



Crombie
REIT

Unlocking Value
Q2 2019 Results Conference Call
August 8th, 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

- **Sobeys/Empire**
 - Modernizations
 - Land Use Intensifications
 - Major Mixed-Use Development
- **Strong Fundamentals**
 - 2.7% same-asset NOI growth¹
 - 6.7% renewal growth over expiring rates
 - Committed occupancy of 95.9%
- **Access to multiple and innovative sources of capital**
- **Major mixed-use developments remain “on track and on budget”**



Sobeys – Winning Grocery Retail

Aggressively Building, Adapting & Growing

Expanding FreshCo to the West

Investing in Bricks-and-Mortar

Leading Edge Omnichannel Technology

Market Intelligence

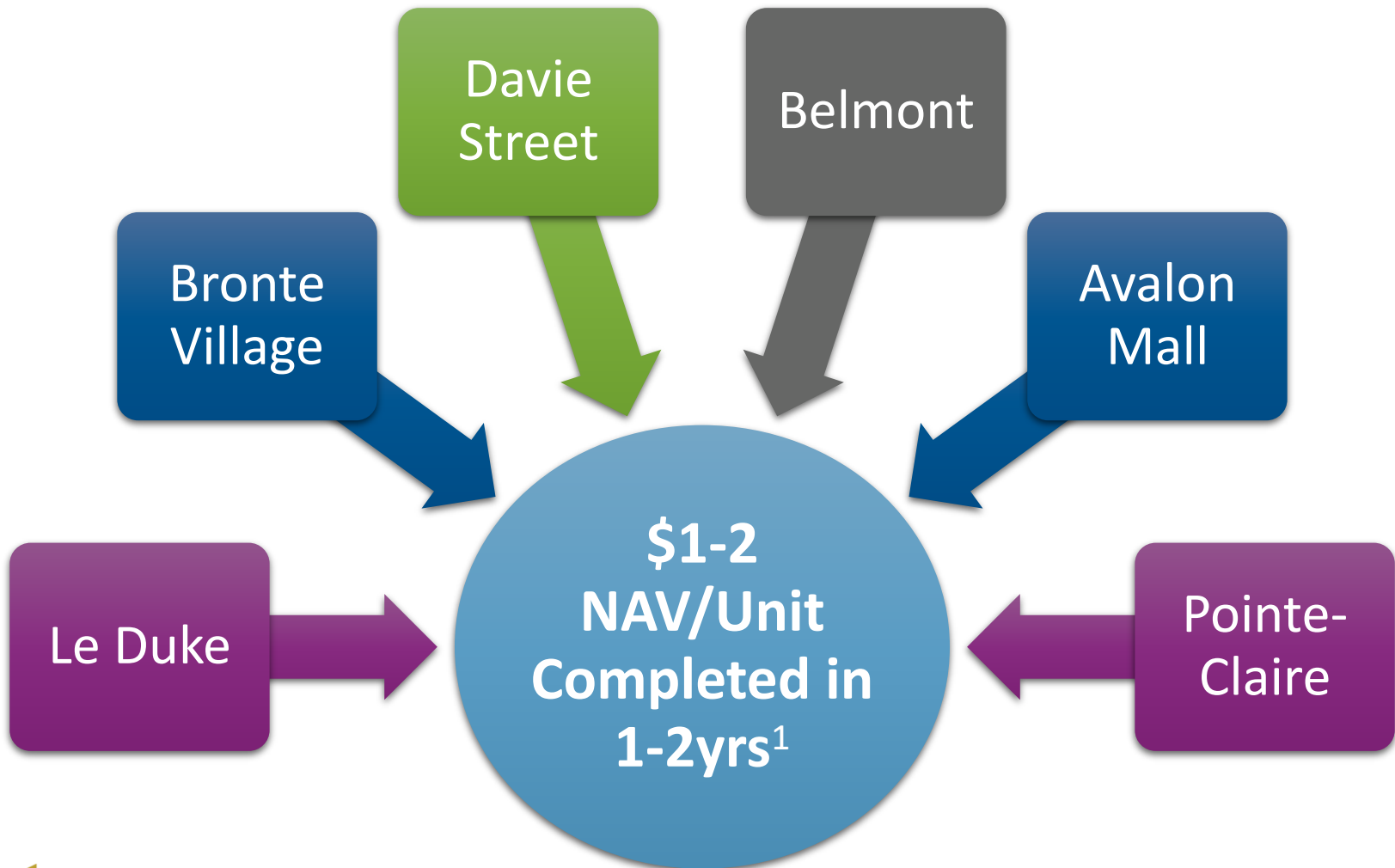
Aligned Interests

Access to VECTOM at Reasonable Pricing

Accelerating Major Mixed-Use Developments

Material NAV Creation

\$610M Investment in First 6 Major Developments



Overview

Real Estate Transactions

Creatively executing various types of partial interest property dispositions

Capital Recycling Program

	Phase	Transaction Value
Dispositions	2018	\$260M
	2019 Closed YTD	\$293M
	Closed Subsequent	\$49M
	Committed	<u>\$193M</u>
	Sub Total	\$795M
Acquisitions	2019 Closed YTD	\$32M
	Closed Subsequent	<u>\$10M</u>
	Sub Total	\$42M

Dispositions executed in line with IFRS FV

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

