



ATRIUM
European Real Estate

The leading owner, manager and developer of
Central & Eastern European shopping centres



Q2 2013 Results

Analysts call

23 August 2013

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This presentation has been presented in € and €m's. Certain totals and change movements are impacted by the effect of rounding.

Financial highlights income statement

Income Statement	6M 2013	6M 2012	Change	Change
	€m	€m	€m	%
Gross rental income	101.1	96.2	5.0	5.2%
Gross rental income like-for-like	99.7	95.9	3.7	3.9%
Net rental income	96.3	91.7	4.5	4.9%
Net rental income like-for-like	94.8	91.5	3.3	3.6%
Operating margin	95.2%	95.4%	(0.2%)	(0.2%)
Standing investments revaluation	11.6	57.0	(45.4)	(79.6%)
Developments and land revaluation	(4.1)	(24.0)	19.9	83.0%
EBITDA excluding revaluation, disposals and impairments	81.3	76.1	5.2	6.8%
Profit before taxation	61.7	90.9	(29.2)	(32.1%)
Company adjusted EPRA earnings	66.1	63.4	2.7	4.3%
IFRS earnings per share (€cents)	13.9	21.4	(7.5)	(35.0%)
Company adjusted EPRA earnings per share (€cents)	17.7	17.0	0.7	4.1%

Financial highlights balance sheet

Balance Sheet	6M 2013	12M 2012	Change	Change
	€m	€m	€m	%
Standing investments	2,203.7	2,185.3	18.4	0.8%
Number of standing investments	156	156	-	-
Asset additions	12.7	37.5	(24.8)	(66.1%)
Weighted average occupancy (GLA)	97.3%	97.4%	(0.1%)	(0.1%)
Weighted average occupancy (EPRA)	98.0%	98.0%	-	-
Developments and land	592.7	538.4	54.3	10.1%
Number of developments and land	36	36	-	-
Cash and cash equivalents	529.9	207.8	322.0	154.9%
Borrowings	879.5	537.1	342.4	63.8%
IFRS NAV	2,295.4	2,284.4	11.0	0.5%
IFRS NAV per share	€6.13	€6.12	€0.01	0.2%
EPRA NAV	2,465.2	2,435.0	30.2	1.2%
EPRA NAV per share	€6.52	€6.43	€0.09	1.4%

Income statement

Year-on-year	6M 2013	6M 2012	Change	Change
	€m	€m	€m	%
Gross rental income	101.1	96.2	5.0	5.2%
Service charge income	38.1	37.2	1.0	2.6%
Net property expenses	(43.0)	(41.6)	(1.4)	(3.4%)
Net rental income	96.3	91.7	4.5	4.9%
Operating margin	95.2%	95.4%	(0.2%)	(0.2%)
Net result on acquisitions and disposals	0.1	0.4	(0.3)	(81.1%)
Costs connected with development	(2.2)	(3.4)	1.3	36.9%
Revaluation of investment properties	7.5	33.0	(25.5)	(77.2%)
Other depreciation, amortisation and impairments	(5.6)	(0.8)	(4.8)	(601.0%)
Administrative expenses	(12.9)	(12.2)	(0.6)	(5.2%)
Net operating profit	83.3	108.6	(25.3)	(23.3%)
Net financial expenses	(21.6)	(17.7)	(3.9)	(21.8%)
Profit before taxation	61.7	90.9	(29.2)	(32.1%)
Taxation credit/(charge) for the period	(9.6)	(14.2)	4.6	32.2%
Profit after taxation for the period	52.1	76.7	(24.6)	(32.1%)
Attributable to:				
Equity holders of the parent	52.1	79.2	(27.1)	(34.2%)
Minority interest	(0.0)	(2.5)	2.5	98.9%
IFRS earnings per share (€cents)	13.9	21.4	(7.5)	(35.0%)
Company adjusted EPRA earnings per share (€cents)	17.7	17.0	0.7	4.1%

