

## **TK Development sells retail park project in Vilnius, Lithuania**

### *Summary:*

- *TK Development has conditionally sold an 11,100 m<sup>2</sup> retail park project in Vilnius, Lithuania.*
- *The sale underpins the Group's adjusted strategy and business focus on phasing out the discontinuing activities and reducing the portfolio of land.*
- *The sale, which is not expected to have a significant impact on results, will strengthen the Group's financial platform.*
- *The project has been sold to BPT Baltic Opportunity Fund, a fund managed by BPT Asset Management, and the selling price is based on a return requirement of 8.5 % p.a.*
- *The "DomusPro" Retail Park is to be built in phases. The first phase of about 7,500 m<sup>2</sup>, which has as a current occupancy rate of 79 %, with supermarket operator RIMI as the anchor tenant, is scheduled to open in spring 2014.*

### **The "DomusPro" retail park project in Vilnius, Lithuania, has been conditionally sold**

TK Development has conditionally sold the Group's retail park project in Vilnius, Lithuania. The retail park will be situated in an attractive retail development area, with premises totalling about 11,100 m<sup>2</sup>. The project is expected to be built in two phases, the first phase comprising about 7,500 m<sup>2</sup> and having a current occupancy rate of 79 %, with supermarket operator RIMI as the anchor tenant. Moreover, lease agreements have been concluded with several smaller tenants.

The buyer is UAB BPT Baltic Fund 2, which forms part of BPT Baltic Opportunity Fund and is managed by BPT Asset Management. BPT is an international real estate asset manager focusing on Central, Eastern and Northern Europe that manages a portfolio of more than 1 million square metres. This acquisition is the fourth in line for BPT Baltic Opportunity Fund and the first acquisition in Vilnius, Lithuania. The selling price for the project is based on a return requirement of 8.5 % p.a. The sale is based on usual commercial conditions, including the conditions relating to the occupancy rate and completion of the construction.

TK Development expects to start constructing the retail park in autumn 2013 and anticipates opening the first phase in spring 2014 at the same time as closing the sale of this phase. Construction of the second phase will be initiated upon achieving a satisfactory occupancy level.

The sale is not expected to have a significant impact on results, but will reduce the portfolio of projects not initiated and the scope of discontinuing activities, while also strengthening the Group's financial platform. Thus, the sale will underpin the Group's adjusted strategy and business focus.

TK Development maintains its profit forecast for the current financial year.

### **Contact information:**

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