ANNUAL FINANCIAL REPORT 2009

Home Invest Belgium

Housing life

Contents


Birch House

Profile

Home Invest Belgium (limited company) has been granted the Sicafi status on 16 June 1999 and is Belgium's first private initiative Sicafi (Société d'Investissement à Capital Fixe en Immobilier / fixed capital real estate investment trust) for residential housing.

The company benefits from a preferential tax status (see Chapter X point 4), equivalent to the American REIT (Real Estate Investment Trusts) and the French SIIC (Sociétés d'Investissement Immobilier Cotées) and other indirect real estate investments, which comply with the specific legal and fiscal rules of each country.

On 31 December 2009, or at the end of its 10th year of existence, the fair value of the property portfolio of Home Invest Belgium, including the development projects, amounts to more than € 225 million, 76% of which consists of apartments and houses mainly in the Brussels-Capital Region, known for its dynamic and profitable rental market, its low vacancy rate and its high-quality residential properties.

By spreading risks over more than 1 000 rental units and concentrating on the Brussels residential market, Belgium's biggest and the one with the greatest growth and capital gain potential, Home Invest Belgium goes the extra mile to offer its investors an excellent security level, combined with good middle and long-term prospects.

Home Invest Belgium shares are listed on Euronext Brussels' continuous trading market.

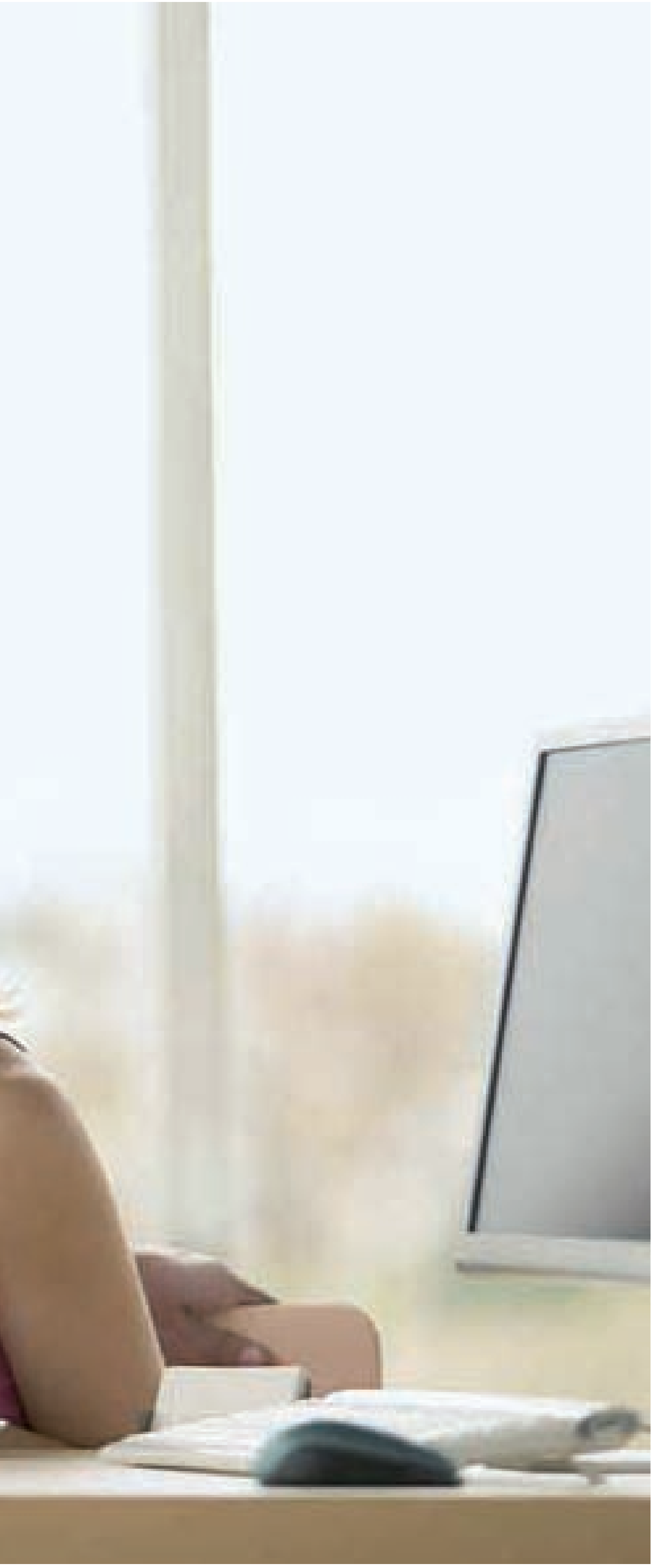
Mission

As an institutional investor on the residential rental market, **Home Invest Belgium** wishes to contribute to providing an answer to the people's most basic right and need: being able to live in decent housing

(Art. 23 of the Belgian Constitution).

Besides providing its tenants with attractive housing, Home Invest Belgium wishes to offer its shareholders a decent direct net return, combined with value creation in the long term.

Risk factors



ATTENTIVE TO MARKET EVOLUTIONS

Home Invest Belgium conducts its business in an environment subject to permanent change, which leads to certain risks.
Should these risks materialise, they could have an adverse effect on the company, its business, its outlook, its financial situation or its results.

These risks consequently need to be taken into account within the framework of the company's global management, its investment and divestment decisions, the funding cost of the first and the optimum reuse of its funding coming from the latter.

The objective of Home Invest Belgium is to manage these risks as well as possible in order to generate a stable and recurrent rental income, together with capital gains potential, under the form of positive changes in the fair value, and in the long term, realised capital gains.

The risk factors with which the SICAFI is confronted are subject to regular monitoring by both the Executive management and the Board of Directors. Cautious policies have been adopted to reduce the exposure of the Sicafi and its shareholders to these factors.

1 The economic risk - The inherent risks of investing in property

Any investment in real estate involves a certain degree of risk. The same applies for investments in securitised real estate. An investment in a Sicafi owning a diversified property portfolio provides in itself a certain degree of risk spreading.

The main risks connected with investments in real estate are:
• the development of supply and demand in the buyer market;
• the development of supply and demand in the rental market;
• the property becoming outdated on a technical and/or actual level.

These different factors may be the source of positive or negative changes in the fair value of the investment properties[1], of the occupancy rate of the property portfolio and the level of maintenance or renovation costs. As such, a decrease of 1% of the fair value of the property portfolio would entail a decrease of € 2 million of the net result (the net result of 2009 would thus have gone from € 8.1 million to € 6.1 million), but would have no impact at all on the net current result nor the distributable result. According to this hypothesis the net asset value would decrease by € 2 million, or € 0.71 per share and the debt ratio would consequently evolve from 34.82% to only 35.12%.

It should also be pointed out that:

- rents are index-linked, meaning that, at a given portfolio and occupancy rate, a Sicafi's rental income develops basically in line with inflation (or deflation);
- investment in a Sicafi is normally considered as a medium or long-term investment, for a minimum 3-year period;
- as a share listed on the Stock Exchange, Home Invest Belgium shares are subject to stock market fluctuations and the development of interest rates.

On 31 December 2009, the investment property portfolio of Home Invest Belgium (excluding development projects) consisted of 1 019 rental units representing a total surface of 118 845 m^2, 76% of which were in the Brussels-Capital Region, 8.5% in Flanders and 15.5% in Wallonia.

Given that the development of supply and demand in property is influenced by the general economic climate, the downturn in the main Belgian macroeconomic indicators at the end of 2008 – beginning of 2009, with an influence on the development of household disposable income, is likely to affect the occupancy rate of Home Invest Belgium's portfolio, and consequently, the fair value of its investment properties. During the financial year 2009 the average occupancy rate of the portfolio has thus evolved from 96% to 94.6%, while the fair value of the property portfolio, after a substantial correction during the last quarter of the financial year 2008, shows signs of a slight progression in 2009, influenced by a careful economic recovery (see hereafter: Management report).

To limit these negative effects, the Sicafi diversifies its investments, entering different types of buildings (high- and middle) and geographic locations, in order to limit the negative effects of the economic climate.

The Board of Directors and the Executive management of Home Invest Belgium are doing their utmost best to constantly add value to the Sicafi's portfolio, through the quality of commercial and technical management as well as through the rigorous selection of new investments and the in-depth analysis of divestment opportunities.

Finally, in order to limit to a minimum the risks from merger, splitting-up and acquisition, each investment file is preceded by a due diligence analysis with regard to legal, property, fiscal and other aspects.

2 The regulatory risk

Although the company is alert to respecting regulations and is therefore surrounded by experts, it is exposed to the risk of not respecting regulatory limitations, namely environmental.

On the other hand, Home Invest Belgium' business and its results for shareholders partially depend on the regulatory environment, namely the effective fiscal rules, whether federal, regional, provincial or at city level.
As is the case for any company, a change in this regulatory framework can impact the company's profitability or the shareholder's return.
Thus, in a press release of 28 January 2010, the European Commission has announced that Belgium will be asked to modify its fiscal rules regarding dividends paid by Belgian investment funds, only investing in real estate assets (Sicaf immobilières). Belgium limits the exemption of withholding at the source to dividends paid by Belgian Sicafis investing a minimum of 60% of their assets in residential real estate on Belgian territory.

It is to be noted that at the present date of editing this annual financial report, a new Royal Decree project on Sicafis is being finalised, in collaboration with the sector and the supervising authorities.

3 The risk of inflation

Home Invest Belgium is exposed, to a limited degree, to the risk of inflation, because the collected rents are adjusted in line with the development of the consumer price index, measured by the health index. However, a context of negative inflation or deflation, as has been the case in the 2nd semester of the financial year 2009, could limit the growth of the rental income. The current legislation on residential rental contracts does not allow a minimum rent in case of deflation.

By contrast, a resumption of inflation, even slightly, might entail an increase of interest rates and forms an important risk regarding the increase of the financial

[1] Excluding the development projects booked at their cost in accordance with IFRS.

	Bank	Size of credit lines (€)	Type	Used (€)	Expiry
Variable rate credits	ING	2 500 000	Roll-over credit	125 000	25/07/2010
	ING	14 950 000	Roll-over credit	14 950 000	31/05/2012
	ING	9 400 000	Roll-over credit	2 900 000	30/09/2012
	ING	6 540 000	Roll-over credit	6 540 000	31/05/2013
	ING	6 000 000	Roll-over credit	6 000 000	01/08/2013
	BNP PARIBAS FORTIS	6 250 000	Roll-over credit	6 250 000	30/09/2013
	BNP PARIBAS FORTIS	6 250 000	Roll-over credit	2 700 000	30/09/2013
	DEXIA	9 400 000	Roll-over credit	9 400 000	27/11/2014
	DEXIA	11 350 000	Roll-over credit	5 750 000	31/12/2014
	ING	12 000 000	Roll-over credit	12 000 000	31/12/2014
	BNP PARIBAS FORTIS	14 530 000	Roll-over credit	9 530 000	07/12/2014
	ING	450 000	Straight Loan	0	-
	BNP PARIBAS FORTIS	446 208	Straight Loan	0	-
Fixed rate credits	DEXIA	893 750	Investment credit	893 750	30/09/2023
Hedges	DEXIA	11 750 000	IRS	-	31/08/2010
	DEXIA	10 000 000	Floor-double Cap	-	10/07/2013
	ING	20 000 000	IRS	-	20/12/2013
	DEXIA	11 750 000	IRS	-	30/10/2014
	DEXIA	15 000 000	IRS callable	-	17/06/2019

Except for the IRS Callable of Dexia of € 15 million which is accounted for in the results, all other hedging instruments are accounted for directly in the shareholders' equity.

charges, in case the indexing of the rental income does not concur with or is inferior to the increase of the interest rates. Home Invest Belgium has taken appropriate measures to hedge against this type of risk (see item 4 below). On the contrary, deflation could lead to a decrease of the interest rates, with a decrease of the financial charges as a consequence.

4 Interest rate and exchange rate risks

Home Invest Belgium maintains a clear and cautious policy in its business funding. This policy involves the will not to expose the Sicafi – and its shareholders – to possible important rises in interest rates.

To this effect, the Board of Directors has set down the target of keeping the proportion of credits with variable interest (non-hedged) rates under 15% of the fair value of the property investments. The Sicafi also conducts a dynamic management of its cash flow, using it primarily to temporarily reduce - subject to any re-borrowing - certain lines of credit.

At the close of the financial year, the cash flow actually available amounted to:
- € 1 964 597 in the form of available liquid assets;
- € 23 921 208 in the form of re-borrowing on various lines of credit.

Home Invest Belgium pays particular attention to obtaining the best financing conditions in the banking market. To this effect, the Executive management is - in an independent capacity - in close touch with various local financial institutions. The results of this dynamic, though cautious debt policy are to be seen in the table above showing the lines of credit available to the Sicafi on 31 December 2009.

The Board of Directors considers that the interest rate risks have thereby been adequately covered. Home Invest Belgium has not mortgaged any properties nor provided creditors with any other securities.

Home Invest Belgium realises its total turnover and holds its total liabilities in the euro-zone. All financing is likewise conducted in euro. This means that the Sicafi is not subject to any exchange rate risk.

A decrease of the interest rates does however generally lead to a negative change in the fair value of the hedging instruments for interest rates[1]. In total, at the closing of the financial year 2009, this decrease had a negative impact of one euro on the NAV (net asset value) per share. A possible increase of the interest rates, probably more likely at the end of 2010, could end this constraint on the valuation of the NAV per share.

[1] The decrease of the fair value of financial instruments is accounted for in the equity of 31 December 2009 for the effective part and in the results for the non-effective part.

Home Invest Belgium has no significant exposure to price, credit or cash flow risks.

5 The risk of the counterparty bank

The conclusion of a financing or hedging instrument agreement with a financial institution creates a counterparty risk in case of default of this institution. In order to limit this counterparty risk, Home Invest Belgium appeals to different renowned banks to ensure a certain diversification of the source of its financing and hedging, always watching over the quality-price report of the services rendered. Finally we need to point out that the Sicafi's cash is primarily used to reduce the debts and that Home Invest Belgium never deposits large amounts of cash. Even if this risk can be considered as limited, the fact that one or more counterparty banks of Home Invest Belgium is in default, can't be excluded.

6 Debt structure – Liquidity risk

The vast majority of the credits granted are 'bullet credits', i.e. credits reimbursed on expiry.
Given the legal and regulatory status of Sicafis with their mission of investing in low-risk property assets – in particular in residential property – the Board of Directors of Home Invest Belgium considers that, in a context of a credit narrowing, the risk of lines of credit not being renewed on expiry which would entail a liquidity crisis, does certainly exist, but may be considered less important than a year ago.

It is worth noting that the only credit line, expiring in 2010 (€ 125 000) is negligible – 0.16% of the total – and no credit expires in the course of the following financial year. As shown in the table on the previous page, Home Invest Belgium endeavours to obtain long-term confirmed credits and achieve a good spread of expiry dates.

Home Invest Belgium's debt ratio on 31 December 2009 was 34.8%[1]. Compared to the maximum authorised debt ratio by the legislation on Sicafis (65%), theoretically, over € 200 million of additional credits could be negotiated.

The company would be exposed to a liquidity risk in the hypothetical case of the annulment or renegotiation of financing contracts, or their lack of renewal, forcing the company to an anticipated reimbursement, leading to a lack of cash.

7 Risks connected with the property portfolio

Home Invest Belgium's Board of directors and Executive management, aware of the risks connected with the management and quality of the portfolio, have set themselves strict, clear-cut criteria for investment and disinvestment, maintenance and renovation of properties, their commercial and technical management, in order to limit vacancy and obtain the best valuation of the Sicafi's portfolio.

7.1 Rents – the risk of non-payment

Total turnover of Home Invest Belgium consists of rents generated by renting properties to third parties (private individuals, social housing agencies, merchants, companies, embassies and foreign delegations, operators of nursing homes). Late or non-payment of rents and a decrease of the occupancy rate of the buildings are liable to have a negative impact on results.

In order to reduce this risk, Home Invest Belgium conducts a policy of diversified investments on the residential market, both from a geographic and sectoral perspective and with regard to the type of tenant targeted or the type of contract negotiated.

As regards non-payment, the Sicafi benefits from its position in the middle to upper-middle market segment, from its high number of tenants, and the quality of tenants selected. Non-recoverable rent defaults in the first ten financial years averaged 0.57% of total rental income, reaching 1.24% in the 2009 financial year. Within a still unfavourable economic climate, non-recoverable rent increased again compared to 2008. The non-recoverable rents amount to € 0.17 million in 2009 compared to € 0.14 million in 2008 and € 0.04 million in 2007[2].

Home Invest Belgium has reinforced its management team and its internal follow-up and control procedures, namely by the immediate launch of letters of recall, serving notice and expulsion if necessary and justified, in order to limit non-recoverable rent to a minimum. Taking into account these measures, the Board of Directors considers that overall the impact of a possible rise in the non-payment rate would have no significant effect on results.

7.2 Vacancy risk

Within the recent context of an economic crisis, the vacancy risk is surely more present than it was last year. It has entailed a slight decrease of the average

[1] The debt ratio is calculated in accordance with the provisions of Art.6 of the RD of 21 June 2006 regarding the accounting, annual accounts and consolidated accounts of public Sicafis.

[2] These non-recoverable rents are accounted for in the results under the items 'Related rental expenses – Depreciations on trade receivables and write-back of depreciations on trade receivables'.

occupancy rate in 2009 (94.60% in 2009, compared to 96% in 2008). Taking into account the large number of tenants, the fact that housing is by nature a basic need for people, as well as the demographic outlook, the risk of seeing vacancy increase significantly can be considered as limited.

7.3 Management

The attractiveness of Home Invest Belgium's property portfolio on the rental market as well as its valuation depends on the perception tenants and potential purchasers have of the properties, and in particular of their quality, their state of repair and their security. This is why Home Invest Belgium has set up its own management team, to maintain a high-quality service for tenants and to meet up, as far as possible, to their wishes and requirements.

To accomplish this, Home Invest Belgium makes use of carefully selected external service providers. In case of default of these service providers, the financial risk for Home Invest Belgium is low, as rents and service charges are paid directly into bank accounts opened in the name of the Sicafi or its subsidiary Home Invest Management. The service providers have no access to the bank accounts receiving the rents, while withdrawals from the accounts receiving the service charges are strictly limited.

7.4 Quality and valuation of properties[1]

Home Invest Belgium conducts a policy of continuously keeping its property portfolio in good repair and modernised with a view to maintaining or even increasing current rents, but also facilitating the re-letting or sale of certain selected properties.
Home Invest Belgium also acquires projects still to be finished, enabling it to ensure the high quality of properties in a long-term perspective.
When properties requiring major works are acquired, as is the case for the complex in Leuven acquired at the end of 2009, the acquisition value of the property on inclusion into the portfolio generally reflects the state of the property before renovation. The renovation costs are accounted for in the finance plan drawn up preceding the investment decision.

The risk of properties fully owned by the Sicafi being destroyed by fire, explosion or other disasters is covered by appropriate insurance policies, covering their reconstruction value to a sum total of € 149.3[2] million on 31 December 2009. Co-owned properties are themselves insured at reconstruction value by the various co-owners.

8 Average length of leases – termination or expiry of major leases

The normal duration of the leases is generally established based on the type of asset:

- 3 or 9 years for domiciles;
- from 1 to 12 months for furnished apartments;
- 9 years, renewable up to three times for commercial properties;
- 3 years minimum for offices;
- from 9 to 27 years for nursing homes.

Despite the extreme spreads of the duration of the leases, the leases signed by Home Invest Belgium are, on average, shorter than leases for professional real estate. Consequently, this can lead to a higher rotation than is the case for professional real estate, and thus to higher management costs over the life span of the building.

The Sicafi reduces this inconvenience by enhancing tenant loyalty through making an appeal to qualified property managers and experienced business agents (syndics).

Given the circumstances of the residential property and the type of properties in which Home Invest Belgium has invested, the risk of leases being terminated is spread over a very large number of tenants – more than one thousand – and a wide range of geographic locations. No major property in the portfolio is rented to a single tenant. The most important tenant represents 2.39% of total rents. No main lease expires in 2010. This risk can therefore be considered to be relatively low.

[1] See also item 1 above.

[2] This sum represents 90.9% of the fair value of the freehold estate and has the following breakdown: properties saleable in separate units: € 129.5 million, properties not saleable in separate units with a worth > € 2.5 million: € 11.9 million and properties not saleable in separate units with a worth < € 2.5 million: € 5.8 million.

Letter to shareholders

FOCUS ON RETURN AND VALUE CREATION

Dear shareholders,

We are happy to present the 2009 results of Home Invest Belgium, largely in accordance with the outlook developed one year ago. Indeed, some items of the results are marginally lower than the outlook, other items on the contrary exceed the outlook, while the context of the economic crisis we are living is generally qualified as worse than expected.

The 1st semester has been particularly difficult, following the bank and financial crisis: in an environment ruled by uncertainties, our average occupancy rate decreased during this period from 96 to approximately 94.25%, to recover afterwards and end at more than 95%[1] in only the 4th quarter.

Finally, the *net current result*[2], calculated on a consolidated basis, grows by 13% to € 6.5 million, together with a slight decrease of the corresponding net current margin following, precisely, the substantial increase of the rental related expenses and taxes on partially let buildings.

The *consolidated net result*, comprising the portfolio result, records a very significant increase of 53%, thanks to the realisation of substantial capital gains on the sale of various apartments and shops during the financial year. This strong improvement is also the reflection of a halt in the degradation of the fair value of the buildings of the portfolio, and this is new since the end of 2007 and could prove to be hopeful.

The *distributable result* of the financial year improves by 14% to € 7.7 million, or € 2.78 per share compared to € 2.73 in 2008[3], while the average number of shares with full dividend rights itself rose by nearly 12%.

As foreseen, the proposed *dividend* amounts to € 2.43 per share and represents thus a payout ratio of 87.3%, slightly superior to the one of the previous financial year of 86.5%, allowing the Sicafi to again carry forward nearly one million euro. This dividend represents an increase of 3% compared to the € 2.36 approved last year and is striking in a context of zero inflation during the period and proves, this way, the healthy situation of the Sicafi and the optimism recorded by its Board of directors and its Executive management for the next financial year.

For the shareholder who would have participated to the initial public offering (‘IPO’) in June 1999, based on the initial net asset value of € 34.46 per share, and who would have reinvested, each year, his dividend in Home Invest Belgium shares, the ‘IRR’ or Investment Rate of Return, calculated over this ten year period, and taking into account the growth of the net asset value per share, would amount to 13.92% per year.

We sincerely wish to thank our shareholders for their loyalty and their faith in the development of our Sicafi.

In this view, and knowing that the year 2009 has generally been characterised by a relatively limited number of transactions, we are pleased to having been able to realise a good transaction before the end of this year, with the acquisition of a complex comprising two residential buildings, situated in Leuven, with a value before renovation works of € 11.5 million. Financed by debt, this transaction has largely contributed to the progression of nearly 9% of the fair value of its property portfolio, from € 207.7 million at the end of 2008 to over € 225 million at the end of 2009, including the development projects. This transaction also perfectly fits within the new strategy of the Sicafi[4] of ‘pure player’, including Leuven being one of the main cities geographically.

In total, the *net asset value* of Home Invest Belgium amounts to € 149 million on 31 December 2009, an increase of € 2 million (+ 1.3%) compared to a year before. Per share, the net asset value increases marginally (+0.4%) from € 52.71 to € 52.94, and relates to a number of existing shares at the end of the year, itself increased by 0.9%.

The Board of directors remains confident for the future of residential real estate in Belgium and more specifically for the future of the Brussels-Capital Region, its main investment territory because of its capital gains potential[5] in the medium term.

The Board of Directors is also very pleased to propose the reappointment of the Directors Mrs. Ghislaine Darquennes and Messrs. Michel Pleeck and Guillaume Botermans during the next general meeting.

In case of approval, the mandates of Mr. Michel Pleeck and Mrs. Ghislaine Darquennes will expire at the end of the ordinary general meeting to be held in 2013, while the mandate of Mr. Guillaume Botermans will expire at the end of the ordinary general meeting to be held in 2016.

Finally, we wish to thank all our employees for their dynamism and their commitment, qualities that have significantly contributed to reaching the results of Home Invest Belgium in the course of the past financial year. In this regard, we are pleased to announce the extension of the Executive management

[1] Average occupancy rate, calculated based on the rents, including possible rental guarantees on vacant spaces, excluding properties held for sale and development projects.

[2] The net current result is the net result minus the portfolio result.

[3] Per share, the increase represents 2.09%.

[4] See chapter IV of this report.

[5] This potential could take the form of positive changes of the fair value of the property portfolio, as well as realized capital gains.

to include a second effective manager next to Mr. Xavier Mertens, Managing director, namely Mr. Jean-Luc Colson[1], Manager finance, active with Home Invest Belgium since its inception in June 1999.

Brussels, 31 March 2010.

Xavier Mertens
Managing director

Michel Pleeck
Chairman of the Board of directors

Ghislaine Darquennes - Strauven
Director

Gaëtan Hannecart
Director

Guillaume Botermans
Director

Luc Delfosse
Director

Liévin Van Overstraeten
Director

Guy van Wymersch - Moons
Director

[1] Mr. Jean-Luc Colson is the permanent representative of the sprlu Ylkatt, appointed as an effective manager of the Sicafi.

Key figures

MULTIPLIED BY 5 IN 10 YEARS

Property portfolio

Overall figures	**31/12/2009**	31/12/2008	31/12/2007	31/12/2006	31/12/2005	31/05/2000
Total surface area	118 845 m²	111 091 m²	92 848 m²	82 867 m²	73 871 m²	34 626 m²
Number of properties	89	92	79	75	56	22
Number of sites	47	51	41	37	26	12
Number of leases	1019	992	800	659	621	318
Occupancy rate(1)	94.60%	96.00%	96.99%	96.77%	91.26%(2)	99.08%

1) Average rate for the financial year, calculated on the basis of rents and rental guarantees for unoccupied properties and excluding properties up for sale and development projects.

(2) On excluding the Giotto property (handed over in March 2005), the average occupancy rate amounted to 94.50%.

Results

In € thousands	**31/12/2009** IFRS Consolidated	31/12/2008 IFRS Consolidated	31/12/2007 IFRS Consolidated
Net rental result	13 675.62	11 690.47	10 291.49
Property result	12 874.18	11 025.81	9 660.84
Property operating result before the result on portfolio (EBIT)(1)	8 923.97	7 818.40	6 758.83
Result on portfolio	1 559.01	-489.47	3 554.56
Operating result	10 482.98	7 328.92	10 313.38
Resultaat vóór belastingen	8 088.32	5 309.63	8 631.53
Net result	8 082.29	5 273.37	8 586.75
Net current result(2)	6 523.29	5 762.84	5 032.19
Distributable result(3)	7 695.51	6 751.73	5 619.34
Dividend for the financial year(4)	6 716.71	5 842.71	4 986.02

(1) Earnings Before Interest and Taxes.

(2) Net result minus the result on portfolio.

(3) Consolidated distributable result. The statutory distributable result in accordance with the provisions of the RD of 21 June 2006 amounts to € 7 915 526.

(4) The statutory dividend for the 2009 financial year amounts to € 6 748 087,12 and the 2008 dividend to € 5 873 182,34.These dividends include the dividend to be paid to the subsidiary, Home Invest Management, concerning the 12 912 shares held under auto-control.

Balance sheets

In € thousands	**31/12/2009** IFRS Consolidated	31/12/2008 IFRS Consolidated	31/12/2007 IFRS Consolidated
Investment properties (fair value)(1)	207 189.92	198 099.32	159 857.03
Investment value of the portfolio(2)	229 001.89	218 821.40	179 533.21
Capital	149 050.81	147 090.63	118 831.69
Total liabilities(3)	81 582.09	65 001.86	49 341.94
Debt ratio(3)	34.82 %	30.31 %	29.26 %

(1) Excluding properties for sale and development projects.

(2) Investment value, including legal fees, as estimated by the property surveyor, excluding long and short-term receivables for the long-term lease on the rue de Belgrade and the property leasing of the Résidence Lemaire (including properties for sale).

(3) Total liabilities calculated according to the provisions of Article 6 of the RD of 21 June 2006, with the 2009 dividend remaining part of company capital until the Annual General Meeting on 4 May 2010.

Ratios

In %	**31/12/2009** IFRS Consolidated	31/12/2008 IFRS Consolidated	31/12/2007 IFRS Consolidated
Gross yield on rents received or guaranteed	6.29 %	6.07 %	6.08 %
Operating margin[(1)]	69.32 %	70.91 %	69.96 %
Operational margin before tax[(2)]	50.72 %	52.60 %	52.55 %
Net current margin[(3)]	50.67 %	52.27 %	52.09 %
Distribution rate[(4)]	87.28 %	86.54 %	88.73 %

(1) Operating result before result on portfolio / property result.

(2) Result before tax - result on portfolio / property result.

(3) Net result for the financial year - result on portfolio / property result.

(4) Dividend (excluding the dividend on shares under auto-control / consolidated distributable result.

Data per share[(1)]

In €	**31/12/2009** IFRS Consolidated	31/12/2008 IFRS Consolidated	31/12/2007 IFRS Consolidated
Net asset value (before distribution)	52.94	52.71	54.82
Property result	4.66	4.45	4.46
Operating result before result on portfolio	3.23	3.16	3.12
Result on portfolio	0.56	-0.20	1.64
Net result	2.92	2.13	3.96
Net current result[(2)]	2.36	2.33	2.32
Growth in value[(3)]	0.23	-2.11	3.27
Net dividend (gross)[4)]	2.43	2.36	2.30
Return on shareholder investment[(5)]	2.66	0.25	5.57
Return in %[(6)]	5.05 %	0.46 %	10.81 %

(1) Calculated on the base of the average number of shares with full rights, except with regard to the net asset value calculated while taking into account the number of shares at the end of the financial year. The 12 912 shares held by Home Invest Management have been eliminated (cf IAS 33 § 20).

(2) Net result minus the result on portfolio.

(3) The difference between the net asset values at the beginning and the end of the financial year.

(4) Net for gross dividend, due to the fact that 60% of assets are residential buildings situated in Belgium.

(5) Dividend + growth in net asset value during the financial year.

(6) Ditto, divided by the net asset value at the beginning of the period.

Number of shares

Ordinary shares	**31/12/2009** IFRS Consolidated[1)]	31/12/2008 IFRS Consolidated[(2)]	31/12/2007 IFRS Consolidated[(3)]	31/12/2006 IFRS Consolidated	31/12/2005 IFRS Consolidated (from 01/01 to 31/12/2005)	31/05/2000 Statutory (Belgian GAAP)
At the end of the financial year	2 815 630	2 790 465	2 167 833	2 167 833	1 472 453	1 103 362
Average number of shares with full rights	2 764 079	2 475 725	2 167 833	1 703 298	1 471 362	1 103 362

(1) 2 828 542 shares on 31/12/2009 of which 12 912 shares held by Home Invest Management are to be excluded in accordance with IAS 33 § 20.

(2) 2 803 377 shares on 31/12/2008 of which 12 912 shares held by Home Invest Management are to be excluded in accordance with IAS 33 § 20.

(3) 2 178 657 shares on 31/12/2007 of which 10 824 shares held by Home Invest Management are to be excluded in accordance with IAS 33 § 20.

Consolidated Management Report

VISION AND EXPERTISE, OUR ASSETS

This management report is based on the consolidated accounts. It does however include certain figures relating to statutory accounts. Such cases are expressly indicated. The full statutory accounts, along with the statutory management report are available without charge on request from company headquarters.

1 Strategy

With a view to satisfying the needs of both shareholders and tenants, Home Invest Belgium's main stakeholders; the company has drawn up a strategy revolving both around the search for increased shareholder value, and around investments in high-quality properties which are then carefully managed in the interests of their occupants.

With regard to its shareholders, Home Invest Belgium's strategy involves seeking properties on the market capable of achieving as high a return as possible. Return is composed of the immediate return on the investment, measured in terms of the distributed dividend, and the creation of long-term value, reflected in the evolution of the net asset value, within the statutory framework applicable to residential Sicafis, i.e. currently and principally:

- minimum of 60% of the total value of the portfolio to be invested in residential properties in Belgium;
- a maximum of 20% of the total value of the portfolio to be invested in a single residential complex, except where a special dispensation has been obtained[1] ;
- a maximum debt ratio of 65% of total assets on the conclusion of any loan contract;
- in the event of profit in the financial year, the distributed dividend amounting to at least the positive difference between 80% of the amount of the *corrected result*[2] and the net decrease of the Sicafi's debt in the course of the financial year under review, subject to Article 617 of the Company Code.

After ten years of the Sicafi's existence, the Board of Directors has decided to refine the investment criteria previously adopted to give concrete expression to this strategy:

- an appreciable immediate *net return* on investment, combined with the existence of a *potential for capital gains*, in the form of positive variations in the fair value and, in the long term, in capital gains actually achieved. The possibility of investing in assets representing a lower immediate return is also open, in as much as a tangible capital gain on the initial investment can be achieved in the long term;
- the *minimum size of a transaction*: € 3 million for a property and € 5 million for a portfolio. It is in fact advisable to favour large dossiers in order to better cover management costs.
- *security* from a technical point of view (no risk of any major renovation work in the short term) and a commercial point of view (no risk of structural non-occupancy);
- *liquidity*, both with regard to the rental market in the area under consideration, and with regard to the possibility of wholesale or resale en bloc or in parcels;
- the *location*, strictly limited in Belgium, is confirmed. Priority is given to:
  - cities with more than 50,000 inhabitants in a healthy economic state, a favourable demographic evolution and showing an appreciable increase in property values between 2000 and 2007: Brussels-Capital Region (treated as a single city), Antwerp, Ghent, Leuven and Namur;
  - other smaller cities that offer advantages from the point of view of mobility (future RER (regional express railway), good public transport services) to the major employment centres: Wavre, Ottignies-Louvain-La-Neuve, Leeuw-Saint-Pierre, Asse, Hal, Kraainem.
- the *energy performance* of the properties in question, and;
- the *durability* of the design, the materials and the architecture (e.g.: a timeless style).

The Board has moreover recently reaffirmed the Sicafi's pure player strategy, which consists of predominantly investing in genuine rental residential property (apartments, houses) that is easily saleable in units and brings capital gains, in the form of *positive variations in the fair value* and, in the long term, in *capital gains actually achieved*.

- The Board also however chooses *multifunctional* real estate projects (residential/commercial/offices) that are often linked to major projects for the redevelopment of the hearts of our cities, and well-designed and structured *student housing*, located in university cities, and in *public housing* (social, "middle income" or subsidised)
- With regard to investments in the *hotel sector*, the Board considers that there is no reason to expand this category of assets beyond the ongoing Nexity group project (see point 2. below, page 21).
- Investment in *furnished apartments* and *furnished serviced apartments* also does not feature in the investment strategy; the additional initial return is in fact often offset by a higher

[1] No dispensation has been asked for up to now.

[2] The corrected result is defined in Article 7 and in Chapter 3 of the Annex to the Royal Decree of 21 June 2006.

turnover and a lower occupancy rate.
- Finally, the Board remains opposed to major investment in *assets or projects* such as rest homes, clinics or serviced residences that are let for a very long term and the fair value of which is essentially a function of the return expected by the investors. This return is in turn directly influenced by the evolution of interest rates, which are particularly low at the moment.

To achieve this, the Sicafi will continue to improve its knowledge of the residential property market in Belgium, in particular by means of contacts with specialised agents and local property surveyors.

It will thereby have available a good base of skills enabling it to gradually invest more at an early stage in projects to be developed or in the course of development, such as the ongoing projects on rue Jourdan in Saint-Gilles and Riddersstraat/Fonteinstraat in Louvain.
In fact, such projects:
- offer the possibility of finding large and complete assets, while avoiding the competition of retail sales practiced by developers;
- offer a higher initial return on account of the absence of a promotion margin to be paid;
- enable the management of the product from the point of view of its appropriateness for the rental market and its technical and commercial quality;
- contribute to the modernisation of the portfolio of investment properties.

Finally, since the beginning of the 2006 financial year, Home Invest Belgium has integrated into its strategy an active policy of arbitraging its property portfolio. Here, disposals involve mainly:
- properties deemed to be too small in relation to the management costs incurred;
- assets, which have come along with portfolios taken over by the Sicafi, which lie outside Home Invest's strategy;
- properties which have reached their peak in terms of future valuation.

These arbitrages constitute as from now one of the fundamental dimensions of Home Invest Belgium's strategy.

2 Highlights of the Financial Year[1]

2.1 Agreement with the Nexity Group and the Pierre & Vacances Group

On 12 February 2009 Home Invest Belgium signed binding agreements with the Nexity Group and the Pierre & Vacances Group involving a development project for a hotel complex and the renovation of an old city mansion.
Following the fulfilment of all of the prerequisite conditions, including the granting of the building and environment permits, Home Invest Belgium went ahead on 23 September 2009 with the acquisition of 600 Belliard 21 SA shares, with the balance of the capital of the latter, equalling 20 shares, becoming the property of its subsidiary Home Invest Management. The final purchase price for 100% of the shares, was set at € 4 million[2], with all of the usage guarantees having been negotiated to Home Invest Belgium's advantage, and in particular a rental guarantee to cover the successive marketing of the six apartments and the undertaking of any additional costs and timeframe overruns by Nexity.
Belliard 21 SA is the owner of a plot of land in Brussels, located at the corner of Rue Belliard and Rue de l'Industrie, on the edge of the European Quarter, on which the Belgian subsidiary of the French development group Nexity is developing a project which concerns a hotel complex of 109 apartments and the renovation of an old city mansion[3] into six housing units.
On the same day, an irrevocable right of usufruct for a duration of 15 years, was concluded between Belliard 21 SA and Orion Exploitation Bruxelles Belliard SA, a specialist subsidiary of the Pierre & Vacances Group, which will manage the hotel complex. The Pierre & Vacances Group is jointly and severally liable for guaranteeing Orion's commitments to Home Invest Belgium. This usufruct will be established on provisional delivery of the hotel complex, expected towards the end of the first quarter of 2011, at the same time as that of the city mansion.
The overall gross return from this transaction - hotel + housing units - is 6.21%. This should be seen as gross for net with regard to the income from the hotel complex. The conclusion of this transaction has no notable effect on the results for the year under review.

[1] For more information, we refer to the press releases and to the half-yearly financial report available on the www.homeinvestbelgium.be Internet site.

[2] This price can be broken down as follows: € 368 305 for the shares and € 3 622 348 for the repurchase of a claim on Belliard 21 SA. The total conventional value of this project, after completion, should amount to € 12 875 000 and is no higher than the provisional estimate drawn up by the surveyor.

[3] See the 2008 Annual Financial Report, page 26, and the 2009 Half-Yearly Financial Report, page 6.

2.2 Finalisation of the Lambermont real estate complex

The construction of the complex of four buildings situated along Boulevard Lambermont in Schaerbeek was able to be finalised by the provisional delivery of Block C on 31 May 2009 and that of Block D, the last one, on 30 June 2009.
The dates for the provisional acceptance of the various blocks in this complex, and those for the taking possession of the category B shares[1] are now final and are as follows:

€ 39.2 million. It should be noted that this amount is already slightly higher than the total acquisition value agreed in January 2008 (€ 39.1 million), notwithstanding the disposal of the long-term lease rights for two apartments situated in the Rue A. Hottat building and four apartments situated in the Avenue Milcamps building that took place in the meantime[4].

Lambermont	Provisional acceptance	No. of category B shares	Dividend entitlement
-block A	30/06/2008	139 271	01/07/2008
-block B	30/11/2008	135 073	01/12/2008
-block C	31/05/2009	109 111	01/06/2009
-block D	29/06/2009	12 177	01/07/2009

After detachment of coupon no. 13 on 14 May, all of the category B shares will have the same entitlement to dividends as the category A shares. Consequently, an extraordinary general meeting will be convened in May 2010, in particular to come to a decision on the modification of the representation of the company capital. In the event of approval, the distinction between category A and category B shares will be removed and all of the shares will belong to one and the same category.

The stock exchange listing of the former category B shares will be requested immediately after approval of this new representation of the capital.

Furthermore, the integration of this complex, with its 126 new apartments, two communal libraries and a crèche as well as 227 m² of offices, into Home Invest Belgium's property portfolio is thereby complete, ahead of schedule compared to the initially anticipated timetable.
On 31 December 2009 residential leases were signed for some 90.9% of the 44 apartments in Block C and 83.3% of the 6 apartments in Block D and at a level of rent slightly higher than the forecasts made at the time of the acquisition of the VOP SA portfolio. The two communal libraries and the crèche have leases of a fixed period of 25 years[2]. It should be remembered that the apartments not yet rented in these blocks were covered by a rental guarantee provided by VOP SA[3]. In accordance with the agreements concluded, this guarantee expired on 31 January 2010, following a new growth in this complex's occupancy rate.
These four buildings were part of a portfolio the fair value of which on 31 December 2009 amounted to

2.3 Construction of the Rue Jourdan building[5]

The construction for personal use of the building located at Rue Jourdan 85 in Saint-Gilles was, as planned, able to be started in September 2009 and, according to current forecasts, the works should be completed during the third quarter of 2010. The building to be erected will comprise 23 apartments on the upper floors and one small area of offices as well as 15 parking places on the ground floor. The provisional gross rental return on the total amount that will have been invested, both in the plot of land and in the construction, estimated at a maximum of € 4.2 million, including all costs, taxes, fees and interim interest, should amount to +/- 7.94%, an appreciable result which should contribute to a new improvement in the average profitability of Home Invest Belgium's property portfolio and is a sign of a good potential for long-term latent capital gains.

2.4 Conclusion of a long-term lease with Senior Living Group

On 22 June 2009, Home Invest Belgium concluded a long-term triple net lease, for a period of 27 years with Senior Living Group, specialising in the operation of rest homes and serviced residences.
It concerns "La Toque d'Argent" rest home situation in Molenbeek-Saint-Jean. The previous lessee has received his renunciation notice. This transaction negotiated for several months enables the Sicarfi to record a significant increase in the rent received (+42%), and therefore, a very noticeable rise in the fair value of this residence which amounts to € 2.67 million on 31 December 2009 compared to € 1.5 million on 31 March 2009.

[1] The share categories are described in Article 6.1 of the Articles of Association.

[2] Respective expiry dates: 28 February 2032 for the Dutch communal library and the crèche; 28 February 2034 for the French communal library.

[3] See the 2008 Annual Financial Report, page 15.

[4] With regard to these disposals: see section 2.7 below and the press releases of 19/11/2009 and 4/03/2010.

[5] The Jourdan 85 land has been transferred to the "development projects sub-heading under the investment properties heading.".

2.5 Sale of the balance of the Romanza building in Wilrijk

The sale of the apartments and garages in the Résidence Romanza building in Wilrijk furthermore resulted in the same success as previously, which finally completes the resale in separate units of this building of 20 apartments and 20 garages.
Overall, this sale programme, spread out over two years, will have made it possible to achieve a net sale price[1] of € 3.35 million, compared to the amount of € 1.97 million invested in 1999, equalling a capital gain of 69.5% compared to the initial acquisition value increased by the investments made (€ 18 617) during the period and of 21.7% compared to the latest fair values calculated before the successive sales. The internal rate of return[2] of this investment, of an average period of +/- 9 years, therefore amounts to 10.2%.
This transaction for resale in separate units, and the extent of the capital gains that it has made it possible to achieve after a relatively long investment period, constitutes an excellent illustration of the “pure player” investment strategy adopted by the company’s Board of Directors, focusing on residential middle/top of the range properties in first class locations.
Despite the cyclical and real estate downturn, the sales actually made once more illustrate the importance of the capital gains which can be achieved by a high-quality residential investment, made at the right time and in combination with selectively and professionally managed arbitrage.

2.6 Sale of a business in Nieuwpoort

Home Invest Belgium grasped a real capital gain opportunity, by carrying out the sale of a business situated at Albertlaan 208 in Nieuwpoort to its operator, achieving through this transaction alone a net capital gain of € 0.2 million.

2.7 Sale of the plots of land in Maransart and of the Hottat and Milcamps buildings

As previously announced, one of the two plots of building land in Maransart was able to be sold during the second quarter of the financial year, with the capital gain achieved in this sale alone amounting to € 0.26 million.
Moreover, the Sicafi successfully started the sale in separate units of the long-term lease rights of a residual duration of +/- 63 years concerning the Hottat and Milcamps buildings, derived from the partial split of VOP SA in May 2008, with these rights being considered non-strategic for the Sicafi in the medium term. Four apartments (of ten) situated in the Avenue Milcamps 23-25-27 building in Schaerbeek and two apartments (of thirteen and four garages) situated in the Rue Hottat 22-24 building in Ixelles were in this way able to be sold during the financial year. It should be remembered that, with regard to the units of these two buildings, Home Invest Belgium sells the long-lease right each time, whereas VOP SA sells the residual ownership rights.
It should also be remembered that 95% and 5% of the capital return achieved by the overall sale price (long-term lease right + residual ownership rights) in relation to the acquisition value of the long-term lease rights for these assets is allocated to VOP SA (€ 0.2 million) and to the Sicafi (€ 0.01 million), respectively.

