VGP

Press Release
Regulated Information
EMBARGO UNTIL 18 AUGUST 2008 AT 8h00 A.M.

18 August 2008

Half year results 2008

VGP on track to double its portfolio and rental income

Summary of financial results

- **Committed annualised rent income increased to EUR 20.1 million**
- **Gross rental income up 149.1 % (+ EUR 3.1 million) to EUR 5.1 million** (compared to 1H 2007)
- **Property portfolio up 29.3% (+ EUR 65.9 million) to EUR 291.1 million** (compared to 31-Dec 07)

Summary

Despite the big turbulences on the international financial markets, less availability of credit facilities and an increase in funding costs, as well as the resulting decompression of yields in the real estate markets, VGP is well on track to double its portfolio and rental income in 2008.

Where 2007 was a year of exponential geographical growth through the securisation of a substantial land bank, 2008 is a year where we focus on optimising the profitability of our portfolio, by converting our land bank into income generating assets. In addition we continue to undertake cautious attempts to further enlarge our land portfolio in those locations where demand proves the highest.

During the first half of 2008 VGP's activities can be summarised as follows:

- start-up of construction of 16 new projects. These new projects (together with one additional project started up in July 2008) represent a future lettable area of 261,776 m² which has been pre-let for 54% representing an annualised rental income of EUR 7.8 million. For the majority of the remaining vacant space we are close to concluding our negotiations with a number of future tenants and hence it is expected that most of this space will be pre-leased within the next few months.
- 4 projects were completed during the first half of 2008 resulting in a portfolio result of EUR 19.2 million, whilst another 15 projects are expected to be delivered during the second half of 2008.
- continued strong growth in the annual committed leases which increased to EUR 20.1 million as at 30 June 2008 confirming same growth rate as during 2007.

- conversion, as anticipated, of land under option to land in full ownership. Total land bank per 30 June 2008 amounts to 2,535,140 m² of which 95% is now in full ownership.

The net result for the interim period amounted to EUR 13.9 million as compared to EUR 19.9 million for the period ending 30 June 2007. The main reason of this variance is due to the fact that during the first half of 2007 a total of 6 new projects were completed against 4 completed projects during the first half of 2008.

In respect of its financing VGP was able to arrange a total of EUR 146.5 million in new bank credit facility commitments during the interim period and is close to finalising additional EUR 105 million of credit facilities. This will secure the financing of all current and anticipated assets under construction until mid 2009, by way of external bank facilities.

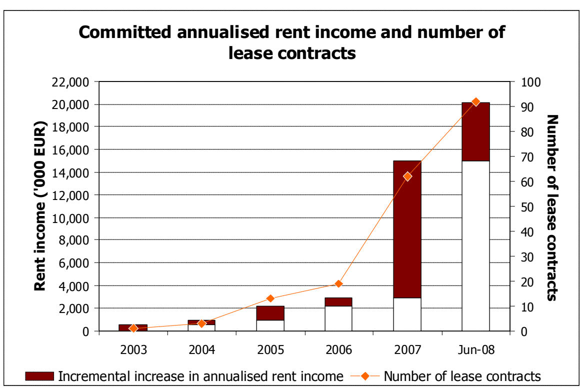
Finally, the Group remained reasonably geared with the gearing ratio (net debt / equity) of 0.9 as at 30 June 2008 against a ratio of 1.1 at the end of June 2007.

Committed annualised rent income increased to EUR 20.1 million

During the first half of 2008 the committed annual rent income showed a strong growth, increasing from EUR 15.0 million as at 31 December 2007 to EUR 20.1 million as at 30 June 2008 thus confirming same growth rate as in 2007. The committed annual rent income represents the annualised rent income generated or to be generated by executed lease ï and future lease agreements.

The signed lease agreements represent a total of 348,515 m² of lettable area and correspond to 92 lease or future lease agreements.

The weighted average term of the committed leases as at 30 June 2008 stood at 5.84 years.



Gross rental income up 149.1 % to EUR 5.1 million

The increase of gross rental income reflects the continued strong growth of the Groupœs income generating assets. As at 30 June 2008 VGP had a total of 21 completed projects in its investment portfolio compared to 11 completed projects at the end of June 2007.

