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COVERAGE IN FULL

Europe Real Estate

Capco sells Olympia London to BVK consortium for €347m (GB)

10 April 2017



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Capco announces that it has exchanged and completed on the sale of venues, its exhibition business, comprising Olympia London together with certain related property assets, for a total gross cash consideration of €346.6m (£296m). Venues has been sold to a consortium of German institutional investors, which includes Bayerische Versorgungskammer (Germany's largest manager of public pension schemes investing through a fund managed by Universal-Investment) as the single largest shareholder, the Versicherungskammer Bayern Group (Germany's largest public insurer) and DFI European Value Add Fund (together the "Consortium"). The Consortium is advised by investment firm Deutsche Finance International and Yoo Capital, as UK co-investor. Capco has been advised by Rothschild and CBRE on this transaction.

Venues is an exhibition business, comprising Olympia London together with certain related property assets.

Capco acquired full control of the Earls Court & Olympia London venues and operating business in 2009. Earls Court and Olympia London were run as one business until the permanent closure of Earls Court at the end of 2014. In the run-up to the closure of Earls Court, Capco successfully transitioned over 80 per cent of shows from Earls Court to Olympia London. In addition, Capco invested €35.1m (£30m) in Olympia London establishing it as the preferred central London venue for premium shows.

Venues generated an EBITDA of €22.2m (£19m) and profit after tax of €13.8m (£11.8m) for the year ended 31 December 2016. Venues had gross assets of €366m (£313m) as at 31 December 2016.

Ian Hawksworth, Chief Executive of Capco, commented: *"We are pleased to announce the sale of Olympia London to the Consortium. Following the successful transition of shows from the former Earls Court exhibition centres and our strategic investment in recent years, Olympia London is now established as the preferred central London venue for premium shows. Now that the period of transition is complete, it is the right time for Capco to exit its ownership of the venue. It has been our privilege to be part of the rich history of this historic venue, and we wish the business and management team great success under its new ownership. The completion of this transaction delivers value for our shareholders and will position Capco to concentrate effort and resources on our two exceptional central London estates at Covent Garden and Earls Court, as well as further enhance our financial flexibility to take advantage of opportunities as they arise."*

Link: <http://europe-re.com/capco-sells-olympia-london-to-bvk-consortium-for-347m-gb/63571>

Estates Gazette Interactive

L&G funds Olympia London purchase

Karl Tomusk

10 April 2017

Legal & General has provided a loan for the £296m acquisition of Olympia London Exhibition Centre by a consortium of investors led by Deutsche Finance International and Yoo Capital.

The loan, details of which have been kept private, was arranged over a five-year term and its draw down is immediate.

Ashley Goldblatt, head of commercial lending at LGIM Real Assets, said: "Representing our first acquisition finance deal, this debt facility brings our total lending to over £2bn and demonstrates our ability to continue to move into areas that the market might not traditionally expect to see us in.

"Olympia London is an iconic exhibition centre of a scale and enviable location not replicated elsewhere in the UK. With the combination of Deutsche Finance's and Yoo Capital's vision and asset management expertise, it has a strong future."

Conference News

Deutsche Finance International/Yoo Capital consortium buys Olympia London in £296m deal

By Paul Colston

10 April 2017



A joint venture of institutional investors led and advised by Deutsche Finance International (DFI), a global investment firm and part of the Deutsche Finance Group, and Yoo Capital (YC), a UK focused institutional investor, developer and asset manager, have announced it has acquired Olympia London Exhibition Centre from listed London property company Capital & Counties Properties PLC (Capco) in a £296m deal.

CN had reported the deal was on the table last week for the 130-year-old exhibition and events business, which is situated on a 14-acre freehold site in West London.

The venue welcomes 1.6 m visitors and hosts over 200 events a year over its seven connected spaces.

The acquisition also involves 3.9 acres of freehold land available for hospitality, leisure and residential development.

The joint venture includes Bayerische Versorgungskammer (BVK, Germany's largest manager of public pension schemes investing through a fund administered by Universal-Investment), the Versicherungskammer Bayern Group (VKB Germany's largest public insurer), DFI European Value Add Fund (DFI Fund) and YC, as UK co-investor and asset manager.

"We are delighted to have completed the Olympia London transaction. We see tremendous long term potential in the 14-acre estate and an opportunity to grow Olympia's status as a world-class exhibition and events venue working with the existing management team and our partners to enhance the customer experience through expansion of the retail, leisure and hotel offerings. We would like to acknowledge and thank the outstanding support we received from our lender Legal & General and all our advisers," said Gavin Neilan, co-managing partner of DFI.

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Frank RoccoGrande, fellow co-managing partner added: “We are privileged and thrilled to have advised and partnered with leading global institutional investors BVK and VKB. This opportunity allows us to build on the successful foundation laid by Capco and take a long term, holistic approach in managing, growing and re-generating parts of the estate to build value for our investors.”

