

VASTNED RETAIL

Press release first quarter figures 2010

VASTNED RETAIL REALISES DIRECT INVESTMENT RESULT OF € 17.1 MILLION IN SPITE OF DIFFICULT LETTING MARKET; VALUE MOVEMENTS IN PROPERTY PORTFOLIO BACK INTO BLACK AFTER SEVEN QUARTERS

Reinier van Gerrevink, CEO VastNed Retail: 'Over the past few months, economic conditions have not fundamentally improved. And this is in fact apparent in our lease renegotiations. The leases totalling € 3.7 million that were renegotiated in the first quarter of 2010 were concluded on average at 10% below the previous level. We observed the greatest drops in Spain and France, while rent levels in the Netherlands and Belgium remained relatively stable. Due to the decrease of financial expenses, inter alia due to the share issue and the disposals made in 2009, we were able to raise the direct investment result marginally. The direct investment result per share, however, fell by 7.8%, largely due to the fact that the proceeds of last year's share issue have only been partly used for acquisitions that contribute directly to the direct investment result.

The negative value movements of the property portfolio appear to have come to an end. After seven quarters of falling values, the property portfolio showed a limited rise in the first quarter of 2010. This improves our balance sheet position and will help us to make further acquisitions. In the first quarter of 2010, we already made acquisitions totalling almost € 20 million.

(in brackets: first quarter 2009)

- **Direct investment result: €17.1 million (€16.8 million);**
- **Indirect investment result: €4.8 million positive (€55.5 million negative);**
- **Investment result: €21.9 million positive (€38.7 million negative);**
- **Direct investment result per share: €0.94 (€1.02);**
- **Indirect investment result per share: €0.26 positive (€3.38 negative);**
- **Investment result per share: €1.20 positive (€2.36 negative);**
- **Shareholders' equity per share as at March 31, 2010: €52.24 (March 31, 2009: €57.60);**
- **Average occupancy rate: 95.6% (97.6%);**
- **Occupancy rate at March 31, 2010: 95.2% (December 31, 2009: 95.5%);**
- **Solvency as at March 31, 2010: 56.2% (March 31, 2009: 54.3%).**

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Profile

VastNed Retail invests in individual retail properties, shopping centres and retail warehouses located in good and top locations in its core countries: the Netherlands, Spain, France and Belgium as well as the growth market Turkey. The value of the investment properties was €1,885.6 million as at March 31, 2010 (March 31, 2009: €1,958.3 million).

Investment properties

The developments in the area of occupancy rate, rent levels, value movements, investments and disposals in the property portfolio in the first quarter of 2010 were as follows:

Occupancy rate

The volume of new lettings in the first quarter of 2010 totalled €1.7 million, while departing tenants reduced the rental income by €2.0 million. Of that amount, €1.2 million was attributable to departing tenants in the Spanish portfolio. This led to a marginal decrease of the occupancy rate, which was on average 95.6% in the first quarter of 2010 (97.6%). The occupancy rate at year-end 2009 was 95.2% (year-end 2009: 97.8%). 95,5%. The occupancy rate by country was as follows.

Country	March 31, 2010	Occupancy rate in %	
		Q1 2010	Q1 2009
NL	98.0	98.1	98.0
E	90.1	91.7	95.3
F	93.8	93.8	98.1
B	99.1	99.2	99.6
Tr	89.5	81.6	94.8
P	100.0	100.0	100.0
T	95.2	95.6	97.6

Leasing activity

The total lease activity was €3.7 million in new or renewed leases. This equalled 2.8% of the theoretical rental income (1.3%). New leases were concluded on average 10.6% below the previous rent level (6.0% below the previous rent level).

This figure represents a netting of rent increases and decreases. Rent decreases were concentrated in the Spanish and French portfolios, while the increases were concentrated in the Dutch property portfolio. Taking the lease incentives provided into account, the new leases were concluded at on average 12.9% below the former rent level (1.3% above the former rent level).

