

ECHO

investment



*Everything
begins
with you*



Q2 2019 RESULTS AND OUTLOOK

Warsaw, 17th September 2019

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Agenda

- I. Echo Investment Key Facts
- II. Financial Data & Highlights
- III. Creating Destinations
- IV. Residential for sale
- V. R4R
- VI. Office
- VII. Retail
- VIII. Landbank
- IX. Financials
- X. Appendix



I.



Echo Investment Key Facts

About Echo Investment

23

years of experience

1.7 mln

sqm - total area
of completed projects

1.3 mln

sqm - total area of projects*

** standing, under construction,
in preparation and in early stage,
including 100% of JV projects*

161

completed projects

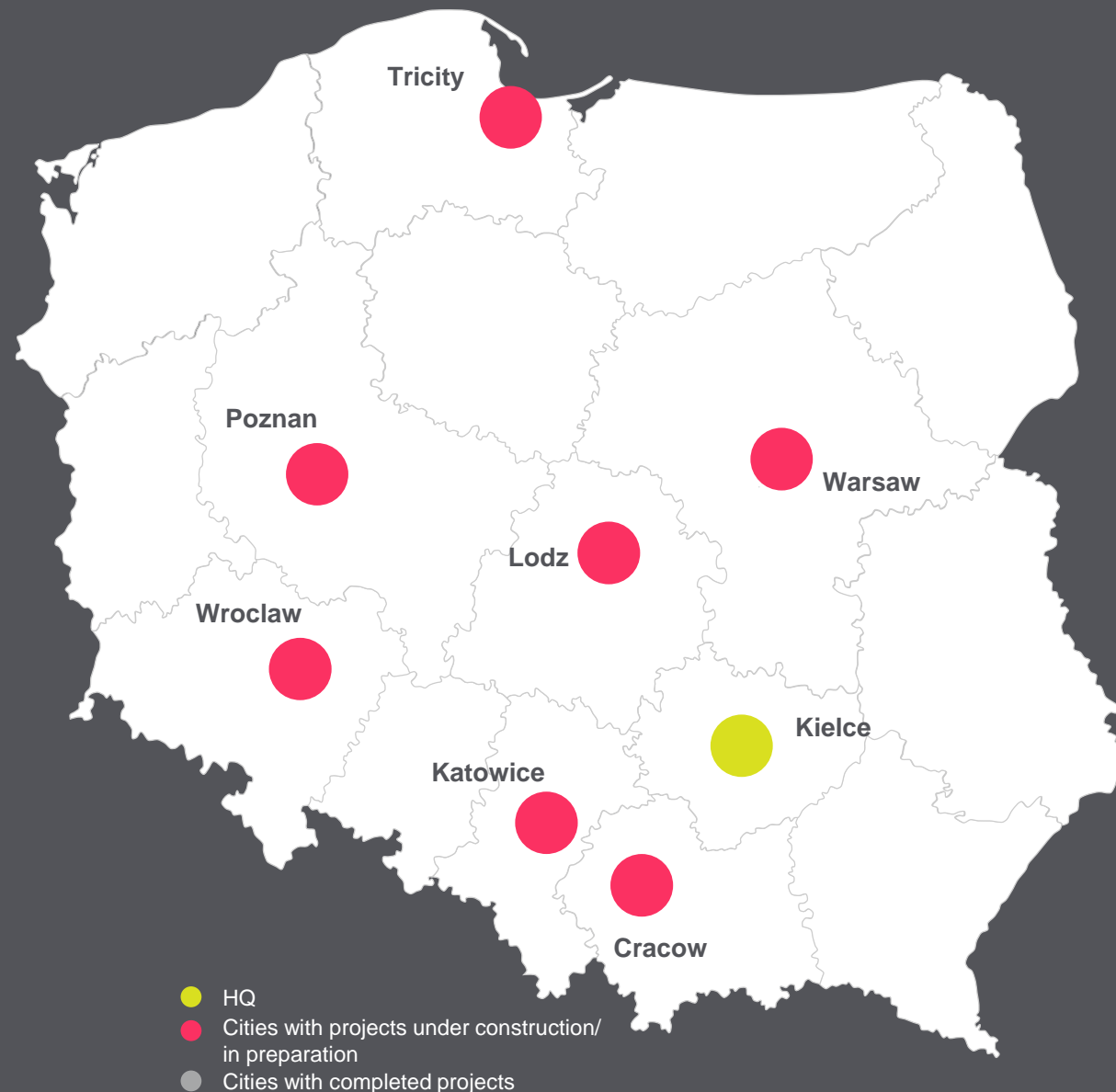
86

projects under construction
and in preparation

EUR 2.9 bn

total GDV of projects**

*** standing, under construction, in preparation
and in early stage, adjusted for Echo's share
in the projects*

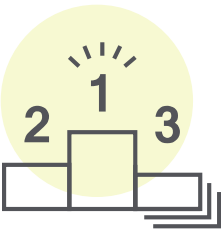


Strategy of Echo Investment Group



Focus on Poland

- We develop projects only in Poland within our core business
- Divestment of non-core assets substantially completed



Leadership position

- A leader in project returns from our projects due to effective organisation with inhouse competences
- Retention of leadership on office and retail markets
- A top 10 residential developer in Poland



Achieving balance of risk & return

- Exit route for commercial properties under construction to optimize returns
- Mix of residential for sale and for rent stabilizing residential returns



Partnerships

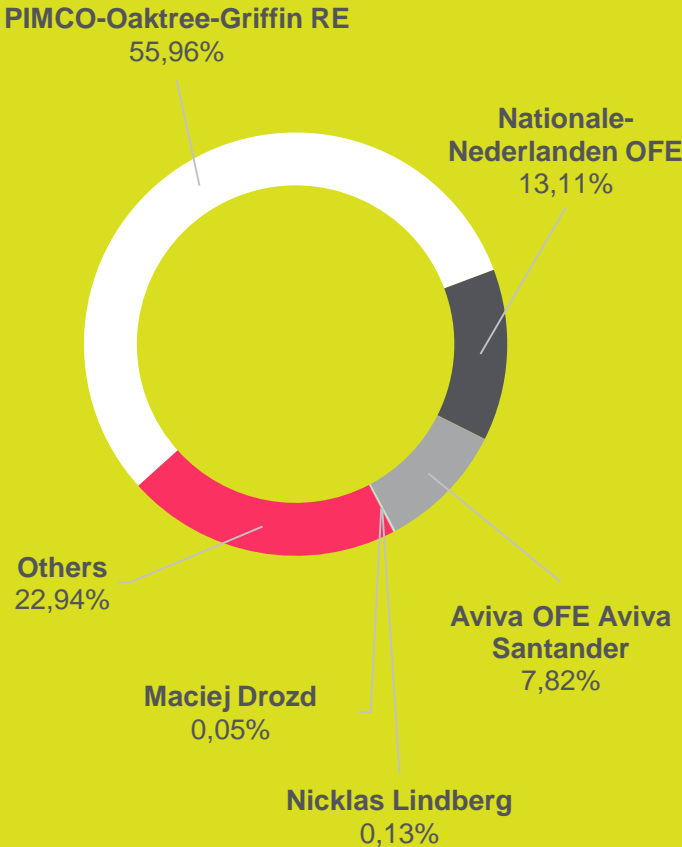
- Effective cooperation with reputable partners to deliver large-scale retail projects
- ROFO and JV agreements
- Early sales to partners with a strong track record



Destination projects

- Launch of destination projects starting with Warsaw Brewery and Moje Miejsce
- Purchase of plots to create more destinations in regional cities – Łódź, Kraków, Wrocław

Shareholding structure



Four integrated business lines to create synergies and to be able to do destination projects



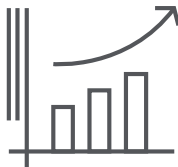
Destination projects account for 42% of all the current projects in the pipeline



Synergetic business lines



Project planning flexibility



Economies of scale



II.



