INTERVEST OFFICES

ANNUAL REPORT

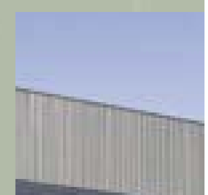
31 December 2002

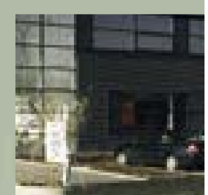
www.intervest.be

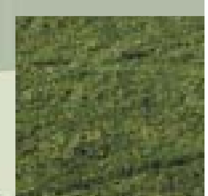
INTERVEST OFFICES

Property Investment Fund
with Fixed Capital under Belgian Law

ANNUAL REPORT 2002







Puurs- Veurtstraat 91

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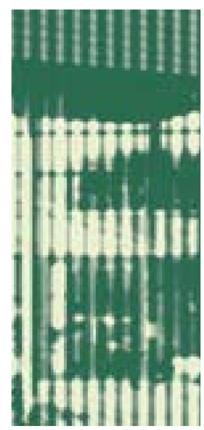
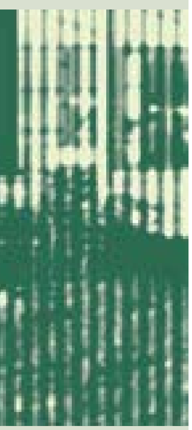


Letter to the shareholders



Dear shareholder,

We have great pleasure in presenting you the annual report for the financial year 2002.

Despite the less favourable economic climate, we have succeeded in achieving our objectives for 2002.

Operating profit rose from € 10.5 million to almost € 27 million, which means that we can offer you a gross dividend of € 2.17 per share.

Deteriorating economic conditions resulted in poorer performance on the office market in 2002, particularly in the peripheral area of Brussels. For our investment fund, this has meant an increased vacancy rate (9.99%), pressure on rents and lower valuations by the property experts.

The property portfolio grew from € 397 million at the end of 2001 to € 604 million at the end of 2002. This was mainly due to the merger with Siref NV/SA, a property investment fund specialising in semi-industrial properties. Siref NV/SA held property assets worth € 108 million. In addition, at the end of 2002, Intervest Offices merged with five companies that owned various office and semi-industrial properties to the value of € 110 million.

Our debt ratio at the year end was 46.31%, which implies that there is only limited further room for growth in the property portfolio on the basis of additional borrowing.

In the future, we do want to expand Intervest Offices' position further. We intend to make the share more attractive to shareholders and improve its liquidity with a larger portfolio, higher market capitalisation and an increased free float.

Since additional growth can no longer be achieved by borrowing, alternative routes such as mergers and acquisitions will be sought. If the financial markets allow, the possibility of an issue will also be examined.

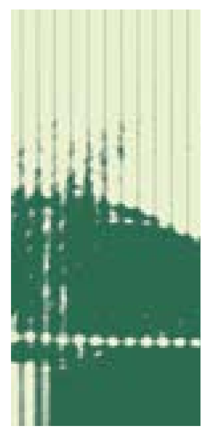
In the meantime, we should like to thank you for the confidence you have placed in our management to date.

The Board of Directors

Key figures [1]

PROPERTY ASSETS	31.12.2002	31.12.2001	31.12.2000
Total lettable area (m²)	534,157	225,658	37,427
Occupancy rate (%)	90.01	96.82	94
Value deed in hand (€ 000)	603,722	396,727	67,700
BALANCE SHEET INFORMATION			
Adjusted shareholders' equity after profit appropriation (€ 000)	320,199	217,333	51,803
Debt ratio after profit appropriation (%)	46.31	46.28	24.78
RESULTS (€ 000)			
A. Operating result			
Turnover	42,698	16,623	5,381
Other operating income	3,494	813	341
Net operating expenses	-8,192	-1,970	-1,313
Financial result	-11,029	-5,006	-647
Operating result before taxes	26,971	10,460	3,762
Taxes	0	0	-55
Operating result	**26,971**	**10,460**	**3,707**
B. Result on the portfolio			
Added value or loss of value on sales of portfolio items	0	0	0
Changes in the unrealized market value on the portfolio			
- property in the portfolio	-13,321	-3,094	819
- debiting of merger difference with Siref NV/SA	-15,754	-	-
- changes in the market value previously recorded on the portfolio items disposed of during the financial year	0	0	0
Result on the portfolio	**-29,075**	**-3,094**	**819**
Result of the period	**-2,104**	**7,366**	**4,526**
INFORMATION PER SHARE			
Number of shares	13,224,061	7,992,252	1,896,459
Number of shares entitled to dividend			
- 12 months	11,708,037	4,376,163	1,896,459
- 6 months	1,516,024	-	-
Net asset value primo (deed in hand)	28.28	28.98	26.59
Dividend paid	-1.98	-1.66	-1.31
Net asset value at year end	27.19	27.32	26.59
Net asset value at year end after creation of new shares, per existing share at the end of the financial year [2]	16.44	6.48	26.59
Increase of the net asset value owing to mergers and contributions	9.98	20.27	0
Direct investment result	2.04	1.31	1.95
Indirect investment result (inc. other movements) [3]	-2.20	0.22	0.44
Total investment result	-0.16	1.53	2.39
Net asset value at year end (inc. dividend)	26.26	28.28	28.98
Gross dividend	2.17	1.98	1.66
Net dividend	1.84	1.68	1.41
Share price on closing date	24.00	24.60	21.27
Undervaluation on net asset value (%)	-8.61	-13.01	-26.60

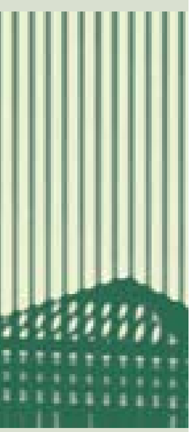
1 *For 2002 and 2001 these are consolidated figures. Prior to 2002, these are unconsolidated figures, related to Perifund CVA after adjustment according to Intervest Offices' deviated scheme.*
2 *The number of shares increased in 2002 from 7,992,252 to 13,224,061.*
3 *Other movements are, among other things, purchase costs.*



Mechelen - Schaliënhoevedreef 20

1

Report of the Board of Directors



1. 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.

Merger with Intervest Offices NV/SA

As PeriFund was unable to achieve its growth ambitions as an independent player, its extraordinary General Meeting of 29 June 2001 decided in favour of a merger of the property investment fund with a number of companies controlled by VastNed Offices Belgium.

On the same date, the name PeriFund CVA/SCA changed to Intervest Offices NV/SA and its registered office moved to Uitbreidingstraat 18, B-2600 Antwerp-Berchem.

Acquisition of Siref NV/SA

The acquisition of Siref NV/SA was completed in the first half of 2002. This enabled the investment fund to diversify into the semi-industrial property segment, which will not only allow higher yields to be earned on the properties, but also improved the fund's risk profile. This deal augmented the property portfolio by around € 108 million.

In addition to the acquisition of PeriFund CVA and Siref NV/SA, further mergers contributing real estate worth approximately € 340 million to VastNed Offices Belgium were effected in December 2001 and December 2002.

2. 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.

3. Strategy

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

3.1. Expansion of the property portfolio

A large portfolio clearly offers a number of benefits:

- 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.
- 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 maintenance and repair, the renovation costs, consultancy fees, publicity costs, etc.

- 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.
- 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 the 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, deed in hand;
3. prevention of dividend dilution.

3.2. 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.

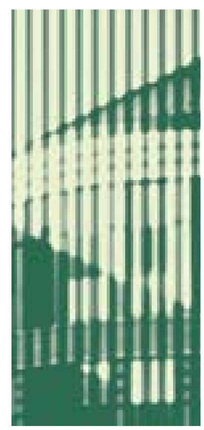
In addition, there is a relatively good spread of final and interim expiry dates for the lease agreements.

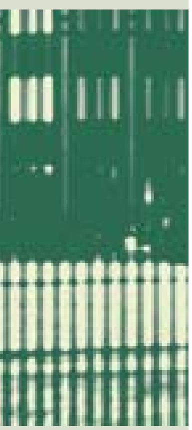
3.3. Increased liquidity of the share

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, which improves 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 group). 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 float[4]- to gain the attention of professional investors. In addition, shares in property investment funds are generally purchased as longer-term investments rather than on a speculative basis, which reduces the number of transactions.





4. Prospects

2002 was not a good year for the economy: slow economic growth, few business investments, poor performance on the stock markets. As a result, many companies have scaled down or put off their investments and major decisions.

Naturally, this has had implications for the take-up of office premises. Around Zaventem airport, in particular, it led to an increase in vacancies to 17 to 21% and to pressure on rents.

As a consequence, many offices, often new ones, can be rented in this region at relatively low prices. This has induced a lot of companies to move to the peripheral areas of Brussels in 2002, so that the region accounts for one third of Brussels' take-up for last year.

This situation is expected to persist, and it is thought that the take-up in the peripheral areas will rise sharply when the economy picks up again.

Intervest Offices had a vacancy level of almost 10% at the end of 2002. However, it was possible to limit the damage because we have a relatively large number of long-term lease agreements. We are reckoning with a possible further increase of several percent in the vacancy position, depending on how long the economy remains in recession.

The market for semi-industrial property is bearing up well for the time being, though there is no growth. The demand for premises has dropped, but the level of rents is being maintained. We expect this sector to be the first to respond to an upturn.

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

5. Corporate Governance

5.1. General guidelines

Intervest Offices applies the principles of corporate governance to ensure that shareholders' 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 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.

5.2. Administration and management

Intervest Offices is managed by a Board of Directors consisting of five 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 (55), Director,**
  Osylei 9, 2640 Mortsel
  Managing Director, Slough Properties NV/SA

[4] *Free float is the number of shares circulating freely on the stock exchange, and are therefore not in permanent ownership.*

- **Jean-Pierre Blumberg (46), Director,**
  Plataandreef 7, 2900 Schoten
  Managing Director De Bandt,
  Linklaters & Alliance

- **Joost Rijnboutt (63), Managing Director,**
  Leopold de Waelplaats 28/42, 2000 Antwerp
  Managing Director Intervest Retail NV/SA

- **Hubert Roovers (59), Managing Director,**
  Franklin Rooseveltlaan 38, NL – 4835 AB Breda
  Chief Investment Officer,
  VastNed Management BV

- **Reinier van Gerrevink (54), Chairman,**
  Bankastraat 123, NL – 2585 EL 's-Gravenhage
  Chief Executive Officer,
  VastNed Management BV

Messrs Hens, Blumberg and Rijnboutt qualify as independent directors, Messrs Roovers and van Gerrevink represent the shareholder VastNed Offices Belgium NV/SA and VastNed Offices/ Industrial NV/SA.

The Extraordinary General Meeting of 23 December 2002 noted the resignation of Mr Kornelis Streefkerk as a non-independent director.

The Board meets at least four times a year. During the financial year 2002 the Board met on nine occasions.

Certain directors exercise directors' mandates in other companies, which could give rise to a conflict of interests with their mandates in Intervest 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 in 2002, in view of the fact that the company has signed a call option agreement with the limited liability company VastNed Offices Belgium, relating to the shares in the companies Puurs Logistic Center NV/SA and Merchtem Cargo Center NV/SA. For further details we refer to the annual report on page 87.

5.3. 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

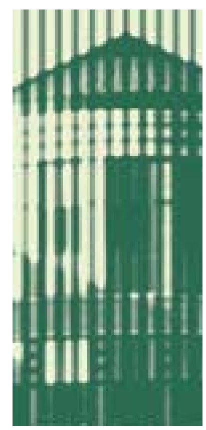
Each independent director currently receives € 12,395 a year as a director's fee.

5.4. Approval of the accounts

The Statutory Auditor, who is appointed by the General Meeting of Shareholders, certifies the annual accounts. As Intervest 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.

5.5. Valuation of the property

The property portfolio is valued every quarter by three independent experts. For more information on this point, see chaptre IV, point 4 on page 61.



Meer - Riyadhstraat 23

2

Management report

1. Market report

1.1. The office market[5]

The European office market generally did not perform well in 2002, for reasons that are well enough known: an unfavourable economic climate, poorly performing stock markets and uncertainty about the international political situation (the Middle East). All this has persuaded many companies to pursue a wait-and-see policy, inducing them to become even more cost-conscious and to defer important decisions (on accommodation among other things).

There are currently few signs of any change for the better in the short run.

The situation in the Belgian office market varies from region to region.

1.1.1. The Brussels office market in general and the periphery

The Brussels office market appears in general to be bearing up well in these difficult economic times. Nevertheless, there are enormous differences among market sectors. For example, the Central Business District (CBD) is barely affected: vacancies are very limited, rents are remaining at their usual level, and national and international investors' demand for quality premises exceeds the supply. However, these properties show lower yields.

The peripheral areas, on the other hand, particularly the area around Zaventem airport, offer higher yields but also have a higher risk profile. The economic downturn is felt more keenly there. The traditional tenants in that area (including TMT companies) have suffered a major decline, so that there is less need for office space.

- **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 m^2, more than half of it close to the airport (Zaventem, Diegem and Machelen).

  Availability in the Brussels market overall has risen in the past 12 months to ± 8.5% (± 925,000 m^2). Looking at the peripheral areas alone, however, we find that availability has increased sharply to between 17 and 21% (depending on the source) (± 250,000 m^2).

  The situation in the peripheral areas is thus very different from that of Brussels city centre, and can partly be explained by the decline of companies operating in the TMT sector. A further explanation is the volume of new projects that were started in this region in the past few years, and were ready for occupation in 2002. The combination of these two factors has led to an increase in vacant properties in the last 12 months.

  At present, mainly the old offices in the peripheral areas are suffering badly from these problems. An important example here is the old phase of the Keiberg, where many tenants have already moved out. The planned infrastructure projects in this region might lead to a change in this situation in the future.

- **Demand**
  Although the figures for 2002 are still provisional at the time of writing, the take-up for 2002 has been estimated at around 500,000 m^2, while it was still as high as 586,000 m^2 the previous year.

  It is generally expected that the expansion of the EU, with 10 new member states by May 2004, will result in an additional demand of around 300,000 m^2. The relocation of various

5 *This text was partly based on data from DTZ Winssinger Tie Leung, CB Richard Ellis and Codemer.*

Belgian ministries will also account for something like 100,000 m^2. All this space will probably be taken up in the CBD.

Although the periphery has been most affected by the economic crisis, the take-up in this region came out top in the Brussels market as a whole. Around one third of all lets realised in 2002 were located in the peripheral areas, largely at the expense of the decentralised zone (other districts in the 19 municipalities of Brussels).

This renewed interest was undoubtedly triggered by substantially reduced rents, caused by competition from new projects, lower taxes and the availability of brand-new buildings. Observers are therefore predicting a rosy future for these pheripheral areas.

- **Rents and yields**

Rents have been stable in the CBD, thanks to the presence of national government bodies and the European Community. This recession-proofing combined with a low vacancy rate of less than 5% is acting as a cushion in economically difficult times.

The periphery is more sensitive to fluctuations in the economy, which means that it is a more cyclical market. Consequently, it is hardly surprising that rents have dropped here under the influence of the increasing vacancies. Owners are often being obliged to make major commercial concessions to existing or new tenants.

The good take-up figures for 2002 mean that rents in the peripheral areas stabilised at around 145 €/m^2.

Thanks to its stable office market, Brussels is proving extremely attractive to foreign investors. This has led to lower yields, since the demand for quality premises far outstrips the supply. Prime yields are around the 6.5% mark.

The estimated investment volume (apart from exceptional transactions and purchases by users) is approximately € 1.5 billion. The majority of this came from Belgian investors, chiefly property investment funds. German funds were also particularly active in this area.

1.1.2. Market report for Antwerp and the surrounding area

- **Supply**

In the first half of 2002, the total base of office property in Antwerp was around 1.724 million m^2, compared to 1.700 million m^2 in 2001.

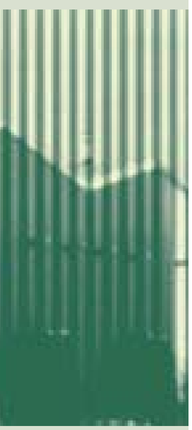
This increase is to be ascribed to new buildings coming on the market, in particular the development of the Antwerp Ring Center and the third phase of “de Veldekens” on the Singel (southern ring road).

Immediately available office space came to almost 80,000 m^2 during the last quarter of 2002 corresponding to an availability of around 4.63%. These figures have remained stable compared to the previous years (80,000 m^2 at the end of 2001 and 90,000 m^2 in 2000).

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 to a lesser degree in the port area. In the area of the Singel, in contrast, the number of available offices is somewhat 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 and the periphery. A number of ambitious projects may also be realised in the city centre after 2003 and 2004.



- **Demand**
  After peaking in 1998-1999, take-up declined slightly at around 90,000 m^2 in 2000 and 80,000 m^2 in 2001.

  A take-up of 92,000 m^2 is thought to have been achieved in the first nine months of 2002, but this was due to one extraordinary transaction when 46,000 m^2 of the Kievitplein project was let to Alcatel.

- **Rents and yields**
  A review of the various districts of Antwerp reveals stabilisation in the city centre. Rents fluctuate between ± 74 €/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 has seen several interesting renovation projects, with rents reaching around 112 €/m^2 as a result.

  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 ± 112 €/m^2 and 136 €/m^2.

  The southern periphery is seeing sustained demand, but rents there are stable. Rental fluctuations in this area are between ± 100 €/m^2 and 130 €/m^2.

  The last few years have seen considerable investments being made in the Antwerp property market. This trend can be explained by the growth in the local economy, the limited supply of high-quality office space and the attractive returns.

  Nevertheless, the number of investments dropped sharply in 2002.

  At present, the yield on modern buildings on the southern periphery and on the Singel varies between 7.6% and 8.5%. Those in the city centre and the port area are earning between 8% and 10%.

1.1.3. Market report for Ghent and the surrounding area

- **Supply**
  The most important office buildings larger than 1,000 m^2 occupy a total space of around 339,000 m^2. These offices are mainly situated in the central areas, Binnenring-E17 and Buitenring-E40. 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 550,000 m^2 of office space under construction, of which only 70,000 m^2 will be completed in the course of 2003 and 2004.

  The supply of offices available at the end of 2002 was only 23,000 m^2, representing a vacancy ratio of 7%.

- **Demand**
  During 2000 and 2001, around 40,000 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 m^2 and 15,000 m^2.

  In 2002, too, the take-up was only 10,000 m^2. This was chiefly due to the fact that virtually no new developments came on to the market last year.

- **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 100 €/m²/a year. For prime buildings, i.e. modern or new buildings of high quality, normal rents vary from around 117 €/m² to around 132 €/m².

Only a few sales transactions took place in 2002. The returns on average office premises in the Ghent region are from 8% to 8.5%.

1.1.4. Market report on Mechelen and the surrounding area

- **Supply**

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 450,000 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 200,000 m² .

The immediately available supply of offices is around 29,713 m². That means a rate of over 15% of free letting space.

The major increase in available letting space in 2002 was due to the advent of a large number of speculative projects on the property market, such as the Office Park Mechelen at over 14,000 m² as well as some Mechelen Campus buildings.

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 150,000 m² for the next five years. This figure includes, among other things, the Mechelen Campus and the Mechelen Business Tower II beside the E19.

- **Demand**

Around 30,000 m² of new offices came on stream in the Mechelen region in the year 2001. In 2002, a slightly lower take-up of 24,000 m² was recorded.

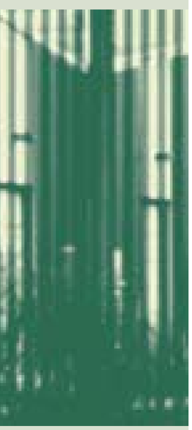
There are more and more people from Antwerp and the outskirts of Brussels who decide to relocate to Mechelen. Demand in the coming years may depend on the number of projects coming on the market.

- **Rents and yields**

Rents in Mechelen are lower than those on the outskirts of Brussels, making Mechelen more and more of a competitor. Conventional offices are let at around 100 €/m², while high-tech ones fluctuate around 125 €/m², with prime office buildings fetching prices of 130 €/m².

Yields vary between 7.4% for the best projects, 8% for high-tech buildings and 8.5% for conventional offices. Yields on Mechelen office buildings have experienced a downward trend over the past few years.

Increased rents in combination with lower yields have ensured a substantial increase in the capital value.



