

# VGP: Part Developer and Part Investment Property Investor

## VGP's Property Portfolios at End-2024

Asset class	Industrial and logistics parks
Portfolio size	VGP investment properties and held-for-sale: EUR2.1bn JVs at 100%: EUR5.9bn
Geographies	Continental Europe Group with JVs at 100%: Germany (52%), Czech: (12%), Spain (8%), The Netherlands, Slovakia, Romania and Hungary (4% each), Austria and Italy (3% each), France 2%, Others (total 4%)
Weighted average yield	VGP portfolio: 7.22% JVs portfolios: 5.05%
Vacancy rate	VGP: 4.5% JVs: 1.9%
Weighted average lease (earliest-break basis)	VGP: 9.0 years JVs: 6.9 years

Source: Fitch Ratings, VGP N.V.

## Property Development for Bespoke JVs

VGP N.V. (BBB-/Stable) sources land across continental Europe to develop industrial and logistics parks which, pre-let and developed, are transferred to existing bespoke pre-funded joint ventures (JVs) with Allianz Real Estate, Deka Immobilien and Ariem as co-equity investors. Cash proceeds from JV monetisations substantially repay VGP's cost-to-build outlay. VGP retains a 50% stake in the JVs.

Although primarily a property developer, VGP retains a stake in the JVs' investment properties. These new-build industrial and logistics units have solid investment property characteristics of good locations, high occupancy, long-dated leases, CPI-indexation rents, reversionary potential, and quality green credentials, with geographic and tenant diversity.

After having navigated development activity risks through to newbuild completion, VGP then benefits from recurring income streams from asset management fees, cash dividends and subordinated fundings' interest income from the JVs, supporting its stable investment-grade financial profile.

## Cash-Generative and Green Monetisations

The transfers of VGP's completed and pre-let investment properties to JVs totalled EUR0.9 billion in 2024 (2023: EUR1 billion). They fulfil the latest ESG credentials. VGP's ESG commitments include its comprehensive sustainability framework covering land sourcing, design, construction, green leasing, battery storage, and energy-production solar panels for some tenants' energy requirements. Consequently, a high proportion of VGP's units have high BREEAM certification.

Including the new Deka and Ariem JVs, which have lower initial bank funding loan-to-value ratios (LTVs), Fitch Ratings calculates that 2024 transfers realised, as cash, 97% of at-transfer value, thus substantially repaying VGP's cost-to-build (including land) cash outlay.

## Europe's Light-Industrial Tenant Base

Compared with logistics-favouring peers, a high 65% of VGP's 2024 lettings were to light-industrial tenants, some in modern manufacturing industries and processes. This spans battery research and production, autonomous cars, and plastic coverings for auto; satellites; semiconductor production-related; as well as more traditional food production and a brewery. Tenants are seeking space for onshoring, Asian manufacturers are seeking space in Europe, and new industries require ESG-compliant, more efficient, space. Lettable space was 47% logistic, 34% light-industrial, 17% ecommerce and 2% other at end-2024.

## Sector Fundamentals Remain Solid

There is limited land supply in the main European logistics markets, and low levels of speculative development (hence the market's low vacancy rates), which supports higher rents (with conducive supply and demand, and rents increasing with CPI-indexation).



### Related Research

[Fitch Affirms VGP NV at 'BBB-'; Outlook Stable \(01 September 2025\)](#)

[EMEA Real Estate Logistics Property Companies – Relative Credit Analysis \(February 2025\)](#)

[EMEA Real Estate - The Adverse Effects of Rising Interest Rates: 2024 Update \(December 2024\)](#)

[Climate Vulnerability Signals for Non-Financial Corporate Sectors \(August 2024\)](#)

### Analysts

John Hatton  
+44 20 3530 1061  
[john.hatton@fitchratings.com](mailto:john.hatton@fitchratings.com)

Pawel Jagiello  
+ 48 22 103 3033  
[pawel.jagiello@fitchratings.com](mailto:pawel.jagiello@fitchratings.com)

## Recurring Income to VGP's Financial Profile

The rental income stated in VGP's income statement does not provide a full picture as it is an accountant's attributed rent from completed assets held for a transitional period before they are sold-on to the JVs. More recurring and durable are the asset management and facilities management fees that VGP receives from the JVs as well as income from construction loans and shareholder loans, which supports its investment-grade profile. In the financial year to end-2024 (FY24), JVs totalled EUR5.9 billion (at 100%) of investment property, and upstreamed EUR85.6 million of "excess" cash distributions (2023: EUR82 million) to VGP.

