



SPAZIO INVESTMENT N.V.
INTERIM ACCOUNTS JUNE 30, 2007

"SPAZIO HAS ESTABLISHED ITSELF AS THE LEADING ITALIAN INDUSTRIAL REAL ESTATE INVESTMENT COMPANY AND HAS MADE GOOD PROGRESS IN THE SIX MONTHS TO 30 JUNE 2007 RESULTING IN A SATISFACTORY NAV APPRECIATION. OUR STRATEGY REMAINS BROADLY UNCHANGED.

HOWEVER THE CURRENT MARKET CONDITIONS HAVE PROVIDED A COMPELLING OPPORTUNITY FOR SPAZIO TO ACQUIRE ITS OWN SHARES AT A MATERIAL DISCOUNT TO UNDERLYING VALUE.

THE BOARD HAS THEREFORE DECIDED TO COMMENCE A BUYBACK PROGRAMME. AT THE SAME TIME WE WILL FOCUS ON MAKING DISPOSALS AT PREMIUM TO STATED NAV. IN ADDITION WE WILL AGGRESSIVELY PROGRESS ADDED VALUE OPPORTUNITIES IN OUR PORTFOLIO.

IN THE FIRST HALF SPAZIO HAS BEEN CAUTIOUS IN INVESTING ITS CAPITAL AND THE BOARD NOW BELIEVES THERE IS A REAL OPPORTUNITY TO USE ITS STRONG FINANCIAL POSITION TO ACQUIRE ASSETS AT ATTRACTIVE VALUATIONS."

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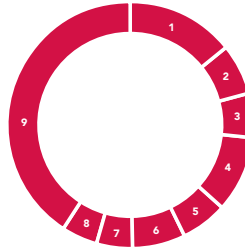
SPAZIO INVESTMENT N.V.
INTERIM ACCOUNTS JUNE 30, 2007

FINANCIAL HIGHLIGHTS

SPAZIO HAS ONE OF THE LARGEST PORTFOLIOS IN THE ITALIAN INDUSTRIAL REAL ESTATE MARKET COMBINING INCOME-PRODUCING ASSETS WITH QUALITY TENANTS AND HIGH-PROFILE DEVELOPMENT PROJECTS.

WE HAVE A TRULY INTERNATIONAL INSTITUTIONAL INVESTOR BASE. THE BREADTH AND DEPTH OF OUR SHAREHOLDERS REFLECTS THE MARKET'S CONFIDENCE IN OUR BUSINESS STRATEGY AND GROWTH POTENTIAL.

MAJOR SHAREHOLDERS AT 30 JUNE 2007



1 PIRELLI RE NETHERLANDS B.V. 14.14%	6 WELLINGTON MANAGEMENT 6.89%
2 JULIUS BAER INVESTMENT MANAGEMENT 6.47%	7 FIDELITY INVESTMENT SERVICES LTD (EUROPE) 4.67%
3 ARTISAN PARTNERS 6.03%	8 NATEXIS ASSET MANAGEMENT 4.60%
4 KDA CAPITAL LLP 9.84%	9 REMAINDER OF FREE FLOAT 41.07%
5 LANSDOWNE PARTNERS LTD 6.29%	

- NET EQUITY PER SHARE INCREASED BY 7.3% TO €14.6; NET ASSET VALUE PER SHARE INCLUDING UNREALIZED GAIN ON DEVELOPMENT ASSETS INCREASED BY 7.7% TO €15.3
- NET PROFIT OF €34.4 MILLION
- PROPOSED DIVIDEND PER SHARE OF €0.22
- STRONG FINANCIAL POSITION WITH CONSOLIDATED CASH OF APPROXIMATELY €126 MILLION AND UNUTILIZED COMMITTED FACILITIES IN EXCESS OF €100 MILLION TO SUPPORT GROWTH STRATEGY
- AGREED TO SELL 10 TELECOM ITALIA ASSETS FOR A CONSIDERATION OF APPROXIMATELY €13.6 MILLION REPRESENTING AN 11.5% PREMIUM TO THE IPO MARKET VALUE AND 4.8% PREMIUM ON 30 JUNE 2007 MARKET VALUE
- APPROVED SHARE BUYBACK PROGRAMME UP TO 10 % OF ISSUED SHARE CAPITAL

CHAIRMAN'S STATEMENT

Dear Shareholder,

I am pleased to present Spazio Investment's results for the six months ending 30 June 2007. Net profit for the period was €34.4 million of which €6.7 million distributable.

