



Interinvest in 2017: overview

- Real estate portfolio growth of 8% or € 52 million in line with the **strategic growth plan** based on the reorientation of the office portfolio and the expansion of logistics real estate.
- As at 31 December 2017, the **fair value** of the total real estate portfolio amounted to **€ 663 million**.
- Acquisition of three logistics sites situated in Belgium: in Oevel, Aarschot and Zellik (53.000 m²).
- The first step in the **Netherlands**: acquisition of a complex in Tilburg and a distribution centre in Raamsdonksveer (34.000 m²).
- **Development potential** of approximately 250.000 m² logistics real estate pursuant to the selection of '**Genk Green Logistics**' by the Flemish government as preferred bidder to redevelop the Ford site: negotiations for a contractual agreement with the Flemish government are ongoing.
- Delivering of the **newly-built distribution centre** at Herentals Logistics 3.
- **Reorientation** of the **office portfolio** continued by the redevelopment of **Greenhouse BXL with third RE:flex**. Construction work on schedule and commercialisation fully under way. First rental agreement for a period of 9 years signed. Purchase of empty building adjacent to Greenhouse BXL for extra parking in park area after demolition of existing building.
- Ratio of **54% of logistics real estate and 46% office buildings** as at 31 December 2017 (51% and 49%, respectively, at the end of 2016).
- **Occupancy rate** of the **real estate portfolio**: 86% as at 31 December 2017; 91% without the Greenhouse BXL redevelopment project (91% as at 31 December 2016).
- **Occupancy rate** of the **office portfolio**: 76% as at 31 December 2017; 85% without the Greenhouse BXL redevelopment project (86% as at 31 December 2016).
- **Occupancy rate** of the **logistics portfolio**: 98% as at 31 December 2017 (96% as at 31 December 2016).
- 30 **lease agreements** were entered into or extended, representing 9% of the rental income, activity mainly in the logistics portfolio.
- 26 **flexible contracts** entered into for RE:flex and the managed offices in Mechelen and Berchem.
- The **fair value of the existing real estate portfolio** (excluding acquisitions and divestments) decreased in 2017 by 1%¹.
- **EPRA earnings**: € 1,58 per share based on a weighted average number of shares (€ 1,73 in 2016).
- **Gross dividend** in accordance with the strategy announced: **€ 1,40** per share for financial year 2017 (€ 1,40 for 2016); gross dividend yield of 6,2%.
- **Strengthening of the shareholders' equity** by € 36 million through the acquisition of real estate by the contribution in kind and by the optional dividend with 55% of the shareholders opting for new shares.
- Decrease in the **financing costs**: average interest rate of the financing is 2,6% in 2017 (3,1% in 2016).
- Extension of the duration of the **long-term financing** to 4,6 years as at 31 December 2017 (2,9 years as at year end 2016).
- **Debt ratio**: 44,6% as at 31 December 2017 (45,7% as at 31 December 2016).
- Buffer of available **credit lines** for further growth: € 101 million.


¹ With unchanged composition of the entire real estate portfolio compared with 31 December 2016.



Table of Contents

1.	Operational activities in 2017	3
1.1.	General trends	3
1.2.	Evolution real estate portfolio	6
1.3.	Investments	10
1.4.	Development potential	17
1.5.	Rental activity	18
1.6.	Duration of lease agreements in portfolio	20
2.	Financial annual results 2017	23
2.1.	Consolidated income statement	23
2.2.	Consolidated balance sheet	26
2.3.	Financial structure	29
3.	Outlook 2018	31
4.	Financial calendar for 2018	34
	Annexes: Financial statements	35

Alternative performance measures and the term EPRA earnings

Alternative performance measures are criteria used by Intervest to measure and monitor its operational performance. The measures are used in this press release, but they are not defined by an act or in the generally accepted accounting principles (GAAP). The European Securities and Markets Authority (ESMA) issued guidelines which, as of 3 July 2016, apply on the use and explanation of the alternative performance measures. The concepts that Intervest considers to be alternative performance measures are included in a lexicon on the www.intervest.be website called "Terminology and alternative performance measures". The alternative performance measures are marked with  and provided with a definition, objective and reconciliation as required by the ESMA guidelines. A consequence of these guidelines is that the term used prior to this, "operating distributable result", is no longer usable. For that reason, the label has been changed to "EPRA earnings". However, with regard to content there is no difference with "operating distributable result", the term used previously. EPRA (European Public Real Estate Association) is an organisation that promotes, helps develop and represents the European listed real estate sector, both in order to boost confidence in the sector and increase investments in Europe's listed real estate. For more details, please visit www.epra.com.

1. Operational activities in 2017

1.1. General trends

In 2017, Interinvest Offices & Warehouses (hereinafter 'Interinvest') already made substantial **progress** in achieving its strategic growth plan, which is based on the reorientation the office portfolio and the expansion of the logistics real estate portfolio.

The company wants to **expand its real estate portfolio** to approximately € 800 million, spread over € 500 million in logistics real estate and € 300 million in offices by the end of 2018. The objective continues to be to make the strategic emphasis shift that was started a few years ago to a proportion of 60% of logistics real estate and 40% of office buildings. A shift of 15% of the offices portfolio towards the logistics real estate market has been achieved over the past five years. The ratio between the two segments as at the end of 2017 was 54% logistics buildings and 46% offices. As at 31 December 2017 the fair value of the real estate portfolio amounted to **€ 663 million**, a € 52 million or 8% increase compared to the end of 2016. The real estate portfolio expanded in 2017 by approximately 90.000 m² and consisted of a total surface area of almost **800.000 m²** as at 31 December 2017.

In total, Interinvest achieved a total of € 52 million **new acquisitions** and € 7 million of **expansions on existing sites** in 2017.

In **Belgium** the acquisition of the logistics sites in Oevel, Aarschot and Zellik contributed for 53.000 m² to the growth of the logistics portfolio. Herentals Logistics 3, which is an own development project on one of the most important logistics corridors in Belgium, was also delivered in 2017.

Interinvest's **international ambitions** are coming to fruition with the first step in the **Netherlands** with the acquisition of a complex in Tilburg and a distribution centre in Raamsdonksveer, both located in the logistics hotspot in the Netherlands. The surface area of the Dutch portfolio amounted to 34.000 m² as at the end of 2017. In the meantime, Interinvest has become known in the Netherlands as an active investor that reacts flexibly to investment opportunities, which reinforces its competitiveness for future acquisitions.

The redevelopment of **Greenhouse BXL** in Diegem is fully under way. This redevelopment is a perfect example of the reorientation of the **office portfolio**. The recurring theme here is **innovative, inspiring and service-oriented concepts** where working is a pleasant experience. It is expected that the building can be occupied again as from the middle of 2018. In the meantime, the first tenant is known and the candidate tenants' interest indicates that the Interinvest concept meets the market's expectations.

The selection of '**Genk Green Logistics**' by the Flemish government as the preferred bidder for the **redevelopment of the Ford site** in Genk makes for further growth potential. The Ford site is an exceptional investment opportunity because of its location, size and multi-modal accessibility. The site provides a development potential of approximately 250.000 m² of logistics buildings over a period of five years. With the complementary expertise of its partners, MG Real Estate and DEME Environmental Contractors, Genk Green Logistics, the joint venture between Interinvest and Group Machiels that is to be set up, has all the trump cards in-house to develop one of the most large-scale sites into a state-of-the-art logistics reference project in Flanders.

In both its market segments, Interinvest is positioning itself **beyond real estate** and is acting as a real estate partner which does more than **simply let square metres** of office or logistics space. Interinvest can unburden its customers and offer them added value by listening to what they want, by thinking along with them and by thinking ahead. The many positive reactions from the customers to these turn-key solutions serve as an encouragement to Interinvest in further expanding this approach.

To

€ 800
million

Fair value
real estate portfolio

€ 663 million

For

€ 59 million
acquisitions and
expansions

2
acquisitions
in the Netherlands

Reorientation
offices into
inspiring,
innovative
environments

Potential

250.000 m²
Genk Green Logistics

More than
square meters



In the logistics segment, this has led to anticipating changing current and future needs for **space** and **building specifications** together with the customer. For example, projects were developed in close cooperation with the customer, among others with Feeder One, Toyota Material Handling and Rogue Fitness, to adapt existing buildings to meet their specific requirements regarding interior design, layout, combination with offices, flexible spaces and the like. Developing Herentals Logistics 3 by adding the built-to-suit new construction of a new distribution centre in close consultation with the customer Schrauwen Sanitair en Verwarming is yet another example of this customer-driven approach.

Greenhouse Antwerp, Intervest's innovating renovated office building in Berchem, is tailored to the current, new way of working, with a RE:flex space for start-ups and co-working, a vast range of flexible meeting rooms and a restaurant, the "Greenhouse Café". Managed offices, smaller and fully equipped offices that were leased in a jiffy, were also provided here during the course of 2017.

In 2017, 30 long-term **lease agreements** were entered into or extended, representing 9% of the rental income. The primary levels of the rental activity in the logistics segment are in extension and expansion. Moreover, in the office segment, 26 flexible contracts were entered into for RE:flex and the managed offices in Mechelen and Berchem.

The **occupancy rate** of the Intervest real estate portfolio was 86% as at 31 December 2017. The occupancy rate without taking into account the Greenhouse BXL **redevelopment project** was 91% as at 31 December 2017, which remained the same as compared to the end of 2016. The occupancy rate for the office portfolio amounted to 76% as at 31 December 2017, and 85% without taking into account the Greenhouse BXL redevelopment project (86% as at 31 December 2016). The occupancy rate for the logistics portfolio increased by 2% as compared to 31 December 2016, to 98% as at 31 December 2017, due to the expansion of the real estate portfolio with sites that are fully let.

The **fair value of investment properties** (not taking into account investments and divestments) decreased by 1% or € 7 million in 2017. This decrease is in the logistics portfolio, and is primarily due to the expected future forecast of vacancy period in Puurs and the change of the rental situation in Wommelgem. The fair value of the office portfolio remained stable in 2017.

