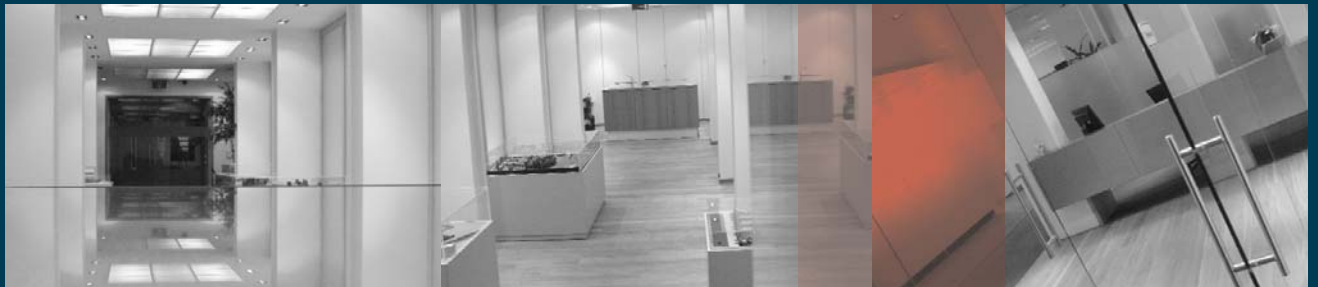


[half-year report 2003-2004]



[letter to the shareholders]

Ladies and
Gentlemen,

The real estate market is experiencing the consequences of a downturn in the economic cycle and despite the first signs of an economic recovery, a sustained recovery will only occur when most companies start investing instead of restructuring.

The repercussions are being felt in decreasing portfolio values and increasing vacancy in the periphery and the decentralized zone of Brussels. Nevertheless, the decline in occupancy rate at Leasinvest Real Estate has remained very limited, and unlike the first half of the last financial year, a positive portfolio result was recorded in this half-year, thanks to rising real estate values in the centre of Brussels (Leopold District).

By maintaining the level of the net current result, net profits, as a consequence, climbed strongly.

Leasinvest Real Estate did not make any new acquisitions in the first half of the financial year, since in a very active investment market, but a weak letting market, high quality investment properties are very scarce, which frequently leads to very high prices. Despite the availability of borrowing capacity, Leasinvest Real Estate only wishes to invest prudently and to grow without jeopardising its long-term objectives.

If the occupancy rate can be maintained during the second half of the year, and therefore maintenance and renovation costs can be kept under control, it can be expected that the net current result for the 2003-2004 financial year will be in line with budget.

Yours faithfully,

Leasinvest Real Estate Management SA
Statutory Manager of
Leasinvest Real Estate SCA



Jean-Louis Appelmans
Managing Director
Permanent representative



Kris Verhellen
Managing Director



Luc Bertrand
Chairman of the Board of Directors

The LRE share

[key figures]

Real estate portfolio

	31/12/2003	31/12/2002	31/12/2001	31/12/2000
	Statutory ¹	Consolidated ²	Statutory	Statutory
Estimated investment value (x 1,000 EUR) ³	265,770	267,648	225,704	185,861
Liquidation value (x 1,000 EUR) ⁴	235,194	236,857	199,738	164,479
Occupancy rate including rental guarantee (%)	95.45	98.07	100.00	99.04
Occupancy rate excluding rental guarantee (%)	95.21	96.66	97.04	94.34
Rental yield including rental guarantee (%)	7.74	7.94	8.05	7.88
Rental yield excluding rental guarantee (%)	7.73	7.85	7.78	7.51

¹ Leasinvest Real Estate has been merged with its subsidiaries Brussimmo SA and Ekiport SA, of which it held almost 100% of the shares, with retroactive effect on the accounts as from 01/07/2003. The statutory and consolidated figures are therefore comparable.

² The subsidiaries Brussimmo SA and Ekiport SA have been acquired in 2002.

³ Estimated investment value by the real estate valuers Cushman & Wakefield Healey & Baker / Winsinger and Associates.

⁴ Estimated investment value minus theoretical discount of 13%.

