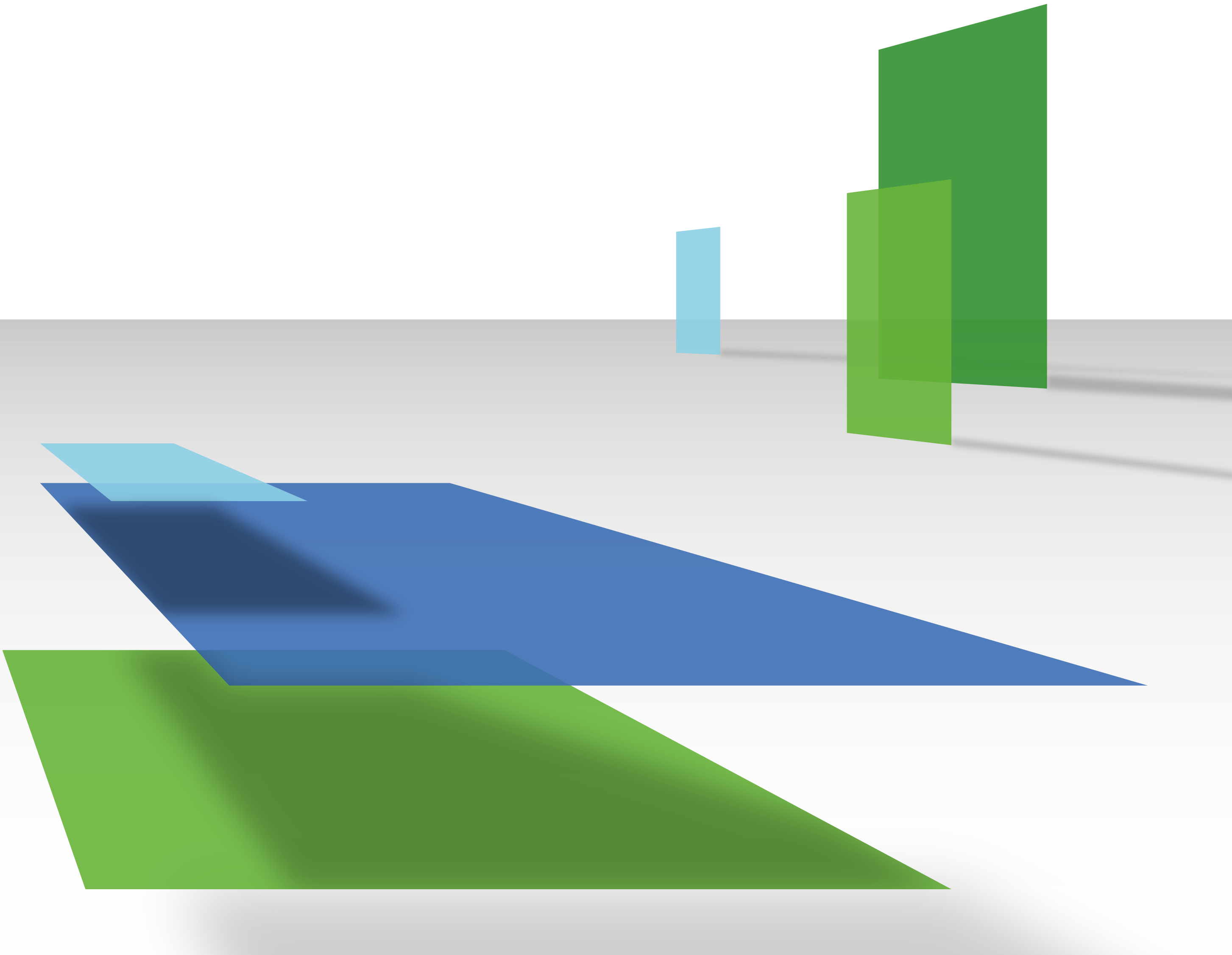
INTERVEST
OFFICES &
WAREHOUSES
Feel Real Estate

HALF-YEARLY FINANCIAL REPORT 2016



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Antwerp, 29 July 2016

Half-yearly financial report from the board of directors for the period 01.01.2016 to 30.06.2016

- Announcement of solid growth over the next three years, based on reorientation in the offices portfolio and the further expansion of logistics real estate
- Portfolio reshuffle started through divestment of 4 office buildings and one semi-industrial building in the Brussels periphery
- Ratio of 51% of logistics real estate and 49% office buildings as at 30 June 2016
- Occupancy rate rose to 91% as at 30 June 2016; 96% for the logistics portfolio, 87% for the offices portfolio
- Rental transactions primarily in the logistics portfolio: leases to new tenants accounted for 5% and extensions and prolongations accounted for 21% of the annual rental income of the logistics segment
- The fair value[1] of the real estate portfolio was basically stable in the first semester of 2016
- Operating distributable result per share: € 0,88 in the first semester of 2016 (€ 0,96 in the first semester of 2015)
- Increase in the underlying operating distributable result (without taking into account the one-off allocated refurbishment fee of 2015) with € 0,07 per share or approximately 9%, from € 0,81 for the first semester of 2015 to € 0,88 for the first semester of 2016, primarily due to lower financing costs
- Strengthening of the equity in the first semester of 2016 by € 11,6 million through the optional dividend, with 57% of shareholders opting for shares
- Debt ratio: 47,4% as at 30 June 2016 (48,2% as at 31 December 2015)
- Average interest rate of the financing: 3,1% in the first semester of 2016 (4,0% in the first semester of 2015)
- Renewed shareholder structure and management bodies
- Expected operating distributable result for 2016 between € 1,65 and € 1,75 per share with a minimum gross dividend of € 1,40 (dividend pay-out ratio: 80-85%)

1 Compared to the fair value of the investment properties as at 31 December 2015, with unchanged composition of the portfolio.

1. Interim half-yearly report for the first semester of 2016

Intervest Offices & Warehouses had an active first semester in 2016, during which the objective of a strategic shift in the real estate portfolio to a ratio of approximately 60% logistics real estate and 40% office buildings was maintained.

A solid growth plan founded on further investments in logistics real estate combined with a reorientation in the offices portfolio forms the basis for the next three years. That is why the first step was taken in the first semester of 2016, with the divestment of 4 office buildings and a semi-industrial property in the Brussels periphery.

In the offices market leases to new tenants and expansions for current tenants remained rather limited in the first semester of 2016. In logistics real estate, lease agreements with new tenants amounting to 5% of the annual rental income of this segment were concluded during the first half of 2016. In addition, extensions and expansions of current lease agreements reached 21% of the annual rental income of the logistics segment.

The shareholder structure of Intervest Offices & Warehouses was significantly changed during the course of the first semester of 2016. The free float of the company rose from 74% on 31 December 2015 to 82% as at 30 June 2016, pursuant to the further sale of the shares held by NSI (formerly the majority shareholder with over 50%). The expanded shareholder base, supported by multiple institutional shareholders, ensures better access to capital markets and debt financing and increases the liquidity of the share.

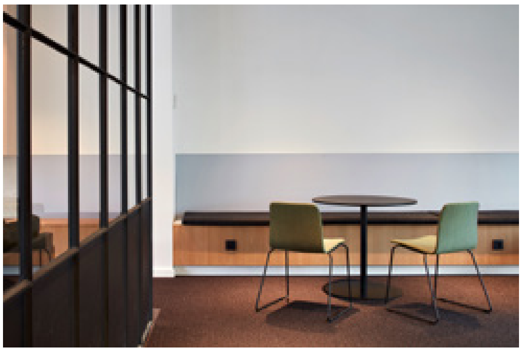
The result of the optional dividend, with 57% of the shareholders opting for shares, strengthened the company's equity and reflects the market's trust in the growth plans.

A reshuffle of the board of directors was implemented pursuant to the changed shareholder structure and for the purpose of carrying out the company's growth plans. Furthermore, the management committee was expanded to include a cio (chief investment officer) and, from now on, the ceo and cfo are 100% active in the company.

The operating distributable result per share amounted to € 0,88 for the first semester of 2016, compared to € 0,96 for the first semester of 2015. Without taking into account the one-off refurbishment fee in 2015, the operating distributable result per share for the first semester of 2015 amounted to € 0,81. The operating distributable result of € 0,88 for the first semester of 2016 therefore means that there is a rise of € 0,07 per share, or approximately 9% in respect of the comparable operating distributable result for the first semester of 2015, mainly attributable to lower financing costs.

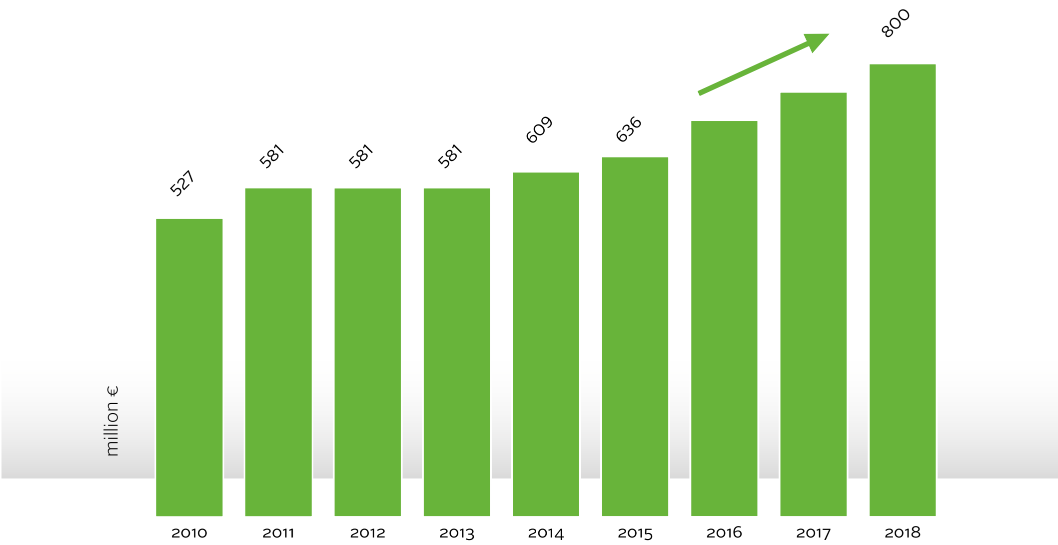
▼ RE:flex Mechelen

▼ RE:flex Berchem



1.1. Reorientation of the real estate portfolio

Announcement growth strategy[2]



Intervest Offices & Warehouses announced a strong **growth plan** in March 2016. The company wishes to grow its real estate portfolio to approximately **€ 800 million** over the next 3 years, to represent by the end of 2018 approximately € 500 million in logistics real estate and approximately € 300 million in offices, implying a strategic shift in the real estate portfolio to a ratio of approximately 60% logistics real estate and 40% office buildings.

The strategy of Intervest Offices & Warehouses for the **logistics segment** is aimed at investing in modern logistics cluster sites, in order to maximise the synergy benefits for both customers and Intervest Offices & Warehouses alike. This is to be broadly oriented, i.e. within a radius of 150 km around Antwerp, preferably at locations with multimodal accessibility.

The strategy of Intervest Offices & Warehouses in the **office market** is targeted at investing in inspiring multi-tenant offices in easily accessible locations in the greater metropolitan areas of Flanders, with working and living going hand in hand with a service-oriented and flexible approach to tenants.

There will be additional investments in logistics real estate at strategic locations and this will parallel the reorientation of the offices portfolio, consisting of divesting non-strategic buildings and reinvesting in buildings having a distinctive character attributable to their multi-functional, architectural, sustainable and qualitative properties.

Intervest Offices & Warehouses will prioritise redeveloping the **Diegem Campus** into an innovative, inspiring and service-focused concept where working is a pleasant experience (for more information, see 'Diegem Campus becomes Greenhouse BXL').

