HALF YEAR RESULTS

2022

14th of July, 2022

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“We enable our customers to achieve maximum productivity and growth, providing best-in-class flexible space solutions and services in modern, healthy, sustainable buildings in prime locations.”

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Strong operational performance and sound balance sheet

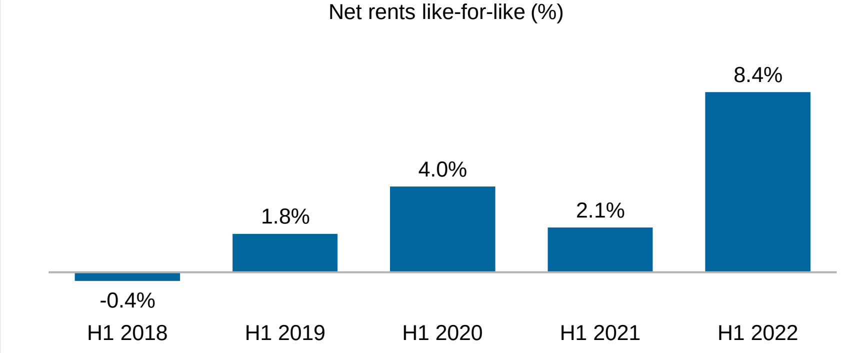
Key metrics

Operational performance	H1 2022	H1 2021	Change
EPRA Vacancy	6.6%	5.9%	0.7pp
Net rents like-for-like	8.4%	2.1%	6.3pp
Operating margin	79.7%	77.1%	2.6pp

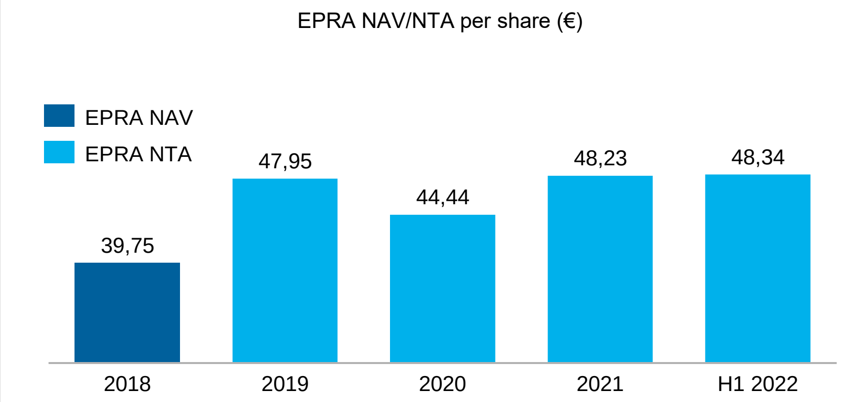
Financial performance	H1 2022	H1 2021	Change
EPRA Earnings per share (€)	0.99	1.16	-14.7%
Portfolio revaluation	0.5%	0.8%	
EPRA NTA per share (€)	48.34	44.97	7.5%

Balance sheet	H1 2022	31 Dec 2021	Change
LTV	27.6%	28.8%	-1.2pp
Average cost of debt	2.1%	2.2%	-0.1pp
Average debt maturity	4.4 y	4.9 y	-0.5 y

Change in net rents



Change in NTA per share



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An attractive, highly focused Netherlands offices portfolio
Strong cashflow and substantial embedded growth potential

Total portfolio

Portfolio by segment (H1 2022)

City	# assets	Book Value	% of total portfolio	GIY	EPRA Vacancy
Amsterdam	23	€ 785m	58%	5.3%	7.7%
Other G4	15	€ 364m	27%	6.6%	5.8%
Other NL	13	€ 210m	15%	6.8%	4.5%
Total	**51**	**€ 1,359m**	**100%**	**5.9%**	**6.6%**

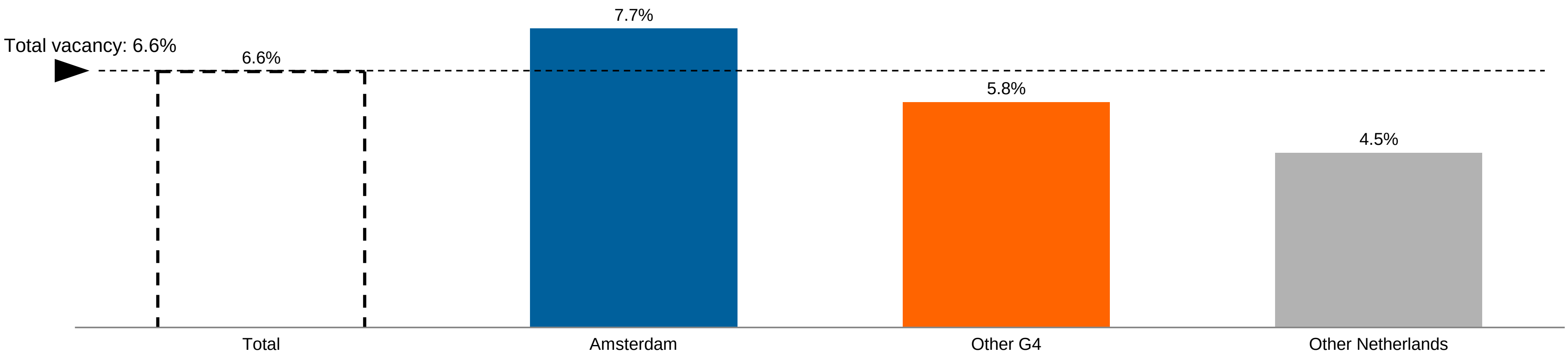
Portfolio split standing and projects

Portfolio split	# assets	Book Value	% of total portfolio	GIY	EPRA Vacancy
Standing assets	48	€ 1,294m	95%	5.9%	6.6%
Projects	3	€ 66m[2]	5%		
Total	**51[1]**	**€ 1,359m**	**100%**		

1. Well House will increase the total number of assets from 51 to 52
2. The book value of Laanderpoort is still included under standing assets

Remaining portfolio vacancy is highly concentrated
Strong focus to lease up these assets in 2022

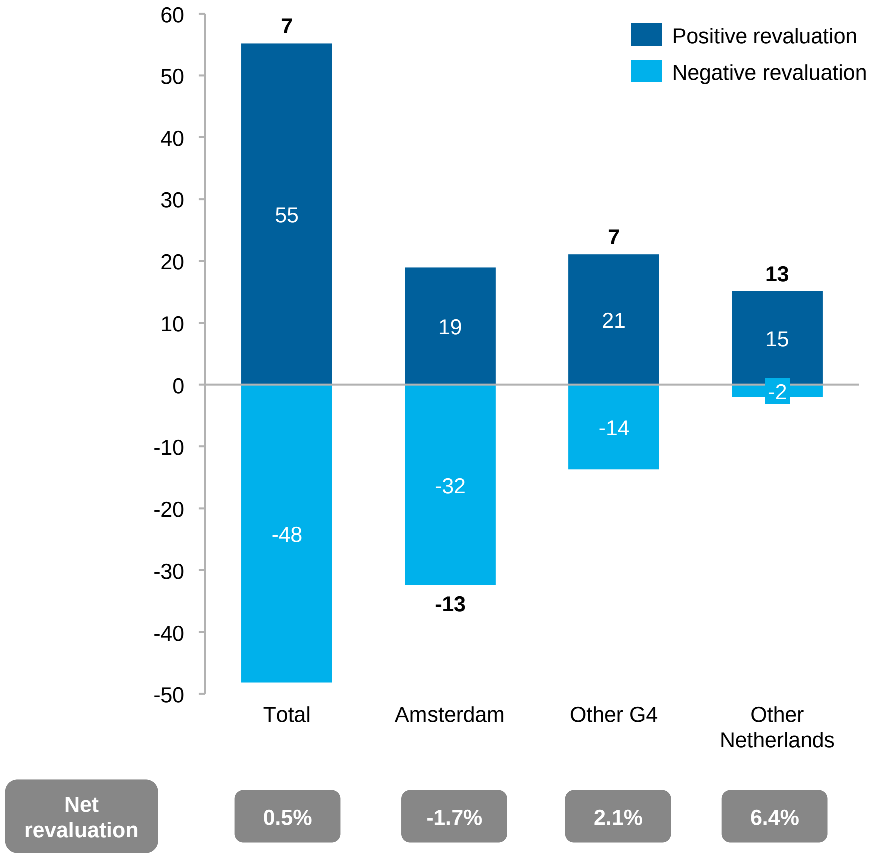
EPRA vacancy



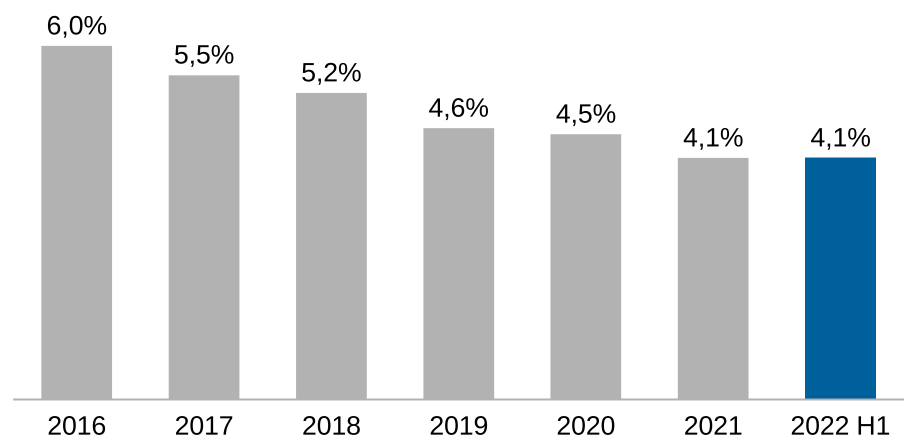
Top 5 assets with vacancy	**Segment**	**Contribution to total vacancy**	**Asset vacancy**	
HNK Amsterdam Zuid Oost	Amsterdam	1.0%	37.2%	
Donauweg 2-B	Amsterdam	1.0%	100.0%	
Alexanderpoort	Other G4	0.7%	32.0%	Strategic vacancy
Centerpoint II	Amsterdam	0.6%	37.1%	
HNK Houthavens	Amsterdam	0.5%	13.9%	
Subtotal		**3.8%**		
Remaining standing assets (46 assets)		2.8%	3.2%	
Total		**6.6%**		

Positive asset revaluations H1 2022

Total portfolio (€m)



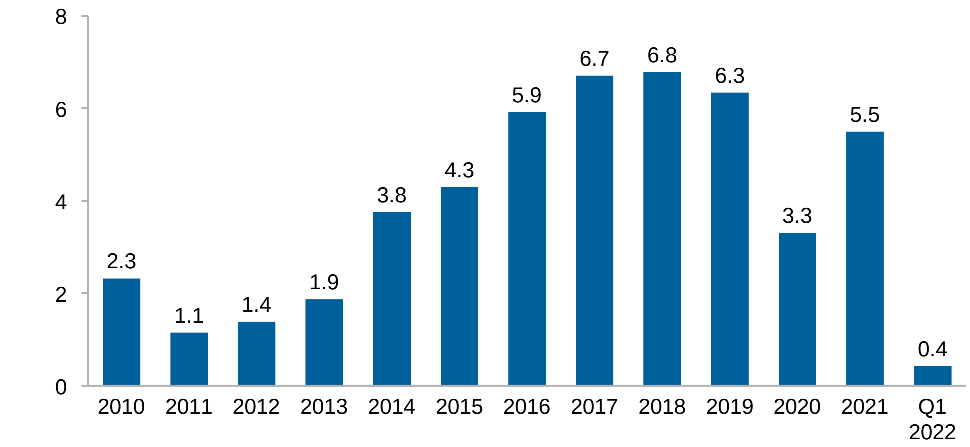
EPRA Net initial yield (%)