Financial Data & Highlights

Q2 2019 profit above PAP consensus

PLN mln	Actual results			Actual results*			PAP Consensus	
	Q1 2019	Q2 2019	H1 2019	Q1 2018	Q2 2018	H1 2018	Q2 2019 (average)	Q2 2019 (range)
Revenue	69.4	61.4	130.8	64.4	126.0	191.0	63.6	36.5-77.5
Operating profit	52.1	52.7	104.8	81.3	45.0	132.0	47.6	44.8-51
Profit before tax	37.3	52.4	89.7	66	96.0	162.0		
Net profit	31.8	36.1	67.9	50.7	64.0	115.0	28.4	23.6-32.4

* Excluding EPP impact

OUR RESULTS

- Q2 2019 net profit amounts to 36.1 mln PLN, 7.7 mln PLN above consensus
- Q2 2019 net profit lower than in Q2 2018 due to lower fair value gain recorded in the quarter
- Most of recently revalued projects are on early stage; four projects before first revaluation

Main profit drivers in Q2 2019 and 2019 outlook

Q1 2019	Q2 2019	Q3-Q4 2019
PLN 2.7 M Margin earned on handover of 23 residential units	PLN 7.7 M Margin earned on handover of 54 residential units	Margin earned on handover of ca. 1,180 residential units
PLN 63.5 M Fair value increase of commercial properties: <ul style="list-style-type: none"> ○ O3 Business Campus III, Cracow ○ Libero, Katowice ○ Gatehouse Offices (Brewery J), Warsaw ○ Villa Offices, Malthouse Offices (Brewery KGH), Warsaw ○ Moje Miejsce I, Warsaw ○ Face2Face I, Katowice ○ Other 	PLN 66,2 M* Fair value increase of commercial properties: <ul style="list-style-type: none"> ○ O3 Business Campus III, Cracow ○ Gatehouse Offices (Brewery J), Warsaw ○ Villa Offices, Malthouse Offices (Brewery KGH), Warsaw ○ Moje Miejsce I, Warsaw ○ Face2Face I & II, Katowice ○ Other 	Fair value increase of commercial properties: <ul style="list-style-type: none"> ○ Villa Offices, Malthouse Offices (Brewery K, G-H), Warsaw ○ Libero, Katowice ○ Moje Miejsce I & II**, Warsaw ○ Face2Face I & II, Katowice ○ West4 Business Hub I**, Wrocław ○ Powstańców Śląskich**, Wrocław ○ React, Lodz ** ○ Other
PLN 13 M Rent from standing assets: O3 Business Campus III, Libero Katowice, Gatehouse Offices (Warsaw Brewery J)	PLN 8,8 M Rent from standing assets: O3 Business Campus III, Libero Katowice	Rent from standing assets: Libero Katowice, O3 Business Campus III

Q2 2019 Highlights

Residential



Sale of **293** apartments in Q2 2019 resulting in total sale in H1 2019 of **643** apartments

Commercial



Starting construction of **React**- new office building in Lodz



Completion of **Moje Miejsce I**, the largest completed office building in Q2 2019 in Poland

Land Bank







Expanding significantly land bank by **34,500 sqm** of potential PUM

Financing



Securing loans for Face2Face and React

Post Q2 2019 activities (as of mid- September)

Residential	Commercial	Land Bank	Dividend
<div></div> <div><p>Sale of 169 apartments in July and August 2019</p><p>Starting 3 new projects with 446 apartments in Poznan, Wrocław and Lodz</p><p>Opening first R4R project in Wrocław and starting two new projects in Poznan and Gdansk with 462 units</p></div>	<div></div> <div><p>Disposal of O3 Business Campus in Cracow</p></div>	<div></div> <div><p>Securing by PSPA 192,300 sqm of potential GLA/PUM in top location in Warsaw and Lodz</p></div>	<div></div> <div><p>Resolution on 0,5 PLN dividend per share</p></div>

Successful opening of Moje Miejsce I

- The largest office scheme opened in Q2 2019 in Poland
- **First phase** of destination project Moje Miejsce completed, second phase and apartments to be delivered in 2020
- **Moje Miejsce** will create a unique mix of office and residential with outstanding greenery areas open to everyone
- Great reception by tenants: 68% leased and rest of the space under advanced negotiations
- **Havas Media**- main tenant of the first phase (4,600 sqm)
- **Food & greenery areas** on the ground floor available for everyone
- **Fitness center**- JustGym available 24h 7 days a week



Building our future: extending landbank

- Echo acquired 3 plots in Q2 2019 with potential to build **34,500 sqm** of residential in Poznan, Cracow and Warsaw
- Value of plots acquired: **PLN 70,3 mln**
- Together with 4 acquisitions performed in Q1 2019 landbank grew by **109,200 sqm PUM/GLA**
- Echo secured additional 5 plots in Q2/Q3 2019 by signing PSPA allowing to build ca. **192,300 sqm of residential, retail and office space**
- Plots acquired and secured in 2019 allow to build ca. **301,500 sqm**



4 new projects started in Q2 2019

Poznan

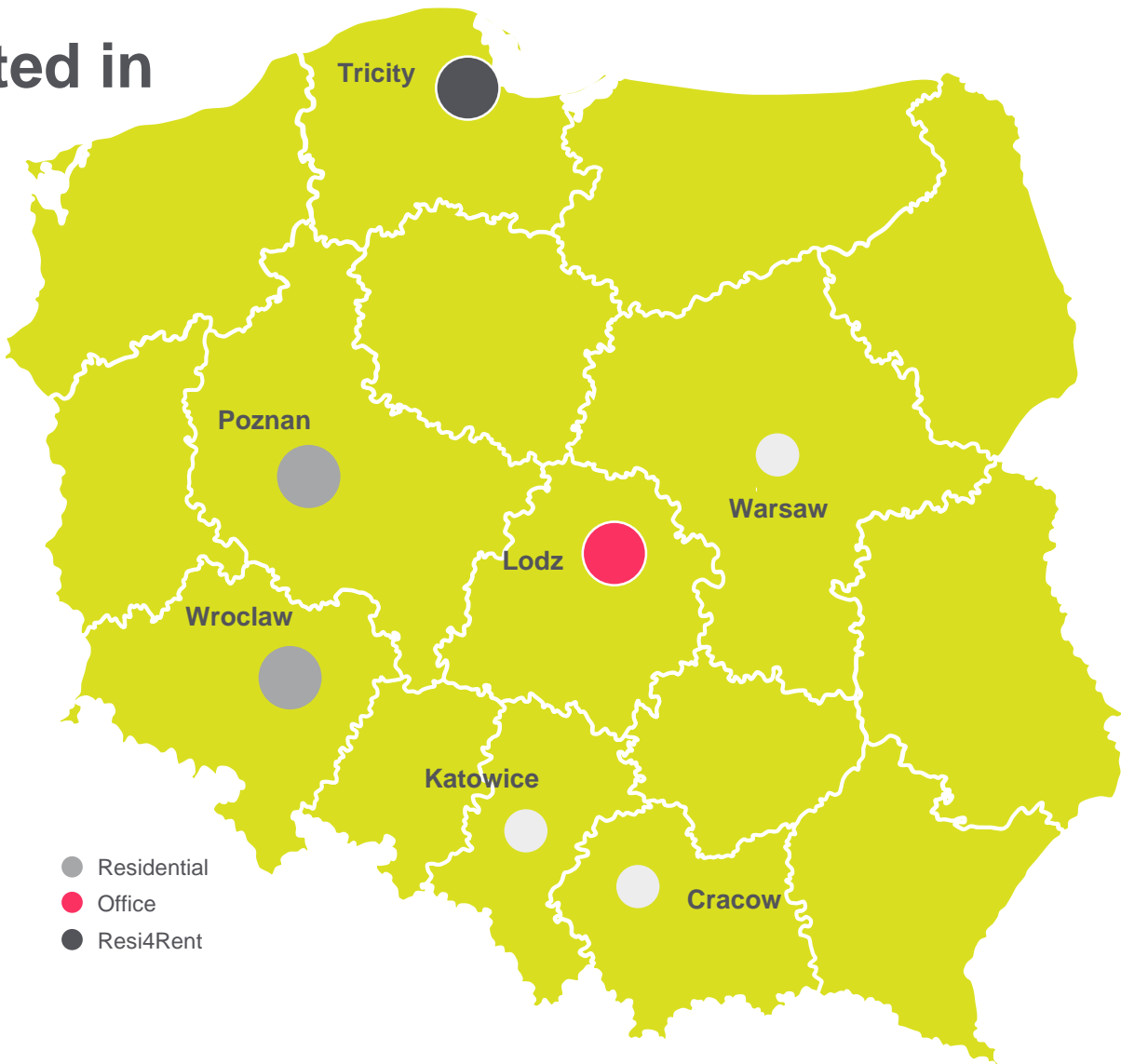


Residential | Naszej Jezyce I
(142 units)

Wroclaw



Residential | Stacja 3.0
(204 units)



Tricity



R4R | Kolobrzaska
(302 units)

Lodz



Office | React (15,000 GLA)



III.



