

The Savills logo, consisting of the word "savills" in a lowercase, sans-serif font, is positioned within a solid yellow rectangular box. The background of the entire slide is a warm, autumnal photograph featuring a stack of knitted scarves in shades of cream, orange, and green, with several golden-brown maple leaves scattered around. A shopping bag and a lit candle in a glass holder are also visible in the scene.

savills

SPOTLIGHT

ITALIAN RETAIL MARKET

YTD Q3 2026

RESEARCH



TOP TAKEAWAYS

- 01

The retail sector remains the dominant asset class in the Italian investment market
- 02

Italian high street retail market remains highly attractive, driven by strong demand and interest from international brands
- 03

High street prime rents increased in Milan reaching a new record high
- 04

In shopping centres, both turnovers and footfalls continue to strengthen
- 05

By 2030, over 350,000 sqm of new shopping centre space is expected to be added to the market
- 06

Prime shopping centre rents increased over the last 12 months



“
Retail confirms
its leading role

YTD Q3 2026 KPIs



*(CNCC data; YTD August 2026 vs YTD August 2025)

High Street leasing market

The Italian high street retail market continues to display solid fundamentals: demand is robust across Italy’s main tourist cities, where retailer interest remains high and market dynamics point to another positive year for the sector.

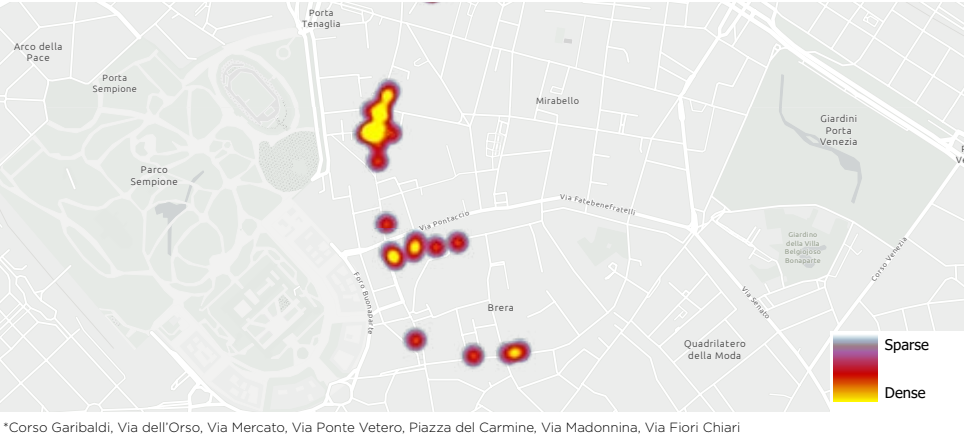
At the same time, the expansion of flagship stores continues to gain momentum. This trend is no longer limited to Europe’s major capitals, but is increasingly evident in Italy as well. In particular, Asian and North American brands are showing growing interest in entering or expanding their presence in the Italian market through strategic high street locations.

Milan remains one of Europe’s most sought-after retail destinations, with extremely low vacancy levels fuelling strong competition for prime locations and continuing to push rents higher, reaching the new record of 17,000 €/sqm/year (+13% YoY). While the slowdown in the growth of the luxury sector has made Milan’s

Quadrilatero della Moda less dynamic than in recent years, rental levels continue to rise due to the scarcity of available space. Meanwhile, alternative retail districts are gaining prominence. Brera stands out as one of the most dynamic and vibrant areas, thanks to its unique positioning, strong footfall and growing appeal: 30 new openings have been recorded over the last 12 months, with a vacancy rate standing at just 3%. Rising demand and limited supply are driving rental growth and reinforcing the district’s status as a key destination within Milan’s retail landscape.



MILAN, BRERA DISTRICT*, NEW AND NEXT OPENING HEAT MAP (LAST 12 MONTHS)

