



Full year 2020 results & strategy update

Reinier Walta – Interim CEO

11 February 2021

Highlights FY 2020

Solid results in challenging circumstances, impacted by COVID-19

Relative high occupancy of 96.5%

Direct result 2020 of € 1.85 per share. At the upper limit of the range given per H1 2020

Strong financial position and no debt maturities until 2024

Relatively limited decrease of portfolio value of 5.2%

Dividend €1.73 per share

LTV of 43.0% within bandwidth of 35%-45% with an average cost of debt of 2.0%

High 2020 collection rate of 90% due to tailor-made approach with tenants

Strategy update: Focus on optimisation and concentration of portfolio in popular European cities

Reinier Walta nominated as new CEO of Vastned

Solid FY 2020 results in challenging conditions

Direct result:
€ 1.85 per share

Collection rate:
90%

EPRA NTA:
€43.78 per share

	FY 2020	FY 2019	FY 2018
Direct result per share	€1.85	€2.03	€2.22
Indirect result per share	(€ 4.26)	(€ 0.73)	€0.04
Like-for-like gross rental income ex COVID-19	(5.5%) 0.4%	(3.0%)	0.8%
Value movements*	(5.2%)	(0.8%)	0.4%
Loan-to-value ratio	43.0%	41.6%	39.0%
Average interest rate	2.0%	2.2%	2.5%
NAV	€42.98	€46.28	€46.40
EPRA NTA**	€43.78	€47.25	N.A.

* Excluding acquisitions, capital expenditures and divestments; ** As per 31-12-2020 NAV amounts to €737.2m, EPRA NTA to €750.8m and EPRA NAV €751.9



Operational performance

High occupancy, portfolio nearly fully let at 96.5%

- FY 2020 occupancy rate slightly decreased by 0.9% compared to HY 2020 and 1.5% compared to FY 2019
- Although slightly decreased, the occupancy rate remains high, driven by the high-quality portfolio and tailor-made arrangements with Vastned's tenants

Occupancy rate	Year-end 2020		June 30 2020	Year-end 2019
%	% of TGOI	Occupancy	Occupancy	Occupancy
The Netherlands	46.3	95.2	96.0	96.6
France	22.6	98.5	99.8	99.8
Belgium	26.1	96.2	97.5	98.8
Spain	5.0	100.0	100.0	100.0
Total	100%	96.5	97.4	98.0

Despite COVID-19 leasing activity remained high in 2020

- Signed relatively large number of new contracts with supermarkets and lifestyle stores, like Lidl, Spar, VkusVill, Jumbo, Rituals and Holland & Barrett
- Signed large number of extensions with e.g. Louis Vuitton (Paris), Armani (Antwerp) and Mango (Brussels)
- A new Paris office contract was signed with Streamroot at the first floor of Rue de Rivoli 102 in Paris
- Rental change of (4.3%) mainly driven by COVID-19 rent negotiations to prolong contract duration

Leasing activity	FY 2020	Q4 2020	FY 2019
Number of leases	71	13	76
Rental income (€ million)	9.6	1.5	12.4
% Of total theoretical annual rent	12.9	2.0	16.7%
Rental change (€ million)	(0.4)	(0.2)	(1.6)
Rental change (%)	(4.3)	(11.9)	(11.7)



Paris, Rue de Rivoli 102

COVID-19 measures: tailor-made solutions to secure high collection rates

- During Q4 2020 more than half of the portfolio suffered from a (temporary) lockdown
- As in H1 2020, Vastned continued the dialogue with all its tenants and (re)negotiated tailor-made contracts, benefitting from the new property management system installed in 2019
- The renegotiated contracts result in temporary lower rents, but longer leases and higher rental increases

COVID-19 measures		
Country	Deferred rent 2020*	Waivers 2020*
The Netherlands	€0.5	€1.8m
France	€0.4	€1.1m
Belgium	€0.1	€1.8m
Spain	€0.0	<€0.1m
Total	€1.0	€4.7m

*Including VAT

Vastned realized relatively high collection rate of 90% during 2020

Collection rate per 31-12 2020		FY 2020
		€ million
Total invoiced*		81.8
Waivers**		4.7
Deferrals**		1.0
Outstanding		2.8
Payments received		73.3
Collection rate		90%
Waivers		6%
Deferrals		1%
Outstanding		3%
Total		100%

- Total of €4.7m of waivers were granted during 2020
- €1.0m of 2020 rent is deferred to a later moment
- Collection rate is relatively high: 90%
- From the € 3.8m in outstanding payments, €1.6m is in-place as guarantee or deposit to recover the outstanding amount

Receivables***		€ million
Receivables COVID-19 related		3.5
Receivables not COVID-19 related		2.2
Total Receivables		5.7
Provision		(2.5)
Net receivables		3.2

- €5.7m of receivables on 31 December 2020 include:
 - €1.0m deferrals from 2020
- A provision of €2.5m is taken for expected credit losses

* Including service charges, VAT, etc.; ** Including VAT; *** excluding pre-invoiced rent receivables

Positive like-for-like rental growth adjusted for COVID-19

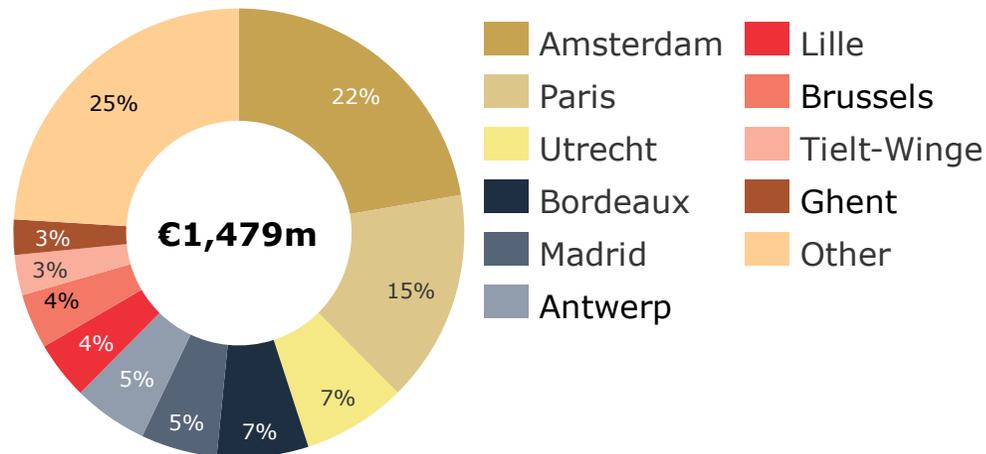
- Like-for-like rental growth adjusted for waivers for the total portfolio was 0.4% in 2020. Including waivers, the like-for-like rental growth was 5.5% negative
- The increase in France is driven by the new lease with JD Sports at Rue de Rivoli 118-120 in Paris