2.8 Summary table of the capital gains realised on the sales (2.5, 2.6 and 2.7)

The table once more illustrates the significant importance of the capital gains which can be achieved from a high-quality residential investment, when the transaction takes place at the right time and in combination with selective arbitrage.
The total realised capital gain at the accounting level therefore amounts to € 1 288 364, whereas the distributable part of this realised capital gain amounts to € 704 590, with the difference between the two (non-distributable) being purely an accounting matter[3].

Year 2009	Sale price net of transaction costs	Accounting value + investments	Net realised capital gain	Net realised capital gain as % of accounting value	Latest fair value	Net realised capital gain as % of latest fair value
Residence Romanza	776 848	460 378	316 471	68.74 %	641 195	21.16 %
Nieuwpoort	385 000	166 830	218 170	130.77 %	167 102	130.40 %
Rue A. Hottat	270 513	93 197	177 316	190.26 %	257 265	5.15 %
Avenue Milcamps	461 127	145 790	315 337	216.30 %	418 226	10.26 %
Maransart (lot)	363 797	102 727	261 070	254.14 %	229 778	58.33 %
Total	**2 257 286**	**968 921**	**1 288 364**	**132.97 %**	**1 713 567**	**31.73 %**

[1] After agency commissions.

[2] The internal rate of return (IRR) calculates the return on the capital invested.

[3] For more detail, we invite you to consult Annex 10 of the Financial Statements.

2.9 Merger by absorption of Les Erables Invest S.A. and ERIV Mechelen SPRL

Les Erables Invest SA and ERIV Mechelen SPRL, respectively 75.06% and 100% subsidiaries of Home Invest Belgium, were the subject of a merger by absorption with Home Invest Belgium during the Extraordinary General Meeting of 29 May 2009. The merger by absorption of Les Erables Invest SA had the effect of increasing HIB's consolidated own funds by € 1.2 million, while 25 165 new Sicafi shares were issued on this occasion at the issue price of € 49.55 per share, with dividend entitlement from 1 January 2009[1]. The merger by absorption of ERIV Mechelen SPRL, on the other hand, had no effect on the consolidated own funds, or on the number of HIB shares, with 100% of the shares already being held by the Sicafi.

2.10 Acquisition of 100% of the shares of Alltherm SA[2]

On 17 December 2009, Home Invest Belgium carried out the acquisition, with its subsidiary Home Invest Management, of 100% of the shares of Alltherm SA, the owner of a large housing complex in Louvain[3]. It consists of two buildings with a total of 138 apartments, two businesses and 92 parking places, at the intersection of Riddersstraat/Petermannenstraat and on Fonteinstraat, with immediate proximity to Louvain city centre.
This property complex was built in 1994 and is entirely unoccupied; it comprises 8 399 m² for rent and has been under renovation in successive phases from the start of 2010.
Depending on the respective depth of the rental and purchase markets in this district, on the one hand, and of shareholder interest, on the other hand, the Board of directors does not rule out the sale in separate units of the building situated on Fonteinstraat.
This acquisition was fully financed by a withdrawal on a new credit line.
The Board of directors estimates that, if the whole site is kept in Home Invest Belgium's portfolio, the investment in the property complex and its renovation will total +/- € 14 530 000, with the expected initial gross return amounting to +/- 6.14%[4].
With this acquisition, the Sicafi is in particular targeting a young and professionally active clientele, such as young couples, researchers and university assistants. The complex in this respect from its design (82% of apartments have one bedroom), its location ideally situated very near to the centre of Louvain, and also to all of the university city's attractions.
This new acquisition constitutes an important step in the realisation of one of Home Invest Belgium's strategic objectives, namely the expansion of our presence in the Flemish Region, and also confirms our "pure player" strategy which consists of investing in truly residential properties (apartments, houses), situated in the country's large urban agglomerations. Given the sale of Résidence Romanza in Wilrijk, and the fact that this new acquisition is temporarily among the projects under development, the saleable part of the Sicafi's portfolio situated in the Flemish Region is reduced to 8.5%, but should in the long term exceed 14% if the whole site is kept in the portfolio.

2.11 Occupancy rate

Given the more difficult economic climate, the average occupancy rate for the whole of the 2009 financial year amounted to 94.64%, against 96% in 2008 and 96.99% in 2007. It should be noted that this occupancy rate is higher than the 94% which had been determined in the context of the forecasts for the 2009 financial year and that without the furnished apartments, it rises to 95.13%.

Furthermore, for the last quarter of 2009 alone, the average occupancy rate was 95.30%, which is the confirmation of the sector's consolidation and indeed of a slight strengthening compared to the particularly weak first half-year period.

2.12 Taking into consideration of social, environmental and ethical criteria

(see: Art. 76 of the Law of 20 July 2004)

As in the past, Home Invest Belgium has continued to pay special attention, both at Board of directors and Executive Management level, to social, environmental and ethical criteria in its decisions relating to the management of financial resources and to the exercise of the rights related to portfolio shares.
Therefore, with a view to ensuring better energy performance the Scafi has endeavoured to install condensation boilers in its Lambermont building complex, with the additional cost being partially subsidised.

3 Summary of the Annual Consolidated Accounts (see also Chapter VIII. Financial Statements)

The consolidated accounts for the 2009 financial year set forth below have been compiled in line with International Financial Reporting Standards (IFRS) and the provisions of the Royal Decree of 21 June 2006 on accounting, annual accounts and the consolidated accounts of Sicafis.

[1] In accordance with the merger plan and the IAS 40 standard, from an accounting point of view, the absorption will take effect on 1 January 2009.

[2] The merger by absorption of this company by Home Invest Belgium will be presented to an Extraordinary General Meeting to be held in May 2010. All of the shares will be held by Home Invest beforehand.

[3] See also the press release of 18 December 2009.

[4] The acquisition value of the building in its current state amounts to € 11 500 000; it is no higher than the investment value determined by the Sicafi's approved property surveyor. The renovation works have been estimated at € 3 030 000 and are now the subject of various offers.

3.1 Balance Sheets 2008-2009

IFRS CONSOLIDATED BALANCE SHEET (in €)	**2009**	2008
ASSETS		
I. Non-current assets	**227 160 629**	**209 324 419**
B. Intangible assets	1 815	3 896
C. Investment properties	225 625 958	207 687 474
E. Other tangible assets	53 236	81 035
F. Non-current financial assets	105 846	91 293
G. Finance lease receivables	1 373 774	1 460 721
II. Current assets	**7 108 327**	**5 101 577**
A. Assets held for sale	2 176 005	641 195
C. Finance lease receivables	86 947	81 273
D. Trade receivables	1 207 863	774 446
E. Tax receivables and other current assets	1 656 784	1 995 627
F. Cash and cash equivalents	1 964 597	1 543 240
G. Deferred charges and accrued income	16 131	65 797
TOTAL ASSETS	**234 268 956**	**214 425 996**
SHAREHOLDERS' EQUITY AND LIABILITIES SHAREHOLDERS' EQUITY	**149 050 809**	**147 090 631**
A. Capital	70 946 880	69 730 907
B. Share premium account	19 093 664	19 093 664
C. Treasury shares purchased (-)	-757 323	-757 323
D. Reserves	70 043 381	70 535 113
E. Profit		
E.1. Profits carried over from previous years	4 321 403	3 556 025
E.2. Profit from the year being reported(2)	7 811 649	6 608 088
F. Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties	-19 608 464	-19 626 194
G. Changes in fair value of financial liabilities	-2 800 381	-2 049 649
LIABILITIES	**85 218 147**	**67 335 365**
I. Non-current liabilities(3)	**80 011 639**	**63 595 057**
B. Non-current financial debts	76 848 750	61 481 093
C. Other non-current financial liabilities	3 162 889	2 113 964
II. Current liabilities(3)	**5 206 508**	**3 740 308**
B. Current financial debts	835 312	559 355
D. Trade debts and other current debts	3 205 872	1 641 540
E. Other current liabilities	692 153	1 319 867
F. Accrued charges and deferred income	473 171	219 546
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**234 268 956**	**214 425 996**
Number of shares at the end of the period(1)	2 815 630	2 790 465
Net asset value	149 050 809	147 090 631
Net asset value per share	**52.94**	**52.71**
Debt as defined in the Royal Decree of 21 June 2006	81 582 087	65 001 855
Debt ratio	**34.82 %**	**30.31 %**

(1) The total number of shares in circulation is 2 828 542, from which it necessary to exclude the 12 912 Home Invest Belgium treasury shares held by the company (IAS 33, paragraph 20).
(2) Item E.2. is calculated on the basis of the net result of the income statement less heading XVIII. "Changes in fair value of investment properties".
(3) A reallocation between non-current liabilities and current liabilities was made in the 2008 financial year amounting to € 65 000 and concerns the transfer of a bank credit from long-term to short-term.

3.2 Comments on the 2009 balance sheet

3.2.1 Assets

The *intangible assets* relating to the investment in the WinIris software made several years ago are now only included for their remaining balance which has not yet been written off.

In the course of the financial year, the fair value of the *investment properties*[1] rose from € 207.7 million on 31 December 2008 to € 225.6 million on 31 December 2009, development projects included, equalling 8.6% growth, mainly

- the provisional acceptance, in two phases, and the integration into the Sicafi's portfolio, of blocks C and D of the Lambermont project derived from the partial split of VOP SA; on 31 December 2009, with the total fair value of this project (blocks A, B, C and D) amounting to € 29 million;
- the integration of the Belliard 21 SA project amounting to € 5.8 million;
- the cost of the plot of land and the ongoing works for the Jourdan 85 project in Saint-Gilles, amounting to € 1.1 million;
- various renovation works carried out in our buildings to keep them in line with the requirements of the current rental market, amounting to € 0.8 million;
- the balance derived from slightly positive variations in the fair value of portfolio properties during the course of the 2009 financial year.

And despite

- the transfer during the financial year of the Hottat and Milcamps buildings and two plots of building land in Maransart under the properties for sale heading;
- the sale of a business located on Albertlaan, 208 in Nieuwpoort to its tenant;

The development projects mentioned above amount to a total of € 18.4 million compared to € 9.6 million on 31 December 2008.

The *non-current financial assets* amount to € 0,1 million, up by 16% compared to the previous year, following the increase in the fair value of hedging instruments in application of the IAS 39 accounting standard.

The *finance lease receivables*, amounting to € 1.4 million constitute the balance of the value of the income derived from the leases on the property on Rue de Belgrade and on Résidence Lemaire: the long-term part of this income is listed under non-current assets, while the short-term income (less than a year) is listed under current assets[2].

Assets held for sale have increased from € 0.6 million to € 2.2 million: They include the long-term lease rights held on the units not yet sold in the Rue A. Hottat and Avenue Milcamps properties, as well as the second plot of building land in Maransart.

Nearly half of *trade receivables* are made up by rent arrears from investment properties, which represent 4% of the rent earned in 2009 and, for the balance, by amounts to be received from some provisional sales agreements signed at the end of 2009. The considerable increase (+56%) compared to the situation at the end of 2008 is exclusively due to the amounts to be received from purchasers following the signature of these provisional agreements.

Tax receivables and other current assets, down by 17% in comparison with 2008, consist of € 0.3 million in tax receivables (withholding tax on liquidation proceeds and advance payment), with the balance consisting of advances made to various co-owners and short-term receivables from finance leases.

Cash and cash equivalents amount to € 2 million against € 1.5 million the previous year. Please remember that liquidity arising from the Sicafi's activities is used to temporarily reduce certain short-term lines of credit in the short term rather than being invested in treasury or liquid assets.

Deferred charges and accrued income amount to € 0.02 million against € 0.07 million in 2008.

3.2.2 Shareholder equity and liabilities

On 31 December 2009, Home Invest Belgium's capital amounted to € 70.9 million, represented by 2 828 542 shares, of which 12 912 were held as treasury shares and are not included in per-share calculations.
On 29 May 2009, the capital was increased by € 1.2 million[3] represented by 25 165 new shares, on the occasion of the merger by absorption of Les Erables Invest SA.

Reserves remain at a practically unchanged level of € 70 million against € 70.5 million in the previous year due to low variation of the fair value of investment properties with a constant perimeter listed under unavailable reserves. The same applies for the "Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties" heading. Please remember that the impact

[1] The fair value of investment properties is determined in accordance with the rules set forth in the "Notes on the consolidated financial statements" included in the "Financial Statements" Chapter below.

[2] The amounts are detailed in the "Financial Statements" Chapter.'

[3] After taking into account the fees associated with the capital increase.

corresponds to the corrections made to move from the investment value of properties to their fair value, in accordance with the rules set forth in the "Notes on the consolidated financial statements" included in the Financial Statement in Chapter VIII below.

Profits carried over from previous years at present amount to € 4.3 million, or € 1.53 per share, compared to € 3.6 million the previous year (+21.5%).

As to the *profit of the financial year* under review, it amounts to € 7.8 million, rising by 18.2% compared to 2008. It corresponds to the net result of the financial year, less the net balance of the variations in the fair value of the investment properties listed under reserves (see above).

The *dividend* payable from 14 May 2010 after approval by the General Meeting, amounts to € 6.7 million, or € 2.43 per share with full entitlement. After detaching coupon no. 13, the profit carried over from the first ten financial years will amount to € 1.92 per share.

The *change in the fair value of financial assets and liabilities* corresponds to the evolution of the fair value of the effective interest rate hedging instruments designated as effective under the IAS 39 concluded by the Sicafi. Given the continuation of the fall in interest rates during the first half of the 2009 financial year and the virtual status quo during the second, this negative item went from € - 2.0 million in the previous year to € - 2.8 million on 31 December 2009. Overall this item therefore has a negative, but latent, influence on Home Invest Belgium's own funds, and consequently on the net asset value per share, amounting to exactly € 1.

Non-current financial debts are up from € 61.5 million in the previous year to € 77 million following the acquisition of Belliard 21 SA and Alltherm SA and the financing of the works for the Jourdan 85 project.

Current financial debts are € 0.8 million against € 0.5 million in 2008 and mainly represent the rental guarantees received, the provisions for charges received by the tenants and the credit lines expiring during 2010.

Trade debts and other current debts have almost doubled to € 3.2 million compared to the previous accounting year. They represent debts with suppliers amounting to € 0.78 million, rents received in advance amounting to € 0.44 million, tax debts amounting to € 0.65 million and, finally, exit tax debts amounting to € 1.33 million.

Other current liabilities amount to € 0.69 million and represent dividends from previous financial years not yet claimed by shareholders and the balance representing the balance of the price for the acquisition of the shares of Alltherm SA amounts to € 0.1 million.

Deferred charges and accrued income, at € 0.5 million, consist mainly of the share in rents relating to the next financial year and the accrued interest from financial charges.

Finally, the net asset value per share amounts to € 52.94[1] and consolidates that of one year before of € 52.71, despite the decrease in the fair value of hedging instruments and the 1% rise in the number of shares at the end of the financial year compared to the end of 2008.

[1] Calculated without the 12 912 Home Invest Belgium shares held as treasury shares (IAS 33, paragraph 20).

3.3 Results 2008-2009

Consolidated income statement (IFRS) (in €)	2009	2008
I. Rental income	13 895 469	11 892 750
III. Rental-related expenses	-219 846	-202 278
NET RENTAL RESULT	**13 675 622**	**11 690 472**
IV. Recovery of property charges	87 602	89 357
V. Recovery of charges and taxes normally payable by the tenant	366 730	345 292
VII. Charges and taxes normally payable by the tenant	-1 255 773	-1 099 312
PROPERTY RESULT	**12 874 181**	**11 025 810**
IX. Technical costs	-1 261 645	-1 091 005
X. Commercial costs	-480 575	-373 367
XI. Charges and taxes on unlet properties	-197 475	-75 260
XII. Property management costs	-1 492 323	-1 217 362
(+/-) Property costs	**-3 432 018**	**-2 756 994**
PROPERTY OPERATING RESULT	**9 442 163**	**8 268 815**
XIV. General corporate expenses	-518 191	-450 420
OPERATING RESULT BEFORE PORTFOLIO RESULT (A)	**8 923 972**	**7 818 395**
XVI. Gains or losses on the sale of investment properties (B)	1 288 364	845 247
XVII. Gains or losses on the sale of other non-financial assets (C)		
XVIII. Changes in fair value of investment properties (D)	270 644	-1 334 719
OPERATING RESULT (E)	**10 482 980**	**7 328 923**
XIX. Financial revenues	271 082	527 827
XX. Interest charges	-2 241 000	-2 469 640
XXI. Other financial charges	-424 747	-77 477
(+/-) Financial result	**-2 394 665**	**-2 019 290**
PRE-TAX PROFIT (F)	**8 088 315**	**5 309 633**
XXII. Corporation Tax	-6 022	-21 007
XXIII. Exit Tax	0	-15 257
(+/-) Taxes	**-6 022**	**-36 264**
NET PROFIT ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY (G)	**8 082 294**	**5 273 369**
Net profit attributable to the owners of the parent company, per share	2,92	2,13
Current net profit =((G) - (B) - (C) - (D))	6 523 285	5 762 841
Current net profit per share	**2.36**	**2.33**
Profit on the portfolio =((B) + (C) + (D))	1 559 009	-489 472
Profit on the portfolio per share	**0.56**	**-0.20**
Profit available for distribution and attributable to the owners of the parent company(6)	7 695 513	6 751 726
Profit available for distribution and attributable to the owners of the parent company per share	**2.78**	**2.73**
Average number of shares with full entitlement	2 764 079(1)	2 475 725
Number of shares at end of period	2 815 630(2)	2 790 465
Proposed dividend(7)	2.43	2.36
Operating margin(3)	69.32 %	70.91 %
Operating margin before tax(4)	50.72 %	52.60 %
Net current margin(5)	50.67 %	52.27 %
Payout ratio(9)	87.28 %	86.54 %
Other elements of the total result:		
Changes in fair value of financial instruments(10)	-750 732	-2 501 435
Total result attributable to the owners of the parent company(8)	**7 331 561**	**2 771 933**
Total result attributable to the owners of the parent company, per share	**2.65**	**1.12**

(1) The average number of shares with entitlement is corrected to take account of the 109 111 shares with entitlement from 1 June 2009 on a pro rata basis and the 12 177 shares with entitlement from 1 July 2009 on a pro rata basis. The 12 912 shares held as treasury shares are excluded (IAS 33, paragraph 20).
(2) The total number of shares in circulation is 2 828 542, from which it necessary to exclude the 12 912 Home Invest Belgium treasury shares held by the company (IAS33, paragraph 20). We therefore obtain 2 815 630 at the end of the period. The difference between 2008 and 2009 derives from the 25 165 issued in the context of the merger with Les Erables Invest SA.
(3) Operating figures before portfolio / property figures.
(4) Pre-tax profit - portfolio / property figures.
(5) Net profit for the financial year - portfolio / property figures.
(6) This profit available for distribution is calculated on a consolidated basis. The statutory result available for distribution according to the RD of 21 June 2006 - Article 7 amounts to € 7 915 526 or € 2.85 per share (including treasury shares). On 31 December 2008, it amounted to € 6 825 196 or € 2.74 per share. All other references to the profit available for distribution in the present report relate to the profit available for distribution on a consolidated basis.
(7) The dividend is determined on the basis of the statutory result.
(8) There are no minority interests.
(9) Dividend / profit available for distribution.
(10) The financial instruments only concern those directly listed under own funds in accordance with IAS 39.

3.4 Comments on the 2009 results

3.4.1 Net rental result

Rental income amounts to € 13.9 million against € 11.9 million in 2008. This increase of 16.8% is mainly due to the full effect over twelve months of the rents from the Les Erables property in Woluwé - Saint-Lambert, the Haverwerf commercial complex[1] in Malines and blocks A and B of the Lambermont complex, and, to a lesser extent, the introduction of blocks C and D of the same complex during the financial year.

Rental-related expenses have risen again by 8.7%, to € 0.22 million, a reflection of a more difficult rental market, with reductions in value on trade receivables rising by nearly 18%.

The *net rental income* thus amounts to € 13.7 million compared to € 11.7 million a year earlier (+ 17%).

3.4.2 The property income

Charges and taxes normally payable by the tenant consist mainly of property withholding taxes paid by the Sicafi and amount to € 1.3 million, up 14.2% compared to 2008. Part of this withholding tax (€ 0.4 million) has however been passed on to certain tenants in accordance with applicable legislation (businesses, offices, rest homes). This means that the *property result* is € 12.9 million, up 16.8% from € 11 million a year earlier.

3.4.3 Property charges

Technical costs involve property maintenance and renovation costs and amount to € 1.3 million, up 15.6% compared to € 1.1 million in 2008.

Commercial costs amount to € 0.5 million, a noticeable rise of 28.7% compared to € 0.4 million in 2008, already up 48% against 2007. These costs include commissions paid to estate agents for the conclusion of new leases, the shared cost of inventories and the fees of lawyers engaged in the context of strict rental management of the portfolio. They also partially reflect the economic crisis which worsened during the financial year and which requires more work in order to keep rates of high-quality occupancy up.

The *rental charges and taxes on unlet properties* of € 0.2 million, up 162%, are the charges that the Sicafi has to bear for each rental vacancy. They are therefore directly in line with the occupancy rate[2], which in actual fact went from an average of 96% in the 2008 financial year to an average of 94.64% in 2009.

Property management costs represent staff expenses and the operating costs of Home Invest Management SA, the fees of the Managing Director and those paid to Estate & Concept SA for the management of the Résidences du Quartier Européen complex. They amount to € 1.5 million against € 1.2 million a year earlier, an increase of 22.6%.

In total, *property costs* have risen 24.5% compared to the previous year, which is greater than the rise in the property income.

3.4.4 The property operating result

Consequently the property operating income amounts to € 9.4 million, up 14.1% compared to the result of € 8.3 million recorded in 2008.

3.4.5 The operating figures before the portfolio figures

The Sicafi's *general expenses* encompass all charges not directly connected with the direct exploitation of the properties. They consist mainly of fees associated with the Sicafi's stock exchange listing and with its special legal status (NYSE Euronext Brussels, supervisory authority, subscription taxt to the SPF Finances, etc.), the fees due to the Auditor, to advisors, to the Sicafi's approved property surveyor, to the custodian bank and to the Sicafi's promoters. They amount to € 0.52 million, up 15% compared to 2008, which recorded a drop of 25%.

This means that the operating figures before the portfolio figures amount to € 8.9 million, an increase of 14.1% compared to 2008.

3.4.6 The operating figures

The *portfolio result* is back to being very positive (+ € 1.6 million) after the negative result of € - 0.5 million in 2008. This is due, on the one hand, to changes in the fair value of investment properties which are back to being slightly positive, amounting to € 0.27 million (€ - 1.3 million in 2008), but also to the substantial capital gains realised which went from € 0.8 million in 2008 to € 1.3 million in 2009, a new rise of 52.4% (already + 55% in 2008). This appreciable income once more attests to Home Invest Belgium's ability to generate capital gains in the interest of its shareholders.

The operating income (after taking the portfolio result into account) therefore amounts to € 10.5 million, a substantial rise of 43% compared to € 7.3 million in 2008. This income is slightly higher than that recorded in 2007, generally considered a record year in the real estate sector.

3.4.7 The financial income

The *financial revenues* of € 0.27 million comprise the interest on deposits received, finance lease charges and the income resulting from financial hedging instruments. This heading is on the decline because of the notable fall in interest rates in 2009.

Interest charges are also down by 9.3% compared to 2008, also due to this fall in interest rates.

[1] Previously owned by ERIV Mechelen SPRL, absorbed by Home Invest Belgium on 29 May 2009

[2] Average rate over the financial year, calculated on the basis of rents and any rental guarantees on the unoccupied properties, with the exception of development projects and properties in the process of being sold in separate units.

Other *financial charges* are significantly up from € 0.08 million to € 0.42 million comprising the negative change in the fair value of a callable IRS concluded in June 2009 amounting to € 0.3 million, and considered ineffective according to IAS 39.
In total, the *financial income* (negative) amounts to € - 2.4 million against € - 2 million, up 18.6%.

3.4.8 Net profit for the financial year

The *profit before tax* therefore amounts to € 8.09 million against € 5.3 million in 2008, up 52.3%. The improvement in the net profit is of the same order of magnitude (+ 53.3%), to € 8.08 million. Expressed per share, the net result is up by 37.3%, from € 2.13 to € 2.92.

3.4.9 Development of margins

After two successive years of improvement in margins, they are down in 2009, whether it be

- the operating margin[1]: 69.32% against 70.91%
- the operating margin before tax[2]: 50.72% against 52.60%
- the net current margin[3]: 50.67% against 52.27%

The reasons for this reduction in the margins were explained in sections 3.4.1, 3.4.3 and 3.4.5.

3.5 Appropriation of the result

The *consolidated distributable profit* amounts to € 7.7 million, up by 14% compared to the 2008 figure[4].
This relates to an average number of shares with full dividend rights, which has itself increased by 11.7%, from 2 475 725 shares in 2008 to 2 764 079 shares in 2009.
No transfer has been made to the legal reserve.
During the financial year, no event occurred which would have justified the formation of provisions as defined by IFRS reference standards.

Accordingly, based on the statutory accounts, the Board of Directors proposes the following to the Annual General Meeting of Home Invest Belgium shareholders:

• to carry over an overall sum of	€ 1 283 575
• to distribute in respect of return on capital a dividend of € 2.43 per share, or	€ 6 748 087[5]
Total	**€ 8 031 662**

The proposed dividend abides by the provision in Article 7 of the Royal Decree of 21 June 2006 on Sicafi accounting, being above the 80% minimum distribution requirement of the sum of corrected profits and net capital gains from the sale of properties provided they are not exempt from the obligation of being distributed, reduced by the net reduction in the company's debt during the course of the financial year, as stated in the statutory annual accounts. This required minimum amounts to € 6 332 421.

In accordance with current legislation, this dividend will be paid gross for net due to the special status of Home Invest Belgium as a Sicafi with at least 60% of its portfolio invested in residential property situated in Belgium. By way of reminder, these special tax provisions relating to exemption from the 15% withholding tax were introduced in 1995 in order to compensate, on the one hand, for the fact that the withholding taking tax cannot, itself, be passed on to tenants in residential properties and, on the other hand, for the costs of managing a housing stock which are disproportionate in comparison with those of professional properties such as offices or businesses.

If approved by the General Meeting, the dividend will be paid from 14 May 2010 by standing order to holders of registered or dematerialised shares, and to the bearer at branches of BNP Paribas Fortis Bank, in return for coupon no. 13 detached from the shares.

3.6 Reconciliation of the result of the financial year with item E2 (in €)

Statutory level:

• Net result:	€ 7 589 434
• Change in the fair value of investment properties:	€ + 442 228
Balance:	**€ 8 031 662**

This balance is distributed as follows:

• Dividend:	€ 6 748 087
• Carry over:	€ 1 283 575

Consolidated level:

• Net result:	€ 8 082 294
• Change in the fair value of investment properties:	€ - 270 644[6]
Balance:	**€ 7 811 649**

This balance is distributed as follows:

• Dividend:	€ 6 716 711
• Carry over:	€ 1 094 938

3.7 Holdings

Home Invest Belgium declares that the only holdings it owns are

- shares in Home Invest Management SA (HIM), its 100% subsidiary since 27 février 2004,
- 600 shares in Belliard 21 SA held since 23 September 2009, with the balance of that company's capital, equalling 20 shares, owned by its subsidiary Home Invest Management, and

[1] Operating result before portfolio / property figures

[2] Pre-tax profit – portfolio / property income

[3] Net profit – portfolio / property income

[4] The statutory distributable profit calculated in accordance with the R.D. of 21/06/06, amounts to € 7 915 526 up by nearly 16% and relates to an average number of shares with full entitlement having itself increased by 11.6%, going from 2 488 637 shares in 2008 to 2 776 991 shares in 2009.

[5] This dividend is determined on the basis of the statutory accounts.

[6] The difference between the change in the fair value of investment properties at the statutory level and at the consolidated level derives from the impact of the mergers of ERIV Mechelen and of Les Erables Invest, which were absorbed on 29 May 2009.

- 2 099 shares in Alltherm SA held since 17 December 2009, with one share in that company being held by its subsidiary HIM.

The country of origin of each of these subsidiaries is Belgium.

3.8 Own shares held

On the date of the close of the 2009 financial year, Home Invest Management SA, a 100% subsidiary of Home Invest Belgium, held a total of 12 912 shares in Home Invest Belgium. On this same date these shares were valued on a statutory level at € 54,30 per share or a total of € 701 121.60.
These shares are the result on the one hand of the merger by absorption of the subsidiaries Investim SA and Immobilière Van Volxem SA on 24 May 2007, amounting to 10 824 shares representing € 658 177.37 and on the other hand of the merger with the subsidiary JBS SA on 26 May 2008, amounting to 2 088 actions representing € 99 145.30.

3.9 Transactions with related parties

With the exception of the remuneration of the Managing Director, there have been no transactions with related parties as defined by IAS 24 and Articles 523 and 524 of the Company Code, during the course of the financial year under review (see Corporate Governance Chapter: remuneration report).
Likewise, no transaction took place during the course of the 2009 financial year that gave rise to a conflict of interest as defined by Article 24 of the RD of 10 April 1995.

3.10 Auditor's Fees

The Auditor received fees amounting to a total of € 41 200.50 (incl. VAT). These are broken down as follows:

- Remuneration of the Auditor: € 26 378
- Remuneration for special services particular assignments accomplished within the company by the Auditor:
  1. Other attestation assignments: € 7 865
  2. Other non-audit assignments: € 6 957.50
- Remuneration for special services or particular assignments undertaken within the company by persons linked to the Auditor(s):
  1. Tax advice: € 0

It should be noted that the Auditor's mandate will expire at the end of the Ordinary General Meeting which will be held on 4 May 2010; and in fact, according to the recommendations of the Institut des Réviseurs d'Entreprise, his mandate cannot be renewed for a third term.

The General Meeting will have to reach a decision on the proposal by the Board of Directors to appoint in his place Mr. Karel Nijs, company auditor, with his registered office at Potvlietlaan 6, 2600 Antwerp.

3.11 Risk factors

The risk factors are described in Chapter I of this Annual Financial Report.

3.12 Information pursuant to Article 119, item 6 of the Company Code

Mr Guillaume Botermans, independent director and Member of the Audit Committee has the independence and competence required by the above-mentioned item 6 of Article 119 of the Company Code, with regard to accounting and auditing. He has a specific academic background in finance together with proven experience in the management of property certificates (see the Corporate Governance Declaration Chapter).

4 Management Bodies

4.1 Appointment and cooptation of directors - Mandate renewal[1]

The General Meeting of 6 May 2009:

- appointed Mr. Guy Van Wymersch-Moons[2] as a director for a period of six years, with his mandate expiring at the end of the 2015 General Assembly, and
- renewed the mandate of Mr. Xavier Mertens as a director for a period of six years, with his mandate expiring at the end of the 2015 General Meeting.

Furthermore, it has been suggested to the General Meeting of 4 May 2010 to:

- renew the mandate of Ms. Ghislaine Darquennes as a director for a period of three years, with her mandate expiring at the end of the 2013 General Meeting;
- renew the mandate of Mr. Michel Pleeck as a director for a period of three years, with his mandate expiring at the end of the 2013 Ordinary Meeting, and
- renew the mandate of Mr. Guillaume Botermans as an independent director as defined in Article 526 ter of the Company Code for a period of six years, with his mandate expiring at the end of the 2016 General Meeting.

4.2 Creation of the Audit Committee

As announced in the 2008 Annual Financial Report, the Audit Committee was established on 8 April2009[3],

[1] For more information: see the "Corporate Governance Declaration" Chapter

[2] In his capacity as representative of AXA Belgium, one of the company's most important shareholders

[3] For more details, see the 2008 Annual Financial Report, pages 113 and 114.

a function which until then was exercised by the Board of Directors as a whole. It is chaired by Ghislaine Darquennes, Director, and is made up of Mr. Michel Pleeck, Director and Chairman, Mr. Guillaume Botermans and M. Guy van Wymersch-Moons, Directors

4.3 Enlargement of the Executive Management

As to the Sicafi's Executive Management, exercised up until now by the only Managing Director, Xavier Mertens, it has been enlarged to include Ylkatt SPRLU, with its permanent representative Jean-Luc Colson, Finance Manager, since 21 January 2010.
Home Invest Belgium thereby has two executive managers, in accordance with the provisions of the Law of 20 July 2004 and in particular those included in its Article 38.

5 Significant Events since closure of the Financial Year

No significant events, that could have any major influence on the company's financial situation, have occurred since the close of the financial year.

It should be noted that on 20 January 2010, a violent explosion occurred in the property situated at no. 18, Rue Léopold in Liège. Home Invest Belgium has a property situated at nos. 2 to 8 on this same street, and which falls within the safety perimeter which was gradually put up from 4 February. This property, 80% of which was rented before the event and which only suffered minor damage, has been the subject of various checks by an approved organisation and will be placed back on the Liège rental market as quickly as possible. It in any case only represents 1.6% of the total investment value of the Sicafi's portfolio.

Furthermore, the *Appointments and Remuneration Committee*, a function up until now exercised by the Board of Directors as a whole and formally created at the end of the 2009 financial year, was installed on 12 February 2010. It is chaired by Michel Pleeck, director and Chairman, and is made up of Guillaume Botermans and Luc Delfosse, both independent directors.

6 Highlights that have contributed to the Growth of Home Invest Belgium's Activities.

In over ten years of its existence, the Sicafi has increased its initial property portfolio fivefold. Some major projects are at the origin of this appreciable growth:

- the merger with Mons Real Estate SA in April 2001;
- the merger with Les Résidences du Quartier Européen SA in May 2002;
- the purchase of the Cours Saint-Michel property in July 2002;
- the contribution of three properties held by the AXA Belgium Group, paid for in new Sicafi shares in December 2003;
- the turnkey purchase of the Giotto complex, handed over in March 2005;
- the merger with 205 Rue Belliard SA and Patroonshuis SA in May 2005;
- the purchase with immediate entry of Résidence Colombus, handed over in October 2007;
- the merger with Immobilière du Prince d'Orange SA in May 2006;
- the increase in own funds, amounting to € 31.6 million, through the issue of 619 380 new shares, in October 2006;
- the merger with Investim SA and Immobilière Van Volxem SA in May 2007;
- the partial split with VOP SA and the merger with JBS SA, in May 2008;
- the merger with ERIV Mechelen SPRL and Les Erables Invest SA in May 2009;
- the acquisition of Alltherm SA in December 2009.

7 Research and Development Activities

Home Invest Belgium carried out no research or development during the financial year.

8 Miscellaneous Information

The Board of Directors has no information about circumstances that are likely to have a notable influence on the Sicafi's development as defined in Article 119, item 3 of the Company Code.
The company's objectives and policy regarding the management of financial risks, the exposure of the company to credit risk, price risk, liquidity risk and treasury risk as well as the financial instruments and their use, are described in Chapter I "Risk Factors".

9 Information in Accordance with Article 34 of the Royal Decree of 14 November 2007 on the Obligations of Issuers of Financial Instruments Admitted to Trading on a Regulated Market[1]

Set forth below is the information explaining the elements likely to have an effect should a public takeover bid be made for the acquisition of the shares of Home Invest Belgium, in accordance with Article 34 of the Royal Decree of 14 November 2007.

[1] See also the Law of 1 April 2007 on public takeover bids and item 21.2.6 in Annex I of the Prospectus Regulation 809/2004.

1 The authorised capital of Home Invest Belgium is represented by 2 828 542 fully paid up shares without designation of face value. There are two categories of shares, Category A shares and Category B shares (see Chapter X)[1].

2 There are no restrictions imposed by law or set down in the articles of association on the transfer of securities.

3 There are no holders of securities with special control rights.

4 There is no share plan for the employees.

5 There is no restriction imposed by law or set down in the articles of association on the right to vote.

6 Home Invest Belgium is not aware of any agreements made between its shareholders that may result in restrictions on the transfer of securities or the exercise of voting rights. However a lock-up period exists with VOP SA, with the following conditions:

- for Category A shares allocated to the VOP Group: until 22 May 2009. These shares are therefore freely transferable as of this date.
- for Category B shares: until 22 May 2010.

7 The rules applicable to the appointment and replacement of Board members and to amendment of the articles of association of Home Invest Belgium are those set forth in the applicable legislation - in particular the Company Code - the Law of 20 July 2004 relating to certain forms of collective management of investment portfolios and the Royal Decree of 10 April 1995 on Real Estate Sicafs - as well as those contained in the articles of association of Home Invest Belgium[2]. The articles of association do not deviate from the above-mentioned provisions imposed by law.

8 In accordance with Article 6 of the articles of association[3], the Board of Directors is authorised to:

- increase the registered capital of the company in one or more instalments in the context of the authorised capital (Article 6.2 of the articles of association), up to a maximum of € 70 392 471.38.
  This authorisation is valid for a 5-year period beginning on 12 June 2008;
  There was no use of this authorised capital during the 2009 financial year.
- acquire shares of the company or take them in pledge within the limits foreseen in Article 6.3 of the articles of association which provides for:

a) on the one hand, the option to acquire shares of the company at a price per share equal to at least 80% of the most recent Net Asset Value published prior to the transaction date, and to no more than 105% of the said Value, for a period of 18 months from 23 May 2008, on the understanding that the company may not at any time hold more than 10% of all issued shares[4], and

b) on the other hand, the option, for a period of three years commencing on 12 June 2008, to purchase shares of the company, should such acquisition be necessary to avoid serious and imminent damage to the company. It should also be noted that on 31 December 2009, Home Invest Management, a 100% subsidiary of Home Invest Belgium, held 12 912 shares in Home Invest Belgium. 10 824 were allocated on 24 May 2007 as part of the 2007 mergers with Investim and Immobilière Van Volxem, and 2,088 were allocated on 23 May 2008, as part of the 2008 merger with JBS[5].

9 Home Invest Belgium is not party to any important agreements, which would come into effect, alter or terminate upon a change of control resulting from a public takeover bid.

10 There are no agreements between Home Invest Belgium and the members of its Board of Directors or employees, which provide for compensation, when, following a public takeover bid, there are resignations or a cessation of activities.

10 Profile of Home Invest Belgium Shareholders

Given the favourable legal set up of the Sicafis in general, and of residential Sicafis in particular, shareholdings in Home Invest Belgium can make for interesting investments for private and institutional investors alike.

In this respect, the two categories of investors may be interested in this type of investment, no only by means of acquisitions of securities on the stock exchange, but also by means of transactions transferring real estate assets held directly or via special structures, whether it be a contribution in kind of properties or shares in real estate companies, the merger of a real estate company with the Sicafi or the total or partial split of a real estate company followed by contribution-merger with the Sicafi.

This type of transaction presents the dual advantage of:

- being free of the constraints related to commercial, administrative, financial and technical management, which is relatively burdensome in the residential sector

[1] Category A shares representing 86.01% and Category B shares representing 13.99% of total capital. They have the same rights, with the one exception that the dividend rights of Category B shares come into effect in line with the provisional acceptance - in phases - of the Lambermont project (see Chapter X "Permanent Document" section 2.1 of the 2008 Annual Financial Report)

[2] The articles of association are set out in full in Chapter X "Permanent Document" below.

[3] For the detailed conditions and modalities, see Article 6 of the articles of association in Chapter X "Permanent Document" below.

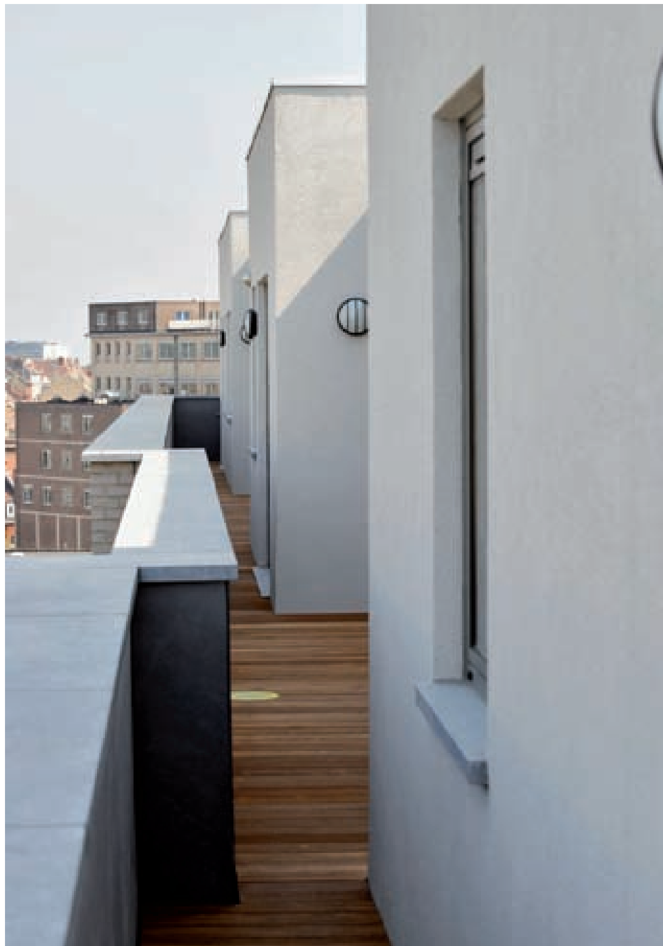
[4] This period expired on 23 November 2009.

[5] On 31 December 2009, these shares were posted for a value of € 701 121.60 or € 54.3 per share. The acquisition value rose to € 757 322.67 or € 58.65 per share.

and specific for an institutional investor with a portfolio that is for the most part made up of transferable securities;
- benefiting from the advantages offered by this type of investment: a good spread of investment risk, the professionalism of the management, the improved liquidity of stock exchange listed securities, high transparency in corporate governance and favourable legal and tax provisions.

11 Discharge of Directors and the Auditor

The Board of Directors proposes to the General Meeting of shareholders that it grants discharge to the directors and the Auditor in respect of their mandates in separate votes for the financial year ending 31 December 2009.



Home Invest Belgium on the stock market[1]

ALREADY ONE DECADE

[1] This chapter does not belong to the parts subject to the control of the statutory auditor

1 Listing and comparisons

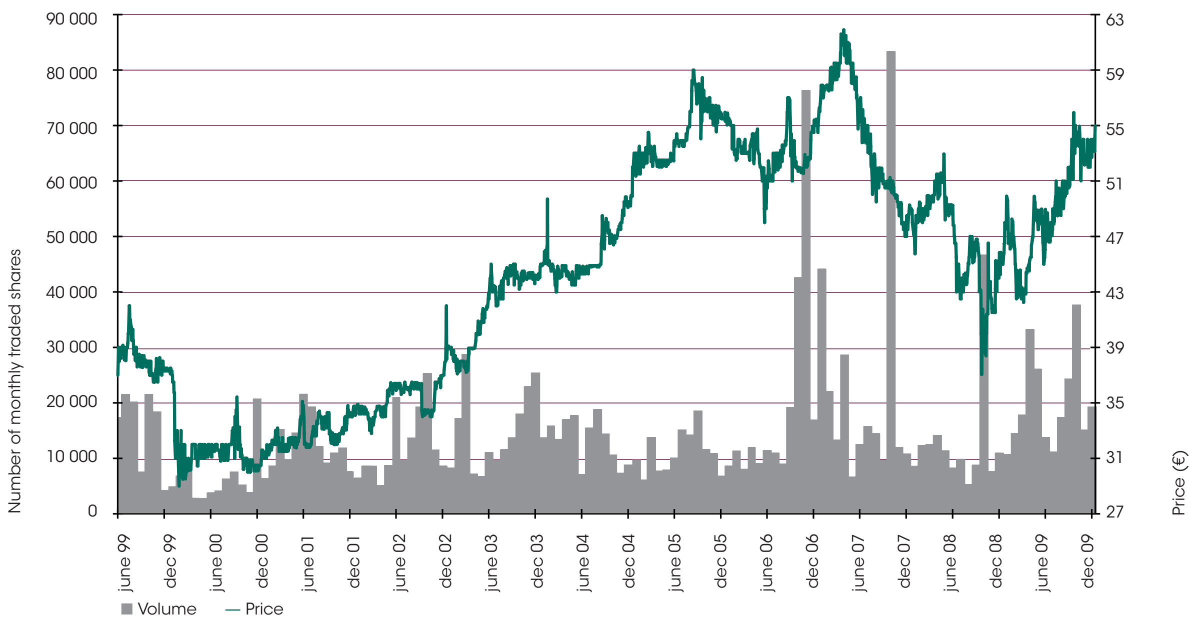
Home Invest Belgium shares were originally (as from 18 June 1999) listed on the fixing market, before being transferred to Euronext Brussels' continuous trading market with its greater liquidity on 15 January 2007 Symbol: HOMI - ISIN-Code: BE 0003760472).

