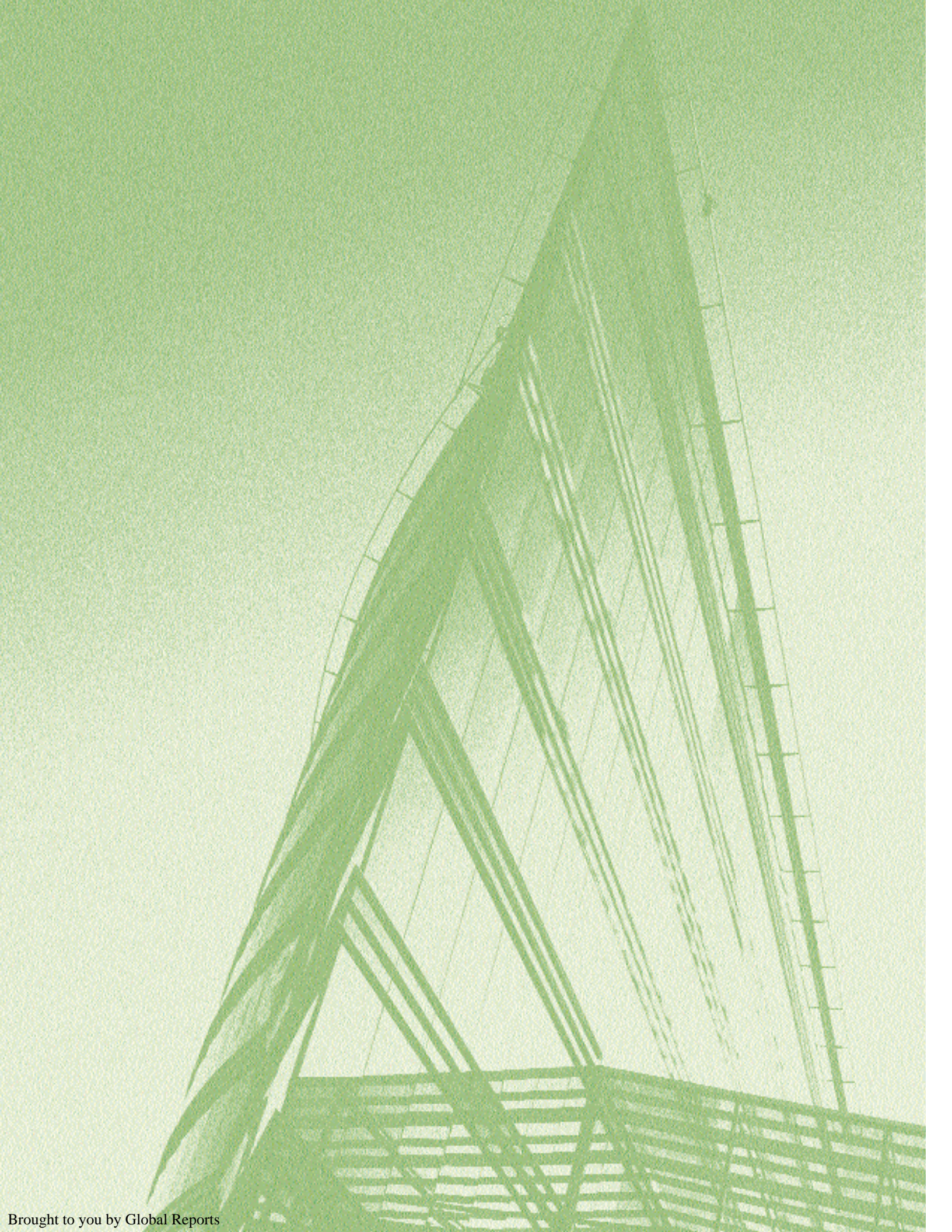


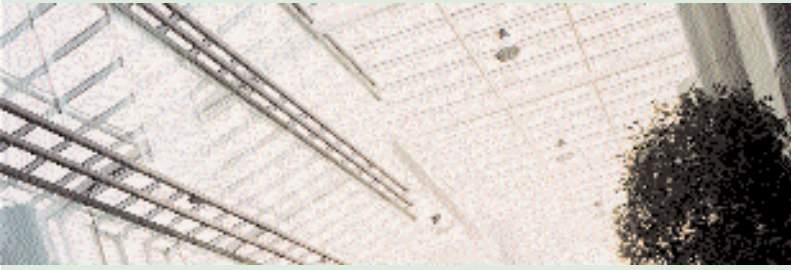


Limited liability company ■ Registered office: Uitbreidingstraat 18 ■ B-2600 Berchem-Antwerp

2001 ANNUAL REPORT

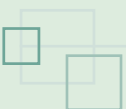






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Blarenberglaan 53, Mechelen



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Letter to the shareholders

Dear shareholder,

We have pleasure in presenting the first annual report of our property investment fund since its name was changed to Intervest Offices.

2001 was a year full of changes for PeriFund CVA/SCA, the investment fund that was floated in 1999.

In June 2001 a fundamental amendment was made to the articles of association. The capital was increased as a result of the merger through the takeover of four property companies. These companies owned a number of office buildings with a value in excess of € 100 million. The Dutch VastNed Group thereby became the majority shareholder. In addition, the name was changed to Intervest Offices and the registered office relocated to Antwerp. The legal form was also changed from a limited partnership with a share capital to a limited liability company and the business manager was replaced by a new Board of Directors.

Since then the day-to-day management has been carried out by Intervest Management, which also manages Intervest Retail.

December 2001 saw another major merger and non-cash contribution, increasing the value of the property portfolio by almost € 230 million.

Finally, in November 2001 the investment fund reached agreement with a number of reference shareholders of Siref NV/SA, a property investment fund that invests in semi-industrial premises. The intention is to integrate the two funds over the short term, which will benefit the liquidity of the shares, the return and the spreading of the risk in relation to the property portfolio.

Between the end of 2000 and the end of 2001 the value of the portfolio therefore increased almost sixfold, from € 67.7 million to € 396.7 million. A portfolio of this size creates economies of scale and reduces the risk profile.

In the long term we believe that the portfolio needs to grow in size to approx. _ 1 billion. This will make the share even more attractive to shareholders and will also increase its liquidity.

We believe that in 2001 Intervest Offices has laid the foundations for this growth strategy and that it is now ready to compete with the larger funds.

The confidence you have shown in us thus far has helped us greatly in implementing the policy outlined above.

The Board of Directors



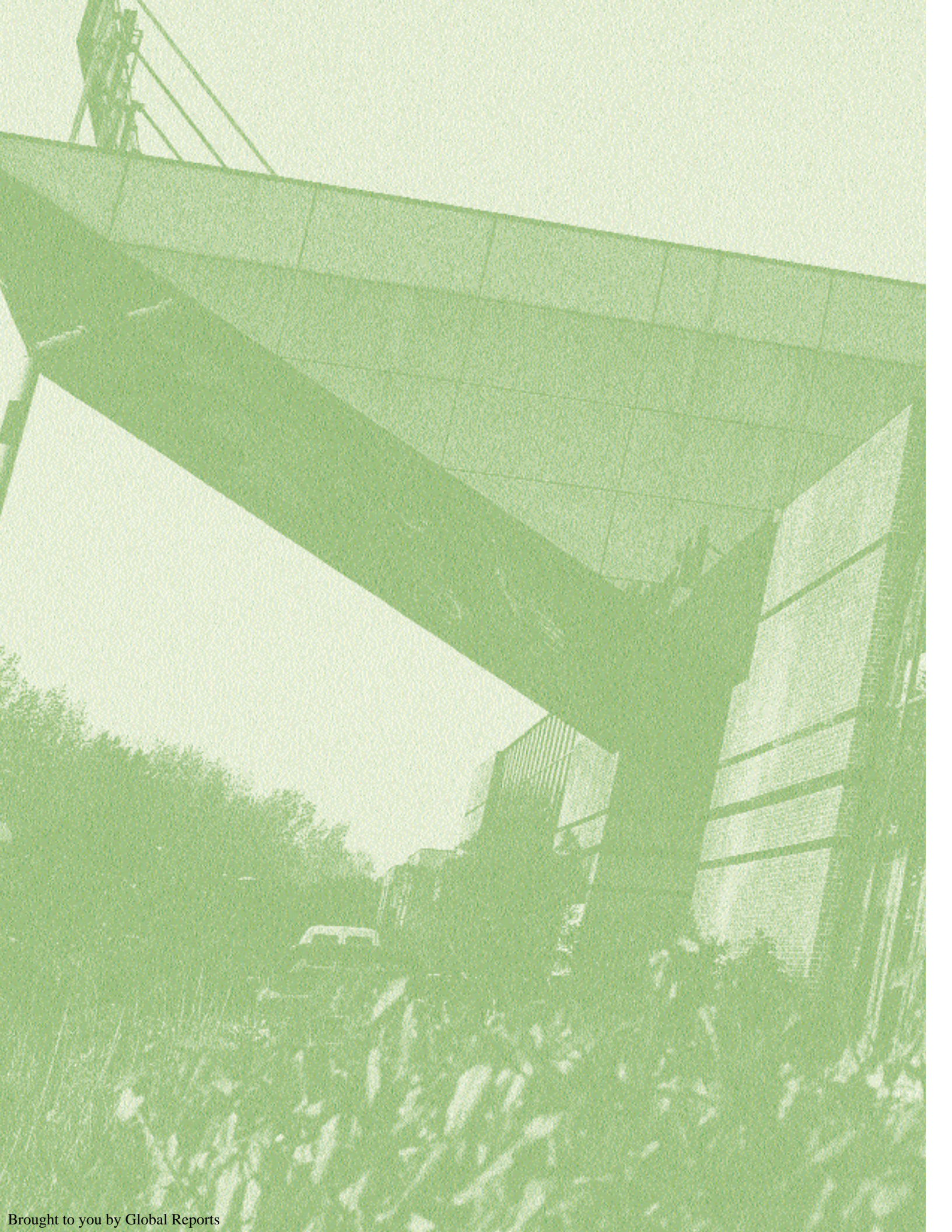
Key figures

PROPERTY ASSETS		
	31.12.2001	31.12.2000
Total lettable area (m ²)	225,658	37,427
Occupancy rate (%)	96.82	94
Value "deed in hand" (€ 000)	396,727	67,700
Value "costs-to-buyer" (€ 000)	352,897	60,105
BALANCE SHEET INFORMATION		
Adjusted shareholders' equity after profit appropriation (€ 000)	217,333	51,803
Debt ratio after profit appropriation (%)	46.28	24.78
RESULTS (€ 000)		
A. Operating result		
Turnover	16,623	5,381
Other operating income	813	341
Net operating expenses	-1,970	-1,313
Financial result	-5,006	-647
Operating result before taxes	10,460	3,762
Taxes	0	-55
Operating result	10,460	3,707
B. Result on the portfolio		
Added value or loss of value on sales of portfolio items	0	0
Reversal of changes in market value previously recorded on portfolio items disposed of during the financial year	0	0
Change in the market value of the portfolio items	-3,094	819
Result on the portfolio	-3,094	819
Result of the period	7,366	4,526
INFORMATION PER SHARE		
Number of shares	7,992,252	1,896,459
Shareholders' equity at start of year (deed in hand)	28.98	26.59
Dividend distributed	-1.66	-1.31
Shareholders' equity at end of year	27.32	26.59
Shareholders' equity after creation of new shares, per existing share at the end of the financial year ¹	6.48	26.59
Increase in shareholders' equity owing to mergers and contributions	20.27	0
Direct investment result	1.31	1.95
Indirect investment result (inc. other transactions) ²	0.22	0.44
Total investment result	1.53	2.39
Shareholders' equity (incl. dividend) at end of year	28.28	28.98
Gross dividend	1.98	1.66
Net dividend	1.68	1.41
Share price on closing date	24.60	21.27
Undervaluation on net asset value (%)	-13.01	-26.60

¹ The number of shares increased from 1,896,459 to 7,992,252.

² Other transactions are, among other things, acquisition costs.

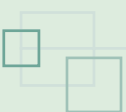






I Report of the Board of Directors

Generaal De Wittelaan 9-21, Mechelen



I Report of the Board of Directors

A. Brief history

Formed in 1999

PeriFund CVA/SCA came into existence in March 1999 and was recognised as a property investment fund. The company was launched with a portfolio of two real estate complexes -the Airway Park in Sint-Stevens-Woluwe and the Atlas Park in Zaventem, comprising 14 buildings in all- with a total value at that time of approximately € 64 million.

PeriFund always remained one of the smaller property investment fund on the Brussels market. Despite the high quality of the two business parks and the high gross return, the average discount of the market price to the inventory value fluctuated between 20% and 30%. This high discount made it a hard task to achieve our growth ambitions.

Merger with Intervest Offices NV/SA

Therefore, the extraordinary General Meeting of 29 June 2001 opted for a merger of the property investment fund with some companies controlled by VastNed Offices Belgium, a subsidiary of the Dutch listed property investment fund VastNed Offices/Industrial NV/SA.

In addition to this measure, which adds the Greenhill Campus, Intercity Business Park and Latem Business Park properties to PeriFund's portfolio, the property investment fund implemented the following major changes on 29 June 2002:

- the name PeriFund was changed to Intervest Offices;
- the investment fund's registered office was moved to Uitbreidingstraat 18, 2600 Antwerp-Berchem;
- the legal form of the company changed from a limited partnership with a share capital to a limited liability company for reasons of corporate governance and market transparency;
- the governing body of the investment fund has been made up since that date of a Board of Directors consisting of four directors instead of a business manager appointed under the articles of association.

On 21 December 2001, the extraordinary General Meeting approved a further merger with 14 companies controlled by VastNed Offices Belgium, together with the addition of three buildings.

Advantages of the mergers

The merger between PeriFund and VastNed Offices Belgium's companies to form Intervest Offices NV/SA and the subsequent merger and additions of December offered the following advantages:

- the total property portfolio has increased almost six-fold to around € 397 million;
- risk has been spread more widely and the portfolio has become more geographically diversified;
- the increased scale supports the initial growth ambition of doubling the portfolio within two years;
- the mergers took place at the inventory value of the portfolios and not at the (lower) market prices, which was of benefit to PeriFund's existing shareholders.



B. Investment policy

The property investment fund maintains an investment policy focused on high-quality commercial property which is leased to first-class tenants. Its investments do not require major repair work in the short term and are strategically placed at good locations outside town centres.

Commercial property in this sense means not only office buildings, but also semi-industrial buildings, warehouses and high-tech buildings. In principle, the trust does not invest in residential and retail properties.

The investment policy is geared towards achieving a combination of a direct return based on rental income and an indirect return based on the increase in the value of the property portfolio.

C. Strategy

Intervest Offices' strategy is aimed at expanding the property portfolio, improving the spread of risk and increasing the liquidity of the share.

a. Expansion of the property portfolio

A large portfolio clearly offers a number of benefits:

1. It helps to spread the risk for the shareholders. After all, possible geographic fluctuations in the market can be absorbed by investing in real estate throughout Belgium. This also means that the company is not dependent on one or a small number of major tenants or projects.
2. The scale advantages achieved allow the portfolio to be managed more efficiently, with the result that a greater amount of operating profit can be distributed. We are thinking here in terms of the costs of property management, the costs of maintenance and repair, the (long-term) renovation costs, consultancy fees, publicity costs, etc.
3. If the size of the total portfolio increases, this strengthens the management's negotiating position in discussing new terms of lease and offering new services, alternative locations, etc.
4. It allows a specialised management team to use its far-reaching knowledge of the market to pursue an innovative and creative policy, resulting in an increase of shareholder value. This makes it possible to realise growth, not only in terms of the number of properties let, but also in the value of the portfolio. This kind of active management can lead to the renovation and optimisation of the portfolio, negotiations on new terms of lease, an improvement in the quality of the tenants, the offering of new services, etc.

The Board of Directors will take scrupulous care to ensure that all growth is in the exclusive interest of the shareholders. In particular, it will keep a close watch on any form of conflict of interests.

Every acquisition must be checked against the following criteria:

Property-related criteria:

1. quality of the buildings (construction, finish, number of parking spaces);
2. location/accessibility/visibility;
3. quality of tenants;
4. respect for the provisions of law and regulations (permits, soil pollution etc.);
5. peripheral location in the area of Brussels or other large cities.

Financial criteria:

1. increase in earnings per share;
2. exchange ratio based on net asset value, all costs included;
3. prevention of dividend dilution.



b. Improvement of risk spread

The company endeavours to spread its risk in a variety of ways. For example, the tenants often operate in widely divergent sectors of the economy, including the computer industry, media, consultancy, telecommunications, travel and the food industry. An overweighting of the TMT sector, consultancies and R&D activities is becoming more and more characteristic of offices in peripheral locations. On the other hand, the investment fund is trying to reduce this overweighting within its own list of tenants for the future.

In addition, we have a relatively good spread of final and interim expiry dates for the lease agreements.

c. Increased liquidity of the share

Liquidity is determined by the extent to which the shares can be traded on the stock market. Companies with high liquidity are more likely to attract big investors, thus improving growth opportunities.

High liquidity allows new shares to be issued more easily (in the event of capital increases, additions of property or mergers). This is also of major importance to growth.

To improve its liquidity, Intervest Offices has concluded a liquidity agreement with Vermeulen-Raemdonck (ING groep), effective as of 16 November 2001. The liquidity of most Belgian property investment funds is fairly low. One important reason for this is that these funds are often too small - in terms of both market capitalisation and free float³ to gain the attention of professional investors.

Further consolidation of the Belgian property investment funds would therefore seem inevitable.

A first step towards this was taken by the merger of a number of property investment funds from the VastNed group with PeriFund and the subsequent change of the latter's name to Intervest Offices NV/SA in June 2001. Two other property investment funds merged in the autumn of 2001. Finally, in December it was once more the turn of Intervest Offices, which announced a merger with Siref, an investment funds specialising in semi-industrial property.

D. Prospects

Demand has fallen off in the lease market as a result of the slump in economic growth in 2001 and the events of September 11. This is particularly true on the outskirts of Brussels, where the TMT sector in particular had been extremely active over the last few years.

Because of the decline in economic growth, this sector has had to adjust its growth strategy downwards, resulting in decreased demand for office space. That meant that new office developments could only be let with difficulty, and office space was sub-let at lower prices.

In view of the fact that a number of office developments were still ongoing in 2001, this led to a higher level of vacant property than in the previous years, and downward pressure on market lease values.

The damage to Intervest Offices is limited because a significant share of the portfolio consists of long-term agreements (see p. 37). This sharply reduces the risk of vacant properties.

We envisage an improvement in this situation in the foreseeable future. The Brussels office market is, after all, still fundamentally sound. There will probably be too few offices available in the city centre to meet demand, which means that the peripheral areas will be a good and less expensive alternative.

³ Free float is the number of shares circulating freely on the stock exchange and therefore not in permanent ownership.



In addition, we want to continue to concentrate on growth locations in other cities, such as Ghent and Leuven.

Finally, the planned acquisition of Siref will create additional opportunities to spread risk. This fund's semi-industrial properties are fairly scarce on the market, thus limiting the risk of vacancies. Because of this scarcity, we also expect a positive value development in this portfolio. This is indicated by the fact that more and more institutional investors want to invest in this product.

We intend in future to spread the portfolio over offices ($\pm 75\%$) and semi-industrial property ($\pm 25\%$).

E. Corporate Governance

a. General guidelines

Intervest Offices applies the principles of corporate governance to ensure that shareholder value can be achieved in the best possible way.

Intervest Offices is a "limited liability company". This means that its shareholders, within the General Meeting of Shareholders, have very broad decision making powers.

The company is managed by Intervest Management NV/SA, a subsidiary of VastNed Retail NV/SA, with which Intervest Offices has a contract on market terms. This agreement runs from 29 June 2001 to 31 December 2002. After that, it will continue indefinitely and can be terminated at any time at 6 months' notice.

In addition to property management, Intervest Management also takes care of the administrative and general management activities (this includes searching for and preparing new acquisitions). The company also carries out financial communications and the public relations policy. It also manages Intervest Retail, which invests exclusively in commercial property (retail warehouses and inner-city locations). No further activities are carried out for third parties.

b. Administration and management

Intervest Offices is managed by a Board of Directors consisting of four members. The directors are appointed for a period of six years. Their appointment may be revoked at any time by the General Meeting. No executive committee has been appointed.

The Board consists of the following members:

Walter E. Hens (54), Director,
Osylei 9, B-2640 Mortsel,
Managing Director, Slough Properties NV/SA

Jean-Pierre Blumberg (45), Director,
Plataandreef 7, B-2900 Schoten,
Managing Director, De Bandt, Linklaters & Alliance

Joost Rijnboutt (62), Managing Director,
Leopold de Waelplaats 28/42, B-2000 Antwerp,
Chairman and Managing Director of Intervest Retail NV/SA



Kor Streefkerk (59), Chairman and Managing Director,
d'Oultremontlei 16, B-2930 Brasschaat,
Chairman of the Management of VastNed Retail NV/SA and VastNed Offices/Industrial NV/SA, Managing Director of
Interinvest Retail NV/SA

Messrs Hens, Blumberg and Rijnboutt qualify as independent directors and Mr Streefkerk represents the
shareholder VastNed Offices Belgium NV/SA

The Board meets at least four times a year. During the 2001 financial year the Board met on seventeen occasions.