The **EPRA earnings** of Intervest amounted to € 27,4 million for financial year 2017. The decrease in EPRA earnings of € 1,6 million as compared to 2016 is mainly as a result of the reduction in rental income due to the strategic reorientation in the office portfolio, and the increase in general costs and property charges, partly offset by new acquisitions in the logistics portfolio and the decrease in financing costs obtained through new interest rate swaps at lower interest rates.

Taking into account 17.409.850 shares (weighted average), this means **EPRA earnings per share** of € 1,58 for the 2017 financial year, compared to € 1,73 last year.

Within the scope of its announced growth strategy, Intervest decided in March 2016 to plan a gross dividend of a minimum of € 1,40 per share for financial years 2016, 2017 and 2018. Therefore, Intervest offers a **gross dividend** of € 1,40 for the 2017 financial year (€ 1,40 for the 2016 financial year). This equals a pay-out ratio of 91% of the EPRA earnings. This represents a **gross dividend yield** of 6,2%, based on the closing share price as at 31 December 2017 (€ 22,49).

In 2017, Intervest was successful in further optimising its **financing structure** by extending the average duration of long-term financing from 2,9 to 4,6 years by entering into new financing and extending the existing credit facilities having durations ranging from 5 up to and including 8 years for a total of € 165 million.

Tailoring logistics spaces to customer preferences

Managed offices in Greenhouse Antwerp successful

30
lease agreements

26
flexible contracts

Occupancy rate

86%

Fair value

-1%

EPRA earnings per share

€ 1,58

Gross dividend

€ 1,40

Duration long-term financing

4,6 years

This (re)financing shows the confidence that financial institutions have in Intervest and its strategy. They have led to an adequate spread of the expiry calendar of the long-term financing between 2018 and 2025, while duly regarding balance between cost price, duration and diversification of the financing sources.

The average duration of the interest rate swaps that Intervest has to cover its interest risk has also been extended from 2,5 years to 3,6 years by entering into new interest rate swaps for € 40 million at lower interest rates. This has caused a decrease in **average financing cost** from 3,1% in 2016 to 2,6% in 2017.

Moreover, at the end of 2017, a buffer of € 101 million of non-withdrawn credit lines was available to finance the growth in 2018 with borrowed capital.

This is possible as a result of the limited **debt ratio** of 44,6% as at 31 December 2017, due to which approximately € 75 million can still be invested with borrowed capital before reaching the top of the strategic range of 45%-50%.

This solid capital structure was achieved by creating € 36 million new **own shareholders' equity** by issuing 9,7% shares during the course of 2017 within the scope of three contributions in kind (logistics sites in Oevel, Aarschot and Zellik) for € 27 million and the optional dividend with a success rate of 55% for € 9 million. This reflects the market's confidence in Intervest.

2,6%
average financing cost

Buffer credit lines

€ 101million

44,6%
debt ratio

55%
chose for optional dividend



RE:flux Berchem

1.2. Evolution of the real estate portfolio

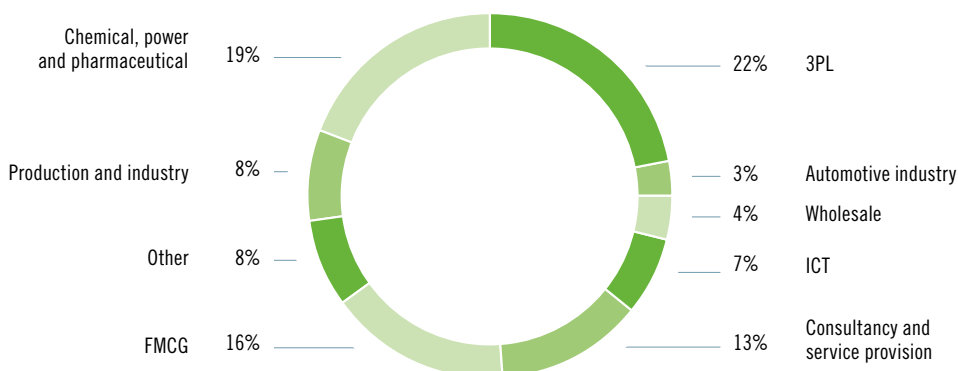
Interinvest focuses on an investment policy based on the principles of high-quality professional real estate and respects the criteria of risk diversification based on building type, geographical spread and nature of tenants. As at 31 December 2017 this risk spread was outlined as follows.

Nature of the portfolio



The ratio between the two segments as at the end of 2017 was 54% logistics buildings and 46% offices, as compared to 51% and 49%, respectively, as at 31 December 2016.

Sectoral spread of the tenants



Interinvest's tenants are well spread over different sectors.

Geographical spread of the portfolio



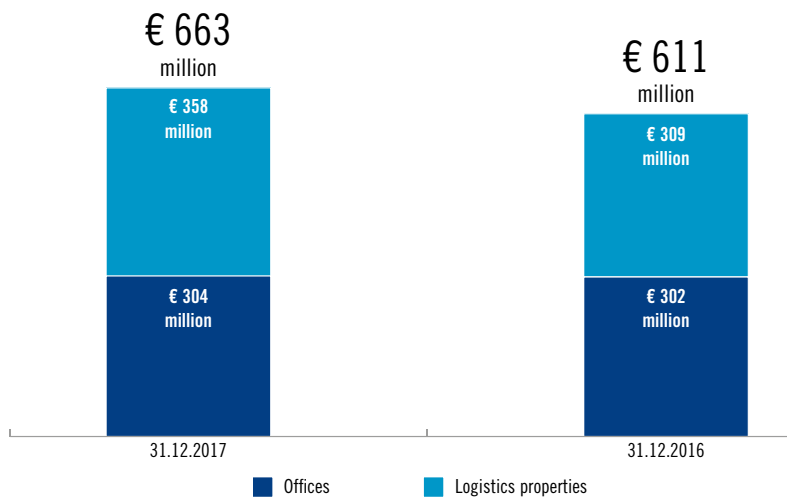
Intervest invests in high-quality office buildings and logistics properties in Belgium that are leased to first-rate tenants. The real estate properties in which the company invests consist primarily of up-to-date buildings that are strategically located. The office segment concentrates on the Antwerp-Mechelen-Brussels axis and is located both in the inner city and on campuses on the outskirts of cities. The logistics properties of the portfolio are located on the Antwerp - Brussels - Nivelles and Antwerp - Limburg - Liège axes, and in the Netherlands on the Moerdijk - 's Hertogenbosch - Nijmegen and Bergen-op-Zoom - Eindhoven - Venlo axes.

Fair value of investment properties

The **fair value of investment properties** of Intervest increased by € 52 million in 2017, and amounted as at 31 December 2017 to € 663 million (€ 611 million as at 31 December 2016).

In 2017, the fair value of the **logistics portfolio** increased by approximately € 49 million or 16%, by € 52 million in acquisitions of five logistics buildings, € 6 million attributable to investments and expansions in the existing logistics portfolio and € -9 million due to the decrease in fair value of the existing portfolio, primarily as a result of the expected future forecast of vacancy period in Puurs and the change of the rental situation in Wommelgem.

In 2017, the fair value of the **office portfolio** increased by approximately € 2 million or 1%, mainly due to investments and expansions in Greenhouse BXL. The fair value of the existing office portfolio remained stable in 2017.

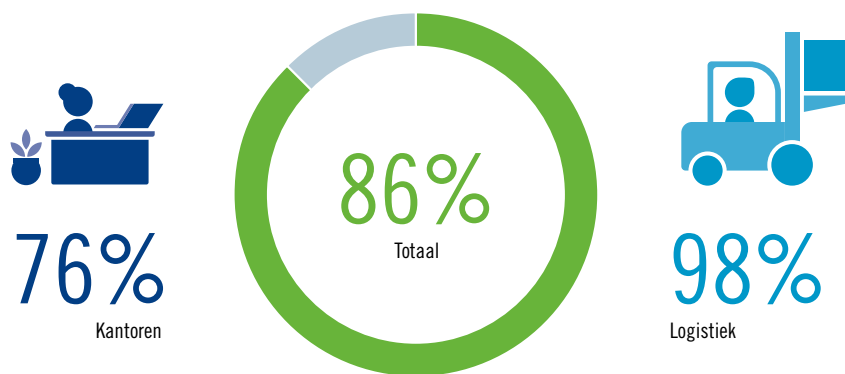


The fair value of the real estate portfolio amounted to € 663 million as at 31 December 2017.

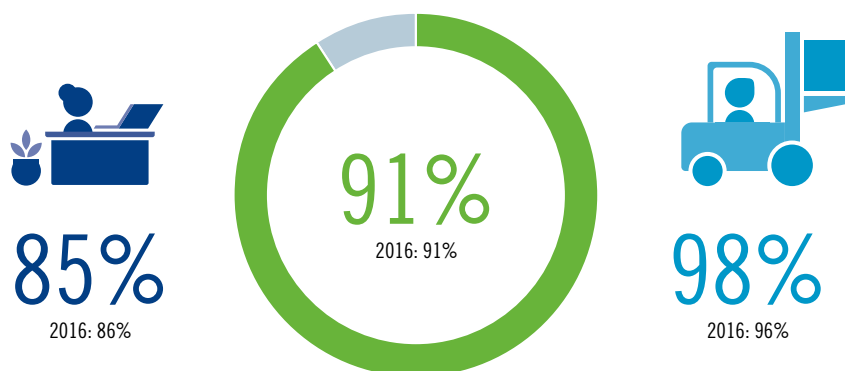


Occupancy rate as at 31 December 2017

Real estate portfolio



Real estate portfolio excluding Greenhouse BXL redevelopment project



The **occupancy rate** of the Intervest real estate portfolio amounted to 86% as at 31 December 2017. Occupancy rate without taking into account the Greenhouse BXL redevelopment project amounted to 91% as at 31 December 2017, which remained the same as compared to the end of 2016.

