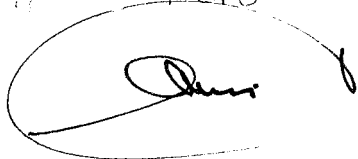
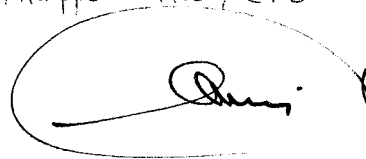


GHELAMCO INVEST NV BASE PROSPECTUS SUPPLEMENT (N°1)
dated 10 November 2015

For Ghelamco Invest NV, the Issuer
Philippe Pannier, CEO



For Ghelamco Group Comm. VA, the Guarantor
Philippe Pannier, CEO



Ghelamco Invest NV
(incorporated with limited liability in Belgium)

EUR 150,000,000 Euro Medium Term Note Programme

This supplement dated 10 November 2015 (the “**Supplement**”) constitutes a supplement for the purposes of Article 34 of the Belgian Law 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on a regulated market, as amended from time to time (the “**Prospectus Law**”). This Supplement is supplemental to, forms part of, and must be read in conjunction with the base prospectus dated 5 June 2015 (the “**Base Prospectus**”), prepared in connection with the EUR 150,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by Ghelamco Invest NV, incorporated as a limited liability company under Belgian law, with registered office at Zwaanhofweg 10, 8900 Ieper, Belgium and registered with the Crossroad Bank for Enterprises under number VAT BE0431.572.596, commercial court of Ghent, subdivision Ieper (the “**Issuer**”), and any other supplements to the Base Prospectus issued by the Issuer from time to time. The notes issued from time to time under the Programme are unconditionally and irrevocably guaranteed by Ghelamco Group Comm. VA, a partnership limited by shares (*commanditaire vennootschap op aandelen/société en commandite par actions*) incorporated under Belgian law, having its registered office at Zwaanhofweg 10, 8900 Ieper, Belgium and registered with the Crossroad Bank for Enterprises under number VAT BE0879.623.417, commercial court of Ghent, subdivision Ieper (the “**Guarantor**”). Terms defined in the Base Prospectus or in any document attached in Annex I to the Base Prospectus will, unless the context otherwise requires, have the same meaning when used in this Supplement.

This Supplement has been approved by the Belgian Financial Services and Markets Authority (the “**FSMA**”), as competent authority under the Prospectus Law. This approval does not imply any appraisal of the appropriateness or the merits of any issue under the Programme, nor of the situation of the Issuer or the Guarantor. This Supplement will be published on the website of Euronext Brussels (www.euronext.com) and of the Issuer (www.ghelamco.com).

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Supplement and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge and belief,

in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been prepared for the purposes of (a) disclosing the unaudited consolidated interim financial statements of the Issuer for the six month period ended 30 June 2015, together with the limited review report from the auditors, (b) disclosing the unaudited consolidated interim financial statements of the Guarantor for the six month period ended 30 June 2015, together with the limited review report from the auditors, and (c) providing information on recent investments.

I. New Information

In order to ensure that the information contained in the Base Prospectus is up-to-date, as required by the Prospectus Law, the Base Prospectus is deemed to be amended as set out below.

1. Documents enclosed in Annex I to the Base Prospectus

On 28 September 2015 the Issuer published its unaudited consolidated interim financial statements for the six month period ended 30 June 2015, together with the limited review report from the auditors.

On 28 September 2015 the Guarantor published its unaudited consolidated interim financial statements for the six month period ended 30 June 2015, together with the limited review report from the auditors.

The section “*Documents enclosed in Annex I*” on pages 28 to and including 29 of the Base Prospectus is deemed to be amended as follows:

- The first paragraph on page 28 will be deleted and replaced by the following paragraph: “*This Base Prospectus will be read and construed in conjunction with (i) the audited financial statements of the Issuer and the Guarantor for the years ended 31 December 2014 and 31 December 2013 consolidated in accordance with IFRS, together with the auditors’ reports thereon and (ii) the unaudited consolidated interim financial statements of the Issuer and the Guarantor for the six month period ended 30 June 2015, together with the limited review reports from the auditors thereon. These documents are enclosed in Annex I to this Base Prospectus, and form part of this Base Prospectus.*”
- The second paragraph on page 28 will be deleted and replaced by the following paragraph: “*The Issuer and the Guarantor confirm that they have obtained the approval from their auditors to incorporate (i) the consolidated audited financial statements of the Issuer and the Guarantor and the auditors’ reports thereon for the financial years ended 31 December 2014 and 31 December 2013 as well as (ii) the unaudited consolidated interim financial statements of the Issuer and the Guarantor for the six month period ended 30 June 2015, together with the limited review reports from the auditors thereon in the Base Prospectus.*”
- The third paragraph on page 28 will be deleted and replaced by the following paragraph: “*The tables below include references to the relevant pages of (i) the audited consolidated financial statements of the Issuer and the Guarantor for the*

financial years ended 31 December 2014 and 31 December 2013 and (ii) the unaudited consolidated interim financial statements of the Issuer and the Guarantor for the six month period ended 30 June 2015, as set out in the relevant reports of the Issuer and the Guarantor.”

- The following tables will be included below the table “*Audited IFRS consolidated financial statements of the Guarantor, report and explanatory notes of the Issuer for the financial year ended 31 December 2014*” on page 29 of the Base Prospectus:

Unaudited consolidated interim financial statements of the Issuer, limited review report from the auditors and explanatory notes of the Issuer for the six month period ended 30 June 2015.

Condensed consolidated balance sheet	p. 6
Condensed consolidated income statement	p. 5
Consolidation principles and consolidation scope	p. 10
Explanatory notes	p. 10-20
Auditors’ limited review report	p. 21-23

Unaudited consolidated interim financial statements of the Guarantor, limited review report from the auditors and explanatory notes of the Guarantor for the six month period ended 30 June 2015.

Condensed consolidated balance sheet	p. 7
Condensed consolidated income statement	p. 6
Consolidation principles and consolidation scope	p. 11
Explanatory notes	p. 11-23
Auditors’ limited review report	p. 24-26

The table of contents of Annex I (*Financial Statements*) to the Base Prospectus on page 123 of the Base Prospectus will be supplemented by adding the following limbs to the list of documents that are included in Annex I (*Financial Statements*) to the Base Prospectus:

“1.3 – the unaudited consolidated interim financial statements of the Issuer for the six month period ended 30 June 2015, together with the limited review report from the auditors in connection therewith”

“2.3 – the unaudited consolidated interim financial statements of the Guarantor for the six month period ended 30 June 2015, together with the limited review report from the auditors in connection therewith”

Annex I (*Financial Statements*) to the Base Prospectus on pages 123 to and including 427 of the Base Prospectus will be supplemented by incorporating the unaudited consolidated interim financial statements of the Issuer, including the limited review report from the auditors thereon (as attached in Annex A hereto) and the unaudited consolidated interim financial statements of the Guarantor, including the limited review report from the auditors thereon (as attached in Annex B hereto) in Annex I (*Financial Statements*) to the Base Prospectus after the audited consolidated financial information of the Issuer and the Guarantor for the periods ended 31 December 2013 and 31 December 2014.

A copy of the unaudited consolidated interim financial statements of the Issuer and the Guarantor, together with the limited review reports from the auditors thereon can also be obtained from the website of the Issuer (www.ghelamco.com) and from the website of Euronext Brussels (www.euronext.com).

2. Recent investments

The first paragraph of sub-section 3.4.3 (*Recent investments*) on page 75 of the Base Prospectus is deemed to be deleted.

The following paragraphs are deemed to be included below the third paragraph of sub-section 3.4.3 (*Recent investments*) on page 75 of the Base Prospectus:

“Mid July 2015 the Issuer has acquired the hotel “Pomme de Pin” in Courchevel 1850 for the future development and sale of a residential project, consisting of approx. 6,000m² apartments with hotel service. The acquisition price of the asset amounted to EUR 30 million. The transaction was structured as a share deal.”

“In October 2015 the Issuer has signed a preliminary agreement for the acquisition of the shares of company BUI NV, which holds the rights in rem on a former office building in the city of Brussels. Final closing of the transaction is subject to conditions precedent to be fulfilled. The transaction value amounts to EUR 24 million.”

3. No change in the financial or trading position

Sub-section 7 (*No significant change in financial or trading position*) on page 78 of the Base Prospectus is deemed to be deleted and replaced by the following paragraph:

“There has been no significant change in the financial or trading position of the Issuer or the Issuer Group since 30 June 2015, except for those circumstances or events mentioned or referred elsewhere in this Base Prospectus.”

Sub-section 6 (*No significant change in financial or trading position*) on page 85 of the Base Prospectus is deemed to be deleted and replaced by the following paragraph:

“There has been no significant change in the financial or trading position of the Issuer or the Issuer Group since 30 June 2015, except for those circumstances or events mentioned or referred elsewhere in this Base Prospectus.”

4. Selected financial information concerning the Issuer and the Guarantor’s assets and liabilities, financial position and profit and losses

The section *“Selected financial information concerning the Issuer’s assets and liabilities, financial position and profit and losses”* on pages 94 to and including 102 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the updated section *“Selected financial information concerning the Issuer and Guarantor’s assets and liabilities, financial position and profit and losses”* set out in Annex C to this Supplement.

5. General information

Paragraph 6 of the section “*General information*” on page 120 of the Base Prospectus is deemed to be supplemented by adding the following limb to the list of documents that are available for inspection at the registered office of the Issuer, as well as on the Issuer’s website:

“(d) the unaudited consolidated interim financial statements of the Issuer and the Guarantor for the six month period ended 30 June 2015, together with the limited review reports from the auditors in connection therewith”

The original limbs (d), (e) and (f) in paragraph 6 of the section “*General information*” on page 120 of the Base Prospectus are deemed to be renumbered to “(e)”, “(f)” and “(g)” respectively.

II. General

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus since 5 June 2015, the date of the publication of the Base Prospectus.

Copies of this Supplement will be available without charge (i) at the specified office of the Issuer and (ii) on the website of Euronext Brussels (www.euronext.com) and the website of the Issuer (www.ghelamco.com).

To the extent that there is an inconsistency between (a) any statement in this Supplement and (b) any statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

10 November 2015

ANNEX A

**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE
ISSUER FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015, TOGETHER
WITH THE LIMITED REVIEW REPORT FROM THE AUDITORS IN
CONNECTION THEREWITH**



Ghelamco Invest NV Half year results 30.06.2015

Sustained growth from continued development, construction and marketing efforts in core market segments

- Net profit for the period of 5,720 KEUR (vs. 3,311 KEUR as of 30.06.14)
- Solvency ratio of 31% (30% as per 31.12.14)
- Finalisation of construction and delivery of the Waterview project (comprising 460 student homes, +/- 5,000 sqm retail space and +/- 1,000 parking spaces) in Leuven, Vaartkom, welcoming of the first tenants in the retail part and sale of a significant number of student units in the residential part in the course of the first semester of 2015
- Retention of the Ghelamco/BAM Consortium ("Eurostadium Brussels") as preferred bidder for the construction of the Euro-stadium on parking C of the Heizel site. Related contract drafting is currently being finalised.
- Capital increase by 50 MEUR, fully subscribed by parent company Ghelamco Group Comm. VA

Preliminary remark

Ghelamco Invest NV (formerly International Real Estate Construction NV) (with all of its subsidiaries) represents the Belgian and French activities of the Ghelamco Group, a leading European real estate investor and developer active in the offices, residential, retail and logistics markets.

Ghelamco Invest NV is hereafter referred to as "Ghelamco Invest" or the "Company".