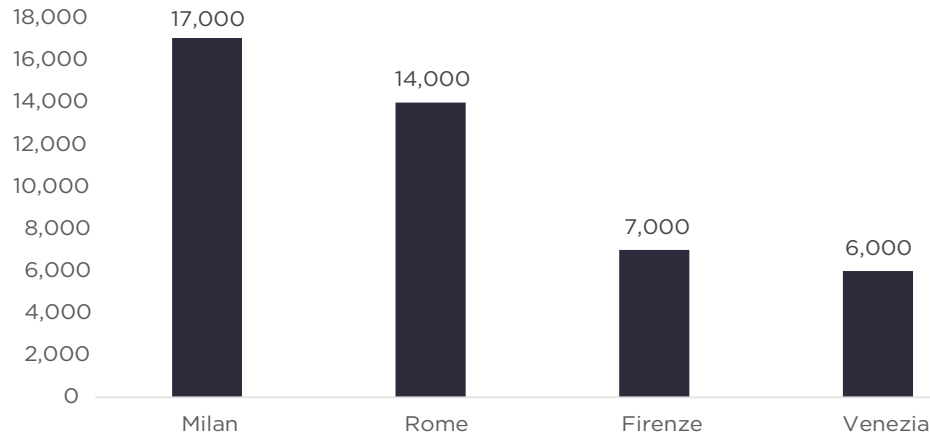


*Corso Garibaldi, Via dell'Orso, Via Mercato, Via Ponte Vetro, Piazza del Carmine, Via Madonna, Via Fiori Chiari

- Stores **360+**
International brands **12%**
Chains **49%**
Vacancy rate **3%**
New and next openings **30**
Food & Beverage **30%**
Prime rent **2,000 €/sqm/y**



HIGH STREET PRIME RENTS, Q3 2026 (€/SQM/YEAR)



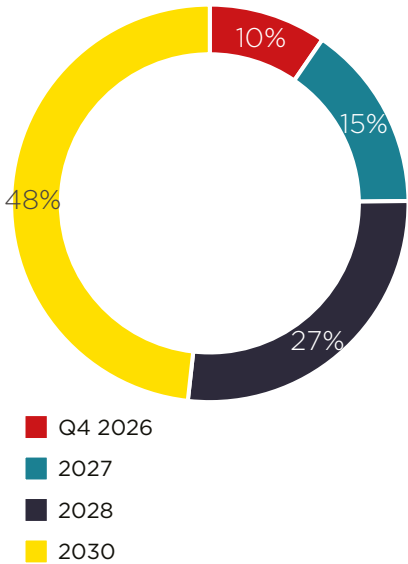


Out of town leasing market

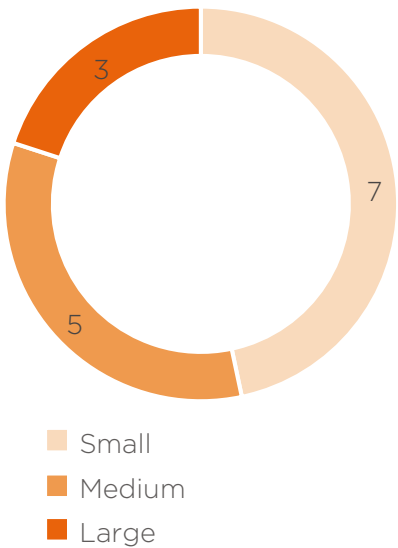
SHOPPING CENTRE* STOCK AND PIPELINE

The Italian shopping centre universe includes over 1,000 schemes, amounting to roughly 16.1 million sqm of retail space. Existing stock is largely mature, more than half of which has been delivered before 2005, and remains predominantly concentrated in Lombardia, Veneto, Lazio and Piemonte. The pace of new shopping centre development has slow down in recent times, with greater emphasis being placed on asset repositioning, refurbishment and extensions. By 2030, 15 new developments or extensions of existing assets are expected to be completed, adding more than 350,000 sqm to the actual stock. During the first three quarters of the year, two new shopping centres were inaugurated, Fass Shopping Centre in the province of Cagliari and Waterfront Levante in Genova, while Parma Promenade reopened following its redevelopment. Together, these schemes added approx. 120,000 sqm of retail space to the market.

STOCK BY OPENING DATE (ON TOTAL SQM)



PIPELINE BY SIZE (ON TOTAL NUMBER OF ASSETS)



Stock
16+ mln sqm
1,020+ assets



Pipeline by 2030
350,000+ sqm
15 assets



New openings YTD Q3 2026
Fass SC - Elmas (CA)
Waterfront Levante - Genova
Parma Promenade - Parma (re-opening)

