



Immobel SA

(incorporated in the Kingdom of Belgium with limited liability)

€60,000,000 5.5 per cent. Bonds due 28 March 2018

Issue Price: 100 per cent.

The €60,000,000 5.5 per cent. bonds due 28 March 2018 (the “**Bonds**”) will be issued by Immobel SA (the “**Issuer**”). Interest on the Bonds is payable annually in arrear on 28 March in each year, subject to adjustment as described in the “Terms and Conditions of the Bonds — Interest” and “Terms and Conditions of the Bonds — Redemption and Purchase”. Payments on the Bonds will be made without deduction for or on account of taxes of the Kingdom of Belgium to the extent described under “Terms and Conditions of the Bonds — Taxation”.

The Bonds mature on 28 March 2018. The Bonds are subject to redemption in whole, at their principal amount, together with accrued interest, at the option of the Issuer at any time in the event of certain changes affecting taxes of the Kingdom of Belgium. Subject to the approval by the Issuer’s shareholders of Condition 4(c), upon a Change of Control (as defined in Condition 4(c)) of the Issuer, the Bonds shall, at the option of the holders of the Bonds, be redeemed at the Put Redemption Amount (as defined in Condition 4(c)). See “Terms and Conditions of the Bonds — Redemption and Purchase — Redemption at the Option of the Bondholders upon a Change of Control”

The Bonds will constitute unsecured and unsubordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The Bonds are structurally subordinated to the secured obligations of the Issuer. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 7.1 of the Terms and Conditions of the Bonds, at all times rank at least equally with all its respective other present and future unsecured and unsubordinated obligations.

This Prospectus has been prepared for the purpose of the listing of the Bonds on the regulated market of NYSE Euronext Brussels. It has been approved on 19 March 2013 by the Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des services et marchés financiers*) (the “**FSMA**”) in its capacity as competent authority under Article 23 of the Belgian Law dated 16 June 2006 concerning the public offer of investment securities and the admission of investment securities to trading on a regulated market (the “**Prospectus Law**”). Application has also been made for the Bonds to be admitted to trading on the regulated market of NYSE Euronext Brussels. References in this Prospectus to the Bonds being “listed” (and all related references) shall mean that the Bonds have been admitted to trading on the regulated market of NYSE Euronext Brussels, which is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments. The denomination of the Bonds shall be €100,000.

The Bonds will be issued in dematerialised form under articles 468 *et. seq.* of the Belgian company code (*Wetboek van Vennootschappen/Code des Sociétés*) (the “**Belgian Company Code**”) and cannot be physically delivered. The Bonds will be represented exclusively by book entries in the records of the NBB securities settlement system operated by the National Bank of Belgium (the “**NBB**”) or any successor thereto (the “**NBB Clearing System**”). Access to the NBB Clearing System is available through those of its NBB Clearing System participants whose membership extends to securities such as the Bonds. Clearing System participants include certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*), Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking, *société anonyme*, Luxembourg (“**Clearstream, Luxembourg**”). Accordingly, the Bonds will be eligible to clear through, and therefore accepted by, Euroclear and Clearstream, Luxembourg and investors can hold their Bonds within securities accounts in Euroclear and Clearstream, Luxembourg.

Prospective investors should have regard to the factors described under the section headed “Risk Factors” in this Prospectus.

Joint Lead Managers and Joint Bookrunners

BNP PARIBAS FORTIS

KBC BANK

This Prospectus comprises a prospectus for the purposes of Article 5.3 of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) and the Prospectus Law and for the purpose of giving information with regard to ImmoBel SA and the €60,000,000 5.5 per cent. Bonds due 28 March 2018 which according to the particular nature of the Issuer and the Bonds, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer. The Issuer (the “**Responsible Person**”) accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Prospectus is to be read in conjunction with all the documents which are incorporated herein by reference (see “Documents Incorporated by Reference”).

This Prospectus has been prepared for the purpose of the listing of the Bonds on the regulated market of NYSE Euronext Brussels and does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Joint Lead Managers (as defined in “Subscription and Sale” below) to subscribe or purchase, any of the Bonds in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions.

For a description of further restrictions on sales of Bonds and distribution of this Prospectus, see “Subscription and Sale” below.

No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer or the Joint Lead Managers. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Bonds is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. If at any time during the relevant period for the purpose of Article 34 of the Prospectus Law there arises or is noted a significant new factor, material mistake or inaccuracy relating to the information included in this prospectus, the Issuer will prepare and submit to the FSMA for its approval a supplementary prospectus containing details of the new factor, mistake or inaccuracy so as to comply with the requirements of Article 34 of the Prospectus Law.

To the fullest extent permitted by law, the Joint Lead Managers accept no responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by the Joint Lead Managers or on their behalf in connection with the Issuer or the issue, listing and private placement of the Bonds. The Joint Lead Managers accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which they might otherwise have in respect of this Prospectus or any such statement.

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933 (the “**Securities Act**”) and are subject to U.S. tax law requirements. Subject to certain exceptions, the Bonds may not be offered, sold or delivered within the United States or to U.S. persons (as defined in Regulation S under the Securities Act).

Unless otherwise specified or the context requires, references to “euro”, “Euro” and “€” refer to the lawful currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community as amended by the Treaty on the Functioning of the European Union.

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RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Bonds. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Bonds are also described below.

Before investing in the Bonds, prospective investors should consider carefully all of the information in this Prospectus, including the following specific risks and uncertainties. If any of the following risks materialises, the Issuer's business, results of operations, financial condition and prospects could be materially adversely affected. In that event, the value of the Bonds could decline and an investor might lose part or all of the investor's investment due to an inability of the Issuer to fulfil its obligations under the Bonds. Although the Issuer believes that the risks and uncertainties described below represent all material risks and uncertainties considered relevant, on the date of publication of this prospectus, for the Issuer's business, the Issuer may face additional risks and uncertainties not presently known to the Issuer or that the Issuer currently deems to be immaterial. The latter may also have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects, and could negatively affect the value of the Bonds and/or the ability of the Issuer to fulfil its obligations under the Bonds.

Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents incorporated by reference herein) and should reach their own views before making an investment decision with respect to any Bonds. Furthermore, before making an investment decision with respect to any Bonds, prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial, legal and tax advisers and carefully review the risks associated with an investment in the Bonds and consider such an investment decision in light of the prospective investor's own circumstances.

Factors that may affect the ability of the Issuer, to fulfil its obligations under the Bonds

Risks related to the Issuer's business

Market risk

Changes in general economic conditions in the markets in which the Issuer's properties are located could adversely affect the Issuer's value of its property development portfolio, as well as its development policy and, consequently, its growth prospects.

The Issuer is exposed to the local, regional, national and international economic conditions and other events and occurrences that affect the markets in which the Issuer's property development portfolio is located: the office property market in Belgium (mainly in Brussels), Luxembourg and Poland; and the residential (apartments and plots) property market (mainly in Brussels, the Walloon Region and Poland).

Changes in the principal macroeconomic indicators or a general economic slowdown in Belgium, in particular in Brussels, or one or more of the Issuer's other markets, or on a global scale in general, could result in lower demand for office or residential property space, higher vacancy rates and higher risk of default of service providers, building contractors, tenants and other counterparties, any of which could materially adversely affect the Issuer's value of its property portfolio, and, consequently, its development prospects.

As the Issuer's results and financial position are to a great extent driven by disposals of real estate projects and the capability of the Issuer to conclude leases on its projects, changes in the market environment can have

an important impact on the Issuer. In particular, according to the latest information given to the market, the activity in the offices market in Brussels is since many months very weak.

Operational risk

The Issuer may not be able to dispose of some or all of its real estate projects

The Issuer's revenues are determined by disposals of real estate projects. Hence, the results of the Issuer can fluctuate significantly from year to year depending on the number of projects that can be put up for sale and can be sold in that given year. Furthermore, it cannot be guaranteed that the Issuer will find a buyer for the transfer of its assets or that the transfer price of the assets will reach a given level. The Issuer's inability to conclude sales can give rise to significant fluctuations of the results of the Issuer.

The Issuer may pursue an inappropriate property development strategy

When considering property development investments, the Issuer makes certain estimates as to economic, market and other conditions, including estimates relating to the value or potential value of a property and the potential return on investment. These estimates may prove to be incorrect, rendering the Issuer's strategy inappropriate with consequent negative effects for the Issuer's business, results of operations, financial condition and prospects.

The Issuer may face a higher risk due to the expansion of its operations into Poland

The Issuer acquired since 2011 several offices/residential/retail projects under development or to be developed in Poland, confirming its strategy to further expand into the Polish market. Although the Issuer has completed development projects in Poland in the past, it has a more limited experience in managing projects outside of the Belux market and has a more limited knowledge of the market and regulatory situation and requirements in this new market.

The Issuer's development projects may experience delays and other difficulties

Before acquiring any project, the Issuer carries out studies into its feasibility in terms of urbanisation, technology, the environment and finance, usually with the help of specialised consultants. These projects are however always subject to various risks, each of which could cause delay to delivery of a project and therefore increase the time until a project can be sold, increase the costs of a project compared to the budget, cause the loss or decrease of expected income of a project or, in some cases, even cause the termination of a project.

Risks involved in these activities include but are not limited to: (i) delays resulting from amongst other things adverse weather conditions, work disputes, construction process, insolvency of construction contractors, shortages of equipment or construction materials, accidents or unforeseen technical difficulties; (ii) difficulty in acquiring occupancy permits or other approvals required to complete the project; (iii) refusal by the planning authorities in the countries in which the Issuer operates to approve development plans; (iv) demands of planning authorities to modify existing plans; (v) intervention by pressure groups during public consultation procedures or other circumstances; and (vi) upon completion of the development project, occupancy rates, actual income from sale of properties or fair value being lower than forecasted.

Taking into account these risks, the Issuer cannot be sure that all its development projects (i) can be completed in the expected timeframe, (ii) can be completed within the expected budgets or (iii) can even be completed at all.

Furthermore the Issuer has certain projects whereby an asset under development is pre-leased or pre-sold to a third party and whereby the Issuer might face important liability if and when such projects are not completed within the pre-agreed timeline.

The Issuer may be liable for environmental issues regarding its property development portfolio

The Issuer's operations and property development portfolio are subject to various laws and regulations in the countries in which it operates concerning the protection of the environment, including but not limited to regulation of air, soil and water quality, controls of hazardous or toxic substances and guidelines regarding health and safety. Such laws and regulations may also require the Issuer to obtain certain permits or licenses, which it may not be able to obtain in a timely manner or at all. The Issuer may be required to pay for clean-up costs (and in specific circumstances, for aftercare costs) for any contaminated property it currently owns or owned in the past. As a property developer, the Issuer may also incur fines or other penalties for any deficiencies in environmental compliance and may be liable for remedial costs. In addition, contaminated properties may experience decreases in value.

The Issuer may lose key management and personnel or fail to attract and retain skilled personnel

Loss of its managerial staff and other key personnel or the failure to attract and retain skilled personnel could hamper the Issuer's ability to successfully execute its business strategies. The Issuer believes that its performance, success and ability to fulfil its strategic objectives depend on retaining its current executives and members of its managerial staff who are experienced in the markets and business in which the Issuer operates. The Issuer might find it difficult to recruit suitable employees, both for expanding its operations and for replacing employees who may resign, or recruiting such suitable employees may entail substantial costs both in terms of salaries and other incentive schemes. The unexpected loss of the services of one or more of these key individuals and any negative market or industry perception arising from such loss could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

The Issuer is subject to the risk of litigation, including potential warranty claims relating to leasing, developing and selling of real estate

In the ordinary course of the Issuer's business, legal actions, claims against and by the Issuer and its subsidiaries and arbitration proceedings involving the Issuer and its subsidiaries may arise. The Issuer may be subject to litigation initiated by sellers or purchasers of properties, tenants, contractors and subcontractors, current or former employees or other third parties.

In particular, the Issuer may be subject to warranty claims due to defects in quality or title relating to the leasing and sale of its properties. This liability may apply to defects in properties that were unknown to the Issuer but could have, or should have, been discovered. In addition, the Issuer may be exposed to substantial undisclosed or unascertained liabilities embedded in properties that were incurred or that arose prior to the completion of the Issuer's acquisition of such properties. These liabilities could include, but are not limited to, liabilities to state entities, to existing tenants, to creditors or to other persons involved with the properties prior to the acquisition, tax liabilities and indemnification claims by parties claiming to be entitled to be indemnified by the former owners of the properties.

Although the Issuer typically seeks to obtain contractual protection against such claims and liabilities from the seller of a property to it, there can be no assurance that such contractual protection has always been or will always be successfully obtained, or that it would be enforceable or effective if obtained under contract. Such potential liabilities, if realised, could have a material adverse effect on the returns realised on the development of such property by the Issuer. Any claims for recourse the Issuer may have against parties from which the Issuer has purchased such a property may fail because of the expiration of the statute of limitations, lack of proof that the previous seller knew or should have known of the defect, the insolvency of the previous seller or for other reasons.

The Issuer may also be subject to claims by purchasers of its properties as a result of representations and warranties about those properties given by the Issuer at the time of disposal. The Issuer's representations and warranties could pertain to, among other things, title to the property and liabilities for the payment of tax. The

Issuer may become party to claims, disputes or litigation concerning such representations and warranties and may be required to make payments to third parties as a result. In addition, following the disposal of any property, the Issuer may be obliged under contract or by law to retain certain liabilities or potential liabilities that exist in respect of such assets. The costs of any such claims, disputes or litigation, to the extent they materialise, would reduce the Issuer's cash flow and could have a material adverse effect on its business, results of operations, financial condition and prospects.

The Issuer is exposed to a liquidity and financing risk

The Issuer is exposed to a liquidity and financing risk which might result from a lack of funds in the event of non-renewal or cancellation of its existing financing contracts or its inability to attract new financing.

According to its current financing policy, the Issuer does not initiate the development of a project if the financing for it is not assured for its estimate duration, by external as well as internal sources.

During 2012, the Issuer obtained or renewed, alone or with its partners, its credit lines for around €520 million (at 100% participation).

The Issuer is exposed to interest rate risk which could materially impact its financial results

Given its current and future indebtedness, the Issuer is affected by a short or long-term change in interest rates, by the credit margins taken by the banks and by the other financing conditions. The Issuer's financing is assured on the basis of short-term interest rates (based on Euribor rates for one to 12 months) with the exception of the Bonds and the EUR40,000,000 7 per cent. bonds due 2016 issued by the Issuer which are at fixed rate. In the context of a global program of risk management coverage, the Issuer has set up a "hedging" policy aimed to provide adequate cover against the risk of interest rates on its debt with financial instruments.

The Issuer is exposed to a currency exchange risk which could materially impact its results and financial position

Following its entering in the Polish market, the Issuer is subject to currency exchange risks. There is the foreign currency transaction risk and the foreign currency translation risk.

The foreign currency transaction risk arises when the Issuer or subsidiaries of the Issuer enter into a transaction where the settlement of the transaction occurs in a currency other than the functional currency of the Issuer or the subsidiary (a foreign currency transaction). Exchange differences (gains and losses) arising on the settlement of monetary items or on translation monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements will have to be recognised in profit or loss in the period in which they arise.

The foreign currency translation risk arises at the translation of the foreign operations of the Issuer into Euro. The assets and liabilities of these foreign operations have to be translated at the closing rate at the date of reporting, the income statement of these of foreign operations have to be translated at an average rate of the period. All resulting exchange differences (gains and losses) have to be recognised in a separate component of equity, "currency translation differences".

The Issuer is subject to regulatory risk

Any development is subject to planning, construction and environmental permission being granted. A delay in retrieving such permissions, or the non-granting of such permissions could impact the activities of the Issuer.

Furthermore, the Issuer must respect several urbanisation rules. It could arise that the authorities or the administrations, reviews and/or changes these rules. These changes could have a material impact on the activities of the Issuer.

The Issuer is exposed to counterparty risk

The Issuer has contractual relations with multiple parties, such as partners, investors, tenants, contractors, financial institutions, architects. The inability of such counterparty to live up to their contractual obligations could have a significant impact on the Issuer's operational and financial position. The Issuer pays great attention, through appropriate studies, to the choice of its counterparties.

Changes in direct or indirect taxation rules could impact the financial position of the Issuer

The Issuer is active in Belgium, Luxemburg and Poland. Changes in the legislation in relation to direct and indirect taxation rules could impact the Issuer's financial position.

Factors which are material for the purpose of assessing the market risks associated with the Bonds

Risks related to the Bonds

The Issuer may not have the ability to repay the Bonds

The Issuer may not be able to repay the Bonds at their maturity. The Issuer may also be required to repay all or part of the Bonds in the event of a default as set out in the Terms and Conditions. If the Bondholders were to ask the Issuer to repay their Bonds following an event of default, the Issuer cannot be certain that it will be able to pay the required amount in full. The Issuer's ability to repay the Bonds will depend on the Issuer's financial condition (including its cash position resulting from its ability to receive income and dividends from its subsidiaries) at the time of the requested repayment. The Issuer's failure to repay the Bonds may result in an event of default under the terms of other outstanding indebtedness.

The Bonds may not be a suitable investment for all investors

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal and interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Bonds and be familiar with the behaviour of financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

There is currently no active trading market for the Bonds

The Bonds are new securities which may not be widely distributed and for which there is currently no active trading market. If the Bonds are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the Issuer's results of operations. Although application has been made for the Bonds to be

listed on the NYSE Euronext Brussels, there is no assurance that such application will be accepted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Bonds. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Modifications and waivers

The Terms and Conditions of the Bonds contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

The Change of Control Put

Each Bondholder, at its own initiative, will have the right to require the Issuer to redeem all or any part of such holder's Bonds at the Put Redemption Amount (as defined in the "Terms and Conditions" below), upon the occurrence of a Change of Control (as defined in the "Terms and Conditions" below) of the Issuer. If the procedure described in the Terms and Conditions has validly been followed, the Issuer may not refuse to redeem the Bonds.

In the event that such Change of Control Put right is exercised by holders of at least 85 per cent of the aggregate principal amount of the Bonds for the time being outstanding, the Issuer may, having given notice in the form and within the timeframe described in the Terms and Conditions, redeem all (but not some only) of the Bonds then outstanding at the Put Redemption Amount. Payment in respect of any such Bond shall be made as specified in the Terms and Conditions.

However, Bondholders should be aware that, in the event that (i) holders of 85 per cent or more of the aggregate principal amount of the Bonds exercise their option under Condition 4(c)(i), but the Issuer does not elect to redeem the remaining outstanding Bonds, or (ii) holders of a significant proportion, but less than 85 per cent of the aggregate principal amount, of the Bonds exercise their option under Condition 4(c)(i), Bonds in respect of which the Change of Control Put is not exercised may be illiquid and difficult to trade.

