



Building a Better REIT

Q2 2018 Results Conference Call

August 9, 2018 12:00pm EST



Forward-looking Information

This presentation contains forward-looking statements that reflect the current expectations of management of Crombie about Crombie's future results, performance, achievements, prospects and opportunities. Wherever possible, words such as "continue", "may", "will", "estimate", "anticipate", "believe", "expect", "intend" and similar expressions have been used to identify these forward-looking statements. These statements, including statements regarding the development potential of Crombie's development sites, the total estimated cost to develop these sites, impact on net asset value and expected development returns, reflect current beliefs and are based on information currently available to management of Crombie. Forward-looking statements necessarily involve known and unknown risks and uncertainties, including real estate market cycles, general economic conditions, the availability of financing opportunities and labour, actual development costs, uncertainties in obtaining required municipal zoning and development approvals, concluding successful agreements with existing tenants, and where applicable, successful execution of development activities undertaken by related parties not under the direct control of Crombie.

A number of additional factors, including the risks discussed in the 2017 annual Management Discussion and Analysis under "Risk Management", could cause actual results, performance, achievements, prospects or opportunities to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and a reader should not place undue reliance on the forward looking statements. There can be no assurance that the expectations of management of Crombie will prove to be correct.

Readers are cautioned that such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from these statements. Crombie can give no assurance that actual results will be consistent with these forward-looking statements.

Non-IFRS Measures

Certain terms used in this presentation, such as AFFO, FFO, NAV, SANOI and NOI, are not measures defined under International Financial Reporting Standards ("IFRS") and do not have standardized meanings prescribed by IFRS. AFFO, FFO, NAV, SANOI and NOI, should not be construed as an alternative to net earnings or cash flow from operating activities as determined by IFRS. AFFO, FFO, NAV, SANOI and NOI, as presented, may not be comparable to similar measures presented by other issuers. Crombie believes that AFFO, FFO, NAV, SANOI and NOI, are useful in the assessment of its operating performance and that these measures are also useful for valuation purposes and are relevant and meaningful measures of its ability to earn and distribute cash to unitholders. Examples of reconciliations of AFFO and FFO to the most directly comparable measure calculated in accordance with IFRS are provided in the Management Discussion and Analysis of Crombie for the years ending December 31, 2016 and December 31, 2017.

Opening Remarks

Don Clow
President & CEO



Quarterly Overview

Stable, Predictable Cash Flow & NAV Growth

- 9.4% growth in Diluted AFFO/Unit
- 2.9% growth Same-asset Property Cash NOI
- 96.1% Committed Occupancy
 - Highest in public company history
- Executing on ~\$450M¹ in development
- \$152M of dispositions closed, \$194M YTD