Certain directors exercise directors' mandates in other companies, which could give rise to a conflict of interests with their mandates in Interinvest Offices. In cases where this situation arises, the director in question is asked not to participate in the discussions and decisions, in accordance with article 523 of the Belgian Company Code. The above also applies, where article 524 of the Belgian Company Code applies, in the event that the Board of Directors is required to take a decision that may involve a conflict of interests with a majority shareholder of the company. To date, such a situation, in which the procedure provided for in article 524 of the Belgian Company Code has to be observed, has only occurred once, in July 2001, as a result of the conclusion of the estate management agreement with Interinvest Management NV/SA (see also the annual report of the Board of Directors).

c. Decision making powers

The task of the Board of Directors can be summarised as follows:

- working out the company's strategy
- monitoring the quality of the information presented to investors and the public
- ensuring that all directors work independently
- ensuring that all shareholders are treated in the same way

The Board also has a number of statutory responsibilities:

- approving the strategy and the budget
- approving the half year and annual figures
- using the permitted capital
- approving merger proposals
- approving acquisitions and sales
- convening ordinary and extraordinary General Meetings

Each director currently receives € 12,395 a year as a director's fee. In the 2001 financial year a total of € 139,080 was paid out in fees. This increased amount is due to payments made to the former business manager of PeriFund CVA/SCA before the change of name.

d. Approval of the accounts

The Auditor, who is appointed by the General Meeting of Shareholders, certifies the annual accounts. As Interinvest Offices is a property investment fund, the Statutory Auditor must also prepare a special report on the annual figures for the Commission for Banking and Finance.

e. Valuation of the property

The property portfolio is valued every quarter by three independent experts. For more information on this point, see Section IV, D.



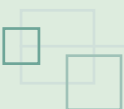






II Management report

Lozenberg 18-23, Zaventem



II Management report

A The office market⁴

a. The Brussels office market in general and the periphery

The market situation as described in this section is that of the beginning of November 2001. In comparison with the market situation on 30 June 2001, it can be said that the market players have become more cautious in the current economic climate, particularly with reference to the peripheral areas of Brussels, where the market appears to be under something of a strain.

1. Supply

In the past ten years, the periphery of Brussels has seen fast growth because of its ease of access and attractive setting, and the favourable tax situation compared to the city centre. Users are mainly new technology companies. The total supply of offices on the outskirts of Brussels is currently estimated at more than 1.3 million m², more than half of it close to the airport (Zaventem, Diegem and Machelen).

Availability in the Brussels market in general has fallen off in the past 12 months, by 26% to 5.53% at the beginning of August 2001 (around 616,000 m²). This confirms the trend of the past two years. Looking at the peripheral areas alone, however, we find that availability has increased sharply to almost 14% (around 180,000 m²). The situation in these areas is thus very different from that of Brussels city centre, and can partly be explained by currently declining activities in the TMT sector, whose companies traditionally operated in this zone.

Another reason is the volume of new projects that are being started in this region. The combination of these two factors has led to an increase in vacant properties in the last 12 months.

2. Demand

Following two exceptional years in 1999 and 2000, in which the take-up on the Brussels market as a whole was 686,000 m² and 768,000 m², 2001 is likely to close at around 586,000 m². In 2001, the periphery achieved a take-up of around 112,000 m² (airport and ring road), representing a market share of 19%, but considerably less than its top performance of the previous year. We also have to be aware that we have just put a number of exceptional years behind us. A major slump was to be anticipated in the office area around the airport (Diegem-Zaventem). However, some other zones on the Brussels ring road enjoyed an increase, which might be due to the fact that, for example, traffic problems might be an important factor. Above all, old offices on the periphery are currently suffering badly from such problems. An important example here is the old phase of the Keiberg, where many tenants moved out last year. The planned infrastructure projects in this region might lead to a change in this situation in the future.

3. Rents and yields

In the year 2000, rents for new buildings in Brussels increased by 10%. This applied chiefly to the top segment of the market and related to a small number of exceptional transactions. Consequently, these higher-than-usual prices could not be sustained in every case the following year. Nevertheless, these figures are considerably lower than in other large European cities.

The average rents for the total Brussels area remained stable.

⁴ This information is derived from market reports by DTZ Winssinger Tie Leung.



The peripheral areas have also seen rents rising in the last few years, with the highest around 161 €/m². The considerable number of projects is, however, increasing supply in a situation of falling demand. There is therefore a risk that developers on the periphery will drop their prices to attract potential tenants away from the city centre, and will thus throw the entire market out of equilibrium.

Another possible scenario is that the developers will wait until the economy takes a turn for the better again. In that case, rents will remain reasonably stable, partly due to the international institutions that are based in the Brussels area.

In the first 6 months of 2001, investors were left catching their breath after the exceptional 2000, but the second half of 2001 saw a renewed high level of activity, particularly on the Brussels market. The investment funds have been the most important investors since the beginning of 2000, and as a result of the fact that they are permitted to increase their debt ratio to 50%, most of them will be able to build their portfolios further in the coming years.

Other investors include the German investment funds, and, particularly in 2001, the Dutch ones. However, the strain on the market in the peripheral areas has mounted rapidly in recent months, with regard to both lets and investments.

b. Market report for Antwerp and the surrounding area

1. Offer

In the first half of 2001, the total base of office property in Antwerp was around 1.7 million m², compared to 1.675 million m² in 2000.

This increase is to be ascribed to new buildings coming on the market during 2000, in particular the development "de Veldekens" on the Singel (the southern ring road.).

Immediately available office space came to between 80,000 and 90,000 m² in July 2001, corresponding to an availability of around 5%.

Most of this office space is more than 5 years old, while the "new" office space (less than 5 years old) represents only 12%. The empty office space is mainly in the city centre and the port area. In the area of the Singel (the southern ring road), in contrast, the share of available office space is significantly lower.

At present, it seems that companies prefer this zone to the city centre, which is having problems with a lack of high-quality premises and parking spaces, and which is also difficult to reach by car.

A large number of projects are now in the preparation and realisation phases. This applies chiefly to the Singel (southern ring road) and the periphery. A number of ambitious projects may also be realised in the city centre after 2004.

2. Demand

The take-up of office space reached an absolute pinnacle in 1998 and 1999, achieving and even exceeding 100,000 m²/a year. The figure for the year 2000 was around 90,000 m². The provisional figures indicate that a take-up of 80,000 m² was realised in 2001.

However, this reduction does not mean that demand has gone down during this period; rather, the supply of high-quality office space was insufficient to meet the demand from companies. In some cases, these companies have opted for alternative solutions such as Mechelen.



3. Rents and yields

A review of the various districts of Antwerp reveals stabilisation in the city centre. Rents fluctuate between $\pm 74 \text{ €/m}^2$ and 112 €/m^2 .

Rents in the port area are pretty stable, at around 87 €/m^2 . It should be noted that the “t Eilandje” district is currently seeing several interesting renovation projects, with expected rents of around 112 €/m^2 .

The Singel, however, remains by far the most desirable location. The scarce supply is driving rents, which are continuing to rise, fluctuating at present between $\pm 124 \text{ €/m}^2$ and 136 €/m^2 .

The southern periphery is seeing sustained demand, but rents there are stable. Fluctuations in this area are between $\pm 99 \text{ €/m}^2$ and 130 €/m^2 .

The last three years have been characterised by an increase in the property market in Antwerp. Considerable investments were made in 1999 and 2000. This trend can be explained by the growth in the local economy, the limited supply of high-quality office space and the attractive returns.

The yield on modern buildings on the southern periphery and on the Singel varies between 7.6% and 8% at present; for those in the city centre and port areas, the yield ranges from 8% to 10%.

c. Market report for Ghent and the surrounding area

1. Offer

The most important office buildings larger than $1,000 \text{ m}^2$ occupy a total space of around $320,000 \text{ m}^2$. These offices are mainly in the central, Binnenring-E17 and Buitenring-E40 areas. In addition, there are plenty of old buildings (15 years old) in the centre and on the outskirts. The office buildings in the area of the E40 motorway are much more recent.

As the third largest city in terms of population, Ghent has a fairly limited office premises market. The growing demand on the Ghent market and the scarce supply of high-quality office space have naturally attracted the attention of property developers. In total, there is more than $500,000 \text{ m}^2$ of office space under construction, of which only $25,000 \text{ m}^2$ will be completed in the course of 2002 and 2003.

2. Demand

During 2000 and 2001, around $40,000 \text{ m}^2$ of new office space was put into use a year in Ghent. In the preceding years, this figure generally fluctuated between $10,000 \text{ m}^2$ and $15,000 \text{ m}^2$.

The progress is the consequence of the increased “service aspect” of the economy and mobility problems in Brussels and the surrounding area. The supply of high-quality offices in Ghent is virtually exhausted at present, while pre-letting of office projects is enjoying a boom.

Despite a relatively modest office market, Ghent is attracting a significant amount of new interest from the players in this market, as the strong growth in take-up shows.

Thanks to the construction of full-sized business parks, Ghent is well on the way to becoming the preferred location in Belgium in the coming years.



3. Rents and yields

Naturally enough, the scarcity of office space in Ghent has led to pressure on prices, with a substantial increase in rents over the last five years as a consequence.

For conventional office buildings, rents in Ghent are between 87 €/m²/a year and 99 €/m²/a year. For prime buildings, i.e. modern or new buildings of high quality, normal rents vary from around 118 €/m² to around 130 €/m².

Gross initial yields between 7.4% and 7.8% were paid for recent transactions in the Axxes Business Park. The returns on average office premises in the Ghent region are from 8% to 8.5%.

d. Market report on Mechelen and the surrounding area

1. Offer

Mechelen has developed rapidly in the past decade. Although this region did not formerly have a proper office market, very ambitious projects have been built in the past few years.

The entire Mechelen market consists of around 440,000 m² of offices, storage space and laboratories, spread mainly over two zones: the Mechelen Noord (North Mechelen) zone, chiefly containing new economy and biotechnology businesses, and Mechelen Zuid (South Mechelen), geared more towards industry and logistics. Supply in the centre is fairly limited. It is mainly office parks that direct their attention to potential tenants, while the remaining buildings are often aimed at owner-users. If only offices are considered, Mechelen has a total supply of around 185,000 m².

The immediately available supply of offices is around 27,000 m². That means a rate of over 14% of free letting space. This figure already includes the most recent building in the Mechelen Office Park (Mechelen Zuid), with an area of 14,500 m², which came on the market at the end of 2001.

A substantial number of projects may be realised in the coming years. The total number of projects under construction or at the study stage is around 180,000 m² for the next five years. This figure includes, among other things, the Mechelen Campus project with a total area of around 55,000 m² (of which more than 20,000 m² is already completed and in use) and the Mechelen Business Tower II beside the E19.

2. Demand

Around 30,000 m² of new offices came on stream in the Mechelen region in the year 2000. In 2001, a slightly lower take-up was recorded. There are more and more people from Antwerp and the outskirts of Brussels who are interested in relocating to Mechelen. Demand in the coming years may depend on the number of projects coming on the market.

3. Rents and yields

Rents in Mechelen are very close to the prices in the upper market segment for Antwerp, but are still cheaper than those on the edge of Brussels. Conventional offices are let at around 99 €/m², while high-tech ones fluctuate between 116 €/m² and 124 €/m², with prime office buildings fetching prices of 124 €/m² to 130 €/m² (in exceptional cases, 136 €/m²).

Yields vary between 7.4% for the best projects, 8% for high-tech buildings and 8.5% for conventional, older offices.



e. Market report for Leuven and the surrounding area

1. Offer

Leuven and the surrounding area have a number of advantages that make it an attractive location for Belgian and international companies. The university and other higher education establishments give the city a special atmosphere and ensure the local availability of a highly-trained workforce. The building of the high speed train, the connection to Brussels' GEN network and a direct train connection between Leuven and Zaventem will improve the city's accessibility.

Leuven's current office premises market can be estimated at around 500,000 m². The biggest users are KBC (130,000 m²), Interbrew (130,000 m²), the Catholic University of Leuven (90,000 m²) and the municipality of Leuven.

Between 1997 and 2000, the annual additional gross area for commercial use rose from 32,000 m² to 92,000 m². The available office space in Leuven is fairly limited at present. Satisfying demand means waiting until the various projects currently in the implementation or study phase are completed.

2. Demand

A significant part of the demand for office space in Leuven derives from university spin-offs and other research-related companies. Five to ten spin-offs are set up every year. Together with those companies that are attracted from outside Leuven, that means an additional 15 to 20 new companies a year associated with the university. The space required by these companies is estimated at 30,000 m² a year.

In the first instance, these spin-offs set up their businesses in the science parks envisaged for the purpose. Once they attain a certain production capacity, however, the science parks are no longer the right place for them, and they have to move to other industrial zones or office parks.

3. Rents and yields

At the moment, rents for conventional and renovated offices in the centre and for offices in general in the suburban municipalities vary between 99 €/m²/a year and 112 €/m²/a year. For a modern office complex, the rent is 124 €/m² to 136 €/m².

Because of the limited supply, few transactions have taken place in the past few years. Yields, however, are around the 8% mark, and may go lower for the best projects.

B Important developments occurring in 2001 and facts after the balance sheet date

For a description of the main events of 2001, please see the Report of the Board of Directors on p. 69.

Two capital increases took place on 31 January 2002 (within the framework of the permitted capital).

The first capital increase saw ten reference shareholders from Siref contributing the shares they owned in that investment fund. As a result of this deal, Intervest Offices acquired 27.62% of Siref's shares.

On 12 March 2002, a public offer was launched for the remaining 72.38% of Siref's equity. So as to be able to contribute these shares to Intervest Offices, the Board of Directors approved a capital increase of a maximum of



€ 26,804,536.58 on 21 January 2002, under the suspensive condition that the public offer would be successfully completed, and that the increase would be to the same extent as this success. The results were not yet known at the time this annual report went to press.

The intention is to complete a merger of Intervest Offices and Siref before 28 June 2002.

In terms of capital, the mergers of 29 June 2001 and 21 December 2001 and the non-cash contributions of 21 December 2001 and 31 January 2002 result in the following:

Date	Transaction	Total outstanding capital after the transaction (€)	Total number shares after the transaction	Cumulative issue premium after the transaction (€)	Issue price per share (€)
08.08.1996	Formation	61,973.38	1,000	-	-
05.02.1999	Capital increase by non-cash contribution (Atlas Park)	4,470,150.87	2,575	213,253.45	-
05.02.1999	Capital increase by incorporation of issue premium and reserves and capital reduction through the incorporation of losses carried forward of	1,364,149.99	2,575	-	-
05.02.1999	Share split	1,364,149.99	1,076,427	-	-
05.02.1999	Capital increase by contribution in cash	2,403,372.10	1,896,459	19,461,572.39	25.00
29.06.2001	Merger through absorption of the limited liability companies Catian, Innotech, Greenhill Campus and Mechelen Pand	18,652,792.55	4,376,163	19,461,572.39	27.32
21.12.2001	Merger through absorption of companies belonging to the VastNed Group	41,740,685.08	6,638,542*	19,462,594.26	27.49
21.12.2001	Capital increase by non-cash contribution (De Arend, Sky Building and Gateway House)	78,949,503.14	7,992,252*	19,462,594.26	27.49
21.12.2001	Reduction in the issue premiums to pay off the accounting losses	78,949,503.14	7,992,252	5,715,563.00	-
31.01.2002	Contribution of 575,395 Siref shares	89,180,520.50	9,027,963*	21,801,962.15	25.41
31.01.2002	Contribution of max. 1,507,494 Siref shares in the context of the offer	max. 115,985,056.78	max. 11,741,452*	63,947,181.36	25.41

* Issue of 2,262,379, 1,353,710, 1,035,711 respectively and max. 2,713,489 shares entitled to dividend from 1 January 2002 onwards



C. Summary of the figures ⁵

BALANCE SHEET

ASSETS (€ 000)	31.12.2001	31.12.2000
Formation expenses	0	191
Tangible fixed assets	396,727	67,700
Current assets	9,093	1,599
Total assets	405,820	69,490

LIABILITIES (€ 000)		
Shareholders' equity	217,333	51,803
Third-party interests	50	0
Provisions for risks and charges	19	46
Amounts payable after one year	87,666	13,699
Amounts payable within one year	100,149	3,529
Accrued charges and deferred income	603	413
Total liabilities	405,820	69,490

RESULTS (€ 000)	31.02.2001	31.12.2000
A. Operating result		
Turnover	16,623	5,381
Other operating income	813	341
Net operating costs	-1,970	-1,313
Financial result	-5,006	-647
Operating result before taxes	10,460	3,762
Taxes	0	-55
Operating result	10,460	3,707

B. Result on the portfolio		
Added value or loss of value on sales of portfolio items	0	0
Reversal of changes in market value previously recorded on portfolio items disposed of during the financial year	0	0
Changes in the market value of portfolio items	-3,094	819
Result on the portfolio	-3,094	819
Result of the period	7,366	4,526
Group share	7,316	4,526
Third-party share	50	0

⁵ For 2001 these are consolidated figures. For 2000 these are the unconsolidated figures of PeriFund CVASCA, following the adjustment of these amounts in accordance with the deviation from the usual form used for the presentation of the annual accounts, as applied by Interest Offices.



D. Comments on the figures

In view of the huge transformation of the company in the 2001 financial year, it is hard to compare many of the figures.

The tangible fixed assets have increased almost six-fold, from € 67.70 million to € 396.73 million. This is, of course, due to the mergers of 29 June and 21 December 2001, and the non-cash contribution of 21 December 2001. In total, 18 buildings were added to the portfolio in 2001.

The shareholders' equity of the investment fund has grown from € 51.80 million to € 217.33 million as a result of a number of transactions. 6,095,793 new shares were issued in 2001.

Debt has increased by € 170.59 million. This, too, is attributable to the various mergers and contributions. Around half of the bank debt is financed on a long-term basis (5 years), guaranteeing security of the future financial costs. The other half consists of short-term finance, which is advantageous at the moment in view of the low short-term interest rates.

On 11 June 2001, Intervest Offices obtained approval from the Minister for Economic Affairs to present its annual accounts in adapted form. In its letter of 12 February 2001, the Commission for Accounting Standards also made a number of recommendations relating to the presentation of the profit and loss account of property investment funds.

Our company's profit and loss account therefore makes a distinction between the following:

■ Operating result

This result includes all operating income (rents received, costs charged on) and financial income (interest received on deposits), less operating costs (costs and services that relate directly to the management and operation of the property portfolio), financial costs (interest paid on debts) and tax paid. It is the net profit from the company's ordinary operations.

■ Result on the portfolio

This section covers all movements in the property portfolio and comprises

- added values and losses of value realised on the sale of premises;
- changes in the market value of the premises as a result of the property expert's valuations.

This result on the portfolio is not distributed to shareholders but is transferred to the reserves not available for distribution.

The operating profit has not increased in proportion to the growth of the portfolio (from € 3.71 million to € 10.46 million, or an increase of 182%), since the mergers and contributions had various retroactive accounting effects on each occasion. The merger of 29 June had an impact at the actual time of its conclusion, i.e. on 29 June 2001; the merger of 21 December took effect retroactively from 1 July 2001 and the contribution of the three office buildings on 21 December took effect the same day.

Last financial year, a loss of value was posted on the portfolio of € 3.01 million, or around 0.75% of the value of the portfolio on 31 December 2001. This loss of value resulted from the deterioration of the economy in general, reinforced by the events of September 11. The losses of value only arose from the third quarter of 2001 onwards.

The consolidated operating profit is € 10.46 million. The operating profit on the individual annual accounts is € 10.498 million.



E. Profit appropriation

The Board of Directors proposes that the annual accounts as at 31 December 2001 be approved and that the profit for the financial year be appropriated as follows⁶:

(in € 000)	
■ profit for the financial year:	5,361
■ transfer to the reserves not available for distribution:	5,137
■ profit balance to be appropriated:	10,498
■ profit to be carried forward:	1,820
■ addition to the capital:	8,678

The proposed dividend distribution conforms to article 62 of the Royal Decree of 10 April 1995 relating to property investment funds. The dividend is in fact higher than the required minimum of 80% of net income.

Taking into account that 4,376,163 shares will share in the full profit for the financial year, the proposal that a gross dividend of € 1,9831 per share be distributed will be put before the General Meeting of Shareholders on 8 May 2002. This is € 1,6856 net after the deduction of 15% withholding tax. This means a dividend payable of € 8,678,368. This dividend corresponds to the statements made in the listing prospectuses of June and December 2001.

Although Intervest Offices has a policy of paying out all its profits, the payment for 2001 only represents 83% of the operating profit. This is because the mergers and contributions effected during 2001 happened at different times, with different retroactive accounting effects and different rights to dividends on the newly created shares. The full profit for the 2001 financial year is not to be distributed, in order to take into account the (anticipated) consequences of these mergers and contributions for shareholders' equity.

