

[annual report 2002-2003]



mission statement

The real estate fund Leasinvest Real Estate invests in high quality offices and semi-industrial buildings in the Brussels/Ghent/Antwerp triangle. The real estate fund has set itself the objective of achieving a rental yield in line with market performance, steady dividend growth and endeavouring to realise potential capital gains. In the pursuit of these objectives, Leasinvest Real Estate can rely on its manager Leasinvest SA (Ackermans & van Haaren Group) with over 20 years of real estate experience.

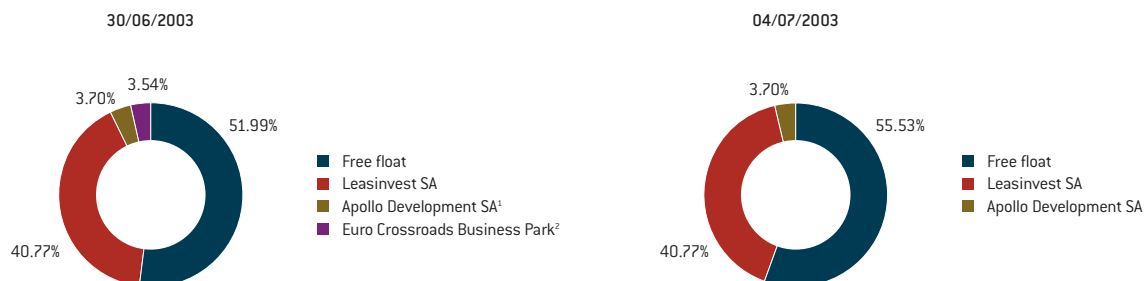
Financial calendar (financial year 2002/2003)

| | |
|--|------------|
| General Meeting | 20-10-2003 |
| Analysts' meeting about annual results | 20-10-2003 |
| Dividend payable from | 27-10-2003 |

Publication of the consolidated annual accounts (financial year 2003/2004)

| | |
|--|--------------|
| Announcement of results for 1st quarter (30/09/2003) | week 48 2003 |
| Announcement of half-yearly results (31/12/2003) | week 8 2004 |
| Announcement of results for 3rd quarter (31/03/2004) | week 21 2004 |
| Announcement of annual results (30/06/2004) | week 35 2004 |

Shareholders



¹ End of lockup option on 14/12/2003 concerning 104,742 shares.

² End of lockup option on 28/06/2003 concerning 100,250 shares. These were taken up on 04/07/2003 on the Premier Marché on Euronext Brussels.

The LRE share

[key figures]

All tables and graphs in this annual report communicating figures on 30/06/2000 and 30/06/2001 relate to individual figures; figures on 30/06/2002 and 30/06/2003 relate to consolidated figures, unless mentioned differently.

Real estate portfolio

| Total area (in m ² above ground) | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|---|----------------|----------------|----------------|----------------|
| Offices | 112,467 | 113,737 | 80,667 | 67,949 |
| Semi-industrial | 73,736 | 73,736 | 73,612 | 73,072 |
| Retail | 1,704 | 1,774 | 1,774 | 1,774 |
| Other | 2,755 | 3,295 | 2,644 | 994 |
| Total | 190,662 | 192,542 | 158,697 | 143,789 |

| | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|---|------------|------------|------------|------------|
| Estimated investment value (x 1,000 EUR) ¹ | 266,079 | 269,519 | 200,945 | 177,288 |
| Liquidation value (x 1,000 EUR) ² | 235,468 | 238,512 | 177,827 | 156,892 |
| Occupancy rate excluding rental guarantee (%) | 96.24 | 97.11 | 94.21 | 92.25 |
| Occupancy rate including rental guarantee (%) | 97.77 | 100.00 | 98.53 | 98.00 |
| Rental yield excluding rental guarantee (%) | 7.85 | 7.77 | 7.51 | 7.23 |
| Rental yield including rental guarantee (%) | 7.97 | 8.01 | 7.86 | 7.69 |

¹ Investment value estimated by real estate valuers Cushman & Wakefield Healey & Baker / Winssinger en Associates, including costs and taxes.

² After deduction of 13% costs.

Key results

| (x 1,000 EUR) | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|-------------------------------|------------|------------|------------|------------|
| Operating income ¹ | 23,954 | 20,265 | 15,822 | 15,424 |
| of which, rents ² | 20,872 | 17,105 | 13,568 | 12,705 |
| Operating result | 16,947 | 15,250 | 11,480 | 11,495 |
| EBITDA | 18,423 | 14,949 | 11,706 | 12,057 |
| Net current result | 12,742 | 12,395 | 10,441 | 10,415 |
| Result on the portfolio | -2,677 | 429 | 613 | 2,598 |
| Net result | 10,072 | 12,806 | 11,054 | 13,013 |
| Net cash flow | 14,251 | 12,075 | 10,667 | 10,977 |

¹ Including rental guarantee.

² Excluding rental guarantee.

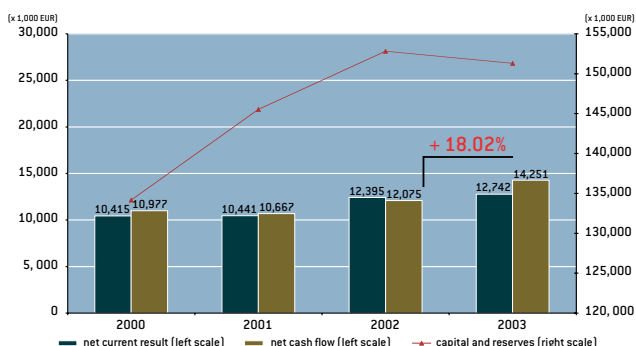
Balance sheet

| (x 1,000 EUR) | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|-----------------------------------|------------|------------|------------|------------|
| Capital and reserves ¹ | 151,287 | 152,820 | 145,526 | 134,162 |
| Balance sheet total | 275,051 | 288,773 | 206,298 | 185,564 |
| Ratio of debt (%) ² | 42.33 | 44.94 | 27.28 | 25.65 |

¹ Ex-dividend.

² For 30/06/2002 and 30/06/2003: including provisions for exit tax amounting to 2,108,040 EUR and 2,364,978 EUR respectively.

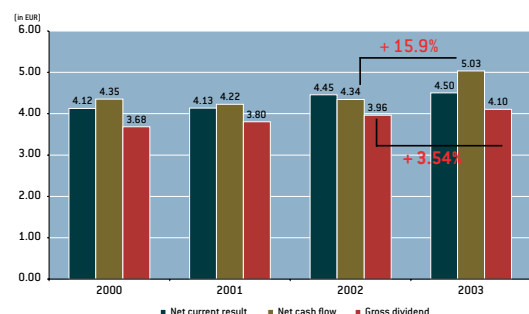
Change in results and capital + reserves



Data per share

| (EUR) | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|--------------------------------------|------------|------------|------------|------------|
| Number of shares (#) | 2,830,366 | 2,830,366 | 2,725,624 | 2,525,124 |
| Net asset value (excluding dividend) | 53.45 | 53.99 | 53.39 | 53.13 |
| Net asset value (including dividend) | 57.55 | 57.95 | 57.19 | 56.81 |
| Rents (excluding rental guarantee) | 7.37 | 6.15 | 5.37 | 5.03 |
| Operating result | 5.99 | 5.48 | 4.54 | 4.55 |
| Net current result | 4.50 | 4.45 | 4.13 | 4.12 |
| Result on the portfolio | -0.95 | 0.15 | 0.24 | 1.03 |
| Net result | 3.56 | 4.60 | 4.37 | 5.15 |
| Net cash flow (CFS) | 5.03 | 4.34 | 4.22 | 4.35 |
| Gross dividend ¹ | 4.10 | 3.96 | 3.80 | 3.68 |
| Net dividend | 3.49 | 3.37 | 3.23 | 3.13 |

¹ Based on a payout ratio of 93%.



Key ratios

| (EUR) | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|---|------------|------------|------------|------------|
| Share price on coupon date ¹ | | 49 | 49.8 | 49.0 |
| Coupon date | | 28/10/2002 | 22/10/2001 | 26/10/2000 |
| price / cash flow (PCF) | | 11.29 | 11.79 | 11.28 |
| price / earnings (PER) | | 11.00 | 12.05 | 11.88 |
| Price at end of financial year | 55.50 | 55.40 | 47.90 | 48.51 |
| price / cash flow (PCF) | 11.03 | 12.77 | 11.34 | 11.15 |
| price / earnings (PER) | 12.33 | 12.44 | 11.59 | 11.76 |
| Interest coverage ratio ² | 5.15 | 4.40 | 5.78 | 11.24 |
| Total debt / EBITDA | 5.33 | 6.48 | 3.78 | 2.90 |

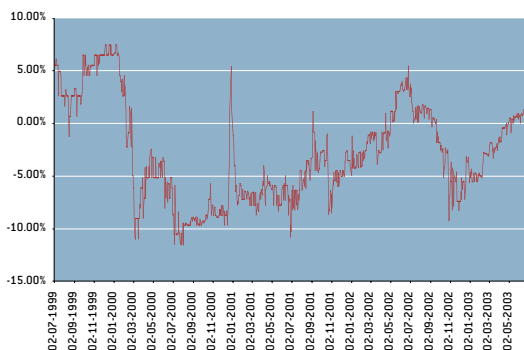
¹ No figures available for 30/06/2003 because the annual report precedes the coupon date.

² EBITDA / (financial charges + portion of LT debts falling due within a year).

Change in number of shares

| | 30-06-2003 | 30-06-2002 | 14-12-2001 | 30-06-2001 | 28-06-2001 | 30-06-2000 |
|------------------------------|------------|------------|------------|------------|------------|------------|
| At end of the financial year | | | | | | 2,525,124 |
| capital increase 28/06/2001 | | | | | 200,500 | |
| At end of the financial year | | | | 2,725,624 | | |
| capital increase 14/12/2001 | | | 104,742 | | | |
| At end of the financial year | 2,830,366 | 2,830,366 | | | | |

Price premium/discount Leasinvest Real Estate share since IPO on 2 July 1999 compared with net asset value excluding dividend



This graph presents the overvaluation or undervaluation of the Leasinvest Real Estate share on the stock market compared to the net asset value excluding dividend. This also shows that price and net asset value are two different concepts.

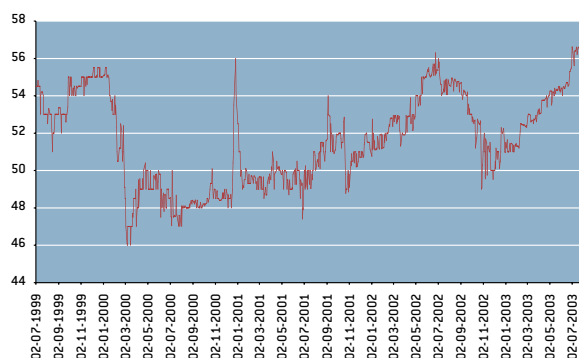
Leasinvest Real Estate on the stock market

| (EUR) | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|--|-------------|-------------|-------------|-------------|
| Number of shares (#) | 2,830,366 | 2,830,366 | 2,725,624 | 2,525,124 |
| Market capitalisation based on closing price | 157,085,313 | 156,802,276 | 130,557,390 | 122,493,765 |
| Closing price | 55.50 | 55.40 | 47.90 | 48.51 |
| Highest price | 56.00 | 56.30 | 56.00 | 55.50 |
| Lowest price | 49.00 | 48.77 | 47.01 | 45.98 |
| Average price | 52.97 | 51.97 | 49.04 | 52.07 |
| Annual traded volume (#) | 584,605 | 188,317 | 89,073 | 191,676 |
| Average monthly traded volume (#) | 48,717 | 15,693 | 7,423 | 15,973 |
| Annual turnover | 31,543,415 | 9,758,192 | 4,367,692 | 10,193,399 |
| Velocity ¹ (%) | 20.65 | 6.77 | 3.53 | 7.59 |

¹ Annual traded volume/number of shares.

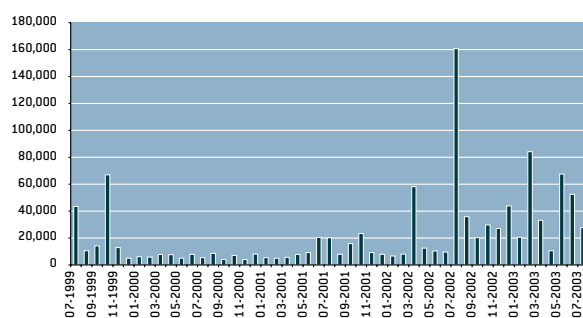
Note: years in which a capital increase took place: number of shares = pro rata the number of shares for that year.

Price of Leasinvest Real Estate since IPO (02/07/1999)



At the start of the financial year 2002/2003, the price was 55.40 EUR. During the first half-year, the price fell almost continuously, reaching a low point of 49.00 EUR on 02/11/2002. During the second half-year, on the other hand, the price was on an almost continuous upward trend, closing on 30/06/03 at 55.50 EUR, slightly higher than the price on 30/06/2002, which was 55.40 EUR. Since then, the price rose to a level of 57.50 EUR. This was for example the case on 01/08/2003.

Transaction volume per month since IPO (02/07/1999)



The financial year 2002/2003 was a success for the Leasinvest Real Estate share, in terms of traded volume and turnover. The average transaction volume per month reached a historic high during the last financial year and amounted to 48,717 shares, compared with 15,693 shares in the previous year. In total, on an annual basis, more than 3 times as many shares were traded as in the previous year, namely 584,605 shares. The annual turnover experienced a

comparable trend, and amounted to 31,543,415 EUR compared with 9,758,192 EUR the previous year.

The busiest months were July 2002, February 2003 and May 2003, with 160,610, 84,070 and 67,418 shares traded. The above-mentioned trends in volume can be translated into the velocity of the share, which is the number of shares traded in relation to the total number of shares. For Leasinvest Real Estate, this increased from 3.53% as of 30/06/01 to 20.65% as of 30/06/03.

Outlook

Except if there are unforeseen circumstances, Leasinvest Real Estate expects a result for the 2003-2004 financial year comparable with that of the past financial year.

Leasinvest Real Estate plans to grow further in the medium term to an investment value of 500 million EUR. This growth can be achieved by attracting additional structural long-term shareholders and by mergers with/take-overs of real estate companies. The growth target must provide a further improvement in financial ratios and an increased dividend yield.

Leasinvest Real Estate forecasts for the 2003/2004 financial year a net current result of 13.09 million EUR or 4.63 EUR per share.

Forecast consolidated analytical results financial year 2003/2004

| (x 1,000 EUR) | 30/06/2004 |
|----------------------------|---------------|
| Rents | 21,058 |
| Other operating income | 150 |
| Rental result | 21,208 |
| Direct real estate costs | -2,076 |
| Indirect real estate costs | -946 |
| Provisions | -200 |
| Real estate result | 17,986 |
| Operating expenses | -1,112 |
| Operating result | 16,874 |
| Financial charges | -3,860 |
| Financial income | 212 |
| Taxes | -134 |
| Net current result | 13,092 |

Other operating income = rental guarantee, compensation ...excluding reinvoiced charges.

Direct real estate costs = costs of maintenance, renovation, vacancy and insurance.

Indirect real estate costs = other costs (excl. management fee and reinvoiced costs).

Operating expenses = management fee.

[letter to shareholders]

Ladies and
Gentlemen,

The economic conditions at the end of 2002 and the beginning of 2003 were difficult, and corporate investment confidence remained limited. A major improvement in the overall economic climate in 2003 and 2004 is not expected immediately.

Leasinvest Real Estate continued to prosper in 2002/2003, and benefited from the acquisitions, in particular Brussimmo SA and Ekiport SA at the end of the previous year, as this financial year was the first to include their impact for a full year. The improvement of the net current result on a consolidated level is largely due to these acquisitions. The occupancy rate remained very high.

In 2002/2003, various investment opportunities were analysed, but none of them were considered good enough to purchase. A number of smaller, non-strategic buildings were sold.

The investment strategy of Leasinvest Real Estate, which is based mainly on offices and semi-industrial buildings located in the Brussels-Antwerp-Ghent triangle, will also be reviewed in 2003/2004 in order to optimise the risk profile of Leasinvest Real Estate.

Leasinvest Real Estate is determined to reach its growth target of 500 million EUR. This growth can be achieved by attracting additional structural long-term shareholders and by mergers with/take-overs of real estate companies. The growth target must provide a further improvement in financial ratios and an increased dividend yield.

Leasinvest Real Estate's share, like other real estate funds, has experienced a sharp rise in price from 49 EUR (02/11/2002) to 55.50 EUR (30/06/2003), or 13.26%, and a substantial increase in the liquidity of its share from 6.77% to 20.65% (ratio of shares traded in a year to the total number of shares).

We thank our shareholders for their confidence, and our staff for their tireless commitment.

It is a pleasure to present the Annual Report 2002/2003 of Leasinvest Real Estate to you, and we invite you to read through it.



Jean-Louis Appelmans
Managing Director



Kris Verhellen
Managing Director

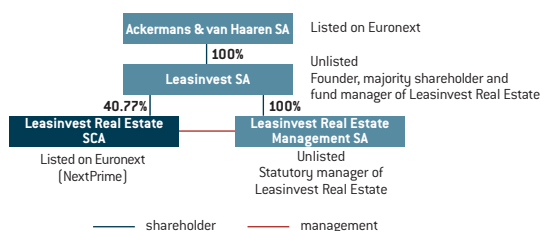


Luc Bertrand
Chairman of the Board of Directors

[management]

Statutory manager

The management of the real estate fund Leasinvest Real Estate is controlled by the limited (managing) partner and statutory manager Leasinvest Real Estate Management SA. Leasinvest Real Estate Management SA is a wholly-owned subsidiary of Leasinvest SA. As of 30 June 2003, Leasinvest Real Estate Management SA had capital and reserves of 318,627.26 EUR. Leasinvest SA is the founder, majority shareholder and fund manager of Leasinvest Real Estate. Leasinvest SA, which manages over 500 million EUR of real estate assets either directly or indirectly, is active in real estate investment and development for the corporate and residential market. The company is a subsidiary of the quoted investment group Ackermans & van Haaren.



Leasinvest Real Estate Management SA was appointed as the sole statutory manager for an unspecified duration with a minimum of ten years. The mandate of the 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 manager having a right of veto on this point. The statutory manager may resign at any time. The mandate of the 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 SA employs six persons who are responsible for commercial contacts with tenants and real estate agents, technical assistance, accounting, legal affairs and administration. The remuneration of the manager for the past financial year

was 1,135,655.59 EUR. The day-to-day management is carried out by two managing directors:

Management

Jean-Louis Appelmans

Jean-Louis Appelmans (50) has been Managing Director of Leasinvest Real Estate Management SA since it was founded in 1999. He has also been a Director and General Manager of Leasinvest SA since 1994. He also fulfils a number of other functions and mandates including, among others,



Chairman of Leasinvest subsidiary Extensa and Managing Director of real estate fund Retail Estates. Mr. Appelmans joined Leasinvest SA in 1989 as General Manager. Previously, he worked at Crédit Lyonnais within the Corporate Banking Division (1986-1989). From 1979 to 1986, he was Vice-President Corporate Banking at Chase (now JPMorganChase).