Creating Destinations

Creating Destinations

Destination projects cover 42% of Echo's pipeline

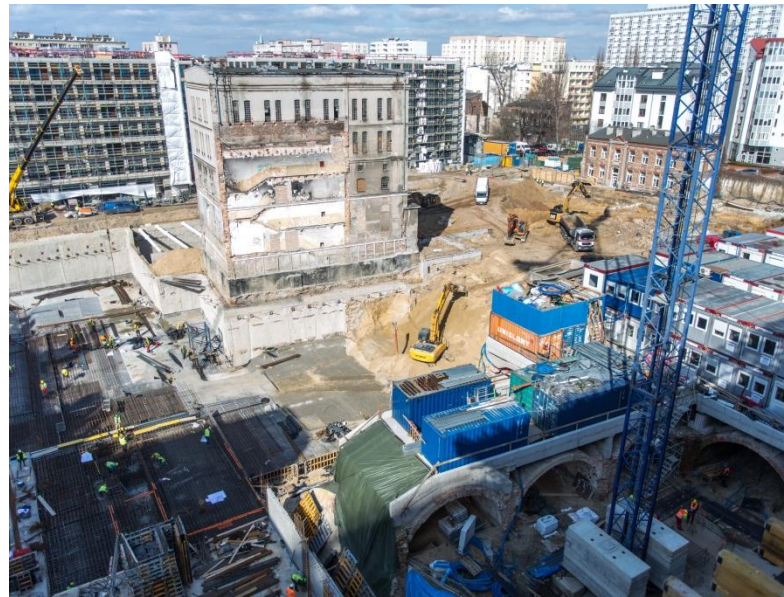
- Destination is a mix of functions in buildings plus **full public space and infrastructure**: roads, squares, green areas
- Using our **broad experience** in residential, office, retail and hotel sectors
- Growing cities in a **sustainable way**
- **Flexibility, risk diversification and optimal utilisation** of resources
- Lower acquisition and development costs and shorter time to completion
- Our answer to needs and trends of modern people



Creating Destinations

The whole project under construction at a full speed

- Five buildings with c.a. **100,000 sqm** of residential, office and services space currently **under construction**
- Entire project will be finished and ready to open up fully in **Q3/Q4 2020**
- First office and residential building **already sold** and handed over
- Bank Peko S.A. granted **EUR 87 mln** construction loan for Villa Offices and Malthouse Offices
- Only c.a. 41 high-end apartments remain in offer in Building E (out of 76 units)
- Residential buildings: A, B and C are fully sold out



Creating destinations

Fuzja to become the new centre of Lodz

- Project to **bring back 7.7 ha** to the city
- **90,000 sqm** of residential, office and service space to be built in total
- **Excellent location** in a very central part of the city, walking distance from Piotrkowska St.
- **Post-industrial architecture** with great urban design by Medusa studio
- 267 apartments put in the offer; **great interest** from potential buyers, 27% of apartments already sold as of 31.08.2019
- Promising talks with **potential office tenants** interested in having custom office space



Creating destinations

Towarowa 22 – heart of a new district

- Echo is in advanced in discussion about **Master Plan** concerning Towarowa 22 with the City authorities
- **Bjarke Ingels, founder of BIG**, will visit Warsaw on 20th September to explain his visionary idea for his urban regeneration project that will influence and transform Warsaw

Towarowa 22 is a new neighbourhood in Warsaw that combines the urban intensity of street walls and city blocks with the open air and recreation of an elevated park landscape. Traditional and modern, dense and open at the same time.” ~ Bjarke Ingels, Founding Partner @ Bjarke Ingels Group





IV.



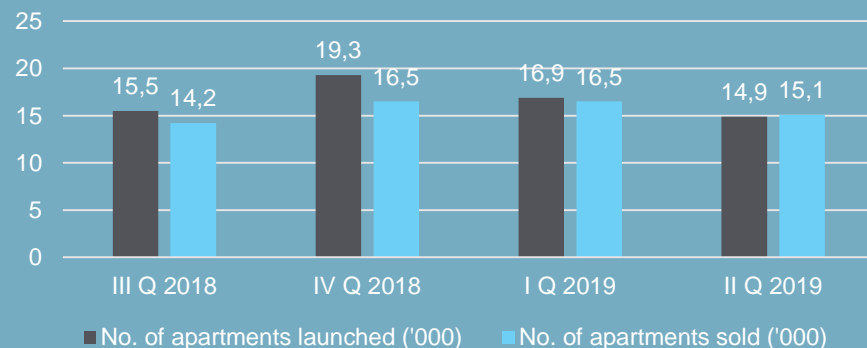
Segment Achievements

Residential for sale

Supply and demand in balance in Q2 2019

- **Ca. 15,000 apartments** were launched in Q2 2019, 500 units less than in Q2 2018
- **15,100 apartments sold in Q2 2019 on primary market in 6 major cities**
- Demand almost equalled supply, number of units available stabilized at 51,300
- Significant differences in supply between cities
- Highest supply growth Q2 2019/Q1 2019: **Wrocław - 35% and Łódź - 35%**

No. of apartments launched and sold in 6 major cities* in Poland



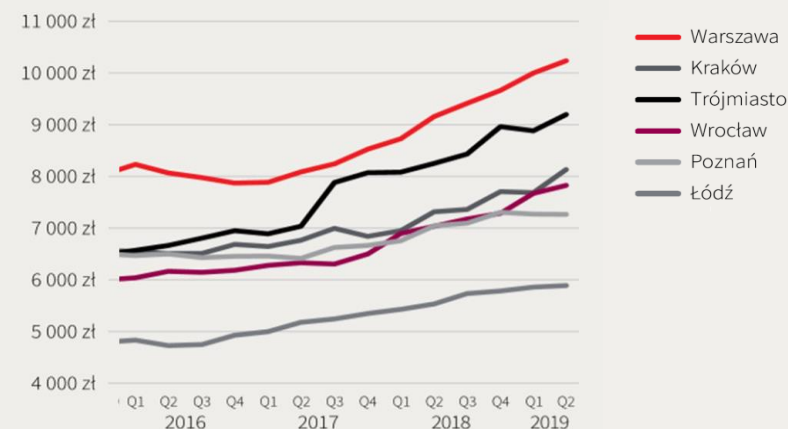
PRICES

- The sale prices increased in Q2 2019 by 2% compared to Q1 2019
- Cracow and Tricity noted the highest price growth (5.7% and 3.4% accordingly) – compared to Q1 2019
- Prices in Poznan and Łódź have stabilised after strong increases in 2018

