



TRADING UPDATE

15 May 2018



FOCUS ON POLAND AND THE CZECH REPUBLIC

STANDING INVESTMENT PORTFOLIO SPREAD*

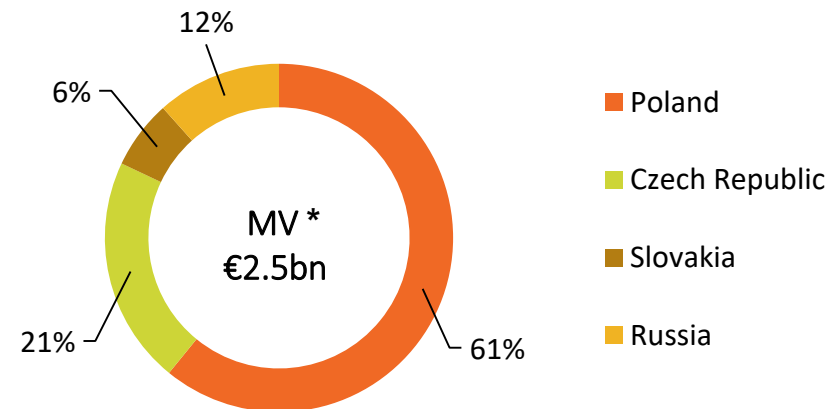


Hungary - 4 residual assets

- Atrium owns 38* properties, 0.9m sqm GLA and €2.5bn* market value
- 82%* of the portfolio is located in Poland and the Czech Republic, 37% in Warsaw and Prague
- Focus on high quality assets in strong urban locations at the heart of their communities
- Further growth from redevelopment and extension programme in an excess of €300m, Adding over 60,000 sqm of high quality GLA in Warsaw
- Low leverage of 33% net LTV supports growth

GEOGRAPHIC MIX OF THE PORTFOLIO*

60 (1/1/17) → 38* assets as of today



* Excl. a €95m asset in Romania and a €10m asset in Slovakia for which sale agreements were signed in Apr. 2018



KPIs PERFORMANCE

	3M 2018 €M	3M 2017 €M	CHANGE %
NRI excl. disposed of assets/redevelopments	32.5	31.0	4.8%
NRI from disposed of assets/redevelopments	<u>14.3</u>	<u>16.6</u>	
Net rental income	46.8	47.6	(1.8%)
EPRA Like-for-Like net rental income	32.5	31.3	4.1%
Operating margin (in %)	98.0	96.5	1.5%
EBITDA	41.4	39.8	4.0%
Company adj. EPRA earnings per share (in €cents)	7.9	8.1	(2.5%)
EPRA NAV per share excl. special dividend	5.39	5.38	0.02%
Special dividend paid per share	<u>(0.28)</u>	—	
EPRA NAV per share	5.11	5.38	(5.1%)



HIGHLIGHTS

OPERATIONAL PERFORMANCE

- 4.1% LFL NRI growth, 2.5% LFL NRI growth excl. Russia
- ↑4% EBITDA to €41.4m

DIVESTMENTS

- Portfolio repositioning continued: 60 assets (1/1/17) → 38 assets
- 18 assets in Hungary and 2 in the Czech Republic sold during 2017 and Q1 2018
- Apr. 2018: Agreements to sell 2 assets for €105m
 - €95m Militari in Romania and €10m Saratov in Slovakia @ 9% above fair value
- Effective exit of Hungary and Romania

REDEVELOPMENTS

- Over €300m redevelopment and extension programme which is focused on 3 centres in Warsaw

OTHERS

- €75m increase in the revolving credit facility to €300m with extended maturity by 3 years to 2023
- €10m annual cost saving programme on track, to be completed by the end of the year
 - Admin cost of €5m, 32% lower than in Q1 2017
- Legacy legal arrangement: €40m paid to eligible claimants
- Poland's Sunday trading ban has taken effect from 2018, gradual implementation over 3 years
 - Footfall largely compensated by increased frequency of visits during the rest of the week



Atrium Promenada (Warsaw)

Visualisation



Atrium Reduta (Warsaw)

Visualisation



Atrium Targowek (Warsaw)

