HALF YEAR FINANCIAL REPORT

2009

Leasinvest
REAL ESTATE

Regulatory information

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Statement of responsible persons

Mr. J. L. Appelmans, Managing director of the statutory manager of Leasinvest Real Estate, declares, on behalf and for the account of the statutory manager, that, to his knowledge:

(i) The condensed consolidated financial statements, established in accordance with the applicable accounting standards, present a fair view of the assets, financial situation and the results of Leasinvest Real Estate and the companies included in the consolidation;

(ii) The interim report presents a fair overview of the information which should be included in the report.

Jean-Louis Appelmans
CEO

Leasinvest Real Estate Management NV
Statutory manager

Interim management report

Bian, Luxembourg

Despite the general financial and economic crisis Leasinvest Real Estate has succeeded in increasing its net current result, Group share, defined as the net result excluding the portfolio result and the changes in fair value of the non effective interest rate hedges, by 34%. In the first semester of 2009 the net current result amounted to € 10.7 million or € 2.67 per share, compared to € 8 million or € 1.99 per share over the same period last year[1].
This rise is explained by, among other things, the new contribution of the 3 retail sites in Luxembourg, acquired end-2008.
The rental income (€ 19.5 million) registered an increase of 20% compared to 30/06/08 (€ 16.3 million).

On 24/06/09, Leasinvest Immo Lux, a 100% subsidiary of Leasinvest Real Estate, has sold the office building 'Bian' with a realised consolidated net capital gain of € 15.2 million. Thanks to this sale the debt ratio decreased from 52.06% on 31/12/08 to 48.67% on 30/06/09.

Nevertheless, the overall malaise on the real estate market has had an impact on the valuation of the real estate portfolio by the independent real estate expert. The portfolio of Leasinvest Real Estate has decreased by 2.1% compared to 31/12/08, which resulted in a non realised loss of € 11.96 million.
In the first 6 months of 2008 a non realised gain on the portfolio of € 11.3 million was recorded, thanks to the successful redevelopment of the CFM site in Luxembourg (impact € 14.4 million).

Also due to the decrease of the portfolio result, the net result, Group share, recorded a decrease from € 21.3 million on 30/06/08 to € 12.8 million on 30/06/09.

Important events of the period 01/01/09-30/06/09

Sale of Bian building in Luxembourg

On 24/06/09 Leasinvest Immo Lux, a 100% subsidiary of Leasinvest Real Estate, has sold the entirely renovated and extended office building 'Bian'. Thanks to this sale Leasinvest Real Estate has realised in the first half year a consolidated global net capital gain of € 15.2 million[2].

Important events after the period 01/01/09-30/06/09

No important events occurred after 30/06/09.

Overview of main transactions with related parties

In the period 01/01/09-30/06/09 no transactions with related parties have occurred, which had material consequences regarding the financial position or the results of Leasinvest Real Estate in this period.

Main risks and uncertainties for the last months of the financial year

For an overview of the main risks and uncertainties, we refer to note 5 (financial risk management) of the condensed financial statements.

Treasury shares

In the period 01/01/09-30/06/09 Leasinvest Real Estate has not bought any treasury shares. On 30/06/09, on a consolidated basis, Leasinvest Real Estate holds 16,538 treasury shares in portfolio (idem 31/12/08). These have a total accounting value of € 1,045,928, with a par value per share of € 10.99.

Outlook for the financial year

Except for unforeseen circumstances a net current result (excluding portfolio results and impact of IAS 39) higher than for the period 01/01/08-31/12/08 is expected for the entire financial year 2009.

1 As the previous financial year was an extended financial year that ran from 01/07/07 – 31/12/08 (18 months) comparative pro forma result figures are presented for the period 01/01/08-30/06/08 (unaudited).

2 For more details regarding the sale of the 'Bian' building we refer to the press release (dd 26/06/09) available on the Leasinvest Real Estate website.

3 Key figures


Brixton Business Park, Zaventem

Real estate portfolio[1]

	30/06/09	31/12/08
Fair value (x € 1,000)[2,4]	535,316	563,234
Investment value (x € 1,000)[3,4]	549,170	578,300
Rental yield based on fair value[5] (%)	7.50	7.27
Rental yield based on investment value[5] (%)	7.31	7.09
Occupancy rate[5,6] (%)	97.67	97.29

1 The real estate portfolio consists of the buildings in operation as well as the development projects recorded in the balance sheet item 'Investment properties'.
2 Fair value: the investment value as defined by an independent real estate expert and of which the transfer rights are deducted; the fair value is the accounting value under IFRS.
3 The investment value is the value as defined by an independent real estate expert and of which the transfer rights have not yet been deducted.
4 Fair value and investment value estimated by real estate experts Cushman & Wakefield / Winssinger and Associates.
5 For the calculation of the rental yield and the occupancy rate only the buildings in operation are taken into account.
6 The occupancy rate has been calculated based on the estimated rental value.

Key results

(in € 1,000)	30/06/09 (6 months)	31/12/07 (6 months)	30/06/2008[1] (6 months)
Rental income	19,510	15,499	16,286
Property result	19,616	15,383	16,662
Operating result[2]	19,763	20,020	23,750
Net current result[3]	10,677	8,966	8,106
Net current result, Group share	10,677	8,790	7,964
Result on the portfolio	3,278	7,802	11,298
Result on the portfolio, Group share	3,278	7,598	10,786
Net result	12,839	15,869	21,946
Net result, Group share	12,839	15,489	21,292
Net cash flow, Group share[4]	25,790	12,218	8,365

Key results per share[5]

(in €)	30/06/09 (6 months)	31/12/07 (6 months)	30/06/2008[1] (6 months)
Number of issued shares (#)	4,012,832	4,012,832	4,012,832
Number of shares participating in the result of the period (#)	3,996,294	3,997,744	3,996,294
Rental income	4.88	3.88	4.08
Operating result[2]	4.95	5.01	5.94
Net current result, Group share[3]	2.67	2.20	1.99
Portfolio result, Group share	0.82	1.90	2.70
Net result, Group share	3.21	3.87	5.33
Net cash flow, Group share[4]	6.45	3.06	2.09

1 As the previous financial year was an extended financial year that ran from 01/07/07 – 31/12/08 (18 months) comparative pro forma result figures are presented for the period 01/01/08-30/06/08 (unaudited).
2 Net result without financial result and taxes.
3 Net result minus result on the portfolio and minus changes in the fair value of the non effective interest rate hedges. Before 2009 the term 'net current result' was defined differently, namely as the 'net result minus the portfolio result'. As from now on, the new definition will be used.
4 Net cash flow: net result minus all non-cash elements, among which the amortizations, depreciations on trade debtors, additions to or withdrawals from the provisions, changes in the fair value of the non effective interest rate hedges and changes in the fair value of the investment properties.
5 The data per share are calculated based on the number of shares participating in the result of the period. This corresponds to the number of issued shares minus the consolidated number of treasury shares.
On 30/06/08, 31/12/08 and 30/06/09 Leasinvest Real Estate held a total of 16,538 teasury shares, or 0.41% in portfolio, on a consolidated basis.
On 31/12/07 LRE held a total of 15,088 treasury shares in portfolio, or 0.38%.

General information

	30/06/09	31/12/08
Number of issued shares (#)	4,012,832	4,012,832
Number of shares participating in the result of the period (#)	3,996,294	3,996,294
Net asset value, Group share, per share (in €)		
- based on fair value	67.41	66.17
- based on investment value	70.87	69.59
Debt ratio RD 21/06/06 (%)	48.67	52.06

Leasinvest Real Estate on the stock exchange

(in €)	30/06/09	31/12/08
Number of listed shares (#)	4,012,832	4,012,832
Market capitalisation based on closing price (€ million)	203.01	192.82
Free float (%)	33.23	33.23
Closing price	50.59	48.05
Discount closing price vs NAV (based on fair value)	-25%	-27%
Highest price[1]	57.48	78.00
Lowest price[1]	45.68	46.13
Average price[1]	51.72	65.85
Total volume[1] (#)	179,137	652,187
Average monthly traded volume[1] (#)	29,856	36,233
Velocity[1 2] (%)	4.46	16.25
Free float velocity[1 3] (%)	13.43	48.91

1 For the financial year 31/12/08 the data are calculated over a period of 18 months and for 30/06/09 over a period of 6 months.
2 Number of traded shares / total number of listed shares.
3 Number of traded shares / (total number of listed shares x free float).

4 Real estate report

Strassen, Luxembourg

Market information 1st semester 2009[1]

Real estate market Belgium

Offices

The rental take-up on the Brussels real estate market closed at +/- 110,000 m² or 40% lower than the past year and 60% lower than the five-year average of 272,000 m².

As a result, the rental prices are under pressure, all the more because a number of new projects at risk will be completed this year. At the end of the year an extra 240,000 m² on top of the completed 77,000 m² is expected, which will increase the vacancy rate on the Brussels office market to 11%.