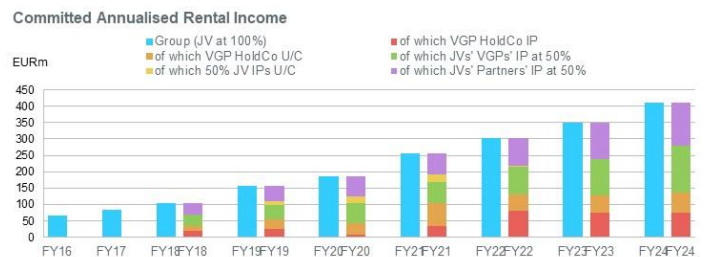
Fitch uses VGP's committed annualised rental income figures to compile a 'fail-safe' financial profile for the rated entity (i.e. if there were no more monetisations to JVs and VGP had to complete property developments for itself to hold).

VGP's financial profile is substantially pre-let, with a weighted average lease length of 9.7 years and net investment yield (NIY) of 7.0%-6.0% depending on the country mix. This compares well with peers such as Titanium Ruth Holdco Limited (BBB-/Stable), SELP Financial SARL (BBB/Stable), and AXA Logistics European Master S.C.A., Warehouses de Pauw NV/SA and Montea NV (all 'BBB+/Stable), which have less development activity, and UK entity SEGRO PLC (also 'BBB+/Stable), which has active, measured development activities.

## Committed Annualised Rental Income

The company defines its period-end committed annualised rental income as the annualised rental income generated or to be generated by signed lease agreements of which the start date is already in effect or will be in effect in the future.

VGP's EUR412.6 million (JVs at 100%) committed annualised rental income at end-2024 included existing and prospective rental income to be funded on VGP's balance sheet, and existing completed assets within the JVs. It is equivalent to a rent roll figure.



Source: Fitch Ratings, VGP. IP = Investment Property U/C = Under Construction

## VGP's Pre-Let and Occupancy Profile

	Under construction pre-let (%)	VGP portfolio occupancy (%)	JV portfolio occupancy (%)
End-2024	74	95.5	98.1
End-2023	77 <sup>a</sup>	98.8	99.0
End-2022	89	98.5	99.1
End-2021	83	99.3	99.4
End-2020	79	100.0	98.0

<sup>a</sup>This rose to 94% let in the delivered portfolio of 2024

Source: Fitch Ratings, VGP

Using these pre-let rental gross rental income figures, Fitch has compiled two financial profiles to assess, firstly, VGP as a holding company (holdco) and, secondly, its proportionally consolidated financial profile, both discussed on the following pages.

VGP as Holdco

(EURm)	2022	2023	2024
<b>Summary income statement</b>			
Net rental income (NRI) – annualised rent	125.3	119.4	128.7
JV asset, facilities and development fees	21.5	26.9	32.7
Administration expenses <sup>a</sup>	-12.5	-11.9	-12.9
Renewable energy EBITDA	3.9	1.6	5.4
Operating profit	136.9	133.6	154.0
Interest income from JVs and associates	17.3	27.5	12.5
Dividend capacity from JVs <sup>b</sup>	39.5	61.7	87.0
Add back depreciation (excluding renewable energy)	0.6	0.7	0.8
<b>EBITDA: JV dividend capacity</b>	<b>198.0</b>	<b>228.2</b>	<b>254.2</b>
Alternative: use actual dividends from JVs	60.0	82.0	85.6
<b>EBITDA: actual cash dividends from JVs</b>	<b>216.2</b>	<b>246.1</b>	<b>252.9</b>
Interest expense <sup>c</sup>	-74.4	-73.6	-71.5

Summary balance sheet

VGP opening net debt	1,649	1,753	1,530
Capex to achieve annualised rent	475	350	512
VGP closing net debt	2,124	2,103	2,042
VGP opening investment property (IP) and held for sale (H4S)	2,696	2,402	2,104
Capex to achieve annualised rent	475	350	512
VGP closing IP and H4S	3,171	2,752	2,616
of which development land	779	796	669

Financial ratios using dividend capacity

Gross interest coverage ratio (x)	2.6	3.1	3.6
Net debt/EBITDA (x)	10.7	9.2	8.0

Financial ratios using actual cash dividends from JVs

Gross interest coverage ratio (x)	2.9	3.3	3.5
Net debt/EBITDA (x)	9.8	8.5	8.1
LTV (excluding development land and JV equity stakes; including 30% (2022: 20%) gain on incremental capex) (%)	85	104	97

<sup>a</sup> Fitch assumes administration expenses at 10% of NRI

<sup>b</sup> Dividend capacity from JVs taken from JVs' EBITDA less their interest expense an assumed 3.5% cost of debt

<sup>c</sup> Interest expense at an assumed average 3.5% cost of debt, including 2023 and 2024 30% (2022: 20%) revaluation uplift on incremental capex  
Source: Fitch Ratings, VGP N.V.

VGP as Holdco Financial Profile

This profile shows VGP as a holdco, adding the capex needed to achieve the relevant pre-let committed annualised rental income to the company's end-2024 net debt, assuming no more transfers of completed buildings to the JVs.

This profile is most relevant to VGP's bondholders, as the less relevant rental income in VGP's actual income statement is transitional (reflecting its part-year investment properties and held-for-sale assets, as they transition to the JVs).

