

## OTHER DATA

### Appraisers

All investment properties in the portfolio have been appraised externally in June and December by qualified international firms Colliers, JLL, CBRE and Cushman & Wakefield. Appraisal methods are compliant with international standards and guidelines as defined by RICS (Royal Institution of Chartered Surveyors).

	% assets	% value
Colliers	26.5%	24.8%
CBRE	29.4%	34.1%
JLL	35.3%	36.4%
Cushman & Wakefield	8.8%	4.7%
<b>Total</b>	<b>100%</b>	<b>100%</b>

### Top 10 tenants

Tenant	# lease contracts	% of total contracted rent
Government	11	14.3%
Spaces	3	8.3%
KPN	7	6.3%
Janssen Vaccines & Prevention.	2	3.9%
ING Bank	5	3.7%
Staples International Group Services	1	1.7%
Ahold Real Estate	9	1.6%
ABN AMRO Bank	1	1.6%
Primark Netherlands	1	1.3%
BDO Holding	1	1.2%
<b>Grand Total</b>	<b>42</b>	<b>40.4%</b>

# NSI SHARE

## Investor relations

NSI strives for a high degree of transparency and continuous communication with existing and potential shareholders, as well as other stakeholders. NSI is committed to providing information through means of road shows, presentations, press releases, quarterly reports, annual reports and other publications, as well as via the Company's website. All relevant publications are placed on the Company's website.

## Share capital

At 1 January 2019 NSI had 18,574,298 ordinary shares outstanding. During 2019, in total 343,466 shares have been issued and distributed in relation to the distribution of stock dividend (final 2018 dividend and interim 2019 dividend). At 31 December 2019 NSI had 18,917,764 ordinary shares outstanding.

## Share Listing

The NSI share is listed on Euronext (registered under code 29232; ISIN code: NL0000292324; Ticker symbol: NSI). The NSI share has an option listing on Euronext Liffe, the derivatives stock exchange of the Euronext (Ticker symbol: NSI).

## Major Shareholders

Pursuant to the Dutch Financial Markets Supervision Act (Wet op het Financieel toezicht) the Netherlands Authority Financial Markets (Autoriteit Financiële Markten) was notified of the following statement of interest of 3% or more in NSI up to 31 December 2019.

	31 December 2019
ICAMAP Investments SARL	10.0%
BlackRock, Inc.	5.0%
Phoenix Insurance Company Ltd.	3.7%
APG Asset Management N.V.	3.3%
Norges Bank	3.0%

## Financial Calendar

Publication trading update Q1 2020	16 April 2020
Annual General Meeting	24 April 2020
Publication annual half year results 2020	13 July 2020
Publication trading update Q3 2020	22 October 2020

## Dividend policy and Dividend distribution

NSI's dividend policy is to distribute at least 75% of the direct result. The dividend is distributed in cash or optional in stock at the discretion of the Management Board. NSI distributes dividend twice a year.

Ex-dividend date (final dividend 2019)	28 April 2020
Record date	29 April 2020
Dividend election period	30 April - 14 May 2020
Payment of final dividend	19 May 2020

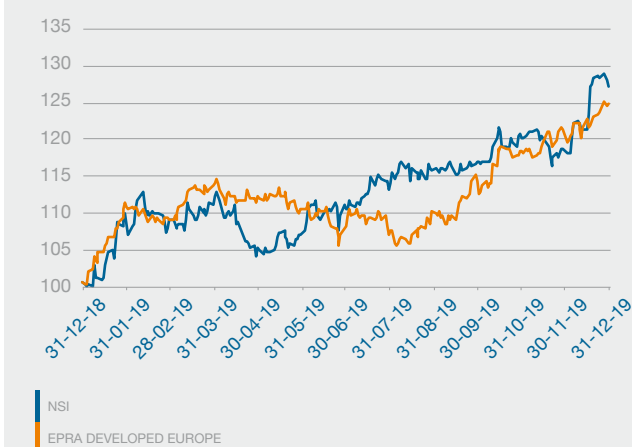
## Dutch REIT (FBI)

NSI qualifies as a Dutch real estate investment trust (fiscale beleggingsinstelling or FBI) within the context of Article 28 of the Dutch Corporate Income Tax Act 1969 (Wet op de vennootschapsbelasting 1969), which means that NSI is zero-rated for corporate income tax on its investment result. The Act stipulates certain conditions for this, such as the obligation to pay out the total fiscal profit as a dividend.

## Performance of the NSI share

Share price low	€33.90
Share price high	€43.95
Closing price on 31 December 2019	€43.40
Proposed dividend per share for the 2019 financial year	Total €2.16 Interim €1.12 <sup>1</sup> Final €1.04
# outstanding shares outstanding at 31 December 2019	18,917,764
Market capitalisation at 31 December 2019	€821 million

## Share price development



<sup>1</sup> already paid as interim dividend in August 2019

# GLOSSARY

## ASSETS HELD FOR SALE

Investment property will be reclassified to assets held for sale if it is expected that the carrying amount will be recovered principally through disposal rather than from continuing use. For this to be the case, the concerning investment property must be available for immediate sale in its present condition, taking into account the common terms for sale of such property and its sale must be highly probable. This means the property must be actively marketed for sale at a price that is reasonable compared to its current market value and the sale should be expected to be effectuated within one year from the date of reclassification.