As companies deal with their costs in a very conscious way, a renegotiation with the owner of the building is preferred to an actual move, which is relatively favourable for a real estate investment trust with a high occupancy rate, such as Leasinvest.

The Ghent office market naturally also knew a decrease of the number of transactions, but was slightly saved by a take-up by the government (9,250 m²). Nevertheless, the availability in Ghent is temporarily estimated at 5%, which maintains the rents at a fairly stable level and due to which the occupancy in the Ghent Axxes Business Park remains relatively high. The oncoming investments (The Loop, Arteveldestadion and Ghent Sint-Pieters) will change this at earliest at the end of 2010.

The Brussels offices investment market was extremely weak. Only 5 transactions were recorded with a transaction volume of around € 50 million, which is 93% less than the past year. Due to the overall weaker offices investment market, no investment volume was recorded in Ghent.
The investment yields have consequently risen by 50 base points for quality investments and by 125 base points for products situated in the periphery, although it is difficult for the real estate experts to exactly define the value, due to the lack of benchmarks.

Retail

Despite a weaker consumer confidence, the turnovers of the retailers hold up relatively well and some even recorded growth. Certain stores still plan to expand, yet have become even more critical than before regarding the choice of the site.

The rent levels of retail warehousing, segment where Leasinvest is active with Zaventem and Luxembourg, remain steady due to sufficient parking spaces and their excellent location. The B locations will generally suffer because retailers will close less successful shops faster than before.

The rhythm of new developments has slowed down because of the difficulties getting projets at risk financed and because of a slight reluctancy of retailers to commit to locations still having to prove their value.

The retail investment market has also considerably diminished. Nevertheless the yields have not increased in a spectacular way (by 50 base points) because retail is considered to be a more defensive asset class by many investors, resulting in a change in interest and because a number of wealthy private investors have become more active.

Logistics/ Semi-industrial

Due to the bad economical situation the rental market in logistics and semi-industrial has also decreased with a take-up of +/- 300,000 m², or 33% less than a year ago.

There is an interest in new projets, though companies keep on delaying their decisions. Furthermore, the transport and distribution companies are highly dependent on outsourcing of logistics services by manufacturing companies resulting in few rentals in the logistics sector in the first half of 2009.

Due to the weaker demand and the lack of financing, few developments at risk will be completed (250,000 m² for the 2 coming years). This benefits Canal Logistics, the 50,000 m² project situated in the Port of Brussels that Leasinvest will acquire, phased out over 2 years.

Pressure on the rental prices increases, more specifically for existing warehouses; prime rents stand at € 43/m²/year in the Brussels region and at € 40/m²/year in the Antwerp region.

Due to risk aversion for this slowing market the investment volume in this sector has also strongly decreased to € 49 million, by which one transaction for the acquisition of 70,000 m² stands out.
The acquisition yields for quality logistics real estate currently amount to around 7.25% compared to 6.25% last year, one of the highest levels since the last 3 years.

1 Sources: King Sturge investment report H1 2009, Belgian Property Insight CBRE June 2009, Jones Lang Lasalle Brussel City Report Q2 2009, Expertise, DTZ Luxemburg report Q2, Market Report Luxembourg of Property Partners.

Real estate market Luxembourg

Offices

The take-up on the Luxembourg market in the first half of the year was 63% lower than last year with 45,000 m², which is in line with the situation in Brussels.

The new projects around the airport seemed to be the most attractive (2 transactions of 7,000 m²), but the sale of Bian by Leasinvest Immo Lux, a 100% subsidiary of Leasinvest Real Estate, was the most remarkable transaction in Luxembourg over the first half of the year.

The vacancy rate will increase to 7%, mainly due to the exceeding offer of 55,000 m² of new projects in the periphery and 45,000 m² on Kirchberg.

The buildings with an excellent location, such as Montimmo, the new development of Leasinvest at the avenue Monterey, in the business centre of Luxembourg maintain top rents at a high level (between € 38 and € 40/m²/month), but furthermore a downward pressure on the rents is expected because of the weaker demand and the increased offer.

The investment market in Luxembourg was relatively steady with a volume of € 205 million, which is equal to the same period of last year. The yields experienced little upward pressure with a maximum of 25 base points for quality products.

Retail

The past 6 months few shifts took place in the retail market in Luxembourg.

The planned projects still stand at around 200,000 m², despite the uncertainty regarding the granting of permits for the shopping malls of Wickrange (40,000 m²) and Belval II (25,000 m²).

The rents for retail warehousing, segment in which Leasinvest Immo Lux is active in, remain stable at a level between € 10 and 14/m²/month.

Due to the lack of investment opportunities and the ongoing appeal to acquire more defensive assets, the yields keep at their levels and no upward trend is recorded.

Composition of the real estate portfolio

Geographical classification

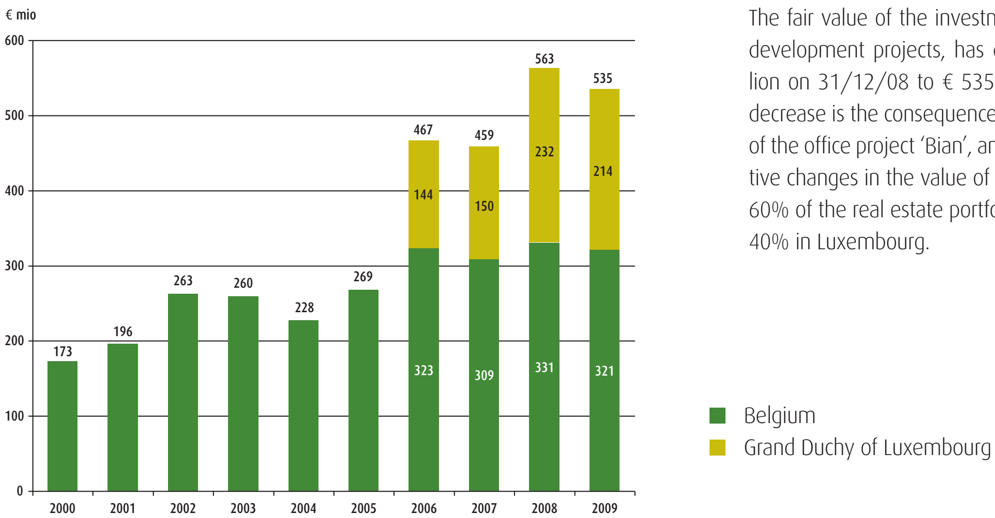
	Fair value (€ mio)	Investment value (€ mio)	Share in the portfolio (%) (fair value)	Contractual rents (€ mio/year)	Rental yield based on fair value (%)	Rental yield based on investment value (%)	Occupancy rate (%)
Belgium	316.98	325.23	60.6	24.93	7.86	7.66	96.7
Grand Duchy of Luxembourg	206.02	211.32	39.4	14.29	6.94	6.76	99.3
Real estate portfolio in operation	**523.00**	**536.55**	**100**	**39.22**	**7.50**	**7.31**	**97.7**
Projects Belgium	4.10	4.21					
Projects Grand Duchy of Luxembourg	8.21	8.41					
Total real estate portfolio, projects included	**535.31**	**549.17**					

Breakdown according to asset class

	Fair value (€ mio)	Investment value (€ mio)	Share in the portfolio (%) (fair value)	Contractual rents (€ mio/year)	Rental yield based on fair value (%)	Rental yield based on investment value (%)	Occupancy rate (%)
Offices							
Offices Brussels	134.00	137.36	25.6	10.34	7.72	7.53	95.2
Offices Malines	27.31	27.99	5.2	2.11	7.74	7.55	100
Offices Antwerp	2.31	2.53	0.5	0.22	9.08	8.86	97.6
Offices Ghent	41.49	42.54	7.9	3.38	8.15	7.95	97.7
Offices Grand Duchy of Luxembourg	123.44	126.67	23.6	8.31	6.73	6.56	98.8
Total offices	**328.55**	**337.09**	**62.8**	**24.36**	**7.41**	**7.23**	**97.2**
Logistics/Semi-industrial							
Logistics/Semi-industrial Belgium	88.87	91.24	17.0	8.03	9.04	8.80	96.5
Logistics/Semi-industrial Luxembourg	19.34	19.82	3.7	1.36	7.03	6.86	100
Total Logistics/Semi-industrial	**108.21**	**111.06**	**20.7**	**9.39**	**8.67**	**8.45**	**97.0**
Retail							
Retail Belgium	23.00	23.57	4.4	0.83	3.61	3.53	100
Retail Luxembourg	63.24	64.83	12.1	4.63	7.31	7.14	100
Total retail	**86.24**	**88.40**	**16.5**	**5.46**	**6.33**	**6.17**	**100**
Real estate portfolio in operation	**523.00**	**536.55**	**100**	**39.22**	**7.50**	**7.31**	**97.7**
Projects Belgium	4.10	4.21					
Projects Grand Duchy of Luxembourg	8.21	8.41					
Total real estate portfolio, projects included	**535.31**[1]	**549.17**					

1 The difference between the fair value as accounted for into the valuation report by the experts Cushman & Wakefield (€ 535.50 million), results from a different calculation of the fixed transfer rights of the building Satenrozen. Due to the fact that the investment value of Satenrozen as from 30/06/07 for the first time exceeded the limit of € 2.5 million, the expert took into account 2.5% transfer rights, whereas in the consolidated financial statements, for reasons of consistency with prior periods, still 10% is applied (see valuation rules in the annual financial report on page 70).