The occupancy rate for the **office portfolio** amounted to 76% as at 31 December 2017, and 85% without taking into account the Greenhouse BXL redevelopment project (86% as at 31 December 2016).

The occupancy rate for the **logistics portfolio** increased by 2% as compared to 31 December 2016, to 98% as at 31 December 2017, due to the expansion of the real estate portfolio with sites that are fully let.

1.3. Investments

Interinvest focused on the growth of the **logistics real estate portfolio** in 2017 within its strategic objective to have the logistics portfolio increase until it reaches approximately 60% of the entire real estate portfolio in due course. The ratio between the two segments as at the end of 2017 was 54% logistics buildings and 46% offices. In total, Interinvest achieved a total of € 52 million **new acquisitions** and € 7 million of **expansions on existing sites** in 2017.

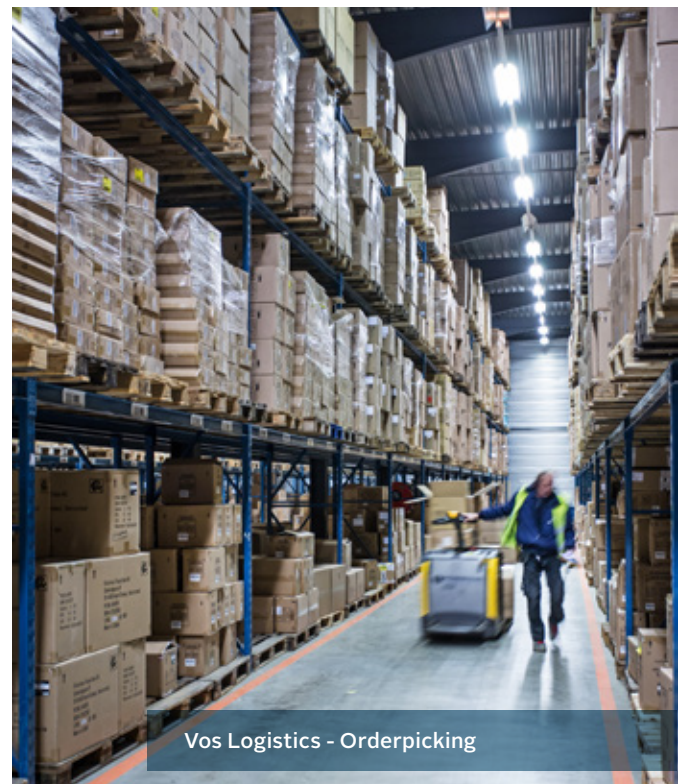
Three logistics sites in **Belgium** located in Oevel, Aarschot and Zellik have been added to the real estate portfolio. The delivering of the logistics **new building project** at Herentals Logistics 3 fully went according to plan during the second quarter of 2017.

The first step has been taken in the **Netherlands** with the acquisition of a logistics complex in Tilburg and a distribution centre in Raamsdonksveer.

In the **office portfolio**, the works to redevelop Greenhouse BXL with a third RE:flex are progressing according to plan and the first tenant has been brought in.

Acquisition of three logistics sites situated in Oevel, Aarschot and Zellik

The expansion of the logistics real estate portfolio with sites in Oevel and Aarschot in May 2017 and in Zellik in December 2017 represents an investment of € 28 million. The surface area of these sites together amounts to approximately 53.000 m². The occupancy rate of each site is 100%. The three sites generate a combined annual rental income of over € 2 million. These acquisitions have an average gross initial yield of 7,3%. These three transactions were performed by way of capital increases by contribution in kind with a total issue of 1,2 million new Interinvest shares. This has led to the strengthening of the company's equity position by € 27 million.



Oevel

The site in Oevel provides an expansion in the logistics corridor along the E313 and E314 motorways in the direction of Antwerp-Limburg-Liège. The site benefits from an excellent location along the E313 motorway and forms a cluster with Intervest's current properties in Oevel and Herentals. Through this investment, Intervest is strengthening its market position on this important logistics axis.

The site in Oevel is a logistics building with a warehouse of 10.840 m², 410 m² of mezzanine and 410 m² of offices and is being leased until 2022 by Vos Logistics, a European logistics services provider. The company provides transport services for packaged and bulk goods and offers logistics and distribution solutions. The entire building is equipped with photovoltaic installations, for which Intervest has granted the commercial operator a right of superficies to the roof.

Aarschot

With the acquisition of the distribution hub in Aarschot, Intervest is planning ahead to take advantage of the increasing importance of rapid urban distribution. Thanks to its location near Leuven, just 4 km from the slip road to the E314, the building is ideally located for last-mile distribution activities. With this investment Intervest is responding to the increasing importance of distribution hubs, which are essential for the rapid growth of e-commerce.

The site in Aarschot consists of two logistics buildings together accounting for 11.570 m² of warehouse space, 600 m² of office space and two smaller storage spaces of 800 m² each. Since 1 January 2017, 80% of the site has been under a long-term lease to bpost for an up-to-date regional distribution centre. The average weighted duration of the lease agreements at this site is 5,9 years to the first possibility of termination.



bpost - Aarschot



bpost - Sorting centre



bpost - Post room

Zellik

The site in Zellik is a strategic location in the Brussels periphery, situated on the Antwerp - Brussels - Nivelles axis. The Brussels periphery remains a top location for Belgian logistics, both for national distribution and for rapid urban distribution.

The site has a leasable surface area of approximately 26.000 m² and consists of 23.234 m² of storage space with 1.000 m² of office space, leased to NedCargo, a 3PL company, and a professional collection point of 1.344 m² with 336 m² of offices, which is leased to FACQ, a distributor of sanitary components. A part of the site is equipped with a photovoltaic installation.

The average weighted duration of the lease agreements at the site is 2,4 years to the first possibility of termination. The lease agreement with FACQ runs until May 2022, and NedCargo has the possibility of leaving the building in December 2019. The distribution centre of NedCargo no longer meets the requirements of a contemporary logistics centre and redevelopment will be necessary in 2020. Interinvest expects to accomplish a new state-of-the-art construction of approximately 29.000 m² of warehouse space plus accompanying offices after redevelopment. Taking into account the specificity of the location, it will be possible to accommodate both smaller and larger entities there. This redevelopment will provide Interinvest with the possibility of creating added value in its own portfolio in the relatively short term.

“Large parcels of industrial land are not available or hardly available in the Brussels region, which makes this acquisition of older warehouse space to be redeveloped at competitive terms and conditions an opportunity. By acquiring this logistics site with potential added value after redevelopment, Interinvest distinguishes itself on the Belgian market as an investor with a future vision of logistics.”

JEAN-PAUL SOLS, CEO INTERVEST



Delivery of logistics redevelopment project at Herentals Logistics 3

In the first half year of 2017 work began at the Herentals Logistics 3 logistics site on the new construction of a distribution centre of 12.000 m² for tenant Schrauwen Sanitair en Verwarming. The site has formed part of the Intervest real estate portfolio since 2008 already and is located on one of the most important logistics corridors in Belgium, next to the slip road to the E313, from which one can see the site. Furthermore, it also offers further future expansion possibilities for an additional warehouse of approximately 8.000 m².

This investment in 2017 of approximately € 5 million falls within the scope of the growth strategy of Intervest. This consists of further developing its portfolio in logistics real estate in a customer-driven manner through, for example, developments in locations offering multi-modal access. With this, Intervest shows that, also in logistics real estate, it is more than just a provider of square metres.

A long-term lease agreement for 15 years has been signed with the lessee, with the first termination possibility after 9 years. The delivery of the new building project fully went according to plan during the second quarter of 2017.

“This project fits in perfectly with the strategy in the logistics real estate segment, which also involves growth through redevelopments in our own portfolio. What’s more, this investment has been developed in close cooperation with the future customer, once again showing that Intervest looks beyond merely providing square metres and that it goes in search of customer-tailored solutions.”

JEAN-PAUL SOLS, CEO INTERVEST



Schrauwen - Herentals Logistics 3



Schrauwen - Warehouse



Schrauwen - Entrance hall

First step in the Netherlands with the acquisition of two logistics sites in Tilburg and Raamsdonksveer

Intervest's first step in the Netherlands has been taken with the acquisition of a complex in **Tilburg** and a distribution centre in **Raamsdonksveer**, both in the **Netherlands**. Through this acquisition, Intervest is pursuing its strategy of expanding its sphere of operations in a region of 150 km around Antwerp. The expansion of the logistics real estate portfolio in the Netherlands in 2017 represents an investment of € 24 million. The surface area of these sites together amounts to approximately 34.000 m². The occupancy rate of each site is 100%. The sites generate a combined annual rental income of over € 1,7 million. These two acquisitions have an average gross initial yield of 7,1%. These investments are financed by available credit lines with financial institutions and are structured for 100% by Intervest subsidiaries in the Netherlands.



Raamsdonksveer

The distribution centre in the North Brabant city of **Raamsdonksveer** has a leasable surface area of 20.500 m² and is under a long-term lease with a furniture and home decoration retailer. It is easily accessible via the A27 (Breda-Almere) and the A59 (Moerdijk-Den Bosch) motorways and, with the nearby Oosterhout Container Terminal, has a direct link with the ports of Rotterdam and Antwerp.

The logistics complex was built-to-suit in 2010 for the tenant, which has centralised its distribution activities for the Netherlands and Belgium in Raamsdonksveer. From this site the tenant supplies its 75 shops in the Benelux and also organises deliveries for its e-commerce activities.

The lease agreement with the tenant has a fixed term until mid-2031.

Tilburg

The site in **Tilburg** is located at Industriezone Vossenbergh II, with a direct connection to the A58 Eindhoven-Breda motorway, which is part of the Tilburg-Waalwijk logistics hotspot. This is the largest industrial park in Tilburg with more than 200 enterprises and it is characterised by a large diversity with not only logistics and distribution companies located there but also a large number of production and assembly plants in all kinds of industrial branches.

