BEYOND
REAL
ESTATE

HALF-YEARLY FINANCIAL REPORT 2019

INTERVEST
OFFICES & WAREHOUSES

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ESTATE

HALF-YEARLY FINANCIAL REPORT

from the board of directors for the period
01.01.2019 to 30.06.2019

INTERVEST
OFFICES & WAREHOUSES

CONTENT

BEYOND REAL ESTATE

Régulated information - embargo till 31/07/2019, 6:00 pm

Antwerp, 31 July 2019

INTERVEST
OFFICES & WAREHOUSES

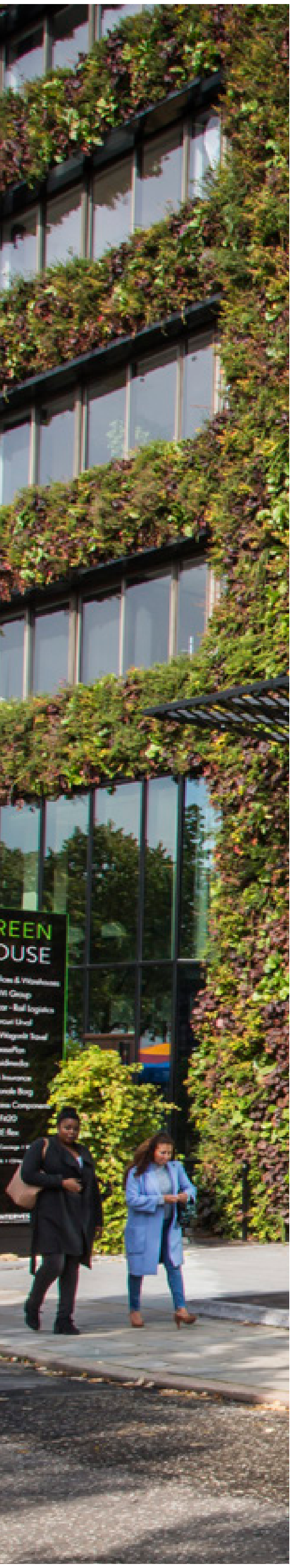
Half-yearly financial report from the board of directors for the period 01.01.2019 to 30.06.2019

- **Growth Plan 2019:** further growth to a real estate portfolio of € 1 billion by the end of 2019, with an increase in EPRA earnings per share of at least 3% and a minimum gross dividend of € 1,50 per share.
- Growth of the real estate portfolio by 5% or € 42 million, to a **fair value** of € 909 million as at 30 June 2019 (€ 867 million as at 31 December 2018).
- **Expansion** of logistics portfolio in **the Netherlands:** acquisition of built-to-suit centre in Borchwerf II logistics hotspot in **Roosendaal** and logistics site in **Nijmegen** as a strategic land position.
- Development projects: start of **construction work** on sustainable logistics projects at Borchwerf I in **Roosendaal** and Gold Forum in **Eindhoven**.
- **Genk Green Logistics** (development potential of more than 250.000 m² of logistics real estate on the former Ford site in Genk): demolition and remediation works ongoing, marketing fully under way.
- **Occupancy rate** of the total real estate portfolio 91% as at 30 June 2019 (93% as at 31 December 2018); office portfolio occupancy rate stable at 88% and logistics portfolio 93%.
- **Limited rental transactions** in the first semester of 2019.
- Increase in fair value of **existing real estate portfolio** by 1% in the first semester of 2019[1] mainly due to sharpened yields in the logistics portfolio.

1 Compared to the fair value of the investment properties as at 31 December 2018, with unchanged composition of the portfolio.

- **Ratio** of real estate segments as at 30 June 2019: 62% logistics real estate and 38% office buildings.
- Increase in **EPRA earnings** by 75% in the first semester of 2019[2] due to growth of the real estate portfolio and a one-off termination indemnity received following the departure of the tenant Medtronic.
- Increase of **EPRA earnings excluding termination indemnity received from Medtronic** by 42% in the first semester of 2019[2] due to growth of the real estate portfolio.
- Improvement in **operating margin** by 5% points from 79% in the first semester of 2018 to 84% in the first semester of 2019. Excluding one-off termination indemnity from Medtronic, the operating margin improved by 3%-points from 79% in the first semester of 2018 to 82% in the first semester of 2019.
- **Decrease of the average interest** rate of financing: 2,3% in the first semester of 2019 (2,5% in the first semester of 2018).
- **EPRA earnings per share:** € 1,03 in the first semester of 2019 (€ 0,77 in the first semester of 2018); EPRA earnings per share excluding termination indemnity received rose by 8%[2] and amounted to € 0,83.
- **Strengthening of the equity** in the first semester of 2019 by € 8,6 million through the optional dividend, with 45,2% of shareholders opting for shares.
- **Debt ratio:** 45,2% as at 30 June 2019 (43,5% as at 31 December 2018).

2 Compared to the first semester of 2018.



Alternative performance measures

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 to 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 measures are marked with a with a ✪ and mention definition, objective and reconciliation as required by the ESMA guidelines

1. Interim half-yearly report for the first semester of 2019

After successfully achieving its objectives in 2018, Intervest will pursue its investment strategy and expects the real estate portfolio to further expand to a fair value of € 1 billion by the end of 2019 and € 1,3 billion by the end of 2021.

The **expansion of the logistics real estate portfolio in the Netherlands** was further developed in the first semester of 2019 by various acquisitions with long-term lease agreements. These acquisitions, for a total acquisition value of € 24 million, create a total of 37.000 m² additional leasable space. Intervest is strengthening its position as logistics owner in the south of the Netherlands, where now a total of 12 properties are located along the main logistics axes in the south.

Acquisition of 2 logistics sites for

€ 24 million

The **fair value** of the investment properties as at 30 June 2019 amounted to € 909 million, an increase of 5% or € 42 million compared to 31 December 2018 (€ 867 million). The logistics share of the total portfolio amounted to 62%. One-third of the logistics portfolio is currently located in the Netherlands.

Fair value investment properties

€ 909 million

In Genk, the further development of the **Genk Green Logistics** project for the redevelopment of zone B of the Ford site into a state-of-the-art logistics complex, that after full development spread over several years will comprise more than 250.000 m², is continuing as planned. The demolition and remediation works are ongoing. Intervest expects that it can have the first logistics building of approximately 20.000 m² started in the fourth quarter of 2019. Marketing of the site is under way.

Development potential

250.000 m²

Genk Green Logistics

The **occupancy rate** of the total real estate portfolio was 91% as at 30 June 2019, which is a decrease by 2% points compared to year-end 2018. The occupancy rate of the logistics portfolio was 93% as at 30 June 2019 (98% as at 31 December 2018). The decrease is largely attributable to the early departure of the tenant Medtronic in Opglabbeek that had previously been announced. The occupancy rate of the office portfolio remained stable compared to year-end 2018, at 88% as at 30 June 2019.

Occupancy rate

91%

The **reorientation in the office portfolio,** according to which the offices are developed as pioneering, inspirational meeting places where working and living come together, have resulted in these buildings distinguishing themselves from the rest of the office market. The service-oriented, flexible Greenhouse concept acts as a catalyst, creating a community across the various locations. This helps to attract prominent tenants, while the number of co-workers is steadily increasing.

Successful concept

Greenhouse

During the first semester of 2019, **rental activity** was rather limited. In the office portfolio, lease agreements were concluded for a total of 2% of the annual contractual rents with new of existing tenants totalling 5.000 m² in 11 transactions. Also 39 agreements (co-working spaces and serviced offices) were concluded in the Greenhouse Flex spaces.

In the logistics portfolio, mainly temporary agreements were concluded in the first semester of 2019 meeting the demand from logistics players for flexibility. It concerns rents in vacant spaces or spaces that soon will be vacant, where simultaneous negotiations for concluding long-term lease agreements are ongoing, so that vacancy in the logistics portfolio can be limited.

Flexibility

The **EPRA earnings** as at 30 June 2019 increased by 75% compared to the first semester of last year. The EPRA earnings excluding the one-off termination indemnity received from tenant Medtronic increased by 42% compared to the first semester of last year.

EPRA earnings

+75%

The **average interest rate for financing** amounted to 2,3% in the first semester of 2019, a decrease compared to financial year 2018 (2,5%). The **debt ratio** of the company amounted to 45,2% as at 30 June 2019.

Average interest rate of financing

2,3%

The **EPRA earnings per share** for the first semester of 2019 amounted to € 1,03, an increase of 33% compared to 30 June last year. Without taking into account the one-off termination indemnity received from the tenant Medtronic, the EPRA earnings per share increased by 8% to € 0,83 per share (€ 0,77 as at 30 June 2018).

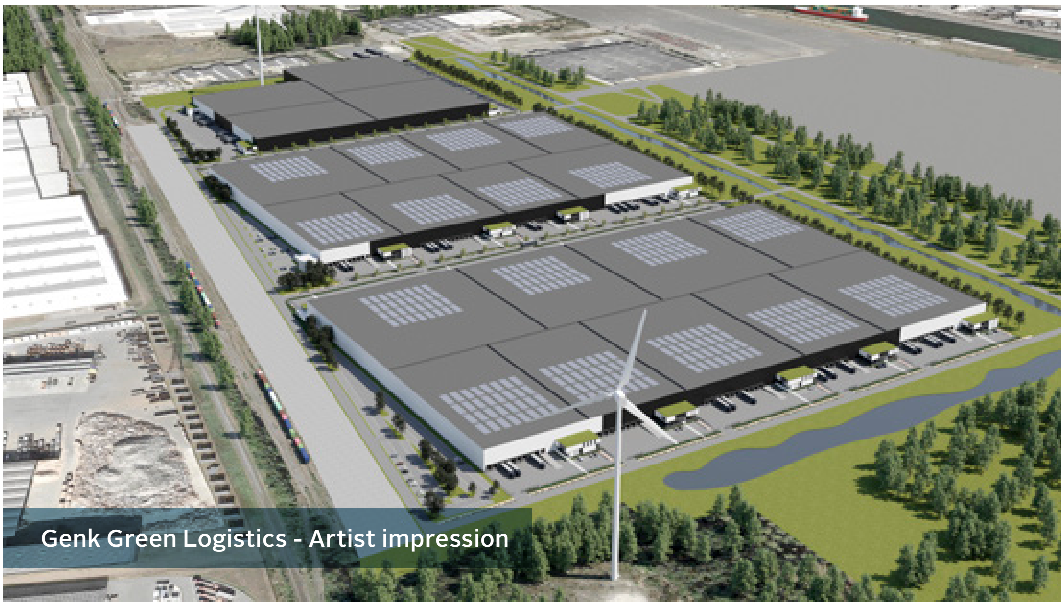
EPRA-earnings per share excluding termination indemnity Medtronic

+8%

Intervest strengthened in the first semester of 2019 the **shareholders' equity** by € 8,6 million as a result of the optional dividend where 45,2% opted for shares.

Optional dividend

45,2%



Genk Green Logistics - Artist impression

1.1. Investments

The expansion of the logistics real estate portfolio with the sites in Roosendaal and Nijmegen represents an investment of € 24 million.

The two sites together have a leasable surface area of approximately 37.000 m² and generate a rental income flow of over € 1,7 million on an annual basis. The acquisitions have an average gross initial return of 7,0%.

The Netherlands - Roosendaal - Borchwerf II

1.1.1. Acquisition of a built-to-suit centre for production and distribution operations of 17.800 m² at the Borchwerf II logistics hotspot in Roosendaal

In the first quarter of 2019, Intervest acquired a built-to-suit new-build centre of 17.800 m² for production and distribution operations at the Borchwerf II logistics hotspot in Roosendaal.

This state-of-the-art building was delivered as at 1 March 2019 and transferred to Intervest for a total acquisition cost of € 16,5 million. With a triple net lease, the site will generate an annual rental income of € 1,0 million, resulting in a gross initial yield of 5,7%.

The tenant of this new-build logistics project is Fri-Jado, market leader in its sector (equipment and systems for food preparation, storage and presentation), which will lease the property for a non-cancellable period of 15 years.

The new-build project at Borchwerf II was built to suit by the Dutch property developer HVBM Vastgoed. The building is certified Very Good by BREEAM and has a striking appearance with an overhang extending out at the front and an expanse of glass spanning the full height. A photovoltaic installation will be fitted on the roof.

