Press release

VASTNED ON SCHEDULE WITH EXECUTION STRATEGY THROUGH DIVESTMENTS

Trading update first quarter 2013

Key points Q1 2013 (in brackets: Q4 2012)

- **Occupancy rate 31 March 2013: 94.3% (95.0%), high street shops 97.0% (97.4%)**
- **Leasing activity high street shops yielded 28.3% rent increase on these contracts**
- **Divestments of non-strategic property on schedule with disposal of Val Thoiry, Centre Marine in Dunkirk and retail warehouses in France**
- **Ratio of high street shops increased to 59% (55%); in France 90% (65%)**

ROTTERDAM, 15 May 2013 – Vastned, the listed European retail property investment fund focusing on high street shops, in its first quarter 2013 trading update announces that it has made good progress on disposing of non-strategic property. In France especially, successful sales were made, taking the share of high street shops in the French portfolio to 90%.

Taco de Groot, Vastned's Chief Executive Officer: 'In first three months of 2013 the number of leases concluded rose. This resulted on average in 0.5% higher rents on these contracts, whereby high street shops significantly outperformed the other investment properties. The high street shops also yielded better results in terms of occupancy rate. The occupancy rate of the high street shops was 97.0% against 91.9% for the other investment properties. In view of the difficult economic climate, maintaining the occupancy rate has our full attention. Our proactive and pragmatic approach is well matched to this.

The superior performance of high street shops over our other investment properties confirms our strategic choice for high street shop investments.

In the first quarter, good progress was made in particular on the divestment of non-core assets. After 31 March, two shopping centres in France were sold, in Thoiry and Dunkirk. We will use the proceeds to strengthen our capital position and to acquire premium assets in the best retail locations.

Buying high street shops is a delicate process, in which we proceed pragmatically and step by step. Acquisitions must have clear upside potential and be located in the best locations in the bigger shopping cities. We made one acquisition in the past quarter, which met these conditions: a high street shop at P.C. Hooftstraat 78 in Amsterdam, leased to the French brand Zadig & Voltaire. A prime case of realising upside potential took place in Bordeaux at Rue Sainte Catherine 35-37, acquired in 2011, where we realised a significant rent increase of 22% in the first quarter of 2013 leasing it to cosmetics brand KIKO. Another high street shop with a substantial rent increase in the first quarter of 2013 was Calle Serrano 36 in Madrid at 74%.

Over the past few months we have again made good progress in the execution of our strategy. Of course we will continue on our course, but at the same time we expect that 2013 will not be an easy year. Our primary focus will be on the occupancy rate. We will steadily work towards our long-term strategy.

Property portfolio

Occupancy rate

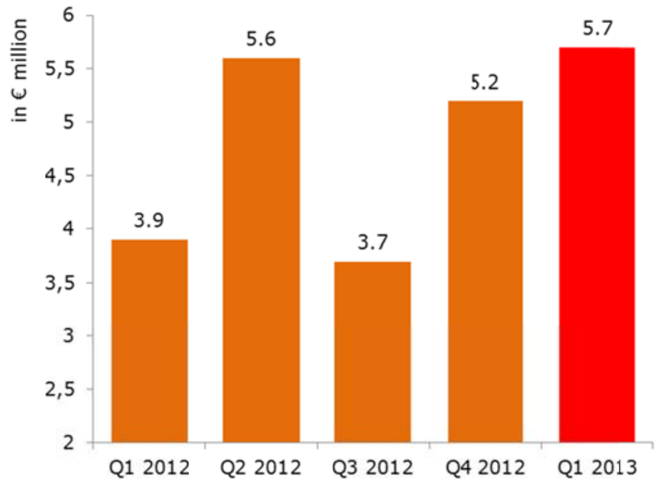
The occupancy rate of high street shops was higher than the other investment properties, which confirms our strategic choice. The occupancy rate of the total property portfolio fell compared to year-end 2012 from 95.0% to 94.3%. At 31 March 2013 the occupancy rate of high street shops showed a limited decrease from 97.4% to 97.0%. The occupancy rate of the other investment properties was 91.9% (93.0%). The cause of this decrease was mainly that the departure of some tenants in shopping centres in Spain and France could not be fully made up for in new leases. In the Netherlands the occupancy rate fell, mainly due to two major tenants leaving shopping centre Walburg in Zwijndrecht. Negotiations with potential new tenants are under way.

Occupancy rate (%)						
	Total property portfolio		High street shops		Other	
Country	31 March 2013	Year-end 2012	31 March 2013	Year-end 2012	31 March 2013	Year-end 2012
Netherlands	96.6	97.0	96.6	96.3	96.7	97.8
France	93.2	94.4	97.0	97.6	87.0	89.7
Belgium	96.2	97.1	95.7	97.7	96.8	96.5
Spain	89.1	90.1	100.0	100.0	88.2	89.3
Turkey	100.0	100.0	100.0	100.0	-	-
Portugal	100.0	100.0	100.0	100.0	-	-
Total	**94.3**	**95.0**	**97.0**	**97.4**	**91.9**	**93.0**

Leasing activity
In the first quarter of 2013 the leasing activity was € 5.7 million, up from € 5.2 million in Q4 2012. The rise was mainly due to renewals of existing leases. Overall, 17 new leases were concluded and 50 leases renewed.

In all countries, lease renewals and new leases for high street shops were agreed at higher rent levels (+28.3%). However, the leasing activity among the other investment properties yielded lower rent levels, especially in the Netherlands (-24.2%) and Spain (-21.0%). The total leasing activity resulted in a 0.5% increase of the gross rental income for these new and renewed leases.

