



---

## TRADING UPDATE

---

# Q1 2024

---

- Resilient operational performance, investment market continues to be quiet
- Completion of disposal of Laanderpoort to ING in January 2024
- Strong balance sheet, with LTV at 30.9% at March 2024
- Vacancy rate 5.2% at March 2024, stable vs year-end
- €20m share buy-back programme started in Q1

# INDEX

NSI HIGHLIGHTS	3
CEO COMMENTS	4
SUPPORTING DATA	5

## FINANCIAL CALENDAR

Publication half year results H1 2024	17 July 2024
Publication trading update Q3 2024	16 October 2024
Publication preliminary result FY 2024	28 January 2025
Publication annual report 2024	10 March 2025
AGM	19 April 2024
Ex-dividend date (final dividend 2023)	23 April 2024
Record date	24 April 2024
Payment date	14 May 2024

For additional info please contact:

NSI N.V.

Investor Relations

Laura Gomez Zuleta

T +31 (0)20 763 0300

E [ir@nsi.nl](mailto:ir@nsi.nl)

Publication date:

# NSI HIGHLIGHTS

## KEY FINANCIAL METRICS<sup>1</sup>

### REVENUES AND EARNINGS

	Q1 2024	Q1 2023	Change
Net rental income	12,001	12,408	-3.3%
Net rental income - like-for-like	12,027	12,093	-0.5%
Direct investment result	7,110	8,544	-16.8%
Indirect investment result	-486	-461	5.5%
Total investment result	6,623	8,083	-18.1%
EPRA earnings per share	0.35	0.43	-17.1%
Weighted average number of ordinary shares outstanding	20,141,757	20,054,240	0.4%
EPRA cost ratio (excl. direct vacancy costs)	30.3%	28.2%	2.2 pp

### BALANCE SHEET

	31 March 2024	31 December 2023	Change
Investment property	1,008,983	1,028,801	-1.9%
Net debt	-315,517	-344,443	-8.4%
Other assets / liabilities	20,639	25,524	-19.1%
Equity	714,105	709,882	0.6%
EPRA NTA per share	35.67	35.30	1.0%
Number of ordinary shares outstanding	20,046,781	20,155,221	-0.5%
Net LTV	30.9%	33.0%	-2.1 pp

### KEY ESG METRICS (NON-FINANCIAL)

	2024	2023	Change
CRREM building energy intensity (kWh/sqm/year)	130 <sup>2</sup>	130	
EPC-label (percentage portfolio with label A or better)	97.4%	95.3%	1.9 pp
GRESB score	94 <sup>2</sup>	94	

### KEY PORTFOLIO METRICS

	31 March 2024				31 December 2023	Change
	Amsterdam	Other G4	Other NL	TOTAL		
Number of properties	21	14	10	45	46	-2.2%
Market value (€ m) <sup>3</sup>	566	302	154	1,022	1,043	-2.0%
Lettable area (sqm k)	162	126	65	352	351	0.4%
Annualised contractual rent (€ m) <sup>4</sup>	39	25	13	77	77	-0.6%
Estimated rental value (€ m)	44	27	13	83	84	-0.1%
EPRA net initial yield	5.1%	5.4%	5.2%	5.2%	5.3%	-0,1 pp
Gross initial yield	7.4%	8.4%	8.1%	7.8%	7.9%	-0,1 pp
EPRA vacancy	5.9%	5.8%	1.6%	5.2%	5.2%	0.0 pp
Wault	3.9	4.0	3.4	3.9	3.7	4.5%

<sup>1</sup> The trading update is based on unaudited results.

<sup>2</sup> CREMM building energy intensity and GRESB score are available only at yearend; 2024 figures represent yearend 2023 figures

<sup>3</sup> Reported in the balance sheet at book value including right of use leasehold (IFRS 16), excluding lease incentives and part of NSI HQ (own use).

<sup>4</sup> Before free rent and other lease incentives.

