



TRADING UPDATE

15 November 2017



HIGHLIGHTS

OPERATIONAL PERFORMANCE

- **↑8.0%** LFL NRI, growth in all countries
- **↑2.3%** LFL NRI excl. Russia, **↑27%** LFL NRI in Russia
- **↑14%** EBITDA, **↑6%** Company adj. EPRA earnings
- **€94m** net cash generated from operating activities
- **95.4%** occupancy, **96.6%** stable operating margin

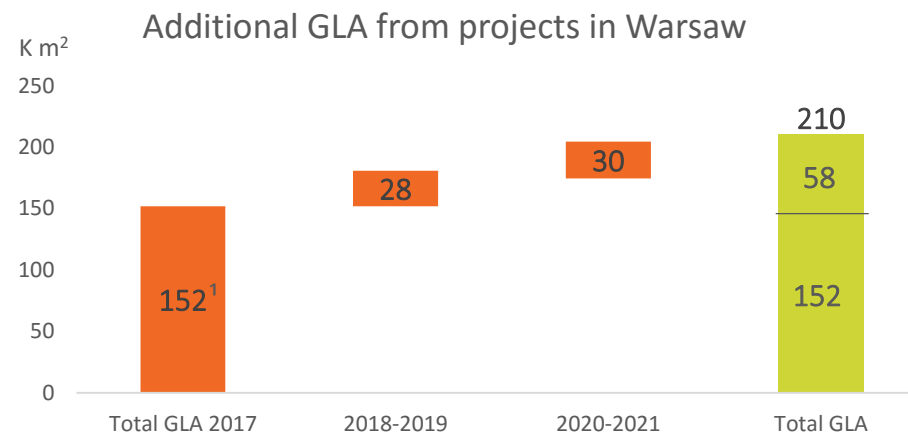
STRONG LIQUIDITY PROFILE

- **An annual dividend for 2018 of €cents 27 per share approved in Nov. 17**
- **€cents 14 per share special dividend paid in June 2017**
- Refinancing of a €108m secured loan @4.1% due to mature in 2021 with a **€136m 10 years secured loan @1.9%**
- **€225m** unutilized revolving credit facility (**↑€50m** in Sep. 2017)
- Low leverage of **31% net LTV** supports growth

PROGRESS WITH THE REDEVELOPMENT PROJECTS

A pipeline of €300m to 2021, €74m invested so far with 70,000 sqm new GLA

Completions- Targowek 2018, Reduta 2019, Promenada 2021



OTHER

- Legacy legal arrangement: €14m paid to approved claimants in Nov.2017
- €10m cost saving programme – on track, from full year 2018
- Monetization of land bank: €13m disposals, above fair value

IMPROVING QUALITY THROUGH REDEVELOPMENTS AND EXTENSIONS

Increasing dominance in Poland's capital city

Atrium Promenada (Warsaw)



- A remodelling of the existing shopping centre
- 44,000 sqm GLA extension in total
- Expected completion end of 2021
 - 7,600 sqm GLA extension **completed**
 - 13,400 sqm new GLA for anchor tenants and a new food court **to complete in 2018**
- 2,600 sqm to TK Maxx opened Q1 2017
- 3,100 sqm to Carrefour, opening Q4 2017

Atrium Targówek (Warsaw)



- 8,600 sqm GLA extension designated to enlarge the number and size of anchor tenants and expand the food court
- Refurbishment of the existing scheme
- 380 parking spaces added in 2016
- Expected completion **end of 2018**

Atrium Reduta (Warsaw)

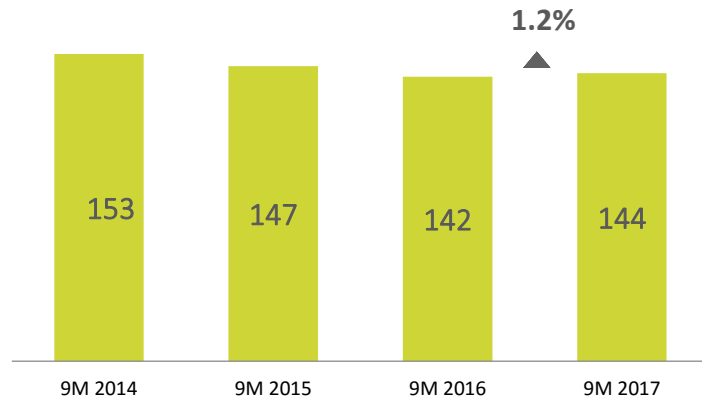


- Works started in July 2017
- Opening in Q4 2018 -
 - Brand new cinema of 2,700 sqm
 - Fitness of 1,700 sqm
 - 11 food court units
- 5,800 sqm of additional retail GLA in total
- Expected completion **end of 2019**