Yoo chairman and global property entrepreneur John Hitchcox said: “We are delighted to partner on such an exciting investment. We will work closely with Olympia management to ensure Olympia continues to represent the very best in world-class exhibition space for Central London and the UK. We plan to provide a detailed update on our plans and work with local stakeholders in the second half of 2017.”

Lloyd Lee, Yoo Capital managing partner added: “We are extremely excited to be working with major global investment firm Deutsche Finance and their blue-chip investors and look forward to focusing on Olympia and exploring future opportunities together.”

Yoo Capital will “work closely with Deutsche Finance to support the tremendously talented management team, while bringing forward the long-term opportunities for complementary hospitality, leisure and residences available on the estate,” said Yoo Capital MD Andrew Thorpe. The Consortium was advised by Norton Rose Fulbright, Deloitte, Langham Hall and Jones Lang LaSalle.

Deutsche Finance International is a London based, privately owned value add and opportunistic real estate investment firm and investment adviser of DFI European Value Add Fund SCSP and asset adviser to Olympus Luxembourg Holding SCSP. The firm is part of the Deutsche Finance Group, a leading global real estate fund of funds and institutional investment management firm headquartered in Munich and active since 2005.

Yoo Capital is a privately owned real estate investment firm with over \$1bn of gross real estate assets under management across Greater London. Specialising in creative, complex mixed-use investments, the firm has in house private equity, creative asset management and development capabilities with over 30 years and \$10bn of transactional experience. Recently, Yoo Capital entered into a long-term capital commitment with Deutsche Finance to focus on high quality, value creation opportunities across Central London and the UK.

Link: <http://www.conference-news.co.uk/2017/04/deutsche-finance-internationalyoo-capital-consortium-buys-olympia-london-in-296m-deal/>

Business Day

Why Capco sold its Venues business

UK property owner Capital & Counties says it will focus on its residential regeneration project, Earls Court, and retail development Covent Garden

11 April 2017 - 05:29 AM

Alistair Anderson



Picture: ISTOCK

UK property owner Capital & Counties (Capco) has sold its exhibition business, known as Venues, for £296m to focus on its other assets.

Capco said on Monday that it would focus on maximising income out of its residential regeneration project, Earls Court, and retail development Covent Garden.

The disposal provided an opportunity for cash proceeds, which would be used to repay bank debt, for deployment in Capco's core central London estates and to take advantage of opportunities as they arose.

Venues comprises Olympia London and other property assets. It has been sold to a consortium of German institutional investors, which includes Bayerische Versorgungskammer, the country's largest manager of public pension schemes investing through a fund managed by Universal-Investment; the Versicherungskammer Bayern Group, which is Germany's largest public insurer; and DFI European Value Add Fund.

The consortium was advised by investment firm Deutsche Finance International and Yoo Capital as UK co-investor. Capco was advised by Rothschild and CBRE.

The gross consideration payable in cash to Capco was £296m, and after repayment of £50m debt, working capital adjustments and transaction-related costs, net proceeds were about £229m.

"We are pleased to announce the sale of Olympia London to the consortium. Following the successful transition of shows from the former Earls Court exhibition centres and our strategic investment in recent years, Olympia London is now established as the preferred central London venue for premium shows," said Capco CEO Ian Hawksworth.

"Now that the period of transition is complete, it is the right time for Capco to exit its ownership of the venue. It has been our privilege to be part of the rich history of this historic venue, and we wish the business and management team great success."

Link: <https://www.businesslive.co.za/bd/companies/property/2017-04-11-why-capco-sold-its-venues-business/>

Business Immo.com

Legal & General complète un prêt pour l'acquisition d' Olympia London

10 April 2017

Legal & General annonce avoir compléter un prêt bilatéral pour financer l'acquisition du centre d'exposition Olympia London, à Londres au Royaume-Uni. Une joint-venture d'investisseurs

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institutionnels dirigée et conseillée par Deutsche Finance International et Yoo Capital a acheté l'actif iconique pour 296 M£ (347 M€).

Olympia London est un lieu d'exposition et d'événements de 130 ans. Chaque année, Olympia London accueille plus de 1,6 million de visiteurs et héberge plus de 200 événements.

PERE

Deutsche Finance-led investor group buys London Olympia

10 April 2017

"The iconic 130-year-old exhibition center has been acquired by a consortium, which includes BVK and VKB, the largest pension fund and public insurer in Germany respectively.

A group of institutional investors led by Deutsche Finance International, the Munich-based global investment arm of Deutsche Finance Group, has acquired the London Olympia Exhibition Centre for £296 million (\$367 million; €347 million).

