ATRIUM European Real Estate

CREATING
GREAT
PLACES

H1 2020 FINANCIAL RESULTS PRESENTATION

ATRIUM IN A SNAPSHOT AND BUSINESS OVERVIEW

CE portfolio focused on quality urban assets in Warsaw and Prague

Strong liquidity and financial flexibility, Investment Grade Rating

Strategy in place to diversify portfolio into residential for rent

€2.5bn
standing investment portfolio

€1.6bn Poland
€1.0bn 5 assets Warsaw

€0.5bn Czech
€0.4bn 2 assets Prague

36.1% net LTV

5.0 yr average maturity

6.5% net equivalent yield (31/12/2019: 6.4%)

2.9% cost of debt

95.4% EPRA occupancy

5.3 yr WALT

4.65 EPRA / NAV per share (€)

The portfolio figures exclude 5 assets classified as held for sale.

PRE COVID-19 THE COMPANY CONTINUED TO PERFORM WELL

- Strong LFL NRI of +3% in Poland and Czech[1]
- Tenant sales +8% January / February
- Footfall stable in January / February YoY
- Q1 collection rate 97%
- Portfolio Strategy execution continued with the sale of Atrium Duben in Slovakia for €37m

[1] Q1 2020 excl impact of COVID-19

LOCKDOWN PERIOD (MID MARCH TO MAY / JUNE)

- Shopping centres are closed
- Company action plan
  - Implementation of health and safety measures
  - Dialogue with tenants on a joint solution
  - Capital expenditures reduction
  - Operational and administrative cost reduction
  - Postponement of Redevelopment investments
  - Extending liquidity: Bond refinancing
  - A voluntary scrip dividend programme

WHERE WE STAND TODAY

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Operational performance

- 87% GLA reopen (92% excl. Russia)
- Tenant discussions extend into Q3 2020
- Footfall and sales gradually recovering to pre- COVID-19 levels
- Focus on collections, H1 2020 76%

Liquidity and financial strength

- €95m cash, €200m unutilised credit facility as of today
- Next bond repayment of €242m in October 2022
- Net LTV 36.1%, 5 YR maturity
- Completed the sale of 5 assets in Poland for €32m
- A voluntary scrip dividend programme for Q2-Q4 dividends

92% OF GLA IN POLAND, CZECH AND SLOVAKIA IS OPEN

	Closing date of non-essential services	During Lockdown (Open / Closed)	Opening date	As at 3/8/2020 (Open / Closed)
Poland	14/3/2020	17% / 83%	4/5/2020	91% / 9%
Czech Republic	15/3/2020	15% / 85%	11/5/2020	95% / 5%
Slovakia	16/3/2020	13% / 87%	20/5/2020	100% / 0%
Group (excl. Russia)		16% / 84%		92% / 8%
Russia	28/3/2020	30% / 70%	As from 1/6/2020 [1]	76% / 24%
Group		21% / 79%		87% / 13%

[1] Shopping centres have begun to open in June.

As of today 6 of our 7 shopping centres in Russia are open.

