

HALF-YEAR REPORT 2005-2006



Ladies and Gentlemen,

Leasinvest Real Estate realised an outstanding net result over the first half-year of the financial year 2005/2006.

NET RESULT DOUBLED

Notwithstanding the slightly decreased rental income compared to the previous year of 4.8% to 9.37 million EUR, the net result, part of the group, for the first half-year, has more than doubled, from 4.23 million EUR to 8.62 million EUR. This thanks to the less important maintenance costs, lower financing costs and important positive changes in the value of the real estate portfolio. The occupancy rate has slightly risen from 92.44% to 92.97%.

ADOPTION OF IFRS

The current financial year 2005/2006 is the first financial year for which Leasinvest Real Estate reports its consolidated figures under IFRS. The impact of IFRS on the shareholder's equity on 31/12/2005 amounted to -7.35 million EUR (31/12/04: -5.35 million EUR). This impact is mainly due to the change in the valuation of the real estate portfolio from investment value to fair value. The fair value of the real estate portfolio amounted to 272.2 million EUR on 31/12/2005, or the investment value, estimated by the independent real estate experts minus the fixed transfer cost of 2.5%.⁽¹⁾

IMPORTANT EVENTS AFTER THE CLOSING OF THE FIRST HALF-YEAR

EXPANSION ABROAD

On 22 March 2006 Leasinvest Real Estate has acquired 51.13% of the listed Luxembourg sicav Dexia Immo Lux. The real estate portfolio is exclusively situated in Luxembourg and has a fair value of 144.6 million EUR. The breakdown per type of building is comparable to Leasinvest Real Estate's: offices (77%), storage (15%) and retail (8%).

FURTHER GROWTH

On 29 March AXA Belgium SA acquired 100% of the shares of the 3 subsidiaries of Leasinvest SA (Leasinvest-Extensa group), the promoter of Leasinvest Real Estate SCA (LRE), which AXA Belgium SA will contribute in kind⁽²⁾ into LRE against newly created LRE shares, of the same type as the existing shares⁽³⁾. This capital increase will – subject to the approval of the CBFI – be submitted for approval to the general meeting of shareholders of LRE which will be convened to this end in May. The acquisition by Leasinvest Real Estate of the real estate portfolio based on maximum the investment value has been preliminary approved by the independent directors board.

Through these two important acquisitions Leasinvest Real Estate achieves the following objectives: an important improvement of its main financial ratios, an important geographical breakdown over two countries, the optimization of the debt ratio and the increase of its capital base.

After these two acquisitions the fair value of the consolidated real estate portfolio⁽⁴⁾ will rise from 272.2 million EUR to 465.9 million EUR, or an increase of 71%. As a result Leasinvest Real Estate became the 4th largest sicafi in Belgium and the first Belgian sicafi with an important geographical diversification towards the Grand Duchy of Luxembourg (31%).

Jean-Louis Appelmans
Managing Director

Baron Bertrand
Chairman

1 For the impact of IFRS, see p. 8. For one building with an estimated investment value of less than 2.5 million EUR a transfer cost of 10% has been deducted.

2 Minus 1 share.

3 The current participation of AXA in LRE amounts to 12.30%.

4 This consolidated real estate portfolio takes into account the integral (100%) consolidation of the 51.13% participation in Dexia Immo Lux.

REAL ESTATE PORTFOLIO

	31-12-2005	31-12-2004
Real estate in fair value ^{(1)(a)} (in 1,000 EUR)	272,238	287,375
Real estate in investment value ^{(2)(a)} (in 1,000 EUR)	279,210	294,865
Occupancy rate ⁽³⁾ (%)	92.97	92.44
Rental yield on fair value (%)	7.29	7.55
Rental yield on investment value (%)	7.10	7.36

- 1 Fair value: the investment value as defined by an independent real estate expert with the transaction costs deducted; the fair value is the balance sheet value under IFRS.
- 2 The investment value corresponds to the previously used term 'investment value' and is the value as defined by an independent real estate expert with the transaction costs included.
- a The decrease from 31/12/04 to 31/12/05 results from the sale of the buildings rue de Trèves and Kontichsesteenweg 38 at the end of the previous financial year (30/06/05).
- 3 Definition on page 15 (glossary).

KEY RESULTS

(in 1,000 EUR)	31-12-2005	31-12-2004 restated
Rental income	9,375	9,849
Net current result, part of the group ⁽¹⁾	5,429	5,116
Operating result ⁽²⁾	10,395	5,907
Portfolio result	3,180	-1,189
Net result	8,800	4,701
Net result, part of the group	8,619	4,231
Net cash flow, part of the group ⁽³⁾	5,543	4,714

- 1 Net current result = net result without portfolio result.
- 2 Operating result = net result without financial result and taxes.
- 3 Net cash flow = net current result plus additions to and withdrawals on depreciations on trade debtors and the additions to and withdrawals on provisions, plus the gains or losses realised on the portfolio, plus the extraordinary result.

DATA PER SHARE⁽¹⁾

(in EUR)	31-12-2005	31-12-2004 restated
Number of issued shares (#)	3,249,221	3,249,221
Number of shares participating in the result (#)	3,249,221	3,047,255
Number of listed shares (#)	3,249,221	2,830,371
Net asset value in fair value (including dividend) ⁽²⁾	54.80	53.04
Net asset value in investment value (including dividend) ⁽²⁾	56.95	55.35
Rental income	2.89	3.23
Net current result, part of the group	1.67	1.68
Operating result	3.20	1.94
Portfolio result	0.98	-0.39
Net result, part of the group	2.65	1.39
Net cash flow, part of the group (CFS)	1.71	1.55

- 1 The results for the half year 01/07/04-31/12/04 have been calculated per diluted share. During the half year 01/07/04-31/12/04 418,850 new shares have been issued for the capital increase related to the acquisition of Montoyer 63. These shares participated in the dividends as from 23/12/04. The amounts per diluted share for 31/12/04 take into account the pro rata of the number of shares.
- 2 In the press release of 28/02/06 the minority interests were included in the net asset value.

