

The background of the entire page is a faint, light-colored architectural floor plan. It shows various rooms, corridors, and structural elements of a building, rendered in a minimalist line-art style. The plan is oriented diagonally across the page.

Annual report 2002



Brussels



Ghent



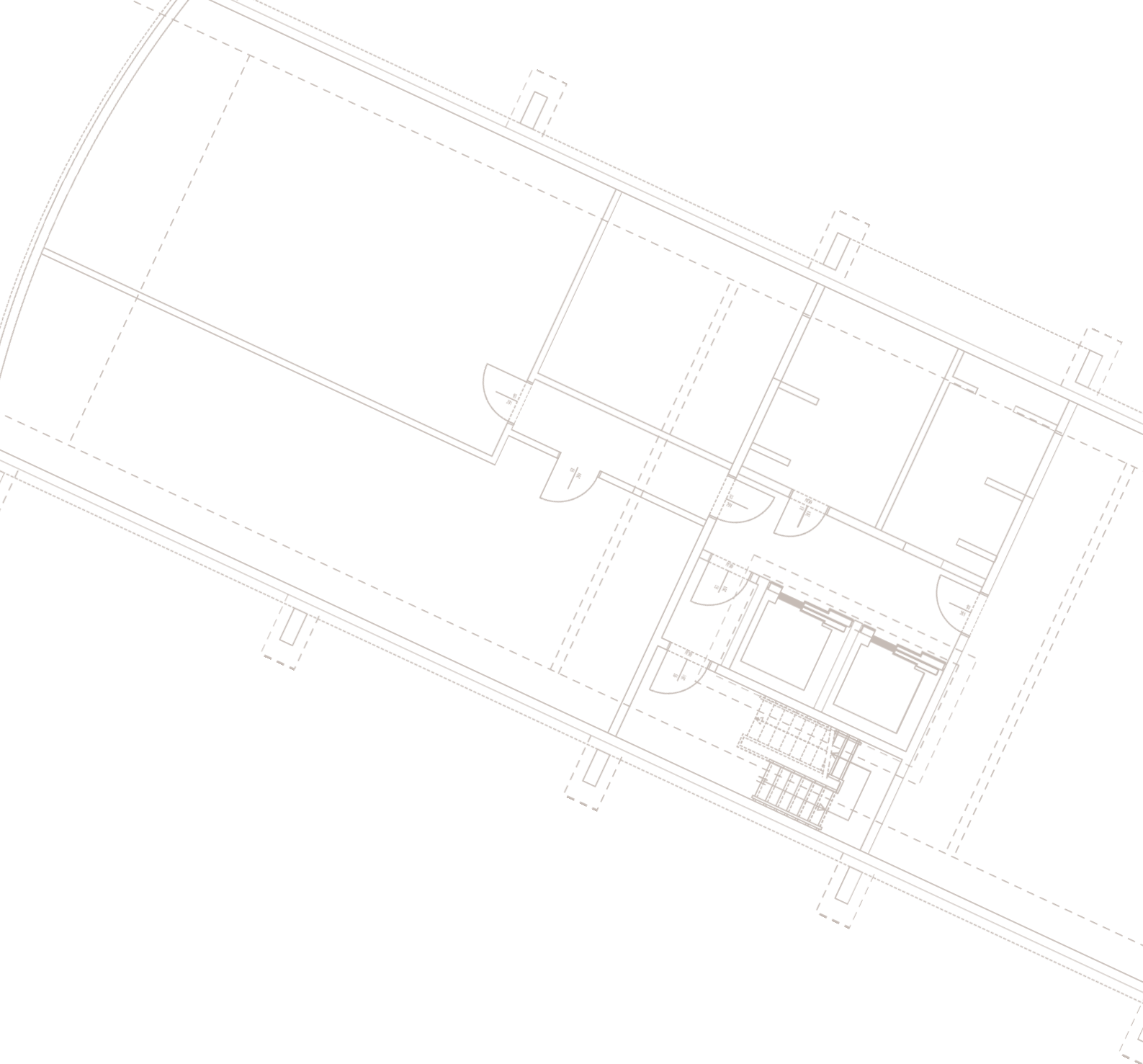
Antwerp



Geographical focus: triangle Brussels/Ghent/Antwerp

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Axxes Business Park,
Ghent periphery



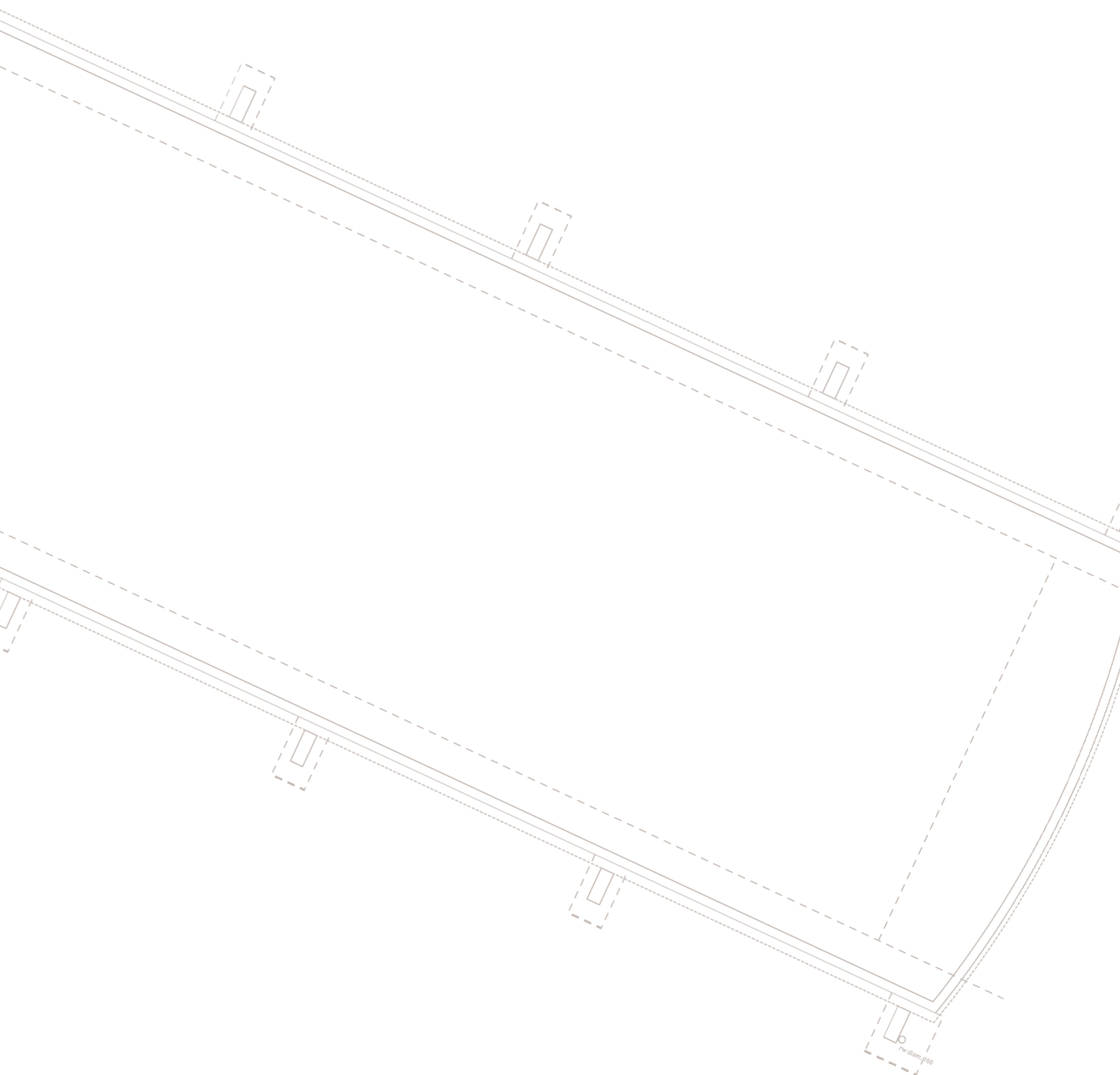
Rue de Trèves 74,
Brussels



Route de Lennik 451,
Anderlecht



Highlights



■ Real estate portfolio

Total surface (in m ² above the ground)	30/06/2002	30/06/2001	30/06/2000
Offices	113,737	80,667	67,949
Warehouses	73,736	73,612	73,072
Retail	1,774	1,774	1,774
Other	3,295	2,644	994
Total	192,542	158,697	143,789

	30/06/2002	30/06/2001	30/06/2000
Estimated investment value (x 1,000 €) ¹	269,519	200,945	177,288
Occupancy rate excluding rental guarantee (%)	97.11	94.21	92.25
Occupancy rate including rental guarantee (%)	100.00	98.53	98.00
Rental yield excluding rental guarantee (%)	7.77	7.51	7.23
Rental yield including rental guarantee (%)	8.01	7.86	7.69

¹ Estimated investment value by real estate experts Cushman & Wakefield Healey & Baker / Winssinger and Associates.

■ Key results

Figures 30/06/2002: consolidated figures

(x 1,000 €)	30/06/2002	30/06/2001	30/06/2000
Operating income ¹	20,265	15,822	15,424
rental income ²	17,105	13,568	12,705
Operating result	15,250	11,480	11,495
Net current result	12,395	10,441	10,415
Result of the portfolio	429	613	2,598
Net result	12,806	11,054	13,013
Net cashflow	12,075	10,667	10,977

¹ Including rental guarantee.

² Excluding rental guarantee.

■ Balance sheet

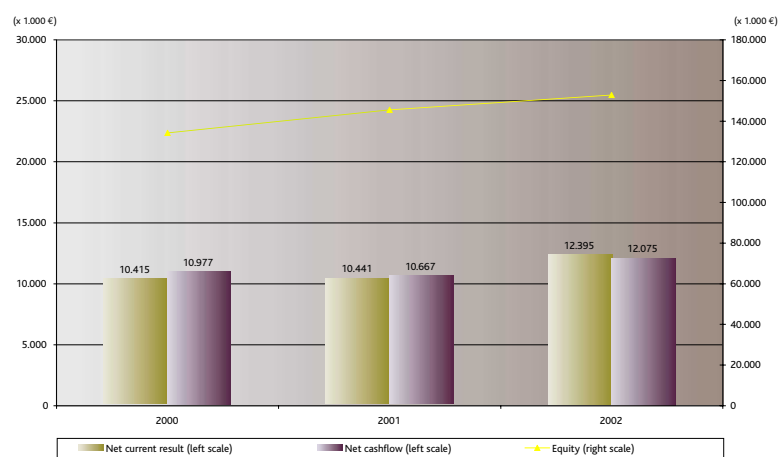
Figures 30/06/2002: consolidated figures

(x 1,000 €)	30/06/2002	30/06/2001	30/06/2000
Equity ¹	152,820	145,526	134,162
Total of assets	288,773	206,298	185,564
Debt ratio (%)	44.94 ²	27.28	25.65

¹ Excluding dividend.

² Including the provisions for exit tax of 2,108,040 €, excluding these provisions the debt ratio amounted to 44.21%.

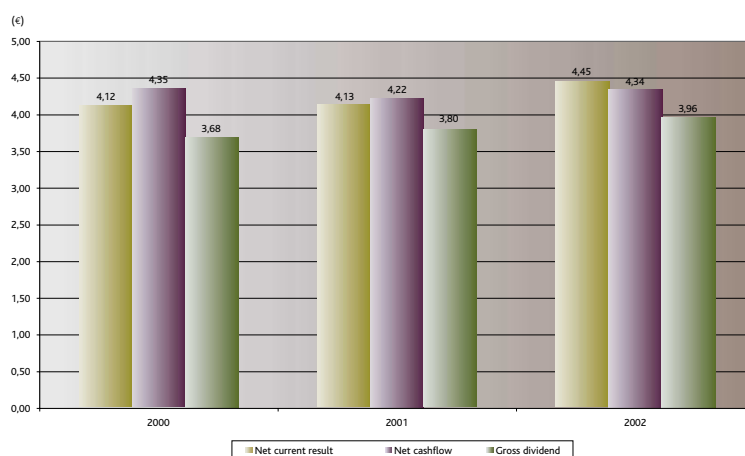
■ Change in results and equity



■ Data per share

Figures 30/06/2002: consolidated figures

(€)	30/06/2002	30/06/2001	30/06/2000
Number of shares	2,830,366	2,725,624	2,525,124
Net asset value (excluding dividend)	53.99	53.39	53.13
Net asset value (including dividend)	57.95	57.19	56.81
Rental income (excluding rental guarantee)	6.15	5.37	5.03
Operating result	5.48	4.54	4.55
Net current result (EPS)	4.45	4.13	4.12
Result of the portfolio	0.15	0.24	1.03
Net result	4.60	4.37	5.15
Net cash flow (CFS)	4.34	4.22	4.35
Gross dividend	3.96	3.80	3.68
Net dividend	3.37	3.23	3.13



■ Key ratios

Figures 30/06/2002: consolidated figures

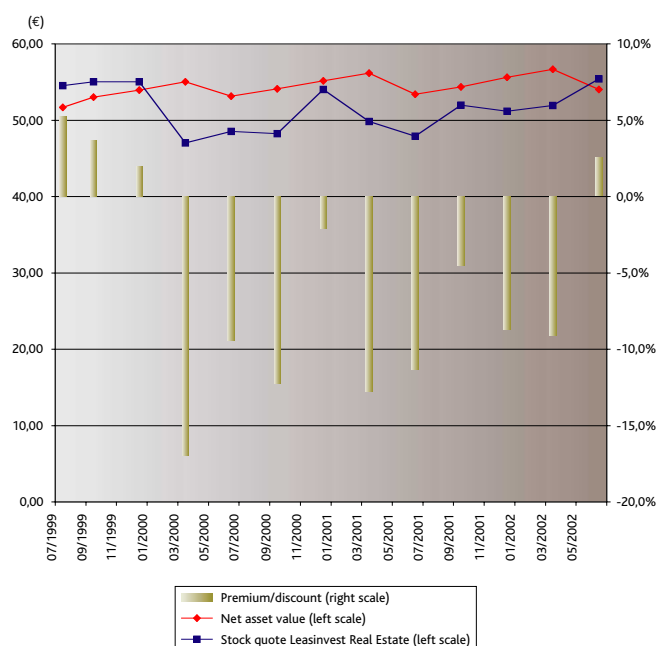
		30/06/2002	30/06/2001	30/06/2000
Net current result / rental income	%	72	77	82
Stock price at dividend payment	€		49.8	49.0
price / cash flow (PCF)	€		11.79	11.28
price / earnings (PER)	€		12.05	11.88
premium/discount compared to net asset value excluding dividend	%		-7.2	-8.4
premium/discount compared to net asset value including dividend	%		-15.5	-16.8
Stock price at the end of the financial year	€	55.40	47.90	48.51
price / cashflow (PCF)	€	12.77	11.34	11.15
price / earnings (PER)	€	12.44	11.59	11.76
premium/discount compared to net asset value excluding dividend	%	2.5	-11.5	-9.5
premium/discount compared to net asset value including dividend	%	-5.1	-20.1	-18.0
Total return ¹	%	8.54	7.65	9.98

¹ Total return = (gross dividend + (net asset value_n – net asset value_{n-1})) / net asset value_{n-1}.

■ Change in number of shares

	30/06/2002	14/12/2001	30/06/2001	28/06/2001	30/06/2000
At the end of the financial year					2,525,124
capital increase 28/06/2001				200,500	
At the end of the financial year			2,725,624		
capital increase 14/12/2001		104,742			
At the end of the financial year	2,830,366				

■ Premium/discount, net asset value and stock quote Leasinvest Real Estate since its IPO on 2 July 1999



Riverside Business Park,
Anderlecht



Route de Lennik 451,
Anderlecht



Extensa Square,
Evere



Brussels decentralised zone



Letter to shareholders



■ Strong performance in a weaker market

The weaker Belgian and foreign economy have had little influence on the growth and performance of our property fund Leasinvest Real Estate. The Belgian real estate market in general was not spared from falling investment, lower take-up and higher vacancies.

After closing its third financial year, Leasinvest Real Estate published consolidated figures for the first time. The annual accounts consolidated the figures of Leasinvest Real Estate on the one hand, and the results of the two real estate companies which the sicafi took over during the course of the financial year, i.e. Brussimmo and Ekiport on the other hand.

Leasinvest Real Estate recorded a 15.85% increase in net profit to 12.8 million €. Due to the further growth of the portfolio and an increased occupancy rate the rental income rose by 26.07% to 17.1 million €. The operating result rose by 32.84% to 15.2 million €. The net current result rose 18.71% to 12.4 million €.

Net profit per share was up 5.26% to 4.60 €. The net current result per share rose 7.75% to 4.45 €. Net cash flow per share amounted to 4.34 €, an increase of 2.84%.

The 15.66% increase in the share price meant that Leasinvest Real Estate shares outperformed the Bel 20 index over the last year (-12.1%).

We propose that the general meeting of shareholders on 21 October 2002 should pay out a gross dividend of 3.96 €, an increase of 4.21% compared with 3.80 € last year, and nearly 6% higher than the budgeted gross dividend of 3.74 € in the issue prospectus. With consolidated equity after appropriation of profits of 152.8 million € the total return per share over the previous financial year was 8.54%¹.

■ Growth target achieved, with a further rise in the occupancy rate and the rental yield

As far as the size of the portfolio is concerned, Leasinvest Real Estate vastly exceeded the growth target of 250 million € which it had set itself at the start of the financial year. The investment value of the real estate portfolio rose to 269.5 million €, an increase of 34% compared with 201 million € the previous year. The liquidation value of the portfolio amounted to 238.5 million €. The debt ratio of the portfolio, including the provisions for the exit tax, amounted to 44.94% on 30 June 2002².

The occupancy excluding rental guarantee rose to 97.11% compared with 94.2% a year earlier. Including the rental guarantee, the occupancy rate was 100%. The sharply reduced take-up and the increase in vacant office space in the Brussels decentralised zone and the outskirts of the city had little impact on the occupancy rate of Leasinvest Real Estate in the region. The fund only has a presence in the northern outskirts of Brussels with storage and retail space, in the Brixton Business Park (which

¹ $\text{Gross dividend} + (\text{net asset value}_n - \text{net asset value}_{n-1}) / \text{net asset value}_{n-1}$.

² Excluding the provisions for the exit tax the debt ratio amounted to 44.21%.



represents 11.29% of the total real estate portfolio) and the Vierwinden Business Park (3.57% of the total real estate portfolio) in Zaventem.

The rental yield of the portfolio was 7.77% excluding rental guarantees and 8.01% including rental guarantees.

■ **2002/2003 - a year of continued growth and optimisation of the portfolio**

Our next growth target is 500 million €. We want to achieve this target by further use of the authorised debt ratio of 50%, and acquisitions and mergers with unlisted real estate companies via cash/equity transactions.

Despite an initial investment in the Leopold District in Brussels, Leasinvest Real Estate will continue to focus on investments in the outskirts of the three largest Belgian cities, Brussels, Antwerp and Ghent.

Since the draft law on reform of corporation tax that was recently submitted to the federal parliament could have negative consequences for the growth and taxation of property funds, we associated ourselves with the initiative by the real estate sector in opposing the implications of this reform. The draft law on reform does not provide for the exit tax¹ to be kept at half the rate of corporation tax. Withholding tax on income would also be charged on profits made on liquidation, and regional taxes would no longer be deductible from the taxable basis.

We are continuing to strive to achieve further improvement in the financial ratios and increasing dividend return to shareholders. Furthermore, by entering the NextPrime segment of Euronext, Leasinvest Real Estate has subscribed to the internationally valid information requirements in the field of financial transparency.

Mr. Aimé Desimpel, Independent Director at Leasinvest Real Estate Management, the statutory manager of our property fund, died on 22 September 2002. We all grew to appreciate his exceptional human qualities. Furthermore, we are extremely grateful and appreciative of his valuable contribution to the management of Leasinvest Real Estate, especially for his business flair and enthusiasm for the growth of the real estate sector and property funds in particular. We regret his passing, and will miss his presence and his contribution.