This is Intervest's third Roosendaal purchase and allows it to further expand its cluster at one of West-Brabant's most important logistics hubs. Intervest also owns a logistics complex of approx. 38.200 m² at the Majoppeveld industrial site and a logistics project development of approx. 28.000 m² at Borchwerf I.

Built-to-suit for production and distribution operations of

17.800 m²

Investment amount

€ 16,5 million

Gross initial return

5,7%

The Netherlands - Roosendaal - Borchwerf II

1.1.2. Acquisition of logistics site in Nijmegen as a strategic land position

The Netherlands - Nijmegen - Westkanaaldijk

In June 2019, Intervest acquired a logistics site in Nijmegen through a sale-and-lease-back agreement.

The distribution centre, totalling 19.200 m², comprises 17.500 m² warehouse space and 1.700 m² office space. The site is located in Nijmegen on the Westkanaaldijk industrial site to the west of the centre of Nijmegen. The industrial site is easily accessible via both the A73 and the A50.

Total leasable space

19.200 m²

The logistics site will be leased in its entirety by De Klok Logistics for a non-cancellable period of 10 years under a triple net regime. De Klok Logistics is a rapidly growing Dutch transport company that specialises in freight transport and storage. The site was purchased for € 7,5 million, representing a gross initial yield of 10,0%.

Acquisition value

€ 7,5 million

Gross initial yield

10,0%

Given the prime strategic location of the site, after the expiry of the lease agreement, this location lends itself perfectly to redevelopment for (sustainable) urban distribution and, with this, Intervest has acquired a strategic land position for the long term.

1.2. Project developments and development potential

In the first semester of 2019, Intervest has three logistics developments in the pipeline. In Belgium the redevelopment of zone B of the former Ford site in Genk is continuing. in the Netherlands, Intervest has committed itself to realise two logistics projects. Gold Forum in Eindhoven is expected to be achieved at the end of 2019. The delivery of Roosendaal Borchwerf is expected in the first quarter of 2020. Once completed, these developments will add to this growing cluster formation.

Genk Green Logistics - Artist impression

1.2.1. Genk Green Logistics: redevelopment of zone B of the former Ford site to start

The further elaboration of the **Genk Green Logistics project** for the redevelopment of zone B of the Ford site into a state-of-the-art logisctics complex is continuing as planned. The demolition and remediation works are ongoing. Intervest has started marketing the site of a total of 250.000 m² of logistics real estate and expects that it can have the first logistics building of approximately 20.000 m² started in the fourth quarter of 2019.

Development potentiel Genk Green Logistics

250.000 m²

1.2.2. Start of construction works for sustainable logistics project development of 28.000 m² in Roosendaal, the Netherlands

The Netherlands - Roosendaal - Borchwerf I - Artist impression

State-of-the-art logistics complex

28.000 m²

Intervest signed a purchase agreement as at 25 January 2018 for the acquisition of a site for the development of a modern and high-quality logistics distribution centre of 28.000 m² on the Borchwerf I industrial site in Roosendaal. After the necessary demolition work, the site was transferred to Intervest clear for construction on 25 April 2019, after which the construction work started.

The first pile was driven as at 29 May 2019 and delivery of the new building is planned for the first quarter of 2020. Intervest aims to achieve a BREEAM Outstanding classification for this new construction project. This means that the building will have extensive insulation, a photovoltaic installation, LED lighting, separate water drainage systems, etc.

Expected gross initial yield

7,25% - 6,0%

The final purchase price will depend on the rental situation at the time the building is delivered. Intervest currently estimates that the building will generate approximately € 1,3 million in rental income on an annual basis and that the gross initial yield will vary between 7,25% and 6,0%, depending on the duration of the lease agreement. The marketing of the property is ongoing and is being handled by De Lobel & Partners and CBRE.


The Netherlands - Roosendaal - Borchwerf I - Driving of first pile

1.2.3. Eindhoven, Flight Forum 1890: Gold & Silver Forum form cluster at Eindhoven Airport

Intervest entered into a turn-key purchase agreement in 2018 for the purchase of a logistics development near Eindhoven Airport, on a plot of approximately 33.000 m².

Gold Forum is a state-of-the-art sustainable logistics project development of approximately 21.000 m² and will form one architectural and functional whole with the Silver Forum purchased in 2018, which will create a complete logistics complex of almost 50.000 m². Just like Silver Forum, Gold forum will be given a strikingly organic shape with a gold-coloured curved finish to the façade.

Sustainable logistics development project of approx.

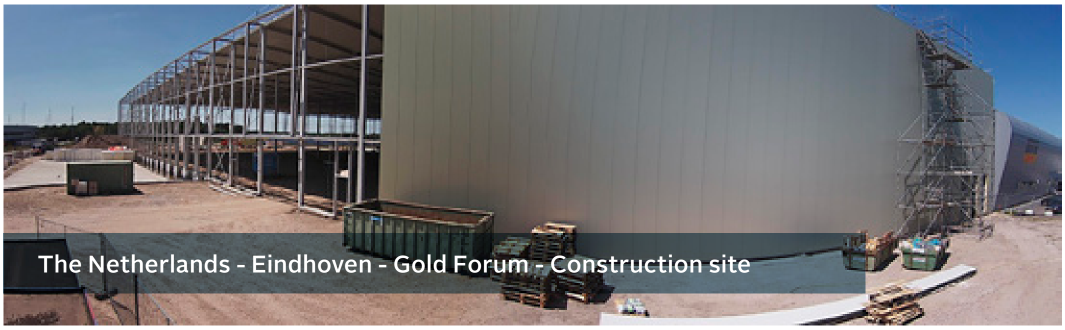
21.000 m²

The logistics building is being developed by and at the risk of Kero Vastgoed, a Dutch property developer from the Eindhoven area. Construction began at the end of the first quarter of 2019 and a first part of the purchase price was paid to the seller. Delivery is expected by the end of 2019, the moment at which Intervest will acquire the building. Kero Vastgoed offers a rental guarantee of € 1,2 million per year for two years after the purchase date.

The total acquisition value will amount to € 18,9 million and will provide an annual rental income of € 1,2 million, which corresponds to a gross initial yield of 6,2%.

Gross initial yield

6,2%


The Netherlands - Eindhoven - Gold Forum - Construction site


The Netherlands - Eindhoven - Gold & Silver Forum

1.3. Rental activities[1]

The first semester of 2019 was a quiet period as regards leases. As at 31 December 2018, 10% of the agreements or an annual rent of € 6,4 million reached their next expiry date in 2019. 1% of these agreements reached an interim expiry date, 9% were agreements that effectively expire in 2019.

Of the 10% of agreements that reached an interim or final expiry date in 2019, 3%, representing a total annual rent of € 2,1 million, reached their next (final) expiry date in the first half of 2019. At the interim expiry date (total annual rent of € 0,7 million) the tenant has not exercised its cancellation option. 1,6%, or a rental amount of € 1,1 million, continued to rent from Intervest (either by concluding a new long-term agreement or by concluding a temporary agreement or an open-ended agreement). 0,4%, or € 0,3 million, of the tenants left when the agreement came to an end. The vacant spaces have already been partly leased again to new tenants.

Of the 7% that reached an expiry date in the second semester of 2019 (an annual rent of € 4,3 million), 3% of the annual rent or € 1,4 million, remains an Intervest's tenant. The other 4% is still recorded on the expiry date calendar as at 30 June 2019. It is expected that also a part of the tenants will continue to rent from Intervest. For the vacant spaces, negotiations with a candidate tenant or their search is ongoing.

In the office portfolio, five long-term agreements, together 2.000 m², were concluded in the first semester of 2019 with new tenants, representing an annual rent of € 0,2 million or 1% of the rental income for the office segment. Six long-term agreements were concluded with existing tenants for extension or expansion, together 3.000 m². This amounts to € 0,4 million or 2% of the rental income for the office segment. The majority of these rentals are agreements for Mechelen Campus and Intercity Business Park in Mechelen and Inter Acces Park in Dilbeek.

Greenhouse Mechelen - Greenhouse Flex - Co-working lounge

1 Figures and calculations based on contractual annual rents

In the first semester of 2019, 39 flexible agreements for co-working spaces or serviced offices in one of the Greenhouse hubs were concluded.

In the logistics portfolio, mainly temporary agreements were concluded in the first semester of 2019 meeting the demand from logistics players for flexibility. These are leases in Mechelen and Puurs, where negotiations for concluding long-term agreements are currently ongoing.

Early termination of lease agreement in Opglabbeek

As previously announced, tenant Medtronic, has closed its logistics site in Opglabbeek. The lease agreement with Medtronic contained a first option to give notice as at 31 August 2022. Intervest and Medtronic reached an agreement in June 2019 to terminate the lease agreement early. Medtronic has paid Intervest a one-off termination indemnity of 80% of all its contractual obligations until August 2022 (for rental income, property tax, common charges, etc.).

The annual rent from Medtronic represents 2,8% of Intervest's total contractual rental income. The marketing of the now-vacant spaces on the Opglabbeek site has begun. The evolution of the occupancy rate in the logistics segment will depend, among others, on the leasing possibilities of the site in Opglabbeek.

In accordance with applicable IFRS rules, this termination indemnity is recognised in Intervest's EPRA earnings in 2019. However, Intervest will not immediately pay out this one-off profit to its shareholders, but instead use it for innovation and renovation work on its buildings.

1.4. EPRA earnings

The EPRA earnings for the first semester of 2019 rose by 75% compared to 2018. The EPRA earnings amounted to € 25,1 million in the first semester of 2019, compared to € 14,3 million in the first semester of 2018.

Rental income rose by € 12,6 million or 55% due to the growth of the real estate portfolio in the course of 2018, the leases in the existing real estate portfolio and the one-off termination indemnity received from tenant Medtronic, which had a positive effect of € 4,7 million on rental income in the first semester of 2019.

The increase in the rental income is partly compensated by the limited increase in property charges, the increase in general costs, and the higher financing costs as a result of the growth of the real estate portfolio.

The operating margin improved by 5%-points from 79% in 2018 to 84% in 2019. Excluding the termination indemnity received from Medtronic, the operating margin improved by 3%-points from 79% in the first semester of 2018 to 82% in the first semester of 2019.

The average interest rate of financing fell from 2,5% in the first semester of 2018 to 2,3% in the first semester of 2019 due to credit renewals, the repayment of the bond loan, and the issue of a commercial paper.

The EPRA earnings per share amounted to € 1,03 for the first semester of 2019, an increase of 33% compared to the first semester of 2018 (0,77 for the first semester of 2018).
The EPRA earnings per share excluding the one-off termination indemnity of Medtronic amounted to € 0,83. This is an increase of 8% compared to 30 June last year, this despite an increase of 32% of the weighted average number of shares as a result of the capital increase of November 2018 and the optional dividend in May 2019.

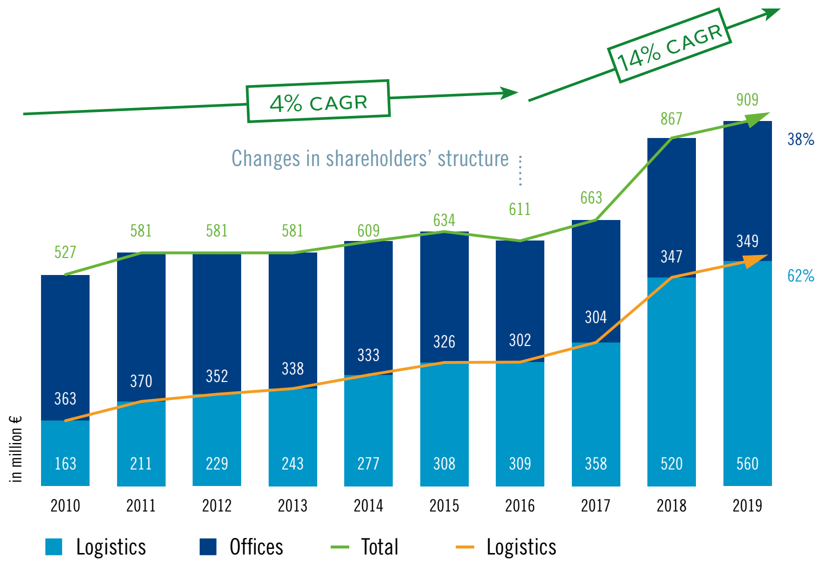
1.5. Real estate portfolio

Composition of the portfolio

INVESTMENT PROPERTIES	30.06.2019	31.12.2018	30.06.2018
Fair value of investment properties (in million €)	909	867	727
Occupancy rate entire portfolio (%)	91%	93%	93%
Occupancy rate office portfolio (%)	88%	88%	87%
Occupancy rate logistics portfolio (%)	93%	98%	97%
• Occupancy rate logistics portfolio the Netherlands(%)	100%	100%	100%
• Occupancy rate logistics portfolio Belgium (%)	90%	97%	96%
Total leasable space (m²)	1.060	1.023	877
Yield on fair value available for lease (%)	7,2%	7,4%	7,4%
Yield on fair value available for lease including estimated rental value on vacancy (%)	7,8%	7,9%	8,2%

The **fair value of the investment properties** amounted to € 909 million as at 30 June 2019 (€ 867 million as at 31 December 2018). The increase of € 42 million in the first half of 2019 is mainly attributable to:

- the acquisition of two logistics sites in the Netherlands (Roosendaal and Nijmegen) with a total acquisition value of € 24 million
- the investments in the ongoing development projects in Genk, Eindhoven and Roosendaal to an amount of € 10 million
- the investments and expansions in the existing real estate portfolio to the amount of € 4 million
- the increase of the fair value of the real estate portfolio by € 4 million or 1%, mainly due to the sharpened yields in the logistics portfolio, both in Belgium and the Netherlands.

