



FY 2017 results

21 March 2018



HIGHLIGHTS

STRONG OPERATIONAL PERFORMANCE

- **↑6.4%** LFL NRI, growth in all countries
- **↑2.6%** LFL NRI excl. Russia, **↑18.6%** LFL NRI Russia
- **↑40.8%** EBITDA, **↑53.1%** in profit after tax
- **€cents 32.4** company Adj. EPRA earning per share (€cents 31.4 in 2016)
- **↓€2.6m** recurring administrative expenses, **↓€40m** legacy legal cost
- Cost savings of **€7m** achieved in 2017
- **€102m** net cash generated from operating activities
- Occupancy and operating margin remain strong at **96.8%** and **95.6%** respectively

PORTFOLIO REPOSITIONING CONTINUED WITH 20 ASSETS SOLD

- **60 to 40 assets, 18 assets in Hungary and 2 in the Czech Republic** sold for €80 million, at an **8% premium** to the fair value
- The disposals form part of the Company's ongoing strategy to improve its portfolio through the selective rotation of capital **towards high quality assets in strong, urban locations in Central Europe**



HIGHLIGHTS

FOCUS ON STRENGTHENING THE PORTFOLIO VIA REDEVELOPMENTS

- Further quality growth to come from the ongoing **€330m redevelopment and extension programme** which is focused on 3 centres in Warsaw and one in Bialystok, Poland, adding 70,000 sqm GLA.
 - €88m in total spent by the end of 2017.
- Focus on place making- ensuring our assets offer variety of leisure, dining and other entertainment experience elements as well as a tenant mix that is tailored to the centres' local environments.

Asset	GLA sqm	Expected completion
Atrium Promenada	49.6 ¹	2021
Atrium Targowek	8.6	2018
Atrium Reduta	5.7	2019
Atrium Biala	4.8	2020
Total	68.7	

¹ 7,600 sqm GLA in 2016, 13,400 sqm expected this year and the remainder 28,600 sqm expected by 2021



HIGHLIGHTS

FINANCING TRANSACTIONS AND OTHERS

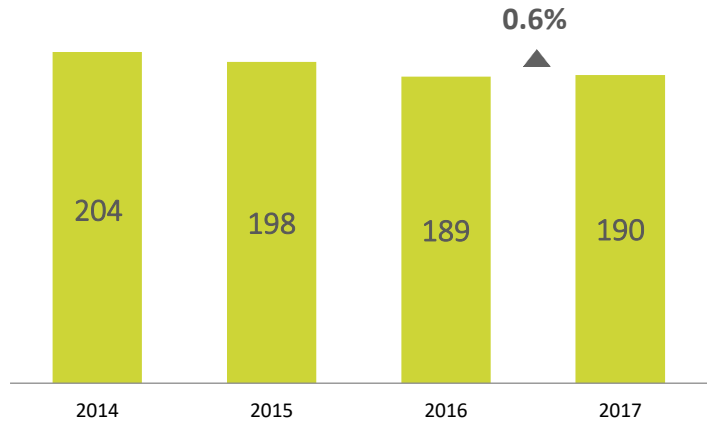
- Legacy legal arrangement: €36m paid to approved claimants to date
- €10m annual cost saving programme on track, to be completed by end 2018, **€7m achieved in 2017**
- Refinancing a 10 year bank loan @1.9% with incremental €28m of cash and reduced financing cost by €1.7m
- €50m increase in revolving credit facility to €225m, unutilized
- Low leverage of **30% net LTV** supports growth, **5.6** net debt to EBITDA
- **€cents 14 per share** special dividend to be paid in March 2018 together with the regular quarterly dividend in addition to €cents 14 per share special dividend paid in June this year
- €114m cash as at 20 March 2018



REVENUE FROM IMPROVING PORTFOLIO AND RUSSIA STABILIZATION

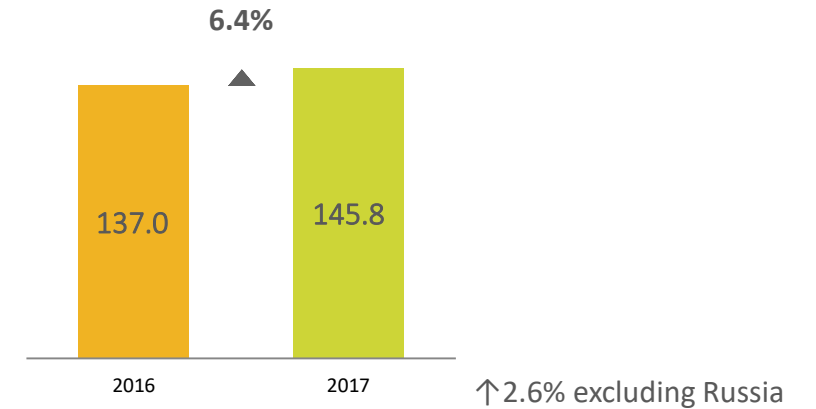
Net rental income (in million €)