Key results

(x 1,000 EUR)	31/12/2003	31/12/2002	31/12/2001	31/12/2000
	Statutory	Consolidated	Statutory	Statutory
Operating income ¹	11,588	11,949	8,724	7,413
of which, rental income ¹	10,406	10,458	7,751	6,486
Operating result	8,350	8,867	6,817	5,732
Net current result	6,543	6,549	5,637	4,878
Extraordinary result		7		
Portfolio result	192	-2,043	717	210
Net result	6,735	4,513	6,354	5,088
Net cash flow ²	6,711	6,755	5,142	4,749

¹ Excluding rental guarantees.

² Flows generated by current activities + flows generated by the portfolio. Calculation net cash flow: net current result plus flows generated by extraordinary result + depreciation (+ addition, - withdrawal) plus provisions (+ addition, - withdrawal) plus amounts written off on commercial debts (+ addition, - withdrawal) plus (minus) the gains (losses) realised on the portfolio.

Data per share

(EUR)	31/12/2003	31/12/2002	31/12/2001	31/12/2000
	Statutory	Consolidated	Statutory	Statutory
Number of shares (#)	2,830,371	2,830,366	2,830,366	2,525,124
Net asset value (including dividend)	55.78	55.59	55.61	55.15
Rental income (excluding rental guarantee)	3.68	3.69	2.74	2.57
Operating result	2.95	3.13	2.41	2.27
Net current result	2.31	2.31	1.99	1.93
Portfolio result	0.07	-0.73	0.25	0.08
Net result	2.38	1.59	2.25	2.02
Net cash flow (CFS)	2.37	2.39	1.82	1.88

Change in share price and return

	6 months 31/12/2003	6 months 31/12/2002	12 months 30/06/2003
Market capitalisation based on closing price (EUR)	152,698,515	144,207,148	157,085,313
Closing price (EUR)	53.95	50.95	55.50
Highest price (EUR)	57.50	56.00	56.00
Lowest price (EUR)	52.80	49.00	49.00
Average price (EUR)	55.52	52.85	52.97
Volume (number of shares)	352,817	316,783	584,605
Average monthly traded volume	58,803	52,797	48,717
Velocity ¹ (%)	12.47	11.19	20.65

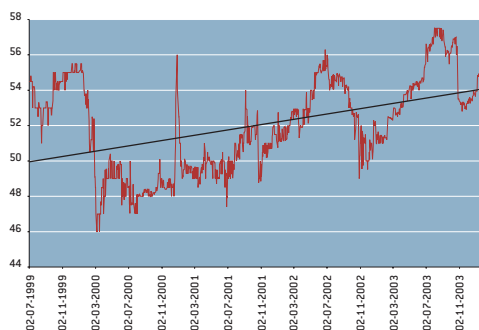
¹ volume/number of shares; on 31/12/2003 and on 31/12/2002: volume for 6 months.

In the past half-year, the overall change in the share price and the volume of Leasinvest Real Estate shares traded was positive. The share price graph below shows an upward trend: the floor and ceiling prices are always rising. The highest closing price since the IPO was recorded during the last half-year, and amounted to 57.50 EUR. The same upward trend can be seen concerning the

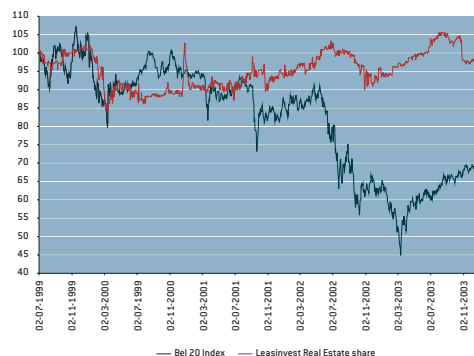
volume traded. On average, over the last half-year, 58,803 shares were traded per month, compared with 52,797 for the same period of last year [31/12/2002]. This results in an increased velocity of 11.19% on 31/12/2002 compared with 12.47% on 31/12/2003.

Measured over the period of 01/01/2003-31/12/2003, 1 million EUR of shares were traded every 1.54 weeks.