Kris Verhellen

Kris Verhellen (38) has been Managing Director of Leasinvest Real Estate Management SA since it was founded in 1999. He joined Leasinvest SA in 1990 and fulfils various functions there. Among other positions, he is also a member of the Executive Committee of Leasinvest SA, Managing Director of Project T&T, Director of Bopro, Extensa, Grossfeld Immobilière, etc.



The financial management is carried out by:

Frank Moyaert, CFO¹

Frank Moyaert (38) joined Leasinvest SA in 1997 and has been CFO for Leasinvest SA and Leasinvest Real Estate since 2000. Before that, he worked for BACOB (now Dexia Bank) as Senior Risk Manager Corporate and Real Estate Finance. Among other positions, he is a Director at Extensa and other Leasinvest SA subsidiaries.



Management of the buildings

The real estate management of Leasinvest Real Estate is carried out by Bopro Real Estate Services, an indirectly-owned subsidiary (50%) of Leasinvest SA. The management contract runs until 31 December 2005. After that, the management contract can be terminated with effect from 1 January of each year, provided that six months' notice is given.

The routine property management consists of administrative, financial and technical activities. As long as the management contract is still in force, the manager can be charged with carrying out project management tasks.

The administrative and financial management consists of:

- Verification of compliance with the leases and the internal regulations.
- Updating reports on condition of the rents.
- Calculating, requesting and monitoring the payments of rents due and each tenant's share of common charges, property tax and insurance premiums and drawing up the annual final accounts of rent and charges, and if necessary, charging against the rental guarantees provided.
- Calculating and monitoring the establishment and updating of rental guarantees.
- Management of any overdue rent and charges.

- Arranging for reports on the condition of the premises to be drawn up and monitoring them at the start and end of leases; recovery of any damage recorded from the tenant or the party liable.
- Managing the insurance portfolio.

The technical management implies:

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

For its routine management assignment, Bopro Real Estate Services receives 3% (excluding 21% VAT) of the rents of the buildings managed by them. For unlet premises, a management fee of 1.5% excluding 21% VAT is charged. This fee is included in the rental charges paid by the tenants. Extra performances and/or services that are not included in the routine management may be charged by the real estate manager based on the scales produced by the Professional Institution.

¹ Representation of Fares SPRL.

[contents]

| | |
|---------------------------------|----|
| Market - Strategy | 08 |
| Real estate portfolio | 12 |
| Report of the Statutory Manager | 24 |
| Corporate governance | 28 |
| Financial review | 32 |
| Financial statements and notes | 38 |
| General information | 54 |
| Articles of Association | 60 |

[leasinvest real estate]





[market - strategy]



Real estate market

Investment market

During the first half of 2003, total investments in offices in the Brussels region amounted to 420 million EUR compared with 1.9 billion EUR over the whole year 2002. These investments were dominated by Belgian players, who made 52% of the total investments. The slowing economic activity and the optimal investment climate on the Brussels market encouraged corporates to enter into sale-and-leaseback transactions (Tractebel, Dexia). Another important player in the investment market is the government, which sold and leased back a number of government buildings in the last year.

Rental market

Brussels

In 2002, total take-up on the Brussels real estate market was 451,000 m². In the first half of 2002 234,000 m² of this had already been taken up (52%). In the first semester of 2003 total take-up was 325,000 m². This meant that the rental market fared substantially better (40%) than in the year 2002. An important factor is that the proportion of corporate users in this total take-up has fallen sharply: over the past 4 years (1999-2002) the ratio was 70% corporate users compared with 30% administrations. For the take-up in the first half of 2003 this ratio was completely reversed: 30% corporate users compared with 70% administrations. The average vacancy rate on the Brussels market at the end of the first half of 2003 is 8.8%.

The vacancy for the CBD¹ and the Leopold district remain below the average with a vacancy rate of 3.7% and 3.0% respectively. The high vacancy figures for the

decentralised zone and the periphery were maintained with a vacancy rate of 15.1% and 18.7% respectively. The vacancy in the Louise and North districts was around the average of 8.8%. The large discrepancies between these districts confirm the trend of "a two-speed market", but it is striking that the vacancy rate in the periphery fell over the past year from 21.5% to 18.7%.

Antwerp

Unlike the Brussels market, the take-up rose for the Antwerp region over the past year from 82,000 m² to 85,000 m². The highest rents could be maintained, provided that incentives were offered by owners and developers. The average market rent across all transactions fell from 89 EUR to 87 EUR/m². Vacancy rates remained relatively limited at 5% due to the lack of new projects. This will change over the next year due to the large number of new developments planned for 2003/2004.

Ghent

The lack of high quality new projects in the periphery of Ghent kept occupancy rates high and rents unchanged. The economic slowdown makes the market for new products particularly vulnerable.

Sources:

Belproperty

Jones Lang Lasalle – Brussels Office Market – August 2003

CB Richard Ellis – Brussels Office Review – No. 3 – February 2003

Hugo Ceusters vastgoedtendensen 2002

¹ 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 real estate fund invests primarily in buildings located in the periphery of the Brussels/Ghent/Antwerp triangle, preferably located in Brussels. Convenient access by public and private transport also plays an important role.
- The real estate 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 into account the future 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 EUR.

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 real estate fund covers the interest rate risk entirely via CAPS and IRS. The low interest rate was used to close some new hedges. The expiry dates of the hedges are situated between 2004 and 2009. The strike interest rates lie between 3.15% and 3.90%, not including the credit margin.

During the beginning of the 2003/2004 financial year, Leasinvest Real Estate has taken advantage of relatively low interest rates to replace a part of this short-term finance by long-term bank loans for an amount of

45 million EUR and for a period of 5 years. The variable interest rate of these loans were hedged.

Shareholder strategy

Leasinvest Real Estate has subscribed to the international financial transparency rules via its entry into the NextPrime segment of Euronext. The real estate fund reports quarterly to shareholders, and will maintain its accounts according to IFRS standards as prescribed by Euronext for the NextPrime segment. Until transition to the IFRS standards the accounts will be maintained according to the Belgian accounting legislation including approved abrogations. 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 yield for shareholders.





[real estate portfolio]



Changes in the portfolio

Investments and divestments in financial year 2002/2003

At the end of 2001/2002, various properties were acquired, such as Rue de Trèves 74, situated in the Leopold district in Brussels, and Route de Lennik 451 situated in the Erasmus Science Park in Anderlecht. In the past financial year 2002/2003, no investments were made.

Various projects were examined, but did not meet the selective investment criteria. The less favourable economic climate means that acquisitions are examined even more restrictively.

The divestment policy with regard to smaller, non-strategic buildings was started – with the sale of Britse Lei 3-5-7 (in 2001/2002) and Britse Lei 15 (in 2002/2003) in Antwerp – and will be continued in the current financial year. The contract relating to Britse Lei 3-5-7 concerns a pre-sale agreement. As of 30/06/2003, the building was still in the portfolio. On 16/09/2003, the ownership was transferred.

Divestments

Antwerp City Centre - Britse Lei 15 - 2018 Antwerp

At the end of December 2002, an in-principle agreement

was signed with Lachrila SA. The sales price amounted to 1,132,500 EUR, excluding registration fees and deed costs. In comparison with the investment value of 1,107,500 EUR (on 30 June 2002) a capital gain of 25,000 EUR was realised. The sale is 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 and improving the performance ratio of the real estate fund.

Divestments after the end of the financial year

Kontichsesteenweg 17, Aartselaar

On 1 September 2003, the sale option was lifted, which means that this building will definitively pass into the ownership of the purchaser no later than 31/12/2003. The sales price was 1,010,000 EUR, excluding registration fees and deed costs, which corresponds to the investment value on 30 June 2003.

Leasing transactions

Leasinvest Real Estate entered into the following leasing transactions in the past year (see table below).

| Tenant | Building | Location | Term | Office (m²) | Semi- industrial (m²) | Retail (m²) | Archives (m²) | Parking spaces |
|-------------------------------|--------------------------|------------|-------|----------------|-----------------------------|----------------|------------------|-------------------|
| Electrabel | Axxes Business Park | Merelbeke | 3/6/9 | | | | 382 | |
| Howe Furniture | Brixton Business Park | Zaventem | 3/6/9 | 118 | 388 | | | 5 |
| MGS Legal Mail | Brixton Business Park | Zaventem | 3/6/9 | 118 | 388 | | | 6 |
| Selecta | Brixton Business Park | Zaventem | 3/6/9 | 71 | 383 | | | 5 |
| Studiebureau Van Reeth | Delta Business Park | Kontich | 3/6/9 | 315 | | | | 4 |
| Cross Associates | Axxes Business Park | Merelbeke | 6/9 | 216 | | | | 9 |
| General Services & Investment | Axxes Business Park | Merelbeke | 6/9 | 1,145 | | | 100 | 33 |
| Scansoft | Axxes Business Park | Merelbeke | 6/9 | 415 | | | | 9 |
| Gecotec | Brixton Business Park | Zaventem | 3/6/9 | 282 | 1,954 | | | 55 |
| Cecimo | Avenue Louise 66 | Brussels | 6/9 | 236 | | | | 3 |
| Papyrus | Riverside Business Park | Anderlecht | 2/6/9 | 2,496 | | | | 50 |
| Agusta Aerospace Services | Vierwinden Business Park | Zaventem | 2 | 289 | 1,176 | | | 20 |
| Nashuatec | Riverside Business Park | Anderlecht | 3/6/9 | 510 | | | | 10 |
| Labaratoires De Vuyst | Brixton Business Park | Zaventem | 3/6/9 | 215 | 975 | | | 14 |

■ New

■ Transfer

■ Renewal

■ Extension

■ Renewal + Extension



Top ten tenants

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

The Top 10 remained unchanged in the past financial year compared with the financial year 2001/2002. This confirms Leasinvest Real Estate's focus on large tenants and long-term contracts.

Changes in leases

The following tenants have extended their lease:

| Tenant | Building | Location | Office (m ²) | Semi- industrial (m ²) | Retail (m ²) | Archives (m ²) | Parking spaces |
|---------------------------|--------------------------|------------|-----------------------------|--|-----------------------------|-------------------------------|-------------------|
| Cecimo | Avenue Louise 66 | Brussels | 236 | | | | 3 |
| Papyrus | Riverside Business Park | Anderlecht | 2,496 | | | | 50 |
| Gecotec | Brixton Business Park | Zaventem | 282 | 1,954 | | | 55 |
| Agusta Aerospace Services | Vierwinden Business Park | Zaventem | 289 | 1,176 | | | 20 |

The following tenants have terminated their lease:

| Tenant | Building | Location | Office (m ²) | Semi- industrial (m ²) | Retail (m ²) | Archives (m ²) | Parking spaces |
|------------------|-----------------------|----------|-----------------------------|--|-----------------------------|-------------------------------|-------------------|
| Alno Keukens | Avenue Louise 250 | Brussels | | | 231 | | 1 |
| Robeco | Avenue Louise 66 | Brussels | 251 | | | 23 | 4 |
| London Economics | Avenue Louise 66 | Brussels | 251 | | | | 2 |
| Paragraphe | Brixton Business Park | Zaventem | 70 | 383 | | | 5 |

New tenants:

| Tenant | Building | Location | Office (m ²) | Semi- industrial (m ²) | Retail (m ²) | Archives (m ²) | Parking spaces |
|------------------------|-----------------------|----------|-----------------------------|--|-----------------------------|-------------------------------|-------------------|
| MGS Legal Mail | Brixton Business Park | Zaventem | 118 | 388 | | | 6 |
| Howe Furniture | Brixton Business Park | Zaventem | 118 | 388 | | | 5 |
| Studiebureau Van Reeth | Delta Business Park | Kontich | 315 | | | | 4 |

Composition of the real estate portfolio

| (Figures as of 30/06/2003) | Investment value ¹ (EUR) | Share in portfolio (%) | Contractual rents (EUR) | Return (%) | Occupancy rate (%) | Contractual rents + estimated value on vacancy (EUR) | Estimated rental value (EUR) |
|---|--|------------------------------|-------------------------------|---------------|-----------------------|---|------------------------------------|
| BRUSSELS | | | | | | | |
| Riverside Business Park | 47,810,000 | 17.97 | 3,586,404 | 7.50 | 94.10 | 3,798,982 | 3,601,891 |
| Phase I | 12,160,000 | | 969,900 | 7.98 | 99.96 | 970,271 | 886,339 |
| Phase II | 5,900,000 | | 518,608 | 8.79 | 99.77 | 519,723 | 481,106 |
| Phase III + IV | 29,750,000 | | 2,097,896 | 7.05 | 90.55 | 2,308,987 | 2,234,446 |
| Route de Lennik, Anderlecht | 27,380,000 | 10.29 | 1,997,416 | 7.30 | 100.00 | 1,997,416 | 2,046,792 |
| Extensa Square | 32,070,000 | 12.05 | 2,632,594 | 8.21 | 100.00 | 2,632,594 | 2,293,239 |
| Col. Bourg 153/155 | 20,020,000 | | 1,669,462 | 8.34 | 100.00 | 1,669,462 | 1,417,780 |
| Col. Bourg 149 | 12,050,000 | | 963,133 | 7.99 | 100.00 | 963,133 | 875,459 |
| TOTAL | 107,260,000 | 40.31 | 8,216,414 | | | 8,428,992 | 7,941,922 |
| Avenue Louise 250 | 23,430,000 | 8.81 | 1,794,597 | 7.66 | 97.65 | 1,836,677 | 1,791,362 |
| Avenue Louise 66 | 5,950,000 | 2.24 | 484,505 | 8.14 | 92.31 | 521,746 | 484,001 |
| Louise side | 3,430,000 | | 278,565 | 8.12 | 86.84 | 315,658 | 281,782 |
| Grosse Tour side | 1,580,000 | | 137,143 | 8.68 | 99.89 | 137,292 | 134,048 |
| Retail part | 940,000 | | 68,796 | 7.32 | 100.00 | 68,796 | 68,171 |
| TOTAL | 29,380,000 | 11.05 | 2,279,102 | | | 2,358,423 | 2,275,363 |
| Rue de Trèves-Rue Bélliard, Brussels | 17,390,000 | 6.54 | 1,355,680 | 7.80 | 100.00 | 1,355,680 | 1,163,670 |
| Brixton Business Park | 30,810,000 | 11.58 | 2,351,610 | 7.63 | 96.62 | 2,453,358 | 3,007,729 |
| Unit 1 | 3,670,000 | | 257,306 | 7.01 | 79.73 | 321,350 | 315,930 |
| Unit 2 | 3,480,000 | | 260,695 | 7.49 | 86.95 | 298,400 | 288,909 |
| Unit 3 | 3,270,000 | | 307,863 | 9.41 | 100.00 | 307,863 | 261,055 |
| Unit 4/5/6 | 11,570,000 | | 722,805 | 6.25 | 100.00 | 722,805 | 1,433,221 |
| Unit 8 | 2,830,000 | | 266,177 | 9.41 | 100.00 | 266,177 | 224,068 |
| Unit 9 | 3,200,000 | | 296,232 | 9.26 | 100.00 | 296,232 | 258,357 |
| Unit 10 | 2,790,000 | | 240,532 | 8.62 | 100.00 | 240,532 | 226,190 |
| Vierwinden Business Park | 9,900,000 | 3.72 | 918,991 | 9.28 | 100.00 | 918,991 | 764,707 |
| TOTAL | 40,710,000 | 15.30 | 3,270,601 | | | 3,372,349 | 3,772,436 |
| GHENT - PERIPHERY | | | | | | | |
| Axxes 51-003 Business Park | 40,880,000 | 15.36 | 3,178,883 | 7.78 | 96.55 | 3,287,498 | 3,143,928 |
| Building 1 | 4,770,000 | | 385,354 | 8.08 | 100.00 | 385,354 | 366,573 |
| Building 2 | 5,730,000 | | 452,971 | 7.91 | 96.57 | 468,086 | 440,432 |
| Building 3 | 5,660,000 | | 411,598 | 7.27 | 87.18 | 467,604 | 436,708 |
| Building 4 | 5,920,000 | | 444,709 | 7.51 | 91.80 | 482,203 | 457,487 |
| Building 5 | 5,740,000 | | 449,366 | 7.83 | 100.00 | 449,366 | 439,577 |
| Buildings 6 & 7 | 13,060,000 | | 1,034,885 | 7.92 | 100.00 | 1,034,885 | 1,003,151 |
| TOTAL | 40,880,000 | 15.36 | 3,178,883 | | | 3,287,498 | 3,143,928 |
| ANTWERP | | | | | | | |
| Prins Boudewijnlaan 7 | 16,420,000 | 6.17 | 1,484,881 | 9.04 | 100.00 | 1,484,881 | 1,345,391 |
| Kontichsesteenweg | 4,390,000 | 1.65 | 329,447 | 7.50 | 67.68 | 458,714 | 399,972 |
| Kontichsesteenweg 17 | 1,010,000 | | 125,967 | 12.47 | 100.00 | 125,967 | 97,639 |
| Kontichsesteenweg 38 | 1,243,000 | | 0 | 0.00 | 0.00 | 129,267 | 129,267 |
| Kontichsesteenweg 38A | 2,137,000 | | 203,480 | 9.52 | 100.00 | 203,480 | 173,066 |
| Schranshoevebaan 18, Wommelgem | 2,530,000 | 0.95 | 217,414 | 8.59 | 100.00 | 217,414 | 213,748 |
| Delta Business Park | 2,500,000 | 0.94 | 210,177 | 8.41 | 100.00 | 210,177 | 208,811 |
| TOTAL | 25,840,000 | 9.71 | 2,241,919 | | | 2,371,186 | 2,167,922 |
| Antwerp city centre ² | 4,619,000 | 1.74 | 356,963 | 7.73 | 67.29 | 512,988 | 476,964 |
| Mechelsesteenweg, 30-34 - (A & B) | | | | | | | |
| + Parking Willemstraat 1 | 4,110,000 | | 331,583 | 8.07 | 70.75 | 455,165 | 422,509 |
| Britselei 3-5-7 | 509,000 | | 25,380 | 4.99 | 40.42 | 57,823 | 54,455 |
| Britselei 15 ² | | | | | | | |
| TOTAL | 4,619,000 | 1.74 | 356,963 | | | 512,988 | 476,964 |
| Total excluding rental guarantees | 266,079,000 | 100 | 20,899,564 | 7.85 | 96.24 | 21,687,117 | 20,942,206 |
| Rental guarantees | | | 303,848 | | | | |
| Total including rental guarantees | | | 21,203,412 | | | | |
| <div> ■ Brussels decentralised ■ Brussels Louise District ■ Brussels Leopold district ■ Brussels periphery ■ Antwerp periphery ■ Antwerp city centre </div> | | | | | | | |

¹ Including costs and taxes.

