

Corporate governance statement

Adherence to the Belgian Code of Corporate Governance

IMMOBEL adheres to the principles of Corporate Governance contained in the Belgian Corporate Governance Code published on 12th March 2009 (hereafter "Code 2009"), which is available on the GUBERNA website: www.guberna.be.

IMMOBEL believes that its Corporate Governance Charter and the present Corporate Governance Statement reflect both the spirit and the rules of the Belgian Corporate Governance Code.

The Corporate Governance Charter describes in detail the structure of the Company's corporate governance and its policies and procedures in matters of governance. This Charter can be consulted on the Company's internet site: www.immobel.be.

This section of the Annual Financial Report contains information concerning the way IMMOBEL put the principles of governance into practice during the past year.

Management bodies (on 1st January 2011)

The Board of Directors

Members

Baron BUYASSE	Chairman of the Board	Independent
Gaëtan PIRET ¹	Managing Director	
Didier BELLENS ²	Director	Independent
Maciej DROZD	Director	
Maciej DYJAS	Director	
Marc GROSMAN	Director	
Luc LUYTEN	Director	Independent
Marek MODECKI	Director	Independent
Wilfried VERSTRAETE	Director	Independent
Laurent WASTEELS	Director	Independent



Baron BUYASSE (1), CMG CBE, 66. Following an international career in London, where he was an Executive Director of *BTR Ltd* and Chief Executive Officer of *Vickers Ltd*, he is currently Chairman of *Bekaert*, a Bel20 company. It was he who initiated the Buyasse Code on Corporate Governance for companies that are not listed on the stock market. He is the Chairman of the Board of Censors of the *National Bank of Belgium* and a Director or Chairman of other organisations.



Gaëtan PIRET (2), 52, holds a degree in Commercial Engineering from the ULB; he is PMD 1989 of the Harvard Business School and a Fellow Member of the Royal Institution of Chartered Surveyors (FRICS). He joined the *Compagnie Immobilière de Belgique* in 1992, and has been Managing Director since 29 June 2007. In addition, he is, amongst other things, an Independent Director of *SITQ Europe (Finances) SA (Société Immobilière Trans-Québec – Groupe Caisse de Dépôt et Placement du Québec)*.



Didier BELLENS (3), 55, has a degree in Economics and Business Administration from the ULB (Solvay Business School) and has been the Managing Director of *Belgacom* since March 2003. He is also a Director of *AXA Belgium* and a member of the International Committee of NYSE. He was previously the CEO of the *RTL Group* and Managing Director of *GBL (Groupe Bruxelles Lambert)*.



Maciej DROZD (4), 45, obtained degrees from the Faculty of Philosophy and Sociology and the Faculty of Management of Warsaw University. He also has an MBA from the University of Illinois in Urbana-Champaign. He joined *Eastbridge* in 1995. Since June 2009, he has been a Member of the Board of Directors and the CFO of *Eastbridge Group* and a Member of the Supervisory Board of *EM&F Group*. Since 2002, he has been a Member of the Board of Directors and CFO of the Commercial Real Estate department of the *Eastbridge Group*, which has operated since 2007 as *Centrum Development & Investments SA (CDI)*. Previously he worked as CFO in various companies in Poland.



Maciej DYJAS (5), has degrees in Information Technology and Business Administration from the Universities of Warsaw and Stuttgart. He joined *Eastbridge* in 1994. He currently holds the post of CEO of the *Eastbridge Group* and Chairman of the *EM&F Group*. He is in charge of the Group's global growth strategy, management of its operations in Europe and the United States, and relations with its business partners and investors. He has previously worked for consulting companies in Europe and the United States. He is a Member of the Polish Business Circle, the Polish-German Chamber of Commerce and the Association of Germans in Poland.



Marc GROSZMAN (6), 56, supplemented his Master at the ISG business school with an MBA from *Harvard Business School* in 1982. Since 1978, he has been the cofounder and CEO of *Celio*, the number 1 in Europe for men's ready-to-wear fashion, and, since 2006, majority shareholder of the women's ready-to-wear fashion label, *Jennyfer*. Together the two labels have 1,400 shops in 62 countries. M. Grosz is also Member of the Supervisory Board of *Eastbridge S.à r.l.* and Director of *Bata Shoes* and *Calvin Klein Industries NY*.