Potential investors should also be aware that the Change of Control Put can only be exercised provided that prior to the earliest of (a) the Issuer being notified by the FSMA of a formal filing of a proposed offer to the shareholders of the Issuer pursuant to Article 7 of the Belgian Royal Decree of 27 April 2007 on takeover bids or (b) the occurrence of the Change of Control, (i) the Change of Control Resolutions have been approved by the Shareholders of the Issuer in a general meeting and (ii) such resolutions have been filed with the Clerk of the Commercial Court of Brussels (*greffe du tribunal de commerce/griffie van de rechtbank van koophandel*). The Issuer has undertaken pursuant to Condition 4(c)(iii) to use all reasonable endeavours to procure that the Change of Control Resolutions be passed at the special meeting of shareholders of the Issuer to be held, simultaneously with the ordinary meeting of shareholders, on 23 May 2013 and to file a copy of the resolution as aforesaid immediately thereafter. If a Change of Control occurs prior to such approval and filing or if the shareholders do not approve the Change of Control Put, holders will not be entitled to exercise the option set out in Condition 4(c)(i). There can be no assurance that such approval will be granted at such meeting.

Change of law

The Terms and Conditions of the Bonds are based on Belgian law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to such law or administrative practice after the date of this Prospectus.

The Bonds are structurally subordinated to the secured obligations of the Issuer

The Bonds are structurally subordinated to the secured obligations of the Issuer (and in particular to the secured indebtedness created pursuant to the Facility Agreements (as defined in the Terms and Conditions of the Bonds). The Bonds constitute direct, general, unconditional and (subject to Condition 7.1 (*Negative Pledge*)) unsecured obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and futures unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are of general application. Upon a winding-up of the Issuer or if insolvency proceedings are brought in relation to the Issuer, the Bonds will be effectively subordinated to all of the Issuer's other secured indebtedness (and in particular to the secured indebtedness created pursuant to the Facility Agreements) to the extent of the value of the collateral securing such indebtedness.

Risks related to the market generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

The Bonds may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Bonds in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the euro would decrease (1) the Investor's Currency-equivalent yield on the Bonds, (2) the Investor's Currency equivalent value of the principal payable on the Bonds and (3) the Investor's Currency equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Bonds are legal investments for it; (2) the Bonds can be used as collateral for various types of borrowing; and (3) other restrictions apply to its purchase or pledge of the Bonds. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of the Bonds under any applicable risk-based capital or similar rules.

Potential Conflicts of Interest

The Issuer may from time to time be engaged in transactions which may affect the market price, liquidity or value of the Bonds and which could be deemed to be adverse to the interests of the Bondholders.

Potential investors should be aware that the Issuer is involved in a general business relation or/and in specific transactions with the Agent or/and of the Joint Lead Managers and that they might have conflicts of interests which could have an adverse effect to the interests of the Bondholders.

Within the framework of normal business relationship with its banks, the Issuer has entered into the Facility Agreements (as defined in Condition 7.5 (*Definitions*) of the Terms and Conditions of the Bonds) with the Joint Lead Managers. The terms and conditions of the Facility Agreements may differ or differ from the terms and conditions of the proposed Bonds and certain of the terms and conditions of such Facility Agreements could be or are stricter or more extensive than the terms and conditions of the proposed Bonds. The terms and conditions of these Facility Agreements may contain or contain financial covenants, such as a minimum equity level or the gearing ratio, different from or not included in the conditions of the proposed Bonds. The Bondholders should be aware of the fact that the Joint Lead Managers, when they act as lenders to the Issuer or another company within the Group (or when they act in any other capacity whatsoever), have no fiduciary duties or other duties of any nature whatsoever vis-à-vis the Bondholders and that they are under no obligation to take into account the interests of the Bondholders.

In addition, as part of these Facility Agreements, the lenders may have or have the benefit of guarantees granted by operational companies of the Group or security interests over any assets or business of the Group, whereas the Bondholders will not have the benefit from similar guarantees or security interests.

Potential investors should also be aware that the Agent and the Joint Lead Managers may hold from time to time debt securities, shares or/and other financial instruments of the Issuer.

These diverging interests may manifest themselves amongst other things in case of an event of default for any of the credit facilities granted by the Joint Lead Managers before the maturity of the Bonds or in case of a mandatory early repayment and may have a negative impact on the repayment capacity of the Issuer. It is not excluded that these credit facilities will be repaid before the maturity of the Bonds. The Joint Lead Managers do not have any obligation to take into account the interests of the Bondholders when exercising their respective rights as a lender under the aforementioned credit facilities. Any full or partial repayment of credit facilities granted by any of the Joint Lead Managers will, at that time, have a favourable impact on the exposure of such Joint Lead Manager vis-à-vis the Issuer.

Risks related to taxation

Belgian Withholding Tax

If the Issuer, the NBB, the Agent or any other person is required to make any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatever nature in respect of any payment in respect of the Bonds, the Issuer, the NBB, the Agent or that other person shall make such payment after such withholding or deduction has been made and will account to the relevant authorities for the amount so required to be withheld or deducted.

The Issuer will pay such additional amounts as may be necessary in order that the net payment received by each Bondholder in respect of the Bonds, after withholding for any taxes imposed by tax authorities in the Kingdom of Belgium upon payments made by or on behalf of the Issuer in respect of the Bonds, will equal the amount which would have been received in the absence of any such withholding taxes, except that no such additional amounts shall be payable in respect of any Bond in the circumstances defined in Condition 6 (*Taxation*) of the Terms and Conditions of the Bonds.

EU Savings Directive

Under the EC Council Directive 2003/48/EC on the taxation of savings income (the "**EU Savings Directive**"), member states of the European Economic Union (the "**EU Member States**" and each a "**EU Member State**") are required to provide to the tax authorities of another EU Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other EU Member State or to certain limited types of entities established in that other EU Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the EU Savings Directive which may, if implemented, amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers. If a payment were to be made or collected through a paying agent established in a state which at that time applies the withholding tax system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor the Agent (as defined below) nor any other person would be obliged to pay additional amounts to the Holders or to otherwise compensate Holders for the reductions in the amounts that they will receive as a result of the imposition of such withholding tax.

Taxation

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Bonds. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Prospectus.

Reliance on the procedures of the NBB Clearing System, Euroclear and Clearstream, Luxembourg for transfer, payment and communication with the Issuer

The Bonds will be issued in dematerialised form under articles 468 *et seq.* of the Belgian Company Code, as amended from time to time, and cannot be physically delivered. The Bonds will be represented exclusively by book entries in the records of the NBB Clearing System. Access to the NBB Clearing System is available through its NBB Clearing System participants whose membership extends to securities such as the Bonds. NBB Clearing System participants include certain banks, stockbrokers, and Euroclear and Clearstream, Luxembourg.

Transfers of interests in the Bonds will be effected between the Clearing System participants in accordance with the rules and operating procedures of the NBB Clearing System. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the Clearing System participants through which they hold their Bonds.

Neither the Issuer nor the Agent will have any responsibility for the proper performance by the NBB Clearing System or the NBB Clearing System participants of their obligations under their respective rules and operating procedures.

A Bondholder must rely on the procedures of the NBB Clearing System, Euroclear and Clearstream, Luxembourg to receive payments under the Bonds. The Issuer will have no responsibility or liability for the records relating to, or payments made in respect of, the Bonds within the NBB Clearing System.

The Agent is not required to segregate amounts received by it in respect of Bonds cleared through the NBB Clearing System

The Conditions of the Bonds and the Agency Agreement provide that the Agent will debit the relevant account of the Issuer and use such funds to make payment to the Bondholders and that the payment obligations of the Issuer under the Bonds will be discharged by payment to the Agent in respect of each amount so paid. The Agency Agreement provides that the Agent will, simultaneously with the receipt by it of the relevant amounts, pay to the Bondholders, directly or through the NBB, any amounts due in respect of the relevant Bonds. However, the Agent is not required to segregate any such amounts received by it in respect of the Bonds, and in the event that the Agent were subject to insolvency or bankruptcy proceedings at any time when it held any such amounts, Bondholders would not have any further claim against the Issuer in respect of such amounts, and would be required to claim such amounts from the Agent in accordance with applicable Belgian insolvency and bankruptcy laws.

The Calculation Agent does not assume any fiduciary or other obligations to the Bondholders and, in particular, is not obliged to make determinations which protect or further their interests.

BNP Paribas Fortis will act as the Issuer's Calculation Agent. In its capacity as Calculation Agent, it will act in accordance with the Conditions in good faith and endeavour at all times to make its determinations in a commercially reasonable manner. However, Bondholders should be aware that the Calculation Agent does not assume any fiduciary or other obligations to the Bondholders and, in particular, is not obliged to make determinations which protect or further the interests of the Bondholders.

The Calculation Agent may rely on any information to which it should properly have regard that is reasonably believed by it to be genuine and to have been originated by the proper parties. The Calculation Agent shall not be liable for the consequences to any person (including Bondholders) of any errors or omissions in (i) the calculation by the Calculation Agent of any amount due in respect of the Bonds or (ii) any determination made by the Calculation Agent in relation to the Bonds, in each case in the absence of bad faith or wilful default. Without prejudice to the generality of the foregoing, the Calculation Agent shall not be liable for the consequences to any person (including Bondholders) of any such errors or omissions arising as a result of (i) any information provided to the Calculation Agent proving to have been incorrect or incomplete or (ii) any relevant information not being provided to the Calculation Agent on a timely basis.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with (i) the audited consolidated annual financial statements of the Issuer for the financial years ended 31 December 2011 and 31 December 2012, together in each case with the audit report thereon and (ii) the press releases listed hereunder, which have been previously published or are published simultaneously with this Prospectus. These documents, which have been filed with the FSMA, shall be incorporated in, and form part of, this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Deloitte (statutory auditor of the issuer (having its registered office at Berkenlaan 8b, 1831 Diegem, Belgium) and a member of the “*Institut des Réviseurs d’Entreprises/Instituut der Bedrijfsrevisoren*” has audited, and rendered unqualified audit reports on, the consolidated financial statements of the Issuer for the year ended 31 December 2011 and 31 December 2012.

Copies of documents incorporated by reference in this Prospectus may be obtained (without charge) from the website of the Issuer (www.immobel.be).

The table below sets out the relevant page references for the audited consolidated financial statements of the Issuer for the financial years ended 31 December 2011 and 31 December 2012, as set out in the Issuer’s Annual Report. Any information contained in the documents incorporated by reference other than information listed in the table below is for information purposes only.

The audited financial statements of the Issuer for the financial year ended 31 December 2012 have been approved by the Board of Directors of the Issuer on 11 March 2013 but remain subject to approval by the general meeting of shareholders of the Issuer scheduled to be held on 23 May 2013. At the date of this Prospectus, the Immobel Annual Report 2012 was not yet available. It is expected that this report will become available in the course of April 2013.

Audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2012

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Audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2011

Immobel Annual Report 2011

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Press Releases

- (i) Friday, 8 February 2013 : Shareholders declaration : Fidea NV
- (ii) Friday, 8 February 2013 : Shareholders declaration : KBC Groep
- (iii) Friday, 21 December 2012 : Immobel delivers the last phase of the FORUM project to the Belgian Chamber of Representatives
- (iv) Thursday, 18 October 2012 : Intermediate statement
- (v) Friday, 31 August 2012 : First half year result 2012
- (vi) Friday, 31 August 2012 : Half-Yearly Financial Report ended 30 June 2012
- (vii) Thursday, 14 June 2012 : Absorption of Investimmo – Notification in compliance with article 15 of the law of 2 May 2007
- (viii) Thursday, 24 May 2012 : Immobel pays a gross dividend of 1.75 EUR per share, increased by 40%
- (ix) Tuesday, 15 May 2012 : Intermediate statement
- (x) Thursday, 15 March 2012 : Year results 2011
- (xi) Monday, 13 February 2012 : Immobel expands its placement of bonds of December 2011

TERMS AND CONDITIONS OF THE BONDS

The following, save for the paragraphs in italics, is the text of the Terms and Conditions of the Bonds.

The issue of the Bonds was authorised by a resolution of the board of directors of the Issuer passed on 11 March 2013. The Bonds are issued subject to and with the benefit of a domiciliary and paying agency agreement to be entered into between the Issuer and BNP Paribas Securities Services, acting through its Brussels branch, acting as domiciliary, paying and listing agent (the “**Agent**”), which expression shall include any successor Agent under the Agency Agreement (such agreement as amended and/or supplemented and/or restated from time to time, the “**Agency Agreement**”). The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement. Copies of the Agency Agreement are available for inspection during normal business hours at the specified office of the Agent. The specified office of the Agent is at 2, Boulevard Louis Schmidt, 1040 Brussels. The Bondholders are bound by and deemed to have notice of all provisions of the Agency Agreement applicable to them.

References herein to “Conditions” are, unless the context otherwise requires, to the numbered paragraphs below.

1 Form, Denomination and Title

The Bonds are in dematerialised form in accordance with Article 468 of the Belgian Company Code. The Bonds will be represented by book entry in the records of the securities settlement system operated by the NBB or any successor thereto (the “**NBB Clearing System**”). The Bonds can be held by their holders through participants in the NBB Clearing System, including Euroclear and Clearstream, Luxembourg and through other financial intermediaries which in turn hold the Bonds through Euroclear and Clearstream, Luxembourg, or other participants in the NBB Clearing System. The Bonds are accepted for clearance through the NBB Clearing System, and are accordingly subject to the applicable Belgian clearing regulations, including the Belgian law of 6 August 1993 on transactions in certain securities, its implementing Belgian Royal Decrees of 26 May 1994 and 14 June 1994 and the rules of the NBB Clearing System and its annexes, as issued or modified by the NBB from time to time (the laws, decrees and rules mentioned in this Condition being referred to herein as the “**NBB Clearing System Regulations**”). Title to the Bonds will pass by account transfer. The Bondholders will not be entitled to exchange the Bonds into definitive bonds in bearer form.

If at any time the Bonds are transferred to another clearing system, not operated or not exclusively operated by the NBB, these provisions shall apply *mutatis mutandis* to such successor clearing system and successor clearing system operator or any additional clearing system and additional clearing system operator (any such clearing system, an “**Alternative NBB Clearing System**”).

The Bonds are in principal amounts of €100,000 each (the “**Specified Denomination**”).

2 Status

The Bonds constitute direct, unconditional and (subject to Condition 7.1 (*Negative Pledge*)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 7.1 (*Negative Pledge*), at all times rank at least equally with all its respective other present and future unsecured and unsubordinated obligations.

3 Interest

The Bonds bear interest from and including 28 March 2013 at the rate of 5.5 per cent. per annum (subject as provided in Condition 4(c) (*Redemption at the Option of Bondholders upon a Change of Control*), payable annually in arrear on 28 March in each year (each an “**Interest Payment Date**”). Each Bond will cease to bear interest from the due date for redemption unless payment of principal is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of the day on which all sums due in respect of such Bond up to that day are paid by the Issuer to the Agent for the benefit of the Bondholders.

Where interest is to be calculated in respect of a period which is equal to or shorter than an Interest Period (as defined below), the day-count fraction used will be the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last).

In these Conditions, the period beginning on and including 28 March 2013 and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an “**Interest Period**”.

Interest in respect of any Bond shall be calculated per Specified Denomination. The amount of interest payable per Specified Denomination for any period shall be equal to the product of 5.5 per cent. (subject as provided in Condition 4(c) (*Redemption at the Option of Bondholders upon a Change of Control*)), the Specified Denomination and the day-count fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

4 Redemption and Purchase

(a) Final redemption

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 28 March 2018 (the “**Maturity Date**”). The Bonds may not be redeemed at the option of the Issuer other than in accordance with Condition 4(b) (*Redemption for taxation reasons*).

(b) Redemption for taxation reasons

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice to the Bondholders (which notice shall be irrevocable in accordance with Condition 11 (*Notices*)) at their principal amount (together with interest accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 6 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Belgium, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 19 March 2013, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this Condition 4(b), the Issuer shall deliver to the Agent a certificate signed by two directors of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer taking reasonable measures available to it and an opinion of independent legal advisors of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. The Issuer

shall publish such certificate on its website (www.immobel.be) as long as any Bond remains outstanding.

The Issuer shall redeem the Bonds after the expiry of the notice referred to in Condition 4(b) above.

(c) **Redemption at the Option of Bondholders Upon a Change of Control**

(i) *Exercise of Put Option*

In the event that a Change of Control occurs then each Bondholder, at its own initiative, will have the right to require the Issuer to redeem that Bond on the Change of Control Put Date at the Put Redemption Amount (as defined below). The Issuer may not refuse to redeem the Bonds, subject to compliance with the procedure described hereunder. If holders of the Bonds exercise such right in respect of at least 85 per cent. of the aggregate principal amount of the Bonds for the time being outstanding, then the Issuer may redeem all outstanding Bonds as set out here below.

To exercise such right, the relevant Bondholder must, during the Change of Control Put Exercise Period, deposit a duly completed put option notice (a “**Change of Control Put Exercise Notice**”), substantially in the form as set out in the Prospectus, with the bank or other financial intermediary through which the Bondholder holds Bonds (the “**Intermediary**”), requesting that the Intermediary (i) deliver the Change of Control Put Exercise Notice to the Agent, (ii) liaise with the Agent to organise the early redemption of such Bonds pursuant to this Condition 4(c) and (iii) transfer the relevant Bond(s) to the account of the Agent. Upon receipt of such Change of Control Put Exercise Notice, the Agent shall deliver a duly completed receipt for such Change of Control Put Exercise Notice (a “**Put Exercise Receipt**”) to the depositing Bondholder and provide a copy of the Change of Control Put Exercise Notice to the Issuer. The Agent will inform the Issuer of the total amount of Bonds subject to Change of Control Put Exercise Notices no later than the fifth TARGET Business Day following the end of the Change of Control Put Exercise Period. The Issuer will not be liable for any inaction or late action of an Intermediary or the Agent and any fees charged by the Intermediary and/or the Agent in relation to the deposit of the Change of Control Put Exercise Notice or the transfer of the relevant Bonds will be borne by the relevant Bondholders.

The “**Change of Control Put Date**” shall be the 14th TARGET Business Day after the last day of the Change of Control Put Exercise Period.

Payment in respect of any such Bond shall be made by transfer to a euro account maintained with a bank in a city in which banks have access to the TARGET System as specified by the relevant Bondholder in the relevant Change of Control Put Exercise Notice.

A Change of Control Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds subject of Change of Control Put Exercise Notices delivered as aforesaid on the Change of Control Put Date.