Open Closed

MOMENTUM CONTINUES TOWARDS PRE-COVID-19 LEVELS

Consumers gain confidence in the public health measures that have been taken

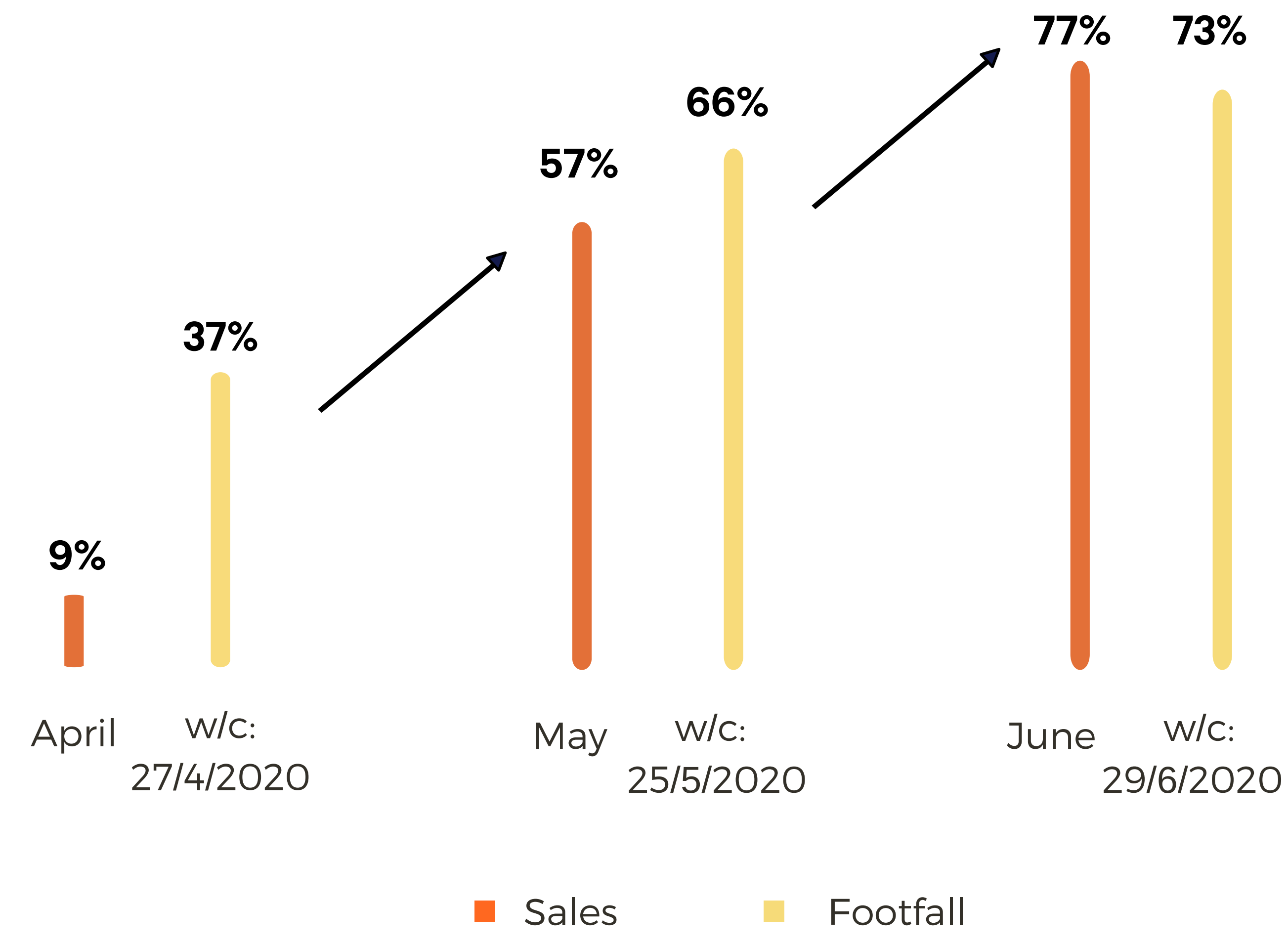
June sales at **77%**[1] vs last year

Footfall at **73%**[1] in the first week of July vs the same week in 2019

Sales are down less than footfall: Higher **conversion** and average **basket**

Positive footfall and sales trend in **July**

Footfall and sales as a % of last year levels[1]



1 Excl. Russia which opened later.

FOOTFALL GRADUALLY RETURNING TO PRE-COVID-19 LEVELS

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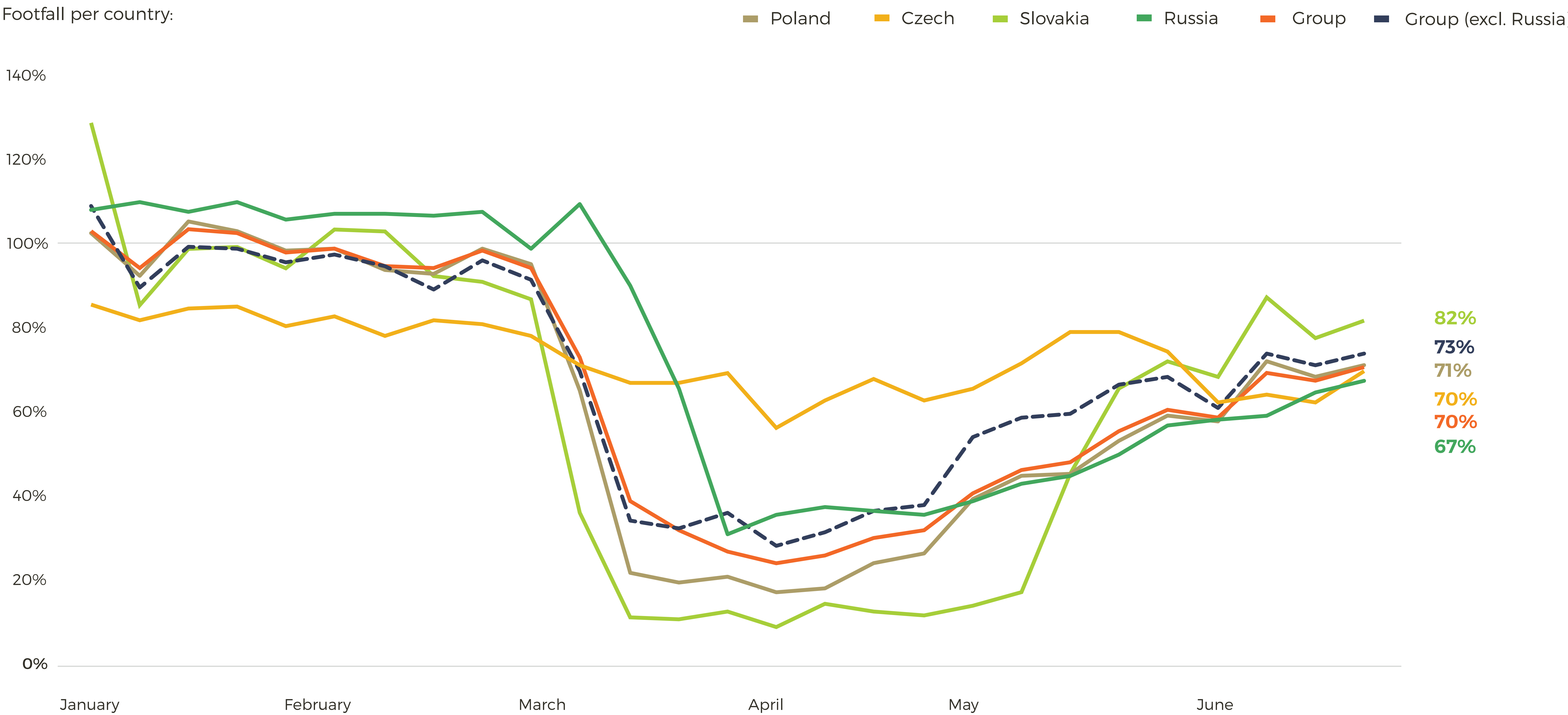
Footfall excl. Russia 73% YoY in first week of July