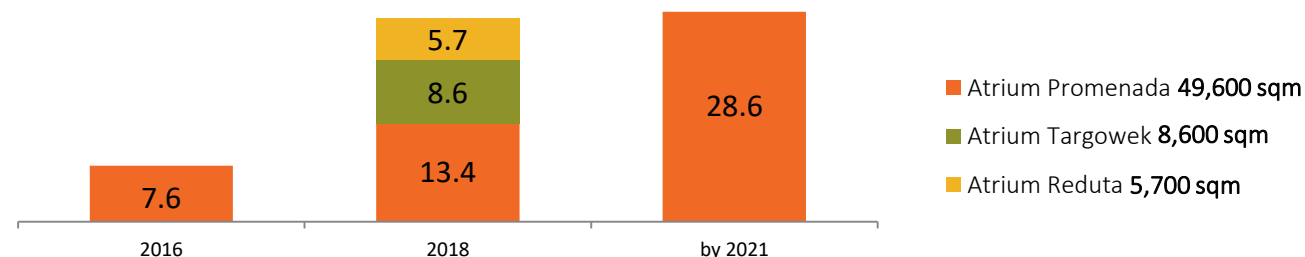
Visualisation

STRENGTHENING THE PORTFOLIO VIA REDEVELOPMENTS

- Further quality growth originating from the ongoing over €300m redevelopment and extension programme, which is primarily focused on 3 centres in Warsaw, adding over 60,000 sqm GLA in Warsaw
- €100m spent in total by the end of March 2018
- Creating dominant centres with focus on place making with a wider offer of leisure, dining and other entertainment experiences, tailored to the centres' local communities and catchment areas
- Extensions provide new flagship stores for, among others, Inditex, H&M and LPP (Reserved) brands
- High levels of tenant demand for extensions with key tenant leases secured prior to and during construction.