Bondholders should note that the exercise by any of them of the option set out in Condition 4(c)(i) will only be effective under Belgian law if, prior to the earliest of (a) the Issuer being notified by FSMA of a formal filing of a proposed offer to the shareholders of the Issuer pursuant to Article 7 of the Belgian Royal Decree of 27 April 2007 on takeover bids or (b) the occurrence of the Change of Control, (i) the Change of Control Resolutions have been approved by the Shareholders of the Issuer in a general meeting and (ii) such resolutions have been filed with the Clerk of the Commercial Court of Brussels (greffe du tribunal de commerce/griffie van de rechtbank van koophandel). The Issuer has undertaken pursuant to

Condition 4(c)(ii) to use all reasonable endeavours to procure that the Change of Control Resolutions be passed at the general meeting of Shareholders of the Issuer scheduled to be held on 23 May 2013 and to file a copy of the resolution as aforesaid immediately thereafter. If a Change of Control occurs prior to such approval and filing, holders will not be entitled to exercise the option set out in Condition 4(c)(i). There can be no assurance that such approval will be granted at such meeting.

If, as a result of this Condition 4(c)(i), holders of the Bonds submit Change of Control Put Exercise Notices in respect of at least 85 per cent. of the aggregate principal amount of the Bonds for the time being outstanding, the Issuer may, having given not less than 15 nor more than 30 days' notice to the Bondholders in accordance with Condition 11 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all (but not some only) of the Bonds then outstanding at the Put Redemption Amount. Payment in respect of any such Bond shall be made as specified above.

For the purposes of this Condition 4(c):

“**Calculation Agent**” means BNP Paribas Fortis SA/NV or such other leading investment, merchant or commercial bank as may be appointed from time to time by the Issuer for purposes of calculating the Put Redemption Amount, and notified to the Bondholders in accordance with Condition 11 (*Notices*);

“**Put Redemption Amount**” means an amount per Bond calculated by the Calculation Agent by multiplying the Redemption Rate by the Specified Denomination of such Bond and rounding, if necessary, the resultant figure to nearest cent (half of one cent being rounded downwards), and by adding any accrued but unpaid interest of such Bond to (but excluding) the relevant repayment date.

“**Redemption Rate**” means MIN (101 per cent.; Re-offer Price in per cent. x Exp (T x 0.74720148386 per cent.)), rounded down to the ninth decimal.

“**Re-offer Price**” means 99.25 per cent.

“**T**” means the time, expressed in decimals of a year, elapsed from (and including) the Closing Date until (and including) the relevant redemption date.

For the avoidance of any doubt, “Exp” means the exponential function meaning the function e^x , where e is the number (approximately 2.718) such that the function e^x equals its own derivative.

*The Put Redemption Amount reflects a maximum yield of 0.75 points above the yield of the Bonds on the Issue Date up to the Maturity Date in accordance with the “Arrêté Royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier” (Royal decree of 26 May 1994 on the deduction of withholding tax) (the “**Royal Decree**”). The Royal Decree indeed requires that in relation to Bonds that can be traded on N accounts, if investors exercise a right to have the Bonds redeemed early, the actuarial return cannot exceed the actuarial return of the Bonds upon the issue up to the final maturity, by more than 0.75 points.*

(ii) *Change of Control Notice*

Within 10 TARGET Business Days following a Change of Control, the Issuer shall give notice thereof to the Bondholders in accordance with Condition 11 (*Notices*) (a “**Change of Control Notice**”). The Change of Control Notice shall contain a statement informing Bondholders of

their entitlement to exercise their rights to require redemption of their Bonds pursuant to Condition 4(c)(i).

The Change of Control Notice shall also specify:

- (a) the nature of the Change of Control;
 - (b) the last day of the Change of Control Put Exercise Period;
 - (c) the Change of Control Put Date; and
 - (d) the Put Redemption Amount.
- (iii) If the Change of Control Resolutions are not passed
- If by not later than 30 June 2013 (the “**Long Stop Date**”):
- (a) the Change of Control Resolutions are not passed, approved or adopted at a general meeting of the Shareholders of the Issuer; or
 - (b) the Change of Control Resolutions have not been duly filed with the Clerk of the Commercial Court of Brussels (*greffe du tribunal de commerce/griffie van de rechtbank van koophandel*);

then, with effect from the Interest Period starting on the first Interest Payment Date following the Long Stop Date, the rate of interest payable on the Bonds shall be increased by 0.50 per cent. per annum.

The Issuer shall use all reasonable endeavours to procure that the Change of Control Resolutions are approved by a resolution of the Shareholders of the Issuer at its next general meeting, and in connection therewith to propose the Change of Control Resolutions at the next general meeting of the Shareholders of the Issuer scheduled to be held on 23 May 2013, and (ii) undertakes to, immediately following approval of such resolutions, file a copy thereof with the Clerk of the Commercial Court of Brussels (*greffe du tribunal de commerce/griffie van de rechtbank van koophandel*).

For the purposes of this Condition 4(c):

a “Change of Control” shall occur if an offer is made by any person (other than an Excepted Person (as defined in Condition 7.5 (*Definitions*))) to all (or as nearly as may be practicable all) Shareholders (or all (or as nearly as may be practicable all) such Shareholders other than the offeror and/or any parties acting in concert (as defined in Article 3, paragraph 1, 5° of the Belgian Law of 1 April 2007 on public takeover bids or any modification or re-enactment thereof) with the offeror), to acquire all or a majority of the issued ordinary share capital of the Issuer and (the period of such offer being closed, the definitive results of such offer having been announced and such offer having become unconditional in all respects) the offeror has acquired or, following the publication of the results of such offer by the offeror, is entitled to acquire as a result of such offer, post completion thereof, Ordinary Shares or other voting rights of the Issuer so that it has either the direct or indirect ownership of more than 50 per cent. of the voting rights in the Issuer, whereby the date on which the Change of Control shall be deemed to have occurred shall be the date of the publication by the offeror of the results of the relevant offer (and for the sake of clarity prior to any reopening of the offer in accordance with Article 42 of the Royal Decree of 27 April 2007 on Public Takeover Bids);

“**Change of Control Put Exercise Period**” means the period commencing on the date of a Change of Control and ending 120 calendar days following the Change of Control, or, if later, 120 calendar days following the date on which a Change of Control Notice is given to Bondholders as required by Condition 4(c)(ii);

“**Change of Control Resolutions**” means one or more resolutions duly passed, approved or adopted at a general meeting of Shareholders of the Issuer approving the provisions of Condition 4(c)(i);

“**Ordinary Shares**” means fully paid up ordinary shares in the capital of the Issuer currently with no-par value;

“**Shareholders**” means the holders of Ordinary Shares;

“**TARGET Business Day**” means a day (other than a Saturday or Sunday) on which the TARGET System is operating for the settlement of payments in euro;

“**TARGET2**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007; and

“**TARGET System**” means the TARGET2 system.

(d) **Purchase**

Subject to the requirements (if any) of any stock exchange on which the Bonds may be admitted to listing and trading at the relevant time and subject to compliance with applicable laws and regulations, the Issuer or any Subsidiary of the Issuer may at any time purchase any Bonds in the open market or otherwise at any price.

(e) **Cancellation**

All Bonds which are redeemed will be cancelled and may not be re-issued or resold. Bonds purchased by the Issuer or any of its Subsidiaries may be held or resold at the option of the Issuer or relevant Subsidiary, or cancelled.

5 **Payments**

(a) **Method of Payment**

Without prejudice to Article 474 of the Belgian Company Code, all payments of principal or interest in respect of the Bonds shall be made through the Agent and the NBB Clearing System in accordance with the NBB Clearing System Regulations. The payment obligations of the Issuer under the Bonds will be discharged by payment to the Agent in respect of each amount so paid. Each payment in respect of the Bonds pursuant to this Condition 5(a) will be made by transfer to a euro account maintained by the payee with a bank in a city in which banks have access to the TARGET System.

(b) **Payments subject to laws**

All payments are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 6 (*Taxation*). No commissions or expenses shall be charged to the Bondholders in respect of such payments.

(c) **Payments on TARGET Business Days**

If any date for payment in respect of the Bonds is not a TARGET Business Day, the holder shall not be entitled to payment until the next following TARGET Business Day unless it would thereby fall into the next calendar month in which event it shall be brought forward to the immediately preceding TARGET Business Day, nor to any interest or other sum in respect of such postponed or anticipated payment. For the purpose of calculating the interest amount payable under the Bonds, the Interest Payment Date shall not be adjusted.

6 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Kingdom of Belgium or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Bond:

(a) **Other connection**

by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with the Kingdom of Belgium other than the mere holding of the Bond; or

(b) **Payment to individuals**

where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(c) **Non-Eligible Investor**

to a Bondholder, who at the time of issue of the Bonds, was not an eligible investor within the meaning of Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax or to a Bondholder who was such an eligible investor at the time of issue of the Bonds but, for reasons within the Bondholder's control, either ceased to be an eligible investor or, at any relevant time on or after the issue of the Bonds, otherwise failed to meet any other condition for the exemption of Belgian withholding tax pursuant to the law of 6 August 1993 relating to certain securities; or

(d) **Conversion into registered securities**

to a Bondholder who is liable to such Taxes because the Bonds were upon his/her request converted into registered Bonds and could no longer be cleared through the NBB Clearing System.

7 Covenants

7.1 Negative pledge

So long as any Bond remains outstanding, the Issuer shall not, and shall ensure that no Member of the Group will, create or permit to subsist any Security over any of its assets or business to secure any Relevant Indebtedness without at the same time or prior thereto according to the Bonds the same such

Security as is created or subsisting or such other Security as either (i) shall not be materially less beneficial to the interest of the Bondholders or (ii) shall be approved by an Extraordinary Resolution of the Bondholders.

7.2 Restricted Actions

The Issuer shall not, and shall ensure that no Member of the Group will, undertake any of the following restricted actions as set out in Conditions 7.2.1 and 7.2.2 below (“**Restricted Actions**”):

7.2.1 Dividends

Declare, make or pay any dividend or other distribution (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital), other than a Permitted Dividend, except to the extent that such distribution or payment is made to the Issuer or to a Member of the Group (in proportion to the shareholding held by the Issuer or by such Member of the Group);

7.2.2 Share Repurchase

Repurchase any of the Issuer’s Ordinary Shares, other than a Permitted Share Repurchase.

7.3 Compliance with Financial Ratio Tests at any time

The Issuer shall ensure, at the Issue Date and at each Semestral Date thereafter, as long as any Bond remains outstanding, compliance with the Financial Ratio Tests.

7.4 Publication of Financial Ratio Tests in respect of each Semestral Date

The Issuer shall publish on its website (www.immobel.be), in respect of each Semestral Date, no later than on respectively 15 April of the following calendar year (in respect of any Semestral Date that is 31 December) and 30 September of the same calendar year (in respect of any Semestral Date that is 30 June), a certificate signed by one director and the chief financial officer of the Issuer and countersigned by the Issuer’s auditor after due verification, confirming or infirming that the Financial Ratio Tests in respect of the applicable Semestral Date have been complied with and setting out, in reasonable detail, computations showing such compliance or non-compliance. All such certificates will remain published on the Issuer’s website as long as any Bond remains outstanding.

7.5 Definitions

In this Condition 7:

“**Accounting Principles**” means generally accepted accounting principles in the jurisdiction of incorporation of the relevant Member of the Group and, in relation to consolidated financial statements of the Issuer, IFRS;

“**Control**” of the Issuer means either the direct or indirect ownership of more than 50 per cent. of the voting rights in the Issuer;

“**Consolidated Equity**” means, on the last day of the Relevant Period, the aggregate of the following items in the liabilities and shareholders’ equity section (“*passif*”) of the consolidated balance sheet of the Issuer, as per the model of its consolidated balance sheet for the year ending on 31 December 2010:

- I. Capital (“*Capital*”),
- II. Share premium account (“*Prime d’émission*”),
- III. Consolidated reserves (“*Réserves consolidées*”),

VI. Translation differences (“*Ecart de conversion*”), and

VIII. Non-controlling interests (“*Intérêts de tiers*”);

less the following items in the assets section:

I. Establishment costs (“*Frais d’établissement*”),

II. Intangible assets (“*Immobilisations incorporelles*”), and

III. Consolidation differences (“*Ecart de consolidation*”).

“**Consolidated Equity/Total Assets Ratio**” means, on the last day of the Relevant Period, the ratio of Consolidated Equity to Total Assets;

“**Excepted Person**” means any of (i) Cresida Investment Sàrl, (ii) JER Audrey Sàrl, (iii) Fidea NV, and (iv) CapFi Delen Asset Management NV, each of them acting alone or in concert with any other person controlling it or controlled by it (in the meaning of the Law of 1 April 2007 on Public Takeover Bids);

“**Facility Agreements**” means (i) the €85,000,000 facility agreement for Compagnie Immobilière de Belgique SA dated 25 May 2011 arranged by BNP Paribas Fortis NV/SA and ING Bank NV, as amended, restated or refinanced from time to time and (ii) the €224,000,000 facility agreement for RAC1 NV and RAC2 NV dated 29 February 2012 arranged by KBC Bank NV, as amended, restated or refinanced from time to time;

“**Finance Lease**” means any lease or hire purchase contract which would, in accordance with the applicable Accounting Principles, be treated as a finance or capital lease;

“**Financial Indebtedness**” means any indebtedness for or in respect of:

- (i) moneys borrowed, including under the Facility Agreements;
- (ii) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (iii) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a finance or capital lease;
- (v) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirement for de-recognition under the Accounting Principles);
- (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing and which is treated as a borrowing under the Accounting Principles;
- (vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (viii) shares which are expressed to be redeemable and which are classified as borrowings under the Accounting Principles;

- (ix) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (x) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (ix) above;

“**Financial Ratio Tests**” means

- (i) the Consolidated Equity shall be at least:
 - (a) as from the Issue Date, €160 million; and
 - (b) as from 21 December 2016 until the Maturity Date, €170 million if the Issuer has repurchased as from 21 December 2016 on the occasion of one or more transactions an aggregate number of Ordinary Shares representing more than 1% of the share capital of the Issuer at any time in issue; and
- (ii) the Consolidated Equity/Total Assets Ratio shall not be less than 0.3 to 1;

“**Financial Year**” means the annual accounting period of the Group ending on 31 December in each year;

“**Group**” means the Issuer and its Subsidiaries for the time being;

“**IFRS**” means international accounting standards within the meaning of the IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements;

“**Issue Date**” means 28 March 2013;

“**Permitted Dividend**” means any dividend distributions (in any Financial Year) in an amount not exceeding 50 per cent. of the total consolidated profit of the Issuer in respect of the previous Financial Year;

“**Permitted Share Repurchase**” means the repurchase by the Issuer on the occasion of one or more transactions of an aggregate number of Ordinary Shares representing not more than:

- (i) as from the Issue Date until (and including) 21 December 2016, 1 per cent. of the share capital of the Issuer at any time in issue; and
- (ii) thereafter and until the Maturity Date, 10 per cent. of the share capital of the Issuer at any time in issue;

“**Relevant Indebtedness**” means any Financial Indebtedness which is in the form of or represented by any bond, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market);

“**Relevant Period**” means the period of two consecutive six-month periods ending on a given Semestral Date;

“**Semestral Date**” means 30 June and 31 December of each Financial Year;

“**Security**” means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

“**Subsidiary**” (*dochtervennootschap/filiale*) of a company shall have the meaning set forth in Article 6 of the Belgian Company Code and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body;

“**Tax**” means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same); and

“**Total Assets**” means, on the last day of the Relevant Period, the total assets of the consolidated balance sheet of the Issuer, as per the model of its consolidated balance sheet for the year ending on 31 December 2012.

8 Events of Default

If any one or more of the following events (each an “**Event of Default**”) shall occur, the holder of any Bond may give written notice to the Issuer at its registered office with a copy to the Agent that such Bond is immediately due and repayable, at its principal amount together with accrued interest (if any) to the date of payment, without further formality, unless such event shall have been remedied prior to the receipt of such notice by the Agent:

- (i) default is made in the payment when due of any amount due in respect of the Bonds, and such default shall not have been remedied within seven days thereafter; or
- (ii) default is made in the performance of, or compliance with, any obligation of the Issuer in respect of the Bonds and (except in any case where the failure is incapable of remedy when no continuation or notice as is hereinafter mentioned will be required) such default shall not have been remedied within 30 calendar days after receipt by the Issuer of written notice from any Bondholder of such default requiring the default to be remedied; or
- (iii) any other present or future Financial Indebtedness of the Issuer or any Member of the Group (i) becomes due and payable prior to its stated maturity by reason of the occurrence of an event of default (however described) or (ii) is not paid when due or within any originally applicable grace period or (iii) any Member of the Group fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any Financial Indebtedness, provided that in each case the aggregate amount of the relevant Financial Indebtedness, guarantees or indemnities in respect of which one or more of the events mentioned above in this paragraph have occurred equals or exceed €10,000,000 or its equivalent in any other currency; or
- (iv) any security interest such as a mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any Member of the Group becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) provided that in each case the aggregate amount of indebtedness in respect of which one or more of the events mentioned above in this paragraph have occurred equals or exceeds €10,000,000 or its equivalent in any other currency. This paragraph (iv) shall not apply to any such step which is being contested by the Issuer or the relevant Member of the Group in good faith; or
- (v) a distress, attachment, execution or other similar legal process is levied, enforced or sued out on or against all or a material part of the property, assets or revenues of the Issuer or any Member of the Group having an aggregate value of €10,000,000 (or its equivalent) and is not discharged or stayed within 50 calendar days. This paragraph (v) shall not apply to any such process which is being contested by the Issuer or the relevant Member of the Group in good faith; or

- (vi) the Issuer or a Member of the Group is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness, provided that the aggregate amount of the indebtedness concerned by any such situation equals or exceeds €10,000,000 or its equivalent in any other currency;
- (vii) a moratorium is declared in respect of any indebtedness of any Member of the Group, provided that the aggregate amount of the indebtedness concerned by such moratorium equals or exceeds €10,000,000 or its equivalent in any other currency; or
- (viii) the appointment of a liquidator (other than in a Solvent Reorganisation), receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Issuer or any Member of the Group provided that, in respect of a Member of the Group other than the Issuer, such appointment has, or reasonably will have, an adverse effect on the capacity of the Issuer to perform or comply with its obligations under the Bonds;
- (ix) the Issuer or any Member of the Group is declared bankrupt, provided that, in respect of a Member of the Group other than the Issuer, such bankruptcy has, or reasonably will have, an adverse effect on the capacity of the Issuer to perform or comply with its obligations under the Bonds;
- (x) a judicial reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer or any Member of the Group (other than as part of a Solvent Reorganisation) is declared open, provided that, in respect of a Member of the Group other than the Issuer, such reorganisation has, or reasonably will have, an adverse effect on the capacity of the Issuer to perform or comply with its obligations under the Bonds;
- (xi) a composition, compromise, assignment or arrangement is entered into by the Issuer or any Member of the Group with any of their creditors, provided that the aggregate amount of the indebtedness concerned by such composition, compromise, assignment or arrangement equals or exceeds €10,000,000 or its equivalent in any other currency; or
- (xii) the Issuer or a Member of the Group (a) sells, assigns or otherwise disposes to an entity that is not the Issuer or a Member of the Group more than 60 per cent. of the consolidated assets as set out from time to time in the latest audited consolidated annual financial statement of the Issuer, **except if** at least 80 per cent. of the net proceeds of such disposal are reinvested by the Issuer or such Member of the Group in assets in line with the business model of the Group, as it may be adapted from time to time, or are used to repay existing Financial Indebtedness, or the Issuer (b) ceases to carry on all or substantially all of its business, other than (for (a) and (b)) on terms approved by the general meeting of Bondholders.