Leasing activity continues to rise



<u>Netherlands</u>
The Dutch retail market continues to be highly dynamic. In the first quarter of this year Vastned renewed 15 leases and concluded 12 new leases. The lease renewals were concluded on average 17.6% below the former rent level. This is connected to two lease renewals, including a garden centre in Heerlen, which was restarted. The other lease renewals were concluded at on average 4.0% above the former rent level. The high street shop leases were concluded at on average 5.8% above the former rent level.

<u>France</u>
In France two new leases were concluded and one lease renewed. On these leases Vastned was able to realise an average 11.5% rent increase. One new lease was to Italian cosmetics chain KIKO for Rue Sainte Catherine 35-37 in Bordeaux. Vastned bought this high street shop in the 'Golden Triangle' in Bordeaux in 2011.

Belgium
The present economic crisis in Europe does not appear to be having much effect on the results of the Belgian leasing activity at this time. One new lease was concluded in Belgium and eight leases renewed. These leases were concluded at on average 25.9% higher rents.

Spain
Spain shows a clear division between primary and secondary locations. On Calle Serrano in Madrid Vastned realised a 74.0% rent increase on a five-year extension of the lease with Salvatore Ferragamo. But 26 leases in various Spanish shopping centres were concluded on average at 21.0% lower rent levels in order to maintain the occupancy rate as high as possible in the adverse economic climate. In total, two new leases were signed and 25 existing leases renewed, yielding a 3.5% overall rent increase on these contracts.

Turkey
In Turkey the lease with Turkcell at Istiklal Caddesi 98 was renewed, yielding a 5.9% rent increase.

Leasing activity Q1 2013

	Volume as a % of theoretical gross rent				**Movement gross rent (in %) on the contracts concluded**			
	Total portfolio				**Total leasing activity**		**High street shops**	**Other**
Country	**Q1 2013**		**Q4 2012**		**Q1 2013**	Q4 2012	**Q1 2013**	**Q1 2013**
	€ million	**%**	**€ million**	**%**	**%**	%	**%**	%
Netherlands	1.8	3.5	1.4	2.7	(13.2)	(6.4)	5.8	(24.2)
France	0.5	1.5	0.4	1.3	11.5	(57.2)	20.0	-
Belgium	0.8	3.4	2.1	9.1	25.9	20.7	27.6	23.3
Spain	2.4	7.4	1.3	4.2	3.5	(28.3)	74.0	(21.0)
Turkey	0.4	7.2	n/a	n/a	5.9	n/a	5.9	n/a
Total	**5.7**	**4.0**	5.2	3.6	**0.5**	(13.1)	**28.3**	**(18.1)**

Acquisitions and disposals
In the first quarter of 2013, Vastned bought its first high street shop on P.C. Hooftstraat in Amsterdam for € 6.2 million. The acquisition concerns P.C. Hooftstraat 78 where French brand Zadig & Voltaire has its only Dutch outlet. The high street shop has a gross lettable floor area of 180 sqm.

In the first quarter of 2013 Vastned further sold a number of retail warehouses in the Netherlands, France and Belgium - in Borculo, Augny, Frouard, Nice and Sint-Job-in-‘t-Goor - and some residential houses in Lille. These non-core assets were sold for € 16.5 million, 2% below their book value as at year-end 2012.

Financing

In the first quarter of 2013, Vastned refinanced a € 10 million loan with the current financier at market conditions for a period of 4.5 years. Vastned also redeemed a € 30 million bank loan that expired in the first quarter from available credit lines.

Events after balance sheet date

Divestments

After balance sheet date Vastned has sold the French shopping centres in Val Thoiry and Dunkirk. Including these transactions, the divestments in France in 2013 approach € 130 million. The disposals fit the strategy to further improve the quality of the property portfolio. Vastned will continue on its present course and will sell more non-core assets. In line with the strategy, the proceeds will be used for acquisitions in premium venues and for improving the loan-to-value ratio.

Dividend distribution

At the Annual General Meeting of shareholders of 19 April 2013 all proposals were approved and adopted by the shareholders of Vastned. Accordingly, the dividend policy has been adjusted and the 2012 dividend will be paid out fully in cash. The dividend for 2012 was set at € 2.55 per share, of which an interim dividend of € 1.01 per share has already been paid out. The final dividend for 2012 therefore is € 1.54 per share and will be made payable, less withholding tax, on 22 May 2013.

Other events after balance sheet date

In an Extraordinary General Meeting on 24 April 2013, Intervest Retail shareholders approved the proposed name change of the company. Intervest Retail will continue as Vastned Retail Belgium. Vastned holds a 65.5% stake in Vastned Retail Belgium. The name change reflects the long-term collaboration both parties pursue.

About Vastned
Vastned is a European listed (NYSE Euronext Amsterdam) retail property fund focusing on venues for premium shopping. It invests in selected geographical markets in Europe and Turkey concentrating on the best retail property in the most popular shopping streets in the bigger cities (high streets). Vastned also owns attractive shopping centres and retail warehouses. Its tenants are strong and leading international and national retail brands. The property portfolio has a size of approximately € 2.0 million.

Financial calendar 2013

Date		Subject
Wednesday 22 May 2013		Payment date final dividend
Wednesday 14 August 2013	before trading	Publication interim report 2013
Wednesday 14 August 2013	11 am	Analysts' meeting/webcast on half-year figures 2013
Friday 16 August 2013 (20 August 2013: record date)		Ex interim dividend listing
Friday 30 August 2013		Payment date interim dividend
Monday 4 November 2013	before trading	First 9 months trading update 2013

Further information:

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