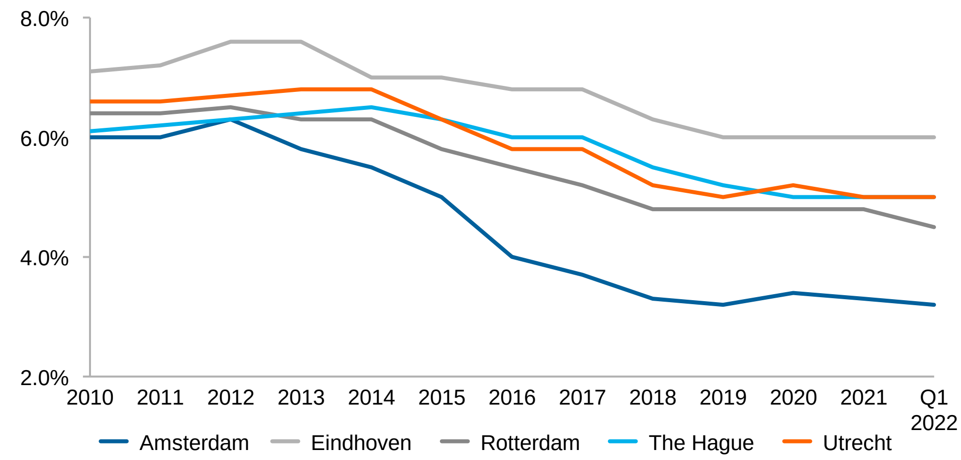
Externally appraised as of 30 June 2022, Colliers, Cushman & Wakefield and JLL

Dutch office market 2022

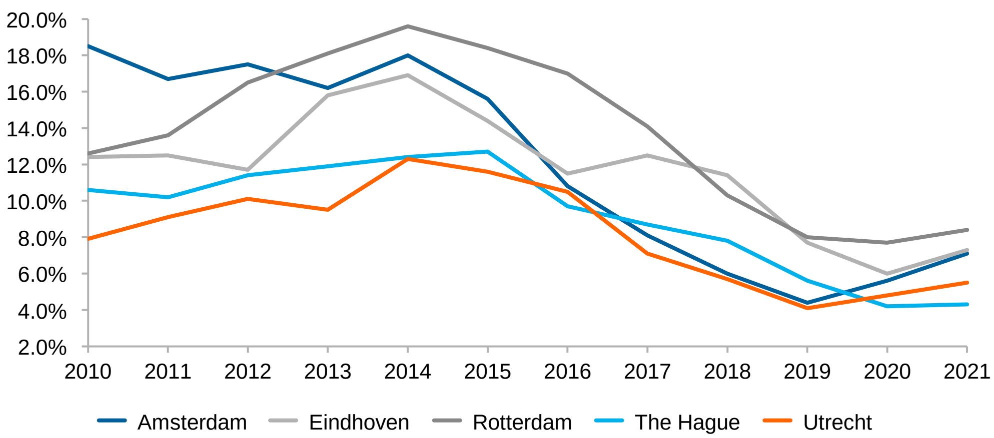
Investment volumes Offices Netherlands (€ bn)



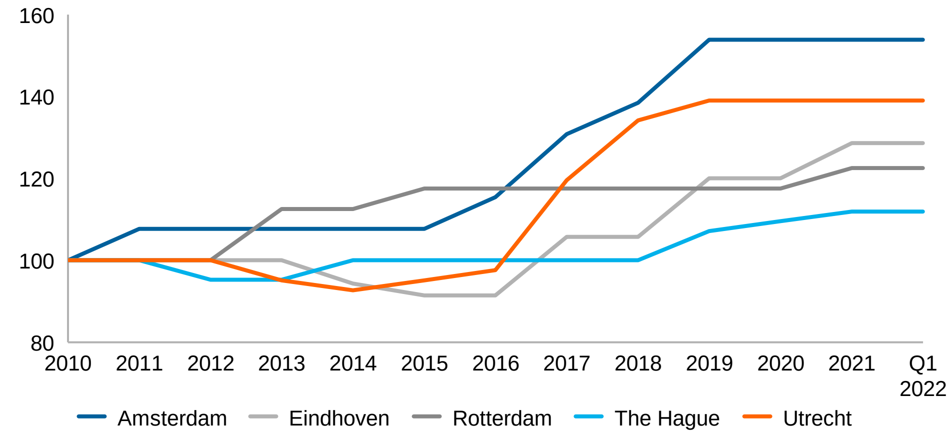
Prime Yields (%)



Vacancy rate (%)



Prime rental growth[1]



1. Indexed (2010 = 100)
Source: C&W 31-12-2021

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NSI aims to lead Dutch real estate industry in sustainability
Definitions: net zero vs Paris-proof (operational)

Definition Paris-proof:
DGBC: total energy consumption of a building must be < 50 kWh/sqm/year
CRREM: a building that is below the determined carbon reduction pathway for the specific building type and country

Definition Net zero:
A highly energy efficient building/portfolio that produces on-site, or procures, enough carbon-free renewable energy to meet total building operations and tenant energy consumption on an annual basis.

The goal is to minimize GHG emissions and reduce the dependence on energy provision from other countries

Achieving net-zero

Paris-proof building → **Emissions are reduced in line with science-based scenarios** → **GHG Offsets or removals[1]**

In practice:
In urban areas with high-rise buildings, it is not realistic to be net zero with the current state of technology.
Therefore, it is usually necessary to offset the remaining emissions through carbon offsetting or carbon removal.

Source: World Green Building Council, Dutch Green Building Council, CRREM
*1) After all other economically viable options for decarbonisation have been exhausted.

NSI aims to lead Dutch real estate industry in sustainability
Paris-proof, towards operational net zero, BREEAM and EPC

NSI's sustainability ambition:
- We are committed to becoming Paris Proof by 2035
- We aim to decarbonise our buildings towards Net Zero
- We aim to bring our standing portfolio to BREEAM Excellent
- We aim to achieve a BREEAM Outstanding rating for our developments

NSI green energy procurement
- All procured electricity comes from European wind (green)
- All procured gas (multitenant buildings) is offset
- District heating emissions will be fully offset for 2022

Sustainability Actions in H1 2022:
- Initiated a Paris-Proof roadmap on a per asset basis
- Established CRREM as reference for carbon reduction pathway
- Initiated portfolio analysis on EU Taxonomy alignment

Further planned activities in 2022:
- Complete Paris-Proof roadmap on a per asset and portfolio basis
- Increase assets with BREEAM "Excellent" label from 1 to at least 8 assets
- Incorporate the Paris-Proof roadmaps in the asset business plans and acquisition criteria

EPC energy performance certificates

	Start 2022	End 2022	2025
A++++	0	0	1[1]
A+++	0	0	1[1]
A+	2	3	3
A	36	37	39
B	6	5	4
C	4	4	3
D[2]	0	0	1
E[2]	1	1	0
G[2]	2	1	0
Total	**51**	**51**	**52**

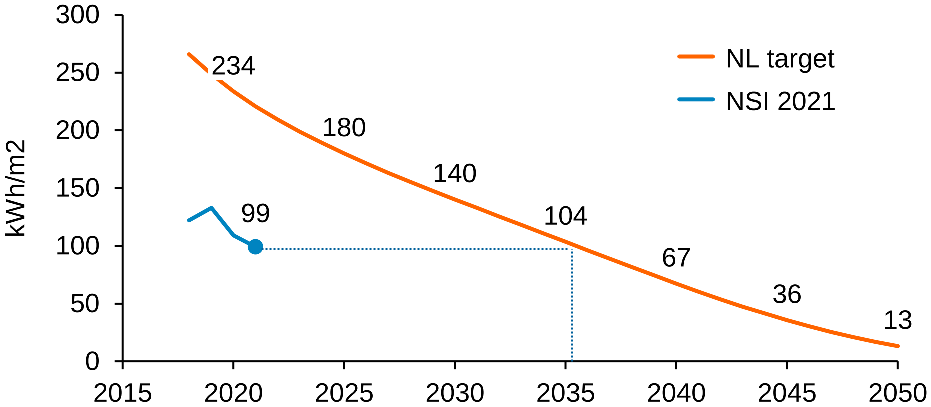
BREEAM goal 2022 - 2025

	Start 2022	End 2022	2025
Outstanding	0	0	2[1]
Excellent	0	8	12
Very good	1	16	18
Good	18	16	13
Acceptable	7	4	1
Pass	19	5	4
No label	6	2	2
Total	**51**	**51**	**52**

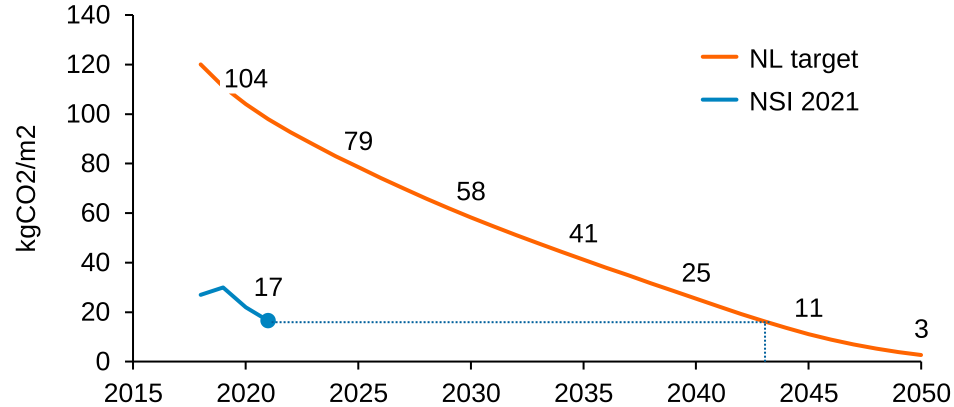
1) 2 development projects are expected to achieve BREEAM outstanding with EPC labels A+++ and A++++ at completion
2) Monuments and potential developments are excluded from EPC label requirements

NSI aims to lead Dutch real estate industry in sustainability
Introducing CRREM as a starting point and monitoring tool

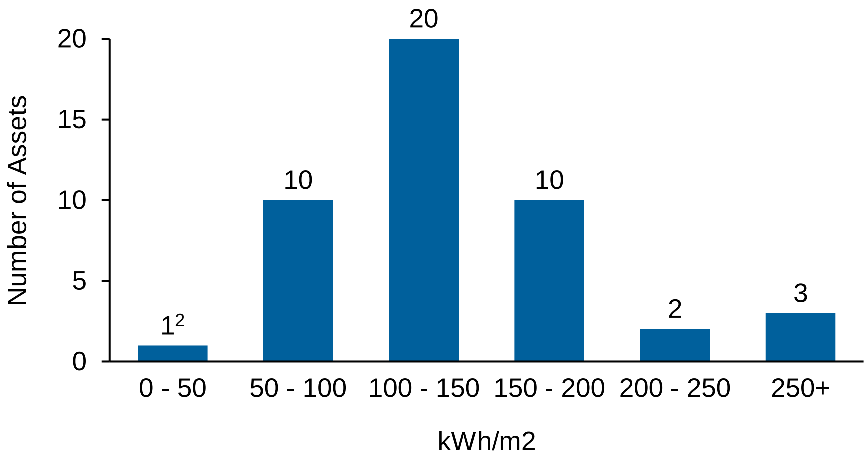
CRREM energy reduction pathway vs NSI portfolio



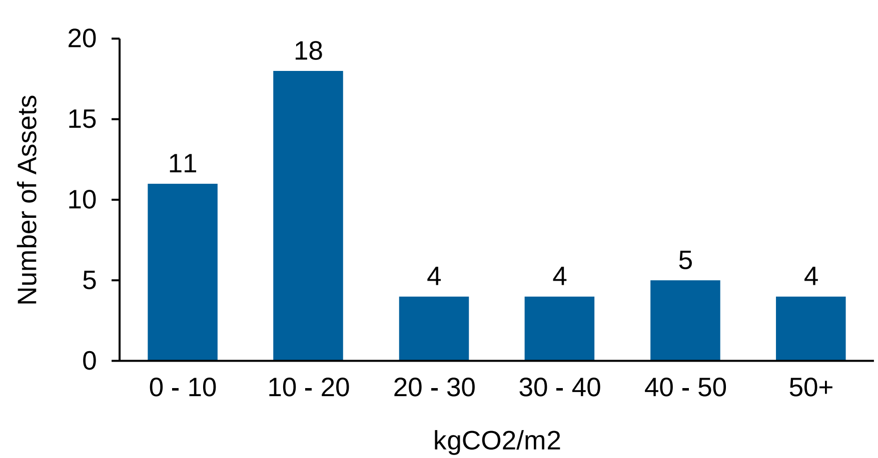
CRREM decarbonisation pathway vs NSI portfolio



Energy intensity[1] 2021



Carbon intensity[1] 2021



1) Excluding 5 of our assets due to data coverage
2) Resulting energy intensity is due to vacancy