## CEO COMMENTS

The investment market was extremely quiet in Q1. The lack of available financing, uncertainty over the direction of travel for interest rates, weak economic confidence, institutional capital being overweight the sector, and the ongoing question marks over long term demand for office space continue to significantly impact investor demand.

With respect to the long term demand for offices, this year, 2024, office landlords in The Netherlands are mostly renewing leases originally signed in 2019. These are by and large the last of the 'pre-covid' leases, so we are gradually moving towards a new base line for office demand and occupancy.

At NSI, close to 50% of leases have been renewed or adjusted since the end of covid and we are increasingly sensing that by the end of next year a good part of the right-sizing, lease adjustments and corporate moves will have happened. The reality at NSI is that occupational demand has been rather steady, reflecting the quality of our assets and the efforts of our team, and resulting in a record-low vacancy rate of 5.2%.

### Preparing opportunities for a post FBI world

By the end of 2023 we had absorbed a large fall in capital values (mirroring a trend seen in the wider Dutch market), completed the necessary restructuring ahead of the changes to the Dutch FBI regime per 2025 and fully prepared the sale and transfer of Laanderpoort in Q1 2024. Thus, we entered 2024 in a favourable starting position.

With the upcoming changes to the FBI regime per 2025 and no new Dutch REIT regime to be realistically expected by January 2025 to replace the FBI (if it happens at all given the current negative political climate for the wider real estate sector), 2024 is a year for NSI to build on its strong balance sheet and solid operational performance and to prepare for the period thereafter.

We will continue to further focus our office portfolio towards Amsterdam, we will continue our efforts to maximise the attractiveness, sustainability credentials and thereby value of our assets, and we will continue to explore value-add initiatives.

These initiatives could well see us further leverage our Leiden Biosciences foothold, and see us explore the redevelopment of some strategically placed office assets in Amsterdam into new residential areas.

Whilst not all of these initiatives appear to be economically viable today, we continue to weigh and explore all options to be ready if and when the economics do make sense. We are also exploring options for partnering to finance new initiatives.

One of the opportunities we are already set to pursue this year is the large scale renovation of Alexanderpoort in Rotterdam, located right next to the second major train station in this city. The upgrade, which is scheduled to start post Summer, is set to turn the asset into a high quality, modern, Paris-proof HNK with all the necessary amenities and services. The investment, at a cost of ca € 19.5 mln, is expected to generate a net yield on incremental cost of in excess of 10%.

### Outlook for 2024

The €20m share buyback programme is now underway. In Q1 a total of 124,829 shares (ca. 12% of the programme) have been repurchased. In the current market we see this as an attractive way to allocate capital.

With an LTV of 30.9% and no debt maturities before February 2026, the balance sheet is in good shape, which remains a great asset at this time of elevated uncertainty in wider markets.

Whilst Q1 EPRA EPS at € 0.35 per share is down year-on-year due to higher interest costs, timing of maintenance and taxes, we confirm our post-tax EPRA EPS guidance of € 1.85-2.00 for the full year 2024 (constant portfolio basis), helped by 4.8% like-for-like GRI growth in Q1.

Operationally, the vacancy, the upcoming lease expiries and cost control continue to receive our full attention. Whilst the like-for-like vacancy is up 0.6% in Q1, we see continued demand for smaller floor plates, which should keep the vacancy in check.

The team is excited and preparing for the opportunities ahead and I am personally looking forward to the start of our new CFO Elke Snijder per 1 May to continue to further shape the business in the best interest of our shareholders.

