

# TRADING UPDATE Q1 2020

*Solid operating results in Q1 2020;  
 impact of COVID-19 on result 2020 uncertain*

## Highlights

- Solid operating results in Q1 2020
- Occupancy rate of portfolio down slightly to 97.0% as at 31 March 2020
- Dividend proposal for FY 2019 reduced to € 1.43 per share
- Forecast for direct result 2020 withdrawn due to ongoing uncertainty around COVID-19 outbreak and government measures
- 2020 interim dividend cancelled
- Annual General Meeting for 2019 financial year to be held on 25 June 2020

**Amsterdam, 6 May 2020 – Vastned, the listed European retail property company focusing on 'venues for premium shopping', announces solid operating results for the first quarter of 2020, with a slightly lower occupancy rate. The results for the first quarter were not yet impacted by the COVID-19 outbreak and the government measures taken to contain its spread. Due to the uncertainty on the duration of the current situation and the impact of the government measures Vastned withdraws its forecast for the direct result for 2020.**

Taco de Groot, Vastned CEO: *'The COVID-19 outbreak and the government measures taken in response are having far-reaching consequences for us all. In this situation the health and safety of our employees, tenants and visitors is paramount for Vastned.*

*The lockdowns and the voluntary and mandatory closures of shops, bars and restaurants in the Netherlands, Belgium, France and Spain are having largely adverse implications for our tenants. For this reason, Vastned is in constant contact with these tenants, and has made arrangements with the large majority of tenants in the Netherlands that are in line with the agreements made within the industry. Similar talks in Belgium, France and Spain are still ongoing. The arrangements with tenants are tailored, taking 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 arrangements range from spreading payments for the quarter over months, paying in arrears instead of in advance, to suspension of all or part of the rent payment.*

*Vastned's liquidity position is good, but in view of the current uncertainty we consider it prudent to propose to the shareholders' meeting on 25 June 2020 to reduce the final dividend for 2019 in order to further shore up the company's liquidity position. The new dividend proposal for 2019 is € 1.43 per share. In the same context Vastned has also decided to cancel the 2020 interim dividend.*

*The government measures due to the COVID-19 outbreak were introduced in the countries where Vastned operates in the second half of March. Vastned's results for the first quarter of 2020 were not yet impacted. Tenants are affected by the government measures and as a result Vastned has taken a number of measures, such as suspending all non-critical investments and implementing operating cost reductions. It has also been decided to reduce the fixed salaries of the members of the Executive Board and the remuneration of the Supervisory Board for the months of May, June and July by 15%. 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 any impact on Vastned's result for 2020. For this reason, Vastned withdraws its forecast for the direct result for the year 2020.*

*Vastned's focus in these times will not change; maintaining the high occupancy of the portfolio remains its priority so that when the situation is normalised Vastned will be well positioned for a recovery.'*

## REVIEW OF THE PROPERTY PORTFOLIO

### Occupancy rate

In Q1 2020, the occupancy rate fell to 97.0%, from 98.0% as at year-end 2019. This limited decrease was caused by a fall in the occupancy rate in Belgium and to a lesser extent in the Netherlands. In France and Spain the portfolio remained fully let in Q1 2020.

The occupancy rate in the Netherlands saw a limited fall due to Steps departing the property on Eindstraat 14-16 in Breda, and the departure of two pop-up stores at Leidsestraat 60-62 in Amsterdam and Bakkerstraat 16 in Utrecht. For Eindstraat 14-16 in Breda discussions with new tenants are under way.

In Belgium, the fall of the occupancy rate was caused by the departure of two pop-up stores at Schuttershofstraat 55 in Antwerp and Galerie Jardin d'Harscamp in Namur. In addition, Orchestra vacated one property in Wilrijk and one in Tielt-Winge.

Occupancy rate (%)	31 March 2020	31 December 2019
Netherlands	96.0	96.6
France	99.9	99.8
Belgium	95.8	98.8
Spain	100.0	100.0
<b>Total</b>	<b>97.0</b>	<b>98.0</b>

### Leasing activity

In Q1 2020, there was virtually no impact from COVID-19 on the result, and Vastned concluded 10 leases for a total amount of € 1.3 million, or 1.7% of the total theoretical rent.

Vastned concluded a new lease for Reguliersdwarsstraat 80-84 in Amsterdam, which will become a second outlet of the Italian restaurant La Casa di Michael. After an internal refurbishment the restaurant hopes to reopen as soon as the government allows it. In Amsterdam Vastned also agreed a new lease with Holland & Barrett for a retail unit at Ferdinand Bolstraat 85. Furthermore, Vastned leased the property at Ferdinand Bolstraat 88 as of 1 April 2020 to Vkusvill, the first outlet of the Russian supermarket chain in the Netherlands.