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Total leasing activity Q1 2010 based on contract rents

Country	Movement gross rent %	Volume as a % of theoretical gross rent
NL	24.8	1.0
E	(16.4)	2.4
F	(23.8)	5.6
B	2.3	3.0
Tr	(4.1)	10.4
T	(10.6)	2.8

Total leasing activity Q1 2010 based on effective rent levels

Country	Movement gross rent %
NL	23,9
E	(20,9)
F	(25,4)
B	(0,8)
Tr	(4,1)
T	(12,9)

Lease incentives

The lease incentives (applying straightlining over the duration of the lease up to the first termination date) rose to 2.1% (1.6%) in the first quarter of 2010.

IFRS lease incentives (%)

Country	Q1 2010	Q1 2009
NL	(0.4)	(0.4)
E	(5.3)	(4.0)
F	(1.6)	(1.3)
B	(2.1)	(1.0)
Tr	-	-
P	-	-
T	(2.1)	(1.6)

Value movements investment properties

The value movements in VastNed Retail's property portfolio due to the appraisals by independent appraisers and internal appraisals showed a total value movement of € 6.1 million positive (€ 59.8 million negative), which is equal to over 0.3% of the value at year-end 2009. The theoretical net yield on the property portfolio was 6.7% at end of March 2010 as opposed to 7.3% a year earlier.

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Value movements (€ million)

Country	Q1 2010	Q1 2009
NL	2.8	(7.1)
E	(1.7)	(31.0)
F	2.8	(22.6)
B	1.9	1.5
Tr	0.4	0.2
P	(0.1)	(0.8)
T	6.1	(59.8)

Value movements and net yields as a percentage of starting values

Country	Net yield as at March 31, 2010	Value movements Q1 2010
NL	6.3	0.4
E	7.7	(0.4)
F	6.5	0.7
B	6.4	0.6
Tr	5.7	1.3
P	8.7	(0.7)
T	6.7	0.3

Acquisitions

In the first quarter a currently leased retail property on Istiklal Caddesi in Istanbul was acquired for € 19.0 million. The property was taken to properties in pipeline, and will be fully renovated at an estimated cost of approx. € 5.0 million. The expected gross rental income after renovation will be approx. € 1.6 million per year.

Acquisitions

Country, city	Address	Acquisition price (€ million)
Turkey, Istanbul	Istiklal Caddesi 85	19.0

Investment properties in pipeline taken into operation

In the second quarter of 2010, a property at Onderdoor 4 in Houten will be taken into operation. This is a cinema, which has been leased to Cinelounge for a period of ten years.

Disposals

In the first quarter of 2010, properties in the Netherlands and France were sold for € 2.9 million in total. An overview is presented below.

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<i>Disposals</i>		
<i>Country city</i>	<i>Address</i>	<i>Net proceeds (€ million)</i>
Netherlands Winterswijk	Misterstraat 43-45 / Tuinstraat 26-28	1.1
France		
Aulnoye-Aymeries	Allée des Grands Chênes 34	
Lille	Avenue Kuhlmann 187	
Lille	Place de la Gare 42 (hotel)	1.8
Lille	Rue de Paris 38 (apartment)	
Lille	Rue Léon Thiriez 99	
Total		2.9

Investment result VastNed Retail shareholders in the first quarter 2010

The investment result in the first quarter of 2010 was €21.9 million positive (€38.7 million negative). The investment result comprises the direct investment result, which rose by 1.9% to €17.1 million (€16.8 million) and the indirect investment result, which rose to €4.8 million positive (€55.5 million negative).

Dilution due to share issue

Due to the share issue of September 2009, the issued share capital increased by 10%. The proceeds of the share issue have so far only partly been used for acquisitions that contribute directly to the direct investment result (per share).

Composition investment result first quarter 2010

Gross rental income

The total gross rental income fell to €31.6 million in the first quarter of 2010 (€33.1 million). The decrease of the gross rental income was mainly attributable to the disposals made in the Dutch property portfolio in 2009 and to the pressure on the occupancy rates in the Spanish and French portfolios.

<i>Country</i>	<i>Gross rental income (€ million)</i>	
	<i>Q1 2010</i>	<i>Q1 2009</i>
NL	12.0	12.6
E	7.4	7.9
F	6.1	6.8
B	5.4	5.2
Tr	0.4	0.3
P	<u>0.3</u>	<u>0.3</u>
T	31.6	33.1

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

Operating expenses fell from €3.7 million to €3.3 million, or from 11.1% to 10.6% of gross rental income. The decrease was mainly caused by lower allocations to the provision for doubtful debtors. The net financing costs remained virtually unchanged on €0.4 million.

