

Press Release of 26th June 2025

Ladies and gentlemen of the press,

ecostra GmbH has been analysing the status and development of outlet centres in Europe for many years within the framework of ongoing basic research. The results are summarized in a quarterly updated market survey with a list of all outlet centres that are in operation or in a planning stage. This market survey is available free of charge as a PDF file on the ecostra website.

In the following press release, the results and findings from the analysis of the latest available data on the outlet centre market in Europe are prepared and commented.

We would be very pleased if you could include this press release in your publication. If you need further illustration material (e.g. printable photos of selected outlet centres), we can also provide it to you free of charge and without copyrights.

If you have any questions, please do not hesitate to contact us. Contact person is Dr. Will on phone no. +49 (0)611 716 95 75-0 or email info@ecostra.com.

With kind regards

ecostra GmbH

Outlet expansion continues with the handbrake on

Few new developments of locations. But lively transaction activity.

The major surge in new outlet centre openings in Europe appears to be over for the time being. This is quite surprising for market observers. After all, no other form of retail distribution has so far shown comparable immunity to online retail. Nor has any other bricks-and-mortar form of distribution come through the various crises of recent years better. With only a few exceptions, outlet centre operators continue to report a continuously rising footfall and growing sales. And yet there are only a few new outlet centre developments in Europe.

Mixed picture: saturated outlet markets and countries with potential for expansion

'The market saturation of factory outlet centres that can be observed in various countries is not sufficient to explain this,' states ecostra Managing Director Dr Joachim Will. The Wiesbaden-based economic research institute has been analysing the development of this form of retail distribution in European countries for over 20 years. Will: *"Even in England, which has been considered a saturated market for years, new outlet centre sites continue to be developed. There are also some countries, such as Germany, France and Poland, where there is clearly still potential for expansion. So there is no sign of market saturation! Rather, the reason is that the most expansive project developers and operators to date have either largely ceased their expansion activities or shifted their focus to other continents."* This applies to the European market leader McArthurGlen as well as to Value Retail and the Spanish operator Neinver, which have recently been shaking up the European market.

Changing guard: established players leave, new players enter the market

However, new players are moving into this gap, albeit not with the same pace of site planning. For example, the French company Frey SA, which was previously active in the development of retail parks and has now suddenly become one of the big players in the European outlet market with the purchase of the fourth-largest outlet operator ROS Retail Outlet Shopping. The same applies to Dommermuth Outlet GmbH, owned by the German internet billionaire of the same name, whose plans to expand the

outlet centre in Montabaur are about to receive planning permission and whose approval process for the construction of a new outlet centre in Remscheid is already at an advanced stage. In Bulgaria, too, Trinity Capital is entering the outlet market, a company that was previously only known as an investor and operator of shopping centres and retail parks. Trinity Capital has already received approval to expand its existing and successful retail park in the east of the capital Sofia to include an outlet area. The opening is planned for 2026. In France, the developer 'La Compagnie de Phalsbourg', which previously specialised in office buildings, opened its first outlet centre in Villefontaine near Lyon in May 2018, which was very successful right from the start. The company is now planning its second centre on the Côte d'Azur near Antibes.

Lack of momentum: stagnating or even shrinking portfolio data

Nevertheless, on balance, relatively little is happening in the market in terms of new openings and closures. As the results of ecostra's basic research show, there are currently 195 outlet centres with a total sales area of around 3,215,330 m² in operation in Europe. This means that both the number and the area of these centres have actually shrunk slightly compared to the previous year. The reason cited by ecostra's Managing Director is that the 'Neo Plaza Outlet Village' near Nicosia, Cyprus, has left the market due to a lack of success. The same applies to the 'Brandcity Outlet Centre' on the outskirts of the Russian capital Moscow. In the case of Russia, it is also particularly difficult to review and evaluate the property data, as hardly any reliable information is currently available from this market. The only two new openings in the past 12 months were the outlet sales area in the humma shopping centre in Sankt Augustin (near Bonn) at the end of November 2024 and the Designer Outlet Kraków in Poland at the end of May 2025.