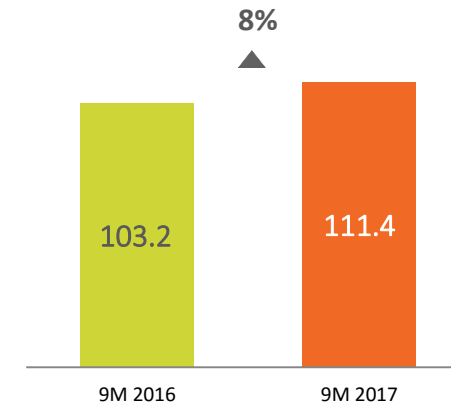


REVENUE FROM IMPROVING PORTFOLIO AND RUSSIA RECOVERY

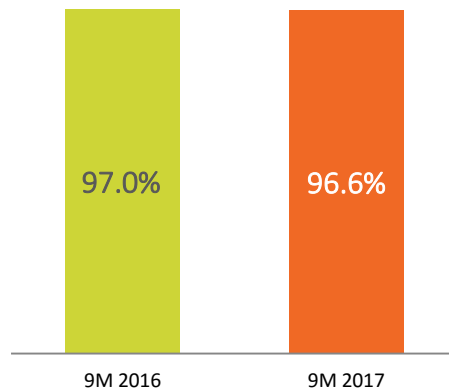
Net rental income
(in million €)



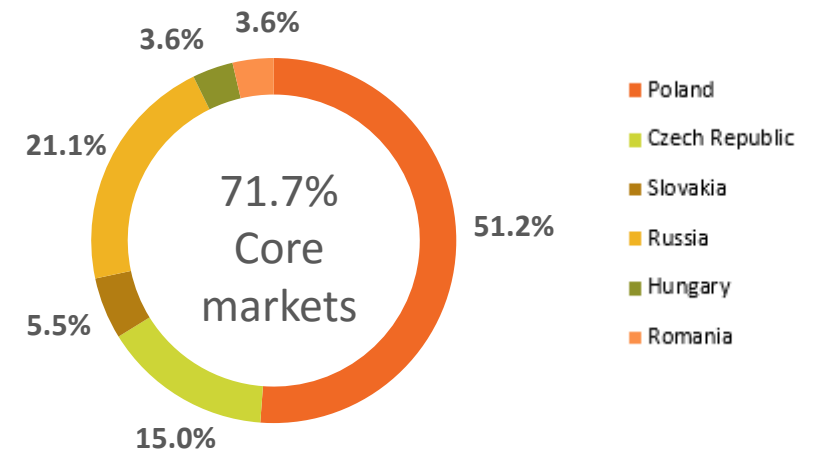
EPRA like-for-like NRI
(in million €)