*Shopping Centres below 5,000 sqm excluded

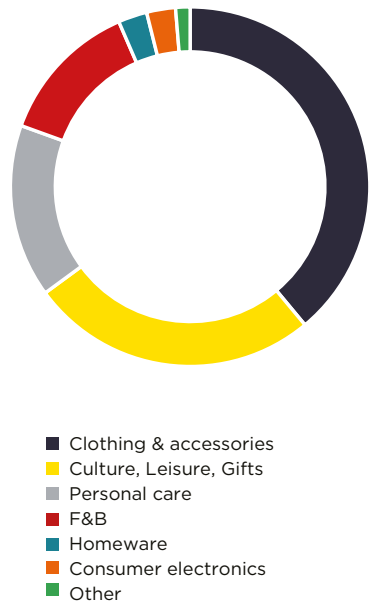
PERFORMANCE

Shopping centres posted positive results during the first eight months of 2026, as turnover rose by 2.1% year-on-year and visitor numbers grew by 2.4% (source: CNCC).

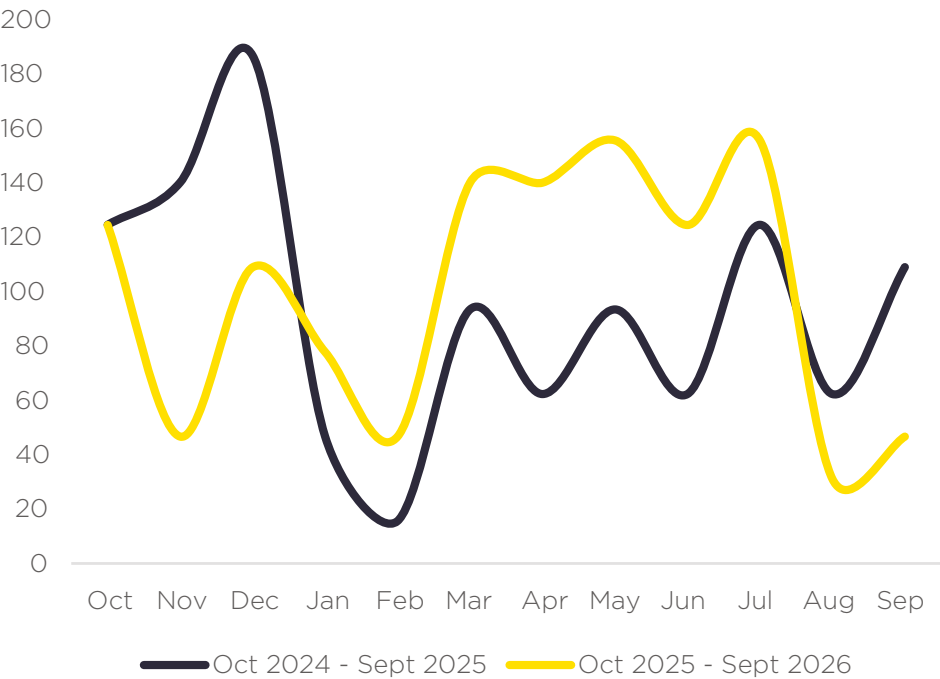
The food segment led the growth in sales (+3.9% YoY), highlighting its importance as a key traffic driver. Personal care followed closely (+3.2% YoY), continuing the strong expansion trend recorded over the past few years.

Clothing and accessories account for the largest share of space within Italian shopping centres and also lead in terms of new store openings over the last 12 months (39%). Culture, leisure and gift retailers rank second, capturing 26% of new openings, followed by personal care brands at 13%. Over the last 12 months, store openings have slightly outpaced the level recorded in the previous 12-month period, underlining the ongoing appeal of shopping centres among retailers.

NEW OPENINGS BY CATEGORY (OCT 2025- SEPT 2026)



NEW OPENINGS' TREND (INDEX NUMBER BASED 100 = AVERAGE)



Shopping centres turnover
(YTD August 2026)
+2.1% YoY

Shopping centres footfall
(YTD August 2026)
+2.4% YoY

Top category by turnover
(YTD August 2026)
Food +3.9% YoY

Source: CNCC

TOP CATEGORY

by new openings*
(last 12 months)

Clothing & accessories 39%

*New openings data refer to shopping centres managed by Savills





Retail investment market

The retail remains the top leading sector in the Italian real estate market year to date, collecting 25% of total investment volumes, with €2.4 bn recorded, a figure 87% up compared to the last 10 years average.

Number of transactions is also increasing, with 44 deals recorded over the last three quarters.

Activity during the period was driven primarily by out-of-town assets, which accounted for 60% of total volumes. Shopping centres took the largest share, with six transactions completed for a total of €600 mln. Investment volumes were supported by the closing of two large portfolio deals (>€100 mln), including assets located in Southern Italy. Factory outlets followed, attracting approximately €400 mln across three transactions, matching the number of deals recorded in the retail park segment.