Luc LUYTEN (7), 57, got an MBA from the University of Chicago, as well as a Diploma in Civil Engineering and a Degree in Applied Economics from the University of Ghent and the Catholic University of Leuven respectively. He joined *Bain & Company* in London in 1986 and became a Partner in 1988. He is a Senior Partner of *Bain & Company* in the Benelux.



Marek MODECKI (8), 52, holds a Master in Law from the University of Warsaw. He also studied International Law at the *Max Planck Institute* and Law at the University of Hamburg. He is currently a partner at *Concordia* (since 1997), an investment firm located in Warsaw and Brussels specialised in M&A transactions and corporate finance in Poland and the European Union countries. Amongst other things, he led the negotiations for the sale of *Argos SA* to *Pernod Ricard*, the sale of *Warta Insurance* to *KBC*, and the acquisition of *Multivita* by *Coca-Cola Company*.

In 2006-2008 he worked as a Senior Banker for *Concordia Espirito Santo Investment*, a joint venture between *Concordia* and the Portuguese group *Espirito Santo Group*. In the past, Mr Modecki was a Member of the Supervisory Board of *Argos SA*, *Clif SA*, *Atlantis SA*, *Metalexport SA*, *Prokom Software SA* and *Concordia Espirito Santo Investment Ltd*. He is currently a Member of the Supervisory Board of *Pegas Nonwovens Ltd* (Czech Republic) and *Polnord Ltd* (Poland).



Wilfried VERSTRAETE (9), 52, studied Economics at the VUB (Brussels) and obtained a Master in Financial Management from VLEKHO in Brussels. He also completed the IE programme at INSEAD. He is currently Chairman of the Group Executive Committee of *Euler Hermes* and a Member of the *Allianz Group*, which he joined in 2007 as CFO of the *Allianz Global Corporate & Specialty Group*. He was Chairman of the Dutch credit insurance company *Atradius NV* from May 2004 to October 2006. From 1996 to 2004 Wilfried Verstraete was CFO successively of *Mobistar*, *Wanadoo* and *Orange*, all of which are part of the *France Télécom Group*.



Laurent WASTEELS (10), 55, obtained a Master in Economic and Social Sciences (FNDP Namur) in 1981. He also followed the "Entrepreneurial Management" programme at the University of Boston. He is presently the Chairman of the Board of Directors of *Wasteels Trains de Nuit* (via an EIG with *Compagnie des Wagons-Lits* for the exploitation of night trains), a Director of the *Compagnie Européenne de Constructions Immobilières SA* and Manager of *Antibes Investissements S.à r.l.* He also holds two public mandates in Monaco: he is Economic and Social Advisor to the Government of the Principality of Monaco and Honorary Consul of the Kingdom of Belgium in Monaco.

1. In carrying out the functions concerned in the present report, M. Gaëtan PIRET acts as the permanent representative of GAËTAN PIRET sprl.
2. In carrying out the functions concerned in the present report, M. Didier BELLENS acts as the permanent representative of ARSEMA sprl.



From left to right: Pierre DELHAISE, Joëlle MICHA, Philippe HELLEPUTTE, Gaëtan PIRET, Christian KARKAN, Philippe OPSOMER, Jean-Louis MAZY and Paul MUYLDERMANS

Activity Report

Pursuant to Article 18 of the Articles of Association, the Board shall be convened by the Chairman of the Board of Directors, the Managing Director or two Directors.

In principle the Board meets at least 3 times a year (in March, August and December). Additional meetings may be organised at any time, with reasonable notice. This frequency enables the Directors, among other things, to review the half-yearly accounts in August and the annual accounts in March, as well as the budgets in December. In 2010, the Board met on eight occasions.

The Committees of the Board of Directors

Members of the Audit & Finance Committee (hereafter AFC)

Wilfried VERSTRAETE, Chairman,
Didier BELLENS, and
Maciej DROZD, Members.

In 2010, the AFC met four times at the request of its Chairman.

Members of the Remuneration & Appointments Committee (hereafter RAC)

Didier BELLENS, Chairman,
Luc LUYTEN, and
Marek MODECKI, Members.

In 2010, the RAC met four times at the request of its Chairman.

Members of the Investment & Asset Management Committee (hereafter IAMC)

Gaëtan PIRET, Chairman,
Maciej DYJAS,
Marc GROSMAN, and
Wilfried VERSTRAETE, Members.