All of this, combined with the active asset management already in existence, will reinforce the foundations of the real estate portfolio with regard to the occupancy rate, return, average lease duration, tenants' risk spread and stability of the rental income.

2 For a full description of the announced growth strategy please consult the press release of 25 March 2016.

The growth strategy is underpinned by a number of financial **policy choices**. From a strategic point of view, Intervest Offices & Warehouses will keep sufficient cash from operational activities available within the company. It is for this reason that Intervest Offices & Warehouses has decided to plan a gross dividend of minimum € 1,40 per share[3] for financial years 2016, 2017 and 2018. This amounts to an average pay-out ratio of between 80% and 90%[4] of the expected operating distributable result for these 3 years together. Furthermore, with regard to its financing sources, Intervest Offices & Warehouses has opted to ensure that the debt ratio during the next 3 years will fluctuate within a range of between 45% and 50%.

Divestment Brussels periphery[5]

In line with its growth strategy, Intervest Offices & Warehouses sold **4 office buildings and a semi-industrial building** in the Brussels periphery in the first semester of 2016.

With this sales transaction, the share of offices decreased by 2% to 49%. Logistics real estate constituted 51% of the portfolio as at 30 June 2016 (51% and 49% as at 31 December 2015, respectively).

The **divestment** concerns the office buildings “Brussels 7” in Strombeek-Bever, “Park Station” and “Hermes Hills” in Diegem and “3T Estate” in Vilvoorde. The semi-industrial building “Berchem Technology Center” is located in Sint-Agatha-Berchem.

The **occupancy rate** for these 5 divested buildings was 67% at the time of the divestment. The divested office buildings had an average occupancy rate of 65%, which will decrease to 60% as from 1 January 2017 after tenant Deloitte leaves Hermes Hills. The occupancy rate for the semi-industrial building in Sint-Agatha-Berchem was 84%.

The average occupancy rate for the other office buildings located in the Brussels periphery remaining in the Intervest Offices & Warehouses portfolio after this divestment was 96% as at 30 June 2016.

The **total surface area** of the divested buildings consists of approximately 32.900 m^2 of offices, 4.000 m^2 of storage space, 2.500 m^2 of archiving space and 770 parking spaces.

The **sales price** amounted to € 27 million (excluding taxes and purchase costs), some 32% below the fair value of these properties as at 31 December 2015, i.e. € 40 million. Intervest Offices & Warehouses divested these buildings with a significant capital loss compared to the taxation value because they presented an exceptional risk profile compared to other buildings in the portfolio. The buildings are between 15 and 25 years old and will need renovation work in the future. However, these renovations are not expected to give rise to higher rental prices in the future due to the significant vacancy rate in these parts of the Brussels periphery. In addition, the buildings are labour-intensive for Intervest Offices & Warehouses as regards asset management because of the number of tenants and the low occupancy rate.

The impact of this transaction on the **taxation value** of the offices remaining in the Intervest Offices & Warehouses portfolio remains limited to a value decrease of € 1,2 million, which was processed in the half-yearly figures as at 30 June 2016.

This sales transaction was entirely finalised as at 30 June 2016, the deeds were executed by a notary and the sale price was received from the purchaser.

3 Subject to approval by the Annual General Meetings to be held in 2017, 2018 and 2019.

4 Intervest Offices & Warehouses is a regulated real estate company with a legal distribution obligation of at least 80% of the operating distributable result, adjusted to non-cash flow elements. The gross dividend will always amount to a minimum of 80% of this sum, meaning that the RREC will fulfil its legal obligations.

5 For a full description of the divestments, please consult the press release of 25 April 2016.

Renovated Sky Building becomes Greenhouse Antwerp with a 2nd RE:flex

The renovation of **Sky Building**, the office building at Uitbreidingstraat 66 in Berchem, which has in the meantime been renamed **Greenhouse Antwerp**, is the first specific achievement of the office portfolio reorientation the company aims to achieve.

The works, started in 2014, were completed at the end of June 2016. After a thorough renovation of the technical systems and the interior, most existing tenants moved to their new premises in the building on the second, third and fourth floors in August of last year. An additional lease and the provision of ironing services mean that floors one to six, inclusive, are now fully occupied.

For this reorientation, Intervest Offices & Warehouses worked according to its own tried and tested **turn-key solutions** approach.

Besides the renovation of the technical systems and the interior, the outside of the building was given a completely renewed and unique appearance. The entire front façade has now been provided with a so-called 'Green Wall' or vertical garden, an all-time first for Antwerp.

In carrying out this work, Intervest Offices & Warehouses transformed an existing office building into an attractive, modern working environment that also houses its own offices.

The second **RE:flex** centre of Intervest Offices & Warehouses also opened on the ground and first floors of this transformed office building in Berchem. RE:flex, 'flexible business hub' targets both small, starting companies and large companies which need meeting rooms or workstations for temporary projects. Furthermore, RE:flex is a practical and stimulating environment for training courses, seminars and events. A membership card (several plans are available) provides access to a flexible 'additional workstation', as well as a range of facilities and services that are charged on a per-use basis.

RE:flex is entirely in keeping with the strategy of Intervest Offices & Warehouses to respond proactively to new trends in mobile and flexible working. As a result, new possibilities for additional RE:flex centres are being examined in greater detail.

▼ Greenhouse Antwerp

▼ RE:flex Berchem

Diegem Campus becomes Greenhouse BXL

Working is increasingly becoming an experience in a place where people feel good. Besides being traditionally functional spaces, offices are increasingly becoming **meeting places and inspiring environments** which encourage collaboration and reinforce corporate culture. The 'look and feel' of offices, the services available, and the flexibility of use combined with strategic partnerships with clients, are crucial factors in offering added value and creating value in the current offices market.

The role of a supplier of offices is therefore also developing increasingly towards that of a 'creator' of an inspiring work environment instead of just a lessor of square metres.

At the end of 2016, after the departure of tenant Deloitte, the office buildings at **Diegem Campus** at Berkenlaan 6, 8a and 8b, will be vacant. The building at Berkenlaan 6 was divested in the first semester of 2016. Given the location of this site and the quality of the buildings, the office buildings at Berkenlaan 8a and 8b offer an excellent opportunity for repositioning and a multi-tenant approach.

Following the successful and innovative reorientation of Sky Building into Greenhouse Antwerp, Intervest Offices & Warehouses also anticipates a reorientation of Diegem Campus through which it will clearly distinguish itself from the traditional supply of offices as **Greenhouse BXL**.

The building permit for this redevelopment into an innovative, inspiring and service-oriented concept has been submitted in the meantime. It is expected that works can start during the first quarter of 2017.

This concept is aimed at stimulating meeting and interaction. It has a professional aura, stimulates cross-fertilisation, allows for a high level of flexibility, provides an air of tranquillity, focuses on service, is energy-efficient and aims for accessibility. A patio, still to be constructed, will serve as a lively meeting place with the potential for organising events. The 'new concept of working' will be integrated in the complex by combining a co-working lounge and places fostering inspiration. The interior fittings are also aimed at mutually encouraging interaction between visitors and users.
For example, a Grand Café, a restaurant, larger meetings rooms and an auditorium have been provided. Users can also call on a service desk, which ensures a personalised approach within the scope of the customer's needs.

▼ Greenhouse BXL

1.2. Rental activities

During the first half of 2016, in the total real estate portfolio 22 **rental transactions** were concluded with new or existing tenants for approximately 124.000 m², as compared to 52.000 m² in 30 transactions in the first semester of 2015.

In the office market leases to new tenants and expansions for current tenants remained rather limited in the first semester of 2016.

In logistics real estate, lease agreements with new tenants amounting to 5% of the annual rental income of this segment were concluded during the first half of 2016. In addition, prolongations and expansions of current lease agreements reached 21% of the annual rental income of the logistics segment. The prolongations with Nike Europe, Pharma Logistics and DHL in Herentals Logistics, Huizingen and Opglabbeek, respectively, constitute approximately 84.000 m² of the total.

As at 30 June 2016, the **occupancy rate**[6] of Intervest Offices & Warehouses' total real estate portfolio amounted to 91% (90% as at 31 December 2015):

- 87% in the offices portfolio, or an increase of 2% compared to 31 December 2015, mainly as a result of the divestment of 4 office buildings in the Brussels periphery that were not entirely rented
- 96% in the logistics portfolio, which signifies an increase of 1% compared to 31 December 2015, mainly as a result of the divestment of a semi-industrial building in the Brussels periphery and the rental transactions in the first semester of 2016

▼ Divested office buildings are: 3T Estate, Brussels 7, Park Station and Hermes Hills

6 The occupancy rate is calculated as the ratio between the estimated rental value and such estimated rental value increased by the estimated rental value of unoccupied leasable space. Until 31 December 2015, inclusive, the occupancy rate was calculated as the ratio between the commercial rental income and the sum of this commercial rental income and the estimated rental value of unoccupied rental premises.

Rental activity in the office portfolio

New lease agreements

New lease agreements were entered into for a total area of 1.127 m² in 3 transactions in the office portfolio of Intervest Offices & Warehouses in Mechelen during the first semester of 2016 (out of a total office portfolio of approximately 197.000 m²). This is comparable with the leases to new tenants in the first semester of 2015, when 3 new tenants were added for a total area of 1.011 m².

The transactions in the first half of 2016 were leases to:

- Bluebee Belgium at Mechelen Campus for 574 m²
- DPS Engineering Belgium at Mechelen Campus for 279 m²
- Elma Multimedia at Mechelen Intercity Business Park for 274 m²

▼ Mechelen Campus

Renewals at end of lease, extensions and prolongation of lease agreements

In the first half of 2016, renewals at end of the lease, extensions and prolongations of lease agreements in the company's offices portfolio were re-negotiated, prolonged or extended in 10 transactions for a surface area of 4.618 m² for current rental agreements. An area of 26.109 m² was renegotiated in 22 transactions during the same period in 2015. Fewer rental agreements are due to expire in 2016 and 2017, which explains the lower number of transactions.

The main transactions in the first half of 2016 were:

- prolongation of Karel De Grote Hogeschool for 1.431 m² in Gateway House in Antwerp
- expansion of Galapagos for 1.299 m² at Mechelen Campus (Tower)
- expansion of Biocartis for 1.017 m² at Mechelen Intercity Business Park
- prolongation and extension of MC Bauchamie for 358 m² at Mechelen Intercity Business Park

▼ Mechelen Campus

▼ Gateway House

Rental activity in the logistics portfolio

New lease agreements

In the first semester of 2016, in the logistics portfolio, 4 new lease agreements were concluded for a surface area of 22.189 m² (out of a total logistics portfolio of approximately 480.000 m²), which amounts to 5% of the annual rental income for this segment.
One transaction was concluded with a new tenant during the same period in 2015.

The main transactions in the first half of 2016 involved:

- Delhaize Group in Puurs for 16.536 m²
- Rogue Benelux in Schelle for 5.035 m²

▼ Puurs

Renewals at end of lease, extensions and prolongation of lease agreements

In the first semester of 2016, in the logistics portfolio, lease agreements for a surface area of 95.837 m² were prolonged or extended in 5 transactions amounting to 21% of the annual rental income for the logistics segment. 4 transactions were renewed, extended or prolonged for 21.225 m² during the same period in 2015.

The main transactions in the first half of 2016 were the following:

- prolongation for Nike Europe in Herentals for 50.912 m²
- prolongation for Pharma Logistics in Huizingen for 17.478 m²
- prolongation for DHL in Opglabbeek for 14.660 m²
- expansion for BT Europe (Toyota) in Wilrijk for 8.767 m²

▼ Opglabbeek

▼ Wilrijk 2

1.3. Operating result

The operating distributable result per share amounted to € 14,8 million in the first semester of 2016, compared to € 15,6 million in the first semester of 2015.