To this financial profile of prospective backbone rental income, Fitch has added the actual recurring fees from the JVs, VGP's cash dividend from the JVs of EUR85.6 million in 2024 (or the JVs' profit before tax implied dividend capacity).

These show the backbone of recurring income streams to VGP relative to its cost base, including:

- Annual committed rental income (equivalent to an annualised gross rental income figure): EUR412.6 million at end-2024 and excluding amounts related to the JVs' existing investment properties, so EUR135.5 million. Assuming 5% property outgoings, the NRI equivalent was EUR128.7 million in 2024. This indicates a NIY of about 6% (end-2024 VGP own portfolio: 7.22%; end-2023: 6.22% depending on country mix; JVs portfolio: 5.05% and 5.01%).
- JV fees: many of these are recurring income streams as VGP and its JVs have grown. They include asset management fees based on each JV's net asset value, facilities management and letting fees, construction loan remuneration, tax-efficient interest receivable on shareholder loans and other forms of excess cash distributions from JVs.
- Administration expenses: VGP has its own in-house construction team, whereas other property companies outsource this activity and capitalise it on their balance sheets. Fitch therefore excludes this cost from VGP's pro forma profile.
- Similarly, Fitch has not included the cost base of the growing renewables energy division and only added its EBITDA.
- Historically VGP has also made discretionary contributions to a charitable foundation (2024: EUR0.9 million; 2023: nil; 2022: EUR3 million; 2021: EUR5 million). Fitch has put these amounts alongside discretionary dividends to shareholders.
- EBITDA: The resultant EBITDA is recurring and rent-derived.
- Investment property and net debt: Fitch has added the capex required to achieve the annualised rental income to VGP's end-2024 net debt. Conservatively, in investment properties Fitch has added an assumed 30% valuation increase above cost on this spend.
- VGP as holdco net debt/EBITDA: Using actual cash dividends from the JVs, 2024 net debt/EBITDA cash flow leverage was 8.1x consistent with VGP's rating sensitivities to maintain its investment-grade rating.

- The net debt/EBITDA upgrade and downgrade rating sensitivities of 7.0x and 9.0x, respectively, capture VGP's different mix of income streams, size and concentrations. This compares with 'BBB-' rated Titanium Ruth's (previously Tritax EuroBox) rating sensitivities of 9x and 10x, and SELP, whose negative rating sensitivity for a 'BBB-' rating is above 10.0x.
- Interest coverage: VGP's interest coverage in which Fitch assumes a blended cost of debt of 3.5% (actual 1H25: 2.7%) is comfortable at 3.5x. Despite higher CPI-increase rents from future years feeding through, and some mix in refinanced debt coupons, we expect this metric to remain above 3.5x.

### Fitch-Calculated Proportionally Consolidated Financial Profile

Based on the same analytical approach of VGP as holdco, Fitch's proportionally consolidated profile adds 50% of the JVs' rents, investment property and debt. This financial profile is more familiar to investors and serves as a good reality check, but includes VGP's share of JV debt that is secured and has no recourse to VGP, and the end-2024 JV portfolio is leveraged at a conservative LTV of around 40%.

This synthetic profile and its resultant 2024 8.0x net debt/EBITDA is comparable to rated peers, particularly non-developers Titanium Ruth, WDP, Montea and AXA LEM, all of which have portfolios of comparable NIY – representing different country mixes – and differ in size.

### VGP's Proportionally Consolidated Financial Profile

(EURm)	2024 VGP	2024 JV at 50%	To achieve committed annualised rent	2024 total committed annualised rent	2023 total committed annualised rent
<b>Summary income statement</b>					
NRI <sup>a</sup> – annualised rent	<sup>e</sup> -	71.4		258.7	223.1
JV asset and facilities fee income	32.7			32.7	26.9
Administration expenses <sup>b</sup>				-25.9	-22.3
Interest income from JVs & associates	12.5			12.5	27.5
JV cash dividends	85.6			85.6	82.0
Renewable energy EBITDA	5.4			5.4	1.6
EBITDA				369.0	338.7
Interest expense <sup>c</sup>				-124.6	-110.5
<b>Summary balance sheet</b>					
IP and H4S assets	2,103.6	2,927.8	+512.0	5,543.4	5,194.2
Net debt	1,529.9	901.6	+512.0	2,943.5	2,872.0
Net asset value			<sup>d</sup> 153.6		2,319.2
EBITDA interest coverage ratio (x)				3.0	3.1
Net debt/EBITDA (x)				8.0	8.5
LTV (excluding development land and JV equity stakes; including 30% gain on incremental capex) (%)				59	64

<sup>a</sup> NRI is after property operating expense to achieve a representative almost 90% NRI margin

<sup>b</sup> Illustrative reversal of VGP development programme team's costs, but Fitch assumes administration expenses at 10% NRI

<sup>c</sup> Interest expense at an average of 3.5% cost of debt

<sup>d</sup> Including 2024 and 2023 30% revaluation uplift on incremental capex

<sup>e</sup> This figure is included in the 2024 total annualised committed rent of EUR258.7 million

Source: Fitch Ratings, VGP N.V.

