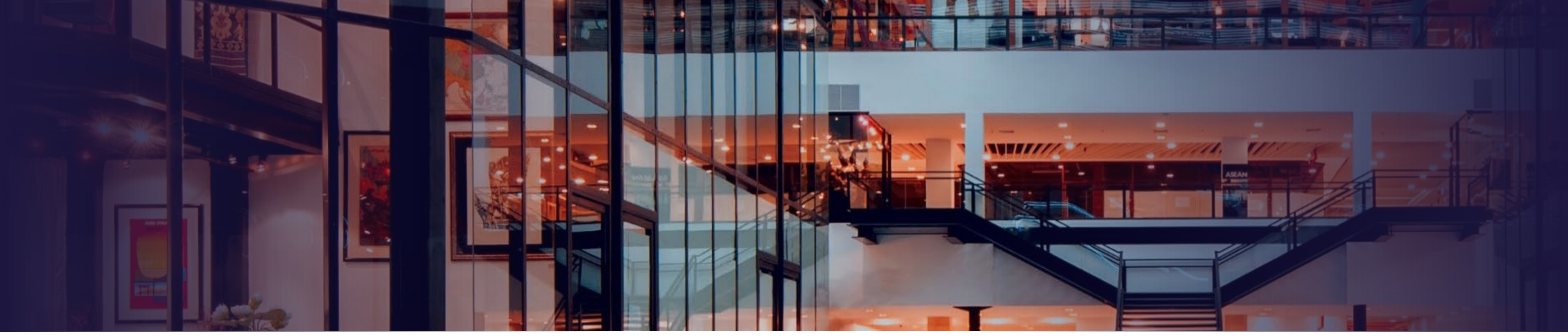
MARKETBEAT
BELGIUM
RETAIL Q4 2025



CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YoY Chg	12-Month Forecast
562,000 SQ M Take-Up 2025	▲	▲
€2.155 BILLION Investment Volume 2025	▲	▲
4.85% Prime Yield High Street	=	=

ECONOMIC INDICATORS

	YoY Chg	12-Month Forecast
1.02% GDP Growth YoY 2025 (F)	=	=
6.15% Unemployment Rate 2025 (F)	▲	▲
2.2% Inflation Rate (HICP) December 2025	▼	▼

Sources: Moody's Analytics, Eurostat

SLOW BUT STEADY ECONOMIC GROWTH CONTINUED IN Q4 2025

Belgium's economy ended 2025 with moderate and broadly stable growth. After a more robust start to the year, economic activity slowed during the second half of 2025 as trade uncertainty weighed on external demand, while domestic activity continued to provide support. GDP growth in Q4 2025 is at around 0.3% quarter-on-quarter, bringing expected **full-year growth to 1.02%,** in line with the latest projections of the National Bank of Belgium.

Looking ahead, economic growth is expected to remain close **to 1% in 2026, followed by a gradual improvement in 2027**. The outlook is supported by improving cost competitiveness as wage growth moderates, boosting exports, and a recovery in capital formation driven by better financing conditions. Household consumption is expected to slow further after its exceptional growth in 2024, while remaining slightly above income growth, implying a gradual decline in the savings rate.

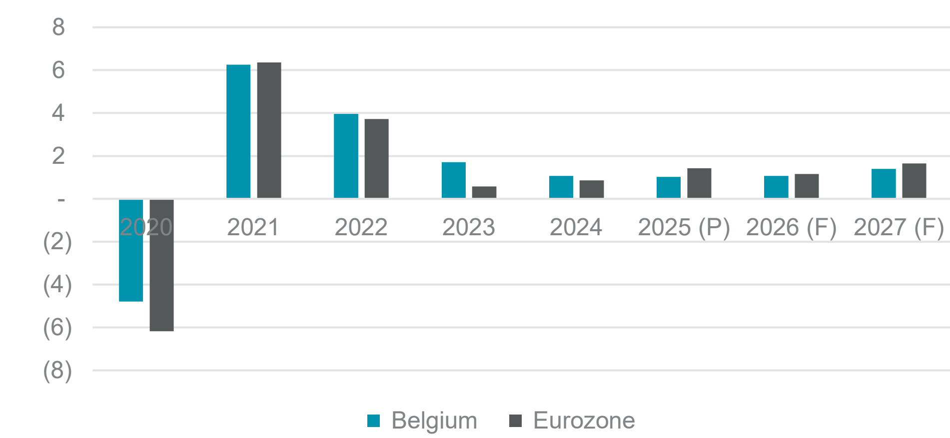
INFLATION AND FINANCING CONDITIONS STABILISE

