



ATRIUM
European Real Estate

The leading owner, manager and developer
of the Central Eastern European shopping centers



9M 2015 Results

Analyst and investor call

12 November 2015

Disclaimer

This document has been prepared by Atrium (the "Company"). This document is not to be reproduced nor distributed, in whole or in part, by any person other than the Company. The Company takes no responsibility for the use of these materials by any person.

The information contained in this document has not been subject to independent verification and no representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. None of the Company, its shareholders, its advisors or representatives nor any other person shall have any liability whatsoever for any loss arising from any use of this document or its contents or otherwise arising in connection with this document.

This document does not constitute an offer to sell or an invitation or solicitation of an offer to subscribe for or purchase any securities, and this shall not form the basis for or be used for any such offer or invitation or other contract or engagement in any jurisdiction.

This document includes statements that are, or may be deemed to be, "forward looking statements". These forward looking statements can be identified by the use of forward looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case their negative or other variations or comparable terminology. These forward looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Company. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward looking statements are not guarantees of future performance. You should assume that the information appearing in this document is up to date only as of the date of this document. The business, financial condition, results of operations and prospects of the Company may change. Except as required by law, the Company do not undertake any obligation to update any forward looking statements, even though the situation of the Company may change in the future.

All of the information presented in this document, and particularly the forward looking statements, are qualified by these cautionary statements. You should read this document and the documents available for inspection completely and with the understanding that actual future results of the Company may be materially different from what the Company expects.

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

Key events in the period 2015 YTD

Operational performance

- **Core markets NRI increased €8m**; LFL NRI stable
- **Russian** continues to drag on the Group's overall performance

Acquisitions

- June, completed the **€162m*** acquisition of a **75% JV** interest in the prime **Arkády Pankrác** centre in Prague

Disposals

- **Strategic disposals continued** through the sales of a portfolio of 72 non-core properties in January 2015 (c.€69m) and a portfolio of 5 assets (c.€14m) in October (presented as held for sale)

Developments and extensions

- March, the **enlarged Atrium Copernicus was opened** in Toruń, Poland, after completion of a 17,300 m² extension
- Extension and refurbishment of Atrium Promenada (Stage I) is on-going

Debt / Liquidity

- May, **2022 bond tap raised €160m** with a 2.9% yield and the **early repayment of a 4.7% interest €105m**** bank loan
- Completed an **€81m 2005 bond buy back**, 4% interest, during the reporting period
- October, increased the **5 year unsecured RCF by €100m** to a total amount of **€150m**
- Cash as at 30 September 2015: €246m with a net LTV 25.5%

*Included in all presentation metrics

** Including fees and breakage of swap

Financial highlights: income statement

Income Statement	9M 2015	9M 2014	Change	Change
	€m	€m	€m	%
Net rental income	147.4	153.4	(6.0)	(3.9%)
EPRA like-for-like net rental income	124.1	141.1	(17.0)	(12.0%)
Net rental income excluding Russia	118.4	110.6	7.8	7.1%
EPRA like-for-like net rental income excluding Russia	95.1	95.2	-	-