DEMAND

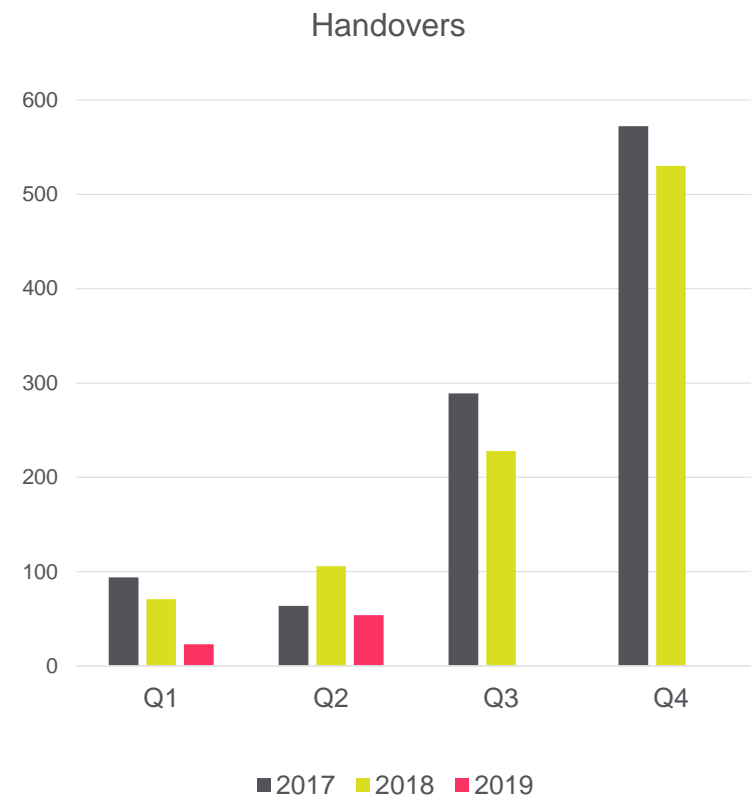
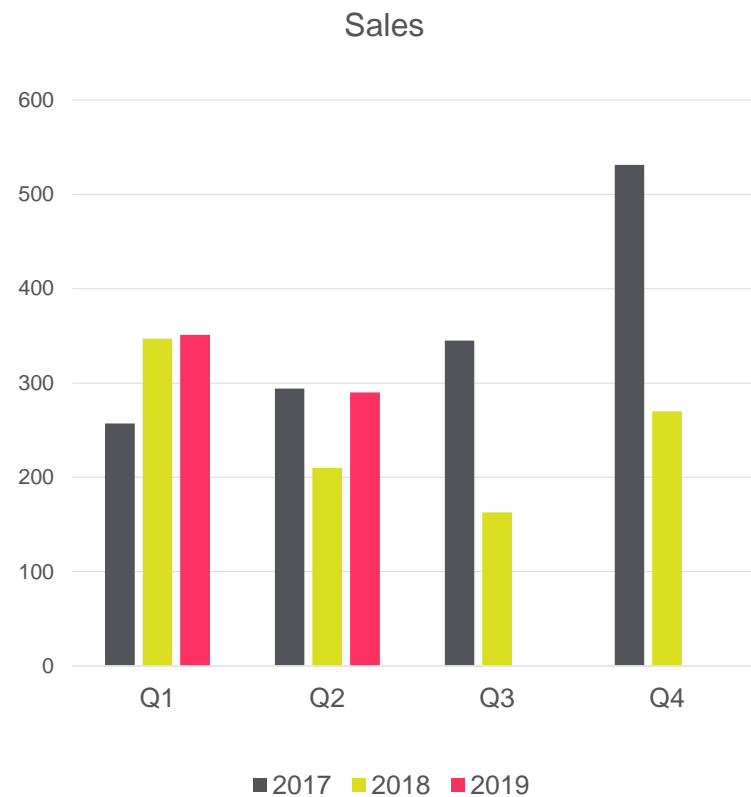
- Number of apartments sold decreased by 8,4% compared to Q1 2019
- Both, Wrocław and Tricity witnessed sales growth after a weak beginning of the year
- Rest of the major cities influenced slow down in sales compared to Q1 2019

Average price of units on offer (PLN/sqm, incl. VAT, shell and core standard)



Growing Echo apartment sales in Q2 2019 with solid margin

8th largest developer in Q2 2019 in number of apartments sold



Recorded margin on revenues
(handed over apartments)

25% in 2017

28% in Q1 2018

33% in Q2 2018

28% in Q3 2018

26% in Q4 2018

25% in Q1 2019

23% in Q2 2019

Apartment's sales growth in Q2 2019 vs. Q2 2018 exceeds most competitors

No. of apartments sold			
Company	Q2 2019	Q2 2018	YoY change
Victoria Dom	380	181	▲ 109,90%
Budimex Nieruchomości	466	239	▲ 95,00%
Atal	904	577	▲ 56,70%
Echo Investment	290	209	38,80%
Wikana	83	62	▲ 33,90%
Vantage Development*	251	199	▲ 26,10%
Dom Development	836	802	▲ 4,20%
Robyg**	605	602	▲ 0,50%
Marvipol Development	225	233	▼ -3,40%
Archicom	349	389	▼ -10,30%
Inpro	178	200	▼ -11,00%
Murapol*	757	872	▼ -13,20%
LC Corp	287	341	▼ -15,80%
Ronson Development	172	232	▼ -25,90%
CNT	82	123	▼ -33,30%
J. W. Construction*	208	332	▼ -37,30%
RAZEM	6155	5820	5,80%

Source: PAP

* incl. final agreements, pre-sale agreements and paid reservations

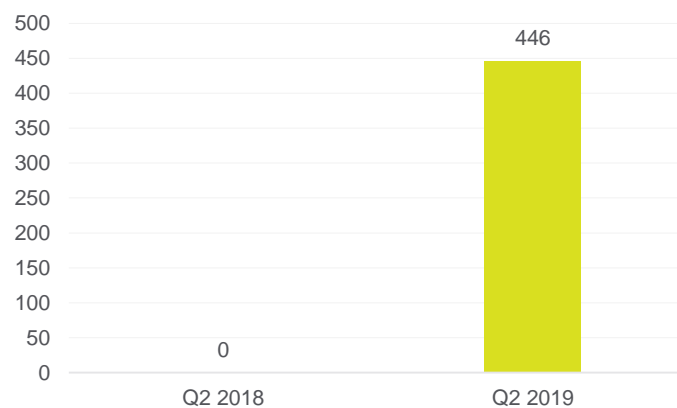
- Echo noted 38,80% increase in sales in Q2 2019 in comparison to Q2 2018
- Number of apartments sold placed Echo on **4th place** among listed developers in terms of percentage change Q2 2019 / Q2 2018 and **8th place** in terms of number of apartments sold



446 apartments launched in Q2 2019

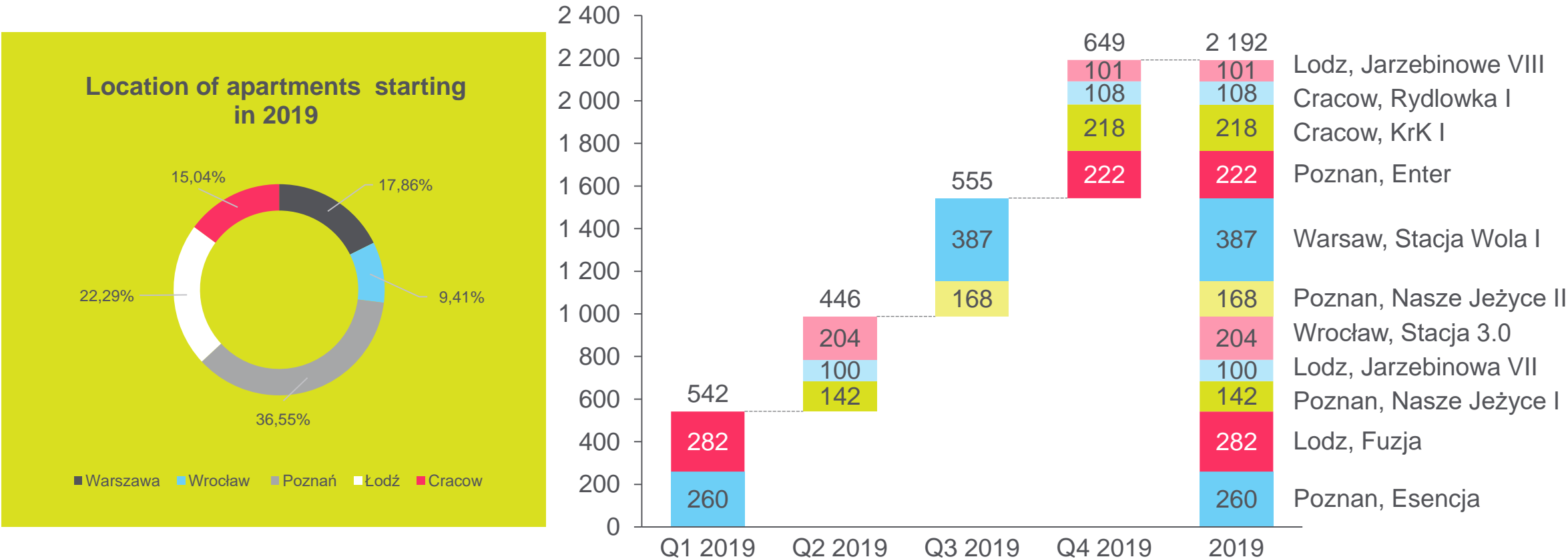
- 446 units put on offer in Q2 2019
(Nowe Jezyce in Poznan, Stacja 3.0 in Wroclaw and Jarzebinowe VII)
- Planned 2019 annual sales of 1,300 units
- Targeting to handover in 2019 1,250 units