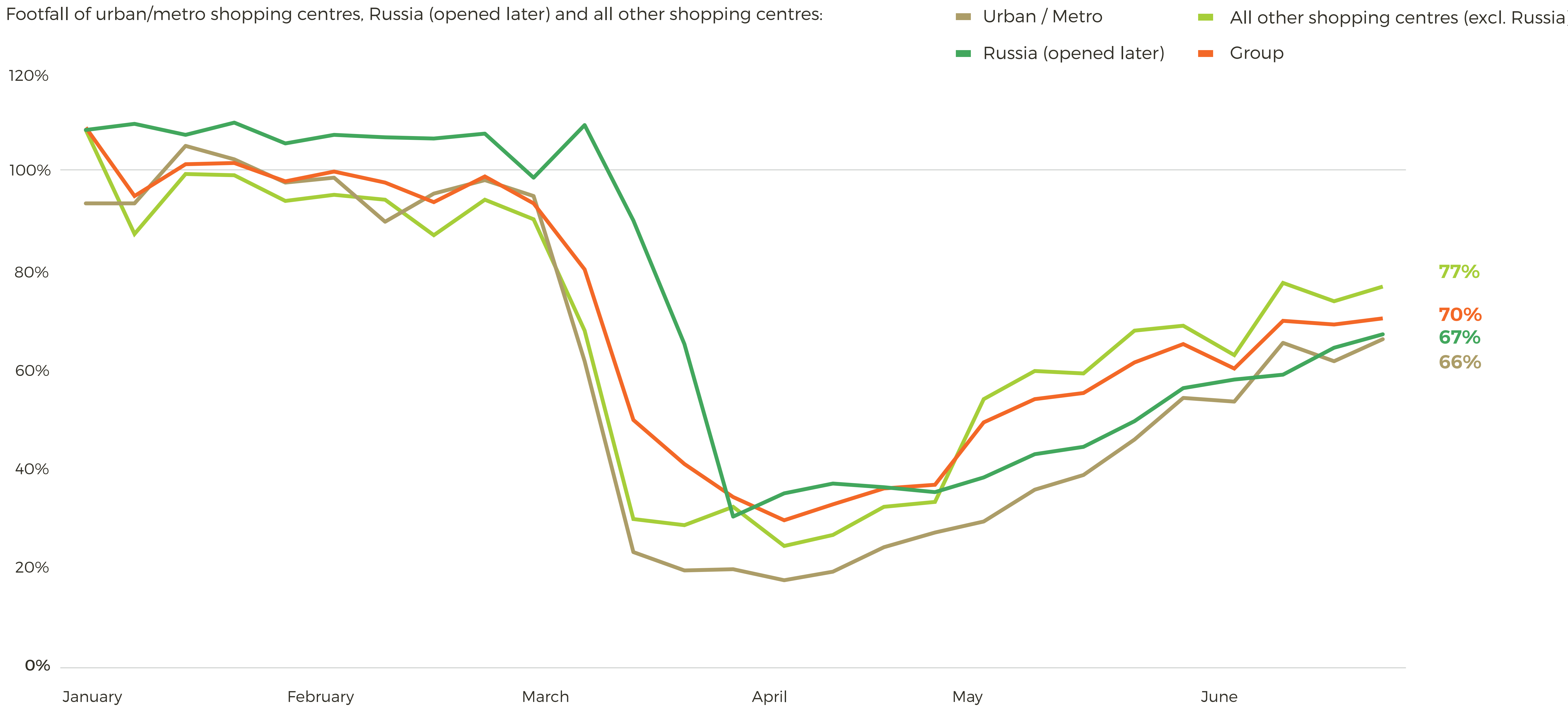
Footfall per country:



Excl. assets held in Joint Ventures.

URBAN CENTRES ARE STILL LAGGING

Footfall of urban/metro shopping centres, Russia (opened later) and all other shopping centres:



Excl. assets held in Joint Ventures

SALES PICKING UP TO PRE-COVID-19 LEVELS

Sales per country

	June 2020
Poland	-26%
Czech Republic	-15%
Slovakia	-1%
Group (excl. Russia)	-23%
Russia	-56%
Group	-30%

Urban centres are recovering more slowly

	June 2020
All other shopping centres[1]	-19%
Urban / Metro	-37%
Russia[2]	-56%
Group	-30%

[1] Excl. Russia.

[2] Russia has opened later and one centre is still closed.

