PRELIMINARY RESULTS

FULL YEAR 2023

- Back on the front foot: all elements in place to drive differential performance
- Successful sale of 'ready to go' Laanderpoort development to ING for € 24m
- Strong operational performance with vacancy rate reduced to 5.2%; like-for-like GRI growth of 7.4%
- EPRA NTA € 35.3 per share; Capital values down by 17.4% in 2023, reflecting higher rate environment
- LTV at 31.5% (pro forma for sale of Laanderpoort) basis for € 20m share buyback programme

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FINANCIAL CALENDAR

Publication annual report 2023	8 March 2024
Publication trading update Q1 2024	18 April 2024
Publication trading update H1 2024	17 July 2024
Publication trading update Q3 2024	16 October 2024
AGM	19 April 2024
Ex-dividend date (final dividend 2023)	23 April 2024
Record date	24 April 2024
Payment date	TBC

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NSI HIGHLIGHTS

KEY FINANCIAL METRICS[1]

REVENUES AND EARNINGS

	2023	2022	Change
Net rental income	58,421	59,325	-1.5%
Net rental income - like-for-like	58,014	54,849	4.6%
Direct investment result	40,402	42,733	-5.5%
Indirect investment result	-182,772	-74,103	146.6%
Total investment result	-142,370	-31,370	353.8%
EPRA earnings per share	2.01	2.15	-6.6%
Weighted average number of ordinary shares outstanding	20,117,872	19,869,975	1.2%
EPRA cost ratio (excl. direct vacancy costs)	29.1%	27.8%	1.3 pp

BALANCE SHEET

	31 December 2023	31 December 2022	Change
Investment property	1,028,801	1,259,235	-18.3%
Net debt	-344,443	-365,480	-5.8%
Other assets / liabilities	25,524	-6,746	-478.4%
Equity	709,882	887,008	-20.0%
EPRA NTA per share	35.30	44.17	-20.1%
Number of ordinary shares outstanding	20,155,221	20,054,240	0.5%
Net LTV	33.0%	28.7%	4.4 pp

KEY ESG METRICS (NON-FINANCIAL) [1]

	2023	2022	Change
CRREM building energy intensity (kWh/sqm/year)[2]	130	136	
EPC-label (percentage portfolio with label A or better)	95%	88%	
GRESB score	94	93	

KEY PORTFOLIO METRICS

	31 December 2023				31 December 2022	Change
	Amsterdam	Other G4	Other NL	TOTAL		
Number of properties	22	14	10	46	49	-6.1%
Market value (€ m)[3]	588	301	154	1,043	1,275	-18.2%
Lettable area (sqm k)	160.7	125.0	64.9	350.7	382.1	-8.2%
Annualised contractual rent (€ m)[4]	39	26	12	77	78	-0.9%
ERV (€ m)	44	27	13	84	88	-5.4%
EPRA net initial yield	5.2%	5.7%	5.0%	5.3%	4.6%	0.8 pp
Gross initial yield	7.4%	8.6%	8.1%	7.9%	6.4%	1.5 pp
EPRA vacancy	5.8%	6.0%	1.5%	5.2%	6.2%	-1.1 pp
Wault	4.1	3.5	2.9	3.7	3.9	-6.0%

1 These preliminary results are unaudited.
2 2022 figure has been restated to reflect accurate number of square meters. This figure excludes sold assets and developments.
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

From challenges to opportunities

At the end of 2023 NSI, with a modest 5.2% vacancy rate, 95% of the portfolio EPC label A or better, a LTV of 31.5% (pro forma), an undemanding gross yield of 7.9%, no capital commitments, a portfolio still full of opportunities and an excellent team ready to drive performance, is very well placed.

2023 proved a robust year operationally, with healthy leasing activity driving record occupancy, like-for-like rental growth of 7.4% and new leases signed on average 2% ahead of ERV.

Given the still muted economic outlook for 2024, we will first and foremost have to make sure that the portfolio continues to perform. Further asset pruning, to increase the focus on Amsterdam, will help drive the overall performance, as will additional targeted investments in sustainability and services.

Successful sale of Laanderpoort project

Following a period of intensive discussions, in January 2024 NSI agreed the sale of the existing Laanderpoort building, together with the plans, permits and agreements for its redevelopment, to ING for a total amount of €24m.

We are pleased with this transaction. Not only is it testament to the quality of the development team (delivering a 'ready to start' project to ING), but it also has released NSI of a sizeable commitment, thereby allowing the pursuit of more profitable investment opportunities elsewhere.

Given the sale of Laanderpoort in combination with the strong balance sheet position, we now feel comfortable to allocate €20m to a share buy-back programme.

Restructuring to prepare for FBI legislative changes

Legislation has now been passed such that as of 2025 FBI's can no longer directly invest in Dutch real estate. NSI NV intends to remain an FBI at least up to the end of 2024. Yet, in 2023 NSI has executed the necessary restructuring to limit the negative impact of this legislative change.

As a result of the restructuring NSI will start to pay some tax in 2023 (ca 2%) and in 2024 (ca 5-7%). The tax rate beyond 2024 may be higher, dependent on likely further changes to the tax law on interest deductibility for tax purposes, which are expected later this year. At the same time, as a result of the restructuring, a €38.7m deferred tax asset has been accounted for per December 2023.

Meanwhile, we fully support the preliminary discussions by the Dutch Government to establish a new REIT regime, but as we say in Dutch: 'flowers only at the finishing line'.

Back on the front foot

The past four years have generally been challenging for office investors everywhere. Headwinds as Covid, WFH, rising interest rates, lower valuations, high construction costs, environmental requirements and a consolidating, yet much more demanding, customer base have severely altered the business prospects for any office investor compared to the start of this decade.

For NSI – and our shareholders in particular – this has also been a painful reset period, given the changes to the FBI tax regime as well. That being said, we are confident that all of the elements are now in place for NSI to be back on the front foot.

The continued asset pruning and deleveraging in recent years, in combination with a strong focus on sustainability and services, whilst scaling back the development pipeline for now, coupled with the strategic review of the entire business in 2023, provide a sound basis for 2024 and beyond.

Outlook 2024

We continue to see the long term investment case for high quality, sustainable and amenitised offices in growth locations.

The wider office market reset will increasingly drive new opportunities as not all owner/operators have the stamina, knowledge, time or money to once again get ahead of the curve. This is particularly so for the brown-to-green conversions that are bound to be necessary to keep up with the rising trend in demand for the best product.

There is a moment to put the balance sheet to work and we are coming nearer that point. Dutch office capital values are down substantially from the peak, with NSI's own capital values down 21% over the same period, and we are starting to see deals emerge that exceed our implied cost of capital. Having said that, given prevailing market conditions we are in no rush to deploy capital at this stage.

Whilst we have scaled back development in 2023, it remains a core competency to the business. The team will continue to explore opportunities still embedded in the portfolio but, as the sale of Laanderpoort shows, we are and will remain flexible in how these opportunities are eventually monetised.

Whilst we appreciate liquidity in the market is limited at this stage, we expect the year 2024 to bring new opportunities for further asset rotation. We will also explore in more detail the possibilities to use private/JV capital for this purpose.

