

Leasinvest Real Estate – half-year results 30/06/10 (6 months)¹

- Increase of the rental income by 2.4% to 20 million euro (30/06/09: 19.5 million euro).
- Rise of the net current result (group share) by 17% to 12.5 million euro or 3.12 euro per share (30/06/09: 2.67 euro per share);
- The net result, group share, amounted to 5.6 million euro (1.4 euro per share) on 30/06/10 compared to 12.8 million euro (3.2 euro per share) on 30/06/09; the past year the losses were more than compensated by a one-off realized capital gain on the sale of the Bian building;
- Occupancy rate remains stable at 97.81% (31/12/2009: 97.74%);
- First occupant for a part of The Crescent in Anderlecht

Activity report for the period 01/01/10-30/06/10

At the end of the first quarter of the financial year 2010 Leasinvest Real Estate has acquired 100% of the shares of the company Canal Logistics Brussels SA. With this acquisition a newly built storage and distribution site of 27,700 m² of storage and 1,250 m² of offices in Neder-over-Heembeek ('Canal Logistics') was purchased, part of a total project of 50.000 m² of storage and 2,500 m² of offices.

The temporary vacancy of this building will have no impact on the net current result of 2010 thanks to a rental guarantee from the seller. The completion of the second phase is foreseen by the beginning of 2011, for which a rental guarantee has also been granted.

Leasinvest Real Estate's attention goes to preserving the occupancy rate by proactively avoiding possible vacancy, by the dynamic management of our real estate portfolio and by looking for interesting investment opportunities.

Key figures on 30/06/10

Key figures real estate portfolio (a)	30-06-10	31-12-09
Fair value (1,000 euro) (b)	558,954	537,518
Investment value (1,000 euro) (c)	573,370	551,400
Rental yield based on fair value (d)	7.57%	7.48%
Rental yield based on investment value (d)	7.38%	7.29%
Occupancy rate (d)	97.81%	97.74%

(a) The real estate portfolio comprises the buildings in operation as well as the development projects and the assets held for sale.

(b) Fair value: the investment value as defined by an independent real estate expert and of which the transfer rights have been deducted. The fair value is the accounting value under IFRS.

(c) The investment value is the value as defined by an independent real estate expert and of which the transfer rights have not yet been deducted.

(d) For calculating the rental yield and the occupancy rate only the buildings in operation are taken into account.

¹ The figures recorded in this press release are subject to a limited review by the auditor.

By the acquisition of Canal Logistics the real estate portfolio (based on fair value) increased by 4% from 537.5 million euro (31/12/09) to 559 million euro. This increase takes into account a global negative change of the investment properties of 6.3 million euro, mainly on Canal Logistics and an office building in Anderlecht (Brussels).

The average rental yields of the real estate portfolio of Leasinvest Real Estate have increased from 7.48% (per 31/12/09) to 7.57 % (30/06/10) in terms of fair value and from 7.29% to 7.38% (per 30/06/10) in terms of investment value.

The real estate portfolio in operation consists of 59 buildings, of which 44 buildings situated in Belgium, with a total surface of 296,409 m², and 15 buildings in the Grand Duchy of Luxembourg with a total surface of 85,961 m².

Key results	30-06-10	30-06-09
Net current result, group share (1,000 euro)	12,463	10,678
Net current result, group share, per share (euro) (1) (2)	3.12	2.67
Net result, group share (1,000 euro)	5,601	12,839
Net result, group share, per share (euro) (2)	1.40	3.21

(1) The net current result consists of the net result excluding the portfolio result and the changes in the fair value of the non effective hedges.

(3) The results per share are calculated based on the number of shares participating in the result of the period.

General key figures	30-06-10	31-12-09
Net asset value, group share (NAV) (1,000 euro)	262,151	274,924
Number of issued shares	4,012,832	4,012,832
Number of shares participating in the result of the period (1)	3,996,294	3,996,294
Debt ratio RD 21/06/06 (%)	51.64%	47.61%
Net asset value, group share, per share (euro) (2) (3)		
- based on fair value	65.60	68.79
- based on investment value	69.21	72.27
Closing price (euro)	58.61	58.97
Discount closing price vs NAV (based on fair value)	-11%	-14%

(1) The number of shares participating in the result of the period corresponds to the number of issued shares minus the number of treasury shares (including LRE shares held by subsidiaries). Per 30/06/10 LRE had, on a consolidated basis 16,538 treasury shares in portfolio, or 0.41% (idem 31/12/09).

(2) The net asset value on 31/12/09 is before distribution of the closing dividend. On 24/05/10 a gross dividend of 4 euro per share was distributed. The net asset value, group share, ex-coupon amounted to 64.79 euro per share based on the fair value and to 68.27 euro per share based on the investment value, on 31/12/09.

(3) The NAV per share is calculated based on the number of shares participating in the result of the period.

