

2015 HALF-YEAR RESULTS

Robust portfolio and solid financing yield good first half year results

High lights HY1 2015:

- Direct result up to € 1.23 per share (HY1 2014: € 1.21 per share)
- Positive indirect result of € 0.16 per share (HY1 2014: € 0.73 negative per share)
- Premium city high street shop portfolio grows to € 1.1 billion
- Occupancy rate as at 30 June 2015: 96.8% (premium city high street shops: 99.0%)
- Like-for-like gross rent growth slightly negative: -1.6% (premium city high street shops: 0.3% positive)
- On average 6.9% higher rents on € 5.8 million in new leases and lease renewals
- Forecast for 2015 direct result increased to € 2.40 - € 2.50 per share
- Estimated dividend proposal for 2015 € 2.05 per share (2014: € 2.00 per share)

Rotterdam, 20 August 2015 – Vastned, the listed European retail property company focusing on 'venues for premium shopping', has further strengthened the quality of the portfolio and lowered its financing costs, leading to positive results and improved prospects for 2015. The forecast for the 2015 direct result has been adjusted upwards from € 2.10 - € 2.30 per share to € 2.40 - € 2.50 per share.

Taco de Groot, CEO Vastned: 'In the first half year, Vastned realised good results by the improved quality of the portfolio. Our portfolio consists now for two thirds of premium city high street shops. This type of property continues to show positive results on all major parameters, thereby stabilising the results of the total portfolio. These premium city high street shops are profiting from the tentative upswing of consumer sentiment, especially in the second quarter. Consumer confidence improved and there were fewer bankruptcies among retailers than we expected. The division between popular and less popular retail destinations is and will remain conspicuous. We see e.g. retailers opening flagship stores in major European cities, that our occupancy rates in these locations remain high at 99%, and that we are concluding attractive leases there. The major rent increases on new leases concluded in the second quarter will first become visible in the future like-for-like rent growth results. This is because part of these leases took effect only in June, or will not until next year, like the lease to AS Adventure in Ghent. The quality improvement of the portfolio yielded a positive indirect result for the first time since the introduction of the high street strategy at the end of 2011. In addition to the quality improvement, we are also enjoying the fruits of the improved quality of our financing.'

Due to these positive developments in combination with acquisitions of over € 134 million, our outlook is more positive than it was at the start of the year. We have raised our forecast for the 2015 direct result to between € 2.40 and € 2.50 per share, from € 2.10 - € 2.30 per share. We expect proposing a dividend for the 2015 financial year of € 2.05 per share.'



Kalverstraat 11-17/Rokin 12-16, Amsterdam

KEY PARAMETERS

The premium city high street shops continued to perform well on key parameters. The occupancy rate remained high at 99.0% (year-end 2014: 99.1%), like-for-like rent growth was 0.3% and the value of the premium city high street shop portfolio rose by 3.2%.

	In %	Premium city high street shops	High street shops	Non-high street shops	Totaal
Occupancy rate		99.0	93.6	95.0	96.8
Like-for-like gross rent growth		0.3	(3.2)	(3.6)	(1.6)
Value movement*		3.2	(1.0)	(2.9)	1.2
Value (€ million)		1,070	302	284	1,656

* excluding investments and divestments (standing portfolio)

REVIEW OF THE PROPERTY PORTFOLIO

Introduction

The total portfolio grew from approx. € 1.5 billion at year-end 2014 to nearly € 1.7 billion as at 30 June 2015 due to net acquisitions of € 105.5 million and positive value movements of € 8.5 million (after deduction of purchase costs and investments in the portfolio).

The share of premium city high street shops in the portfolio rose from 60% at year-end 2014 to 65% as at 30 June 2015, and was valued at approx. € 1.1 billion.

Breakdown of the portfolio

	Premium city high street shops		High street shops		Non-high street shops		Totaal	
	€ mln	%	€ mln	%	€ mln	%	€ mln	%
Netherlands	410	54	193	25	155	21	758	100
France	279	87	32	10	9	3	320	100
Belgium	196	53	63	17	112	30	371	100
Spain/Portugal	52	69	14	20	8	11	74	100
Turkey	133	100	n.a.	n.a.	n.a.	n.a.	133	100
Total	1,070	65	302	18	284	17	1,656	100

Occupancy rate

The occupancy rate of the total portfolio was 96.8% as at 30 June 2015 (year-end 2014: 97.6% and 31 March 2015: 96.4%). The decline of the occupancy rate compared to year-end 2014 mainly affected high street and non-high street in the first quarter. In the second quarter of 2015 the occupancy rate recovered.

End HY1 2015 in %	Total portfolio	Premium city high street shops	High street shops	Non-high street shops
Netherlands	96.3	99.3	93.6	95.0
France	96.9	98.8	92.9	84.5
Belgium	96.2	98.0	91.9	96.3
Spain/Portugal	100	100	100	100
Turkey	99.4	99.4	n.a.	n.a.
Total	96.8	99.0	93.6	95.0
Year-end 2014 in %	Total portfolio	Premium city high street shops	High street shops	Non-high street shops
Netherlands	97.3	99.0	95.9	97.1
France	96.5	98.5	97.3	76.8
Belgium	97.9	100.0	93.8	97.7
Spain/Portugal	100.0	100.0	100.0	100.0
Turkey	99.3	99.3	n.a.	n.a.
Total	97.6	99.1	96.0	96.2

Leasing activity

In the first half year of 2015, Vastned concluded 74 leases with a value of € 5.8 million. In the first half of 2014, the number was 70, with a total value of € 6.5 million. In contrast to the first half of 2014, in the first half of 2015 leases were concluded at on average 6.9% higher rents compared to the former rents (HY1 2014: on average 4.0% down on the former rent).

The increase was due to on average 38.1% higher rents on the leases concluded in the first half of 2015 for premium city high streets and on average 14.1% lower rents on the leases concluded on high streets in smaller cities and villages. Rents for non-high street shops rose by 1.0% compared to former rents. The division between popular and less popular retail destinations remained clearly visible.

In total, Vastned concluded thirteen leases for premium city high street shops over the past year, including to British fashion brand Ted Baker for Leidsestraat 64-66 in Amsterdam, where Vastned realised a rent increase of 106%. After the summer, Ted Baker will open here its first outlet in the Netherlands. Vastned also agreed a long-term lease with the trendy Italian men's fashion brand Antony Morato for Kalverstraat 182 in Amsterdam, on which a 44% rent increase was realised. The leases Vastned concluded in Belgium with AS Adventure and Manila Grace yielded rent increases of 87% and 48% respectively. Vastned also concluded a lease with Kruitvat for Elsensesteenweg 41-43 in Brussels, where the rent increased by 57% on the former rent.

