



YEARBOOK 2019/2020

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Dear Business Partners,

2019 was a very successful year for SES. Our retail partners across our 29 shopping centers generated gross sales of EUR 2.83 billion – an increase of 2.5% over the previous year. 2020 has already presented us with a host of new challenges. Our company, along with many others, has been severely impacted by the coronavirus pandemic since March of this year. In cooperation with our retail partners, we are working on fair solutions that will enable our shopping centers to, once again, become thriving business places as soon as possible. Nevertheless, we are extremely pleased with everything that we managed to achieve last year. Let us look back on our joint successes together.

As the market leader for large-scale retail properties in Austria and Slovenia, we intend to remain one of the most successful shopping center operators. To that end, we will continue to make consistent investments in the quality of our locations and to expand. In 2019, the refurbishment of existing shopping centers in Slovenia and Croatia was a key area of focus. Another main activity was the construction of the new ALEJA shopping center in the north of Ljubljana, which was completed in March 2020. After struggling for some time to secure approval for that district center, we were planning to open it in March by the time the shutdown occurred. For all parties involved, the retail partners as well as the team, it was an emotionally and economically bizarre situation, but it was necessary to safeguard public health. In the end, we managed to open the fully-leased center at the earliest possible date, in May 2020. As the investor, developer, and operator, we are particularly proud of ALEJA, which is certainly the most modern shopping center in Slovenia: The project symbolizes mixed-use excellence and combines shopping, leisure, and recreation.

In the Czech Republic, a joint venture paved the way for further expansion. Austria's first managed shopping street in aspern Seestadt Vienna has allowed us to demonstrate our expertise in urban development. It is being expanded over the course of 2019/2020 to include the Seepark-quartier.

Variety is our motto: We create popular venues that focus on trendy and high-quality gastronomy, innovative leisure and entertainment offers, versatile services, and new shop formats. Through the entire process, we have remained true to our roots in the retail sector. We are building on strong consumer markets as anchor tenants, and we are playing the role of local suppliers now more than ever.

During these challenging times, we have to remain mindful of one thing: Every crisis opens doors to new opportunities. Through solidarity and perseverance, many things are possible. We are able to grow even closer together as people, as team members, and as business partners.

We would like to thank our retailers, partners, and employees for the trust that they placed in us last year. We look toward the future with confidence and are looking forward to seeing our centers return to the flourishing, vibrant meeting places that our customers love.



MAG. MARCUS WILD
Chief Executive Officer



MAG. JOHANN FELSER
Chief Financial Officer

“
**We have grown
even closer and
look confidently
toward the future.**



Mag. Marcus Wild, Chief Executive Officer | Mag. Johann Felser, Chief Financial Officer



“ From the very beginning, SES has successfully built upon its roots in the retail sector and has relied on competitive grocery stores to serve as anchor companies. Now more than ever, SES shopping centers are playing the role of local suppliers – ensuring that people's basic needs are met. On average, 30% of our customers use the centers for their everyday shopping.

DR. GERHARD DREXEL
Chairman of the Supervisory Board

Facts and Figures

€ **2.83**
Billion
Euro

SES closed the year 2019 on a very positive note. More than 1,800 shops, restaurants, and service outlets across the centers generated gross sales of EUR 2.83 billion, an increase of 2.5% compared to the previous year.



389
Employees

The company's success is attributable to 389 committed employees. They can be found working in center management or at the SES corporate and national headquarters.

112
Million
Visitors

SES centers attract millions of people. Last year, customer footfall increased by 3.7% to 112 million visitors, including expansions.

820,000
m² GLA

The GLA (gross leasable area) of the SES sites currently amounts to more than 820,000 square meters. The shop and sector mix of each center is perfectly tailored to the respective regional market demands.

6

Countries

SES is the market leader for large-scale shopping centers in Austria and Slovenia. The company is also active as an investor, developer, and operator in Italy, Croatia, the Czech Republic, and Hungary.

29

**Shopping-
Destinations**

Whether through ownership or management, SES creates popular urban shopping destinations, from local supply and district centers to mixed-use city center quarters, supraregional shopping magnets, and a managed shopping street.

Art & Culture

FEEL-GOOD ATMOSPHERE

Company

MEETING PLACE

Productivity

Entertainment

CONNECT
WITH US

Our Company Profile

Milestones in the History of SES

Competencies and Services



Modern Marketplaces Where Life Is Bustling

Developers, Center/Asset Managers, and Retail Real Estate Partners

SES Spar European Shopping Centers specializes in developing, redeveloping, constructing, leasing, managing, and placing on the market first-class retail properties on an international scale – in the role of owner or on behalf of investors. All of the SPAR Austria Group real estate activities have been bundled since 2007, and the company currently manages 29 shopping destinations in six Central and Southern European countries, including Austria's first managed shopping street.

SES is the market leader in Austria and Slovenia for large-scale shopping centers. From project development and planning to the construction of centers, the leasing of shop and mall space, or asset and center management: The comprehensive approach and high quality standards make SES-managed shopping centers unique and successful, customized solutions. The aim is to create bustling meeting places of the highest urban quality, with timeless modern architecture and a trendy range of retail, gastronomy, entertainment, and services. SES exclusively works with the best in the industry, whether with top international players or with local partners. SES also offers its real estate expertise as a business service, for example, within the SPAR Group or for investors, such as Signa, Deka, UniCredit, Nuveen, and Allianz. In addition, SES contributes its know-how to consulting municipalities on urban development.

The Spirit of Retailing

The design and layout of all SES shopping destinations is driven by a specific understanding of retail as well as of the people who shop and work there. Urbanity, long-term partnerships, and well-considered investment decisions are at the core of this strategy for success. Given the fact that its own retail formats serve as anchor businesses within its centers, SES recognizes and understands the needs of its retail partners all too well. As a result, our roots in retail are always trend-setting in terms of strategy and operational business. They are part of the SES philosophy and provide an ideal basis for meeting the concerns of business partners and customers in the best possible way.



1954

SPAR was founded in Austria in 1954, consisting of 100 independent merchants in Tyrol, and has operated throughout the country since the late 1950s.

1980s

The systematic expansion of supermarkets into smaller shopping centers marked the beginning of the SPAR Group's shopping center development.

1997

The opening of EUROPARK Salzburg – today's flagship of SES revolutionized retail architecture.



2007

The establishment of SES Spar European Shopping Centers as an independent strategic corporate pillar, which brought 19 shopping centers in five countries under common management.

2010

Opening VARENA Vöcklabruck. SES took over its first center management mandates on behalf of investors – Hungary: KORZÓ (2012); Austria: CITYPARK Graz (2010), FORUM 1 expansion (2011), GERNGROSS Vienna (2014).

