



Landsec

Press release

Title Landsec acquires remaining 50% share of prime shopping destination in Cardiff

From Landsec

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Landsec has secured 100% ownership of St David's shopping centre, Cardiff, following its purchase of the debt secured against the 50% share of the asset previously owned by intu plc. Comprising separate transactions with two debt holders, the overall purchase price represents a discount to the £113m September 2022 book value of Landsec's existing 50% share of the centre, with a net initial yield of 9.7% and an equivalent yield of 9.7%.

Leasing momentum in St David's has been strong, as the centre benefits from brands' ongoing "flight to prime". Since March 2022, 36 leases have been signed or are in solicitors hands, on average 11% ahead of ERV. In the last 18 months, several brands have relocated to St David's from elsewhere in the city, agreed to open new stores, or upsized their existing stores, including Zara, Ivy Asia, Gaucho, Footasylum and The Fragrance Shop.

Via a separate deal, Landsec has also acquired the adjacent vacant Debenhams store for a minimal sum. All combined, this unlocks the opportunity to deliver its future vision for the centre, to further enhance its attraction for brands and guests. This will introduce new public spaces, elevated F&B/leisure concepts and a refreshed brand mix, and is expected to deliver a high single digit income return on incremental capex.

Bruce Findlay, Managing Director, Retail at Landsec said: "Acquiring this final stake in St David's is testament to our ability to unlock complex opportunities and enables us to take forward our placemaking plans for what is the dominant retail destination in Wales. With annual footfall of 27 million, it also has the necessary attributes of what we see as a shopping centre of the future.

"Last quarter, we saw many household name brands make a move to prime city-centre locations like St David's with a focus on creating best-in-class guest experiences. Our investment here will position us perfectly to capitalise on this trend, driving increased footfall and spend – while also helping to shape an exciting future for Cardiff's city centre.

"It's clear that the flight to prime isn't slowing and we're investing at a time where values are at a level that makes this transaction very attractive."

Ends



About Landsec

At Landsec, we build and invest in buildings, spaces and partnerships to create sustainable places, connect communities and realise potential. We are one of the largest real estate companies in Europe, with a £10.9 billion portfolio of retail, leisure, workspace and residential hubs. Landsec is shaping a better future by leading our industry on environmental and social sustainability while delivering value for our shareholders, great experiences for our guests and positive change for our communities.

Find out more at landsec.com

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