1.1.5. Market report for Leuven and the surrounding area

- **Supply**

  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 m^2. The biggest users are KBC (130,000 m^2), Interbrew (130,000 m^2), the Catholic University of Leuven (90,000 m^2) and the municipality of Leuven. The vacancy ratio is estimated at 4.25%.

  Supply rose in 2002, as new projects (including the Remy site and the Philips site) came on the market and many tenants from the TMT sector dropped out of the market.

- **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 m^2 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.

  The crisis in the technology sector led to a sharp drop in the demand from its companies in 2002. The take-up in the first nine months of 2002 came to around 20,000 m^2.

- **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 €/m^2 and 112 €/m^2. For a modern office complex, the rent is 110 €/m^2 to 125 €/m^2.

  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.

1.2. The semi-industrial property market[6]

2002 was a balanced year in the semi-industrial sector. The economic slow-down translated directly into a fall in production and distribution activities. This was reflected in concrete terms in the real estate market by a lower take-up. The take-up in 2002 (around 850,000 m^2) was 10 to 15% below the 2001 level.

1.2.1. The rental market

In parallel, this situation led to a higher general vacancy level, which is now running at around 6.5%. The decline varied from area to area. The Brussels area and its periphery held up better (vacancy ratio of 5%) than Antwerp (with 9.2%), Limburg (7.6%) and Liège (9.5%).

However, the market was not affected equally badly at all locations. The worst-hit were areas of more than 10,000 m^2, logistics centres and distribution centres. In contrast, the demand for smaller premises, mostly from SMEs, remained stable. Unlike large companies, which in more than 95% of cases prefer to rent their premises, SMEs are more interested in purchasing. This is explained by the fairly low interest rates which make ownership inexpensive, but also by

[6] *This text was partly based on information from Cushman & Wakefield Healey & Baker and King Sturge.*

the different type of strategy pursued by these companies.

In concrete terms, this situation is characterised by the vacancies of a number of warehouses, even newly built ones.

Despite the slowdown in activity, rents have not fallen. Brussels and Antwerp are still the most expensive locations. Warehouse prices range from 37 to 62 €/m^2 per annum on the edge of Brussels and from 37 to 45 €/m^2 per annum in Antwerp. Major regional differences are perceptible both in rents and in land values. The latter are particularly high in the “golden triangle” between Brussels, Ghent and Antwerp, rising to 145 €/m^2 in Brussels compared to 110 €/m^2 in Antwerp.

The golden triangle is still very popular. This location is in demand by companies seeking offices for their national distribution centres and consequently looking for centrally positioned properties.

The European distribution centres, in contrast, follow a different strategy and locate in areas with far greater options for access to the infrastructure but lower rents, such as Henegouwen, Limburg and Liège. A number of major projects were concluded in these areas in 2002.

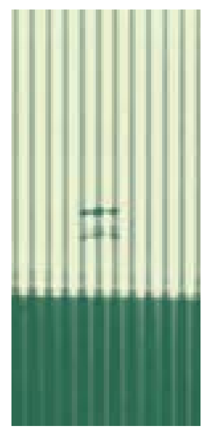
1.2.2. The investment market

The semi-industrial segment attracts many specialist direct investors, such as ProLogis, Slough Estates and the property investment funds Warehouses De Pauw and Intervest Offices.

In this segment, the yield is trending to between 8.5 and 9% for buildings in very good locations. It is quite possible that new foreign investors will enter the market in the future, attracted by Belgium’s central position.

There seems to be a trend towards companies building “tailored” distribution centres together with an investor or promoter. They then entrust their logistics services to a specialist of their choice, often in the context of a short-term contract. With this solution, companies can be in control of their property and in parallel enjoy the flexible logistics services they need.

Redeveloping and working on so-called “brownfields” (old and polluted industrial sites) is also likely to increase in importance in view of the scarcity of industrial zones.



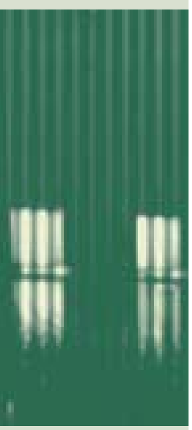
2. Important developments occurring in 2002 and facts after the balance sheet date

Acquisition of Siref NV/SA

As a result of the contribution of 575,395 shares in Siref NV/SA by ten reference shareholders of that company, a capital increase of € 10,231,017.36 took place on 31.01.02, with the issue of 1,035,711 new shares in Intervest Offices NV/SA. In the context of this non-cash contribution, a cash supplement of € 1,103,607.61 was also paid to these reference shareholders and an issue premium of € 16,086,399.15 posted.

Because Intervest Offices NV/SA acquired de facto control over Siref NV/SA as a result of this contribution, a compulsory public exchange bid was made between 12.03.02 and 05.04.02 for the remaining 1,507,494 Siref shares not yet in Intervest Offices' possession. This bid was reopened from 15.04.02 to 06.05.02. Intervest Offices subsequently owned 1,971,505 of the 2,082,889 shares in Siref. A capital increase of € 24,824,035.06 took place on 08.05.02, with the issue of 2,512,998 new shares in Intervest Offices NV/SA, and a cash supplement of € 2,677,738.98 was also paid to Siref NV/SA shareholders who accepted the bid. An issue premium of € 39,031,244.12 was posted.

Finally, a capital increase of € 4,106,935.70 was carried out, with 167,076 new shares being issued in Intervest Offices NV/SA, as a consequence of the merger by acquisition of Siref NV/SA mentioned above. This was decided by the Extraordinary General Meeting of 28.06.02. The 111,384 Siref shares which had not yet been exchanged were exchanged for 167,076 new shares in Intervest Offices NV/SA.



Merger of 23 December 2002

On 23.12.2002, Intervest Offices merged with the companies Mechelen Campus NV/SA, APIBI NV/SA, PAKOBI NV/SA, Puurs Logistic Center NV/SA and Merchtem Cargo Center NV/SA. These companies were the owners of the following properties:

Project	Surface area offices (m²)	Other surface area (m²)	Value portfolio in € 000	Rent/year in € 000[7] Effective rental incomes	Effective rental incomes + vacancies
Diegem – Berkenlaan 8b	8,268	461	17,930	1,331	1,331
Kortenberg – A. De Coninckstraat 3	3,897	10,172	14,760	838	1,207
Mechelen – Schaliënhoevedreef 20 (Mechelen Campus)	25,443	3,673	46,340	3,820	3,820
Merchtem – Cargo Center	1,210	6,075	4,800	441	441
Puurs – Logistic Center	1,600	41,890	25,920	2,121	2,121
Total	**40,418**	**62,271**	**109,750**	**8,551**	**8,920**

This deal augmented the property portfolio by around € 110 million.

[7] *Offices + other rooms and parking.*

The merger with Siref on 28.06.2002 and the merger of 23.12.2002 affected the capital as follows:

Date	Transaction	Total outstanding capital after the transaction (€)	Total number of 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	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	-
08.05.2002	Contribution of 1,396,110 Siref shares in the context of the bid	114,004,555.56	11,540,961	60,833,206.27	-
28.06.2002	Merger with Siref NV/SA: exchange of 111,384 Siref shares	118,111,491.26	11,708,037	60,833,206.27	-
23.12.2002	Merger with APIBI, PAKOBI, PLC, MCC and Mechelen Campus	123,127,112.79	13,224,061	60,833,206.27	-

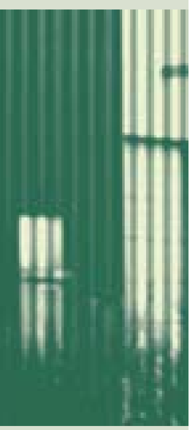
3. Summary of the figures[8]

BALANCE SHEET

ASSETS (€ 000)	31.12.2002	31.12.2001	31.12.2000
Formation expenses	0	0	191
Tangible fixed assets	603,722	396,727	67,700
Financial fixed assets	78	0	0
Current assets	7,631	9,093	1,599
Total assets	**611,431**	**405,820**	**69,490**

LIABILITIES (€ 000)			
Shareholders' equity	320,199	217,333	51,803
Third-party interests	49	50	0
Provisions for risks and charges	4,640	19	46
Amounts payable after one year	124,178	87,666	13,699
Amounts payable within one year	159,009	100,149	3,529
Accrued charges and deferred income	3,356	603	413
Total liabilities	**611,431**	**405,820**	**69,490**

RESULTS (€ 000)	31.12.2002	31.12.2001	31.12.2000
A. Operating result			
Turnover	42,698	16,623	5,381
Other operating income	3,494	813	341
Net operating costs	-8,192	-1,970	-1,313
Financial result	-11,029	-5,006	-647
Operating result (before taxes)	26,971	10,460	3,762
Taxes	0	0	-55
Operating result	**26,971**	**10,460**	**3,707**
B. Result on the portfolio			
Added value or loss of value on sales of portfolio items	0	0	0
Changes in the unrealized market value on the portfolio:			
- property in the portfolio	-29,075	-3,094	819
- changes in the market value previously recorded on the portfolio items disposed of during the financial year	0	0	0
Result on the portfolio	**-29,075**	**-3,094**	**819**
Result of the period	**-2,104**	**7,366**	**4,526**
Group share	-2,103	7,316	4,526
Third-party share	-1	50	0



8 *These are consolidated figures for 2002 and 2001. For 2000, they are the unconsolidated figures for PeriFund CVA, after adjustment of these figures in accordance with Intervest Offices' deviated scheme.*

4. Comments on the figures

The tangible fixed assets have increased by more than 50%, from € 396.73 million to € 603.72 million. This is, of course, due to the mergers of 28.06.2002 with Siref and of 23.12.2002 with Apibi, Mechelen Campus, Merchtem Cargo Center, Pakobi and Puurs Logistic Center.
In 2002, a total of 8 office buildings and 19 semi-industrial warehouses were added to the portfolio.

The shareholders' equity of the investment fund has grown from € 217.33 million to € 320.20 million as a result of a number of transactions. In 2002, 5.231.809 new shares were issued, bringing the total number of shares up to 13,224,061.

Debt has increased by € 95.37 million. This, too, is attributable to the various mergers. 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 12 March 2003, Intervest Offices obtained approval from the Minister for Economic Affairs to present its annual accounts in adapted form.

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

- **Operating result**
  This result includes all operating income (rents received, costs charged on) and financial income (interest received on deposits at financial institutions), 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.

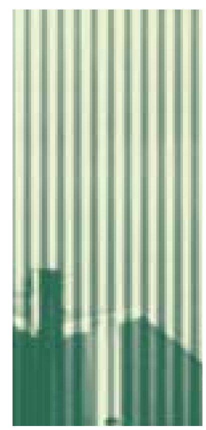
- **Result on the portfolio**
  This section covers all movements in the property portfolio and comprises:
  - Added value or loss of value on sales of portfolio items
  - Changes in the unrealized market value on the portfolio

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

The increase in the operating results was greater than the growth of the portfolio in relative terms (rising from € 10.46 million to € 26.97 million, an increase of 58%). However, it was very difficult to obtain comparable figures because the various mergers in 2001 and 2002 all had different retroactive accounting effects. As far as 2002 was concerned, the merger of 28.06.2002 became effective on 01.01.2002, and the merger of 23.12.2002 on 01.07.2002.

Last financial year, a loss of value was posted on the portfolio of € 29.08 million. This loss of value resulted from the deterioration of the economy in general, which started in 2001 and was reinforced by the events of 11.09.2001 and continued in 2002. However, a significant share of this loss of value (€ 15.75 million) is due to the loss of value posted on the occasion of the merger with Siref.

The consolidated loss for the financial year amounts to € 2.10 million. The loss for the financial year according to the unconsolidated annual accounts comes to € 1.96 million.



5. Profit appropriation

The Board of Directors proposes that the annual accounts as at 31 December 2002 be approved and that the profit for the financial year be appropriated as follows[9]:

• profit for the financial year	-1,961,739.93
• profit carried forward from the previous financial year	1,819,981.00
• transfer to the reserves not available for distribution	29,074,992.96
• profit balance to be appropriated	28,933,234.03
• profit to be carried forward	1,881,845.03
• indemnification of the capital	27,051,389.00

The proposed dividend distribution conforms to article 62 of the R.D. of 10.04.1995 relating to property investment funds. The dividend is in fact higher than the required minimum of 80% of net income.

Taking into account 11,708,037 shares that will share in the full profit for the financial year and 1,516,024 shares participating pro rata temporis in the result from 01.07.2002 onwards, the proposal that a gross dividend of € 2.17 per share be distributed will be put before the General Meeting of Shareholders on 14 May 2003. This is € 1.84 net after the deduction of 15% withholding tax. This means a dividend payable of € 27,051,389. This dividend is 1 eurocent higher than stated in the 2001 annual report.

It is Intervest Offices' policy to pay out its entire profit. In the 2002 financial year, for example, the dividend represents 99.8% of the operating profit. The remaining share was posted to the profit carried forward for reasons of rounding.

The dividend is payable as from Friday 30 May 2003. Holders of bearer shares must present coupon number 4.

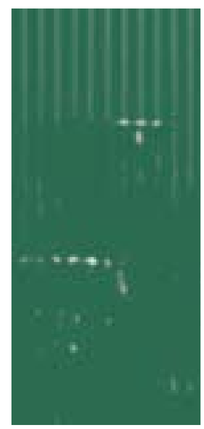
[9] *As legally speaking only the profit of the unconsolidated annual accounts can be distributed and not the consolidated profit, the present profit distribution has been based on the unconsolidated profit figures.*

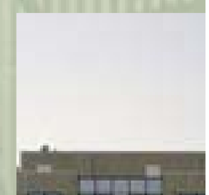
6. Forecast for profit and loss account and dividend

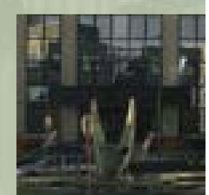
PROFIT AND LOSS ACCOUNT (in € 000)		2003
I.	Operating income	44,772
II.	Operating costs	-5,055
III.	Operating result	39,717
IV.	Financial income	0
V.	Financial costs	-12,055
VI.	Taxes	0
VII.	Operating profit	27,662
X.	Profit on the portfolio	0
XIV.	Profit for the financial year	27,662

PROFIT APPROPRIATION (in € 000)		2003
A.	Profit to be appropriated	27,662
F.	Profit to be distributed	27,662

DIVIDEND	2003
Number of shares	13,224,061
Payout ratio (%)	100
Earnings per share (€)	2.09
Gross dividend per share (€)	2.09
Net dividend per share (€)	1.78







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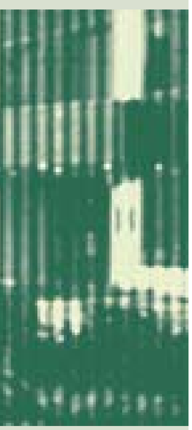
Report on the share



1. Stock market information

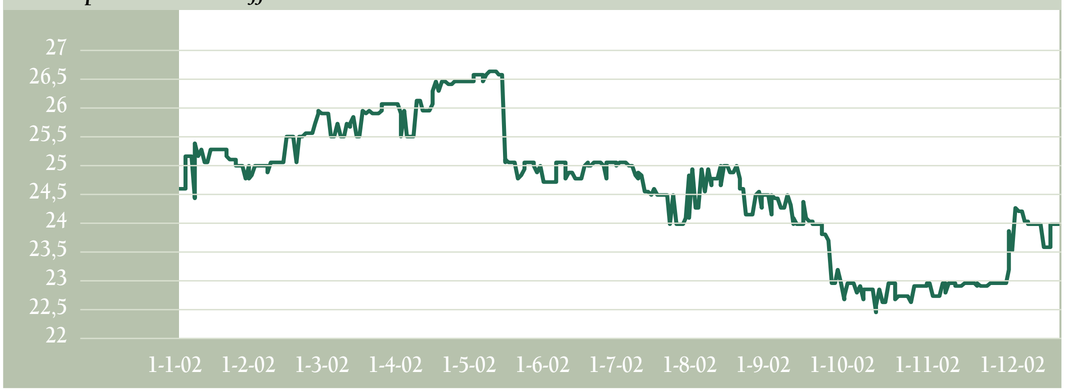
Since 1 January 2002 Intervest Offices has been listed on the Next Prime segment of Euronext Brussels. This segment consists of companies that do not feature in the Euronext 100 and the Next 150, but which set themselves certain qualitative obligations, such as:

- 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.

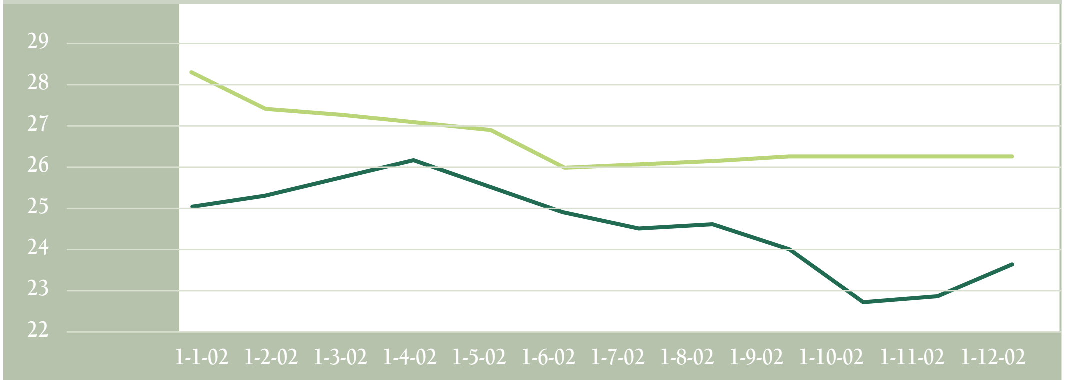
Within this segment, indices will be prepared for each sector, making it easier to compare one property company with another. This will stimulate the interest of institutional investors.

Stock price Intervest Offices NV/SA



In 2002, the stock price of the share was subject to some fluctuations. At its lowest point it dropped to € 22.51 (15 October), and the highest price was € 26.64 (9 and 10 May).

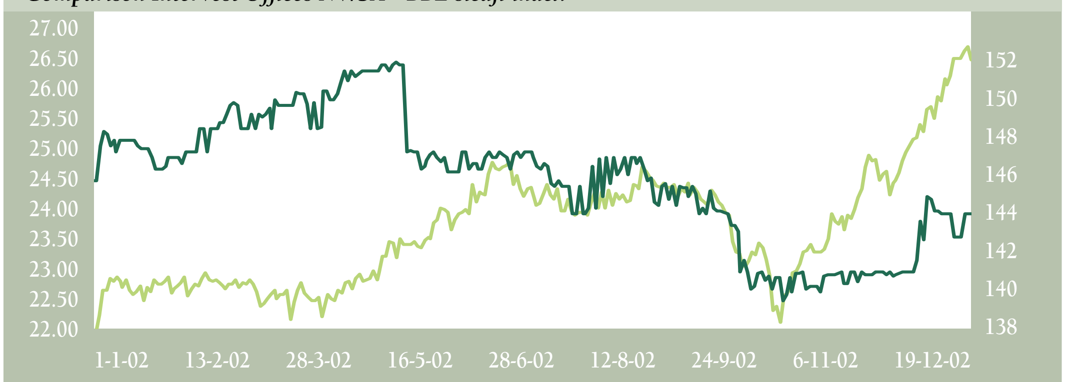
Premiums and discounts Intervest Offices NV/SA



Average stock price Intervest Offices
Net asset value Intervest Offices

The net asset value of Intervest Offices (on a consolidated basis) includes the 2001 dividend up to the payment date at the end of May.