The seller was London-listed property company Capital & Counties Properties (Capco).

The group of institutional investors includes Bayerische Versorgungskammer (BVK), Germany's largest public pension fund, Versicherungskammer Bayern Group (VKB), Germany's largest public insurer and Yoo Capital (YC), a UK-focused investor, which will also manage the assets.

Olympia London was built in 1886 and is situated in a 14-acre site in west London. The exhibition center, which has seven separate sections, attracts more than 1.6 million visitors each year and hosted over 200 events each year. The center also has 3.9 acres of freehold land available for hospitality, leisure and residential development.

As spokesman for the consortium said the asset's iconic status, its prime location and quality management team were all factors in its acquisition.

"We see tremendous long term potential in the 14-acre estate and an opportunity to grow Olympia's status as a world-class exhibition and events venue working with the existing management team and our partners to enhance the customer experience through expansion of the retail, leisure and hotel offerings," said Gavin Neilan, co-managing partner of DFI.

"This opportunity allows us to build on the successful foundation laid by Capco and take a long term, holistic approach in managing, growing and re-generating parts of the estate to build value for our investors," said Frank RoccoGrande, also co-managing partner.

The exhibition center has hosted a variety of events in its history, the most notable of which were the inaugural International Motor Exhibition in 1905; a Jimi Hendrix Experience concert in 1967 and, most recently, a Vivienne Westwood catwalk show for London Fashion Week in 2009.

The investor group was advised by Norton Rose Fulbright, Deloitte, Langham Hall and Jones Lang LaSalle.

Property Funds World

Institutional investors complete GBP296m Olympia London acquisition

10 April 2017

A joint venture of institutional investors led and advised by Deutsche Finance International (DFI) and Yoo Capital (YC) has acquired the Olympia London Exhibition Centre from listed London property company Capital & Counties Properties (Capco).

The total purchase price for the acquisition was GBP296 million. Olympia London is a 130 year' old exhibition and events business, which is situated on a prime 14 acre freehold site in West London. Each year Olympia welcomes more than 1.6 million visitors and hosts over 200 inspiring events utilising its seven connected and flexible spaces. The acquisition also involves 3.9 acres of freehold land available for hospitality, leisure and residential development.

The joint venture includes Bayerische Versorgungskammer (BVK), the Versicherungskammer Bayern Group (VKB), DFI European Value Add Fund (DFI Fund) and YC, as UK co-investor and asset manager.

"We are delighted to have completed the Olympia London transaction. We see tremendous long term potential in the 14 Acre estate and an opportunity to grow Olympia's status as a world-class

exhibition and events venue working with the existing management team and our partners to enhance the customer experience through expansion of the retail, leisure and hotel offerings. We would like to acknowledge and thank the outstanding support we received from our lender Legal & General and all our advisers,” says Gavin Neilan, co-managing partner of DFI.

Yoo chairman and global property entrepreneur John Hitchcox says: “We are delighted to partner on such an exciting investment. We will work closely with Olympia management to ensure Olympia continues to represent the very best in world-class exhibition space for Central London and the UK. We plan to provide a detailed update on our plans and work with local stakeholders in the second half of 2017.”

The consortium was advised by Norton Rose Fulbright, Deloitte, Langham Hall and Jones Lang LaSalle.

Link: <http://www.propertyfundsworld.com/2017/04/10/250521/institutional-investors-complete-gbp296m-olympia-london-acquisition>

SeeNews Germany

UK property firm Capco sells venues unit for GBP 296m

10 April 2017

April 10 (SeeNews) - UK-based Capital & Counties Properties (LON:CAPC) (Capco) said Friday it has sold its venues unit, which includes the Olympia exhibition centre in London, for GBP 296 million (EUR 347m/USD 367m) to a consortium of German institutional investors.

The consortium includes German public pension schemes manager Bayerische Versorgungskammer, German public insurer Versicherungskammer Bayern Group and DFI European Value Add Fund, according to a regulatory filing. The buyers are advised by investment firm Deutsche Finance International, while Yoo Capital served as UK co-investor.

Capco received counsel from Rothschild and CBRE on the sale.

Bloomberg revealed on Wednesday Capco was in separate talks to potentially sell the venues division to Chinese aviation and shipping conglomerate HNA.

Capco said on Friday it will use the cash proceeds to repay bank debt and re-invest in core central London estates.

The venues business generated earnings before interest, tax, depreciation and amortisation (EBITDA) of GBP 19 million and profit after tax of GBP 11.8 million in 2016. The valuation of the unit's property fell by 1% to GBP 293 million on the year.

(GBP 1 = EUR 1.172/USD 1.240)

Event Magazine

Olympia London sold in £296m deal

Hannah Ellison

10 April 2017

Olympia London has been sold to German institutional investors BVK, Deutsche Finance Group and Yoo Capital in a deal reportedly worth £296m.