The first *closing price* of 2009 amounted to € 45; afterwards, the share price (closing price) followed a negative trend to reach its minimum level at € 42.25, during the financial year 2009, on 24 March. It recovered subsequently quasi-continuously, except for two short periods of weakness, in June after detaching coupon nr. 12 on 14 May and in November. In the meanwhile, it had reached its top level on 22 October to end the year, practically at this level, at € 54.30, compared to € 45 on 31 December 2008.

This progression of 21% over the entire year 2009 is certainly less spectacular than the performance of the BEL20 index (+27%), but we should remind that this same index had dropped by over 40% over the entire year 2008 compared to only a 9% decrease of the share price of Home Invest Belgium.

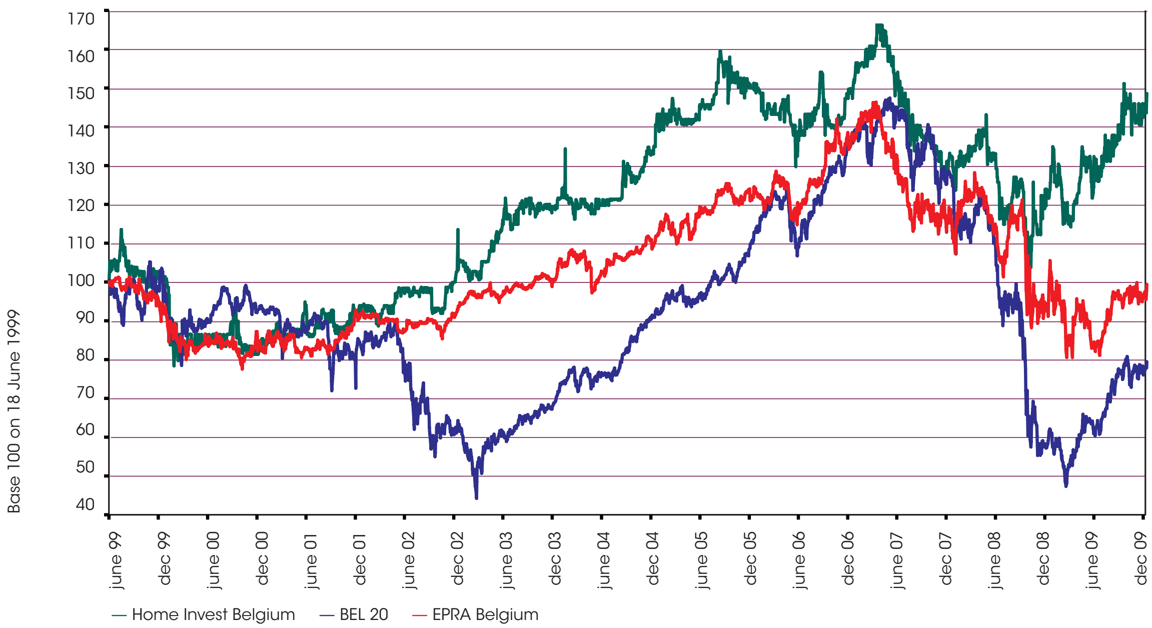
At a share price of € 54.30, the net return, based on a dividend of € 2.43 proposed to the ordinary General Meeting of the Sicafi of 4 May 2010, amounts to 4.48%, or over 200 base points above the current return of the OLO on 5 years[1]. The previous year, the net return for the shareholder, measured in the same way, amounted to 5.24%.

Evolution of the share price since the IPO 1999-2009



[1] Average yield on 5-year Belgian government bonds (OLO) on 9 March 2010: 2.43%

Comparison of the stock market evolution: Home Invest Belgium - BEL20 - EPRA Belgium index since the IPO2[1]



Calculated from 18 June 1999, the first day Home Invest Belgium shares were listed, to 31 December 2009, the stock market performance of Home Invest Belgium shares has been better, and sometimes substantially, than the performance of the EPRA Belgium or BEL20 indices.

2 Net asset value and discount

Evolution of the share price compared to the net asset value

[1] Additional information on these indices can be obtained at NYSE Euronext Brussels for the BEL20 index and for the EPRA Belgium index, on the website www.epra.com.

The *net asset value* is calculated and published quarterly by way of a press release and publishing on the website www.homeinvestbelgium.be. It is equal to the total amount of shareholders' equity on the closing date concerned, divided by the total number of shares in circulation at that point in time (this means excluding shares in auto-control).

In the course of the 2009 financial year, the net asset value before distribution registered a limited increase of 0.44% compared to its level at the start of the financial year, evolving from € 52.71, level already reached again on 30 September 2009, after a low (€ 50.55 on 31 March 2009) to € 52.94 on 31 December 2009.

The positive trend arisen during the second semester could in particular find its origin in, on the one hand, the revaluation of the fair value of some investment properties by the independent expert and, on the other hand, in the realisation of capital gains on sold assets. To note that this limited progression was reached notwithstanding a negative change (unrealised) in the fair value of the effective and ineffective hedging instruments during the financial year of € 1 million, or € 0.37 per share.

Evolution of the net asset value per share[1]

Statutory accounts in belgian gaap

	Before distribution	After distribution
01/06/1999	34.46	-
30/11/1999	35.89	-
31/05/2000	37.72	35.76
30/11/2000	37.57	-
31/05/2001	38.94	36.95
30/11/2001	38.28	-
31/05/2002	39.44	37.39
30/11/2002	38.85	-
31/05/2003	40.67	38.54
30/11/2003	40.88	-
31/05/2004	44.67	42.67
30/11/2004	44.98	-
31/05/2005	48.05	-[2]
31/12/2005	50.38	46.91
Consolidated accounts in IFRS		
31/12/2005	48.15	
30/06/2006	50.51	
31/12/2006	51.55	
30/06/2007	53.58	
31/12/2007	54.82	
30/06/2008	54.21	
31/12/2008	52.71	
30/06/2009	51.41	
31/12/2009	52.94	

It is worth noting that the net asset value per share remains 54% above its initial value of € 34.46 on its stock market debut in June 1999.
This evolution reflects the quality of the property investments made by Home Invest Belgium and its asset management, as well in terms of maintenance-renovation as regarding the timing of the sale of individual units, together with the good state of the residential real estate market in which it has been operating.

Home Invest Belgium has indeed benefited:

- on the one hand, from being established at the right moment of the residential property cycle, i.e. in June 1999 prior to the significant rises in property values recorded in the years 2002 – 2007, which currently enables the company to dispose of certain assets with appreciable capital gains;

- on the other hand, from having always given priority to truly residential property – apartments, studios and houses, with accessory and limited investments in other residential asset classes, such as hotel residences and nursing homes.

Home Invest Belgium shares have been traded at a discount on the net asset value published quarterly during the first three quarters of the financial year, to record a premium during the fourth quarter.
On 31 December 2009 the closing price (€ 54.30) of Home Invest Belgium recorded a small premium of 2.57% compared to the net asset value at the end of the financial year.

[1] For the accounts established according to Belgian GAAP, the net asset value does not comprise the year-end dividend. On the contrary, for those established according to IFRS, the net asset value does comprise the year-end dividend.

[2] Extension of the financial year from the end of May to the end of December.

3 Key figures of the share on 31 December 2009

Number of issued shares	2 828 542
Number of shares admitted to stock market trading:	2 432 910(1)
Market capitalisation based on closing price	€ 153.6 million
Closing price	€ 54.30
Highest price	€ 55.00 (22 October 2009)
Lowest price	€ 42.25 (24 March 2009)
Average price	€ 48.63
Yearly volume	241 645 (against 157 037 in 2008)
Average monthly volume	20 137 (against13 086 in 2008)
Average daily volume	986 (against 685 in 2008 : + 44 %)
Velocity(2)	16.69% (against 11% in 2008)
Net dividend	€ 2.43 per share
Gross dividend yield(3) (%)	4.48 %

(1) The shares admitted to trading on the stock market do not comprise the shares of the category B.
(2) Number of trade shares / free float.
(3) Gross dividend for net / closing price.

Some 241 645 Home Invest Belgium shares were traded during the 2009 financial year, or some 986 shares per trading session, compared with 157 037 in 2008 (685 per trading session), which represents nearly 10% (9.93%) of the number of shares of the Sicafi admitted to trading on the stock market.

One can therefore see a major increase in the velocity rate, in relation to the total number of shares issued, increase which could find its origin, on the one hand, in the renewed interest of investors in the Sicafi ‘product’ in general, and the investment strategy of Home Invest Belgium in particular, an on the other hand, the more dynamic communication policy of the Sicafi.

4 Dividend policy

Home Invest Belgium is committed to offering its shareholders a dividend equal to or above the rate of inflation in the long run. Between 2000 and 2008, the net dividend rose from € 1.96 to € 2.36 per share, i.e. an increase of over 20% in the period of eight years or an average annual increase of 2.35%. In the same period, the ‘health index’ (l’indice santé) rose 2.25% annually. For the 2009 financial year, a dividend of € 2.43, up 3% compared to the negative evolution of the ‘health index’ (- 0.25%), is being proposed by the Board of directors to the ordinary General Meeting of shareholders. The payout ratio will thus amount to 87.3%.

The policy of selective arbitrages on portfolio, begun in the 2006 financial year, is expected to continue in the course of the following years, providing an appreciable contribution to the growth of distributable profits.

It is worth noting that in the first ten years quite a sizeable portion of profits was carried forward and now amounts to a consolidated value of € 1.92 per share[1] and to a statutory level of € 1.84 per share[2], after payment of the dividend. This should enable the company to maintain dividends in the future, should conditions in the rental market become more difficult.

[1] Calculations on a consolidated basis and after 2009 profits appropriation.

[2] Calculations on a statutory basis and after 2009 profits appropriation.

5 Return on investment for shareholders

The return on investment is to be measured both with regard to the immediate yield that can be derived, and to the increase in net asset value that the investment may present. The addition of these two components constitutes the annual return on investment.

In the case of a Sicafi, the importance of the immediate return may be high, but the capacity to generate capital gains is the true seal of quality in the long term.
For those Home Invest Belgium shareholders *not having reinvested* dividends every year, the average return, is equal to 11.01% per year over the 1999/2009 period, notwithstanding the low return of the last two years.

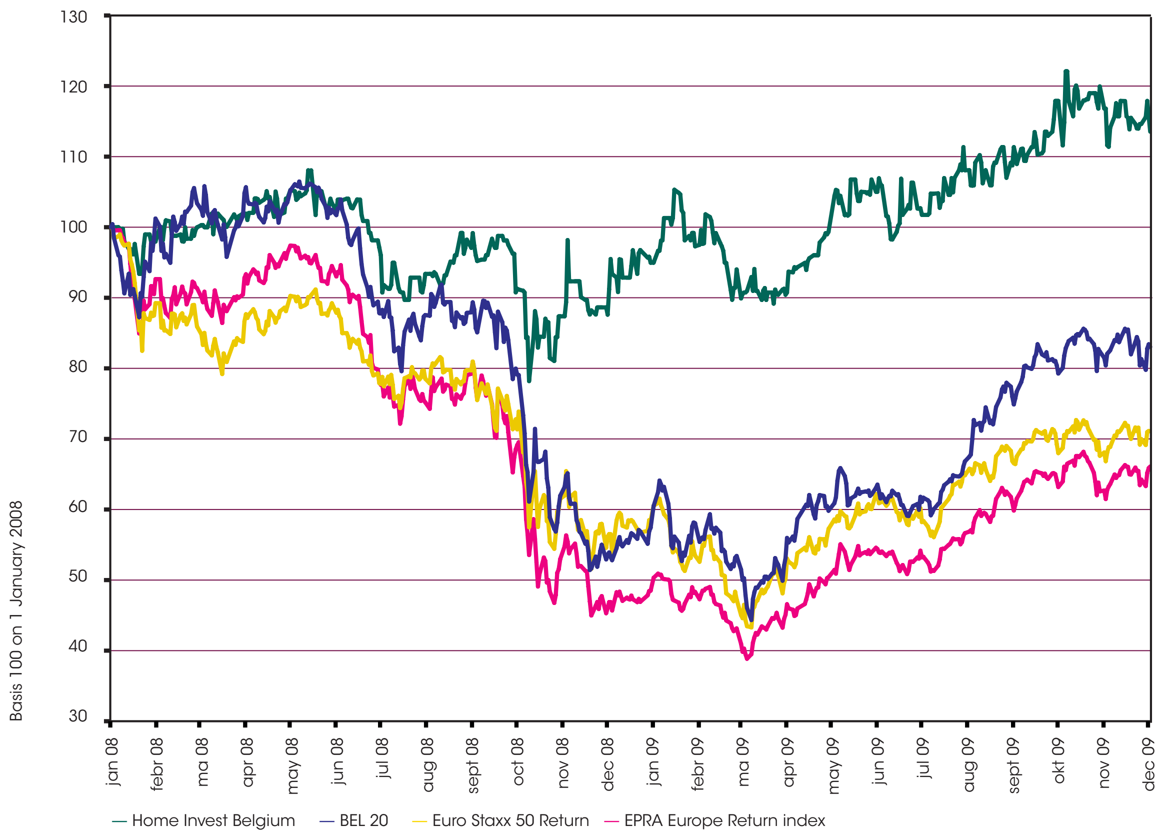
Return(1) (€)	Net asset value excluding dividend	Value growth	Gross/net dividend	Return per share(2)	Return in % for the shareholder(3)
Consolidated accounts in IFRS					
31/12/2009	50.51	0.16	2.43	2.59	5.14 %
31/12/2008	50.35	-2.17	2.36	0.19	0.36 %
31/12/2007	52.52	3.21	2.3	5.51	11.17 %
31/12/2006	49.31	3.35	2.24	5.59	12.16 %
31/12/2005	45.96	4.17	2.19	6.36	14.47 %
Statutory accounts in Belgian GAAP					
31/12/2005	46.91	4.24	3.47	7.71	11.41 %(4)
31/05/2004	42.67	4.13	2.16	6.29	16.32 %
31/05/2003	38.54	1.15	2.13	3.28	8.77 %
31/05/2002	37.39	0.44	2.07	2.51	6.79 %
31/05/2001	36.95	1.19	2.02	3.21	8.98 %
31/05/2000	35.76	1.3	1.96	3.26	9.46 %
01/06/1999	34.46	-	-		

(1) Based on consolidated figures for the financial years 2006, 2007 and 2008 (statutory figures for the previous financial years). Net asset value is excluding dividend.
(2) Dividend of the financial year plus net asset value growth during the financial year.
(3) Idem, divided by the net asset value at the beginning of the financial year.
(4) Rebased to twelve months (12/19).

For shareholders who took part in the June 1999 IPO (Initial Public Offering) and since reinvested all dividends in Home Invest Belgium shares, the investment rate of return calculated over the nine-year period would be 13.92%, and this, in spite of the weak performance of the share price during the last two years, due to the general slump of property registered in the marketplace.
This return cannot be compared with that of the majority of other Sicafis, due to the fact that the latter are calculated before the 15% withholding tax on dividends, whereas Home Invest Belgium is not subject to such withholding tax. In addition, as a residential Sicafi, Home Invest Belgium is subject to property tax on the major part of its portfolio, without being able to recover it as other Sicafis can.

[1] The investment rate of return (IRR) calculates the return of the capital invested.

Comparison of the evolution of the return of Home Invest Belgium compared to real estate return indices and stock performance indices[1]



The quality of the return on investment of Home Invest Belgium shares is confirmed by the graph above, showing the excellent resistance - measured in terms of return – of the Home Invest Belgium share compared to the BEL20, Eurostoxx 50 and EPRA Europe return indices. It is noteworthy to record that, notwithstanding the heavy economic crisis context during 2008 and 2009, this return has remained largely positive during the entire period under review.

[1] Additional information on these indices can be obtained at Euronext Brussels (BEL20) and on www.epra.com (EPRA Europe Return Index) and www.stoxx.be (Eurostoxx 50 Return).

6 Shareholders – free float

The table below lists Home Invest Belgium's registered shareholders and those who have issued a transparency statement, in line with the statements received by the company:

Shareholders	Number of shares	% of capital	Category[1]
Group VOP * [2]			
Category A	**227 000**	**8.03 %**	
Stavos Luxembourg SA	226 934	8.02 %	A
COCKY SA	33	0.00 %	A
Mr. Liévin Van Overstraeten	33	0.00 %	A
Category B	**395 632**	**13.99 %**	
Stavos Luxembourg SA	395 514	13.98 %	B
COCKY SA	59	0.00 %	B
Mr. Liévin Van Overstraeten	59	0.00 %	B
AXA Belgium * [3]	**429 164**	**15.17 %**	A
De Federale Verzekeringen *	**105 296**	**3.72 %**	A
Groep ARCO * [4]	**102 575**	**3.63%**	
Arcopar CVBA	77 575	2.74 %	A
Auxipar SA	25 000	0.88 %	A
Other nominative shareholders	**112 021**	**3.96 %**	A
Total known	**1 371 688**	**48.49 %**	
Free Float	**1 456 854**	**51.51 %**	
General total	**2 828 542**	**100.00 %**	

* Shareholders having issued a transparency statement in accordance with the Transparency Legislation of 2 May 2007 (status on 1 September 2008).

(1) For more details on the distinction between Category A and Category B shares, please refer to the Management Report (point 2.2) and to the Articles of Association Article 6).

(2) Stavos Luxembourg SA is 100% controlled by the 'Stichting Administratiekantoor Stavos' Foundation under Dutch law, with its registered office at 2517JK Gravenhage, President Kennedylaan 19. Stichting Administratiekantoor Stavos, Stavos Luxembourg SA, Liévin Van Overstraeten and Cocky SA have concluded an agreement to act together when exercising their voting rights.

(3) AXA Belgium is a subsidiary of AXA Holdings Belgium, itself a subsidiary of AXA SA. The operational units of the AXA Group, including its insurance subsidiaries, act and exercise their voting rights independently of any other unit of the AXA Group involved in asset management, under the conditions set down in Art. 11.2 of the Law of 2 May 2007.

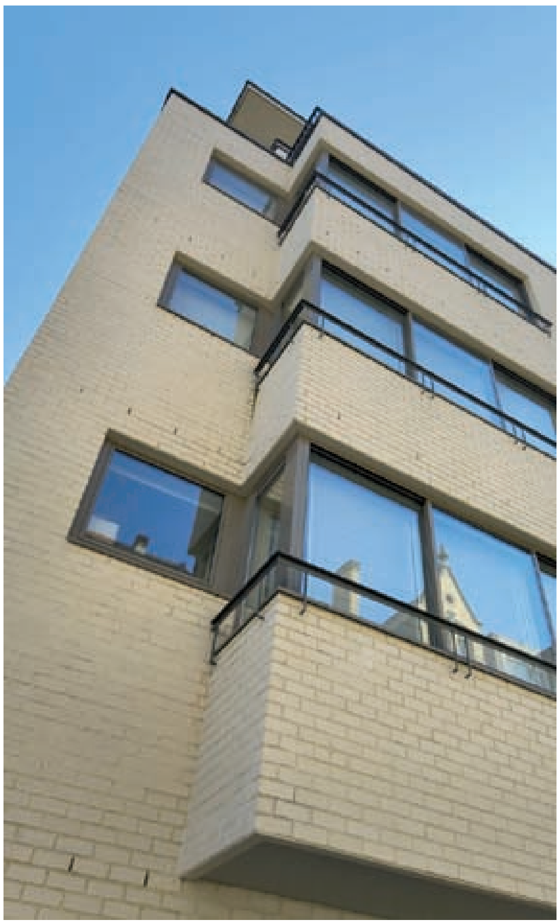
(4) Arcopar scrl and Arcoplus scrl constitute a consortium. Auxipar SA is under the joint control of Arcopar scrl (and its subsidiary Arcofin scrl) and Arcoplus scrl.

It is worth remembering that Art. 8 of Home Invest Belgium's Articles of Association expressly provides for the obligation of any shareholder increasing or decreasing his shareholding to the respective thresholds of 3%, 5% or a multiple of 5% of capital to give notice of such to the Sicafi and the CBFA via a transparency statement.
The company's free float represents some 51.51% of total capital, represented by 2 828 542 shares).

There is no dominant shareholder controlling the Sicafi and there is no provision in the deed of constitution, the articles of association, any charter or any other internal regulation which could have the effect of delaying, deferring, or preventing a change of control.
All shares have the same voting rights.
The 12 912 shares held by Home Invest Management, a 100% subsidiary of Home Invest Belgium, are a result of the mergers with the companies Investim and Immobilière Van Volxem in 2007 and JBS in 2008.
Any amendment to the rights of shareholders requires an amendment of the articles of association (set forth in the Permanent Document), in accordance with the provisions of the Company Code.

7 Shareholder calendar

• Annual results for the 2009 financial year	4 March 2010
• Annual general meeting for the 2009 financial year Interim statement: 1st quarter results on 31 March 2010	4 May 2010
• Payment of the dividend for the 2009 financial year	14 May 2010
• Financial report for the first half ending 30 June 2010	26 August 2010
• Interim statement: 3rd quarter results on 30 September 2010	18 November 2010
• Annual results for the 2010 financial year	3 March 2011
• Annual general meeting for the 2010 financial year Interim statement: 1st quarter results on 31 March 2011	3 May 2011
• Payment of the dividend for the 2010 financial year	13 May 2011



Real estate report[1]

RESIDENTIAL REAL ESTATE TO LIVE IN

The following items 1 and 2 have been transcribed from the report of the certified real estate surveyor, with his agreement, while the items after them contain supplementary details, mainly based on balance sheet data or taken from various regular assessment reports issued by the certified real estate surveyor.

Disclaimer:
Taking into account the fact that at the moment of editing this annual financial report the data on the real estate market evolution, as produced by the NIS (Federal Public Service Finance), are only available till 30 September 2009, this chapter has to be read taking into account the following elements:
- Regarding point 1 hereafter ('Status of the market'):
  - the graphs and comments recorded in the first part 'Status of the residential real estate market in Belgium', take into account the data published for the first three quarters;
  - the graphs and comments recorded in the following parts en related to the market situation in the Brussels-Capital Region, the Flemish Region and the Walloon Region, are established, only based on the data of the 3rd quarter of 2009, compared to the corresponding period in 2008.
- As to the points 2. and 3. hereafter, respectively 'Report of the real estate surveyor for the financial year 2009' and 'The consolidated real estate portfolio of Home Invest Belgium', the recorded data are the data on 31 December 2009.

[1] The Real estate Report is not subject to the control of the statutory auditor.

1 Status of the residential real estate market in Belgium

Surveyor's report of Winssinger & Associés SA on 31 December 2009)

The Belgian market

More than one year after the stock market and financial crisis of 2008, we can from now on measure the impact of the latter on the real economy and especially on real estate for the entire country.

Knowing that household's confidence has decreased during the period, acquisition, renovation or move projects have often been delayed, yet cancelled, sometimes at the benefit of the rental market. Therefore it is not surprising that the market has recorded a clear decrease of the transaction volume in 2008 and 2009, with however a slight recovery in activity recorded by the notaries as from the third quarter of 2009.

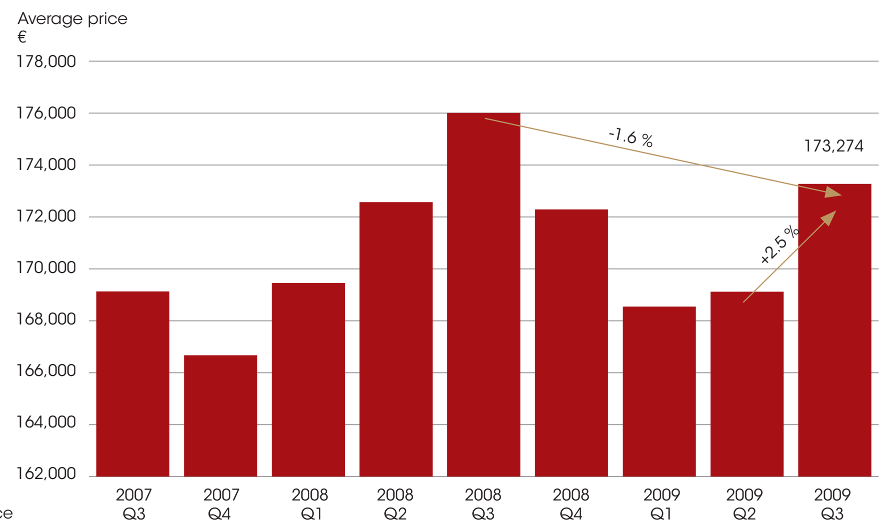
Moreover, according to the figures published by the Federal Public Service Finance, we record a decrease of the transfer rights of nearly 17% for 2009 compared to 2008, and this, despite the already catastrophic months of November and December 2008.

Over the same period, the price correction recorded as from the fourth quarter of 2008, during three consecutive quarters, has stopped during the third quarter of 2009. The rebound listed on the stock exchanges as from March 2009 could explain this turn of the trend, of course, waiting for confirmation.

As a matter of fact, all market segments record a price increase.

Ordinary houses:

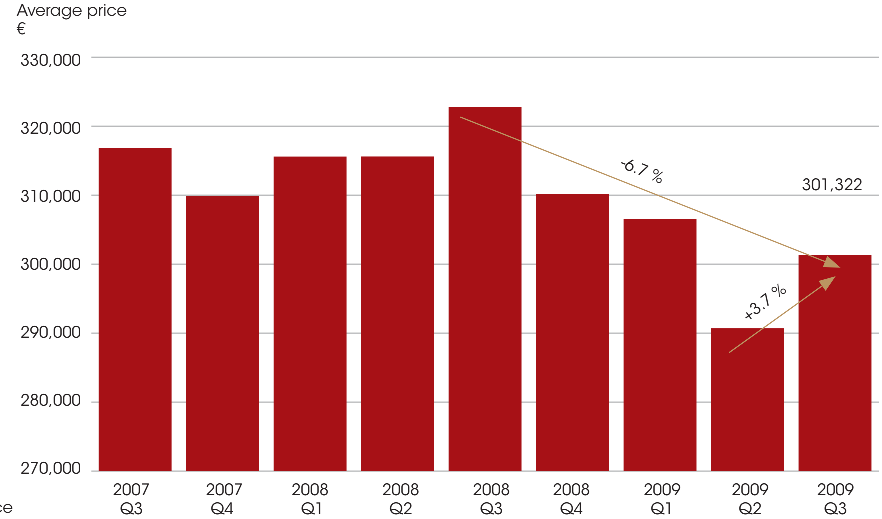
The average price of ordinary houses has recorded a progression of 2.5% during the third quarter of 2009 to reach € 173 274. However, on an annual basis, the price evolution has been negative and stands at –1.6%.



Source: Federal Public Service Finance

Villas, luxury homes:

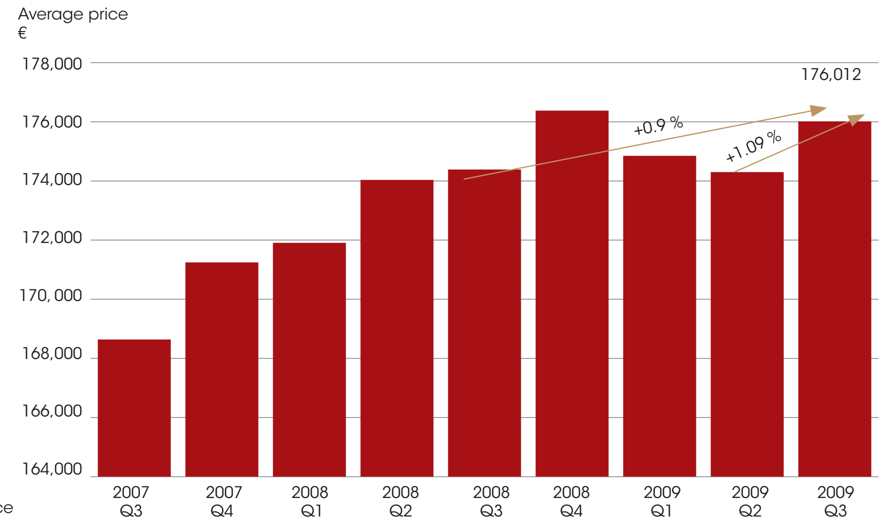
The price increase recorded for luxury homes has been higher than the one for ordinary houses (+3.7 %). The average price is situated just above the € 300 000 threshold. Nevertheless, on an annual basis, this segment remains the one having suffered the most (-6.7 %).



Source: Federal Public Service Finance

Apartments:

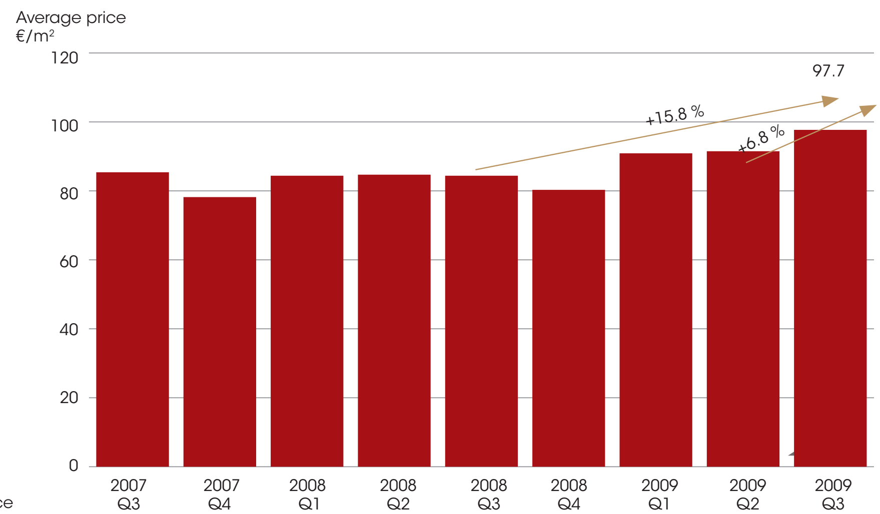
The amplitude of the price changes on the apartments market has been substantially smaller. The increase over the third quarter will have been 1%, with an average price of € 176 012. Contrary to the houses segment, the average price of apartments has recorded a slight increase (+0,9%) on an annual basis.



Source: Federal Public Service Finance

Building land:

This category of real estate is by definition the one becoming more and more scarce in the long term. Making abstraction of some rare exceptions, the price of building land has not ceased to increase. The increase amounted to 6.8% during the third quarter and to 15.8% on an annual basis. The average price of a building land is currently 97.7 €/m².

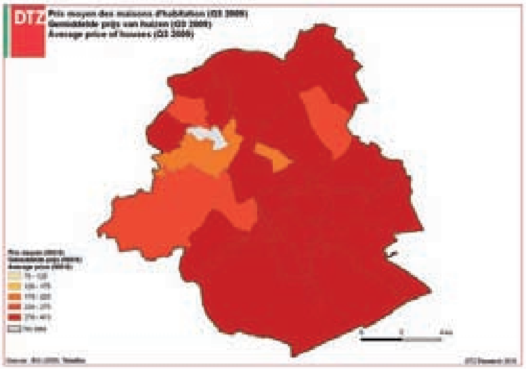


Source: Federal Public Service Finance

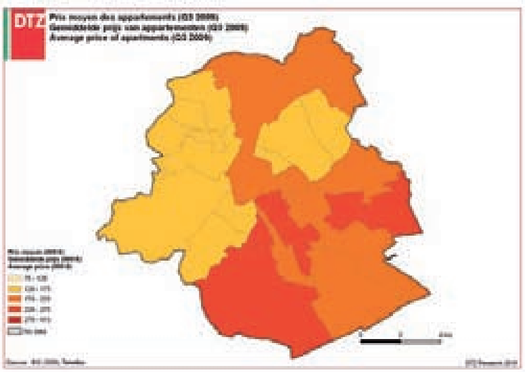
The Brussels real estate market

According to the figures of the Federal Public Service Finance for the third quarter of 2009, the price of an ordinary house in the Brussels-Capital Region amounted to € 314 815 on average, or a decrease of -1.1% on an annual basis.

For villas prices amounted to € 926 538 on average, recording a substantially more important diminution of 17.0%, confirming again that this type of luxury real estate is more cyclic and has suffered most from the stock market and financial crisis in 2008.

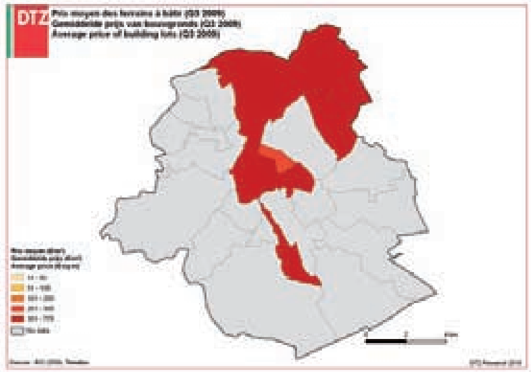


Regarding apartments in Brussels, the average price recorded in the third quarter was € 183 096 (-4.1% on an annual basis).



Woluwé-Saint-Pierre, Uccle and Ixelles remain the most expensive areas.

Building land remains rare in Brussels and its price is substantially higher than in the rest of the country. Prices amounted on average to 183 €/m², or a decrease of 68.7% on an annual basis. Nevertheless, the number of this type of transactions being very low for one quarter in Brussels, the weight of some of them can bias the recorded averages.

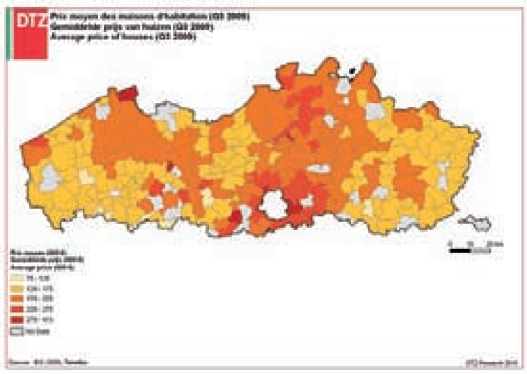


The Flanders market

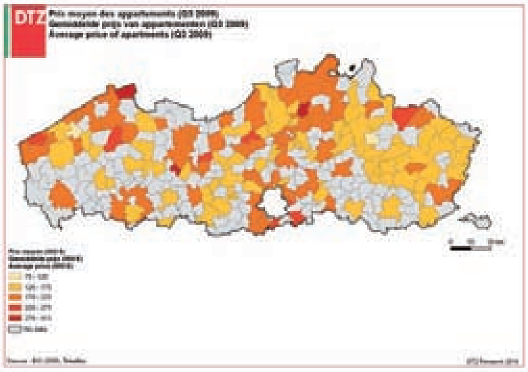
In Flanders, the trends are similar to those registered on a national level. In the third quarter of 2009, ordinary houses recorded an average price of € 186 171, a slight progression (+0.5%) over the last twelve months. Villas and luxury houses however stood at € 320 060 on average (-6.8% on an annual basis).

As shown by the map, the highest price levels are mainly situated around the Brussels and Antwerp periphery, as on the axis connecting both. The axis Ghent-Bruges as well as some coastal cities also record high levels.

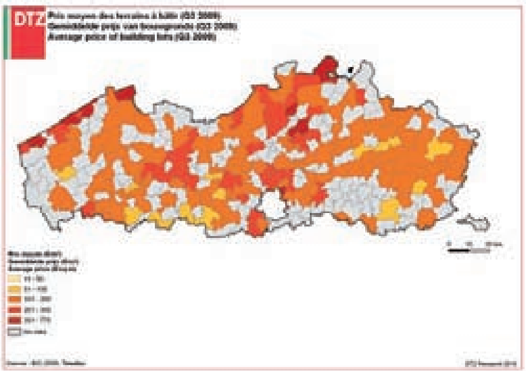
On the contrary, the most affordable prices remain situated in the provinces Limburg and West-Flanders.



Regarding apartment prices, their average amounted to € 181.565 in the third quarter of 2009, showing a progression of 2.7% compared to the same period of 2008.



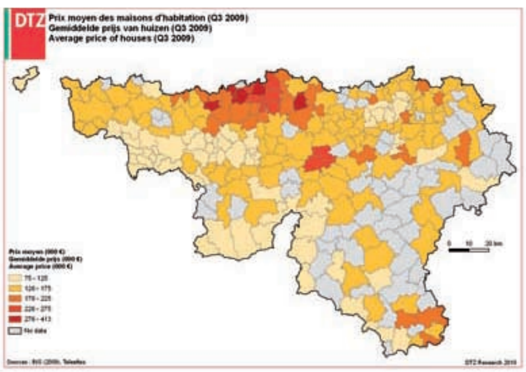
The building land recorded an average of 153 €/m², increasing by 9.7% on an annual basis. Here again, the axis Brussels-Antwerp remains the most expensive, comparable to the coastal cities.



The Wallonia market

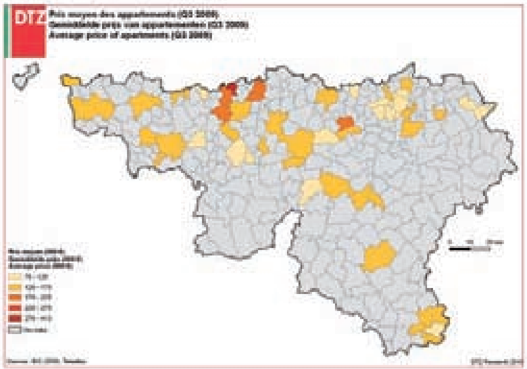
In the third quarter of 2009, prices for ordinary houses situated in the Walloon Region reached € 135 241 on average, a decrease of 2.8 % on an annual basis.

The province of Walloon Brabant, as the greater Brussels, remains clearly the most expensive one of the Walloon Region.

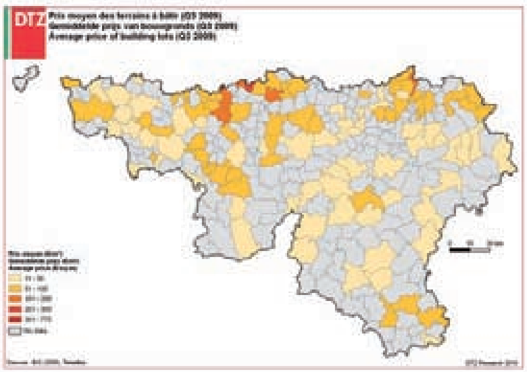


Considering the villas segment, their average price currently amounts to € 242 227 (-6.3% compared to the third quarter of 2008).

Average prices of apartments in the Walloon Region however have slightly decreased on an annual basis (-0.5%) to reach € 140 510.



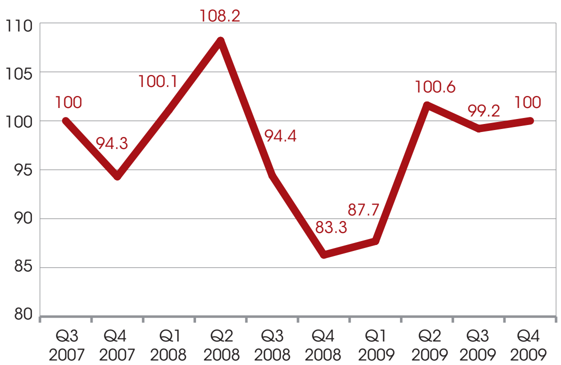
To end this overview of the third quarter of 2009, we need to mention that prices of building land in the Walloon Region have substantially increased on an annual basis (+11.3%) and amounts to 46 €/m2 on average, but remains far below the levels recorded in Flanders.



Conclusion

Final figures for the year 2009 are not yet available while editing this report. According to the figures we dispose of, it seems however that after the substantial activity and stock exchange value drop recorded as from the end of 2008 and during the first part of 2009, a turn of the trend has been recorded as from the third quarter of 2009. This trend turn yet has to be confirmed by figures relating to the last quarter of 2009.

Still we need to mention that in the last edition of their report the notaries speak of a stabilisation of the activity on the real estate market in the fourth quarter of 2009 (+0.8% compared to the third quarter), but observe a very high activity level in the month of October (+8.9% compared to the activity level in September), before the traditional year-end slowdown. It is particularly interesting to observe that this activity level recorded in October 2009 was similar to the best months of 2007, before the start of the economic crisis, which confirms the theory of a trend turn as from the third quarter, as mentioned before.



Source : DTZ Research, Belgian Federation of Notaries

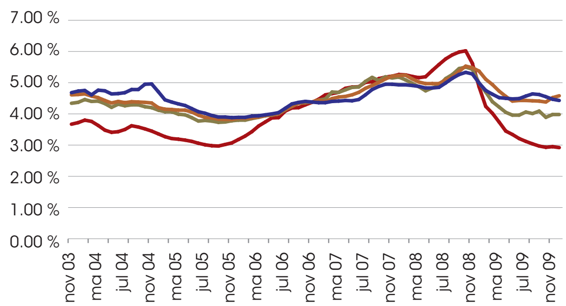
Luxury real estate, most cyclic segment is by consequence the category having recorded the most important value increases during the third quarter of 2009, but remains equally the segment of which values have suffered most following the crisis of 2008. For this type of real estate, there is still a long way to go before reaching again the price levels of 2007.

Conversely, apartments seem to be the type of real estate having sustained the real estate crisis in the best way, with a slight increase on an annual basis of (+0.9%). This progression essentially originates in Flanders (+2.3%), while prices in the Walloon Region rather record a status quo (-0.5%). Only the prices of apartments in Brussels really seem to have gone down more substantially (-4.1%).

The development of real estate prices has thus remained largely below the stock market performance – rather exceptional - of 2009. Nevertheless, in nearing its before-crisis level, real estate confirms its position of safe investment. Furthermore, generally, we observe a certain discrepancy between the evolution of stock market values and real estate values, which bodes well for the first part of 2010.

In this respect, we need to remind that interest rates of mortgages currently remain rather low, more specifically the case for short term interest rates, which is certainly a beneficial element with regard to a renewed transaction activity.

Evolution of interest rates on new real estate contracts (%).



Source : Nationale Bank van België

— floating interest rates < 1 year

— interest rates from 1-5 years

— interest rates from 5-10 years

— fixed interest rates > 10 years

2 Surveyor's report for the 2009 financial year

Ladies and gentlemen,

Re: Valuation on 31 December 2009

In compliance with legal and statutory provisions, we are proud to provide you with our opinion on the Investment Value of the portfolio belonging to the SICAFI HOME INVEST BELGIUM as of 31 December 2009.

We have carried out our valuations using the NPV-method of the rental income and in compliance with International Valuation Standards(IVS).

As is customary, our mission is executed on the basis of information provided by HOME INVEST BELGIUM regarding the rental status, charges and taxes to be paid by the lessor, the works to be done, together with any other factors influencing property values. We presume this information to be exact and complete.

As stated explicitly in our valuation reports, these do not include any structural or technical examination of properties or any analysis of the possible presence of harmful materials. These factors are well known by HOME INVEST BELGIUM which manages its portfolio in a professional manner and proceeds with the necessary technical and legal due diligence when acquiring any property.

The Investment Value is defined as the value most likely to be reasonably obtained under normal selling conditions between consenting and well-informed parties, before deduction of transfer costs.

The fair value can be obtained as follows:

- for residential or mixed-purpose properties which are by nature and conception appropriate for resale by separate units: by deducting from the Investment Value the transfer costs (amounting to 10% in Flanders and 12.5% in the Brussels-Capital Region and Wallonia);

- for the other properties contained in the portfolio: by deducting from the Investment Value a rate of 2.5% when this value exceeds € 2,500,000, or the total transfer fees, set at the above-mentioned rates of 10% and 12.5%, if the investment value is below € 2,500,000.

An analysis of sales realised on the Belgian market in the 2003 – 2005 period shows an average rate of 2,5% for transaction costs for properties sold "en bloc" with an investment value exceeding € 2,500,000.

This 2.5% rate will be reviewed periodically and adjusted insofar as the gap shown for the institutional market exceeds +/- 0.5%.

In our analysis of Home Invest Belgium's portfolio, we have arrived at the following findings:

1) 89.97% of the portfolio consists of residential properties (2.86% of which are nursing homes), 7.68% of commercial premises and 2.36% of office space[1].