Number of apartments
launched in Q2 2019 and Q2 2018



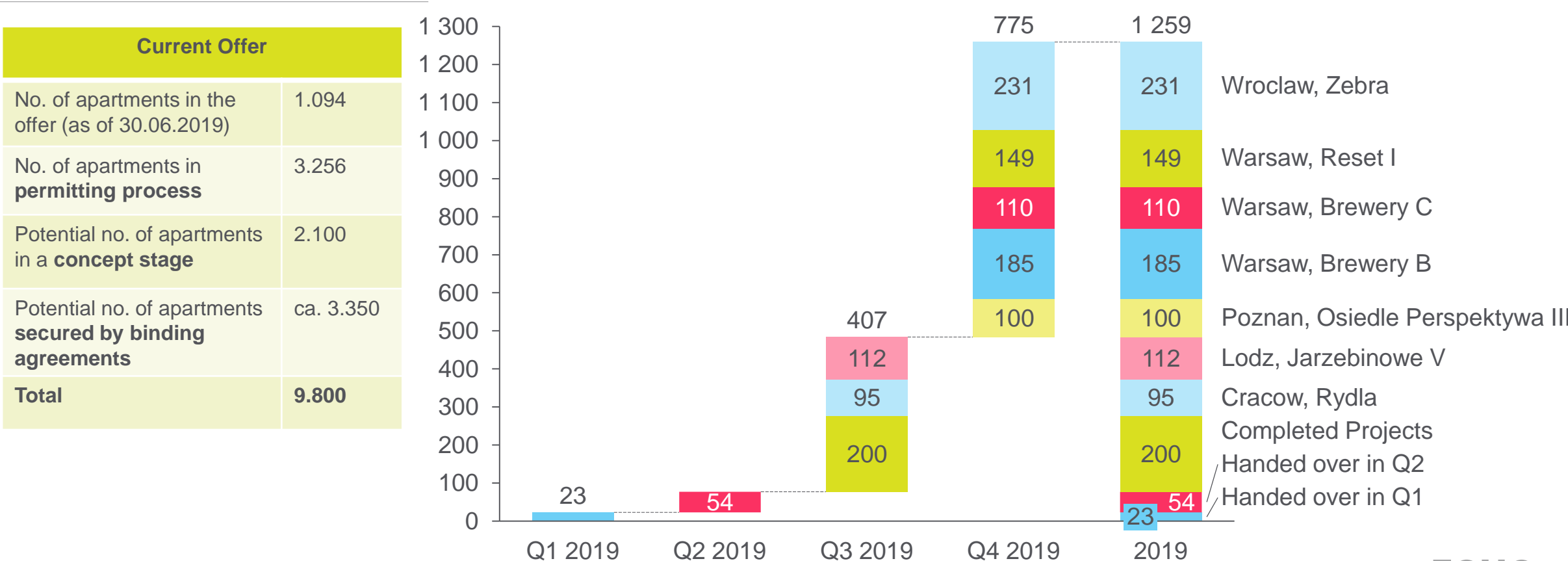
Projects launching in accordance with the plan

New projects to add ca. 2,200 units to the offer in 2019



Current offer & Handovers

Landbank Pipeline secured for ca. 9.800 apartments





V.

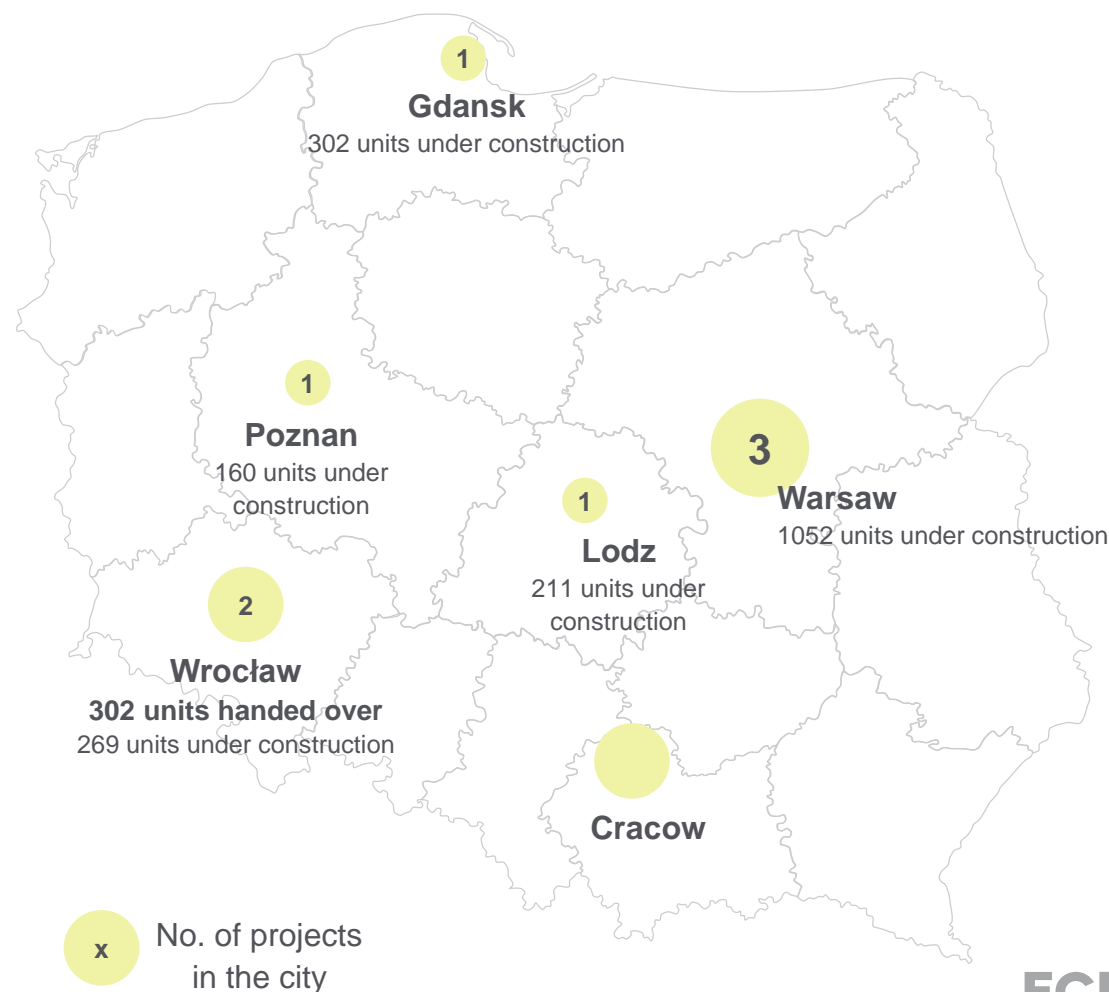
Segment Achievements

R4R

Construction of 2 new Resi4Rent projects started

- Construction works of two new projects with 462 units commenced in Q3 2019 at **Kolobrzaska in Gdansk** and **Szczepanowskiego in Poznan**
- 8 projects (**nearly 2,295 units**) under construction
- The first project with **over 300 units** in Wroclaw completed
- Another project (in Łódź) to be handed over and leased already in H2 2019
- Resi4Rent is in advanced negotiations to acquire plots in Cracow, Warsaw and Wroclaw
- Resi4Rent to develop and operate **approx. 7,500 units** by 2024, becoming the largest institutional rental platform in Poland
- Echo Investment **holds 30% stake** and provides exclusive **development services** to Resi4Rent

Resi4Rent projects under construction and in preparation



Two projects opening in 2019 with 513 units

- First **Resi4Rent** project opened in Wroclaw at Rychtalska St.
- First 16 apartments were handed over on 12th of September
- Another tranches of units are scheduled for handover as follow:
 - 25 apartments by the end of September 2019
 - 100 apartments by the end of November 2019
 - remaining 161 apartments by the end of 2019
- Project in **Lodz at Wodna St.** will be completed in October 2019
- 211 apartments in Lodz will be handed over by the end of December 2019

