



ATRIUM

H1 2016 RESULTS
ANALYST AND INVESTOR CALL

17 August 2016



KEY EVENTS IN 2016 YTD

OPERATIONAL PERFORMANCE

- **Core Markets¹**: NRI increased 1.1% to €72.3m and 0.5% to €62.2m on LFL basis
- **Russia** continues to adversely impact the Group's overall performance

ACQUISITIONS / DISPOSALS

- **Feb. 2016**: completed the **sale of 10 non-core assets** in the Czech Republic for a value of €103m, 8% over the fair value prior to receipt of initial offers
- **May 2016**: acquired the **46.5% co-ownership share** of the Zilina Duben Shopping Centre, Slovakia for €7m
- **Jun. 2016**: completed the sale of **3 assets in Poland** for a value of € 17.5m
- **Jul. 2016**: signed a preliminary sale agreement for the sale of **Atrium Azur in Latvia** for a value of €12.5m

DEVELOPMENTS AND EXTENSIONS

- **Mar. 2016**: completed first extension of Atrium Promenada, adding 3,400 sqm GLA incl. H&M flagship store
- **May 2016**: the BoD approved the second stage of Atrium Promenada and the first phase of Atrium Targowek

DEBT / LIQUIDITY

- **Mar. 2016**: voluntary repayment of €49.5m² bank loan
- **Apr. 2016**: completed €16.5m of 2013 and 2014 bond buy backs
- No significant maturities until 2020
- **Cash as at 30 June 2016: €184m³, net LTV 26.1%**

OTHER

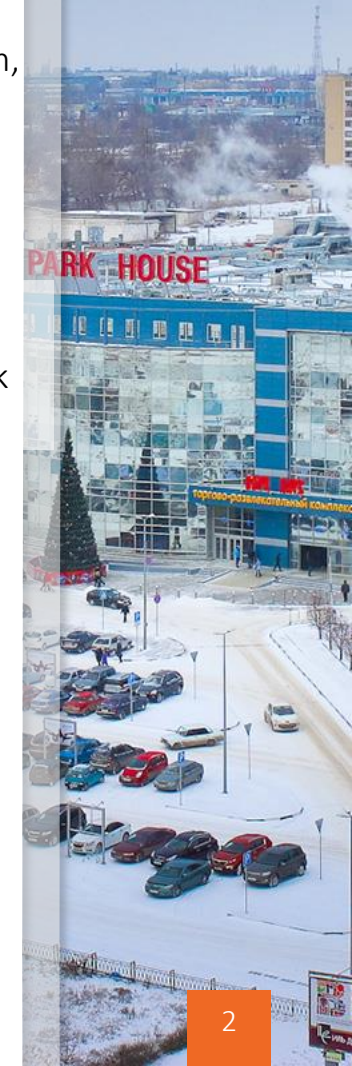
- **Jan. 2016**: Resolution of the Dutch litigation case and the establishment of an arrangement to create a compensation fund to resolve the on-going Austrian litigation. The arrangement has been extended by 180 days following considerable participation by eligible investors. €21m was transferred in Jan. 2016 to an escrow account in accordance with the terms of the arrangement

The 75% stake in Arkády Pankrác Centre held in Joint Ventures is included in all presentation metrics

¹ "Core Markets" - Poland, Czech Republic, Slovakia

² Including accrued interest and fees

³ As of 30/06/2016 the Group had €27m VAT receivables net deriving from Group entity restructuring, which were received in July 2016



FINANCIAL HIGHLIGHTS: INCOME STATEMENT

Year over year	6M 2016	6M 2015	Change	Change
	€M	€M	€M	%
Net rental income	95.6	97.9	(2.3)	(2.3%)
EPRA like-for-like net rental income	85.5	89.0	(3.5)	(3.9%)
Net rental income excluding Russia	79.3	78.2	1.1	1.4%
EPRA like-for-like net rental income excluding Russia	69.2	68.6	0.6	0.9%

