

19 January 2021

Operational and rent collection update

The safety and wellbeing of our customers, colleagues, and partners, remains Hammerson's number one priority, and the business continues to have robust and extensive safety measures in place across the portfolio to ensure customers can access essential retail and other services.

Market conditions have remained challenging since our last update in October, with national lockdowns introduced in the UK, Ireland, and France in November, and significant restrictions in place across the portfolio through December. There are currently national lockdowns in Ireland and the UK, with significant restrictions in place across France and continental Europe.

Operational update

Q4 2020

- Encouraging footfall recoveries during the Christmas trading period from 30 November to 24 December, following the easing of lockdowns at the end of the November.
- France and Ireland flagships benefited from seven-day average footfall of up to 90% of the prior year.
- The UK delivered a more variable footfall performance with city centre-focused flagships peaking at more than 60% of prior year, and 100% for retail parks.
- During this period, up to 75% of occupiers in the UK were open or offering Click & Collect; 95% in France; and 100% in Ireland.

Q1 2021 to date

- Since the introduction of tighter restrictions, as at 17 January, in the UK approximately a quarter of the Company's occupiers are open, either offering essential retail, Click & Collect, and/or takeaway and delivery services.
- Meanwhile, Hammerson's destinations in France are now subject to a 6pm national curfew, primarily impacting F&B and leisure brands.
- In Ireland, Hammerson's flagships are only offering essential retail and takeaway or delivery services. Following the Irish Government's temporary ban on Click & Collect for non-essential retail around a quarter of occupiers continue to operate.
- Footfall has declined in line with the introduction of new restrictions, particularly across UK flagships and Ireland.

Value Retail

Just over half of the Villages in the Value Retail portfolio are currently closed, following the introduction of additional lockdowns across Europe. Performance has been robust during periods when Villages have been open and the virtual shopping service has expanded strongly during periods of closure.

Rent collection

Despite the challenging trading environment, our leasing teams have worked hard to reach agreements with retailers, and rent collection has increased significantly.

At a Group level, 41% of Q1 2021 rent due had been received, with the UK collecting 41% (36% flagships; 64% retail parks), France 46%, and Ireland 31%.

Rent Net	Amount payable (£m)	Deferred/ not yet due (£m)*	Collected (£m)	Waived (£m)	Outstanding (£m)	Collected of due (%)	Collected at 15 October (%)
Q1	67.7	-	65.6	-	2.1	97	97
Q2	68.7	3.4	41.4	14.5	9.4	63	59
H1	136.4	3.4	107.0	14.5	11.5	80	79
Q3	68.6	1.3	48.8	0.6	17.9	73	59
Q4	60.2	-	39.6	6.3	14.3	66	41
FY20	265.2	4.7	195.4	21.4	43.7	75	66
Q121	61.5	12.9	19.8	-	28.8	41	-

*2020 balances reflect amounts originally due in 2020 but agreed with tenants to be deferred into 2021. 2021 balance reflects amounts not yet payable as they principally relate to monthly billings due later in Q1

Liquidity update

Following receipt of the equity issuance in September and the disposal of the majority of its share of VIA Outlets in November (gross proceeds £829m), Hammerson has made the following repayments of the Group's gross debt, in accordance with its stated intentions for use of net proceeds in the Prospectus in August 2020:

- Full repayment of drawings under the Group's Revolving Credit Facilities (£568 million drawn at 30 June 2020) completed in October
- Offers of prepayment at par to private placement noteholders, in accordance with the Amendment Agreement announced on 1 July 2020, have been made for a total of £226m, being 30% of the total net proceeds in excess of £50m. Acceptances of this offer totalled £169m and prepayment was completed in December, saving £4.3m of interest cost on an annualised basis.

- Full repayment of the £75m maturing May 2021 issued under Hammerson's approved £300m Covid Corporate Financing Facility (CCFF) was completed in December 2020.

Following these transactions Hammerson continues to maintain high levels of liquidity, having access to its £1,245m of available undrawn Revolving Credit Facilities as well as substantial cash holdings.

Share count for per share metrics

Following the completion of the Rights Issue and the Enhanced Scrip Dividend Alternative, the total number of issued 5 pence ordinary shares in the Company is 4,057,298,174. The weighted-average number of shares for 2020 per share earnings calculations, taking into account the bonus factor relating to the Rights Issue, is approximately 2.3bn. The weighted average number for 2019 is approximately 1.7bn.

ENDS

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Notes to editors

Hammerson

Hammerson create vibrant, continually evolving spaces, in and around thriving European cities, with a focus on flagship retail destinations and Premium Outlets. As of 30 June 2020, our portfolio of high-quality venues had a value of £7.7 billion and included 20 flagship destinations in thriving cities, and investments in premium outlet villages through our partnership with Value Retail and the VIA Outlets joint venture. Key retail venues include Bullring & Grand Central, Birmingham, Bicester Village, Oxfordshire, Dundrum Town Centre, Dublin, and Les Terrasses du Port, Marseille.