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Vesteda Update Q1 2015

Residential building **De Ooievaar** in Purmerend, acquired by Vesteda from housing association Wooncompagnie in Q1 2015

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Introduction Managing Board

The Dutch residential market continued to recover in the first quarter of 2015. Boosted by the drop in mortgage interest rates and the general economic recovery, the number of transactions increased once again and house prices continued to rise.

Compared with the same period of last year, Vesteda improved its financial vacancy rate (to 3.9% in Q1 2015 from 4.8% in Q1 2014) and recorded lower interest expenses in the first quarter of 2015, thanks to its improved financing structure, which included the gaining of a S&P BBB corporate credit rating (€11.1 mln versus €13.0 mln in Q1 2014). Vesteda also saw a marked increase in income from house sales, as a result of the recovery in the residential market and the company's focus on individual unit sales (€4.5 mln in Q1 2015 compared to €2.8 mln in Q1 2014). In line with the market, Vesteda's revaluation is now positive, while we saw a drop in values in the first quarter of last year (0.6% positive in Q1 2015 versus 0.5% negative in Q1 2014).

In the first quarter of this year, Vesteda boosted both its investment portfolio and its acquisition pipeline via a number of top-quality projects in attractive locations. In the period ahead, we will be focusing on the continued optimisation of our investment portfolio and Vesteda's newly expanded acquisition team will continue to search out attractive additions to the portfolio, among both existing residential complexes and turnkey projects.

In late April, Vesteda added Allianz Real Estate and an Asian investor to its fund participants. These two leading international investors have committed to investing €600 million in Vesteda, with €345 million of this earmarked for acquisitions. On the financing front, Vesteda's focus for the coming period will be on terminating the CMBS funding programme, which will complete the company's successful transition to a corporate unsecured funding structure.

Amsterdam, 21 May 2015

Gertjan van der Baan
CEO

Hélène Pragt
CFO

Key Figures End-Q1 2015

NUMBER OF RESIDENTIAL UNITS

22,894

PHYSICAL OCCUPANCY RATE

96.6%

RENTAL INCOME

€58.7 mln

COMMITTED PIPELINE INVESTMENT PORTFOLIO (IN UNITS)

753

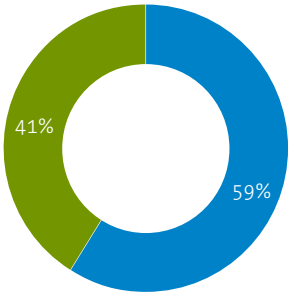
REVALUATION INVESTMENT PORTFOLIO (DURING THE QUARTER)

0.6%

PORTFOLIO VALUE

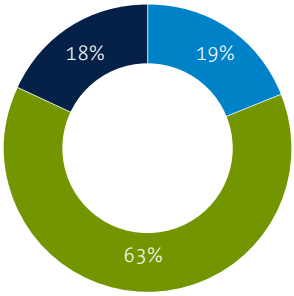
€3.6 bln

Portfolio by type of residential unit
(IN UNITS)



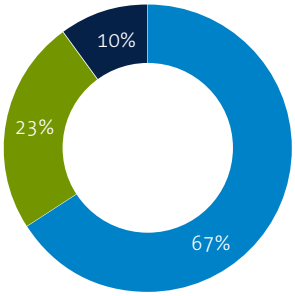
- Apartment
- Family house

Portfolio by rental segment
(IN VALUE)



- Regulated segment
- Mid-segment
- Higher segment

Portfolio by region
(IN VALUE)



- Primary[1)]
- Secondary[1)]
- Other

1 Primary regions are regions that offer the highest market potential for the non-regulated rental sector. These regions are characterised by a high market potential and low market risks. Secondary regions score less in some respects but have a positive economic and demographic outlook.

Investment Portfolio

Investment portfolio, changes in value

(in € million)

Value at start of year	3,592
Capex	2
Inflow	18
Outflow	(25)
Revaluation	22
Value of investment portfolio at the end of Q1 0215	**3,609**

Investment portfolio, changes in units

Number of units beginning of year	22,990
Inflow	72
Outflow	(168)
Number of units at the end of Q1 2015	**22,894**

In the first quarter of 2015, Vesteda sold a total of 168 residential units from its portfolio, while adding a total of 72 residential units to the portfolio. A total of 30 apartments were added due to the acquisition of an existing complex (built in 2008) in Purmerend (core region). Vesteda acquired the complex from housing corporation Wooncompagnie and the rents are in the mid-segment. The remaining 42 apartments are part of the development project the Amazones complex in Den Bosch. The 42 apartments were fully rented by the end of the first quarter of 2015.

Additions to the investment portfolio Q1 2015

Complex building, location	Total number of units	Additions to investment portfolio	Apartment / Family house	Region	Rental segment
Amazones, Den Bosch	42	42	Apartment	Primary	Mid / Higher
De Ooievaar, Purmerend	30	30	Apartment	Primary	Mid
Total	**72**	**72**			

PIPELINE END-Q1 2015

Acquisitions and development

Vesteda added one project to its pipeline in the first quarter of this year. This was the turnkey agreement for the 192 apartments in the 100-metre high Amstel tower, located adjacent to the Amsterdam Amstel rail station. This project is fully in line with our ambition to expand our portfolio by adding rental homes in the mid-segment in economically strong regions, such as Amsterdam.