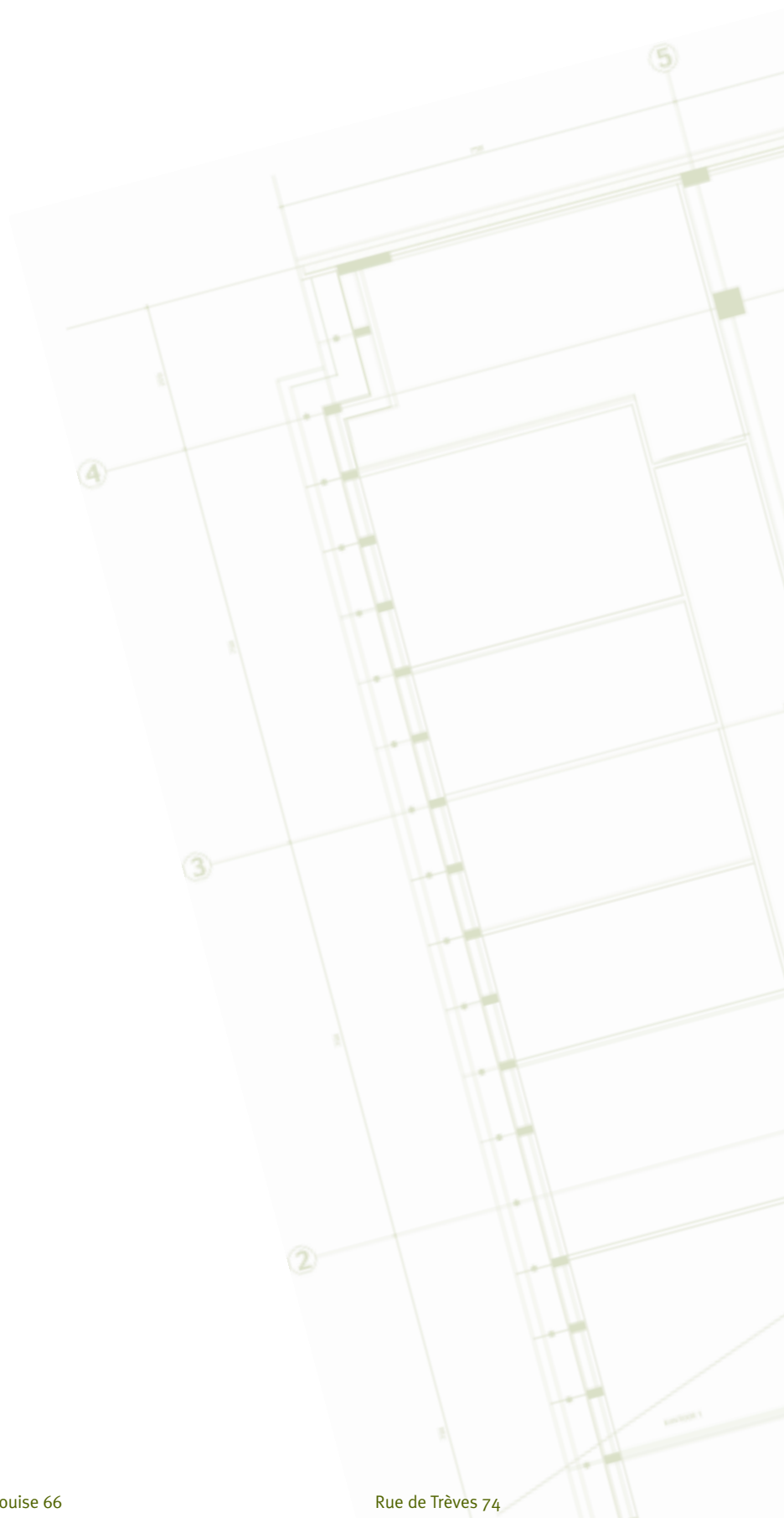
We invite you to examine our financial report.

Jean-Louis Appelmans
Managing Director

Luc Bertrand
Chairman of the Board of Directors

Kris Verhellen
Managing Director

¹ Exit tax is the tax levied on the capital gain when a building is submitted to sicafi regulations.



Avenue Louise 250



Avenue Louise 66



Rue de Trèves 74



Brussels CBD (Central Business District)

Strategy



■ Investment strategy

Leasinvest Real Estate evaluates all its investments against quality and return criteria:

- The location and accessibility of the buildings are important. The property fund invests primarily in buildings located on the outskirts of the cities in the Brussels/Ghent/Antwerp triangle, preferably located in business parks. Convenient access by public and private transport also plays an important role.
- The property fund invests in new or recent buildings of high quality, that meet the prevailing technical requirements.
- Leasinvest Real Estate aims to acquire buildings with high quality tenants who have signed long-term leases.
- The investments must generate an acceptable return which is determined taking account of the costs of maintenance and renovation.
- In the long term, the acquisitions should generate a capital gain.

Leasinvest Real Estate aims to expand in the longer term to a portfolio size of 500 million €.

■ Financing strategy

Leasinvest Real Estate has, until now, raised short-term finance to service its external debt by issuing commercial paper and short-term loans. Both means of financing are based on a variable interest rate, where the property fund covers the interest rate risk entirely via CAPS and IRS. The expiry date of the hedges are situated between 2003 and 2007. The strike interest rates lie between 3.75% and 4.08%, not including the credit margin.

During the 2002/2003 financial year, Leasinvest Real Estate will take advantage of relatively low interest rates to replace a proportion of this short-term finance by long-term bank loans.

■ Shareholder strategy

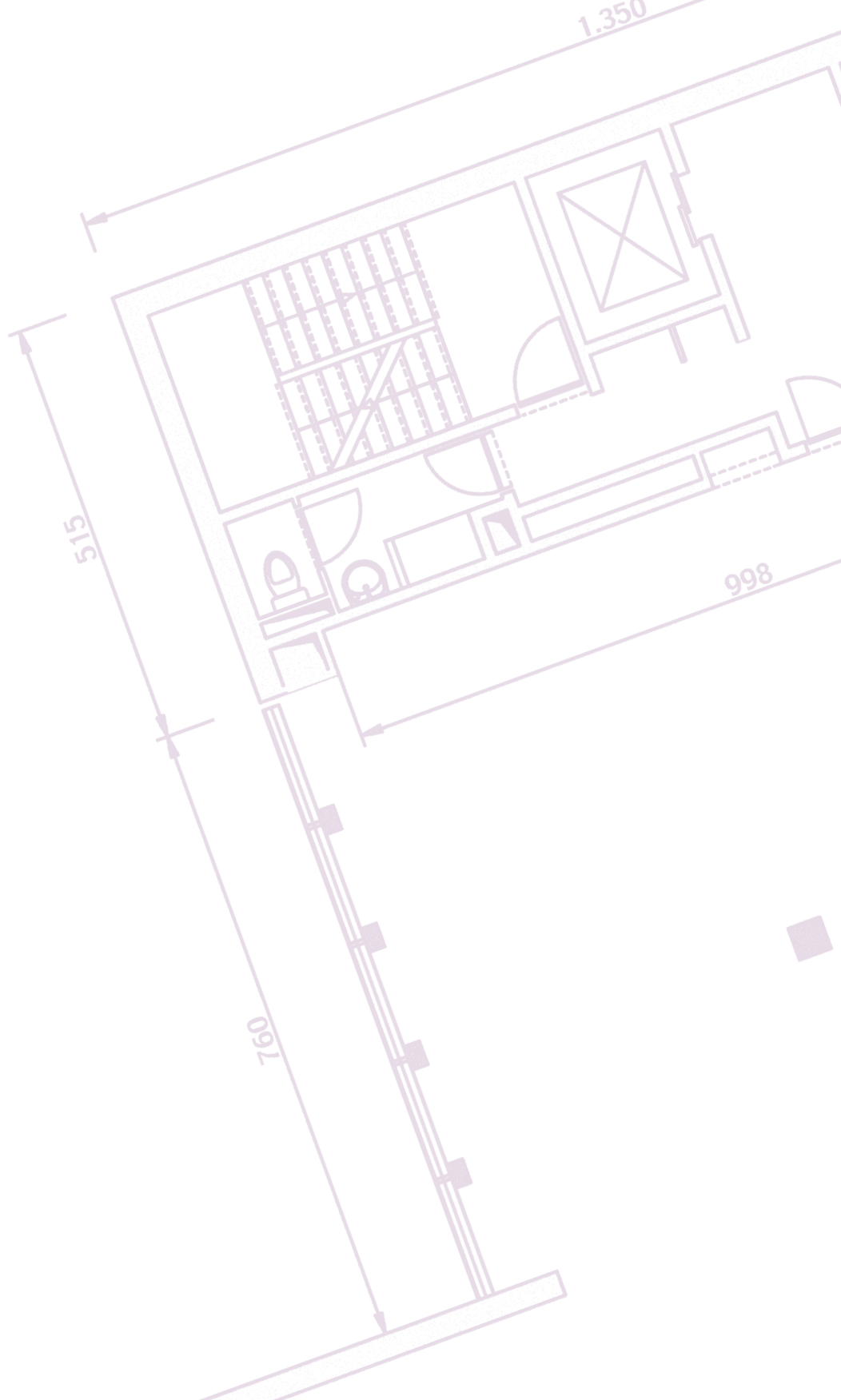
Leasinvest Real Estate has subscribed to the international financial transparency rules via its entry into the NextPrime segment of Euronext. From the start of this financial year (2002/2003), the property fund will start reporting quarterly to shareholders, and will maintain its accounts according to IAS standards as prescribed by Euronext for the NextPrime segment.

Through the continued growth and optimisation of the management of the portfolio, Leasinvest Real Estate intends to improve still further the financial ratios and the dividend return for shareholders.



Axxes Business Park, Ghent periphery





Brixton Business Park,
Zaventem



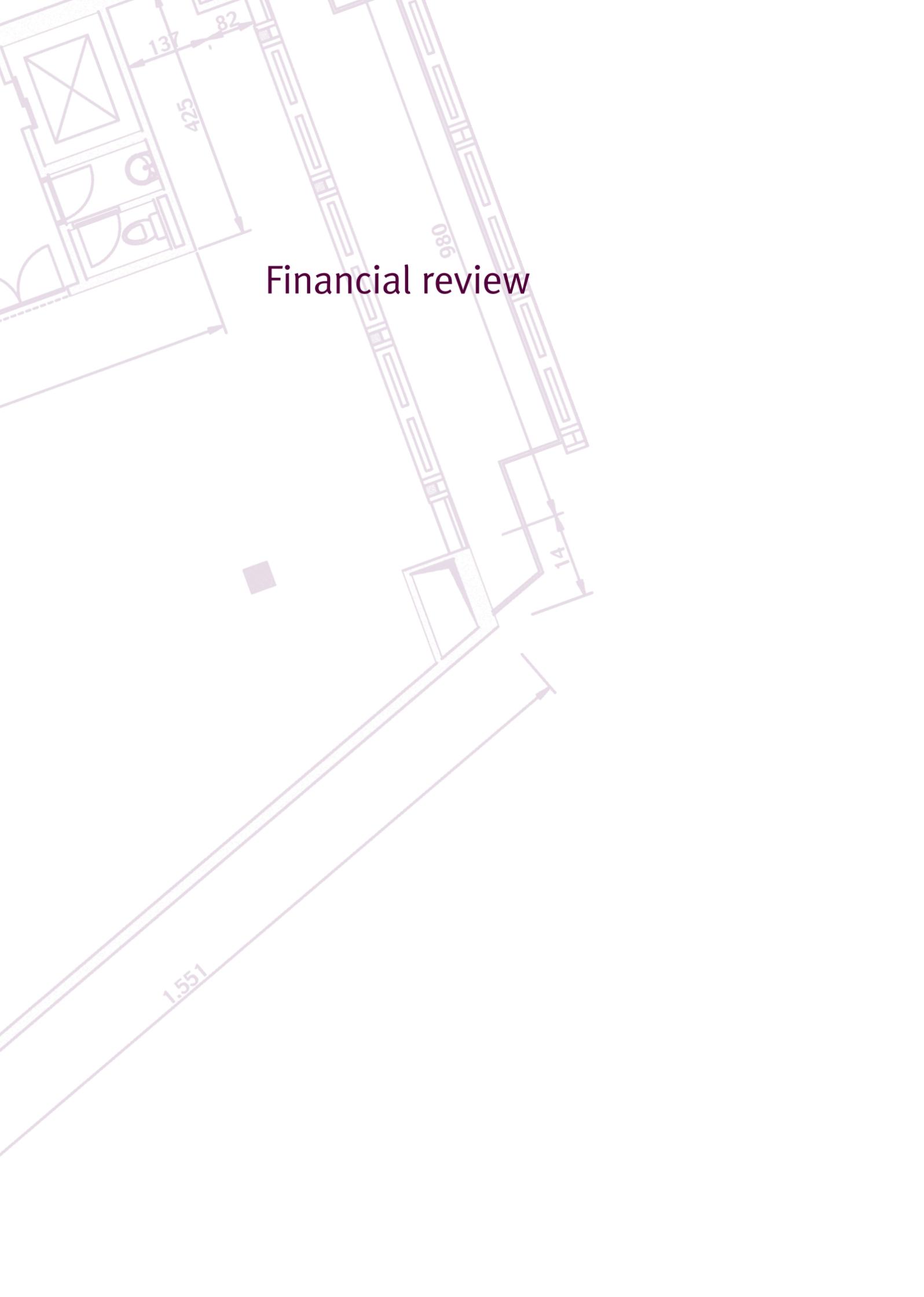
Brixton Business Park,
Zaventem



Vierwinden Business Park,
Zaventem



Brussels periphery



Financial review

■ Analytical results

Figures 30/06/2002: consolidated figures

(x 1,000 €)	30/06/2002	30/06/2001	30/06/2000
Rental income	17,105	13,568	12,705
Other operating income	1,694	1,401	1,348
Rental result	18,799	14,968	14,053
Direct real estate expenses	-2,437	-2,169	-648
Indirect real estate expenses	-477	-412	-717
Provisions	301	-126	-473
Real estate result	16,186	12,261	12,215
Operating expenses	-935	-781	-720
Operating result	15,250	11,480	11,495
Financial charges	-3,137	-1,812	-1,249
Financial income	292	128	121
Taxation	-10	646	48
Net current result	12,395	10,441	10,415

Other operating income does not include charges to be re-invoiced.

Direct real estate expenses are the costs of maintenance, renovation, vacancy and insurance. The costs of maintenance and renovation for the past financial year amounted to 1,638,143 €.

Indirect real estate expenses are all other expenses (excluding the remuneration of the statutory manager and the charges to be re-invoiced).

Operating costs include the remuneration of the statutory manager which amounted to 909,701 €.

■ Key balance sheet data

Figures 30/06/2002: consolidated figures

Assets (x 1,000 €)	30/06/2002	30/06/2001	30/06/2000
Fixed assets	269,519	200,945	177,288
Intangible fixed assets	269,519	200,945	177,288
Current assets	19,254	5,354	8,277
Accounts receivable in more than 1 year	205	274	225
Accounts receivable within 1 year	6,714	2,136	2,539
Investments and cash in hand and at bank	11,947	2,729	5,450
Prepayments and deferred income	388	214	63
Total assets	288,773	206,298	185,565
Liabilities (x 1,000 €)	30/06/2002	30/06/2001	30/06/2000
Capital and reserves	152,820	145,526	134,162
Provisions	2,476	669	543
Debts	133,478	60,104	50,860
Amounts payable in more than 1 year	7,475	46	46
Amounts payable within 1 year	89,463	44,240	34,896
Trade debts and taxes	2,464	2,240	3,197
Other debts	28,278	9,744	9,463
Accruals and deferred charges	5,797	3,833	3,258
Total liabilities	288,774	206,298	185,565
Solvency (%)	52.92	70.54	72.30
Debt ratio (%)	44.94¹	27.28	25.65

¹ Including the provisions for the exit tax, excluding these provisions the debt ratio amounted to 44.21%.

The value of the real estate portfolio, according to the valuations by the real estate experts, amounted to 269.5 million € at the end of June 2002. This 34% growth in comparison with the previous financial year is mainly the result of the acquisition of a number of office buildings in the Erasmus Science Park (Lenniksebaan 451, Anderlecht), the Axxes Business Park (Merelbeke, Ghent) and at Trierstraat 74 (Leopold District, Brussels). On 30 June 2002, in comparison with the previous year, a capital loss was recorded for the Riverside Business Park, Anderlecht (2,515,877 €), for the Brixton Business Park, Zaventem (224,429 €), for the Axxes Business Park (220,264 €) and Kontichsesteenweg 17, 38 and 38A in Aartselaar (72.820 €). These capital losses are the consequence of the increased yield used by the real estate valuers for peripheral locations, as well as the lower forecast rental value as a result of increased supply in these regions.

The rise in current assets and liabilities are due to the consolidation of the real estate companies Brussimmo and Ekiport which Leasinvest Real Estate took over during the second half of the last financial year.

The equity, after appropriation of the result, amounted to 152.8 million € at the end of June 2002, or 53.99 € per share. The net asset value per share rose 1.1% compared with the last financial year. Together with the proposed gross dividend payment of 3.96 €, the Leasinvest Real Estate share generated a total return¹ of 8.54% on an annual basis.

The provisions as of 30 June 2002 of 2.5 million € comprised a provision for major repairs and maintenance costs, and a provision for the exit tax of 2.1 million € as a result of the acquisition of Brussimmo and Ekiport. The long-term financial liabilities amounted to 7.5 million €, and related to the existing financing of the office building at Rue de Trèves 74 in the Brussels Leopold District.

The increase in short-term financial liabilities, which amounted to 89.5 million € is largely attributable to the financing of the office building at Lenniksebaan 451 in Anderlecht. The dividend to be paid out of 11 million € is included in the other liabilities of 28.3 million €.

■ Market performance

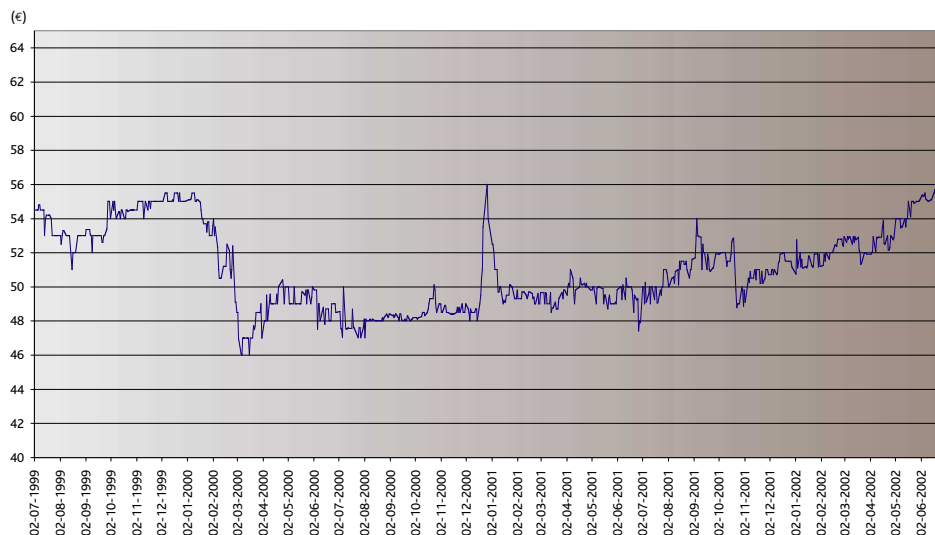
▼ Data per share

(€)	30/06/2002	30/06/2001	30/06/2000
Number of shares	2,830,366	2,725,624	2,525,124
Free float (%)	48.31	50.17	54.15
Market capitalisation	156,802,276	130,557,390	122,493,765
Volume of shares traded during the year	188,317	89,073	191,676
Average daily volume	38,570	17,405	40,450
Share price over the year			
highest ²	56.30	56.00	55.50
lowest ²	48.77	47.01	45.98
close	55.40	47.90	48.51
Net asset value excluding dividend	53.99	53.39	53.13
Net asset value including dividend	58.25	57.52	57.25
Pay out ratio (%)	93	92	89.30
Gross dividend	3.96	3.80	3.68
Net dividend	3.37	3.23	3.13

¹ Gross dividend + (net asset value_n – net asset value_{n-1}) / net asset value_{n-1}.

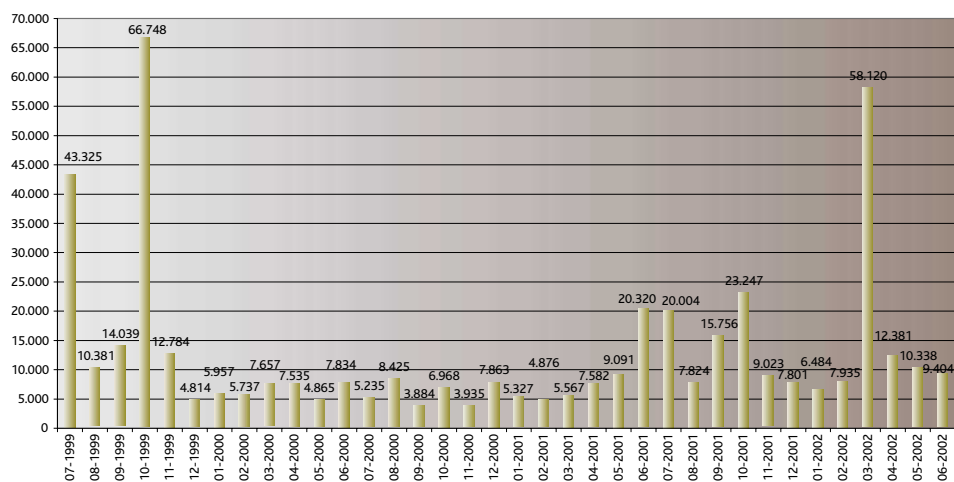
² Based on the closings.

▼ Change in the share price since the stock market listing on 2 July 1999



The price of Leasinvest Real Estate shares has risen considerably during the last financial year. The share price rose from 47.9 € at the end of June 2001 to 55.40 € at the end of June 2002, an increase of 15.66%.

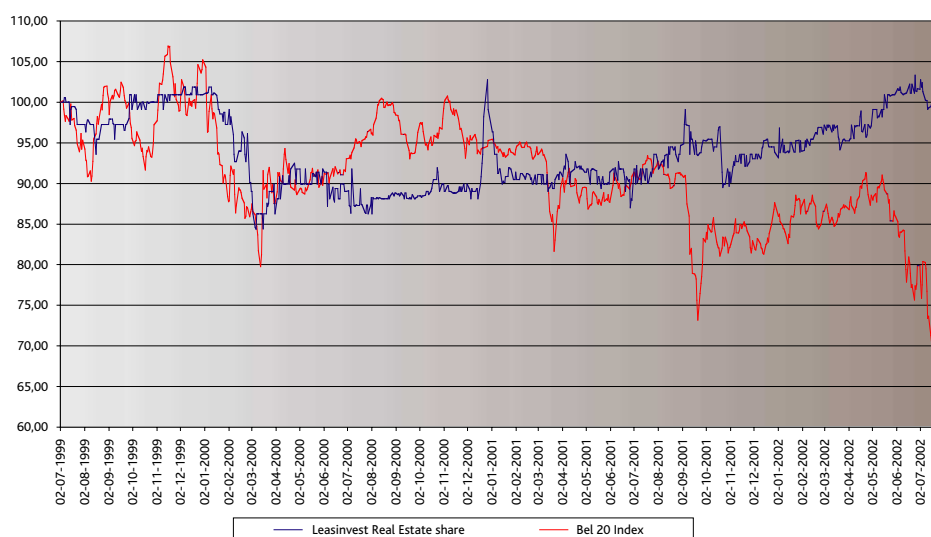
▼ Transaction volume per month since the stock market listing on 2 July 1999



The average transaction volume per month during the previous financial year amounted to 15,693 shares. In total, 188,317 shares were traded on an annual basis, compared with 89,073 the previous year. The annual turnover in the Leasinvest Real Estate stock amounted to 9,758,192 €, or 123% more than the previous year.