## AVERAGE RENT PER SQM (€ P.A.)

The total annual contracted rent divided by the total leased square meters.

## 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 beleggings-instelling 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 EPS)

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

## 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.

## 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.

## 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-to-day 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-on-year 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 reflects fair value of net assets on an ongoing, long-term basis. Assets and liabilities that are not impacting the company on the long-term, as the fair value of financial derivatives and deferred taxes, are therefore excluded.

### (NRV, NTA, NDV, EPRA DEFINITION)

see EPRA BPR guidelines on EPRA website: <https://www.epra.com/finance/financial-reporting/guidelines>

### 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 SALES 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.

### RANDSTAD

The Randstad is the central-western area of the Netherlands, consisting primarily of the four largest Dutch cities (Amsterdam, Rotterdam, The Hague and Utrecht) and their surrounding areas.

### 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 RE-LETTINGS AND RENEWALS)

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).

### TARGET CITIES

Target cities G4 refers to the locations Amsterdam, The Hague, Rotterdam, Utrecht, Eindhoven, Den Bosch and Leiden, being the focus cities of NSI in the Netherlands.

### TRIPLE NET ASSET VALUE (EPRA NNAV)

The EPRA NNAV is designed to provide a spot measure of NAV including all assets and liabilities at fair value. This measure adjusts the EPRA NAV for the market to market of the financial instruments, debt and deferred taxes.

### 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.

- 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<sup>1</sup>: 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.

# PROPERTY LIST

## Offices

Property	Property address	City	Form ownership	NEN-area	Year construction / major renovation	Year acquisition
1. De Hoefse Wing	Printerweg 1-55	Amersfoort	Freehold	8,891	1991	1999
2. Centerpoint I	Hoogoorddreef 60	Amsterdam	Leasehold	8,952	2007	2015
3. Centerpoint II	Hoogoorddreef 62	Amsterdam	Leasehold	6,292	1988	2015
4. Cruquiusweg	Cruquiusweg 111	Amsterdam	Freehold	3,278	2006	2007
5. Donauweg	Donauweg 2B	Amsterdam	Leasehold	4,606	2001	2001
6. Hettenheuvelweg I	Hettenheuvelweg 37-39	Amsterdam	Leasehold	2,474	1987	1997
7. Hettenheuvelweg II	Hettenheuvelweg 41-43	Amsterdam	Leasehold	2,480	1988	1997
8. Hogehilweg	Hogehilweg 12	Amsterdam	Leasehold	3,143	1985	1997
9. Koningin Wilhelminaplein	Koningin Wilhelminaplein 18	Amsterdam	Leasehold	5,019	1995	1997
10. Laanderpoort	Bijlmerdreef 100	Amsterdam	Leasehold	12,739	2013	2017
11. Motion Building	Radarweg 60	Amsterdam	Leasehold	15,922	1992	2018
12. Q-Port	Kingsfordweg 43-117	Amsterdam	Leasehold	12,771	2001	2018
13. Solaris Eclips	Arlandaweg 98	Amsterdam	Leasehold	4,151	2001	2001
14. Glasshouse	Changiweg 130, Teleportboulevard 121-133	Amsterdam	Leasehold	22,981	2009	2016
15. Trivium	Derkinderenstraat 2-24	Amsterdam	Leasehold	8,315	2000	2019
16. Vitrum	Parnassusweg 101, 103, 126, 128	Amsterdam	Leasehold	11,612	2013	2017
17. Vivaldi Offices I	Barbara Strozziilaan 201-229	Amsterdam	Leasehold	9,493	2009	2015
18. Vivaldi Offices II	Barbara Strozziilaan 101-125	Amsterdam	Leasehold	8,778	2009	2015
19. Delf-Techpark	Delftechpark 35-37	Delft	Freehold	2,817	2001	2002
20. Het Binnenhof	Magistratenlaan 156-186	Den Bosch	Freehold	10,436	2005	2015
21. Bentinck Huis	Lange Voorhout 7	Den Haag	Freehold	6,048	1992	2018
22. Bezuidenhoutseweg	Bezuidenhoutseweg 2	Den Haag	Freehold	1,876	1986	1996
23. De Rode Olifant	Zuid-Hollandlaan 7	Den Haag	Freehold	9,993	1993	2007
24. Neuhuyskade	Neuhuyskade 92-94	Den Haag	Freehold	2,687	1928	2008
25. Fellenoord	Fellenoord 310-370	Eindhoven	Freehold	4,183	1987	1996
26. Hooghuisstraat / Keizersgracht	Hooghuisstraat 18-30, Keizersgracht 3-11	Eindhoven	Freehold	10,917	1970	2008
27. Kennedyplein	Kennedyplein 101	Eindhoven	Freehold	6,643	2000	2017
28. Beukenhaghe	Neptunusstraat 15-37	Hoofddorp	Freehold	4,754	1991	1991
29. Kruisweg I	Kruisweg 661-665	Hoofddorp	Freehold	1,057	1998	1998
30. Kruisweg II	Kruisweg 577	Hoofddorp	Freehold	1,620	2000	2000
31. Wegalaan	Wegalaan 2-8	Hoofddorp	Freehold	2,961	2005	2006
32. Archimedes	Archimedesweg 17-25	Leiden	Leasehold	2,522	2001	2001
33. Archimedesweg I	Archimedesweg 6	Leiden	Leasehold	7,239	2000	2017
34. Archimedesweg II	Archimedesweg 30	Leiden	Leasehold	2,686	1999	2019
35. Newtonweg	Newtonweg 1	Leiden	Leasehold	9,408	1993	2015
36. Stationade II	Schipholweg 68	Leiden	Freehold	2,292	1991	1998
37. Alexanderhof	Marten Meesweg 141-145	Rotterdam	Freehold	3,095	1987	2015
38. Alexanderpoort	Marten Meesweg 93-121	Rotterdam	Freehold	9,324	2010	2015
39. Haringvliet	Haringvliet 72	Rotterdam	Freehold	2,962	2003	2009
40. Hoofdveste	Hoofdweg 216-222, 224, 228	Rotterdam	Leasehold	2,409	1994	1996
41. Hoofdweg	Hoofdweg 230-236	Rotterdam	Leasehold	1,996	1994	2000
42. Park Office	K.P. van der Mandelelaan 41-43	Rotterdam	Leasehold	7,367	2008	2006
43. Vareseweg	Vareseweg 105-109	Rotterdam	Leasehold	6,306	2001	2001
44. Veerhaven	Veerhaven 16-18	Rotterdam	Freehold	1,641	2002	1996
45. Veerkade	Veerkade 1-9C	Rotterdam	Freehold	5,783	1915	2000
46. Jacobsweerd	Sint Jacobsstraat 200-499	Utrecht	Freehold	14,779	1987	2018
47. Uniceflaan	Uniceflaan 1	Utrecht	Leasehold	12,083	1989	2017
48. Europaweg	Europaweg 205	Zoetermeer	Freehold	7,172	1991	1997