The site has a surface area of 13.300 m² and consists of 11.400 m² of warehouse space, 1.200 m² of offices and 700 m² of mezzanine. The building has a free height of 8 metres and has 6 loading bays and 72 parking spaces. The industrial premises and the production facility are air-conditioned and have been furnished in full accordance with the HACCP guidelines for the food industry.

The tenant of the site is Dutch Bakery, a modern and innovative industrial manufacturer of bake-off bread products sold under the private labels of supermarkets. At this location, Dutch Bakery combines its industrial bakery activities with transport and logistics activities and employs a workforce of over 400.

The lease agreement commenced as at 1 January 2017 and has a fixed term of 15 years, based on a triple net agreement.

“We see many points in common between the two parties: Intervest is an ambitious party clearly focused on logistics real estate, and that gives us the certainty that she fully understand how we work and what specific wishes we have regarding accommodation, now and in the future.”

ROB VERHOEF - GENERAL MANAGER, DUTCH BAKERY GROUP





Greenhouse BXL - Artist impression

Greenhouse BXL - redevelopment with third RE:flex

Following the successful and innovative reorientation of the office building Greenhouse Antwerp in 2016, Intervest started with the reorientation of the Diegem Campus in 2017, whereby it will clearly distinguish itself from the traditional offices offer as Greenhouse BXL.

At the beginning of 2017, after the departure of tenant Deloitte, the office buildings of Diegem Campus at Berkenlaan 6, 8a and 8b, became vacant. The building at Berkenlaan 6 was already divested in the first semester of 2016.

Given the location and the quality of the buildings, both these buildings offer an excellent opportunity for **repositioning** and a multi-tenant approach, to create an inspiring office building where work and experiencing go hand in hand with a service-oriented and flexible approach to the tenants.

With the third RE:flex and co-working lounge, 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 newly built patio will serve as a lively meeting place with the potential for organising events. The 'new way 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 shared meetings rooms and an auditorium have been provided. Users can also call on a service desk, which ensures a personalised approach when it comes to the customer's needs.



Greenhouse BXL - Patio



Greenhouse BXL - Artist impression

The adjacent empty building at Berkenlaan 7 was purchased at its land value of € 1,7 million in the first quarter of 2017. The intention is to demolish the current building and convert this site into an extra open space with a park, leisure opportunities and an underground car park adjacent to Greenhouse BXL.

The construction work for the redevelopment of the site into Greenhouse BXL began in the first quarter of 2017 and is expected to be finished in May 2018 to welcome its first customers. The budget for the entire planned investment amounts to approximately € 9 million (€ 1 million of which in financial year 2017 and € 8 million in financial year 2018). This investment will be financed from the company's available credit lines.

In the meantime, the building work for the patio with the auditorium does not impede the leaseability of Greenhouse BXL. Cazimir, a team of specialised lawyers who help wealthy families and entrepreneurs with questions on legal matters and concerns regarding their assets, has opted for Greenhouse BXL as its new office location near Brussels. As from October 2018, Cazimir will lease an office surface area of 700 m² for a fixed period of 9 years. Cazimir found Greenhouse BXL particularly appealing because it is one of the newest office projects in the Brussels periphery and is fully based on the concept of the new way of working. Various types of workplaces and meeting rooms, an auditorium for informative meetings, the large amount of green space, the good proportion of parking facilities for customers and employees and the opportunity to engage in sport and recreation are a few of the most important trump cards that played a role in Cazimir's choice.

“We are delighted to be able to conclude the first lease agreement in Greenhouse BXL with Cazimir. The wide interest in the project indicates that this innovative office concept, where working and experiencing go hand in hand, meets market expectations.”

JEAN-PAUL SOLS, CEO INTERVEST



1.4. Development potential

Allocation of the redevelopment of the Ford site in Genk to 'Genk Green Logistics'

The selection of '**Genk Green Logistics**' by the Flemish government as the preferred bidder for the redevelopment of the Ford site in Genk represents a new construction potential of approximately 250.000 m², a significantly large step forward in achieving Interinvest's growth plan in the future.

Genk Green Logistics is a joint venture to be set up between Interinvest, on the one hand, and Group Machiels, on the other, which in cooperation with developer MG Real Estate and DEME Environmental Contractors will be responsible for the redevelopment of one of the most large-scale tri-modal logistics hubs in Flanders. The Flemish government has thus chosen to bundle complementary expertise regarding development of large-scale company premises to redevelop the Ford site in Genk into a logistics hotspot.

The site is **strategically located** in the important logistics corridor Antwerp - Limburg - Liège. The surface area of the entire Ford site is 133 hectares, 42 hectares of which is for zone B. The site has tri-modal access via the Albert Canal, rail and the proximity of the E314 and E313. The large scale of the site and its tri-modal access are unique trump cards to put Genk Green Logistics on the map as a logistics hotspot. Allocation to Genk Green Logistics includes zone B of the Ford site. Zone A is to become a public domain reserved for community events. Zone C is the property of De Vlaamse Waterweg.

Genk Green Logistics plans a **full new development project** at zone B, which will consist of state of the art logistics complex of approximately **250.000 m²** after full development. This surface area is intended to be developed in phases, spread over different buildings, over an expected period of five years. Detailed information on project financing, the yields and other preconditions will be communicated systematically as the different phases of the project progress.

The negotiations to enter into a contractual agreement with the Flemish government were started during the second half of 2017 and were still ongoing as at 31 December 2017.

To begin with, the required demolition and sanitation works for the current buildings have been scheduled. The remediation of the soil and infrastructure will be coordinated and executed by De Vlaamse Waterweg as an assignment for the Flemish government. Meanwhile the development of substantial parts of the site can be started.

Genk Green Logistics stands for a development plan with a clear commercial focus on e-commerce. It expects that this will attract a broad range of users to the site, from e-commerce retail activities, e-fulfilment service - providers to classic 3PL organisations. Genk Green Logistics will also be open to other logistics needs or the smart manufacturing industry.

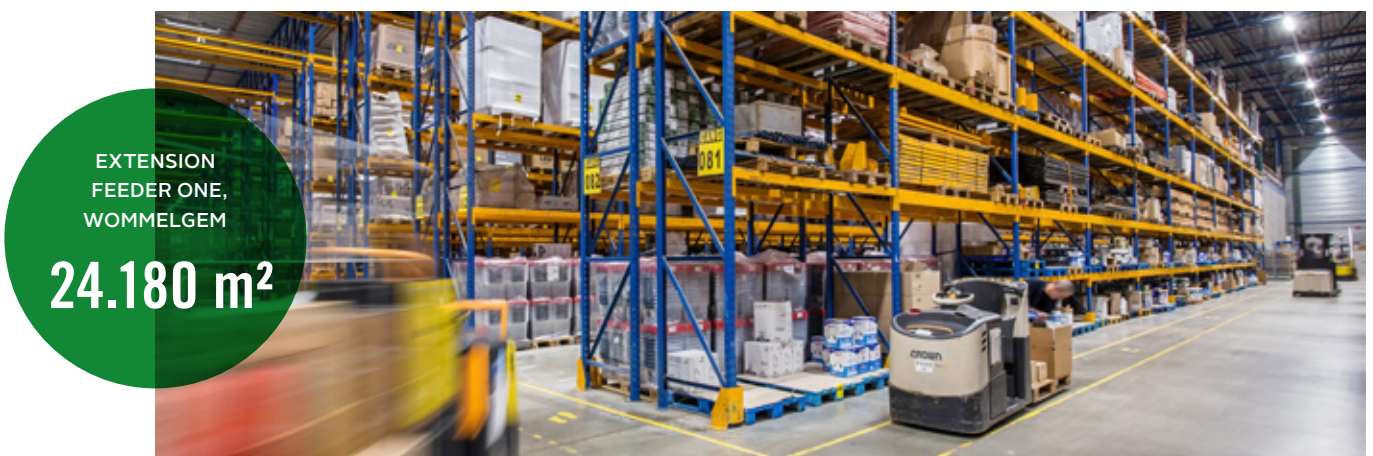


EXPANSION
MYLAN,
PARK ROZENDAL
1.916 m²

1.5. Rental activity

In 2017, 22 lease agreements were at their final expiry date, which represented 15% of the annual rental income (without taking into account the departure of Deloitte in Diegem). Some 14% was extended during the course of 2017, either replaced by new lease agreements or complemented by extensions of existing lease agreements. A part of this, namely 7%, are short-term agreements (of less than one year), the final expiry date of which has been extended to 2018, primarily because the existing tenant has extended the agreement for a short period. Without taking these short-term agreements into account, Intervest has during the past year extended or renewed a total of 9% of the annual net rental income in 30 rental transactions for 83.926 m² with new or existing tenants. Some 3% has been entered into with new tenants, for 33.554 m², and 6% relates to extensions and expansions of the existing agreements for 50.372 m².

In 2017, 30 lease agreements were entered into or extended, representing 9% of the rental income.



EXTENSION
FEEDER ONE,
WOMMELGEM
24.180 m²

Rental activity in the logistics portfolio ¹

In the logistics portfolio, new tenants made up 5% of the annual rental income for this segment and renewals and extensions comprised 8%. A total of approximately 74.293 m² of rental transactions was concluded in 10 transactions (out of a total logistics portfolio of approximately 584.000 m²).

New tenants

New rental agreements for a surface area of 29.586 m² in 5 transactions were concluded in the logistics portfolio. This was a surface area of 38.029 m² in 6 transactions in 2016.

The most important transactions of 2017 were:

- Mirka in Opglabbeek for 14.660 m²
- Iron Mountain in Boom for 6.387 m²
- Feeder One in Duffel for 4.067 m²
- Wastic in Herentals for 2.770 m²

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

In 2017, in the logistics portfolio, lease agreements for a surface area of 44.707 m² were extended or expanded in 5 transactions. A surface area of 165.575 m² was renegotiated in 12 transactions during the same period in 2016.

The most important transactions of 2017 were:

- extension of Feeder One in Wommelgem for 24.180 m²
- extension of Covidien in Opglabbeek for 13.101 m²
- expansion of Toyota Material Handling Europe Logistics in Wilrijk for 7.065 m².