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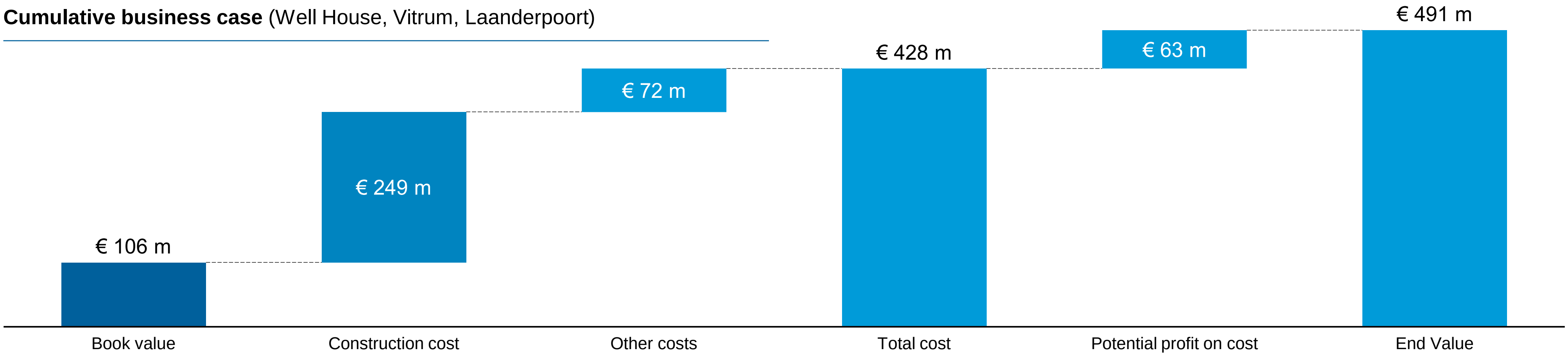
Estimated cost and potential profit current development projects
Higher sensitivity to yield shift than to construction cost increases

Cumulative business case (Well House, Vitrum, Laanderpoort)



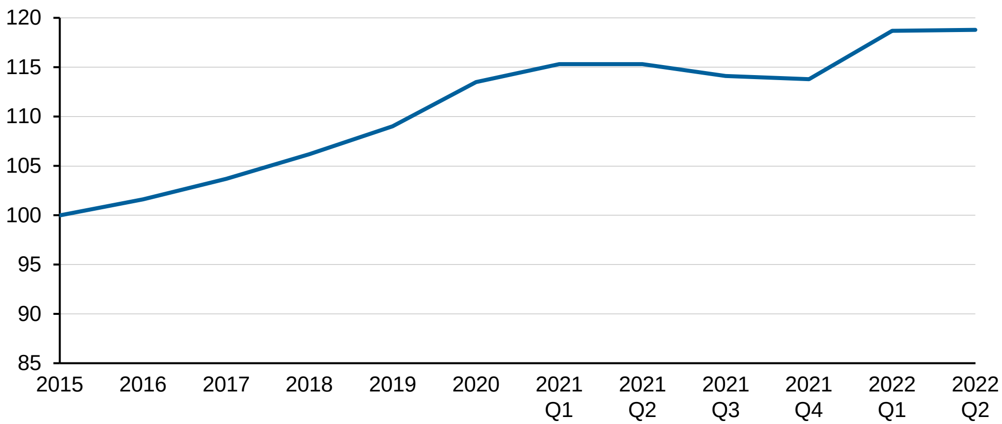
Potential PoC (€ m) — **Decrease / increase construction cost**

Blended GIY	(5%)	–	5%	10%	15%
3.50%	249.0	246.2	243.5	236.8	226.2
3.75%	204.6	201.2	197.8	190.9	180.2
4.00%	165.8	161.8	157.9	150.7	140.0
4.25%	131.5	127.1	122.7	115.2	104.6
4.50%	101.0	96.2	91.4	83.7	73.1
4.80%	68.7	63.4	58.2	50.3	39.6
5.00%	49.3	43.7	38.2	30.2	19.6
5.25%	27.1	21.3	15.5	7.3	(3.4)
5.50%	6.9	0.8	(5.2)	(13.6)	(24.2)
YOC (%)	5.6%	5.5%	5.4%	5.3%	5.2%

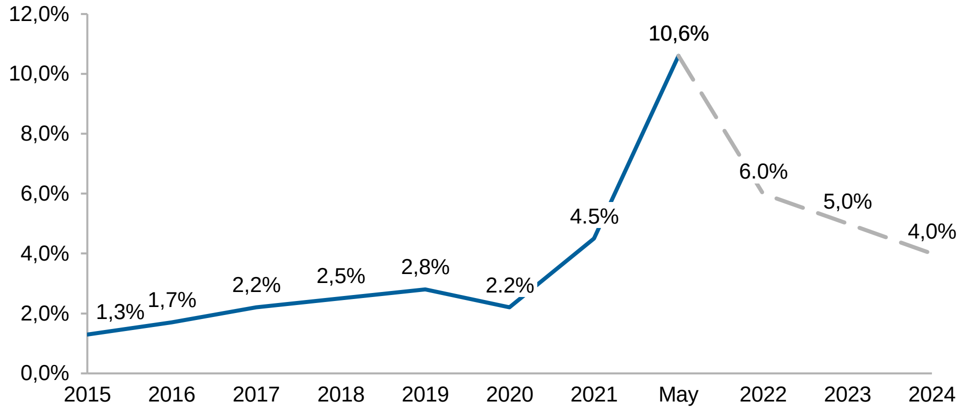
Monitoring the recent increase in overall construction cost

Volatility of material- and labour costs drives uncertainty

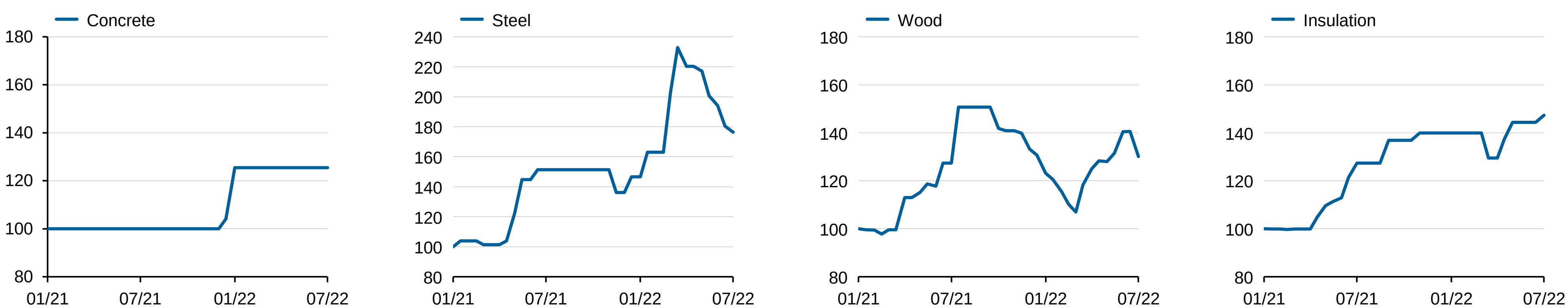
Construction labour index (base year 2015)



Construction cost inflation & expectation [2]



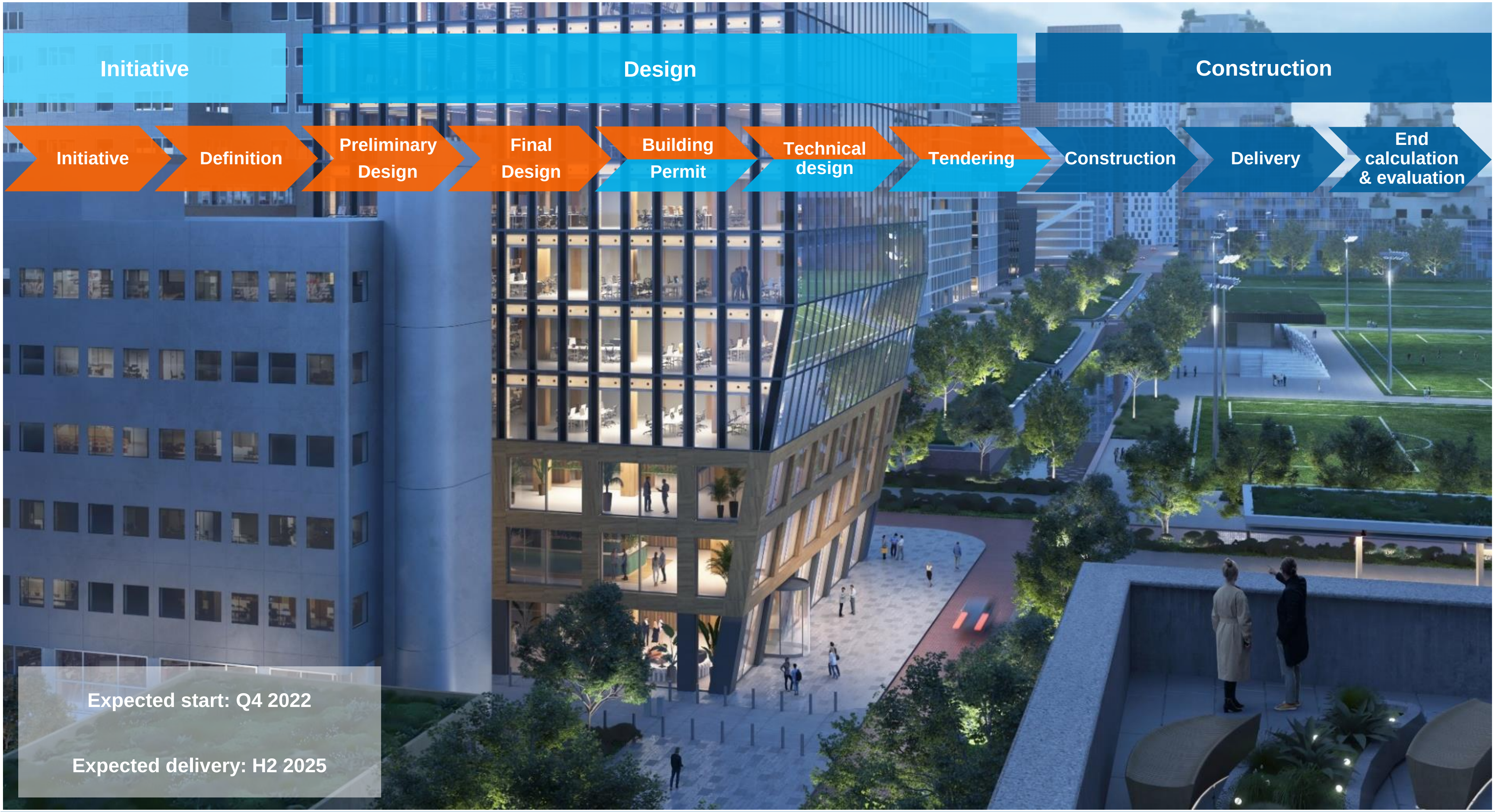
Building cost indexes (base 01-01-2021)



Source: CBS, IGG Bouweconomie

Well House – partially de-risked

Pre-let: 20% (Spaces)



Source: Dam en Partners Architecten

Laanderpoort – updated agreement

Pre-let: 80% (ING)

Initiative		Design					Construction		
Initiative	Definition	Preliminary Design	Final Design	Building Permit	Technical design	Tendering	Construction	Delivery	End calculation & evaluation