Leasing activity 2015 by type

	Volume in € million and as a % of gross rental income		Movement in gross rental income	
	HY1		HY1	
	in € million	%	in € million	%
Premium city high street shops	2.4	2.5	0.7	38.1
High street shops	1.9	2.0	(0.3)	(14.1)
Non-high street shops	1.4	1.5	0.01	1.0
Total	5.8	5.9	0.4	6.9

Leasing activity 2015 by country

	Volume in € million and as a % of gross rental income				Movement in gross rental income	
	Q2	%	HY1	%	Q2	HY1
	in € mln		in € mln		%	%
Netherlands	1.6	3.2	2.7	5.3	17.7	0.6
France	0.7	4.1	0.9	5.1	(10.8)	(4.4)
Belgium	0.9	4.4	2.0	9.5	22.0	30.8
Spain/Portugal	-	-	0.2	4.1	-	(30.0)
Turkey	-	-	-	-	-	-
Total	3.2	3.2	5.8	5.9	11.3	6.9

Lease incentives

Lease incentives, such as rent-free periods, lease discounts and other payments or contributions to tenants, rose from 2.6% in HY1 2014 to 3.0% in HY1 2015. Last year, the lease incentives were relatively low due to a release after the sale of the seven Spanish shopping centres/galleries and a retail park. The actual lease incentives fell compared to the same period last year from 3.5% in HY1 2014 to 2.8% in HY1 2015.

Lease incentives in %

	H1 2015		H1 2014	
	actual	IFRS	actual	IFRS
Netherlands	3.9	3.5	3.1	1.8
France	1.4	2.1	2.0	2.4
Belgium	3.1	2.4	3.4	2.7
Spain/Portugal	1.1	0.7	3.3	3.3
Turkey	-	4.3	10.4	5.5
<i>Total</i>	2.8	3.0	3.5	2.6

Value movements

The values of the portfolios in all markets in which Vastned is active rose. Due to the fact that 65% of the portfolio is invested in premium city high street shops and these shops increased in value by 3.2%, the decrease on the high street shops in smaller cities and villages and the non-high street shops was amply compensated.

Value movements 2015*

	Value in € million at 30 June 2015	Premium city high street shops %	High street shops %	Non-high street shops %	Total %
Netherlands	758	3.0	(1.1)	(3.6)	0.1
France	320	3.3	(2.2)	(17.8)	2.0
Belgium	371	3.2	(0.6)	(0.7)	1.3
Spain/Portugal	74	11.4	3.1	n.a.	8.3
Turkey	133	0.8	n.a.	n.a.	0.8
<i>Total</i>	1,656	3.2	(1.0)	(2.9)	1.2

* excluding investments and divestments (standing portfolio)

Acquisitions

Over the first half year of 2015, Vastned made attractive acquisitions to further strengthen the quality of its portfolio. In Amsterdam the premium city high street shop portfolio grew by € 119.0 million to € 243 million with the acquisition of Kalverstraat 11-17/Rokin 12-16 and two shops on P.C. Hoofstraat. In Amsterdam Vastned has built up a substantial cluster of various bigger and smaller retail units, enabling it to offer retailers a wide range of retail units in the most popular streets of the city.

In Antwerp Vastned acquired two premium city high street shops in the heart of the city for € 15.4 million. Schuttershofstraat 22 and Korte Gasthuisstraat 17/Groendalstraat 18 were added to the portfolio. The latter unit houses & Other Stories.

The total value of the European premium city high street shop portfolio was € 1.1 billion as at 30 June 2015.



Korte Gasthuisstraat 17, Antwerp



P.C. Hoofstraat 35, Amsterdam

Divestments

Divestments of non-strategic assets also helped to improve the quality of the portfolio. Vastned divested property for € 28.9 million in total in cities including Purmerend, The Hague, Vilvoorde and Angers, yielding a result on divestments of € 1.5 million (on average 5.3% above book value).

RESULT HY1 2015

The result, comprising the direct and indirect results, increased from € 9.2 million in HY1 2014 to € 26.4 million in HY1 2015. The result per share increased from € 0.48 to € 1.39. This increase was mainly due to a rise of the indirect result from € 13.8 million negative to € 2.9 million positive, arising predominantly from positive value movements in the portfolio in 2015.

Direct result

The direct result increased from € 23.1 million in the first half of 2014 to € 23.4 million in the first half of 2015. The main causes of the rise were, next to the quality improvement in the property portfolio, the reduced financing costs due to the lower average interest rate and € 1.0 million in one-off gains.

Indirect result

The indirect result improved sharply from € 13.8 million negative in the first half of 2014 to € 2.9 million positive in the first half of 2015. This increase was mainly due to the quality improvement in the portfolio, yielding a € 8.5 million positive value movement in the property portfolio. The € 1.5 million net result on divestments also contributed positively. Furthermore, a number of financial derivatives was settled (unwound), whereby the € 4.7 million negative value of these derivatives at the time of unwinding was transferred from equity to the profit and loss account; this transfer does not however affect the net asset value.

NET INCOME FROM INVESTMENT PROPERTIES

Gross rental income

Compared to the same period last year, gross rental income fell by € 4.2 million, mainly due to (net) divestments in 2014 and 2015. Furthermore, like-for-like rent growth was marginally negative, reducing gross rental income.

-Acquisitions (€ 2.4 million increase)

Acquisitions of premium city high street shops in the Netherlands and Belgium yielded a positive contribution to the gross rental income of € 2.4 million.

- Divestments (€ 5.9 million decrease)

Divestments of non-strategic assets especially in Spain, Belgium and France in 2014 and 2015 reduced the gross rental income by € 5.9 million.

-Like-for-like gross rent growth (€ 0.7 million decrease)

Like-for-like gross rent growth was € 0.7 million negative in the first half of 2015. This was due to the negative like-for-like gross rent growth of high street shops and non-high street shops. The like-for-like gross rent growth of premium city high street shops was € 0.1 million positive.

Operating expenses (including ground rents and net service charge expenses)

The operating expenses decreased over the past half year from € 5.9 million in HY1 2014 to € 5.8 million in HY1 2015. While the operating expenses increased by € 0.8 million due to higher local taxes, they fell by € 0.9 on balance due to divestments in 2014 and 2015, especially in Belgium and Spain.

Property value movements

The value movements in HY1 were € 8.5 million positive. After deduction of property purchase costs, an amount of € 19.8 positive of the value movements related to the premium city high street shops. The value movements of high street shops and non-high street shops were € 3.0 million negative and € 8.3 million negative respectively.

Net result on divestments

In the first half of 2015, Vastned realised a net result of € 1.5 million on divestments of € 28.9 million.

EXPENDITURE

Net financing costs

The net financing costs including value movements of financial derivatives decreased from € 18.1 million in HY1 2014 to € 14.5 million in HY1 2015. The development of the net financing costs is presented in the table below.

*Development of net financing costs
(x € million)*

Net financing costs HY1 2014	(18.1)
Decrease due to on average lower interest-bearing debts	0.2
Decrease on balance due to lower average interest rates and changes in fixed/floating and working capital	3.2
Non-recurring interest compensation	(0.4)
Non-cash component convertible bond loan	(0.2)
Value movements financial derivatives	1.5
Transfer of unrealised results from financial derivatives from equity	(0.8)
Net financing costs HY1 2015	(14.5)

Due to changes in the composition of the loan portfolio and the expiry, unwinding and concluding of financial derivatives, the average interest rate on the interest-bearing loan capital improved from 4.3% on the first half year of 2014 to 3.2% on the first half of 2015.

The value movements of the interest rate derivatives not qualifying as effective hedges under IFRS were € 0.5 million positive (HY1 2014: € 1.0 million negative) due to the changed market interest rate. In the first half of 2015 a number of interest derivatives were unwound, whereby the negative value of these derivatives of € 4.7 million (HY1 2014: € 3.9 million) was transferred from equity to the profit and loss account at the time of unwinding. This transfer does not affect the net asset value.

