

# MCARTHURGLEN

GROUP

## PRESS RELEASE

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### **McArthurGlen opens 126,000 sq m of designer outlets by end of 2010**

The Group has new schemes in Venice, Berlin, Salzburg, Naples and Athens.

McArthurGlen Group, Europe's leading developer, owner and manager of designer outlet villages, will open a further five new schemes, adding 126,200 sq m of gross leaseable area (GLA) to its existing portfolio of more than 400,000 sq m, over the next two years.

The 11,000 sq m first phase of McArthurGlen's Veneto Designer Outlet village opened in September 2008. This will be followed by the opening next year of the first phases of new designer outlet villages for Berlin (total GLA: 19,000 sq m) and Naples (26,000 sq m), as well as a 28,000 sq m designer outlet village adjacent to Salzburg's international airport and the second phase of Veneto Designer Outlet (21,000 sq m). In Athens, a 21,200 sq m McArthurGlen Designer Outlet village will open in 2010.

Looking ahead, McArthurGlen Group, which introduced the concept of designer outlet retailing to Europe in 1995 with the opening of its Cheshire Oaks Designer Outlet in the UK and Troyes Designer Outlet in France, will ramp up its expansion even further. The Group is looking for new opportunities across Europe, both for McArthurGlen Designer Outlets, which offers shoppers discounts of 30-70 per cent on last season's collections of well-known brands in a quality environment, as well as for full-price luxury and designer retail opportunities.

JW Kaempfer, Chairman of McArthurGlen Group, says: "McArthurGlen is actively seeking opportunities across Europe; both in Western Europe, in particular France, Spain and Germany, where the designer outlet market still shows potential, and also in the richer emerging markets on the eastern fringes of Europe, namely Russia and Turkey."

*McArthurGlen opens 126,000 sq m of new designer outlets by end of 2010 continued ...*

Gary Bond, CEO of McArthurGlen European Development, says: "Given our strong relationship with our 700 retail brand partners, including some of the top names in luxury retail, and with our financial partners, we are in a prime position to make the most of development opportunities across Europe, both in the more mature Western European markets as well as in the emerging markets on the eastern fringes of Europe."

In total, McArthurGlen currently has 17 designer outlet villages across Europe. In addition, the Group moved into full-price retail with the opening of Collezioni at Venice's Marco Polo Airport in summer 2008, the first venture of McArthurGlen Luxury Retail and showcasing 20 luxury brands. The idea behind Collezioni is to create a genuine partnership between airports and the world's finest brands to overcome the barriers that have so far limited the presence of these brands to a relative handful of the world's major airports.

Regarding McArthurGlen's current five new schemes, Gary adds: "All five of our new Designer Outlet villages are located in key tourist areas of Europe, from Berlin, for example, which is Germany's No 1 city tourist destination, to Veneto Designer Outlet, near Venice. They all benefit from good location and accessibility, with the Salzburg village adjacent to the international airport, and Naples on the main motorway between Naples and Rome, and have a minimum of nearly four million people within a 90-minute drive."

## NOTES TO EDITORS

### **Details of McArthurGlen's five new designer outlet villages across Europe:**

Veneto Designer Outlet opened in September 2008 in Noventa di Piave, **Venice**, and is McArthurGlen's fourth designer outlet village in Italy. The three other McArthurGlen villages in Italy are Milan (Serravalle Designer Outlet), Rome (Castel Romano) and Florence (Barberino). Venice Designer Outlet will have:

- A total GLA of 21,000 sq m with 120 stores.
- The first phase of Veneto Designer Outlet, opened in September 2008, offers 11,000 sq m of GLA. The second phase is scheduled to open in 2009, adding a further 10,000 sq m.
- Some of the key brands in the first phase include Aspesi, Baldinini, Burberry, Costume National, Fratelli Rossetti, Les Copains, Pal Zileri, Brookfield, Calvin Klein Underwear, Nike Factory Store, Calvin Klein Jeans, Elena Mirò, Frette, Guess, Il Gufo, Massimo Rebecchi, Miss Sixty, Pinko and Piquadro.

- Almost four million people live within a 90-minute drive of the designer outlet village. In addition, more than 14 million tourists visited the Veneto region last year, of which nine million came from outside Italy.

The new designer outlet village for **Berlin** is being jointly developed by McArthurGlen and Henderson Global Investors on behalf of its European Outlet Mall Fund. McArthurGlen is also managing and leasing the village:

- The €80-million redevelopment of the existing scheme will offer a total GLA of 19,000 sq m, with a total of 120 retail stores.
- The first phase will open in May 2009, with 8,000 sq m of GLA, and the second phase, the redevelopment of the existing 11,000 sq m of retail space, in Q3 2010.
- Around 5.6 million residents live within 90 minutes, while 7.5 million tourists visit Berlin each year.
- The scheme is located on the B5 motorway and is a 30-minute drive from Berlin city centre, as well as being close to the new Berlin Brandenburg International Airport.

McArthurGlen's designer outlet village for **Naples** is inspired by the Campania region's Mediterranean architecture, in particular the nearby Royal Palace at Caserta.

- The scheme for what is Italy's second biggest city after Milan will offer a GLA of 26,000 sq m with a total of 120 stores.
- The 20,000 sq m first phase will open in Q4 2009 followed by a 6,000 sq m extension in Q2 2010.
- The catchment area includes the more than five million people of the Campania region, as well as the five million tourist visitors to the region each year.
- It is located 25km from Naples, on the main A1 highway to Rome.

The Group's designer outlet village for **Salzburg** will open adjacent to the city's W A Mozart International Airport in autumn 2009/Q4 2009. This is McArthurGlen's second village in Austria, following the success of its Parndorf Designer Outlet village which opened in 1998.

- The 28,000 sq m covered scheme has two levels, and will house 140 leading fashion brands once it opens in Q4 2009.
- Around 5.6 million people live in the affluent catchment within a 90-minute drive of the scheme. In addition, the airport handles more than five million passengers a year.
- The scheme is a 20-minute drive from Salzburg's city centre, which hosts 4,000 cultural events a year. It is also located on the A1/A8 motorway to Munich, and on the A10 motorway that links Germany and Austria to Italy. Around 40 per cent of the catchment area will be in Austria and the remaining 60 per cent in neighbouring Bavaria.

McArthurGlen's designer outlet village in **Athens** will be the Group's first development in Greece, as well as the first designer outlet village in the country. There is no comparable combination of design, environment and brands in the Athens market.

- The village will accommodate a GLA of 21,200 sq m, including 120 stores, and is due to open in early 2010.
- The centre is located to the north-east of Athens, just off the Athens Attiki Odos ring road, and a 15-minute drive from Athens International Airport.
- Around five million customers live within 90 minutes of the village, while six million tourists visit the Greek capital every year.

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