

ANNUAL RESULTS 2020

Vastned publishes solid results in very challenging circumstances

Key points 2020

- **Strategy update: Vastned will optimise and concentrate property portfolio towards mixed-use city centre portfolio; Reinier Walta nominated as new CEO**
- **Direct result FY 2020 € 1.85 per share vs. € 2.03 per share in FY 2019**
- **Decrease in direct result 2020 vs. 2019 caused by impact of COVID-19**
- **Payment arrangements in relation to COVID-19 agreed for virtually entire property portfolio due to intensive contacts with tenants**
- **Relatively high rent collection of 90% as at 31 December 2020 for FY 2020 (95% adjusted for waivers) due to tailored arrangements with tenants**
- **Occupancy rate slightly decreased during the year to 96.5% at year-end 2020, compared to 98.0% at year-end 2019**
- **Like-for-like gross rental growth was 0.4%, corrected for rent waivers due to COVID-19, especially as a result of positive effect of reletting of Rue de Rivoli 118-120 in Paris**
- **Relatively limited 5.2%* value decrease of property portfolio compared to 31 December 2019, leading to indirect result of € 4.26 negative per share**
- **Loan-to-value ratio 43.0% as at 31 December 2020, within 35%-45% range**
- **Good liquidity position; Vastned remains well within bank covenants**
- **Dividend proposal for FY 2020 € 1.73 per share, to be paid out in full on 6 May 2021**
- **Due to continuing uncertainty resulting from the COVID-19 pandemic and the government measures to control it, Vastned does not issue any outlook for the direct result for 2021 at this time.**

* Excluding capex and divestments

Amsterdam, 11 February 2021 – Vastned reports a direct result for 2020 of € 1.85 per share, which is lower than in 2019 due to the impact of COVID-19. The outbreak of the virus and the government measures to contain its spread have had visible consequences for tenants. Vastned has therefore made tailored payment arrangements with virtually all tenants during the first and second lockdowns. As a result, rent collection remained relatively high at 90% for FY 2020. The occupancy rate also remained high at 96.5% and the property portfolio is robust, with only a limited 5.2% value decrease during FY 2020. The Executive Board has decided on a dividend proposal for FY 2020 totalling € 1.73 per share. Due to continuing uncertainty resulting from the COVID-19 pandemic and the government measures to control it, Vastned will not issue an outlook for the direct result for 2021 at this time.

PRESS RELEASE

Reinier Walta, interim CEO Vastned: *'The outbreak and spreading of COVID-19 and the measures taken by the governments to limit its spreading have had a major impact on everyone. I am proud of the Vastned team, who have worked very hard in these challenging circumstances to cope with the situation and find appropriate solutions together with the tenants. The goal has always been and still is to do this together with our tenants, which is in the long-term interests of all parties.'*

Our high-quality property portfolio has clearly proven itself during the COVID-19 crisis. The occupancy rate remained high at 96.5% at year-end 2020. The property portfolio in France is virtually fully let with an occupancy rate of 98.5% and in Spain the portfolio is 100% let. The property portfolios in the Netherlands and Belgium are 95.2% and 96.2% let respectively. Due to the high quality of the portfolio, there was a relatively limited 5.2% decrease in the value of the property portfolio over 2020 under very challenging economic conditions.

In 2020, the Vastned team concluded tailored agreements with the tenants. In this context, Vastned granted € 4.7 million in rent waivers in 2020 and deferred rent payments totalling € 1.0 million. Consequently, the direct result for the year 2020 was lower than in 2019. The 90% collection rate for the year 2020 was relatively high thanks to these tailored agreements with tenants.

It is clear that the retail sector is undergoing a transformation, driven by changing consumer behaviour and the growth of e-commerce. The outbreak and spreading of COVID-19 and the government measures to contain it have further accelerated this development. We anticipate that tourism in European cities will recover over time. We also expect that despite the above developments, the historic city centres will remain popular and visitors will return once the pandemic is over. We have also seen in 2020 that people like to come to city centres as soon as they are allowed to. The COVID-19 pandemic has increased the focus on space and sustainability in cities, but the long-term trend of urbanisation will continue in Europe and the rest of the world, also because that is where the economic activity takes place. City centres remain attractive for shopping, working, living and leisure. Governments also support this with policy.

Vastned is responding to these market trends by updating its strategy, in which the objective remains to generate stable and predictable long-term results. Vastned aims to achieve this objective by optimising and concentrating the property portfolio, a strategy in which greater diversification of tenant types and the creation of a city centre portfolio with mixed-use properties are important pillars, in conjunction with increasing the cost efficiency of the organisation. In this way, Vastned wants to create long-term value in a sustainable way for all its stakeholders.

Based on the direct result of € 1.85 per share in 2020, we plan to pay out € 1.73 per share in dividend for 2020. As no interim dividend was paid in 2020, this amount will be paid in full as cash dividend in May 2021.

In 2021 too, our focus will remain on maintaining the high occupancy rate of the property portfolio, supported by the tailored agreements we have made with our tenants. At present, the countries in which Vastned operates are in (partial) lockdown because of COVID-19. In view of the uncertainty about how long the present situation and its impact will persist, it is not possible at this time to assess Vastned's result for 2021. For this reason, Vastned does not issue any forecast for the direct result for the year 2021 at this time.'

PRESS RELEASE

COVID-19 impact

After all shops in Vastned's property portfolio had reopened as of the end of June 2020 and the lockdowns had been lifted, government measures to control COVID-19 were reintroduced in the Netherlands, France and Belgium from October 2020. In France, non-essential shops, bars and restaurants were forced to close during the month of November 2020 and in Belgium during the months of November and part of December 2020. In the Netherlands, all food and beverage establishments have been compulsorily closed since 14 October 2020 and all non-essential shops since 15 December 2020. The shops in Vastned's portfolio in Spain were all open in the second half of 2020. As a result, during the fourth quarter of 2020, more than half of the tenants in the property portfolio experienced temporary closure.

As reported in Vastned's 2020 half-year report, these government measures and of course the health and economic crisis in general have had a negative impact on Vastned's tenants. As a result, Vastned's results were again affected in the fourth quarter of 2020.

After the introduction of the government measures in the second half of 2020, Vastned again held intensive discussions with its tenants and made payment arrangements with virtually all tenants that are in line with the arrangements made in the industry. These arrangements with tenants are tailor-made, and take account of the specific situation that the tenant is in, while at the same time taking the interests of all stakeholders into consideration, including Vastned's shareholders. The payment arrangements made range from spreading payments due for the quarter over monthly instalments, paying not in advance but in arrears, deferment of payment of the entire or part of the rent, up to partial rent waivers.

Many tenants in our portfolio who paid the rent quarterly have changed to paying monthly. In conjunction with these payment arrangements Vastned has modified leases in a number of cases. For example, agreements have been reached with tenants on contract extensions, removal of break options or future rent rises. This has yielded improved continuity for Vastned both in terms of rental income and occupancy rate. The following is an overview of waived and deferred rent by country.