On the other side, high street collected around €1 bn, with activity still concentrated in the city of Milan (89%), thanks primarily to the Montenapoleone transaction which boost volumes.

Shopping centres prime net yields compressed in the quarter, while all the other sub-sectors remained stable over the last three months.

Prime net yields, Q3 2026

High street 3.75%
Stable YoY

Shopping centre 6.90%
-35 bps YoY

Retail park 7.00%
-50 bps YoY

Retail warehouse 8.00%
Stable YoY

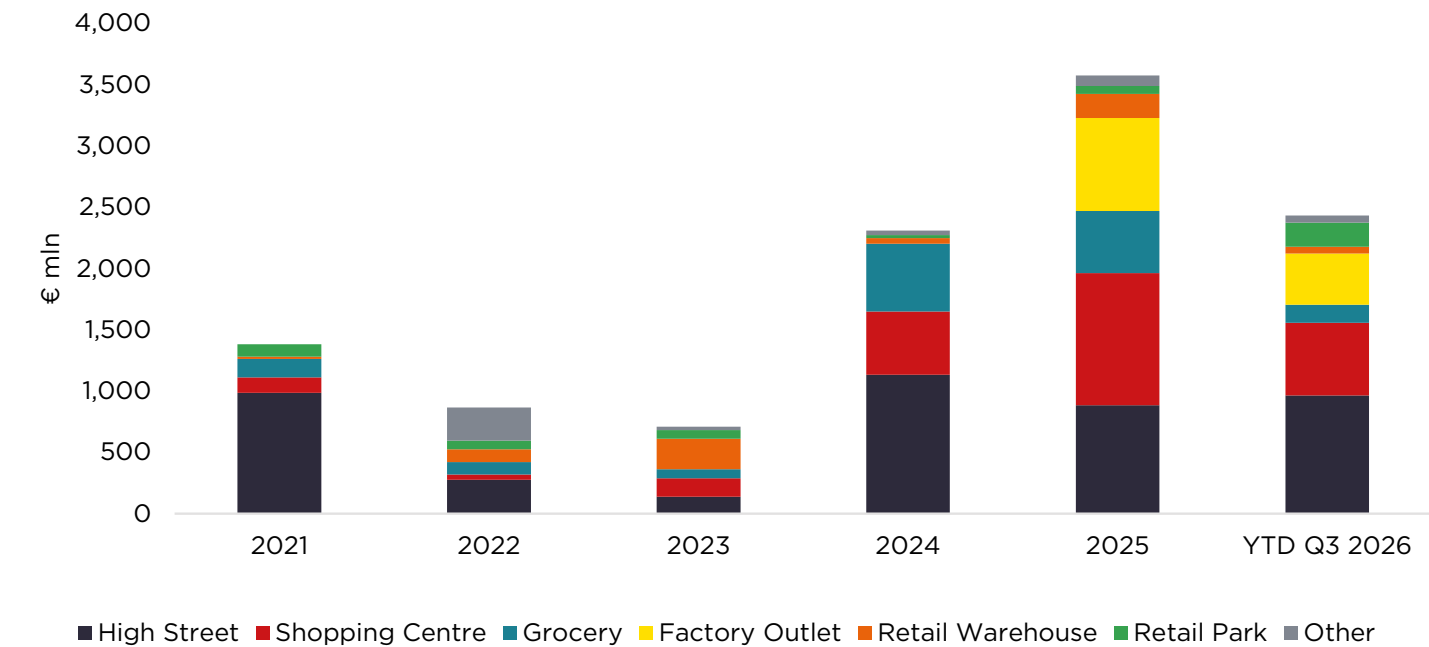


RETAIL
KEY FACTS

- New locations are gaining prominence as travellers seek unique and local shopping experiences
- Luxury beach and ski destinations are increasingly in the sights of brands, both established and emerging
- Developers are focusing more on restyling centres by redesigning the mall rather than developing new projects
- The growth of online retail and rising customer expectations are transforming shops into the physical hub where all channels converge
- Flagship expansion suggests that the Italian high street market is well positioned to maintain positive momentum
- Out-of-town assets with solid fundamentals, good turnover and footfalls are the focus of investors' strategies



INVESTMENT VOLUME BY SUB-SECTOR





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