General expenses

General expenses decreased by € 0.8 million from € 5.0 million in HY1 2014 to € 4.2 million in HY1 2015, predominantly due to lower personnel costs. In early 2014 the transfer took place of the seven Spanish shopping centres and the retail park. As part of the divestment, the buyer took on the Spanish team, which reduced the general expenses in Spain. Furthermore, in the first half year of 2014 the termination compensation related to the departure of the then CFO was recognised in the general expenses.

Current income tax expense

Income tax was € 0.1 million (HY1 2014: € 0.1 million). There was a € 0.7 million increase due to taxes payable on regularly taxed entities in Turkey and Belgium, against a € 0.7 decrease resulting from a favourable ruling in the matter of the Belgian withholding tax for 2004 and the release of a provision for an additional tax assessment imposed in France in 2014.

Movement deferred tax assets and liabilities

The movements of deferred tax assets and liabilities were € 0.9 million negative (HY1 2014: € 1.4 million negative). The € 0.9 million allocation to the provision for deferred tax liabilities was mainly due to the appreciation of the Spanish and Turkish portfolios.

Result attributable to non-controlling interests

The result attributable to non-controlling interests was € 3.8 million (HY1 2014: € 2.3 million) and comprises the direct and indirect results attributable to non-controlling interests of € 2.1 million (HY1 2014: € 2.4 million) and € 1.7 million (HY1 2014: € 0.1 million negative). The direct result attributable to non-controlling interests decreased due to sales in the Belgian property portfolio. The indirect result attributable to non-controlling interests increased due to higher positive value movements in the Belgian property portfolio.

Financing

Solvency and loan capital financing

As at 30 June 2015, Vastned's balance sheet showed a healthy financing structure with the following features:

	<u>30 June 2015</u>	<u>31 December 2014</u>
Loan-to-value (in %)	44.4	40.3
Solvency (in %)	53.4	56.5
Interest coverage ratio	3.9	3.5
Duration based on contract dates (years)	4.5	4.7
Duration based on interest review dates (years)	4.0	3.1

Due to the acquisition of Kalverstraat 11-17/Rokin 12-16 in Amsterdam, which was made from existing credit facilities, the loan-to-value rose to 44.4% as at 30 June 2015 (year-end 2014: 40.3%).

Solvency, being group equity plus deferred tax liabilities divided by the balance sheet total, was 53.4% as at 30 June 2015 (30 June 2014: 56.5%). With this solvency rate of 53.4% and an interest coverage ratio of 3.9, Vastned complies with all its loan covenants.

Loan portfolio

As at 30 June 2015 (x € 1 million)

	Fixed interest ¹⁾	Floating interest	Total	% of total
Long-term liabilities	423.0	259.4	682.4	92.9
Short-term liabilities	40.0	11.9	51.9	7.1
	463.0	271.3	734.3	100.0
% of total	63.1	36.9	100.0	

1) Taking account of interest rate derivatives

As at 30 June 2015, the loan portfolio was 63.1% fixed interest. The share of non-bank loans as at 30 June 2015 was 41.6%, well above the 25% objective. Due to the acquisitions, the funds available from credit lines fell from € 150 million at year-end 2014 to € 65 million as at 30 June 2015.

Interim dividend 2015

In line with the dividend policy, the 2015 interim dividend is 60% of the direct result for the first half year. The direct result for HY1 2015 was € 1.23 per share, so that the interim dividend is set at € 0.74 per share. On 24 August 2015 the Vastned share will quote ex-dividend and the interim dividend will be made payable on 8 September 2015.

After balance sheet events

At the end of July, Graanmarkt 13 in Antwerp was acquired for approx. € 6 million, further strengthening Vastned's position in the Antwerp luxury segment.

Vastned also reached agreement on the divestment of the property Rue de la Port Dijeaux 35-37 in Bordeaux. The selling price is € 15.9 million, and the property is expected to be transferred in September 2015.



Graanmarkt 13, Antwerp

OUTLOOK 2015

Over the past half year, and especially in the second quarter, the Dutch retail market improved steadily. There were fewer bankruptcies than expected and consumer confidence recovered. Vastned's popular retail locations profited from this most. In less popular retail locations, retailers with outdated formulas will continue to struggle and this division between popular and less popular locations is expected to remain in place.

Vastned's portfolio has grown and improved in quality in the first half year, with acquisitions of € 134.4 million and divestments of € 28.9 million. These developments, in combination with lower financing costs and some one-off items in the first half year, had a positive effect on the expected results for 2015. Accordingly, Vastned raises its forecast for the 2015 direct result from € 2.10 - € 2.30 per share to € 2.40 - € 2.50 per share. Vastned expects to propose a dividend for 2015 of € 2.05 per share.

CONFERENCE CALL

On 20 August 2015 at 11am, Vastned will comment on the half year results in a conference call for analysts and shareholders. The conference call can be followed live in a webcast on the company's website www.vastned.com.

RESPONSIBILITY STATEMENT

In accordance with Article 5.25(d) of the Financial Supervision Act, the board of management states that to the best of its knowledge:

- the report of the board of management gives a true and fair view of the state of affairs at the balance sheet date and during the reporting period of Vastned and its consolidated subsidiaries whose figures have been included in its financial interim report and the expected course of business;
- the financial interim report gives a true and fair view of the assets and liabilities, the financial position and the result of Vastned and its consolidated subsidiaries; and
- the material risks facing Vastned have been described in this report. For a more extensive description of the risks, we refer to the chapter 'Risk Management' in the most recent annual report.

Rotterdam, 19 August 2015

Statutory Directors:
Taco de Groot, CEO
Reinier Walta, CFO

FINANCIAL AGENDA 2015 AND 2016

24 August 2015	Ex interim dividend date
25 August 2015	Interim dividend record date
8 September 2015	Payment date interim dividend
3 November	Trading update first nine months 2015
18 February 2016	Annual results 2015
20 April 2016	Annual General Meeting of Shareholders
11 May 2016	Trading update first quarter 2016
2 August 2016	Half year results 2016
1 November 2016	Trading update first nine months 2016

ABOUT VASTNED

Vastned is a listed European retail property company focusing on venues for premium shopping. Vastned invests in selected cities in Europe and in Istanbul, with a clear focus on the best retail property in the most popular shopping streets in the bigger cities (high streets). Vastned's tenants are strong and leading international and national retail brands. The property portfolio has a size of approximately € 1.7 billion.