Updated agreement with ING

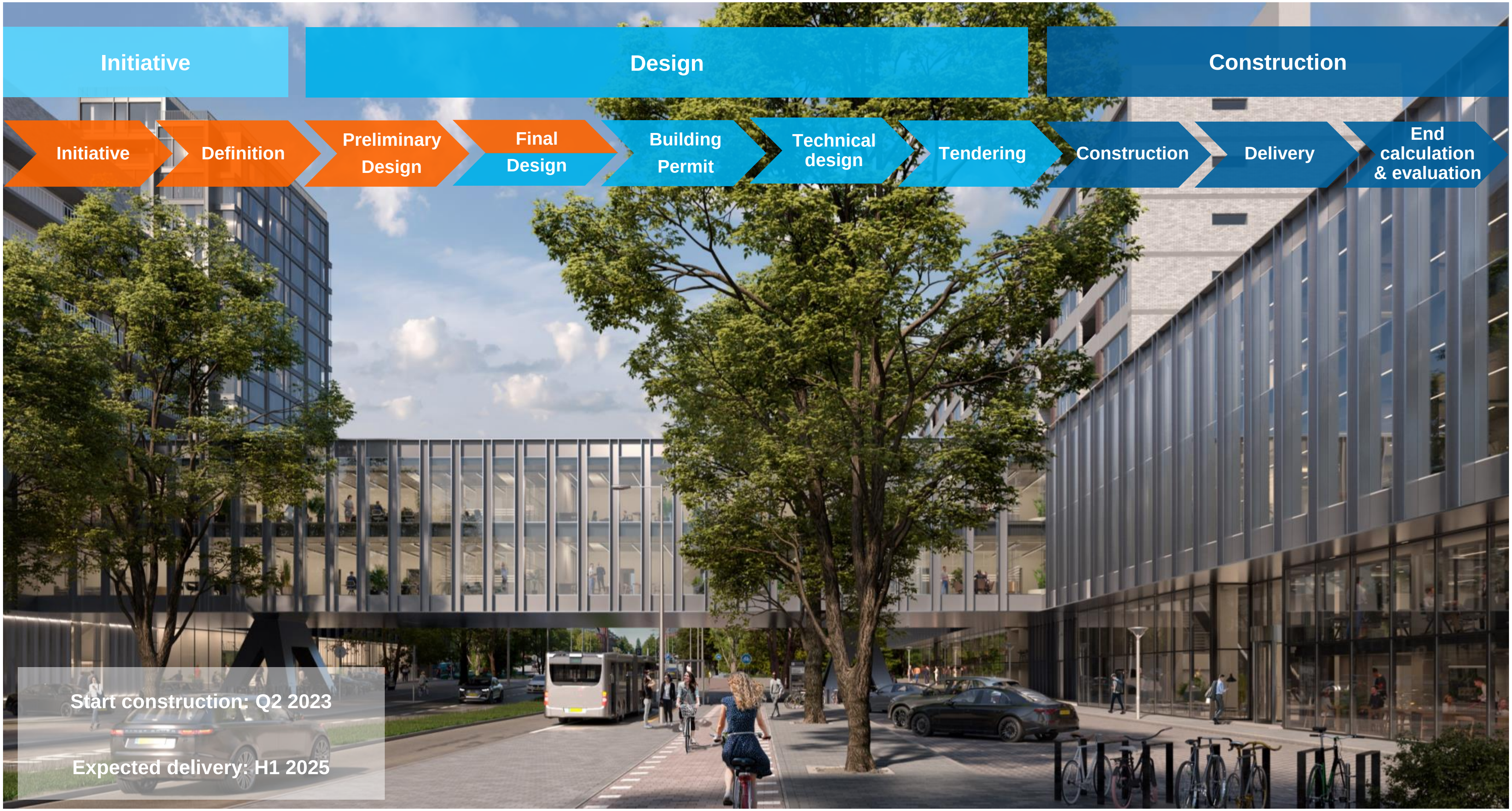
- New start date construction Q3 2023
- ING will extend their current lease at Laanderpoort by seven months, from July 2022 to February 2023 at full rent.
- A higher cap on the rent level for ING.

Expected start: Q3 2023

Expected delivery: H1 2026

Source: Paul de Ruiter Architects

Vitrum – finalising final design and start of tender process



Source: Cepezed

Vitrum – finalising final design and start of tender process

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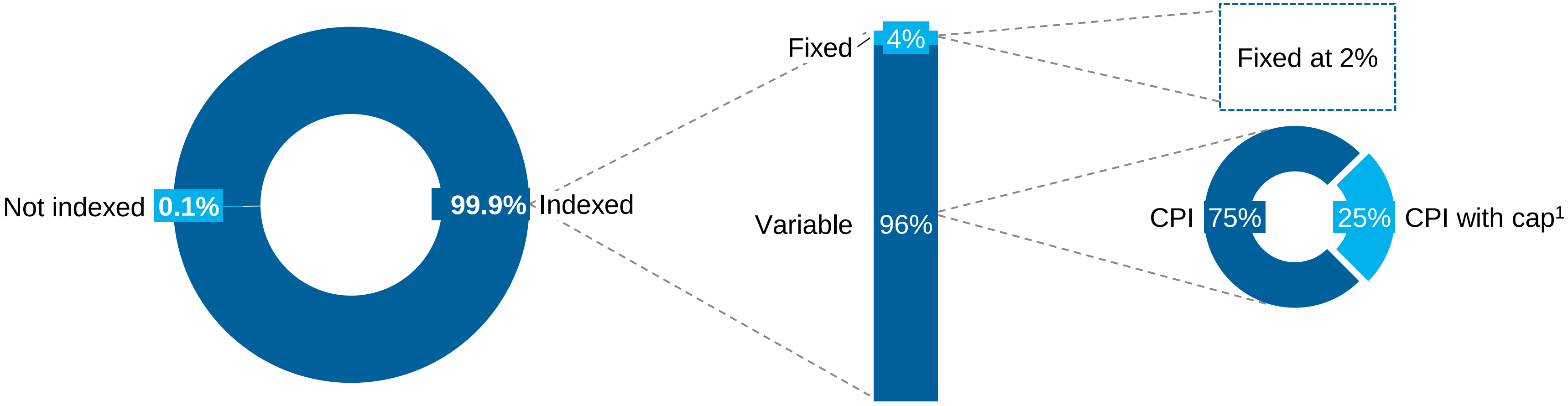
EPRA Earnings

	H1 2022	H1 2021	Change %
Gross rental income	35.6	40.4	-12.0%
Service costs not recharged	-0.5	-0.8	-38.2%
Operating costs	-6.7	-8.4	-20.2%
Net rental income	**28.3**	**31.2**	-9.1%
Administrative costs	-4.6	-3.9	18.6%
Net financing result	-4.3	-4.8	-11.8%
Direct investment result before tax	**19.5**	**22.5**	-13.3%
Corporate income tax	-0.0	-0.0	-20.0%
Direct investment result / EPRA earnings	**19.5**	**22.5**	-13.3%
Direct result / EPRA earnings per share	0.99	1.16	-15.0%

High Dutch CPI will drive lease indexation in 2022

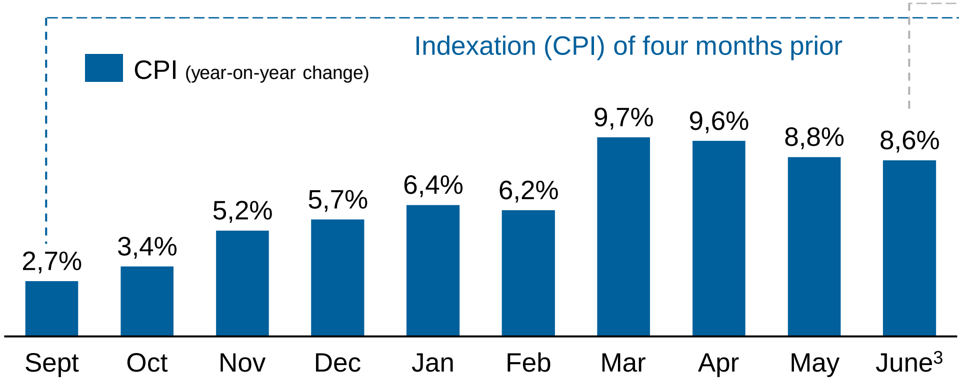
Ca. 6% for whole year

Contractual indexation

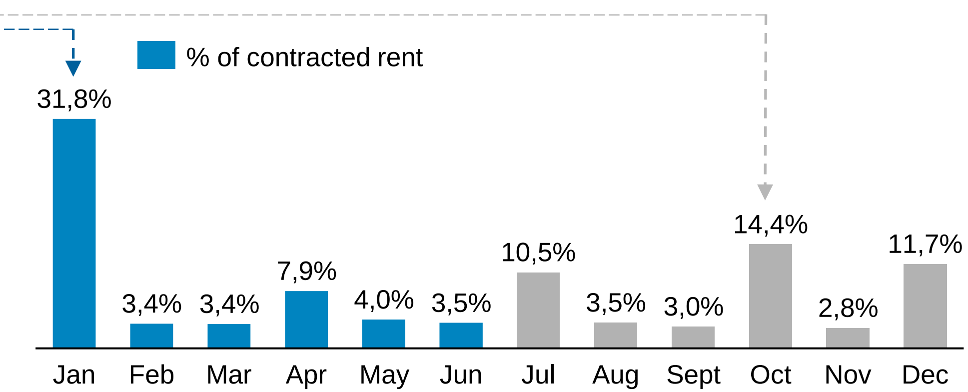


Indexation schedule[2]

Year on year CPI change per month



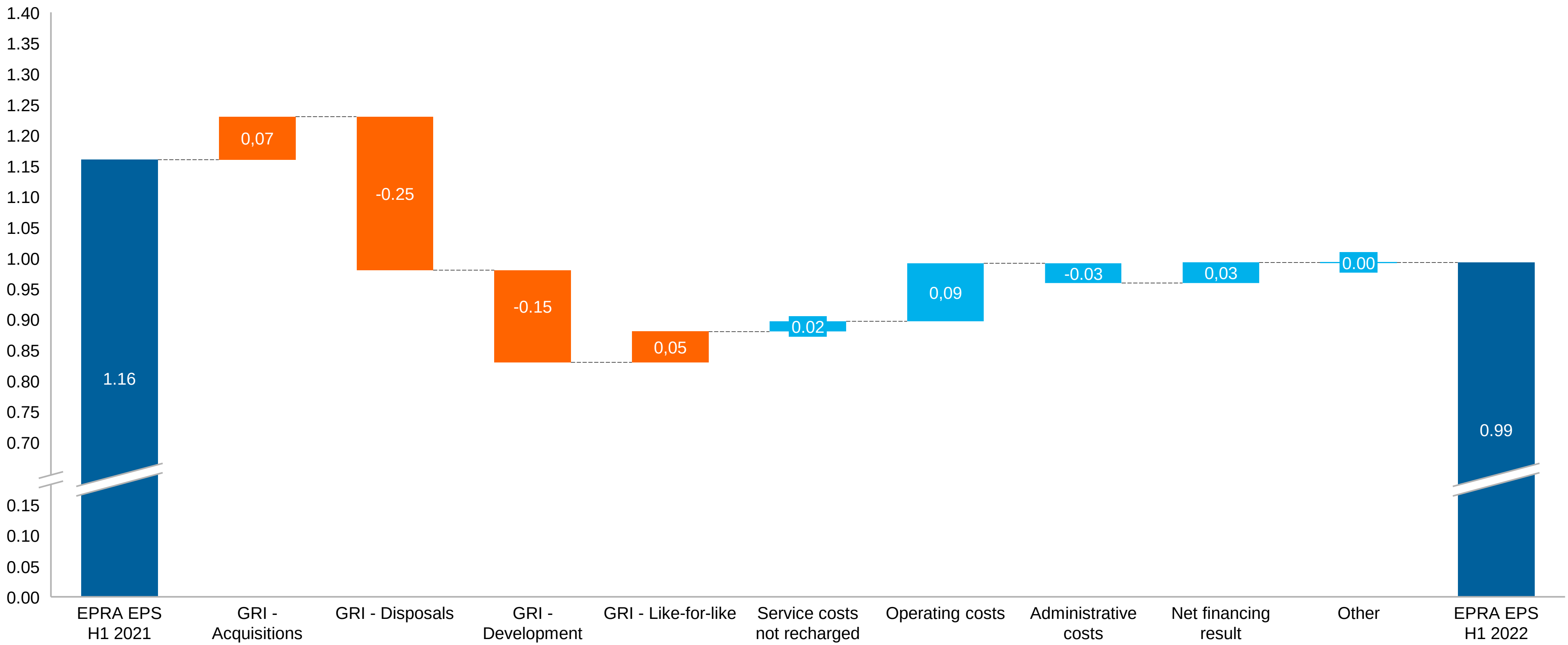
Indexation of leases per month for 2022



- 1. These caps are composed in various ways (in total 26 different compositions). For example, in one case we are able to index 100% of the CPI up to 3%, and 75% of the CPI afterwards.
- 2. These indexations are captured according to the contractual caps