H1 2020 RESULTS OVERVIEW

COMPANY OPERATIONAL INDICATORS H1 2020

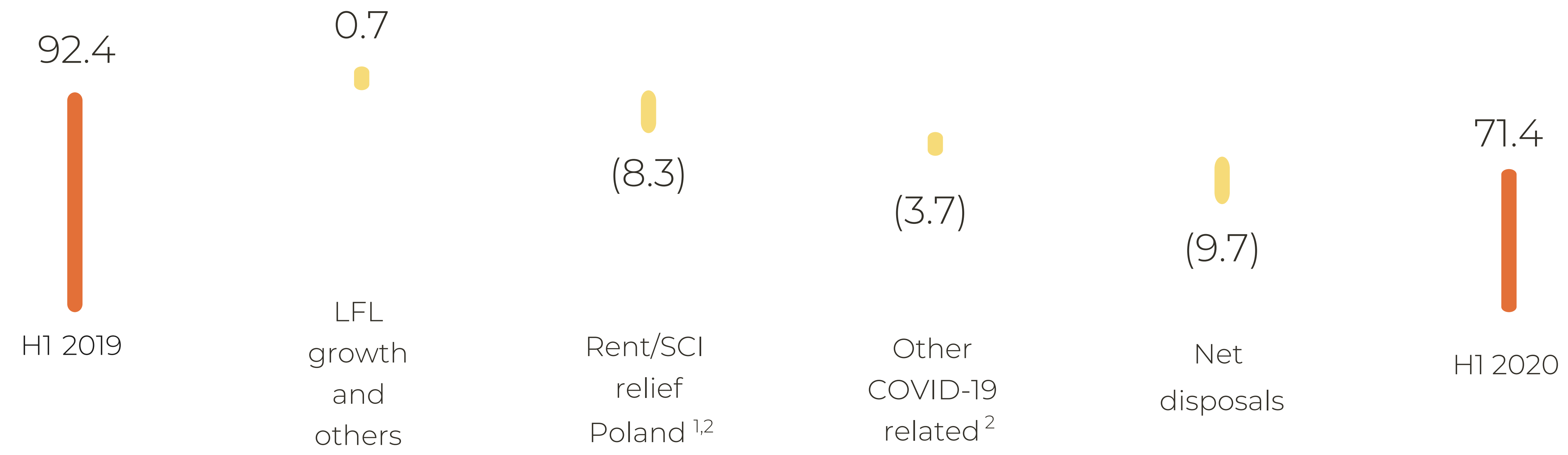
	H1 2020 (in €m)	H1 2019 (in €m)	Change (%/ppt)
Net rental income ("NRI")	71.4	92.4	(22.8)
NRI excl. impact of COVID-19 and disposals	93.1	92.4	0.7
EPRA Like-for-Like NRI	52.2	60.9	(14.2)
EBITDA	61.6	81.5	(24.4)
EBITDA excl. impact of COVID-19 and disposals	82.8	81.5	1.5
Company adjusted EPRA earnings per share (€ cents)	9.8	15.4	(36.4)
Occupancy rate (%)	95.4	97.0[1]	(1.6)
Operating margin (%)	90.0	95.8	(5.8)

1 As at 31/12/2019.

NRI -€21m vs H1 2019: €12m COVID-19, €10m DISPOSALS, OFFSET BY €0.7m LFL GROWTH

NRI decreased 22.8% due to COVID-19 and disposals

(in million €)



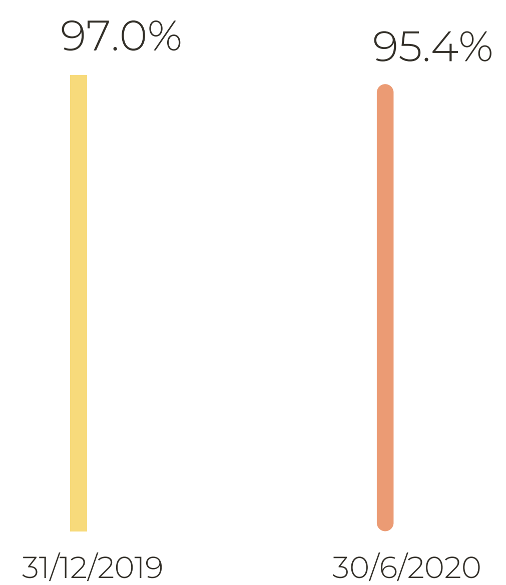
[1] Polish Government imposed rental/service charge relief for the lockdown period.

[2] Rent concessions from 1/4/2020 were straight-lined over the remaining lease term.

EPRA OCCUPANCY REMAINS HIGH AT 95.4%

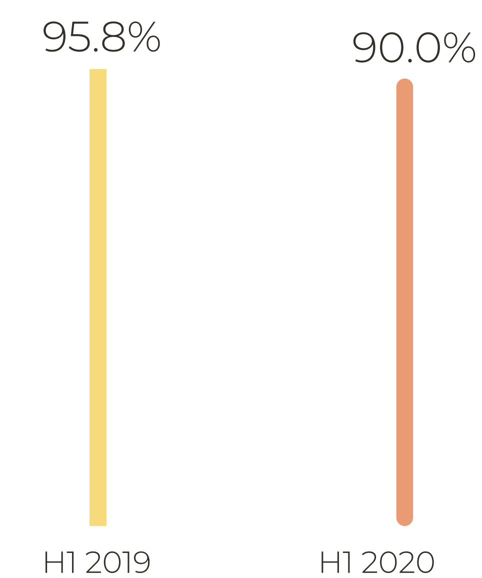
95.4% Occupancy
(30/6/2020)

