



TRADING UPDATE

Q3 2024

- On the front foot: making good progress on all elements of our updated strategy
- Dutch office occupational and investment market outlook improving
- Significant balance sheet capacity for future growth plans
- €20m share buy-back programme completed
- EPRA EPS guidance for FY2024 raised to € 1.95 - 2.05

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FINANCIAL CALENDAR

Publication preliminary results FY 2024	28 January 2025
Publication annual report 2024	6 March 2025
Publication trading update Q1 2025	17 April 2025
Publication half year results H1 2025	16 July 2025
Publication trading update Q3 2025	15 October 2025

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NSI HIGHLIGHTS

KEY FINANCIAL METRICS¹

REVENUES AND EARNINGS

	Q3 2024	Q3 2023	Change
Net rental income	44,244	43,104	2.6%
Net rental income - like-for-like	42,654	41,509	2.8%
Direct investment result	29,752	30,912	-3.8%
Indirect investment result	-19,597	-112,723	-82.6%
Total investment result	10,155	-81,811	-112.4%
EPRA earnings per share	1.51	1.54	-2.0%
Weighted average number of ordinary shares outstanding	19,744,653	20,105,285	-1.8%
EPRA cost ratio (excl. direct vacancy costs)	25.8%	27.7%	-1.8 pp

BALANCE SHEET

	30 September 2024	31 December 2023	Change
Investment property	983,946	1,028,801	-4.4%
Net debt	-333,658	-344,443	-3.1%
Other assets / liabilities	19,840	25,524	-22.3%
Equity	670,127	709,882	-5.6%
EPRA NTA per share	35.13	35.30	-0.5%
Number of ordinary shares outstanding	19,120,592	20,155,221	-5.1%
Net LTV	33.5%	33.0%	0.5 pp

KEY ESG METRICS (NON-FINANCIAL)

	2024	2023	Change
CRREM building energy intensity (kWh/sqm/year) ²	128	130	-1.5%
EPC-label (percentage portfolio with label A or better)	95.7%	95.3%	0.4 pp
GRESB score	93	94	-1

KEY PORTFOLIO METRICS

	30 September 2024				31 December 2023	Change
	Amsterdam	Other G4	Other NL	TOTAL		
Number of properties	21	14	9	44	46	-4.3%
Market value (€ m) ³	554	307	136	996	1,043	-4.4%
Lettable area (sqm k)	162	126	54	342	351	-2.5%
Annualised contractual rent (€ m) ⁴	39	25	10	75	77	-3.1%
Estimated rental value (€ m)	44	26	11	81	84	-2.6%
EPRA net initial yield	5.3%	5.3%	5.4%	5.3%	5.3%	0.0 pp
Gross initial yield	7.6%	8.2%	7.7%	7.8%	7.9%	-0.1 pp
EPRA vacancy	5.7%	5.9%	3.5%	5.5%	5.2%	0.3 pp
Wault	3.8	3.9	3.2	3.7	3.7	1.3%

¹ The trading update is based on unaudited results.

² CREMM building energy intensity is available only on a semi-annual basis; 2024 figure represents H1 2024.

³ 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).

⁴ Before free rent and other lease incentives.

CEO COMMENTS

Our message throughout 2024 has been that NSI is back on the front foot, with a strategy centred around 1) Amsterdam, 2) sector smart, 3) customer first, 4) sustainability, and 5) growth. We have made progress on all fronts this year.

In Q3 we disposed our last remaining asset in Den Bosch. We have also reached a conditional agreement for the sale of one of our assets in Eindhoven. This deal is set to close late Q4.

In the latest GRESB results we continue to be one of the best listed real estate companies in Europe. This is a great result and inspires us to continue to lead the sector in sustainability with a focus on further improving the energy efficiency of our assets.

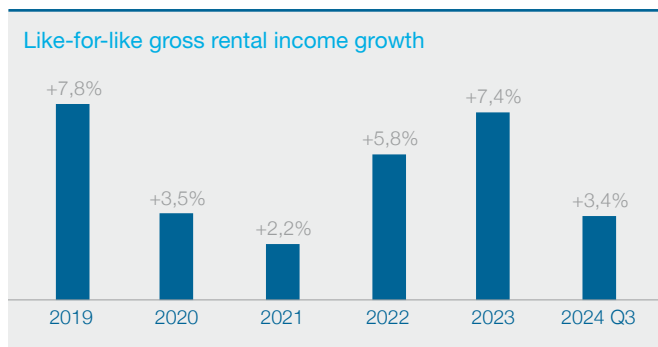
Works will start on the Alexanderpoort redevelopment in Q4, which is set to be a Paris-proof asset on completion in Q3 2025. The development team continues to work hard on our other development opportunities, located in Amsterdam.

Continued strong operational performance

The portfolio continues to operate at frictional levels of vacancy. Whilst the vacancy rate is up by 0.3%, to 5.5%, at the end of Q3, this is set to fall again in Q4 based on new lease contracts already signed.

Maintenance costs were lower in Q3, explaining the increase in like-for-like NRI growth during the quarter at 2.8%. Our like-for-like increase in gross rents was a healthy 3.4% over the period, more or less in line with inflation.

The cumulative like-for-like gross rental growth since 2018 is circa 34%, a very healthy result relative to cumulative inflation of 26% over the same period. This outperformance reflects the high quality of our portfolio, which very much meets the demand of modern tenants in terms of location, sustainability credentials and quality of product and services.



Share buy-back programme completed

The €20m share buy-back programme, announced on 7 March 2024, was completed September 30. A total of 1,034,629 shares were repurchased, representing 5.13% of issued shares, at an average price of €19.33 per share. The repurchased shares will be held as treasury shares and not cancelled.