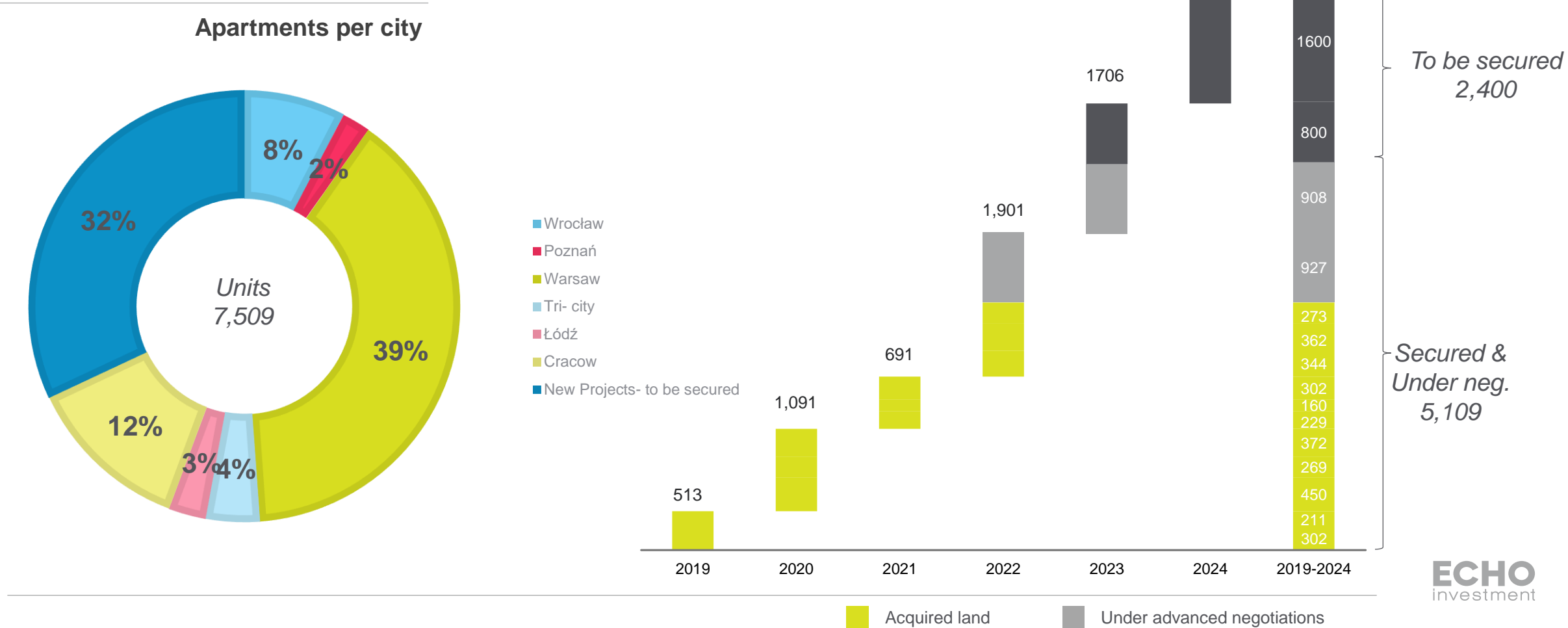


1782 units to be handed over in 2020 and 2021

- Out of **2,296 unit under construction** ca. 48% (1091) will be completed in 2020
- In the first quarter of 2020, 269 units will be completed in Wroclaw at Kepa Mieszczanska
- Following the opening in Wroclaw, R4R platform will open currently largest development- Brewery
- Brewery will provide 451 apartments in Q3 2020
- By the end of 2020 second project in Warsaw will be completed at Tasmowa St. (372 units)
- In 2021, 691 units will be completed within 3 projects in Warsaw, Gdansk and Poznan



Target 7,500 of R4R units to be delivered until 2024





VI.



Segment Achievements Office

Polish office market Q2 2019

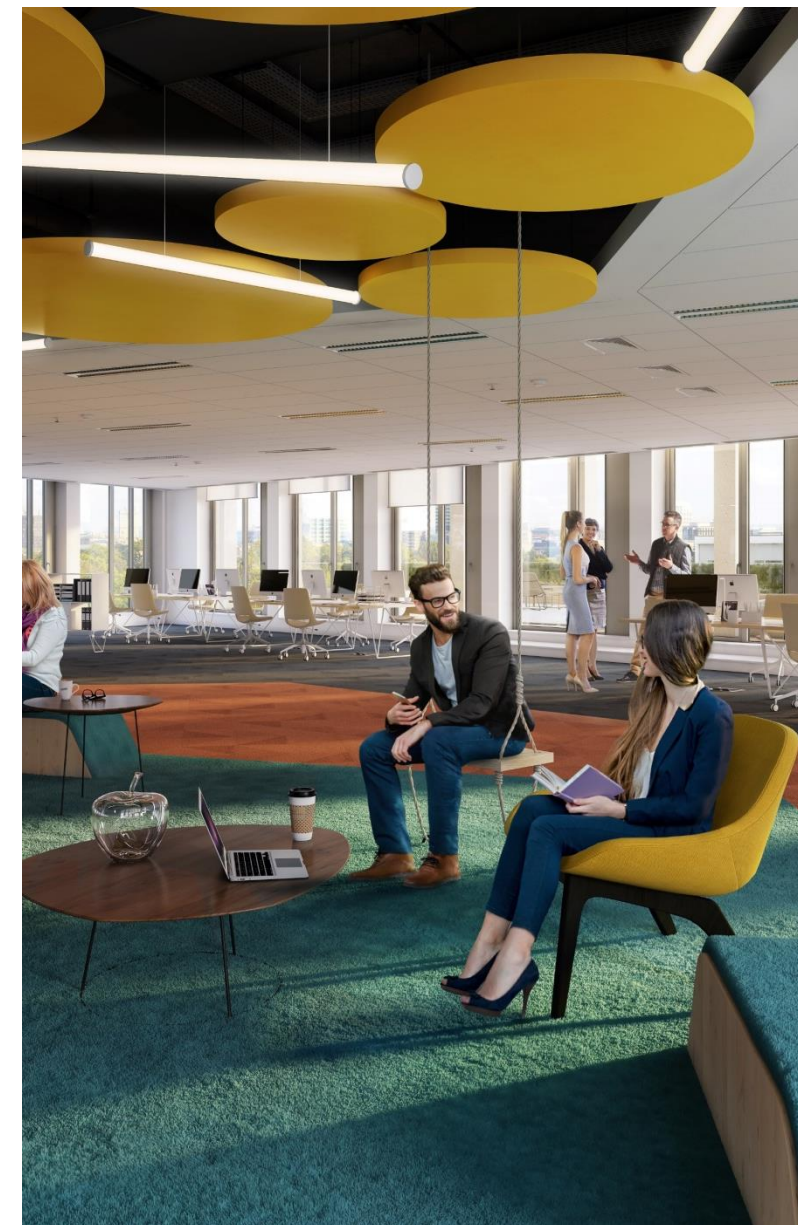
WARSAW: MARKET REMAINING STRONG

- **80,500-** total supply of office space in Q2 2019. Moje Miejsce I- largest office building opened
- **780,000 sqm** of office space under construction
- **8,5% – vacancy rate**, decrease comparing to the end of 1Q 2019, downward trend should be continued in 2019
- Persistent high demand and lack of immediately available space may cause **increase of rents** in the short-term
- Significant transaction on polish office market signed: Getin Noble Bank and Warta agreements for ca. 50,000 sqm in Wola
- Historically low – **sub 5% yields** observed in recent transactions

REGIONAL MARKETS OUTPERFORM WARSAW

- **113,000 sqm of new office space** delivered on regional markets in Q2 2019
- **850,000 sqm** of office space remain **under construction**
- **9.4% – average vacancy rate**
- Rents **likely to grow** due to high demand
- Historically low – **sub 6% yields** observed in recent transactions

