



Crombie
REIT

Unlocking Value
Q4 2019 Results Conference Call
February 27th, 2020

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 our 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

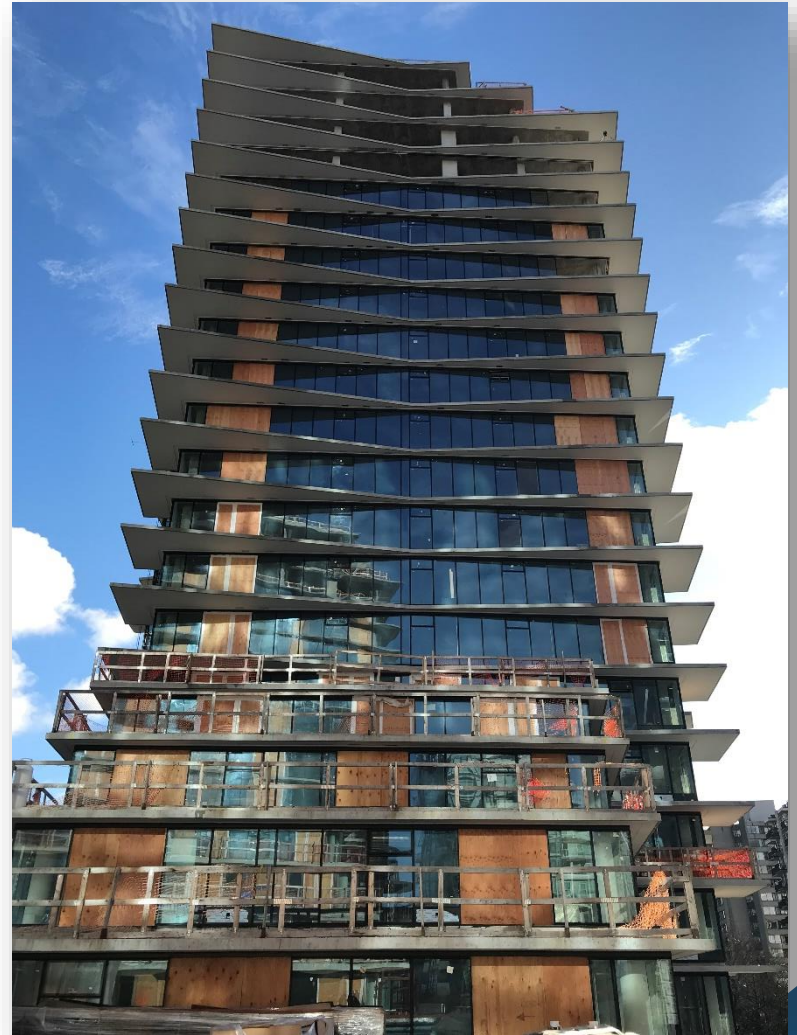
Don Clow
President & CEO



2019 Successes

Focused Strategy Executed

- Innovative capital recycling - \$536M in gross proceeds
- Improved capital structure - Debt to GBV (FV) 48.9%
- Optimized Sobeys/Empire relationship
- Expanded development pipeline to 33 sites totaling \$4-5.8B
- First six developments on track
- Strong fundamentals - SANOI 3.0%¹, Occupancy 96.1%
- Multiple green building awards
 - TOBY Award of Excellence by BOMA Canada
 - Earth Award, Retail by BOMA Newfoundland & Labrador
- 2020 Atlantic Canada's Top Employers, 6th consecutive year



Set for Success in 2020 and Beyond

Delivering Value

- Effectively allocate capital to support both NAV and AFFO per unit growth
- Secure multiple sources of capital, optimize capital structure, minimize cost of capital, and de-risk business
- Optimize Sobeys/Empire relationship through modernizations, major developments, land-use intensification projects, and FreshCo format conversions
- Development pipeline progresses and delivers:
 - Davie Street, Belmont Market & Avalon Mall 2020 completion (~\$300M)
 - Bronte, Le Duke & Montreal CFC 2021 completion (~\$300M)
 - 7 projects in pre-planning
- Foster progressive culture