Like-for-like gross rental income

GRI like-for-like	6M 2013	6M 2012 *	Change	Change *	Comments
Country	€m	€m	€m	%	
Poland	37.6	37.0	0.6	1.6%	Mainly due to indexation and other rental income offset by slightly lower occupancy and higher incentives
Czech Republic	19.1	19.0	0.1	0.4%	Indexation and lower lease incentives offset by lower base rents
Slovakia	5.7	5.7	0.0	0.1%	Indexation offset by lower renewal rents
Russia	28.8	25.7	3.1	11.8%	Indexation, higher turnover rents, GML and occupancy
Hungary	4.0	4.3	(0.3)	(8.2%)	Lower base rents and lower occupancy
Romania	3.8	3.6	0.2	5.8%	One-off fee
Latvia	0.7	0.5	0.2	33.1%	Higher occupancy and lower rental discounts
Like-for-like total	99.7	95.9	3.8	3.9%	
Non like-for-like	1.5	0.0	1.5		Gdynia Media Markt, Mosty stage B and RCH
Total gross rental income	101.1	95.9	5.2	5.4%	

* In order to enhance comparability prior year numbers have been restated to take account of movements in foreign exchange rates in the period

Like-for-like net rental income

NRI like-for-like	6M 2013	6M 2012 *	Change	Change *	Comments
Country	€m	€m	€m	%	
Poland	38.5	37.3	1.2	3.1%	Positive GRI impact of €0.6m and higher service charge income
Czech Republic	17.3	17.4	(0.1)	(0.9%)	Positive GRI offset by lower service charge income and higher land rents
Slovakia	5.6	5.6	(0.0)	(0.6%)	Prior year benefited from release of bad debt provisions
Russia	26.3	23.9	2.4	10.3%	Positive GRI impact of €3.1m offset by higher expenses (marketing, utilities, repairs & maintenance, cleaning etc) primarily due to cost indexation. Prior period also benefited from release of bad debt provisions
Hungary	3.4	3.8	(0.4)	(10.1%)	GRI impact and lower service charge income due to lower occupancy
Romania	3.5	3.3	0.2	5.5%	Positive GRI impact
Latvia	0.4	0.2	0.2	45.2%	Increase in GRI
Like-for-like total	94.8	91.5	3.3	3.6%	
Non like-for-like	1.4	0.2	1.2		Gdynia Media Markt, Mosty stage B and RCH
Total net rental income	96.3	91.7	4.6	5.0%	

* In order to enhance comparability prior year numbers have been restated to take account of movements in foreign exchange rates in the period

Rental income exposure by country

Net rental income Q2 2013

Country	Fitch Rating*	NRI 6M 2013	% of 6M 2013 NRI	Cumulative %
		€m	%	%
Czech Republic	A+/stable	17.3	18.0%	18.0%
Slovakia	A+/stable	5.6	5.8%	23.7%
Poland	A-/positive	38.8	40.3%	64.1%
Russia	BBB/stable	27.4	28.5%	92.5%
Latvia	BBB+/stable	0.4	0.4%	92.9%
Romania	BBB-/stable	3.5	3.6%	96.5%
Hungary	BB+/stable	3.4	3.5%	100.0%
Total		96.3	100.0%	

96.5% of income producing portfolio is located in investment grade countries

* Ratings are applicable as of 05 August 2013

If we were to show the same table with S&P's ratings, then as Romania is BB+/stable and Hungary BB/negative, our total exposure to investment grade countries would be 93%



Rental income exposure by currency

78% of GRI in HY 2013 is denominated in Euro, 10% in Czech Koruna, 5% in Polish Zloty and 4% in USD

Country	EUR		USD		Local currency		Total	
	€m	%	€m	%	€m	%	€m	%
Poland	33.3	33.0%	0.1	0.1%	4.6	4.6%	38.0	37.6%
Czech Republic	8.4	8.3%	0.2	0.2%	10.5	10.4%	19.1	18.8%
Slovakia	5.7	5.6%	-	0.0%	-	0.0%	5.7	5.6%
Russia	22.9	22.6%	4.0	3.9%	3.0	3.0%	29.9	29.6%
Hungary	3.9	3.9%	-	0.0%	-	0.0%	3.9	3.9%
Romania	3.8	3.7%	-	0.0%	-	0.0%	3.8	3.7%
Latvia	0.7	0.7%	-	0.0%	-	0.0%	0.7	0.8%
Total	78.7	77.8%	4.3	4.2%	18.1	17.9%	101.1	100.0%