Spazio's Net equity per share increased by 7.3% to €14.6. Net Asset Value per share including unrealized gain on development assets increased by 7.7% to €15.3.

The Board has resolved to pay an interim dividend of €0.22 per share for the period from 01 January 2007 to 30 June 2007, representing a pay-out ratio of about 100% of distributable income.

The interim dividend will be payable on 15 October 2007 to shareholders on the register on the 28 September 2007.

Spazio has a strong financial position with a consolidated cash of approximately €126 million and unutilized committed facilities to support growth strategy.

Spazio's consolidated results have been prepared in accordance with International Financial Reporting Standards (IFRS).

UPDATE ON ACQUISITIONS AND OTHER TRANSACTIONS

Spazio has a leading position in the Italian industrial real estate market with assets under management as of 30 June 2007 of €761.2 million producing annualized passing rents of €43.3 million.

Spazio has announced the following acquisitions in the first half of 2007:

- two industrial real estate assets owned by ACC Group. ACC has agreed to lease the assets for a period of 12 + 6 years with a double net lease structure. The acquisition price was €22.0 million for a total GLA of 79,000 sqm and gross entry yield of 8.5%.
- additional land in the Eastgate Park, for a price of approximately €8.7 million. Spazio now has full ownership of the 1.6 million sqm.
- on 21 June 2007, Spazio Industriale Fund disposed one telephone exchange building entirely leased to Telecom Italia S.p.A. located in Monopoli (Province of Bari) with total surface area of 1,365 sqm to So.Ge.I. S.r.l. for a total sale price of €1.2 million (exit yield 5.1%). The purchase price, paid through bank transfer, represents a 13.2% premium over the market value of €1,070,000 as at IPO and 31 December 2006.

SINCE 30 JUNE 2007 SPAZIO HAS ANNOUNCED THE FOLLOWING TRANSACTIONS:

- disposal of 10 telephone exchange buildings for a consideration of approximately €13.6 million representing an 11.5% premium to the IPO market value and 4.8% premium on 30 June 2007 market value. The disposal is due for completion by October 2007. The buildings have an aggregate GLA of approximately 14,405 sqm and are entirely leased to Telecom Italia S.p.A. for a period of 9 + 6 years.
- acquisition of a portfolio of 10 distressed industrial assets from Banca Agrileasing for a consideration of approximately €4 million.
- agreement for the acquisition, subject to the completion of certain due diligence activities, of a real estate asset from Ortensia S.r.l. for a total consideration of approximately €31.5 million with a gross annual rent of approximately €2.3 million.

UPDATE ON DEVELOPMENT PROJECTS

EDIFICIO SEDICI

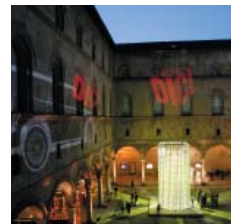
Refurbishment works are expected to complete by end of September 2007. 25% of the units have been sold.

EASTGATE PARK

Development is on schedule with buildings totalling 53,300 sqm and infrastructure under construction.

The first building is due for completion in January 2008.

Spazio expects Eastgate Park to become profitable in 2008. Spazio intends to develop the project into an integrated, mixed-use industrial and logistics park in the period from 2007 to 2011.



SHARE BUYBACK PROGRAMME

The Board of Spazio Investment N.V. today announces the commencement of an on market share buy back programme. The Company has authority to buy back up to 10% of its issued shares. In light of the current share price, the directors believe that the buy back will enhance returns to shareholders.

The Company intends to comply with the requirements of the Commission Regulation 2273/2003 as regards exemptions for buy-back programmes and stabilisation of financial instruments.

In exceptional circumstances, such as extreme low liquidity on the market, the Company may deviate from the prescribed limits on daily volume of purchases but it shall not purchase more than 50 per cent of the average daily volume of the Company shares traded in the preceding 20 trading days.

OUTLOOK

The Company is on track to deliver on its profitability and dividend distribution objectives for the full year.

The Board believes that current market conditions will provide opportunities for Spazio to invest its capital on attractive terms and will reward active portfolio management, which plays particularly well to the strengths of the Spazio team.