Belgian HICP inflation continued to ease in 2025, declining to **2.2% by December**, compared to **1.9% in the euro area.** While goods inflation slowed markedly, services inflation remained higher, reflecting labour cost developments and indexation mechanisms. At the same time, **financing conditions stabilised**, with key ECB policy rates unchanged since June 2025. Since then, long-term Belgian government bond yields (10-year) have hovered around 3.20–3.30%, while 3-month Euribor rates remained broadly stable at around 2%. Together, **easing inflation and stable interest rates** provide improved visibility on financing costs and support a more **predictable environment for investment decision-making** heading into 2026.

LABOUR MARKET SHOWS SIGNS OF ADJUSTMENT

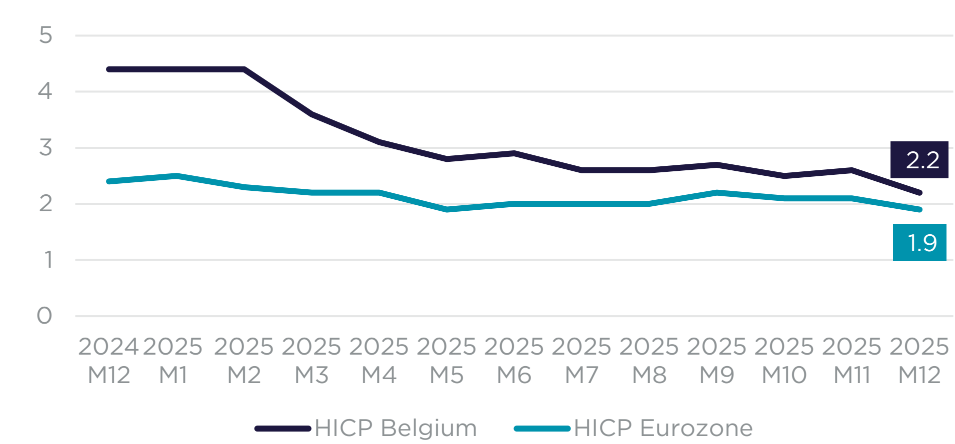
Labour market conditions softened gradually over 2025, with slower employment growth, particularly in industrial sectors. The **unemployment rate** increased from 5.70% in 2024 to **6.15% in 2025**, and is estimated to increase towards 6.2% in 2026. This expected increase reflects labour market and pension reforms.

GDP GROWTH (in % of change prev. year)



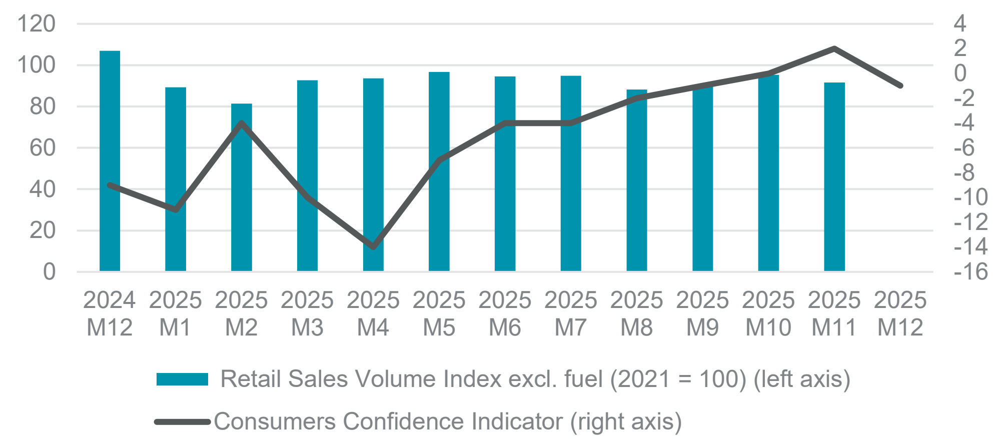
Source: Moody's Analytics (baseline scenario - January 2026)