€ exchange rate	As at			Change in period end rates since 31/12/2012		Average for the period ended		
	30/6/2013	31/3/2013	31/12/2012	6M change	3M change	6M 30/06/2013	3M 31/03/2013	12M 31/12/2012
Poland - Zloty	4.34	4.18	4.07	6.5%	2.6%	4.18	4.16	4.18
Czech Republic - Koruna	25.95	25.74	25.15	3.2%	2.3%	25.69	25.57	25.15
Russia - Rubles	42.85	39.76	40.33	6.2%	(1.4%)	40.75	40.15	39.93
USD - US Dollar	1.31	1.28	1.32	(0.9%)	(2.9%)	1.31	1.32	1.28

Administrative expenses

Administrative expenses	6M 2013	6M 2012	Change	Change
	€m	€m	€m	%
Legal fees	(2.9)	(2.3)	(0.6)	(28%)
Employment costs	(4.4)	(5.2)	0.8	15%
Consultancy and other advisory fees	(1.9)	(1.6)	(0.3)	(17%)
Audit, audit related and review fees	(0.6)	(0.8)	0.2	20%
Directors' fees	(0.3)	(0.2)	(0.1)	(59%)
Share based payments	(0.4)	(0.8)	0.4	46%
Other	(2.3)	(1.4)	(0.9)	(66%)
Total	(12.9)	(12.2)	(0.7)	(6%)
Legacy legal costs	(1.7)	(1.0)	(0.7)	(77%)
Total excluding legal legacy costs	(11.1)	(11.2)	0.1	1%

Net financial expenses

Net financial expenses	6M 2013	6M 2012	Change	Change
	€m	€m	€m	%
Interest income	2.0	2.0	-	-
Interest expense	(14.2)	(12.1)	(2.1)	(18%)
Foreign currency differences	(4.7)	(1.8)	(2.9)	(166%)
Finance lease interest expense	(3.0)	(2.0)	(1.0)	(47%)
Net profit/(loss) from bond buy back	-	(1.5)	1.5	100%
Impairment of financial instruments	(1.6)	(1.5)	(0.1)	(6%)
Other financial expenses	(0.0)	(0.8)	0.8	95%
Total	(21.6)	(17.7)	(3.9)	(22%)

Balance sheet

Balance sheet	30/06/2013	31/12/2012	Change	Change
	€m	€m	€m	%
Standing investments	2,203.7	2,185.3	18.4	0.8%
Developments and land	592.7	538.4	54.3	10.1%
Other non current assets	54.8	93.4	(38.6)	(41.4%)
Non current assets	2,851.1	2,817.1	34.0	1.2%
Cash and cash equivalents	529.9	207.8	322.0	154.9%
Other current assets	46.1	40.6	5.6	13.8%
Current assets	576.0	248.4	327.6	131.9%
Total assets	3,427.1	3,065.5	361.6	11.8%
Stated Capital	2,799.9	2,836.7	(36.7)	(1.3%)
Other reserves	4.6	4.9	(0.3)	(6.5%)
Hedging reserves	(10.3)	(14.4)	4.1	28.7%
Income account	(413.4)	(457.2)	43.8	9.6%
Currency translation reserve	(85.4)	(85.5)	0.1	0.1%
Non controlling interest	(0.7)	(3.1)	2.4	76.8%
Equity	2,294.7	2,281.4	13.3	0.6%
Long term borrowings	804.2	462.1	342.1	74.0%
Other non current liabilities	185.1	184.7	0.5	0.3%
Non current liabilities	989.3	646.7	342.6	53.0%
Short term borrowings	75.3	75.0	0.3	0.4%
Other current liabilities	67.8	62.4	5.3	8.6%
Current liabilities	143.1	137.4	5.7	4.1%
Total equity and liabilities	3,427.1	3,065.5	361.6	11.8%