(in EUR)	6 months 31-12-2005	6 months 31-12-2004
Market capitalisation based on closing price (in mio EUR)	215.10	161.60
Closing price	66.20	57.10
Highest price	73.35	62.50
Lowest price	62.60	54.00
Average price	66.50	56.73
Volume (number of shares)	446,222	365,497
Average monthly traded volume (number of shares)	74,370	60,916
Velocity ⁽¹⁾ (%)	27.46	25.80

(1) (Number of traded shares over 6 months / total number of listed shares) x 2

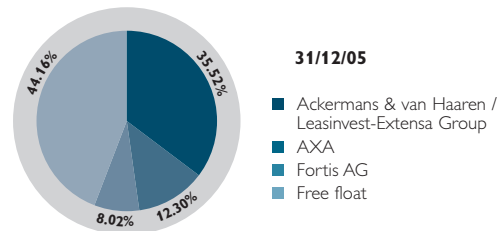
In the past half-year, the overall change in the share price and the volume of Leasinvest Real Estate shares traded was positive. The average share price was 66.50 EUR the past half-year. The highest share price reached 73.35 EUR. The share price clearly continued its upward trend. The liquidity of the share has again improved during the past half-year. On average, over the last half-year, 74,370 shares were traded per month, compared with 60,916 for the same period of last year (31/12/04). This results in an increased annualised velocity of 27.46% on 31/12/05 compared with 25.80% on 31/12/04. Measured over the period of 01/07/05-31/12/05, 1 million EUR of shares were traded every 6.16 days.

SHARE PRICE OF LEASINVEST REAL ESTATE

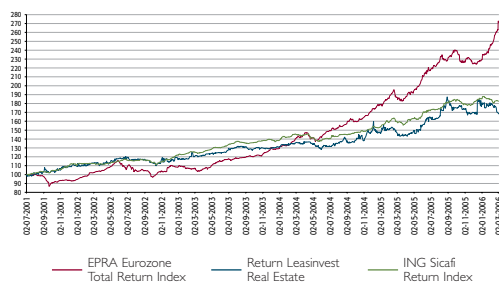
SINCE IPO (02/07/1999)



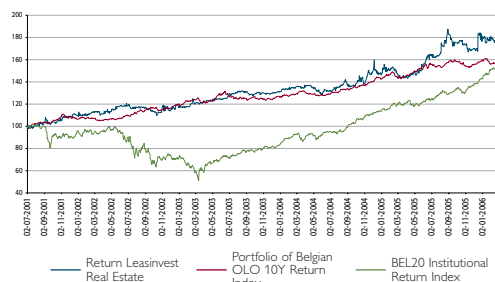
SHAREHOLDERS



COMPARISON WITH THE EPRA EUROZONE TOTAL-, THE ING SICAFI- AND GPR 250 RETURN INDEXES ⁽¹⁾



COMPARISON WITH BEL20 INSTITUTIONAL- AND PORTFOLIO OF BELGIAN OLO 10Y RETURN INDEXES ⁽¹⁾



1 Indices can be consulted in the financial newspapers, including l'Echo and De Tijd, in the stock market pages. More information on these indices can be found on www.epra.com and www.gpr.nl.

IMPORTANT EVENTS AFTER THE CLOSING OF THE FIRST HALF-YEAR

LEASINVEST REAL ESTATE ACQUIRES THE CONTROL OF THE LUXEMBOURG REAL ESTATE FUND (SICAV) DEXIA IMMO LUX

ACQUISITION OF CONTROLLING INTEREST

On 22 March 2006 Dexia Bank Belgium and Ethias group have sold to Leasinvest Real Estate (LRE) their joint controlling interest of 51.13% in the listed sicav Dexia Immo Lux (DIL) and their share of 100% in Dexia Immo Lux Conseil SA. The capitalisation and distribution shares of DIL are listed on the Luxembourg stock market and on Euronext Brussels. Leasinvest Real Estate paid 3,150.20 EUR per capitalisation share and 1,467.57 EUR (coupon number 15 detached)⁽¹⁾ per distribution share, or a total amount of approximately 111 million EUR for the total of the controlling interest of 51.13% in DIL.

PUBLIC TAKEOVER BID

Leasinvest Real Estate has agreed to launch a voluntary public takeover bid, at the same conditions, in Belgium and in the Grand Duchy of Luxembourg, on all remaining capitalisation and distribution shares (coupon number 15 detached) of DIL. The notification according to article 6 of the RD of 8 November 1989 on public takeover bids and the modification in the control of companies has been made public on 23 March 2006.

The offer is subject to the suspensive condition that Leasinvest Real Estate acquires, after the end of the offer, directly or indirectly, at least 67% of the shares issued by DIL and more than 50% of the distribution shares of DIL.

In case of acquisition of 100% of the remaining shares of DIL, the total investment, within the framework of the above-mentioned public offer, amounts to circa 66.3 million EUR.

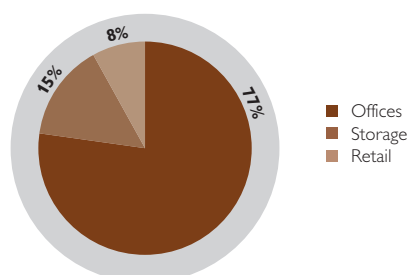
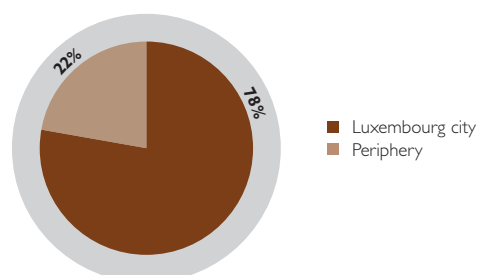
DEXIA IMMO LUX

Dexia Immo Lux (DIL) is a real estate investment fund with variable capital (sicav) established in the Grand Duchy of Luxembourg. DIL owns 13 buildings, exclusively situated in the Grand Duchy of Luxembourg. Most of the buildings are multi-tenant and they consist of offices mainly situated in the city of Luxembourg (78%), 1 semi-industrial building at Cloche d'Or (14%) and two supermarkets in the periphery (8%). Geographically the buildings are well spread across the city of Luxembourg (78%) and the periphery (22%). The occupancy rate is 94.39% and the total surface amounts to 48,651 sqm. The actual rental yield compared to the fair value is 7.04% and compared to the investment value is 6.87%. The weighed average duration of the leases is 2.66 years.