Olympia London acquired by BVK, Deutsche Finance Group and Yoo Capital

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The venue was previously owned by Capital and Counties Properties PLC (Capco), who purchased Olympia London with a sole purpose of redeveloping the Earls Court area. Capco invested £45 million into the venue, and enabled the transition of Earls Court business to this venue, and are now moving on to focus on the company's core business.

Bayerische Versorgungskammer (BVK) is one of the largest state-sponsored insurance companies and pension funds in Germany and is headquartered in Munich. Deutsche Finance Group and Yoo Capital included in the consortium have led and advised on the acquisition.

Deutsche Finance Group and Yoo Capital will continue working toward Capco's vision of making Olympia London a world-class venue.

Gavin Neilan from Deutsche Finance Group said: "We are delighted to have acquired Olympia London as part of our investment portfolio. Together with Yoo Capital, we will lead an exciting and entrepreneurial new asset management strategy which looks to invest long-term in the estate to help Olympia London to maintain and grow its status as a world-class exhibition and events venue. We selected this iconic venue not only for its successful business model, but for its heritage; prestigious positioning within the market and exclusive location."

Nigel Nathan from Olympia London said: "This is an exciting time for our business; much care was taken throughout the sale process to ensure the continuation of Olympia London's 130-year legacy. We look forward to working with our new owners on the next chapter in Olympia London's rich history."

Last month, Olympia London was included on the 2017 Superbrand list.

Link: <http://www.eventmagazine.co.uk/olympia-london-sold-296m-deal/venues/article/1430051>

The Times

German buyers see Olympia as an ideal home for £296m investment

By Dominic Walsh

8 April 2017

Olympia London has fallen into German hands after the property company that owns the venue for the Ideal Home Show and London Book Fair announced a £296 million sale.

Capital& Counties Properties, the FTSE 250 business that also owns parts of Covent Garden, said that it had sold its Venues exhibition business, which includes Olympia, to a consortium of German institutional investors.

The two main investors — Bayerische Versorgungskammer, a pension fund manager, and Versicherungskammer Bayern, Germany's largest public insurer — put the deal together with the London-based Yoo Capital, which also co-invested.

This week, Bloomberg reported that HNA, the Chinese conglomerate, had joined forces with Bugsby Property, another investor, to launch an attempt to take control of Olympia.

Capco, which was advised by Rothschild and CBRE, said that after the repayment of £50 million of debt, deal costs and working capital adjustments, it expected to collect £229 million. It put the business up for sale in late 2015 and likely bidders were named, including The Madison Square Garden Company, which owns the New York Knicks basketball team and the Rangers ice hockey franchise, according to The Sunday Times. About six bidders were said to be interested.

The sale of Olympia, known for its Victorian architecture and vaulted roof, had been cancelled by Capco last July after Britain's decision to exit the European Union initially spooked commercial property markets. However, it remained keen on a quick sale of Olympia, which hosts more than 1.5 million visitors a year at events including the London Wine Fair and the Great British Beer Festival. The venue generated underlying earnings last year of £19 million and a post-tax profit of £313 million.

Olympia, which started life in 1886 as the National Agricultural Hall on a four-acre site, was requisitioned in the First World War as a civil prison camp for German nationals. In 1940 it became a civilian internment camp and suffered bomb damage during the Blitz.

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In 1971 Jeffrey Sterling, now Lord Sterling of Plaistow, bought Earls Court and an 18 per cent stake in Olympia and the following year he acquired Olympia outright. Capco bought half the group in 2007 and the rest in 2010.

The property group transferred all Earls Court events to Olympia in order to demolish Earls Court and begin building 7,500 luxury properties.

Shares in Capital & Counties rose 4½p to 312¼p.

The Daily Telegraph

Capco sells Olympia London to the Germans

8 April 2017

BUSINESS BULLETIN

Capital & Counties Properties has sold the Olympia London convention centre to a consortium of German investors for £296m. Bayerische Versorgungskammer, which is Germany's largest manager of public pension schemes, holds the greatest stake in the consortium. Capco said the sale will enable it to focus on its Covent Garden and Earls Court estates, and to repay its bank debt.

The Daily Mail

MARKET REPORT

Daniel Flynn

8 April 2017

Capital & Counties Properties edged up after confirming it was close to selling its exhibition business, which owns Olympia in London.

After trading closed, the firm announced it had sold the business, called Venues, for £296m, to several German pension schemes.

It will use the money to pay off a £50m debt and invest in its existing London properties. Shares closed up 1.5pc, or 4.5p, to 312.3p.

CoStar

Capco sells Olympia to German consortium and Yoo for £296m

By Paul Norman

7 April 2017

Capco has sold Venues, its exhibition business, comprising Olympia London and related property assets, for £296m to a consortium of German institutional investors advised by investment firm Deutsche Finance International and Yoo Capital, as UK co-investor.