Further information:

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DEVELOPMENT NET RENT INCOME

PREMIUM CITY HIGH STREET SHOPS
(X € 1,000)

	Netherlands	France	Belgium	Spain/ Portugal	Turkey	Total
Gross rent income 2014	6,008	6,498	3,647	1,099	3,803	21,055
Acquisitions	1,631	72	656	-	-	2,359
Divestments	(41)	(97)	(52)	-	-	(190)
Like-for-like rent growth	15	(105)	20	(24)	162	68
Gross rent income 2015	7,613	6,368	4,271	1,075	3,965	23,292
Operating expenses	(1,036)	(523)	(271)	(102)	(280)	(2,212)
Net rent income 2015	6,577	5,845	4,000	973	3,685	21,080
Net rent income 2014	5,119	5,928	3,251	1,040	3,526	18,864
Operating expenses as % of gross rental income:						
- in 2015	13.6%	8.2%	6.3%	9.5%	7.1%	9.5%
- in 2014	14.8%	8.8%	10.9%	5.4%	7.3%	10.4%

HIGH STREET SHOPS
(X € 1,000)

	Netherlands	France	Belgium	Spain/ Portugal	Turkey	Total
Gross rent income 2014	7,871	1,999	1,906	677	-	12,453
Acquisitions	55	-	-	-	-	55
Divestments	(185)	(641)	(116)	-	-	(942)
Like-for-like rent growth	(322)	(67)	67	(46)	-	(368)
Gross rent income 2015	7,419	1,291	1,857	631	-	11,198
Operating expenses	(1,401)	(126)	(273)	(54)	-	(1,854)
Net rent income 2015	6,018	1,165	1,584	577	-	9,344
Net rent income 2014	6,772	1,880	1,745	644	-	11,041
Operating expenses as % of gross rental income:						
- in 2015	18.9%	9.8%	14.7%	8.6%	-	16.6%
- in 2014	14.0%	6.0%	8.4%	4.9%	-	11.3%

NON-HIGH STREET SHOPS
(X € 1,000)

	Netherlands	France	Belgium	Spain/ Portugal	Turkey	Total
Gross rent income 2014	6,981	661	5,334	3,459	-	16,435
Divestments	(172)	(106)	(1,453)	(3,073)	-	(4,804)
Like-for-like rent growth	(381)	8	(41)	(3)	-	(417)
Gross rent income 2015	6,428	563	3,840	383	-	11,214
Operating expenses	(1,290)	(133)	(304)	(16)	-	(1,743)
Net rent income 2015	5,138	430	3,536	367	-	9,471
Net rent income 2014	5,837	497	4,716	3,082	-	14,132
Operating expenses as % of gross rental income:						
- in 2015	20.1%	23.6%	7.9%	4.2%	-	15.5%
- in 2014	16.4%	24.8%	11.6%	10.9%	-	14.0%

TOTAL
(X € 1,000)

	Netherlands	France	Belgium	Spain/ Portugal	Turkey	Total
Gross rent income 2014	20,860	9,158	10,887	5,235	3,803	49,943
Acquisitions	1,686	72	656	-	-	2,414
Divestments	(398)	(844)	(1,621)	(3,073)	-	(5,936)
Like-for-like rent growth	(688)	(164)	46	(73)	162	(717)
Gross rent income 2015	21,460	8,222	9,968	2,089	3,965	45,704
Operating expenses	(3,727)	(782)	(848)	(172)	(280)	(5,809)
Net rent income 2015	17,733	7,440	9,120	1,917	3,685	39,895
Net rent income 2014	17,728	8,305	9,712	4,766	3,526	44,037
Operating expenses as % of gross rental income:						
- in 2015	17.4%	9.5%	8.5%	8.2%	7.1%	12.7%
- in 2014	15.0%	9.3%	10.8%	9.0%	7.3%	11.8%

KEY FIGURES

Results (x € 1,000)

	30 June 2015	31 December 2014	30 June 2014
Gross rental income	45,704	96,397	49,943
Direct result	23,437	46,461	23,073
Indirect result	2,949	(14,755)	(13,840)
<i>Result</i>	26,386	31,706	9,233

Balance sheet (x € 1,000)

Investment properties	1,656,497	1,538,783	1,488,068
Equity	873,686	865,999	853,183
Equity Vastned Retail shareholders	790,832	782,213	774,240
Long-term liabilities	718,270	641,843	444,208

Solvency based on banks' definition (in %)	53.4	56.5	57.8
Loan-to-value (in %)	44.4	40.3	39.4
Interest coverage ratio	3.9	3.5	3.0
Financial occupancy rate total portfolio (in %)	96.7	96.6	96.4
Premium city high street shops (in %)	98.8	99.1	99.1
High street shops (in %)	94.0	94.6	94.7
Non-high street shops (in %)	95.3	94.7	94.2

Average number of ordinary shares in issue	19,036,646	19,036,646	19,036,646
Number of ordinary shares in issue (end of period)	19,036,646	19,036,646	19,036,646

Per share (x € 1)

Equity Vastned Retail shareholders at beginning of year (including final dividend)	41.09	41.23	41.23
Final dividend previous financial year	(1.27)	(1.63)	(1.63)
<i>Equity Vastned Retail shareholders at beginning of period (excluding final dividend)</i>	39.82	39.60	39.60
Direct result	1.23	2.44	1.21
Indirect result	0.16	(0.77)	(0.73)
<i>Result</i>	1.39	1.67	0.48
Remeasurement of defined benefit pension obligation	-	(0.14)	-
Value movements financial derivatives directly recognised in equity, after taxes	0.09	0.29	0.17
Reclassification of unrealised results of financial derivatives to profit-and-loss account, after taxes	0.24	0.21	0.21
Translation differences on net investments, after taxes	-	(0.02)	-
Equity component of convertible bond	-	0.21	0.21
Interim dividend	-	(0.73)	-
<i>Equity Vastned Retail shareholders at end of period (including final dividend)</i>	41.54	41.09	40.67

Share price (end of period)	39.515	37.45	37.19
Premium / (Discount) (in %)	(4.9)	(8.9)	(8.6)

DIRECT AND INDIRECT RESULT (x € 1,000)

Direct result

	HY1 2015	HY1 2014
Gross rental income	45,704	49,943
Ground rents paid	(73)	(76)
Net service charge expenses	(278)	(700)
Operating expenses	(5,458)	(5,130)
<i>Net rental income</i>	39,895	44,037
Financial income	458	1,466
Financial expenses	(10,366)	(14,424)
<i>Net financing costs</i>	(9,908)	(12,958)
General expenses	(4,204)	(4,969)
<i>Direct result before taxes</i>	25,783	26,110
Current income tax expense	(85)	(83)
Movement deferred tax assets and liabilities	(137)	(588)
<i>Direct result after taxes</i>	25,561	25,439
Direct result attributable to non-controlling interests	(2,124)	(2,366)
<i>Direct result attributable to Vastned Retail shareholders</i>	23,437	23,073

INDIRECT RESULT

Value movements investment properties in operation	8,071	(6,857)
Value movements investment properties under renovation	417	481
Value movements investment properties in pipeline	(6)	(602)
<i>Total value movements investment properties</i>	8,482	(6,978)
Net result on disposals of investment properties	1,459	(998)
Financial expenses	(405)	(184)
Value movements financial derivatives	508	(1,019)
Reclassification of unrealised results on financial derivatives from equity	(4,693)	(3,932)
<i>Indirect result before taxes</i>	5,351	(13,111)
Movement deferred tax assets and liabilities	(763)	(807)
<i>Indirect result after taxes</i>	4,588	(13,918)
Indirect result attributable to non-controlling interests	(1,639)	78
<i>Indirect result attributable to Vastned Retail shareholders</i>	2,949	(13,840)
<i>Result attributable to Vastned Retail shareholders</i>	26,386	9,233

PER SHARE (x € 1)

Direct result attributable to Vastned Retail shareholders	1.23	1.21
Indirect result attributable to Vastned Retail shareholders	0.16	(0.73)
	1.39	0.48

EPRA PERFORMANCE INDICATORS (x € 1,000)

In line with EPRA's Best Practice recommendations, the key performance indicators are set out below.