- High occupancy due to proactive asset management and tenant support



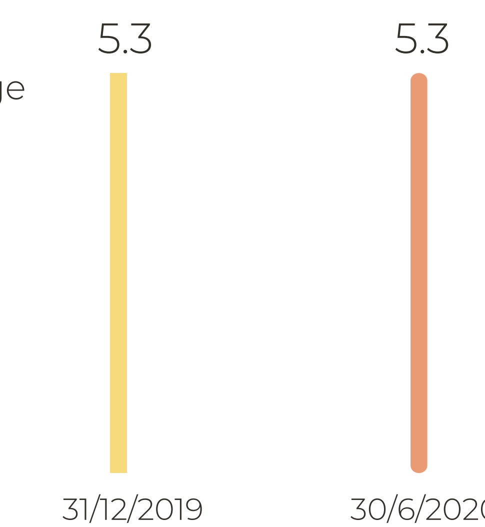
Operating margin

- -4.3% due to COVID-19 (Poland Government service charge relief)
- -1.5% redevelopments and others



5.3 YR WALT
(30/6/2020)

- Tenant support in exchange for lease prolongations are expected to further extend the Group average lease duration



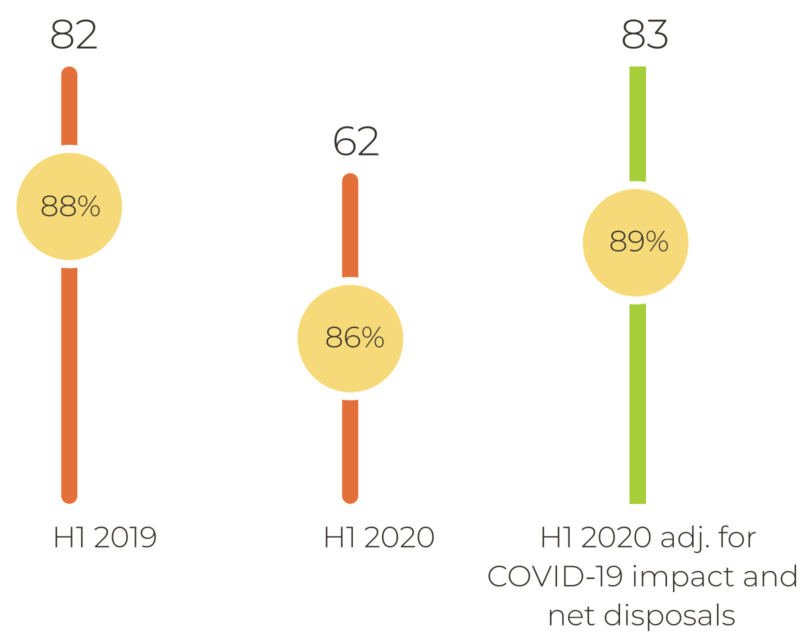
EARNINGS: IMPACT OF COVID-19 AND DISPOSALS

Underlying EBITDA and EBITDA margin are stable

(in million €)

EBITDA as % of NRI

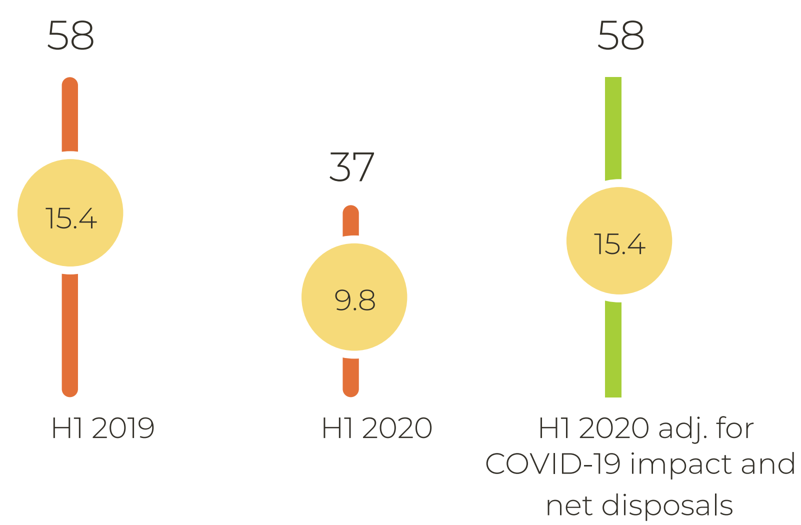
- €1m reduction in admin cost already achieved in H1 2020



Underlying Adj. EPRA Earnings unchanged

(in million €)

Company adjusted EPRA earning p.s. (€ Cents)