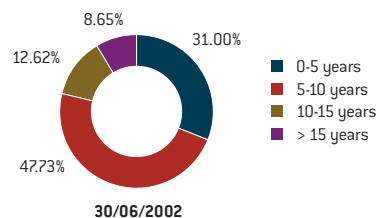
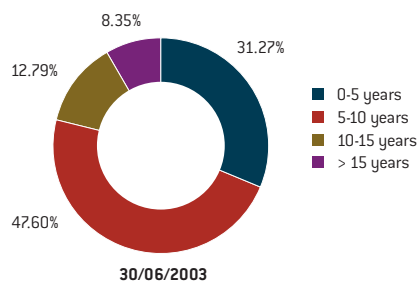
² Total excluding Britse Lei 15, which was sold on 14/03/2003.



Analysis of the real estate portfolio

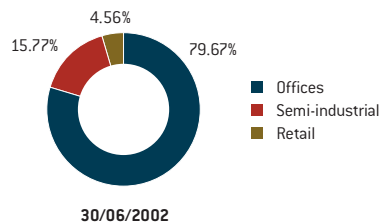
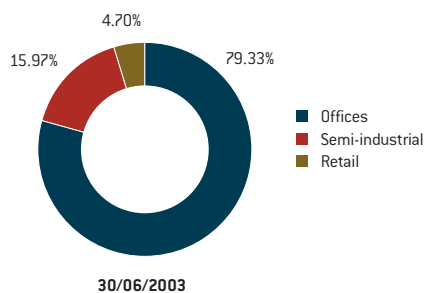
Average age

The real estate portfolio held by Leasinvest Real Estate is a relatively young portfolio in terms of average age of the buildings. 78.87% of the buildings are less than 10 years old, of which 31.27% are less than 5 years old. The real estate portfolio has hardly changed since the previous financial year (30/06/2002) (see (divestments) investments), resulting in a similar age breakdown.



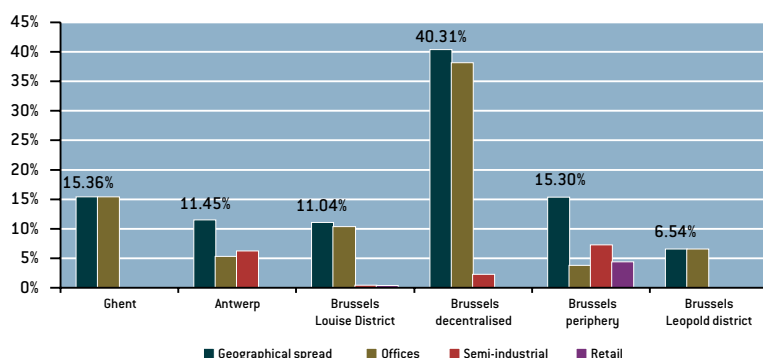
Type of assets

The largest proportion of the real estate portfolio of Leasinvest Real Estate consists of office property, i.e. 79.33%, followed by semi-industrial and retail. The retail part is mainly located in the Brixton Business Park in Zaventem. The ratios have remained virtually unchanged in comparison with the previous financial year.





Type of assets according to geographical spread



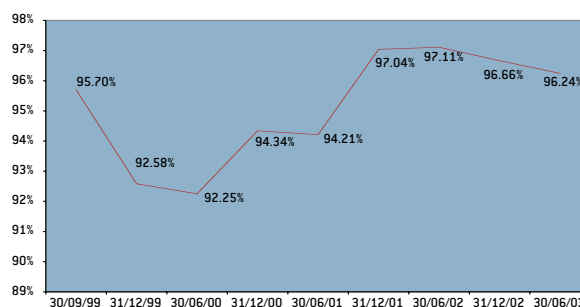
At the end of the financial year, Brussels accounted for 73.19% of the investments, followed by Ghent (15.36%) and Antwerp (11.45%). The geographical spread is totally in line with that of last year. In the breakdown of the Brussels market, the decentralised zone accounts for 40.31% of the total, followed by the periphery with 15.30%, the

Louise district with 11.04% and the Leopold district with 6.54%. The decentralised zone, which is also the largest, consists mainly of offices, with a limited proportion of semi-industrial space. The Ghent area (Axxes Business Park) and the Leopold district (rue de Trèves 74) consist entirely of office buildings. The majority of the semi-industrial buildings are in the relatively smaller markets, i.e. Antwerp and the periphery of Brussels. The retail component is also located in the periphery of Brussels (Brixton Business Park in Zaventem) and, to a limited extent, in the Louise district as part of the Avenue Louise 250 office building.

Occupancy rate

Since the financial year 30/06/2000, the occupancy rate has shown a strong and continuous rise, from 92.25% as of 30/06/2000 to 97.11% as of 30/06/2002. The acquisitions of completely-let buildings over the penultimate financial year, combined with intensive renovation investments in general were responsible for this positive development. During the past financial year, the occupancy rate excluding rental guarantees fell slightly to 96.24% compared to 97.11% the previous year and to 97.77% including rental guarantees in comparison with 100% as of 30/06/2002.

This fall, which is the consequence of a difficult real estate market, is relatively limited for Leasinvest Real Estate.



Remaining lease terms and contractually guaranteed rental income

The graph is based on the first breakdate of the current leases, and on the estimated rental value. The number of contracts with a term of less than 3 years has risen from 57.48% to 68.33%.

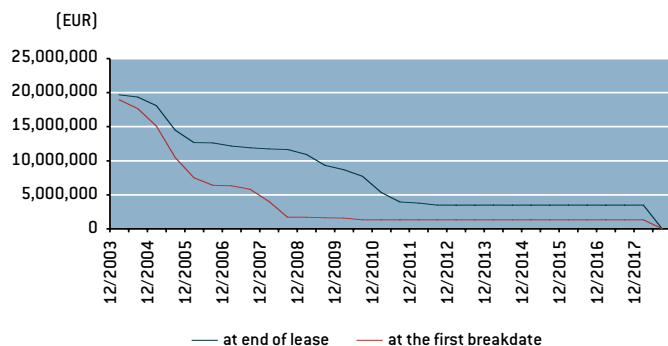
The reason for this is that the leases of a number of large tenants (e.g. Federal Mogul), initially long term leases, were shown last year in the 3 to 6 year bracket (first breakdates in the period 30/06/2005-31/12/2005), but have now moved into the less than 3 years bracket. Based on our experience in the past, approximately 70% of the tenants extend their leases at the first break date. Please note that the graph takes account of the first breakdate and is not a presentation of the initial lease durations which are frequently considerably longer, in line with the investment strategy. This can also be seen from the explanation accompanying the graph below.



The graph below shows the rents from the existing portfolio, which are guaranteed up to the first breakdate on the one hand, and on the other hand, those which are guaranteed until the end of the lease, i.e. if the tenants stay until the end of their lease. The graph does not take account of parking spaces where notice can be given monthly or with new lets, i.e. on the first breakdate, the vacant space is not let anymore.

The fall in the rents over the first period relates to the proportion of contractually-guaranteed rents with a remaining term of less than 3 years from the graph shown above.

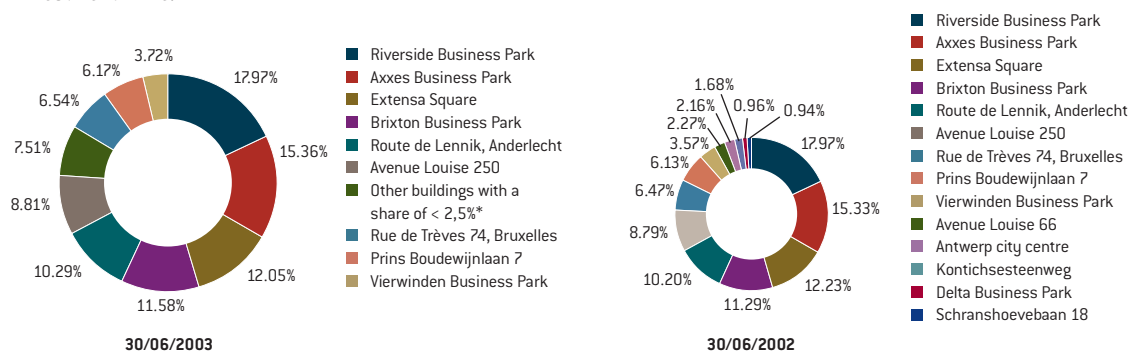
Due to the acquisition during the past financial year of the office building at Route de Lennik 451, Anderlecht, the first breakdates and the possible breakdates at the end of the leases are relatively far apart.





Breakdown of investment value

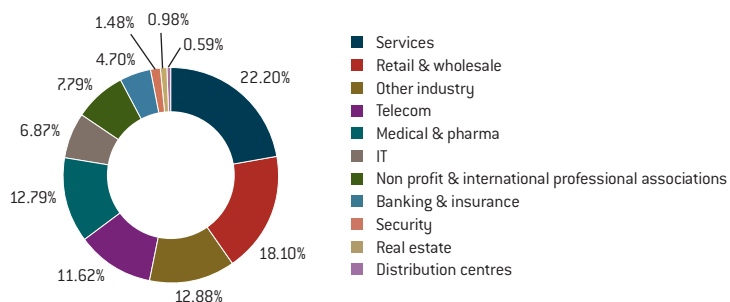
The Top 3 investments, which are the Riverside Business Park in Anderlecht, the Axxes Business Park in Merelbeke and Extensa Square in Evere, jointly account for 45.39% of the total investment value. Business parks form the majority of the investment value.



(*) Delta Business Park, Schranshoevebaan, Antwerp city centre, Kontichsesteenweg and Avenue Louise 66

Type of tenants

The majority of the tenants of Leasinvest Real Estate are active in the services sector (22.2%), followed by the retail and wholesale sector with 18.1%. The spread of the tenants with regard to the field of activity is well diversified, which means that cyclical changes in the sector have less impact on the rents of Leasinvest Real Estate.



Description of the real estate portfolio



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 of construction | 1975/88, renovations carried out as required for new tenants | Estimated rental value | 3,007,729 EUR |
| Area rented | 36,042 m ² | Occupancy rate | 96.62% |
| Parking spaces | 485 | Estimated investment value | 30,810,000 EUR |
| Contractual rent | 2,351,610 EUR | Rental yield | 7.63% |
| | | Insured value | 17,345,213 EUR |



Prins Boudewijnlaan 7, 2550 Kontich

Distribution centre

| | | | |
|----------------------|------------------------|----------------------------|----------------|
| Year of construction | 1989, extended in 2000 | Estimated rental value | 1,345,391 EUR |
| Area rented | 27,589 m ² | Occupancy rate | 100% |
| Parking spaces | 100 | Estimated investment value | 16,420,000 EUR |
| Contractual rent | 1,484,881 EUR | Rental yield | 9.04% |
| | | Insured value | 13,362,000 EUR |



Riverside Business Park / Internationalelaan 55, 1070 Anderlecht

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

| | | | |
|----------------------|-----------------------|----------------------------|----------------|
| Year of construction | 1992/96 | Estimated rental value | 3,601,891 EUR |
| Area rented | 26,931 m ² | Occupancy rate | 94.10% |
| Parking spaces | 624 | Estimated investment value | 47,810,000 EUR |
| Contractual rent | 3,586,404 EUR | Rental yield | 7.50% |
| | | Insured value | 31,950,222 EUR |



Axxes Business Park / Guldensporenpark 22-40, 9820 Merelbeke

Business park in a newly landscaped park alongside the E40 motorway, consisting of 7 new buildings

| | | | |
|----------------------|-----------------------|----------------------------|----------------|
| Year of construction | 2000/01 | Estimated rental value | 3,143,928 EUR |
| Area rented | 23,447 m ² | Occupancy rate | 96.55% |
| Parking spaces | 714 | Estimated investment value | 40,880,000 EUR |
| Contractual rent | 3,178,883 EUR | Rental yield | 7.78% |
| | | Insured value | 33,124,795 EUR |



Route de Lennik 451, 1070 Anderlecht

New office building in the Erasmus Science Park in Anderlecht

| | | | |
|----------------------|-----------------------|----------------------------|----------------|
| Year of construction | 2002 | Estimated rental value | 2,046,792 EUR |
| Area rented | 15,132 m ² | Occupancy rate | 100% |
| Parking spaces | 278 | Estimated investment value | 27,380,000 EUR |
| Contractual rent | 1,997,416 EUR | Rental yield | 7.30% |
| | | Insured value | 24,967,697 EUR |



Vierwinden Business Park / Leuvensesteenweg 532, 1930 Zaventem

Semi-industrial business park

| | | | |
|----------------------|----------------------------------|----------------------------|---------------|
| Year of construction | 1973, renovated in 1994 and 1998 | Estimated rental value | 764,707 EUR |
| Area rented | 13,623 m ² | Occupancy rate | 100% |
| Parking spaces | 317 | Estimated investment value | 9,900,000 EUR |
| Contractual rent | 918,991 EUR | Rental yield | 9.28% |
| | | Insured value | 9,989,957 EUR |



Extensa Square / rue Colonel Bourg 149, 153-155, 1140 Evere

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

| | | | |
|----------------------|-----------------------|----------------------------|----------------|
| Year of construction | 1991 (I) / 1996 (II) | Estimated rental value | 2,293,239 EUR |
| Area rented | 12,218 m ² | Occupancy rate | 100% |
| Parking spaces | 291 | Estimated investment value | 32,070,000 EUR |
| Contractual rent | 2,632,594 EUR | Rental yield | 8.21% |
| | | Insured value | 32,188,833 EUR |

■ > 30,000 m²

■ 30-20,000 m²

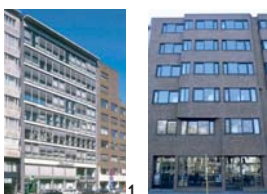
■ 20-10,000 m²



Avenue Louise 250, 1000 Brussels

Prestige office complex consisting of 12 floors

| | | | |
|----------------------|---|----------------------------|----------------|
| Year of construction | 1975/76, 4 of the 12 floors have been completely renovated since the end of '00 | Estimated rental value | 1,791,362 EUR |
| Area rented | 11,225 m ² | Occupancy rate | 97.65% |
| Parking spaces | 114 | Estimated investment value | 23,430,000 EUR |
| Contractual rent | 1,794,597 EUR | Rental yield | 7.66% |
| | | Insured value | 20,989,403 EUR |



Antwerp city centre [Mechelsesteenweg 30-34 + parking J.F. Willemstraat 1 / Britse Lei 3-5-7]

Office complex in the vicinity of the National Bank

| | | | |
|----------------------|---|----------------------------|----------------|
| Year of construction | 1. 1963 [34], 1975 [30] - renovated between 1996 and 2002 / 2. 1978 | Estimated rental value | 476,964 EUR |
| Area rented | 5,762 m ² | Occupancy rate | 67.29% |
| Parking spaces | 88 | Estimated investment value | 4,619,000 EUR |
| Contractual rent | 356,963 EUR | Rental yield | 7.73% |
| | | Insured value | 11,369,046 EUR |



Kontichsesteenweg 17, 38, 38A, 2630 Aartselaar

Three buildings, 2 of which are office buildings and 1 a semi-industrial building

| | | | |
|----------------------|--|----------------------------|---------------|
| Year of construction | 1973 [17], 1986 [38], 1990 [38A] - renovated in 2001 | Estimated rental value | 399,972 EUR |
| Area rented | 5,400 m ² | Occupancy rate | 67.68% |
| Parking spaces | 95 | Estimated investment value | 4,390,000 EUR |
| Contractual rent | 329,447 EUR | Rental yield | 7.50% |
| | | Insured value | 4,465,643 EUR |



Rue de Trèves 74, 1000 Brussels

Office building on the corner of Rue de Trèves and Rue Bélliard in the Brussels Leopold district

| | | | |
|----------------------|----------------------|----------------------------|----------------|
| Year of construction | 1994 | Estimated rental value | 1,163,670 EUR |
| Area rented | 5,515 m ² | Occupancy rate | 100% |
| Parking spaces | 68 | Estimated investment value | 17,390,000 EUR |
| Contractual rent | 1,355,680 EUR | Rental yield | 7.80% |
| | | Insured value | 19,887,671 EUR |



Avenue Louise 66, 1000 Brussels

Office complex opposite the Conrad Hotel, consisting of 2 interconnected buildings and 1 commercial ground floor

| | | | |
|----------------------|--|----------------------------|---------------|
| Year of construction | 1974/75, renovated in 1987, 6 floors renovated in 2001 | Estimated rental value | 484,001 EUR |
| Area rented | 3,592 m ² | Occupancy rate | 92.31% |
| Parking spaces | 41 | Estimated investment value | 5,950,000 EUR |
| Contractual rent | 484,505 EUR | Rental yield | 8.14% |
| | | Insured value | 6,098,440 EUR |



Schranshoevebaan 18, 2160 Wommelgem

A single office building with semi-industrial space in Wommelgem

| | | | |
|----------------------|----------------------|----------------------------|---------------|
| Year of construction | 1993 | Estimated rental value | 213,748 EUR |
| Area rented | 2,394 m ² | Occupancy rate | 100% |
| Parking spaces | 44 | Estimated investment value | 2,530,000 EUR |
| Contractual rent | 217,414 EUR | Rental yield | 8.59% |
| | | Insured value | 2,837,636 EUR |



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

Business park in a newly landscaped park where Leasinvest Real Estate is the owner of the first office building

| | | | |
|----------------------|----------------------|----------------------------|---------------|
| Year of construction | 2000 | Estimated rental value | 208,811 EUR |
| Area rented | 1,792 m ² | Occupancy rate | 100% |
| Parking spaces | 47 | Estimated investment value | 2,500,000 EUR |
| Contractual rent | 210,177 EUR | Rental yield | 8.41% |
| | | Insured value | 1,971,397 EUR |

■ 20-10,000 m²

■ < 10,000 m²



Valuation report

Update as of 30 June 2003 of the valuation of the Leasinvest Real Estate SCA portfolio

Report by the external valuer Cushman & Wakefield Healey & Baker

We are pleased to report our valuation of the gross investment value of the portfolio of Leasinvest Real Estate SCA as of 30 June 2003.

Our valuation has been prepared on the basis of the information provided to us by Leasinvest Real Estate SCA, such information is being supposed to be 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, corrected with the net present value 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 valuation¹.

The values were determined taking current market parameters into account.

We would like to draw your attention on 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 the portfolio is 96,24%.
3. The average of the current rental income (+ estimated rental value of vacant space) is 3.6% higher than the estimated rental value.