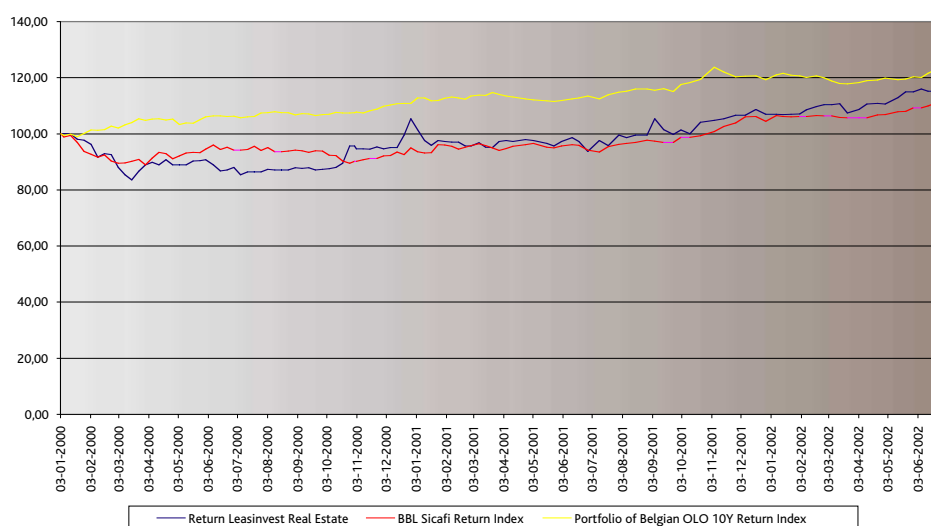


▼ **Change in the share price in comparison with the Bel 20 Index since the stock market listing on 2 July 1999**

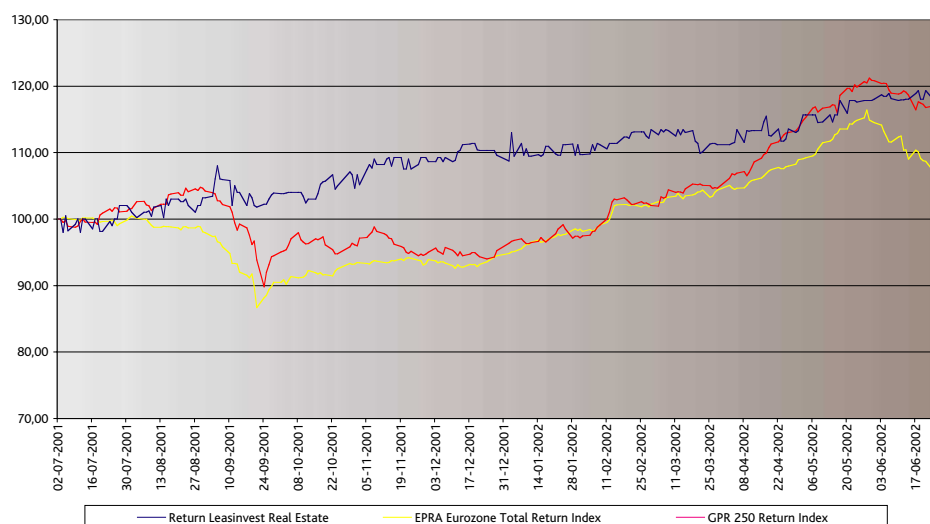


During the last financial year, with a share price increase of 15.66%, Leasinvest Real Estate almost continuously outperformed the Bel 20 Index, which closed 12.1% down. The change in prices of Leasinvest Real Estate shares also followed a much more stable pattern than the Bel 20 Index.

▼ **Change in the return of the share in comparison with the BBL Sicafi Return Index and the Portfolio of Belgian OLO 10Y Return Index**



▼ **Change in the return of the share in comparison with the EPRA Eurozone Total Return Index and the GPR 250 Return Index**



■ **Appropriation of the result**

The statutory profit for appropriation of the past financial year amounts to 11,848,486.25 €. Together with the profit carried forward from the previous financial year 2000/2001 of 1,427,002.58 € the total statutory profit for appropriation for the past financial year amounted to 13,275,488.83 €.

The Board of Directors of the statutory manager proposes to the general meeting of shareholders that it should appropriate the profit as follows:

- 2,256,396.62 € to be carried forward to the next financial year
- 11,019,092.21 € to be paid out as dividends.

The pay out ratio would therefore be 93 % (compared with 92% last year). This pay out ratio was forecast in the issue prospectus of 1999 and lies above the minimum 80% level imposed by the Royal Decree of 10 April 1995.

If the general meeting of shareholders approves this appropriation, Leasinvest Real Estate will pay out a gross dividend of 3.96 €. The net dividend amounts to 3.37 € for all 2,830,366 shares.

The payment of the dividend will occur on presentation of coupon no. 3 as from 28 October 2002 at branches of the Artesia Bank, Bacob, Bank Degroof, BBL and Fortis Bank.

■ Participating interests



Leasinvest Real Estate took over real estate companies Brussimmo and Ekiport during the second half of the last financial year. The annual accounts to 30 June 2002 consolidate the results of the three companies.

(€)	Brussimmo 01/01/2002 ²	Ekiport 01/06/2002 ²
Equity	17,561,552	-33,103
Balance sheet total	25,703,306	29,344,902
Net result	162,856	-50,128

¹ Except for one share.

² Date of inclusion in consolidation scope.

■ Outlook

Leasinvest Real Estate forecasts profit for appropriation of 12.9 million € or 4.55 € per share for the 2002/2003 financial year.

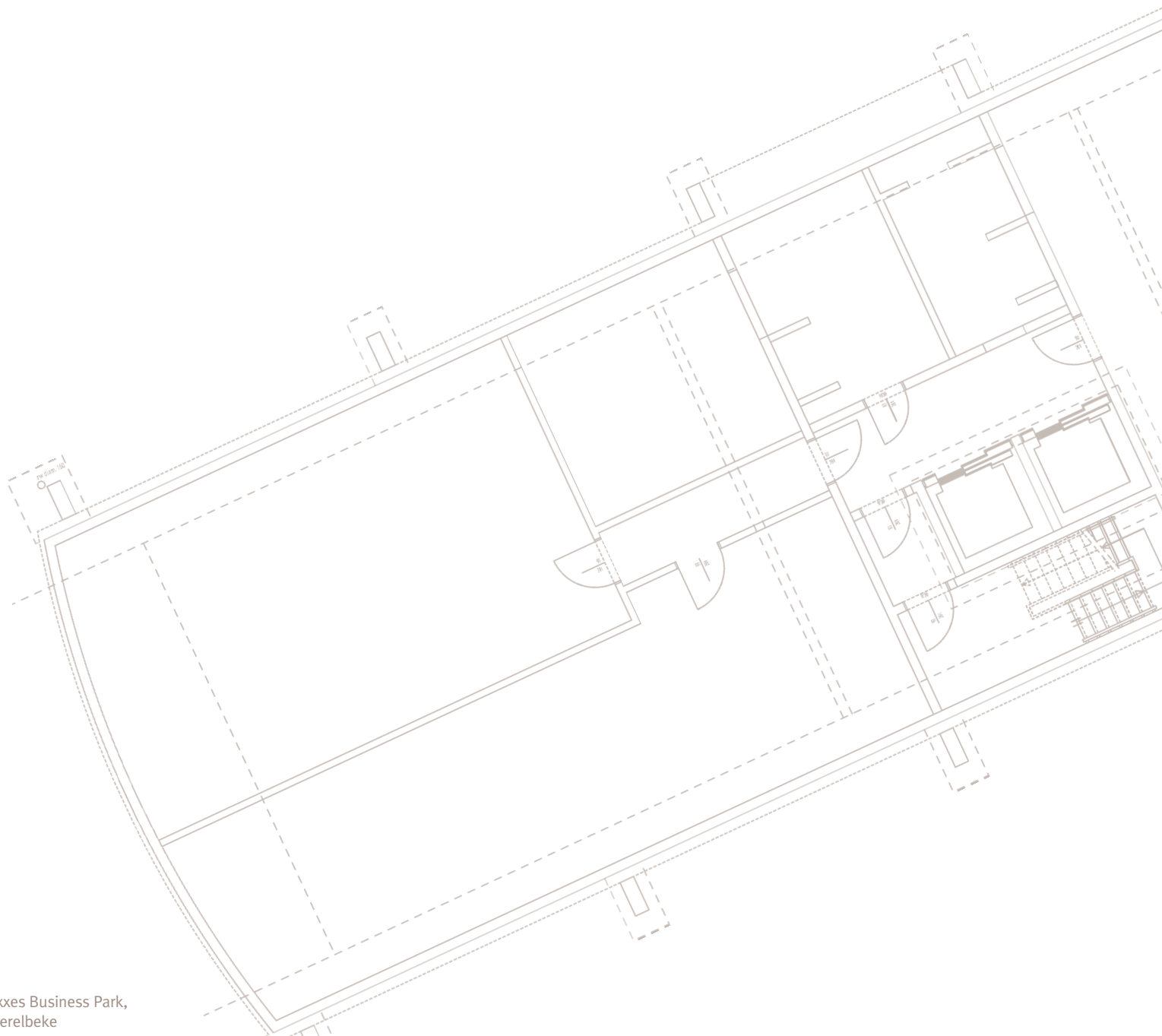
▼ Forecast consolidated results financial year 2002/2003

(x 1,000 €)	2002/2003
Rental income	20,929
Other operating income	1,247
Rental result	22,176
Direct real estate expenses	-1,554
Indirect real estate expenses	-1,360
Provisions	-500
Real estate result	18,762
Operating expenses	-1,197
Operating result	17,566
Financial charges	-4,592
Financial income	200
Taxation	-300
Net current result	12,874

Other operating income does not include charges to be re-invoiced.

Direct real estate expenses are the costs of maintenance, renovation, vacancy and insurance. Indirect real estate expenses are all other expenses (excluding the remuneration of the statutory manager and the charges to be re-invoiced).

Operating costs include the remuneration of the statutory manager.



Axxes Business Park,
Merelbeke



Ghent periphery



Property review

■ The Belgian real estate market

▼ Brussels

The Brussels investment market has remained stable. In the first half of 2002, 1.3 billion € in real estate transactions were carried out in Brussels. In 2001, the volume was 1.85 billion € compared with 1.95 billion in 2000.

The Brussels office rental market was showing signs of robust activity in early 2002. From January to the end of June, 234,000 m² were let, an increase of 15% on the second semester of 2001. 93% of the rental transactions were carried out with private-sector companies.

At the end of June 2002, the Brussels office market had average vacancy of 7% or 740,000 m². More than half of this was outside the CBD (Central Business District), in other words in the decentralised zone and the outskirts. In terms of vacancy, the Brussels property market was clearly operating at two speeds. The vacancy rate for the Leopold and North districts was approximately 2%, while the Louisa district remained stable at 7.2%. In the decentralised zone and outskirts, on the other hand, vacancy levels rose to 21.5% at the end of the first half of the year. Due to the completion of a large number of new buildings, vacancy continued to rise in the outskirts of the city, despite a rising take-up. The increasing take-up was largely the result of drastic incentives by property developers, with rent-free periods of a year no longer being regarded as exceptional. This change is threatening mostly second-generation buildings in the areas concerned.

The sharp fall in take-up and increased vacancy of office space in the Brussels decentralised zone and outskirts had little impact on the occupancy rate of Leasinvest Real Estate in this region. The fund only has a presence in the northern outskirts of Brussels with storage and retail space, in the Brixton Business Park (which represents 11.29% of the total real estate portfolio) and the Vierwinden Business Park (3.57% of the total real estate portfolio) in Zaventem.

▼ Antwerp

On the Antwerp office market, the top rents have remained stable. For new office buildings, prices were being pushed up by a continuing lack of availability, which was driving up the weighted average rents. For high-quality buildings, low vacancy rates are expected, while for older buildings, which are mainly located in the city centre, relatively high vacancy levels are forecast in the next few years, due to reconstruction of the Antwerp 'boulevards'.

▼ Ghent

The lack of high quality new projects in the outskirts of Ghent kept occupancy levels high and rents unchanged. In the near future, there may be changes due to the completion of new projects.

Sources: Belproperty, Catella Codemer, CB Richard Ellis, Jones Lang Lasalle and King Sturge

■ Changes in the portfolio

▼ Investments during the financial year

(Figures per 30/06/2002)	Year of construction	Property type	Total surface (m ²)	Occupancy (%)	Contractual rents (€)	Investment value (€)	Return (%)
BRUSSELS							
<i>Decentralised zone west</i>							
Route de Lennik 451	2002	Offices	15,132	100.00	1,997,416	27,500,000	7.26
<i>CBD Leopold district</i>							
Rue de Trèves 74	1994	Offices	5,515	100.00	1,310,552	17,430,000	7.52
GHENT Periphery							
Axxes Business Park							
Building 1	2000/01	Offices	2,510	100.00	353,397	4,740,000	7.46
Building 2	2000/01	Offices	3,024	96.52	441,357	5,780,000	7.64
Building 6/7	2000/01	Offices	7,013	100.00	997,766	13,150,000	7.59

- *Brussels Leopold District – Rue de Trèves 74, 1000 Brussels*

Leasinvest Real Estate made an initial investment in the Leopold district, the most important district in the Brussels market. In April 2002, the property fund acquired the shares of real estate company Brussimmo for 24.5 million €. The assets of this company included an office building located on the corner of rue de Trèves and rue Belliard, which has been totally let to EFTA (European Free Trade Association). The investment value of the building was estimated at 17.4 million € at the end of June 2002.

- *Anderlecht, Erasmus Science Park – Route de Lennik 451, 1070 Anderlecht*

In August 2002, Leasinvest Real Estate took over real estate company Ekiport. The price for taking over 100% of the shares was 1.7 million €. The real estate fund also took over the intercompany debts of Ekiport, which amounted to 26.1 million €. Leasinvest Real Estate had the benefits of the shares from 1 June 2002. Ekiport owns a new office building in the Erasmus Science Park in Anderlecht. The building, with an estimated investment value of 27.5 million € at the end of June 2002, is being leased to L'Oréal Belgilux.

- *Ghent outskirts, Axxes Business Park – buildings D1, 2, 6 and 7, Guldensporenpark 22-40, 9820 Merelbeke*

After previous investments in this business park, the property fund bought a further four office buildings in October and December 2001, which make it the owner of almost all the first phase of this park. The estimated investment value of these four buildings amounted to 23.7 million € at the end of June 2002.

▼ Divestment after the end of the financial year

(Figures per 30/06/2002)	Year of construction	Property type	Total surface (m ²)	Occupancy (%)	Contractual rents (€)	Investment value (€)	Return (%)
ANTWERP CBD							
Britselei 3-5-7	1978	Offices	757	55.45	36,369	526,000	6.91

• Antwerp city centre - Britselei 3-5-7, 2018 Antwerp

Leasinvest Real Estate signed an in-principle agreement for the sale of the office building in the Britselei 3-5-7 in Antwerp. The property fund sold the office building for 565,000 €, realising a capital gain of 39,000 €. The transaction was part of Leasinvest Real Estate's divestment policy, under which it will dispose of a number of smaller non-strategic buildings with a view to optimising the management of the portfolio.

▼ Leasing transactions

Leasinvest Real Estate entered into the following leasing transactions during the past financial year.

Tenant	Rental income (€)	Duration	Building	Location	Offices (m ²)	Warehouses (m ²)	Archive (m ²)	Parking spaces
Nashuatec (new + renewal)	585,398	6/9	Riverside Business Park	Anderlecht	4,036			155
Electrabel (new)	353,397	3/6/9	Axxes Business Park	Merelbeke	2,670			80
Ansell (new)	327,746	6/9	Riverside Business Park	Anderlecht	2,090			70
Euro Crossroads Business Park (new)	239,220	3/6/9	Axxes Business Park	Merelbeke	1,766	100		60
McGuire Woods (renewal)	166,000	3/6/9	Avenue Louise 250	Brussels	963		10	11
Hammond Suddard Edge (new)	165,058	6/9	Avenue Louise 250	Brussels	963		18	10
Rolex Benelux (renewal)	159,321	3	Avenue Louise 250	Brussels	796		6	7
Smals-MvM (new)	90,134	3/6/9	Avenue Louise 66	Brussels	708			10
ITCS (new)	82,100	1/2/3	Riverside Business Park	Anderlecht	510			10
Dangaard Telecom (new)	58,185	3/6/9	Riverside Business Park	Anderlecht	420			7
CEKA Belgium (new)	55,037	3/6/9	Brixton Business Park	Zaventem	258	385		4
Lancaster RE (new)	36,013	6/9	Avenue Louise 66	Brussels	251			3
Electrabel (new)	31,324	2/5/8	Axxes Business Park	Merelbeke	237			7
Robert Half International (new)	3,910	1/1/1	J.F. Willemstraat	Antwerp				2
TQ ³ (new)	1,500	1/1/1	Axxes Business Park	Merelbeke				5
Tinchant (new)	600	1/1/1	Kontichsesteenweg 38	Aartselaar				2

Top ten tenants

1. Mobistar
2. L'Oréal Belgilux
3. Federal Mogul
4. EFTA (European Free Trade Association)
5. Group 4 Securitas
6. Redevco
7. Deloitte & Touche
8. Electrabel
9. Nashuatec
10. Vedior

The fact that four of the top ten tenants are renting space in the buildings that Leasinvest Real Estate has acquired in the last financial year shows that the property fund has focused its recent investments on large tenants.

▼ Termination of leases

The following tenants have terminated their lease since March 2002.

Tenant	Rental income (€)	Duration	Building	Location	Offices (m ²)	Warehouses (m ²)	Parking spaces
E-Com Interactive (already renewed)	395,547	3/6/9	Axxes Business Park	Merelbeke	2,670		80
EFPIA (already renewed)	149,964	6/9	Avenue Louise 250	Brussels	963	18	10
Proximmedia (already renewed)	62,550	3/6/9	Riverside Business Park	Anderlecht	218	420	17
Convum (vacant)	45,727	3/6/9	Brixton Business Park	Zaventem	136	449	4

The following tenants will not be renewing their lease when it reaches the first maturity date.

Tenant	Rental income (€)	Duration	Building	Location	Offices (m ²)	Warehouses (m ²)	Parking spaces
ITSC	83,330	31/12/2002	Riverside Business Park	Anderlecht	510		10
Labo Nelly Devuyt	55,953	31/12/2002	Brixton Business Park	Zaventem	79	526	8
Econocom	37,038	31/12/2002	Brixton Business Park	Zaventem	130	318	5
Robeco	56,417	31/01/2003	Avenue Louise 66	Brussels	251	23	4
Alno	39,040	31/05/2003	Avenue Louise 250	Brussels	231		1
Sanofi Synthélabo	237,327	31/03/2004	Brixton Business Park	Zaventem	312	3,036	35
Servico	124,285	31/03/2004	Kontichsesteenweg 38	Aartselaar	799	1,397	26
Royal Reinsurance	44,782	31/05/2004	Avenue Louise 66	Brussels	251	15	4

• *Brussels decentralised zone*

For the space that is being released at the Riverside Business Park due to the planned departure of ITSC, Leasinvest Real Estate is in negotiation with a potential tenant. ITSC is bound to pay compensation equivalent to six months' rent due to the termination of the lease. Leasinvest Real Estate is also in negotiation with its tenant Payrus (2,500 m²) concerning the extension of their existing contract beyond February 2003.

• *Brussels Louise District*

Due to the unexpected termination of the lease for the ground floor at Louizalaan 250 the property fund is looking for a new tenant. The office space in this building is subject to long-term leases.

Louizalaan 66 currently has 5 of 8 floors vacant. For some of the empty floors, the existing leases and income will continue until 2003, 2004, 2006 and 2007. Apart from the space that is let to Robeco, all the floors are still let long term. The small floors are ideal for companies that want to start up activities in Belgium. Due to the economic slowdown, various of these companies have chosen instead to withdraw from the Belgian market.

• *Brussels periphery*

For the Brixton Business Park, Leasinvest Real Estate forecasts a longer vacancy period of six to twelve months. Unlike the average re-letting period in this park, which is three months, none of the empty units were let in the past half year.

- *Ghent outskirts*

For the space (1,150 m²) in the Axxes Business Park, which was released by the departure of Belpan Holding, Leasinvest Real Estate is in final negotiations with a potential candidate concerning taking over the lease. Electrabel has taken over various ongoing leases and free space in the Axxes Business Park.

▼ Renovations and investments

Renovations restore rented premises to their condition prior to occupation, including replacing the flooring and the ceiling, and carrying out painting work. These renovations enable the premises to maintain their rent level. Investments go beyond the normal renovation work. They improve the comfort and the image of the premises, and have a positive impact on the rent level and the valuation of the building. The charges for maintenance and renovation for the past financial year amounted to 1,638,143 €.