Profile of JVs at 100% – Closing Values

Date of closing	Headline amount sold into the JV (EURm)	End-period investment properties value (EURm)	
<b>VGP European Logistics JV (JV I)</b>			
May 2016	500		
October 2016	80	end-2016	496
May 2017	173	end-2017	715
May 2018	400	end-2018	1,162
April 2019	203		
November 2019	232	end-2019	1,662
October 2020	166	end-2020	1,917
June 2021	68	end-2021	2,300
July 2022	81	end-2022	2,246
January 2023	115	end-2023	2,215
		end-2024	2,252
<b>VGP European Logistics 2 S.a.r.l JV (JV II)</b>			
July 2019	175	end-2019	145
November 2020	258	end-2020	403
		end-2021	451
March 2022	364	end-June 2022	757
July 2022	24	end-2022	714
May 2023	253	end-2023	917
		end-2024	927
<b>Munich JV (JV III)</b>			
June 2020	187		--
December 2020	55	end-2020	419
		end-2021	551
		end-2022	638
		end-2023	631
	capex	end-2024	697
<b>Logistics Park Moerdijk (LPM, JV IV)</b>			
November 2020	--	end-2020	81
	--	end-2021	105
	--	end-2022	156
February 2024	-171		sold
<b>Deka JV (JV V)</b>			
September 2023	664	end-2023	743
1H24	315	end-Jun24	1,047
2H24	101	end-2024	1,162
<b>Areim JV (JV VI)</b>			
1H24	444	end-Jun24	456
2H24	62	end-2024	551

Source: Fitch Ratings, VGP N.V.

VGP's Profit Centre – Transfers to JVs

The main operating model and key profit driver for VGP is the valuation gains realised on property completion (whose values are assessed by independent third-party valuers, or agreed with the JV partner) when these income-producing units are transferred (monetised, at-transfer value) to the JVs. This uplift is VGP's development profit margin.

Analytically, Fitch regards this profit stream as a benefit for VGP's equity stakeholders rather than fixed-income, nominal debt, creditors. Fitch does not view capital profits as an investment-grade rating activity because property values are uncertain (property company management do not control the main component of valuation yields (which is interest rates), rents may vary, completion timings may vary (particularly if there is no funded purchaser), development risk has to be actively managed and the speculative holding cost of non-income-producing land can seriously affect this profit stream (and has almost been the downfall of industrial developers).

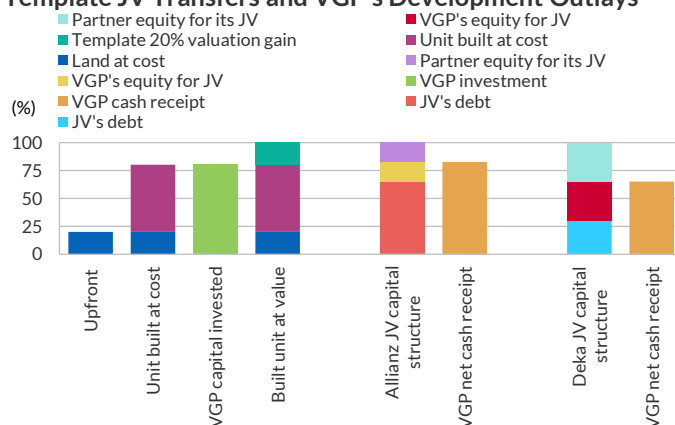
The table to the left shows that VGP has made regular monetisations into its committed and pre-funded JVs with co-investors Allianz, Deka and Areim JVs. Although VGP may well access other JV partners, it intends to keep the existing tried-and-tested JV frameworks. Fitch has also analysed VGP's development programme in detail, to ensure that its risk profile is consistent with the rating.

The chart below illustrates VGP's target 30% capital gain on the construction of a unit in an industrial park (the development margin), and a JV's repayment of VGP's capital outlay.

The chart shows that the typical Allianz JV raises 65% bank debt against value, then the co-partner advances 17.5% for its 50% equity stake, enabling VGP to recoup 82.5% of at-transfer value relative to its 70% cash outlay (30% profit margin) to build.

The Deka and Areim JVs are raising 30% and 30%-35% bank debt against value respectively. If the co-partner advances 35% for its 50% equity stake, this enables VGP to recoup 65% of at-transfer value relative to its 70% cash outlay (30% profit margin) cost-to-build.