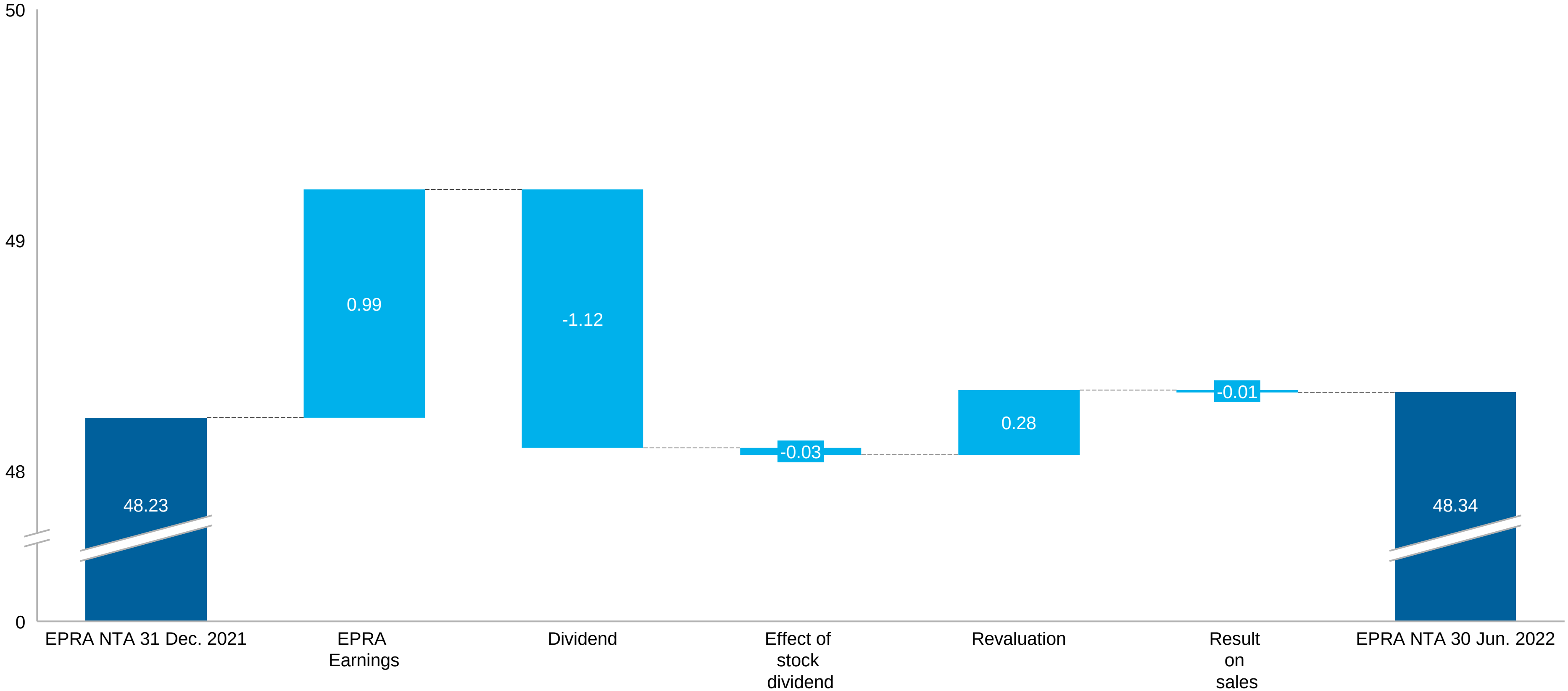
EPRA Earnings

(€ per share)



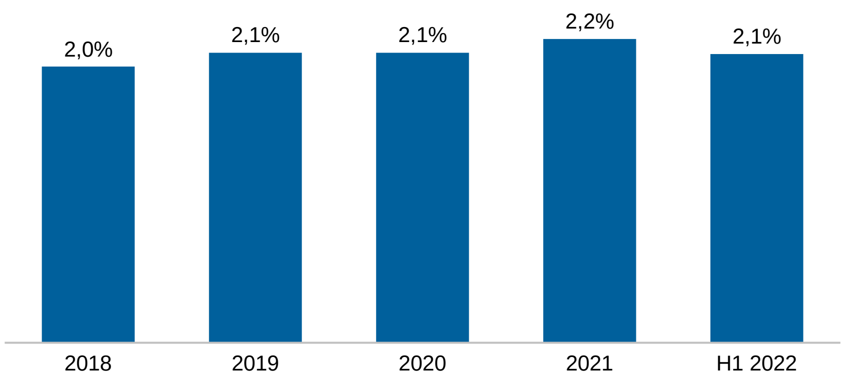
EPRA NTA

(€ per share)

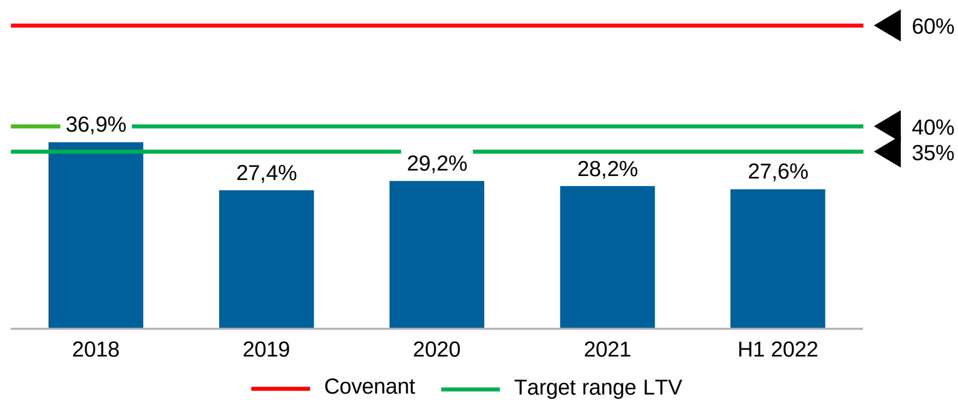


Main balance sheet KPIs
Metrics consistently favourable

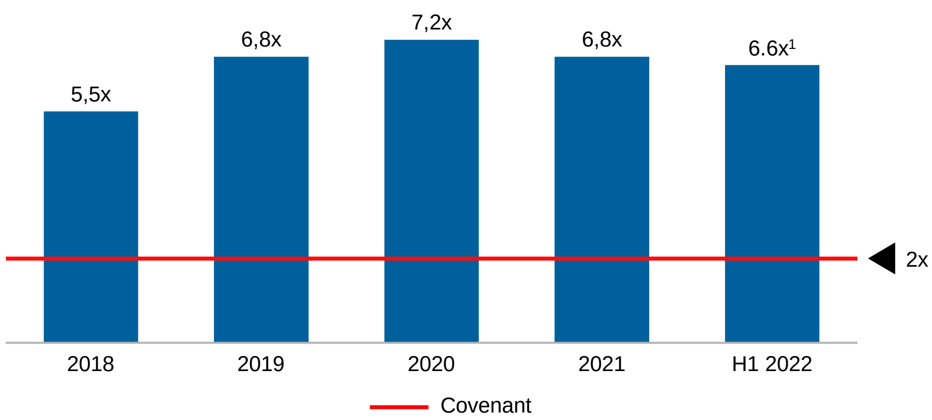
Cost of debt



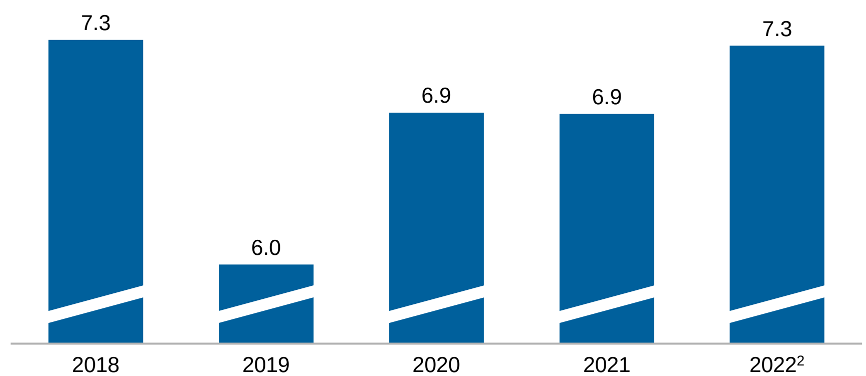
Loan to value



Interest coverage ratio



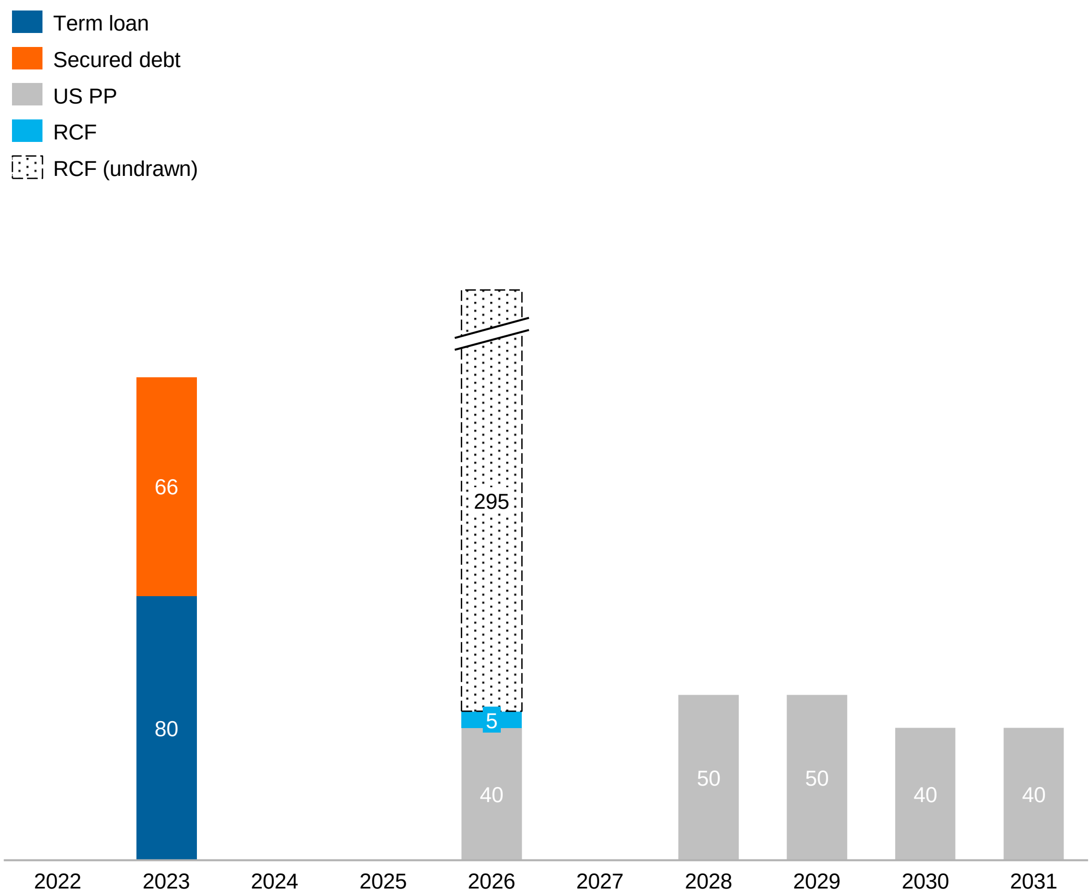
Net debt to EBITDA



1) Adjusted for capitalised interest the ICR is equal to 5.7.
2) Annualised EBITDA based on forecasts for the second half of 2022.