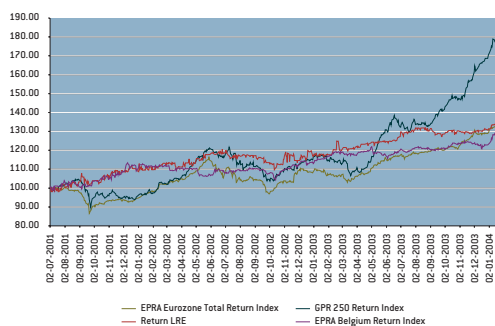
Price of Leasinvest Real Estate since IPO (02/07/1999)



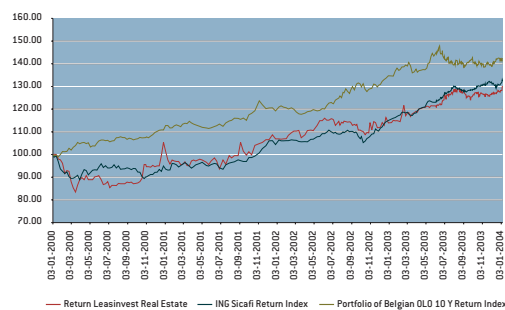
Change in the share price in comparison with the BEL 20 Index since the IPO on 2 July 1999



Change in the return of the share in comparison with the EPRA Eurozone Total Return Index, the EPRA Belgium Return Index and the GPR 250 Return Index¹



Change in the return of the share in comparison with the ING Sicafi Return Index and the Portfolio of Belgian OLO 10Y Return Index²



¹ More information on these indices can be found on www.epra.com and www.gpr.nl.

² Indices can be consulted in the financial newspapers, including l'Echo de la Bourse and De Tijd, in the stock market pages.

[real estate portfolio]

Changes in the portfolio

Leasinvest Real Estate sold the following buildings during the last semester (01/07/2003-31/12/2003):

• Antwerp centre – sale of Britse Lei 3-5-7

In July 2002, Leasinvest Real Estate signed an in-principle agreement for the sale of the office building in the Britse Lei 3-5-7 in Antwerp. The deed by which the real estate fund sold the office building for 0.56 million EUR, was recorded in September 2003, and the capital gain realized was 56,000 EUR in relation to the estimated investment value as of 30/06/2003.

• Kontichsesteenweg 17, Aartselaar - sale

On 1 September 2003, the sale option was exercised, and

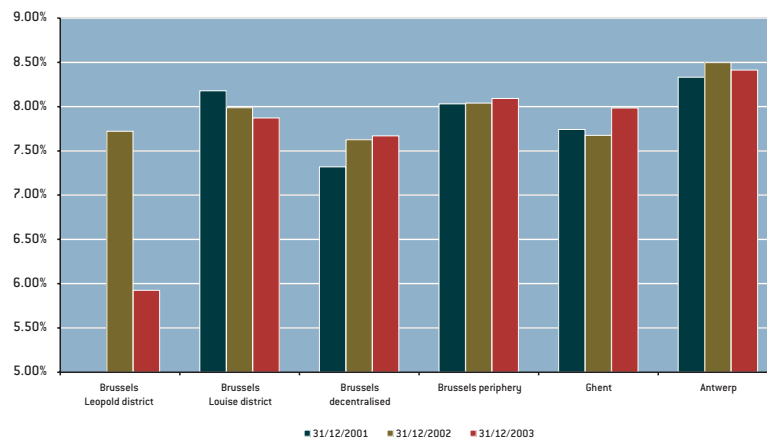
the ownership of the building was transferred definitively to the purchaser on 30/12/2003. The sales price was 1,010,000 EUR, excluding registration fees and deed costs, which corresponds to the investment value on 30 June 2003.

Leasinvest Real Estate signed the following contract during the last semester (01/07/2003-31/12/2003):

• Rue de Trèves 74, 1000 Brussels

For the building in rue de Trèves in Brussels, currently let to EFTA (European Free Trade Association), an agreement was entered into, with a view to sign a long lease with the "Committee of the Regions", a European institution, which will start ultimately by 1 February 2005.

Rental yield of the real estate portfolio based on geographic spread



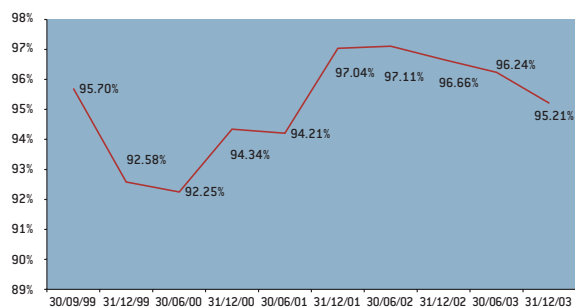
Depending on the location, the Belgian real estate market is experiencing different patterns, as shown by the graph above. Central Brussels is characterized by falling rental yields unlike locations in the periphery.

