

Creating great places!

Company presentation
March 2019



Creating great places!



ACCELERATING GROWTH IN A CHANGING RETAIL ENVIRONMENT

Our core principles:

- Owning irreplaceable assets in strong, attractive urban destinations
- Strengthening our portfolio through redevelopments and extensions and portfolio rotation
- Being at the heart of the community – creating a place with an offer that meets the needs and wants of our catchment
- Forging strong, long term relationships with our tenants - working together to ensure our centres work for them
- Innovation - anticipating and reacting to changes
- Executonal excellence setting the standard for the whole company
- Our customers, Our place, Our people – creating a sustainable future

Build and retain loyalty ➤ Grow and retain footfall



2018 STRATEGY EXECUTION

ASSET ROTATION, REDEVELOPMENTS AND STRONG ASSET MANAGEMENT DRIVE PORTFOLIO QUALITY

Focus On Warsaw & Prague, Growth In Core Countries

- Wars Sawa Junior in Warsaw, Poland acquired for €301.5m
- Exit Hungary and Romania, Czech rotation completed, disposals @9% premium to book value
- Warsaw: 3 redevelopment openings in Q4 2018
- Takeover of the asset management of Atrium Dominikanska, Wrocław, Poland

→ **Portfolio yield tightened to 6.4%, valuation gains in Poland and Czech**

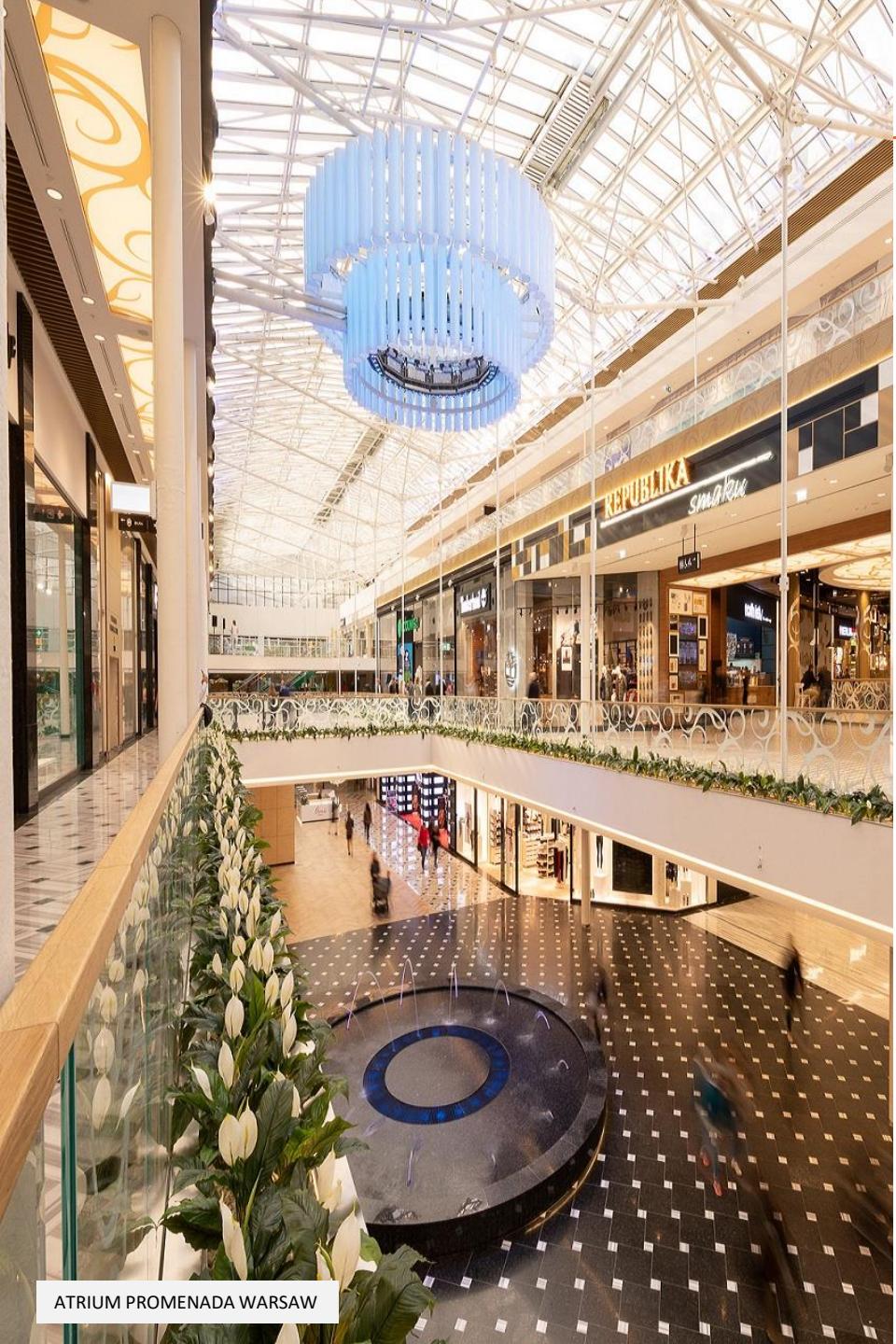
Hands On Asset Management Drives Operational Results

- Strong occupancy and operating margin at 96.6% and 96.4% respectively
- Phasing of portfolio repositioning and redevelopments impacted NRI by ↓€13m
- Net impact on annualised NRI from acquisitions, 3 openings in Warsaw and disposals was broadly neutral
- ↑1.2% LFL NRI growth, ↑1.8% excl. Russia
- EPRA cost ratio 16.8%, EBITDA margin reached 87%, €10m annual recurring cost saving completed

STRONG IMPROVEMENT IN DEBT PROFILE AND LIQUIDITY

Extended average maturity from 4.6 to 5.4 years, decreased cost of debt to c. 3%

- Issuance of €300m unsecured 7 year Eurobond @ 3% (repurchased €242m 2020 / 2022 Notes)
- €75m increase in the revolving credit facility to €300m, extended maturity to 2023
- Fitch upgraded to 'BBB', outlook "Stable", S&P & Moody's maintained -BBB, Moody's outlook "positive"



ATRIUM PROMENADA WARSAW

A PORTFOLIO FOCUSED ON QUALITY

31.12.2014

31.12.2018

€2.6bn	PORTFOLIO MARKET VALUE	€2.9bn
153	NUMBER OF ASSETS	34
7	NUMBER OF COUNTRIES	4
8,900 sqm	AVERAGE ASSET SIZE IN GLA	28,800 sqm
€17m	AVERAGE ASSET VALUE	€86m
97.4%	OCCUPANCY RATE	96.6%
95.1%	OPERATING MARGIN	96.4%
8.0%	NET EQUIVALENT YIELD	6.4%

Portfolio quality boost: €0.5bn prime asset purchased, €0.4bn secondary assets sold

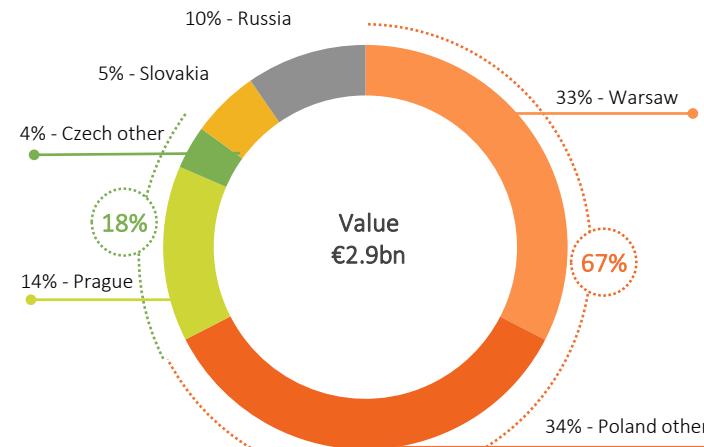
PRIME POLISH & CZECH ASSETS DOMINATE PORTFOLIO

STANDING INVESTMENT PORTFOLIO SPREAD

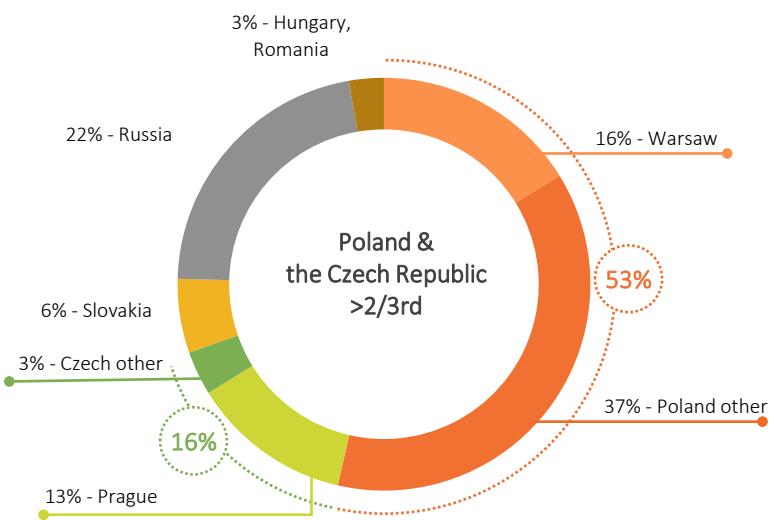


- Atrium owns 34 properties, over 980,000 sqm GLA with a market value of €2.9bn
- 85% of the portfolio is located in Poland and the Czech Republic
- Strong GDP growth in Poland and Czech (5.1% and 2.9% respectively)¹
- Approx. half of the portfolio is in Warsaw and Prague
- Focus on high quality assets in strong urban locations at the heart of their communities

GEOGRAPHIC MIX OF THE PORTFOLIO



NRI 2018 PER COUNTRY



NRI in Warsaw includes Wars Sawa Junior as from its acquisition in October 2018

¹ Source: Capital Economics



WARSAW: HEART OF THE PORTFOLIO

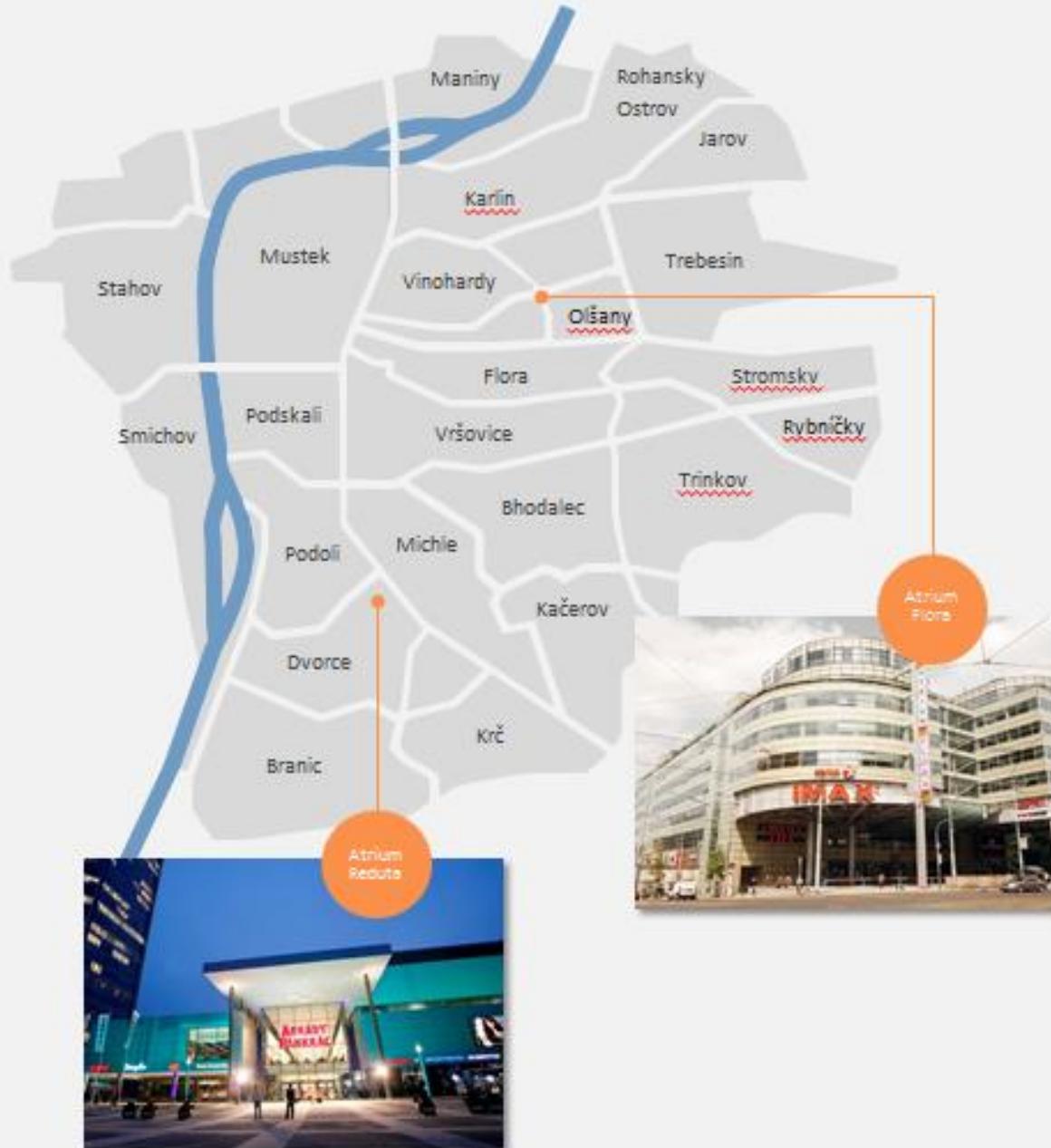
WARSAW THE HEART OF POLAND ¹

	Warsaw	Poland
Nr of inhabitants	1.7m	38m
Average salary	€1,424	€1,064
Unemployment	2.0%	5.7%
Retail Related Purchasing Power per inhabitant	PLN 16.2k	PLN 10.0k

- 4 prime assets in distinct catchment areas
- Over 170,000 sqm GLA, over €900m value
- 33% of the portfolio is located in Warsaw
- High occupancy levels and tenant demand
- Creating great places in a growing capital city
- In January 2019, received three Europa Property CEE Retail Awards: Developer of the Year, Investor of the Year and the best Retail Extension/ Refurbishment Project of the Year for Atrium Promenada

¹ Sources: Capital Economics, GfK proprietary data, Central Statistical Office of Poland

PRAGUE



PRAGUE THE HEART OF THE CZECH REPUBLIC ¹

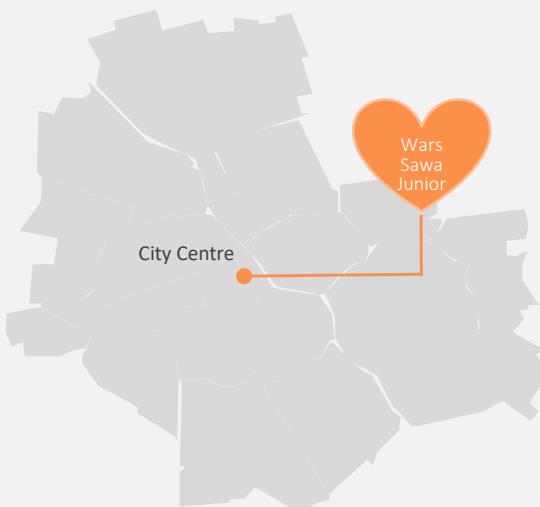
	Prague	Czech
Nr of inhabitants	1.3m	10.6m
Average salary	€1,846	€1,247
Unemployment	1.4%	2.1%

- 2 prime assets in distinct catchment areas
- App. 70,000 sqm GLA, over €400m value
- 14% of the portfolio is located in Prague
- High occupancy levels over 99%
- Providing the best shopping destinations in Prague

¹ Sources: Capital Economics, Czech Statistics Office

WARS SAWA JUNIOR IN THE HEART OF WARSAW

- An irreplaceable asset acquired in October for €301.5m
- 26,000 sqm of retail space
- An annual footfall of over 60 million in and around the asset
- Offers a further 11,000 sqm of office and storage space
- Central location and exceptional connectivity
- Anchor tenants: H&M, C&A, CCC, TK Maxx, Zara, Mango and LPP Group brands
- Future growth from asset management initiatives over time



Catchment area



10 minutes drive-time

Number of inhabitants 213,074

Retail Related Purchasing power per inhabitant PLN 18.1k



30 minutes drive-time zone

Number of inhabitants 1,632,148

Retail Related Purchasing power per inhabitant PLN 16.2k



Public transport:

24 bus lines; 6 tram lines, 2 metro lines

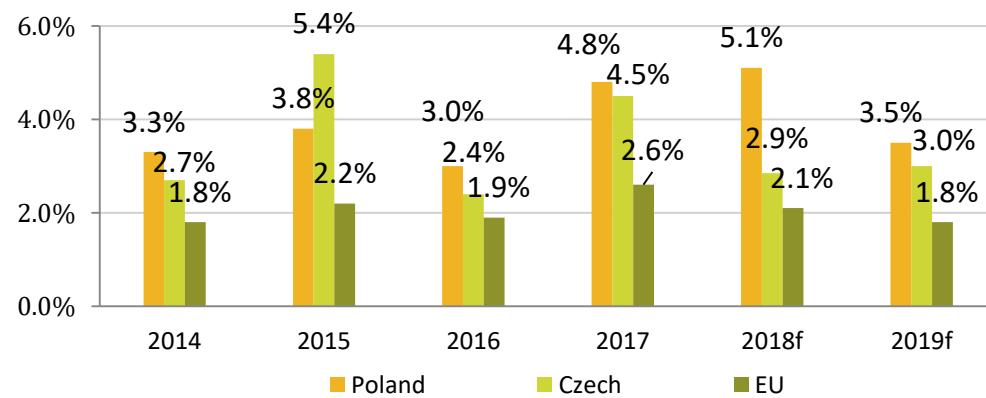


WARS SAWA JUNIOR, WARSAW

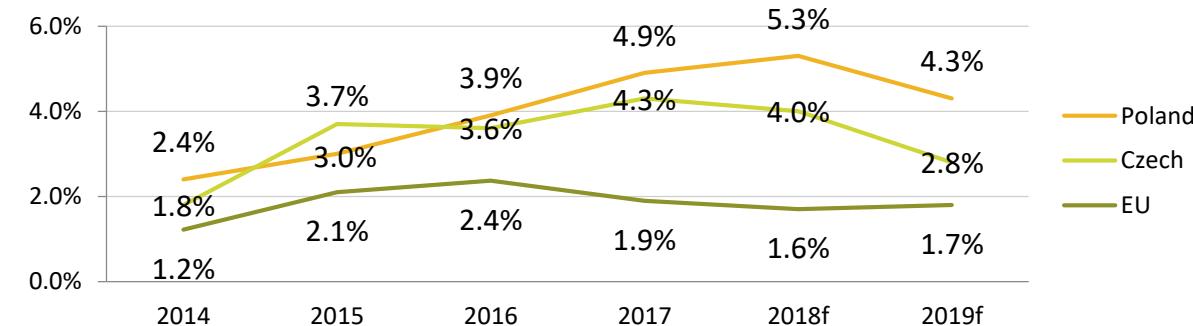
OUR MARKETS: 85% OF THE PORTFOLIO BY MARKET VALUE IS LOCATED IN POLAND AND THE CZECH REPUBLIC

- 5.1% and 2.9% 2018 forecast for GDP growth for Poland and the Czech Republic respectively, 3.5% growth for Poland and 3.0% for Czech in 2019
- 5.3% and 4.0% consumer spending forecast for 2018 for Poland and the Czech Republic respectively, 4.3% and 2.8% in 2019

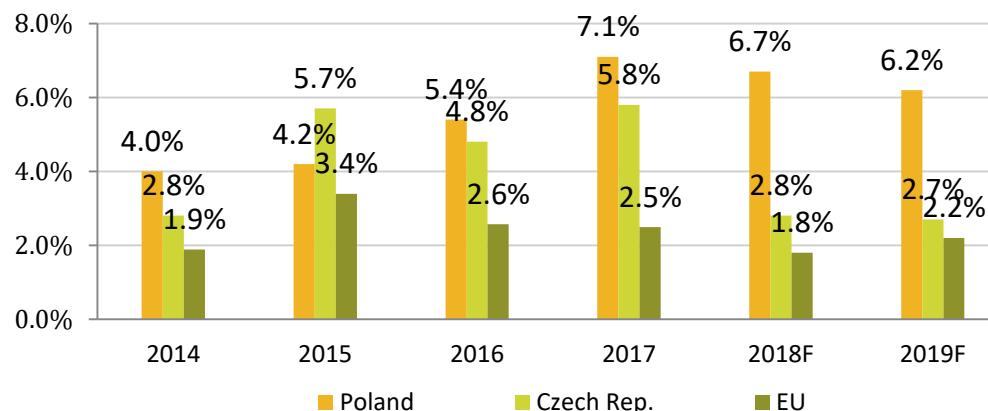
GDP growth (2014-2019F)



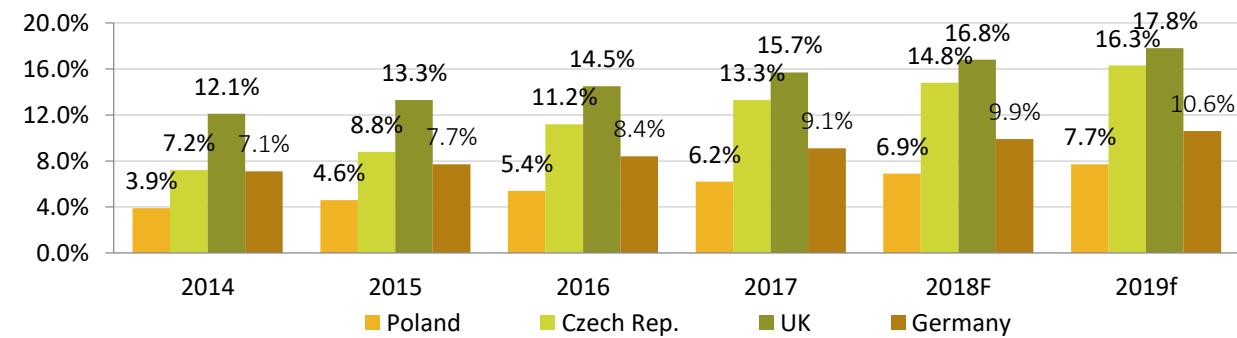
Consumer spending growth (2014-2019F)



Retail sales y/y (2014-2019F)



E-commerce penetration (2014-2019F)



Sources: Polish and Czech Statistical Office, Eurostat, Capital Economics

atrium promenada and atrium targowek redevelopments opened in 2018

atrium promenada



- Stage 2 opened in Oct. 2018
 - New food court experience, double shop fronts, refurbished fountain alley with flagship fashion stores
 - 7,800 sqm GLA completed to date
 - Increased GLA to 63,300 sqm as at year end
- The project includes a complete modernization coupled with a major extension of 47,600 sqm
- Almost doubling in size to c.100,000 sqm when completed in 2022

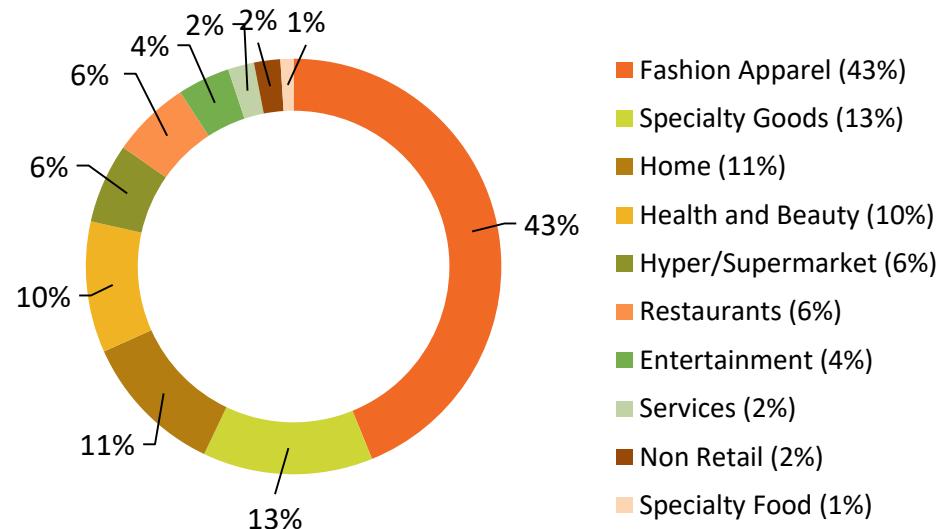
atrium targowek



- Increase GLA by 8,600 sqm
- Increased the number and size of dominant fashion anchor tenants
- 27 new retailers, a new food court and a kids zone
- Meeting anchor tenants' needs
- Overall refurbishment of the mall to be completed in 2019

RESILIENT INCOME AND STRONG TENANTS

TENANT MIX BY ANNUALISED RENTAL INCOME*



TOP TEN TENANTS - WELL KNOWN GLOBAL RETAILERS

% of Annualised Rental Income	Group name	Main brands
4.1%	LPP	RESERVED MOHITO sinsay
3.1%	Hennes & Mauritz	
3.0%	AFM	orsay
2.6%	Inditex	
2.3%	CCC	
2.2%	Metro Group	
1.7%	Kingfisher	
1.5%	Carrefour	
1.5%	EM&F Group	
1.3%	A.S. Watson	
23%	Top 10 tenants	

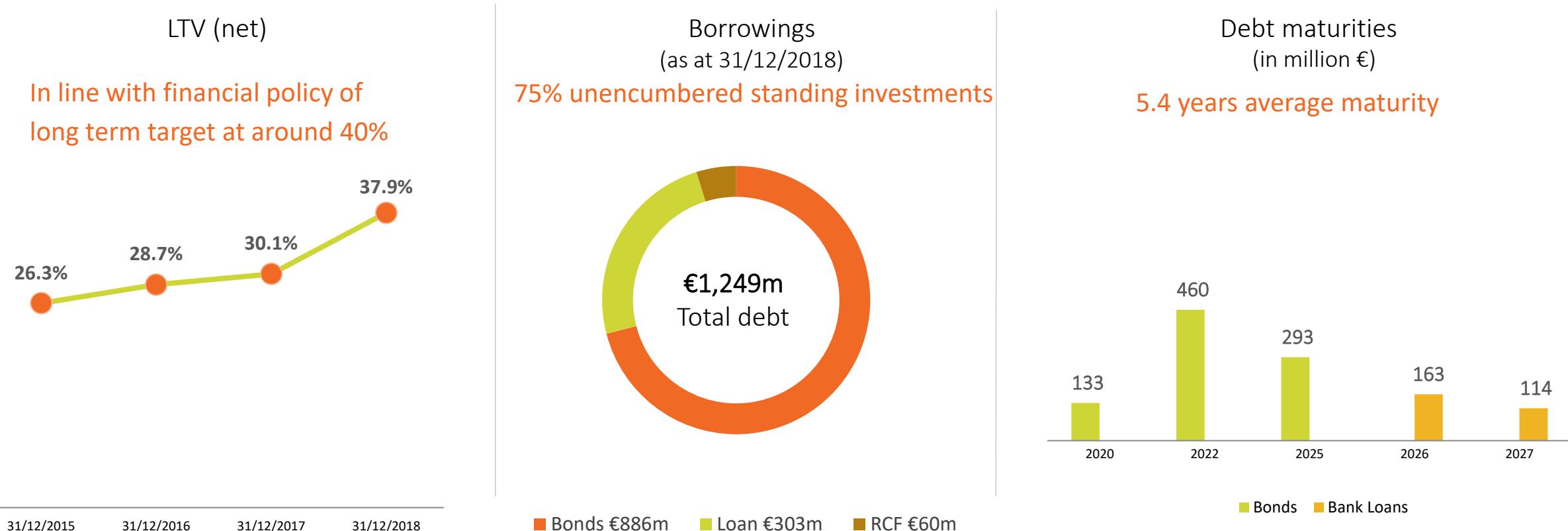
*As at 31.12.2018

PROACTIVE MANAGEMENT OF CAPITAL STRUCTURE SUPPORTING BUSINESS GROWTH

Extended debt profile to 5.4 years at a lower cost of c. 3%

Strategy execution together with improved liquidity and lowered risk profile was reflected in Fitch rating upgrade to 'BBB' with a stable outlook

- €75m increase in revolving credit facility to €300m and extended expiry to 2023 at lower cost (€240m unutilized 31/12/18)
- Issuance of €300m unsecured 7 year Eurobond and repurchase of €242m 2020/2022 Notes (60% take up on the 2020 notes)
- €170m long term 8 years secured bank loan on Wars Sawa Junior at 2.3%



STRATEGIC FOCUS & FUTURE GROWTH



PORTFOLIO REPOSITIONING AND REDEVELOPMENTS FUEL FUTURE SUSTAINABLE GROWTH

- High quality assets in strong urban locations
- Focus on Poland and the Czech Republic, the region's strongest economies
- In Oct. 2018, Atrium acquired Wars Sawa Junior for €301.5m, a prime retail asset in the centre of Warsaw
- Creating 60,000 sqm GLA in Warsaw by 2022
- Strong asset management
- Focus on placemaking



STRONG FINANCIAL PROFILE AND LIQUIDITY

- Cost of debt reduced to c.3% with an average maturity extended to 5.4 years
- €300m revolving credit facility
- 75% unencumbered standing investments



DIVIDEND DISTRIBUTION

- The Board of Directors has approved an annual dividend of €cents 27¹ per share for 2019 (to be paid as a capital repayment). The dividend will continue to be reviewed quarterly

¹ Subject to any legal and regulatory requirements and restrictions of commercial viability

2018 RESULTS



ATRIUM PROMENADA, WARSAW



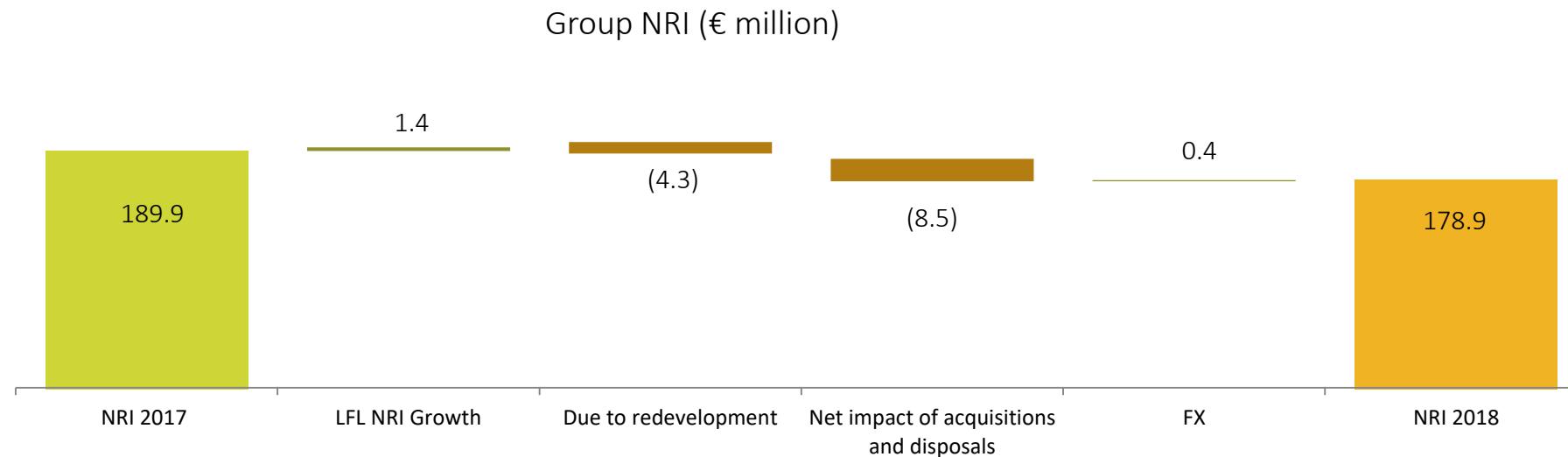
FINANCIAL HIGHLIGHTS

	2018 €M	2017 €M	CHANGE %
NET RENTAL INCOME			
NRI excl. new and disposed of assets/redevelopments	118.1	116.2	1.6%
NRI from new/disposed of assets/redevelopments	60.8	73.7	
Net rental income	178.9	189.9	(5.8%)
EPRA Like-for-Like NRI	118.2	116.8	1.2%
EPRA Like-for-Like NRI excl. Russia	79.0	77.6	1.8%
OPERATIONAL KPIs			
Operating margin (in %)	96.4	95.6	0.8%
Occupancy (in %)	96.6	96.8	(0.2%)
EBITDA	149.5	159.9	(6.5%)
Adjusted EBITDA ¹	166.9	159.9	4.4%
Net operating profit	142.8	141.7	0.8%
EPRA PERFORMANCE			
Company adj. EPRA earnings per share (in €cents)	29.3	32.4	(9.3%)
EPRA NAV per share ² (in €)	5.03	5.24	(4.0%)

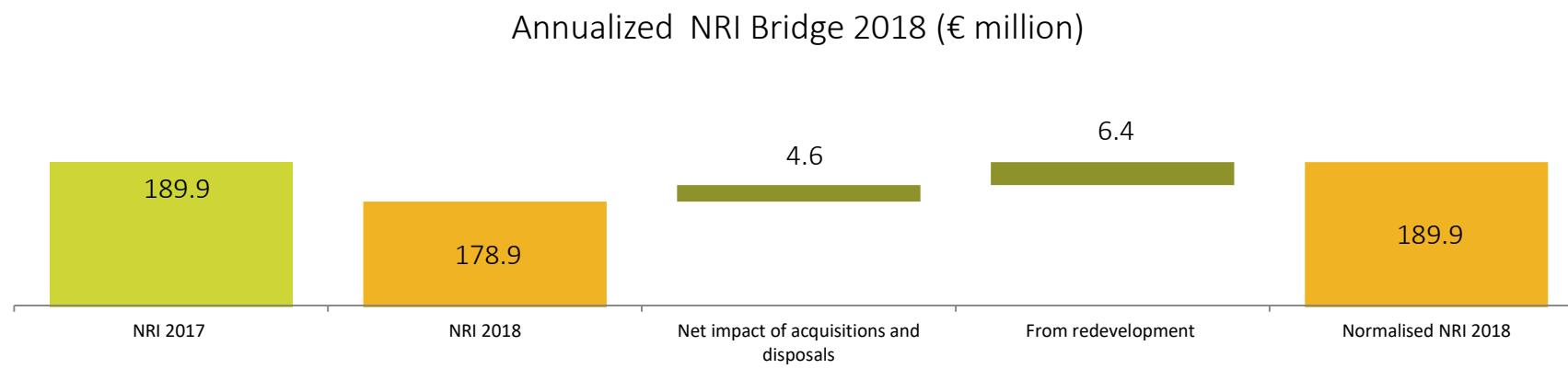
¹ Adjusted for the impact of new/disposed of assets/re-dev and one-off fees

² €cents 14 special dividend paid in Mar. 18 and €cents 27 regular dividend paid YTD

NRI ↓€11M/5.8%: TIMING OF PORTFOLIO ROTATION



Net impact on annualised NRI from acquisitions, 3 openings in Warsaw and disposals was largely neutral



APPENDICES



ATRIUM FLORA, PRAGUE

MACRO OVERVIEW OF OUR MARKETS

Macro Indicator	Poland	Czech Republic	Russia	Slovakia	Total / Average*	France	Germany	UK Official Interest Rate
2017 population (M people)	38.0	10.6	144.0	5.4	49.5	64.8	82.7	n.a.
2017 GDP in PPP (\$ Bn)	1,125.6	375.9	4,016.2	179.7	1,424.4	2,856.5	4,199.4	n.a.
2017 GDP per capita PPP (\$)	29,642	35,537	27,893	33,070	31,535	44,081	50,804	n.a.
2018f GDP per capita PPP (\$)	31,647	37,423	29,032	35,099	33,300	45,601	52,897	n.a.
2021f GDP per capita PPP (\$)	36,842	42,825	32,480	41,502	38,412	50,031	58,862	n.a.
2017 real GDP growth (%)	4.7%	4.3%	1.5%	3.4%	3.5%	2.3%	2.5%	n.a.
2018f real GDP growth (%)	5.1%	2.9%	1.7%	3.9%	3.4%	1.6%	1.9%	n.a.
2019f real GDP growth (%)	3.5%	3.0%	1.8%	4.1%	3.1%	1.6%	1.9%	n.a.
2021f real GDP growth (%)	2.8%	2.5%	1.6%	3.7%	2.7%	1.6%	1.5%	n.a.
2017 unemployment (%)	4.9%	2.9%	5.2%	8.1%	5.3%	9.4%	3.8%	n.a.
2018f unemployment (%)	5.7%	2.1%	4.7%	6.6%	4.8%	9.1%	3.2%	n.a.
2021f unemployment (%)	3.9%	3.5%	5.0%	6.2%	4.6%	7.8%	3.3%	n.a.
2017 inflation (%)	2.1%	2.4%	2.5%	2.0%	2.2%	1.3%	1.6%	n.a.
2018f inflation (%)	2.3%	2.6%	3.6%	2.8%	2.8%	1.6%	1.8%	n.a.
2021f inflation (%)	2.5%	2.0%	4.8%	2.0%	2.8%	2.0%	2.4%	n.a.
12/2017 Official Interest Rate %	1.50%	0.50%	1.50%	n.a.	0% **	n.a.	n.a.	0.50%
12/2018 Official Interest Rate %	1.50%	1.75%	7.75%	n.a.	0% **	n.a.	n.a.	0.75%
Official Interest Rate - Last change date	Feb-15	Sep-18	Dec-18	n.a.	0% **	n.a.	n.a.	Aug-18
Country rating/ outlook - Moody's	A2/ stable	A1/ positive	Ba1/ positive	A2/ positive	n.a.	Aa2/ positive	Aaa/ stable	Aaa/ stable
Country rating/ outlook - S & P	A-/ stable	AA-/ stable	BBB-/ stable	A+/ stable	n.a.	AA/ stable	AAA/ stable	AAA/ stable
Country rating/ outlook - Fitch	A-/ stable	AA-/ stable	BBB-/ positive	A+/ stable	n.a.	AA/ stable	AAA/ stable	AAA/ stable

Sources: IMF, Eurostat, Oxford Economics, PMR Capital Economics

* Simple arithmetic average for comparison purposes

** ECB Euro Rate

MACRO OVERVIEW OF OUR MARKETS (CONTINUED)

Macro Indicator	Poland	Czech Republic	Russia	Slovakia	Average	France	Germany
2017 Avg. gross monthly wage (€)	1,064	1,120	595	954	933	n.a.	n.a.
2018f Avg. gross monthly wage (€)	1,135	1,247	594	1,004	995	n.a.	n.a.
2017 Monthly retail sales per capita (€)	264	291	175	283	253	n.a.	n.a.
2018f Monthly retail sales per capita (€)	279	317	167	296	265	n.a.	n.a.
2021f Monthly retail sales per capita (€)	324	379	205	334	310	n.a.	n.a.
2017 Retail sales growth (%)	7.1%	5.9%	5.1%	5.6%	5.9%	1.8%	2.5%
2018f Retail sales growth (%)	6.7%	2.8%	5.6%	4.9%	5.0%	2.6%	2.5%
2021f Retail sales growth (%)	4.5%	2.5%	5.6%	3.6%	4.1%	2.9%	2.4%
2017 Consumer spending growth (%)	4.8%	4.4%	3.3%	3.5%	4.0%	1.1%	2.1%
2018f Consumer spending growth (%)	5.3%	4.0%	2.8%	3.0%	3.8%	0.8%	1.1%
2021f Consumer spending growth (%)	2.8%	2.0%	2.0%	2.5%	2.3%	1.2%	1.3%
Jun.'18 Retail trade volume change y-o-y * (%)	8.2%	2.2%	3.3%	4.3%	4.5%	4.0%	3.0%
Jul'18 Retail trade volume change y-o-y * (%)	7.1%	5.6%	2.8%	3.0%	4.6%	2.3%	0.9%
Aug'18 Retail trade volume change y-o-y * (%)	6.7%	4.6%	2.8%	3.6%	4.4%	3.2%	1.6%
Consumer confidence indicator**, Jun '18	1.5	11.0	n.a.	-3.4	3.0	-9.5	4.6
Consumer confidence indicator**, Jul '18	1.5	9.2	n.a.	-3.9	2.3	-8.3	4.5
Consumer confidence indicator**, Aug. '18	-0.4	6.8	n.a.	-3.9	0.8	-10.6	4.4
Consumer confidence indicator**, Sep.'18	9.9	-24.4	n.a.	-8.9	-7.8	-13.4	4.5
Retail confidence indicator**, Jun '18	5.7	23.1	n.a.	27.2	18.7	-3.1	-5.9
Retail confidence indicator**, Jul '18	5.8	20.7	n.a.	15.4	14.0	-1.1	-6.6
Retail confidence indicator**, Aug.'18	4.9	18.4	n.a.	18.8	14.0	-0.5	-4.6
Retail confidence indicator**, Sep.'18	6.4	23.0	n.a.	15.8	15.1	-2.2	-2.2

* Adjusted for inflation & seasonal effects

** Households' & retailers' near-future expectations

Sources: Eurostat, C&W, Capital Economics, PMR

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