



2016 annual results

15 February 2017

Taco de Groot, CEO

Reinier Walta, CFO

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Direct result slightly above expectation

Direct result 2016 € 2.42 per share

Acquisitions of premium city high street shops totalling € 76 million

Major quality improvement in Dutch portfolio through € 71 million of divestments

Share of premium city high street shops 74%

Loan to value at 41.8%

Refinancing contributed to further strengthening of the loan portfolio

Organisational changes to support strategy

Proposed dividend 2016 confirmed at € 2.05 per share

Expected direct result for 2017 between € 2.10 - € 2.20 per share

Results premium city high street shops confirm strategy

- Premium city high street shops realise positive results on key parameters
- Polarisation in retail landscape clearly visible

	Premium city high street	High street	Non-high street	Total
	%	%	%	%
Occupancy year-end 2016	99.2	94.5	93.8	97.3
Like-for-like rental growth	0.5	(4.5)	0.8	(0.5)
Value movements*	1.2	(3.5)	(5.1)	(0.3)

* Excluding acquisitions and divestments

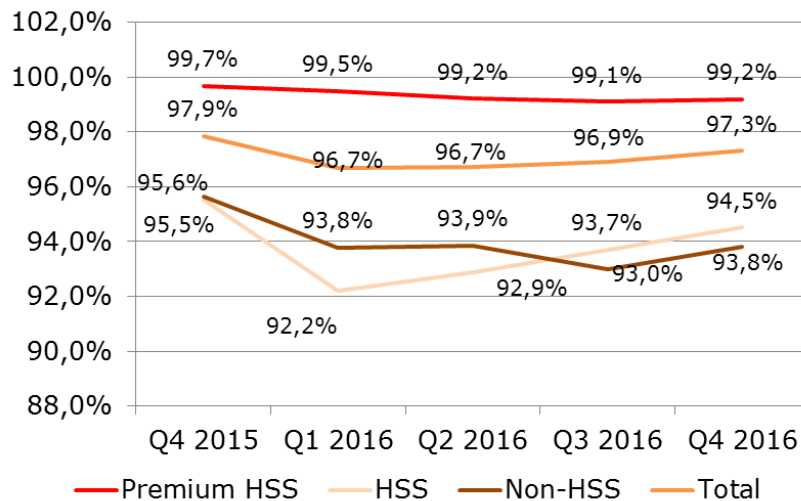
European retail developments in 2016

- The European retail market is permanently changed by different consumer spending behaviour
- Retailers need to know how to constantly tempt the customer
- Polarisation between retailers and retail locations clearly visible across Europe
- Attractive high streets have proven to be resilient

Occupancy rates consistently at high levels

- Premium city high street shops remained virtually fully occupied
- The decline of high street and non-high street shops in HY1 was largely reversed in HY2

Development occupancy rate



Leasing activity results contributed to a higher quality portfolio

- Vastned attracted new tenants like Scalpers, Repeat Cashmere, Birkenstock and Zadig&Voltaire
- Leases on premium city high street shops result in rent increase of 17.4% i.e. € 0.8 million
- Despite difficult Dutch retail market for secondary locations Vastned signed 58 leases

	Leasing activity	Number of contracts	Average rent change on signed contracts	
	€ million	#	€ million	%
Premium city high street shops	5.2	31	0.8	17.4
High street shops	3.4	40	(0.6)	(15.2)
Non-high street shops	1.4	31	(0.3)	(15.9)
Total	10.0	102	(0.1)	(0.8)

Acquisitions on prime locations amount to € 76 million

- Amsterdam:
 - Leidsestraat 2

- Madrid:
 - Calle José Ortega y Gasset 15
 - Calle de Fuencarral 37

- Paris:
 - Rue des Archives 21
 - Rue de Rennes 146
 - Rue Vieille du Temple 26

- Utrecht:
 - Vredenburg 9



Focus 2016: Quality improvement of the Dutch portfolio

- Total divestments 2016: € 95 million
 - Netherlands: € 71 million
 - Belgium: € 5 million
 - Spain: € 8 million
 - Portugal: € 11 million



- The share of high street and non-high street shops in The Netherlands has been reduced respectively to 21% and 13% at year-end 2016
- Vastned disposed entire portfolio in Portugal
- Total net sales proceeds: € 4.5 million negative i.e. 4.5%