Renovations

Leasinvest Real Estate has a multi-annual plan and budget for renovations and maintenance of its real estate portfolio, taking account of the age of the property, the work already carried out, and the renovations anticipated for new tenants. The property fund drew up a five-year plan for the systematic upgrading of its portfolio to new requirements in the field of fire protection, electricity panels, etc. For a number of buildings, these works have already started.

Budget for maintenance and renovation	30/06/2003	30/06/2004	30/06/2005
(€)	1,347,570	1,765,001	1,494,448

Renovations for new tenants

Leasinvest Real Estate carried out renovations last year to prepare for the arrival of new tenants:

- Riverside Business Park, Anderlecht: to building J for new tenant Ansell (2,050 m²), building K for existing tenant Nashuatec (1,580 m²) and building B for tenant Dangaard Telecom (638 m²).
- Brixton Business Park, Zaventem: to the unit for tenant Electronics Belgium (432 m²).
- Mechelsesteenweg 34, Antwerp: to five floors after the departure of tenant Alcatel (1,285 m²), and floors three and four for the expansion by tenant Robert Half International (1,050 m²).

With most leases entered into in the first half of 2002, the new tenant took over the existing facilities. This was the case for Euro Crossroads Business Park (Axxes Business Park, Merelbeke), Electrabel (Axxes Business Park) and Hammond Suddard Edge (Avenue Louise 250, Brussels).

Maintenance of the buildings

In addition to renovations in the context of new leases, attention was also paid to keeping the buildings themselves in good condition. The rain-proofing of the roof of unit 9 in the Brixton Business Park, Zaventem was completely replaced, for example.



Investments

Leasinvest Real Estate made a number of investments in the Riverside Business Park, Anderlecht.

- Building J (2,090 m²) was fitted with a complete climate control system based on a cool ceiling.
- Building K (1,580 m²) was also fitted with a complete climate control system, based on direct expansion evaporators.
- The first floor of building F (1,000 m²) was thoroughly renovated, the false floor was repaired, the ceiling renovated and a climate control system based on direct expansion evaporators was installed.
- In the second half of 2002, the same renovation will be carried out on the second floor of building F (494 m²) and in the left wing of building K (510 m²).

■ Composition of the real estate portfolio

(Figures per 30/06/2002)	Share in the portfolio (%)	Year of construction	Total surface (m²)	Contractual rents (€)	Estimated rental value (€)	Occupancy (%)	Contractual rents + estimated value of unoccupied space (€)	Investment value (€)	Return (%)	Potential return on 100% occupancy (%)
BRUSSELS	72.79		124,278	15,073,146	15,306,532		15,367,664	196,190,000		
Decentralised zone west										
Riverside Business Park	17.97	1992/96	26,931	3,529,037	3,756,498	94.04	3,752,779	48,440,000	7.29	
Phase I				953,181	924,246	99.96	953,553	12,080,000	7.89	7.40
Phase II				509,905	481,106	99.77	511,021	5,920,000	8.61	8.25
Phase III + IV				2,065,950	2,351,146	90.55	2,288,205	30,440,000	6.79	7.40
Route de Lennik 451	10.20	2002	15,132	1,997,416	2,021,592	100.00	1,997,416	27,500,000	7.26	7.60¹
Decentralised zone east										
Extensa Square	12.23	1991(I)/1996(II)	12,218	2,597,701	2,305,457	100.00	2,597,701	32,970,000	7.88	
Rue Colonel Bourg 153-155				1,647,427	1,425,254	100.00	1,647,427	20,610,000	7.99	7.10
Rue Colonel Bourg 149				950,274	880,203	100.00	950,274	12,360,000	7.69	7.20
CBD Louise district										
Avenue Louise 250	8.79	1975/76	11,225	1,813,396	1,791,362	99.79	1,817,139	23,680,000	7.66	7.50
Avenue Louise 66	2.27	1974/75	3,592	539,482	493,661	99.97	539,631	6,110,000	8.83	
Louise Side				331,652	293,673	100.00	331,652	3,630,000	9.14	8.15
Grosse Tour side				139,947	130,702	99.89	140,096	1,530,000	9.15	8.60
Retail part				67,884	69,286	100.00	67,884	950,000	7.15	7.25
CBD Leopold district										
Rue de Trèves 74	6.47	1994	5,515	1,310,552	1,166,145	100.00	1,310,552	17,430,000	7.52	6.85
Periphery north										
Brixton Business Park	11.29	1975	36,042	2,378,650	3,007,110	97.78	2,445,534	30,440,000	7.81	
Unit 1				304,217	315,310	90.65	333,707	3,600,000	8.45	8.40
Unit 2				255,659	288,909	87.06	293,054	3,480,000	7.35	8.25
Unit 3				303,206	261,055	100.00	303,206	3,260,000	9.30	8.25
Unit 4/5/6				722,805	1,433,221	100.00	722,805	11,350,000	6.37	8.00
Unit 8				262,679	224,068	100.00	262,679	2,760,000	9.52	8.25
Unit 9				292,757	258,357	100.00	292,757	3,200,000	9.15	8.25
Unit 10				237,327	226,190	100.00	237,327	2,790,000	8.51	8.15
Vierwinden Business Park	3.57	1973	13,623	906,912	764,707	100.00	906,912	9,620,000	9.43	8.35-8.50
GHENT	15.33		23,897	3,167,674	3,110,834		3,187,375	41,310,000		
Periphery										
Axxes Business Park	15.33	2000/01	23,897	3,167,674	3,110,834	99.37	3,187,375	41,310,000	7.67	
Building 1				353,397	347,485	100.00	353,397	4,740,000	7.46	7.60
Building 2				441,357	434,855	96.52	456,472	5,780,000	7.64	7.60
Building 3				464,735	436,646	98.95	469,321	5,850,000	7.94	7.60
Building 4				476,971	455,690	100.00	476,971	6,040,000	7.90	7.60
Building 5				433,447	435,487	100.00	433,447	5,750,000	7.54	7.60
Building 6/7				997,766	1,000,672	100.00	997,766	13,150,000	7.59	7.60

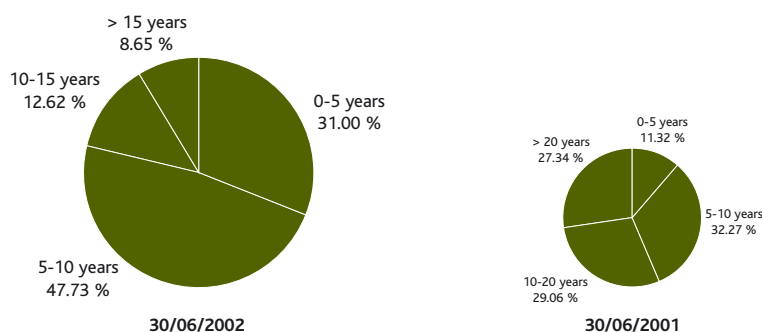
¹ Return excluding leasing.



(Figures per 30/06/2002)	Share in the portfolio (%)	Year of construction	Total surface (m²)	Contractual rents (€)	Estimated rental value (€)	Occupancy (%)	Contractual rents + estimated value of unoccupied space (€)	Investment value (€)	Return (%)	Potential return on 100% occupancy (%)
ANTWERP	11.88		44,367	2,707,485	2,754,760		3,004,824	32,019,000		
Periphery										
Prins Boudewijnlaan 7	6.13	1989	27,589	1,467,152	1,345,391	100.00	1,467,152	16,530,000	8.88	8.30
Kontichsesteenweg 17. 38. 38A	1.68		5,400	325,425	401,352	67.45	456,072	4,538,000		7.17
Kontichsesteenweg 17		1973		124,285	97,639	100.00	124,285	1,033,000	12.03	9.85
Kontichsesteenweg 38		1986		0	130,647	0.00	130,647	1,335,000	0.00	9.00
Kontichsesteenweg 38A		1990		201,140	173,066	100.00	201,140	2,170,000	9.27	8.25
Schranshoevebaan 18	0.94	1993	2,394	215,037	215,601	100.00	215,037	2,530,000	8.50	8.50
Delta Business Park	0.96	2000	1,815	214,745	211,778	100.00	214,745	2,590,000	8.29	8.20
CBD	2.16		7,169	485,126	580,638	71.29	651,818	5,831,000	8.32	
Mechelsesteenweg 30-34 J,F, Willemstraat		1963 (34A)/ 1975 (34B)	5,005	334,105	442,073	67.78	475,539	4,360,000	7.66	9.50
Britselei 3-5-7		1978	757	36,369	54,455	55.45	60,627	526,000	6.91	9.80
Britselei 15		1970	1,407	114,652	84,110	100.00	114,652	945,000	12.13	9.50
TOTAL excluding rental guarantee	100.00		192,542	20,948,304	21,172,127	97.11	21,559,864	269,519,000	7.77	
Guarantee Leasinvest				629,526						
TOTAL including rental guarantee				21,577,830		100.00			8.01	

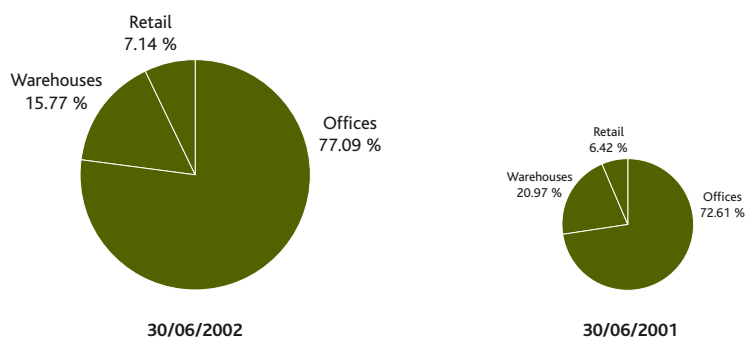
■ Analysis of the real estate portfolio

▼ Average age



The proportion of buildings under 10 years old rose during the past financial year from 43.59 to 78.73%. This significant rise was attributable to the investments made by Leasinvest Real Estate in a number of buildings at the Riverside Business Park, Anderlecht, and the acquisition of a number of new or recent buildings including the Axxes Business Park in Merelbeke (built 2000/01) and the office buildings at route de Lennik 451, Anderlecht (built 2002) and rue de Trèves 74, Brussels (built 1994).

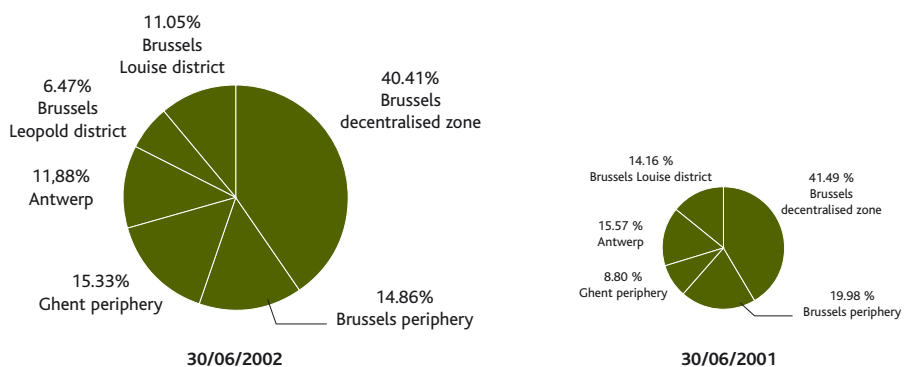
▼ Nature of the assets



Leasinvest Real Estate invests mainly in office property. In the total portfolio, the proportion of office space rose from 72.61 to 77.09% during the past financial year. Storage facilities declined as a proportion from 20.97 to 15.77%. The other 7.14%, constituted by retail space, was mainly accounted for by the Brixton Business Park in Zaventem.



▼ Geographical spread



Brussels accounted for a slightly lower proportion of the investments compared with the previous year, namely 72.79% at the end of the financial year, despite two additional investments, i.e. the acquisition of Rue de Trèves 74 in the Leopold district, and route de Lennik 451 in Anderlecht. The portfolio share of the Antwerp region also fell, from 15.57% to 11.88%. These falls are attributable to the rise in the share of the Ghent area, from 8.80% to 15.33%, due to the acquisition of four additional buildings at the Axxes Business Park in Merelbeke.

Within the Brussels region, investments in the decentralised zone are at 40.41%, followed by the CBD with 17.52% and the outskirts of the city with 14.68%. Due to the acquisition of the office building at the Lenniksebaan 451 in Anderlecht, the proportion of the Brussels decentralised zone fell during the past quarter from 41.49% to 40.41%. The proportion of the outskirts of the city and the Louise district fell to 14.86% and 11.05% respectively. A new area in the portfolio is the Leopold district, with a relative share of 6.47% of the portfolio.

The share of the Antwerp region fell still further after the end of the financial year, due to the sale of the building at Britselei 3-5-7.

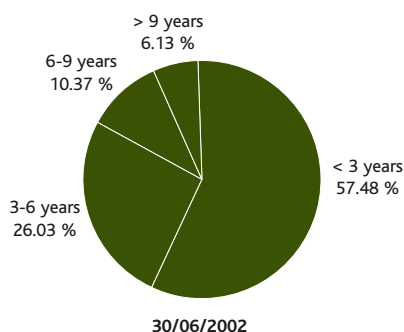
▼ Occupancy rate



The acquisition of fully-let buildings during the last financial year contributed to a further increase in the occupancy rate excluding rental guarantee to 97.11%, a rise of 3% on the previous year. Including the rental guarantee the occupancy amounted to 100%. Leasinvest Real Estate forecasts a further rise in occupancy to 97.40% by the end of 2002.

Occupancy has been on an upward trend for two years, after a period of decline from 95.70% when the fund was established to 92.25% in June 2000. Leasinvest Real Estate managed to turn the downward trend around due to intensive renovation/investment in older buildings, and increasing the professionalism of its property management.

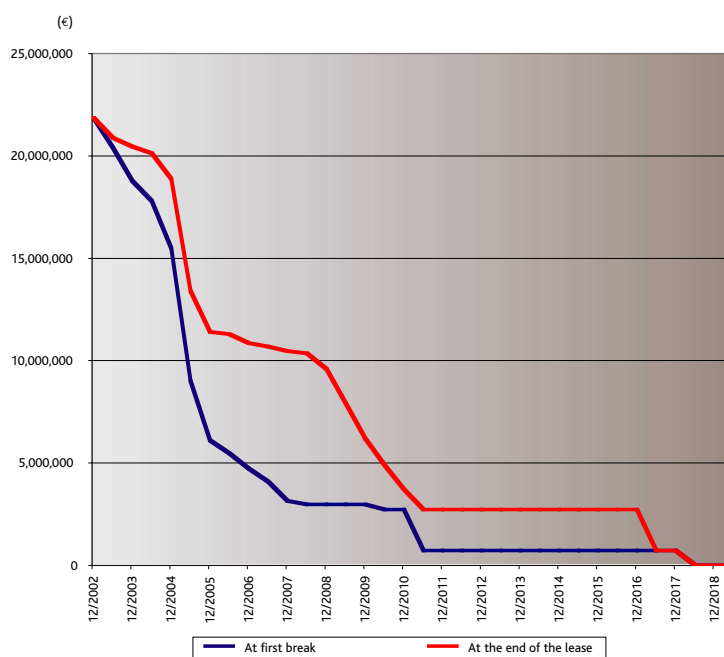
▼ Remaining lease terms and contractually guaranteed rental income



In the past year, the average lease term until the first break fell from 4.51 to 4.04 years. The number of leases with a break opportunity within three years rose from 53% to 57%.

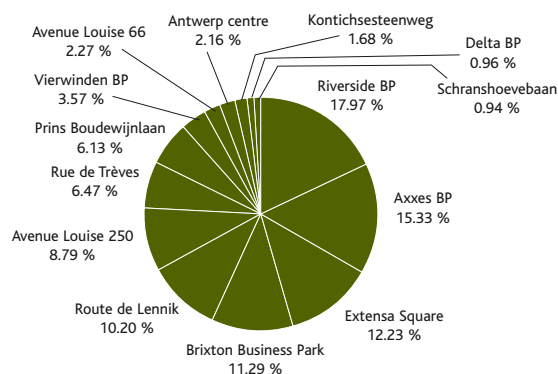
The most important reason for this is the relatively short residual term of the leases of the new acquisitions by the sicafi, with the exception of route de Lennik 451 in

Anderlecht. Various leases for the recently acquired buildings in the Axxes Business Park have a standard term of 3/6/9 years. The lease for the building in rue de Trèves 74 in the Leopold District in Brussels has a residual term of less than 3 years. The risk of this building becoming vacant is rather limited, in view of the very desirable location.



Due to the acquisition of an office building in route de Lennik 451, Anderlecht, the first break possibility and the break possibility at the end of the lease are further apart in comparison with the previous year.

▼ Breakdown of investment value

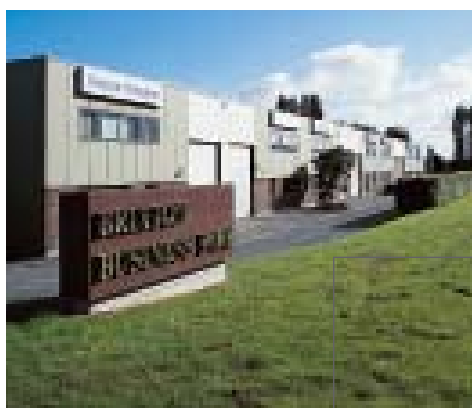


The top 3 investments by Leasinvest Real Estate are the Riverside Business Park, Anderlecht; the Axxes Business Park, Merelbeke and Extensa Square, Evere. 73.23% of the investments are located in business parks in Brussels, Ghent and Antwerp.

■ Description of the real estate portfolio

▼ >30,000 m²

• Brixton Business Park / Brixtonlaan 1-30, 1930 Zaventem



Business park alongside the E40 motorway, consisting of 6 semi-industrial buildings and 1 large retail space

Year built	1975/88, renovations carried out for new tenants	Estimated rental value	3,007,110 €
Area let	36,042 m ²	Occupancy rate	97.78%
Parking spaces	483	Estimated investment value	30,440,000 €
Contractual rent	2,378,650 €	Rental yield	7.81 %
		Value insured	16,711,019 €

▼ 30-20.000 m²

• Prins Boudewijnlaan 7, 2550 Kontich



Distribution centre

Year built	1989, extended in 2000	Occupancy rate	100%
Area let	27,589 m ²	Estimated investment value	16,530,000 €
Parking spaces	100	Rental yield	8.88 %
Contractual rent	1,467,152 €	Value insured	11,427,891 €
Estimated rental value	1,345,291 €		



- **Riverside Business Park / Boulevard International 55, 1070 Anderlecht**



Business park in verdant surroundings, consisting of 12 buildings, 9 of which are office buildings and 3 semi-industrial units

Year built	1992/96
Area let	26,931 m ²
Parking spaces	586
Contractual rent	3,529,037 €
Estimated rental value	3,756,498 €

Occupancy rate	94.04%
Estimated investment value	48,440,000 €
Rental yield	7.29 %
Value insured	30,782,024 €

- **Axxes Business Park / Guldensporenpark 22-40, 9820 Merelbeke**



Business park in a newly-laid out park alongside the E40 motorway, consisting of 7 new buildings

Year built	2000/01
Area let	23,897 m ²
Parking spaces	678
Contractual rent	3,167,674 €
Estimated rental value	3,110,834 €

Occupancy rate	99.37%
Estimated investment value	41,310,000 €
Rental yield	7.67 %
Value insured	28,329,849 €

▼ 20-10,000 m²

• Route de Lennik 451, 1070 Anderlecht



New office building in the Erasmus Science Park in Anderlecht

Year built	2002	Occupancy rate	100%
Area let	15,132 m ²	Estimated investment value	27,500,000 €
Parking spaces	250	Rental yield	7.26 %
Contractual rent	1,997,416 €	Value insured	24,967,697 €
Estimated rental value	2,021,592 €		

• Vierwinden Business Park / Leuvensesteenweg 532, 1930 Zaventem



Semi-industrial business park

Year built	1973, renovated in 1994 and 1998	Occupancy rate	100%
Area let	13,623 m ²	Estimated investment value	9,620,000 €
Parking spaces	287	Rental yield	9.43 %
Contractual rent	906,912 €	Value insured	9,624,694 €
Estimated rental value	764,707 €		



- **Extensa Square / Rue Colonel Bourg 149, 153-155**



Prestige office complex
consisting of 3 buildings,
2 of which are owned by
Leasinvest Real Estate

Year built 1991 (I)/1996 (II)
Area let 12,218 m²
Parking spaces 291
Contractual rent 2,597,701 €
Estimated rental value 2,305,457 €

Occupancy rate 100%
Estimated investment value 32,970,000 €
Rental yield 7.88 %
Value insured 28,718,350 €

- **Avenue Louise 250, 1000 Brussels**



Prestige office building
with 12 floors

Year built 1975/76, 4 of the 12 floors have been
completely renovated since the end of 2000
Area let 11,225 m²
Parking spaces 114
Contractual rent 1,813,396 €

Estimated rental value 1,791,362 €
Occupancy rate 99.79%
Estimated investment value 23,680,000 €
Rental yield 7.66 %
Value insured 20,221,966 €

▼ < 10,000m²

- Antwerp city centre

Office complex close to the National Bank



Mechelsesteenweg 30-34 +
Parking J.F. Willemstraat 1
Year built: 1963 (34), 1975 (30) –
renovated between 1996 and 2002



Britselei 3-5-7
Year built: 1978



Britselei 15
Year built: 1970

Area let	7,169 m ²
Parking spaces	103
Contractual rent	485,126 €
Estimated rental value	580,638 €

Occupancy rate	71.29%
Estimated investment value	5,831,000 €
Rental yield	8.32 %
Value insured	12,986,029 €

- Kontichsesteenweg 17, 38, 38A, 2630 Aartselaar



Three buildings, two of which are
office buildings and the other is a
semi-industrial building

Year built	1973 (17), 1986 (38), 1990 (38A) – renovated in 2001
Area let	5,400 m ²
Parking spaces	95
Contractual rent	325,425 €

Estimated rental value	401,352 €
Occupancy rate	67.45%
Estimated investment value	4,538,000 €
Rental yield	7.17 %
Value insured	4,302,365 €

- **Rue de Trèves 74, 1000 Brussels**



Office building on the corner of rue de Trèves and rue Belliard in the Brussels Leopold district

Year built	1994	Occupancy rate	100%
Area let	5,515 m ²	Estimated investment value	17,430,000 €
Parking spaces	68	Rental yield	7.52 %
Contractual rent	1,310,552 €	Value insured	17,997,070 €
Estimated rental value	1,166,145 €		

- **Avenue Louise 66, 1000 Brussels**



Office complex opposite the Conrad Hotel, consisting of two interconnected buildings and a retail ground floor

Year built	1974/75, renovated in 1987, 6 floors renovated in 2001	Estimated rental value	493,661 €
Area let	3,592 m ²	Occupancy rate	99.97%
Parking spaces	41	Estimated investment value	6,110,000 €
Contractual rent	539,482 €	Rental yield	8.83 %
		Value insured	5,875,462 €

- **Schranshoevebaan 18, 2160 Wommelgem**



A single office building with storage space in Wommelgem

Year built	1993	Occupancy rate	100%
Area let	2,394 m ²	Estimated investment value	2,530,000 €
Parking spaces	44	Rental yield	8.50 %
Contractual rent	215,037 €	Value insured	2,753,153 €
Estimated rental value	215,601 €		

- **Delta Business Park / Technologiepark Satenrozen, Satenrozen 1A bus 1, 2550 Kontich**



Business park in newly laid-out park, with Leasinvest Real Estate being the owner of the first office building

Year built	2000	Occupancy rate	100%
Area let	1,815 m ²	Estimated investment value	2,590,000 €
Parking spaces	47	Rental yield	8.29 %
Contractual rent	214,745 €	Value insured	1,899,317 €
Estimated rental value	211,778 €		

■ Report of the real estate experts - conclusions

Our valuation has been prepared on the basis that the information provided to us by Leasinvest Real Estate SCA is correct and complete and on there being no undisclosed matters which would affect our valuation.

