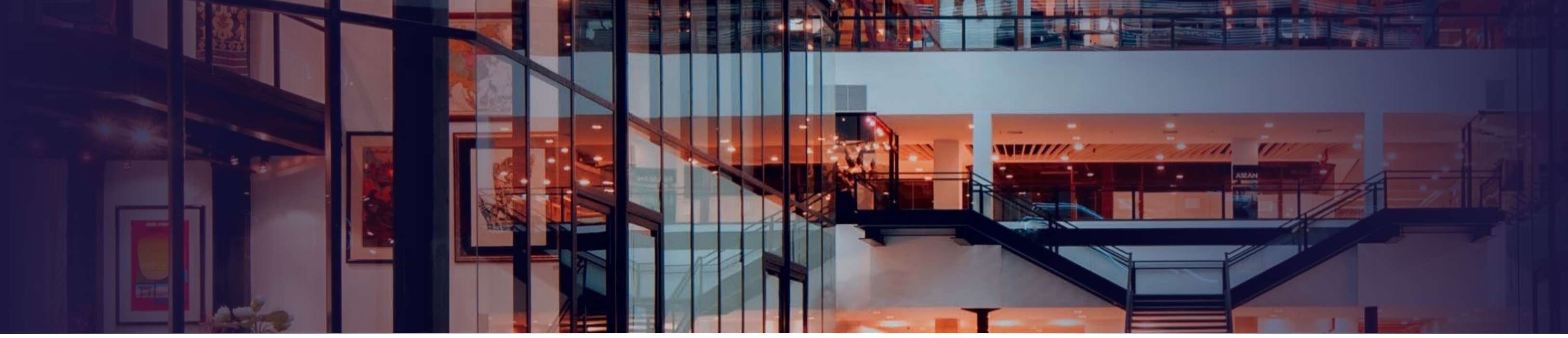
MARKETBEAT
BELGIUM
RETAIL Q2 2026



CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YoY Chg	12-Month Forecast
126,400 SQ M Take-Up 2026 Q2	▼	▲
€262 MILLION Investment Volume 2026 Q2	▲	▲
4.85% Prime Yield High Street	=	=

ECONOMIC INDICATORS

	YoY Chg	12-Month Forecast
0.7% GDP Growth YoY 2026 (F)	▼	▲
6.2% Unemployment Rate 2026	=	▼
3.0% Inflation Rate (HICP) June 2026	▲	▼

Sources: Moody's Analytics, Eurostat

ECONOMIC GROWTH FORECASTS BROADLY UNCHANGED

Moody's outlook for the Belgian economy remains broadly stable compared to the previous quarter. **GDP growth is forecast at 0.7% in 2026**, followed by a recovery to **1.3% in 2027**. The baseline scenario assumes that the conflict in the Middle East will ease during summer. However, renewed disruption of shipping through the **Strait of Hormuz has** increased uncertainty.

Should the disruption continue, Moody's warns that the current oil price shock could develop into a wider supply problem. Unlike the energy crisis of 2022, this shock is affecting more fragile economies with less fiscal headroom. This makes **economic growth** more sensitive to further increases in energy prices.

Belgian nominal GDP reached €160.2 billion in Q1 2026 (NBB). **Household consumption** remained the main driver of economic activity, although **spending growth moderated** during the quarter, partly reflecting normal seasonal patterns. Spending was weaker in certain categories, including transport. Fiscal measures and wage developments may weigh on consumption in the coming quarters.