Rent arrangements 2020
(€ million)

	Rent waivers ^{1,2}	Rent deferments ²
Netherlands	1.8	0.5
France	1.1	0.4
Belgium	1.8	0.1
Spain	<0.1	-
Total	4.7	1.0

¹ Including acquisitions and divestments

² Including VAT

The arrangements made with tenants have the following implications for the FY 2020 result:

- € 4.7 million in rent waivers in FY 2020. This has been deducted directly and fully from the gross rental income in FY 2020.
- Deferment of rent payments due over the period of April up to and including June and November/December 2020 totalling € 1.0 million.
- In FY 2020, Vastned allocated € 1.5 million to the provision for expected credit losses due to the elevated risk of irrecoverability of rent receivables due to COVID-19.

Accounts receivable increased to € 9.9 million as at 31 December 2020 from € 3.6 million as at 31 December 2019. A significant portion of this (year-end 2020: € 6.7 million) was related to pre-invoiced rent for the first quarter of 2021. The rent collection for FY 2020 was 90% on 31 December 2020, which was calculated as follows: all amounts received divided by all amounts invoiced in respect of FY 2020. In the rent collection calculation, the waived amounts and the deferred amounts were not deducted from the invoiced amounts. Adjusted for waivers, the rent collection for FY 2020 was 95%.

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Key parameters

Vastned reports a direct result of € 1.85 per share for FY 2020 compared to € 2.03 in FY 2019. This result is at the upper end of the adjusted expected range of € 1.70 - € 1.85 per share, as communicated in the 2020 half-year report. This decrease was caused by the € 4.2 million decrease of the net rental income due to rent waivers caused by COVID-19 and the € 1.5 million allocation to the provision for expected credit losses. The occupancy rate remained high at 96.5% at year-end 2020. The value of the property portfolio showed a relatively limited decline of 5.2% compared to FY 2019.

Results	FY 2020	FY 2019
Occupancy rate as at 31 December (%)	96.5	98.0
Like-for-like gross rental growth (%)	(5.5)	(3.0)
Value movements ¹ (%)	(5.2)	(0.8)
Total appraisal value of the portfolio ² (€ million)	1,479	1,571
Direct result per share (€)	1.85	2.03
Indirect result per share (€)	(4.26)	(0.73)
Result per share (€)	(2.41)	1.30

¹ Excluding capex, acquisitions and divestments

² Including assets held for sale

NOTES TO THE PROPERTY PORTFOLIO**Portfolio breakdown**

The appraisal value of the total property portfolio as at 31 December 2020 was € 1.5 billion which represents a, given the circumstances, limited decrease in value of 5.2% compared to 31 December 2019.

Portfolio breakdown ¹ (€ million)	31 December 2020	% of total
Netherlands	642	43
France	407	28
Belgium	339	23
Spain	91	6
Total	1,479	100

¹ Including assets held for sale

Occupancy rate

The occupancy rate decreased slightly during 2020 from 98.0% at year-end 2019 to 96.5% at year-end 2020. This decrease was caused by a fall in the occupancy rate in the Netherlands, France and Belgium. The portfolio in Spain was fully let throughout 2020.

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Occupancy rate (%)	31 December 2020	30 September 2020	30 June 2020	31 March 2020	31 December 2019
Netherlands	95.2	96.2	96.0	96.0	96.6
France	98.5	99.8	99.8	99.9	99.8
Belgium	96.2	97.4	97.5	95.8	98.8
Spain	100.0	100.0	100.0	100.0	100.0
Total	96.5	97.5	97.4	97.0	98.0

Leasing activity

In 2020, Vastned concluded 71 leases for a total annual rent of € 9.6 million, or 12.9% of the total theoretical annual gross rental income. In 2019, in comparison, Vastned concluded 76 leases for a total annual rent of € 12.4 million, or 16.7% of the total theoretical annual gross rental income.

The 71 leases Vastned concluded resulted in a rent decrease of € 0.4 million (4.3%).

In the Netherlands Vastned signed relatively many new leases with supermarkets in 2020. For example, Vastned signed a new lease with Lidl in Rotterdam, with Spar and Jumbo in Utrecht, and with VkusVill in Amsterdam. Vastned also concluded new leases in the Netherlands with Rituals, Holland & Barrett and Score. In France new leases were agreed with Streamroot and Sézane. Streamroot rents the newly renovated office at Rue de Rivoli 102 in Paris. Louis Vuitton in Bordeaux renewed its lease in the fourth quarter of 2020. In Belgium, new leases were concluded with Dunkin' Donuts, Keukens De Abdij, Takeaway and Clear Channel. In addition, leases were renewed with Armani in Antwerp and Mango in Brussels. The portfolio in Spain was fully let throughout 2020.

2020

Leasing activity			Rental change	
Number leases	€ million	% of theoretical annual rent	€ million	%
71	9.6	12.9	(0.4)	(4.3)

Q4 2020

Leasing activity			Rental change	
Number leases	€ million	% of theoretical annual rent	€ million	%
13	1.5	2.0	(0.2)	(11.9)

Lease incentives

Lease incentives, such as rent-free periods, lease discounts and other payments or contributions to tenants, averaged 6.1% of the gross rental income in 2020. This was higher compared to 2019, partly due to COVID-19. The difference between the actual and the IFRS lease incentives is the straightlining of lease incentives over the contract terms.

Waivers of past due rent in arrears due to COVID-19 are not included in the calculation of the figures below.

**Lease incentives
(as a % of gross rental income)**

2020		2019	
Actual	IFRS	Actual	IFRS
6.1	4.9	3.7	3.2

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Value movements

The value of the property portfolio excluding capital expenditure and divestments fell during 2020 by € 80.7 million, or 5.2%, compared to year-end 2019. Taking into account capital expenditure, revaluations of sold properties during 2020 and movements in accruals and leasing liabilities, the total decrease in value was € 84.4 million.

Value movements 2020	€ million	%
	80.7	(5.2)

Acquisitions and divestments

No acquisitions were made in 2020. In view of the COVID-19 pandemic and the strategy update, a deliberate decision was made to keep focusing on managing the current portfolio.

As part of its strategy to further lower the risk profile of the portfolio, Vastned sold non-strategic assets in the Netherlands and Belgium in 2020. The properties sold had a total book value of € 11.0 million at the time of sale. In the Netherlands, Vastned sold the following properties in 2020: Veestraat 1 and 39 in Helmond, Julianastraat 13-19 in Dedemsvaart and Kalverstraat 8-14 in Veghel. In Belgium, Vastned divested Molsesteenweg 56 in Balen and Leuvensesteenweg 610-640 in Schaarbeek.