Extending debt maturity profile
Aiming for long term stability

Loans maturity profile June 2022 (€m)[1]



Achievements and strategy

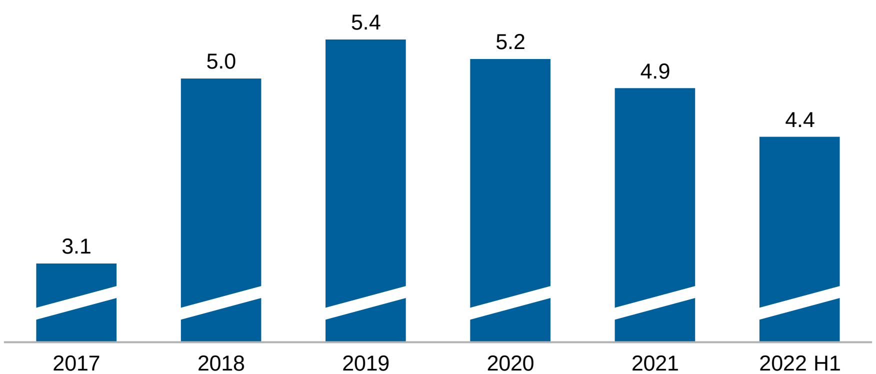
Achievements in 2022

- Captured a sustainability linked margin adjustment on the RCF by achieving all sustainability related targets for 2021

Strategy

- Maintain balance sheet capacity for development and acquisitions
  - Undrawn RCF circa € 295m
  - Estimated Capex range for developments € 250 – € 300m
- Extend the maturity of debt expiring in 2023 (term loan and secured debt)

Average maturity (years)



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Action plan 2022
Acting in a changing environment

- on track
- revised
- new deadline

Real estate portfolio	Progress
• Manage and extend 2022 lease expiries	on track
• Lower vacancy rate to below 5%	revised: to stable
• Opening of HNK Amsterdam Sloterdijk and HNK Rotterdam Alexander	new deadline: 2023

Progress in development projects	
• Take final decision to start construction Well House in Q3 2022	on track
• Select contractor and complete design process for Vitrum and Laanderpoort	new deadline: 2023
• Start marketing for Well House and Vitrum	on track

Services	
• Launch refreshed HNK brand, positioning and services	on track
• Further improve smart building solutions	on track
• Expand customer relationships and partnerships	on track

Sustainability	
• Publish NSI Paris-proof roadmap with clear milestones	on track
• Increase assets with BREEAM “Excellent” label from 1 to at least 8 assets	on track
• Ensure developments starting in 2022 will be Paris Proof upon delivery	on track

2022

EPRA EPS Guidance

€ 2.05 - € 2.10

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Segment information
Key portfolio metrics

	30 June 2022				Dec. 2021	Change
	Amsterdam	Other G4	Other NL	TOTAL		
Number of properties	23	15	13	51	52	-1.9 %
Market value (€)[1]	785	364	210	1,359	1,355	0.3 %
Annual contracted rent[2]	38	24	14	76	76	0.5 %
Market rent	47	26	15	88	87	0.9 %
Lettable area (sqm k)	178	124	85	387	409	-5.4 %
Average rent / sqm	234	204	178	212	201	5.6 %
EPRA vacancy	7.7%	5.8%	4.5%	6.6%	5.9%	0.6 pp
EPRA net initial yield	3.8%	4.4%	4.5%	4.1%	4.1%	0.0 pp
Reversionary yield	6.5%	7.1%	7.3%	6.8%	6.7%	0.1 pp
Wault (years)	4.1	4.1	3.4	4.0	4.1	-1.5 %

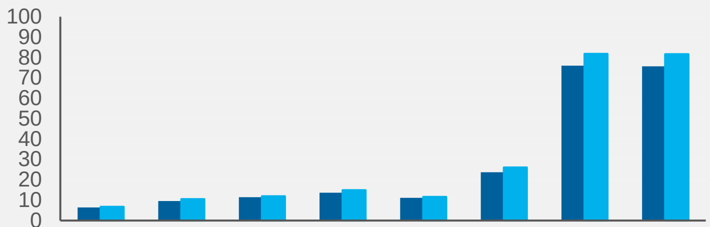
1. Reported in the balance sheet at book value including right of use leasehold (IFRS 16), excluding lease incentives and part of NSI HQ (own use).
2. Before free rent and other lease incentives

Segment information
Yields

	EPRA net initial yield		Gross initial yield		Reversionary yield	
	Jun. 2022	Dec. 2021	Jun. 2022	Dec. 2021	Jun. 2022	Dec. 2021
Amsterdam	3.8%	3.7%	5.3%	5.0%	6.5%	6.2%
Other G4	4.4%	4.4%	6.6%	6.6%	7.1%	7.2%
Other NL	4.5%	4.9%	6.8%	7.6%	7.3%	7.9%
TOTAL	4.1%	4.1%	5.9%	5.9%	6.8%	6.7%

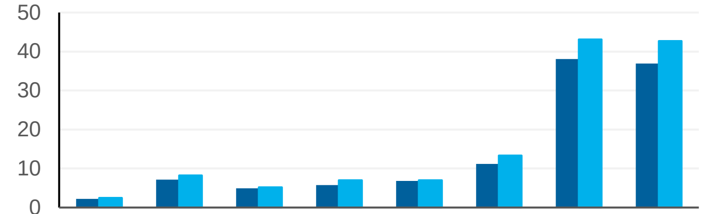
Segment information
Expiries and reversion

Total portfolio[1] (€m)



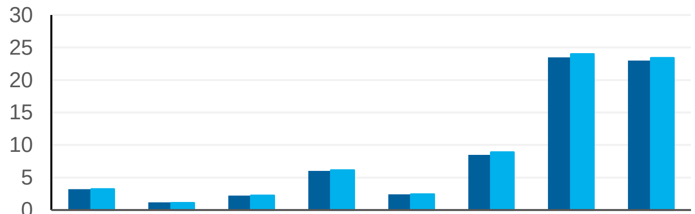
	2022	2023	2024	2025	2026	>2026	TOTAL	Total YE 2021
Contract rent	6,4	9,6	11,5	13,6	11,2	23,7	76,0	75,6
ERV	6,7	10,5	12,0	14,9	11,6	26,1	81,8	81,6
# Contracts	302	72	82	71	46	92	665	651
Reversionary potential	5,6%	9,9%	3,9%	9,5%	3,4%	9,9%	7,6%	7,90%

Amsterdam portfolio (€m)



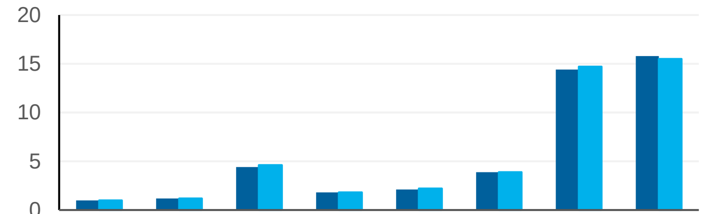
	2022	2023	2024	2025	2026	>2026	TOTAL	TOTAL YE 2021
Contract rent	2,2	7,2	4,9	5,8	6,8	11,2	38,1	36,9
ERV	2,5	8,2	5,2	7,0	7,0	13,3	43,1	42,7
# Contracts	65	30	33	24	10	36	198	182
Reversionary potential	17,7%	14,4%	4,7%	20,8%	2,6%	18,1%	13,3%	15,7%

Other G4 portfolio (€m)



	2022	2023	2024	2025	2026	>2026	TOTAL	TOTAL YE 2021
Contract rent	3,2	1,2	2,2	6,0	2,4	8,5	23,5	23,0
ERV	3,2	1,1	2,2	6,1	2,4	8,9	24,0	23,4
# Contracts	176	27	30	30	25	35	323	316
Reversionary potential	-1,0%	-6,5%	-1,9%	1,7%	2,7%	4,6%	1,7%	1,7%

Other Netherlands portfolio (€m)



	2022	2023	2024	2025	2026	>2026	TOTAL	TOTAL YE 2021
Contract rent	1,0	1,2	4,4	1,8	2,1	3,9	14,4	15,8
ERV	1,0	1,2	4,6	1,8	2,2	3,9	14,7	15,5
# Contracts	61	15	19	17	11	21	144	153
Reversionary potential	0,6%	-0,4%	5,9%	-1,3%	7,0%	-1,9%	2,1%	-1,4%

1. The reversion for lease contracts due for renewal in 2021 is 22%, which is heavily skewed by Laanderpoort.
Adjusted for Laanderpoort, the reversion for leases due in 2022 is circa 8.5% and total reversionary potential of the portfolio is 5.0%

Consolidated financial statements
Income statement

(€ m)	Amsterdam	Other G4	Other Netherlands	Corporate[1]	TOTAL
Gross rental income	17.9	11.1	6.5		35.6
Service costs not recharged	-0.3	-0.2	-0.0		-0.5
Operating costs	-2.8	-2.4	-1.5		-6.7
Net rental income	**14.8**	**8.5**	**5.0**		**28.3**
Administrative costs				-4.6	-4.6
Earnings before interest and taxes	**14.8**	**8.5**	**5.0**	**-4.6**	**23.8**
Net financing result				-4.3	-4.3
Direct investment result before tax	**14.8**	**8.5**	**5.0**	**-8.9**	**19.5**
Corporate income tax				-0.0	-0.0
Direct investment result / EPRA earnings	**14.8**	**8.5**	**5.0**	**-8.9**	**19.5**
Revaluation of investment property	-14.5	7.3	12.8		5.6
Net result on sale of investment property		-0.1	-0.0		-0.1
Other indirect income and costs				-0.1	-0.1
Net financing result				2.4	2.4
Indirect investment result	**-14.5**	**7.1**	**12.8**	**2.3**	**7.8**
Total investment result	**0.3**	**15.7**	**17.9**	**-6.5**	**27.3**

1. The segment “Corporate” reflects costs and revenues that are not directly tied to properties

Consolidated financial statements

Balance sheet

(€ m)	30 June 2022	31 December 2021
Real estate investments	1,343	1,338
Other assets	24	22
Cash and cash equivalents	0	8
Total assets	**1,367**	**1,368**
Shareholders' equity	**958**	**948**
Interest bearing loans	370	390
Debts to credit institutions	6	0
Other liabilities	33	30
Total liabilities	**408**	**420**
Total shareholders' equity and liabilities	**1,367**	**1,368**

Consolidated financial statements

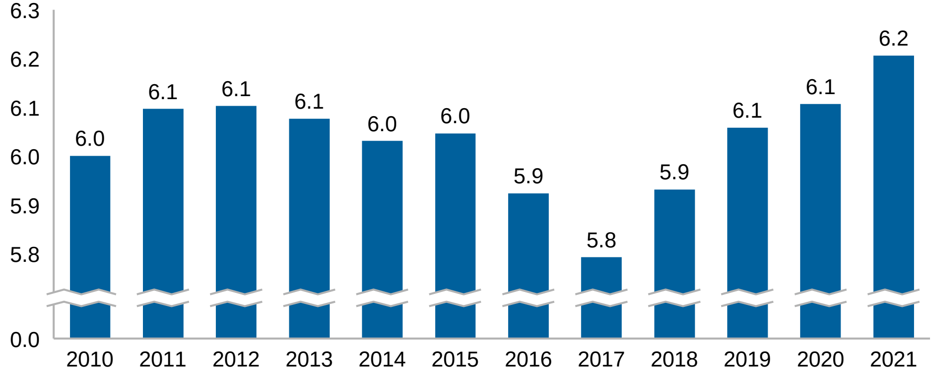
EPRA NAV /

(€ m)	30 June 2022		31 December 2021	
	EPRA NTA	per share	EPRA NTA	per share
IFRS Equity attributable to shareholders	**958**	**48.38**	**948**	**48.15**
Diluted NTA	**958**	**48.38**	**948**	**48.15**
Diluted NTA at fair value	**958**	**48.38**	**948**	**48.15**
Fair value of financial instruments	-0.1	-0.04	1.7	0.09
Intangibles as per IFRS balance sheet[1]	-0.0	-0.00	-0.1	-0.01
EPRA NTA	**957**	**48.34**	**950**	**48.23**
Fully diluted number of shares (m)	19.81		19.70	

1. Includes software licenses

Property market data
Amsterdam

Stock (m sqm)