For all buildings of Leasinvest Real Estate SCA, we determined a gross investment value, as of 30 June 2003, of 266,100,000 EUR (two hundred and sixty-six million one hundred thousand euro). This amount includes the portion of the portfolio valued by the firm Winssinger & Associates.

On this basis, the initial yield was 7.85%.

Cushman & Wakefield Healey & Baker

¹ If the actual rental income is higher than the estimated rental value, this leads to a surplus in the market value, taking account of the expiry date of the underlying leases, whereby the rental income is higher than the estimated rental value. On the other hand, if actual rental income is lower, the effect on the market value is negative.



[report of the Statutory Manager]





Management report by the Statutory manager to the Ordinary General Meeting of shareholders of Leasinvest Real Estate SCA on 20 October 2003

Ladies and
Gentlemen,

The Board of Directors of Leasinvest Real Estate Management SA (hereafter referred to as the "statutory manager") has the honour of reporting to you on the activities of Leasinvest Real Estate SCA (hereafter referred to as the "company") on its fourth financial year, which runs from 1 July 2002 to 30 June 2003, and submitting the annual accounts of the company to 30 June 2003 for your approval.

1. Investments & divestments during the financial year 2002/2003

At the end of 2001/2002, the company acquired control of various properties, such as Rue de Trèves 74, situated in the Leopold district in Brussels, and Route de Lennik 451 situated in the Erasmus Science Park in Anderlecht.

In the past financial year 2002/2003, no investments were made.

Different projects were examined, but did not meet the selective investment criteria. The less favourable economic climate means that acquisitions are examined even more restrictively.

The divestment policy with regard to smaller, non-strategic buildings was started – with the sale of Britse Lei 3-5-7 (in 2001/2002) and Britse Lei 15 (in 2002/2003) in Antwerp – and will be continued in the current financial year. The contract relating to Britse Lei 3-5-7 concerns a pre-sale agreement. As of 30/06/2003, the building was still in the portfolio.

2. Important events that have occurred since the end of the financial year

No important events occurred after the closing of the financial year.

3. Individual and consolidated results 2002/2003¹

a. Consolidated results

During the financial year, an amount of 20,871,706.26 EUR was collected in rent (excluding rental guarantee), or 22% more than last year, and 53% 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 rents from subsidiaries Brussimmo SA and Ekiport SA, which were only included pro rata in last year's accounts. The operating costs, excluding invoiced charges, amounted to 4,571,085.17 EUR and consisted of 1,439,206.55 EUR provisions for maintenance and renovation and 2,797,039.22 EUR of services and miscellaneous goods. During the current financial year, additional provisions were made for maintenance and renovation, taking account of the budgets drawn up by the manager of the buildings, Bopro SA. These budgets take account, among other things, of the age of the buildings, the breakdates of the leases, and dates on which maintenance/renovation is planned.

The fixed costs under the "services and miscellaneous goods" fell by 19%. This item represents renovation and maintenance costs, the remuneration of the Statutory Manager and indirect operating expenses (auditor, consultancy fees, valuations, brokers, etc.). The fall is mainly explained by the renovation and maintenance costs, which were approximately 747,000.00 EUR lower.

¹ The companies Brussimmo SA and Ekiport SA are entirely consolidated.



The operating result was 16,947,175.32 EUR. The net financial result of -4,062,889.67 EUR was higher than last year, mainly due to the charges for financing the new acquisitions (Brussimmo SA and Ekiport SA) made during the past financial year.

The operating profit amounted to 12,742,105.40 EUR and the net profit for the financial year 10,072,201.42 EUR. The difference between the two figures is the negative result on the portfolio at 2,677,051.04 EUR, which mainly concerns the buildings at Extensa Square (Evere), Riverside Business Park (Anderlecht) and Axxes Business Park (Ghent) and an extraordinary result of 7,147.05 EUR. The investment value of the real estate portfolio was estimated by the valuers at 266,079,000.00 EUR, or a fall of 3,440,000.00 EUR or 1.28% in comparison with last year. Therefore, this fall is a combination of the aforementioned loss of value of the portfolio and the sale of the building on the Britse Lei 15 in Antwerp (-1.1 million EUR).

The consolidated capital and reserves, after appropriation of profits, was 151,287,586.18 EUR. The ratio of debt was 42.33%. 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.

b. Statutory results

The rents rose from 16,265,629.99 EUR to 17,526,062.33 EUR as a result of higher rental income from the Axxes Business Park, which was not included for an entire year in the accounts for the previous financial year. The operating costs, excluding invoiced charges, remained virtually constant, and amounted to 3,491,107.40 EUR.

The various sub-accounts of the operating costs, on the other hand, showed considerable fluctuations. On the one

hand, in the previous financial year, provisions amounting to 343,387.02 EUR were written back; this financial year 619,670.57 EUR of provisions were made. On the other hand, the item 'services and miscellaneous goods' fell by 851,635.26 EUR. The fall can mainly be explained by renovation and maintenance costs which were approximately 747,000.00 EUR lower. During the current financial year, additional provisions were made for maintenance and renovation, taking account of the budgets drawn up by the technical manager of the buildings, Bopro SA. These budgets take account, among other things, of the age of the buildings, the breakdates of the leases, and dates on which maintenance/renovation is planned. The operating result amounted to 14,681,508.96 EUR, a rise of 1.2% compared with the previous financial year.

The net financial result of -2,232,700.51 EUR was over 15% better than last year (-2,652,240.19 EUR), mainly as a result of higher financial income amounting to 1,906,610.96 EUR due to the financing of Brussimmo SA and Ekiport SA, via subordinated bullet loans. The operating profit amounted to 12,439,957.63 EUR (2001/2002: 11,848,486.25 EUR). The value of the statutory real estate portfolio was estimated by the valuers at 221,309,000.00 EUR (2001/2002: 224,589,000.00 EUR), or a decrease of 1.46% in comparison with last year, which is largely the result of the sale of Britse Lei 15 and the negative fluctuations in the market value of the portfolio, which amounted to 2,285,113.21 EUR.

After the accounts were closed, no exceptional events or circumstances arose which might have a fundamental influence on the results or the further development of the company.

5. 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 of the company.

6. Appropriation of the result – dividend payment

The profit for appropriation from the present financial year 2002/2003 amounts to 12,464,957.63 EUR. Taking account of the profit carried forward from the past financial year of 2,256,396.62 EUR, this gives a profit for appropriation of 14,721,354.25 EUR. There was also a withdrawal from the capital and reserves amounting to 84,271.94 EUR. The Board of Directors of the Statutory Manager proposes that the Ordinary General Meeting of Shareholders should appropriate the profit of 14,805,626.19 EUR, including the withdrawal from the capital and reserves, as follows:

- 3,201,125.59 EUR to be carried forward to next year and
- 11,604,500.60 EUR be paid out as dividends.

Like last year, the proposed dividend is 93% of the result for appropriation of the financial year 2002/2003, and is higher than the minimum 80% of the proceeds as required by the Royal Decree of 10 April 1995. If you approve this appropriation, the dividend will be 4.10 EUR gross (compared with 3.96 EUR gross last year) and net, free of withholding tax, 3.49 EUR (compared with 3.37 EUR last year) for all 2,830,366 shares.

Dividends will be paid out on presentation of coupon No. 4 from 27 October 2003 onward at branches of ING Bank, Dexia Bank, Fortis Bank and Bank Degroof who provide the financial services.

7. Outlook

Except if there are unforeseen circumstances, Leasinvest Real Estate expects a result for the 2003-2004 financial year comparable with that of the past financial year. Leasinvest Real Estate plans to grow further in the medium term to an investment value of 500 million EUR. This growth can be achieved by attracting additional

structural long-term shareholders and by mergers with/take-overs of real estate companies. The growth target must provide a further improvement in financial ratios and an increased dividend yield.

Done at Antwerp on 28 August 2003.



J.L. Appelmans
Director



L. Bertrand
Chairman of the
Board of Directors

Addendum to the management report by the Statutory Manager to the Ordinary General Meeting of shareholders of Leasinvest Real Estate SCA on 20 October 2003 to complete the information contained in point 2 and 3.a.

After the end of the financial year 2002/2003, i.e. on 1 September 2003, Leasinvest Real Estate levied the sale option, which meant that ownership of the building at Kontichsesteenweg 17, Antwerp, passed definitively to the purchaser.

Done at Antwerp on 15 September 2003.



J.L. Appelmans
Director



L. Bertrand
Chairman of the
Board of Directors

[corporate governance]





Decision-making organs

Leasinvest Real Estate is a partnership limited by shares and is approved as an "investment company with fixed capital under Belgian law" (or a closed-end real estate investment fund, known in Belgium as a "sicafi"). As such, the company is subject to the legal system for companies with fixed capital, known as "sicafi", provided for 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 its registered office at Mechelsesteenweg 34, 2018 Antwerp (formerly Rue Montoyer 63, 1000 Brussels).

The Board of Directors of the manager

The Board of Directors of the Statutory Manager, Leasinvest Real Estate Management SA, determines the policy of the real estate fund and is composed jointly of directors who are associated with the 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 SA. Re-appointment of the independent directors according to the new legal definition will be requested at the Ordinary General Meeting of shareholders on 20/10/2003 (see Corporate Governance Act).

The Board of Directors is chaired by Luc Bertrand, Chairman of the Executive Committee of Ackermans & van Haaren.

The independent directors are:

- Eric De Keuleneer, Managing Director of Credibe SA.
- Bernard de Gerlache de Gomery, independent director of companies including Floridienne SA and Sipef SA.
- Christophe Desimpel, Managing Director of De Speyebeek SA.
- Marcus Van Heddeghem, Managing Director of Wilma Project Development SA.

The directors associated with Ackermans & van Haaren SA are:

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

Pursuant to the Royal Decree of 10 April 1995, Messrs. Appelmans and Verhellen, in their capacity of Managing Director of Leasinvest Real Estate Management SA, 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 five times during the financial year. The articles of association provide that the Board of Directors should meet at least four times per year. During the financial year 2002-2003, the independent directors received 39,662.96 EUR in direct and indirect remuneration. The dependent directors received no remuneration during the past financial year. None of the directors owns shares of Leasinvest Real Estate.



Permanent Representative

The Statutory Manager Leasinvest Real Estate Management SA, is represented by its Permanent Representative J.L. Appelmans, appointed by the Board of Directors of Leasinvest Real Estate Management SA by a decision on 27/02/2003.

The Permanent Committee

The Permanent 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 Permanent 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 past financial year, no situations occurred in which the provisions of Articles 523 and 524 onward of the Companies Act had to be applied. Should these situations occur the provisions of these articles will be applied.

Audit of the annual accounts

The auditor, appointed by the general meeting of shareholders, audits the annual accounts and the semester reports. The auditor also draws up the special report for the attention of the Banking and Finance Commission. Ernst & Young, approved Auditors, Avenue Marcel Thiry 204, 1200 Brussels, represented by Mr. Pierre Anciaux, approved company auditor, were appointed for a period of three years (from the previous Ordinary General Meeting of 21 October 2002) to fulfil the function of auditors. The remuneration of the auditor for verification of the annual accounts for the past financial year amounted to 19,360 EUR.

Valuation of the portfolio

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

- Cushman & Wakefield Healey & Baker, Avenue des Arts 58 (boîte 7), 1000 Brussels, represented by Mr Eric Van Dyck.
- Winssinger & Associates, Avenue Louise 380, 1050 Brussels, represented by Mr. Philippe Winssinger.

Depository bank

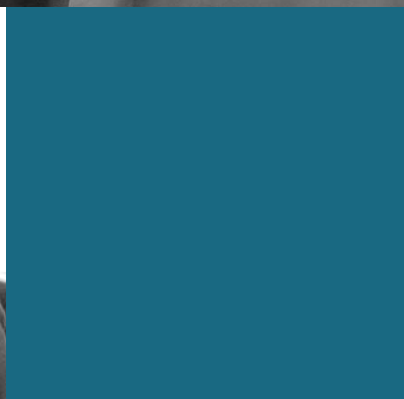
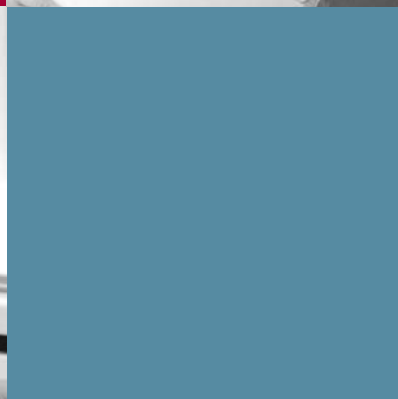
ING Bank was appointed as the depository bank of Leasinvest Real Estate, in accordance with the provisions of Article 12 onward of the Royal Decree. In its capacity as the depository bank, ING Bank must comply with the obligations imposed by the Law of 4 December 1990 and the implementing decree of 10 April 1995. The depository bank is put in possession of all official documents and deeds relating to changes in the assets of the real estate fund, and ensures that any change in the real estate portfolio is incorporated into the inventory. The remuneration of the depository bank is set on the basis of the investment value of the portfolio of Leasinvest Real Estate according to the tranches set out below:

| Total investment value of the real estate portfolio | Fee to the depository bank (excl. VAT) |
|---|--|
| Between 0 and 125 million EUR | 0.03% |
| Over 125 million EUR | 0.01% |



Liquidity provider

ING Financial Markets (ex-Vermeulen Raemdonck) has been appointed as liquidity provider.



[financial review]



Analytical results*

| (x 1,000 EUR) | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|----------------------------|---------------|---------------|---------------|---------------|
| Rents | 20,872 | 17,105 | 13,568 | 12,705 |
| Other operating income | 647 | 1,694 | 1,401 | 1,348 |
| Rental result | 21,518 | 18,799 | 14,968 | 14,053 |
| Direct real estate costs | -943 | -2,437 | -2,169 | -648 |
| Indirect real estate costs | -1,065 | -477 | -412 | -717 |
| Provisions | -1,439 | 301 | -126 | -473 |
| Real estate result | 18,071 | 16,186 | 12,261 | 12,215 |
| Operating expenses | -1,124 | -935 | -781 | -720 |
| Operating result | 16,947 | 15,250 | 11,480 | 11,495 |
| Financial charges | -4,164 | -3,137 | -1,812 | -1,249 |
| Financial operating income | 101 | 292 | 128 | 121 |
| Taxes | -142 | -10 | 646 | 48 |
| Net current result | 12,742 | 12,395 | 10,441 | 10,415 |

Other operating income = rental guarantee, compensation ...excluding reinvoyed charges.

Direct real estate costs = costs of maintenance, renovation, vacancy and insurance.

Indirect real estate costs = other costs (excl. management fee and reinvoyed costs).

Operating expenses = management fee.

Key balance sheet data*

| ASSETS (x 1,000 EUR) | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|--|----------------|----------------|----------------|----------------|
| FIXED ASSETS | 266,079 | 269,519 | 200,945 | 177,288 |
| Tangible assets | 266,079 | 269,519 | 200,945 | 177,288 |
| CURRENT ASSETS | 8,972 | 19,254 | 5,353 | 8,277 |
| Amounts receivable in more than 1 year | 131 | 205 | 274 | 225 |
| Amounts receivable within 1 year | 3,501 | 6,714 | 2,136 | 2,539 |
| Investments, cash in hand and at bank | 5,200 | 11,947 | 2,729 | 5,450 |
| Deferred charges and accrued income | 140 | 388 | 214 | 63 |
| TOTAL ASSETS | 275,051 | 288,773 | 206,298 | 185,565 |

* Consolidated figures on 30/06/2002 and 30/06/2003, previously statutory figures.



| LIABILITIES (x 1,000 EUR) | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|---|----------------|----------------|----------------|----------------|
| CAPITAL AND RESERVES | 151,287 | 152,820 | 145,526 | 134,162 |
| PROVISIONS AND DEFERRED TAXATION | 4,173 | 2,476 | 669 | 543 |
| DEBTS | 119,591 | 133,477 | 60,103 | 50,860 |
| Financial debts in more than 1 year | | 7,475 | 46 | 46 |
| Financial debts within 1 year | 98,180 | 89,463 | 44,240 | 34,896 |
| Trade debts and taxes | 3,422 | 2,464 | 2,240 | 3,197 |
| Other debts | 12,476 | 28,278 | 9,744 | 9,463 |
| Accrued charges and deferred income | 5,513 | 5,797 | 3,833 | 3,258 |
| TOTAL LIABILITIES | 275,051 | 288,773 | 206,298 | 185,565 |
| Solvency (%) | 55.00 | 52.92 | 70.54 | 72.30 |
| Ratio of debt (%) ¹ | 42.33 | 44.94 | 27.28 | 25.65 |

¹ Excluding accrued charges and deferred income.

For 30/06/2002 and 30/06/2003: including provisions for exit tax of 2,108,040 EUR and 2,364,978 EUR respectively.

Consolidated annual accounts on 30/06/2003

The net current result per share as of 30/06/2003 is 4.50 EUR, an increase of 1.12% on the net current result of 4.45 EUR as of 30/06/2002, and therefore in line with budget.

Rents have risen by 22% to 20.87 million EUR in comparison with 30/06/2002. This increase concerns mainly the rents of the building in Rue de Trêves 74, which is let entirely to EFTA, and of L'Oréal Belgilux in Route de Lennik 451 in Anderlecht. These rents were only included for a limited number of months in the accounts to 30/06/2002 i.e. since the take-over of Brussimmo SA and Ekiport SA, the respective owners of these buildings.

The rents per share (excluding rental guarantee) rose for the fourth time in a row and amounted to 7.37 EUR compared with 6.15 EUR a year earlier. The occupancy rate remained high at 96.24% (excluding rental guarantee) in comparison with 97.11% on 30/06/2002 and the rental yield showed constant growth. As of 30/06/2003, the rental yield amounted to 7.85% excluding rental guarantees and 7.97% including rental guarantees.

The operating result rose by 11% to 16.95 million EUR, the net current result rose to 12.7 million EUR, an increase of 2.8%¹. Per share, this comes down to an operating result of 5.99 EUR (an increase of 9.3%¹ in comparison with 30/06/2002) and a net current result of 4.50 EUR. The explanation of the lower increase in the operating result compared with turnover is the result of substantial provisions being made for future maintenance and renovation costs.

¹ Discrepancy between the absolute increase in the net current result and operating result and the increase in the net current result and operating result per share lies in the pro rata calculation of the number of shares as of 30/06/2002. As of 30/06/2003, all shares participate fully in the results.