2015

Opening WEBERZEILE Ried. SES updates its locations via large-scale refurbishments and expansions: FISCHAPARK (2015), HUMA ELEVEN (2017), MURPARK Graz (2018), CITYPARK Ljubljana (2019).

2020

Completion of the new ALEJA Center in Ljubljana in March. The opening was postponed as a result of the COVID-19 shutdown and took place in May 2020. With this new addition, our portfolio has grown to 29 shopping centers.

Additional information about our corporate development can be found at www.ses-european.com.



From Hypermarkets to Urban Meeting Places

The retail origins of SES have shaped the company from the outset. The foundation stone for the development of the first shopping centers in Austria was laid as early as the 1970s. SES malls have always been among the most popular in the country and have impressed visitors with their variety, mixed-use features, and meeting place characteristics.

Roots in Retail

SES Spar European Shopping Centers is an independent subsidiary of the SPAR Austria Group – a family-owned, 100% privately-held Austrian company as well as a successful Central European retail group with more than 85,000 employees in Austria and seven other countries. The SPAR Austria Group is divided into three divisions: food retailing (SPAR, INTERSPAR), sports retailing (Hervis), and shopping centers (SES Spar European Shopping Centers). SES develops centers at locations where retail has already taken place – for example, through the continuous development of successful INTERSPAR locations. The company primarily concentrates on locations in city centers and district centers.

Urban Meeting Places With Recreational Factor

The vision of SES is to create public urban spaces of the highest quality of stay. The centers managed by SES enjoy dominant market positions in their respective catchment areas. They offer perfect sector and shop mixes, with a hypermarket as the anchor, numerous brand highlights, high-quality gastronomy, and a comprehensive range of services. At SES, in addition to shopping, entertainment and leisure activities have been established features of our centers for many years, providing visitors with an even more varied stay. Art and culture are of particular importance to the shopping center operator. EUROPARK Salzburg, for example, which features the OVAL art and cultural stage, was a pioneer in Europe nearly 15 years ago. Above all, our motto prevails: "Never be boring!" Accordingly, we aim to surprise our visitors with new things and offer them exciting experiences at our shopping centers.



COMPETENCIES AND SERVICES



Development

SES develops innovative retail spaces and focuses on urban, mixed-use concepts. Whether we develop new or existing retail locations: Quality and customized solutions are our top priorities.

Architecture & Design

SES attaches great importance to the unique, timeless, modern architecture as well as the quality of stay at its centers. In collaboration with renowned international architects and designers, SES develops shopping centers that have distinct characters and ensures that planning is well thought out.

Construction Management

SES guarantees reliable construction management and the highest quality standards. As a result, great importance is placed on technical and structural energy-saving as well as environmentally-oriented implementation. Our SES experts manage major construction sites and ensure that cost schedules, deadlines, and safety regulations are adhered to.

Leasing

When leasing our retail space, we attach great importance to quality and pay particular attention to the regional origins of the concepts. The diverse sector and shop mix of international brands and regional identity makes each individual SES shopping center unique. SES attracts the best in the industry to its centers, from international market leaders to top regional brands. Top-quality gastronomy plays a key role in this respect. With its innovative start-ups and pop-up stores, SES provides space for new ideas.

Center & Facility Management

Center and Facility Management is responsible for the optimal support of the retail partners at each of our sites, and it ensures smooth center operation. Strong marketing and service orientation as well as communication across all channels create the conditions for extraordinary shopping experiences, high customer footfall, innovative events, mall promotions, cultural offers, and practical services.

Asset Management

SES focuses on the acquisition and development of attractive retail locations that have the potential for long-term success. Measures for the ongoing development and sustainable increase in value of our shopping centers have been implemented. SES manages properties for both investors as well as existing joint ventures, and establishes new financing partnerships.

What We Offer Our Partners

As everyone knows, if you enjoy doing something, you do it well. At SES, the joy of doing things is an important driver of success. However, it is chiefly our expertise that makes SES a sought-after partner. Our teams from a variety of fields jointly work towards our success.



Property Portfolio

New Openings

Refurbishments

Joint Ventures

Art &
FEEL-GOOD ATMOSPHERE Cultu

Variety

MEETING PLACE

Locations

CONNECT WITH US
Entertain



01 EUROPARK SALZBURG

GLA 50,700m² **Shops** approx. 130
Anchor tenants INTERSPAR, Hervis, Sarturn, P&C, Zara, H&M, Humanic, Starbucks, Deichmann, IKEA
Parking spaces 4,200



02* FORUM 1 SALZBURG

GLA 15,000m² **Shops** 50
Anchor tenants EUROSPAR, Hervis, Müller, H&M, McDonalds, Starbucks, DM, New Yorker, Akakiko
Parking spaces 400



03 MURPARK GRAZ

GLA 43,100m² **Shops** 90
Anchor tenants INTERSPAR, Media Markt, Hervis, Kastner & Öhler, Hollister, Thalia, H&M, C&A, Humanic, McDonalds
Parking spaces 2,040



04* CITYPARK GRAZ

GLA 40,000m² **Shops** 100
Anchor tenants INTERSPAR, Hervis, Saturn, Müller, H&M, Kleider Bauer, Humanic, DM, Foodcourt, Health center
Parking spaces 1,700



05 VARENA VÖCKLABRUCK

GLA 32,000m² **Shops** approx. 80
Anchor tenants INTERSPAR, Media Markt, Hervis, Kastner & Öhler, H&M, Thalia, DM, Nespresso, Humanic, Fussl
Parking spaces 1,900



06 WEBERZEILE RIED

GLA 22,000m² **Shops** 50
Anchor tenants EUROSPAR, Hervis, Kastner & Öhler, Media Markt, H&M, Müller, DM, Humanic, Thalia
Parking spaces 800



07 MAX.CENTER WELS

GLA 23,000m² **Shops** 50
Anchor tenants Maximarkt, Media Markt, Hervis, H&M, C&A, Thalia, Humanic, DM
Parking spaces 900



08 HUMA ELEVEN VIENNA

GLA 50,000m² **Shops** 90
Anchor tenants INTERSPAR, Hervis, Media Markt, H&M, Modemark Röther, TK Maxx, Müller, DM, Thalia, Dehner
Parking spaces 2,000