Rental growth	FY 2020		FY 2020 adjusted for waivers		FY 2019	
	€ million	%	€ million	%	€ million	%
The Netherlands	(2.1)	(6.4)	(0.6)	2.0	0.1	0.4
France	0.6	4.2	1.5	11.1	(2.7)	(17.6)
Belgium	(2.2)	(11.7)	(0.5)	(2.7)	<(0.1)	(0.2)
Spain	(0.1)	(2.2)	<(0.1)	(1.3)	0.5	17.5
Total	(3.8)	(5.5)	0.3	0.4	(2.1)	(3.0)

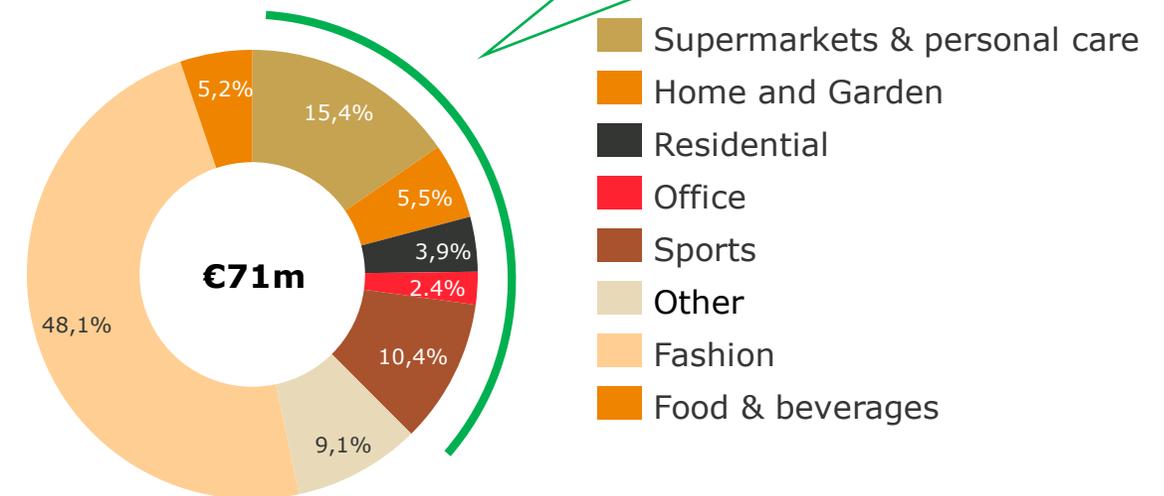
Certain tenants have performed stronger during COVID-19

- Majority (83%) of the portfolio is located in strong cities with a historic city centre
- Residential and offices currently account for 6% of total rental income and are expected to grow following strategic investments
- 15% of income is generated from tenants in the strong performing supermarkets & personal care sector
- The sports and home & garden sectors are also performing better than pre COVID-19

Portfolio value per FY 2020

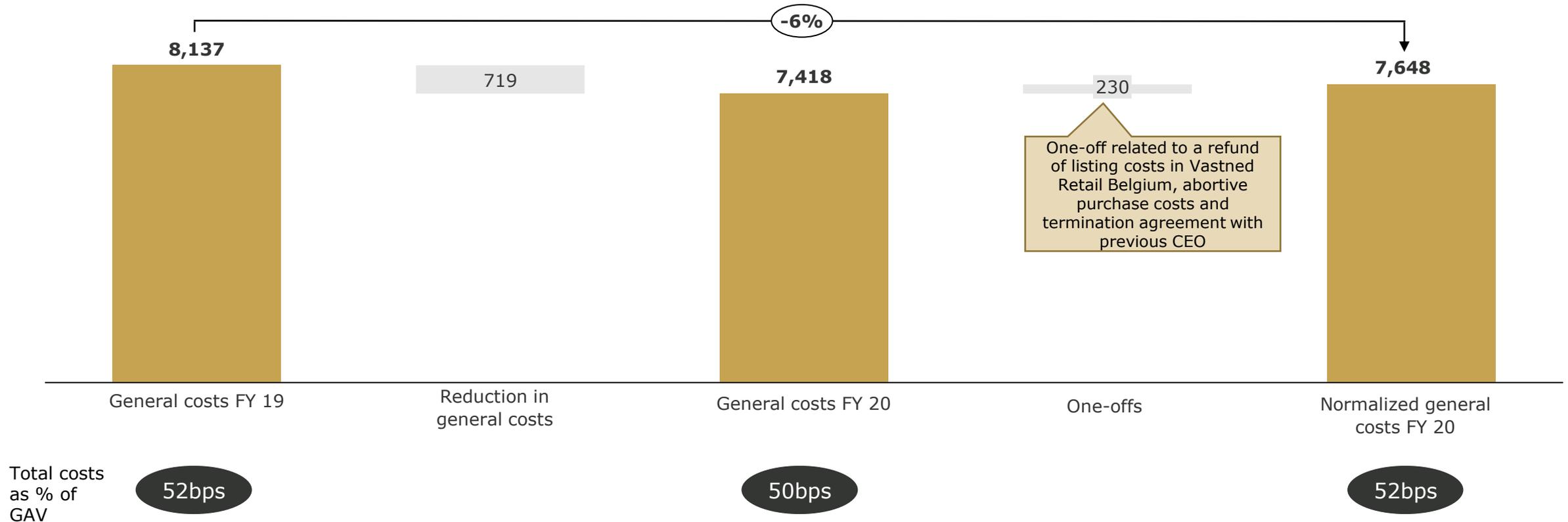


Annualized contracted rental income FY 2020



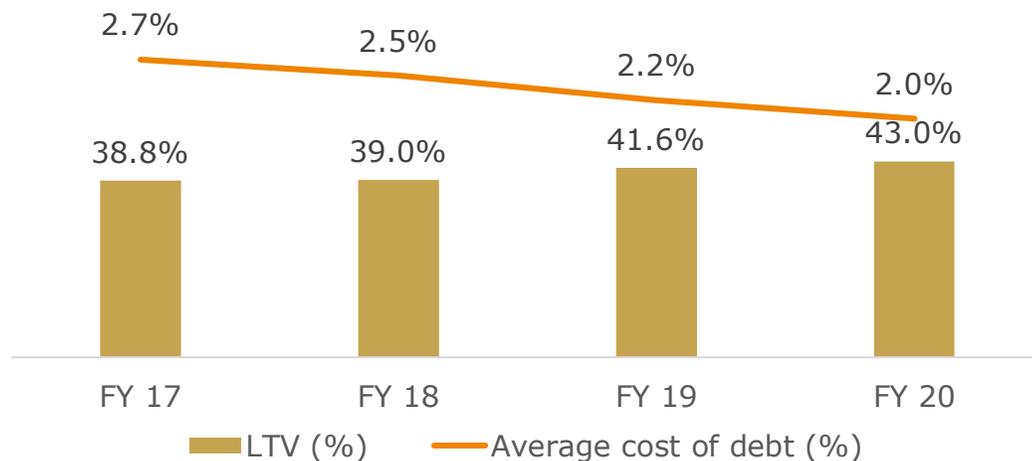
Vastned continues to focus on cost efficiency