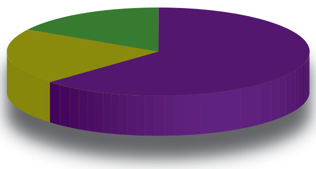
Evolution of the real estate portfolio based on fair value



The fair value of the investment properties, including the development projects, has decreased from € 563.2 million on 31/12/08 to € 535.3 million on 30/06/09. This decrease is the consequence, on the one hand, of the sale of the office project 'Bian', and on the other hand, of negative changes in the value of the portfolio.
60% of the real estate portfolio is situated in Belgium and 40% in Luxembourg.

Analysis of the real estate portfolio in operation

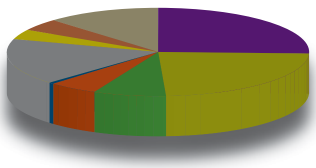
Type of assets



- Offices - **62.8%**
- Logistics - **20.7%**
- Retail - **16.5%**

The main part of the real estate portfolio in operation of Leasinvest Real Estate consists of offices, namely 62.8% (idem 31/12/08), followed by logistics with 20.7% (31/12/08: 20.9%) and retail with 16.5% (31/12/08: 16.3%).

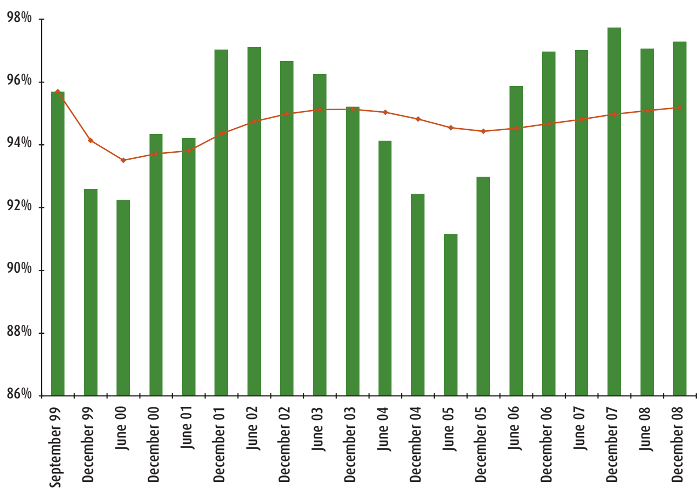
Portfolio breakdown



- Offices Brussels - **25.6%**
- Offices Luxembourg - **23.6%**
- Offices Ghent - **7.9%**
- Offices Malines - **5.2%**
- Offices Antwerp - **0.5%**
- Logistics Belgium - **17.0%**
- Logistics Luxembourg - **3.7%**
- Retail Belgium - **4.4%**
- Retail Luxembourg - **12.1%**

Of the total portfolio in operation the offices part in Brussels is the largest, with a fair value of € 134 million, or 25.6%. Second comes the offices part in the Grand Duchy of Luxembourg with 23.6% or € 123.4 million, followed by the logistics part in Belgium as third with € 88.9 million or 17% of the total portfolio in operation. Retail in the Grand Duchy of Luxembourg is fourth with 12.1% or € 63.2 million. The Axxes Business Park offices in Merelbeke (Ghent) is fifth with € 41.5 million or 7.9%.

Occupancy rate



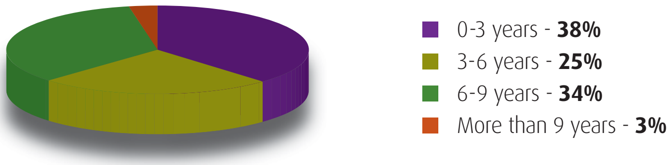
Thanks to a continuous follow-up of the needs of our tenants and various marketing efforts, Leasinvest Real Estate succeeds in keeping its occupancy rate at a high level. The occupancy rate on 30/06/09 namely amounted to 97.67%, which represents a slight improvement compared to 31/12/08 (97.29%).

By comparing the occupancy rates of the two largest market segments of Leasinvest Real Estate to market figures, we notice that the occupancy rate of the Brussels office market (95.2%) as well as the occupancy rate of the office market in the Grand Duchy of Luxembourg (98.8%) are higher than the market average (Brussels: 89.1% - Grand Duchy of Luxembourg: 96.4%).

- Occupancy rate
- Moving average[1]

1 A moving average is a type of average value based on a weight of the current occupancy rate and the previous occupancy rates.

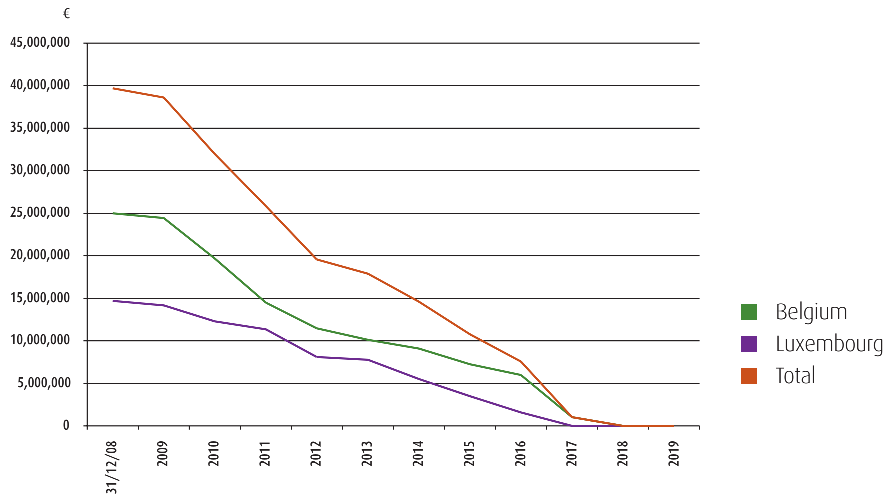
Remaining lease terms and contractually guaranteed rental income



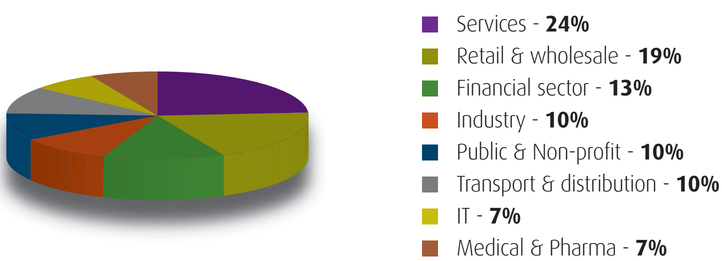
The graph is calculated on the first break date of the current rental contracts based on the contractual rents.

On 31/12/08 still 9.1% of the rental contracts, or € 3.54 million expired in 2009, of which already 72% have been extended during the first semester of 2009 and only 20% were terminated. In 2010 there are important break possibilities, namely 16.7% and 15.4% in 2011. The real estate investment trust has already started negotiations for renewal with most of its important tenants of whom the rental contracts expire within the 3 coming years.

Leasinvest Real Estate has always succeeded in the past in renewing most of its expiring rental contracts or conclude new rental contracts, which is reflected in the relatively constant duration of our rental contracts over the years. The average remaining duration of the rental contracts amounts to 4.3 years (31/12/08: 4.6 years).



Type of tenants



The portfolio of Leasinvest Real Estate is rather directed towards the private sector than to the public sector. This way, we notice that the non-profit and public sector only represent 10% of the portfolio. The main sectors of the portfolio are services (24%), retail & wholesale (19%), the financial sector (13%), public/non-profit (10%), industry (10%) and transport/distribution (10%). In the financial sector the Grand Duchy of Luxembourg represents 11.8% of the 13%.

Valuation report[2]

Valuation update as at 30 june 2009 of the Leasinvest Real Estate CVA portfolio

Report by the external valuer Cushman & Wakefield

We are pleased to report our valuation of the investment value of the Leasinvest Real Estate CVA portfolio as at 30 June 2009.

Our valuation has been prepared on the basis of the information provided to us by Leasinvest Real Estate CVA. Such information is supposed to be correct and complete, and on there being no undisclosed matters which would affect our valuation.

Our valuation methodology is the capitalisation of the market rent with corrections to take into account the difference between the current rent and the market rent. We based ourselves on comparables that were available at the date of valuation.

The values were determined taking current market parameters into account.