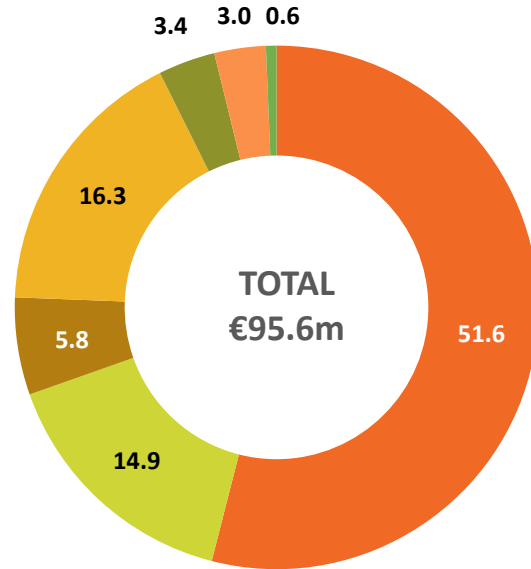
OPERATING MARGIN	EBITDA Excluding revaluation, disposals and impairments	COMPANY ADJUSTED EPRA EARNINGS	COMPANY ADJUSTED EPRA EPS
6M 2016	6M 2016	6M 2016	6M 2016
97.1%	€76.1m	€58.7m	15.6 €cents
6M 2015	6M 2015	6M 2015	6M 2015
94.5%	€81.3m	€60.1m	16.0 €cents