Summary

The Company closed its 2015 half-year accounts with a net profit of 5,720 KEUR, resulting from its continued development, construction and commercialisation efforts. Thanks to these efforts, the Company realised significant residential sales and in addition managed to achieve sustained growth, reflected in an increased balance sheet total of 467,631 KEUR and an equity of 145,558 KEUR. The solvency ratio¹ amounted to 31%.

¹ For 2014 calculated as (equity + subordinated related party financing)/total assets



In Belgium, the Company has over the past years intensified its project development activities (with currently over 40 projects in portfolio). As a consequence, a significant number of Belgian projects have in the course of the last two to three years been delivered and commercialised. In the current 6-month period, further leasing successes have been achieved on mainly the Blue Towers (+/- 28,000 sqm office space project) in Ghent, resulting in an occupation rate per date of the current report of over 75%. In addition, during the first half of 2015 further realisation efforts were done in the Waterview project in Leuven (mixed retail, student housing and parking space project at the Vaartkom), resulting in the delivery of the retail and parking parts of the project and the welcoming of the first tenants. The residential part of the project was delivered shortly after period-end and over 70% of available student units have per date of the current report been sold.

Mid March 2015 the City of Brussels has retained Eurostadium Brussels as preferred bidder for the construction of the Euro-stadium on parking C of the Heizel site. This new national stadium will amongst others comprise 60.000 seats, 6.000 VIP places and over 14.000 parking spaces. The project is expected to be realized in 2018. Contract drafting is currently being finalised.

In connection with the growing importance which management attaches to corporate governance and the further professionally structuring of the Company, the Board of Directors of Ghelamco Invest has per end May 2015 been extended with a non-executive member and an independent member. In addition, the Board has formally installed an audit committee. Still in the above respect and with the intention to further strengthen the capital structure of the Company Ghelamco Invest's capital has – after the recent 60 MEUR capital increase of November 2014 – in June 2015 been increased by another 50 MEUR.

Key figures

Results	30.06.2015	30.06.2014
Operating result	13,747	11,425
Net result of the period	5,720	3,311
Share of the group in the net result of the period	5,706	3,300
Balance sheet	30.06.2015	31.12.2014
Total assets	467,631	424,397
Cash and cash equivalents	16,104	39,837
Net financial debt (-)	266,665	257,923
Total equity	145,558	89,835

Revenue for the first semester of 2015 amounts to 40,415 KEUR and mainly relates to rental income (3,170 KEUR) and sales of residential projects (36,882 KEUR).

The investment property (under construction) portfolio evolved from 223,360 KEUR per end 2014 to 242,010 KEUR per end of June 2015; evolution which is the combined result of current period's expenditures (13,022 KEUR) and fair value adjustments (5,628 KEUR). The current period's favorable fair value adjustment is mainly the consequence of the Group's sustained investment and leasing efforts, in combination with market evolution (in terms of yields and rent levels).

The operating result for the first half-year of 2015 totals to 13,747 KEUR; net profit for the period closes with 5,720 KEUR.

Property development inventories balance increased by 21,449 KEUR to 154,169 KEUR; evolution which is the combined effect of further expenditures on Belgian (residential) projects (mainly the residential part of the Waterview project in Leuven Vaartkom, the Blaisantvest and Tribeca projects in Ghent and the acquisition of



two sites in Brussels for the future development of mixed residential-office-retail projects) and the sale of some residential projects (mainly in the Waterview project in Leuven Vaartkom and the Blaisant Park project in Ghent).

On 10 June 2015 the capital has been increased by 50 MEUR through the issue of 97,080 new shares. The capital increase, paid in cash, has been fully subscribed by Ghelamco Group Comm. VA, parent company of Ghelamco Invest NV.

During the period the Company was able to obtain new bank borrowings and withdraw on existing credit facilities for a total amount of 26.3 MEUR. On the other hand, reimbursements and refinancings have been done for an amount of 5.9 MEUR, bringing the total outstanding amount of bank borrowings to 169.8 MEUR (compared to 149.4 MEUR at 31/12/2014).

Overview

The Company's main development activities during the first half of 2015 related to:

- Continuation and completion of the construction works of the Waterview project in Leuven Vaartkom (mixed project of +/- 460 student homes, +/- 5,000 sqm retail and +/- 1,000 parking spaces).
In the retail part of the project, Albert Heijn opened its new retail store on 1 April 2015 and per date of the current report, over 70% of the available retail space has been leased.
The student homes (residential part of the project) have been delivered in July 2015. Per date of the current report, over 70% of available student units (460 in total) have been sold.
Also the parking complex has been taken into use.
- Continuation and completion of the Blaisantvest project in Ghent (mixed residential and retail project). Per date of the current report and apart from some still available parking space, over 90% of the units have been sold.
- Acquisition at end of February 2015 of 2 buildings located at the Louizalaan and the Boulevard Bischoffsheim, Brussels for a total amount of 24.5 MEUR, for the future development and realisation of resp. a combined retail-residential project (52 luxurious apartments and approx. 500 sqm of shopping space, in the centre of Brussels) and an office-residential project (approx. 16,000 sqm office space, 22 apartments and 174 parkings).

As to divestures and/or revenues:

- Current period's revenues mainly related to the commercialisation of the residential part of the Waterview project in Leuven Vaartkom. During the first half of 2015 196 student units have been sold and per end of June 2015, 239 units (of 461) in total have been sold. While per date of the current report, already over 70% of total available student units have been sold.

Outlook

It is the Company's strategy to further diversify its development portfolio by spreading its developments over different real estate segments and/or mixed projects.

For the second half of 2015, the Company will continue its sustained growth. In addition, it will closely monitor specific evolutions in its active markets and real estate segments. Considering its sound financial structure and the expected further market evolutions (in terms of tenant activity and evolution in yields), the Company is confident to achieve this growth and its goals for 2015 in general.



Risks

Due to its activities, the Company is exposed to a variety of financial and operational risks: including interest rate risk, price risk, credit risk and liquidity risk. Financial risks relate to the following financial instruments: trade receivables, cash and cash equivalents, trade and other payables and borrowings.

These risks, which are described in detail in the Ghelamco Invest NV IFRS Consolidated Financial Statements at 31 December 2014, remain applicable for 2015 and are closely managed and monitored by the Company's management.

Declaration in accordance with Art. 13 of the Belgian Royal Decree of 14 November 2007

The Management, acting in the name of and on behalf of GHELAMCO INVEST NV, attest that to the best of their knowledge,

- the interim condensed financial statements are prepared in accordance with applicable accounting standards and give, in all material respect, a true and fair view of the consolidated assets and liabilities, financial position and consolidated results of the Company and of its subsidiaries included in the consolidation for the six month period;
- the interim financial management report, in all material respect, gives a true and fair view of all important events and significant transactions with related parties that have occurred in the first six month period and their effects on the interim financial statements, as well as an overview of the most significant risks and uncertainties we are confronted with for the remaining six months of the financial year.

A handwritten signature in black ink, appearing to be 'P. Gheysens', enclosed within a large, hand-drawn oval.

Paul Gheysens
CEO & Managing Director
Ieper
28/09/2015

A handwritten signature in black ink, appearing to be 'P. Pannier', enclosed within a large, hand-drawn oval.

Philippe Pannier
CFO
Ieper
28/09/2015

About Ghelamco

Ghelamco Group is a leading European real estate investor and developer active in the offices, residential, retail and logistics markets. It maintains a high quality internal control with respect for agreed milestones over all its project development phases: land purchase, planning, coordinating the construction phase and sale or lease. Its projects combine prime and strategic locations with efficient and aesthetically inspiring designs and correct timing. Its successes on the Belgian, French, Polish, Ukrainian and Russian markets are generated by the group's professional and enthusiastic staff that is driven by the vision and passion of its management.



Condensed consolidated income statement (in KEUR)

	30/06/2015	30/06/2014
Revenue	40,415	16,740
Other operating income	846	808
Cost of Property Development Inventories	-21,910	-9,096
Employee benefit expense	-185	-208
Depreciation amortisation and impairment charges	-27	-32
Gains from revaluation of Investment Property	5,628	5,888
Other operating expense	-10,809	-2,675
Share of results of associates	-211	0
Operating result	13,747	11,425
Finance income	219	268
Finance costs	-5,753	-6,271
Result before income tax	8,213	5,422
Income tax expense	-2,493	-2,111
Result of the period	5,720	3,311
Attributable to		
Equity holders of parent	5,706	3,300
Non-controlling interests	14	11

Condensed consolidated statement of comprehensive income (in KEUR)

	30/06/2015	30/06/2014
Profit for the period	5,720	3,311
Exchange differences on translating foreign operations	0	0
Other	0	-12
Other recyclable comprehensive income of the period	0	-12
Total Comprehensive income for the period	5,720	3,299
Attributable to		
Equity holders of parent	5,706	3,288
Non-controlling interests	14	11



Condensed consolidated balance sheet (in KEUR)

	30/06/2015	31/12/2014
ASSETS		
Non-current assets		
Investment Property	242,010	223,360
Property, plant and equipment	248	277
Investments in associates	380	590
Receivables and prepayments	2,673	2,580
Deferred tax assets	3,043	2,985
Other financial assets	1,059	561
Restricted cash	0	0
	249,413	230,353
Current assets		
Property Development Inventories	154,169	132,720
Trade and other receivables	46,970	20,512
Current tax assets	0	0
Derivatives	0	0
Assets classified as held for sale	975	975
Restricted cash	0	0
Cash and cash equivalents	16,104	39,837
	218,218	194,044
TOTAL ASSETS	467,631	424,397



Condensed consolidated balance sheet (in KEUR) (cont'd)

	30/06/2015	31/12/2014
EQUITY AND LIABILITIES		
Capital and reserves attributable to the Company's equity holders		
Share capital	111,490	61,490
CTA		0
Retained earnings	33,987	28,278
	145,477	89,768
Non-controlling interests	81	67
TOTAL EQUITY	145,558	89,835
Non-current liabilities		
Interest-bearing loans and borrowings	196,095	165,346
Deferred tax liabilities	14,144	12,190
Other non-current liabilities	0	0
Long-term provisions	177	178
Total non-current liabilities	210,416	177,714
Current liabilities		
Trade and other payables	23,660	23,605
Current tax liabilities	1,323	829
Interest-bearing loans and borrowings	86,674	132,414
Short-term provisions	0	0
Total current liabilities	111,657	156,848
Total liabilities	322,073	334,562
TOTAL EQUITY AND LIABILITIES	467,631	424,397



Condensed consolidated cash flow statement (in KEUR)

	30/06/2015	30/06/2014
Cash flow from operating activities		
Result of the year before income tax	8,213	5,422
<i>Adjustments for:</i>		
- Share of results of associates	210	
- Change in fair value of investment property	-5,628	-5,888
- Depreciation, amortization and impairment charges	27	32
- Result on disposal investment property	0	
- Change in provisions	-1	
- Net finance costs	4,708	5,449
- Movements in working capital:		
- change in inventory	-21,449	-15,188
- change in trade & other receivables	-26,458	-27,399
- change in trade & other payables	4,766	5,070
- change in fair value of derivatives		
- Movement in other non-current liabilities		
- Other non-cash items	5	19
Income tax paid	-103	-1,235
Interest paid	-9,638	-4,496
Net cash from operating activities	-45,348	-38,214
Cash flow from investing activities		
Interest received	219	268
Purchase of property, plant & equipment	0	-22
Purchase of investment property	-11,544	-20,065
Capitalized interest in investment property	-1,478	-932
Proceeds from disposal of investment property	0	2,500
Cash outflow on other non-current financial assets	-591	-79
Movement in restricted cash accounts		
Net cash flow used in investing activities	-13,394	-18,330
Financing Activities		
Proceeds from borrowings	24,977	58,603
Repayment of borrowings	-39,968	-3,459
Capital increase	50,000	
Dividends paid		
Net cash inflow from / (used in) financing activities	35,009	55,144
Net increase/decrease in cash and cash equivalents	-23,733	-1,400



Cash and cash equivalents at 1 January	39,837	20,752
Cash and cash equivalents at the end of the period	16,104	19,352

Condensed consolidated statement of changes in equity (in KEUR)

	Attributable to the equity holders			Non-controlling interests	Total equity
	Share capital	Cumulative translation reserve	Retained earnings		
Balance at 1 January 2014	1,490	0	23,710	90	25,290
Capital Increase					
Profit/(loss) for the period			3,300	11	3,311
Dividend distribution					0
Change in non-controlling interests					
Change in the consolidation scope				31	31
Other			-12		-12
Balance at 30 June 2014	1,490	0	26,998	132	28,620
Balance at 1 January 2015	61,490	0	28,278	67	89,835
Capital increase	50,000				50,000
Profit/(loss) for the period			5,706	14	5,720
Dividend distribution					
Change in non-controlling interests					
Change in the consolidation scope					0
Other			3		3
Balance at 30 June 2015	111,490	0	33,987	81	145,558



Segment reporting

A segment is a distinguishable component of the Company which is engaged either in providing products or services (business segment), or in providing products or services within a particular economic area (geographic segment) and which is subject to risks and rewards that are different to those of other segments.