2016 Financial results

Reinier Walta, CFO

Key financial figures

Direct result:
€ 2.42 per share

Indirect result:
€ (1.03) per share

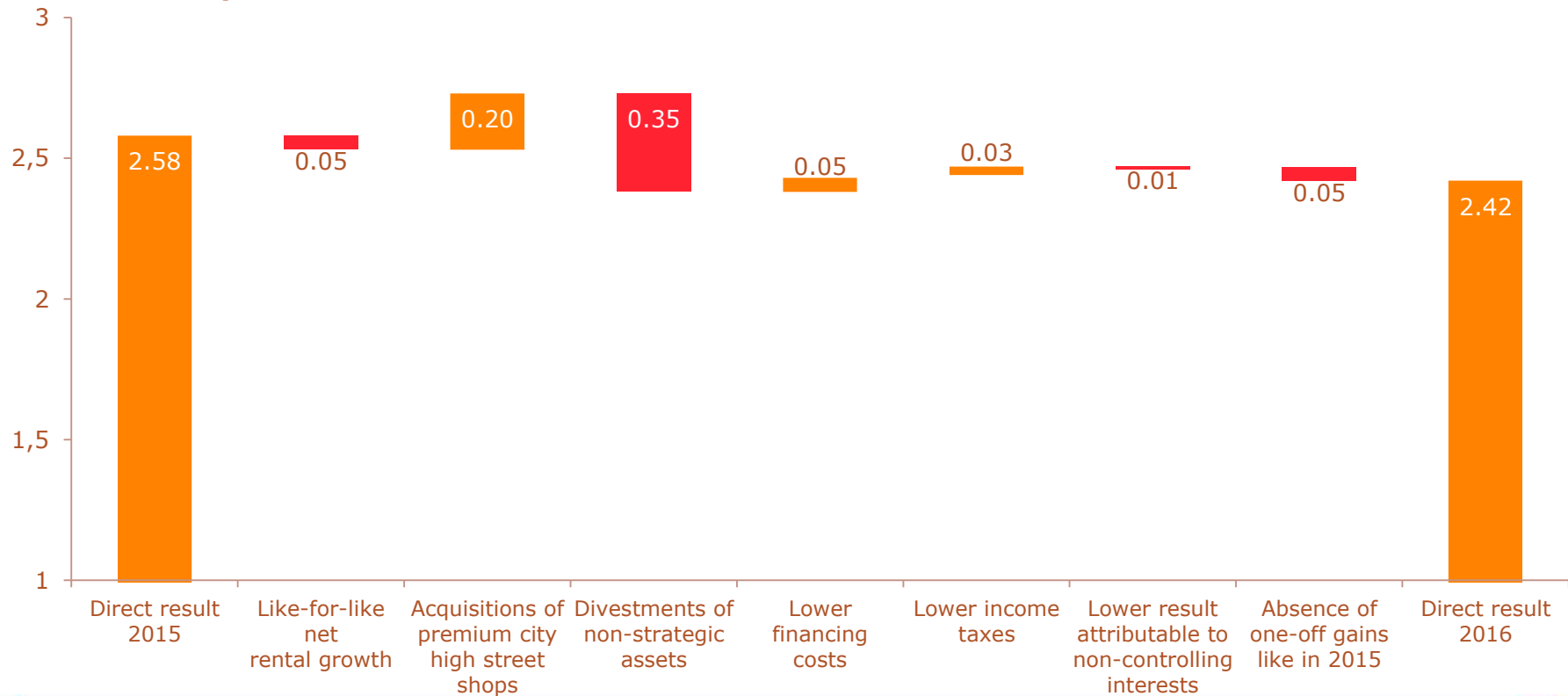
Loan-to-value:
41.8%

	2016	2015
Direct result per share	€ 2.42	€ 2.58
Indirect result per share	€ (1.03)	€ 0.86
Value movements*	(0.3)%	1.7%
Like-for-like gross rental growth	(0.5)%	(0.9)%
Average interest rate (spot)	2.7%	2.7%
LTV	41.8%	41.6%
NAV	€ 42.26	€ 42.90
EPRA NNNNAV	€ 41.68	€ 42.31

Excluding acquisitions and divestments

Net-divestments had a substantial effect on the 2016 direct result

Direct result per share in €



Like-for-like gross rental growth

- All countries achieve positive like-for-like gross rental growth, except for the Netherlands
- Negative like-for-like gross rental growth of Dutch premium city high street shops is mainly caused by assets under renovation in Amsterdam

	Premium city high street	High street	Non-high street	Total
	%	%	%	%
The Netherlands	(0.6)	(8.4)	(1.0)	(3.2)
France	1.1	7.5	(3.6)	1.6
Belgium	1.1	2.5	5.1	2.6
Spain	1.0	n.a.	n.a.	0.7
Turkey	1.3	n.a.	n.a.	1.3
Total	0.5	(4.5)	0.8	(0.5)

