

TRADING UPDATE 9M 2022

Vastned expects direct result towards upper end of outlook range for 2022

Highlights 9M 2022

- Vastned continues to deliver a strong operational performance
- Outlook: expected direct result for 2022 towards upper end of the earlier-provided € 1.95 - € 2.05 range per share
- Occupancy rate of the portfolio remains high at 97.8%
- Collection rate increased to 98.3% (97.6% in H1 2022)
- 32 New leases signed, representing annual rental income of € 4.4 million (approximately 6% of total)
- Vastned sold non-strategic assets for € 2.2 million, with a book value of € 1.6 million
- € 200 million in credit lines extended by 12 months to September 2025 with same attractive conditions
- Expected higher 2022 dividend of € 1.85 per share in total (€ 1.73 in 2021)
- Proposed changes by the Dutch government to the fiscal regime for Dutch REITs, from 1 January 2024, to potentially impact Vastned's direct result by between 5% and 10%.

Hoofddorp, 26 October 2022 – Vastned, the listed European retail property company, has again delivered a strong operational performance, with a high occupancy rate and further improved collection rate. Vastned expects its direct result per share for 2022 to be towards the upper end of the earlier provided outlook range of between € 1.95 and € 2.05. The expected proposal for the 2022 dividend is € 1.85 per share in total, which is higher than the € 1.73 in total dividend per share over 2021. The company's continued strong performance, its high-quality portfolio with a stable and attractive tenant base, and its proactive approach to existing and new tenants, provide Vastned with the flexibility to manage potential marketplace developments and further economic headwinds.

Vastned also successfully completed an extension of its credit facilities, thereby increasing the duration of € 200 million in existing facilities by a further 12 months to September 2025. The conditions of these facilities remain unchanged during the agreed extension period, allowing Vastned to continue to benefit from a cost of debt that has been locked in at attractive rates.

The proposed abolishment of the current fiscal regime (FBI regime) for Dutch REITs in the Netherlands by the Dutch government as of 1 January 2024 will potentially impact Vastned's direct result by between 5% to 10% from 2024 onwards. This depends on the outcome of a political process in the Dutch parliament in 2023, as well as a debate on potential flanking measures, which are still to be announced. The impact also depends on possible restructuring measures that Vastned may take in response to this proposed development.

Reinier Walta, CEO of Vastned: *“Encouraged by the strong operational performance in the first nine months and given that we are approaching the final two months of the year, we can provide guidance that the expected direct result per share for 2022 is likely to be towards the upper end of the outlook range of between € 1.95 and € 2.05. In addition, we expect that the proposal for the total 2022 dividend will be at € 1.85 per share. At the same time, our eyes remain open to potential economic headwinds, and we are actively reducing risks where we can. So far, the economic uncertainty in Europe has had a very limited impact on our high street retail real estate business. The continued good traction with existing and new retail tenants demonstrates the strength of Vastned and our high-quality portfolio. We also believe that our organisation is ready to deal with potential changes in the marketplace, as proven in recent years.”*

PRESS RELEASE

“The announced intention by the Dutch government to abolish the FBI regime for all direct real estate investments in the Netherlands came as a surprise to the sector, including Vastned. Together with most of our other listed peers, we believe there are strong arguments for an exemption for listed Dutch real estate companies before the finalisation of the government’s 2024 tax plans next year.

We believe the intended abolishment of the FBI regime will hurt the competitive position of many REITs in the Netherlands in an indiscriminate way, putting the listed Dutch real estate sector on the back foot. This does not do justice to the overall contribution and accountability of listed real estate companies since the Dutch government first introduced this successful tax transparent regime in 1969.

Today, we have provided an estimation of the potential negative impact this change will have on the direct result of Vastned, estimating this to be between 5% and 10%. However, the negative impact cannot be fully assessed at this stage, and will depend on the outcome of a political process in Dutch parliament and possible flanking measures. It will also depend on the restructuring measures that Vastned may take in response to the proposed development.