1 EPRA earnings

	HY1 2015	HY1 2014
<i>Result as stated in consolidated IFRS profit and loss account</i>	26,386	9,233
Value movements investment properties	(8,482)	6,978
Net result on disposals of investment properties	(1,459)	998
Value movements financial derivatives	4,590	5,135
Movement deferred tax assets and liabilities	763	807
Attributable to non-controlling interests	1,639	(78)
<i>EPRA Earnings</i>	23,437	23,073
<i>EPRA Earnings per share (EPS) (x € 1)</i>	1.23	1.21

2 and 3 EPRA NAV and EPRA NNAV

	30 June 2015		30 June 2014	
		per share (x € 1)		per share (x € 1)
Equity Vastned Retail shareholders	790,832	41.54	774,240	40.67
Conversion effect	-	-	-	-
Diluted equity	790,832	41.54	774,240	40.67
Fair value of financial derivatives	1,810	0.10	12,059	0.63
Deferred tax	20,937	1.10	17,538	0.92
<i>EPRA NAV</i>	813,579	42.74	803,837	42.22
Fair value of financial derivatives	(1,810)	(0.10)	(12,059)	(0.63)
Fair value of interest-bearing loans	(19,162)	(1.01)	(19,808)	(1.04)
Deferred tax	(14,173)	(0.74)	(8,741)	(0.46)
<i>EPRA NNAV</i>	778,434	40.89	763,229	40.09

4 EPRA Net Initial Yield and EPRA Topped-up Net Initial Yield (in %)

	30 June 2015		31 December 2014	
	Net Initial Yield	Topped-up Net Initial Yield	Net Initial Yield	Topped-up Net Initial Yield
Netherlands	5.4	5.6	5.4	5.6
Belgium	4.5	4.6	4.5	4.6
France	4.7	4.8	4.9	5.1
Turkey	5.3	5.3	5.7	5.7
Spain/Portugal	6.0	6.1	5.9	5.9
<i>Total</i>	5.1	5.2	5.2	5.3
Premium city high street shops	4.3	4.5	4.4	4.5
High street shops	6.0	6.2	5.9	6.0
Non-high street shops	7.1	7.2	6.7	6.8
<i>Total</i>	5.1	5.2	5.2	5.3

5 EPRA vacancy rate (in %)

	30 June 2015	31 December 2014
Netherlands	3.8	2.7
Belgium	2.7	3.4
France	3.2	1.5
Turkey	-	-
Spain/Portugal	0.5	0.7
<i>Total</i>	3.0	2.3
Premium city high street shops	0.9	0.8
High street shops	6.3	3.7
Non-high street shops	5.5	4.2
<i>Total</i>	3.0	2.3

6 EPRA cost ratios

	HY1 2015	HY1 2014
General expenses	4,204	4,969
Ground rents paid	73	76
Operating expenses	5,458	5,130
Net service charge expenses	278	700
less:		
ground rents paid	(73)	(76)
<i>EPRA costs (including vacancy costs) (A)</i>	9,940	10,799
Vacancy costs	(396)	(749)
<i>EPRA costs (excluding vacancy costs) (B)</i>	9,544	10,050
Gross rental income less grounds rent paid (C)	45,631	49,867
(i) EPRA Cost Ratio (including vacancy costs) (A/C)	21.8%	21.7%
(ii) EPRA Cost Ratio (excluding vacancy costs) (B/C)	20.9%	20.2%

FINANCIAL INTERIM REPORT 2015

Contents

- Consolidated profit and loss account
- Consolidated statement of comprehensive income
- Consolidated balance sheet
- Consolidated statement of movements in equity
- Consolidated cash flow statement
- Notes to the consolidated financial interim report 2015

CONSOLIDATED PROFIT AND LOSS ACCOUNT (x € 1,000)

	HY1 2015 ¹	HY1 2014 ²
Net income from investment properties		
Gross rental income	45,704	49,943
Ground rents paid	(73)	(76)
Net service charge expenses	(278)	(700)
Operating expenses	(5,458)	(5,130)
<i>Net rental income</i>	<u>39,895</u>	<u>44,037</u>
Value movements investment properties in operation	8,071	(6,857)
Value movements investment properties under renovation	417	481
Value movements investment properties in pipeline	(6)	(602)
<i>Total value movements investment properties</i>	<u>8,482</u>	<u>(6,978)</u>
Net result on disposals of investment properties	1,459	(998)
<i>Total net income from investment properties</i>	<u>49,836</u>	<u>36,061</u>
Expenditure		
Financial income	458	1,466
Financial expenses	(10,771)	(14,608)
Value movements financial derivatives	508	(1,019)
Reclassification of unrealised results on financial derivatives from equity	(4,693)	(3,932)
<i>Net financing costs</i>	<u>(14,498)</u>	<u>(18,093)</u>
General expenses	(4,204)	(4,969)
<i>Total expenditure</i>	<u>(18,702)</u>	<u>(23,062)</u>
<i>Result before taxes</i>	<u>31,134</u>	<u>12,999</u>
Current income tax expense	(85)	(83)
Movement deferred tax assets and liabilities	(900)	(1,395)
<i>Total income tax</i>	<u>(985)</u>	<u>(1,478)</u>
<i>Result after taxes</i>	<u>30,149</u>	<u>11,521</u>
Result attributable to non-controlling interests	(3,763)	(2,288)
<i>Result attributable to Vastned Retail shareholders</i>	<u>26,386</u>	<u>9,233</u>
Per share (x € 1)		
Result attributable to Vastned Retail shareholders	1.39	0.48
Diluted result attributable to Vastned Retail shareholders	1.30	0.48

1) Assessed by external accountant

2) Not assessed by external accountant

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (x € 1,000)

	HY1 2015 ¹	HY1 2014 ²
Result	30,149	11,521
Items that have been or could be reclassified to the profit and loss account		
Value movements financial derivatives directly recognised in equity	1,788	3,237
Reclassification of unrealised results on financial derivatives to profit-and-loss account	4,693	3,932
Translation differences on net investments	-	(80)
Other comprehensive result after taxes	6,481	7,089
<i>Total comprehensive income</i>	36,630	18,610
Attributable to:		
Vastned Retail shareholders	32,796	16,268
Non-controlling interests	3,834	2,342
	36,630	18,610
Per share (x € 1)		
Total comprehensive income attributable to Vastned Retail shareholders	1.72	0.86

1) Assessed by external accountant

2) Not assessed by external accountant

CONSOLIDATED BALANCE SHEET (x € 1,000)