- Excluding Russia, Company adjusted EPRA EPS remained stable



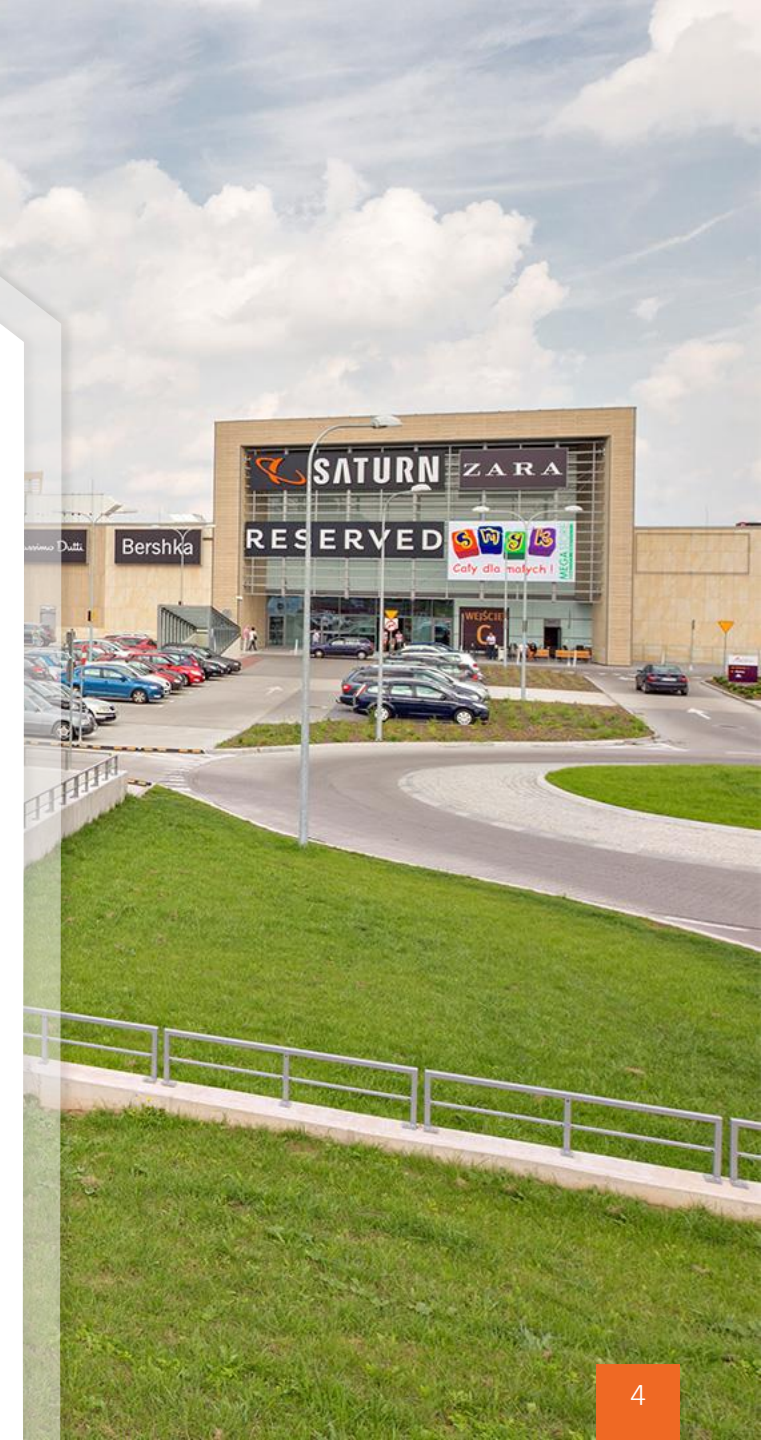
NET RENTAL INCOME 6M 2016

6M 2016 €M NRI per country



- **Poland (€51.6m)** (2016: 54.0%, 2015: 52.3%)
- **Czech Republic (€14.9m)** (2016: 15.6%, 2015: 14.9%)
- **Slovakia (€5.8m)** (2016: 6.0%, 2015: 5.8%)
- **Russia (€16.3m)** (2016: 17.0%, 2015: 20.1%)
- **Hungary (€3.4m)** (2016: 3.5%, 2015: 3.3%)
- **Romania (€3.0m)** (2016: 3.2%, 2015: 3.0%)
- **Latvia (€0.6m)** (2016: 0.7%, 2015: 0.6%)

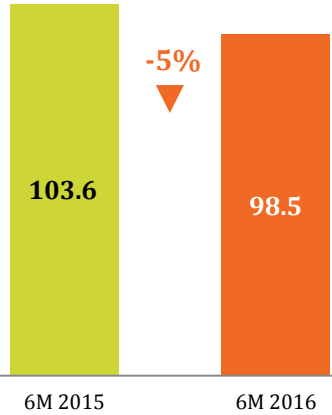
- Ongoing selective rotation of the properties to larger scale, well-established shopping centres which dominate their catchment areas
- **1.4% Group NRI growth excluding Russia / Russia ↓17%**
- **Maintained a high occupancy rate of 95.4%**



RENTAL INCOME CORE MARKETS STABLE (IN €M)

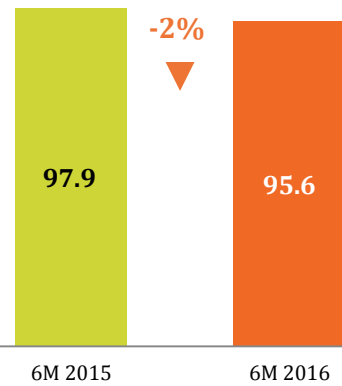
Gross rental income

Exc. RU: +€0.1m
RU: -€5.2m



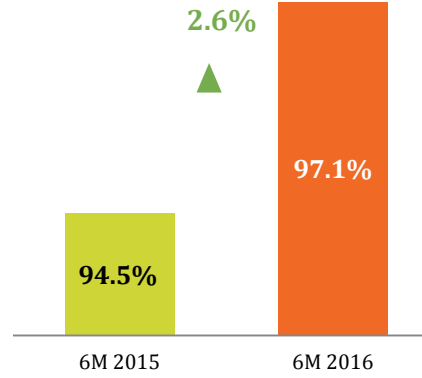
Net rental income

Exc. RU: +€1.1m
RU: -€3.4m



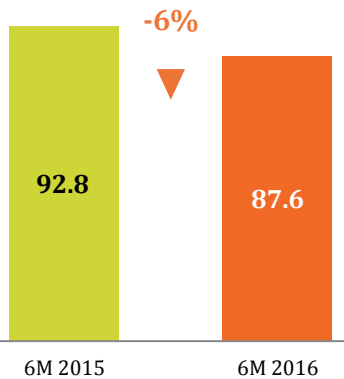
Operating margin (%)

