

TRADING UPDATE Q3 2017

Continued quality improvement of the Vastned portfolio

High lights

- Occupancy rates core city assets and total portfolio remain high at 99.6% and 97.6% respectively
- Clusters in Amsterdam, Antwerp and Paris expanded further with acquisitions of € 31.9 million in total
- Strategic progress made through divestments totalling € 116.6 million
- 9.9% rent increase realised on leases concluded for core city assets
- Estimated 2017 direct result reconfirmed at € 2.10 - € 2.20 per share
- Estimated dividend proposal 2017 € 2.05 per share unchanged

Amsterdam, 1 November 2017 – Vastned, the listed European retail property company focusing on 'venues for premium shopping' has maintained its occupancy rate at a high level and realised a 10% rent increase on leases concluded for core city assets.

Taco de Groot, Vastned CEO: *'The occupancy rate of our portfolio remained high in the past nine months and was 97.6% at the end of the third quarter. The core city assets were in fact virtually fully let at 99.6%. We will continue to focus on further expanding our core city assets portfolio and downsizing the mixed retail locations, especially in the Netherlands.*

We acquired core city assets in the historical city centres of Amsterdam, Antwerp and Paris for € 31.9 million. We also sold property for € 116.6 million, including the complete Turkish portfolio and various assets throughout the Netherlands and Belgium. By doing so we will continue to improve the quality of the portfolio step by step.

In addition, renovation and realisation of apartments and studios above retail space is another important focus area. In the first nine months of this year we completed 8 apartments and we expect to be able to offer another 23 apartments for rent in different locations in Amsterdam and Utrecht over the next three quarters. By renovating and creating apartments above retail spaces we contribute to improving the liveability of city centres, respond to the growing demand for residential space in the city centres, and add value to the existing portfolio.

In view of the stable progress of the past three months, we maintain our forecast for the 2017 direct result of between € 2.10 and € 2.20 per share, and a dividend proposal for 2017 of € 2.05 per share.

Finally, we noted the new Government Agreement presented on 10 October 2017, which states that, as of 2020, direct investment in real estate by investment institutions is no longer permitted in connection with the abolition of the dividend tax. We are discussing this with different parties and following the developments carefully.'

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OCCUPANCY RATE Q3 2017 (IN %)	Core city assets	Mixed retail locations	Total
The Netherlands	99.7	92.2	96.3
France	99.3	82.3	98.2
Belgium	100.0	97.8	98.9
Spain	100.0	100.0	100.0
Total	99.6	93.8	97.6

OCCUPANCY RATE YEAR-END 2016 (IN %)			
The Netherlands	99.1	92.3	95.8
France	98.6	88.3	97.9
Belgium	99.2	97.6	98.5
Spain	100.0	100.0	100.0
Turkey	99.6	n.a.	99.6
Total	99.1	93.9	97.3

Review of the property portfolio

Occupancy rate

The occupancy rate of the core city assets further increased over the first nine months and was 99.6% as at 30 September 2017 (year-end 2016: 99.1%). The occupancy rate of the total portfolio also rose, to 97.6% (year-end 2016: 97.3%).

Leasing activity

During the first nine months of 2017, Vastned concluded 78 leases for a total of € 6.4 million, or 8.0% of the total theoretical annual gross rental income. Vastned concluded 19 leases for core city assets and 59 leases for mixed retail locations. Vastned realised a 9.9% rent increase on the leases concluded for core city assets and a 10.4% decrease on mixed retail locations.

Of these 78 leases, 27 were concluded during the third quarter of 2017 for € 1.7 million in total. Five of these were concluded for core city assets and 22 for mixed retail locations. Vastned concluded leases with retailers including Suite Benedict, Steps, Hunkemöller, Fusalp, JD Sports and Crédit Mutuel.



Cours de l'Intendance 61 Bordeaux

	Leasing activity			Change in gross rent on leases signed	
	Q1 2017 - Q3 2017			Q1 2017 - Q3 2017	
	number of contracts signed	in € million	% of TGOI	in %	in € '000
Core city	19	2.9	3.6	9.9	264
Mixed retail locations	59	3.5	4.4	(10.4)	(403)
Totaal	78	6.4	8.0	(2.1)	(139)

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Acquisitions and divestments

Acquisitions

In the first nine months of 2017, Vastned expanded its core city assets portfolio by € 27.7 million (including acquisition costs) with acquisitions in Paris, Antwerp and Amsterdam.

