



Creating Value through Innovation

ÆRIUM IS LEVERAGING ITS EXPERTISE TO CREATE ADDED VALUE THROUGH INNOVATIVE STRATEGY AND EFFICIENT EXECUTION, MAKING THE 'THIRD WAVE' OF SHOPPING CENTERS IN TURKEY A MOUTH-WATERING PROSPECT. RLI TALKS TO PRESIDENT OF ÆRIUM TURKEY, ANTHONY KHOI TO LEARN MORE...

"Ærium is an experienced pan-European real estate investment manager dedicated to providing investors with sound investment insight and a strategic vision. We provide value by providing high quality services and focusing on results," says Anthony Khoi, President of Ærium Turkey.

"Established in 1988, our portfolio has since grown to €6.1bn in real estate across Europe. With over 25 years history of generating growth and driving performance, we are proud of our continued success, made evident by our proven track record in several markets," he says.

Over the course of the past decade, pan-European real estate investment manager Ærium has built a leading team of over 100

professionals in Turkey.

"We currently own six shopping centres as well as offering dedicated third-party services for investors, banks and financial institutions that require an expert in asset management, investment management, development, leasing, marketing and centre management," he adds.

The company has developed a sustainable strategy through innovation, the improvement of its assets, notably with the addition of extensions, renovations and re-thinking design, as well as creative marketing, repositioning and branding. In doing so, Ærium has generated an important increase of activity and values in its centres.

"It is incredibly important to adapt your shopping centre to local requirements, competition and the expectations of the customer and

retailers. We need to ensure that our centres achieve those necessary requirements. We have to increase more than ever our reactivity and our agility to act," says Khoi.

The Turkish market is very specific and difficult in terms of risk management, with fast-growing catchment areas and competition in a dramatically changing market environment.

"Following this first wave of redevelopment, we are looking carefully at the potential of each site, as well as the opportunities for increasing them in size. Each centre must be appropriately sized to be competitive," he adds. "Indeed, in some areas we can be more ambitious, completely redesigning and rebuilding the property, creating added value for the investors, retailers and the city by implementing ambitious and attractive mixed-use projects."

Globally, Aërium will be seeing total assets under management of over \$3bn over the next ten years, with around 600,000sq m of new retail, hotel, office, leisure and residential projects under development in Turkey. "We have a number of local and international investors and partners who trust our capacity to drive this development forward. We have the expertise, industry experience and the resources to do it."

Indeed, there are not many companies in Turkey able to manage and deliver results like this. Aërium is capable of providing a comprehensive range of services for those seeking to invest in the Turkish market.

During the past ten years the country has seen 500 per cent of shopping centre sector growth, before which there were only 50 malls. After 2004 there was a real boom, resulting in higher expectations for shopping centre development.

Today is a very exciting time for Turkey, with some 350 malls currently in operation, expected to increase to 500 malls by 2016/17, heralding a step-change into maturity that both developers and investors will view as fantastic opportunities to enter this exceptional market.

"I think what is most important today is proactive and innovative asset management. We are constantly improving our team by recruiting new talent at all levels, optimizing our organization and process to enhance the quality of services. Teaming with each other, with our retailers, investors and partners is also a very important objective and a key factor of success in our company," says Khoi.

"Shopping centres, or shopping companies, as I prefer to consider them, are a fast-changing environment and I consider that it is now more necessary than ever that we be more reactive, analytical and professional – we highly invest and regularly update our marketing and digital strategies, as well as carrying out several consumer surveys. All of this contributes to making our shopping centres and other assets more attractive, better performing and sustainable," he adds.

"Over the past 12 months one of our key challenges was to implement a strategy to take advantage of mobile technology and digital marketing to improve the attraction of our centres and create a better relationship with our customer."

Outside Turkey, Aërium is also strongly active across a number of segments in countries such as the UK, Poland, the Czech Republic, Germany, Switzerland and France, with many projects already under a process of renovation, extension and development. Of its 215 assets under management in these markets, a quarter are undergoing a process of value creation.

"I believe that Germany, France, the UK, Turkey and Poland are our major focus for 2015/16, and looking beyond that, we are also looking closely at the Scandinavian market, Spain and Portugal, which all present amazing opportunities," he says.

In the top three of foreign shopping centre investors in Turkey, Aërium has positioned itself as a distinctive leader in terms of track record and value creation, and its achievements thus far are a result of the quality of its team and its ability to implement the very best strategy, driving execution with high expertise capabilities where it is needed.

PALM CITY MERSIN SHOPPING CENTER



ICERENKÖY PROJECT



IZMIT TOWN CENTER