It is proposed that the remaining profit of € 1,819,981 be carried forward to the next financial year.

The dividend is payable from Friday 31 May 2002 at the counters of KBC Bank, at the presentation of dividend coupon number 3 in the case of bearer shares.

F. Forecast profit and loss account and dividend ⁷

PROFIT AND LOSS ACCOUNT (in € 000)	2002	2003	2004	2005	2006
I. Operating income	29,554	30,433	31,171	31,710	32,253
II. Operating costs	-3,300	-4,050	-4,015	-4,086	-4,158
III. Gross operating profit/loss	26,253	26,383	27,156	27,624	28,095
IV. Financial income	230	53	60	5	55
V. Financial costs	-9,572	-9,150	-9,135	-9,100	-9,079
VII. Net operating profit	16,911	17,285	18,082	18,578	19,071
X. Profit on the portfolio	6,944	7,066	7,189	7,315	7,443
XIV. Profit for the financial year	23,855	24,351	25,271	25,894	26,514

⁶ Since from a legal perspective only the profit from the simple annual accounts can be distributed, and not the consolidated profit, the current profit distribution is based on the profit figures stated in the simple annual accounts.

⁷ The figures below do not take into account the acquisition of shares in the property investment fund Siref.



PROFIT AND LOSS ACCOUNT (in € 000)	2002	2003	2004	2005	2006
A. Profit to be appropriated	16,911	17,285	18,082	18,578	19,071
F. Profit to be distributed	16,911	17,285	18,082	18,578	19,071

DIVIDEND	2002	2003	2004	2005	2006
Number of shares	7,992,252	7,992,252	7,992,252	7,992,252	7,992,252
Payout ratio (%)	100	100	100	100	100
Earnings per share (€)	2.12	2.16	2.26	2.32	2.39
Gross dividend per share (€)	2.12	2.16	2.26	2.32	2.39
Net dividend per share (€)	1.80	1.84	1.92	1.98	2.03





Park Station

149

150



III Report on the share

Woluwelaan 148-150, Diegem



III Report on the share

A Stock market information

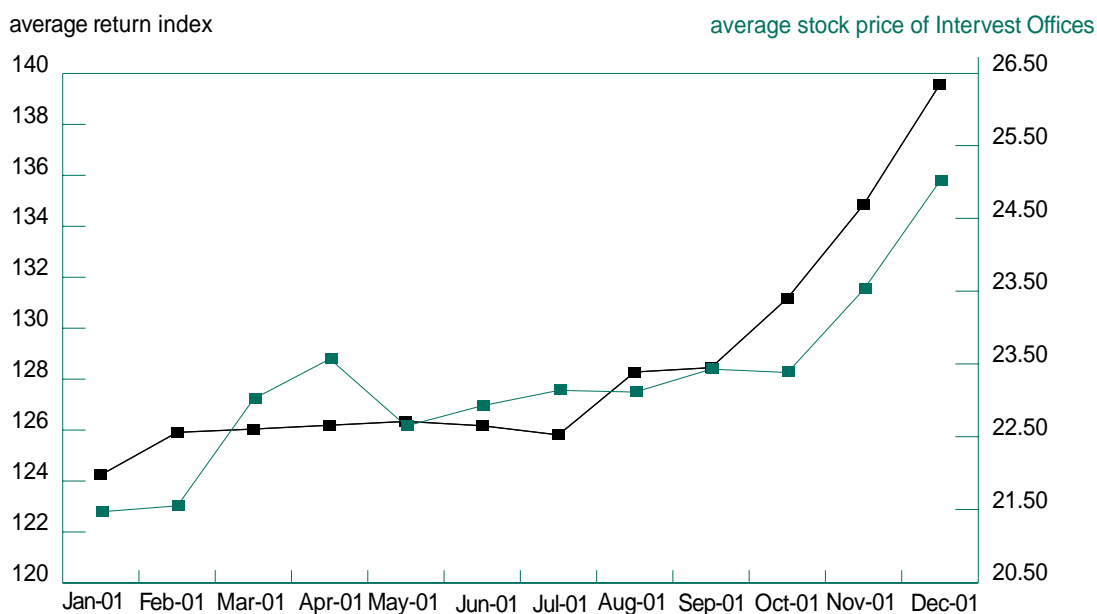
Since 1 January 2002 Intervest Offices has been listed on the Next Prime segment of Euronext Brussels. This segment consists of companies that do not feature in the Euronext 100 and the Next 150, but which set themselves certain qualitative obligations, such as:

- publishing quarterly figures
- preparing a number of analyst's reports every year
- maintaining a professional website
- complying with International Accounting Standards

This means that these companies pursue a stringent communication policy and set themselves strict quality requirements.

Within this segment, indices will be prepared for each sector, making it easier to compare one property company with another. This will stimulate the interest of institutional investors.

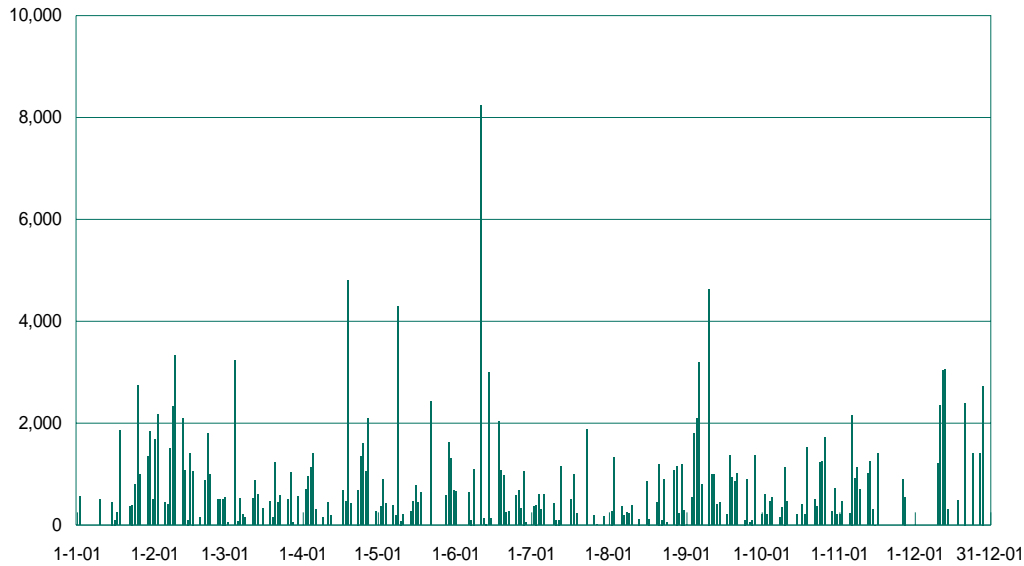
Comparison Intervest Offices - BBL sicafi index ⁸



⁸ The BBL property investment fund return index is calculated on the basis of the market capitalisation of the various investment funds, the volumes traded and the return on the dividends distributed: Source BBL.



Trading number of shares



The traded volumes were around 897 shares a day.

A liquidity contract was concluded with Vermeulen-Raemdonck (ING Groep) from 16 November 2001 onwards, with a view to promoting the negotiability of the shares. In practice this takes place through the regular submission of buy and sell orders within certain margins.

At the year end, the free float amounted to 20.9%. Additional efforts will be made to further increase this free float and thereby improve negotiability.

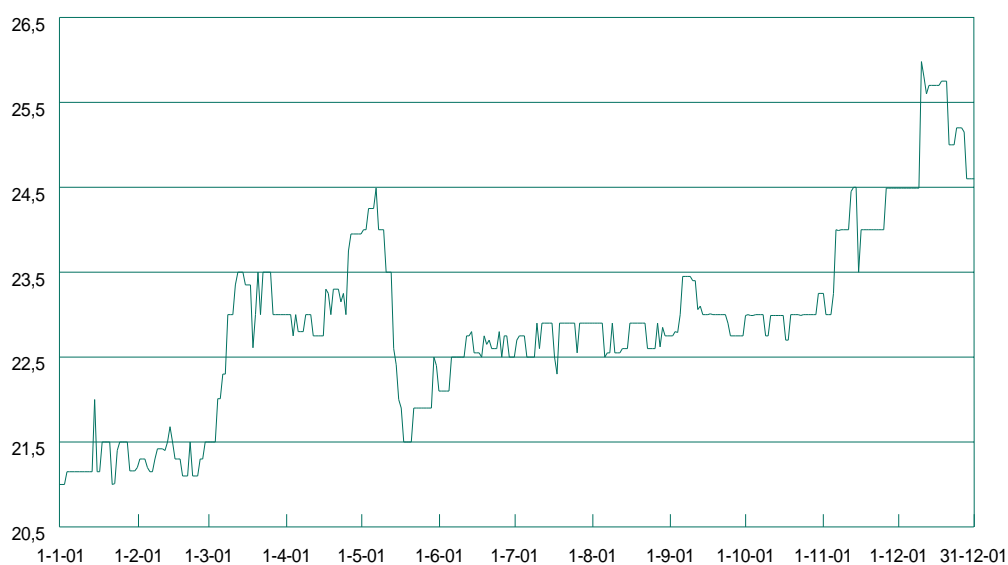
B Dividend and number of shares

	31.12.2001	
Number of shares at the end of the period	7,992,252	
Stock price (€)		
Highest	25.98	
Lowest	21.00	
Stock price on closing date	24.60	
Date per share (€)		
	31.12.2001	31.12.2000
Shareholders' equity at start of year (deed in hand)	28.98	26.59
Dividend distributed	-1.66	-1.31
Shareholders' equity at end of year	27.32	26.59
Shareholders' equity at end of year after creation of new shares per existing share at the end of the financial year	6.48	26.59



	31.12.2001	31.12.2000
Increase in shareholders' equity owing to mergers and contributions	20.27	0
Direct investment result	1.31	1.95
Indirect investment result (incl. other transactions) ⁹	0.22	0.44
Total investment result	1.53	2.39
Shareholders' equity at end of year (inc. dividend)	28.28	28.98
Gross dividend	1.98	1.66
Net dividend	1.68	1.41

Stock price of Interest Offices NV/SA



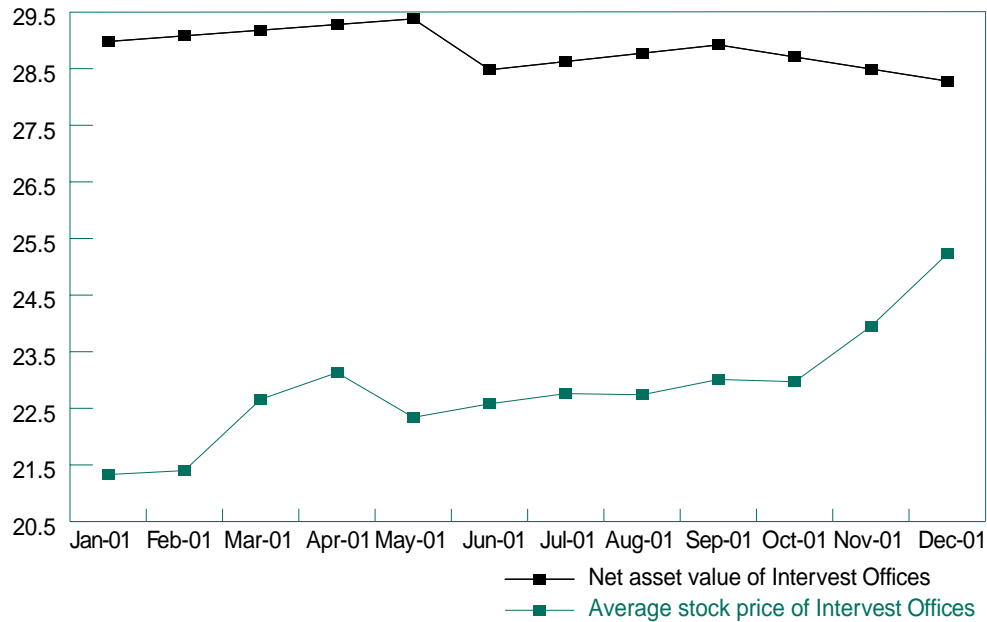
C Premiums and discounts

In 2001 the stock price of the share was subject to some fluctuation. At its lowest point it dropped to € 21 (2 January), and the highest price was € 25.98 (10 December). The price rose steadily from January onwards, and began to climb steeply from mid-October. Between 1 January 2001 and 31 December 2001, it increased by more than 17%.

⁹ Other transactions are, among other things, acquisition costs.



Premiums and discounts of Interest Offices NV/SA



D Shareholders

As at 31 December 2001 the following shareholders were known to the company:

VastNed Offices Belgium NV/SA Uitbreidingstraat 18 - B-2600 Berchem	5,725,440 shares (71.64%)
Slough Netherlands Holding BV De Boelelaan 7 - NL-1083 HJ Amsterdam	160,000 shares (2.00%)
VastNed Industrial BV Max Euwelaan 1 - NL-3006 AK Rotterdam	370,353 shares (4.63%)
KBC Select Immo Havenlaan 12 - B-1000 Brussels	66,405 shares (0.83%)
Public	1,670,054 shares (20.90%)
Total	7,992,252 shares (100%)

E Financial calendar

- General Meeting of Shareholders: Wednesday 8 May 2002 at 4.30 p.m. at the company's offices, Uitbreidingstraat 18, 2600 Antwerp-Berchem.
- Dividend making payable: from Friday 31 May 2002 at the counters of KBC Bank.
- Announcement of first half year results as at 30 June 2002: no later than Friday 30 August 2002.

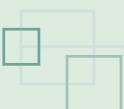






IV Property report

Woluwedal 18-22, Woluwe



IV Property report

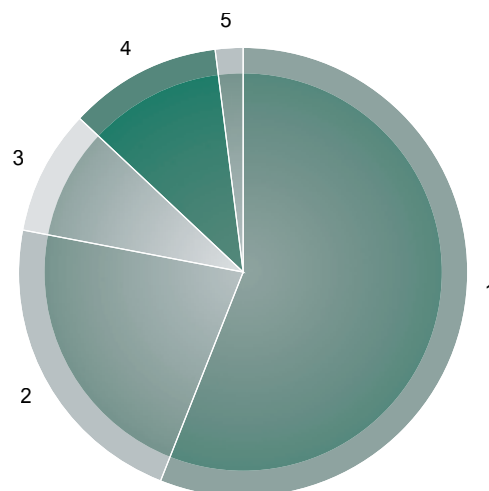
A Composition of the portfolio

Overview of property portfolio including vacant property as at 31 December 2001

Project	Offices	Others	Value	Rent/a year ⁽¹⁰⁾	Vacancy
	m ²	m ²	portfolio		ratio
Aartselaar – Kontichsesteenweg 54	3,000	1,000	5,620,000	453,940.27	0.00%
Antwerp – Brusselsestraat 59 (Gateway House)	11,318	0	16,840,000	1,429,533.34	0.00%
Berchem – Uitbreidingstraat 66 (Sky Building)	5,698	2	7,990,000	659,459.32	0.00%
Diegem – Berkenlaan 6 (Airport Business Park)	3,664	0	6,220,000	562,497.55	0.00%
Diegem – Berkenlaan 8a (Pegasus Park Phase II)	7,787	0	16,330,000	1,135,692.63	0.00%
Diegem – Woluweaan 148-150 (Park Station)	8,619	284	13,740,000	1,217,082.84	0.00% ¹¹
Dilbeek (Groot-Bijgaarden) – Pontbeekstraat 2 & 4 (Inter Access Park)	6,869	0	11,840,000	979,896.83	0.00%
Edegem – Prins Boudewijnlaan 45-49 (De Arend)	7,273	151	12,120,000	960,865.59	0.00%
Ghent – Xavier De Cocklaan 68-72 (Latem Business Park)	5,350	0	6,430,000	476,727.16	0.00%
Hoeilaart – Terhulpesteenweg 6A	2,694	107	6,630,000	544,211.14	0.00%
Leuven – Interleuvenlaan 15 (Greenhill Campus)	19,028	2,912	34,120,000	2,946,421.29	1.47%
Mechelen – Blarenberglaan 53 (Mechelen Business Tower)	11,701	1,216	27,620,000	2,053,071.50	0.00%
Mechelen – Generaal De Wittelaan 9-21 (Intercity Business Park)	38,718	3,394	60,875,000	5,096,622.54	20.49%
Strombeek-Bever – Nijverheidslaan 3 (Orion Bedrijvenpark)	4,724	165	7,960,000	662,283.08	16.20%
St.-Stevens-Woluwe – Lozenberg 15	4,717	48	8,290,000	665,227.38	0.00%
Vilvoorde – Luchthavenlaan 25 (3 T-Estate)	8,757	0	14,470,000	1,132,669.24	12.05%
Woluwe – Woluwedal 18-22 (Woluwe Garden)	24,081	993	66,050,000	4,573,501.74	0.00%
Zaventem – Imperiastraat 12	3,024	864	5,110,000	487,314.92	0.00%
Zaventem – Lozenberg 18-23 (Airway Park)	24,182	171	48,661,499	3,993,633.10	1.45%
Zaventem – Weiveldlaan 41 (Atlas Park)	9,157	3,990	19,810,000	1,696,532.66	6.59%
TOTAL:	210,361	15,297	396,726,499	31,727,184	3.18%

■ Geographic spread of the portfolio

1	Brussels	56%
2	Mechelen	22%
3	Leuven	9%
4	Antwerp	11%
5	Ghent	2%



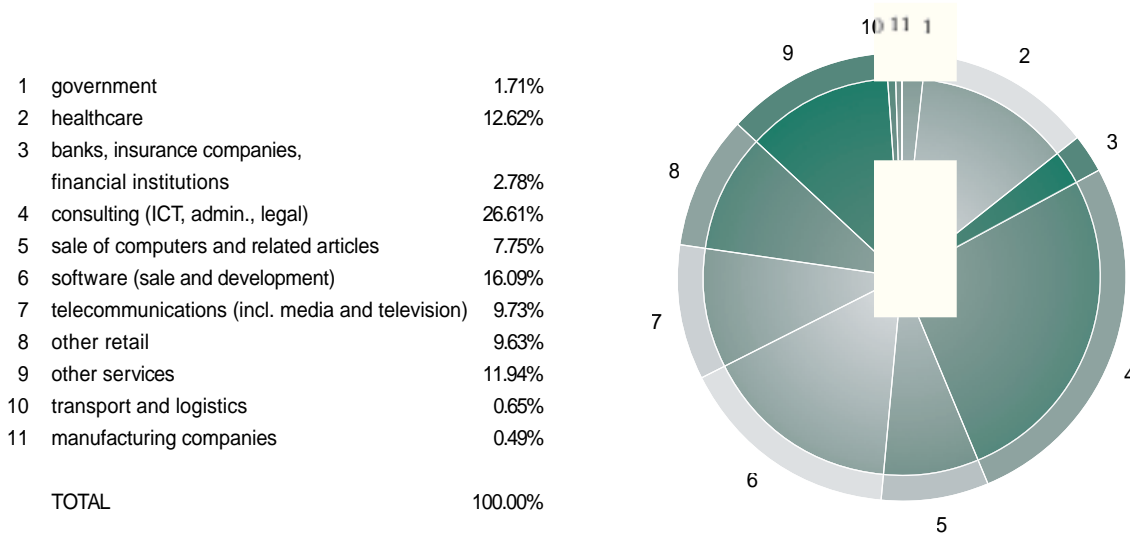
¹⁰ Offices, other premises and car park.

¹¹ Rent guarantee (see also p.41).



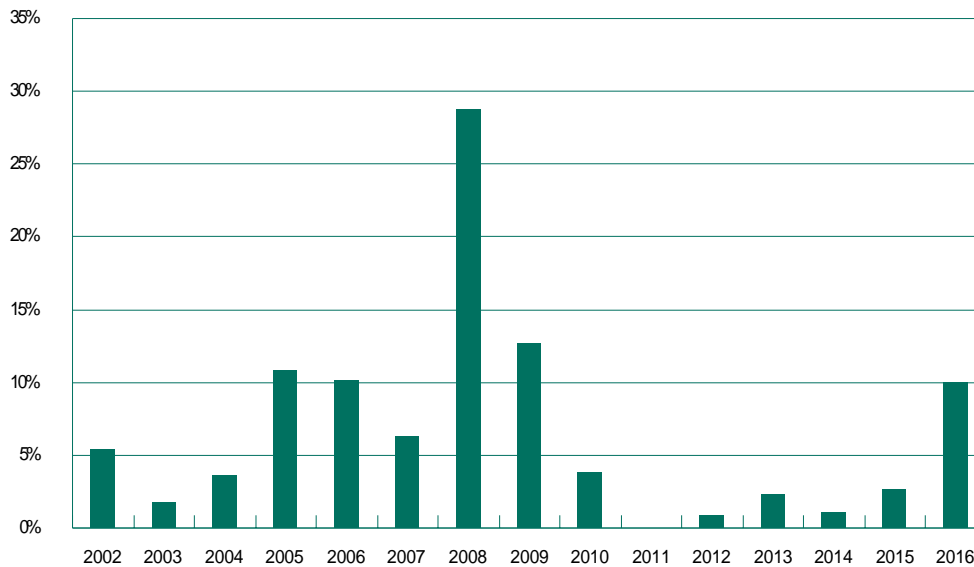
■ Sectorial spread of the portfolio

The tenants are well spread over different sectors. This reduces the risk of vacancies when fluctuations occur in the economy.