INFLATION RATE (HICP in % of change)



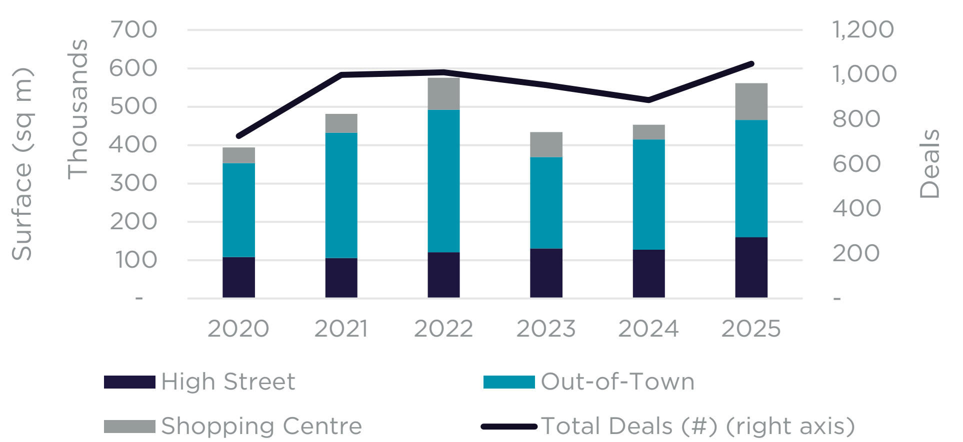
Source: Eurostat

SALES VOLUME & CONSUMERS CONFIDENCE



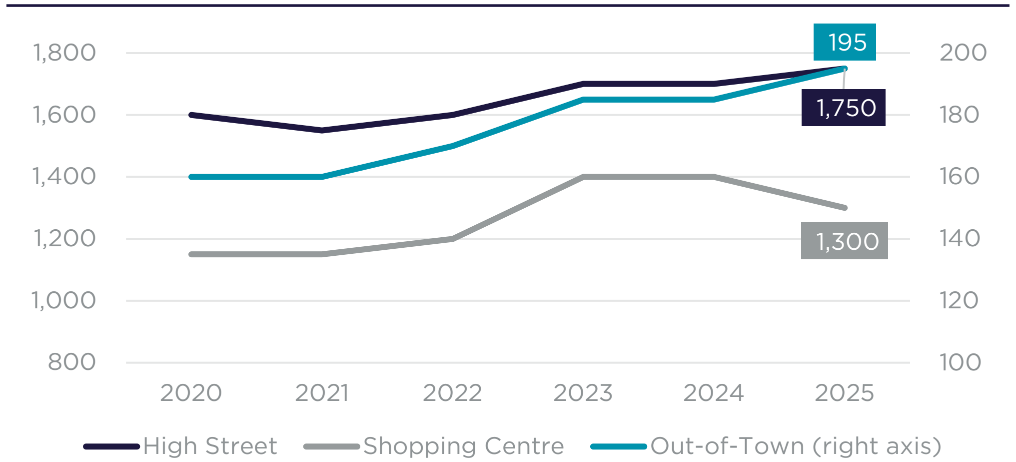
Source: National Bank of Belgium (NBB), Statbel

TAKE-UP VOLUME BY SECTOR



Source: Cushman & Wakefield

PRIME RENTS BY SECTOR (EUR/sq m/year)



Source: Cushman & Wakefield

RETAIL SALES TRENDS: VALUE GROWTH OUTPACES VOLUME IN 2025

Retail sales growth in 2025 was **primarily reflected in value terms**, while sales volumes remained below the levels of 2021, pointing to caution in consumer demand. Non-food retail, including ICT products in specialised shops, as well as market and street trade and e-commerce, recorded comparatively stronger performance, whereas food-related segments remained more defensive. Towards year-end, **consumer confidence improved and turned positive in November for the first time since 2022**, supported by a more favourable outlook of consumers on the Belgian economy and a resilient labour market, potentially laying the foundation for a gradual recovery in retail demand.