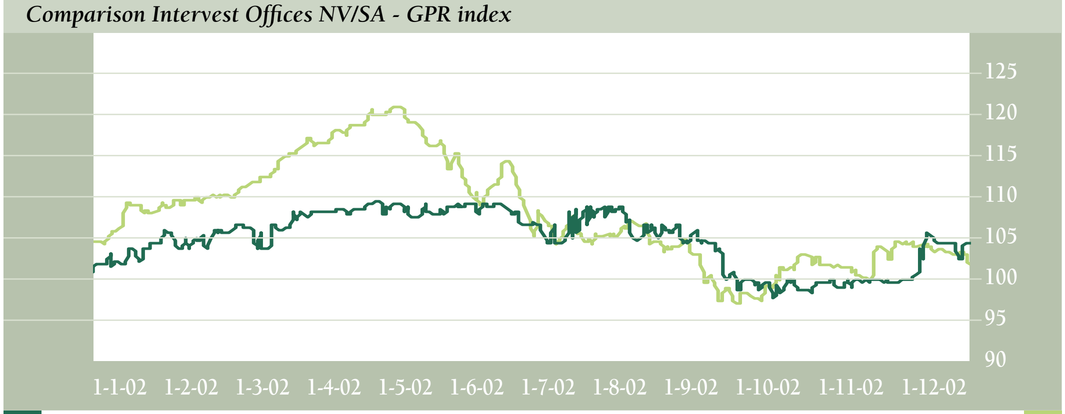
Comparison Intervest Offices NV/SA - BBL sicafi index



Stock price Intervest Offices
Return index

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

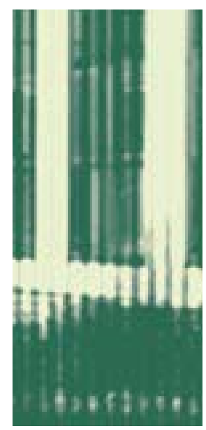
Comparison Intervest Offices NV/SA - GPR index



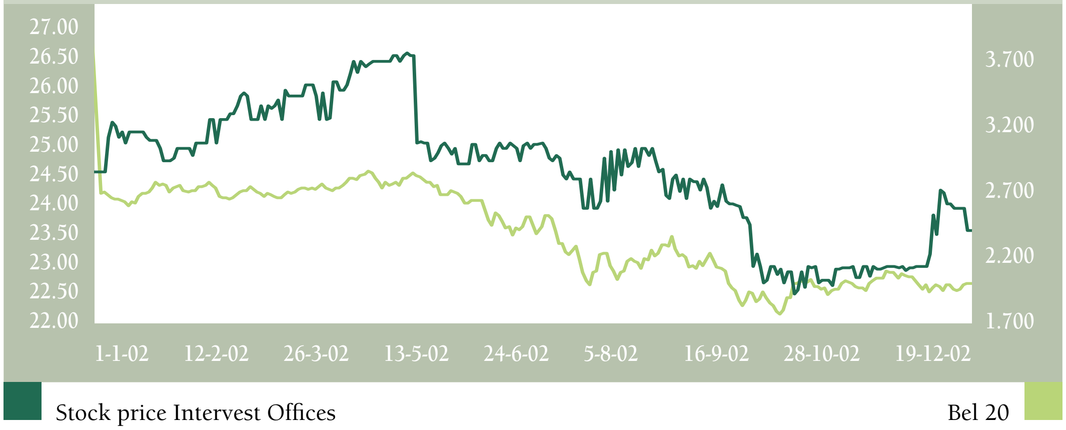
Intervest Offices (EUR) - Total Return Index
GPR 250 Europe (EUR) - Total Return Index

The GPR 250 Europe is a Global Property Research index which groups the 250 largest listed international real estate companies, weighted by their free float.

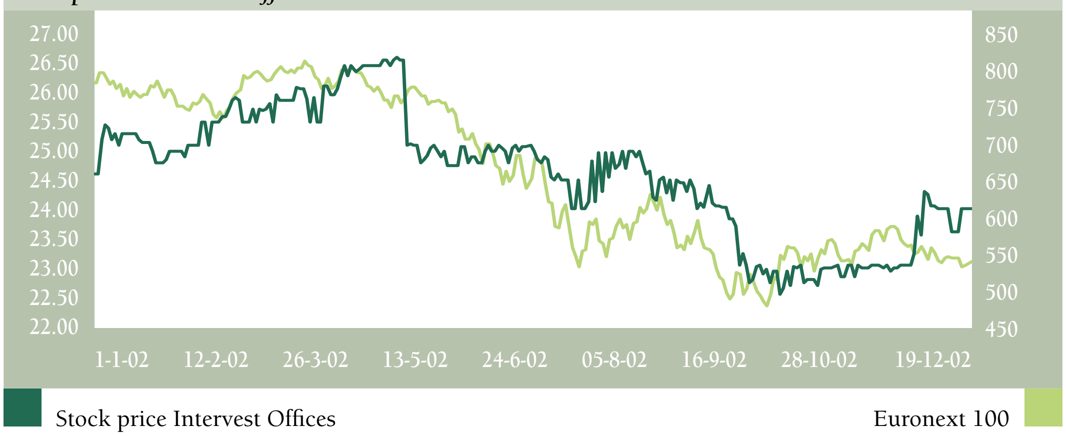
Source: Global Property Research, 2003



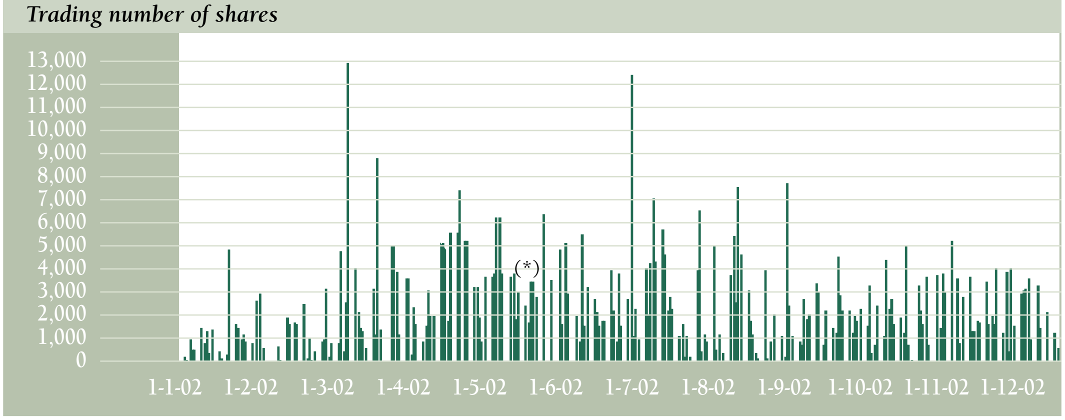
Comparison Intervest Offices NV/SA - Bel 20



Comparison Intervest Offices NV/SA - Euronext 100



Trading number of shares



(*) The actually traded volume on 29.05.2002 and 30.05.2002 was 34,545. However, we divided these actual volumes by ten to make the graphic presentation clearer.

The traded volumes had an average of 2,746 units a day.

A liquidity contract was concluded with Vermeulen-Raemdonck (ING Group) with a view to promoting the negociability of the shares. In practice this takes place through the regular submission of buy and sell orders within certain margins.

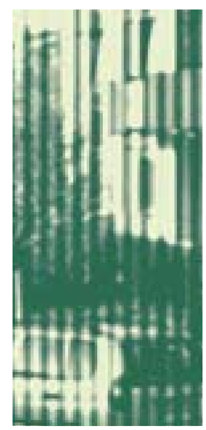
At the year end, the free float amounted to 41.23%. Efforts will be ongoing to further increase this free float figure and thereby improve negociability.

2. Dividend and number of shares

	31.12.2002
Number of shares at the end of the period	13,224,061
Number of shares entitled to dividend	
- 12 months	11,708,037
- 6 months	1,516,024

Stock price (€)	**31.12.2002**
Highest	26.64
Lowest	22.51
Stock price on closing date	24.00

Data per share (€)	**31.12.2002**	**31.12.2001**	**31.12.2000**
Shareholders' equity at start of year (deed in hand)	28.28	28.98	26.59
Dividend distributed	-1.98	-1.66	-1.31
Shareholders' equity at end of year	27.19	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[10]	16.44	6.48	26.59
Increase in shareholders' equity owing to mergers and contributions	9.98	20.27	0
- Direct investment result	2.04	1.31	1.95
- Indirect investment result (inc. other movements)[11]	-2.20	0.22	0.44
Total investment result	-0.16	1.53	2.39
Shareholders' equity (inc. dividend) at end of year	26.26	28.28	28.98
Gross dividend	2.17	1.98	1.66
Net dividend	1.84	1.68	1.41

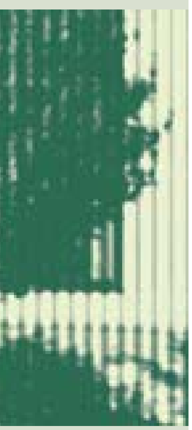


[10] *The number of shares increased in 2002 from 7,992,252 to 13,224,061.*
[11] *Other movements are, among other things, purchase costs.*

3. Shareholders

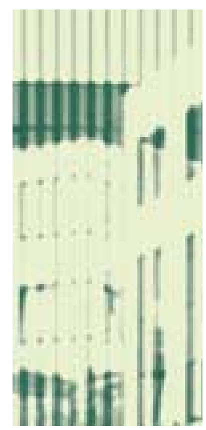
As at 31 December 2002 the following shareholders were known to the company:

VastNed group	**7,771,817 shares**	**(58.77%)**
VastNed Offices/Industrial NV/SA Max Euwelaan 1 3062 MA Rotterdam – The Netherlands	6,082,818 shares	(46.00%)
VastNed Offices Belgium NV/SA Uitbreidingstraat 18 2600 Berchem	1,396,967 shares	(10.56%)
VastNed Industrial BV Max Euwelaan 1 3062 MA Rotterdam - The Netherlands	172,975 shares	(1.31%)
Compagnie Financière du Benelux (Belgium) Louizalaan 126 1050 Brussels	119,057 shares	(0.90%)
Public	**5,452,244 shares**	**(41.23%)**
Total	**13,224,061 shares**	**(100%)**



4. Financial calendar

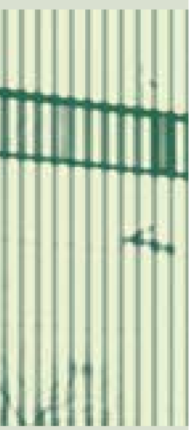
- General Meeting of Shareholders: Wednesday 14 May 2003 at 4.30 p.m. at the company's offices, Uitbreidingstraat 18, 2600 Antwerp-Berchem
- Announcement results as at 31 March 2003: Wednesday 28 May 2003
- Dividend payable: from Friday 30 May 2003
- Announcement of half year results as at 30 June 2003: Wednesday 20 August 2003
- Announcement of results as at 30 September 2003: Wednesday 26 November 2003



Wommelgem - Kapelleveld 1

4

Property report



1. Composition of the portfolio

1.1. Overview of the portfolio including vacancies as at 31.12.2002

OFFICES

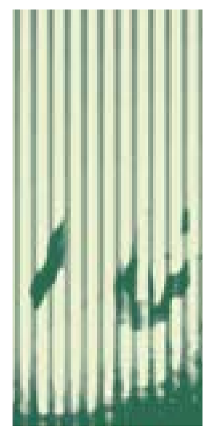
				Rent/year in € 000[12]		
Project	Surface area offices (m²)	Other surface area (m²)	Value of portfolio (€ 000)	Effective rental income	Effective rental income + vacancies	Occupancy rate (%)
Aartselaar – Kontichsesteenweg 54	3,000	1,000	5,600	459	459	100
Antwerpen – Brusselstraat 59 (Gateway House)	11,318	0	16,890	793	1,531	51.82
Berchem – Uitbreidingstraat 66 (Sky Building)	5,698	2	8,010	622	678	91.77
Diegem – Berkenlaan 6	3,664	0	6,250	578	578	100
Diegem – Berkenlaan 8a	7,787	0	16,790	1,193	1,193	100
Diegem – Berkenlaan 8b	8,268	461	17,930	1,331	1,331	100
Diegem – Woluwelaan 148-150 (Park Station)	8,619	284	12,560	1,164[13]	1,164	100
Dilbeek (Groot-Bijgaarden) – Pontbeekstraat 2 & 4 (Inter Access Park)	6,869	0	11,540	999	1,009	98.94
Edegem – Prins Boudewijnlaan 45-49 (De Arend)	7,273	151	11,950	982	982	100
Gent – Xavier De Cocklaan 68-72 (Latem Business Park)	5,350	0	6,390	479	495	96.73
Hoeilaart – Terhulpsesteenweg 6a	2,694	107	5,910	512[14]	512	100
Kortenberg – A. De Coninckstraat 3	3,117	0	3,920	0	369	0
Leuven – Interleuvenlaan 15 (Greenhill Campus)	19,028	2,912	32,360	2,026	2,930	69.14
Mechelen – Blarenberglaan 2c (Mechelen Business Tower)	11,701	1,216	27,600	2,072	2,072	100
Mechelen – Generaal De Wittelaan 9-21 (Intercity Business Park)	38,718	3,394	59,932	4,917	5,173	95.05
Mechelen – Schaliënhoevedreef 20 (Mechelen Campus)	25,443	3,673	46,340	3,820	3,820	100
Strombeek-Bever – Nijverheidslaan 3 (Orion Bedrijvenpark)	4,724	165	7,770	581	692	84
Vilvoorde – Luchthavenlaan 25 (3T Estate)	8,757	0	14,020	1,066	1,149	92.72
Woluwe – Woluwedal 18-22 (Woluwe Garden)	24,081	993	65,620	4,695	4,695	100
Zaventem – Imperiastraat 12	3,024	864	4,970	429	429	100
Zaventem – Lozenberg 15/18-23 (Airway Park)	28,899	219	54,940	3,524	4,684	75.23
Zaventem – Weiveldlaan 41 (Atlas Park)	9,157	3,990	18,810	1,207	1,691	71.36
TOTAL OFFICES:	**247,189**	**19,431**	**456,102**	**33,450**	**37,638**	**88.87**

12 *Offices + other space and parking.*
13 *Lease guarantee up to 30.06.2003 in the amount of € 1 million/annum.*
14 *Lease guarantee up to 30.11.2003 in the amount of € 511,552/annum.*

SEMI-INDUSTRIAL PROPERTIES

Project	Surface area offices (m²)	Surface area warehouse (m²)	Value of portfolio (€ 000)	Rent/year in € 000: Effective rental income	Rent/year in € 000: Effective rental income + vacancies	Occupancy rate (%)
A-12 (Brussels - Antwerp)						
Aartselaar – Dijkstraat	793	7,269	4,040	357	357	100
Boom – Krekelenberg	700	23,663	11,910	986	986	100
Merchtem – Cargo Center	1,210	6,075	4,800	441	441	100
Puurs – Logistic Center	1,600	41,890	25,920	2,121	2,121	100
Schelle – Molenberglei	1,600	6,400	4,390	205	392	52.19
Wilrijk – Neerland 1	0	12,584	6,260	561	561	100
Wilrijk – Neerland 2	632	15,952	8,430	714[15]	714	100
Total	**6,535**	**113,833**	**65,750**	**5,385**	**5,572**	**96.64**
E-19 (Brussels - Antwerp)						
Duffel – Notmeir	250	8,861	4,610	449	449	100
Duffel – Stocletlaan	240	23,435	10,700	894	894	100
Mechelen – Intercity Industrial Park	252	15,000	7,620	172	676	24.42
Mechelen – Ragheno	612	4,002	3,420	308	308	100
Total	**1,354**	**51,298**	**26,350**	**1,823**	**2,327**	**78.30**
Antwerp Ring						
Antwerpen – Kaaien 218-220	0	5,500	1,430	139	139	100
Merksem – Oostkaai	3,287	11,969	6,630	490	658	74.48
Wommelgem – Kapelleveld 1	1,770	22,949	15,180	1,349	1,349	100
Wommelgem – Kapelleveld 2	1,094	3,767	3,620	340	340	100
Total	**6,151**	**44,185**	**26,860**	**2,318**	**2,486**	**93.24**
Other						
Kortenberg – Guldendelle	780	10,172	10,840	838	838	100
Meer – Transportzone	271	7,348	2,520	282	282	100
Putte – Klein Boom	2,080	9,204	4,800	469	469	100
Sint-Agatha Berchem – Berchem Technology Center	2,760	3,703	7,140	592	592	100
Sint-Niklaas – Eigenlo	1,328	6,535	3,360	307	307	100
Total	**7,219**	**36,962**	**28,660**	**2,488**	**2,488**	**100**
TOTAL SEMI-INDUSTRIAL PROPERTIES:	**21,259**	**246,278**	**147,620**	**12,014**	**12,873**	**93.33**
TOTAL OFFICES + SEMI-INDUSTRIAL PROPERTIES:	**268,448**	**265,709**	**603,722**	**45,464**	**50,511**	**90.01**

[15] *Lease guarantee on 6,600 m² vacant warehouse space.*

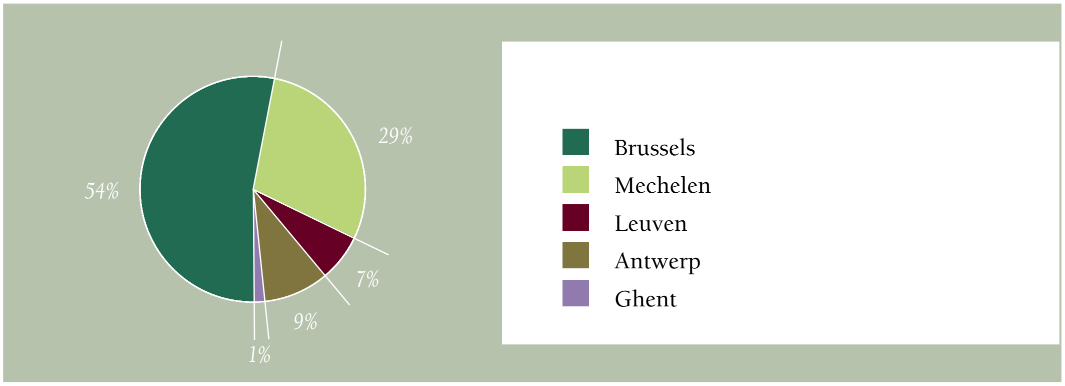


1.2. Nature of the portfolio

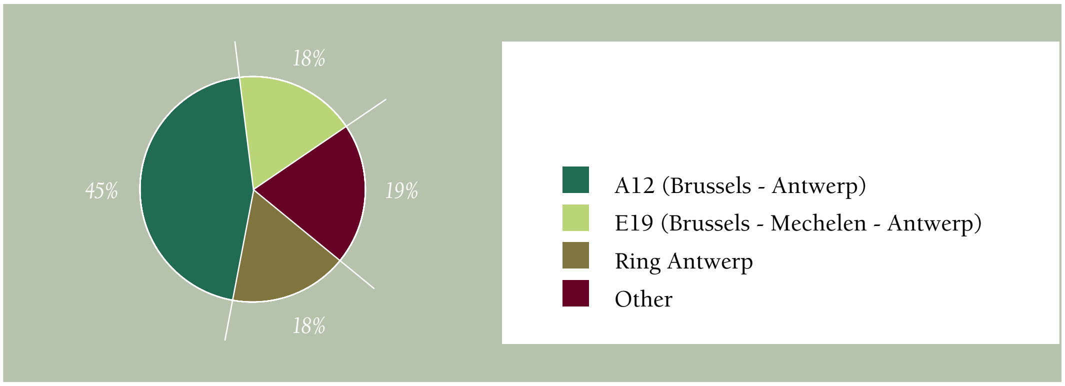
As at 31.12.2002, the portfolio consists of 75.5% of offices and 24.5% of semi-industrial properties.