**HNK**

Property	Property address	City	Form ownership	NEN-area	Year construction / major renovation	Year acquisition
1. HNK Amsterdam Houthavens	Van Diemenstraat 20-200	Amsterdam	Leasehold	10,513	2014	1999
2. HNK Amsterdam Schinkel	Anthony Fokkerweg 1	Amsterdam	Freehold	5,373	2018	1997
3. HNK Amsterdam Zuidoost	Burgemeester Stramanweg 102-108	Amsterdam	Freehold	11,403	2016	1997
4. HNK Apeldoorn	Boogschutterstraat 1-41	Apeldoorn	Freehold	13,969	2014	2002
5. HNK Den Bosch	Europalaan 28	Den Bosch	Freehold	7,513	2014	1997
6. HNK Den Haag	Oude Middenweg 3E, 11-19	Den Haag	Freehold	14,390	2014	2008
7. HNK Dordrecht	Burgemeester De Raadsingel 93B-C	Dordrecht	Freehold	5,764	2016	2008
8. HNK Ede	Bennekomseweg 41-43	Ede	Freehold	9,898	2014	2007
9. HNK Groningen	Zernikepark 12	Groningen	Freehold	3,260	2014	2002
10. HNK Hoofddorp	Antareslaan 65-81	Hoofddorp	Freehold	3,195	2013	1998
11. HNK Rotterdam Centrum	Westblaak 180	Rotterdam	Leasehold	8,395	2016	2001
12. HNK Rotterdam Scheepvaartkwartier	Vasteland 42-110	Rotterdam	Freehold	21,532	2012	2008
13. HNK Utrecht Centraal Station	Arthur van Schendelstraat 650-698, 700-748	Utrecht	Leasehold	8,884	2015	2006
14. HNK Utrecht West	Weg der Verenigde Naties 1	Utrecht	Leasehold	2,961	2013	2007

**Other**

Property	Property address	City	Form ownership	NEN-area	Year construction / major renovation	Year acquisition
1. De Hagenborgh	Hagenborgh 1-217, Schouwburgplein 11-30	Almelo	Freehold	3,483	1989	2000
2. 't Loon	Apollolaan 22-31, 154, Homeruspassage 1-17	Heerlen	Freehold	22,228	2003	2002
3. Zuidplein	Zuidplein 2-65, 480-622, Zuidplein Hoog 605, 869C, Zuidterras 127, 128, 152, 154	Rotterdam	Leasehold	21,648	2001	2001