Operating margin

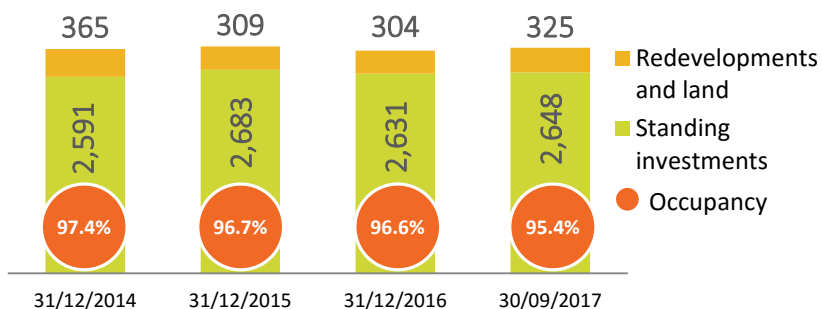


NRI 9M 2017 per country

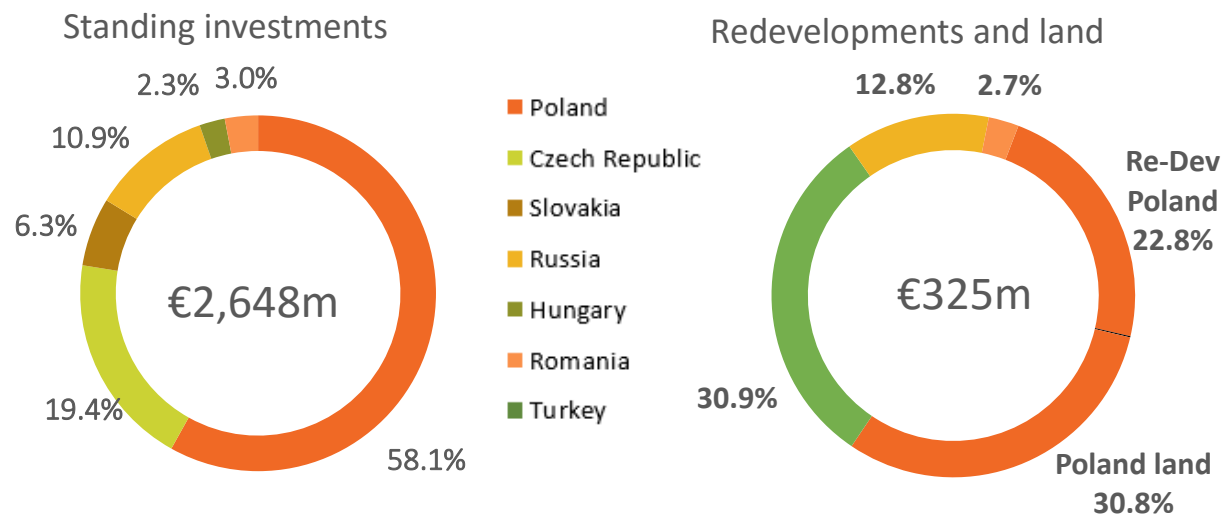


INVESTMENT PROPERTIES

Market value of investment properties
(in million €)



Market value of investment properties per country

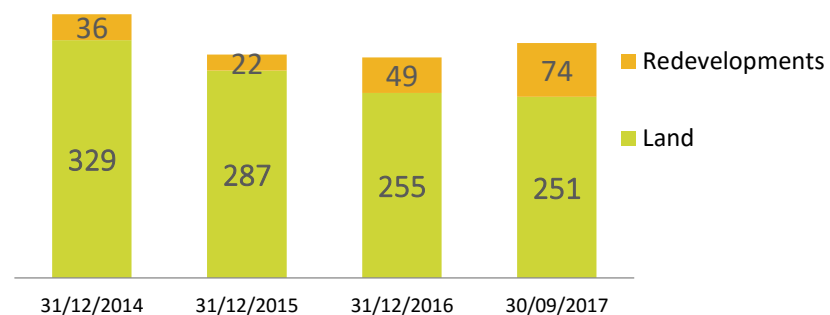


Portfolio repositioning



2.6	Portfolio market value (€ bn)	2.6
153	Number of assets	59
8.9	Average asset size in GLA (m ²)	18.5
17	Average asset value (€ m)	45

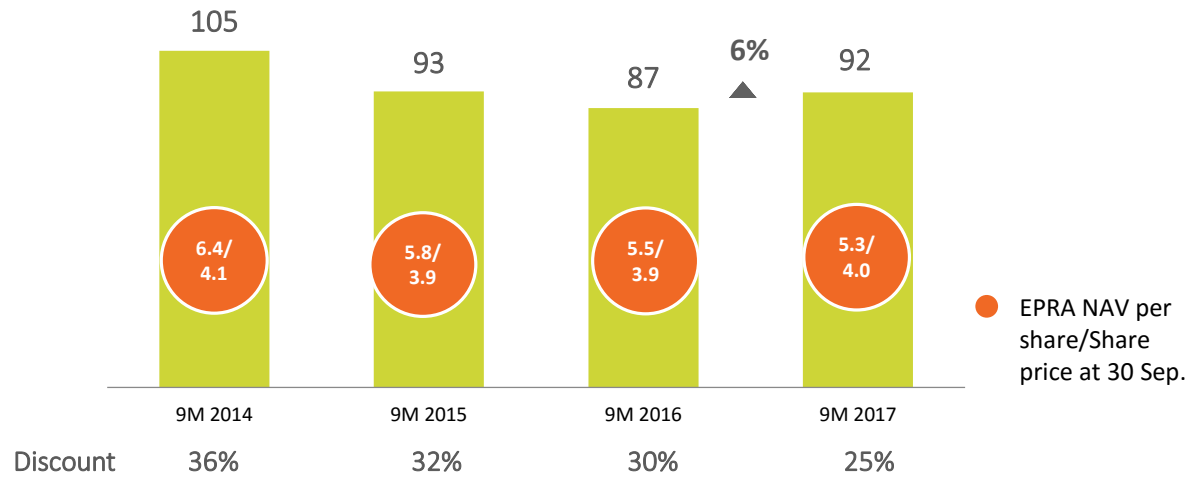
Redevelopment and land
(in million €)