Operating margin

Remains high

9M 2015:
95.1%

9M 2014:
95.8%

EBIDTA

Excluding revaluation,
disposals and
impairments

9M 2015:
€122.0m

9M 2014:
€132.2m

EPRA EPS

9M 2015:
27.0 €cents

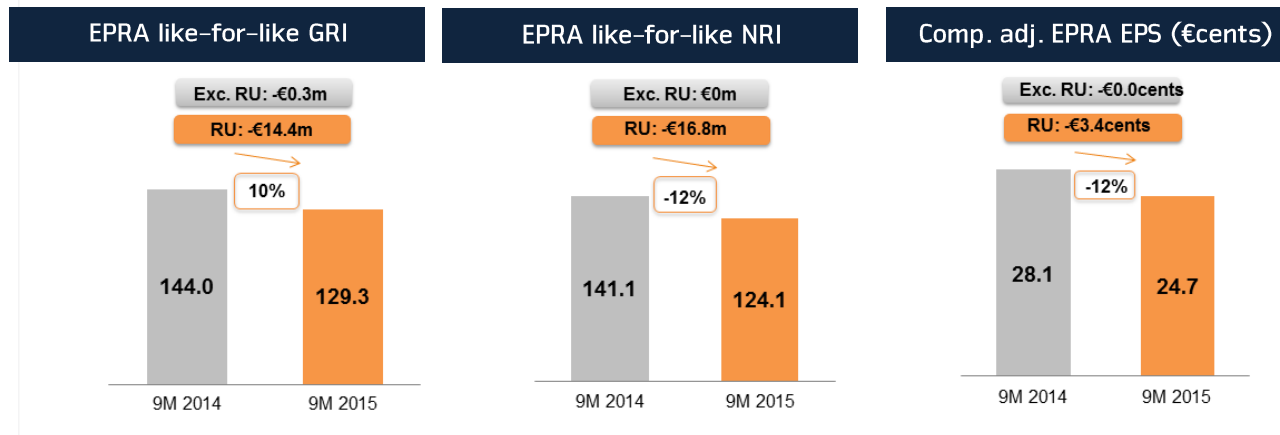
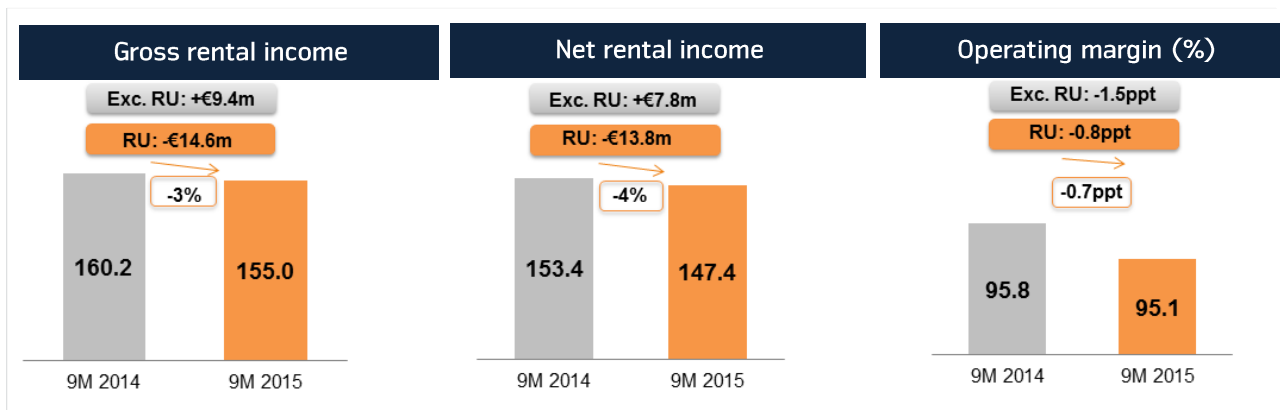
9M 2014:
29.3 €cents