GROWTH AND DIVERSIFICATION OF LEASINVEST REAL ESTATE

By this important acquisition the fair value of the consolidated real estate portfolio of LRE increases to 416.8 million EUR⁽²⁾. Due to the higher economic growth and the lower vacancy rate in the Grand Duchy of Luxembourg (below 6%), the Luxembourg market offers a good diversification and investment opportunity for Leasinvest Real Estate.

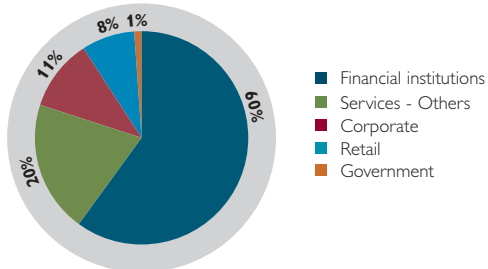
Thanks to this acquisition Leasinvest Real Estate is the only Belgian sicaf that will have invested in such an important way as well in Belgium as abroad, i.e. in the Grand Duchy of Luxembourg.

TYPE OF ASSETS DIL ^(*)GEOGRAPHICAL SPREAD DIL ^(*)

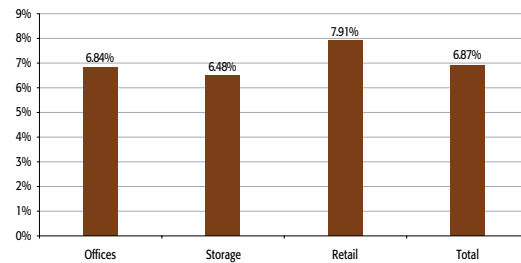
* both based on investment and fair value.

1 Minus the part of the gross dividend – which will be declared during the ordinary meeting of shareholders (27/04/2006) of the financial year ended on 31/12/2005 of DIL – which would amount to more than 70 EUR.

2 This consolidated real estate portfolio takes into account the integral (100%) consolidation of the 51.13% interest in Dexia Immo Lux.

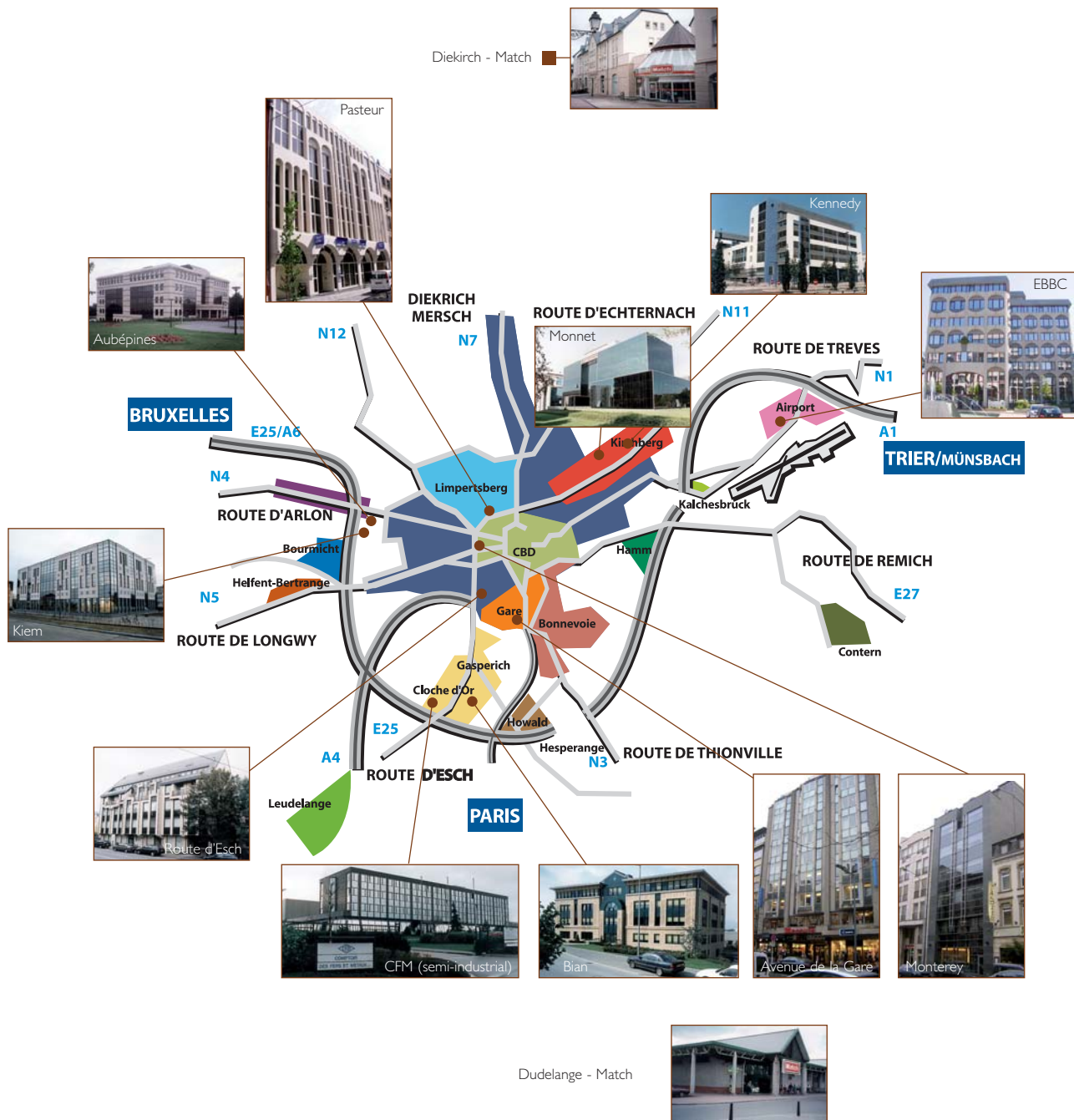
TYPE OF TENANTS DIL^(*)

* Based on rental income.