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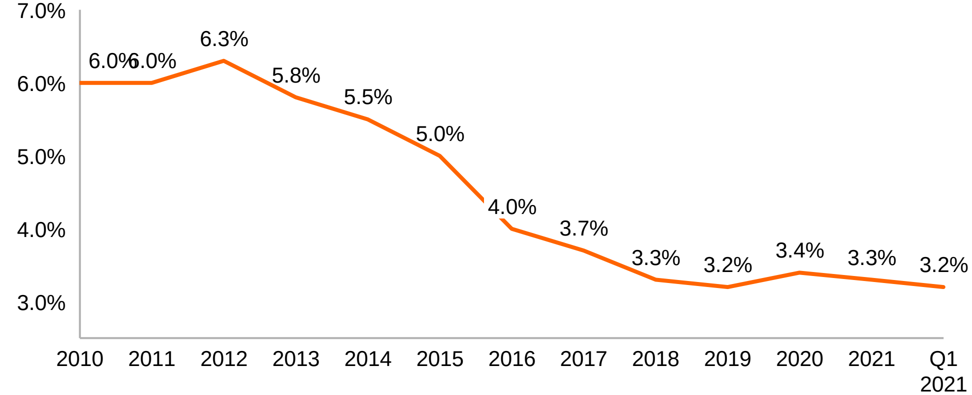
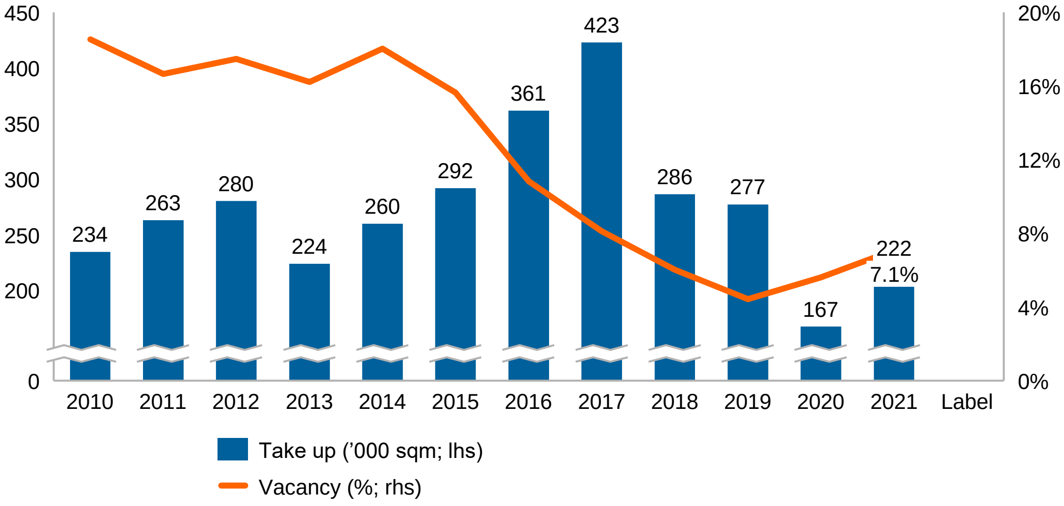
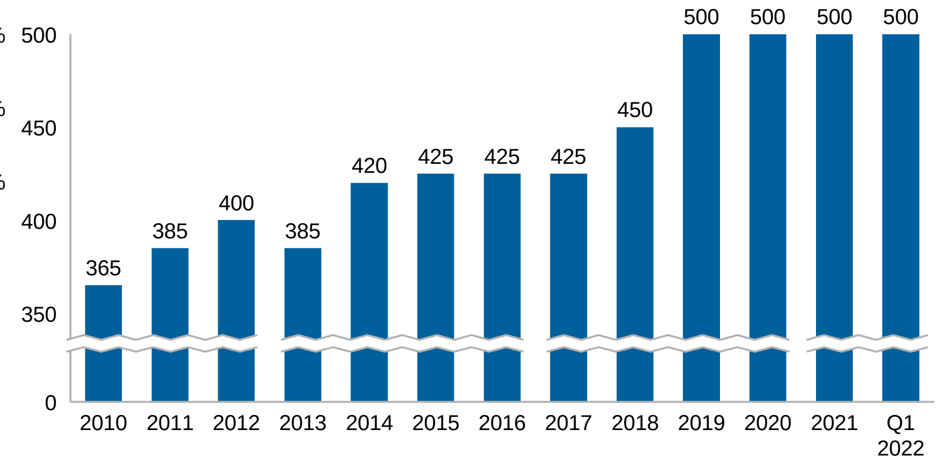


Vacancy rate and Take-up



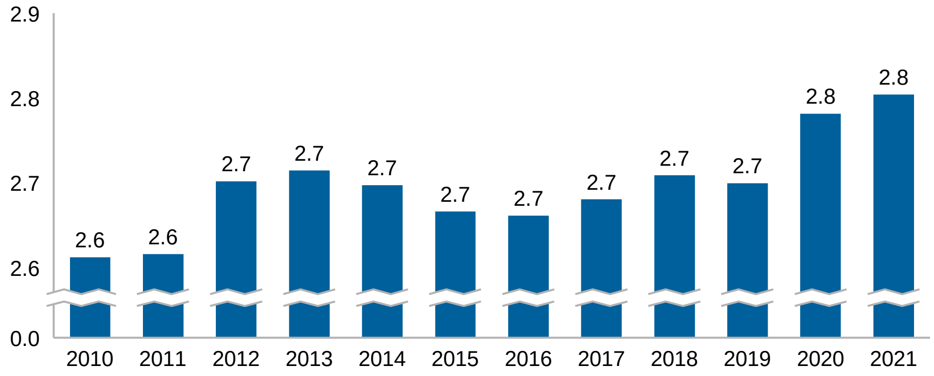
Prime rent (€)



Source: C&W 31-3-2022

Property market data
Utrecht

Stock (m sqm)



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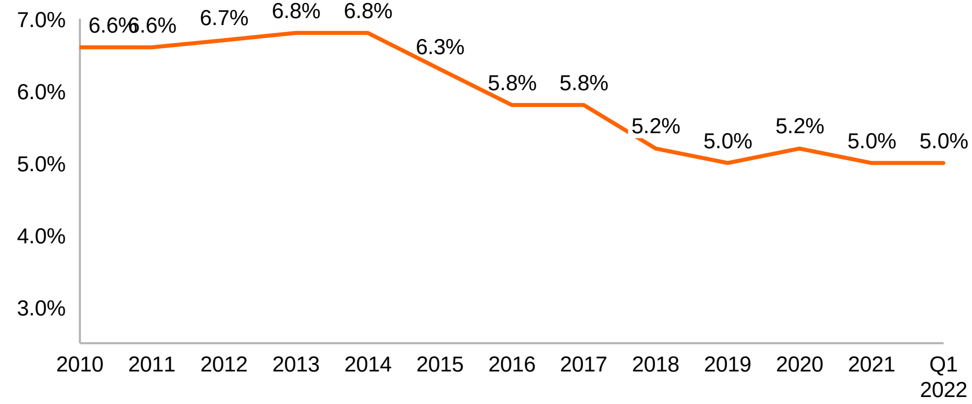
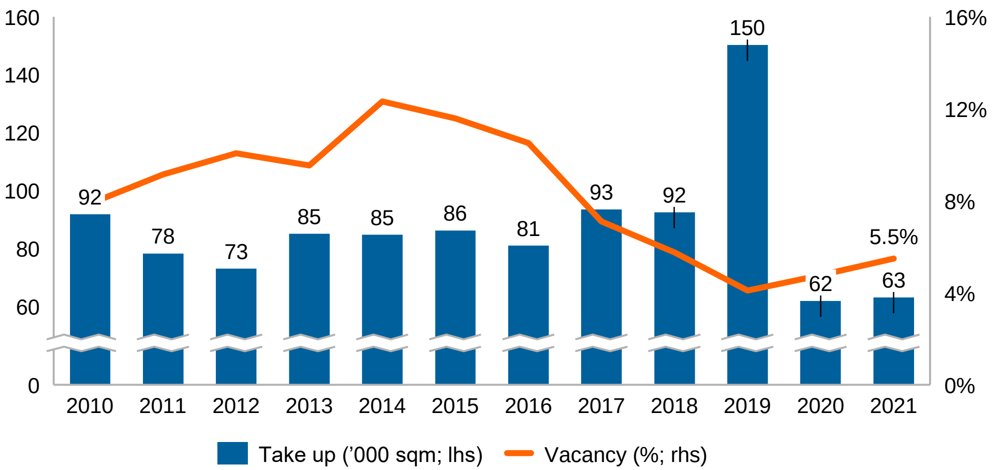
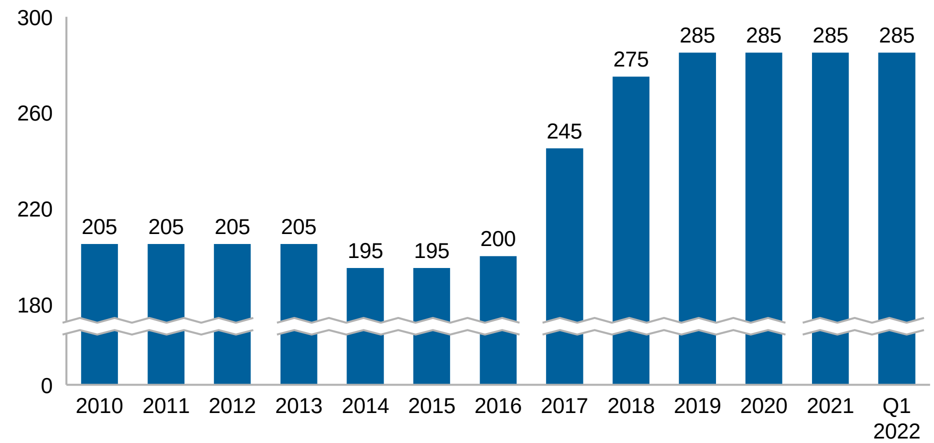


Vacancy rate and Take-up



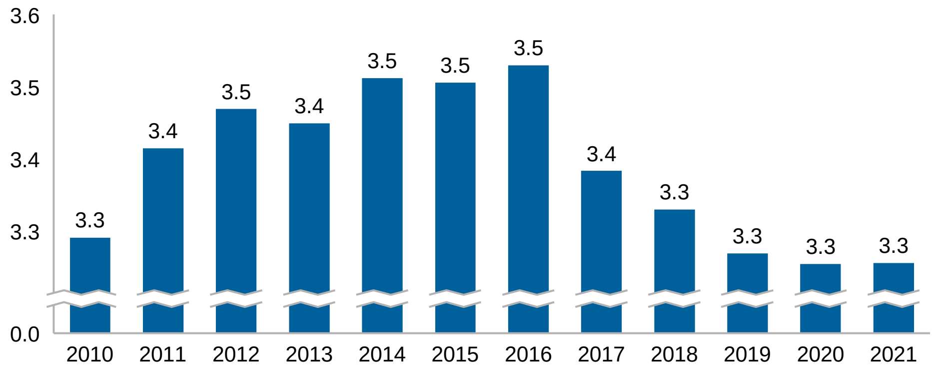
Prime rent (€)



Source: C&W 31-3-2022

Property market data
Rotterdam

Stock (m sqm)



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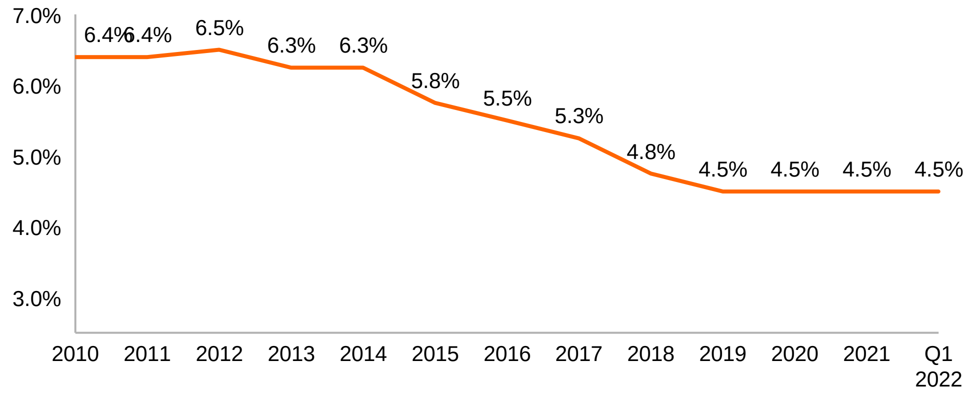
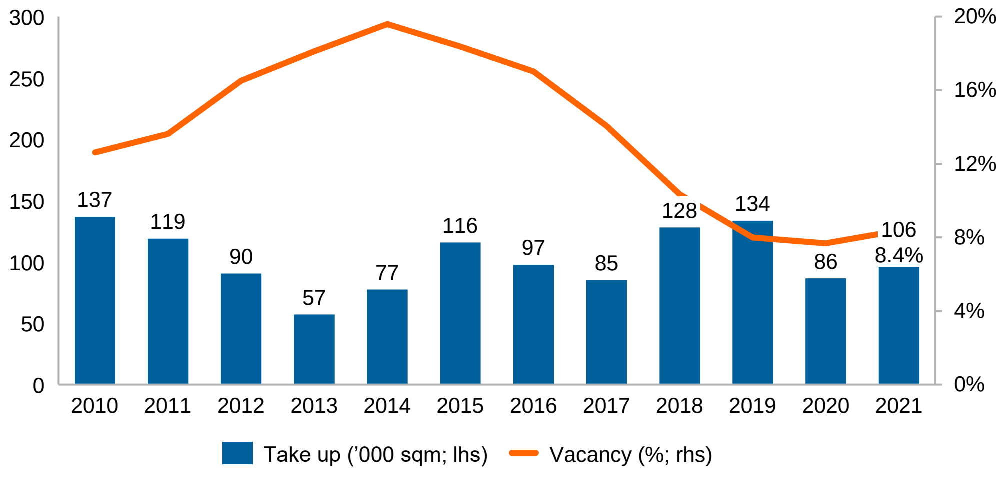
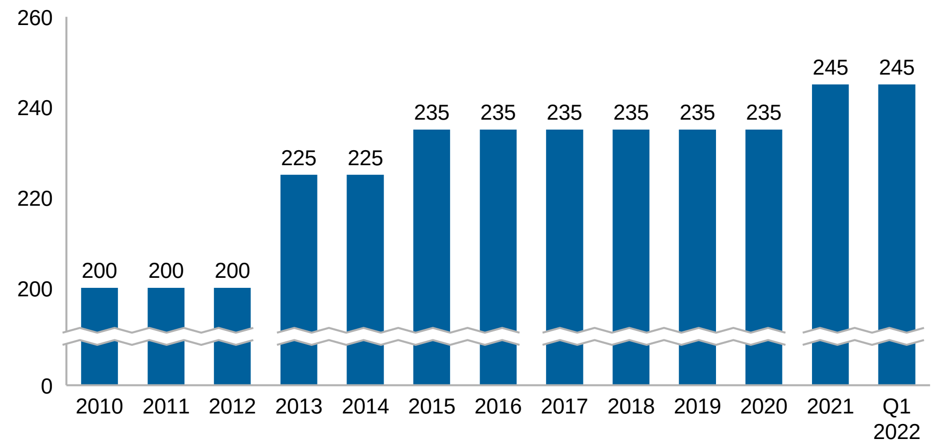