- When excluding one-offs Vastned reduced general expenses by 6% when comparing 2020 to 2019

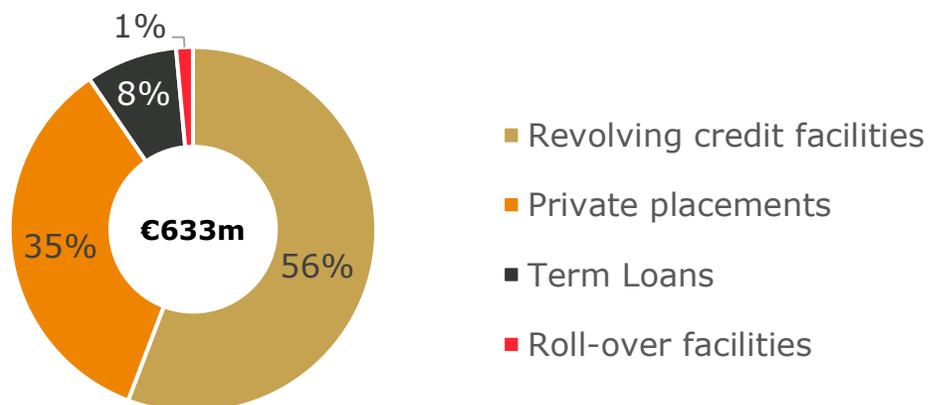


Vastned has a very solid financing structure in place

Loan to value vs. Average cost of debt



Debt structure



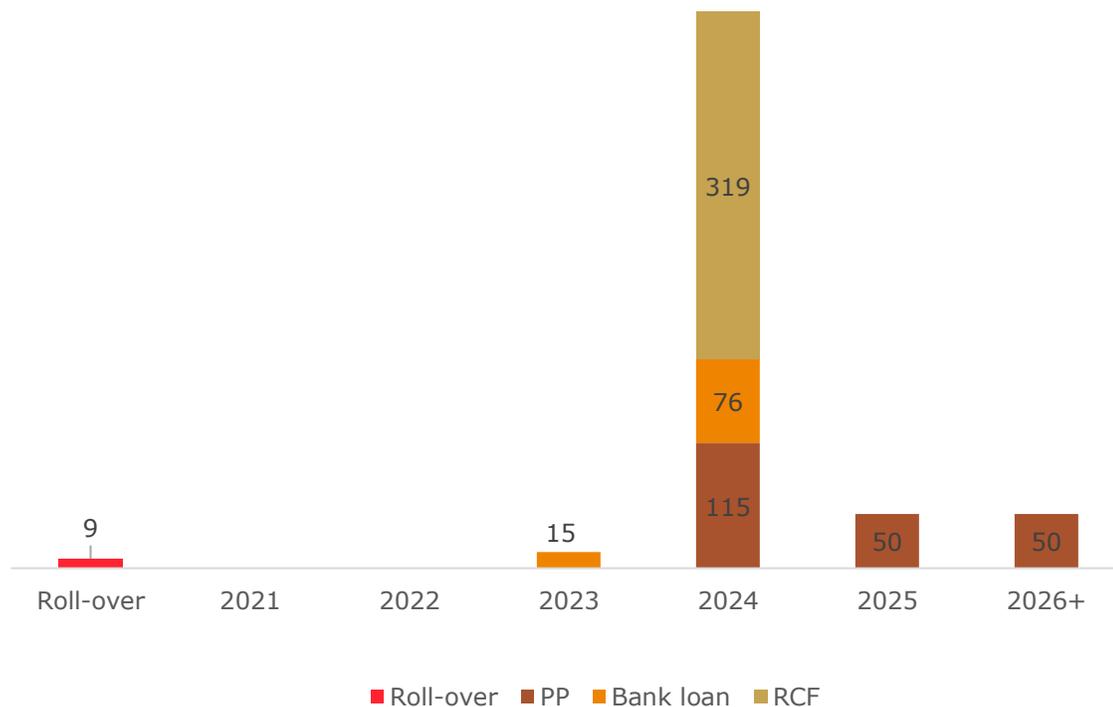
	31 December 2020	31 December 2019
Total used credit facilities	€633m	€651m
Unused credit facilities	€105m	€119m
Loan-to-value ratio	43.0%	41.6%
Average interest rate	1.99%	2.2%
Average maturity contract revision (LTD)	3.9 year	4.9 year
Interest coverage ratio	4.3	4.2
Share of non-bank financing of interest-bearing loans	33.9%	42.6%
Share of fixed interest rate loans	70.2%	77.9%

- In December 2020, Vastned agreed on a €40m Green RCF loan under its Green Financing Framework
- Fully unsecured capital structure

No debt maturities until 2024, average cost of debt coming down further

- Average maturity of the loan portfolio (LTD) is 3.9 years

(€ million)



	Roll-over	2021	2023	2024	2025	2026+	Total
Maturities (€m)	49.0	-	54.8	534.2	49.8	49.9	737.8
<i>o/w drawn (€m)</i>	8.5	-	14.8	510.2	49.8	49.9	633.3
Interest revisions (€m)	8.5	179.9	15.0	180.1	199.8	49.9	633.3
<i>o/w floating (€m)</i>	8.5	179.9	-	-	-	-	188.5
Avg. floating rate	1.25%	1.36%	-	-	-	-	1.36%
Avg. fixed rate	-	-	1.85%	1.95%	1.90%	2.78%	2.02%