RENTAL YIELD DIL^(*)

* Based on investment value.

REAL ESTATE PORTFOLIO DEXIA IMMO LUX



LEASINVEST REAL ESTATE WILL ACQUIRE A PORTFOLIO OF LEASINVEST-EXTENSA

On 29 March AXA Belgium SA acquired 100% of the shares of the 3 subsidiaries of Leasinvest SA (Leasinvest-Extensa group), the promoter of Leasinvest Real Estate SCA (LRE), which AXA Belgium SA will contribute in kind⁽³⁾ into LRE against newly created LRE shares, of the same type as the existing shares⁽⁴⁾. This capital increase will – subject to the approval of the CBF – be submitted for approval to the general meeting of shareholders of LRE which will be convened to this end in May. The acquisition by Leasinvest Real Estate of the real estate portfolio based on maximum the investment value has been preliminary approved by the independent directors board.

BREAKDOWN OF THE PORTFOLIO FOR ACQUISITION

Under reserve of approval by the general meeting of shareholders LRE will acquire 100% of the shares in the companies De Leewe SA, Warehouse Finance SA and Logistics Finance I SA⁽⁵⁾.

The principal asset of De Leewe SA is an office building in Malines of approximately 14,000 sqm. The office building is leased for an irrevocable term of 15 years to Wolters Kluwer Belgium SA (as of 01/06/2002). The fair value amounts to 26.86 million EUR; the estimated investment value amounts to 27.53 million EUR.

The principal asset of Warehouse Finance SA is a logistics centre in Malines of approximately 6,000 sqm. The warehouse is let as of the beginning of 2002 to Wolters Kluwer Belgium SA for a term of 9 years. The fair value amounts to 5.22 million EUR; the estimated investment value is 5.35 million EUR.

The principal asset of Logistics Finance I SA is a distribution centre composed of storage halls and offices, situated Heesterveldweg in Tongres, with a total surface of approximately 26,000 sqm. On 27/12/2001 a sale & rent back transaction was concluded with SKF SA for an irrevocable term 15 years. The fair value amounts to 14.37 million EUR; the estimated investment value is 14.73 million EUR.

FORESEEN CONTRIBUTION IN KIND BY AXA BELGIUM SA

Within the framework agreement signed in July 2004 by AXA Belgium SA, Leasinvest Real Estate Management SA, LRE and Leasinvest SA, it has been agreed that AXA Belgium SA would subscribe to 1,154,047 new LRE shares by contributing in kind of real estate or real estate companies. AXA Belgium SA has committed to bring in its shares of the aforementioned 3 companies in LRE in May 2006. It is expected that with this contribution in kind AXA Belgium SA will entirely fulfill its foreseen commitment in the aforementioned investment agreement. The Ackermans & van Haaren and AXA Belgium SA will both own an equally important participation in LRE of approximately 28.9% each. Through this contribution in kind the total shareholder's equity of LRE will increase by approximately 47.7 million EUR.

ACQUISITION OF A SEMI-INDUSTRIAL BUILDING LOCATED IN FOREST

On 29 March Leasinvest Real Estate acquired, directly from Leasinvest SA, at a price of 2.7 million EUR a semi-industrial building composed of offices and storage and situated at the Lusambostreet in Forest (Brussels) and the long lease on the ground. Aforesaid building is let to Alcan Belgium SA for 10 years as from 16/11/2003. The fair value amounts to 2.65 million EUR; the estimated investment value of the building is 2.72 million EUR.

CONSOLIDATED REAL ESTATE PORTFOLIO OF LEASINVEST REAL ESTATE⁽⁶⁾

On 29 March the fair value and the investment value of the total aforementioned real estate portfolio (including the building in Forest) amounted to 49.10 million EUR and 50.33 million EUR respectively.

With this second important acquisition – subject to the approval of the general meeting of shareholders – after the acquisition of 51.13% in Dexia Immo Lux on last 22 March – the fair value of the consolidated real estate portfolio⁽⁷⁾ increases from 416.79 million EUR to 465.89 million EUR and the investment value from 427.37 million EUR to 477.7 million EUR, or a rise of the portfolio, compared to 31/12/05, of 71.13% and 71.08% respectively.

The breakdown by type of building of the consolidated portfolio will be: 74% offices, 20% storage/logistics and 6% retail. Geographically the portfolio will be situated in Brussels for 46.4%, in the Grand Duchy of Luxembourg for 31%, 11.5% in the Antwerp region, 8% in Ghent and 3.1% in Tongres. The weighted average duration of the leases of the 4 aforementioned acquisitions is 9.2 years and the occupancy rate is 100%. This brings the weighted average duration of the total portfolio to 4.68 years and the occupancy rate to 94.10%.

3 Minus 1 share.

4 The current participation of AXA in LRE amounts to 12.30%.

5 Of which 1 share indirectly via Leasinvest Real Estate Facility Services SA.

6 The percentages mentioned hereafter take into account 100% of the real estate portfolio of Dexia Immo Lux.

7 Taking into account the integral consolidation of the 51.13% participation in Dexia Immo Lux.

ADOPTION OF IFRS AND VALUATION OF THE REAL ESTATE PORTFOLIO

The present financial year 01/07/05 – 30/06/06 is the first financial year in which Leasinvest Real Estate reports its consolidated figures under IFRS (International Financial Reporting Standards). For the present reporting Leasinvest Real Estate did not follow IAS 34 with regard to interim financial reporting.

The possibility exists that the recording and valuation criteria used for the drawing up of the consolidated half-yearly financial statements on 31/12/05 are subject to modifications, when the first consolidated annual accounts under IFRS, for the financial year 30/06/06, are drawn up.