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Property portfolio up 29.3% to EUR 291.1 million

The investment property portfolio (including assets under construction) continued to grow strongly during the first half of 2008 and increased from EUR 225.1 million as at 31 December 2007 to EUR 291.1 million as at 30 June 2008.

The valuations of the investment portfolio were valued by an independent international external valuator and fully reflect the recent evolution of the real estate markets and resulting yield decompression. Consequently the investment property portfolio has been conservatively valued.

Land bank

As indicated during the IPO a substantial effort was made after the December 2007 year-end to convert all land plots which were subject to future purchase agreements into land in full ownership.

At 30 June 2008 the land bank amounts to 2,535,140 m² of which 2,406,062 m² was in full ownership. This brings the balance of owned / total secured land to 95% compared to 76 % as at 31 December 2007.

Completed projects

During the first half a total of 4 projects were completed representing 41,548 m² of lettable space. The completed projects of VGP increased therefore to a total of 21 projects representing 218,109 m² of lettable area.

The occupancy rate at the end of June was 95%, mainly due to timing reasons. Negotiations in respect of renting out the vacant space are currently being finalised which should bring this ratio to 100%.

Projects under construction

The first half year proved also to be very challenging in respect of the projects under construction. During this period construction started in 4 different countries in 8 different locations on 16 new projects. In addition, at the end of July 2008 construction works started on the largest project of VGP so far. This project located at VGP Park Horni Pocernice, represents a lettable area of 40,073 m² with completion foreseen during 2009.

These new projects (including the additional project started in July) represent a future lettable area of 261,776 m², have been pre-let for 54% representing an annualised rental income of EUR 7.8 million. For the majority of the remaining vacant space we are close to concluding our negotiations with a number of future tenants and hence it is expected that most of this space will be pre-leased within the next few months.

It is expected that from the current projects under construction some 175,761 m² will be completed prior to 31 December 2008.

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Profitability

It should be noted that comparisons, from one period to another, of the property result and the profit for the period is quite difficult as these results will be highly impacted by the number of projects delivered in the respective periods.

Indeed, according to the IFRS valuation rules it is only at the moment of completion that the fair value on the completed buildings will be accounted for and recognised under property result. Until that time projects under construction are valued and accounted for at cost.

VGP posted a property result of EUR 19.2 million compared to EUR 25.3 million for the same period of 2007. This decrease is mainly due to the fact that 41,548 m² of lettable space was delivered during the first half of 2008 compared to 55,360 m² in the same period of 2007. The profit margins realised on the completed projects remain stable compared to 2007 despite higher inflation and strengthening of the Czech Crown.

The net financial result include interest income of EUR 0.9 million, EUR 0.6 unrealised gains on interest rate derivatives, EUR 0.6 million net foreign exchange gain and EUR 1.8 million of interest expenses.

Taxes, mainly consisted of deferred taxes, amounted to EUR 4.4 million for the period ending 30 June 2008 against EUR 6.4 million for the period ending 30 June 2007.

The result for the first half year of 2008 was EUR 13.9 million compared to EUR 19.9 million for the same period in 2007. The reduction of the result mainly driven by the lower property result.

Green energy

During the first half of 2008 an investment analysis was undertaken to identify the cost benefit of investing directly into green energy or to use an external partner.

Based on the fact that over a 15 year period a direct investment into green energy would provide the same returns as the returns on the development of our real estate projects and knowing that VGPôs projects have a much longer economical life, decision was taken to use a strategic partner.

By doing so VGP will continue to apply 100% of its capital expenditure budget for the development of new projects whilst at the same time ensuring that its environmental commitments are being fulfilled.

The selected strategic partner is the Belgian based Enfinity. This partner will make the direct investment into photovoltaic installations (commonly known as solar panels) on all VGPôs roofs and in return VGP will receive an annual fee calculated on a pre-defined basis.

This strategic alliance will allow VGP over time to generate up to 25 MW of energy resulting in savings of up to 10,000 Ton CO2 emissions per annum.

At the same time VGP continues to work on making its buildings CO2 output free, not only by the use of solar panels but also through implementing alternative heating systems.

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Outlook 2008

Based on the performance of the first half of 2008 and as compared with the 31 December 2007 results, VGP maintains it targets for the year to nearly double its rent income and property portfolio.