As the vast majority of the assets (and resulting income) of the Company is geographically located in Belgium, and Management has a regional approach in decision taking, no segmenting has been included in this financial reporting.

Notes to the condensed consolidated interim financial statements at 30 June 2015

1. Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”, as adopted by the European Union.

The new interpretations and standards that are applicable from 2015 (including IFRIC21) did not have any significant impact on the Company’s financial statements.

2. Significant accounting policies

The condensed consolidated interim financial statements are prepared on a historic cost basis, with the exception of investment property (under construction) and derivative financials instruments, which are stated at fair value.

All figures are in thousands of EUR (KEUR), unless stated otherwise.

The accounting policies adopted are consistent with those followed for the preparation of the Company’s consolidated financial statements for the year ended 31 December 2014.

3. Property development inventories

Property Development Inventories contain mainly plots of land held for development of residential purposes and residential buildings either finished or still under construction.

	30/06/2015	31/12/2014
Property Development Inventories	154,107	132,671
Raw materials	62	49
Finished goods	0	0
	154,169	132,720

The inventory mainly relates to residential projects (both finalized and under construction) at the Belgian coast, mainly in Knokke and (East Dune) Oostduinkerke, the Tribeca brownfield site in Ghent (24,000 m² plot, for the development of an approx. 35,000 m² mixed residential, student flat and retail space project), the residential part of the Waterview project (+/- 460 student homes at Vaartkom Leuven) and two sites located at the Louizalaan and the Boulevard Bischoffsheim, Brussels for the future realisation of (combined) residential-office-retail projects.



4. Investment property (under construction)

Balance at 31 December 2014	223,360
Acquisition of properties	3,006
Acquisition through business combinations	
Subsequent expenditure	10,016
Transfers	
- Assets classified as held for sale	
- Other transfers	
Adjustment to fair value through P/L	5,628
Disposals	
other	
Balance at 30 June 2015	242,010

Investment Properties are stated at fair value as determined by either independent appraisers or by management and are classified in 4 categories:

- A. Land without pre-permit approval, held for capital appreciation or undetermined use (fair value based on comparative method);
- B. Land with pre-permit approval held for development and investment (fair value based on the potential of constructing leasable m²);
- C. Land + Construction ongoing (fair value based on the residual method);
- D. Completed Projects held for investment.



Country + SPV	Commercial Name	Valuation	Cat	30/06/2015	31/12/2014
				KEUR	KEUR
BELGIUM					
Leisure Property Invest	Golf Knokke Zoute	Man	A	35,497	31,700
WRP	Wavre Retail Park	Man	B	12,600	12,600
Retail Gent	Retail Gent	CBRE	D	16,375	17,250
Parking Gent	Parking Gent	CBRE	C/D	29,789	29,729
Parking Estates	Parking Estates	CBRE	D	2,371	2,371
Zeewind	Zeewind	Man	D	1,737	1,737
Schelde Offices	Schelde Offices	Cushman	D	31,000	27,450
Arte Offices	Arte Offices	Cushman	D	32,200	29,350
Ring Hotel	Ring Hotel	Man	B	5,489	5,473
Ring Multi	Ghelamco Arena Multifunctional space	Cushman	D	20,625	19,275
Docora	Ghelamco Arena Offices	Cushman	C/D	14,576	13,926
Ring Offices	Ghelamco Arena Offices	Cushman	D	2,900	2,410
Ghelamco Invest	Le 8300	Man	C	20,491	19,566
Waterview/Parking Leuven	Waterview Parkings	Cushman	C	8,360	5,691
Waterview/Retail Leuven	Waterview Retail space	Cushman	D	8,000	4,832

TOTAL : **242,010** **223,360**

Legend : Man = Management valuation, CBRE = CBRE valuation report, Cushman = Cushman & Wakefield valuation report

The average yields used in the expert valuations (applying residual method) on 30 June are as follows:

- 6.00% to 7.00% for Belgian office projects, depending on the location, specifics and nature of the investment (vs. 6.00% to 7.00% per 31/12/2014);
- 6.00% to 7.0% for other Belgian (mainly retail) projects, depending on the specifics, nature and location of the investment (vs. 6.00% to 7.00% per 31/12/2014).



5. Interest bearing loans and borrowings

	30/06/2015	31/12/2014
Non-current		
Bank borrowings – floating rate	109,868	44,755
Other borrowings	86,227	120,591
Finance lease liabilities		
	196,095	165,346
Current		
Bank borrowings – floating rate	59,910	104,650
Other borrowings	26,764	27,764
Finance lease liabilities		
	86,674	132,414
TOTAL	282,769	297,760

5.1 Bank borrowings

During the period, the Company obtained new secured bank loans expressed in EUR and drew on existing credit facilities for a total amount of 26.3 MEUR, all of which are Euribor based. On the other hand, reimbursements (and/or refinancings) have been done for a total amount of 5.9 MEUR, net of prolongation of a number of bank borrowings.

When securing debt finance for its (larger) projects, the Company always negotiates long term agreements with its banks. Under these agreements, the bank swaps land acquisition loans (usually 2-year term) into development loans (usually additional 2-year term) and swaps development loans into investment loans (mostly 5 years term) upon the fulfilment of pre-agreed conditions.

Most banking partners of the Company have accepted the above as a “framework” for past, current and future co-operation.

98% of the outstanding non-current bank borrowings is maturing within a 3 years-period, 2% is maturing after more than 5 years.

With respect to the outstanding short-term bank borrowings, it is to be mentioned that in the second half of 2015 part will be reimbursed following the contractual terms, but significant parts will also be repaid upon sale/disposal of the related projects and parts will be prolonged or refinanced (e.g. through resp. swap to development or investment loan).



5.2 Bonds (110,311 KEUR)

The Company has in 2012 issued private unsecured bonds for a total amount of 42 MEUR (25.05 MEUR bond serie A, 16.95 MEUR bond serie B). These bonds, which are secured by a first demand guarantee from Ghelamco Group Comm. VA and of which the issuance has been coordinated by KBC Securities and Belfius Bank, have been underwritten by a select group of institutional investors and high-net-worth individuals. Bonds serie A has as maturity date 13/12/15 and bears a fixed interest of 7.0%. Bonds serie B has as maturity date 13/12/17 and bears a fixed interest of 7.875%.

Goal of the issue is to diversify financial resources and secure the mid-term funding necessary to secure the realization of the pipeline of Belgian and French projects.

In addition, the Company has in the second half of 2013 and the first half of 2014 again issued private unsecured bonds for a total amount of 70 MEUR, secured by a first demand guarantee from Ghelamco Group Comm. VA, having as maturity date 28/02/2018 and bearing an interest rate of 6.25%. The above bond program has again been coordinated by KBC Securities and Belfius Bank.

Total balance of outstanding bonds per balance sheet date (110,311 KEUR) represents the amount of issue (112 MEUR) less capitalized issue costs (of which mainly the issuing banks' arrangement fees), which are amortized over the term of the bonds.

5.3 Other loans

Remaining outstanding loans (2,680 KEUR) relate to:

- long-term intercompany loans from the Ghelamco Group cash pool (Peridot SL), to which the Company has access at all times, and
- other short-term balances to third parties, which have been reimbursed in Q3 2015 .

The above mentioned intercompany loans are granted at arm's length conditions.

No defaults of payments or breaches of borrowing agreements occurred as of 30 June 2015.

Bank borrowings are secured by amongst others the property development projects of the Company, including land and in-process construction, pledge on SPV shares, etc.

The bonds are secured by a first demand guarantee by Ghelamco Group Comm. VA.

The loan agreements granted by the bank are sometimes subject to a number of covenants (Loan to Value, Loan to Cost, Debt Service Cover). During the period and per end of the period, there were no events of default in respect of these borrowings.

Also the terms and conditions of the bond issue have been complied with as of balance sheet date.



6. Revenue

Revenue can be detailed as follows:

	30.06.2015	30.06.2014
Sales of Residential Projects	36,882	13,835
Rental Income	3,170	2,470
Other	363	435
TOTAL REVENUE	40,415	16,740

The rental income as of 30 June 2015 relates to rent from commercial projects (mainly the Brico Plan-It retail hall in Ghent, the Blue Towers, the Ghelamco parking project around and multifunctional space in the Ghelamco Arena).

The residential projects sales as of 30 June 2015 mainly relate to:

- Villas and apartments at the Belgian coast (2,284 KEUR)
- Blaisant Park Ghent (4,901 KEUR; sale of 9 apartments, 12 student houses and 10 parkings in the first half of 2015 + invoicing of remaining part of 41 apartments and 43 parking spaces under the Breyne legislation)
- Student units in the Waterview project in Leuven Vaartkom (29,491 KEUR; 239 units sold in total)

7. Other items included in operating profit/loss

	30/06/2015	30/06/2014
Gains from revaluation of Investment Property	5,628	5,888

Fair value adjustments over the first half of 2015 amount to 5,628 KEUR, which is mainly the result of current period's further investment and leasing efforts, in combination with evolution in market conditions (yield and rent level evolution).



	30/06/2015	30/06/2014
Other operating expenses		
Taxes and charges	322	153
Insurance expenses	100	47
Audit, legal and tax expenses	435	540
Sales expenses	7,612	558
Rental guarantee expenses	231	-
Housing costs (incl maintenance)	293	206
Operating expenses with related parties	1,070	933
Miscellaneous	746	238
Total:	10,809	2,675

The increased sales expenses are to a significant extent related to commission expenses on the Waterview (student houses) project.

8. Finance income and finance costs

	30/06/2015	30/06/2014
Foreign exchange gains		
Interest income	219	268
Other finance income		
Total finance income	219	268
Interest expense	-4,927	-5,717
Other interest and finance costs	-826	-554
Foreign exchange losses		
Total finance costs	-5,753	-6,271

9. Financial instruments

The table below summarizes all financial instruments by category and discloses the fair values of each instrument and the fair value hierarchy.