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Value movements investment properties

As stated earlier, the value movements of the investment properties in the first quarter of 2010 were € 6.1 million positive (€ 59.8 million negative).

Net result on investment property disposals

The net sales proceeds were € 2.9 million. The net result on disposals after deduction of sales costs was € 0.2 million positive compared to the appraisal value (€ 0.1 million positive).

Net financing costs

The net financing costs including the value movements of financial derivatives fell to € 8.6 million (€ 9.1 million). The net interest expenses fell from € 8.9 million to € 7.6 million due to lower interest-bearing debts and the lower average interest rate of 4.17% (4.35%). The lower average interest rate is mainly the result of the decrease of the short-term market interest rate. Due to the lower market rate, the market value of the interest rate derivatives not designated as full hedges under IFRS also fell by € 0.1 million (decrease of € 0.2 million).

	<i>Financial expenses</i>	
	Q1 2010	Q1 2009
Interest (* €1 million)	7.6	8.9
Average interest % on loan capital	4.17	4.35
Interest coverage ratio (ICR)	3.5	3.1

General expenses

The general expenses decreased from € 1.9 million in the first quarter of 2009 to € 1.7 million in the first quarter of 2010 due to lower consultancy and audit costs.

Income tax payable on the reporting period

Income tax decreased from € 0.3 million to € 0.1 million.

Movement deferred tax assets and liabilities

The movements in deferred tax assets and liabilities were € 0.3 million negative (€ 4.5 million positive).

Investment result attributable to minority interests

The investment result attributable to minority shareholders of € 1.9 million (€ 1.6 million) consists of the direct and indirect investment results attributable to minority interests of € 1.6 million (€ 1.5 million) and € 0.3 million (€ 0.1 million) respectively.

Solvency and loan capital financing

As at March 31, 2009, VastNed Retail's balance sheet showed a healthy financing structure with a loan-to-value of 39.2% (March 31, 2009: 41.5%) and a solvency, being group equity plus deferred tax liabilities divided by the balance sheet total, of 56.2% (March 31, 2009: 54.3%). With this solvency and an interest coverage ratio of 3.5, VastNed Retail complies with all the loan covenants. Financing contracts are usually concluded with covenants stipulating a minimum solvency of 45% and an interest coverage ratio of between 2.0 and 2.5.

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<i>Solvency and loan capital</i>		
	Q1 2010	Q1 2009
Solvabiliteit	56.2%	54.3%
LTV	39.2%	41.5%
Duration based on contract expiry dates	3.5	4.1
Duration based on interest review dates	4.4	4.9

As at March 31, 2010, 82.9% of the loan portfolio was long-term with an average duration of 3.5 years based on contract expiry dates. Of the long-term loans, an amount of € 17.2 million (already included under short-term loan capital) will expire in 2010. In order to limit the interest rate risk, at March 31, 2010, 80.5% of the loan portfolio was fixed-interest with a duration of 4.4 years based on the interest review dates.

<i>Breakdown of interest-bearing loan capital at March 31, 2010</i>				
(€ million)	Fixed interest	Floating interest	Total	% of total
Long-term	577,7	34,9	612,6	82,9
Short-term	17,2	109,3	126,5	17,1
Total	594,9	144,2	739,1	100,0
% of total	80,5	19,5	100,0	

Dividend

The general meeting of shareholders of April 21, 2010 declared a final dividend of € 2.78 per ordinary shares, charged to the freely distributable reserves. This final dividend may be received either fully in cash, or € 1.10 in cash and 1 new share per 25 existing shares, charged to the share premium reserve. In this context 230,007 new shares were issued.

Developments and outlook

The board of management remains cautiously optimistic about 2010. Consumer confidence, while admittedly still low, is beginning to rally somewhat in most countries where VastNed Retail operates; this will in time have a positive impact on consumer spending and correspondingly on our tenants' sales figures.

In the short term, however, solid rent growth as a result of improving sales figures will be limited since the lower sales levels had in many cases not yet been taken into account in the contract rents.

Furthermore, we anticipate that the European Central Bank will keep the short-term interest rate relatively low in 2010; in view of its interest policy with a considerable portion of its loan portfolio financed at a floating rate, VastNed Retail will be able to benefit from this in 2010 too.