2025 MARKS AN EXCEPTIONALLY STRONG YEAR FOR RETAIL TAKE-UP

Q4 2025 proved to be a particularly strong quarter for retail take-up, totalling approximately **227,000 sq m across 379 recorded transactions**. The most active retailer this quarter is **JYSK,** which confirmed the take-over of five former Leen Bakker stores and confirmed new future openings in the Cora shopping complexes. Other active retailers during the quarter included TEDi, followed by Dreambaby and Kiabi.

For the **full year 2025**, total take-up reached **562,000 sq m across 1,049 transactions,** outperforming the ten-year average by approximately 30%. In terms of surface area, home & deco and fashion are the categories that recorded the highest take-up, while fashion also dominated in number of transactions, alongside a high level of activity in the food & beverage (dine-in) segment. **Shopping centres particularly stood out this year with 95,878 sq m of take-up**, driven by the repositioning of the Cora shopping complexes and the integration of larger-format retail units.

INCREASE IN PRIME RENT FOR HIGH STREETS

Following the earlier increase in prime rents for **out-of-town retail**, upward pressure shifted to **high streets** this quarter, with prime rents rising from **€1,700 to €1,750/sq m/year**. On the main high streets, demand continues to exceed supply, resulting in very limited vacancy in prime locations such as Meir and Rue Neuve.

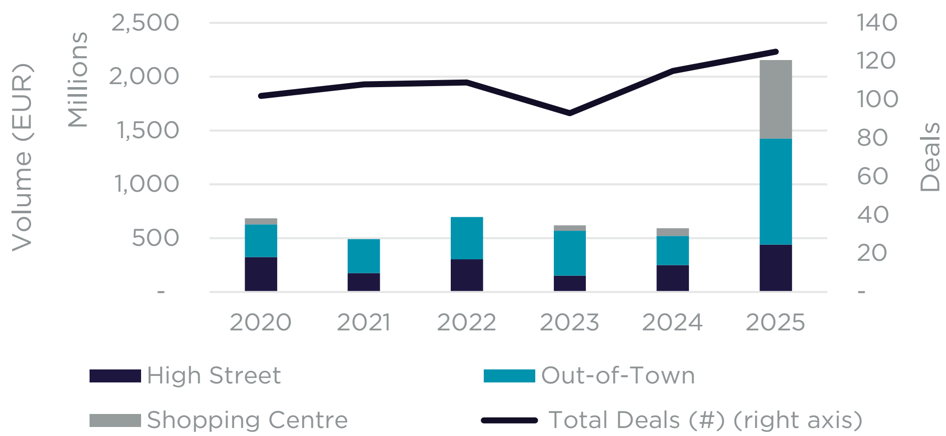
In contrast, despite a strong year in terms of take-up, **shopping centre prime rents** were adjusted slightly from **€1,330 to €1,300/sq m/year**, reflecting more realistic market expectations. Prime rent levels in shopping centres remain highly region-dependent, underlining the importance of location and catchment characteristics.

OUTLOOK

- **Economic growth** is expected to remain modest, with GDP growth **around 1% in 2026**, followed by a gradual improvement into 2027.
- **Inflation** is projected to remain broadly in line with the **2% target**, or even lower, supporting a stable economic backdrop.
- **Financing conditions** are expected to remain stable, following the stabilisation observed since mid 2025.
- **Retail take-up** is expected to **remain strong**, supported by continued activity from both **international and domestic retailers** and ongoing expansion in well-located assets.
- **Prime rents** are expected to remain stable with upward potential on **prime high streets**, where demand continues to exceed supply.
- **Prime retail yields** are expected to remain broadly stable, with scope for further compression **in prime high street assets**, while shopping centre yields are likely to stabilise around current levels.