	30 June 2015 ¹	31 December 2014 ²	30 June 2014 ³
Assets			
Investment properties in operation	1,652,136	1,532,199	1,481,278
Investment properties under renovation	-	2,254	2,310
Accrued assets in respect of lease incentives	3,126	3,095	3,245
	<u>1,655,262</u>	<u>1,537,548</u>	<u>1,486,833</u>
Investment properties in pipeline	1,235	1,235	1,235
<i>Total investment properties</i>	<u>1,656,497</u>	<u>1,538,783</u>	<u>1,488,068</u>
Tangible fixed assets	1,115	1,086	1,347
Financial derivatives	675	722	1,102
<i>Total fixed assets</i>	<u>1,658,287</u>	<u>1,540,591</u>	<u>1,490,517</u>
Debtors and other receivables	4,672	9,567	4,737
Income tax	164	3,723	131
Financial derivatives	293	-	-
Cash and cash equivalents	12,628	12,712	8,783
<i>Total current assets</i>	<u>17,757</u>	<u>26,002</u>	<u>13,651</u>
<i>Total assets</i>	<u>1,676,044</u>	<u>1,566,593</u>	<u>1,504,168</u>
Equity and liabilities			
Capital paid-up and called	95,183	95,183	95,183
Share premium reserve	472,640	472,640	472,640
Hedging reserve in respect of financial derivatives	719	(5,691)	(8,065)
Translation reserve	(5,728)	(5,728)	(5,390)
Other reserves	201,632	194,103	210,639
Result attributable to Vastned Retail shareholders	26,386	31,706	9,233
Equity Vastned Retail shareholders	<u>790,832</u>	<u>782,213</u>	<u>774,240</u>
Equity non-controlling interests	82,854	83,786	78,943
<i>Total equity</i>	<u>873,686</u>	<u>865,999</u>	<u>853,183</u>
Deferred tax liabilities	20,760	19,860	16,418
Provisions in respect of employee benefits	6,344	6,561	3,792
Long-term interest-bearing loans	682,397	599,388	404,939
Financial derivatives	4,151	11,222	13,125
Long-term tax liabilities	1,128	1,128	2,256
Guarantee deposits and other long-term liabilities	3,490	3,684	3,678
<i>Total long-term liabilities</i>	<u>718,270</u>	<u>641,843</u>	<u>444,208</u>
Payable to banks	11,897	2,304	12,348
Redemption long-term interest-bearing loans	40,017	15,267	168,504
Financial derivatives	-	832	1,566
Income tax	9,058	8,818	1,700
Other liabilities and accruals	23,116	31,530	22,659
<i>Total short-term liabilities</i>	<u>84,088</u>	<u>58,751</u>	<u>206,777</u>
<i>Total equity and liabilities</i>	<u>1,676,044</u>	<u>1,566,593</u>	<u>1,504,168</u>

1) Assessed by external accountant

2) Controlled by external accountant

3) Not assessed by external accountant

CONSOLIDATED STATEMENT OF MOVEMENTS IN EQUITY (x € 1,000)

	Capital paid up and called	Share premium reserve	Hedging reserve in respect of financial derivatives	Translation reserve	Other reserves	Result attributable to Vastned Retail shareholders	Equity Vastned Retail shareholders	Equity non-controlling interests	Total equity
Balance as at 1 January 2014	95,183	468,555	(15,180)	(3,870)	331,405	(91,176)	784,917	81,245	866,162
Result						9,233	9,233	2,288	11,521
Value movements financial derivatives			3,183				3,183	54	3,237
Reclassification of unrealised results on financial derivatives to profit-and-loss account			3,932				3,932		3,932
Translation differences on net investments				(80)			(80)		(80)
Reclassification				(1,440)	1,440		-		-
<i>Total comprehensive income</i>	-	-	7,115	(1,520)	1,440	9,233	16,268	2,342	18,610
Equity component of convertible bond		4,085					4,085		4,085
Final dividend for previous financial year in cash						(31,030)	(31,030)	(4,644)	(35,674)
Contribution from profit appropriation					(122,206)	122,206	-		-
<i>Balance as at 30 June 2014¹</i>	95,183	472,640	(8,065)	(5,390)	210,639	9,233	774,240	78,943	853,183
Balance as at 1 January 2015	95,183	472,640	(5,691)	(5,728)	194,103	31,706	782,213	83,786	865,999
Result						26,386	26,386	3,763	30,149
Value movements financial derivatives			1,717				1,717	71	1,788
Reclassification of unrealised results on financial derivatives to profit-and-loss account			4,693				4,693		4,693
<i>Total comprehensive income</i>	-	-	6,410	-	-	26,386	32,796	3,834	36,630
Final dividend for previous financial year in cash						(24,177)	(24,177)	(4,766)	(28,943)
Contribution from profit appropriation					7,529	(7,529)	-		-
<i>Balance as at 30 June 2015²</i>	95,183	472,640	719	(5,728)	201,632	26,386	790,832	82,854	873,686

1) Assessed by external accountant

2) Not assessed by external accountant

CONSOLIDATED CASH FLOW STATEMENT (x € 1,000)

	HY1 2015 ¹	HY1 2014 ²
Cash flow from operating activities		
Result	30,149	11,521
Adjustments for:		
Value movements investment properties	(8,482)	6,978
Net result on disposals of investment properties	(1,459)	998
Net financing costs	14,498	18,093
Income tax	985	1,478
<i>Cash flow from operating activities before changes in working capital and provisions</i>	<u>35,691</u>	<u>39,068</u>
Movement current assets	(1,910)	833
Movement short-term liabilities	(402)	(3,007)
Movement provisions	(289)	(342)
	<u>33,090</u>	<u>36,552</u>
Interest received	1,618	1,462
Interest paid	(10,155)	(16,130)
Income tax paid	3,698	457
<i>Cash flow from operating activities</i>	<u>28,251</u>	<u>22,341</u>
Cash flow from investment activities		
Acquisitions of and capital expenditure on investment properties	(144,284)	(12,795)
Disposal of investment properties	34,597	213,873
<i>Cash flow from investment properties</i>	<u>(109,687)</u>	<u>201,078</u>
Movement tangible fixed assets	(29)	118
<i>Cash flow from investment activities</i>	<u>(109,716)</u>	<u>201,196</u>
Cash flow from financing activities		
Dividend paid	(24,177)	(31,030)
Dividend paid to non-controlling interests	(4,767)	(4,646)
Interest-bearing loans drawn down	143,530	107,838
Interest-bearing loans redeemed	(27,352)	(277,543)
Settlement of financial derivatives	(5,853)	(14,506)
<i>Cash flow from financing activities</i>	<u>81,381</u>	<u>(219,887)</u>
Movement in cash and cash equivalents		
	<u>(84)</u>	<u>3,650</u>
Cash and cash equivalents as at 1 January	12,712	5,133
<i>Cash and cash equivalents at end of period</i>	<u>12,628</u>	<u>8,783</u>

1) Assessed by external accountant

2) Not assessed by external accountant

NOTES TO THE CONSOLIDATED FINANCIAL INTERIM REPORT 2015

1. General

Vastned Retail N.V. ('Vastned'), with its registered office in Rotterdam, the Netherlands, is a property investment company whose shares are listed on Euronext Amsterdam.

Vastned Retail makes long-term investments in retail property, focusing on premium city high street shops. Investments are made on a smaller scale in high street shops in other cities and in shopping centres and retail warehouses. The investment properties are located in the Netherlands, Belgium, France, Turkey, Spain and Portugal.

The consolidated financial interim report of Vastned comprises Vastned and its subsidiaries (jointly referred to as 'the Group') and the interests the Group has in associates and entities over which it has joint control.

The consolidated financial interim report was drawn up by the board of management and authorised for publication by the Supervisory Board on 19 August 2014.