We are now starting to see more opportunities, both on and off-market. At this time, we are actively looking at multiple potential investments. Having said that, we remain patient and will only act upon the right deal(s). Still, given the improving market dynamics, we have decided not to launch a further/additional buy-back programme.

Budget day – a higher effective tax rate in 2025

In 2023, far-reaching changes to the tax-transparent FBI regime were announced, taking effect from January 2025 onwards. NSI restructured well ahead of these changes in early 2023, at the cost of a modest 3-5% tax rate being applied to profits for 2024.

However, new upcoming alterations to the tax legislation per January 2025 were announced on Budget day this September. If and when approved by Parliament the new earnings stripping rules will lead to a higher corporate income tax burden. We estimate the effective tax rate for NSI to then increase further, to 10-12% for 2025.

Notwithstanding the negative impact on EPRA EPS as a result of the higher tax rate next year, we believe maintaining the FBI regime at the holding level is for now still in the best interest of all shareholders.

Budget day brought a further disappointment to the real estate sector in that for commercial property the transfer tax remains at 10.4%, one of the highest levels in Europe. As such, we see our internal development pipeline as a great asset and one of the best ways to pursue further shareholder value creation.

Outlook 2024 – raising EPRA EPS guidance

Q3 year-to-date interim EPRA EPS is €1.51, with a good Q3 performance of €0.60, mainly on the back of strong operational growth and lower maintenance costs for the quarter. We now forecast a post-tax EPRA EPS of €1.95-2.05 for full year 2024.

This is a good result and with an ambitious, motivated team, we are optimistically looking forward to the opportunities that are likely to come, later in 2024 as well as in 2025.

Bernd Stahl

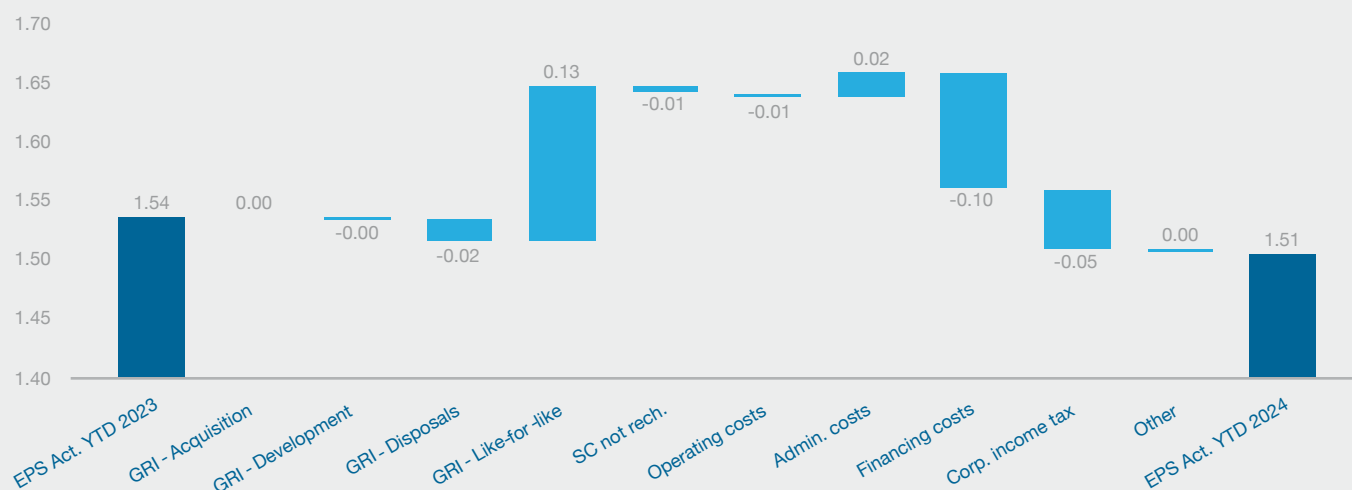
SUPPORTING DATA

Results

Income segment split

	Q3 2024				TOTAL	Q3 2023
	Amsterdam	Other G4	Other Netherlands	Corporate		
Gross rental income	27,678	18,089	8,583		54,349	53,158
Service costs not recharged	-540	-840	-61		-1,441	-1,357
Operating costs	-4,006	-3,537	-1,121		-8,664	-8,698
Net rental income	23,132	13,711	7,400		44,244	43,104
Administrative costs				-5,645	-5,645	-6,217
Earnings before interest and taxes	23,132	13,711	7,400	-5,645	38,599	36,886
Net financing result				-7,825	-7,825	-5,973
Direct investment result before tax	23,132	13,711	7,400	-13,470	30,773	30,914
Corporate income tax				-1,021	-1,021	-2
Direct investment result / EPRA earnings	23,132	13,711	7,400	-14,491	29,752	30,912

EPS Bridge



Like-for-like growth gross rental income

	Q3 2024	Q3 2023	L-f-I
Amsterdam	27.9	26.5	5.0%
Other G4	17.2	17.0	0.8%
Other Netherlands	7.4	7.2	3.6%
TOTAL	52.5	50.8	3.4%

Like-for-like growth net rental income

	Q3 2024	Q3 2023	L-f-I
Amsterdam	23.3	22.2	5.3%
Other G4	13.2	13.5	-2.5%
Other Netherlands	6.2	5.9	5.2%
TOTAL	42.7	41.5	2.8%

Balance sheet & financing

Net debt

	Sep. 2024	Dec. 2023	Change
Debt outstanding	340.0	335.0	5.0
Amortisation costs	-0.9	-1.4	0.5
Book value of debt	339.1	333.6	5.5
Net cash and cash equivalents¹	-5.5	10.8	-16.3
Net debt	333.7	344.4	-10.8

¹ Cash and cash equivalents, corrected for debts to credit institutions.

Maturity profile