In these Conditions:

“**Solvent Reorganisation**” means an amalgamation, demerger, merger, consolidation, liquidation or corporate reconstruction on a solvent basis of a Member of the Group (and not involving the Issuer); and

“**Member of the Group**” means any company or corporation controlled by the Issuer according to Article 5 et seq. of the Belgian Company Code.

9 Prescription

Claims against the Issuer for payment in respect of principal and interest on the Bonds shall be prescribed and become void unless made within a period of 10 years in the case of principal and five years in the case of interest from the appropriate Relevant Date in respect of such payment.

“**Relevant Date**” means, in respect of any Bond, whichever is the later of: (i) the date on which payment in respect of it first becomes due; and (ii) if any amount of the money payable is improperly withheld or refused the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given by the Issuer to the Bondholders in accordance with Condition 11 (*Notices*) that such payment will be made, provided that such payment is in fact made as provided in these Conditions.

10 Meetings of Bondholders, Modification and Waiver

(a) Meetings of Bondholders

The Agency Agreement contains provisions for convening meetings of Bondholders to consider matters relating to the Bonds, including the modification of any provision of these Conditions (for the avoidance of doubt any such modification shall always be subject to the consent of the Issuer). Any such modification may be made if sanctioned by an Extraordinary Resolution.

All meetings of Bondholders will be held in accordance with the provisions of Article 568 et seq. of the Belgian Company Code with respect to Bondholders’ meetings. Such a meeting may be convened by the Issuer and shall be convened by the Issuer upon the request in writing of Bondholders holding not less than one fifth of the aggregate principal amount of the outstanding Bonds. Subject to the quorum and majority requirements set out in Article 574 of the Belgian Company Code, and if required thereunder subject to validation by the court of appeal, the meeting of Bondholders shall be entitled to exercise the powers set out in Article 568 of the Belgian Company Code and to modify or waive any provision of these Conditions, provided however that any proposal (i) to modify the maturity of the Bonds or the dates on which interest is payable in respect of the Bonds, (ii) to reduce or cancel the principal amount of, or interest on, the Bonds, (iii) to change the currency of payment of the Bonds, or (iv) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution (each a “**Reserved Matter**”) may only be sanctioned by an Extraordinary Resolution passed at a meeting of Bondholders at which two or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Bonds form a quorum. Resolutions duly passed in accordance with these provisions shall be binding on all Bondholders, whether or not they are present at the meeting and whether or not they vote in favour of such a resolution. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Bondholders, whether present or not.

Convening notices for meetings of Bondholders shall be made in accordance with Article 570 of the Belgian Company Code, which currently requires an announcement to be published not less than fifteen days prior to the meeting in the Belgian Official Gazette (*Moniteur Belge/Belgisch Staatsblad*) and in a newspaper of national distribution in Belgium. Convening notices shall also be made in accordance with Condition 11 (*Notices*).

In these Conditions:

“**Extraordinary Resolution**” means a resolution passed at a meeting duly convened and held in accordance with these Conditions and the Belgian Company Code by a majority of at least 75 per cent. of the votes cast.

(b) Modification and Waiver

The Agency Agreement, any agreement supplemental to the Agency Agreement and these Conditions may be amended without the consent of the Bondholders to correct a manifest error or to comply with mandatory provisions of law. In addition, the Issuer shall only permit any modification of, or any

waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Bondholders.

(c) **Meetings of shareholders and right to information**

the Bondholders shall be entitled to attend all general meetings of the shareholders of the Issuer, in accordance with article 537 of the Belgian Company Code, and they shall be entitled to receive or examine any documents that are to be remitted or disclosed to them in accordance with the Belgian Company Code. The Bondholders who attend any general meeting of shareholders shall be entitled only to a consultative vote.

11 Notices

Notices to the Bondholders shall be valid if (i) delivered by or on behalf of the Issuer to the NBB Clearing System for communication by it to the NBB Clearing System participants and (ii) if published on its website (www.immobel.be). Any such notice shall be deemed to have been given on the latest day of (i) seven days after its delivery to the NBB Clearing System and (ii) publication on its website.

The Issuer shall further ensure that all notices are duly published in a manner which complies with the rules and regulations of the regulated market of NYSE Euronext Brussels and on any stock exchange or other relevant authority on which the Bonds are listed. Any such notice shall be deemed to have been given on the date of such publication or, if required to be published in more than one newspaper or in more than one manner, on the date of the first such publication in all the required newspapers or in each required manner.

In addition to the above communications and publications, with respect to notices for a meeting of Bondholders, any convening notice for such meeting shall be made in accordance with Article 570 of the Belgian Company Code.

12 Further issues

The Issuer may from time to time without the consent of the Bondholders create and issue further tranches of bonds either having the same terms and conditions as the Bonds in all respects or in all respects except for the first payment of interest on them and so that such further issue shall be consolidated and form a single series with the outstanding bonds of any tranche (including the Bonds) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any other bonds issued pursuant to this Condition and forming a single series with the Bonds. The Agency Agreement contains provisions for convening a meeting of the outstanding holders of any tranche of bonds (including the Bondholders).

13 Governing law

(a) **Governing Law**

The Agency Agreement and the Bonds and any non-contractual obligations arising out of or in connection with the Bonds are governed by, and shall be construed in accordance with, Belgian law.

(b) **Jurisdiction**

The courts of Brussels, Belgium are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Agency Agreement and the Bonds and any non-contractual obligations arising out of or in connection with the Bonds and accordingly any legal action or proceedings arising out of or in connection with the Bonds and any non-contractual obligations arising

out of or in connection with the Agency Agreement or the Bonds (“**Proceedings**”) may be brought in such courts.

CLEARING

1. The Bonds will be accepted for clearance through the NBB Clearing System under the ISIN number BE0002193598 and Common Code 090873644 with respect to the Bonds, and will accordingly be subject to the NBB Clearing System regulations.
2. The number of Bonds in circulation at any time will be registered in the register of registered securities of the Issuer in the name of the NBB.
3. Access to the NBB Clearing System is available through those of its NBB Clearing System participants whose membership extends to securities such as the Bonds.
4. NBB Clearing System participants include certain banks, stockbrokers, and Euroclear and Clearstream, Luxembourg. Accordingly, the Bonds will be eligible to clear through, and therefore accepted by, Euroclear and Clearstream, Luxembourg and investors can hold their Bonds within securities accounts in Euroclear and Clearstream, Luxembourg.
5. Transfers of interests in the Bonds will be effected between NBB Clearing System participants in accordance with the rules and operating procedures of the NBB Clearing System. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the NBB Clearing System participants through which they hold their Bonds.
6. BNP Paribas Securities Services, a French bank acting through its Belgian branch at boulevard Louis Schmidt 2, 1040 Brussels, Belgium, RPM Brussels 471.778.603 (the “**Domiciliary Agent**”) will perform the obligations of domiciliary agent included in a clearing services agreement to be entered into on or about 19 March 2013 in relation to the Bonds between the Issuer, the NBB and the Domiciliary Agent.
7. The Issuer and the Domiciliary Agent will not have any responsibility for the proper performance by the NBB Clearing System or its NBB Clearing System participants of their obligations under their respective rules and operating procedures.

DESCRIPTION OF THE ISSUER

General information about the Issuer

For 150 years ImmoBel has been a major player in property development in Belgium. It is also active in the Grand-Duchy of Luxembourg and is in the process of developing a new growth pole by investing in projects in Poland. Its business covers the office, residential and landbanking sectors (and retail in function of opportunities), assuring the diversification of its portfolio of projects.

Corporate details

The Issuer is also named “Compagnie Immobilière de Belgique” and is a limited liability Issuer incorporated in Belgium.

The Issuer was incorporated in Brussels on 9 July 1863 and duly authorised by a Royal Decree of 23 July 1863. The duration of the Issuer is indefinite. Its registration number is 0405.966.675 (Brussels Register of Legal Entities).

Its registered office is situated at Rue de la Régence 58, B-1000 Brussels.

Corporate purpose

The Issuer’s corporate purpose, as stated at Article 2 of its Articles of Association, is as follows:

- (1) The purchase, sale, exchange, trading, brokering, renting – actively or passively –, building, operation, development, division, management of all kinds of real estate properties.
- (2) The execution of all types of infrastructure and equipment works, with a view to their plot and development.
- (3) The execution of all types of renovation and transformation works on built properties, as well as the management of properties.
- (4) The lending of real estate properties.
- (5) The design, management and sponsoring, for the account of the Issuer, the State, the regions, the cities and any third parties, of all works related to the construction industry.
- (6) Finally, all activities, which character or main purpose would be to increase the value of properties, for its own account or in association with or for the account of third parties, through, *inter alia*, the construction of properties to be divided into apartments or else, their interior design, both real estate and furniture and, after completion, their management and operation.

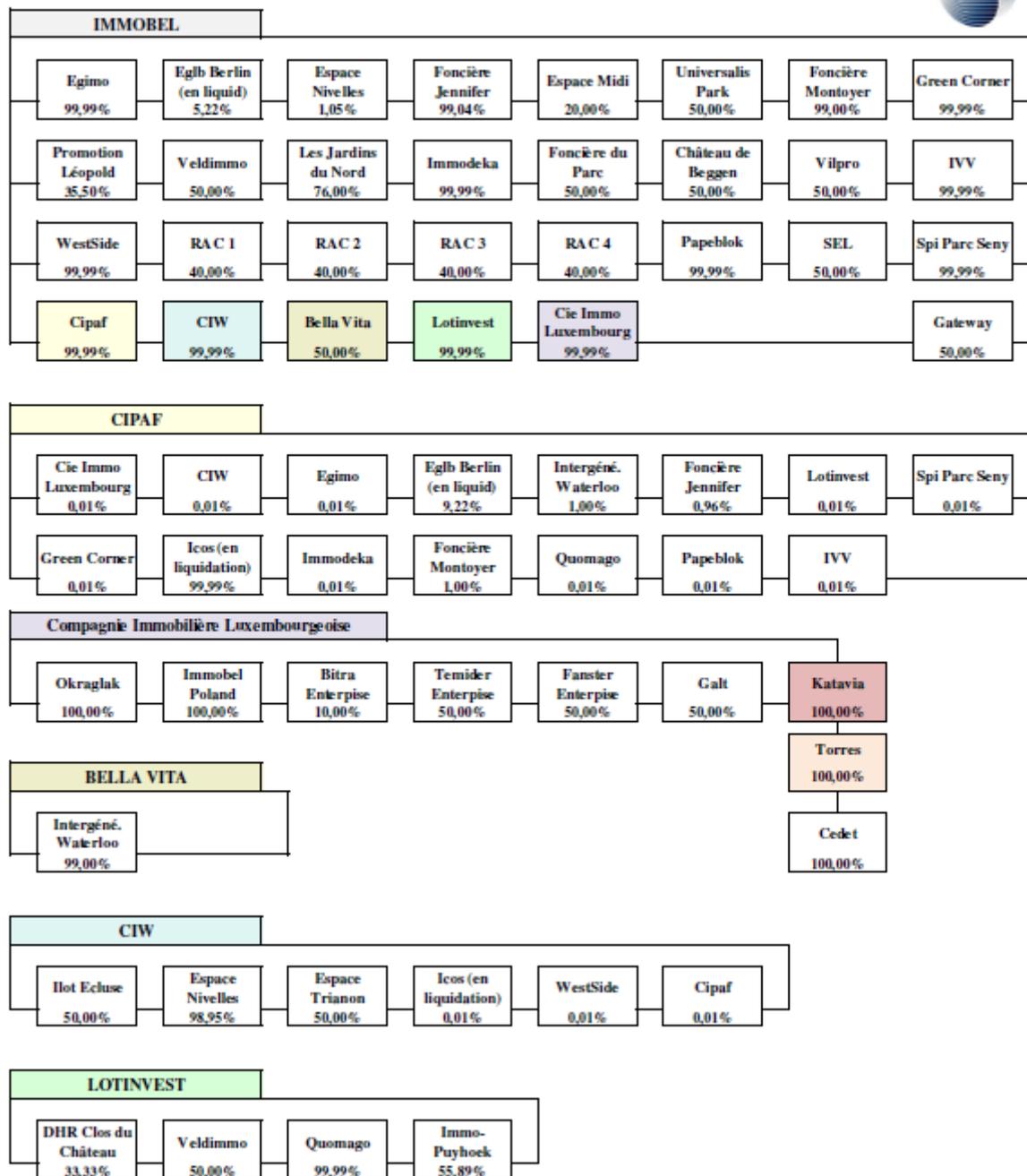
The transactions listed in points 1 to 6 above may be executed in Belgium and abroad. The Issuer may act in these operations, both for its own account, in association as well as for third parties. The Issuer may be interested by assignment, contribution, merger, participation, subscription or purchase of shares, bonds or other securities, or in any other manner in any other issuer or business whose purpose would be similar or related to its own, acquire and sell any shares and securities. It can proceed to, in general, all industrial, securities, real estate, commercial, financial, agricultural, forestry or other operations related, directly or indirectly, to its purpose.

Selected Financial Information

	31-12-2012	31-12-2011	31-12-2010
		<i>(€ in thousands)</i>	
P&L			
Revenues	133,706	81,146	85,616
Turnover	126,771	76,101	81,850
Other operating income.....	6,935	5,045	3,766
EBITDA	20,062	21,976	13,566
Ratio EBITDA on Revenue	15 %	27%	16%
Result from discontinued operations.....	0	0	0
Amortisation	-675	614	-349
Change in the fair value	377	6	309
EBIT	19,387	22,590	13,217
Interest expenses	-6,529	-5,221	-4,771
Income taxes	-910	-1,297	-670
Net Result	11,709	16,174	10,526
Cash Flow			
Net CF from operating activities.....	-16,467	-74,265	-2,275
Net CF from investing activities	-66	6,606	-3,379
Net CF from financing activities.....	-3,513	80,384	-27,843
Total	-20,046	12,725	-33,497
BALANCE SHEET			
Cash	26,918	46,964	34,239
Inventory.....	359,924	327,863	240,769
Financial Assets	2,369	1,331	7,522
Total Assets & Total Liabilities	417,567	406,798	303,508
Equity.....	187,811	182,792	172,152
Financial Debt.....	187,316	183,678	88,180
Long Term	135,528	109,348	65,640
Short Term	51,788	74,330	22,540
RATIOS			
Gearing ratio: Equity/Total Assets.....	62 %	60%	57%
Net Financial Debt on Equity.....	85 %	75%	31%
Financial Debt on Inventory	52 %	56%	37%

Organisational Structure of the Issuer

ORGANIZATION IMMOBEL GROUP - 31/12/2012



Share capital

As of 31 December 2012, the Issuer's issued capital amounted to €60,302,318.47 and was represented by 4,121,987 Shares.

All shares are ordinary shares and represent an equal portion of the Issuer's issued capital.

All shares are fully paid and freely tradable, with equal voting rights and without nominal value.

Major shareholders

Pursuant to the Belgian Law dated 2 May 2007 on the disclosure of significant shareholding in issuers whose securities are admitted to trading on a regulated market, any person or legal entity which owns or acquires (directly or indirectly) shares or other securities granting voting rights must disclose to the Issuer and to the FSMA the number of securities that such person owns, alone or jointly, when his/her voting rights amount to 5 per cent. or more of the total existing voting rights of the Issuer. Such person must make the same type of disclosure in case of transfer or acquisition of additional securities when his/her voting rights reach 5 per cent., 10 per cent., and so on by blocks of 5 per cent. (or as the case may be, the additional thresholds provided in the Issuer's articles of association), or when the voting rights fall below one of these thresholds. The Issuer's articles of association provide for an additional threshold of 3 per cent. of the voting right (but no multiples of 3 per cent.). The same disclosure requirement applies in other cases, for instance when a person transfers the direct or indirect control of a corporation or legal entity which owns itself 5 per cent. at least of the voting rights of the Issuer or when persons acting in concert enter into, modify or terminate their agreement which result in their voting rights reaching, exceeding or falling below any of the above thresholds.

It results from the transparency declarations received by the Issuer as of 8 March 2013, that the Issuer's main known shareholders were as follows:

	Number of shares	Percentage in the share capital
Number of shares issued by Immobilbel	4,121,987	100%
Known Shareholders		
Cresida Investment S.à.r.l.....	1,030,484	25%
JER Audrey S.à.r.l.	228,081	5.5%
Capfi Delen Asset Management NV	208,516	5.1%
Total of known Shareholders.....	1,467,081	35.6%
Float	2,654,906	64.4%

Pursuant to Article 5(3) of the Belgian Company Code, the Issuer is presumed to be under a *de facto* control of Cresida Investment Sàrl since the latter exercised voting rights representing the majority of the voting rights exercised at the two last general meetings of shareholders. Nevertheless, the Issuer would like to point out the following elements:

- The Issuer's Board of directors is composed of ten directors, among which five are independent directors within the meaning of Article 526ter of the Belgian Company Code and four directors are appointed upon proposal of Cresida Investment Sàrl.
- As mentioned above, all Shares represent an equal portion of the Issuer's issued capital and give rise to equal voting rights. Thus, the voting rights of the Issuer's major shareholders, as listed above, are proportionate to the number of Shares they respectively own in the Issuer.
- The Issuer applies, whenever the circumstances so require, the procedures relating to the conflicts of interests provided for in Articles 523 and 524 of the Belgian Company Code. For instance, those procedures were applied one time in 2011 and one time in 2012.

To the extent known to the Issuer, there exist no arrangements, the operation of which may result in a change of control of the Issuer at a subsequent date. Cresida Investment Sàrl holds a call option over 199,914 Shares

representing 4.85 per cent. of the Issuer's issued capital exercisable by 30 September 2013 at the latest, the exercise period being 1 September 2013 until 30 September 2013.

Management and governance

General

This Section provides an overview of the rules and principles according to which the corporate governance of the Issuer is structured, including the Belgian company law, the corporate governance charter of the Issuer and the articles of association of the Issuer. The Corporate Governance Charter describes in detail the structure of the Issuer's corporate governance and its policies and procedures in matters of governance. This Charter can be consulted on the Issuer's internet site: www.immobel.be

The Issuer adheres to the principles of Corporate Governance contained in the Belgian Corporate Governance Code published on 12th March 2009 (the "**Code 2009**"), which is available on the GUBERNA website: www.guberna.be.