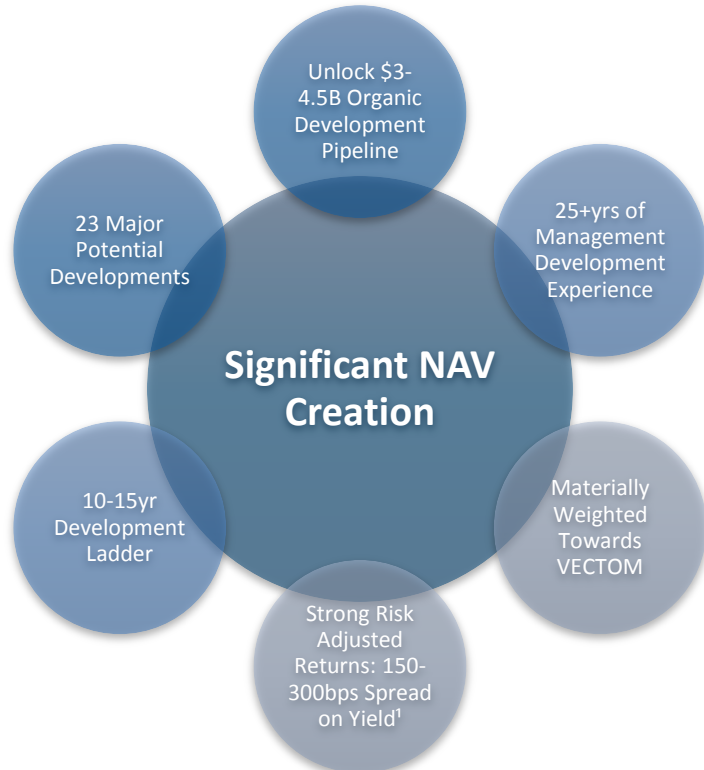
Overview

YTD Real Estate Transactions

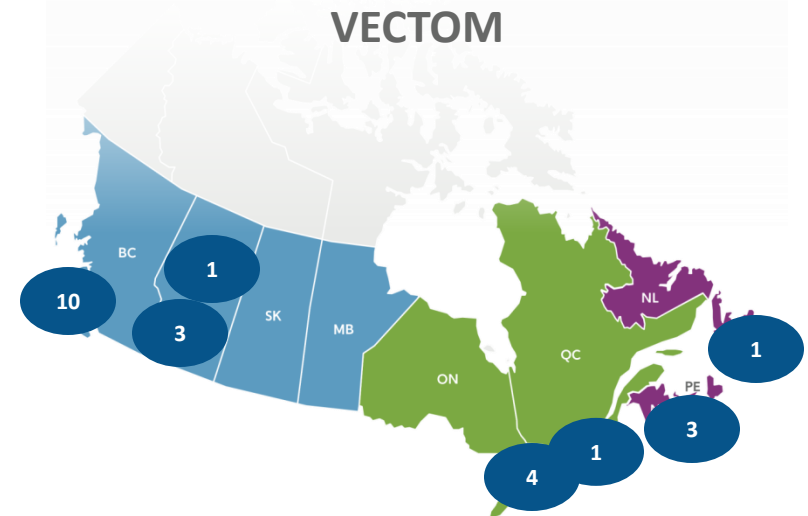
Capital Recycling Program		
	Phase	Transaction Value
Dispositions	Closed	\$194M
	In Negotiations	\$200M