1.3. Geographic spread of the portfolio

- **Offices**



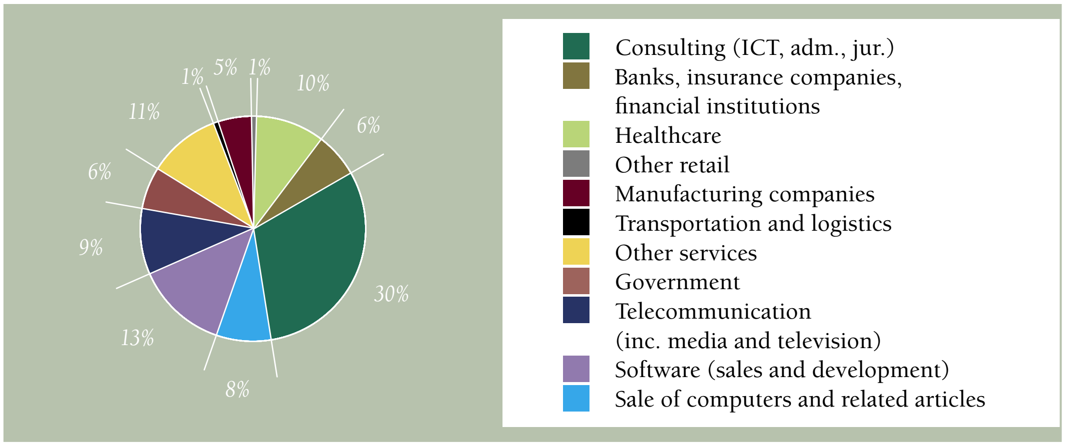
- **Semi-industrial properties**



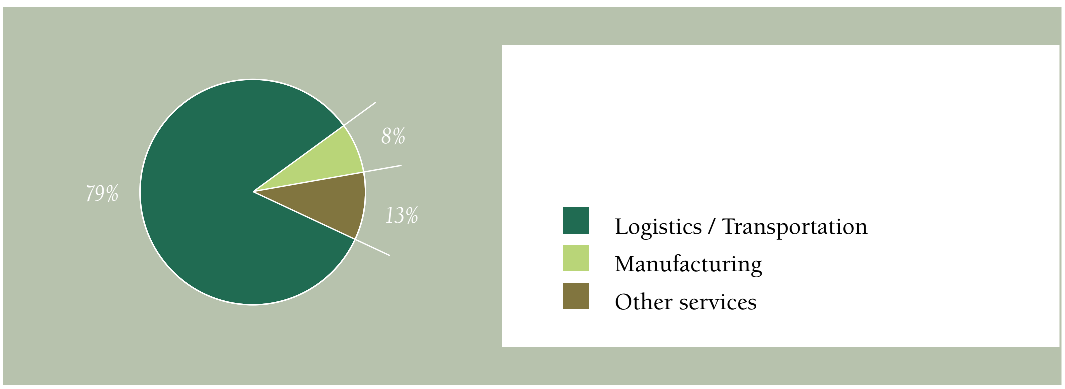
1.4. Sectorial spread of the portfolio

- **Offices**

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



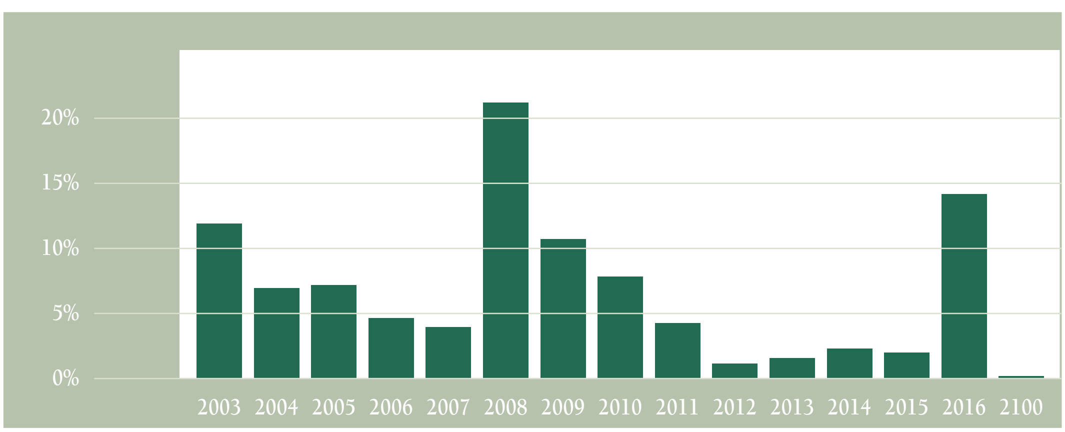
- **Semi-industrial properties**

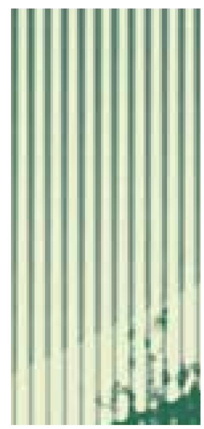


1.5. Expiry date of portfolio contracts

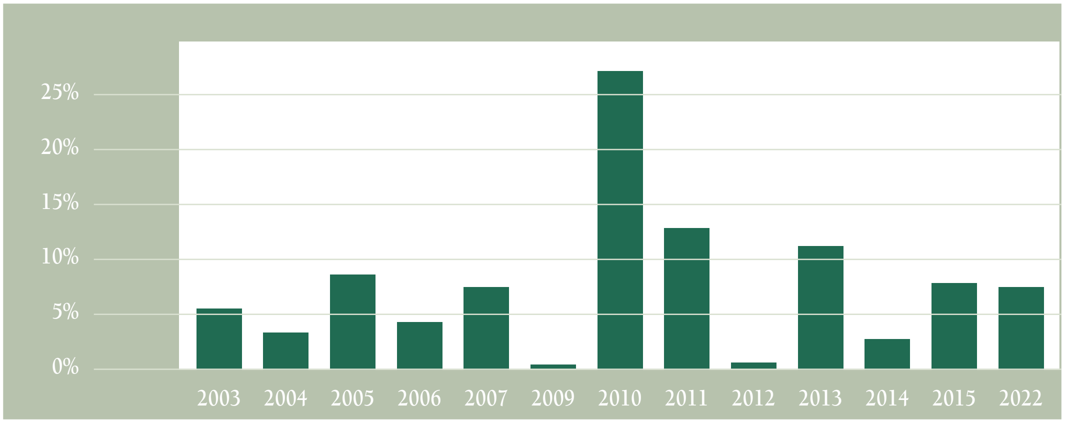
- **Offices**

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.





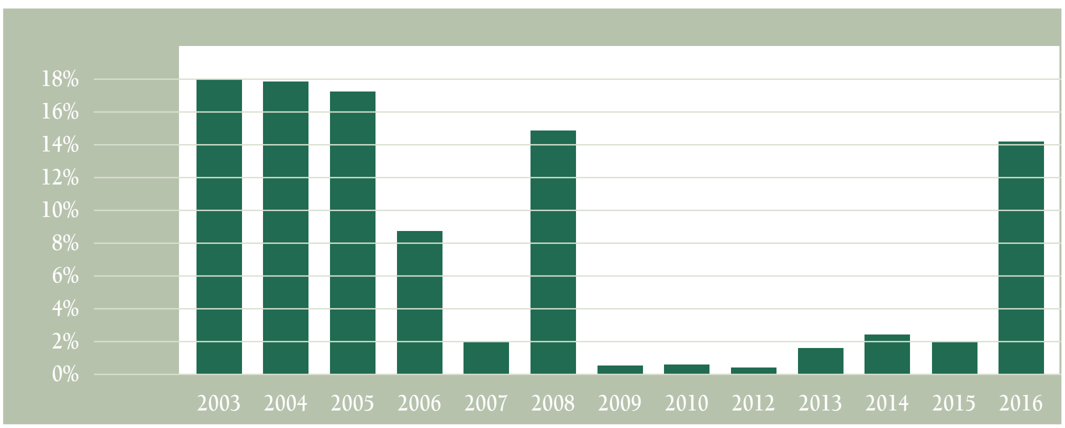
• **Semi-industrial properties**



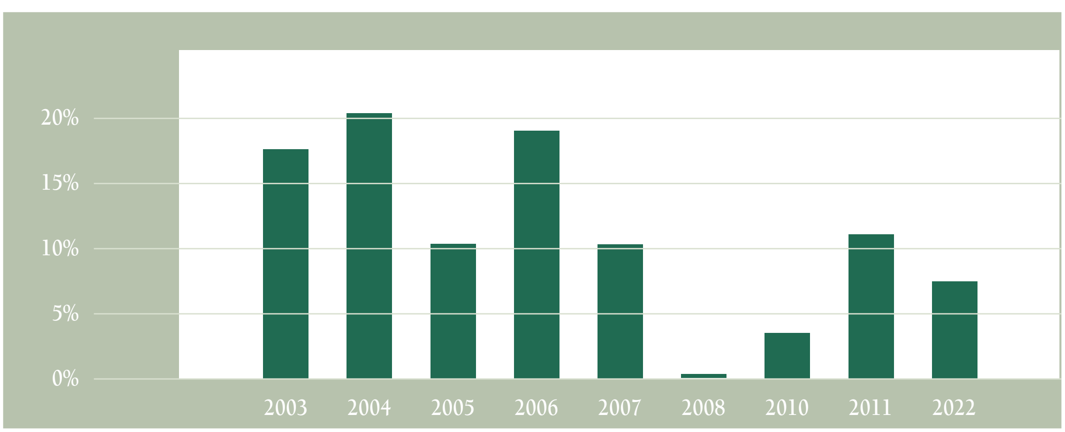
1.6. First interim expiry date of portfolio contracts

• **Offices**

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



• **Semi-industrial properties**



2. Description of the portfolio

2.1. Offices

1) Aartselaar – Kontichsesteenweg 54

Year of construction: 2000

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: This is a recent office building linked to a warehouse. The office building consists of the ground floor and one other floor 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. 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.

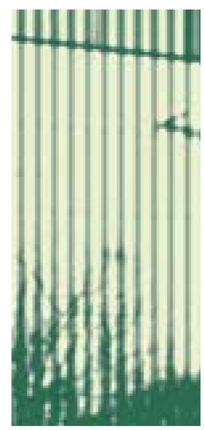
Property leasing: The tenant, APV Benelux NV/SA, part of the Invensys Group, obtained a purchase option on the property, to be exercised in the sixth month before the end of the property lease agreement on 30.11.2015, for a price equivalent to 80% of the market value at that time but for no less than € 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.

2) Antwerp – Brusselstraat 59 (Gateway House)

Year of construction: 1993 - 1994

Location: Gateway House is on the same level as the Singel in Antwerp. The Amerikalei is a few hundred 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. 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.

Description: The office complex consists of two five-storey wings which are linked by a central core with stairs and lifts. One wing is on Montignystraat and the other on Brusselsestraat. The ground floor covers the entire area of the premises. The two storeys of underground parking are accessible via two automatic gates on Montignystraat. The building has a traditional concrete structure with architectural façade cladding and aluminium window sections. 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. Major renovations and improvements were carried out on the building in the spring of 2003. The most important of these were: the renovation and modernisation of the ground floor entrance hall, equipping of the offices with an air conditioning system using cooling boxes and complete renewal of the carpet and the entrance doors to the individual rooms. In addition, the building was fitted with a video-parlophone access system.

Main Tenant: Kuwait Petroleum

3) Berchem – Uitbreidingstraat 66 (Sky Building)

Year of construction: 1988

Location: The Sky Building is situated in Berchem, Uitbreidingstraat 66 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).

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.

Main Tenants: Lease Plan Fleet Management, Wagon Lits Travel, B.D.O. Services

4) Diegem – Berkenlaan 6

Year of construction: 1990

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.

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.

Tenant: Deloitte Consulting

5) Diegem – Berkenlaan 8a

Year of construction: 2000

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 façade is a combination of glass sections and red brick. The windows are of enamelled aluminium with sound-proofing double glazing.
The offices are forseen of raised floors covered with fitted carpets. The ceilings are finished in mineral fibre and fitted with fire grids. Lighting with built-in light fittings. The building is fitted with air conditioning (cooling boxes).

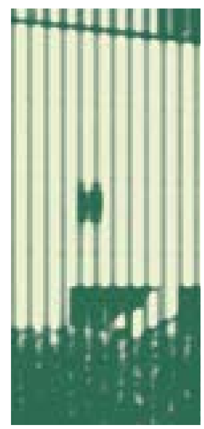
Property leasing: Ending on 01.01.2016, with Deloitte & Touche having a purchase option at a price equal to the market value of the land and buildings, estimated one year before the purchase date, but at a minimum of € 14,526,560 (to be indexed).

6) Diegem – Berkenlaan 8b

Year of construction: 2001-2002

Location: The building adjoins the building at Berkenlaan 8a and therefore enjoys the same easy access.

Description: The building has seven storeys above ground. There is a spacious and high-quality entrance hall on the ground floor, with reception and waiting areas. In addition to the central core with two fast lifts, a staircase and well-kept sanitary facilities, meeting and training rooms and the canteen are also situated here.
We find the central core again in each of the first to fifth floors (open-plan and individual offices), meeting rooms and coffee areas. The offices are equipped with raised floors covered with fitted carpets. The ceilings are finished in mineral fibre and fitted with fire grids. Lighting with built-in light fittings.
The sixth storey is a technical floor (lift engine room, central heating room and air conditioning). The technical floor is reached by a stairway.
The building is equipped with air conditioning (cooling boxes). The first floor below ground levels contains, in addition to 35 individual and 8 double parking spaces, around 294 m² of cellar space which is used as a storage area for files and a photocopying centre. The next two floors down (-2 and -3) contain 82 individual and 48 double parking spaces over the two floors, as well as approximately 167 m² of cellar space. The façade is a combination of glass sections and yellow



brick. The windows are of enamelled aluminium with double glazing.

Property leasing: to Deloitte & Touche, starting on 02.01.2000 for a period of fifteen years. Deloitte & Touche holds a purchase option at the end of the contract at the market value of the land and buildings, but with a minimum price of € 17,724,387.02 (to be indexed).

7) Diegem Woluwelaan 148-150 (Park Station)

Year of construction: 2000

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 recent 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.

Letting situation: Thomas Cook (759 m²). Lease guarantee up to 30.06.2003 for the empty part.

8) Dilbeek (Groot-Bijgaarden) – Pontbeek straat 2 & 4 (Inter Access Park)

Year of construction: 2000

Location: Situated in the office complex at Dilbeek, on the boundary between Groot-Bijgaarden, Dilbeek and St.-Agatha-Berchem on the Ring of Brussels. The arterial road connecting to the Ghent-Ostend/Bergen-Charleroi motorway is in the immediate vicinity, as well as St.-Agatha-Berchem station.

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.

Main Tenants: Advalvas, Vacature, Edward Lifesciences

9) Edegem – Prins Boudewijnlaan 45-49 (De Arend)

Year of construction: 1997

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 realized over the past few years. The building is easy to reach by car along Prins Boudewijnlaan, which gives easy access to the Antwerp Ring and the E19 to Brussels.

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.

Tenants: Alcatel Bell, Euromex, Thomson Multimedia

10) Gent – Xavier De Cocklaan 68-72 (Latem Business Park)

Year of construction: 1992 - 1993

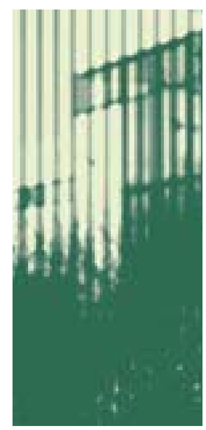
Location: Between the E40 Ghent-Bruges and the E17 Ghent-Kortrijk motorways, on the busy main Ghent-Kortrijk road, in a primarily residential area where there are also a number of retail warehouses.

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.

Main Tenants: IBS, Westimex, De Facto Image Building

11) Hoeilaart – Terhulpsesteenweg 6A (Park Rozendal)

Year of construction: 1994



Location: Situated in a wooded environment, primarily residential. Easily reached, because it is close to the E411 Brussels-Namen-Luxembourg motorway and Hoeilaart station.

Description: A modern office building forming part of a larger whole, consisting of a ground floor, two other storeys (and 2 lifts) and an 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 granito. The windows are of aluminium with double glazing and formica sills. Top cooling is installed everywhere. The building is to be completely renovated in 2003 following the bankruptcy of the previous tenant.

Tenant: The tenant (KPN Qwest) was declared bankrupt in 2002. There is still a lease guarantee up to 31.12.2003.

12) Kortenberg – Arthur De Coninckstraat 3

Year of construction: 2001-2002

Location: The building is situated in the well-kept area of Guldendelle, along the Leuvensesteenweg. It is easily accessible by car, as it is a few kilometres from the E40 (Brussels-Liège) junction 21, and from the Ring of Brussels.

Description: It has three storeys above ground and a smaller, technical floor. There are two entrances on the ground floor. The main entrance is on the façade side of the Leuvensesteenweg and has a high-quality, impressive finish of glass sections. The building is constructed around a central core which, in addition to the sanitary facilities, also provides space for other facilities. The floors are not divided up. The facades and ceilings are divided into modules at 1.20 m. False ceiling of mineral fibre, with built-in light fittings. The building is fitted with raised floors with a free space of 10 cm. Ventilo-convectors are installed in a continuous housing under the windows. Ventilation is provided by pulsating fresh air through the light fittings. The building has two lifts. The façades are constructed as a combination of glass sections with transparent parts and sandwich panels in the same design and light-coloured face brickwork.

Tenant: none

13) Leuven – Interleuvenlaan 15 (Greenhill Campus)

Year of construction: 1999

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 with large underground parking facilities. The buildings are put up in 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.
All buildings have lifts and air conditioning.

Main Tenants: Regus, Evisor, IT Masters, Metris

14) Mechelen – Blarenberglaan 2C (Mechelen Business Tower)

Year of construction: 2001

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.

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. There are five lifts, including a service lift and a panoramic lift.

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 31.03.2016, 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).

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

Year of construction: between 1993 and 2000

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 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.

Main Tenants: Virco-Tibotec, LabCorp, Galapagos, Medisearch

16) Mechelen – Schaliënhoevedreef 20 (Mechelen Campus)

Year of construction: 2000 - 2003

Location: In the industrial zone of Mechelen Noord, close to the E19 Brussels-Antwerp motorway. The centre of Mechelen is a few kilometres away.

Description: When completed, Mechelen Campus will consist of a tower block and nine medium-high buildings of five storeys each, connected by an underground parking. The buildings known as A, B, C, D, I and J, which have been completed and are in use, belong to Intervest Offices NV/SA. The façades are of traditional brick, in yellow and red layers. The windows and doors are of aluminium with a thermal barrier, enamelled in grey.
A spacious underground car park gives direct access to all buildings.

The offices are fitted with soundproofing suspended ceilings. Each building has two lifts. The presence of a fitness suite and a restaurant emphasises the Campus concept and the unity of the site.

Tenants: Borealis, Vicindo, Regie der Gebouwen, DHL-Express Line

17) Strombeek-Bever – Nijverheidslaan 3 (Orion Bedrijvenpark)

Year of construction: 1999

Location: The property forms part of the industrial park Orion. This is a well-positioned industrial park with easy access to the A12 Brussels-Antwerp and E40 (Ring) 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.

Main Tenant: Whirlpool

18) Vilvoorde – Luchthavenlaan 25 (3T Estate)

Year of construction: 1998

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 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. All offices have false ceilings and air conditioning.

Tenants: Ingram Micro and Fleet Logistics Belgium

19) Woluwe – Woluwedal 18-22 (Woluwe Garden)

Year of construction: 2000

Location: Excellent position a few kilometres from Brussels, with easy access because of location close to the E40 Brussels-Leuven-Liège motorway and the Ring of Brussels. This prestigious complex has a visible location on Woluwedal and is situated in a high-quality office area.

Description: The building complex is conceived as one single prestigious architectural whole, built around a huge atrium in structural glazing. The building is equipped with 3 underground storeys with 923 parking spaces. The ground floor contains a branch of a bank, a travel agency and extensive restaurant facilities, among other things. The façade is finished in marble panels, combined with aluminium structural elements. All offices are equipped with air conditioning, false ceilings and raised floors.

Tenants: PriceWaterhouseCoopers, Bogaert-Vandemeulebroeke, IBM

20) Zaventem – Imperiastraat 12

Year of construction: 1990

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 and Diegem station.

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. The building is air conditioned.

Ownership: The Zaventem O.C.M.W. (a public social welfare organisation) owns the land. The ground lease was granted to Rebux NV/SA (now Intervest Offices NV/SA) on 23.05.1989 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).

Tenant: Atos Origin

21) Zaventem – Lozenberg 15/18-23 (Airway Park)

Year of construction: 1989 - 1990

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. The complex is close to the airport and is easily to reach by public transport.

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. 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 m² 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.

Main Tenants: Sybase, Sun Microsystems, Oetker, Tieto Enator, Intel

22) Zaventem – Weiveldlaan 41 (Atlas Park)

Year of construction: 1988 - 1994

Location: 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 offices and mixed use. The buildings are constructed in "Business Park" style and have a separate entrance for almost every tenant. 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 thermoplaster 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.

Main Tenants: VT4, T-Systems Belgium, EES

2.2. Semi-industrial properties

- **REGION A-12 (Brussels – Antwerp)**

1) Dijkstraat – Aartselaar

Situated on Dijkstraat 1A at B-2630 Aartselaar on the Brussels-Antwerp axis. Accessible via the A12 or the E19.