Rental activity in the office portfolio ²

There was much activity in the office portfolio in 2017, particularly in the office parks in Mechelen. The new tenants made up 2% of the annual rental income and renewals of this segment for existing tenants comprising 4%. A total of approximately 9.633 m² of rental transactions was concluded in 20 transactions (out of a total office portfolio of approximately 210.000 m²). In addition, 26 flexible contracts were concluded for RE:flex and the managed offices in Mechelen and Berchem.

An additional service was launched with the opening of Greenhouse Boardroom in Greenhouse Antwerp, a modernly equipped meeting room with its own catering facilities. RE:flex, flexible business hub, offers several entry formulas. In RE:flex Mechelen Play4mation has become a fixed tenant. The installation of two smart loading places for 34 electric cars is an additional trump card for the clients at Mechelen Campus.

New tenants

In 2017, new rental agreements were entered into in the offices portfolio of Intervest for a total surface area of 3.968 m², with 10 new tenants attracted, mainly in Mechelen (there were 11 new tenants for a total area of 3.431 m² in 2016).

The most important transactions of 2017 were:

- Valesta in Mechelen Campus for 866 m²
- Cazimir in Diegem Greenhouse BXL for 700 m²
- Tecan in Mechelen Campus for 538 m²
- Fabricom in Aartselaar for 520 m²
- Plat4mation in Mechelen Campus for 318 m²
- T-Fitness Belgique in Antwerp Gateway House for 301 m²

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

In 2017, in the office portfolio, ongoing lease agreements for a surface area of 5.665 m² were renegotiated or extended in 10 transactions. A surface area of 9.944 m² was renegotiated in 21 transactions during the same period in 2016.

The most important transactions of 2017 were:

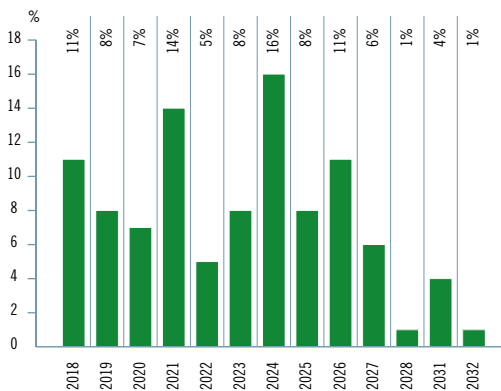
- expansion of Mylan in Hoeilaart Park Rozendal for 1.916 m²
- expansion of Galapagos in Mechelen Campus for 866 m²
- expansion and extension of Mitiska REIM in Dilbeek Inter Access Park for 817 m²
- extension of Info Support in Mechelen Intercity Business Park for 541 m²
- extension of Pebble Media at Mechelen Campus for 4207 m²S
- extension of Trend Micro at Mechelen Campus for 322 m²
- extension of Blue Crux at Mechelen Campus for 318 m²

¹ The short-term leases were not taken into account.

² The short-term leases, including the flexible contracts for RE:flex and the managed offices were not taken into account.

1.6. Duration of lease agreements in portfolio

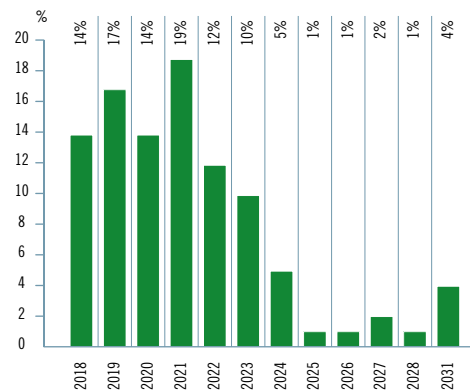
Final expiry dates of the lease agreements in the entire portfolio



The final expiry dates of Intervest's lease agreements are well-spread out over the coming years. Based on annual rent, only 11% of the agreements have a final expiry date in 2018. The majority of these (7%) relate to lease agreements for which the original final expiry date was in 2017 and which were temporarily extended.

Only 8% of the lease agreements will reach the final expiry date in 2019 and only 7% in 2020.

Next expiry date of the lease agreements in the entire portfolio



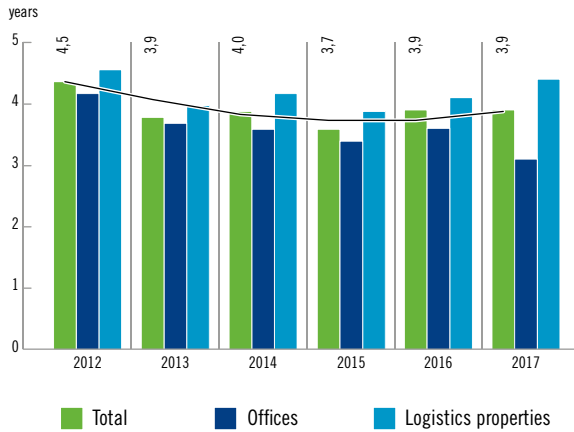
As most agreements are of the type 3/6/9, tenants have the possibility to end their lease agreements every three years. The graph gives the first expiry dates of all lease agreements (this can be the final expiry date or an interim expiry date). Because Intervest has several long-term agreements, not all lease agreements can be terminated after three years however.

The graph shows the hypothetical scenario as at 31 December 2017 in which every tenant terminates its lease agreement on the next interim expiry date. This is a worst-case scenario as on average, the tenants who vacated in 2017 only gave notice after a lease period of almost 14 years.

In 2018, 14% of the lease agreements reach their interim or final expiry date, of which 4% in the office portfolio and 10% in logistics real estate.

Average remaining duration of the agreements until the next expiry date

Entire portfolio



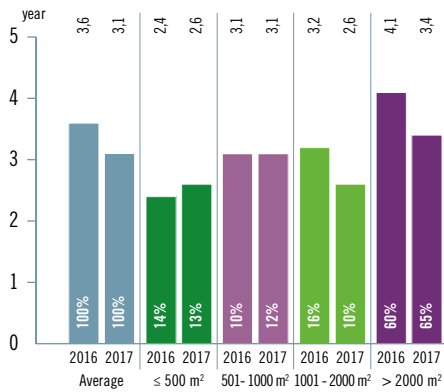
As at 31 December 2017, the average remaining duration of the lease agreements in the entire portfolio was 3,9 years, and remained identical to the situation as at 31 December 2016.



Liège - Coopervision

Offices

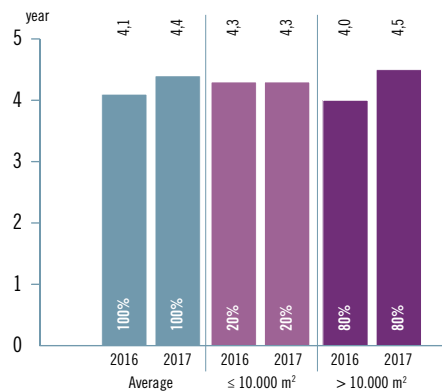
As at 31 December 2017, the average remaining duration of lease agreements in the office portfolio was 3,1 years as compared to 3,6 years as at 31 December 2016. For surface areas larger than 2.000 m², it was 3,4 years as compared to 4,1 years as at 31 December 2016.



For the offices, the average remaining lease period duration until the next expiry date amounted to 3,1 years as at 31 December 2017, as compared to 3,6 years as at 31 December 2016. For large office tenants (above 2.000 m²), which comprise 65% of the overall remaining rental income and which therefore have a great impact on Intervest's results, the next expiry date (as at 1 January 2018) is, on average, after 3,4 years.

Logistics real estate

For the logistics portfolio, the average remaining duration of the lease agreements increased to 4,4 years as at 31 December 2017, as compared to 4,1 years as at 31 December 2016.



For the logistics properties, the average lease period duration until the next expiry date amounted to 4,4 years as at 31 December 2017, as compared to 4,1 years as at 31 December 2016. This increase was mainly due to the acquisition of five logistics sites that are fully leased.

For major tenants (above 10.000 m² in storage halls) the next expiry date, on average, amounted to 4,5 years (4,0 years as at 31 December 2016).

2. Financial annual results 2017

2.1. Consolidated income statement

in thousands €	2017	2016
Rental income	43.349	45.280
Rental-related expenses	-4	-157
Property management costs and income	623	490
Property result	43.968	45.613
Property charges	-6.162	-5.242
General costs and other operating income and costs	-2.729	-2.145
Operating result before result on portfolio	35.077	38.226
Result on disposals of investment properties	0	-12.798
Changes in fair value of investment properties	-7.274	2.425
Other result on portfolio	-89	363
Operating result	27.714	28.216
Financial result (excl. changes in fair value of financial assets and liabilities)	-7.467	-9.147
Changes in fair value of financial assets and liabilities (ineffective hedges)	1.119	1.547
Taxes	-180	-34
NET RESULT	21.186	20.582
Note:		
EPRA earnings	27.430	29.044
Result on portfolio	-7.363	-10.009
Changes in fair value of financial assets and liabilities (ineffective hedges)	1.119	1.547

Analysis of the results¹

Interinvest's strategy is based on a reorientation of its office portfolio and a growth of the logistics real estate portfolio. For financial year 2017, the **rental income** of Interinvest amounted to € 43,4 million, a decrease of € 1,9 million or 4% as compared to the 2016 financial year (€ 45,3 million).

In 2017, the rental income in the office segment decreased by € 4,0 million or 9%, mainly due to the strategic reorientation of the office portfolio. This was the result, on the one hand, of the divestment of five non-strategic buildings in the Brussels periphery in June 2016 and, on the other, of the redevelopment of the office site in Diegem into Greenhouse BXL after the vacation of tenant Deloitte in Diegem as at 31 January 2017, in consequence of which this site was not leased in 2017.

The decrease in rental income in the office segment is partly compensated by the increase in rental income of € 2,1 million or 5% in the logistics segment, primarily due to the acquisitions of five logistics sites realised in 2017.