	Sub Total	\$394M
Acquisitions	Closed	\$101M

Dispositions
executed in line
with IFRS FV

Building a Better REIT Into the Next Decade & Beyond

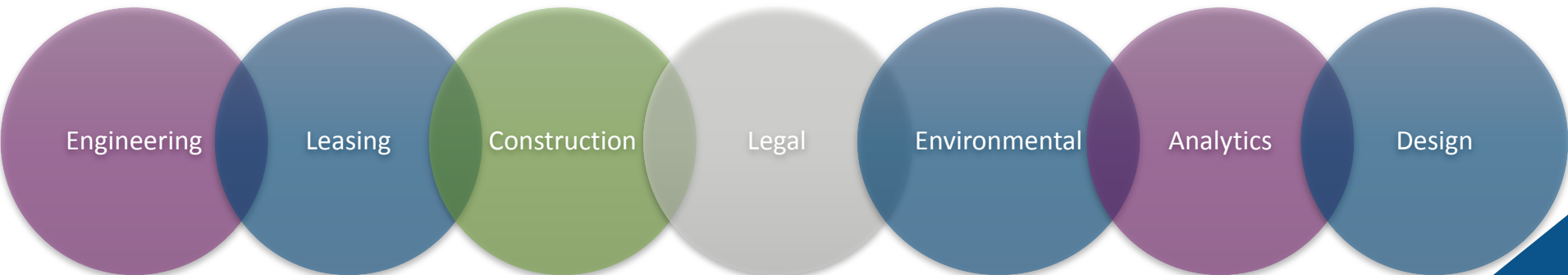
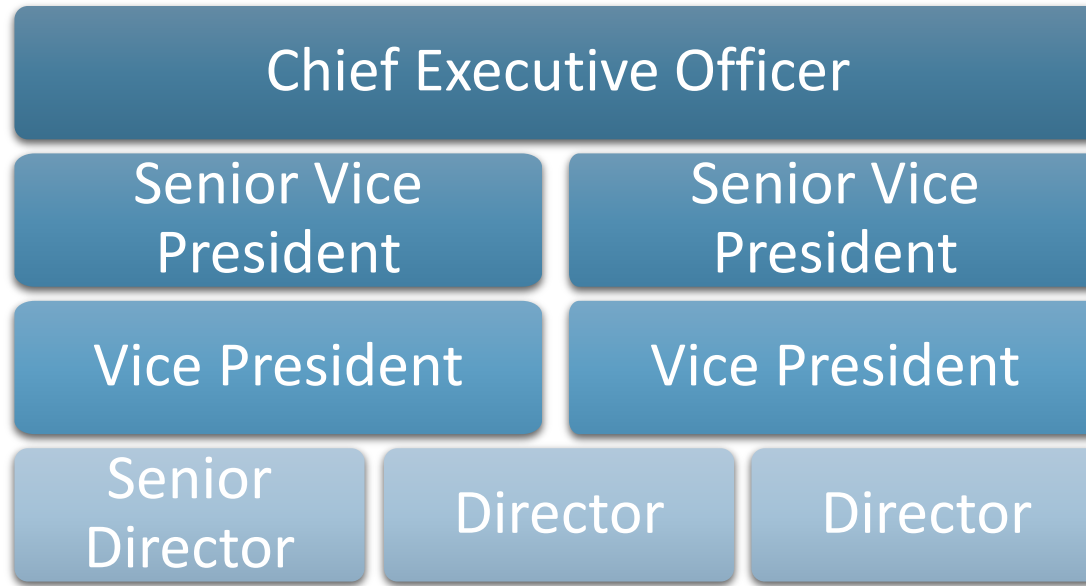