Development & Operational Highlights

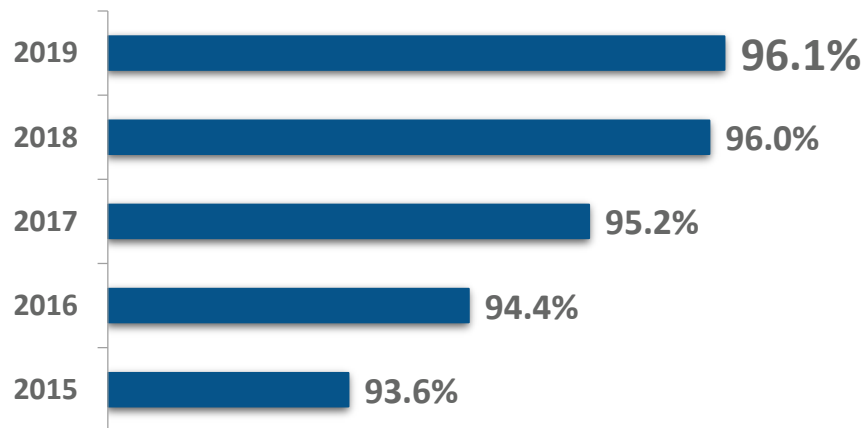
Glenn Hynes
EVP & COO



Strong Fundamentals

Improved Occupancy Drives Performance

Committed Occupancy



247,000 SF
NEW LEASES
\$20.68 PSF

115,000 SF
COMMITTED
\$20.38 PSF

2019 Operational Highlights

Stable, Predictable Results

2019 Leasing Renewals

	Square Feet	Rate PSF	Growth
Retail & Commercial	1,375,000	\$17.69	4.1%
Office	251,000	\$15.65	2.6%
Total	1,626,000	\$17.37	3.9%

Record square
footage renewed
in 2019

~9% of portfolio
GLA renewed in
2019

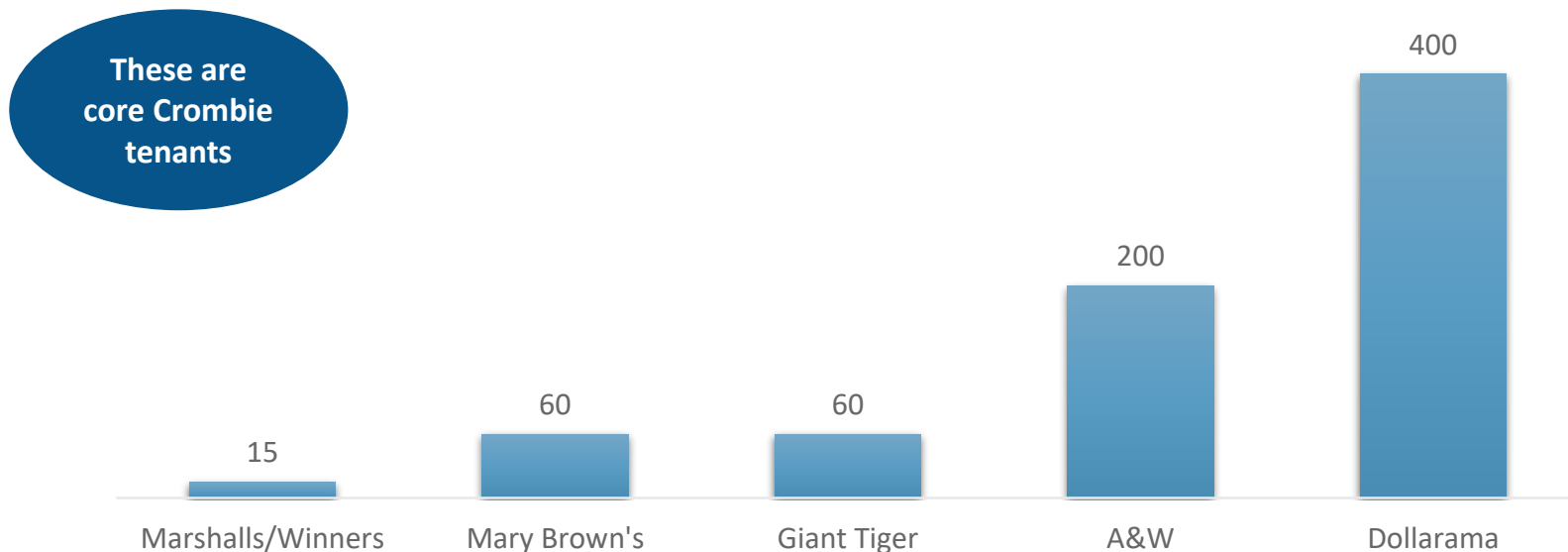
Solid Retail
Renewals at +5.2%
on 1.0M sf