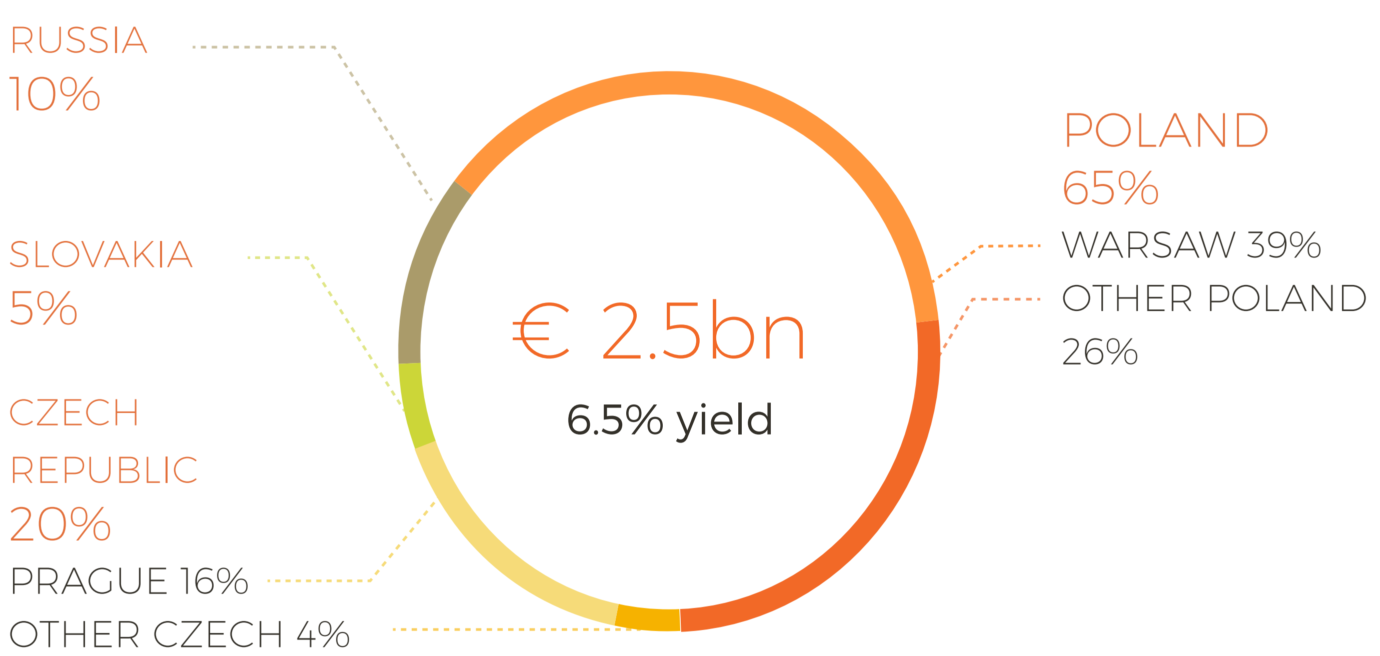


RESILIENT WARSAW AND PRAGUE CENTRIC ASSET BASE

€88m devaluation - yield expansion and short term tenant support

- **Warsaw Prague quality assets - more resilient**
- **Prague and Warsaw valuation change -2.7%, total portfolio excl. Russia -2.9%**

Portfolio overview



	Market value 30/6/2020 €m	Revaluation H1 2020 €m	Revaluation H1 2020 %	NEY[1] 30/6/2020
Warsaw	981	(26.7)	(2.7%)	5.3%
Other Poland	663	(26.9)	(3.9%)	6.7%
POLAND	1,644	(53.6)	(3.2%)	5.9%
Prague	408	(11.8)	(2.8%)	5.3%
Other Czech	102	(2.4)	(2.3%)	6.0%
CZECH	510	(14.2)	(2.7%)	5.4%
Slovakia	121	-	-	6.7%
SUBTOTAL	2,275	(67.8)	(2.9%)	5.8%
Russia	268	(20.1)	(7.0%)	12.7%
TOTAL	2,543	(87.9)	(3.3%)	6.5%

Property valuation is down 3.3%

-2.0% market effect

-1.3% one time cash flow effect

NEY 6.5%, up 10 bps

+12 bps on average in Warsaw and Prague

+21 bps in other cities

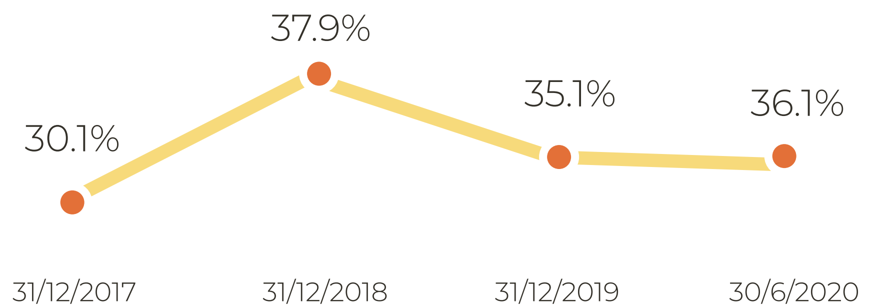
The portfolio figures exclude 5 assets classified as held for sale sold in July

A STRONG FINANCIAL POSITION TO MANAGE LIQUIDITY NEEDS

Net LTV 36.1%

€297m[1] liquidity
30/6/2020

40% remains our long term target



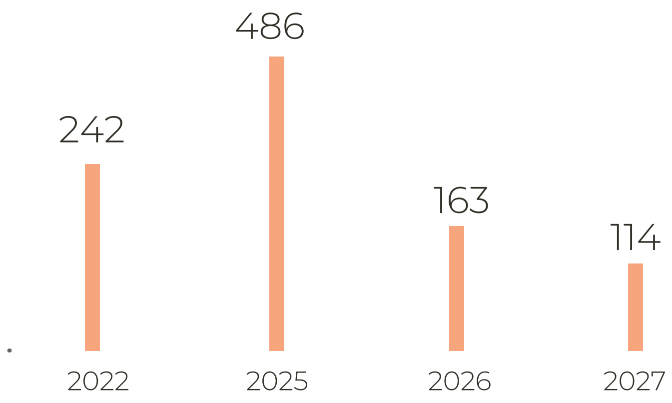
[1] €247m cash, €50m unutilised credit facility as at 30/6/2020