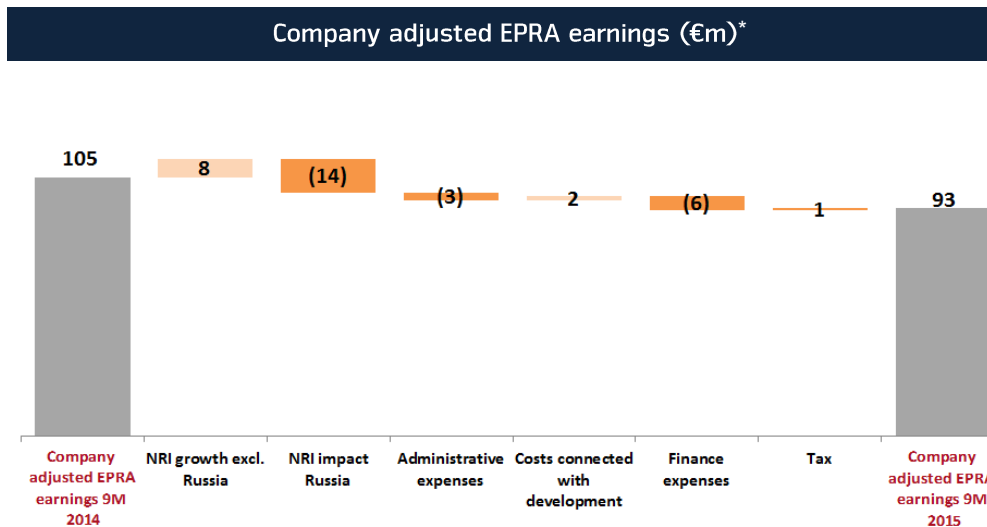
Company adjusted EPRA EPS

9M 2015:
24.7 €cents

9M 2014:
28.1 €cents

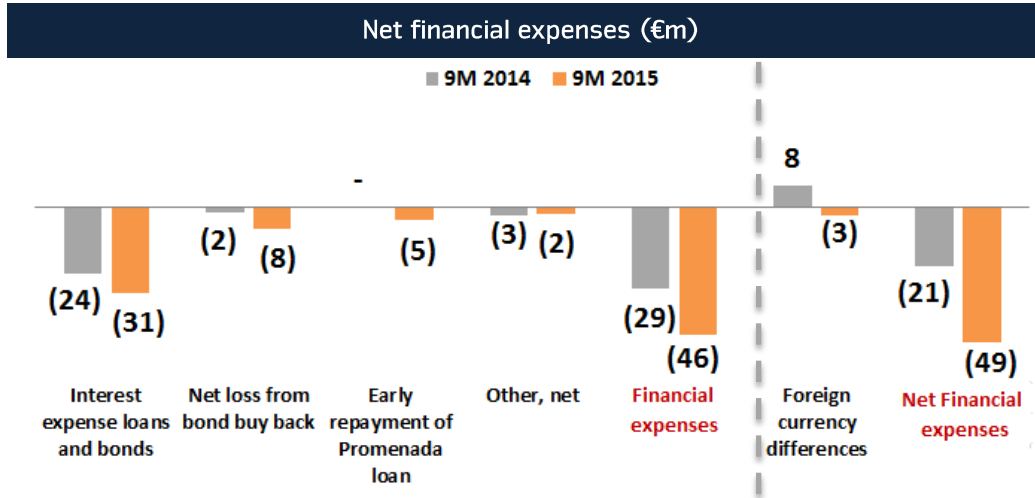
Core markets up, offset by Russian performance (in €m)





- **Core markets NRI growth driven by:**
 - **Acquisitions: Bydgoszcz and Palac Pardubice** - completed in Nov 2014, **Arkady Pankrac** – in June 2015
 - **Redevelopments: Atrium Felicity** - opened in March 2014, **Copernicus extension** - opened in March 2015
- **Portfolio of 72 non-core properties** in the Czech Republic sold in January 2015
- Increased interest expense: bonds issued in October 2014, May 2015
- Administrative expenses: mainly due to one-off income during 2014

Net financial expenses increased by €28m– bonds/early repayment of loan/FX



- (€6m) loss from bond buy back, net
- (€11m) of foreign currency differences
- (€7m) interest expense loans and bonds
- (€5m) Promenada loan repayment fees/swap

Financial highlights – balance sheet

Balance Sheet	30/09/2015	31/12/2014	Change	Change
	€'000	€'000	€'000	%
Standing investments*	2,695	2,591	104	4.0%
Developments and land	318	365	(47)	(12.8%)
Cash and cash equivalents	246	425	(179)	(42.1%)
Borrowings	1,013	1,068	(55)	(5.1%)
IFRS NAV per share	€5.51	€5.62	(€0.11)	(2.0%)
EPRA NAV per share	€5.80	€6.08	(€0.28)	(4.6%)

Number of standing investments

30/9/2015:
82*

31/12/2014:
153**

Weighted average occupancy (GLA)

30/9/2015:
96.3%*

31/12/2014:
97.1%**

Weighted average occupancy (EPRA)

