



## Nine months 2019 trading update

### Continued portfolio growth in Warsaw and Prague

Jersey, 7 November 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 nine months ended 30 September 2019.

#### KEY FINANCIAL FIGURES FOR THE PERIOD

	9M 2019 €m	9M 2018 €m	CHANGE
Net rental income excl. Russia	106.7	104.7	1.9%
EPRA Like-for-Like net rental income excl. Russia	45.0	44.3	1.6%
Net rental income	133.4	135.0	(1.2%)
EPRA Like-for-Like net rental income	61.4	61.2	0.3%
EBITDA <sup>(1)</sup>	116.8	118.3	(1.3%)
Company adj. EPRA earnings per share (in €cents)	21.3	22.4	(4.7%)
Net LTV (in %)	33.5	31.3	

#### Highlights

- Continued momentum in implementing the Group’s strategy focusing on prime shopping centres in Warsaw and Prague:
  - In July 2019, the Company completed the sale of two Polish shopping centres for €298m, at around 3% above book value, and reached an agreement for the €37m sale of Atrium Duben in Zilina, Slovakia at book value
  - Acquisition in June of King Cross, Atrium’s fifth Warsaw shopping centre, for €43m. King Cross is a well-connected and established centre with a diverse tenant mix and future redevelopment opportunities
- 1.6% growth in EPRA like-for-like net rental income (“NRI”) excluding Russia, or 0.3% growth across the whole portfolio
- NRI broadly flat as pick up from acquisitions and completed redevelopments in Warsaw offset disposals
- Strong occupancy and operating margin of 95.9% and 94.6%, respectively
- EBITDA<sup>(1)</sup> and EBITDA margin remained stable at €117m and 88% respectively (€118m and 88% in 9M 2018)
- Company adjusted EPRA earnings per share was 21.3 €cents, 4.7% lower than in the comparable period mainly following the reduction in revenue resulting from asset disposals

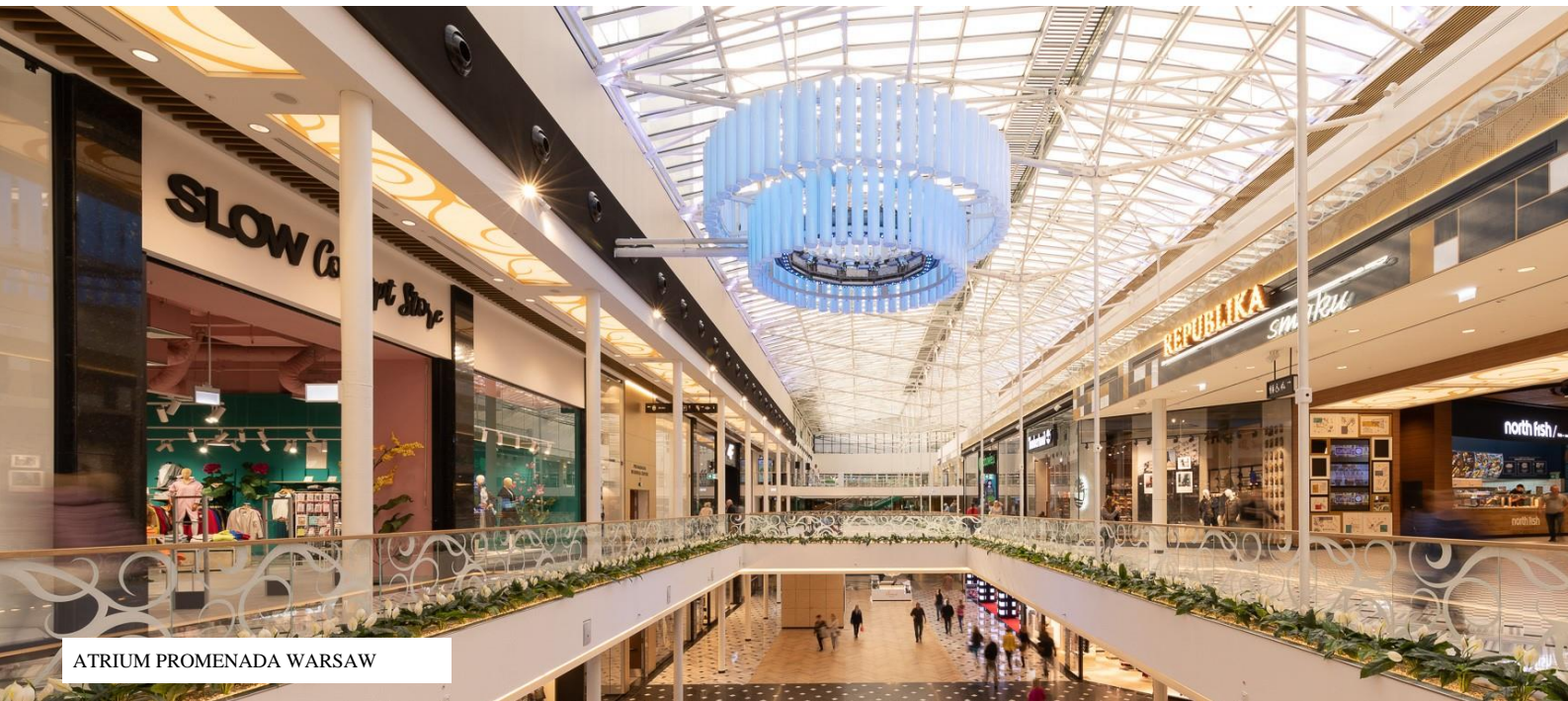
- Significant liquidity to support growth with a 33.5% net LTV as at 30 September 2019 and €300m unutilized revolver credit facility
- Further to its announcement of 23 July, in connection with the recommended cash acquisition to be implemented by means of a court sanctioned scheme of arrangement by Nb (2019) B.V., an indirect wholly-owned subsidiary of Gazit-Globe Ltd on 25 October, Atrium published an update relating to the Court Meeting held that day. During the Court Meeting, the requisite level of support for the scheme was not obtained from the shareholders and accordingly the scheme has lapsed. The full announcement is available on Atrium's website at: <https://www.aere.com/pressreleases.aspx>
- Following the announcement on 25 October 2019 of the lapse of the court-sanctioned scheme of arrangement, the Board is reviewing the distributions policy of the Company and intends to make a further announcement before the end of the year

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

“Operationally the main focus year to date has been the continuation of our portfolio rotation and repositioning strategy and it was particularly pleasing that we have agreed or completed €364 million of sales at or above book value in the year to date. We also further progressed our redevelopment and refurbishment programme which currently spans four of our assets and now includes two centres in the Czech Republic, Arkády Pankrác in Prague and Atrium Pardubice, in addition to Promenada and Reduta in Warsaw. The progress made with improving the portfolio quality is reflected in our financial results as new rental income from acquisitions and completed redevelopments in Warsaw offset the impact of recent disposals and assets currently under redevelopment, and led to solid growth in like-for-like NRI across our key geographies. The Russian portfolio's performance has now stabilised and we believe will benefit from both recent asset management and retenanting initiatives. We have also identified a number of further opportunities to invest in our portfolio which we are working hard to bring to fruition in the months ahead.”

“Finally, a short comment following the lapse of the offer by Gazit-Globe at the end of last month. We were pleased that both Gazit-Globe and our minority shareholders showed their support for the Company, its values, strategy and execution. As before, we will continue to work hard to execute our strategy and create value for all our shareholders.”

*(1) For 2019 the transaction costs in relation with the recommended cash acquisition by Gazit Globe Ltd. of €5m were adjusted*



ATRIUM PROMENADA WARSAW

Further information can be found on the Company's website [www.aere.com](http://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 31 properties with a total gross leasable area of over 850,000 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.*