NOTES TO THE FINANCIAL RESULTS

Financial results (€ million)	2020	2019
Direct result	31.7	35.0
Indirect result	(73.1)	(12.6)
Result attributable to Vastned Retail shareholders	(41.3)	22.4
Result attributable to non-controlling interests	(3.0)	1.5
Result after taxes	(44.3)	23.9

Result attributable to Vastned Retail shareholders

The result attributable to Vastned Retail shareholders, which comprises the direct and indirect result, was € 41.3 million negative in 2020 (2019: € 22.4 million positive). The main factor in this lower result was the fall of the indirect result from € 12.6 million negative for 2019 to € 73.1 million negative for 2020.

The direct result fell from € 35.0 million in 2019 to € 31.7 million in 2020. The decrease was mainly caused by lower net rental income due to COVID-19.

The indirect result in 2020 was € 73.0 million negative, against € 12.6 million negative in 2019. This decrease was mainly caused by a decrease in value of the property portfolio by € 84.4 million. The value of the property portfolios in the Netherlands, France, Belgium and Spain decreased by € 41.1 million, € 10.2 million, € 24.3 million and € 8.8 million respectively.

Result per share

The result per share attributable to Vastned Retail shareholders was € 2.41 negative for 2020 (2019: € 1.30 positive). This result consists of the direct result per share of € 1.85 positive (2019: € 2.03 positive) and the indirect result per share of € 4.26 negative (2019: € 0.73 negative).

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NET INCOME FROM PROPERTY

Gross rental income

After adjusting for non-recurring items relating to the spreading of substantial buy-out payments received from and paid to tenants in 2018, the gross rental income was € 65.7 million in 2020 compared to € 70.1 million in 2019.

Development net rental income (€ thousand)	Netherlands before adjustment for non-recurring items	Adjustment for non-recurring items	Netherlands after adjustment for non-recurring items	France	Belgium	Spain	Total
Gross rental income 2019	32,568	776	33,344	13,642	19,664	3,414	70,064
Acquisitions	122	-	122	-	-	-	122
Divestments	(348)	-	(348)	-	(322)	-	(670)
Waivers of rent arrears (like-for-like)	(1,424)	-	(1,424)	(941)	(1,738)	(30)	(4,133)
Like-for-like rental growth	(638)	-	(638)	1,512	(520)	(45)	309
Gross rental income 2020	30,280	776	31,056	14,213	17,084	3,339	65,692
Other income	-	-	-	314	194	-	508
Allocation to provision for expected credit losses	(406)	-	(406)	(533)	(455)	(95)	(1,489)
Operating expenses ¹⁾	(3,720)	-	(3,720)	(1,246)	(1,677)	(275)	(6,918)
Net rental income 2020	26,154	776	26,930	12,748	15,146	2,969	57,793
Net rental income 2019	28,884	776	29,660	12,835	18,281	3,027	63,803
Operating expenses as a % of gross rental income 2020	13.6	-	13.3	12.5	12.5	11.1	12.8
Operating expenses as a % of gross rental income 2019	11.3	-	11.0	7.8	7.0	11.3	9.3

¹⁾ Including net service charge expenses

The above table shows the growth in net rental income of the properties that were in operation and not under renovation or development during the two preceding full periods. For the calculation of the like-for-like rental growth, properties acquired or sold during the two preceding periods are excluded.

Acquisitions (€ 0.1 million increase)

No acquisitions were made in 2020. The € 0.1 increase in gross rental income was due to properties acquired in Amsterdam in 2019.

Divestments (€ 0.7 million decrease)

In 2020, Vastned sold investment properties totalling € 11.0 million (book value). In 2019, Vastned sold investment properties totalling € 12.1 million. These divestments caused the gross rental income to fall by € 0.7 million compared to 2019. The divestments in 2020 and 2019 took place in the Netherlands and Belgium.

Waivers of rent arrears due to COVID-19 (€ 4.1 million decrease, like-for-like)

As a result of COVID-19, an amount of € 4.1 million in rent arrears was waived on a like-for-like basis in 2020. Waivers of rent arrears in the Netherlands, France and Belgium were € 1.4 million, € 0.9 million and 1.7 million respectively. In Spain, less than € 0.1 million in rent waivers was granted.

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Like-for-like gross rental growth (€ 0.3 million increase)

The normalised like-for-like gross rental growth in 2020 was € 0.3 million positive (0.4% positive). This positive like-for-like gross rental growth was mostly due to the letting of Rue de Rivoli 118-120 in Paris to JD Sports. In France the like-for-like growth of the gross rental income was € 1.5 million positive due to the reletting of the property Rue de Rivoli 118-120 in Paris. The like-for-like gross rental growth in the Netherlands, Belgium and Spain was € 0.6 million negative, € 0.5 million negative and less than € 0.1 million negative respectively. If the waivers due to COVID-19 are taken into account, the like-for-like growth of the gross rental income was € 3.8 million negative (5.5% negative) for the total property portfolio in 2020.

Adjustment for non-recurring items

This concerns the spreading of substantial buy-out payments received from and paid to tenants in 2018. In order to present a balanced view of the like-for-like gross rental growth, these non-recurring payments have been spread over the duration of the leases with the new tenants. On balance, this means that both in 2020 and in 2019 € 0.8 million in additional gross rental income was presented compared to the IFRS result.

Operating expenses (including net service charge expenses)

The total operating expenses excluding the allocation to the provision for expected credit losses increased from € 6.5 million in 2019 to € 6.9 million in 2020. This increase was partly due to higher maintenance costs, net service charge expenses and other operating expenses of € 0.3 million, € 0.2 million and € 0.1 million respectively; on the other hand, letting costs decreased by € 0.2 million.

The allocation to the provision for expected credit losses increased from virtually nil in 2019 to € 1.5 million in 2020. This rise was almost completely due to COVID-19.

The operating expenses equalled 12.8% of the gross rental income (not corrected for non-recurring items) (2019: 9.3%).

Value movements in investment property

The investment property value movements in 2020 were € 84.4 million negative (2019: € 13.1 million negative). The value decreases in the Dutch, French, Belgian and Spanish property portfolios were € 41.1 million, € 10.2 million, € 24.3 million and € 8.8 million respectively.

Net result on divestments of investment property

In 2020, Vastned sold investment property totalling € 11.0 million. Of these divestments, the Belgian property portfolio accounted for € 8.3 million and the Dutch portfolio for € 2.7 million. The net result on the divestments realised in 2020 after deduction of sales costs was € 1.5 million positive.

EXPENDITURE

Net financing costs

The net financing costs including value movements of financial derivatives decreased from € 17.6 million in 2019 to € 15.2 million in 2020. The development of the net financing costs is shown in more detail in the table below.

Development of net financing costs (€ million)

Net financing costs 2019	17.6
Increase due to higher average interest-bearing debts	0.1
Net decrease due to lower average interest rate and changes in fixed/floating interest rates and working capital	(1.6)
Decrease of negative value movements in financial derivatives	(0.9)
Net financing costs 2020	15.2

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The net financing costs rose by € 0.1 million due to higher average interest-bearing debts resulting in particular from the share buyback programme in 2019. Due to changes in the composition of the loan and interest rate derivatives portfolio the average interest rate fell by 23 basis points from 2.22% in 2019 to 1.99% in 2020, reducing the interest expenses by € 1.6 million. As a result of the altered market interest rate, the value movements of the interest rate derivatives were € 2.1 million negative (2019: € 3.0 million negative).