Financial Results

Full year 2020 results - Profit & loss statement

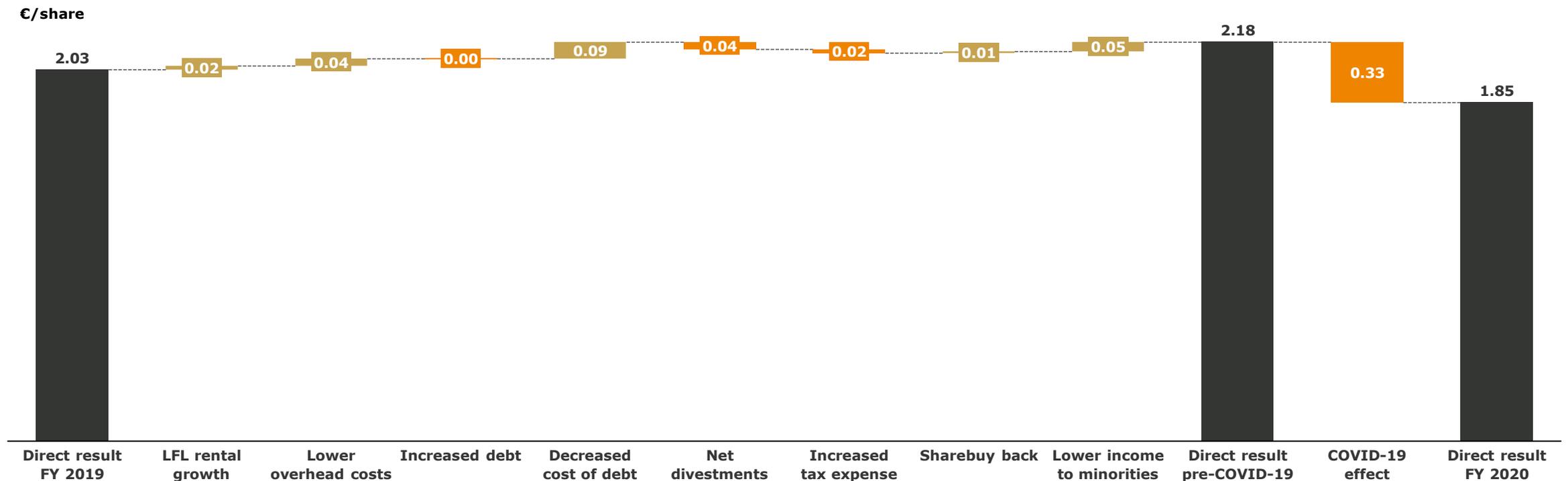
Profit & loss statement	FY 2020	FY 2019
(€ '000)		
Gross rental income	64,916	69,288
Operating expenses	(7,898)	(6,261)
Net rental income	57,018	63,027
Value movements	(84,390)	(13,110)
Net proceeds of divestments	1,497	332
Total net income from property	(25,875)	50,249
Financial expenses	(13,113)	(14,896)
Value movements in derivatives	(2,091)	(2,687)
Net financial expenses	(15,204)	(17,583)
General expenses	(7,418)	(8,137)
Result before taxes	(48,497)	24,529
Total income taxes	4,205	(604)
Result after taxes	(44,292)	23,925
Attributable to Vastned Retail shareholders	(41,340)	22,435
Attributable to non-controlling interests	(2,952)	1,490

Key observations:

- Gross rental income: Gross rental income decreased by €4.3m to €64.9m, mainly as a result of waivers being given to selected tenants due to the COVID-19 pandemic
- Operating expenses increased mainly as a result of €1.5m related to the COVID-19 provision for expected credit losses (2019 was <€0.1m)
- Financial expenses declined by €1.8m due to the declined average interest rate from 2.22% to 1.99% as a result of changes in the loan and derivatives portfolio.
- General expenses declined, normalized for one-offs, with € 0.5M due to cost reduction in (mainly) personnel expenses.

Direct result per share FY 2020 impacted by COVID-19

- Direct result per share decreased to €1.85
- Excluding the effect of COVID-19, underlying rents have remained stable YoY



Full year 2020 results – Balance sheet

Balance sheet	FY 2020	FY 2019
(€ '000)		
Property in operation	1,469,548	1,568,461
Accrued assets in respect of lease incentives	5,597	4,721
Total property	1,475,145	1,573,182
Other fixed assets	1,772	2,145
Assets held for sale	7,410	1,575
Receivables	17,302	9,204
Income tax	-	37
Cash and cash equivalents	876	961
Total assets	1,502,505	1,587,104
Equity Vastned Retail shareholders	737,195	793,734
Equity non-controlling interests	81,098	89,132
Total equity	818,293	882,866
Long term interest bearing loans	624,793	580,427
Provision for employee benefits	6,407	6,092
Other long-term liabilities	22,784	25,564
Total long-term liabilities	653,984	612,083
Payable to banks	8,547	8,283
Redemption of long-term interest-bearing debt	-	62,470
Other short-term liabilities	21,681	21,402
Total short-term liabilities	30,228	92,155
Total equity and liabilities	1,502,505	1,587,104

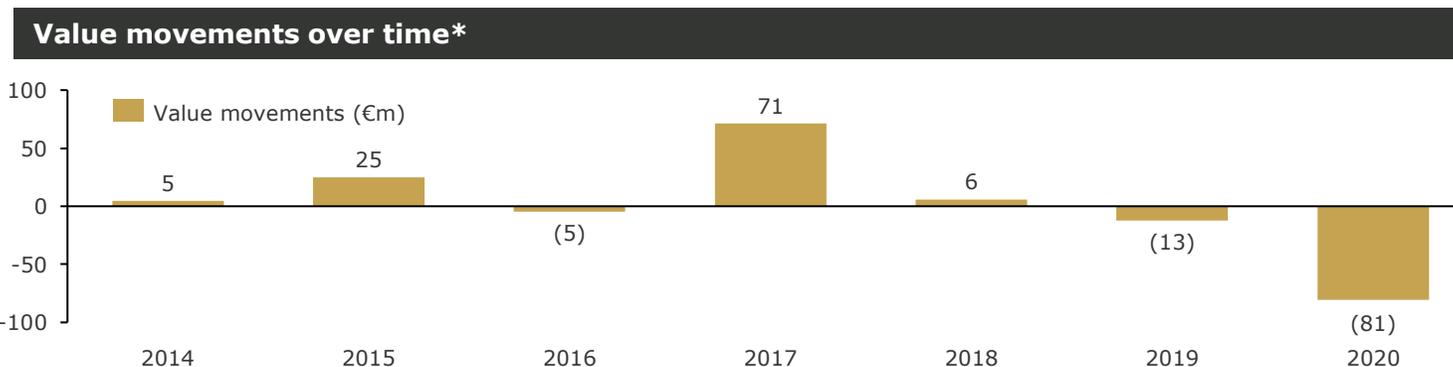
Key observations:

- Total investment properties in operation declined as a result of revaluation (€84.4m)
- Receivables increased by €8.0m mainly as a result of €2.6m of outstanding COVID-19 related receivables as well as an increase in the amount of pre-invoiced rents that would have been paid under normal market circumstances.
- Long term debt increased partly due to additional drawings of the Syndicated RCF (as a result of repayments of Pricoa USPP's).

High quality and liquidity of the portfolio resulted in a relatively limited negative revaluation

Value movements*	FY 2020		FY 2019	
	€m	Δ%	€m	Δ%
The Netherlands	642	(5.9%)	685	(0.6%)
France	407	(2.1%)	416	0.0%
Belgium	339	(6.4%)	370	(2.8%)
Spain	91	(8.7%)	100	2.4%
Total	1,479	(5.2%)	1,571	(0.8%)

- In 2020 we have seen a relatively limited decrease of 5.2% in the value of our portfolio. Main drivers of the value decrease were:
 - Continued negative impact of COVID-19
 - Appraiser rotation: During 2020 the 3-yearly rotation of the independent appraisers was due, CBRE and Cushman & Wakefield have critically reviewed each others work



* Excluding acquisitions, capital expenditures and divestments



Outlook 2021

Outlook for 2021

- Due to the current uncertainty in relation to the government measures regarding COVID-19. Vastned does not provide a forecast for the direct result for the year 2021



Strategy update

Vastned is updating its strategy to fit the changing retail environment

Vastned adheres to its mission of generating stable and predictable results in the long term