National Portfolio with Extraordinary Development Opportunities Focused on VECTOM



Development Team

In-House Expertise



Belmont Market, Victoria, BC

Upgrading by Developing A+ Real Estate



Crombie is
developer

\$93M Premier Retail
destination = 160k sf of
grocery, restaurants,
and complementary
retail and office

Belmont Market, Victoria, BC

Upgrading by Developing A+ Real Estate

Crombie is
developer

Phase I to be
complete this fall



Davie Street, Vancouver, BC

Potential to Create Significant Economic Value

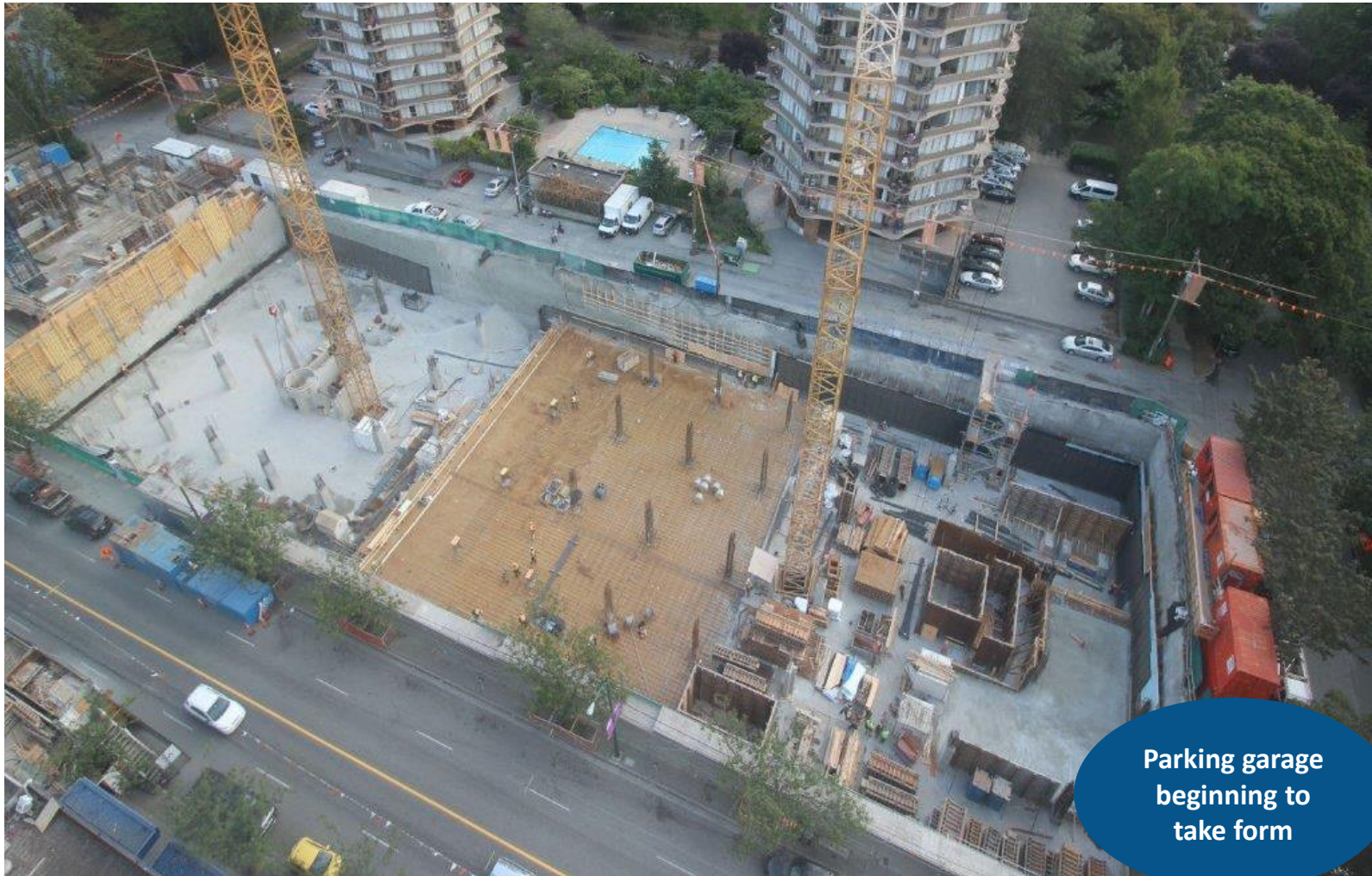


\$181M¹ mixed use development =
~330 residential rental + Safeway + ancillary retail

Impressive commercial rental rates

Davie Street, Vancouver, BC

Potential to Create Significant Economic Value



Avalon Mall, St. John's, NL

Dominant Enclosed Shopping Centre

BOMA

Certificate of
Excellence



Strong preleasing
interest with
First-to-Market
Tenants

Phase II: \$58M =
CRU + Extension
+ Pad Site



Return metrics =
10-13%¹

Le Duke, Montreal, QC

Placemaking along the Bonaventure Greenway



Expanded
development
pipeline to 5th
VECTOM
market

\$124M¹ mixed use
tower = ~390
residential rental
+ urban format
IGA + ancillary
retail