Financial instruments (x € 1 000)	30.06.2015				
	At fair value through P/L-held for trading	Available for sale	Loans and receivables/HTM at amortised cost	Fair value	Fair value level
Other financial investments					
Other financial assets		-	1,059	1,059	2
Non-current receivables					
Receivables and prepayments			2,673	2,673	2
Restricted cash			-	-	
Current receivables					
Trade and other receivables			44,472	44,472	2
Derivatives	-			-	
Cash and cash equivalents			16,104	16,104	2
Total Financial Assets	0	0	64,308	64,308	
Interest-bearing borrowings - non-curr.					
Bank borrowings			109,868	109,868	2
Bonds			85,547	95,160	2
Other borrowings			680	680	2
Interest-bearing borrowings – current					
Bank borrowings			59,910	59,910	2
Bonds			24,764	26,041	
Other borrowings			2,000	2,000	
Current payables					
Trade and other payables			20,927	20,927	2
Total Financial Liabilities	-	-	303,696	314,586	

Financial instruments (x € 1 000)	31.12.2014				
	At fair value through P/L-held for trading	Available for sale	Loans and receivables/HTM at amortised cost	Fair value	Fair value level
Other financial investments					
Other financial assets		-	561	561	2
Non-current receivables					
Receivables and prepayments			2,580	2,580	2
Restricted cash			-	-	
Current receivables					
Trade and other receivables			17,634	17,634	2
Derivatives	-			-	
Cash and cash equivalents			39,837	39,837	2
Total Financial Assets	0	0	60,612	60,612	
Interest-bearing borrowings - non-curr.					
Bank borrowings			44,755	44,755	2
Bonds			85,355	93,046	2
Other borrowings			35,236	35,236	2
Interest-bearing borrowings – current					
Bank borrowings			104,650	104,650	2
Bonds			24,764	25,212	
Other borrowings			3,000	3,000	
Current payables					
Trade and other payables			21,247	21,247	2
Total Financial Liabilities	-	-	319,007	327,146	

10. Transactions with related parties

Since 2007, Ghelamco (Consortium)'s business activities are structured in three major holdings under common control of the ultimate shareholders (jointly referred to as "Ghelamco"):

- Investment Holding: comprises resources invested in the development of real estate projects in Belgium, Poland, Russia and Ukraine and the intra-group Financing Vehicles – referred to as "Investment Group" or the "Group";
- Development Holding: represents international entities that provide construction, engineering and development services to the Investment Group;



- Portfolio Holding: consists of all other activities and real estate investments controlled by the ultimate shareholders.

Ghelamco Invest NV (the “Company”) is the holding company of the Belgian and French activities of Ghelamco Group Comm. VA, which is in turn the holding company of the Investment Group. Ghelamco Invest NV, together with its subsidiaries, constitute the reporting entity for the purpose of these interim condensed financial statements.

Balances and transactions between the Company and related parties (belonging to the Development Holding and the Portfolio Holding) mainly relate to construction and development services on the one hand and financial related party transactions on the other hand.

Trading transactions: purchase of construction, engineering and other related services from related parties

Construction and development services

The Company has entered into property development and construction contracts with property development and construction companies (“Contractors”), subsidiaries of International Real Estate Services Comm. VA (the parent company of Ghelamco’s “Development Holding”):

- Ghelamco Belgium with its registered office in Ieper.

Engineering and architectural design services

APEC Architectural Engineering Projects Limited (a limited liability company registered under the laws of Ireland), legal subsidiary of International Real Estate Services Comm. VA (the parent company of Ghelamco’s “Development Holding”) coordinates engineering and architectural design services provided to the Company’s larger projects, in accordance with terms of the respective contracts.

Above described related party transactions and balances can be detailed as follows:

Purchases of construction, engineering and architectural design:	-17,296
related party trade receivable	7,514
related party trade accounts payable	-2,195
related party non-current loans receivable	-
related party non-current trade and other receivable	1,960
related party interests receivable	853
related party C/A receivable	18,965
related party non-current loans payable	-680
related party interests payable	-71
related party C/A payable	-



11. Post balance sheet events

- The Company has on 24 June 2015 launched a new EMTN bonds program for a maximum amount of 150 MEUR. First tap on this program – which was very successful, causing an early close of the subscription period – has resulted in the issue of a first tranche of 79,100 KEUR . The bonds, which are listed on Euronext, have as maturity date 3/07/2020, bear an interest rate of 4.5% and are secured by a first demand guarantee from Ghelamco Group Comm. VA. The program has been coordinated by Belfius, BNP and KBC. The above first tranche has been underwritten by institutional investors and high-net-worth individuals. Since its bond listing on Euronext, Ghelamco Invest is formally considered as a Public Interest Entity (PIE), with related transparency, governance and reporting requirements to the benefit of the investors.



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Ghelamco Invest NV and subsidiaries

**Report on review
of the consolidated interim financial
information for the six-month period
ended 30 June 2015**

Deloitte Bedrijfsrevisoren / Reviseurs d'Entreprises
Burgerlijke vennootschap onder de vorm van een coöperatieve vennootschap met beperkte aansprakelijkheid /
Société civile sous forme d'une société coopérative à responsabilité limitée
Registered Office: Berkenlaan 8b, B-1831 Diegem
VAT BE 0429 053 063 - RPR Brussels/RPM Bruxelles - IBAN BE 17 2300 0485 6121 - BIC GEBABEBB

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Ghelamco Invest NV and subsidiaries

Report on review of the consolidated interim financial information for the six-month period ended 30 June 2015

To the board of directors

In the context of our appointment as the company's statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the condensed consolidated balance sheet as at 30 June 2015, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated cash flow statement for the period of six months then ended, as well as selective notes 1 to 11.

Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of Ghelamco Invest NV ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standard IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

The condensed consolidated balance sheet shows total assets of 467,631 (000) EUR and the condensed consolidated income statement shows a consolidated profit (group share) for the period then ended of 5,706 (000) EUR.

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

Scope of review

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

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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Ghelamco Invest NV has not been prepared, in all material respects, in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

Diegem, 28 September 2015

The statutory auditor

A handwritten signature in black ink, appearing to be 'Rik Neckebroeck', written over a horizontal line.

DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Rik Neckebroeck

ANNEX B

**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE
GUARANTOR FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015,
TOGETHER WITH THE LIMITED REVIEW REPORT FROM THE AUDITORS IN
CONNECTION THEREWITH**



Ghelamco Group Comm. VA Half year results 30.06.2015

Sound results and sustained growth from continued investment and commercialisation efforts in core market segments

- Net profit for the period of 48,253 KEUR (vs. 669 KEUR as of 30.06.14)
- Solvency ratio of 43% (45% as per 31.12.14)
- Significant construction and leasing efforts on the Warsaw Spire (+/- 108,000 sqm of office space in the Wola District of Warsaw), resulting in the finalisation of building C, the signing of a lease record-deal of approx. 22,000 sqm with anchor tenant Samsung and a lease rate of over 70% for the project as a whole.
- Finalisation of construction and delivery of the Waterview project (comprising 460 student houses, +/- 5,000 sqm retail space and +/- 1,000 parking spaces) in Leuven, Vaartkom, welcoming of the first tenants in the retail part and sale of a significant number of student units in the residential part in the course of the first semester of 2015
- Retention of the Ghelamco /BAM Consortium ("Eurostadium Brussels") as preferred bidder for the construction of the Euro-stadium on parking C of the Heizel site. Related contract drafting is currently being finalised.

Preliminary remark

Since 2007, Ghelamco (Consortium)'s business activities are structured in three major holdings under common control of the ultimate shareholders (jointly referred to as "Ghelamco"):

- Investment Holding: comprises resources invested in the development of real estate projects in Belgium, Poland, Russia and Ukraine and the intra-group Financing Vehicles – referred to as "Investment Group" or the "Group";
- Development Holding: represents international entities that provide construction, engineering and development services to the Investment Group;
- Portfolio Holding: consists of all other activities and real estate investments controlled by the ultimate shareholders.

Ghelamco Group Comm. VA (the "Group") is the holding company of the Investment Group that, together with its direct and indirect legal subsidiaries, constitute the reporting entity for the purpose of these interim condensed financial statements.



Summary

The Group closed its 2015 half-year accounts with a net profit of 48,253 KEUR, after continued investment and commercialisation efforts. Thanks to these efforts the Group realised significant residential sales and in addition managed to achieve sustained growth through further investing in existing and new developments. This is reflected in a balance sheet total of 1,450,050 KEUR and an equity of 621,398 KEUR. The solvency ratio amounted to 43%.

The investing activities in Poland have during the first half of 2015 mainly been focused on the further realisation of the Warsaw Spire (+/- 108,000 sqm of office space in the Warsaw Wola District), resulting in the finalisation of satellite building C, and on the construction of the Woloska 24 project (approx. 20 Ksqm office project in the Warsaw Mokotow District). Continued and successful leasing efforts on the Warsaw Spire project have resulted in the fact that the project as a whole is currently leased for over 70%. In addition, the residential Q-Bik project was further commercialised in a way that currently 85% of available soft lofts have been sold.

In Belgium, the Group has over the past years intensified its project development activities (with currently over 40 projects in portfolio). As a consequence, a significant number of Belgian projects have in the course of the last two to three years been delivered and commercialised. In the current 6-month period, further leasing efforts have been done on mainly the Blue Towers (+/- 28,000 sqm office space project) in Ghent, resulting in an occupation rate per date of the current report of over 75%. In addition, during the first half of 2015 further realisation efforts were done in the Waterview project in Leuven (mixed retail, student housing and parking space project in the Vaartkom), resulting in the delivery of the retail and parking parts of the project and the welcoming of the first tenants. The residential part of the project was delivered shortly after period-end and over 70% of available student units have per date of the current report been sold.

Mid March 2015 the City of Brussels has retained Eurostadium Brussels preferred bidder for the construction of the Euro-stadium on parking C of the Heizel site. This new national stadium will amongst others comprise 60.000 seats, 6.000 VIP places and over 14.000 parking spaces. The project is expected to be realized in 2018. Contract drafting is currently being finalised.

Key figures

Results	30.06.2015	30.06.2014
Operating result	72,833	21,379
Net result of the year	48,253	669
Share of the group in the net result of the year	47,762	177
Balance sheet	30.06.2015	31.12.2014
Total assets	1,450,050	1,267,826
Cash and cash equivalents	79,932	98,955
Net financial debt (-)	634,176	522,475
Total equity	621,398	571,183

Revenue for the first semester of 2015 amounts to 58,082 KEUR and relates to rental income (14,262 KEUR) and sales of residential projects (43,197 KEUR).

The investment property (under construction) portfolio evolved from 820,414 KEUR per end 2014 to 972,413 KEUR per end of June 2015; evolution which is the combined result of current period's expenditures (75,779 KEUR), fair value adjustments (62,156 KEUR) and currency translation impact (14,064 KEUR). The current period's net favorable fair value adjustment is mainly the consequence of the Group's sustained investment and leasing efforts, in combination with market evolution (in terms of yields and rent levels).



The operating result for the first half-year of 2015 totals to 72,833 KEUR; net profit for the period closes with 48,253 KEUR.

Property development inventories balance increased by 15,728 KEUR to 198,645 KEUR; evolution which is the combined effect of further expenditures on Belgian (residential) projects (mainly the residential part of the Waterview project in Leuven Vaartkom, the Blaisantvest and Tribeca projects in Ghent and the acquisition of two sites in Brussels for the future development of mixed residential-office-retail projects) and the sale of residential projects in Belgium (mainly in the Waterview project in Leuven Vaartkom and the Blaisant Park project in Ghent) and Poland (QBik soft loft project in Warsaw) and.