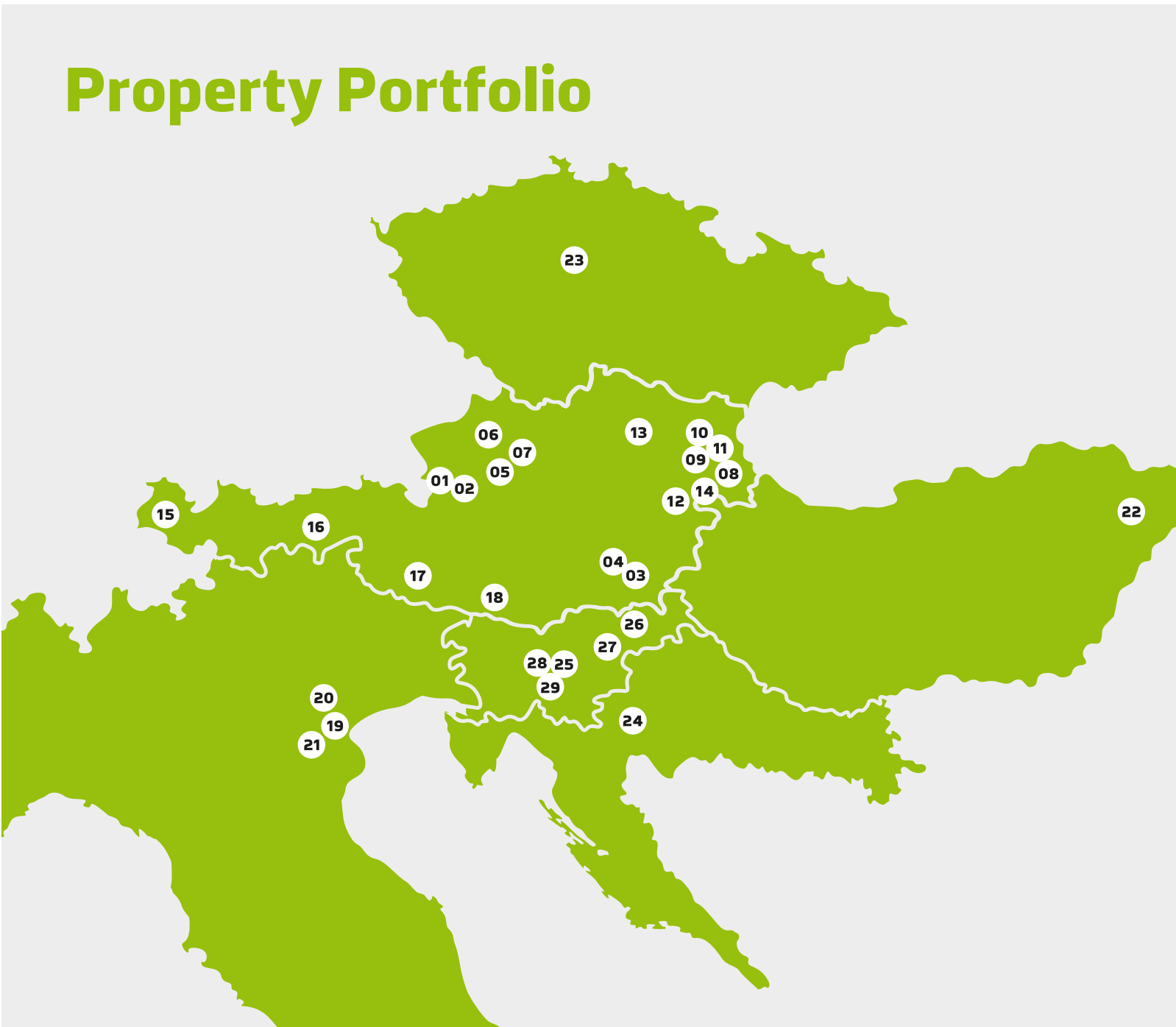
11 SEESTADT ASPERN VIENNA

GLA 7,000m² (managed shopping street)
Shops 28
Anchor tenants SPAR, bakery, Bipa, Libro
Parking spaces approx. 450



14 SCS (SES-part) VÖSENDORF

GLA 23,000m² **Shops** approx. 30
Anchor tenants INTERSPAR, Hervis, H&M, Zara, Vapiano, DM
Parking spaces 10,000 (entire SCS)



09* GERNGROSS VIENNA

GLA 31,000m² **Shops** 40
Anchor tenants Zara, Saturn, Merkur, XXL Sports, Görtz
Parking spaces 350



10 Q19 VIENNA

GLA 15,000m² **Shops** 40
Anchor tenants INTERSPAR, Hervis, H&M, DM, Thalia, Interio
Parking spaces 600



12 FISCHPARK WIENER NEUSTADT

GLA 42,800m² **Shops** 120
Anchor tenants INTERSPAR, Hervis, Media Markt, P&C, Zara, H&M, Thalia, Humanic, Nespresso
Parking spaces 2,000



13 MARIANDL KREMS

GLA 26,000m² **Shops** 22
Anchor tenants INTERSPAR, Hervis, C&A, Fussl, CCC, Genuss.Spiel, Leiner
Parking spaces 550



15 ZIMBAPARK BLUDENZ-BÜRS

GLA 18,300m² **Shops** 50
Anchor tenants INTERSPAR, Hervis, H&M, Media Markt, Humanic, Thalia
Parking spaces 1,000



16 SILLPARK INNSBRUCK

GLA 29,500m² **Shops** approx. 65
Anchor tenants INTERSPAR, Primark, H&M, P&C (as of autumn 2020), DM, Deichmann, McDonalds, Fielmann
Parking spaces 755



17 FMZ NUSSDORF-DEBANT

GLA 4,600m² **Shops** 10
Anchor tenants C&A, Hervis, Deichmann, Libro, DM, Depot, electronic4you
Parking spaces 235



18 ATRIO VILLACH

GLA 38,700m² **Shops** approx. 90
Anchor tenants INTERSPAR, Hervis, Kastner & Öhler, H&M, Müller, Hollister, Adler, Humanic, Thalia, Blue Tomato
Parking spaces 2,000



19 IPERCITY PADUA

GLA 24,400m² **Shops** approx. 60
Anchor tenants INTERSPAR, H&M, Sportler, Media World, Bata, Foodcourt
Parking spaces 1,800



20 LE BRENTELLE PADUA

GLA 22,700m² **Shops** 62
Anchor tenants INTERSPAR, H&M, Oviesse, Trony, PittaRosso
Parking spaces 1,400



21 EXTENSE PADUA

GLA 6,400m² **Shops** 17
Anchor tenants INTERSPAR, Rizzato Calzature
Parking spaces 435



22* KORZÓ NYÍREGYHÁZA

GLA 19,000m² **Shops** 55
Anchor tenants SPAR, Hervis, Expert, DM, New Yorker, Deichmann, Humanic, Pepco
Parking spaces 640



23 EUROPARK PRAGUE

GLA 28,400m² **Shops** approx. 75
Anchor tenants Albert, OBI, Hervis, H&M, C&A, Notino, Datart, DM
Parking spaces 2,100



24 KING CROSS ZAGREB

GLA 34,000m² **Shops** approx. 60
Anchor tenants INTERSPAR, Decathlon, Harvey Norman, DM, JYSK, Bubamara, PittaRosso
Parking spaces 1,600



