

Bezannes, August 1, 2019



## Frey signs a 3<sup>rd</sup> international transaction with the acquisition of an open-air shopping centre of 60,000 m<sup>2</sup> in Portugal

**FREY (ISIN: FR0010588079), specialized in the development and management of open-air shopping centres, announces that it has acquired from a fund managed by CBRE GIP and Sonae Sierra, the shares of 4 companies which own a leading 60,000 m<sup>2</sup> open air shopping centre located in the Algarve, Southern Portugal.**

On this occasion, Antoine FREY, Chairman and Chief Executive Officer, said: *"This acquisition marks our first establishment in Portugal, in the Algarve, a region that benefits from dynamic demographic and economic fundamentals. This open-air shopping centre, located in Albufeira, is a high-quality asset that combines a high recurring yield and a significant value creation potential through its renovation and expansion.*



*Algarve Shopping*

Located in Albufeira in the Algarve (Southern Portugal), Algarve Shopping & Albufeira Retail Park is an open-air commercial centre with solid fundamentals:

- a presence in the 2nd Portuguese region due to its dynamism. The Algarve has an excellent performance: a demographic growth well above the national average (+32% against +7% over the period 1991/2011) and a low unemployment rate (7% against 8.2% at national level);
- an exceptional catchment area of 280,000 inhabitants within 20 minutes (excluding hotel nights, which can increase the catchment area to more than 800,000 inhabitants in summer) centred on Albufeira, the new flagship seaside resort of Algarve, located 40 km from Faro airport (8.7 million passengers per year);
- an attractive shopping and leisure offer on nearly 60,000 m<sup>2</sup> with many local and international brands including all the Inditex group's brands (Zara, Pull & Bear, Berksha,...), Fnac, C&A, H&M, JD Sport, Radio Popular and Worten, a Continental supermarket, around twenty restaurants and a cinema and 3,000 parking spaces;
- a net annual rental income of €14.3 million, an occupancy rate of 99.8% and a footfall of more than 7.5 million visitors each year.



*Albufeira Retail Park*

Opened in 2001 and expanded in 2004, Frey plans to carry out a renovation program and implement the spirit and architectural highlights of its Shopping Promenade concept. This first rank property has a significant value creation through a potential 9,000 m<sup>2</sup> GLA expansion, which could reinforce the leadership of the shopping centre.

The acquisition price retained for the property is set at €179.3 million including transfer duties (including a deferred payment of €20 million at 18 months). The transaction is financed from Frey's own funds.

Sonae Sierra will keep in charge of the Property management and leasing activity of the shopping centre and retail park, due to its long track record and know-how managing and leasing retail real estate properties for its owned portfolio and for clients, in different geographies.



*Algarve Shopping & Albufeira Retail Park*

**About FREY**

A planner, developer, investor and manager, FREY is a real estate company specialising in major urban renewal operations as well as the development and operation of open-air shopping centres. Its Shopping Promenade®, an open-air shopping centre, offers a complete range of shopping and leisure activities to create an "enhanced experience" for the whole family. Thanks to its unique expertise, Frey has become a recognised French leader in this resilient asset class, with a deep market (creation, extension, renovation) and in perfect harmony with the expectations of consumers, brands and local authorities. Another structuring pillar of FREY's know-how is the large mixed urban projects, which it develops with the support of its dedicated subsidiary CITIZERS.

Frey is listed on compartment B of Euronext Paris. ISIN: FR0010588079 - Mnemo: FREY.

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