Le Duke, Montreal, QC

Placemaking along the Bonaventure Greenway



Bronte Village, Oakville, ON

Building Community in Major Urban Centres



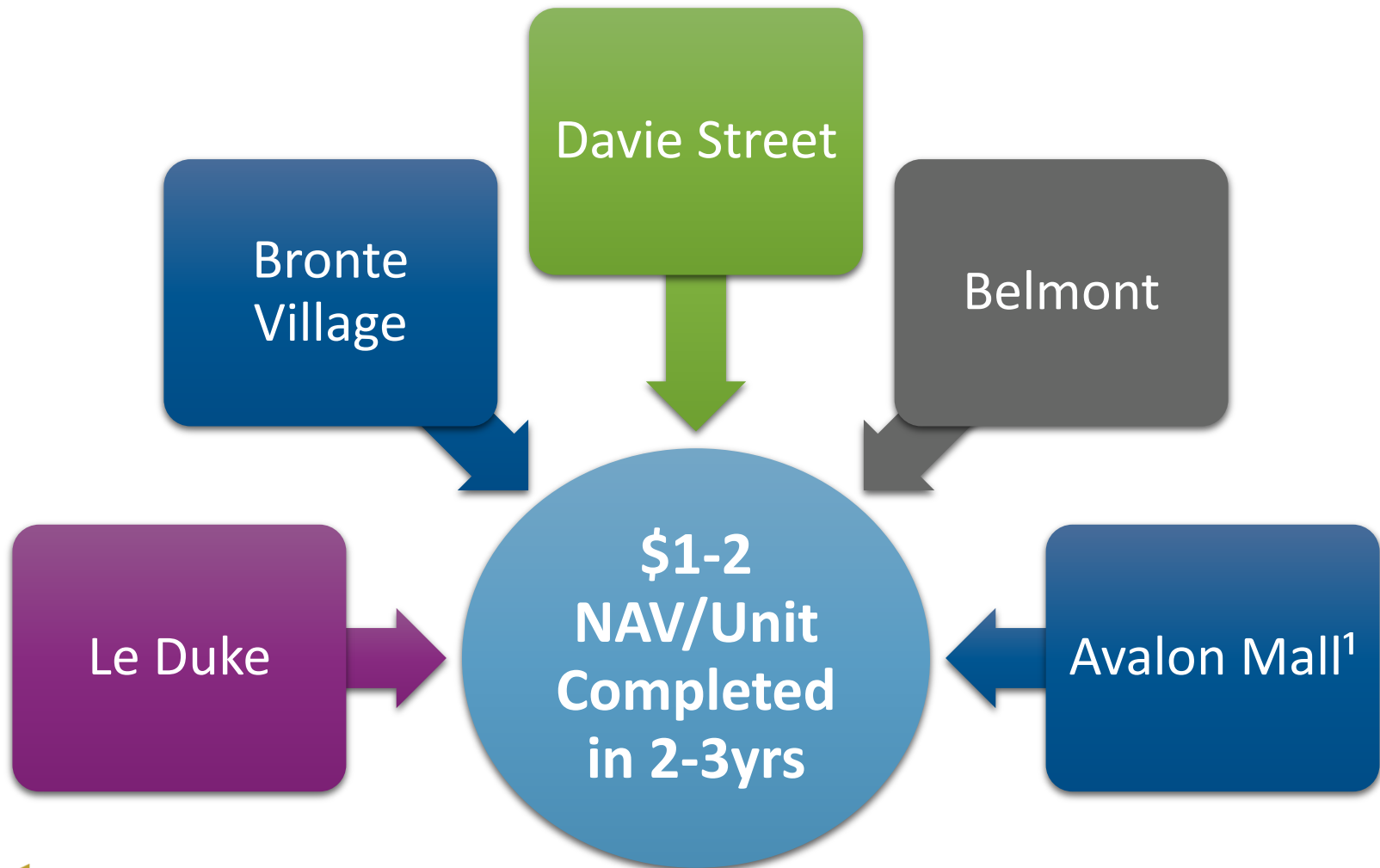
Bronte Village, Oakville, ON

Building Community in Major Urban Centres



Material NAV Creation

\$450M in First 5 Major Developments



Financial Highlights

Glenn Hynes

CFO, EVP & Secretary

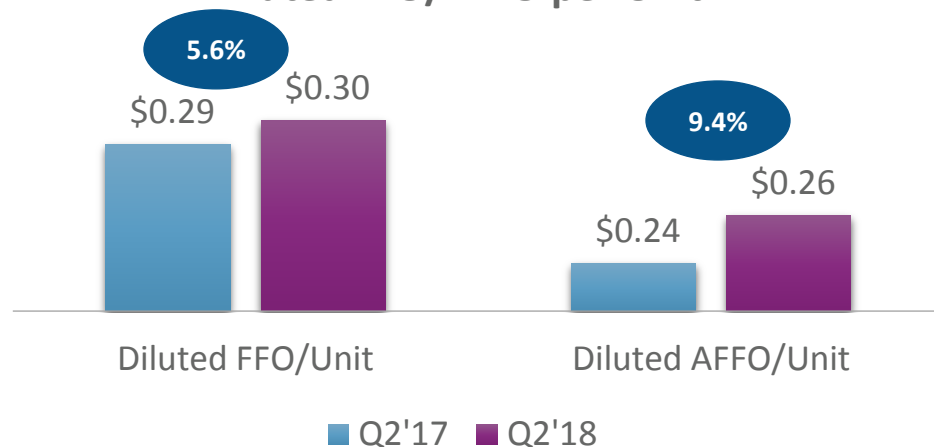


Financial Highlights

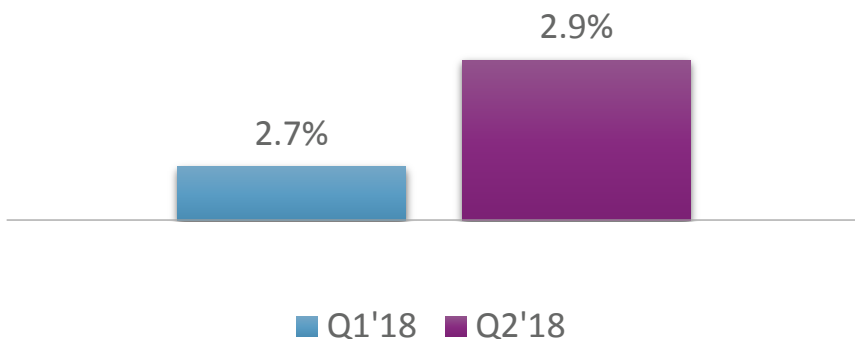
Stable, Predictable Cash Flow & NAV Growth

- Growth driven by improvements in occupancy and rental uplifts from redeveloped properties and lower G&A.