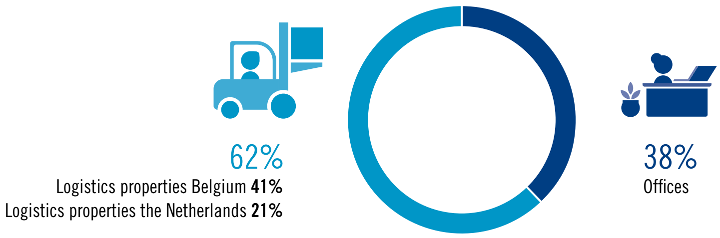


The total **occupancy rate** of the portfolio available for lease was 91% as at 30 June 2019. The decrease of 2%-points compared to 31 December 2018 (93%) is the result of the decrease in the occupancy rate of the logistics portfolio, where Medtronic's early departure in Opglabbeek has created vacancy, with a 4%-points decrease in the occupancy rate of the logistics portfolio as a result. The occupancy rate of the logistics portfolio as at 30 June 2019 was 93%.

The occupancy rate of the office portfolio remained stable compared to year-end 2018, at 88% as at 30 June 2019.

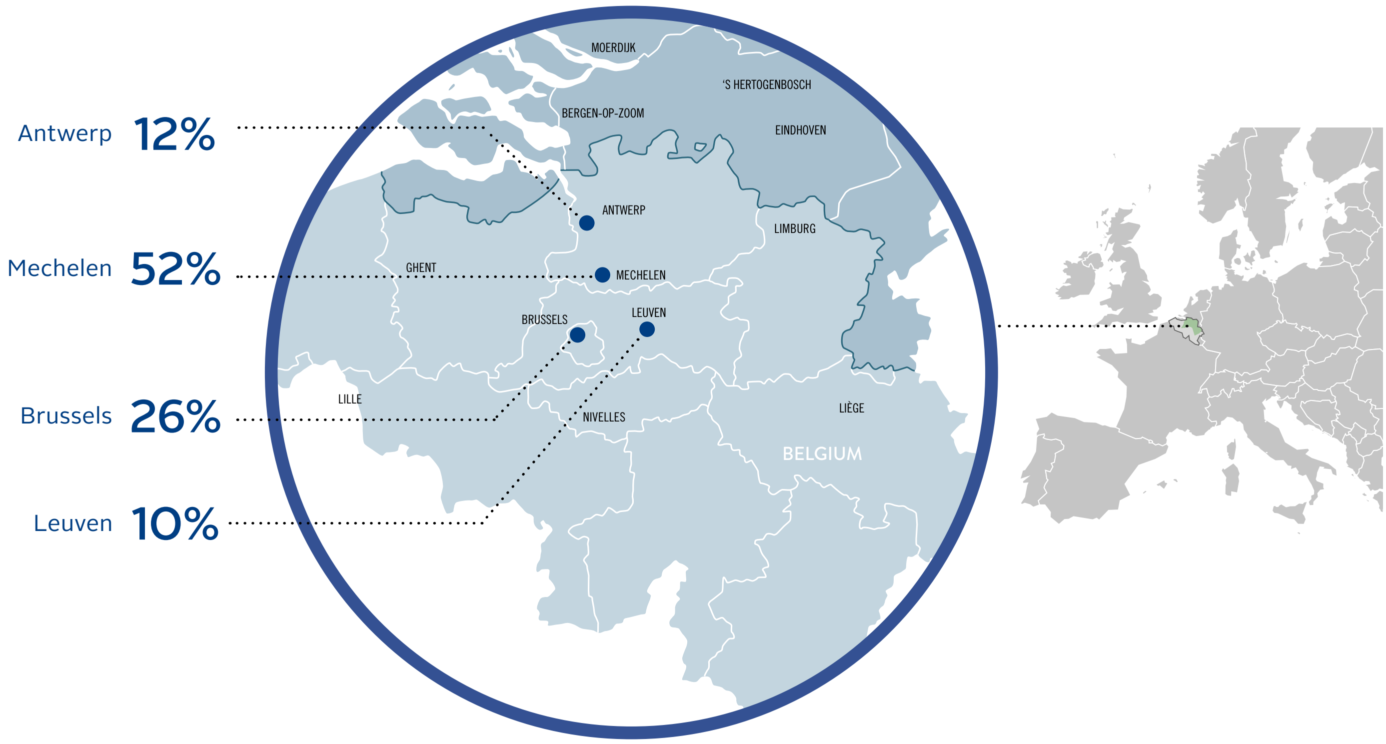
Risk spread of the portfolio

As at 30 June 2019, the **real estate portfolio** of Intervest consisted of 38% offices and 62% logistics properties. 21% of the total real estate portfolio is logistics real estate located in the Netherlands. The share of logistics properties in the entire real estate portfolio increased by 2%-points compared to 31 December 2018, primarily as a result of the acquisitions in the Netherlands.



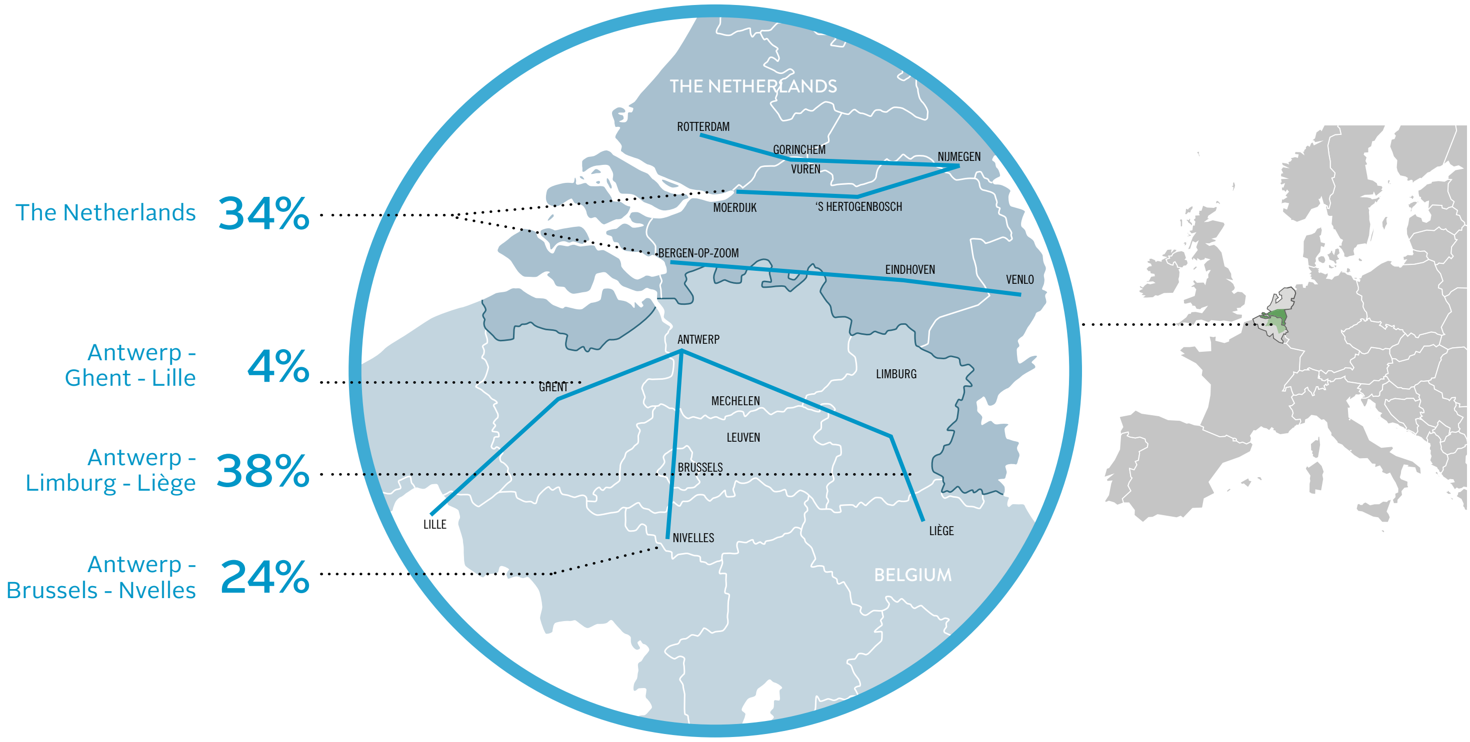
Geographical spread

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 office segment of the portfolio focuses on the central cities of Antwerp (12%), Mechelen (52%), Brussels (26%) and Leuven (10%) and is located both in the city centre and on campuses outside the city.

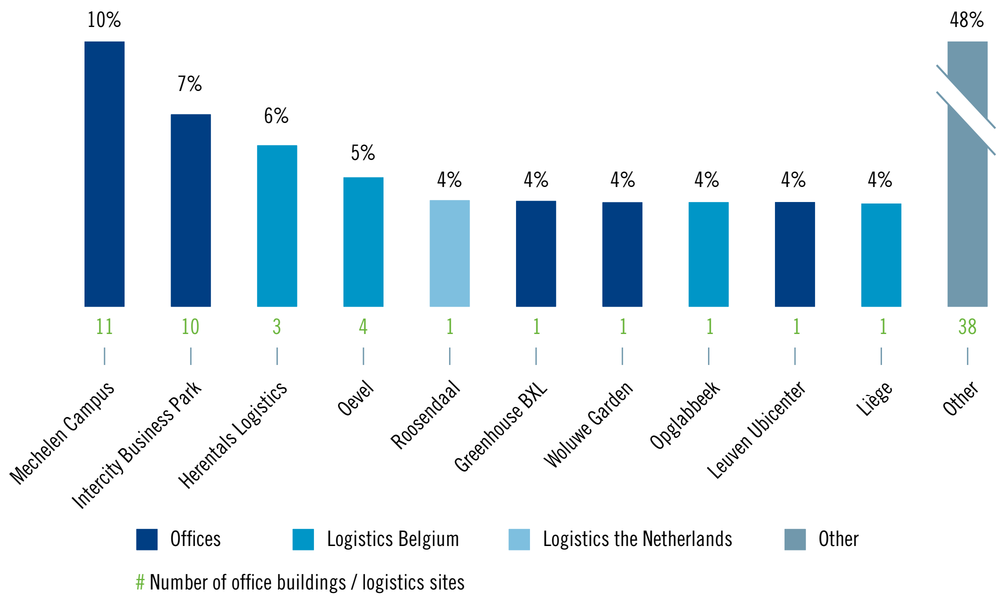
Logistics real estate



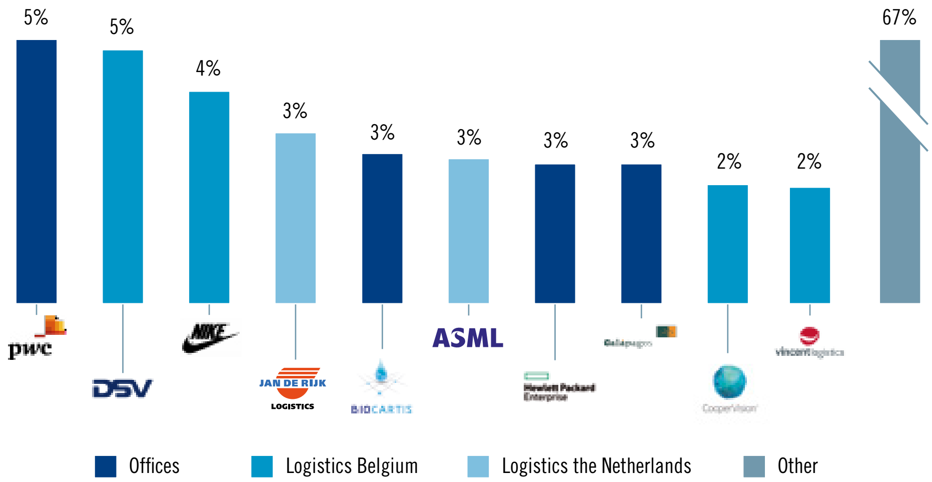
66% of the logistics portfolio is located in Belgium, on the Antwerp - Brussels - Nivelles and Antwerp - Limburg - Liège and Antwerp - Ghent - Lille axes, which are the main logistics axes in Belgium. 34% of the logistic portfolio is located in the Netherlands, along the logistics corridors in the south of the Netherlands. As at 31 December 2018 the share of the logistics portfolio in the Netherlands came to 30%.