30/9/2015:
96.3%*

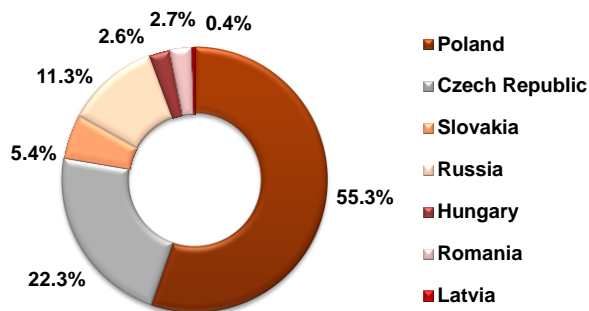
31/12/2014:
97.4%**

*Including a 75% stake in Joint Ventures and 5 properties in the Czech Republic classified as held for sale

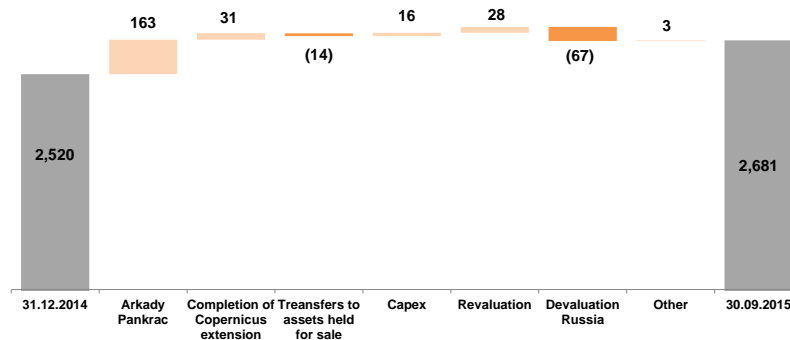
** Including 72 properties in the Czech Republic classified as held for sale

Standing investments as at 30 September 2015

Market value per country 30.09.2015



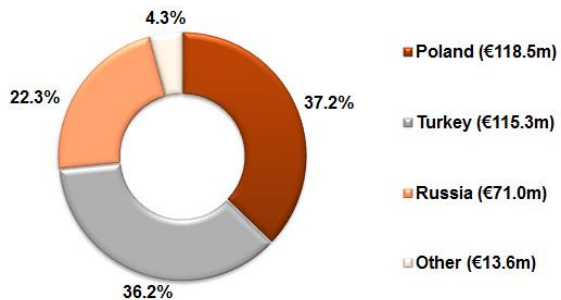
Standing investments roll forward (€m)



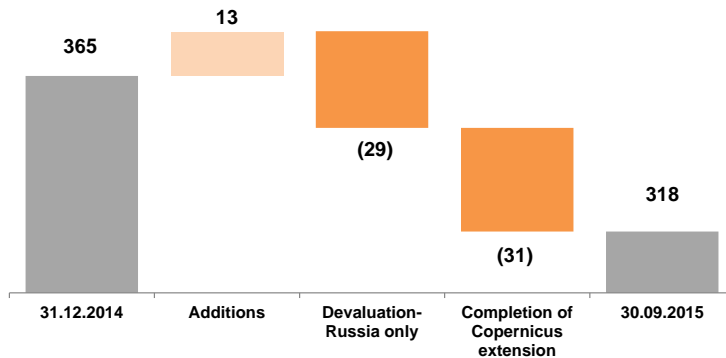
- **Our core markets¹ represent 83%** of total portfolio and generated €108.5m (74%) of the €147.4m total NRI in the first 9 months of the year
- Atrium's top 10 investments represent **58%** of the standing investments portfolio by value (**35%** by GLA)
- **TOP 10 investment properties by value:** 7 in Poland, 2 in the Czech Republic, 1 in Slovakia
- **Weighted average net equivalent yield is 7.5%**

¹ Poland, Czech Republic, Slovakia

Developments and land market value



Developments and land roll forward (€m)



€318m developments and land portfolio represents 11% of total real estate assets

Debt overview as at 30 September 2015

Activity during 2015:

