



Crombie
REIT

Unlocking Value
Q1 2019 Results Conference Call
May 9th, 2019

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 Annual Information Form, 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-GAAP Measures

Certain terms used in this presentation, such as AFFO, FFO, NAV, SANOI, NOI, EBITDA and yield on cost are not measures defined under Generally Accepted Accounting Principals ("GAAP") and do not have standardized meanings prescribed by GAAP. AFFO, FFO, NAV, SANOI, NOI, EBITDA and yield on cost should not be construed as an alternative to net earnings or cash flow from operating activities as determined by GAAP. AFFO, FFO, NAV, SANOI, NOI, EBITDA and yield on cost as presented, may not be comparable to similar measures presented by other issuers. Crombie believes that AFFO, FFO, NAV, SANOI, NOI, EBITDA and yield on cost 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. Reconciliations of AFFO and FFO to the most directly comparable measure calculated in accordance with GAAP are provided in the Management Discussion and Analysis of Crombie for the most recently completed reporting period.

Opening Remarks

Don Clow
President & CEO



Unlocking Value

Focused Strategy with Empire/Sobeys

New acquisition and state-of-the-art developments

Developments remain “on track and on budget”

Ample liquidity

Access to multiple and innovative sources of capital

Solid fundamentals with 3.4% same-asset NOI growth

Successful execution of \$289M¹ in dispositions YTD



¹Gross proceeds



24th Major Development Site

Empire's State-of-the-art e-commerce CFC¹

Leading Edge Omnichannel Technology with Ocado

- World's leading online grocery ordering, automated fulfillment and home delivery solution
- Ocado/Empire exclusive partnership in Canada launching online grocery shopping services:
 - Best-in-class, front-end 'web shop' and mobile grocery ordering applications
 - State-of-the-art automated warehouse designed specifically for grocery e-commerce



Acquisition of \$32.4M 20.25-acre land site

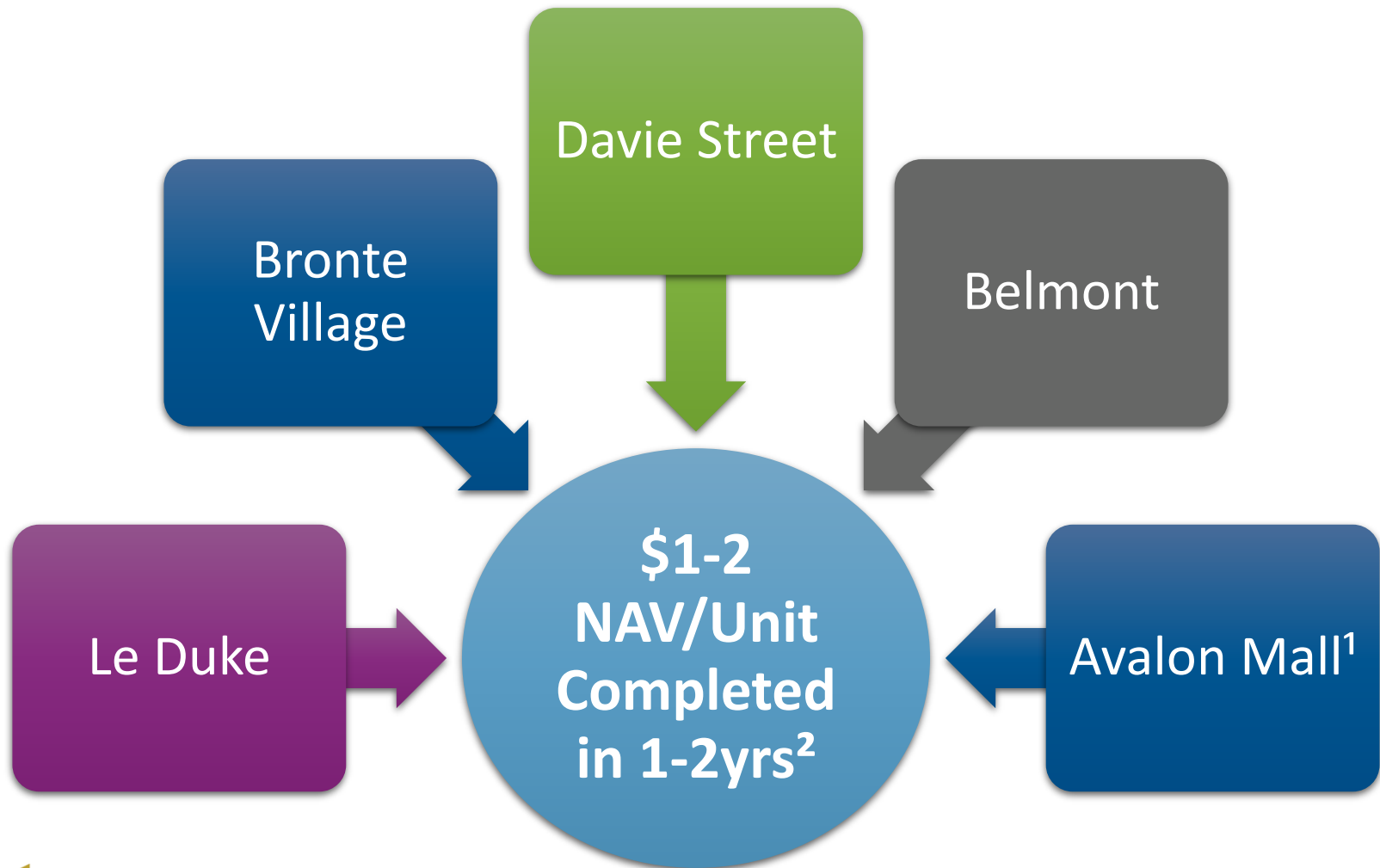
- To be developed by Crombie into Empire's new 285,000 sf state-of-the-art e-commerce CFC
- Empire's e-commerce distribution hub, serving Quebec and the Ottawa area
- Powered by Ocado, where they will invest to install fixturing, including its grid and robots