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Until the proceeds are fully invested, the share issue of September 2009 will continue to put pressure on the direct investment result per share in 2010. In view of the fact that the recovery described above is still fragile and therefore contains a degree of uncertainty, the board of management anticipates a lower direct investment result per share in 2010 than in 2009.

Rotterdam, May 12, 2010

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Today at 10 am webcast will be held in which further comments will be made on the first quarter figures of 2010. This meeting can be followed on www.vastned.nl.

Future looking statements

This press release contains a number of forward-looking statements. These statements are based on current expectations, estimates and prognoses of the board of management and on the information currently available to the company. The statements are subject to certain risks and uncertainties which are hard to evaluate, such as the general economic conditions, interest rates and amendments to statutory laws and regulations. The board of management of VastNed Retail cannot guarantee that its expectations will materialise. Furthermore, VastNed Retail does not accept any obligation to update the statements made in this press release.

KEY FIGURES	March 31, 2010	December 31, 2009	March 31, 2009
Results (x €1,000)			
Gross rental income	31,559	130,562	33,104
Direct investment result	17,099	68,649	16,784
Indirect investment result	4,844	(130,032)	(55,508)
<i>Investment result</i>	21,943	(61,383)	(38,724)
Balance sheet (x €1,000)			
Investment properties	1,885,550	1,861,401	1,958,307
Equity	1,051,911	1,035,093	1,043,159
Equity VastNed Retail shareholders	954,103	939,133	945,729
Long-term liabilities	697,034	673,622	725,273
Solvency in accordance with the banks' definition (in %)	56.2	55.9	54.3
Interest coverage ratio	3.5	3.3	3.1
Financial occupancy rate (in %)	95.6	96.8	97.6
Average number of ordinary shares in issue	18,265,213	17,028,420	16,417,526
Number of ordinary shares in issue (end of period)	18,265,213	18,265,213	16,417,526
Per share (x €1)			
Equity VastNed Retail shareholders at beginning of period (including final dividend)	51.42	60.80	60.80
Final dividend previous financial year	-	(2.68)	-
<i>Equity VastNed Retail shareholders at beginning of period (excluding final dividend)</i>	51.42	58.12	60.80
Direct investment result (before costs of offering process)	0.94	4.03	1.02
Indirect investment result	0.26	(7.64)	(3.38)
<i>Investment result</i>	1.20	(3.61)	(2.36)
Value movements financial derivatives taken directly to equity	(0.43)	(0.78)	(0.83)
Translation differences net investments	0.05	(0.01)	(0.01)
Other movements	-	(1.05)	-
Interim dividend	-	(1.25)	-
<i>Equity VastNed Retail shareholders at end of period (including final dividend)</i>	52.24	51.42	57.60
Share price (end of period)	49.45	45.835	30.39
Premium (Discount) (in %)	(5.3)	(10.9)	(47.2)

CONSOLIDATED PROFIT AND LOSS ACCOUNT

(x €1,000)

	<u>01.01-31.03 2010</u>	<u>01.01-31.03 2009</u>
Net income from investment properties		
Gross rental income	31,559	33,104
Ground rents paid	(141)	(152)
Net service charge expenses	(437)	(457)
Operating expenses	(2,767)	(3,051)
<i>Net rental income</i>	<u>28,214</u>	<u>29,444</u>
Value movements investment properties in operation	7,040	(57,007)
Value movements investment properties under renovation	(343)	(2,238)
Value movements investment properties in pipeline	(591)	(590)
<i>Total value movements investment properties</i>	<u>6,106</u>	<u>(59,835)</u>
Net result on disposals of investment properties	209	91
<i>Total net income from investment properties</i>	<u>34,529</u>	<u>(30,300)</u>
Expenditure		
Financial income	108	99
Financial expenses	(7,754)	(8,991)
Value movements financial derivatives	(957)	(240)
<i>Net financing costs</i>	<u>(8,603)</u>	<u>(9,132)</u>
General expenses	(1,718)	(1,931)
<i>Total expenditure</i>	<u>(10,321)</u>	<u>(11,063)</u>
<i>Investment result before taxes</i>	<u>24,208</u>	<u>(41,363)</u>
Current income tax expense	(136)	(280)
Movement deferred tax assets and liabilities	(252)	4,539
	<u>(388)</u>	<u>4,259</u>
<i>Investment result after taxes</i>	<u>23,820</u>	<u>(37,104)</u>
Investment result attributable to minority interests	(1,877)	(1,620)
<i>Investment result attributable to VastNed Retail shareholders</i>	<u>21,943</u>	<u>(38,724)</u>
Per share (x €1)		
Investment result per share attributable to VastNed Retail shareholders	1.20	(2.36)
Diluted investment result per share attributable to VastNed Retail shareholders	1.20	(2.36)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(x €1,000)