JOHN DUGGAN
CHAIRMAN
18 SEPTEMBER 2007

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

AS AT 30 JUNE 2007 (in Euro)

	Note	30.06.2007 €	31.12.2006 €
ASSETS			
Non-current assets			
Investment property	1	666,710,000	621,120,000
Current assets			
Inventories	2	74,783,804	53,488,342
Trade receivables		911,870	1,650,016
Other receivables		1,051,457	5,998,917
Tax receivables		-	47,817,407
Derivative financial instruments		8,003,824	1,979,698
Financial assets held for trading	3	31,925,880	20,046,600
Cash and cash equivalents		93,812,753	85,901,954
Total current assets		210,489,588	216,882,934
Total assets		877,199,588	838,002,934
EQUITY			
Share capital		6,096,020	6,096,020
Share premium		308,946,356	308,904,842
Retained earnings		131,556,300	101,110,871
Total equity		446,598,676	416,111,733
LIABILITIES			
Non-current liabilities			
Bank borrowings and payables to other financial institutions	4	412,072,762	402,849,401
Current liabilities			
Bank borrowings and payables to other financial institutions	4	132,183	158,300
Trade payables		12,940,023	16,110,610
Other payables		4,931,426	2,530,641
Tax payables		524,518	242,249
Total current liabilities		18,528,150	19,041,800
Total liabilities and equity		877,199,588	838,002,934

The notes on page 10 to 15 form an integral part of this condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

FOR THE PERIOD FROM 01 JANUARY 2007 TO 30 JUNE 2007 (in Euro)

	Note	01.01.2007 /30.06.2007 €	22.11.2005 /30.06.2006 €
Rental income	5	21,438,979	10,380,000
Net gain from fair value adjustment on investment property	6	21,247,936	93,774,000
Other operating income		454,031	-
Management fees		(2,566,948)	(1,198,000)
Other costs		(3,980,875)	(1,503,000)
Unrealized gain on assets held for trading / derivatives		6,603,215	841,000
Operating profit before financing costs		43,196,338	102,294,000
Financial income		1,103,482	117,000
Financial expenses		(9,891,991)	(7,276,000)
Profit before tax		34,407,829	95,135,000
Tax expense	7	-	-
Profit for the period		34,407,829	95,135,000
Basic and diluted earnings per share (Euro)	8	1.130	5.285

The notes on page 10 to 15 form an integral part of this condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

FOR THE PERIOD FROM 01 JANUARY 2007 TO 30 JUNE 2007 (in Euro)

	01.01.2007 /30.06.2007	22.11.2005 /30.06.2006
	€	€
Profit for the period	34,407,829	95,135,000
Adjustments for non-cash items:		
- Financial expenses	9,891,991	7,276,000
- Financial income	(1,103,482)	(117,000)
- Change in fair value of investment property	(21,247,936)	(93,774,000)
- Unrealized gain on assets held for trading / derivatives	(6,603,215)	(841,000)
Changes in working capital:		
- Change in trade receivables/payables	(2,432,441)	3,564,000
- Change in other receivables/payables	7,203,485	(584,000)
Change in other receivables/payables (VAT)	48,244,436	(12,864,000)
Net cash flow generated/(absorbed) from operating activities (A)	68,360,667	(2,205,000)
Acquisition of investment property	(25,412,064)	(334,966,000)
Sales of investment property	1,070,000	-
Investment in inventories	(21,295,462)	(29,500,000)
Interest paid	(8,846,678)	(4,976,000)
Interest received	725,431	117,000
Investment in financial assets held for trading	(11,300,190)	-
Net cash flow generated/(absorbed) from investing activities (B)	(65,058,963)	(369,325,000)
Proceeds of issuing share capital	41,514	18,000
Subscription of share premium net of issue costs	-	23,820,000
Combination of the entities	-	36,000
Dividend distribution of the profit	(3,962,400)	(643,000)
Proceeds of borrowings and payables to banks and other financial institutions	8,529,981	311,071,000
Proceeds of borrowings and payables to Parent Company	-	45,500,000
Net cash flow generated/(absorbed) from financing activities (C)	4,609,095	379,802,000
Total net cash flow generated/(absorbed) in the period (D=A+B+C)	7,910,799	8,272,000
Cash and cash equivalents at the beginning of the period (E)	85,901,954	-
Cash and cash equivalents at the end of the period (D+E)	93,812,753	8,272,000

The notes on page 10 to 15 form an integral part of this condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD FROM 01 JANUARY 2007 TO 30 JUNE 2007 (in Euro)

	Note	Share Capital €	Share Premium €	Retained Earnings €	Equity €
Equity at 31 December 2006		6,096,020	308,904,842	101,110,871	416,111,733
Cost of IPO			41,514		41,514
Dividend	11			(3,962,400)	(3,962,400)
Profit of the period				34,407,829	34,407,829
Equity at 30 June 2007		6,096,020	308,946,356	131,556,300	446,598,676

The notes on page 10 to 15 form an integral part of this condensed consolidated interim financial statements.