The consortium includes Bayerische Versorgungskammer (Germany's largest manager of public pension schemes investing through a fund managed by Universal-Investment) as the single largest shareholder, the Versicherungskammer Bayern Group (Germany's largest public insurer) and DFI European Value Add Fund.

The disposal is for a total gross consideration of £296m (before net debt and working capital adjustments). After repayment of debt, working capital adjustments and transaction-related costs, net proceeds are approximately £229m, in line with the net asset value of Venues.

Capco said the disposal provides an opportunity to realise significant cash proceeds which will be used initially to repay bank debt and subsequent to this, for deployment in its core central London estates, as well as to take advantage of opportunities as they arise.

Following the disposal, Capco's pro-forma LTV as at 31 December 2016 decreases from 23% to 17%.

Ian Hawksworth, chief executive of Capco, said: "We are pleased to announce the sale of Olympia London to the Consortium. Following the successful transition of shows from the former Earls Court exhibition centres and our strategic investment in recent years, Olympia London is now established as the preferred central London venue for premium shows. Now that the period of transition is complete, it is the right time for Capco to exit its ownership of the venue. It has been our privilege to

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be part of the rich history of this historic venue, and we wish the business and management team great success under its new ownership.

"The completion of this transaction delivers value for our shareholders and will position Capco to concentrate effort and resources on our two exceptional central London estates at Covent Garden and Earls Court, as well as further enhance our financial flexibility to take advantage of opportunities as they arise."

Gavin Neilan, co-managing partner of DFI, said: "We are delighted to have completed the Olympia London transaction. We see tremendous long term potential in the 14 acre estate and an opportunity to grow Olympia's status as a world-class exhibition and events venue working with the existing management team and our partners to enhance the customer experience through expansion of the retail, leisure and hotel offerings. We would like to acknowledge and thank the outstanding support we received from our lender Legal & General and all our advisers."

Frank RoccoGrande, fellow co-managing partner added: "We are privileged and thrilled to have advised and partnered with leading global institutional investors BVK and VKB. This opportunity allows us to build on the successful foundation laid by Capco and take a long term, holistic approach in managing, growing and re-generating parts of the estate to build value for our investors."

Yoo chairman and global property entrepreneur John Hitchcox said: "We are delighted to partner on such an exciting investment. We will work closely with Olympia management to ensure Olympia continues to represent the very best in world-class exhibition space for Central London and the UK. We plan to provide a detailed update on our plans and work with local stakeholders in the second half of 2017."

Lloyd Lee, Yoo Capital Managing Partner added: "We are extremely excited to be working with major global investment firm Deutsche Finance and their blue-chip investors and look forward to focusing on Olympia and exploring future opportunities together."

Yoo Capital will "work closely with Deutsche Finance to support the tremendously talented management team, while bringing forward the long-term opportunities for complementary hospitality, leisure and residences available on the estate," said Yoo Capital MD Andrew Thorpe. Capco has been advised by Rothschild and CBRE. The Consortium was advised by Norton Rose Fulbright, Deloitte, Langham Hall and Jones Lang LaSalle.

Venues is an exhibition business, comprising Olympia London together with certain related property assets.

Capco acquired full control of the Earls Court & Olympia London venues and operating business in 2009. Earls Court and Olympia London were run as one business until the permanent closure of Earls Court at the end of 2014. In the run-up to the closure of Earls Court, Capco moved over 80% of shows from Earls Court to Olympia London. In addition, Capco invested £30m in Olympia London. Venues generated an EBITDA of £19m and profit after tax of £11.8 million for the year ended 31 December 2016. Venues had gross assets of £313.0 million as at 31 December 2016.

The disposal has been effected by way of a sale of the entire issued share capital of Olympia Exhibitions Group Limited.

Link: <http://www.costar.co.uk/en/assets/news/2017/April/Capco-sells-Olympia-to-German-consortium-and-Yoo-for-296m/>

Property Week

German consortium seals £296m deal for Capco Venues

By Richard Hook

7 April 2017



A consortium of German institutional investors have completed the acquisition of Capital & Counties' Olympia exhibition centre in west London for £296m.

Venues, the exhibition business which contains further related property assets alongside Olympia, has been acquired by a consortium comprised of Bayerische Versorgungskammer, Germany's largest manager of public pension schemes investing through a fund managed by Universal-Investment, the Versicherungskammer Bayern Group, Germany's largest public insurer, DFI European Value Add Fund and UK-focused institutional investor Yoo Capital.