In line with previous guidance, we will propose to the AGM a full year dividend of €1.52 per share, equating to a final dividend of €0.77 per share. This dividend will be payable in May.

We forecast a post-tax EPRA EPS of € 1.85-2.00 per share for the full year 2024, subject to further asset rotation.

Bernd Stahli

INCOME, COSTS AND RESULT

Introduction

EPRA earnings in 2023 amount to € 40.4m compared to € 42.7m in 2022 (- 5.5%). The decrease in EPRA earnings is the result of lower net rental income, higher administrative and financing costs, and corporate income tax as a result of the restructuring in preparation of the legislative changes in the FBI regime as from 2025. EPRA EPS is € 2.01, 6.6% lower than last year.

EPRA NTA is at € 35.30, down 20.1% or € 8.87 per share compared to the end of 2022, primarily due to the negative revaluation of the investment portfolio in 2023.

Rental income

Compared to last year gross rental income is flat, at € 71.2m. The positive effect of indexation was offset by the effect of disposals in the past two years (- € 2.7m) and the transfer of Laanderpoort to developments in February 2023 (- € 2.2m). On a like-for-like basis gross rental income increased by € 4.9m (7.4%), mainly due to lease indexation in H2 2022 and 2023.

Non-recoverable service costs are € 0.6m higher than in the same period last year, which is the result of higher vacancy in the first half of 2023 and of caps on charges to some tenants.

Operating costs are € 0.2m (1.8%) higher compared to 2022, with lower letting costs (- € 0.2m) and lower costs for technical consultancy (- € 0.4m) being offset by higher property taxes (+ € 0.2m) and maintenance (+ € 0.5m) costs.

Net rental income amounts to € 58.4m, down € 0.9m (- 1.8%) versus 2022. The NRI margin is 82.1%, down 1.1 bps versus last year.

Net rental income increased by 4.6% on a like-for-like basis; the increases in Amsterdam, Other G4 and Other Netherlands were respectively 3.8%, 6.0% and 4.3%.

Administrative costs

Administrative expenses are € 0.6m higher compared to 2022, entirely due to one-off costs in relation to the announced change in tax regime.

Net financing costs

The direct net financing costs increased by 4.0% (€ 0.3m) compared to last year, caused by higher interest costs (€ 1.3m), reflecting higher interest rates, and higher capitalised interest related to development projects (€ 1.0m).

Indirect result

The investment portfolio incurred a negative revaluation of € 224.0m (- 17.4% at market value) compared to the end of 2022. The result on sales concluded in 2023 amounts to € 5.4m. A negative mark-to-market effect on interest rate swaps (- € 2.8m) and other indirect costs (- € 0.1m) result in an indirect result before tax of - € 226.7m.

Corporate income tax

To limit the negative impact of the changes to the FBI-regime per 2025, NSI has restructured the business in 2023. As a result € 0.6m in tax will be paid on the direct result of 2023.

The tax on the indirect result amounts to € 38.7m, which has been added to deferred tax assets in the balance sheet. The total indirect result amounts to € 182.8m negative.

Post-closing events

On 24 January the sale and transfer of Laanderpoort to ING was completed, for a total amount of € 24.0m. This is in line with the year-end valuation of the asset.

Income segment split

	2023					
	Amsterdam	Other G4	Other Netherlands	Corporate	TOTAL	2022
Gross rental income	35,600	24,185	11,415		71,199	71,309
Service costs not recharged	-1,083	-864	21		-1,926	-1,322
Operating costs	-5,182	-3,966	-1,704		-10,852	-10,663
Net rental income	**29,335**	**19,355**	**9,731**		**58,421**	**59,325**
Administrative costs				-9,120	-9,120	-8,566
Earnings before interest and taxes	**29,335**	**19,355**	**9,731**	**-9,120**	**49,301**	**50,759**
Net financing result				-8,349	-8,349	-8,024
Direct investment result before tax	**29,335**	**19,355**	**9,731**	**-17,469**	**40,953**	**42,735**
Corporate income tax				-550	-550	-2
Direct investment result / EPRA earnings	**29,335**	**19,355**	**9,731**	**-18,019**	**40,402**	**42,733**

REAL ESTATE PORTFOLIO

Three assets were sold during 2023: HNK Den Bosch, HNK Ede and Donauweg, Amsterdam. The combined proceeds of these disposals were € 33.9m (before transaction costs) reflecting on average a 19.8% premium over December 2022 book values. No acquisitions were made in 2023.

Portfolio breakdown – 31 December 2023

	# Assets	Market value (€ m)	Market value (%)
Amsterdam	22	588	56%
Other G4	14	301	29%
Other Netherlands	10	154	15%
TOTAL	**46**	**1,043**	**100%**

Vacancy

The EPRA vacancy at the end of 2023 is 5.2%, down from 6.2% at the end of 2022. On a like-for-like basis the vacancy decrease was -0.3%.

The vacancy rate at year-end includes 0.7% strategic vacancy for Alexanderpoort, Rotterdam, part of which is being kept vacant ahead of a refurbishment. Adjusted for this, the vacancy rate at year-end of 2023 is 4.5%.

The total tenant retention rate for 2023 was lower than usual, at circa 57%.

EPRA vacancy

	Dec. 2022	L-f-l	Other	Dec. 2023
Amsterdam	7.0%	0.1%	-1.3%	5.8%
Other G4	6.1%	-0.2%	0.0%	6.0%
Other Netherlands	4.1%	-2.0%	-0.5%	1.5%
TOTAL	**6.2%**	**-0.3%**	**-0.7%**	**5.2%**

Rents

On a like-for-like basis, gross rents are up by 7.4% in 2023. Indexation accounted for most of the increase (6.4%).

Like-for-like growth gross rental income

	2023	2022	L-f-l
Amsterdam	35.5	33.3	6.8%
Other G4	24.0	22.1	8.3%
Other Netherlands	11.3	10.5	7.2%
TOTAL	**70.8**	**65.9**	**7.4%**

Net rents increased by 4.6% on a like-for-like basis in 2023. The more limited increase was mainly a result of higher scheduled maintenance costs in 2023.

Like-for-like growth net rental income

	2023	2022	L-f-l
Amsterdam	29.8	28.7	3.8%
Other G4	19.0	17.9	6.0%
Other Netherlands	9.2	8.8	4.3%
TOTAL	**58.0**	**55.5**	**4.6%**

Reversionary potential / ERV bridge

In 2023 ERVs increased by 1.9%. In Amsterdam the highest increase in ERVs was recorded in the more inner city locations (2.5%). In Other G4, Utrecht had the highest increase with 2.5% and in Other NL, Leiden ERV's were up most at 5%.