NOTES TO THE ACCOUNTS

Introduction

Spazio Investment N.V. (the "Company"), incorporated at 22 November 2005 is a public company (listed at Alternative Investment Market - London) with limited liability (naamloze vennootschap) domiciled in Amsterdam, The Netherlands. The address of the registered office is Royal Damcenter Dam 7f 1012 JS Amsterdam The Netherlands.

The principal activity of the Company is holding of investments in subsidiaries and associates.

Spazio Investment N.V. is the total owner of the fund Spazio Industriale Fondo Comune di investimento Immobiliare di tipo chiuso. The Company is owned for 14.37%, at the end of June, by Pirelli RE Netherland B.V. which is totally owned by Pirelli & C. Real Estate S.p.A..

The reporting on operations of the Company during the 1st half year 2007 have been disclosed in the section "Chairman's Statement".

The comparative data in the Condensed consolidated income statement and the cash flow statements for the period from 22 November 2005 up to 30 June 2006 refer to the Admission Document dated on 13 October 2006.

Significant accounting policies

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2006, as described in the annual financial statements for the year ended 31 December 2006.

With effect from 2007 unrealized gains on assets held for trading/derivatives are included in the adjustments for non cash items in the condensed consolidated interim cash flow statement for better presentation. In the consolidated financial statements 2006 this item was presented as cash flow from investing activities.

Basis of preparation

The condensed consolidated interim financial statements for the half year ended 30 June 2007 have been prepared in accordance with IAS 34, "Interim financial reporting". This report has not been audited. The interim condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2006.

NOTES TO THE ACCOUNTS CONTINUED

New standards or interpretations

With effect from 2007, the Company is required to apply one new standard and one new interpretation:

- IFRS 7 – Financial Instruments: disclosures
- IFRIC 10 – Interim Financial Reporting and impairment

This new standard and new interpretation do not have any impact on the notes and financial information in this interim report. The Company has not voluntarily applied any IFRS standards or interpretations that do not come into force until a later date in this interim report.

Segment reporting

The Group has only one line of business and operates through the Fund exclusively in Italy; accordingly it is not required to prepare segment reports.

Note 1 Investment property

	€
Balance as at 31 December 2006	621,120,000
Additions:	
- Acquisitions	25,000,000
- Capital expenditure	412,064
Net gain from fair value adjustments on investment property	21,247,936
- Sales of the period	(1,070,000)
Balance as at 30 June 2007	666,710,000

NOTES TO THE ACCOUNTS CONTINUED

Note 2 Inventories

	Total
	€
Inventories at 31 December 2006	53,488,342
Capitalized costs:	
- Acquisition	8,695,000
- Capital expenditures	11,453,051
- Financial expenses	1,147,411
Total incremental costs in the period	21,295,462
Inventories at 30 June 2007	74,783,804

Inventories consist of land for development and buildings under renovation in the normal course of the Fund's activities or during the construction process or development related to said activities. These buildings and land are not intended for the investment property portfolio of the Fund.

Note 3 Financial assets held for trading

These amount to €31,925,880 and refer principally to the Activest Euro-Geldmarkt Plus, a mutual fund governed by German law, which aim is to achieve the highest possible performance on money market investments in Euro so as to offer investors attractive levels of performance with low costs while taking full advantage of compound interest. The most significant common feature of the assets held by this money market fund is the fact that they are short-term assets, closely connected with the money markets.

NOTES TO THE ACCOUNTS CONTINUED

Note 4 Bank borrowings and payables to other financial institutions

	30.06.2007		31.12.2006	
	Non-current €	Current €	Non-current €	Current €
Jumbo Properties loan	370,330,872	104,311	370,381,108	142,793
Area of Portogruaro loan	29,712,905	9,439	23,992,865	10,461
Edificio 16 loan	12,028,985	3,389	8,475,428	3,343
Bank overdraft	-	15,044	-	1,703
Total	412,072,762	132,183	402,849,401	158,300

The Jumbo Loan entered into on 26 September 2006, with a duration of seven years extendible through ten years is intended to finance all the Fund's properties and future acquisitions; the effective interest rate, determined in accordance with the amortized cost method, is equal to 5.296%.

The Portogruaro Loan entered into on 26 September 2006, with a duration of seven years extendible through ten years is intended to finance the development of the Portogruaro Site; the effective interest rate, determined in accordance with the amortized cost method, is equal to 6.085% for tranche 1, 2 and 3, to 10.207% for tranche 4 and the VAT line and to 5.093% for tranche 5.

