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## A € 4.5 million investment

## **Sonae Sierra inaugurates AlgarveShopping's expansion**

- More than 3,000 m<sup>2</sup> of Gross Lettable Area
- Opening of the largest C&A and H&M shops in Algarve
- Creation of 100 new permanent jobs
- Sonae Sierra invested €13 million in expansions and refurbishments in the Algarve over the last three years

Sonae Sierra, the international shopping centre specialist, has just inaugurated the expansion of AlgarveShopping, an investment of € 4.5 million with the purpose of modernizing and strengthening the commercial offer of the Centre located in Guia (Albufeira).

The intervention adds about 3,000 m<sup>2</sup> of Gross Lettable Area (GLA) to AlgarveShopping which now makes available 130 shops in a GLA of approximately 45,500 m<sup>2</sup>.

According to **Fernando Guedes de Oliveira, Sonae Sierra's CEO**, "the expansion of AlgarveShopping reflects Sonae Sierra's ongoing concern of adding value to its shopping centres and strengthening its commercial offer and capacity to attract relevant tenants to Sonae Sierra's Shopping Centres. This investment is also an important contribution to the region, since it creates around 100 new jobs which will reinforce the one thousand direct jobs that already exist in the Centre."

### **AlgarveShopping, focused on local development and attracting tourists**

AlgarveShopping plays a very significant role in the development of commerce and the commercial offer for tourists visiting the region.

According to a survey for tourists visiting AlgarveShopping, Albufeira is the place that welcomes the most tourists in the Algarve region, receiving 53% of tourists in 2012.

In the summer, tourists represent an important share of the Centre's visitors, totalling around 2.9 million between June and September and representing about 40% of total visits in that period, while in August that percentage climbs to 51%, which illustrates the relevance of the

Centre in this tourist region, becoming a shopping and leisure destination also for this specific public.

70% of tourists visiting the Centre are Portuguese, mainly from the Lisbon area (32%); 26% come from the European Union, particularly from England (32%) and 4% from outside the European Union, mainly from Brazil (26%).

### **Largest C&A and H&M shops in the Algarve**

In terms of commercial offer, the big novelty is the entry of C&A and H&M, two international references in the fashion segment, a strong bet from the Centre, which will feature the largest shops of both brands in the entire Algarve region. H&M opened a large dimension shop, with an area of 2,250 m<sup>2</sup>, whereas C&A is present with an area of 1,400 m<sup>2</sup>, the first unit in the region under the brand's new image.

This expansion has also attracted five new fashion, accessories and perfume shops such as G-Star Raw, Rockport, Levi's, Claire's and Kiko Make Up, which complement the existing offer. The first two brands are a novelty in the entire region of the Algarve.

Parallel to the conversion of the food court, the circulation and accesses were improved, namely in terms of communication with the lower level. The intervention enhances the visibility and width of the common areas, which will result in a more pleasant and comfortable space.

This expansion marks the 12<sup>th</sup> anniversary of AlgarveShopping and answers the current market trends and visitor demands, ensuring the continued commercial success of this shopping centre, which has an average occupancy rate very close to 100% and welcomed almost 6.5 million visitors in 2012.

### **Over the last three years, Sonae Sierra invested €13 million in expansions and refurbishments in the Algarve**

This inauguration is another important step for Sonae Sierra's clear bet in the Algarve, a region where the Company has already invested a total of €13 million since 2010, which contributed to the creation of a total of two thousand direct jobs in our three shopping centres.

In 2010, Sonae Sierra finished the refurbishment of AlbufeiraShopping through a €5 million investment, thus making available 45 shops in 10.500 m<sup>2</sup> of GLA and employing about 300 people. The highlight of this project was the total refurbishment and expansion of the food

court, making it more comfortable and functional for its visitors. Its privileged location in the region, as well as its acknowledged qualities and commercial success, attract more than 3.5 million visitors every year.

In 2012, Sonae Sierra inaugurated the first stage of the refurbishment of Centro Comercial Continente de Portimão in a €3.5 million investment, thus making available 60 shops in 13.553 m<sup>2</sup> of GLA and employing 600 people.

The refurbishment enhanced the offer with the entry of new shops and also strengthened the services. New escalators were created in the food court, enabling a better connection to the upper level. With an affluence of about six million visitors, the purpose of the refurbishment was to answer the current market trends, visitor demands and further adjust it to the region's tourist offer.

### **About Sonae Sierra**

*Sonae Sierra, [www.sonaesierra.com](http://www.sonaesierra.com), is the international Shopping Centre specialist, with a passion for creating innovative shopping experiences. The Company owns 48 shopping centres and is present in 11 countries: Portugal, Spain, Italy, Germany, Greece, Romania, Croatia, Morocco, Algeria, Colombia and Brazil. Sonae Sierra manages more than 70 Shopping Centres with a market value of more than €5.8 billion euros, and a total Gross Lettable Area of about 2.3 million m<sup>2</sup> with about 8,500 tenants. In 2012, the Company welcomed 426 million visits in the Shopping Centres it manages. Currently, Sonae Sierra has 6 projects under development, including 4 for clients, and 7 new projects in pipeline.*