2006 Annual report

INTERVEST
OFFICES

Key figures

Investment property	31.12.2006	31.12.2005
Total lettable area (m^2)	452.168	538.634
Occupancy rate[1] (%)	91,8%	82,3%
Fair value of investment properties (€ 000)	506.741	585.043
Investment value of investments properties (€ 000)	519.653	599.934
Assets held for sale	92.500	0
Balance sheet information		
Shareholders equity (€ 000)	333.102	312.300
Debt ratio RD 21 June 2006 (max. 65 %) (%)	44,7%	49,5%
Results (€ 000)		
Net rental income	**42.414**	**42.096**
Property management costs and income	590	635
Property result	**43.004**	**42.731**
Property charges	-3.840	-3.967
General costs and other operating cost and income	-1.344	-1.209
Operating result before result on the portfolio	**37.820**	**37.555**
Result on the portfolio	18.464	-2.485
Operating result	**56.284**	**35.070**
Financial result	-12.041	-11.371
Taxes	-38	34
Net result	**44.205**	**23.733**
Data per share		
Number of shares	13.882.662	13.882.662
Number of shares entitled to dividend	13.882.662	13.882.662
Net asset value (fair value) (€)	23,99	22,50
Net asset value (investment value) (€)	24,92	23,57
Gross dividend (€)	1,87	1,90
Net dividend[2] (€)	1,59	1,62
Share price on closing date (€)	28,47	28,40
Over/undervaluation on net asset value (%)	19%	26%

1 The occupancy rate is calculated as the ratio of the commercial rental income to the same rental income plus the estimated rental value of the vacant locations for rent.
2 On the assumption that awithholding tax of 15% applies.

Terminology with reference to IAS 40

European legislation provides that from the financial year beginning on 1 January 2005 or a later date, listed companies must draw up their consolidated annual accounts under the international IAS/IFRS reference system. The property investment companies, which are a special category of listed collective investment companies, adopts just like the other Belgian companies this change of reference system.

As investment properties take up the most important part of their assets, the property investment companies must pay particular attention to the valuation at “fair value” of their buildings, and thus see to the application of the IAS 40 standard.

In order to be able to interpret the concept of fair value correctly, it is necessary to understand the following real-estate terms properly:

· **Acquisition value**

This term is to be used at the purchase of a building. If costs of transfer have been paid, they are included in the acquisition value.

· **Investment value**

This is the value of a building estimated by an independent property expert, and including the transfer costs without deduction of the registration fee. This value corresponds to the formerly used term “value deed in hand”.

· **Fair value**

his value is equal to the amount at which a building might be exchanged between well-informed parties, agreeing and acting in conditions of normal competition. From the perspective of the seller they should be understood as involving the deduction of registration fees.

Concerning the size of these registration fees the Belgian Association of Asset Managers (BEAMA) on 8 February 2006 published a relevant communication. See also www.beama.be.

A group of independent property experts, carrying out the periodical valuation of buildings of property investment funds, ruled that for transactions of buildings in Belgium with an overall value of less than € 2,5 million, registration fees of 10,0 % to 12,5 % should be allowed, depending on the region where the buildings are located.

For transactions concerning buildings with an overall value of more than € 2,5 million and considering the wide range of property transfer methods used in Belgium the same experts – on the basis of a representative sample of 220 transactions that were realised in the market from 2002 to 2005 and representing a grand total of € 6,0 billion – valued the weighted average of the fees at 2,5 %.

In practice this means that the fair value is equal to the investment value divided by 1,025 (for buildings with a value of more than € 2,5 million) or the investment value divided by 1,10/1,125 (for buildings with a value of less than € 2,5 million).

Financial calendar

Announcement annual results as at 31 December 2005: **Tuesday 20 February 2007**

General meeting of Shareholders: **Wednesday 4 April 2007** at 16h30 at the company's registered offices, Uitbreidingstraat 18, 2600 Berchem – Antwerpen

Dividend payable: as from **Friday 20 April 2007**

Announcement results as at 31 March 2007: **Monday 7 May 2007**

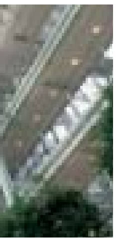
Announcement half year results as at 30 June 2007: **Thursday 7 August 2007**

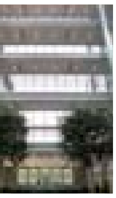
Announcement results as at 30 September 2007: **Monday 5 November 2007**

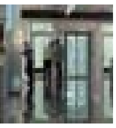
INTERVEST OFFICES

Contents

Letter to the shareholders







Dear shareholder,

We are pleased to present you our annual report for the financial year 2006.

The occupancy rate of Intervest Offices increases strongly from 82% on 31 December 2005 to 92% on 31 December 2006, mainly by the transfer, under the suspending condition of obtaining a fiscal ruling, of 5 office buildings with an important vacancy, at the end of December 2006.

Our objective of 2006 to improve the occupancy rate and the quality of the portfolio is achieved. With the transfer of a number of buildings with increased risk, the occupancy rate of the office portfolio improves and goes from 78% on 31 December 2005 to 90% on 31 December 2006. With this disinvestment, properties difficult to let and buildings with increased risk are sold in order to strengten the general quality of the portfolio. This transaction puts us in a much better position to commercialise purposefully in the future the remaining available spaces. It is subsequently the aim to improve through adequate new acquisitions in 2007 the risk profile of the investment fund. Further, this sale will have a positive effect on the distributable result of 2007.

For the first year since 2004, the office market has really taken an advantage of the economic revival. Proportionally, more leases have been concluded with corporates than with public institutions. The periphery of Brussels has benefited from this evolution. This gives us hope for the future, but it is to early for real optimism.

Till now the phenomenon of the migration of companies, without additional take-up, still plays a role so that the availability outside the city centre of Brussels is still high. Hence, there will not be a fundamental revival of the rents for offices in 2007, but the optimism concerning the revival will potentially contribute to the decrease of the rental incentives.

On the Belgian market of logistic real estate, a large number of new investments has been realised. The public institutions recognize since a certain time the importance of the logistic sector and they promote it actively. An important part of the investments are intended to own use for companies and therefore they do not influence the demand on the rental market. On this rental market there is only a moderate optimism. Intervest Offices maintains a permanent high occupancy rate of its semi-industrial portfolio of 96% during 2006 and performs herewith better than the average.

The real estate portfolio, valuated at fair value, knows in 2006 a considerable revaluation (+ € 20,6 million) compared to a depreciation in 2005 (- € 2,5 million). The value of the semi-industrial buildings increases with € 4,0 million compared to the increase in value of € 4,8 million in 2005. The office portfolio increases in value with € 16,6 million. This is mainly due to the important demand on in the investment market which incites more investors to consider

investments, in spite of the still difficult rental market. Furthermore, Intervest Offices has renewed the lease with PricewaterhouseCoopers for the building located at Woluwe-Saint-Etienne, boulevard de la Woluwe 18-22, till end 2011, which results in a revaluation of this prestigious building with € 6,6 million.

The rental income increases with € 0,4 million to € 42,5 million. In 2006, new leases have been signed for a surface area of 21.552 m^2 (37 new transactions) and 28 leases have been concluded with existing clients for a surface area of 36.211 m^2.

The operating result (excluding the result on the portfolio) amounts to € 25,7 million, so that we can offer you for 2006 a dividend of € 1,87 per share.

The debt ratio amounts to 44,7% on 31 December 2006. In pursuance of the law of the RD of 21st June 2006, the maximum debt ratio for investment fund rose to 65%. Intervest Offices will appropriately apply this in the elaboration of its investment program.

On the short term Intervest Offices pursuits to improve the quality of its portfolio by reinvesting the financial means, resulting from the sale end 2006 of the properties difficult to let, in high quality buildings with a good yield, in order to maximise shareholders value.

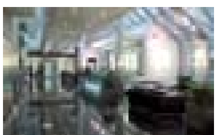
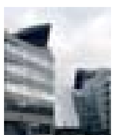
Besides, Intervest Offices will improve together with its reinforced commercial team the occupancy rate of the present portfolio. This will occur by extending its commercial presence on the market and by carrying out renovation works, making the buildings more attractive for the tenants.

On the medium term we wish to extend the position of Intervest Offices as an important player in peripheral office buildings and semi-industrial properties.

We thank our shareholders for the confidence they have placed in our management and our collaborators for their efforts.

The board of directors.



1. Report of the board of directors

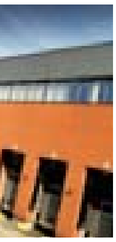
INTERVEST OFFICES

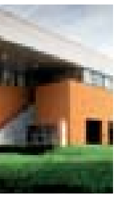
Molenberglei

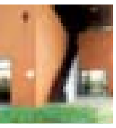
Molenberglei 8
2627 Schelle

- > offices 1.600 m²
- > storage hall 6.400 m²
- > 2 ground-floor gates
- > 11 loading bays
- > smoke domes
- > fire walls and fire reels

1. Profile







Intervest Offices invests in high-quality Belgian business property which is leased to first-class tenants. The property in which is invested, consists mainly of up-to-date buildings that are strategically located outside town centres. In order to optimize the risk profile, investments in town centres could aslo be considered. Investments in semi-industrial properties fit in with same objective.

The current portfolio consists of 72,5% offices and 27,5% semi-industrial premises. The total fair value as at 31 December 2006 amounts to € 507 million (investment value € 520 million).

Intervest Offices has been registered as a property investment fund in the list of Belgian investment institutions since 15 March 1999, and has been included in the Next Prime segment of Euronext Brussels since 1 January 2002.

2. Investment policy

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

The property investment fund maintains an investment policy focused on high-quality business properties which are leased to first-class tenants. These properties do not require major repair work in the short term and are situated at strategic locations outside town centres.

Business property in this sense means not only office buildings, but also semi-industrial buildings, warehouses and high-tech buildings. In principle, there are no investments in residential and retail properties.

Intervest Offices' aim is to make its share more attractive by guaranteeing a high liquidity, by expanding its property portfolio and by improving the risk spread.

2.1. Liquidity of the share

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

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

To improve its liquidity, Intervest Offices has concluded a liquidity agreement with ING Bank. The liquidity of most Belgian property investment funds is fairly low. One important reason for this is that these funds are often too small –in terms of both market capitalisation and free float[3] - to gain the attention of professional investors. In addition, shares in property investment funds are generally purchased as longer-term investments rather than on a speculative basis, which reduces the number of transactions.

During 2006, the free float of the share remains unchanged at 48,91%.

2.2. Expansion of the property portfolio

A large portfolio clearly offers a number of benefits:

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

The board of directors will take extreme care to ensure that all growth is in the exclusive interest of the shareholders. In particular, the board of directors will remain attentive on any form of conflict of interests.

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

Each acquisition must be checked against the following criteria:

Property-related criteria:
1. quality of the buildings (construction, finishing, number of parking spaces)
2. location/accessibility/visibility
3. quality of the tenants
4. respect for the legal provisions and regulations (permits, soil pollution, etc.)
5. the Brussels office market or other large cities
6. potential for re-rental.

Financial criteria:
1. increase in earnings per share
2. exchange ratio based on net asset value (investment value)
3. prevention of dividend yield dilution.

2.3. Improvement of risk spread

Interest Offices tries to spread its risk in a variety of ways. As such, tenants often operate in widely divergent sectors of the economy, such as the computer industry, media, consultancy, telecommunications, travel and the food industry. An overweighting of the telecommunication, media and technology sector, consultancies and R&D activities is becoming more and more characteristic of offices in peripheral locations. The property investment fund is trying to reduce this overweighting within its own list of tenants.

Futhermore, the expiry dates and first interim expiry dates of the tenancy agreements are monitored to be relatively well spread.

3. Corporate governance

3.1. General

Corporate governance is an important instrument in order to constantly improve the management of the property investment fund and to protect the interest of the shareholders.

Since 1 January 2005 directives are applicable in Belgian concerning corporate governance for companies quoted on the stock exchange, summarized in the "Belgian Corporate Governance Charter" of the Lippens Commission.

Interest Offices strictly respects the principles of the Corporate Governance Charter. From the terms of the code is only derogated when specific circumstances require it. In this case the derogation is explained in accordance to the "comply or explain" principle.

The complete 'Corporate Governance Charter' that sets out in writing the important internal procedures for the administrative management of Interest Offices can be consulted on the company website (www.intervest.be).

3.2. Composition and operation of the board of directors

In 2006 the board of directors comprises 5 members, 3 of which are independent directors. The directors are appointed for a period of 6 years, but their appointment can be revoked at any time by the general meeting.

Mssrs Roovers and van Gerrevink represent the majority shareholder VastNed Offices/Industrial and VastNed Industrial BV.

Mssrs Rijnboutt and Roovers are charged with the monitoring of the day-to-day management, in application of article 4 § 1 5° of the RD of 10 April 1995 on property investment funds.

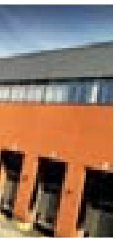
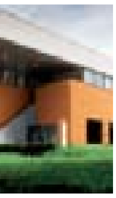
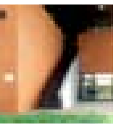
The board of directors met seven times in 2006. All the directors attended all meetings, except Reinier van Gerrevink on 9 May 2006.

The most important items on the agenda were:
- approval of the quarterly, half-yearly and annual figures
- approval of the annual accounts and the statutory reports
- approval of the budgets
- nomination of the members of the management committee
- discussion on the real estate portfolio (investments and disinvestments, tenancy issues, valuations, insurance, renovation, etc.)
- determination of the principles of corporate governance concerning the code of conduct, the whistling blowing rules, the procedure of presentation, nomination, training and evaluation of directors, the operation of the audit committee, etc.

The rules pertaining to the composition and operation of the board of directors are described in more detail in the company's Corporate Governance Charter. It can be consulted on the website (www.intervest.be).

3.3. Composition and operation of the audit committee

The audit committee comprises three directors, namely Reinier van Gerrevink, Jean-Pierre Blumberg and Walter E. Hens. The term of their mandate in the audit committee is not specified.

The audit committee met four times in 2006. All members attended all meetings, except Reinier van Gerrevink on 9 May 2006.

The most important items on the agenda were in 2006:
- discussion on the quarterly, half-yearly and annual figures
- analysis of the annual accounts and statutory reports
- discussion on the budget
- presentation of the recommendations of the statutory auditor
- analysis of the internal control systems of the company concerning debtor risks and rental risks.

The committee reports its conclusions and recommendations directly to the board of directors.

The members do not receive any additional remuneration for this mission, apart from their normal director's fee.

The rules pertaining to the composition and operation of the audit committee are described in more detail in the company's Corporate Governance Charter. It can be consulted on the website (www.intervest.be).

3.4. Conflicts of interest

If a director, because of his other board mandates, or for any other reason, has an interest of a nature relating to property law that is in conflict with a decision or action that pertains to the authority of the board of directors, article 523 of the Belgian Company Code will be applied and the director in question will be asked not to take part in the debate on decisions or actions, or in the vote (article 523 in fine). In the event of a possible conflict of interests with a majority shareholder of the company, the procedure of article 524 of the Company Code shall apply. At the same time, reference should be made to the RD of 10 April 1995, Section 3, articles 22 to 27 on avoiding conflicts of interest.
There was no occurrence in 2006 of any such situation, necessitating compliance with this procedure provided for in article 523 or article 524 of the Company Code or the procedure referred to in article 24 of the RD of 10 April 1995.

3.5. The management committee

On 31 December 2006 the management committee is composed as follows:
- BVBA Jean-Paul Sols, represented by Jean-Paul Sols, Chief executive officer
- Inge Tas, Chief financial officer
- Reinier van Gerrevink.

On 1 April 2006, the BVBA Gert Cowé, represented by Gert Cowé, resigned from its function as chief executive officer. It was replaced on 24 April 2006 by the BVBA Jean-Paul Sols, represented by Jean-Paul Sols, who was nominated chief executive officer and president of the management committee. Besides, as from 1 April 2006, Inge Tas was nominated chief financial officer and Reinier van Gerrevink, member of the management committee.

Under article 524bis of the Company Code and article 15 of the company's articles of association, the board of directors transferred certain management powers. The rules pertaining to the composition and operation of the management committee are described in more detail in the company's Corporate Governance Charter. It can be consulted on the website (www.intervest.be).

3.6. Remuneration

The directors representing the majority shareholders have waived a director's fee. The independent, non-executive directors receive an annual fixed fee.

The fixed fees in 2006 amount to:
- € 12.395 per annum to be a member of the board of directors
- € 0 per annum to be a member of a committee
- € 0 per annum for performing the role of chairman of a committee

Since the management committee in 2006 only comprises two people who are remunerated for their performance, the board of directors is, for reasons of privacy, of the opinion that a joint disclosure of the total remuneration package is sufficient here and that the indi-

Board of directors	Address	Position	Term	Function
Reinier van Gerrevink (57)	Bankastraat 123, NL – 2585 EL 's-Gravenhage	Chairman	April 2008	Chief executive officer, VastNed Management BV
Hubert Roovers (63)	Franklin Rooseveltlaan 38, NL – 4835 AB Breda	Director	April 2008	Director special projects, VastNed Management BV
Jean-Pierre Blumberg (50)	Plataandreef 7, 2900 Schoten	Independent director	April 2007	Managing partner Linklaters De Bandt
Walter E. Hens (59)	Osylei 9, 2640 Mortsel	Independent director	April 2007	Executive director Continental Europe Slough Estates PLC
Joost Rijnboutt (67)	Leopold de Waelplaats 28/42, 2000 Antwerpen	Independent director	April 2007	Managing director Intervest Retail sa

vidual remuneration of the CEO (and therefore that of the other committee member) does not need to be disclosed.

The amount of the remuneration allocated in 2006 to the members of the management committee and the managing director is € 238.464 and a variable remuneration of € 21.500.

In the financial year 2006, no shares or share options were allocated to the members of the management committee.

The members of the management committee are appointed for an indefinite period and the dismissal compensation is equivalent to six months to a year and a half's fixed fee.

3.7. Statutory auditor

The statutory auditor, appointed by the general meeting of shareholders, is Deloitte Bedrijfsrevisoren BV in the form of co-operative partnership, which is represented by Mr Rik Neckebroeck, company auditor.

3.8. Property experts

The property portfolio is valued each quarter by three independent experts, namely de Crombrugghe & Partners, Cushman & Wakefield and Jones Lang LaSalle.

3.9. Compliance officer

Accordingly to the principles 3.7. and 6.8. as well as appendix B of the Belgian Corporate Governance code the company nominated Inge Tas, member of the management committee and CFO as "Compliance officer", charged with the supervision on the compliance of the rules on market abuse. These rules are imposed by the Law of 2 August 2002 concerning the supervision on the financial sector and the financial services and Directive 2003/6/EC concerning insider trade and market manipulation.

3.10. Comply or explain

In 2006 a derogation of the terms of the code mentioned below occurred (explain):

Terms 5.3. and 5.4. on the operation of the committee (incl. appendix D & E)

The board of directors has decided not to set up an appointment committee or a remuneration committee. The board sees the relevant tasks of these committees as tasks of the full board of directors. The limited size of the board makes an efficient debate on these subjects possible.

Management committee

The management committee does not comprise all executive directors. Because of the specificity of the composition of the management committee (and article 4 § 1 5°of the RD of 10 April 1995 on property investment funds that expressly requires that two directors supervise the day-to-day management) this is a derogation from clause 6.2.

Remuneration

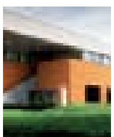
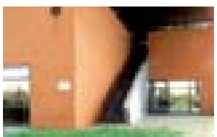
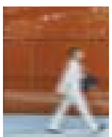
As stated in point 3.6., as long as the management committee only comprises two remunerated members, the board of directors will give priority to clause 7.16. at the expense of clause 7.15. As a result, the fees of the two remunerated members of the executive management will only be disclosed jointly and not separately.

Appendix A: independence

For legal reasons Mr Rijnboutt is appointed as managing director but considering that according to the board of directors and the shareholders he also meets all other conditions of independence, he is also considered as an independent director.

Appendix C: audit committee

Appendix C of the Code Lippens and the Corporate Governance Charter of the company define that all members of the audit committee have to be non-executive directors. Presently, one member of the audit committee is also member of the management committee and has consequently an executive function. This situation will shortly be regularized within the audit committee.

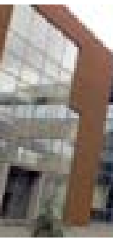





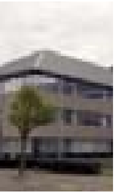
2. Report of the management committee

BXL 7

Nijverheidslaan 1-5
1853 Strombeek-Bever

> H-form
> 3 upper offices storeys
> 1 technical storey
> underground parking and polyvalent space
> beige and red facing bricks
> air conditioning





1. Market report[4]

1.1. The Belgian investment market in general

The investment pressure has never been so high. The Belgian investment volume increases with 40% compared to the average of the last two years and amounts to € 3,8 billion compared to € 2,5 billion in 2005 and € 2,9 billion in 2004, the record year. The figures would even be higher if more products would be available. The Belgian market and more specific the Brussels market face a shortage of product.

In 2006, the Belgian investment market remains dominated by Belgian investors (more than 30% of the investment volume), but their share decreases as a result of the strong investment pressure of foreign investors.

The secondary cities know a high investment activity from foreign investors.

Due to the shortage of products in the classic real estate sectors, the investors are looking for other sectors. The office sector remains nevertheless the most important one. The logistic sector and the retail sector benefit from a lot of attention but also face a shortage of investment opportunities.

1.2. The office market

1.2.1. The office market in Brussels and the periphery

Take-up

The take-up in 2006 lies between 550.000 m^2 and 600.000 m^2, which corresponds to the average of the last five years:

- the take-up in the centre, the Leopold quarter and the periphery lies above the average and in the Louisa quarter, the North quarter and the decentralised area on the average.

- corporates show strong take-up levels and take 70% of the total take-up for their account compared to an average of 60% the previous years. The take-up by the European and international institutions, on one hand, and the Belgian institutions, on the other hand, represents respectively 15%.

As in 2005, the strong take-up figures result by corporates. The most active sectors are the bank and financial services, especially in the Central Business District (CBD), followed by the service sector and the production sector. The telecommunication, media and technology sector (TMT) still can not reach the top period of 2000. The take-up by the service sector concerns mainly locations outside the CBD (65%) and more precisely the periphery. The tendency of migration of companies from the Brussels territory to the periphery remains.

Availability and future supply

The vacancy rate decreases to 10% compared to 30 June 2006 (10,5%) and 31 December 2005 (10,4%). This means that a surface area of 1,2 million m^2 office space is immediately available.
The vacancy rate in the CBD rises from 6,6% (Q4 2005) to 6,9% (Q4 2006).

The North quarter goes to 9,2% as a result of the delivery of a few important projects such as the Ellipse building (50.000 m^2 with an availability of 20.000 m^2).

The Leopold quarter reaches 7,7% as a large number of second hand surfaces fell vacant, such as the Trèves 25 building which has been left by Dexia and the Belliard 5/7 and Cortenbergh 100 buildings, which have been left by the European institutions as a part of their regrouping, as well as to the fact that a few new delivered buildings are on the market such as Meeûs/Luxembourg, Montoyer 47 et City Garden.

In the centre the availability decreases to 2,4% due to the high demand from the financial sector and the shortage of new projects.

Outside the CBD, the decentralised zone knows a decrease (14%) thanks to two major transactions by administrations. Beaulieu 25 has been taken up by the European Commission (18.700 m^2) and Crown Avenue by the Police services (11.000 m^2).

With mainly second hand surfaces, the vacancy rate of 21,2% in the periphery, rises again above 20%. The future speculative offer in the periphery is low and the fact that pre-rent projects will be achieved in 2007 and 2008, will lower the vacancy rate.

4 These text is mainly based on information from Jones Lang LaSalle for the office building. For the semi-industrial real estate market the information is based on the analysis from Cushman & Wakefield and de Crombrugghe & Partners.

In 2007 and 2008, the total offer is estimated at 300.000 m² per year, being a reduction of 25% compared to the average of the last five years (400.000 m²), what could have a positive effect on the vacancy rate.

Rents and yields

The rents on the Brussels office market rise as a result of their stable character but to a limited extent. The average rent increases with 3,6% to € 168/m²/year.

The rents in the periphery and the decentralised quarter remain under pressure and are largely influenced by rent incentives. The average rent in the decentralised quarter lies at about € 130/m²/year. In the periphery it amounts to nearly € 120/m²/year.

In 2006, the top yield ("prime yield") decreases strongly from 6,0% to 5,70% (in the Leopold quarter) for standard leases (3/6/9) and reaches a historic depth. This decrease applies for all districts, as well as in the CBD as outside the CBD: Centre 6,10%, North quarter 6,15%, Louisa quarter 6,20%, decentralised zone 6,30%, periphery 6,65%. Yields for buildings with longer leases (9 year) can even reach 5,40%.

1.2.2. The Antwerp office market

The supply

The city of Antwerp is working on its future and is developing, next to the infrastructure works, an active office policy. The improved accessibility of Antwerp is a positive point for attracting headquarters to the metropolis.

The office capacity increases to 1,77 million m². The total delivery amounts to 50.000 m² in 2006 with, on the Kievitplein the buildings C,D,E,F (38.000 m² - centre) which are pre-let to Alcatel, the Antwerp Ring Centre B (5.500 m²) and the renovation of the present head office of the Bank Van Breda (7.000 m²).

End 2006, the vacancy rate on annual base increases from 9,5% to 11%. This increase is mainly to be explained by second hand offices that are on the market as a result of the move of companies to new buildings.

The ring remains for corporates the top district, with a facial top rent of € 130/m²/year which is a slight decrease compared to last year. It can be observed that the centre and more precisely the Kievit project, with its location near the station and its quality, reaches a top rent of € 140/m²/year.

The rents in the centre range from € 75-140/m²/year (a relative important band width due to the difference in quality in this district), in the port from € 80-100/m²/year, on the ring from € 100-130/m²/year and in the periphery from € 90-125/m²/year.

The demand

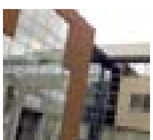
The take-up till mid December reaches 79.000 m² and represents a slight rise compared to 2005 (77.000 m²). The centre and the periphery book the lion's share of the transactions with each 33%, followed by the ring (25%) and the port (9%). The corporate sector realised 90% of the transactions, which is higher than the average over the last five year, the institutions represent 10%. The most important transactions are registered in the periphery with the lease of 5.600 m² for the head office of the police zone HEKLA at the Prins Boudewijnlaan 43a and the acquisition for own use by IFI of the building (4.000 m²) located at the Smallandlaan 3. In the centre, Alcatel has taken-up an additional surface area of 5.000 m² at the Kievitplein. In the port, Interferry Boats has taken-up 3.200 m² in the Limbastraat.