NAV	30/06/2013	31/12/2012
	€m	€m
Equity	2,294.7	2,281.4
Non controlling interest	0.7	3.1
IFRS NAV per financial statements	2,295.4	2,284.4
IFRS NAV per share (in €)	€6.13	€6.12
Effect of exercise of options	13.0	15.3
Diluted NAV, after the exercise of options	2,308.4	2,299.7
Fair value of financial instruments	12.8	17.8
Goodwill as a result of deferred tax	(7.6)	(11.0)
Deferred tax	151.6	128.5
EPRA NAV	2,465.2	2,435.0
EPRA NAV per share (in €)	€6.52	€6.43
Number of outstanding shares (in millions)	374.5	373.4
Number of outstanding shares and options (in millions)	378.1	378.5

EPRA NAV change components

EPRA NAV change components	€m	Per share
EPRA NAV as at 31/12/2012	2,435.0	€6.43
Contribution from earnings	52.1	€0.14
Acquisition of non-controlling interest	(8.3)	(€0.02)
Dividend paid in period	(37.4)	(€0.10)
Movement in the theoretical exercise of options	(2.3)	(€0.01)
Goodwill impairment	3.4	€0.02
Deferred tax charge movement in respect of investment properties	22.2	€0.06
Exchange differences arising on translation of foreign operations (net of deferred tax)	0.1	€0.00
Exercise of options during the period	(0.2)	(€0.00)
Other equity adjustments	0.6	€0.00
EPRA NAV as at 30/06/2013	2,465.2	€6.52

EPRA earnings per share

Earnings	6M 2013	6M 2012	Change	Change
	€m	€m	€m	%
Earnings attributed to equity holders of the parent	52.1	79.2	(27.1)	(34.2%)
Revaluation of investment properties	(7.5)	(33.0)	25.5	
Net result on acquisitions and disposals	(0.1)	(0.4)	0.3	
Goodwill impairment and amortisation of intangible assets	3.9	0.4	3.5	
Deferred tax in respect of EPRA adjustments	2.5	11.5	(9.0)	
Non controlling interest in respect of the above adjustments	-	(2.2)	2.2	
Close-out costs of financial instruments	-	1.5	(1.5)	
EPRA Earnings	50.9	57.1	(6.2)	(10.8%)
EPRA earnings per share (€cents)	13.6	15.3	(1.7)	(11.1%)
Company adjustments:				
Legacy legal matters	1.7	1.0	0.7	
Impairment of investments in associates	1.2	-	1.2	
Foreign exchange differences	4.7	1.8	3.0	
Fair value adjustment to financial instruments	1.6	1.5	0.1	
Deferred tax not related to revaluations	6.0	2.3	3.7	
Non controlling interest in respect of company adjustments	-	(0.2)	0.2	
Company adjusted EPRA earnings	66.1	63.4	2.7	4.3%
Company adjusted EPRA earnings per share (€cents)	17.7	17.0	0.7	4.1%

* Weighted average number of shares increased from 372.9m to 373.9m over the period