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

1. 1. The portfolio consists of business parks, offices and semi-industrial buildings or distribution centres and shops, situated in Belgium (Brussels, Zaventem, Mechelen, Antwerp, Tongeren and Merelbeke) and in the Grand Duchy of Luxembourg.
2. The average of the current rental income (+ the market rent on vacant space) is 4.62% higher than the market rent (respectively 7.06% and 0.63% for the Belgian and Luxembourg portfolios).
3. The occupancy rate of the total portfolio (excluding the Projects) is 97.67% (respectively 96.71% and 99.28% for the Belgian and the Luxembourg portfolios).
4. The office building Bian, located Rue Emile Bian 1 in Luxemburg, has been sold and is consequently not a part of the portfolio (dd 30/06/09) anymore.
5. For all buildings of Leasinvest Real Estate CVA, we determined the following values as at 30 June 2009, including the part that has been valued by Winssinger & Associés
   1. an investment value of 549 170 000 EUR (five hundred forty-nine million one hundred seventy thousand euros), with respectively 329 440 000 EUR and 219 730 000 EUR as investment values for the Belgian and Luxembourg portfolios; and
   2. a fair value of 535 500 000 EUR (five hundred thirty-five million five hundred thousand euros), with respectively 321 240 000 EUR and 214 260 000 EUR as fair values for the Belgian and Luxembourg portfolios.

On this basis, the initial yield of the complete portfolio (excluding the Projects) in terms of investment value is 7.31% (with respectively 7.66% and 6.76% for the Belgian and Luxembourg portfolios) and the initial yield of the complete portfolio in terms of fair value is 7.50% (respectively 7.86% and 6.94% for the Belgian and Luxembourg portfolios).

Cushman & Wakefield

2 The valuation report has been reproduced with the agreement of Cushman & Wakefield and Winssinger & Associates.

3 The occupancy rate is valid on the date of the valuation and does not take into account future availability (already known or not) nor with future new contracts (signed or not). This figure is calculated on the basis of the following formula: (market rent of all let areas)/ (market rent of the complete portfolio).

5 Condensed financial statements

Route de Lennik 451, Anderlecht

Consolidated profit & loss

(in € 1,000)		Note	01/01/09-30/06/09 (6 months)	01/07/07-31/12/07 (6 months)	01/01/08-30/06/08 (pro forma)(1) (6 months)
(+)	Rental income		19,510	15,499	16,286
(+)	Writeback of lease payments sold and discounted				
(+/-)	Related rental expenses		41		-102
NET RENTAL INCOME		**2**	**19,551**	**15,499**	**16,184**
(+)	Recovery of property charges		11	76	682
(+)	Recovery income of charges and taxes normally payable by tenants on let properties		1,051	1,327	1,588
(-)	Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease				-210
(-)	Charges and taxes normally payable by tenants on let properties		-1,051	-1,329	-1,586
(+/-)	Other rental-related income and expenditure		54	-190	4
PROPERTY RESULT			**19,616**	**15,383**	**16,662**
(-)	Technical costs		-373	-592	-780
(-)	Commercial costs		-160	-411	-173
(-)	Charges and taxes on unlet properties		-104	-149	-171
(-)	Property management costs		-1,478	-967	-1,444
(-)	Other property charges		-113	-173	-160
PROPERTY CHARGES			**-2,228**	**-2,292**	**-2,728**
PROPERTY OPERATING RESULT			**17,388**	**13,091**	**13,934**
(-)	General corporate costs		-892	-856	-966
(+/-)	Other operating charges and income		-11	-17	-516
OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO			**16,485**	**12,218**	**12,452**
(+/-)	Gains or losses on disposals of investment properties		15,233	3,597	3
(+/-)	Changes in fair value of investment properties		-11,955	4,205	11,295
OPERATING RESULT			**19,763**	**20,020**	**23,750**
(+)	Financial income		564	2,045	4,047
(-)	Interest charges		-4,847	-4,910	-5,592
(-)	Other financial charges		-2,519	-1,127	-171
FINANCIAL RESULT			**-6,802**	**-3,992**	**-1,716**
PRE-TAX RESULT			**12,961**	**16,028**	**22,034**
(+/-)	Corporate taxes		-285	-159	-34
(+/-)	Exit tax		163		-54
TAXES			**-122**	**-159**	**-88**
NET RESULT			**12,839**	**15,869**	**21,946**
	Attributable to:				
	Minority interests		0	380	654
	Group shares		12,839	15,489	21,292

Results per share

(in €)	30/06/09	31/12/07	30/06/08
Profit per share, Group share(2)	3.21	3.87	5.33
Profit per diluted share, Group share(2)	3.21	3.87	5.33

(1) As the previous financial year was an extended financial year that ran from 01/07/07-31/12/08 (18 months), comparative pro forma figures are presented for the period 01/01/08-30/06/08 (6 months) (unaudited).
(2) Net result, Group share, divided by the number of shares participating in the result of the period.

Basis for the presentation of the financial statements

Leasinvest Real Estate establishes its consolidated annual accounts in accordance with the International Financial Reporting Standards (IFRS) and IFRIC interpretations, effective on 30/06/09, as approved by the European Commission.

Since 01/01/09 the modified IFRS standard 'IAS 40' entered into force, due to which the development projects are treated as investment properties as from then on and are consequently recorded in the balance sheet at their fair value.

The consolidated results for the period of the first half year closing on 30/06/09 are established in accordance with IAS 34 'Interim financial reporting'.

Comments to the consolidated profit & loss account

In the comments below on the results of the first semester of the financial year 2009 a comparison with the results over the same period of last year has been made, namely from 01/01/08 to 30/06/08 (pro forma figures).

The **rental income** (€ 19.5 million) recorded an increase of 20% compared to 30/06/08 (€ 16.3 million), mainly due to the acquisition at the end of 2008 of retail sites in Luxembourg. Based on unchanged portfolio the rental income rose by 6% thanks to the indexing of the rents and newly concluded rental contracts.

The decrease of the maintenance costs and the lower vacancy costs have led to a diminution of the **real estate charges** from € 2.7 million on 30/06/08 to € 2.2 million euro on 30/06/09.

The **result on the disposal of investment properties** (€ 15.2 million, or € 3.8 per share) comprises the realised capital gain on the sale of the office building 'Bian' in Luxembourg at the end of June 2009.

As a consequence of the general trend on the national and international real estate markets a slight decrease on the valuation of the real estate portfolio was recorded by the external real estate expert. Thanks to the quality and diversified portfolio of Leasinvest Real Estate this decrease was limited to 2.1%.

An unrealised loss of € 12 million was recorded under the item **changes in the fair value of the investment properties**, to be compared to an unrealised gain of € 11.2 million a year before (coming from the redevelopment project 'CFM' in Luxembourg (€ 14.4 million)).

Due to the decreasing market interest rates the fair value of the non effective hedges (according to IAS 39) produced a negative change of € 1.1 million compared to a positive change of € 2.5 million on 30/06/08. Without taking into account the impact of IAS 39 the **financial result** decreased from € -4.3 million (30/06/08) to € -5.7 million, explained by the increased debt position compared to 30/06/08.

The **net result, Group share**, ended at € 12.8 million (or € 3.2 per share[1]) compared to € 21.3 million (or € 5.3 per share) the previous year, which was mainly due to a decrease of the portfolio results.

The **net current result, Group share**, or the net result excluding the portfolio result and the changes in the fair value of the non effective financial instruments, on the other hand, rose by 34%[2] from € 8.0 million, or € 1.99 per share[1] on 30/06/08 to € 10.7 million, or € 2.67 per share on 30/06/09.

1 All result data per share are calculated based on the number of shares participating in the result of the period.
2 In the press release sent on 21/08/09 an error occurred in the mentioning of the increase of the net current result by 25% (instead of 34%). A correct version of the press release is available on the website.