(in 1,000 EUR)	31/12/2003	31/12/2002	31/12/2001
Estimated investment value of the total portfolio	265,770	267,648	225,704
of which			
Brussels Leopold district	22,880	17,390	
Brussels Louise district	29,250	29,650	28,530
Brussels decentralised	104,750	106,950	83,830
Brussels periphery	40,180	40,070	40,290
Ghent	39,950	41,870	41,330
Antwerp	28,760	31,718	31,724
Liquidation value of the total portfolio¹	235,194	236,857	199,738
Contractual rents per year	20,552	20,997	17,547
of which			
Brussels Leopold district	1,356	1,343	
Brussels Louise district	2,303	2,368	2,333
Brussels decentralised	8,033	8,155	6,135
Brussels periphery	3,251	3,222	3,236
Ghent	3,190	3,214	3,200
Antwerp	2,419	2,695	2,643
Rental yield excluding rental guarantees (%)	7.73	7.85	7.78
of which			
Brussels Leopold district	5.93	7.72	
Brussels Louise district	7.87	7.99	8.18
Brussels decentralised	7.67	7.63	7.32
Brussels periphery	8.09	8.04	8.03
Ghent	7.99	7.68	7.74
Antwerp	8.41	8.50	8.33
Contractual rents + estimated value on vacancy per year	21,541	21,701	18,079
Estimated rental value per year	20,674	21,039	17,989
Rental yield for 100% occupancy (%)	8.11	8.11	8.01

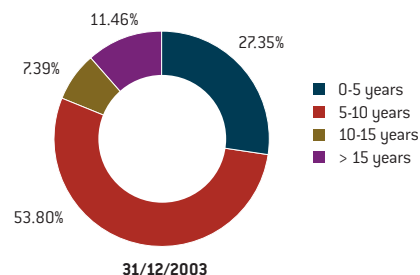
¹ Estimated investment value minus theoretical discount of 13%.

Analysis of the real estate portfolio

Occupancy rate (rental guarantees excluded)



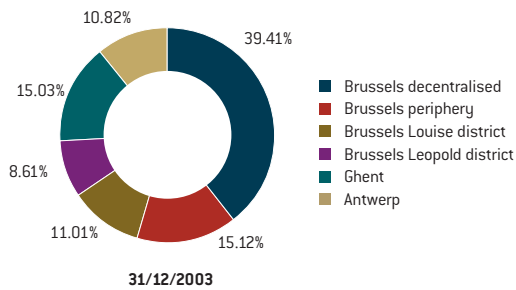
Average age*



In the Leasinvest Real Estate portfolio, 81.15% of the buildings are less than 10 years old, as a result of investments in newly-built properties, or complete renovations of existing buildings.

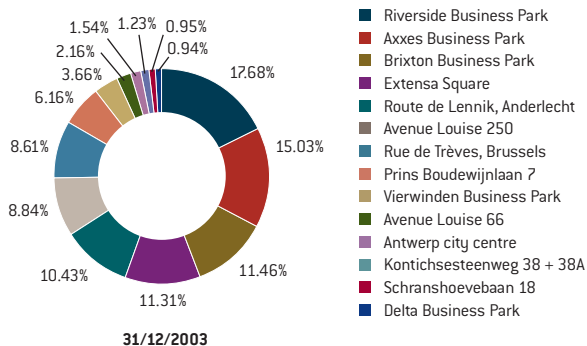
* Based on the estimated investment value.

Geographical breakdown*

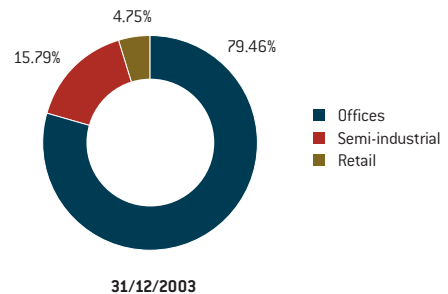


74.15% of the portfolio is situated in Brussels (decentralised, periphery and centre). The share of Antwerp fell from 12% on 31/12/2002 to 10.82% due to divestments (see changes in the portfolio).

Breakdown of investment value



Type of assets*



* Based on the estimated investment value.

Valuation report

Update as of the 31st of December 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 the 31st of December 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 valuation.