Source: CBRE, JLL, Colliers



Projects in Warsaw and Łódź launched in Q2, O3 in Cracow sold on 11th September

Warsaw

18,700 sqm



Opening
of Moje Miejsce I

16,900 sqm



Start of Moje
Miejsce II
construction

Cracow

18,900 sqm



Disposal of O3 III in Cracow
at EUR 47,2 mln

Lodz

15,000 sqm



React in Lodz launched

Warsaw

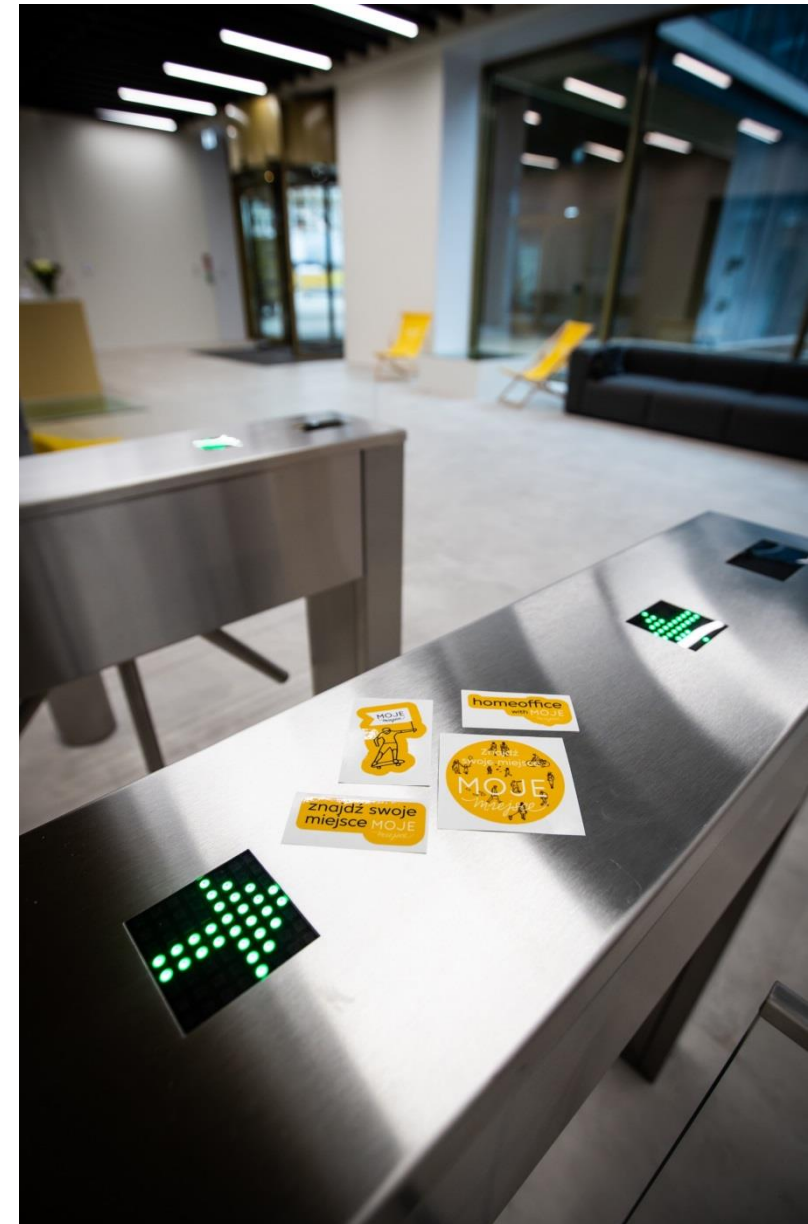
Completion of Moje Miejsce I

Moje Miejsce I

- Building use permit obtained for Moje Miejsce I
- Havas Media started operation in new office on 13th of May, 2019
- 64% of building's office space already leased to Havas, Mastercard, Just Gym and DuPont
- Ongoing negotiations on all the remaining spaces in the first phase

Moje Miejsce II

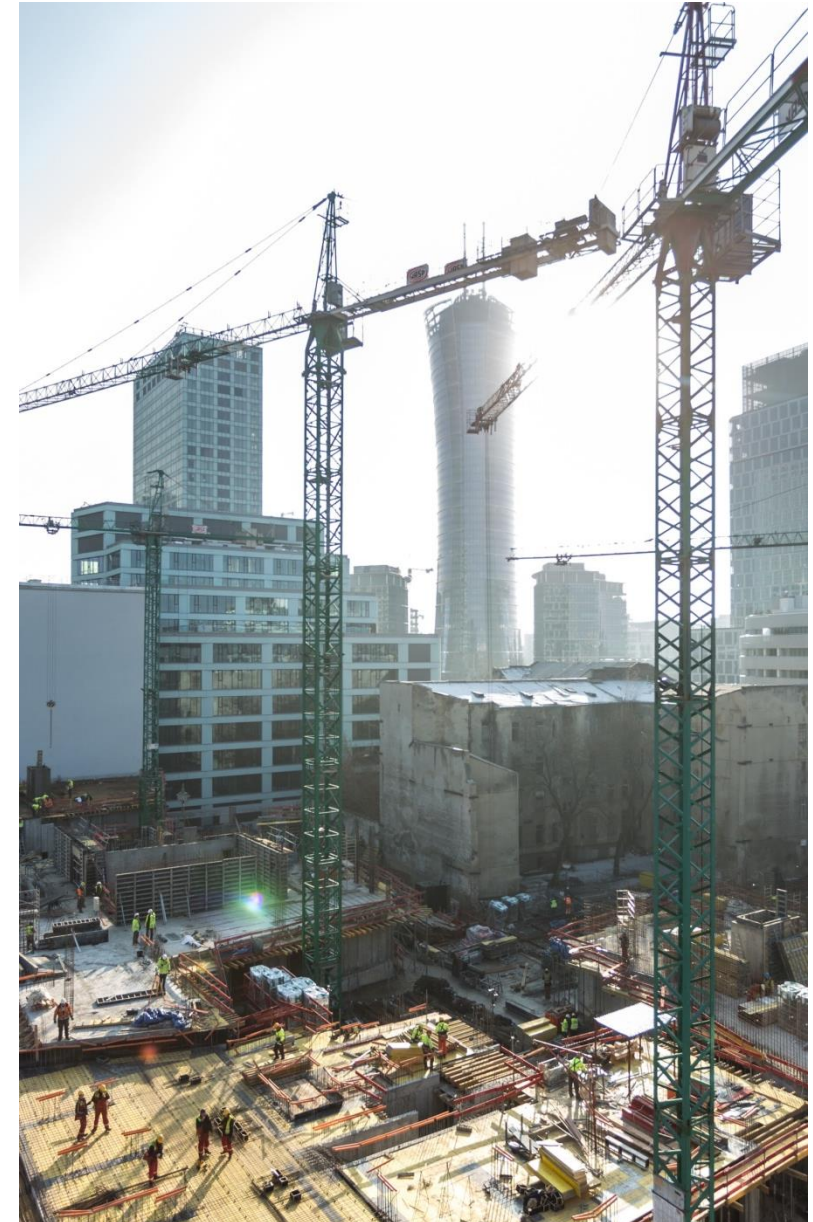
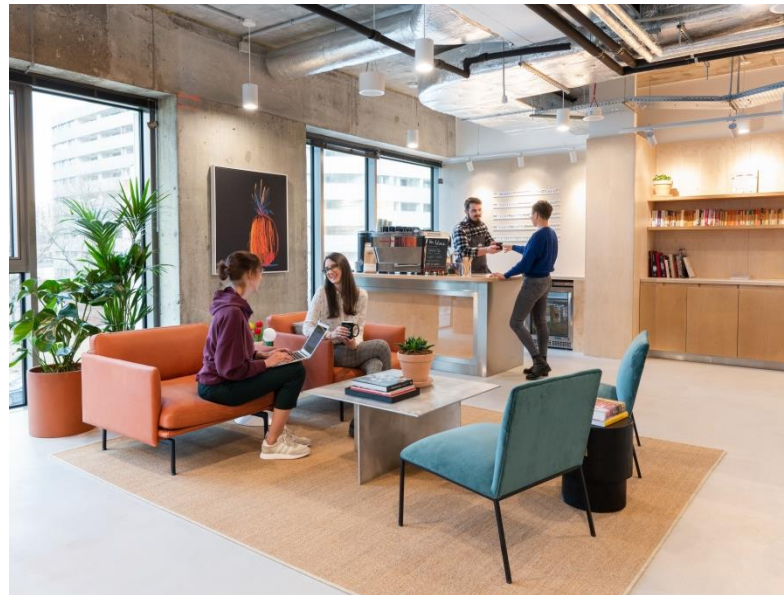
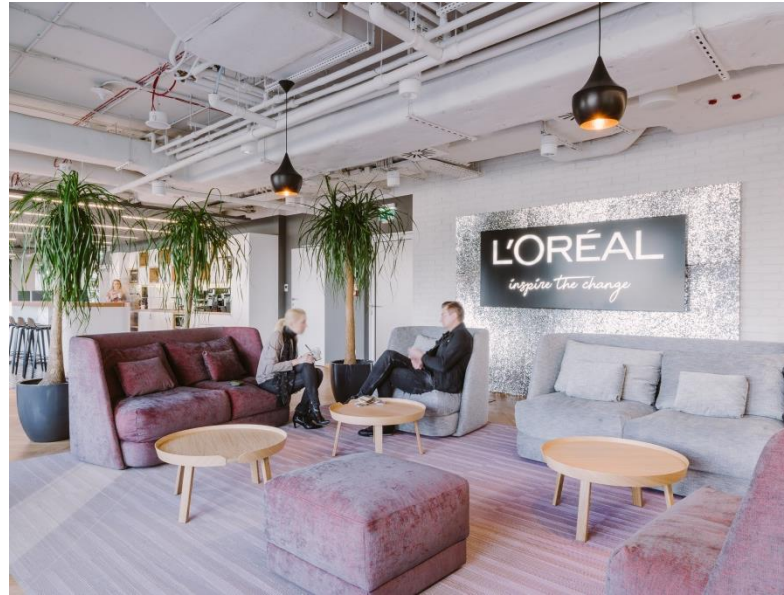
- Construction works of the 2nd phase have begun in April
- Advanced negotiations with tenants interested to lease on 60% of the space