Exc. RU: 0.9ppt
RU: 1.7ppt



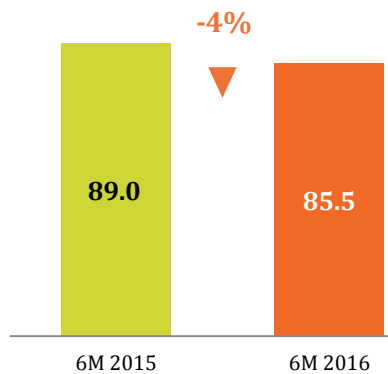
EPRA like-for-like GRI

Exc. RU: -€0.4m
RU: -€4.8m



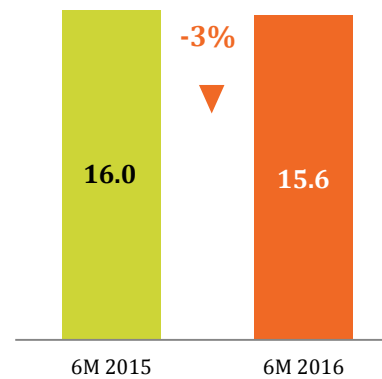
EPRA like-for-like NRI

Exc. RU: +€0.6m
RU: -€4.1m



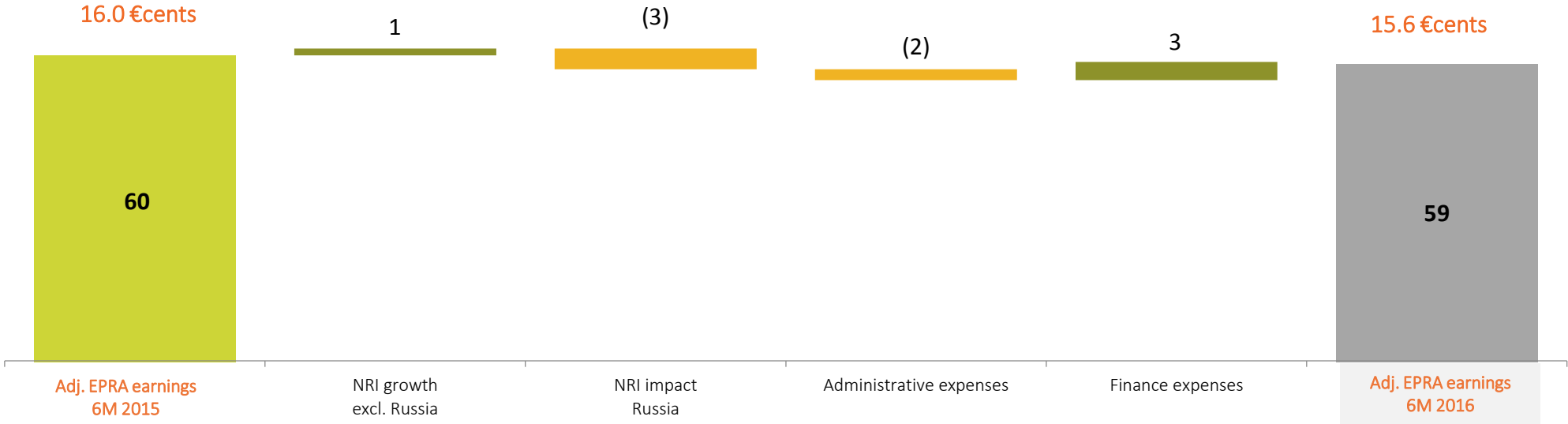
Adj. EPRA EPS

(€cents)
Exc. RU: €0cents
RU: -€0.4cents



COMPANY ADJUSTED EPRA EARNINGS €59m

Company adjusted EPRA earnings (€M)



Portfolio rationalisation:

- 87 Czech properties sold in 2015 and 2016 (72 Jan.15, 5 Oct.15, 10 Feb.16), 3.3% above book value on weighted average
- 3 Polish properties sold in Jun. 16, 3% above book value

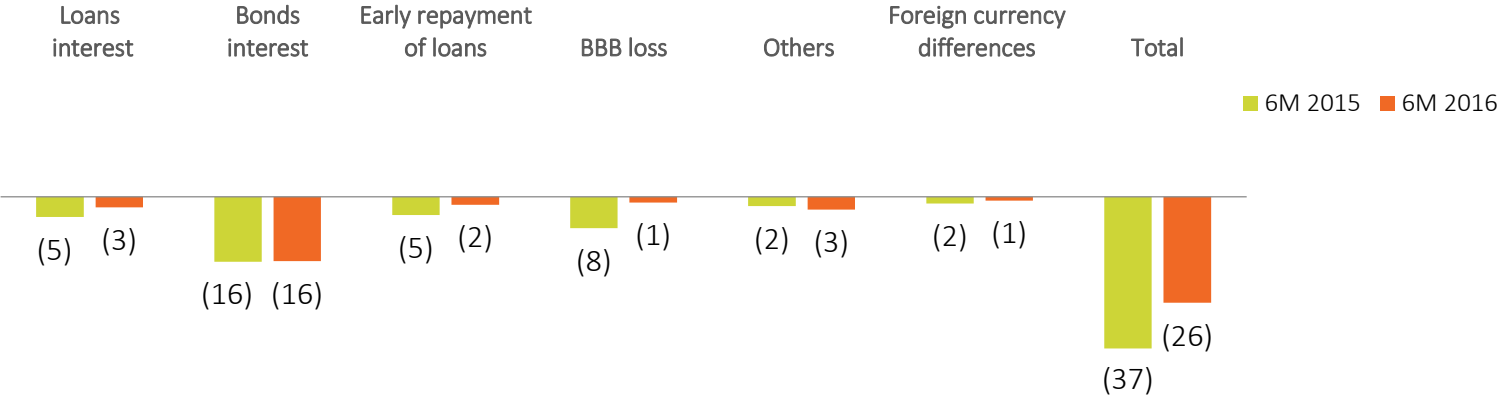


Note: For more details see page 29 of 2015 Annual report



FINANCIAL EXPENSES DECREASED

Net financial expenses (€M)



€2.0 m interest savings on a loan repayment in May 15



FINANCIAL HIGHLIGHTS: BALANCE SHEET

	30/06/2016	31/12/2015	Change	Change
	€M	€M	€M	%
Standing investments ¹	2,605	2,683	(78)	(2.9%)
Developments and land ²	317	309	8	2.5%
Cash and cash equivalents	184 ³	224	(40)	(17.9%)
Borrowings	948	1,013	(65)	(6.4%)
IFRS NAV per share	€ 5.43	€ 5.40	0.03	0.6%
EPRA NAV per share	€ 5.65	€ 5.64	0.01	0.2%

- **Feb. 2016: €103m** sale of 10 non-core assets in the Czech Republic
- **Mar. 2016 :€49.5m** early repayment of a bank loan
- **Apr. 2016 : €16.5m** bond buy back
- **Jun. 2016: €17.5m** sale of 3 assets in Poland

No. OF STANDING INVESTMENTS	WEIGHTED AVERAGE OCCUPANCY (GLA)	WEIGHTED AVERAGE OCCUPANCY (EPRA)
30/06/2016	30/06/2016	30/06/2016
62 ¹	95.9% ¹	95.4% ¹
31/12/2015	31/12/2015	31/12/2015
77 ¹	96.9% ¹	96.7% ¹

¹ Including a 75% stake in JV and €12.4 million (representing 1 asset in Latvia) classified as held for sale at 30.06.2016 (31.12.2015 figures also include the JV and €117.5 million classified as held for sale)