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. The occupancy rate of the portfolio is 95.21%.
3. The average of the current rental income (+ the estimated rental value of vacant space) is 4.2% higher than the estimated rental value.

For all buildings of Leasinvest Real Estate SCA, we determined a gross investment value, as of the 31st of December 2003, of 265,800,000 EUR (two hundred and sixty-five million eight hundred thousand euro).

This amount includes the portion of the portfolio valued by the firm Winssinger & Associates.

On this basis, the initial yield was 7.73%.

Cushman & Wakefield Healey & Baker

[financial review]

Balance sheet¹

(x 1,000 EUR)	1/7/2003- 31/12/2003 Statutory	1/7/2002- 31/12/2002 Consolidated	1/7/2001- 31/12/2001 Statutory	1/7/2000- 31/12/2000 Statutory
ASSETS				
FIXED ASSETS	265,770	267,648	225,704	185,861
Tangible assets	265,770	267,648	225,704	185,861
CURRENT ASSETS	4,244	4,378	31,655	4,033
Amounts receivable after more than 1 year	23	169	240	306
Amounts receivable within 1 year	2,226	3,373	4,344	2,568
Investments	77	377	26,418	952
Cash in hand and at bank	1,672	198	562	142
Deferred charges and accrued income	246	261	91	65
TOTAL ASSETS	270,014	272,026	257,359	189,894
LIABILITIES				
CAPITAL AND RESERVES	157,891	157,333	157,387	139,250
PROVISIONS	1,867	2,707	174	308
DEBTS	110,256	111,986	99,798	50,336
Debts after more than 1 year	45,000		46	46
Financial debts within 1 year	52,497	102,649	92,410	43,649
Trade debts and taxes	6,482	2,915	2,076	1,937
Other debts	1,045	986	384	483
Accrued charges and deferred income	5,232	5,436	4,882	4,221
TOTAL LIABILITIES	270,014	272,026	257,359	189,894
Debt ratio [%]²	38.90	40.01	36.88	24.28

Results¹

(x 1,000 EUR)	1/7/2003- 31/12/2003 Statutory	1/7/2002- 31/12/2002 Consolidated	1/7/2001- 31/12/2001 Statutory	1/7/2000- 31/12/2000 Statutory
NET CURRENT RESULT				
Operating income	11,596	12,271	9,244	7,874
Operating charges	-3,246	-3,404	-2,427	-2,142
Operating result	8,350	8,867	6,817	5,732
Financial income	536	847	226	216
Financial charges	-2,248	-3,057	-1,394	-1,066
Taxation	-95	-108	-12	-4
Net current result	6,543	6,549	5,637	4,878
PORTFOLIO RESULT				
Change in market value of elements of the portfolio	136	-2,043	717	210
Gain or loss on disposal of elements of the portfolio	56			
Portfolio result	192	-2,043	717	210
EXTRAORDINARY RESULT				
Extraordinary income		7		
RESULT FOR APPROPRIATION				
Profit of the financial year	6,735	4,513	6,354	5,088
Appropriation of the change in market value of the portfolio				
Transfer to the non-distributable reserves (-)	-136		-717	-210
Withdrawal from the non-distributable reserves (+)		2,043		
Profit of the financial year for appropriation	6,599	6,556	5,637	4,878

¹ Leasinvest Real Estate has been merged with its subsidiaries Brussimmo SA and Ekiport SA, of which it held almost 100% of the shares, with retroactive effect on the accounts as from 01/07/2003. The statutory and consolidated figures are therefore comparable.

² Including provisions exit tax on 31/12/2003 and on 31/12/2002.

Notes on the results and the balance sheet for the first semester of financial year 2003/2004

The rental income after 6 months remained at the same level as for the first semester of the previous financial year, i.e. 10.4 million EUR. This is the net result, on the one hand, of the slightly lower occupancy rate and the loss of rental income due to the sale of the buildings at Britse Lei 15 and 3-5-7 in Antwerp during the past year, and on the other hand the indexation of the rental income.

The operating result on 31/12/2003 was 8.35 million EUR or 5.8% lower than the operating result on 31/12/2002, which was 8.87 million EUR. In view of the stable cost structure (excl. re-invoicing), the decrease results mainly from the expiry of the rental guarantees (other operating income).

The financial result developed favourably from -2.21 million EUR on 31/12/2002 to -1.71 million EUR on 31/12/2003 thanks to lower interest rates and appropriate hedging.