Declaration in accordance with Art. 13 of the Belgian Royal Decree of 14 November 2007

Management Certification

The Board of Directors of VGP NV represented by Mr Jan Van Geet, CEO, Mr Bart Van Malderen, Mr Jos Thys and Mr Alexander Saverys, jointly certify that, to the best of their knowledge, the condensed consolidated interim financial statements included the interim report based on the relevant accounting standards, give a true and fair view of the assets, liabilities, financial position and results of VGP NV, including its consolidated subsidiaries.

Statement of risk

VGP is confronted with a number of risk factors which have been described in the 2007 annual report and which have remained unchanged since then. VGP continues to implement a cautious risk policy towards identifying and managing these risks. The most noteworthy risks facing the Group are a prolonged uncertainty of the economic outlook and the evolution of the financial markets with spill over effects to the real estate markets. Due to the risk policies in place as well as the continued strong growth of the committed leases, and save any unforeseen market circumstances, VGP is well placed to mitigate any adverse effects, resulting from these risk factors, on the financial position of the Group and its shareholders.

Financial calendar

Third quarter trading update	18 November 2008

Profile

VGP (www.vgpparks.eu) constructs and develops high-end semi-industrial real estate and ancillary offices for its own account, which are subsequently rented out to reputable clients on long term lease contracts. VGP has an in-house team which manages all activities of the fully integrated business model: from identification and acquisition of land, to the conceptualisation and design of the project, the supervision of the construction works, contracts with potential tenants and the facility management of its own real estate portfolio.

The VGP is quoted on Euronext Brussels and the Main Market of the Prague Stock Exchange. VGP owns a property portfolio of EUR 271 million which is expanding very rapidly. The portfolio represents a total lettable area of 218,000 m² as at 30 June 2008.

For more information

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CONSOLIDATED INCOME STATEMENT
for the half-year ended 30 June 2008

Income Statement	Note	30.06.2008	30.06.2007
In EUR ǿ000			
Gross rental income		5,134	2,061
Service charge income		1,119	287
Service charge expenses		(1,021)	(391)
Property operating expenses		(362)	(170)
Net rental and related income		**4,870**	**1,787**
Net valuation gains on investment property		14,313	23,483
Property Result		**19,183**	**25,270**
Administrative cost		(868)	(123)
Other income		302	270
Other expenses		(177)	-
Net operating profit before net financial result		**18,440**	**25,417**
Financial income		2,435	1,765
Financial expenses		(2,636)	(921)
Net financial result		**(201)**	**844**
Profit before taxes		**18,239**	**26,261**
Taxes		(4,350)	(6,375)
Profit for the period		**13,889**	**19,886**

Result per share	Note	30.06.2008	30.06.2007
Number of ordinary shares		18,583,050	15,000,000
Basic earnings per share (in ú)	*9*	0.75	1.33
Diluted earnings per share (in ú)	*9*	0.75	1.33

CONSOLIDATED BALANCE SHEET
for the period ended

Assets	Note	30.06.2008	31.12.2007
In EUR ó000			
Intangible assets		6	9
Investment property	*4*	271,262	211,760
Investment property under construction	*5*	19,852	13,411
Property, plant and equipment		407	211
Long term receivables			-
Total non-current assets		**291,527**	**225,391**
Trade and other receivables		11,288	9,276
Cash and cash equivalents		23,862	52,835
Total current assets		**35,150**	**62,111**
TOTAL ASSETS		**326,677**	**287,502**

Shareholdersô equity and liabilities		30.06.2008	31.12.2007
In EUR ó000			
Share capital	*6*	62,251	62,251
Share premium		69	69
Reserves		82,383	68,494
Shareholdersô equity		**144,703**	**130,814**
Interest-bearing loans and borrowings	*7*	124,000	118,021
Other non-current liabilities		2,314	1,356
Deferred tax liabilities		19,103	15,070
Total non-current liabilities		**145,417**	**134,448**
Interest-bearing loans and borrowings	*7*	10,000	1,397
Trade and other payables		25,767	20,761
Income tax payable		790	82
Total current liabilities		**36,557**	**22,240**
Total liabilities		**181,974**	**156,688**
TOTAL SHAREHOLDERSô EQUITY AND LIABILITIES		**326,677**	**287,502**

STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2008

Statement of changes in equity	Share capital	Share premium	Reserves	Total equity
In EUR ‘000				
Balance as at 1 January 2007	**10,969**	**69**	**32,068**	**43,106**
Share capital increase	100	-	-	-
Profits for the half-year ended 30 June 2007	-	-	19,886	19,886
Balance as at 30 June 2007	**11,069**	**69**	**51,954**	**63,092**
Balance as at 1 January 2008	**62,251**	**69**	**68,494**	**130,814**
Share capital increase	-	-	-	-
Profits for the half-year-ended 30 June 2008	-	-	13,889	13,889
Balance as at 30 June 2008	**62,251**	**69**	**82,383**	**144,703**

CONSOLIDATED CASH FLOW STATEMENT
for the half-year ended 30 June 2008

Cash flow statement	30.06.2008	30.06.2007
In EUR ó000		
Cash flows from operating activities		
Profit for the period before tax	18,239	26,261
Adjustments for:		
Depreciation	90	50
Change in value of investment property	(14,313)	(23,483)
Unrealised gain on financial instruments	(2,572)	(412)
Net interest paid	1,752	650
Operating profit before changes in working capital and provisions	**3,196**	**(3,066)**
Decrease/(Increase) in trade and other receivables	(1,143)	(1,062)
(Decrease)/Increase in trade and other payables	2,731	2,963
Cash generated from the operations	**4,784**	**4,967**
Net Interest paid	(1,752)	(650)
Income taxes paid	(40)	116
Net cash from operating activities	**2,992**	**4,433**
Cash flows from investing activities		
Cash flow from investing activities	(49,060)	(24,265)
Net cash from investing activities	**(49,060)**	**(24,265)**
Cash flows from financing activities		
Net Proceeds from the issue of share capital	-	100
Proceeds from loans	85,205	28,391
Loan repayments	(70,624)	-
Net cash from financing activities	**14,581**	**28,491**
Net increase / (decrease) in cash and cash equivalents	**(31,487)**	**8,659**
Cash and cash equivalents at the beginning of the period	52,835	2,528
Effect of exchange rate fluctuations	2,514	-
Cash and cash equivalents at the end of the period	23,862	11,187
Net increase / (decrease) in cash and cash equivalents	**(31,487)**	**8,659**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2008

1 Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted for use in the European Union, and with International Accounting Standards (IAS) 34, Interim Financial Reporting.

During the interim period the newly incorporated companies; VGP Finance NV and VGP Ungarn Kft were included in the consolidation perimeter. Both companies are 100% owned subsidiaries of VGP NV.

2 Significant accounting policies

The condensed consolidated interim financial statements are prepared on a historic cost basis, with the exception of investment properties and financial derivatives which are stated at fair value. All figures are in thousands of Euros (*EUR ó000*).

The accounting policies adopted are consistent with those followed in the preparation of the Groupøs annual consolidated financial statements for the year ended 31 December 2007.

The condensed consolidated financial information was approved for issue on 13 August 2008 by the Board of Directors.

3 Segment information

The business activity of the Group is still considered to be one segment as the majority of the assets of the Group are geographically located in the Czech Republic and relate principally to investments in real estate with respect to the logistics business.

4 Investment property

In EUR ó000	30.06.2008	31.12.2007
Balance at the beginning of the period	**211,760**	**96,144**
Transfer from investment property under construction at cost	18,326	2,830
Net additions / disposals	26,863	71,257
Fair value adjustment	14,313	41,528
Balance at the end of the period	**271,262**	**211,760**

Investment property comprises a number of commercial properties that are leased to third parties and land held for development. The carrying amount of investment property is the fair value of the property as determined by the external independent valuation expert, Cushman & Wakefield, having an appropriately recognized professional qualification and recent experience in the location and category of the property being valued. Fair values were determined having regard to recent market transactions for similar properties in the same location as the Groupøs investment property.