*Bernd Stahl*

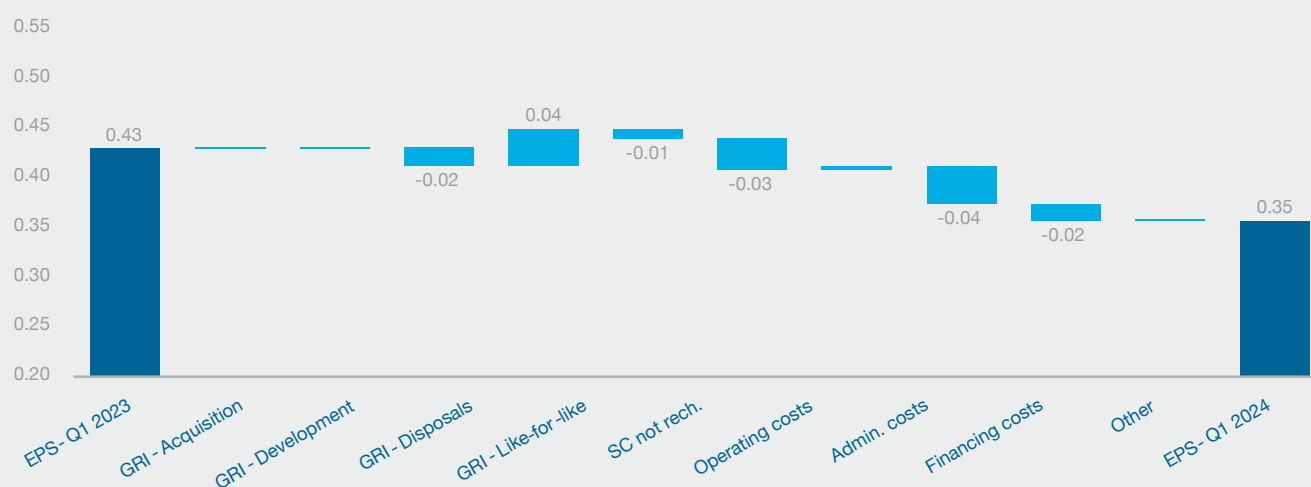
# SUPPORTING DATA

## Results

### Income segment split

	Q1 2024				TOTAL	Q1 2023
	Amsterdam	Other G4	Other Netherlands	Corporate		
Gross rental income	9,088	6,026	2,771		17,886	17,446
Service costs not recharged	-229	-259	-9		-496	-307
Operating costs	-2,245	-2,182	-962		-5,388	-4,731
<b>Net rental income</b>	<b>6,615</b>	<b>3,586</b>	<b>1,801</b>		<b>12,001</b>	<b>12,408</b>
Administrative costs				-2,037	-2,037	-2,099
<b>Earnings before interest and taxes</b>	<b>6,615</b>	<b>3,586</b>	<b>1,801</b>	<b>-2,037</b>	<b>9,964</b>	<b>10,309</b>
Net financing result				-2,528	-2,528	-1,765
<b>Direct investment result before tax</b>	<b>6,615</b>	<b>3,586</b>	<b>1,801</b>	<b>-4,565</b>	<b>7,436</b>	<b>8,544</b>
Corporate income tax				-326	-326	-1
<b>Direct investment result / EPRA earnings</b>	<b>6,615</b>	<b>3,586</b>	<b>1,801</b>	<b>-4,891</b>	<b>7,110</b>	<b>8,544</b>

### EPS Bridge



### Like-for-like growth gross rental income

	Q1 2024	Q1 2023	L-f-I
Amsterdam	9.2	8.6	7.1%
Other G4	5.7	5.6	2.3%
Other Netherlands	2.8	2.7	2.5%
<b>TOTAL</b>	<b>17.7</b>	<b>16.9</b>	<b>4.8%</b>

### Like-for-like growth net rental income

	Q1 2024	Q1 2023	L-f-I
Amsterdam	6.7	6.5	2.9%
Other G4	3.5	3.9	-9.8%
Other Netherlands	1.8	1.7	7.2%
<b>TOTAL</b>	<b>12.0</b>	<b>12.1</b>	<b>-0.5%</b>

Balance sheet & financing

Net debt

	Mar. 2024	Dec. 2023	Change
Debt outstanding	325.0	335.0	-10.0
Amortisation costs	-1.3	-1.4	0.1
Book value of debt	323.7	333.6	-9.9
Cash and cash equivalents	-12.0	-0.2	-11.8
Debts to credit institutions	3.8	11.0	-7.3
Net debt	315.5	344.4	-28.9