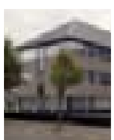
In 2007, the future supply is estimated at 40.000 m², from which approximately half non-speculative. This shows that the promoters, with the improvement of mobility, believe in the Antwerp office market. For 2007, the non-speculative project is the building B of the Kievit project (Robelco) that is entirely pre-let to the Flemish Community (18.000 m²). For 2007, the three speculative projects all located on the ring and representing 22.000 m², are the Antwerp Ring Center phase II (Imobe – 5.500 m²), de Veldekens (Vooruitzicht/Fortis Real Estate Development – 9.250 m²) and a project at the Generaal Lemanstraat (Groep L – 7.500 m²). The relative high future speculative supply can increase the availability rate. Besides, the former head office of De Tijd (Posthoflei 13) will be again on the market after renovation.

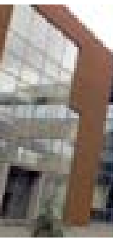
Investments and yields

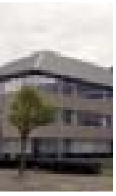
The Antwerp investment market is very vivid. The most important and exceptional transaction is the acquisition of the mix project Kievitplein by the German open fund controlled by the Kanam Gruppe for an amount of € 239 million. The yield of this transaction is lower than 6% and this is very exceptional. The investment volume reaches € 460 million compared to € 310 million (including the sale of the Courthouse - € 180 million) in 2005.

Other important transactions are the sale of the portfolio of RB Vastgoed (58.000 m²) to Irish private investors at an estimated price of € 80 million and the sale of the "Century Center" (23.000 m²) located in the centre of







Antwerp, also by RB Vastgoed to Irish private investors. Besides, there is the sale-and-lease-back of the firehouse (23.585 m^2) to Cofinimmo.

The increased demand and the shortage of investment products result in a downward pressure on the yields. The top yields (3/6/9 leases) decreased as from 2005 from 7% to 6,75% and in 2006 to 6,50%.

1.2.3. The market report of Malines

The rental market

Malines is located on the axis from Antwerp to Brussels, one of the most important economic axises of Belgium. As owner of nearly 90.000 m^2 in Mechelen, Intervest Offices fills in an important and strong market position. Intervest Offices is owner of Mechelen Business Tower (leased to EDS) and is furthermore also the most important owner of the Intercity Business Park and Mechelen Campus.

The office market of Malines is characterised by a large number of qualitative buildings: as well from a technical point of view (newbuild, the newest techniques such air conditioning and modern architecture) as from a geographic location (easily accessible by public transport and located along the E19 between Brussels and Antwerp).

Malines is, like the Brussels periphery, an emerging market and knows the last year a remarkable rise of the office supply, what is leading to the present oversupply. The supply is estimated at nearly 255.000 m^2, from which more the half are new buildings.

In 2006, the office take-up regresses to less than 20.000 m^2. The average share per transaction has been very low and comprises about 300 m^2. In 2006, the take-up is significantly lower than 2005 (25.000 m^2).

It is important that the present tenants reconfirm their choice and that they are often expansive companies such as Tibotec-Virco, Galapagos. In 2006, no important transaction has been noted, contrary to the previous years. In 2004, the transaction of Federal Financial Administration occurred, which takes 10.000 m^2 in a new building, whilst in 2005 the move of Borealis of 8.600 m^2 was noted.

In 2006, the availability is similar to 2005 and is situated around 30.000 m^2, what results in a relative high availability rate of 12%. The lion's share of this availability is located in new buildings.

The Mechelen Campus Tower (12.800 m^2, partly leased to Borealis) has been delivered at the beginning of 2006. Due to the relative high degree of availability, from the nearly 100.000 m^2 of projects, none is started at risk. In 2007, there no new delivery is expected.

Immediate availability above 1.000 m^2

Business park	Available
OFFICE PARK MECHELEN	5.661
MECHELEN CAMPUS	4.497
INTERCITY BUSINESS PARK	3.953
OFFICENTER	3.053
HOF VAN YORK	2.482
ZENITH BUSINESS PARK	2.256
MECHELEN STATION	2.078
MECHELEN CITY CENTER	2.070
RAGHENO BUSINESS PARK	1.830
BLARENBERGLAAN 19	1.397

With € 125/m^2/year, the top rent has remained unchanged compared to 2005 and has been reached for offices such as Mechelen Station and Mechelen Campus.

Investments and yields

In 2006, the investment volume in Malines reaches € 60 million and is determined by principally two transactions:

- Leasinvest Real Estate acquired from Axa the head office of Wolters Kluwer Belgium in the Ragheno Park
- VastNed Offices/Industrial, reference shareholder of Intervest Offices, acquired the rights of acquisition (in the second half of 2007) of the tower building and building F on Mechelen Campus.

Also here the yields are under pressure and lowered from 7,1% in 2005 to 6,75% in 2006. This decrease is less important in the secondary cities than in primary cities.

1.2.4. The market of Ghent

The supply

According to the memorandum on offices, issued in September 2006 by the Economic Department of the city of Ghent, the supply of offices reaches presently 1,28 million m^2.

Nearly 200.000 m^2 new projects and 30.000 m^2 extensions have been licensed the last nine years. More than half are attributed to three projects, notably the Axxess Business Parc in Merelbeke (47.000 m^2 from which 35.000 m^2 are realised), the Zuiderpoort Office Park (63.000 m^2) and thirdly the new courthouse (36.000 m^2).

Between 1999 and 2005, a total of 180.000 m^2 offices has been taken up, which results in an average take-up of 25.000 m^2. With 52.000 m^2, the take-up is this year twice as high as the average. An analysis of the take-up shows that it concerns mainly groupings and extensions of companies and moves from old buildings to new and more efficient projects.

There are presently 95.000 m^2 of offices available or 7,4%.

The potential future supply is important and concerns on the short-term and the mid-term nearly 63.000 m^2 offices in process of realisation. The development pipeline comprises 124.000 m^2. On the long run an additional 155.000 m^2 are expected. Globally, this represents a new supply of 342.000 m^2.

Rents

The average rent amounts to € 110/m^2/year. The top rents range from € 125 to € 135/m^2/year and are equivalent to the level of

Antwerp. The asked rents reach € 140/m²/year for, for instance, the Zuiderpoort project at Ledeberg.

Investments and yields

Ghent can benefit from an increased number of investments from as well as Belgian as foreign investors.

The total amount of investments is estimated at € 350 million, whereby the sale of the courthouse of Ghent and the Zuiderpoort Office Park are the most important transactions. Mercator Verzekeringen sold the Zuiderpoort Office Park project (63.000 m²) for nearly € 163 million to the insurance group Sjóvá-Almennar from Iceland. In December, the courthouse of Ghent came under control of KBC Vastgoed.

Just as in the other cities, the yields are under downward pressure and lie around 6,9%. This is comparable to Malines and Louvain.

1.2.5. The market of Louvain and vicinity

The supply

The office capacity in Louvain is estimated at 525.000 m². The spin-off companies that result from a cooperation between Catholic University of Louvain and private investors are one of the motors of the Louvain office market. Other major users are KBC and Inbev.

The spin-off companies are mostly located in the periphery. Presently, there are two research parks, Haasrode with Greenhill Campus (19.000 m²) and Arenberg. A third park, Termuck is in the pipeline (120.000 m²).

The total take-up is estimated at 28.700 m². This relative important take-up is strongly influenced by 2 railway station projects: 10.400 m² of the KBC projects, developed by Kairos, and pre-sold to the city of Louvain for own use and 4.500 m² in the top of Kessel-Lo which are pre-sold to ACV, ACW and related partners.
The most important transaction in the periphery is the move of Option from their building in the Haasrode Reseach Park to a unit of 6.500 m² in the Arenberg Research Park.

Globally there is an immediate availability of a minimum of 12.600 m².

Concerning the future supply, there is the railway station project of 42.000 m² of KBC, which the city of Louvain recently partly acquired. Approximately 14.300 m² will be speculatively on the market at the end of 2007 or the beginning of 2008.
As a result of this speculative project, combined to the second hand offices which will be on the market after recent moves, there will be in 2007 an upward pressure on the availability level.

Rents

The rents are nearly similar to previous year and amount to € 100-110/m²/year for standard offices. For new offices the rents reach € 125/m²/year. The top rents reach € 136/m²/year for the KBC project at the railway station and € 140/m²/year for spaces in the Ubicenter.

Investment and yield

In 2006, the only important investment transaction is the transfer of Greenhill Campus, quoted at a value of € 26 million (under the condition of suspension of obtaining a fiscal ruling). Compared to last year where there was question of a total investment amount of € 42 million (as a result of the sale of as well the Ubicenter as the Campus Remy) this is relatively little. A year without important investments is not exceptional for Louvain. With the planned projects at the railway station, it can be expected that the investment volume will increase the next years.

There are no points of comparison, but with the high investment pressure, the yields are also in Louvain under downward pressure and estimated at 6,9%, what is nearly 1% lower than last year.

1.3. The semi-industrial property market

The market of semi-industrial real estate or “Warehousing market” consists of two segments: the logistics market and the semi-industrial market.

The **logistics market** focuses on large (European or national) distribution centres (> 5.000 m²) and logistics centres (> 10.000 m²). These buildings have sufficient loading wharfs (1 per 1.000 m²), a minimum free height of 8 metres and the floors have a minimum load bearing capacity of 3 tonnes/m². The office section is also limited (<10% of the total constructed surface area).

There are four major axes in this market:
- Brussels-Antwerp (top location)
- Antwerp-Ghent
- Antwerp-Limburg-Liège
- Mons-Charleroi-Liège.

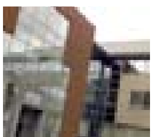
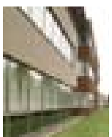
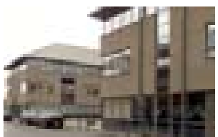
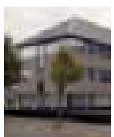
Belgium still occupies a first range position for logistic activities thanks to its central location, its good infrastructure and a high qualified working market.

The **semi-industrial market** consists mainly of individual units measuring a maximum of 5.000 m². The number of loading wharfs and cargo ports is limited and the office section occupies up to 50% of the total constructed surface area. The most significant concentration is the Golden Triangle (Brussels – Antwerp – Ghent) including Waals-Brabant. Other important clusters are located in the vicinity of the E313 including Herentals, Geel and Laakdal, Liège and Charleroi.

1.3.1. The rental market

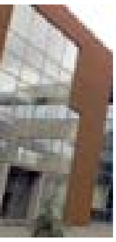
The demand

The rental market for logistic real estate remains a market with relatively few transactions. Although the logistic sector has been very expansive, there is presently no question of increases of rents, except for a few specific locations in the vicinity of Anderlecht. Vlaams

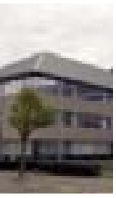





Brabant, with a stock of nearly 7.700.000 m² and a supply of nearly 1.750.000 m², represents about 5%.

The asked rents for bigger modern logistic buildings on the axis Antwerp - Brussels range from € 45/m²/year to € 49/m²/year.



On this axis, about 606.000 m² are expected to be developed (see list below).



Logistic projects (axis Antwerp – Brussels)

Municipality	Project	Surface area (m²)
Willebroek	Hoeikenstraat	70.000
Willebroek	ProLogisPark	19.000
Willebroek	Kersdonk	40.000
Rumst	Rumst Logistics	85.000
Bornem	Bornem Logistics	44.000
Bornem	Rijksweg	13.000
Boom	Krekelenberg	77.000
Antwerpen LO	Rubis Terminal	40.000
Kallo	Log Hidden City	128.000
Antwerpen	Noorderlaan	26.000
Puurs	Rijksweg	8.000
Meer	Europastraat	26.000
Schoten	Metropoolstraat	30.000
TOTAL		**606.000**

1.3.2. The investment market

The demand for logistic real estate is great but the supply is limited. The yields have never been so low.

Top yields logistic real estate – September 2006						
	Yields %			Data of the last 10 years		
	Present	Last Quarter	Last year	High	Low	Short term trend
Brussels	7,00	7,00	7,75	9,00	7,00	stable
Antwerp	7,30	7,50	7,75	9,50	7,30	stable
Liège	8,00	8,25	8,50	10,50	8,00	stable
Ghent	8,00	8,50	9,00	9,50	8,00	stable

2. Important developments in 2006

In 2006, the Belgian property investment funds have benefited from a special attention from the investors and the media. This has been supported by the announcement of the creation of a state property investment fund followed by the sale of 62 of government buildings to Befimmo. The quotation on the stock market of Aedifica and Montea and the plans for the launch of a new retail property investment fund “Ascencio” put the property investment funds under permanent attention.

2.1. Investments

In view of the high prices that are presently paid on the investment market, Intervest Offices is currently rather a seller than a buyer. Additionally priority is put in the first place on the improvement of the occupancy rate of the existing portfolio and the arbitration of the portfolio.

The evolution on the investment market in 2006 is followed up attentively and several investment projects are examined.

On the market of the semi-industrial real estate investors are more eager and prices paid increase permanently. Indeed, good investment products are scarce. The company neither realised acquisitions on this market.

2.2. Sales

The objective for 2006 to sell a number of buildings with increased risk and the improve the quality of the portfolio has been achieved. In 2006, private acts have been signed for the disinvestment of 5 office buildings for a transaction value of € 92,5 million. This disinvestment is related to the office parks Greenhill Campus (Interleuvenlaan 15 in Haasrode), Airway Park (Lozenberg 15/18/23 in Zaventem), Atlas Park (Weiveldlaan 41 in Zaventem) and individual office buildings in the Imperiastraat 12 in Diegem and A. de Coninckstraat 3 in Kortenberg. The transaction is concluded under the subsequent condition of suspension of a fiscal ruling by which the transfer (by means of the establishment of a long lease right against payment of a one time ground rent, followed by the transfer of the bare ownership) is not susceptible to requalification. Intervest Offices expects that this fiscal ruling will be obtained in the first quarter of 2007 and reports a loss of value on this transaction as realised result on 31 December 2006.

The total surface area of the sold buildings amounts to 72.210 m^2, which represents 11,9% of the total lettable area of the portfolio.

The transfer concerns nearly all buildings with a high vacancy rate. The sale takes place with a limited loss of value compared to fair value.

This disinvestment benefits from the favourable market conditions, which enable interesting sale conditions. The future high expenses for renovation of these buildings can herewith be avoided.

The total occupancy rate of Intervest Offices increases with this disinvestment with 8,6% points to more than 90% and reaches herewith a more than acceptable value, taking into account the composition of the portfolio. Besides, this sale will have a positive effect on the distributable result of 2007.

On 27 December 2006, Intervest Offices sold a semi-industrial complex located in Merksem – Glasstraat 15-29/Griffinstraat 1-13/Oostkaai 25/1-8. This building has been sold for strategic reasons. The building comprises 23 smaller units and requires a lot of supervision. Since long, the building faced regular changes of tenants and a relative low occupancy rate (62,5% on 30 September 2006). The building was sold for € 5,77 million, compared to an investment value of € 6,2 million. Rental guarantees have been granted for the vacancy for a period of 18 months.

2.3. Rentals

In 2006, the commercial efforts have been increased by engaging additional personnel and means in order to deepen the contacts with real estate agents, existing and potential tenants.

New tenants

Intervest Offices has in 2006 concluded 30 leases with new tenants for a total surface area of 10.821 m^2 in office buildings.

In 2006, in the semi-industrial buildings, 7 new leases have been signed with tenants for a total surface area of 10.731 m^2.

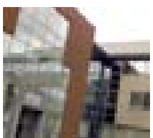
Existing tenants

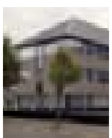
With existing tenants in the office buildings, 25 transactions have been renewed for a surface area of 25.757 m^2. With existing tenants in semi-industrial buildings, 3 transactions have been renewed for a surface area of 10.454 m^2.

The most important transaction is the renegotiation of the new lease, concluded with PricewaterhouseCoopers for a surface area of 15.786 m^2. Intervest Offices anticipates herewith on an appropriate manner the coming expiry date of an extreme important lease. PricewaterhouseCoopers grants its confidence to Intervest Offices and chooses to stay as from 1 January 2009 in the building located boulevard de la Woluwe. The rent is nevertheless lower than the present rent. The negociated rent corresponds with the rents paid for new or top buildings in the periphery of Brussels.

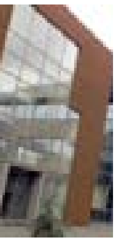
2.4. Tax system

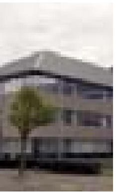
By way of the RD of 15 April 1995 the legislator gave property investment funds an advantageous fiscal status. When a company transforms its status into that of a real estate investment fund, or when (ordinary) companies



merge with a real estate investment fund, they have to pay a one-time exit tax. The property investment fund is subsequently subject to taxation on only very specific elements, such as "rejected expenses". No corporate tax is thus paid on the majority of the profit derived from rental revenue and capital gains realised on the sale of real estate assets.





The rate of this exit tax has fallen since 1 January 2005 from 20,085% (19,5% + 3% crisis tax) to 16,995% (16,5% + 3% crisis tax). This is a positive thing for the sector given that it improves the competitive position of real estate investment funds compared to other investors. It thus became more attractive in fiscal terms for the owners of real estate companies to transfer them to a property property investment fund.

In addition to this rate reduction the discussion surrounding the basis for taxation has finally been brought to an end in 2004.

According to fiscal legislation this basis for taxation is to be calculated as the difference between the actual value of the equity and the (fiscal) book value. The discussions between the real estate investment funds and the Ministry of Finance concerned the method for calculation of the actual value of the equity: was the investment value (including transfer costs) or a sales value (excluding costs) to be taken into account? The fiscal authorities were of the opinion that the transfer costs (such as registration duties and notary costs) were to be included, leading to a higher actual value and thus to a higher tax assessment.

The Minister of Finance has decided by way of a circular (dated 23 December 2004) that these transfer costs need not be taken into account, which is of course a positive thing for the property investment funds. This ruling is also applicable to all current disputes, such that most tax assessments from previous years can be considered as not relevant.

Intervest Offices has always been of the opinion that there were sufficient objective arguments on hand to dispute these tax assessments. A counter-booking was thus made for these tax assessments such that there was no effect upon results.

Use of this booking method also means that it is not necessary to write down provisions as a result of this circular. In other words this circular has no effect upon the results of the company. On 31 December 2006, Intervest Offices have already received exemptions from the Federal Public Service Finances for € 7,1 million.

This circular specifies however that the securisation premium is subject to corporate income. Tax assessments based on securisation premiums should consequently be due. The company contests this interpretation. Intervest Offices still has open appeals for an amount of +/- 4 million. A part of this tax debt is guaranteed by the promoters of the property investment fund Siref which has merged with Intervest Offices. No provisions have been accounted for.

2.5. Soil

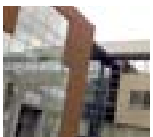
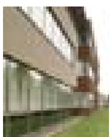
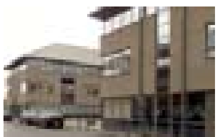
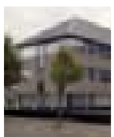
As a result of the merger by takeover of Siref by Intervest Offices on 28 June 2002, it was established that the company had to carry out a soil decontamination in Wilrijk, Boomsesteenweg 801/803, Kernenergiestraat 70, Geleegweg 1-7. With the previous owners of this object is agreed that they reimburse half of the decontamination costs. For the financial year 2006, the decontamination costs amount to € 10.000 for Intervest Offices. A similar annual amount is expected till 2009.

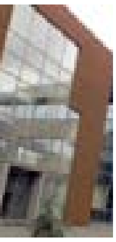
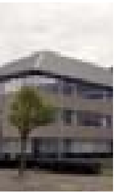
3. Post balance sheet events

There are no significant events to be mentioned that occurred after the closing of the accounts as at 31 December 2006.

4. Summary of the accounts

BALANCE SHEET (€ 000)	31.12.2006	31.12.2005
ASSETS		
Non-current assets	**511.244**	**586.750**
Intangible assets	101	6
Investment properties	506.741	585.043
Other tangible fixed assets	401	395
Financial fixed assets	2.899	0
Trade receivables and other non-current assets	1.102	1.306
Current assets	**97.100**	**4.019**
Assets held for sale	92.500	0
Trade receivables	2.338	2.121
Tax receivables and other current assets	479	446
Cash and cash equivalents	510	630
Deferred charges and accrued income	1.273	822
Total assets	**608.344**	**590.769**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	**333.102**	**312.300**
Non-current liabilities	**267.241**	**194.571**
Provisions	1.416	920
Non-current financial debts	265.412	192.922
Other non-current liabilities	413	729
Current liabilities	**8.001**	**83.898**
Provisions	424	0
Current financial debts	1.212	65.104
Trade debts and other current debts	1.998	2.119
Other current liabilities	2.847	13.667
Accrued charges and deferred income	1.520	3.008
Total shareholders' equity and liabilities	**608.344**	**590.769**


INCOME STATEMENT (€ 000)	2006	2005
Rental income	42.527	42.140
Rental related expenses	-113	-44
Other rental-related income and expenses	590	635
Property result	**43.004**	**42.731**
Property charges	-3.840	-3.967
General costs and other operating income and expenses	-1.344	-1.209
Operating result before result on the portfolio	**37.820**	**37.555**
Result on disposals of investment properties	-2.181	0
Changes in fair value of investment properties	20.645	-2.485
Operating result	**56.284**	**35.070**
Financial result	-12.041	-11.371
Taxes	-38	34
Net result	**44.205**	**23.733**

5. Comments on the accounts

5.1. Modified scheme for presentation of the annual accounts of property investment funds

Intervest Offices has, as a listed property investment fund, established its consolidated annual accounts in accordance with the "International Financial Reporting Standards" (IFRS). In the RD of 21 June 2006 an adapted scheme for the annual accounts of property investment funds has been published.

The adapted scheme contains principally that in the income statement, the result on the portfolio is presented separately. This result on the portfolio includes all movements in the real estate portfolio and consists of:

- realized gains or losses on the disposal of investment properties
- changes in fair value of investment properties as a result of the valuation by property experts, being non-realized increases and/or decreases in value.

The result on the portfolio is not paid out to the shareholders, but transferred to, or from the non-distributable reserves.

5.2. Assets

The non-current assets decreased from € 587 million to € 511 million, principally as a result of the sale of 5 office buildings and a semi-industrial building end December 2006 for a total amount of € 100 million. The sales value of the 5 office buildings sold, is classified as assets held for sale under current assets for an amount of € 92,5 million.

On 31 December 2006, the fair value of the real estate is valued by independent property experts at € 507 million compared to € 585 million end 2005. The decrease of the fair value with € 78 million is explained on the one hand by the disinvestments (€ 100 million) and on the other hand by renovation works of € 1 million and the positive change of the fair value of the properties for an amount of € 21 million. This increase in value is due to the increasing demand on the investment market and shortage of products.

The other tangible fixed assets consist of € 0,4 million in furniture and fixtures, vehicles and equipment.

The financial fixed assets for an amount of € 2,9 million represent the current market value of the financial instruments (IRS) which Intervest Offices concluded in the beginning of the financial year 2006 as coverage for the variable interest rates on the long-term financial debts.

The "non-current trade receivables" relate to an outstanding receivable in respect of the European Commission for € 1,1 million.

The current assets stand at € 97 million, consisting of € 92,5 million of assets held for sale as a result of the transfer of 5 office buildings end 2006 (under the condition of suspension of obtaining a fiscal ruling). The current assets consist further of € 2,3 million of trade receivables, € 0,5 million in tax receivables and other current assets, € 0,5 million in cash on bank accounts and € 1,3 million in deferred charges and accrued income.

5.3. Liabilities

Shareholders' equity of the property investment fund amounts to € 333,1 million. The share capital (€ 126,7 million) and share premium (€ 60,8 million) are unchanged compared to last year. The reserves stand at € 125,9 million and mainly consist of unrealized gains as a result of the valuation of the property portfolio at investment value. These non-distributable reserves increased by € 16,6 million compared to the previous year, due to the increase in value of the real estate in 2006.

Conform to the Beama-interpretation of IAS 40, the real estate portfolio is valued at fair value instead of investment value, resulting in an adjustment of shareholders' equity that amounts to € 12,9 million on 31 December 2006.

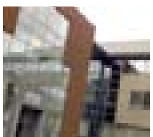
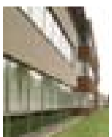
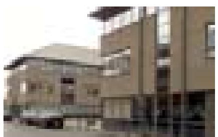
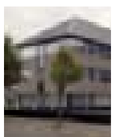
In 2006, the total number of shares of 13.882.662 remains unchanged. On 31 December 2006 the net asset value is € 23,99 per share compared to € 22,50 on 31 December 2005. Compared to a share price on closing date 31 December 2006 of € 28,47, the share was subsequently listed with a premium of 18,7%.

By refinancing of the financial debts in 2006, the short-term bank loans have been replaced by long-term loans. Herewith the non-current liabilities increase, compared to the previous year with € 72,7 million to € 267,2 million. The non-current provisions amount to € 1,4 million and consist of provisions for rental guarantees and for fiscal disputes in connection with the non tax-deductibility of provisions and the retroactivity of mergers. The non-current financial debts amount to € 265,4 million and consist of long-term bank loans at a fixed or variable interest rate, covered by financial instruments. The other non-current liabilities (€ 0,4 million) consist of cash guarantees received from tenants and miscellaneous debts.

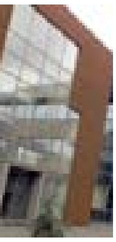
Through the reorganisation of the financial debts, the current liabilities decreased with € 75,9 million and amount to € 8 million on 31 December 2006. These current liabilities consist of € 0,4 million of provisions for lease guarantees, for € 1,2 million of current financial debts, for € 2 million of trade debts for € 2,8 million of deferred payments for the acquisition of assets, and finally € 1,5 million in accrued charges and deferred income.

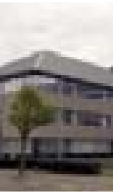
The average rate of interest paid for 2006 was 4,34%.

On 31 December 2006, the debt ratio is 44,7%, conform the RD of 21 June 2006.

5.4. Income statement





Rental income increase from € 42,1 million to € 42,5 million in 2006. The increase is mainly the result of new leases.

In 2006, the property expenses amount to € 3,8 million, which is € 0,1 million less than prior year.

General costs increase slightly compared to prior year as a result of a one-time reorganisation of the personnel structure of the property investment fund.