Tenant	New Wave Enterprise NV/SA
Year of construction	1994
Offices	793 m²
Storage hall	7,269 m²
Free height	9 m
Free span	24 m
Fittings	2 ground-floor gates, 8 loading bays, smoke hatches and smoke guards
Annual rental income on 31/12/02	€ 357,321
Estimated value on 31/12/02	€ 4,040,000

2) Neerland 1 – Wilrijk

Situated on the A12 motorway at Boomsesteenweg 801-803, 2610 Wilrijk.

Tenant	Brico Belgium NV/SA (Distrilog)
Year of construction	1986
Offices	-
Storage hall	12,584 m²
Free height	8 m
Free span	25 m
Fittings	8 ground-floor gates, 12 loading bays, smoke domes and fire reels
Annual rental income on 31/12/02	€ 560,972
Estimated value on 31/12/02	€ 6,260,000

3) Neerland 2 – Wilrijk

Situated on the A12 motorway at Kernenergiestraat 70 and Geleegweg 1-7, 2610 Wilrijk.

Tenant	Brico Belgium NV/SA (9,352 m²)
Year of construction	1989
Offices	632 m²
Storage hall	15,952 m²
Free height	10 m
Free span	25 m
Fittings	4 ground-floor gates, 17 loading bays, smoke domes and fire reels
Annual rental income on 31/12/02	€ 713,258 (including € 309,358 lease guarantee)
Estimated value on 31/12/02	€ 8,430,000

4) Molenberglei – Schelle

Situated in an industrial zone for SMEs on the A12 motorway at Molenberglei 8, 2627 Schelle.

Tenant	Info Support NV/SA (1,600 m²) Studio 100 (3,235 m²)
Year of construction	1993
Offices	1,600 m²
Storage hall	6,400 m²
Free height	10 m
Free span	25 m
Fittings	2 ground-floor gates, 11 loading bays, smoke domes, fire walls and fire reels
Annual rental income on 31/12/02	€ 391,938
Estimated value on 31/12/02	€ 4,390,000

5) Krekelenberg – Boom

Situated in an industrial zone on the A12 motorway at Industrieweg 18, 2850 Boom.

Tenant	JVC Logistics Europe NV/SA
Year of construction	2000
Offices	700 m²
Storage hall	23,663 m²
Free height	10 m
Free span	34.2 m
Fittings	21 loading bays with gate and 4 ground-floor gates, fire walls, fire domes, hydrants and fire alarm system, smoke hatches, sprinkler system
Annual rental income on 31/12/02	€ 985,658
Estimated value on 31/12/02	€ 11,910,000

6) Puurs Logistic Center – Puurs

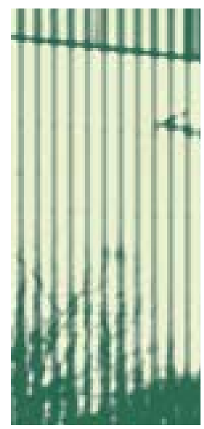
Situated on the A12 industrial zone at Veurtstraat 91, 2870 Puurs.

Tenant	Fiege Kalf Trans NV/SA
Year of construction	2001
Offices	1,600 m²
Storage hall	41,890 m²
Free height	10 m
Free span	34.5 m
Fittings	38 loading bays, including 36 with levellers and shelters, 2 ordinary entry gates, fire detectors, sprinkler system and wall reels, sectional gates with electric motor
Annual rental income on 31/12/02	€ 2,121,209
Estimated value on 31/12/02	€ 25,920,000

7) Merchtem Cargo Center – Merchtem

Situated at Preenakker 20, 1785 Merchtem

Tenant	Transfer CV
Year of construction	1992
Offices	1,210 m²
Storage hall	6,075 m²
Free height	9.7 m
Free span	15.80 m
Fittings	10 loading bays of which 9 with control appliances and 1 ordinary entry gate, sectional gate with electric motor, fire detectors
Annual rental income on 31/12/02	€ 441,498
Estimated value on 31/12/02	€ 4,800,000



- **REGION E19 (Brussels – Antwerp)**

1) Stocletlaan – Duffel

Situated on the Brussels-Antwerp axis 5 km from the Duffel exit, Stocletlaan 23, 2570 Duffel.

Tenant	TDS NV/SA
Year of construction	1998
Offices	240 m²
Storage hall	23,435 m²
Free height	9.6 m
Free span	30/40 m
Fittings	17 loading bays with leveller and shelter, fire walls, fire domes and hydrants, fire alarm system
Annual rental income on 31/12/02	€ 894,156
Estimated value on 31/12/02	€ 10,700,000

2) Notmeir – Duffel

Situated on the Brussels-Antwerp axis 4 km from the Duffel exit at Walemstraat 94, 2570 Duffel.

Tenants	Corus Building Systems NV/SA Corus Aluminium Service Center NV/SA
Year of construction	1995
Offices	250 m²
Storage hall	8,861 m²
Free height	7.9 m
Free span	27/30 m
Fittings	5 access gates, rolling bridges, fire walls and fire reels
Annual rental income on 31/12/02	€ 449,175
Estimated value on 31/12/02	€ 4,610,000

3) Intercity Industrial Park – Mechelen

Situated on the industrial zone Noord, at Oude Baan 14, 2800 Mechelen. Accessible via the E19, exit Mechelen-Noord.

Tenant	Schenker BTL NV/SA (150 m² office space and 3,500 m² warehouse space)
Year of construction	1999
Offices	252 m²
Storage hall	15,000 m²
Free height	10 m
Free span	30 m
Fittings	8 ground-floor access gates, 16 loading bays, fire walls, fire reels and hydrants, sprinkler system
Annual rental income on 31/12/02	€ 675,909
Estimated value on 31/12/02	€ 7,620,000

4) Ragheno – Mechelen

Situated on the Park Ragheno industry zone, Dellingstraat 57, 2800 Mechelen. Accessible via the E19, exit Mechelen-Zuid.

Tenant	Otto Wolf Benelux NV/SA
Year of construction	1998
Offices	612 m²
Storage hall	4,002 m²
Free height	6 m
Free span	20 m
Fittings	4 ground-floor access gates, fire alarm system, smoke domes
Annual rental income on 31/12/02	€ 307,652
Estimated value on 31/12/02	€ 3,420,000

- **REGION ANTWERP RING**

1) Kapelleveld 1 – Wommelgem

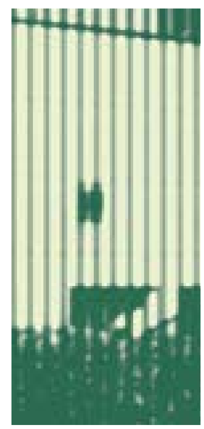
Situated on the Kapelleveld industrial zone, Koralenhoeve 25, 2160 Wommelgem. Accessible via the E34/E313 Antwerp-Hasselt motorway, 3 km from the Wommelgem exit, 10 km from the port of Antwerp.

Tenant	Ocean Group Belgium NV/SA
Year of construction	1998
Offices	1,770 m²
Storage hall	22,949 m²
Free height	10 m
Free span	30 m
Fittings	3 ground-floor gates and 20 loading bays with leveller and shelter, sprinkler system, fire walls, fire reels and hydrants
Annual rental income on 31/12/02	€ 1,349,237
Estimated value on 31/12/02	€ 15,180,000

2) Kapelleveld 2 – Wommelgem

Situated on the Kapelleveld industrial zone, Sint-Jansveld 14, 2160 Wommelgem. Accessible via the E34/E313 Antwerp-Hasselt motorway.

Tenant	FTP Verboven NV/SA
Year of construction	1999
Offices	1,094 m²
Storage hall	2,665 m² + 2,559 m²
Free height	11 m
Fittings	3 ground-floor gates, 2 loading bays, fire walls, fire reels and hydrants
Annual rental income on 31/12/02	€ 339,872
Estimated value on 31/12/02	€ 3,620,000



3) Kaaien 218-220 – Antwerp

Situated at the port of Antwerp, Kaaien 218-220, 2030 Antwerp.

Tenant	Völlers Belgium NV/SA
Year of construction	1997
Offices	-
Storage hall	5,500 m²
Free height	7 m
Free span	50 m
Fittings	2 ground-floor gates and 4 loading bays with leveller and shelter, fire walls, fire reels and hydrants
Annual rental income on 31/12/02	€ 138,934
Estimated value on 31/12/02	€ 1,430,000

4) Oostkaai – Merksem

Situated between Bredabaan and the Albertkanaal 1 km from the Merksem exit on the Ring of Antwerp, Oostkaai 25, Griffinstraat 1 to 13 (uneven numbers) and Glasstraat 15 to 29 (uneven numbers), 2170 Merksem.

Tenants	Various
Year of construction	1989
Offices	3,287 m²
Storage hall	11,969 m² + 910 m²
Free height	5, 7 or 8 m
Free span	between 12.5 en 20.5 m
Fittings	22 gates, dry chemical fire extinguishers, fire reels and smoke domes
Annual rental income on 31/12/02	€ 658,497
Estimated value on 31/12/02	€ 6,630,000

- **OTHER REGIONS**

1) Transportation zone – Meer

Situated on Riyadhstraat, 2321 Meer (Hoogstraten), on a special transportation zone with its own exit from and access to the E19 Antwerp-Breda.

Tenant	Danzas Consumer Solutions NV/SA
Year of construction	1990
Offices	271 m²
Storage hall	7,348 m²
Free height	6 m
Free span	28 m
Fittings	10 ground-floor gates, fire-resistant walls and fire reels
Annual rental income on 31/12/02	€ 281,947
Estimated value on 31/12/02	€ 2,520,000

2) Berchem Technology Center – St. Agatha Berchem

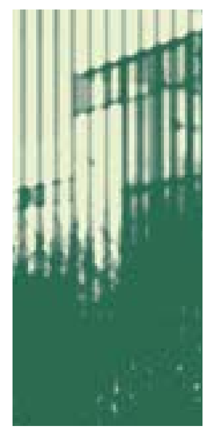
Situated on Technologiestraat 11, 15, 51, 55, 61 and 65, 1082 Sint-Agatha-Berchem, 500 m from the Ring of Brussels and the E40 Ghent-Brussels motorway.

Tenants	Various (Lavold, Shop on the Net, Proxima, Vlaamse Gemeenschapscommissie, Rexel Belgium)
Year of construction	1992
Offices	2,760 m²
Storage hall	4,183 m²
Free height	6 m
Free span	24 m
Fittings	6 ground-floor gates, fire reels and smoke detection
Annual rental income on 31/12/02	€ 592,136
Estimated value on 31/12/02	€ 7,140,000

3) Klein Boom - Putte

Situated on the Klein Boom SME zone at 2580 Putte, on the N15 Mechelen-Heist-op-den-Berg, around 10 km from Mechelen.

Tenants	Industriebouw Verelst NV/SA Staalbouw Verelst NV/SA
Year of construction	1989
Offices	2,080 m²
Storage hall	9,204 m²
Free height	6 m
Free span	20 m
Fittings	5 ground-floor gates, fire walls, rolling bridges
Annual rental income on 31/12/02	€ 469,038
Estimated value on 31/12/02	€ 4,800,000



4) Eigenlo – Sint-Niklaas

Situated on the industrial zone Noord, Eigenlostraat 23-27a, 9100 Sint-Niklaas. Easy access from the E17, exit 15.

Tenants	Various
Year of construction	1992 and 1994
Offices	1,328 m²
Storage hall	6,535 m²
Free height	5.5 m
Free span	20 m
Fittings	8 ground-floor gates and 2 loading bays, fire reels and rolling bridges
Annual rental income on 31/12/02	€ 306,780
Estimated value on 31/12/02	€ 3,360,000

5) Guldendelle – Kortenberg

Situated within the Guldendelle Business Park, Arthur De Coninckstraat 3, 3070 Kortenberg, in the vicinity of the E40 motorway.

Tenant	European Community
Year of construction	2001 - 2002
Offices	780 m²
Storage hall	10,172 m²
Free height	10 m
Free span	22 m
Fittings	2 ground-floor gates, gas heating, 42 ventilo-convectors, air conditioning. On a technical basis, the building is specifically equipped for the archives of the European Commission.
Annual rental income on 31/12/02	€ 837,988
Estimated value on 31/12/02	€ 10,840,000

3. Evolution of the portfolio

	31.12.2002	**31.12.2001**	**31.12.2000**
Value of the portfolio (deed in hand) (€ 000)	603,722	396,727	67,700
Current rents (€ 000)	45,464	30,927	5,251
Yield (%)	7.53	7.80	7.76
Current rents, including estimated rental value of vacant properties (€ 000)	50,511	31,727	5,586
Yield if fully let (%)	8.37	8.00	8.25
Total lettable area (m²)	534,157	225,658	37,427
Occupancy rate (%)	90.01	96.82	94

4. 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, de Crombrugghe & Partners, represented by Mr Guibert de Crombrugghe and Cushman & Wakefield 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 realized 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 and architectonical aspects (appearance, modulation, load-bearing capacity of floors, free heights, 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).

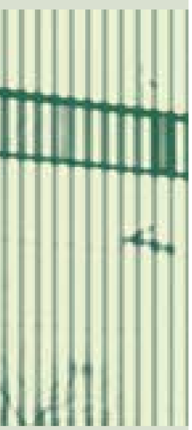
4. Terminal value

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 Crombrugghe & Partners

In valuing an investment property, de Crombrugghe & 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 de Crombrugghe & Partners.



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. Properties:

- 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.

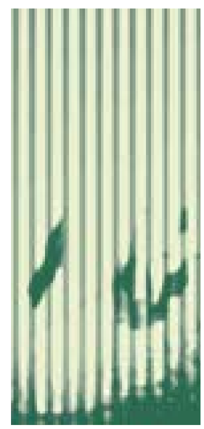
Cushman & Wakefield Healey & Baker

The property expert Healey & Baker compares the valued property with similar ones and consequently applies a method comparable to the valuers mentioned 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, deed in hand, before adjustments.

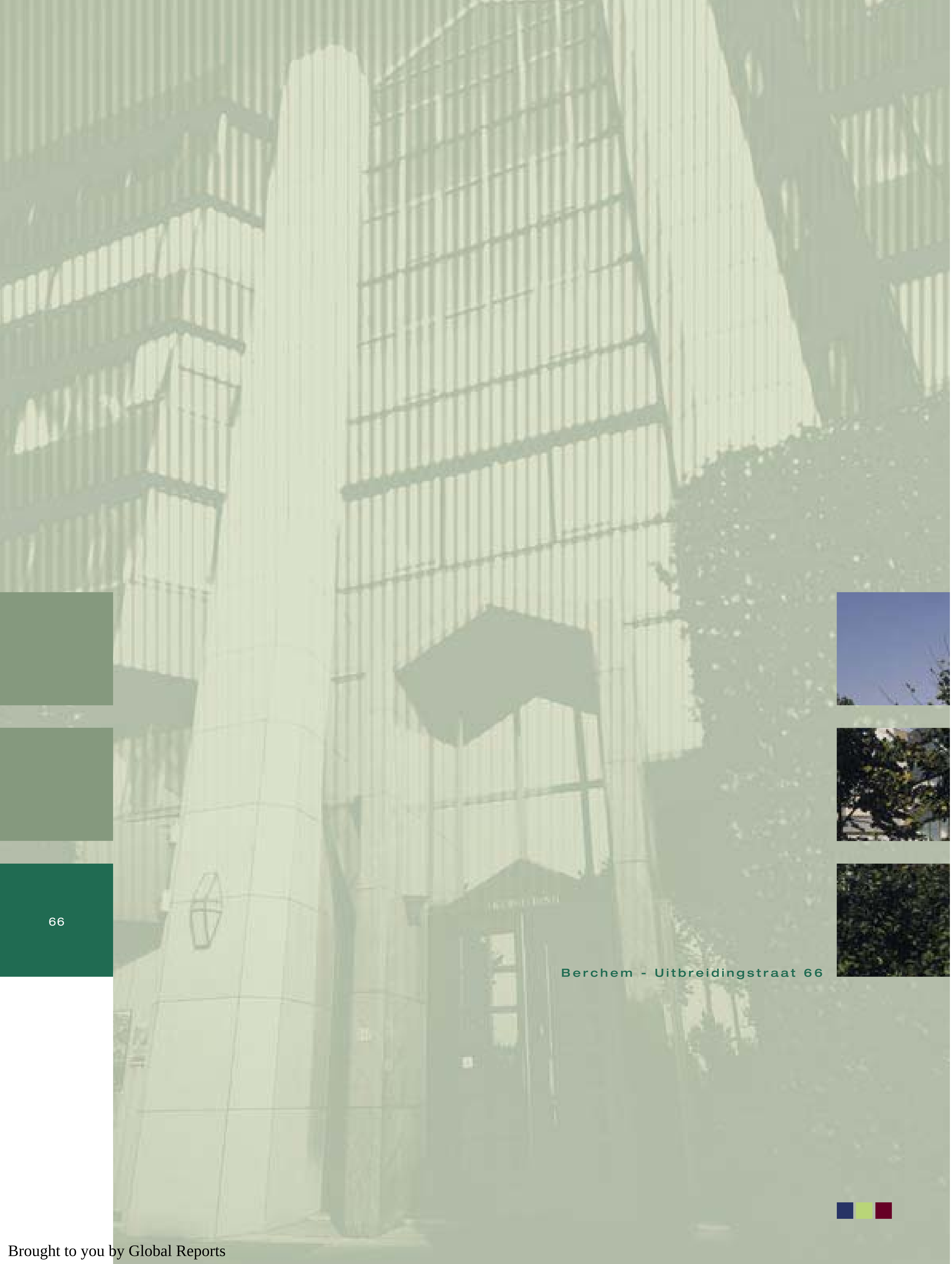
When adjustments are made, the actual rental income and vacancies have to be taken into account. The difference between the actual and estimated rental incomes is discounted over a period ending on the next date when the lease can be terminated. This calculation is therefore carried out for each lease 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 2002:

Valuer	Valued property	Market value, deed in hand (€)
Cushman & Wakefield Healey & Baker	Ex-Siref properties + Atlas Park	124,870,000
de Crombrugghe & Partners	Airway Park, Merchtem and Puurs	85,660,000
DTZ Winssinger Tie Leung	Other offices	393,192,000
TOTAL		**603,722,000**



Berchem - Uitbreidingstraat 66

5

Financial report

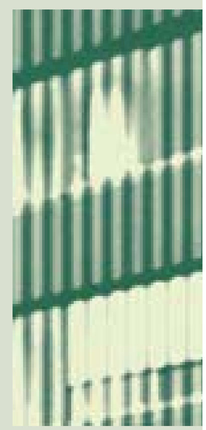
1. Consolidated annual accounts

1.1. Balance sheet after profit distribution[16]

ASSETS		Financial year	Previous financial year
FIXED ASSETS		603,800	396,727
IV.	Tangible fixed assets	603,722	396,727
	A. Land and buildings	603,722	396,727
V.	Financial fixed assets	78	0
	B. Other companies	78	0
	1. Participations, shares and participating certificates	63	0
	2. Amounts receivable	15	0
CURRENT ASSETS		7,631	9,093
VI.	Amounts receivable after one year	1,832	133
	A. Trade debtors	1,832	133
VIII.	Amounts receivable within one year	3,131	2,825
	A. Trade debtors	1,924	2,579
	B. Other amounts receivable	1,207	246
IX.	Investments	600	223
	B. Other investments	600	223
X.	Liquid assets	1,975	5,879
XI.	Deferred charges and accrued income	93	33
TOTAL ASSETS		**611,431**	**405,820**

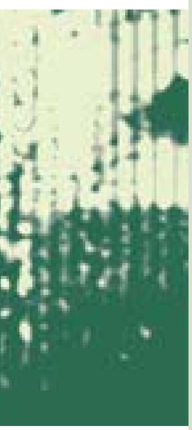
[16] *Article 32 of the Royal Decree of 6 March 1990.*

LIABILITIES	Financial year	Previous financial year
SHAREHOLDERS' EQUITY	320,199	217,333
I. Capital	123,127	78,950
A. Issued capital	123,127	78,950
II. Issue premiums	60,833	5,715
IV. Consolidated reserves (+)(-)	136,239	132,668
THIRD-PARTY INTERESTS		
VIII. Third-party interests	49	50
PROVISIONS AND DELAYED TAXES AND TAX LATENCIES	4,640	19
IX. A. Provisions for risks and charges	4,640	19
2. Taxes	920	0
3. Major repair and maintenance works	3,720	0
4. Other risks and charges	0	19
DEBTS	286,543	188,418
X. Amounts payable after one year	124,178	87,666
A. Financial debts	124,103	87,615
4. Credit institutions	124,103	87,615
D. Other amounts payable	75	51
XI. Amounts payable within one year	159,009	100,149
A. Amounts payable after one year that fall due within the year	1,194	0
B. Financial debts	126,564	89,590
1. Credit institutions	126,564	89,590
C. Trade debts	3,540	1,293
1. Suppliers	3,540	1,293
E. Debts relating to taxes, remuneration and social security contributions	285	357
1. Taxes	285	357
F. Other amounts payable	27,426	8,909
X. Accrued charges and deferred income	3,356	603
TOTAL LIABILITIES	**611,431**	**405,820**



1.2. Consolidated profit and loss account

		Financial year	Previous financial year
A. OPERATING RESULT			
I.	Operating income	46,192	17,436
	A. Turnover	42,698	16,623
	C. Other operating income	3,494	813
II.	Operating charges	-8,192	-1,970
	A. Services and other goods	4,778	1,251
	C. Depreciation and downward value adjustments on formation costs, tangible and intangible fixed assets	0	191
	E. Provisions for risks and charges (additions (+); expenditure and withdrawals (-))	554	-266
	F. Other operating charges	2,860	794
III.	Gross operating profit/loss (+) (-)	38,000	15,466
IV.	Financial income	299	426
	B. Income from current assets	153	394
	C Other financial income	146	32
V.	Financial charges	-11,328	-5,432
	A. Charges of debts	11,151	5,207
	C. Other financial charges	177	225
VII.	Net operating profit/loss (+) (-)	26,971	10,460
B. RESULT ON THE PORTFOLIO			
IX.	Unrealized changes in the market value of portfolio items	-29,075	-3,094
	A. Property assets at the end of the year	-29,075	-3,094
	- Added value	650	3,239
	- Loss of vallue	-29,725	-6,333
XI.	Profit/Loss on the portolio (+) (-)	-29,075	-3,094
C. EXCEPTIONAL RESULT			
XIV.	Consolidated profit (loss)	-2,104	7,366
	A. Third-party interest	-1	50
	B. Group share	-2,103	7,316



1.3. Consolidation criteria

CONSOLIDATION CRITERIA AND CHANGES IN THE CONSOLIDATION

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 R.D. of 6 March 1990).