2) the occupancy rate of the property portfolio on 31 December 2009 was 93.86%[2].

3) the average level of rents received or guaranteed is 13.02% above the normal rental value currently estimated for the portfolio.

On the basis of the remarks made in the previous paragraphs, we confirm that the Investment Value of HOME INVEST BELGIUM's property portfolio on 31 December 2009 amounts to € 229 001 892 (two hundred and twenty-nine million, one thousand and eight hundred and ninety-two euros).

The likely realisable value of HOME INVEST BELGIUM's property portfolio on 31 December 2009 corresponding to its fair value in the sense of IAS/IFRS is set at € 209 363 518[3] (two hundred and nine million, three hundred and sixty-three thousand, five hundred and eighteen euros).

Yours faithfully

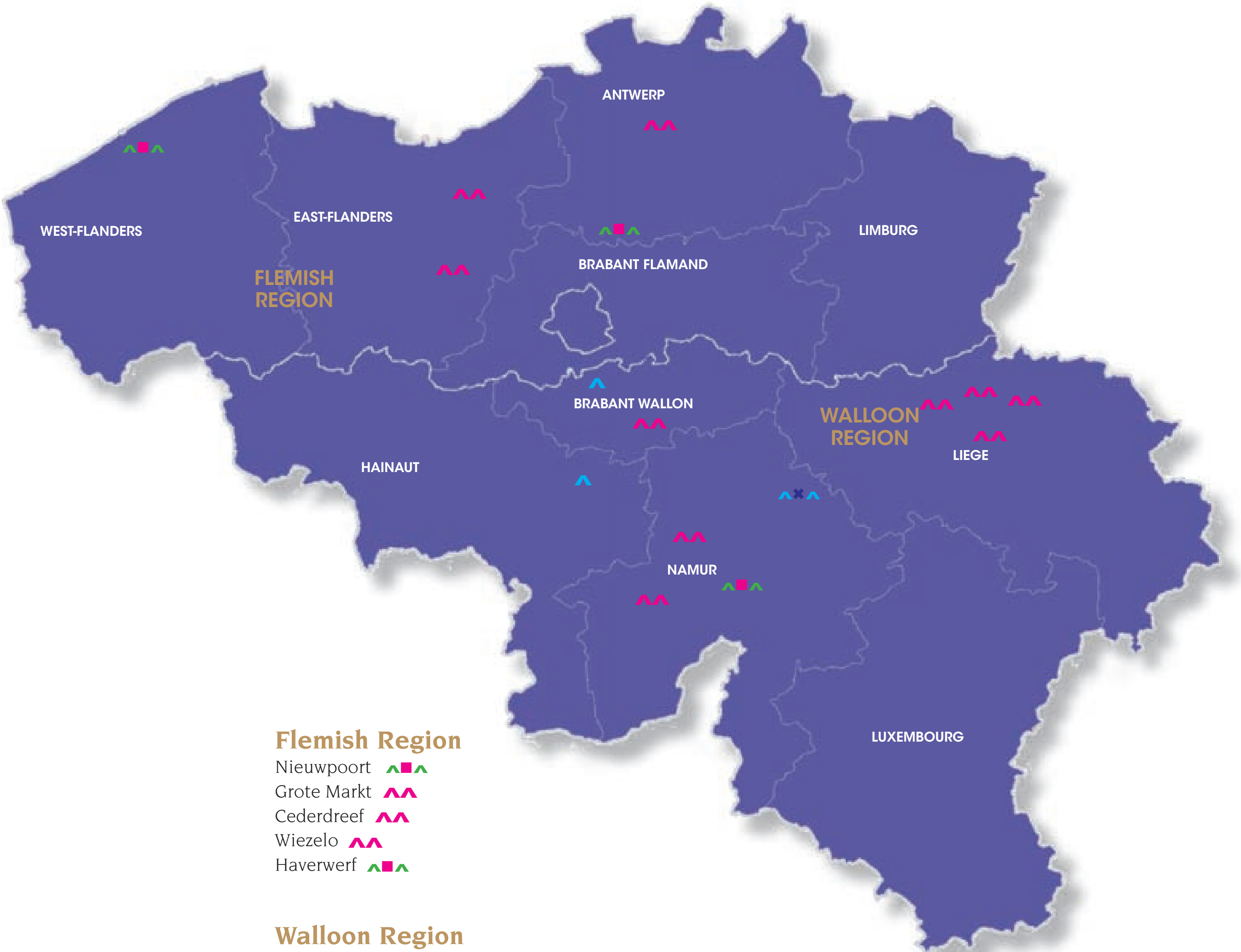
Brussels, 5 February 2010

WINSSINGER & ASSOCIATES SA
Benoît FORGEUR **Philippe WINSSINGER**

[1] These calculations are based on parameters which differ from those used by Home Invest Belgium and are thus based on the investment value of the property portfolio and include the buildings that are for sale.

[2] The occupancy rate is calculated as of 31 December 2009 and differs from that published by Home Invest Belgium, which represents the average occupancy rate during the whole financial year.

[3] The fair value of € 209 363 518 is accounted among the investment properties for € 207 188 169, and the remaining part among the assets held for sale. We need to mention that the development projects are not part of the valuation, but are accounted among the investment properties, at their cost.



Flemish Region

Nieuwpoort
Grote Markt
Cederdreef
Wiezelo
Haverwerf

Walloon Region

Clos Saint-Géry
Place du Jeu de Balle
Quai de Compiègne
Galerie de l'Ange
Galerie de l'Ange
Florida
Léopold
Mont Saint Martin
Saint Hubert 4
Saint Hubert 51
Colombus

LEGEND

APARTMENTS
FURNISHED APARTMENTS
HOUSES
NURSING HOMES
SHOPS
OFFICES

Brussels-Capital Region

Belliard
Clos de la Pépinière
Lebeau
Résidences du Quartier Européen
Birch House (Cours Saint Michel)
Erainn
Yser
Giotto
Alliés - Van Haelen
Belgrade
Les Jardins de la Cambre
Charles Woeste
Charles Woeste
Baeck
Lemaire
La Toque d'Argent
Sippelberg
Bosquet - Jourdan
Jourdan - Monnaies
Lambermont
Clos Saint-Georges
Decroly
Melkriek
Montana - Tamaris
Ryckmans
Winston Churchill
Les Erables
Les Mélèzes
Voisin

LEGEND

APARTMENTS
FURNISHED APARTMENTS
HOUSES
NURSING HOMES
SHOPS
OFFICES

3.1 Portfolio development – Yields by segment[1]

In €	Fair value	Investment value of the portfolio (1)	Current gross rent + rental guarantees on unoccupied premises (for the whole year)	(ERV) Estimated rental value	Occupancy rate (2)	Gross yield
31/12/2009	209 363 518	229 001 892	14 400 972	12 742 494	94.60 %	6.29 %
31/12/2008	199 144 677	218 821 398	13 279 535	12 068 321	96.00 %	6.07 %
31/12/2007	162 189 760	179 553 208	10 921 718	9 688 010	96.99 %	6.08 %
31/12/2006	140 931 777	154 250 086	9 635 516	8 537 563	96.77 %	6.22 %
31/12/2005	118 106 816	128 939 823	8 348 966	7 516 226	91.26 %	6.48 %
31/05/2004	N/A	84 573 857	6 310 785	5 788 461	97.79 %	7.46 %
31/05/2003	N/A	66 927 850	5 249 790	4 861 780	97.34 %	7.84 %
31/05/2002	N/A	57 288 245	4 654 442	4 218 134	97.35 %	8.12 %
31/05/2001	N/A	51 361 059	4 176 994	3 839 018	97.67 %	8.13 %
31/05/2000	N/A	44 261 389	3 586 592	3 407 872	99.01 %	8.10 %
01/06/1999	N/A	43 181 416	3 393 792	3 401 772	99.45 %	7.86 %

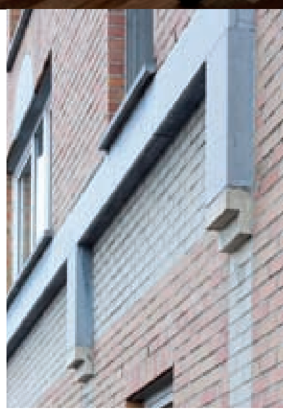
(1) Investment value as determined by the property surveyor, including transaction costs, for investment properties and properties foreseen for sale.
(2) Average rate for the year under review, calculated on the basis of rents and rental guarantees on unoccupied space.

On 31 December 2009, the fair value of the consolidated portfolio (investment properties and assets held for sale) amounted to € 209.4 million, while the investment value reached € 229 million compared to € 218,8 million on 31 December 2008.

The average occupancy rate for the entire year amounted to 94.64%, compared to 96 % in 2008, reflecting the efficiency of the sales policy of the Sicafi in a particularly difficult market.
It is worth noting that the three segments of Home Invest Belgium's portfolio are characterised by the following gross yields:

- Properties with the potential of being parcelled out and sold as individual units achieved a gross yield of 5.92% (5.86% in 2008);
- Properties with the potential of being sold 'en bloc' and having an investment value exceeding € 2.5 million, achieved a gross yield of 7.23% (7.33% in 2008);
- Properties with the potential of being sold 'en bloc' and having an investment value under € 2.5 million, achieved a gross yield of 7.12% (6.60% in 2008).

[1] Calculations carried out on the basis of the fair value of investment properties and assets held for sale. The development projects are excluded.



3.2 Situation of the portfolio on 31 December 2009[1 2 3]

Name	District	Year(2)	Units
		Number	m²
Brussels Capital Region			**768**
Belliard	Bruxelles	1937	18
Clos de la Pépinière	Bruxelles	1993	25
Lebeau	Bruxelles	1998	12
Résidences du Quartier Européen	Bruxelles	1997	50
Birch House (Cours St. Michel)	Etterbeek	2001	32
Erainn	Etterbeek	2001	12
Yser	Etterbeek	1974	15
Giotto	Forest	2005	85
Alliés - Van Haelen	Forest	1999	35
Belgrade	Forest	1999	1
Les Jardins de la Cambre	Ixelles	1992	28
Charles Woeste (appartementen)	Jette	1998	92
Charles Woeste (handelszaken)	Jette	1996	14
Baeck	Molenbeek St Jean	2001	28
Lemaire	Molenbeek St Jean	1990	1
La Toque d'Argent	Molenbeek St Jean	1990	1
Sippelberg	Molenbeek St Jean	2003	33
Bosquet - Jourdan	Saint-Gilles	1997	27
Jourdan - Monnaies	Saint-Gilles	2002	26
Lambermont	Schaerbeek	2008	131
Clos Saint-Georges	Uccle	1988	2
Decroly	Uccle	1995	3
Melkriek	Uccle	1998	1
Montana - Tamaris	Uccle	1996	7
Ryckmans	Uccle	1990	8
Winston Churchill	Uccle	2006	11
Les Erables	Woluwé St Lambert	2001	24
Les Mélèzes	Woluwé St Lambert	1995	37
Voisin	Woluwé St Pierre	1996	9
Flemish Region			**46**
Nieuwpoort (handelszaken)	Nieuport	1997	5
Grote Markt	Saint Nicolas	2004	17
Cederdreef	Wetteren	1989	6
Wiezelo	's Gravenwezel	1997	14
Haverwerf	Malines	2002	4
Walloon Region			**205**
Clos Saint-Géry	Ghlin	1993	1
Place du Jeu de Balle	Lasne	1999	7
Quai de Compiègne	Huy	1971	1
Galerie de l'Ange (appartementen)	Namur	1995	50
Galerie de l'Ange (handelszaken)	Namur	2002	12
Florida	Waterloo	1998	6
Léopold	Liège	1988	53
Mont Saint Martin	Liège	1988	6
Saint Hubert 4	Liège	1988	14
Saint Hubert 51	Liège	1988	4
Colombus	Jambes	2007	51
Total			**1 019**

(1) Year of construction or latest renovation.
(2) Annual gross rents applicable on 31/12/2009, including rental guarantees and the estimated rental value for unoccupied space.
(3) Value estimated by the independent real estate surveyor.
(4) Current gross rents on 31/12/2009, on an annual basis.
(5) Average for the financial year 2009, including rental guarantees.

[1] The terms used in this table and in the files hereafter are defined in the glossary at the end of this annual financial report.

[2] Because of confidentiality reasons the sicafi does not publish the individual values per building, as this could damage the interests of the shareholders.

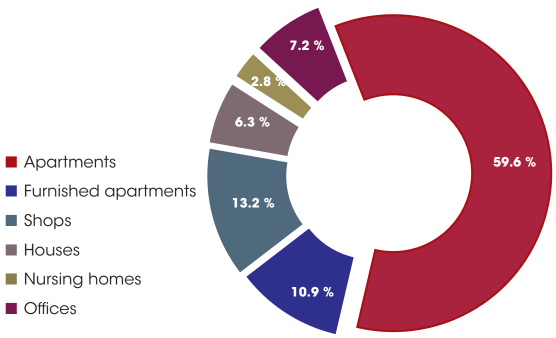
[3] Not included the buildings being sold and the development projects.

Surface	Gross passing rent [2]	ERV[3]	Effective Rent[4]	Rate of occupancy[5]
€	€	€	%	
86 717	**10 563 134**	**9 306 954**	**10 160 133**	**94,4 %**
2 256	316 330	273 660	280 980	95.6 %
3 275	420 332	402 192	406 532	95.3 %
1 153	262 665	171 742	262 665	97.8 %
4 290	506 348	488 337	486 147	75.1 %
3 438	478 541	421 100	460 053	96.7 %
1 252	182 971	176 695	182 971	100.0 %
1 961	311 454	238 765	310 454	99.9 %
8 647	1 179 517	1 014 327	1 156 117	95.8 %
4189	363 632	347 764	363 632	98.5 %
1 368				100.0 %
3 552	471 069	397 556	468 969	95.8 %
5 091	504 371	412 762	496 332	97.7 %
2 995	356 373	286 834	356 373	100.0 %
2652	220 431	231 420	220 431	99.5 %
754				100.0 %
1 618	183 250	154 608	183 250	100.0 %
3290	352 671	342 670	337 987	96.8 %
2 326	300 830	263 369	288 830	98.1 %
2 814	351 027	304 869	347 427	97.6 %
14110	1 648 133	1 603 155	1 481 489	94.1 %
380	53 569	47 450	53 569	100.0 %
545	55 843	54 725	36 643	85.9 %
1 971	249 637	210 578	249 637	100.0 %
1 379	203 578	173 015	203 578	93.1 %
2 196	266 148	230 580	266 148	100.0 %
1 733	247 570	202 969	229 346	98.4 %
2202	326 617	250 735	299 613	88.7 %
4 357	605 577	481 294	589 010	97.3 %
923	144 650	123 783	141 950	88.6 %
9 694	**1 168 076**	**1 111 129**	**1 117 600**	**96.7 %**
744	104 023	116 870	104 023	100.0 %
2 752	371 048	315 201	355 760	98.5 %
1 342	85 888	98 845	75 132	86.8 %
1 457	185 411	165 535	160 979	90.2 %
3 399	421 706	414 678	421 706	99.1 %
22 434	**2 537 822**	**2 190 325**	**2 428 601**	**94.7 %**
4 140	326 373	160 000	326 373	100.0 %
1 198	157 741	138 518	156 541	99.0 %
2 479	173 530	168 572	173 530	100.0 %
1 880	254 577	215 757	254 577	99.4 %
2 552	593 668	511 017	593 668	100.0 %
1 760	153 690	161 920	153 690	92.3 %
3 080	323 437	303 580	270 327	79.9 %
335	37 764	35 635	23 904	65.4 %
910	81 751	89 750	73 281	89.1 %
360	36 786	42 480	36 786	82.9 %
3 740	398 505	363 096	365 924	92.7 %
118 845	**14 269 032**	**12 608 408**	**13 706 333**	**94.6 %**

3.3 Analysis of the distribution of the property portfolio[1]

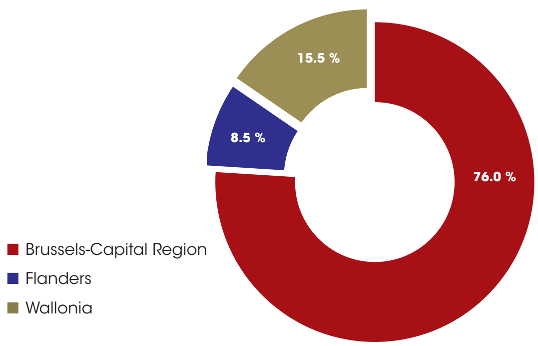
Distribution by property type

On 31 December 2009, the property portfolio of Home Invest Belgium consisted of 79.6% of residential real estate situated in Belgium, a percentage largely superior to the required 60% by the tax legislation to be considered as a residential Sicafi and to benefit from the withholding tax exemption on dividends.
This percentage includes nearly 77% of apartments and single-family homes, the main investment target group of the Sicafi.



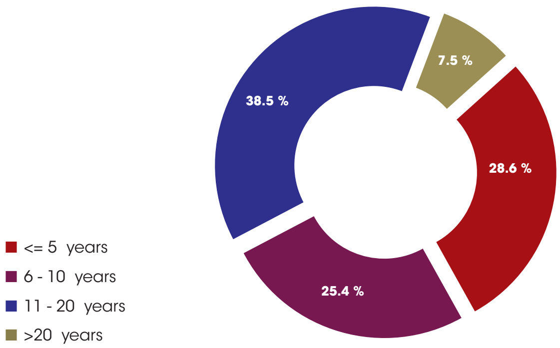
Geographic distribution

At the same date, the portfolio was located for 76% in the Brussels-Capital Region, which reflects the investment strategy of the Sicafi, primarily focused on this region. We need to point out that the recent investment in Louvain will allow to significantly reinforce the presence of the Sicafi in Flanders, which part would evolve from 8.5% to +/- 14% when the entirely renovated surfaces will be commercialised again.



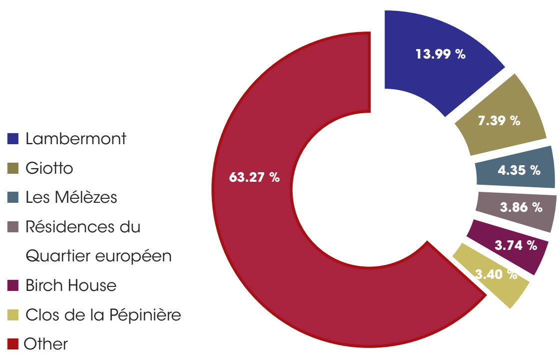
Distribution by age of property

Home Invest Belgium mainly invests in recent (ten years or less) or recently renovated buildings, which represent a total of 54% of the portfolio. This choice, meaning that the Sicafi starts to develop itself a limited number of projets for which it has been able to measure in advance the risk level compared to the possible margin gain, allows to reduce the maintenance costs during the first years and to avoid renovation costs in the medium term, which can maximise the capital gain potential in the long term.



Distribution by property

No building, nor property complex reaches the maximum 20% ceiling as single part of the portfolio. The Lambermont complex (blocks A, B, C and D) is however, since mid 2009, the main part of the property portfolio of Home Invest Belgium, with 14% of the portfolio, followed by the Giotto building in Evere with a stake of over 7%. The six main sites only represent 37% of the total portfolio.



[1] Calculations carried out on the basis of the fair value of investment properties excluding assets held for sale and development projects.

3.4 Investments of the financial year

LAMBERMONT (BLOCKS C AND D)

ADDRES

Boulevard Lambermont 198-200 and avenue A. Desenfans 13-15 in 1030 Brussels (Schaerbeek)

LOCATION

The complex is situated along the Boulevard Lambermont just after the Kinetix sport centre

DESCRIPTION

The C and D blocks, completing the investment from 2008 in the A and B blocks of this complex, comprise respectively 44 apartments, a public library, 1 office-commercial space for the first and 6 apartments for the second

Legal status
Freehold
Date of investment
31 May 2009 (block C), 29 June 2009 (block D)
Year of construction
2009
Rental area
5 958 m²
Parking spaces
See point 3.5 below
Size of plot
See point 3.5 below

PETERMANNEN RIDDERSSTRAAT/FONTEINSTRAAT

ADDRES

At the intersection of the Riddersstraat 112-120, Petermannenstraat 2A and 2B, and Fonteinstraat, 98 – 100 at Leuven

LOCATION

In the immediate surroundings of the city of Leuven

DESCRIPTION

This huge complex consists of two residential buildings of 138 apartments (82% one room), 2 commercial spaces and 92 underground parking spaces

Legal status
Freehold
Date of investment
17 December 2009
Year of construction
1994; this complex is being fully renovated in successive phases as from March 2010 and will be commercialised progressively as from mid 2010
Rental area
8 399 m²
Parking spaces
92
Size of plot
34 ares 30 ca

3.5 The top properties in the portfolio

The properties whose details are listed below are those having a fair value equal to or exceeding € 5 million on 31 December 2009, in a decreasing order.

LAMBERMONT (BLOCKS A, B, C AND D)

ADDRESS

Boulevard Lambermont, 198-224 in 1030 Brussels (Schaerbeek)

LOCATION

The property is situated on the Boulevard Lambermont next to the Kinetix sport centre

DESCRIPTION

The complex consists of 127 apartments, two public libraries, a day nursery and an office-commercial space

Legal status
Freehold
Date of investment
30 June 2008 (Block A),
30 November 2008 (Block B)
31 May 2009 (Block C)
29 June 2009 (Block D)
Year of construction
2008/2009
Rental surface
14 110 m²
Parking spaces
109 ondergrondse parkeerplaatsen
Size of plot
8 837 m²

GIOTTO

ADDRESS

Avenue du Frioul, 2-10 in 1140 Brussels (Evere)

LOCATION

The property is situated at the corner of the Avenue du Frioul and the Rue de Genève, in a quiet area, looking out in the rear on a new public park

DESCRIPTION

The property consists of 85 apartments

Legal status
Freehold
Date of investment
2005
Year of construction
11 March 2005
(provisional acceptance)
Rental surface
8 647 m²
Parking spaces
85 underground parking spaces
Size of plot
2 481 m²

GALERIE DE L'ANGE

ADDRESS

Rue de l'Ange 16-20 and rue de la Monnaie 4-14, in 5000 Namur

LOCATION

The complex is very well situated in a residential and commercial area in the city centre, close to the Place d'Armes

DESCRIPTION

It consists of a retail ground floor, subdivided into shops, apartments and studios and a few offices

Legal status
Freehold
Date of investment
1 June 1999
Year of construction
The old wing dates back to 1975.
The new one was built in 1990.
Refurbishments were carried out between 1975 and 1995
Rental surface
- shops 1 675 m²
- apartments 1 880 m²
- offices and archives 578 m²
- reserves 299 m²
- total 4 432 m²

Parking spaces
None
Size of plot
1 823 m²

LES MÉLÈZES

ADDRESS

Avenue de Calabre 34, 36, 38, in 1200 Brussels (Woluwe Saint Lambert)

LOCATION

The complex is situated in a small quiet street parallel to the Avenue Marcel Thiry

DESCRIPTION

The property consists of 40 apartments, 37 of which belong to Home Invest Belgium

Legal status
Co-ownership, the Home Invest Belgium assets representing 92.5 % of the whole
Date of investment
1 June 1999
Year of construction
1995
Rental surface
4 357 m²
Parking spaces
38 underground parking spaces
Size of plot
2 128 m² (co-ownership)

LES RÉSIDENCES DU QUARTIER EUROPÉEN

ADDRESS
Rue Joseph II, 82–84, Rue Philippe Le Bon, 6-10 and Rue Stévin, 19-23, in 1000 Brussels

LOCATION
The property complex is situated in the middle of the “Quartier Léopold”, in the immediate proximity of the European Union’s main buildings

DESCRIPTION
The complex consists of 3 buildings with a total of 50 rental units, or 45 furnished apartments or flats, 3 unfurnished apartments and 2 small office areas

Legal status
Freehold
Date of investment
31 May 2002
Year of construction
1997/1998
Rental surface
4 290 m²
Parking spaces
50 underground parking spaces
Size of plot
2 129 m²

BIRCH HOUSE (COURS SAINT MICHEL)

ADDRESS
Rue de la Grande Haie 96, in 1040 Brussels (Etterbeek)

LOCATION
The property is situated in the Rue de la Grande Haie, in the so-called Cours Saint-Michel

DESCRIPTION
The 8th floor property has 32 2-room apartments. It is part of a complex consisting of 5 buildings and a shopping arcade

Legal status
Co-ownership
Date of investment
18 July 2002
Year of construction
2001
Rental surface
3 438 m²
Parking spaces
32 underground parking spaces
Size of plot
12 712 m² (entire site)

CLOS DE LA PÉPINIÈRE

ADDRESS
Rue de la Pépinière 6 to 14 and Rue Thérésienne 5 to 9, in 1000 Brussels

LOCATION
The complex is situated behind the Royal Palace, between the Rue de Bréderode and the Rue de Namur, close to the Porte de Namur

DESCRIPTION
Complex consisting of 18 luxury apartments and 7 office surfaces on the ground floor

Legal status
Freehold
Date of investment
15 December 2003
Year of construction
1993
Rental surface
3 144 m²
Parking spaces
31 underground parking spaces
Size of plot
932 m²

LES JARDINS DE LA CAMBRE

ADRES
Rue des Echevins 75 and Avenue de l’Hippodrome 96, in 1050 Brussels (Ixelles)

LOCATION
The complex is situated in a much sought after area, close to the Etangs d’Ixelles (the Ixelles Ponds), the Abbaye de la Cambre and the Place Flagey (Flagey Square)

DESCRIPTION
It consists of 2 apartment buildings, with a green area between. There are 24 apartments, 9 of which are duplex and 4 of which are units for use as offices

Legal status
Freehold
Date of investment
1 June 1999
Year of construction
1992
Rental surface
3 552 m²
Parking spaces
31 underground parking spaces
Size of plot
1 309 m²

HAVERWERF

ADDRESS
Haverwerf, 1-10 in 2800 Mechelen

LOCATION
Commercial complex situated on the site of the former “Lamot” brewery

DESCRIPTION
Building consisting of 4 commercial units situated on the ground floor of a residential complex not belonging to Home Invest Belgium

Legal status
Co-ownership
Date of investment
23 December 2008
Year of construction
2000
Rental surface
3 399 m²
Parking spaces
None
Size of plot
5 224 m²

CHARLES WOESTE I (APARTMENTS)

ADDRESS
Avenue Charles Woeste 290-312, in 1090 Brussels (Jette)

LOCATION
The property is situated close to the Place Werrie (Werrie Square), in a mainly residential area.

DESCRIPTION
The property is part of a mixed residential-shopping complex and consists of 92 apartments or studios

Legal status
Co-ownership
Date of investment
1 June 1999
Year of construction
1983, renovations in 1995 and 1996
Rental surface
5 091 m²
Parking spaces
10 parking boxes and 20 parking spaces situated in an adjoining building belonging to the same complex
Size of plot
27 360 m²

ALLIÉS – VAN HAELEN

ADDRESS
Rue des Alliés, 218-226 and Boulevard van Haelen, 22-26 in 1190 Bruxelles (Forest)

LOCATION
The complex is situated in a high-end residential district, nearby the Parc Duden and the Gare du Midi

DESCRIPTION
It consists of two apartment buildings and different adjacent residences divided into apartments

Legal status
Freehold
Date of investment
2007
Year of construction
1999
Rental surface
4 189 m²
Parking spaces
30 boxes and 4 underground parking spaces
Size of plot
1 937 m²

COLOMBUS

ADDRESS
Rue de l’Orjo, 52-54-56 in 5000 Namur (Jambes)

LOCATION
The complex is situated in a small quiet street in the green periphery of Jambes

DESCRIPTION
It consists of 33 1-room apartments and 18 2-room apartments

Legal status
Freehold
Date of investment
2007
Year of construction
2007
Rental surface
3 740 m²
Parking spaces
51 outside parking places
Size of plot
4 077 m²

3.6 The development projects

GROTE MARKT

ADDRESS
Grote Markt 31-32, in 9100 Sint-Niklaas

LOCATION
The property is situated in the Grand Place de Saint-Nicolas

DESCRIPTION
It consists of a ground floor shopping and office area, 16 upper-floor apartments and 37 parking spaces behind the building

Legal status
Freehold (ground floor on a long-term lease)
Date of investment
22 February 2005
Year of construction
2004
Rental surface
- Ground floor for use as shops and offices 1 330 m²
- Apartments 1 422 m²
- Total 2 752 m²

Parking spaces
37 parking spaces behind the building
Size of plot
2 463 m²

JOURDAN – MUNTHOF

ADDRESS
Rue Hôtel des Monnaies 24 to 34 and Rue Jourdan 115 to 121 and 125, in 1060 Brussels (Saint-Gilles)

LOCATION
The property is situated between the Rue Jourdan and the Hôtel des Monnaies, close to the narrow section of the Avenue Louise leading into the Avenue de la Toison d'Or

DESCRIPTION
Complex consisting of 26 apartments

Legal status
Freehold
Date of investment
15 December 2003
Year of construction
2002
Rental surface
2 814 m²
Parking spaces
15 underground parking spaces
Size of plot
945 m²

JOURDAN 85

ADDRESS
Rue Jourdan, 85 in 1060 Brussels (Saint-Gilles)

LOCATION
The building plot is situated close to the Avenue Louise and the Place Stéphanie

DESCRIPTION
The building will consist of 23 apartments and 1 office

ARCHITECTS
ASSAR architects

Legal status
Freehold
Date of investment
end of the 3rd quarter of 2010 (estimated)
Rental area
2 408 m²
Parking spaces
24 underground parking places
Size of plot
753 m²

BELLIARD – NIJVERHEID

LOCATION
At the angle of the rue Belliard and rue de l'Industrie in 1000 Brussels, in the surroundings of the European district; Rue Belliard 21, for the hotel residence; Rue de l'Industrie, for the six residences

DESCRIPTION
Hotel residence projcet of 109 apartments and one staff residence, and renovation of an old manor into six residences.

ARCHITECTS
A2RC architects

Legal status
Freehold
Date of investment
End of the 1st quarter of 2011 (estimate)
Rental area
3 688 m² for the hotel residence and 305 m² for the 6 studios
Parking spaces
0
Size of plot
703 m²

Corporate Governance declaration

FULLY TRANSPARENT COMMUNICATION

The first Belgian Corporate Governance Code was published on 9 December 2004 at the joint initiative of the Belgian Banking, Financial and Insurance Commission ("CBFA"), Euronext Brussels and the "FEB", Belgium's Federation of Companies. This Code was updated to take account of the lessons learned from the banking and financial crisis and the new European directives. It was presented in its new version on 12 March 2009 (2009 edition).

It recommends the following of rules of conduct, more specifically, to listed firms, encouraging the latter to engage in best corporate governance practices, by paying special attention to the protection of shareholders, in particular, minority shareholders.

Home Invest Belgium has adopted the Belgian Corporate Governance Code (2009 edition) as its reference code, with the exception of some of its provisions, due to the company's small size. For example:

- the decision to set up an audit committee and an appointments and remuneration committee (see points 2.2.3 and 2.2.4 below) was postponed until January 2009 for the first and until October 2009 for the second; prior to these dates, these competences are assumed by the entire Board of Directors.
- certain directors were elected for a period of more than four years, in order to ensure a smooth staggering of director positions over time.
- the assessment of the individual contribution of each director and member of the special committees ("assessment"), has until now taken place in a continuous manner (rather than periodically), given the frequency of the Board of Director's meetings, as well as during the reappointment of directors.
- given the close contacts between the Sicafi's management and its shareholders, both at the time of the annual general meeting, and over the course of the year, during speeches and presentations, until now, the company deemed that there was no need to amend the Articles of Association to enable the shareholders representing at least 5% of the share capital to add a point to the General Meeting's agenda.
- the audit committee, comprised of four directors, does not have a majority of independent directors; it only has one. This composition derogates from the Belgian Corporate Governance Code, although it conforms to the provision of Article 526 bis of the Company Code.
- the rules for the remuneration of the members of executive management can potentially diverge from the recommendations contained in the Belgian Corporate Governance Code (2009 edition) (see below in point 5. : "Remuneration report".

The main internal control and risk management systems[1] are as follows:

- by executive management (see below under sub 3.)
- by the various special committees, in particular, the audit committee (see below, in Article 2.2)
- by the Board of Directors (see below in Article 2.1) in addition to the control exercised by the statutory auditor (see below in Article 6.), in close co-operation with executive management and the audit committee.

1 Public limited liability company

The two promoters - la Générale de Banque (now BNP Paribas Fortis SA) and Banque Bruxelles Lambert (now ING Belgium SA), of Home Invest Belgium decided from the outset that its legal type would be a société anonyme, as this legal type offers the best assurances of equal treatment for all shareholders.

Later, the Sicafi gradually developed its own organisation, in conjunction with the property managers and property agents, to manage, in the broad sense of the term, its portfolio - commercial and technical management, financial management and administrative management - as well as the prospecting, study, negotiation and structuring of the integration of new investments in its portfolio.

2 Board of Directors and special Committees

2.1 Board of Directors

2.1.1 Composition

The Board of Directors of Home Invest Belgium is currently composed of eight directors, including seven non-executive and one executive (the managing director). Of the seven non-executive directors, three are independent according to the meaning of Article 524, § 4 paragraph 2[2] of the Company Code, and two represent the two largest shareholders.

The Board of Director's composition must ensure that decisions are taken in the company's interest. Preference is given to persons possessing an in-depth knowledge of real estate, in particular, of residential property, and/or having experience in the financial

[1] See also the "Risk factors" chapters.

[2] The independence criteria provided for by this article were replaced by those provided for in the new Article 526 ter of the Company Code. However, the directors who have already been appointed (more specifically, prior to 8 January 2009), who satisfy the criteria of Article 526 ter, can continue to sit as independent directors, until 1 July 2011. (see: Article 24 § 3 of the Act of 17 December 2008 establishing an Audit Committee at listed firms).

management of a listed firm, in particular, a real estate Sicafi. It is therefore important for the members of the Board of Directors to have complementary knowledge and experience.

Commitments have been made to the Sicafi's two largest shareholders, the VOP group and AXA Belgium, with respect to representation on the Board of Directors (each of whom hold a mandate). Currently, the directors covered by these commitments are Mr. Liévin Van Overstraeten and Mr. Guy Van Wymersch-Moons.

Michel Pleeck : Chairman and Director, Chairman of the remuneration and appointments committee

Starting date of mandate: 13 April 1999
Business address: Home Invest Belgium SA, Avenue Chant d'Oiseaux 15, 1310 La Hulpe
Other functions: Director of companies
Attendance rate at Board meetings during the financial year: 100%
Remuneration and benefits: none
Number of Home Invest Belgium shares held: 400
Expiry of the mandate: the ordinary general meeting to be held in 2010
The reappointment of Mr Michel Pleeck as director, for a 3-year period, is presented for approval to the ordinary general meeting of 4 May 2010. If approved, his mandate will expire following the general meeting to be held in 2013.
Education/experience: Solvay sales engineer (1972). Has held several management positions at the ING group (most recent position: Country Manager Belgium, ING Real Estate Capital Advisors).

Xavier Mertens : Managing director, Chairman of the investment committee

Starting date of mandate: 17 December 2002
Business address: Home Invest Belgium SA, Boulevard de la Woluwe 60, 1200 Brussels
Other functions: member of UPSI's Board of Directors, member of the Executive Board of ULI Belgium
Attendance rate at Board meetings during the financial year: 100%
Remuneration and benefits: see below in item 5.
Contractual provisions: see below in item 5.
Number of Home Invest Belgium shares held: 920
Expiry date of the mandate: at the ordinary general meeting to be held in 2015
Education/experience: Degree in law (KUL), Master in Business Administration (Lancaster). Has held a variety of management positions, in particular, at Banque Anhyp and at Fortis Real Estate.

Guillaume Botermans : Independent director, member of the audit committee and of the appointments and remuneration committee

Starting date of his mandate: 2 May 2007
Business address: Arm-Stones Partnership SPRL, Avenue Louise 505, 1050 Brussels
Other functions: Managing partner of Arm-Stones Partnership SPRL, Director of Pro Materia ASBL
Attendance rate at Board meetings during the financial year: 90%
Remuneration and benefits: none

Number of shares of Home Invest Belgium shares held: none
Expiry date of the mandate: ordinary general meeting to be held in 2010
The reappointment of Mr Guillaume Botermans, as independent director, according to the meaning of Article 526 ter of the Company Code, for a period of six years, is presented for approval to the ordinary general meeting on 4 May 2010. If approved, his mandate will expire following the general meeting to be held in 2016.
Education/experience: Degree, with teaching qualification, in business, consular affairs and financial studies (Jury ICHEC and Saint-Louis Examination Board), degree in European Economics (ULB), having held various management positions within the Paribas group, in particular, in managing real estate certificates.

Ghislaine Darquennes : Director, Chairman of the audit committee

Starting date of his mandate: 13 April 1999
Business address: BNP Paribas Fortis SA, rue Montagne du Parc 3, 1000 Brussels
Other functions: Director, Corporate Finance & Capital Markets, BNP Paribas Fortis Banque
Attendance rate at Board meetings during the financial year: 80%
Remuneration and benefits: none
Number of Home Invest Belgium shares held: 42
Expiry date of the mandate: ordinary general meeting to be held in 2010
The reappointment of Mrs Ghislaine Darquennes as director, for a term of 3 years, is presented for the approval of the ordinary general meeting to be held on 4 May 2010. If approved, her mandate will expire following the general meeting to be held in 2013.
Education/experience: Degree in economics (ULB), having held a variety of management positions within the BNP Paribas Fortis group.

Luc Delfosse : Independent director, member of the remuneration and appointments committee

Starting date of his mandate: 19 September 2007
Business address: Delficom, Kapucijnendreef 62, 3090 Overijse
Other functions: Member of the Board of Directors of Wilma Project Development
Attendance rate at Board meetings during the financial year: 100%
Remuneration and benefits: none
Number of Home Invest Belgium shares held: none
Expiry date of the mandate: ordinary general meeting to be held in 2014
Education/experience: Degree in Economics and Finance (ICHEC), having held a variety of management positions, at the Codic, CDP, IVG and Wilma groups.

Gaëtan Hannecart : Independent director

Starting date of his mandate: 1 June 1999
Business address: Matexi Group NV, Franklin Rooseveltlaan 180, 8790 Waregem
Other functions: Managing director of Matexi Group NV
Attendance rate at Board meetings during the financial year: 70%
Remuneration and benefits: none
Number of Home Invest Belgium shares held: none
Expiry date of the mandate: ordinary general meeting to be held in 2012
Education/experience: Degree in electronic engineering (KUL), Masters in Business Administration (Harvard),

having held a variety of management positions in the Matexi group.

Liévin Van Overstraeten : Director

Starting date of his mandate: 23 May 2008
Business address: V.O.P. SA, Avenue du Sippelberg 3, 1080 Brussels
Other functions: Managing director of V.O.P. SA
Attendance rate at Board meetings during the financial year: 90%
Remunerations and benefits: none
Number of Home Invest Belgium shares held in a personal capacity: 92
Expiry date of the mandate: ordinary general meeting to be held in 2014
Education/experience: Degree in law (KUL 1982) and a "PUB" degree in management (Vlerick 1983). He also has broad experience in leading and managing companies, in particular, real estate companies, sports centres and in the wood-processing industry, in Belgium and in Romania.

Guy Van Wymersch - Moons : Director and member of the audit committee

Starting date of his mandate: 6 May 2009
Business address: AXA Belgium SA, Boulevard du Souverain 25, 1170 Brussels
Other functions: General Manager of Real Estate, AXA Belgium SA
Attendance rate at Board meetings during the financial year:100 %
Remuneration and benefits: none
Number of Home Invest Belgium shares held in a personal capacity: none
Expiry date of the mandate: ordinary general meeting to be held in 2015
Education/experience: Degree in law (UCL), Notary degree (UCL), "DES" degree in environmental law (Facultés Universitaires Saint-Louis). He has held a variety of management positions within the AXA Belgium group.

2.1.2 Competences and functioning

The Board of Directors of Home Invest Belgium determines the company's strategy and takes final decisions as regards investments and disinvestments.
It prepares the half-year and annual accounts of Home Invest Belgium, as well as the annual financial report, which is drawn up with a view to the general meeting of the shareholders, the half-year financial report, as well as the interim declarations.
It approves merger reports, decides on the use of authorised capital and convenes ordinary and extraordinary general meetings of the shareholders.
It ensures the precision, accuracy and transparency of the communications addressed to the shareholders, financial analysts and to the public, in the form of prospectuses, annual and half-year reports, interim and occasional press releases, and updates to the website www.homeinvestbelgium.be.
It delegates day-to-day management to executive management, which reports back to it on a regular basis on its management, and submits to it an annual budget, as well as a quarterly statement.

The Board of Directors meets at least seven times a year and whenever required by a specific or a one-time transaction.
It met on 11 occasions during the year 2009.

The Board of Director's deliberations shall only be valid if at least one-half of the Board's members are present or represented. If this condition is not satisfied, a new meeting can be convened, in which case its deliberations shall be valid on the points contained on the agenda of the previous meeting, provided that at least two directors are present or represented.

There are no specific statutory rules governing the taking of decisions by the Board of Directors.

A clear distinction is made between the responsibilities of the managing director and those of the chairman of the Board of Directors. The latter leads the Board

of Directors and ensures the drawing up of meeting agendas and the timely transmission of information needed by the directors. For his part, the managing director is responsible for day-to-day management of the company.
Both are in regular contact with respect to business developments. The Board of Directors sees to it that the managing director has sufficient power to assume his obligations and responsibilities.

2.1.3 Activity report of the Board of Directors

In the year under examination, the Board of Directors, duly performed all of its duties, as indicated above in item 2.1.2.
For example:

- with respect to investment and disinvestment, it took decisions on all of the investment and disinvestment projects that the Sicafi examined. The vast majority of these projects concerned residential or combined buildings located in Belgium.
- it carefully and closely examined the company's funding and interest-rate hedging policy, as described in chapter 1 (Risk factors)
- on 20 June 2009, it devoted an entire day to an in-depth analysis of the company's strategy, primarily with respect to investments.
  Assessment of the members of the Board of Directors:
  As indicated in the introduction to this chapter, until now, the individual contribution of each director has been assessed continuously (rather than periodically), given the frequency of the meetings of the Board of Directors, as well as when company directors are reappointed.

2.2 Special committees

2.2.1 General principle

The responsibilities and functioning of these Committees are explained in detail in the Sicafi Corporate Governance Charter, which can be downloaded on Sicafi's Internet site (www.homeinvestbelgium.be).

2.2.2 Investment committee

The investment committee, chaired by Mr Xavier Mertens, is comprised of the following people:

- **Xavier Mertens**, Managing director
- **Michel Pleeck**, Chairman of the Board
- **Ghislaine Darquennes**, Director
- **Sophie Lambrighs**, representing the AXA Belgium group
- **Johan Van Overstraeten**, representing the V.O.P. group
- **Marc Coppieters**, Portfolio manager

It is the body that selects, analyses and prepares investment dossiers, although the final approval of these dossiers is entrusted to the Board of Directors.

This Committee met on eight occasions during the last financial year.

2.2.3 Audit committee

The Act of 17 December 2008 establishing an audit committee in listed firms was published in the Moniteur belge of 29 December 2008 (new Article 526 bis of the Company Code). Although Home Invest Belgium satisfies two of the three exclusion criteria reproduced in Article 5 of this Act[1] and is therefore not required to set up such a Committee, the Sicafi's Board of Directors decided to set up an Audit Committee (see chapter IV "Consolidated management report") at its meeting held on 28 January 2009. It was set up on 8 April 2009.

It has the following competences:

a. Financial reporting:
It ensures the integrity of the key financial information, paying special attention to the relevancy of the accounting standards applied by the Sicafi. This examination includes the assessment of the accuracy, completeness and consistency of the financial information and covers periodic financial information (annual financial report, half-year report, periodic reports) before it is published.

b. Internal control and risk management:
It examines the internal control and risk management system set up by the executive management to ensure that the principal risks are correctly identified, managed and brought to its knowledge.
It examines the comments concerning internal control and risk management contained in the annual financial report.

c. Internal audit process:
Each year, it assesses the need to set up an internal audit function.
It re-examines its own internal rules, assesses its own effectiveness, and recommends the necessary adjustments to the Board of Directors.

d. External audit process:
It makes recommendations to the Board of Directors on the selection, appointment and reappointment of the Statutory auditor and the conditions of its engagement.