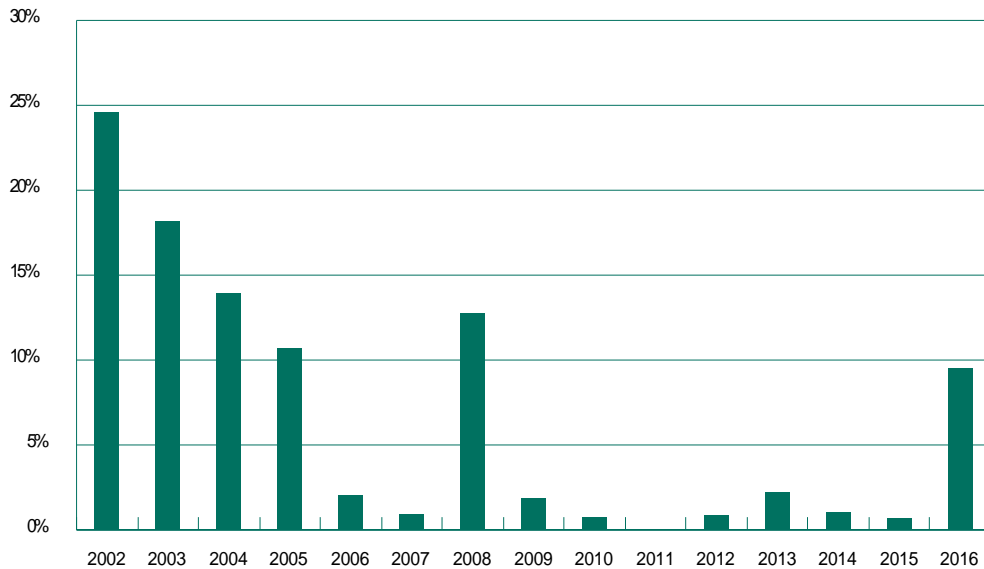
■ Expiry date of contracts in the portfolio

The expiry dates are well spread over the coming years. Many of the contracts run for a fixed period of nine years or over, which benefits the stability of the portfolio.



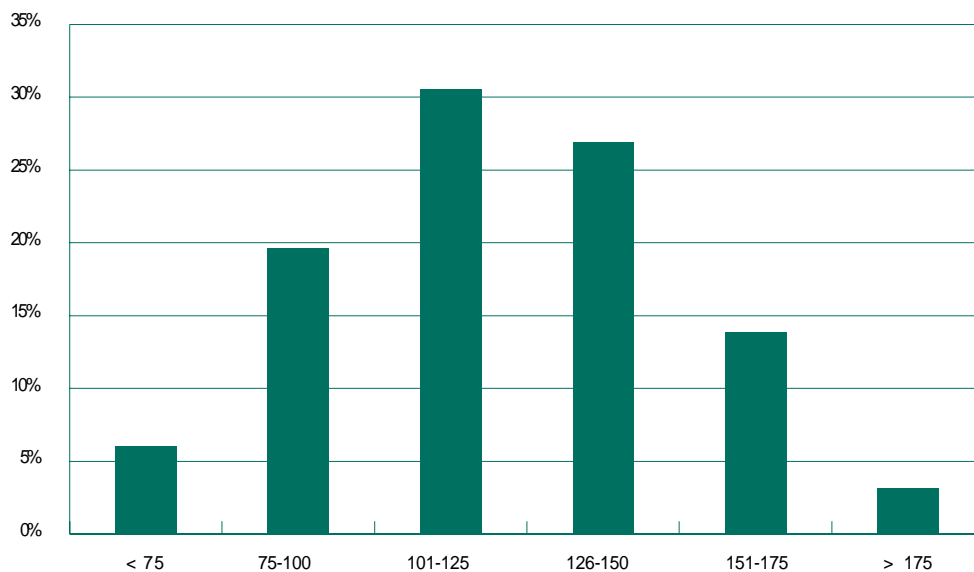
■ First interim expiry date of contracts in the portfolio

Although most contracts are of the 3/6/9 type, the tenants have the opportunity to end their contracts every three years. The graphic below plots the next expiry dates of the lease agreements. Since Interinvest Offices has a number of long-term agreements, not all contracts can be terminated within three years.



■ Rent per m² in €

For high-quality buildings in peripheral areas, tenants pay on average between 100 €/m²/a year and 150 €/m²/a year.



B Description of the portfolio as at 31 December 2001

a. Aartselaar – Kontichsesteenweg 54

Location	The building is easily accessible thanks to its position between the A12 Antwerp-Brussels and E19 Antwerp-Brussels motorways. It is situated in a mixed area (residential and industrial). The centres of Wilrijk, Edegem, Kontich and Aartselaar are a few kilometres away.
Description	<p>This is a recent office building linked to a warehouse. The office building consists of the ground floor and one other and is linked to the warehouse by a covered passage. Part of the warehouse is also used as an office. The office has façades in facing brick combined with curtain walls. The windows are of painted aluminium with semi-reflecting double glazing with sun protection. The offices are air conditioned, and there is a lift.</p> <p>The warehouse area consists of a metal frame with sandwich panel walls. There is a floor in polyconcrete, a roof in steel deck with strip lighting and 2 sectional, electrically operated gates.</p> <p>Aartselaar Lease Company NV/SA (now Intervest Offices NV/SA) obtained building and planting rights for 18 years and 11 months, starting on 1 December 1999, from Aartselaar Business Center NV/SA, the landowner. Aartselaar Business Center waived the right of accession in favour of the holder of the building and planting rights, which also has a preferential right of purchase when its building and planting rights end on 31 October 2018. Aartselaar Business Center NV/SA is a subsidiary of Intervest Offices NV/SA, which owns 99 of the 100 shares.</p>
Property leasing	The tenant, APV Benelux NV/SA, part of the Invensys Group, obtained a purchase option on the property, to be exercised in the sixth month before the end of the property lease agreement on 30 November 2015, for a price equivalent to 80% of the market value at that time but for no less than € 5,453,657.54 (to be indexed). If the purchase option is not exercised, the tenant has an option to extend the lease by three years.

b. Antwerp – Brusselsestraat 59, Gateway House)

Location	<p>Gateway House is on the same level as the Singel in Antwerp. The Amerikalei is a few metres away. It connects directly with the Singel in Antwerp and the A12 Antwerp-Brussels, E19 Antwerp-Brussels-Breda and E17 Antwerp-Ghent motorways. The city centre of Antwerp is easily reached by the Leien.</p> <p>The new court building is going up in the immediate vicinity, which also means very extensive infrastructural works. This will ensure an even better position and visibility in the future.</p>
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b.



a.



Description	This is an office complex built in the early nineties (1993-1994) with a traditional structure in reinforced concrete. The complex consists of one building on Montignystraat and one building on Brusselsestraat. The two parts are linked together via the central core with lifts and a stairway, and a ground floor that occupies the entire area of the premises. The two storeys of underground parking are accessible via two automatic gates on Montignystraat. The suspended ceilings consist of mineral fibreboard. The technical installations are on the roof, which also accommodates the cooling towers and the central heating fuelling area.
Occupancy rate	100%
Main tenants	Alcatel Bell, Kuwait Petroleum

c. Berchem – Uitbreidingstraat 66 (Sky Building)

Location	The Sky Building is situated at Uitbreidingstraat 66 in Berchem and has an annexe suitable for use as a records room on Jan Breydelstraat (previously number 42). This location is between Generaal Lemanstraat and Grote Steenweg. Uitbreidingstraat runs parallel to Binnensingel and enjoys excellent visibility from the Antwerp ring road. The entire property is very easily accessible by car, with easy connections to the Netherlands, Ghent and Hasselt via the ring road and to Brussels via the Craeybeckx tunnel (E19). Next to it is the Rubenscomplex, one of the most successful office projects in Antwerp in the past few years. Several new construction projects are to be realised in nearby Generaal Lemanstraat in the next few years.
Description	A modern office building consisting of a ground floor, five upper storeys, a technical floor and underground car park and records room. The building has a façade which is partly in blue stone and metal panels, and a granite doorway. The back is entirely in facing brick. The windows are all sash windows consisting of painted aluminium with double glazing, with sun protection on the street side.
Occupancy rate	100%
Main tenants	Lease Plan Fleet Management, Wagon Lits Travel, B.D.O. Services

d. Diegem – Berkenlaan 6 (Airport Business Park)

Location	The building is easily accessible and is situated close by the E40 Brussels-Leuven-Liège and E19 Brussels-Antwerp motorways. The centre of Brussels can be reached easily via the Leopold III-laan.
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d.



c.



Description	The building has a concrete structure. The elegant entrance hall is finished in travertine. All levels are fully fitted with partition walls and have two passenger lifts. A conventional heating system is installed. A limited number of rooms, including the entire 3rd floor, have air conditioning. The modulation is at 1.20 m and 1.80 m, allowing flexible divisions. In addition, an intruder alarm system is installed.
Occupancy rate	100%
Tenant	Deloitte Consulting

e. Diegem – Berkenlaan 8a (Pegasus Park Phase II)

Location	The building is known as Building 1 of Pegasus Park Phase II, and also forms part of the Airport Business Park. The building is easily accessible and is situated very close by the E40 Brussels-Leuven-Liège and E19 Brussels-Antwerp motorways. The centre of Brussels can be reached easily via the Leopold III-laan.
Description	The property is built in a “V” shape, which creates a pleasant working environment with adaptable individual units. The windows are sound-insulating.
Letting situation	Based on a property lease ending on 1 January 2016, with Deloitte & Touche having a purchase option at a price equal to the market value of the land and buildings, estimated one year before the purchase date, but at a minimum of € 14,526,560 (to be indexed).
Occupancy rate	100%
Tenant	Deloitte & Touche

f. Diegem – Woluwelaan 148-150 (Park Station)

Location	The property is in Machelen, on the corner of Woluwelaan and Mommaertslaan, close to Diegem station. It is a good position in a high-quality office area in Diegem (Machelen). The building is easily accessible and is situated very close by the E40 Brussels-Leuven-Liège and E19 Brussels-Antwerp motorways.
Description	A new office building with a ground floor and four upper storeys, which can be split into two equal parts, and two underground storeys with parking spaces and records rooms. The building has facing brickwork façades combined with strips of blue brick and granite. The windows are in aluminium, partly with sun-protection double glazing and partly with clear glass. The roof consists of patined zinc. There is a footbridge at first-floor level, with an empty space on either side, in the entrance hall between the two wings of the building. There are false ceilings and air conditioning in all offices.



e.



f.



Letting situation So far, one lease agreement has been concluded for the property. This agreement is with Thomas Cook. It commenced on 1 April 2002 and relates to 759 m². The initial owners of the shares of Diegem Airway Park NV/SA (part of the Verelst group) provided a lease guarantee for one year from 1 July 2001 onwards in the amount of € 1,217,082.84 for the whole building. For the period from 1 July 2002 to 30 June 2003, the previous shareholders of Diegem Airway Park NV/SA (part of the VastNed group) are taking responsibility for a minimum lease in the amount of € 1,115,520.86.

g. Dilbeek (Groot-Bijgaarden) – Pontbeekstraat 2 & 4 (Inter Access Park)

Location Situated in the office complex at Dilbeek, on the boundary between Groot-Bijgaarden and Dilbeek on the Brusselse Ring, at exit 10. The arterial road connecting to the Ghent-Ostend/Bergen-Charleroi motorway is in the immediate vicinity.

Planning permission The Standing Deputation of the Province of Flemish Brabant granted Priveco NV/SA planning permission on 10 June 1999 for the construction of three office buildings, a warehouse, and an outside car park with 232 spaces. The planning permission was explicitly granted under the condition that the buildings could only be used to accommodate businesses relating to new industries, with activities including research & development, light manufacturing and assembly, laboratories and supporting storage and office functions. An application to have this permission revoked was lodged with the Council of State by third parties on 29 October 1999. We are currently waiting for the court's opinion. Consequently, no ruling has been given on this matter to date. According to the Halle-Vilvoorde-Asse regional plan, laid down by the Royal Decree of 7 March 1977 as amended by order of the Flemish government on 17 July 2000, it is well situated in an industrial area.

Description Two new office buildings forming part of an office complex known as Inter Access Park. The offices consist of a ground floor, three other storeys and underground parking. The buildings have facing brickwork façades combined with strips of blue brick and, in some areas, curtain walls. The windows are of aluminium with semi-reflecting double glazing. The offices are air conditioned, and there are lifts.

Occupancy rate 100%

Main tenants Advalvas, Vacature, Mercuri Urval

h. Edegem – Prins Boudewijnlaan 45-49 (De Arend)

Location In Edegem, around 800 metres from the boundary with Kontich. This is an excellent location to the south of Antwerp, where several new construction projects have been realised over the past few years. The building is easy to reach by car along Prins Boudewijnlaan, which gives easy access to the Antwerp ring road and the E19 to Brussels.



h.



g.



Description	A recent office complex consisting of three two-storey office buildings, a technical floor, an underground car park for two of the units, and further parking facilities in front of the buildings. The three buildings are all finished in the same way. The outside façades consist of facing brickwork with large areas in marble and windows in natural-coloured aluminium. There are record rooms on the attic floor. The third unit has no underground parking.
Occupancy rate	100%
Tenant	Alcatel Bell, Euromex

i. Ghent – Xavier De Cocklaan 68-72 (Latem Business Park)

Location	Between the E40 Ghent-Bruges and the E17 Ghent-Kortrijk motorways, on the busy main Ghent-Kortrijk road, in a primarily residential area where there are also a number of retail warehouses.
Description	The office complex comprises four separate buildings, each of two storeys. The façades are of architectural concrete and coloured glass. The buildings have flat roofs. The entrance halls are of granite. There are no raised floors.
Occupancy rate	100%
Main tenant	IBS

j. Hoeilaart – Terhulpesteenweg 6A

Location	Situated in a wooded environment, primarily residential. Easily reached, because it is close to the E411 Brussels-Namen-Luxembourg motorway.
Description	A modern office building forming part of a larger whole, consisting of a ground floor, two other storeys and underground parking and record storage facilities. The building has a façade in facing brickwork combined with vertical elements in architectural concrete and curtain walls with windows of semi-reflecting glass. It has a marble entrance hall. The stairways are of granite. The windows are of aluminium with double glazing and formica sills.
Occupancy rate	100%
Tenant	Ebone Network Services (Belgium)



i.



j.



k. Leuven – Interleuvenlaan 15 (Greenhill Campus)

Location	Situated in the Haasrode Researchpark industrial zone, on the E40 Brussels-Liège motorway, at exit 23 (Haasrode), a few kilometres from the centre of Leuven.
Description	The office complex comprises nine separate buildings, each of three to four storeys. The façades are of brick (traditional brickwork with concrete) with granite decorative elements. The windows consist of reflecting double glazing and coated aluminium frames. The sloping roofs are of zinc, and the entrance halls, stairways and window surrounds are of granite. There are generally no raised floors.
Occupancy rate	98.53%
Main tenants	Regus, Regie der Gebouwen, Hercules Europe and Evisor

l. Mechelen – Blarenberglaan 53 (Mechelen Business Tower)

Location	This tower block is on the E19 Antwerp-Brussels motorway, on the level of the Mechelen-Noord exit. The building benefits from perfect visibility and accessibility because of its position on the motorway. This location is highly desirable in view of its central position between Antwerp and Brussels and its easy accessibility. The centre of Mechelen is a few kilometres away.
Planning permission	The municipality of Mechelen granted World Chartering NV/SA planning permission for this land on 3 August 1999 and on 8 February 2001. The building was provisionally delivered on 16 November 2001.
Description	The complex consists of the tower block and a lower extension consisting of three blocks. The complex as a whole is linked by an impressive atrium which serves as a reception area and refectory. It has a three-level underground car park and outside parking with an area specifically assigned to visitors. The tower block is conceived as a steel structure around a concrete core which serves as a vertical circulation area.
Ownership	Mechelen Business Tower NV/SA (now merged with Intervest Offices NV/SA) obtained building and planting rights for 19 years and 5 months, commencing 22 October 1999, from Mechelen Business Center NV/SA, the landowner. Mechelen Business Center NV/SA waived the right of accession in favour of the holder of the building and planting rights, which also has preferential right of purchase when its building and planting rights end on 21 March 2019. Mechelen Business Center NV/SA is a subsidiary of Intervest Offices NV/SA, which owns 99 of the 100 shares. To ensure that the cellars were water-tight, the contractor carried out injections until recently. It cannot yet be ascertained whether these injections will be sufficient. This matter will be monitored with due care.



k.



l.



Property leasing The tenant, Electronic Data Systems-Belgium NV/SA (E.D.S.), obtained a purchase option on the building and planting rights, to be exercised no later than six months before the end of the property lease agreement on 31 March 2016, at a price equivalent to the market value of the leased property at that time, but at no less than € 6,197,338.11 (to be indexed).

m. Mechelen – Generaal De Wittelaan 9-21 (Intercity Business Park)

Location In the industrial zone of Mechelen Noord, on the E19 Brussels-Antwerp motorway. Easily visible from the motorway, with excellent accessibility. The centre of Mechelen is a few kilometres away. This area has become a real office environment in the past few years, due among other things to the construction of the Mechelen Business Tower (on the other side of the motorway, leased to EDS), now also owned by Intervest Offices NV/SA, and Mechelen Campus, a project of over 65,000 m².

Description The office complex comprises nine buildings which, together with three buildings from the same development which do not belong to the present owner, were constructed between 1993 and 2000. Certain parts are used as storage space, showrooms or laboratories. The buildings each consist of two or three storeys. The façades are of traditional brickwork. The windows are double glazed with coated aluminium frames. The roofs are flat; most of them are covered with Trocal (PVC) and roll roofing. The entrance halls, stairways and window surrounds are of granite. There are generally no raised floors.

Occupancy rate 93.50%

Main tenants Alcatel Bell, Virco-Tibotec, LabCorp and Galapagos

n. Strombeek-Bever – Nijverheidslaan 3 (Orion Bedrijvenpark)

Location The property forms part of the Orion industrial park. This is a well-positioned industrial park with easy access to the A12 Brussels-Antwerp and E40 (ring road) Zaventem-Liège-Charleroi motorways. The building borders on the centre of Strombeek-Bever.

Description The property is “H”-shaped and consists of three floors. It is built in a combination of beige and red facing bricks. The building has a gable roof. The windows are double glazed. There is a central entrance hall on the ground floor. Two passenger lifts are available.