- Early repayment of a bank loan €105m
- 2022 bond tap with €160m proceeds at 2.9% yield
- €81m 2005 bond buy back, 4% interest
- 5 year unsecured RCF increase €100m, **total €150m**, undrawn

Average debt maturity 5.9 years
(31.12.2014: 5.5 years)

Cost of debt 3.7%
(3.7% fixed rate, 4.0% floating rate)
(31.12.2014: 3.9%)

100% debt at fixed interest rate
(31.12.2014: 90%)

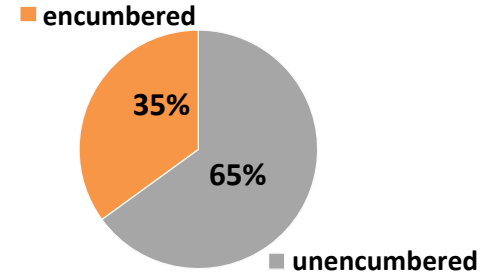
Unsecured debt of total debt 84%
(31.12.2014: 65%)

Net LTV 25.5%
(31.12.2014: 21.7%)

Gross LTV 33.6%
(31.12.2014: 36.1%)

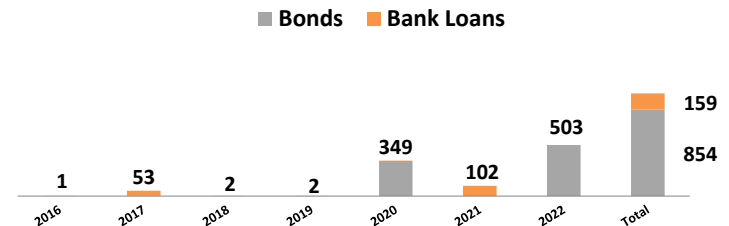
- All bank loans and bond covenants are in compliance
- S&P and Fitch rating **BBB-/stable**
 - S&P reaffirmed the rating in October 2015

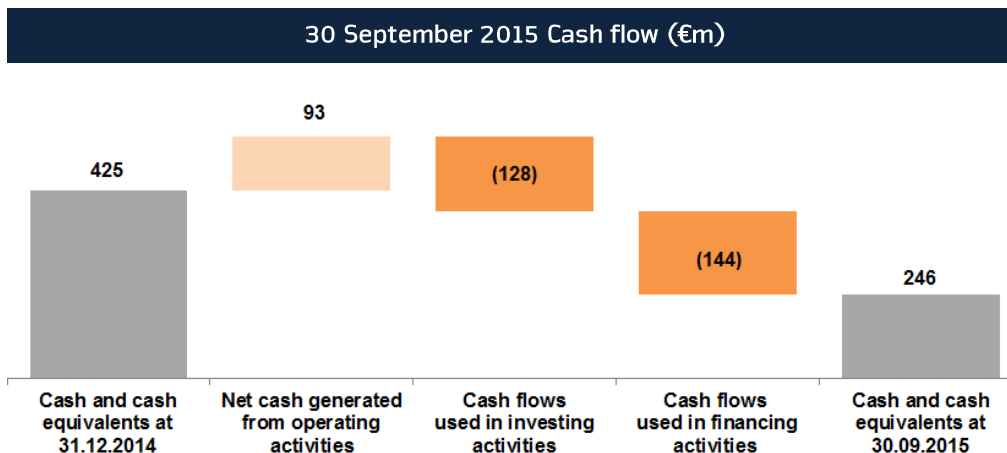
Standing investments



- At 31/12/2014, 59.7% unencumbered

Debt maturity (€m)





Cash flows used in investing activities:

- €60m disposal of 72 assets in the Czech Republic
- €7m sale of land, Turkey
- (€164m) purchase of Arkády Pankrác, Czech Republic
- (€27m) standing investments and development capex

Cash flows used in financing activities:

- €159m bond tap
- (€76m) dividends
- (€87m) bond buy back
- (€31m) 2005 bonds payment
- (€105m) Promenada loan repayment
- (€4m) land lease payments