We made our valuation using the method of capitalisation of the estimated rental value, with corrections for the updating of the difference between current and estimated rental income, and on the basis of the points of comparison that were available as at the date of valuation.

The values were determined taking market parameters into account.

We would like to draw your attention to the following points:

1. The asset base consists of business parks, offices and semi-industrial buildings or distribution centres, situated in Brussels, Zaventem, Antwerp and Ghent (Merelbeke).
2. Occupancy of these properties is 97.11%.
3. The average of the actual rental income (+ the estimated rental value of vacant properties) is 1.8% higher than the estimated rental value.
4. Two buildings (Anderlecht, Route de Lennik and Brussels, rue de Trèves-rue Belliard) have been added to the portfolio.

For all buildings of Leasinvest Real Estate SCA, we determined a gross investment value, as of 30 June 2002, of 269,500,000 € (two hundred and sixty-nine million five hundred thousand euro) or BEF 10,871,000,000 (ten billion eight hundred and seventy-one million Belgian francs). This amount includes the portion of the portfolio valued by the firm Winssinger & Associés.

On this basis, the initial yield was 7.77%.



Cushman & Wakefield Healey & Baker



Prins Boudewijnlaan 7,
Kontich



Kontichsesteenweg 17, 38, 38A,
Aartselaar



Delta Business Park,
Kontich



Antwerp periphery

A faint, tilted architectural floor plan of a building serves as the background. It shows various rooms, corridors, and structural elements in light yellow and grey lines. The plan is oriented diagonally, with the top-left corner towards the upper left of the frame.

Financial statements and notes

■ Consolidated annual accounts

▼ Consolidation scope

The following companies, controlled by Leasinvest Real Estate, are fully integrated in the consolidation.

Name and registered office of the subsidiary	VTA number	Deel in het kapitaal
Brussimmo SA, rue Montoyer 63, 1000 Brussels	BE 434.072.624	100 % ¹
Ekiport SA, rue Montoyer 63, 1000 Brussels	BE 455.055.209	100 % ¹

¹ Except for one share.

▼ Balance sheet

(x 1,000 €)		01/07/2001- 30/06/2002	01/07/2000- 30/06/2001	01/07/1999- 30/06/2000
ASSETS				
FIXED ASSETS	20/28	269,519	200,945	177,288
III. Tangible fixed assets	22/27	269,519	200,945	177,288
A. Land and buildings	22	269,519	200,945	177,288
CURRENT ASSETS	29/58	19,254	5,353	8,277
V. Accounts receivable in more than 1 year	29	205	274	225
B. Other accounts receivable	291	205	274	225
VII. Amounts receivable within 1 year	40/41	6,714	2,136	2,539
VIII. Investments	50/53	11,150	2,441	5,354
B. Other investments	51/53	11,150	2,441	5,354
IX. Cash in hand and at bank	54/58	797	288	96
X. Prepayments and deferred income	490/1	388	214	63
TOTAL ASSETS	20/58	288,773	206,298	185,565
LIABILITIES				
CAPITAL AND RESERVES	10/15	152,820	145,526	134,162
I. Capital	10	31,123	29,971	27,765
A. Issued capital	100	31,123	29,971	27,765
II. Share premium account	11	12,065	7,710	
III. Revaluation surpluses	12	96,500	96,500	96,500
IV. Reserves	13	10,347	9,918	8,783
A. Legal reserves	130	602	602	602
B. Reserves not available for distribution	131	3,759	3,330	2,717
D. Available reserves	133	5,986	5,986	5,464
V. Profit brought forward	140	2,784	1,427	1,114
PROVISIONS AND DEFERRED TAXATION	16	2,476	669	543
VII. A. Provisions for liabilities and charges	160/5	2,476	669	543
2. Income taxes	161	2,108		
3. Major repairs and maintenance	162	368	669	543
DEBTS	17/49	133,477	60,103	50,860
VIII. Amounts payable in more than 1 year	17	7,475	46	46
A. Financial debts	170/4	7,475		
D. Other debts	178/9		46	46
IX. Amounts payable within 1 year	42/48	120,205	56,225	47,556
A. Amounts payable in more than 1 year, current portion	42	546		
B. Financial debts	43	88,917	44,240	34,896
C. Trade creditors	44	2,420	2,159	3,062
E. Unpaid taxes, salaries and social security	45	44	81	135
F. Other debts	47/48	28,278	9,744	9,463
X. Accruals and deferred charges	492/3	5,797	3,833	3,258
TOTAL LIABILITIES	10/49	288,773	206,298	185,565

▼ Profit and loss account

(x 1,000 €)		01/07/2001- 30/06/2002	01/07/2000- 30/06/2001	01/07/1999- 30/06/2000
A. OPERATING RESULTS				
I. Operating income	70/74	20,265	15,822	15,424
A. Turnover	70	17,105	13,568	12,705
D. Other operating income	74	3,160	2,254	2,719
II. Operating expenses	60/64	-5,015	-4,342	-3,929
B. Goods and services bought	61	-3,447	-3,132	-1,770
C. Salaries, social security and pensions	62			52
D. Depreciation and diminutions of value on formation expenses, intangible and tangible fixed assets	630			-14
E. Depreciation and diminutions of value on stocks, work in progress and trade debtors	631/4		-100	-75
F. Provisions for liabilities and charges	635/7	301	-126	-473
G. Other operating expenses	640/8	-1,869	-984	-1,649
III. Operating result	70/64	15,250	11,480	11,495
IV. Financial income	75	410	611	121
B. Income from current assets	751	284	130	94
C. Other financial income	752/9	126	481	27
V. Financial charges	65	-3,255	-2,295	-1,249
A. Interest payable	650	-2,847	-2,027	-1,073
C. Other financial income	652/9	-408	-268	-176
VI. Taxation of the result	67/77	-10	646	48
A. Taxation	670/3	-19	-11	-52
B. Regularisation of taxation and withdrawal from provision for taxation	77	9	657	99
VII. Operating profit (+)		12,395	10,441	10,415
B. RESULTS ON THE PORTFOLIO				
IX. Fluctuations in the market value of components of the portfolio	743/643	429	613	2,598
A. Property (as defined by the R.D. of 10/04/1995)		429	613	2,598
1. Real estate and charges on real estate		429	613	2,598
Capital gains	74300	4,594	1,862	4,283
Capital losses	64300	-4,165	-1,249	-1,685
X. Profit on the portfolio		429	613	2,598
C. EXTRAORDINARY RESULTS				
XII. Extraordinary charges		-19		
B. Other extraordinary charges	664/8	-19		
XIII. Extraordinary loss (-)		-19		
D. RESULTS FOR APPROPRIATION				
XIV. Profit for the financial year		12,806	11,054	13,013

▼ Cash flow statement

Figures 30/06/2002: consolidated figures

(x 1,000 €)	30/06/2002	30/06/2001
A. Operating activities		
1. Net current profit of the financial year	12,721	10,441
2. Depreciation, provisions and diminutions of value	-627	226
3. Extraordinary result	-19	
Operating flow	12,075	10,667
B. Investment activities		
1. Net investments in real estate	-68,145	-23,144
2. Net investments in financial fixed assets	69	-49
Investment flow	-68,076	-23,193
C. Financing activities		
1. Variation of capital and reserves and share premium account	5,507	9,916
2. Variation of provisions	2,108	
3. Variation of amounts payable in more than 1 year	7,429	
4. Variation of amounts payable within 1 year	45,224	9,344
5. Paid dividends and tantièmes	-11,019	-9,606
6. Variation of the working capital requirement	15,969	152
Financing flow	65,218	9,806
D. Cash in hand and at bank		
1. Cash at the beginning of the financial year	2,730	5,450
2. Cash at the end of the financial year	11,947	2,730
Net change in treasury	9,217	-2,720

During the past financial year, Leasinvest Real Estate carried out a capital increase (including the issue premium) of 5.5 million € following the bringing-in of building D2 as capital from the Axxes Business Park, Merelbeke.

The property fund also made provision for future taxation, specifically the exit tax resulting from the take-over of real estate companies Brussimmo and Ekiport. The dividends, which are included in the other liabilities, largely explain the sharp increase in the variation of the working capital requirement.

▼ Notes to the consolidated accounts

Amounts in 1,000 €

IX. Statement of tangible fixed assets

	Land and buildings
A. Acquisition value	
At the end of the previous financial year	57,734
Changes during the financial year:	
- Acquisition value including capitalised production costs	68,145
Ghent - Axxes Business Park	23,855
Brussels - Rue de Trèves 74	16,550
Anderlecht - Route de Lennik 451	27,500
Capitalised expenses	239
At the end of the financial year	125,878
B. Capital gains	
At the end of the previous financial year	143,211
Changes during the financial year:	
- Posted	429
At the end of the financial year	143,641
D. Net book value at the end of the financial year	269,519

XI. Statement of consolidated reserves

Reserves at the end of the previous financial year (+) (-)	11,345
Changes during the financial year:	
- Consolidated result (+) (-)	12,806
- Distributable dividend Leasinvest Real Estate SCA	-11,019
Consolidated reserves at the end of the financial year (+) (-)	13,132

XIII. Statement of debts

A. Breakdown of amounts originally falling due in more than one year, by their remaining term	Maximum 1 year	More than 1 year 5 years maximum	More than 5 years
Financial debts	547		7,475
4. Loans from banks	547		7,475
Total	547		7,475

XIV. Results

	30/06/2002
A. Net turnover	
2. Total turnover of the group in Belgium	20,265
C. Extraordinary results	
2. Breakdown of extraordinary expenses, if substantial amounts are involved	19

XV. Rights and obligations not included on the balance sheet

- At the end of June 2002, a sales contract was signed for the sale of the building at Britselei 3-5-7 in Antwerp. The deed will be executed during the 2002/2003 financial year.
- In order to limit the risks of a rise in variable interest rates, Leasinvest Real Estate has partly hedged its borrowing by purchasing CAP stock to mid-2004 at a strike rate of 3.750%, a Cancellable Swap to 28/03/2003 at a fixed interest rate 4.080% per year and an Interest Rate Swap to 13/5/2007 at a fixed interest rate of 3.895% per year.
- Leasinvest Real Estate is the guarantor of the loan by Fortis Bank to Brussimmo SA (maturity 28/12/2002).

XVII. Financial relationship with the statutory manager of the consolidating company

A. Total amount of remuneration paid for its activities in the consolidating company, its subsidiaries and affiliated companies to the statutory manager.	935
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• Acquisition values / capital gains and losses of the portfolio

	Issue prospectus 30/06/1999	Acquisitions and investments 1999/2000	Estimated investment value 30/06/2000	Capital gains and losses 1999/2000	Acquisitions and investments 2000/2001	Estimated investment value 30/06/2001	Capital gains and losses 2000/2001	Acquisitions and investments 2001/2002	Estimated investment value 30/06/2002	Capital gains and losses 2001/2002
BRUSSELS										
Riverside Business Park	50,545,489.70		50,743,804.52	198,314.82		50,644,647.11	-99,157.41	311,230.30	48,440,000.00	-2,515,877.41
Route de Lennik 451								27,500,000.00	27,500,000.00	0.00
Extensa Square	30,738,797.07	1,165,099.57	32,622,787.86	718,891.22		32,721,945.27	99,157.41		32,970,000.00	248,054.73
Avenue Louise 250	22,583,100.11		22,558,310.75	-24,789.36		22,583,100.11	24,789.36		23,680,000.00	1,096,899.89
Avenue Louise 66	4,015,875.10	1,157,467.32	5,651,972.36	478,629.94		5,875,076.54	223,104.18	-10,591.77	6,110,000.00	245,515.23
Rue de Trèves 74								16,549,678.78	17,430,000.00	880,321.22
Brixton Business Park	29,474,540.10		30,490,903.55	1,016,363.45	52,577.32	30,664,429.01	120,948.14		30,440,000.00	-224,429.01
Vierwinden Business Park	9,370,375.24		9,444,743.29	74,368.05		9,494,322.00	49,578.71		9,620,000.00	125,678.00
GHENT										
Axxes Business Park					17,761,326.16	17,674,808.32	-86,517.84	23,855,455.87	41,310,000.00	-220,264.19
ANTWERP										
Prins Boudewijnlaan 7	14,450,425.14	1,382,888.28	15,617,292.06	-216,021.36		15,766,028.18	148,736.12	-61,147.13	16,530,000.00	825,118.95
Kontichsesteenweg 17, 38, 38A	4,131,269.54	24,409.08	4,090,243.16	-65,435.46	200,015.64	4,610,819.56	320,560.76		4,538,000.00	-72,819.56
Schranshoevebaan 18					2,465,815.31	2,503,724.60	37,909.29		2,530,000.00	26,275.40
Delta Business Park					2,564,031.39	2,578,092.66	14,061.27		2,590,000.00	11,907.34
Antwerp Centre	5,420,370.55	230,671.25	6,068,433.49	417,391.69		5,827,976.77	-240,456.72		5,831,000.00	3,023.23
	170,730,242.54	3,960,535.50	177,288,491.04	2,597,713.00	23,043,765.82	200,944,970.13	612,713.27	68,144,626.05	269,519,000.00	429,403.82

• Statement of the capital

	Date	Issued capital (x 1,000 €)	Number of shares
Initial capital Brixton Zaventem SA (former name Leasinvest Real Estate)	31/12/1998	2,922	61,250 ¹
Division of Brixton Zaventem SA capital into new number of shares	04/05/1999		864,808
Buy-back of own shares and cancellation of bought-back shares			-24,603
Bringing-in of "Extensa buildings" into Brixton Zaventem SA	08/06/1999	2,788	727,818
Bringing-in of Vierwinden Business Park (Zaventem)	08/06/1999	9,370	191,574
Total before public offering of shares		15,080	1,759,597
Capital increase (and change of name from Brixton Zaventem SA to Leasinvest Real Estate and approval as sicafi)	08/06/1999	20,334	370,851
Merger between Leasinvest Real Estate and Brixton Louise SA	08/06/1999	7,561	394,672
Merger between Leasinvest Real Estate and Kapex	08/06/1999		4
Reduction of the capital	08/06/1999	-15,209	
Capital after public offering of shares		27,765	2,525,124
Bringing-in of D4 and D5 of the Axxes Business Park (Merelbeke)	28/06/2001	2,206	200,500
Bringing-in of D2 of the Axxes Business Park (Merelbeke)	14/12/2001	1,152	104,742
Issued capital		31,123	2,830,366

¹ Own shares were cancelled.



• **Presentation of the annual accounts**

Under the derogation granted by the Minister of Economic Affairs and Scientific Research on 25 August 2000, on the basis of a favourable opinion from the Accounting Standards Committee, the profit and loss account was adapted to the specific features of a sicafi. This derogation was granted for the 1999, 2000 and 2001 financial years.

Object of the derogation

In order to reflect the specific business activity of the sicafi, the results were split as follows:

- A. The operating result, which comprise the operating income and expenditure relating to the management of the assets, the financial results and taxes.
- B. The results from the portfolio, which mainly reflect variations in the portfolio as a result of:
 - the realisation of components of the portfolio
 - the variation in the market value of the real estate valued by the experts.

The net balance of the variations in the market values is transferred to the reserves not available for distribution before the profit appropriation, while the capital losses or gains on the realisation of buildings are included fully in the results for appropriation of the financial year. In order to present the activities of the company faithfully, in the context of what was said above, in the presentation of the annual accounts, items XV A and B have been added – which are "Transfer to the reserves not available for distribution" and "Withdrawal from the reserves not available for distribution" respectively.

• **Valuation rules**

The main special valuation rules of Leasinvest Real Estate, which comply with accounting principles and the provisions of the Royal Decree, are as follows:

Provisions

The company has made provision for maintenance and renovation costs in order to maintain, or if possible, increase the quality of the buildings.

Tangible fixed assets

Tangible fixed assets are valued at the cost of acquisition, including ancillary charges and non-deductible VAT.

Notwithstanding the obligation under Article 7 of the law of 17 July 1975 on the bookkeeping and annual accounts of companies to draw up an inventory at least once per year, the sicafi, in accordance with Articles 55 to 61 of the R.D., draws up its inventory on 30 June of each year, and it also issues shares and buys them other than on the stock market.

At the end of each financial year, the following components of the fixed assets are valued in a precise manner by a real estate valuer:

- The real estate, the fixtures and the fixed charges on real estate that are held by the sicafi or, if the case arises, by a real estate company that it controls.
- Option rights to real estate held by the sicafi or, if the case arises, by a real estate company that it controls, as well as the real estate to which those rights relate.
- The rights deriving from contracts under which the sicafi or, if the case arises, a real estate company that it controls is given one or more properties in real estate leasing, as well as the underlying property.

These valuations are binding for the sicafi with regard to the presentation of its annual accounts.

Furthermore, at the end of each quarter of the financial year, the valuer updates the total valuation of the sicafi and, if the case arises, of the companies that it controls, based on the developments in the market and the specific characteristics of the real estate concerned.

The real estate is therefore shown in the annual accounts at the value estimated by a real estate valuer, transaction costs included, i.e. expenses, registration fees and professional fees, unless the Board of Directors decides to adopt a different valuation.

By derogation from Articles 27bis §3, 28 §3 and 34, first paragraph of the R.D. of 8 October 1976 on the annual accounts of companies, diminutions in value and revaluation surpluses of the real estate are as established by the valuer and approved by the Board of Directors.

By derogation from Articles 28, 52 and 30 of the R.D. of 8 October 1976 on the annual accounts of companies, the sicafi does not apply any depreciation to the components of the fixed assets described above, which are valued by an expert at the end of each financial year.

The costs of maintenance and major repairs are charged to the financial year to which they relate or are charged against the provisions made for that purpose.

The tangible fixed assets other than real estate, whose use is limited in time, are valued at their acquisition cost, after deduction of the depreciation calculated on the basis of their anticipated life.

For tangible fixed assets other than real estate, whose use is not limited in time, diminutions in value are posted in the event of a lasting diminution in value. These may be revalued if appropriate.

At the time of the disposal or retirement of tangible fixed assets other than real estate, the relevant purchase price and depreciation are removed from the accounts, the capital gains or losses shown in the profit and loss account.

Works on buildings that are to be paid for by the owner are treated in two different ways in accounting terms, depending on their nature.

The expenditure on maintenance and repair work that do not add any additional functions or improve the level of comfort of the building, the renovation of a roof for example, are treated as ordinary operating expenses for the financial year, and therefore are offset against the operating result.

On the other hand, the expenditure relating to two types of work is shown on the asset side of the balance sheet (capitalised):

- Major renovations: this concerns renovations that would normally take place every 25 to 35 years, and consist of virtually a complete reconstruction of the building, usually re-using the existing carcass of the building and applying the latest construction techniques. After that major renovation, the building can be considered as new, and it will be shown as such in the assets.
- Alterations: this concerns occasional works that add a function to the building, or considerably increase the level of comfort, enabling an increase in the rent and consequently in the estimated rental value. The costs of such works are also shown on the assets side of the balance sheet, because and to the extent that the valuer normally acknowledged a corresponding increase in the value of the building (example: installation of a climate control system).