In 2010, the IAMC met seven times at the request of its Chairman.

Members of the Executive Committee

Gaëtan PIRET, Chairman,
Pierre DELHAISE¹,
Philippe HELLEPUTTE²,
Christian KARKAN³,
Jean-Louis MAZY⁴,
Joëlle MICHA⁵,
Paul MUYLDERMANS⁶, and
Philippe OPSOMER⁷, Members.

Members of the Management Committee

The Board of Directors, following a decision on 9th December 2010, has established a Management Committee, which comprises the following members:

Gaëtan PIRET, Chairman,
Philippe HELLEPUTTE,
Christian KARKAN,
Philippe OPSOMER, Members.

1. Head of Legal Services and Secretary of the Executive Committee.
2. Head of Landbanking.
3. Permanent representative of REALEYDE DEVELOPMENT sprl, Head of Development for IMMOBEL.
4. Permanent representative of JEAN-LOUIS MAZY sprl, Advisor.
5. Permanent representative of MINOS sprl, Head of Corporate Affairs and General Secretary of the Board of Directors and the Committees of IMMOBEL and its subsidiaries. She is also Compliance Officer at IMMOBEL.
6. Permanent representative of PAUL MUYLDERMANS bvba, Head of Project Management.
7. Permanent representative of ASAP CONSULTING sprl, Head of Finance.

Remuneration Report

Procedure for drawing up the remuneration policy

For the Directors:

In 2010, the Company implemented the remuneration policy for the Directors described in Appendix 2 to the regulation of the Board of Directors, and in point I.2.8. of the Charter of Corporate Governance available on the Company's website (www.immobel.be).

The Board of Directors of IMMOBEL respects the prerogatives of the Annual General Meeting in deciding the remuneration of its Directors.

The RAC makes detailed proposals to the Board of Directors concerning the remuneration of Non-Executive Directors.

The level and structure of their remuneration are determined on the basis of their general and specific responsibilities and market practice. Unless the Board of Directors decides otherwise, this remuneration includes a basic remuneration for membership of the Board and additional remuneration for participation in the meetings or for each Chairmanship or Vice-Chairmanship of a Committee or the Board. Non-Executive Directors receive no performance-related remuneration, nor any benefits in kind, nor benefits linked to pension plans, nor an annual bonus, nor share options, nor participation in retirement plans. They are not entitled to any kind of compensation when their mandate comes to an end.

Remuneration of the Non-Executive Directors also takes into account the time they devote to their functions. Non-Executive Directors may receive remuneration determined according to the legal provisions and the policy on Directors' remuneration.

The Executive Directors' mandates may likewise be remunerated. In this case the remuneration is taken into account in the global framework of remuneration paid to Executive Directors for the executive functions they hold within IMMOBEL

in accordance with the remuneration policy for Directors and for the Management Committee as well as for the Executive Committee.

No changes were made to the remuneration policy in 2010.

For the Members of the Management Committee:

For 2010, the remuneration policy implemented by the Company with regard to the Members of the Management Committee was as described in point III.4 of the Charter of Corporate Governance on the Company's Internet website (www.immobel.be).

The Board of Directors approves the appointment contracts of the Members of the Management Committee and decides on their remuneration based on the recommendations of the RAC, following a proposal by the Managing Director.

The level and structure of remuneration for the Members of the Management Committee at IMMOBEL are reviewed annually, and are such that they allow IMMOBEL to recruit, retain and motivate qualified and competent professionals taking into account the nature and the extent of their individual responsibilities on an ongoing basis.

A procedure exists for the evaluation of their performances. The Board of Directors analyses the competitiveness of IMMOBEL's remuneration structure on the initiative of the RAC.

Remuneration of the Members of the Executive Committee aims to:

- enable IMMOBEL to attract, motivate and retain first-rate, high-potential managers, bearing in mind the competitive environment in which it operates,
- encourage the achievement of ambitious performance targets by ensuring consistency between the interests of the managers and the Shareholders in the short, medium and long term,

- stimulate, recognise and compensate both significant individual contributions and strong collective performances.

As far as necessary, IMMOBEL reminds that the Management Committee has been created by decision of the Board of Directors dated 9th December 2010, and thus no change was made to the remuneration policy of the Members of the Management Committee for 2010 compared to 2009.