The operating result before the result on the portfolio rises from € 37,6 million to € 37,8 million compared with prior year as a result of the higher rental income and lower property charges. The operating margin, i.e. the operating result before the result on the portfolio compared to rental income, amounts to 89% equally to prior year.

The financial result amounts to - € 12 million (- € 11,4 million as at 31 December 2005) due to an increase in interest charges. This increase is attributable the higher short-term interest rates. During the first semester of 2006, the property investment fund refinanced its financial debts. The existing syndicated loan has been replaced on 31 January 2007 by four long-term bilateral loans which Intervest Offices has concluded with its current European bankers at significantly more attractive conditions than the current loans.

The result on the sale of 5 office buildings and 1 semi-industrial building comprises a limited loss of value of € 2,2 million.

For 2006, the gain on the portfolio amounts to € 20,6 million compared to a loss of € 2,5 million in 2005. The positive change in the fair value in 2006 is attributable to the decrease of initial yields as result of the higher demand on the investment market which incites more investors to consider investments, in spite of the still difficult rental market. Furthermore, Intervest Offices has renewed the lease with PricewaterhouseCoopers till end 2011, which results in a revaluation of this prestigious building with € 6,6 million.

The net profit for the financial year increases with € 20,5 million and amounts to € 44,2 in 2006 compared to € 23,7 million in 2005. The sharp increase in the net profit is mainly the result of the positive change in the real estate portfolio in 2006 (€ + 20,6 million) compared to 2005 (€ - 2,5 million).

The profit distributable as dividend, based on the statutory annual accounts of Intervest Offices sa, amounts to € 26,0 million in 2006 compared with € 26.4 million in 2005.
Taking into account the 13,882,662 shares, this results in a dividend of € 1,87 per share for 2006 (€ 1,90 in 2005).

6. Profit distribution

The board of directors proposes that the consolidated annual accounts as at 31 December 2006 be approved and that the profit for the financial year be distributed as follows:

In € 000	
- profit of the financial year	€ 44.205
- transfer of the result on the portfolio to the reserves not available for distribution	€ 18.464
- profit to be carried forward	€ 25.741

The general meeting of shareholders on 4 April 2007, will propose to distribute a gross dividend of € 1,87 per share. This is € 1,59 net after deduction of 15% withholding tax. Taking into account 13.882.662 shares which will participate in the full result for the financial year this means a distributable dividend of € 25.960.578[5].

The dividend is higher than the required minimum of 80% of the net profit, because in accordance with its policy in 2006 almost 100% of the unconsolidated distributable profit will be paid out. The dividend will be payable as of 20 April 2007. As far as the bearer shares are concerned, this can be on submission of dividend certificate number 8.

5 As legally speaking only the profit of the statutory annual accounts can be distributed and not the consolidated profit, the present profit distribution has been based on the statutory profit figures.

7. Outlook for 2007

For 2007 a further growth of investments is expected. The decrease of the yields can continue. Nevertheless, yields on the office market remain higher than in most other European cities, what makes the Belgian investment market attractive.

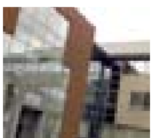
It is expected that the good economic climate – the BGP is estimated at 3% in 2006 and 2% in 2007 – will have a positive effect on the demand of the corporate sector. The corporates are especially looking for well equipped new buildings but stay conscious of the costs. It is supposed that the consolidation trend will hold on.

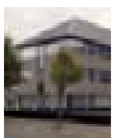
Also in 2007, the real estate market will be influenced, as in the past, by the Federal elections, but the impact of the new government will mostly be tangible in 2008.

The demand of EU-related activities will remain important. The admission on 1 January 2006 of Romania and Bulgaria to the European Union will bring new representations of new regions and cities to Brussels.

It is expected that the demand on the Brussels office market will lower in 2007/2008, but that the availability of second hand buildings will rise. Rents can still rise especially in the CBD locations, incentives will probably diminish in the other office areas.

In 2007, Intervest Offices will aim to invest the financials means coming from the sale of 5 office buildings in high quality buildings with a higher yield. This, in combination with the intense efforts of the commercial team to improve the occupancy rate, is expected to result in the increase of the dividend for the year 2007.



3. Report on the share

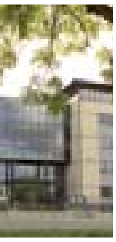
Park Station

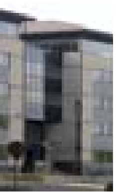
Park station

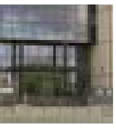
Woluwelaan 148-150
1831 Diegem

> ground floor and 4 storeys
> 2 underground storeys
> parking spaces and record rooms
> central entrance
> air conditioning
> videophone system and badge access control system

1. Stock market information







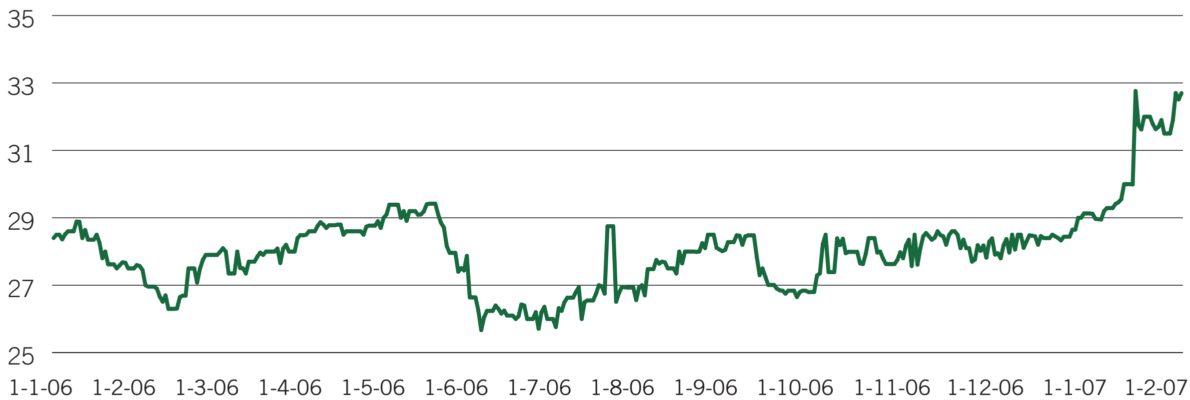
Since 1 January 2002 Intervest Offices has been listed on the Next Prime segment of Euronext Brussels. This segment consists of companies that do not feature in the Euronext 100 and the Next 150, but which set themselves certain qualitative obligations, such as:

- publishing quarterly figures
- preparing a number of analyst's reports every year
- maintaining a professional website
- complying with the International Financial Reporting Standards (IFRS).

Intervest Offices pursues a stringent communication policy and sets itself strict quality requirements.

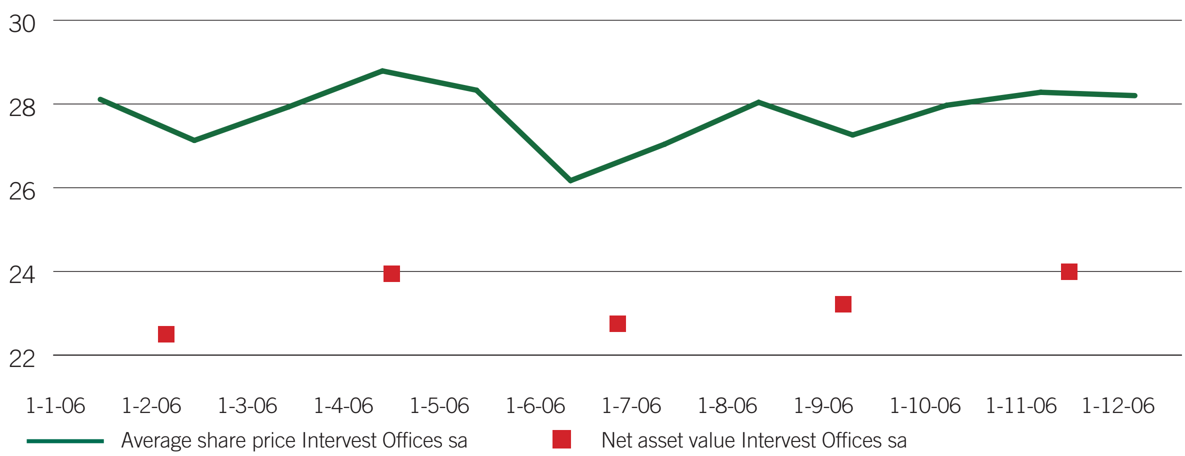
Within this segment, indices are prepared for each sector, making it easier to compare one real estate company with another. This generates greater interest from institutional investors.

Share price Intervest Offices sa (€)

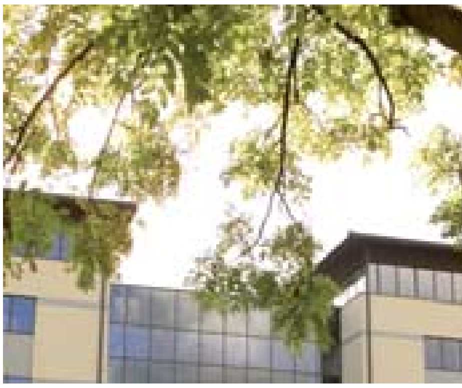


In 2006 the share price was subject to a certain amount of fluctuation. At its lowest point it reached € 25,51 (31 May 2006) and at its highest € 29,42 (12 May 2006). The decrease at the end of May is explained by the payment of the dividend over the financial year 2005. After closing of the financial year 2006, the share price increased to € 32 in February 2007.

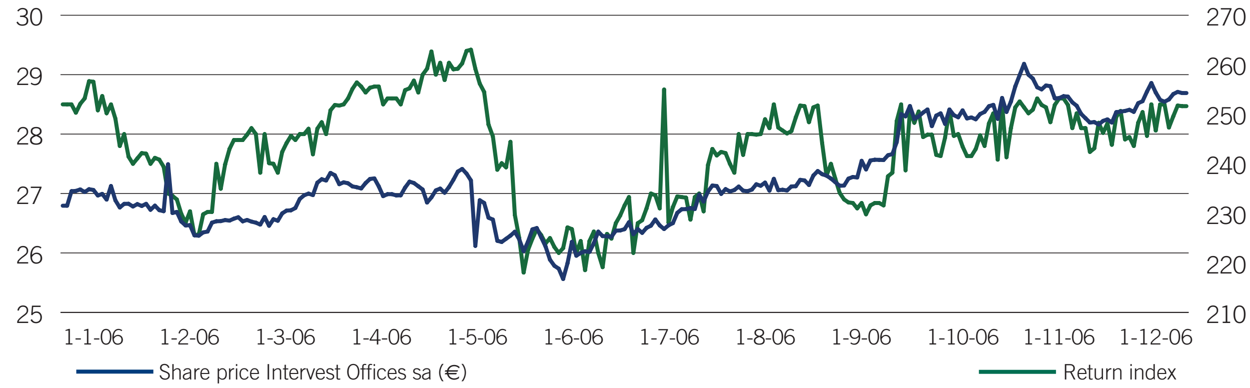
Premiums and discounts Intervest Offices sa (€)



The net asset value of Intervest Offices (on a consolidated basis) includes the 2005 dividend up to the payment date at the end of May 2006.

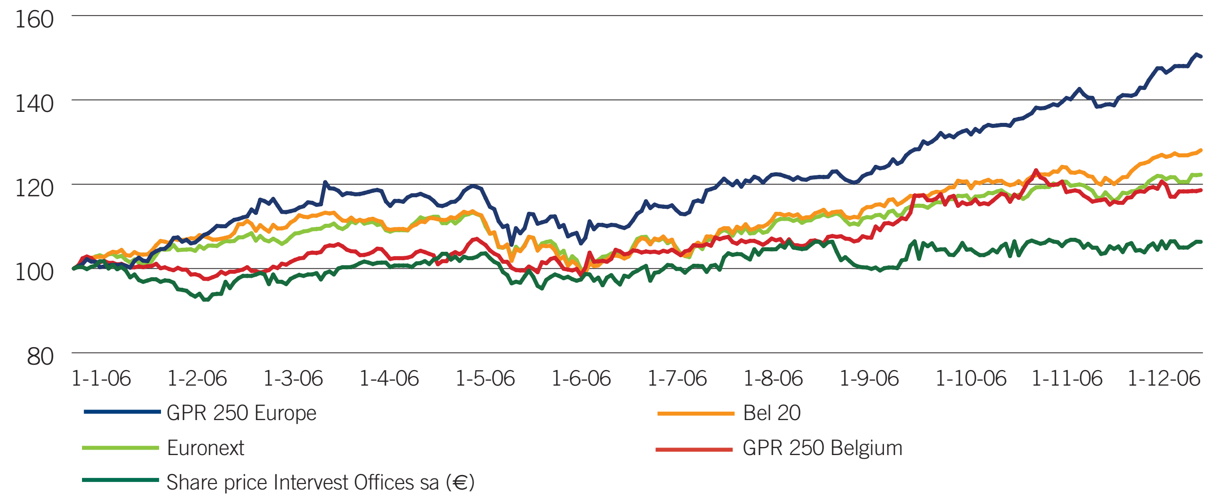


Comparison Intervest Offices sa – ING sicafi index

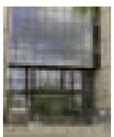


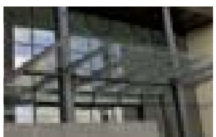
The ING sicafi return index is calculated on the basis of the market capitalisation of the various investment funds, the traded volumes and the yield on the distributed dividends.

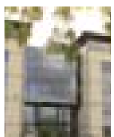
Comparaison Intervest Offices sa – other indices[6]

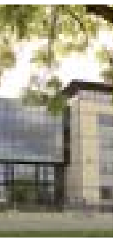


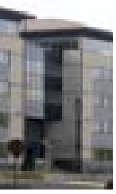
6 Additional information over the indices can be asked for at ING Belgium regarding the ING sicafi index, at Euronext Brussels regarding the Euronext 100 and Bel 20 and at Global Property Research (www.propertyshares.com) concerning the GPR 250 Europe and GPR 250 Belgium.

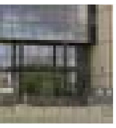




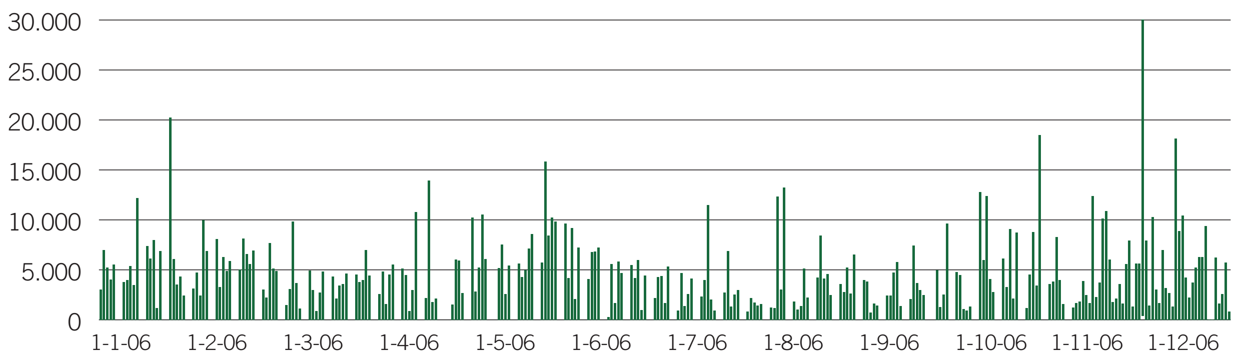








Trade number of shares Intervest Offices sa



The traded volumes, with an average of 6.052 units a day, were lower than the previous year (an average of 8.542 units a day). In general, property investment funds attracted increased interest from investors as a safe haven.

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

At the year end, the free float amounted to 48,91%.

2. Dividend and number of shares

	31.12.2006
Number of shares at the end of the period	13.882.662
Number of shares entitled to dividend	13.882.662

Share price (€)	31.12.2006
Highest	29,42
Lowest	25,51
Share price on closing date	28,47
Over-/undervaluation on net asset value (%)	18,7

Data per share (€)	31.12.2006	31.12.2005	31.12.2004
Net asset value (fair value)	23,99	22,50	22,71
Net asset value (investment value)	24,92	23,57	23,77
Gross dividend	1,87	1,90	1,98
Net dividend	1,59	1,62	1,68

3. Shareholders

As at 31 December 2006 the following shareholders were known to the company:

VastNed Groep	**7.092.483 shares**	**51,09%**
VastNed Offices/Industrial sa Max Euwelaan 1 3062 MA Rotterdam – Nederland	7.092.482 shares	51,08%
Belle Etoile sa Uitbreidingstraat 18 2600 Berchem – Antwerpen	1 shares	0,01%
Public	**6.789.679 shares**	**48,91%**
Total	**13.882.662 shares**	**100 %**

4. Financial calendar

- Announcement annual results as at 31 December 2006: **Tuesday 20 February 2007**

- General meeting of shareholders: **Wednesday 4 April 2007** at 16h30 pm at the company's registered offices, Uitbreidingstraat 18, 2600 Berchem – Antwerpen

- Dividend payable: as from **Friday 20 April 2007**

- Announcement results as at 31 March 2007: **Monday 7 May 2007**

- Announcement half year results as at 30 June 2007: **Thursday 7August 2007**

- Announcement results as at 30 September 2007: **Monday 5 November 2007**

4. Property report

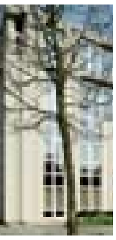
INTERVEST
OFFICES

Hermes Hills

Berkenlaan 6
1831 Diegem

- concrete structure
- entrance hall in travertine
- conventional heating system
- air conditioning
- intruder alarm system


1. Composition of the portfolio



1.1. Overview of property portfolio including vacancies as at 31 December 2006

OFFICES

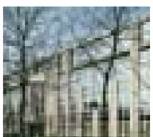
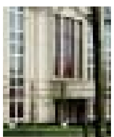
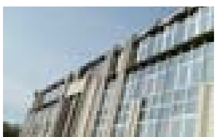
Project	Surface area offices (m²)	Other surface area (m²)	Fair value of portfolio (€ 000)	Investment value of portfolio (€ 000)	Commercial Rent[7] /year in € 000		Occupancy rate[8] (%)
					Rental income	Rental income + vacancies	
Aartselaar - Kontichsesteenweg 54	3.000	1.000	5.786	5.931	492	492	100,00%
Antwerpen - Brusselstraat 59 (Gateway House)	11.318	0	16.519	16.932	948	1.536	61,71 %
Berchem - Uitbreidingstraat 66 (Sky Building)	5.698	2	8.737	8.955	716	724	98,83%
Diegem - Berkenlaan 6 (Hermes Hills)	3.664	0	4.366	4.475	0	451	0,00%
Diegem - Berkenlaan 8a (Deloitte Campus)	7.787	0	19.025	19.501	1.295	1.295	100,00%
Diegem - Berkenlaan 8b (Deloitte Campus)	8.268	461	20.049	20.550	1.427	1.427	100,00%
Diegem - Woluwelaan 148-150 (Park Station)	8.619	284	11.660	11.951	692	1.127	61,38 %
Dilbeek (Groot-Bijgaarden) - Pontbeekstraat 2&4 (Inter Access Park)	6.869	0	9.928	10.176	1.017	1.017	100,00%
Edegem - Prins Boudewijnlaan 45-49 (De Arend)	7.273	151	10.337	10.595	962	962	100,00%
Gent - Xavier De Cocklaan 68-72 (Latem Business Park)	5.350	0	5.891	6.038	515	542	95,04%
Hoeilaart - Terhulpsesteenweg 6A	2.694	107	4.514	4.627	285	422	67,43%
Mechelen - Blarenberglaan 2C (Mechelen Business Tower)	11.701	1.216	28.747	29.466	2.232	2.232	100,00%
Mechelen - Generaal De Wittelaan 9-21 (Intercity Business Park)	38.718	3.394	56.273	57.680	4.642	5.246	88,49%
Mechelen - Schaliënhoevedreef 20 A,B,C,D,E,G,H,I,J (Mechelen Campus)	38.423	5.861	67.380	69.065	5.595	6.126	91,32%
Strombeek-Bever - Nijverheidslaan 3 (BXL 7)	4.724	165	7.085	7.262	452	768	58,82%
Strombeek-Bever - Nijverheidslaan 1 (BXL 7)	5.044	410	9.013	9.238	719	808	
Vilvoorde - Luchthavenlaan 25 (3T Estate)	8.757	0	12.634	12.950	1.233	1.255	98,27 %
Woluwe - Woluwedal 18-22 (Woluwe Garden)	24.081	993	69.429	71.165	5.025	5.025	100,00%
TOTAL OFFICES	**201.988**	**14.044**	**367.373**	**376.557**	**28.247**	**31.458**	**89,79%**

7 The commercial rental incomes are the contractual rental incomes plus the rental incomes from the already signed leases concerning spaces which are contractual vacant on 31 December 2006

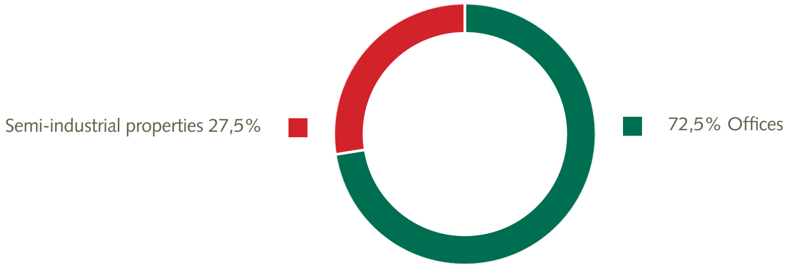
8 The occupancy rate is calculated as the ratio of the commercial rental incomes to the same rental incomes plus the estimated rental value of the unoccupied locations to be let.

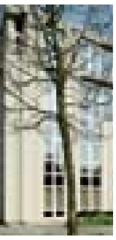
SEMI-INDUSTRIAL PROPERTIES

Project	Surface area offices (m^2)	Other surface area (m^2)	Fair value of portfolio (€ 000)	Invest-ment value of portfolio (€ 000)	Commercial Rent/year in € 000		Occupancy rate[8] (%)
					Rental income	Rental income + vacancies	
A12 (Brussel - Antwerpen)							
Aartselaar - Dijkstraat 1A	793	7.269	4.176	4.280	357	357	100,00%
Boom(/Niel) - Krekelenberg (Industrieweg 18)	700	23.663	12.693	13.010	1.024	1.024	100,00%
Merchtem - Merchtem Cargo Center (Preenakker 20)	1.210	6.075	5.366	5.500	471	471	100,00%
Puurs - Puurs Logistic Center (Veurstraat 91)	1.600	41.890	26.156	26.810	2.219	2.219	100,00%
Schelle - Molenberglei 8	1.600	6.400	4.254	4.360	330	416	79,13%
Wilrijk - Neerland 1 (Boomsesteenweg 801-803) + Neerland 2 (Kernenergiestraat 70/Geleegweg 1-7)	632	28.536	15.932	16.330	1.369	1.369	100,00%
Total	**6.535**	**113.833**	**68.576**	**70.290**	**5.769**	**5.856**	**98,52%**
E19 (Brussel - Antwerpen)							
Duffel - Notmeir (Walemstraat 94)	250	8.861	4.167	4.271	473	473	100,00%
Duffel - Stocletlaan 23	240	23.435	11.483	11.770	1.031	1.031	100,00%
Mechelen - Intercity Industrial Park (Oude Baan 14)	252	15.000	8.410	8.620	706	706	100,00%
Mechelen - Ragheno (Dellingstraat 57)	612	4.002	3.122	3.200	351	351	100,00%
Total	**1.354**	**51.298**	**27.181**	**27.861**	**2.561**	**2.561**	**100,00%**
Ring Antwerpen							
Antwerpen - Kaaien 218-220 (Leopolddok)	0	5.500	1.418	1.560	149	149	100,00%
Wommelgem - Kapelleveld 1 (Koralenhoeve 25)	1.770	22.949	15.259	15.640	1.433	1.433	100,00%
Total	**1.770**	**28.449**	**16.677**	**17.200**	**1.582**	**1.582**	**100,00%**
Other							
Kortenberg - Guldendelle (Arthur De Coninckstraat 3)	780	10.172	14.639	15.005	965	965	100,00%
Meer - Transportzone (Riyadhstraat 23)	271	7.348	1.836	2.020	169	184	91,76 %
Sint-Agatha-Berchem - Berchem Technology Center (Technologiestraat 11,15,51,55,61,65)	2.760	3.703	7.307	7.490	527	642	82,21 %
Sint-Niklaas - Eigenlo (Eigenlostraat 23-27a)	1.328	6.535	3.152	3.230	152	324	47,04%
Total	**5.139**	**27.758**	**26.935**	**27.745**	**1.814**	**2.115**	**85,78 %**
TOTAL SEMI-INDUSTRIAL PROPERTIES	**14.798**	**221.338**	**139.368**	**143.096**	**11.726**	**12.113**	**96,80%**
TOTAL OFFICES + SEMI-INDUSTRIAL PROPER-TIES	**216.786**	**235.382**	**506.741**	**519.653**	**39.973**	**43.572**	**91,74%**


1.2. Nature of the portfolio

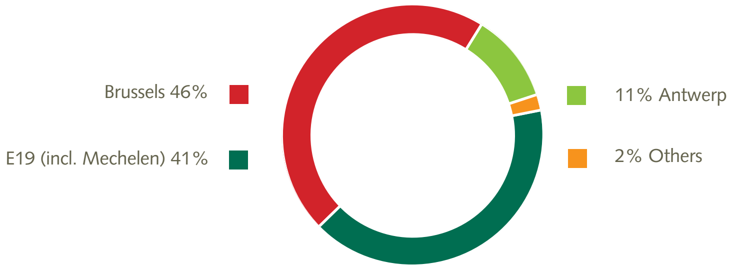




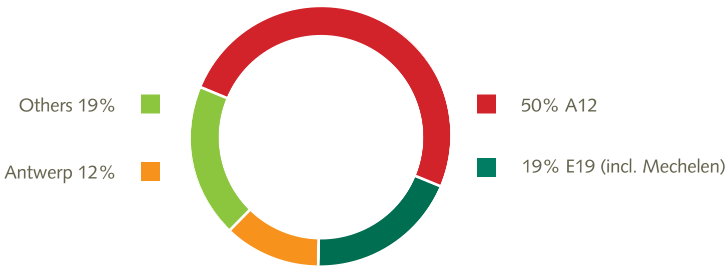
As at 31 December 2006, the portfolio consists of 72,5% of office buildings and 27,5% of semi-industrial properties.