NRI increased by 0.6% despite disposals and redevelopments impact

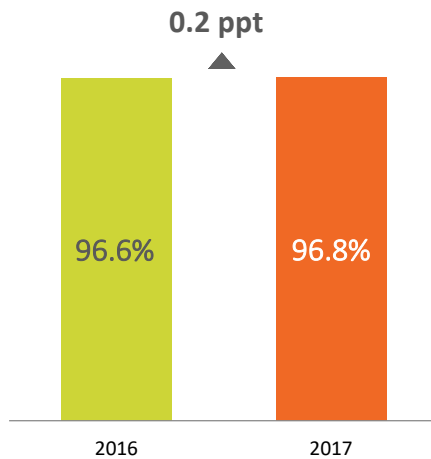


EPRA like-for-like NRI (in million €)

Growth in all countries

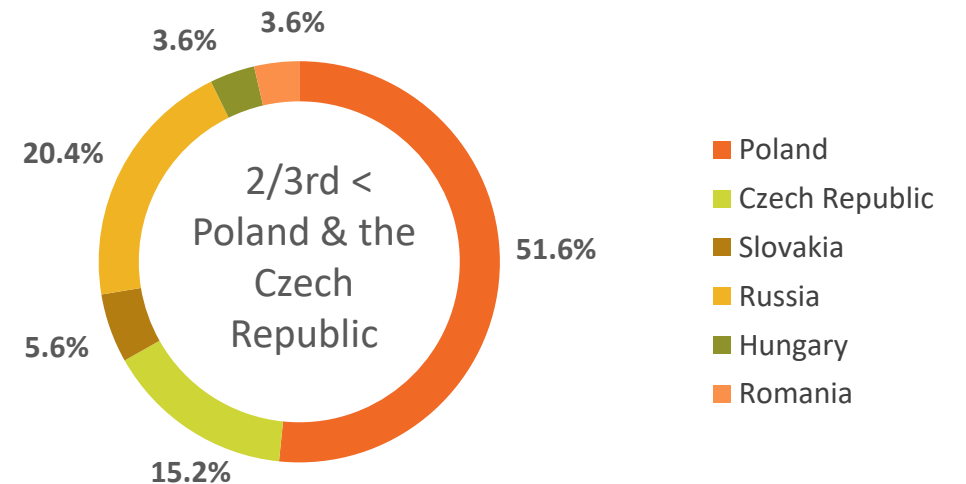


EPRA occupancy



Assets management initiatives support high occupancy

NRI 2017 per country

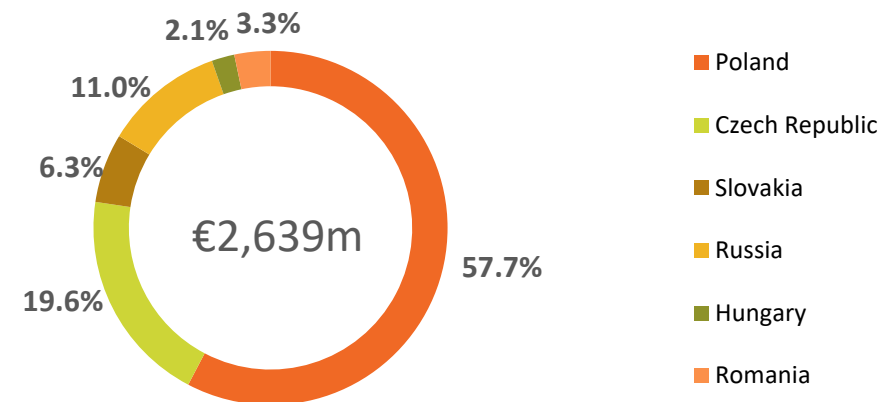


INVESTMENT PROPERTIES

Portfolio repositioning drives average assets size

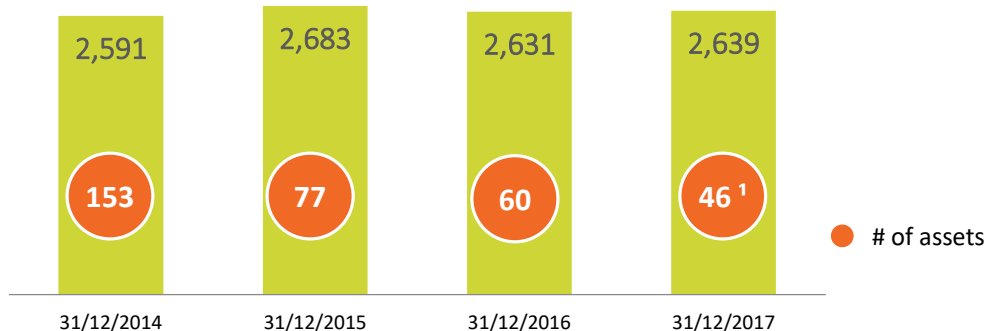
31 Dec. 2014		31 Dec. 2017	