25 CITYPARK LJUBLJANA

GLA 53,000m² **Shops** approx. 125
Anchor tenants INTERSPAR, Primark, H&M, Hervis, Humanic, RESERVED, DM, Mango, CCC, Big Bang
Parking spaces 1,800



26 EUROPARK MARIBOR

GLA 40,000m² **Shops** approx. 120
Anchor tenants INTERSPAR, Big Bang, P&C, Zara, Hervis, H&M, Müller, DM, Humanic, CCC, Baby Center
Parking spaces 2,600



27 CITYCENTER CELJE

GLA 32,000m² **Shops** approx. 90
Anchor tenants INTERSPAR, Big Bang, H&M, Hervis, Zara, Müller, DM, RESERVED, CCC, Baby Center
Parking spaces 1,600



28 CENTER VIČ LJUBLJANA

GLA 12,500m² **Shops** 32
Anchor tenants INTERSPAR, Hervis, DM, Deichmann, Modiana, Sportina
Parking spaces 660



29 ALEJA LJUBLJANA

GLA 32,000m² **Shops** 80
Anchor tenants INTERSPAR, Hervis, Foodcourt, Müller, Big Bang, XYZ, H&M, MASS, RESERVED, MOHITO, CROPP
Parking spaces 1,600



ALEJA SHOPPING CENTER, LJUBLJANA-ŠIŠKA

Slovenia's Most Modern Center Reflects the Future of Shopping

The future of shopping centers lies in mixed-use locations that not only provide shopping opportunities, but also offer experience, gastronomy, leisure, sociability, and culture. ALEJA Ljubljana, SES' latest shopping mall project and the most modern shopping center in Slovenia, was designed with this in mind.

In 2019, the SES team was hard at work on the completion of the new center, whose construction work was completed in spring 2020. SES always takes regional aspects into account in its planning and management activities. As a result, our shopping centers blend in with their locations to an even greater extent. It all begins with the naming of each shopping center. The name ALEJA is closely linked to Šiška and the location of the center: an urban avenue, a place of interaction that allows visitors to relax and stroll around the green heart of the historic district.

The new center opened in May 2020 and features 32,000 m² of leasable space, 80 shops, and a diverse range of gastronomy. ALEJA has attracted numerous brands to Ljubljana-Šiška, including Slovenia's most modern INTERSPAR hypermarket, a Müller drugstore, Big Bang, XYZ, H&M, Hervis, and MASS. The Sport Vision brand has made its debut in Slovenia.

Via "ALEJA SKY", the center offers, among other things, a 6,200 m² sports and adventure zone on the roof of the center, located in the heart of the city district and surrounded by green spaces and leisure facilities. ALEJA has also introduced the SES children's adventure world PLANET LOLLIPOP to Slovenia for the first time. A pump track for cyclists, complete with two circuits in front of the building, rounds out the leisure facilities.

As part of ALEJA SKY, a food court equipped with outdoor terraces for all catering establishments can be found beneath an enormous dome. Both local and international cuisine is served there on an area of 2,300 m². Fast food restaurants are also available to provide a quick snack.

ALEJA
Ljubljana, Slovenia

Opening
May 2020





150

Million
Investment

ALEJA
Ljubljana, Slovenia

ALEJA is one of the largest project developments in Slovenia in recent years. Investment amounts to approximately EUR 150 million.

12,000
Tons of Structural Steel

80,000
m³ of Concrete

Construction work began in summer 2017. In 2018, the underground parking garage and major parts of the shell were completed. In 2019, the installation of the building services and the assembly of the facade was completed.



Through ALEJA SKY, SES has managed to combine shopping with leisure and entertainment. The large sports and recreational zone located on the roof of the center leaves nothing to be desired. It features a soccer, basketball, and volleyball court, two fitness areas, a park that includes paths and places to relax, and a children's playground. During a press conference and site inspection in April 2019, the highlights of the center were presented, and the name ALEJA was announced for the first time.

6,200 m² of Recreational
and Leisure Area

18,000
Stainless Steel
Tiles

The facade of ALEJA is an architectural highlight. It consists of diamond-shaped, specially treated stainless steel tiles and resembles the scales of a dragon, which is the heraldic animal of the city of Ljubljana. In three shades and four different types of embossing, they shimmer with varying intensity depending on their exposure to light, from champagne to bronze and rosy gold to magenta. As a result, the facade is seemingly brought to life.





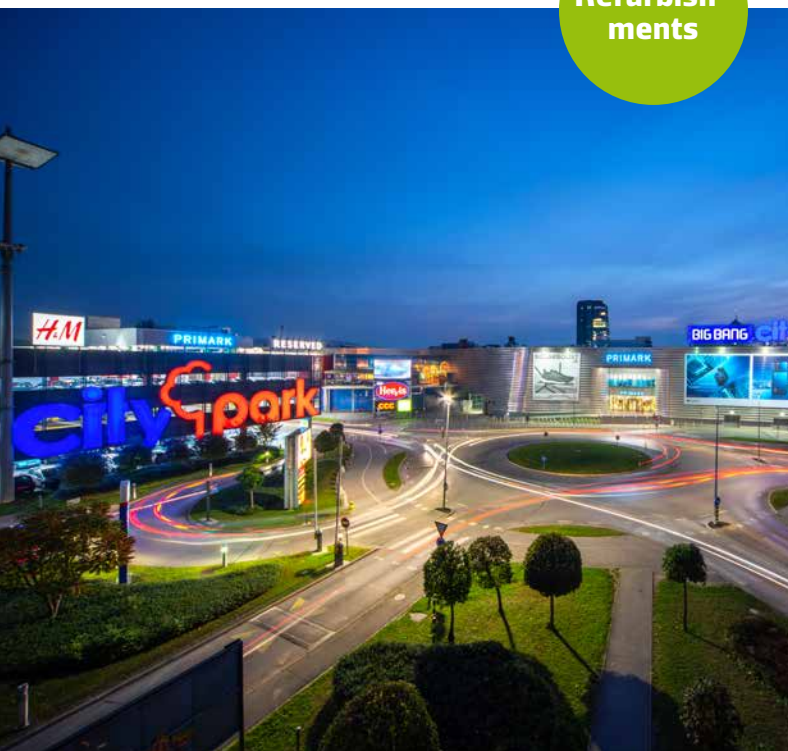
ALEJA
Ljubljana, Slovenia



Consistent Quality Offensive for Even Greater Efficiency

SES aims to keep its properties up to date through ongoing investment in the quality of its locations, which, in turn, increases their value. In 2019, a total of just under EUR 34 million was invested in the refurbishment of the SES centers in order to upgrade the locations and make them more attractive to customers, thereby increasing the quality of their stay.