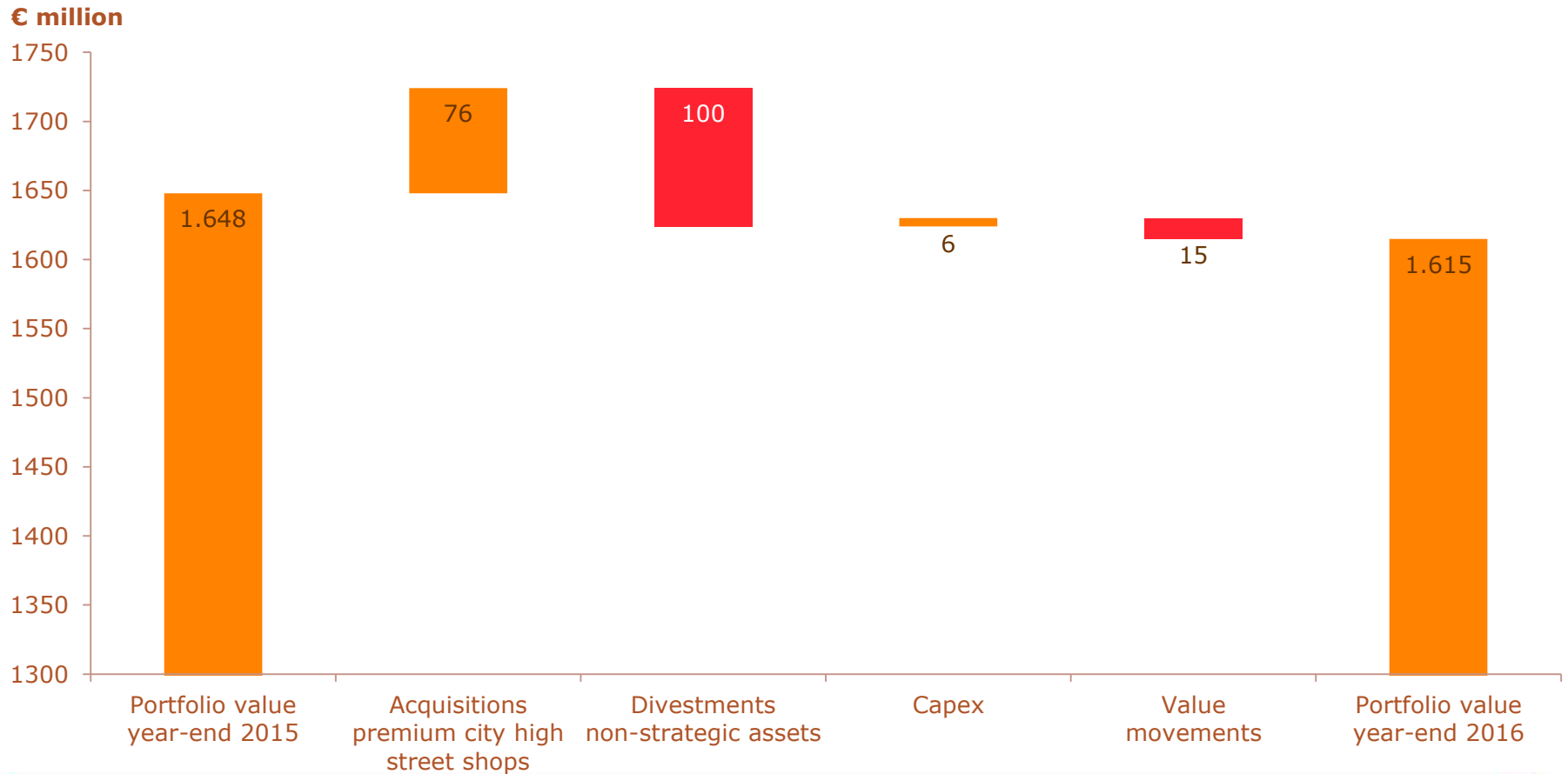
Premium city high street shops realised value increases

- With a total value increase of € 13.4 million premium city high street shops achieved good results
- Geopolitical developments and continuous economic uncertainty lead to a value adjustment of the Turkish portfolio

	Premium city high street	High street	Non-high street	Total
€ million				
The Netherlands	15.5	(8.5)	(7.4)	(0.4)
France	21.4	(0.2)	(3.5)	17.7
Belgium	6.0	(0.2)	1.4	7.2
Spain/Portugal	3.5	0.3	n.a.	3.8
Turkey	(33.0)	n.a.	n.a.	(33.0)
Total	13.4	(8.7)	(9.5)	(4.7)