Procedure for determining individual remuneration

For Non-Executive Directors:

- At the meeting of 27th August 2008 the Board of Directors decided that as of 2008 the remuneration of the Directors (with the exception of the Chairman of the Board) would be determined as follows: attribution of fixed gross annual fee of 12,500 EUR per Director and per membership of a Committee (except for representatives of the reference shareholder). These fees are doubled for the Chairmanship of the Board or a Committee.
- The Chairman of the Board of Directors receives a sum of 200,000 EUR per year¹.
- A mandate as a Non-Executive Director does not include any entitlement to variable remuneration linked to the results or to any other performance criteria. It does not include entitlement to rights to stock options, nor to any corporate pension.
- The Company reimburses the Directors' travel and accommodation expenses for attendance at the meetings and the exercise of their functions in the Board of Directors and its Committees.

The Chairman of the Board of Directors is the only Non-Executive Director to have a permanent infrastructure (office and secretariat) at his disposal. The other Non-Executive Directors receive logistical support from the General Secretariat in function of their requirements.

Furthermore, the Company ensures it takes the usual insurance policies to cover the activities that the members of the Board of Directors carry out within the scope of their mandates.

- The amount of remuneration and other benefits accorded, directly or indirectly, to Non-Executive Directors by IMMOBEL or by an associated company.

The individual sums of remuneration given directly or indirectly to (Non-Executive) Directors in 2010 are shown in the table below. All of the amounts shown are gross, i.e. before the deduction of withholding tax.

Baron BUYSE		200 000.00 EUR
ARSEMA sprl ²		50 000.00 EUR
Chester BARNES	(resigned on 08-09-2010)	8 561.64 EUR
Maciej DROZD	(since 08-09-2010)	3 938.36 EUR
Maciej DYJAS	(since 08-09-2010)	3 938.36 EUR
Barden GALE	(resigned on 08-09-2010)	8 561.64 EUR
Marc GROSMAN	(since 08-09-2010)	3 938.36 EUR
Karim HABRA	(v 08-09-2010)	8 561.64 EUR
Luc LUYTEN		25 000.00 EUR
Marek MODECKI	(depuis le 08-09-2010)	7 876.71 EUR
Wilfried VERSTRAETE		50 000.00 EUR
Daniel WARD	(resigned on 08-09-2010)	8 561.64 EUR
Laurent WASTEELS	(since 08-09-2010)	7 876.71 EUR
Thomas WERNINK	(resigned on 08-09-2010)	25 684.93 EUR
Christopher ZEUNER	(resigned on 08-09-2010)	8 561.64 EUR
Total gross remuneration		421 061.64 EUR

For Members of the Management Committee:

The remuneration of the Chairman and the Members of the Management Committee is determined globally at gross rates. Consequently it does not only include the gross pro-rated remuneration from IMMOBEL, but also that for any contractual office or representative function in the companies in which IMMOBEL has holdings, be they majority or otherwise.

Individual remuneration is fixed by the Board of Directors, on the recommendations of the RAC, following a proposal by the Managing Director. Variable remuneration is foreseen for the Members of the Management Committee: their remuneration is linked to the results of the Company, taking into account the performance evaluation criteria relating to targets, the evaluation period and the method of evaluation.

1. Including a share in the cost of leasing a car.

2. Represented by its permanent representative Didier BELLENS.

Remuneration of the CEO and the other members of the Management Committee related to financial year 2010

The principles of remuneration and the link between remuneration and performance:

Remuneration of the Members of the Management Committee is divided into a fixed part and a variable part; the latter includes:

- a variable quantitative remuneration based on a series of criteria such as, in particular, the level of the acquisitions, the net profit and the management and control of the risks,
- a variable qualitative remuneration determined in function of the responsibilities, the mission and the targets achieved by the Members of the Management Committee.

The relative importance of the various components of remuneration:

In general, the Members of the Management Committee do benefit of a weighted remuneration, at 60 % for quantitative aspects, and at 40 % for qualitative aspects, compared to total variable remuneration.

Remuneration and other benefits accorded, directly or indirectly, to the CEO and other Members of the Management Committee (cf. members on page 12)

	CEO	Other Members
Basic remuneration	434 859.32 EUR	778 252.28 EUR
Variable remuneration	254 000.00 EUR	356 000.00 EUR
Individual Pension commitment	None	50 101.37 EUR
Company vehicle	24 000.00 EUR	22 696.87 EUR
Other benefits	None	None

The variable remuneration is assigned, upon proposal of the RAC, after the Board of Directors approving the Accounts per 31st December of the past year.

