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## **PRESS RELEASE**

### **NSI announces a €300 million equity placement**

**Hoofddorp, 8 November 2013 – NSI N.V. announces a €300 million equity placement to strengthen its balance sheet and enable the company to benefit from market opportunities.**

NSI announces a placement of new ordinary shares (the “Shares”) at an offer price of €4.00 per Share in order to raise €300 million (the “Placement”). The proceeds of the Placement will be used to strengthen the company’s balance sheet and take advantage of potential market opportunities in the Dutch market.

- The company is raising €300 million by offering 75 (seventy five) million new Shares in a private placement to qualified investors in the Netherlands and certain other jurisdictions.
- A group of investors, including CBRE Clarion Securities and Cohen & Steers UK Limited, have pre-committed to participate for a total amount of approximately €220 million.
- The remainder is underwritten by ABN AMRO, ING and Rabobank who will procure qualified investors to subscribe for these Shares.
- Payment for, and delivery of, the Shares is expected to take place no later than Wednesday, 27 November 2013, on which date the Shares are also expected to be admitted to listing and trading on NYSE Euronext in Amsterdam.

#### **Rationale**

- The Placement shows confidence of the market in the strength of NSI’s operational platform.
- It significantly strengthens the company’s balance sheet which will allow the company to create a more sustainable and solid financing structure going forward.
- The Placement will provide NSI with the financial flexibility to invest in attractive opportunities in the Dutch market.

The net proceeds of the Placement will lower NSI’s Loan-to-Value ratio (“LtV”) to around 45% post transaction (on a pro forma basis as at 30 September 2013) as a result of reducing certain of NSI’s term loans and committed revolving credit facilities, providing flexibility to re-use these funds for future investments. NSI intends to maintain the LtV ratio sustainably below 50%.

In connection with the improvement of the balance sheet by this Placement, NSI has negotiated with its lending banks involved in this transaction more favorable financing terms to lower its average costs of funds, and will initiate negotiations with all its other lending banks.

To further align management and shareholders’ interests, management will participate in the Placement by subscribing for Shares under the same conditions as the group of investors. The Shares will rank pari passu in all respects with NSI’s existing issued ordinary shares, including the final dividend over the year 2013.

According to the dividend policy, the company was due to pay dividends in shares over the third quarter, as the LtV ratio post-dividend exceeds 60%. However, in light of the Placement, this stock dividend over the third quarter will be foregone. The Placement will bring the LtV ratio to below the 55% threshold in the dividend policy, which corresponds with a pay-out ratio of 85 to 100% in cash going forward.

**Johan Buijs, CEO of NSI:**

*"With the transaction announced today, we significantly recapitalize our company and create the fundament for our further sustainable and profitable growth.*

*We have been hit hard by the developments in the real estate sector, causing significant revaluations in our portfolio. Since the start of the crisis in 2008, revaluations almost halved the value of our Dutch office portfolio. At the same time availability of funding decreased, which caused a sharp rise in costs of funding.*

*Until now NSI succeeded in managing its LtV by disposing assets, meaning selling rental income as well, and retaining dividend. Due to the long lasting crisis, this route did however not allow us to deliver on our commitment to reduce our LtV to below 55%. The situation became even more complicated when one of our larger shareholders came under pressure.*

*We now see the first signs that the investment market is gaining momentum. Moreover, we identified a returning appetite amongst investors for the Dutch real estate market, which provided a good opportunity to recapitalize the company now.*

*With our advisors, we have carefully explored all relevant options available to NSI. The current structure consisting of an equity placement with qualified investors, of which a large part is pre-placed and the remainder underwritten, is the preferred alternative as it minimizes the market and execution risk of the transaction and provides certainty of funds within a short timeframe. The equity raise of €300 million, of which around €220 million is pre-placed with a number of reputable investors, significantly deleverages the balance sheet and reduces our cost of funds. The improved balance sheet is an important prerequisite to evolve to a more diversified funding base and to improve our capital structure even further.*

*The proceeds will not only be used for reducing our debt, but also to benefit from current market opportunities. In particular the Dutch office market is at a low point of the value cycle and we see sufficient good quality supply at attractive price levels. This will allow us to further leverage our scalable operational platform.*

*I am proud that the reputable investors participating in the pre-placement identified the strength of our operational platform, and NSI's ability to play a consolidator role in the current market. At the same time we regret that there was no way to achieve this without significant dilution of our existing shareholder base. Nevertheless we are convinced that this transaction is in the best interest of all stakeholders, including our current shareholders."*

ABN AMRO, ING and Rabobank have acted as Joint Financial Advisors and are acting as Placement Agents. ABN AMRO is acting as Listing & Settlement agent. By no later than Friday, 22 November 2013, NSI expects to publish a listing prospectus in connection with the admission to listing and trading of the Shares on NYSE Euronext in Amsterdam. The Placement is subject to the placement agreement entered into by the Placement Agents and NSI having become unconditional and not having been terminated. NSI has agreed to a lock-up with ING, Rabobank and ABN Amro until 180 days after the date on which payment for, and delivery of, the Shares takes place, subject to customary exemptions.

Also Kempen & Co acted as Financial Advisor to the Company regarding this transaction.

This announcement is made pursuant to Section 5:25i of the Dutch Financial Supervision Act.

NSI will host conference calls to discuss the announcement of its equity placement.  
A presentation is available on the website ([www.nsi.nl](http://www.nsi.nl))

Media are invited to join a call starting at 8:15 am CET .  
Dial-in: + 31 (0) 45 63 16 902 or + 44 207 153 20 27.

Analysts and investors are invited to join a call starting at 9:30 am CET.  
Dial-in: + 31 (0) 45 63 16 905 or + 44 207 153 20 27.

### **About NSI**

NSI offers tenants sustainable accommodation that entitles them to run their businesses successfully over the long term, so that institutional and individual investors are offered a rising return on their invested assets. NSI invests in office and retail properties at prime business locations in the Netherlands and Belgium. NSI is a listed closed-end property investment company with variable capital and manages assets of approximately €1.9 billion.

### **INVESTOR RELATIONS / PRESS CONTACTS**

For more information, please contact:

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