In our view, this move by the Dutch Government will have consequences that reach far beyond the direct financial impact on Vastned, given that it puts the current level playing field for REITs in Europe at risk. Plans like this result in fiscal regimes that vary significantly in the way income from real estate investments is taxed, instead of enabling the widely desired and much-needed convergence of investment income tax treatment within the European community. Together with the announced increase of the property transfer tax from 8% to 10.4% in the Netherlands in 2023, the government budget plans send a negative message to investors regarding the attractiveness of the Dutch real estate market, at a time when significant investment is needed to support real estate transformations and the addition of new housing stock, and to improve the sustainability performance of property portfolios.”

PRESS RELEASE

NOTES TO THE PROPERTY PORTFOLIO

Occupancy rate

The occupancy rate slightly decreased to 97.8% in the third quarter of 2022, compared to 98.5% as at the end of June 2022. In the Netherlands, the occupancy rate decreased due to a bankruptcy of a tenant on Westermarkt in Tilburg and a tenant departure on Steenweg in Utrecht. In Belgium, the occupancy rate increased due to one new lease on Schuttershofstraat in Antwerp. In France, the occupancy rate decreased due to two bankruptcies, in Lille and in Bordeaux, and one departure in Bordeaux. The Spanish portfolio remained fully let.

Occupancy rate (%)	30 September 2022	30 June 2022
Netherlands	97.9	98.3
France	95.6	98.1
Belgium	99.0	98.8
Spain	100.0	100.0
Total	97.8	98.5

Leasing activity

In Q3 2022, Vastned concluded 13 leases for a total amount of € 2.3 million, or 3.1% of the total theoretical rent. The rent decrease of these new leases in Q3 2022 was 1.7%, which was mainly caused by a new letting in Ghent with Fox Gent on Zonnestraat 10-12 and the renewal of the lease with Gerry Weber on Markt 27 in Den Bosch. New leases were also concluded with G Star on Huidevetterstraat 12-14 in Antwerp, Kruidvat on Vredenburg 9 in Utrecht and Casa on Rechtestraat 52 in Eindhoven. Over the first 9 months of 2022, Vastned concluded 32 new leases for a total amount of € 4.4 million, or 6% of the total theoretical rent. The rent decrease on these new leases during 9M 2022 was 7.4%.

Leasing activity	9M 2022	Q3 2022
Number of leases	32	13
Rental income (€ million)	4.4	2.3
% of total theoretical rent	6.0	3.1
Rental change (€ million)	-0.4	<-0.1
% rental change	-7.4	-1.7

Acquisitions and divestments

In Q3 2022, Vastned sold St. Jorisplein 30 in Ridderkerk, and Langestraat 24/ Venne 109 and Langestraat 22 in Winschoten. These non-strategic assets had a transaction value of € 1.4 million, which was 40% higher than their book value. In Q3 2022, Vastned acquired Zuidplein Hoog 827 in Rotterdam, which is currently rented to ICI Paris XL.

PRESS RELEASE

FINANCIAL CALENDAR

16 February 2023	before trading	Publication annual results 2022
20 April 2023		Annual General Meeting of shareholders
11 May 2023	before trading	Q1 trading update 2023
27 July 2023	before trading	Half-year results 2023
26 October 2023	before trading	9M trading update 2023

Outlook 2022

Vastned's focus is on maintaining its excellent operational performance and executing its strategy.

Vastned expects the direct result per share for 2022 to be towards the upper end of the outlook range for a direct result of between € 1.95 and € 2.05 per share. The strong operational performance during the year so far, in conjunction with the expected increase of the direct result for the full year, also leads Vastned to announce an expected proposal for the 2022 dividend of € 1.85 per share in total.

About Vastned

Vastned is a European publicly listed property company (Euronext Amsterdam: VASTN) focusing on the best property in the popular shopping areas of selected European cities with a historic city centre where shopping, living, working and leisure meet. Vastned's property clusters have a strong tenant mix of international and national retailers, food & beverage entrepreneurs, residential tenants, and office tenants. The property portfolio had a size of approximately € 1.5 billion as at 30 June 2022.

Further information:

Simon Theeuwes
Investor Relations Manager a.i.
simon.theeuwes@vastned.com
Tel: +31 20 24 24 300