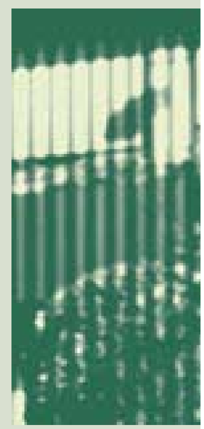
The consolidated annual accounts were prepared in accordance with the R.D. of 6 March 1990 on the basis of the consolidated annual accounts of the companies and internationally accepted accounting principles.

On 12 March 2003 Intervest Offices NV/SA received approval from the Minister for Economic Affairs to deviate from the usual form used for the presentation of annual acounts. This followed a favourable recommendation by the Commission for Accounting Standards. This deviation applies to the 2002, 2003 and 2004 financial years. The consolidated annuel 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 R.D. of 6 March 1990).

The interests in Duffel Real Estate and Wommelgem Logistic Center NV/SA were acquired as a result of the merger with Siref NV/SA in 2002.
On 31 December 2002, Duffel Real Estate has 2,565 shares of Intervest Offices, representing a capital of € 62,919.69.



1.4. Valuation rules

1.4.1. 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 R.D. in execution of the Belgian Company Code of 30.01.2001, the R.D. of 12.09.1983 in execution of the Act of 17.07.1975 on the accounting and annual accounts of companies, the amended R.D. of 04.03.1991 relating to certain institutions for collective investment, the R.D. of 08.03.1994 concerning the accounting and annual accounts of certain institutions for collective investment with a variable number of shares and the R.D.s of 10.04.1995 and 10.06.2001 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 he 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 deed in hand, 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.

The exit tax due as a result of companies that have been taken over by the property investment fund is deducted from the upward value adjustment determined upon the merger which is posted to the non-disposable reserve for the property investment fund after the merger, in accordance with the recommendations of the Commission for Accounting Standards to property investment funds.

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 12.03.2003 by the Minister for Economic Affairs for the financial years 2002, 2003 and 2004 (see also section 1.5.).

1.4.2. 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 leased assets)

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

Fees in relation to the purchase of the buildings is regarded as an additional cost of these purchases and is entered on the assets side of the balance sheet like the purchase price, the registration fees and the notarial charges, which form together the investment value.
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, consulting costs, reinvestment compensations, mortgage release costs of the financing of the absorbed companies and other merger 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 17.07.1975 relating to the accounting and annual accounts of companies for which an inventory must be compiled at least once a year, Intevest Offices compiles an inventory each time it issues or repurchases shares by any other means than through the stock exchange.

The property expert precisely values 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 over immovable property held by Intervest Offices 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 R.D. in execution of the Belgian Company Code of 30.01.2001, 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.

The added values on the realization of fixed assets are considered as not available for distribution to the extent that they are reinvested within a term of four years starting from the first day in which the added values have been realized. These realized added values are registered in the result for the financial year under the caption "results on the portfolio" and are added to the non-disposable reserves.

Contrary to articles 64 §1 and 65 of the Royal Decree in execution of the Belgian Company Code of 30.01.2001, Intervest Offices does not write off buildings, real rights over buildings or properties placed under a leasing arrangement with Intervest Offices.

The commissions paid to brokers after a vacant period are capitalised in view of the fact that property experts deduct estimated commissions from the estimated value of the property after vacant periods. The commissions paid to brokers after immediate reletting without no intervening vacancy are not capitalised, and are deducted from the operating profit because property experts do not take these commissions into account in their valuations.

- **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.

- **Entry of work on buildings**
  For accounting purposes, the work on buildings charged to the owner is either deducted from the operating profit or capitalised (added to the asset value of the building), 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 and alterations, on the other hand, are entered on the assets side of the balance sheet: renovations are normally undertaken every 10 to 15 years and consist of the virtually complete renewal 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. Alterations are occasional works that add a function to the building or significantly improve its comfort, thereby leading to an increase in the rent and the rental value, or without which the current level of rent could not be sustained. E.g.: the installation of an air conditioning system. The costs eligible for capitalisation relate to the materials, contract work, technical studies and architects' fees, excluding internal costs.

- **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 30.01.2001, 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 composed.

Articles 10 and 14 §1 of the Royal Decree of 08.03.1994 relating to the accounting and annual accounts of certain institutions for collective 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 30.01.2001 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 08.03.1994 relating to the accounting and annual accounts of certain institutions for collective investment with a variable number of units apply to Intervest Offices.

- **Receivables**
  Receivables payable in more than 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 the receivables on the due date and if the realization value is lower than their book value.

- **Investments**
  Each investment is recorded at its acquisiton 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 realization 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.

  The damages paid by tenants for cancellation of their rent contracts is apportioned over time, over the number of months' rent paid by the tenant as damages if the property in question is not let during this period. If the property in question is re-let, the damages payable due to the cancellation of the rent contract are recorded in the profit or loss of the period in which they are incurred or, if they are not fully apportioned over the time if the property is re-let at a later period, the remaining balance at the time of re-letting is recorded.

  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.

- **Obligations and recourses**
  The Board of Directors will value obligations and recourses 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.

- **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.

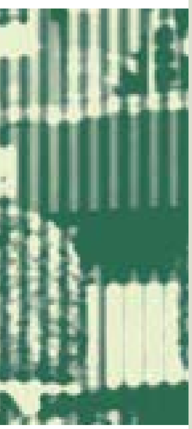
1.4.3. Off-balance sheet rights and obligations

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.

1.5. 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 12.03.2003 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. This deviation applies to the financial years 2002, 2003 and 2004.



The main characteristics of this deviated scheme is the restructuring of the profit and loss account around two key sections.

- **The section on the operating result**
  The intention is to represent the recurrent operating result realized 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 omitted (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 result 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 realized 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 reserves not available for distribution.

The result for the financial year is therefore reliably defined as the sum of operating result, result on the portfolio and of exceptional result. 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 added values 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. This is placed above the line for the operating result 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.

Since the amount of realized 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 realized 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. This reversal of charges is entered in section IX: “Changes in market value previously recorded on portfolio items disposed of during the financial year”.

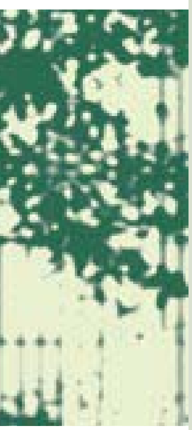
In view of the above, section XI “ Profit (Loss) on the portfolio ” will reflect the complete development of the value of the portfolio during the financial year; section XI will contain the following components:

1. added values or losses of value on sales of portfolio items (in relation to their acquisition cost) (VIII)
2. changes in the unrealized market value on the portfolio (IX)

1.6. Additional notes

ADDITIONAL NOTES TO THE CONSOLIDATED ANNUEL ACCOUNTS

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



NAME, full address of registered office and, in the case of a company under Blgian law, the VAT or NATIONAL NUMBER	Method applied for inclusion in the accounts[17,18]	Stake held in capital[19] (in %)	Change in the precentage of the stake held in the capital (in relation to the previous financial year)[20]
Aartselaar Business Center NV/SA Uitbreidingstraat 18 B-2600 Berchem-Antwerp Nat no. 466.516.748	I	99.00	
Mechelen Business Center NV/SA Uitbreidingstraat 18 B-2600 Berchem-Antwerp Nat no. 467.009.765	I	99.00	
Mechelen Research Park NV/SA Uitbreidingstraat 18 B-2600 Berchem-Antwerp Nat no. 465.087.680	I	99.99	
Duffel Real Estate NV/SA Uitbreidingstraat 18 B-2600 Berchem-Antwerp Nat no. 464.415.115	I	99.90	99.90
Wommelgem Logistics Center NV/SA Uitbreidingstraat 18 B-2600 Berchem-Antwerp Nat no. 464 420 954	I	99.90	99.90

17 *I : full consolidation*

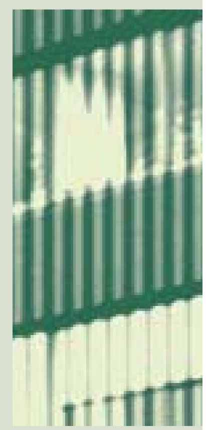
18 *If a change in the percentage of the portion of capital held has resulted in a change in the method employed for inclusion in the accounts, the indication of the new method is followed by an asterisk.*

19 *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.*

20 *If the composition of the consolidated entity is influenced significantly by the changes in this percentage, additional information is provided in statement V (art. 18).*

IX.	STATEMENT OF TANGIBLE FIXED ASSETS	Land and buildings
a)	ACQUISITION COST	
	As at end of previous financial year	373,717
	Movements during the financial year	
	- Acquisitions, including produced fixed assets	238,030
	- Sales and disposals (-)	-1,960
	As at end of financial year	609,787
b)	ADDED VALUES	
	As at end of previous financial year	25,859
	Movements during the financial year	
	- Recorded	650
	- Written off (-)	-29,725
	As at end of financial year	-3,216
c)	DEPRECIATIONS AND DOWNWARD VALUE ADJUSTMENTS	
	As at end of previous financial year	2,849
	Movements during the financial year	0
	As at end of financial year	2,849
d)	NET BOOK VALUE AS AT END OF FINANCIAL YEAR	603,722

X.	STATEMENT OF FINANCIAL FIXED ASSETS	Other companies
1. Participating interests		
	a) ACQUISITION COST	
	Movements during the financial year	
	- Acquisitions	63
	As at end of financial year	63
	NET BOOK VALUE AS AT END OF FINANCIAL YEAR	63
2.	Receivables	
	Movements during the financial year	
	- Additions	15
	NET BOOK VALUE AS AT END OF FINANCIAL YEAR	15



XI.	STATEMENT OF CONSOLIDATED RESERVES	Amounts
Consolidated reserves as at end of previous financial year (+) (-)		132,668
Movements during the financial year		
-	Group share in consolidated result (+) (-)	-2,103
Dividends		-27.051
Changes arising from mergers		32,725
Consolidated reserves as at end of financial year (+) (-)		136,239

XIII. STATEMENT OF DEBTS

		DEBTS WITH A REMAINING TERM OF		
A.	BREAKDOWN OF DEBTS ORIGINALLY PAYABLE AFTER ONE YEAR BY THE REMAINING TERM OF THE DEBT	1. No more than one year	2. More than one year but no more than 5 years	3. More than 5 years
	Financial debts	1,194	73,355	50,748
	4. Credit institutions	1,194	73,355	50,748
	Other amounts payable	0	75	0
	TOTAL	1,194	73,430	50,748

XV.	OFF-BALANCE SHEET RIGHTS AND OBLIGATIONS	Financial year
A.	4. a) Important obligations to purchase fixed assets	1,700

C. Important pending differences and other important obligations

The acquisition price of Mechelen Campus consisted in part of a variable price for parking spaces not yet let. On 31 December 2002 that variable price was estimated at a value of 1,700 K EUR. This sum is only payable once a suspensive condition, namely letting out the parking spaces, has been fulfilled.

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.	51

1.7. Statutory Auditor's report

Statutory auditors' report on the consolidated annual accounts as of 31 December 2002 to the shareholders' meeting of the company

INTERVEST OFFICES NV/SA, BELGIAN PROPERTY INVESTMENT FUND

To the Shareholders,

In accordance with the legal and statutory requirements, we are pleased to report to you on our audit assignment which has been entrusted to us.

We have audited the consolidated annual accounts for the financial year ended 31 December 2002, which have been prepared under the responsibility of the Board of Directors and which show a balance sheet total of € 611,431 (000) and an income statement resulting in a loss of the financial year of € 2,104 (000). We have also examined the consolidated year report.

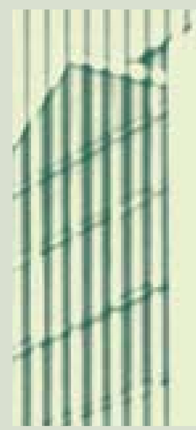
Unqualified audit opinion on the consolidated financial statements

Our audit was made in accordance with the auditing standards of the “Institut des Réviseurs d’entreprises/ Instituut der Bedrijfsrevisoren”. 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 legal and statutory requirements applicable to the consolidated annual accounts in Belgium.

In accordance with these standards, we have taken into consideration the administrative and accounting procedures of the consolidated entity and the system of internal control of the company. We received from the management of the company the information and explanations we requested. We examined, on a test basis, evidence supporting the amounts included in the consolidated annual accounts. We also assessed the valuation rules, the principles of consolidation, significant accounting estimates and the presentation of the consolidated annual accounts as a whole. We believe that these procedures provide a reasonable basis for our opinion.

In accordance with article 15 of the Accounting Law of 17 July 1975, the Minister of Economic Affairs has agreed on 12 March 2003 to a deviation of the presentation-scheme of the annual accounts. This deviation has been granted for the years 2002, 2003 and 2004. The consolidated annual accounts for the financial year ended 31 December 2002 have been prepared in conformity with this scheme.

In our opinion, the consolidated annual accounts ended 31.12.2002, give a fair and true view of the assets, liabilities, financial position of the consolidated entity, in conformity with the applicable Belgian law and regulations, and the information given in the notes to the consolidated annual accounts is adequate.



Additional statements

We supplement our report with the following additional statements which do not modify our audit opinion on the consolidated annual accounts:

- The consolidated directors’ report is in agreement with the consolidated annual accounts and includes the information required by the law.

Brussels, 11 April 2003

The Statutory Auditor,

Ludo De Keulenaer
Partner of Deloitte & Partners Company Auditors

1.8. 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 346.132, V.A.T. number BE 458.623.918

Annual report for the financial year ended on 31 December 2002

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 started on 01.01.2002 and ended on 31.12.2002. As a reminder, the board of Directors refers to the company's half-year report as at 30.06.2002 and to the report of 12.11.2002 which supplements and updates that report (available from the company's registered office and from the custodian bank, BBL NV/SA).

Because Intervest Offices NV/SA has to consolidate the subsidiaries listed below (the so-called fully consolidated subsidiaries), it has to prepare annual reports on both the unconsolidated and consolidated annual accounts. The following are fully consolidated subsidiaries:

- Aartselaar Business Center NV/SA;
- Duffel Real Estate NV/SA;
- Mechelen Business Center NV/SA;
- Mechelen Research Park NV/SA;
- Wommelgem Logistic Center NV/SA.

These subsidiaries have a limited impact on Intervest Offices NV/SA's consolidated annual accounts, however, because they are only owners of land/providers of buildings or are purely owners of land for which Intervest Offices NV/SA holds the building and planning rights or is the usufructuary.

This annual report, which constitutes both the unconsolidated and the consolidated version, and the annual accounts (both unconsolidated and consolidated) are being made available to you.

1. Comments on the unconsolidated and consoli dated annual accounts

1. As far as necessary, 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 R.D. relating to property investment funds dated 10.04.1995).

2. The nominal capital of the company as at 31.12.02 is € 123,127,112.79.

   Furthermore, the Board of Directors would like to inform you that 10 reference shareholders of the former property investment fund Siref NV/SA contributed 575,395 of the 2,082,889 shares in that company to Intervest Offices NV/SA on 31.01.2002, increasing the permitted capital by € 10,231,017.36, accompanied by the issue of 1,035,711 new shares in Intervest Offices NV/SA. In the context of this contribution in kind, a cash supplement of € 1,103,607.61 was also paid to these reference shareholders and an issue premium of € 16,086,399.15 was posted.

   Since actual control of Siref NV/SA was acquired as a result of this contribution, a mandatory public exchange bid had to be issued between 12.03.2002 and 05.04.2002 for the remaining 1,507,494 Siref shares not held by Intervest Offices NV/SA. This bid was re-opened from 15.04.2002 to 06.05.2002. A "Prospectus for the public exchange bid for Siref NV/SA shares" was published on the occasion of the exchange bid on 05.03.2002. After the bid, Intervest Offices held 1,971,505 of the 2,082,889 Siref shares. A second increase in the permitted capital then took place on 08.05.2002, in the amount of € 24,824,035.06; 2,512,998 new shares in Intervest Offices NV/SA were issued on that occasion. A cash supplement of € 2,677,738.98 was also paid to Siref NV/SA shareholders who accepted the offer. An issue premium of € 39,031,244.12 was also posted to the accounts.

Finally, a capital increase of € 4,106,935.70 was implemented by the Extraordinary General Meeting of 28.06.2002, with the issue of 167,076 new shares in Intervest Offices NV/SA, pursuant to the merger by acquisition of Siref NV/SA. The 111,384 Siref shares not yet exchanged were then exchanged for 167,076 new Intervest Offices NV/SA shares. Following the merger with Siref NV/SA, the nominal capital of Intervest Offices NV/SA came to € 118,111,491.26, divided into 11,708,037 shares.

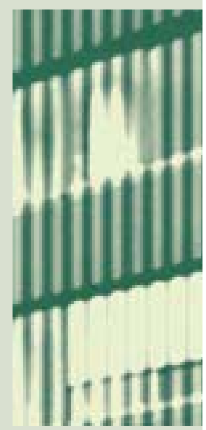
This Extraordinary General Meeting of 28.06.02 also resolved to authorise the Board of Directors to acquire company shares, if this is necessary to save the company from serious and imminent harm. The Board of Directors was also again authorised to increase the nominal capital, within the context of the permitted capital, by a maximum amount of € 118,111,491.26 (i.e. the nominal capital of the company following this merger by acquisition of Siref NV/SA).

The Board of Directors would also like to inform you that the company, by a resolution of the Extraordinary General Meeting of 23.12.2002, has acquired the limited liability companies Apibi, Mechelen Campus, Merchtem Cargo Center, Pakobi and Puurs Logistic Center by way of a merger. Following this merger, 1,516,024 new shares were issued and the nominal capital of the company was increased by € 5,015,621.53. This saw the amount of nominal capital rise from € 118,111,491.26 to € 123,127,112.79, divided into 13,224,061 shares.