Template JV Transfers and VGP's Development Outlays



Source: Fitch Ratings

Applying this chart to actual numbers, the table at the bottom of this page contains the past nine years' data showing that as the cumulative EUR4.4 billion of assets have been transferred into the JVs (at-transfer value), VGP has received 87% of the assets' value in cash – most of which has been revalued above-cost after being transferred from VGP's balance sheet – after VGP has injected cash for its 50% equity stake in the relevant JV. Given VGP's template 30% valuation gain, we can say that JV monetisation receipts substantially repay VGP's cost-to-build for that completed asset. VGP then re-invests those cash proceeds in further expansion.

The Munich JV (JV III) is different to the above JVs in that VGP initially funded a large portion of the capital for this entity upfront – covering the development stages – and, since mid-2020, Allianz has rebalanced its contribution to a 50:50 proportion and it has incurred some debt. If the current Munich JV were to be leveraged to, say, 50% LTV (currently 10% LTV) Fitch calculates that VGP's share of net proceeds could exceed EUR110 million.

### Summary Cash Flow from Disposal of VGP Assets into JVs

(EURm)	2016	2017	2018	2019	2020	2021	2022	2023	2024	Nine-year total
Investment properties transferred at value	534	174	255	476	609	55	370	1,034	923	4,430
Cash shareholder loans advanced	-223	-113	-256	-337	-373	-42	-191	-756	-583	-2,872
Cash shareholder loans repaid, including interest	151	101	338	286	313	40	206	584	635	2,654
Realised valuation gain on sale (value in JV)	21	0	34	35	167	12	88	59	93	509
Sub-total: cash received (from bank funding and co-JV partner equity) before VGP equity into JV	483	162	372	459	717	65	472	922	1,068	4,721
Cash equity by VGP into the JV (net)	-77	-24	-50	-74	-192	-12	104	-165	-176	-872
Cash received after VGP equity into JV	386	138	288	386	525	54	368	757	893	3,850
as % of investment property transferred in	79	79	126	81	86	99	99	73	97	87

Source: Fitch Ratings, VGP N.V.

## Current Development Programme

The development programme includes a number of large projects, most of which include land already acquired as of end-2023 and end-2024. Typically, land is purchased with zoning in place. VGP has its own in-house construction expertise (not using general contractors) which controls quality and costs, ensuring its target 30% development margin (end-value above cost).

Fitch's rating case assumes an additional EUR512 million of capex from 2025 (covering two years) to achieve EUR412.6 million committed annualised rental income (VGP 2024 capex: EUR452 million; 2023: EUR667 million) quoted as at end-2024.

After selling the LPM land-holding JV in 1H24, VGP owned 7.4 million square metres (sqm) of land bank plus 1.3 million sqm of

committed land, pending permits, to total 8.7 million sqm. This would equate to around 3.6 million sqm of lettable space, so around five to six years of supply given prior years' deliveries.

A total of 34 projects across 13 countries were under construction as of end-2024. This represents an additional 780,000sqm of future lettable area (end-2023: 26, 774,000sqm; 1H25: 36, 846,000sqm respectively). Management will flex this level of activity according to market conditions and availability of capital.

A total of 21 projects were completed by end-2024, delivering 584,000sqm of lettable area. Some went straight into JV V and JV VI. The delivered portfolio of 2024 was 94% let (end-2023: 24, 641,000 sqm and 100% respectively).

## Summary Development Programme at End-2024

	JV or VGP	Total lettable area completed or under construction (sqm, rounded up)	Annualised committed rental income <sup>b</sup> (EURm)
<b>Estimated end-value of completed parks; around or above EUR250m</b>			
VGP Park München, Germany	III	Mainly completed 322,905	33.8
VGP Park Rüsselsheim, Germany	VGP	Planned 716,400	Planned 23.7 Existing 8.2
VGP Bratislava, Slovakia	VI VGP	Completed 251,200 Planned 155,300	9.9 --
VGP Park Nijmegen, The Netherlands	II II VGP	Completed 207,400 Planned 20,100 Potential 138,400	12.1 -- --
VGP Park Leipzig Flughafen 2, Germany	VGP	Under construction 24,170 Planned 185,976	1.8 --
<b>Recently completed (all Germany)</b>			
VGP Park, Gießen	V	251,500	16.3
VGP Park Magdeburg	V	312,600	15.8
VGP Park Laatzen	V	139,850	10.6
<b>Estimated end-value of completed parks EUR100m-200m</b>			
VGP Park Wiesloch- Walldorf, Germany	VGP	Completed 25,850 Under construction 49,600 Planned 43,470	2.6
VGP Park BUD Aerozone Kft., Hungary	VGP VGP	Part-completed 125,200 Planned 136,300	5.0 -
VGP Park Nurnberg, Germany	VGP	After 2026: Planned 54,900	5.3
VGP Park Petit Couronne, Rouen, France (Phase 1-4)	VI VGP	Completed 39,400 Planned 119,000	2.2 0.7
VGP Park Kecskemet, Hungary	VGP VGP VGP	Completed 97,128 Planned 16,004 Under construction & planned 61,350	5.6 2.6
VGP Park La Naval, Spain	VGP	Planned 109,400	0.0
VGP Park Ceske Budejovice, Czech	VGP	Planned 131,416	1.9
<b>Recently completed</b>			
VGP Park Berlin, Oberkramer, Germany	V	69,000	5.3
VGP Park San Fernando de Henares, Spain	II	119,200	8.0

Source: Fitch Ratings, VGP

The 2024 contingent of large German VGP parks (Berlin Oberkramer, Gießen, Göttingen 2, Laatzen and Magdeburg) were completed and transferred to the Deka JV V by end-2024. JV V has therefore completed its investment target at EUR1.2 billion and no further assets are destined for it. The Ariem JV VI still has capacity for further assets.