In the Keizerwaard shopping centre in Rotterdam a new lease was concluded with Lidl for a 330m<sup>2</sup> retail unit.

In Utrecht Vastned agreed a new lease with Spar for a 'city convenience store' at Bakkerstraat 16, the first shop in a new retail concept developed by Spar. In addition, the lease with H&M for Steenweg 31-33 in Utrecht was renewed for one year.

The rent decrease on these new leases in Q1 2020 was 5.9%, which was caused by the new lease to H&M on Steenweg in Utrecht. Corrected for this annual contract, the rental change would have been positive in Q1 2020.

Leasing activity	Q1 2020
Number of leases	10
Rental income (€ million)	1.3
% of total theoretical rent	1.7
Rental change (€ million)	-0.1
% rental change	-5.9

**Acquisitions and divestments**

No acquisitions or divestments were made in Q1 2020.

**FINANCING STRUCTURE**

In January 2020, Vastned repaid a € 25 million private placement to Pricoa Capital Group, which was financed from the unused credit facility. The remainder of the short-term liabilities concerns a private placement of € 37.5 million, which will expire in October 2020.

**COVID-19**

In order to deal with the current COVID-19 situation Vastned is in continuous talks with the tenants of shops and food and beverage properties and has made arrangements with the large majority of the tenants in the Netherlands that are in line with the agreements made in the industry. Similar talks in Belgium, France and Spain are still ongoing. The agreements with tenants are tailored, taking 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 arrangements range from spreading payments for the second quarter 2020 over the months and paying in arrears rather than in advance, to suspension of all or part of the rent payment. The government measures due to the COVID-19 outbreak were introduced in the countries where Vastned operates in the second half of March, and Vastned's results for the first quarter of 2020 were not yet impacted as a result. Tenants are affected by the government measures and therefore Vastned has taken a number of measures, such as suspending all non-critical investments and implementing operating cost reductions. It has also been decided to reduce the fixed salaries of the members of the Executive Board and the remuneration of the Supervisory Board for the months of May, June and July 2020 by 15%.

**ANNUAL GENERAL MEETING ON THE 2019 FINANCIAL YEAR**

Vastned has set 25 June 2020 as the new date for the Annual General Meeting on the 2019 financial year. The meeting will be held at the offices of the company (De Boelelaan 7, Amsterdam). In view of the situation and the government measures in relation to COVID-19 it will not be possible for shareholders to attend this meeting in person. The meeting will be broadcast live by means of an audio webcast that can be joined on [www.vastned.com](http://www.vastned.com). If shareholders who have registered wish to ask questions about topics on the agenda, they can e-mail them to [remco.vergeer@vastned.com](mailto:remco.vergeer@vastned.com) at 11:00 on Tuesday 23 June 2020 at the latest. The full agenda including notes can be found on [www.vastned.com/agm](http://www.vastned.com/agm).

**DIVIDEND PROPOSAL 2019**

In order to shore up the liquidity position in these challenging times, Vastned will make put a proposal to the Annual General Meeting that was postponed to 25 June 2020 to reduce the previously made proposal for the final dividend payment for 2019. The new dividend proposal concerns paying out a total dividend per share of € 1.43 and to charge it to the freely distributable reserves. Taking the interim dividend for 2019 of € 0.58 paid out in August 2019 into account, the final dividend will be € 0.85 per share. The final dividend will be made payable on 13 July 2020.

**OUTLOOK 2020**

In view of the uncertainty on the duration of the current situation and the impact of the government measures Vastned withdraws its forecast for the direct result of between € 2.05 and € 2.15 per share for 2020.

It is impossible at present to evaluate the impact on Vastned's result; for this reason, Vastned cannot announce a new forecast for the direct result for 2020.

Vastned also cancels the interim dividend for 2020, again to lend further support to the company's liquidity position.

**FINANCIAL CALENDAR 2020**

25 June 2020		Annual General Meeting 2019
29 June 2020		Ex final dividend date 2019
30 June 2020		Final dividend record date 2019
13 July 2020		Payment date final dividend 2019
29 July 2020	after trading	Half-year results 2020
27 October 2020	after trading	9M trading update 2020

**About Vastned**

Vastned is a listed European retail property company (Euronext Amsterdam: VASTN) 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 high streets in the bigger cities. Vastned's tenants are strong and leading international and national retail brands. The property portfolio had a size of approximately € 1.6 billion as at 31 December 2019.

**Further information:**

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