Corio's first quarter update

Utrecht, 15 May 2013

Business update for the period 1 January – 31 March 2013

During our Capital Markets Day on 4 December 2012 Corio presented a full strategy update. Based on our vision on the future of consumer spending we presented our plans, which resulted in the following objectives:

- Grow Net Rental Income in the FMP[1] portfolio with 4% - 6% per year
- Dispose of the € 1.4 billion TRC[2] portfolio over 3 - 4 year
- 10% reduction of administrative expenses relative to GTRI[3]

Our business updates as well as our half year and full year reports will focus on the FMP portfolio and address these topics as they are crucial to the success of our company. Additional information on the TRC portfolio can be found in the appendix.

Gerard Groener, CEO: "*It's encouraging to see how our strategy shows resilience under difficult macro-economic circumstances. Our operational performance indicates that we are able to offset or mitigate the impact of the existing economic trends.*

Our focus on FMPs proves to be the right one. We have grown our NRI in that area in line with our objectives. Furthermore retailers clearly recognize the attractiveness of our FMPs, hosting over 350 million visitors on an annual basis. To retain this interest in our centres, we need to continue our efforts in marketing and innovation. We will further develop programs that bring us closer to the consumer and establish ongoing communications with them. After a pilot and successful introductions of loyalty programs in Italian centres, we have started the first loyalty program outside Italy in Alexandrium in Rotterdam, in January of this year. More centres will follow during the course of 2013.

The ongoing focus on the development of our FMP portfolio and our commitment to further improve the efficiency, gives me confidence that we are in the right place to remain well on track even against this backdrop of negative retail spend throughout our home markets."

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[1] Favourite Meeting Place
[2] Traditional Retail Centres
[3] Gross Theoretical Rental Income

Continuous activities to stimulate footfall[4]

Footfall (like-for-like) change FMP portfolio	%
Portfolio average	**-1.5**
The Netherlands	-2.4
France	-3.5
Italy	2.3
Germany	-6.9
Spain	-4.0
Turkey	1.2

Overall footfall was stable, especially when considering the fact that there were less trading days during this quarter. For the different countries represented in our portfolio, footfall showed diverging developments. In our Spanish portfolio the number can be directly linked to the economic situation. The decline in Germany relates to the two shopping centres in Duisburg and was affected heavily by the exceptional bad weather and snowfall in the first quarter in that region.

It takes more effort to keep visitor growth numbers positive. In the first quarter we organized multiple events in our centres. Implementation of a strong marketing campaign for Boulevard Berlin, from the 16th of January, increased footfall numbers with 15% up to now. The demolition of the first part of the 'old' Hoog Catharijne in Utrecht was turned into an event, marketed via Facebook, with national TV shows covering it. X-factor talent shows brought in an additional crowd in our Italian centres. A recycling campaign in Cote de Nacre in Caen combined CSR objectives with additional footfall. An educational program on 'Space Adventure' in Anatolium in Bursa had a similar approach and result. The Maremagnum Terrace on the second floor turned into a market that brought professionals and amateurs, with a passion for food, together. These are some examples of the numerous activities that were initiated by our centre managers.

Tenant sales under pressure

Tenant sales change (like-for-like) FMP portfolio	%
Portfolio average	**-4.7**
The Netherlands	NA*
France	-2.0
Italy	-2.7
Germany	-11.8
Spain	-8.5
Turkey	0.5

* Not Available

Although we were able to stabilize footfall (taking less trading days into account) we could not prevent a decline in like-for-like retail sales. Retail sales are under pressure throughout Europe. Even after taking the lower number of trading days into account we see a small decline. In both Italy and Spain some of our centres lost a competitive advantage now Sunday openings were introduced throughout the country.

[4] Footfall, turnover, re-letting and renewal, occupancy rates and like-for-like exclude Hoog Catharijne (NL), Grand Littoral (FR), St Jacques (FR) and Centrum Galerie (GE) as these projects are subject to major redevelopments

Strong re-letting and renewals show healthy appetite from retailers

Re-letting and renewal results FMP portfolio	%
Portfolio average	3.3
The Netherlands	8.9
France	8.7
Italy	9.5
Germany	-
Spain	-28.2
Turkey	-6.3

Over the first quarter we renegotiated 117 contracts with an average result of moving the rent up by 3.3% relative to the existing rent level. Especially in our larger markets, Netherlands, France and Italy, these results stood out. The decline in Spain is a direct result of the macro-economic headwinds and declining spendable income. The 28.2% decline in Spain relates to only 13 contracts, representing less than 1% of GRI in Spain. The decline in Turkey relates to some old contracts with relatively high rents compared with the market rent. The portfolio in Germany is still young and contracts are still in their first term. Leasing activities predominantly in Dresden and Berlin are progressing, we are talking to a number of both national and international tenants.