Consolidated figures on 30/06/10

CONSOLIDATED RESULTS

(in 1,000 euro)	30-06-10 (6 months)	31-12-09 (6 months)
Rental income	19,982	19,510
Writeback of lease payments sold and discounted	0	0
Related rental expenses	0	41
NET RENTAL INCOME	19,982	19,551
Recovery of property charges	210	11
Recovery income of charges and taxes normally payable by tenants on let properties	1,873	1,051
Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	-79	0
Charges and taxes normally payable by tenants on let properties	-1,873	-1,051
Other related rental expenses and income	-9	54
PROPERTY RESULT	20,105	19,616
Technical costs	-665	-373
Commercial costs	-364	-160
Charges and taxes on unlet properties	-196	-104
Property management costs	-1,431	-1,478
Other property charges	-108	-113
PROPERTY CHARGES	-2,763	-2,228
PROPERTY OPERATING RESULT	17,342	17,388
Corporate operating charges	-873	-892
Other operating charges and income	64	-11
OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	16,533	16,485
Result on disposal of investment properties	0	15,233
Changes in fair value of investment properties	-6,300	-11,955
OPERATING RESULT	10,233	19,762
Financial income	192	564
Interest charges	-4,137	-4,847
Other financial charges	-1,063	-2,519
FINANCIAL RESULT	-5,008	-6,802
PRE-TAX RESULT	5,225	12,961
Corporate taxes	-93	-285
Exit tax	470	163
TAXES	377	-122
NET RESULT	5,602	12,839
Attributable to:		
Minority interests	1	0
Group shares	5,601	12,839

The **rental income** (20 million euro) rose by 2.4% in comparison with 30/06/09 (19.5 million euro). The **occupancy rate** amounts to 97.81% (30/06/09: 97.67%).

The increase of the commercial and maintenance costs has led to an increase of the **property charges** of 2.2 million euro on 30/06/09 to 2.7 million euro on 30/06/10.

As a consequence of the general trend in the national and international real estate market a slight increase of the rental yields has been applied by the external independent real estate expert for the valuation of the real estate portfolio.

This has led to a non realized loss of 6.3 million euro (recorded in **changes in fair value of investment properties**), to compare to a non realized loss of 12 million euro a year before, then compensated by a realized capital gain of 15.2 million euro on the sale of the Bian building.

Due to the decreasing market interest rates the fair value of the non effective hedges (according to IAS 39) recorded a negative change of 0.5 million euro compared to a negative change of 1.1 million euro per 30/06/09. Without taking into account the impact of IAS 39 the **financial result** rose from -5.7 million euro (30/06/09) to -4.4 million euro. The average financing cost (excl. IAS 39 and premiums of hedges) on 30/06/10 decreased to 3.36% in comparison with 3.72% on 30/06/09.

The **net result, group share**, closed at 5.6 million euro (or 1.4 euro per share²) compared to 12.8 million euro (or 3.21 euro per share) last year. This decrease is mainly the consequence of an important one-off realized capital gain of 15.2 million euro on the sale of the Bian building in Luxembourg the past year.

The **net current result**, group share, or the net result excluding the portfolio result and the changes in the fair value of the non effective hedges, however, rose by 17% from 10.7 million euro, or 2.67 euro per share² on 30/06/09 to 12.5 million euro, or 3.12 euro per share on 30/06/10.

² All result data per share are calculated based on the number of shares participating in the result of the period.

CONSOLIDATED BALANCE SHEET
(in 1,000 euro)

30-06-10 **31-12-09**

ASSETS		
NON-CURRENT ASSETS	517,622	538,987
Intangible assets	4	2
Investment properties, incl. development projects	516,544	537,518
Other tangible assets	28	31
Non-current financial assets	1,046	1,436
CURRENT ASSETS	57,987	13,158
Assets held for sale	42,410	0
Current financial assets	5,258	3,528
Trade receivables	6,480	5,782
Tax receivables and other current assets	1,229	746
Cash and cash equivalents	2,283	2,767
Deferred charges and accrued income	327	335
TOTAL ASSETS	575,609	552,145
LIABILITIES		
TOTAL SHAREHOLDERS' EQUITY	262,145	274,918
SHAREHOLDER'S EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY	262,151	274,924
Capital	44,128	44,128
Share premium account	70,622	70,622
Treasury shares (-)	-1,046	-1,046
Reserves	154,828	152,435
Result	5,601	18,380
Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties	-8,770	-8,129
Change in fair value of financial assets and liabilities on financial assets available for sale	320	12
on derivatives	-3,532	-1,478
MINORITY INTERESTS	-6	-6
LIABILITIES	313,464	277,227
NON-CURRENT LIABILITIES	201,180	198,782
Provisions	28	386
Non-current financial debts	193,583	193,050
Other non-current financial liabilities	7,178	4,943
Other non-current liabilities	391	403
CURRENT LIABILITIES	112,284	78,445
Provisions	0	0
Current financial debts	95,884	62,001
Trade debts and other current debts	5,142	6,141
Other current liabilities	2,232	1,267
Accrued charges and deferred income	9,026	9,036
TOTAL SHAREHOLDER'S EQUITY, MINORITY INTERESTS AND LIABILITIES	575,609	552,145

The decrease of the **investment properties** is the consequence of a transfer of 42.4 million euro to the assets held for sale.