During the period the Group was able to obtain new bank borrowings and withdraw on existing credit facilities for a total amount of 85.8 MEUR. On the other hand, reimbursements and refinancings have been done for an amount of 10.3 MEUR, bringing the total outstanding amount of bank borrowings to 443.0 MEUR (compared to 367.5 MEUR at 31/12/2014). Also considering the outstanding bonds (150,124 KEUR net outstanding private and public bonds in Poland and 110,311 KEUR net outstanding private bonds in Belgium), leverage¹ amounts to 49%.

Overview by country

Belgium

In Belgium, the Group's main development activities during the first half of 2015 related to:

- Continuation and completion of the construction works of the Waterview project in Leuven Vaartkom (mixed project of +/- 460 student homes, +/- 5,000 sqm retail and +/- 1,000 parking spaces).
In the retail part of the project, Albert Heijn opened its new retail store on 1 April 2015 and per date of the current report, over 70% of the available retail space has been leased.
The student homes (residential part of the project) have been delivered in July 2015. Per date of the current report, over 70% of available student units (460 in total) have been sold.
Also the parking complex has been taken into use.
- Continuation and completion of the Blaisantvest project in Ghent (mixed residential and retail project). Per date of the current report, over 90% of the units have been sold.
- Acquisition at end of February 2015 of 2 buildings located at the Louizalaan and the Boulevard Bischoffsheim, Brussels for a total amount of 24.5 MEUR, for the future development and realisation of resp. a combined retail-residential project (52 luxurious apartments and approx. 500 sqm of shopping space, in the centre of Brussels) and an office-residential project (approx. 16,000 sqm office space, 22 apartments and 174 parkings).

As to divestures and/or revenues:

- Current period's revenues mainly related to the commercialisation of the residential part of the Waterview project in Leuven Vaartkom. During the first half of 2015 196 student units have been sold and per end of June 2015, 239 units (of 461) in total have been sold. While per date of the current report, already over 70% of total available student units have been sold.

Poland

In Poland, the Group in first instance maintained its existing land bank but also took advantage of some expansion opportunities (with e.g. acquisition of the Grzybowska 73 plot, which will together with the

¹ Calculated as follows: interest-bearing loans and borrowings/ total assets



Grzybowska 77 plot already in portfolio, allow for the future development of a +/- 30,000 sqm office project in central Warsaw).

During the first semester of 2015, the final building permit for the Foksal 13/15 residential project, prestigious luxury apartment complex in the historic centre of Warsaw, has been received.

The Group focused on the continuation of construction works of the Warsaw Spire project, 220-meter, 49-storey development in the Warsaw Wola District which is to offer 108,000 sqm office space in total. During the first half of 2015, satellite building C has been finalised, while construction works of the tower (building A) have well advanced. Also the Woloska 24 project (approx. 20,000 sqm office space in the Warsaw Mokotow District) is under construction, as well as the Plac Vogla project (approx. 5,200 sqm retail space in the Warsaw Wilanow District).

As to (pre-)leasing and occupation of projects:

Per date of the current report, the Warsaw Spire project has on the whole been leased for over 70%. Building B (delivered in 2014) is currently leased for over 90%, while building C (delivered in 2015, as stated) is leased for approx. 70%. In April 2015, the Group signed an anchor tenant lease agreement for approx. 22,000 sqm of space in the tower with Samsung. The deal is being seen as the largest office lease transaction ever in the Warsaw city centre, as well as one of the biggest in the country.

As to divestures and/or revenues:

Current period's revenues mainly related to the further commercialisation of the Q-Bik project: 350 residential soft lofts in Warsaw for which per mid 2015 approx. 85% of available units have been sold.

Other countries

In Ukraine, the Kopylov Logistics Park project (in the Makariv District of the Kyiv Region) has an occupation rate of over 90%. The investment is kept in portfolio.

In Russia, the first (building A, approx. 60,000 sqm) and second phase (building B, approx. 68,000 sqm) of the Dmitrov Logistics Park – class A warehouse complex of four buildings totalling approx. 227.000 m² of lettable area in the northern part of the Moscow Region – have in the past years been delivered and are currently leased for resp. over 90% and 70%. The political and economic situation in Russia has evolved in a way that the RUB has in the first half of 2015 again relatively strengthened vs. the EUR/USD. Also considering positive evolution in (warehouse) tenant activity, construction works of building C (approx. 46,000 sqm) have started.

Outlook

It is the Group's strategy to further diversify its development portfolio in the countries where it is currently active by spreading its developments over different real estate segments.

For the second half of 2015, the Group will continue its sustained growth. In addition, it will closely monitor specific evolutions in its active markets and real estate segments. Considering its sound financial structure and the expected further market evolutions (in terms of tenant activity and evolution in yields), the Group is confident to achieve this growth and its goals for 2015 in general.



Risks

Due to its activities, the Group is exposed to a variety of financial and operational risks: including exchange rate risk, interest rate risk, price risk, credit risk and liquidity risk. Financial risks relate to the following financial instruments: trade receivables, cash and cash equivalents, trade and other payables and borrowings.

These risks, which are described in detail in the Ghelamco Group Comm. VA IFRS Consolidated Financial Statements at 31 December 2014, remain applicable for 2015 and are closely managed and monitored by the Group's management.

Declaration in accordance with Art. 13 of the Belgian Royal Decree of 14 November 2007

The Management, acting in the name of and on behalf of GHELAMCO GROUP Comm. VA, attest that to the best of their knowledge,

- the interim condensed financial statements are prepared in accordance with applicable accounting standards and give, in all material respect, a true and fair view of the consolidated assets and liabilities, financial position and consolidated results of the Group and of its subsidiaries included in the consolidation for the six month period;
- the interim financial management report, in all material respect, gives a true and fair view of all important events and significant transactions with related parties that have occurred in the first six month period and their effects on the interim financial statements, as well as an overview of the most significant risks and uncertainties we are confronted with for the remaining six months of the financial year.

A handwritten signature in black ink, consisting of a large, stylized loop and a diagonal stroke.

Paul Gheysens
CEO & Managing Director
Ieper
28/09/2015

A handwritten signature in black ink, featuring a large, sweeping loop and a horizontal stroke.

Philippe Pannier
CFO
Ieper
28/09/2015

About Ghelamco

Ghelamco Group is a leading European real estate investor and developer active in the offices, residential, retail and logistics markets. It maintains a high quality internal control with respect for agreed milestones over all its project development phases: land purchase, planning, coordinating the construction phase and sale or lease. Its projects combine prime and strategic locations with efficient and aesthetically inspiring designs and correct timing. Its successes on the Belgian, French, Polish, Ukrainian and Russian markets are generated by the group's professional and enthusiastic staff that is driven by the vision and passion of its management.



Condensed consolidated income statement (in KEUR)

	30/06/2015	30/06/2014
Revenue	58,082	34,027
Other operating income	1,247	1,736
Cost of Property Development Inventories	-27,237	-17,401
Employee benefit expense	-546	-637
Depreciation amortisation and impairment charges	-286	-291
Gains from revaluation of Investment Property	62,156	22,382
Other operating expense	-20,373	-18,437
Share of results of associates	-210	
Operating result	72,833	21,379
Finance income	1,795	1,750
Finance costs	-13,154	-21,965
Result before income tax	61,474	1,164
Income tax expense	-13,221	-495
Result of the period	48,253	669
Attributable to		
Equity holders of parent	47,762	177
Non-controlling interests	491	492

Condensed consolidated statement of comprehensive income (in KEUR)

	30/06/2015	30/06/2014
Profit for the period	48,253	669
Exchange differences on translating foreign operations	1,958	1,978
Other	1	-23
Other comprehensive income of the period	1,959	1,955
Total Comprehensive income for the period	50,212	2,624
Attributable to		
Equity holders of parent	49,721	2,132
Non-controlling interests	491	492



Condensed consolidated balance sheet (in KEUR)

	30/06/2015	31/12/2014
ASSETS		
Non-current assets		
Investment Property	972,413	820,414
Property, plant and equipment	352	391
Intangible assets	4,050	4,299
Investments in associates	380	590
Receivables and prepayments	68,962	58,896
Deferred tax assets	6,557	6,432
Other financial assets	1,437	1,582
Restricted cash	0	256
	1,054,151	892,860
Current assets		
Property Development Inventories	198,645	182,917
Trade and other receivables	116,332	91,810
Current tax assets	15	19
Derivatives	0	290
Assets classified as held for sale	975	975
Restricted cash		
Cash and cash equivalents	79,932	98,955
	395,899	374,966
TOTAL ASSETS	1,450,050	1,267,826



Condensed consolidated balance sheet (in KEUR) (cont'd)

	30/06/2015	31/12/2014
EQUITY AND LIABILITIES		
Capital and reserves attributable to the Company's equity holders		
Share capital	73,194	73,194
CTA	14,156	12,198
Retained earnings	528,046	480,283
	615,396	565,675
Non-controlling interests	6,002	5,508
TOTAL EQUITY	621,398	571,183
Non-current liabilities		
Interest-bearing loans and borrowings	588,487	440,187
Deferred tax liabilities	35,668	23,770
Other non-current liabilities	2,500	2,500
Long-term provisions	177	178
Total non-current liabilities	626,832	466,635
Current liabilities		
Trade and other payables	73,156	46,458
Current tax liabilities	3,043	2,307
Interest-bearing loans and borrowings	125,621	181,243
Short-term provisions		
Total current liabilities	201,820	230,008
Total liabilities	828,652	696,643
TOTAL EQUITY AND LIABILITIES	1,450,050	1,267,826



Condensed consolidated cash flow statement (in KEUR)

	30/06/2015	30/06/2014
Cash flow from operating activities		
Result of the year before income tax	61,474	1,164
<i>Adjustments for:</i>		
- Share of results of associates	210	0
- Change in fair value of investment property	-62,156	-22,382
- Depreciation, amortization and impairment charges	286	291
- Result on disposal investment property	0	0
- Change in provisions	-1	0
- Net finance costs	7,832	14,261
- Movements in working capital:		
- change in inventory	-15,728	-3,580
- change in trade & other receivables	-24,522	-26,867
- change in trade & other payables	4,939	-131
- change in fair value of derivatives	290	397
- Movement in other non-current liabilities	0	0
- Other non-cash items	60	-521
Income tax paid	-708	-1,374
Interest paid	-9,903	-14,219
Net cash from operating activities	-37,927	-52,961
Cash flow from investing activities		
Interest received	1,795	1,750
Purchase of property, plant & equipment	0	20
Purchase of investment property	-53,601	-70,456
Capitalized interest in investment property	-9,460	-5,232
Proceeds from disposal of investment property	0	2,500
Cash in/outflow on other non-current financial assets	-9,921	6,413
Movement in restricted cash accounts	256	98
Net cash flow used in investing activities	-70,931	-64,907
Financing Activities		
Proceeds from borrowings	117,052	185,444
Repayment of borrowings	-24,374	-61,488
Dividends paid		
Net cash inflow from / (used in) financing activities	92,678	123,956
Net increase in cash and cash equivalents	-16,180	6,088



Cash and cash equivalents at 1 January	98,955	70,182
Effects of exch. rate changes in non-EUR countries	-2,843	3,800
Cash and cash equivalents at the end of the period	79,932	80,070

Condensed consolidated statement of changes in equity (in KEUR)

	Attributable to the equity holders			Non-controlling interests	Total equity
	Share capital	Cumulative translation reserve	Retained earnings		
Balance at 1 January 2014	73,194	8,214	489,941	4,954	576,303
Foreign currency translation (CTA)		1,978			1,978
Profit/(loss) for the period			177	492	669
Dividend distribution					0
Change in non-controlling interests					
Change in the consolidation scope			-18	31	13
Other			-6		-6
Balance at 30 June 2014	73,194	10,192	490,094	5,477	578,957
Balance at 1 January 2015	73,194	12,198	480,283	5,508	571,183
Foreign currency translation (CTA)		1,958			1,958
Profit/(loss) for the period			47,762	491	48,253
Dividend distribution					
Change in non-controlling interests					
Change in the consolidation scope			1	3	4
Other					0
Balance at 30 June 2015	73,194	14,156	528,046	6,002	621,398



Notes to the condensed consolidated interim financial statements at 30 June 2015

1. Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”, as adopted by the European Union.