1.3. Geographic spread of the portfolio

Offices

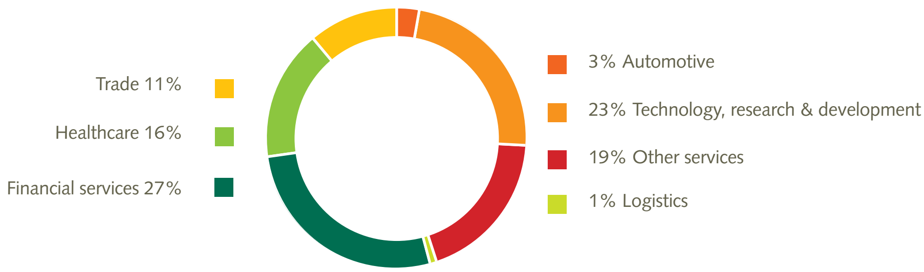


Semi-industrial properties



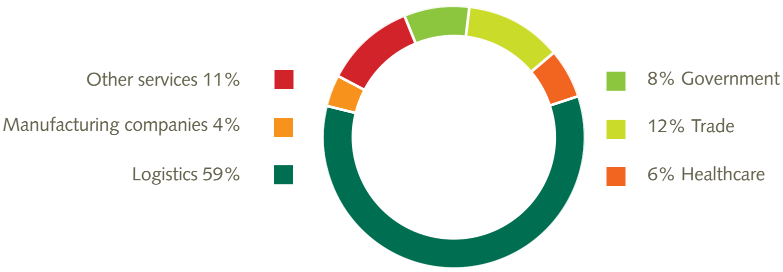
1.4. Sector spread of the portfolio

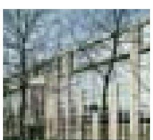
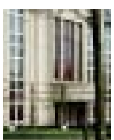
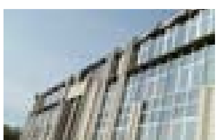
Offices



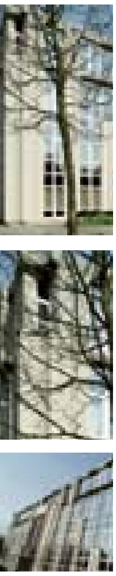
The tenants are well spread over different economic sectors. This reduces the risk of vacancies when fluctuations occur in the economy.

Semi-industrial properties

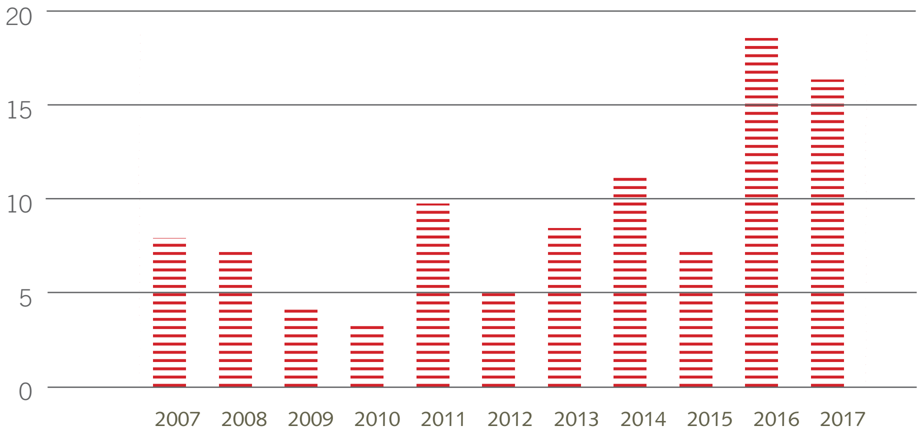



1.5. Expiry date of portfolio contracts

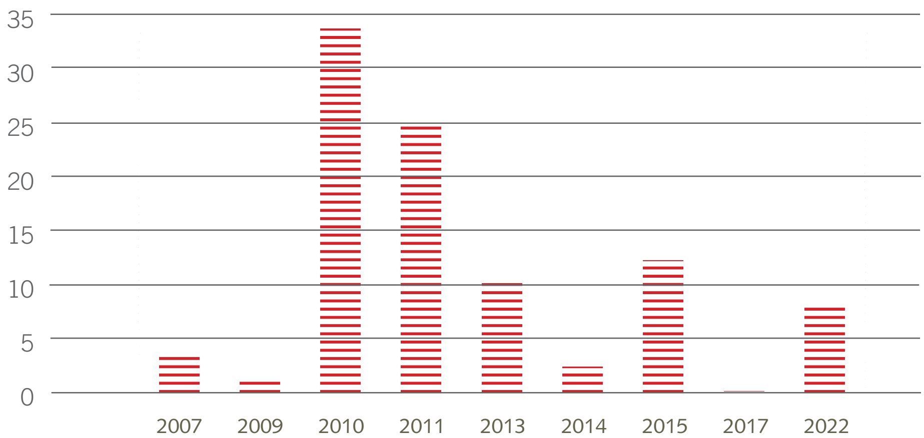


Offices



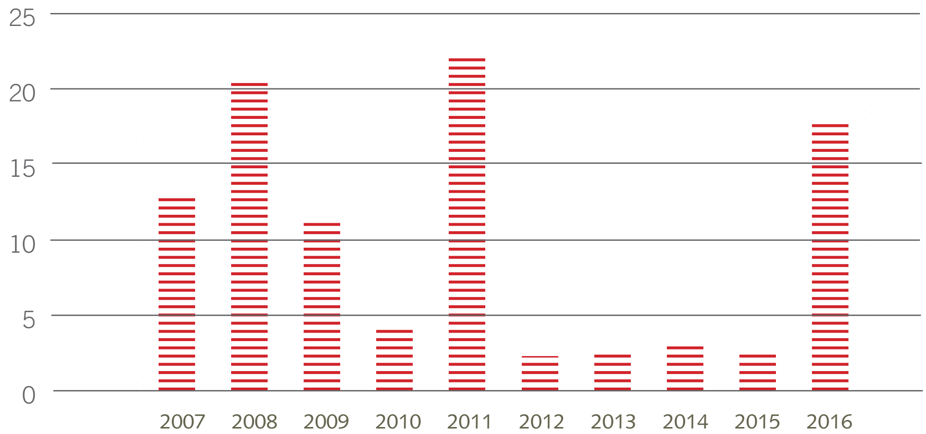
The expiry dates are well spread over the coming years. Many of the contracts run for a fixed period of 9 years or more, which benefits the stability of the portfolio.

Semi-industrial properties



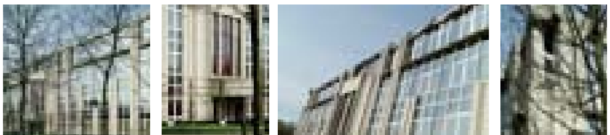
1.6. First interim expiry date of portfolio contracts

Offices



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

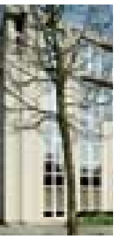
Semi-industrial properties



2. Description of the portfolio

2.1. Offices

ALC	Aartselaar	Kontichsesteenweg 54	Year of construction 2000



Location

The building is easily accessible thanks to its position between the A12 Antwerp-Brussels and E19 Antwerp-Brussels motorways. It is situated in a mixed area (residential and industrial). The centres of Wilrijk, Edegem, Kontich and Aartselaar are a few kilometres away.

Description

This is a recent office building linked to a warehouse. The office building consists of the ground floor and one other floor and is linked to the warehouse by a covered passage. Part of the warehouse is also used as an office. The office has façades in facing brick combined with curtain walls. The windows are of painted aluminium with semi-reflecting double glazing with sun protection. The offices are air conditioned and there is a lift. The warehouse area consists of a metal frame with sandwich panel walls. There is a floor in polyconcrete, a roof in steel deck with strip lighting and 2 sectional, electrically operated gates.

Property leasing

The lessee, APV Benelux NV/SA, part of the Invensys Group, obtained a purchase option on the property, to be exercised in the sixth month before the end of the property tenancy agreement on 30 November 2015, for a price equivalent to 80% of the market value at that time but for no less than € 5.453.657,54 (to be indexed). If the purchase option is not exercised, the tenant has an option to extend the lease by three years.

GATEWAY HOUSE	Antwerp	Brusselstraat 59	Year of construction 1993-1994

Location

Gateway House is on the same level as the Singel in diagonally opposite the new imposing courthouse and at 350 meters of the station Antwerpen Zuid. The Amerikalei is a few hundred metres away. It connects directly with the ring of Antwerp (E19, E17 and E34) and the A12 Antwerp-Brussels. The city centre of Antwerp is easily reached on less than 7 minutes by the Amerikalei. Together with the building of the new courthouse, the complete infrastructure around the Leien and the Bolivarplaats has been adapted, which gives an even better accessibility by car, tram and train. Because of this, the whole surrounding area receives a new impulse.

Description

The office complex consists of 2 five-storey wings which are linked by a central core with stairs and lifts. One wing is on Montignystraat and the other on Brusselstraat. The ground floor covers the entire area of the premises. The 2 storeys of underground parking are accessible via 2 automatic gates on Montignystraat. The building has a traditional concrete structure with architectural façade cladding and aluminium window sections. The suspended ceilings consist of mineral fibreboard. The technical installations are on the roof, which also accommodates the cooling towers and the central heating fuelling area. Major renovations and improvements were carried out on the building in the spring of 2003. The most important of these were: the renovation and modernisation of the ground floor entrance hall, equipping of the offices with an air conditioning system using cooling boxes and complete renewal of the carpet and the entrance doors to the individual rooms. In addition, the building was fitted with a videoparlophone access system and a badge access control system. These works are executed in phases according to the commercialisation of the building.

Main tenants

Kuwait Petroleum, Elegis Law firm, Apcoa, CRH Construction Accessoires Europe.

SKY BUILDING	**Berchem**	**Uitbreidingstraat 66**	**Year of construction 1988**

Location

The Sky Building is situated at the Antwerp Singel and enjoys excellent visibility from the Antwerp ring. The Uitbreidingstraat lies at the end of the E19 Brussels- Antwerp and is easy accessible by the direct connection with the Antwerp ring (E19, E17 and E314).

Description

A modern office building with appendix suitable for use as a records room on Jan Breydelstraat (previously number 42), consisting of a ground floor, 5 upper storeys, a technical floor and underground car park and records room. The building has a façade which is partly in blue stone and metal panels, and a granite doorway. The back is entirely in facing brick. The windows are all sash windows consisting of painted aluminium with double glazing, with sun protection on the street side. The sun protection has recently been renewed. The offices are equipped with air conditioning and elevators. In 2006 the common parts of the building (entrance hall, staircase, elevators and sanitary fittings) have been thoroughly renovated.

Main tenants

BDO Atrio, Lease Plan Fleet Management, Wagon Lits Travel and GiVi.

HERMES HILLS	**Diegem**	**Berkenlaan 6**	**Year of construction 1990**

Location

The building enjoys an excellent visibility along the Leopold III avenue (A201 Brussels – Airport) in the vicinity of the NATO, opposite the new head offices of HP and Honeywell and next to the head offices of Deloitte and Canon. This location is easily accessible via the A 201 and has a direct access to the Brussels ring (E40, E19, A12, E411).

Description

The building has a concrete structure. The elegant entrance hall is finished in travertine. All levels are fully fitted with partition walls and have two passenger lifts. A conventional heating system with top cooling is installed. A limited number of rooms, including the entire 3rd floor, have full air conditioning. The modulation is at 1,20 m and 1,80 m, allowing flexible divisions. In addition, an intruder alarm system is installed.

Tenant: None

DELOITTE CAMPUS	**Diegem**	**Berkenlaan 8a**	**Year of construction 2000**

Location

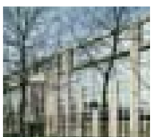
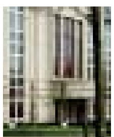
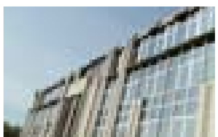
This location is easily accessible via the A201 and the direct access to the Brussels ring (E40, E19, A12, E411)

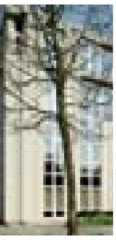
Description

The property with 6 upper storeys is built in a " V" shape, which creates a pleasant working environment with adaptable individual units. The façade is a combination of glass sections and red brick. The windows are of enamelled aluminium with sound-proofing double glazing. The offices are foreseen of raised floors covered with fitted carpets. The ceilings are finished in mineral fibre and fitted with fire grids. Lighting with built-in light fittings. The building is fitted with air conditioning (cooling boxes).

Property leasing

Ending on 1 January 2016, with Deloitte having a purchase option at a price equal to the market value of the land and buildings, estimated one year before the purchase date, but at a minimum of € 14.526.560 (to be indexed).

DELOITTE CAMPUS	Diegem	Berkenlaan 8b	Year of construction 2001-2002

Location

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

Description

The building has 7 storeys above ground. There is a spacious and high-quality entrance hall on the ground floor, with reception and waiting areas. In addition to the central core with two fast lifts, a staircase and well-kept sanitary facilities, meeting and training rooms and the canteen are also situated here.

We find the central core again in each of the first to fifth floors (open-plan and individual offices), meeting rooms and coffee areas. The offices are equipped with raised floors covered with fitted carpets. The ceilings are finished in mineral fibre and fitted with fire grids. Lighting with built-in light fittings.

The sixth storey is a technical floor (lift engine room, central heating room and air conditioning). The technical floor is reached by a stairway. The building is equipped with air conditioning (cooling boxes). The first floor below ground levels contains, in addition to 35 individual and 8 double parking spaces, around 294 m² of cellar space which is used as a storage area for files and a photocopying centre. The next two floors down (-2 and -3) contain 82 individual and 48 double parking spaces over the two floors, as well as approximately 167 m² of cellar space. The façade is a combination of glass sections and yellow brick. The windows are of enamelled aluminium with double glazing.

Property leasing

To Deloitte, starting on 2 January 2000 for a period of fifteen years. Deloitte holds a purchase option at the end of the contract at the market value of the land and buildings, but with a minimum price of € 17.724.387,02 (to be indexed).

PARK STATION	Diegem	Woluwelaan 148-150	Year of construction 2000

Location

Park Station is located next to the railway Brussels South – Airport – Louvain and Diegem station, on the corner of Woluwelaan and Mommaertslaan, which have both an access to the Brussels ring (E40, E19, A12, E411).

Description

An office building with a ground floor and 4 upper storeys, which can be split into 4 equal parts, and 2 underground storeys with parking spaces and records rooms. The building has facing brickwork façades combined with strips of blue brick and granite. The windows are in aluminium, partly with sun-protection double glazing and partly with clear glass. The roof consists of patined zinc. The offices are located around a central entrance of 2 storeys, which provides everywhere natural daylight. On the first floor there is a footbridge in the entrance hall with on both sides an empty space between the different office parts of the floor. All the offices are equipped with air conditioning, false ceilings, videophone system and a badge access control system.

Main tenants

Zelia, Thomas Cook Airlines, EURid.

INTER ACCESS PARK	Diegem	Pontbeekstraat 2 & 4	Year of construction 2000

Location

The Inter Access Park in Dilbeek is easily accessible with a direct access to the E40 to Ghent and the Brussels ring (E40, E19, A12, E411), near the bus, tram and train stations of St.-Agatha-Berchem.

Description

Two office buildings forming part of an office complex known as Inter Access Park. The offices consist of a ground floor, 3 other storeys and underground parking. The buildings have facing brickwork façades combined with strips of blue brick and, in some areas, curtain walls. The windows are of aluminium with semi-reflecting double glazing. The offices are equipped with air conditioning, false ceiling, badge access control system and elevators.

Main tenants

Vacature, Mitiska, Grant Thornton, Edward Lifesciences, Commercial Finance Group, Initiative Media and Sharp Electronics.

DE AREND	Edegem	Prins Boudewijnlaan 45-49	Year of construction 1997

Location

The building has a very good visibility along the Prins Boudewijnlaan, south of Antwerp at two intersections of the E19 Brussels – Antwerp.

Description

A office complex consisting of 3 three-storey office buildings, a technical floor, an underground car park for 2 of the units, and further parking facilities in front of the buildings. The 3 buildings are all finished in the same way. The outside façades consist of facing brickwork with large areas in marble and windows in natural-coloured aluminium. There are record rooms on the attic floor. The third unit has no underground parking. The offices are equipped with raised floors, false ceilings with omega profiles, badge access control system and topcooling. One building is equipped with air conditioning.

Tenants

Euromex, Thomson Telecom Belgium, Parsival Ontwikkelingen, Merckx Aannemingen, Cheops.

LATEM BUSINESS PARK	Gent	Xavier De Cocklaan 68-72	Year of construction 1992-1993

Location

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

Description

The office complex comprises 4 separate buildings, each of two storeys. The façades are of architectural concrete and coloured glass. The buildings have flat roofs. The entrance halls are of granite. The buildings are partly equipped with air conditioning.

Main tenants

IBS, Nateus, Streep, Hamburg-Mannheimer Consulting, Laser Refractie Center.

PARK ROZENDAL	Hoeilaart	Terhulpsesteenweg 6A	Year of construction 1994

Location

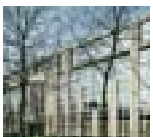
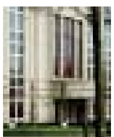
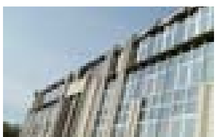
Situated in a wooded environment, primarily residential. Easily reached, because it is close to the E411 Brussels-Namen-Luxembourg motorway and Hoeilaart station.

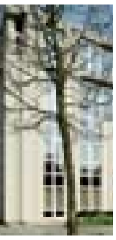
Description

A modern office building forming part of a site consisting of 4 office buildings, consisting of a ground floor, 2 other storeys (and 2 lifts) and an underground parking and record storage facilities. The building has a façade in facing brickwork combined with vertical elements in architectural concrete and curtain walls with windows of semi-reflecting glass. It has a marble entrance hall. The stairways are of granito. The windows are of aluminium with double glazing and formica sills. Recently the building has been fundamentally renewed (renovation has been completed in the spring of 2006). Besiede the upgrading of the commun parts and the luxurious refurnishing of the offices, the air conditioning als has been thoroughly renewed (air conditioning based on cooling water). Both the cooling and the heating is done by fan coil units.

Tenants

Quality Business SAV, BVD-IT Services, Goffin Meyvis, Information & Data sa.

MECHELEN BUSINESS TOWER	**Mechelen**	**Blarenberglaan 2C**	**Year of construction 2001**

Location

The tower block is on the E19 Antwerp-Brussels motorway, on the level of the Mechelen-Noord exit. The building benefits from perfect visibility and accessibility because of its position on the motorway. This location is highly desirable in view of its central position between Antwerp and Brussels and its easy accessibility. The centre of Mechelen is a few kilometres away.

Description

The complex consists of the tower block and a lower extension consisting of 3 blocks. The complex as a whole is linked by an impressive atrium which serves as a reception area and refectory. It has a three-level underground car park and outside parking with an area specifically assigned to visitors. The tower block is conceived as a steel structure around a concrete core which serves as a vertical circulation area. There are five lifts, including a service lift and a panoramic lift.

Property leasing

The lessee, Electronic Data Systems-Belgium sa (E.D.S.), obtained a purchase option on

the building and planting rights, to be exercised no later than six months before the end of the property tenancy agreement on 31 March 2016, at a price equivalent to the market value of the leased property at that time, but at no less than € 6.197.338,11 (to be indexed).

INTERCITY BUSINESS PARK	**Mechelen**	**Generaal De Wittelaan 9-21**	**Year of construction 1993 and 2000**

Location

In the industrial zone of Mechelen-North, on the E19 Brussels-Antwerp motorway. Easily visible from the motorway, with excellent accessibility. The centre of Mechelen is a few kilometres away. This area has become a real office environment in the past few years, due among other things to the construction of the Mechelen Business Tower and Mechelen Campus, a project of over 65.000 m^2.

Description

The office complex comprises 9 buildings which, together with 3 buildings from the same developer which do not belong to the present owner, were constructed between 1993 and 2000. Certain parts are used as storage space, showrooms or laboratories. The buildings each consist of 2 or 3 storeys. The façades are of traditional brickwork. The windows are double glazed with coated aluminium frames. The roofs are flat; most of them are covered with Trocal (PVC) and roll roofing. The entrance halls, stairways and window surrounds are of granite.

Main tenants

Virco-Tibotec, Esoterix, Galapagos, SGS-Medisearch, Pab-Benelux, Logins, BIS, Manpower, Universal Pictures, Tyco, Street One, Batavus.

MECHELEN CAMPUS	**Mechelen**	**Schaliënhoevedreef 20**	**Year of construction 2000-2005**

Location

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

Description

When completed, Mechelen Campus will consist of a tower block and 9 medium-high buildings of 5 storeys each, connected by an underground parking.

The façades are of traditional brick, in yellow and red layers. The windows and doors are of aluminium with a thermal barrier, enamelled in grey. A spacious underground car park gives direct access to all buildings. The offices are fitted with soundproofing suspended ceilings. Each building has two lifts. The presence of a fitness suite and a restaurant emphasises the Campus concept and the unity of the site. Recently the restaurant was enlarged with a self-service. Only building F and the tower block that is to be finished still belongs to the project developer.

Main tenants

Borealis, DHL-Express Line, Endemol, Cypress, EMC², Virco-Tibotec, Belgacom, Imperial Tobacco, Clear2Pay, Compass Group, BellMicro, Cochlear, Passage Fitness.

BXL 7	Strombeek-Bever	Nijverheidslaan 1-5	Year of construction 1999 and 2002

Location

BXL 7 lies on 900 meter of the Brussels ring (exit 7 – 40, E19, A12, E411), on walking distance of the centre of Strombeek-Bever and on 15 minutes on bus from the Brussels central station.

Description

The 2 properties are "H"-shaped and consists of 3 floors, a technical floor with filing room and 1 underground story with parkings and polyvalent space. They are built in a combination of beige and red facing bricks. The building has a gable roof. The windows are double glazed. There is a central entrance hall on the ground floor. 2 passenger lifts are available. The first phase has been equipped in 2003 for 50% of air conditioning, as from the foundation the second phase has been completely equipped with air conditioning.

Main tenants

Whirlpool, Internet Security Systems, Rockwell Automation, Solid Partners.

3T ESTATE	Vilvoorde	Luchthavenlaan 25	Year of construction 1998

Location

The complex is situated in a multi-functional environment, mainly consisting of offices. The complex is very easily accessible from the E19 Antwerp-Brussels motorway, exit 12 (Vilvoorde) and from Woluwelaan. It is within walking distance of the railway station in Vilvoorde and borders on Zaventem's international airport. The complex is situated in an office area in full development.

Description

The 2 office buildings form part of a recent office complex consisting of three units. The largest office building consists of a ground floor and 2 other storeys, and the nearest separate building has a ground floor, 3 upper storeys and an attic floor. The façades of the buildings are in facing brickwork. The brickwork of the largest unit is combined with strips of blue brick, and it has generously-proportioned wooden eaves. The smaller unit is characterised by large, round concrete columns on the ground floor and a zinc roof. The windows are aluminium. All offices have false ceilings. All offices all have false ceilings and air conditioning.

Tenants

Ingram Micro sa, Fleet Logistics Belgium sa, Q-lab sa, Transport Management Europe sa.

WOLUWE GARDEN	Woluwe	Woluwedal 18-22	Year of construction 2000

Location

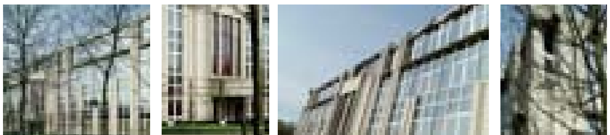
Excellent position a few kilometres from Brussels, with easy access because of location close to the E40 Brussels-Leuven-Liège motorway and the Ring of Brussels. This prestigious complex has a visible location on Woluwedal and is situated in a high-quality office area.

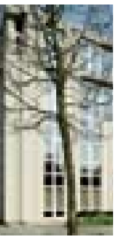
Description

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

Tenants

PricewaterhouseCoopers, Lawfort.