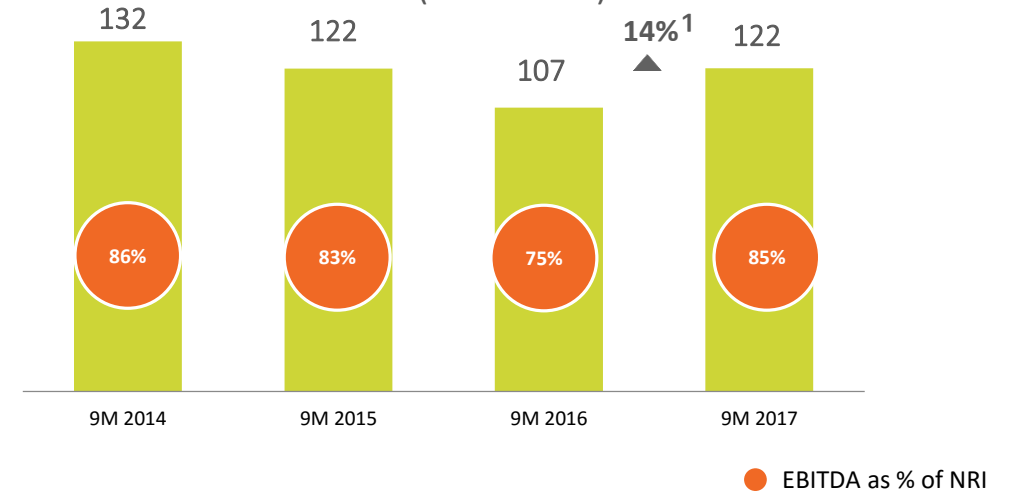
8% of investment properties is land

SOLID FOUNDATION FOR GROWTH

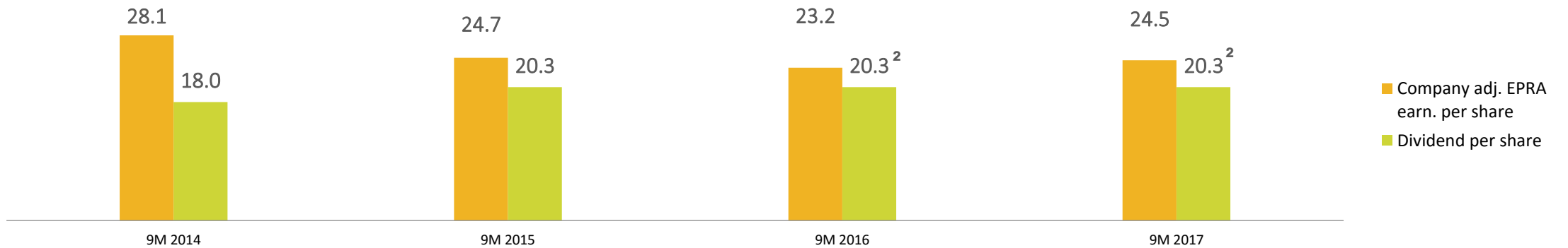
Company Adjusted EPRA Earnings (in million €)



EBITDA (in million €)



Company Adjusted EPRA Earnings per share and Dividend per share² (in € cents)