Bond and loan maturities[2]

(in million €)

5.0 years
average maturity

- Successful €200m bond tap and €218m bond buyback in June 2020
- Next bond repayment of €242m is not due until October 2022



[2] Excluding utilised revolver credit facility

Financial Performance Indicators

EPRA NAV per share

€4.65

31/12/2019 €4.96

Cost of Debt[3]

2.9%

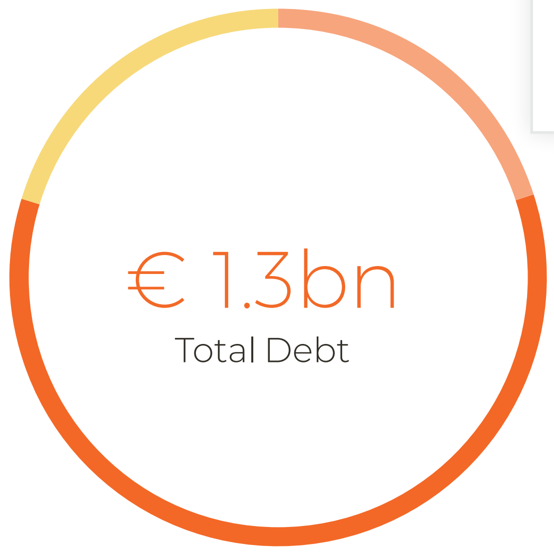
[3] Excluding utilised revolver credit facility

Borrowings

(as at 30/6/2020)

Bonds	€728m
Loans	€299m
RCF[4]	€250m

Moody's: Baa3 (negative)
Fitch: BBB (stable)



72%/€1.8bn
unencumbered standing investments

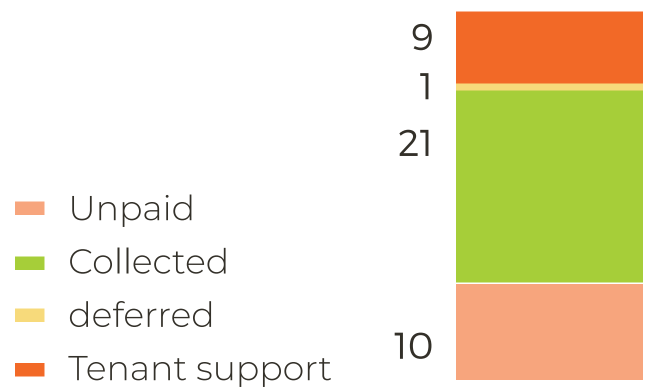
[4] €150m repaid in July 2020

COLLECTED 76% OF NON-DEFERRED H1 2020 INVOICED AMOUNT: 97% FOR Q1 AND 53% FOR Q2

€41m of Q2 2020 invoices

(net of €10m Polish government relief [1])
(in million €)

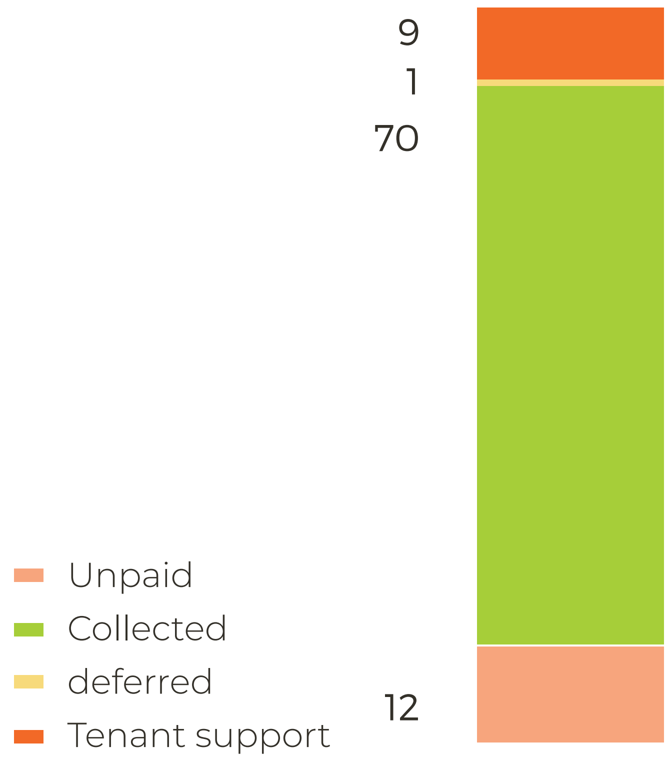
53%
collection rate on non-deferred income



€92m of H1 2020 invoices

(net of €14m Polish government relief [1])
(in million €)

76%
collection rate on non-deferred income



On a cash basis, excl. VAT and 75% stake in an asset held in JV

[1] The imposed rent and service charge income reliefs in Poland during the closed period were not invoiced (see next slide)

Q2 COLLECTION IMPROVES ALONG WITH PROGRESS IN DISCUSSIONS WITH TENANTS

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€14m

Polish Government imposed rental/service charge relief for the lockdown period based on the assumption that all tenants will apply

(€4.7m in Q1, €9.6m in Q2)

€9m

short term tenant support
Discounts / Rent Holidays etc.