The impact of IFRS on shareholder's equity in the opening balance sheet on 01/07/04 consists of a number of accounting restatements and amounted to +6.81 million EUR. On 31/12/05 the impact on shareholder's equity of the transfer from BGAAP to IFRS amounted to -7.35 million EUR (-5.35 million EUR on 31/12/04) mainly due to the restatement concerning the deduction of the transfer costs (cfr: infra) and on the P&L -0.056 million EUR and -0.7 million EUR on 31/12/04.

This transfer has led to a number of accounting restatements, of which the valuation of the real estate portfolio.

The accounting of investment properties and their valuation at fair value is ruled by IAS 40.

Within the framework of the conversion of their financial statements under IAS/IFRS standards and following the numerous debates with regard to this question among sicafis, their auditors, their independent real estate valuers and the controlling authorities, the sicafis have adapted the accounting method for their real estate assets in the balance sheet.

For the financial statements for the year ending on 31/12/2005 and with retroactive effect to 01/01/2004, the independent real estate valuers responsible for the valuing of the estates of the sicafis, have defined, in a first phase, the investment value of the real estate.

In a second phase those same real estate valuers have determined, for the entire real estate sector, the level of the transfer costs which would be paid in case of a future hypothetical sale of a real estate building. These costs are deducted of the investment value in order to obtain the fair value of the estate. This last value will, as from now, be recorded in the sicafi's consolidated balance sheets.

Based on an important number of real estate transactions which occurred in Belgium over the past three years (2003-2005), the independent real estate valuers have concluded that the average level of transfer costs amounts to 2.5% of the investment value, as far as the individual value of a building amounts to over 2.5 million EUR. For buildings worth less than 2.5 million EUR, the transaction costs at the level of the registration taxes are commonly borne by the acquiring party in the three regions of the country (12.5% in the Region of Brussels-Capital and the Walloon Region, 10% in the Flemish Region).

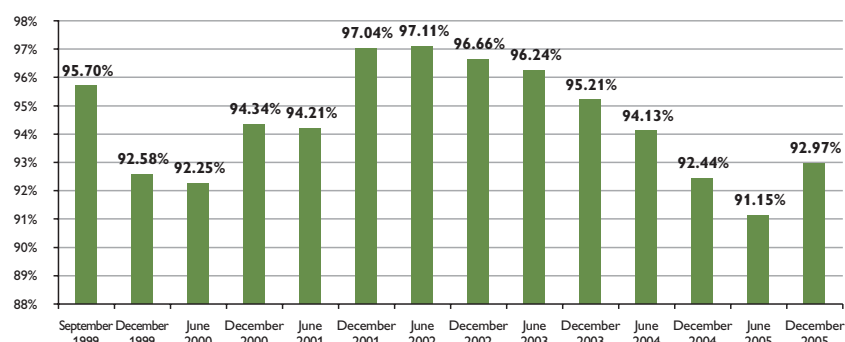
Leasinvest Real Estate is active in the professional real estate market; only 1 building has a value below 2.5 million EUR. The deduction of the transaction costs amount to 6.97 million EUR on 31/12/05 or 2.15 EUR per share.

BREAKDOWN OF THE BELGIAN REAL ESTATE PORTFOLIO BASED ON THE INVESTMENT VALUE ⁽¹⁾⁽²⁾

	Investment value (€ mio)	Share in portfolio (%)	Contractual rents (€ mio/year)	Estimated rental value (€ mio/year)	Return (%)	Estimated return (%)	Occupancy rate (%)
OFFICES							
Square de Meeûs 5-6 ⁽³⁾	15.57	6	1.13	1.14	7.28	6.95	100
Rue Montoyer 63	23.80	9	1.60	1.51	6.74	6.40	100
Avenue Louise 250	23.80	9	1.60	1.51	6.74	6.40	100
Avenue Louise 66	6.30	2	0.44	0.48	7.02	7.52	85
Riverside Business Park - Phase I, III + IV	41.17	15	2.24	3.10	5.44	7.20	75
Extensa Square	25.71	9	2.09	1.86	8.13	7.29	100
Route de Lennik, Anderlecht	29.49	11	2.10	2.05	7.13	7.50 ⁽⁴⁾	100
TOTAL OFFICES BRUSSELS	168.04	60	11.41	11.89	6.79	7.09	92
Delta Business Park	2.43	1	0.21	0.20	8.60	8.40	97
Schranshoevebaan 18, Wommelgem	2.54	1	0.23	0.20	8.91	8.25	100
TOTAL OFFICES ANTWERP	4.97	2	0.44	0.40	8.76	8.32	99
Axxes 51-003 Business Park	38.19	14	3.18	3.05	8.33	7.90	96
TOTAL OFFICES GHENT	38.19	14	3.18	3.05	8.33	7.90	96
TOTAL OFFICES	211.20	76	15.03	15.34	7.11	7.28	93
STORAGE							
Prins Boudewijnlaan 7	16.93	6	1.53	1.35	9.06	8.40	100
Riverside Business Park - Phase II	5.61	2	0.46	0.44	8.24	7.75	100
Brixton Business Park	16.21	6	1.17	1.39	7.20	8.44	74
Vierwinden Business Park	9.58	3	0.82	0.81	8.52	8.45	91
TOTAL STORAGE	48.33	17	3.98	3.98	8.24	8.35	89
RETAIL							
Brixton Business Park - Unit 4/5/6	19.68	7	0.83	2.02	4.22	7.00	100
TOTAL RETAIL	19.68	7	0.83	2.02	4.22	7.00	100
GRAND TOTAL	279.21	100	19.84	21.35	7.10	7.45	93