ECB RAISES INTEREST RATES

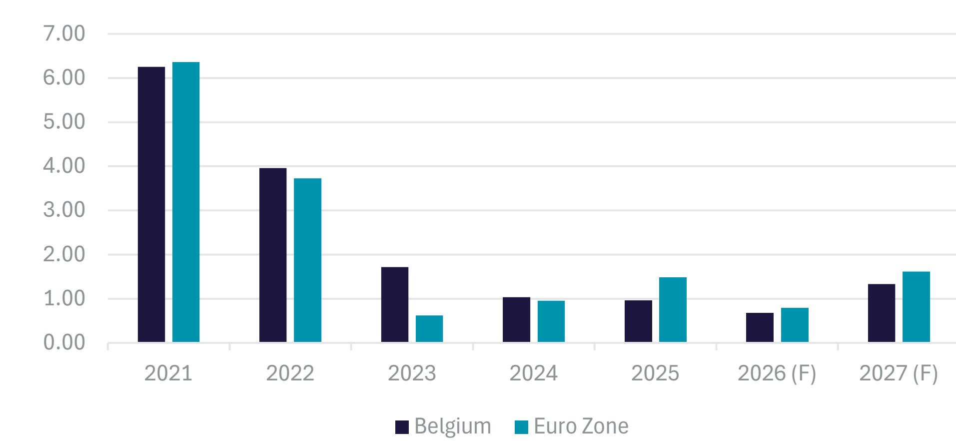
The ECB raised its **key interest rates by 25 basis points**, taking the deposit rate to 2.25%. Moody's analysts expect a second rate hike later this year, depending on oil price developments and inflation. Given the limited scale of the expected tightening, the impact on economic growth is likely to remain moderate, with the rate increase primarily serving as a signaling measure.

Belgian government bond yields with a 10-year maturity stood at **3.5%** in June 2026, around 20 basis points higher than in February, with long-term swap rates also moving upwards. As a result, financing has become more expensive. At the same time, lender appetite and market liquidity have improved.

INFLATION ELEVATED BUT EASING

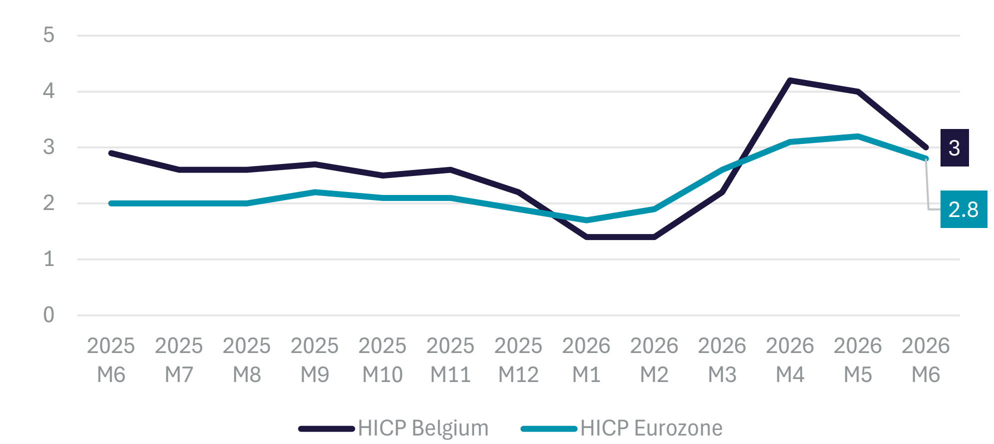
Inflation is easing but remains above target. **Belgian HICP inflation** rose to 4.2% in April and stood at 4.0% in May, before **easing to 3.0% in June**. Average inflation is forecast at 3.4% in 2026.

GDP GROWTH (in % of change prev. year)



Source: Moody's Analytics (baseline scenario - July 2026)

INFLATION RATE (HICP in % of change)