The new interpretations and standards that are applicable from 2015 (including IFRIC21) did not have any significant impact on the Group financial statements.

2. Significant accounting policies

The condensed consolidated interim financial statements are prepared on a historic cost basis, with the exception of investment property (under construction) and derivative financials instruments, which are stated at fair value.

All figures are in thousands of EUR (KEUR), unless stated otherwise.

The accounting policies adopted are consistent with those followed for the preparation of the Group’s consolidated financial statements for the year ended 31 December 2014.

3. Property development inventories

Property Development Inventories contain mainly plots of land held for development of residential purposes and residential buildings either finished or still under construction.

	30/06/2015	31/12/2014
Property Development Inventories	198,558	182,811
Raw materials	69	58
Finished goods	18	48
	<u>198,645</u>	<u>182,917</u>

A large part of inventories of the Group are located in Belgium and Poland. All assets located in Russia and Ukraine are reported under Investment Properties as they are held for investment purposes.

In Poland, a large part (17,624 KEUR) of the 30/06/2015 inventory balance relates to the Q-Bik project (350 residential soft lofts in the Mokotów district of Warsaw), for which at the date of this report, approx. 85% of available units have been sold.

In Belgium, the inventory mainly relates to residential projects (both finalized and under construction) at the Belgian coast, mainly in Knokke and (East-Dune) Oostduinkerke, the Tribeca brownfield site in Ghent (24,000 m² plot, for the development of an approx. 35,000 m² mixed residential, student houses and retail space project), the residential part of the Waterview project (+/- 220 remaining student houses of 461 at Vaartkom Leuven) and two sites located at the Louizalaan and the Boulevard Bischoffsheim, Brussels for the future realisation of (combined) residential-office-retail projects.



	30/06/2015		31/12/2014	
Inventories – Poland	44,463	22%	50,183	27%
Inventories – Belgium	154,169	78%	132,720	73%
Inventories – Other countries	13		14	
	198,645	100%	182,917	100%

4. Investment property (under construction)

Balance at 31 December 2014	820,414
Acquisition of properties	4,603
Acquisition through business combinations	
Subsequent expenditure	71,176
Transfers	
- Assets classified as held for sale	
- Other transfers	
Adjustment to fair value through P/L	62,156
Disposals	
CTA	14,064
other	
Balance at 30 June 2015	972,413

Investment Properties are stated at fair value as determined by either independent appraisers or by management and are classified in 4 categories:

- A. Land without pre-permit approval, held for capital appreciation or undetermined use (fair value based on comparative method);
- B. Land with pre-permit approval held for development and investment (fair value based on the potential of constructing leasable m²);
- C. Land + Construction ongoing (fair value based on the residual method);
- D. Completed Projects held for investment.

Country + SPV	Commercial Name	Valuation	Cat	30/06/2015	31/12/2014
				KEUR	KEUR
BELGIUM					
Leisure Property Invest	Golf Knokke Zoute	Man	A	35,497	31,700
WRP	Wavre Retail Park	Man	B	12,600	12,600
Retail Gent	Retail Gent	CBRE	D	16,375	17,250
Parking Gent	Parking Gent	CBRE	C/D	29,789	29,729
Parking Estates	Parking Estates	CBRE	D	2,371	2,371
Zeewind	Zeewind	Man	D	1,737	1,737
Schelde Offices	Schelde Offices	Cushman	D	31,000	27,450

Arte Offices	Arte Offices	Cushman	D	32,200	29,350
Ring Hotel	Ring Hotel	Man	B	5,489	5,473
Ring Multi	Ghelamco Arena Multifunctional space	Cushman	D	20,625	19,275
Docora	Ghelamco Arena Offices	Cushman	C/D	14,576	13,926
Ring Offices	Ghelamco Arena Offices	Cushman	D	2,900	2,410
Ghelamco Invest	Le 8300	Man	C	20,491	19,566
Waterview/Parking Leuven	Waterview Parkings	Cushman	C	8,360	5,691
Waterview/Retail Leuven	Waterview Retail space	Cushman	D	8,000	4,832

POLAND

Apollo Invest	Spinnaker Tower	KNF	B	18,313	17,259
Postepu SKA/Business Bud	Postepu Business Park	KNF	B	10,030	10,043
Sienna Towers SKA/Capital SKA	Sienna Towers	KNF	B	55,658	52,897
WS SKA/Warsaw Spire	Spire and Chopin Tower	KNF	C/D	327,705	244,183
Sobieski SKA/Innovation	Sobieski Tower	DTZ	B	18,330	17,748
Market SKA	Mszczonow Logistics	ASB	B	2,832	2,832
SBP SKA/Pro Business	Synergy Business Park Wroclaw	KNF	B	20,315	20,002
Grybowska77 SKA	Grzybowska	KNF	B	23,460	9,700
Wronia SKA/Logistyka SKA	Wronia	KNF	B	17,090	16,650
Vogla SKA/Callista SKA	Wilanow Retail	KNF	C	12,329	6,927
Tilia SKA/ACG1 SKA	Powisle	KNF	A	5,790	6,120
Dahlia SKA	Woloska 24	KNF	C	19,891	13,192

RUSSIA

Bely Rast e.a.	Dmitrov Logistic Park	JLL	D/C	174,000	153,500
Ermolino	Logistic Park Ermolino	JLL	A	8,679	7,960

UKRAINE

Success Invest	Kopylov Logistics Park	COLL	D	10,269	13,474
Urban Invest	Kopylov Logistics Park 2	UKR	A	875	956
Vision Invest	Warsaw Road Dev.	UKR	B	4,837	3,611

TOTAL :

972,413 820,414

Legend : Man = Management valuation, CBRE = CBRE valuation report, Cushman = Cushman & Wakefield valuation report, KNF = Knight Frank, JLL = Jones Lang Lasalle, DTZ= DTZadelhof, CLL = Colliers, UKR = Ukrexprombud, ASB = Asbud



The average yields used in the expert valuations (applying residual method) on 30 June are as follows:

- 6.00% to 7.00% for Belgian office projects, depending on the location, specifics and nature of the investment (vs. 6.00% to 7.00% per 31/12/2014);
- 6.00% to 7.0% for other Belgian (mainly retail) projects, depending on the specifics, nature and location of the investment (vs. 6.00% to 7.00% per 31/12/2014).
- for Poland, 5.75% to 8.25% depending on the specifics, nature and location of the developments (vs. 6.50% to 8.25% per 31/12/2014).
- 10.8% to 12.00% for Russian projects (vs. 11.75% per 31/12/2014)
- Above 16.00% for Ukrainian projects (vs. 16.00% 31/12/2014).

5. Restricted cash

	30/06/2015	31/12/2014
Restricted cash non-current	0	256
Restricted cash current	0	0
	<hr/>	<hr/>
	0	256

Last year's outstanding balance (related to an amount on escrow and still to be released after the Trinity Park III sale of 2010) has in the current period been settled.



6. Interest bearing loans and borrowings

	30/06/2015	31/12/2014
Non-current		
Bank borrowings – floating rate	351,138	234,828
Other borrowings	237,338	205,348
Finance lease liabilities	11	11
	588,487	440,187
Current		
Bank borrowings – floating rate	91,841	132,651
Other borrowings – floating rate	33,776	48,581
Finance lease liabilities	4	11
	125,621	181,243
TOTAL	714,108	621,429

6.1 Bank borrowings

During the period, the Group obtained new secured bank loans expressed in EUR, USD or PLN and withdrew on existing credit facilities for a total amount of 85.8 MEUR (26.3 MEUR in Belgium, 50.6 MEUR in Poland, 8.9 MEUR (equivalent) in Russia), large part of which are Euribor/Libor based. On the other hand, reimbursements (and/or refinancings) have been done for a total amount of 10,3 MEUR, net of prolongation of a number of borrowings.

When securing debt finance for its (larger) projects, the Group always negotiates long term agreements with its banks. Under these agreements, the bank swaps land acquisition loans (2 year term) into development loans (additional 2 year term) and swaps development loans into investment loans (mostly 5 years term) upon the fulfilment of pre-agreed conditions.

Most banking partners of the Group have accepted the above as a “framework” for past, current and future co-operation.

With respect to the outstanding short-term bank borrowings, it is to be mentioned that in the second half of 2015 part will be reimbursed following the contractual terms, but significant parts will also be repaid upon sale/disposal of the related projects and parts will be prolonged or refinanced (e.g. through resp. swap to development or investment loan).

67% of the outstanding non-current bank borrowings is maturing within a 3 years-period, 26% is maturing between 3 and 5 years and 7% is maturing after more than 5 years.



6.2 Bonds (235,671 KEUR long-term; 24,764 KEUR short-term)

Belgium

The Group has (via Ghelamco Invest NV, parent company of the Belgian activities) in 2012 issued private unsecured bonds for a total amount of 42 MEUR (25.05 MEUR bond serie A, 16.95 MEUR bond serie B). These bonds, which are secured by a first demand guarantee from Ghelamco Group Comm. VA and of which the issuance has been coordinated by KBC Securities and Belfius Bank, have been underwritten by a select group of institutional investors and high-net-worth individuals.

Bonds serie A has as maturity date 13/12/15 and bears a fixed interest of 7.0%. Bonds serie B has as maturity date 13/12/17 and bears a fixed interest of 7.875%.

Goal of the issue is to diversify financial resources and secure the mid-term funding necessary to secure the realization of the pipeline of Belgian and French projects.

In addition, Ghelamco Invest NV has in the second half of 2013 and the first half of 2014 again issued private unsecured bonds for a total amount of 70 MEUR, secured by a first demand guarantee from Ghelamco Group Comm. VA, having as maturity date 28/02/2018 and bearing an interest rate of 6.25%. The above bond program has again been coordinated by KBC Securities and Belfius Bank.

Total balance of outstanding bonds per balance sheet date (110,311 KEUR) represents the amount of issue (112 MEUR) less capitalized issue costs (of which mainly the issuing banks' arrangement fees), which are amortized over the term of the bonds.

Poland

The Group has (via Ghelamco Invest Sp. z o.o.) in the current period issued series PE within its 200 MPLN public bonds program for an amount of 50,000 KPLN to institutional investors. These bonds have a term of 4 years and bear an interest of Wibor 6 months + 4.5%.

In addition, Ghelamco Invest Sp. z o.o. issued series PPB and PPC within its new 250 MPLN public retail bonds program for an amount of resp. 50,000 KPLN and 30,000 KPLN. These bonds have a term of 4 years and bear an interest rate of Wibor 6 months + 4.0%

The bond proceeds are to be applied for the financing of the Company's further investment projects within the Warsaw metropolitan area, in Wroclaw or Katowice.

On the other hand, the Company has reimbursed following bond tranches, at their maturity date:

-55.800 KPLN remaining bonds from Series C of the 200 MPLN private bonds program;

-3.200 KPLN remaining bonds from Series D of the 200 MPLN private bonds program.

Total bonds balance outstanding per balance sheet date (150,124 KEUR) represents the amount of issue (617.60 MPLN + 6,3 MEUR) less capitalized issue costs, which are amortised over the term of the bonds.