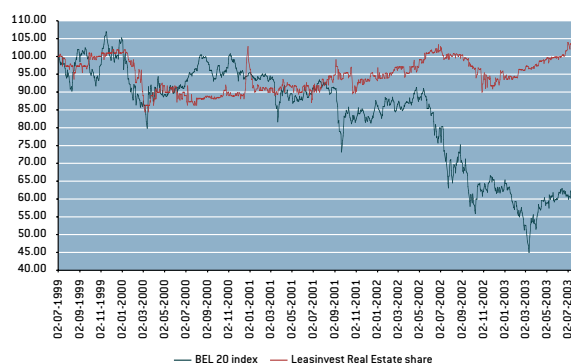
The net cash flow per share (CFS) was 5.03 EUR compared with 4.34 EUR the previous year. The favourable developments in rents and net current result were tempered by the negative contribution of the result on the portfolio which consisted almost exclusively of the fluctuations in the market value of the portfolio, and were a reflection of the overall real estate market. It concerns mainly the buildings Extensa Square (Evere), Riverside Business Park (Anderlecht) and Axxes Business Park (Ghent). The consequence of this negative contribution was a fall in the net result compared with the previous year. Net result per share was 3.56 EUR.

The net asset value per share (excluding dividend) amounted to 53.45 EUR on 30 June 2003 compared with 53.99 EUR the previous year. The negative fluctuation in the market value of the portfolio explains this decrease.

The investment value of the real estate portfolio fell by 3.44 million EUR to 266.08 million EUR. This fall is a combination of the loss of value of the portfolio (-2.34 million EUR) and the sale of the building at Britse Lei 15 in Antwerp (-1.1 million EUR). The liquidation value² of the portfolio amounted to 235.5 million EUR. The ratio of debt fell from 44.94% to 42.33%³.

Stock market performance

Change in the share price in comparison with the BEL 20 index since the IPO on 2 July 1999⁴



In this graph the price of the Leasinvest Real Estate share and the BEL20 Index are shown as base 100 on 02/07/1999, the IPO date of Leasinvest Real Estate, in order to allow a comparison of the trend/fluctuations of the share and the BEL20 Index.

Since August 2001 the Leasinvest Real Estate share has significantly outperformed the Bel20 index. The gap has widened from about 10% to 30%.

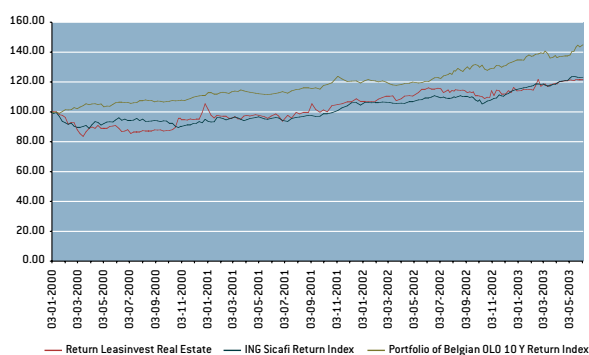
² Liquidation value is the estimated value after deduction of 13% costs.

³ Including provisions for exit tax of 2,108,040 EUR to 30 June 2002 and 2,364,978 EUR to 30 June 2003.

⁴ Indices can be consulted in the financial newspapers, including l'Echo de la Bourse and De Financieel Economische Tijd, in the stock market pages.



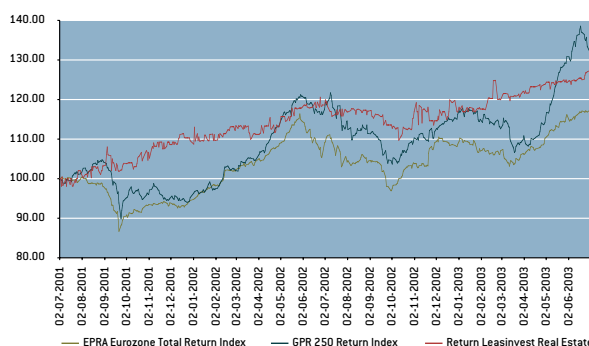
Change in the return of the share in comparison with the ING Sicafi Return Index and the Portfolio of Belgian OLO 10Y Return Index⁵



The return of the Leasinvest Real Estate share, the ING Sicafi Return Index and the Portfolio of Belgian OLO 10Y Return Index are shown in this graph as base 100 on 30/01/2000.

The return of Leasinvest Real Estate is constantly below the return of the OLO 10 year, but is running almost in parallel with the ING Sicafi Return Index, which takes a representative sample of real estate sicafis.

Change in the return of the share in comparison with the EPRA Eurozone Total Return Index and the GPR 250 Return Index⁶



The return of the Leasinvest Real Estate share, the EPRA Eurozone Total Return Index and the GPR 250 Return Index are shown in this graph as base 100 on 02/07/2001.

In comparison with the GPR 250 and the EPRA Eurozone Return Index, the Leasinvest Real Estate share has performed particularly well. Except for the special performance of the GPR 250 since 05/2003, Leasinvest Real Estate has performed consistently better.

Appropriation of the result – net dividend of 3.49 EUR

The total statutory profit for appropriation for the past financial year amounts to 14,805,626.19 EUR, including a withdrawal from the capital and reserves amounting to 84,271.94 EUR. Leasinvest Real Estate will propose to the general meeting of shareholders

⁵ Indices can be consulted in the financial newspapers, including l'Echo de la Bourse and De Financieel Economische Tijd, in the stock market pages.

⁶ More information on these indices can be found on www.epra.com and www.gpr.nl

on 20 October 2003 that 3,201,125.59 EUR should be carried forward to the next financial year and 11,604,500.60 EUR should be paid out as dividends. This would mean paying out a gross dividend of 4.10 EUR per share. The net dividend is 3.49 EUR. The increase in the gross dividend is 3.54% compared with last year, or more than double the rate of inflation which was 1.60% over the same period.

Like last year, the pay out ratio is 93%.

Dividends (4.10 EUR gross⁷) will be paid out on presentation of coupon No. 4 from 27 October 2003 onward at branches of ING Bank, Dexia Bank, Fortis Bank and Bank Degroof, who provide the financial services.

Participating interests



| (in EUR) | Brussimmo 30/06/2003 (18 months) | Ekiport ⁸ 30/06/2003 (18 months) |
|----------------------|--|---|
| Capital and reserves | 18,973,471 | -820,698 |
| Balance sheet total | 28,068,483 | 26,148,443 |
| Net result | 1,411,919 | -837,723 |

⁷ Subject to approval by the Ordinary General Meeting on 20 October 2003.

⁸ In the past financial year, in accordance with the provisions of Article 633 of the Companies Act, it was noted that the net assets of the company fell to below 1/4 of the registered capital. An extraordinary general meeting of shareholders was convened, which took a decision to continue the company on the basis of the measures put forward by the Board of Directors for restoring the financial situation of the company, specifically the deferred bullet loan that Leasinvest Real estate SCA provided to Ekiport was combined with relatively high fees, due to the nature of the loan and due to the absorption of Ekiport (merger yet to be approved by the General Meeting between Leasinvest Real Estate SCA (the acquiring company) and Ekiport (the company acquired) by Leasinvest Real Estate SCA, this loan will cease to exist, and the high interest charges associated with this form of credit will lapse. The file concerning the proposed merger has yet to be submitted to the Banking and Finance Commission.

[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 address of the registered office of the subsidiary | VAT number or national number | Part of capital (in %) | Modification percentage of capital (in comparison with the previous financial year) |
|---|-------------------------------|------------------------|---|
| Brussimmo SA, Avenue de Tervueren 72, 1040 Brussels | BE 434.072.624 | 99.99% | 0.01% |
| Ekiport SA, Avenue de Tervueren 72, 1040 Brussels | BE 455.055.209 | 99.99% | 0.01% |

Balance sheet

| (x 1,000 EUR) | | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|---|--------------|----------------|----------------|----------------|----------------|
| ASSETS | | | | | |
| FIXED ASSETS | 20/28 | 266,079 | 269,519 | 200,945 | 177,288 |
| III. Tangible fixed assets | 22/27 | 266,079 | 269,519 | 200,945 | 177,288 |
| A. Land and buildings | 22 | 266,079 | 269,519 | 200,945 | 177,288 |
| CURRENT ASSETS | 29/58 | 8,972 | 19,254 | 5,353 | 8,277 |
| V. Amounts receivable in more than 1 year | 29 | 131 | 205 | 274 | 225 |
| B. Other amounts receivable | 291 | 131 | 205 | 274 | 225 |
| VII. Amounts receivable within 1 year | 40/41 | 3,501 | 6,714 | 2,136 | 2,539 |
| VIII. Investments | 50/53 | 179 | 11,150 | 2,441 | 5,354 |
| B. Other investments | 51/53 | 179 | 11,150 | 2,441 | 5,354 |
| IX. Cash in hand and at bank | 54/58 | 5,021 | 797 | 288 | 96 |
| X. Deferred charges and accrued income | 490/1 | 140 | 388 | 214 | 63 |
| TOTAL ASSETS | 20/58 | 275,051 | 288,773 | 206,298 | 185,565 |
| LIABILITIES | | | | | |
| CAPITAL AND RESERVES | 10/15 | 151,287 | 152,820 | 145,526 | 134,162 |
| I. Capital | 10 | 31,123 | 31,123 | 29,971 | 27,765 |
| A. Issued capital | 100 | 31,123 | 31,123 | 29,971 | 27,765 |
| II. Share premium account | 11 | 12,065 | 12,065 | 7,710 | |
| III. Revaluation surpluses | 12 | | 96,500 | 96,500 | 96,500 |
| IV. Reserves | 13 | 104,061 | 10,348 | 9,918 | 8,783 |
| A. Legal reserves | 130 | 602 | 602 | 602 | 602 |
| B. Reserves not available for distribution | 131 | 96,660 | 3,759 | 3,330 | 2,717 |
| D. Available reserves | 133 | 6,799 | 5,986 | 5,986 | 5,464 |
| V. Profit brought forward | 140 | 4,038 | 2,784 | 1,427 | 1,114 |
| PROVISIONS AND DEFERRED TAXATION | 16 | 4,173 | 2,476 | 669 | 543 |
| VII. A. Provisions for liabilities and charges | 160/5 | 4,173 | 2,476 | 669 | 543 |
| DEBTS | 17/49 | 119,591 | 133,477 | 60,103 | 50,860 |
| VIII. Debts 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. Debts payable within 1 year | 42/48 | 114,078 | 120,205 | 56,224 | 47,556 |
| A. Debts payable in more than 1 year, current portion | 42 | | 546 | | |
| B. Financial debts | 43 | 98,180 | 88,917 | 44,240 | 34,896 |
| C. Trade debts | 44 | 3,207 | 2,420 | 2,159 | 3,062 |
| D. Prepaid amounts received on orders | 46 | 57 | | | |
| E. Unpaid taxes, salaries and social security | 45 | 158 | 44 | 81 | 135 |
| F. Other debts | 47/48 | 12,476 | 28,278 | 9,744 | 9,463 |
| X. Accrued charges and deferred income | 492/3 | 5,513 | 5,797 | 3,833 | 3,258 |
| TOTAL LIABILITIES | 10/49 | 275,051 | 288,773 | 206,298 | 185,565 |

Profit and loss account

| (x 1,000 EUR) | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|--|---------------|---------------|---------------|---------------|
| A. NET CURRENT RESULTS | | | | |
| I. Operating income 70/74 | 23,954 | 20,265 | 15,822 | 15,424 |
| A. Turnover 70 | 20,872 | 17,105 | 13,568 | 12,705 |
| D. Other operating income 74 | 3,082 | 3,160 | 2,254 | 2,719 |
| II. Operating charges 60/64 | -7,007 | -5,015 | -4,342 | -3,929 |
| B. Services and other goods 61 | -2,797 | -3,447 | -3,132 | -1,770 |
| C. Salaries, social security and pensions 62 | | | | 52 |
| D. Depreciation and losses 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 | -37 | | -100 | -75 |
| F. Provisions for liabilities and charges 635/7 | -1,439 | 301 | -126 | -473 |
| G. Other operating charges 640/8 | -2,734 | -1,869 | -984 | -1,649 |
| III. Operating result 70/64 | 16,947 | 15,250 | 11,480 | 11,495 |
| IV. Financial income 75 | 1,364 | 410 | 611 | 121 |
| B. Income from current assets 751 | 84 | 284 | 130 | 94 |
| C. Other financial income ¹ 752/9 | 1,280 | 126 | 481 | 27 |
| V. Financial charges 65 | -5,427 | -3,255 | -2,296 | -1,249 |
| A. Interest payable 650 | -3,577 | -2,847 | -2,027 | -1,073 |
| C. Other financial charges ¹ 652/9 | -1,850 | -408 | -269 | -176 |
| VI. Taxation of the result 67/77 | -142 | -10 | 646 | 48 |
| A. Taxation 670/3 | -142 | -19 | -11 | -51 |
| B. Regularisation of taxation and withdrawal from provision for taxation 77 | | 9 | 657 | 99 |
| VII. Net current profit | 12,742 | 12,395 | 10,441 | 10,415 |
| B. RESULTS ON THE PORTFOLIO | | | | |
| VIII. Gain or loss on disposal of elements of the portfolio | 109 | | | |
| (compared with the acquisition value) | | | | |
| A. Property (as defined by the R.D. of 10/4/1995) | | | | |
| 1. Buildings and rights 'in rem' on buildings | | | | |
| Gains | 109 | | | |
| VIIIbis. Reversal of charges in market value previously recorded on elements of the portfolio disposed of during the financial year | -84 | | | |
| Gains - withdrawal from non-distributable reserves [-] ² | -84 | | | |
| IX. Change in market value of elements of the portfolio 743/643 | -2,702 | 429 | 613 | 2,598 |
| A. Property (as defined by the R.D. of 10/04/1995) | | | | |
| 1. Buildings and rights 'in rem' on buildings | | | | |
| Gains 74300 | 2,548 | 4,594 | 1,862 | 4,283 |
| Losses 64300 | -5,250 | -4,165 | -1,249 | -1,685 |
| X. Profit on the portfolio | | 429 | 613 | 2,598 |
| Loss on the portfolio [-] | -2,677 | | | |
| C. EXTRAORDINARY RESULTS | | | | |
| XI. Extraordinary income | 7 | | | |
| B. Other extraordinary income 764/9 | 7 | | | |
| XII. Extraordinary charges | | -19 | | |
| B. Other extraordinary charges 664/8 | | -19 | | |
| XIII. Extraordinary profit | 7 | | | |
| Extraordinary loss [-] | | -19 | | |
| D. RESULTS FOR APPROPRIATION | | | | |
| XIV. Profit for the financial year | 10,072 | 12,806 | 11,054 | 13,013 |

¹ netted IRS operating income and charges for financial year 1/7/2000-30/6/2001 and financial year 1/7/2001-30/6/2002.

² This concerns a withdrawal from the non-distributable reserves equivalent to the latent capital gains previously entered into the accounts on portfolio assets realised during the financial year (sale of Britse Lei 15), processed in the accounting terms in accordance with the opinion of the CBN (Commission on Accounting Standards) of 21 February 2001 (addition of accounts heading VIII bis).

Cash flow statement

| (x 1,000 EUR) | 30/06/2003 | 30/06/2002 | 30/06/2001 |
|--|----------------|----------------|----------------|
| A. NET CURRENT ACTIVITIES | | | |
| 1. Net current profit of the financial year | 12,742 | 12,395 | 10,441 |
| 2. Depreciation, provisions and losses of value | 1,477 | -301 | 226 |
| 3. Extraordinary result | 7 | -19 | |
| Net current flow | 14,226 | 12,075 | 10,667 |
| B. PORTFOLIO ACTIVITIES | | | |
| 1. Realised gains ³ | 25 | | |
| Portfolio flow | 25 | | |
| C. INVESTMENT ACTIVITIES | | | |
| 1. Net investments in real estate ⁴ | 995 | -68,145 | -23,144 |
| 2. Net investments in financial fixed assets | 74 | 69 | -49 |
| Investment flow | 1,069 | -68,076 | -23,193 |
| D. FINANCING ACTIVITIES | | | |
| 1. Variation of capital and reserves and share premium account | 0 | 5,507 | 9,916 |
| 2. Variation of provisions | 258 | 2,108 | |
| 3. Variation of amounts payable in more than 1 year | -7,475 | 7,429 | |
| 4. Variation of amounts payable within 1 year | 8,716 | 45,224 | 9,344 |
| 5. Paid dividends and tantièmes | -11,605 | -11,019 | -9,606 |
| 6. Variation of the working capital requirement | -11,703 | 15,969 | 152 |
| Financing flow | -22,067 | 65,218 | 9,806 |
| E. INVESTMENTS, CASH IN HAND AND AT BANK | | | |
| 1. Cash at the beginning of the financial year | 11,947 | 2,730 | 5,450 |
| 2. Cash at the end of the financial year | 5,200 | 11,947 | 2,730 |
| Net change in treasury | 6,747 | 9,217 | -2,720 |

In comparison with the previous financial year, no investments were made. Net investments of 68,145,000 EUR in 30/06/2002 largely related to the expansion of the consolidation scope to include Brussimmo SA and Ekiport SA.

The divestments of 994,886.79 EUR relate to the sale of the building at Britse Lei 15 in Antwerp, after deduction of the capitalised costs for Riverside Business Park (see footnote 3).

The only long-term financing present, of 7,474,544.98 EUR was converted into short-term debt. The net current cash flow, together with the cash flow from investment and portfolio activities, were used to finance the dividend and the working capital. The cash in hand and at bank were also used, for an amount of 6,747,000 EUR, with the cash position closing at 5,200,000 EUR.

³ In comparison with the market value of the buildings sold at the beginning of the financial year. For 30/06/2003: Britse Lei 15 in Antwerp.

⁴ Net investments are shown with a minus sign / net divestments are shown with a plus sign

994,886.79 EUR as of 30/06/2003 corresponds to the market value on 30/06/2002 of the sold building at Britse Lei 15, i.e. 1,107,500 EUR minus the capitalised charges of 112,613 EUR for air conditioning at the Riverside Business Park.

Notes to the consolidated accounts (Amounts in 1,000 EUR)

IX. Statement of tangible fixed assets

Land and buildings

A. Acquisition value

| | |
|--|---------|
| At the end of the previous financial year | 125,878 |
| Changes during the financial year: | |
| - Acquisition value including capitalised production costs | 113 |
| - Transfers and taken out of service [-] | -295 |
| At the end of the financial year | 125,696 |

B. Gains

| | |
|--|---------|
| At the end of the previous financial year | 143,641 |
| Changes during the financial year: | |
| - Posted [-] | -2,445 |
| - Transfer from one item to another [+][-] | -813 |
| At the end of the financial year | 140,383 |

D. Net book value at the end of the financial year

266,079

XI. Statement of consolidated reserves

| | |
|--|---------|
| Reserves at the end of the previous financial year [+][-] | 13,132 |
| Changes during the financial year: | |
| - Consolidated result [+][-] | 10,072 |
| - Transfer from reevaluation surplus to the non-distributable reserves | 96,500 |
| - Distributable dividend Leasinvest Real Estate SCA | -11,605 |
| Consolidated reserves at the end of the financial year [+][-] | 108,099 |

XIV. Results

30/06/2003

A. Net turnover

| | |
|---|--------|
| 2. Total turnover of the group in Belgium | 23,954 |
|---|--------|

C. Extraordinary results

| | |
|---|---|
| 2. Breakdown of other extraordinary income, if substantial amounts are involved | 7 |
|---|---|

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 2003/2004 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-agreements and IRS's with expiry dates between 2004 and 2009 with interest strike rates between 3.15% and 3.90%.