On 23.12.02, 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 again renewed and increased, with the result that the Board of Directors now has access to permitted capital of € 123,127,112.79 for a period of five years, starting from the publication of this decision of the Extraordinary General Meeting of 23.12.2002 in the Appendices to the Belgian Bulletin of Acts, Orders and Decrees, which took place on 15.01.2003.

3. Guarantee of € 650,000 for possible soil decontamination, as reported in the notes.

The merger of Siref NV/SA and Intervest Offices NV/SA on 28.06.2002 (see above) was accompanied by the transfer of 41 plots of land distributed over 17 sites. Of the 17 sites, one was in the Brussels metropolitan area. The transfer of the 16 sites in Flanders was subject to the terms of the Soil Decontamination Decree of 22.02.1995. Two of these sites did not contain any plant or equipment subject to "Vlarebo", the Flemish Regulations on Soil Decontamination, and these sites could therefore be transferred subject only to a simple application for a soil certificate.



Against the background of the merger, preliminary soil examinations were carried out at the other 14 sites, in accordance with the terms of the Soil Decontamination Decree, and a departure from the obligations laid down in Articles 38 and 39 of the Soil Decontamination Decree was requested from the Flemish Minister of the Environment and Agriculture on the grounds of Article 48 of the Soil Decontamination Decree so that the transfer (and therefore the merger) could still be implemented on time.

For this purpose, Intervest Offices NV/SA, as the legal successor of Siref NV/SA, entered into a unilateral commitment on soil decontamination vis-à-vis OVAM, the Flanders Public Waste Agency, for which a bank guarantee of € 650,000 was provided. It can be assumed that this sum will be sufficient to cover the costs associated with any soil decontamination work that may be needed.

OVAM has now ruled that seven sites do not require any further decontamination measures. The soil contamination found at these sites is consequently not of a nature to indicate the need for decontamination.

For the other seven sites, OVAM considered that the information provided in the preliminary studies indicated a need to perform descriptive soil examinations to determine the scope of the soil contamination identified in more detail. The proposals on these descriptive examinations submitted by the soil expert approached, NV/SA Bouwen en Milieu, were declared appropriate by a letter from OVAM of 16.09.2002. Some of the descriptive soil examinations have been completed, some are still in progress.

Whether we will actually have to carry out soil decontamination at these seven sites depends on the results of these descriptive soil examinations.

The plots of land concerned are as follows:

- Wilrijk, Boomsesteenweg 801-803, Planetariumlaan, Kernenergiestraat, Geleegweg 1-7, plot number: 420/t
- Duffel, A. Stocletlaan 23, plot number: 398/x/2/dl
- Mechelen, Dellingstraat 57, plot number: 227/e
- Antwerp, Leopolddok 218, plot number: 231/z/5
- Merksem, Oostkaai, plot number: 276/f/3
- Putte, Klein Boom, plot number: 600/d
- Sint-Niklaas, Eigenlostraat, plot number: 1171/e

4. Tax system

a. *As mentioned above, Intervest Offices NV/SA acquired Siref NV/SA, also a property investment fund under Belgian law, by means of a merger on 28.06.2002. Siref NV/SA (at that time still known as La Forestière 80 NV/SA) had, in turn, acquired the limited liability companies Eigenlo, Immo Semi-Indus, B.M.S., Oceanic Real Estate (O.R.E.), The Charmos Company, Beheer Onroerend Goed, Logiconsult, Wommelgem Development Center (W.D.C.) and Neerland Onroerende Goederen by way of mergers on 11.02.1992, and the limited liability company European Cornelis Plastics (E.C.P.) on 24.10.2000.*

   Siref NV/SA (now Intervest Offices NV/SA) received a number of additional assessment notices for the special assessment year 1999 (i.e. the assessment year running up to the merger date of 11.02.1999), because of the fact that the assessment basis of the exit tax due as a result of the merger on 11.02.1999 (i.e. the real value of the nominal capital of the acquired company) is being contested by the authorities. These assessment notices relate to the following companies of which Siref NV/SA (and therefore now Intervest

Offices NV/SA) is the successor by universal title: Beheer Onroerend Goed NV/SA, Immo Semi-Indus NV/SA, Logiconsult NV/SA, Wommelgem Development Center NV/SA, B.M.S. NV/SA, The Charmos Company NV/SA, Oceanic Real Estate NV/SA, Eigenlo NV/SA and Neerland Onroerende Goederen NV/SA.

The above additional assessments are contested by Siref NV/SA, and letters of objection were filed in this matter on 18 and 19.03.2002.

On 08.11.2002, Siref NV/SA (Intervest Offices NV/SA) once more received an amendment notice for the assessment year 2000 (i.e. the financial year that ended on 31.12.1999). A reply to this was sent on 12.12.2002 (after obtaining a postponement) on behalf of Siref NV/SA (Intervest Offices NV/SA). Intervest Offices NV/SA has now received an assessment notice for Siref NV/SA for the year 2000. A letter of objection will also be filed against this notice.

The Board of Directors would also like to point out that Intervest Offices NV/SA had the legal form of a partnership limited by shares, called PeriFund Comm. VA, until 29.06.2002. This company previously owned the Airway Park office complex. A second office complex, Atlas Park, was contributed on 05.02.1999 by Slough Management NV/SA.

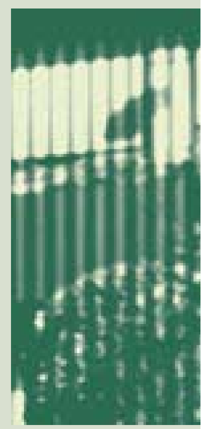
PeriFund Comm. VA (i.e. now Intervest Offices NV/SA) received the status of a property investment fund under Belgian law on 15.03.1999, as a result of which corporation tax (the so-called "exit tax") was due on the actual value of the company's nominal capital (assessment year 2000).

However, Intervest Offices (previously PeriFund Comm. VA) received an amendment notice of 26.08.2002 for the year 2000. A reply to this was sent on 14.10.2002, contesting the decision. Intervest Offices NV/SA has now received an assessment notice for 2000 for PeriFund Comm. VA. A letter of objection will also be fined against this.

In the context of the guarantee by the former promoters of Siref NV/SA or PeriFund Comm. VA, no provisions had been created for the major proportion of these additional assessments. In view of the letters of objection submitted, the amounts of these additional assessment notices have been entered as a debt and a receivable within the same liability statement on the company's balance sheet. The Board of Directors also wishes to inform you that it cannot agree with the arguments put forward by the authorities, and that on the basis of objective legal and fiscal criteria it is confident that the aforementioned disputes with the tax authorities will be settled in the company's favour.

b. Siref NV/SA received an assessment notice for the special assessment year 2000 relating to E.C.P. NV/SA, of which Siref NV/SA (and thus Intervest Offices NV/SA) is the successor by universal title. A letter of objection was also filed against this on 05.10.2001. Since no directorial decision was made on this letter within six months, a petition was filed with the Court of First Instance on 30.04.2002 in accordance with Article 1385, undecies, Court Law.

Despite the petition filed on 30.04.2002 based on Article 1385, undecies, Court Law, a directorial decision was taken on 03.05.2002. On 24.05.2002, a petition was also filed against this decision with the Court of First Instance, in accordance with



Article 1385, undecies, Court Law, since the Regional Director was no longer authorised to take a decision on the letter of objection of 05.10.2001 because the dispute had been submitted to the Court of First Instance (on 30.04.2002 - see above). However, in view of the fact that the authorities already made another assessment on 13.05.2002 (on the grounds of Article 355 Income Tax Law 1992 - reassessment after the assessment is annulled by the Regional Director), a further letter of objection was filed on 05.07.2002.

Intervest Offices NV/SA has now received another amendment notice (of 08.11.2002, i.e. still within the assessment period of three years) and another assessment notice (of 27.12.2002) for the (special) year 2000 for E.C.P. NV/SA. A letter of objection was once more filed against this assessment notice of 27.12.2002.

In view of this letter of objection, the amount of this assessment notice has been entered as a debt and a receivable within the same liability statement on the company's balance sheet. The Board of Directors also wishes to inform you that it cannot agree with the arguments put forward by the authorities, and that on the basis of objective legal and fiscal criteria it is confident that this dispute with the tax authorities will be settled in the company's favour.

c. For the record, the Board of Directors would also like to inform you of the existence of the following tax disputes concerning the assessment year 1999, arising from the additional assessment notices for Siref NV/SA itself, of which Intervest Offices NV/SA is the successor by universal title, and for Beheer Onroerend Goed NV/SA, Neerland NV/SA and Immo Semi-Indus NV/SA, of which Siref NV/SA (and now therefore Intervest Offices NV/SA) is the successor by universal title.

These additional assessments were also contested (on 15.03.2002). The request for information sent to Intervest Offices NV/SA on 30.01.2003 concerning the letters of objection filed (see above) also related to these additional assessments for Siref NV/SA itself and Beheer Onroerend Goed NV/SA. Provisions have been created for these additional assessments of € 919,795.96 (see the annual report of Siref NV/SA as at 31.12.2001, pages 50 and 61).

5. Deviation from the statutory form for the presentation of the annual accounts

The Board of Directors would like to inform you that it has applied for a renewal of the deviation from the statutory form for the presentation of annual accounts that was granted on 11.06.2001 for the 2001 financial year on the grounds of Article 125 of the Belgian Company Code (see page 73 of the annual report of the company as at 31.12.2001). The renewal requested will run for three financial years, starting with the year ended on 31.12.2002.

6. Further comments on the consolidated and unconsolidated annual accounts

a. The consolidated annual accounts

The Board of Directors can comment on the consolidated annual accounts for the year ended 31.12.2002 as follows:

Operating income for the financial year ended on 31.12.02 amounts to € 46,191,705, whilst operating costs for the same financial year come to € 8,191,421. For the financial year ended on 31.12.02, a gross operating profit of € 38,000,284 has therefore been realized.

Financial income for the financial year ended on 31.12.02 amounts to € 298,557, whilst financial costs for the same financial year come to € 11,328,610.

For the financial year ended on 31.12.02 an operating profit of € 26,970,231 has therefore been realized.

However, primarily as a result of a decline in the market value of the property portfolio, a loss of € 29,074,993 was realized on the portfolio for the financial year ended on 31.12.02.

The loss for the financial year amounts to € 2,104,762.

b. The unconsolidated annual accounts

The Board of Directors can comment on the unconsolidated annual accounts for the year ended 31.12.2002 as follows:

Operating income for the financial year ended on 31.12.02 amounts to € 46,172,511, whilst operating costs for the same financial year come to € 8,175,440. For the financial year ended on 31.12.02, a gross operating profit of € 37,997,071 has therefore been realized.

Financial income for the financial year ended on 31.12.02 amounts to € 444,585, whilst financial costs for the same financial year come to € 11,328,403.

For the financial year ended on 31.12.02 an operating profit of € 27,113,253 has therefore been realized.

However, primarily as a result of a decline in the market value of the property portfolio, a loss of € 29,074,993 was realized on the portfolio for the financial year ended on 31.12.02.

The loss for the financial year amounts to € 1,961,740.

2. *Appropriation of profit*

As mentioned above, the financial year ended 31.12.2002 closed with an operating result of € 27,113,253.

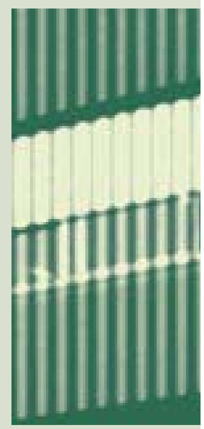
The Board of Directors is proposing a dividend per share of € 2.17. Since 11,708,037 shares will participate in the results for the total financial year ended on 31.12.2002 (€ 2.17 dividend per share) and a further 1,516,024 shares will participate pro rata temporis in the company's result from 01.07.2002 onwards (€ 1.085 dividend per share), this amounts to a total dividend payment of € 27,051,389.

Thus, the Board of Directors proposes the following appropriation of the operating result of the company as at 31.12.2002:

- operating profit to be appropriated for the financial year	€ 27,113,253
- profit carried forward from the previous financial year	€ 1,819,981
- profit to be distributed as a dividend payment to the shareholders	€ 27,051,389
- operating profit carried forward to the following financial year	€ 1,881,845

Finally, the amount of the loss on the portfolio, totalling € 29,074,993, will be withdrawn from the non-disposable reserves, which will then amount to € 128,296,196.

Contrary to the information given on page 11 of the Intervest Offices NV/SA half-year report of 30.06.2002, the Extraordinary General Meeting



of 23.12.2002 was not asked to make the issue premiums of Intervest Offices NV/SA payable, in the amount of € 15,745,124, in order to neutralise the impact on the dividend payment of the write off of the difference ("merger loss" or "merger goodwill") realized upon the merger by acquisition of Siref NV/SA, a property investment fund under Belgian law, on 30.06.2002. The Board of Directors is proposing to include this merger-related difference under movements in the portfolio. The amount of the merger-related difference of € 15,745,124 is included in the above-mentioned total loss on the portfolio of € 29,074,993.

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

No events worthy of mention occurred after the close of the financial year on 31.12.02.

4. Research & Development activities - Branch offices

Our company did not develop any activities of its own in the area of research and development. The company has no branch offices.

5. Holding of own shares

As a result of the merger by acquisition of Siref NV/SA on 28.06.2002, the former subsidiary of that company, Duffel Real Estate NV/SA, became a direct subsidiary of Intervest Offices NV/SA.

Prior to the commencement of the public exchange bid issued for the Siref shares by Intervest Offices NV/SA (from 12.03 to 05.04 and from 15.04 to 06.05.2002), Duffel Real Estate NV/SV held 1,425 shares in Siref NV/SA. In accordance with the stipulations of the public exchange bid, these 1,425 shares were exchanged for 2,565 shares in Intervest Offices NV/SA, so that the latter now holds 2,565 shares in itself through its subsidiary. Duffel Real Estate NV/SA also received a cash supplement in the amount of € 2,733.15 under the terms of the bid.

The fractional value of each of these shares is 1/13,224,061 of the nominal capital of the company, which is now € 123,127,112.79. These 2,565 shares thus represent 0.01940% of the issued capital.

Intervest Offices NV/SA did not make any payment to obtain these shares apart from converting the 1,425 shares in Siref NV/SA into 2,565 shares in Intervest Offices NV/SA and paying the cash supplement in the amount of € 2,733.15 in accordance with the implementation of Intervest Offices NV/SA's public exchange bid for the Siref shares.

The company does not own any other shares in itself, either directly or indirectly.

6. Special payments to the Statutory Auditor

During the past financial year, the following costs were recorded for duties performed by the Statutory Auditor or by persons with whom the Statutory Auditor maintains a professional working relationship:

(i) an amount totalling € 95,811 for statutory engagements, as well as € 20,000 to KPMG-Company Auditors, represented by Mr Erik Clinck, auditor, as the Statutory Auditor of the acquisition Siref NV/SA;

(ii) an amount of € 243,975 in total for extraordinary duties, in particular € 37,875 to Arthur Andersen/Deloitte & Partners Company Auditors and € 206,100 to Arthur Andersen/ Deloitte & Partners Tax Advisors.

7. Autonomous management/corporate governance - sound management

1. The Board of Directors wishes to inform you first of all that the Extraordinary General Meeting of 30.12.2000 noted the resignation of Mr Kornelis Streefkerk as a non-independent director and passed a resolution to appoint Messrs Reinier van Gerrevink and Hubert

Roovers as new, non-independent directors of the company. The subsequent Board of Directors of 23.12.02 noted the resignation of Mr Streefkerk as Managing Director and Chairman of the Board of Directors. The Board of Directors then appointed Mr Roovers as Managing Director of the company and Mr van Gerrevink as Chairman of the Board of Directors.

2. 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.

   The Board of Directors' operation must also be organised in such a way that at least half of the directors sit on the Board as independent directors (in the meaning of the new article 524 §4, par. 2 of the Belgian Company Code (introduced by the Act of 02.08.2002)). The directors would like to point out that Messrs van Gerrevink and Roovers cannot be regarded as independent directors. Messrs Rijnboutt, Hens and Blumberg, on the other hand, can be regarded as independent directors in the meaning of the new article 524 §4, par. 2 of the Belgian Company Code (introduced by the Act of 02.08.02).

3. The Board of Directors also wishes to inform you that, in view of the fact that the company has signed a call option agreement with the limited liability company VastNed Offices Belgium, with registered office at Uitbreidingstraat 18, B-2600 Berchem, relating to the shares in the above-mentioned companies Puurs Logistic Center NV/SA and Merchtem Cargo Center NV/SA, the Board of Directors made use at the beginning of February 2002 of the procedure provided for in Article 524 of the Belgian Company Code.

   At that time, VastNed Offices Belgium NV/SA was the majority shareholder in Intervest Offices NV/SA, with a holding of 5,725,440 of its then 9,027,963 shares in Intervest Offices NV/SA, i.e. 63.42%. VastNed Offices Belgium NV/SA was thus able to exert a decisive or significant influence on the instructions given to the directors of Intervest Offices NV/SA.

   By a decision of 30.01.2002, the Board of Directors therefore appointed Messrs Rijnboutt, Hens and Blumberg as directors and de Crombrugghe & Partners as the experts appointed because of their independence from the planned transaction, in order to instruct them to describe the financial consequences of the transaction for Intervest Offices NV/SA, and to give 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 to the majority shareholder of Intervest Offices NV/SA.

   Messrs Rijnboutt, Hens and Blumberg as well as de Crombrugghe & Partners as the experts therefore prepared reports, both submitted on 07.02.2002, containing the required description and assessment.

   The outcome of the report submitted by Messrs Rijnboutt, Hens and Blumberg on 07.02.2002 was as follows:

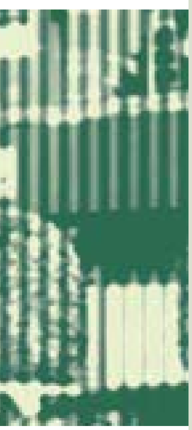
   "The undersigned directors are of the opinion that the described transaction, in particular the signing of the attached call option agreement with VastNed Offices Belgium NV/SA, is in the interests of Intervest Offices NV/SA and all its shareholders. They are also of the opinion that

there is no reason to fear that through the signing and implementation 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.”

The report from de Crombrugghe & Partners submitted on 07.02.2002 was as follows:

The undersigned independent expert is of the opinion that the transaction described above is in the interests of Intervest Offices NV/SA and all its shareholders under current market conditions. It is also of the opinion that there is no reason to fear that as a result of this sale the majority shareholder of Intervest Offices NV/SA will receive any advantage, either directly or indirectly, in the form of a preferential payment.”

Carried out in good faith, and to the best of my knowledge and ability.”



It consequently appeared to the Board of Directors that there was no objection whatsoever to Intervest Offices NV/SA signing the proposed agreement on call options and undertaking the rights and obligations contained therein. Consequently, this call option agreement was, in fact, signed.

The procedure laid down by Article 24 of the R.D. of 10.04.1995 relating to property investment funds was also observed, by, among other things, notifying the Commission for Banking and Finance in advance - i.e. on 31.01.2002 - of the planned conclusion of the call option agreement.

However, on 20.08.2002, the Board of Directors decided in consultation with the Boards of Directors of Puurs Logistic Center NV/SA and Merchtem Cargo Center NV/SA to integrate the latter two companies into Intervest Offices NV/SA by means of a merger, by issuing new shares in Intervest Offices in exchange for all the shares in these companies (i.e. the above-mentioned merger of 23.12.2002), in other words, without previously purchasing these shares.

The Board of Directors wishes to state in this regard that, although the conditions for the exercise of the call options as outlined on pages 93-94 of the Prospectus for the public exchange bid for the shares in Siref NV/SA of 05.03.2002 were met, it was decided in consultation with VastNed Offices Belgium NV/SA not to exercise the call option, and thus to merge immediately instead of purchasing the shares in the two companies before the merger.

VastNed Offices Belgium agreed, as far as necessary, on 20.08.2002 to this approach to merging Puurs Logistic Center NV/SA and Merchtem Cargo Center NV/SA into Intervest Offices NV/SA without exercising the call option.