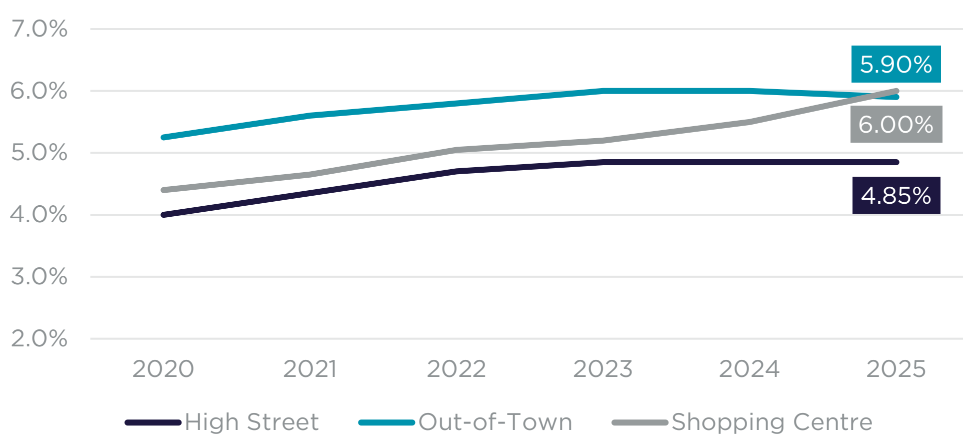
BELGIUM
RETAIL Q4 2025

INVESTMENT VOLUME BY SECTOR (EUR)



Source: Cushman & Wakefield

PRIME YIELDS BY SECTOR



Source: Cushman & Wakefield

BROAD-BASED ACTIVITY IN THE RETAIL INVESTMENT MARKET

In **Q4 2025**, retail investment volume reached **approximately €495 million across 72 recorded transactions**, combining a high number of smaller deals with several notable large-scale transactions. Of the total transactions, 68 were recorded at or below €5 million, reflecting year-end closings and a concentration of deal announcements towards the end of the year. In the **shopping centre segment**, the acquisition of **Ville2** Shopping Centre by Wereldhave for €120 million stood out, alongside a second shopping centre closing of **Feest- en Cultuurpaleis** to QRF. **High street** activity remained visible, with **core transactions on both Rue Neuve and Meir**. In the **out-of-town segment**, Cibus Nordic Real Estate was particularly active, further strengthening its presence in the Belgian retail market.

For the **full year 2025**, total retail investment amounted to **approximately €2.155 billion**, well above the ten-year average. The year was characterised by several **large portfolio transactions in the first half**, including the Forum Estates portfolio and Metro/Makro sites, and the Cora shopping complexes in Q3, complemented by sustained activity across all deal sizes.

UPWARD ADJUSTMENT IN SHOPPING CENTRE PRIME YIELD

Prime yields for **high street and out-of-town retail** remained **stable** this quarter, with continued indications that further compression for prime high street assets could materialise going forward. For **shopping centres, prime yields are levelled to 6.00%,** as signalled earlier in the previous quarter. This level is broadly consistent with wider European markets, where prime shopping centre yields are also generally positioned around 6.00%.

DEFINITIONS

- **Take-up**: total gross lettable area (GLA) in sq m of new occupier transactions, including commercial, social 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 Q4 2025

PROPERTY	SUBMARKET	OCCUPIER	GLA (SQ M)	TYPE
Cora Shopping Centres	Shopping Centre	JYSK	9,572	Letting
Rue Neuve 9-11	High Street	H&M	4,625	Letting
Langestraat 158, Drogenbos	Out-of-Town	Coolblue	2,473	Letting

KEY INVESTMENT TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	SELLER / BUYER	GLA (SQ M)	PRICE (MEUR)
Ville2	Shopping Centre	SCC / Wereldhave	27,097	120
Reu Neuve 20	High Street	Lone Star Funds / AEW	5,800	52
ONE+ portfolio (±70%)	Out-of-Town	TS33 / Cibus Nordic Real Estate	19,100	38.6

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

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