Refurbish-ments



CITYPARK LJUBLJANA

In 2019, SES continued its consistent quality offensive of recent years in Slovenia. The refurbishment of CITYPARK Ljubljana, which cost EUR 20 million, was completed. Humanic had already relocated to a new area of the refurbished part of the building in October 2018. Additional stores opened in April 2019: Reserved, CCC, and Slowatch. The Deichmann and Zlatarna Celje stores were also refurbished.

The Primark brand premiere in Slovenia in June 2019 represented a particular highlight. The first store of the popular magnet company in Slovenia opened at CITYPARK Ljubljana. It offers the latest fashion trends for women, men, and children and was designed in accordance with the company's latest store design.

EUROPARK MARIBOR

At EUROPARK Maribor, the mall area on the upper floor and the INTERSPAR restaurant were refurbished in 2019. In this context, the Big Bang store was also renovated and CCC moved to a larger area. The Baby Center, Slovenia's largest children's store, also opened at EUROPARK.

Refurbish-ments



KING CROSS ZAGREB

At the KING CROSS shopping center in Zagreb-Jankomir, the anchor tenant, Decathlon, was expanded by 1,500 m² to a total shop area of 5,000 m². SES also redesigned part of the adjacent mall. The work was completed in spring 2020. In April 2019, SES acquired an additional 50% of the shopping center and now owns 96%.



Joint Ventures



EUROPARK PRAGUE

SES enables selected partners to acquire long-term stakes in its shopping centers. In 2019, SES entered into a joint venture with the Czech developer DBK Praha a.s. Together with its strategic partner Proxy-Finance, the latter acquired a 77% stake in EUROPARK shopping center, which is located in the southeast of Prague, with SES remaining responsible for the management. SES contributes its international experience in the operation of shopping centers as well as its good contacts with international retailers to the cooperation. DBK Praha brings detailed knowledge of the Czech retail landscape as well as expertise in the development and management of shopping centers into the cooperation. The aim of the joint venture is to further develop EUROPARK and to jointly expand in the Czech Republic.

ASPERN - SEESTADT VIENNA

Austria's First Managed Shopping Street Expanded

District and quarter development are future-oriented topics with which SES has long been intensively involved.

aspern Seestadt Vienna is one of the largest urban development projects in Europe. Today, it is home to nearly 8,000 inhabitants and more than 2,000 employees. By 2030, housing for more than 26,000 people will be constructed and 20,000 jobs will be created in the new district.

Partner for Urban Development

In 2012, the City of Vienna commissioned SES as its partner for retail to develop a local supply concept, to market the space, and to operate Austria's first managed shopping street in aspern Seestadt. In a joint venture with Wien 3420 aspern development AG, the aim is to ensure optimal local supply and a demand-oriented mix of retail, gastronomy, and services in all phases of implementation. In 2015, the first 14 shops, Part 1, of Seestadt were opened. Additional shops are scheduled to follow in 2019/2020 as part of the Seeparkquartier.

First Store Openings in the Seeparkquartier

A new business hot spot is being created in the form of the Seeparkquartier, which will feature an additional 3,500 m² of retail space and over 30,000 m² of office space. Last year, the first shops opened, and the range on offer has already exceeded daily needs: dm, Hofer, Ströck bakery, Hansaton hearing care professional, CCI Bar & Café, an Asian restaurant, and a traditional Austrian grocer's store have enriched Part 2 of Austria's first managed shopping street, which is set to grow to 28 shops and 7,000 m² of retail space by 2021.

Through the expansion to the north, another 20,000 m² of new retail space will be created in aspern Seestadt by 2030. SES will also be responsible for the design and management of the third section of the shopping street.

Best Practice: "United in Cycling"

In 2015, the "United in Cycling" initiative's success story began when it won the aspern Seestadt start-up competition. The three founders were able to use a large ground-floor restaurant, the Orch-IDEE, rent-free for three years. With the support of the Shopping Street Association, the aim of promoting Vienna's cycling culture, and aspern Seestadt in particular, in a sustainable manner has evolved into a combination of a bike store and workshop as well as a community café and meeting place for Seestadt residents. The company is in the process of expanding and is due to open a new shop in the Seeparkquartier, the "Mobility Point", which will feature a bicycle café and offer a number of bicycle services.



”

The managed shopping street is unique in Austria. We contribute our expertise in urban development. Via the expansion to the north, we are bringing an even broader sector mix to the Seestadt.



ALEXANDER ECK
Head of Real Estate Development SES and Managing Director of aspern Einkaufsstraßen GmbH



Art & Culture

FEEL-GOOD ATMOSPHERE

Variety

MEETING PLACE

Productivity

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Future Talk: Interview

Regional Focus

Local Supply

Retail

Gastronomy

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Sustainability



INTERVIEW

FUTURE TALK

The World Is Being Rebuilt from the Ground up

Trend and future researcher Matthias Horx and retail expert Marcus Wild, SES CEO, discuss the future, new opportunities for retailers, paradoxes, and the re-evaluation of success.



In an interview that took place during the coronavirus lockdown, you said, “Coffee tastes different after the coronavirus pandemic.” What did you mean by that? When will things return to normal?

Matthias Horx
trend and future researcher,
publicist, and visionary,
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www.horx.com

Matthias Horx >>> Never. The world as we know it is dissolving. There are historical moments, such as this one, during which the future changes direction. Beneath the surface, a new world is being created; in the worst case scenario, everything remains the same. People, societies, and cultures are in constant state of change, which is entirely in line with the evolutionary principle. The economy, in particular, is in need of renewed legitimacy in this age of the coronavirus. The retail sector is also certain to undergo a future-oriented process. The era of the “old” normal was hectic. We were addicted to an ever-increasing level of utilization, upgrades, entertainment, and “Likes”, but at the same time, we felt disorientated. The coronavirus crisis brought with it a sudden sense of calm. In all honesty, do we really wish to return to the “old” normal? Our initial impulse is to quickly get everything up and running again, to return to our accustomed way of life. Immediately. Urgently. Otherwise, everything will fall apart. But, is that truly the case?

This crisis has undoubtedly created a great deal of suffering, agonizing uncertainties, and economic hardship. Its impact cannot be downplayed, and we are not out of the woods yet. At the same time, it has provided us with

a glimpse of “the other side”. It has made the future clearer, more transparent. The world was “going under”, and yet, surprisingly, some things worked even better than they had before. The “new normal” might involve the use of a standard growth model as the only economic model for the future, as well as a prosperity index that also measures the qualitative dimensions of prosperity – environment, health, connectedness, and quality of life.

Megatrends remain the biggest drivers of change and, as such, also form the basis for trend developments in retail. They generate revolutionary changes as they significantly influence all aspects of the economy and society in the medium to long term. The world post, or rather mid-coronavirus, has emerged from the disruption of the connectivity megatrend. However, the disruption to globalization across the world has not led to the elimination of connectedness, but rather to its reorganization.