	01.01-31.03 2010	01.01-31.03 2009
Investment result	23,820	(37,104)
Value movements financial derivatives taken directly to equity	(8,803)	(16,016)
Translation differences net investments	857	(161)
Taxes on other comprehensive income	944	2,040
Other comprehensive income	(7,002)	(14,137)
<i>Total comprehensive income</i>	16,818	(51,241)
Attributable to:		
VastNed Retail shareholders	14,970	(52,441)
Minority interests	1,848	1,200
	16,818	(51,241)
Per share (x €1)		
Total comprehensive income attributable to VastNed Retail shareholders	0.82	(3.20)

DIRECT AND INDIRECT INVESTMENT RESULT ¹ (x €1,000)

	01.01-31.03 2010	01.01-31.03 2009
Direct investment result		
Gross rental income	31,559	33,104
Ground rents paid	(141)	(152)
Net service charge expenses	(437)	(457)
Operating expenses	(2,767)	(3,051)
<i>Net rental income</i>	<u>28,214</u>	<u>29,444</u>
Financial income	108	99
Financial expenses	(7,754)	(8,991)
<i>Net financing costs</i>	<u>(7,646)</u>	<u>(8,892)</u>
General expenses	(1,718)	(1,931)
<i>Direct investment result before taxes</i>	<u>18,850</u>	<u>18,621</u>
Current income tax expense	(136)	(280)
<i>Direct investment result after taxes</i>	<u>18,714</u>	<u>18,341</u>
Direct investment result attributable to minority interests	(1,615)	(1,557)
<i>Direct investment result attributable to VastNed Retail shareholders</i>	<u>17,099</u>	<u>16,784</u>
Indirect investment result (x €1,000)		
Value movements investment properties in operation	7,040	(57,007)
Value movements investment properties under renovation	(343)	(2,238)
Value movements investment properties in pipeline	(591)	(590)
<i>Total value movements investment properties</i>	<u>6,106</u>	<u>(59,835)</u>
Net result on disposals investment properties	209	91
Value movements financial derivatives	(957)	(240)
<i>Indirect investment result before taxes</i>	<u>5,358</u>	<u>(59,984)</u>
Movement deferred tax assets and liabilities	(252)	4,539
<i>Indirect investment result after taxes</i>	<u>5,106</u>	<u>(55,445)</u>
Indirect investment result attributable to minority interests	(262)	(63)
<i>Indirect investment result attributable to VastNed Retail shareholders</i>	<u>4,844</u>	<u>(55,508)</u>
<i>Investment result attributable to VastNed Retail shareholders</i>	<u>21,943</u>	<u>(38,724)</u>
Per share (x €1)		
Direct investment result attributable to VastNed Retail shareholders	0.94	1.02
Indirect investment result attributable to VastNed Retail shareholders	0.26	(3.38)
<i>Investment result attributable to VastNed Retail shareholders</i>	<u>1.20</u>	<u>(2.36)</u>

¹ This statement contains additional information that is not part of the primary statements and is not required under IFRS.