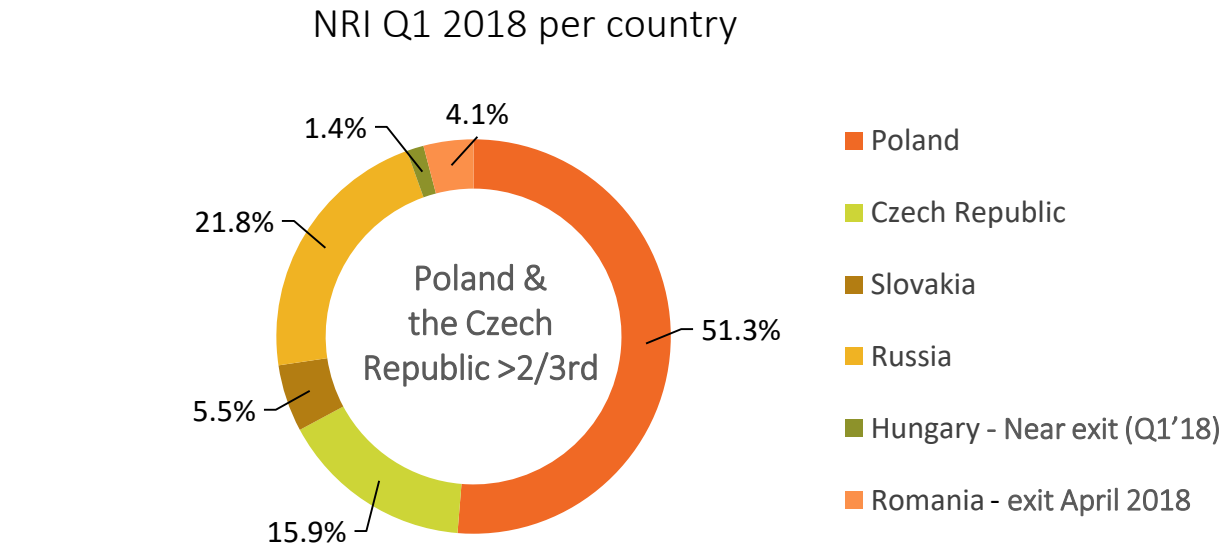
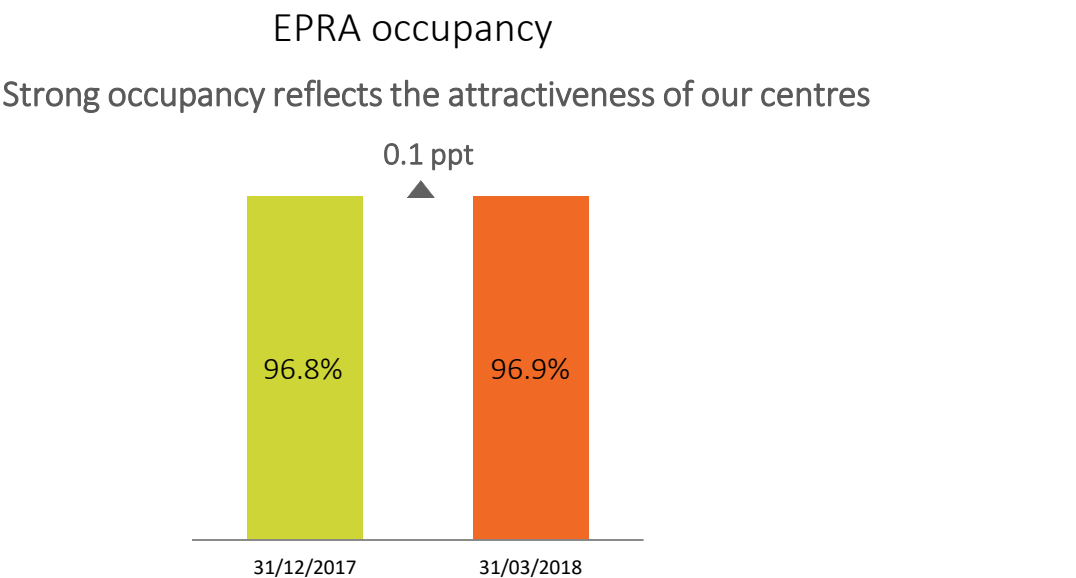
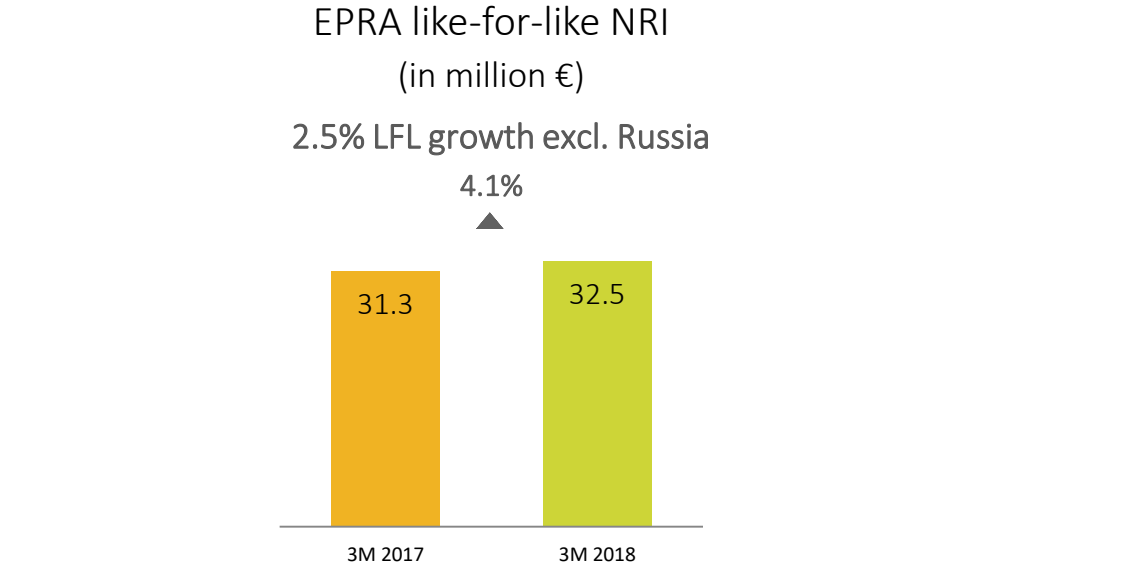
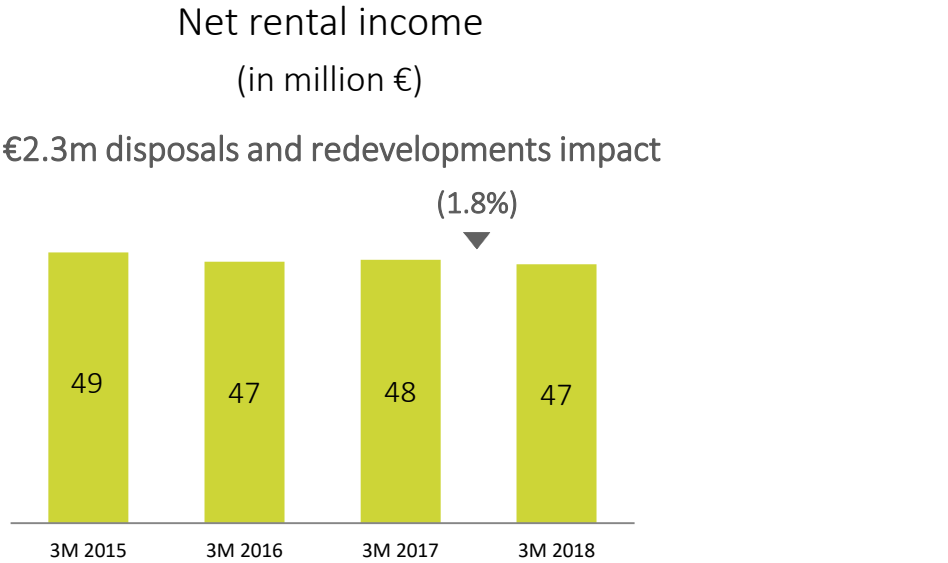
INCREMENTAL GLA