The Issuer believes that its Corporate Governance Charter reflects both the spirit and the rules of the Code 2009.

Board of directors

Composition

Appointment of Directors

The Board of Directors must have a minimum of five members, although the actual numbers of Directors may vary in accordance with the Issuer's need. It contains a majority of non-executive Directors and, at least, one executive Director. Appointments are made for a maximum four-year term.

The Directors are appointed, and re-elected by the Shareholders' Meeting, upon proposal of the Board of Directors. The Board of Directors submits its proposals on the appointment or re-election of Directors to the Shareholders' Meeting, supported by a recommendation from the Remuneration & Appointments Committee.

When proposing candidates to the Shareholders' Meetings, the Board of Directors applies the following principles:

- a majority of the Directors must be non-executive of whom at least 3 must be independent, in the opinion of the Board of Directors, based on the criteria of independence drawn up by the Board of Directors;
- each Director is proposed on the basis of personal knowledge and/or experience, such that the board of directors has at its disposal all the competencies and qualifications it needs in order to assume its collective responsibilities;
- each Director must have the availability needed to carry out his/her obligations.

The Board of Directors manages the process of appointment and re-election within the framework of overall and systematic succession planning whose aim is to maintain the optimal level of competency and experience within the Issuer and the Board of Directors. Under the lead of its Chairman, the Board of Directors regularly reviews and appraises its own performance. There is also a periodic evaluation of the contribution of each Director aimed at adapting the composition of the Board of Directors. The performance of individual Directors is evaluated within the framework of the re-election procedure.

Chairmanship

The Board of Directors elects a Chairman and a Vice-Chairman from among its members. The Chairman is designated on the basis of his/her knowledge, skills, experience and mediation strength. In particular, he/she must be respected and recognised by the financial world and public authorities (local, regional and federal), and as such have a network which will also command a respect of the Issuer on a geographical level.

Actual composition

The Issuer's Board of Directors is currently composed of the following 10 members:

Name	Function	Date of first appointment	End of mandate	Professional address
Baron Buysse	Chairman of the Board <i>Independent</i>	13 November 2007	2016	c/o Bekaert SA, Diamant Building, Boulevard Auguste Reyers 80, 1030 Bruxelles
Gaëtan Piret ⁽¹⁾	Managing Director	10 May 1995	2015	Rue de la Régence, 58, 1000 Bruxelles
Didier Bellens ⁽²⁾	Director <i>Independent</i>	29 August 2007	2015	c/o Belgacom SA, Boulevard du Roi Albert II 27, 1030 Bruxelles
Maciej Drozd	Director	8 September 2010	2013	c/o Eastbridge Group Sp. z o.o., 104/122 Marszalkowska Street, PL-00-017 Warsaw (Poland)
Dany Dwek	Director	24 May 2012	2016	c/o Eastbridge Group Sp. z o.o., 104/122 Marszalkowska Street, PL-00-017 Warsaw (Poland)
Maciej Dyjas	Director	8 September 2010	2014	c/o Eastbridge Group Sp. z o.o., 104/122 Marszalkowska Street, PL-00-017 Warsaw (Poland)
Marc Grosman	Director	8 September 2010	2014	c/o Celio International SA, South Center Titanium, Place Marcel Broodthaers 8b2, 1060 Bruxelles
Marek Modecki	Director <i>Independent</i>	8 September 2010	2015	c/o Concordia Sp. z o.o., Aleje Jerozolimskie 65/79, PL-00-697 Warsaw (Poland)
Wilfried Verstraete	Director <i>Independent</i>	29 August 2007	2015	c/o Euler Hermes SA, 1 rue Euler, F-75008 Paris (France)
Laurent Wasteels	Director <i>Independent</i>	8 September 2010	2015	c/o Wasteels Sàrl, 5 allée Guillaume Apollinaire, MC-98000 Monaco

Notes:

- (1) In carrying out the functions concerned in the present report, Mr Gaëtan PIRET acts as the permanent representative of the company GAETAN PIRET sprl.
- (2) In carrying out the functions concerned in the present report, Mr Didier BELLENS acts as the permanent representative of the company ARSEMA sprl.

The curriculum vitae of each directors (or their permanent representatives) may be summarised as follows:

Baron Buysse, CMG CBE, 67, following an international career in London, where he was an Executive Director of BTR Ltd and Chief Executive Officer of Vickers Ltd, he is currently Chairman of Bekaert, a Bel20 company. He initiated the Buysse Code on Corporate Governance for companies that are not listed on the stock market. He is the Chairman of the Board of Censors of the National Bank of Belgium and Director or Chairman of other organisations.

Gaëtan Piret, 54, holds a Master's degree in Business Engineering from the ULB. He is PMD 1989 of the Harvard Business School, a Fellow Member of the Royal Institution of Chartered Surveyors (FRICS) and a Member of IPI. He joined the Compagnie Immobilière de Belgique in 1992, and has been Managing Director since 29 June 2007. In addition, he is, amongst other things, a Director of SITQ Les Tours SA (Caisse de Dépôt et Placement du Québec) and UPSI (Union Professionnelle du Secteur Immobilier).

Didier BELLENS, 57, has a degree in Economics and Business Administration from the ULB (Solvay Business School) and has been the Managing Director of Belgacom since March 2003. He is also a Member of the International Committee of NYSE. He was previously the CEO of the RTL Group and Managing Director of GBL (Groupe Bruxelles Lambert).

Maciej Drozd, 48, obtained degrees from the Faculty of Philosophy and Sociology and the Faculty of Management of Warsaw University. He also has an MBA from the University of Illinois in Urbana-Champaign. He joined Eastbridge in 1995. Since June 2009, he has been a Member of the Board of Directors and the CFO of Eastbridge Group and a Member of the Supervisory Board of EM&F Group. Since 2002, he has been a Member of the Board of Directors and CFO of the Commercial Real Estate department of the Eastbridge Group, which has operated since 2007 as Centrum Development & Investments SA (CDI). Previously he worked as CFO in various companies in Poland.

Dany Dwek, 54, has been active in real estate – predominantly in residential property, retail and offices – since 1985. Alone or in partnership, he has simultaneously initiated, developed and managed multiple successful ventures both in Belgium and internationally, especially in Central Europe and the US. Since 1992 he has been one of the initiators and developers involved in the conversion of landmark office buildings into residential projects in the financial district of Manhattan, New York. Furthermore, he has actively participated in large development projects in Central Europe and has been involved in significant office and residential projects in Brussels, in partnership with Interparking and the Brussels Regional Development Agency (SDRB), amongst others. He is a shareholder and Member of the Supervisory Board of Eastbridge, which is the holding company for a variety of real estate and retail businesses in Europe and the US.

Maciej Dyjas, 49, has degrees in Information Technology and Business Administration from the Universities of Warsaw and Stuttgart. He joined Eastbridge in 1994. He currently holds the post of CEO of the Eastbridge Group and Chairman of the EM&F Group. He is in charge of the group's global growth strategy, management of its operations in Europe and the United States, and relations with its business partners and investors. He has previously worked for consulting companies in Europe and the United States. He is a Member of the Polish Business Circle, the Polish-German Chamber of Commerce and the Association of Germans in Poland.

Marc Grosman, 58, supplemented his Master at the ISG business school with an MBA from Harvard Business School in 1982. Since 1978, he has been the cofounder and CEO of Celio, the number 1 in Europe for men's ready-to-wear fashion, which has 1,600 shops in 65 countries. Since 2006, he has been a majority shareholder of the women's ready-to-wear fashion label, Jennyfer. He is also Member of the Supervisory Board of Eastbridge S.à r.l. and Director of Bata Shoes.

Marek Modecki, 54, holds a Master in Law from the University of Warsaw. He also studied International Law at the Max Planck Institute and Law at the University of Hamburg. He is currently a partner at Concordia (since 1997), an investment firm located in Warsaw and Brussels specialised in M&A transactions and corporate finance in Poland and the European Union countries. Amongst other things, he led the negotiations

for the sale of Argos SA to Pernod Ricard, the sale of Warta Insurance to KBC, and the acquisition of Multivita by Coca-Cola Company. In 2006-2008 he worked as a Senior Banker for Concordia Espirito Santo Investment, a joint venture between Concordia and the Portuguese group Espirito Santo Group. In the past, he was a Member of the Supervisory Board of Argos SA, Clif SA, Atlantis SA, Metalexport SA, Prokom Software SA and Concordia Espirito Santo Investment Ltd. He is currently a Member of the Supervisory Board of Pegas Nonwovens Ltd (Czech Republic), Ablon Plc and Empik M&F SA.

Wilfried Verstraete, 54, studied Economics at the VUB (Brussels) and obtained a Master in Financial Management from VLEKHO in Brussels. He also completed the IEP programme at INSEAD. He is currently Chairman of the Board of Management of the Euler Hermes Group, Member of the Allianz Group, which he joined in 2007 as CFO of Allianz Global Corporate & Specialty. He was Chairman of the Board of Management of the Dutch credit insurance company Atradius NV from May 2004 till October 2006. From 1996 till 2004 he was CFO successively of Mobistar, Wanadoo and Orange, all of which are part of the France Télécom Group.

Laurent Wasteels, 57, obtained a Master in Economic and Social Sciences (FNDP Namur) in 1981. He also followed the Entrepreneurial Management programme at the University of Boston. He is currently Director of the Compagnie Européenne de Constructions Immobilières SA and Manager of Antibes Investissements S.à r.l. He also holds two public mandates in Monaco: he is Economic and Social Advisor to the Government of the Principality of Monaco and Honorary Consul of the Kingdom of Belgium in Monaco.

The Directors are not related to each other. To the Issuer's knowledge, there is no conflict of interests between the duties of the directors to the Issuer, on the one hand, and their private interests or other duties, on the other hand. In case where a director is in a position of a conflict of interests with regarding to a decision or an operation to which the Issuer is a party, Art. 523, together with Art. 524 of the Belgian Company Code as the case may be, is applied (see above "Major Shareholders" section).

Board's Committees

Audit & Finance Committee

The task of the Audit & Finance Committee is to assist the Board of Directors in its function of surveillance, particularly in the following areas of intervention:

- financial reporting and information intended for Shareholders and third parties;
- the quality of the system of internal controls and the risk management;
- relations with the statutory auditors; and
- finance and capital structure.

The Audit & Finance Committee is made up of at least three Directors who do not have executive responsibilities within the Issuer, a majority of the members of this Committee are independent and at least one member is competent in accounting and auditing matters.

The Members of the Audit & Finance Committee and its Chairman are appointed by the Board of Directors for a maximum duration of four years.

The Audit & Finance Committee is currently composed of Wilfried Verstraete, Chairman, Didier Bellens¹ and Maciej Drozd, Members.

¹ Acting as permanent representative of Arsema sprl

Remuneration & Appointments Committee

The task of the Remuneration & Appointments Committee consists of:

- preparing the Remuneration Report that the Board of Directors inserts in the Corporate Governance Statement;
- explaining this report during the Statutory Shareholders' Meeting; and
- formulating proposals to the Board of Directors in relation to Remuneration, to Appointments and to other responsibilities.

The Remuneration & Appointments Committee is made up of at least three Directors, a majority of whom are independent Directors and have the necessary expertise in remuneration policy.

The composition of the Remuneration & Appointments Committee is currently as follows: Didier Bellens², Chairman, Dany Dwek, Marek Modecki and Laurent Wasteels, Members.

The Managing Director takes part at the meetings of the Remuneration & Appointments Committee with a advisory vote when this Committee treats about the remuneration of the other Executive Directors, the other Members of the Management Committee and the other Members of the Executive Committee.

The Members of the Remuneration & Appointments Committee and its Chairman are appointed by the Board of Directors for a maximum duration of four years.

Investment & Asset Management Committee

The tasks of the Investment & Asset Management Committee are to assist the Board of Directors in the following areas:

- the strategic management of any asset of the Issuer in excess of 5 MEUR, especially for the purposes of identifying and defining strategic challenges and priorities as regards existing real estate investments, including capital expenditures, acquisitions, letting, project financing and asset disposals;
- identify and understand the strategic challenges and priorities as regards new real estate investments in excess of 5 MEUR;
- formulate the objectives, policies and strategies of new real estate investments in excess of 5 MEUR, and in particular the investment parameters; and
- identify potential new real estate projects and give an opinion to the Board thereon.

The Investment & Asset Management Committee is made up of at least three Directors, including the Managing Director.

The Members of the Investment & Asset Management Committee are appointed by the Board of Directors for a maximum duration of 4 years. The Managing Director is the Chairman of the Investment & Asset Management Committee.

Currently the Investment & Asset Management Committee comprises the following members: Gaëtan Piret³, Chairman, Dany Dwek, Maciej Dyjas, Marc Grosman, and Wilfried Verstraete, Members.

² Acting as permanent representative of Arsema sprl

³ Acting as permanent representative of Gaëtan Piret sprl

Management

General

The role of the Management Committee and of the Executive Committee consists in ensuring the implementation of decisions of the Board of Directors while respecting the values, strategies, policies, business plans and budgets drawn up by the Board of Directors.

The Management Committee is made up of the Managing Director and the Members of the Management Committee. The Executive Committee is made up of the Managing Director and the Members of the Executive Committee.

Managing Director

The Board of Directors chooses the Managing Director from among its members, based on the recommendation of the Remuneration & Appointments Committee.

Management Committee

The main responsibilities of the Management Committee are as follows:

- The Management Committee considers, defines and prepares, under the leadership of the Managing Director, proposals and strategic options that could contribute to the Issuer's development. This responsibility covers in particular strategic planning: analysis of strategies, activity plans and budgets submitted by the Issuer's departments; drawing up the business plan and budgets of the Issuer for proposal, discussion and approval by the Board of Directors.
- The Management Committee monitors the developments of the Issuer, analysing the compliance of the feasibilities, the deadlines and the quality of the projects, making sure to maintain or improve quality standards of the Group.
- The Management Committee presents to the Board a complete, timely, reliable and accurate preparation of the Issuer's financial statements, in accordance with the applicable accounting standards and policies of the Issuer.
- The Management Committee prepares the company's required disclosure of the financial statements and another material, financial and non-financial, information.
- The Management Committee proposes the financial strategy with the operational financial management to the Board of Directors.
- The Management Committee ensures the monitoring of the performance of the Issuer's departments in line with strategic objectives, business plans and budgets.
- The Management Committee draws up and implements the Issuer's policies that the Managing Director considers to fall within the competence of the Management Committee.

The Management Committee is responsible and accountable to the Board for the discharge of its responsibilities.

Composition

Currently, the Management Committee comprised of the following members:

Name	Function	Professional address
Gaëtan Piret ⁽¹⁾	Chairman	Rue de la Régence 58, 1000 Bruxelles

Name	Function	Professional address
Philippe Helleputte	Member	Rue de la Régence 58, 1000 Bruxelles
Christian Karkan ⁽²⁾	Member	Rue de la Régence 58, 1000 Bruxelles
Philippe Opsomer ⁽³⁾	Member and Secretary of the Management Committee	Rue de la Régence 58, 1000 Bruxelles

Notes:

- (1) Acting as permanent representative of Gaëtan Piret sprl.
- (2) Acting as permanent representative of REALEYDE DEVELOPMENT sprl.
- (3) Acting as permanent representative of ASAP CONSULTING sprl.

The members of the Management Committee are not related to each other.

The curriculum vitae of the members of the Management Committee (except for the Managing Director – see *supra*) may be summarised as follows:

Philippe Helleputte, 61, joined Immobel in 1977 as legal Advisor, after having worked 2 years for Coopers & Lybrand. He is, since 1984, in charge of the landbanking activities of the Group, Managing Director of Lotinvest, Director of various subsidiaries of Immobel Group and Member of the Executive Committee since 1987. He holds a Master in Law (UCL), is Member of the IPI and General Counsel of the UPSI (Union Professionnelle du Secteur Immobilier).

Christian Karkan, 49, joined Immobel as Head of Development in January 2009 and has a broad real estate experience in various European countries. He started his real estate career in 1986 when he joined Healey & Baker (now Cushman & Wakefield) as property agent specialised in offices, lettings and investments. From 1989 until 1993, he was in charge of real estate projects at Fibelaf. In 1995 he became an Associate of Cushman & Wakefield and Equity Partner in 2000 when he accepted the position of head of the investment team. He studied Marketing at EPHEC (Ecole Pratique des Hautes Etudes Commerciales), is Member of IPI and RICS and also has a degree in Corporate Management.

Philippe Opsomer, 50, joined Immobel as CFO. After a career start in the banking sector, he joined Nestlé Belgium in April 1989 where he spent 9 years (in the Finance, Audit, IT and Logistics departments). In November 1997, he joined Econocom in Belux, where he spent 10 years in senior management jobs, in Belux & France, in Finance, Operations and IT. He left Econocom in November 2007 (being at that time CFO, Products and Services Benelux). He holds a Master's degree in Business Engineering (Solvay Business School 1987).

Executive Committee

The main responsibilities of the Executive Committee are as follows:

- The Executive Committee puts internal controls in place (i.e. systems to identify, assess, manage and monitor financial and other risks), without prejudice to the Board's monitoring role, based on the framework approved by the Board.
- The Executive Committee considers, defines and prepares, under the leadership of the Managing Director, proposals and strategic options that could contribute to the Issuer's development.

- The Executive Committee draws up proposals relating to policies to be submitted for the approval of the Board of Directors, and implement these policies; these policies include amongst others risk management (policy relating to the development at risk of real estate projects).
- Under the leadership of the Managing Director, the Executive Committee:
 - gives leadership, advice and support to the Issuer's various subsidiaries and departments, respecting the legal and regulatory framework in which each of such subsidiaries operates;
 - approves or decides to agree, reassess or cease any alliance, spin-off or merger, investment, acquisition and disposal, which does not fall under the responsibilities reserved for the Board of Directors;
 - ensures the monitoring compliance with laws and regulations in force, as well as policies and standards set by the Issuer;
 - manages and organises the support functions within the Issuer covering areas such as human resources, legal, tax, accounting and financial matters.

The Executive Committee is responsible and accountable to the Board for the discharge of its responsibilities.

