



VIA Outlets accelerates growth as 2019 proves another successful year

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- 8.4% increase in brand sales, totaling €1.16bn for 2019
- 6.1% uplift in footfall, over 32m guests visited VIA Outlets destinations
- Total of 338 remerchandising initiatives including 128 new store openings

4 February, 2020 – VIA Outlets – Europe's fastest growing owner-operator of premium outlet shopping destinations confirms another year of impressive growth in 2019. Reinforced by the company's continued remodelling programme and the introduction of new brands, VIA Outlets delivered exceptional figures including an 8.4% increase in its brand sales and a 6.1% increase in footfall. These results demonstrate the increasing attractiveness of an ever improving VIA Outlets portfolio and the resilience of the outlet sector compared to the headwinds faced by wider, full-price high street and retail markets.

Reinforced strategy delivering strong results

The increase in brand sales meant an uplift to €1.16 billion in 2019, whilst the footfall increase saw VIA Outlets welcome a record 32.2 million guests over the year. The company's 3 R's strategy, which focusses on Remodelling, Remerchandising and Remarketing, is a principal factor behind the continued growth of its portfolio which now includes over 1,100 stores totalling 267,000 sq. m. GLA across its eleven centres in nine European countries.

Otto Ambagtsheer, Chief Executive Officer, commented on the year's results: "Our portfolio continues to deliver exceptional results with growth across all fundamental metrics, proving once again that our 3 R's strategy is working well and continues to deliver fantastic results for our investors. Stepping into the new decade, we are continuously improving the overall experience for our guests and brand partners and remain dedicated to this winning strategy. There is an exciting journey ahead as we look for new ways to further extend the VIA Outlets brand and strengthen VIA Outlets' position as one of the leading premium outlet owner-operators in Europe."



In the past 12 months an impressive 31% of the portfolio has been remerchandised. 128 new brands joined the VIA Outlets' portfolio, including Ajax, Frederique Constant, Liu-Jo, Coccinelle, while brands such as Adidas, Hugo Boss, Diesel, Karl Lagerfeld and Calvin Klein opened further stores within the portfolio. In addition to this, 210 relocations and refits took place, including upsizes for, amongst others, Superdry, Adidas, Calvin Klein, Hugo Boss and Gant.

Jorge Sánchez Mera, Head of Leasing, commented: "Remerchandising is a cornerstone of our strategy, allowing us to offer guests an unrivalled mix of international and local, established and up-and-coming brands. We work collaboratively with our brand partners and as a result we are seeing existing brands choosing to expand within the portfolio, while we are also pleased to have welcomed a whole new set of retailers. As interest from retailers continues to increase, it's becoming overtly clear that outlet centres are now considered an essential channel in any successful brand's sales strategy. More and more retailers are seeing outlet centres as a good source of revenue – plus there is the added benefit of reaching new customer segments and markets."

VIA Outlets' portfolio performed strongly, with some centres delivering stellar performance. Several centres passed new footfall milestones, including Mallorca Fashion Outlet welcoming close to 5.3 million guests, Vila do Conde Porto Fashion Outlet over 5 million and Zweibrücken Fashion Outlet reaching over 4 million guests.

Freeport Lisboa Fashion Outlet reported the strongest footfall increase, with a 12% year-on-year uplift, reaching a total of 3.3 million, and it also recorded the highest increase in brand turnover with 20%. This follows extensive remodelling and upgrading works at the end of 2018 as well as 14 new store openings in the past year such as Gant, Boggi, Karl Lagerfeld, Liu-Jo, Faconnable and Havaianas.

Four centres undertook significant redevelopment and remodelling works over the past 12 months: Wrocław Fashion Outlet in Poland, Sevilla Fashion Outlet in Spain, Zweibrücken Fashion Outlet in Germany and Hede Fashion Outlet in Sweden. The remodelling and extension works at Hede Fashion Outlet, added 2,376 sq. m. of GLA and completed in October, resulted in a 37% like-for-like increase in the number of guests during the last three months of the year.



Remodelling will continue in 2020, with works completing at Vila do Conde Porto Fashion Outlet in Portugal. In the first quarter, work will also start at Oslo Fashion Outlet as well as a relaunch of Zweibrücken following additional remodelling in Q1.

By the end of 2020, VIA Outlets will have undertaken remodelling works across all eleven centres. A total of €200 million have already been invested since the company was formed in 2014, in line with its mission to provide the very best experience for both guests and brand partners.

Tourism initiatives are paying off

With many of VIA Outlets' centres located in some of Europe's most popular tourist destinations, the continuous leveraging of European and non-European tourism has been an important factor for growing both footfall and sales. This is substantiated by a significant rise in tax free sales, increasing by 17 percent over the past year across the entire portfolio. Even mature markets such as Batavia Stad Fashion Outlet in Amsterdam and Freeport Lisboa Fashion Outlet in Portugal saw increases in this metric by 21 and 29 percent respectively.

Sustainability at the forefront of operations

VIA Outlets has a particularly thoughtful approach to sustainability, a topic that has risen towards the top of its agenda – and this was reinforced in 2019 with the development of a dedicated sustainability strategy which focusses on four main pillars: Sustainable Buildings, Engaged Stakeholders, Conscious Consumers and Resilient Communities. This strategy aims to strike a balance between protecting the environment, promoting stakeholder interest and achieving commercial success. Principally, VIA Outlets' sustainability work focusses on using natural resources responsibly, minimising waste and reducing emissions, as well as by creating a positive and healthy working environment. The strategy prepares the portfolio for a more proactive future in which sustainability legislation and regulations will become increasingly stringent.

The VIA Outlets portfolio, which is BREEAM In-Use certified, saw two of its centres – Wroclaw Fashion Outlet and Vila do Conde Porto Fashion Outlet – increasing their score to a 5* Excellent rating in 2019.



VIA Outlets is a joint venture between APG and Hammerson. It currently owns a portfolio of 11 premium fashion outlets across Europe, offering over 1,100 stores in nine European countries.

Ends

Notes to Editors:

VIA Outlets was founded in 2014. It is owned in a 50/50 joint venture partnership between Dutch pension fund asset manager APG and UK REIT Hammerson plc.

For more information about VIA Outlets, please visit: www.viaoutlets.com

About APG Group NV:

APG is the largest pension delivery organization in the Netherlands; its approximately 3,000 employees provide executive consultancy, asset management, pension administration, pension communication and employer services. APG performs these services on behalf of (pension) funds and employers in the sectors of education, government, construction, cleaning and window cleaning, housing associations, energy and utility companies, sheltered employment organizations, and medical specialists. APG manages approximately €538 billion (December 2019) in pension assets for the pension funds in these sectors. APG works for approximately 21,000 employers, providing the pension for one in five families in the Netherlands (about 4.6 million participants). APG has offices in Heerlen, Amsterdam, Brussels, New York and Hong Kong.

About 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 30th June 2019, the portfolio of high-quality venues had a value of £9.5 billion and includes 21 flagship destinations, 12 convenient retail parks and investments in 20 premium outlet villages, through partnerships with Value Retail and VIA Outlets. 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. They manage over 2,000 brand relationships and during trading hours, over 80,000 people visit their shopping centres hourly across our flagship destinations in the UK, France & Ireland.

For additional information, please visit: www.hammerson.com

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