General expenses

The general expenses decreased to € 7.4 million in 2020 compared to € 8.1 million in 2019. In 2020, non-recurring costs due to the departure of the CEO were recognised, resulting in a net increase of € 0.3 million in personnel costs compared to 2019. However, the net decrease in general costs of € 0.7 million was mainly due to the decision by the Belgian tax authorities to refund Vastned Retail Belgium's overpaid listing costs.

Adjusted for non-recurring items, the general expenses amounted to € 7.6 million, a decrease of € 0.5 million compared to 2019.

Current income tax expense

The income tax payable on the reporting period for the regularly taxed entities in the Netherlands, Belgium and Spain was € 0.7 million in 2020 (2019: € 0.7 million).

Movement in deferred tax assets and liabilities

The movements in deferred tax assets and liabilities in 2020 were € 4.9 million positive (2019: € 0.1 million positive). The decrease in the provision for deferred tax in 2020 was mainly due to value decreases of assets in the Netherlands and Spain that are held by regularly taxed entities.

FINANCING STRUCTURE

Financing is a one of the cornerstones in Vastned's strategy. Vastned aims for a conservative financing structure, with a loan-to-value ratio of between 35% and 45%, diversification of financing sources e.g. by placing long-term bond loans with institutional investors (such as 'private placements'). With these private placements, Vastned has extended the duration of the long-term loan portfolio and realised a better spreading of financings over lenders.

Sustainability is a key part of Vastned's mission, strategy and organisation. In order to anchor sustainability in Vastned's financing, the company has developed a Green Finance Framework. The aim of the framework is to (re)finance energy-efficient commercial and residential property that contributes to the preservation of historic city centres. Under this framework Vastned can issue a range of green financing instruments.

The existing interest rate policy to fix the interest rate of approximately two thirds of the loan portfolio was continued in 2020.

During 2020, Vastned repaid private placements of € 25.0 million and € 37.5 million, respectively, to Pricoa Capital Group. These repayments were financed from resources available in existing credit facilities.

In December 2020, a new committed Green Revolving Credit Facility of € 40.0 million was agreed under the abovementioned framework, in which ABN AMRO and Rabobank each participate for € 20.0 million. This Green Revolving Credit Facility has a 3-year duration and a floating interest rate that is in line with market conditions.

As at year-end 2020, Vastned Retail's balance sheet showed a healthy financing structure with a loan-to-value ratio of 43.0% (year-end 2019: 41.6%) and a solvency ratio, being group equity plus deferred tax liabilities divided by the balance sheet total, of 55.2% (year-end 2019: 56.6%). In 2021 and 2022 none of the credit facilities in Vastned's loan portfolio will expire.

Financing structure	31 December 2020	31 December 2019
Loan-to-value (%)	43.0	41.6
Solvency* (%)	55.2	56.6
Interest coverage ratio	4.3	4.2

* Group equity plus deferred tax liabilities divided by the balance sheet total

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With a solvency ratio of 55.2% and an interest coverage ratio of 4.3, Vastned complied with all the bank covenants at year-end 2020. All financing contracts stipulate a 45% minimum solvency rate and usually require a 2.0 interest coverage ratio. Most financing agreements include a negative pledge clause, with a limited threshold for putting up security.

The unused credit facilities of € 104.5 million as at year-end 2020 provide ample liquidity to fulfil short-term payment obligations.

Loan portfolio as at 31 December 2020

(€ million)

	Fixed interest ¹	Floating interest	Total	% of total
Long-term liabilities	444.9	179.9	624.8	98.7
Short-term liabilities	-	8.5	8.5	1.3
Total	444.9	188.4	633.3	100.0
% of total	70.3	29.7	100.0	

¹ Taking account of interest rate derivatives

As at year-end 2020, the loan portfolio was 70.3% fixed interest. The proportion of non-bank loans was 33.9% as at year-end 2020, well above the internal target of 25%.

DEVELOPMENT OF NET ASSET VALUE PER SHARE

As a result of the combined direct and indirect results of € 2.41 negative per share in total, the other movements of € 0.04 negative and the 2019 final dividend distribution of € 0.85 per share, the net asset value per share fell from € 46.28 at year-end 2019 to € 42.98 as at 31 December 2020. The EPRA NTA per share as at 31 December 2020 was € 43.78 vs. € 47.25 at year-end 2019.

DIVIDEND DISTRIBUTION FOR 2019 AND DIVIDEND PROPOSAL FOR 2020

The Annual General Meeting of 25 June 2020 declared a dividend for the 2019 financial year of € 1.43 per share, which was charged to the freely distributable reserves. In August 2019, an interim dividend of € 0.58 per share had already been distributed, so the final dividend for 2019 came to € 0.85 per share.

Given the uncertainty surrounding COVID-19, no interim dividend was paid out for 2020 in order to boost the Company's liquidity position.

At the Annual General Meeting of 15 April 2021, Vastned will propose to declare a total dividend for the 2020 financial year of € 1.73 per share and charge it to the freely distributable reserves. The final dividend will be made payable on 6 May 2021.

EVENTS AFTER BALANCE SHEET DATE

Divestments

On 19 January 2021, the property at Calle Tetuán 19 / Calle Carmen 3 in Madrid was sold at book value. This property was classified as an asset held for sale as at 31 December 2020.

Rent collection

In the period 1 January 2021 to 31 January 2021, Vastned received € 0.6 million of 2020-related payments and waived an additional less than € 0.1 million 2020 rents. As of January 31, 2021, the 2020 rent collection was 90.4%. For the January 2021 rent, a rent collection of 79.4% applied on this date.

PRESS RELEASE

Tax plan 2021

On 15 December 2020, the Upper House in the Netherlands approved the Tax Plan 2021 ('Belastingplan 2021'). Part of this plan, which largely took effect on 1 January 2021, is a further differentiation in the rates of transfer tax with the aim of improving the position of first-time buyers on the housing market compared to investors. Concretely, this means as at 1 January 2021 inter alia a rise of the general rate from 6% to 8%. For residential units which were subject to a reduced rate of 2%, the rate was raised to 8% if these units are acquired by non-natural persons and if the units are acquired by natural persons who do not use them (or only temporarily) as their main residence. In view of the value reference date of 31 December 2020, the old rates were used to convert the appraised 'purchasing costs payable by the vendor' ('V.O.N.') values to 'purchasing costs payable by the buyer' ('kosten koper'). The adjusted rates have been recognised indirectly by determining the yield of the appraisals. After all, the rate change was already known in September 2020, and so the rate change was already subsumed in the pricing (references after September 2020). This methodology is in line with the valuation standards of the IVSC (International Valuation Standards Council).

