	3.812
Cash and cash equivalents	1.486	1.069
Deferred charges and accrued income	184	149
<b>Total assets</b>	<b>331.976</b>	<b>287.408</b>

## C. Consolidated balance sheet 31.12.2007

SHAREHOLDERS EQUITY AND LIABILITIES <i>(in € 000)</i>	31.12.2007	31.12.2006
<b>Shareholders equity</b>	<b>187.762</b>	<b>173.726</b>
<b>Non current liabilities</b>	<b>67.178</b>	<b>72.250</b>
Provisions	195	195
Non current financial debts	66.608	71.887
Other non current liabilities	69	168
Deferred tax liabilities	306	0
<b>Current liabilities</b>	<b>77.036</b>	<b>41.432</b>
Current financial debts	62.754	32.741
Trade debts and other current debts	10.625	5.110
Other current liabilities	2.341	2.358
Accrued charges and deferred income	1.316	1.223
<b>Total shareholders equity and liabilities</b>	<b>331.976</b>	<b>287.408</b>

## D. Data per share

	31.12.2007	31.12.2006
Number of shares	5.078.525	5.078.525
Number of shares entitled to dividend	5.078.525	5.078.525
Net asset value (fair value) (€ )	36,97	34,21
Net asset value (investment value) (€)	38,43	35,54
Gross dividend (€)	1,47	1,97
Net dividend (€)	1,25	1,67
Share price on closing date (€)	32,80	39,70
Discount/premium to net asset value (fair value) (%)	-11 %	16 %

## 4. Real estate market

# Real estate market

- Inner city shops
  - Strong activity
  - Increasing rents

€/m <sup>2</sup> /year	2007	2006	2005
Brussels, Nieuwstraat	€ 1.580	€ 1.560	€ 1.300
Antwerp, Meir	€ 1.500	€ 1.325	€ 1.250
Ghent, Veldstraat	€ 1.250	€ 1.235	€ 975
Brugge, Steenstraat	€ 1.050	€ 1.000	€ 850
Hasselt, Hoogstraat	€ 950	€ 925	€ 850
Luik, Vinave d'île	€ 975	€ 925	€ 850

- Shopping centers
  - High activity
  - Increasing rents
  - Top rents € 1.100/m<sup>2</sup>/year

# Real estate market

- Retail warehouses
  - High activity: more interest of inner city tenants
  - Increasing rents (top rents € 125 to € 150/m<sup>2</sup>)
  - Retail parks
- Investments
  - Low offer / high demand
  - Decreasing yields (4,5% - 4,25%)
  - 80% of investments by private investors

## 5. Outlook 2008



# Outlook 2008

- Higher dividend with the sale of Factory Shopping Messancy
- Opening commercial centre Julianus in Tongeren
- Redevelopment of Van De Ven Olen
- Vilvoorde: delivery commercial space to H & M
- Further investments depending on the market

Questions ?