Growing Existing Retail Chains

Proposed Expansion Plans Jan 2018 – Dec 2019

- Retailers that focus on providing value, convenience & experience will do well in the evolving digital economy
- Discount/off-price retailers with strong value focus lead the way
 - Dollarama, Giant Tiger and Winners/Marshalls

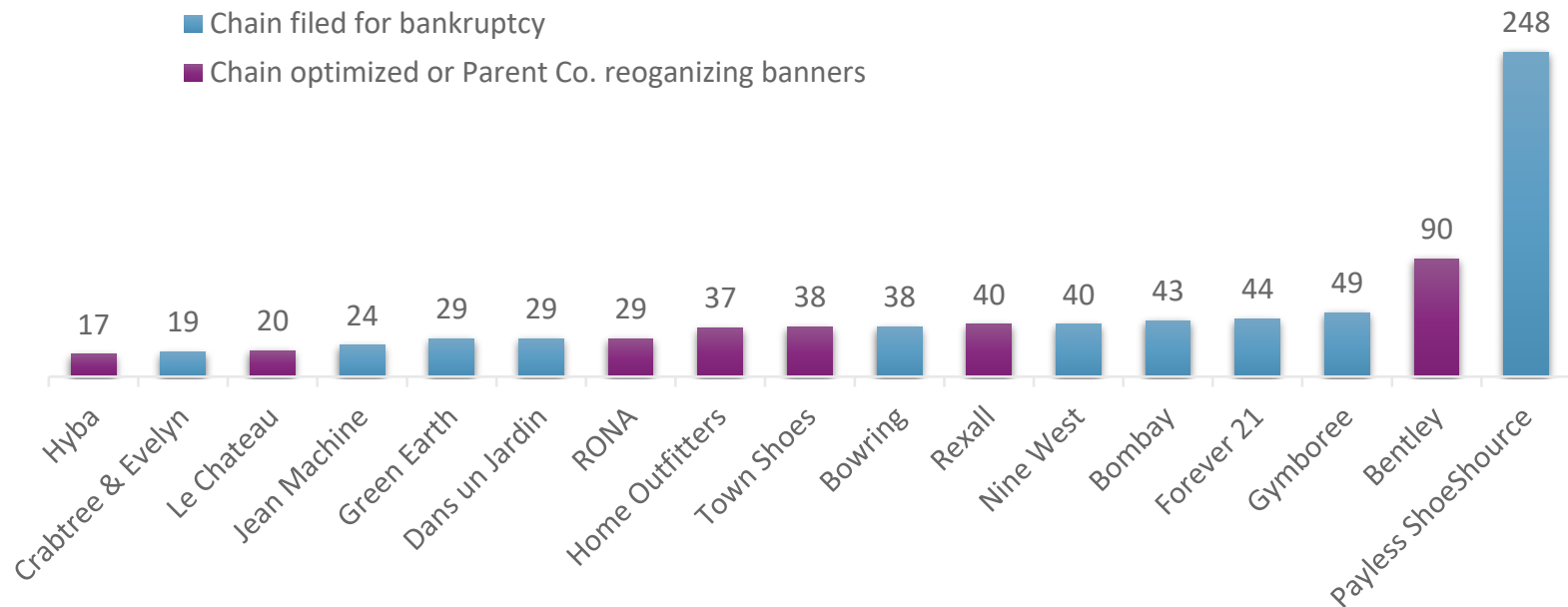
Proposed Expansion Store Count by Retailer¹



