



First Half 2019 trading update

Continuing growth of urban portfolio in capital cities

Jersey, 31 July 2019, Atrium European Real Estate Limited (VSE/Euronext: ATRS), (the “Company” and together with its subsidiaries, the “Atrium Group” or the “Group”), a leading owner, operator and redeveloper of shopping centres and retail real estate in Central Europe, provides an update on trading for the six months ended 30 June 2019.

KEY FINANCIAL FIGURES FOR THE PERIOD

	6M 2019 €m	6M 2018 €m	CHANGE
Net rental income excl. Russia	74.6	71.7	4.0%
EPRA Like-for-Like net rental income excl. Russia	40.5	39.9	1.5%
Net rental income	92.4	91.8	0.6%
EPRA Like-for-Like net rental income	51.5	51.2	0.5%
EBITDA	81.0	80.9	0.2%
Company adj. EPRA earnings per share (in €cents)	15.4	15.6	(1.2%)
Cost of financing (in %)	3.1	3.4	
Average debt maturity (in years)	4.9	4.2	
Net LTV (in %)	39.3	33.5	

Highlights

- Continued progress in executing the Group’s strategy to focus the portfolio towards prime shopping centres in Warsaw and Prague:
 - In July 2019 we completed the sale of two Polish shopping centres, Atrium Koszalin, in Koszalin and Atrium Felicity, in Lublin, for €298m or around 3% above book value, and signed an agreement to sell Atrium Duben in Zilina, Slovakia at book value (€37m)
 - Acquisition of Atrium’s fifth Warsaw asset, King Cross shopping centre, for €43m in June 2019. A well-connected and established centre with a diverse tenant mix and future redevelopment opportunities
 - Monetised 13% of our land bank in January 2019 with the completion of a €28m land disposal in Gdansk, Poland at around book value
- 1.5% improvement in EPRA like-for-like net rental income (“NRI”) excluding Russia, or 0.5% growth across the whole portfolio
- LFL NRI in Russia decreased by 2.7%, mainly as a result of specific tenants exiting the Russian market and subsequent re-tenanting initiatives
- Higher quality cash flow generated from acquisitions and the opening of three extensions in Warsaw in Q4 2018, offsetting the impact of disposals, including the strategic exit from Hungary and Romania

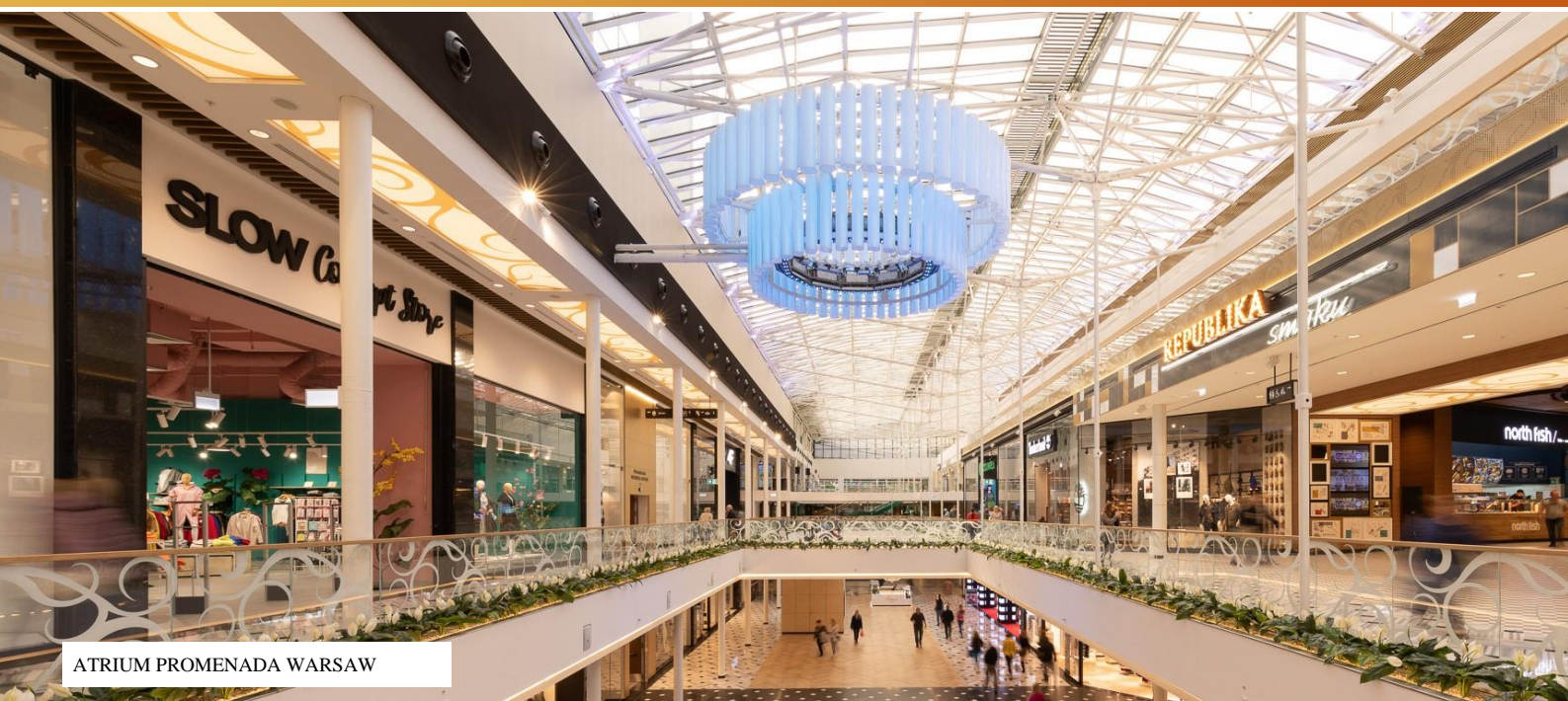
- Strong occupancy and operating margin of 95.2% and 95.8%, respectively
- EBITDA and EBITDA margin stable at €81m and 88%
- Company adjusted EPRA earnings per share was 15.4 €cents, 1.2% lower than in the comparable period, driven by an increase in financing costs due to a higher debt level
- EPRA NAV per share €5.05, a 0.4% increase on year end 2018
- Net LTV was 39.3% as at 30 June 2019, which is expected to decrease to approximately 34% following the disposal of Atrium Koszalin and Atrium Felicity
- €189m of cash and €300m of RCF available as at 29 July 2019

Liad Barzilai, Chief Executive Officer of Atrium Group, commented:

“The first half of 2019 has been yet another successful period where we have undertaken effective capital recycling and are seeing the true benefits of the refurbishments, particularly in our Warsaw assets. Our management focus remains on the continued implementation of our strategy and the delivery of positive operational results.”

Recommended cash acquisition by Gazit-Globe Ltd. (“Gazit”)

- The Independent Committee of the Board of Directors of the Company and the Board of directors of Nb (2019) B.V. (“Bidco”), which is an indirect wholly-owned subsidiary of Gazit, on 23 July 2019 announced that they have reached an agreement on the terms and conditions of a recommended cash acquisition (the “Acquisition”) of the entire issued and to be issued ordinary share capital of the Company that is not already owned directly or indirectly by Gazit or its affiliates (including, in particular, Gazit Gaia Limited (“Gaia”) or Gazit Midas Limited (“Midas”)). It is intended that the Acquisition will be implemented by means of a court-sanctioned scheme of arrangement under Article 125 of the Jersey Companies Law. At the date of the Announcement, Gazit and its affiliates Gaia and Midas together owned approximately 60.1% of the Company's issued share capital.
- In connection with the Acquisition, the Independent Committee of the Board of Directors has agreed to stop dividend payments by the Company as Gazit's offer assumes that no further regular dividends will be paid until the completion of the transaction which is scheduled for 02 January 2020.
- The announcement (and other reference materials) can be found on the Company's website at <https://www.aere.com/investors-lobby.aspx> and questions related to it can also be submitted in writing to ol-renoir-ubs@ubs.com



Further information can be found on the Company's website www.aere.com or for Analysts:

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About Atrium European Real Estate

Atrium is a leading owner, operator and redeveloper of shopping centres and retail real estate in Central Europe. Atrium specializes in locally dominant food, fashion and entertainment shopping centres in the best urban locations. Atrium owns 32 properties with a total gross leasable area of over 870,000 sqm and with a total market value of approximately €2.7 billion. These properties are located in Poland, the Czech Republic, Slovakia and Russia, and with the exception of one, are all managed by Atrium's internal team of retail real estate professionals.

The Company is established as a closed-end investment company incorporated and domiciled in Jersey and regulated by the Jersey Financial Services Commission as a certified Jersey listed fund, and is listed on both the Vienna Stock Exchange and the Euronext Amsterdam Stock Exchange. Appropriate professional advice should be sought in the case of any uncertainty as to the scope of the regulatory requirements that apply by reason of the above regulation and listings. All investments are subject to risk. Past performance is no guarantee of future returns. The value of investments may fluctuate. Results achieved in the past are no guarantee of future results.