2.2. Semi-industrial properties

1. REGION A-12 (Brussels – Antwerp)

DIJKSTRAAT – AARTSELAAR

Year of construction 1994

Location

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

User	Party Rent
Offices	793 m²
Storage hall	7.269 m²
Free height	9 m
Free span	24 m
Fittings	2 ground-floor gates, 8 loading bays, smoke hatches and smoke guards

NEERLAND 1 – WILRIJK

Year of construction 1986

Location

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

Tenant	Brico Belgium sa (Distrilog)
Offices	-
Storage hall	12.584 m²
Free height	8 m
Free span	25 m
Fittings	8 ground-floor gates, 12 loading bays, smoke domes and fire reels

NEERLAND 2 – WILRIJK

Year of construction 1989

Location

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

User	Brico Belgium sa
Offices	632 m²
Storage hall	15.952 m²
Free height	10 m
Free span	25 m
Fittings	4 ground-floor gates, 17 loading bays, smoke domes and fire reels

MOLENBERGLEI – SCHELLE

Year of construction 1993

Location

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

Tenant	Meiko Europe, SD Worx, Trafuco
Offices	1.600 m²
Storage hall	6.400 m²
Free height	10 m
Free span	25 m
Fittings	2 ground-floor gates, 11 loading bays, smoke domes, fire walls and fire reels

KREKELENBERG – BOOM

Year of construction 2000

Location

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

Tenant	JVC Logistics Europe sa
Offices	700 m²
Storage hall	23.663 m²
Free height	10 m
Free span	34,2 m
Fittings	21 loading bays with gate and 4 ground-floor gates, fire walls, fire domes, hydrants and fire alarm system, smoke hatches, sprinkler system

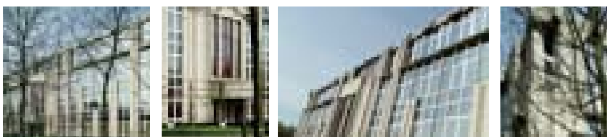
PUURS LOGISTIC CENTER – PUURS

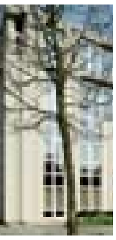
Year of construction 2001

Location

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

User	Fiege Kalf Trans
Offices	1.600 m²
Storage hall	41.890 m²
Free height	10 m
Free span	34,5 m
Fittings	38 loading bays, including 36 with levellers and shelters, 2 ordinary entry gates, fire detectors, sprinkler system and wall reels, sectional gates with electric motor





MERCHTEM CARGO CENTER – MERCHTEM

Year of construction 1992

Location

Situated at Preenakker, 1785 Merchtem

Tenant	Transfer (Médecins Sans Frontières)
Offices	1.210m²
Storage hall	6.075 m²
Free height	9,7 m
Free span	15,80 m
Fittings	10 loading bays of which 9 with control appliances and 1 ordinary entry gate, sectional gate with electric motor, fire detectors

2. REGION E-19 (Brussels – Antwerp)

STOCLETLAAN – DUFFEL

Year of construction 1998

Location

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

Users	Blits Belgium sa
Offices	240 m²
Storage hall	23.435 m²
Free height	9,6 m
Free span	30/40 m
Fittings	17 loading bays with leveller and shelter, fire walls, fire domes and hydrants, fire alarm system

NOTMEIR – DUFFEL

Year of construction 1995

Location

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

Lessees	Corus Aluminium sa
Offices	250 m²
Storage hall	8.861 m²
Free height	7,9 m
Free span	27/30 m
Fittings	5 access gates, rolling bridges, fire walls and fire reels

INTERCITY INDUSTRIAL PARK – MECHELEN

Year of construction 1999

Location

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

User	Pfizer Service Company
Offices	252 m²
Storage hall	15.000 m²
Free height	10 m
Free span	30 m
Fittings	8 ground-floor access gates, 16 loading bays, fire walls, fire reels and hydrants, sprinkler system

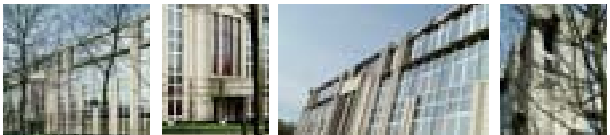
RAGHENO – MECHELEN

Year of construction 1998

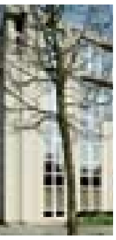
Location

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

User	Otto Wolf Benelux sa
Offices	612 m²
Storage hall	4.002 m²
Free height	6 m
Free span	20 m
Fittings	4 ground-floor access gates, fire alarm system, smoke domes



3. REGION RING ANTWERP



KAPELLEVELD 1 – WOMMELGEM

Year of construction 1998

Location

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

Lessee	DHL sa
Offices	1.770 m^2
Storage hall	22.949 m^2
Free height	10 m
Free span	30 m
Fittings	3 ground-floor gates and 20 loading bays with leveller and shelter, sprinkler system, fire walls, fire reels and hydrants

KAAIEN 218-220 – ANTWERPEN

Year of construction 1997

Location

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

User	Völlers Belgium sa
Offices	-
Storage hall	5.500 m^2
Free height	7 m
Free span	50 m
Fittings	2 ground-floor gates and 4 loading bays with leveller and shelter, fire walls, fire reels and hydrants

4. OTHER REGIONS

TRANSPORTZONE – MEER

Year of construction 1990

Location

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

User	De Rijcke
Offices	271 m^2
Storage hall	7.348 m^2
Free height	6 m
Free span	28 m
Fittings	10 ground-floor gates, fire-resistant walls and fire reels

BERCHEM TECHNOLOGY CENTER – ST.-AGATHA-BERCHEM

Year of construction 1992

Location

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

Tenants	Co-Munication, Rexel Belgium, Flemish Community, e.o.
Offices	2.760 m²
Storage hall	4.183 m²
Free height	6 m
Free span	24 m
Fittings	6 ground-floor gates, fire reels and smoke detection

EIGENLO – SINT-NIKLAAS

Year of construction 1992 and 1994

Location

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

Tenants/ Users	Edor Benelux, Sarens, Orca Cooling, Hunt Imaging
Offices	1.328m²
Storage hall	6.535 m²
Free height	5,5 m
Free span	20 m
Fittings	8 ground-floor gates and 2 loading bays, fire reels and rolling bridges

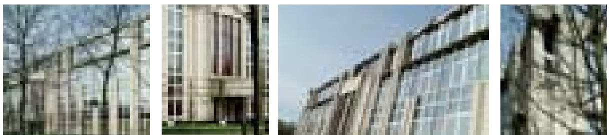
GULDENDELLE – KORTENBERG

Year of construction 2001-2002

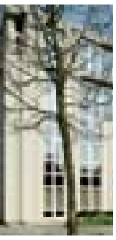
Location

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

Users	European Commission
Offices	780 m²
Storage hall	10.172 m²
Free height	10 m
Free span	22 m
Fittings	2 ground-floor gates, gas heating, 42 ventilo-convecotrs, air conditioning. On a technical basis, the building is specifically equipped for the archives of the European Commission.



3. Evolution of the real estate portfolio



	31.12.2006	31.12.2005	31.12.2004
Investment value portfolio (€ 000)	506.741	585.043	549.796
Current rents (€ 000)	39.973	43.484	40.156
Yield (%)	7,89%	7,43%	7,30%
Current rents, including estimated rental value of vacant properties (€ 000)	43.572	52.830	49.935
Yield if fully let (%)	8,60%	9,03%	9,08%
Total lettable area (m^2)	452.168	538.643	518.012
Occupancy rate (%)	91,74%	82,31 %	80,40%

4. Valuation of the portfolio by the property experts

Property valuations

The valuation of the current real estate portfolio of Intervest Offices was carried out by the following property experts:

- de Crombrugghe & Partners, represented by Mr. Guibert de Crombrugghe
- Cushman & Wakefield, represented by Mr. Kris Peetermans and Mr. Erik Van Dyck
- Jones Lang LaSalle, represented by Mr. Rod Scrivener.

The property experts analyse rental, sale and purchase transactions on a permanent basis. This makes it possible to correctly analyse real estate trends on the basis of prices actually paid and thus to build up market statistics.

For the assessment of real estate assets various factors are taken into account:

1. Market

- supply and demand of tenants and buyers of comparable real estate
- evolution of yields
- expected inflation
- current interest rates and expectations in terms of interest rates

2. Location

- factors in surroundings
- availability of parking
- infrastructure
- accessibility by way of private and public transport
- facilities such as public buildings, stores, hotels, restaurants, banks, schools, etc.
- development (construction) of comparable real estate

3. Real estate

- operating and other expenses
- type of construction and level of quality
- state of maintenance
- age
- location and representation
- current and potential alternative usage possibilities

Subsequently 3 major valuation methods are used:

1. Net present value of estimated rental revenues

The investment value is result of the applicable return (yield or opportunity cost, which represens the gross return required by a buyer) on the estimated rental value (ERV), corrected by the net present value (NPV) of the difference between the current actual rent and the estimated rental value at the date of evaluation and this for the period until the following possibility to give notice under the current rental contracts.

For buildings that are partially or completely vacant, the valuation is calculated on the basis of the estimated rental value, with deduction of the vacancy and the costs (rental costs, publicity costs, etc.) for the vacant portions.

Buildings to be renovated, buildings being renovated or planned projects are evaluated on the basis of the value after renovation or the end of the works, reduced by the amount of the works yet to be done, fees for architects and engineers, interim interest expenses, the estimated vacancy and a risk premium.

2. Unit prices

The investment value is determined on the basis of unit prices for the real estate asset per m^2 for office space, storage space, archive space, number of parking spaces, etc. and this in turn on the basis of the market and building analyses described above.

Discounted cash flow analysis

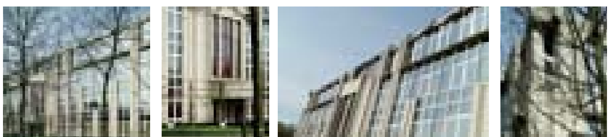
This method is used primarily for valuation of assets that are the object of leasing or long-term contracts. The investment value is determined on the basis of the conditions stipulated in the contract. This value is equal to the sum of the NPV of the various cash flows over the duration of the contract.

The cash flows consist of yearly payments (discounted according to a financial interest rate) together with the value at which the asset could be sold at the end of the contract (based on the free market value at that moment and discounted at an opportunity cost rate) if the lessee (or tenant) has a purchase option at the end of the contract.

The free market value at the end of the leasing contract is calculated using the first method mentioned above (net present value of the estimated rental income).

Value of the Intervest Offices portfolio as at 31 December 2006

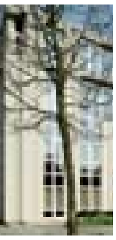
Valuer	Valued property	Fair value (€ 000)	Investment value (€ 000)
Cushman & Wakefield	Semi-industrial properties (except for Merchtem and Puurs)	107.846	110.786
de Crombrugghe & Partners	BXL 7, Merchtem and Puurs	40.535	41.548
Jones Lang LaSalle	Other offices	358.360	367.319
TOTAL		**506.741**	**519.653**



5. Composition of assests held for sale

5.1. Overview of assets held for sale

OFFICES



Project	Surface area offices (m^2)	Other surface area (m^2)	Sale value portfolio (€ 000)	Commercial rent/year in € 000		Occupancy rate (%)
				Rental income	Rental income + vacancies	
Zaventem - Lozenberg 15/18-23 (Airway Park)	28.899	219	45.115	1.392	4.111	33,86 %
Zaventem - Weiveldlaan 41 (Atlas Park)	9.157	3.990	14.550	793	1.562	50,75%
Leuven - Interleuvenlaan 15 (Greenhill Campus)	19.028	2.912	26.188	1.549	2.678	57,84%
Kortenberg - A. De Coninckstraat 3 (Guldendelle)	3.117	0	3.177	0	353	0,00%
Zaventem - Imperiastraat 12 (Keiberg)	3.024	864	3.470	0	330	0,00%
TOTAL OFFICES	**63.225**	**7.985**	**92.500**	**3.734**	**9.034**	**41,33%**

5.2. Description of the portfolio

AIRWAY PARK	Zaventem	Lozenberg 15/18-23	Year of construction 1989-1990

Location

Branch of Leuvensesteenweg beside the E40 Brussels-Leuven motorway. The complex is easily visible from the motorway because of its position on an important approach road to the capital. The complex is close to the airport and is easily to reach by public transport.

Description

The office complex consists of 6 buildings which, together with a seventh building from the same development, were built around a roundabout with a fountain. The buildings have four or five storeys, plus a technical floor and an underground parking level. The complex also has additional covered and external parking.

Tenants

Sybase BVBA, Sun Microsystems Belgium sa, Dr. Oetker sa, Tieto Enator sa, DCE Consultants Belgium sa, i2 Technologies sa , TCLM.

ATLAS PARK	Zaventem	Weiveldlaan 41	Year of construction 1988-1994

Location

In a multifunctional environment of offices and high-tech buildings, retail warehouses, numerous semi-industrial buildings and residential properties. The complex is easy to reach because it is close to exit 21 (Sterrebeek) of the E40 Brussels-Louvain-Liège.

Description

The complex consists of 7 buildings for offices and mixed use. The buildings are constructed in “Business Park” style and and have a separate entrance for almost every tenant. The buildings consist of a ground floor and a first floor, except for two one-storey units.

Main tenants

T-Systems Belgium, Xerox.

GREENHILL CAMPUS	Leuven	Interleuvenlaan 15	Year of construction 1999

Location

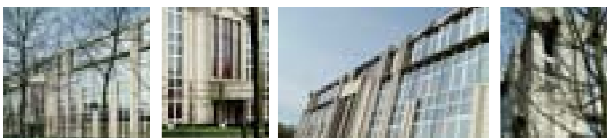
Well situated in the Haasrode Researchpark industrial zone, on the E40 Brussels-Liège motorway, at exit 23 (Haasrode), a few kilometres from the centre of Leuven.

Description

The office complex comprises 9 separate buildings with large underground parking facilities and filing rooms. The buildings are put up in 3 to 4 storeys.

Main tenants

IBM Belgium sa, Matthys Orthopaedics Belux, Cabot, Ordina Belgium sa, Securex.



GULDENDELLE	Kortenberg	Arthur De Coninckstraat 3	Year of construction 2001-2002

Location

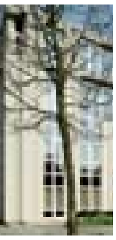
The building is situated in the well-kept area of Guldendelle, along the Leuvensesteenweg.

Description

It has 3 storeys above ground and a smaller, technical floor.

Tenants

None



KEIBERG BUSINESS PARK	Zaventem	Imperiastraat 12	Year of construction 1990

Location

This office district is known as the Keiberg Business Park. The building is easily accessible and is situated very close by the E40 Brussels-Leuven-Liège motorway, connecting to the E19 Brussels-Antwerp and Diegem station.

Description

The building forms part of a larger office park. The unit consists of a ground floor, three other storeys and two underground levels.

Tenants

None

Mechelen Campus

5. Financial report

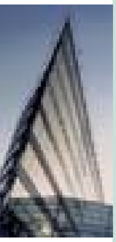
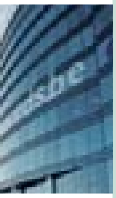
INTERVEST
OFFICES

Mechelen Business Tower

Blarenberg 2C
2800 Mechelen

> tower block
> lower extension of 3 blocks
> impressive atrium
> three-level underground car park
> 5 lifts, including a service lift and a panoramic lift

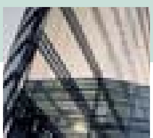
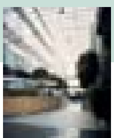
Financial report

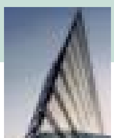



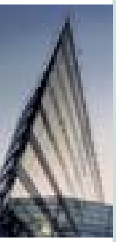
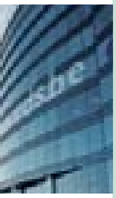

1. Consolidated income statement

Income statement	Note	2006	2005
in € 000			
Rental income	*5.4.1*	42.527	42.140
Rental related expenses	*5.4.2*	-113	-44
Net rental income		**42.414**	**42.096**
Recovery of property expenses	*5.4.3*	697	669
Recovery of charges and taxes normally payable by tenants on let properties	*5.4.4*	4.121	3.296
Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	*5.4.5*	-331	-272
Charges and taxes normally payable by tenants on let properties	*5.4.6*	-4.061	-3.283
Other rental related income and expenses	*5.4.7*	164	225
Property result	*5.4*	**43.004**	**42.731**
Technical costs	*5.5.1*	-543	-938
Commercial costs	*5.5.2*	-252	-332
Charges and taxes on unlet properties	*5.5.3*	-806	-580
Property management costs	*5.5.4*	-1.925	-1.741
Other property charges	*5.5.5*	-314	-376
Property charges	*5.5*	**-3.840**	**-3.967**
Operating property result		**39.164**	**38.764**
General costs	*5.6*	-1.272	-1.242
Other current operating income and expenses	*5.7*	-72	33
Operating result before result on the portfolio		**37.820**	**37.555**
Result on disposals of investment property	*5.9*	-2.181	0
Changes in fair value of investment property	*5.10*	20.645	-2.485
Operating result		**56.284**	**35.070**
Financial income		129	130
Interest charges		-12.044	-11.424
Other financial charges		-126	-77
Financial result	*5.11*	**-12.041**	**-11.371**
Result before taxes		**44.243**	**23.699**
Taxes	*5.12*	-38	34
NET RESULT		**44.205**	**23.733**
Attributable to:			
Equity holders of the parent	*5.13*	44.205	23.734
Minority interests	*5.18.7*	0	-1

Result per share	Note	2006	2005
Number of ordinary shares	*5.13.1*	13.882.662	13.882.662
Basic earning per share (in €)	*5.13.3*	3,18	1,71
Diluted earnings per share (in €)	*5.13.3*	3,18	1,71
Distributable earnings per share (in €)	*5.13.3*	1,87	1,90


2. Consolidated balance sheet

Assets	Note	2006	2005
in € 000			
Non-current assets		**511.244**	**586.750**
Intangible assets	*5.14*	101	6
Investment properties	*5.15*	506.741	585.043
Other tangible fixed assets	*5.14*	401	395
Financial fixed assets	*5.22*	2.899	0
Trade receivables and other non-current assets	*5.16*	1.102	1.306
Current Assets		**97.100**	**4.019**
Assets held for sale	*5.17.1*	92.500	0
Trade receivables	*5.17.2*	2.338	2.121
Tax receivables and other current assets	*5.17.3*	479	446
Cash and cash equivalents	*5.17.4*	510	630
Deferred charges and accrued income	*5.17.5*	1.273	822
TOTAL ASSETS		**608.344**	**590.769**

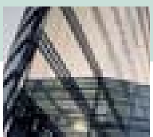
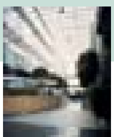
Shareholders' equity and liabilities	Note	2006	2005
in € 000			
Shareholder's Equity	*3 and 5.18*	**333.102**	**312.300**
Shareholder's equity attributable to the shareholders of the parent company		**333.055**	**312.253**
Share capital	*5.18.1*	*126.719*	*126.719*
Share premium	*5.18.2*	*60.833*	*60.833*
Reserves	*5.18.3*	*125.933*	*110.092*
Result	*5.18.4*	*29.584*	*29.576*
Impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	*5.18.5*	*-12.913*	*-14.891*
Changes in faire value of financial assets and liabilities	*5.18.6*	*2.899*	*-76*
Minority interests	*5.18.7*	**47**	**47**

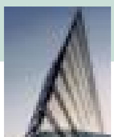
Liabilities	Note	2006	2005
Liabilities		**275.242**	**278.469**
Non-current liabilities	*5.19 and 5.21*	**267.241**	**194.571**
Provisions	*5.19.1*	*1.416*	*920*
Non-current financial dets	*5.21*	*265.412*	*192.922*
Credit institutions		265.388	192.922
Financial lease		24	0
Other non-current liabilities	*5.19.2*	*413*	*729*
Current liabilities	*5.20 and 5.21*	**8.001**	**83.898**
Provisions	*5.20.1*	*424*	*0*
Current financial debts	*5.21*	*1.212*	*65.104*
Credit institutions		1.207	65.104
Financial lease		5	0
Trade debts and other current debts	*5.20.2*	*1.998*	*2.119*
Other current liabilities	*5.20.3*	*2.847*	*13.667*
Accrued charges and deferred income	*5.20.4*	*1.520*	*3.008*
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**608.344**	**590.769**

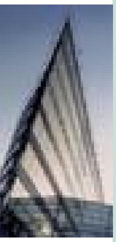
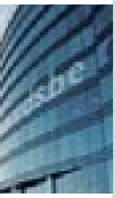
Debt ratio	2006	2005
Debt ratio RD 21 June 2006 (%)[9]	44,69	46,46

Net asset value per share	2006	2005
Net asset value per share (fair value)	23,99	22,50
Net asset value per share (investment value)	24,92	23,57

9 The debt ratio is calculated as the liabilities (excluding provisions and accrued charges and deferred income) less the change in the fair value of the coverage instruments, divided by the total assets. By means of the RD of 21 June 2006, the maximum debt ration for the property investment funds rises from 50% to 65%.

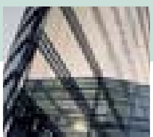
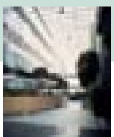
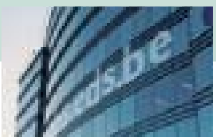


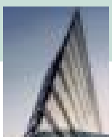



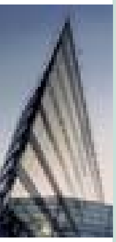
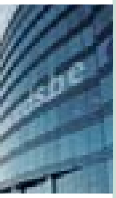

3. Statement of changes in equity

Statement of changes in equity	**Share capital Ordinary shares**	**Share premium**	**Reserves**	
			legal	**not available for distribution**
in € 000				
AMOUNT 31 DECEMBER 2005	**126.719**	**60.833**	**90**	**108.575**
Profits of financial year 2006				
Tranfer of the result on the portfolio to the reserves not avaible for distribution				18.464
Impact on fair value of estimated transaction rights and costs resulting from the hypothectical disposal of investment properties				538
Dividends of financial year 2005				
Changes in the fair value of financial assets and liabilities				
Mutations as a result of desinvestments				-2.384
AMOUNT 31 DECEMBER 2006	**126.719**	**60.833**	**90**	**125.193**

available for distribution	Result	Impact on fair value of estimated transaction rights and costs resulting from the hypothectical disposal of investment properties	Changes in fair value of financial assets and liabilities	Minority interests	Shareholders' equity
1.427	**29.576**	**-14.891**	**-76**	**47**	**312.300**
	44.205				44.205
	-18.464				0
		-538			0
-777	-25.600				-26.377
			2.975		2.975
	-133	2.516			0
650	**29.584**	**-12.913**	**2.899**	**47**	**333.102**




4. Consolidated cash-flow statement

	Note	2006	2005
in € 000			
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		**630**	**1.695**
1. Cash-flow from operating activities		**24.147**	**26.776**
Net profit of the financial year	*1*	**44.205**	**23.733**
Adjustments for non-cash transactions		**-17.109**	**1.818**
- Depreciations on intangible and other tangible fixed assets	*5.14*	131	71
- Loss on the disposal of investment properties	*5.9*	2.181	0
- Loss on the disposal other tangible fixed assets	*5.14*	26	6
- Change variation in the fair value of investment properties	*5.10*	-20.589	1.741
- Increase / decrease of provisions		1.142	0
Changes in working capital		**-2.949**	**1.225**
* Movement of assets			
- Trade receivables	*5.17.2*	-217	706
- Tax receivables and other current assets	*5.17.3*	-33	-11
- Deferred charges and accrued income	*5.17.5*	-451	-114
* Movement of liabilities			
- Trade debts and other current debts	*5.20.2*	-121	-1.069
- Other current liabilities[10]	*5.20.3*	-638	2.885
- Accrued charges and deferred income	*5.20.4*	-1.489	-1.172
2. Cash-flow from investment activities		**3.935**	**-37.158**
Acquisition of intangible and other tangible fixed assets	*5.14*	-258	-362
Acquisition of investment properties through business combinations	*5.15.1*	0	-33.475
Investments in existing investment properties	*5.15.1*	-1.781	-3.513
Proceeds from the sale of investment properties	*5.9*	5.770	0
Receipts from non-current trade receivables	*5.16*	204	192
3. Cash-flow from financing activities		**-28.202**	**9.317**
Revenues from the issue of shares	*3*	0	14.540
Repayments of loans	*5.21*	-12.787	-9.509
Drawdown of loans	*5.21*	11.250	30.182
Repayment of financial lease liabilities	*5.21*	29	-7
Receipts from non-current liabilities as guarantee	*5.19.2*	-317	295
Dividends paid	*3*	-26.377	-26.184
CASH AND CASH EQUIVALENTS AT THE END OT THE FINANCIAL YEAR		**510**	**630**

10 In the comparative figures, the loan with affiliated companies on 31 December 2005 is classified to the cash-flow from the financing activities.

5. Notes to the consolidated annual accounts

5.1. Principles of financial reporting

5.1.1. Statement of conformity

Intervest Offices sa is a property investment company, having its registered office in Belgium. The consolidated annual accounts of the company as per 31 December 2006 cover the company and its subsidiaries. The annual accounts of Intervest Offices sa were set up and released for publication by the board of directors on 19 February 2007.

The consolidated annual financial statement has been prepared in compliance with the International Financial Reporting Standards (IFRS) as approved by the European Commission.

5.1.2. Presentation basis

The consolidated annual accounts are expressed in thousands of €, rounded off to the nearest thousand.

The accounting principles are applied consistently and the consolidated accounts are entered for profit-sharing.

5.1.3. Consolidation principles

a. Subsidiary companies

A subsidiary company is an entity over which another entity has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. A subsidiary company's annual financial statement is recorded in the consolidated annual financial statement from the control arising until its disappearance. If necessary, the financial reporting principles of the subsidiaries has been changed in order to arrive at consistent principles within the group. The reporting period of the subsidiary coincides with that of the parent company.

b. Eliminated transactions

Any transactions between the group companies, balances and unrealised profits and losses from transactions between group companies will, at the time of drawing up the consolidated annual accounts, be eliminated to the amount of the participation of the group company. The list of subsidiaries is given under point 5.23. in the comment.

5.1.4. Currencies

Currency transactions are entered at the exchange rate valid on the transaction date. Monetary assets and currency liabilities are valued at the final rate in force on the balance-sheet date. Exchange rate differences deriving from currency transactions and from the conversion of monetary assets and currency liabilities are entered in the profit and loss account in the period when they occur. Non-monetary assets and currency liabilities are converted at the exchange rate valid on the transaction date.

5.1.5. Financial instruments

a. Financial derivatives

The company may use financial interest derivatives to hedge the interest rate exposure arising from its operational, financing and investment activities. Financial derivatives are recorded at cost on initial allocation. After initial allocation, they are valued in the annual financial statement at their fair value. Gains and losses resulting from changes in the fair value of financial derivatives are immediately taken into account in profit and loss, unless the derivative satisfies the criteria for hedge accounting (see Hedging).

The fair value of financial derivatives is the amount that the company expects to receive or pay if the derivative were terminated as of the balance sheet date, taking into account the prevailing interest and the credit exposure of the counterparty concerned.

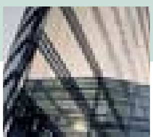
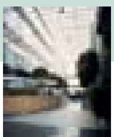
b. Hedging of uncertain cash flow resulting from interest fluctuations

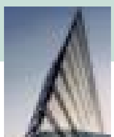
If it is possible to designate a financial interest derivative as an effective hedge of the possible variability of cash flows attributable to a specific risk associated with an asset or obligation or a highly probable forecast transaction, then the part of the profit or loss arising from the change in value of the financial interest derivative that has been recognised as an effective hedge is posted directly to equity under "Changes in fair value of financial assets and liabilities". The ineffective part of the financial interest derivative is entered in the income statement.

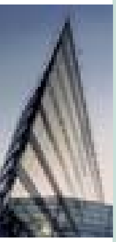
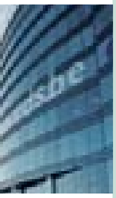
5.1.6. Property result

The rental income comprises rents, income from operational lease agreements and directly associated revenues, such as rent securities granted by promoters and compensation for prematurely terminated tenancy agreements reduced by the granted rental discounts and rental benefits.

The rental related expenses comprise write downs and reversals on trade receivables and are entered in the profit and loss account when the book value is higher than the estimated realization value, even as the costs and income of the rent of buildings that do not belong to the preceding items.




The recuperation of property charges refers to charging the costs run by the owner of the buildings to the tenant.

Charges payable by tenants and taxes on let buildings and the recovery of these charges refer to costs that under law or custom fall to the expense of the tenant or lessee. The owner will either charge or not charge these costs to the tenant according to the contractual arrangements made with the tenant.

Compensation received for the reinstatement of premises is booked into the accrued charges and deferred income of the liabilities on the balance sheet until the reinstatement work is fully complete or until sufficient security is received on the cost price thereof. At that moment both the income from the compensation and the charges of the reinstatement are transferred to the result.

Income is valued at the fair value of the compensation received or to which title has been obtained. Income will only be entered if it is probable that the economic benefits will fall to the entity and can be determined with sufficient certainty.