Occupancy rate 83.80%

Main tenant Whirlpool



n.



m.



o. St.-Stevens-Woluwe – Lozenberg 15 (forming part of Airway Park)

Location	The building borders on the high-quality office complex Airway Park at Sint-Stevens-Woluwe (which is also owned by Intervest Offices NV/SA). It is well situated and easily accessible since it is very close to the E40 Brussels-Leuven-Liège motorway and the ring road around Brussels. The project enjoys a location with excellent visibility along the E40.
Description	The building forms part of a larger office park, the Airway Park. The unit as a whole consist of a ground floor, three other storeys and underground parking. The façades of the building have cladding of metal panels. The entrance hall is in travertine marble. The windows are of aluminium with double glazing and formica sills. The building is air conditioned.
Occupancy rate	100%
Main tenants	Sun Microsystems Belgium, KPN Orange Belgium

p. Vilvoorde – Luchthavenlaan 25 (3-T Estate)

Location	The complex is situated in a multi-functional environment, mainly consisting of offices. The complex is very easily accessible from the E19 Antwerp-Brussels motorway, exit 12 (Vilvoorde) and from Woluwelaan. It is within walking distance of the railway station in Vilvoorde and borders on Zaventem's international airport. It is an an office area that is developing rapidly.
Description	The two office buildings form part of a recent office complex consisting of three units. The largest office building consists of a ground floor and two other storeys, and the nearest separate building has a ground floor, three upper storeys and an attic floor. The façades of the buildings are in facing brickwork. The brickwork of the largest unit is combined with strips of blue brick, and it has generously-proportioned wooden eaves. The smaller unit is characterised by large, round concrete columns on the ground floor and a zinc roof. The windows are aluminium. All offices have false ceilings.
Occupancy rate	87.95%
Tenant	Ingram Micro and Fleet Logistics Belgium



o.



p.



q. Woluwe – Woluwedal 18-22 (Woluwe Garden E, F and G)

Location	Excellent position a few kilometres from Brussels, with easy access because of location close to the E40 Brussels-Leuven-Liège motorway and the Brussels ring road. This prestigious complex has a visible location on Woluwedal and is situated in a high-quality office area.
Description	The complex is conceived as a single prestigious main building in which all general and technical services are accommodated, and two smaller buildings with a modern, but more functional finish. The main building has three underground levels which are mainly used for parking. The ground floor contains a branch of a bank, a travel agency and extensive restaurant facilities, among other things. When the complex was provisionally delivered, it was noted that there was a water leak in the underground levels, which impeded the use of a limited number of parking spaces. This problem will be addressed appropriately upon final delivery. The façade is finished in marble panels, combined with aluminium structural elements. The entrance to the main building is conceived as an atrium in "structural glazing". False ceilings are installed. Most floors are raised. The buildings have air conditioning and lifts.
Occupancy rate	100%
Tenants	PWC, Bogaert & Vandemeulebroeke

r. Zaventem – Imperiastraat 12

Location	This office district is known as the Keiberg Business Park. The building is easily accessible and is situated very close by the E40 Brussels-Leuven-Liège motorway, connecting to the E19 Brussels-Antwerp.
Description	The building forms part of a larger office park (Keiberg Business Park). The unit consists of a ground floor, three other storeys and two underground levels. The façades of the building are of facing brickwork with strips of architectural concrete. It has a carrara marble entrance hall.
Ownership	The Zaventem O.C.M.W. (a public social welfare organisation) owns the land. The ground lease was granted to Rebus NV/SA (now Intervest Offices NV/SA) on 23 May 1989 for 35 years, ending in 2024, but all or part of it can be extended to the full period of 99 years (i.e. until 2088).
Occupancy rate	100%
Tenant	Atos Origin (new lease agreement)



q.



q.



r.



s. Zaventem – Lozenberg 18-23 (Airway Park)

Location	Branch of Leuvensesteenweg beside the E40 Brussels-Leuven motorway. The complex is easily visible from the motorway because of its position on an important approach road to the capital.
Description	The office complex consists of six buildings which, together with a seventh building from the same development, were built around a roundabout with a fountain in 1993. The buildings have four or five storeys, plus a technical floor and an underground parking level. The complex also has additional covered and external parking, giving it 1 parking space for each 41 m ² of office space. The façade has architectural concrete cladding and aluminium curtain wall structures with reflecting double glazing. The entrance halls are finished in unpolished granite. The suspended ceilings are of mineral plate with integrated strip lighting. There are lifts.
Occupancy rate	98.5%
Main tenants	Sybase, Dialogic, Wanadoo, BIT (17 in total)

t. Zaventem – Weiveldlaan 41 (Atlas Park)

Location	In Zaventem, in a multifunctional environment of offices and high-tech buildings, retail warehouses, numerous semi-industrial buildings and residential properties. The complex is easy to reach because it is close to exit 21 (Sterrebeek) of the E40 Brussels-Leuven-Liège motorway. The Atlas Park is situated in the well-known industrial area of “Weiveld”.
Description	The complex consists of seven buildings for office and mixed use. The buildings are constructed in “Business Park” style and have a separate entrance for almost every building. The buildings consist of a ground floor and a first floor, except for two one-storey units. Two other buildings have a ground floor and part of a first floor. The buildings have a reinforced concrete frame. The façade elements are of architectural concrete. The façades are insulated and are finished on the inside with thermoplastic board or equivalent material. The glazing, double and insulating, consists of aluminium windows with thermal barriers. The walls of the entrance halls of building F have cladding of marble and decorative textured plaster. Thermal insulation covers the soundproofing suspended ceilings in the entrance halls, stairwells and offices. These ceilings are of mineral board on a visible frame, and the suspended ceilings in the sanitary facilities are of painted metal sheeting.
Occupancy rate	93.4%
Main tenants	VT4, DEBIS IT Services Benelux (18 in total)



s.



t.



C Evolution of the property portfolio

	31.12.2001	31.12.2000
Value of the portfolio (deed in hand) (€)	396,726,499	67,699,722
Value of the portfolio (costs-to-buyer) (€)	352,896,631	60,104,619
Current rents (€)	30,927,238	5,250,903
Yield (%)	7.80	7.76
Current rents, including estimated rental value of vacant properties (€)	31,727,184	5,586,142
Yield if fully let (%)	8.00	8.25
Total lettable area (m ²)	225,658	37,427
Occupancy rate (%)	96.82	94

D Valuation of the portfolio by the property experts

Property valuations

Intervest Offices' current property portfolio was valued by DTZ Winssinger Tie Leung, represented by Mr Philippe Winssinger, with the exception of Airway Park, which was valued by Crombrugge & Partners, represented by Mr Guibert de Crombrugge and Atlas Park, which was valued by Healey & Baker, represented by Mr Jean-Paul Ducarme.

DTZ Winssinger Tie Leung

Property expert DTZ Winssinger Tie Leung analyses leases, sale and purchase transactions on a permanent basis. This makes it possible to estimate property trends correctly on the basis of the real prices realised and to put together market statistics (with, among other things, a database of rents and selling prices and the associated returns) in accordance with the following parameters:

- location (visibility, ease of access by private and public transport, parking facilities, building density, etc.);
- age and type of building;
- state of repair (façades, roofs, sanitary facilities, heating, etc.) and comfort (raised floors, air conditioning, sun protection, lighting, etc.);
- architectural aspects (appearance, modulation, load-bearing capacity of floors, headroom, etc.).

On the basis of this knowledge, every building is estimated by one or more of the following valuation methods:

1. First method: discounting of the estimated rental income

The investment value is the result of the applied yield (representing the gross return demanded by a buyer) on the estimated rental value (ERV) adjusted for the net present value (NPV) of the difference between the present actual rent and the estimated rental value on the date of the valuation, for the period up to the next date on which the current rent contracts can be terminated.

For buildings that are partly or entirely unoccupied, the valuation is made on the basis of the estimated rental value, deducting the vacant properties and the costs (cost of letting, advertising costs, etc.) of the vacant parts.



Buildings to be renovated, buildings undergoing renovation or planned projects are valued on the basis of the value after renovation or after the completion of the works, less the amount of remaining works, architects' and engineers' fees, interim interest, estimated vacancies and a risk premium.

2. Second method: unit prices

The investment value is determined on the basis of unit prices for the property per m² for office space, storage space, records rooms, number of parking spaces, etc., on the basis of the analysis of the market and of buildings described above.

3. Third method: discounted cash flow analysis

This method is mainly used in valuing properties that are subject to lease or long-term contracts. The investment value is determined on the basis of the conditions laid down in the contract. This value is equivalent to the sum of the NPV of the various cash flows over the period of the contract.

The cash flows consist of annual payments (discounting by a financial interest rate) together with the value at which the property could be sold at the end of the contract (based on the open market value at that time, discounted by the cost of capital) if the tenant has a purchase option at the end of the contract.

The open market value at the end of the lease contract is calculated using the first method above (discounting of the estimated rental income).

4. Terminal value

The terminal selling value is one of or the average of the valuation methods above.

The investment value is equivalent to the open market value, whereby the transaction costs (registration, civil-law notary, etc.) also have to be counted.

de Crombrughe & Partners

In valuing an investment property, de Crombrughe & Partners follows the various lines of reasoning that players in the market would follow in order to compare certain sales results. The rental value capitalisation method appears to be decisive for the valuations used by the company.

Therefore, in this case the market value taking the existing lease agreements into account is determined on the basis of the economic market rental value of the lettable areas of the buildings, capitalised on the basis of a rate of return that is considered realistic under current market conditions. This rate of return is based on the assessment of the market, the location and the property, and is based on the factors below, among others.

1. Market:

- supply and demand of tenants and purchasers of comparable properties
- development of yields
- expected inflation
- current returns and expectations of trends in returns



2. Location:

- environmental factors
- parking facilities
- infrastructure
- accessibility by private and public transport
- facilities such as public buildings, shops, restaurants, banks, schools, etc.
- (construction) developments of comparable properties

3. Real estate:

- usage and other expenses
- type and quality of building
- state of repair
- age
- location and prestige
- current and possible alternative uses

The net present value of the difference between the current rental income and the estimated market rental value is discounted over the remaining period of the lease agreements.

Possible costs of vacancies, including forgone rent, service costs borne by the owner, cost of letting, promotional, advertising and marketing costs relating to letting and the costs of supervision, maintenance and adaptation and/or renovation are taken into account.

Healey & Baker

The property expert Healey & Baker compares the valued property with similar ones and consequently applies a method comparable to the valuers above. First, the rental value is estimated, taking the current market situation into account. A distinction is made between buildings fully equipped with air conditioning, buildings with top cooling, and buildings with a conventional ventilation system.

The total estimated rental value is obtained by applying the different unit rental values to the areas concerned. A yield, or the gross rate of return demanded by a buyer, is then assumed, and the total estimated rental value is divided by this figure to obtain a value, including all costs, before adjustments.

When adjustments are made, the actual rental income and vacancies have to be taken into account. The difference between the actual and estimated rental incomes is discounted over a period ending on the next date when the lease can be terminated. This calculation is therefore carried out for each lease agreement. The vacancies are also regarded as negative cash flow and deducted from the value of the building. The total adjustments may be positive or negative, depending on the actual status of rental income compared to the estimated market rental value.

The investment value which is ultimately considered is the result of the two methods, i.e. the rental value capitalisation method and the unit rental value method. This is a value "deed in hand".



Value of the Intervest Offices portfolio as at 31 December 2001:

Valuer	Valued property	Market value, deed in hand (€)	Value costs-to-buyer (€)
Healey & Baker	Atlas Park	19,810,000	17,590,000
de Crombrugghe & Partners	Airway Park	48,661,499	43,232,631
DTZ Winssinger Tie Leung	Other properties	328,255,000	292,074,000
TOTAL		396,726,499	352,896,631

As a comparison, on 30 June 2001 the market value of this portfolio was € 399,515,120 and on 30 September 2001 it was € 398,424,389. As mentioned above, this drop (from the third quarter of 2001 onwards) is due to declining economic growth and the events of September 11.



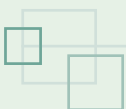






V Financial report

Brusselstraat 59, Antwerp



V Financial report

A Consolidated annual financial statements ¹²

a. Balance sheet

(in € 000)	31.12.2001	31.12.2000	31.12.1999 ¹³
ASSETS			
FIXED ASSETS	396,727	67,891	67,192
I. Formation expenses	0	191	385
IV. Tangible fixed assets	396,727	67,700	66,807
A. Land and buildings	396,727	67,700	66,807
CURRENT ASSETS	9,093	1,599	196
VI. Receivables payable within one year	133	0	0
A. Trade accounts receivable	133	0	0
VIII. Receivables payable within one year	2,825	90	2
A. Trade accounts receivable	2,579	87	2
B. Other debtors	246	3	0
IX. Investments	223	1,438	0
B. Other investments	223	1,438	0
X. Liquid assets	5,879	67	81
XI. Deferred charges and accrued income	33	4	113
TOTAL ASSETS	405,820	69,490	67,388

¹² The consolidated annual accounts of Intervest Offices do not have an opening balance sheet, since 2001 is the first year of consolidation. For reasons of presentation, the balance sheet as at 31 December 1999 of the former PeriFund has been used as the opening balance sheet for the consolidated annual accounts of Intervest Offices. For 2001 these are consolidated figures. For 1999 and 2000: simple figures, following the adjustment of these amounts in accordance with the deviation from the usual form used for the presentation of the annual accounts, as applied by Intervest Offices.

¹³ First financial year as a property investment fund.



(in € 000)	31.12.2001	31.12.2000	31.12.1999
LIABILITIES			
SHAREHOLDERS' EQUITY	217,333	51,803	50,427
I. Capital	78,950	2,403	2,403
A. Issued capital	78,950	2,403	2,403
II. Issue premiums	5,715	19,462	19,462
IV. Consolidated reserves	132,668	29,938	28,562
VIII. Minority interests	50	0	0
PROVISIONS AND DEFERRED TAXATION AND DEFERRED TAX LIABILITIES	19	46	0
IX. A. Provisions for risks and charges	19	46	0
4. Other risks and charges	19	46	0
DEBTS	188,418	17,641	16,961
X. Tenants payable after one year	87,666	13,699	13,634
A. Financial debts	87,615	13,634	13,634
4. Credit institutions	87,615	0	0
5. Other loans	0	13,634	13,634
D. Other amounts payable	51	65	0
XI. Amounts payable within one year	100,149	3,529	2,898
B. Financial debts	89,590	105	0
1. Credit institutions	89,590	105	0
2. Other loans			
C. Trade debts	1,293	132	409
1. Suppliers	1,293	132	409
E. Debts relating to taxes, remuneration and social security contributions	357	56	0
1. Taxes	357	56	0
F. Other amounts payable	8,909	3,236	2,489
XII. Accrued charges and deferred income	603	413	429
TOTAL LIABILITIES	405,820	69,490	67,388



b. Profit and loss account

(in € 000)	31.12.2001	31.12.2000	31.12.1999
A. OPERATING RESULT			
I. Operating income	17,436	5,722	4,957
A. Rents	16,623	5,381	4,819
C. Other operating income	813	341	138
II. Operating charges	-1,970	-1,313	-985
A. Services and other goods	1,251	837	624
C. Depreciation and downward value adjustments on formation costs, tangible and intangible fixed assets	191	187	195
D. Depreciation and downward value adjustments on trade accounts receivable	0	7	0
E. Provisions for risks and charges (additions (+); expenditure and withdrawals (-))	-266	46	0
F. Other operating charges	794	236	166
III. Gross operating profit/loss	15,466	4,409	3,972
IV. Financial income	426	38	56
B. Income from current assets	394	11	56
C. Other financial income	32	27	0
V. Financial charges	-5,432	685	841
A. Charges of debts	5,207	684	840
C. Other financial charges	225	1	1
VI. Taxes	0	-55	-3,875
A. Taxes (-)	0	-56	-3,875
B. Regularisation of tax and withdrawals from provisions before tax	0	1	0
VII. Net operating profit	10,460	3,707	-688



(in € 000)	31.12.2001	31.12.2000	31.12.1999
B. RESULT ON THE PORTFOLIO			
IX. Change in the market value of portfolio items (in relation to their book value on the last balance sheet, or, if this is more recent, the acquisition cost)	-3,094	819	27,876
A. Property assets (in the sense of the Royal Decree of 10.04.1995)	-3,094	819	27,876
1. Immovable property and real rights			
on immovable property	-3,094	819	27,876
- Added value	3,239	819	27,876
- Loss of value	-6,333	0	0
X. Profit/(loss) on the portfolio	-3,094	819	27,876
C. EXCEPTIONAL RESULT			
XI. Exceptional income	0	0	95
B. Other exceptional profit/loss	0	0	95
XV. Profit for the financial year	7,366	4,526	27,283
Group share	7,316	-	-
Minority interests	50	-	-

c. Consolidation criteria

- A. Indication of the criteria employed for the purposes of the full consolidation, the pro rata consolidation and the net asset value method, and of the situations in which these criteria are not applied, including the reasons for such deviation (in application of article 69 I. of the Royal Decree of 6 March 1990).

The consolidated annual accounts were prepared in accordance with the Royal Decree of 6 March 1990 on the basis of the consolidated annual accounts of the companies and internationally accepted accounting principles.

On 11 June 01 Intervest Offices NV/SA received approval from the Minister for Economic Affairs to deviate from the usual form used for the presentation of annual accounts. This followed a favourable recommendation from the Commission for Accounting Standards. This deviation applies to the 2001 financial year. The consolidated annual accounts have been prepared in accordance with this deviation.

Full consolidation:

The full consolidation involves including the assets and liabilities of the subsidiary companies in full, as well as costs and income. Third-party interests are stated in a separate section in both the balance sheet and the profit and loss account. The full consolidation is applied in situations where the control percentage is 50% or more.

- B. Information that allows a meaningful comparison to be made with the consolidated annual accounts for the previous financial year, if the composition of the consolidated entity has undergone a substantial change over the course of the financial year (in application of article 18 of the Royal Decree of 6 March 1990).

The participating interests in the Aartselaar Business Center NV/SA, Mechelen Business Center NV/SA and Mechelen Research Park NV/SA were acquired on the occasion of the mergers in 2001.



d. Valuation rules

1. General principles

The valuation rules are established in line with the general accounting principles applicable in Belgium, and more specifically on the basis of the provisions of Book II of the Royal Decree in execution of the Belgian Company Code of 30 January 2001, the Royal Decree of 12 September 1983 in execution of the Act of 17 July 1975 on the accounting and annual accounts of companies, the amended Royal Decree of 4 March 1991 relating to certain institutions for group investment, the Royal Decree of 8 March 1994 concerning the accounting and annual accounts of certain institutions for group investment with a variable number of shares and the Royal Decrees of 10 April 1995 and 10 June 2001 relating to property investment funds.

The valuation basis used for the valuation of the company's assets, and in particular its property assets, is the market value of the assets on a mark-to-market basis. The market value of the property assets is the value assigned by the property expert for the drawing up of the inventory or a planned transaction in mind. The valuation rules have been drawn up in anticipation of the company's continued operation (going concern).

The market value included in the accounts is the value including all costs, i.e. the value for the investor, excluding the registration fees and notarial charges. This is the value the investor would have to pay if he wanted to buy the immovable property in question directly.

As Intervest Offices is of the opinion that the statutory form for the presentation of annual accounts, as this applies to property investment funds, has not been adapted to the specific characteristics of this sector, Intervest Offices requested approval to deviate from this form for its annual accounts. This approval was granted on 11 June 2001 by the Minister for Economic Affairs for the financial year 2001.

2. Special principles

ASSETS

■ Formation expenses

Formation expenses are charged to the financial year in which they were incurred. If, however, they exceed € 125,000, the Board of Directors can decide to write them off over a period of 5 years. In the case of costs connected with the issue of a loan, the write-off may also be spread over the term of the loan.

■ Tangible fixed assets

Immovable property (including immovable property placed under a leasing arrangement)

Immovable tangible fixed assets are valued at the time of purchase at the acquisition cost, including any additional costs and non-deductible VAT.

Commission in relation to the purchase of the buildings is regarded as an additional cost of these purchases and, like the purchase price, the registration fees and the notarial charges, which form together the investment value, is entered on the assets side of the balance sheet. If the purchase takes place by means of the acquisition of the shares in a property company, by means of the non-cash contribution of a building against the issue of new shares or by means of a merger through the takeover of a property company, the notarial charges, audit costs and consulting costs are also regarded as additional costs of the acquisition and are entered on the assets side of the balance sheet.



Immovable property that is under construction or undergoing conversion or expansion is valued, in accordance with the progress of the work, at cost, including additional costs, registration fees and non-deductible VAT. If this value deviates substantially from the liquidation value, an adjustment is applied.

Without prejudice to the obligations contained in Article 7 of the Act of 17 July 1975 relating to the accounting and annual accounts of companies for which an inventory must be compiled at least once a year, Intervest Offices compiles an inventory each time it issues or repurchases shares by any other means than through the stock exchange.

The property expert precisely value the following components of the company's tangible fixed assets at the end of each financial year:

- the immovable property, the immovable property by use and the real rights to immovable property held by Intervest Office or, if applicable, by a property company over which it has control;
- the option rights to immovable property held by Intervest Offices or, if applicable, by a property company over which it has control, as well as the immovable property to which these rights relate;
- the rights arising from contracts in which one or more properties are placed under a leasing arrangement with Intervest Offices or, if applicable, with a property company over which it has control, as well as the underlying property.

These valuations are binding for Intervest Offices as far as the preparation of its annual accounts is concerned.

In addition, at the end of each of the first three quarters of the financial year, the property expert also updates the total valuation of the aforementioned immovable property of Intervest Offices and, if applicable, the companies over which it has control, on the basis of the development of the market and the individual characteristics of the immovable property concerned.

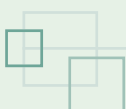
Contrary to the provisions of articles 67, §1, 64, §2 and 57, §1 of the Royal Decree in execution of the Belgian Company Code of 30 January 2001, the downward and upward value adjustments to the immovable property, as specified by the expert, are expressed each time the inventory is compiled, in accordance with the provisions under article 57, §1 last subsection and article 57, §3 of the aforementioned Royal Decree.

The loss of value and added values recorded are included in the result for the financial year.

Contrary to articles 64, §1 and 65 of the Royal Decree in execution of the Belgian Company Code of 30 January 2001, Intervest Offices does not write off buildings, real rights over buildings or properties placed under a leasing arrangement with Intervest Offices.

- Tangible fixed assets other than immovable property

For tangible fixed assets other than immovable property whose use is limited in time, straight-line depreciation is applied, starting from the year in which these assets are included in the books, that year being regarded as a full year. If the financial year covers more or less than 12 months, the depreciation is calculated pro rata.



The following percentages apply:

- Plant, machinery and equipment 20%
- Furniture and rolling stock 25%
- IT equipment 33%

Purchases for a unit price of less than € 2,500, excluding VAT, are charged to the financial year on the date of their purchase. For tangible fixed assets other than immovable property whose use is not limited in time, downward value adjustments are recorded in the event of a sustained reduction in value. If applicable, upward value adjustments can also be recorded for these assets.