Excluding acquisitions and divestments

Active portfolio rotation result in smaller portfolio over higher quality



Resilient financing position

LTV:
41.8%

Interest rate:
2.7%

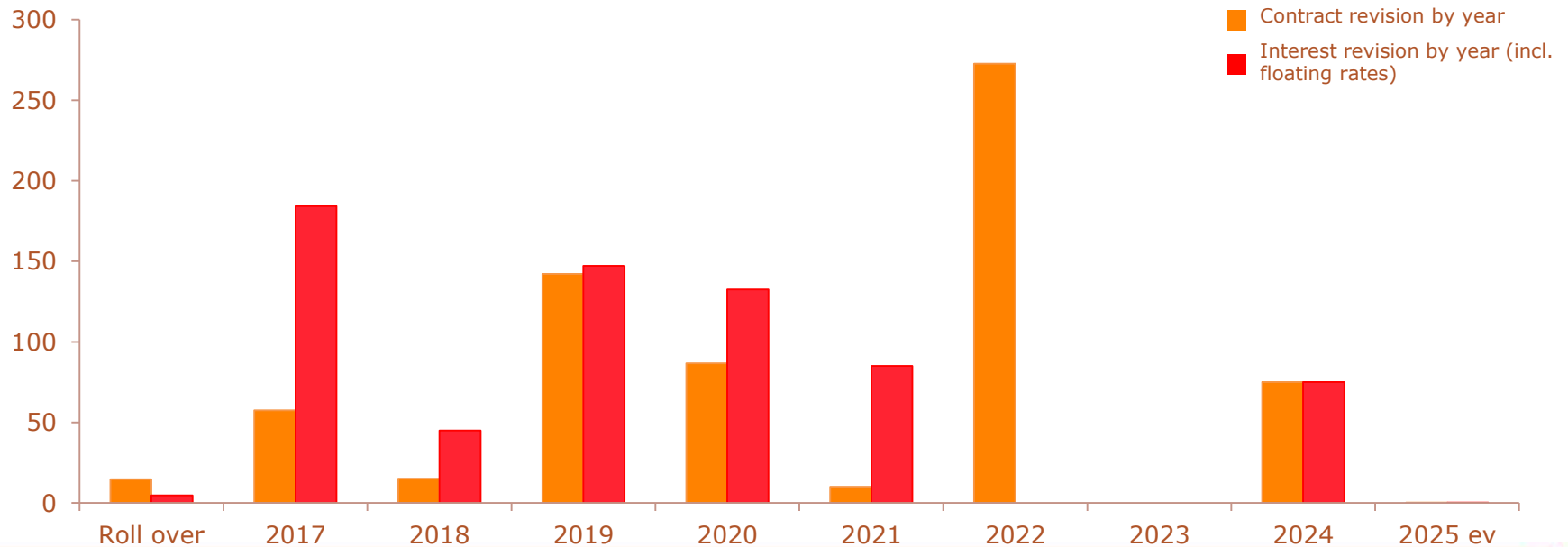
Non-bank loans:
45.6%

	At year-end 2016	At year-end 2015
Total used credit facilities	€ 674 million	€ 686 million
Unused credit facility	€ 162 million	€ 100 million
Loan-to-value	41.8%	41.6%
Average interest rate (spot)	2.7%	2.7%
Average maturity	4.4 yrs	4.0 yrs
Interest coverage ratio	4.0	4.1
Share of non-bank loans	45.6%	44.6%
Share of fixed interest rate loans	78.9%	66.5%

Duration of the loan portfolio extended

- Modest loan expiries on the short term
- First main expiries in 2019 and 2020

€ million





2017 outlook

Taco de Groot, CEO

Outlook 2017

- Consumer confidence seems to show first signs of recovery in Europe, but consumer spending behaviour permanently changed and some retailers still need to adapt
- Vastned continues to focus on the best assets in popular European shopping streets
- Vastned is in its final phase of the turn-around of the portfolio
- Expected direct result 2017 between € 2.10 - € 2.20 per share:
 - Smaller size of the portfolio
 - Amount and timing of acquisitions and divestments in 2017
 - Developments in Turkey



Appendix

Overview of the portfolio per type and country

- Premium city high street shop portfolio € 1.2 billion i.e. 75% of the total portfolio

Shops	Premium city high street		High street		Non-high street		Total	
	€ million	%	€ million	%	€ million	%	€ million	%
The Netherlands	451	66	145	21	88	13	684	100
France	347	91	34	9	1	0	382	100
Belgium	218	60	54	15	89	25	361	100
Spain	84	96	3	4	-	-	87	100
Turkey	100	100	-	-	-	-	100	100
Total	1,200	74	236	15	179	11	1,615	100

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