We also noted a shift in tenant mix towards the larger, international chains. We see this as proof that smaller companies have more difficulties to sustain, let alone grow their business probably due to less financing options and less bargaining power in their supply chain. As an example the number of contracts we have with our top 10 tenants grew over the last 12 months from 246 to 256, Inditex being the leader here with 14 additional contracts. The number of contracts with Ahold and Blokker decreased (-10) because of the disposals in the Netherlands in 2012.

Other then this we extended our tenant base with newcomers like Polarn O. Pyret and Starbucks in the Netherlands. Corio opened the first part of Hoog Catharijne, Vredenburg, in the last quarter of 2012. It is currently fully let to a.o. new concept flagship store of Zara and Sting.

Occupancy rates under pressure but still holding up

Average Financial occupancy rate FMP portfolio*	%
Portfolio average	**96.8**
The Netherlands	97.4
France	96.3
Italy	98.7
Germany	99.8
Spain	91.1
Turkey	94.0

* Including rental guarantees

In our FMP portfolio the occupancy rates are still strong with an average of 96.8%. We only encountered some weakness in Spain, despite the fact that the portfolio beats the national averages by far. Especially in our larger countries (Netherlands, France and Italy) that represent 68% of our total Net Rental Income stream (including Equity Accounted Investees), we see rates between 96% and 99%.

Leasing activities in our pipeline involve large international chains as Inditex, H&M and Primark for the fashion sector, Metro for the consumer electronics sector and Ahold, Rewe and Edeka for the food sector. These negotiations are on track taking into account that most of our near future pipeline projects will open in 2014. This will support the overall occupancy level once these centres come into operation.

Occupancy rates and re-letting/renewal results drive like-for-like on GRI to 1.2%

Like-for-like change GRI FMP portfolio*	%
Portfolio average	**1.2**
The Netherlands	1.8
France	2.8
Italy	-1.5
Germany	22.0
Spain	-1.9
Turkey	-2.3

* Including rental guarantees

Maintaining high occupancy rates comes at a cost. Despite strong re-letting and renewal results, discounts were needed in some occasions to maintain occupancy rates. This is why the positive like-for-like Gross Rental income (GRI) is now below index. The increase in Germany, apart from leasing activities, relates to the rental guarantees, negotiated during the handover of Boulevard Berlin and termination of the cooperation with Multi. The Spanish performance, although negative, is remarkable, given the extremely difficult circumstances. Italy is largely related to some smaller refurbishments that cause temporary vacancy. In Turkey the decline is the result of ending rental guarantees where not yet a 100% occupancy rate was achieved. Even small deviations have impact since we are observing one quarter only here.

Net Rental Income grows with 4.6% within the set target range

The net rental income (up 4.6%) is driven by like-for-like growth which came out at 1.6% negative, as well as growth from extensions and (re)developments like Vredenburg and Singelborch in Hoog Catharijne and Boulevard Berlin. The reason for like-for-like NRI growth being lower than the 1.2% GRI like-for-like growth is due to higher bad debt provision. Other than that there are always season influences, especially in the first quarter.

Further reduction of pipeline from € 1.8 billion to € 1.4 billion

(€ million)	Committed	Deferrable	Total
Already paid	96.8	125.1	221.9
Cost to completion	676.3	510.7	1,187.0
Total	773.1	635.8	1,408.9
Net Yield on cost (%)	7.0	8.2	7.5

Two projects were taken into operation. No new additions were made to the pipeline. In Berlin the 86,000 m^2 Boulevard Berlin at the Schloßstrasse was taken over from Multi and marked the end of a 3-year relationship. Boulevard Berlin was acquired for a total amount of € 366 m, producing a 6.0% net yield as of 15 January 2013. Furthermore, a smaller project in Zoetermeer, a suburb of The Hague, was taken over from ING RED for a total amount of € 39.5 m producing a net initial yield of 6.4% as of 1 January 2013.

During the first quarter we also committed to realize the second phase of the Hoog Catharijne redevelopment scheme. This involves an amount of € 288 m, which we moved from the deferrable pipeline into the committed pipeline. With these and some smaller changes in the composition of the pipeline the overall picture is as shown above.

Projects in the pipeline are on track, both in terms of planning as well as in terms of leasing progress. Over 2013 not many projects will open. In 2014, several developments will come into operation. Profitability of the pipeline remains unchanged and shows an improved overall yield on cost. The investments related to the committed pipeline in 2013 are approximately € 110 m. For 2014 this will be approximately € 267 m. The net yield on cost (including financing cost) is shown in the table above.

Disposal team fully set up and marketing started on the € 1.4 billion TRC portfolio

Jaap Blokhuis started heading the team and leading the disposal program as of 1 April 2013. Currently, negotiations are ongoing on a number of assets for up to € 250 m.

Efficiency target on track

Corio aims to reduce administrative expenses with 10% in the coming years and lowering it to 8% of GTRI. We expect to make a significant first step in 2013.