Current composition

Currently, the Executive Committee is comprised of the following members:

Name	Function	Professional address
Gaëtan Piret ⁽¹⁾	Chairman	Rue de la Régence 58, 1000 Bruxelles
Pierre Delhaise	Head of Legal Services and Secretary of the Executive Committee	Rue de la Régence 58, 1000 Bruxelles
Bartłomiej Hofman	Managing Director at Immobil Poland Sp. z o.o.	Bonifraterska 17, 00-203 Warsaw
Philippe Helleputte	Head of Landbanking	Rue de la Régence 58, 1000 Bruxelles
Christian Karkan ⁽²⁾	Head of Development	Rue de la Régence 58, 1000 Bruxelles
Sophie Lambrighs ⁽³⁾	Advisor	Rue de la Régence 58, 1000 Bruxelles
Jean-Louis Mazy ⁽⁴⁾	Advisor	Rue de la Régence 58, 1000 Bruxelles
Joëlle Micha ⁽⁵⁾	Head of Corporate Affairs Secretary of the Board of Directors and its Committees and Compliance Officer	Rue de la Régence 58, 1000 Bruxelles
Paul Muyldermans ⁽⁶⁾	Head of Project Management	Rue de la Régence 58, 1000 Bruxelles
Philippe Opsomer ⁽⁷⁾	Head of Finance	Rue de la Régence 58, 1000 Bruxelles

Notes:

- (1) Acting as permanent representative of Gaëtan Piret sprl.
- (2) Acting as permanent representative of REALEYDE DEVELOPMENT sprl.
- (3) Acting as permanent representative of ZOU2 sprl, Since 7 January 2013.
- (4) Acting as permanent representative of JEAN-LOUIS MAZY sprl.

- (5) Acting as permanent representative of JOMI sprl.
- (6) Acting as permanent representative of PAUL MUYLDERMANS bvba.
- (7) Acting as permanent representative of ASAP CONSULTING sprl.

The members of the Executive Committee are not related to each other.

The curriculum vitae of the members each of Executive Committee (except for such members who are also members of the Management Committee – see *supra*.) may be summarised as follows:

Pierre Delhaise, 62, joined Immobel in 1984 as Company Lawyer after having worked for the office of Notary Marc Bernaerts in Brussels for 7 years. He is currently Head of Legal Services of Immobel and a Member of the Association of the Company Lawyers. He holds a Master in Law (RUG), a Master in Notary Law (VUB) and a Master in European Law (ULB). He also holds a Common law certificate from St. Catherine's College (Cambridge).

Bartłomiej Hofman, 38, joined the Group in 2011 as head of our Polish subsidiary (Head of Immobel Poland) and is member of the RICS. Prior to joining Immobel, he has worked, since 1999, in real estate consultancy teams of Knight Frank and DTZ, specialising in the office sector, and from 2005, he has worked for Austrian based investment fund – Europolis – as the Managing Director in Poland being responsible for office and warehouse investments and developments in Poland. He holds a Master degree from Warsaw University in International Relations and a Postgraduate degree in Property Valuation from Warsaw Technical University.

Sophie Lambrighs, 41, joined Immobel in January 2013 as an Advisor and Member of the Executive Committee. She started her career in the building trade both in Brussels and Paris between 1994 and 2002. In 2003 she joined the real estate department of Axa Belgium, initially as a Project Manager and later as an Investment Manager. She used to be a Director of the sicaf Retail Estates and a Member of the Investment Committee of Home Invest. She holds a Master's Degree in Civil Engineering (Construction) from the ULB and obtained an Executive Master in Management from Solvay Brussels School.

Jean-Louis Mazy, 57, joined Immobel in 2001 as internal Consultant and afterwards as Member of the Executive Committee. He now is responsible for important developments in Brussels, as well as for the relations of the Group with the public authorities. Prior to this, he was a Member of the Executive Committee of Cibix sca – sicaf (1999-2001). He began his professional career as Inspector General of Finance (1979-1996). Afterwards he joined the P&V Group as CFO (from 1990 till 1997). He holds a Master's degree in Economics (ULB) and an Advanced Management Program (Harvard Business School).

Joëlle Micha, 43, joined the Group in 2000 as Company Secretary of the sicaf Cibix (Reit). Since 2007, she is Head of Corporate Affairs and Compliance Officer of Immobel. Prior she worked as Lawyer in the Loeff Claey Verbeke law firm (currently Allen & Overy) during 4 years, as authorised agent in a private bank, and at the FSMA (formerly BFIC) in the Financial Information Monitoring and Markets Supervision department. She holds a Master in Law (UCL), a Master in Taxation (HEC-Liège) and she also obtained the "Certified European Financial Analyst" qualification, granted by the Belgian Association of Financial Analysts. She is also Company Director in Belgium and the Grand Duchy of Luxembourg.

Paul Muyldermans, 58, joined Immobel in 2002 as Head of Project Management. He was previously Commercial Director at Valens (Eiffage group). He holds a degree in Civil Engineering (KUL) and a Postgraduate from the RUG. He is AMP 1997 from INSEAD and Member of the Royal Institution of Chartered Surveyors (MRICS).

Statutory auditors

Deloitte Bedrijfsrevisoren/Reviseurs d'Entreprises,
Berkenlaan 8b, 1831 Diegem
represented by Mr Laurent BOXUS

It has been re-appointed at the General Meeting of Shareholders on 26 May 2011 for a period of three years.

The audit fees at consolidated level are reported in the note 7 page 16 of the consolidated figures 2012 (incorporated hereto by reference).

Business overview

History and development

Text	Text
1863 – 1977	Set up of the Company in July 1863 by MM Bischoffsheim, de Brouckere and Malou, with the financial support of the Société Générale
1867	The Société Générale becomes the major shareholder, with, as primary objective, the development of lands in Brussels first, then in all the land.
1977 – 2001	Years of series of changes, with as a result a significant expansion of its spectrum of activities
1977	Acquisition of Cy Jacques de Duve
1987	Merger with Consortium Immobilier => real estate portfolio with guaranteed recurring revenues
1988	Capital increase Acquisition of Investimmo => real estate development & promotion
1991	Acquisition of the De Waele Group => new portfolio of projects in Brussels Tractebel Group (Suez) becomes the reference shareholder
1998	Creation of sicafi Cibix, being the 3rd largest in Belgium, merged with Befimmo in 2001
2001	Turning point in Immobel's history with disinvestment & refocussing of activities Debt reduction, assets sale, refocusing on core promotion and real estate development
2007	As from mid-2007, reorganisation and new start New reference shareholder (JER partners bought the participation of Suez-Tractebel) New Chairman, new Board, new Managing Director Complete reshuffling of the Company and the team
2010	As from Sept 2010, new development phase With a new reference shareholder: Eastbridge Group (via its vehicle Cresida Investment sàrl) which bought in 09/2010 the participation of JER Partners

Business Description

Overview

Immobel is a Belgian real estate development company focusing on the development of commercial and residential real estate in Belgium, Luxembourg and Poland. The Issuer is also active in landbanking (*lotissement/verkaveling*) in Belgium.

The Issuer is listed on NYSE Euronext Brussels since 1863. As per 11 March 2013 Immobel's market capitalisation amounted to approximately €135 million.

At 31 December 2012, the value of its development portfolio represented €360 million with a total area of about 345.000 m² in superstructure. The development portfolio consists of 9 office projects (representing 55 per cent. of the total inventory book value as of 31 December 2012), and 20 residential projects (representing 25 per cent. of the total inventory book value as of 31 December 2012). It holds also a portfolio of 345 ha (the Issuer's share) of land and 71 ha of lands under conditions precedent, in different stages of development as at 31 December 2012 (representing 20 per cent. of the total inventory book value as of December 31 2012). This portfolio represents 57 projects in use, 56 in reserve and 16 under conditions precedent.

According to its current financing policy, the Issuer finance its acquisition primary via Equity, via the Facility Agreements (as defined in Condition 7.5 (*Definitions*) of the Terms and Conditions of the Bonds) or via the €40 million 7 per cent. Bonds due 2016 issued by the Issuer, and it does not initiate the development of a project if the financing for it is not assured by external as well as internal sources.

Market description

The market overview describes the geographical and real estate market segments in which Immobel is present and provides an update on the current market circumstances.

Belgium

The macro environment in Belgium remains challenging despite some signs of improvement in the global economy. Real GDP has contracted in 2012 with 0.2 per cent. while it would remain broadly stagnant in 2013. Private sector confidence indicators indicate that the recovery will only materialise at a very slow speed. For the Belgian economy, it is essential that macro-economic policy be geared towards addressing the competitiveness gap with Germany. The government has recently welcome first steps towards this goal.

Belgian public finances are on track. The government succeeded in reducing the deficit to 3 per cent. of GDP despite a contraction in real GDP. The public debt has peaked just under 100 per cent. of GDP. The government's commitment to meet its targets has resulted in a substantial easing of financial conditions, with the yield of the 10-year government bond at a historic low of 2.2 per cent.

(Source: BNP Paribas Fortis)

(i) Office market

Immobel's Belgian office development portfolio is located entirely in Brussels and its periphery.

- The Brussels office market

The Issuer's office developments have historically been concentrated in Brussels, mainly in the Central Business District (CBD). The office market in Brussels is characterised in particular by the presence of the European Union and other national, regional and supranational institutions and organisations. This is a key point of attraction for large international investors. The Brussels office market, consisting of 13.8 million m² office space, represents by far the largest part of the Belgian office market.

The Brussels market consists of three main areas, each having their own market dynamics: the Central Business District (CBD), the Decentralised Area and the Periphery. The CBD itself can be broken down in the Pentagon (Brussels city centre), South District, North District, Leopold District and the Louise District.

The office take-up in 2012 improved by 20 per cent. compared to 2011. The total vacancy rate slightly decreased to 10.4 per cent at the end of 2012. Vacancy rates for offices of less than five years old have continued to drop as a result of a limited development pipeline for the coming years. The preference for new efficient buildings, preferably on a strategic location in the CBD, comes at the expense of older, lower quality buildings. (Source: CBRE)

Development activity has been very limited in 2012 with only 85,000 sqm completed compared to 111,000 sqm in 2011. The decrease of future supply should indicate a further decrease in vacancy for 2013 especially in new buildings. The level of rent free periods or other incentives should start to decrease as result of falling vacancy especially in the CBD. (Source: JLL, for Immo Annual Report 2012, February 2013)

From an investment perspective some €2,200 million has been invested in 2012, 20 per cent. higher than in 2011. Although Belgian investors continued to be the main purchasers, accounting for 69 per cent. of transactions by volume, foreign investors seem to have an increased interest in the Brussels office market. Market developments have also lead to an increase in the reconversion of office space into residential units, retirement homes or schools leading to a structural decrease in vacancy and to an enhancement of the mix of uses, for example in the Leopold district in response to pressure from the planning authorities. (Source: Jones Lang Lasalle, BNP Paribas Real Estate).

(ii) Residential real estate market

2012 was a relatively good year in terms of invested volumes and number of transactions in the residential sector. During 2012, the average prices were 2.45 per cent. higher than in 2011 for houses and 2.25 per cent. higher for apartments.

The volatility of the stock exchange has reinforced the positive attitude towards real estate.

The volume of sales has increased by 3.2 per cent. for apartments and decreased by 3.7 per cent. for houses.

Banks are also more cautious when it comes to property lending which means that the number of potential purchases has not gone down but the number of purchasers capable of buying has gone down.

Brussels remains the most expensive location with an average price of €2,600/sqm. The most expensive municipalities are Woluwe St. Pierre (+17 per cent. vs 2011), Etterbeek (+8.8 per cent.), Ixelles (+2.1 per cent.) and Uccle (+0.4 per cent.).

(iii) Landbanking

For the first 3 quarters of 2012 (remark: at the date of this document the official statistics regarding Q4 2012 are not yet available), we counted 12,025 transactions, compared to 12,806 for the first 3 quarters of 2011 – representing a surface area of 14,297,338 m² and a total sales price of 1,519 MEUR, which is again a slight reduction in the number of transactions, with an increase in the average price of 3 per cent.

The average price, however, conceals major differences: in the Flemish Region the average price is 168 EUR/m², in the Brussels Region it is 695 EUR/m² and in the Walloon Region 52 EUR/m².

The increase in building land sales prices is due to various factors: the fact that the rise in the price of real estate is generally higher than the inflation rate, the relative dearth of available land for building, especially in the Flemish Region, and the constant increase in the cost of equipping building land with utilities. There are two reasons for the latter: tougher requirements on the part of the authorities concerning the level of completion of these utilities and a very marked increase in the cost of the utilities themselves (water, gas, electricity, street lighting, etc.).

The number of applications for building permits in 2012 is similar to that of 2011 (circa 23,500 permits granted), but it is nevertheless constantly decreasing. In 2006, permits were granted for circa 61,000 homes. Since 2004, the proportion of applications for apartments has been greater than for houses.

Population growth and the reduction in the size of households, due principally to the aging of the population, has increased the demand for new housing, consequently requiring the availability of well-situated land equipped with utilities and commercial, cultural and educational facilities.

Densification and energy performance are the themes that condition and will continue to condition legislative developments in the years to come. The effect will be to reduce the size of building plots.

In all three Regions studies on important legislative modifications concerning urban planning are well underway and could be completed in 2013. These include the PRAS Démographique (Regional Demographic Zoning Plan) in the Brussels Region, the SDER (Regional Spatial Development Perspective), the CWATUPE (Walloon Code for Town and Country Planning, Heritage and Energy) in the Walloon Region, and the BRV (Spatial Policy Plan Flanders) in the Flemish Region.

(Source: SPF Economie, "vente de biens immobiliers 1985-2012", 19-12-2012)

Luxembourg

GDP growth (in volume) in Luxembourg was 0.5 per cent in 2012. It is expected that the growth in Luxembourg's GDP would attain 1 per cent. in 2013. The Luxembourg unemployment rate stood at 5.6 per cent. at the end of 2011 and is now at 6.1 per cent at the end of 2012.

(i) Office market

Immobel currently has one project in Luxembourg in its portfolio. It is located in the Decentralised area close to the highway connecting Luxembourg to Brussels (West Side Village, as further detailed on page 51).

- With a take-up of 42,600 sqm in the last quarter, 2012 as a whole recorded a total office take-up of 145,400 sqm; this represents a 15 per cent. year-on-year fall with 170,400 sqm leased in 2011.
- The prime rent remained at €40/sqm per month. Rents for second-hand buildings remained stable, even though falls in vacancy rates are gradually reducing the pressure on rents seen over the last few years; this has also allowed landlords greater freedom in new lease negotiations.
- Immediate supply currently stands at around 200,000 sqm with a stable vacancy rate of 5.9 per cent.
- In 2012, 68,300 sqm of office space was added to the office market, only 18,600 sqm of which remains available. In fact, due to the lack of new supply and the weak level of deliveries, the trend for pre-lets of space under development has been rising since 2011. As a result a high percentage of new office deliveries in 2012 has already been leased to tenants. In 2013, almost 80,000 sqm of offices is expected.

- The investment market recorded 18 transactions in 2012 for an estimated volume of €474 million, a marked increase compared to 2011 with a volume of €367 million. Eleven sales were for office assets, two for retail space, one industrial and four for mixed-use space. The office yield remained at between 6 and 6.5 per cent.

(Source: DTZ, "Property Time", T4 2012)

(ii) Residential real estate market

The average prices per square meter have increased with about 5 per cent. for existing stock and 1.4 per cent. for new constructions. (Source: *Observatoire de l'habitat*).

Poland

The most recent economic indicators in Poland confirm the general slowdown as observed across Europe. The level of GDP growth last year decreased to 2 per cent. from 4.3 per cent. registered in 2011. The forecasts for 2013 remain comparable (2.2 per cent.). Nevertheless, this level is one of the highest among the European countries, where the average GDP growth for (EU-27) is forecasted to reach only 0.4 per cent. (Eurostat data). This poor GDP performance in Europe is the main concern for the Polish economy, which is heavily dependent on export to the EU countries. (Source: CBRE).

(i) Office market

- Despite a general economic slowdown, the office market in Warsaw has been performing very well thanks to a high take-up and an important investment volume (see details hereafter).
- Total office leasing activity reached 608,500 sqm in 2012 and exceeded the 2011 level.
- Growing new speculative supply impacts negatively on the vacancy rate. It is expected that in 2013 the office vacancy rate might exceed 10 per cent.
- Non-central office rents are under downward pressure with the prime rates remaining stable.
- The 2012 investment volume level exceeded €2.7 billion with the office share at 34 per cent.
- Prime yields are relatively stable with a growing gap between prime assets (well located and long term leased) and secondary assets (the others).

(Source: CBRE, *Global Research and Consulting, Market View Q4 2012*)

Strategy

General

The Issuers' operating strategy is based on the development of large real estate projects in the office, residential and landbanking real estate segments in Belgium (mainly Brussels), Luxembourg and Poland; retail could be envisaged based on opportunities.

For major developments, in order to reduce development risk and maintain its diversified profile, the Issuer will seek to establish partnerships. Examples of such projects are Belair (150,000 m²), Universalis Park (130,000 m²), Bella Vita (60,000 m²), Gateway (33.500 m²), and Green Hill (20,900 m²).

The architectural quality of the buildings, their integration into the urban landscape and their strong environmental features are also part of a permanent research in the design of the projects.

All new projects are today systematically specified in relation to international environmental and sustainable development standards (in particular BREEAM for office buildings).

The growth in the company's landbanking and residential business also contributes to the spreading of risk and geographical diversification within Belgium.

In September 2010, Eastbridge acquired a 25 per cent. stake in the Issuer. Through its new long term shareholder, the Issuer is able to take advantage of new synergies, especially in Eastern Europe. In view of this growth potential and the economic perspectives of Poland, Immobel made Poland its second market, after Belux, with significant acquisitions since beginning 2011.

Offices

The Issuer focuses on projects between 5,000 and 20,000 m². The location is the key determining factor regarding potential investments. The Brussels and Luxembourg office markets have to date been the main markets for project development. The Issuer has decided, as part of its growth strategy to expand its operations in Poland and Eastern Europe in general where it has identified several project development opportunities. In the past the Issuer has developed projects in Berlin, Warsaw and Budapest.

Residential

The Issuer focuses on projects between 40 and 200 residential units in Belgium, Luxembourg and Poland. Attractive location, environmental features and state of the art design are the key parameters.

Landbanking

Immobel focuses on projects located in the immediate suburbs of large cities, well connected by train or motorway. The sites are always located in residential zones which could be developed and for which the potential sales price should be at sufficient levels in order to invest in roads, infrastructures.

Overview of the development portfolio

Offices

As of 31 December 2012, the Issuer owns a portfolio of 9 (7 in Belux, 2 in Poland) office projects in different stages of development for a total of circa 153,000 sqm (representing the Issuer's share in the development projects) located in Belgium, Luxembourg and Poland.

This portfolio has a book value of €194 million as of 31 December 2012.