In the first half of 2017, Vastned purchased two core city assets in Le Marais in Paris, including rue des Francs Bourgeois 29 for approx. € 15.8 million including acquisition costs. The showroom and retail space were combined into a single retail floor area of approx. 200 square metres. On 19 October Nespresso opened its new concept store here. Another acquisition was rue des Rosiers 19 for approx. € 4.0 million including acquisition costs. This core city asset of about 76 square metres is leased to Spanish retailer Scalpers.

In early July 2017 three adjoining core city assets were acquired at Steenhouwersvest 44-48 in Antwerp for € 6.5 million in total including acquisition costs. The total retail area of these three shops is approx. 190 square metres, which are leased to Diane von Furstenberg, Damoy and Le Pain Quotidien. The five apartments on the floors above were also acquired, and let after a complete renovation.



Ferdinand Bolstraat 47-49 Amsterdam

In September 2017, Vastned also acquired a restaurant on Spuistraat 3 in Amsterdam, which is leased to steakhouse Gauchos, for € 1.4 million including acquisition costs.

After balance sheet date, Vastned acquired Ferdinand Bolstraat 47-49 in Amsterdam for € 4.2 million including acquisition costs. This double core city asset is leased to concept store Circle of Trust and has a retail floor area of over 200 square metres. The four apartments above were also purchased.

Ferdinand Bolstraat is a well-known shopping street in the popular De Pijp district, near the Albert Cuyp street market. Vastned already owns 13 core city assets with 48 apartments on Ferdinand Bolstraat. This street has undergone a total transformation over the past few years due to the construction of a metro station on the North-South line, which revived this broad street.

Divestments

During the first nine months of 2017, Vastned divested non-strategic assets totalling € 116.6 million. During the third quarter of 2017 Vastned sold a portfolio of seven assets for € 11.5 million in total to Urban Interest, a nationally operating private property investor. These assets are located in Groningen (four), Spijkenisse (the shared ownership of a shopping centre comprising 19 shops) and The Hague (two). Furthermore, three high street shops in Hoorn were sold for € 1.1 million, and Deventerstraat 5 in Apeldoorn for € 1.3 million.

Organisation

The steps Vastned has taken to improve the quality of the portfolio have also resulted in changes to the organisation. The divestments within the mixed retail locations over the past few years in particular have made the portfolio more scalable and more robust. In the wake of this, Vastned has made the organisation more efficient, and has taken out the management layer between the Dutch portfolio managers and the CEO. Additionally, the number of FTEs was reduced from 47 at year-end 2016 to 42 at present.

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Outlook

Vastned will continue executing its strategy step by step by focusing its acquisitions on expanding the clusters in the five selected European cities and divesting non-strategic assets in mainly smaller cities in the Netherlands.

Vastned maintains its estimation for the 2017 direct result in the previously announced range of € 2.10 - € 2.20 per share. Vastned also confirms its expected dividend proposal for 2017 of € 2.05 per share.

Financial calendar 2018

14 February 2018	after trading	Publication annual results 2017
8 March 2018	before trading	Publication Annual Report 2017
19 April 2018		Annual General Meeting of Shareholders
23 April 2018		Ex final dividend date 2017
24 April 2018		Final dividend record date 2017
8 May 2018		Payment date final dividend 2017
8 May 2018	after trading	Q1 trading update 2018
1 August 2018	after trading	Half-year results 2018
6 August 2018		Ex interim dividend date 2018
7 August 2018		Interim dividend record date 2018
21 August 2018		Interim dividend payment date 2018
30 October 2018	after trading	Q3 trading update 2018

About Vastned

Vastned is a listed European retail property company focusing on venues for premium shopping. Vastned invests in selected cities in Europe with a clear focus on the best retail property in the most popular shopping streets in the bigger cities. Vastned's tenants are strong and leading international and national retail brands. The property portfolio has a size of € 1.6 billion.

Further information:

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