Strong financing activities pushing net finance expense further down

The average interest rate in Q1 2013 was 3.7% (Q1 2012: 4.1%). Excluding the effect of the amortisation of unwinding swaps the average interest rate on Corio's debt would be even lower.

Following a three-day roadshow in Europe, Corio successfully placed a € 500 m benchmark Eurobond maturing in February 2021. The 8-year bonds have a 3.25% coupon and the issue price is 99.945%. The bonds were issued under Corio's EMTN program and placed with a broad range of institutional investors, primarily from Europe.

Dividend (after end of quarter)

The General Meeting of Shareholders approved the dividend of € 2.76 per share for the 2012 financial year in cash or stock, within the constraints imposed by the company's FBI status. Period of choice of dividend ends on 29 May 2013 at 3.00 pm, Corio will announce the dividend ratio on the same date after close of trading. The cash and stock dividend will be transferred on 3 June 2013.

CONFERENCE CALL Q1 2013 UPDATE

Gerard Groener (CEO) and Ben van der Klift (CFO) are available for questions on Thursday 16 May 2013 at 10.00 CET. You can listen to the call and ask questions by dialling: +31 (0)20 7965 008 (the Netherlands) or +44 (0)20 7162 0077, Conference ID: 932256. You can also listen to the call via: : http://corio.dutchview.nl/corio20130516-an. More details about the audiocast and call (more toll free numbers) can be found on Corio's website: http://www.corio-eu.com/other-news.html.

Financial calendar

Date	Event
7 August 2013 (after market close)	First half year results
7 November 2013 (after market close)	First nine months update

Qualification regarding forward-looking information
This press release contains forward-looking information with respect to the financial position, plans and objectives, activities and market conditions in which the company operates. By their nature, forward-looking statements and forecasts imply risks and uncertainties, as they relate to known and unknown events and circumstances which may or may not happen in the future. The forward-looking statements and forecasts in this press release are based on management's current insights and assumptions. The actual earnings and developments may deviate from those expected, under the influence of factors such as: general economic circumstances, results on the financial markets, changes in interest rate levels and exchange rates, changes in the law and regulatory framework and in the policy of governments and/or regulatory authorities.

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APPENDIX

The table below gives an overview of % change of Q1 2013 compared with Q1 2012 for Corio's retail portfolio split in FMP, TRC and total, financial occupancy relates to Q1 2013.

%	NL	FR	IT	GE	SP/PO	TU	Total
Footfall FMP	**-2.4**	**-3.5**	**2.3**	**-6.9**	**-4.0**	**1.2**	**-1.5**
Footfall TRC	-7.2	-4.6	-0.5	-	0.2	-5.7	**-4.4**
Footfall Total	-3.4	-3.9	1.9	-6.9	-2.7	0.5	**-2.0**
Tenant sales FMP	**NA**	**-2.0**	**-2.7**	**-11.8**	**-8.5**	**0.5**	**-4.7**
Tenant sales TRC	NA	-4.2	-11.3	-	4.6	-4.1	**-2.1**
Tenant sales Total	NA	-2.6	-3.5	-11.8	-3.6	-0.2	**-4.3**
Average Financial Occ FMP	**97.4**	**96.3**	**98.7**	**99.8**	**91.1**	**94.0**	**96.8**
Average Financial Occ TRC	94.5	90.3	96.9	-	86.8	94.8	**91.2**
Average Financial Occ Total	96.7	93.5	98.6	99.8	89.7	94.1	**95.5**
Re-letting/Renewal FMP	**8.9**	**8.7**	**9.5**	**-**	**-28.2**	**-6.3**	**3.3**
Re-letting/Renewal TRC	-13.5	0.0	-	-	-36.9	-6.1	**-11.7**
Re-letting/Renewal Total	-1.8	3.6	9.5	-	-32.6	-6.2	**-5.7**
Like-for-like GRI FMP	**1.8**	**2.8**	**-1.5**	**22.0**	**-1.9**	**-2.3**	**1.2**
Like-for-like GRI TRC	-1.5	1.3	-5.2	-	-7.0	-22.3	**-2.9**
Like-for-like GRI Total	0.9	2.3	-1.8	22.0	-3.5	-3.8	**0.3**

Net rental income retail overview (including NRI of Equity Accounted Investees)

(x million €)	Q1 2013			Q1 2012		
Net Rental Income	**FMP**	**TRC**	**Total**	**FMP**	**TRC**	**Total**
The Netherlands	21.4	6.0	27.4	21.1	9.0	30.1
France	15.6	6.2	21.8	16.0	6.6	22.6
Italy	22.9	2.0	24.9	23.2	2.1	25.3
Germany	12.2		12.2	7.3		7.3
Spain/ Portugal	7.1	2.8	9.9	7.4	3.6	11.0
Turkey	9.5	0.5	10.0	9.7	0.8	10.5
Total	**88.7**	**17.5**	**106.2**	**84.7**	**22.1**	**106.8**