Developments plans are being actively pursued for the sizeable brownfield Rüsselsheim park in Germany, one of the three sites bought from Stellantis (the others are Vélizy and the smaller Mulhouse, both in France). Stellantis is renting some existing buildings from VGP until 2026, then it will rent completed bespoke new-builds from 2026. Similarly, the Nurnberg site is a brownfield site that VGP bought from Siemens, which rents its existing buildings until 2026, after which VGP’s development plans can progress in earnest.

**Land Is a Significant Input Cost**

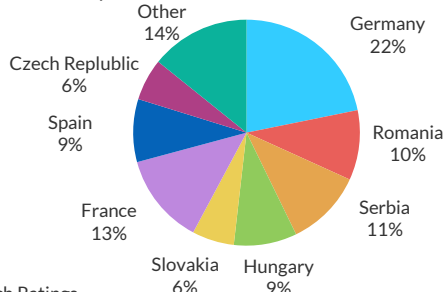
Land is a non-income producing asset, until the building permit, construction, and pre-let is completed. VGP’s land was valued (mainly at cost) at EUR657 million at end-2024 (EUR795.7 million at end-2023). Land value can be around 20% of a park’s end-completion value. The portfolio is spread across different geographies (Germany represents around 22% by area, albeit higher by value, while France represents 12.5%). The LPM JV IV’s EUR170 million Netherlands Moerdijk land site was sold in 1H24.

A recent common feature for logistics landlords is to buy land with existing income-producing buildings leased. Once the defined lease expires, companies like VGP, WPD and Montea have plans for the existing units’ sub-optimal efficiency of space given the size of the land area acquired. The existing rental helps carry the site’s cost while development plans are procured.

A common problem for many industrial and logistics park developers is the scarcity of good quality land. This stems from constraints on land availability in countries such as Germany and the Netherlands, also from inherently limited land availability in other countries such as Spain (particularly in Madrid and Barcelona, where only brownfield sites are available). VGP views Czech land prices as too high and Poland as a market where rent is vulnerable to sudden changes.

**YE24 Land Bank**

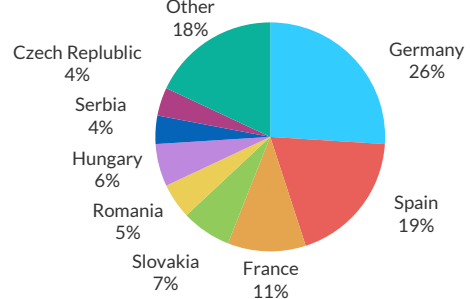
JVs at 100%, share by area



Source: Fitch Ratings

**YE24 Land Bank**

JVs at 100%, share by value



Source: Fitch Ratings

VGP looks for land near cities with more than 100,000 inhabitants (tenants need access to the workforce), on transport arteries (good locations), with electricity and power connectivity (an increasingly important feature), an ability to operate 24/7 and good transport access. VGP has amassed sites for sizeable, co-ordinated, multi-tenanted industrial and logistics parks, sometimes acquiring adjacent plots after letting successes. Some sites will have big box assets that are greater than 10,000sqm.

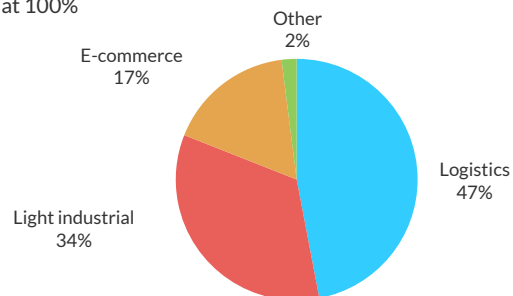
**Tenant Base Including Light Industrial**

VGP’s tenant base includes a greater weighting in light industrial. Looking through the names, sectors, and processes, they reflect more modern manufacturing industries and processes. This spans battery research and production, autonomous cars, and plastic coverings for auto; satellites; semiconductor production-related; as well as more traditional food production and a brewery.

Third-party logistics companies still show robust demand, some as sub-contractors for e-commerce work, and some investing more in the building’s automation infrastructure than the value of the building itself. Efficient retailers continue to seek large regional distribution hubs. E-commerce companies are now sub-letting less of their own buildings’ surplus space following their pandemic-era over-expansion, signaling that demand for more space is rising.