Press release strategy update

On 11 February 2021, Vastned announced its strategy update in a press release, coinciding with the publication of the annual results. Vastned will optimise its portfolio and concentrate on mixed-use properties in historic city centres where shopping, working, living and leisure converge. The focus will be on retail properties that attract different types of tenants and where there is potential to create homes or offices above the shops. Where possible, Vastned aims to create clusters of properties in the various cities. Further, the Supervisory Board has decided to nominate Reinier Walta, who has served as interim CEO since 1 December 2020, as the new CEO at the Annual General Meeting on 15 April 2021.

OUTLOOK 2021

In 2021, the company will focus on maintaining the high occupancy rate of the property portfolio and on executing the strategy update. At present, the countries in which Vastned operates are in (partial) lockdown because of COVID-19. In view of the uncertainty about how long the present situation will persist and what the impact of the government measures will be, it is not possible at this time to assess the impact on Vastned's result for 2021. For this reason, Vastned does not issue any forecast for the direct result for the year 2021 at this time.

PRESS RELEASE

CONFERENCE CALL

On 11 February 2021 at 10am, Vastned will comment on the annual results 2020 and the strategy update in a conference call and presentation for investors and analysts. The conference call can be followed live on www.vastned.com/webcast.

FINANCIAL CALENDAR 2021

4 March 2021	Annual report 2020
15 April 2021	Annual General Meeting
19 April 2021	Ex final dividend date 2020
20 April 2021	Final dividend record date 2020
5 May 2021	Q1 trading update 2021
6 May 2021	Payment date final dividend 2020
29 July 2021	Half-year results 2021
3 August 2021	Ex interim dividend date 2021
4 August 2021	Interim dividend record date 2021
18 August 2021	Interim dividend payment date 2021
27 October 2021	9M trading update 2021

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 year-end 2020.

Further information:

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KEY FIGURES

Results (€ thousand)	31 December 2020	31 December 2019
Gross rental income	64,916	69,288
Direct result	31,727	35,041
Indirect result	(73,067)	(12,606)
Result	(41,340)	22,435
Balance sheet (€ thousand)		
Property (appraisal value)	1,479,263 ¹	1,571,363 ²
Equity	818,293	882,866
Equity Vastned Retail shareholders	737,195	793,734
Long-term liabilities	653,984	612,083
Solvency (%)	55.2	56.6
Loan-to-value (%)	43.0	41.6
Interest coverage ratio	4.3	4.2
Financial occupancy rate of property portfolio (%)	96.9	93.6
Average number of shares in issue	17,151,976	17,270,106
Number of shares in issue (end of period)	17,151,976	17,151,976
Per share (€)		
Equity Vastned Retail shareholders start of period (including final dividend)	46.28	46.40
Final dividend previous financial year	(0.85)	(1.34)
<i>Equity Vastned Retail shareholders start of period (excluding final dividend)</i>	45.43	45.06
Direct result	1.85	2.03
Indirect result	(4.26)	(0.73)
Result	(2.41)	1.30
Remeasurement of defined benefit obligations, after taxes	(0,04)	(0,06)
Transfer of unrealised results on financial derivatives to profit or loss, after taxes	-	(0.01)
Other movements	-	0.57
Interim dividend	-	(0.58)
<i>Equity Vastned Retail shareholders at end of period (including final dividend)</i>	42.98	46.28
Share price (end of period)	23.15	26.70
Premium/(Discount) (%)	(46.1)	(42.3)

¹ Including Assets held for sale of € 7,410
² Including Assets held for sale of € 1,575

DIRECT AND INDIRECT RESULT (€ THOUSAND)

	FY 2020	FY 2019	HY2 2020	HY2 2019
Direct result				
Gross rental income	64,916	69,288	32,419	34,358
Other income	508	272	313	129
Net service charge expenses	(367)	(244)	(242)	(115)
Operating expenses	(8,039)	(6,289)	(2,660)	(2,439)
<i>Net rental income</i>	57,018	63,027	29,830	31,933
Financial income	14	18	11	5
Financial expenses	(13,127)	(14,693)	(6,437)	(7,216)
<i>Net financing costs</i>	(13,113)	(14,675)	(6,426)	(7,211)
General expenses	(7,418)	(8,137)	(3,578)	(3,657)
<i>Direct result before taxes</i>	36,487	40,215	19,826	21,065
Current income tax expense	(657)	(682)	(389)	(374)
Movement in deferred tax assets and liabilities	155	591	12	229
<i>Direct result after taxes</i>	35,985	40,124	19,449	20,920
<i>Direct result attributable to non-controlling interests</i>	(4,258)	(5,083)	(2,359)	(2,547)
<i>Direct result attributable to Vastned Retail shareholders</i>	31,727	35,041	17,090	18,373
Indirect result				
Value movements in property in operation	(84,390)	(13,110)	(43,559)	(6,364)
<i>Total value movements in property</i>	(84,390)	(13,110)	(43,559)	(6,364)
Net result on divestments of property	1,497	332	1,447	629
Financial expenses	-	(221)	-	-
Value movements in financial derivatives	(2,091)	(2,953)	(30)	837
Reclassification of unrealised results on financial derivatives from equity	-	266	-	208
<i>Indirect result before taxes</i>	(84,984)	(15,686)	(42,142)	(4,690)
Movement in deferred tax assets and liabilities	4,707	(513)	2,615	(188)
<i>Indirect result after taxes</i>	(80,277)	(16,199)	(39,527)	(4,878)
Indirect result attributable to non-controlling interests	7,210	3,593	2,235	518
<i>Indirect investment result attributable to Vastned Retail shareholders</i>	(73,067)	(12,606)	(37,292)	(4,360)
<i>Result attributable to Vastned Retail shareholders</i>	(41,340)	22,435	(20,202)	14,013
Per share (€)				
Direct investment result attributable to Vastned Retail shareholders	1.85	2.03	1.00	1.07
Indirect investment result attributable to Vastned Retail shareholders	(4.26)	(0.73)	(2.17)	(0.26)
<i>Result attributable to Vastned Retail shareholders</i>	(2.41)	1.30	(1.17)	0.81

CONSOLIDATED PROFIT AND LOSS ACCOUNT (€ THOUSAND)