The net current result was 6.54 million EUR, nearly like the semester ending on 31/12/2002.

The result on the portfolio after 6 months was +0.19 million EUR compared with -2.04 million EUR on 31/12/2002 and consists, on the one hand, of the capital gain of 56,000 EUR on the disposal of the building at Britse Lei 3-5-7 and on the other hand of 136,000 EUR of positive appreciation in the market value of the portfolio. The relatively low increase in value since the beginning of the financial year (01/07/2003) is a very good

performance in the real estate sector, given the difficult market conditions.

The business parks declined in value in accordance with the overall downward trend in the real estate market. This was also compensated by positive fluctuations in the value of office buildings in the Brussels Leopold district and buildings with long-term lease contracts.

The positive portfolio result on 31/12/2003 brings the profit for the semester to 6.73 million EUR, in comparison with 4.51 million EUR on 31/12/2002, or an increase of 49%.

On 31/12/2003, the portfolio represented an estimated investment value of 265.8 million EUR, an increase of 2.2 million EUR or 0.83% compared with a quarter earlier (30/09/2003), taking account of the sale of the building at Kontichsesteenweg 17 in Aartselaar on 30 December 2003 (1.01 million EUR).

The net asset value ended at 157.9 million EUR, or 55.78 EUR per share (including half-yearly result) compared with 55.59 EUR on 31/12/2002.

The debt level was 38.90%, leaving an investment capacity of nearly 50 million EUR. The occupancy rate of the portfolio was 95.45% and the rental yield 7.74% (both including rental guarantee, which was actually marginal (8,300 EUR)).

Statutory auditor's report

Statutory auditor's report for the limited review of the company Leasinvest Real Estate SCA over the period July 1, 2003 - December 31, 2003

We have performed a limited review of the interim figures of Leasinvest Real Estate SCA as at December 31, 2003, and for the six-month period then ended. These interim figures are the responsibility of the company's management and show a balance sheet total of 270.01 million EUR and a profit for the period of 6.73 million EUR.

Our review consisted principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. We conducted our review in accordance with standards established by the Institut des Reviseurs d'Entreprises / Instituut der Bedrijfsrevisoren. It is substantially less in scope than a full

scope audit of the annual accounts. Based on our review, we are not aware of any material modifications that should be made to the interim figures.

Brussels, February 18, 2004

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



Pierre Anciaux
Partner

[general information]

Company profile

Real estate fund Leasinvest Real Estate SCA invests in high-quality offices and semi-industrial buildings located in the Brussels/Ghent/Antwerp triangle (Brussels 74.15%, Ghent 15.03% and Antwerp 10.82%).

The current investment value on 31 December 2003 was 265.8 million EUR. The portfolio represents an area of more than 190,000 m², at 14 different locations and spread across 38 buildings.

The real estate fund is listed on the Euronext and was included in January 2002 in the NextPrime segment. Leasinvest Real Estate SCA has a market capitalisation of 152.7 million EUR (value 31 December 2003).

Registered office

Leasinvest Real Estate has its registered office at Avenue de Tervueren 72, 1040 Brussels.

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.

Company and VAT number

The company number (RPM) is 0436323915 and the VAT number is BE 436.323.915.

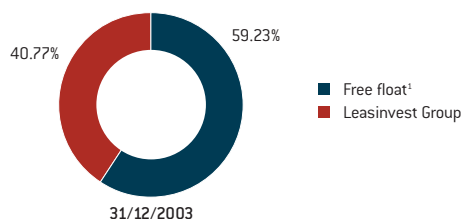
Financial year

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.

Issued capital

On 31 December 2003 the registered capital amounted to 31,122,909.49 EUR. The total number of shares was 2,830,371.

Shareholders



¹ End of lockup option on 14/12/2003 concerning 104,742 shares (Apollo Development SA).

leasinvest real estate

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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 25 October 2004

Financial calendar (financial year 2003/2004)

Announcement of 3rd quarter results (31/03/2004)	week 21 2004
Announcement of annual results (30/06/2004)	week 35 2004
General meeting of shareholders	18 October 2004
Dividend pay-out (coupon no. 5)	25 October 2004

Leasinvest Real Estate

Registered office:

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1040 Brussels

Administrative office:

Mechelsesteenweg 34
2018 Antwerp

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