The Edificio 16 Loan entered into on 26 September 2006, with a duration of seven years extendible through ten years is intended to finance the purchase of the property for renovation and its subsequent renovation; the effective interest rate, determined in accordance with the amortized cost method, is equal to 8.178%.

The fair value of the above described borrowings approximated their carrying values at the balance sheet date, as the impact of discounting is not significant. The fair values are based on cash flow discounted using a rate based on the latest applicable floating rates at the end of the period.

Note 5 Rental Income

The item amounts to €21,438,979 and it refers principally for €12,325,278 to Telecom Italia rents, for €3,402,315 to rental incomes from Prada, for €888,250 to rental incomes from BSL Bertola Servizi Logistici and for €770,462 to ENEL rents.

NOTES TO THE ACCOUNTS CONTINUED

Note 6 Net gain from fair value adjustment on investment property

The item, amounting €21,247,936, consists of the difference between the fair value at 30 June 2007 and 31 December 2006 (or acquisition date if later) of investment property and their related acquisition costs.

The fair values are based on open market values, being the estimated amount of which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties have acted knowledgeably, prudently and without compulsion.

The fair value gains arise from the valuation on 30 June 2007 at fair value, comprising market value by an independent, professionally, qualified valuer.

Note 7 Tax expense

In the Netherlands, Dutch corporate tax is based on the fiscal results, taking into account the fact that certain income and expense items as reported in the profit and loss account are tax-exempt.

Income and capital gains arising from immovable property situated in Italy is effectively exempt from corporate taxation both in Italy and in the Netherlands. Accordingly no deferred tax is calculated as the Company is legally tax exempt, due to the Dutch tax rules and the bilateral Italy-Netherlands fiscal Agreement.

Note 8 Earnings per share (EPS)

Basic and diluted EPS is calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of ordinary shares in issue during the year.

6 months ended 30 June 07

Profit attributable to the Company's shareholders (thousands of Euro)	34,408
Weighted average number of ordinary shares in issue (thousands)	30,480
Basic and diluted EPS (Euro per share)	1.13

Note 9 Events after the condensed consolidated interim financial statements date

The Company has committed expenditure on in several project investments for an amount of approximately €35.4 million.

The Company has entered into agreements on divestment of portions of Edificio 16 for €2.4 million and ten Telecom assets for €13.6 million.

Note 10 Related party transactions

Balances between the Group and the Management Company and companies in the latter's Group at 30 June 2007 and transactions between the same during the period then ended are listed below:

	30.06.2007	31.12.2006
	€	€
Trade receivables from Telecom-Olivetti Group	76,117	-
Other receivables from Pirelli & C. RE Group	209,972	-
Other receivables from Management Company	1,607	-
Trade payables to Pirelli & C. Group	43,800	58,732
Trade payables to Telecom-Olivetti Group	1,454	1,454
Trade payables to Pirelli & C. RE Group	1,536,843	5,572,242
Trade payables to Management Company	1,631,709	1,462,215
Other payables from Management Company	15,575	-
Other payables to Pirelli & C. RE Group	2,000,000	-
	01.01.2007	22.11.2005
	/30.06.2007	/30.06.2006
Financial Expenses	-	1,625,000
Management fees	2,566,948	1,248,000
Other costs	776,789	675,000

Note 11 Dividend 2006

According to Spazio Investment N.V. Articles of Association, the Annual General Meeting on 24 April 2007 resolved to pay a dividend of €0.13 per share for the period from the Company's admission to AIM up to 31 December 2006.

Note 12 Proposed interim distribution

According to Spazio Investment N.V. Articles of Association, the Management Board resolves to make an interim distributions.

The Board of 18 September has resolved to pay an interim dividend of €0.22 per share for the period from 01 January 2007 up to 30 June 2007 payable on 15 October 2007 to shareholders on the register on 28 September 2007.

Note 13 Approval of Interim Accounts

The Interim Accounts were approved by the Board of Directors on 18 September 2007.

FINANCIAL CALENDAR AND ADVISORS

FINANCIAL CALENDAR

Board Meeting	18 Sept. 2007
Announcement of first half 2007 results	19 Sept. 2007
Record Date	28 Sept. 2007
Payment of Ordinary Dividend	15 Oct. 2007

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JOINT BROKER

Deutsche Bank AG (UK)

COMMUNICATION ADVISOR

Brunswick Group LLP