Development & Operational Highlights

Glenn Hynes
EVP & COO



Davie Street, Vancouver, BC

Creating Significant Unitholder Value



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



Avalon Mall, St. John's, NL

Dominant Enclosed Shopping Centre

BOMA

Certificate of
Excellence



Over 53k sf executed with
H&M, Old Navy &
GAP/Banana Republic



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



Belmont Market, Langford, (Victoria), BC

Upgrading by Developing A+ Real Estate



Committed
occupancy of
92.9%



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

Le Duke, Montreal, QC

Placemaking along the Bonaventure Greenway



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



Bronte Village, Oakville, ON

Building Community in Major Urban Centres



Below-grade
parking structure
underway

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



Pointe-Claire CFC¹, Pointe-Claire, QC

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



Future home of
Voilà par IGA
e-commerce hub



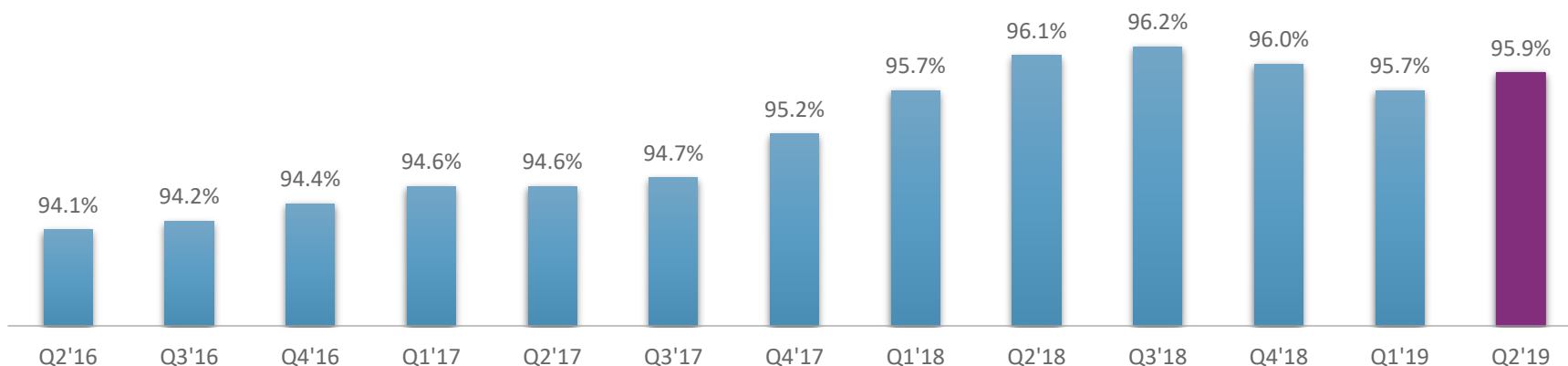
Q2'19 Operational Highlights

Stable, Predictable Results

**Solid 2019 YTD
Retail Renewals at
6.8% on 127k sf**

Q2'19 Leasing Renewals			
	Square Feet	Rate PSF	Growth
2019 Renewals	116,000	\$14.51	6.5%
Future Year Renewals	1,000	\$29.00	13.7%
Total	117,000	\$14.69	6.7%