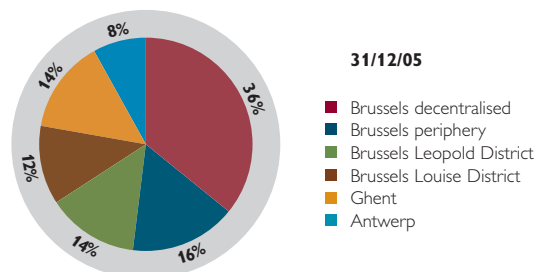
ANALYSIS OF THE REAL ESTATE PORTFOLIO BASED ON THE INVESTMENT VALUE ⁽¹⁾⁽²⁾⁽³⁾

OCCUPANCY RATE

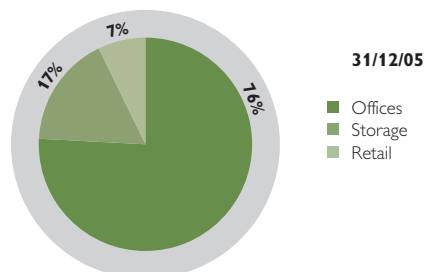


- 1 Composition of the Belgian real estate portfolio on 31/12/05 without the acquisitions of Dexia Immo Lux and the Leasinvest-Extensa portfolio, based on the investment value.
- 2 The investment value differs from the fair value; definition on page 15. The fair value of the real estate portfolio amounts to 272.24 million EUR.
- 3 Taking into account 100% of the building Square de Meeûs. Leasinvest Real Estate owns 50% + 1 share in Square de Meeûs 5-6 SA, which is integrally consolidated.
- 4 Yield without leasing: for this building a real estate leasing was entered into with l'Oréal Belgilux.

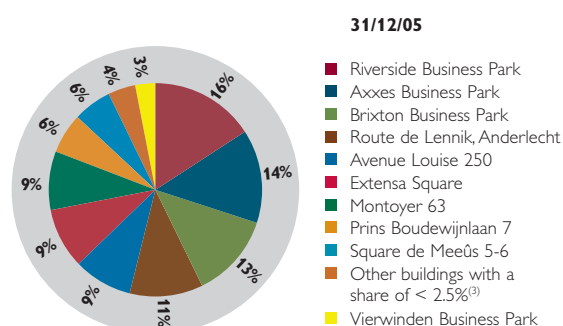
GEOGRAPHICAL BREAKDOWN



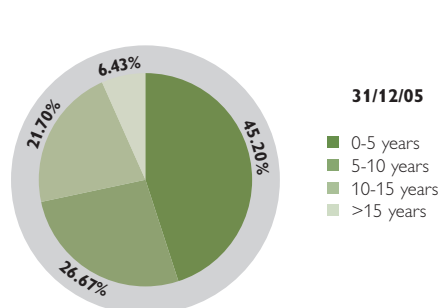
TYPE OF ASSETS



BREAKDOWN PER INVESTMENT VALUE



AVERAGE AGE



VALUATION REPORT

UPDATE AS AT THE 31ST OF DECEMBER 2005 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 at the 31st of December 2005.

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

Our valuation is based on the capitalisation of the market rent, corrected with the net present value of the difference between current and estimated rental income, and on comparables 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 portfolio consists of business parks, offices and semi-

industrial buildings or distribution centres, situated in Brussels, Zaventem, Antwerp and Ghent (Merelbeke).

2. The occupancy rate⁽⁴⁾ of the total portfolio is 93%.
3. The average of the current rental income (+ the market rent on vacant space) is 0.06 % lower than the market rent.

For all buildings of Leasinvest Real Estate SCA, we determined a gross investment value, as at the 31st of December 2005, of 279,210,000 EUR (two hundred and seventy-nine million two hundred and ten thousand euro). This amount includes the buildings of the portfolio valued by the firm Winssinger & Associés.

On this basis, the initial yield is 7.10 %.

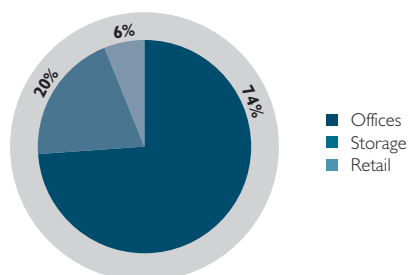
CUSHMAN & WAKEFIELD
Healey & Baker

³ The other buildings with a share of < 2.5% are Delta Business Park, Schranshoevebaan and Avenue Louise 66.

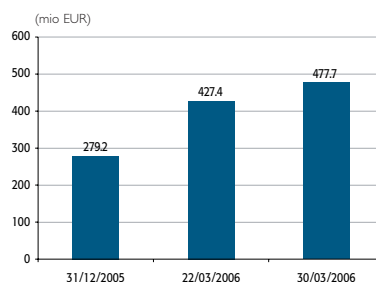
⁴ The occupancy rate is valid on the date of the valuation and does not take into account future availability (already known or not) nor with future new contracts (signed or not). This figure is calculated on the basis of the following formula: (market rent of all let surfaces) / (market rent of the total portfolio)