Like-for-like growth ERV (€m)

	Dec. 2023	Dec. 2022	L-f-l
Amsterdam	44	43	1.4%
Other G4	26	26	2.1%
Other NL	13	13	3.2%
TOTAL	**83**	**81**	**1.9%**

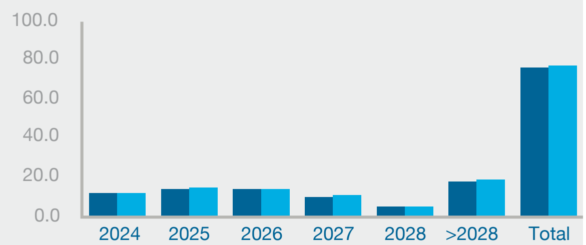
As per 2023 the investment portfolio is 2.4% reversionary, down from 6.1% at year-end 2022. This is mainly the result of higher contract rent levels, mostly attributable to indexation. Amsterdam remains the most reversionary segment (5.2%).

New lease contracts were signed on average at approximately 2% above ERV in 2023.

Reversionary potential

	Dec. 2023	Dec. 2022
Amsterdam	5.2%	11.0%
Other G4	-3.0%	-0.6%
Other NL	4.1%	3.6%
TOTAL	**2.4%**	**6.1%**

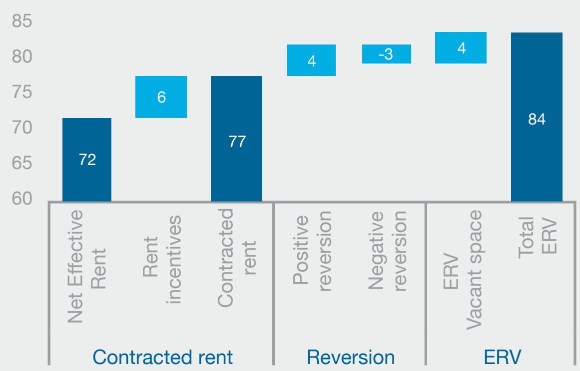
Annual expirations and reversionary potential



	2024	2025	2026	2027	2028	>2028	Total
Contract rent	12.2	14.3	14.4	10.8	5.5	18.8	76.1
ERV	12.4	15.0	14.4	11.1	5.5	19.5	77.9
# Contracts	239	63	60	76	45	56	539
Rev. Potential	1.4%	5.4%	-0.1%	2.0%	-0.7%	3.7%	2.4%

The WAULT of the portfolio is 3.7 years. Contracts representing an annualised rental income of € 12.2m (16% of total annualised rental income) are set to expire in 2024. This includes €3.8m in flexible lease contracts with maturities of one to three months, which typically are just rolled over.

Bridge Contracted rent to ERV - 31 December 2023



EPRA yields

The EPRA net initial yield is up by 70bps to 5.3% in 2023. This reflects both yield expansion and the impact of higher rents. The higher interest rate environment has resulted in a dearth of liquidity in the investment market prompting appraisers to take a more conservative stance to reflect this.

Portfolio yields

	EPRA net initial yield		Gross initial yield		Reversionary yield	
	Dec. 2023	Dec. 2022	Dec. 2023	Dec. 2022	Dec. 2023	Dec. 2022
Amsterdam	5.2%	4.4%	7.4%	5.9%	8.3%	7.0%
Other G4	5.7%	4.9%	8.6%	7.2%	8.9%	7.6%
Other NL	5.0%	4.6%	8.1%	7.0%	8.6%	7.5%
TOTAL	**5.3%**	**4.6%**	**7.9%**	**6.4%**	**8.5%**	**7.3%**

Valuations

The portfolio valuation is down by 17.4% over the 12-month period (-16.9% excluding development properties.). H1 saw a revaluation of -9.1%, with H2 seeing the remainder of the decline to reflect deteriorated market conditions and continued lack of liquidity.

The valuation decline is almost entirely attributable to yield expansion as a result of higher interest rates and the collapse in investment volumes. The largest capital value decline was seen in Amsterdam (-20.7%), given the lower starting yields.

The weakness in the investment market extends beyond offices, as our Leiden Bio-Science Park assets contributed most to the valuation decline in “Other G4”, with a 13% decline in capital values in 2023.

Revaluation

	Market value (€ m)	Revaluation Positive	Negative	TOTAL	%
Amsterdam	588		-154	-154	-20.7%
Other G4	301		-45	-45	-13.1%
Other NL	154		-26	-26	-12.8%
TOTAL	**1,043**		**-225**	**-225**	**-17.4%**

Capital expenditure

Capex is € 19.5m of which € 2.4m is defensive. The € 15m of offensive capex includes € 5.5m for the development projects.

Capital expenditure

	Offensive	Defensive	TOTAL
Amsterdam	12.3	2.7	15.1
Other G4	3.1	1.0	4.1
Other NL	0.2	0.2	0.3
TOTAL	**15.6**	**3.8**	**19.5**

Amsterdam

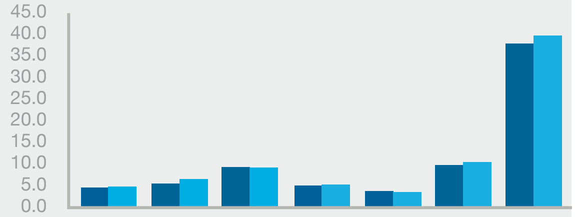
Vacancy decreased from 7.0% to 5.8% as a result of the disposal of Donauweg in Q3 2023, which was entirely vacant, as well as occupancy gains in HNK Zuidoost and Centerpoint II.

The tenant retention rate during 2023 was 57%.

Key metrics Amsterdam

	2023	2022	Change
Number of properties	22	23	-4.3%
Market value (€ m)	588	730	-19.5%
Market value asset (€ m)	27	32	-15.9%
Lettable area (sqm k)	161	178	-9.7%
Ann. contract rent (€ m)	39	40	-1.7%
Average rent / sqm	259	243	6.7%
ERV (€ m)	44	47	-8.1%
EPRA vacancy	5.8%	7.0%	-1.2 pp
EPRA net initial yield	5.2%	4.4%	0.8 pp
Gross initial yield	7.4%	6.0%	1.5 pp
WAULT	4.1	4.1	-0,5 pp

Annual expirations and reversionary potential



	2024	2025	2026	2027	2028	>2028	Total
Contract rent	4.8	5.8	9.4	5.0	3.7	9.8	38.7
ERV	4.8	6.8	9.3	5.3	3.8	10.8	40.7
# Contracts	68	19	20	40	19	25	191
Reversion	-0.8%	16.2%	-1.1%	4.8%	1.3%	9.4%	5.2%

Other G4

The EPRA vacancy rate for Other G4 is 6.0%, down from 6.1% at year-end 2022. The vacancy includes 2.2% in strategic vacancy for Alexanderpoort, where several floors are being held vacant as part of a major refurbishment.

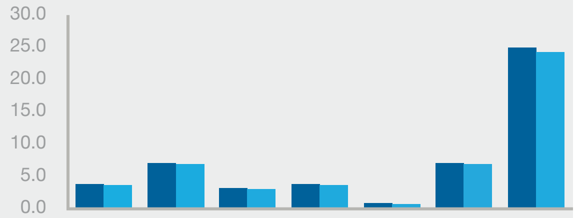
Alexanderhof was let to the Rotterdam Municipality in 2023 and is now reclassified as investment property.

The retention rate for 2023 amounts to 42.7%.