Strong Occupancy Levels



Financial Highlights

Clinton Keay
CFO & Secretary

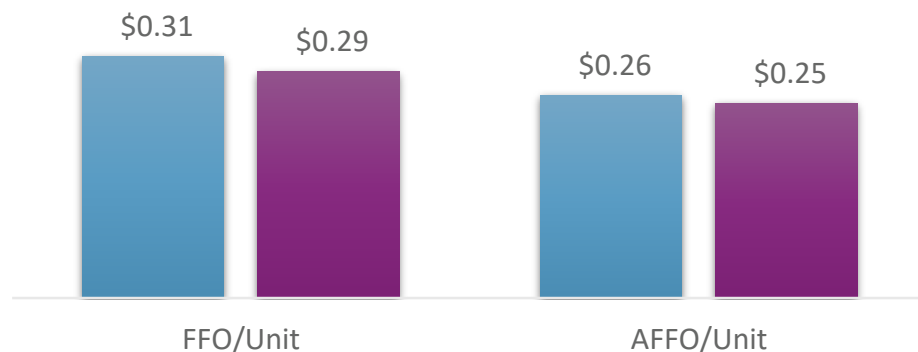


Q2'19 Financial Highlights

Stable, Predictable Results

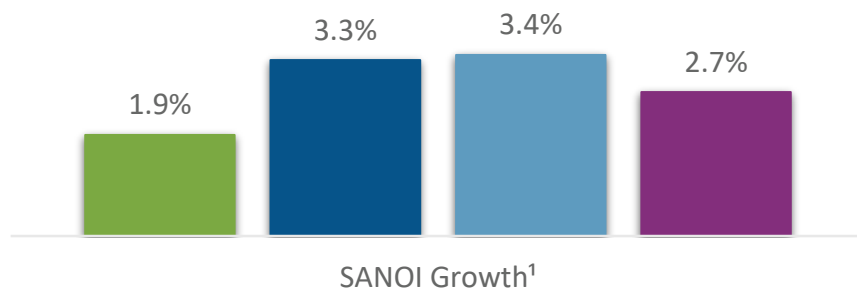
Results driven by rental rate increases, new leases and revenue from land use intensifications

FFO/AFFO per Unit



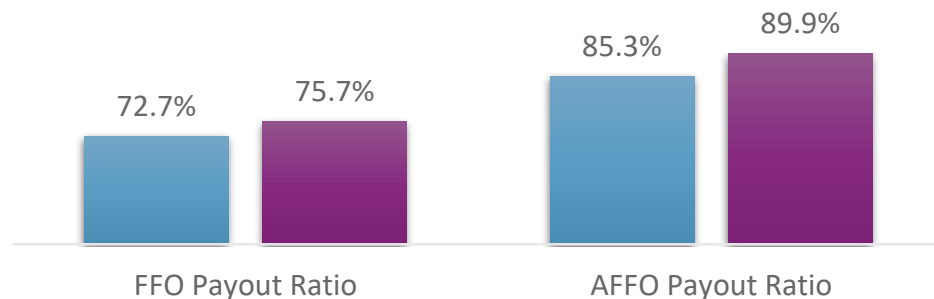
■ Q2'18 ■ Q2'19

SANOI Growth¹



SANOI Growth¹

FFO/AFFO Payout Ratio



■ Q2'18 ■ Q2'19

Financial Highlights

Investment Grade, with Flexible Balance Sheet

8.21x Debt to EBITDA

3.00x Interest Coverage

1.92x Debt Service Coverage

BBB Low Stable by DBRS

\$413M¹ Bank Credit Capacity

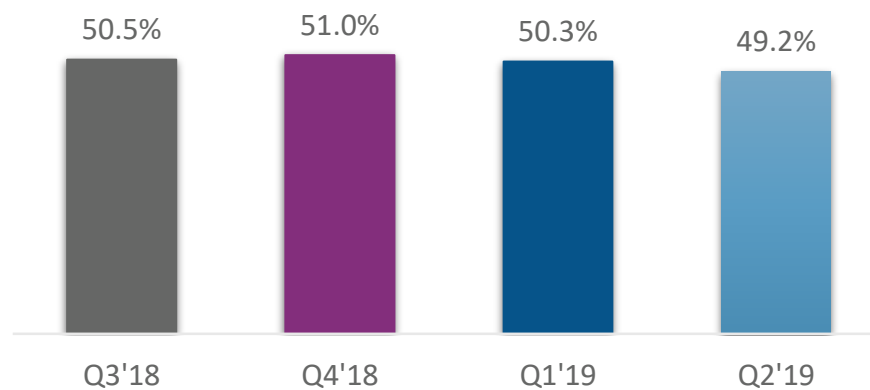
\$954M Unencumbered Assets

4.19% WAIR²

3.8yrs 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 Allocation

- Sobeys
 - Acquisitions
 - Modernizations
- Development
- Land Use Intensification



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