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. | 1,136 |
|---|-------|

Acquisition values / gains and losses of the portfolio

| | Issue prospectus 30/06/1999 | Acquisitions and investments 1999/2000 | Estimated investment value 30/06/2000 | Gains and losses on the portfolio 1999/2000 | Acquisitions and investments 2000/2001 | Estimated investment value 30/06/2001 | Gains and losses on the portfolio 2000/2001 | Acquisitions and investments 2001/2002 | Estimated investment value 30/06/2002 | Gains and losses on the portfolio 2001/2002 | Estimated investment value 30/06/2003 |
|----------------------------------|-----------------------------------|---|--|--|---|--|--|---|--|--|--|
| 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 | 47,810,000.00 |
| Route de Lennik 451 ⁵ | | | | | | | | 27,500,000.00 | 27,500,000.00 | | 27,380,000.00 |
| 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 | 32,070,000.00 |
| 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 | 23,430,000.00 |
| 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 | 5,950,000.00 |
| Rue de Trèves 74 ⁶ | | | | | | | | 16,549,678.78 | 17,430,000.00 | 880,321.22 | 17,390,000.00 |
| 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 | 30,810,000.00 |
| 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 | 9,900,000.00 |
| 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 | 40,880,000.00 |
| 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 | 16,420,000.00 |
| 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 | 4,390,000.00 |
| Schranshoevebaan 18 | | | | | 2,465,815.31 | 2,503,724.60 | 37,909.29 | | 2,530,000.00 | 26,275.40 | 2,530,000.00 |
| Delta Business Park | | | | | 2,564,031.39 | 2,578,092.66 | 14,061.27 | | 2,590,000.00 | 11,907.34 | 2,500,000.00 |
| Antwerp city 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 | 4,619,000.00 |
| | 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 | 266,079,000.00 |

Statement of the capital

| | Issued capital (x 1,000 EUR) | Number of shares |
|---|------------------------------------|---------------------|
| Initial capital Brixton Zaventem | 2,922 | 61,250 ⁷ |
| New number of shares | | 864,808 |
| Buy-back of own shares and cancellation of bought-back shares | | -24,603 |
| Bringing-in of "Extensa buildings" | 2,788 | 727,818 |
| Bringing-in of Vierwinden Business Park | 9,370 | 191,574 |
| Total before public offering | 15,080 | 1,759,597 |
| Capital increase | 20,334 | 370,851 |
| Merger with Brixton Louise | 7,561 | 394,672 |
| Merger with Kapex | | 4 |
| Reduction of the capital | -15,209 | |
| Capital after public offering | 27,765 | 2,525,124 |
| Bringing-in of D4 and D5 of the Axxes Business Park | 2,206 | 200,500 |
| Bringing-in of D2 of the Axxes Business Park | 1,152 | 104,742 |
| Issued capital | 31,123 | 2,830,366 |

⁵ Building owned by Ekiport SA.

⁶ Building owned by Brussimmo SA.

⁷ Own shares were destroyed.

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 the real estate funds (sicafi).

This derogation was granted for the 1999, 2000 and 2001 financial years.

The question about derogation for the subsequent financial years was submitted to the Federal Government Department for Economics, and the Commission for Accounting Standards.

Object of derogation

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

- A. The net current result, which comprises the operating income and costs relating to the management of the assets, the financial results and taxes.
- B. The results on the portfolio, which mainly reflect variations in the portfolio as a result of:
 - the realisation of elements 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 for the incorporation in the results, 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 mentioned above, in the presentation of the annual accounts, items XV A and B have been added – “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, taking into consideration the accounting principles and the provisions of the Royal Decree are as follows:

Provisions

The company makes provisions for maintenance and renovation costs, to maintain the quality of the buildings or if possible, improve it.

Tangible assets

The tangible fixed assets are valued on purchase at their acquisition cost including additional charges and non-deductible VAT.

Notwithstanding the obligation contained in Article 7 of the Law of 17 July 1975 on bookkeeping (amended to Article 8 by the Law of 7 May 1999) and the Royal Decree of 30 January 2001 with regard to the annual accounts of companies to produce an inventory at least once a year, the real estate fund, pursuant to Articles 55 to 61 of the Royal Decree of 10 April 1995 with regard to real estate funds, draws up an inventory on 30 June each year, and whenever it issues shares or buys them back other than on the stock market. A real estate valuer values the following elements of the fixed assets in a precise manner at the end of each financial year:

- the real estate, the real estate immoveable by its intended purpose, and the rights in rem to real estate that are held by the real estate fund or, if the case should arise, by a real estate company under its control;
- option rights held to real estate by the real estate fund or, if the case arises, by a real estate company under its control, and the real estate to which these rights refer;
- rights under contracts where the real estate fund or, if the case should arise, a real estate company under its control, takes one or more properties under property leasing, and the underlying property.

These valuations are binding on the real estate fund with regard to the drawing up of its annual accounts.

Furthermore, at the end of each quarter of the financial year, the valuer updates the total valuation of the real estate owned by the real estate fund and, if appropriate, of the companies under its control, based on market developments and the specific features of the real estate concerned.

The real estate is therefore shown in the annual accounts at the value estimated by a real estate valuer known as “investment value”⁸, i.e. including charges, registration duties and fees which is dictated by the going concern principle of the real estate fund, unless the Board of Directors adopts a different valuation method.

⁸ This corresponds with the method indicated on page 22 of this annual report.

By derogation from Articles 27bis §3, 28 §3 and 34, first paragraph of the Royal Decree of 8 October 1976 with regard to the annual accounts of companies (amended by Articles 73, 61 §2/ 64 §2 and 57 §1 first clause respectively of the Royal Decree of 30 January 2001), pursuant to Article 57 §1 of the Royal Decree of 10 April 1995 with regard to real estate funds, reductions in value and revaluation surpluses on real estate are recorded, as established by the valuer and approved by the Board of Directors.

By derogation from Articles 28§2 and 30 of the Royal Decree of 8 October 1976 with regard to the annual accounts of companies (amended by Articles 61 §1/ 64 §1 and 65 respectively of the Royal Decree of 30 January 2001), pursuant to article 60 of the Royal Decree of 10 April 1995 with regard to real estate funds, the sicafi does not allow for any depreciation on components of the fixed assets described above, and which an expert values at the end of each financial year.

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

The tangible fixed assets, other than real estate, whose use is limited in time, are valued at their acquisition value, minus the depreciation allowed on the basis of their anticipated working life.

For tangible assets that are not real estate and whose use is not limited in time, reductions in value are entered in the event of a lasting reduction in value. These may be revalued.

At the time when tangible fixed assets other than real estate are sold or taken out of service the acquisition values and depreciations relating to them are removed from the accounts and capital gains or losses are entered into the profit and loss account. Work on buildings which is payable by the owner, is treated in two different ways from the accounting viewpoint depending on its nature.

Expenditure concerning maintenance and repair work which adds no additional functions and does not raise the level of comfort of the building, is treated as a cost from the ordinary business activities for the financial year, and is therefore deducted from the net current result.

Example: renovation of a roof.

On the other hand, the cost of two types of work are shown as assets (capitalised) on the balance sheet:

- major renovations: this concerns renovations which are normally carried out every 25 to 35 years, and consist of virtually a complete re-construction of the building

often re-using the existing carcass of the building and applying the very latest construction techniques. After the major renovation, the building is considered as new, and can be included as such in presentations of the portfolio.

- alterations: this concerns occasional work that will add functions to the building or raise the level of comfort considerably, so allowing an increase in the rent, and consequently of the estimated rental value. The cost of such work is also shown on the assets side of the balance sheet since and to the extent that the valuer usually grants 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 purchase the financial fixed assets are valued at their acquisition cost, without taking account of additional charges. The Board of Directors shall decide whether the additional charges will be capitalised and in that case, over what period they should be depreciated. By derogation from Articles 29 §2, first clause and 34, first paragraph of the Royal Decree of 8 October 1976 with regard to the annual accounts of companies (amended by Articles 66 §2 and 57 §1 first clause respectively of the Royal Decree of 30 January 2001), pursuant to Article 57 §2 of the Royal Decree of 10 April 1995 with regard to real estate funds, reductions in value and revaluation surpluses on financial fixed assets held in associated real estate companies and real estate investment institutions are entered in the accounts whenever the inventory is drawn up. Articles 10 and 14, §1 of the Royal Decree of 8 March 1994 on the bookkeeping and annual accounts of companies pursuant to Article 61 of the Royal Decree of 10 April 1995 with regard to real estate funds, certain institutions for collective investment and with a variable number of rights of participation apply to the valuation of the financial fixed assets held in associated real estate companies and real estate investment institutions.

Amounts receivable

The amounts receivable in more than one year and within one year are valued at their nominal value, after deduction of reductions 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.

Statutory auditor's report

Statutory auditor's report of the consolidated financial statements for the year ended June 30, 2003 to the Shareholders' Meeting of the company Leasinvest Real Estate SCA.

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, 2003 which have been prepared under the responsibility of the business manager and which show a balance sheet total of 275,050,922 EUR and a profit for the year of 10,072,201 EUR. 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 Réviseurs 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 trusts, the consolidated financial statements give a true and fair view of the consolidated group's assets, liabilities, financial position as of June 30, 2003 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, 16 September 2003

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



Pierre Anciaux
Partner

Statutory accounts

Balance sheet

| (x 1,000 EUR) | | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|--|--------------|----------------|----------------|----------------|----------------|
| ASSETS | | | | | |
| FIXED ASSETS | 20/28 | 280,571 | 250,851 | 200,945 | 177,288 |
| III. Tangible fixed assets | 22/27 | 221,309 | 224,589 | 200,945 | 177,288 |
| A. Land and buildings | 22 | 221,309 | 224,589 | 200,945 | 177,288 |
| IV. Financial fixed assets | 28 | 59,262 | 26,262 | | |
| A. Associated companies | 280/1 | 59,262 | 26,262 | | |
| CURRENT ASSETS | 29/58 | 8,745 | 16,020 | 5,353 | 8,277 |
| V. Amounts receivable in more than 1 year | 29 | 131 | 205 | 274 | 225 |
| B. Other amounts receivable | 291 | 131 | 205 | 274 | 225 |
| VII. Amounts receivable within 1 year | 40/41 | 3,282 | 3,640 | 2,136 | 2,539 |
| A. Trade debtors | 40 | 3,217 | 3,412 | 1,926 | 2,321 |
| B. Other amounts receivable | 41 | 65 | 228 | 210 | 218 |
| VIII. Investments | 50/53 | 179 | 11,150 | 2,441 | 5,354 |
| B. Other investments | 51/53 | 179 | 11,150 | 2,441 | 5,354 |
| IX. Cash in hand and at bank | 54/58 | 5,021 | 797 | 288 | 96 |
| X. Deferred charges and accrued income | 490/1 | 132 | 228 | 214 | 63 |
| TOTAL ASSETS | 20/58 | 289,316 | 266,871 | 206,298 | 185,565 |
| LIABILITIES | | | | | |
| CAPITAL AND RESERVES | 10/15 | 149,987 | 151,412 | 145,526 | 134,162 |
| I. Capital | 10 | 31,123 | 31,123 | 29,971 | 27,765 |
| A. Issued capital | 100 | 31,123 | 31,123 | 29,971 | 27,765 |
| II. Share premium account | 11 | 12,065 | 12,065 | 7,710 | |
| III. Revaluation surpluses | 12 | | 96,500 | 96,500 | 96,500 |
| IV. Reserves | 13 | 103,598 | 9,467 | 9,918 | 8,783 |
| A. Legal reserves | 130 | 602 | 602 | 602 | 602 |
| B. Reserves not available for distribution | 131 | 96,197 | 2,879 | 3,330 | 2,717 |
| D. Available reserves | 133 | 6,799 | 5,986 | 5,986 | 5,464 |
| V. Profit brought forward | 140 | 3,201 | 2,256 | 1,427 | 1,114 |
| PROVISIONS AND DEFERRED TAXATION | 16 | 946 | 326 | 669 | 543 |
| VII. A. Provisions for liabilities and charges | 160/5 | 946 | 326 | 669 | 543 |
| DEBTS | 17/49 | 138,383 | 115,133 | 60,103 | 50,860 |
| VIII. Debts payable in more than 1 year | 17 | | | 46 | 46 |
| D. Other debts | 178/9 | | | 46 | 46 |
| IX. Debts payable within 1 year | 42/48 | 133,485 | 110,402 | 56,224 | 47,556 |
| B. Financial debts | 43 | 98,180 | 64,844 | 44,240 | 34,896 |
| C. Trade creditors | 44 | 1,730 | 1,131 | 2,159 | 3,062 |
| D. Prepaid amounts received on orders | 46 | 57 | | | |
| E. Unpaid taxes, salaries and social security | 45 | 48 | 39 | 81 | 135 |
| F. Other debts | 47/48 | 33,470 | 44,388 | 9,744 | 9,463 |
| X. Accrued charges and deferred income | 492/3 | 4,898 | 4,731 | 3,833 | 3,258 |
| TOTAL LIABILITIES | 10/49 | 289,316 | 266,871 | 206,298 | 185,565 |

Profit and loss account

| (x 1,000 EUR) | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|--|----------------|---------------|---------------|---------------|
| A. NET CURRENT RESULTS | | | | |
| I. Operating income | 70/74 | 20,219 | 19,417 | 15,822 |
| A. Turnover | 70 | 17,526 | 16,266 | 13,568 |
| D. Other operating income | 74 | 2,693 | 3,151 | 2,254 |
| II. Operating charges | 60/64 | -5,537 | -4,908 | -4,342 |
| B. Services and other goods | 61 | -2,541 | -3,393 | -3,132 |
| C. Salaries, social security and pensions | 62 | | | 52 |
| D. Depreciation and losses 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 | -37 | | -100 |
| F. Provisions for liabilities and charges | 635/7 | -620 | 343 | -126 |
| G. Other operating charges | 640/8 | -2,339 | -1,859 | -984 |
| III. Operating result | 70/64 | 14,682 | 14,509 | 11,480 |
| IV. Financial income | 75 | 3,437 | 312 | 611 |
| A. Income from financial fixed assets | 750 | 1,907 | | |
| B. Income from current assets | 751 | 251 | 186 | 130 |
| C. Other financial income ^a | 752/9 | 1,279 | 126 | 481 |
| V. Financial charges | 65 | -5,670 | -2,965 | -2,296 |
| A. Interest payable | 650 | -3,821 | -2,557 | -2,027 |
| C. Other financial charges ^a | 652/9 | -1,849 | -408 | -269 |
| VI. Taxation of the result | 67/77 | -9 | -8 | 646 |
| A. Taxation | 670/3 | -9 | -17 | -11 |
| B. Regularisation of taxation and withdrawal from provision for taxation | 77 | | 9 | 657 |
| VII. Net current profit | | 12,440 | 11,848 | 10,441 |
| B. RESULTS ON THE PORTFOLIO | | | | |
| VIII. Gain or loss on disposal of elements of the portfolio | | 109 | | |
| (compared with the acquisition value) | | | | |
| A. Property (as defined by the R.D. of 10/4/1995) | | | | |
| 1. Buildings and rights 'in rem' on buildings | | | | |
| Gains | | 109 | | |
| VIIIbis. Reversal of charges in market value previously recorded on elements of the portfolio disposed of during the financial year | | -84 | | |
| Gains - withdrawal from non-distributable reserves [-] ^a | | -84 | | |
| IX. Change in market value of elements of the portfolio | 743/643 | -2,285 | -451 | 613 |
| A. Property (as defined by the R.D. of 10/04/1995) | | -2,285 | -451 | 613 |
| 1. Buildings and rights 'in rem' on buildings | | -2,285 | -451 | 613 |
| Gains | 74300 | 2,548 | 3,714 | 1,862 |
| Losses | 64300 | -4,833 | -4,165 | -1,249 |
| X. Profit on the portfolio | | | | 613 |
| Loss on the portfolio [-] | | -2,260 | -451 | 2,598 |
| D. RESULTS FOR APPROPRIATION | | | | |
| XIV. Profit for the financial year | | 10,180 | 11,397 | 11,054 |
| XV. Appropriation of the change in market value of the portfolio | | | | |
| A. Transfer to the non-distributable reserves [-] | | | -613 | -2,598 |
| B. Withdrawal from the non-distributable reserves [+] (provided that they are still positive) | | 2,285 | 451 | |
| XVI. Profit for the financial year for appropriation | | 12,465 | 11,848 | 10,441 |

^a netted IRS operating income and charges for financial year 1/7/2000-30/6/2001 and financial year 1/7/2001-30/6/2002.

^a This concerns a withdrawal from the non-distributable reserves equivalent to the latent capital gains previously entered into the accounts on portfolio assets realised during the financial year (sale of Britse Lei 15), processed in the accounting terms in accordance with the opinion of the CBN (Commission on Accounting Standards) of 21 February 2001 (addition of accounts heading VIII bis).

| (x 1,000 EUR) | | 30/06/2003 | 30/06/2002 | 30/06/2001 | 30/06/2000 |
|---|--------------|----------------|----------------|---------------|---------------|
| APPROPRIATION OF THE RESULT | | | | | |
| A. Profit balance for appropriation | | 14,721 | 13,275 | 11,555 | 10,409 |
| 1. Profit (loss (-)) for the financial year for appropriation | | 12,465 | 11,848 | 10,441 | 10,415 |
| 2. Profit (loss (-)) brought forward from the last financial year | | 2,256 | 1,427 | 1,114 | -6 |
| B. Withdrawal from the capital and reserves | 791/2 | 84 | | | |
| 2. from the reserves | 792 | 84 | | | |
| C. Transfer to the capital and reserves (-) | 691/2 | | | -522 | |
| 3. To the other reserves | 6921 | | | -522 | |
| D. Result to be carried forward (-) | 693 | -3,201 | -2,256 | -1,427 | -1,114 |
| 1. Profit to be carried forward (-) | 693 | -3,201 | -2,256 | -1,427 | -1,114 |
| F. Distributable profit (-) | 694/6 | -11,604 | -11,019 | -9,606 | -9,295 |
| 1. Dividends | 694 | -11,604 | -11,019 | -9,606 | -9,295 |

Notes (Amounts in 1,000 EUR)

III. Statement of tangible fixed assets

1. Land and buildings

A. Acquisition value

| | |
|--|--------|
| At the end of the previous financial year | 81,829 |
| Changes during the financial year: | |
| - Acquisition value including capitalised production costs | 113 |
| - Transfers and taken out of service [-] | -295 |
| At the end of the financial year | 81,647 |

B. Gains

| | |
|--|---------|
| At the end of the previous financial year | 142,760 |
| Changes during the financial year: | |
| - Written off [-] | -2,285 |
| - Transfer from one item to another [+][-] | -813 |
| At the end of the financial year | 139,662 |

| | |
|---|----------------|
| D. Net book value at the end of the financial year | 221,309 |
|---|----------------|

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 |

2. Amounts receivable

| | |
|---|---------------|
| Net book value at the end of the previous financial year | |
| Changes during the financial year: | 33,000 |
| - Acquisition value including capitalised production costs | 33,000 |
| Net book value at the end of the financial year | 33,000 |

VI. Investments: other investments

| | 30/06/2003 | 30/06/2002 |
|--|------------|---------------|
| Fixed-interest securities | 11 | 11 |
| of which issued by financial institutions | | |
| Fixed-term accounts with financial institutions | | 10,790 |
| with a remaining term or notice period of: | | |
| - maximum one month | | 10,790 |
| Other investments not shown above | 168 | 349 |

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 | 31,123 | 2,830,366 |
| - Changes during the financial year | 0 | 0 |
| - 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 | | 1,360,313 |
| Bearer | | 1,470,053 |

Xbis. Statement of debts

| | 30/06/2003 | 30/06/2002 |
|---------------------------|------------|------------|
| B. Financial debts | | |
| 1. Loans from banks | 16,574 | |
| 2. Other loans | 81,606 | 64,844 |

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 2003/2004 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-agreements and IRS's with expiry dates between 2004 and 2009 with interest strike rates between 3.15% and 3.90%.