The rental income, the received operational lease payments and the other income and costs are entered linearly in the income statement in the periods to which they refer.

The rental discounts and incentives are spread over the period running from the start of the tenancy agreement to the next possibility of terminating a contract.

The compensation paid by tenants for anticipative breaches of their lease agreements are apportioned by time, over the number of months rent that the tenant pays as compensation for the time that the property concerned is not let. If the property concerned is re-let, compensation for breach of the lease agreement is included in the profit/loss for the period in which it arises or, if it has not yet been completely apportioned by time on re-letting at some later juncture, as the part remaining at the time of re-letting.

5.1.7. Property charges

The costs are valued at the fair value of the compensation that has been paid or is due and are linearly entered in the income statement in the periods to which they refer.

The technical costs comprise a.o. the maintenance costs. The maintenance costs can be seen as renovation of an existing building because they bring about an improvement of the return or the rent are not entered as costs but are activated.

The management expenses of the property are costs linked to the management of the buildings. These include staff costs and the indirect cost of the managers and staff (such as cost of offices, running costs, etc.) who provide the management of the portfolio and lettings, depreciation and impairments to tangible assets used for such management and other operating expenses that can be allocated to the management of the property.

5.1.8. General costs and other operating income and expenses

General costs are all costs involved in the management of the property investment fund and those general costs that cannot be allocated to real estate management. These operating expenses include general administration costs, the cost of staff and managers engaged in the management of the company as such, depreciation and write-downs of tangible assets used for such management and other operating expenses.

Other operating income and expenses comprise the income and expenses that cannot be directly allocated to buildings and to the fund management.

5.1.9. Result on disposals of investment property and changes in fair value of investment property

The changes in the fair value of investment properties is equal to the difference between the actual book value and the previous fair value (as estimated by an independent property expert). A comparison is made at least four times a year for the entire portfolio of investment properties. Movements in the fair value of the property are recognised in profit and loss in the period in which they arise.

The result resulting from the sale of investment properties is equal to the difference between the selling price and the book value (i.e. the latest fair value determined by the property expert) and less the selling expenses.

5.1.10. Financial result

The financial profit/loss consists of the interest expense on loans and additional financing costs, less the income from investments.

5.1.11. Taxes

Taxes on the result of the financial year consist of the taxes due and recoverable for

the reporting period and previous reporting periods, deferred taxes and the exit tax due. The tax expense is recognised in profit and loss unless it relates to elements that are immediately recognised in equity. In the later case, the taxes are recognised as a charge against equity.
When calculating the taxation on the taxable profit for the year, the tax rates in force at the period end are used.

Deferred taxes are recognised using the liability method for all temporary differences between the carrying amount and the taxable carrying amount of both assets and liabilities. Deferred tax liabilities are only recognised if it is probable that sufficient taxable profit will be available in the future against which the deductible temporary difference can be offset.

Withholding taxes on dividends are recognised in equity as part of the dividend until such time as payment is made.

The exit tax, due by companies that are taken over by the real property investment trust, are deducted from the revaluation surplus established on merger and are recognised as a liability.

5.1.12. Personnel cost

For personnel holding tenure remuneration, supplementary benefits, compensation upon retirement, redundancy and termination are regulated by the Act on the Labour Agreements of 4 July 1978, the Annual Holiday Act of 28 June 1971, the joint committee who control the company assets and the collective bargaining agreements that have been entered in the profit and loss accounts in the period to which they refer.

The compensation paid to directors, managers, executives and temporary staff are regulated as for tenured personnel.

Pensions and compensations following the termination of the work comprise pensions, contributions for group insurance, life assurance and disability and hospitalisation insurance. The company pays contributions to a fund that is independent of the company in the context of a promised-contribution scheme for its staff. A pension plan with a promised-contribution scheme is a plan involving fixed premiums paid by the company and without the company having legally enforceable or actual obligations to pay further contributions if the fund were to have insufficient assets. The contributions are entered as a charge for the reporting period in which the related work has been done.

5.1.13. Amounts written off

The book value of the company's assets is analysed periodically to see if there is a reason to write off amounts. Exceptional amounts written off are entered in the profit and loss account if the book value of the asset exceeds the fair value.

5.1.14. The ordinary and diluted profit (loss) per share

The ordinary profit per share is calculated by dividing the net result as shown in the profit and loss account by the weighted average of the number of outstanding ordinary shares (i.e. the total number of issued shares less own shares) during the financial year.

To calculate the diluted profit per share that is due to the ordinary shareholders and the weighted average of the number of outstanding shares is adapted for the effect of potential ordinary shares that may be diluted.

5.1.15. Intangible assets

Intangible assets are recorded at cost, less any accumulated amortisation and impairment losses if it is probable that the expected economic benefits attributable to the asset will flow to the entity, and its cost can be measured reliably.

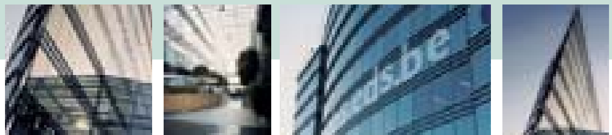
Expenditure on research or development that does not meet the criteria for inclusion as development costs is recorded as a charge against the reporting period in which it was incurred.

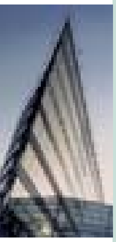
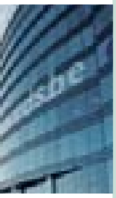
Intangible assets are amortised linearly over their expected useful life. The amortisation periods are reviewed at least at the end of every financial year.

5.1.16. Investment properties

a. Definition
Investment property comprises all lands or buildings, including buildings of which a limited part is retained for the owner's own use, and buildings under an operating lease, that are ready to let and (wholly or in part) earning rental income.

b. Initial recognition and valuation
Initial recognition in the balance sheet takes place at the acquisition value including transaction costs such as professional fees, legal services, registration charges and other property transfer taxes. The exit tax due from companies absorbed by the property




investment trust is also included in the acquisition value.

Commission paid to estate agents for letting a building after a period of vacancy are added to the original cost. Commission paid to estate agents without a period of vacancy are not capitalised and are charged against the operating profit/loss.

If the purchase takes place via the acquisition of the shares in a property company through the non-monetary contribution of a building against the issue of new shares or by merger through takeover of a property, the deed costs, audit and consultancy costs, reinvestment fees and costs of lifting distraint on the financing of the company absorbed and other costs of the merger are also capitalised.

c. Subsequent costs

Expenses for works on investment property are charged against the profit or loss of the reporting period if they have no positive effect on the expected future economic benefits and are capitalised if the expected economic benefits accruing to the entity are thereby increased.

Four types of subsequent costs distinguished in respect of investment property:

1. repairs and maintenance : these are costs that do not increase the expected future economic benefits and are consequently charged in full against profit and loss under the item “technical costs”.
2. refurbishment: these are expenses arising from a tenant leaving (for example, removal of walls, replacement of carpets,…). These expenses are charged in the income statement under “costs payable by tenant and borne by landlord for rental damage and refurbishment at end of lease”. The tenant will often have paid a fee to restore the property (partly) to its original condition. Indemnities received for refurbishment of a building are charged in the accrued charges and deferred income of the liabilities of the balance sheet until the refurbishment works are completely ended or until the moment there is sufficient certainty about the cost price. On that moment, both the income of the indemnity as the charges of the refurbishment are entered into the result.
3. renovations: these are costs resulting from ad hoc works that substantially increase the expected economic benefits from the building (for example: installation of air conditioning or creation of additional parking places). The directly attributable cost of these works, such as materials, building works, technical studies and architects’ fees is consequently capitalised.
4. rent incentives: these are concessions by the owner to the tenant on moving-in costs in order to persuade the tenant to rent existing or additional space. For example, furnishing of offices, roof advertising, creation of additional social areas, etc. These costs are capitalised and then allocated over the period from the commencement of the lease up to the next time at which it is possible to terminate the contract and are deducted from the rental income.

d. Valuation after initial recognition

After they have been entered initially the investment properties are valued by the independent property experts at investment value. For this purpose the investment properties are valued quarterly on the basis of cash value of market rents and/or effective rental income, after reduction, as the case may be, of associated costs in line with the International Valuation Standards 2001, drawn up by the International Valuation Standards Committee.

Valuations are made by updating the annual net rent received from the tenants, reduced by the related costs. Updating is done by the yield factor depending on the inherent risk of the relevant building.

The investment properties are, in accordance with IAS 40, entered in the balance sheet at fair value. This value is equal to the amount at which a building might be exchanged between well-informed parties, agreeing and acting in conditions of normal competition. From the perspective of the seller they should be understood as involving the deduction of registration fees.

Concerning the size of these registration fees the Belgian Association of Asset Managers (BEAMA) on 8 February 2006 published a relevant communication. See also www.beama.be.

A group of independent property experts, carrying out the periodical valuation of buildings of property investment funds, ruled that for transactions of buildings in Belgium with an overall value of less than € 2,5 million, registration fees of 10,0% to 12,5% should be allowed, depending on the region where the buildings are located.

For transactions concerning buildings with an overall value of more than € 2,5 million and considering the wide range of property transfer methods used in Belgium the same experts – on the basis of a representative sample of 220 transactions that were realised in the market from 2002 to 2005 and representing a grand total of € 6,0 billion – valued the weighted average of the fees at 2,5%.

In actuality this means that the fair value is equal to the investment value divided by 1,025 (for buildings with a value of more than € 2,5 million) or the investment value divided by 1,10/1,125 (for buildings with a value of less than € 2,5 million).

Profits or losses deriving from the change of the fair value of an investment property are entered in the income statement in the period when they emerge and classified with the profit appropriation to “the reserves not available for distribution”.

The building’s use is valued at fair value if only a limited part is occupied by the entity for its own use. In any other case the building will be classified with the “other tangible assets”.

e. Disposal of investment property

The commissions paid to estate agents under a mandate to sell are a charge against the gain or loss realised on the sale.

The actualised profits or losses on the sale of an investment property are entered in the profit and loss account of the reporting period under the ’profit or loss of intangible asset sales’ and are allocated to the undistributable reserves for the purpose of the appropriation account.

5.1.17. Other tangible fixed assets

a. Definition

Those fixed assets under the entity’s control that do not meet the definition of investment property are classified as “other tangible assets”.

b. Valuation

Other tangible fixed assets are initially recognised at cost and thereafter using the cost model.

Additional costs are only capitalised if the future economic benefits relating to the tangible asset increase.

c. Depreciation and exceptional impairment losses

Other tangible fixed assets are depreciated using the linear depreciation method. Depreciation begins at the time the asset is acquired as foreseen by the management. The following percentages apply on an annual basis:

- plant, machinery and equipment	20%
- furniture and vehicles	25%
- computer equipment	33%
- real estate for own use:	
· land	0%
· buildings	5%
- other tangible assets	16,67%

If there are indications that an asset may have suffered an impairment loss, its carrying amount is compared with the realisable value. If the carrying amount is greater than the realisable value, an exceptional impairment loss is recognised.

d. Disposal and retirement

When tangible fixed assets are sold or retired, their carrying amount ceases to be recognised in the balance sheet and the gain or loss is recognised in profit and loss.

5.1.18. Financial fixed assets

Loans, receivables and investments that are retained at the end of their term are valued at their amortised cost, using the ‘effective interest’ method.

5.1.19. Trade receivables and other non-current assets

Non-current receivables are discounted on the basis of the interest rates that apply on the date of acquisition. Foreign currency is converted into euro at the final rate on the balance sheet date. An amount is written off if there is uncertainty about the full payment of the claim on the due date.

5.1.20. Deferred taxes, deferred tax claims and obligations

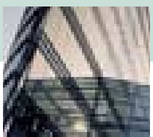
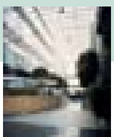
Tax claims and obligations are valued at the tax rate valid in the period to which they refer.

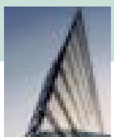
Deferred tax claims and obligations are entered under the liability method for any temporary difference between the taxable basis and the book value for financial reporting purposes, both for assets and liabilities. Deferred tax claims will only be recognised if it is probable that there will be taxable profit against which the deferred tax claim can be reported.

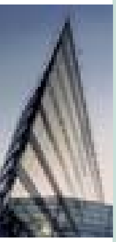
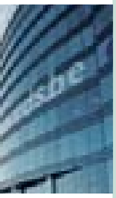
5.1.21. Current assets

Assets held for sale concern investment properties of which the book value will be realised in a sale transaction and not by the further use of them. The buildings held for sale are valued conform IAS 40 at fair value.

Trade receivables and other current assets receivable after less than one year are entered at nominal value on the date of closing the financial year.




An amount is written off if there is uncertainty about the full payment of the claim on the due date.

The cash and cash equivalents comprise cash, immediately called up deposits and current, highly liquid investments that can be immediately converted into monetary resources whose amount is known and that do not involve a material risk of a change in value. Each money investment is initially entered at cost. The stock-registered securities are valued at their market value.

The costs incurred during the financial year and which are to be attributable either wholly or partly in a later financial year will be entered as part of the prepayments and accrued income so their cost falls to the period to which they refer.

The income and parts of income that will not be collected until the time of one or several later financial years, but have to be associated with the relevant financial year, are entered for the amount of the part that refers to the relevant financial year.

5.1.22. Shareholders' equity

Share capital comprises the net cash acquired on formation, merger or capital increase, from which the direct external expenses are deducted (such as registration charges, notary and gazetting costs and the cost of banks who advise on the capital increase).

If share capital is bought back the amount, including the directly attributable costs, will be entered as a change in equity. Bought-back shares are considered to be a reduction of shareholders' equity.

At the end of the period, the difference between the fair value of the property and the investment value of the property as determined by the independent property experts can be included in the item "Impact on fair value of the estimated transaction rights and costs resulting from the hypothetical disposal of investment properties" of the shareholders' equity.
Dividends form part of retained earnings until the General Meeting of Shareholders approves them.

5.1.23. Non-current and current liabilities

A provision is a liability of uncertain timing or amount. The sum recognised as a provision is the best estimate of the expenditure required to settle the liability existing on the balance sheet date.

Provisions are only recognised if an existing (legally enforceable or constructive) liability arises as a result of past events, that will probably lead to an outflow of resources embodying economic benefits and the amount of the liability can be estimated reliably.

5.1.24. Liabilities

Trade debts are entered at their nominal value on the balance sheet date.

The damages paid and the costs of refurbishment are entered as accrued charges and income of the liability until the refurbishment of the let building has been fully completed or its cost can be fixed with sufficient certainty.

Interest-bearing liabilities are initially recognised at cost less the directly attributable expenses. The difference between the varying amount and the sum repayable are recognised in profit and loss over the period of the loan using the effective interest method. Current liabilities are entered at their nominal value.

5.1.25. Segmentation basis

A segment is a distinguishable company component, active in a particular market and subject to risks and returns that differ from those of other segments.

As Intervest Offices sa operates mainly in Belgian commercial real estate, with offices and semi-industrial buildings as distinct components, these business segments comprise the primary segmentation:
- the office category comprises the real estate that is let for professional purposes as office space to companies
- the semi-industrial buildings comprise the buildings with a logistic function, storage space and high-tech buildings.

The secondary segmentation is based on a geographic division, involving the location of the real estate, spread over the regions Antwerp, Brussels and the E19 motorway (including Mechelen) and A12.

There are no transactions of any significance among the group's companies. The distinction between external and internal segment income is not deemed to be relevant and is not taken over in the segmentation.

5.1.26. Termination of corporate activities

Termination of corporate activities is understood to be a distinct component within the range of activities of the group, which is abandoned or closed down under a separate plan which has been drawn up for the purpose and which constitutes an individual substantial business activity or a geographic area of activity. Corporate activities that are terminated partly or wholly are separately entered in the financial reporting.

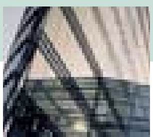
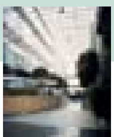
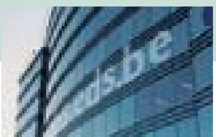
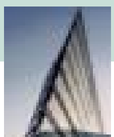
5.1.27. Assets and liabilities, disputes and events after the balance-sheet date and not entered in the balance-sheet

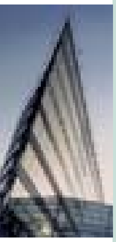
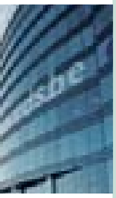
These assets and liabilities are valued at nominal value based on the amount mentioned in the contract.

Failing nominal value and if a valuation is not possible, the rights and obligations are mentioned pro memoria.

Events after the balance-sheet date are events, both favourable and unfavourable, that take place between the balance-sheet date and the date of approval of the annual accounts for release. For events giving information about the actual situation on the balance-sheet date the annual accounts are entered in the profit and loss account.

Dividends paid to shareholders after the balance-sheet date are not processed administratively on the balance sheet date.


5.2. Management of financial risks

5.2.1. Exchange-rate and interest risk

Intervest Offices sa is not subject to exchange rate risks, as it only operates in the eurozone.

Almost 45% of the balance-sheet total of Intervest Offices is financed by interest-bearing debt which makes the company subject to an interest risk. This interest risk is covered, however, in that the interest policy implies that 60% to 80% of the interest portfolio is financed by fixed long-term interest rates or that the variable interest rates are covered against interest rises.

5.2.2. Financing risk

There is a theoretic risk that Intervest Offices cannot obtain a renewal of its credit lines. This risk is limited by spreading the due dates of the credit lines as much a possible over time. Besides, the relationships with banks are also spread, limiting the dependence on a single or just a few banks for credit. In exceptional cases Intervest Offices sa, finally, could call on the credit capacities of its (principal) shareholders.

5.2.3. Credit risk

The risk that the tenants of Intervest Offices cannot or will not pay their rental moneys is limited as the company has many tenants without any individual tenant representing a substantial percentage of rental income. Intervest Offices sa follows up any arrears of rental payments very carefully and takes the necessary steps to ensure the collection of the rental moneys. In case of any non-payment of the rents Intervest Offices sa holds the furnishings as collateral and a bank security on request.

5.3. Information by segment

The reporting by segment is done within the group according to two segmentation bases. The primary segmentation basis is sub-divided into the segments "offices" and "semi-industrial buildings". The secondary segmentation basis represents the 5 geographical markets in which the group operates.

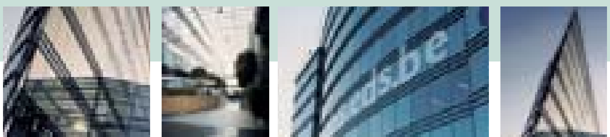
5.3.1. By business segment (primary)

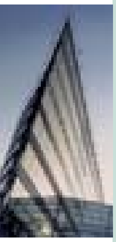
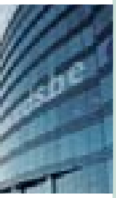
The two primary business segments comprise the following activities:
- the category of "offices" includes the property that is let to companies for professional purposes as office space
- the category of "semi-industrial buildings" includes those premises with a logistical function, storage facilities and high-tech buildings.

The category of "corporate" includes all non-allocated fixed costs borne at group level.

5.3.1.1. Income statement by segment

BUSINESS SEGMENTS	Offices		Semi-industrial properties		Corporate		TOTAL	
in € 000	**2006**	**2005**	**2006**	**2005**	**2006**	**2005**	**2006**	**2005**
Rental income	30.792	30.697	11.735	11.443			42.527	42.140
Rental related expenses	-114	-39	1	-5			-113	-44
Net rental result	**30.678**	**30.658**	**11.736**	**11.438**			**42.414**	**42.096**
Recovery of property expenses	710	654	-13	15			697	669
Recovery of charges and taxes payable by tenants on let properties	3.463	2.712	658	584			4.121	3.296
Costs payable by tenants but borne by the landlord for rental damage and refurbishment at end of lease	-330	-264	-1	-8			-331	-272
Charges and taxes payable by tenants on let properties	-3.398	-2.687	-664	-596			-4.062	-3.283
Other rental related income and expenses	130	136	35	89			165	225
Property result	**31.253**	**31.209**	**11.751**	**11.522**			**43.004**	**42.731**
Operating result before result on the portfolio	**29.742**	**29.845**	**11.423**	**10.603**	**-3.345**	**-2.893**	**37.820**	**37.555**
Result on disposal of investment properties	-1.497	0	-684	0			-2.181	0
Changes in fair value of investment properties	16.524	-7.302	4.121	4.817			20.645	-2.485
Operating result of the segment	**44.769**	**22.543**	**14.860**	**15 420**	**-3.345**	**-2.893**	**56.284**	**35.070**
Financial result					-12.041	-11.371	-12.041	-11.371
Taxes					-38	34	-38	34
NET RESULT	**44.769**	**22.543**	**14.860**	**15.420**	**-15.424**	**-14.230**	**44.205**	**23.733**




5.3.1.2. Balance sheet

BUSINESS SEGMENTS	Offices		Semi-industrial properties		Corporate		TOTAL	
in € 000	2006	2005	2006	2005	2006	2005	2006	2005
ASSETS								
Investment properties	367.373	444.180	139.368	140.863			506.741	585.043
Assets held for sale	92.500	0	0	0			92.500	0
Other assets	1.678	2.219	1.307	1.708	6.118	1.799	9.103	5.726
SEGMENT ASSETS	**461.551**	**446.399**	**140.675**	**142.571**	**6.118**	**1.799**	**608.344**	**590.769**
LIABILITIES								
Non-current liabilities					265.412	192.922	265.412	192.922
Current liabilities					1.212	65.104	1.212	65.104
Other liabilities	3.859	6.069	117	120	4.642	14.255	8.618	20.444
SEGMENT LIABILITIES	**3.859**	**6.069**	**117**	**120**	**271.266**	**272.280**	**275.242**	**278.470**

5.3.1.3. Key figures

BUSINESS SEGMENTS	Offices		Semi-industrial properties		TOTAL	
in € 000	2006	2005	2006	2005	2006	2005
Fair value of investment properties	367.373	444.180	139.368	140.863	506.741	585.043
Investment value of investment properties	376.557	455.284	143.097	144.650	519.654	599.934
Assets held for sale	92.500	0	0	0	92.500	0
Accounting yield of the segment (%)*	6,70%	6,91%	8,42%	8,12%	7,10%	7,20%
Total surface for rent of investment properties (m^2)	216.032	287.242	236.136	251.392	452.168	538.634
Occupancy rate of investment properties (%)	89,80%	78,16 %	96,80%	95,79%	91,70%	82,31%

(*) including the assets held for sale

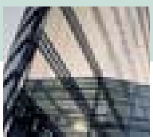
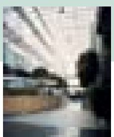
5.3.2. By geographic segment (secondary)

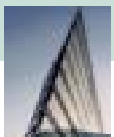
The activity of Intervest Offices is geographically subdivided into 5 regions as follows:

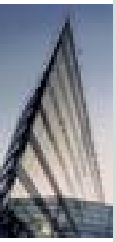
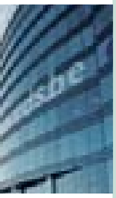
- "E19": premises located in the environs of the E19 motorway between Antwerp and Brussels (including Mechelen).
- "A12": premises located in the environs of the A12 highway between Antwerp and Brussels
- "Brussels": premises located along the Brussels ring-road.
- "Antwerp": premises located along the Antwerp ring-road.
- "Other regions": premises that are not located in one of the above mentioned 4 geographical segments.

GEOGRAPHICAL SEGMENTATION	E19		A12		Brussels		Antwerp		Other regions		TOTAL	
in € 000	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Rental income	14.690	13.981	5.688	5.487	13.637	13.920	4.590	4.546	3.922	4.206	42.527	42.140
Fair value of investment properties	179.583	173.672	68.576	66.556	167.702	221.144	58.055	62.841	32.825	60.830	506.741	585.043
Investment value of investment properties	184.073	178.014	70.290	68.220	171.895	226.672	59.613	64.510	33.783	62.518	519.654	599.934
Assets held for sale	0	0	0	0	63.135	0	0	0	29.365	0	92.500	0
Accounting yield of the segment (%)*	8,18%	8,05%	8,29%	8,24%	5,91%	6,29%	7,91%	7,23%	6,31%	6,91%	7,10%	7,20%
Dis/investments during the financial year	0	24.200	0	0	0	9.275	-6.210	0	0	0	-6.210	33.475

(*) including the assets held for sale


5.4. Note to property result

5.4.1. Rental income

in € 000	2006	2005
Rent	43.791	42.659
Guaranteed income	17	337
Rental discounts	-1.245	-801
Rental benefits (‘incentives’)	-181	-97
Compensation for breach of contract	145	42
Total rental income	**42.527**	**42.140**

The company lets part of its investment property under the form of non-cancellable operational leasings.
The cash value of the future minimum lease income of these non-cancellable operational leasings is subject to the following payment terms:

in € 000	2006	2005
Receivables with a remaining duration of:		
Less than one year	34.290	38.426
Between one and 5 years	68.093	75.432
More than 5 years	27.203	35.007
Total of future rental income	**129.586**	**148.865**

5.4.2. Rental related expenses

in € 000	2006	2005
Rent for hired assets and ground lease	-44	-39
Write down on trade receivables	-69	-5
Total rental related expenses	**-113**	**-44**

5.4.3. Recovery of property expenses

in € 000	2006	2005
Compensations received for damage to property	0	24
Received management fee	697	645
Total of recovery of property expenses	**697**	**669**

The recovery of property expenses mainly relates to the compensation that the group receives from its tenants for the management of let buildings.

5.4.4. Recovery of charges and taxes normally payable by tenants on let properties

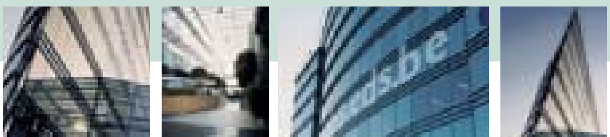
in € 000	2006	2005
Reinvoicing of charges borne by the proprietor	994	327
Reinvoicing of prelevies and taxes on let properties	3.127	2.969
Total recovery of charges and taxes normally payable by tenants on let properties	**4.121**	**3.296**

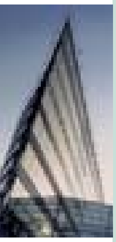
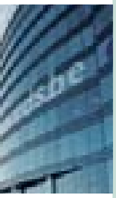
These are chiefly on-charged costs of property input tax and rental charges that are chargeable to the tenant under contractual or verbal agreements.

5.4.5. Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease

in € 000	2006	2005
Refurbishment charges at the end of lease	-331	-272
Total costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	**-331**	**-272**

Reinstatement work relates to expenses incurred following the departure of a tenant (removal of walls, replacement of carpet etc.) with a view to re-letting the space.