K sqm



- Atrium Promenada's** new 'Fountain Mall' extension totalling 13,400 sqm, due to open Q4 2018
- Atrium Targowek** undergoing full interior refurbishment with new 8,600 sqm extension incorporating new stores for H&M and Zara. Scheduled to complete in Q4 2018
- Atrium Reduta's** new cinema and gym, scheduled for opening by year end

LFL GROWTH AND STRONG OCCUPANCY FROM HIGH QUALITY PORTFOLIO



FEWER ASSETS AND COUNTRIES → HIGHER QUALITY PORTFOLIO

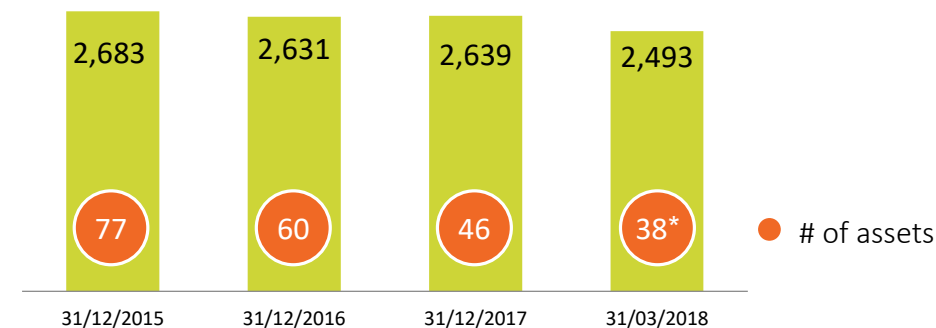
Portfolio repositioning increase average asset size

	31 Dec. 2014	31 Mar. 2018 *
2.6	Portfolio market value (€bn)	2.5
153	Number of assets	38
8.9	Average asset size in GLA ('000 sqm)	25
17	Average asset value (€m)	68
8.0%	Net equivalent yield	6.9%
7.8%	EPRA net initial yield	6.8%

Market value of standing investments*

Continued execution of portfolio repositioning strategy with 21 assets sold in the last 6 months

