

20 May 2019

Disposal of Dallow Road Retail Park, Luton

Hammerson plc (“Hammerson”) has exchanged contracts for the sale of Dallow Road Retail Park, Luton to a Private Equity purchaser for £24m.

The retail park covers a total of 10,100m² and benefits from a prominent location on the outskirts of Luton town centre. Hammerson acquired the site in 2002 and subsequently redeveloped it in 2006. The scheme is currently occupied by a B&Q warehouse and an Aldi foodstore alongside a 670-space car park.

The sale price for Dallow Road represents a net initial yield of 7.6% and is 6% below book value as at 31 December 2018.

David Atkins, Hammerson Chief Executive, said: “Our absolute priority remains to reduce debt and continue to build our balance sheet strength. This sale takes total proceeds from the sale of retail parks to £280m over the past 18 months.

We remain committed to our 2019 disposal target of over £500m and are in active dialogue with buyers across a selection of assets totalling over £900m. We firmly believe that deleveraging will place Hammerson in the best position both now and into the future which will strengthen our balance sheet and provide the business with the flexibility necessary to take advantage of the opportunities that will arise over the coming years.”

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Hammerson

Hammerson create vibrant, continually evolving spaces, in and around thriving European cities, with a focus on flagship retail destinations and Premium Outlets. As of 31st Dec 2018, our portfolio of high-quality venues had a value of £9.9 billion and includes 21 flagship destinations, 13 convenient retail parks and investments in 20 premium outlet villages, through our partnership with Value Retail and the VIA Outlets joint venture. Key retail venues include, Bullring & Grand Central, Birmingham, Bicester Village, Oxfordshire, Freeport Lisboa Fashion Outlet, Lisbon, Dundrum Town Centre, Dublin; and Les Terrasses du Port, Marseille. We manage over 2,000 brand relationships and during trading hours, over 80,000 people visit our shopping centres hourly across our flagship destinations in the UK, France & Ireland.