Key metrics Other G4

	2023	2022	Change
Number of properties	14	14	
Market value (€ m)	301	342	-12.0%
Market value asset (€ m)	21	24	-12.0%
Lettable area (sqm k)	125	122	2.6%
Ann. contract rent (€ m)	26	24	6.9%
Average rent / sqm	220	213	3.6%
ERV (€ m)	27	26	4.4%
EPRA vacancy	6.0%	6.1%	-0.1 pp
EPRA net initial yield	5.7%	4.9%	0.8 pp
Gross initial yield	8.6%	7.2%	1.5 pp
WAULT	3.5	4.0	-13.5%

Annual expirations and reversionary potential



	2024	2025	2026	2027	2028	>2028	Total
Contract rent	3.7	7.0	3.1	3.6	0.8	6.9	25.1
ERV	3.5	6.8	3.0	3.5	0.7	6.8	24.3
# Contracts	161	36	33	28	11	22	291
Reversion	-5.3%	-2.6%	-2.9%	-3.2%	-4.6%	-1.8%	-3.0%

Other Netherlands

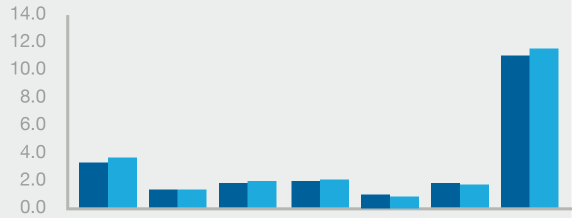
The vacancy rate was 1.5%, down from 4.1% at year-end 2022. The vacancy in Life Sciences assets in Leiden remains 0%.

The retention rate in this segment is 83.7%.

Key metrics Other Netherlands

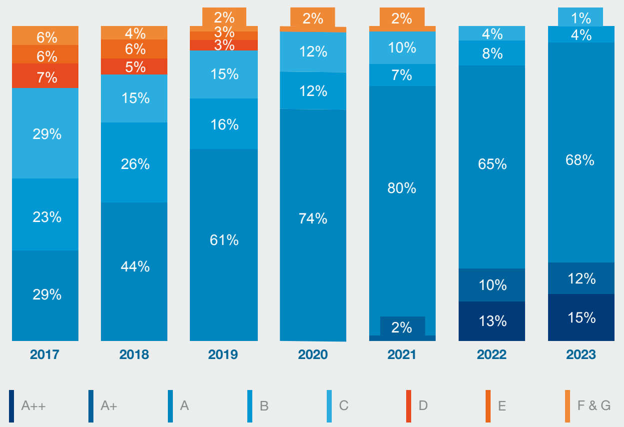
	Dec. 2023	Dec. 2022	Change
Number of properties	10	12	-16.7%
Market value (€ m)	154	203	-24.1%
Market value asset (€ m)	15	17	-8.9%
Lettable area (sqm k)	65	82	-21.0%
Ann. contract rent (€ m)	12	14	-11.9%
Average rent / sqm	195	180	8.6%
ERV (€ m)	13	15	-13.7%
EPRA vacancy	1.5%	4.1%	-2.5 pp
EPRA net initial yield	5.0%	4.6%	0.4 pp
Gross initial yield	8.1%	7.0%	1.1 pp
WAULT	2.9	3.3	-11.5%

Annual expirations and reversionary potential



	2024	2025	2026	2027	2028	>2028	Total
■ Contract rent	3.7	1.5	2.0	2.2	1.0	2.0	12.4
■ ERV	4.1	1.5	2.1	2.3	1.0	1.9	12.9
# Contracts	10	8	7	8	15	9	57
Reversion	10.7%	0.1%	9.1%	4.1%	-5.0%	-5.4%	4.1%

EPC energy performance certificates by value



Development and renovations

In line with the prevailing difficult overall market conditions, NSI has revisited the risk/return prospects of its developments and decided to scale back its near-term initiatives.

Laanderpoort was sold to ING in January 2024 for € 24m, which is the price for the existing Laanderpoort buildings, along with the plans, permits and agreements for its redevelopment.

Vitrum has been leased on a flexible basis to generate some rental income, whilst the legal process to obtain permits for the redevelopment continues to be pursued.

The decision to postpone the Well House project was made in late 2022 and the project remains suspended until further notice.

At year-end 2023 both the Laanderpoort and Vitrum assets were included in IPUC, as well as the accumulated capitalised costs for Well House.

Movement table investment property under construction

	TOTAL
Balance 1 January 2023	**59.1**
Capital expenditure (Investments)	5.5
Capitalised interest	2.4
Revaluation	-31.2
Transfer from / to operation	23.5
Balance 31 December 2023	**59.2**
Market value 31 December 2023	59.0

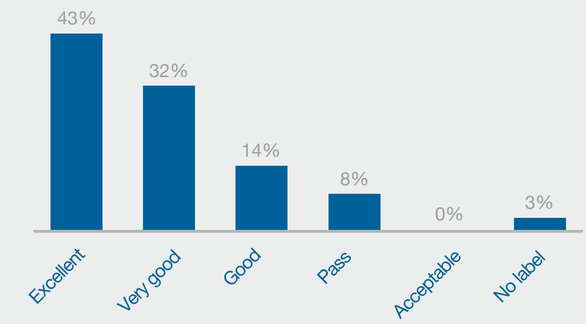
Sustainability

The share of Label A Energy Performance certificates increased to 95%, from 88% in 2023. The percentage Breeam 'Very Good' and 'Excellent' labels increased to 75% from 63% in 2023.

NSI was awarded 5 stars in the GRESB sustainability assessment for the third year running and achieved 94 points, its best score to date, making it 'sector leader at the Global and Regional levels'.

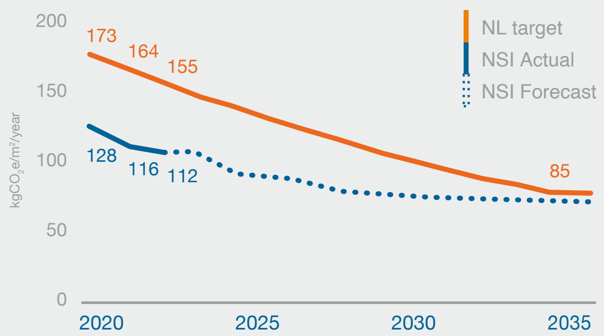
NSI also obtained EPRA's sBPR Gold award.

BREEAM by value



NSI remains committed to staying below the CRREM reduction pathway for Dutch Offices. In 2023 NSI remained well below the Dutch average and reduced its energy intensity by ca 3% vs. 2022. As higher levels of efficiency are approached, marginal reductions become more difficult to achieve.