Creating portfolio of mixed-use properties in historic city centres where shopping, working, living, and leisure meet

10% general cost saving, by cost-efficient organisation and lower office costs by moving head office

Transition of the retail market continues, a process accelerated by COVID-19

Expansion of city centre property clusters and active portfolio management with divestments at the right value

Conservative financing structure adjusted to maximum loan-to-value ratio of 40% (previously 35%-45%)

Focus on optimisation and concentration of real estate portfolio

Making the property portfolio more sustainable aided by data analysis

Dividend policy unchanged: at least 75% of direct result to be paid out as dividend

Retail environment in transition, accelerated by COVID-19

Topic	Description
Continued growth E-commerce	<ul style="list-style-type: none"> • Expected high single digit growth in retail E-commerce sales in Europe in coming years • Affecting demand of retail square meters
Change in consuming behaviour	<ul style="list-style-type: none"> • Change in household expenditures • Bigger portion of the household expenditure is spent on the basic necessities of a household (housing rent, water, electricity, gas and education) • Increased spending in recreation, vacation and transport services
Gradual recovery of tourism	<ul style="list-style-type: none"> • COVID-19 caused tourism to decline in 2020 • Vulnerability of the high street retail property portfolio became visible, especially fashion • Gradual recovery of tourism in historic European city centres in coming years
Urbanization trend expected to continue	<ul style="list-style-type: none"> • Cities worldwide are the main driver of the economy and innovation • People like to return to the city centers as soon as governmental COVID-19 measures are released • Demand for both commercial and residential real estate in historic city centers to remain high, while supply is limited

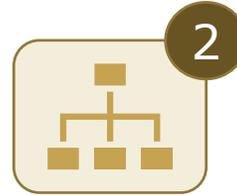
Vastned optimises and concentrates property portfolio

The 3 pillars of Vastned's strategy update



Optimised and concentrated portfolio

Create a mixed-use, clustered property portfolio in historic city centres where shopping, working, living and leisure meet



Efficient organisation

Cost efficient organisation through digitalisation and data-driven working



Conservative financing

Maintaining a conservative finance structure

Optimised and focused portfolio

– Concentrate and optimise portfolio

- Create clustering of assets in historic city centres where people can shop, live, work and relax
- Reduce exposure to tourism and to fashion from 48% to 30%

– Optimise value and diversify cash flow streams

- Invest in mixed-use assets that serve the local economy
- Invest in value-add opportunities with redevelopment potential
- Create residential space in current portfolio
- Active portfolio management, potentially leading to divestments at the right value

– Increase sustainability of portfolio

- Invest in targeted energy-saving renovations by using data analysis

Ferdinand Bolstraat 79(A) and 85(B), Amsterdam



Description

Vastned has expanded its cluster in the Ferdinand Bolstraat in Amsterdam over time and now owns 13 retail units and 57 residential units

The Ferdinand Bolstraat business case

- ✓ Contains a mix of retail and residential properties
- ✓ Diversifies the rental income
- ✓ Serves the local population
- ✓ Reduces exposure to fashion and tourism
- ✓ Located in focus cluster within the historic city of Amsterdam
- ✓ Provides value-add opportunities through redevelopment potential

Efficient organisation



Increase efficiency

- Increase efficiency, **lower FTE with 20%** to around 30 FTEs per end 2021
- **Digitizing processes** to increase efficiency of workflows
- CEO will be the only statutory director, new **executive committee** to be formed



Increase flexibility

- **Compact teams** of specialists, hands-on and result-oriented mentality
- Local teams with extensive knowledge, experience and an extensive network
- **Outsourcing** of FTEs to increase operational leverage and flexibility



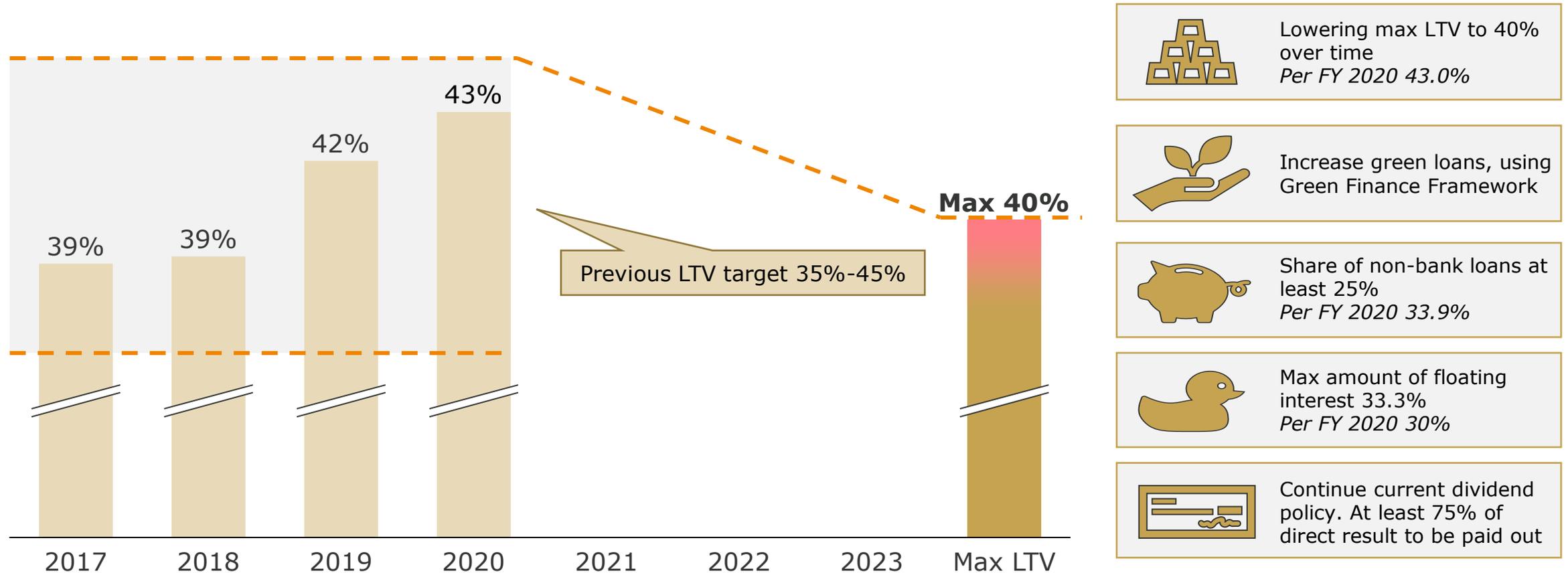
Changing work environment

- Embrace and support working from home
- Rationalize headquarter costs by moving to a smaller and **more efficient** head office, resulting in a cost reduction of **€0.1m p.a.**



Vastned is actively pursuing a more cost efficient organisational structure and aims to lower general expenditures by 10% in 2021 (excluding one-off costs)

Maintain conservative financing



Vastned wants to de-risk its organisation by lowering its LTV target to max 40% over time while increasing the share of green loans in the total debt outstanding