The **property charges** for financial year 2017 amounted to € 6,2 million (€ 5,2 million). The rise was caused primarily by the € 0,2 million increase in technical costs and the rise by € 0,6 million in the property management costs due to the expansion of the acquisition team and the reinforcing of the team for logistics real estate.

The **general costs** amounted to € 2,7 million for financial year 2017 (€ 2,2 million). The increase of € 0,5 million is attributable to higher personnel, accommodation and office costs, as a result of a dedicated management committee and a larger workforce, as well as higher advisory costs within the scope of the company's growth.

The decrease in rental income, combined with the increase in general costs and property charges, means that the **operating result before result on portfolio** fell by € 3,1 million or 8% to € € 35,1 million in 2017 (€ 38,2 million). This means that the operating margin of Interinvest amounted to 81% for financial year 2017 (84%).

Interinvest did not divest investment properties during financial year 2017. The **result on disposal of investment properties** in 2016 amounted to € -12,8 million due to the capital loss realised on the divestment of five buildings in the Brussels periphery in June 2016.

The **changes in the fair value of investment properties** amounted to € -7,3 million in 2017 (€ 2,4 million) or a decrease in fair value of 1% compared to the close of 2016. These changes are mainly due to the combined effect of:

- the increase by € 1,4 million of the fair value of the existing office portfolio, primarily in the Mechelen region
- the decrease in fair value by € -8,7 million of the existing logistics real estate portfolio, primarily as a result of the expected future forecast vacancy period in Puurs and the change of the rental situation in Wommelgem.

The **financial result (excl. changes in fair value of financial assets and liabilities (ineffective hedges))** in 2017 amounted to € -7,5 million and is therefore € 1,6 million lower than in 2016 (€ -9,1 million). The decrease in financing costs is primarily due to the entering into force of interest rate swaps at lower interest rates. The average interest rate of the financing for 2017 amounted to 2,6%, including bank margins, compared to 3,1% in 2016.

Increase in the rental income in the logistics real estate portfolio by 5% due to acquisitions and decrease in the office portfolio by 9% due to strategic reorientation.

The average interest rate for financing amounts to 2,6%, including bank margins for the 2017 financial year (3,1% in 2016).

¹ The figures between brackets are the comparable figures for financial year 2016.

The **changes in fair value of financial assets and liabilities (ineffective hedges)** included the change in 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 € 1,1 million (€ 1,5 million).

The **net result** of Interinvest for the 2017 financial year amounted to € 21,2 million (€ 20,6 million) and can be divided into:

- **EPRA earnings** of € 27,4 million (€29,0 million); the decrease of € 1,6 million is primarily the result of the drop in the rental income and the increase in the general costs and property charges, partly compensated by the decrease in the financing costs
- the **result on portfolio** of € -7,3 million (€ -10,0 million)
- the **changes in fair value of financial assets and liabilities (ineffective hedges)** in the amount of € 1,1 million (€ 1,5 million).

This means EPRA earnings of € 27,4 million (€ 29,0 million) for Interinvest for financial year 2017. Taking into account the 17.409.850 weighted average number of shares, this results in **EPRA earnings per share** of € 1,58 as compared to € 1,73 per share for financial year 2016.

Taking into account the 17.740.407 dividend-entitled shares as at year end, this results in EPRA earnings per share of € 1,55 as compared to € 1,73 per share for financial year 2016.

Within the scope of its growth strategy, Interinvest decided in March 2016 to plan a gross dividend of a minimum of € 1,40 per share for financial years 2016, 2017 and 2018¹. A **gross dividend** of € 1,40 (€ 1,40 for financial year 2016) will be offered to the shareholders. This equals a pay-out ratio of 91%² of the EPRA earnings. This represents a **gross dividend yield** of 6,2%, based on the closing share price as at 31 December 2017 (€ 22,49).

Gross dividend € 1,40

*Gross dividend
yield of 6,2%*

RESULT PER SHARE	2017	2016
Number of shares at year-end	18.405.624	16.784.521
Number of dividend-entitled shares	17.740.407	16.784.521
Weighted average number of shares	17.409.850	16.784.521
Net result (€)	1,22	1,23
EPRA earnings per share based on the number of dividend-entitled shares (€)	1,58	1,73
EPRA earnings per share based on the weighted average number of shares (€)	1,55	1,73
Pay-out ratio (%)	91%	81%
Gross dividend (€)	1,40	1,40
Percentage withholding tax	30%	30%
Net dividend (€)	0,9800	0,9800

¹ Subject to approval by the annual general meetings to be held in 2018 and 2019.

² Interinvest Offices & Warehouses is a public regulated real estate company with a legal distribution obligation of at least 80% of the net result, adjusted to non-cash flow elements, realised capital gains and capital losses on investments properties and debt reductions.

2.2. Consolidated balance sheet

in thousands €

31.12.2017 31.12.2016

	31.12.2017	31.12.2016
ASSETS		
Non-current assets	663.846	612.373
Current assets	15.572	12.790
Total assets	679.418	625.163
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	359.366	326.085
Share capital	167.720	152.948
Share premium	111.642	90.821
Reserves	58.818	61.734
Net result of financial year	21.186	20.582
Minority interest	0	0
Liabilities	320.052	299.078
Non-current liabilities	255.584	223.953
Current liabilities	64.468	75.125
Total shareholders' equity and liabilities	679.418	625.163

BALANCE SHEET INFORMATION PER SHARE

31.12.2017 31.12.2016

	31.12.2017	31.12.2016
Number of shares at year-end	18.405.624	16.784.521
Number of dividend-entitled shares	17.740.407	16.784.521
Net value (fair value) (€)	19,52	19,43
Net value (investment value) (€)	20,35	20,37
Net asset value EPRA (€)	19,62	19,60
Share price on closing date (€)	22,49	23,90
Premium to net value (fair value) (%)	15%	23%
Debt ratio (max. 65%)	44,6%	45,7%

Assets¹

The fair value of the real estate portfolio as at 31 December 2017 amounted to € 663 million.

The **non-current assets** consist mainly of investment properties of Interinvest. The **fair value** of the real estate portfolio of the company increased by approximately € 52 million in 2017, and as at 31 December 2017 it amounted to € 663 million (€ 611 million). The underlying fair value of the real estate portfolio underwent the following changes in 2017.

- The increase in fair value of the **logistics portfolio** by approximately € 49 million or 16% compared to the fair value as at 31 December 2016, was primarily due to the combined effect of:
 - € 52 million pursuant to the acquisition of five logistics buildings, three in Belgium and two in the Netherlands
 - € -9 million or -3% by the decrease in fair value of the existing logistics portfolio, primarily as a result of the expected future forecast of vacancy period in Puurs and the change of the rental situation in Wommelgem
 - € 6 million due to investments and expansions in the existing logistics portfolio, mainly in Herentals Logistics 3.
- The increase in fair value of the **office portfolio** by approximately € 2 million or 1% as compared to the fair value as at 31 December 2016, which is primarily the combined effect of:
 - € 1 million or 1% due to the increase in fair value of the existing office portfolio, mainly in the Mechelen region
 - € 1 million investments in the existing offices portfolio.

The **current assets** amounted to € 16 million and consist mainly of trade receivables in the amount of € 10 million, € 7 million of which for advance invoicing for the first quarter of 2018, € 3 million from tax receivables and other current assets and € 2 million from deferred charges and accrued income.

¹ The figures between brackets are the comparable figures for financial year 2016.



Liabilities¹

Shareholders' equity increased by € 33 million or 10% in 2017.

Shareholders' equity increased by € 33 million or 10% in 2017. The company's shareholders' equity increased by € 33 million or 10% in 2017, and as at 31 December 2017 it amounted to € 359 million (€ 326 million), represented by 18.405.624 shares (16.784.521 shares). This increase is primarily pursuant to the net result of the 2017 financial year, the payment of the dividend for the 2016 financial year and four capital increases:

- For the **dividend** distribution for financial year 2016, the shareholders of Interinvest chose for 55% of their shares for a contribution of their dividend rights in return for new shares instead of payment of the dividend in cash. This led as at 22 May 2017 to a strengthening of the shareholders' equity by € 9 million through the creation of 420.847 new shares. The newly created shares provide an entitlement to dividend as from 1 January 2017.
- The acquisition of the logistics sites in Oevel and Aarschot as at 5 May 2017 was realised through two capital increases by contribution in kind by the issue of 535.039 new shares for an amount of € 13 million. The shares created provide an entitlement to dividend as from 1 January 2017.
- The acquisition of the logistics site in Zellik as at 22 December 2017 was also realised through a capital increase by contribution in kind by the issue of 665.217 new shares for an amount of € 14 million. The shares created provide an entitlement to dividend as from 1 January 2018.

As a result of this capital increase, the **share capital** of the company rose in 2017 by € 15 million to € 168 million (€ 153 million) and the **share premium** rose by € 21 million to € 112 million (€ 91 million).

The company's **reserves** amounted to € 59 million (€ 62 million).

As at 31 December 2017, the **net value (fair value)** of a share was € 19,52 (€ 19,43). As the share price of an Interinvest share (INTO) was € 22,49 as at 31 December 2017, the share was listed at a premium of 15% on closing date, compared to the fair value.

The **non-current liabilities** amounted to € 256 million (€ 224 million) and, on the one hand, comprised non-current financial debts in the amount of € 252 million (€ 220 million) which consist of € 193 million long-term bank financing, the expiry date of which is after 31 December 2018 and the bond loans issued in March 2014 for € 60 million. On the other hand, the non-current liabilities also comprised the other long-term financial liabilities, representing the negative market value of € 2 million of the cash flow hedges concluded by the company to hedge the variable interest rates on the financial debts.

The **current liabilities** amounted to € 64 million (€ 75 million) and consisted mainly of € 47 million in current financial debts, i.e. bank loans with an expiry date before 31 December 2018 (€ 62 million), of € 2 million in trade debts and € 15 million in deferred income and accrued income.