Source: Eurostat

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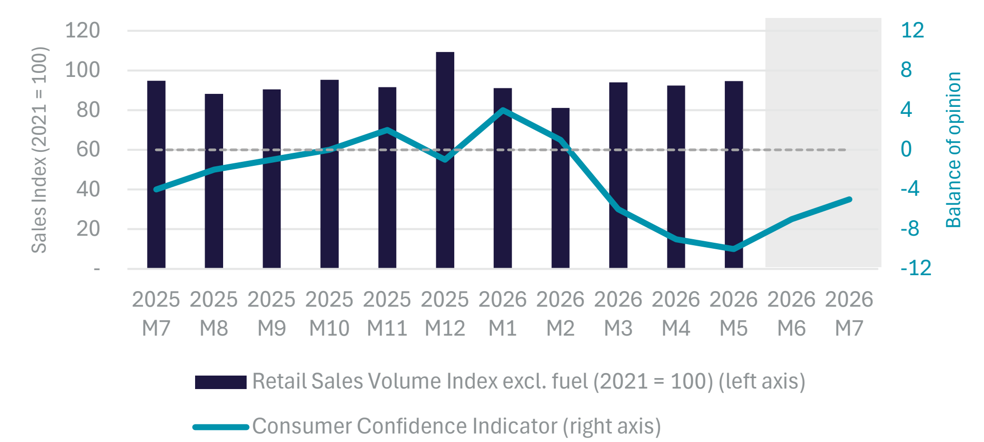
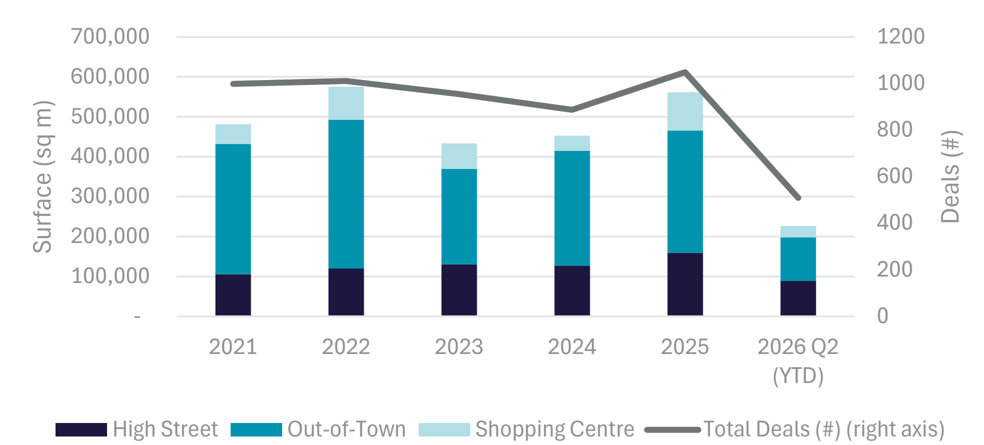
SALES VOLUME & CONSUMER CONFIDENCE



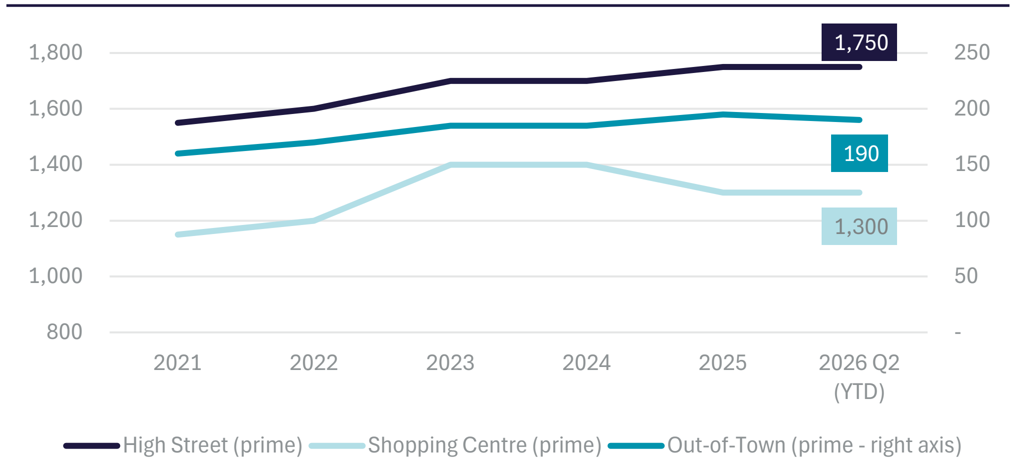
Sources: National Bank of Belgium (NBB), Statbel

TAKE-UP VOLUME BY SEGMENT



Source: Cushman & Wakefield

PRIME RENTS BY SEGMENT (EUR/SQ M/YEAR)



Source: Cushman & Wakefield

CONSUMER CONFIDENCE SLIDES WHILE SPENDING HOLDS UP

Consumer confidence weakened over the second quarter, falling to -10 in May and edging up again towards June to -7. Two retail-relevant components weakened: willingness to make **major purchases** fell to its weakest level in the series, and **unemployment expectations** jumped over the quarter. Price expectations were the one positive, easing steadily through Q2.

Actual spending followed sentiment. The retail sales volume index (2021 = 100) fell by 2.4% year-on-year in April and with 3.3% in May. Excluding motor fuels, the declines were 1.4% and 2.1%. The sharpest volume falls came in **motor fuels sold in specialised stores**, where sales value still rose by more than 10% YoY in April. That is a price effect: consumers are buying less at higher prices. **Culture and recreation** was the other category worth noting, with both volume and value declining. **Textile, clothing and footwear** sales volume was slightly negative (-2.0% April, -3.1% May).