Status	Region	Project	KSQM (our share)	Participation
Completed – To let & for sale	Luxembourg	West Side Village	11,7	100%
	Poznan	Okraglak	7,6	100%
Under construction – To let & for sale	Brussels	Belair (RAC 2)	3,8	40%
		Black Pearl	11,0	100%
Under construction – Leased & for sale		Belair (RAC 1)	30,0	40%
Scheme being worked up		Brussels Tower	29,7	50%
		Gateway	18,0	50%
		Universalis Park	21,5	50%
	Warsaw	Cedet	20,0	100%

All the projects listed here above are detailed in the next pages.

- (a) Projects completed, to let and for sale:

(i) West Side Village

- **Architect:** Assar.
- **Location:** Capellen, Grand Duchy of Luxemburg. West Side Village is located along the Luxemburg-Brussels motorway, less than 10 minutes by car from the city centre. It enjoys excellent visibility and access, which is an important asset.
- **Project:** second phase of a total project of 6 Offices buildings (3 in phase I completed and sold in 2007, and 3 in phase II completed in February 2010).
- **Size:** 11,667 m² for this 2nd (and last) phase.
- **Description/status:** the construction started in June 2008 and was completed according to plan in February 2010. The property is leased as of February 2013 at 77 per cent. The Issuer's priority is to identify additional tenants and to sell in 2013.

(ii) Okraglak:

- **Architect:** RKW Rhode Kellermann Wawrowsky Polska.
- **Location:** center of Poznan, Poland. The site is extremely well located between the historic Old Town and the Poznan central railway station. The building is well accessible.
- **Project:** heavy refurbishment in order to deliver a state of the art offices building.
- **Size:** 6,800 m² of Offices and 800 m² of Retail.
- **Description/status:** the Okraglak project consists in the heavy refurbishment of a well known existing building characterised by its circular shape. The site was acquired in February 2011. The heavy refurbishment has started in March 2011 and is completed since September 2012. The building is leased at 59 per cent. in February 2013. The Issuer's priority is to identify additional tenants and to sell in 2013.

(b) Projects under construction: to let and for sale:

(i) The Black Pearl

- **Architect:** Art & Build.
- **Location:** Brussels (Leopold/Arts Loi), Belgium. The site is extremely well located in the "Quartier Leopold" district at the corner of rue Montoyer and rue du Commerce, the first and most dynamic office district of Brussels thanks to the European Institutions.
- **Project:** offices project in the heart of the Quartier Leopold bought in September 2010 for complete redevelopment.
- **Size:** 11.000 m².
- **Description/status:** the development Black Pearl project consists of the demolition of a 40-year old existing building with an area of circa 8,500 m² and the reconstruction of a new landmark and low-energy consumption building including all modern equipment of approximately 11,000 m². The construction works have started in April 2012 and are due to be completed in September 2014.

(ii) Belair (RAC 2)

- **Architect:** Archi 2000/M. & JM. Jaspers – J. Eyers & Partners.
 - **Location:** Brussels (see the Offices project), Belgium.
 - **Project:** 9,500 sqm offices.
 - **Description:** the speculative construction is ongoing and contacts are established with potential tenants for the entire building.
- (c) Projects under construction: leased and for sale:
- (i) Belair (RAC 1)
- **Architect:** Archi 2000/M. & JM. Jaspers – J. Eyers & Partners.
 - **Location:** Brussels, Belgium. The *Belair* building (formerly *Cité Administrative de l'Etat*) is located on the Boulevard Pacheco, very close to the centre of the city, which marks the border between the mainly residential part of the city and the business area. The site is highly visible and might be considered a flagship location.
 - **Project:** mixed development of about 150,000 m² on site.
 - **Size of the first phase:** 75,063 m² (our 40 per cent. share: 30,025 m²) for the phase under review.
 - **Description/status:** the Belair project is being jointly developed by Breevast (60 per cent.) and Immobel (40 per cent.). It is a mixed development (offices, residential, retail, public areas, etc.) of about 150,000 m². In April 2011, Immobel and its partner signed the lease agreement with the *Régie des Bâtiments/Regie der Gebouwen* for a fixed term of 18 years on behalf of the Federal Police. Thanks to the extension of the leased surface, the entire office space is leased. The sale process is ongoing.
- (d) Projects for which the schemes are being worked up
- (i) Brusselstower
- **Architect:** M. & JM. Jaspers – J. Eyers & Partners.
 - **Location:** Brussels (North), Belgium. The project *Brussels Tower* is located right opposite to the Ellipse building which has been successfully developed by Immobel and BNP Paribas Fortis few years ago.
 - **Project:** offices development in front of North Station in partnership.
 - **Size:** 57,753 m² in which the Issuer owns 50 per cent., corresponding to 28,882 m².
 - **Description/status:** in partnership with KBC (50 per cent.), the Issuer holds a building acquired in 2003 with a view to redevelop a major office scheme in a well-established location. The property is totally vacant. The project has a permit valid until October 2013 for 59,217 m² lettable space to 59,217 m².
- (ii) Gateway
- **Architect:** Jaspers Eyers & A2RC.
 - **Location:** Zaventem, at the entrance of the Airport.

- **Project:** Heavy refurbishment and extension of the “Terminal 58” into prime office space.
- **Size:** 34,000 m² offices
- **Description:** 100 per cent. preleased for 18 years to Deloitte subject to building permit.

(iii) Universalis Park

- **Architect:** Art & Build.
- **Location:** Brussels (Ixelles), Belgium. The project Universalis is located in the South East Decentralised submarket of Brussels in a well-established office & residential location.
- **Project:** major offices and residential project to be developed in joint venture at 50 per cent. with Rabot Dutilleul (Entreprises Louis De Waele).
- **Size:** the total expected project size amounts to 130,000 m² from which 43,000 m² Offices, in which the Issuer has a 50 per cent. share, corresponding to 21,500 m².
- **Description/status:** the entire project includes residential and offices areas. However only the residential part will be developed in a first stage (see description page 57).

(iv) Cedet

- **Architect:** AMC Andrzej Choldzynski/RKW Rhode Kellerman Wawrosky.
- **Location:** Warsaw, Poland. The site is extremely well located in the very heart of the Warsaw CBD.
- **Project:** redevelopment project of an existing building into a class A office space and retail.
- **Size:** 20,000 m².
- **Description/status:** the Issuer has purchased in February 2001 the Cedet building in the center of Warsaw with the goal of a total redevelopment into prime office and retail space. The Issuer expects a potential of around 65 per cent. offices and 35 per cent. retail. The development consists in the demolition/reconstruction of the existing main building in order to recreate the original facade, but modernised, including all modern and low-energy consumption equipment. A zoning confirmation has been obtained and we are preparing an application for building permit.

(v) Kons

On 28 February 2013, the Issuer acquired, a 1/3 stake in a new project in Luxembourg City, “Kons”. This project is not included in the here above figures (as this figures describe the situation as of end 2012) and is described hereafter.

- **Architect:** m3.
- **Location:** City of Luxembourg, Grand-Duchy of Luxembourg. The project Kons is located just in front of the railway station.
- **Project:** major offices (with some retail and residential) project to be developed in joint venture at 1/3 with CLI (group CFE) and Besix RED.

- **Size:** the total expected project size amounts to 20,500 m² from which 14,600 m² offices, in which the Issuer has a 33% share, corresponding to 6,800 m².
- **Description/status:** The site, built in the 1930s, occupies a land area of 4,400 m². It includes a mix of functions (offices, retail businesses, housing and car parks) which will be preserved in the redevelopment project. The redevelopment foresees the demolition of the present complex, excluding a part of the parking, and the reconstruction of a more coherent complex integrating different functions. Its unique location, opposite the station, in an area that is undergoing complete transformation, has the advantage of being extremely well served by public transport and retail infrastructure. A long-term lease has been signed with ING Bank which will establish there its new head office in Luxembourg. ING will occupy a significant proportion of the offices in this project.

Residential

As of 31 December 2012, the Issuer has in portfolio 20 residential projects in different stages of development for a total of about 191,000 m² (our share).

This portfolio has a book value of €83 million as of 31 December 2012.

Status	Region	Project	KSQM (our share)	Participation
Completed & for sale	Brussels	Espace Midi Ilot D	0,6	20%
		Foncière du Parc	4,9	50%
		Martyrs 1-4	2,8	100%
		South City Hotel	0,7	10%
	Liège	Résidence Saint Hubert	1,5	50%
Under construction & for sale	Brussels	Etterbeek – Rue P.E. Devroye	1,6	33%
		Forum	3,4	100%
		La Charmeraie	11,2	80%
		Sittelles Les Aubépines	1,9	80%
	Bredene	Duinenzicht	2,4	50%
	Eupen	« Zur Alten Brauerel »	2,9	33%
	Waterloo Luxemburg	Bella Vita Green Hill	25,7 10,9	50% 50%
Scheme being worked up	Brussels	Belair RAC3 & 4	28,6	40%
		Jardins Nord	6,8	76%
		Etterbeek Residential	2,3	50%
		Parc Seny	13,7	100%
		Universalis Park	17,4	50%
		Universalis Park Lot 2	15,5	50%
		Universalis Park Lot 3 – MRPA – ARMONEA	4,4	50%
		Universalis Park Lot 3 Phase 1	6,3	50%
	Tervuren	Lindepark	7,1	100%
	Nivelles	Ilot Saint Roch	19,0	100%

Below is a detail of some of the projects in which the Issuer has at least 40 per cent. and where its share in the surfaces is above 4,000 m². The other projects are either of small size, or developed with partners, or of small importance, or at the end of the process.

(a) Projects completed and for sale:

(i) Foncière du Parc

- **Architect:** M. & JM. Jaspers – J. Eyers & Partners.
- **Location:** Brussels (Belliard/Schuman), Belgium. The Foncière Parc project is located in the heart of Quartier Leopold on the corner of rue Belliard and rue Froissart.
- **Project:** development of 66 flats and 7 retail units, in partnership at 50 per cent. with Soficom.
- **Size:** 9,751 m² in which the Issuer has 50 per cent., corresponding to 4,876 m².
- **Description/status:** the construction is completed since end 2009. The sale of the units started in July 2010. As of 1 February 2013, 66 units were sold.

(b) Projects under construction and for sale:

(ii) Green Hill

- **Architect:** Ch. Bauer.
- **Location:** Luxembourg, Grand Duchy of Luxembourg. The Green Hill project is located North of the City of Luxembourg (close to the city centre and the plateau of Kirchberg).
- **Project:** large and high level residential development in joint venture (50 per cent.) to be developed in phases.
- **Size:** total of 21,781 m² in which the Issuer owns 50 per cent., corresponding to 10,891 m².
- **Description/status:** the project consists of 171 apartments divided into 14 buildings. The Issuer bought the project in May 2010, with all the necessary valid permits. The project will be carried out in 3 or 4 phases. The construction of the first phase (50 units) is now completed and other phases are under construction. 115 apartments are already sold.

(iii) Charmeraie

- **Architect:** Trio.
- **Location:** Brussels (Uccle), Belgium. The Charmeraie project is located in a prime location and a green environment in Uccle, one of the best municipalities of Brussels for residential development.
- **Project:** new residential project.
- **Size:** 14,000 m², mix of apartments and houses.
- **Description/status:** on this site of 3 ha 11 a, it is planned to develop 39 houses and 32 apartments (division permit obtained end July 2009). The infrastructure permit has been

delivered in August 2010. The works of infrastructure are finished. The constructions of the first phase of 8 houses and 14 apartments has started in Q3 2012.

(iv) Lindepark

- **Architect:** M. & JM. Jaspers – J. Eyers & Partners.
- **Location:** Tervuren, Belgium. The project Papeblok is located in Tervuren, a green town to east of Brussels. It is at 5 minutes walk from the town centre and its huge park, overlooking a green area.
- **Project:** residential development to be built in two phases.
- **Size:** 6,787 m².
- **Description/status:** the project consists in a total of 60 apartments that the Issuer will develop in 2 phases. The works of phase I have just started. 80 per cent. are already presold.

(v) Bella Vita

- **Location:** Waterloo (Brabant Wallon), Belgium. The project Bella Vita is located at Waterloo, in the South of Brussels, and it offers an exceptional location, close to the city center and the railway station. The lively center of Waterloo including boutiques, services, pubs, restaurants, banks. is located within one kilometer from the project.
- **Project:** major multigenerational development in joint venture at 50 per cent. with Blaton/JCX.
- **Size:** 51,484 m² in which our share represents 25,742 m².
- **Description/status:** Immobil acquired the property located at Drève des Dix Mètres in Waterloo in November 2005. This 14.9 ha site, a significant part of which is classified as a listed set of buildings, will be renovated as a mixed multigenerational residential centre focused on senior people that could, amongst other things, include medical or paramedical facilities, a nursing home, a care home, serviced accommodation, a rest center, a development of residential accommodation. All permits have been delivered. The infrastructure works have started. The first sales are being signed.

(c) Projects for which the schemes are being worked up.

(i) Belair

- **Architect:** Archi 2000/M. & JM. Jaspers – J. Eyers & Partners.
- **Location:** Brussels (see the Offices project), Belgium.
- **Project:** residential part of the large mixed project described here above in Offices part.
- **Size:** total of 72,292 m² in which the Issuer owns 40 per cent., corresponding to 28,917 m².
- **Description/status:** the residential part of this major mixed project has started with a first building of 9,786 m² for which the city of Brussels has granted the building permit in 2009 (together with the Offices part).

(ii) Jardins du Nord

- **Architect:** Bureau d'Etudes Franz Dupont.
 - **Location:** Brussels (North), Belgium. The Jardins du Nord project is located in Berchem-Sainte-Agathe, one of the 19 municipalities of Brussels, located in the Northern part. Avenue Josse Goffin is a residential street.
 - **Project:** new residential project in partnership (76 per cent.) with the *Société de Développement pour la Région de Bruxelles-Capitale/Gewestelijke Ontwikkelingsmaatschappij voor het Brussels Hoofdstedelijk Gewest*.
 - **Size:** 9,000 m² for the last phase, from which 6,840 m² for Immobil.
 - **Description/status:** the total project consists of houses of which various phases have already been built: 34 houses and a hospital renovated in offices (1,200m²). New permits have been introduced in Q2 2012 for approximately 9,000 m² above ground.
- (iii) Universalis Park
- **Architect:** Art & Build.
 - **Location:** Brussels (Ixelles), Belgium. The project Universalis Park is located in the South East Decentralised submarket of Brussels in a well established office & residential location.
 - **Project:** major offices and residential project to be developed in joint venture at 50 per cent. with Rabot Dutilleul (Entreprises Louis De Waele).
 - **Size:** the total expected project size amounts to 130,000 m² from which 90,000 m² Residential, in which the Issuer has a 50 per cent. share, corresponding to 45,000 m².
 - **Description/status:** the entire project includes residential and offices areas. The Issuer has introduced a permit building request for a first phase of residential development for circa 12,500 m².
- (iv) Ilôt Saint-Roch
- **Architect:** DDS.
 - **Location:** Nivelles, Belgium. The project Ilôt Saint-Roch is located close to the center of Nivelles which is a dynamic city located 30 km south of Brussels.
 - **Project:** major residential development under study, combined with retail spaces.
 - **Size:** 18,200 m².
 - **Description/status:** the project under analysis would combine a residential and a retail project. The Issuer has started the necessary steps in terms of environmental and building permits.
- (v) Parc Seny
- **Architect:** DDS.
 - **Location:** Auderghem, along Boulevard du Souverain, close to H. Debroux metro station. Green environment.
 - **Project:** transformation of out of date offices into prime residential

- **Size:** 13,700 m².
- **Description/status:** the building permit request will be introduced in Q2 2013. The building will remain occupied as offices until Q4 2014.

Landbanking

As of 31 December 2012, the Issuer owns a large portfolio (129 projects) of land in different stages of development for a total of circa 345 ha (the Issuer's share).

This portfolio has a book value of 72 million Euros as of 31 December 2012.

The Issuer also owns purchase options (for 16 projects) under condition (being mainly getting a division permit) representing an additional 71 ha.

(a) Projects in use

A land project is called "in use" if it holds its division permit. The infrastructure is then under construction or finished and the land is for sale.

As of end 2012, the Issuer has 57 projects "in use", mainly in Wallonia

(b) Projects in reserve

A land project is called "in reserve" if it does not hold at the closing date its division permit.

At the end 2012, this category represents 56 projects, mainly in Wallonia.

(c) Projects under purchase options

The Issuer also owns purchase options (for 16 projects) under condition (being mainly getting a division permit) representing an additional 71 ha. Retail

Some of the Issuer's offices and residential projects do include for various reasons some retail, e.g. Ilot St Roch in Nivelles, Cedet and Okraglak in Poland.

USE OF PROCEEDS

The Issuer intends to use the net proceeds of the issue of the Bonds, expected to amount to approximately €58,650,000, for the acquisition in 2013 – and in the years thereafter – of new projects and for the development of existing and new projects in the amounts not financed by the banking institutions.

Since March 2013, the Issuer has been studying, among others, several projects, spread between Belgium, Luxembourg and Poland, and between residential and offices/retail, all of them in line with its investment's criteria (which are, among others, the location, the quality of the project, the "risk/return" ratio, the environmental aspects such as BREEAM certificates (i.e. certificates delivered by a private organisation using recognised measures of performance against established benchmarks to evaluate a building's specification, design, construction and use), and the size).

The expenses in connection with the admission to trading of the Bonds are expected to amount to €125,000.

TAXATION

The following summaries do not purport to be a comprehensive description of all tax considerations that could be relevant for Bondholders. These summaries are intended as general information only and each prospective Bondholder should consult a professional tax adviser with respect to the tax consequences of an investment in the Bonds. These summaries are based on tax legislation and published case law in force as of the date of this document. They do not take into account any developments or amendments thereof after that date, whether or not such developments or amendments have retroactive effect.

Belgium

This section provides a general description of the main Belgian tax issues and consequences of acquiring, holding, redeeming and/or disposing of the Bonds. This summary provides general information only and is restricted to the matters of Belgian taxation stated herein. It is intended neither as tax advice nor as a comprehensive description of all Belgian tax issues and consequences associated with or resulting from any of the above-mentioned transactions. Prospective acquirers are urged to consult their own tax advisors concerning the detailed and overall tax consequences of acquiring, holding, redeeming and/or disposing of the Bonds.

The summary provided below is based on the information provided in this Prospectus and on Belgium's tax laws, regulations, resolutions and other public rules with legal effect, and the interpretation thereof under published case law, all as in effect on the date of this Prospectus and with the exception of subsequent amendments with retroactive effect.

Belgian Withholding Tax

Under current Belgian withholding tax legislation, all interest payments in respect of the Bonds (which include any amount paid in excess of the initial issue price upon the redemption of the Bonds by the Issuer as well as the pro rata of accrued interest corresponding to the detention period in case of a sale of the Bonds between two interest payment dates) will be subject to Belgian withholding tax on the gross amount of the interest, currently at the rate of 25 per cent. Tax treaties may provide for a lower rate subject to certain conditions.