5.4.6. Charges and taxes normally payable by tenants on let properties

in € 000	2006	2005
Charges borne by the proprietor	-934	-315
Prelevy and taxes on let properties	-3.127	-2.968
Total charges and taxes normally payable by tenants on let properties	**-4.061**	**-3.283**

This item includes the costs for property input tax and the charges, the on-charging of which to the tenants is recognized in the item “recovery of charges and taxes normally payable by tenants on let properties” (Explanatory notes 5.4.4.).

5.4.7. Other rental related income and expenses

in € 000	2006	2005
Regularization of the proportional VAT figure of the preceding financial year	0	177
Other rental related income and expenses	164	48
Total other rental related income and expenses	**164**	**225**
TOTAL PROPERTY RESULT	**43.004**	**42.731**

5.5. Note to property expenses

5.5.1. Technical costs

	2006	2005
in € 000		
Recurrent technical costs	-585	-915
Maintenance	*-523*	*-897*
Insurance premiums	*-62*	*-18*
Non-recurrent technical costs	42	-23
Total technical costs	**-543**	**-938**

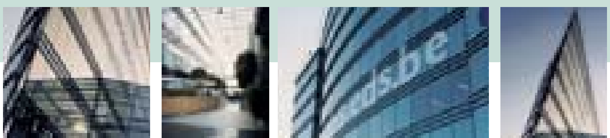
5.5.2. Commercial costs

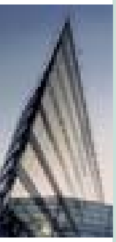
	2006	2005
in € 000		
Brokers' commissions	0	-92
Publicity	-128	-173
Lawyer's fee and legal costs	-124	-67
Total commercial costs	**-252**	**-332**

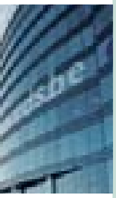
5.5.3.Charges and taxes on unlet properties

	2006	2005
in € 000		
Vacancy charges of the financial year	-755	-742
Regularisation of vacancy charges on prior years	-43	114
Withholding tax on vacant properties	-574	-582
Recuperation of withholding tax on vacant properties	566	630
Total charges and taxes on unlet properties	**-806**	**-580**

The group has largely recovered the property input tax that was charged on the vacant parts of buildings through objections filed with the Flanders tax and customs administration.







5.5.4. Property management costs

in € 000	2006	2005
External property management fees	-87	-121
Internal property management fees	-1.838	-1.620
Total property management costs	**-1.925**	**-1.741**

5.5.5. Other property charges

in € 000	2006	2005
Charges borne by the proprietor	-240	-304
Other property charges	-74	-72
Total other property charges	**-314**	**-376**

The charges borne by the proprietor are related to expenses which are in charge of the group according to contractual engagements with tenants.

	2006	2005
TOTAL PROPERTY CHARGES	**-3.840**	**-3.967**

5.6. Note to general costs

in € 000	2006	2005
ICB tax	-214	-195
Depository bank	-9	-74
Auditor’s fees	-88	-133
Directors’ remuneration	-18	-14
Liquidity provider	-13	-11
Financial services	-153	-154
Employee benefits	-432	-402
Other costs	-345	-259
TOTAL GENERAL COSTS	**-1.272**	**-1.242**

5.7. Note to other operational income and costs

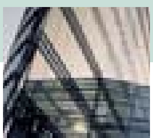
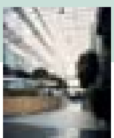
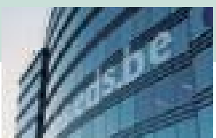
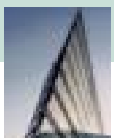
The other operational income and costs are principally related to the recuperation of benefits in kind and the regularization of proportional VAT figure of the financial years 2003 till 2005.

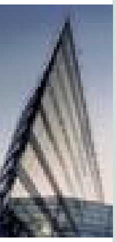
5.8. Note to employee benefits

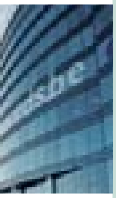
in € 000	2006 Charges for the patrimony management	2006 Charges linked with the fund	2006 TOTAL	2005 Charges for the patrimony management	2005 Charges linked with the fund	2005 TOTAL
Remuneration of employees	1.113	307	1.420	818	320	1.138
- salary and other benefits paid within 12 months	628	160	788	590	171	761
- pensions and post-employment benefits	22	9	31	17	6	23
- severance pay	157	0	157	0	0	0
- social security	180	44	224	145	42	187
- other charges	126	94	220	66	101	167
Remuneration of management	129	125	254	234	82	316
- salary and other benefits paid within 12 months	129	125	254	234	82	316
TOTAL	**1.242**	**432**	**1.674**	**1.052**	**402**	**1.454**

The number of employees at the 2006 year-end, expressed in FTE was 15 members of staff for the internal management of the patrimony (2005: 14,5) and 5,5 staff members for the management of the fund (2005: 5,5).

For those staff members in fixed employment the group has taken out a group insurance policy - a “defined contribution plan” - with an external insurance company. The contributions to the insurance plan are financed by the company. This group insurance contract complies with the Vandenbroucke law on pensions. The compulsory contributions are recognized in the profit and loss account in the period to which they relate.





5.9. Note to result on disposals of investment properties

	2006	2005
in € 000		
Acquisition value	122.639	
Accumulated capital gains and impairment losses	-21.967	
Book value (fair value)	**100.672**	**0**
Selling costs	221	
Selling price	98.270	
TOTAL RESULT ON DISPOSALS OF INVESTMENT PROPERTIES	**-2.181**	**0**

On the sale of 5 office buildings a limited loss of value of € 1,5 million is realised (1,5% compared fair value). The semi-industrial building is transferred with a loss of value of € 0,7 million (11% compared to fair value). For the description of the sold buildings is referred to point 2 of the report of the management committee.

5.10. Note to changes in the fair value of investment properties

	2006	2005
in € 000		
Positive change in fair value of investment properties	24.177	10.339
Negative change in fair value of investment properties	-3.588	-12.080
Subtotal change in fair value of investment properties	20.589	-1.741
Change from spread of rental discounts and rent incentives	56	-744
Subtotal other changes relating to fair value of investment properties	56	-744
TOTAL CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES	**20.645**	**-2.485**

The profit on the portfolio for 2006 amounts to € 20,6 million compared to a loss of € 2,5 million in 2005. The positive change in the fair value in 2006 is the result of the decrease of the initial yields due to the important demand on in the investment market which incites more investors to consider investments, in spite of the still difficult rental market. Furthermore, Intervest Offices has renewed the lease with PricewaterhouseCoopers till end 2011, which results in a revaluation of this prestigious building with € 6,6 million.

5.11. Note to financial result

in € 000	2006	2005
Financial income	129	130
Interest charges	-12.044	-11.424
Other financial income	-126	-77
TOTAL FINANCIAL RESULT	**-12.041**	**-11.371**

The financial income includes the interest collected on bank accounts and non-current trade receivables.
The other financial charges mainly relate to bank charges and financial fees.

The interest charges can be divided up according to the date of the line of credit and according to the nature of the interest rate.

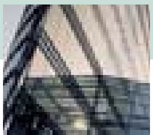
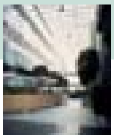
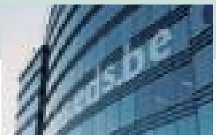
The average interest rate for the non-current financial debts for 2006 is 4,42% (2005: 4,75%).
The average interest rate for the current financial debts for 2006 is 3,66% (2005: 3,08%).

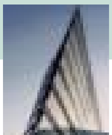
5.11.1. Interest charges classified by maturity date of the credit facility

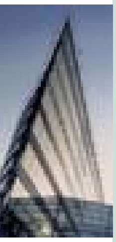
in € 000	2006	2005
Interest charges on non-current financial debts	-11.814	-8.972
Interest charges on current financial debts	-230	-2.452
Total interest charges	**-12.044**	**-11.424**

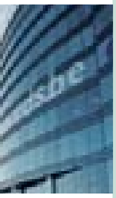
5.11.2. Interest charges classified by fixed and variable interest rate

in € 000	2006	2005
Interest charges with a fixed interest rate	-9.126	-8.972
Interest charges with a variable interest rate	-2.918	-2.452
Total interest charges	**-12.044**	**-11.424**







5.12. Note to corporate taxes

With the RD of 15 April 1995 the legislator gave an advantageous fiscal status to the property investment fund. If a company transfers to the status of a property investment fund, or if an (ordinary) company merges with a property investment fund, they must pay a one-off tax (exit tax). After that the property investment fund is only subject to taxes on very specific items, e.g. "disallowed expenditure". Therefore no corporation tax is paid on the majority of the profit that comes from lettings and added value on disposals of investment property.

	2006	2005
in € 000		
Corporate income taxes	-10	-11
Non-recoverable withholding tax	-1	-1
Tax recovery	25	46
Other taxes on income	-52	0
TOTAL CORPORATE TAXES	**-38**	**34**

5.13. Note to number of shares and earnings per share

5.13.1. Movement of the number of shares

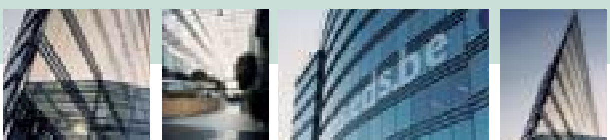
	2006	2005
Number of shares at the beginning of the financial year	13.882.662	13.224.061
Number of issued shares	0	658.601
Number of shares at the end of the financial year	13.882.662	13.882.662
Number of dividend bearing shares	13.882.662	13.882.662
Adjustments for diluted earnings per share	0	0
Weighted average number of shares for diluted earnings per share	13.882.662	13.882.662

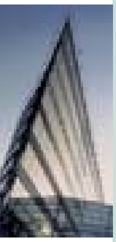
5.13.2. Determination of mandatory dividend pay-out amount

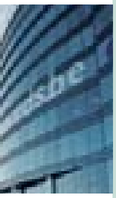
Net monetary operating result according tot the statutory annual accounts (IFRS)

	2006	2005
in € 000		
Net profit (consolidated)	44.205	23.733
Adjustment to statutory financial statement result	135	126
Transactions of non-cash nature included in the net result		
Depreciations (+) and withdrawals of depreciations (-)	134	71
Impairment losses (+) and withdrawals of impairment losses (-)	0	6
Result on disposal of investment properties (+/-)	2.181	0
Changes in fair value of investment properties (+/-)	-20.645	2.485
Monetary net business result	**26.010**	**26.421**

The net monetary operating result must not undergo any further adjustments for any non-exempt gain on disposals of investment property. As a result the monetary net operating result is equal to the amount liable for compulsory distribution.







5.13.3. Earnings per share

	2006	2005
in €		
Basic earnings per share[11]	3,18	1,71
Diluted earnings per share[12]	3,18	1,71
Distributable earnings per share[13]	1,87	1,90

5.13.4. Proposed dividend per share

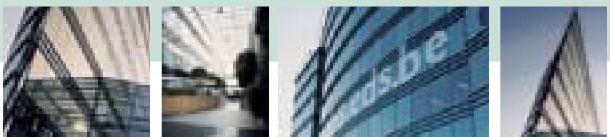
After closure of the financial year the dividend distribution below was proposed by the board of directors. This will be presented to the general meeting of shareholders on 4 April 2007. In accordance with IAS 10 the dividend distribution was not recognized as a liability and has no effect on the profit tax.

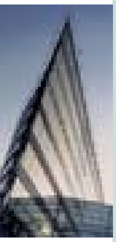
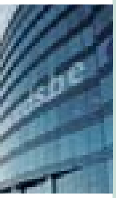
	2006	2005
Dividend per share (in €)	1,87	1,90
Dividend (in € 000)	25.961	26.377
Dividend as a percentage of the mandatory dividend pay-out amount	100%	100%

11 The ordinary earnings per share is the net result as published in the income statement divided by the weighted average number of ordinary shares.
12 The diluted earnings per share is the net result as published in the income statement divided by the weighted average number of ordinary shares.
13 The distributable earnings per share is the amount liable for compulsory distribution divided by the weighted average number of ordinary shares.

5.14. Note to non-current assets, investment properties excluded

Investment and depreciation table	Intangible assets		Other tangible fixed assets	
in € 000	2006	2005	2006	2005
Acquisition Value				
At the end of the preceding financial year	16	16	497	143
Acquisitions	101	0	157	362
Transfers and disposals of assets	0	0	-26	-8
At the end of the financial year	**117**	**16**	**628**	**497**
Depreciations and impairment losses				
At the end of the preceding financial year	-10	-5	-102	-38
Depreciation (-)	-6	-5	-125	-66
Transfers and disposals of assets	0	0	0	2
At the end of the financial year	**-16**	**-10**	**-227**	**-102**
Net book value	**101**	**6**	**401**	**395**
OTHER INFORMATIONS				
Externally acquired intangible assets				
Expected lifespan	3 years	3 years		
Depreciation period	3 years	3 years		




5.15. Note to non-current assets: investment properties

Investment and revaluation table	2006	2005
in € 000		
Amount at the end of the preceding financial year	**585.043**	**549.796**
Acquisitions	1.781	3.513
Acquisitions by business combinations	0	33.475
Transfers and disposals (-)	-6.058	0
Transfer to the assets held for sale (-)	-94.614	0
Change in fair value (+/-)	20.589	-1.741
Amount at the end of the financial year	**506.741**	**585.043**
OTHER INFORMATIONS		
Investment property at investment value	519.654	599.934

5.16. Note to trade receivables and other non-current assets

	2006	2005
in € 000		
Guarantees paid in cash	15	15
Receivable from European Commission	1.087	1.291
TOTAL TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS	**1.102**	**1.306**

The group has a non-current trade receivable with the European Commission that yields 6,15% annual interest regarding the financing of archive space for an initial sum of € 2,1 million. The debt is being paid off in quarterly instalments, with the final due date of 1 April 2012.

5.17. Note to current assets

5.17.1. Assets held for sale

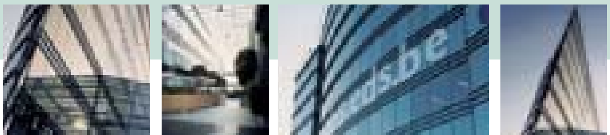
in € 000	2006	2005
Portfolio:		
- Leuven - Interleuvenlaan 15 (Greenhill Campus)	26.188	
- Zaventem - Lozenberg 18-23 (Airway Park)	45.115	
- Zaventem - Weiveldlaan 41 (Atlas Park)	14.550	
- Zaventem - Imperiastraat	3.470	
- Kortenberg - A. De Coninckstraat 3	3.177	
Total assets held for sale	**92.500**	**0**

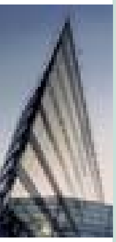
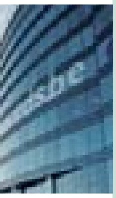
For the description of the assets held for sale is referred to point 5.1. and 5.2. of the property report. The result of the transaction is explained in point 5.9 of this financial report.

The transaction is concluded under the condition of suspension of a fiscal ruling by which the transfer (by means of the establishment of a long lease right against payment of a one time ground rent, followed by the transfer of the bare ownership) is not susceptible to requalification. Intervest Offices expects that this fiscal ruling will be obtained in the first quarter of 2007.

5.17.2. Trade receivables

in € 000	2006	2005
Trade receivables	1.226	1.222
Credit notes to be received.	134	0
Invoice to issue	729	629
Doubtful debtors	708	671
Provision doubtful debtors	-663	-593
Receivable from European Commission	204	192
Total trade receivables	**2.338**	**2.121**




5.17.3. Tax receivables and other current assets

in € 000	2006	2005
Corporate tax receivable	240	207
Exit tax receivable	217	217
Withholding tax receivable	22	22
Total tax receivables and other current assets	**479**	**446**

For the explanatory notes to the group's fiscal situation please refer to the report from the management committee, chapter on "tax system".

5.17.4. Cash and cash equivalents

in € 000	2006	2005
Bank balances	502	629
Cash	8	1
Total cash and cash equivalents	**510**	**630**

5.17.5. Deferred charges and accrued income

in € 000	2006	2005
Recoverable withholding tax	935	732
Other deferred charges	338	90
Total deferred charges and accrued income	**1.273**	**822**

The group has largely recovered the property withholding tax that was charged on vacant parts of buildings via objections filed with the tax and customs administration in Flanders.

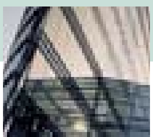
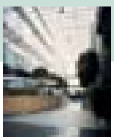
TOTAL CURRENT ASSETS	**97.100**	**4.019**

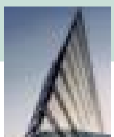
5.18. Note to shareholders' equity

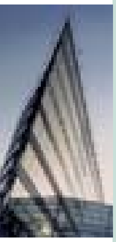
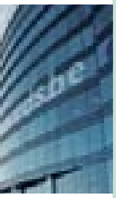
5.18.1. Share capital

Share capital evolution Datum	 Transaction	Share capital movement in € 000	Total outstanding share capital after the transaction in € 000	Number of shares issued in units	Total number of shares in units
08.08.1996	Formation	62	62	1.000	1.000
05.02.1999	Capital increase by non-cash contribution (Atlas Park)	4.408	4.470	1.575	2.575
05.02.1999	Capital increase by incorporation of issue premium and reserves and capital reduction through the incorporation of losses carried forward	-3.106	1.364	0	2.575
05.02.1999	Share split	0	1.364	1.073.852	1.076.427
05.02.1999	Capital increase by contribution in cash	1.039	2.403	820.032	1.896.459
29.06.2001	Merger through absorption of the limited liability companies Catian, Innotech, Greenhill Campus and Mechelen Pand	16.249	18.653	2.479.704	4.376.163
21.12.2001	Merger through absorption of companies belonging to the VastNED Group	23.088	41.741	2.262.379	6.638.54
21.12.2001	Capital increase by non-cash contribution (De Arend, Sky Building and Gateway House)	37.209	78.950	1.353.710	7.992.252
31.01.2002	Contribution of 575.395 shares in Siref	10.231	89.181	1.035.711	9.027.963
08.05.2002	Contribution of max. 1.396.110 Siref shares in the context of the bid	24.824	114.005	2.512.998	11.540.961
28.06.2002	Merger with Siref NV/SA; exchange of 111.384 Siref shares	4.107	118.111	167.076	11.708.037
23.12.2002	Merger through absorption of limited liability companies Apibi, Pakobi, PLC, MCC and Mechelen Campus	5.016	123.127	1.516.024	13.224.061
17.01.2005	Merger through absorption of limited liability companies Mechelen Campus 2, Mechelen Campus 4, Mechelen Campus 5 and Perion 2	3.592	**126.719**	658.601	**13.882.662**

On 31 December 2006, the share capital amounts to € 126.718.827 and is divided in 13.882.662 fully paid-up shares with no statement of nominal value.




Permitted capital

The board of directors is expressly permitted to increase the nominal capital on one or more occasions by an amount of € 126.718.826,79 by monetary contribution or contribution in kind, if applicable, by incorporation of reserves or issue premiums, under regulations provided for by the Belgian Company Code, these articles of association and article 11 of the RD of 10 April 1995 on property investment funds.

This permission shall be valid for a period of five years from the publication in the annexes to the Belgian Bulletin of Acts and Decrees of the official report from the extraordinary general meeting dated 17 January 2005, i.e. from 10 February 2005 onwards. This permission is renewable.

Each time there is an increase in capital the board of directors shall set the price, any issue premium and the conditions of issue of the new shares, unless the general meeting is to decide on that itself. The capital increases may give rise to the issue of shares with or without voting right.

If the capital increases decided on by the board of directors pursuant to this permission include an issue premium, the amount of this issue premium must be placed in a special unavailable account, named "issue premiums", which, like the capital, forms the guarantee for third parties and which cannot be reduced or abolished subject to a decision of the general meeting, meeting under the conditions of presence and majority, providing for a reduction in capital, subject to the conversion into capital as provided for above.

In 2006 the board of directors did not take advantage of the authorisation granted to it to use amounts from the permitted capital.

Purchase of equity shares

Under article 9 of the articles of association, the board of directors can proceed with the purchase of paid-up equity shares by buying or exchanging within the legally permitted limits, if the purchase is necessary to spare the company a serious and threatening loss.

This permission is valid for three years from the publication of the minutes of the general meeting and is renewable for a similar period.

Capital increase

Any increase in capital will be in accordance with articles 581 to 607 of the Company Code, subject to the fact that in the event of registration for cash under article 11 (1) of the RD of 10 April 1995 regarding property investment funds, there must be no departure from the pre-emptive right of the shareholders, as set out in articles 592 to 595 of the Company Code. Furthermore the company must conform to the stipulations regarding the public issue of shares in article 125 of the law of 4 December 1990 and to articles 28 ff. of the RD of 10 April 1995.

The capital increases through contributions in kind are subject to the terms of articles 601 and 602 of the Company Code. Furthermore, and in accordance with article 11 (2) of the RD of 10 April 1995 regarding property investment funds, the following conditions must be met:

1. the identity of the contributor must be noted in the report referred to in article 602 of the Company Code, and also in the notice convening the general meeting that is being called for the capital increase;
2. the issue price must not be less than the average share price during the thirty days prior to the contribution;
3. the report referred to in point 1 above must also give the impact of the proposed contribution on the position of the former shareholders, in particular as it relates to their share of the profit and capital.

5.18.2. 2. Share premium

Share premium evolution Date	 Operation	Capital increase	Contribution in cash	Contribution value	Share premium
in € 000					
05.02.99	Capital increase by contribution in cash	1.039	0	20.501	19.462
21.12.01	Pay-up of financial losses as a result of the merger by absorption of companies belonging to the VastNed Group.				-13.747
31.01.02	Contribution of 575.395 shares in Siref	10.231	1.104	27.422	16.087
08.05.02	Contribution of max. 1.396.110 Siref shares in the context of the bid	24.824	2.678	66.533	39.031
Total share premium					**60.833**

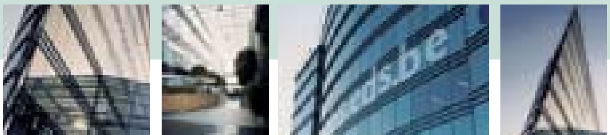
5.18.3. Reserves

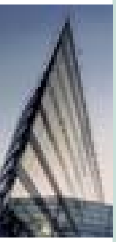
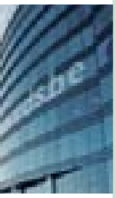
	2006	2005
in € 000		
Legal reserve	90	90
Reserves not available for distribution	125.193	108.575
Reserves available for distribution	650	1.427
Total reserves	**125.933**	**110.092**

The detailed transaction summary was included in point 3 of this financial report.

5.18.4. Result

	2006	2005
in € 000		
Result carried forward of the preceding financial years	29.576	29.332
Result of the financial year	44.205	23.733
Transfer of portfolio result to reserves not available for distribution	-18.465	2.485
Paid out dividends	-25.600	-26.184
Other changes	-133	210
Total result	**29.584**	**29.576**




5.18.5. Impact on the fair value of estimated transaction rights and costs resulting from hypothetical disposal of investment properties

	2006	2005
in € 000		
Opening balance sheet	-14.891	-14.011
Change in investment value of investment properties	-538	-64
Impact of disposal of investment properties	2.516	0
Increase from business combinations	0	-816
Total impact on the fair value of estimated transaction rights and costs resulting from hypothetical disposal of investment properties	**-12.913**	**-14.891**

The difference between the fair value of the property (in accordance with IAS 40) and the investment value of the property as determined by the independent property experts is included in this item.

5.18.6. Changes in fair value of financial assets and liabilities

	2006	2005
Change in fair value of interest rate swaps (+/-)	2.899	-76
Total changes in fair value of financial assets and liabilities	2.899	**-76**

5.18.7. Minority interests

Company	Percentage of participation	2006	2005
in € 000			
ABC NV	99,00%	4	4
MRP NV	99,90%	2	2
DRE NV	99,90%	0	0
MBC NV	99,00%	41	41
Total minority interests		**47**	**47**
TOTAL SHAREHOLDERS' EQUITY		**333.102**	**312.300**

5.19. Note to non-current liabilities[14]

5.19.1. Non-current provisions

Non-current provisions	2006	2005
in € 000		
Provision for income tax disputes	920	920
Provision rental guarantees from the transfer of investment properties	496	0
Total non-current provisions	**1.416**	**920**

For the explanatory note to the fiscal situation of the group is referred to report of the management committee, chapter on “tax system”.

The short-term part of the rental guarantees resulting from the transfer of investment properties under current provisions is booked for a value of € 424.000 (see 5.20.1).

5.19.2. Other non-current liabilities

	2006	2005
in € 000		
Guarantees received in cash	413	729
Total other non-current liabilities	**413**	**729**
TOTAL NON-CURRENT LIABILITIES	**1.829**	**1.649**

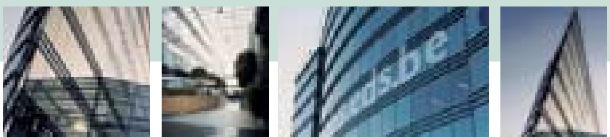
5.20. Note to current liabilities[15]

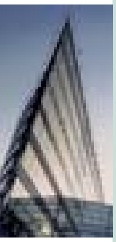
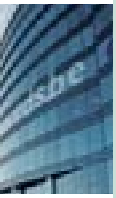
5.20.1. Trade debts and other current debts

	2006	2005
in € 000		
Provision rental guarantees from the transfer of investment properties.	424	0
Total current liabilities	**424**	**0**

The long-term part of the rental guarantees resulting from the transfer of investment properties under non-current provisions is booked for a value of € 496.000 (see 5.19.1).

14 These are all non-current liabilities except the non-current financial debts as described under 5.21.
15 These are all current liabilities except the current financial debts as described under 5.21.




5.20.2. Trade debts and other current debts

in € 000	2006	2005
Trade debts	787	284
Advances received from tenants	177	472
Invoices to be received	804	859
Other current debts	230	504
Total trade debts and other current debts	**1.998**	**2.119**

5.20.3. Other current liabilities

in € 000	2006	2005
Dividends payable	454	620
Current liabilities with related parties	0	10.182
Liabilities for deferred payment of investment properties	2.393	2.865
Total other current liabilities	**2.847**	**13.667**

The information relating to the transactions with affiliated parties is included in explanatory note 5.23.