After repayment of debt, working capital adjustments and transaction-related costs, net proceeds on the deal are approximately £229m, in line with the net asset value of Venues. The acquisition also involves 3.9 acres of freehold land available for hospitality, leisure and residential development. CapCo, owner of Earls Court and huge swathes of Covent Garden, put its Venues business on the market in 2015 through CBRE and Rothschild.

Ian Hawksworth, Chief Executive of Capco, said: "Following the successful transition of shows from the former Earls Court exhibition centres and our strategic investment in recent years, Olympia London is now established as the preferred central London venue for premium shows. Now that the period of transition is complete, it is the right time for Capco to exit its ownership of the venue. The completion of this transaction delivers value for our shareholders and will position Capco to concentrate effort and resources on our two exceptional central London estates at Covent Garden and Earls Court, as well as further enhance our financial flexibility to take advantage of opportunities as they arise."

The consortium is advised by Norton Rose Fulbright, Deloitte, Langham Hall and Jones Lang LaSalle along with investment firm Deutsche Finance International and Yoo Capital, as UK co-investor.

Gavin Neilan, co-managing partner of DFI, added: "We see tremendous long term potential in the 14 acre estate and an opportunity to grow Olympia's status as a world-class exhibition and events venue working with the existing management team and our partners to enhance the customer experience through expansion of the retail, leisure and hotel offerings."

Link: <http://www.propertyweek.com/news/german-consortium-seals-%C2%A3296m-deal-for-capco-venues/5088700.article>

IPE Real Estate

Germany's BVK, VKB join consortium to buy Olympia London for £296m

7 April 2017

By Richard Lowe

Germany's largest pension fund manager and its biggest public insurer are part of a consortium acquiring the Olympia London Exhibition Centre for £296m (€348m).

Deutsche Finance International (DFI) and Yoo Capital, which are leading the consortium, confirmed that the 130-year-old exhibition centre had been bought from listed property company Capital & Counties Properties.

The €80bn Bayerische Versorgungskammer (BVK) and €48.5bn Versicherungskammer Bayern Group (VKB) form part of the consortium, alongside DFI's European Value Add Fund and Yoo Capital, a UK private equity firm.

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Olympia London is situated on a prime 14-acre freehold site in West London. Each year it welcomes more than 1.6m visitors and hosts over 200 events, including MIPIM UK.

Gavin Neilan, co-managing partner at DFI, said: "We see tremendous long-term potential in the 14-acre estate and an opportunity to grow Olympia's status as a world-class exhibition and events venue working with the existing management team and our partners to enhance the customer experience through expansion of the retail, leisure and hotel offerings."

Yoo chairman John Hitchcox said: "We will work closely with Olympia management to ensure Olympia continues to represent the very best in world-class exhibition space for Central London and the UK."

Link: <https://realestate.ipe.com/news/investors/germanys-bvk-vkb-join-consortium-to-buy-london-olympia-for-296m/realestate.ipe.com/news/investors/germanys-bvk-vkb-join-consortium-to-buy-london-olympia-for-296m/10018417.fullarticle>

Reuters News

CORRECTED-Capital & Counties sells London exhibition centre business for 296 mln pounds

7 April 2017

(Corrects to clarify Yoo Capital is part of the consortium)

April 7 (Reuters) - British property developer Capital & Counties said on Friday it has sold its exhibition business for 296 million pounds (\$367 mln) to a group of institutional investors.

The business, called Venues, comprises the Olympia London exhibition centre in west London and other property assets.

The new owners include German public pension schemes manager Bayerische Versorgungskammer, Deutsche Finance Group, and Yoo Capital.

The value of the events business fell 1.3 percent to 293 million pounds in 2016, according to the company's annual report.

Capital & Counties, which owns large parts of the Covent Garden district in central London, said in late February that the residential market remained challenging following increases in stamp duty and Britain's vote to leave the European Union.

"This (deal) will position the company to concentrate effort and resources on our two central London estates at Covent Garden and Earls Court," the company said.

The consortium was advised by Deutsche Finance International.

Other advisors to the transaction included Norton Rose Fulbright, Deloitte, Langham Hall and Jones Lang LaSalle. (\$1 = 0.8070 pounds) (Reporting By Justin George Varghese in Bengaluru; Editing by Susan Fenton.)