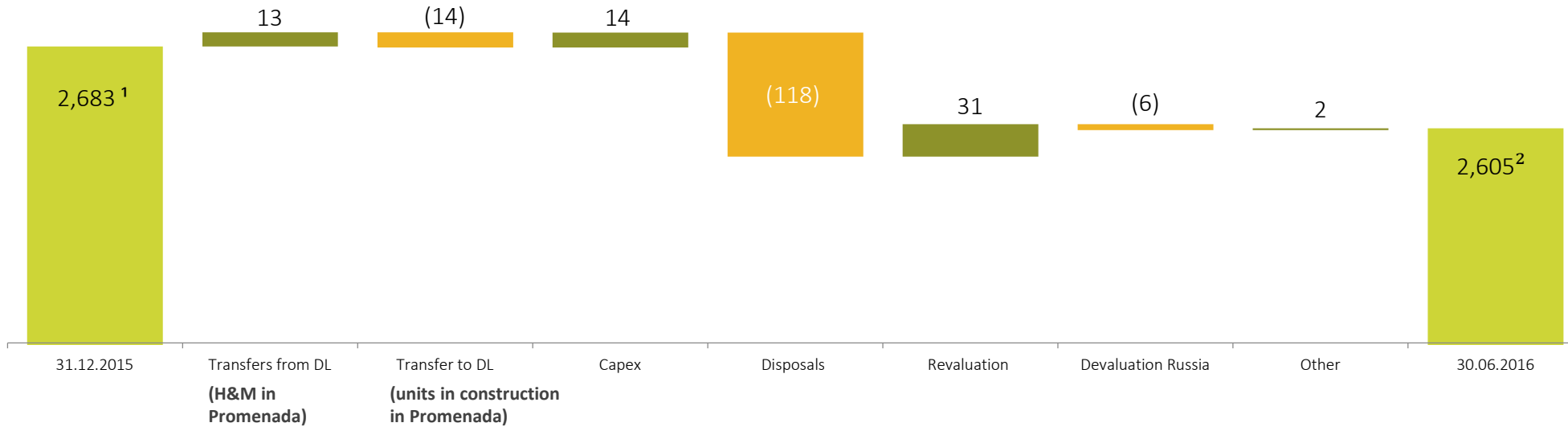
² Including €11.7 million (representing 2 assets in Russia) classified as held for sale as at 30.06.2016

³ As of 30 June 2016, the Group had €27 million VAT receivables net deriving from Group entity restructuring, which were received in July 2016

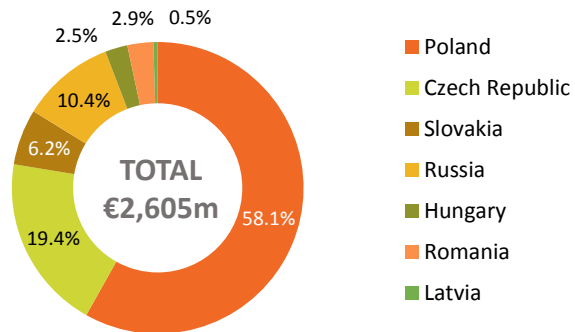


STANDING INVESTMENTS

Standing investments roll forward (€M)



Market value per country



- **Core Markets = 84%** of portfolio value and €72m (76%) of total NRI in 6M 2016
- **Atrium's top 10 investments:**
 - represent 62% of the standing investments portfolio by value (39% by GLA)
 - 7 in Poland, 2 in the Czech Republic, 1 in Slovakia
- Weighted average net equivalent yield for the Group is **7.2%**; Russia 12.7%
- **Disposals: Czech Republic**– Feb. 16, 10 assets for €103m ; **Poland** – Jun.16, 3 assets for €17m