XVIII. Relations with associated companies and with companies with which there is a participating interest

| | | |
|------------------------------------|--------------------------------|---------------|
| | <i>1. Associated companies</i> | |
| | 30/06/2003 | 30/06/2002 |
| 1. Financial fixed assets | 59,262 | 26,262 |
| Participating interests | 26,262 | 26,262 |
| Amounts receivable: other | 33,000 | |
| 7. Financial results | | |
| Income from financial fixed assets | 1,907 | |
| Income from current assets | 167 | |
| Cost of debts | 639 | 56 |

Statutory auditor's report

Statutory auditor's report for the year ended June 30, 2003 to the Shareholders' Meeting of the company Leasinvest Real Estate SCA.

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, 2003 which have been prepared under the responsibility of the business manager and which show a balance sheet total of 289,315,640 EUR and a profit for the year of 10,179,844 EUR. 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 Réviseurs 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 the use of the format of annual accounts specific to fixed capital real estate investment trusts, the financial statements give a true and fair view of the company's assets, liabilities, financial position as of June 30, 2003 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, 15 September 2003

Ernst & Young Bedrijfsrevisoren BCV (B 160)

Statutory auditor

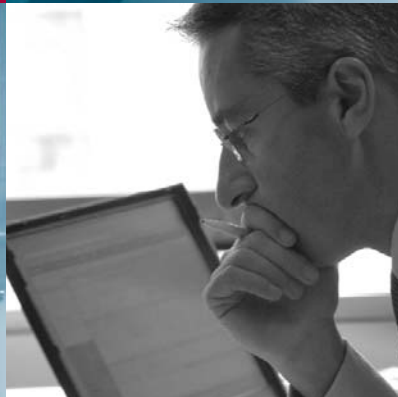
Represented by



Pierre Anciaux

Partner

[general information]





Company profile

Real estate fund Leasinvest Real Estate manages a portfolio of high-quality office and semi-industrial spaces valued at approximately 266 million EUR and a total area of more than 190,000 m² situated at 14 different locations. The buildings are mainly located in the periphery the triangle between Brussels (73.19%), Ghent (15.36%) and Antwerp (11.45%).

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

The most important investments of the real estate fund include:

- Brussels: the business parks Brixton Business Park in Zaventem (36,042 m²), the Riverside Business Park (26,931 m²) and Route de Lennik 451/Erasmus Science Park (15,132 m²) in Anderlecht, and Extensa Square in Evere (12,218 m²).
- Ghent: the Axxes Business Park in Merelbeke (23,447 m²).
- Antwerp: the distribution centre in 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 corporate and residential real estate. Leasinvest, which manages over 500 million EUR of real estate assets either directly or indirectly, is active in real estate investment and development. The company is a subsidiary of investment group Ackermans & van Haaren, listed on Euronext.

Identification

Name

Leasinvest Real Estate, "investment company with fixed capital under Belgian law" (a closed-end real estate investment fund, known in Belgium as a 'sicafi').

Registered office

Leasinvest Real Estate moved its registered office with effect from 1 June 2003 to Avenue de Tervueren 72, 1040 Brussels. The registered office can be moved within 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 (SCA).

Formation

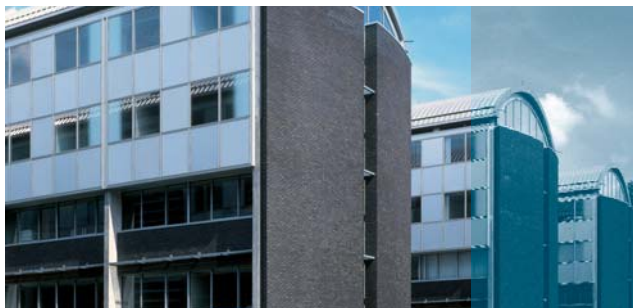
Leasinvest Real Estate was founded on 8 June 1999 by a deed recorded by notary public Frank Celis in Antwerp, and published in the appendices to the Moniteur Belge on 26 June 1999 under number 990626-330.

Term

Leasinvest Real Estate was founded for an unspecified term.

Commercial register and Company number

Leasinvest Real Estate is registered in the Commercial Register of Brussels under number 513,949 and has been allocated the company number 0436,323,915.



Purpose of the company / activities

Article 4 of the coordinated Articles of Association dated 14 December 2001:

"The sole purpose of the company is collective investment from publicly drawn financing possibilities in real estate, as defined in Article 122, paragraph 1 first clause, 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 real estate;
2. shares with voting rights issued by associated real estate companies;
3. option rights to real estate;
4. participating rights in other real estate investment companies which are recorded in the list as defined in Article 120, paragraph 1, second clause 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 under which the company is given one or more properties in real estate leasing;
7. as well as any other goods, shares or rights that are defined as real estate by the Royal Decrees, taken pursuant to 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 defined in Article 5 of the Articles of Association and in accordance with the legislation applicable to the real estate fund, the company may become involved with:

- the purchase, alteration, fitting-out, letting, sub-letting, management, exchange, sale, allotment, bringing within the co-ownership system of real estate as described above;
- the acquisition and lending of securities in accordance with Article 51 of the Royal Decree of 10 April 1995 with regard to real estate funds;
- real estate, with or without purchase option, take out a leasing arrangement pursuant to Article 46 of the Royal Decree of 10 April 1995 with regard to real estate funds; and
- in a secondary capacity, lease out real estate, with or without purchase option, pursuant to Article 47 of the Royal Decree of 10 April 1995 with regard to real estate funds;
- the company may only occasionally act 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 real estate funds:

- 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 Royal Decree of 10 April 1995 relating to real estate funds. The holding of securities must be compatible 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 instruments on the financial markets that are suitable for easy raising of funds;

- grant mortgages or other securities or guarantees in the context of the financing of real estate in accordance with Article 53 of the Royal Decree of 10 April 1995 relating to real estate funds;
- grant loans and stand security for a subsidiary of the company, which is also an investment institution as defined in Article 49 of the Royal Decree of April 10 1995 relating to real estate funds. The company may acquire, hire or let, assign or exchange any movable 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 status of real estate funds, 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 the exception of the first financial year that ran from 1 January 1999 to 30 June 2000.

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 registered shareholders, and to anyone who requests it. The annual and semester reports are also available for consultation on the Leasinvest Real Estate web site (www.leasinvest-realestate.com) and on the Euronext web site (www.euronext.com).

- Financial reporting and convocation of the shareholders for general meetings of shareholders are published in the financial press.
- Decisions about the appointment or dismissal of Members of the Board of Directors and their cessation of office are published in the appendices to the Moniteur Belge.

Registered capital

Issued capital

On 30 June 2003 the registered capital amounted to 31,122,854.51 EUR. 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 EUR 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 Royal Decree of 10 April 1995 with regard to real estate funds, and these Articles of Association. If the case arises, in the event of a capital increase decided



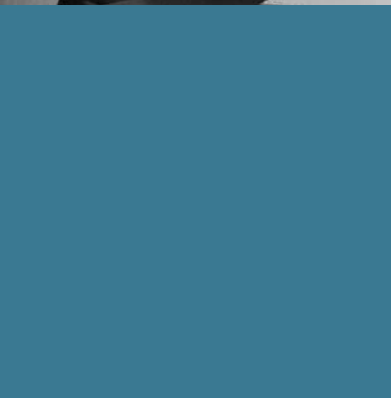
by the manager, possibly after deduction of charges, the issue premiums shall be transferred by the manager to a blocked account and treated in the same way as the capital which guarantees the interests of third parties, and may not under any circumstances be reduced or disposed of unless this is decided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

The Board of Directors made use of this authorisation:

- 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 2001 for an amount of one million one hundred and fifty-two thousand one hundred and sixty-two euro.



[articles of association]



Coordinated Articles of Association from date 14th December 2001

"LEASINVEST REAL ESTATE"

partnership limited by shares

Sicafi under Belgian law

from 1000 Brussels, Montoyerstraat 63¹

Brussels register of companies: 513.949

"V.A.T." number: BE 436.323.915

Established as an "Aktiengesellschaft" under Swiss law with the name "Zanos Estate Company A.G." from Zug (Switzerland) on the twenty first of November nineteen seventy three and first registered in Zug (Switzerland) on the thirty first of November thereafter.

It was decided at the general meeting on the date of the seventeenth of November nineteen eighty eight, amongst other things, to move the registered office from Switzerland to Belgium.

Under a deed recorded by notary public Hans Berquin in Brussels on the sixteenth of December nineteen eighty eight, announced in the appendices to the Moniteur Belge on the twelfth of January nineteen eighty nine under number 890112-044, the aforementioned office move to Belgium was ratified, it was established that the company is subject to the Belgian law conforming to article 197 of the Companies Act and that the company is a legal person under Belgian law and has assumed the legal status of a public limited company, and the Articles of Association were integrally re-established under Belgian law.

The Articles of Association were last changed under a deed recorded by notary public Frank Celis in Antwerp on the eighth of June nineteen ninety nine, announced in the appendices to the Moniteur Belge on the twenty sixth of June thereafter under number 990626-330 and from which the establishment was recorded by notary public Erik Celis in Antwerp on the first of July nineteen ninety nine, announced in the appendices to the Moniteur Belge on the twentieth of July thereafter under number 990720-618. The capital was increased within the framework of the authorised capital for which the deed was recorded by notary public Erik Celis in Antwerp on the twenty eighth of June two thousand and one, announced in the appendices to the Moniteur Belge on the twenty sixth of July thereafter under number 20010726-264. Under a deed recorded by notary public Erik Celis in Antwerp on the fourteenth of December two thousand and one, and laid down for publication in the appendices to the Moniteur Belge.

Chapter I – Name - Term - Office - Purpose of the company

Article 1. Name

The company has the legal form of a partnership limited by shares. It has the name "LEASINVEST REAL ESTATE". It is subject to the available laws for companies with fixed capital, called "sicafi", provided by Article 118 of the Law dated the fourth of December nineteen ninety on the Financial Transactions and the Financial Markets.

The naming of the sicafi and all the documents that it brings forth (including all deeds and invoices) contain the declaration "investment company with fixed capital under Belgian law" or "sicafi under Belgian law" or are immediately followed by these words. The company has opted for the category of investments provided by Article 122, paragraph 1, alinea 1, 5° (real estate) of the Law dated the fourth of December nineteen ninety. The company makes a public appeal for savings in the sense of Article 26 alinea 2 of Companies Act. The company is subject to the provisions of book 3 of the Law from the fourth of December nineteen ninety, as well as to the provisions of the Royal Decree from the tenth of April nineteen ninety five with regard to sicafis.

Article 2. Term

The term of the company is undetermined. It can be dissolved after consultation in the general meeting according to the conditions and in the form required for a change of the Articles of Association, notwithstanding more stringent legal conditions. The company will not be dissolved by the resignation, the expulsion, the recalling, the withdrawal, the purchase, the declaration of incompetence, the prevention, the dissolution or the declaration of bankruptcy from the managing partner.

Article 3. Office

The company is registered at 1000 Brussels, Montoyerstraat 63¹.

The office can be moved in Belgium without any amendment to the Articles of Association by decision of the statutory manager, and this irrespective of the legislation on use of languages. The company can, by simple decision of the statutory manager, establish branches or agencies, either in Belgium or abroad. In case unusual events of a political, military, economic or social nature should occur or could occur, that could endanger the normal workings of the registered office or the easy communication with the office abroad, then the office of the company can be temporarily moved in Belgium or abroad by the sole decision of the statutory manager, until the complete conclusion of these abnormal circumstances. These temporary measures will have no consequence for the nationality of the company, which will stay Belgian despite this temporary moving of the company office.

Article 4. Purpose of the company

The sole purpose of the company is collective investment from publicly drawn financing possibilities in real estate, as defined in Article 122, paragraph 1 first clause, 5° of the Law of 4 December 1990 on Financial Transactions and Financial Markets.

Real estate is defined as:

1. immoveable property as defined in Articles 517 onward of the Civil Code and rights *in rem* to real estate;
2. shares with voting rights issued by associated real estate companies;
3. option rights to real estate;
4. participating rights in other real estate investment companies which are recorded in the list as defined in Article 120, paragraph 1, second clause 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 under which the company is given one or more properties in real estate leasing;
7. as well as any other goods, shares or rights that are defined as real estate by the Royal Decrees, taken pursuant to 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 defined in Article 5 of the Articles of Association and in accordance with the legislation applicable to the real estate fund, the company may become involved with:

- the purchase, alteration, fitting-out, letting, sub-letting, management, exchange, sale, allotment, bringing within the co-ownership system of real estate as described above;

¹ By the decision of the Statutory Manager taken on 27/02/2003 the registered office was moved to Avenue Tervueren 72, 1040 Brussels. This decision was announced in the appendices to the Moniteur Belge of 17th June, thereafter under number 20030617-03066568.

- the acquisition and lending of securities in accordance with Article 51 of the Royal Decree of 10 April 1995 with regard to real estate funds;
- real estate, with or without purchase option, take out a leasing arrangement pursuant to Article 46 of the Royal Decree of 10 April 1995 with regard to real estate funds; and
- in a secondary capacity, lease out real estate, with or without purchase option, pursuant to Article 47 of the Royal Decree of 10 April 1995 with regard to real estate funds;
- the company may only occasionally act 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 real estate funds:

- 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 Royal Decree of 10 April 1995 relating to real estate funds. The holding of securities must be compatible 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 instruments on the financial markets that are suitable for easy raising of funds;
- grant mortgages or other sureties or guarantees in the context of the financing of real estate in accordance with Article 53 of the Royal Decree of 10 April 1995 relating to real estate funds;
- grant loans and stand surety for a subsidiary of the company, which is also an investment institution as defined in Article 49 of the Royal Decree of April 10 1995 relating to real estate funds.

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 real estate funds, 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.

Article 5. Investment policy

The collective investment in real estate by means of capital raised from public savings in Belgium or abroad will happen as described here. The company portfolio at present consists mainly of office buildings and semi-industrial buildings to a lesser extent. The company is also the owner of one commercial premise. The company has the intention of expanding the portfolio in the short term. The new acquisitions must meet the following criteria. Learning from the experience of the already owned industrial parks, the attention will primarily be focussed on so-called "business parks", complexes of different buildings which, it is true, form a harmonious whole and complement each other, but are also flexible and can be commercialised autonomously. These business parks can have a solely semi-industrial function, but they can also be exclusively office parks. The experience from the Riverside Business Park in Anderlecht has taught that even mixed parks can be extremely attractive. Given the limited availability of such business parks within the urban agglomerations, the acquisitions will rather be found situated in the peripheral areas of the most

important Belgian cities. Investments in individual buildings will be investigated further. As far as office buildings are concerned, the preference will be for recent or recently thoroughly renovated buildings with a minimum of ten thousand square metres of floor space to let. Such buildings must furthermore fulfil a series of technical requirements, have sufficient parking space and be modulisable. If the whole building is to be let to one customer, this customer must have an exceptional reputation. The locations can be inner city or peripheral. This type of diversification permits to anticipate temporary postponements of the demand due to external elements. Even though new investment in office buildings is preferred, further investment in semi-industrial premises will also be made. New locations with a strategic potential will furthermore also be investigated. Guidelines for new investment can be derived from experience at the Brixton Business Park in Zaventem. The buildings' great flexibility guarantees optimal occupancy. In accordance with the starting portfolio, the centre of the portfolio will stay in and around Brussels. Further geographical spreading in to the Brussels - Antwerp - Ghent triangle is fairly certain. Investments in other types of real estate will only be considered if necessary accessories to an investment in offices or semi industrial buildings. Finally, the company will continue to improve the quality of the technical support as well as the service provided to the tenants, in order to add extra value to the portfolio.

Chapitre II – Capital – Actions

Article 6. Capital

The company's registered capital amounts to thirty one million one hundred and twenty two thousand eight hundred and fifty five euros. It is completely accountable. It is divided in to two million eight hundred and thirty thousand three hundred and sixty six shares, without nominal value, with each one representing one/ two million eight hundred and thirty thousand three hundred and sixty sixth.

Article 7. 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 EUR 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 Royal Decree of 10 April 1995 with regard to real estate funds, and these Articles of Association.

If the case arises, in the event of a capital increase decided by the manager, possibly after deduction of charges, the issue premiums shall be transferred by the 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 except for the conversion into capital as foreseen above. The Board of Directors made use of this authorisation:

- 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 2001 for an amount of one million one hundred and fifty-two thousand one hundred and sixty-two euro.

Article 8. Nature of the shares

The shares are bearer shares or registered shares, or in case of prior indication of an account holder by the statutory manager, in the form of dematerialised titles. The bearer shares can be issued as single shares or as a collection of shares. Every holder of single securities can acquire the exchange of his securities from the company against one or more collections of bearer shares that represent single securities and this, according to his choice; each holder of a collection of shares can acquire the exchange of these securities from the company against the number of single shares that they represent. This exchange occurs at the holder's expense. Each bearer security can be exchanged for registered securities or securities under dematerialised form and the other way around at the holder's expense. If the company has not yet decided to issue dematerialised securities, the exchange in dematerialised securities can not yet be requested.