Staying below the CRREM pathway 85 kWh/m²/year by 2035



BALANCE SHEET, NTA AND FINANCING

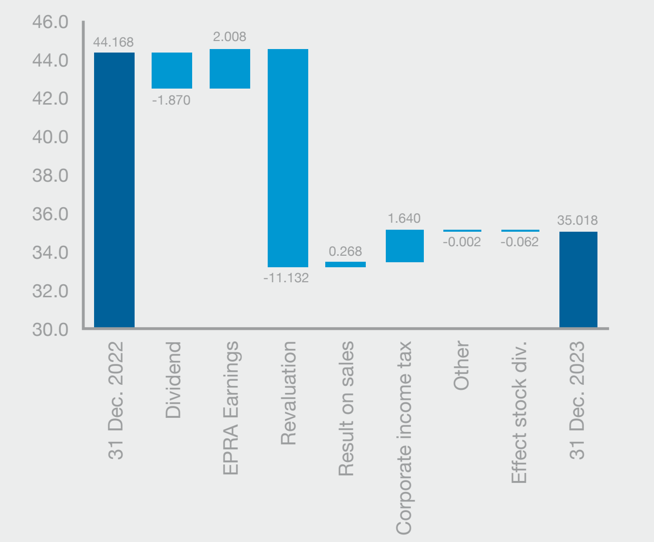
In 2023 NSI has executed a necessary restructuring to limit the negative impact of the forthcoming changes in the applicable corporate tax legislation in 2025. As a result NSI has transferred assets into (wholly-owned) separate legal entities in order to operate a model whereby NSI NV acts as an FBI with indirect investments in property.

The various property owning subsidiaries are subject to normal corporation tax as per 2023. The capital structures of the subsidiaries are comparable with the financing structure of the group. Moreover, following IFRS guidelines, the balance sheet now includes a €38.7m deferred tax asset reflecting temporary differences between the book value of assets and liabilities and their values for tax purposes.

Net tangible assets

EPRA NTA per end of December 2023 is € 711m, down 19.7% compared to the end of 2022 (€ 886m), largely as a result of a negative revaluation of the investment portfolio. Due to a small rise in the number of shares following the issuance of the stock dividend, EPRA NTA per share decreased by 20.7% from € 44.17 at the end of 2022 to € 35.30 at the end of 2023.

Bridge EPRA NTA per share (in €)



Funding

During the first half of 2023, NSI renewed its secured loan with Berlin Hyp for an amount of € 55m, whereby the maturity has been extended by four years from June 2023 to June 2027. An interest rate swap matching the maturity and outstanding amount on the loan has been closed at 3.3%, impacting the cost of debt.

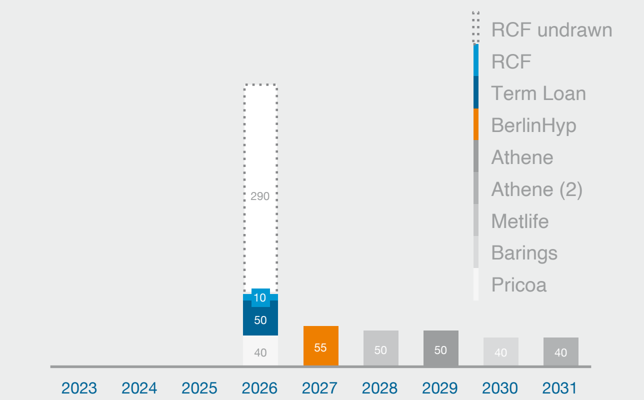
Net debt

	Dec. 2023	Dec. 2022	Change
Debt outstanding	335.0	353.2	-18.2
Amortisation costs	-1.4	-1.6	0.2
Book value of debt	**333.6**	**351.6**	**-18.0**
Cash and cash equivalents	-0.2	-0.2	0.0
Debts to credit institutions	11.0	14.0	-3.0
Net debt	**344.4**	**365.5**	**-21.0**

Net debt is down by € 21.0m compared to the end of December 2022. This is primarily due to disposals totalling € 33.9m (net of transaction costs) and partly offset by investments totalling € 19.5m.

At the end of 2023 NSI has circa € 290m of committed undrawn credit facilities at its disposal. The average loan maturity is 4.5 years (December 2022: 4.7 years), with no loans maturing until 2026. This ensures sufficient flexibility and capacity.

Maturity profile



At year-end 83.6% of debt drawn is unsecured (91.2% of available debt) due to a repayment of ca € 10m at the extension of the secured loan in June (from € 65m to € 55m). The a≠verage cost of debt has increased from 2.0% to 3.2% in 2023 due to the expiration of swaps and the closing of new swap contracts, and increased (short term) interest rates.

Leverage and hedging

The LTV is 33.0% at the end of 2023, 4.3 percentage points higher compared to December 2022 (28.7%), driven by negative revaluations of assets in 2023 and partly offset by lower net debt.
The ICR stands at 5.5x at the end December 2023, compared to 6.3x at the end of December 2022. This is the result of higher net financing expenses and a slightly lower NRI during 2023, due to disposals. The ICR remains firmly above the 2.0x covenant.

Covenants

	Covenant	Dec. 19	Dec. 20	Dec. 21	Dec. 22	Dec. 23
LTV	≤ 60.0%	27.4%	29.2%	28.2%	28.7%	33.0%
ICR	≥ 2.0x	6.8x	7.2x	6.5x	6.3x	5.5x

NSI is using swaps to hedge interest rate risk on variable rate loans. Due to the expiration of € 148m of swaps and closing only € 55m of new swaps, the volume hedge ratio has decreased to 82.1% (target range: 70-100%) from 104.0% in December 2022. The weighted average maturity for the derivatives and fixed rate loans is 4.9 years at the end of December 2023. The maturity hedge ratio is 107.7% (target range 70-120%).

CONSOLIDATED FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2023
(x € 1,000)

		2023		2022
Gross rental income		71,199		71,309
Service costs recharged to tenants	13,475		11,020	
Service costs	-15,402		-12,343	
Service costs not recharged		-1,926		-1,322
Operating costs		-10,852		-10,663
Net rental income		**58,421**		**59,325**
Revaluation of investment property		-223,959		-76,826
Net result on sale of investment property		5,388		32
Net result from investments		**-160,150**		**-17,470**
Administrative costs		-9,120		-8,566
Other income and costs		-81		-210
Financing income	37		278	
Financing costs	-8,385		-8,302	
Movement in market value of financial derivatives	-2,771		2,902	
Net financing result		-11,120		-5,122
Result before tax		**-180,471**		**-31,368**
Corporate income tax		38,101		-2
Total result for the year		**-142,370**		**-31,370**
Other comprehensive income / expense				
Total comprehensive income / expense for the year		**-142,370**		**-31,370**
Total comprehensive income / expense attributable to:				
Shareholders		-142,370		-31,370
Total comprehensive income / expense for the year		**-142,370**		**-31,370**
Data per average outstanding share:				
Diluted as well as non-diluted result after tax (€)		-7.08		-1.58

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

for the year ended 31 December 2023
(x € 1,000)