2.6	Portfolio market value (€ bn)	2.6	
153	Number of assets	46	
8.9	Average asset size in GLA ('000 sqm)	23.7	
17	Average asset value (€m)	57	

Market value of the standing investment properties per country



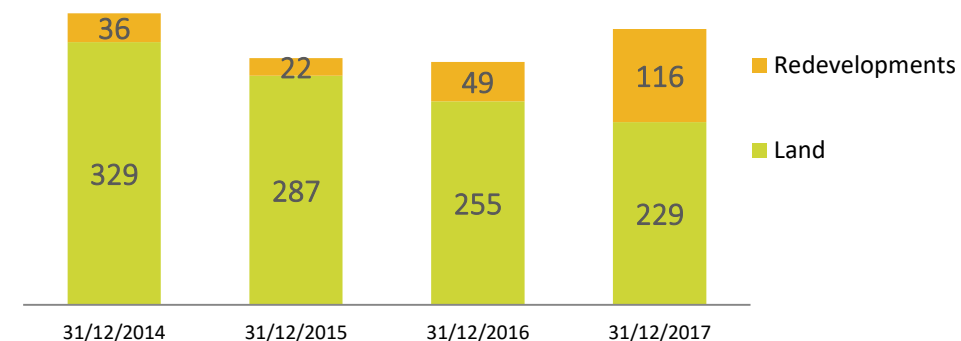
Over €2bn standing investments in Poland and Czech Republic

Market value of standing investments
(in million €)



¹ 40 assets as of 20 March 2018

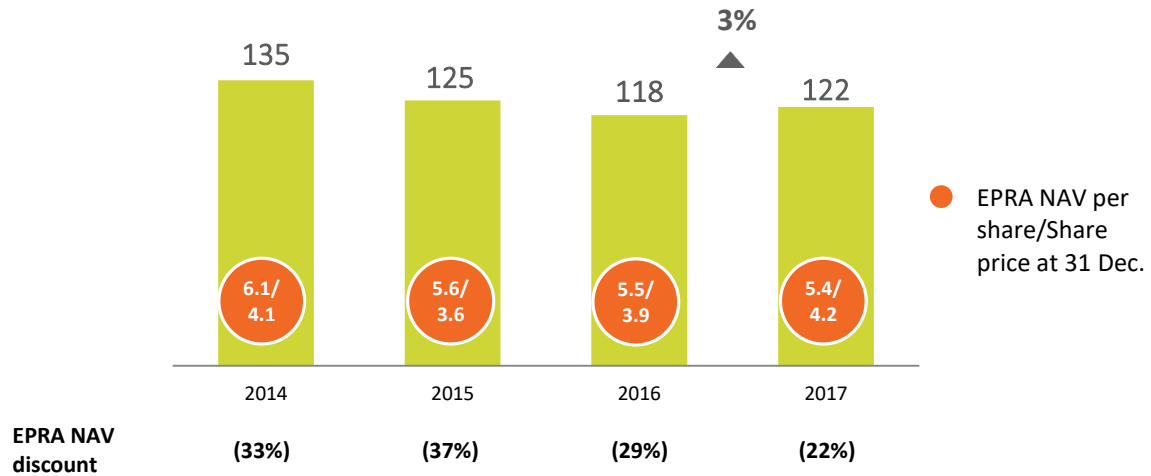
Redevelopment and land
(in million €)