Limited Exposure to Store Closures

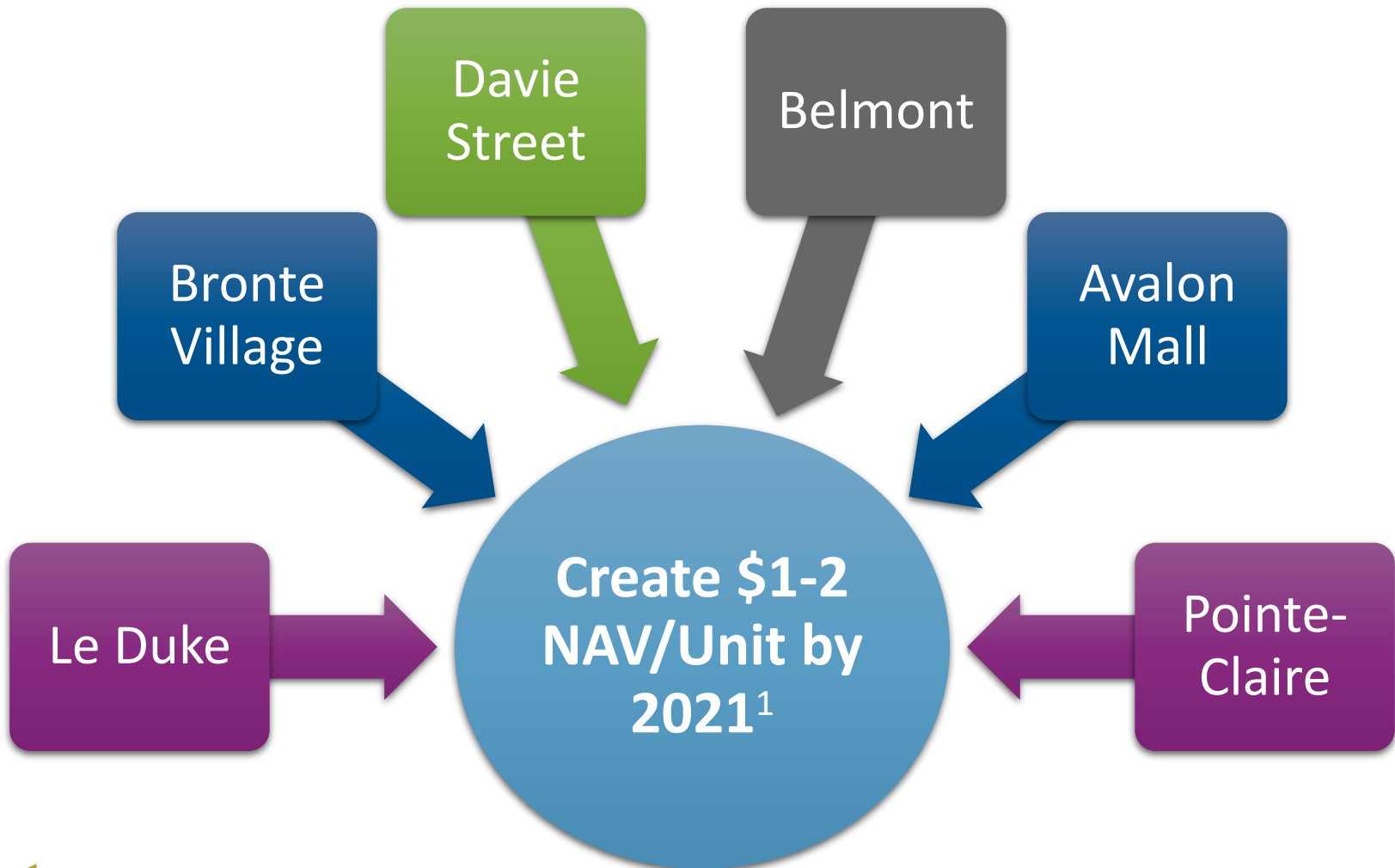
- Crombie has limited exposure to these retailers and categories
- Traditional retailers with weak value proposition, aged and static merchandising plans and absence of omni-channel strategy fail to adapt to the evolving digital economy

Proposed Store Closing Count by Retailer



Material NAV Creation

\$610M Investment in First 6 Major Developments



Davie Street, Vancouver, BC

Creating Significant Unitholder Value

\$186M mixed-use development (\$107M¹ Crombie share) = ~330 residential rental units + Safeway + ancillary retail