CONSOLIDATED BALANCE SHEET (x €1,000)

	March 31, 2010	December 31, 2009	March 31, 2009
Assets			
Investment properties in operation	1,839,271	1,834,252	1,910,962
Investment properties under renovation	3,100	3,100	24,340
Other assets in respect of lease incentives	1,937	1,866	1,979
	<u>1,844,308</u>	<u>1,839,218</u>	<u>1,937,281</u>
Investment properties in pipeline	41,242	22,183	21,026
<i>Total investment properties</i>	<u>1,885,550</u>	<u>1,861,401</u>	<u>1,958,307</u>
Tangible fixed assets	989	997	1,006
Deferred tax assets	905	904	1,218
<i>Total fixed assets</i>	<u>1,887,444</u>	<u>1,863,302</u>	<u>1,960,531</u>
Debtors and other receivables	14,792	22,474	16,584
Income tax	1,140	2,479	1,711
Cash and cash equivalents	10,160	5,739	4,404
<i>Total current assets</i>	<u>26,092</u>	<u>30,692</u>	<u>22,699</u>
<i>Total assets</i>	<u>1,913,536</u>	<u>1,893,994</u>	<u>1,983,230</u>
Equity and liabilities			
Capital paid-up and called	91,326	91,326	82,088
Share premium reserve	472,554	472,554	407,460
Hedging reserve in respect of financial derivatives	(38,913)	(31,083)	(31,420)
Translations reserve	754	(103)	(85)
Other reserves	467,822	467,822	577,464
Investment result previous financial year attributable to VastNed Retail shareholders	(61,383)	-	(51,054)
Investment result attributable to VastNed Retail shareholders	21,943	(61,383)	(38,724)
Equity VastNed Retail shareholders	<u>954,103</u>	<u>939,133</u>	<u>945,729</u>
Equity minority interests	97,808	95,960	97,430
<i>Total equity</i>	<u>1,051,911</u>	<u>1,035,093</u>	<u>1,043,159</u>
Deferred tax liabilities	23,257	23,989	33,853
Provisions in respect of employee benefits	594	1,236	681
Long-term interest bearing loans	612,554	597,616	636,031
Financial derivatives	46,833	37,066	36,953
Long-term tax liabilities	5,434	5,434	8,435
Guarantee deposits	8,362	8,281	9,320
<i>Total long-term liabilities</i>	<u>697,034</u>	<u>673,622</u>	<u>725,273</u>
Payable to banks	109,384	102,474	142,184
Redemption long-term liabilities	17,170	42,138	35,179
Income tax	3,771	3,813	3,625
Other liabilities and accruals	34,266	36,854	33,810
<i>Total short-term liabilities</i>	<u>164,591</u>	<u>185,279</u>	<u>214,798</u>
<i>Total equity and liabilities</i>	<u>1,913,536</u>	<u>1,893,994</u>	<u>1,983,230</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(x €1,000)

	Capital paid up and capital	Share premium reserve	Hedging reserve in respect of financial derivatives	Translation reserve	Other reserves	Investment result attributable to VastNed Retail shareholders	Equity VastNed Retail shareholders	Equity minority interests	Total equity
Balance as at January 1, 2009	82,088	407,460	(17,864)	76	577,464	(51,054)	998,170	96,230	1,094,400
Direct investment result						16,784	16,784	1,557	18,341
Indirect investment result						(55,508)	(55,508)	63	(55,445)
Value movements financial derivatives			(13,556)				(13,556)	(420)	(13,976)
Translation differences net investments				(161)			(161)		(161)
<i>Total comprehensive income</i>	-	-	(13,556)	(161)	-	(38,724)	(52,441)	1,200	(51,241)
<i>Balance as at March 31, 2009</i>	82,088	407,460	(31,420)	(85)	577,464	(89,778)	945,729	97,430	1,043,159
Balance as at January 1, 2010	91,326	472,554	(31,083)	(103)	467,822	(61,383)	939,133	95,960	1,035,093
Direct investment result						17,099	17,099	1,615	18,714
Indirect investment result						4,844	4,844	262	5,106
Value movements financial derivatives			(7,830)				(7,830)	(29)	(7,859)
Translation differences net investments				857			857		857
<i>Total comprehensive income</i>	-	-	(7,830)	857	-	21,943	14,970	1,848	16,818
<i>Balance as at March 31, 2010</i>	91,326	472,554	(38,913)	754	467,822	(39,440)	954,103	97,808	1,051,911

CONSOLIDATED CASH FLOW STATEMENT (x €1,000)