	FY 2020	FY 2019	HY2 2020	HY2 2019
Net income from property				
Gross rental income	64,916	69,288	32,419	34,358
Other income	508	272	313	129
Net service charge expenses	(367)	(244)	(242)	(115)
Operating expenses	(8,039)	(6,289)	(2,660)	(2,439)
<i>Net rental income</i>	57,018	63,027	29,830	31,933
Value movements in property in operation	(84,390)	(13,110)	(43,559)	(6,364)
<i>Total value movements in property</i>	(84,390)	(13,110)	(43,559)	(6,364)
Net result on divestments of property	1,497	332	1,447	629
<i>Total net income from property</i>	(25,875)	50,249	(12,282)	26,198
Expenditure				
Financial income	14	18	11	5
Financial expenses	(13,127)	(14,914)	(6,437)	(7,216)
Value movements in financial derivatives	(2,091)	(2,953)	(30)	837
Transfer of unrealised results on financial derivatives from equity	-	266	-	208
<i>Net financing costs</i>	(15,204)	(17,583)	(6,456)	(6,166)
General expenses	(7,418)	(8,137)	(3,578)	(3,657)
<i>Total expenditure</i>	(22,622)	(25,720)	(10,034)	(9,823)
<i>Result before taxes</i>	(48,497)	24,529	(22,316)	16,375
Current income tax expense	(657)	(682)	(389)	(374)
Movement deferred tax assets and liabilities	4,862	78	2,627	41
<i>Total income tax</i>	4,205	(604)	2,238	(333)
<i>Result after taxes</i>	(44,292)	23,925	(20,078)	16,042
<i>Result attributable to Vastned Retail shareholders</i>	(41,340)	22,435	(20,202)	14,013
<i>Result attributable to non-controlling interests</i>	(2,952)	1,490	124	2,029
	(44,292)	23,925	(20,078)	16,042
Per share (€)				
Result	(2.41)	1.30	(1.17)	0.81
Diluted result	(2.41)	1.30	(1.17)	0.81

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (€ THOUSAND)

	FY 2020	FY 2019	HY2 2020	HY2 2019
Result after taxes	(44,292)	23,925	(20,078)	16,042
Items not reclassified to the profit and loss account				
Remeasurement of defined benefit pension obligations	(620)	(974)	(949)	(28)
Taxes on items not reclassified to the profit and loss account	-	-	-	-
Items that have been or could be reclassified to the profit and loss account				
Reclassification of unrealised results on financial derivatives to the profit and loss account	-	(267)	-	(209)
Taxes on items that have been or could be reclassified to the profit and loss account	-	-	-	-
<i>Other comprehensive income after tax</i>	(620)	(1,241)	(949)	(237)
Comprehensive income	(44,912)	22,684	(21,027)	15,805
Attributable to:				
Vastned Retail shareholders	(41,960)	21,194	(21,151)	13,776
Non-controlling interests	(2,952)	1,490	124	2,029
	(44,912)	22,684	(21,027)	15,805

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER (€ THOUSAND)

	2020	2019
Assets		
Property in operation	1,469,548	1,568,461
Accrued assets in respect of lease incentives	5,597	4,721
Total investment property	1,475,145	1,573,182
Intangible fixed assets	500	474
Tangible fixed assets	877	1,038
Right-of-use assets	395	633
	1,772	2,145
Total fixed assets	1,476,917	1,575,327
Assets held for sale	7,410	1,575
Debtors and other receivables	17,302	9,204
Income tax	-	37
Cash and cash equivalents	876	961
Total currents assets	25,588	11,777
Total assets	1,502,505	1,587,104
Equity and liabilities		
Capital paid-up and called	95,183	95,183
Share premium reserve	468,555	468,555
Other reserves	214,797	207,561
Result attributable to Vastned Retail shareholders	(41,340)	22,435
Equity Vastned Retail shareholders	737,195	793,734
Equity non-controlling interests	81,098	89,132
Total equity	818,293	882,866
Deferred tax liabilities	10,688	15,550
Provisions in respect of employee benefits	6,407	6,092
Long-term interest-bearing loans	624,793	580,427
Long-term lease liabilities	3,384	3,698
Financial derivatives	4,769	2,678
Guarantee deposits and other long-term liabilities	3,943	3,638
Total long-term liabilities	653,984	612,083
Payable to banks	8,547	8,283
Redemption of long-term interest-bearing loans	-	62,470
Short-term lease liabilities	272	320
Income tax	398	526
Other liabilities and accruals	21,011	20,556
Total long-term liabilities	30,228	92,155
Total equity and liabilities	1,502,505	1,587,104

CONSOLIDATED STATEMENT OF MOVEMENTS IN EQUITY (€ THOUSAND)

	Capital paid-up and called	Share premium reserve	Hedging reserve in respect of financial derivatives	Other reserves	Result attributable to Vastned Retail shareholders	Equity Vastned Retail shareholders	Equity non-controlling interests	Total equity
Balance as at 1 January 2019	95,183	472,640	267	221,207	41,095	830,392	92,637	923,029
Result	-	-	-	-	22,435	22,435	1,490	23,925
Other comprehensive income	-	-	(267)	(974)	-	(1,241)	-	(1,241)
Comprehensive income	-	-	(267)	(974)	22,435	21,194	1,490	22,684
Final dividend previous financial year in cash	-	-	-	-	(22,984)	(22,984)	(4,995)	(27,979)
Interim dividend 2019 in cash	-	-	-	(9,948)	-	(9,948)	-	(9,948)
Contribution from profit appropriation	-	-	-	18,111	(18,111)	-	-	-
Equity component of convertible bond loan	-	(4,085)	-	4,085	-	-	-	-
Share buyback	-	-	-	(24,920)	-	(24,920)	-	(24,920)
Balance as at 31 December 2019	95,183	468,555	-	207,561	22,435	793,734	89,132	882,866
Result	-	-	-	-	(41,340)	(41,340)	(2,952)	(44,292)
Other comprehensive income	-	-	-	(620)	-	(620)	-	(620)
Comprehensive income	-	-	-	(620)	(41,340)	(41,960)	(2,952)	(44,912)
Final dividend previous financial year in cash	-	-	-	-	(14,579)	(14,579)	(5,082)	(19,661)
Addition from profit appropriation	-	-	-	7,856	(7,856)	-	-	-
Balance as at 31 December 2020	95,183	468,555	-	214,797	(41,340)	737,195	81,098	818,293

CONSOLIDATED CASH FLOW STATEMENT (€ THOUSAND)

	2020	2019
Cash flow from operating activities		
Result after taxes	(44,292)	23,925
Adjustments for:		
Value movements in investment properties	84,390	13,110
Net result on divestments of investment properties	(1,497)	(332)
Net financing costs	15,204	17,583
Income tax	(4,205)	604
<i>Cash flow from operating activities before changes in working capital and provisions</i>	49,600	54,890
Movement in current assets	(7,880)	(886)
Movement in short-term liabilities	1,208	(1,399)
Movement in provisions	(394)	(360)
	42,534	52,245
Interest received	14	18
Interest paid	(13,229)	(13,829)
Income tax paid	(748)	(236)
Cash flow from operating activities	28,571	38,198
Cash flow from investing activities		
Investment properties acquisitions	-	(13,749)
Capital expenditure on investment properties	(3,134)	(2,679)
Divestments of investment properties	12,366	12,464
Cash flow from property	9,232	(3,964)
Movement in other fixed assets	136	(398)
Cash flow from investing activities	9,368	(4,362)
Cash flow from financing activities		
Share buyback	-	(24,920)
Dividend paid	(14,579)	(32,932)
Dividend paid to non-controlling interests	(5,082)	(4,995)
Interest-bearing loans drawn down	44,203	169,038
Interest-bearing loans and lease liabilities redeemed	(62,871)	(135,438)
Settlement of interest rate derivatives	-	(5,306)
Movements in guarantee deposits and other long-term liabilities	305	132
Cash flow from financing activities	(38,012)	(34,421)
Net increase/(decrease) in cash and cash equivalents	(85)	(585)
Cash and cash equivalents as at 1 January	961	1,546
Cash and cash equivalents as at 31 December	876	961