However, the holding of the Bonds in the NBB Clearing System permits investors to collect interest on their Bonds free of Belgian withholding tax if and as long as at the moment of payment or attribution of interest the Bonds are held by certain investors (the "Tax Eligible Investors", see below) in an exempt securities account ("X-account") that has been opened with a financial institution that is a direct or indirect participant in the NBB Clearing System.

Holding the Bonds through the NBB Clearing System enables Tax Eligible Investors to receive the gross interest income (i.e. free of withholding tax) on their Bonds and to transfer the Bonds on a gross basis.

Participants in the NBB Clearing System must keep the Bonds they hold for the account of Tax Eligible Investors on X-accounts, and those they hold for the account of non-Eligible Investors on N-accounts. Payments of interest made through X-accounts are free of withholding tax; payments of interest made through N-accounts are subject to a withholding tax of 25 per cent., which the NBB deducts from the payment and pays over to the tax authorities.

Tax Eligible Investors are those entities referred to in article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax (*koninklijk besluit van 26 mei 1994 over de inhouding en de vergoeding*

van de roerende voorheffing/arrêté royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier), which includes *inter alia*:

- (a) Belgian resident companies subject to corporate income tax;
- (b) semi-public governmental social security institutions or institutions similar thereto;
- (c) corporate investors who are non-residents of Belgium, whether they have a permanent establishment in Belgium or not; and
- (d) individual investors who are non-residents of Belgium and who have not allocated the Bonds to a professional activity in Belgium.

Tax Eligible Investors do not include, *inter alia*, Belgian resident investors who are individuals or Belgian non-profit organisations, other than those referred to under (b) above.

The above categories only summarise the detailed definitions contained in Article 4 of the Royal Decree of 26 May 1994, as amended, to which investors should refer for a precise description of the relevant eligibility rules.

Transfers of Bonds between an X-Account and an N-Account give rise to certain adjustment payments on account of withholding tax:

- A transfer from an N-Account (to an X-Account or N-Account) gives rise to the payment by the transferor non-Eligible Investor to the NBB of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.
- A transfer (from an X-Account or N-Account) to an N-Account gives rise to the refund by the NBB to the transferee non-Eligible Investor of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.
- Transfers of Bonds between two X-Accounts do not give rise to any adjustment on account of withholding tax.

Upon opening an X-Account with the NBB Clearing System or a participant therein, a Tax Eligible Investor is required to provide a statement of its tax eligible status on a form approved by the Belgian Minister of Finance. There are no ongoing declaration requirements for Tax Eligible Investors save that they need to inform the NBB Clearing System participants of any change of the information contained in the statement of their tax eligible status. However, NBB Clearing System participants are required to provide the NBB annually with listings of investors who have held an X-Account during the preceding calendar year.

These identification requirements do not apply to Bonds held by Tax Eligible Investors through Euroclear or Clearstream Luxembourg or their sub-participants outside of Belgium, provided that these institutions or sub-participants only hold X-Accounts and are able to identify the account holder.

Income Tax

(a) Belgian Resident Individuals

For natural persons who are Belgian residents for tax purposes, i.e. who are subject to the Belgian personal income tax and who hold the Bonds as a private investment, payment of the 25 per cent. withholding tax fully discharges them from their personal income tax liability with respect to these interest payments. This means that they do not have to declare the interest obtained on the Bonds in their personal income tax return, provided withholding tax was levied on these interest payments.

Belgian resident individuals may nevertheless elect to declare interest in respect of the Bonds in their personal income tax return. Where the beneficiary opts to declare them, interest payments will normally be taxed at a flat rate of 25 per cent. (or at the progressive personal tax rate taking into account the taxpayer's other declared income, whichever is more beneficial). If the interest payment is declared, the withholding tax retained may be credited.

Capital gains realised on the disposal of the Bonds are in principle tax exempt, except if the capital gains are realised outside the scope of the management of one's private estate or except to the extent they qualify as interest (as defined in the section "Belgian Withholding Tax"). Capital losses realised upon the disposal of the Bonds held as a non-professional investment are in principle not tax deductible.

Other tax rules apply to Belgian resident individuals who do not hold the Bonds as a private investment

(b) Belgian Resident Corporations

Bondholders who are Belgian resident corporations, subject to Belgian corporate income tax, are liable to corporate income tax on the income of the Bonds and capital gains realised upon the disposal of the Bonds. Capital losses realised upon the disposal of the Bonds will normally be tax deductible.

(c) Belgian Resident Legal Entities

Belgian resident legal entities holding the Bonds in an N-Account will be subject to a withholding tax of currently 25 per cent. on interest payments. They do not have to declare the interest obtained on the Bonds.

Belgian resident legal entities that qualify as Tax Eligible Investors and therefore are eligible to hold their Bonds in an X-Account must declare the interest and pay the applicable withholding tax to the Belgian Treasury, as no withholding tax will be levied on the payment of interest due to the fact that the Belgian legal entities hold the Bonds through an X-Account with the NBB Clearing System.

Belgian legal entities are not liable to income tax on capital gains realised upon the disposal of the Bonds (unless the capital gains qualify as interest as defined above in the Section "Belgian Withholding Tax").

(d) Organisations for Financing Pensions ("OFP")

Interest derived by OFP Bondholders on the Bonds and capital gains realised on the Bonds will be exempt from Belgian corporate income tax. Subject to certain conditions, any Belgian withholding tax levied on the interest will be fully creditable against any corporate income tax due and any excess amount will in principle be refundable.

(e) Non-Residents of Belgium

Non-residents who use the Bonds to exercise a professional activity in Belgium through a permanent establishment are in principle subject to the same tax rules as the Belgian resident companies (see above).

Bondholders who are non-residents of Belgium for Belgian tax purposes and are not holding the Bonds through a Belgian establishment and do not invest the Bonds in the course of their Belgian professional activity will not incur or become liable for any Belgian tax on income or capital gains (save as the case may be, in the form of withholding tax) by reason only of the acquisition, ownership or disposal of the Bonds. However, such non-residents may be liable to Belgian income tax on capital gains realised on

the Bonds (except for the accrued interest component) if the following three conditions are cumulatively met: (i) the capital gain would have been taxable if the investor were a Belgian tax resident (ii) the capital gain is realised upon a transfer of the Bonds to a Belgian resident individual, a Belgian resident company or entity, a Belgian public authority or a Belgian establishment and (iii) the capital gain is taxable in Belgium pursuant to the applicable double tax treaty, or, if no such tax treaty applies, the investor does not demonstrate that the capital gain is effectively taxed in his State of residence. This tax is imposed by way of withholding tax to be levied by the Belgian transferee, and, as such, it is expected that it will not be applied to transactions carried out on the stock exchange.

Transfer tax

No transfer tax (*taks op de beursverrichtingen/taxe sur les opérations de bourse*) will be due on the issuance of the Bonds.

Any transfer for consideration of the Bonds on the secondary market entered into or executed in Belgium through a financial intermediary will trigger a transfer tax of 0.09 per cent. The tax will be due on each disposal and acquisition separately with a maximum of €650 per party and per transaction.

An exemption is available for exempt persons acting for their own account, including investors who are Belgian non-residents provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status and certain Belgian institutional investors, as defined in Article 126/1, 2° of the Code of various duties and taxes (“Code des droits et taxes divers”/“Wetboek diverse rechten en taksen”).

EU Savings Directive

The EU Savings Directive requires Member States to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a paying agent located within its jurisdiction to, or for the benefit of, an individual or residual entity resident in that other Member State (hereinafter “Disclosure of Information Method”), except that Austria and Luxembourg may instead impose a withholding system (hereinafter “Source Tax”) for a transitional period (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld), unless during such period they elect otherwise.

The European Commission has proposed certain amendments to the EU Savings Directive. If those are put into force, they may modify or broaden the bearing of the conditions described hereabove.

Individuals not resident in Belgium

Interest paid or collected through Belgium on the Bonds and falling under the scope of application of the EU Savings Directive will be subject to the Disclosure of Information Method.

Individuals resident in Belgium

An individual resident in Belgium will be subject to the provisions of the EU Savings Directive, if he receives interest payments from a paying agent (within the meaning of the EU Savings Directive) established in another EU Member State, Switzerland, Liechtenstein, Andorra, Monaco, San Marino, Curaçao, Bonaire, Saba, Sint Maarten, Sint Eustatius (formerly the Netherlands Antilles), Aruba, Guernsey, Jersey, the Isle of Man, Montserrat, the British Virgin Islands, Anguilla, the Cayman Islands or the Turks and Caicos Islands. Indeed, a certain number of countries and territories which are not part of the European Union have entered with the European Union into agreements to apply *mutatis mutandis* the provisions of the EU Savings Directive, either under the form of a withholding tax or under the form of exchange of information.

If the interest received by an individual resident in Belgium has been subject to a Source Tax, such Source Tax does not liberate the Belgian individual from declaring the interest income in its personal income tax declaration. The Source Tax will be credited against the personal income tax. If the Source Tax withheld exceeds the personal income tax due, the excess amount will be reimbursed, provided it reaches a minimum of Euro 2.5.

SUBSCRIPTION AND SALE

BNP Paribas Fortis SA/NV, acting under the commercial name of BNP Paribas Fortis and KBC Bank NV (the “**Joint Lead Managers**”) may agree, pursuant to a Subscription Agreement that may be entered into on or about 19 March 2013 relating to the Bonds with the Issuer, subject to the satisfaction of certain conditions, to subscribe, or procure subscribers, and pay for the Bonds at the issue price and the other conditions as set out in the Subscription Agreement. The aggregate amount payable for the Bonds calculated at the issue price less any due fee will be paid by the Joint Lead Managers to the Issuer in the manner as set out in the Subscription Agreement. The Issuer will bear a placement fee of maximum 2.25 per cent. of the principal amount of the Bonds. Fees and costs in connection with the issue of the Bonds to be paid and/or reimbursed by the Issuer to the Joint Lead Managers have been agreed in a separate agreement between the Issuer and the Joint Lead Managers. The Subscription Agreement will entitle the Joint Lead Managers to terminate their obligations in certain circumstances prior to payment being made to the Issuer.

The Joint Lead Managers are agent and lender under the Facility Agreements (as defined in Condition 7.5 (*Definitions*) of the Terms and Conditions of the Bonds) and may in the future render additional banking and commercial services to the Issuer, for which it could receive fees and commissions.

General

Neither the Issuer nor any Joint Lead Manager has made any representation that any action will be taken in any jurisdiction by any Joint Lead Manager or the Issuer that would permit a public offering of the Bonds, or possession or distribution of this Prospectus or any other offering or publicity material relating to the Bonds (including road show materials and investor presentations) in any country or jurisdiction where action for that purpose is required. The Joint Lead Managers have agreed that they will comply to the best of their knowledge and belief in all material respects with all applicable laws and regulations in each jurisdiction in which they acquire, offer, sell or deliver Bonds or have in their possession or distribute this Prospectus or any such other material, in all cases at their own expenses. They will also ensure that no obligations are imposed on the Issuer in any such jurisdiction as a result of any of the foregoing actions.

United States

The Bonds have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Bonds are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

The Joint Lead Managers have represented and agreed that, except as permitted by the Subscription Agreement, they have not offered, sold or delivered and will not offer, sell or deliver the Bonds (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date (as defined in the Subscription Agreement) within the United States or to, or for the account or benefit of, U.S. persons, and they will have sent to each dealer to which it sells Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering, an offer or sale of Bonds within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

United Kingdom

The Joint Lead Managers represent and agree that:

- (a) they have only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) they have complied and will comply with all applicable provisions of the FSMA with respect to anything done by them in relation to the Bonds in, from or otherwise involving the United Kingdom.

GENERAL INFORMATION

- (1) Application has been made for the Bonds to be admitted to trading on the regulated market of NYSE Euronext Brussels as from the Issue Date.
- (2) The yield of the Bonds is 5.5 per cent.. The yield is calculated as at the Issue Date on the basis of the issue price. It is not an indication of any future yield.
- (3) The Issuer has obtained all necessary consents, approvals and authorisations in Belgium in connection with the issue and performance of the Bonds. The issue of the Bonds was authorised by a resolution of the Board of Directors of the Issuer passed on 11 March 2013.
- (4) There has been no significant change in the financial or trading position of the Issuer nor material adverse change in the financial position or prospects of the Issuer since 31 December 2012.
- (5) Neither the Issuer nor any subsidiary of the Issuer is, nor has been, involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus which may have or has had in the recent past significant effects on the financial position or profitability of the Issuer.
- (6) The Bonds have been accepted for clearance through the clearing system of the National Bank of Belgium with a Common Code of 090873644. The International Securities Identification Number (ISIN) for the Bonds is BE0002193598. The address of the National Bank of Belgium is 14 Boulevard de Berlaimont, 1000 Brussels, Belgium.
- (7) There are no material contracts entered into other than in the ordinary course of the Issuer's business (except the Facility Agreements – see Terms and Conditions, Condition 7.5 (*Definitions*) and the €40 million 7 per cent. Bonds due 2016 issued by the Issuer), which could result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Bondholders in respect of the Bonds.
- (8) Where information in this Prospectus has been sourced from third parties, this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third-party information is identified where used.
- (9) During the life of the securities, copies of the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer:
 - (a) the Memorandum and Articles of Association (*Statuts/Statuten*) of the Issuer in French and in Dutch;
 - (b) the audited consolidated financial statements of the Issuer for the financial years ended 31 December 2011 and 31 December 2012;
 - (c) a copy of this Prospectus together with, as the case may be, any Supplement to this Prospectus or further Prospectus; and
 - (d) all reports, letters and other documents, balance sheets, valuations and statements by any expert, any part of which is extracted or referred to in this Prospectus.

This Prospectus will be published on the website of the regulated market of NYSE Euronext Brussels (www.nyx.com).

- (10) Deloitte (statutory auditor of the issuer (having its registered office at Berkenlaan 8b, 1831 Diegem, Belgium) and a member of the “*Institut des Réviseurs d’Entreprises/Instituut der Bedrijfsrevisoren*” has audited, and rendered unqualified audit reports on, the consolidated financial statements of the Issuer for the year ended 31 December 2011 and 31 December 2012.

FORM OF CHANGE OF CONTROL PUT EXERCISE NOTICE

Bondholders wishing to exercise the put option following a Change of Control pursuant to Condition 4(c) (Redemption at the Option of Bondholders Upon a Change of Control) will be required to deposit during the Change of Control Put Exercise Period a duly completed and signed Change of Control Put Exercise Notice with the relevant Intermediary.

Such Intermediary is the bank or other financial intermediary through which the Bondholder holds the Bonds.

When depositing the Change of Control Put Exercise Notice, the Bondholder requests that such Intermediary (i) delivers the Change of Control Put Exercise Notice to the Agent, (ii) liaises with the Agent to organise the early redemption of the relevant Bonds pursuant to Condition 4(c) and (iii) transfers the relevant Bond(s) to the account of the Agent. Any fees and/or costs charged by the Intermediary in relation to the deposit of the Change of Control Put Exercise Notice or the transfer of the relevant Bonds will be borne by the relevant Bondholder.

To: [*Details of the Intermediary through which the Bondholder holds the Bonds*]

IMMOBEL SA

(incorporated with limited liability under the laws of Belgium)

EUR60,000,000

5.5 per cent. Bonds due 28 March 2018

*(issued in the denomination of EUR100,000 and
as described in the Listing Prospectus dated 19 March 2013)*

ISIN: BE0002193598

(the “Bonds”)

CHANGE OF CONTROL PUT EXERCISE NOTICE

By sending this duly completed Change of Control Put Exercise Notice to the Agent in accordance with Condition 4(c) (*Redemption at the Option of Bondholders Upon a Change of Control*) of the Bonds, the undersigned holder of the Bonds specified below exercises its option to have such Bonds redeemed early in accordance with Condition 4(c) on the Change of Control Put Date falling on* The undersigned holder of such Bonds hereby confirms to the Issuer that (i) he/she/it holds the amount of Bonds specified in this Change of Control Put Exercise Notice and (ii) he/she/it undertakes not to sell or transfer such Bonds until the Change of Control Put Date specified above.

Nominal amount of Bonds held:

EUR..... ([amount in figures] Euro)

Bondholder contact details:

Name or Company:

Address:

Telephone number:.....

Payment instructions:

Please make payment in respect of the Bonds redeemed early pursuant to Condition 4(c) by Euro transfer to the following bank account:

Name of Bank:

Branch Address:

Account Number:

* Complete as appropriate.

The undersigned holder of the Bonds confirms that payment in respect of the redeemed Bonds shall be made against debit of his/her/its securities account number with [*name and address of bank*] for the above-mentioned nominal amount of Bonds.

All notices and communications relating to this Change of Control Put Exercise Notice should be sent to the address of the Bondholder specified above.

Terms used and not otherwise defined in this Change of Control Put Exercise Notice have the meanings given to them in the terms and conditions of the Bonds.

Signature of the holder:

Date:.....

N.B. The Agent shall not in any circumstances be liable to any Bondholder or any other person for any loss or damage arising from any act, default or omission of the Agent in relation to the said Bonds or any of them unless such loss or damage was caused by the fraud or negligence of the Agent.

THIS CHANGE OF CONTROL PUT EXERCISE NOTICE WILL NOT BE VALID UNLESS (I) ALL OF THE PARAGRAPHS REQUIRING COMPLETION ARE DULY COMPLETED AND (II) IT IS DULY SIGNED AND SENT TO THE RELEVANT INTERMEDIARY.

BONDHOLDERS ARE ADVISED TO CHECK WITH THE RELEVANT INTERMEDIARY WHEN SUCH INTERMEDIARY WOULD REQUIRE TO RECEIVE THE COMPLETED CHANGE OF CONTROL PUT EXERCISE NOTICE TO ARRANGE TO DELIVER THE CHANGE OF CONTROL PUT EXERCISE NOTICE AND THE BONDS TO BE REDEEMED TO THE ACCOUNT OF THE AGENT FOR THE ACCOUNT OF THE ISSUER BY THE RELEVANT CHANGE OF CONTROL PUT DATE.

ONCE VALIDLY GIVEN THIS CHANGE OF CONTROL PUT EXERCISE NOTICE IS IRREVOCABLE.

Issuer

Immobel SA
Rue de la Régence 58
B-1000 Bruxelles
Belgium

Auditor of the Issuer

Deloitte
Berkenlaan 8b
B-1831 Diegem
Belgium

Domiciliary, Paying and Listing Agent

**BNP Paribas Securities Services,
Belgian Branch**
Boulevard Louis Schmidt, 2
B-1040 Bruxelles
Belgium

Joint Lead Managers and Joint Bookrunners

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B-1000 Bruxelles
Belgium

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Belgium

Legal Advisers

*To the Issuer
as to Belgian law*

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*To the Joint Lead Managers
as to Belgian law*

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