Vacancy rate and Take-up



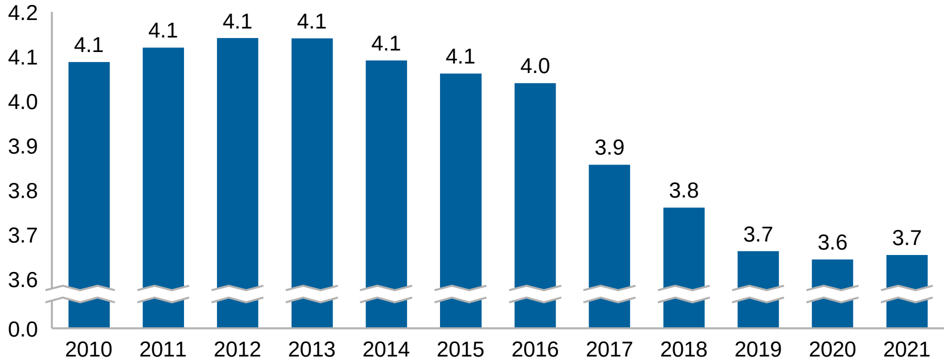
Prime rent (€)



Source: C&W 31-3-2022

Property market data
The Hague

Stock (m sqm)



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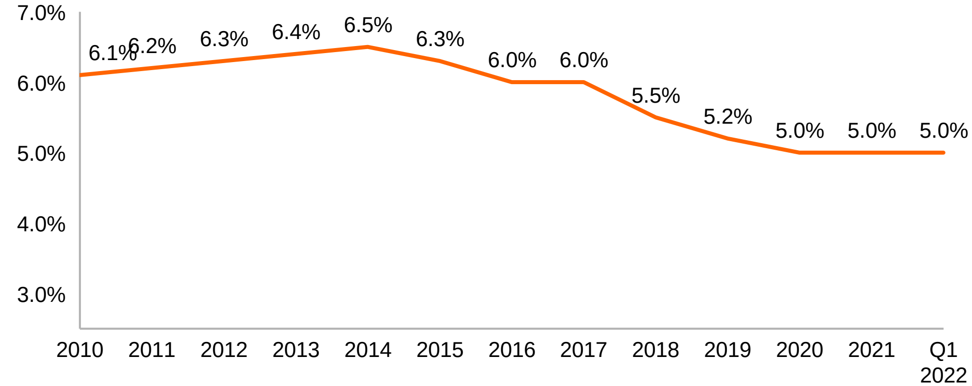
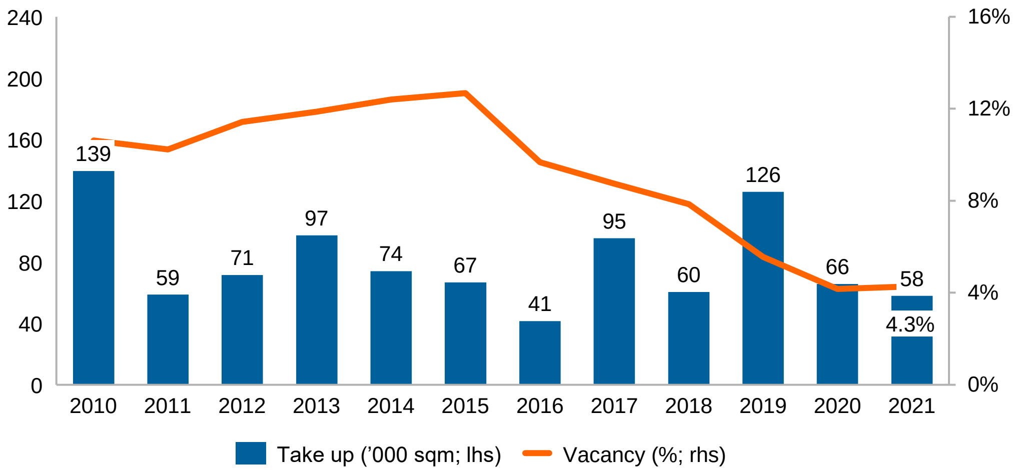
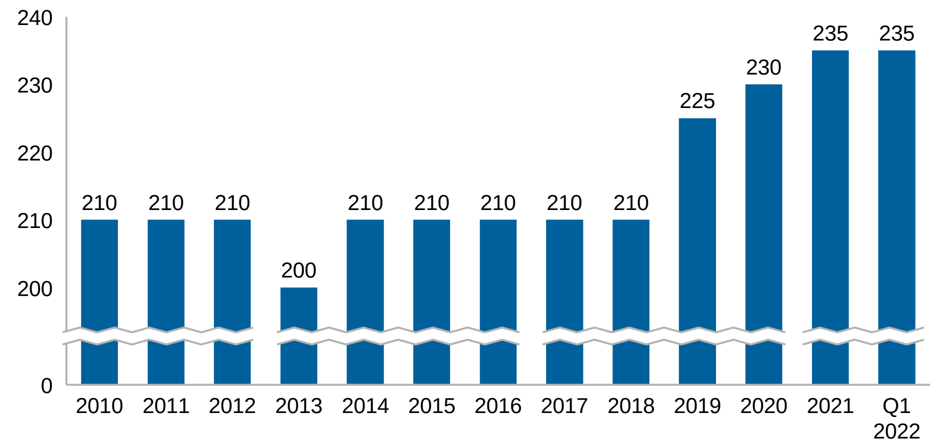


Vacancy rate and Take-up



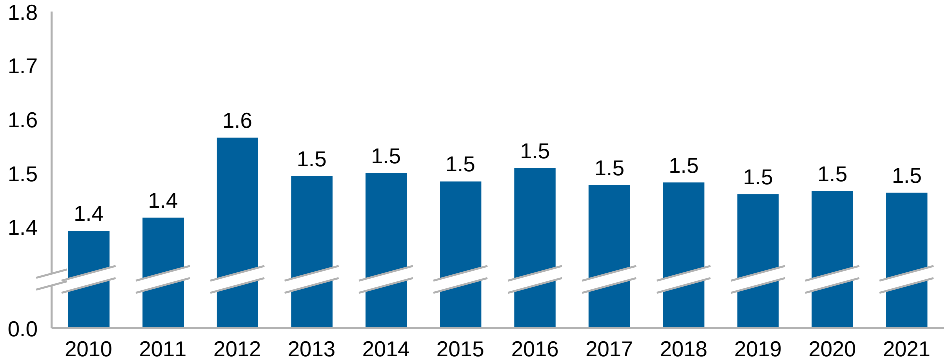
Prime rent (€)



Source: C&W 31-3-2022

Property market data
Eindhoven

Stock (m sqm)



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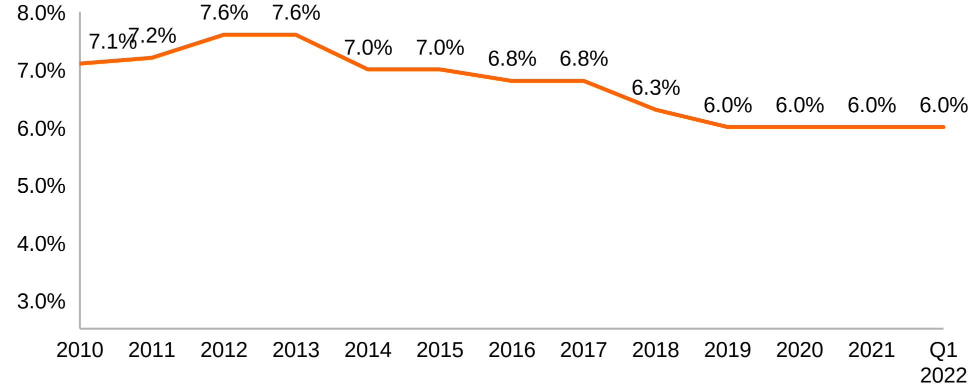
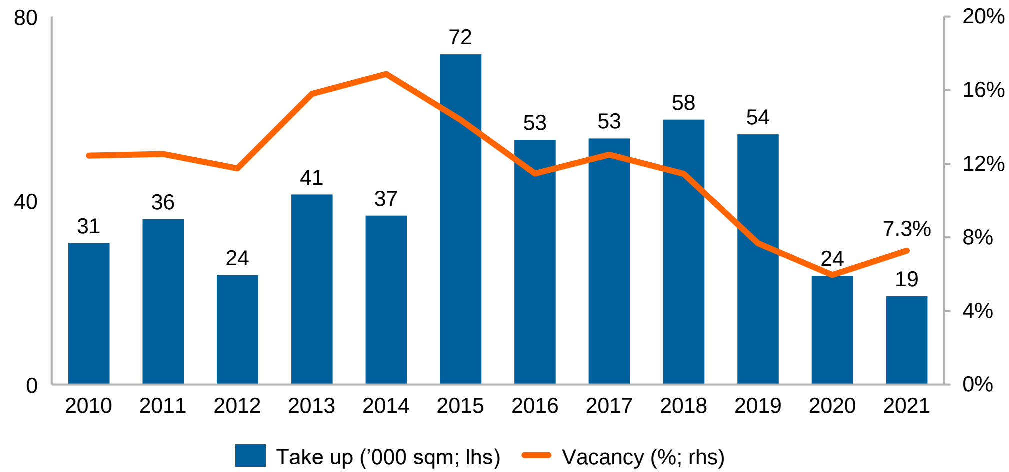
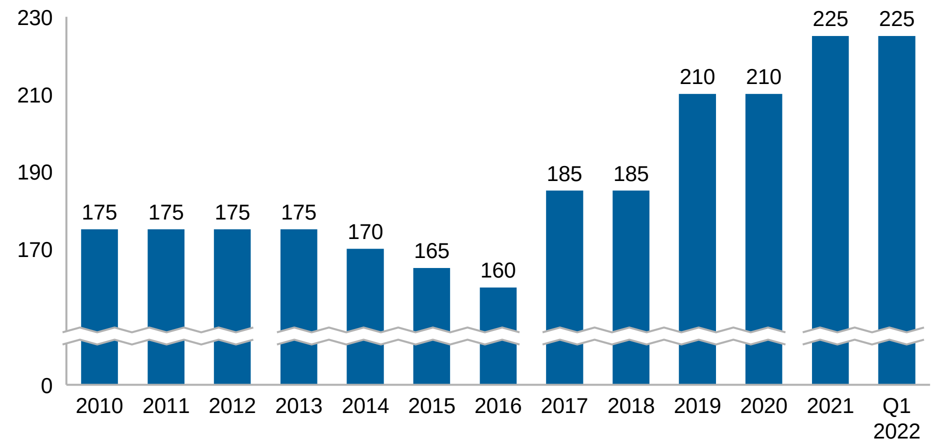


Vacancy rate and Take-up



Prime rent (€)



Source: C&W 31-3-2022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