Taking into account 16.784.521 dividend-entitled shares, this means that there is an operating distributable result per share of € 0,88 (€ 0,96) for the first semester of 2016.

Without taking into account the one-off refurbishment fee in 2015, the operating distributable result per share for the first semester of 2015 amounted to € 0,81.

The operating distributable result of € 0,88 for the first semester of 2016 therefore means that there is a rise of € 0,07 per share, or approximately 9% in respect of the comparable operating distributable result for the first semester of 2015, mainly attributable to lower financing costs.

1.4. Real estate portfolio as at 30 June 2016

Composition of the portfolio

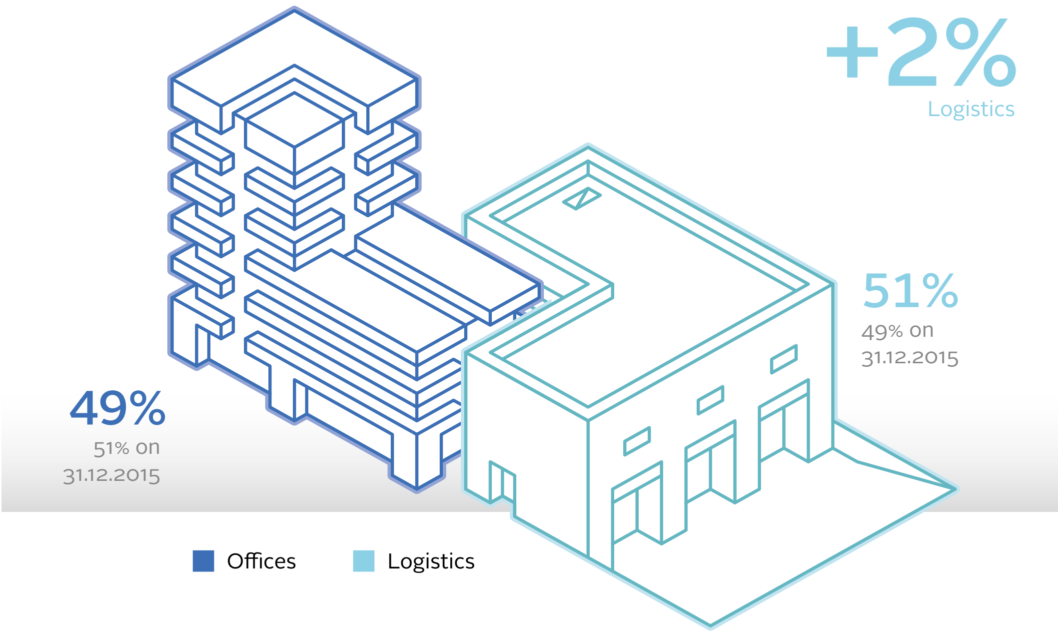
REAL ESTATE PORTFOLIO	30.06.2016	31.12.2015	30.06.2015
Fair value of investment properties (€ 000)	597.804	634.416	635.726
Occupancy rate (%)	91%	90%	88%
Total leasable space (m^2)	677.700	717.073	716.913
Yield on fair value (%)	7,6%	7,9%	7,8%
Yield on fair value if fully let (%)	8,3%	8,8%	8,8%

The fair value of the company's real estate portfolio decreased by € 37 million in the first semester of 2016 and amounted to € 598 million as at 30 June 2016, compared to € 634 million as at 31 December 2015. This decrease in the first semester of 2016 is primarily the result of the divestment of 5 buildings in the Brussels periphery. These buildings had a total carrying amount of € 40 million as at 31 December 2015. In the first semester of 2016, the company made investments for € 4 million in its real estate portfolio, mainly in the offices portfolio. The fair value of the existing real estate portfolio (not taking into account investments and divestments) dropped by € 1 million or 0,2% in the first half of 2016, primarily in the offices portfolio. The fair value of the existing logistics portfolio increased slightly.

Risk spread in the portfolio

Intervest Offices & Warehouses' investment strategy respects the criteria of risk diversification in the real estate portfolio based on building type as well as geographic spread.

Nature of the portfolio

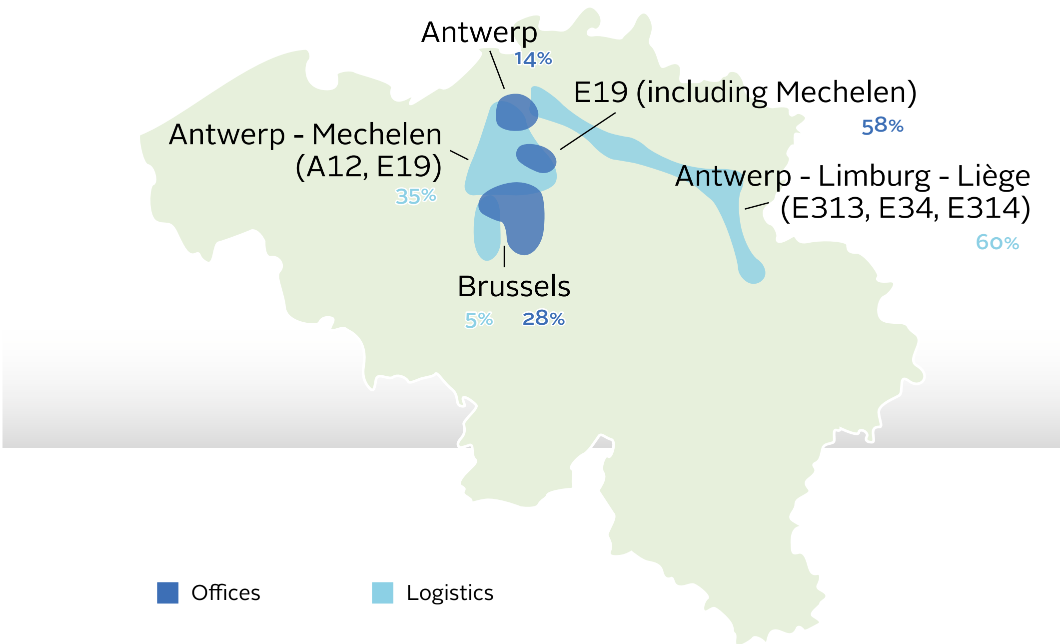


As at 30 June 2016, the real estate portfolio of Intervest Offices & Warehouses consisted of 49% offices and 51% logistics properties. Through the divestment of 5 buildings in the Brussels periphery the composition changed compared to 31 December 2015. The share of logistics properties in the entire real estate portfolio increased by 2% compared to 31 December 2015.

▼ Intercity Business Park

▼ Liège

Geographical spread



Offices

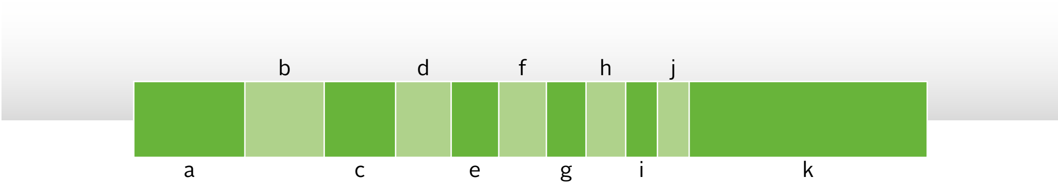
The strategic focus for the office portfolio is on the Antwerp-Mechelen-Brussels axis, which is still the most significant and most liquid office region of Belgium. The entire office portfolio of Intervest Offices & Warehouses was located in this region as at 30 June 2016.

Logistics properties

Some 95% of the logistics portfolio is located on the Antwerp-Brussels (E19 and A12) and Antwerp-Limburg-Liège (E313) axes, which are the most significant logistics axes in Belgium. 5% of the properties are located in the centre of the country, in the vicinity of Brussels.

Risk spread of buildings by size[7]

a	14%	Mechelen Campus	g	5%	Liège
b	10%	Intercity Business Park	h	5%	Puurs
c	9%	Herentals Logistics 1, 2, 3	i	4%	Mechelen Business Tower
d	7%	Woluwe Garden	j	4%	Wilrijk 1 and 2
e	6%	Opglabbeek	k	30%	Other
f	6%	Oevel 1, 2, 3			



Intervest Offices & Warehouses has 13 office locations and 19 logistics properties in its portfolio. The company aims to obtain an optimal risk spread and tries to limit the size of the buildings and complexes. The largest complex is Mechelen Campus, with a surface area of 58.112 m² and 11 buildings. Woluwe Garden and Intercity Business Park are also complexes consisting of different buildings that can be sold separately.

Risk spread by tenants

a	7%	Deloitte	g	3%	Biocartis
b	7%	PricewaterhouseCoopers	h	3%	Fiege
c	6%	Nike Europe	i	3%	PGZ Retail Concept
d	4%	Medtronic (Covidien)	j	3%	Vincent Logistics
e	4%	Hewlett-Packard Belgium	k	56%	Other
f	4%	UTI Belgium			

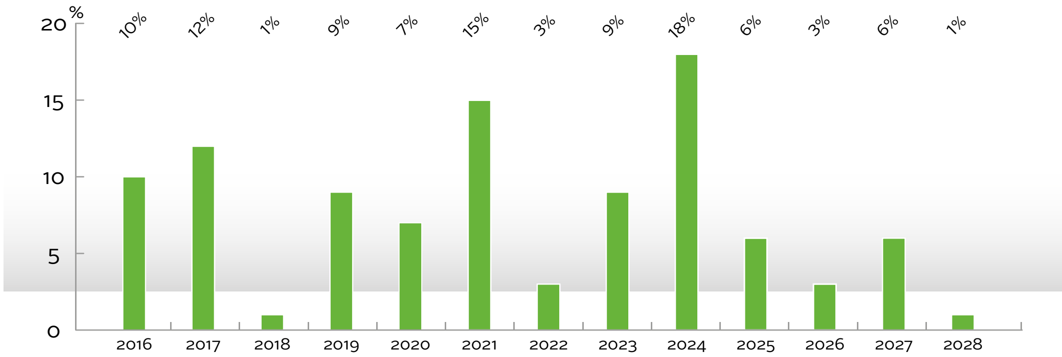
Tenants a, b, e and g (21%) are part of the office segment. Tenants c, d, f, h to j, inclusive, (23%) are part of the logistics segment.

The rental income of Intervest Offices & Warehouses was spread out over 178 different tenants as at 30 June 2016, which reduces the debtor's risk and promotes income stability. The ten most important tenants represent 44% of the rental income and are all prominent companies in their sector forming part of international groups.

7 Calculated on the basis of fair value.

Evolution of the portfolio

Final expiry dates of the lease agreements in the entire portfolio



The final expiry dates are well spread out over the coming years. Some 10% of the agreements, based on the annual rental income, have a final expiry date in the second half-year of 2016 (12% as at 31 December 2015), 7% of which is to be attributed to the expiry of the Deloitte agreements at Diegem Campus on 31 December 2016. A number of discussions and negotiations are being conducted to extend agreements.