[1] This is the average number of employees, which is below the threshold of 250 people and the annual net turnover, which is below the threshold of € 50 000 000 (see Article 526 bis §3 of the Company Code)

It checks the independence of the Statutory auditor, as well as the nature and scope of the services, other than external audit, that have been rendered.

The audit committee is chaired by Mrs Ghislaine Darquennes, director, and is comprised of the following people:

- **Ghislaine Darquennes**, director
- **Guillaume Botermans**, independent director[1]
- **Michel Pleeck**, director and Chairman of the Board
- **Guy Van Wymersch-Moons**, director.

It meets at least four times a year and whenever it deems this necessary in order to perform its duties. In 2009, it met on four occasions.

The complete internal rules and regulations of this audit committee are contained in Annex 2 of the Corporate Governance Charter available on the Sicafi's website www.homeinvestbelgium.be.

2.2.4 Appointments and remuneration committee

The Sicafi's Board of Directors meeting of 21 October 2009 set up an appointments and remuneration committee. The committee was formally established on 12 February 2010.

It is chaired by Michel Pleeck, director and Chairman of the Board and is comprised of the following persons:

- **Michel Pleeck**, director
- **Guillaume Botermans**, independent director[1]
- **Luc Delfosse**, independent director

Home Invest Belgium wanted to combine the remuneration and appointments functions in a single committee, thus benefiting from the latitude offered to it by the rules of conduct guidelines contained in the Belgian Corporate Governance Code (2009 edition): "The appointments committee and the remuneration committee can be combined, provided that the thus combined committee satisfies the requirements for the composition of the remuneration committee".

Home Invest Belgium's Appointments and Remuneration Committee reports to the Board on a regular basis on the performance of its duties. It meets at least twice a year and whenever it deems this necessary for the performance of its duties, which are described below:

a. *in its appointments section*:

It meets whenever modifications need to be made to the composition of the Board of Directors, whether for a new appointment in the case of an enlargement of the Board or of the Executive Management, or to reappoint a director to the Board. If the Committee is called to handle the reappointment of the Chairman of the Board or to appoint the latter's successor, the composition of this Committee is enlarged to include the entire Board of Directors, in which case the Chairman shall not be present.

It makes sure that the process of appointing and re-electing members of the Board of Directors or of the Executive Management takes place as objectively and professionally as possible.
More specifically, this Committee:

- periodically assesses the size and composition of the Board of Directors and of the Executive Management;
- identifies the competences required for the duty/ies to be performed;
- examines questions concerning director's positions or positions as members of the Executive management to be filled or reappointed, and
- draws up the list of candidates to be approached or to be selected for these positions.

b. *its remuneration section*:

It makes proposals to the Board of Directors on the policy for the remuneration of the directors and members of the Executive Management.
It also makes proposals to the Board of Directors on the individual remuneration of the directors and the members of the Executive Management.

It prepares the remuneration report, which will be included by the Board of Directors in its corporate governance declaration and comments on this report at the annual general meeting of the shareholders.
Within the scope of its responsibilities, the appointments and remuneration committee has access to all of the resources it deems necessary, including to outside opinions.

The complete internal rules of this appointments and remuneration committee are shown in Annex 4 of the Corporate Governance Charter, available on the Sicafi's website **www.homeinvestbelgium.be**.

2.2.5 The Committees' activities report

Given the fact that the investment committee is not covered in the Belgian Corporate Governance Code (2009 edition) and that the audit committee, on the one hand, and the appointments and remuneration

[1] The independence criteria provided for by this Article were replaced by those reproduced in the new Article 526 ter of the Company Code. However, the directors who have already been appointed (more specifically, prior to 8 January 2009), who satisfy the criteria of Article 526 ter, can continue to sit as independent directors until 1 July 2011 (see: Article 24 § 3 of the Law of 17 December 2008 establishing an Audit Committee at listed firms).

committee, on the other, was set up at the end of 2009, or at the beginning of 2010, and have therefore just begun their activities, the company decided not to prepare an activity report on the functioning of these various committees in 2009.

2.3 Powers of representation

In all situations involving an act of disposal of property assets (as defined in Article 2, 4° of the Royal Decree of 10 April 1995 concerning real estate Sicafs), the company is represented by two directors acting jointly.

3 Executive management

In the past, only the managing director, Mr Xavier Mertens, acted as effective director of the Sicafi, according to the meaning of Article 38 of the Law of 20 July 2004 concerning certain types of collective management of investment portfolios. At the end of the 2009 financial year, Home Invest Belgium filed a dossier with the authorities, the purpose of which was to broaden the Sicafi's effective management to include a second member. After approval, Executive Management was set up by the Board of Directors taking effect on 21 January 2010. Thus, it is currently comprised of Mr. Xavier Mertens and SPRLU YLKATT, having as permanent representative, Mr Jean-Luc Colson, Finance Manager.

Xavier Mertens - Managing director: see point 2.1.1 above (Board of Directors)

Jean-Luc Colson - (permanent representative of SPRLU YLKATT)
Finance Manager

Starting date of the mandate: 21 January 2010
Business address: Home Invest Belgium SA, Boulevard de la Woluwe 60, 1200 Brussels
Education/experience: Degree in accounting (HEMES SAINTE MARIE), having held a variety of financial positions, in particular, at AXA Belgium, ING Real Estate and Home Invest Belgium.
Other functions: Director of Home Invest Management SA, Belliard 21 SA and Alltherm SA
Basic remuneration: € 125 000. Variable remuneration: see below in item 5.
Number of Home Invest Belgium shares held: none

The Board of Directors assigns, among others, the following responsibilities and duties to the Executive Management:

a. Real estate management:
- the examination of any investment and disinvestment dossiers and the holding of negotiations necessary to this purpose;
- the presentation of investment and disinvestment dossiers to the investment committee and to the Board of Directors;
- the preparation of the acquisition or alienation of a title on a building, as well as the structuring of the transactions and the negotiation of the contractual documents;
- the leasing and renewal of contracts covering the leasing of buildings, including the determination of the rental value and other useful provisions in rental contracts;
- the implementation of the insurance policy, including the determination of the actual cover, the choice of insurer and the handling of claims;
- the handling and resolution of disputes concerning rent collection and other subjects directly linked to the management of buildings;
- monitoring the policy for the maintenance and renovation of buildings and the development of its own projects:
  i. the planning, awarding and carrying out of work;
  ii. the monitoring and management of the Sicafi's own projects (applying for permits, public inquests and planning permissions)
- the monitoring and co-ordination of the activities of certified real estate surveyors;
- the management of the Sicafi's real estate documentation and computerisation.

b. Financing:
- financial transactions;
- management of short and long-term deposits and fixed-term advances;
- leading discussions with financial institutions as regards applications for credit facilities, long-term financing and hedging instruments.

c. Personnel:
- managing personnel;
- the appointment and dismissal of employees who are not part of Executive Management, the determination of their remuneration and the conditions of their contract;
- the presentation of the employee budget and the organisational chart and its monitoring.

d. Financial information:
- the preparation of all financial and other information, as well as reports required by law;
- the submission to the Board of Directors of an objective and complete quarterly financial report;
- the exhaustive, occasional, and accurate preparation of the Sicafi's financial results, in accordance with accounting standards;
- the setting up of internal controls covering the systems for the identification, assessment, management and monitoring of financial and other risks.

e. External representation:
- the supply of all of the information necessary for the shareholders, the competent authorities or the other market authorities;
- the main contact point and interview partner for these authorities;
- the representation of the Sicafi as part of its competences;
- the managing director monitors and co-ordinates Investor Relations and consults the Chairman of the Board of Directors on all matters that could potentially affect the Sicafi's share price.

The Executive Management reports to the Board of Directors on its responsibilities and its assignments. It provides on a timely basis, first to the chairman, and then to the Board of Directors, all of the information necessary to the performance of its obligations.

The complete internal rules of this Executive Management appear in Annex 3 of the Corporate Governance Charter available on the Sicafi's Internet site: www.homeinvestbelgium.be.

f. Assessment:
The members of the Executive Management are formally assessed by the appointments and remuneration committee, as part of the determination of their variable fees, based on the objectives and criteria determined at the beginning of the year (see points 5.4 and 5.5 below).

4 Management team

The Executive Management is assisted by a team of eight employees and a freelancer, who will initial the payroll of Home Invest Management and of Belliard 21, respectively, both consolidated subsidiaries of the Sicafi.

Moreover, Home Invest Belgium uses specialised real estate agents to rent out or sell its buildings as effectively as possible. These real estate agents are selected carefully, based on the location of the building, its positioning, and the type of clientele sought.

Moreover, Home Invest Belgium draws on the services of building management companies to assist it in the technical management of its buildings and the breakdown of the shared charges.

Special attention is paid to the reputation for professionalism and integrity of these various partners.

5 Remuneration report:

The remuneration report, shown below, was drawn up by the appointments and remuneration committee on 23 March 2010.
It contains information recommended in the Belgian Corporate Governance Code (2009 edition).

5.1 Internal procedure adopted during the 2009 financial year:

As the appointments and remuneration committee was formally set up at the beginning of 2010, questions concerning the policy for remunerating non-executive directors and executive managers[1] and the determination of the level of their remuneration were assumed by the Board of Directors as a whole, during

[1] These are effective directors according to the meaning of Article 38 of the Act of 20 July 2004.

the various meetings scheduled over the course of the entire year.

5.2 The 2009 financial year executive manager remuneration policy:

In 2009, the Board of Directors drew up the new conditions for the remuneration of the managing director, and those applicable as of 21 January 2010 to SPRLU YLKATT, permanently represented by Mr Jean-Luc Colson.

- Basic principles: a fair, basic remuneration that reflects the importance of the position, the level of knowledge required, the size of the company, plus a capped variable remuneration, based on the results obtained vis-à-vis the agreed objectives.
- Relative importance of the various remuneration components:
  The Board decided to cap variable remunerations:
  - For the managing director: up to 28% of the base remuneration (see below item 5.4)
  - For sprlu YLKATT: up to 16% of the base remuneration (see below item 5.5).
- There are no performance bonuses in shares, options or other rights to acquire shares.
- No significant modifications have been made to the remuneration policy since the end of the financial year.

5.3 Remuneration of the non-executive directors:

No non-executive director receives any fixed or variable remuneration of any type whatsoever. However, said non-executive directors can submit expense forms for expenses incurred while performing their duties. In 2009, only the Chairman of the Board made use of this right, for a total amount of € 6 529.74.

However, at the end of 2009, the Board of Directors decided to set up a system of director's fees for meetings of the Board of Directors and the various special committees. A dossier was recently submitted for this purpose to the supervisory authorities, in accordance with Article 20 §2 of the Royal Decree of 10 April 1995. If approved, this new scheme will take effect at the beginning of the 2010 financial year, for € 500 per Board meeting, and € 300 per committee meeting.

The Executive Management members who attend these meetings do not receive these compensations.

5.4 Remuneration of the Managing director, Mr Xavier Mertens,

Sicafi's effective directors (pursuant to the company agreement concluded in May 2002, together with an initial commitment signed on 21 December 2005 and a second amendment, signed on 19 August 2009):

- Year 2009 :
  The total cost of the managing director's remuneration for the year 2009 came in at € 300 135 (fixed fees of € 225 000, variable fees of € 40 134.60 allotted in 2009 for the year 2008 and an advance of € 35 000 for variable fees for the 2009, which will be awarded in 2010).
- Years 2010 and 2011:
  The second amendment to the company agreement provides for an indexed annual base remuneration, payable by monthly tranches, of € 250 000 for the year 2010 and € 270 000 for the year 2011,and a variable remuneration of between 5% and 28% of the base annual remuneration of the year in question.
  The managing director is also eligible for a GSM and for reimbursement of his GSM communications expenses, and is reimbursed for up to € 10 000 per year, for the expenses incurred on behalf of the Sicafi (restaurants, travel, etc).

His variable remuneration is determined on the basis of the application of the five following assessment criteria during the year in question:

- management of the occupancy rate of the buildings,
- acceleration of the process to sell buildings/plots of land,
- implementation of the other strategic areas approved by the Board,
- Corporate Management in general, and
- the accentuation of communications outside the firm.

He is not eligible for a pension plan, or for supplementary insurance or other benefits.

As indicated above in point 5.2, there are no performance bonuses in the form of shares, options or other rights to acquire shares.

Contractual provisions concerning notice and severance pay:

The company agreement concluded with the Managing director provides, in the event of termination by the Sicafi, notice of at least six months, plus a termination compensation of at least 1 month per year of services. However, this cannot exceed a total of twelve months. It will be calculated based on both the fixed remuneration and the variable remuneration.

These contractual provisions can possibly diverge from the relevant recommendations, as contained in the Belgian Corporate Governance Code (2009 edition). However, the Board of Directors believes that these provisions are balanced given the managing director's level of remuneration on the one hand, and the acquired experience on the other.

5.5 Remuneration of the sprlu YLKATT (pursuant to a company agreement, dated 21 January 2010):

The agreement covering the delegation to effective management of 20 January 2010, represented by its statutory manager, Mr Jean-Luc Colson, Financial Manager, provides for an indexed annual base remuneration, payable in monthly instalments, of € 125 000 and a variable remuneration that can vary between 5% and 16% of the base annual remuneration for the year in question, depending on the degree of attainment of the objectives set for the year 2010 and payable for the first time during the first two weeks of April 2011.
Sprlu YLKATT is also eligible for a GSM, reimbursement of GSM communications expenses, and is reimbursed for the expenses incurred on behalf of the Sicafi.

Its variable remuneration is determined on the basis of the application of the five following assessment criteria, during the year in question:

- the acceleration of the process of transferral of buildings/land,
- the management of outstanding payments,
- administrative management, of human resources and IT organisation, internal report and for the Board,
- monitoring of operating margin,
- the implementation of the other strategic areas approved by the Board.

It is not eligible for the pension plan or for supplementary insurance or other benefits.
As indicated above in point 5.2, there are no performance premiums in shares, options or other rights to acquire shares.

Contractual provisions concerning notice and severance pay:
The company agreement concluded with sprlu YLKATT provides, if the Sicafi terminates the contract, notice of nine months, plus a three-month termination compensation. The notice period can be replaced by a compensation of an amount corresponding proportionally to the remainder of the notice period. The three-month termination compensation shall be increased by half a month per year of service, but cannot exceed a total of nine months. This compensation shall be calculated based on both the fixed remuneration and the variable remuneration.

These contractual provisions can potentially diverge[1] from the relevant recommendations, as contained in the Belgian Corporate Governance Code (2009 edition). However, the Board of Directors believes that these provisions are balanced, given the level of remuneration of sprlu YLKATT on the one hand and the acquired experience on the other.

6 Statutory auditor

The Statutory auditor of Home Invest Belgium is Mr André Clybouw, company auditor, director of SCCRL PKF, a firm of corporate auditors, located at Potvlietlaan 6, 2600 Antwerp.
The Statutory Auditor's fees amounted to a total of € 41 200.50, including VAT, broken down as follows:

- Statutory auditor's fees: € 26 378
- Fees for exceptional work or specific assignments performed at the company by the Statutory auditor:
  1. Other affidavit work: € 7 865
  2. Other non-audit work: € 6 957.50
- Fees for exceptional work or specific assignments carried out at the company by persons with whom the Statutory auditor(s) is/are linked:
  1. Tax advice: € 0

Its mandate will expire following the ordinary general meeting that will be held on 4 May 2010. In accordance with the recommendations of the Institut des Réviseurs d'Entreprises, it cannot be appointed to a 3rd mandate.
The general meeting will decide on the Board of Directors proposal to appoint in his stead Mr Karel Nijs, corporate auditor, located at Potvlietlaan 6, 2600 Antwerp.

[1] If all or part of the notice period is converted into a termination compensation, the maximum 12-month compensation recommended by the Belgian Corporate Governance Code (2009 edition) could be exceeded.

7 Real estate surveyors

SA Winssinger & Associés[1] (registered at the Brussels RPM: 0422.118.165), having its registered office at Chaussée de La Hulpe 166, 1170 Brussels, Belgium (tel.: +32 (0)2 629 02 90), represented by Mr Philippe Winssinger, was appointed the Sicafi's original independent real estate surveyor. It has many years of experience in the area of real estate surveys, in particular, residential.

Winssinger & Associés conducts property valuation when property is acquired, contributed or sold, or when property companies merge with/de-merge from the Sicafi or when properties are integrated into the Sicafi's consolidation scope by other means. A valuation is carried out at the end of each quarter and year. Its annual remuneration, which is capped, was set in May 2005 at 0.06 % (excluding VAT) of the portfolio's investment value. The annual remuneration is paid in quarterly tranches on the basis of the portfolio's investment value, calculated at the end of the corresponding quarter.

8 Prevention of conflicts of interest

8.1 As regards the members of the Board of Directors and the Executive Management:

Laws governing the prevention of conflicts of interest that apply to Home Invest Belgium are contained in Articles 523 and 524 of the Company Code, as well as in Article 24 of the Royal Decree of 10 April 1995.

If Home Invest Belgium offers to conclude with a director or with a company linked to the latter a transaction that is not covered by Article 523 of the Company Code (for example, because it is a customary transaction concluded under arms length conditions and guarantees), Home Invest Belgium nevertheless deems it necessary for this director to point this out to the other directors prior to the deliberation of the Board of Directors and for it to refrain from attending the Board of Director's deliberation on this transaction, and to take part in the vote.
This rule is reproduced as is in the Corporate Governance Charter to which all of the directors have adhered.

In addition, all of Home Invest Belgium's negotiations with its various bankers, in particular, in the framework of requests for credit and interest rate hedging transactions, are entrusted to the Executive Management within the framework of day-to-day management. After said transactions have been concluded, it informs the Board of Directors of the conditions obtained.

During the financial year 2009, no transactions were concluded that gave rise to a situation of conflicts of interest, according to the meaning of Article 523 of the Company Code or of the Belgian Corporate Governance Code[2].
However, Luc Delfosse, Gaëtan Hannecart and Ghislaine Darquennes found themselves in a potential conflict of interest, not covered by Article 523 of the Company Code, and they voluntarily refrained from attending certain meetings of the Board of Directors.

Two directors of Home Invest Belgium, Gaëtan Hannecart and Guy Van Wymersch-Moons, are also directors of other Sicafi, Cofinimmo and Leasinvest Real Estate, respectively. However, given the fact that these two Sicafi invest almost exclusively in real estate market sectors in which Home Invest Belgium does not invest, the likelihood of conflicts of interest are limited.

Executive Management is subject to the same rules as regards conflicts of interest as the Board of Directors.

8.2 With respect to service providers

The company implements a rigorous policy to avoid conflict of interest amongst its service providers. Accordingly, the principal service providers are asked to adhere to, and sign their consent for the Corporate Governance Charter, especially with respect to conflicts of interest and the prevention of insider trading (see point 9 below). As regards more specifically the real estate surveyor, the agreement concluded with the Sicafi provides that in the event of a conflict of interest, the initial valuation of the property will be entrusted to a different authorised real estate surveyor.

9 Prevention of insider trading

Given Home Invest Belgium's reputation for integrity, the Board of Directors has set up a Code of Conduct applicable to transactions involving the Sicafi's shares and other financial instruments by directors and employees of the Sicafi or its subsidiaries[3].

This code provides, inter alia:

- the implementation of a schedule of periods during which trading on the Sicafi's shares

[1] Country of origin: Belgium – Laws governing its activities: Belgian legislation

[2] For the rest: see "Management report" chapter, point 3.8.

[3] This Code of Conduct appears in Annex 1 of the Corporate governance charter available on the Internet site www.homeinvestbelgium.be of the Sicafi.

is not authorised: for example, between the time directors become aware of the financial figures and the second working day following the date of their publication (“closed periods”);
- the appointment of a compliance officer who is responsible for preparing this schedule at the beginning of the year, and for monitoring adherence, by the Sicafi’s directors and staff as part of their obligations under the Code of Conduct;
- the obligation to notify the compliance officer in writing prior to any transaction involving the Sicafi’s shares;
- the obligation to wait for a positive reply from the compliance officer prior to executing any transaction.

The compliance officer is Mr Michel Pleeck, Chairman of the Board of Directors. Should Michel Pleeck wish to carry out any transactions, Mr Xavier Mertens shall assume the role of compliance officer.

10 Custodian bank

Fortis Banque SA (BNP Paribas Fortis - registered at the Brussels RPM: 0403.199.702)[1], having its registered office at Montagne du Parc 3, B -1000 Brussels (tel : +32 (0)2 565 11 11), was appointed as custodian bank of Home Invest Belgium, according to the meaning of Article 12 et seq. of the Royal Decree of 10 April 1995 governing real estate Sicafs. In its capacity as custodian bank, BNP Paribas Fortis is required to perform the obligations arising from the Act of 20 July 2004 concerning certain types of collective management of investment portfolios and the Royal Decree of 10 April 1995. The custodian is in possession of all deeds and official documents relating to any modifications to the Sicafi’s assets and is responsible for updating inventory after each change to the real estate portfolio. The remuneration is fixed at an all-inclusive amount of € 15 000, indexed annually. For the financial year 2009, this remuneration came in at € 15 752.28.

Home Invest Belgium and BNP Paribas Fortis also signed a proxy custodian bank agreement with ING Belgium (0403.200.393), the registered office of which is located at Avenue Marnix 24, B –1000 Brussels, for the custody of the portion of the assets in the form of cash.

11 Financial Service

Fortis Banque SA (BNP Paribas Fortis)[2] acts as centralising bank responsible for the financial service of the shares of Home Invest Belgium (payment of dividends, subscription of capital increases, convening to General Meetings). The remuneration is fixed, as regards dematerialised securities, at 0.2% of the net value of the coupon paid. The remuneration for bearer shares is 2% of the net coupon, plus € 0.1 per collected sub-share. This remuneration is subject to VAT.

12 Liquidity provider

ING Equity Markets[3] acts as liquidity provider of the Home Invest Belgium share. Its annual fixed remuneration is € 5 000, excluding VAT.

13 Promoters

Fortis Banque SA (BNP Paribas Fortis), having its registered office at Rue Montagne du Parc 3, B - 1000 Brussels, and ING Belgium, having its registered office at Avenue Marnix 24, B – 1000 Brussels, acted as Promoters of the Sicafi, in accordance with the provisions of Articles 2, 10° of the Royal Decree of 10 April 1995.

[1] Country of origin : Belgium – Laws governing its activities : Belgian legislation

[2] This agreement is a transaction covered in Article 24 of the Royal Decree concerning sicafis, since BNP Paribas Fortis SA was the Sicafi’s promoter.

[3] This agreement is a transaction covered by Article 24 of the Royal Decree concerning sicafis, since ING Belgium was the Sicafi’s promoter.

Financial Statements[1]

SUSTAINED AND CONSOLIDATED GROWTH

The 2009 consolidated annual accounts of Home Invest Belgium include those of its subsidiaries, Home Invest Management SA (100%), Belliard 21 SA (100%) and Alltherm SA (100%).
The accounting and valuation criteria set out in the International Financial Reporting Standards ("IFRS") have been applied since the annual accounts for the 2006 financial year.-[2]

[1] Some figures included in the tables and text in this chapter may present a rounded difference.

[2] The annual financial reports (which include the consolidated financial statements, with an abridged version of the statutory accounts, consolidated management reports, auditor's reports and survey reports), intermediate declarations, half-yearly financial reports, the description of the financial situation, information concerning related parties and historical financial information concerning the Sicafi's subsidiaries relating to the 2008 and 2007 financial years, are included for reference in this Annual Financial Report.

1 BALANCE SHEET (CONSOLIDATED)

CONSOLIDATED BALANCE SHEET IFRS (IN €)	Notes	2009	2008
ASSETS			
I. NON-CURRENT ASSETS		**227 160 629**	**209 324 419**
B. Intangible assets	15	1 815	3 896
C. Investment properties	16	225 625 958	207 687 474
E. Other tangible assets	18	53 236	81 035
F. Non-current financial assets	24	105 846	91 293
G. Finance lease receivables	19	1 373 774	1 460 721
II. CURRENT ASSETS		**7 108 327**	**5 101 577**
A. Assets held for sale	20	2 176 005	641 195
C. Finance lease receivables	19	86 947	81 273
D. Trade receivables	21	1 207 863	774 446
E. Tax receivables and other current assets	21	1 656 784	1 995 627
F. Cash and cash equivalents	22	1 964 597	1 543 240
G. Deferred charges and accrued income	23	16 131	65 797
TOTAL ASSETS		**234 268 956**	**214 425 996**
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY	26	**149 050 809**	**147 090 631**
A. Capital		70 946 880	69 730 907
B. Share premium account		19 093 664	19 093 664
C. Own shares repurchased (-)		-757 323	-757 323
D. Reserves		70 043 381	70 535 113
E. Profit/(loss)			
E.1. Profit/(loss) carried forward from previous periods		4 321 403	3 556 025
E.2. Profit/(loss) from the current period (2)		7 811 649	6 608 088
F. Impact on fair value of estimated transaction costs and duties resulting from the hypothetical disposal of investment properties		-19 608 464	-19 626 194
G. Changes in fair value of financial instruments		-2 800 381	-2 049 649
LIABILITIES		**85 218 147**	**67 335 365**
I. Non-current liabilities(3)		**80 011 639**	**63 595 057**
B. Current financial debts		76 848 750	61 481 093
C. Trade debts and other current debts		3 162 889	2 113 964
II. Current liabilities (3)		**5 206 508**	**3 740 308**
B. Non-current financial debts	24	835 312	559 355
D. Trade debts and other current debts	25	3 205 872	1 641 540
E. Other current liabilities	25	692 153	1 319 867
F. Accrued charges and deferred income	23	473 171	219 546
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**234 268 956**	**214 425 996**
Number of shares at end of period(1)		2 815 630	2 790 465
Net asset value		149 050 809	147 090 631
Net asset value per share		52.94	52.71
Indebtedness according to RD of 21 June 2006		81 582 087	65 001 855
Debt ratio		34.82%	30.31%

(1) The total number of issued shares is 2 828 542, from which have to be excluded the 12 912 shares held in auto-control by Home Invest Belgium (IAS33, paragraph 20).
(2) The item E.2 is calculated based on the net result of the results account minus the item XVIII 'Changes in the fair value of investment properties'.
(3) A reallocation between non-current liabilities and current liabilities was made in the 2008 financial year amounting to € 65 000 and concerns the transfer of a bank credit from long-term to short-term.

2 INCOME STATEMENT (CONSOLIDATED)

CONSOLIDATED INCOME STATEMENT (IFRS) (IN €)	Notes	2009	2008
I. Rental income	4	13 895 469	11 892 750
III. Rental-related expenses	4	-219 846	-202 278
NET RENTAL RESULT		**13 675 622**	**11 690 472**
IV. Recovery of property charges	5	87 602	89 35
V. Recovery of charges and taxes normally payable by the tenant	5	366 730	345 292
VII. Charges and taxes normally payable by the tenant	5	-1 255 773	-1 099 312
PROPERTY RESULT		**12 874 181**	**11 025 810**
IX. Technical costs	6	-1 261 645	-1 091 005
X. Commercial costs	7	-480 575	-373 367
XI. Taxes and charges on un-let properties	8	-197 475	-75 260
XII. Property management costs	8	-1 492 323	-1 217 362
(+/-) Property costs		-3 432 018	-2 756 994
PROPERTY OPERATING RESULT		**9 442 163**	**8 268 815**
XIV. General corporate expenses	9	-518 191	-450 420
OPERATING RESULT BEFORE PORTFOLIO RESULT (A)		**8 923 972**	**7 818 395**
XVI. Gains or losses on the sale of investment properties (B)	10	1 288 364	845 247
XVII. Gains or losses on the sale of other non-financial assets (C)		0	0
XVIII. Changes in fair value of investment properties (D)	10	270 644	-1 334 719
OPERATING RESULT (E)		**10 482 980**	**7 328 923**
XIX. Financial revenues	11	271 082	527 827
XX. Interest charges	12	-2 241 000	-2 469 640
XXI. Other financial charges	13	-424 747	-77 477
(+/-) FINANCIAL RESULT		-2 394 665	-2 019 290
PRE-TAX RESULT (F)		**8 088 315**	**5 309 633**
XXII. Corporation tax	14	-6 022	-21 00
XXIII. Exit Tax	14	0	-15 257
(+/-) Taxes		-6 022	-36 264
NET RESULT ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY(G)		**8 082 294**	**5 273 369**
Net result per share attributable to the owners of the parent company		2,92	2,13
Net current result = ((G) - (B) -(C) - (D))		**6 523 285**	**5 762 841**
NET CURRENT RESULT PER SHARE		**2.36**	**2.33**
Result on the portfolio = ((B) + (C) + (D))		1 559 009	-489 472
RESULT ON THE PORTFOLIO PER SHARE		**0.56**	**-0.20**
Result available for distribution to the owners of the parent company(6)		7 695 513	6 751 726
RESULT AVAILABLE FOR DISTRIBUTION TO THE OWNERS OF THE PARENT COMPANY, PER SHARE		**2.78**	**2.73**
Average number of shares with full dividend rights		2 764 079(1)	2 475 725
Number of shares at end of period		2 815 630(2)	2 790 465
Proposed dividend (7)		**2.43**	**2.36**
Operating margin (3)		69.32%	70.91%
Operating margin before tax (4)		50.72%	52.60%
Net current margin (5)		50.67%	52.27%
Distribution ratio (9)		87.28%	86.54%
Other elements of the total result:			
Changes in fair value of financial instruments (10)		-750 732	-2 501 435
Total result attributable to the owners of the parent company(8)		7 331 561	2 771 933
Total result attributable to the owners of the parent company, per share		2.65	1.12

(1) The average number of shares with entitlement is corrected to take account of the 109 111 shares with entitlement from 1 June 2009 on a pro rata basis and the 12 177 shares with entitlement from 1 July 2009 on a pro rata basis. The 12 912 shares held as treasury shares are excluded (IA33, paragraph 20).
(2) The total number of shares in circulation is 2 828 542, from which it is necessary to exclude the 12 912 Home Invest Belgium treasury shares (IAS33, paragraph 20). We therefore obtain 2 815 630 shares at the end of the period. The difference between 2008 and 2009 derives from the 25 165 shares issued in the context of the merger with Les Erables Invest.
(3) Operating result before portfolio result / property result.
(4) Pre-tax result – portfolio result / property result.
(5) Net result for the financial year – portfolio result / property result.
(6) This result available for distribution is calculated on a consolidated basis. The statutory result available for distribution according to the RD of 21 June 2006 – Article 7 amounts to € 7 915 526 or € 2.85 per share (including shares in auto-control). On 31 December 2008, it amounted to € 6 825 196, or € 2.74 per share. All other references to the result available for distribution in the present report relate to the result available for distribution on a consolidated basis.
(7) The dividend is determined on the basis of the statutory result.
(8) There are no minority interests.
(9) Dividend / result available for distribution.
(10) The financial instruments only concern those directly listed under shareholders' equity in accordance with IAS 39.

A reconciliation of the net result for the period with balance sheet item E2 is given in the Management Report above.

3 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONSOLIDATED)

In €	A. Capital	B. Share premium	C. Own shares
BALANCE SHEET ON 31/12/2007	**59 729 001**	**19 093 664**	**-658 177**
Transfer			
VOP contribution in kind (demerger)	10 062 486		
JBS merger	29 000		-99 145
Variations resulting from the sale of a building			
Variations resulting from a heading transfer			
Dividend distribution			
Result for the period (A)			
Changes in fair value of the buildings (B)			
Changes in fair value of the hedging instruments (C)			
Total result for the period (A+B+C)	**0**	**0**	**0**
Other increase (decrease)	-89 581		
BALANCE ON 31/12/2008	**69 730 907**	**19 093 664**	**-757 323**
Transfer			
Les Erables Invest merger	1 246 938		
Variations resulting from the sale of a building			
Dividend distribution			
Result for the period (A)			
Changes in fair value of the buildings (B)			
Changes in fair value of the hedging instruments (C)			
Total result for the period (A+B+C)	**0**	**0**	**0**
Other increase (decrease)	-30 965		
BALANCE ON 31/12/2009	**70 946 880**	**19 093 664**	**-757 323**

D. Reserves	E.1.Results carried forward	E.2. Results for the period	F. Rights to fair value	G. Financial asset and liabilities	Shareholders' equity
49 020 538	**2 964 868**	**5 593 408**	**-17 363 410**	**451 787**	**118 831 678**
	607 392	-607 392			0
21 041 759	-86 380				31 017 865
	70 145				0
-646 023			169 115		-476 908
-28 341			50 000		21 659
		-4 986 016			-4 986 016
		6 608 088			6 608 088
1 435 068			-2 769 788		-1 334 719
				-2 501 435	-2 501 435
1 435 068	**0**	**6 608 088**	**-2 769 788**	**-2 501 435**	**2 771 933**
-287 889			287 889		-89 581
70 535 113	**3 556 025**	**6 608 088**	**-19 626 194**	**-2 049 649**	**147 090 631**
	765 378	-765 378			0
					1 246 938
-855 549			110 903		-744 646
		-5 842 710			-5 842 710
		7 811 649			7 811 649
363 817			-93 173		270 644
				-750 732	-750 732
363 817	**0**	**7 811 649**	**-93 173**	**-750 732**	**7 331 561**
					-30 965
70 043 381	**4 321 403**	**7 811 649**	**-19 608 464**	**-2 800 381**	**149 050 809**

The item "Other increases (decreases)" comes from the costs related to the capital increase resulting from the merger with Les Erables Invest S.A., which took place in 2009, amounting to a total cost of € 30 965.
Column F. "Rights to fair value" corresponds to the calculation of the rights to the investment value communicated by the real estate expert. The balance corresponds to the fair value of the investment properties. The changes in fair value compared with the acquisition value plus capitalized expenses constitute the unavailable reserves given under item D. "Reserves".

4 CASH FLOW STATEMENT (CONSOLIDATED)

In €	2009	2008
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1 543 240	605 755
1. Cash flow from operating activities	**8 096 736**	**6 756 525**
Result for the year before interest and taxes	10 482 980	7 328 923
Interest received	271 082	527 827
Interest paid	-2 665 747	-2 547 117
Taxes	-6 022	-36 264
Adjustment of profit for non-current transactions	-1 226 009	478 622
Depreciation and write-downs	34 607	33 852
-Adjustments of profit for non-current transactions	34 607	33 852
Other non-monetary elements	27 748	1 290 017
-Variation in fair value of investment properties (+/-)	-270 644	1 334 719
-Other non-current transactions	298 392	-44 702
Gain on realisation of assets	-1 288 364	-845 247
-Capital gains realised on the sale of property assets	-1 288 364	-845 247
Change in working capital needs:	1 240 452	1 004 534
Movements in asset items	422 757	656 099
-Current financial assets	81 273	76 428
-Trade receivables	-433 417	570 381
-Tax receivables and other short-term assets	708 136	-20 582
-Deferred charges and accrued income	66 764	29 872
Movements of liabilities items	817 696	348 435
-Trade and other current debts	-176 166	295 165
-Other current liabilities	770 181	19 513
-Accrued charges and deferred income	223 680	33 757
2. Cash flow from investment activities	**-12 676 486**	**-9 572 029**
Investment properties - capitalised investments	-809 435	-225 544
Investment properties - new acquisitions	2 257 286	2 059 494
Development projects	-4 744 722	-6 371 163
Other tangible assets	-4 727	-21 996
Non-current financial assets	-14 752	-6 000
Acquisitions of subsidiaries	-9 360 136	-5 006 820
3. Cash flow from financing activities	**5 001 106**	**3 752 989**
Variation in financial liabilities and debts		
Increase (+) / Decrease (-) in financial debts	14 439 285	13 737 123
Increase (+) / Decrease (-) in other financial liabilities	-3 622 349	-4 908 537
Variation in capital (+/-)	-30 965	-89 581
Dividend of the previous period	-5 784 865	-4 986 016
Total cash flow	1 964 597	1 543 240
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1 964 597	1 543 240

Note A Acquisition of subsidiaries	2009 Alltherm	 Belliard 21	2008 Les Erables	 Eriv Mechelen
Cash and cash equivalents	99 800	844		280 183
Investment properties	11 500 000	4 060 000	5 000 000	6 450 000
Trade receivables				7 855
Tax receivables and other current assets	334 968	668		31 033
Deferred charges and accrued income	8 160	8 938		356
Credit institutions	-1 053 372			-4 908 537
Other current financial debts		-3 622 349		
Trade debts	-31 965	-14 374		-201 308
Tax debts	-1 735 170	-65 423		-125 641
Other current liabilities			-1 246 938	
Accrued charges and deferred income	-29 945			
Total acquisitions	**9 092 475**	**368 305**	**3 753 062**	**1 533 941**
Cash flow of subsidiaries	-99 800	-844		-280 183
Cash flow on acquisition of subsidiaries	**8 992 675**	**367 461**	**3 753 062**	**1 253 758**

5 NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1
GENERAL INFORMATION ON THE COMPANY

Home Invest Belgium SA is a Sicafi (Société d'Investissement à Capital Fixe en Immobilier - Fixed Capital Real Estate Investment Trust). It is constituted in the form of a Belgian société anonyme (public limited liability company). Its registered office is at 1200 Brussels, Boulevard de la Woluwe, 60 (Belgium).

The company is listed on the continuous market of NYSE Euronext Brussels. The consolidated annual accounts encompass those of Home Invest Belgium and its subsidiaries.

Note 2
MAIN ACCOUNTING METHODS

1 Declaration of conformity

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

In accordance with Article 2 of the Royal Decree of 21 June 2006 concerning the bookkeeping, annual accounts and consolidated accounts of real estate Sicafis (fixed capital investment trusts), amending the Royal Decrees of 10 April 1995 and seq. concerning real estate Sicafis, Home Invest Belgium has made use of the option to draw up its annual accounts in accordance with IFRS standards, starting from the 2006 financial year ending on 31 December 2006.

The company drew up its opening IFRS balance sheet on 1 January 2005 (date of transition to IFRS). In accordance with IFRS 1 - First-time Adoption of IFRS, the company decided not to reprocess acquisitions made prior to the IFRS transition date, in accordance with IFRS 3 - Business groupings.

2 Preparation basis

The financial statements are presented in euros unless otherwise mentioned. They are prepared on a historical cost basis, with the exception of investment properties and certain financial instruments, which are assessed at their fair value.
The accounting methods have been applied consistently for the financial years presented.

3 Consolidation basis

The consolidated annual accounts contain the annual accounts of Home Invest Belgium and its subsidiaries. Subsidiaries are entities controlled by the group. A control is put in place when Home Invest Belgium holds, directly or indirectly, via subsidiaries, more than half the voting rights of a particular entity.

The annual accounts of subsidiaries are fully consolidated from the acquisition date until date at which control ends. Subsidiaries' accounts are prepared for the same accounting year as that of Home Invest Belgium. Uniform IFRS valuation rules are applied to the subsidiaries in question.

All intra-group operations, as well as unrealised intra-group gains and losses on operations between group companies are eliminated. Unrealised losses are eliminated except in the case of extraordinary capital losses.

4 Goodwill – Badwill

Goodwill is the positive difference between the enterprise regrouping price and the group's share in the fair value of the acquired assets, and liabilities of the acquired subsidiary, at the time of takeover. The enterprise regrouping price consists of the acquisition price plus all directly attributable transaction costs.

Negative goodwill (badwill) is equal to the amount exceeding the enterprise regrouping price and the fair value of the identifiable assets and liabilities. This negative goodwill is immediately passed through the acquirer's income statement.

5 Intangible assets

Intangible assets having a limited life are initially value at cost. After initial recognition, they are valued at cost less accumulated amortization and any impairment losses.

Intangible assets are amortised on a straight-line basis based on a best estimate of their useful lives. The useful life and amortisation method of intangible assets are reviewed at least at the end of every financial year.

6 Investment properties

6.1 The investment properties

are investments in real estate assets held for long-term rental and/or to increase capital.
Investment properties are initially recognised at cost, including transaction costs and non-deductible VAT. Where buildings are acquired through mergers, splits and contribution of activity segments, the taxes owed on the potential capital gains of the assets integrated in this way are included in the cost of the assets in question.

At the end of the first account period after their initial recognition, investment properties are valued at fair value.
Every quarter an independent external real estate expert values the property portfolio, including costs, registration duty and fees. Where properties are designed and structured in such a way as to lend themselves to resale in separate units, the valuation is based on their resale in individual units.
The expert values properties on the basis of three methods:

- capitalisation of their estimated rental value,
- valuation per unit 'deed in hands', and
- the DCF method.

In order to determine the fair value of the real estate assets so valued, Home Invest Belgium makes the following adjustments:

- for residential or mixed properties, the design and structure of which lends them for resale in separate units, Home Invest Belgium deducts from this valuation the full amount of registration duties, depending on the applicable regional regulations (10% or 12.5%),
- for the other portfolio properties, the Sicafi corrects the expert valuation by -2.5%,
  for properties with an investment value in excess of € 2 500 000. This correction has been defined at sector level, based on a wide sample of transactions, and corresponds to the average transaction costs effectively paid in Belgium on transactions of this kind between 2003 and 2005.
- however, where the investment value of these other properties is less than this amount of € 2 500 000, the full amount of registration costs, depending on the applicable regional regulation, will be deducted from the valuation amount.
  As long as the investment buildings are new according to the VAT Code, the above restatements are limited to the investment value of the plots of land on which they are built.

Any gain or loss resulting from a change in fair value is recorded in the income statement before being allocated to the unavailable reserves.

The above-mentioned restatements are binding on Home Invest Belgium for producing its annual accounts, the properties being so always valued in the balance sheet at their fair value, at their sale value in individual units.

6.2 Accounting treatment of change of transfer costs on investment properties

The offsetting entries to these restatements are made in the income statement under heading D. "Variation in the fair value of investment properties", before being passed to shareholders' equity in a heading entitled F. "Impact on the fair value of estimated transaction costs resulting from the hypothetical disposal of investment properties". This heading contains in this way at any time - as a net figure - the total amount of transaction costs on the property investments deriving from the restatements mentioned in 6.1 above. As a result, transaction charges are passed through the income statement before being appropriated to shareholders' equity at the account closing date. Any evolution in the fair value of a property involves a proportional adaptation of this item, D.

6.3 Works undertaken in investment properties operated

Building works which are the owner's responsibility are recorded in the accounts in three different ways, depending on the type of work in question:

- The cost of maintenance and repair work which does not add any additional functionality or which does not increase the level of comfort of the building is considered as current expenses of the period and as property charges.
- Improvement work: that is work undertaken on an occasional basis to increase the functionality of the building or dwelling concerned, or to significantly increase the standard of comfort, and so increasing the estimated rental value. The cost of this work is capitalized in so far and to the extent that the expert recognises, in the normal course of things, an appropriate appreciation in the estimated rental value. Examples: in-depth renovation of a dwelling, placing of parquet flooring, rebuilding of an entrance hall.
- Major renovation works: these are normally undertaken every 20 or 30 years and involve the waterproofing, structure or essential functions of the building (replacement of lifts, heating installation, window frames, etc.) This type of renovation work is also capitalized.

The worksites where the costs are to be capitalized are identified according to the preceding criteria at the budget preparation stage.
The costs that can potentially be capitalized relate to materials, contracting works, engineering studies, fees (architects, engineers, project management) and interest charges during the construction period, with the exception of internal costs.

6.4 Development projects

From the 2009 financial year, property that is being constructed or developed is listed under investment properties at cost, until the construction or development is complete. At which time, the asset is transferred to investment properties. The costs that can potentially be capitalized relate to materials, contracting works, engineering studies, architects' fees and interest charges during the construction period, with the exception of internal costs.

7 Other tangible assets

Other tangible assets are recorded at cost less accumulate depreciation and any impairment losses. Depreciation is recorded on a straight-line basis over the estimated useful life of the asset. The useful life and form of depreciation are reviewed at least at each annual closing.
The useful life is as follows for each asset category:

- IT hardware: 3 years
- IT software: 5 years
- Furniture and office equipment: 10 years
- Office improvements: depending on the length of the lease, with a maximum of six years.

8 Financial assets

Financial assets are presented in the balance sheet under current or non-current financial assets depending on the intention or the probability of realisation during the 12 months following after the closing date.
A distinction can be made between:

- financial assets valued at fair value: the changes in fair value of these assets are recorded in the income statement.
- financial assets held for sale: shares and securities held for sale are valued at their fair value. Changes in fair value are recorded in shareholders' equity until sale or extraordinary impairment loss, at which time the accumulated revaluations are passed through the income statement.
- financial assets held to maturity: financial assets held to maturity are recorded at amortised cost.