Overview of strategic targets

Topic	Target
 Portfolio	Decrease fashion exposure to 30% over time <ul style="list-style-type: none"> • Diversification of the tenant mix • Creation/acquisition of mixed-use asset • Focus on redevelopment and value add-potential
 Organisation	Reduce general costs by 10% in 2021 <ul style="list-style-type: none"> • Reduce FTEs by 20% • Reduce housing costs by €0.1million
 Finance	Lower maximum loan-to-value to 40% over time
 Dividend	Unchanged dividend policy <ul style="list-style-type: none"> • At least 75% of direct result to be paid out

Vastned optimises and concentrates property portfolio

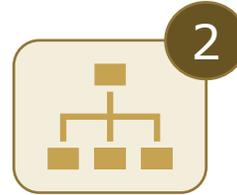
The 3 pillars of Vastned's strategy update



1

Optimised and concentrated portfolio

Create a mixed-use, clustered property portfolio in historic city centres where shopping, working, living and leisure meet



2

Efficient organisation

Cost efficient organisation through digitalisation and data-driven working



3

Conservative financing

Maintaining a conservative finance structure

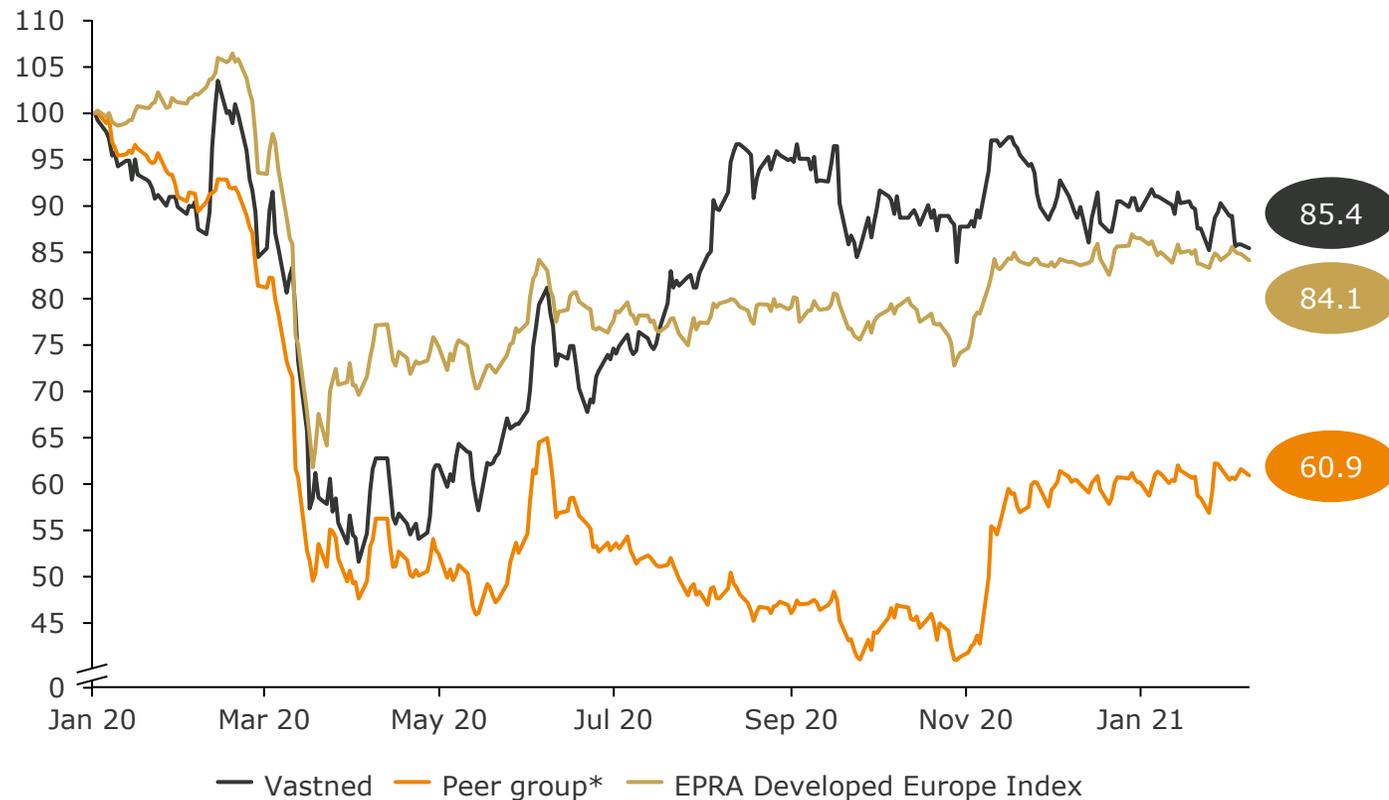
Generating long-term, stable and predictable results and contributing to the liveability and preservation of cultural heritage of historic city centres



Appendix

Total return and analyst coverage

Total return performance vs selected peers (indexed)



Analyst recommendations and price targets

Analyst	Date	Price target	Recommendation
ABN-AMRO	14 Jan. 2021	25	Hold
BERENBERG <small>PARTNERSHIP SINCE 1550</small>	28 Oct. 2020	24	Hold
Degroof Petercam	27 Jan. 2021	22	Reduce
Kempen	19 Jan. 2021	22	Neutral
Kepler Cheuvreux	27 July 2020	21	Hold

Source: Bloomberg, as per 08 Feb 2021

*Equally weighted peer group, including Atrium, Capital and Counties, Citycon, Deutsche Euroshop, Hammerson, Immobiliaria Grande Distribuzione, Klépierre, Mercialis, Shaftesbury, Unibail-Rodamco-Westfield, Wereldhave, Eurocommercial Properties