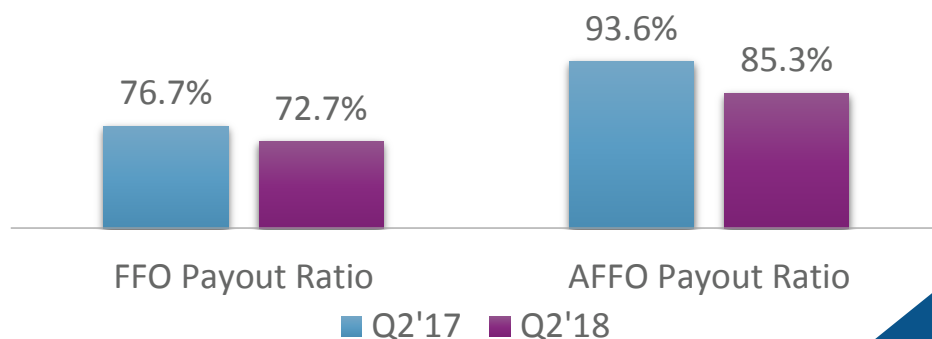
Diluted FFO/AFFO per Unit



SANOI Growth¹



FFO/AFFO Payout Ratio

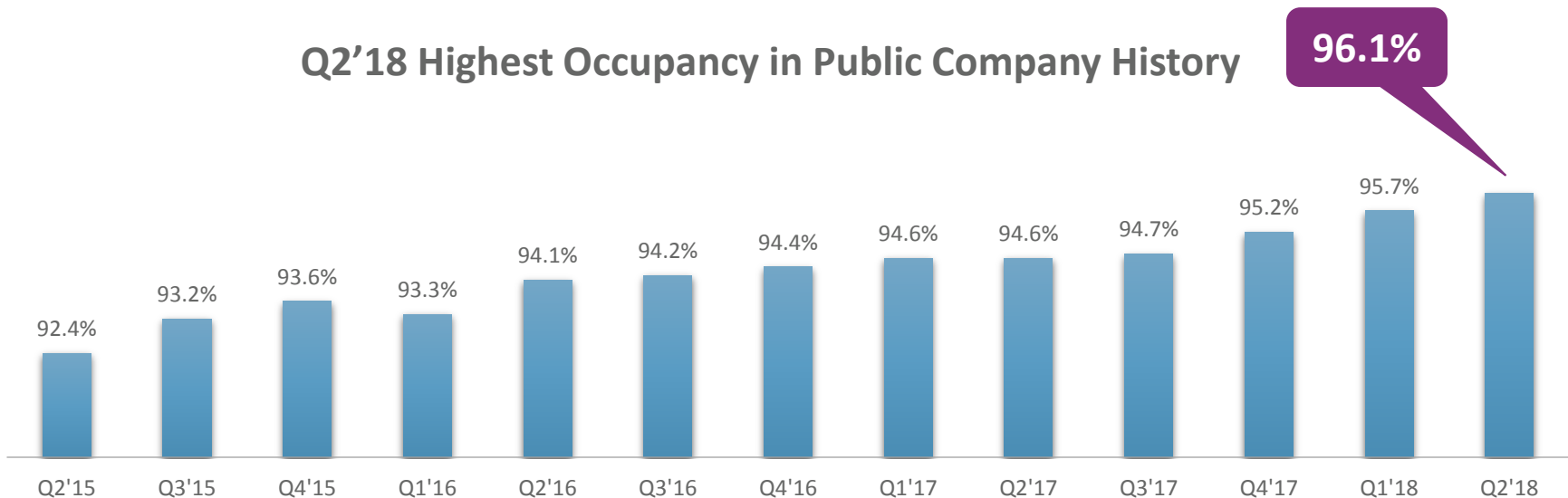


Financial Highlights

Stable, Predictable Cash Flow & NAV Growth

Q2'18 Leasing Renewals			
	Square Feet	Rate PSF	Growth
2018 Renewals	113,000	\$26.93	2.8%
Future Year Renewals	25,000	\$18.67	7.6%
Total	138,000	\$25.46	3.4%