	31 December 2023	31 December 2022
Assets		
Investment property	1,028,801	1,259,235
Intangible fixed assets	32	72
Tangible fixed assets	3,835	4,063
Financial fixed assets	0	0
Deferred tax assets	38,654	
Other non-current assets	12,069	13,659
Non-current assets	**1,083,389**	**1,277,027**
Debtors and other receivables	3,963	1,403
Derivative financial instruments		1,163
Deferred tax assets	70	
Cash and cash equivalents	202	196
Current assets	**4,235**	**2,763**
Total assets	**1,087,625**	**1,279,790**
Shareholders' equity		
Issued share capital	74,171	73,800
Share premium reserve	915,068	915,447
Other reserves	-136,988	-70,868
Total result for the year	-142,370	-31,370
Shareholders' equity	**709,882**	**887,008**
Liabilities		
Interest bearing loans	333,632	285,984
Derivative financial instruments	1,608	
Deferred tax liabilities	2	
Other non-current liabilities	4,533	3,744
Non-current liabilities	**339,775**	**289,727**
Redemption requirement interest bearing loans		65,656
Debts to credit institutions	11,012	14,037
Creditors and other payables	26,956	23,361
Current liabilities	**37,968**	**103,054**
Total liabilities	**377,743**	**392,782**
Total shareholders' equity and liabilities	**1,087,625**	**1,279,790**

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2023
(x € 1,000)

		2023		2022
Result from operations after tax		-142,370		-31,370
Adjusted for:				
Revaluation of investment property	223,959		76,826	
Net result on sale of investment property	-5,388		-32	
Net financing result	11,120		5,122	
Corporate income tax	-38,101		2	
Depreciation and amortisation	638		739	
		192,228		82,658
Movements in working capital:				
Debtors and other receivables	-626		1,667	
Creditors and other payables	3,403		-1,894	
		2,777		-228
Cash flow from operations		**52,635**		**51,061**
Financing income received		37		278
Financing costs paid		-11,012		-8,545
Tax paid		-15		6
Cash flow from operating activities		**41,645**		**42,800**
Purchases of investment property and subsequent expenditure		-19,469		-12,682
Proceeds from sale of investment property		34,052		17,067
Investments in intangible fixed assets		0		-31
Investments in tangible fixed assets				-104
Disinvestments in tangible fixed assets				4
Cash flow from investment activities		**14,583**		**4,255**
Dividend paid to the company's shareholders		-34,757		-30,078
Proceeds from interest bearing loans		10,000		5,000
Transaction costs interest bearing loans paid		-242		-339
Repayment of interest bearing loans		-28,200		-43,200
Cash flow from financing activities		**-53,199**		**-68,617**
Net cash flow		**3,030**		**-21,563**
Cash and cash equivalents and debts to credit institutions - balance as per 1 January		**-13,840**		**7,723**
Cash and cash equivalents and debts to credit institutions - balance as per 31 December		**-10,810**		**-13,840**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

for the year ended 31 December 2023
(x € 1,000)

2023

	Issued share capital	Share premium reserve	Other reserves	Result for the year	Shareholders' equity
Balance as per 1 January 2023	**73,800**	**915,447**	**-70,868**	**-31,370**	**887,008**
Total result for the year				-142,370	-142,370
Total comprehensive income / expense for the year				**-142,370**	**-142,370**
Profit appropriation - 2022			-31,370	31,370	
Distribution final dividend - 2022	372	-379	-19,633		-19,640
Interim dividend - 2023			-15,116		-15,116
Contributions from and to shareholders	**372**	**-379**	**-66,120**	**31,370**	**-34,757**
Balance as per 31 December 2023	**74,171**	**915,068**	**-136,988**	**-142,370**	**709,882**

2022

	Issued share capital	Share premium reserve	Other reserves	Result for the year	Shareholders' equity
Balance as per 1 January 2022	**72,489**	**916,768**	**-161,762**	**120,961**	**948,457**
Total result for the year				-31,370	-31,370
Total comprehensive income / expense for the year				**-31,370**	**-31,370**
Profit appropriation - 2021			120,961	-120,961	
Distribution final dividend - 2021	398	-403	-17,464		-17,470
Interim dividend - 2022	913	-918	-12,603		-12,608
Contributions from and to shareholders	**1,310**	**-1,321**	**90,894**	**-120,961**	**-30,078**
Balance as per 31 December 2022	**73,800**	**915,447**	**-70,868**	**-31,370**	**887,008**

SEGMENT INFORMATION

2023

Statement of comprehensive income

	Amsterdam	Other G4	Other NL	Corporate	TOTAL
Gross rental income	35,600	24,185	11,415		71,199
Service costs recharged to tenants	5,706	5,782	1,987		13,475
Service costs	-6,789	-6,646	-1,966		-15,402
Service costs not recharged	-1,083	-864	21		-1,926
Operating costs	-5,182	-3,966	-1,704		-10,852
Net rental income	**29,335**	**19,355**	**9,731**		**58,421**
Revaluation of investment property	-153,754	-44,623	-25,583		-223,959
Net result on sale of investment property	5,282	-1	106		5,388
Net result from investment	**-119,136**	**-25,269**	**-15,745**		**-160,150**
Administrative costs				-9,120	-9,120
Other income and costs				-81	-81
Net financing result				-11,120	-11,120
Result before tax	**-119,136**	**-25,269**	**-15,745**	**-20,321**	**-180,471**
Corporate income tax				38,101	38,101
Total result for the year	**-119,136**	**-25,269**	**-15,745**	**17,780**	**-142,370**
Other comprehensive income / expense					
Total comprehensive income / expense for the year	**-119,136**	**-25,269**	**-15,745**	**17,780**	**-142,370**
Attributable to shareholders	-119,136	-25,269	-15,745	17,780	-142,370

Statement of financial position as per 31 December

	Amsterdam	Other G4	Other NL	Corporate	TOTAL
Investment property	579,683	296,245	152,873		1,028,801
Other assets	6,461	4,615	992	46,756	58,824
Total assets	**586,144**	**300,860**	**153,865**	**46,756**	**1,087,625**
Non-current liabilities	3,128	932	198	335,517	339,775
Current liabilities	1,781	1,461	724	34,002	37,968
Total liabilities	**4,908**	**2,393**	**922**	**369,520**	**377,743**
Purchases of investment property and subsequent expenditures	15,056	4,102	311		19,469

2022

Statement of comprehensive income

	Amsterdam	Other G4	Other NL	Corporate	TOTAL
Gross rental income	35,855	22,315	13,139		71,309
Service costs recharged to tenants	4,667	4,129	2,225		11,020
Service costs	-5,188	-4,541	-2,613		-12,343
Service costs not recharged	-521	-412	-389		-1,322
Operating costs	-4,527	-3,774	-2,361		-10,663
Net rental income	**30,807**	**18,129**	**10,389**		**59,325**
Revaluation of investment property	-74,631	-12,105	9,909		-76,826
Net result on sale of investment property		1,187	-1,156		32
Net result from investment	**-43,824**	**7,211**	**19,143**		**-17,470**
Administrative costs				-8,566	-8,566
Other income and costs				-210	-210
Net financing result				-5,122	-5,122
Result before tax	**-43,824**	**7,211**	**19,143**	**-13,898**	**-31,368**
Corporate income tax				-2	-2
Total result for the year	**-43,824**	**7,211**	**19,143**	**-13,900**	**-31,370**
Other comprehensive income / expense					
Total comprehensive income / expense for the year	**-43,824**	**7,211**	**19,143**	**-13,900**	**-31,370**
Attributable to shareholders	-43,824	7,211	19,143	-13,900	-31,370