5.20.4. Accrued charges and deferred income

in € 000	2006	2005
Indemnities received for investment property damage	804	1.926
Other deferred revenues (rental invoicing)	653	732
Other charges to be attributed	63	351
Total accrued charges and deferred income	**1.520**	**3.009**
TOTAL CURRENT LIABILITIES	**6.365**	**18.795**

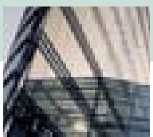
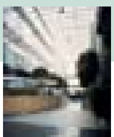
5.21. Note to non-current and current financial debts

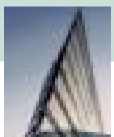
5.21.1. Classified by maturity date of the credit facility

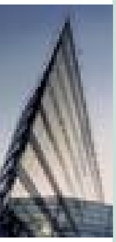
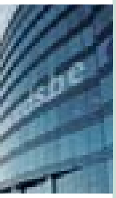
	2006				2005			
	Debts with a remaining period to maturity of		Total	Percentage	Debts with a remaining period to maturity of		Total	Percentage
in € 000								
	< 1 year	> 1 year and < 5 year			< 1 year	> 1 year and < 5 year		
Credit institutions	0	266.595	266.595	93,4%	8.979	249.047	258.026	90,1%
Non-drawn credit facilities	10.000	8.750	18.750	6,6%	23.500	5.000	28.500	9,9%
Financial lease	5	24	29	0,0%	0	0	0	0%
TOTAL	**10.005**	**275.369**	**285.374**	**100,0%**	**32.479**	**254.047**	**286.526**	**100%**
Percentage	**3,5%**	**96,5%**	**100%**		**11,3%**	**88,7%**	**100%**	

5.21.2. Division according to the due date of the recognized instalments

	2006			2005		
	Debts with a remaining period to maturity of		Total	Debts with a remaining period to maturity of		Total
in € 000						
	< 1 year	> 1 year and < 5 year		< 1 year	> 1 year and < 5 year	
Credit institutions	1.207	265.388	266.595	65.104	192.922	258.026
Financial lease	5	24	29	0	0	0
TOTAL	**1.212**	**265.412**	**266.624**	**65.104**	**192.922**	**258.026**
Percentage	**0,5%**	**99,5%**	**100,0%**	**25,2%**	**74,8%**	**100%**




5.21.3. Classified by variabel/fixed interest rate

	2006				2005			
	Debts with a remaining period to maturity of		Total	Percentage	Debts with a remaining period to maturity of		Total	Percentage
in € 000								
	< 1 year	> 1 year and < 5 year			< 1 year	> 1 year and < 5 year		
Variable	0	73.749	73.749	27.7%	63.998	0	63.998	24,8%
Fixed	1.212	191.663	192.875	72.3%	1.106	192.922	194.028	75,2%
TOTAL	**1.212**	**265.412**	**266.624**	**100.0%**	**65.104**	**192.922**	**258.026**	**100%**

5.21.4. Classified by type of credit facility

	2006		2005	
	Total	Percentage	Total	Percentage
in € 000				
Roll-over advances	18.729	7,0%	8.979	3,5%
Fixed advances	247.895	93,0%	249.047	96,5%
Financial lease	29	0%	0	0%
TOTAL	**266.624**	**100,0%**	**258.026**	**100,0%**

5.22. Financial instruments

On 25 January 2006 and 6 February 2006 the company arranged additional interest rate swaps to extend the current contract. The swaps cover financial liabilities of € 120 million. The interest rate swaps came into effect from the end of December 2006 and for a 5-year term. The interest rate for these swaps is 3,47%. The market value of these swaps amounts to € 2.898.543 on 31 December 2006.
Intervest Offices classifies the interest rate swaps as a cash flow hedge and values them it at fair value.

The fair value and book value of the financial debt at year-end

	2006		2005	
in € 000	Nominal value	Fair value	Nominal value	Fair value
Financial debts with fixed interest rate	266.595	266.698	192.922	197.101

5.23. Related parties

The company's related parties, are its parent company, subsidiaries and its directors and members of the management comitee.

Relation with VastNed Offices/Industrial and VastNed Offices Belgium:

	2006	2005
in € 000		
Current account classified in «other current liabilities»	0	10.182
Interests paid on current account	73	307

Other related parties

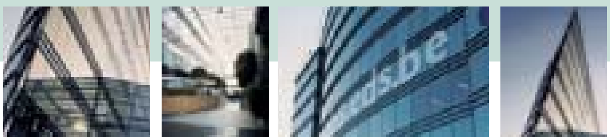
	2006	2005
in € 000		
Trade receivable on Slough Investment Properties	139	0

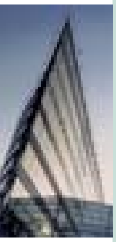
Directors and members of the management

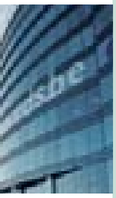
The employee benefits for the directors and the members of the management comitee are classified in «Property management costs» and «General costs» (note 5.5 and 5.6).

	2006	2005
in € 000		
Directors	37	28
Members of the management comitee	254	316
Total	**291**	**344**

The directors and the members of the management comitee don't receive additional benefits on the account of the company.







5.24. List of the consolidated companies

The companies below are consolidated by the method of full consolidation.

Name of the company	Address	Company number	Capital share (in %)
ABC NV	Uitbreidingstraat 18, 2600 Berchem – Antwerpen	466 516 748	99,00%
MBC NV	Uitbreidingstraat 18, 2600 Berchem – Antwerpen	467 009 765	99,00%
MRP NV	Uitbreidingstraat 18, 2600 Berchem – Antwerpen	465 087 680	99,99%
DRE NV	Uitbreidingstraat 18, 2600 Berchem – Antwerpen	464 415 115	99,90%

5.25. Auditor's fee

	2006
in € 000	
Fee statutory auditor for the audit mandate	87
Fee for exceptional activities or particular executed assignments within the company by the statutory auditor	
- Other control assignments	0
- Tax counselling assignments	63
- Other assignments beyond statutory assignments	6

5.26. Note to conditional liabilities

Disputed tax assessments

Intervest Offices sa is involved in a number of disputes with the tax administration, which are largely under review. These disputes, according to the relevant tax assessment notices, amount to € 7,3 million and can be subdivided into two types.

- Disputes for an amount of € 919,796 which were taken over by the merger with Siref. These disputes chiefly relate to whether or not charges are deductible, the retro-activity of mergers and the taxability of transactions with a right of superficies. One of the four letters of objection is currently the subject of a court case. These disputes were provided for in the annual accounts.
- Disputes relating to the so-called "exit tax" for the sum of € 6,4 million.

These disputes relate for the most part to the determination of the taxable basis of the "exit tax", which is due when the property investment fund is acknowledged or upon merger of a company with a property investment fund. The dispute relates, more particularly, to the term "actual value of the nominal assets" as determined in article 210 § 2 of the Belgian income tax code.

These last disputes were for the most part resolved via a circular letter dated 23 December 2004 from the Minister of Finance. In it, it was decided that the transfer costs did not need to be taken into account. This circular letter stipulates however that securitisation premiums do need to be taxed. Intervest Offices still has ongoing disputes on this matter to the tune of +/- € 4 million. Part of these tax debts was guaranteed by former promoters of Siref. No provision was built up for these.

Guarantees with regard to financing

No registrations of mortgage were taken, and no mortgage authorisations permitted. Most financial institutions do however demand that the investment fund continues to comply with the financial ratios as laid down by the RD's on property investment funds.

Soil remediation

As a result of the merger by takeover of Siref with Intervest Offices on 28 June 2002, it was established that the company had to carry out a soil decontamination in Wilrijk, Boomsesteenweg 801/803, Kernenergiestraat 70, Geleegweg 1-7. With the previous owners of this object is agreed that they reimburse half of the decontamination costs. For the financial year 2006, the decontamination costs amount to € 10.000 for Intervest Offices. A similar annual amount is expected till 2009.

6. Statutory auditor's report

INTERVEST OFFICES SA
PUBLIC BELGIAN REAL ESTATE
INVESTMENT FUND

STATUTORY AUDITOR'S REPORT TO THE SHAREHOLDERS' MEETING ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2006

To the shareholders

As required by law and the company's articles of association, we are pleased to report to you on the audit assignment which you have entrusted to us. This report includes our opinion on the consolidated financial statements together with the required additional comments and information.

Unqualified audit opinion on the consolidated financial statements

We have audited the accompanying consolidated financial statements of INTERVEST OFFICES NV, BELGIAN REAL ESTATE INVESTMENT FUND ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium. Those consolidated financial statements comprise the consolidated balance sheet as at December 31, 2006, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated balance sheet shows total assets of 608.344 (000) EUR and a consolidated profit for the year then ended of 44.205 (000) EUR.

The board of directors of the company is responsible for the preparation of the consolidated financial statements. This responsibility includes among other things: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the "Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement, whether due to fraud or error.

In accordance with these standards, we considered the group's administrative and accounting organization as well as its internal control processes. The board of directors and responsible officers of the company have replied to all our requests for explanations and information. We have examined, on a test basis, the evidence supporting the amounts in the consolidated financial statements. We have assessed the basis of the accounting methods used, the consolidation policies and significant estimates made by management as well as evaluating the presentation of the consolidated financial statements taken as a whole. We believe that our audit, provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the group's financial position as of December 31, 2006, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the EU and with the legal and regulatory requirements applicable in Belgium.

Additional comments

The preparation and the assessment of the information that should be included in the directors' report on the consolidated financial statements and the company's compliance with the requirements of the Companies Code and its articles of association are the responsibility of the board of directors.

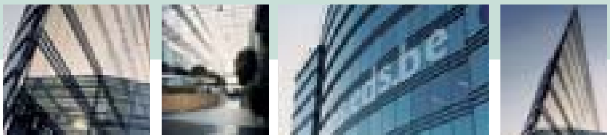
Our responsibility is to include in our report the following additional comments which do not change the scope of our audit opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements includes the information required by law and is in agreement with the consolidated financial statements. However, we are unable to express an opinion on the description of the principle risks and uncertainties confronting the group, or on the status, future evolution, or significant influence of certain factors on its future development. We can, nevertheless, confirm that the information given is not in obvious contradiction with any information obtained in the context of our appointment.

February 20, 2007

The Statutory Auditor

DELOITTE
Bedrijfsrevisoren / Reviseurs d'Entreprises
SC s.f.d. SCRL
Represented by Rik Neckebroeck



6. General information

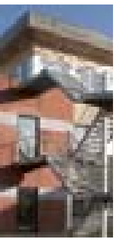
3T-Estate

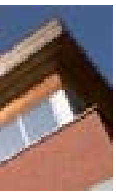
3T Estate

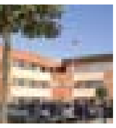
Luchthavenlaan 25
1800 Vilvoorde

> 2 office buildings
> one ground floor and 2 storeys
> façades in brickwork
> combined with strips of blue brick and wooden eaves
> air conditioning

1. Identification







1.1. Name

Intervest Offices sa, Public Property Investment Fund with Fixed Capital under Belgian Law, or "sicafi" under Belgian Law.

1.2. Registered office

Uitbreidingstraat 18, 2600 Berchem-Antwerpen.

1.3. Enterprise identification number and VAT number

The company is registered in the "Banque Carrefour" for companies under the enterprise identification number 0458.623.918.

Its VAT-number is (BE) 458.623.918.

1.4. Legal form, formation, publication

Intervest Offices sa was founded on 8 August 1996 as a limited liability company by the name «Immo-Airway», executed before the civil-law notary Carl Ockerman, in Brussels as published in the appendices to the Belgian Bulletin of Acts, Orders and Decrees of 22 August 1996 under no. BBS 960822-361.

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

By deed executed before Eric De Bie, civil-law notary in Antwerp-Ekeren, with the intervention of Carl Ockerman, civil-law notary in Brussels, executed on 29 June 2001 and published in the Appendices to the Belgian Bulletin of Acts, Orders and Decrees of 24 July 2001 under number BBS 20010724-935, the company's legal form was converted from
a limited partnership with a share capital to a limited liability company and its name was changed to "Intervest Offices".

Since 15 March 1999 Intervest Offices has been recognised as a "property investment fund with fixed capital under Belgian law", or a "sicafi" under Belgian law for short, which is registered with the Banking, Finance and Insurance Commission.

It is subject to the statutory system for investment companies with fixed capital, as referred to in article 6, 2° of the ICB act of 20 July 2004.

The company opted for the investment category specified in article 7, first subsection, 5° of the aforementioned ICB act.

The company draws publicly on the savings system in the sense of article 438 of the Belgian Company Code.

The articles of association were last amended on 10 May 2006, as published in the Appendices of the Belgian Bulletin of Acts, Orders and Decrees of 1 June 2006 under number 2006-06-01-0090684.

1.5. Duration

The company was founded for an indefinite period.

1.6. Object of company

Article 4 of the articles of association

The sole object of the company is collective investment of the financial resources it attracts from the public in property, as defined in article 122 §1, 1st subsection, 5° of the act of 4 December 1990 on Financial Transactions and the Financial Markets.

Property is understood to mean:

1. immovable property as defined in articles 517 et seq of the Belgian Civil Code and real rights over immovable property;
2. shares with voting rights issued by affiliated property companies;
3. option rights to immovable property;
4. units in other property investment institutions that are registered in the list referred to in article 120 §1, 2nd subsection or article 137 of the act of 4 December 1990 on Financial Transactions and the Financial Markets;
5. property certificates as described in article 106 of the act of 4 December 1990 on Financial Transactions and the Financial Markets and article 44 of the RD of 10 April 1995 relating to property investment funds;
6. rights arising from contracts where one or more properties are placed under a leasing arrangement with the company;
7. as well as all other properties, shares or rights defined as immovable property by the RD's in execution of the act of 4 April 1990 on Financial Transactions and the Financial Markets that apply to collective investment institutions that invest in immovable property.

Within the limits of the investment policy, as described in article 4-5 of the articles of asso-

ciation, and in accordance with the applicable legislation on property investment funds, the company may become involved in:

- purchasing, converting, furnishing, letting, subletting, managing, exchanging, selling or subdividing the property as described above, or placing it under the system of joint ownership;
- acquiring and lending securities in accordance with article 51 of the RD of 10 April 1995 relating to property investment funds;
- taking immovable property under a leasing arrangement, with or without an option to purchase, in accordance with article 46 of the RD of 10 April 1995 relating to property investment funds; and
- as an additional activity, placing immovable property under a leasing arrangement, with or without an option to purchase, in accordance with article 47 of the RD of 10 April 1995 relating to property investment funds;
- the company may only occasionally act as a property developer, as defined in article 2 of the RD of 10 April 1995.

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

- as an additional or temporary activity, hold investments in securities, assets other than fixed assets and cash reserves, in accordance with article 41 of the RD of 10 April 1995 relating to property investment funds. The possession of securities must be compatible with the short or medium-term objectives of the investment policy, as described in article 5 of the articles of association. The securities must be included in the official list of a stock exchange of a member state of the European Union or traded on a regulated, recognised market in the European Union that is open regularly for trading and is accessible to the public. The cash reserves may be held in any currencies in the form of sight or time deposits or in the form of any other easily negotiable monetary instrument;
- grant mortgages or other collateral or security within the context of the financing of property in accordance with article 53 of the RD of 10 April 1995 relating to property investment funds;
- grant credit and stand surety for the benefit of a subsidiary of the company that is also an investment institution as referred to in article 49 of the RD of 10 April 1995 relating to property investment funds.

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

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

1.7. Financial year

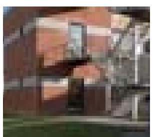
The financial year starts on 1 January and ends on 31 December of each year.

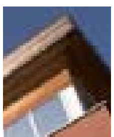
1.8. Inspection of documents

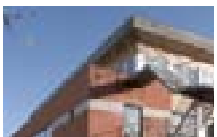
The articles of association of Intervest Offices sa are available for inspection at the Office of the Commercial Court in Antwerp, and at the company's registered office.

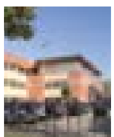
- The annual accounts are filed with the balance sheet centre of the National Bank of Belgium.
- The annual accounts and associated reports are sent annually to holders of registered shares and any other person who requests them.
- The resolutions relating to the appointment and dismissal of the members of the company's bodies are published in the appendices to the Belgian Bulletin of Acts, Orders and Decrees.
- Financial announcements and notices convening the general meetings are published in the financial press.

The other publicly accessible documents that are mentioned in the prospectus are available for inspection at the Investment Fund's registered office.







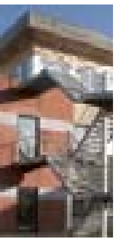


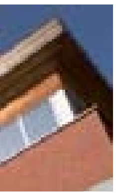
2. Extract from the articles of association[16]

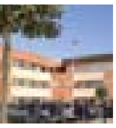
2.1. Shares

Article 8 – Nature of the shares

The shares are bearer or registered shares or take the form of dematerialised securities.







The bearer shares are signed by two directors, whose signatures may be replaced by name stamps.

The bearer shares can be issued as single shares or collective shares. The collective shares represent several single shares in accordance with a form to be specified by the board of directors. They can be split into sub-shares at the sole discretion of the board of directors. If combined in sufficient number, even if their numbers correspond, these sub-shares offer the same rights as the single share.

Each holder of single shares can have his/her shares exchanged by the company for one or more bearer collective shares representing these single securities, as he/she sees fit; each holder of a collective share can have these securities exchanged by the company for the number of single shares that they represent. The holder will bear the costs of this exchange.

Each bearer security can be exchanged into registered securities or securities in dematerialised form and vice versa at the shareholder's expense.

A record of the registered shares, which each shareholder is entitled to inspect, is maintained at the company's registered office. Registered subscription certificates will be issued to the shareholders.

Any transfer between living persons or following death, as well as any exchange of securities, will be recorded in the aforementioned register

2.2. Ownership

Article 11 – Transparency regulations

In accordance with the regulations of the act of 2 March 1989, all natural persons or legal entities who acquire or surrender shares or other financial instruments with voting rights granted by the company, whether or not these represent the capital, are obliged to inform both the company and the Banking, Finance and Insurance Commission of the number of financial instruments in their possession, whenever the voting rights connected with these financial instruments reach five per cent (5%) or a multiple of five per cent of the total number of voting rights in existence at that time, or when circumstances that require such notification arise.

This declaration is also compulsory in the event of the transfer of shares, if as a result of this transfer the number of voting rights rises above or falls below the thresholds specified in the first or second paragraph.

2.3. Administration and supervision

Article 12 – Composition of the board of directors

The company is managed by a board of directors consisting of at least three directors, who may or may not be shareholders. They will be appointed for a maximum of six years by the general meeting of shareholders, and their appointment may be revoked at any time by the latter.

In the event that one or more directors' positions become vacant, the remaining directors have the right to fill the vacancy on a provisional basis until the next general meeting, when a definitive appointment will be made. Where a legal entity is elected as director or member of the management board, that legal entity shall designate from among his partners, business managers, directors or employees a permanent representative to be charged with the performance of that mandate on behalf of and for the account of the legal entity in question. That representative must satisfy the same conditions and is liable under civil law and responsible under criminal law as if he himself were performing the mandate in question on his own behalf and on his own account, without prejudice to the joint and several liability of the legal person whom he represents. That legal entity may not dismiss his representative without at the same time naming a successor.

All directors and their representatives must satisfy the requirements in terms of professional reliability, experience and autonomy, as specified by article 4 §1, 4° of the RD of 10 April 1995, and therefore be able to guarantee autonomous management. They must not fall under the application of the prohibitions referred to in article 19 of the act of 22 March 1993 relating to the statute for and supervision of credit institutions.

Article 15 – Delegation of authority

In application of article 524b of the Belgian Company Code, the board of directors can put together an executive committee, whose members are selected from inside or outside the board. The powers to be transferred to the executive committee are all managerial powers with the exception of those managerial powers that might relate to the company's general policy, actions reserved to the board of directors on the basis of statutory provisions or actions and transactions that could give rise to the application of article 524 of the Belgian Company Code. If an executive committee is appointed, the board of directors is charged with the supervision of this committee.

The board of directors determines the conditions for the appointment of the members of the executive committee, their dismissal, their remuneration, any severance pay, the term of their assignment and way of working. If an executive committee is appointed, it can only delegate day-to-day management of the company to a minimum of two persons, who must be directors. If no executive committee

16 These articles are not the complete, nor the literal reproduction of the articles of association. The complete articles of association can be consulted on the company's registered office.

is appointed, the board of directors can only delegate day-to-day management of the company to a minimum of two persons, who must be directors.

The board of directors, the executive committee and the managing directors charged with the day-to-day management may also, within the context of this day-to-day management, assign specific powers to one or more persons of their choice, within their respective powers.

The board can determine the remuneration of each mandatory to whom special powers are assigned, all in accordance with the law of 4 December 1990 relating to the Financial Transactions and the Financial Markets, and its implementation decrees."

Article 17 – Conflicts of interests
The directors, the persons charged with day-to-day management and the authorised agents of the company will respect the rules relating to conflicts of interests, as provided for by the RD of 10 April 1995 relating to property investment funds, by the Belgian Company Code as where appropriate they may be amended.

Article 18 – Auditing
The task of auditing the company's transactions will be assigned to one or more statutory auditors, appointed by the general meeting from the members of the Belgian Institute of Company Auditors for a renewable period of three years. The statutory auditor's remuneration will be determined at the time of his/her appointment by the general meeting.

The statutory auditor(s) also audit(s) and certify (certifies) the accounting information contained in the company's annual accounts. At the request of the Banking, Finance and Insurance Commission, he (she) also confirms the accuracy of the information that the company has presented to the aforementioned Commission in application of article 133 of the act of 4 December 1990.

2.4. General meetings

Article 19 – Meeting
The ordinary general meeting of shareholders, known as the annual meeting, must be convened every year on the first Wednesday of April at 16h30.

If this day is a public holiday, the meeting will be held on the next working day.

The general meetings are held at the company's registered office or at another location in Belgium, as designated in the notice convening the meeting.

Article 22 – Depositing shares
In order to be admitted to the meeting, the holders of bearer shares must deposit their shares no later than three days before the date of the intended meeting, if the notice convening the meeting requires them to do so. The shares must be deposited at the company's registered office or at a financial institution designated in the notice convening the meeting.

Owners of dematerialised shares take care of the communication, at least three days before the intended meeting, of an a certificate from a authorised institutions or a clearing institution, attesting of unavailability of the dematerialised shares till the date of general meeting;

Holders of registered shares do this in an ordinary letter sent to the company's registered office, again at least three days in advance.

Article 26 – Voting rights
Each share gives the holder the right to one vote.

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

If a share is encumbered with a usufruct, the voting rights connected with the share are exercised by the usufructuary, unless there is an objection from the bare owner.

2.5. Treatment of result

Article 29 – Appropriation of profit
The company will distribute its net income, less the amounts that correspond to the net reduction of debt for the current financial year.

For the purposes of this article, net income is defined as the profit for the financial year, excluding downward value adjustments, reversals of downward value adjustments and added values realized on fixed assets, in so far as these are recorded in the profit and loss account.

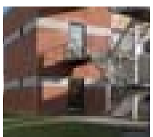
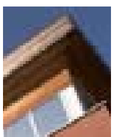
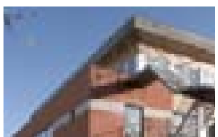
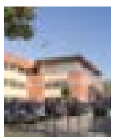
The decision on how the remaining twenty per cent will be appropriated will be taken by the general meeting on the proposal of the board of directors.

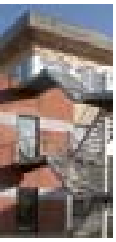
Added values on the realization of fixed assets, however, are excluded from net income, as specified in paragraph 1, to the extent that they will be reused within a period of four years, starting from the first day of the current financial year in which these added values will be realized.

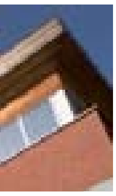
The portion of the realized added values that has not been reused after the period of four years will be added to the net income, as defined, for the financial year following this period.

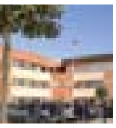
3. Statutory auditor

On 12 May 2004, Deloitte Réviseurs d'Entreprises SC i.d.f. of a SCRL, which is rep-







resented by Mr Rik Neckebroeck, Berkenlaan 8b – 1831 Diegem, has been appointed as statutory auditor of Intervest Offices.

The mandate of the statutory auditor will end immediately after the annual meeting to be held in 2007.

The remuneration of the statutory auditor amounts to € 72.000 (excl. VAT, incl. costs) a year for the auditing of the annual accounts.

4. Custodian bank

As from 15 March 2003, ING Bank has been designated as the custodian bank of Intervest Offices in the sense of articles 12 and seq. of the RD of 10 April 1995 relating to property investment funds.

Since 1 January 2006 the annual fee is a fixed fee of € 10.000 increased with a commission of 0,03% per property that is acquired or sold. The fee is based on the investment value of the property according to the last valuation.

5. Property experts

The property experts of the investment fund are:

- de Crombrugghe & Partners, 1160 Brussels, avenue G. Demey 72-74. The company is represented by Guibert de Crombrugghe
- Cushman & Wakefield, 1000 Brussels, avenue des Arts 58 b 7. The company is represented by Kris Peetermans and Eric Van Dyck
- Jones Lang LaSalle Belgium, 1000 Brussels, rue Montoyer 10. The company is represented by Rod Scrivener.

In accordance with the RD of 10 April 1995, they value the portfolio four times a year.

6. Liquidity provider

In 2003, a liquidity contract was concluded with ING Bank, Marnixlaan 24, 1000 Brussels, to promote the liquidity of the shares.

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

The remuneration has been set at a fixed amount of € 10.000 a year.

7. Property management

In 2006 the semi-industrial buildings and Mechelen Campus are managed by the external manager Quares Asset Management.

The fees charged by this manager amount to 1% of the rents received for these buildings. In some cases, these management fees are paid directly by the tenants in accordance with the obligations of their tenancy agreements.

8. Property investment fund – legal framework

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

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

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

- the form of a limited liability company or a limited partnership with a share capital with minimum capital of € 1.239.467,62
- a debt ratio limited to 65% (RD of 21 June 2006) of total assets
- strict rules relating to conflicts of interests
- recording of the portfolio at market value without the possibility of depreciation
- a three-monthly estimate of the property assets by independent experts
- spreading of the risk: a maximum of 20% of capital in one building, with certain exceptions
- exemption from corporation tax on the condition that at least 80% of the profits are distributed

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

Companies that merge with a property investment fund are subject to a tax (exit tax) of 16,995% on deferred added values and tax-free reserves.

Production, design-layout - Comfi & Publishing - www.comfi.be

INTERVEST
OFFICES

INTERVEST OFFICES

UITBREIDINGSTRAAT 18

B-2600 BERCHEM-ANTWERPEN

T +32 (0)3 287 67 81 - F +32 (0)3 287 67 89

intervest@intervest.be

www.intervest.be