Link: <http://www.reuters.com/article/capitalcounties-londonolympia-ma-idUSL8N1HF5DW>

Bloomberg First Word

Capital & Counties Sells Venues Business for GBP296m (1)

7 April 2017

By Janet Freund

(Bloomberg) -- (Updates to include use of proceeds and to show Deutsche Finance Intl and Yoo Capital are also U.K. co-investors)

* Capco completes sale of exhibition business Venues, comprising Olympia London and some related property assets, for total gross cash of GBP296m (before net debt and working capital adjs.) to consortium of German institutional investors

* After repayment of debt, working capital adjustments, transaction-related costs, net proceeds are ~GBP229m, in line with net asset value of Venues

* Cash proceeds will be used to repay bank debt, for deployment in Capco's core central London estates

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- * Consortium includes Bayerische Versorgungskammer as single largest shareholder, the Versicherungskammer Bayern Group (Germany's largest public insurer), DFI European Value Add Fund
- * Consortium advised by Deutsche Finance International and Yoo Capital, as U.K. co-investor
- * Capco advised by Rothschild, CBRE on this transaction
- * NOTE: Earlier, Capco Confirms Advanced Talks to Sell Venues Business
- * NOTE: April 5, HNA Venture Said to Bid for CapCo's \$375m London Venue Statement

The Times

German buyers see Olympia as an ideal home for £296m investment

By Miles Costello

7 April 2017



Olympia started life in 1886 on four acres as the National Agricultural Hall *Gamma-Keystone/Getty Images*

Olympia London looks set to fall into new hands after the company that owns the venue of the Ideal Home Show and London Book Fair said it was in advanced talks to sell it for a price thought to be close to £300 million.

Capital & Counties, the FTSE 250 business that also owns parts of Covent Garden, said today that it was close to selling its Venues exhibition business, which includes Olympia London, but gave no details about the likely buyers. It is understood that a consortium led by two German institutional investors is the frontrunner to agree a deal and a firm agreement with a buyer could be reached within days.

Earlier this week Bloomberg reported that the Chinese conglomerate HNA had joined forces with another investor, Bugsby Property, to take control of Olympia. Separate bids from a group including Yoo Capital and an unidentified German company were also under consideration, according to Bloomberg.

Capital & Counties, also known as Capco, said today: "Capco confirms that it is in advanced discussions concerning the sale of Venues, its exhibition business, comprising Olympia London together with certain related property assets." It said the price was in line with its valuation at the end of last year, which stood at £293 million.

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Capco warned that there could be no certainty that the sale would proceed and said that it would update investors where appropriate later.

Capco put the business up for sale in late 2015 and a host of likely bidders were named, including The Madison Square Garden Company, the owner of the New York Knicks basketball team and the Rangers ice hockey franchise, according to The Sunday Times. At the time about six bidders were reported to be interested.

Known for its striking Victorian architecture and vaulted roof, Olympia opened in 1886 and Capco bought it in 2010. It has transferred its events to the centre in order to demolish another centre in Earls Court and begin building 7,500 luxury properties.

Also according to Bloomberg, however, Capco cancelled the sale last July after Britain's decision to exit the EU, a move that initially spooked commercial property markets and sparked speculation of a sharp fall in prices.

Capco is thought, however, to have remained keen to sell Olympia, which hosts more than 1.5 million visitors a year, as soon as it was feasible. The venue generated pre-tax profits last year of £19 million, a 29 per cent increase on the previous year.

Shares in Capital & Counties closed 4½p higher at 312½p.

Link: <https://www.thetimes.co.uk/article/olympia-h68f2hpxp>

Alliance News

EXTRA: Capital & Counties Ready To Cash In On Olympia London Site

By Adam Clark

7 April 2017

LONDON (Alliance News) - Capital & Counties Properties PLC said Friday it is in advanced talks over the sale of the Olympia London exhibition centre, with a potential GBP293.0 million price tag.

Capital & Counties shares were trading 1.2% higher on Friday at 311.60 pence.

The FTSE 250-listed property developer said it is in "advanced discussions" over the sale of its Venues business, which comprises the exhibition centre and related property assets. The centre is located in West Kensington, London.

Capital & Counties did not disclose an exact sale price, but said it is in line with its valuation at the end of 2016. In its latest annual report, Olympia London was valued at GBP293.0 million, a 1% like-for-like decline from the prior year.

Despite that broadly flat valuation, Capital & Counties is set to realise significant gains from the site, having initially taken a 50% interest in the centre in 2007 before acquiring full control in 2010.

From 2010 to 2013, Capital & Counties refurbished the Olympia site in preparation for moving its Venues business there, from its Earls Court Exhibition Centre properties. At the end of 2013, the Venues business was valued at GBP161.0 million, before rising by over 80% in value over the next two years as Olympia became the main exhibition site.

This is not the first time the GBP2.65 billion property developer has considered cashing in on its investment, having said in 2015 that a strategic review of the centre was underway.

However, Bloomberg reported on Wednesday that a potential buyer has appeared in the form of Chinese conglomerate HNA Group Co, in partnership with US-based Bugsby Property LLC.

Citing people with knowledge of the matter, Bloomberg said the two companies are willing to offer more than GBP300.0 million for the Venues business. However, the news organisation also said there are competing bids from equity investor Yoo Capital and an unnamed German company.