**YE24 Tenant Portfolio Breakdown**

JVs at 100%



Source: Fitch Ratings

**Top 10 Tenants (JVs at 100%) at End-2024**

Tenant	Committed Annualised Rental Income (%)	Industry
KraussMaffei Technologies (part of China National Chemical Corporation Limited; A/Stable)	6.8	Manufacturing (plastics coverings)
Opel (Stellantis N.V. <sup>a</sup> )	5.8	Auto
Amazon.com, Inc. (AA-/Stable)	3.9	Retail logistics
Rhenus Logistics	3.6	Logistics
Zalando	3.4	Retail logistics
Ahold Delhaize Group	2.2	Retail logistics
Drylock Technologies	2.1	Manufacturing
Siemens AG (A+/Stable)	1.3	Manufacturing
BMW Group	1.3	Auto
MediaMarktSaturn (Ceconomy AG; BB/RWP)	1.2	Retailer logistics
<b>Total</b>	<b>31.0</b>	
	<b>EUR130.6m</b>	

<sup>a</sup> The rating of 'BBB' was withdrawn on 4 August 2025  
Source: Fitch Ratings, VGP

The units are built to VGP's standards and are not bespoke to tenants, which means that the building is ready to be re-let when re-leased or a tenant fails and leaves a unit vacant.

**Strong Green Credentials Ingrained**

VGP's property portfolio benefits from strong green credentials, which add to its attractiveness for investors and its ability to access cost-advantaged green funding. The portfolio's green credentials are underpinned by VGP's high standards for new developments, a young portfolio and its investment in renewable energy.

VGP's ESG commitments are reinforced by its comprehensive sustainability framework that covers land sourcing, design, construction, (green) leasing and in-use. VGP is also using green leases to improve tenants' ESG performance (and 99% of leases signed during 2024 were green). VGP's JVs also have ESG strategies in place, agreed together with its JV partners. New development projects are guided by internal carbon reference pricing.

Of the 60% of properties certified at end-2024, 37% (by number) were certified as BREEAM 'Excellent' or higher, while a further 58% were 'Very Good'. All projects started will be certified and 97% are to be certified a minimum BREEAM "Excellent" or equivalent. VGP continues to invest in renewable energy and total capacity including battery increased to 172MWp installed plus 105MWp under construction and permitting. Of the 90GWh of green electricity production in 2024, 43% was for self-consumption.

Logistics Sector Property Portfolio Factors ■ Concern ■ Medium ■ Good

Company	Investment Property Portfolio Value	Geographical Spread (% of Portfolio by Rent or Value)	Vacancy Rate (%)	Weighted Average Lease Length (to earliest-break)	Top Tenant Concentrations and Top Tenant (%)	Sector Concentrations (%)	Acquisition Or Development Strategy	Asset Type (%)	Average Asset Age (Years)	Net Initial Yield (%)	Topped-Up Net Initial Yield (%)
AXA Logistics Europe Master S.C.A	EUR4.9bn	By value: France: 25 Germany: 20 UK: 16 Italy: 10 Sweden: 12	4.0 <span style="color: orange;">■</span>	6.1 <span style="color: green;">■</span>	Top 10: 39 Amazon: 13	Logistics	Acquisition	Distribution Warehouses: 75 Last mile: 9 E-fulfilment Centre: 7 Other: 9 (as of Dec 2023)	10.5 <span style="color: orange;">■</span>	4.9	n.a.
Catena AB	EUR3.7bn	By value: Sweden: 82 Denmark: 18	3.3 <span style="color: orange;">■</span>	6.7 (to expiry) <span style="color: green;">■</span>	Top 10: 55 DSV: 20	Logistics & transport: 52 Food & beverage: 17 Durable goods: 15 Other: 16	Both	Warehouses: 52 Distribution Centres: 36 Terminals: 11 (as of 2023)	n.a.	5.5	5.6
Montea NV	EUR2.7bn	By value: Belgium: 47 Netherlands: 41 France: 11 Germany: 1	0.2 <span style="color: green;">■</span>	5.9 <span style="color: orange;">■</span>	Top 10: 30 Amazon: 4	Logistics: 46 Construction 14 Food & beverage: 15 Auto: 6, Pharma: 7 Retail: 8	Development	Big box focus	10 <span style="color: orange;">■</span>	5.1	5.1
LondonMetric Property Plc	Distribution portfolio GBP2.8bn	UK: 100	1.8 <span style="color: green;">■</span>	11.0 <span style="color: green;">■</span>	Top 5: 7	Of total portfolio: Urban logistics: 24 Regional: 11 Mega: 6	Acquisition	Urban logistics: 61 Regional: 27 Mega: 12	n.a.	4.5	4.7
MLP Group S.A. End-2023	EUR0.85bn	By value: Poland: 86 Germany: 13 Romania: 2	5.0 <span style="color: orange;">■</span>	7.1 <span style="color: green;">■</span>	Top 10: 38	Logistics: 29 Manufacturing: 34 Retail: 28 E-commerce: 9	Development	Big box: 93 Urban: 7	Est. ~7 <span style="color: green;">■</span>	Net true equivalent yield: Poland: 5.9 Germany: 4.6 Romania: 4.5	Reversionary: Poland: 6.7 Germany: 4.6 Romania: 7.9
SEGRO PLC (at share)	GBP17.9bn	By value: UK: 56 France: 11 Germany: 12 Italy: 7	3.0 <span style="color: orange;">■</span>	7.2 <span style="color: green;">■</span>	Top 20: 33	Transport and logistics: 23 Retail: 18 Manufacturing: 15 TMT: 11	Both	UK Urban: 44 UK big box: 11 Cont. Europe Urban: 13	n.a.	4.1	4.4