The **debt ratio** of Interinvest amounted to 44,6% as at 31 December 2017 (45,7% as at 31 December 2016). The decrease by 1,1% in the debt ratio was primarily caused by the strengthening of the shareholders' equity as a result of the optional dividend and the acquisitions in Oevel, Aarschot and Zellik realised by way of capital increases by contribution in kind with the issue of new shares.

¹ The figures between brackets are the comparable figures for financial year 2016.

2.3. Financial structure

The **financing policy** of Interinvest is aimed at optimally financing the growth strategy of the company. For this purpose, there is an attempt to achieve an equilibrium in the debt-shareholders' equity ratio, where the intention is to keep the debt ratio between 45% and 50%. Interinvest ensures that there are enough resources available to finance current projects and to be able to follow up growth opportunities. Sound diversification of various financing sources is pursued, as is an adequate spread of the expiry dates of the financing agreements. Interinvest continues to pay attention to actively managing the financial risks, including risk of interest, of liquidity and of financing.

In practice, in 2017 Interinvest further **optimised its financing structure** by:

- Extending the average duration of long-term financing from 2,9 to 4,6 years by:
 - refinancing its credit portfolio with KBC Bank for € 75 million, spread over 3 tranches, with durations of 5, 6 and 7 years
 - entering into new financing of € 40 million with Belfius Bank, having a duration of 7 years
 - entering into a credit agreement with a new Belgian financing partner, Argenta Spaarbank, for € 50 million with a duration of 8 years.
- The diversification of its financing partners.
- Making its hedging strategies stronger through the current low interest rates: where the previous target hedge ratio was 66%, the aim was fixed at 80% as from the start of 2017. At the end of 2017, the hedge ratio amounted to 76%.
- The extension of the average duration of the interest rate swaps from 2,5 years to 3,6 years by entering into new interest rate swaps for € 40 million at lower interest rates.
- The decrease in average financing cost from 3,1% in 2016 to 2,6% in 2017.

This (re)financing shows the confidence that financial institutions have in Interinvest and its strategy. They have led to an adequate spread of the expiry calendar of the long-term financing between 2018 and 2025, while duly regarding balance between cost price, duration and diversification of the financing sources.

Moreover, at the end of 2017, a buffer of € 101 million of non-withdrawn credit lines was available to finance the growth in 2018 with borrowed capital.

This is possible as a result of the limited debt ratio of 44,6% as at 31 December 2017, due to which approximately 75 million can still be invested with borrowed capital before reaching the top of the strategic range of 45%-50%.

This solid capital structure was achieved by creating new own equity by issuing 9,7% shares during the course of 2017 within the scope of drie contributions in kind (logistics sites in Oevel, Aarschot and Zellik) for € 27 million and the optional dividend with a success rate of 55% for € 9 million.

The debt ratio of Interinvest amounted to 44,6% as at 31 December 2017.

Average remaining duration of the long-term financing

4,6 years

Hedge duration

3,6 years

Average interest rate of the financing

2,6%

Buffer credit lines

€ 101 million

The most important **characteristics of the financial structure** as at the end of 2017 are:

- amount of financial debts: € 299 million (excluding the market value of financial derivatives)
- 84% long-term financing agreements with an average remaining duration of 4,6 years
- 16% short-term financing agreements, consisting of 8% of financing with an unlimited duration (€ 32 million), consisting of 8% credit facilities expiring in 2018 (€ 33 million)
- 80% of the credit lines are bilateral credit facilities, 20% are bond loans
- spread expiry dates of credit facilities between 2018 and 2025
- spread of the credit facilities over 7 European financial institutions and bond holders
- € 101 million non-withdrawn committed credit lines
- hedge ratio: 57% of the credit lines have a fixed interest rate or are fixed by interest rate swaps, 43% have a variable interest rate; 76% of the financing drawn down has a fixed interest rate or is fixed by interest rate swaps and 24% had a variable interest rate
- as at 31 December 2017, the weighted average remaining duration of the interest rate swaps was 3,6 years
- the weighted average interest rate of the interest rate swaps was 0,7% as at 31 December 2017
- market value of the financial derivatives: € 1,8 million negative
- average interest rate for 2017: 2,6% including bank margins (3,1% for 2016)
- debt ratio of 44,6% (statutory maximum: 65%) (45,7% as at 31 December 2016)
- interest coverage ratio of 4,7 for 2017 (4,2 for 2016)
- no change in 2017 in the existing contracted agreements
- the RREC fulfilled its contracted agreements as at 31 December 2017.

*Hedge duration
(incl. fixed rate
financing)*

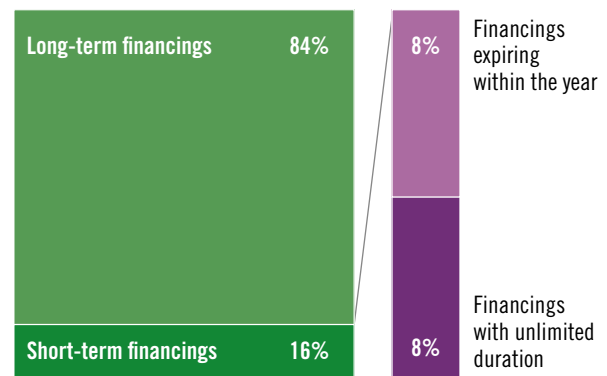
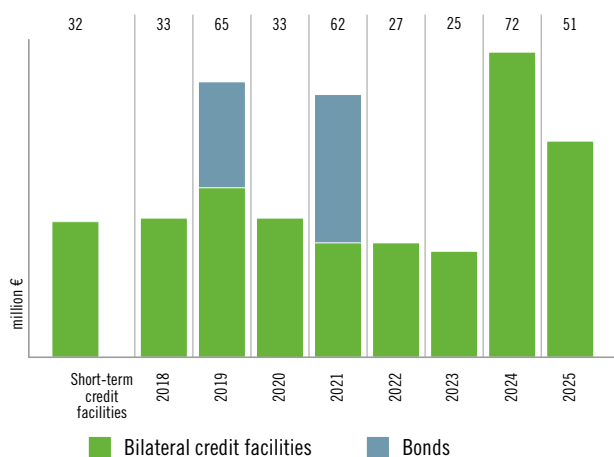
3,4 years

*Hedge ratio
(incl. fixed rate
financing)*

76%

Interest coverage ratio

4,7



3. Outlook 2018

Permanent changes in the real estate and financial markets are the reason why Interinvest carefully follows up on its strategy and approach every year and refines it without affecting the essence in the process.

In 2017, Interinvest ensured that the company was prepared for further growth, in addition to the acquisitions concluded. The basic focus in 2018 remains on expanding the logistics real estate and the reorientation towards inspiring office buildings.

Investments

Also in 2018 Interinvest will continue to work on its strategic growth plan regarding the reorientation of its office portfolio and expansion of the logistics real estate portfolio. The intention in doing so is to have the real estate portfolio, which was € 663 million at the end of 2017, grow to € 800 million by the end of 2018.

The objective continues to be to make the strategic emphasis shift that was started a few years ago to a proportion of 60% of logistics real estate and 40% of office buildings. The ratio between the two segments as at the end of 2017 was 54% logistics buildings and 46% offices.

The real estate to be acquired will preferably be located in the most significant logistics axes where Interinvest already operates, i.e. the Antwerp - Brussels - Nivelles axis and the Antwerp - Limburg - Liège axis. Other locations in Belgium, the Netherlands and Germany will also be considered. Preference goes to locations that have future potential and benefit from tri-modal access.

In view of investors' great interest for the logistics investment market and the relatively high prices as a result, Interinvest aims to combine the acquisition of land positions with a view to build-to-suit projects, sale-and-lease-back operations and traditional investments so that it can achieve a sufficiently attractive yield.

Interinvest currently has a promising set of potential acquisitions for logistics real estate in the pipeline, including in the Netherlands. In the meantime, Interinvest has become known in the Dutch real estate market as an active investor that reacts flexibly to investment opportunities, which reinforces its competitiveness for future acquisitions. The signature in January 2018 of the letter of intent for the development of a logistics project of approximately 28.000 m² in Roosendaal (the Netherlands) confirms this state of affairs.

The market in Germany is being further examined. Interinvest will assess whether there are any possible investment opportunities that fit in with the strategy and that provide adequate added value.

Investments in the office market where buildings and locations are geared towards an inspiring unique working environment are being actively examined. In this regard, Interinvest aims to make investments in office buildings having an exceptional character with regard to multi-functionality, architecture and/or sustainability.



Genk Green Logistics

The allocation of the Flemish Government to 'Genk Green Logistics' as preferred bidder for the redevelopment of the Ford site in Genk contributes substantially to the future achievement of the Intervest growth plan.

'Genk Green Logistics', a joint venture to be set up between Intervest and Group Machiels in collaboration with MG Real Estate and DEME Environmental Contractors, has important complementary expertise regarding the development of large-scale industrial sites. The site provides a development potential of approximately 250.000 m² of logistics buildings over a period of five years.

The contractual agreement with the Flemish Government to acquire the site is expected to be finalised in the first half of 2018. The commercialisation of the new construction development on the Ford site will also be started.

Greenhouse BXL

In the office portfolio, the redevelopment of Greenhouse BXL in Diegem into an innovative, inspiring and service-oriented multi-tenant campus with a third RE:flex takes priority. The building works are expected to be finished in the second quarter of 2018. The commercialisation of the site is fully under way. After having attracted the first tenant in 2017, Intervest aims to be able to welcome more new tenants there in 2018.

Leases and occupancy rate

The occupancy rate of the Intervest real estate portfolio was 86% as at 31 December 2017. Without taking into account the Greenhouse BXL redevelopment project, the occupancy rate is 91% (85% for the office portfolio and 98% for the logistics portfolio).

Increasing tenant retention by extending lease duration continues to be the key challenge in the area of asset management, as does further stabilising and possibly improving the occupancy rate in the office segment. Besides these leases in Greenhouse BXL in Diegem, Intervest aims to keep the number of new leases, extensions and expansions in the office portfolio at a stable minimum.