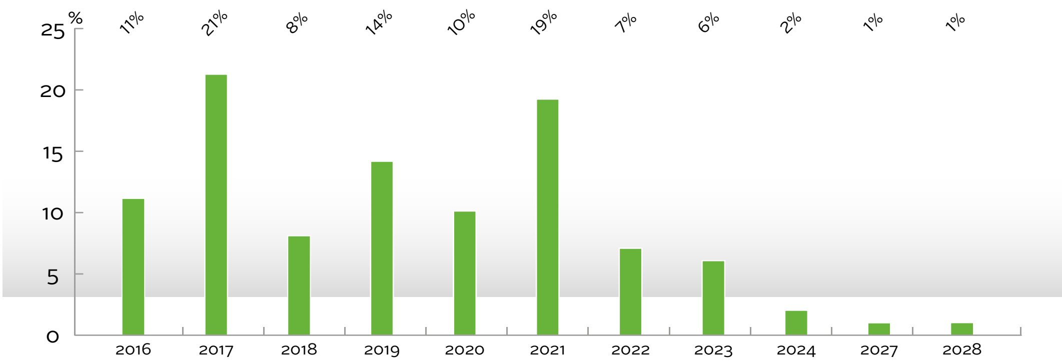
In 2017, 12% reaches a final expiry date, mainly as a result of the termination of Fiege in Puurs (3%) and PGZ in Wommelgem (3%). Discussions are ongoing to prolong agreements expiring in 2017. Only 1% of the agreements will reach the final expiry date in 2018.

Over 60% of the total number of agreements reaches the final expiry date after 2020.

First expiry date of lease agreements in the entire portfolio

As most contracts are of the 3/6/9 type, tenants have the option of ending their lease agreements every three years. The graph gives the first expiry dates of all lease agreements (this can be the final expiry date or an interim expiry date). Because Intervest Offices & Warehouses has several long-term agreements, the average first interim expiry date is after a period of more than 3 years. Within the framework of concluding new lease agreements to extend existing lease agreements, efforts are being made to also conclude agreements for a longer period (6/9 type or 9 years without a termination option).

The graph shows the hypothetical scenario as at 30 June 2016 in which every tenant terminates its lease contract on the next interim expiry date. This is a worst-case scenario that is analysed and explained further in the following graphs.



As at 31 December 2015, approximately 19% of the rental income was from lease agreements with the next expiry date in 2016. As at 30 June 2016 this has already decreased to 11% through the extension of a number of lease agreements.

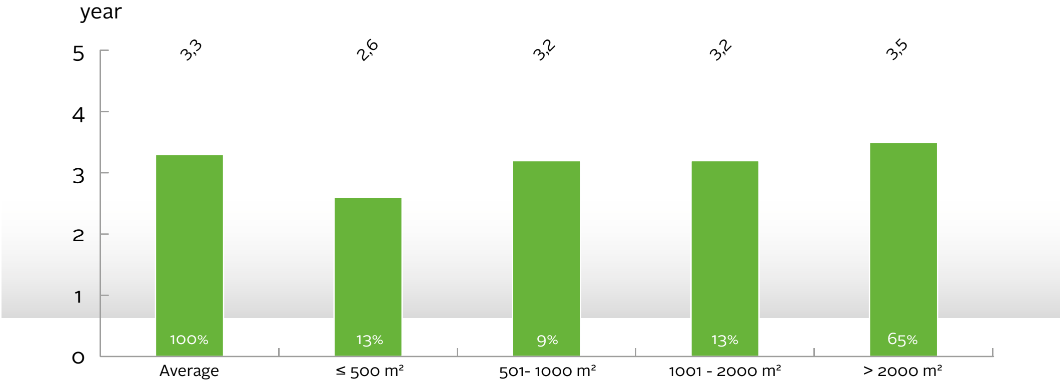
9% of the remaining 11% falls under the offices portfolio and 2% under the logistics portfolio. A large part of this (7%) is attributable to the expiry of the Deloitte agreements in Diegem ending on 31 December 2016. For the remaining agreements that are nearing their interim or final expiry date in 2016 discussions are ongoing for prolongation or filling-in the space that will be vacant. Similar discussions with almost all tenants are also being conducted for the agreements reaching the next expiry date in 2017 (21%). A number of these agreements will presumably be extended and/or leased again during the third quarter of 2016.

Average remaining duration of the office lease agreements until the next expiry date

As at 30 June 2016, the average remaining duration of lease agreements in the office portfolio was 3,3 years (3,5 years as at 31 December 2015). For surface areas above 2.000 m², it was 3,5 years (3,7 years as at 31 December 2015).

For offices, the average rental period (as from 1 July 2016) until the next expiry date slightly decreased to 3,3 years compared to 31 December 2015 (3,5 years), mainly due to the approach of the next or final expiry date of the lease agreements. For larger office tenants (those above 2.000 m²), which comprise 65% of the office portfolio and thus have a major influence on the overall recurring rental income flow, the next expiry date (on 1 July 2016) is, on average, only after 3,5 years (3,7 years as at 31 December 2015).

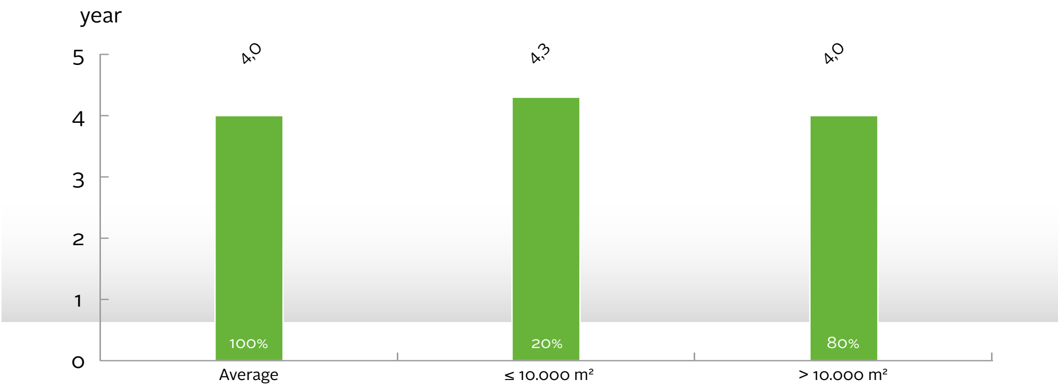
If the Deloitte agreements at Diegem Campus, which represent 7% of total annual rental income in the entire portfolio and have a fixed end date as at 31 December 2016, are excluded, the average remaining agreement period for the lease agreements above 2.000 m² is 4,4 years and 3,8 years for the entire offices portfolio, which is almost equal to the situation as at 31 December 2015 (4,5 years and 3,9 years, respectively).



Average remaining duration of the logistics lease agreements until the next expiry date

For the logistics portfolio, the average remaining duration of the agreements as at 30 June 2016 was 4,0 years (same as at 31 December 2015).

For the logistics properties the average lease duration until the next expiry date was 4,0 years as at 30 June 2016. Despite the approach of the final or the next expiry date of the lease agreements, this is therefore the same as the situation as at 31 December 2015, mainly due to anticipated prolongation of the agreement with Nike Europe in Herentals and the conclusion of a few new lease agreements.



Valuation of the portfolio

Valuation of the portfolio by property experts as at 30 June 2016:

Property expert	Fair value (€ 000)	Investment value (€ 000)
Cushman & Wakefield	361.325	370.358
Stadim	236.479	242.391
TOTAL	597.804	612.749

1.5. Market situation of professional real estate in 2016

The market reports published by specialized market research agencies[8] describe the situation of the real estate markets in which Intervest Offices & Warehouses is active in the first semester of 2016 as follows.

The office market

The take-up in the markets in which Intervest Offices & Warehouses is especially active, in particular in the regional markets such as Antwerp and Mechelen, strongly increased during the first semester of 2016 in respect of the previous year 2015. The most important transaction took place in Mechelen where Telenet took up approximately 6.700 m². Activity is almost exclusively attributable to corporates. The regional markets are also boosted by the mobility problems occurring in Brussels, caused by matters such as the closure of a number of tunnels. The recent attacks at Zaventem could in the long term also result in companies deciding to relocate from Brussels towards the regional markets (Antwerp, Mechelen, Ghent, Leuven, etc.). It has been established that, due to the lack of speculative new building development during the past years (with the exception of Ghent), the take-up is being seen particularly in existing buildings.

The take-up during the first quarter of 2016 in the Brussels periphery, where Intervest Offices & Warehouses is less active than it was previously due to the sale of a number of buildings during the second quarter of 2016, was in line with that of the past few years. On the whole, the vacancy rate in the Brussels periphery has decreased slightly but there is an impending rise of a paradox: whereas the vacancy of the more recent better quality buildings is tangibly decreasing, the vacancy of the older 'grade C' buildings could only increase.

The prime rents in the regional markets remain stable. In Antwerp is due to the new project The Link the intended prime rent increased to € 150/m²/year. The net rentals are still not at the same level as they were before the crisis, but the average net rent is rising in respect of the previous years. It must be pointed out that there will be more development projects on the market, which will extend the supply and, consequently, price competition. In view of the fact that flexibility regarding the agreement periods is still an important element for a number of users, for some transactions there is little risk of competition involving new developments, which, in principle, are only built for lease agreements having a minimum duration of 6 years.

Interest in investments in office real estate continues to increase, which confirms a trend that started in 2014. Over € 823 million was already invested in the first semester of 2016 in offices in Brussels. Core products with continually decreasing prime yields still attract most interest. The non-core and, therefore, more risky products are also appearing on investors' horizon and, in contrast to the previous years, transactions are also actually being concluded in that area.

The market for logistics real estate

The take-up in logistics properties was rather limited during the first semester of 2016. Vacancy in 'grade A' buildings was virtually non-existent and every space that became vacant was almost immediately taken up again. The development market, which is as yet uncertain about the sustainable growth in the economy, is still not following short-term demand and focuses almost exclusively on build-to-suit projects, which can be let for a long term. The number of these (non-speculative) development projects has significantly risen, however, and over 600.000 m² is expected to be developed over all of Belgium by the end of 2017.

The number of investment transactions in logistics during the first semester of 2016 remained rather limited in view of the fact that there was almost no supply of quality products. Most of the developments planned are also being made by final investors themselves or by owner-users. In other words, it is more than probable that the increase in the number of development projects will not lead to more transactions. The limited supply causes the prime yields to show a decreasing trend, even lower than 6% for high-quality products. Yields are expected to drop even further, especially as a result of foreign investors' growing interest in logistics real estate.

8 Cushman & Wakefield Property Times Q1, JLL Logistics Property Quarterly Market Update May 2016 and CBRE Belgium Market Trends July 2016.

1.6. Analysis of the results[9]

Rental income of Intervest Offices & Warehouses increased slightly by approximately € 0,1 million to € 23,1 million (€ 23,0 million) in the first semester of 2016, mainly as a result of the acquisition of the logistics sites in Liège in February 2015 and as a result of indexation and leases.

The **recovery of property charges** amounted to € 0,4 million (€ 2,8 million) in the first semester of 2016. In the first semester of 2015, this recovery of the property charges related to the profit taken from the allocated refurbishment fees of departing tenants in the offices portfolio. At the beginning of 2015 Intervest Offices & Warehouses reached an agreement with tenant Deloitte, which is vacating the buildings at Diegem Campus at the end of 2016, for the refurbishment fee for which the tenant is liable as provided for in the rental agreements. This fee is fixed at € 2,5 million and it was agreed that Deloitte pays this amount in 2016.

As at 30 June 2016, **property charges** amounted to € 2,9 million (€ 3,0 million) for the first semester of 2016.

General costs in the first half year of 2016 amounted to € 1,0 million, which is a slight increase compared to the first semester of 2015 (€ 0,8 million), mainly due to a larger workforce.

The decrease in the allocated refurbishment fees from departing tenants caused the **operating result before the result on the portfolio** to decrease by € 2,5 million, or approximately 11%, to € 19,4 million (€ 21,9 million) in the first semester of 2016.

The **result on the sale of investment properties** in the first semester of 2016 amounted to € -12,8 million and contained the capital loss realised on the sale of 5 buildings in the Brussels periphery.