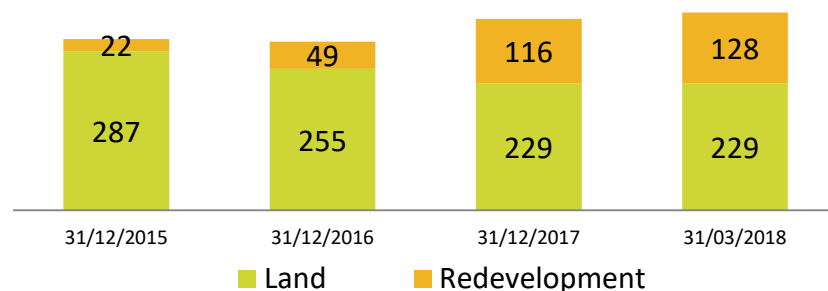
(in million €)



82% in Poland and the Czech Republic, 37% in Warsaw and Prague

*Excl. 2 assets (in Romania and in Slovakia) with signed sale agreements

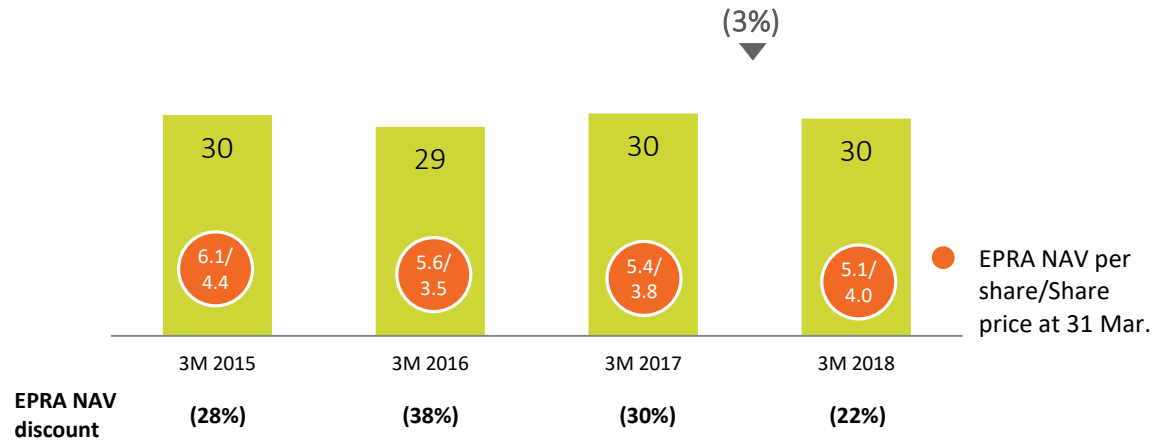
Redevelopment and land
(in million €)



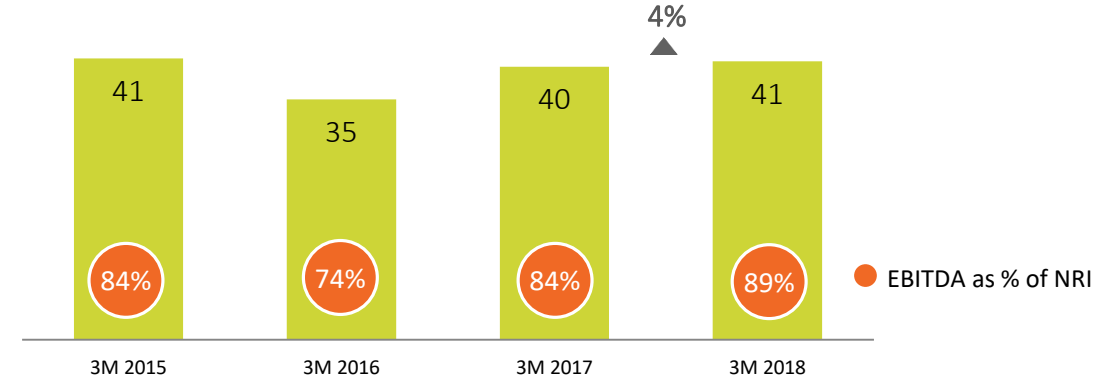
- Monetising land portfolio
- Land portfolio= 8% of investment properties
- Land portfolio: Poland and others 46%, Turkey 40%, Russia 14%