SEGMENT INFORMATION (€ THOUSAND)

Result	Netherlands		France		Belgium		Spain		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Net rental income	26,154	28,884	12,749	12,835	15,148	18,281	2,967	3,027	57,018	63,027
Value movements in property in operation	(41,067)	(4,605)	(10,234)	(43)	(24,251)	(10,762)	(8,838)	2,300	(84,390)	(13,110)
Net result on divestments of investment properties	(61)	(486)	50	(40)	1,508	858	-	-	1,497	332
Total net income from property	(14,974)	23,793	2,565	12,752	(7,595)	8,377	(5,871)	5,327	(25,875)	50,249
Net financing costs									(15,204)	(17,583)
General expenses									(7,418)	(8,137)
Income tax									4,205	(604)
Result after taxes									(44,292)	23,925

	Netherlands		France		Belgium		Spain		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Property in operation:										
Balance as at 1 January	683,047	680,057	415,134	414,717	370,881	383,351	99,399	97,099	1,568,461	1,575,224
- Acquisitions	-	13,749	-	-	-	-	-	-	-	13,749
- Investments	976	1,320	995	460	306	643	-	-	2,277	2,423
- Transferred from Assets held for sale	1,575	-	-	-	-	-	-	-	1,575	-
- Transferred to Assets held for sale	-	(3,704)	-	-	-	(1,488)	(7,410)	-	(7,410)	(5,192)
- Divestments	(2,690)	(3,770)	-	-	(8,275)	(863)	-	-	(10,965)	(4,633)
	682,908	687,652	416,129	415,177	362,912	381,643	91,989	97,099	1,553,938	1,581,571
- Value movements	(41,067)	(4,605)	(10,234)	(43)	(24,251)	(10,762)	(8,838)	2,300	(84,390)	(13,110)
Balance as at 31 December	641,841	683,047	405,895	415,134	338,661	370,881	83,151	99,399	1,469,548	1,568,461
Accrued assets in respect of lease incentives	2,998	3,509	1,300	695	864	246	435	271	5,597	4,721
Total property in operation	644,839	686,556	407,195	415,829	339,525	371,127	83,586	99,670	1,475,145	1,573,182
Lease liabilities	(2,569)	(2,571)	-	-	(723)	(823)	-	-	(3,292)	(3,394)
Appraisal value as at 31 December	642,270	683,985	407,195	415,829	338,802	370,304	83,586	99,670	1,471,853	1,569,788

ASSETS HELD FOR SALE (€ THOUSAND)

	2020	2019
Balance as at 1 January	1,575	3,500
Transferred from Property in operation	7,410	5,192
Transferred to Property in operation	(1,575)	-
Transferred from Accrued assets in respect of lease incentives	-	13
Divestments	-	(7,130)
	7,410	1,575
Value movements	-	-
Balance as at 31 December	7,410	1,575

No properties classified as assets held for sale were sold in 2020 (2019: six in the Netherlands, one in Belgium). As at 31 December 2020, one asset was being held for sale (31 December 2019: two assets).

INTEREST-BEARING DEBTS

As at 31 December, the interest-bearing debts consisted of:

	2020	2019
<i>Long-term interest-bearing debts</i>		
Unsecured loans	624,793	580,427
Lease liabilities	3,384	3,698
Total long-term interest-bearing debts	628,177	584,125
<i>Short-term interest-bearing debts</i>		
Payable to banks	8,547	8,283
Redemption of long-term interest-bearing loans	-	62,470
Short-term lease liabilities	272	320
Total short-term interest-bearing debts	8,819	71,073
Total interest-bearing debts	636,996	655,198

Movements in the interest-bearing debts were as follows:

	2020	2019
Balance as at 1 January	655,198	620,732
Interest-bearing debts drawn down	44,203	169,038
Redemptions	(62,871)	(135,438)
Application of effective interest method	466	866
Balance as at 31 January	636,996	655,198

The accounting policies used in this press release comply with the International Financial Reporting Standards (IFRS) as endorsed by the European Union.

The financial statements are presented in euros; amounts are rounded off to thousands of euros, unless stated differently. Property and financial derivatives are valued at fair value. The other items in the financial statements are valued at historical or amortised cost.

In the presentation of the annual accounts the Executive Board has made judgements concerning estimates and assumptions which impact the figures included in the financial statements. The estimates and underlying assumptions concerning the future are based on historical experience and other relevant factors, given the circumstances on the balance sheet date. The actual results may deviate from these estimates.

The estimates and underlying assumptions are evaluated regularly. Any adjustments are recognised in the period in which the estimate was reviewed, or if the estimate also impacts future periods, also in these future periods.

During 2020, none of the members of the Supervisory Board and Executive Board of Vastned Retail had a personal interest in the investments made by Vastned Retail. To Vastned Retail'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 Retail.

This press release is based on the 2020 financial statements that were prepared on 10 February 2021 and for which Ernst & Young Auditors LLP has issued an unqualified opinion. The press release concerns only part of the financial statements. The financial statements have not yet been published in accordance with the statutory provisions and have not yet been adopted. The General Meeting of Shareholders at which the financial statements will be adopted is scheduled for 15 April 2021.

The EPRA Best Practices Recommendations ('BPR') published by EPRA's Reporting and Accounting Committee contain recommendations for the determination of key performance indicators of the property portfolio.

Vastned acknowledges the importance of standardising the reporting on performance indicators for the sake of comparability and improving the quality of the information provision to investors and other users. The financial statements in this chapter are presented in euros; amounts are rounded off to thousands of euros, unless stated differently.