9 Derivatives

Home Invest Belgium uses financial derivatives to cover its exposure to the risk of interest rate changes in the context of the financing of its activities.
Financial derivatives are initially recorded at cost and then marked to fair value at the following period closing dates.
Changes in the fair value of financial derivatives which do not meet the conditions for hedge accounting according to IAS 39 are passed through the income statement.
The effective portion of the profits or losses from changes in the fair value of financial derivatives which meet the conditions of IAS 39, specifically designated and qualified as cash flow hedges of an asset or liability or planned transaction which is recorded in the balance sheet, is accounted for under shareholders' equity. The non-effective part is passed through the income statement. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any accumulated profit or loss contained at that time in shareholders' equity is passed through the income statement.

10 Investment properties held for sale

An investment property is considered as held for sale if can be sold immediately in its present state and such a sale is highly likely.
An investment property held for sale is valued in the same way as any other investment property.

11 Trade receivables

Trade receivables are stated at their nominal value less estimated non-recoverable amounts. This reduction in value is entered in the income statement.

12 Cash and cash equivalents

Cash and cash equivalents consists of cash and current accounts. Cash equivalents are very short term and highly liquid investments, which can be easily convertible into a known cash amount, have a maturity of no more than three months, and present no major risk of change in value.
These items are recorded in the balance sheet at nominal value or cost.

13 Capital - Dividends

Ordinary shares are accounted for in shareholders' equity. Costs directly linked to the issue of new shares or options are recorded in equity, net of tax, as a deduction from the amount collected.
Own shares purchased on the market are presented at purchase price and deducted from shareholders' equity. A sale or cancellation of repurchased shares does not affect the income statement; gains and losses on own shares are taken directly to shareholders' equity.
Dividends are recognised as liabilities only when approved by the General Meeting of Shareholders.
Any interim dividend is recorded as a liability as soon as the Board of Directors has taken the decision to proceed to pay such a dividend.

14 Provisions

A provision is recognised in the balance sheet when:

- an obligation (legal or implicit) exists resulting from a past event, and
- it is probable that resources will need to be spent in order to meet this obligation, and
- the amount of the obligation can be reliably estimated.

15 Taxes

Taxes on the result for the period consist of both current taxes and deferred taxes. These are recognised in the income statement except where they relate to items recorded directly in equity, in which case they too are recognised in equity.
Current taxes are the taxes payable on the taxable income of the past year as well as any adjustment to taxes paid (or recoverable) relating to past years. These taxes are calculated at the tax rate applicable at the closing date.

Deferred taxes are calculated using the liability method on temporary differences between the tax basis of an asset or a liability and its accounting value as stated in the financial statements. These taxes are determined according to the tax rates expected at the time the asset will be realised or the obligation ends.
Deferred tax receivables are recognised for deductible temporary differences and on recoverable tax credits carried forward and tax losses, to the extent that it is probable that taxable profits will exist in the near future with which to use the tax benefit. The accounting value of deferred tax receivables is reviewed at every balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to absorb all or part of the deferred taxes.

Deferred tax debts and receivables are defined using the tax rates expected to apply in the years during which these temporary differences will be realised or settled, based on tax rates in effect or confirmed on the balance sheet date.

Exit tax is the tax on the capital gain resulting from the merger of a non-Sicafi company with a Sicafi. When a company without Sicafi status enters into the Group's consolidation scope for the first time, a provision for exit tax is recorded simultaneously as an amount corresponding to the difference between the marked-to-market value of the property and the carrying value of the asset to be acquired in the merger, taking into account the planned merger date.

16 Income

Rental income from simple rental contracts is recorded as income on a straight-line basis over the life of the rental contract. Rent-free periods and other benefits granted to customers are recorded on a straight-line basis over the first firm rental period.

17 Gain or loss on the sale of investment properties

The gain or loss on the sale of an investment property represents the difference between the sales income, net of transaction costs, and the latest fair value of the sold property, after reversing into the income statement the changes in fair value of the investment properties which have been recognised previously and of the “impact on fair value…” recognised in shareholders’ equity in relation to the said property. This gain or loss is realised at the time of transfer of the risks and benefits.

18 The accounting methods have been applied consistently for the financial periods presented here.

Home Invest Belgium has not anticipated the application of the new or amended standards and interpretations issued prior to the date of authorisation of publication of the consolidated financial statements, but which come into effect after the financial period closed on 31 December 2009, namely:

- IFRS 9 - Financial Instruments: Classification and Measurement which applies as from the financial period beginning on 1 January 2013
- Amendments to IFRS 1- First-time Adoption of International Financial Reporting Standards, which apply as from the financial period beginning on 1 July 2009 and on 1 January 2010
- Amendments to IFRS 2- Share-based Payment, which apply as from the financial period beginning on 1 January 2010
- Amendments to IFRS 3 and IAS 27 - Business groupings and Consolidated and Separate Financial Statements, which apply as from the financial period beginning on 1 July 2009
- Amendments to IAS 24- Related Party Disclosures, which apply as from the financial period beginning on 1 January 2011
- Amendments to IAS 32- Financial Instruments: Presentation: Classification of Rights Issues, which apply as from the financial period beginning on 1 February 2010
- Amendments to IAS 39- Financial Instruments: Recognition and Measurement concerning hedging accounting, which apply as from the financial period beginning on 1 July 2009
- Interpretation IFRIC 17 concerning the distribution of non-cash assets to company owners, which applies as from the financial period beginning on 1 July 2009
- Interpretation IFRIC 19 concerning companies that issue equity instruments to extinguish financial liabilities, applies as from the financial period beginning on 1 July 2010
- Amendments to IFRIC 14- The Cap on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction, which apply as from the financial period beginning on 1 January 2011

The future application of these standards and interpretations will have no material impact on the annual accounts.

Note 3
SEGMENT INFORMATION

The investment property that Home Invest Belgium holds contains three categories:

- properties valued by individual units
- properties valued “en bloc” with individual values in excess of € 2 500 000
- properties valued “en bloc” with individual values below € 2 500 000.

In terms of geographic distribution, the majority of Home Invest Belgium’s investment properties are situated in the Brussels-Capital Region, with the Flemish Region representing 8.5% and the Walloon Region 15.5% (calculations based on fair value).
The “unattributed” columns contain the amounts which cannot be attributed to any of these three categories.

1 Income statement

INCOME STATEMENT BY TYPE OF ASSETS	Consolidated total		Properties valued by individual units	
In €	**2009**	**2008**	**2009**	**2008**
I. Rental income	13 895 469	11 892 750	11 152 281	9 902 790
III. Rental-related expenses	-219 846	-202 278	-135 469	-122 220
NET RENTAL INCOME	**13 675 622**	**11 690 472**	**11 016 812**	**9 780 569**
IV. Recovery of property charges	87 602	89 357	86 680	84 327
V. Recovery of rental charges	366 730	345 292	127 463	132 017
VII. Recovery of charges and taxes normally payable by the tenant	-1 255 773	-1 099 312	-927 870	-814 578
PROPERTY RESULT	**12 874 181**	**11 025 810**	**10 303 085**	**9 182 335**
IX. Technical costs	-1 261 645	-1 091 005	-1 165 732	-1 008 615
X. Commercial costs		-480 575	-373 367	-320 906
XI. Taxes and charges on un-let properties	-197 475	-75 260	-163 875	-74 291
XII. Property management costs	-1 492 323	-1 217 362	-1 007 345	-1 088 811
(+/-) PROPERTY COSTS	**-3 432 018**	**-2 756 994**	**-2 657 860**	**-2 511 275**
PROPERTY OPERATING RESULT	**9 442 163**	**8 268 815**	**7 645 225**	**6 671 060**
XIV. General corporate expenses	-518 191	-450 420		
OPERATING RESULT BEFORE PORTFOLIO RESULT	**8 923 972**	**7 818 395**	**7 645 225**	**6 671 060**
XVI. Gains or losses on disposals of investment properties	1 288 364	845 247	789 797	845 247
XVIII. Changes in fair value of investment properties	270 644	-1 334 719	-1 279 764	-3 676 885
OPERATING RESULT	**10 482 980**	**7 328 923**	**7 155 259**	**3 839 422**
XIX. Financial income	271 082	527 827		
XX. Interest charges	-2 241 000	-2 469 640		
XXI. Other financial charges	-424 747	-77 477		
(+/-) FINANCIAL RESULT	**-2 394 665**	**-2 019 290**		
PRE-TAX RESULT (F)	**8 088 315**	**5 309 633**	**7 155 259**	**3 839 422**
XXII. Corporate tax	-6 022	-21 007		
XXIII. Exit Tax	0	-15 257		
(+/-) TAXES	**-6 022**	**-36 264**		
NET RESULT	**8 082 294**	**5 273 369**	**7 155 259**	**3 839 422**

Properties valued "en bloc" > € 2 500 000		Properties valued "en bloc" < € 2 500 000		Unattributed	
2009	**2008**	**2009**	**2008**	**2009**	**2008**
2 317 006	1 435 636	426 181	554 324		
-16 916		-16 861	-21 418	-50 600	-58 639
2 300 090	**1 435 636**	**409 320**	**532 906**	**-50 600**	**-58 639**
922			5 030		
219 540	179 625	19 726	33 651		
-268 536	-207 043	-59 366	-77 690		
2 252 016	**1 408 218**	**369 679**	**493 897**	**-50 600**	**-58 639**
-57 669	-51 700	-33 144	-30 691	-5 099	
-339 559	-15 695	-30 479	-1 048	-3 329	-142 926
-5 979		-27 621	-969		
-137 915	-97 327	-30 086	-31 225	-316 977	
-217 258	**-179 506**	**-91 899**	**-66 214**	**-465 002**	
2 034 758	**1 228 712**	**277 780**	**427 683**	**-515 601**	**-58 639**
				-518 191	-450 420
2 034 758	**1 228 712**	**277 780**	**427 683**	**-1 033 792**	**-509 059**
		471 615		26 952	
1 223 748	601 761	-228 895	1 740 405	555 556	
3 258 506	**1 830 473**	**520 500**	**2 168 087**	**-451 285**	**-509 059**
		101 118	105 179	169 964	422 648
				-2 241 000	-2 469 640
				-424 747	-77 477
		101 118	**105 179**	**-2 495 783**	**-2 124 469**
3 258 506	**1 830 473**	**621 618**	**2 273 266**	**-2 947 068**	**-2 633 528**
				-6 022	-21 007
				-15 257	
				-6 022	**-36 264**
3 258 506	**1 830 473**	**621 618**	**2 273 266**	**-2 953 089**	**-2 669 792**

INCOME STATEMENT BY REGION	Consolidated total		Brussels Region	
In €	2009	2008	2009	2008
I. Rental income	13 895 469	11 892 750	10 326 238	8 716 755
III. Rental-related expenses	-219 846	-202 278	-72 085	-103 610
NET RENTAL INCOME	**13 675 622**	**11 690 472**	**10 254 153**	**8 613 144**
IV. Recovery of property charges	87 602	89 357	62 668	65 313
V. Recovery of rental charges	366 730	345 292	216 495	218 682
VII. Recovery of charges and taxes normally payable by the tenant	-1 255 773	-1 099 312	-901 982	-815 740
PROPERTY RESULT	**12 874 181**	**11 025 810**	**9 631 335**	**8 081 399**
IX. Technical costs	-1 261 645	-1 091 005	-1 079 638	-880 046
X. Commercial costs	-480 575	-373 367	-282 781	-314 531
XI. Taxes and charges on un-let properties	-197 475	-75 260	-87 248	-66 508
XII. Property management costs	-1 492 323	-1 217 362	-836 245	-952 010
(+/-) PROPERTY COSTS	**-3 432 018**	**-2 756 994**	**-2 285 912**	**-2 213 096**
PROPERTY OPERATING RESULT	**9 442 163**	**8 268 815**	**7 345 423**	**5 868 303**
XIV. General corporate expenses	-518 191	-450 420		
XV. Other operating income and expenses				
OPERATING RESULT BEFORE PORTFOLIO RESULT	**8 923 972**	**7 818 395**	**7 345 423**	**5 868 303**
XVI. Gains / losses on disposals investment properties	1 288 364	845 247	484 972	820 487
XVIII. Changes in fair value of investment properties	270 644	-1 334 719	1 358 663	-730 524
OPERATING RESULT	**10 482 980**	**7 328 923**	**9 189 058**	**5 958 266**
XIX. Financial income	271 082	527 827	101 118	105 460
XX. Interest charges	-2 241 000	-2 469 640		
XXI. Other financial charges	-424 747	-77 477		
(+/-) FINANCIAL RESULT	**-2 394 665**	**-2 019 290**	**101 118**	**105 460**
PRE-TAX RESULT (F)	**8 088 315**	**5 309 633**	**9 290 176**	**6 063 726**
XXII. Corporate tax	-6 022	-21 007		
XXIII. Exit Tax		-15 257		
(+/-) TAXES	**-6 022**	**-36 264**		
NET RESULT	**8 082 294**	**5 273 369**	**9 290 176**	**6 063 726**

Flemish Region		Walloon Region		Unattributed	
2009	2008	2009	2008	2009	2008
1 140 068	736 435	2 429 164	2 439 560		
-17 853	-1 270	-79 309	-38 758	-50 600	-58 639
1 122 215	**735 165**	**2 349 855**	**2 400 802**	**-50 600**	**-58 639**
14 139	293	10 795	23 751		
52 359	25 464	97 876	101 146		
-85 358	-48 169	-268 434	-235 403		
1 103 355	**712 754**	**2 190 092**	**2 290 297**	**-50 600**	**-58 639**
-58 255	-49 017	-118 652	-161 942	-5 099	
-22 910	-17 708	-31 959	-41 127	-142 926	
-26 424	-1 040	-83 804	-7 711		
-84 571	-91 115	-167 267	-174 238	-404 240	
-192 160	**-158 880**	**-401 681**	**-385 019**	**-552 265**	
911 194	**553 874**	**1 788 410**	**1 905 278**	**-602 865**	-58 639
				-518 191	-450 420
911 194	**553 874**	**1 788 410**	**1 905 278**	**-1 121 056**	**-509 059**
519 146	24 760	257 295		26 952	
-172 839	-66 344	-915 180	-537 852		
1 257 501	**512 290**	**1 130 525**	**1 367 426**	**-1 094 103**	**-509 059**
				169 964	422 367
				-2 241 000	-2 469 640
				-424 747	-77 477
				-2 495 783	**-2 124 750**
1 257 501	**512 290**	**1 130 525**	**1 367 426**	**-3 589 886**	**-2 633 809**
				-6 022	-21 007
					-15 257
				-6 022	**-36 264**
1 257 501	**512 290**	**1 130 525**	**1 367 426**	**-3 595 908**	**-2 670 073**

2 BALANCE SHEET

BALANCE SHEET BY ASSET TYPE

	Consolidated total		Properties valued by individual units	
In €	2009	2008	2009	2008
Investment properties in operation	207 188 169	198 099 324	173 369 871	164 807 896
Investment properties				
- Development projects	18 437 789	9 588 150	12 599 789	9 588 150
Assets held for sale	2 176 005	641 195	1 909 339	641 195
Lease financing receivables	1 460 721	1 541 993		
Other assets	5 006 272	4 555 333		
Total assets	**234 268 956**	**214 425 996**	**187 878 998**	**175 037 241**
Percentage by sector	100.00%	100.00%	80.20%	81.63%
Shareholders' equity	149 050 809	147 090 631		
Liabilities	85 218 147	67 335 365		
Total shareholders' equity and liabilities	**234 268 956**	**214 425 996**		

OTHER INFORMATION BY ASSET TYPE

	Consolidated total		Properties valued by individual units	
In €	2009	2008	2009	2008
Investment properties				
Investments	809 435	225 544	809 435	156 496
Other tangible assets				
Investments	177 687	172 960		
Amortization	-124 451	-91 925		
Intangible assets				
Investments	22 990	22 990		
Amortization	-21 175	-19 094		

"Corporate" corresponds to costs linked to properties used by the group itself.

BALANCE SHEET BY REGION

	Consolidated total		Brussels Region	
In €	2009	2008	2009	2008
Investment properties in operation	207 188 169	198 099 324	157 460 649	149 501 954
Investment properties				
- Development projects	18 437 789	9 588 150	6 937 789	9 588 150
Assets held for sale	2 176 005	641 195	1 909 339	
Lease financing receivables	1 460 721	1 541 993	1 460 721	1 541 993
Other assets	5 006 272	4 555 333		
Total assets	**234 268 956**	**214 425 996**	**167 768 497**	**160 632 097**
Percentage by sector	100.00%	100.00%	71.61%	74.91%
Shareholders' equity	149 050 809	147 090 631		
Liabilities	85 218 147	67 335 365		
Total shareholders' equity and liabilities	**234 268 956**	**214 425 996**		

Properties valued "en bloc" > € 2 500 000		Properties valued "en bloc" < € 2 500 000		Unattributed	
2009	**2008**	**2009**	**2008**	**2009**	**2008**
28 635 122	25 820 488	5 183 177	7 470 940		
5 838 000					
		266 667			
		1 460 721	1 541 993		
				5 006 272	4 555 333
34 473 122	**25 820 488**	**6 910 564**	**9 012 933**	**5 006 272**	**4 555 333**
14.72%	12.04%	2.95%	4.20%	2.14%	2.12%
				149 050 809	147 090 631
				85 218 147	67 335 365
				234 268 956	**214 425 996**

Properties valued "en bloc" > € 2 500 000		Properties valued "en bloc" < € 2 500 000		Corporate	
2009	**2008**	**2009**	**2008**	**2009**	**2008**
	49 380			19 668	
				177 687	172 960
				-124 451	-91 925
				22 990	22 990
				-21 175	-19 094

Flemish Region		Walloon Region		Unattributed	
2009	**2008**	**2009**	**2008**	**2009**	**2008**
17 712 084	18 029 956	32 015 436	30 567 415		
11 500 000					
	641 195	266 667			
				5 006 272	4 555 333
29 212 084	**18 671 151**	**32 282 103**	**30 567 415**	**5 006 272**	**4 555 333**
12.47%	8.71%	13.78%	14.26%	2.14%	2.12%
				149 050 809	147 090 631
				85 218 147	67 335 365
				234 268 956	**214 425 996**

Note 4
RENTAL INCOME AND CHARGES

In €		2009	2008
I.	**Rental income**		
	A. Rent	13 652 301	11 773 713
	B. Guaranteed revenues	154 899	69 556
	C. Rent-free periods	-39 142	-17 995
	E. Early lease termination indemnities	127 411	67 477
II.	**Write-back of lease payments sold and discounted**	**0**	**0**
III.	**Rental-related expenses**		
	A. Rent payable on leased premises	-50 600	-58 639
	B. Value reductions on trade receivables	-198 474	-165 535
	C. Reversal of value reductions on trade receivables	29 227	21 897
NET RENTAL RESULT		**13 675 622**	**11 690 472**

The significant increase in letting income (+16.98%) is due to the growth of the investment property portfolio during the 2008 and 2009 financial years. The full detail of these transactions and the detailed comments on the reasons for this growth are set out in Chapter IV Management Report.

Note 5
PROPERTY RESULT

In €		2009	2008
IV.	**Recovery of property charges**		
	A. Indemnities for tenant damage	87 602	89 357
V.	**Recovery of charges and taxes normally paid by the tenant**		
	A. Re-invoicing of rental-related charges paid by the owner	53 544	36 663
	B. Re-invoicing of property and other taxes on rented properties	313 186	308 629
VII.	**Rental-related charges and taxes normally paid by the tenant**		
	A. Rental-related expenses paid by the owner	-8 298	-10 765
	B. Property and other taxes on leased buildings	-1 247 474	-1 088 547
VIII.	**Other rental-related income and expenses**	**0**	**0**
PROPERTY RESULT		**12 874 181**	**11 025 810**

The recovery of rental-related charges relates mainly to the invoicing of insurance premiums concerning the abandonment of recourse which are contained in most of the fire policies of the buildings, as well as certain expenses related to the supply of telephone lines.

In the residential sector, the property withholding tax is paid by the lessor for all main place of residence leases. Invoicing of property withholding tax and taxes relates therefore mainly to shopping centres and office properties.

Note 6
TECHNICAL COSTS

In €		2009	2008
IX.	**Technical costs**		
	A. Recurrent technical costs		
	A.1. Repairs	-1 300 654	-942 374
	A.3. Insurance premiums	102 414	-74 063
	B. Non-recurrent technical costs		
	B.1. Major repairs	22 164	-98 546
	B.3. Indemnification of accidents by insurers	119 259	23 978

In its provisional annual budget, Home Invest Belgium defines a specific maintenance and renovation policy for each of its buildings, to keep them in line with the demands of the rental market. Technical costs occur most often upon tenant departures.

Note 7
COMMERCIAL COSTS

In €	2009	2008
X. Commercial costs		
A. Agency and experts' fees	-327 258	-315 453
B. Lawyers' fees, legal costs	-153 317	-57 914

Home Invest Belgium's policy is to use specialist real estate agents to market the properties in its portfolio to best effect.

Note 8
TAXES AND CHARGES ON UNLET PROPERTIES - MANAGEMENT COSTS

In €	2009	2008
XI. Taxes and charges on un-let properties	**-197 475**	**-75 260**
XII. Property management costs		
A. Managers' fees	-64 690	-62 023
B. (Internal) property management costs	-1 427 633	-1 155 339
XIII. Other property charges	**0**	**0**

Home Invest Belgium has no employees. Its 100% subsidiary Home Invest Management is tasked with the real estate and accounting management of the Sicafi. On 31/12/2009 it employed 10 people.

Note 9
GENERAL CORPORATE EXPENSES - OTHER OPERATING INCOME AND COSTS

In €	2009	2008
XIV. General corporate expenses	**-518 191**	**-450 42**
XV. Other operating income and charges	**0**	**0**

General expenses increased by some 15%. These include among other things subscription tax, which went from € 95 065 in 2008 to € 117 673 following in particular the consequent increase in shareholders' equity during the 2007 and 2008 financial years. Also included under this heading are expenses relating to the study and the realisation of new projects which vary depending on the number, the complexity and the success of the projects considered.

Note 10
GAINS OR LOSSES ON THE SALE OF INVESTMENT PROPERTIES - CHANGES IN THE FAIR VALUE OF INVESTMENT PROPERTIES

In €	2009	2008
XVI. Gains or losses on the sale of investment properties		
A. Net sales of properties	2 257 286	2 059 494
B. Carrying values of the properties sold	-1 713 567	-1 691 155
C. Reversal of latent capital gains on sales	744 646	476 908
XVII. Gains or losses on the sale of other non-financial assets		
XVIII. Changes in the fair value of investment properties		
A. Positive changes in the fair value of investment properties	3 921 935	6 885 018
B. Negative changes in the fair value of investment properties	-3 558 118	-5 449 949
C. Positive changes in the rights on investment properties	373 240	234 980
D. Negative changes in the rights on investment properties	-466 413	-3 004 768

The net gain on the sale of investment properties comes from the sale, during the financial year, of five apartments and five parking spaces in the Résidence Romanza in Wilrijk, a plot of land in Maransart, a business in Nieuport, four apartments in the Milcamps property (sale of the long-term lease of +/- 63 years) as well as two apartments in the Hottat property (sale of the long-term lease of +/- 63 years). The complete details of the capital gains realised are available in Chapter IV Management Report.

As required by IAS 40, line 69, the gain or loss on the sale of investment properties is accounted for as the difference between the net sale price (heading XVI.A.) and the most recent fair value recorded for the asset in question (heading XVI.B.). Heading XVI.A. consists of the gross sale price (€ 2 340 227) less expenses related to the conclusion of these sales (estate agents' fees etc.).Heading XVI.B. contains the cancellation of the most recent fair value established by the expert, that is € 1 713 567.

In accordance with Article 7 of the Royal Decree of 21 June 2006, this difference is then:

- increased by the latent capital gains (or reduced by the capital losses) previously recognised on this asset, and
- reduced by the amounts recognised in respect of the same asset under "impact of fair value of transaction costs…"."
  Heading XVI.C. contains the amount of the reversal of the latent capital gains (€ 744 646).

Adding headings XVI.B. and XVI.C. makes it possible to reconstitute the original acquisition value (increased by any capitalised works). In the present case this amounts to € 968 921.
The total capital gain amounts to € 1 288 364 and is the difference between the net sale price (XVI.A.) and the initial acquisition value (XVI.B. + XVI.C.)
In the case in point, this capital gain is included in the distributable gain amounting to € 704,590, with the balance of € 583 775 being non-distributable. In fact, at the time of an acquisition by merger or partial split, the integration of the properties into the assets of Home Invest Belgium's balance sheet is done at their net accounting value (that is the historical acquisition price less depreciation) and not at the conventional acquisition value. Since Home Invest Belgium has, economically, paid the conventional acquisition value, there is reason to only distribute the capital gain actually realised in relation to this value, without taking account of the net accounting value integrated into the asset. This accounting method furthermore derives from the accounting annex of the R.D. of 21 June 2006. At the time of a simple acquisition, the whole of the capital gain realised is distributable, with the net accounting value and the conventional acquisition value being identical.

Note 11
FINANCIAL INCOME

In €	2009	2008
XIX. Financial income		
A. Interest and dividends received	147 118	21 061
B. Lease-financing and similar payments	101 118	105 460
C. Income from financial hedging instruments	22 846	401 307

Interest and dividends received come exclusively from the short-term deposit of cash surpluses.
Income from hedging instruments relates to the income generated by these hedging products negotiated at interest rates lower than the market rates in effect in the course of the year.

Note 12
INTEREST CHARGES

In €	2009	2008
XX. Interest charges		
A. Nominal interest on borrowings	-987 417	-2 464 919
C. Charges resulting from financial hedging instruments	-1 253 583	-4 721

The costs resulting from hedging instruments relate to the difference between the fixed interest rate paid for the IRS purchased subsequently and the variable interest rates in effect during the course of the financial year. The very considerable fall in nominal interest rates in 2009 compared to 2008 is offset by the considerable increase in charges resulting from hedging instruments. For more detail, please refer to Note 24 below as well as the Risk Factors Chapter, section 4.

Note 13
OTHER FINANCIAL CHARGES

In €	2009	2008
XXI. Other financial charges		
A. Bank charges and other fees	-126 355	-77 477
C. Negative var. in the time value of financial instruments	-298 392	

These charges consist mainly of fees paid to banks for the payment of dividends. The negative changes in the time value of financial instruments relate to a callable IRS acquired during 2009. Following the application of IAS 39, this ineffective financial instrument is recorded in the income statement. This purely latent charge is excluded in the calculation of the result available for distribution.

Note 14
INCOME TAXES

In €	2009	2008
XXII. Corporate tax	-6 022	-21 007
XXIII. Exit Tax		-15 257

Sicafis enjoy a specific tax system. Only benefits in kind, abnormal and benevolent benefits and certain specific charges are subject to corporate income tax. The subsidiaries are not covered by this specific tax regime.

Note 15

INTANGIBLE ASSETS

In €

MOVEMENTS OF INTANGIBLE ASSETS	
Intangible assets, balance at 31/12/2007	**8 494**
1. Gross value	22 990
2. Accumulated amortization	-14 496
Amortization (-)	-4 598
Intangible assets, closing balance at 31/12/2008	**3 896**
1. Gross value	22 990
2. Accumulated amortization (-)	-19 094
Intangible assets, balance at 31/12/2008	**3 896**
1. Gross value	22 990
2. Accumulated amortization (-)	-19 094
Amortization (-)	-2 081
Intangible assets, closing balance at 31/12/2009	**1 815**
1. Gross value	22 990
2. Accumulated amortization (-)	-21 175

Intangible assets consist solely of the WinIris real estate software. This asset is amortised on a straight-line basis over a 5-year useful life. The amortization is accounted for under heading XII. “Property management costs” of the income statement.

Note 16

INVESTMENT PROPERTIES

In €

MOVEMENTS IN INVESTMENT PROPERTIES	
Investment properties, balance at 31/12/2007	**159 857 033**
Development projects	
Investments – development projects	26 122 609
Investment properties transferred to development projects	421 659
Completion of development projects	-16 956 118
Investment properties	
Transfer to development projects (-)	-421 659
Completion of building under construction	16 956 118
Acquisition of buildings	11 302 883
Capitalized subsequent expenses	225 544
Acquisitions by means of business combinations	11 535 784
Gains (losses) from fair value adjustments	-1 334 719
Other increase (decrease)	-21 659
Investment properties, closing balance at 31/12/2008	**207 687 474**

Investment properties, balance at 31/12/2008	**207 687 474**
Development projects	
Investments – development projects	562 662
Completion of development projects	-11 191 716
Acquisitions by means of business combinations	17 338 000
Investment properties	
Completion of buildings under construction	11 191 716
Acquisition of buildings	2 404 060
Capitalized subsequent expenses	809 435
Gains (losses) from fair value adjustments	270 644
Other increase (decrease)	-234 828
Disposals (-)	-167 102
Transfer to assets held for sale (-)	-3 044 386
Investment properties, closing balance at 31/12/2009	**225 625 958**

The properties sold are those mentioned in Note 10 above, with the balance of apartments still to be sold in the Milcamps and Hottat properties as well as the remaining plot of land in Maransart being included in Note 20 below.
The investment value of the investment properties for sale was assessed at 31/12/2009 by Winssinger & Associés (approved real estate expert) based on the rental income capitalisation and unit value methods. The fair value of these properties is obtained via the restatements set out above in item 6 of note 2 of the "Notes to the consolidated financial statements". At said closing date, the total cost (= initial investment and capitalised works) of the investment properties operated amounted to € 166 813 526 (cost of legal deeds included).
Finally, the amount of € 234 828 is equal to the sum reimbursed by VOP SA to Home Invest Belgium in the context of the completion of the Lambermont project, the finishing of which was guaranteed by VOP for a fixed amount of of € 8 000 000.
There are no restrictions on the sales of the investment properties.

Note 17
DEVELOPMENT PROJECTS

The development projects are included among the investment properties in Note 16. The financial year's various acquisitions are set out in Chapter III Management Report.

Note 18
OTHER TANGIBLE ASSETS

In €	
MOVEMENTS OF OTHER TANGIBLE ASSETS	
Other tangible assets, balance at 31/12/2007	**88 293**
1. Gross value	179 492
2. Accumulated depreciation (-)	-91 199
Investments (-)	21 996
Disposals (-)	-28 528
Depreciation (-)	-29 254
Depreciation on Disposals (-)	28 528
Other tangible assets, closing balance at 31/12/2008	**81 035**
1. Gross value	172 960
2. Accumulated depreciation (-)	-91 925
Other tangible assets, balance at 31/12/2008	**81 035**
1. Gross value	172 960
2. Accumulated depreciation (-)	-91 925
Investments	4 727
Depreciation (-)	-32 525
Other tangible assets, closing balance at 31/12/2009	**53 236**
1. Gross value	177 687
2. Accumulated depreciation (-)	-124 451

The other tangible assets relate exclusively to the operating assets.

Note 19

FINANCE LEASE RECEIVABLES

In €	2009	2008
FINANCE LEASE RECEIVABLES		
Receivables after one year or more	1 373 774	1 460 721
Receivables within one year	86 947	81 273
TOTAL	**1 460 721**	**1 541 993**

The finance lease receivables relate to the Rue de Belgrade building in Forest and Résidence Lemaire in Molenbeek.

On 31/12/2009, these receivables were distributed as follows:

In €	No more than 1 year	1 to 5 years	over 5 years	TOTAL
FINANCE LEASE RECEIVABLES				
Receivables after one year or more		528 745	845 029	1 373 774
Receivables within one year	86 947			86 947
TOTAL	**86 947**	**528 745**	**845 029**	**1 460 721**

Brief description of the contracts:

Rue de Belgrade: long-term lease (Sept. 1999-Aug. 2026); purchase option in favour of the lessee;

Operation treated for accounting purposes as a real estate leasing contract.

Valuation on 31/12/2009:

- short and long-term receivables: € 851 455.59
- purchase option: € 226 108.44 (fair value)

Résidence Lemaire : real estate leasing contract (Dec. 2003-Nov. 2018);

Valuation on 31/12/2009:

- short and long-term receivables: € 609 264.94
- purchase option: € 164 462.22 (fair value)

Note 20

ASSETS HELD FOR SALE

In €	Sold portion	Portion still to sell
ASSETS HELD FOR SALE		
Initial acquisition value	968 921	787 065
Net sales price (ex fees)	2 257 286	
Realized capital gain	1 288 364	
Distributable capital gain	704 590	
Non-distributable capital gain	583 775	
Fair Value at 31/12/2009		2 176 005

On the 2009 closing date, the buildings for sale were surveyed at a fair value of € 2 176 005.

Note 21
AMOUNTS RECEIVABLE

In €	2009	2008
TRADE RECEIVABLES		
Tenants	546 815	594 446
Realized sales	661 048	180 000
TOTAL	**1 207 863**	**774 446**

Trade receivables consist of rental payments still receivable from tenants. These rents are payable in advance. These receivables will be paid at the beginning of 2010. Readers are reminded that value reductions on trade receivables are very low, averaging 0.57% a year of rental income over the past ten financial years.
Furthermore, following the signing of a sale agreement at the end of 2009, Home Invest Belgium has on 31/12/2009 receivables that will be paid at the beginning of 2010, upon enactment of the notarised deed of sale.

In €	2009	2008
TAX RECEIVABLES		
Recoverable property and other taxes	12 410	30 597
Prepayments	110 000	
Withholding tax on liquidation bonus	195 129	1 106 159
TOTAL	**317 539**	**1 136 757**
OTHER RECEIVABLES		
Working capital payments	1 004 502	839 010
Other	334 743	19 860
TOTAL	**1 339 245**	**858 871**
GENERAL TOTAL	**1 656 784**	**1 995 627**

Withholding taxes on liquidation bonus relate to those paid in the context of the mergers by absorption of JBS and ERIV Mechelen. Working capital payments are the funds made available to building managers and agents (syndics) to enable them to financially assume the management of the common expenses of the investment properties. Other receivables of € 334 743 relate to the current account for former Alltherm SA shareholders, balanced at the beginning of 2010.

Note 22
CASH AND CASH EQUIVALENTS

In €	2009	2008
CASH AND CASH EQUIVALENTS		
Cash in hand	10 668	8 365
Bank balances	1 953 928	1 534 875
TOTAL	**1 964 597**	**1 543 240**

Note 23
DEFERRALS AND ACCRUALS

In €	2009	2008
DEFERRED CHARGES AND ACCRUED INCOME		
Accrued property income	14 485	49 704
Prepaid property charges	1 646	16 092
TOTAL	**16 131**	**65 797**
ACCRUED CHARGES AND DEFERRED INCOME		
Property income received in advance	261 070	186 317
Interest and other accrued charges	210 178	27 948
Other	1 923	5 281
TOTAL	**473 171**	**219 546**

Note 24

FINANCIAL ASSETS AND LIABILITIES

In €	2009	2008
NON CURRENT ASSETS		
Hedging instruments	64 116	64 315
Other financial assets	41 730	26 978
TOTAL	**105 846**	**91 293**

The figures in the table below relate solely to debts to financial institutions:

In €	2009				2008			
FINANCIAL DEBTS	Up to one year	1 to 5 years	over 5 years	TOTAL	Up to one year	1 to 5 years	over 5 years	TOTAL
Non-current financial debts - bank borrowings		76 280 000	568 750	**76 848 750**		45 200 000	16 281 093	**61 481 093**
Current financial debts - bank borrowings	190 000			**190 000**	65 000			**65 000**
TOTAL	**190 000**	**76 280 000**	**568 750**	**77 038 750**	**65 000**	**45 200 000**	**16 281 093**	**61 546 093**

Table of credit lines and maturities:

	Bank	Credit line (€)	Type	Amount drawn(€)	Maturities
Floating rate facilities					
	ING	2 500 000	Roll-over	125 000	25/07/2010
	ING	14 950 000	Roll-over	14 950 000	31/05/2012
	ING	9 400 000	Roll-over	2 900 000	30/09/2012
	ING	6 540 000	Roll-over	6 540 000	31/05/2013
	ING	6 000 000	Roll-over	6 000 000	01/08/2013
	BNP PARIBAS FORTIS	6 250 000	Roll-over	6 250 000	30/09/2013
	BNP PARIBAS FORTIS	6 250 000	Roll-over	2 700 000	30/09/2013
	DEXIA	9 400 000	Roll-over	9 400 000	27/11/2014
	DEXIA	11 350 000	Roll-over	5 750 000	31/12/2014
	ING	12 000 000	Roll-over	12 000 000	31/12/2014
	BNP PARIBAS FORTIS	14 530 000	Roll-over	9 530 000	07/12/2014
	ING	450 000	Straight Loan		-
	BNP PARIBAS FORTIS	446 208	Straight Loan		-
Fixed-rate loan	DEXIA	893 750	Investment loan	893 750	30/09/2023
TOTAL		**100 959 958**		**77 038 750**	

Table of hedging instruments:

Bank	Amount	Type	Interest rate	Maturity	Fair value
DEXIA	€ 11 750 000	IRS	2.6975 %	31/08/2010	-164 738.00
DEXIA	€ 10 000 000	Floor	4.85 % KI 3.85 %	10/07/2013	-1 006 154.00
DEXIA	€ 10 000 000	Cap	4.85 %	10/07/2013	64 116.00
DEXIA	€ 10 000 000	Cap	5.50 %	10/07/2013	-12 305.00
ING	€ 20 000 000	IRS	4.4195 %	20/12/2013	-1 675 781.87
DEXIA	€ 11 750 000	IRS	2.635 %	30/10/2014	-5 518.00
DEXIA	€ 15 000 000	IRS Callable	2.82 %	17/06/2019	-298 392.00
TOTAL	**€ 68 500 000**				**-3 098 772.87**

It should be noted that the floor and double cap concluded with DEXIA individually amount to € 10 000 000, but that they represent one and the same coverage of € 10 000 000 because, if one is applied, the other two are not activated. The coverage for the company is therefore € 10 000 000 and not € 30 000 000.
The risk management policy is presented in detail above in Chapter I "Risk Factors".
The above tables show that on 31 December 2009, 90.1% of the capital amounts drawn down were covered by interest rate hedging instruments or covered by a fixed-rate investment credit.
The interest rates applicable to all floating rate borrowings are based on Euribor (drawings of less than 12 months). During the 2009 financial year, 3-month Euribor rates, applicable to the borrowings made, were marked by considerable fall during the first three quarters, from 2.859% to 0.700% at its lowest on 31 December 2009. From 8 September 2009, the Euribor 3 month remained in a range of between 0.8% and 0.7% until the end of the year. The average over the 2009 financial years was 1.225%, well down compared that of 2008 (4.651%) and 2007 (4.278%).
Home Invest Belgium's prudent hedging policy enable it to obtain an **average interest rate of 3.39%** over the financial year, compared to 4.25% over the previous financial year.
The interest rate hedging instruments used are mainly IRS (Interest Rate Swaps) which serve to exchange floating rates for fixed rates. The total amount of this type of hedging amounts to € 58 500 000.
Home Invest Belgium also has a tunnel consisting of a Floor and a Double Cap, for a sum of € 10 000 000.
Given this financial structuring of its debt, combined with its very low debt ration (only 34.82%), Home Invest Belgium has a limited exposure to fluctuations in market interest rates.

Accounting:
As required by IAS 39, changes in the fair value of hedging instruments are recorded on the closing date, in the balance sheet as regards their effective portion under heading G "Changes in the fair value of financial assets and liabilities".
The change in the fair value of the callable IRS of € 15 million (it is an ineffective hedging instrument) is recorded at € -298 392 in the income statement under heading XXI. "Other financial charges". The callable IRS is concluded for a period of ten years, from 12/06/2009 to 17/06/2019. After an initial period of five years, it can be terminated each year by the bank.
On 31 December 2009, the positive value of financial instruments is recorded under asset heading I.F. "Non-current financial assets" in a total amount of € 64 116, while the negative fair value is accounted for under liabilities heading I.C. "Other non-current financial liabilities" in a total amount of € 3 162 889.

The credit lines are accounted for under "Non-current financial debts". A single borrowing (Dexia) of € 893 750 is subject to annual repayments, all other borrowings being bullet loans repayable in full at maturity.

The interest paid on these borrowings is recorded under "Nominal interest on borrowings" and represent an amount of € 987 417 for 2009, as mentioned in Note 12 under heading XX.A.

Note 25

TRADE DEBTS AND OTHER CURRENT DEBTS

In €	2009	2008
TRADE DEBTS AND OTHER CURRENT DEBTS		
Suppliers	781 769	766 150
Tenants	445 537	433 27
Tax, salary, social security	647 650	105 414
Exit tax	1 330 915	336 700
TOTAL	**3 205 872**	**1 641 540**
OTHER CURRENT LIABILITIES		
Dividends	100 303	72 929
Other	591 850	1 246 938
TOTAL	**692 153**	**1 319 867**

Exit tax debts consist of the provisions set up in the context of the mergers by absorption of ERIV Mechelen SPRL, carried out in 2009 and of Alltherm SA, to take place in 2010.
Dividends relate solely to earlier dividends not yet claimed by shareholders.
The other current liabilities relate to, for 2009, the balance payable to the former shareholders of ALLTHERM SA , while for 2008, they relate to the balance payable to the shareholders of Les Erables Invest SA in accordance with IAS 40 paragraph 24.

(1) Following the serving of an attachment order against Home Invest Belgium, a sum of 0.6 million has provisionally been withheld on the sale price of the shares. This sum must later be paid by the company on production of a judgement or of an agreement between the attaching creditor and the former shareholders of Alltherm SA.

Note 26

CAPITAL, SHARE PREMIUM ACCOUNT AND RESERVES

Evolution of Issued Capital:

Date	Evolution of company capital	Nature of the operation	Issue price	Number of shares issued / existing
04/07/1980	1 250 000 BEF	Constitution of SA Philadelphia	1,000 BEF	1 250
1983	6 000 000 BEF	Capital increase	1,000 BEF	6 000
13/04/1999	-	New representation of capital (by division)	-	26 115
01/06/1999	1 373 650 000 BEF	Contribution of properties and ...	-	-
01/06/1999	10 931 BEF	Increase of capital in cash (rounded)	1,411.89 BEF	972 919
01/06/1999	1 500 000 BEF	Merger of SA Socinvest	-	97 078
01/06/1999	-71 632 706 BEF	Capital reduction to discharge debts	-	-
Total on 01/06/1999	**€ 32 493 343.44**			**1 103 362**
09/04/2001	€ 62 000.00	Merger SA Mons Real Estate	€ 32.00	35 304
Total on 31/05/2001	**€ 32 555 343.44**			**1 138 666**
31/05/2002	€ 151 743.90	Merger of SA Les Résidences du Quartier Européen	€ 34.78	4 471
Total on 31/05/2002 au 31/05/2003	**€ 32 707 087.34**			**1 143 137**
15/12/2003	€ 5 118 338.36	Contribution of properties by AXA Belgium	€ 44.13	178 890
15/12/2003	€ 4 116 712.93	Contribution of properties by TRANSGA	€ 44.13	143 882
15/12/2003	€ 7 861.37	Incorporation of part of the Share Premium account	-	-
Total on 31/05/2004	**€ 41 950 000.00**			**1 465 909**
12/05/2005	€ 3 472.00	Merger with SA 205 Rue Belliard	€ 51.01	3 220
12/05/2005	€ 4 737.66	Merger with SA Patroonshuis	€ 51.01	3 324
Total on 31/12/2005	**€ 41 958 209.66**			**1 472 453**
22/05/2006	€ 915 214.47	Merger with SA Immobilière du Prince d'Orange	€ 50.32	76 000
05/10/2006	€ 9 978 110.03	1st capital increase	€ 51.00	360 378
13/10/2006	€ 7 171 221.48	2nd capital increase	€ 51.00	259 002
Total on 31/12/2006	**€ 60 022 755.64**			**2 167 833**
24/05/2007	€ 275 043.48	Merger with SA Immobilière Van Volxem	€ 57.90	5 000
24/05/2007	€ 3 185.77	Merger with SA Investim	€ 57.90	5 824
Total on 31/12/2007	**€ 60 300 984.89**			**2 178 657**
23/05/2008	€ 10 062 486.49	Partial split of SA VOP	€ 50.00	622 632
23/05/2008	€ 29 000.00	Merger with SA JBS	€ 50.00	2 088
Total on 31/12/2008	**€ 70 392 471.38**			**2 803 377**
29/05/2009	€ 1 246 937.97	Merger with SA Les Erables Invest	€ 49.55	25 165
Total on 31/12/2009	**€ 71 639 409.35**			**2 828 542**

On 31/12/2009, 12 912 shares are held by Home Invest Management. On that date, these shares were accounted for at € 701 121.60 or € 54.30 per share. Their acquisition value amounted to € 757 322.67 or € 58.65 per share.