Activity in existing centres: 'trading up', expansion of space and new utilisation modules

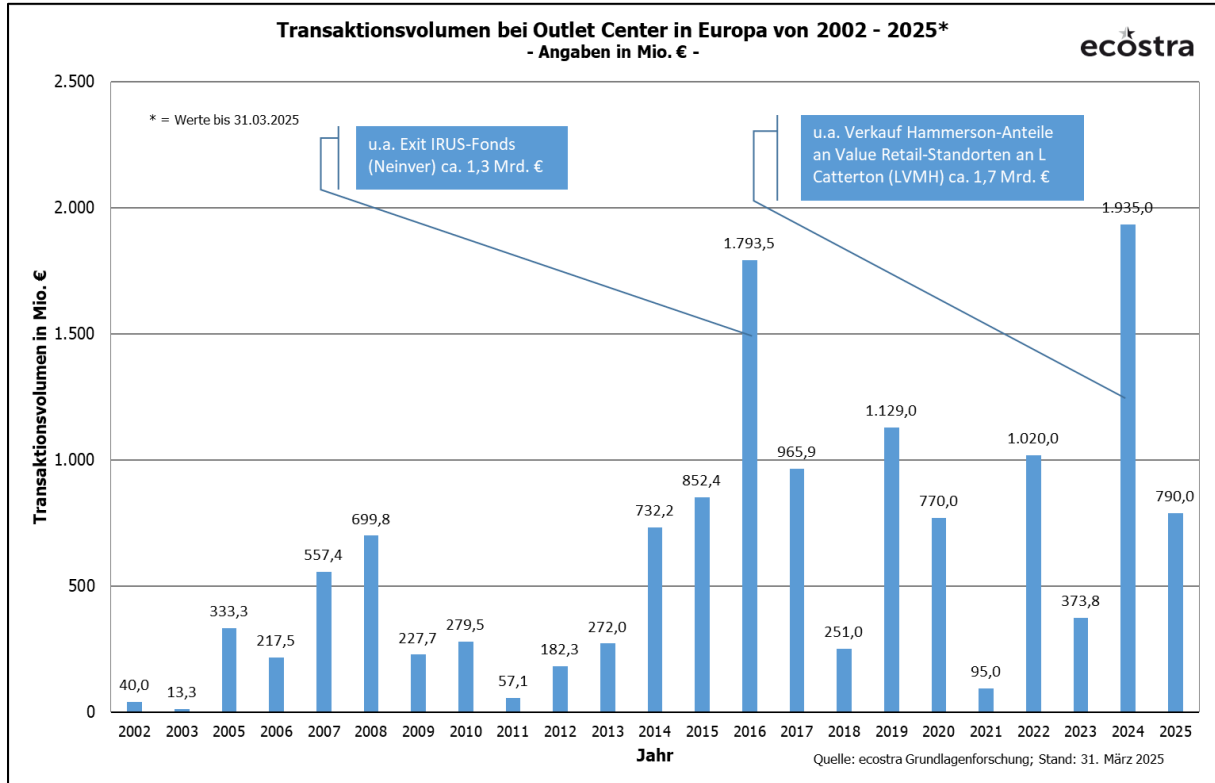
The outlets in operation in Western European countries are currently undergoing qualitative changes in particular. In new developments, the architectural language has moved away from Disneyfied backdrop buildings towards modern forms, as exemplified by the Designer Outlet Giverny, which was opened by McArthurGlen north-west of Paris in 2023. At the same time, a design 'trading up' can be recognised through the selection of high-quality materials and a corresponding design of the squares and green spaces. A differentiation of the market is also taking place in the brand image, with Value Retail in particular succeeding in positioning itself in the premium and even luxury segment. Almost all centres are also expanding their food and beverage offer, while others - such as Outlets Metzingen - are specifically trying to extend the length of stay and are supplementing their offering by building hotels with conference facilities. Some centres are also expanding their retail space and thus extending their brand offering.