The **changes in fair value of investment properties** amounted to € -1,0 million (€ -2,3 million) in the first semester of 2016. The decrease in the fair value (without taking investment and divestment into account) is primarily attributable for the amount of € -2,5 million to the offices portfolio. The impact of the divestment on the fair value of the remaining offices in the portfolio of Intervest Offices & Warehouses amounted to € -1,2 million in the first semester of 2016. Primarily rental transactions caused the fair value of the logistics portfolio to increase by € 1,5 million in the first semester of 2016.

The **financial result (excl. changes in fair value - IAS 39)** for the first semester of 2016 amounted to € -4,6 million (€ -6,2 million). The decrease in the financing costs is mainly the result of the repayment of the bond loan of € 75 million in June 2015 and its refinancing at a lower interest rate. The average interest rate for the company for the first semester of 2016 was approximately 3,1%, including bank margins (4,0%).

The **changes in fair value of financial assets and liabilities (ineffective hedges - IAS 39)** include the increase in the negative market value of the interest rate swaps which, in line with IAS 39, cannot be classified as cash flow hedging instruments, in the amount of € -0,4 million (€ 0,7 million).

The **net result** of Intervest Offices & Warehouses for the first semester of 2016 amounted to € 0,6 million (€ 14,2 million) and can be divided into:
- the **operating distributable result** of € 14,8 million (€ 15,6 million) or a decrease of € 0,8 million or 5%, primarily attributable to the one-off refurbishment fees from departing tenants in 2015, partly compensated for by a fall in the costs in interest as the bond loan of € 75 million was refinanced at a lower interest rate in June 2015
- the **portfolio result** of € -13,8 million (€ -2,2 million), primarily attributable the sale of investment properties
- the **changes in the fair value of financial assets and liabilities (ineffective hedges - IAS 39**) in the amount of € -0,4 million (€ 0,7 million)

9 The figures between brackets are the comparable figures for the first semester of 2015.

Taking into account 16.784.521 dividend-entitled shares, this means that there is an **operating distributable result per share** of € 0,88 (€ 0,96) for the first semester of 2016. Without taking into account the one-off refurbishment fee in 2015, the operating distributable result per share for the first semester of 2015 amounted to € 0,81. The operating distributable result of € 0,88 for the first semester of 2016 therefore means that there is a rise of € 0,07 per share, or approximately 9%, in respect of the comparable operating distributable result for the first semester of 2015.

On the consolidated balance sheet **non-current assets** comprise mainly the investment properties of the company. As at 30 June 2016, the fair value of these investment properties amounted to € 598 million (€ 634 million as at 31 December 2015).

The **current assets** amounted to € 18 million (€ 13 million as at 31 December 2015) and consisted of € 6 million in trade receivables (primarily advance billing of rent for the third quarter of 2016), of € 4 million in tax receivables and other current assets and of € 8 million of deferred charges and accrued income (€ 4 million of which as a result of IFRIC 21 as described in note 2 'Principles of financial information' of the 2015 Annual Report).

KEY FIGURES PER SHARE	30.06.2016	31.12.2015	30.06.2015
Number of shares entitled to dividend	16.784.521	16.239.350	16.239.350
Weighted average number of shares	16.347.186	16.200.911	16.161.835
Net result (6 months/1 year/6 months) (€)	0,04	1,60	0,88
Operating distributable result (6 months/1 year/6 months) (€)	0,88	1,90	0,96
Net value (fair value) (€)	18,24	19,81	19,08
Net value (investment value) (€)	19,18	20,75	20,02
Debt ratio (max. 65%) (%)	47,4%	48,2%	50,2%

As at 30 June 2016, after the dividend payment for 2015, the **net value (fair value)** of the share amounted to € 18,24 (€ 19,81 as at 31 December 2015).

For the dividend distribution for financial year 2015, the shareholders of Intervest Offices & Warehouses have chosen for 57% of the shares for a contribution of the dividend rights in return for new shares instead of payment of the dividend in cash. This led on 25 May 2016 to a strengthening of the **shareholders' equity** of Intervest Offices & Warehouses by € 11,6 million (capital increase and share premium) through the creation of 545.171 new shares, bringing the total number of Intervest Offices & Warehouses' shares as from 25 May 2016 to 16.784.521 units. The new shares participate in the result of the company as from 1 January 2016.

Non-current liabilities mainly consist of non-current financial liabilities for an amount of € 199 million (€ 226 million as at 31 December 2015). These comprise mainly € 140 million in long-term bank financing of which the expiry date is situated after 30 June 2017 and the bond loans issued in March 2014 with a net revenue of € 59 million. On the other hand the non-current liabilities also comprise the other long-term financial liabilities, representing the negative market value of € 4 million of the cash flow hedges concluded by the company to hedge the variable interest rate on the non-current financial debts.

Current liabilities amounted to € 106 million (€ 95 million as at 31 December 2015) and consisted of € 87 million in current financial debts (bank loans with an expiry date before 30 June 2017), of € 5 million in trade debts and other current debts, of € 1 million in other current financial liabilities and of € 13 million in accrued accounts.

The **debt ratio** of the company amounted to 47,4% as at 30 June 2016 (48,2% as at 31 December 2015). The decrease of 0,8% compared to 31 December 2015 is mainly the combined effect of disposals of investment properties, payment of the dividend for financial year 2015 and the optional dividend.

EPRA - KEY FIGURES*	30.06.2016	31.12.2015	30.06.2015
EPRA Earnings per share (€)	0,91	1,90	0,97
EPRA NAV per share (€)	18,53	20,09	19,35
EPRA NNNAV per share (€)	17,86	19,47	18,72
EPRA Net Initial Yield (NIY) (%)	6,6%	6,6%	6,5%
EPRA Topped-up NIY (%)	6,8%	7,0%	6,9%
EPRA Vacancy rate (%)	9,3%	11,5%	13,2%
EPRA Cost Ratio (including direct vacancy costs) (%)	17,0%	15,4%	17,0%
EPRA Cost Ratio (excluding direct vacancy costs) (%)	15,5%	13,7%	14,8%

* *Financial performance indicator calculated according to EPRA's Best Practices Recommendations (European Public Real Estate Association). These data are not required by regulation regarding regulated real estate companies and are not subject to a control by government authorities. These figures are not audited by the statutory auditor except the EPRA Earnings, the EPRA NAV and the EPRA NNNAV. See also www.epra.com.*

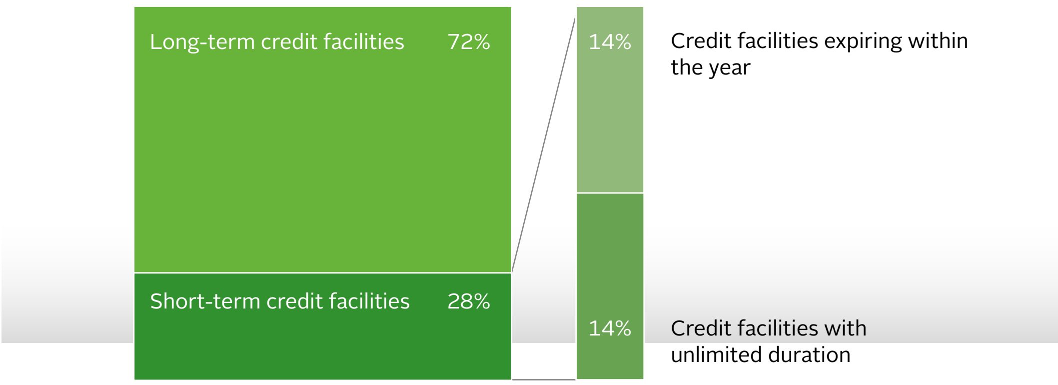
1.7. Financial structure as at 30 June 2016

Intervest Offices & Warehouses had a sound financial structure as at 30 June 2016 that enables it to perform its operations and fulfil its obligations in 2016.

Within the scope of the growth strategy announced in March 2016, Intervest Offices & Warehouses has opted to ensure that, with regard to its financing sources, the debt ratio during the following 3 years will fluctuate within a range between 45% and 50%.

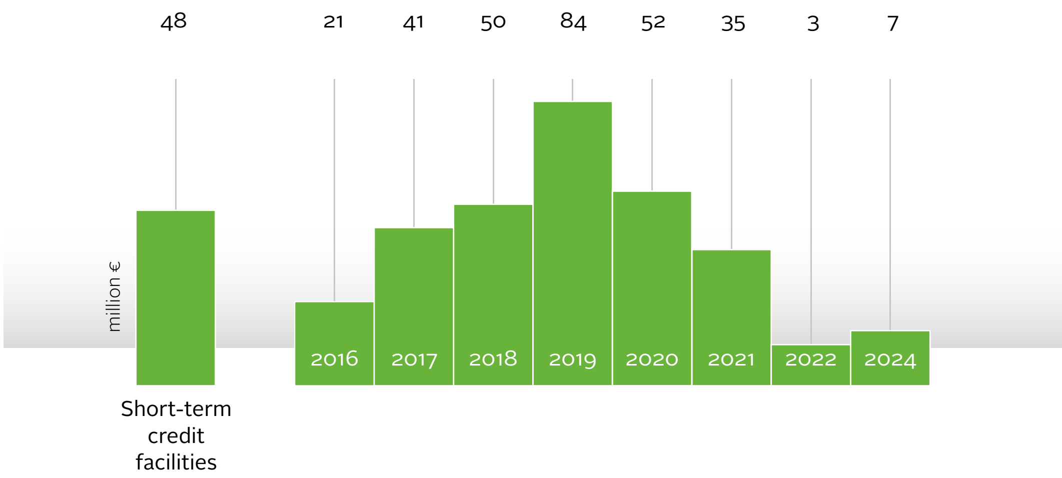
Main characteristics of the financial structure as at 30 June 2016

- Amount of financial debts: € 286 million (excluding the market value of financial derivatives).
- 72% long-term financing agreements with an average remaining duration of 3,2 years.
- 28% short-term financing agreements, 14% consisting of financing with an unlimited duration (€ 48 million), 14% consisting of 2 credit facilities expiring within the year, at the end of 2016 and at the beginning of 2017 (€ 48 million), and which will be refinanced.



- € 54 million non-withdrawn credit lines at financial institutions to finance the growth plan and to absorb the fluctuations in the cash needs of the company.
- Spread of expiry dates of credit facilities between 2016 and 2024.
- Spread of financial debts over 8 European financial institutions and bondholders.
- 67% of the credit lines have a fixed interest rate or are fixed by means of interest rate swaps and 33% have a variable interest rate. As at 30 June 2016, 79% of the withdrawn financing had a fixed interest rate or was fixed by interest rate swaps with an average remaining period of 3,0 years and 21% had a variable interest rate.
- Average interest rate for the first semester of 2016: 3,1% including bank margins (4,0% for the first semester of 2015).
- Value of financial derivatives: € 5,0 million negative.
- Debt ratio of 47,4% (statutory maximum: 65%) (48,2% as at 31 December 2015).
- In the first semester of 2016 no changes were made to the existing agreements contracted.
- The RREC fulfilled its agreements as at 30 June 2016.

On 30 June 2016, the debt ratio was 47,4%.