When tangible fixed assets other than immovable property are sold or decommissioned, the acquisition costs and depreciation that relate to them are removed from the accounts and capital gains or losses included in the profit and loss account.

■ Financial fixed assets

Financial fixed assets are valued on the basis of their market value.

At the time of purchase, financial fixed assets are valued at the acquisition cost, without taking the additional costs included in the profit and loss account into consideration. The Board of Directors will decide whether additional costs need to be capitalised and, if applicable, on the period over which they must be written off.

Contrary to Articles 66, §2, 1st subsection and 57, §1 of the Royal Decree in execution of the Belgian Company Code of 30 January 2001, an inventory of the downward and upward value adjustments to the financial fixed assets held in affiliated property companies and property investment institutions is compiled each time the annual accounts are prepared.

Articles 10 and 14, §1 of the Royal Decree of 8 March 1994 relating to the accounting and annual accounts of certain institutions for group investment with a variable number of units apply to the valuation of the financial fixed assets held in affiliated property companies and property investment institutions.

Article 57, §2 of the Royal Decree in execution of the Belgian Company Code of 30 January 2001 does not apply.

Articles 10, 14, §1 and 5, 15, 1st subsection, 16, §1, 1st subsection, and §2, 1st subsection, of the Royal Decree of 8 March 1994 relating to the accounting and annual accounts of certain institutions for group investment with a variable number of units apply to Intervest Offices.

■ Receivables

Receivables payable after one year and receivables payable within one year are valued at their nominal value on the year-end date. Receivables in foreign currencies are converted into euros at the closing exchange rate on the balance sheet date. Receivables give rise to downward value adjustments if there is uncertainty about the payment of all or part of them on the due date and if their liquidation value is lower than their book value.



- Investments

Each investment is recorded at its acquisition cost, excluding the additional costs included in the profit and loss account. Listed securities are valued at their market value.

Fixed-interest securities held in portfolio for which there is no liquid market are valued on the basis of the interest rate of the applicable market.

Downward value adjustments are applied if the liquidation value is lower than the market value on the year-end date.

- Deferred charges and accrued income

The costs incurred during the financial year that are fully or partially attributable to a subsequent financial year will be recorded under deferred charges and accrued income on the basis of a proportional rule.

Income and fractions of income that will only be collected during the course of one or more subsequent financial years, but which must be linked to the financial year in question, are recorded stating the value of the portion that relates to that financial year.

LIABILITIES

- Provisions for risks and charges

Every year, the Board of Directors conducts a thorough analysis of the provisions that have been or are yet to be built up to cover the risks and costs that the company may face, and makes any necessary adjustments.

- Commitments and recovery actions

The Board of Directors will value commitments and recovery actions at the nominal value of the legal commitment as stated in the contract; if there is no nominal value, or in borderline cases, they will be stated as off-balance sheet commitments.

- Entry of work on buildings

Work on buildings that is charged to the owner is handled in two different ways for accounting purposes, depending on its nature.

1. Expenditure relating to maintenance and repair work that does not add any additional functions or increase the level of comfort of the building is recorded as costs resulting from ordinary operations in the financial year, and is therefore deducted from the operating profit.
E.g.: replacement of window frames (glass)
2. Costs connected with major renovations, on the other hand, are entered on the assets side of the balance sheet: these activities are normally undertaken every 10 to 15 years and consist of the virtually complete renovation of parts of the building, in most cases with reuse of the existing basic structure and the application of the most up-to-date building techniques. After such a major renovation, the building can be partially considered as new, and is also included as such in the representation of the assets.
E.g.: modernisation of roof and car park



- Debts

Debts are expressed at their nominal value on the year-end date. Debts in foreign currencies are converted into euros at the closing exchange rate on the balance sheet date.

3. Off-balance sheet rights and obligations

These rights and obligations are valued at nominal value on the basis of the amount stated in the contract.

If there is no nominal value and a valuation is possible, the rights and obligations are stated as off-balance sheet items.

e. Scheme of the annual accounts

As Intervest Offices NV/SA is of the opinion that the legal scheme for the presentation of annual accounts, applicable to property investment funds, is not adapted to the specific characteristics of this sector, on 11 June 2001 it received approval from the Minister for Economic Affairs to deviate from the usual scheme when presenting its annual accounts, following a favourable recommendation from the Commission for Accounting Standards. The deviation applies to the financial year 2001.

The main characteristics of this deviated scheme are:

The profit and loss account has been restructured around two key sections.

The section on the operating results.

The intention is to represent the recurrent operating result realised through the management of the property portfolio. It therefore comprises financial income and costs, as well as outstanding tax costs (tax on rejected expenses).

The structure of operating income and costs has been simplified in such a way that the sections that are not applicable have been left out (movements in work in progress; purchases and movement in stocks). The depreciation section has been retained, in view of the special situation that applies to the company, which requires that office equipment for the company's own use that was already present before the company was recognised as a property investment fund continues to be depreciated as planned.

The section on the results on the portfolio

The intention is to represent all transactions and accounting operations relating to the value of the portfolio in the profit and loss account.

The realised added values or losses of value are clarified by presenting them individually. Changes in the market value of the portfolio are all included in the profit and loss account under a section entitled ad hoc. The result is that the section entitled upward value adjustment on shareholders' equity is omitted and transferred to the non-disposable reserves.

The profit for the financial year is therefore reliably defined as the sum of operating profits, of the profits on the portfolio and of exceptional profits. This last section has been simplified by leaving out certain items that do not apply to a property investment fund. In accordance with the non-distributable nature of the shared, deferred capital gains on the portfolio, the difference in the market value of the portfolio is added to the reserves not available for distribution - which will consequently vary over time in accordance with the development of the estimated values - via a specialised allocation section (XVII). This is placed above the line for the operating profit for the financial year. The restrictions and obligations relating to the distribution of dividends, as these arise from the legislation concerning property investment funds, will of course continue to apply.



The Board of Directors has decided that added values realised on the sale of fixed assets should be allocated to the non-disposable reserves because it is of the opinion that they will be re-invested within four years.

Following the recommendation by the Commission for Accounting Standards of 12 February 2001, a section VIII b has been added: "Reversal of changes in market value previously recorded on elements of the portfolio disposed of during the financial year".

Since the amount of realised added values has to be calculated in relation to the acquisition cost of the immovable property concerned, a reversal of changes must be made for the portion of the realised added value already included in the profit and loss account (at that time still a deferred added value), as otherwise it would be included in the profit and loss account twice.

In view of the above, section X "Profit (loss) on the portfolio" will reflect the complete development of the value of the portfolio during the financial year; section X will contain the following three components:

- 1) Added values or losses of value on sales of portfolio items (in relation to their acquisition cost) (VIII)
- 2) Reversal of changes in market value previously recorded on elements of the portfolio disposed of during the financial year. (VIII bis)
- 3) change in the market value of portfolio items (IX)

f. Additional notes to the consolidated annual accounts

All amounts reported below are in € 000.

I. LIST OF CONSOLIDATED COMPANIES AND OF COMPANIES TO WHICH THE NET ASSET VALUE METHOD IS APPLIED

(in € 000)		
Name, full address of registered office and, in the case of a company under Belgian law, the VAT or National number	Method applied for inclusion in the accounts ¹⁴	Stake held in capital ¹⁵ (in %)
Aartselaar Business Center NV/SA Uitbreidingstraat 18 B-2600 Antwerp 466 516 748	I	99.00
Mechelen Business Center NV/SA Uitbreidingstraat 18 B-2600 Antwerp 467 009 765	I	99.00
Mechelen Research Park NV/SA Uitbreidingstraat 18 B-2600 Antwerp 465 087 680	I	99.99

¹⁴ I: full consolidation.

¹⁵ Portion of the capital of this company that is held by the companies included in the consolidation and by persons acting in their own name but for the account of these companies.



VII. STATEMENT OF FORMATION COSTS

Net book value as at end of previous financial year	
Transactions during the financial year:	
- Depreciation (-)	-191
- Others (+)(-)	191

IX. STATEMENT OF TANGIBLE FIXED ASSETS

	1. Land and
	buildings
a) ACQUISITION COST	
As at end of previous financial year	
Transactions during the financial year:	
- Acquisitions, including produced fixed assets	373,717
As at end of financial year	373,717
b) Added values	
As at end of previous financial year	
Transactions during the financial year:	
- Recorded	3,239
- Acquired from third parties	28,953
- Written off (-)	-6,333
As at end of financial year	25,859
c) DEPRECIATIONS AND DOWNWARD VALUE ADJUSTMENTS	
As at end of previous financial year	
Transactions during the financial year:	
- Acquired from third parties	2,849
As at end of financial year	2,849
d) NET BOOK VALUE AS AT END OF FINANCIAL YEAR	396,727

XI. STATEMENT OF CONSOLIDATED RESERVES

	Financial year
Consolidated reserves as at end of previous financial year (+) (-)	
Transactions during the financial year:	
- Group share in consolidated result (+) (-)	7,316
- Other changes: (+)(-)	-8,679
Changes arising from mergers	134,031
Consolidated reserves as at end of financial year (+) (-)	132,668



XIII. STATEMENT OF DEBTS

	DEBTS PAYABLE IN	
	2. More than one year but no more than 5 years	3. More than 5 years
A. Breakdown of debts originally payable after one year by the remaining term of the debt		
Financial debts	73,981	13,634
4. Credit institutions	73,981	13,634
Other amounts payable	51	-
TOTAL	74,032	13,634

XVII. FINANCIAL RELATIONS WITH THE DIRECTORS OR BUSINESS MANAGERS OF THE CONSOLIDATING COMPANY

	Financial year
A. Total amount of remuneration arising from their activities in the consolidating company, its subsidiaries and associated companies, including the amount of the retirement pensions allocated to the former directors or business managers in connection with the above.	5,610

g. Note relating to the comparability of the figures

All amounts stated below are in thousands of euros.

In view of the fact that the use of the deviation from the usual form means that the figures for the 2001 financial year are not comparable to those of the previous year -as recorded- Article 83 of the Royal Decree of 30 January 2001, in execution of the Belgian Company Code, is applied.

This means that the figures for the 2000 and 1999 financial years as stated here have been adjusted to make them comparable with those of the 2001 financial year.

Adjustment of the figures for 1999:

- The depreciation on land and buildings, in the amount of 258, was taken out of the profit and loss account and posted to the profit carried forward.
- Since PeriFund CVA/SCA received the status of a property investment fund in March 1999, the value of the property was adjusted upwards to the market value including all costs of 66,807 as at 31 December 1999. For this purpose, an upward value adjustment of 28,134 was written directly to liabilities. Through the reversal of depreciation, the book value of the underlying fixed asset increased and the upward value adjustment decreased. In order to revise the figures in accordance with the deviation from the usual form, the upward value adjustment - after deduction of the reversed depreciation - of 27,876 was posted to the profit and loss account under "changes in the market value of the components of the portfolio". As a result of this treatment, the upward value adjustment was transferred from shareholders' equity to the non-disposable reserves.

Adjustment of the figures for 2000:

- Similarly to the adjustments for 1999, the change in the market value of the portfolio of 819 is posted via the profit and loss account under "changes in the market value of the components of the portfolio".



h. Report of the Statutory Auditor

INTERVEST OFFICES NV/SA, PROPERTY INVESTMENT FUND UNDER BELGIAN LAW

CONSOLIDATED ANNUAL REPORT 2001 CONSOLIDATED ANNUAL ACCOUNTS AS AT 31 DECEMBER 2001 REPORT BY THE BOARD OF STATUTORY AUDITORS

To the Shareholders of Intervest Offices, NV/SA, property investment fund under Belgian law:

We have audited the consolidated balance sheet of Intervest Offices, NV/SA and its subsidiaries as at 31 December 2001, together with the consolidated profit and loss account, the notes and the annual report for the year then ended. The consolidated annual accounts have been prepared under the responsibility of the Board of Directors. The balance sheet total as at 31 December 2001 is € 405,820 (000) and the profit for the financial year then ended amounts to € 7,366 (000).

1. Opinion without reservation on the consolidated annual accounts

We conducted our audit in accordance with the auditing standards of the Belgian Institute of Company Auditors. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated annual accounts are free of material misstatement, taking into account the statutory provisions and the provisions of administrative law in Belgium in relation to consolidated annual accounts. In accordance with these standards, we have taken the administrative and accounting organisation and the internal auditing system of the company into account. We have examined, on a test basis, evidence supporting the amounts contained in the consolidated annual accounts. We have also assessed the accounting rules, the consolidation principles, any significant estimates made and the overall presentation of the consolidated annual accounts. We received the information and clarification we requested from the persons responsible at the company. We believe that these activities provide a reasonable basis for our opinion.

In application of article 15 of the Act of 17 July 1975 on company accounting, on 11 June 2001 the Minister for Economic Affairs declared that he was in agreement with the company deviating from the usual form for the presentation of its annual accounts. This deviation was granted for the 2001 financial year. The consolidated annual accounts for the financial year ended on 31 December 2001 were prepared in accordance with this form of presentation.

In our opinion, the enclosed consolidated annual accounts give a true and fair view of the assets and financial position of Intervest Offices NV/SA and its subsidiaries as at 31 December 2001, and of the results of its activities for the year then ended, taking the applicable statutory provisions and provisions of administrative law in Belgium into account. It is also our opinion that the notes provide appropriate support.

2. Additional declarations

We are supplementing our report with the following additional declarations. These do not affect the scope of the above certificate for the consolidated annual accounts:

- The consolidated annual report for the year ended 31 December 2001 contains the information required by law and is in accordance with the consolidated annual accounts.
- Notwithstanding formal aspects of minor importance, the consolidated annual accounts have been prepared in accordance with the statutory provisions and provisions of administrative law.

The Board of Statutory Auditors,
ARTHUR ANDERSEN, Company Auditors

Rik Neckebroeck
6 March 2002

Ludo De Keulenaer



i. Consolidated annual report by the Board of Directors

INTERVEST OFFICES
Property investment fund under Belgian Law
Limited liability company
Uitbreidingstraat 18
B-2600 Berchem, Antwerp

Antwerp Commercial Register number 341.132
V.A.T. number BE 431.623.918

ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED AS AT 31 DECEMBER 2001

In accordance with the statutory provisions, we have pleasure in presenting you our report on the position of your company for the financial year that commenced on 1 January 2001 and ended on 31 December 2001.

This annual report and the annual accounts are being made available to you.

1. Comments on the consolidated annual accounts

The Board of Directors would like to remind you once again that the company was recognised as a property investment fund in March 1999, as a result of which its tangible fixed assets have to be valued at market value, as determined by the property experts at the end of each financial year (see article 55 et seq of the Royal Decree relating to property investment funds dated 10 April 1995).

The Board of Directors would also like to remind you that on 29 June 2001 the company (i) changed its legal form from a limited partnership with a share capital to a limited liability company (ii) has since then had, as a governing body, a Board of Directors, consisting of four directors, instead of a business manager appointed under the articles of association, (iii) changed its name to Intervest Offices and (iv) relocated its registered office to Uitbreidingstraat 18, B-2600 Berchem Antwerp.

The Board of Directors also reports that on 29 June 2001 the company took over the limited liability company Catian, Innotech, Greenhill Campus and Mechelen Pand by means of a merger. Following this merger, 2,479,704 new shares were issued and the nominal capital was increased by € 16,249,420.45. This saw the amount of nominal capital rise from € 2,403,372.10 to € 18,652,792.55, divided into 4,376,163 shares. A listing prospectus was drawn up for this share issue (in June 2001).

The Board of Directors also reports that on 21 December 2001 the company took over the limited liability companies Aartselaar Lease Company, Airport Parc Invest, Belgian General Development, Country Homes, Diegem Airway Park, Immo Woluwe Garden E, Immo Woluwe Garden F, Immo Woluwe Garden G, International Development Corporation, Mechelen Business Tower, Örnköldinvest, Patriegem, Perion and Rebux by means of a merger. Following this merger, 2,262,379 new shares were issued and the nominal capital of the company was increased by € 23,087,892.53. This saw the amount of nominal capital rise from € 18,652,792.55 to € 41,740,685.08, divided into 6,638,542 shares.

On 21 December 2001 three office buildings were also contributed to the company, i.e. (i) Gateway House, (ii) Sky Building and (iii) De Arend. Following this non-cash contribution, 1,353,710 new shares were issued and the authorised capital was increased by € 37,208,818.06. This saw the amount of nominal capital rise from



€ 41,740,685.08 to € 78,949,503.14, divided into 7,992,252 shares. A listing prospectus was also drawn up for this share issue (in December 2001).

On 29 June 2001, the amount by which the Board of Directors is able to increase the capital of the company in one or more operations (i.e. the permitted capital) was renewed and increased, with the result that the Board of Directors had access to permitted capital of € 18,268,557.59 for a period of 5 years.

On 21 December 2001, the amount by which the Board of Directors is able to increase the capital of the company in one or more operations (i.e. the permitted capital) was renewed and increased again, with the result that as at 31 December 2001 the Board of Directors has access to permitted capital of € 78,949,503.14 for a period of 5 years, starting from the publication of this decision in the Appendices to the Belgian Bulletin of Acts, Orders and Decrees, which took place on 11 January 2002.

On 21 December 2001 the company's non-disposable reserve account "issue premiums" was also reduced by € 13,747,031.25 in order to settle the total amount of accumulated accounting losses of the companies limited by shares that were taken over, i.e. Aartselaar Lease Company, Airport Parc Invest, Belgian General Development, Country Homes, Diegem Airway Park, Immo Woluwe Garden E, Immo Woluwe Garden F, Immo Woluwe Garden G, International Development Corporation, Mechelen Business Tower, Patriegem, Perion and Rebus.

On 29 June 2001 the company appointed Arthur Andersen Company Auditors, Civil company under the form of a cooperative company with limited liability, represented by Mr Rik Neckebroek, as its Statutory Auditor, thereby replacing Ernst & Young Bedrijfsrevisoren Burgl. CVBA, represented by Mr Remi Vermeir. On 21 December 2001 an additional Statutory Auditor was appointed, in the person of Mr Ludo De Keulenaer, with the result that the company now has a board of Statutory Auditors, consisting of Mr Ludo De Keulenaer and Arthur Andersen Company Auditors, represented by Mr Rik Neckebroek.

Due to these events and decisions, the information for the 2001 financial year is not entirely comparable with that for the 2000 financial year.

The Board of Directors also wishes to inform you that on 30 November 2001 the company concluded a contract with the reference shareholders of the property investment fund Siref NV/SA, as a result of which the company was able to take a 27.62% stake in Siref, as of 31 January 2002. Through this transaction the company has acquired actual control of Siref. The company has therefore been compelled to make a public bid for the remaining Siref shares.

Siref's reference shareholders agreed to contribute their Siref shares, i.e. a total participating interest of 27.62%, to Intervest Offices NV/SA no later than 31 January 2002. For the contribution of this participating interest, an exchange ratio of 5 Siref shares to 9 shares in the company, plus a cash supplement of € 9.59 for every 5 Siref shares, was proposed. As of the moment when this contribution was effectively made, i.e. 31 January 2002, the company was compelled to make a public exchange bid, in accordance with article 41 of the Royal Decree of 8 November 1989 on public takeover bids, for the remaining Siref shares, at the same exchange ratio. A merger proposal was also drawn up, in which the details of a potential merger through the takeover of Siref NV/SA by Intervest Offices NV/SA were set out. This merger proposal was filed with the Office of the Commercial Courts in Antwerp and Mechelen.

Finally, the Board of Directors reports that with a view to the company signing an estate management agreement with the limited liability company Intervest Management, with registered office at Uitbreidingstraat 18, B-2600 Berchem Antwerp, the Board of Directors applied the procedure provided for in article 524 of the Belgian Company Code.



The composition of the company's shareholders (i.e. with VastNed Offices Belgium NV/SA as majority shareholder), on the one hand, and the signing of the estate management agreement with Intervest Management NV/SA (which, just like VastNed Offices Belgium NV/SA, belongs to the Dutch VastNed group), on the other, could have given cause to believe that an indirect financial advantage was being granted to a company shareholder capable of exercising a decisive or significant influence on the appointment of the company's directors. The application criteria imposed by article 524, §1 of the Belgian Company Code were therefore observed.

In a decision of 29 June 2001, the Board of Directors consequently selected three directors, i.e. Messrs Rijnbout, Hens and Blumberg, due to their independence in respect of the possible signing of an estate management agreement with Intervest Management NV/SA, and also an expert, i.e. DTZ Winssinger NV/SA, with registered office at Louizalaan 380, B-1050 Brussels, designated for the same reason. The Board of Directors charged them with the task of describing the financial consequences of the intended transaction for the company and providing a reasoned assessment of it. This description and assessment had to demonstrate that the decision was in the interests of the company and all its shareholders and did not involve any advantage in the form of a preferential payment that would be granted directly or indirectly to the majority shareholder.