Pipeline in Q1 2015

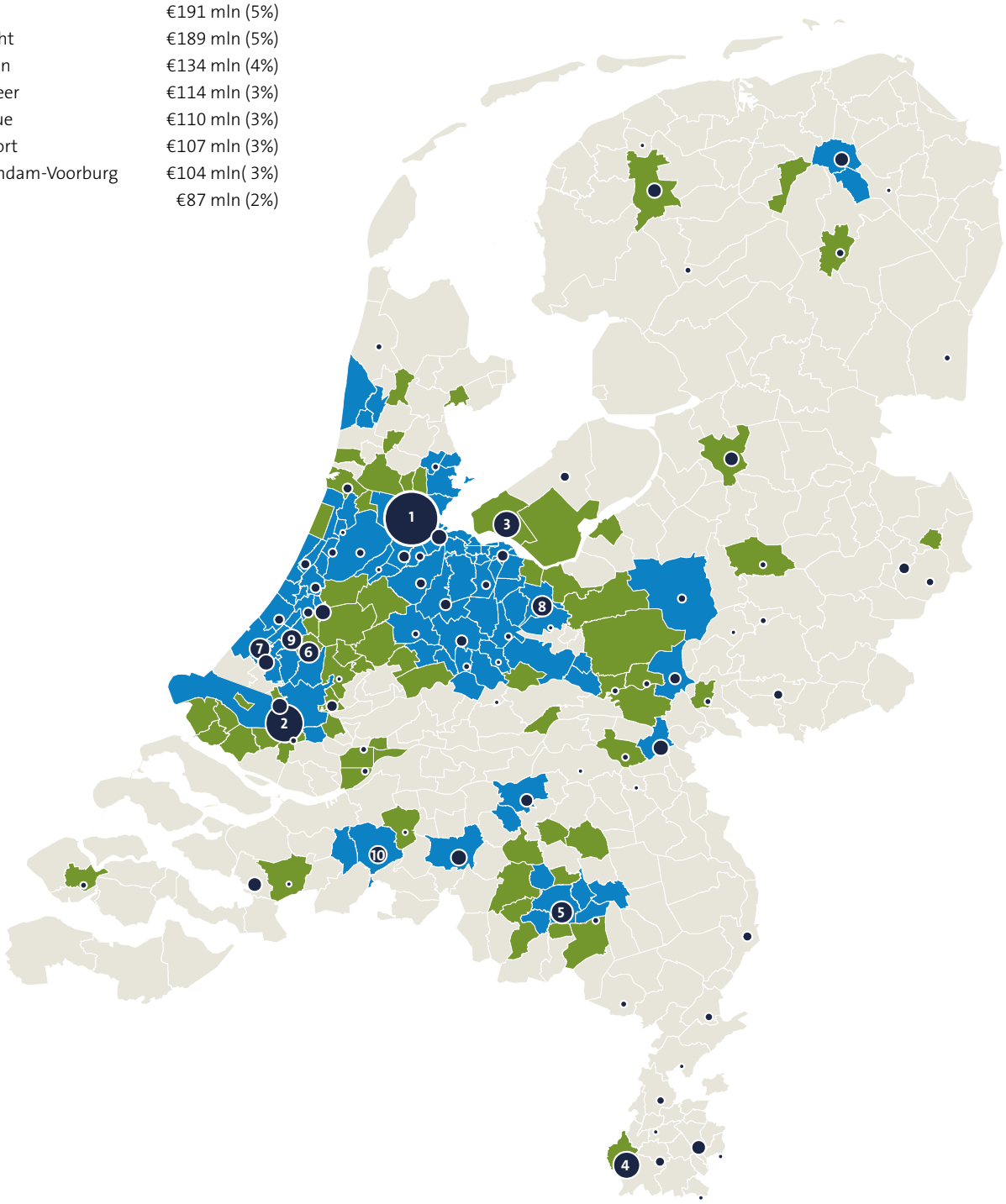
Complex building, location	Total number of units	Additions to investment portfolio	Apartment / Family house	Region	Rental segment	Expected completion / into operation
Schuytgraaf, Arnhem	29	29	Family house	Primary	Mid	2015
De Boelelaan, Amsterdam	154	154	Apartment	Primary	Mid	2016
CZAN, Amsterdam	14	14	Apartment	Primary	Mid	2016
CZAN2, Amsterdam	64	64	Apartment	Primary	Mid	2016
Seattle Boston, Rotterdam	48	48	Apartment	Primary	Mid	2017
Leidsche Rijn Centrumplan, Utrecht	477	252	Apartment	Primary	Mid	2017
Amsteltower, Amsterdam	192	192	Apartment	Primary	Mid	2017
Total	**978**	**753**				

Portfolio distribution (year-end 2014)

- Primary regions [1)]
- Secondary regions [1)]
- Other

€750 mln
€400 mln
€75 mln

1	Amsterdam	€635 mln (18%)
2	Rotterdam	€355 mln (10%)
3	Almere	€191 mln (5%)
4	Maastricht	€189 mln (5%)
5	Eindhoven	€134 mln (4%)
6	Zoetermeer	€114 mln (3%)
7	The Hague	€110 mln (3%)
8	Amersfoort	€107 mln (3%)
9	Leidschendam-Voorburg	€104 mln(3%)
10	Breda	€87 mln (2%)



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About Vesteda

Vesteda is an investor with a clear focus on the Dutch residential real estate market. Vesteda invests funds for institutional investors, including pension funds and insurers. Vesteda has total capital of approx. €3.6 billion invested in real estate. The company's rental portfolio stands at a total of around 23,000 units. Vesteda's key investment regions are the Randstad urban conurbation and the Noord Brabant province. In 2014 Vesteda generated a net result of €136 million, with more than 200 employees.

FOR ADDITIONAL INFORMATION

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