1.8. Intervest Offices & Warehouses share, change to shareholder structure and renewed management bodies

Intervest Offices & Warehouses share

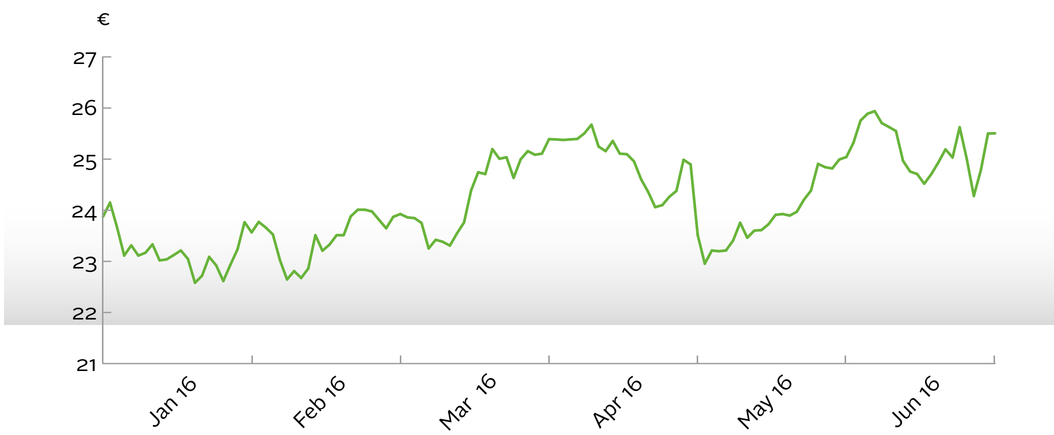
Intervest Offices & Warehouses, a public regulated real estate company, has been listed on Euronext Brussels since 1999.

The share of Intervest Offices & Warehouses (INTO) closed the first half of 2016 as at 30 June 2016 at € 25,50, compared to € 24,37 as at 31 December 2015. Consequently, the share price of the RREC increased by approximately 5% in the first semester of 2016. The share quoted with a premium of 40% as at 30 June 2016.

KEY FIGURES	30.06.2016	31.12.2015	30.06.2015
Number of shares entitled to dividend	16.784.521	16.239.350	16.239.350
Weighted average number of shares	16.347.186	16.200.911	16.161.835
Free float (%)	82%	74%	74%
Net value per share (fair value) (€)	18,24	19,81	19,08
Share price on closing date (€)	25,50	24,37	21,39
Premium to net value (fair value) (%)	40%	23%	12%
Market capitalisation (million €)	428	396	347
Number of shares traded (6 months/ 1 year/ 6 months)	2.953.462	4.806.037	2.087.074
Average number of shares traded per day	23.256	18.847	16.831
Share turnover velocity* (%)	35,2%	29,6%	25,7%

* *The turnover rate of an Intervest Offices & Warehouses share is calculated as the ratio of the number of shares traded per year to the total number of shares at the end of the period.*

Evolution of the share price first half-year 2016



Renewed shareholder structure

The **shareholder structure** of Intervest Offices & Warehouses underwent significant changes during the course of the first semester of 2016. The free float of the company rose from 74% on 31 December 2015 to 82% on 30 June 2016, pursuant to the further sale of the shares held by NSI (formerly the majority shareholder with over 50%).

The expanded shareholder base, supported by multiple institutional shareholders, ensures better access to capital markets and debt financing and increases the liquidity of the share. This enables the company to further develop its growth plans for the next 3 years and to restructure the offices portfolio, combined with expanding the share of logistics real estate.

As at 30 June 2016, the following shareholders were known to the company:

Name	Number of shares	%
FPIM/SFPI (including Belfius Group)	**1.680.000**	**10,01%**
Federale Participatie- en Investeringsmaatschappij nv/Société Fédérale de Participations et d'Investissement sa (FPIM/SFPI) Avenue Louise 32-46A, B-1050 Brussels (parent company of Belfius Bank SA, which in its turn is the parent company of Belfius Insurances SA, which in its turn is the parent company of Belins Finance SA, which in its turn is the parent company of IWI International Wealth Insurer SA)	0	0,00%
Belfius Assurances SA	1.200.000	7,39%
IWI International Wealth Insurer SA Rue de l'Industrie 20, 8399 Windhof, Grand Duchy Luxembourg	480.000	2,96%
Allianz (Allianz SE controls Allianz Europe BV which in its turn controls Allianz Benelux SA)	**1.258.474**	**7,50%**
Allianz SA	0	0,00%
Allianz Europe BV	1.163.236	7,16%
Allianz Benelux SA	95.238	0,59%
BlackRock	**493.742**	**2,94%**
BlackRock, Inc 55 East 52nd Street, New York, NY 10055, U.S.A. (which has the ultimate control of the companies mentioned below)	0	0,00%
BlackRock Asset Management Canada Limited	7.643	0,05%
BlackRock Asset Management Ireland Limited	239.651	1,48%
BlackRock Asset Management North Asia Limited	321	0,00%
BlackRock Fund Advisors	134.143	0,83%
BlackRock Fund Managers Limited	10.513	0,06%
BlackRock Institutional Trust Company, National Association	96.868	0,60%
BlackRock International Limited	4.603	0,03%
Other shareholders under the statutory threshold	**13.352.305**	**79,55%**
TOTAL	**16.784.521**	**100,00%**

Renewed management bodies

As a result of the changed shareholder structure and for the purposes of implementing its growth plans, Intervest Offices & Warehouses carried out a reshuffling of its **board of directors**, with Jean-Pierre Blumberg as chairman. The directors were selected according to the necessary gender diversity and requirements of complementarity relating to competence, experience and knowledge. In particular, the search focused on directors who are familiar with operating the type of real estate assets in which Intervest Offices & Warehouses invests and directors who are experienced in the commercial, financial and legal aspects of investing and managing real estate properties. This renewed board of directors was formally appointed by the general meeting of shareholders as at 27 April 2016.

With regard to the **management committee**, the current ceo, Jean-Paul Sols and the cfo, Inge Tas, will terminate their cooperation with the regulated real estate company Vastned Retail Belgium and will be at the full disposal of Intervest Offices & Warehouses as from the third quarter of 2016. The management committee was also complemented by a chief investment officer, Marco Hengst, as at 1 May 2016.

1.9. Risks for the remaining months of 2016

Intervest Offices & Warehouses estimates the main risk factors and uncertainties for the remaining months of the 2016 financial year as follows.

- **Rental risks**
  Given the nature of the buildings which are mainly let to national and international companies, the real estate portfolio is to a certain degree sensitive to the economic situation. However, in the short term no direct risks are recognised that could fundamentally influence the results of the 2016 financial year. Furthermore, there are clear and efficient internal control procedures within the company to limit this risk of default.

- **Evolution of the value of the portfolio**
  Given the evolution of the value of buildings that largely depends on the rental situation of the buildings (occupancy rate, rental income) the persisting difficult economic circumstances could have a possible negative influence on the valuation of buildings on the Belgian real estate market.

- **Evolution of interest rates**
  Due to the financing with borrowed capital, the return of the RREC depends on the evolution of interest rates. To limit this risk an appropriate ratio between borrowed capital with a variable interest rate and borrowed capital with a fixed interest rate is pursued during the composition of the credit facilities portfolio. As at 30 June 2016, 79% of the withdrawn credit facilities consisted of financing with a fixed interest rate or a rate fixed through interest rate swaps. Only 21% of the credit facilities portfolio has a variable interest rate which is subject to unforeseen rises of the currently low interest rates.

1.10. Outlook for 2016

In 2016-2018 Intervest Offices & Warehouses will boost its real estate portfolio and will continue to develop market segments in which the company is already involved, namely offices and logistics real estate.

In the 2015 Annual report Intervest Offices & Warehouses formulated its targets for 2016, some of which have already been achieved in the first semester of 2016, such as the divestment of a number of office buildings and the gradual shift of the proportion in the real estate portfolio. Through the sale of a number of office buildings, this share in the total portfolio was reduced to 49% as compared to 51% for logistics. Besides this reorientation in the office buildings sector segment, the priority is on additional investments in logistics, so that this share will rise to 60% in the long term.

Within this scope, there is a significant focus on developing a pipeline of possible investments in the logistics segment. Intervest Offices & Warehouses concentrates on acquiring existing buildings, increasing the value of existing land reserves in Herentals and Liège by means of custom developments for existing or new tenants, and on acquiring strategic land positions. Various transactions are expected to materialise during the second half of 2016.

In the offices segment, much attention will be paid to redeveloping and commercialising Greenhouse BXL (previously named Diegem Campus) in the second semester of 2016. Intervest Offices & Warehouses has in the meantime submitted building permit plans to link buildings A and B and it wishes to start construction works in February 2017. The existing buildings can be occupied during these works.

Although the focus regarding investments is aimed at the logistics segment, Intervest Offices & Warehouses also wishes to optimally tap into the needs of all its clients by facilitating clients' growth in the offices segment, for example.

Intervest Offices & Warehouses does not expect any special developments in the occupancy rate or rental agreements for the second half of 2016. A number of contracts were proactively renegotiated in both segments during the first half of 2016.

Intervest announced earlier that the ceo and cfo, who were previously active for Vastnet Retail Belgium, would terminate their activities for this company. They will be at the full disposal of Intervest Offices & Warehouses as from 1 August 2016.

Based on the half-yearly results and forecasts as per 30 June 2016, Intervest Offices & Warehouses expects the operating distributable result for financial year 2016 to be between € 1,65 and € 1,75 per share (€1,90 for financial year 2015), on condition that there are no unforeseen events.

Within the scope of its growth strategy, Intervest Offices & Warehouses decided in March 2016 to plan a gross dividend of a minimum of € 1,40 per share[10] for financial years 2016, 2017 and 2018. It is expected that the gross dividend for the 2016 financial year will in fact amount to € 1,40 (€ 1,71 for the 2015 financial year). This amounts to a pay-out ratio of between 80% and 85%[11]. This represents a gross dividend yield of approximately 5,5%, based on the closing share price as at 30 June 2016 (€ 25,50).

10 Subject to approval by the Annual General Meetings to be held in 2017, 2018 and 2019.

11 Intervest Offices & Warehouses is a regulated real estate company with a legal distribution obligation of at least 80% of the operating distributable result, adjusted to non-cash flow elements. The gross dividend will always amount to a minimum of 80% of this sum, meaning that the RREC will fulfil its legal obligations.

2. Condensed consolidated half-yearly figures

2.1. Condensed consolidated income statement

in thousands €	30.06.2016	30.06.2015
Rental income	23.140	23.023
Rental-related expenses	-17	27
NET RENTAL INCOME	**23.123**	**23.050**
Recovery of property charges	379	2.812
Recovery of rental charges and taxes normally payable by tenants on let properties	6.620	7.096
Costs payable by tenants and borne by the landlord for rental damage and refurbishment	-255	-211
Rental charges and taxes normally payable by tenants on let properties	-6.620	-7.096
Other rental-related income and expenses	73	41
PROPERTY RESULT	**23.320**	**25.692**
Technical costs	-504	-785
Commercial costs	-237	-173
Charges and taxes on unlet properties	-350	-519
Property management costs	-1.538	-1.317
Other property charges	-276	-237
Property charges	**-2.905**	**-3.031**
OPERATING PROPERTY RESULT	**20.415**	**22.661**
General costs	-1.018	-848
Other operating income and costs	43	93
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	**19.440**	**21.906**
Result on disposals of investment properties	-12.796	120
Changes in fair value of investment properties	-993	-2.331
Other result on portfolio	14	29
OPERATING RESULT	**5.665**	**19.724**
Financial income	109	6
Net interest charges	-4.705	-6.167
Other financial charges	-11	-4
Changes in fair value of financial assets and liabilities (ineffective hedges - IAS 39)	-449	728
FINANCIAL RESULT	***-5.056***	***-5.437***
RESULT BEFORE TAXES	**609**	**14.287**
Taxes	0	-127
NET RESULT	**609**	**14.160**

in thousands €	30.06.2016	30.06.2015
NET RESULT	**609**	**14.160**
Note:		
Operating distributable result	14.833	15.614
Result on portfolio	-13.775	-2.182
Changes in fair value of financial assets and liabilities (ineffective hedges - IAS 39)	-449	728
Attributable to:		
Shareholders of the parent company	610	14.161
Minority interests	-1	-1

