

News Release

30 December 2016

Hammerson to sell 50% of Watermark development in Southampton, UK to GIC

Hammerson plc has contracted to sell 50% of Watermark, the newly-opened 17,000m² dedicated leisure and dining development adjacent to the Westquay shopping centre in Southampton, to GIC, Singapore's sovereign wealth fund and Hammerson's Westquay joint venture partner, for a total consideration of £48.5 million.

The development, which opened earlier this month, brings the total retail and leisure space at Westquay to over 1 million square foot (93,500m²), reinforcing its role in Southampton as the regional destination for southern England. When fully leased the scheme will provide stabilised annual income of £5.5 million and is currently 95% let, offering customers a choice of over 20 restaurants including Five Guys, Bills, Cau, Franco Manca, Byron, Nando's, Casa Brasil, Cosmo and Red Dog Saloon, many of which have taken their first locations outside London. The leisure offer also includes Hollywood Bowl and a 10-screen Showcase Cinema de Lux featuring laser projection and advanced surround sound technology, which will open in February 2017.

The tenure of the Westquay joint venture between Hammerson and GIC has now also been extended and Hammerson will receive a fee from the JV for the ongoing asset management of the combined centre. The deal is expected to complete before the end of December 2016.

David Atkins, CEO of Hammerson, said: "GIC is one of our key joint venture partners and we are pleased to take forward this relationship. The new restaurant and leisure complex at Watermark is the largest development of its kind in the UK, showcasing our skills in creating consumer-led destinations that cater to the family experience, bringing exciting new restaurants, the most technologically-advanced cinema in Europe and a stunning new Esplanade alongside the historic city walls."

News Release

Madeleine Cosgrave, Regional Head, Europe, GIC Real Estate, said: “We are pleased to extend our partnership with Hammerson, a leading operator of retail space in Europe, and our partner since 2007. As a long-term investor, we focus on ensuring that income streams from our investments are stable and resilient. To remain competitive in an age of e-commerce, retail destinations need to offer attractive consumer leisure experiences to boost footfall and customer retention. We believe Watermark’s diverse tenant mix and offerings will provide these experiences and enable Westquay, which is already a prime regional mall, to continue generating good returns over the long term.”

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News Release

Notes to Editors:

About Hammerson

Hammerson is a FTSE 100 owner, manager and developer of retail destinations in Europe. Our portfolio of high-quality retail property has a value of around £9 billion and includes 22 prime shopping centres, 18 convenient retail parks and investments in 19 premium outlet villages, through our partnership with Value Retail and the VIA Outlets joint venture. Key investments include Bullring, Birmingham, Bicester Village, Dundrum Town Centre, Dublin and Les Terrasses du Port, Marseille.

About GIC

GIC is a leading global investment firm established in 1981 to manage Singapore's foreign reserves. A disciplined long-term value investor, GIC is uniquely positioned for investments across a wide range of asset classes, including real estate, private equity, equities and fixed income. In private equity, GIC invests through funds as well as directly in companies, partnering with fund managers and management teams to help world-class businesses achieve their objectives. GIC has investments in over 40 countries. Headquartered in Singapore, GIC employs over 1,300 people across 10 offices in key financial cities worldwide. For more information on GIC, please visit www.gic.com.sg.