STRONG OPERATIONAL PERFORMANCE

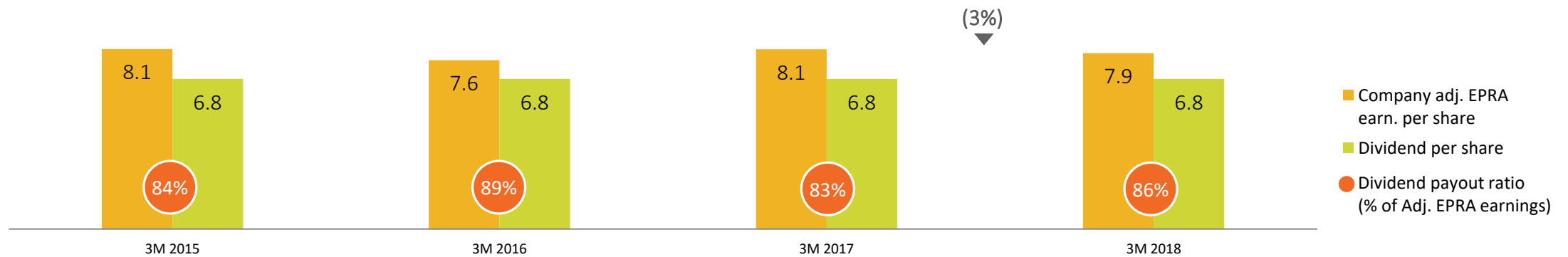
Company Adjusted EPRA Earnings
(in million €)
€2.3m disposals and redevelopments impact



EBITDA margin @ 89%
(in million €)
Improved operating margin following the cost saving programme