RESULT PER SHARE	30.06.2016	30.06.2015
Number of shares entitled to dividend	16.784.521	16.239.350
Weighted average number of shares	16.347.186	16.161.835
Net result (€)	0,04	0,88
Diluted net result (€)	0,04	0,88
Operating distributable result (€)	0,88	0,96

2.2. Condensed consolidated statement of comprehensive income

in thousands €	30.06.2016	30.06.2015
NET RESULT	**609**	**14.160**
Other components of comprehensive income (recyclable through income statement)		
Changes in the effective part of fair value of authorised hedging instruments that are subject to hedge accounting	0	0
COMPREHENSIVE INCOME	**609**	**14.160**
Attributable to:		
Shareholders of the parent company	610	14.161
Minority interests	-1	-1

2.3. Condensed consolidated balance sheet

ASSETS in thousands €	30.06.2016	31.12.2015
NON-CURRENT ASSETS	**598.818**	**635.218**
Intangible assets	217	3
Investment properties	597.804	634.416
Other tangible assets	790	792
Trade receivables and other non-current assets	7	7
CURRENT ASSETS	**17.862**	**13.181**
Trade receivables	5.909	6.957
Tax receivables and other current assets	3.486	3.593
Cash and cash equivalents	433	598
Deferred charges and accrued income	8.034	2.033
TOTAL ASSETS	**616.680**	**648.399**

SHAREHOLDERS' EQUITY AND LIABILITIES in thousands €	30.06.2016	31.12.2015
SHAREHOLDERS' EQUITY	**306.145**	**321.736**
Shareholders' equity attributable to shareholders of the parent company	**306.113**	**321.703**
Share capital	152.948	147.980
Share premium	90.821	84.220
Reserves	61.734	63.549
Net result of the financial year	610	25.954
Minority interests	**32**	**33**
LIABILITIES	**310.535**	**326.663**
Non-current liabilities	**204.060**	**231.467**
Non-current financial debts	198.977	226.054
Credit institutions	*139.483*	*166.625*
Bond loan	*59.494*	*59.426*
Financial leases	*0*	*3*
Other non-current financial liabilities	4.148	4.507
Other non-current liabilities	935	906
Current liabilities	**106.475**	**95.196**
Current financial debts	87.182	79.158
Credit institutions	*87.182*	*79.157*
Financial leases	*0*	*1*
Other current financial liabilities	808	0
Trade debts and other current debts	5.011	6.335
Other current liabilities	184	186
Deferred charges and accrued income	13.290	9.517
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**616.680**	**648.399**

2.4. Condensed consolidated cash flow statement

in thousands €	30.06.2016	30.06.2015
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	**598**	**1.259**
1. Cash flow from operating activities	**13.900**	**5.743**
Operating result	**5.665**	**19.724**
Interest paid	**-5.813**	**-8.920**
Other non-operating elements	**-351**	**604**
Adjustment of result for non-cash flow transactions	**14.332**	**-1.139**
• Depreciations on intangible and other tangible assets	134	64
• Result on disposals of investment properties	12.796	-120
• Changes in fair value of investment properties	993	2.331
• Other result on portfolio	-14	-29
• Changes in fair value of financial assets and liabilities (ineffective hedges - IAS 39)	449	-728
• Spread of rental discounts and rental benefits granted to tenants	-26	-157
• Not yet received refurbishment fee	0	-2.500
Change in working capital	**67**	**-4.526**
Movement of assets	-709	-4.578
Movement of liabilities	776	52
2. Cash flow from investment activities	**21.159**	**-19.545**
Investments in existing investment properties	-2.307	-2.139
Acquisition of shares of real estate companies	0	-20.987
Income from disposal of investment properties	26.985	3.663
Exit tax paid for merger with real estate companies	-3.173	0
Acquisitions of intangible and other tangible assets	-346	-82
3. Cash flow from financing activities	**-35.224**	**13.745**
Repayment of loans	-51.617	-86.479
Drawdown of loans	32.568	118.622
Repayment of financial lease liabilities	-3	-6
Receipts/repayments from non-current liabilities as guarantee	29	-9
Dividend paid	-16.201	-18.383
CASH AND CASH EQUIVALENTS AT THE END OF THE SEMESTER	**433**	**1.202**

2.5. Condensed statement of changes in consolidated equity

in thousands €	Share capital	Share premium	Reserves	Net result of the financial year	Minority interests	Total sharholders' equity
Balance as at 31 December 2014	**147.110**	**82.785**	**67.945**	**16.292**	**35**	**314.167**
Comprehensive income of first semester 2015				14.161	-1	14.160
Transfers through result allocation 2014:						
Transfer to the reserves for the balance of changes in investment value of real estate properties			-5.685	5.685		0
Transfer of impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties			-719	719		0
Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting			-344	344		0
Transfer to results carried forward from previous years			2.352	-2.352		0
Issue of shares for optional dividend financial year 2014	870	1.435				2.305
Dividend for financial year 2014				-20.688		-20.688
Balance as at 30 June 2015	**147.980**	**84.220**	**63.549**	**14.161**	**34**	**309.944**
Balance as at 31 December 2015	**147.980**	**84.220**	**63.549**	**25.954**	**33**	**321.736**
Comprehensive income of first semester 2016				610	-1	609
Transfers through result allocation 2015:						
Transfer to the reserves for the balance of changes in investment value of real estate properties			-4.839	4.839		0
Transfer of impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties			-625	625		0
Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting			558	-558		0
Transfer to results carried forward from previous years			3.091	-3.091		0
Issue of shares for optional dividend financial year 2015	4.968	6.601				11.569
Dividend for financial year 2015				-27.769		-27.769
Balance as at 30 June 2016	**152.948**	**90.821**	**61.734**	**610**	**32**	**306.145**

2.6. Notes to the condensed consolidated half-yearly figures

Condensed consolidated income statement by segment

BUSINESS SEGMENT	Offices		Logistics properties		Corporate		TOTAL	
in thousands €	30.06.2016	30.06.2015	30.06.2016	30.06.2015	30.06.2016	30.06.2015	30.06.2016	30.06.2015
Rental income	12.459	12.647	10.681	10.376			23.140	23.023
Rental-related expenses	-16	5	-1	22			-17	27
Property management costs and income	175	2.556	22	86			197	2.642
PROPERTY RESULT	**12.618**	**15.208**	**10.702**	**10.484**			**23.320**	**25.692**
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	**10.822**	**13.368**	**9.584**	**9.384**	**-966**	**-846**	**19.440**	**21.906**
Result on disposals of investment properties	-11.295	172	-1.501	-52			-12.796	120
Changes in fair value of investment properties	-2.474	-2.352	1.481	21			-993	-2.331
Other result on portfolio	34	-335	-20	364			14	29
OPERATING RESULT OF THE SEGMENT	**-2.913**	**10.853**	**9.544**	**9.717**	**-966**	**-846**	**5.665**	**19.724**
Financial result					-5.056	-5.437	-5.056	-5.437
Taxes					0	-127	0	-127
NET RESULT	**-2.913**	**10.853**	**9.544**	**9.717**	**-6.022**	**-6.410**	**609**	**14.160**

BUSINESS SEGMENT: KEY FIGURES	Offices		Logistics properties		TOTAL	
in thousands €	30.06.2016	30.06.2015	30.06.2016	30.06.2015	30.06.2016	30.06.2015
Fair value of investment properties	293.196	332.468	304.608	303.258	597.804	635.726
Investment value of investment properties	300.526	340.780	312.223	310.839	612.749	651.619
Total leasable space (m^2)	197.136	229.669	480.564	487.244	677.700	716.913
Occupancy rate (%)	87%	84%	96%	93%	91%	88%

Principles for preparation of half-yearly figures

The condensed consolidated half-yearly figures are prepared on the basis of the principles of financial reporting in accordance with IAS 34 "Interim financial reporting". In these condensed half-yearly figures the same principles of financial information and calculation methods are used as those used for the consolidated annual accounts as at 31 December 2015.

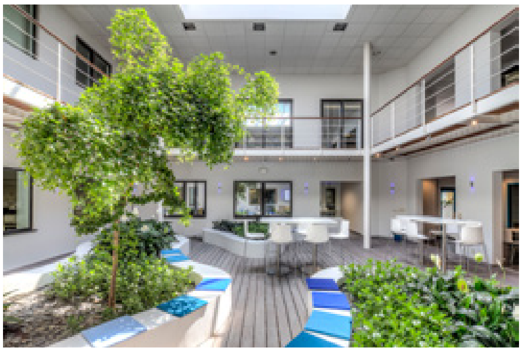
New or amended standards and interpretations effective for the financial year as from 1 January 2016

The following amended standards by the IASB and published standards and interpretations by the IFRIC are effective for the current period, but do not affect the disclosure, notes or financial results of the company: IFRS 14 *Regulatory Deferral Accounts* (1/1/2016); Amendments to IFRS 11 *Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations* (1/1/2016); Amendments to IAS 16 and IAS 38 *Property, Plant and Equipment and Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation* (1/1/2016); Amendments to IAS 16 and IAS 41 *Agriculture: Bearer Plants* (1/1/2016); Annual Improvements to IFRSs (2012-2014) (1/1/2016); Amendments to IFRS 10, IFRS 12 and IAS 28 *Investment Entities: Applying the Consolidation Exception* (1/1/2016); Amendments to IAS 1 *Presentation of Financial Statements - Disclosure Initiative* (1/1/2016); Amendments to IAS 27 *Separate Financial Statements - Equity Method* (1/1/2016).

New disclosed standards and interpretations not yet effective in 2016

The following amendments which are applicable as from next year or later are not expected to have a material impact on the presentation, notes or financial results of the RREC: IFRS 9 *Financial Instruments and subsequent amendments* (1/1/2018); IFRS 15 *Revenue from Contracts with Customers* (1/1/2018); IFRS 16 Leases (1/1/2019); IAS 7 *Statement of cash flows - Amendments as result of the Disclosure initiative* (1/1/2017); IAS 12 *Income Taxes - Amendments regarding the recognition of deferred tax assets for unrealised losses* (1/1/2017).

▼ Biocartis, Intercity Business Park



▼ RSA, Greenhouse Antwerp

Evolution of investment properties

in thousands €	30.06.2016			30.06.2015		
	Offices	Logistics properties	Total	Offices	Logistics properties	Total
Balance sheet as at 1 January	**326.371**	**308.045**	**634.416**	**332.966**	**276.510**	**609.476**
• Investments in existing investment properties	3.533	566	4.099	1.855	285	2.140
• Acquisitions of investment properties	0	0	0	0	30.107	30.107
• Disposals of investment properties	-34.234	-5.484	-39.718	0	-3.666	-3.666
• Changes in fair value of investment properties	-2.474	1.481	-993	-2.353	22	-2.331
Balance sheet as at 30 June	**293.196**	**304.608**	**597.804**	**332.468**	**303.258**	**635.726**
OTHER INFORMATION						
Investment value of real estate properties	300.526	312.223	612.749	340.780	310.839	651.619

In the first semester of 2016 the investments in existing investment properties related to the renovation of Greenhouse Antwerp (the former Sky Building) and the refurbishment of the second RE:flex centre in Greenhouse Antwerp.

The disposals of investment properties in the first semester of 2016 comprised the sale of 4 office buildings and a semi-industrial building located in the Brussels periphery, with a fair value of € 40 million as at 31 December 2015.

Investment properties are recognised at fair value. The fair value is determined on the basis of one of the following levels of the hierarchy:

- level 1: measurement is based on quoted market prices in active markets
- level 2: measurement is based on (externally) observable information, either directly or indirectly
- level 3: measurement is based either fully or partially on information that is not (externally) observable.

IFRS 13 classifies investment properties as level 3.

Overview of future minimum rental income

For an update of the future minimum rental income as at 30 June 2016 it is referred to the description of the rental activities and the evolution of the portfolio in paragraphs 1.2. and 1.4. (supra) of the interim management report.