At the end of the half-year of the financial year 2010 shareholders' equity, group share (based on the fair value of the investment properties), amounted to 262.15 million euro, or 65.60 euro per share compared to 68.79 euro per 31/12/09.

The **debt ratio** has temporarily increased from 47.61% (per 31/12/09) to 51.64% per 30/06/10.

Leasinvest Real Estate's **shareholders' equity** has decreased from 274.9 million euro (per 31/12/09) to 262.1 million euro per 30/06/10 following the distribution of the dividend of 15.9 million euro in May 2010.

Important events after the closing of the half-year results 30/06/10

Transfer of rights in rem on the business park Axxes Business Park (phase 1) – acquisition of real estate certificates

In July 2010 Leasinvest Real Estate has established a leasehold on phase 1 of the Axxes Business Park situated in Merelbeke near Ghent on behalf of the company Axxes Certificates. The bare ownership will also be transferred before the end of this month. These transactions will be realized for a global gross amount of 44.4 million euro, which is comparable to the investment value of the business park.

In total the business park comprises 23,728 m² of office space (archives included) and 868 parking spaces. The occupancy rate of the Axxes Business Park (phase 1) amounts to 98.4% and relates to 19 tenants.

The company Axxes Certificates has financed the acquisition, to a large extent, by a private issuance of real estate certificates, successfully placed by Banque Degroof with different institutional and private investors. Within this framework Leasinvest Real Estate itself has subscribed to 1.7 million euro of these real estate certificates.

The technical and commercial management of the buildings remains with a 100% subsidiary of Leasinvest Real Estate, Leasinvest Services SA, which has been appointed as Asset Manager and Property Manager. Within this framework Leasinvest Real Estate has granted certain guarantees to perpetuate the rental income flow.

Furthermore, Axxes Certificates has agreed upon the acquisition, at the end of 2012, for a fixed price of 3.3 million euro, of the facility center 'Torenhove' located at the same site in Merelbeke, after its renovation by Leasinvest Real Estate.

This divestment fits within Leasinvest Real Estate's dynamic real estate portfolio management.

Thanks to this transaction the debt ratio which temporarily increased from 47.61% (31/12/09) to 51.64% on 30/06/10 would reach 47.6% again.

First occupant for part of The Crescent building in Anderlecht (Brussels)

In the first half of August Leasinvest Real Estate has concluded a long-term services agreement for approximately 3,800 m² located in the office building called The Crescent at the Erasmus site in Anderlecht (Brussels), taking effect as from May 2011. In this difficult economic context we succeeded in signing contracts in advance for 25% of the office space that would become available in 2011. This proves the uniqueness of the green building concept in combination with facility services (congress, restaurant and business center), as well as the exceptional location of the building.

Outlook for the entire financial year 2010

Thanks to the continuous proactive commercial approach towards our tenants, the occupancy rate in 2010 keeps up well. Except for unexpected circumstances and notwithstanding the aforementioned divestment in Merelbeke, a net current result (excluding the portfolio result and the impact of IAS 39) comparable to that of the financial year 2009 is expected for the entire financial year 2010.

Half-year financial report according to IAS 34

The half year financial report for the period 01/01/10-30/06/10, which comprises besides the condensed financial statements, including all information according to IAS 34, also the interim management report, a statement of the responsible persons and information regarding the external audit, will be available on the website www.leasinvest.be as from 31/08/10 after closing of the stock exchange. Upon request anyone can obtain a free copy at the administrative office of the company:

Leasinvest Real Estate SCA
Schermersstraat 42, 2000 Antwerp
T +32 3 238 98 77
E investor.relations@leasinvest.be.

Financial calendar

Half-year financial report 30/06/10 (IAS 34):	31/08/10
Interim statement 30/09/10 (9 months):	09/11/10
Publication results of the financial year 31/12/10 (12 months):	18/02/11
Annual financial report 31/12/10	April 2011
Interim statement 31/03/11 (3 months):	13/05/11
Annual meeting of shareholders:	16/05/11
Dividend payment:	23/05/11
Half-year results 30/06/11 (6 months):	19/08/11
Half-year financial report 30/06/11 (IAS 34):	31/08/11

Investor relations contact

Jean-Louis Appelmans

T: +32 3 238 98 77 - E: jeanlouis.appelmans@leasinvest.be

Leasinvest Real Estate Comm. VA

Real estate investment trust (sicafi) Leasinvest Real Estate invests in high quality and well-located offices, logistics and retail buildings in Belgium and the Grand Duchy of Luxembourg. At present the real estate portfolio comprises 59 buildings in operation, of which 44 situated in Belgium and 15 in the Grand Duchy of Luxembourg, with a total surface of over 380,000 m².

The real estate investment trust (sicafi) is listed on Euronext Brussels and has a market capitalization of nearly 243 million euro (value 18 August 2010).