Crombie to Develop Empire's 285k sf CFC in Point-Claire, QC



Material NAV Creation

\$450M¹ Investment in First 5 Major Developments



Belmont Market, Langford, (Victoria), BC

Upgrading by Developing A+ Real Estate



~90% of Phase I
income producing,
Phase II 88%
leased



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



Avalon Mall, St. John's, NL

Dominant Enclosed Shopping Centre

BOMA

Certificate of
Excellence



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



The Rec Room
opened April, 1st
Atlantic Canadian
location



Davie Street, Vancouver, BC

Creating Significant Unitholder Value



\$105M¹ mixed-use development =
~330 residential rental + Safeway + ancillary retail



Bronte Village, Oakville, ON

Building Community in Major Urban Centres



85% construction
budget tendered
and approved

\$139M¹ mixed-use
community = ~480 luxury
residential rental + Sobeys
+ ancillary retail



Le Duke, Montreal, QC

Placemaking along the Bonaventure Greenway



\$62M¹ mixed-use
tower = ~390
residential rental
+ urban format
IGA + ancillary
retail



Overview

Real Estate Transactions

Creatively executing various types of partial interest property dispositions

Capital Recycling Program

Dispositions
executed in line
with IFRS FV

Dispositions

Closed Q1'19

\$106M

Closed
Subsequent

\$183M

Sub Total

\$289M

Acquisitions

Closed Q1'19

\$32M

Expanding sources of capital,
improving portfolio quality, and
prove the desirability of our assets

Financial Highlights

Glenn Hynes
EVP, COO, CFO &
Secretary



Q1'19 Financial Highlights

Stable, Predictable Growth

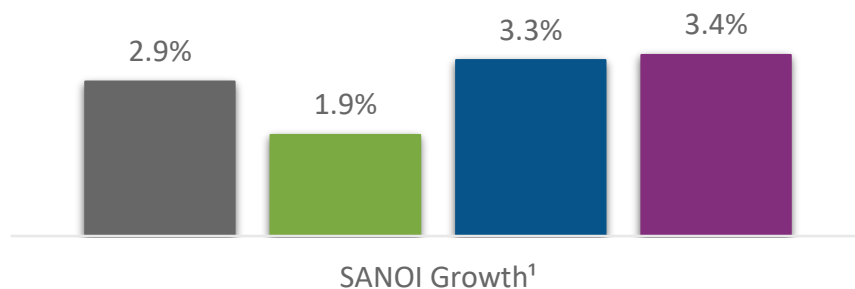
Growth driven by strong occupancy and revenue from land use intensifications