Statement of financial position as per 31 December

	Amsterdam	Other G4	Other NL	Corporate	TOTAL
Investment property	721,552	336,766	200,917		1,259,235
Other assets	6,589	5,284	1,786	6,897	20,556
Total assets	**728,140**	**342,050**	**202,703**	**6,897**	**1,279,790**
Non-current liabilities	2,411	820	361	286,135	289,727
Current liabilities	2,458	785	575	99,235	103,054
Total liabilities	**4,870**	**1,606**	**936**	**385,370**	**392,782**
Purchases of investment property and subsequent expenditures	10,543	1,561	578		12,682

EPRA KEY PERFORMANCE MEASURES

Overview key performance indicators

	2023		2022	
	€ ' 000	per share (€)	€ ' 000	per share (€)
EPRA earnings	40,402	2.01	42,733	2.15
EPRA cost ratio (incl. direct vacancy costs)	30.8%		28.8%	
EPRA cost ratio (excl. direct vacancy costs)	29.1%		27.8%	
EPRA property related capital expenditure	19,425		12,776	

	31 December 2023		31 December 2022	
	€ ' 000	per share (€)	€ ' 000	per share (€)
EPRA NRV	819,913	40.68	987,844	49.26
EPRA NTA	711,460	35.30	885,774	44.17
EPRA NDV	733,561	36.40	918,162	45.78
EPRA LTV	34.4%		29.3%	
EPRA net initial yield (NIY)	5.3%		4.6%	
EPRA topped-up net initial yield	5.8%		5.0%	
EPRA vacancy rate	5.2%		6.2%	

EPRA earnings

	2023	2022
Gross rental income	71,199	71,309
Service costs not recharged	-1,926	-1,322
Operating costs	-10,852	-10,663
Net rental income	**58,421**	**59,325**
Administrative costs	-9,120	-8,566
Net financing result	-8,349	-8,024
Direct investment result before tax	**40,953**	**42,735**
Corporate income tax	-550	-2
Direct investment result / EPRA earnings	**40,402**	**42,733**
Direct investment result / EPRA earnings per share	2.01	2.15

EPRA cost ratio

	2023	2022
Administrative costs	9,120	8,566
Service costs not recharged	1,926	1,322
Operating costs (adjusted for municipality taxes)	10,852	10,663
Leasehold	0	-3
EPRA costs (including direct vacancy costs)	**21,898**	**20,548**
Direct vacancy costs	-1,187	-753
EPRA costs (excluding direct vacancy costs)	**20,711**	**19,795**
Gross rental income	71,199	71,309
EPRA gross rental income	**71,199**	**71,309**
EPRA cost ratio (incl. direct vacancy costs)	30.8%	28.8%
EPRA cost ratio (excl. direct vacancy costs)	29.1%	27.8%

EPRA property related capital expenditure

	2023	2022
Acquisitions		-104
Development	5,466	7,233
Like-for-like portfolio	13,244	5,648
Other	715	0
EPRA capital expenditure	**19,425**	**12,776**

EPRA NAV

	31 December 2023			31 December 2022		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
IFRS Equity attributable to shareholders	**709,882**	**709,882**	**709,882**	**887,008**	**887,008**	**887,008**
Hybrid instruments						
Diluted NAV	**709,882**	**709,882**	**709,882**	**887,008**	**887,008**	**887,008**
Diluted NAV at fair value	**709,882**	**709,882**	**709,882**	**887,008**	**887,008**	**887,008**
Deferred tax in relation to fair value gains of investment property	2	2				
Fair value of financial instruments	1,608	1,608		-1,163	-1,163	
Intangibles as per IFRS balance sheet		-32	-32		-72	-72
Fair value of fixed interest rate debt			23,711			31,225
Real estate transfer tax	108,422			101,999		
NAV	**819,913**	**711,460**	**733,561**	**987,844**	**885,774**	**918,162**
Fully diluted number of shares	20,155,221	20,155,221	20,155,221	20,054,241	20,054,241	20,054,241
NAV per share	**40.68**	**35.30**	**36.40**	**49.26**	**44.17**	**45.78**

EPRA yield

	31 December 2023	31 December 2022
Investment property including assets held for sale	1,037,215	1,274,988
Developments	-53,730	-58,878
Property investments	**983,485**	**1,216,110**
Allowance for estimated purchasers' costs	110,101	109,450
Gross up completed property portfolio valuation	**1,093,586**	**1,325,560**
Annualised cash passing rental income	71,835	72,852
Annualised property outgoings	-13,725	-11,951
Annualised net rent	**58,110**	**60,901**
Notional rent expiration of rent free periods or other lease incentives	5,661	5,940
Topped-up annualised net rent	**63,771**	**66,841**
EPRA net initial yield	5.3%	4.6%
EPRA topped-up net initial yield	5.8%	5.0%

EPRA vacancy

	31 December 2023	31 December 2022
Estimated rental value of vacant space	4,320	5,510
Estimated rental value of the whole portfolio	83,516	88,317
EPRA vacancy	5.2%	6.2%

GLOSSARY

AVERAGE RENT PER SQM
The total annual contracted rent divided by the total leased square meters.

CERTIFICATION
The percentage of assets within the portfolio that have formally obtained sustainability certification, ratings or labelling valid at the end of the reporting period.
NSI reports on the following certificates:
- BREEAM (based on sqm);
- EPC label (based on market value);
- GRESB-score (expressed as an overall score for total NSI).

COST RATIO (EPRA)
EPRA costs include all administrative costs, net service costs and operating expenses as reported under IFRS, but do not include ground rent costs. These costs are reflected including and excluding direct vacancy costs. The EPRA cost ratio is calculated as a percentage of gross rental income less ground rent costs.

DUTCH REIT (FBI-REGIME)
NSI qualifies as a Dutch Real Estate Investment Trust (fiscale beleggingsinstelling or FBI) and as such is charged a corporate income tax rate of 0% on its earnings. The tax regime stipulates certain conditions, such as a maximum ratio of 60% between debt and the book value of real estate, maximum ownership of shares by one legal entity or natural persons, and the obligation to pay out the annual profit by way of dividends within eight months after the end of the financial year.

Before 2014, activities permitted under FBI legislation were limited to portfolio investments activities only. Effective 1 January 2014, new legislation that allows FBI's to perform enterprise-type business activities within certain limits. These activities must be carried out by a taxable subsidiary and must support the operation of the FBI's real estate business.

EARNINGS (EPRA)
EPRA earnings is a measure of operational performance and represents the net income generated from operational activities. It excludes all components not relevant to the underlying net income performance of the portfolio.

EARNINGS PER SHARE (EPRA)
Indicator for the profitability of NSI; portion of the EPRA earnings attributable to shareholders allocated to the weighted average number of ordinary shares.

ENERGY INTENSITY (CRREM)
The total energy used by renewable and non-renewable resources during a reporting period, normalised by the sum of the CRREM floor area in square meters (gross floor area minus parking garages and outer façade) for the properties in scope.