Consolidated balance sheet

(in € 1,000)	Note	period 30/06/09	period 31/12/08
ASSETS			
NON-CURRENT ASSETS		**536,168**	**564,222**
Intangible non-current assets		2	2
Investment properties, incl. development projects	3	535,316	563,234
Other non-current assets		34	33
Non-current financial assets		816	953
CURRENT ASSETS		**16,733**	**12,662**
Assets held for sale	3	0	0
Current financial assets		3,279	2,887
Trade receivables		6,207	4,762
Tax receivables and other current assets		115	1,659
Cash and cash equivalents		6,607	2,580
Deferred charges and accrued income		525	774
TOTAL ASSETS		**552,901**	**576,884**
LIABILITIES			
TOTAL SHAREHOLDER'S EQUITY	**cfr. statement of changes**	**269,371**	**264,431**
SHAREHOLDER'S EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY		**269,378**	**264,438**
Capital		44,128	44,128
Share premium account		70,622	70,622
Treasury shares (-)		-1,046	-1,046
Reserves		152,435	121,506
Result		12,839	38,322
Impact on fair value of estimated transfer rights resulting from hypothetical disposal of investment properties		-8,129	-8,120
Change in fair value of financial assets and liabilities		-1,471	-974
on financial assets held for sale		-238	-630
on financial derivatives		-1,233	-344
MINORITY INTERESTS		**-7**	**-7**
LIABILITIES		**283,530**	**312,453**
NON-CURRENT LIABILITIES		**194,188**	**176,688**
Provisions		65	1,105
Non-current financial debts		189,135	172,460
Other non-current financial liabilities		4,581	2,704
Other non-current liabilities		407	419
CURRENT LIABILITIES		**89,342**	**135,765**
Provisions		0	0
Current financial debts		62,897	92,021
Trade debts and other current debts		15,271	11,141
Other current liabilities		1,374	24,298
Accrued charges and deferred income		9,800	8,305
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES		**552,901**	**576,884**

Comments on the consolidated balance sheet

On 30/06/09 the **fair value** of the investment properties, including the development projects, amounted to € 535.3 million, to compare to € 563.2 million on 31/12/08. The fair value is the value at which the buildings are recorded in the balance sheet according to the IFRS standard 'IAS 40' (investment properties)[3].

The **investment value** of the real estate portfolio, including the development projects, as defined by an independent real estate expert, before deduction of the transfer rights, amounted to € 549.17 million on 30/06/09 compared to € 578.3 million on 31/12/08.

The decrease of the investment properties is the consequence of the negative changes in the valuation by the independent real estate expert on the one hand, and the sale of the office project 'Bian' on the other hand.

At the end of the first semester of the financial year 2009 the **shareholders' equity, Group share** (based on the fair value of the investment properties) amounted to € 269.4 million or € 67.41 per share compared to € 66.17 per 31/12/08.

Thanks to the sale of the Bian building the **financial debts** have decreased from € 264.5 million per 31/12/08 to € 252 million per 30/06/09, resulting in a decrease of the debt ratio from 52.06% (per 31/12/08) to 48.67% per 30/06/09.

The drop of the **other current liabilities** from € 24.3 million per 31/12/08 to € 1.4 million per 30/06/09 is explained, on the one hand, by the effective payment of the deferred portion of the acquisition price of the 3 retail sites in Luxembourg, and on the other hand, by the payment of the minority shareholders of Leasinvest Immo Lux within the framework of the sell-out procedure at the end of 2008.

3 Due to a change of 'IAS 40' the development projects are also recorded under the item investment properties as from 01/01/09, and are consequently valued at fair value.

Debt ratio

	30/06/09	31/12/08
Debt ratio*	48.67%	52.06%

* The debt ratio is calculated according to the RD of 21/06/06.

Net asset value per share

(in €)	30/06/09	31/12/08
Net asset value per share (fair value)	67.41	66.17
Net asset value per share (investment value)	70.87	69.59

Statement of comprehensive income

(in € 1,000)	30/06/09 (6 months)	31/12/07 (6 months)
Net result	**12,839**	**15,869**
Changes in estimated transfer rights resulting from hypothetical disposal of investment properties	-9	
Change in fair value of financial assets and liabilities	-497	-672
Total comprehensive income	**12,333**	**15,197**

Statement of changes in shareholder's equity

(in € 1,000)	Capital	Share premium account	Treasury shares (-)	Reserves result	Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties	Change in fair value of financial assets and liabilities	Shareholders' equity attributable to the shareholders of the parent company	Minority interests	Total shareholders' equity
IFRS balance sheet on 30/06/07	**44,128**	**70,622**	**-12**	**152,139**	**-6,219**	**1,413**	**262,071**	**9,975**	**272,046**
Dividends financial year 2006/2007				-15,248			-15,248		-15,248
Total comprehensive income first half year 2007/2008 (6 months)				15,489		-672	14,817	380	15,197
Treasury shares			-944				-944		-944
Miscellaneous				0			0	-508	-508
IFRS balance sheet on 31/12/07	**44,128**	**70,622**	**-956**	**152,380**	**-6,219**	**741**	**260,696**	**9,847**	**270,543**
Distribution interim dividend financial year 2007/2008				-15,385			-15,385		-15,385
Total comprehensive income second & third half year 2007/2008 (12 months)				22,833	-1,901	-1,715	19,217	860	20,077
Treasury shares			-90				-90		-90
Miscellaneous				0			0	-10,714	-10,714
IFRS balance sheet on 31/12/08	**44,128**	**70,622**	**-1,046**	**159,828**	**-8,120**	**-974**	**264,438**	**-7**	**264,431**
Distribution closing dividend financial year 2007/2008				-7,393			-7,393		-7,393
Total comprehensive income first half year 2009 (6 months)				12,839	-9	-497	12,333		12,333
Treasury shares							0		0
IFRS balance sheet on 30/06/09	**44,128**	**70,622**	**-1,046**	**165,274**	**-8,129**	**-1,471**	**269,378**	**-7**	**269,371**

Consolidated cash flow statement

(in € 1,000)	Note	30/06/09 (6 months)	31/12/07 (6 months)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		**2,580**	**1,472**
1. Cash flow from operating activities		**-7,404**	**12,323**
Net result		**12,839**	**15,869**
Amendment of the profit for non-cash and non-operating elements		**-3,322**	**-6,881**
Depreciations and write-downs		**-39**	**10**
- Depreciations and write-downs on intangible and other tangible assets (+/-)		3	10
- Write-downs on current assets (-)		-42	0
Other non-cash elements		**11,950**	**-3,294**
- Changes in fair value of investment properties (+/-)		11,955	-4,205
- Movements in provisions (+/-)		-1,040	-26
- Spreading of gratuities (+/-)		-81	95
- Changes in the fair value of the financial derivatives (+/-)		1,116	899
- Other non-current transactions		0	-57
Non-operating elements		**-15,233**	**-3,597**
Capital gains on realisation of non-current assets		-15,233	-3,597
Change in requirements of working capital:		**-16,921**	**3,335**
Movements in asset items:		**389**	**6,186**
- Current financial assets		0	6,257
- Trade receivables		-1,404	82
- Tax receivables and other current assets		1,544	-238
- Deferred charges and accrued income		249	85
Movements in liability items:		**-17,310**	**-2,851**
- Trade debts and other current debts		4,119	-2,954
- Other current liabilities		-22,924	138
- Accrued charges and deferred income		1,495	-35
2. Cash flow from investment activities		**31,273**	**7,361**
Investment properties & development projects		31,268	7,825
Other (in)tangible non-current assets		-5	-11
Non-current financial assets		10	-453
Assets held for sale		0	0
Impact on consolidation of new participations		0	0
3. Cash flow from financing activities		**-19,842**	**-19,146**
Change in financial liabilities and financial debts			
Increase (+) / Decrease (-) of financial debts		-12,449	-2,955
Increase (+) / Decrease (-) of other financial liabilities		0	0
Change in other liabilities			
Increase (+) / Decrease (-) in other liabilities		0	0
Variation of shareholders' equity			
Change in capital and share premium account (+/-)		0	0
Increase (+) / Decrease (-) of treasury shares		0	-944
Dividend of the previous financial year		-7,393	-15,248
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**6,607**	**2,009**