EPRA performance indicator	Table	(€ THOUSAND)		PER SHARE (€)	
		2020	2019	2020	2019
EPRA Earnings	1	31,727	35,041	1.85	2.03
EPRA NRV	2	833,563	897,145	48.60	52.31
EPRA NTA	2	750,833	810,455	43.78	47.25
EPRA NDV	2	725,168	787,248	42.28	45.90
EPRA NAV	2	751,898	810,855	43.84	47.28
EPRA NNNAV	2	726,641	792,420	42.36	46.20
EPRA Net Initial Yield (NIY)	3 (i)	4.0%	3.7%		
EPRA Topped-up NIY	3 (ii)	4.1%	4.0%		
EPRA Vacancy Rate	4	3.6%	2.0%		
EPRA Cost Ratio (including direct vacancy costs)	5 (i)	24.2%	21.1%		
EPRA Cost Ratio (excluding direct vacancy costs)	5 (ii)	23.2%	20.3%		
Capital expenditure	6	2,277	16,172		

1 EPRA EARNINGS

	2020	2019
<i>Result as stated in consolidated IFRS profit and loss account</i>	(44,292)	23,925
Value movements in investment properties	84,390	13,110
Net result on divestments of investment properties	(1,497)	(332)
Financial expenses	-	221
Value movements in financial derivatives	2,091	2,687
Movement in deferred tax assets and liabilities	(4,707)	513
Attributable to non-controlling interests	(4,258)	(5,083)
EPRA Earnings	31,727	35,041
EPRA Earnings per share (EPS)	1.85	2.03

2 EPRA NET ASSET VALUE METRICS

	31 December 2020					31 December 2019				
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNNAV	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNNAV
Equity Vastned Retail shareholders	737,195	737,195	737,195	737,195	737,195	793,734	793,734	793,734	793,734	793,734
Hybrid instruments	-	-	-	-	-	-	-	-	-	-
Diluted NAV	737,195	737,195	737,195	737,195	737,195	793,734	793,734	793,734	793,734	793,734
Diluted NAV at fair value	737,195	737,195	737,195	737,195	737,195	793,734	793,734	793,734	793,734	793,734
Deferred taxes in relation to fair value gains of property	10,635	10,005	-	10,635	1,473	15,264	15,264	-	15,264	5,172
Fair value of financial derivatives	4,068	4,068	-	4,068	-	1,857	1,857	-	1,857	-
Intangible fixed assets	-	(435)	-	-	-	-	(400)	-	-	-
Fair value of fixed-rate interest-bearing debts	-	-	(12,027)	-	(12,027)	-	-	(6,486)	-	(6,486)
Real-estate transfer tax	81,665	-	-	-	-	86,290	-	-	-	-
NAV	833,563	750,833	725,168	751,898	726,641	897,145	810,455	787,248	810,855	792,420
Fully diluted number of shares	17,151,976	17,151,976	17,151,976	17,151,976	17,151,976	17,151,976	17,151,976	17,151,976	17,151,976	17,151,976
NAV per share	48.60	43.78	42.28	43.84	42.36	52.31	47.25	45.90	47.28	46.20

For the sake of comparison with the data published in the past, the EPRA NAV and EPRA NNNAV are still included in the overview in 2020.

	31 December 2020			31 December 2019		
	Fair value	As a percentage of total portfolio	Percentage of excluded deferred taxes	Fair value	As a percentage of total portfolio	Percentage of excluded deferred taxes
The portion of the portfolio that is subject to deferred taxes and that is intended to hold and not to sell in the long run	202,575	14	100	231,397	15	100

3 EPRA NET INITIAL YIELD AND EPRA TOPPED-UP NET INITIAL YIELD AS AT 31 DECEMBER

	Netherlands			France		Belgium		Spain		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	
Investment property	642,270	685,560	407,195	415,829	338,802	370,304	90,996	99,670	1,479,263	1,571,363	
addition:											
Estimated transaction fees	43,852	47,989	29,422	29,537	8,469	9,258	2,845	2,701	84,588	89,485	
<i>Investment value of property (B)</i>	686,122	733,549	436,617	445,366	347,271	379,562	93,841	102,371	1,563,851	1,660,848	
Annualised gross rental income	31,370	33,277	15,508	12,022	17,977	19,229	3,569	3,673	68,424	68,201	
Property outgoings	(3,969)	(4,406)	(544)	(568)	(1,245)	(1,831)	(242)	(240)	(6,000)	(7,045)	
<i>Annualised net rental income (A)</i>	27,401	28,871	14,964	11,454	16,732	17,398	3,327	3,433	62,424	61,156	
Effect of rent-free periods and other lease incentives	945	78	762	3,874	267	804	110	234	2,084	4,990	
<i>Topped-up annualised net rental income (C)</i>	28,346	28,949	15,726	15,328	16,999	18,202	3,437	3,667	64,508	66,146	
(i) EPRA Net Initial Yield (A/B)	4.0%	3.9%	3.4%	2.6%	4.8%	4.6%	3.5%	3.4%	4.0%	3.7%	
(ii) EPRA Topped-up Net Initial Yield (C/B)	4.1%	3.9%	3.6%	3.4%	4.9%	4.8%	3.7%	3.6%	4.1%	4.0%	

4 EPRA VACANCY RATE

31 December 2020

	Gross rental income	Net rental income	Lettable floor area (m2)	Annualised gross rental income	Estimated rental value (ERV) of vacant properties	Estimated rental value (ERV)	EPRA Vacancy Rate
Netherlands	30,280	26,154	105,575	31,370	1,633	33,085	4.9%
France	14,214	12,749	21,340	15,508	242	17,514	1.4%
Belgium	17,085	15,148	81,903	17,977	718	17,770	4.0%
Spain	3,337	2,967	3,419	3,569	-	3,489	-
<i>Total</i>	64,916	57,018	212,237	68,424	2,593	71,858	3.6%

31 December 2019

	Gross rental income	Net rental income	Lettable floor area (m2)	Annualised gross rental income	Estimated rental value (ERV) of vacant properties	Estimated rental value (ERV)	EPRA Vacancy rate
Netherlands	32,568	28,884	107,589	33,277	1,196	33,551	3.6%
France	13,642	12,835	21,126	12,022	33	17,394	0.2%
Belgium	19,664	18,281	86,738	19,229	240	18,945	1.3%
Spain	3,414	3,027	3,419	3,673	-	3,823	-
<i>Total</i>	69,288	63,027	218,872	68,201	1,469	73,713	2.0%

5 EPRA cost ratios	2020	2019
General expenses	7,418	8,137
Operating expenses	8,039	6,289
Net service charge expenses	367	244
EPRA costs (including vacancy costs) (A)	15,824	14,670
Vacancy costs	(617)	(566)
EPRA costs (excluding vacancy costs) (A)	15,207	14,104
Gross rental income ¹	65,424	69,560
(i) EPRA Cost ratio (including vacancy costs) (A/C)	24.2%	21.1%
(ii) EPRA Cost Ratio (excluding vacancy costs) (B/C)	23.2%	20.3%

¹⁾ Including other income of € 508 (2019: € 272)

In 2020, no operating expenses were capitalised (2019: nil).

Vastned capitalises the operating expenses directly attributable to property under renovation during the period that the property under renovation is not available for letting. General expenses (overheads) are not capitalised.

6 CAPITAL EXPENDITURE	2020	2019
Acquisitions ¹⁾	-	13,749
Development	-	-
Like-for-like portfolio ²⁾	2,277	2,423
Other	-	-
	2,277	16,172

¹⁾ Concerns acquisition of assets in Amsterdam in 2019

²⁾ Concerns improvements to several assets already held in various countries.

Vastned has no interests in joint ventures.