The main additions to the investment property portfolio during this half-year are:

In EUR ó000	Fair Value 30.06.2008
IPS ï VGP Park Horní Poļernice ï Building C3 (CZ)	9,138
IPS ï VGP Park Horní Poļernice ï Building I3/I4 (CZ)	7,658
VGP Park Turnov - PŚígovice (CZ)	6,534
VGP Park Liberec ï Building H2.1 (CZ)	7,541
Development Land - IPS (CZ)	16,439
Development Land - Other	10,335
Total	**57,645**

5 Investment property under construction

In EUR ó000	30.06.2008	31.12.2007
Balance at the beginning of the period	**13,411**	**6,954**
Additions / (disposals)	24,767	9,287
Transfer to Investment property	(18,326)	(2,830)
Balance at the end of the period	**19,852**	**13,411**

The Investment property under construction comprises:

In EUR ó000	30.06.2008
VGP Park Horní Poļernice (CZ)	13,263
VGP Park Mlada Boleslav (CZ)	272
VGP Park Olomouc (CZ)	1,016
VGP Park Hradec Králové (CZ)	99
VGP Park Liberec (CZ)	3,180
VGP Park Malacky (Slovakia)	100
VGP Park Kekava (Latvia)	88
VGP Park Györ (Hungary)	121
Other	1,713
Total	**19,852**

6 Share capital

The share capital as at 30 June 2008 amounted to EUR 62,251,000, represented by 18,583,050 shares. There were no changes in the share capital of the Company during the current interim reporting period.

7 Interest bearing loans and borrowings

During the period, the Group obtained new credit facilities up to EUR 146.5 million long term credit facilities. These are priced at market conditions and have final maturity dates falling on 30 June 2012 or later. The facilities were used shortly after the interim period to refinance existing bank debt and to meet short term capital expenditure needs.

The Group is also in final discussion in respect of an additional credit facility of EUR 105 million which should be finalised within the next few weeks. This would allow the Group to secure the financing of all its capital expenditures until mid-2009 by way of external bank financings.

8 Financial Instruments

During the interim period the Group re-structured its outstanding interest rate swap transactions, by way of rolling up the existing December 2007 interest rate swaps into 2 new interest rate swaps. The new interest rate swaps have a weighted average fixed rate of 4.54% p.a. and both maturing on 30 June 2013. The Group entered also into a number of forward foreign exchange contracts to hedge its currency exposure on its capital investments in CZK and SKK until the end of the year.

9 Results per share

In EUR ó000	30.06.2008	30.06.2007
Profit for the period	13,889	19,886
Weighted average number of shares	18,583,050	15,000,000
Basic earnings per share (in ú)	0.75	1.33
Diluted earnings per share (in ú)	0.75	1.33

For 30 June 2007 comparative purposes the number of shares have been restated for the share split and contribution in kind as applicable prior to the initial public offering of December 2007.

10 Commitments

The Group has concluded several contracts concerning the future purchase of land. As at 30 June 2008 the Group had future purchase agreements for land totalling 129,077 m² representing a commitment of EUR 6.2 million and for which deposits totalling EUR 0.9.million had been made.

11 Post balance sheet events

There are no significant events to be mentioned that occurred after the closing of the accounts as at 30 June 2008.

AUDITORôS REPORT

VGP NV

LIMITED REVIEW REPORT ON THE CONSOLIDATED HALF-YEAR FINANCIAL INFORMATION FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2008

To the board of directors

We have performed a limited review of the accompanying consolidated condensed balance sheet, condensed income statement, condensed cash flow statement, condensed statement of changes in equity and selective notes 1 to 11 (jointly the ñinterim financial informationò) of VGP NV (ñthe companyò) and its subsidiaries (jointly ñthe groupò) for the six months period ended 30 June 2008. The board of directors of the company is responsible for the preparation and fair presentation of this interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

The interim financial information has been prepared in accordance with IAS 34, ñInterim Financial Reportingò as adopted by the EU.

Our limited review of the interim financial information was conducted in accordance with the recommended auditing standards on limited reviews applicable in Belgium, as issued by the òInstitut des Reviseurs dôEntreprises/Instituut der Bedrijfsrevisorenò. A limited review consists of making inquiries of group management and applying analytical and other review procedures to the interim financial information and underlying financial data. A limited review is substantially less in scope than an audit performed in accordance with the auditing standards on consolidated annual accounts as issued by the òInstitut des Reviseurs dôEntreprises/Instituut der Bedrijfsrevisorenò. Accordingly, we do not express an audit opinion.

Based on our limited review nothing has come to our attention that causes us to believe that the interim financial information for the six months period ended 30 June 2008 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

Kortrijk, 13 August 2008

The statutory auditor

DELOITTE Bedrijfsrevisoren

BV o.v.v.e. CVBA

Represented by Gino Desmet