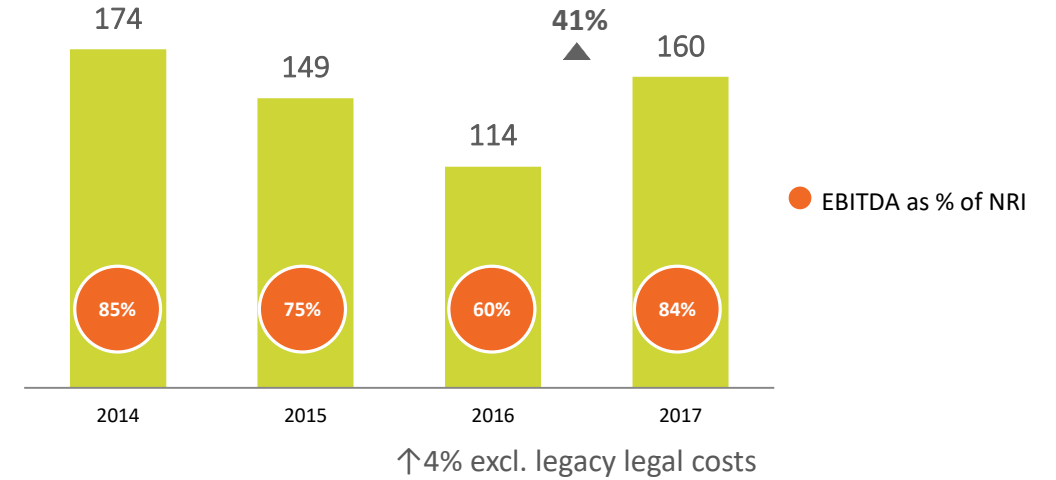
- Opportunistically monetising land portfolio
- Land portfolio = 7.7% of investment properties
- Land portfolio by country: Poland and others 46%, Turkey 39%, Russia 15%

STRONG OPERATIONAL PERFORMANCE

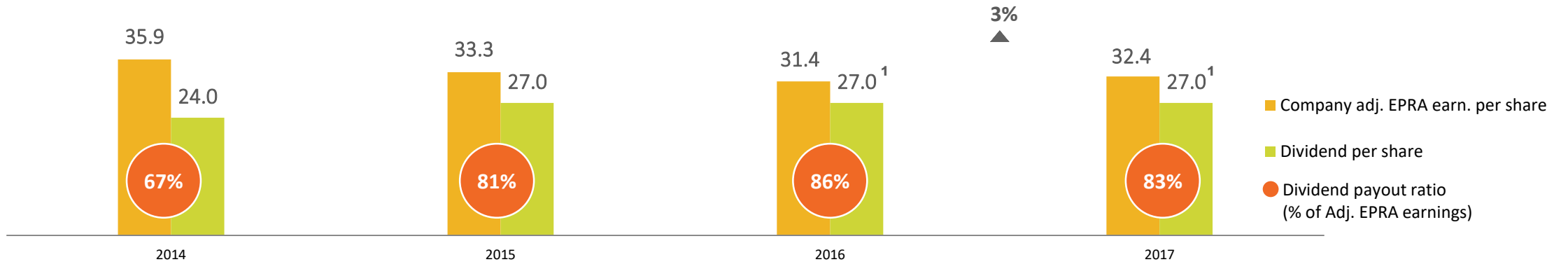
Company Adjusted EPRA Earnings grow 3%
(in million €)



EBITDA margin @ 84%
(in million €)



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



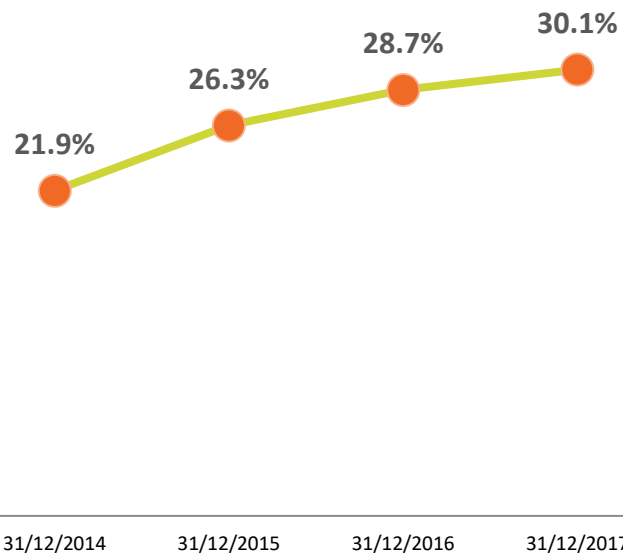
¹ Excl. the special dividends of €cents 0.14 per share paid on 30 Sep. 2016 and 30 June 2017