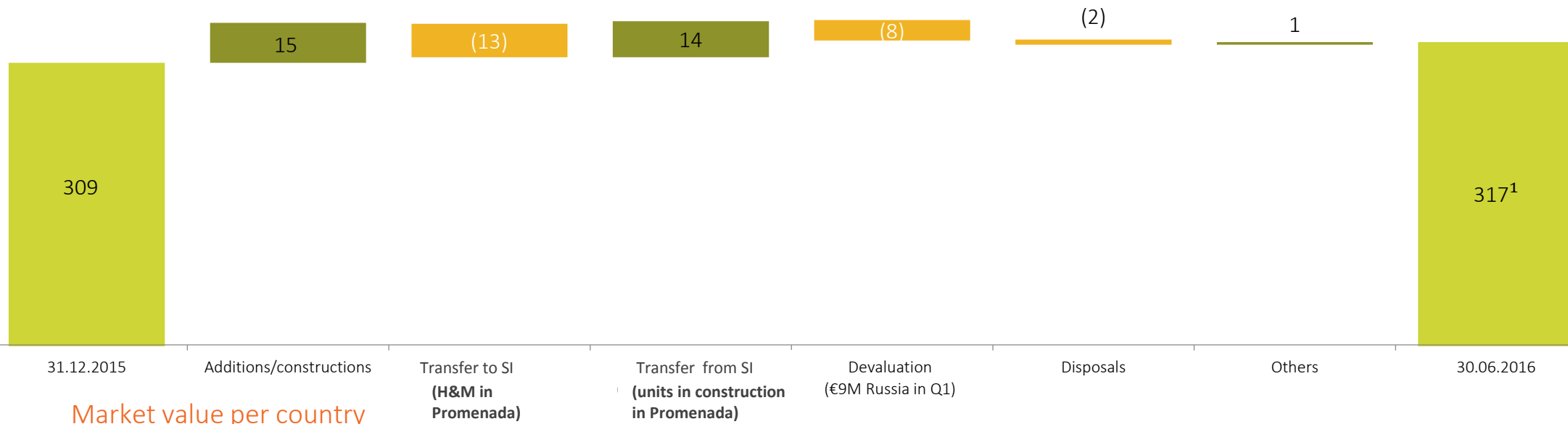
¹ Including €101.5m – 10 Czech assets and €16.0m – three Polish assets classified as held for sale as at 31/12/2015

² Including €12.4m – 1 asset in Latvia classified as held for sale as at 30/06/2016

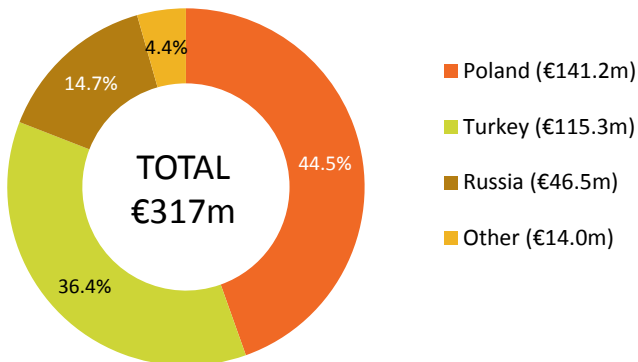


DEVELOPMENTS AND LAND

Developments and land roll forward (€M)



Market value per country



- Developments and land are **11% of total portfolio**
- Actively looking to monetise the portfolio



¹ Including €11.7 million (representing 2 assets in Russia) classified as held for sale as at 30 June 2016



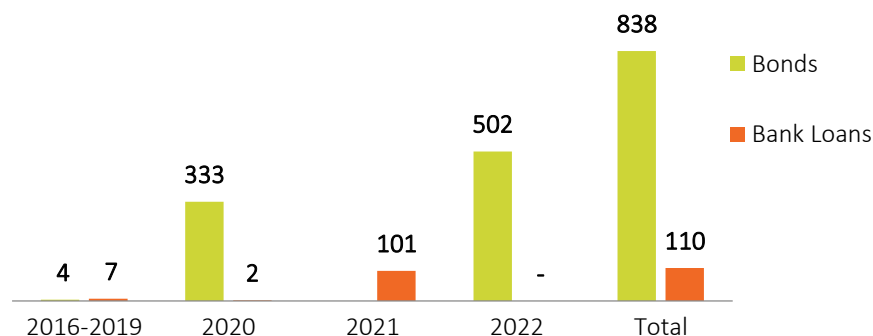
DEBT OVERVIEW AS AT 30 JUNE 2016

AVERAGE MATURITY	COST OF DEBT	DEBT AT FIXED RATE	UNENCUMBERED SI
30/06/2016: 5.6 years	30/06/2016: 3.7%	30/06/2016: 100%	30/06/2016: €2.2B/84%
31/12/2015: 5.7 years	31/12/2015: 3.7%	31/12/2015: 100%	31/12/2015: 80%