A Member of the Management Committee has an individual pension commitment type "defined contribution" paid by the Company which includes life insurance, death insurance, disability insurance and a waiver of premium.

Regarding professional expenses chargeable to the Company, the same rules apply to Members of the Management Committee, including the Chairman, as they apply to all the employees: professional expenses incurred must be the justified post by post. The Company is not responsible for private expenses.

Particulars concerning (options on) shares/warrants – "incentives":

As specified above, a mandate as a Member of the Management Committee does not entail entitlement to "stock options".

Information regarding remuneration policy for the next two fiscal years:

The Board of Directors does not expect any fundamental changes to its remuneration policy in the next two financial years.

Shares and share options

Remuneration of the Members of the Management Committee and of the Members of the Executive Committee entails no entitlement to shares and/or share options.

The most important terms of their contractual relationship with IMMOBEL and/or a related company, including the terms concerning remuneration in case of early departure

Appointment

The Members of the Management Committee fulfil their duties for the Company based on a service provision contract. These contracts are similar to those generally agreed to with Members of their Management Committee by other listed companies.

Departure

Any indemnity potentially due to a Member of the Management Committee by the IMMOBEL Group in the event of the termination of his service provision contract will vary in function of the terms and conditions of the contract concerned, as specified hereafter, increased, if appropriate, by part of the variable remuneration linked to IMMOBEL's results due a Member of the Management Committee.

The table below shows the indemnities that would be owed by the Group in case of the termination of contracts with the following Members of the Management Committee:

Gaëtan PIRET		24 months
Christian KARKAN		18 months
Philippe OPSOMER		9 months
Philippe HELLEPUTTE	termination before 31-12-2011	36 months
	termination between 01-01-2012 and 31-12-2013	24 months
	termination after 01-01-2014	18 months

Report on internal controls and risk management systems¹

The Belgian legislative framework for internal controls and risk management consists in the law of 17 December 2008 (in application of European Directive 2006/43 concerning corporate financial control), the Law of 6 April 2010 ("CG Law") and the *Belgian Code on Corporate Governance 2009*.

Nevertheless, the current Belgian legislative and normative framework specify neither the model of internal control to which the companies for which it is intended should conform, nor the modalities for implementing it (level of detail required). IMMOBEL uses a system of risk management and internal control that was drawn up internally based on the COSO model of internal control².

The COSO methodology is organised around five elements:

- the internal control environment,
- risk analysis,
- control activities,
- information and communication, as well as
- supervision and monitoring.

The internal control environment

The element "internal control environment" focuses on the following components:

Precise definition of the company's objectives:

"IMMOBEL is a leading Belgian listed company active in the real estate business and more specifically in the offices, residential and landbanking sectors as well as in function of retail/commercial opportunities. IMMOBEL's objective is to ensure a diversification of its project portfolio via these 3 sectors and to design, manage and promote real estate projects that create long-term value, while respecting the environment and integrating corporate social responsibility."

A definition of the roles of the management bodies:

IMMOBEL has a Board of Directors, an Investment & Asset Management Committee, an Audit & Finance Committee, a Remuneration & Appointments Committee, an Executive Committee and a Management Committee.

Responsibility for drawing up IMMOBEL's strategy and for controlling the way it does business belongs primarily to the Board of Directors.

The Investment and Asset Management Committee assists the Board of Directors in the strategic management of all of IMMOBEL's assets that are valued in excess of 5 MEUR. It also helps it identify and understand the strategic challenges posed by potential new real estate projects valued in excess of 5 MEUR.

The Audit and Finance Committee assists the Board of Directors mainly in the following matters:

- monitoring financial reports and financial information intended for shareholders and third parties,
- monitoring the quality of internal control and risk management,
- following up on the auditor's work, and
- monitoring the company's accounts department and finances.