Messrs Rijnbout, Hens and Blumberg and the independent expert DTZ Winssinger therefore drew up a report in which the financial consequences for the company of the possible signing by the company of an estate management agreement with Intervest Management NV/SA were described, and in which a reasoned assessment of the transaction was provided. This description and assessment had to demonstrate that the decision was in the interests of the company and all its shareholders and did not involve any advantage in the form of a preferential payment that would be granted directly or indirectly to the majority shareholder.

In accordance with article 524 of the Belgian Company Code, (i) the description of the decisions taken and (ii) the conclusions of the aforementioned reports are set out below.

On 10 July 2001, the Board of Directors took note of the aforementioned report drawn up by the three independent directors, designated in application of article 524, §1 of the Belgian Company Code.

In this report the intended transaction was described as follows:

“Intervest Offices NV/SA does not employ any personnel itself and is consequently obliged to call on the services of an external property manager to carry out the management, in the broadest sense of the word, of the property in the company's portfolio.

In relation to the immovable property belonging to the Airway Park in Sint-Stevens-Woluwe and the Atlas Park in Zaventem, Intervest Offices NV/SA was already able to make use of the services of the property managers Invest Sun NV/SA, with registered office at De Kleetlaan 4, bus 8, B-1831 Diegem, on the one hand, and King Sturge Management NV/SA, with registered office at Wetstraat 26, bus 17, B-1040 Brussels, on the other (see also the prospectus of February 1999 relating to the inclusion of 1,739,459 PeriFund CVA/SCA shares (i.e. the previous company name and legal form of Intervest Offices NV/SA), p. 51).

As a result of the merger by acquisition of the companies Catian NV/SA, Greenhill Campus NV/SA, Innotech NV/SA and Mechelen Pand NV/SA, which took place on 29 June 2001, Intervest Offices NV/SA was able to expand its portfolio significantly by three office complexes, in particular the Intercity Business Park in Mechelen, Greenhill Campus in Leuven and the Latem Business Park in Sint-Martens-Latem (see also the prospectus of June 2001 relating to the inclusion of the 2,479,704 shares created as a result of this merger).



On the date of the merger these complexes were already actually being managed by Intervest Management NV/SA. It therefore seemed appropriate for Intervest Management NV/SA to continue its management of these properties.

The intended transaction envisages that in the future, i.e. from 1 January 2002, Intervest Management NV/SA will also take over the management of the Airway Park and the Atlas Park from the current property managers. To this end, a transfer as of 1 January 2002 of the existing management agreements with Invest Sun NV/SA has already been provided for. It is also envisaged that the existing agreement with King Sturge Management NV/SA, relating to the technical management of the Airway Park, will also be transferred, with King Sturge Management NV/SA's approval, to Intervest Management NV/SA as of 1 January 2002.¹⁶

However, an agreement between Intervest Offices NV/SA, property investment fund under Belgian law, and Intervest Management NV/SA, must also be entered into, in which the concrete stipulations and payments connected with the outsourcing of these tasks are agreed (in the form of an 'estate management agreement'). A draft of this estate management agreement is attached as an appendix to this report.

The estate management agreement will be entered into, if applicable (i.e. if the transaction goes through), for a period of eighteen (18) months, starting on the date of 1 July 2001. Each party will be entitled to terminate this agreement on 31 December 2002 by sending written notification to this effect to the other party by registered letter.

In the absence of such notification, on 1 January 2003 the agreement will be converted into an agreement for an indefinite period, which can be terminated at any time, subject to a notice period of six (6) months. This notice must be given by registered letter.

The following supporting tasks will be assigned to Intervest Management NV/SA, which in all policy decisions will assume responsibility for both the preparatory and executive duties:

- administrative management: negotiating and following up leases, relationships with tenants, monitoring rental income and expenditure, etc.;
- technical management: inspection, maintenance and work to improve the buildings;
- general management: financial management, acquisitions, annual reports, tax obligations etc.

The transaction described provides for remuneration to Intervest Management NV/SA, amounting to a maximum of 4% of the rental income received by Intervest Offices NV/SA, excluding the VAT that, if applicable, Intervest Management NV/SA has to pay on to the Treasury. Intervest Management NV/SA will invoice this management fee directly to the tenants of the properties of Intervest Offices NV/SA, in accordance with the respective leases. Intervest Offices NV/SA will only be responsible itself for the payment of Intervest Management NV/SA's fee if and to the extent that the payment of this management fee of 4%, excluding VAT, cannot be obtained directly from these tenants, in accordance with the leases entered into.

This management fee of 4% can be roughly divided into 3% for administrative and technical management and 1% for general management, as defined above."

¹⁶ The Board of Directors points out, however, that it has now been agreed that Invest Sun NV/SA will take care of the management of the Atlas Park until 1 July 2002 (and not until 1 January 2002).



This report concludes as follows:

“The undersigned directors are of the opinion that the described transaction, in particular the signing of the attached estate management agreement with Intervest Management NV/SA, is in the interests of Intervest Offices NV/SA and all its shareholders. They are also of the opinion that there is no reason to fear that through the signing of the agreement referred to, the majority shareholder of Intervest Offices NV/SA would receive any advantage, either directly or indirectly, in the form of a preferential payment.”

On 10 July 2001 the Board of Directors also took note of the report of 9 July 2001, drawn up by DTZ Winssinger NV/SA, selected as an independent expert by the Board of Directors on 29 June 2001 in application of article 524, §1 of the Belgian Company Code.

This report concludes as follows:

“Taking the above into consideration, we can conclude that the selection by Intervest Offices NV/SA of Intervest Management NV/SA as manager can be described as positive.

Both the decision to opt for a full range of services from a professional manager with sufficient expertise and experience and the decision to group management agreements with this party can be considered to offer an advantage compared to the selection of other external managers. This advantage will continue to be enjoyed as long as the manager’s work is carried out in perfect harmony with the management of the investment fund.

The remuneration agreed also seems quite normal to us, in view of the range of services and the term of the agreement, the result being that there is no indirect financial advantage for a shareholder of Intervest Offices NV/SA”

The Board of Directors then took note of the draft of the estate management agreement to be concluded by the company with Intervest Management NV/SA and decided to sign the proposed estate management agreement with the latter and take on the rights and obligations it contains in full.

In accordance with this “Estate Management Agreement” concluded with Intervest Management NV/SA and article 15 of the company’s articles of association, on 10 July 2001 a number of specific powers were granted to Intervest Management NV/SA, with effect from 1 July 2001, relating to the day-to-day, non-strategic management of the company’s property portfolio.

The Board of Directors would finally like to highlight the deviation from the statutory form for the presentation of the annual accounts for the 2001 financial year, which was granted by the Minister for Economic Affairs, following a recommendation from the Commission by Accounting Standards, on 11 June 2001. This deviation aims to make the profit and loss account and the presentation of the realised and unrealised capital gains and losses as clear as possible. Through this form of presentation, the company is also hoping to make a clear distinction between operating profit on the one hand and profits arising from the portfolio on the other. This deviation from the statutory form also means that the financial reports conform to international practices as adopted in neighbouring countries.

The deviation from the statutory form for the annual accounts can be seen in the amended presentation of the profit and loss account. The main characteristics of the above deviation can be summarised as follows: The profit and loss account has been restructured around two key sections.



- The section on the operating result

The intention is to represent the recurrent operating profit realised through the management of the property portfolio. It therefore comprises financial income and costs, as well as outstanding tax costs (tax on rejected expenses).

The structure of operating income and costs has been simplified in such a way that the sections that are not applicable have been left out (movements in work in progress; purchases and movement in stocks). The depreciation section has been retained, in view of the special situation that applies to the company, which requires that office equipment for the company's own use that was already present before the company was recognised as a property investment fund continues to be depreciated as planned.

- The section on the results from the portfolio

The intention is to represent all transactions and accounting operations relating to the value of the portfolio in the profit and loss account.

The capital gains or losses realised are clarified by presenting them individually.

Changes in the market value of the portfolio are all included in the profit and loss account under a section entitled ad hoc. The result is that the section entitled upward value adjustment on shareholders' equity is omitted and transferred to the non-disposable reserves.

The profit for the financial year is therefore reliably defined as the sum of operating profits, profits on the portfolio and exceptional profits. This last section has been simplified by leaving out certain items that do not apply to a property investment fund. In accordance with the non-distributable nature of the shared, deferred capital gains on the portfolio, the difference in the market value of the portfolio is added to the non-disposable reserves - which will consequently vary over time in accordance with the development of the estimated values - via a specialised allocation section (XVII). This is placed above the line for the operating profit for the financial year. The restrictions and obligations relating to the distribution of dividends, as these arise from the legislation concerning property investment funds, will of course continue to apply.

Following the recommendation by the Commission for Accounting Standards of 12 February 2001, a section VIII b has been added: "Reversal of changes in market value previously recorded on elements of the portfolio disposed of during the financial year".

Since the amount of realised added values has to be calculated in relation to the purchase cost of the immovable property concerned, a reversal of changes must be made for the portion of the realised added value already included in the profit and loss account (at that time still a deferred capital gain), as otherwise it would be included in the profit and loss account twice.

In view of the above, section X "Profit (loss) on the portfolio" will reflect the complete development of the portfolio during the financial year; section X will contain the following three components:

- 1) Added values or losses of value on sales of portfolio items (in relation to their acquisition cost) (VIII)
- 2) Reversal of changes in market value previously recorded on elements of portfolio disposed of during the financial year. (VIII bis)
- 3) change in the market value of portfolio items (IX)



On the basis of this principle, the Board of Directors can make the following comments on the annual accounts as at 31 December 2001:

Operating income for the financial year ended on 31 December 2001 amounts to € 17,435,995, whilst operating costs for the same financial year come to € 1,970,225. For the financial year ended on 31 December 2001, a gross operating profit of € 15,465,770 has therefore been realised.

Financial income for the financial year ended on 31 December 2001 amounts to € 425,294, whilst financial costs for the same financial year come to € 5,431,635.

For the financial year ended on 31 December 2001 a net operating profit of € 10,459,429 has therefore been realised.

However, primarily as a result of a decline in the market value of the property portfolio, a loss of € 3,093,574 was realised on the portfolio for the financial year ended on 31 December 2001.

The profit for the financial year amounts to € 7,365,855.

2. Information on important events after the closure of the financial year

The Board of Directors wishes to inform you, as already reported, of the fact that on 30 November 2001 the company concluded a contract, as a result of which it was able to take a 27.62% stake in Siref, as of 31 January 2002. Through this transaction the company has acquired actual control of Siref. The company has therefore been compelled to make a public bid for the remaining Siref shares.

Siref's 10 reference shareholders agreed to contribute their Siref shares, i.e. a participating interest of 27.62%, to the company no later than 31 January 2002. For the contribution of this participating interest, an exchange ratio of 5 Siref shares to 9 shares in the company, plus a cash supplement of € 9.59 for every 5 Siref shares, was proposed. As of the moment when this contribution was effectively made, i.e. 31 January 2002, the company was compelled to make a public exchange bid, in accordance with article 41 of the Royal Decree of 8 November 1989 on public takeover bids, for the remaining Siref shares, at the same exchange ratio.

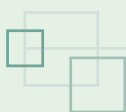
A merger proposal was also drawn up, in which the details of a potential merger through the takeover of Siref NV/SA by Intervest Offices NV/SA were set out. This merger proposal was filed with the Office of the Commercial Courts in Antwerp and Mechelen.

3. Research and development activities

Our company did not develop any activities of its own in the area of research and development.

4. Special payments to the Statutory Auditor

During the past financial year, costs amounting to a total of € 52,057.64 were recorded in connection with exceptional activities performed by the Statutory Auditor or in connection with services provided by persons with whom the Statutory Auditor cooperates by virtue of its profession. These activities were carried out in the context of the mergers and non-cash contributions that took place. Of this payment, € 2,478.94 was owed to Ernst & Young Company Auditors, represented by Mr Remi Vermeir, and € 49,578.70 to Arthur Andersen Company Auditors, represented by Mr Rik Neckebroek. In addition, a sum was paid to Arthur Andersen Belastingconsulenten amounting to € 26,500.00 (excl. VAT).



5. Autonomous management/corporate governance – sound management

The company recognises that the autonomous management of an investment institution is the most effective structural guarantee of compliance with the statutory requirement that an investment institution be managed in the exclusive interest of investors. A framework for the development of this kind of autonomous management is also provided in regulations relating to sound management which have been approved by the Commission for Banking and Finance and Euronext Brussels.

It is for this reason that it was decided to convert the legal form of the investment fund from that of a limited partnership with a share capital to that of a limited liability company. The Board of Directors wishes to account for its policy annually vis-à-vis the General Meeting, to enable the latter to monitor the relationships between shareholders, developers and the governing body of Intervest Offices NV/SA on a permanent basis.

The Board of Directors's operation must also be organised in such a way that at least half of the directors sit on the Board as independent directors. The directors point out that Mr K. Streefkerk can be regarded as a dependent director and Messrs Rijnboutt, Hens and Blumberg as independent directors.

6. Obligation to disclose information periodically

We hereby present the consolidated annual accounts for your approval. They are a true, fair and complete reflection of the activities that have taken place over the course of the financial year that was closed on 31 December 2001. This report, the report by the Board of Statutory Auditors and the consolidated annual accounts for the financial year closed on 31 December 2001 have been made available to you.

We propose that you discharge the directors and the Board of Statutory Auditors from all liability arising from the performance of their assignment during the past financial year.

Drawn up in Antwerp, 5 March 2002

The Board of Directors



B. Simple annual accounts

In accordance with article 105 of the Belgian Company Code, this annual report contains an abbreviated version of the statutory annual accounts of Intervest Offices NV/SA. The annual report and annual accounts of Intervest Offices NV/SA and the report by the Statutory Auditor are filed at and also available from the company's registered office. The

Statutory Auditor has issued an unqualified opinion on the statutory annual accounts of Intervest Offices NV/SA. The figures for 2000 have been adjusted in accordance with the permitted deviation from the statutory form for the presentation of the annual accounts.

a. Balance sheet

(in € 000)	Financial year	Previous financial year
ASSETS		
Fixed assets	387,883	67,891
I. Start-up expenses (note I)	-	191
III. Tangible fixed assets (note III)	387,698	67,700
A. Land and buildings	387,698	67,700
IV. Financial fixed assets (notes IV and V)	185	-
A. Affiliated companies	185	-
1. Participating interests	185	-
Current assets	10,962	1,599
V. Receivables payable within one year	133	-
A. Trade accounts receivable	133	-
VII. Receivables payable within one year	4,695	90
A. Trade accounts receivable	2,579	87
B. Other debtors	2,116	3
VIII. Investments (notes V and VI)	223	1,438
B. Other investments	223	1,438
IX. Liquid assets	5,877	67
X. Deferred charges and accrued income (note VII)	34	4
TOTAL ASSETS	398,845	69,490

(in € 000)	Financial year	Previous financial year
LIABILITIES		
Shareholders' equity	210,464	51,803
I. Capital (note VIII)	78,950	2,403
A. Issued capital	78,950	2,403
II. Issue premiums	5,716	19,462
IV. Reserves	123,978	29,938
B. Non-disposable reserves	121,821	28,953
2. Other	121,821	28,953
D. Disposable reserves	2,157	985
V. Profit carried forward	1,820	-
Provisions and deferred taxation	19	46
VII. A. Provisions for risks and charges	19	46
4. Other risks and charges (note IX)	19	46



(in € 000)	Financial year	Previous financial year
Debts	188,362	17,641
VIII. Amounts payable after one year (note X)	87,666	13,699
A. Financial debts	87,615	13,634
4. Credit institutions	87,615	-
5. Other loans	-	13,634
D. Other amounts payable	51	65
IX. Amounts payable within one year (note X)	100,093	3,529
B. Financial debts	89,590	105
1. Credit institutions	89,590	105
C. Trade debts	1,267	132
1. Suppliers	1,267	132
E. Debts relating to taxes, remuneration and social security contributions	357	56
1. Taxes	357	56
F. Other amounts payable	8,879	3,236
X. Accrued charges and deferred income (note XI)	603	413
TOTAL LIABILITIES	398,845	69,490

b. Profit and loss account

(in € 000)	Financial year	Previous financial year
A. Operating result		
I. Operating income	17,436	5,722
A. Turnover	16,623	5,381
C. Other operating income	813	341
II. Operating charges	-1,968	-1,313
A. Services and other goods	1,250	837
tangible and intangible fixed assets	191	187
D. Depreciation and loss of value on trade accounts receivable	-	7
E. Provisions for risks and charges		
(additions +)/expenditure and withdrawals (-)	-266	46
F. Other operating charges	793	236
III. Operating profit/loss	15,468	4,409
IV. Financial charges	462	38
B. Income from current assets	430	11
C. Other financial income	32	27
V. Financial charges	-5,432	-685
A. Charges of debts	5,207	684
C. Other financial charges	225	1
VI. Taxes (-) (+)	-	-55
A. Taxes	-	-56
B. Regularisation of taxes and withdrawals		
from provisions before taxes	-	1
VII. Net operating profit	10,498	3,707



in € 000)	Financial year	Previous financial year
B. Result on the portfolio		
IX. Change in the market value of the portfolio items (in relation to their book value on the last balance sheet, or, if more recent, the acquisition cost)		
A. Property assets (within the meaning of the Royal Decree of 10.04.95)	-5,137	819
1. Immovable property and real rights on Immovable property		
- Added value	1,152	819
- Loss of value	-6,289	-
X. Profit (Loss) on the portfolio	-5,137	819
C. Exceptional result		
XIV. Profit for the financial year	5,361	4,526
D. Result to be appropriated		
XIV. Profit for the financial year	5,361	4,526
XV. Appropriation of the change in market value of the portfolio items (+) (-) (section IX)	5,137	819
A. Transfer to the reserves not available for distribution	-	819
B. Withdrawal from the reserves not available for distribution	5,137	-
XVI. Profit balance to be appropriated (net deficit to be absorbed) for the financial year (+) (-)	10,498	3,707
TREATMENT OF RESULT		
A. Profit balance to be appropriated	10,498	3,707
Net deficit to be absorbed		
1. Profit to be appropriated for the financial year	10,498	3,707
Net deficit to be absorbed for the financial year		
C. Addition to shareholders' equity	-	-557
2. to the reserves	-	-557
D. Result to be carried forward	-1,820	-
1. Profit to be carried forward	-1,820	-
F. Profit to be distributed	-8,678	-3,150
1. Indemnification of the capital	-8,678	-3,150

C Debts and securities

a. Debts payable after one year to credit institutions (in € 000)

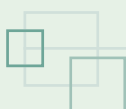
Total amount: 87,615

Credit institution	Amount	Term	Type of credit
Fortis Bank	13,634	10 years	Fixed advance
BBL Bank	73,981	20.03.2005	Fixed advance

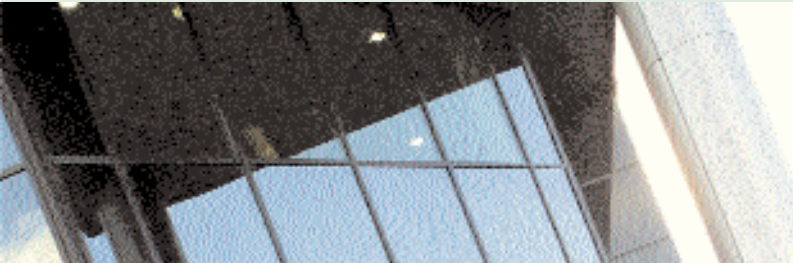
b. Debts payable within one year to credit institutions (in € 000)

Total amount: 89,590

Credit institution	Amount	Type of credit
Fortis Bank	2,479	Advance instalments
BBL Bank	87,111	Fixed advance







VI General information

Berkenlaan 8, Diegem



VI General information

A Identification

a. Name

Intervest Offices NV/SA, Property Investment Fund with Fixed Capital under Belgian Law, or “vastgoedbevak” / “Sicafi” under Belgian Law.

b. Registered office

Uitbreidingstraat 18, B-2600 Antwerp-Berchem

In accordance with article 3 of the articles of association, the company’s registered office can be relocated within Belgium by resolution of the Board of Directors, provided this relocation is within the Dutch-speaking part of the country or the bilingual metropolitan area of Brussels, without an amendment to the articles of association being necessary.

On 20.09.2000 the registered office was relocated from Louizalaan 126, 1050 Brussels to the current address.

c. Commercial register and VAT number

The company is entered in the commercial register of Antwerp under number 346.132. Its VAT number is (BE) 458.623.918.

d. Legal form, formation, publication

Intervest Offices NV/SA was founded by deed executed before Carl Ockerman, civil-law notary in Brussels, on 8.08.1996 as a limited liability company under the name “Immo-Airway”, as published in the Appendices to the Belgian Bulletin of Acts, Orders and Decrees of 22.08.1996 under number BBS 960822-360.

By deed executed before Eric Spruyt, civil-law notary in Brussels, and Max Bleeckx, civil-law notary in Sint-Gillis-Brussels, executed on 5 February 1999 and published in the Appendices to the Belgian Bulletin of Acts, Orders and Decrees of 24 February 1999 under number BBS 990224-79, the company’s legal form was converted from a limited liability company to a limited partnership with a share capital and its name was changed to “PeriFund”.