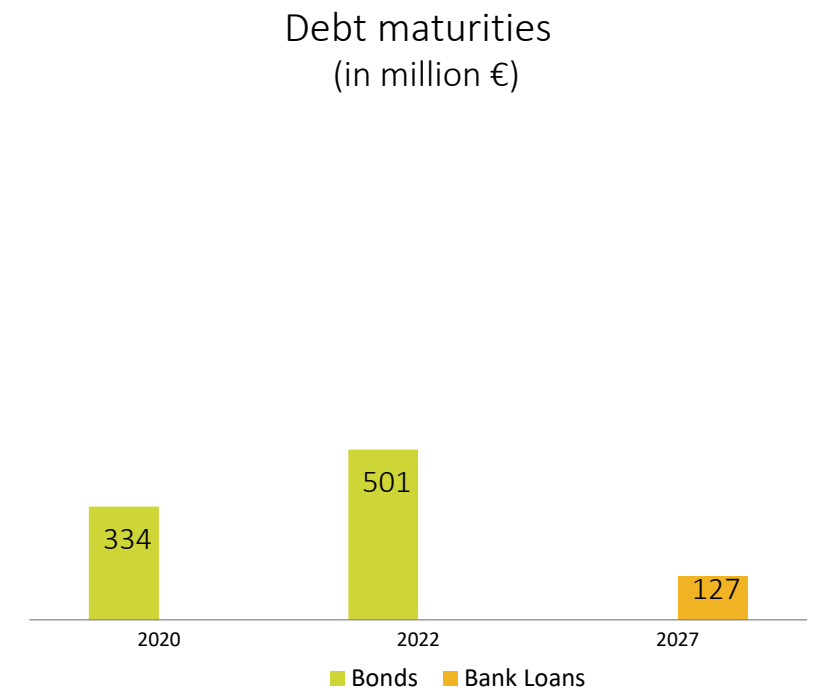
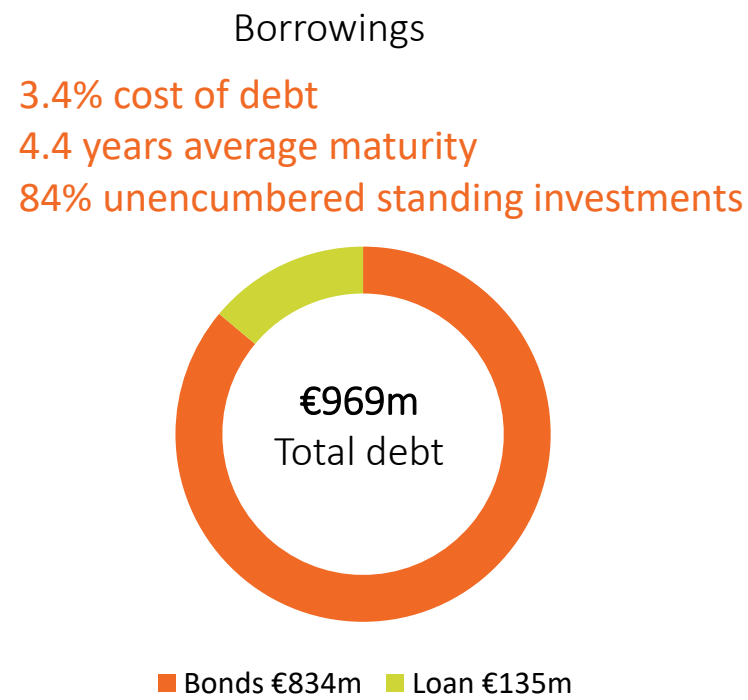
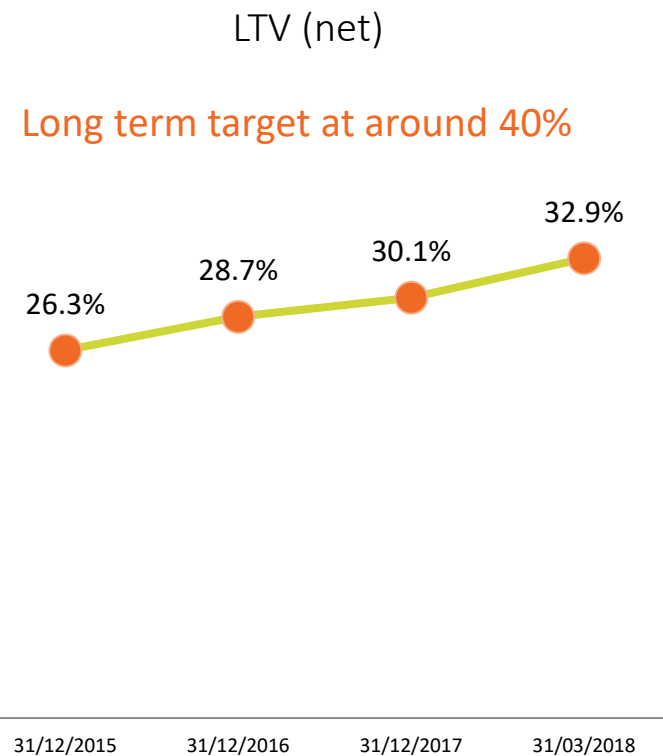


Company Adjusted EPRA Earnings per share and Dividend per share
(in € cents)



AMPLE LIQUIDITY WITH A €300 MILLION REVOLVER CREDIT FACILITY AND A 32.9% NET LTV

- Cash and marketable securities of €49m (31/12/17: €92m)
- €75m increase in revolving credit facility to €300m with an expiry in 2023
- ↓€2m in financial expenses compared to Q1 2017- bank refinancing in 2017 and impact of foreign currency differences





STRONG OPERATIONAL PERFORMANCE IN Q1 2018

PERFORMANCE

- ↑4.1% LFL NRI growth, ↑2.5% excl. Russia
- Strong EBITDA of €41m, 89% EBITDA margin
- €30m stable adj. EPRA earnings despite disposals
- ↓€2m admin. in Q1 2018 following €10m the cost saving programme initiated in March 2017

PORTFOLIO

- Portfolio repositioning led to 38* assets as of today @ €2.5bn value
- Effective exit of Hungary and Romania
- Redevelopments – 3 openings in Warsaw by the end of 2018
- Pursuing acquisition targets

CAPITAL MANAGEMENT

- €75m increase in revolving credit facility to €300m, unutilised to support growth
- €cents 14 per share special dividend paid in March 2018

OTHERS

- Legacy legal arrangement: payments to eligible claimants are in progress with €40m paid to date and €4m estimated to pay

*Excl. a €95m asset in Romania and €10.3m asset in Slovakia for which we signed sale agreements in Apr. 2018

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THANK YOU