Belmont Market, Langford, (Victoria), BC

Upgrading by Developing A+ Real Estate



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

Avalon Mall, St. John's, NL

Dominant Regional Shopping Centre

BOMA

Certificate of
Excellence



Phase II: \$57M =
CRU + Extension
+ Pad Site



Le Duke, Montreal, QC

Placemaking along the Bonaventure Greenway



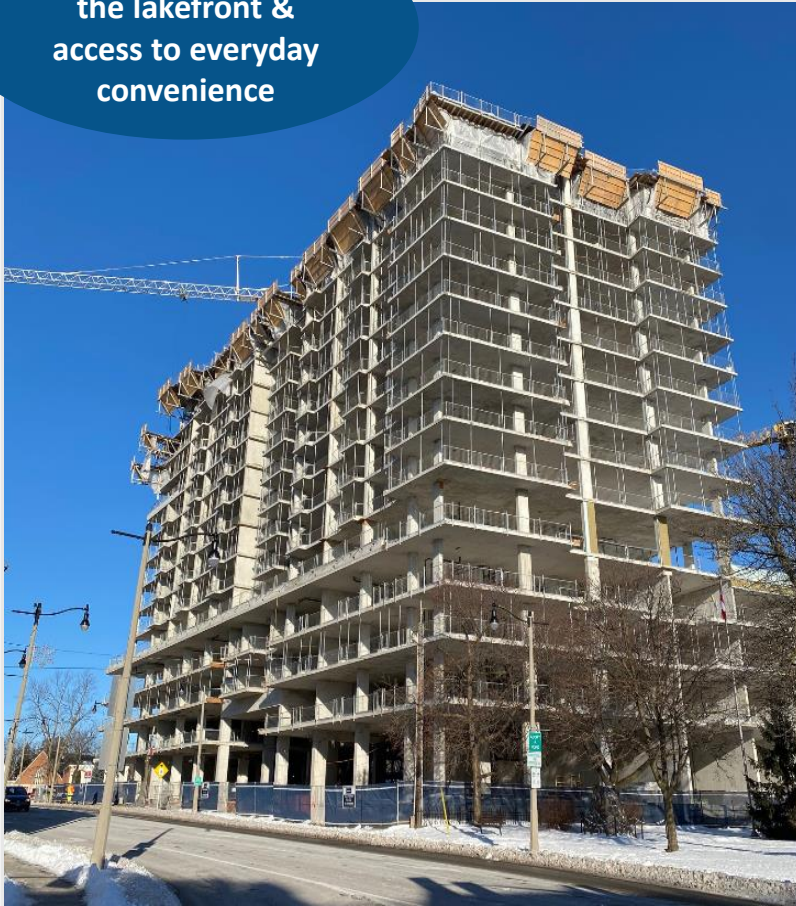
\$118M mixed-use tower (\$59M¹ Crombie share) = ~390 residential rental units + urban format IGA + ancillary retail



Bronte Village, Oakville, ON

Building Community in GTA

Steps away from
the lakefront &
access to everyday
convenience



\$277M mixed-use
development (\$139M¹
Crombie share) = ~480
luxury residential rental
units + 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

Building
construction
starting in spring
2020



Financial Highlights

Clinton Keay
CFO & Secretary

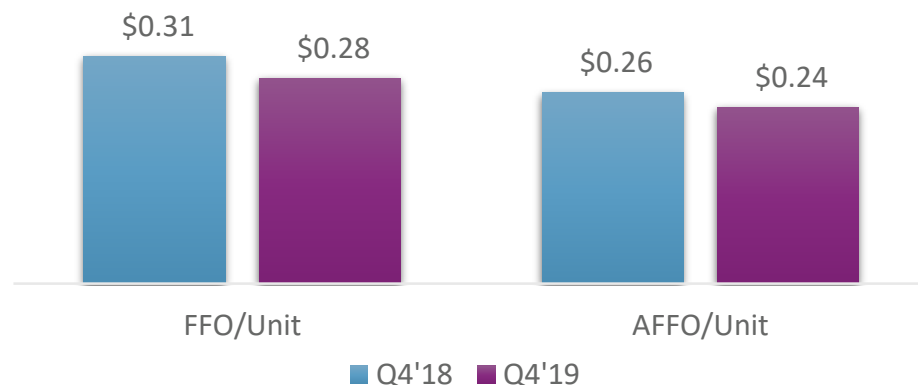


Q4'19 Financial Highlights¹

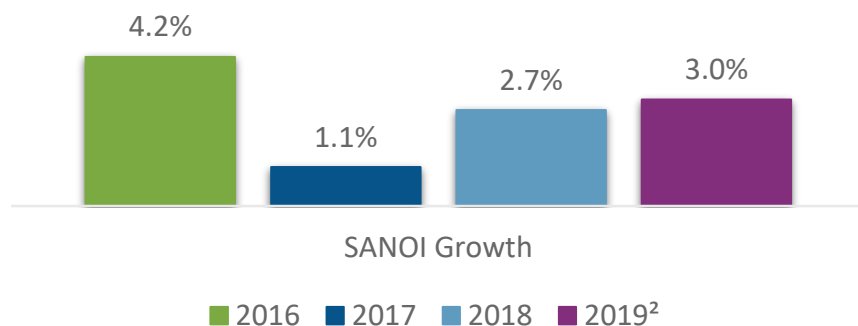
Stable, Predictable Results

SANOI results driven by rental rate increases, new leases, modernization investments and revenue from land use intensifications