Note 1: Segmented information

1.1. Primary segmentation: Geographical

Consolidated results

(in € 1,000)	Belgium		Luxembourg		Corporate		TOTAL	
	30/06/09	31/12/07	30/06/09	31/12/07	30/06/09	31/12/07	30/06/09 (6 months)	31/12/07 (6 months)
(+) Rental income	12,369	10,910	7,141	4,589			19,510	15,499
(+) Writeback of lease payments sold and discounted							0	0
(+/-) Related rental expenses	41				0		41	0
NET RENTAL INCOME	**12,410**	**10,910**	**7,141**	**4,589**	**0**	**0**	**19,551**	**15,499**
(+) Recovery of property charges	11	0	0	76			11	76
(+) Recovery income of charges and taxes normally payable by tenants on let properties	1,010	1,327	41				1,051	1,327
(-) Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	0	0					0	0
(-) Charges and taxes normally payable by tenants on let properties	-1,010	-1,329	-41				-1,051	-1,329
(+/-) Other rental-related income and expenditure	62	-132	-8	-58			54	-190
PROPERTY RESULT	**12,483**	**10,776**	**7,133**	**4,607**	**0**	**0**	**19,616**	**15,383**
(-) Technical costs	-347	-531	-26	-61			-373	-592
(-) Commercial costs	-157	-214	-3	-197			-160	-411
(-) Charges and taxes on unlet properties	-61	-104	-43	-45			-104	-149
(-) Property management costs(1)	-1,404	-967	-74	0			-1,478	-967
(-) Other property charges	-61	-111	-52	-62			-113	-173
PROPERTY CHARGES	**-2,030**	**-1,927**	**-198**	**-365**	**0**	**0**	**-2,228**	**-2,292**
PROPERTY OPERATING RESULT	**10,453**	**8,849**	**6,935**	**4,242**	**0**	**0**	**17,388**	**13,091**
(-) General corporate costs	-588	-554	-304	-302		0	-892	-856
(+/-) Other operating charges and income	-2	140	-9	-157	0	0	-11	-17
OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	**9,863**	**8,435**	**6,622**	**3,783**	**0**	**0**	**16,485**	**12,218**
(+/-) Gains or losses on disposals of investment properties			15,233	3,597			15,233	3,597
(+/-) Changes in fair value of investment properties	-11,960	2,201	5	2,004			-11,955	4,205
OPERATING RESULT	**-2,097**	**10,636**	**21,860**	**9,384**	**0**	**0**	**19,763**	**20,020**
(+) Financial income					564	2,045	564	2,045
(-) Interest charges					-4,847	-4,910	-4,847	-4,910
(-) Other financial charges					-2,519	-1,127	-2,519	-1,127
FINANCIAL RESULT	**0**	**0**	**0**	**0**	**-6,802**	**-3,992**	**-6,802**	**-3,992**
PRE-TAX RESULT	**-2,097**	**10,636**	**21,860**	**9,384**	**-6,802**	**-3,992**	**12,961**	**16,028**
(+/-) Corporate taxes					-285	-159	-285	-159
(+/-) Exit tax					163	0	163	0
TAXES	**0**	**0**	**0**	**0**	**-122**	**-159**	**-122**	**-159**
NET RESULT	**-2,097**	**10,636**	**21,860**	**9,384**	**-6,924**	**-4,151**	**12,839**	**15,869**
Attributable to:								
Minority interests							0	380
Group shares							12,839	15,489

(1) The property management costs consist, a.o. of the remuneration paid by Leasinvest Real Estate and its Belgian subsidiaries to the statutory manager Leasinvest Real Estate Management SA. Of the total remuneration paid by Leasinvest Real Estate for the first 6 months of the financial year 2009 (€ 1.2 million), € 0.5 million is related to the Luxembourg portfolio. The fee is however integrally recorded in the Belgian segment, because Leasinvest Real Estate is the real debtor.

Consolidated balance sheet - Geographical segmentation (primary segment)

(in € 1,000)	Belgium		Luxembourg		Corporate		TOTAL	
	30/06/09	31/12/07	30/06/09	31/12/07	30/06/09	31/12/07	30/06/09	31/12/07
ASSETS								
Intangible assets	2	2					2	2
Investment properties								
(incl. development projects)	321,091	331,119	214,225	232,115			535,316	563,234
Assets held for sale							0	0
Other assets	10,557	10,576	7,026	3,072			17,583	13,648
ASSETS PER SEGMENT	**331,650**	**341,697**	**221,251**	**235,187**	**0**	**0**	**552,901**	**576,884**
LIABILITIES								
Non-current financial debts					189,135	172,460	189,135	172,460
Current financial debts					62,897	92,021	62,897	92,021
Other liabilities	15,638	16,492	10,435	27,113	5,425	4,366	31,498	47,972
LIABILITIES PER SEGMENT	**15,638**	**16,492**	**10,435**	**27,113**	**257,457**	**268,847**	**283,530**	**312,453**

Main key figures - Geographical segmentation (primary segment)

Under the balance sheet item 'investment properties' are recorded as well the buildings in operation ready for rent, as the development projects.

(in € 1,000)	Belgium		Luxembourg		TOTAL	
	30/06/09	31/12/08	30/06/09	31/12/08	30/06/09	31/12/08
Fair value of the buildings in operation	316,984	327,649	206,020	206,390	523,004	534,039
Fair value of the development projects[(1)]	4,107	3,470	8,205	25,725	12,312	29,195
Fair value of the investment properties (total)	321,091	331,119	214,225	232,115	535,316	563,234
Investment value of the buildings in operation	325,230	336,170	211,320	211,690	536,550	547,860
Investment value of the development projects	4,210	3,130	8,410	27,310	12,620	30,440
Investment value of the investment properties (total)	329,440	339,300	219,730	239,000	549,170	578,300
Rental yield (in fair value)[(2)]	7.86%	7.53%	6.94%	6.86%	7.50%	7.27%
Rental yield (in investment value)[(2)]	7.66%	7.35%	6.76%	6.67%	7.31%	7.09%
Total rentable surface (m^2)[(2)]	261,135	261,135	84,201	84,201	345,336	345,336
Occupancy rate[(2)]	96.71%	96.19%	99.28%	99.15%	97.7%	97.29%
Weighted average duration till first break possibility (# years)[(2)]	4.2	4.5	4.4	4.8	4.3	4.6

1.2. Secondary segmentation - Per asset class

Main key figures

(in € 1,000)	Offices		Logistics (and semi-industrial)		Retail		TOTAL	
	30/06/09	31/12/08	30/06/09	31/12/08	30/06/09	31/12/08	30/06/09	31/12/08
Fair value of the buildings in operation	328,554	335,302	108,206	111,761	86,244	86,976	523,004	534,039
Fair value of the development projects[(1)]	12,312	29,195					12,312	29,195
Fair value of the investment properties (total)	340,866	364,497	108,206	111,761	86,244	86,976	535,316	563,234
Investment value of the buildings in operation	337,090	344,000	111,060	114,710	88,400	89,150	536,550	547,860
Investment value of the development projects	12,620	30,440					12,620	30,440
Investment value of								
the investment properties (total)	349,710	374,440	111,060	114,710	88,400	89,150	549,170	578,300
Rental income[(2)(3)]	11,815	20,076	4,725	11,417	2,747	2,066	19,287	33,559
Rental yield (in fair value)[(2)]	7.41%	7.16%	8.67%	8.42%	6.33%	6.24%	7.50%	7.27%
Rental yield (in investment value)[(2)]	7.23%	6.98%	8.45%	8.20%	6.17%	6.09%	7.31%	7.09%
Occupancy rate[(2)]	97.22%	95.83%	96.97%	99.17%	100%	100%	97.67%	97.29%
Weighted average duration till first								
break possibility (# years)[(2)]	3.5	3.8	4.3	4.6	6.7	7.1	4.3	4.6

(1) Following the modified IFRS standard IAS 40 as from 01/01/09 development projects have to be recorded at fair value in the balance sheet. Until 31/12/08 development projects were recorded at acquisition price.
(2) These key figures only take into account the buildings in operation and not the development projects.
(3) For the rental income on 31/12/08 pro forma figures are presented for the period 01/01/08-31/12/08 (12 months).

Note 2:
Net rental result

(in € 1,000)	30/06/09 (6 months)	31/12/07 (6 months)
Rental income		
Rents	19,207	15,594
Guaranteed income		0
Rental rebates	81	-95
Rental incentives		0
Compensation for early termination of the leases	222	0
Compensation for financial leasing and comparable items	0	0
TOTAL	**19,510**	**15,499**
Write-back of lease payments sold and discounted	**0**	**0**
Rental-related expenses	**0**	**0**
Rent payable on rented assets	0	0
Write-downs on trade receivables	0	0
Write-backs of write-downs on trade receivables	41	0
TOTAL	**41**	**0**
NET RENTAL RESULT	**19,551**	**15,499**

Note 3:
Investment properties and assets held for sale (fair value method)

(in € 1,000)	Buildings in operation		Development projects		Assets held for sale		Total investment properties	
	30/06/09	31/12/08	30/06/09	31/12/08	30/06/09	31/12/08	30/06/09	31/12/08
Balance at the beginning of the period	**534,039**	**436,376**	**29,195**	**13,397**	**0**	**9,483**	**563,234**	**459,256**
Investments	537	50,041	8,196	18,101			8,733	68,142
Divestments		-3,500	-24,776			-9,483	-24,776	-12,983
Acquisitions through business combinations		27,964		6,880			0	34,844
Transfers	0	9,183		-9,183			0	0
Increase/(decrease) of the fair value	-11,572	13,975	-303	0			-11,875	13,975
Balance at the end of the period	**523,004**	**534,039**	**12,312**	**29,195**	**0**	**0**	**535,316**	**563,234**

Note 4:
Dividends distributed

Taking into account that the previous financial year was an extended financial year running from 01/07/07 to 30/06/08, a total gross dividend of € 5.70 (18 months) has been approved by the ordinary general meeting of 18/05/09.

On 15/10/08 a gross interim dividend of € 3.85 had already been paid. Finally, a gross closing dividend of € 1.85 has been paid on 22/05/09.

Note 5 :
Financial risk management
Financing, liquidity and cash flow risk

Leasinvest Real Estate finances its real estate portfolio through its shareholders' equity, the issuing of short term commercial paper (from 1 week to 6 months) and the conclusion of bank loans (from 1 to 5 years). The issued commercial paper is covered by back-up credit lines.