UNSECURED DEBT	NET LTV	GROSS LTV	CASH
30/06/2016: 88%	30/06/2016: 26.1%	30/06/2016: 32.4%	30/06/2016: €184M ¹
31/12/2015: 84%	31/12/2015: 26.3%	31/12/2015: 33.8%	31/12/2015: €224M

- **€49.5m** early repayment of a bank loan at 3.1% interest in March 2016
- **€16.5m** 2013 and 2014 bond buy backs (for €18.0m)
- All bank loans and bond covenants are in compliance

Debt maturity (€M)

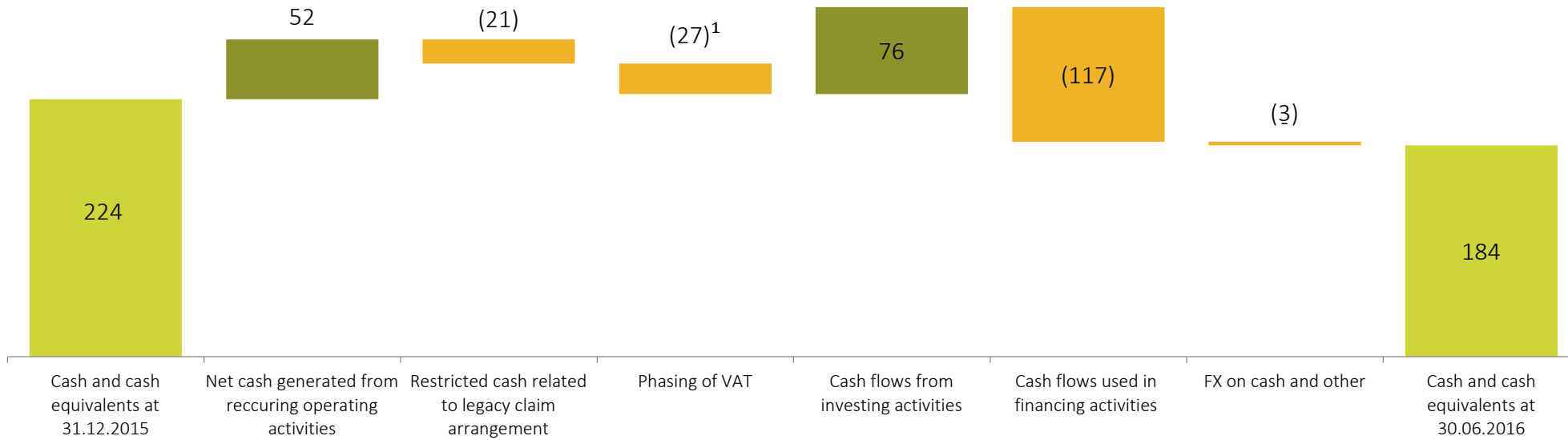


¹ €27M VAT receivables net deriving from Group entity restructuring were received in July 2016



CASH FLOW IN THE FIRST 6 MONTHS OF 2016

30 June 2016 Cash flow(€M)



NET CASH FROM INVESTING ACTIVITIES

- **€95m** Disposal of 10 assets in the Czech Republic
- **€17m** Disposal of 3 assets in Poland
- **(€37m)** Standing investments and development capex

NET CASH USED IN FINANCING ACTIVITIES

- **(€51m)** Dividends
- **(€50m)** Bank loan repayment
- **(€18m)** Bond buy back

¹ As of 30 June 2016, the Group had €27 million VAT receivables net deriving from Group entity restructuring, which were received in July 2016



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THANK YOU