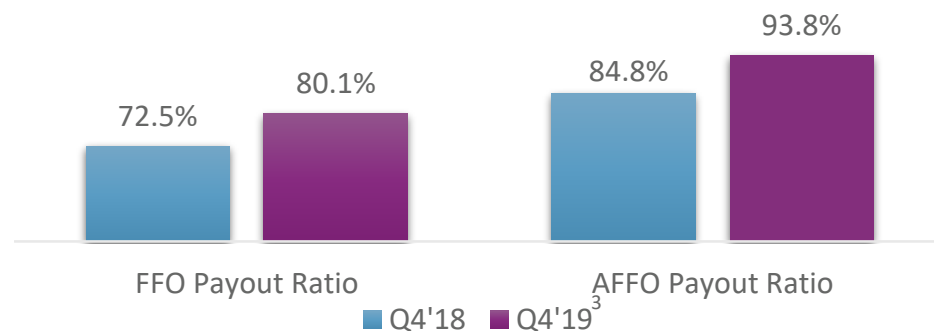
FFO/AFFO per Unit



SANOI Growth



FFO/AFFO Payout Ratio



Overview

Real Estate Transactions

Creatively executing various types of partial interest property dispositions

Capital Recycling Program

	Phase	Transaction Value
Dispositions	2018	\$260M
	2019	<u>\$536M</u>
	Sub Total	\$796M
Acquisitions	2018	\$119M
	2019	<u>\$156M</u>
	Sub Total	\$275M

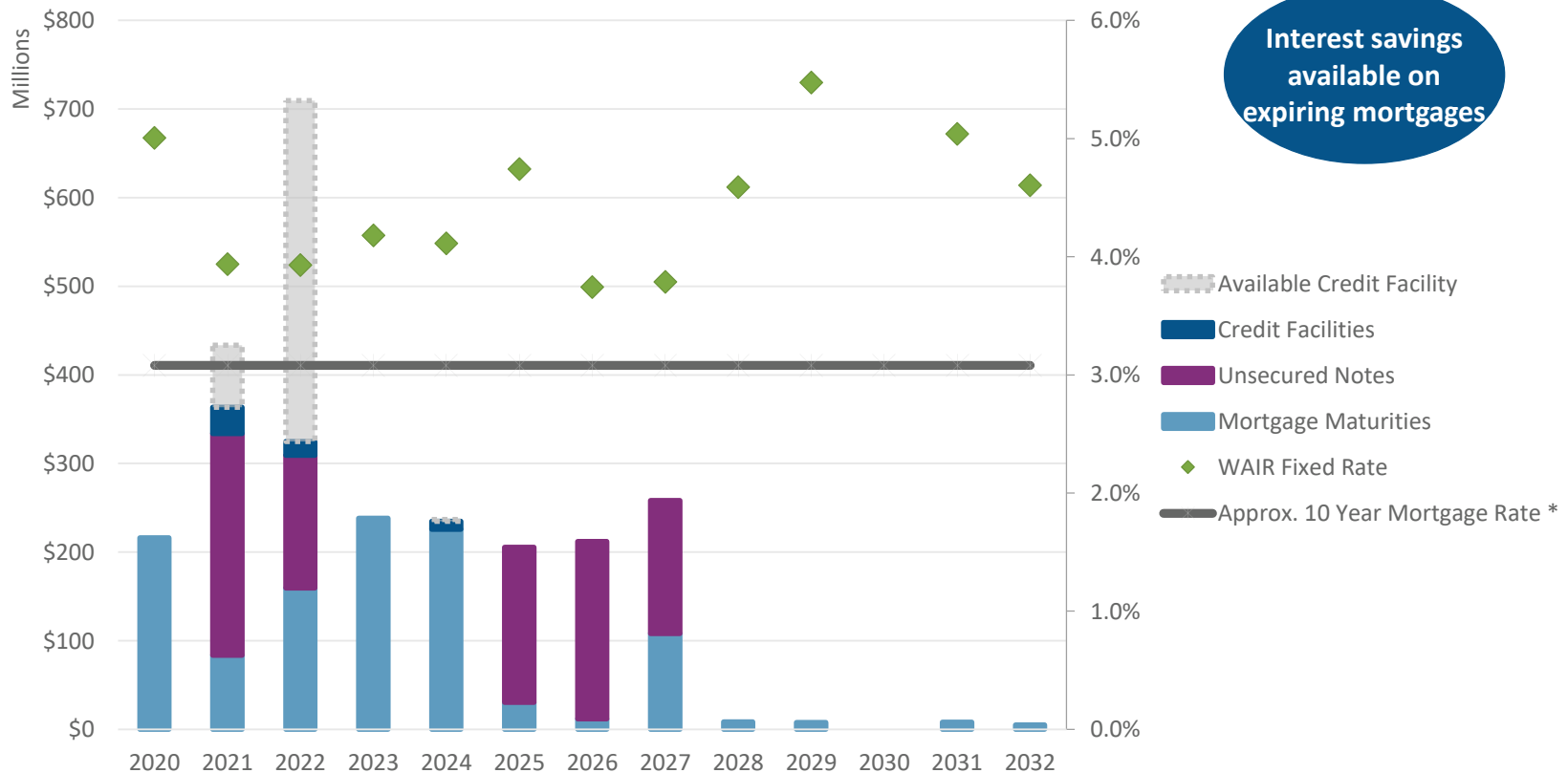
Dispositions executed in line with IFRS FV