Article 9. Further purchase of own shares

1. The company can acquire its own fully paid shares and keep them in the premises in accordance with the decision of the general meeting and in accordance with the Companies Act. The conditions of derealisation of these shares can be established in the same meeting.
2. The statutory manager is permitted to acquire securities mentioned sub 1 when this acquirement is necessary to safeguard the company against serious and threatening disadvantage. This permission is valid for three years from the publication date of the minutes from the general meeting from the eighth of June nineteen ninety nine and is renewable for the same period of time.
3. The conditions for the derealisation of securities acquired by the company are established depending on the case in accordance with the Article 52bis paragraph 4 of the Companies Act, by the general meeting or by the statutory manager.

Article 10. Changing the registered capital

Subject to the possibility of the application of the authorised capital by decision of the statutory manager, an increase or decrease in the placed capital can only be decided at an extraordinary general meeting in the presence of a notary public and with the approval of the statutory manager. Furthermore the company will have to adhere to the rules laid down in the case of public issue of company shares provided by Article 125 of the Law from the fourth of December nineteen ninety and the Articles 28 and following of the Royal Decree from the tenth of April nineteen ninety five with regard to sifacis. Furthermore in accordance with Article 11, paragraph 2 of the Royal Decree from the tenth of April nineteen ninety five with regard to real estate funds, the following conditions must be met for contributions in kind:

1. the identity of the one who makes the contribution must be stated on the report provided by Article 34 paragraph 2 third subsection of the Companies Act just as in the summoning of a general meeting which will deliberate about capital increases;
2. the issue price cannot be lower than the average stock exchange price from the thirty days prior to the contribution;
3. the report provided under point 1 above must also indicate the repercussions of the proposed contribution for the situation of old shareholders and moreover with regard to their share of the profit and the capital.

In accordance with Article 11 paragraph 1 of the Royal Decree from the tenth of April nineteen ninety five concerning real estate funds, the pre-emptive right of the shareholders provided by Article 34bis of the Companies Act in the case of money subscriptions, cannot be revoked.

Article 11. Executive and silent partners

The managing partner is chiefly and fully responsible for all obligations of the company. The silent partners are responsible for the debts and losses

of the company to the tune of their contributions, on the condition that they have no executive duties whatsoever.

Chapter III – Management and representation

Article 12. Nominations – Dismissals – Vacancies

1. The company is directed by a statutory manager, who must have the capacity of a limited (managing) partner. The public limited company "LEASINVEST REAL ESTATE MANAGEMENT", with registered office in 1000 Brussels, Montoyerstraat 63, is appointed sole statutory manager for an indefinite duration with a minimal duration of ten years. The mandate of this statutory manager is irrevocable until the date of the annual meeting of the company which will be held in two thousand and nine. After this date is the mandate is revocable under the presence and majority conditions required for a change of the Articles of Association, without the statutory manager having a right to veto on this point.
2. Despite the provision of Article 12.1 concerning the first statutory manager, the statutory manager is appointed for a definite or indefinite duration at the general meeting, which decides under the presence and majority conditions required for a change of the Articles of Association. If the statutory manager is a legal person, then he is represented for the execution of his mission as statutory manager by the persons who, in accordance with the Articles of Association, can legally bind him for his management activities.
3. The statutory manager can resign at any time. The statutory manager contract can only be revoked by legal order by recommendation at the general meeting on grounds of legal reasons. The general meeting must make this decision with an Articles of Association changing majority and the statutory manager cannot participate in the vote. The statutory manager will continue to carry out his tasks until his removal is acquired and declared by the authority of a final decision. The statutory manager must be organised in such a way that in the course of his Board of Directors at least two physical persons are appointed to jointly supervise its delegates' day-to-day management as far as actions relevant to the company are concerned. The members of the management bodies and of the statutory manager's daily management, must have the required professional reliability, experience, autonomy, as determined in Article 4 paragraph 1, 4° of the Royal Decree from the tenth of April nineteen ninety five and may not fall under the stipulations mentioned in Article 19 of the Law from the twenty second of March nineteen ninety three concerning the statute of and the supervision of the credit institutions.
4. A statutory manager is obliged, after his dismissal, to further fulfil his contract until a replacement can reasonably be provided. In that case the general meeting will meet within a month to officially nominate a new statutory manager.
5. The death, the declaration of incompetence, the dissolution, the bankruptcy or similar procedure, the dismissal, the deposition of the statutory manager by court order for whatever reason, will not have the consequence of the company being dissolved, but he will be followed up by a statutory manager appointed by the extraordinary shareholders general meeting, on condition that he, if necessary, accepts to act for the company as limited (managing) partner. If a statutory manager is a legal person, the fusion, the splitting, the conversion or any other form of legal company reorganisation whereby the legal status of the statutory manager according to the relevant law as set out, does not lead to the dismissal or the replacement of the statutory manager. In case of the overall loss of the members of the management bodies or the statutory manager's daily management of the reliability, experience and autonomy required by Article 4, paragraph 1, 4° of the Royal Decree from the tenth of April nineteen ninety five, the statutory manager or the commissioners must give notice of a general meeting with the possible reporting of the

loss of the requirements and the necessary measures to be taken on the agenda; this meeting must meet within the month; if only one or more members of the management bodies or of the statutory manager's daily management no longer meet the aforementioned requirements, the statutory manager must replace them within the month; after this period, notice for the company meeting will be given as mentioned above; and all this in either case, under reserve of the measures that the Commission for the Bank and Financial institutions would take by virtue of the powers provided in Article 134 of the Law from the fourth of December nineteen ninety. In case of the application of the provisions of Article 19 of the Law from the twenty second of March nineteen ninety three concerning the statute and supervision of the credit institutions which endanger all members of the management bodies or the statutory manager's daily management, the statutory manager or the commissioners must give notice of the general meeting with the reporting of the application of the noted Article 19 of the Law from the twenty second of March nineteen ninety three and the decisions to be taken on the agenda; this meeting must happen within the month; if only one or more members of the management bodies or of the statutory manager's daily management no longer meet the aforementioned requirements, the statutory manager must replace them within the month; after this period, notice for the company meeting will be given as mentioned above; and all this in either case, under reserve of the measures that de Commission for the Bank and Financial institutions would take by virtue of the powers provided by Article 134 of the Law from the fourth of December nineteen ninety.

Article 13. Salary

Any possible remuneration cannot, neither directly nor indirectly, be bound to the transactions that occur through the real estate fund. The statutory manager will carry out his mandate with remuneration. The remuneration is equal to nought point four one five percent (0.415 %) of the company assets. The remuneration is due during the financial year, yet is only payable after the annual accounts have been approved. The statutory manager has the right to the repayment for costs directly related to his assignment.

Article 14. Internal management

The statutory manager is authorised to perform all internal management affairs that are necessary or serve to fulfil the company objective, with exception for those affairs for which only the general meeting is authorised according to the law. The statutory manager presents reports every semester as well as a draft for an annual report. The statutory manager appoints the experts conforming to the Royal Decree from the tenth of April nineteen ninety five and presents every related change to the list of experts recorded in the dossier that accompanies in advance the request for recognition as a real estate fund. The statutory manager also chooses a guardian and explains this choice to the Commission for Bank and Financial institutions. The statutory manager also appoints the change of the guardian to the Commission for Bank and Financial institutions and this conforming to the Royal Decree from the tenth of April nineteen ninety five. The statutory manager can determine the allowance for each mandate holder who has had special powers conferred, and this all conforming to the law from the fourth of December nineteen ninety and its implementing decisions. The statutory manager takes all decisions it deems appropriate.

Article 15. External representative power

The statutory manager represents the company in all affairs judicially and extrajudicially. In accordance with Article 18 of the Royal Decree from the tenth of April nineteen ninety five, the company is represented by the

statutory manager for each decisive action for its real estate in the sense of Article 2, 4° of the predicated Royal Decree, traded between two people who must be members of its management body.²

Article 16. Exceptional authorities

The statutory manager can appoint trustees for the company. Only exceptional and limited powers for certain or for a series of certain legal acts are permitted. The trustees join the company within the bounds of their conferred mandate, without diminishing the responsibility of the statutory manager in the case of excessive power.

Article 17. Responsibility of the statutory manager

The statutory manager is personally and chiefly bound without limit to the obligations of the company.

Chapter IV – Control

Article 18. Control

The control of the company is entrusted to one or more commissioner-revisers.

Chapter V – General meeting

Article 19. The general meeting

The general meeting is held at the registered office or at the address indicated in the notice. The annual meeting is held every year on the third Monday of the month of October at four p.m. or, if this day is a recognised public holiday, on the previous working day at the same time. The general meeting is called by the statutory manager or by a commissioner-reviser.

Article 20. Jurisdiction of the general meeting

The general meeting is authorised for deliberations and decisions concerning:

- the reporting of the annual accounts;
- the appropriation of the results;
- the nomination and the dismissal of the commissioner;
- the reporting of the commissioner's salary;
- the establishment of progress of the company or the relieving of duties for the statutory manager and commissioner-reviser.

The general meeting is also authorised to make changes to the Articles of Association, namely to decide the naming of a statutory manager, for early dissolution of the company, increase or decrease of the placed capital, the possibility of an authorised capital by decision of the statutory manager, the pay off of the capital, the paying out of interim dividends, the issue of convertible bonds or warrants, fusion with one or more companies, conversion of the company to a company with another legal status.

Article 21. Convening

The statutory manager and every commissioner can convene a general meeting [annual meeting] as well as an exceptional or an extraordinary general meeting. They must convene the annual meeting on the day as

² In accordance with the decision of the Statutory Manager's executive committee dated 27/02/2003 Mr J.L. Appelmans was appointed as permanent representative of the company.

This decision was announced in the Moniteur Belge of 25th March, thereafter with number 20030325-0034690.

determined by the Articles of Association. The statutory manager and commissioner are obliged to give notice of an exceptional or extraordinary meeting when one or more shareholders who represent a fifth of the placed capital individually or collectively request it.

Article 22. Registration of shares

To be permitted in to the meeting the bearer shareholders must, when required by the invitation, register their shares at the company office or a financial institution indicated in the invitation at least three working days prior to the date of the intended meeting. Registered shareholders do this by sending a normal letter to the company office, also at least three working days beforehand. The owners of dematerialised shares must produce, at least three working days before the meeting, a certificate from a recognised account holder or from the settlement institution at the office that records the unavailability of the dematerialised securities until the date of the meeting.

Article 23. Participation in the meeting – Representation

Notwithstanding the rules concerning the legal representation namely the mutual representation of married people, each shareholder can be represented at the meeting by a nominated proxy, shareholder or not. To be authorised the mandate must have been given in writing, by telegram, telex or telecopy. The mandates must be presented to the company office at least three working days before the meeting.

Article 24. Chairmanship – Bureau

Every general meeting is chaired by the chairman or statutory manager's executive committee. The chairman or the statutory manager's executive committee appoints a secretary and a vote counter, who do not need to be a shareholder. These two roles can be carried out by one person. The chairman, the secretary and the vote counter together form the bureau.

Article 25. Meeting procedure

1. The deliberations and vote occur under the leadership of the chairman and in accordance with the applicable rules for proper meeting procedure. The statutory manager and the commissioner answer the questions asked by the shareholders with regard to their annual report or points on the agenda.
2. The statutory manager has the right to adjourn each normal, exceptional or extraordinary meeting once, for three weeks, unless the meeting has been called at the request of one or more shareholders who represent at least one fifth of the capital, or by a commissioner. Such an adjournment nullifies any taken decisions.
3. The general meeting can only legally deliberate or make decisions about points that are noted in the announced agenda or are implicit therein. Points that are not in the agenda can only be deliberated in a meeting where all shareholders are presents and furthermore provided that it is unanimously decided by vote. The required approval is stood by if no opposition is noted in the minutes from the meeting. The agenda must contain the matters to be dealt with, as well as the proposals to deliberate.

Article 26. Voting right

1. Every share gives the right to one vote.
2. When one or more shares belong to separate people with joint ownership or to a legal person with a collegial body of representation, the application of the associated rights according to the company can only be made by a single person who has been given written consent to do so by all entitled persons respectively those who can represent the legal persons externally. As long as such a consent has not been given, all the rights bonded with the shares remain suspended.
3. If a share is encumbered with a usufruct, then the execution of that share's bonded voting right is executed by the usufructuary except if the

legal owner opposes. The execution of the pre-emptive right in the case of a capital increase belongs to the legal owner.

Article 27. Decision making – Right of veto for the statutory manager

1. The normal and the exceptional general meeting's deliberations and decisions are valid irrespective of the number of present or represented shares, yet in the presence of the statutory manager. If he is not present then a second meeting can be convened, to deliberate and decide, even if the statutory manager is absent. The decisions are made simply on the majority of votes and with the approval of affairs of the present or represented statutory manager, with the best interests for third parties of the company at heart, such as payment of dividends along with each decision whereby the company assets are affected. Abstaining, or blank or invalid votes are not included in the counting of votes. When no voting is recorded the proposal is rejected. Minutes are taken at each general meeting during the meeting.
2. The extraordinary general meeting must be held in the presence of a notary public who draws up an authentic official report. The general meeting can only then deliberate and decide on a change in Articles of Association in a legal way, when those participating in the meeting represent at least half of the company capital and in the presence of the statutory manager, notwithstanding more stringent legal stipulations. If the nominated quorum is not reached or if the statutory manager is not present, then a new notice of meeting is necessary in accordance with Article 70 of the Companies Act; the second meeting deliberates and decides in a valid way, irrespective of the present or represented part of the capital and irrespective of the absence of the statutory manager. A change of the Articles of Association is then only accepted if it has been previously approved by the Commission for the Bank and Financial institutions and when they have got three quarters of the votes bound to the shareholders that are present or represented and with approval of the present or represented statutory manager notwithstanding more stringent legal stipulations. The votes of those who abstain, or blank or invalid votes, are considered to be votes against the proposal in calculating if the required majority has been reached.

Article 28. Financial year – Annual accounts – Annual report

The financial year of the company always commences on the first of July and ends on the thirtieth of June. At the end of each financial year the accounts and records are closed and the statutory manager does the inventory, including the annual accounts, and is processed further as specified in Article 77 of the Companies Act and the stipulations of the Royal Decree from the tenth of April nineteen ninety five with regard to real estate funds. Furthermore, the statutory manager draws up an annual report in which he gives an explanation of his policy. Fifteen days before the normal general meeting, which must meet within six months of the ending of the financial year, the shareholders can have access to the annual accounts and other records as stated in the Companies Act. The general meeting can decide to discharge the statutory manager and commissioner after approval of the balance by separate vote.

Article 29. Appropriation of the profit

The company distributes the net returns, under the title of capital payment, decreased by the amounts that are equal to net decreases of the debts of the current financial year to the tune of at least eighty percent. For the application of this Article, the net returns are defined as the profit from the financial year with the exclusion of the decreases in value, the reclaiming of decreases in value and surplus-values on the fixed assets for as far as these can be added to the calculation of the results. The remaining twenty percent will go to who the general meeting wants to give it to on recommendation from the statutory manager. On the other hand surplus-values on the realisations of fixed assets are not included as part of the net

returns as determined by alinea 2 because this will be reinvested within a period of four years beginning on the first day of the running financial year in which surplus-values will be realised. The part of the realised surplus-values that is not reinvested after the period of four years is added to the net returns as defined of the financial year that follows this period.

Article 30. Interim dividends

The statutory manager has the capacity to pay out interim dividends at the conclusion of the financial year. This payment can only be taken from the profit of the current financial year, in the event decreased by the loss carried forward or increased by the profit carried forward, without withdrawal from the formed reserves and with due regard for the reserves which must be formed under a legal or statutory stipulation. Further reference is made to the requirements of Article 77ter of the Companies Act.

Chapter VI – Dissolution – Liquidation

Article 31. Nomination and capacity of liquidators

If no liquidators are nominated, then the statutory manager, who is in function at the time of the dissolution, is the legal liquidator unless the general meeting decides otherwise. The liquidators are authorised for all operation as stated in Article 181, 182 and 183 of the Companies Act, unless the general meeting, by normal majority of votes, decides otherwise. The liquidators present the consequences of liquidation to the company's general meeting every year.

Article 32. Dissolution

The balance after liquidation is divided between the shareholders in relation to their rights.

Chapter VII – Choice of location

Article 33.

The statutory manager and liquidators whose location is unknown are obliged to choose location at the company office where their subpoenas, services and notifications concerning the company can be done.

Article 34. Jurisdiction

Exclusive jurisdiction is given to the courts for all disputes between the company, its statutory manager, its shareholders and liquidators, concerning company matters and the carrying out of the current Articles of Association, unless the company expressly renounces it.

Article 35. Civil law

The parties declare themselves to be fully in compliance with the Companies Act, as well as with the Law from the fourth of December nineteen ninety on the Financial Transaction and Financial Markets, and with the Royal Decree from the tenth of April nineteen ninety five concerning real estate funds. Consequently the provisions of these Articles of Association that illicitly deviate from the aforementioned laws are not obliged to be recorded in the current deed, and the clauses that contradict obligatory provisions of these laws are not obliged to be recorded. It is exceptionally noted that, in accordance with the Article 119 paragraph 4 of the Law from the fourth of December nineteen ninety, the Articles 29 paragraph 1, 2 and 5, 29ter, 46 paragraph 1, 64 paragraph 2, 70bis, 77 alinea 6 of the Companies Act are not applicable.

The Banking and Finance Commission gave its authorization on 6 October 2003 to use this annual report as a reference document for any public appeal to savings that may be made by the company, until publication of the next annual report, 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 approval to the Banking and Finance Commission under Article 129 of the above-mentioned law.

Leasinvest Real Estate has chosen Dutch as its official language, and only the Dutch-language version of the annual report is authoritative. The French and English versions are translations of the Dutch-language annual report. The annual report was translated by Production sa/nv, Place Favresse 47, 1310 La Hulpe and Paul O'Donnell Translations, Glenesk Road 161, SE9 1RD Londen, under the responsibility of Leasinvest Real Estate.

Het jaarverslag in het Nederlands is beschikbaar op de zetel van de vennootschap.

Le rapport annuel en français peut être obtenu au siège de la société.

leasinvest real estate

Leasinvest Real Estate
Avenue de Tervueren 72
1040 Brussels
www.leasinvest-realestate.com

Contact Investor Relations

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

Listing

Euronext NextPrime, Brussels

Liquidity provider

ING Financial Markets (ex-Vermeulen Raemdonck)

Auditor

Ernst & Young, Bedrijfsrevisoren, represented by the statutory auditor Pierre Anciaux

Depository Bank

ING Bank

Real estate valuers

Cushman & Wakefield - Healey & Baker
Winssinger & Associates

Payment of dividend

Dexia Bank, Bank Degroof, Fortis Bank and ING Bank as from 27 October 2003

Leasinvest Real Estate

Registered office:

Avenue de Tervueren 72
1040 Brussels

Administrative office:

Mechelsesteenweg 34
2018 Antwerpen

Tel.: +32 3 238 98 77

Fax: +32 3 237 52 99

www.leasinvest-realestate.com