No defaults of payments or breaches of borrowing agreements occurred as of 30 June 2015.

Bank borrowings are secured by amongst others the property development projects, including land and in-process construction, pledge on SPV shares, etc.

The Polish bonds are secured by a redemption surety granted by Granbero Holdings Ltd.

The Belgian bonds are secured by a first demand guarantee by Ghelamco Group Comm. VA.

The loan agreements granted by the bank are sometimes subject to a number of covenants (Loan to Value, Loan to Cost, Debt Service Cover). During the period and per end of the period, there were no events of default in respect of these borrowings.

Also the terms and conditions of the resp. bond issues have been complied with as of balance sheet date.



Revenue

Revenue can be detailed as follows:

	30.06.2015	30.06.2014
Sales of Residential Projects		
Projects Belgium	36,882	13,835
Projects Poland	6,315	8,185
Rental Income	14,262	11,388
Other	623	619
TOTAL REVENUE	58,082	34,027

Rental income as of 30 June 2015 relates to rent from commercial projects in Belgium (3,170 KEUR), Poland (2,444 KEUR), Russia (7,262 KEUR) and Ukraine (1,386 KEUR).

The residential projects sales as of 30 June 2015 mainly relate to

- Villas and apartments at the Belgian coast (2,284 KEUR)
- Blaisant Park Ghent (4,901 KEUR; sale of 9 apartments, 12 student houses and 10 parkings in the first half of 2015 + invoicing of remaining part of 41 apartments and 43 parking spaces under the Breyne legislation)
- Student units in the Waterwiew project in Leuven Vaartkom (29,491 KEUR; 239 units sold in total)
- Soft loft apartments in the QBik project in Warsaw (6,315 KEUR)

7. Other items included in operating profit/loss

Other operating income

The current period's other operating income (1,247 KEUR) relate to a significant extent to recharged expenses to tenants and one-time recharges to related parties. The same goes for last year's other operating income.



	30/06/2015	30/06/2014
Gains from revaluation of Investment Property	62,156	22,382

Fair value adjustments over the first half of 2015 amount to 62,156 KEUR, which is mainly the result of current period's further engineering, development, construction and leasing efforts, in combination with evolution in market conditions (in terms of yields and rent rate levels).

In Poland, main fair value adjustments have been recognized on the Warsaw Spire project (of which building B was delivered in 2014 and further commercialised in 2015 and building C was delivered in 2015) and the Grzybowska77 project (plot for the future development of a +/- 30 Ksqm mixed office and retail project).

In Russia, the relative strengthening of the RUB – after last year's devaluation in connection with the difficult political and economic situation – resulted in the recognition of positive fair value adjustments on mainly the Dmitrov project.

In Ukraine, market conditions have for the time being not yet recovered sufficiently, which resulted in the recognition of a smaller negative fair value adjustment.

A detail of current period's fair value adjustment can be given as follows:

Belgium	5.628
Poland	50.092
Russia	8.496
Ukraine	-2.060
	<u>62.156</u>

	30/06/2015	30/06/2014
Other operating expenses		
Operating lease/ rental expenses	11	18
Taxes and charges	1,773	1,198
Insurance expenses	756	351
Audit, legal and tax expenses	975	1,509
Traveling	633	660
Promotion	892	428
Sales expenses (agency fees and w/o agency fees)	9,246	7,794
Maintenance cost (projects)	563	238
Rental guarantee expenses	1,334	1,204
Operating expenses with related parties	2,405	1,960
W/o TP III earn-out	256	-
Miscellaneous	1,529	3,077
Total:	<u>20,373</u>	<u>18,437</u>



Current period sales sales expenses are to a significant extent related to commission expenses paid in the Waterview (student houses) project.

End of June 2014 sales expenses related to a significant extent to the release to the P/L of capitalized agency fees on the Katowice Business Point, the Marynarska 12/T-Mobile Office Park and the Lopuszanska Business Park projects, which were sold shortly after period-end.

8. Finance income and finance costs

	30/06/2015	30/06/2014
Foreign exchange gains	-	-
Interest income	1,795	1,750
Other finance income	-	-
Total finance income	1,795	1,750
Interest expense	-9,627	-16,011
Other interest and finance costs	-1,755	-2,025
Foreign exchange losses	-1,772	-3,929
Total finance costs	-13,154	-21,965

The decrease in interest expenses is explained by the fact that current period's Polish portfolio mainly contains projects under development and/or construction, while last year's Polish portfolio still contained a significant number of delivered projects (which have in Q3 2014 been sold to Starwood). Financing costs on not yet delivered projects are capitalized while financing costs on delivered/income generating projects are expensed.

9. Financial instruments

The table below summarizes all financial instruments by category and discloses the fair values of each instrument and the fair value hierarchy.

Financial instruments (x € 1 000)	30.06.2015				
	At fair value through P/L-held for trading	Available for sale	Loans and receivables/HTM at amortised cost	Fair value	Fair value level
Other financial investments					
Other financial assets			1,437	1,437	2
Non-current receivables					
Receivables and prepayments			68,962	68,962	2
Restricted cash			-	-	
Current receivables					
Trade and other receivables			103,999	103,999	2
Derivatives	-			-	
Cash and cash equivalents			79,932	79,932	2
Total Financial Assets	-	-	254,330	254,330	
Interest-bearing borrowings - non-curr.					
Bank borrowings			351,138	351,138	2
Bonds Poland			150,124	150,124	2
Bonds Belgium			85,547	95,160	2
Other borrowings			1,667	1,667	2
Finance lease liabilities			11	11	2
Interest-bearing borrowings - current					
Bank borrowings			91,841	91,841	2
Bonds Poland			-	-	2
Bonds Belgium			24,764	26,041	2
Other borrowings			9,012	9,012	2
Finance lease liabilities			4	4	2
Current payables					
Trade and other payables			67,033	67,033	2
Total Financial Liabilities	-	-	781,141	792,031	

Financial instruments (x € 1 000)	31.12.2014				
	At fair value through P/L-held for trading	Available for sale	Loans and receivables/HTM at amortised cost	Fair value	Fair value level
Other financial investments					
Other financial assets			1,582	1,582	2
Non-current receivables					
Receivables and prepayments			58,896	58,896	2
Restricted cash			256	256	2
Current receivables					
Trade and other receivables			82,804	82,804	2
Derivatives	290			290	2
Cash and cash equivalents			98,955	98,955	2
Total Financial Assets	290	-	242,493	242,783	
Interest-bearing borrowings - non-curr,					
Bank borrowings			234,828	234,828	2
Bonds Poland			117,959	117,959	2
Bonds Belgium			85,355	93,046	2
Other borrowings			2,035	2,035	2
Finance lease liabilities			10	10	2
Interest-bearing borrowings - current					
Bank borrowings			132,651	132,651	2
Bonds Poland			13,806	13,806	2
Bonds Belgium			24,764	25,212	2
Other borrowings			10,011	10,011	2
Finance lease liabilities			11	11	2
Current payables					
Trade and other payables			42,949	42,949	2
Total Financial Liabilities	-	-	664,379	672,518	



10. Transactions with related parties

Balances and transactions between the Group and related parties (belonging to the Development Holding and the Portfolio Holding) mainly relate to construction and development services on the one hand and other (financial) related party transactions on the other hand.

Trading transactions: purchase of construction, engineering and other related services from related parties

Construction and development services

The Group has entered into property development and construction contracts with property development and construction companies (“Contractors”), the direct and indirect subsidiaries of International Real Estate Services Comm. VA, parent company of Ghelamco’s “Development Holding”:

- Ghelamco Belgium with its registered office in Leper;
- Ghelamco Poland with its registered office in Warsaw;
- Ghelamco Russia with its registered office in Moscow and
- Ghelamco Ukraine with its registered office in Kiev.

Engineering and architectural design services

APEC Architectural Engineering Projects Limited (a limited liability company registered under the laws of Ireland) and Safe Invest Sp. z o.o (a limited liability company registered under the laws of Poland), both direct and indirect legal subsidiaries of International Real Estate Services Comm. VA, the parent company of Ghelamco’s “Development Holding”) coordinate engineering and architectural design services provided to the Group in accordance with terms of the respective contracts. Purchases of services from Apec Ltd and Safe Invest Sp. z o.o comprise a significant part of all engineering, architectural design and other related services acquired by the Group.

Above described related party transactions and balances can be detailed as follows:

Purchases of construction, engineering and architectural design:	-72,079
related party trade receivable	12,836
related party trade accounts payable	-28,801
related party non-current loans receivable	39,643
related party non-current trade and other receivable	1,960
related party interests receivable	12,836
related party C/A receivable	47,512
related party non-current loans payable	-1,523
related party interests payable	-1,905
related party C/A payable	-5,228



11. Post balance sheet events

- Ghelamco Invest NV has on 24 June 2015 launched a new EMTN bonds program for a maximum amount of 150 MEUR. First tap on this program – which was very successful, causing an early close of the subscription period – has resulted in the issue of a first tranche of 79,100 KEUR. The bonds, which are listed on Euronext, have as maturity date 3/07/2020, bear an interest rate of 4.5% and are secured by a first demand guarantee from Ghelamco Group Comm. VA. The program has been coordinated by Belfius, BNP and KBC. The above first tranche has been underwritten by institutional investors and high-net-worth individuals. Since its bond listing on Euronext, Ghelamco Invest NV is formally considered a Public Interest Entity (PIE).



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Ghelamco Group Comm. VA and subsidiaries

**Report on review
of the consolidated interim financial
information for the six-month period
ended 30 June 2015**

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Ghelamco Group Comm. VA and subsidiaries

Report on review of the consolidated interim financial information for the six-month period ended 30 June 2015

To the board of directors

In the context of our appointment as the company's statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the condensed consolidated balance sheet as at 30 June 2015, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated cash flow statement for the period of six months then ended, as well as selective notes 1 to 11.

Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of Ghelamco Group Comm. VA ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standard IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

The condensed consolidated balance sheet shows total assets of 1,450,050 (000) EUR and the condensed consolidated income statement shows a consolidated profit (group share) for the period then ended of 47,762 (000) EUR.

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

Scope of review

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



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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Ghelamco Group Comm. VA has not been prepared, in all material respects, in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

Diegem, 28 September 2015

The statutory auditor

A handwritten signature in black ink, appearing to be "Rik Neckebroeck", written over a horizontal line.

DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Rik Neckebroeck

ANNEX C

PART XI - SELECTED FINANCIAL INFORMATION CONCERNING THE ISSUER AND GUARANTOR'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSSES

1 Financial information of the Issuer

Selected financial information for the periods ended 30 June 2015, 30 June 2014, 31 December 2014 and 31 December 2013 is included below.

The information for the periods ended 30 June 2015 and 30 June 2014 below is extracted from the unaudited consolidated interim financial statements of the Issuer.

The information for the period ended 31 December 2014 and 31 December 2013 below is extracted from the IFRS consolidated financial statements of the Issuer. In relation to the annual consolidated financial statements for the periods ended 31 December 2014 and 31 December 2013, an unqualified auditor's opinion has been issued.