Evolution of Shareholders' equity

In €	2009	2008
Shareholders' equity		
A. Capital		
A.1. Issued capital	71 639 409	70 392 471
A.2. Cost of capital increases (-)	-692 530	-661 565
B. Share premium account	19 093 664	19 093 664
C. Own shares repurchased (-)	-757 323	-757 323
D. Reserves		
D.1. Legal	97 827	97 827
D.2. Unavailable	68 807 434	69 299 166
D.4. Available	1 138 120	1 138 120
E. Profit/(loss)		
E.1. Profit/(loss) carried forward from previous periods	4 321 403	3 556 025
E.2. Profit/(loss) from the current period		
E.2.1. Profit/(loss) to be carried forward	1 094 938	765 378
E.2.2. Proposed dividend	6 716 711	5 842 710
F. Impact on fair value of estimated transaction costs resulting from the hypothetical disposal of investment properties	-19 608 464	-19 626 194
G. Changes in the fair value of financial assets and liabilities		
G.2. On hedging instruments	-2 800 381	-2 049 649
Total shareholders' equity	**149 050 809**	**147 090 631**

Note 27
CONSOLIDATION SCOPE

Name	Enterprise no.	Country of origin	Direct or indirect shareholding	Annual accounts dd.
In 2009				
Home Invest Belgium SA	0420.767.885	Belgium	100 %	31/12/2009
Home Invest Management SA	0466.151.118	Belgium	100 %	31/12/2009
Belliard 21 SA	0807.568.451	Belgium	100 %	31/12/2009
Alltherm SA	0439.371.495	Belgium	100 %	30/06/2010
In 2008				
Home Invest Belgium SA	0420.767.885	Belgium	100 %	31/12/2008
Home Invest Management SA	0466.151.118	Belgium	100 %	31/12/2008
Les Erables Invest SA	0808.126.695	Belgium	75.06 % (1)	31/12/2008
Eriv Mechelen SPRL	0876.734.005	Belgium	100 %	31/12/2008

(1) Home Invest Belgium has applied IAS 40.24 for the consolidation of SA Les Erables Invest.

All the companies that are part of the consolidation scope are domiciled in Belgium at Bd de la Woluwe, 60, 1200 Brussels.
With the exception of the remuneration of the Managing Director (see Corporate Governance, 2.) there have been no transactions with related parties within the meaning of IAS 24.

Note 28
ACQUISITIONS DURING THE 2009 FINANCIAL YEAR

The following acquisitions were made during the 2009 financial year:

Acquisition of Belliard 21 SA

On 23 September 2009, Home Invest Belgium jointly with its 100% subsidiary Home Invest Management proceeded to acquire 100% of the shares in Belliard 21 SA. The company owns a plot of land in Brussels, located at the corner of Rue Belliard and Rue de l'Industrie, on the edge of the European Quarter, on which the Belgian subsidiary of the French development group Nexity will develop a project which concerns a hotel complex of 109 rooms on Rue de l'Industrie and the renovation of an old city mansion located at Rue Belliard at number 21, into six housing units. For more details we refer you to section 2.1 of the Management Report.

Acquisition of the shares in Alltherm SA

On 17 December 2009, Home Invest Belgium jointly with its 100% subsidiary Home Invest Management proceeded to acquire 100% of the shares in SA Alltherm, the owner of a large housing complex in Louvain. It consists of two buildings with a total of 138 apartments, two retail units and 92 parking spaces, at the intersection of Riddersstraat and Petermannenstraat and on Fonteinstraat, with immediate proximity to Louvain city centre.
The 2 100 shares representing the capital of Alltherm will be held by Home Invest Belgium on the planned date of absorption. In accordance with Article 726, paragraph 2 of the Company Code, no shares will be issued by Home Invest Belgium in exchange for those 2 100 shares in Alltherm.

For more details, we refer you to section 2.9. of the Management Report.

These two acquisitions are accounted for in accordance with IAS 40 (without application of IFRS 3).

6 REPORT OF THE STATUTORY AUDITOR ON THE CONSOLIDATED ACCOUNTS

REPORT OF THE STATUTORY AUDITOR TO THE ANNUAL GENERAL MEETING OF HOME INVEST BELGIUM SHAREHOLDERS ON THE CONSOLIDATED ACCOUNTS FOR THE FINANCIAL YEAR ENDING ON 31 DECEMBER 2009

As required by law and the company's articles of association, we are pleased to report to you in the context of the auditor's mandate. The report includes our opinion on the consolidated accounts together with the required additional comment.

Unqualified audit opinion on the consolidated accounts

We have audited the consolidated financial accounts for the financial year ending on 31 December 2009, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union. The consolidated balance sheet shows total assets of € 234 268 955.77 and the income statement shows a profit for the financial year of € 8 082 293.59.

The preparation of consolidated financial statements is the responsibility of the management body. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated accounts that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting rules and methods, and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these accounts based on our audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the "Institut des Reviseurs d'Entreprises". Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated accounts are free from material misstatement.

In accordance with these standards, we have assessed the organisation of the consolidated accounts, taken as a whole, on the basis of the administrative and accounting policies used, as well as the internal audit policies. The board of directors and responsible officers of the company have provided us with the explanations and information necessary for our audit. We have, using samples, examined the justification for the amounts featuring in the consolidated accounts. We have looked into the validity of the rules for evaluation and consolidation, and the reasonableness of significant accounting estimates made by the company and the presentation of the consolidated accounts, taken as a whole. In our opinion, these procedures provide a reasonable base for us to express our opinion.

In our opinion, the consolidated accounts closed on 31 December 2009 give a true image of the financial situation, the financial performance and the cash flow of the consolidated whole, in accordance with the International Financial Reporting Standards as adopted in the European Union.

Additional comment

The preparation and the content of the consolidated management report are the responsibility of the management body.

Our responsibility is to include in our report the following additional comment which does not change the scope of our audit opinion on the consolidated accounts:

- The consolidated management report includes the information required by law and is in agreement with the consolidated accounts. However, we are unable to express an opinion on the description of the principal risks and uncertainties confronting all companies included in the consolidation scope, or on the status, foreseeable evolution or significant influence of certain factors on its future development. We can, nevertheless confirm that the information given is not in obvious contradiction with any information of which we are aware in the context of our appointment.

Antwerp, 1 April 2010

André Clybouw
Statutory Auditor"

7 STATUTORY ACCOUNTS (IFRS)

Preamble

Home Invest Belgium's statutory annual accounts have been prepared in accordance with IFRS standards since 1 January 2005.
The statutory accounts are presented in an abbreviated version, in accordance with Article 105 of the Company Code. The detailed statutory accounts will be lodged with National Bank following the Ordinary General Meeting. They are also available upon request from the company's registered office.

7.1 Statutory balance sheet (IFRS)

Assets	2009	2008
I. Non-current assets		
B. Intangible assets	1 815	3 896
C. Investment properties	208 287 958	196 950 347
E. Other tangible assets		
E.1. Operating fixed assets	53 236	81 035
F. Non-current financial assets		
F.1. Assets held till maturity		
F.1.2. Hedging instruments	64 116	64 315
F.1.4. Shareholdings in affiliated enterprises or enterprises linked by participating interests	9 444 571	5 285 210
F.5. Other	39 730	24 978
G. Lease financing receivables	1 373 774	1 460 721
Total non-current assets	**219 265 200**	**203 870 501**
II. Current assets		
A. Assets held for sale		
A.1. Investment properties	2 176 005	641 195
C. Lease financing receivables	86 947	81 273
D. Trade receivables	1 220 354	814 005
E. Tax receivables and other current assets		
E.1. Taxes	305 183	1 106 800
E.3. Other	8 537 060	6 627 599
F. Cash and cash equivalents	1 370 277	1 029 730
G. Deferred charges and accrued income		
G.1. Accrued property income	14 340	49 348
G.3. Prepaid property charges	1 642	12 653
Total current assets	**13 711 809**	**10 362 604**
Total assets	**232 977 009**	**214 233 105**

Shareholders' equity	2009	2008
A. Capital		
A.1. Issued capital	71 639 409	70 392 471
A.2. Cost of capital increases (-)	-692 530	-661 565
B. Share premium account	19 093 664	19 093 664
D. Reserves		
D.1. Legal	97 827	97 827
D.2. Unavailable	68 670 255	69 161 986
D.4. Available	1 659 908	1 659 908
E. Profit/(loss)		
E.1. Profit/(loss) carried forward from previous periods	3 911 494	3 103 119
E.2. Profit/(loss) from the current period		
E.2.1. Profit/(loss) to be carried forward	1 283 575	808 375
E.2.2. Proposed dividend	6 748 087	5 873 182

	2009	2008
F. Impact on fair value of transfer costs and duties resulting from the hypothetical disposal of investment properties	-19 608 464	-18 913 321
G. Changes in fair value of financial assets and liabilities		
G.2. On hedging instruments	-2 800 381	-2 049 649
Total shareholders' equity	**150 002 844**	**148 565 998**
Liabilities		
I. Non-current liabilities		
B. Non-current financial debts		
B.1. Other loans (1)	76 848 750	61 481 093
C. Other non-current financial liabilities		
C.1. Hedging instruments	3 162 889	2 113 964
Total non-current liabilities	**80 011 639**	**63 595 057**
II. Current liabilities		
B. Financial current liabilities		
B.1. Credit institutions (1)	190 000	65 000
B.3. Other		
B.3.2. Lease guarantees received	303 904	334 324
D. Trade debts and other current debts		
D.1. Suppliers	751 169	687 352
D.2. Tenants	445 537	433 276
D.3. Tax, salary and social security	38 091	33 648
D.4. Exit Tax	90 874	230 265
E. Other current liabilities		
E.1. Dividends	100 303	72 929
E.2. Other	591 850	
F. Accrued charges and deferred income		
F.1. Property income received in advance	261 070	182 027
F.2. Accrued interest and other charges	189 448	27 948
F.3. Other	281	5 28
Total current liabilities	**2 962 526**	**2 072 050**
Total liabilities	**82 974 164**	**65 667 107**
Total shareholders' equity and liabilities	**232 977 009**	**214 233 105**
Number of shares at end of financial year	2 828 542	2 803 377
Average number of shares	2 776 991	2 488 637
Net asset value	150 002 844	148 565 998
Net asset value per share	**53.03**	**53.00**
Indebtedness	79 360 477	63 337 887
Debt ratio	34.06 %	29.56 %

(1) A reallocation between non-current liabilities and current liabilities was made in the 2008 financial year amounting to € 65 000 and concerns the transfer of a bank credit from long-term to short-term

7.2 Statutory income statement (IFRS)

		2009	2008
I.	**Rental income**		
	A. Rent	13 687 742	11 737 127
	B. Guaranteed revenues	154 899	69 556
	C. Rent-free periods	-39 142	-17 995
	E. Early lease termination indemnities	127 411	67 477
III.	**Rental-related expenses**		
	A. Rent payable on leased premises	-50 600	-58 639
	B. Valuation allowances on trade receivables	-198 474	-165 535
	C. Reversal of valuation allowances on trade receivables	29 227	21 897
NET RENTAL RESULT		**13 711 063**	**11 653 887**
IV.	**Recovery of property charges**		
	A. Indemnities for tenant damage	87 602	89 357
V.	**Recovery of charges and taxes normally paid by the tenant**		
	A. Re-invoicing of rental-related charges paid by the owner	53 729	36 478
	B. Re-invoicing of property and other taxes on rented properties	313 661	308 153
VII.	**Rental-related charges and taxes normally payable by the tenant**		
	A. Rental-related charges paid by the owner	-8 298	-10 765
	B. Property and other taxes on leased buildings	-1 234 776	-1 088 069
PROPERTY RESULT		**12 922 982**	**10 989 041**
IX.	**Technical costs**		
	A. Recurrent technical costs		
	A.1. Repairs	-1 297 082	-951 232
	A.3. Insurance premiums	-99 312	-73 953
	B. Non-recurrent technical costs		
	B.1. Major repairs	22 164	-98 546
	B.3. Indemnification of accidents by insurers	119 259	23 978
X.	**Commercial costs**		
	A. Agency and experts' fees	-327 258	-315 453
	B. Lawyers' fees, legal costs	-142 926	-57 914
XI.	**Taxes and charges on un-let properties**	**-197 475**	**-75 260**
XII.	**Property management costs**		
	A. Managers' fees	-64 690	-62 023
	B. (Internal) property management costs	-1 332 021	-1 057 911
(+/-) PROPERTY CHARGES		**-3 319 341**	**-2 668 313**
PROPERTY OPERATING RESULT		**9 603 640**	**8 320 728**
XIV.	**General corporate expenses**	**-508 296**	**-472 146**
OPERATING RESULT BEFORE PORTFOLIO RESULT		**9 095 344**	**7 848 582**
XVI.	**Gains or losses on the sale of investment properties**		
	A. Net property sales (sales price - transaction costs)	2 230 333	2 028 484
	B. Carrying values of the properties sold	-1 713 567	-1 691 155
	C. Reversal of latent capital gains or losses	744 646	476 908
XVIII.	**Changes in the fair value of investment properties**		
	A. Positive changes in the fair value of investment properties	3 921 935	7 321 018
	B. Negative changes in the fair value of investment properties	-3 558 118	-5 449 949
	C. Positive changes in the rights on investment properties	373 240	234 980
	D. Negative variations in the rights on investment properties	-1 179 285	-2 823 673
OPERATING RESULT		**9 914 528**	**7 945 195**

	2009	2008
XIX. Financial income		
A. Interest and dividends received	149 339	57 730
B. Lease-financing and similar payments	101 118	105 460
C. Income from financial hedging instruments	26 193	397 960
XX. Interest charges		
A. Nominal interest on borrowings	-990 836	-2 459 980
C. Charges resulting from financial hedging instruments	-1 258 305	
XXI. Other financial charges		
A. Bank charges and other fees	-32 127	-63 275
C. Negative time fair value change of financial instruments	-298 392	
(+/-) FINANCIAL RESULT	**-2 303 109**	**-1 962 106**
PRE-TAX RESULT	**7 611 419**	**5 983 088**
XXII. Corporation tax	**-21 985**	**-19 156**
(+/-) TAXES	**-21 985**	**-19 156**
NET RESULT	**7 589 434**	**5 963 933**
Distributable result per share according to RD of 21 June 2006	7 915 526	6 825 196
Distributable result per share according to IAS 33 § 64 (average no. of shares)	2.85	2.74
Dividend	2.43	2.36

8 Report of the statutory auditor on the financial year

REPORT OF THE STATUTORY AUDITOR TO THE ANNUAL GENERAL MEETING OF HOME INVEST BELGIUM SHAREHOLDERS ON THE ANNUAL ACCOUNTS FOR THE FINANCIAL YEAR ENDING ON 31 DECEMBER 2009

As required by law and the company's articles of association, we are pleased to report to you in the context of the auditor's mandate. This report includes our opinion on the annual accounts together with the required additional comment.

Unqualified audit opinion on the annual accounts

We have audited the annual accounts for the financial year ending on 31 December 2009, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union. The balance sheet shows total assets of € 232 977 008.89 and the income statement shows a profit for the financial year of € 7 589 433.94.

The preparation of annual accounts is the responsibility of the management body. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual accounts that are free from significant anomalies, whether due to fraud or error, selecting and applying appropriate accounting methods, and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these accounts based on our audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the "Institut des Reviseurs d'Entreprises". Those standards require that we plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.

In accordance with the above-mentioned standards, we have assessed the organisation of the company on the basis of the administrative and accounting policies used, as well as the internal audit policies. The Board of Directors and responsible officers of the company have provided us with the explanations and information necessary for our audit. We have, using samples, examined the justification for the amounts featuring in the annual accounts. We have looked into the accounting methods and the reasonableness of significant accounting estimates made by the company and the presentation of the consolidated accounts, taken as a whole. In our opinion, these procedures provide a reasonable base for us to express our opinion.

In our opinion, the annual accounts closed on 31 December 2009 give a true image of the financial situation, the financial performance and the cash flow, in accordance with the International Financial Reporting Standards as adopted in the European Union.

Additional comment

The preparation and the content of the management report, and the company's compliance with the Company Code and the articles of association are the responsibility of the management body.

Our responsibility is to include in our report the following additional comment which does not change the scope of our audit opinion on the annual accounts:

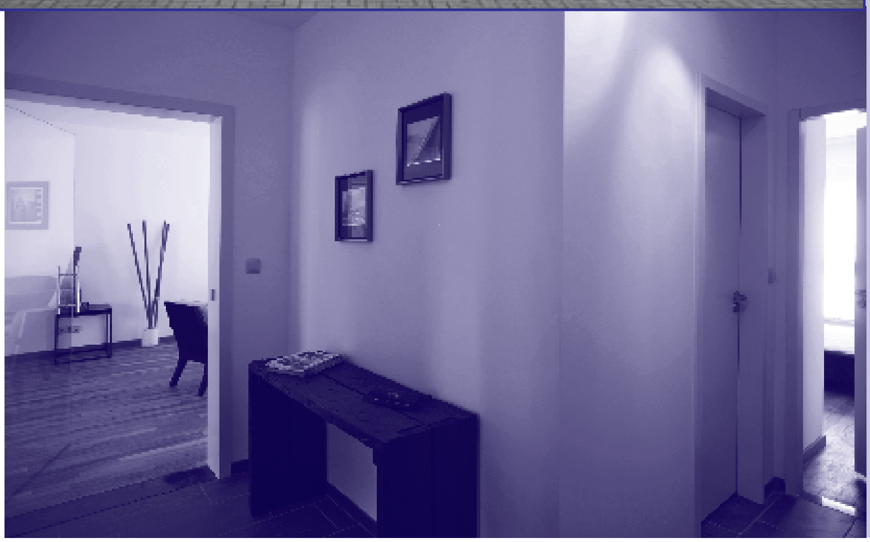
- The management report includes the information required by law and is in agreement with the annual accounts. However, we are unable to express an opinion on the description of the principal risks and uncertainties confronting the company, or on the status, foreseeable evolution or significant influence of certain factors on its future development. We can, nevertheless confirm that the information given is not in obvious contradiction with any information of which we are aware in the context of our appointment.

- Disregarding certain formal aspects of minor importance, the accounting is conducted in accordance with the legal and regulatory provisions applicable in Belgium.

- It is not our responsibility to point out to you any transactions concluded or decision taken in breach of the company's articles of association or the Company Code. The appropriation of the results proposed to the Annual General Meeting complies with legal and statutory requirements.

Antwerp, 1 April 2010

André Clybouw
Statutory Auditor"



Outlook

1 2010-2012[1] Forecasts

1.1 Working hypotheses

The forecasts provided in the following tables were prepared on a consolidated basis, and incorporate the forecasted results of Home Invest Belgium and its subsidiaries. The totality of the expenses and products was calculated conservatively. With respect to expenses, in theory these cover all the risks and expenses likely to be taken into account in the management of the Sicafi.

These forecasts, which replace those provided in the 2008 Annual Financial Report, were drawn up in a constant perimeter fashion, while nonetheless taking into account:

- the provisional delivery and the renting out of blocks C & D of the Lambermont complex during 2009; they will thus generate income for all twelve months of the financial year 2010;
- the gradual unit by unit sale of various real estate properties (see item 1.2 below) in the course of the financial years 2010, 2011 and 2012, subject to later change;
- the addition to the portfolio of buildings in construction on rue Jourdan 85 in Saint-Gilles (end of construction planned for the end of the 3rd quarter of 2010), and on the corner of rue Belliard and Rue de l'Industrie in Brussels (end of construction planned for the 1st quarter of 2011) followed by a gradual rise in the rental income from those properties;
- the renovation and gradual rental, during the financial years 2010 and 2011, of the two buildings, one located at the intersection of Riddersstraat and Petermannenstraat, the other along Fonteinstraat, in Louvain.

For the remainder of the portfolio, the 2010, 2011 and 2012 forecasts were prepared building by building, based on experience acquired in the past, in-depth knowledge of the property by the management team and in particular its occupancy level, the cost of rents, and the rates due for maintenance and renovation.

Taking the current economic situation into account, a cautious stance has been taken with regard to inflation rates, with it being estimated at 0% for the 2010 financial year, 1% for the 2011 financial year and 2% for the 2012 financial year.
Taking the unfavourable economic context into account as well as the forecasted impact of development projects Jourdan 85, Belliard/Industrie and Ridders-/Petermannen-/Fonteinstraat, the forecasted overall occupancy rate[2] has also been estimated cautiously, with an average of 93.6% being used in financial year 2010, 94.4% in 2011 and 95.3% in 2012, in contrast to 94.64% in 2009.

With regard to funding[3] costs, the forecast takes into account the latest predictions on the development of interest rates on the monetary and capital markets, together with the current situation of banking margins. The supposition is that 3-month interest rates (ex margin) will be 1.25% and 2.15% in 2010 and 2011 respectively, rising to 2.50% in 2012 and that 5-year interest rates (ex margin) will be at 3.10% in 2010, rising to 3.60% in 2011 and 4.15% in 2012. It should be noted that all these interest rate forecasts are lower than those that were included in our previous business plan, taking into account the opinions of observers who predict a relatively slow economic revival.

The Board of Directors and executive management can to a certain extent influence the following scenarios: the scope of the portfolio, the level of rents, the occupancy rate and funding costs (margin). On the other hand, inflation speculations are completely outside their control.

Given the uncertainty due to the current economic situation, especially with regard to the development of the property values and those of hedging instruments, the forecasts published below will be limited to the expected results for the period 2010-2012, without making any forecasts regarding the market value of investment properties or rate hedging instruments or forecasted balance sheets.

[1] The forecasts are essentially prepared based on past financial information and a basis comparable to that information.

[2] The non-occupancy rate forecast is calculated in relation to the index-linked rents and the estimated rental values for non-occupied premises.

[3] The funding cost corresponds to the financial charges incurred on lines of credit from banks.

1.2 The operational forecast

INCOME ACCOUNT	2010	2011	2012
I. Rental income	14 108 749	15 122 738	15 686 203
III. Rental-related service charges	-163 296	-136 886	-143 084
NET RENTAL FIGURES	**13 945 453**	**14 985 853**	**15 543 118**
IV. Recovery of property related service charges	181 780	215 824	216 520
V. Recovery of service charges and taxes normally payable by the tenant	312 688	315 815	322 131
VII. Service charges and taxes normally payable by the tenant	-1 398 079	-1 389 667	-1 392 926
REAL ESTATE FIGURES	**13 041 842**	**14 127 825**	**14 688 844**
IX. Technical costs	-1 116 690	-1 097 154	-1 171 678
X. Commercial costs	-387 385	-396 607	-356 498
XI. Taxes and maintenance charges on unlet properties	-144 580	-109 231	-103 165
XII. Property management costs	-1 410 152	-1 508 637	-1 549 802
(+/-) Property charges	**-3 058 806**	**-3 111 629**	**-3 181 143**
PROPERTY OPERATING RESULT	**9 983 036**	**11 016 197**	**11 507 701**
XIV. General corporate expenses	-807 857	-782 423	-809 590
OPERATING FIGURES BEFORE PORTFOLIO FIGURES	**9 175 179**	**10 233 774**	**10 698 111**
XVI. Gains or losses on the sale of investment properties	1 158 745	1 422 985	1 471 897
OPERATING INCOME	**10 333 924**	**11 656 759**	**12 170 008**
XIX. Financial revenues	99 829	97 132	94 158
XX. Interest charges	-2 742 934	-3 410 099	-3 545 389
(+/-) Financial result	**-2 643 105**	**-3 312 967**	**-3 451 231**
PRE-TAX INCOME	**7 690 819**	**8 343 792**	**8 718 777**
NET INCOME	**7 690 819**	**8 343 792**	**8 718 777**
Distributable result	7 690 819	8 343 792	8 718 777
Distributable result per share	2.7315	2.9634	3.0966
Dividend	2.50	2.57	2.64
Payout ratio	91.53 %	86.73 %	85.26 %

The projected evolution of rental incomes is based on the scenarios in item 1.1 above and takes the following factors particularly into account:

- the new property investments made in the course of the 2009 financial year, which will now be generating a revenue throughout the year (blocks C & D of the Lambermont[1] complex in Schaerbeek);
- over the 2010 financial year the phase-by-phase investment in construction projects Rue Jourdan in Saint-Gilles and Rue Belliard and Rue de l'Industrie in Brussels, and in the renovation of the property complex located at the corner of Riddersstraat and Petermannenstraat and along Fonteinstraat in Louvain;
- an evolution of rents - upwards or downwards - estimated on a property-by-property basis based on the experience gained in managing and marketing them and taking into account the current economic situation. As previously indicated, a rate of inflation estimated at 0% has been selected for the 2010 financial year, 1% for the 2011 financial year and 2% for the 2012 financial year.
- a cautious estimation of the vacancy rate, calculated property-by-property, with the average evolution for the portfolio as a whole over the period of 2010-2012 previously detailed in item 1.1;
- the individual sale of several properties clearly identified as not being or no longer being a part of the Sicafi's medium term investment strategy, but that generate significant capital gains that can be distributed or even reinvested in newer buildings.

Property charges

Generally speaking, property charges increase in line with the growth of the property portfolio:

- the *rental charges and taxes* normally borne by the tenant involve principally property tax that, in the residential market segment, cannot be

[1] The VOP portfolio is described in item 2.2 of the management report.

recuperated from tenants. The assessment of this item is based on actual charges.

- the *technical expenses* mainly involve renovation and maintenance work to be done on properties belonging to the portfolio. They have been estimated on the basis of assumptions made for the rental turnover and on the planning - as precise as possible - of foreseeable renovation work.

- the *marketing expenses* involve the commissions to be paid to estate agents for rental contracts concluded with their help. These are assessed as a function of estimated gross rents,
and on the basis of an in-depth analysis of the rental turnover, made possible by the experience gathered in the course of previous financial years. The commission rates used are those prevailing in the market;

- the *rental charges and taxes* on unlet properties comprise the charges the Sicafi has to carry when properties are unoccupied (property tax, shared charges). The amounts are based on the forecasted inoccupancy rates assessed on a property-by-property basis;

- The *property management expenses* principally represent the staff and operating costs of the Home Invest Management (HIM) subsidiary and executive management.

General expenses
These include all charges not directly associated with property management, mainly:
- expenses related to the stock market quotation (Euronext Brussels, CBFA, Euroclear, subscription tax). These expenses vary in line with the evolution of the net overall value of the inventory of Home Invest Belgium;
- the remuneration due to the statutory auditor, to advisors, to the Sicafi's certified real estate surveyor, the custodian bank and the Sicafi's promoters.
  The assessment of this item is based on the figures coming from the current contracts, with a surcharge to take the growth of the Sicafi's property portfolio into account.

Results on portfolio
The profit on the sale of investment properties involves the expected capital gains with regard to the sale of the following properties, spread out over three financial years:

- the remaining building land in Maransart (2010);
- the long-term leases remaining on the Hottat and Milcamps properties (2010);
- the individual sale of apartments in the Montana-Tamaris buildings in Uccle during the 2010-2012 period;
- the individual sale of apartments in the two buildings on avenue Baeck in Molenbeek Saint-Jean during the 2011-2012 period;
- the sale of three single-family homes on Avenue Decroly in Uccle in 2010;
- the shops in Nieuwpoort during the 2010-2013 period;
- as well as the Cederdreef building in Wetteren during 2011,
  These sales are all subject to later change and may be made in good time, depending on actual market potential. The cautious assumptions of the capital gains to be achieved on these sales are integrated into the forecast.

Financial results
Higher financial charges are estimated due to the growth of debt in connection with the growth of the portfolio.
Moreover the rise of interest rates and margins (see item 1.1 above) has been taken into account.

The financial revenues comprise mainly the dues derived from the long-term lease of the Rue de Belgrade property in Forest and the leasing revenue from the Résidence Lemaire in Molenbeek Saint-Jean, together with the results from the financial hedging investments.

1.3 Future dividends - Distribution rates
The dividend forecast for the coming three financial years is for a dividend of € 2.50, € 2.57 and € 2.64 respectively, each time above the expected rate of inflation.
On the basis of this outlook, the forecast payout ratio[1] should remain reasonable, at between 91.5% (2010) and 85.3% in 2012.

If need be, it will be the responsibility of the Board of Directors to propose a different distribution, should the actual distributable[2] profit achieved be appreciably higher than that foreseen in the business plan. On the other hand, should the distributable profit actually achieved be lower than this amount, the Board of Directors would be in a position to make use of part of the profits carried over from previous financial years.

[1] The payout ratio corresponds to the allocated dividend in relation to distributable profit

[2] This distributable profit is calculated on a consolidated basis. The actual distributable profit will be calculated on a statutory basis, in accordance with Article 7 of the Royal Decree of 21 June 2006

2 Report of the Statutory Auditor

REPORT OF THE STATUTORY AUDITOR ON THE ACCOUNTS FORECAST FOR 2010, 2011 AND 2012 SET FORTH IN CHAPTER IX (OUTLOOK)

1 Our Mission
We have audited the forecasts of HOME INVEST BELGIUM SA as set forth in Chapter IX of the 2009 Annual Report.

These forecasts, including the underlying assumptions set forth under item 1.1 of Chapter IX of the Annual Financial Report, have been prepared under the responsibility of the company's board of directors. Our mission is to compile an audit report on these forecasts.

It should be remembered that the assumptions cannot be the subject of any certification by the Auditor who can in no way guarantee the validity of the assumptions or whether they will actually happen.

Our opinion can only relate to the procedures used to draw up the forecasts. We can only assure you that these comply with the accounting methods used to prepare the previous annual accounts.

2 Our work
In accordance with the auditing standards issued by the "Institut des Reviseurs d'Entreprises" on auditing financial information forecasts, our work basically consisted of gathering information from the management team, conducting a mathematical analysis of the tables and confirming that the assumptions had been correctly applied.

The forecasts were prepared on a property-by-property basis. With regard to the level of rents, a 0% inflation rent was assumed for 2010, 1% for 2011 and 2% for 2012. Occupancy rates were estimated at 93.6% for 2010, 94.4% for 2011 and 95.3% for 2012.
The funding costs take account of the latest forecasts for interest rates in the money and capital markets, as well as a gradual increase up to 2.5% for short-term rates and 4.15% for long-term rates.

In spite of all caution, it cannot be ruled out that the actual results will differ, even significantly, from the forecast results. When interpreting the forecasts, the risk factors and the way HOME INVEST BELGIUM SA manages such risks, as set forth in Chapter I of this Annual Financial Report, should be borne in mind.

3 Our opinion
Based on our audit of the data upon which the assumptions are based, we found no factor speaking against the assumptions used constituting a reasonable base for the forecasts. Based on our audit of the data upon which the assumptions are based, we found no factor speaking against the assumptions used constituting a reasonable base for the forecasts.
Furthermore, it is our opinion that the forecasts have been prepared in a proper manner on the basis of these assumptions and that the accounting basis used for these forecasts is in accordance with the assessment rules applied by the SICAFI in the preparation of the annual accounts.

Antwerp, 1 April 2010

André Clybouw
Statutory Auditor

Permanent document

1 General information

1.1 Company name
Home Invest Belgium SA, a Belgian "Société d'Investissement à Capital Fixe en Immobilier" [close-ended REIT] or Belgian "Sicaf Immobilière" (Belgian "Sicafi").

1.2 Registered office – Telephone number
The company's registered office is established at B - 1200 Brussels, Boulevard de la Woluwe, 60 – PO Box 4. Tel: 00/32/02.740.14.50

1.3 Legal type
A Belgian public limited liability company ("Société anonyme" - SA).

1.4 Incorporation
Home Invest Belgium was incorporated on 4 July 1980 under the name of "Philadelphia SA", via a legal instrument executed before notary Daniel Pauporté in Brussels, published in the annex of the Moniteur Belge on 12 July 1980 under No. 1435-3. The Articles of Association were amended on several occasions, most recently, by minutes drawn up by notary Louis-Philippe Marcelis on 29 May 2009. This amendment was published in the annex of the Moniteur Belge on 15 June 2009 under Nos. 09082647 and 09082648.
Since 16 June 1999, Home Invest Belgium has been accredited as a Belgian "Société d'Investissement à Capital Fixe en Immobilier de droit belge" and is registered on the list of the Belgian Banking, Finance and Insurance Commission.

1.5 Duration
The company was incorporated for an unlimited period of time.

1.6 Register of Legal entities ["RPM"]
Home Invest Belgium is registered at the Registry of Legal Entities ("RPM") under No. 0420.767.885.

1.7 Company purpose
The company purpose is reproduced in full, in Article 3 of the Co-ordinated Articles of Association.
It essentially consists of any collective investment of the public's financial resources in real estate, as defined in Article 122 §1.1 firstly, 5° of the Act of 4 December 1990 concerning financial transactions and financial markets[1].

1.8 Changes of the company purpose and investment policy
The company can only make any changes to its company purpose or to its investment policy, as reproduced in Article 4 of the Articles of Association, in conformity with its Articles of Association, more specifically, Article 29, which defines the majority and attendance quorum conditions, and provided that said changes are consistent with the laws and regulations applicable to real estate Sicafis.

1.9 Places where the documents accessible to the public can be consulted
The company's Articles of Association can be consulted at the registry of the Brussels Commercial Court and at the company's registered office.
The annual financial statements are filed at the Banque Nationale de Belgique and can be consulted at the registry of the Brussels Commercial Court.
They are sent each year, together with the annual financial report, to the holders of registered shares and to those persons who so request.
Decisions concerning appointments and the removal of the management bodies of Home Invest Belgium are published in the annex of the Moniteur Belge.
Financial press releases concerning Home Invest Belgium are published in financial journals and on the company's Internet site. Other publications can be obtained at the registered office of Home Invest Belgium or by consultation of the company's Internet site (www.homeinvestbelgium.be).

2 Company capital

2.1 Issued share capital
The issued and subscribed share capital of Home Invest Belgium on 31 December 2009 stands at € 71 639 409.35. It is represented by 2 828 542 shares without designation of nominal value. This capital is fully paid-up.
The shares are of two classes, A and B; class A is comprised of 2 432 910 shares and class B is comprised of 395 632 shares, with sharing in the company's profits in phases, as of the 1st calendar day of the month following the month during which the various phases (A, B, C and D) of the "Lambermont" real estate complex, located at Schaerbeek, were temporarily accepted, namely:

- 139 271 shares as of 1 July 2008;
- 135 073 as of 1 December, 2008;
- 109 111 shares as of the 1st calendar day of the month following the month during which block C of the complex was temporarily accepted, i.e. as of 1 June 2009;
- 12 177 shares as of the 1st calendar day of the month following the month during which block D of the complex was temporarily accepted, i.e. as of 1 July 2009.

[1] Replaced by the Act of 20 July 2004. Real estate is defined in Article 7, 5° of this Act.

Accordingly, all of the class B shares will have exactly the same ownership rights as of 14 May 2010, the ex-coupon for the year 2009. An extraordinary general meeting of the shareholders will be convened in May 2010 to convert said class B shares into class A shares, via a modification of the representation of the share capital. At the same time, an application for listing of these new class A shares on the stock exchange list will be filed with NYSE Euronext Brussels.

With respect to accounting, the IFRS standards provide that expenses incurred to increase the capital are deducted from the subscribed capital (€ 71 639 409.35). Consequently, according to the accounting statements drawn up in accordance with the IFRS standard on 31 December 2009, the capital stood at € 70 946 879.67.

2.2 Authorised capital

The Sicafi's Board of Directors is authorised to increase, on one or more occasions, the share capital and to issue convertible bonds or subscription rights for up to € 70 392 471.38. These capital increases can be made by subscriptions in cash, contributions in kind, or via the incorporation of reserves or premiums.
This authorisation is granted for a term of five years that began on 12 June 2008, the date of the publication in the Annexes to the Moniteur belge of the minutes of the extraordinary general meeting of 23 May 2008.
On 31 December 2009, the balance of the authorised capital was still € 70 392 471.38

3 Co-ordinated Articles of Association (on 29 May 2009)

HISTORICAL BACKGROUND

DEED OF CONSTITUTION:
The company was constituted under the name "Philadelphia" by deed received by Daniel Pauporté, Notary Public in Brussels, on 4 July 1980 and published in the annexes to the Belgian Official Gazette (Moniteur Belge) of 12 July 1980, under number 1435-3.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION:
The articles of association have been amended:
- by legal record (procès-verbal) drawn up by Bernard Dubois, Notary Public at Temse, on 30 June 1983, and published in the Annexes to the Belgian Official Gazette of 16 July 1983, under no. 1855-21;
- by legal record (procès-verbal) drawn up by Bernard Dubois, Notary Public at Temse, on 28 June 1985, and published in the Annexes to the Belgian Official Gazette of 24 July 1985, under no. 850724-17;
- by legal record drawn up by Eric Spruyt, Notary Public in Brussels, on 13 April 1999, and published in the Annexes to the Belgian Official Gazette on 30 April following under no. 990430-142 (change of name to "Home Invest");
- by legal record drawn up by Eric Spruyt, Notary Public in Brussels, on 4 May 1999, and published in the Annexes to the Belgian Official Gazette on 2 June following under no. 990602-099 (change of name to "Home Invest Belgium");
- by legal record drawn up by Eric Spruyt, Notary Public in Brussels, on 16 June 1999, published in the Annexes to the Belgian Official Gazette on 20 July following, under no. 990720-719, confirming the effective implementation of the conditions precedent contained in the legal record drawn up by Eric Spruyt, Notary Public in Brussels, on 1 June 1999 and published in the Annexes to the Belgian Official Gazette of 23 June following, under no. 990623-459, leading to its approval as a Real Estate Investment Company (Sicaf Immobilière)
under Belgian law;
- by legal record drawn up by Eric Spruyt, public notary in partnership, and Gérald Snyers d'Attenhoven, notary public in Brussels, on 19 April 2001, and published in the Annexes to the Belgian Official Gazette of 3 May following, under no. 20010503-096;
- by legal record drawn up by Eric Spruyt, public notary in partnership, and Gilberte Raucq, public notary in partnership in Brussels, on 31 May 2002, and published in the Annexes to the Belgian Official Gazette under no. 20020627-217.
- by legal record drawn up by Louis-Philippe Marcelis, notary public in partnership, resident in Brussels, notary public Edwin Van Laethem, in Ixelles, notary public Michel Gernaij, in Saint-Josse-ten-Noode, and with the intervention of notary public Jean-François Poelman in Schaerbeek, on 15 December 2003, and published in the Annexes to the Belgian Official Gazette of 9 January 2004, under no. 04002548.
- the registered office of which was transferred to the present address by resolution of the board of directors dated 30 March 2004, published in the annexes to the Belgian Official Gazette of 1 June 2004, under no. 04079547.
- by legal record drawn up by Louis-Philippe Marcelis, notary public in partnership, in Brussels, on 12 May 2005 and published in the Annexes to the Belgian Official Gazette on 9 June following under nos. 05081039 and 05081040.
- by legal record drawn up by notary public Louis Philippe Marcelis, above-named, on 22 May 2006, and published in the Annexes to the Belgian Official Gazette of 27 June following under nos. 20060627/0103102 and 20060627/0103103.

- by legal record drawn up by notary public Louis Philippe Marcelis, above-named, on 5 October 2006, and published in the Annexes to the Belgian Official Gazette of 26 October following under no. 06163944 ;
- by legal record drawn up by Louis-Philippe Marcelis, notary in partnership, in Brussels, on 16 October 2006, and published in the annexes to the Belgian Official Gazette on 10 November following under nos. 05081039 and 05081040.
- by legal record drawn up by notary public Louis Philippe Marcelis, above-named, on 24 May 2007, and published in the Annexes to the Belgian Official Gazette of 2 August following under no. 0115690;
- by minutes of the meeting of the Board of Directors drawn up by notary Louis-Philippe Marcelis on 12 December 2007, and published in the annexes to the Belgian Official Gazette of 29 January 2008, under no. 08016202.
- and the articles of association of which were amended for the last time, according to legal report drawn up by notary Louis-Philippe Marcelis, on 23 May 2008, current filed for publication.

And the registered offices of which were transferred to the above address by resolution of the board of directors dated 13 June 2007, and published in the Annexes to the Belgian Official Gazette of 28 September following under no. 07141471.

SECTION I – FORM – NAME – REGISTERED OFFICE – PURPOSE – DISTRIBUTION OF INVESTMENTS – DURATION

FORM AND NAME

Article 1

The company takes the form of a public limited liability company (société anonyme) under Belgian law, in order to invest in the real estate category, as set out in article 122. § 1.5 of the Law of 4 December 1990 on Financial Operations and Financial Markets.
It carries the name "HOME INVEST BELGIUM". This name is followed immediately by, and all documents emanating from the company include the words: "Société d'Investissement Immobilière à Capital Fixe de droit belge" (Fixed Capital Real Estate Investment Company under Belgian Law) or "Sicaf Immobilière de droit belge" (Real Estate Sicaf under Belgian Law).
The company makes calls for public savings within the meaning of Article 438 of the Companies Code.

REGISTERED OFFICE

Article 2

The company's registered office is established at Etterbeek (B-1040 Brussels), Avenue Commandant Lothaire 16-18.
It may be transferred to any other place in Belgium by decision of the board of directors.

PURPOSE

Article 3: Company purpose

The main purpose of the company is the collective investment of financial resources obtained from the public in real estate (biens immobiliers) as defined in article 121 § 1.1.5 of the Law of 4 December 1990 on Financial Operations and Financial Markets.
Real estate is defined as:

i. real estate as defined in articles 517 ff. of the Civil Code as well as real rights exercised on such immovable assets;
ii. voting shares issued by affiliated real estate companies;
iii. option rights on such real estate;
iv. shares in other real estate investment undertakings included in the list referred to in article 120 §1.2 or in article 137 of the Law of 4 December 1990 on Financial Operations and Financial Markets ;
v. the real estate certificates referred to in article 106 of the Law of 4 December 1990 on Financial Operations and Financial Markets and in article 44 of the Royal Decree of 10 April 1995 on Real Estate Sicafs;
vi. the rights deriving from contracts granting one or more assets to the company in the form of financial leasing;
vii. along with all other assets, shares or rights as included in the definition given to immovable assets (immeubles) by the Royal Decrees executing the Law of 4 December 1990 on Financial Operations and Financial Markets and applicable to undertakings for collective investment investing in immovable assets.

Within the limits of the investment policy as described in article 4 of the articles of association and in accordance with the legislation applicable to Real Estate Sicafs, the company may:

1. purchase, renovate, develop, let, sub-let, manage, exchange, sell, parcel out and submit to co-ownership immovable assets as described above;
2. acquire and lend other securities in accordance with article 51 of the Royal Decree of 10 April 1995 on Real Estate Sicafs;
3. lease in immovable assets, with or without purchase options, in accordance with article 46 of the Royal Decree of 10 April 1995 on Real Estate Sicafs;
4. in accessory fashion, lease out immovable assets, with or without purchase options, in accordance with article 47 of the Royal Decree of 10 April 1995 on Real Estate Sicafs.

The company may also, in accordance with the legislation applicable to Real Estate Sicafs:

1. in accessory fashion or on a temporary basis, invest

in securities other than real estate and maintain liquid assets in accordance with article 41 of the Royal Decree of 10 April 1995 on Real Estate Sicafs. Such investments and the holding of liquid assets must be the subject of a special decision of the board of directors, justifying their accessory or temporary nature. The ownership of securities must be reconcilable with the pursuit, in the short or medium term, of the investment policy as described in article 4 of the articles of association. Said securities must be listed on a stock exchange of a European Union Member State or sold on a regulated European Union market, operating on a regular basis, recognized and accessible to the general public. Liquid assets may be held in any currency in the form of sight and term deposits, or any money market instrument which can be easily converted into cash;

2. agree to grant mortgages or other sureties or guarantees within the framework of the financing of real estate in accordance with article 53 of the Royal Decree of 10 April 1995 on Real Estate Sicafs;

3. agree to grant credit facilities and to issue guarantees in favour of a company subsidiary, which is also an investment undertaking as referred to in article 49 of the Royal Decree of 10 April 1995 on Real Estate Sicafs.

The company may acquire, lease in or out, transfer or exchange and, in general, undertake all commercial or financial activities relating to all movable and immovable assets, which relate directly or indirectly to its company purpose, as well as exploit any intellectual rights relating to these assets and activities.

In so far as is compatible with the status of Real Estate Sicaf, the company may, by means of contributions in cash or in kind, merger, registration, participation, financial intervention or in any other way, acquire shares in companies or enterprises of any kind, existing or to be constituted, in Belgium or abroad, the company purpose of which is identical to its own, or which is such as to promote the achievement of its own company purpose.