Risk spread of buildings by size[1]

Intervest aims to obtain an optimal risk spread and tries to limit the relative share of the individual buildings and complexes in the overall portfolio. The largest complex is Mechelen Campus with a surface area of 58.000 m², made up of 11 separate buildings. Also Intercity Business Park, Herentals Logistics and Oevel are consisting of several buildings.



Risk spread by tenants[2]



Intervest's rental income as at 30 June 2019 is spread across 220 different tenants, which limits the risk of default and improves the stability of the income. The ten most important tenants represent 33% of the rental income and are all prominent companies in their sector and part of international groups.

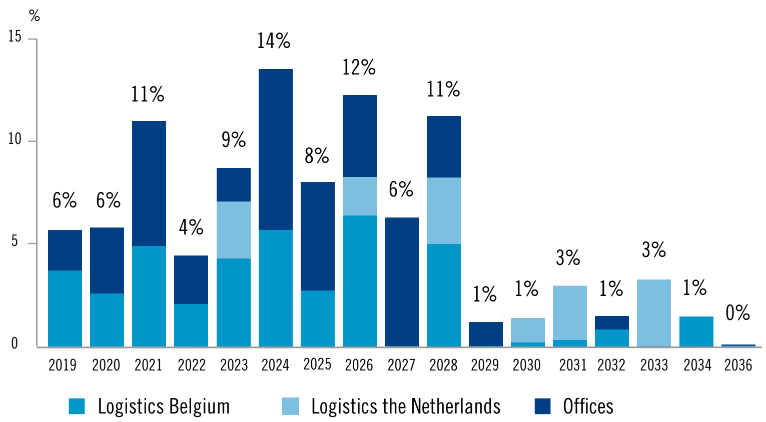
1 Percentages calculated on the basis of the fair value of the investment properties as at 30 June 2019.

2 Percentages based on the contractual annual leases..

Evolution of the portfolio[1]

Final expiry date of the lease agreements in the entire portfolio

The final expiry dates of the long-term lease agreements are well spread out over the coming years. Based on annual rental income, 6% of the agreements have a final expiry date in the second half of 2019 (9% as at 31 December 2018). 2% of these agreements fall under the office portfolio and 4% under logistics real estate. The most important of these are Nedcargo in Zellik (2%), Party Rent in Aartselaar (1%) and the temporary rental to Fiege in Puurs (1%).



6% of the agreements will reach the final expiry date in 2020. The lease agreement with PricewaterhouseCoopers in Woluwe Garden will expire as at 31 December 2021. In the meantime, it is clear to Intervest that this tenant, which represents 5% of Intervest's contractual rental income, will not enter into a new lease agreement after this end date and will leave the property by the end of 2021. With the successful repositioning of Greenhouse BXL, Intervest has already proved that the departure of a major tenant does not necessarily need to be negative. The future possibilities for this building, regarding both the redevelopment into a Greenhouse hub and divestment, are currently examined.

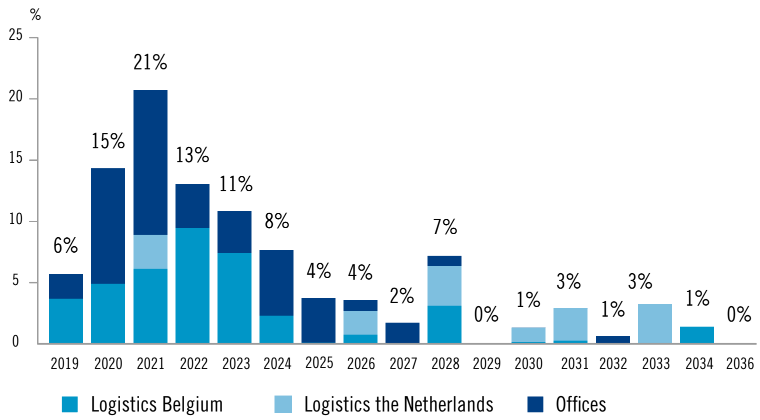
Nike Europe holding, which represents 4% of the contractual rental income, will not renew the current agreement, expiring partly in 2020 and partly in 2021. The marketing of this prime location is meanwhile ongoing.

Of the total number of lease agreements, 77% have a final expiry date after 2021.

1 The flexible agreements for co-working spaces and serviced offices are not taken into account in the calculations. They currently amount to less than 1% of the total contractual annual rental income.

Next expiry date of lease agreements in the entire portfolio

As most agreements are of the type 3/6/9, tenants have the option to end their lease agreements every three years. The graph gives the next 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, the average first interim expiry date is after a period of more than 3 years.

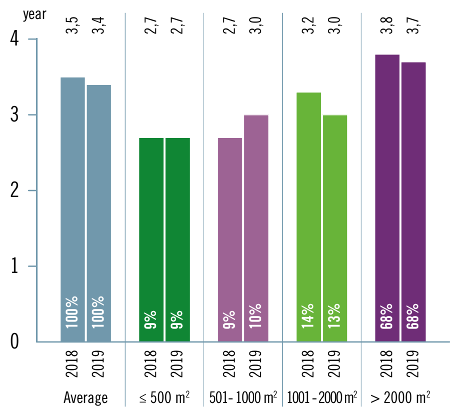


Within the framework of concluding new lease agreements to extend existing lease agreements, efforts are being made to also conclude agreements for a longer period (6/9 type or 9 years without a termination option).

The graph shows the hypothetical scenario as at 30 June 2019 in which every tenant terminates its lease agreement on the next interim expiry date. This is a worst-case scenario. On average, the tenants who vacated in 2018 only gave notice after a lease period of 8 years.

Based on the annual rental income, 6% of the agreements will reach the next expiry date in the second half of 2019. Almost all of these (99%) concern agreements that will reach the final expiry date as outlined above.

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

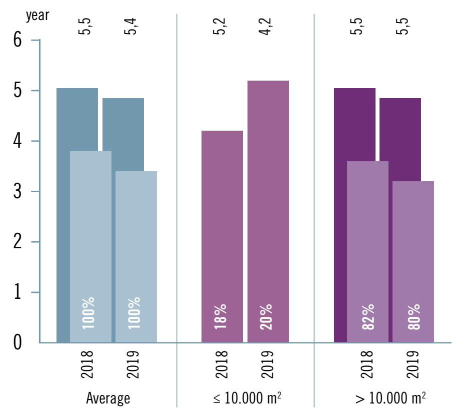


For offices, the average duration of the lease agreements until the next expiry date was 3,4 years as at 30 June 2019 (3,5 years as at 31 December 2018). The slight decrease is the result of the approach of the final or next expiry date of the lease agreements in the currently stable office portfolio and the limited number of new transactions during the first semester of 2019.

For larger office tenants (those above 2.000 m²), which comprise 68% of the remaining rental income flow and which therefore have a great impact on Intervest's results, the next expiry date (as at 30 June 2019) is after 3,7 years (3,8 years as at 31 December 2018).

As at 30 June 2019, the average remaining duration of lease agreements in the office portfolio was 3,4 years (3,5 years as at 31 December 2018). For surface areas above 2.000 m², it was 3,7 years (3,8 years as at 31 December 2018).

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



For the logistics properties, the average lease duration until the next expiry date was 5,4 years as at 30 June 2019 (5,5 years as at 31 December 2018).

For the logistics portfolio located in Belgium, the average remaining duration of the lease agreements until the next expiry date was 3,4 years as at 30 June 2019 (3,8 years as at 31 December 2018). The decrease is the result of the departure of the tenant Medtronic and the temporary leases in Puurs.
The logistics portfolio in the Netherlands, where it is fairly common practice to conclude long-term agreements, has an average remaining duration of the lease agreements until the next expiry date of 9,7 years (10,1% as at 31 December 2018).

For the logistic portfolio, the average remaining duration of the lease agreements is 5,4 years as at 30 June 2019 (5,5 years as at 31 December 2018).

Valuation of the portfolio

Valuation of the portfolio by property experts as at 30 June 2019.

Property expert	Fair value (€ 000)	Investment value (€ 000)
Cushman & Wakefield	349.201	357.930
CBRE Valuation Services	359.075	368.052
CBRE Valuation Advisory	182.544	195.304
TOTAL	**890.820**	**921.286**

The total value of the real estate portfolio available for rental, valued by the property experts, amounts to € 891 million. Taking into account the development projects and land reserves, totalling € 16 million, recognised in the balance sheet at cost price and the user right for the long lease rights to the buildings for an amount of € 2 million, the fair value of the investment properties amounted to € 909 million. More information on the investment properties is given in Note 2.6.3 Evolution of investment properties.

The Netherlands - Tilburg - Kwantum distribution centre

1.6. The real estate market[1]

The low unemployment figures and current economic conditions keep the commercial real estate market active. Both office and logistics properties are sought after by tenants and investors.

1.6.1. The office market

Trends

Growing companies realise that pleasant office environments in easily accessible locations are an important asset when recruiting and retaining strong profiles. They look for new offices if the current ones no longer meet the requirements of the new way of working , where working and experiencing go hand in hand.

Therefore, developers do not shy away from building on risk; they trust that the need for trendy office campuses will continue and that there will always be interested parties to accommodate their offices in those buildings.

Greenhouse BXL - Welcome Konica

Greenhouse Mechelen

Greenhouse Antwerp

Greenhouse BXL

1 Sources: C&W Office Market Snapshot Q1 2019; CBRE Netherlands Logistics Market Information for Intervest Q1 2019; CBRE Logistics Market Report Nederland 2019 Q1; Expertise News - nrs. 578, 579 & 580 -13 & 27.06.2019, 10.07.2019.

Rental market

The Brussels office market was already particularly active in the first half of the year, with a remarkable number of pre-lets in new developments. In total 347.000 m² was (pre-)let, which is 120% more than last year. The average rent still fluctuates around € 150/m² but in the Leopold district record rents increased to € 320/m².

Regional markets also performed remarkably well in the first half of the year. Prime rents remain temporary stable at € 155/m² but real estate professionals are expecting an increase by the end of 2019, due to the heavy shortage of suitable and mainly easy accessible office buildings. Antwerp remains the main office market in Flanders.

Due to the lack of available products, developers are more and more interested in smaller regional cities what lead to a decentralisation of the office market.

The share of co-working hubs persists and offers possibilities for smaller companies which are looking for contemporary offices. In Amsterdam and London, co-working spaces represent respectively 6,8% and 5,1% of the office market, while it only represents 0,8% in Brussels.

Investment market

The investment market in Brussels was dominated by international investors who were particularly active in the first half of the year. An amount of € 1,4 billion was invested, an amount that even could have been higher if the offer would have been higher.

Also the regional markets were particularly active in the past semester with investments totalling € 217 million. This is higher than the total number of investments in 2018. In the regional markets mainly Belgian investors are active.

