

PRESS RELEASE  
December 7<sup>th</sup> 2011

## **Newsec advised on purchase of 22 thous sq.m shopping mall “Babilonas I” in Lithuania**

One of the best-known shopping centre in Lithuania “Babilonas I”, situated in Panevezys city in Lithuania, has been sold to a Finnish private investor Pontos Group.

“Babilonas I” shopping centre is the largest and the leading shopping centre in Panevezys region. With gross leasable area of over 22 thousand sq.m and an annual footfall of 4.5 million visitors, this single-storey shopping centre offers a solid international tenant mix, including New Yorker, United Colors of Benetton, JYSK, Deichman, Takko Fashion, and is anchored by Hyper Norfa – one of the leading supermarket chains in Lithuania. Panevezys is the 5th largest city in the country with over 110 000 inhabitants, located on an intersection of two Trans-European transportation arteries, connecting major Baltic and European cities. The strategic location makes “Babilonas I” a key retail destination in the region.

Stressing out the importance of the deal for the whole Baltic region Ricardas Cepas, CEO of Newsec Baltics, says: “Economy in the Baltic States had passed economic downturn and internal devaluation process and this transaction shows that real estate market in Baltics is bottoming out - financing of real estate transactions is available, prices and returns on investment are much more attractive than in Scandinavia, cash flow and the lease structures within properties is stable with tendency to go up, which is not the case for other European countries. We feel that volatility of other investment instruments and uncertainty of Eurozone future attracts capital to be invested to real estate asset class with stable cash flow. The Baltic States today seem to be a perfect target and timing to invest in, if you know the local market.”

The shopping centre has been sold through a share deal. Pontos Group has acquired 100% shares of the centre from the Carpathian PLC. The gross sales price is approximately 24.1 million euros. The deal is closed on 7.12.2011.

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### **About Pontos Group**

Pontos is a family owned private equity and real estate investment company operating in Finland, the Baltic States and Russia based in Finland. For more company information, please visit [www.pontos.fi](http://www.pontos.fi)

### **About Newsec**

Newsec – The Full Service Property House in Northern Europe – offers a comprehensive range of services within its Advice, Asset Management and Transactions business areas to property owners, investors and occupiers. Newsec was founded in 1994 and is owned by its partners. Today, the Group has its own operations in six countries, over 500 employees and annual revenue of about 65 MEUR. Every year Newsec carries out hundreds of successful assignments and manages over 1,000 properties. Through this great volume, and the breadth and depth of its various operations, Newsec acquires superior knowledge of the real estate market. For more company information, please visit: <http://www.newsec.com>