The 2015 half-year results are assessed by the external accountant.
The results as at year-end 2014 are controlled by the external accountant.
The 2014 half-year results are not assessed by the external accountant.

2. Principles applied in the presentation of the consolidated financial interim report

The financial statements are presented in euros; amounts are rounded off to thousands of euros, unless stated differently.

This consolidated financial interim report has been prepared in accordance with IAS 34 'Interim Financial Reporting' as endorsed by the European Union. The consolidated financial interim report does not contain all the information required for full financial statements and therefore should be read in conjunction with the consolidated financial statements 2014.

The principles applied in the preparation of the consolidated financial interim report are consistent with the principles set out in the annual report for the 2014 financial year, with the exception of the application of new standards and interpretations described below.

Initial recognition of deferred tax liability in a transaction that is not a business combination

No deferred tax liability is recognised for temporary differences on initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither, at the time of the transaction, the commercial result nor taxable profit or loss.

Effect of new, amended and improved standards

The following new and amended standards and interpretations have come into effect for the current financial year.

- Annual Improvements to IFRSs 2010-2012 Cycle

The amendments include small changes in several standards. The amendments do not affect the presentation, the notes or the financial results of the Group.

- Annual Improvements to IFRSs 2011-2013 Cycle

The amendments include small changes in several standards. The amendments do not affect the presentation, the notes or the financial results of the Group.

- Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)

The purpose of the amendment of the standard is to simplify the accounting of employee contributions by allowing a choice concerning the processing of employee contributions. Vastned chooses not to exercise this option, therefore these changes have no effect on the presentation, notes or financial results of the Group.

- IFRIC Interpretation 21 Levies

IFRIC 21 clarifies under which circumstances a liability imposed by a public authority should be included. Application of the interpretation means that in the first half of 2015, an additional amount on business charges of € 0.8 million in operating costs is justified.

In the preparation of the consolidated financial interim report, the essential judgments used by the board of management in the application of Vastned's principles for financial reporting and the main estimates are identical to the essential judgments and main estimates used in the 2014 annual accounts. The actual results may deviate from these estimates.

3. Scope of consolidation

On 19 March 2015, Vastned founded the public limited liability company Korte Gasthuisstraat 17 N.V. This company then acquired the property on Korte Gasthuisstraat 17 in Antwerp. Korte Gasthuisstraat 17 N.V. was included in the consolidated accounts as of the date of its foundation.

On 1 June 2015, Vastned acquired all the shares in Rocking Plaza B.V., which company owns the property on Kalverstraat 11-17/Rokin 12-16 in Amsterdam. Rocking Plaza B.V. was included in the consolidated accounts as of 1 June 2015. This acquisition is considered as an acquisition of assets, whereby no deferred taxes have been recognised on first inclusion.

Vastned holds a 65.5% interest in the publicly regulated property company under Belgian law Vastned Retail Belgium N.V., which is listed on Euronext Brussels. The 34.5% interest in the equity and the result of this company attributable to non-controlling interests is recognised separately in the balance sheet and the profit and loss account.

Vastned has a 100% interest in and full control over all its other subsidiaries.

4. Segment information

HY1 2015

	Netherlands	France	Belgium	Spain/ Portugal	Turkey	Total
Net rental income	17,733	7,440	9,120	1,917	3,685	39,895
Value movements investment properties in operation	(8,365)	6,253	3,435	5,696	1,052	8,071
Value movements investment properties under renovation	-	417	-	-	-	417
Value movements investment properties in pipeline	(6)	-	-	-	-	(6)
Net result on disposals of investment properties	345	963	151	-	-	1,459
<i>Total net income from investment properties</i>	9,707	15,073	12,706	7,613	4,737	49,836

Net financing costs						(14,498)
General expenses						(4,204)
Income tax						(985)
Non-controlling interests						(3,763)
<i>Result attributable to Vastned Retail shareholders</i>						26,386

	Netherlands	France	Belgium	Spain/ Portugal	Turkey	Total
Investment properties in operation:						
Balance as at 1 January	647,061	329,021	355,951	68,654	131,512	1,532,199
- Acquisitions	119,057	-	15,352	-	-	134,409
- Capex	1,758	129	90	-	-	1,977
- Taken into operation	-	2,840	-	-	-	2,840
- Transferred to investment properties under renovation	-	-	-	-	-	-
- Disposals	(4,605)	(18,540)	(4,215)	-	-	(27,360)
	763,271	313,450	367,178	68,654	131,512	1,644,065
- Value movements	(8,365)	6,253	3,436	5,695	1,052	8,071
<i>Balance as at 30 June</i>	754,906	319,703	370,614	74,349	132,564	1,652,136
Accrued assets in respect of lease incentives	1,443	259	660	145	619	3,126
<i>Appraisal value as at 30 June</i>	756,349	319,962	371,274	74,494	133,183	1,655,262
Investment properties under renovation	-	-	-	-	-	-
Investment properties in pipeline	1,235	-	-	-	-	1,235
<i>Investment properties</i>	757,584	319,962	371,274	74,494	133,183	1,656,497

HY1 2014

	Netherlands	France	Belgium	Spain/ Portugal	Turkey	Total
Net rental income	17,728	8,305	9,712	4,766	3,526	44,037
Value movements investment properties in operation	(19,413)	9,797	613	767	1,379	(6,857)
Value movements investment properties under renovation	-	481	-	-	-	481
Value movements investment properties in pipeline	(602)	-	-	-	-	(602)
Net result on disposals of investment properties	338	(1,515)	179	-	-	(998)
<i>Total net income from investment properties</i>	(1,949)	17,068	10,504	5,533	4,905	36,061
Net financing costs						(18,093)
General expenses						(4,969)
Income tax						(1,478)
Non-controlling interests						(2,288)
<i>Result attributable to Vastned shareholders</i>						9,233

	Netherlands	France	Belgium	Spain/ Portugal	Turkey	Total
Investment properties in operation:						
Balance as at 1 January	620,402	358,948	361,300	63,403	127,807	1,531,860
- Acquisitions	11,916	-	-	-	-	11,916
- Capex	138	114	45	30	601	928
- Taken into operation	-	-	-	-	-	-
- Transferred to investment properties under renovation	-	(1,900)	-	-	-	(1,900)
- Disposals	(3,980)	(46,980)	(3,709)	-	-	(54,669)
	628,476	310,182	357,636	63,433	128,408	1,488,135
- Value movements	(19,413)	9,797	613	767	1,379	(6,857)
<i>Balance as at 30 June</i>	609,063	319,979	358,249	64,200	129,787	1,481,278
Accrued assets in respect of lease incentives	1,339	421	461	-	1,024	3,245
<i>Appraisal value as at 30 June</i>	610,402	320,400	358,710	64,200	130,811	1,484,523
Investment properties under renovation	-	2,310	-	-	-	2,310
Investment properties in pipeline	1,235	-	-	-	-	1,235
<i>Investment properties</i>	611,637	322,710	358,710	64,200	130,811	1,488,068