In the second semester some important deals are expected; 2019 promises the be a great year for the Belgian office market.

In Brussels, prime yields decreased to 4,15% for building with 3/6/9 lease agreements and even to 3,5% for building with even longer lease agreements. Yields in Flanders are decreasing and prime yields fluctuate around 6%.

Diegem - Greenhouse BXL - Co-working space

1.6.2. The market of logistics real estate

Trends

The best location for traditional logistics service providers is near container and barge terminals, airports, railways and the main transport corridors from mainland to hinterland, although locations on the outskirts of cities are also gaining in importance due to the growth of e-commerce activities.

Tenants' demands are increasing to achieve cost optimisation. Due to a lack of logistics properties that meet the current requirements of tenants, there are many built-to-suit and new-build projects at risk. The scarcity of easily accessible project sites leads to more redevelopments of brownfields.

What is also remarkable is the increasingly flexible attitude of landlords in terms of duration, rental levels and incentives in order to respond to the ever-changing market.

Rental market

Companies are imposing ever higher standards on the properties with a view to optimising and making their business operations more sustainable. Cost saving is a key factor. They go in search of new locations for their own built-to-suit. Companies can justify higher rents if the new properties allow them to save on other costs such as energy and maintenance.

Because of the persistent demand and a shortage of available properties, all the indications are that at this stage prime rents in Belgium will continue to rise to € 49/m² for prime locations and even € 65/m² at Brucargo.

Prime rents in the southern Netherlands region fluctuate around € 50 to € 55/m² in Tilburg and € 52,50 to € 57,50/m² in Eindhoven. The average rent fluctuates around € 45/m².

Investment market

A survey conducted by CBRE in the Netherlands indicates that the logistics real estate market is currently the most sought after among a large number of different types of investors. Built-to-suit projects and prime products are of course the most popular, but as the supply is limited, investors are also looking for portfolio deals with a mix of secondary products.

With investors' continuing demand for industrial real estate, real estate experts expect yields to reach an all-time low. Yields in Belgium are not yet falling below 5%, but in the Netherlands this limit has been exceeded for some time and yields are below 5%, which is still a higher yield than in the retail or office market. A further downward trend is expected.

The Netherlands - Vuren

1.7. Analysis of the results[1]

The achievement of Intervest's strategic growth plan at the end of 2018 is clearly visible in the results for 2019. Intervest's **rental income** in the first semester of 2019 amounted to € 35,5 million (€ 22,9 million), which is an increase by € 12,6 million or 55% compared to the first semester of 2018. Rental income in the first semester of 2019 included a one-off termination indemnity received as a result of tenant Medtronic's early departure in Opglabbeek, which had a positive effect on rental income of € 4,7 million. Without taking into account this exceptional termination indemnity, the increase in rental income amounted to € 7,8 million, or 34%, mainly a consequence of the growth of the company.

Rental income in the logistics portfolio amounted to € 22,9 million; without the termination indemnity from Medtronic, rental income in the logistics portfolio amounted to € 18,1 million, which is an increase of € 5,2 million or 40% compared to the first semester of 2018 (€ 12,9 million) as a result of the acquisitions in the course of 2018.

In the office segment, rental income rose by € 2,6 million compared to the first semester of 2018, reaching € 12,6 million as at 30 June 2019. This 26% rise is due to the acquisition of the Ubicenter office complex in Leuven in December 2018 and the new leases agreed at Greenhouse BXL and Mechelen Campus in the course of 2018.

The **property charges** amounted to € 3,7 million for the first semester of 2019 (€ 3,6 million). The small increase of € 0,1 million was caused primarily by higher property management costs as a result of the growth of the real estate portfolio; this was partly offset by lower technical costs.

The **general costs and other operating income and costs** amounted to € 2,1 million (€ 1,7 million) as at 30 June 2019. The rise of approximately € 0,4 million is attributable to higher personnel costs as a result of an increase in staff numbers and the higher stock exchange tax ("subscription tax") payable as a result of the € 99,9 million capital increase carried out in November 2018.

The increase in rental income and the increase in general costs and property charges meant that the **operating result before result on portfolio** increased by € 11,7 million or 64% to € 29,9 million (€ 18,2 million) in the first semester of 2019. Without taking into account the one-off effect of the termination indemnity received from Medtronic, the operating result before result on portfolio amounted to € 25,1 million, an increase of 38% compared to 30 June 2018.

The **operating margin** improved by 5%-points from 79% in 2018 to 84% in 2019. Excluding the one-off termination indemnity received from Medtronic, the operating margin improved by 3%-points from 79% in the first semester of 2018 to 82% in the first semester of 2019.

The **changes in fair value of investment properties** in the first semester of 2019 amounted to € 4,6 million (€ 8,9 million), and are mainly attributable to the € 5,4 million or 1% increase in the fair value of the existing logistics portfolio as a result of the further improvement of the yields in the Netherlands and Belgium. The fair value of the office portfolio decreased by € 0,8 million.

1 The figures between brackets are the comparable figures of the first semester of 2018.

As at 30 June 2019, the **other result on portfolio** amounted to € -1,6 million (€ -1,5 million) and primarily comprised the provision for deferred taxes on unrealised capital gains on the investment properties belonging to the perimeter companies of Intervest in the Netherlands and Belgium.

The **financial result (excl. changes in fair value of financial assets and liabilities)** amounted to € -4,4 million (€ -3,8 million) for the first semester of 2019. The € 0,6 million or 16% increase in the net interest costs is the result of the growth of the real estate portfolio. The refinancing carried out in 2018 to optimise the financing structure, together with the commercial paper programme that was implemented in July 2018 and the repayment of the bond loan, brought down Intervest's average cost of financing. The average interest rate of the financing for the first semester of 2019 was 2,3%, compared to 2,5% in the first semester of 2018.

Further decrease in average interest rate of the financing from 2,5% in the first semester of 2018 to 2,3% in the first semester of 2019.

The **changes in fair value of financial assets and liabilities (ineffective hedges)** include the increase in the negative market value of the interest rate swaps which, in line with IFRS 9, cannot be classified as cash flow hedging instruments, in the amount of € -4,1 million (€ -0,4 million).

Berchem - Greenhouse Antwerp - Boardroom

The **net result** of Intervest for the first semester of 2019 amounted to € 24,0 million (€ 21,3 million) and can be divided into:

- the **EPRA earnings** of € 25,1 million (€ 14,3 million) or an increase of € 10,7 million or 75%, mainly as a result of the increase in rental income due to the acquisitions of financial year 2018, the one-off termination indemnity received from tenant Medtronic, and the leases in the existing real estate portfolio, partly compensated by higher property charges, general costs and financing costs related to the growth of Intervest and its real estate portfolio. Without the one-off termination indemnity received, the EPRA earnings amounted to € 20,3 million, which means an increase of € 6,1 million or 42% compared to 30 June 2018.
- the **result on portfolio** of € 3,0 million (€ 7,3 million)
- the **changes in fair value of financial assets and liabilities (ineffective hedges)** in the amount of € -4,1 million (€ -0,4 million).

The EPRA earnings amounted to € 25,1 million for the first semester of 2019. Taking into account 24.374.391 weighted average number of shares, this means **EPRA earnings per share** of € 1,03 (€ 0,77) for the first semester of 2019.

Without the termination indemnity received from tenant Medtronic, the EPRA earnings per share for the first semester of 2019 would amount to € 0,83 or an 8% increase compared to the previous year, despite a 32% increase in the weighted average number of shares as a result of the capital increase of November 2018 and the optional dividend in May 2019.

KEY FIGURES	30.06.2019	31.12.2018	30.06.2018
Number of shares at the end of the period	24.657.003	24.288.997	18.891.443
Dividend-entitled number of shares	24.657.003	24.288.997	18.891.443
Weighted average number of shares	24.374.391	19.176.981	18.510.303
Net result per share (6 months/1 year/6 months) (€)	0,98	1,78	1,15
EPRA result per share (6 months/1 year/6 months) (€)	1,03	1,63	0,77
Net value (fair value) (€)	19,55	19,62	19,36
Net asset value EPRA (€)	20,04	19,88	19,48
Debt ratio (max. 65%) (%)	45,2%	43,5%	48,4%

As at 30 June 2019, the **net value (fair value)** of a share was € 19,55 (€ 19,62 as at 31 December 2018). As the stock exchange quotation of an Intervest share (INTO) was € 24,70 as at 30 June 2019, the share was listed at a premium of 26% on the closing date compared with the net value (fair value).

In the first semester of 2019, the **shareholders' equity** of the company was strengthened by € 8,6 million as a result of the optional dividend, where for 45,2% of the shares the share-holders opted for the contribution of the dividend right in exchange for new shares instead of cash dividend payment. 368.006 new shares were created, as a result of which the total number of Intervest shares amounted to 24.657.003 as at 30 June 2019 (24.288.997 shares as at 31 December 2018). The new shares participated in the result of the company as from 1 January 2019.

The **non-current liabilities** amounted to € 326 million (€ 298 million as at 31 December 2018) and primarily contain non-current financial debts. These comprise mainly € 276 million in credit facilities at financial institutions of which the expiry date is situated after 30 June 2020 and the bond loan issued in March 2014 with a net revenue of € 35 million. On the other hand, the non-current liabilities also comprise the other non-current financial liabilities, representing the negative market value of € 8 million of the cash flow hedges concluded by the company to hedge the variable interest rate on the non-current financial debts, and the debts relating to the long-term leases in Oevel and Ghent to the amount of € 2 million. As at 30 June 2019, a provision of € 4 million was set up for deferred taxes.

The **current liabilities** amounted to € 136 million (€ 112 million as at 31 December 2018) and consist of € 103 million in current financial debts (€ 53 million bank loans and € 50 million commercial paper), € 7 million in trade debts and other current debts, and € 23 million in accrued charges and deferred income.

EPRA - KEY FIGURES	30.06.2019	31.12.2018	30.06.2018
EPRA earnings per share (in € per share) (Group share)	1,03	1,63	0,77
EPRA NAV per share (€)	20,04	19,88	19,48
EPRA NNNAV per share (€)	19,42	19,49	19,16
EPRA Net Initial Yield (NIY) (%)	5,8%	6,2%	6,0%
EPRA Topped-up NIY (%)	6,2%	6,4%	6,2%
EPRA vacancy rate (%)	9,2%	6,7%	10,2%
EPRA cost ratio (including direct vacancy costs) (%)	15,9%	17,4%	20,6%*
EPRA cost ratio (excluding direct vacancy costs) (%)	14,9%	16,2%	18,7%*

* Figures after adaptation of the calculation of the EPRA Cost Ratio's after a thorough analysis of the EPRA definition.

The EPRA NIY and the EPRA topped-up NIY fell as at 30 June 2019 compared to 31 December 2018 as a result of the decrease of the annualised net rental income as a consequence of the departure of tenant Medtronic in Opglabbeek.

The EPRA cost ratio as at 30 June 2019 decreased compared to 30 June 2018, through of the increase in rental income pursuant to the acquisitions and the one-off termination indemnity received from Medtronic, which was partly compensated by higher general costs and property charges. Without taking into account the termination indemnity received from Medtronic, the EPRA cost ratio including direct vacancy costs would amount to 18,3% and 17,2% excluding direct vacancy costs, both an improvement compared to 30 June 2018.

The EPRA cost ratio is always higher in the course of a financial year than at 31 December, given that by applying IFRIC 21 the levies imposed by the government, such as the property tax on buildings and the annual stock exchange tax, are fully recognised as cost and debt in the income statement at the start of the financial year and therefore influence the EPRA cost ratio during a financial year to a significant extent.

1.8. Financial structure

The financial policy of Intervest is aimed at optimally financing the company's growth strategy. 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%. Intervest 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. Intervest continues to pay attention to actively managing the financial risks, including risk of interest, of liquidity and of financing.