Local production and booming online retail sales? Isn't that a contradiction? Where can the change be found?

Matthias Horx >>> The key word in this case is “glocal”. The boom that delivery boxes of organic goods are enjoying proves that regional products and online retail are not contradictory. The things that connect such paradoxes to a greater extent, such as the “phygital” phenomenon, are viable for the future. While the coronavirus has brought humanity closer together, we have all had to maintain our distance. One thing has not changed: People enjoy meeting each other, but they also love the advantages offered by modern technology. What a huge opportunity for the retail industry! Perhaps the “new” world will also usher in an era of greater deceleration, and with it the elimination of certain things, habits, and dependencies. That does not mean that post-corona consumption will manifest itself by way of radical minimalism – but rather in the realization that an enjoyable, fulfilled life is not dependent on the number of consumer goods one owns or uses. Consequently, consumption for the sake of consumption will likely fade away in the future.

Now, the issue is rather one that relates to conscious consumption. A boom in local products and a renaissance of craftsmanship. Consumers have begun to value what is genuine and authentic. At the same time, better quality as well as a sense for the necessary have both become important. A period of post-growth that is characterized by a new awareness of values, which is no longer constrained by the never-ending price wars that no one wants. Upcycling, cradle-to-cradle design, and a strategic commitment to the circular economy are the order of the day. In the future, the focus will be more on making sense than maximizing profits. Social responsibility is on the rise, and the desire to improve the world is spreading across generations. The acknowledgment of mutual enrichment has made its way to the forefront – cooperation rather than competition. Shared spaces and co-retailing serve as sources of enrichment for consumers. Retail operates like an ecosystem that can only survive in conjunction with our environment. This type of connectivity generates ideas, solutions, and enclaves of productive cooperation. Innovation carries on.

What advice can you offer our retail partners on their journeys “into the new world”?

Matthias Horx >>> Transformation is the keyword in this context. Maximize your power to change! Be willing to experiment. That can be achieved via “RE-gnosis”, which is a mental technique in which we transport ourselves into the future in order to take a look back from that vantage point. Doing so allows us to reconstruct the arc of tension that connects us to the future. First, take a look back at how you lived your life during the lockdown period. How have you changed since then? Then, take a look ahead, into a world that strikes a different note. Can you visualize yourself in that world? RE-gnosis provides us with a perspective of coping, of change.

“ The future begins within us. WE are the change that we hope will be brought about in the world.

Our future begins in the mind. Reset. Rethink. Be determined. Communicate with clarity, thereby demonstrating the problem-solving competence of your brand. When we go through a crisis, the world afterwards tends to improve a bit, and we all take responsibility for ensuring a better tomorrow. We are curious, forward-looking, and excited about what is to come. We make plans and envision things that lead us to act with foresight. RE-gnosis involves understanding that we ourselves are part of the future. WE are the change that we hope will be brought about in the world. When YOU yourself change, the world changes. At that point, you will realize that the future has already arrived. Like love, it is a choice. That is the only way in which change is possible. Change yourself – change the world.

“ The coronavirus pandemic represents a true disruption. The accelerated evolution of retail is a direct result of it.

What conclusions have you drawn as a result of the coronavirus crisis?

Marcus Wild >>> Our centers primarily consist of organically grown local retail locations. Those very roots of our company have served as our backbone, even throughout the crisis. With regard to our competitors, our advantage in that area has also increased. However, this year's figures will be nothing like the previous year's. Our efforts and successful achievements need to be reassessed. We always operate in a partnership-oriented manner, also when times are rough. Our personal relationships with our retailers, as well as our gastronomy and service providers, are of particular importance to us. Having said that, we now have a clearer picture of which of our concepts are crisis-proof. The wheat is being separated from the chaff.

How will the shop mix change in the medium term?

Marcus Wild >>> The coronavirus pandemic is representative of a true disruption. The accelerated evolution of retail is a direct result of it. The current trend is towards fewer traditional textile concepts, fewer medium-sized companies, more food & near-food products, more regional producers, more home & garden, more sports, more clearly defined concepts, and more click & collect.

What does “the new, post-corona world” entail for SES? What are the greatest opportunities for development?

Marcus Wild >>> Change always creates huge opportunities for business people and entrepreneurs. In competitive environments, faster and more consistent adaptation is often critical. The post-corona world will offer entrepreneurs enormous potential to develop new business models and ideas. That creative potential began to unfold as soon as the



Mag. Marcus Wild
Chief Executive Officer,
SES Spar European
Shopping Centers

lockdown was triggered. Some of our gastronomy providers, for example, have succeeded in establishing new business areas that offer excellent pick-up services. Another example can be seen in the new Hervis model market at EUROPARK Salzburg, where you can sense the company's determination and enthusiasm to become more relevant to the market. Overall, the market leadership of SPAR/INTERSPAR in Austria, which was established during the first four months of the year, has clearly strengthened our centers. A shopping center is not just a shell that houses numerous retail companies under one roof. It is also an “enabler” and, as such, it must actively select retailers and concepts, while being demanding and supportive of them. Furthermore, a center must be regionally anchored, not exchangeable, and integrated into the community. All of these things are well executed throughout the entire SPAR Group. We are certain to emerge from the coronavirus crisis even stronger than before.

Where will SES be in five years?

Marcus Wild >>> Our focus on regional identity and authenticity will be of greater intensity in the future. Mixed-use spaces have become increasingly important. The opening of our new district center ALEJA in Ljubljana gives an indication of a new beginning in the wake of the lockdown. It also reflects the spirit of our time. Five years from now, shopping places will have to be regarded even more strongly as meeting places that combine shopping, leisure activities, residential areas, commercial buildings, and other uses, and hopefully without COVID-19.

Pioneer in Regional Focus

SES centers are perfectly tailored to local needs. Each one of them is well networked with neighbors, residents, and visitors thanks to the reliable management teams in place at each location. The regional focus ensures a high degree of popularity among customers and promotes local businesses. The sense of authenticity experienced by visitors helps strengthen their relationship to SES malls. Commercial cities and regions benefit from the appeal of the popular meeting places.



Regional Specialties

SES centers address region-specific issues in their design and daily operations. This also includes organic farmers' markets, which offer seasonal products provided by local farmers. Markets, such as those located at WEBERZEILE Ried in VARENA Vöcklabruck, EUROPARK Salzburg, and Q19 Vienna, have established themselves as popular visitor magnets.



Local Heroes

The sense of regionalism is a major strength of SES. That is also reflected in the sector and shop mix. In addition to top international brands, SES attracts the best local entrepreneurs to its centers, thereby focusing on individuality. The share of local or regional businesses ranges between 20% and 30%, depending on the location.

CITYPARK
Graz, Austria



The traditional Salzburg bakery Rösslhuber, which is located at FORUM 1, began with a sales stand and now operates one of its branches at the center.