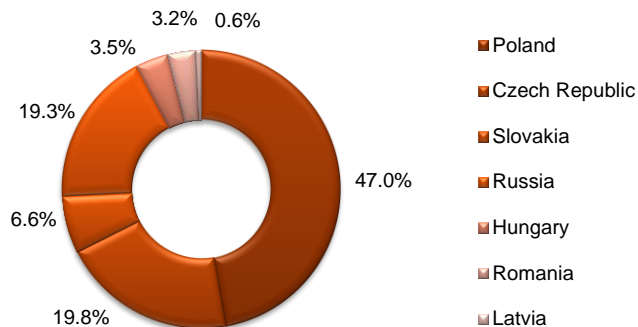
Standing investments overview

	No of properties	Gross lettable area	Market value 30/06/2013	% of Market value	Market value per Sqm of GLA	NRI per Sqm of GLA per month	Weighted average equivalent yield*	EPRA net initial yield**	Revaluation during 6M 2013	Occupancy (EPRA)
Country		sqm	€m	%	€	€	%	%	€m	%
Poland	21	390,200	1,035.8	47.0%	2,655	16.6	6.9%	7.0%	2.2	97.4%
Czech Republic	98	375,400	435.5	19.8%	1,160	7.7	8.1%	7.9%	(6.2)	97.5%
Slovakia	3	65,500	145.8	6.6%	2,226	14.1	7.7%	7.6%	(1.0)	98.3%
Russia	7	237,000	424.8	19.3%	1,792	19.3	12.2%	12.1%	24.4	99.3%
Hungary	25	104,500	76.9	3.5%	736	5.4	9.6%	9.1%	(6.6)	93.8%
Romania	1	53,400	70.6	3.2%	1,322	10.8	9.1%	8.9%	(0.3)	100.0%
Latvia	1	20,400	14.3	0.6%	702	2.9	12.0%	3.2%	(0.9)	91.5%
Total	156	1,246,400	2,203.7	100.0%	1,768	12.9	8.4%	8.3%	11.6	98.0%

* The external appraisers' equivalent yield is a weighted average yield that takes into consideration estimated rental values, occupancy rates and lease expiries

** The EPRA net initial yield is calculated as the annualised net rental income divided by its market value

Market value per country 30/06/2013



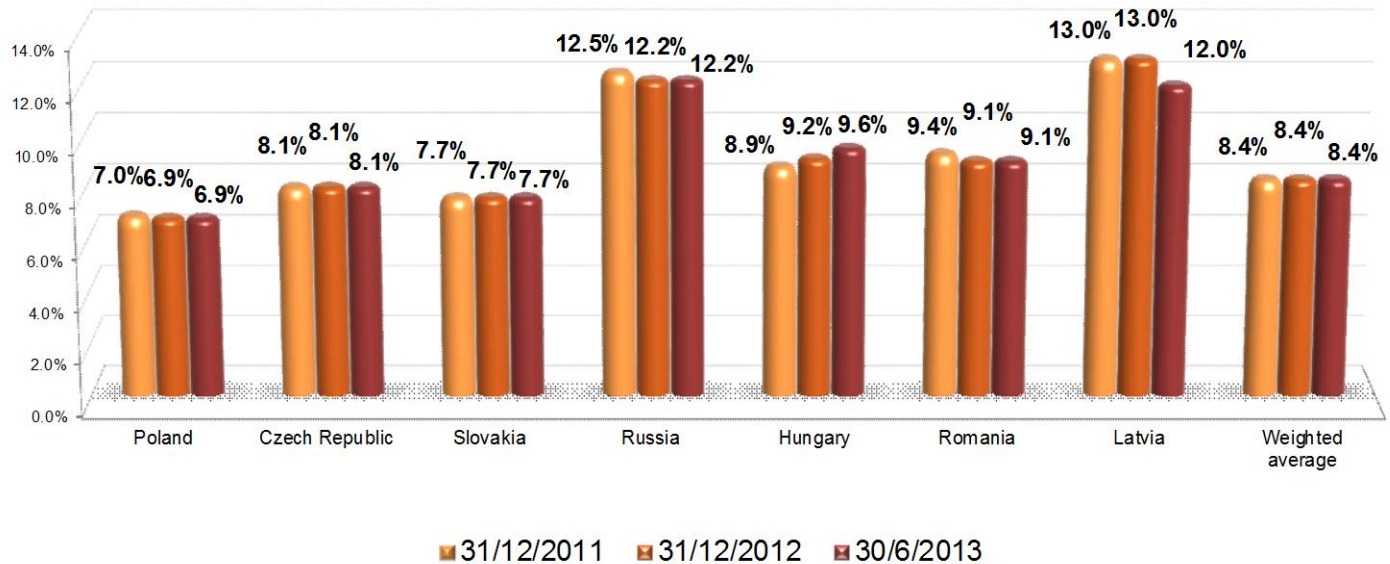
- The €11.6m positive revaluations reflect an increase of €10.6m due to the impact of business performance driving higher rents, occupancies and ERVs and €1.0m due to yield expansion
- The top 10 investments represent 58% of Atrium's Standing Investments portfolio value (or 34.5% of GLA)
- Six properties out of the top 10 investments are located in Poland
- The market value of Atrium's income producing portfolio in Poland exceeds €1 billion