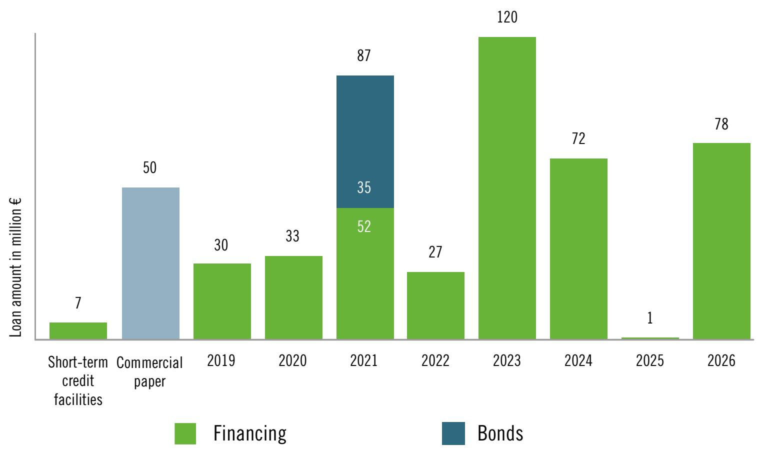
For the purpose of financing its growth plan, Intervest further strengthened and optimised the total financing portfolio in the first semester of 2019 with following actions.

- The expansion of the commercial paper programme by € 20 million to € 50 million
- The conclusion of two additional financing agreements with new credit institutions for a total amount of € 28 million. The credit facilities are concluded for a term of 7 years. The average duration of the long-term credit lines of Intervest was 4,4 years as at 30 June 2019 (4,4 years as at year-end 2018).
- The repayment of the € 25 million bond loan issued in March 2014, which matured as at 1 April 2019.
- The conclusion of three new interest rate swaps for a notional amount of € 35 million to replace existing interest rate swaps that matured in the first half of 2019. The new interest rate swaps have maturities of 6 or 7 years. The total notional amount of the interest rate swaps of Intervest thus remained at € 250 million as at 31 December 2018. The hedge ratio amounted to 77% as at 30 June 2019.

This financing, interest rate hedges and optimisation resulted in a further decrease of the average financing cost of Intervest in the first semester of 2019 from 2,4% in 2018 to 2,3% in the first semester of 2019 (2,5% in the first semester of 2018).

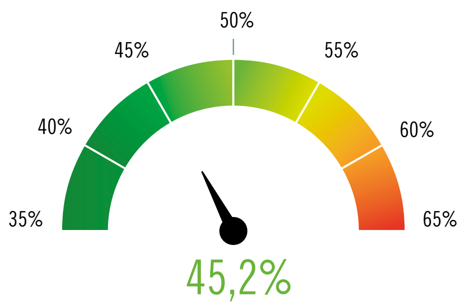
The (re)financing shows the confidence that financial institutions have in Intervest and its strategy. They have led to an adequate spread of the maturity schedule of the long-term financing between 2019 and 2026, with due regard for balance between cost price, duration and diversification of the financing sources.

The maturity schedule of the credit lines as at 30 June 2019 is shown in the chart.



As at 30 June 2019, Intervest has a buffer of € 76 million in non-withdrawn credit lines available to finance the committed pipeline of acquisition projects and renovations of approximately € 45 million. In July 2019, Intervest concluded additional financing for a total amount of € 40 million with BNP Paribas Fortis and Banque Internationale Luxembourg. The commercial paper programme was also further expanded by € 10 million to € 60 million.

The debt ratio of the company amounted to 45,2% as at 30 June 2019 (43,5% as at 31 December 2018). The increase of 1,7%-points compared to 31 December 2018 is mainly the result of investments in investment properties and project developments to the amount of approximately € 43 million and the payment of the dividend for the 2018 financial year, partly offset by the capital increase in the context of the optional dividend. On the basis of this debt ratio, Intervest still has an additional investment capacity of approximately € 90 million, without exceeding the maximum debt ratio of 50%.



Other important **characteristics of the financial structure** as at 30 June 2019:

Credit lines

- 76% long-term credit lines with a weighted average remaining duration of 4,4 years (4,4 years at year-end 2018), and 24% short-term credit lines (€ 121 million) consisting of:
  - 41% (€ 50 million) commercial paper
  - 52% (€ 63 million) credit facilities falling due within one year and to be refinanced
  - 7% (€ 8 million) credit facilities with unlimited duration
- spread of the expiry dates of credit lines between 2019 and 2026
- spread of the credit facilities over nine European financial institutions, bond holders and a commercial paper programme.

Interestcover ratio

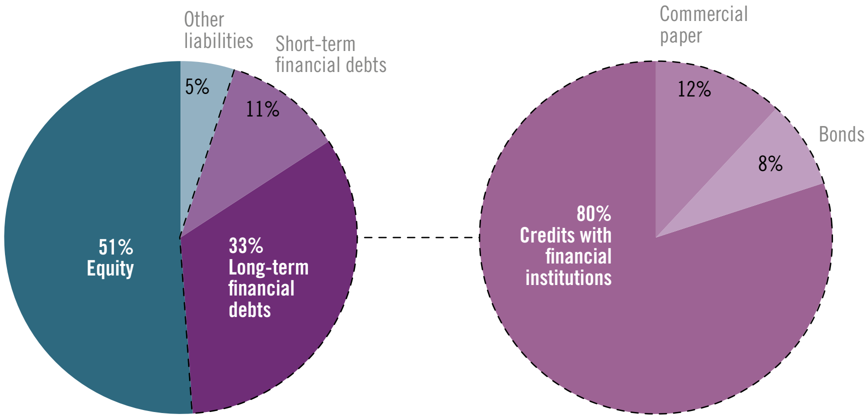
- ratio of 6,8 for the first semester of 2019 (4,9 for 2018).

Hedge ratio

- 77% of the withdrawn credit facilities had a fixed interest rate or were fixed by interest rate swaps and 23% had a variable interest rate
- 63% of the credit lines had a fixed interest rate or are fixed by means of interest rate swaps and 37% have a variable interest rate
- as at 30 June 2019, the weighted average remaining maturity of the interest rate swaps was 4,7 years (4,2 years as at 31 December 2018)
- market value of financial derivatives: € 7,6 million negative.

Agreements

- in the first semester of 2019, no changes were made to the existing agreements contracted
- as at 30 June 2019, the RREC fulfilled its agreements.



Balance sheet total
€ 944 million

Total financial debts
€ 414 million

45,2% debt ratio	€ 76 million non-withdrawn credit facilities	2,3% avg. cost of debt	€ 609 million market capitalisation

1.9. Intervest share

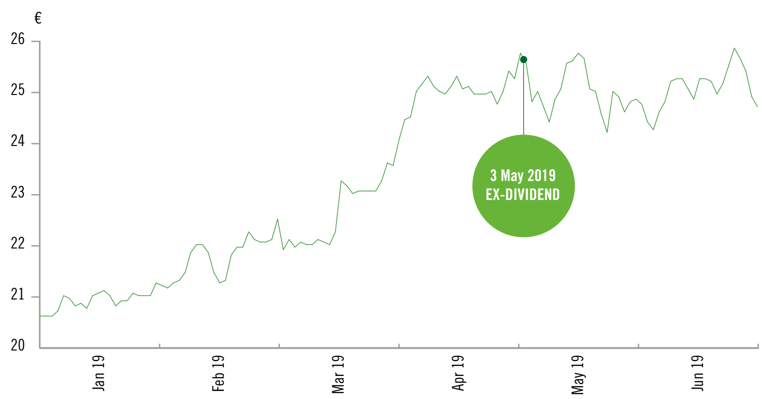
Intervest has been listed on Euronext Brussels as a public regulated real estate company since 1999.

The share of Intervest (INTO) closed the first half of 2019 as at 30 June 2019 at a price of € 24,70, compared to € 20,60 as at 31 December 2018. The share price of the public RREC increased by € 4,10 in the first semester of 2019. A gross dividend of € 1.40 was paid to the shareholders on 21 May 2019. Taking into account the reinvestment of this dividend, the Intervest share offers a return on share price of 27% for the first semester of 2019. The share quotes with a premium of 26% as at 30 June 2019. The number of shares traded in the first half year of 2019 was 4,4 million, which was almost as many as traded in the whole year of 2018.

KEY FIGURES	30.06.2019	31.12.2018	30.06.2018
Number of shares at the end of the period	24.657.003	24.288.997	18.891.443
Dividend-entitled number of shares at the end of the period	24.657.003	24.288.997	18.891.443
Weighted average number of shares	24.374.391	19.176.981	18.510.303
Free float (%)	85%	85%	84%
Net value per share (fair value) (€)	19,55	19,62	19,36
Share price on closing date (€)	24,70	20,60	21,65
Premium to net value (fair value) (%)	26%	5%	12%
Market capitalisation (million €)	609	500	409
Number of shares traded (6 months/ 1 year/ 6 months)	4.405.829	4.595.938	1.410.947
Average number of shares traded per day	35.247	18.094	11.198
Share turnover velocity* (%)	36%	19%	15%

* The turnover rate of an Intervest 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 share price first half-year 2019



Shareholder structure

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

As at 30 June 2019, the following shareholders were known to the company.
According to the Euronext definition the free float of Intervest amounted to 85%.

Name	Number of shares	Date transparency notifications	% on notification date
FPIM/SFPI (including Belfius Group)	1.788.821	24/08/2016	10,66%
Allianz	1.563.603	04/04/2019	6,44%
Patronale Group nv	826.994	06/09/2018	4,38%
Degroof Petercam Asset Management	773.480	19/03/2019	3,14%
BlackRock	493.742	30/06/2015	3,04%
Other shareholders under the statutory threshold	19.210.363		72,34%
TOTAL	**24.657.003**		**100%**

1.10. Risk factors for the remaining months of 2019

In 2019, the Intervest board of directors, as always, paid much attention to the risk factors to which Intervest is subject: market risks, operational, financial and regulatory risks. The Intervest board of directors confirms the validity of the risks with which the company can be confronted, the possible impact thereof and the strategy that is conducted to restrict any impact, as these are stated in the annual financial report 2018, which can be consulted through www.intervest.be.

1.11. Outlook

Intervest will continue to pursue its **investment strategy.** The company expects to expand the real estate portfolio to a fair value of **€ 1 billion** by the end of 2019, subject to the possibility of asset rotation where properties are not optimally suited to current and future market requirements. Portfolio growth will be realised primarily in the logistics segment, both in Belgium and in the Netherlands. Intervest wants to have the real estate portfolio grow to € 1,3 billion by the end of 2021.

In view of the large interest shown by investors in the logistics investment market and the relatively high prices in consequence of this, acquisitions in the logistics portfolio will consist of a healthy mix of "more expensive" finished buildings with high-quality tenants having long-term lease agreements, and developments of real estate sites, which may or may not be fully pre-let. The latter generate a higher yield in the portfolio, in which case, of course, the accompanying building and development risks will be closely monitored.

To achieve these developments, Intervest will set up spare land in the vicinity of its clusters already in existence in Belgium and the Netherlands. A good example of this is the recent acquisition of the site in Nijmegen.

As at 30 June 2019, Intervest had two **development projects** in the pipeline in the Netherlands with a focus on sustainability. Developments projects in Roosendaal Borchwerf I and Gold Forum in Eindhoven together represent an investment of approximately € 40 million and are scheduled to be completed by the end of 2019 (Eindhoven) and in the first quarter of 2020 (Roosendaal).

In the second semester of 2019, the **Genk Green Logistics** project will be further developed, which will contribute significantly to the future realisation of Intervest's growth plan. Intervest has started marketing the site of a total of 250.000 m² of logistics real estate, and construction of the first logistics building of approximately 20.000 m² will start in the fourth quarter of 2019.

The **occupancy rate** of the Intervest real estate portfolio was 91% as at 30 June 2019, 88% for the office buildings and 93% in the logistics portfolio. Improving the occupancy rate of the logistics portfolio after the departure of tenant Medtronic in Opglabbeek is a challenge in asset management for the second semester of 2019.

In the office segment, in January 2019 Intervest learned that its tenant PwC will leave the Woluwe Garden office building by the end of 2021. Intervest is examining the future possibilities for this building, both in terms of redevelopment into a Greenhouse hub and of divestment.

In accordance with Intervest's **financing policy**, the growth of the real estate portfolio will be financed by a balanced combination of borrowed capital and shareholders' equity. In this regard, the debt ratio will remain within the strategic range of 45%-50% unless a distinct overheating of the logistics real estate market causes the fair value of the real estate portfolio to rise substantially. As a safety precaution, the range will be adjusted downwards to 40-45%.