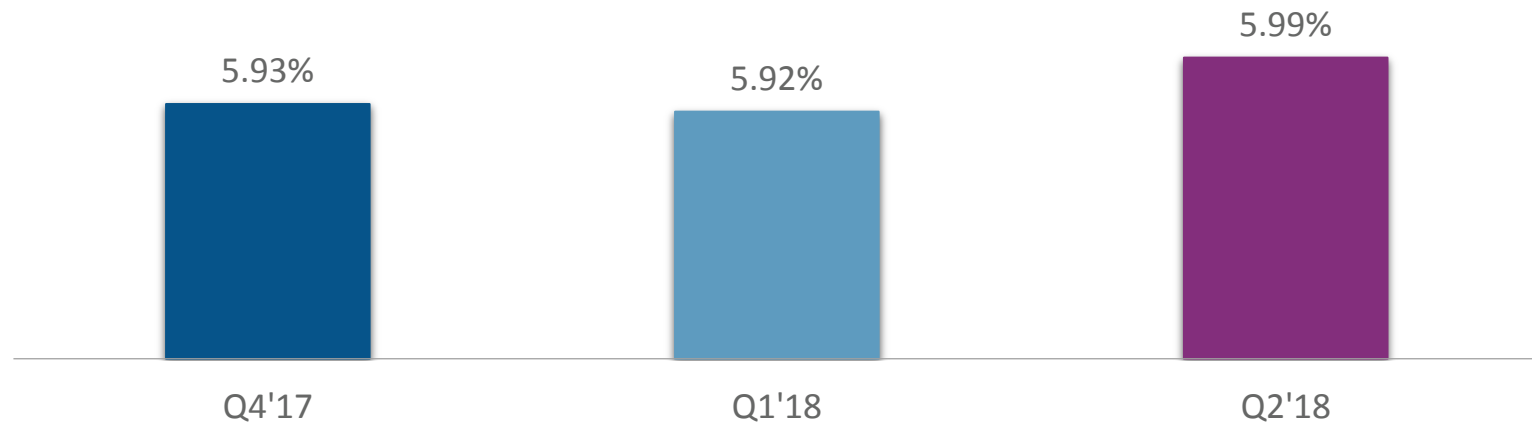
Q2'18 Highest Occupancy in Public Company History



Financial Highlights

Stable, Predictable Cash Flow & NAV Growth

IFRS Cap Rate



- NAV based on market cap rates and trailing twelve month in place NOI
- IFRS weighted average cap rate excludes the fair value of future developments and air rights, until projects are complete and income producing

Financial Highlights

Investment Grade, with Improving Debt Metrics

8.5x Debt to EBITDA

2.90x Interest Service Coverage

1.88x Debt Service Coverage

BBB Low Stable by DBRS

359M¹ Bank Credit Capacity

\$1.1B Unencumbered Assets

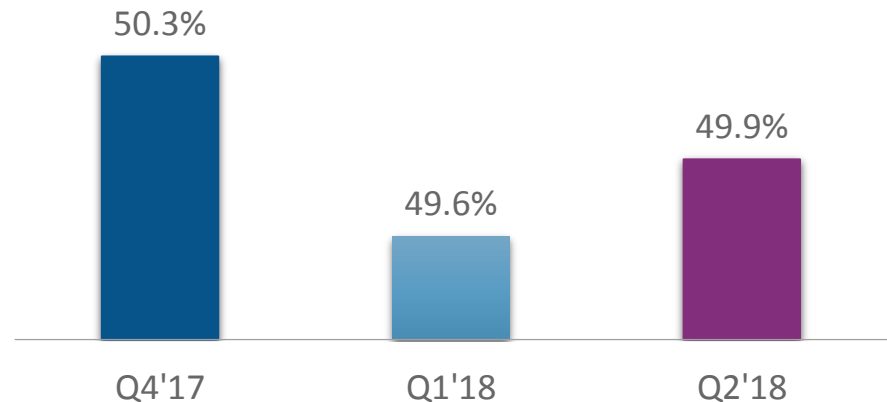
4.18% WAIR²

4.3yrs WATM³

- Repaid \$35M in maturing mortgages at 4.7%
- Unencumbered assets now accounts for 22% of IFRS fair value of investment properties

Goal remains to reduce leverage over time

Debt to GBV (FV)⁴



Strategic Capital Allocation Update

Highest & Best Use

Sources of Capital

- Dispositions
- Free Cash Flow
- DRIP

Capital Deployment

- Development
- Acquisitions
- LUI

Ecommerce Resilient Portfolio

Positioned for Success as Retail Transforms