Non-current and current liabilities

An update of the financial structure of Intervest Offices & Warehouses as at 30 June 2016 is provided in paragraph 1.7. (supra) of the interim management report.

In the first semester of 2016 a credit agreement (€ 10 million), which expired in March 2016, was extended with the same financial institution, in line with market conditions and expiring in 2020.

The company did not conclude new hedging agreements (interest rate swaps) in the first semester of 2016 (see overview of fair value of the financial derivatives as at 30 June 2016 below).

Financial instruments

The main financial instruments of Intervest Offices & Warehouses consist of financial and commercial receivables and debts, cash and cash equivalents as well as interest rate swaps (IRS).

SUMMARY OF FINANCIAL INSTRUMENTS			30.06.2016		31.12. 2015	
in thousands €	Categories	Level	Carrying amount	Fair value	Carrying amount	Fair value
FINANCIAL INSTRUMENTS ON ASSETS						
Non-current assets						
Trade receivables and other non-current assets	A	2	7	7	7	7
Current assets						
Trade receivables	A	2	5.909	5.909	6.957	6.957
Tax receivables and other current assets	A	2	3.486	3.486	3.593	3.593
Cash and cash equivalents	B	2	433	433	598	598
FINANCIAL INSTRUMENTS ON LIABILITIES						
Non-current liabilities						
Non-current financial debts (interest bearing)	A	2	198.977	205.367	226.054	231.566
Other non-current financial liabilities	C	2	4.148	4.148	4.507	4.507
Other non-current liabilities	A	2	935	935	906	906
Current liabilities						
Current financial debts (interest bearing)	A	2	87.182	87.182	79.158	79.158
Other current financial liabilities	C	2	808	808	0	0
Trade debts and other current debts	A	2	5.011	5.011	6.335	6.335
Other current liabilities	A	2	184	184	186	186

The categories correspond to the following financial instruments:

A. financial assets or liabilities (including receivables and loans) held to maturity and measured at amortised cost
B. cash investments held to maturity and measured at amortised cost
C. assets and liabilities held at fair value through profit and loss, with the exception of financial instruments defined as hedging instruments.

Financial instruments are recognised at fair value. The fair value is determined based on one of the following levels of the fair value hierarchy:

- level 1: measurement is based on quoted market prices in active markets
- level 2: measurement is based on (externally) observable information, either directly or indirectly
- level 3: measurement is based either fully or partially on information that is not (externally) observable.

The financial instruments of Intervest Offices & Warehouses correspond to Level 2 of the fair value hierarchy. The valuation techniques relating to the fair value of level 2 financial instruments are mentioned in the 2015 Annual report in Note 19 Financial instruments.

Table: Fair value of financial derivatives as at 30 June 2016

		Start date	End date	Interest rate	Contractual notional amount	Hedge accounting	**Fair value**	
in thousands €						Yes/No	30.06.2016	**31.12.2015**
1	IRS	02.01.2012	02.01.2017	2,3350%	50.000	No	-682	0
2	IRS	02.01.2012	01.01.2017	2,1400%	10.000	No	-126	0
Authorised hedging instruments							*-808*	*0*
Other non-current financial liabilities							**-808**	**0**
1	IRS	02.01.2012	02.01.2017	2,3350%	50.000	No	0	-1.280
2	IRS	02.01.2012	01.01.2017	2,1400%	10.000	No	0	-236
3	IRS	02.01.2012	01.01.2018	2,3775%	10.000	No	-417	-515
4	IRS	02.01.2012	01.01.2018	2,3425%	10.000	No	-412	-509
5	IRS	30.04.2014	30.04.2019	1,2725%	10.000	No	-469	-437
6	IRS	30.04.2014	30.04.2019	1,2725%	10.000	No	-469	-437
7	IRS	18.06.2015	18.06.2022	0,7800%	15.000	No	-884	-361
8	IRS	30.06.2015	30.06.2020	0,4960%	15.000	No	-505	-249
9	IRS	18.06.2015	18.06.2021	0,6300%	15.000	No	-681	-306
10	IRS	26.06.2015	26.06.2019	0,3300%	15.000	No	-311	-177
Authorised hedging instruments							*-4.148*	*-4.507*
Other non-current financial liabilities							**-4.148**	**-4.507**
Total fair value of the financial derivatives							**-4.956**	**-4.507**

As at 30 June 2016, these interest rate swaps had a negative market value of € -5,0 million (contractual notional amount of € 160 million), which is determined by the issuing financial institution on a quarterly basis.

Intervest Offices & Warehouses did not classify any interest rate swaps as a cash flow hedge as at 30 June 2016. The value fluctuations of all existing interest rate swaps are directly included in the income statement.

Related parties

No modifications have occurred during the first semester of 2016 regarding the type of transactions with related parties as described in Note 21 of the Financial report of the 2015 Annual report.

As far as the prevention of conflicts of interest is concerned, the company is subject to statutory rules (articles 523 and 524 of the Belgian Companies Code and articles 36 to 38 of the RREC Act) and to the rules set out in its articles of association and its Corporate Governance Charter.

This procedure to prevent conflicts of interests was applied on 20 January 2016 with regard to the request by major shareholder NSI nv (via its subsidiary Vastned Offices Benelux Holding bv) to cooperate in the preparation of a possible sales transaction of (a part of) NSI's shares in Intervest Offices & Warehouses.

The request involved (i) allowing the office and logistics buildings in portfolio to be viewed (property tour) and a meeting between one potential investor with the management, and (ii) if requested, cooperating, assessing other forms of cooperation within the scope of the request, for example by means of organising management presentations on the company for certain other potential investors or answering due diligence questionnaires in the case of accelerated bookbuilding within the scope of the transaction.

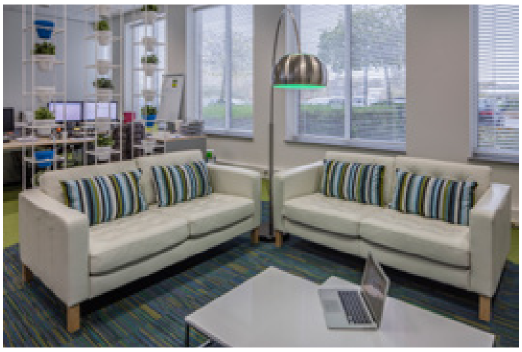
Off-balance sheet obligations

In the first semester of 2016, there have been no changes in the company's off-balance sheet rights and obligations as described in Note 24 of the Financial report of the 2015 Annual report.

Events after the balance sheet date

There are no significant events to be mentioned that occurred after the closing of the accounts as at 30 June 2016.

▼ FIVE4U, Mechelen Campus



▼ Cochlear, Mechelen Campus

2.7. Statutory auditor's report

INTERVEST OFFICES & WAREHOUSES NV,
PUBLIC REGULATED REAL ESTATE COMPANY UNDER BELGIAN LAW

LIMITED REVIEW REPORT ON THE CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2016

To the board of directors

In the context of our appointment as the company's statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the consolidated condensed statement of financial position as at 30 June 2016, the consolidated condensed income statement, the consolidated condensed statement of comprehensive income, the consolidated condensed statement of changes in equity and the consolidated condensed statement of cash flows for the period of six months then ended, as well as selective notes.

Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of Intervest Offices & Warehouses SA, Public regulated real estate company under Belgian law ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standard IAS 34 – Interim Financial Reporting as adopted by the European Union.

The consolidated condensed statement of financial position shows total assets of 616.680 (000) EUR and the consolidated condensed income statement shows a consolidated profit (group share) for the period then ended of 610 (000) EUR.

The board of directors of the company is responsible for the preparation and fair presentation of the consolidated interim financial information in accordance with IAS 34 – Interim Financial Reporting as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of review

We conducted our review of the consolidated interim financial information in accordance with International Standard on Review Engagements (ISRE) 2410 – Review of interim financial information performed by the independent auditor of the entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated interim financial information.

Conclusion

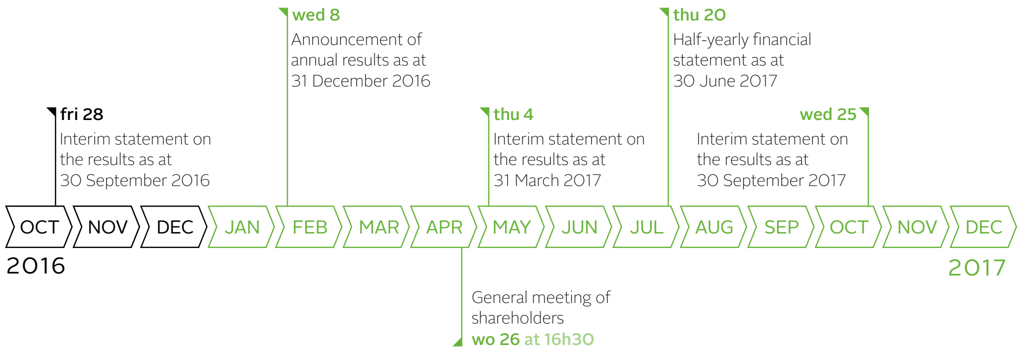
Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Intervest Offices & Warehouses SA, Public regulated real estate company under Belgian law, has not been prepared, in all material respects, in accordance with IAS 34 – Interim Financial Reporting as adopted by the European Union.

Diegem, 25 July 2016

The statutory auditor

DELOITTE Bedrijfsrevisoren
BV o.v.v.e. (civil company in the form of a limited liability cooperative) CVBA
Represented by Rik Neckebroeck

2.8. Financial calendar



3. Statement regarding the half-yearly financial report

In accordance with article 13, §2 of the Royal Decree of 14 November 2007, the board of directors, com-posed of Jean-Pierre Blumberg (chairman), Marleen Willekens, Chris Peeters, Jacqueline de Rijk-Heeren, Johan Buijs and Gunther Gielen, declares that after taking all reasonable measures and according to its knowledge:

a. the condensed half-yearly figures, prepared in accordance with the principles of financial information in accordance with IFRS and in accordance with IAS 34 ‘Interim Financial Information’ as accepted by the European Union, give a true and fair view of the equity, the financial position and the results of Intervest Offices & Warehouses nv and the companies included in the consolidation
b. the interim management report gives a true statement of the main events which occurred during the first six months of the current financial year, their influence on the condensed half-yearly figures, the main risk factors and uncertainties regarding the remaining months of the financial year, as well as the main transactions between related parties and their possible effect on the condensed half-yearly figures if these transactions should have a significant importance and were not concluded at normal market conditions
c. the information in the half-yearly report coincides with the reality and no information has been omit-ted whereby the statement could modify the purpose of the half-yearly report.

These condensed half-yearly figures were approved for publication by the board of directors as at 25 July 2016.

Intervest Offices & Warehouses nv is a public regulated real estate company (RREC) founded in 1996 of which the shares are listed on Euronext Brussels (INTO) as from 1999. Intervest Offices & Warehouses invests in high-quality Belgian office buildings and logistics properties that are leased to first-class tenants. The properties in which the com-pany invests, consist primarily of up-to-date buildings that are strategically located outside municipal centres. The offices of the real estate portfolio are situated on the Antwerp - Mechelen - Brussels axis; the logistics properties on the Antwerp - Brussels - Nivelles and Antwerp - Limburg - Liège axis. Intervest Offices & Warehouses distinguishes itself by offering ‘turn-key solutions’, a global solution going from plans, design, coordination of works to budget monitoring.

For more information, please contact:
INTERVEST OFFICES & WAREHOUSES nv,
public regulated real estate company under Belgian law,
Jean-Paul Sols - CEO or Inge Tas - CFO, T: + 32 3 287 67 87,
http://corporate.intervest.be/en/offices