Transaction market: Rare 'jewels' are sold in packages

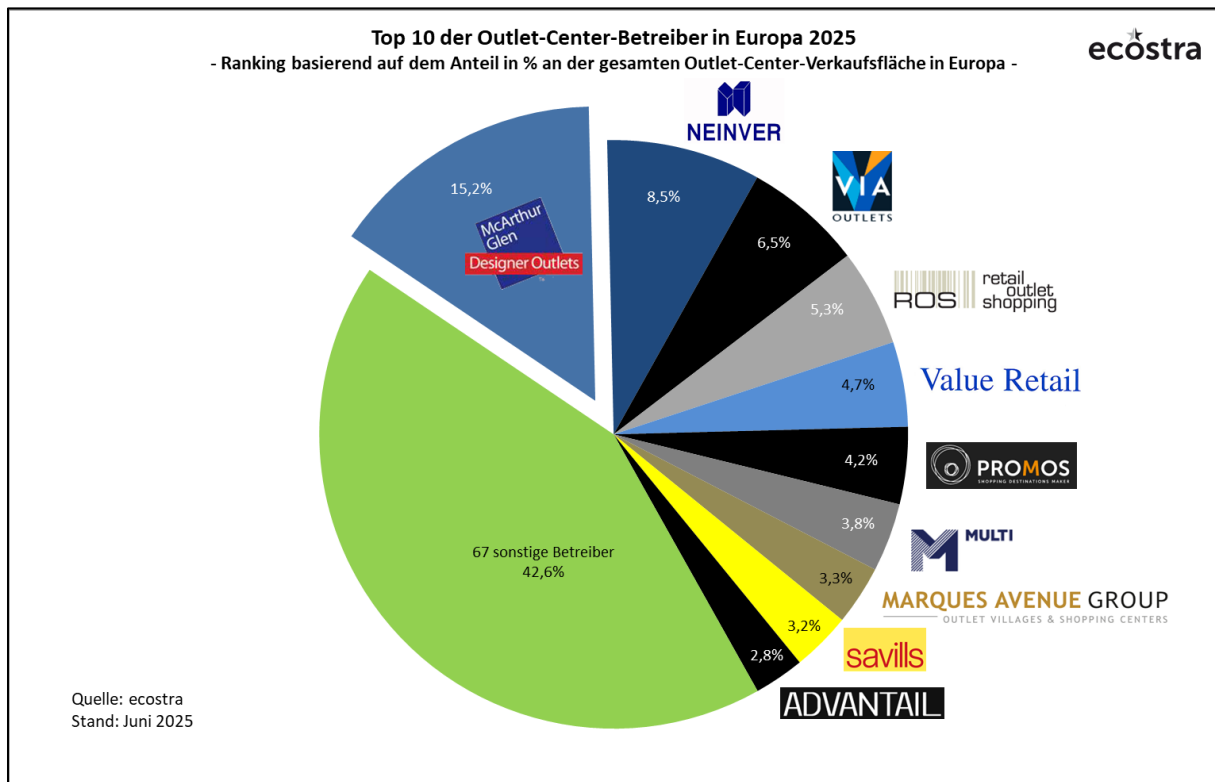
While the expansion of outlet centres has now entered calmer waters after the boom phase between 2010 and 2020, the transaction market is proving to be very lively. With a transaction volume of around €1.9 billion, the previous record from 2016 was exceeded in 2024. Outlet centres worth just under €0.9 billion were traded in the first quarter of 2025 alone. This transaction activity is being driven by apparent liquidity bottlenecks on the investor side, which have resulted from the (re)financing requirements of other investment segments. Will: *"We can only assume that this was the case with Hammerson, which sold its shares in the centres of Value Retail and thus the jewels from its portfolio to a fund owned by the LVMH Arnault family in 2024. The sale of the two luxury-branded 'The Mall' outlet centres in San Remo and near Florence by the French Kering Group to the American Simon Property Group at the*

beginning of 2025 is also likely to have been largely triggered by the financing requirements of the Kering brand Gucci. Such top centres are otherwise only very rarely put up for sale. There must be special reasons for this."