The main mission of the Remuneration & Appointments Committee is to make proposals to the Board of Directors concerning remuneration (elements of the remuneration of the Directors, the members of the Executive and Management Committees, the managers and people in charge of day-to-day management; policy on employee share ownership, etc.) and concerning appointments (appointment or re-election of the members of the Committees etc.). In application of the Law on Corporate Governance of 6th April 2010, the Remuneration and

1. Art. 96, §2, par. 1, 3^o Companies Code.

2. Committee of Sponsoring Organizations of the Threadway Commission is an international, private, non-governmental body recognised in matters of governance, internal control, risk management and financial reporting.

Appointments Committee draws up the Annual Remuneration Report which the Board includes in the Statement on Corporate Governance which will be discussed during the Annual General Meeting.

The main roles of the Management Committee are:

- to monitor the performance of the various departments of IMMOBEL in terms of the strategic goals, plans and budgets,
- to submit the financial statements to the Board of Directors,
- under the leadership of the Managing Director, to examine, define and prepare proposals and strategic choices, including financial ones, likely to contribute to the growth of IMMOBEL.

The main role of the Executive Committee is to introduce efficient systems of internal control and risk management as well as to ensure the day-to-day management of operations.

Risk culture:

IMMOBEL takes a prudent attitude, managing a portfolio of diversified projects that create long-term value through its three fields of activity.

Application of ethical standards and integrity:

IMMOBEL has a code of ethics and integrity that describes the principles of good conduct that apply to each of the Directors and the Members of the Management and Executive Committees as well as all the employees and external collaborators. This Code deals with aspects of conflict of interest, professional secrecy, the buying and selling of shares, corruption and misuse of corporate funds, business gifts and even human dignity. The position of Compliance Officer has been created.

Measures geared to ensuring the level of competence:

- Competence of the Directors – Given their experience, the Directors possess the competencies and qualifications necessary to assume their responsibilities, particularly in matters of finance, accounting, investment and remuneration policy.
- Competence of the Members of the Management Committee, the Members of the Executive Committee and other staff: a recruitment process geared to the profiles required, adequate training and a policy of remuneration and evaluation based on the achievement of realistic and measurable goals make it possible to ensure the competence of IMMOBEL's staff.

A procedure dealing with remuneration policy for the Directors and the Members of the Executive and Management Committees: IMMOBEL has introduced a remuneration procedure that complies with the requirements of the Law of 6th April 2010 on Corporate Governance.

Risk analysis

IMMOBEL regularly carries out risk identification and evaluation exercises. The risks are mapped out and formal action plans are drawn up to deal with those risks for which the level of control is deemed to be inadequate. The Audit and Finance Committee monitors the implementation of these action plans.

The principle risks to which IMMOBEL is exposed are set out in detail in section I.B of the Management Report.

Control activities

The control activities correspond to the regulations and procedures used to deal with the principle risks identified.

Amongst the main regulations and procedures established within IMMOBEL, we would like to mention the following:

- Feasibility studies are carried out systematically, allowing project margins to be monitored. The feasibility studies are then analysed by the project manager, the Head of Development and the Head of Finance. It should be noted that for all investment projects in excess of 5 MEUR, the feasibility study is also submitted to the Investment & Asset Management Committee.
- A review of the discrepancies between the budget and the actual financial situation is carried out at least twice a year by the Head of Finance. Any significant differences observed are submitted to the Management and/or the Executive Committee as well as the Audit & Finance Committee.
- The accounts department and future financial requirements are monitored and regular reports submitted to the Management bodies and the Audit & Finance Committee.
- The principle of multiple approvals exists at every phase of the engagement process: the double signature procedure applies to approval of all transactions and the signatories are specified in function of the sums involved in the transaction.

Information and communication

IMMOBEL uses the software programme Navision as its financial management information system, of which the maintenance and development are subcontracted to a partner.

Data continuity is also subcontracted to a partner who is contractually bound to follow a strict procedure to establish a reliable and secure information storage system.

For the large majority of entities in the IMMOBEL Group accounting is outsourced to a firm specialised in financial services. The accounts are kept in IMMOBEL's ERP, the integrated management software programme Navision. The finance department of IMMOBEL is always in charge of the closure process and drafting the annual report, the consolidated financial statements drawn up according to IFRS standards and the annual accounts. Communication with the personnel and the various employees of IMMOBEL is appropriate to the size of the business. It is based mainly on work sessions, verbal communications from the management to the personnel as a whole, or internal e-mail notes signed by the Managing Director.