Expanding sources of capital, improving portfolio quality, and proving the attractiveness of our retail portfolio

Well-Laddered Debt Maturity Profile

Mortgages, Unsecured Notes and Credit Facilities

~\$218M of maturing debt in 2020 with WAIR of 5.0%



Building Financial Strength

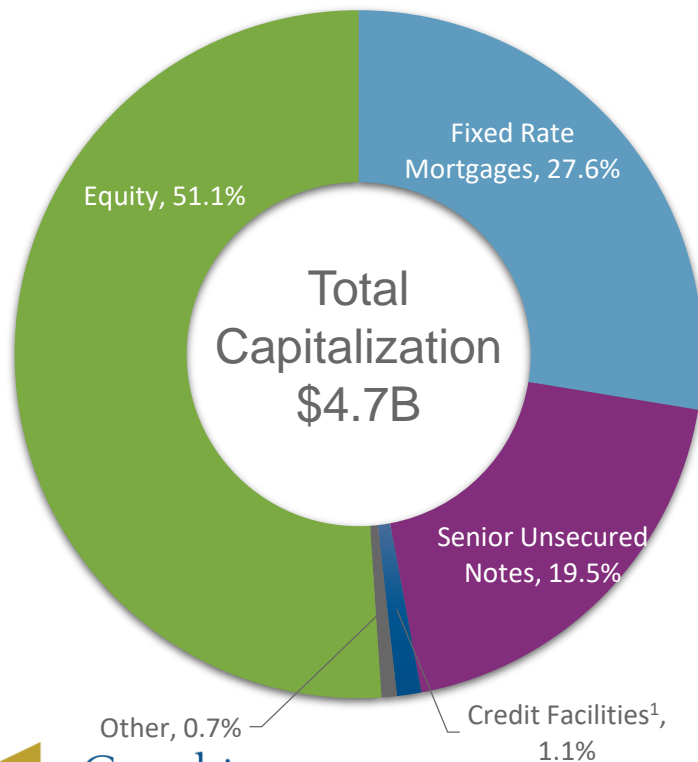
Investment Grade, with Improving Debt Metrics

8.52x
Debt to
EBITDA

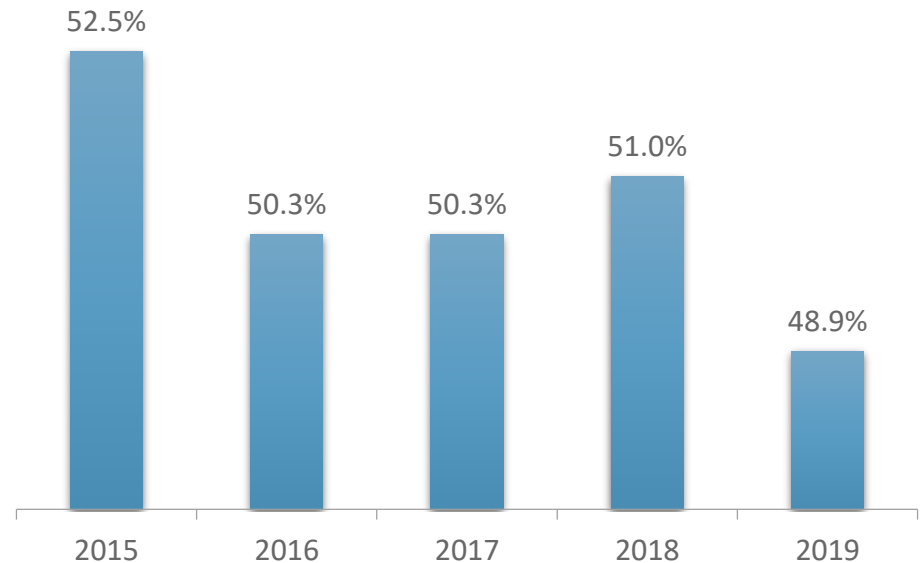
2.99x
Interest
Coverage

1.91x
Debt Service
Coverage

BBB Low
(Stable)
by DBRS



Debt to Gross Book Value (Fair Value)