Shareholders overview of holders with a >3% voting share

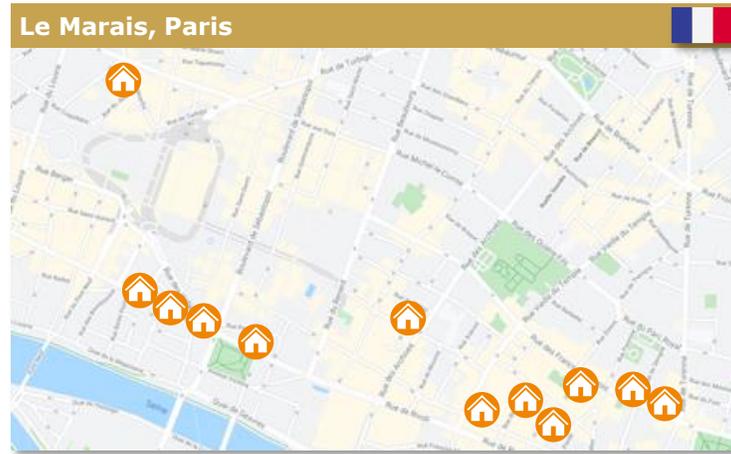
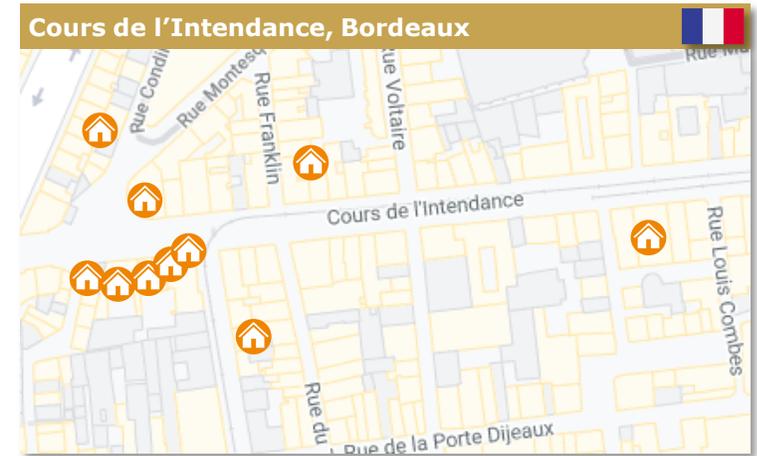
Investor	% Outstanding shares	AFM register date
Van Herk Investments	24.98%	21/08/2018
BlackRock	3.99%	20/11/2020
Tikehau Capital Advisors SAS	3.05%	24/07/2020
Société Fédérale de Participations et d'Investissement (SFPI)	3.02%	21/01/2020
Welgelegen Beheer B.V. (Perridon M.J.C.W.)	3.00%	16/03/2020
Treasury shares	9.90%	
Other shareholders	52.06%	
Total shares	100.00%	

19,036,646 shares¹

1. Including treasury shares.

Note: AFM reporting thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%. Source: AFM

Examples of clustered portfolios in historic city centres

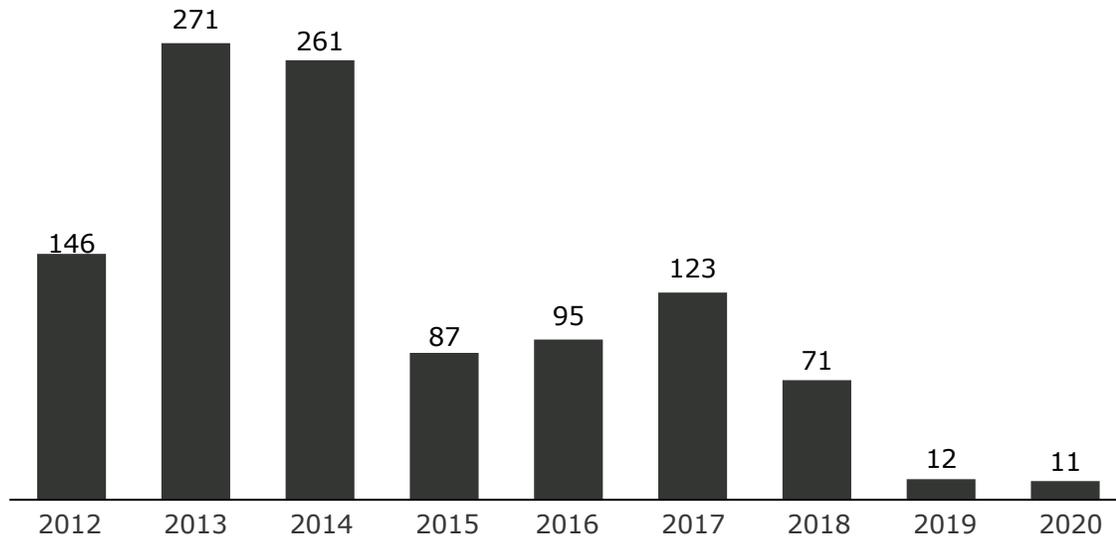


Vastned has been very actively rotating its portfolio from spread high yield/high risk to a core high-street portfolio

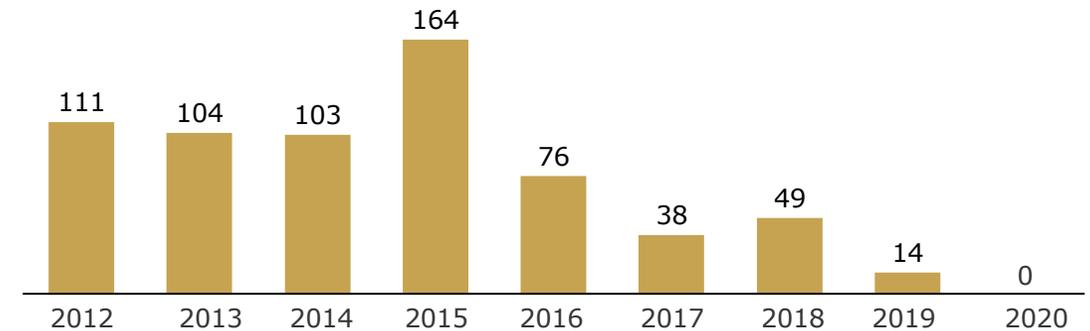
Sale of high risk / high yield Turkish high street and Spanish shopping centres

Disposal proceeds reinvested in core regions and 10% share buyback

Disposals (€m)

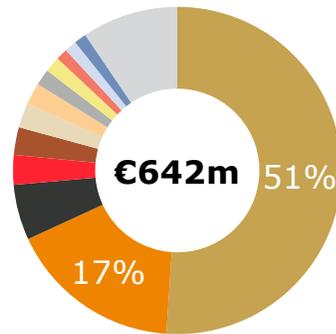


Acquisitions (€m)



91% of the Dutch portfolio is located in top 12 cities

Overview of Vastned's portfolio in the Netherlands

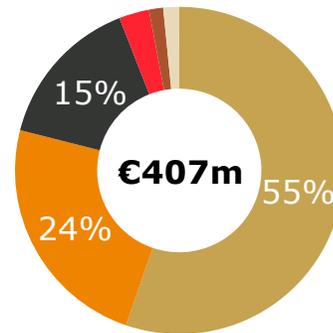
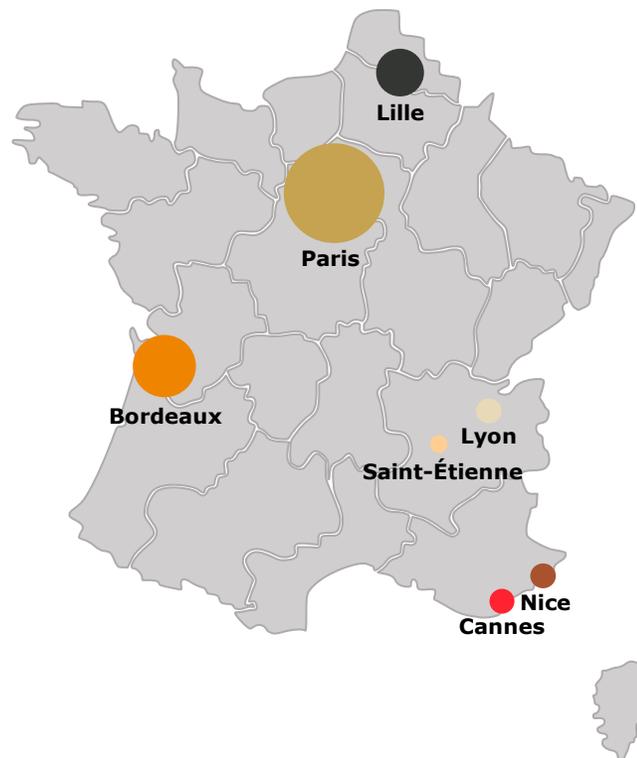


