



Immobel SA

Report of factual findings on the compliance certificate (50 MEUR 3 % bonds due 17 October 2023) as per 30 June 2019

Report of factual findings on the compliance certificate (50 MEUR 3 % bonds due 17 October 2023) as per 30 June 2019

Dear Mr Breda

For the purpose of this report, we confirm that we have reviewed the interim condensed consolidated financial information of Immobel SA (the "Company") for the six-months period ended 30 June 2019, prepared in accordance with IAS 34 – Interim Financial Reporting as adopted by the European Union (the "Financial Statements"). We have issued an unqualified review report on the interim condensed consolidated financial information on 17 September 2019. The objective of our work was to review the Financial Statements taken as a whole, and not individual elements, accounts or items constituting them.

In accordance with our engagement letter dated 15 April 2019, we have performed the procedures enumerated below and agreed with the Company. This engagement has been conducted in accordance with the International Standard on Related Services 4400 applicable to engagements to perform agreed-upon procedures regarding financial information.

These procedures were performed solely to assist the Company in connection with the Financial Ratio Test that the Company has to perform pursuant to the paragraph 7.3 "Publication of Consolidated Equity, Consolidated Equity/Total Assets Ratio and Inventories/Net Financial Debt" in respect of each Reference Date of the Prospectus dated 2 October 2018 and related to the 50 MEUR 3,00% bonds due 17 October 2023 (the "Bonds Issue").

The procedures performed and the resulting findings can be summarized as follows:

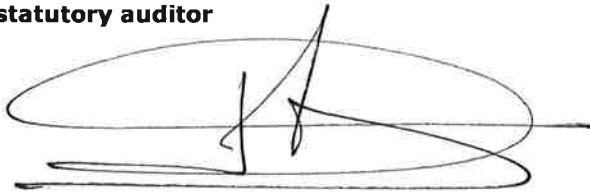
1. We obtained the Compliance Certificate prepared by the Company and signed by one director and the Chief Financial Officer. A copy of the Compliance Certificate is attached as Appendix 1;
2. For each financial covenant presented in the Compliance Certificate (i.e. Consolidated Equity, Consolidated Equity/Total Assets and Inventories/Net Financial Debt):
 - 2.1. We verified the arithmetic accuracy of the financial covenant, and found it to be correctly calculated;
 - 2.2. We agreed each amount included in the items included in the financial covenant to information extracted or directly derived from the Financial Statements of the Company at 30 June 2019, and found it to be in agreement.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing, we do not express any assurance on the financial covenants as of 30 June 2019. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the fourth paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties.

Gent, 17 September 2019

The statutory auditor



Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL
Represented by Kurt Dehoorne

Appendix 1: Compliance certificate as at 30 June 2019

Appendix 2: Consolidated statements of financial position as at 30 June 2019

Deloitte.

Deloitte Bedrijfsrevisoren / Réviseurs d'Entreprises
Coöperatieve vennootschap met beperkte aansprakelijkheid / Société coopérative à responsabilité limitée
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IMMOBEL
since 1953

Immobel SA

BONDS 2018 EUR 50.000.000 3% Bonds due 17-October-2023

Financial Ratio Tests

Reference is made to Condition 7.3 (“Publication of Consolidated Equity, Consolidated Equity / Total Assets Ratio and Inventories/Net Financial Debt in respect of each Reference Date”) of the Terms and Conditions of the Bonds 2018, EUR 50.000.000, 3%, due 17 October 2023 (the “Terms and Conditions”).

Each capitalized terms not defined herein shall have the same meaning as given to it in the Terms and Conditions.


On 30 June 2019,

**the Consolidated Equity equal to KEUR 380 261;
the Total Assets equal to KEUR 1 070 440;
the Inventories equal to KEUR 785 813; and
the Net Financial Debt equal to KEUR 557 607.**

In respect of the Financial Ratio Tests and pursuant to Condition 7.3 (“Publication of Consolidated Equity and Consolidated Equity / Total Assets Ratio in respect of each Reference Date”) of the Terms and Conditions, **we confirm that on 30 June 2019**

**the Consolidated Equity is higher than KEUR 250 000;
the Consolidated Equity / Total Assets Ratio is higher than 25%;
the inventories / Net Financial Debt is higher than 1.**


Karel BREDA
Chief Financial Officer


Marnix GALLE
Executive Chairman
of the Board

in thousands of EUR

ASSETS	30-06-2019	30-06-2019
	Published	Internal view
NON-CURRENT ASSETS	169 505	202 019
Intangible assets	419	419
Property, plant and equipment	916	916
Assets under capital lease obligations	3 539	3 539
Investment property	82 871	181 910
Investments in joint ventures and associates	60 132	8 881
Advances to joint ventures and associates	16 370	
Other non-current financial assets	408	408
Deferred tax assets	4 641	5 732
Other non-current assets	209	214
CURRENT ASSETS	900 935	1085 060
Inventories	631 866	785 813
Trade receivables	29 199	29 451
Contract assets	24 696	25 171
Tax receivables	818	981
Other current assets	26 396	49 362
Advances to joint ventures and associates	63 684	46 341
Other current financial assets	478	478
Cash and cash equivalents	123 798	147 463
TOTAL ASSETS	1 070 440	1 287 079

EQUITY AND LIABILITIES	30-06-2019	30-06-2019
	Published	Internal view
TOTAL EQUITY	380 680	380 680
EQUITY SHARE OF IMMOBEL	380 610	380 610
Share capital	97 256	97 256
Retained earnings	283 151	283 151
Reserves	203	203
Non-controlling interests	70	70
NON-CURRENT LIABILITIES	412 662	550 122
Employee benefit obligations	618	618
Provisions		
Deferred tax liabilities	13 189	17 528
Financial debts	398 564	531 685
Derivative financial instruments	291	291
Trade payables	-	-
Other non-current liabilities		
CURRENT LIABILITIES	277 098	356 277
Provisions	1 572	1 711
Financial debts	172 167	173 385
Derivative financial instruments	-	-
Trade payables	44 752	59 337
Contract liabilities	6 818	8 040
Tax liabilities	1 454	4 301
Other current liabilities	50 335	109 503
TOTAL EQUITY AND LIABILITIES	1 070 440	1 287 079