Link: <https://www.bloomberg.com/news/articles/2017-04-05/hna-venture-said-to-bid-for-capco-s-375-million-london-venue>

Link:

http://www.lse.co.uk/AllNews.asp?code=8myusk6k&headline=EXTRA_Capital_Counties_Ready_To_Cash_In_On_Olympia_London_Site

CoStar.co.uk

Capco in 'advanced talks' to sell Olympia

By Paul Norman

7 April 2017

Capco has confirmed it is in advanced discussions to sell its Venues exhibition business, comprising Olympia London together with certain related property assets, for a price in line with the 31 December 2016 valuation. The price is understood to be in excess of £300m.

In a stock market announcement this morning Capco said: "There is no certainty that the sale will proceed and further announcements will be made as appropriate."

Capco declined to mention the parties it was talking to but it is understood that interested parties are

HNA Group Co., the Chinese conglomerate, in partnership with the US's Bugsby Property, which bid for Television Centre in White City. Market sources also suggested a separate bid from a group including Yoo Capital and a German company is being considered.

Bloomberg yesterday tipped these bidders citing people close to the process.

All parties declined to comment.

Estates Gazette Interactive

Capco in talks with bidders for Olympia exhibition centre

Karl Tomusk

7 April 2017

Capital and Counties is in talks with two bidders, HNA Group and Yoo Capital, to sell its £300m Olympia exhibition centre, W14.

Chinese conglomerate HNA has put in an offer for the venue with specialist investment company Bugsby Property. Yoo Capital is also understood to be in talks with Capco with a separate bid.

In a statement this morning, Capco said: "Capco confirms that it is in advanced discussions concerning the sale of Venues, its exhibition business, comprising Olympia London together with certain related property assets for a price in line with the 31 December 2016 valuation.

"There is no certainty that the sale will proceed and further announcements will be made as appropriate."

Capco has been considering selling Olympia since 2015. The venue had an EBITDA of £19m last year, with a capital value of £293m.

To send feedback, e-mail karl.tomusk@egi.co.uk or tweet @ktomusk or @estatesgazette

Exhibition News

Potential bids to acquire Olympia in £300m+ deal

7 April 2017

Paul Colston



A Chinese industrial conglomerate, HNA Holding Group Co., is bidding to acquire [Olympia London](#), reports have suggested.

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Bloomberg has reported the Chinese company, which bought a stake in Deutsche Bank recently, teamed up with Bugsby Property LLC to approach Olympia owners Capital & Counties (CapCO) to buy its venues unit (which includes the exhibition and conference centre).

Bloomberg said sources close to the bid were speculating that a separate bid from a group including Yoo Capital Ltd. and a German company, was also on the table.

EN understands that a separate bid from a group including Yoo Capital Ltd and German institutional investors is also on the table.

Capco confirmed the approach in a brief statement, on 7 April, that it was "in advanced discussions concerning the sale of Venues, its exhibition business, comprising Olympia London together with certain related property assets for a price in line with the 31 December 2016 valuation. There is no certainty that the sale will proceed and further announcements will be made as appropriate".

Simon Kimble, chairman of Clarion Events and past president of industry association, AEO, reacted to the news: "Following the closure of Earls Court exhibition halls we would be looking for any new buyer to commit to Olympia's events and exhibition business, as well as to support all the services this business requires.

"What we don't want to see would be an isolated venue remaining at Olympia, with unrelated developments proceeding apace all around.

"It would be disastrous for the events industry in the UK if these facilities were lost in London. Any moves affecting one of the nation's crown venue jewels, should concern us all."

Kimble added that the history of Yoo Capital, in particular, suggested an unlikely fit with owning an event venue, as the company has been more involved in redevelopment projects.

Andy Slaughter, MP for Hammersmith commented on the potential sale of Olympia by CapCo:

"London Olympia is one of the UK and Europe's premier exhibition spaces and is vital to both the local economy and the UK events and exhibitions industry. I sincerely hope that Olympia's next owners will commit to maintaining its role as one of the UK and Europe's leading venues for events and exhibitions."

Could Olympia be the perfect venue to show off Chinese products to the UK market for HNA?

HNA last month agreed a US\$2.21bn deal to buy a marquee Manhattan office building in a deal that further evidences the role of Chinese capital in Western real estate markets, although the company does also have a focus on leisure and tourism, owning a significant stake in Hilton and several airlines.

HNA, parent company of China's Hainan Airlines, purchased 30 South Colonnade in London's Canary Wharf in 2015.

CapCo also owns a large property portfolio in London's Covent Garden and transferred events to new-look Olympia from the old Earls Court exhibition halls when that land was sold for housing development. CapCo's events business had generated earnings of £19m last year on a total value of £293m.

Link: <http://exhibitionnews.co.uk/news/news/potential-bids-to-acquire-olympia-in-300m-deal>