As at 30 June 2019, Intervest has a buffer of € 76 million in non-withdrawn credit lines available to finance the committed pipeline of acquisition projects and renovations of approximately € 45 million. In July 2019, Intervest concluded additional financing for a total amount of € 40 million with BNP Paribas Fortis and Banque Internationale à Luxembourg. The commercial paper programme has also been expanded by € 10 million to € 60 million.

To guarantee the company's growth, issues of debt instruments and share issues for financing purposes will be examined and, where possible, will always be geared towards the real estate investments pipeline.

Without taking into account the one-off termination indemnity received from tenant Medtronic, Intervest expects, based on the half-yearly figures and the present forecasts, a growth of the (underlying) **EPRA earnings per share** of at least 3% for the 2019 financial year. Intervest plans a gross dividend of minimum € 1,50 per share for the financial year 2019. This means a gross dividend yield of 6,1% based on the closing price of the share as at 30 June 2019, which was € 24,70 and amounted to a pay-out ratio of 80%-85% of the expected EPRA earnings. This planned gross dividend can be increased if the circumstances relating to the planned investments and/or additional leases in the real estate portfolio, which lead to a further increase in the EPRA earnings, make this possible and expedient.

Diegem - Greenhouse BXL

2. Condensed consolidated half-yearly figures

2.1. Condensed consolidated income statement

in thousands €	30.06.2019	30.06.2018
Rental income	35.519	22.945
Rental-related expenses	-110	-44
NET RENTAL INCOME	**35.409**	**22.901**
Recovery of property charges	326	259
Recovery of rental charges and taxes normally payable by tenants on let properties	9.479	7.530
Costs payable by tenants and borne by the landlord for rental damage and refurbishment	-257	-105
Rental charges and taxes normally payable by tenants on let properties	-9.479	-7.530
Other rental-related income and expenses	197	370
PROPERTY RESULT	**35.675**	**23.425**
Technical costs	-265	-561
Commercial costs	-173	-149
Charges and taxes on unlet properties	-335	-435
Property management costs	-2.349	-2.043
Other property charges	-538	-378
Property charges	**-3.660**	**-3.566**
OPERATING PROPERTY RESULT	**32.015**	**19.859**
General costs	-2.128	-1.642
Other operating income and costs	1	-9
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	**29.888**	**18.208**
Changes in fair value of investment properties	4.595	8.866
Other result on portfolio	-1.554	-1.518
OPERATING RESULT	**32.929**	**25.556**
Financial income	48	9
Net interest charges	-4.447	-3.811
Other financial charges	-8	-5
Changes in fair value of financial assets and liabilities (ineffective hedges)	-4.138	-381
Financial result	**-8.545**	**-4.188**
RESULT BEFORE TAXES	**24.384**	**21.368**
Taxes	-427	-70
NET RESULT	**23.957**	**21.298**

in thousands €	30.06.2019	30.06.2018
NET RESULT	**23.957**	**21.298**
- Minority interests	**-9**	**0**
NET RESULT - Group share	**23.966**	**21.298**
Note:		
EPRA earnings	25.063	14.331
Result on portfolio	3.041	7.348
Changes in fair value of financial assets and liabilities (ineffective hedges)	-4.138	-381

RESULT PER SHARE	30.06.2019	30.06.2018
Number of dividend-entitled shares	24.657.003	18.891.443
Weighted average number of shares	24.374.391	18.510.303
Net result (€)	0,98	1,15
Diluted net result (€)	0,98	1,15
EPRA earnings (€)	1,03	0,77

2.2. Condensed consolidated statement of comprehensive income

in thousands €	30.06.2019	30.06.2018
NET RESULT	**23.957**	**21.298**
Other components of comprehensive income (recyclable through income statement)	0	0
COMPREHENSIVE INCOME	**23.957**	**21.298**
Attributable to:		
Shareholders of the parent company	23.966	21.298
Minority interests	-9	0

2.3. Condensed consolidated balance sheet

ASSETS in thousands €	30.06.2019	31.12.2018
NON-CURRENT ASSETS	**910.398**	**867.582**
Intangible assets	469	508
Investment properties	908.913	866.504
Other tangible assets	654	400
Non-current financial assets	347	156
Trade receivables and other non-current assets	15	14
CURRENT ASSETS	**33.901**	**19.582**
Trade receivables	13.721	10.120
Tax receivables and other current assets	8.747	5.092
Cash and cash equivalents	2.978	1.972
Deferred charges and accrued income	8.455	2.398
TOTAL ASSETS	**944.299**	**887.164**

SHAREHOLDERS' EQUITY AND LIABILITIES in thousands €	30.06.2019	31.12.2018
EIGEN VERMOGEN	**482.643**	**477.208**
Shareholders' equity attributable to shareholders of the parent company	**482.061**	**476.617**
Share capital	222.957	219.605
Share premium	173.104	167.883
Reserves	62.033	55.015
Net result of the financial year	23.967	34.114
Minority interests	**582**	**591**
LIABILITIES	**461.656**	**409.956**
Non-current liabilities	**325.539**	**297.951**
Non-current financial debts	310.813	288.573
Credit institutions	*275.931*	*253.725*
Other	*34.882*	*34.848*
Other non-current financial liabilities	9.738	3.460
Trade debts and other non-current debts	1.208	3.010
Deferred tax - liabilities	3.780	2.908
Current liabilities	**136.117**	**112.005**
Current financial debts	103.134	87.282
Credit institutions	*53.134*	*30.631*
Other	*50.000*	56.651
Other current financial liabilities	144	152
Trade debts and other current debts	7.463	5.249
Other current liabilities	2.275	1.774
Accrued charges and deferred income	23.101	17.548
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**944.299**	**887.164**

2.4. Condensed consolidated cash flow statement

in thousands €	30.06.2019	30.06.2018
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	**1.972**	**728**
1. **Cash flow from operating activities**	**19.628**	**10.777**
Operating result	**32.929**	**25.556**
Interest paid	**-5.726**	**-5.034**
Other non-operating elements	**-387**	**-66**
Adjustment of result for non-cash flow transactions	**-3.461**	**-7.110**
• Depreciations on intangible and other tangible assets	179	194
• Changes in fair value of investment properties	-4.595	-8.866
• Spread of rental discounts and rental benefits granted to tenants	-599	44
• Other result on portfolio	1.554	1.518
Change in working capital requirements	**-3.727**	**-2.569**
Movement of assets	-5.711	-3.922
Movement of liabilities	1.984	1.353
2. **Cash flow from investment activities**	**-38.208**	**-18.658**
Investments in existing investment properties	-3.607	-2.885
Acquisition of investment properties*	-23.985	-3.772*
Purchases of shares of real estate companies	0	-11.901
Investments in development projects	-10.222	0
Acquisitions of intangible and other tangible assets	-394	-100
3. **Cash flow from financing activities**	**19.586**	**8.681**
Repayment of loans	-26.969	-3.999
Draw-down of loans	65.010	27.450
Receipts non-current liabilities as guarantee	67	68
Dividend paid	-18.522	-14.838
CASH AND CASH EQUIVALENTS AT THE END OF THE SEMESTER	**2.978**	**1.528**

* The balance for the purchase price of Eindhoven and Raamsdonksveer for an amount of € 34 million was paid at the moment of the delivery deed as at 6 July 2018 and is consequently not recorded under the item acquisition of investment properties in the cash flow statement as at 30 June 2018.

2.5. Condensed statement of changes in consolidated equity

in thousands €	Capital	Share premium	Reserves	Net result of financial year	Minority interests	Total share-holders' equity
Balance as at 31 December 2017	**167.720**	**111.642**	**58.818**	**21.186**	**0**	**359.366**
Comprehensive income of first semester 2018				21.298		21.298
Transfers through result allocation 2017:						
Transfer to the reserves for the balance of changes in investment value of real estate properties			-4.985	4.985		0
Transfer of impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties			-2.378	2.378		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			1.119	-1.119		0
Transfer to results carried forward from previous financial years			2.593	-2.593		0
Issue of shares for optional dividend financial year 2017	4.427	5.571				9.998
Dividend for financial year 2017				-24.837		-24.837
Balance as at 30 June 2018	**172.147**	**117.213**	**55.168**	**21.298**	**0**	**365.826**
Balance as at 31 December 2018	**219.605**	**167.883**	**55.015**	**34.114**	**591**	**477.208**
Comprehensive income of first semester 2019				23.967	-9	23.957
Transfers through result allocation 2018:						
Transfer to the reserves for the balance of changes in investment value of real estate properties			15.308	-15.308		0
Transfer of impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties			-10.747	10.747		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			-1.615	1.615		0
Transfer to results carried forward from previous financial years			4.071	-4.071		0
Issue of shares for optional dividend financial year 2018	3.353	5.221				8.575
Dividend for financial year 2018				-27.097		-27.097
Balance as at 30 June 2019	**222.957**	**173.104**	**62.033**	**23.967**	**582**	**482.643**

2.6. Notes to the condensed consolidated half-yearly figures

2.6.1. Condensed consolidated income statement by segment

BUSINESS SEGMENT in thousands €	Offices		Logistics properties		Corporate		TOTAL	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018	30.06.2019	30.06.2018	30.06.2019	30.06.2018
Rental income	12.590	9.975	22.929	12.970			35.519	22.945
Rental-related expenses	-1	3	-109	-47			-110	-44
Property management costs and income	140	204	126	320			266	524
PROPERTY RESULT	**12.729**	**10.182**	**22.946**	**13.243**			**35.675**	**23.425**
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	**10.750**	**8.322**	**21.265**	**11.537**	**-2.127**	**-1.651**	**29.888**	**18.208**
Changes in fair value of investment properties	-849	3.391	5.444	5.475			4.595	8.866
Other result on portfolio	-235	-369	-1.319	-1.149			-1.554	-1.518
OPERATING RESULT OF THE SEGMENT	**9.666**	**11.344**	**25.390**	**15.863**	**-2.127**	**-1.651**	**32.929**	**25.556**
Financial result					-8.545	-4.188	-8.545	-4.188
Taxes					-427	-70	-427	-70
NET RESULT	**9.666**	**11.344**	**25.390**	**15.863**	**-11.099**	**-5.909**	**23.957**	**21.298**

BUSINESS SEGMENT: KEY FIGURES in thousands €	Offices		Logistics properties		TOTAL	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Fair value of investment properties	349.201	346.769	559.712	519.735	908.913	866.504
Total leasable space (000 m^2)	238	238	822	785	1.060	1.023
Occupancy rate (%)	88%	88%	93%	98%	91%	93%

GEOGRAPHICAL SEGMENT in thousands €	Investment properties Belgium		Investment properties the Netherlands		Corporate		TOTAL	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018	30.06.2019	30.06.2018	30.06.2019	30.06.2018
Rental income	30.409	22.108	5.110	837			35.519	22.945
Rental-related expenses	-110	-44	0	0			-110	-44
Property management costs and income	265	524	1	0			266	524
PROPERTY RESULT	**30.564**	**22.588**	**5.111**	**837**			**35.675**	**23.425**
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	**27.109**	**19.060**	**4.906**	**799**	**-2.127**	**-1.651**	**29.888**	**18.208**
Changes in fair value of investment properties	-701	4.488	5.296	4.378			4.595	8.866
Other result on portfolio	-458	-580	-1.096	-938			-1.554	-1.518
OPERATING RESULT OF THE SEGMENT	**25.950**	**22.968**	**9.106**	**4.239**	**-2.127**	**-1.651**	**32.929**	**25.556**

GEOGRAFICAL SEGMENT: KEY FIGURES in thousands €	Investment properties Belgium		Investment properties the Netherlands		TOTAL	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Fair value of investment properties	717.245	712.862	191.668	153.642	908.913	886.504
Total leasable space (000 m^2)	827	827	233	196	1.060	1.023
Occupancy rate (%)	89%	92%	100%	100%	91%	93%

2.6.2. 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 IFRS and 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 2018.

New or amended standards and interpretations effective for the financial year as from 1 January 2019

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: Amendments resulting from Annual Improvements 2015-2017 cycle (1/1/2019); IFRS 4 Insurance Contracts - Amendments regarding the interaction of IFRS 4 and IFRS 9 (1/1/2019); IFRS 9 Financial Instruments - Amendments regarding prepayment features with negative compensation and modifications of financial liabilities (1/1/2019); IAS 19 Employee benefits - Amendments rearding plan amendments, curtailments or settlements (1/1/2019); IAS 28 Investments in Associates and Joint Ventures - Amendments regarding long-term interests in associates and joint ventures (1/1/2019); IFRIC 23 uncertainty over Income Tax Treatments (1/1/2019).