HIGH STREET AND SHOPPING CENTRES GAIN, OUT-OF-TOWN GIVES BACK VOLUME

Retail take-up reached ~**126,400 sq m across 280 transactions in Q2 2026**, 13% below the 144,600 sq m recorded in Q2 2025 but 26% above Q1. H1 2026 stands at ~226,400 sq m over 509 transactions, around 7% ahead of H1 2025.

Out-of-town remained the largest segment at ~60,800 sq m (48% of take-up) but was down 26% YoY, and the year-on-year for Q2 decline is explained by mainly this segment. **High street** took ~52,100 sq m across 178 transactions, broadly stable in surface but with 32 more deals than a year earlier. **Shopping centres** nearly doubled to ~13,200 sq m over 43 transactions compared to Q2 2025, extending its strong performance.

HOME, DISCOUNT AND FASHION CATEGORIES DRIVE SURFACE; F&B DRIVES DEAL COUNT

By occupier type, **Home, Deco & DIY** took the most space (~20,200 sq m over 18 deals), ahead of **Fashion** (~15,900 sq m over 44 deals) and Discount (~15,200 sq m over 21 deals). **Food & Beverage** remained the most active category by transaction count, with 77 deals for a comparatively modest ~15,800 sq m combined.

PRIME RENTS STABLE IN Q2 ACROSS ALL THREE SEGMENTS

Prime retail rents were unchanged in Q2 2026, at **€1,750/sq m/year** on the high street, **€1,300/sq m/year** in shopping centres and **€190/sq m/year** out-of-town. Limited availability of units in prime (A) locations continues to support rental levels.

OUTLOOK

- **Economic growth** is expected to remain soft at 0.7% in 2026, with the outlook hinging on the Middle East and energy markets.
- **Inflation** is expected to stay above target (3.4% forecast for 2026), despite easing from 4.2% in April to 3.0% in June.
- **Financing conditions** are expected to remain tighter, following the ECB's rate increase and the rise in government bond yields and long-term swap rates.
- **Take-up** is expected to remain **solid**, supported by a broad transaction base rather than by large signings, which limits downside but caps quarterly upside. **Prime rents** are expected to remain stable, supported by continued scarcity of prime units.
- **Investment volume** needs a stronger H2 to reach the €1 billion level; the pipeline previously flagged will determine whether that holds.
- **Small private capital** continues to dominate **transaction counts**, with institutional activity limited to a small number of larger schemes.

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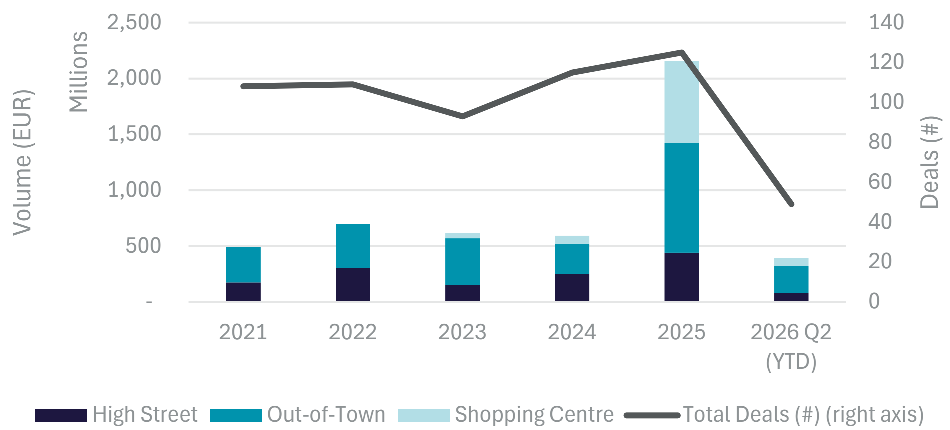
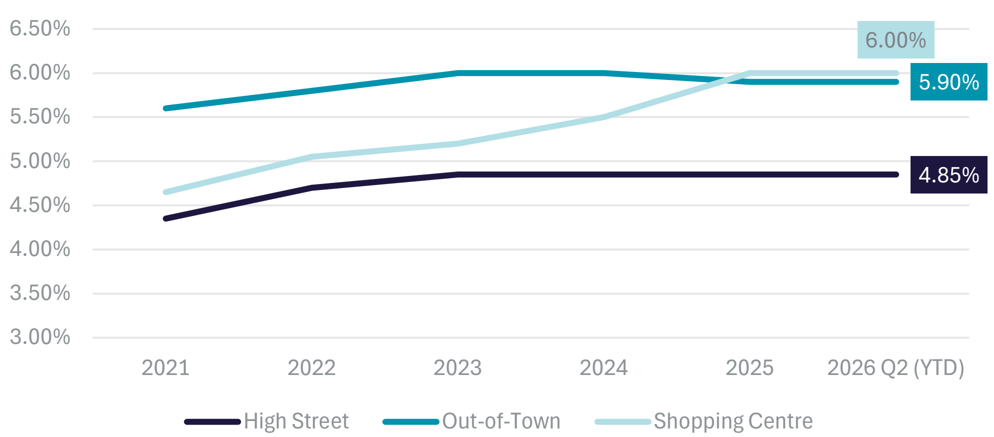
INVESTMENT VOLUME BY SEGMENT (EUR)