BALANCE SHEET POSITIONED TO SUPPORT FUTURE GROWTH

- Cash and marketable securities of €92m (31/12/16: €146m)
- Refinance of €108m secured loan with a €136m 10 year secured loan @1.9% (€1.7m p.a.)
- ↑€50m Revolving credit facility to a total €225m, unutilised
- ↓€9m decrease in financial expenses compared to last year

LTV (net)

Long term target at around 40%



Borrowings

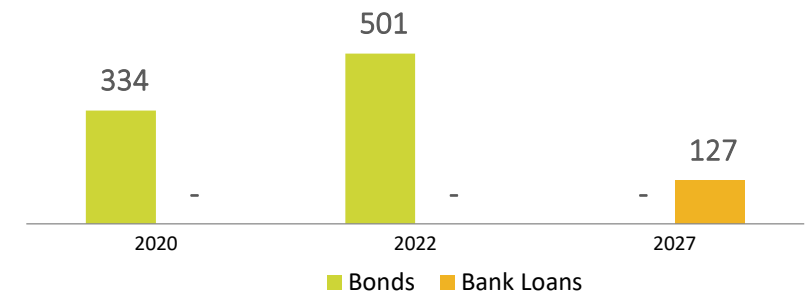
- 3.4% cost of debt
- 4.6 years average maturity
- 85% unencumbered standing investments



■ Bonds €834m ■ Loan €135m

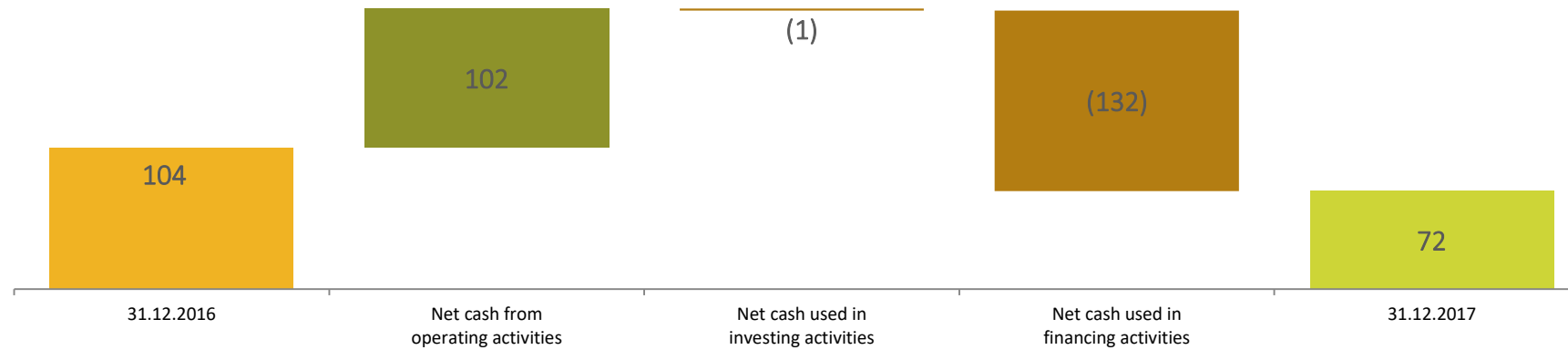
Debt maturities¹

(in million €)



¹ Incl. only repayments above €5m

PROACTIVE CASH MANAGEMENT ENABLES SELF FINANCING OF REDEVELOPMENTS



NET CASH USED IN INVESTING ACTIVITIES

- (€45m) Redevelopment and capex
- €20m Financial assets securities
- €24m Disposals

NET CASH USED IN FINANCING ACTIVITIES

- (€102M) Regular dividends
- (€53M) Special dividend, June 2017
- €23m loan refinancing

2017 RESULTS SHOW STRONG PERFORMANCE AND FOCUS ON PORTFOLIO QUALITY

PERFORMANCE

- Growth across all our markets
- Strong EBITDA
- €10m of EBITDA increase from 2018 driven by cost savings programme, €7m achieved in 2017

PORTFOLIO

- 60 to 40 assets, stable standing investment at €2.6bn
- Effective exit of Hungary
- Redevelopments on track
- Pursuing acquisitions targets

CAPITAL MANAGEMENT

- Conservative capital structure with a strong liquidity profile
- Active cash management
- Annual dividend of €cents 27 per share and a special dividend of €cents 14 per share were paid during the year

OTHERS

- Legacy legal arrangement: payments to eligible claimants are in progress with €36m paid to date

SUBSEQUENT EVENT

- On 20 March 2018, the Board of Directors approved a special dividend (to be paid as a capital repayment) of €cents 14 per share.





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.



THANK YOU