New disclosed standards and interpretations not yet effective in 2019

Intervest did not apply the following new standards, amendments to standards and interpretations that are not yet in force but that may be applied sooner: IFRS 3 Business Combinations - Amendments to clarify the definition of a business (1/1/2020); IFRS 17 Insurance contracts (1/1/2021); IAS 1 & 8 Amendments regarding the definition of material (1/1/2020).

It is expected that the above mentioned standards and interpretations will have no material impact on the consolidated annual accounts of Intervest.

2.6.3. Evolution of investment properties

€ millions	30.06.2019				31.12.2018			
	Offices	Logistics properties		TOTAL	Offices	Logistics properties		TOTAL
		BE	NL			BE	NL	
Balance sheet as at 1 January	**347**	**366**	**154**	**867**	**304**	**335**	**24**	**663**
• Acquisition of investment properties	0	0	24	24	34	3	112	149
• Construction and development projects	0	1	9	10	0	0	0	0
• Acquisition of shares of real estate companies	0	0	0	0	0	24	13	37
• Investments and extensions in existing investment properties	3	1	0	4	9	1	0	10
• Changes in fair value of investment properties	-1	0	5	4	0	3	5	8
Balance sheet as at 30 June /31 December	**349**	**368**	**192**	**909**	**347**	**366**	**154**	**867**

The fair value of the logistics portfolio increased in the first semester of 2019 with € 40 million or 8%, mainly due to:

- the acquisition of two logisitcs sites in the Netherlands with a total acquisition value of € 24 million
- the investments in development projects in Genk Green Logistics (Belgium) and Eindhoven and Roosendaal (the Netherlands) for a total amount of € 10 million
- the investments and extensions in the existing logistics portfolio for an amount € 1 million
- an increase in fair vaue of the logistics portfolio with 1% or € 5 million through the sharpening of the yield in the Netherlands and Belgium.

The fair value of the office portfolio increased in the first semester of 2019 with € 2 million or 0,7% mainly due to:

- the investments and extensions in the existing real estate portfolio for an amount of € 3 million, mainly in Greenhouse BXL
- a decrease in fair value of the existing office portfolio with 0,2% or € 1 million.

Breakdown of investment properties by type

in thousands €	30.06.2019	31.12.2018
Real estate held for lease	890.820	858.653
Construction and development projects	14.050	0
Reserves of land	1.787	5.222
Real estate held by right of use	2.256	2.236
Other logistics	0	393
TOTAL investment properties	**908.913**	**866.504**

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.

2.6.4. Overview of future minimum rental income

For an update of the future minimum rental income as at 30 June 2019 it is referred to the description of the rental activities and the evolution of the portfolio in paragraphs 1.3. and 1.5. (supra) of the interim management report.

2.6.5. Non-current and current liabilities

An update of the financial structure of Intervest as at 30 June 2019 is provided in paragraph 1.8. (supra) of the interim management report.

In 2019, Intervest further optimise of the annual the spread of the expiry dates of its credit facilities. Within this scope Intervest concluded in the first semester of 2019 two additional financing with new credit institutions for a total amount of € 28 million. The credit facilities are concluded for a maturity of 7 years. Furthermore, Intervest has expanded the issues of its commercial paper program by € 20 million to € 50 million.

Intervest concluded in the first semester of 2019 three new interest rate swaps for a notional amount of € 35 million to replace existing interest rate swaps that matured in the first half of 2019. The new interest rate swaps have maturities of 6 or 7 years (see infra overview fair value of the financial derivatives as at 30 June 2019).

2.6.6. Financial instruments

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

SUMMARY OF FINANCIAL INSTRUMENTS			30.06.2019		31.12. 2018	
in thousands €	Categories	Level	Carrying amount	Fair value	Carrying amount	Fair value
FINANCIAL INSTRUMENTS ON ASSETS						
Non-current assets						
Non-current financial assets	C	2	347	347	156	156
Trade receivables and other non-current assets	A	2	15	15	14	14
Current assets						
Trade receivables	A	2	13.721	13.721	10.120	10.120
Tax receivables and other current assets	A	2	8.747	8.747	5.092	5.092
Cash and cash equivalents	B	2	2.978	2.978	1.972	1.972
FINANCIAL INSTRUMENTS ON LIABILITIES						
Non-current liabilities						
Non-current financial debts (interest bearing)	A	2	310.813	313.950	288.573	291.645
Other non-current financial liabilities	C	2	9.738	9.738	3.460	3.460
Other non-current liabilities	A	2	1.208	1.208	3.010	3.010
Current liabilities						
Current financial debts (interest bearing)	A	2	103.134	103.134	87.282	87.431
Other current financial liabilities	C	2	144	144	152	152
Trade debts and other current debts	A	2	7.463	7.463	5.249	5.249
Other current liabilities	A	2	2.275	2.275	1.774	1.774

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 or liabilities held at fair value through the income statement, 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 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 2018 Annual report in Note 18 Financial instruments.

As at 30 June 2019, these interest rate swaps had a negative market value of € -7,6 million (contractual notional amount of € 250 million), which is determined by the issuing financial institution on a quarterly basis.

		Start date	End date	Interest rate	Contractual notional amount	Hedge accounting	**Fair value**	
in thousands €						Yes/No	**30.06.2019**	**31.12.2018**
1	IRS	30.04.2014	30.04.2019	1,2725%	10.000	No	0	-53
2	IRS	30.04.2014	30.04.2019	1,2725%	10.000	No	0	-53
3	IRS	26.06.2015	26.06.2019	0,3300%	10.000	No	0	-46
4	IRS	30.06.2015	30.06.2020	0,496%	15.000	No	-143	0
Authorised hedging instruments recorded on other current financial liabilities							**-143**	**-152**
1	IRS	18.06.2015	18.06.2022	0,7800%	15.000	No	-553	-452
2	IRS	30.06.2015	30.06.2020	0,4960%	15.000	No	0	-176
3	IRS	18.06.2015	18.06.2021	0,6300%	15.000	No	-328	-308
4	IRS	01.12.2016	01.12.2021	0,1200%	15.000	No	-211	-117
5	IRS	01.12.2016	01.12.2022	0,2200%	15.000	No	-331	-140
6	IRS	22.03.2017	22.03.2024	0,8500%	10.000	No	-571	-363
7	IRS	22.03.2017	22.03.2024	0,4500%	10.000	No	-378	-150
8	IRS	22.03.2017	22.03.2024	0,4675%	10.000	No	-385	-160
9	IRS	22.03.2017	22.03.2023	0,3300%	10.000	No	-277	-130
10	IRS	15.06.2018	15.01.2025	0,6600%	15.000	No	-726	-287
11	IRS	15.06.2018	17.06.2024	0,5950%	10.000	No	-418	-178
12	IRS	01.10.2018	01.10.2025	0,8520%	10.000	No	-410	-162
13	IRS	27.09.2018	27.09.2023	0,3930%	10.000	No	-329	-142
14	IRS	27.09.2018	27.09.2025	0,6800%	10.000	No	-573	-211
15	IRS	28.09.2018	30.09.2025	0,7050%	10.000	No	-589	-200
16	IRS	28.09.2018	29.09.2023	0,4350%	10.000	No	-347	-142
17	IRS	02.01.2019	02.01.2026	0,7275%	25.000	No	-828	-142
18	IRS	13.05.2019	13.05.2026	0,2870%	10.000	No	-315	0
19	IRS	26.06.2019	26.06.2025	-0,1770%	15.000	No	-51	0
20	IRS	13.05.2019	13.05.2026	0,2780%	10.000	No	-178	0
Authorised hedging instruments recorded on other non-current financial liabilities							**-7.798**	**-3.460**
1	Floor	01.12.2016	01.02.2021	0,0%	27.500	No	207	156
2	Floor	13.05.2019	13.05.2026	0,0%	10.000	No	136	0
3	Floor	13.05.2019	13.05.2026	0,0%	10.000	No	4	0
Non-current financial assets							**347**	**156**
Total fair value of the financial derivatives							**-7.594**	**-3.456**

Intervest did not classify any interest rate swaps as a cash flow hedge as at 30 June 2019. The value fluctuations of all existing interest rate swaps are directly recorded in the income statement.

Related parties

No modifications have occurred during the first semester of 2019 regarding the type of transactions with related parties as described in Note 21 of the Financial report of the 2018 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.

Off-balance sheet rights and obligations

In the first semester of 2019 there were no significant changes in the off-balance sheet rights and obligations of the company as described in Note 24 of the Annual report 2018, with the exception of the amount of investment obligations for new-build projects and expansions for approximately € 45 million (€ 57 million as at 31 December 2018). This relates to investment expenses that were concluded but had not yet been executed as at balance sheet date.

More information on Intervest's off-balance sheet obligations can be found in Note 24 of the financial report of the Annual report 2018, that can be consulted via www.intervest.be.

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 2019.

2.7. Statutory auditor's report

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

REPORT ON THE REVIEW OF THE CONSOLIDATED INTERIM FINANCIAL INFORMATION OF INTERVEST OFFICES & WAREHOUSES SA, PUBLIC REGULATED REAL ESTATE COMPANY UNDER BELGIAN LAW FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2019

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 condensed consolidated balance sheet as at 30 June 2019, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed statement of changes in consolidated equity and the condensed consolidated cash flow statement for the period of six months then ended, as well as selective notes 1 to 6.

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 Accounting Standard (IAS) 34, "Interim Financial Reporting" as adopted by the European Union.

The condensed consolidated balance sheet shows total assets of 944 299 (000) EUR and the condensed consolidated income statement shows a consolidated profit (group share) for the period then ended of 23 966 (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

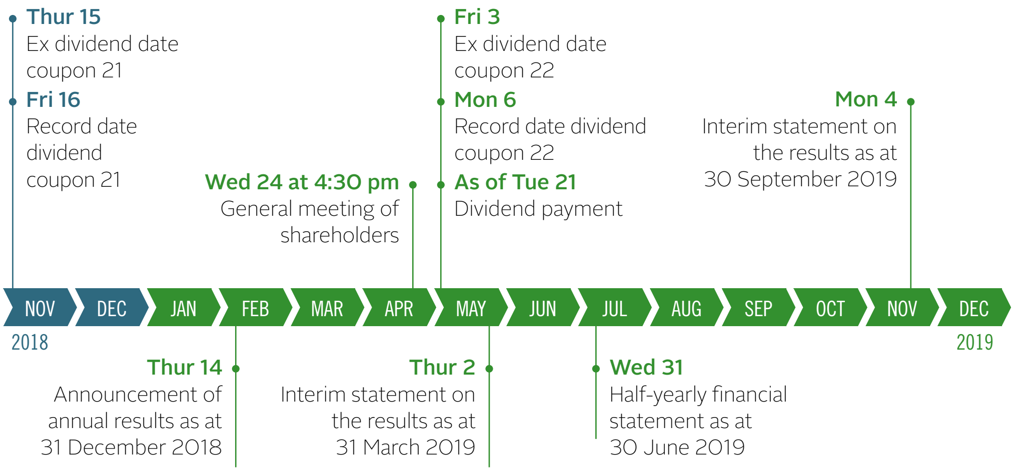
Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Intervest Offices & Warehouses SA, public regulated real estate company under Belgian law has not been prepared, in all material respects, in accordance with IAS 34,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

Zaventem, 31 July 2019

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d’Entreprises CVBA/SCRL
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, composed 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 omitted 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 of 31 July 2019.

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 in and around centre cities such as Antwerp, Mechelen, Brussels and Leuven; the logistics properties are located on the Antwerp - Brussels - Nivelles, Antwerp - Limburg - Liège, and Antwerp - Ghent - Lille axes and concentrated in the Netherlands on the Moerdijk - 's Hertogenbosch - Nijmegen and Bergen-op-zoom - Eindhoven - Venlo axes.
Intervest distinguishes itself when leasing space by offering more than square metres only. The company goes *beyond real estate* by offering 'turn-key solutions' (a tailor-made global solution for and with the customer), extensive services provisioning, co-working and serviced offices.

For more information, please contact:
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http://www.intervest.be/en