	Top 5 cities	% of portfolio	Gross initial yield*
1	Amsterdam	51%	3.8%
2	Utrecht	17%	4.9%
3	The Hague	5%	6.2%
4	Maastricht	3%	4.7%
5	Eindhoven	3%	7.2%
Total Netherlands			5.0%

* Defined as annualized contracted rent divided by market value

94% of the French portfolio is located in Paris, Bordeaux and Lille

Overview of Vastned's portfolio in France

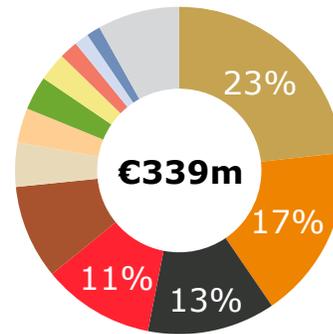
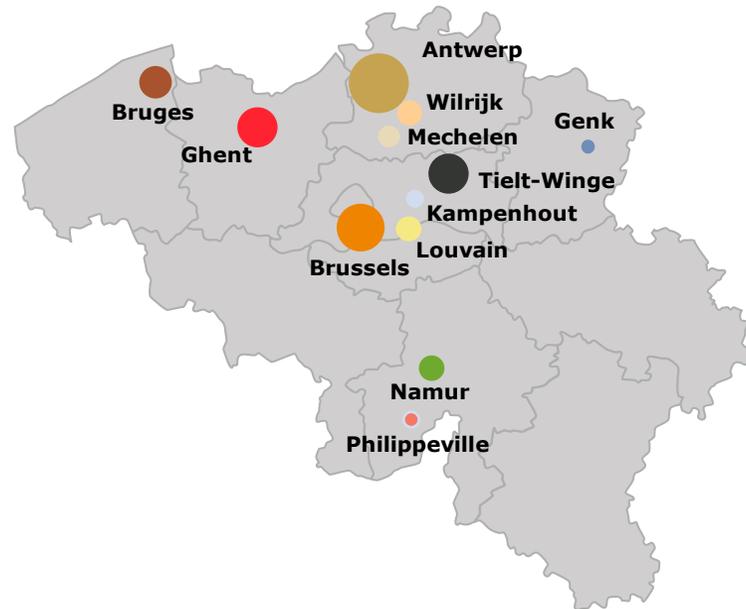


	Top 5 cities	% of portfolio	Gross initial yield*
1	Paris	55%	3.9%
2	Bordeaux	24%	3.9%
3	Lille	15%	4.9%
4	Cannes	3%	3.4%
5	Lyon	2%	3.7%
Total France			4.0%

* Defined as annualized contracted rent divided by market value

89% of the Belgian portfolio is located in top 12 cities

Overview of Vastned's portfolio in Belgium

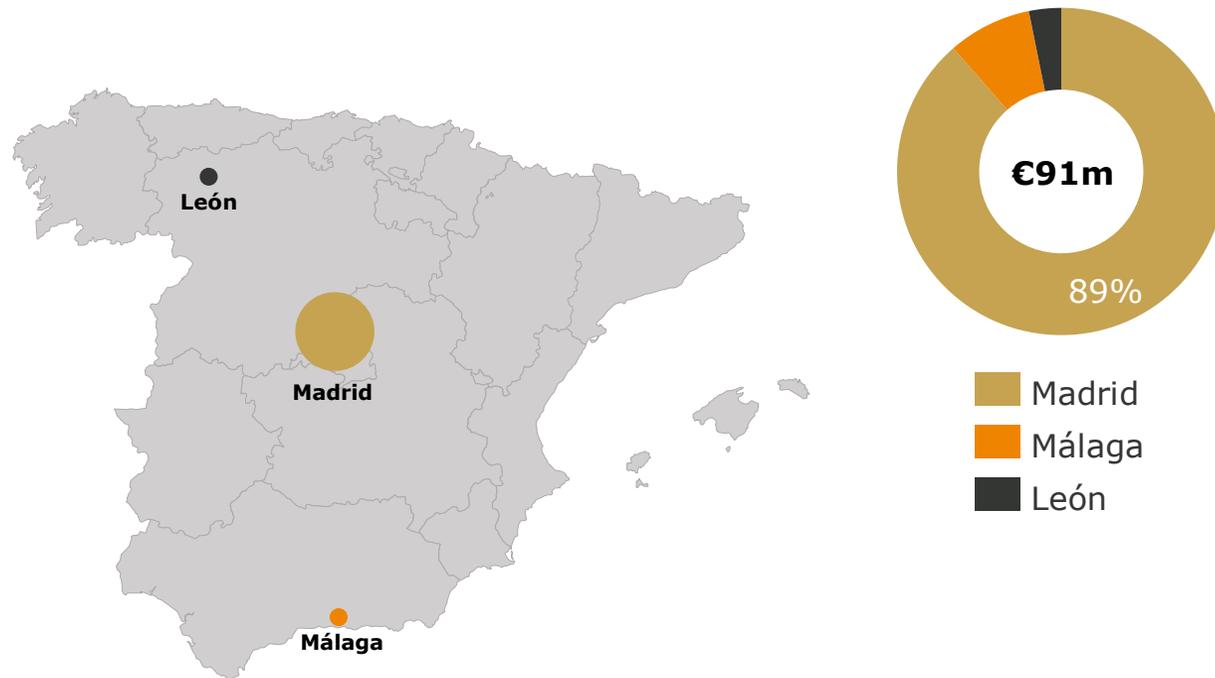


	Top 5 cities	% of portfolio	Gross initial yield*
1	Antwerp	23%	4.7%
2	Brussels	17%	4.5%
3	Tielt-Winge	13%	5.9%
4	Ghent	11%	5.2%
5	Bruges	9%	4.9%
Total Belgium			5.4%

* Defined as annualized contracted rent divided by market value

89% of the Spanish portfolio is located in Madrid

Overview of Vastned's portfolio in Spain



	Top city	% of portfolio	Gross initial yield*
1	Madrid	89%	3.9%
Total Spain			4.0%

* Defined as annualized contracted rent divided by market value

Contact Investor Relations

Remco Vergeer

Vastned Retail N.V.

remco.vergeer@vastned.com

+31 20 24 24 368