The development of annual transaction volumes for outlet centres in Europe 2002 - 2025



The Top 10 outlet centre operators in Europe (on the basis of the outlet sales area in operation)



The Outlet Centre Market in the European Countries 2025. Current Status and Development Trends

Country ⁽¹⁾	Number of Outlet Centres	Total Retail Sales area in m ²	Ø Retail Sales Area in m ² per Centre	Retail Sales Area in m ² per 1.000 Inhabitants	Number of planned Sites	Medium Term Trend ⁽²⁾
IN OPERATION						
UK	38	570.805	15.020	8,5	5	↗
Italy	26	564.220	21.700	9,6	3	→
France	22	326.490	14.840	4,8	2	→
Spain	20	289.640	14.480	6,1	1	→
Germany	19	275.295	14.490	3,3	6	↑
Poland	14	221.000	15.790	5,9	-	→
Russia ⁽³⁾	9	173.050	19.230	1,2	-	↓
Portugal	5	95.000	19.000	9,1	-	→
Switzerland	5	77.500	15.500	8,8	-	↓
Greece	5	74.400	14.880	7,0	1	→
Netherlands	4	99.000	24.750	5,6	1	↗
Czech Republic	4	73.500	18.380	7,0	-	→
Austria	3	74.000	24.670	8,2	-	→
Lithuania	2	40.700	20.350	14,5	-	↓
Sweden	2	33.500	16.750	3,2	1	↗
Hungary	2	31.385	15.690	3,2	-	→
Belgium	2	31.000	15.500	2,7	1	↗
Croatia	2	30.145	15.070	7,7	-	↓
Denmark	2	25.000	12.500	4,2	1	→
Romania	2	24.500	12.250	1,3	-	→
Norway	2	21.500	10.750	4,0	-	→
Ireland	1	17.200	17.200	3,4	1	↗
Ukraine	1	15.000	15.000	0,4	-	→
Serbia	1	13.000	13.000	1,8	-	→
Latvia	1	10.000	10.000	5,3	-	→
Finland	1	8.500	8.500	1,5	-	→
Bulgaria	-	-	-	-	1	↗
Slowenia	-	-	-	-	1	↗
Luxembourg	-	-	-	-	1	→
Total	195	3.215.330	16.490	4,5	26	↗

⁽¹⁾ = Ranking in descending order by number of sites in operation

⁽²⁾ = Classification of the medium-term trend in the development of the number of outlet sites and outlet sales area equipment in the corresponding countries from ↗ (= booming) to ↘ (=rapidly declining)

⁽³⁾ = Because of the withdrawal of most brand manufacturers from the Russian market due to the sanctions resulting from the Russian war of aggression in Ukraine, the current situation of Russian outlet centres cannot be reliably assessed.

Source: ecostra-research, Status: June 2025

Definition Outlet Centre:

Outlet Centres are an agglomeration of many outlet store units within a coordinately-planned or a spatially-interrelated complex of buildings with more than 5,000 m² retail sales area (= approx. 6,000 m² GLA) and with more than 20 outlet stores. There brand manufacturers and vertically-integrated retailers sell past seasons, factory seconds, surplus stock etc. directly to the consumer, without using retail businesses as (intermediate) distributive channels. All products are sold with a discount to the original high-street price of at least 25 %, whereas double-pricing ("High Street Price" / "Outlet Price") is ruled by the leasing contract. The marketing targets a supraregional area and above all customers from far away are addressed. The coordination, organisation and marketing of an outlet centre is carried out by a centre management.

ecostra company profile

ecostra GmbH is one of the leading management consultancies for the real estate business and the retail trade. Beside consulting tasks as for example the optimisation of the existing retail net of companies, the production of location analyses and studies for the expansion planning as well as feasibility and profitability investigations for project developers, financial service providers and investors ecostra also compiles utilization concepts for shopping centres or analyses the chances and risks, e.g., of a possible relaunch of a centre. Beside the private sector, ecostra also works for the public sector by providing retail concepts for cities and regions and offers expert advice for approval procedures, administrative court procedures and cartel court procedures. The spatial field of activity encompasses all European countries, seat of the enterprise is the Hessian capital of Wiesbaden.

Beside the classical shopping centres a special focus of the retail trade research is put by ecostra at outlet centres. Here ecostra has published among other things a fundamental study on behalf of the German federal ministry of construction as well as various books and articles on the location requirements, the relevant operational aspects as well as to the impact of outlet centres on regional trade.