4. At the Annual General Meeting of 08.05.2002, the company also took note of the dismissal of Arthur Andersen Company Auditors (now Deloitte & Partners Company Auditors), represented by Mr Rik Neckebroeck, as the Statutory Auditor of the company and of the fact that the company from that time onwards would have as its sole Statutory Auditor Mr Ludo De Keulenaer, a company auditor and recognised auditor in the sense of Article 132 §1, paragraph 3 of the Act of 04.12.1990 on financial transactions and financial markets, and a partner of Arthur Andersen Company Auditors (now Deloitte & Partners Company Auditors).

5. Finally, the Board of Directors would like to inform you that the company has terminated the custodian bank agreement with KBC Bank NV/SA as from 09.07.02. As from 15.03.2003, Bank Brussel Lambert NV/SA is the custodian bank of Intervest Offices NV/SA.

In addition, the company's financial services agreement with KBC Bank NV/SA has been terminated as from 01.11.02. From that time onwards, the company's financial services have also been provided by Bank Brussel Lambert NV/SA.

8. 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 31.12.2002. This report, the report by the Board of Statutory Auditors and the consolidated annual accounts for the financial year closed on 31.12.2002 have been made available to you.

We propose that you discharge the directors and the Statutory Auditor (i.e. the present Statutory Auditor, Mr Ludo De Keulenaer, as well as, for the period from 01.01. to 08.05.2002, Arthur Andersen Company Auditors (now Deloitte & Partners Company Auditors), represented by Mr Rik Neckebroeck, from all liability arising from the performance of their assignment during the past financial year.

Drawn up in Berchem-Antwerp on 10 April 2003.

The Board of Directors,

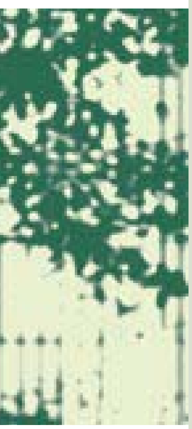
Mr Jean-Pierre Blumberg
Mr Walter Hens
Mr Joost Rijnboutt
Mr Hubert Roovers
Mr Reinier van Gerrevink

2. Unconsolidated annual accounts

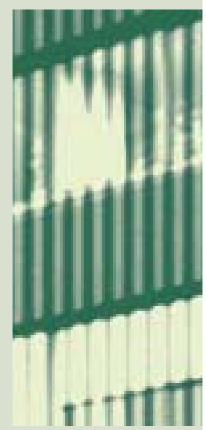
In accordance with article 105 of the Belgian Company Code, this annual report contains an abbreviated version of the annual accounts of Intervest Offices NV/SA that are required under the articles of association. The annual report and accounts of Intervest Offices NV/SA and the report of the Statutory Auditor are filed at and also available from the company's registered office. The Statutory Auditor has issued an unqualified opinion on the annual accounts of Intervest Offices NV/SA.

2.1. Balance sheet after profit distribution

ASSETS	**Financial year**	**Previous financial year**
FIXED ASSETS	594,179	387,883
III. Tangible fixed assets	593,849	387,698
A. Land and buildings	593,849	387,698
IV. Financial fixed assets	330	185
A. Affiliated companies	315	185
1. Participating interests	315	185
C. Other financial fixed assets	15	0
2. Amounts receivable and cash guarantees	15	0
CURRENT ASSETS	10,733	10,962
V. Amounts receivable after one year	1,832	133
A. Trade debtors	0	133
B Other amounts receivable	1,832	0
VII. Amounts receivable within one year	6,234	4,695
A. Trade debtors	1,924	2,579
B Other amounts receivable	4,310	2,116
VIII. Investments	600	223
B. Other investments	600	223
IX. Liquid assets	1,974	5,877
X. Deferred charges and accrued income	93	34
TOTAL ASSETS	**604,912**	**398,845**



LIABILITIES	Financial year	Previous financial year
SHAREHOLDERS’ EQUITY	313,760	210,464
I. Capital	123,127	78,950
A. Issued capital	123,127	78,950
II. Issue premiums	60,833	5,716
IV. Legal reserves	129,800	123,978
A. Legal reserves	77	0
B. Non-disposable reserves	128,297	121,821
2. Other	128,297	121,821
D. Disposable reserves	1,426	2,157
V. Profit carried forward	0	1,820
PROVISIONS AND DEFERRED TAXES	4,640	19
VII. A. Provisions for risks and charges	4,640	19
2. Taxes	920	0
3. Major repair and maintenance works	3,720	0
4. Other risks and charges	0	19
DEBTS	286.512	188,362
VIII. Amounts payable after one year	124,178	87,666
A. Financial debts	124,103	87,615
4. Credit institutions	124,103	87,615
D. Other amounts payable	75	51
IX. Amounts payable within one year	158,979	100,093
A. Amounts payable after one year that fall due within the year	1,194	0
B. Financial debts	126,563	89,590
1. Credit institutions	126,563	89,590
C. Trade debts	3,532	1,267
1. Suppliers	3,532	1,267
E. Debts relating to taxes, remuneration and social security contributions	285	357
1. Taxes	285	357
F. Other amounts payable	27,405	8,879
X. Accrued charges and deferred income	3,355	603
TOTAL LIABILITIES	**604,912**	**398,845**



2.2. Profit and loss account

		Financial year	Previous financial year
A. OPERATING RESULT			
I.	Operating income	46,172	17,436
	A. Turnover	42,698	16,623
	C. Other operating income	3,474	813
II.	Operating charges	-8,175	-1,968
	A. Services and other goods	4,763	1,250
	C. Depreciation and downward value adjustments on formation costs, tangible and intangible fixed assets	0	191
	E. Provisions for risks and charges (additions (+)/expenditure and withdrawals (-))	553	-266
	F. Other operating charges	2,859	793
III.	Gross operating profit/loss	37,997	15,468
IV.	Financial income	445	462
	B. Income from current assets	307	430
	C. Other financial income	138	32
V.	Financial charges	-11,329	-5,432
	A. Charges of debts	11,152	5,207
	C. Other financial charges	177	225
VII.	Net operating profit/loss	27,113	10,498
B. RESULT ON THE PORTFOLIO			
IX.	Unrealized changes in the market value of portfolio items	-29,075	-5,137
	A. Property assets at the end of the year	-29,075	-5,137
	- Added value	650	1,152
	- Loss of value	-29,725	-6,289
XI.	Profit (Loss) on the portfolio	-29,075	-5,137
C. EXCEPTIONAL RESULT			
XV.	Profit (Loss) for the financial year	-1,962	5,361

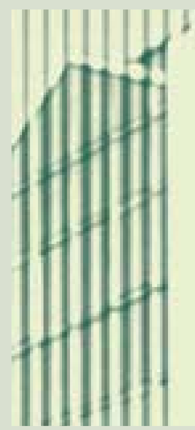
	Financial year	Previous financial year
D. RESULT FOR APPROPRIATION		
XV. Profit for the financial year	-1,962	5,361
XVI. Appropriation of the change in market value of portfolio items	29,075	5,137
Withdrawal from the non-disposable reserves (+)	29,075	5,137
XVII. Profit balance for appropriation (net deficit for absorption) for the financial year (+) (-)	27,113	10,498
TREATMENT OF RESULT		
A. Profit balance for appropriation	28,933	10,498
1. Profit for appropriation	27,113	10,498
2. Profit carried forward from the previous financial year	1,820	0
D. Result to be carried forward	-1,882	-1,820
1. Profit to be carried forward (-)	-1,882	-1,820
F. Profit to be distributed (-)	-27,051	-8,678
1. Indemnification of the capital	-27,051	-8,678

3. Debts and securities

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

Total amount: 124,103

Credit institution	Amount	Term	Type of credit
KBC Bank	13,634	10 years	Fixed advance
BBL Bank	73,981	20.03.2005	Fixed advance
NIB	19,136	21.04.2008	Fixed advance
Fortis	17,352	10 years	Fixed advance



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

Total amount: 127,757

Credit institution	Amount	Type of credit
Fortis Bank	7,479	Advance instalments
BBL Bank	112,019	Fixed advance
BBL Bank	7,065	Advance instalments
NIB[21]	1,194	Fixed advance

No guarantees were provided for these credit facilities.

[21] *Is the part of the NIB loan due within the year.*

3.3. Structure of the financing

The split of the company's financing between short-term and long-term liabilities has been incorporated in the annual accounts, in accordance with the law and royal decrees relating to annual accounts, based on the due dates counting from the times when these loans were taken up, i.e. split into those due in less than one year or in more than one year. On the basis of this accounting split, the structure of the financing can be presented as follows:

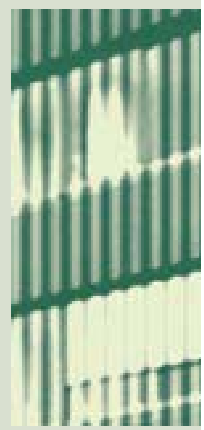
Split depending on the due date of the tranches of loans taken up:

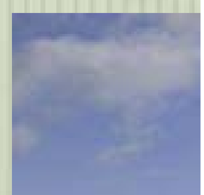
short-term:	€ 127,757,674	(50.73%)
long-term:	€ 124,103,217	(49.27%)
total:	**€ 251,860,891**	**(100%)**

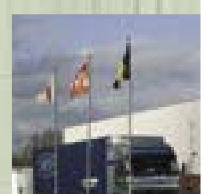
A significant share of the short-term debt according to the above split consists, however, of tranches taken up under lines of credit guaranteed for a longer period. The tranches of these lines of credit were mainly taken up on a short-term basis under the present economic conditions in order to benefit from the relatively low short-term interest rates. The majority of these borrowings can, however, be converted into long-term loans at fairly short notice. On the basis of the availability and expiry dates of the lines of credit, the structure of the financings can be presented as follows:

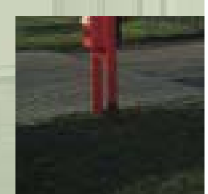
Split according to expiry date of credit lines:

short-term:	€ 8,259,266	(3.28%)
long-term:	€ 243,601,625	(96.72%)
total:	**€ 251,860,891**	**(100%)**









Boom - Industrieweg 18

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General information

1. Identification

1.1. Name

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

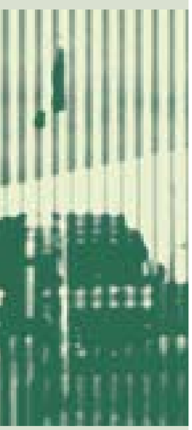
1.2. Registered office

Uitbreidingstraat 18, 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.

1.3. 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.



1.4. Legal form, formation, publication

Intervest Offices NV/SA was founded on 08.08.1996 as a limited liability company by the name “Immo-Airway”, executed before the civil-law notary Carl Ockerman, in Brussels as published in the appendices to the Belgian Bulletin of Acts, Orders and Decrees of 22.08.1996 under no. BBS 960822-361.

By deed executed before Eric Spruyt, civil-law notary in Brussels, and Max Bleeckx, civil-law notary in Sint-Gillis-Brussels, executed on 05.02.1999 and published in the Appendices to the Belgian Bulletin of Acts, Orders and Decrees of 24.02.1999 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 29.06.2001 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 04.12.1990 on the financial transactions and the financial markets.

The company opted for the investment category specified in article 122 §1, 1st subsection, 5° of the aforementioned Act of 04.12.1990.

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 23.12.2002, as published in the Appendices to the Belgian Bulletin of Acts, Orders and Decrees of 15.01.2003 under number 20030115-03006567.

1.5. Duration

The company was founded for an indefinite period.

1.6. 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 §1, 1st subsection, 5° of the Act of 04.12.1990 on Financial Transactions and the Financial Markets.

Property is understood to mean:

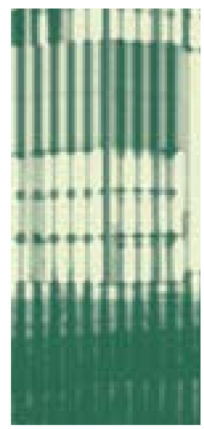
1. immovable property as defined in articles 517 et seq of the Belgian Civil Code and real rights over immovable property;
2. shares with voting rights issued by affiliated property companies;
3. option rights to immovable property;
4. units in other property investment institutions that are registered in the list referred to in article 120 §1, 2nd subsection or article 137 of the Act of 04.12.1990 on Financial Transactions and the Financial Markets;
5. property certificates as described in article 106 of the Act of 04.12.1990 on Financial Transactions and the Financial Markets and article 44 of the R.D. 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 R.D.s in execution of the Act of 04.04.1990 on Financial Transactions and the Financial Markets that apply to collective 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 R.D. 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 R.D. 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 R.D. 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 R.D. 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 R.D. 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 R.D. 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 R.D. 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.

1.7. Financial year

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

1.8. 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 R.D.

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.

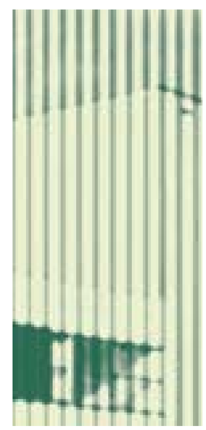
2. Nominal capital

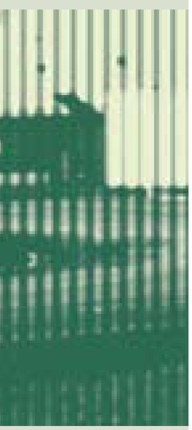
2.1. Issued capital

The nominal capital amounts to € 123,127,112.79 and is divided into 13,224,061 fully paid-up shares with no statement of nominal value.

2.2. Evolution of the capital

Date	Transaction	Capital movements in €	Number of created shares	Total outstanding capital after the transaction	Total number of shares after the transaction
08.08.1996	Formation	61,973.38	1,000	61,973.38	1,000
05.02.1999	Capital increase by non-cash contribution (Atlas 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	1,039,222.1	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 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
31.01.2002	Contribution of 575,395 shares in Siref	10,231,017.36	1,035,711	89,180,520.50	9,027,963
08.05.2002	Contribution of max. 1,396,110 Siref shares in the context of the bid	24,824,035.06	2,512,998	114,004,555.56	11,540,961
28.06.2002	Merger with Siref NV/SA: exchange of 111,384 Siref shares	4,106,935.70	167,076	118,111,491.26	11,708,037
23.12.2002	Merger with APIBI, PAKOBI, PLC, MCC and Mechelen Campus	5,015,621.53	1,516,024	123,127,112.79	13,224,061





2.3. Permitted capital

The Board of Directors is expressly permitted to increase the nominal capital in one or more operations by an amount of € 123,127,112.79 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 Belgian Company Code, the articles of association and article 11 of the R.D. 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 23.12.2002, i.e. as from 15.01.2003. 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, known as “issue premiums”, which, like the capital, will constitute the security for third parties and cannot be reduced or dispensed with this 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.

In 2002, the Board of Directors made use of the authorisation granted to it to utilise the following amounts of the permitted capital:

- 31.01.2002: € 10,231,017.36
  (capital increase though contributions from the Siref reference shareholders)

- 08.05.2002: € 24,824,035.06
  (capital increase in the context of the public exchange bid for Siref shares)

- As mentioned above, the amount of the permitted capital was increased to € 123,127,112.79 on 23.12.2002. Since that time, the Board of Directors has not made use of the permitted capital.

2.4. 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.

2.5. 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 R.D. 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 04.12.1990 and to articles 28 et seq of the R.D. 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 R.D. 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 602 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;

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.

3. Extract from the articles of association

3.1. 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.

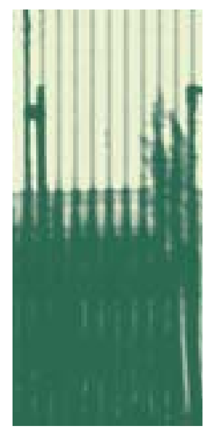
A record of the registered shares, which each shareholder is entitled to inspect, is maintained at the company's registered office. Registered subscription certificates will be issued to shareholders. Any transfer between living persons or following death, as well as any exchange of securities, will be recorded in the aforementioned register.

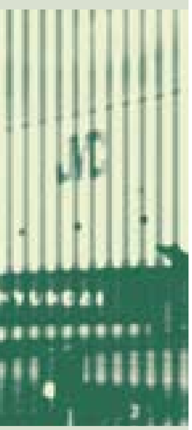
3.2. Ownership

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 with voting rights granted by the company, 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.





3.3. 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. Where a legal entity is elected as director or member of the management board, that legal entity shall designate from among his partners, business managers, directors or employees a permanent representative to be charged with the performance of that mandate on behalf of and for the account of the legal entity in question.

That representative must satisfy the same conditions and is liable under civil law and responsible under criminal law as if he himself were performing the mandate in question on his own behalf and on his own account, without prejudice to the joint and several liability of the legal person whom he represents. That legal entity may not dismiss his representative without at the same time naming a successor.

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 as where appropriate they may be amended.

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.

3.4. General Meetings

Article 19. – 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.

3.5. 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 net reduction 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 realized 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 realization 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 realized.

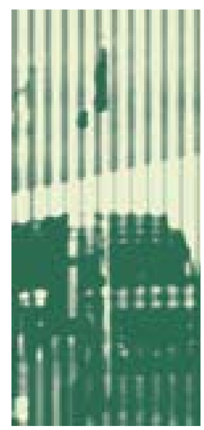
The portion of the realized added values that has not been reused after the period of four years will be added to the net income, as defined, for the financial year following this period.

4. Statutory Auditor

Mr Ludo De Keulenaer, partner in the professional partnership in the form of a co-operative partnership with limited liability, Deloitte & Partners Company Auditors, with offices at Berkenlaan 8b, B-1831 Diegem.

The mandate of the Statutory Auditor 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.



5. Custodian bank

KBC Bank has been designated as the custodian bank of Intervest Offices in the sense of articles 12 et seq of the R.D. of 10.04.1995 relating to property investment funds.

Its annual remuneration amounts to 0.03% of the total assets.

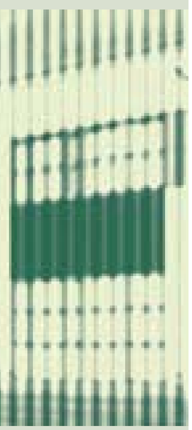
BBL Bank will take over this task from 15.03.2003 onwards. The annual fee will be calculated as follows:

Total assets	Annual commission in % based on total assets
€ 0 to 125 million	0.03 %
€ 125 to 250 million	€ 37,500 + 0.01% on the amount > € 125 million
> € 250 million	€ 50,000 +0.005% on the amount > € 250 million

6. Property experts

Since its recognition as a property investment fund, the Investment Fund's property experts have been de Crombrugghe & Partners, Cushman & Wakefield Healey & Baker, DTZ Winssinger Tie Leung and King Sturge.

On 08.05.2001, the Commission for Banking and Finance approved the addition of DTZ Winssinger Tie Leung. This company will take care of the valuation of the majority of the properties.



7. 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.

8. 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 for an indefinite period, which can be terminated at any time subject to a notice period of six months.

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 Airway Park is managed by King Sturge Management;
- the semi-industrial properties are managed by SPM NV/SA.

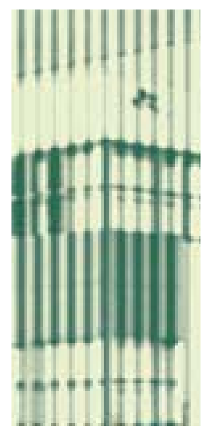
The remuneration of these property managers is included in the remuneration that Intervest Management NV/SA charges to Intervest Offices.

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.

9. Property investment fund – legal framework

The Investment Fund system was regulated in the R.D. of 10.04.1995 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.



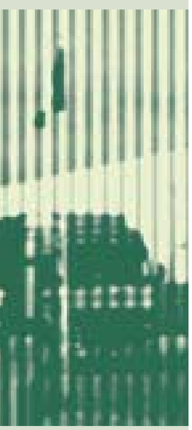
The Investment Fund is monitored by the Commission for Banking and Finance and is subject to specific regulations, the most notable provisions of which are as follows:

- the form of a limited liability company or a limited partnership with a share capital with minimum capital of € 1,239,467.62
- a debt ratio limited to 50% of total assets
- strict rules relating to conflicts of interests
- recording of the portfolio at market value without the possibility of depreciation
- a three-monthly estimate of the property assets by independent experts
- spreading of the risk: a maximum of 20% of capital in one building, with certain exceptions
- exemption from corporation tax on the condition that at least 80% of the profits are distributed
- withholding tax (which is the final tax) of 15%, deducted as the dividend is made payable.

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.



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