The financing and liquidity risks for Leasinvest Real Estate could consist of:

1) insufficient solvency to be able to renew current or conclude new credit facilities with its banks;
2) the liquidity being no longer assured by the drying-up of the commercial paper issuing or the non-extension of current loans and/or back-up credit lines and;
3) the real estate investment trust not being able to respect the current financial and other covenants imposed by its banks.

The consolidated debt ratio[3] of Leasinvest Real Estate amounted to 48.67% on 30/06/09 (31/12/08: 52.06%), which is significantly lower than the legally allowed maximum debt ratio of 65% as defined by the RD of 21/06/06, which amends the RD of 10/04/95 on this point. The decrease of the debt ratio is due to the sale of the Bian building with a considerable capital gain.

The liquidity risk is limited on the one hand by spreading the financing across different banks, and on the other hand, by diversifying the maturity dates of the credit facilities.

Given its good creditworthiness all bank loans expiring in 2009 (€ 13.7 million) have been extended. In 2010 Leasinvest Real Estate has no expiring loans. 27.4% of all bank loans have to be renewed in 2011, 5.7% in 2012 and 66.8% in 2013.
Of all back-up credit lines expiring in 2009 (€ 104.2 million) only one back-up line of € 40 million expiring in November 2009 has to be extended, for which negotiations have already been started up.
As no reimbursement is provided in any of the credit facilities before the expiry date (these are namely 'bullet loans'), the net cash flow of Leasinvest Real Estate is more than sufficient to cover the interest costs.

The bank loans include financial covenants, which relate mainly to the maintaining of the status of real estate investment trust and the related maximum debt ratio. Until present, the real estate investment trust fully complies to all of its imposed covenants.

Interest rate risk

The hedging policy is intended to cover the interest rate risk for approximately 80% of the financial debt. Since Leasinvest Real Estate's debt financing is almost exclusively based on a floating interest rate, there is an interest rate risk if the interest rate would rise, which would increase the financing cost. This interest rate risk is hedged using financial instruments such as spot and forward interest rate collars and interest rate swaps.

The expiry dates for the interest rate hedges lie between 2010 and 2015. On 31/12/08 only 68% of the financial debt was hedged due to the acquisitions of end-December 2008. Consequently 4 new interest rate swaps were concluded in January 2009 for a total notional amount of € 40 million with an average fixed interest rate of 3.02%. As such the financial debts are hedged for 79% on 30/06/09. The fixed interest rates of the interest rate swaps lie between 2.87% and 3.87%, excluding the credit margin.

3 Calculated according to the RD 21/06/06.

Till September/October 2008 increasing short-term interest rates were recorded as a consequence of the financial uncertainties on the world markets, which have promptly turned to fiercely decreasing short-term interest rates.
As a result, most real estate investment trusts and also Leasinvest Real Estate recorded negative market fluctuations on their interest rate hedges. These negative 'mark-to-market' are no cash expenses, but merely non-cash accounting adjustments.

The monetary regulatory authorities in the world have drastically reduced their reference interest rates to extremely low (often historically) interest rate levels of e.g. 1 to 1.50%. Low interest rates are for a real estate investment trust and in the case of Leasinvest Real Estate, which has an indexed gross rental yield of 7.5% (based on the fair value), a possible profit-increasing factor. Normally this results in the increase of the gross margin between the received rental yield and the paid interest rate in function of 1) the hedged interest positions and 2) the interest rate margins increased by the banks in case of renewal of credit lines. Notwithstanding, Leasinvest Real Estate finances its needs mainly based on floating interest rates and these rates are currently at a very low level, we can not entirely benefit from these decreased interest rates, as Leasinvest Real Estate – from a risk adverse profile – has concluded interest rate hedging instruments (such as a.o. IRS's and interest rate collars) to hedge this interest rate risk, as a consequence of which the company can not always (in the case of IRS's) or can only partially (in the case of interest rate collars) or completely (for the non-hedged part) benefit from these lower interest rates. A reduction of the interest rates often leads to a negative change in the fair value of the interest rate hedges, with an accounting but non-cash negative impact on the shareholders' equity and the result.

Due to the fierce financial crisis banks systematically apply higher credit margins for the extension of current or conclusion of new credit lines. The renewals of a part of the bank loans (€ 13.7 million) and the back-up credit lines (€ 64.2 million) in the first half year of 2009 have led to an increase of the credit margins charged, partially compensating the afore-mentioned positive effect of the decrease of the interest rates, in the case of non-hedging.

Tenant & credit risks

Efforts are being made to reduce the relative importance of the largest tenants and obtain a better spread both in terms of the number of tenants and the sectors in which these tenants are active in order to obtain a rental risk and income with an improved diversification therefore limiting the dependency of the real estate investment trust to the fall-out of a tenant due to termination of the rental contract or bankruptcy. The breakdown per sector of our tenant portfolio is good with a more prominent accent on retail and distribution than before. The main sectors are the services sector (24%), retail & wholesale (19%), the financial institutions (13%), followed by the public sector, non-profit and international professional associations (10%) and transport & distribution (10%).

Retail and logistics can somewhat be less sensitive for the consequences of the crisis than offices. Approximately 90% of the consolidated tenants of Leasinvest Real Estate consist of companies. The creditworthiness of our tenants' portfolio is very good, which is proven by the fact that barely no write-downs of doubtful receivables were booked till the end of the first half year of 2009, nor in Belgium, nor in Luxembourg. For most of the rental contracts the rents are paid quarterly in advance, which means that the income is received at the beginning and not at the end of the rental period concerned. Furthermore our occupancy rate in Belgium and Luxembourg is very high and we are better armed against the crisis than during the recent IT crisis in 2004/2005 when our occupancy rate was lower than 92%.

Except from the continuous follow-up of our tenants creditworthiness, we aim at signing a maximum of long-term rental contracts and/or to acquire buildings with long-term rental contracts to insure the durability of our rental income stream and as a consequence increase the duration of the rental contracts.

On 31/12/08 9.1% of the rental contracts expired in 2009, of which already 72% has been renewed. The part of the rental contracts still to be renewed in the second half year of 2009 is limited to 2.7%. In 2010 there are important break possibilities, namely 16.7% of the rental contracs and 15.6% in 2011. Leasinvest Real Estate has always succeeded in the past in renewing the largest part of its expired rental contracts or in concluding new rental contracts, which is reflected in the relatively constant duration of our rental contracts over the years.

The real estate investment trust has already started negotiations for renewal with most of its important tenants of whom the rental contracts expire within the 3 coming years.

The duration of the current rental contracts in Belgium and Luxembourg, signed with companies (representing 90% of Leasinvest Real Estate's consolidated portfolio), is mainly of the classical type (3-6-9 years).

Thanks to our pro-active and dynamic management, which has led to new rental contracts and extensions of current rental contracts, the real estate investment trust has succeeded in keeping the average duration of the consolidated portfolio at a quasi constant level of 4.3 years (31/12/08: 4.6 years). The duration of the Luxembourg portfolio on 30/06/09 amounts to 4.4 years (4.8 years on 31/12/08) and the duration of the Belgian portfolio to 4.2 years (4.5 years on 31/12/08). The pro-active management of Leasinvest Real Estate is also focused on closing rental contracts of a longer duration than the classical 3-6-9 years type.

Tenant loyalty is very important to Leasinvest Real Estate. The tenants generate the rental income and define the vacancy. Through a professional, dynamic and client-focused commercial and operational management we respond to tenant needs.

Report of the auditor

CFM, Luxembourg

Report of the statutory auditor to the shareholders of Leasinvest Real Estate SCA on the review of the interim condensed consolidated financial statements for the period closed on 30/06/09.

Introduction

We have reviewed the accompanying interim condensed consolidated balance sheet of Leasinvest Real Estate SCA (the 'Company') as at 30/06/09 and the related interim condensed consolidated statements of income, changes in equity and cash flows for the period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting ('IAS 34') as adopted for use in the European Union. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review ('revue limitée/beperkt nazicht' as defined by the "Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren") in accordance with the recommendation of the 'Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren' applicable to review engagements. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with the auditing standards of the 'Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren' and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 as adopted for use in the European Union.