The evolution in the occupancy rate in the logistics segment will significantly depend on the re-renting of the sites in Puurs and Boom.

Beyond real estate

Intervest continues to permanently respond to changing market circumstances, adapt accordingly and combine this with solid real estate experience.

In the strategic move away from the simple letting of square metres towards the provision of flexible solutions and extensive service provision, Intervest continues along that path with the concept of RE:flex and turn-key solutions, *beyond real estate*. Intervest can 'unburden' its customers and offer them added value by listening to what they want, by thinking along with them and by thinking ahead. In 2018 Intervest will again aim to enter new leases or to renew existing lease agreements and implement turn-key solutions: a fully bespoke solution, ranging from fitting-out plans and supervising the works to coordinating the relocation process, within a pre-set time frame and budget.



Greenhouse Antwerp - fit20



Greenhouse Antwerp - Ironing service

Gross dividend

Within the scope of its announced growth strategy, Intervest decided in March 2016 to plan a gross dividend of a minimum of € 1,40 per share for financial years 2016, 2017 and 2018.

Financing

In 2017, in the area of finance, Intervest improved and prepared its financing and balance sheet structure for the 2018 growth plan.

For example, Intervest extended the average duration of long-term financing from 2,9 to 4,6 years by entering into new financing and extending the existing credit facilities having durations ranging from 5 up to and including 8 years for a total of € 165 million. This has led to an adequate spread of the expiry calendar for long-term financing between 2018 and 2025, while duly regarding balance between cost price, duration and diversification of the financing sources. Intervest's average financing cost decreased from 3,1% in 2016 to 2,6% in 2017.

In 2018, only 8% of the credit lines will need to be refinanced for a total amount of € 33 million.

At the end of 2017, a buffer of € 101 million of non-withdrawn credit lines were available to finance the growth in 2018 with borrowed capital. This is possible as a result of the limited debt ratio of 44,6% as at 31 December 2017, due to which approximately € 75 million can still be invested with borrowed capital before reaching the top of the strategic range of 45%-50%.

Furthermore, issues of debt instruments and share issues to finance further growth will be examined and, where possible, always geared towards the real estate investments pipeline.

Sustainability

As in previous years, Intervest will keep up its efforts in the area of sustainability and environmentally-conscious planning.

Intervest endorses the VOKA Charter Duurzaam Ondernemen (VCDO) that is based on the 17 sustainable development goals of the UN formulated in five domains: peace, people, planet, prosperity and partnership.

By using this as the basis, for 2018 Intervest has developed a plan consisting of 10 practical points of action that can be monitored through the VCDO.

Intervest has also become a member of Flux50, the Flemish spearhead cluster encouraging collaboration between companies and organisations from different sectors and of different sizes, as well as with knowledge institutions, policy makers and even end consumers. Flux50 aims to initiate innovation trajectories in five topical domains or innovator zones - power havens, microgrids, multi-power applications for neighbourhoods, energy cloud applications and intelligent renovation.

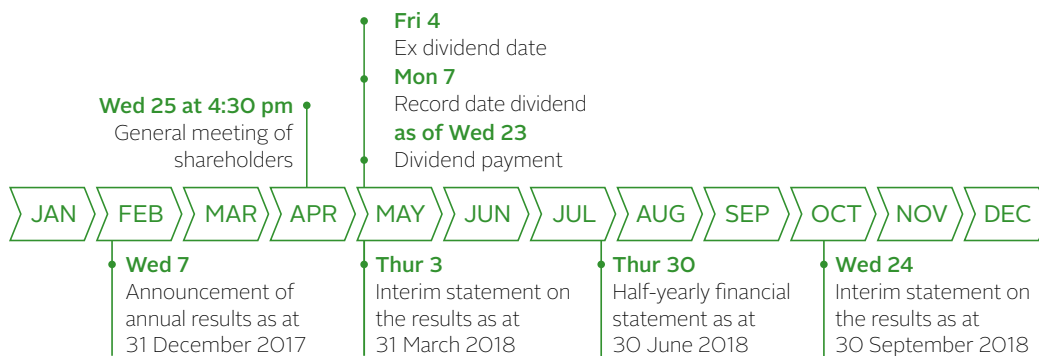
Smart Business Area of the Future is a 10-month long viability study in the microgrid innovator zone coordinated by Engie. Together with Quares, Engie and Continental, Intervest forms part of the business consortium that will analyse the possibilities on the Mechelen Campus offices site and its immediate vicinity to create a smart grid environment in the long term to exchange power with one another.

The company will continue to present the buildings in its portfolio to BREEAM for certification. There is the intention to have a number of additional sites assessed according to the BREEAM-In-Use method in 2018. This method ("Building Research Establishment Environmental Assessment Methodology"-In-Use, or "BIU" for short) assesses the sustainability of existing buildings with respect to building physics, operational management and control, as well as the use of the building.



Boom - Photovoltaic installation

4. Financial calendar for 2018



The annual report on the results for the 2017 financial year will be available on the company's website (www.intervest.be) as from 23 March 2018.

Intervest Offices & Warehouses nv, (hereinafter Intervest), 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 invests in high-quality Belgian office buildings and logistics properties that are leased to first-class tenants. The properties in which Intervest invests, consist primarily of up-to-date buildings that are strategically located in the city centre and 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 with further extensions in Belgium, the Netherlands and towards Germany. Intervest distinguishes itself when leasing space by offering more than square metres only. The company goes *beyond real estate* by offering 'turnkey solutions': a tailor-made global solution with the customer going from plans, design, coordination of works to budget monitoring.

For more information, please contact:

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<http://www.intervest.be/en>

Annexes: Financial statements¹

1. Consolidated income statement

in thousands €	2017	2016
Rental income	43.349	45.280
Rental-related expenses	-4	-157
NET RENTAL INCOME	43.345	45.123
Recovery of property charges	881	683
Recovery of rental charges and taxes normally payable by tenants on let properties	12.864	7.880
Costs payable by tenants and borne by the landlord for rental damage and refurbishment	-375	-412
Rental charges and taxes normally payable by tenants on let properties	-12.864	-7.880
Other rental-related income and expenses	117	219
PROPERTY RESULT	43.968	45.613
Technical costs	-1.325	-1.084
Commercial costs	-252	-337
Charges and taxes on un-let properties	-634	-475
Property management costs	-3.544	-2.979
Other property charges	-407	-367
Property charges	-6.162	-5.242
OPERATING PROPERTY RESULT	37.806	40.371
General costs	-2.722	-2.232
Other operating income and costs	-7	87
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	35.077	38.226
Result on disposals of investment properties	0	-12.798
Changes in fair value of investment properties	-7.274	2.425
Other result on portfolio	-89	363
OPERATING RESULT	27.714	28.216
Financial income	161	196
Net interest charges	-7.621	-9.329
Other financial charges	-7	-14
Changes in fair value of financial assets and liabilities (ineffective hedges)	1.119	1.547
Financial result	-6.348	-7.600
RESULT BEFORE TAXES	21.366	20.616
Taxes	-180	-34
NET RESULT	21.186	20.582
NET RESULT	21.186	20.582

¹ The statutory auditor has confirmed that his full audit, which has been substantially completed, has not revealed material adjustments which would have to be made to the accounting information disclosed in this press release and that an unqualified auditor's report will be issued.

in thousands € 2017 2016

Note:		
EPRA earnings	27.430	29.044
Result on portfolio	-7.363	-10.009
Changes in fair value of financial assets and liabilities (ineffective hedges)	1.119	1.547
Attributable to:		
Shareholders of the parent company	21.186	20.582
Minority interests	0	0

RESULT PER SHARE 2017 2016

Number of shares at year-end	18.405.624	16.784.521
Number of dividend-entitled shares	17.740.407	16.784.521
Weighted average number of shares	17.409.850	16.784.521
Net result (€)	1,22	1,23
Diluted net result (€)	1,22	1,23
EPRA earnings per share based on the weighted average number of shares (€)	1,58	1,73
EPRA earnings per share based on the number of dividend-entitled shares (€)	1,55	1,73

2. Consolidated statement of comprehensive income

in thousands € 2017 2016

NET RESULT	21.186	20.582
Other components of comprehensive income (recyclable through income statement)	0	0
COMPREHENSIVE INCOME	21.186	20.582
Attributable to:		
Shareholders of the parent company	21.186	20.582
Minority interests	0	0

3. Consolidated balance sheet

ASSETS in thousands €	31.12.2017	31.12.2016
NON-CURRENT ASSETS	663.846	612.373
Intangible assets	501	331
Investment properties	662.539	610.944
Other tangible assets	611	702
Financial non-current assets	182	383
Trade receivables and other non-current assets	13	13
CURRENT ASSETS	15.572	12.790
Trade receivables	9.609	6.601
Tax receivables and other current assets	3.471	3.913
Cash and cash equivalents	728	412
Deferred charges and accrued income	1.764	1.864
TOTAL ASSETS	679.418	625.163
SHAREHOLDERS' EQUITY AND LIABILITIES in thousands €	31.12.2017	31.12.2016
SHAREHOLDERS' EQUITY	359.366	326.085
Shareholders' equity attributable to shareholders of the parent company	359.366	326.085
Share capital	167.720	152.948
Share premium	111.642	90.821
Reserves	58.818	61.734
Net result financial year	21.186	20.582
Minority interests	0	0
LIABILITIES	320.052	299.078
Non-current liabilities	255.584	223.953
Non-current financial debts	252.371	219.703
<i>Credit institutions</i>	192.675	160.142
<i>Bond loan</i>	59.696	59.561
Other non-current financial liabilities	2.020	3.330
Other non-current liabilities	1.001	920
Deferred taxes - liabilities	192	0
Current liabilities	64.468	75.125
Current financial debts	46.805	62.012
<i>Credit institutions</i>	46.805	62.012
Other current financial liabilities	3	13
Trade debts and other current debts	2.290	2.655
Other current liabilities	217	232
Accrued charges and deferred income	15.153	10.213
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	679.418	625.163