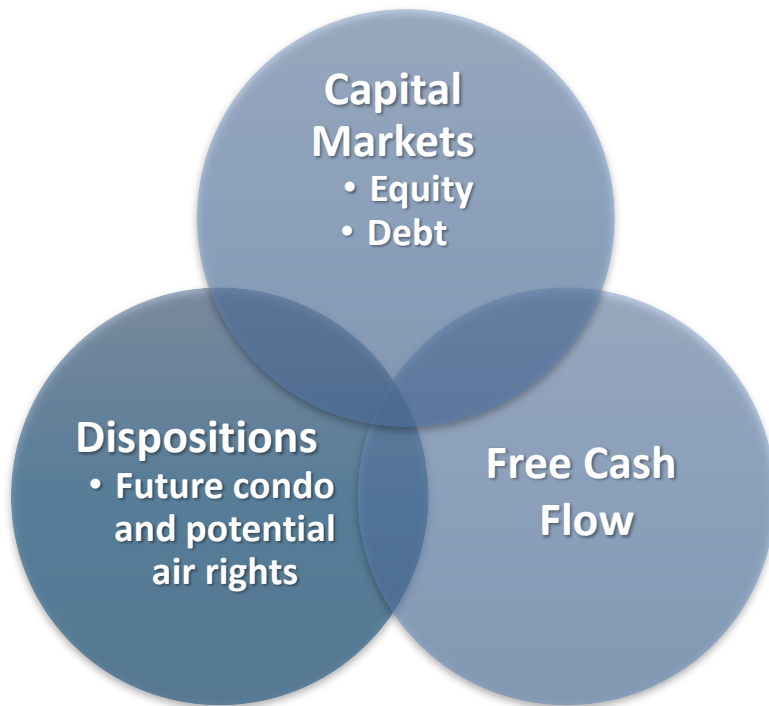
¹ Drawn portion of revolver and bilateral credit facilities and letters of credit

² Subsequent to Q4, on February 11, 2020, Crombie closed on an equity financing of \$100 million

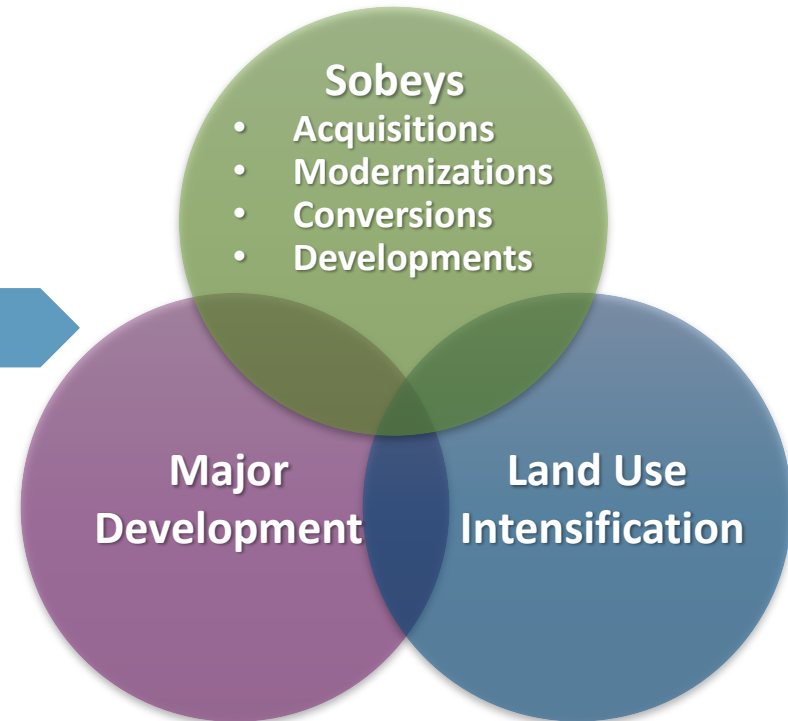
Smart Capital Allocation

Prioritize Growth in NAV & AFFO/Unit

Sources of Capital



Capital Deployment





Crombie
REIT

Unlocking Value