Local Supply Professionals

SES centers score points with their strong INTERSPAR hypermarkets and Maximarkt or EUROSPAR branches, which serve as food anchor businesses. Many local and regional retailers, from bakers and flower shops to health food stores and pharmacies, as well as service providers, such as hairdressers, dry cleaners, repair services, and post offices: United under one roof, they are the heart of the shop mix at every center. The integrated locations of our SES centers and their excellent accessibility via public transport, car, or bicycle make local supply convenient.

VARIETY IN CENTER OPERATION

Successful Together

SES always attracts the best in the industry to its centers, from international retail partners to top regional players, such as the traditional company Kunstgärtnerei Doll, which has provided it services to the Vienna Opera Ball for 20 years. "The quality of EUROPARK has tremendously enhanced the attitude toward life in the north of Salzburg. It fits perfectly with our mission to beautify the city districts with our flowers. As partners from the very beginning, we look forward to a 'rosy' future together," says owner Jörg Doll.



“
We are proud of our long-standing partnership with SES.

Jörg Doll
Owner of Kunstgärtnerei Doll



Services with Added Value

SES has expanded its range of services at each center. Last year, new post offices were opened at VARENA Vöcklabruck and MURPARK Graz. A modern 24/7 self-service zone has made shipping and picking up packages even more convenient for customers.

Local Health Care Providers

Wherever feasible, pharmacies are an integral part of the shop mix at each SES center. They ensure the supply of visitors and, consequently, a high level of basic footfall at each mall. SES cooperates with the best in the region, whose competence and uniqueness are highly regarded.



Liebenau Pharmacy at MURPARK Graz offers all kinds of pharmaceuticals and is the leading pharmacy in Austria for pharmacy cosmetics combined with expert advice.

Retail

Particularly during this era of digitalization, a diverse and varied range of products and services in the brick-and-mortar retail sector is the order of the day. SES deliberately plays to its strengths in this regard and always surprises visitors with something new. Whether popular international brands, innovative start-ups, pop-up stores or shops of regional origin – SES offers the perfect shop and industry mix at every location.



Manner Sweetens the SES Shop Mix

SES introduces a touch of Austrian tradition at three shopping centers. In summer 2019, the first MANNER branch in Tyrol opened as a pop-up store at SILLPARK Innsbruck. New stores operated by the Viennese confectionery company also went into operation at MURPARK Graz and FORUM 1 Salzburg.

New, Successful Pop-up Concepts

On the occasion of its 140th anniversary, the traditional SES center GERNGROSS in Vienna opened a concept store together with Austria's largest designer pop-up store MODEPALAST. GERNGROSS, which is situated along one of the most frequented promenades in Vienna, offers the perfect location for this shop.



Gastronomy

Whether gourmet cuisine or a quick take-away snack: SES malls have established themselves as meeting places that offer an outstanding range of regional and international gastronomy. Quality and variety also play a major role in the culinary arts, and invite visitors to stay a while longer. SES continuously expands the gastronomy share at all of the centers and is always on the lookout for exciting concepts. Several new openings took place last year.

Where Food Trends Feel Right at Home

SUNNYSU, the first Austrian branch of the German bubble wafer franchise company, has opened at SILLPARK Innsbruck. The filled sweet wafers originated on the streets of Hong Kong, were reinterpreted in the USA, and went on to become a food trend in the country. SES has increasingly focused on culinary innovations, appealing to gastronomy fans, in particular, as well as to a number of new interested visitors.



Gastro Premieres & Brand Gastronomy

At EUROPARK Salzburg, Glorious Bastards, another cult gastro hot spot created by local hero Heiner Raschhofer, was opened at an SES center. The idea behind the restaurant has already won an award for the most innovative gastronomy concept in the German-speaking world.

Salzburg's first Akakiko restaurant opened at the FORUM 1 shopping center, located at the city's main train station. Covering a ground floor area of approximately 330 m², Akakiko offers pan-Asian specialties in the internationally popular restaurant format "Fast-Casual".

Services Are in Vogue

SES is committed to expanding the service offerings at its centers and is well ahead of the current trend. Via its comprehensive range of services, SES creates special added value for shopping center visitors and ensures maximum customer satisfaction. In addition to over-sized free parking spaces, special offers for parents, such as stroller rental, diaper-changing rooms stocked with free “emergency service” diapers, supervised play areas, and indoor playgrounds, home delivery services, wheelchair rental, practical lockers equipped with mobile phone charging stations, and much more are also available, depending on the center location – SES consistently manages to exceed customer expectations with its creative new service offers.



Eiszauber – a free ice-skating rink is provided as a service facility at EUROPARK Piazza.



The “Living Room” at FISCHAPARK – a lounge area in which visitors can relax and unwind, featuring a TV, a pinball machine, and much more.

Connect & Read

In addition to its cozy reading corners, complete with bookshelves, SES also launched a digital offer in 2019. A new service available at shopping centers throughout Austria is “Lesestoff” (“Reading Material”), which gives center visitors free access to more than 400 digital newspapers and magazines via the respective SES Center’s Wi-Fi system during their stay. “Lesestoff” is offered in cooperation with APA-DeFacto.



Digital reading enjoyment with “Lesestoff”

Exclusive



Cozy reading corners invite visitors to browse.

Creative



SES has picked up on the current DIY trend and has developed new, inspiring ideas.

Christmas Workshop

Creative packaging is the latest trend. During Advent 2019, SES embraced the trend and, for the first time, provided its visitors with materials and inventive ways to pack the shopping center gift certificate, “Zehner”, at the “Christmas Workshop”. The new service was well received by SES shopping center visitors.



Entertainment for Children

Via its children's adventure world PLANET LOLLIPOP, SES offers childcare services of the highest standard and relaxed shopping for parents, primarily during the entire opening hours of the centers. PLANET LOLLIPOP was specifically designed to meet the needs of kids. High-quality materials and a child-friendly design guarantee fun, creativity, and adventure. Altogether, approximately 175,600 little visitors spent time playing at PLANET LOLLIPOP locations in 2019. The individually tailored birthday parties, which take place in specially designed rooms, are also very popular: More than 4,400 birthdays were celebrated in 2019, representing an increase of around 15%.

Mini Lollipop

Mini Lollipop, another free family service, is offered at 11 SES locations. The play islands, featuring high-quality equipment, are located directly inside the shopping malls and are ideal for little children under four years of age.



The Zehner

The SES shopping center gift certificate, "Zehner", is valid at 12 centers throughout Austria and is valid under the name "Desetak" at five Slovenian centers. It is available at the respective SES centers and can be purchased online at derzehner.at. The gift certificate can be redeemed at all stores, restaurants, and service outlets across all centers. In 2019, the Zehner generated a total of EUR 37.2 million in sales – an increase of 3.4% compared to the previous year. The Zehner is a very popular gift, especially at Christmas time. This was also reflected in the 1.8% increase in sales compared to the previous year.