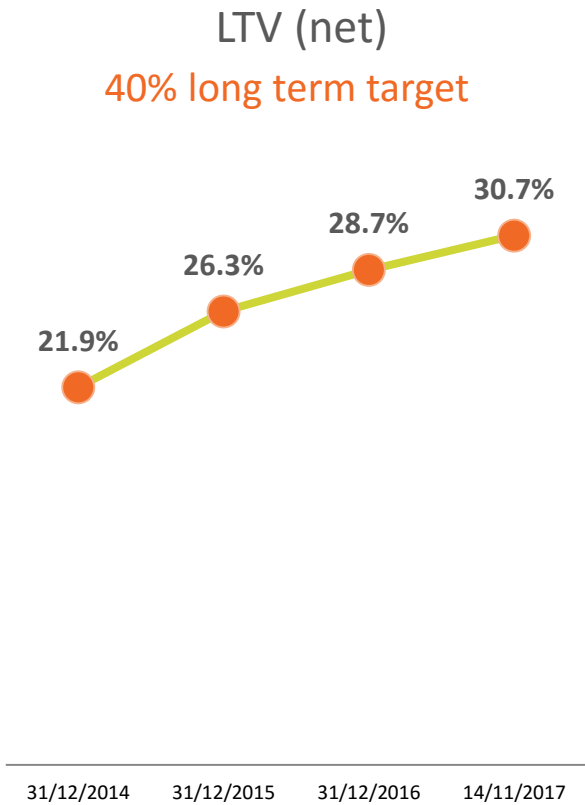


¹ EBITDA excl. legacy legal costs was ↑6% in 9M 2017

² Excl. the special dividend of €cents 14 per share paid on 30 September 2016 and 30 June 2017

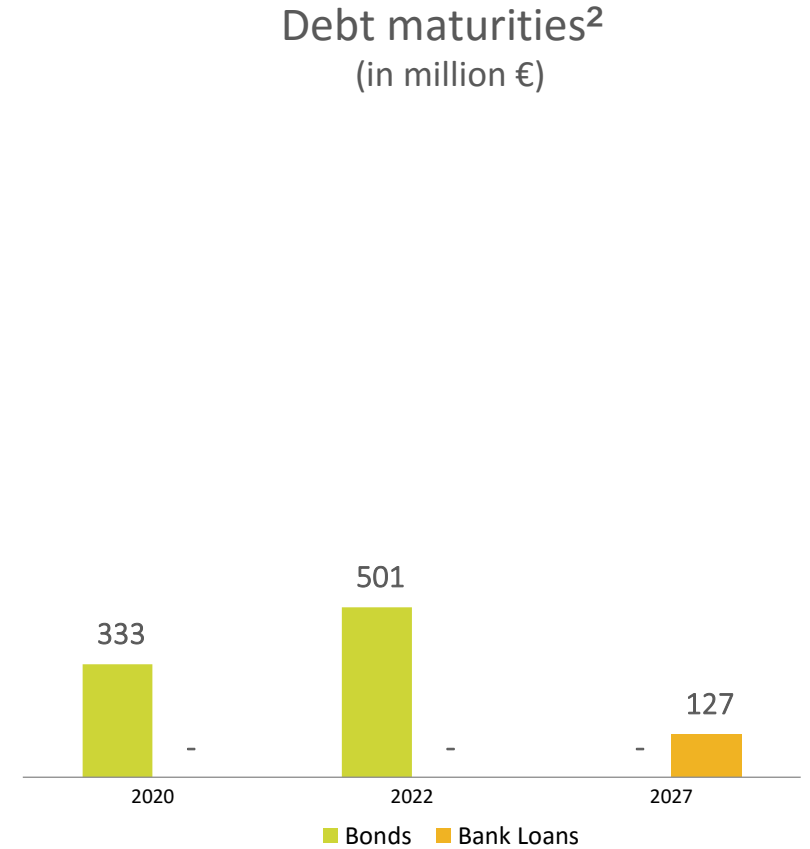
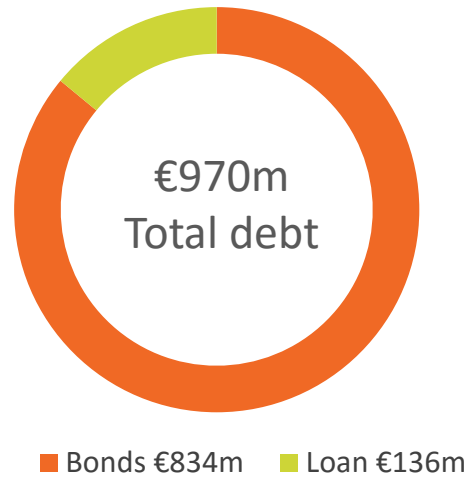
PROACTIVE OPTIMISATION OF BALANCE SHEET

As at 14 Nov 2017, incl. refinancing of a €108m secured loan with a €136m 10 years secured loan @1.9%¹