By deed executed before Eric De Bie, civil-law notary in Antwerp-Ekeren, with the intervention of Carl Ockerman, civil-law notary in Brussels, executed on 29 June 2001 and published in the Appendices to the Belgian Bulletin of Acts, Orders and Decrees of 24.07.2001 under number BBS 20010724-935, the company’s legal form was converted from a limited partnership with a share capital to a limited liability company and its name was changed to “Intervest Offices”.

Since 15.03.1999 Intervest Offices has been recognised as a “property investment fund with fixed capital under Belgian law”, or a “vastgoedbevak” / “Sicafi” under Belgian law for short, which is registered with the Commission for Banking and Finance.

It is subject to the statutory system for investment companies with fixed capital, as referred to in article 118 of the Act of 4.12.1990 on the financial transactions and the financial markets.

The company opted for the investment category specified in article 122, paragraph 1, §1, 5° of the aforementioned Act of 4 December 1990.

The company draws publicly on the savings system in the sense of article 26, §2 of the coordinated Acts on trading companies, as amended by the Act of 13.04.1995.



The articles of association were last amended on 21.12.2001, as published in the Appendices to the Belgian Bulletin of Acts, Orders and Decrees of 11.01.2002 under number 20020111-1215.

e. Duration

The company was founded for an indefinite period.

f. Object of company

Article 4 of the articles of association:

The sole object of the company is collective investment of the financial resources it attracts from the public in property, as defined in article 122, § 1st subsection, 5° of the Act of 4.12.1990 on Financial Transactions and the Financial Markets.

Property is understood to mean:

1. immovable property as defined in articles 517 et seq of the Belgian Civil Code and real rights over immovable property;
2. shares with voting rights issued by affiliated property companies;
3. option rights to immovable property;
4. units in other property investment institutions that are registered in the list referred to in article 120, §1, subsection or article 137 of the Act of 4.12.1990 on Financial Transactions and the Financial Markets;
5. property certificates as described in article 106 of the Act of 4.12.1990 on Financial Transactions and the Financial Markets and article 44 of the Royal Decree of 10.04.1995 relating to property investment funds;
6. rights arising from contracts where one or more properties are placed under a leasing arrangement with the company;
7. as well as all other properties, shares or rights defined as immovable property by the Royal Decrees in execution of the Act of 4.04.1990 on Financial Transactions and the Financial Markets that apply to group investment institutions that invest in immovable property.

Within the limits of the investment policy, as described in article 4-5 of the articles of association, and in accordance with the applicable legislation on property investment funds, the company may become involved in:

- purchasing, converting, furnishing, letting, subletting, managing, exchanging, selling or subdividing the property as described above, or placing it under the system of joint ownership;
- acquiring and lending securities in accordance with article 51 of the Royal Decree of 10.04.1995 relating to property investment funds;
- taking immovable property under a leasing arrangement, with or without an option to purchase, in accordance with article 46 of the Royal Decree of 10.04.1995 relating to property investment funds; and
- as an additional activity, placing immovable property under a leasing arrangement, with or without an option to purchase, in accordance with article 47 of the Royal Decree of 10.04.1995 relating to property investment funds;
- the company may only occasionally act as a property developer, as defined in article 2 of the Royal Decree of 10.04.1995.

In accordance with the legislation that applies to property investment funds, the company may also:

- as an additional or temporary activity, hold investments in securities, assets other than fixed assets and cash reserves, in accordance with article 41 of the Royal Decree of 10.04.1995 relating to property investment funds. The possession of securities must be compatible with the short or medium-term objectives of the investment policy, as described in article 5 of the articles of association. The securities must be included in the official list of a stock exchange of a Member State of the European Union or traded on a regulated, recognised market in the European Union that is open regularly for trading and is accessible to the public.



The cash reserves may be held in any currencies in the form of sight or time deposits or in the form of any other easily negotiable monetary instrument;

- grant mortgages or other collateral or security within the context of the financing of property in accordance with article 53 of the Royal Decree of 10.04.1995 relating to property investment funds;
- grant credit and stand surety for the benefit of a subsidiary of the company that is also an investment institution as referred to in article 49 of the Royal Decree of 10.04.1995 relating to property investment funds.

The company may acquire, rent, let, transfer or exchange any movable or immovable property, materials and necessary items and, in general, carry out any commercial or financial operations that are directly or indirectly connected with its object and the utilisation of any intellectual rights and commercial property that relate to this object.

Provided that such action is compatible with the statute for property investment funds, the company may, through cash or non-cash contributions, mergers, subscriptions, participations, financial interventions or other means, take a stake in any companies or enterprises that have already been founded or are founded in the future, in Belgium or abroad, and whose object is identical to its own or is of such a nature as to promote the pursuance of its object.

g. Financial year

The financial year commences on 1 January and ends on 31 December of each year.

h. Inspection of documents

As a property investment fund, Intervest Offices NV/SA must publish half year and annual reports, on the basis of article 37 of the Royal Decree.

As a company included in the First Market, the Investment Fund is subject to the orders relating to the periodic and occasional disclosure of information and is bound by the statutory obligations in the area of transparency.

The following documents are accessible to the public:

- The articles of association of Intervest Offices NV/SA are available for inspection at the Office of the Commercial Court in Antwerp, and at the company's registered office.
- The annual accounts are filed with the balance sheet centre of the Nationale Bank van België.
- The annual accounts and associated reports are sent annually to holders of registered shares and any other person who requests them.
- The resolutions relating to the appointment and dismissal of the members of the company's bodies are published in the appendices to the Belgian Bulletin of Acts, Orders and Decrees.
- Financial announcements and notices convening the General Meetings are published in the financial press.

The reports by the Board of Directors and the other publicly accessible documents that are mentioned in the prospectus are available for inspection at the Investment Fund's registered office.

B Nominal capital

a. Issued capital

The nominal capital amounts to € 78,949,503.14 and is divided into 7,992,252 fully paid-up shares with no statement of nominal value.



b. Evolution of the capital

Date	Transaction	Capital in €	Number of created shares	Total capital in €	Total number of shares
08.08.1996	Formation	61,973.38	1,000	61,973.38	1,000
05.02.1999	Capital increase by non-cash contribution (sss Park)	4,408,177.49	1,575	4,470,150.87	2,575
05.02.1999	Capital increase by incorporation of issue premium and reserves and capital reduction through the incorporation of losses carried forward	-3,106,000.88	0	1,364,149.99	2,575
05.02.1999	Share split	0	1,073,852	1,364,149.99	1,076,427
05.02.1999	Capital increase by contribution in cash	1,039,222.10	820,032	2,403,372.10	1,896,459
29.06.2001	Merger through absorption of the limited liability companies Catian, Innotech, Greenhill Campus and Mechelen Pand	16,249,420.45	2,479,704	18,652,792.55	4,376,163
21.12.2001	Merger through absorption of companies belonging to the VastNed Group	23,087,892.53	2,262,379	41,740,685.08	6,638,542
21.12.2001	Capital increase by non-cash contribution (De Arend, Sky Building and Gateway House)	37,208,818.06	1,353,710	78,949,503.14	7,992,252 ¹⁷

c. Permitted capital

The Board of Directors is expressly permitted to increase the nominal capital in one or more operations by an amount of € 78,949,503.14, through cash or non-cash contributions, and, if applicable, through the incorporation of reserves or issue premiums, in accordance with the rules prescribed by the Coordinated Acts on Trading Companies, the articles of association and article 11 of the Royal Decree of 10.04.1995 relating to Property Investment Funds.

This permission has been granted for a period of five years starting from the publication in the Appendices to the Belgian Bulletin of Acts, Orders and Decrees of the report of the Extraordinary General Meeting of 21.12.2001. This permission may be renewed.

Each time the capital is increased, the Board of Directors determines the price, the possible issue premium and the terms of issue for the new shares, unless the General Meeting takes a decision on this itself. The capital increases may give rise to the issue of shares with or without voting rights.

If the capital increases decided on by the Board of Directors as a consequence of the permission granted comprise an issue premium, the amount of this issue premium must be placed in a special non-disposable account, with the name "issue premiums", which, like the capital, will constitute the security for third parties and cannot be reduced or dispensed with unless a decision to this effect is taken by a General Meeting that is assembled in accordance with the attendance and majority requirements envisaged for a capital reduction, with the exception of conversion into capital, as provided for above.

¹⁷ Of which 3,616,089 will only share in profits from the 2002 financial year onwards.



As at 31 December 2001, the Board of Directors had not yet made use of this permitted capital.

On 31 January 2002, however, the Board of Directors decided to increase the nominal capital for the first time, within the context of the permitted capital, by an amount of € 10,231,017.36. On the same date it was decided to increase the nominal capital for the second time, within the context of the permitted capital, for the purposes of the public exchange bid for the Siref shares, on this occasion by the amount necessary for this public bid to succeed, but by a maximum of € 26,804,536.28. The correct amount of the capital increase, and consequently of the remaining permitted capital, will be determined once the bid has been completed.

As a result of the capital increases of 31 January 2002, the permitted capital therefore amounts to a minimum of € 41,913,949.50 and a maximum of € 68,718,485.78, depending on the results of the public exchange bid.

d. Repurchase of own shares

In accordance with article 9 of the articles of association, the Board of Directors can proceed to repurchase fully paid-up company shares by means of purchase or conversion within the limits permitted by law, if such a purchase is necessary to save the company from serious and imminent harm. This permission is valid for three years from the publication of the minutes of the General Meeting and may be renewed for the same period.

e. Capital increase

Each capital increase will be carried out in accordance with articles 581 to 607 of the Belgian Company Code, subject to the requirement that in the event of cash subscription in accordance with article 11, §1 of the Royal Decree of 10.04.1995 relating to property investment funds, there is no deviation from the preferential right of shareholders, as specified in articles 592 to 595 of the Belgian Company Code. The company must also conform to the provisions relating to the public issue of shares contained in article 125 of the Act of 4.12.1990 and to articles 28 et seq of the Royal Decree of 10.04.1995.

Capital increases by means of non-cash contributions are subject to the provisions of articles 601 and 602 of the Belgian Company Code. Furthermore, and in accordance with article 11, §2 of the Royal Decree of 10.04.1995 relating to property investment funds, the following conditions must be observed:

1. the identity of the contributor must be stated in the report referred to in article 604, third subsection of the Belgian Company Code, as well as in the notice convening the General Meeting convened for the capital increase;
2. the issue price must not be less than the average stock price during the thirty days preceding the contribution; and
3. the report referred to under point 1 must also state the repercussions of the proposed contribution in respect of the situation of the earlier shareholders, in particular as far as their share in the profit and the capital is concerned.

C Extract from the articles of association

a. Shares

Article 8. – Nature of the shares

The shares are bearer or registered shares or, in the event of the prior designation of an account holder by the Board of Directors, take the form of dematerialised securities. The bearer shares are signed by two directors, whose signatures may be replaced by name stamps. The bearer shares can be issued as single shares or collective shares.



The collective shares represent several single shares in accordance with a form to be specified by the Board of Directors. They can be split into sub-shares at the sole discretion of the Board of Directors. If combined in sufficient number, even if their numbers correspond, these sub-shares offer the same rights as the single share. Each holder of single shares can have his/her shares exchanged by the company for one or more bearer collective shares representing these single securities, as he/she sees fit; each holder of a collective share can have these securities exchanged by the company for the number of single shares that they represent. The holder will bear the costs of this exchange. Each bearer security can be exchanged into registered securities or securities in dematerialised form and vice versa at the shareholder's expense. A record of the registered shares, which each shareholder is entitled to inspect, is maintained at the company's registered office. Registered subscription certificates will be issued to shareholders. Any transfer between living persons or following death, as well as any exchange of securities, will be recorded in the aforementioned register.

b. Ownership

Article 11. – Transparency regulations

In accordance with the regulations of the Act of 02.03.1989, all natural persons or legal entities who acquire or surrender shares or other financial instruments granted by the company with voting rights, whether or not these represent the capital, are obliged to inform both the company and the Commission for Banking and Finance of the number of financial instruments in their possession, whenever the voting rights connected with these financial instruments reach five per cent (5%) or a multiple of five per cent of the total number of voting rights in existence at that time, or when circumstances that require such notification arise. This declaration is also compulsory in the event of the transfer of shares, if as a result of this transfer the number of voting rights rises above or falls below the thresholds specified in the first or second paragraph.

c. Administration and supervision

Article 12. – Composition of the Board of Directors

The company is managed by a Board of Directors consisting of at least three directors, who may or may not be shareholders. They will be appointed for a maximum of six years by the General Meeting of Shareholders, and their appointment may be revoked at any time by the latter. In the event that one or more directors' positions become vacant, the remaining directors have the right to fill the vacancy on a provisional basis until the next General Meeting, when a definitive appointment will be made. In the event that a legal entity is appointed as a director, this legal entity is obliged to designate a natural person to represent the legal entity in the exercising of its director's mandate. All directors and their representatives must satisfy the requirements in terms of professional reliability, experience and autonomy, as specified by article 4, §1, 4° of the Royal Decree of 10.04.1995, and therefore be able to guarantee autonomous management. They must not fall under the application of the prohibitions referred to in article 19 of the Act of 22.03.1993 relating to the statute for and supervision of credit institutions.

Article 17. – Conflicts of interests

The Directors, the persons charged with day-to-day management and the authorised agents of the company will respect the rules relating to conflicts of interests, as provided for by the Royal Decree of 10.04.1995 relating to property investment funds, by the Belgian Company Code, and, if applicable, by any future amended versions of these documents.

Article 18. – Auditing

The task of auditing the company's transactions will be assigned to one or more Statutory Auditors, appointed by the General Meeting from the members of the Belgian Institute of Company Auditors for a renewable period of three



years. The Statutory Auditor's remuneration will be determined at the time of his/her appointment by the General Meeting. The Statutory Auditor(s) also audit(s) and certify (certifies) the accounting information contained in the company's annual accounts. At the request of the Commission for Banking and Finance, he (she) also confirms the accuracy of the information that the company has presented to the aforementioned Commission in application of article 133 of the Act of 04.12.1990.

d. General Meetings

Article 19. – Ordinary, special and extraordinary General Meeting

The ordinary General Meeting of Shareholders, known as the annual meeting, must be convened every year on the second Wednesday of May at 4.30 p.m. If this day is a public holiday, the meeting will be held on the next working day. A special General Meeting can be convened at any time in order to discuss and take decisions on any matter that falls under the meeting's authority and does not involve an amendment to the articles of association. An extraordinary General Meeting can also be convened at any time in order to discuss and take decisions on any amendment to the articles of association, in the presence of a civil-law notary. The General Meetings are held at the company's registered office or at another location in Belgium, as designated in the notice convening the meeting.

Article 22. – Depositing shares

In order to be admitted to the meeting, the holders of bearer shares must deposit their shares no later than three days before the date of the intended meeting, if the notice convening the meeting requires them to do so. The shares must be deposited at the company's registered office or at a financial institution designated in the notice convening the meeting. Holders of registered shares do this in an ordinary letter sent to the company's registered office, again at least three days in advance.

Article 26. – Voting rights

Each share gives the holder the right to one vote.

If one or more shares are jointly owned by different persons or by a legal entity with a representative body consisting of several members, the associated rights may only be exercised vis-à-vis the company by a single person who has been designated in writing by all the authorised persons. Until such a person is designated, all of the rights connected with these shares remain suspended. If a share is encumbered with a usufruct, the voting rights connected with the share are exercised by the usufructuary, unless there is an objection from the bare owner.

e. Treatment of results

Article 29. – Appropriation of profit

The company will distribute at least eighty per cent (80%) of its net income, less the amounts that correspond to the netreduction of debt for the current financial year. For the purposes of this article, net income is defined as the profit for the financial year, excluding downward value adjustments, reversals of downward value adjustments and added values realised on fixed assets, in so far as these are recorded in the profit and loss account. The decision on how the remaining twenty per cent will be appropriated will be taken by the General Meeting on the proposal of the Board of Directors. Added values on the realisation of fixed assets, however, are excluded from net income, as specified in paragraph 1, to the extent that they will be reused within a period of four years, starting from the first day of the current financial year in which these added values will be realised. The portion of the realised added values that has not been reused after the period of four years will be added to the net income, as defined, for the financial year following this period.



D Statutory Auditor

The civil company under the form of a cooperative company with limited liability Arthur Andersen Company Auditors (B014), with registered office at Warandeborg 4, 1000 Brussels, is represented by Mr Rik Neckebroeck.

Mr Ludo De Keulenaer, Uitbreidingstraat 2, 2600 Berchem, appointed during the Extraordinary General Meeting of 21 December 2001, now also works as a Statutory Auditor of the Investment Fund, and has thereby joined Arthur Andersen Company Auditors in this role.

The mandate of these two Statutory Auditors will end immediately after the annual meeting to be held in 2004.

The remuneration of the Statutory Auditor amounts to € 62,000 a year for the auditing of the annual accounts.

E Custodian bank

KBC Bank has been designated as the custodian bank of Intervest Offices in the sense of articles 12 et seq of the Royal Decree of 10.04.1995 relating to property investment funds. Its annual remuneration amounts to 0.03% of the total assets.

F Property expert

Since its recognition as a property investment fund, the Investment Fund's property experts have been de Crombrughe & Partners, Healey & Baker and King Sturge.

On 8 May 2001, the Commission for Banking and Finance approved the addition of DTZ Winssinger Tie Leung. This company will take care of the surveying for the majority of the properties.

G Liquidity Provider

In October 2001, a liquidity contract was concluded with Vermeulen-Raemdonck (ING Group), Handelsstraat 10, B-1000 Brussels, to promote the liquidity of the shares.

In practice this takes place through the regular submission of buy and sell orders within certain margins.

The remuneration has been set at a fixed amount of € 10,000 a year.

H Property managers

The management of Intervest Offices is carried out by Intervest Management. This company is part of the VastNed Group. It manages most of the premises itself, but subcontracts the management of several premises to three external property managers (see below).

Intervest Management also carries out the day-to-day management of Intervest Retail, a property investment fund specialising in commercial property. As the VastNed Group is convinced that the managers of a property fund need to specialise in one particular segment, the employees of Intervest Management deal exclusively with either offices (Intervest Offices) or retail outlets (Intervest Retail). This applies to both the property managers and the administrative employees.

Intervest Management has a contract with Intervest Offices, which was concluded for a period of eighteen months and ends on 31 December 2002. Unless it is terminated, on 1 January 2003 the contract will be converted into a contract for an indefinite period, which can be terminated at any time subject to six months' notice.



Intervest Management carries out the following tasks for the account of Intervest Offices:

- administrative management: negotiating and following up leases, relationships with tenants, monitoring rental income and expenditure etc.;
- technical management: inspection, maintenance and work to improve the buildings;
- general management: financial management, acquisitions, annual reports, tax obligations, public relations etc.

In all policy decisions it assumes responsibility for both the preparatory and executive duties.

Although the intention is to subcontract all property management activities to Intervest Management in the future, at present the following buildings are still managed by other managers, working as subcontractors for Intervest Management:

- Gateway House, Sky Building and De Arend are managed by EPMC;
- the Atlas Park is managed by Invest Sun;
- the Airway Park is managed by King Sturge Management.

The remuneration of these property managers is included in the remuneration that Intervest Management NV/SA charges to Intervest Offices.

The remuneration for the services carried out by Intervest Management is set at 4% of the annual rental income. Intervest Management tries as far as possible to obtain this management fee directly from the tenants. If the total received from the tenants is insufficient, Intervest Offices has to pay the difference, which came to € 500,000 in the 2001 financial year.

I Property investment fund – legal framework

The Investment Fund system was regulated in the Royal Decree of 10 April 1995 to stimulate joint investments in property. The concept is very similar to that of the Real Estate Investment Trusts (REIT USA) and the Fiscal Investment Institutions (FBI Netherlands).

It is the legislator's intention that Investment Funds will guarantee optimum transparency with regard to the property investment and ensure the pay-out of maximum cash flow, while the investor enjoys a whole range of benefits.

The Investment Fund is monitored by the Commission for Banking and Finance and is subject to specific regulations, the most notable provisions of which are as follows:

1. the form of a limited liability company or a limited partnership with a share capital with minimum capital of € 1,239,467.62
2. a debt ratio limited to 50% of total assets
3. strict rules relating to conflicts of interests
4. recording of the portfolio at market value without the possibility of depreciation
5. a three-monthly estimate of the property assets by independent experts
6. spreading of the risk: a maximum of 20% of capital in one building, with certain exceptions
7. exemption from corporation tax on the condition that at least 80% of the profits are distributed and
8. withholding tax of 15% on gross dividends

The aim of these rules is to limit the risk for shareholders.

Companies that merge are subject to a tax (exit tax) of 20.085% on deferred added values and tax-free reserves.

Intervest Offices NV/SA received recognition as a property investment fund on 15 March 1999.