Pioneering Music Design for Relaxed Shopping

SES cooperates with internationally renowned music experts from MG SOUND STUDIOS VIENNA and creates hand-picked music experiences for visitors to enjoy while shopping.

What does "hand-picked" mean with regard to your line of work?

Martin Böhm >>> We arrange the music for the SES malls on an individual basis. No computer program can respond to the emotional needs of the public in such a way. We constantly search for new music, and then we create the playlists based on our selections. We make sure that the music suits both the shopping center as well as the mood of the day and that the volume of the tracks is perfectly coordinated.

Music and volume: What insider tips can the music experts offer?

Ludwig Coss >>> Music is all about dramaturgy. Just as is the case in a good film, we deliberately bring music to the foreground of each mall without being intrusive. As a result, the music is experienced in a better way and is not perceived as mere sprinkling. That is precisely why the quality of the sound system must be correspondingly high. This investment by SES can be both heard and felt by every visitor.

What makes a song mix perfect for a shopping center?

Martin Böhm >>> It should arouse curiosity, be surprising and diverse, but it should also decelerate and give the visitor a sense of welcome. Everyone is familiar with the songs that we use, but they are interpreted in new ways. The selected songs are meant to transport listeners away from the mainstream.

Managing Director of MG SOUND Ludwig Coss (l.) and Martin Böhm (r.) with Christoph Andexlinger, SES Head of Center & Facility Management



Just as is the case in a good film, we deliberately bring music to the foreground of each mall

Event-Highlights

SES shopping centers offer their customers more than just shopping. Art, culture, and entertainment are integral parts of every location, thereby transforming each visitor's stay into an experience. Major events, stunning art productions, and impressive exhibition roadshows – every SES center serves as a stage for its region. Our Motto: Never Be Boring!



Art Festival

Traditional department store GERNGROSS in Vienna treated its visitors to a 3-month art festival in and around the mall to celebrate its 140th birthday. The program included works of art by prominent local and international artists. The festival received silver during the Austrian Event Award in the category of "Overall Communication".

The artistic direction is set to continue in 2020: The contemporary BURN-IN Galerie has relocated to GERNGROSS, thereby establishing Vienna's first exclusive boutique gallery within a shopping center.

Modern Tape Art

HUMA ELEVEN shopping center in Vienna served as a platform for modern tape art created by artist Manuel Murel. His graphic adhesive tape artwork Rainbow Lollipop Goddess stretched across the mall floor.

All Aboard: Urban Air Mobility

SES and the Upper Austrian aviation group FACC exhibited the autonomous Air Taxi at WEBERZEILE Ried. The exclusive exhibition of the passenger transport drone, which has already taken off in China, was open to the general public for the first time at the Ried shopping center and is touring to other Austrian centers in 2020. SES is thus providing insights into the future of Urban Air Mobility, making innovation a tangible experience for everyone.



From Old to New

In keeping with its sustainable philosophy, ATRIO Villach has been home to Austria's largest repair café, located in the middle of the mall, for the past five years. This worthwhile event series, which takes place once a month and focuses on repairing items instead of throwing them away, was created in cooperation with the unruhestandAKTIV association. Sixty-two repair cafés yielded a repair success rate of 70% and a CO₂ reduction of 81,200 kg.

Exclusive: Red Bull Illume

SES is the exclusive partner of Red Bull Illume's unique adventure & action sports photography exhibition tour in Europe. In 2020, the extraordinary photo exhibition is set to tour 13 SES shopping centers in Austria and Slovenia.





SES introduced an energy management system in accordance with EN ISO 50001:2018 for the Austrian centers as well as for all INTERSPAR stores and Maximarkt locations within the Group, which was certified by TÜV AUSTRIA in 2019.

Pictured from left to right: Alexander Schilling, Antonia Krismer, Gernot Lebesmühlbacher, and Andreas Mittendorfer from the SES Facility Management Team.

Sustainability

Responsible Energy Management

Sustainable action has been part of the corporate DNA of SES for many years. Many SES centers have received several awards for their commitment to CSR. This is due to the fact that prescribed standards are not only simply implemented, but energy-saving and efficient measures are carried out with foresight. These include, for example, demand-based ventilation control, a switch to 100% renewable energy sources, and the expansion of electromobility. SES is committed to making an even stronger contribution to climate protection through sustainable real estate development. To that end, SES has adopted a clear energy policy. The climate targets are to be achieved by 2050.

SES Climate Targets:

- Photovoltaic systems on **50%** of the available roof surfaces
- **100%** of energy from renewable energy sources
- Savings of **46%*** in energy purchases
- **88%** fewer CO₂ emissions*

* compared to 2014

No Parking – No Business

For SES, the provision of convenient parking for visitors is a top service-oriented priority. At EUROPARK Salzburg and SILLPARK Innsbruck, the underground parking garages were renovated and made more attractive. One important component involved the complete conversion to LED lighting. For the sake of the environment, more than 850,000 kWh of electricity will be saved every year as a result of the conversion. SES centers also score points thanks to the free covered bicycle parking spaces that are available for more than 2,000 bicycles as well as the e-bike charging stations.

Best Practice: Demand-controlled ventilation system

The most important function of a ventilation system is to ensure a comfortable room temperature and good air quality while consuming a minimum amount of energy. In order to achieve such a goal, SES relies on a demand-controlled ventilation system.



Christoph Andexlinger
Head of Center & Facility
Management, SES

What makes the demand-controlled ventilation system at SES centers so special?

Christoph Andexlinger >>> We use it to optimize the operating mode of our ventilation systems by means of sensors and special regulation and control strategies in order to ensure good indoor air quality. This approach goes much further than an operation based on a schedule or system pressure. It is essential that we take thermal setpoint specifications into account and reduce the air volume flow. This ventilation control system has been implemented at our shopping centers as well as at the INTERSPAR and Maximarkt stores.

What are the advantages of such a system?

Christoph Andexlinger >>> On the one hand, the indoor air is adapted to the requirements and, on the other hand, the energy consumption of the shopping center is reduced. Consistent air quality in the centers can result in energy savings. If the air quality is good, our customers will feel better, and the time that they spend at the centers will be longer.

How does the use of this system affect the environment?

Christoph Andexlinger >>> Ventilation systems with demand-based ventilation control were in operation at six SES centers prior to 2019. Such systems can save up to approximately 50% in electricity compared to conventional control. In 2019, two systems were put into operation at MURPARK Graz, which saved 123,000 kWh of electricity, and the same ventilation control system has been installed at four other centers. We are planning to retrofit two more centers in 2020, so electricity savings will significantly increase again this year.



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More information about the company: www.ses-european.com



**Connect with
the Spirit of Retailing.**