	01.01-31.03 2010	01.01-31.03 2009
Cash flow from operating activities		
Investment result	23,820	(37,104)
Adjustments for:		
Value movements investment properties	(6,106)	59,835
Net result on disposals investment properties	(209)	(91)
Net financing costs	8,603	9,132
Income tax	388	(4,259)
<i>Cash flow from operating activities before changes in working capital and provisions</i>	<u>26,496</u>	<u>27,513</u>
Movement current assets	2,080	83
Movement short-term liabilities	(1,704)	227
Movement provisions	(642)	(555)
	<u>26,230</u>	<u>27,268</u>
Interest paid (on balance)	(8,362)	(6,795)
Income tax paid	1,106	(519)
<i>Cash flow from operating activities</i>	<u>18,974</u>	<u>19,954</u>
Cash flow from investment activities		
Acquisition of investment properties and investments	(20,151)	(7,746)
Disposal of investment properties	9,172	6,560
<i>Cash flow from property</i>	<u>(10,979)</u>	<u>(1,186)</u>
Movement tangible fixed assets	9	70
<i>Cash flow from investment activities</i>	<u>(10,970)</u>	<u>(1,116)</u>
Cash flow from financing activities		
Dividend paid	(12)	(4)
Interest-bearing loans drawn down	31,987	25,055
Interest-bearing loans redeemed	(35,584)	(42,574)
<i>Cash flow from financing activities</i>	<u>(3,609)</u>	<u>(17,523)</u>
Movement in cash and cash equivalents	4,395	1,315
Cash and cash equivalents as at January 1	5,739	3,089
Translation differences on cash and cash equivalents	26	-
<i>Cash and cash equivalents at end of period</i>	<u>10,160</u>	<u>4,404</u>

Segment information

	Investment properties		Gross rental income		Operating costs including ground rents paid and net service charge expenses		Net rental income	
	March 31,		01.01 - 31.03		01.01 - 31.03		01.01 - 31.03	
	2010	2009	2010	2009	2010	2009	2010	2009
Netherlands	706,783	745,800	12,040	12,655	1,245	1,484	10,795	11,171
Spain	411,964	469,638	7,390	7,934	873	1,011	6,517	6,923
France	403,485	404,983	6,090	6,767	628	678	5,462	6,089
Belgium	300,757	304,308	5,356	5,158	520	432	4,836	4,726
Turkey	50,120	20,896	400	307	66	40	334	267
Portugal	12,441	12,682	283	283	13	15	270	268
Total	1,885,550	1,958,307	31,559	33,104	3,345	3,660	28,214	29,444

	Value movements investment properties		Net result on disposals investment properties		Movement in deferred tax assets and liabilities		Total	
	01.01 - 31.03		01.01 - 31.03		01.01 - 31.03		01.01 - 31.03	
	2010	2009	2010	2009	2010	2009	2010	2009
Netherlands	2,833	(7,116)	107	(71)	-	-	2,940	(7,187)
Spain	(1,752)	(31,039)	-	-	(339)	4,594	(2,091)	(26,445)
France	2,818	(22,593)	86	27	34	-	2,938	(22,566)
Belgium	1,895	1,530	16	135	(1)	-	1,910	1,665
Turkey	404	182	-	-	49	(154)	453	28
Portugal	(92)	(799)	-	-	5	99	(87)	(700)
	6,106	(59,835)	209	91	(252)	4,539	6,063	(55,205)
Of which attributable to third parties	(522)	(92)	(4)	(37)	-	-	(526)	(129)
	5,584	(59,927)	205	54	(252)	4,539	5,537	(55,334)

This interim report has been prepared in accordance with IAS 34 'Interim financial reporting'.

For the principles of consolidation, the valuation of assets and liabilities and the determination of the result, reference is made to the 2009 annual accounts.

As of January 1, 2010 the revised IFRS 3 *Business Combinations* and the revised IAS 27 *Consolidated and Separate Financial Statements* have been in force, and have been applied in this report. The revised standards have had no effect on VastNed Retail's equity and investment result.

In the preparation of the consolidated financial interim report, the essential judgments used by the board of management in the application of VastNed Retail's principles for financial reporting and the main estimates are identical to the essential judgments and main estimates used in the 2009 annual accounts. The actual results may deviate from these estimates.

During 2010 none of the members of the supervisory board and board of management of VastNed Retail had a personal interest in the investments of the company. To the best of VastNed Retail's knowledge, during the reporting period no transactions took place with persons or institutions that may be considered to be parties with direct interests in VastNed Retail.

The first quarter figures have not been audited.