Brussels, 20 August 2009

Ernst & Young Bedrijfsrevisoren BCV
Statutory auditor

represented by

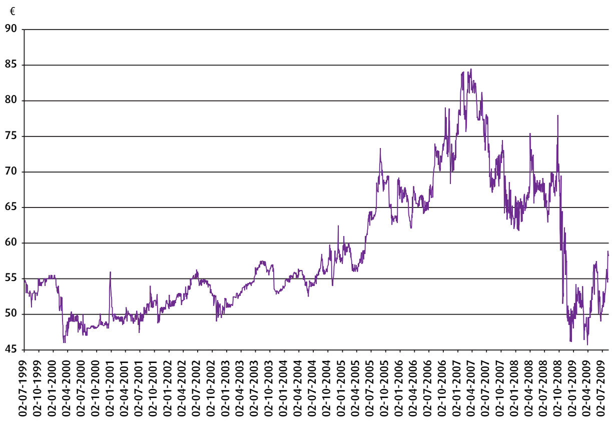
Christel Weymeersch
Partner

Leasinvest Real Estate on the stock exchange


Axxes Business Park, Ghent

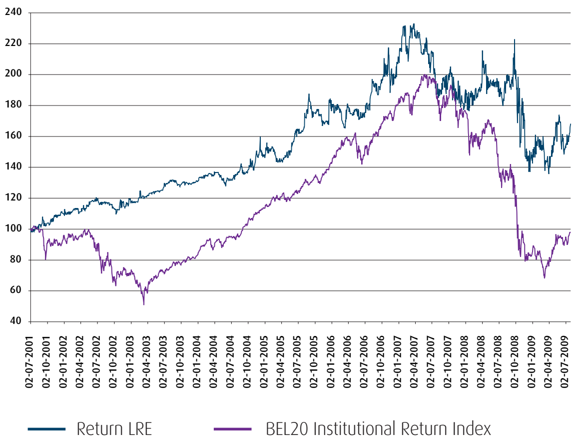
Key figures for the share on the stock exchange

Evolution of the share price since the IPO on 02/07/99



On 30/06/09 the Leasinvest Real Estate share closed at € 50.59, which represents a slight improvement compared to the closing price per 31/12/08 (€ 48.05). In the first semester of the financial year 2009 the lowest price was reached on 30/03/09 at € 45.68. The highest price was reached on 25/05/09 (€ 57.48). The average price over 6 months amounted to € 51.72, which is significantly lower than the average of the previous financial year (€ 65.85).

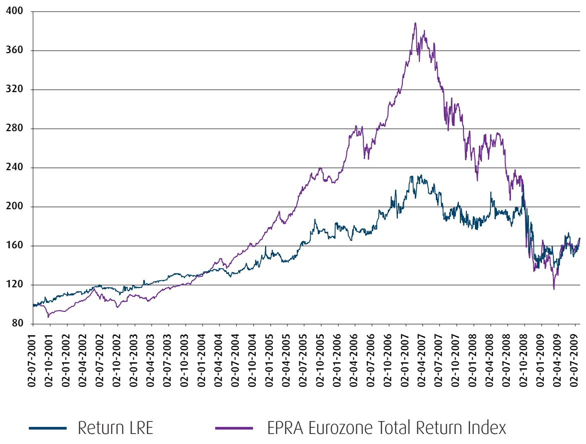
Comparison of return of Leasinvest Real Estate with the return on the Bel20 Index[1]



The return of the Leasinvest Real Estate share and the BEL20 Index are shown on this graph as base 100 on 02/07/01.
Since the beginning of this financial year (01/01/09) the return of the Leasinvest Real Estate share as well as the return on the Bel 20 Institutional Return Index increased. In comparison with the return on the BEL 20 Index, Leasinvest Real Estate systematically shows a better return.

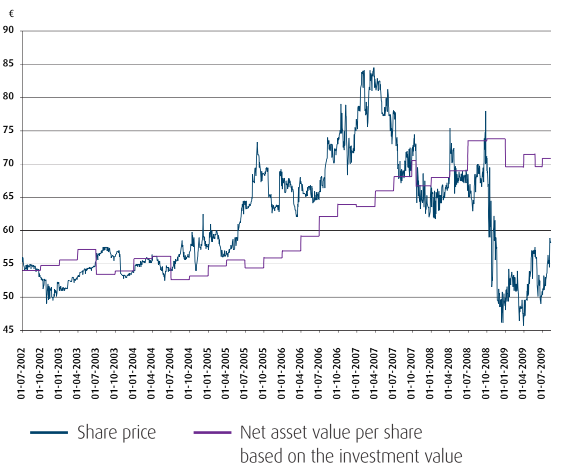
1 Index to consult in the financial newspapers, i.e. l'Echo and De Tijd in the stock market pages.

Comparison of return of Leasinvest Real Estate with the return of the EPRA Eurozone Total Return Index



The return of the Leasinvest Real Estate share has known an evolution comparable to the evolution of the EPRA Eurozone Total Return Index in the first semester of the financial year 2009.

Premium / discount of the Leasinvest Real Estate share since 01/07/02 compared with net asset value



Notwithstanding a steady net asset value, compared with a good dividend yield, the Leasinvest share continuously recorded with a discount since the end of September 2008.

On 30/06/09 the share closed at € 50.59, which implies a discount of 29% compared to the net asset value per share based on the investment value of € 70.87 (30/06/09). In comparison with the net asset value per share based on the fair value per 30/06/09 of € 67.41 the share recorded with a discount of 25%. At the end of August 2009 the share price has risen to € 62.50, which reduced the discount to 7.3% compared to the net asset value (based on fair value).

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General information

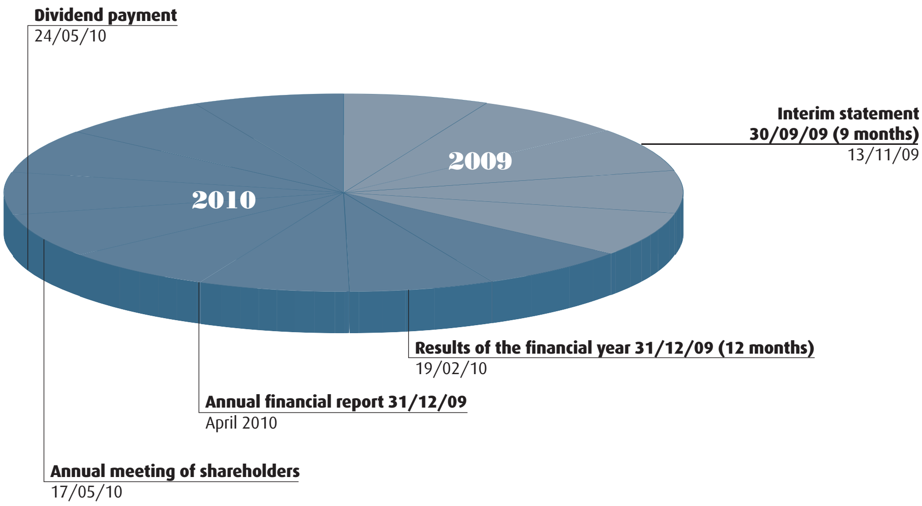

Canal Logistics, Brussels

Company profile

Real estate investment trust (sicafi) Leasinvest Real Estate SCA mainly invests in high quality and well-located offices, logistics and retail buildings in Belgium and the Grand Duchy of Luxembourg.

The real estate investment trust (sicafi) is listed on Euronext Brussels and has a market capitalization of approximately € 230 million (value on 20 August 2009).

Financial calendar



Shareholder structure

The Leasinvest Real Estate shares are listed in Belgium on Euronext Brussels (Bel Small Index).

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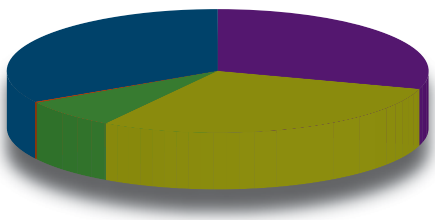
Extensa Group SA (Ackermans & van Haaren Group) is the founder and promotor of the real estate investment trust and holds 100% of the shares of the statutory manager, Leasinvest Real Estate Management SA.

Number of listed shares (4,012,832)[1]



- Ackermans & van Haaren Group - **30%**
- AXA Belgium SA - **29%**
- Fortis Insurance - **7.4%**
- Treasury shares - **0.4%**
- Free float - **33.2%**

The number of issued shares on 30/06/09 amounted to 4,012,832.

On 30/06/09 the real estate investment trust held 16,538 treasury shares on a consolidated basis in portfolio, or a participation of 0.41%. Leasinvest Real Estate Management held 6 Leasinvest Real Estate shares.

1 In the periodical press releases, the net asset value per share is communicated.

Identity card

Real estate investment trust under Belgian Law
Leasinvest Real Estate SCA

Legal entity
Limited partnership by shares

Registered office
Avenue de Tervueren 72, 1040 Brussels, Belgium

Administrative office
Schermersstraat 42, 2000 Antwerp, Belgium

Contact information
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E-mail
investor.relations@leasinvest.be

Web
http://www.leasinvest.be

Register of legal entities
Brussels

VAT
BE 0436.323.915

Established
8/06/99, publication MB 26/06/99
(conversion into real estate investment trust) (nr. 990626-330)

Term
Unspecified

Financial year
1 January – 31 December

Listing
Euronext Brussels, Bel Small

Liquidity provider
Bank Degroof

Depositary
Bank Delen

Auditor
Ernst & Young Réviseurs d'entreprises,
represented by Christel Weymeersch, Partner

Real estate valuers
Cushman & Wakefield - Winssinger & Associates

Supervision
Banking, Finance and Insurance Commission (CBFA)

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