1.1.1 Consolidated balance sheet ('000 EUR)

	31/12/2014	31/12/2013	30/06/2015
ASSETS	Audited		Unaudited
Non-current assets			
Investment Property	223,360	214,859	242,010
Property, plant and equipment	277	321	248
Investments in associates	590	1,380	380
Receivables and prepayments	2,580	2,457	2,673
Deferred tax assets	2,985	2,530	3,043
Other financial assets	561	500	1,059
Restricted cash	0	0	0
Total non-current assets	230,353	222,047	249,413
Current assets			
Property Development Inventories	132,720	111,503	154,169
Trade and other receivables	20,512	12,423	46,970
Current tax assets	0	9	0
Derivatives	0	0	0
Assets classified as held for sale	975	3,475	975
Restricted cash	0	0	0

Cash and cash equivalents	39,837	20,752	16,104
Total current assets	194,044	148,162	218,218
TOTAL ASSETS	424,397	370,209	467,631
	31/12/2014	31/12/2013	30/06/2015
Capital and reserves attributable to the Group's equity holders	Audited		Unaudited
Share capital	61,490	1,490	111,490
Retained earnings	28,278	23,710	33,987
	89,768	25,200	145,477
Non-controlling interests	67	90	81
TOTAL EQUITY	89,835	25,290	145,558
Non-current liabilities			
Interest-bearing loans and borrowings	165,346	230,471	196,095
Deferred tax liabilities	12,190	13,121	14,144
Long-term provisions	178	178	177
Total non-current liabilities	177,714	243,770	210,416
Current liabilities			
Trade and other payables	23,605	26,566	23,660
Current tax liabilities	829	1,437	1,323
Interest-bearing loans and borrowings	132,414	73,146	86,674
Total current liabilities	156,848	101,149	111,657
Total liabilities	334,562	344,919	322,073
TOTAL EQUITY AND LIABILITIES	424,397	370,209	467,631

1.1.2 Consolidated income statement ('000 EUR)

	31/12/2014	31/12/2013	30/06/2015	30/06/2014
	Audited		Unaudited	
Revenue	37,747	9,868	40,415	16,740
Other operating income	4,288	946	846	808
Cost of Property Development Inventories	-19,348	-6,230	-21,910	-9,096
Employee benefit expense	-402	-389	-185	-208
Depreciation amortisation and impairment charges	-70	-368	-27	-32
Gains from revaluation of Investment Property	7,538	21,012	5,628	5,888
Other operating expense	-8,955	-4,844	-10,809	-2,675
Share of results of associates	-790	0	-211	0
Operating profit - result	20,008	19,995	13,747	11,425
Finance income	607	350	219	268
Finance costs	-13,205	-9,465	-5,753	-6,271
Profit before income tax	7,410	10,880	8,213	5,422
Income tax expense/income	-2,853	-4,778	-2,493	-2,111
Profit for the year / period	4,557	6,102	5,720	3,311
Attributable to:				
Equity holders of parent	4,544	6,081	5,706	3,300
Non-controlling interests	13	21	14	11

1.1.3 Consolidated cash flow statement ('000 EUR)

	31/12/2014	31/12/2013	30/06/2015	30/06/2014
Operating Activities	Audited		Unaudited	
Profit / (Loss) before income tax	7,410	10,880	8,213	5,422
<i>Adjustments for:</i>				

- Share of results of associates	790	0	210	0
- Change in fair value of investment property	-7,538	-21,012	-5,628	-5,888
- Depreciation, amortisation and impairment charges	70	68	27	32
- Result on disposal Investment Property	-1,659	-16	0	0
- Change in provisions	0	111	-1	0
- Net interest charge	11,320	8,152	4,708	5,449
- Movements in working capital:				
- Change in inventory	-22,547	-12,358	-21,449	-15,188
- Change in trade & other receivables	-8,089	5,124	-26,458	-27,399
- Change in trade & other payables	-203	561	4,766	5,070
- Change in MTM derivatives	0	0	0	0
- Movement in other non-current liabilities	0	0	0	0
- Other non-cash items	29	-134	5	19
Income tax paid	-1,482	-210	-103	-1,235
Interest paid	-14,301	-6,324	-9,638	-4,496
Net cash from operating activities	-36,200	-15,158	-45,348	-38,214
Investing Activities				
Interest received	607	350	219	268
Purchase of property, plant & equipment	-24	-13	0	-22
Purchase of investment property	-37,608	-83,124	-11,544	-20,065
Capitalized interest in investment property	-2,324	-1,285	-1,478	-932
Proceeds from disposal of investment property	40,675	17,385	0	2,500
Net cash outflow on acquisition of subsidiaries	0	0	0	0
Cash in/outflow on other non-current financial assets	-184	-399	-591	-79
Net cash inflow/outflow on NCI transactions	0	0	0	0
Movement in restricted cash accounts	0	0	0	0
Net cash flow used in investing activities	1,142	-67,086	-13,394	-18,330

Financing Activities				
Proceeds from borrowings	36,139	84,656	24,977	58,603
Repayment of borrowings	-41,996	-10,002	-39,968	-3,459
Capital increase/decrease	-60,000	0	50,000	0
Dividends paid	0	-13	0	0
Net cash inflow from / (used in) financing activities	54,143	74,641	35,009	55,144
Net increase in cash and cash equivalents	19,085	-7,603	-23,733	-1,400
Cash and cash equivalents at 1 January	20,752	28,355	39,837	20,752
Cash and cash equivalents per end of the year/period	39,837	20,752	16,104	19,352

2 Financial information of the Guarantor

Selected financial information for the periods ended 30 June 2015, 30 June 2014, 31 December 2014 and 31 December 2013 is included below.

The information for the periods ended 30 June 2015 and 30 June 2014 below is extracted from the unaudited interim consolidated financial statements of the Guarantor.

The information for the period ended 31 December 2014 and 31 December 2013 below is extracted from the IFRS consolidated financial statements of the Guarantor. In relation to the annual consolidated financial statements for the periods ended 31 December 2014 and 31 December 2013, an unqualified auditor's opinion has been issued.

2.1.1 Consolidated balance sheet ('000 EUR)

	31/12/2014	31/12/2013	30/06/2015
ASSETS	Audited		Unaudited
Non-current assets			
Investment Property	820,414	854,311	972,413
Property, plant and equipment	391	457	352
Intangible assets	4,299	4,788	4,050
Investments in associates	590	1,380	380
Receivables and prepayments	58,896	65,665	68,962
Deferred tax assets	6,432	2,840	6,557

Other financial assets	1,582	2,951	1,437
Restricted cash	256	471	0
Total non-current assets	892,860	932,863	1,054,151
Current assets			
Property Development Inventories	182,917	178,071	198,645
Trade and other receivables	91,810	82,701	116,332
Current tax assets	19	41	15
Derivatives	290	1,842	0
Assets classified as held for sale	975	3,475	975
Cash and cash equivalents	98,955	70,182	79,932
Total current assets	374,966	336,312	395,899
TOTAL ASSETS	1,267,826	1,269,175	1,450,050

	31/12/2014	31/12/2013	30/06/2015
	Audited		Unaudited
Capital and reserves attributable to the Group's equity holders			
Share capital	73,194	73,194	73,194
CTA	12,198	8,214	14,156
Retained earnings	480,283	489,941	528,046
	565,675	571,349	615,396
Non-controlling interests	5,508	4,954	6,002
TOTAL EQUITY	571,183	576,303	621,398
Non-current liabilities			
Interest-bearing loans and borrowings	440,187	431,687	588,487
Deferred tax liabilities	23,770	23,925	35,668
Other non-current liabilities	2,500	2,500	2,500

Long-term provisions	178	178	177
Total non-current liabilities	466,635	458,290	626,832
Current liabilities			
Trade and other payables	46,458	53,377	73,156
Current tax liabilities	2,307	2,353	3,043
Interest-bearing loans and borrowings	181,243	178,852	125,621
Short-term provisions	0	0	0
Total current liabilities	230,008	234,582	201,820
Total liabilities	696,643	692,872	828,652
TOTAL EQUITY AND LIABILITIES	1,267,826	1,269,175	1,450,050

2.1.2 Consolidated income statement ('000 EUR)

	31/12/2014	31/12/2013	30/06/2015	30/06/2014
	Audited		Unaudited	
Revenue	69,579	50,062	58,082	34,027
Other operating income	13,951	5,312	1,247	1,736
Cost of Property Development Inventories	-36,151	-20,986	-27,237	-17,401
Employee benefit expense	-1,190	-1,161	-546	-637
Depreciation amortisation and impairment charges	-588	-621	-286	-291
Gains from revaluation of Investment Property	11,335	52,137	62,156	22,382
Other operating expense	-36,502	-29,463	-20,373	-18,437
Share of results of associates	-790	0	-210	0
Operating profit - result	19,644	55,280	72,833	21,379
Finance income	4,298	3,563	1,795	1,750
Finance costs	-31,536	-34,228	-13,154	-21,965

Profit before income tax	-7,594	24,615	61,474	1,164
Income tax expense	-1,468	-9,206	-13,221	-495
Profit for the year/period	-9,062	15,409	48,253	669
Attributable to:				
Equity holders of parent	-9,693	15,017	47,762	177
Non-controlling interests	631	392	491	492

2.1.3 Consolidated cash flow statement ('000 EUR)

	31/12/2014	31/12/2013	30/06/2015	30/06/2014
	Audited		Unaudited	
Profit / (Loss) before income tax	-7,594	24,615	61,474	1,164
<i>Adjustments for:</i>				
- Share of results of associates	790	0	210	0
- Change in fair value of investment property	-11,335	-52,137	-62,156	-22,382
- Gain on disposal of subsidiary	0	0	0	0
- Gain on disposal of interest in former associates	0	0	0	0
- Depreciation, amortisation and impairment charges	588	321	286	291
- Result on disposal investment property	-8,160	-1,849	0	0
- Change in provisions	0	111	-1	0
- Net interest charge	21,105	20,414	7,832	14,261
- Movements in working capital:				
- Change in inventory	-7,691	-1,351	-15,728	-3,580
- Change in trade & other receivables	-9,109	-28,316	-24,522	-26,867
- Change in trade & other payables	-5,422	-20,495	4,939	-131
- Change in MTM derivatives	1,552	80	290	397
- Movement in other non-current liabilities	0	2,500	0	0
- Other non-cash items	-122	217	60	-521
Income tax paid	-5,239	-1,821	-708	-1,374
Interest paid	-24,281	-23,977	-9,903	-14,219

Net cash from operating activities	-54,918	-81,688	-37,927	-52,961
Investing Activities				
Interest received	4,298	3,563	1,795	1,750
Purchase of property, plant & equipment and intangibles	-25	-5,034	0	20
Purchase of investment property	-141,643	-170,675	-53,601	-70,456
Capitalized interest in investment property	-14,323	-10,582	-9,460	-5,232
Proceeds from disposal of investment property	229,759	253,178	0	2,500
Net cash outflow on acquisition of subsidiaries	0	0	0	0
Net cash inflow on disposal of subsidiary	0	0	0	0
Net cash inflow on disposal of associate	0	0	0	0
Cash in/outflow on other non-current financial assets	8,138	-21,318	-9,921	6,413
Net cash inflow/outflow on NCI transactions	0	0	0	0
Change in trade & other payables	0	0	0	0
Movement in restricted cash accounts	215	234	256	98
Net cash flow used in investing activities	86,419	49,366	-70,931	-64,907
Financing Activities				
Proceeds from borrowings	259,350	177,237	117,052	185,444
Repayment of borrowings	-248,459	-151,575	-24,374	-61,488
Dividends paid	0	-13	0	0
Net cash inflow from / (used in) financing activities	10,891	25,649	92,678	123,956
Net increase/decrease in cash and cash equivalents	42,392	-6,673	-16,180	6,088
Cash and cash equivalents at 1 January of the year/period	70,182	65,098	98,955	70,182
effects of exch. rate changes on EUR/USD balances in non-EUR countries	-13,619	11,757	-2,843	3,800

Cash and cash equivalents at 31 December of the year	98,955	70,182	79,932	80,070
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