Financial fixed assets

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

On acquisition, financial fixed assets are valued at their acquisition value, without taking account of ancillary expenses. The Board of Directors shall decide whether the ancillary expenses are capitalised and if the case arises, over what period they should be depreciated.

By derogation from Articles 29, section 2, first paragraph and 34, first paragraph of the R.D. of 8 October 1976 with regard to the annual accounts of companies, diminutions in value and revaluation surpluses of financial fixed assets held by associated real estate companies and real estate financial institutions are posted whenever the inventory is drawn up.

Article 10 and 14, section 1 of the R.D. of 8 March 1994 on the bookkeeping and annual accounts of collective investment undertakings with a variable number of shares are applicable for the valuation of the financial fixed assets held in associated real estate companies and real estate investment institutions.

Accounts receivable

The accounts receivable in more than one year and within one year are valued at their nominal value, after deduction of diminutions in value for doubtful or bad debts.

Financial investments

Financial investments are valued at their market value or, if this is impossible, at their acquisition value.

Provisions for liabilities and charges

Each year, the Board of Directors examines the necessity of making provisions to cover liabilities and charges that the sicafi may have to face.

Debts

Debts are valued at their nominal value.

Adjustment accounts

The adjustment accounts show the proportion of deferred charges and income that apply to the financial year or subsequent financial years.

▼ Report of auditor

Statutory auditor's report of the consolidated financial statements for the year ended June 30, 2002 to the shareholders' meeting of the company Leasinvest Real Estate CVA

In accordance with legal and regulatory requirements we are pleased to report to you on the performance of the audit mandate which you have entrusted to us.

We have audited the consolidated financial statements as of and for the year ended June 30, 2002 which have been prepared under the responsibility of the board of directors and which show a balance sheet total of 288,773,430 € and a profit for the year of 12,805,937 €. We have also carried out the specific additional audit procedures required by law.

• Unqualified audit opinion on the consolidated financial statements

We conducted our audit in accordance with the standards of the "Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, taking into account the legal and regulatory requirements applicable in Belgium.

In accordance with those standards, we considered the group's administrative and accounting organisation, as well as its internal control procedures. We have obtained the explanation and information required to perform our controls. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing accounting- and consolidating principles used and significant accounting estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, taking into account the applicable legal and regulatory requirements and the use of the format of consolidated annual accounts specific to fixed capital real estate investment trust, the consolidated financial statements give a true and fair view of the consolidated group's assets, liabilities, financial position as of June 30, 2002 and the results of its operations for the year then ended, and the information given in the notes to the financial statements is adequate.

• Additional certifications and information

We supplement our report with the following certifications and information which do not modify our audit opinion on the consolidated financial statements:

- The consolidated directors' report contains the information required by law and is consistent with the consolidated financial statements.
- Without prejudice to certain formal aspects of minor importance, the consolidated financial statements have been prepared in accordance with the legal and regulatory requirements applicable in Belgium.

Brussels, September 12, 2002

Ernst & Young Bedrijfsrevisoren BCV (B 160)
Statutory auditor
represented by



Jacques Vandernoot
Partner

■ Statutory accounts

▼ Balance sheet

(x 1,000 €)		01/07/2001- 30/06/2002	01/07/2000- 30/06/2001	01/07/1999- 30/06/2000
ASSETS				
FIXED ASSETS	20/28	250,851	200,945	177,288
III. Tangible fixed assets	22/27	224,589	200,945	177,288
A. Land and buildings	22	224,589	200,945	177,288
IV. Financial fixed assets	28	26,262		
A. Associated companies	280/1	26,262		
CURRENT ASSETS	29/58	16,020	5,353	8,277
V. Amounts receivable in more than 1 year	29	205	274	225
B. Other amounts receivable	291	205	274	225
VII. Amounts receivable within 1 year	40/41	3,640	2,136	2,539
A. Trade debtors	40	3,412	1,926	2,321
B. Other amounts receivable	41	228	210	218
VIII. Investments	50/53	11,150	2,441	5,354
B. Other investments	51/53	11,150	2,441	5,354
IX. Cash in hand and at bank	54/58	797	288	96
X. Prepayments and deferred income	490/1	228	214	63
TOTAL ASSETS	20/58	266,871	206,298	185,565
LIABILITIES				
CAPITAL AND RESERVES	10/15	151,412	145,526	134,162
I. Capital	10	31,123	29,971	27,765
A. Issued capital	100	31,123	29,971	27,765
II. Share premium account	11	12,065	7,710	
III. Revaluation surpluses	12	96,500	96,500	96,500
IV. Reserves	13	9,467	9,918	8,783
A. Legal reserves	130	602	602	602
B. Reserves not available for distribution	131	2,879	3,330	2,717
D. Available reserves	133	5,986	5,986	5,464
V. Profit brought forward	140	2,256	1,427	1,114
PROVISIONS AND DEFERRED TAXATION	16	326	669	543
VII. A. Provisions for liabilities and charges	160/5	326	669	543
DEBTS	17/49	115,133	60,103	50,860
VIII. Amounts payable in more than 1 year	17		46	46
D. Other debts	178/9		46	46
IX. Amounts payable within 1 year	42/48	110,402	56,225	47,556
B. Financial debts	43	64,844	44,240	34,896
C. Trade creditors	44	1,131	2,159	3,062
E. Unpaid taxes, salaries and social security	45	39	81	135
F. Other debts	47/48	44,388	9,744	9,463
X. Accruals and deferred charges	492/3	4,731	3,833	3,258
TOTAL LIABILITIES	10/49	266,871	206,298	185,565

▼ Profit and loss account

(x 1,000 €)		01/07/2001- 30/06/2002	01/07/2000- 30/06/2001	01/07/1999- 30/06/2000
A. OPERATING RESULTS				
I. Operating income	70/74	19,417	15,822	15,424
A. Turnover	70	16,266	13,568	12,705
D. Other operating income	74	3,151	2,254	2,719
II. Operating expenses	60/64	-4,908	-4,342	-3,929
B. Goods and services bought	61	-3,393	-3,132	-1,770
C. Salaries, social security and pensions	62			52
D. Depreciation and diminutions of value on formation expenses, intangible and tangible fixed assets	630			-14
E. Depreciation and diminutions of value on stocks, work in progress and trade debtors	631/4		-100	-75
F. Provisions for liabilities and charges	635/7	343	-126	-473
G. Other operating expenses	640/8	-1,859	-984	-1,649
III. Operating result	70/64	14,509	11,480	11,495
IV. Financial income	75	313	611	121
B. Income from current assets	751	186	130	94
C. Other financial income	752/9	126	481	27
V. Financial charges	65	-2,965	-2,295	-1,249
A. Interest payable	650	-2,557	-2,027	-1,073
C. Other financial charges	652/9	-408	-268	-176
VI. Taxation of the result	67/77	-8	646	48
A. Taxation	670/3	-17	-11	-52
B. Regularisation of taxation and withdrawal from provision for taxation	77	9	657	99
VII. Operating profit		11,848	10,441	10,415
B. RESULTS ON THE PORTFOLIO				
IX. Fluctuations in the market value of components of the portfolio	743/643	-451	613	2,598
A. Property (as defined by the R.D. of 10/04/1995)		-451	613	2,598
1. Real estate and charges on real estate		-451	613	2,598
Capital gains	74300	3,714	1,862	4,283
Capital losses	64300	-4,165	-1,249	-1,685
X. Profit on the portfolio			613	2,598
Loss on the portfolio (-)		-451		
D. RESULTS FOR APPROPRIATION				
XIV. Profit for the financial year		11,398	11,054	13,013
XV. Appropriation of the fluctuation in the market value of the portfolio				
A. Transfer to the reserves not available for appropriation (-)			-613	-2,598
B. Withdrawal from the reserves not available for distribution (+) (provided that they are still positive)		451		
XVI. Profit for the financial year for appropriation		11,848	10,441	10,415
APPROPRIATION OF THE RESULT				
A. Profit balance for appropriation		13,275	11,555	10,409
1. Profit (loss (-)) for the financial year for appropriation		11,848	10,441	10,415
2. Profit (loss (-)) brought forward from the last financial year		1,427	1,114	-6
C. Transfer to the capital and reserves (-)	691/2		-522	
3. To the other reserves	6921		-522	
D. Result to be carried forward (-)	693	-2,256	-1,427	-1,114
1. Profit to be carried forward (-)	693	-2,256	-1,427	-1,114
F. Distributable income (-)	694/6	-11,019	-9,606	-9,295
1. Dividends	694	-11,019	-9,606	-9,295

▼ Notes to the statutory accounts

Amounts in 1,000 €

III. Statement of tangible fixed assets

1. Land and buildings

A. Acquisition value

At the end of the previous financial year	57,734
Changes during the financial year:	
- Acquisition value including capitalised production costs	24,095
Ghent - Axxes Business Park	23,855
Capitalised expenses	239
At the end of the financial year	81,829

B. Capital gains

At the end of the previous financial year	143,211
Changes during the financial year:	
- Written off (-)	-451
At the end of the financial year	142,760

D. Net book value at the end of the financial year	224,589
-----------------------------------------------------------	----------------

IV. Statement of financial fixed assets

1. Associated companies

1. Participating interests

A. Acquisition value

At the end of the previous financial year	
Changes during the financial year:	
- Acquisition value including capitalised production costs	26,262
At the end of the financial year	26,262
Net book value at the end of the financial year	26,262

VI. Investments: other investments

	01/07/2001-30/06/2002	01/07/2000-30/06/2001
Fixed-interest securities	11	11
of which issued by financial institutions		
Fixed-term accounts with financial institutions	10,790	1,900
with a remaining term or notice period of		
- maximum one month	10,790	1,900
Other investments not shown above	349¹	530

VIII. Statement of the capital

	Amounts	Number of shares
A. Authorised capital		
1. Subscribed capital (heading 100 of the liabilities side)		
- At the end of the previous financial year	29,971	2,725,624
- Changes during the financial year:		
Capital increase	1,152	104,742
- At the end of the financial year	31,123	2,830,366
2. Composition of the capital		
2.1. Sorts of shares		
Bearer shares		
2.2. Registered or bearer shares		
Registered		1,460,746
Bearer		1,369,620

Xbis. Statement of debts

	01/07/2001-30/06/2002	01/07/2000-30/06/2001
B. Financial debts		
1. Loans from banks		15,150
2. Other loans	64,844 ²	29,090

¹ Premiums minus depreciation of hedging instruments.

² Treasury certificates.

XV. Rights and obligations not included on the balance sheet

- At the end of June 2002, a sales contract was signed for the sale of the building at Britselei 3-5-7 in Antwerp. The deed will be executed during the 2002/2003 financial year.
- In order to limit the risks of a rise in variable interest rates, Leasinvest Real Estate has partly hedged its borrowing by purchasing CAP stock to mid-2004 at a strike rate of 3.750%, a Cancellable Swap to 28/03/2003 at a fixed interest rate 4.080% per year and an Interest Rate Swap to 13/5/2007 at a fixed interest rate of 3.895% per year.
- Leasinvest Real Estate is the guarantor of the loan by Fortis Bank to Brussimmo SA (maturity 28/12/2002).

XVII. Financial relationship with the statutory manager of the consolidating company

- A. Total amount of remuneration paid for its activities in the consolidating company, its subsidiaries and affiliated companies to the statutory manager.

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• Acquisition values / capital gains and losses of the portfolio

	Issue prospectus 30/06/1999	Acquisitions and investments 1999/2000	Estimated investment value 30/06/2000	Capital gains and losses 1999/2000	Acquisitions and investments 2000/2001	Estimated investment value 30/06/2001	Capital gains and losses 2000/2001	Acquisitions and investments 2001/2002	Estimated investment value 30/06/2002	Capital gains and losses 2001/2002
BRUSSELS										
Riverside Business Park	50,545,489.70		50,743,804.52	198,314.82		50,644,647.11	-99,157.41	311,230.30	48,440,000.00	-2,515,877.41
Extensa Square	30,738,797.07	1,165,099.57	32,622,787.86	718,891.22		32,721,945.27	99,157.41		32,970,000.00	248,054.73
Avenue Louise 250	22,583,100.11		22,558,310.75	-24,789.36		22,583,100.11	24,789.36		23,680,000.00	1,096,899.89
Avenue Louise 66	4,015,875.10	1,157,467.32	5,651,972.36	478,629.94		5,875,076.54	223,104.18	-10,591.77	6,110,000.00	245,515.23
Brixton Business Park	29,474,540.10		30,490,903.55	1,016,363.45	52,577.32	30,664,429.01	120,948.14		30,440,000.00	-224,429.01
Vierwinden Business Park	9,370,375.24		9,444,743.29	74,368.05		9,494,322.00	49,578.71		9,620,000.00	125,678.00
GHENT										
Axxes Business Park					17,761,326.16	17,674,808.32	-86,517.84	23,855,455.87	41,310,000.00	-220,264.19
ANTWERP										
Prins Boudewijnlaan 7	14,450,425.14	1,382,888.28	15,617,292.06	-216,021.36		15,766,028.18	148,736.12	-61,147.13	16,530,000.00	825,118.95
Schranshoevebaan 18					2,465,815.31	2,503,724.60	37,909.29		2,530,000.00	26,275.40
Delta Business Park					2,564,031.39	2,578,092.66	14,061.27		2,590,000.00	11,907.34
Kontichsesteenweg 17. 38. 38A	4,131,269.54	24,409.08	4,090,243.16	-65,435.46	200,015.64	4,610,819.56	320,560.76		4,538,000.00	-72,819.56
Antwerp Centre	5,420,370.55	230,671.25	6,068,433.49	417,391.69		5,827,976.77	-240,456.72		5,831,000.00	3,023.23
	170,730,242.54	3,960,535.50	177,288,491.04	2,597,713.00	23,043,765.82	200,944,970.13	612,713.27	24,094,947.27	224,589,000.00	-450,917.40

▼ Report of the auditor

Statutory auditor's report for the year ended June 30, 2002 to the shareholders' meeting of the company Leasinvest Real Estate CVA

In accordance with legal and statutory requirements we are pleased to report to you on the performance of the audit mandate which you have entrusted to us.

We have audited the financial statements as of and for the year ended June 30, 2002 which have been prepared under the responsibility of the board of directors and which show a balance sheet total of 266,870,563 € and a profit for the year of 11,397,569 €. We have also carried out the specific additional audit procedures required by law.

• Unqualified audit opinion on the financial statements

We conducted our audit in accordance with the standards of the "Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, taking into account the legal and regulatory requirements applicable to financial statements in Belgium.

In accordance with those standards, we considered the company's administrative and accounting organisation, as well as its internal control procedures. Company officials have responded clearly to our requests for explanations and information. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing accounting principles used and significant accounting estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, taking into account the applicable legal and regulatory requirements and use of the format of annual accounts specific to fixed capital real estate investment trust, the financial statements give a true and fair view of the company's assets, liabilities, financial position as of June 30, 2002 and the results of its operations for the year then ended, and the information given in the notes to the financial statements is adequate.

• Additional certifications and information

We supplement our report with the following certifications and information which do not modify our audit opinion on the financial statements:

- The directors' report contains the information required by law and is consistent with the financial statements.
- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained and the financial statements have been prepared in accordance with the legal and regulatory requirements applicable in Belgium.
- No transactions have been undertaken or decisions taken in violation of the articles of incorporation of the company or Company Law. The appropriation of results proposed to the general assembly is in accordance with the legal requirements applicable for real estate companies and with articles of incorporation of the company.

Brussels, September 12, 2002

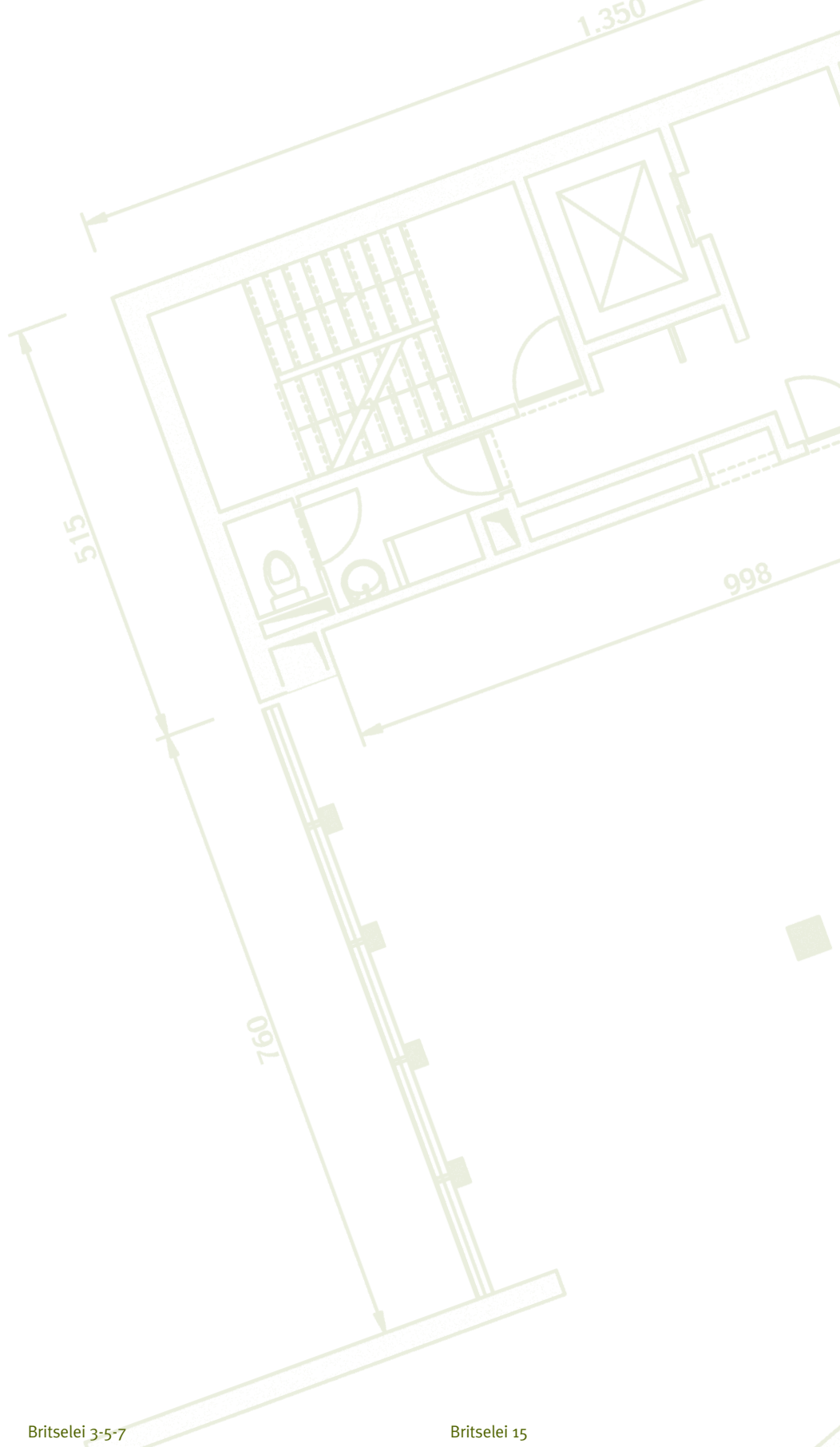
Ernst & Young Bedrijfsrevisoren BCV (B 160)

Statutory auditor

represented by



Jacques Vandernoot
Partner



Mechelsesteenweg 30-34



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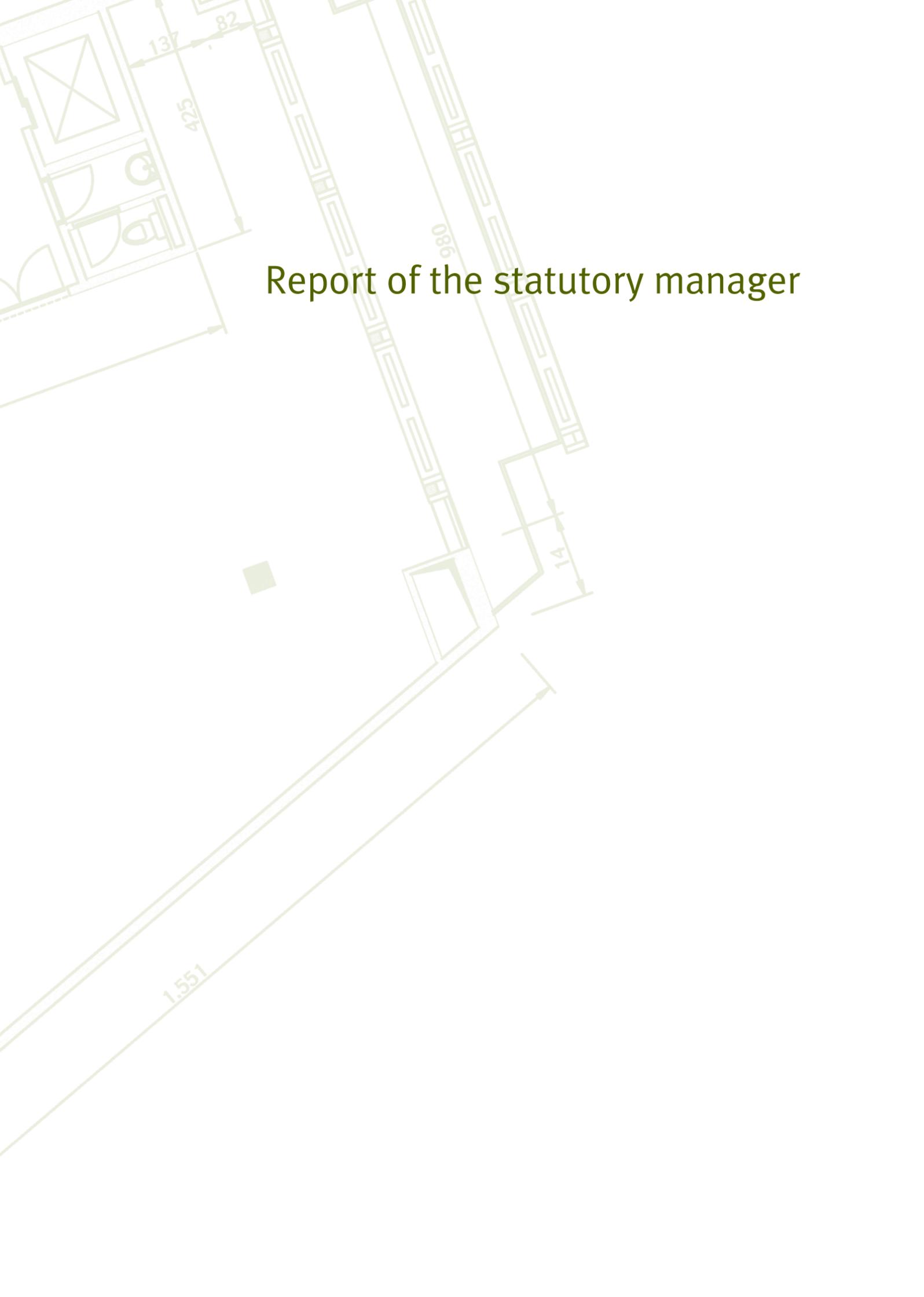
Britselei 3-5-7



Britselei 15



Antwerp CBD (Central Business District)



Report of the statutory manager

Ladies and
Gentlemen,

The Board of Directors of Leasinvest Real Estate Management SA (hereinafter referred to as the "statutory manager") has the honour of reporting to you on the activities of Leasinvest Real Estate SCA (hereinafter referred to as the "company") on its third financial year, which runs from 1 July 2001 to 30 June 2002, and submitting the annual accounts of the company to 30 June 2002 for your approval.