Source: Cushman & Wakefield

PRIME YIELDS BY SEGMENT



Source: Cushman & Wakefield

H1 2026 INVESTMENT VOLUME BELOW PORTFOLIO HEAVY 2025

Retail investment volume reached **~€262 million across 31 transactions in Q2 2026**, roughly double the €130 million recorded in Q1. This brings the H1 total to ~€392 million over 49 transactions. That is 52% below H1 2025, though the comparison is not like-for-like: last year's first half was inflated by the Forum Estates portfolio and the Metro/Makro sites, and no transaction of that scale occurred in H1 2026.

Out-of-town led by volume in Q2 with ~€153 million over 12 transactions. The largest was Ascencio's acquisition of **Espace Shopping Hydrion** in Arlon from Arioso AG (~€65 million). It was followed by the sale of **Tyber Park Retail** (phase 1) in Menen (~€28 million) and a **retail cluster in Lier** let to Albert Heijn, Jysk and Maxi Zoo (~€20 million).

The single **shopping centre** transaction of the quarter was QRF's purchase of a 50% stake in **The Mint** in Brussels from AG Real Estate (€59.5 million). **High street** generated the most transactions but the least volume, with 18 deals for ~€50 million, led by the Only building along Veldstraat in Ghent sold by Prowinko and the seven-building Ciro's portfolio in Antwerp acquired by Prime Development. **Private and family capital** was the dominant buyer profile by deal count; **institutional activity was limited** to Ascencio and QRF.

PRIME YIELDS UNCHANGED

Prime retail yields were stable across all segments in Q2 2026, at 4.85% on the high street, 5.90% out-of-town and 6.00% in shopping centres. The quarter produced its first confirmed shopping centre evidence in some time, with The Mint transacting around the prime yield level.

DEFINITIONS

- **Take-up**: total gross lettable area (GLA) in sq m of new occupier transactions, including commercial, ancillary and storage space, but excluding pop-ups, renewals and pre-letting transactions without valid permits.
- **Prime rent**: consistently achievable headline rent for a high-quality, well-located, high-specification unit of standard size, excluding rental incentives.
- **Prime yield**: consistently achievable gross initial yield for a grade A property, fully let on a commercial lease to a strong covenant in a prime location.

KEY OCCUPIER TRANSACTIONS Q2 2026

PROPERTY	SEGMENT	OCCUPIER	GLA (SQ M)	TYPE
Antwerpsesteenweg 98c, Lochristi	Out-of-Town	Siestaa	1,500	Letting
Korenmarkt 1, Ghent	High Street	Action	1,250	Letting
Docks Bruxsel	Shopping Centre	Hollister	675	Letting

KEY INVESTMENT TRANSACTIONS Q2 2026

PROPERTY	SEGMENT	SELLER / BUYER	GLA (SQ M)	PRICE (MEUR)
Espace Shopping Hydrion	Out-of-Town	Arioso AG / Ascencio	33,600	~65
The Mint (50%)	Shopping Centre	AG Real Estate / QRF	15,115 (100%)	59.5
Tyber Park Retail (phase 1)	Out-of-Town	Zabra Real Estate, Vulsteke / Private	37,800	28

Transactions in the table include key transactions in the market, and are not necessarily closed by Cushman & Wakefield.

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