ANALYSIS OF THE PROJECTED TOTAL PORTFOLIO BASED ON THE INVESTMENT VALUE ⁽¹⁾⁽²⁾

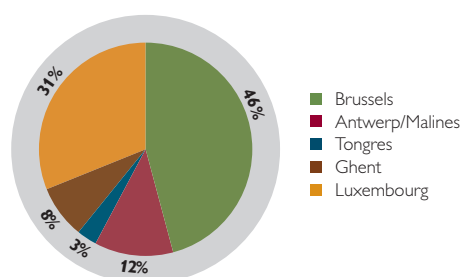
TYPE OF ASSETS



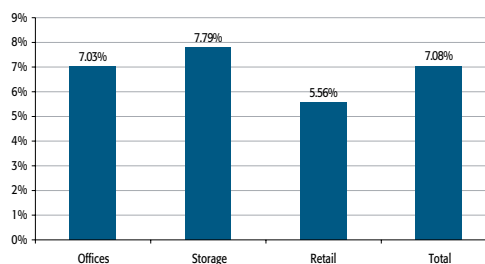
EXPECTED EVOLUTION OF THE CONSOLIDATED REAL ESTATE PORTFOLIO



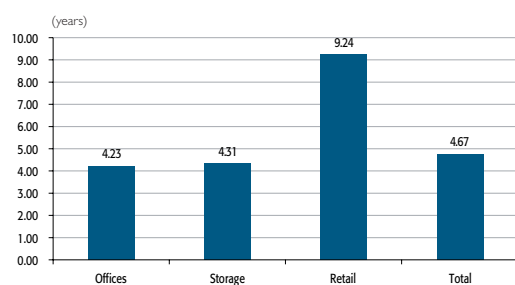
GEOGRAPHICAL BREAKDOWN



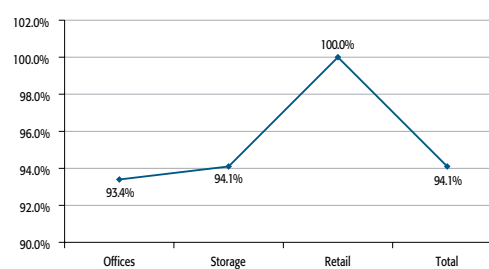
RENTAL YIELD PER TYPE OF ASSET



AVERAGE DURATION OF THE LEASES



OCCUPANCY RATE



1 Taking into account the integral consolidation of the 51.13% in the Dexia Immo Lux portfolio and taking into account the Leasinvest-Extensa and Leasinvest Real Estate portfolios.
2 The investment value differs from the fair value; definition on page 15.

CONSOLIDATED BALANCE SHEET

ASSETS (in 1,000 EUR)	31/12/2005	31/12/2004 restated
NON-CURRENT ASSETS	273,174	288,446
Investment properties	272,238	287,375
Other non-current assets	76	68
Non-current financial assets	859	1,002
CURRENT ASSETS	6,456	4,336
Current financial assets	455	35
Trade receivables	2,072	2,180
Tax receivables and other current assets	32	468
Cash and cash equivalents	3,560	1,091
Deferred charges and accrued income	337	562
TOTAL ASSETS	279,630	292,781
LIABILITIES		
TOTAL SHAREHOLDER'S EQUITY	186,413	180,305
SHAREHOLDER'S EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY	178,072	172,344
Capital	35,729	35,729
Issued capital	35,729	35,729
Share premium account	31,280	31,280
Reserves	102,030	100,147
Result	16,343	12,679
Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties	-6,972	-7,490
Change in fair value of financial assets and liabilities	-338	0
On hedging instruments	-338	0
MINORITY INTERESTS	8,341	7,961
LIABILITIES	93,217	112,476
NON-CURRENT LIABILITIES	35,311	45,656
Non-current financial debts	34,100	45,000
a. Credit institutions	34,100	45,000
Other non-current financial debts	555	0
Other non-current liabilities	656	656
CURRENT LIABILITIES	57,906	66,820
Provisions	46	0
Current financial debts	49,248	53,574
c. Other	49,248	53,574
Trade debts and other current debts	2,782	3,135
Others	2,782	3,135
Other current liabilities	1,097	1,454
Accrued charges and deferred income	4,733	8,657
TOTAL SHAREHOLDER'S EQUITY, MINORITY INTERESTS AND LIABILITIES	279,630	292,781

CONSOLIDATED RESULTS

(in 1,000 EUR)	Period 01/07/2005- 31/12/2005 IFRS	Period 01/07/2004- 31/12/2004 IFRS restated
(+) Rental income	9,375	9,849
(+) Writeback of lease payments sold and discounted		
(+/-) Related rental expenses	-14	-74
NET RENTAL INCOME	9,361	9,775
(+) Recovery of property charges	0	51
(+) Recovery income of charges and taxes normally payable by tenants on let properties	1,451	1,316
(-) Charges and taxes normally payable by tenants on let properties	-1,451	-1,341
PROPERTY RESULT	9,361	9,801
(-) Technical costs	-548	-1,487
(-) Commercial costs	-92	-75
(-) Charges and taxes on unlet properties	-347	-82
(-) Property management costs	-578	-541
(-) Other property charges	-132	-68
PROPERTY CHARGES	-1,697	-2,252
PROPERTY OPERATING RESULT	7,665	7,549
(-) General corporate costs	-450	-453
OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	7,215	7,096
(+/-) Changes in fair value of property investment	3,180	-1,189
OPERATING RESULT	10,395	5,907
(+) Financial income	515	943
(-) Interest charges	-1,625	-2,759
(-) Other financial charges	-257	-87
FINANCIAL RESULT	-1,368	-1,903
PRE-TAX RESULT	9,027	4,004
(+/-) Corporate taxes	-227	-37
(+/-) Exit tax	0	734
TAXES	-227	697
NET RESULT	8,800	4,701
Attributable to:		
Minority interests	181	470
Group shares	8,619	4,231

COMMENTS ON THE CONSOLIDATED BALANCE SHEET

The real estate portfolio amounted to 272.2 million EUR in fair value on 31/12/05; on 31/12/04 it was 287.5 million EUR. The decrease of the portfolio is related to the divestments during the second half of the previous financial year. The fair value is recorded in the consolidated balance sheet following the application of the aforementioned IAS 40 rule. The transaction costs of 6.97 million EUR have been deducted from the investment value. The investment value of the portfolio is the value as defined by the independent real estate valuers, before deduction of the transaction costs. In terms of investment value the real estate amounted to 279.21 million EUR compared with 294.9 million EUR. The decrease of the real estate compared to the previous year is mainly due to the sale of the long term lease receivables on the Committee of the Regions concerning the building Rue de Trèves. On 31/12/05 the reevaluated net asset value per share amounted to 54.80 EUR⁽¹⁾ (53.04 EUR on 31/12/04) at a valuation of the real estate at fair value, which results in an increase of 3.32%. At a valuation based on the investment value, this re-evaluated net asset value is 56.95 EUR⁽¹⁾ per share (55.35 EUR on 31/12/04) or an increase of 2.89%. In absolute terms this means a total shareholder's equity attributable to the shareholders of the parent company of 178.1 million EUR (fair value) compared to 172.3 million EUR on 31/12/04.