■ Investments during the 2001/2002 financial year

During the past financial year, the following transactions were carried out:

- In October 2001, the company bought the last two buildings of property developer Euro Crossroads Business Park SA (a joint venture 50%-owned by the Desimpel group and 50%-owned by the Uyttersprot group), forming part of an overall agreement (signed in November 2000) for the acquisition and bringing-in as capital of 5 office buildings at the Axxes Business Park in Merelbeke.
- In December 2001, the company acquired building 1 (with the exception of the ground floor) and brought in building 2 from Apollo Development SA. Both buildings are located in the Axxes Business Park in Merelbeke, in addition to our other 5 buildings, with which they form an ensemble of 7 buildings. Bringing-in of the one building was fully compensated by new shares in the company, the acquisition of the other building was paid for in cash.
- In April 2002, the company acquired 100% of the shares in real estate company Brussimmo SA, which is also the owner of an office building, let to EFTA (European Free Trade Association) and located in the Leopold District in Brussels, on the corner of the rue de Trèves and the rue Belliard.
- As of 1 June 2002, the company received the benefit of 100% of the shares of Ekiport SA, a real estate company, which signed a long-term lease with the L'Oréal Belgilux group for its new headquarters. This office building is located in the Erasmus Science Park in Anderlecht.

Apart from that, various improvements and renovations were made to a number of office buildings in order to increase the comfort of the tenants:

- In the Riverside Business Park in Anderlecht, building K (1,580 m²) was fitted with a complete climate control system based on direct expansion evaporators.
- At the same time, the first floor of building F (1,000 m²), the false floor was repaired, the ceiling was renovated and a climate control system based on direct expansion evaporators was installed.
- In the second half of 2002, the same renovation will be carried out on the second floor of building F (494 m²) and in the left wing of building K (510m²).

■ Important events that have occurred after the end of the financial year

At the end of June 2002 the company signed an in principle agreement for the sale of the building at Britselei 3-5-7 in Antwerp for an amount of 565,000 €, which will generate a capital gain of 39,000 €.

■ Registered capital – capital increase

The statutory manager informs the Ordinary General Meeting that on 14 December 2001, for the second time the company made use of its authorisation to increase the registered capital in accordance with the provisions of Article 7 of the Articles of Association (registered capital).

The statutory manager made use of this authorisation, under a deed recorded by notary public Erik Celis in Antwerp on 14 December 2001, to increase the capital with an amount of 1.152.162,00 € (after posting the issue premium to a blocked issue premium account, for an amount of 4.355.199,30 €).

This capital increase was the result of the bringing-in as capital of a building in the Axxes Business Park at Merelbeke near Ghent by Apollo Development SA.

This bringing-in as capital was part of an overall transaction carried out with Apollo Development SA for the acquisition of 2 buildings in the business park. The total amount of the transaction was 10,184,127.98 €.

Building 2 was brought-in in exchange for 104,742 newly issued shares in the company.

The rate of exchange for the bringing-in of the building was determined as the average of the latest notified quarterly intrinsic value of the share on the one hand, and the average stock market price of the share over the last 30 calendar days preceding the capital contribution on the other hand, without infringing the provisions of Article 11 section 2 of the R.D. of 10 April 1995 with regard to sifafis.

■ Statutory and consolidated results 2001/2002

Due to the acquisition of Brussimmo SA and Ekiport SA, the company has issued consolidated figures for the first time.

▼ Consolidated results

During the financial year, an amount of 17,104,667.23 € was collected in rent (excluding rental guarantee), or 26% more than last year, and 29.5% more than forecast in the budget contained in the issue prospectus. This rise is mainly due to the acquisition of new office buildings in the Axxes Business Park and the rental income from subsidiaries Brussimmo SA and Ekiport SA.

The item 'services and other goods' amounted to 3,446,585.67 € and represents renovation and maintenance costs, the fee of the statutory manager, and the operating expenses (auditor, consultancy fees, valuations, brokers, etc.).

Furthermore, 300,947.11 € in provisions for liabilities and charges were written back.

The negative financial result of 2,845,066.50 € was higher than last year, due to the charges for financing the new acquisitions.

The net current result amounted to 12,395,315.51 €.

The value of the consolidated real estate portfolio established by the valuers amounted to 269,519,000 €, or an increase of 34% compared with last year, which is largely due to the various acquisitions and a net increase in the estimated market value of the portfolio of 429,403.84 €.

After the accounts were closed, no exceptional events or circumstances arose which might have a fundamental influence on the consolidated results or the further development of the company or companies within the company's consolidation scope.

▼ Statutory results

The rental income rose from 13,567,667.79 € to 16,265,629.99 € as a result of the acquisitions during the present financial year in the Axxes Business Park.

The item 'services and other goods' amounted to 3,392,735.66 € (compared to 3.131.798,00 € in 2000/2001) and represents renovation and maintenance costs, the fee of the statutory manager, and the operating expenses (auditor, consultancy fees, valuations, brokers, etc.).

Furthermore, 343,387.02 € in provisions for liabilities and charges were written back.

The negative financial result of 2,652,240.19 € was higher than last year, namely 1.684.544,72 €, due to the charges for financing the new acquisitions.

The operational profit amounted to 11,848,486.29 € (compared to 10,441,295.36 € in 2000/2001) and was the result of the increased size of the portfolio.

The value of the company's real estate portfolio established by the valuers amounted to 224,589,000 € (compared to 200,994,970.12 € in 2000/2001), or an increase of nearly 12% compared with last year, which is largely the result of the various acquisitions in the Axxes Business Park in Merelbeke.

There was a net decrease in the estimated value of the portfolio of 450.917,39 € compared to a net increase of 612.713,24 € in 2000/2001. This net reduction is the result of capital gains (860,605.86 € in Quarter 2) and capital losses (143,778.24 €), (278,745.03 €) and (889,000 €) in quarters 1, 3 and 4 respectively) on the estimated investment value of the buildings by the real estate experts.

With the exception of the fact mentioned under point 2, after the closure date of the accounts, no exceptional events occurred or facts arose which might have a fundamental influence on the results or the further development of the company.

■ Research and development

During the past financial year, no research and development activities were carried out either by the company or by the companies which come within the consolidation scope.

■ Settlement of conflicts of interest

In the acquisitions that were made in the last financial year, the provisions of Articles 523 & 524 of the Companies Act were observed and the Banking and Finance Commission were kept informed of the situations in which these articles needed to be applied.

The company acquired, for a total price of 1,733,051.30 € and on condition that it took over financial debts of 26,084,333.58 €, 100% of the shares in the company Ekiport SA, a real estate company whose shares are owned entirely by Leasinvest SA (the seller).

As required by law, an extract is reproduced below from the minutes of the Board of Directors meeting of the statutory manager, held on 13 August 2002, and the special report drawn up by three independent directors in accordance with Article 524 of the Companies Act.

Their decision is reproduced verbatim below:

" Decision:

We are of the opinion that the acquisition by Leasinvest Real Estate of the shares in Ekiport at the aforementioned price and under the aforementioned conditions is in the interest of the company and the shareholders as a whole.

We are also of the opinion that the proposed acquisition of shares does not confer any advantage whatever in the nature of a preferential remuneration to a principal shareholder, as defined in the relevant legal text."

■ Appropriation of the result – dividend payment

The profit for appropriation from the present financial year 2001/2002 amounts to 11,848,486.25 €. Taking account of the profit carried forward from the previous year of 1,427,002.58 € this gives a profit for appropriation of 13,275,488.83 €.

The Board of Directors of the statutory manager proposes that the Ordinary General Meeting of Shareholders should appropriate the profit of 13,275,488.83 € as follows:

- 2,256,396.62 € to be carried forward to next year and
- 11,019,092.21 € to be paid out as dividends.

The pay out ratio amounts to 93% (compared with 92% last year), as forecast in the issue prospectus of 1999, and is higher than the minimum 80% of the proceeds, as imposed by the R.D. of 10 April 1995.

If you approve this appropriation, the dividend will be 3.96 € gross (compared with 3.80 € gross last year) and 3.37 € net (compared with 3.23 € net last year) for all 2,830,366 shares.

Dividends will be paid out on presentation of coupon no. 3 from 28 October 2002 at branches of Artesia Bank, Bacob, Bank Degroof, BBL and Fortis Bank.

■ Outlook

Now that the first growth target of 250 million € has been vastly exceeded, the manager wishes to expand the portfolio further to 500 million €. The investment strategy remains unchanged: location, quality of the property and the tenants, return on investment, duration of the leases and the potential long-term capital gain remain important criteria for evaluating investment opportunities. The planned growth has the objective of improving the liquidity and the visibility of the share to create shareholder value. Further expansion may occur by direct or indirect acquisitions of real estate, by utilisation of the available borrowing capacity and issue of new shares. Mergers with real estate companies are also among the possibilities.

Done at Antwerp on 28 August 2002.



Jean-Louis Appelmans
Managing Director



Luc Bertrand
Chairman of the Board of Directors



Kris Verhellen
Managing Director



Route de Lennik, Anderlecht



Riverside Business Park,
Anderlecht



Route de Lennik 451,
Anderlecht



Extensa Square,
Evere



Brussels decentralised zone



Corporate governance



■ Decision-making organs

Leasinvest Real Estate is a partnership limited by shares, and is approved as a "closed-end investment fund under Belgian law" (also known in Belgium as a "sicafi"). As such, the partnership is subject to the legal system for companies with fixed capital, known as a "sicafi", as laid down by Article 118 of the Law of 4 December 1990 on Financial Transactions and Financial Markets.

The company is managed by a limited (managing) partner and statutory manager Leasinvest Real Estate Management SA, with registered office in rue Montoyer 63, 1000 Brussels.

▼ The Board of Directors

The Board of Directors of the statutory manager, Leasinvest Real Estate Management SA, determines the policy of the property fund and is composed jointly of directors who are associated with real estate company Leasinvest on the one hand, and independent directors on the other hand.

The independent directors have the special task of overseeing the interests of all shareholders of Leasinvest Real Estate and ensuring that they are treated equally.

The Board of Directors consists of eight directors who are appointed for a maximum term of six years by the general meeting of shareholders of Leasinvest Real Estate Management. The Board of Directors is chaired by Luc Bertrand, Chairman of the Executive Board of Ackermans & van Haaren.

The independent directors are:

- Eric Dekeuleneer, Managing Director of Credibe SA.
- Bernard de Gerlache de Gomery, Independent Director of companies including Floridienne SA and Sipef SA.
- Aimé Desimpel (†), Managing Director of De Speyebeek SA, politician and Director of various companies.
- Marcus Van Heddeghem, Managing Director of Wilma Project Development SA.

The directors associated with Ackermans & van Haaren are:

- Luc Bertrand, Chairman of the Executive Board of Ackermans & van Haaren SA.
- Jean-Louis Appelmans, Managing Director and General Manager of Leasinvest SA.
- Jan Suykens, Chief Financial Officer of Ackermans & van Haaren SA.
- Kris Verhellen, Managing Director of Leasinvest Real Estate Management SA and Director of various companies.

Pursuant to the R.D. of 10 April 1995, Messrs. Appelmans and Verhellen, in their capacity of Managing Director of Leasinvest Real Estate Management, exercise supervision of the day-to-day management. The mandate of the directors ends after the general meeting of shareholders in 2004.



The Board of Directors met four times during the year. The articles of association provide that the Board of Directors should meet at least four times per year.

The independent directors received 24,789.34 € in direct and indirect remuneration in the last financial year.

The dependent directors did not receive any remuneration in the last financial year. None of the directors owns shares of Leasinvest Real Estate.

▼ The Standing Committee

The Standing Committee meets fortnightly to discuss the ongoing business of the company, to ensure appropriate communication and to monitor the implementation of the decisions of the Board of Directors. The Standing Committee consists at least of a managing director, the commercial manager, the legal adviser, the finance director and the real estate manager.

■ Settlement of conflicts of interest

During the acquisitions that were made in the last financial year, the provisions of Articles 523 and 524 onward of the Companies Act were observed. Furthermore, the Banking and Finance Commission was kept informed of the situations in which these articles needed to be applied.

■ Audit of the annual accounts

The auditor, appointed by the general meeting of shareholders, audits the annual accounts and the half-yearly reports. The auditor also draws up the special report for the attention of the Banking and Finance Commission. Ernst & Young, approved auditors, Marcel Thiry laan 204, 1200 Brussels, represented by Jean Vandernoot, company auditor, were appointed for a period of up to three years (from 1 July 1999) to fulfil the function of auditors. Leasinvest Real Estate will propose to the general meeting of shareholders that Ernst & Young should be re-appointed as auditors for three more years, with Mr. Pierre Anciaux, approved auditor, as its representative. The fees paid to the auditor for the past financial year amounted in total to 32,000 €, of which 15,731 € were for the audit of the annual accounts, 14,260 € for an assignment in relation to IAS 40 and 2,010 € for other special assignments.

■ Valuation of the real estate portfolio

The quarterly valuations of the real estate portfolio are made by two independent experts. In the event of a conflict arising between the expert's agent activity and its property valuation activity, the other expert shall make the valuation. The value of the real estate portfolio is determined by Cushman & Wakefield Healey & Baker and Winssinger & Associés.

- Cushman & Wakefield Healey & Baker, Avenue des Arts 58 (box 7), 1000 Brussels, represented by Mr. Jean-Paul Ducarme.
- Winssinger & Associés, Avenue Louise 380, 1050 Brussels, represented by Mr. Philippe Winssinger.

■ Depositary bank

BBL was appointed as the depositary bank of Leasinvest Real Estate, in accordance with the provisions of Article 12 onward of the R.D. In its capacity as the depositary bank, BBL must comply with the obligations imposed by the Law of 4 December 1990 and the implementing order of 10 April 1995. The depositary bank is put in possession of all official documents and deeds relating to changes in the assets of the property fund, and ensures that any change in the property portfolio is incorporated into the inventory.

The fee paid to the depositary bank is calculated on the basis of the investment value of the Leasinvest Real Estate portfolio according to the following tranches:

Total investment value of the property portfolio	Fee to the depositary bank (excluding VAT)
Between 0 and 125 million €	0.03%
More than 125 million €	0.01%

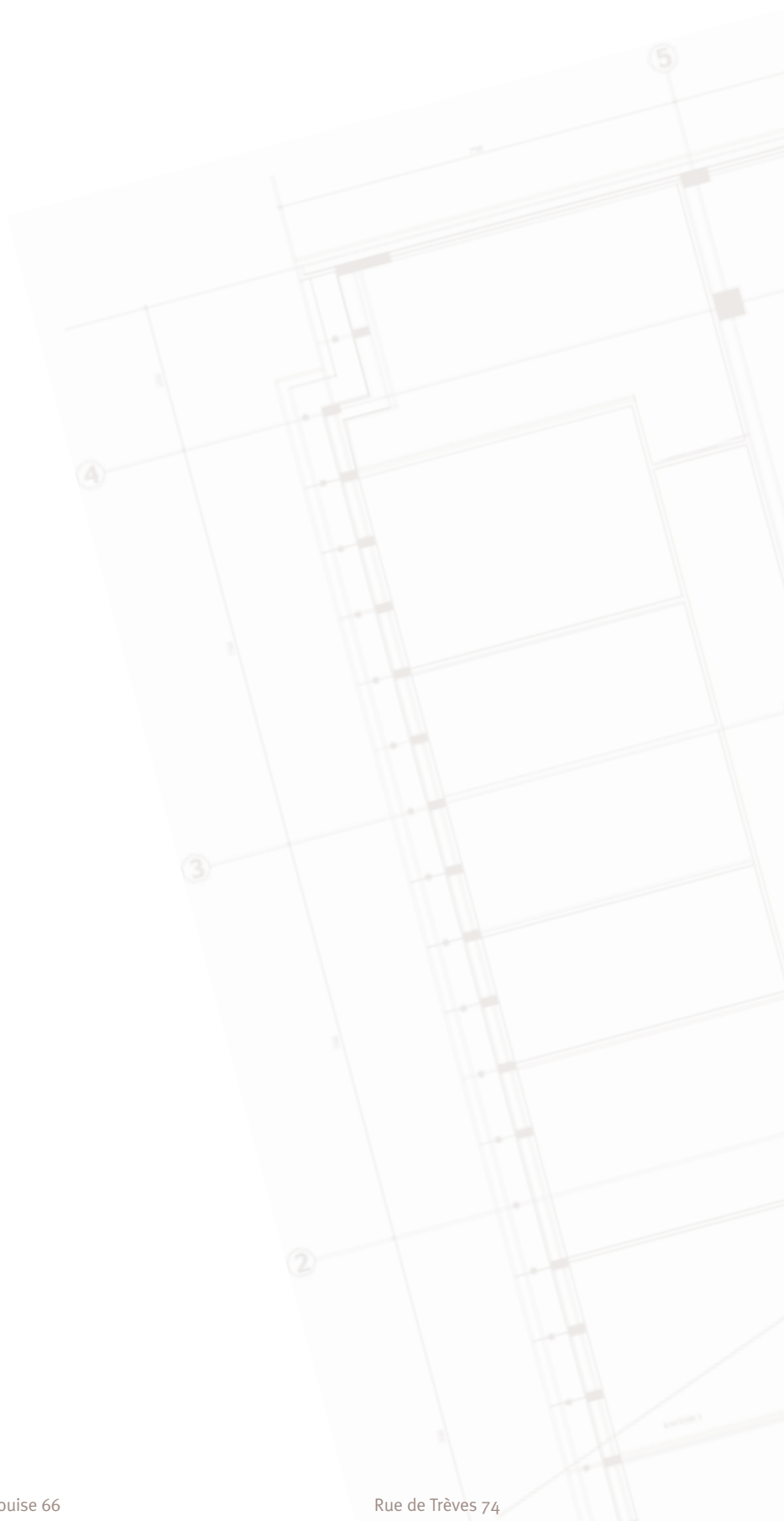
■ Liquidity provider

ING Financial Markets / Vermeulen Raemdonck was appointed as liquidity provider.



Riverside Business Park, Anderlecht





Avenue Louise 250



Avenue Louise 66



Rue de Trèves 74



Brussels CBD (Central Business District)

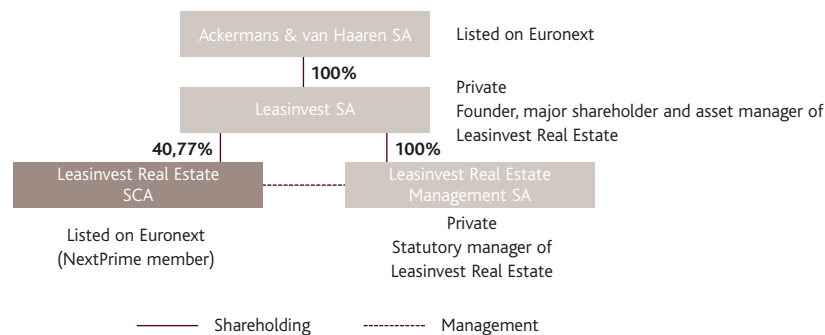
The background of the page is a detailed architectural floor plan of a building. The plan shows various rooms, corridors, and structural elements. A central staircase is visible, along with several rooms that appear to be offices or meeting spaces. The drawing is in a light, faded style, typical of a background image for a document.

Management

■ Statutory manager

The management of the property fund Leasinvest Real Estate was entrusted to the limited (managing) partner and statutory manager Leasinvest Real Estate Management. Leasinvest Real Estate Management is a wholly-owned subsidiary of Leasinvest. Leasinvest Real Estate Management had capital and reserves of 245,799 € on 30 June 2002.