EPC-LABEL
Energy Performance Certificates (EPCs) tell you how energy efficient a building is and give it a rating from A (very efficient) to G (inefficient)

EUROPEAN PUBLIC REAL ESTATE ASSOCIATION (EPRA)
Association of Europe's leading property companies, investors and consultants which strives to establish best practices in accounting, reporting and corporate governance and to provide high-quality information to investors.

ESTIMATED RENTAL VALUE (ERV)
The estimated amount at which a property or space within a property, would be let under the market conditions prevailing on the date of valuation.

G4
G4 refers to the locations Amsterdam, Den Haag, Rotterdam, and Utrecht.

GRESB SCORE
The GRESB Score is an overall measure of ESG performance – represented as a percentage (100 percent maximum). The GRESB Score gives quantitative insight into the company's ESG performance in absolute terms, over time and against your peers.

HNK
HNK stands for 'Het Nieuwe Kantoor', (which means 'The New Office'). HNK is NSI's flexible office concept and offers an inspiring environment with stylish workplaces, office spaces, meeting areas, catering facilities and various ancillary services. HNK offers different propositions, including memberships (flexible workstations), managed offices (fully equipped offices), bespoke offices and meeting rooms.

INTEREST COVERAGE RATIO (ICR)
Debt ratio and profitability ratio used to determine how easily a company can pay interest on outstanding debt. The interest coverage ratio is calculated by dividing net rental income during a given period by net financing expenses during the same period adjusted for capitalised interest.

INVESTMENT RESULT - DIRECT
The direct result reflects the recurring income arising from core operational activities. The direct result consists of gross rental income minus operating costs, service costs not recharged to tenants, administrative costs, direct financing costs, corporate income tax on the direct result, and the direct investment result attributable to non-controlling interests.

INVESTMENT RESULT - INDIRECT
The indirect result reflects all income and expenses not arising from day-today operations. The indirect result consists of revaluations of property, net result on sales of investment, indirect financing costs (movement in market value of derivatives and exchange rate differences, corporate income tax on the indirect result, and the indirect investment result attributable to non-controlling interests.

INVESTMENT RESULT – TOTAL
The total result reflects all income and expenses; it is the total of the direct and the indirect investment result.

LEASE INCENTIVES
Adjustments in rent granted to a tenant or a contribution to tenants' expenses in order to secure a lease. The impact of lease incentives on net rental income is straight line over the firm duration of the lease contract under IFRS.

LIKE-FOR-LIKE RENTAL INCOME

Like-for-like growth figures aim at assessing the organic growth of NSI. In the case of like-for-like rental income the aim is to compare the rental income of all or part of the standing portfolio over a certain period with the rental income for the same portfolio over a previous period (i.e. year-onyear and/or quarter-on-quarter). In order to calculate like-for-like growth, the nominal increase in rent is adjusted for the impact of acquisitions, divestments and properties transferred to and from the development portfolio and between segments (e.g. office to HNK).

LOAN TO VALUE (LTV, NET)

The LTV-ratio reflects the balance sheet value of interest-bearing debts plus short term debts to credit institutions, net of cash and cash equivalents, expressed as a percentage of the total real estate investments, including assets held for sale.

MARKET VALUE INVESTMENT PROPERTY (FAIR VALUE)

The estimated amount for which a property should change hands on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein each party had acted knowledgeably, prudently, and without compulsion. The market value does not include transaction costs.

NET ASSET VALUE (NAV)

The net asset value represents the total assets minus total liabilities. At NSI this equates to the shareholders' equity (excluding non-controlling interests as stated in the balance sheet). The NAV is often expressed on a per share basis; in this calculation the number of shares outstanding at reporting date is used rather than the average number of shares is used.

NET ASSET VALUE (NAV, EPRA-DEFINITION)

The EPRA NAV metrics make adjustments to the NAV as per the IFRS financial statements to provide the most relevant information on the fair value of the assets and liabilities, under different scenario's.

- EPRA net reinstatement value (NRV): assumes that entities never sell assets and aims to represent the value required to rebuild the entity;
- EPRA net tangible assets (NTA): assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax;
- EPRA net disposal value (NDV): represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.

NET MARGIN

The net margin measures operating efficiency; it indicates how effective NSI is in managing its expense base. It is calculated as net rental income as a percentage of gross rental income.

NET RESULT ON SALE OF INVESTMENT PROPERTY

The net result on sales of investment property reflects the disposal price paid by a third party for a property minus the value at which the respective property was recorded in the accounts at the moment of sale, net of sales costs made. The sales costs include costs of real estate agents and legal costs, but can also include internal costs made which are directly related to transaction.

RENT - EFFECTIVE RENT

The effective rent reflects the contractual annual rent after straight-lining of rent free periods and rental discounts.

RENT - GROSS RENTAL INCOME (GRI)

Gross rental income reflects the rental income from let properties, after taking into account the net effects of straight lining for lease incentives and key money, including turnover rent and other rental income (e.g. specialty leasing and parking income).

RENT - NET RENTAL INCOME (NRI)

Gross rental income net of (net) costs directly attributable to the operation of the property (non-recoverable service charges and operating costs). Income and costs linked to the ownership structure, such as administrative expenses, are not included.

RENT - PASSING CASH RENT / CONTRACTED RENT

The estimated annualised cash rental income as at reporting date, excluding the net effects of straight-lining of lease incentives. Vacant units and units that are in a rent-free period at the reporting date are deemed to have no passing cash rent.

REVERSIONARY POTENTIAL

This ratio compares the minimum guaranteed rent and the turnover rent to the estimated rental value and as such indicates whether a unit or property is underlet or over-rented.

REVERSIONARY RATE / RESULT FROM RELETTING AND RENEWAL

The reversionary rate measures the rental gain/loss of a deal as the difference between the new rent (after the deal) and the old rent (before the deal).

STANDING PORTFOLIO

Standing portfolio is used in like-for-like calculations and concerns the real estate investments at a specific date that have been consistently in operation as part of NSI's portfolio during two comparable periods. Note that an investment property can be considered both standing and at the same time non standing, depending on the comparison periods used (e.g. year-on-year and quarter-on-quarter).

VACANCY RATE (EPRA)

Vacancy rate (EPRA): reflects the loss of rental income against ERV as a percentage of ERV of the total operational portfolio.

WEIGHTED AVERAGE UNEXPIRED LEASE TERM (WAULT)

This ratio is used as an indicator of the average length of leases in portfolios. It can be calculated over the full lease term of the contracts either up to expiration date or up to break option date.

YIELD

Yield can generally be defined as the income or profit generated by an investment expressed as a percentage of its costs or the total capital invested.

- Gross initial yield: the passing rent as a percentage of the market value of an object;
- Net initial yield: the passing rent, net of property related costs, as a percentage of the market value of an object;
- Net theoretical yield: annualised net theoretical rental income as a percentage of the real estate investments in operation;
- EPRA net initial yield: annualised net effective cash passing rent (including estimated turnover rent and other recurring rental income) net of non-recoverable property operating expenses as a percentage of the gross market value of the real estate investments in operation;
- EPRA topped-up net initial yield: EPRA net initial yield adjusted for expiring lease incentives;
- Reversionary yield: the anticipated yield to which the initial yield will rise (or fall) once the rent reaches the ERV.