EPRA Occupancy						
Country	6M 2013	3M 2013	12M 2012	6M 2012	3M 2012	12M 2011
Poland	97.4%	97.0%	97.5%	97.9%	97.7%	97.9%
Czech Republic	97.5%	98.0%	98.3%	98.2%	97.9%	98.3%
Slovakia	98.3%	98.6%	98.2%	97.9%	99.3%	99.7%
Russia	99.3%	99.1%	99.0%	98.0%	97.8%	97.2%
Hungary	93.8%	94.5%	94.7%	95.2%	94.7%	95.1%
Romania	100.0%	100.0%	99.4%	97.8%	98.0%	98.0%
Latvia	91.5%	91.4%	92.0%	83.3%	80.2%	82.5%
Average	98.0%	97.9%	98.0%	97.7%	97.5%	97.6%

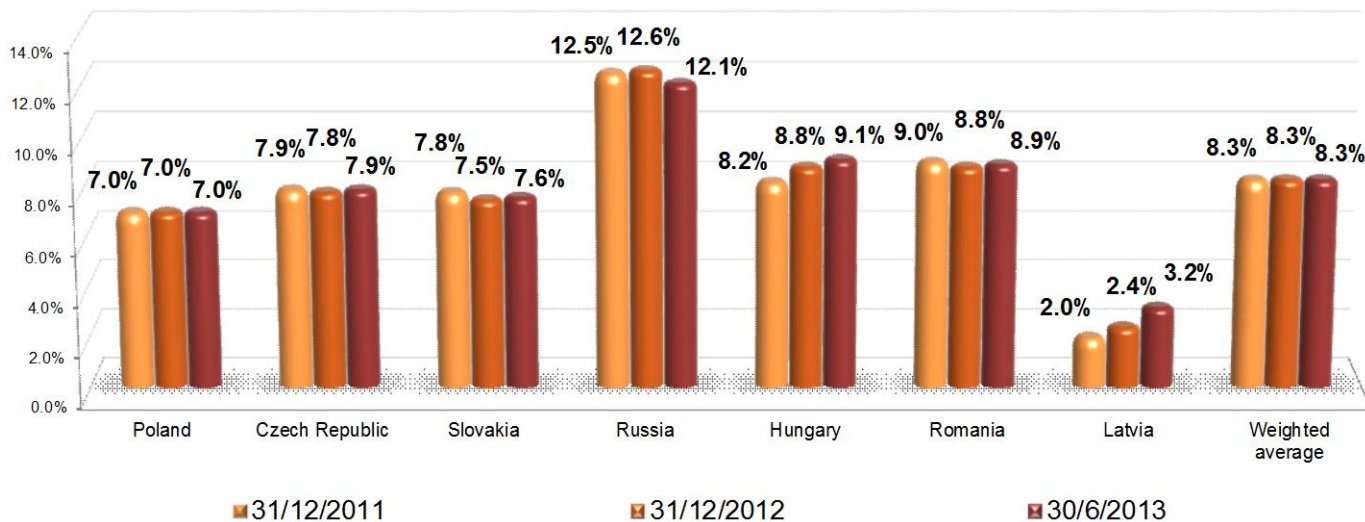
GLA Occupancy						
Country	6M 2013	3M 2013	12M 2012	6M 2012	3M 2012	12M 2011
Poland	96.9%	96.6%	97.0%	97.8%	97.7%	98.0%
Czech Republic	96.4%	96.5%	96.4%	96.2%	96.0%	96.4%
Slovakia	98.1%	98.5%	97.9%	97.6%	98.3%	98.9%
Russia	99.4%	99.2%	99.0%	98.0%	98.5%	97.8%
Hungary	96.3%	97.2%	97.2%	96.7%	96.5%	96.5%
Romania	100.0%	100.0%	99.7%	99.0%	99.1%	99.1%
Latvia	94.9%	95.1%	96.0%	89.6%	85.7%	87.3%
Average	97.3%	97.4%	97.4%	97.2%	97.1%	97.3%