- In return for lease prolongations, lease modifications, e.g. click and collect sales

Tenant support limited to 2020

€10m

unpaid rent

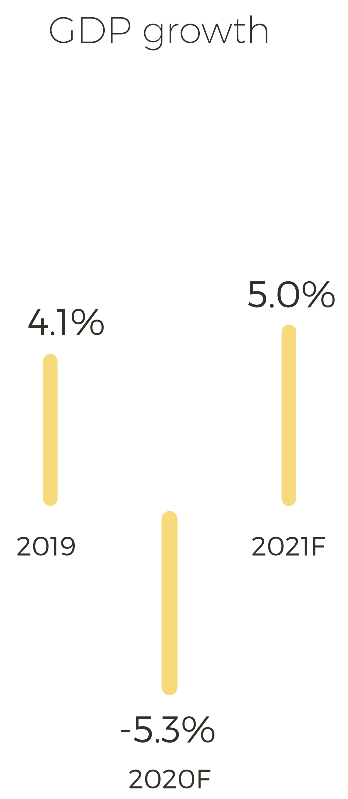
- 60% (€6m) tied to tenant relief packages under negotiation, collection H2 2020
- 20% (€2m) expected to be collected
- 20% (€2m) expected credit loss
- Credit loss approx. 50% covered by deposits and guarantees

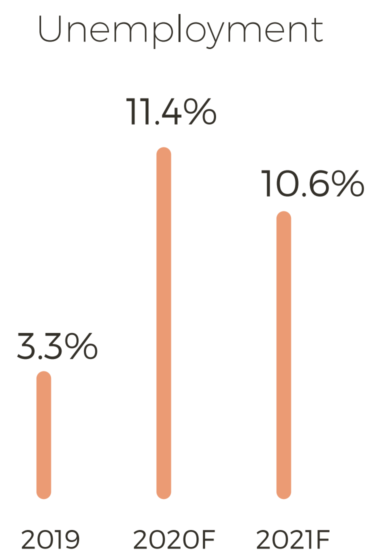
CE MACRO FUNDAMENTALS AND SUMMARY

POLAND AND CZECH - STRONG RECOVERY EXPECTED BEYOND 2020

- CE countries go into the crisis in much better shape financially than Western Europe and responded quicker to COVID-19
- Poland and Czech implemented early and effective lockdowns and as a result have already been able to ease restrictions
- Growth contraction and fiscal support packages will see fiscal deficits and debt ratios spike, however Poland and Czech had moderate debt ratios to begin with
- Considerable hit from COVID-19:
  - GDP in Poland and Czech expected to be -5.3% and -6.0% respectively in 2020, **rebound expected in 2021 to +5.0% in Poland and +5.5% in Czech**
  - Retail sales growth in 2020 is expected to fall to -5.0% for Poland and -6.3% for Czech, **rebound expected in 2021 to +6.0% in Poland and +5.3% in Czech**

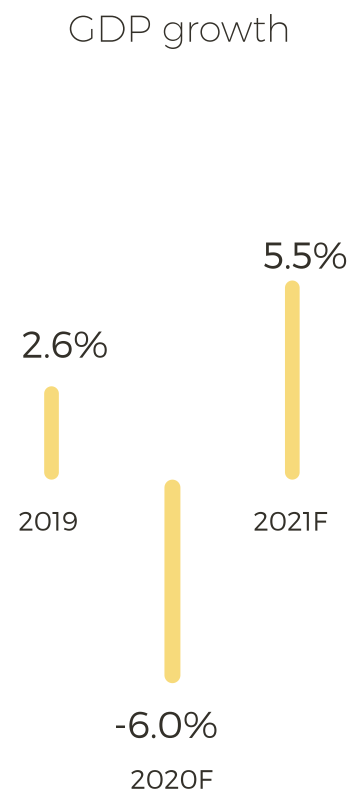
Poland

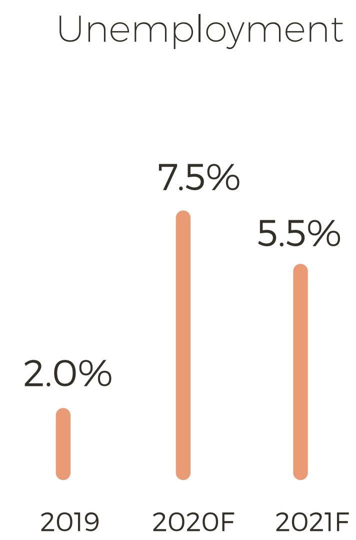




Source: IMF, Capital Economics

Czech Republic





Source: IMF, Capital Economics

SUMMARY H1 2020

H1 2020 operating results affected by COVID-19 and disposals, underlying performance stable

Momentum gradually building to pre-COVID-19 footfall and sales levels

Strong liquidity and financial flexibility

Strategy execution: asset rotation & diversification into residential for rent

Robust recovery forecast in CE economies in 2021

Net LTV
36.1%
with financial flexibility

Strong liquidity:
€247m
cash
€50m
unutilised credit facility

GLA open:

Poland	91%
Czech	95%
Slovakia	100%
Russia	76%
Group	87%

6.5%
net equivalent yield
2.9%
cost of debt

95.4%
EPRA occupancy
5.3 yr
WALT

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