Logistics Sector Property Portfolio Factors ■ Concern ■ Medium ■ Good

Company	Investment Property Portfolio Value	Geographical Spread (% of Portfolio by Rent or Value)	Vacancy Rate (%)	Weighted Average Lease Length (to earliest-break)	Top Tenant Concentrations and Top Tenant (%)	Sector Concentrations (%)	Acquisition Or Development Strategy	Asset Type (%)	Average Asset Age (Years)	Net Initial Yield (%)	Topped-Up Net Initial Yield (%)
		Poland: 7				Wholesale dist.: 9 Post & parcel: 10		Cont. Europe big box: 22 Data centres : 8			
			■	■	■			■			
SELP Finance SARL	EUR6.0bn	By value: Germany: 27 Italy: 13 France: 18 Poland: 22 Spain: 8 Netherlands: 8 Czechia: 3	3.2	5.2	Top 10: 23 Top 20: 35	Transport and logistics: 35 Retail: 26 Manufacturing: 20 Wholesale dist.: 7 Post & parcel: 4	Both	Big box: 97 Urban Warehouses: 3	9.8	Net true equivalent yield: 5.7	n.a.
			■	■	■			■			
Titanium Ruth Holdco Limited	EUR1.4bn	By rent: Germany: 41 Italy: 14 Spain: 14 Belgium: 11 Netherlands: 12	5.6	7.5	Top 10: 76	Omnichannel retail: 26 Third-party logistics: 26 Online retail: 17 Manufacturing: 10	Acquisition	Big box: 100	5.2	4.7	4.7
End-Sept 2024											
			■	■	■			■			
Tritax Big Box plc	GBP5.9bn	UK:100	5.7	10.6 (to expiry)	Top 10: 45 Amazon: 16	Online retail: 22 Food retail: 15 Home & DIY: 11 Other retail: 11	Both	Big box: 100	10	4.3	4.6
			■	■	■			■			
Warehouses de Pauw NV/SA (WDP)	EUR 7.7bn	By value: Netherlands: 39 Belgium: 31 Romania: 20 France: 7	2.0	5.7	Top 10: 24 (Excl. solar)	Industrial: 18 Retail (food): 18 FMCG: 13 Retail (Non-food): 10 Food, fruit & veg: 7 Healthcare: 7	Development	General Warehouse: 52 Big box: 24 Manufacturing: 8	8.0	5.4	5.3
			■	■	■			■			
VGP SA	JVs at 100% EUR7.8bn	By value (at share) Germany: 46 Czech Republic: 10 Spain: 8	VGP: 2.0 JVs: 1.8	VGP: 9.0 JVs: 6.9 Combined: 7.6	Top 10: 31	By area Logistics: 47 Light Industrial: 34 E-commerce: 17 Other: 3	Development	Big Box: n.a Industrial: n.a Manufacturing: n.a.	4.2	VGP: 7.2 JVs: 5.1	n.a.

Note: All data as of end-2024 unless otherwise stated. Source: Fitch Ratings, companies' disclosures

DISCLAIMER & DISCLOSURES

All Fitch Ratings (Fitch) credit ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: <https://www.fitchratings.com/understandingcreditratings>. In addition, the following <https://www.fitchratings.com/rating-definitions-document> details Fitch's rating definitions for each rating scale and rating categories, including definitions relating to default. Published ratings, criteria, and methodologies are available from this site at all times. Fitch's code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the Code of Conduct section of this site. Directors and shareholders' relevant interests are available at <https://www.fitchratings.com/site/regulatory>. Fitch may have provided another permissible or ancillary service to the rated entity or its related third parties. Details of permissible or ancillary service(s) for which the lead analyst is based in an ESMA- or FCA-registered Fitch Ratings company (or branch of such a company) can be found on the entity summary page for this issuer on the Fitch Ratings website.

In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed. Fitch Ratings makes routine, commonly-accepted adjustments to reported financial data in accordance with the relevant criteria and/or industry standards to provide financial metric consistency for entities in the same sector or asset class.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001.

Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see <https://www.fitchratings.com/site/regulatory>), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

Copyright © 2025 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved.