



First quarter 2021 trading update

Jersey, 4 May 2021, Atrium European Real Estate Limited (VSE/Euronext: ATRS), (the “Company” and together with its subsidiaries, “Atrium” or the “Group”), a leading owner, operator and redeveloper of shopping centres and retail real estate in Central Europe, provides an update on both trading for the three months ended 31 March 2021 and the impact of COVID-19 on the Group’s operations.

Business overview year to date

Q1 2021 continued to be impacted by COVID, performance expected to gradually improve as restrictions ease

- Atrium’s centres were closed for over 60% of Q1 2021 compared to two weeks in Q1 2020
- Footfall and tenant sales were therefore impacted at 53% and 55% respectively of 2019 levels, and 62% and 68% compared to 2020 which was partially impacted by COVID
- In Russia, where Atrium’s centres have been open fully throughout the quarter, sales in the first quarter of 2021 reached their pre-COVID levels
- The trends seen in Russia this year, and in the periods when restrictions were lifted across the whole portfolio in 2020, give us confidence that footfall and sales will improve in the coming months as vaccination levels increase and lockdowns are lifted
- Approximately 88% of the Group’s GLA is currently operating following the reopening of shopping centres in Poland today and on 19 April in Slovakia. The Czech Republic remains in lockdown except for essential stores, and is expected to reopen next week on the 10 of May
- As of 30 April 2021, collection rates were at 83% of Q1 2021 invoiced rent and 99% of 2020 invoiced rent

Strong demand for Atrium’s green financing provides further capital for the residential strategy

- €650 million raised during the year under our EMTN green financing programme. In February, a €300 million inaugural green bond was issued, followed up by a €350 million first green hybrid bond issuance in May
- Both issuances were over three times oversubscribed, attracting strong demand from international institutional investors, which is a clear endorsement of our ongoing diversification into residential for rent in Poland and Czech and the future outlook for the Company post the pandemic
- The green bonds issued in February at a 2.625% coupon together with a €78 million buyback of 2022 notes reduced Atrium’s average debt cost to 2.8% and extended its maturity to 5.0 years (as of today)
- The green hybrid issuance in May at a 3.625% coupon will be treated as equity (IFRS), thus reducing the Group’s LTV to 27%. Both Fitch and Moody’s have confirmed a 50% equity / debt treatment for rating purposes

- The proceeds from the hybrid are intended to be used for the financing of BREEAM certified residential for rent assets and developments
- Moody's maintained Atrium's Baa3 investment grade credit rating on 24 April and improved its outlook to stable
- Atrium has a strong liquidity of €470 million as of today, with c.€170 million¹ in cash and €300 million unutilized credit facility to enable it to execute its growth strategy and navigate the pandemic

Key financial figures for the period

In €m	3M 2021	3M 2020	CHANGE % / ppt
Net rental income ("NRI")	32.2	36.3	(11.3)
EBITDA	26.7	30.8	(13.2)
Operating margin (in %)	92.8	91.0	1.8
Occupancy rate (in %)*	91.7	92.3	(0.6)
EPRA NRV (in €)*	4.19	4.25	(1.4)

* As at 31/3/2021 and 31/12/2020 respectively

- Group NRI was €32 million for the 3M 2021, down 11% or €4 million year on year due to:
 - €3 million COVID-19 lockdown relief impact, both mandatory and voluntarily tenant support
 - €1 million non-core assets disposals impact as part of the portfolio rotation strategy
- EBITDA decreased by 13% due to the NRI decrease, while operating margin improved 1.8 ppt to 92.8% mainly due to Russia
- Occupancy slightly lower compared to year-end 2020 due to extended lockdowns in Q1, but is expected to recover when shopping centres resume normal operations and as the vaccination roll out continues
- EPRA NRV as at 31 March was stable at €4.19 with stable retail market yields²

Dividend

- 46.4% of shareholders opted to receive the Q1 2021 dividend in the form of scrip dividend, resulting in an issuance of 4,560,813 shares and cash outflow reduction of c.€12 million
- The Q2 2021 dividend will be paid (as a capital repayment) on 30 June 2021 to shareholders on the register as at 11 June 2021, with an ex-dividend date of 10 June 2021. The election date for a scrip dividend will start on 14 June and end on 25 June 2021
- A circular setting out further details on the election being offered to shareholders pursuant to the scrip dividend alternative will be posted on the Company's website before the start of the election period

¹ Excluding the net proceeds from the Hybrid

² CBRE April 2021 European Property Investment Yields overview

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

“Atrium’s performance during the first quarter continued to be significantly impacted by the pandemic but there are more reasons for confidence now than there has been at any time over the last 12 months. As the vaccination roll out continues, we are seeing a gradual lifting of restrictions, with Poland opening today and the Czech Republic planning to open next week. We are confident that once they are open fully, trading at our centres will recover following the patterns seen in 2020 when restrictions were eased and in Russia which has remained open since summer 2020. Our priority remains the safety of our employees, tenants and consumers as we return to a normal trading environment.”

“Since the start of the year we have also been active in the capital markets, raising €650 million through our green financing programme in two over-subscribed issuances. This has given us a strong financial support to pursue our residential and growth strategies and see us through what are hopefully the last stages of the pandemic.”

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 26 properties with a total gross leasable area of over 809,000 sqm and with a total market value of approximately €2.5 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. In February 2020 Atrium announced a strategy to diversify its portfolio by investing in and managing residential for rent real estate, with a primary focus on Warsaw.

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.

For the presentation see: https://aere.com/wp-content/uploads/2021/05/20210504_Q1_Trading_update.pdf