

## **TK Development sells outlet centre in Prague, the Czech Republic**

### *Summary:*

- *TK Development has conditionally sold its 75 % stake in the Fashion Arena Outlet Center in Prague, the Czech Republic.*
- *The Fashion Arena Outlet Center consists of 110 stores covering a total floor space of 25,000 m<sup>2</sup>.*
- *The outlet centre has been sold to Meyer Bergman, at a selling price for the whole outlet centre of EUR 71.5 million.*

### **Fashion Arena Outlet Center in Prague sold to Meyer Bergman**

TK Development has developed and managed the Fashion Arena Outlet Center together with LMS Outlets Limited. TK Development's ownership interest in the outlet centre represents 75 %.

The Fashion Arena Outlet Center was a two-phase development, with the first phase of 18,000 m<sup>2</sup> opening in November 2007 and the second of 7,000 m<sup>2</sup> opening in October 2010.

The 25,000 m<sup>2</sup> outlet centre consists of 110 stores, and the current occupancy rate is 96 %. The centre has a broad mix of tenants, including Tommy Hilfiger, Nike, Adidas, Benetton, Tom Tailor, Ecco, Gant, Lacoste, Levi Strauss & Co., Desigual, Puma, Guess, Calvin Klein and Esprit.

Together with LMS Outlets Limited, TK Development has today entered into a conditional sales agreement with Meyer Bergman. The sale is contingent on the final financing arrangement, which is expected to fall in place shortly. The selling price for the outlet centre amounts to EUR 71.5 million, which results in a minor profit relative to the carrying amount, a reduction of the balance sheet total by about DKK 400 million and a substantial contribution to free cash resources.

The sale is part of Management's strategy to sell one or more major projects.

Meyer Bergman is a privately held real estate investment management firm headquartered in London, UK, which specializes in retail real estate. Meyer Bergman's current acquisition efforts are focused on well located, defensive assets in the UK, Germany, France, the Nordic region, Poland, and the Czech Republic. Typical transaction values range between EUR 30 million and EUR 300 million.

Meyer Bergman manages two closed-ended funds – Meyer Bergman European Retail Partners I launched in 2007 and Meyer Bergman European Retail Partners II launched in 2012 – on behalf of third-party institutional investors, including leading pension funds, endowments, and asset managers from North America and Europe.

TK Development maintains its profit forecast for the 2013/2014 financial year.

### **Contact information:**

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