DISTRIBUTION OF INVESTMENTS

Article 4: Investment Policy

The company's assets will be placed in real estate as defined in article 3 of the articles of association and with due respect for article 51 of the Royal Decree of 10 April 1995 on Real Estate Sicafs.

The residential properties will be geographically distributed across Belgium and, where applicable, in the Member States of the European Union.

Investments in movable assets which do not meet the definition of real estate as mentioned above, will be assessed and undertaken in accordance with article 56 and 57 of the Royal Decree of 4 March 1991 on certain Undertakings for Collective Investment in Securities or in Securities and Liquid Assets."

DURATION

Article 5

The company is established for an unlimited period of time.

SECTION II: CAPITAL - SHARES

CAPITAL

Article 6

Article 6.1. – Company capital

The subscribed company capital is set at the sum of € 71 639 409.35 and is represented by 2 828 542 no-par shares, numbered from 1 to 2 828 542, each representing an equivalent fraction of the capital.

The shares are divided into two categories A and B, each conferring the same rights and benefits, subject to the application of the provisions of article 38 of the articles of association as regards the category B shares below, viz.:

- category A, comprising 2 432 910 shares numbered from 1 to 2 405 657 and from 2 801 290 to 2 828 542;
- category B, comprising 395 632 shares numbered from 2 405 658 to 2 801 289, with participation in the earnings of the present company in stages, as from:

(i) 139 271 shares numbered from 2 405 658 to 2 544 928 with participation in the earnings of the present company as from the first July two thousand and eight;

(ii) 135, 073 shares numbered from 2 544 929 to 2 680 001 with participation in the earnings of the present company as from the first December two thousand and eight;

(iii) 109 111 shares numbered from 2 680 002 to 2 789 112 with participation in the earnings of the present company as from the first calendar day of the month following the month during which block C of the "Lambermont" real estate complex in Schaerbeek, Boulevard Lambermont 198 – 224, has been provisionally accepted;

(iv) 12 177 shares numbered from 2 789 113 to 2 801 289 with participation in the earnings of the present company as from the first calendar day of the month following the month during which block D of the "Lambermont" real estate complex in Schaerbeek, Boulevard Lambermont 198 – 224, has been provisionally accepted.

Article 6.2. – Authorized capital:

The board of directors is expressly authorized to increase the capital of the company, in one or more instalments, up to a maximum of € 70,392,471.38 at dates and according to arrangements to be set by itself, pursuant to article 603 of the Companies Code.

Under the same conditions the board of directors is authorized to issue convertible bonds or subscription rights.

This authorization is granted for a period of five years from the date of publication in the Annexes to the Official Belgian Gazette of the minutes of the extraordinary general meeting of 23 May 2008.

Whenever capital is increased, the board of directors will set the price, any issue premium and the issue conditions of the new shares, unless the general meeting decides otherwise.

The capital increases decided in this way by the board of directors may be undertaken by subscription in cash or by contributions in kind or by incorporation of reserves or issue premiums, with or without the creation of new shares, in each case with due respect for the legal provisions, such increases being able to lead to the issue of voting or non-voting shares.

Such capital increases may also take the form of the conversion of convertible bonds or the exercise of subscription rights – attached or not to another security – which can lead to the creation of voting or non-voting shares.

Where the capital increases decided by virtue of this authorization include an issue premium, the amount of such premium, after imputation of any expenses, will be placed in an unavailable account named "issued premium". This will constitute, in the same way as capital, the guarantee towards third parties and may be reduced or abolished only a decision of the general meeting under the conditions for quorum and majority as required for a capital reduction, except if incorporated into capital.

Article 6.3. Acquisition of own shares

The company may acquire its own shares by purchase or take them in pledge under the conditions provided for by law.

By decision of the extraordinary general meeting of 23 May 2008, the board of directors is authorized to acquire shares of the company at a price per share equal to at least 80% of the most recent Net Asset Value published prior to the transaction date, and to no more than 105% of said Value, for a period of 18 months from the date of said extraordinary meeting, on the understanding that the company may not at any time hold more than 10% of all issued shares.

The company is also authorized, with no requirement for any additional prior approval of the general meeting, to acquire by purchase the shares of the company, should such acquisition be necessary to avoid serious and imminent damage to the company.

This authorization is granted for a period of three years from the date of publication in the Annexes to the Official Belgian Gazette of the minutes of the general meeting of 23 May 2008, and may be extended for equal periods.

It is authorized to dispose of the shares acquired by the company, on or off the stock exchange, at conditions set by the board of directors, without prior authorization of the general meeting.

The above authorizations extend to acquisitions and disposals of shares in the company by one or more of its direct subsidiaries, within the meaning of the legal provisions relating to the acquisition by subsidiaries of the shares of their parent companies.

Article 6.4. Capital increases

The capital of the company may be increased by decision of the general meeting deliberating in accordance with articles 558 and, where applicable, 560, of the Companies Code, or by decision of the board of directors within the framework of the authorized capital. The company may not, however, subscribe directly or indirectly to its own capital.

The general meeting may decide to issue no-par shares at under the fractional value of the former shares. The notice convening the general meeting should expressly mention this.

Where the capital increase involves the creation of an issue premium, the amount of this premium must be fully paid in at the time of subscription.

Article 6.5. Preferential rights

In accordance with article 11, § 1 of the Royal Decree of 10 May 1995 on Real Estate Sicafs, no derogation of shareholders' rights of pre-emption is possible when capital is increased by the issue of shares for cash.

Article 6.6. Capital increase by contribution in kind

Where shares are issued in exchange for a contribution in kind, the following conditions must be respected:

1. the contributor's identity must be mentioned in the report referred to in article 602 of the Companies Code, and in the notice convening the general meeting called for the increase of capital;
2. the issue price may not be lower than the average share price during the 30 days preceding the contribution;
3. the report mentioned in 1. above should also mention the impact of the proposed contribution on the situation of the former shareholders, and in particular as concerns their participation in the profit and in capital.

TYPE OF SHARES – SALE OF SHARES

Article 7

The shares divided into the categories A and B as mentioned in the article 6.1. of the articles of association, mentioned above, are registered, bearer or dematerialized shares.

Article 8

Pursuant to the provisions of the law of 2 March 1989, any legal or physical person acquiring shares or other financial instruments giving entitlement to a vote, whether or not these represent capital, is required

to communicate to the company and to the Banking, Finance and Insurance Commission the number of financial instruments held by it, every time that the voting rights attached to these financial instruments reach either 3% or 5% or a multiple of 5% of the total number of voting rights existing at such time or at the time that circumstances making such communication mandatory present themselves.
This declaration is also mandatory in the event of disposal of securities when, as a result of this disposal, the number of voting rights falls below the thresholds referred to in sub-paragraphs one and two."

SECTION III – ADMINISTRATION AND CONTROL

BOARD OF DIRECTORS

Article 9

The company is governed by a Board consisting of at least 3 and no more than 9 directors, who may or may not be shareholders, and who are appointed for no more than 6 years by the general shareholders' meeting, and may be dismissed at any time by said meeting.

Among the members of the Board of Directors the general meeting must appoint at least 3 independent directors. An independent director is defined as one meeting the criteria set out in article 524, § 4.2 of the Companies Code.

In the event that one or more directorships become vacant, the remaining directors are entitled to fill the vacancy until the next general meeting which will proceed to the definitive appointment. This right becomes an obligation whenever the number of directors effectively in function no longer reaches the statutory minimum.

In the event that a legal person is appointed as director, this person is required to designate a physical person who will represent it in the exercise of its directorship.
All directors and their representatives must possess the professional competence and experience required for this function and are answerable for the autonomous management of the company.

DELEGATION OF POWERS

Article 10

The board of directors may appoint a chairman from among its members.
Pursuant to article 524bis of the Companies Code and without prejudice to the indications given below with regard to day-to-day management and delegation, the board of directors may delegate its management powers to an executive committee (comité de direction) consisting of several members, who may or may not be directors. The delegation may not include defining the general policy of the company or the various deeds reserved by law or the articles of association for the board of directors or decisions or operations to which article 524ter of the Companies Code applies, in which case the procedure of informing the board of directors provided for by article 524ter paragraph 2, will be followed.
The board of directors is charged with supervising the executive committee.
The board of directors sets the modus operandi of the executive committee, the conditions for the appointment of its members, their dismissal, their compensation and the length of their missions.
Whenever a legal person is appointed a member of the executive committee, that person is required to designate a permanent representative from among its partners, owner-managers, directors or workers, charged with undertaking this mission on behalf of and for the account of this legal person.
The board may delegate the day-to-day management of the company, the management of one or more sectors of activity or the execution of the decisions of the board to one of more directors, executive managers or mandated agents.
The day-to-day management is be organized in such a way that, within the board of directors, its is exercised or controlled either by two directors acting jointly, or by a managing director acting singly, appointed by the board of directors.
Both the board and the persons to whom day-to-day management has been mandated in the framework of such management may also confer specific powers on one or more persons of their choice.
The board may set the compensation of each mandated agent to whom special powers have been granted, pursuant to the Law of 4 December 1990 on Financial Operations and Financial Markets on its executory resolutions.

COMPETENCIES

Article 11

The board of directors is authorized to undertake all action necessary or useful for achieving the company purpose and to undertake everything that is not reserved for the general meeting by law or these articles of association. The company is managed in the exclusive interests of the shareholders.
The board of directors prepares the half-yearly report, the draft annual report and prospectuses referred to in article 129 of the Law of 4 December 1995 on Financial Operations and Financial Markets.
The board of directors appoints the expert in accordance with article 7 of the Royal Decree of 10 April

1995 on Real Estate Sicafs and will propose, where necessary, any change to the list of experts contained in the dossier included with the application for approval as a Real Estate Sicaf.
The board of directors will also select a custodian bank and present this choice to the Banking, Finance and Insurance Commission. The board of directors will present any change in custodian bank to the Banking, Finance and Insurance Commission pursuant to article 12, § 2 of the Royal Decree of 10 April 1995 on Real Estate Sicafs.
The board of directors will inform the custodian bank of any real estate operation undertaken by the company as required by article 13, § 2 of the Royal Decree of 10 April 1995 on Real Estate Sicafs.

REPRESENTATION OF THE COMPANY

Article 12

The company is validly represented in deeds and in law, including deeds requiring the intervention of a public official or a notary public, either by two directors acting jointly or, in the context of day-today management, by a person mandated to such management, or, where an executive committee exists, and within the limits of the powers conferred on such executive committee, by two members of the same acting jointly. For all deeds of disposition involving an item of real estate, two directors must always act jointly pursuant to article 18 of the Royal Decree of 10 April 1995 on Real Estate Sicafs.
The company is also validly bound by two special mandated agents acting within the framework of their mission.
The company may be represented outside the country by any person expressly appointed by the board of directors.
Copies or extracts of the minutes of the general meetings of shareholders and of meetings of the board of directors, including extracts intended for publication in the annexes to the Belgian Official Gazette, are validly signed either by one director, or by a person charged with day-to-day management or who has been expressly mandated by the board of directors.

BOARD MEETINGS AND FORM OF DELIBERATION

Article 13

Meetings of the board of directors are convened by its chairman, two directors or the managing director at least three days before the planned meeting date.
The convening notice may be validly sent by post, airmail, telegram, telex or fax. The convening of meetings by telephone is also valid.
Any director attending a board meeting or represented at the same is deemed to have been regularly invited to the meeting. A director may also renounce invoking the absence or irregularity of a convening notice, either before or after the meeting not attended by him.

Article 14

Board meetings are held in Belgium or abroad, at the place indicated in the convening notice.
Where the board of directors has appointed a chairman from its midst, each board meeting is chaired by the chairman. In his absence, the board of directors may appoint a chairman from among members present.
The persons chairing the meeting may appoint a secretary, who may or may not be a director.

Article 15

Any director may grant proxy to another board member, either in writing, or by telegram, telex or fax, to represent him at a particular meeting.
However, no board member may represent more than one colleague, if the board does not consist of more than six members, and more than two colleagues, where the board consists of more than six members.

Article 16

Except in cases of force majeure, the board of directors may validly deliberate and take decisions only if half its members are present or represented.
If this condition is not fulfilled, a new meeting may be convened, which will deliberate and make decisions validly on the items on the agenda of the previous meeting, providing that at least two directors are present or represented.

Article 17

Other than in exceptional cases, deliberations and voting may cover only the items contained in the agenda.
Any board decision is taken by an absolute majority of directors present or represented, and, in the event of abstention by one or more of them, by the majority of the other voting directors. In the event of a tied vote, the person chairing the meeting has the casting vote.
In exceptional cases, pursuant to article 521 of the Companies Code, and where the urgency and interest of the company so demand, board decisions may be taken by unanimous written agreement of the directors and/or in the context of a teleconference.
This procedure may not, however, be followed for establishing the annual accounts and using the authorized capital.

Article 18

Board decisions are recorded in minutes signed by the chairman of the meeting, the secretary, and members who so desire. These minutes are inserted into a special register. Proxies are attached to the minutes of the meeting for which they have been given.

DIRECTORS' COMPENSATION

Article 19

Directors are compensated for the normal and justified expenditures and costs which they can prove to have incurred in the exercise of their functions.
Their compensation will not be directly or indirectly linked to the operations undertaken by the company, and will not be granted as a charge on the company, except with the prior agreement of the Banking, Finance and Insurance Commission, and subject to its publication in the annual report pursuant to article 20, § 2 of the Royal Decree of 10 April 1995 on Real Estate Sicafs.

PREVENTING CONFLICTS OF INTEREST

Directors, persons charged with day-to-day management and the mandated agents of the company may not act as co-contractors in operations with the company or with a company controlled by it, and may not draw any benefit from operations with said companies, except where the operation is undertaken in the interest of the company, in the framework of the planned investment policy and at normal market conditions.
Where such cases arise, the company should first inform the Banking, Finance and Insurance Commission.
The operations mentioned in the first paragraph of this article and the information communicated in advance will be published immediately. They will also be explained in the annual report and, where applicable, the half-yearly report.
This advance information requirement does not apply to operations provided for in article 25 of the Royal Decree of 10 April 1995 on Real Estate Sicafs.
Articles 523 and 524 of the Companies Code remain fully applicable.

STATUTORY AUDITOR

Article 20

The auditing of the company's operations is entrusted to one or more statutory auditors appointed by the general meeting for a three-year renewable term from among members of the Institute des Réviseurs d'Entreprise who are approved for auditing the accounts of investment companies and who appear on the list of the Banking, Finance and Insurance Commission. The statutory auditor's compensation is set by the general meeting at the time of appointment.
The statutory auditor(s) will also check and certify the accounting data included in the company's annual accounts. At the request of the Banking, Finance and Insurance Commission, it/they will confirm in the same way the accuracy of the data that the company has transmitted to the Banking, Finance and Insurance Committee, by way of application of article 133 of the Law of 4 December 1990 on Financial Operations and Financial Markets.

SECTION IV: GENERAL SHAREHOLDER MEETINGS

Article 21

A general meeting, known as the "annual meeting" will be held every year on the first Tuesday of May at 15.00. Where this date falls on a legal holiday, the annual meeting will take place on the next working day, at the same time.
An extraordinary general meeting may be convened every time that the interest of the company demands.
General meetings may be convened by the board of directors or by the statutory auditor(s), and must be convened when requested by shareholders representing one fifth of the capital of the company.
Where the company is unable, after a period of 2 years from the registration on the list referred to in article 120, § 1.2. of the Law of 4 December 1990 on Financial Operations and Financial Markets, to diversify its investments pursuant to its articles of association and the applicable regulatory provisions, the general meeting is required to meet to deliberate and decide on the possible dissolving of the company and any other measures announced on the agenda, except where the Banking, Finance and Insurance Commission has granted a derogation pursuant to article 42, § 3.2 of the Royal Decree of 10 April 1995 on Real Estate Sicafs.
General meetings are held at the company's registered office or at any other place indicated in the letter convening the meeting or in any other way.

CONVENING AND FORM OF DELIBERATION

Article 22

General meetings and extraordinary general meetings are convened by means of an announcement published a single time in the Belgian Official Gazette at least 24 days before the meeting. Except for the annual general meetings taking place at the place, date and time indicated in the articles of association and the agendas of which are limited to the customary subjects, the notice convening the meeting must appear 24 days prior to the meeting in a nationally distributed newspaper.
Where a second convening notice is required, and in so far as the date of the second meeting has been indicated in the first convening notice, the deadline for this second meeting is reduced to 17 days before the meeting.
The convening notice will mention the agenda of the meeting and the proposed resolutions. Registered shareholders will receive convening notices by recorded

delivery mail eight days prior to the meeting.
A shareholder taking part in or represented at the meeting is deemed to have been regularly invited.
A shareholder may also, before and after the general meeting that he has not attended, renounce invoking the absence or irregularity of the calling of the meeting.
To be admitted to the meeting, bearer shareholders must deposit their shares no later than three working days before the date of the planned meeting, at the company's registered office, or at a financial institution mentioned in the convening notice.
Within the same deadline, registered shareholders or their representatives should inform the company of their intention to take part in the meeting by simple letter to the company head office. The fulfilment of these formalities may not be demanded if not mentioned in the notice convening the meeting.

Article 23

Any shareholder may have himself represented at a general meeting by a mandated agent, shareholder or not. Mandates may be given in writing, by telegram, telex or fax and should be lodged with the office of the meeting. Co-owners, usufructuaries and bare owners, pledgors and pledgees must be represented respectively by one and the same person.

Article 24

All shareholders and their mandated agents are required, prior to taking part in the meeting, to sign the attendance list, indicating the surname, given name(s) and domicile of the shareholders and the number of shares they represent.

Article 25

General meetings are chaired by the chairman of the board of directors or, in the absence of the latter, by a director appointed by his colleagues or by a member of the meeting appointed by the latter. The chairman of the meeting appoints the secretary.
Where the number of persons present permits, the meeting appoints two tellers, based on a proposal by the chairman.
The minutes of the general meetings are signed by the chairman of the meeting, the secretary, the tellers, the directors present, the statutory auditor(s) and by shareholders who so wish.
These minutes are kept in a special register. Mandates are attached to the minutes of the meeting for which they are given.

Article 26

Directors reply to questions put to them by shareholders about their report or the agenda items.
The statutory auditor(s) respond(s) to questions put to him/them by shareholders about his/their audit report.

Article 27

A share entitles its holder to one vote. An abstention is considered as a vote against.

Article 28

No meeting may deliberate on items that are not on the agenda, except if all shareholders are present and unanimously accept to deliberate on the new items.
Except for those cases defined in the following article, the general meeting may validly deliberate, whatever the number of shares present or represented, and decisions may be taken by a major of votes present or represented.

Article 29

When the general meeting is required to deliberate on:

- an amendment to the articles of association;
- a capital increase or decrease;
- the issuing of shares at below par value;
- the issuing of convertible bonds or subscription rights;
- the winding up of the company, at least half of the shares representing the entirety of the capital need to be represented at the meeting. If this condition has not been fulfilled, a new meeting must be convened, which will decide validly, whatever the number of shares represented.

To be valid, decisions on the above subjects need to receive a three-quarters majority of votes taking part in the voting. This does not override the other rules of presence and majority stipulated in the Companies Code, covering, among other things, the change of the company purpose, the acquisition, pledging or disposal of own shares by the companies, the winding up of the company if, following a loss, its net assets have fallen to less than a quarter of the company capital, and the conversion of the company into a company having another legal form.
Pursuant to article 9 of the Royal Decree of 10 April 1995 on Real Estate Sicafs, any projected amendment of the articles of association must also be presented to the Banking, Finance and Insurance Commission.

SECTION V: FINANCIAL YEAR – ANNUAL

ACCOUNTS - DIVIDENDS

Article 30

The financial year begins on 1 January and ends on 31 December every year.
At the end of each financial year, the board of directors undertakes an inventory and draws up annual accounts consisting of the balance sheet, the income statement and the annexe. These documents are be drawn up in the manner required by law.
The board of directors also undertakes an inventory whenever shares are issued or where shares are purchased other than on the Stock Exchange.
The annual accounts are validly signed with a view to publication either by a director, or by a person charged with day-to-day management or expressly mandated by

the board of directors.

Article 31

1. Artikel 616 of the Company Law regarding the set up of a legal reserve does not apply to the company in accordance with article 20, §4 of the law of twenty July two thousand and four van.

2. Pursuant article 7 of the Royal Decree of twenty-one June two thousand and six on the accounting, annual accounts and consolidated annual accounts of public sicafis, in modification of the Royal Decree of 10 April 1995 regarding sicafis, the company will, as a remuneration of the capital, distribute an amount that corresponds to at least the positive difference between the following amounts:

- eighty percent (80%) of the amount defined in accordance with the scheme mentioned in chapter 3 of the appendice to the Royal Decree mentioned above; and
- the net decrease, in the course of the financial year, of the debt of the company as intended in article 6 of the aforementioned Royal Decree.

3. The balance will be appropriated as decided by the general meeting, on the proposal of the board of directors.

Article 32

Dividends that the general meeting has decided to distribute will be paid at the times and places determined by the meeting or by the board of directors.

Article 33

The board of directors may decide to proceed to distribute interim dividends and the set the date for payment of these dividends.

Article 34

Any dividends or interim dividends distributed in contravention of the law must be returned by the shareholder receiving them, whenever the company can prove that the shareholder knew, or could not be ignorant in the given circumstances, that the distribution to him was contrary to the rules.

SECTION VI: DISSOLUTION - LIQUIDATION

Article 35

Where the company is dissolved, for whatever reason or at whatever point in time, one or more liquidators appointed by the general meeting or, in the absence of such appointment, the directors in function at that time and acting jointly, are charged with liquidating it. In the absence of other stipulations in the deed of appointment, the persons charged with the liquidation enjoy the widest possible powers to this end.

The shareholders' meeting determines the form of liquidation.

If the company is dissolved and liquidated within the two years following its registration in the list referred to in article 120, § 1.2 of the Law of 4 December 1995 on Financial Operations and Financial Markets, the promoters will repay the compensation, provisions and expenses paid by the shareholders on acquiring shares in the company, plus the compensation paid by the company for services rendered by a company to which the company or a promoter of the company is affiliated or with which the company or a promoter of the company has a participatory relationship.

Article 36

Except in the case of merger or split, the net assets of the company, after repayment of all liabilities, will be distributed equitably between all shareholders of the company proportionally to the number of shares held by them.

SECTION VII: GENERAL PROVISIONS

ELECTION OF DOMICILE

Article 37

Any director or liquidator of the company who is domiciled abroad is deemed, for the duration of his function, to have elected domicile at the registered office of the company, where all communications, notices and writs of summonses may be validly address to him.

Those clauses that are contrary to the mandatory provisions of Law of 4 December 1990 on Financial Operations and Financial Markets or to its implementing provisions and more specifically the Royal Decree of 10 April 1995 on Real Estate Sicafs are deemed not to have been written.

Pursuant to article 119, §4 of the Law of 4 December 1990 on Financial Operations and Financial Markets, articles 439, 441, 448, 440, 456, 4°, 477, 462, 141, 165, 166, 167, 559 and 616 of the Companies Code (previously articles 29, §1, 2 and 5; 29 ter ; 46, paras 1 and 2; 64, §2; 70bis; 77, 6th para of the Companies Act) do not apply to the company.

SECTION VIII: TRANSITIONAL PROVISION

Article 38

All the 2,432,910 category A shares numbered 1 to 2 405 657 and from 2 801 290 to 2 828 542, entitle their holders to the dividend for the current financial year started on 1 January 2009, as well as to future dividends.

- The 2 178 657 category A shares existing on 1 January 2008, numbered from 1 to 2 178 657 give entitlement to the dividend for the previous financial years with regard to their respective issuing conditions,

which would not yet have been distributed on 6 May 2009.
The total of 2 407 745 category A shares numbered from 1 to 2 405 657 and from 2 801 290 to 2 803 377, give entitlement to dividend for the current financial year started on 1 January 2008, which would not yet have been distributed on 6 May 2009.
The 395 632 category B shares, numbered from 2 405 658 to 2 801 289, participate in the earnings of the present company in stages, as follows:
- 139 271 shares numbered from 2 405 658 to 2 544 928 as from 1 July;
- 135 073 shares numbered from 2 544 929 to 2 680 001 as from 1 December 2008;
- 109 111 shares numbered from 2 680 002 to 2 789 112 with participation in the earnings of the present company, as from the first calendar day of the month following the month during which block C of the “Lambermont” real estate complex in Schaerbeek, Boulevard Lambermont 198 - 224 has been provisionally accepted;
- 12 177 shares numbered from 2 789 113 to 2 801 289 with participation in the earnings of the present company, as from the first calendar day of the month following the month during which block D of the “Lambermont” real estate complex in Schaerbeek, Boulevard Lambermont 198 - 224 has been provisionally accepted.

4 Real estate Sicaf: legislative framework and tax regime

4.1 Legislative framework

The regime of the real estate Sicaf (Société d’Investissement à Capital Fixe en Immobilier – Sicafi) was established by the Act of 4 December 1990 and that of 20 July 2004, as well as by the Royal Decrees of 10 April 1995, 10 June 2001, 4 March 2005 and 21 June 2006. It authorises the creation in Belgium of real estate investment entities, as these exist in many countries: “Real Estate Investment Trusts (REITs)” in the United States, “Fiscale Beleggingsinstellingen (FBI)” in the Netherlands, “Grundwertpapiere” in Germany, and “Sociétés d’Investissements Immobiliers Cotées (SIICs)” in France.
Lawmakers wanted the Sicafi to ensure that real estate investments would be characterised by unparalleled transparency and make it possible to distribute as much profit as possible while benefiting from numerous advantages, in particular, from tax advantages.
Supervised by the Banking, Financial and Insurance Commission (CBFA), the Sicafi is governed by a specific regulation, the main characteristics of which are as follows:

- A unit trust with starting capital of at least € 1.25 million;
- The company takes the form of a Société Anonyme (SA) or public limited liability company, or a Société en Commandite par Actions (SCA) or partnership limited by shares;
- The company must be listed on the stock market, and at least 30% of its shares must be traded on the market;
- Activity is limited to real estate investments;
- Debt is limited to 65% of the total assets at the time the loan is taken out;
- The portfolio’s accounts are prepared at fair value, without any write-offs;
- The portfolio must be highly diversified. No building can represent more than 20% of the total value of the portfolio, unless CBFA grants a derogation. It is important to point out that since the publication of the Royal Decree of 10 June 2001, this derogation is no longer possible if the rate of debt exceeds 33%;
- The rules governing conflicts of interest are very strict;
- The Sicafi only pays tax on non-admissible expenses (“DNAs” in French) and windfall profits (“AABs”). Accordingly, it is exempt from corporate tax (“ISOC”), provided that the Sicafi performs the minimum distribution obligation, as defined in Article 7 of the Royal Decree of 21 June 2006;
- Currently, no withholding tax is due on the dividends distributed by residential real estate, such as Home Invest Belgium.
  To this end, these companies are required to invest at least 60% of their portfolio in residential buildings located in Belgium.

Those companies that apply to the Banking, Financial and Insurance Commission for their accreditation as a real estate Sicaf or that merge with a real estate Sicaf are subject to a tax (exit-tax), which is the equivalent of a tax to be paid on the underlying capital gains and on immunised reserves at the rate of 16.5%, plus the supplementary crisis contribution (currently 3%).
Home Invest Belgium was accredited as a residential real estate Sicaf on 16 June 1999.

Tax regime

The information provided below is based on tax legislation and tax practices in force at the time of the drafting of this annual report. It is therefore subject to modification in the future, including with retroactive effect, and is communicated for purely information purposes.

Each shareholder and each potential investor is invited to obtain information on their tax situation from their advisers.

4.2 Dividends

Principle

Based on current tax legislation, the dividends distributed to the shareholders of Home Invest Belgium are not subject to any withholding tax, since Home Invest Belgium, as a residential Sicafi, has invested more than 60% of its assets in residential buildings located in Belgium. See in this connection the chapter "Risk factors", under point 1.

Belgian natural persons

For Belgian natural persons who act in a private capacity and are subject to personal income tax, received dividends are not taxes.
For Belgian natural persons who act in a professional capacity, received dividends are taxable at the normal tax rate on natural persons.
Belgian legal entities
For taxpayers subject to corporate tax, dividends received are not taxed.

Belgian resident companies

Belgian resident companies are, in principle, taxed on the dividends of a Sicafi at the corporate tax rate, without applying the "RDT" or revenues already taxed and benefiting from a deduction regime.
Thus, the dividend will be taxable in accordance with the corporate tax regime on the tax on non-residents, at the rate of 33.99% (corresponding to the base rate, plus the additional 3% crisis contribution). A reduced rate could be applicable under certain conditions.
Non-residents individuals and companies
There is no withholding tax on the dividends paid by Home Invest Belgium.

4.3 Capital gains and losses

Belgian natural persons

In Belgium, the capital gains made by a natural person from the sale of shares as part of the normal management of his private assets are not taxable, and capital losses are not tax-deductible. Belgian natural persons can, however, be subject to taxation of respectively 33%, plus additional community taxes, the rate of which depends on the district of residence, if the capital gains made are considered speculative. They can also be subject to taxation of 16.5%, plus additional community tax, the rate of which depends on the district of residence, if the shares are sold to a foreign company and if they relate to a stake of more than 25% in the company's share capital.

Belgian natural persons holding these shares within the scope of a professional activity are taxed on the capital gains they make on the sale of shares at the ordinary progressive rates of personal income tax, or at 16.5%, if the shares are held for more than five years.

Belgian legal entities

For Belgian legal entities subject to tax on legal entities, the capital gains made on the sale of Home Invest Belgium shares are not, in principle, taxable in Belgium. Capital losses on shares are not tax-deductible.

Belgian companies and foreign companies having a permanent establishment in Belgium

Capital gains made on Home Invest Belgium shares by a Belgian company or by a foreign company having a permanent establishment in Belgium are fully taxable. Capital gains (expressed or realised) are not tax-deductible.

Non-resident individuals and companies

Capital gains made by natural person non-residents on Home Invest Belgium shares are in principle part of private assets and are not taxable in Belgium. Capital losses are not tax deductible.
The citizens of the countries with which Belgium has concluded a double taxation convention are not, in principle, subject to taxation on such capital gains in Belgium.

4.4 Tax on Stock Market Transactions

The subscription of new shares (primary market) are not subject to the Tax on Stock Market Transactions ("TOB"). However, the purchase and sale and any other acquisition and sale for valuable consideration in Belgium, via a "professional intermediary", of existing shares (secondary market) is subject to a tax on stock market transactions, in general, 0.17% of the transaction price. The amount of the TOB is limited to EUR 500 per transaction and per party.
The following persons, regardless of the circumstances, are exempted from TOB:
(i) the professional intermediaries referred to in Article 2, 9° and 10° of the Law of 2 August 2002 concerning the supervision of the financial sector and financial services, acting for their own account;
(ii) the insurance firms referred to in Article 2 § 1er, of the Law of 9 July 1975, on the supervision of insurance companies, acting for their own account;
(iii) the pension funds referred to in Article 2 § 3, 6°, of the Law of 9 July 1975 concerning the supervision of insurance firms, acting for their own account;
(iv) the collective investment bodies referred to

by the Law of 4 December 1990, acting for their own account; or

(v) non-residents (provided that they submit an affidavit certifying that they do not reside in Belgium).

4.5 Tax on physical delivery of bearer securities

Starting on 1 January 2008, in accordance with the Act of 14 December 2005, Home Invest Belgium securities can no longer be physically delivered.

5 Statement

5.1 Forward looking statements – third-party information – those responsible

This annual financial report contains forward looking statements.
Such declarations include unknown risks, uncertainties and other factors that could cause the results, financial position, performance and current results to differ from the results, financial position, performance and results expressed or implicitly communicated by such forward looking statements. In view of these uncertain factors, the forward looking statements are not subject to any guarantee.

The Managing Director, Xavier Mertens, who, moreover, is one of the company's two effective directors, is responsible for the information communicated in this annual financial report.
He did everything in his power to verify the information contained in this annual financial report and declares that after having taken all reasonable measures in this connection, the information contained herein reflects, to the best of his knowledge, the actual situation and that no information is likely to alter the scope of this annual financial report or has been omitted. To the best of his knowledge:

- the annual financial statements, drawn up in accordance with applicable accounting standards, provide a faithful image of the assets, financial position and results of Home Invest Belgium and of the companies included in the consolidation;
- the management report contains an accurate description of the business developments, results and the position of Home Invest Belgium and of the companies included in the consolidation, as well as a description of the principal risks and uncertainties facing them.
  Home Invest Belgium further declares that third-party information has been faithfully reproduced in this annual financial report and provided that the Sicafi is aware of it and is able to assure it based on the information published by these third parties, no fact has been omitted that would cause the information reproduced to be inaccurate or misleading.

5.2 Historical financial information

The annual financial reports (which include the consolidated financial statements, with an abbreviated version of the statutory financial statements, the consolidated management reports, the auditor and expert reports), the interim declarations, half-year financial reports, description of the financial position, information concerning the linked parties and the historical financial information concerning the Sicafi's subsidiaries for the years 2008 and 2007, are included by reference in this annual financial report.
These documents can also be consulted and downloaded on the Internet site www.homeinvestbelgium.be.

5.3 Governmental or other strategy or factor

As regards any governmental, economic, budgetary, monetary or political strategy or factor having had a significant impact or that could have a significant impact, whether directly or indirectly, on the operations of Home Invest Belgium, see the chapter "Risk factors", in particular, point 2.

5.4 Judicial proceedings and arbitration proceedings in progress

No proceedings have taken place recently, or that could have significant effects on the financial position or profitability of Home Invest Belgium.

5.5 Declarations concerning directors and Executive Management

Home Invest Belgium declares:

1. that to the best of its knowledge, during the past five years:
   - none of its directors or members of Executive Management has been found guilty of fraud, or has been the subject of any official offence and/or public penalty and no penalty has been levied by a legal authority or supervisory authority and that, in their capacity as director, they were not involved in a bankruptcy, or placed under compulsory administration or liquidation;
   - the directors and members of the Executive Management have not been prohibited by a court from acting as a member of the Board of Directors or Executive Board, or from participating in the management or administration of Home Invest Belgium's affairs;
   - no employment contract or service contract is concluded with the directors that provides for the payment of compensation at the end

of the contract. However, it is important to note that services agreements concluded with managing director Xavier Mertens and SPRLU YLKATT, having as its permanent representative Jean-Luc Colson, contain provisions governing notice and termination compensation (see chapter “Corporate Governance Declaration”, points 5.4 and 5.5);

2. that at this time, no options have been granted on Home Invest Belgium shares;
3. that there are no family ties between the directors.

5.6 Other directorships held during past 5 years by the effective administrators and directors[1]

Michel Pleeck
Le Patrimoine Immobilier SA, Le Certificat Foncier SA, IREC Westland SA, L’Investissement Foncier Woluwé Shopping Center SA, L’Investissement Foncier Woluwé Extension SA, L’Investissement Foncier Kortrijk Ring Shopping Center SA, Home Invest Management SA, Sedilec SC, Seditel SC*, Congrégation des Soeurs du Christ ASBL and La Hulpe Sportive ASBL.

Xavier Mertens
Home Invest Management SA, Belliard 21 SA, Alltherm SA, UPSI-BVS, ULI Belgium and Emix SPRL.

Guillaume Botermans
Paribacert I*, Paribacert II*, Paribacert III*, Immorente*, Artesimmo*, Arm-Stones Partnership SPRL, Pro Materia ASBL and M2 SA.

Ghislaine Darquennes
Metropolitan Buildings SA, Immolouneuve SA, Certinvest SA and Park De Haan NV.

Luc Delfosse
IVG Real Estate Belgium SA, Property Security Belgium SA, Batipromo SA, Asticus Europe GIE, Opus II SARL Lxbg, Stodiek Beteiligung I Lxbg, Stodiek Beteiligung II Lxbg, Wertkonzept Holland IV Berlin, Wertkonzept Holland V Berlin, Organisation Immobilière SA ASBL Jazz Station, ASBL FCM Brussels Strombeek, Régie Communale Autonome de Saint-Josse-ten-Noode, Centre Mommens SA, BECI, Promenades Vertes SA, SA Simazone, and NV Crommelynck.

Gaëtan Hannecart
Matexi Group NV, Matexi NV, Tradiplan NV, Sibomat NV, Entro NV, Wilma Project Development NV, Ankor Invest NV, Brufin NV, Nimmobo NV, Depatri NV, Campagne du Petit Baulers SA, Hooglatem NV, Matexi Luxembourg, Nieuw Bilzen NV, Wiprover NV, BI Invest NV, Het Schepenhof NV, Kempense Bouwwerken NV, La Cointe SA, Renoplan NV, SDM NV, Simfi SA, QuaeroQ CVA, UPSI-BVS VZW, NFTE Belgium VZW, Cofinimmo SA, Grimac NV*, Schoonbeek NV and Itinera Institute.

Liévin Van Overstraeten
VOP NV, Immovo NV, Sippelberg NV, Rolem Belgium NV, Cocky NV, Brussels Sport Pass VZW, Stichting Administratiekantoor Stavos, Stavos Luxembourg SA, Robelproduct SRL (Romania), Robeldoors SRL (Romania), Belconstruct SRL (Romania), Immorobel SRL (Romania) and C&C SRL (Romania).

Guy Van Wymersch-Moons
Blauwe Toren SA, Brustar One SA, Cabesa SA, Cornaline House SA, Evers Freehold SA, Immo Instruction SA, Immo Jean Jacobs SA, Immobilière du Parc Hôtel SA, Immo Zellik SA, Instruction SA La Tourmaline SA, Leasinvest Real Estate SCA, Leg II Meer 15 SA, Leg II Meer 22-23 SA, Leg II Meer 42-48 SA, Lex 65 SA, Marina Building SA, Messancy Réalisation SA, MUCC SA, Parc Louise SA, QB19 SA, RAC Hasselt SA, Royaner SA, Royawyn SA, Sodimco SA, The Bridge Logistics SA, Transga SA, Trèves Freehold SA, Trèves Leasehold SA, Vepar SA, WaterLeau SA, Zaventem I SA, Zaventem II SA, Upar SA, Beran SA, Immo Jean Jacobs SA, WOM, UPSI SA, Leasinvest Immo LUX, Froissart Léopold SA and Parc Léopold SA, Wathall SA, Maison de l’Assurance.

Ylkatt sprlu
This company does not hold any company directorship positions. Its permanent representative, Jean-Luc Colson, is a director of the following companies: Home Invest Management SA, Belliard 21 SA, Alltherm SA and Ylkatt sprlu.

5.7 Pro-forma financial information

During the year under examination no transaction was executed that had an impact of more than 25 % on the company’s activity indicators, according to the meaning of paragraphs 91 and 92 of the C.E.S.R.’s recommendation on the implementation of European Commission Directive No. 809/2004 on prospectuses. Thus, the publication of pro forma financial information is not required.

5.8 Financial communication to the shareholders – places where the documents accessible to the public are kept

The incorporation document and Articles of Association of Home Invest Belgium can be consulted at the

[1] Expired mandates are indicated with an asterisk.

Registry of the Brussels Commercial Court and at the company's registered office.
The annual financial statements are filed at the Belgian Central Bank. Each year, the annual financial statements and the related reports are sent to the registered shareholders and to any person who so requests.

Meeting notices inviting shareholders to the general meetings of the shareholders and the other mandatory publications are published in the financial press and on the above-mentioned Internet site.
The interim declarations, the half-year financial reports and the annual financial reports contain the net asset value per share, as well as the valuation of the Home Invest Belgium real estate portfolio.
Decisions concerning the appointment and revocation of the members of the Board of Directors are published in the annexes to the Moniteur belge.

Whoever wishes to do so can register free of charge on the Internet site www.homeinvestbelgium.be, in order to receive e-mail press releases and compulsory financial information by e-mail.

5.9 Significant changes since the end of the year

No significant changes of the financial or commercial position of Home Invest Belgium have taken place since the end of the year 2009.

5.10 Additional information communicated pursuant to Annex I to the Prospectus Regulation No. 809/2004 :

- No restriction needs to be pointed out concerning the use of capital, that has had a significant effect or that could have a significant effect, whether directly or indirectly, on the company's operations.
- Except for the contracts concluded with the members of the Executive Management (see above: Corporate Governance Declaration, points 5.4 and 5.5), there are no other services contracts binding the members of the administrative, management or supervisory bodies to the company or to any one of its subsidiaries and providing for the granting of benefits at the end of such a contract.
- There have not been any operations with affiliated companies according to the meaning of Article 19 of the Prospectus Regulation (see Art. 19).
- The significant contracts concluded during the past two years of the Sicafi are identified in the management report of this annual financial report, or in that of the year 2008, which can be consulted on the company's website (see Art. 22).
- During this registration document's validity period, the following documents can, if applicable, be consulted in hard copy form at the company's registered office (see Art. 24):

a) the company's deed of incorporation and Articles of Association;
b) any reports, letters and other documents, historical financial information, valuations and declarations made by the experts at the company's request, a part of which is included or referred to in this registration document;
c) the historical financial information of the company and its subsidiaries for each of the two years preceding the publication of this registration document.

Glossary

Effective rent
Is the rent applying on 31 December 2009, on an annual basis, excluding rental guarantees en the estimated rental value on unoccupied spaces.

Estimated rental value (ERV)
Is the rental value which the real estate surveyor sees as corresponding to a market rent.

Fair value
The fair value of a building or a portfolio of buildings is its investment value, after deduction of mutation costs, calculated as follows:
• - 10 or 12.5 %, depending on the Region where the building is situated, for all buildings with the potential of being sold as individual units, based on their type or design.
• - 10 of 12.5 %, depending on the Region where the building is situated, for all buildings which do not have the potential of being sold as individual units, die, based on their type or design, and have an investment value of less than € 2.5 million;
• - 2.5 % for all buildings which do not have the potential of being sold as individual units, die, based on their type or design, and have an investment value of more than € 2.5 million.

Gross passing rent
The gross passing rent represents the last gross rental income, paid either monthly or quarterly, on 31 December 2009, converted into an annual total and including where necessary rental guarantees and the estimated rental value of unoccupied, premises. It takes into account furniture if available. It can therefore differ from the rent received during the financial year and inserted into the income statement, f.i. if there was a rent free period or if there has been an index-linked change in the meantime.

Net asset value
The net asset value or intrinsic value, in total or per share, is the value of the net assets, in total or per share, taking into account the last fair value of the property portfolio, as defined by the real estate surveyor of the Sicafi.
In IFRS, the net asset value comprises the year-end dividend, awaiting the approval by the ordinary general meeting of shareholders.

Net current result
The net current result is equal to the net result minus the portfolio result.

Occupancy rate
Is the average rate of occupancy, calculated on the basis of rents and including rental guarantees, for the whole financial year, i.e. from 1 January 2009 to 31 December 2009.
All investment properties of the portfolio are taken into account for the calculation, excluding the development projects and the assets held for sale.

Payout ratio
The payout ratio corresponds to the appropriated dividend in comparison with the distributable result, calculated on a consolidated basis.

Rental surfaces
The surfaces are those taken into account by the SICAFI's real estate surveyor. They include 50% of terraces and 10% of private gardens.

Return
Shareholders' return is equal to the dividend of the financial year plus the growth of the net asset value during the financial year.

Velocity
Velocity is the ratio between the yearly traded volume and the total number of shares comprised in the free float.

Year of construction
The year the property was built or of its last major renovation.

Shareholders' calendar

• Annual results for the 2009 financial year:	4 March 2010
• Annual general meeting for the 2009 financial year Interim statement: 1st quarter results on 31 March 2010:	4 May 2010
• Payment of the dividend for the 2009 financial year:	14 May 2010
• Financial report for the first half year ending 30 June 2010:	26 August 2010
• Interim statement: 3rd quarter results on 30 September 2010:	18 November 2010
• Annual results for the 2010 financial year:	3 March 2011
• Annual general meeting for the 2010 financial year Interim statement: 1st quarter results on 31 March 2011:	3 May 2011
• Payment of the dividend for the 2010 financial year:	13 May 2011

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This annual report is a registered document in the sense of article 28 of the Law of 16 June 2006 on public offers of investment instruments and on the admission of investment instruments to trading on regulated markets.

It has been approved by the Banking, Finance and Insurance Commission, in accordance with Article 23 of the above-mentioned law, on 6 April 2010.

Home Invest Belgium having opted for the French as official language, the Annual financial report in French is the sole official version. The Dutch and English versions are translations established under Home Invest Belgium's responsability.

Het jaarverslag in het Nederlands is beschikbaar op de zetel van de vennootschap.
Le rapport annuel en Français est disponible au siege de la société.

Design and conception : **www.theimagecompany.be**

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