FFO/AFFO per Unit



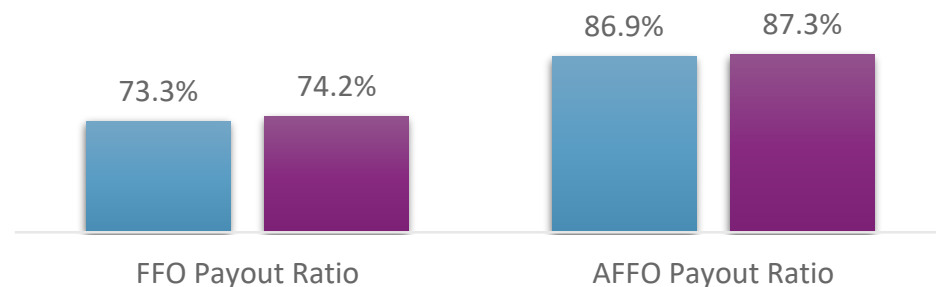
■ Q1'18 ■ Q1'19

SANOI Growth¹



SANOI Growth¹

FFO/AFFO Payout Ratio



■ Q1'18 ■ Q1'19

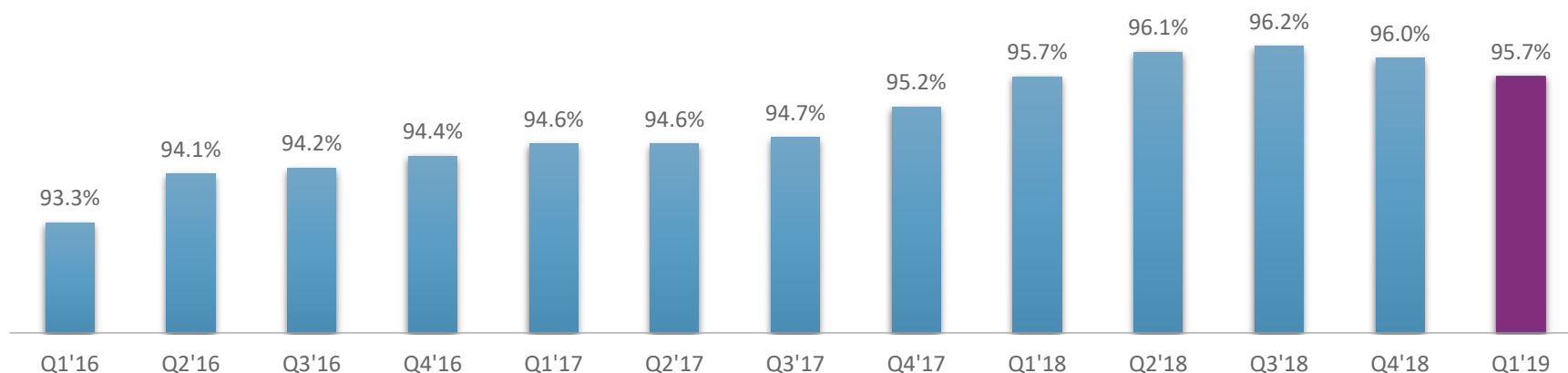
Q1'19 Financial Highlights

Stable, Predictable Growth

**Solid 2019 Retail
Renewals at 5.6%
on 53k sf**

Q1'19 Leasing Renewals			
	Square Feet	Rate PSF	Growth
2019 Renewals	145,000	\$16.53	0.6%
Future Year Renewals	38,000	\$19.73	(2.8%)
Total	183,000	\$17.19	(0.2%)

Strong Occupancy Levels



Financial Highlights

Investment Grade, with Flexible Balance Sheet

8.57x Debt to EBITDA

2.92x Interest Coverage

1.87x Debt Service Coverage

BBB Low Stable by DBRS

\$346M¹ Bank Credit Capacity

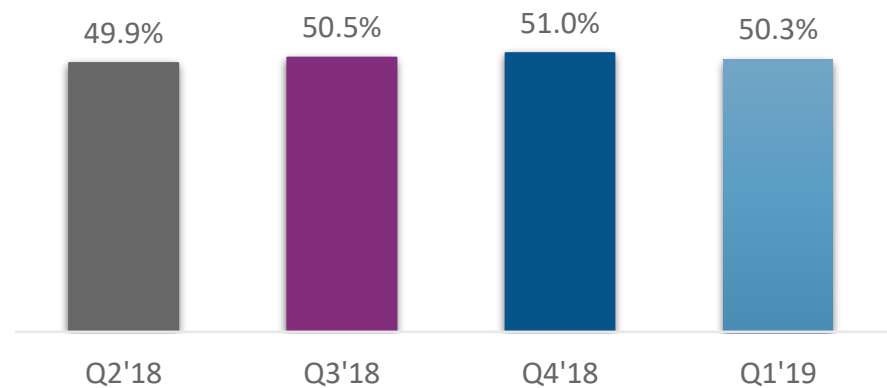
\$1.0B Unencumbered Assets

4.20% WAIR²

4.0yrs WATM³

Unencumbered assets account for 21% of IFRS fair value of investment properties

Debt to GBV (FV)⁴



Strategic Capital Allocation

Highest & Best Use

Sources of Capital

- Dispositions
 - Attractive and innovative funding
- Free Cash Flow
- Capital Markets

Capital Deployment

- Development
- Acquisitions
- Modernizations
- Land Use Intensification



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