Borrowings

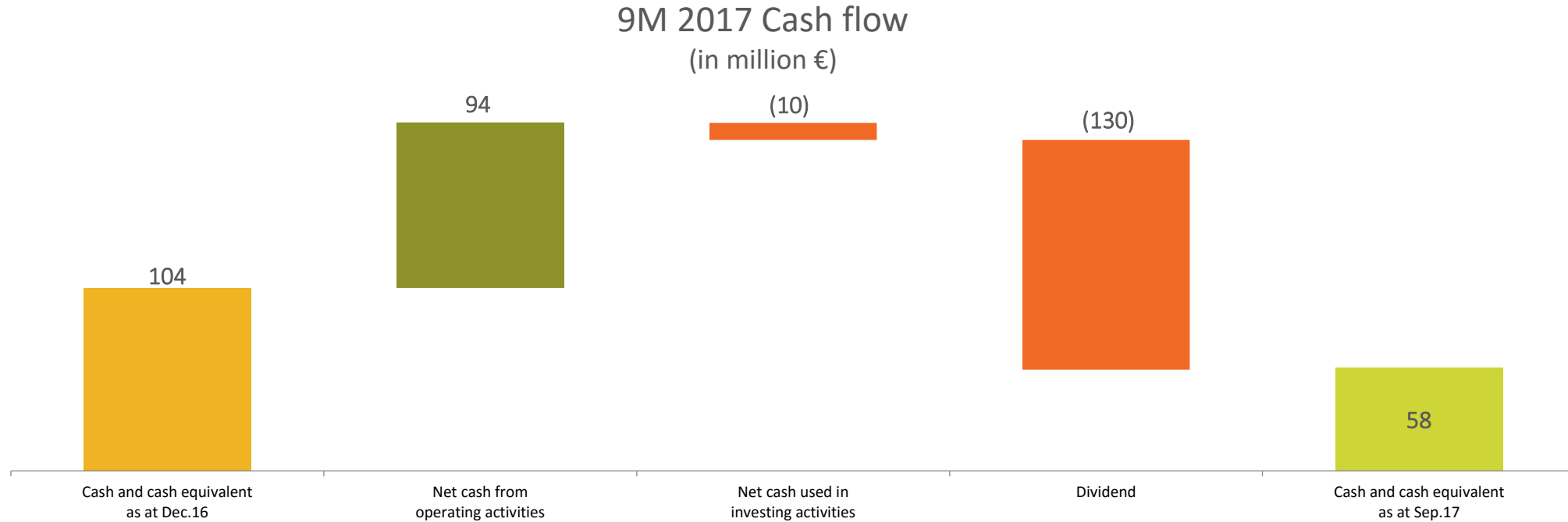
- 3.4% cost of debt
- 4.9 years average maturity
- €225m revolving credit facility
- 86% unsecured debt
- 85% unencumbered standing investments



² Incl. only repayments above €5m

¹ Signed refinancing on 10/11/2017

CASH FLOW IN 9M 2017



NET CASH FROM OPERATING ACTIVITIES ↑€33m

- €24m Restricted cash related to legacy arrangements
- ↑€5m Company adjusted EPRA earnings

A special dividend of €53m paid on 30/06/2017

IMPROVEMENT ACROSS ALL OUR KEY OPERATIONAL METRICS

PERFORMANCE

- Growth across all our markets with 8.0% LFL NRI increase
- Solid operating results: ↑14% EBITDA, ↑6% Company adj. EPRA earnings
- €10m of EBITDA increase as from 2018 with the realization of cost savings programme

PORTFOLIO

- €2.6bn income-producing portfolio, repositioned over the last 6 years through 7 acquisitions totalling €1bn and 94 disposals for €221m
- Capacity for future growth with redevelopment and extension pipeline
- Continually assessing quality acquisitions in major cities and urban locations to improve the portfolio further

CAPITAL MANAGEMENT

- Conservative capital structure with a strong liquidity profile, proactively addressing future financial needs
- Refinance of a €108m secured loan with a €136 million 10 years secured loan @1.9% results in Company adj. EPRA earnings ↑€1.7m
- €50m RCF increase in Sep. 2017 to €225m

DIVIDENDS

- The Board of Directors has approved an annual dividend of €cents 27 per share for 2018 (to be paid as a capital repayment)
- A special dividend of €cents 14 per share was paid on 30 June 2017

OTHERS

- Legacy legal claims- payments to eligible claimants are in progress with €14m already paid during the month





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THANK YOU