Leasinvest is the founder, major shareholder and asset manager of Leasinvest Real Estate. The company manages directly and indirectly 500 million € of real estate assets and is active in real estate asset management, finance and development. Leasinvest is a subsidiary of the listed investment group Ackermans & van Haaren.



Leasinvest Real Estate Management was appointed as the sole statutory manager for an unspecified duration with a minimum of ten years. The mandate of the statutory manager is irrevocable until the date of the general meeting of shareholders in 2009. After that, the mandate may be revoked provided that the attendance and majority conditions necessary to amend the articles of association are fulfilled, without the statutory manager having a right of veto on this point. The statutory manager may resign at any time. The mandate of the statutory manager may also be withdrawn under a court order as a result of a petition on legal grounds, initiated by the general meeting of shareholders.

Leasinvest Real Estate Management employs five persons who are responsible for commercial contacts with tenants and real estate agents, technical management, accounting, legal activities and administration. The fee paid to the statutory manager for the past financial year was 909,701 €.

The day-to-day management is carried out by two managing directors:

- **Jean-Louis Appelmans**



Jean-Louis Appelmans (49) has been Managing Director of Leasinvest Real Estate Management since it was founded in 1999. He is also Managing Director of Leasinvest. He also fulfils a number of other functions and company offices, including Leasinvest subsidiary Extensa (Chairman) and property fund Retail Estates (co-Managing Director).

Mr. Appelmans joined Leasinvest in 1989 as General Manager. Prior to that, he worked at Crédit Lyonnais within the Corporate Banking Division (1986-1989). From 1979 to 1986, he fulfilled the role of Vice-President Corporate Banking at Chase (now JPMorgan Chase).

- **Kris Verhellen**



Kris Verhellen (37) has been Managing Director of Leasinvest Real Estate Management since it was founded in 1999. He joined Leasinvest in 1990 and fulfils various functions there. Among other positions, he is also a member of the Executive Board, Managing Director of the Project T&T, Director of Bopro, Extensa, Grossfeld Immobilière, etc.

The financial management is carried out by:

- **Frank Moyaert, CFO**



Frank Moyaert (37) joined Leasinvest in 1997 as CFO for Leasinvest and Leasinvest Real Estate. Before that, he worked for Artesia as a Risk Manager Corporate Finance, and was responsible for real estate expertise. Frank Moyaert is, among other functions, a director of Extensa and other Leasinvest subsidiaries.

■ **Property management of the portfolio**

The property management of the portfolio is entrusted to Bopro Real Estate Services, an indirect 50%-owned subsidiary of Leasinvest. The management contract runs until 31 December 2005. After that, the management contract may be terminated with effect from 1 January each year, provided that six months' notice is given.

The ordinary property management includes administrative, financial and technical activities. While the management contract is in force, the manager may also be charged with carrying out project management tasks.

The administrative and financial management comprises:

- Verification of compliance with the leases and internal regulations.
- Maintenance of the rental condition.
- Calculation, collection and monitoring of payments of rent due and each occupant's proportion of the common charges, the property tax and the insurance premiums, and drawing up the annual final report of rent and charges, and if necessary adjusting the rental guarantees.
- Calculation of the rental guarantees and monitoring of the creation and updating of the rental guarantees.
- Administration of any overdue rent and charges.
- Arranging for writing and monitoring of reports on the state of the premises on commencement and at the end of leases; recovery of cost of any damage from the occupant or person responsible.
- Management of the insurance portfolio.
- Optimisation of the relationships between the owner and the tenants, etc.

The technical management includes:

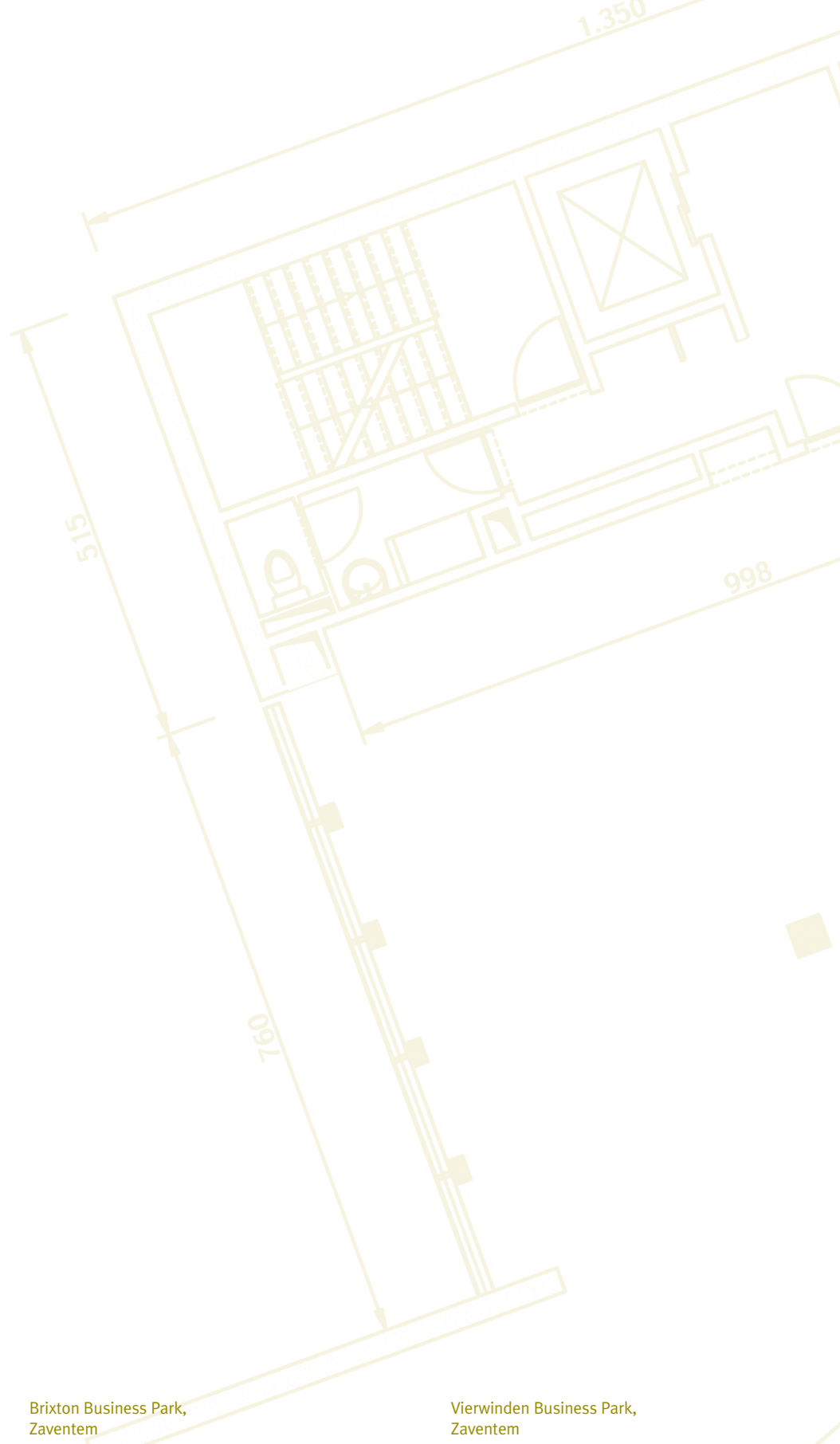
- Regular inspection of the buildings with a view to maintaining good rental condition.
- Maintenance of the common areas and the technical facilities.
- Taking the necessary protective measures.
- Handling claims with the insurance companies.

Bopro Real Estate Services is paid for its ordinary assignment on the basis of a percentage of the rental income of the buildings managed by them, 3% excluding VAT. For un-let premises, a management fee is charged at 1.5% excluding VAT. This remuneration is included in the rent that the lessees pay. Extra work and/or services that are not included in the normal management will be invoiced by the property manager on the basis of the scales laid down by the Professional Association.



Rue de Trèves, Brussels





Brixton Business Park,
Zaventem



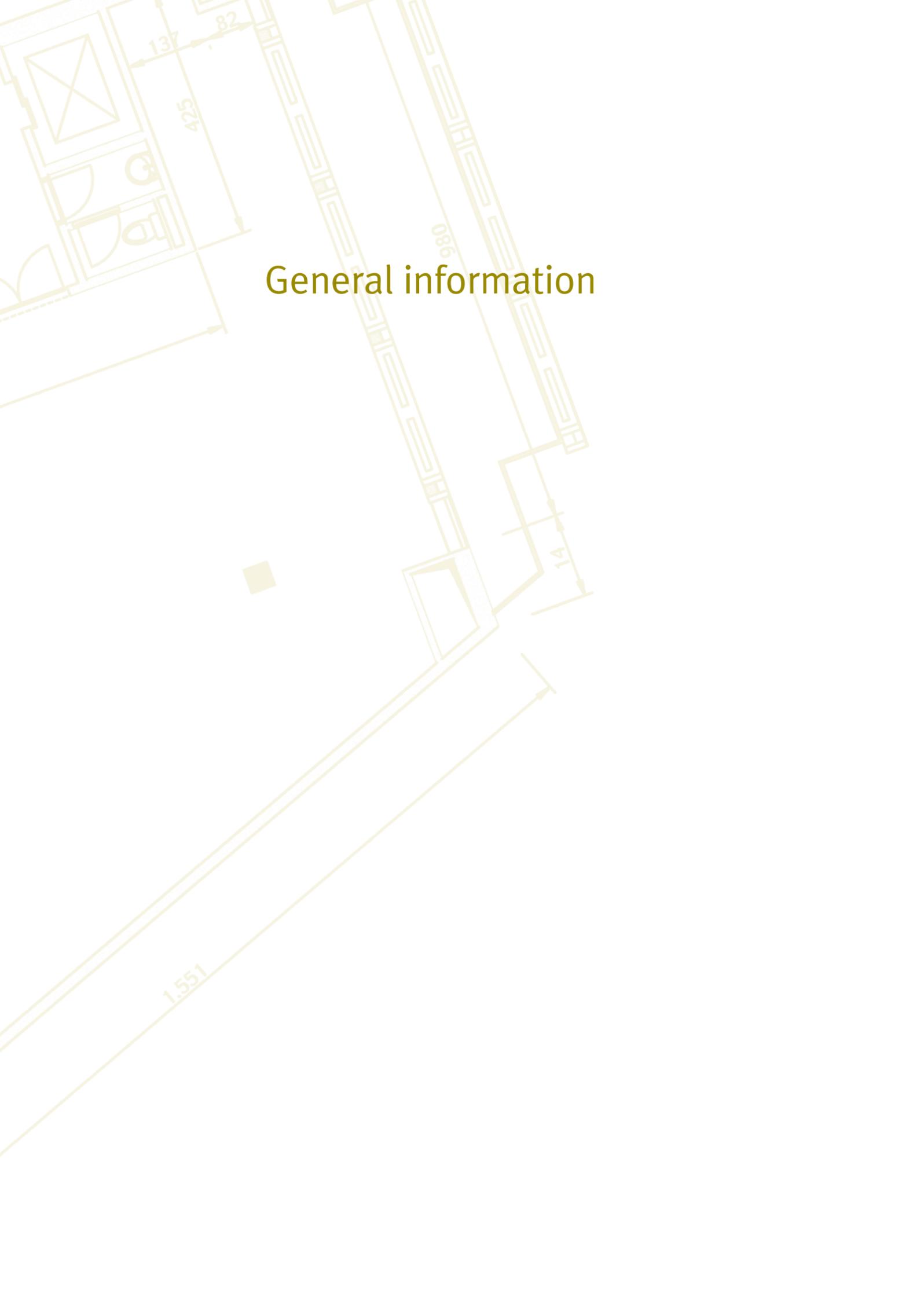
Brixton Business Park,
Zaventem



Vierwinden Business Park,
Zaventem



Brussels periphery



General information

■ Company profile

Property fund Leasinvest Real Estate manages a portfolio of high-quality office and warehousing space valued at approximately 270 million € and a total surface of more than 190,000 m². The buildings are mainly located in the outskirts of cities in the triangle Brussels (73%), Ghent (15%), Antwerp (12%).

The property fund is listed on the Euronext and was included in January 2002 in the NextPrime segment.

The most important investments made by the property fund include:

- Brussels: Brixton Business Park in Zaventem (36,042 m²), Riverside Business Park (26,931 m²) and Route de Lennik 451 in Anderlecht (15,132 m²).
- Ghent: Axxes Business Park in Merelbeke (23,897 m²).
- Antwerp: Prins Boudewijnlaan 7 in Kontich (27,589 m²).

Leasinvest Real Estate was founded by Leasinvest, a private real estate company which offers customers, partners and investors solutions in the field of commercial property. Leasinvest, which manages 500 million € of real estate assets either directly or indirectly, is active in real estate asset management, financing and development. The company is a subsidiary of Ackermans & van Haaren, an investment group listed on the Euronext.

■ Identification

▼ Name

Leasinvest Real Estate, "investment company with fixed capital under Belgian law" or "sicafi under Belgian law".

▼ Registered office

Leasinvest Real Estate has its registered office at Rue Montoyer 63, 1000 Brussels. The registered office can be moved in Belgium without any amendment to the articles of association by a decision of the statutory manager, notwithstanding the legislation on use of languages.

▼ Legal entity

Leasinvest Real Estate adopted the legal form of a partnership limited by shares.

▼ Formation

Leasinvest Real Estate was founded on 8 June 1999 by a deed recorded by notary public Frank Celis in Antwerp, and published in the appendices to the Moniteur Belge on 26 June 1999 under number 990626-330.

▼ Term

Leasinvest Real Estate was founded for an unspecified term.

▼ Commercial register and VAT number

Leasinvest Real Estate is registered in the Commercial Register of Brussels under number 513 949. The company's VAT number is BE 436 323 915.

▼ Purpose of the company / activities

Article 4 of the coordinated articles of association dated 28 June 2001:



"The sole aim of the partnership is collective investment of funds raised from the public in real estate as defined in Article 122, paragraph 1, first subsection, 5° of the Law of 4 December 1990 on Financial Transactions and Financial Markets.

Real estate is defined as:

1. immovable property as defined in Articles 517 onward of the Civil Code, and rights in rem to immovable property;
2. shares with voting rights issued by associated real estate companies;
3. option rights on immovable property;
4. participation rights in other real estate investment institutions registered on the list defined in Article 120, paragraph 1, subsection 2 or Article 137 of the Law of 4 December 1990 on Financial Transactions and Financial Markets;
5. real estate certificates as described in Article 106 of the Law of 4 December 1990 on Financial Transactions and Financial Markets;
6. rights derived from contracts whereby one or more properties is let to the partnership under a property leasing arrangement;
7. and any other property, shares or rights that may be defined as real estate by the Royal Decrees, enacted in application of the Law of 4 December 1990 on Financial Transactions and Financial Markets and applicable to collective investment institutions investing in real estate.

Within the limits of the investment policy, as described in Article 5 of the Articles of Association, and in accordance with the applicable legislation on sicafis, the partnership may concern itself with:

- the purchase, alteration, fitting-out, letting, sub-letting, management, exchange, sale, parceling, and bringing within the system of co-ownership of real estate as described above;
- the acquisition and lending of securities in accordance with Article 51 of the R.D. of 10 April 1995 relating to sicafis;
- leasing of real estate, with or without a purchase option, in accordance with Article 46 of the R.D. of 10 April 1995 relating to sicafis; and
- in an additional capacity, leasing of real estate, in accordance with Article 47 of the R.D. of 10 April 1995 relating to sicafis;
- the company may only act occasionally as a property developer, as defined in Article 2 of the Royal Decree of 10 April 1995.

The company may, in compliance with the applicable legislation on sicafis:

- in an additional or temporary capacity, invest in securities, hold goods other than real estate, and liquid funds in accordance with Articles 41 and 45 of the R.D. of 10 April 1995 relating to sicafis. The holding of securities must be reconcilable with the pursuit in the short or medium term of the investment policy as described in Article 5 of the Articles of Association. The securities must be included in the listing on a stock exchange of a member state of the OECD or traded on a regulated, regularly operating, approved market accessible to the public of the OECD, as well as the Euro.NM, Easdaq or Nasdaq. The liquid funds may be held in any currency in the form of sight deposits, or in term accounts or by any instrument on the financial markets that are suitable for easy raising of funds;
- grant mortgages or other collateral or guarantees in the context of the financing of real estate in accordance with Article 53 of the R.D. of 10 April 1995 relating to sicafis;
- grant loans and stand collateral for a subsidiary of the company, which is also an investment institution as defined in Article 49 of the R.D. of 10 April 1995 relating to sicafis.

The company may acquire, hire or let, assign or exchange any moveable or immovable goods, material and accessories, and in general, carry out any commercial or financial transactions directly and indirectly connected with the purpose of the company, and the exploitation of any intellectual and commercial property rights relating to it.

Provided that it is compatible with the statute of sica-fis, the company may, by means of bringing-in in cash or in kind, or merger, split-off, subscription, participating interest, financial support or in any other way, acquire a share in any business or company that exists or has yet to be formed, in Belgium or abroad, whose company purpose is identical to its own, or is of such a nature as to promote the pursuit of its goal.

To change the purpose of the company, the prior approval of the Banking and Finance Commission is required."

▼ Financial year

The financial year of Leasinvest Real Estate runs from 1 July to 30 June, with an exception for the first financial year that ran from 1 January 1999 to 30 June 2001.

▼ Places where documents are accessible for the public

- The Articles of Association of Leasinvest Real Estate are available for inspection at the Registry of the Commercial Court in Brussels and at the registered office.
- The annual accounts are filed with the National Bank of Belgium. The annual accounts are sent each year, together with the associated reports, to the shareholders by name, and to anyone who requests it. The annual and half-yearly reports are also available for consultation on the Leasinvest Real Estate web site (www.leasinvest-realestate.com).
- Financial reports and invitations of shareholders to the general meetings of shareholders are published in the financial press.
- Decisions about the appointment and dismissal of members of the Board of Directors are published in the appendices to the Moniteur Belge.

■ Registered capital

▼ Issued capital

On 30 June 2002, the registered capital was 31,122,854.51 €. The total number of shares was 2,830,366.

▼ Authorised capital

The statutory manager is empowered to increase the registered capital on dates and under conditions specified by him, in one or more instalments, by an amount of twenty-seven million five hundred thousand euro in the cases foreseen in the relevant report.

This authorization is valid for a period of up to five years from the publication of the minutes or the general meeting of 8 June 1999.

It is renewable.

This capital increase (or increases) can be carried out by subscription in cash, by bringing-in in kind, or by conversion of reserves or issue premiums or the issue of convertible bonds and warrants in accordance with the rules laid down in the Companies Act, Article 11 of the R.D. of 10 April 1995 on sica-fis, and these Articles of Association.

If the case arises, in the event of a capital increase decided by the statutory manager, possibly after deduction of charges, the issue premiums shall be transferred by the statutory manager to a blocked account and treated in the same way as the capital which guarantees the interests of third parties, and may not under any circumstances be reduced or disposed of unless this is decided by the general meeting, voting under the conditions required by Article 72 of the Companies Act concerning the conversion into capital as foreseen above.

The Board of Directors made use of this authorization:

- Under a deed recorded by notary public Erik Celis in Antwerp on 28 June 2001 for an amount of two million two hundred and five thousand five hundred euro.
- Under a deed recorded by notary public Erik Celis in Antwerp on 14 December two thousand and one for an amount of one million one hundred and fifty-two thousand one hundred and sixty-two euro.

▼ Change in the capital during the past financial year

The Board of Directors of Leasinvest Real Estate made use of the authorization to increase the registered capital, under a deed recorded by notary public Erik Celis in Antwerp on 14 December 2001 for an amount of 1,152,162 €.

▼ Structure of share ownership

Shareholder	Number of shares	%
Leasinvest	1.154.047	40,77
Free float	1.367.384	48,31
Total number of shares	2.830.366	

The Banking and Finance Commission gave its authorization on 15 October 2002 to use this annual report as a reference document for any public offering that may be made by the partnership, until such time as the next annual report is published, by means of the procedure for separate information provision. In the context of this procedure, this annual report must be accompanied by an issue note in order to form a prospectus as defined by Article 129 of the Law of 4 December 1990. That prospectus must be submitted for the approval of the Banking and Finance Commission under Article 129 of the above-mentioned law.

Leasinvest Real Estate

Rue Montoyer 63
1000 Brussels
T +32 2 237 08 20
F +32 2 230 47 68
www.leasinvest-realestate.com

Investor Relations contact

Jean-Louis Appelmans
T +32 3 238 98 77
F +32 3 237 52 99
E investor.relations@leasinvest.be

Listing

Euronext NextPrime, Brussels

Liquidity provider

ING Financial Markets / Vermeulen Raemdonck

Auditor

Ernst & Young, Bedrijfsrevisoren

Depository Bank

BBL

Real estate valuers

Cushman & Wakefield Healey & Baker
Winssinger & Associés

Payment of dividend

Artesia Bank, Bacob, Bank Degroof, BBL and Fortis Bank as from 28 October 2002

Financial calendar

2001-2002 financial year (period 1 July 2001 – 30 June 2002)

16 September 2002	Announcement of annual results
21 October 2002	Analysts meeting
	Annual General meeting
28 October 2002	Payment of coupon no. 3

2002-2003 financial year (period 1 July 2002 – 30 June 2003)

Week 49 2002	Announcement of first quarter results
Week 8 2003	Announcement of half-year results
Week 21 2003	Announcement of third quarter results
Week 33 2003	Announcement of annual results