- The EPRA occupancy percentage is calculated as the ERV of our occupied space divided by the ERV of the total portfolio in each country

Net equivalent yields



EPRA net initial yields



* The EPRA Net initial yield is calculated as the net rental income of the portfolio divided by its market value.

Developments and land roll forward

Developments and land	6M 2013	12M 2012
	€m	€m
Balance as at 1 January	520.7	587.4
Land plots under financial leases	2.8	(1.1)
Additions - costs of land and construction	27.2	26.2
Additions - Gdansk (reclassified from loans to associates)	28.9	-
Transfers to standing investments	(0.9)	(8.5)
Disposals	-	(3.3)
Interest capitalised	0.4	1.3
Currency translation difference	(0.1)	-
Revaluation	(4.1)	(63.5)
Balance as at the end of the period	575.0	520.7

Debt overview

Year	Bonds		Bank Loans		Total	
	Maturing Amount	Current Avg Interest rate	Maturing Amount	Current Avg Interest rate	Maturing Amount	Current Avg Interest rate
	€m	%	€m	%	€m	%
2013	39.2	5.7%	32.8	4.0%	72.0	4.9%
2014	-	-	6.6	3.4%	6.6	3.4%
2015	71.0	3.3%	6.9	3.4%	77.9	3.3%
2016	-	-	103.4	4.7%	103.4	4.7%
2017	83.2	4.0%	82.1	3.0%	165.3	3.5%
2018 & on	345.9	4.0%	108.4	4.1%	454.3	4.0%
Total	539.3	4.0%	340.2	3.9%	879.5	4.0%
Fixed rate	397.9	4.1%	293.7	4.1%	691.6	4.1%
Variable rate *	141.3	3.8%	46.5	2.7%	187.9	3.5%
Total	539.3	4.0%	340.2	3.9%	879.5	4.0%

- Maturing amounts include scheduled amortisation
- Weighted average duration to maturity is 5.2 years
- S&P Rating BBB-/stable
- Fitch Rating BBB-/stable
- Gross LTV 31.5% (31 December 2012: 19.7%)
- Net LTV 12.5% (31 December 2012: 12.1%)
- Gross LTV would reduce to 30.0% and weighted average duration to maturity would extend to 5.4 years assuming 2003 bond was repaid as per 30/06/2013

* Based on variable rate as per 30/06/2013

Cash flow

Cash movement	6M 2013	6M 2012	Change	Change %
	€m	€m	€m	%
Cash flows from operating activities				
Cash generated from operating activities	80.4	75.6	4.7	6.3%
Interest paid	(7.2)	(7.2)	-	-
Interest received	0.2	0.5	(0.2)	(52.8%)
Corporation taxes paid	(2.4)	(1.0)	(1.3)	(125.9%)
Net cash generated from operating activities	71.1	67.9	3.2	4.7%
Cash flows from/(used in) investing activities	(41.9)	(14.5)	(27.4)	(189.4%)
Cash flows from/(used in) financing activities	294.0	(59.1)	353.1	597.8%
Increase/(Decrease) in cash and cash equivalents	323.2	(5.7)	328.9	5796.4%
Cash and cash equivalents at the beginning of the year	207.8	234.9	(27.1)	(11.5%)
Effect of exchange rate fluctuations on cash held	(1.2)	0.2	(1.4)	(751.4%)
Cash and cash equivalents at the end of the year	529.9	229.4	300.4	130.9%