HY1 2015

	Premium city high street shops	High street shops	Non-high street shops	Total
Net rental income	21,080	9,344	9,471	39,895
Value movements investment properties in operation	19,342	(2,979)	(8,292)	8,071
Value movements investment properties under renovation	417	-	-	417
Value movements investment properties in pipeline	-	-	(6)	(6)
Net result on disposals of investment properties	510	985	(36)	1,459
<i>Total net income from investment properties</i>	41,349	7,350	1,137	49,836
Net financing costs				(14,498)
General expenses				(4,204)
Income tax				(985)
Non-controlling interests				(3,763)
<i>Result attributable to Vastned shareholders</i>				26,386

	Premium city high street shops	High street shops	Non-high street shops	Total
Investment properties in operation:				
Balance as at 1 January	912,022	328,681	291,496	1,532,199
- Acquisitions	134,409	-	-	134,409
- Capex	1,531	50	396	1,977
- Taken into operation	2,840	-	-	2,840
- Transferred to investment properties under renovation	-	-	-	-
- Disposals	(2,210)	(23,740)	(1,410)	(27,360)
	1,048,592	304,991	290,482	1,644,065
- Value movements	19,345	(2,978)	(8,296)	8,071
<i>Balance as at 30 June</i>	1,067,937	302,013	282,186	1,652,136
Accrued assets in respect of lease incentives	2,083	525	518	3,126
<i>Appraisal value as at 30 June</i>	1,070,020	302,538	282,704	1,655,262
Investment properties under renovation	-	-	-	-
Investment properties in pipeline	-	-	1,235	1,235
<i>Investment properties</i>	1,070,020	302,538	283,939	1,656,497

HY1 2014

	Premium city high street shops	High street shops	Non-high street shops	Total
Net rental income	18,864	11,041	14,132	44,037
Value movements investment properties in operation	17,161	(8,749)	(15,269)	(6,857)
Value movements investment properties under renovation	481	-	-	481
Value movements investment properties in pipeline	-	-	(602)	(602)
Net result on disposals of investment properties	(151)	(814)	(33)	(998)
<i>Total net income from investment properties</i>	36,355	1,478	(1,772)	36,061
Net financing costs				(18,093)
General expenses				(4,969)
Income tax				(1,478)
Non-controlling interests				(2,288)
<i>Result attributable to Vastned shareholders</i>				9,233

	Premium city high street shops	High street shops	Non-high street shops	Total
Investment properties in operation:				
Balance as at 1 January	786,036	386,983	358,841	1,531,860
- Acquisitions	10,091	1,825	-	11,916
- Capex	737	10	181	928
- Taken into operation	-	-	-	-
- Transferred to investment properties under renovation	(1,900)	-	-	(1,900)
- Disposals	(8,555)	(34,017)	(12,097)	(54,669)
	786,409	354,801	346,925	1,488,135
- Value movements	17,161	(8,749)	(15,269)	(6,857)
<i>Balance as at 30 June</i>	803,570	346,052	331,656	1,481,278
Accrued assets in respect of lease incentives	2,117	599	529	3,245
<i>Appraisal value as at 30 June</i>	805,687	346,651	332,185	1,484,523
Investment properties under renovation	2,310	-	-	2,310
Investment properties in pipeline	-	-	1,235	1,235
<i>Investment properties</i>	807,997	346,651	333,420	1,488,068

5. Dividend

On 15 May 2015 the final dividend over financial year 2014 was made payable. The dividend amounted € 1,27 per share in cash, totalling € 24,2 million.

6. Reële waarde

For the determination of fair value, reference is made to the 2014 annual accounts, In the first half year of 2015, no changes occurred in the principles for the determination of fair value. Nor were any financial assets reclassified to a different level in the first half of 2015. The table below shows according to which level the assets and liabilities of the Group valued at fair value are valued.

	Level	Book value	30 June 2015 Fair value	31 December 2014 Book value	31 December 2014 Fair value
Assets valued at fair value					
Investment properties					
Investment properties (including accrued assets in respect of lease incentives)	3	1,655,262	1,655,262	1,535,294	1,535,294
Investment properties under renovation	3	-	-	2,254	2,254
Investment properties in pipeline	3	1,235	1,235	1,235	1,235
Fixed assets					
Financial derivatives	2	675	675	722	722
Current assets					
Debtors and other receivables	2	4,672	4,672	9,567	9,567
Financial derivatives	2	293	293	-	-
Cash and cash equivalents	2	12,628	12,628	12,712	12,712
Liabilities valued at fair value					
Long-term liabilities					
Long-term interest-bearing loans	2	682,397	701,348	599,388	622,541
Financial derivatives	2	4,151	4,151	11,222	11,222
Guarantee deposits and other long-term liabilities	2	3,490	3,490	3,684	3,684
Short-term liabilities					
Payable to banks	2	11,897	11,897	2,304	2,304
Redemption long-term interest-bearing loans	2	40,017	40,017	15,267	15,267
Financial derivatives	2	-	-	832	832
Other liabilities and accruals	2	23,116	23,116	31,530	31,530

7. Investment properties

The appraisal of the property portfolio resulted in a net yield (purchasing costs payable by the vendor) of 5.2% (31 December 2014: 5.3%). A 50 basis point increase in the net initial yields used in the appraisal values will result in a € 145.1 million or 8.3% decrease in the value of the property (31 December 2014: € 132.8 million or 8.6%) and a 426 basis point increase in the loan-to-value ratio (31 December 2014: 379 basis points).

8. Interest bearing debts

	30 June 2015	31 December 2014
Long-term liabilities		
Secured loans	187	195
Unsecured loans	576,927	494,725
Convertible bond	105,283	104,663
	682,397	599,583
Short-term liabilities		
Payable to banks	11,897	2,304
Redemption long-term loans	40,017	15,267
	51,914	17,571
Total	734,311	617,154

9. Off-balance sheet commitments

In 2014, Vastned sold the company Hispania Retail Properties S.L.U., owner of the seven shopping centres/galleries and a retail park in Spain, to Orange Parent B.V., a company held by a consortium of The Baupost LLC, GreenOak Real Estate and Grupo Lar. In addition to the usual balance sheet guarantees, which expired on 15 May 2015, this consortium was given a guarantee concerning a tax loss carry forward that existed in 2012, which is composed of multiple years. The guarantee concerning the guaranteed tax loss carry forward diminishes year on year, and will expire for the final year on 25 July 2017.

10. Events after balance sheet date

Vastned has reached agreement on the sale of the property Rue de la Porte Dijeaux 35-37 in Bordeaux. The sales price is € 15.9 million, and the property is expected to be transferred in September 2015.

At the end of July, the acquisition took place of the property on Graanmarkt 15 in Antwerp for approx. € 6 million.

11. Related parties transactions

Except with respect to the issues described below, no material changes occurred in the first half year of 2015 in the nature, scale or volume of transactions with related parties compared to what was set out in the notes to the 2014 annual accounts.

During the first half of 2015, none of the members of the Supervisory Board and board of management of Vastned had a personal interest in Vastned investments. To Vastned's best knowledge, no property transactions were effected during the period under review involving persons or institutions that could be regarded as parties with direct interests in Vastned.

Interests of major investors

The AFM has received the following notifications from shareholders holding an interest in Vastned exceeding three percent:

Commonwealth Bank of Australia	5.79%
BlackRock, Inc.	5.29%
FMR LLC	5.05%
JP Morgan Asset Management Holdings Inc.	4.99%
NN Group N.V.	4.29%