The debt ratio IFRS⁽²⁾ amounted only to 31.43%, compared to 35.46% on 31/12/04, which leaves an important investment capacity. Until present the debt ratio has been calculated pursuant article 52 of the Royal Decree of 10/04/1995. For the half year figures of Leasinvest Real Estate the debt ratio is equal in both cases, as the difference consists of the presentation of the balance sheet before appropriation of the result (IFRS) or after appropriation of the result (BGAAP) and as the dividend of Leasinvest Real Estate is payable in October.

COMMENTS ON THE CONSOLIDATED RESULTS

The rental income amounted to 9.37 million EUR on 31/12/05, or a decrease of 4.8% compared to 31/12/04 (9.8 million EUR) despite a slight increase of the occupancy rate⁽³⁾ over this period (from 92.44% to 92.97%). The effect of the investments at the end of 2004 (Square de Meeûs and Montoyer 63) was not sufficient to compensate, amongst other things, the sale of the building rue de Trèves (Committee of the Regions).

The property charges have decreased by 25% from -2.25 million EUR to -1.70 million EUR thanks to a less intensive maintenance and renovation program after a year (financial year ending 30/06/05) in which the portfolio went through important maintenance and investments works.

The operating result has risen by 1.67% from 7 million EUR to 7.2 million EUR.

The combination of an active hedging policy at the end of June 2005 together with the low short term interest rates has led to an improved financial result by 27% compared to the half year ending on 31/12/04. The financial result amounted to -1.37 million EUR on 31/12/05 compared to -1.9 million EUR on 31/12/04, or an improvement of 0.53 million EUR.

The net current result, part of the group, ended at 5.41 million EUR compared to 5.11 million EUR for the half year ending on 31/12/04, an increase of 5.7%. Per share this results in a net current result, share of the group, of 1.67 EUR on 31/12/05 and 1.68 EUR⁽⁴⁾ on 31/12/04.

The changes in fair value of property portfolio on 31/12/05 were 4.37 million EUR higher than the half year ending on 31/12/04 and amounted to 3.18 million EUR (31/12/04: -1.19 million EUR). At the end of 2004 reductions in value were recorded as a result of the downward pressure on the estimated rental levels. At the end of 2005, we perceived net positive changes in the value of the portfolio (mainly from the buildings Louise 250 and the Riverside Business Park) by, primarily, a decrease of the estimated real estate yields and the fact that the important investment program of the previous financial year has led, for some buildings, to value creation.

The net result, part of the group, has more than doubled and amounted to 8.6 million EUR. On 31/12/04 it was 4.23 million EUR. In terms of result per share this results in 2.65 EUR for 31/12/05 compared to 1.39 EUR⁽⁴⁾ a year earlier; or an increase of 90.6%.

1 In the press release of 28/02/06 the minority interests were included in the net asset value.

2 The debt ratio is calculated by dividing the liabilities (short and long term; excluded accrued charges and deferred income, provisions and hedging instruments) by the total assets.

3 The occupancy rate takes into account all buildings and is calculated in function of the estimated rents as follows: (estimated rents – estimated rents on vacancy) / estimated rents.

4 The results for the half year 01/07/04-31/12/04 have been calculated per diluted share. During the half year 01/07/04-31/12/04 418,850 new shares have been issued for the capital increase related to the acquisition of Montoyer 63. These shares participated in the dividends as from 23/12/04. The amounts per diluted share for 31/12/04 take into account the pro rata of the number of shares.

STATUTORY AUDITOR'S REPORT

LIMITED REVIEW REPORT ON THE FINANCIAL INFORMATION INCLUDED IN THE HALF YEAR PRESS RELEASE AS OF 31 DECEMBER 2005 OF LEASINVEST REAL ESTATE SCA

We performed a limited review of the financial information included in the half-year press release, prepared on the basis of the consolidated half-year financial reporting of Leasinvest Real Estate SCA as of 31 December 2005, which is published on the website of the company.

Our engagement was performed in connection with the interim financial reporting of the company. We conducted our limited review in accordance with the relevant recommendations of the 'Instituut der Bedrijfsrevisoren' (Belgian Institute of Auditors). This review consisted primarily of the analysis, comparison and discussion of the financial information and consequently was less extensive than a full scope audit of the consolidated financial information.

Our review did not reveal any information that would lead to any material modifications to the financial information included in the half-year press release, prepared on the basis of the consolidated half-year financial reporting of Leasinvest Real Estate SCA as of 31 December 2005 in accordance with the International Financial Reporting Standards (IFRS) as adopted for use in the EU.

Brussels, 23 February 2006

Ernst & Young Bedrijfsrevisoren BCV
Statutory auditor
Represented by Danielle Vermaelen, Partner

GLOSSARY

OCCUPANCY RATE

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 surfaces) / (market rent of the total portfolio).

INVESTMENT VALUE AND FAIR VALUE

The investment value corresponds to the previously used term 'investment value' and is the value as defined by an independent real estate expert with the transaction costs included. The fair value is the investment value as defined by an independent real estate expert with the transaction costs deducted; the fair value is the balance sheet value under IFRS.

COMPANY PROFILE

Real estate fund Leasinvest Real Estate SCA invests in high quality and well situated office, logistics and retail buildings in Belgium and in the Grand Duchy of Luxembourg. The real estate fund is listed on Euronext Brussels and has been included, in January 2002, in the Next Prime segment. Leasinvest Real Estate SCA has a market capitalisation of 220.6 million EUR (on 27 March 2006).

FINANCIAL CALENDAR

Financial calendar (financial year 2005/2006)

Trading update 3rd Quarter (31/03/2006)	19/05/2006
Announcement of year results (30/06/2006)	25/08/2006
General meeting of shareholders	16/10/2006
Press & analyst meeting year results	16/10/2006
Dividend payable from	23/10/2006

Financial calendar (financial year 2006/2007)

Trading update 1st Quarter (30/09/2006)	24/11/2006
Announcement of half-year results (31/12/2006)	23/02/2007

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