In order to ensure rapid communication and equal treatment of all Shareholders, IMMOBEL publishes the agenda and the minutes of the Annual General Meetings, the half-yearly and annual financial results, press releases, the Articles of Association, the Charter of Corporate Governance and the Annual Report on its internet site. Certain information is also published in the press.

Supervision and Monitoring

The Audit & Finance Committee is responsible for supervising internal control.

Given the size and the activities of the Company and the Group, the Audit and Finance Committee does not consider it necessary to create the position of internal auditor to assist it in this mission.

In order to evaluate the control environment regularly, the Audit and Finance Committee entrusts the Auditor with certain specific missions involving more thorough examination of internal control, consisting of testing the existing controls and identifying possible weaknesses compared to best practice. The Audit and Finance Committee ensures that the recommendations are implemented if the need arises.

Should the nature and size of the Group's activities change, the Audit and Finance Committee would re-examine the need to get an internal auditor.

Other Governance matters

Transactions and other contractual relationships between the Company, including associated companies, with the Directors, the Members of the Management Committee, the Members of the Executive Committee and the other staff.

In 2010, the Directors had recourse to the procedure applicable in case of conflict of interest, as laid down in articles 523 and 524 of the Companies Code and described in the *Charter of Corporate Governance*, on one occasion. Apart from that there were no transactions between, on the one hand, the IMMOBEL Group and, on the other, the Members of the Management Committee, the Members of the Executive Committee and the other staff that was subject to the procedure mentioned above.

Comments on the measures taken by the Company in the context of the Directive on insider trading and manipulation of the market

In its *Code of Good Conduct* the *Charter on Corporate Governance* provides rules intended to prevent the abuse of the market, which are applicable to Directors, to De Facto Managers, and to any other person liable to possess privileged information because of his/her involvement in the preparations for a particular operation.

These rules have been supplemented by an internal note summarising the main legal obligations in this matter, particularly taking into account the Royal Decree of 5th March 2006 on abuse of the market, with a view to increasing an awareness of their obligations in those concerned.

The Compliance Officer is tasked with ensuring compliance with said rules in order to reduce the risk of abuse of the market by insider trading. The CO keeps lists of people who have or are liable to have privileged information and who know or cannot reasonably be unaware of the privileged nature of this information.

When these people consider carrying out operations involving financial instruments issued by IMMOBEL, they must give the Compliance Officer prior notice in writing or by email of their intention to carry out this operation. Within 5 working days of reception of this prior notice the Compliance Officer will inform the persons concerned whether there is any reason to think that the operation under consideration constitutes insider trading. Should that be the case, it would be inadvisable to carry out the operation. These persons must notify the CBFA (Belgian Banking, Finance and Insurance Commission) of any operations

carried out on their own behalf and involving Company shares within five working days of the operation concerned being performed, this notification can be deferred, however, in conformity with the law, as long as the sum total of the operations carried out during the calendar year in progress does not exceed the threshold of 5,000.00 EUR.

During these so-called 'closed' periods, it is forbidden for these people to carry out operations involving IMMOBEL's financial instruments.

During the past financial year the job of Compliance Officer at IMMOBEL was carried out by Mrs Joëlle Micha, Head of Corporate Affairs.

Application

Application of the rules cited above has not given rise to any difficulty.

Shareholding structure (on 7th September 2010)

In application of article 29 of the law of 2nd May 2007 on the disclosure of shareholding in issuers whose shares are admitted to trading on a regulated market, IMMOBEL has been informed by the following Shareholders that they hold the following shares:

Shareholders	Voting rights	% of total shares
CRESIDA INVESTMENT S.à r.l. Registered office at rue Ermesinde 67, L-1469 Luxembourg.	1 030 484	25.00 %
JER AUDREY S.à r.l. Registered office at rue Notre Dame 15, L-2240 Luxembourg.	228 081	5.53 %
CAPFI DELEN ASSET MANAGEMENT NV ¹ Registered office at Jan Van Rijswijcklaan 178, 2020 Antwerp.	208 516	5.06 %
KBC ASSURANCES NV ² Registered office at Prof. Roger Van Overstraetenplein 2, 3000 Leuven.	71 275	1.73 %
FIDEA NV ³ Registered office at Van Eycklei 14, 2018 Antwerp.	142 413	3.46 %

1. Joint investment group

2. Subsidiary of KBC GROUP NV.

3. Subsidiary of KBC ASSURANCES NV.