Warsaw

Continuation of Warsaw Brewery Project

- **Villa Offices** (building K) almost fully let - main tenant WeWork
- **Building K (Villa Offices)**- new major lease signed with Accenture (4,025 sqm)
- **Building G (Malthouse)**- new leases signed with Allen and Overy and Grupa Zywiec
- Ongoing discussion with tenants for the entire office space in Villa Offices and Malthouse Offices
- Bank Pekao S.A. has granted Echo a loan of **EUR 87 mln** for the construction of Villa Offices and Malthouse Offices



Cracow

Disposal of the last phase
of **O3** at EUR 47,2 mln

- **O3 business Campus III** has been sold on 11th of September at the price of EUR 47,2 mln to EPP
- O3 Business Campus is one of the largest office complexes in this city is being developed
- Projects is located at one of the most important junctions i.e. of Opolska Street and 29 listopada Avenue.
- O3 Business Campus has 58,000 sqm
- Phase III has **18,900 sqm** and is generating **3,3 mln euro** of NOI



Lodz

React – another landmark project in Lodz

- After a successful Symetris project, Echo started construction of new office scheme in Lodz - **React**
- **15,000 sqm building** will be located next to the main city street – Pilsudskiego avenue
- Project is located within walking distance to Piotrkowska street as well as Galeria Łodzka shopping mall and just 5 minutes ride to Łódź Fabryczna
- BNP Paribas has granted Echo a loan of EUR 19 mln for the construction
- Works will also commence shortly on office building being a part of **Fuzja**



Wroclaw

West 4 - New business destination in Wroclaw

- Construction of **West 4** has started in Q1 2019 – the continuation of successful Echo Investment's projects: West Gate and West Link
- Echo Investment is preparing following phases of the project that will provide **55,000 sqm** of office space
- Projects will create **business destination** for creative and high-tech companies
- Bank Millennium has concluded over EUR 20 million loan for the construction of the West 4 Business Hub office building in Wroclaw



Wroclaw

Mid Point - in the heart of Wroclaw South Center

- **Mid Point 71** to be launched in Q3/Q4 2019, state of the art design will provide **36,900 sqm GLA**
- Project is located along Powstańców Śląskich street with distinguishing **visibility**
- **Mid Point is a heart** of well known South Centre urban project which is expected to be the main business district in Wroclaw
- Together with Echo's future neighbouring office project at Swoboda Street will deliver almost 70,000 sqm



Katowice

Strong tenants interest in Face2Face

- Two-buildings office complex Face2Face on Grundmanna street with **47,200 sqm GLA** in total is under construction
- 72% of Face2Face I leased but due to **very strong tenant demand** ca. 93% will be already leased in Q3 2019
- Leases signed with Honeywell, Orange, Perform DAZN and Medcover
- **Face2Face** will provide large, open to public green area with basketball field, hammocks and other attractions for local inhabitants, becoming a destination for work and relax at the same time



2019 project pipeline summary

- Projects pipeline in **2019:**

- Construction started in Q2 2019

- Moje Miejsce II, Warsaw (16,900 sqm)
 - React, Lodz (15,000 sqm)

- Construction to be started in Q3/Q4 2019:

- Solidarności, Gdansk (30,600 sqm)
 - Mid Point 71, Wroclaw (36,400 sqm)

- Construction **permits already obtained** or expected soon

- **Continuation of construction and leasing** of 126,000 sqm in 6 buildings: Warsaw Brewery (K,G,H), Moje Miejsce I, Face 2 Face I & II, West 4

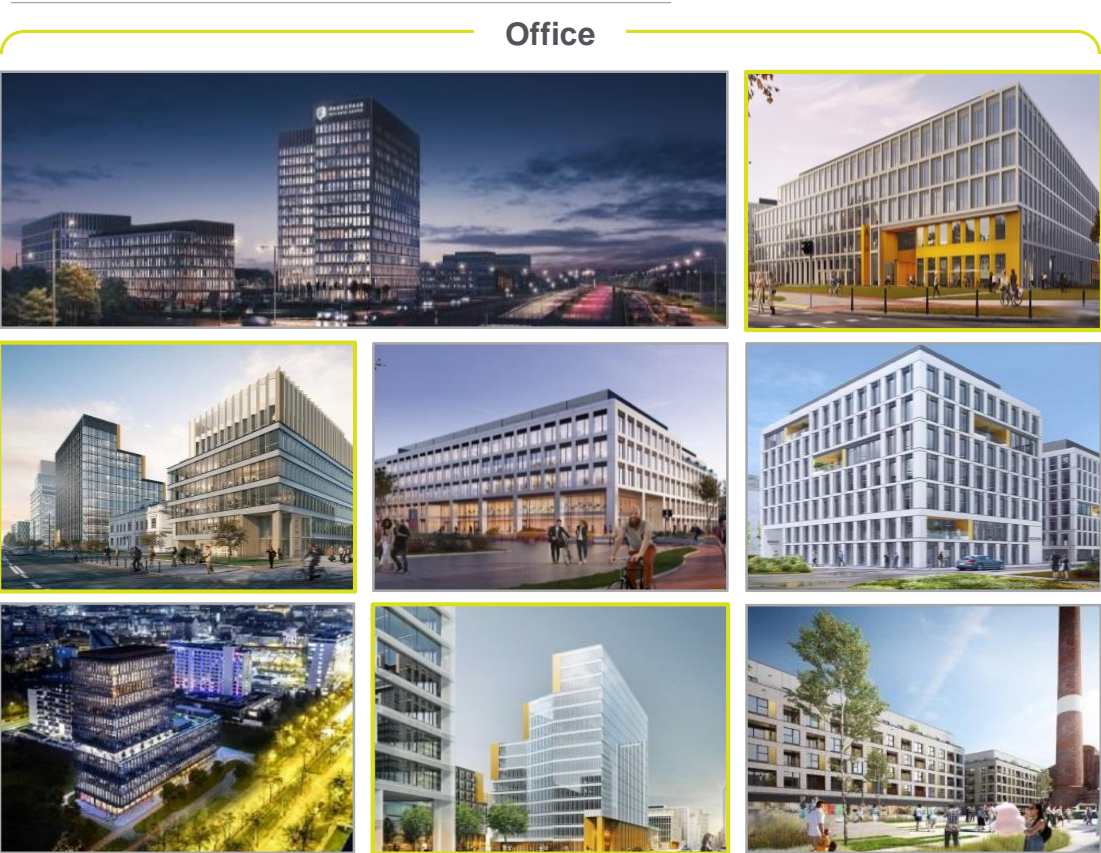
- Scheduled completions of construction in 2019:

- Moje Miejsce I, May (already handed over)
 - Face 2 Face I, December

- Leasing plan for 2019: ca. 100,000 sqm



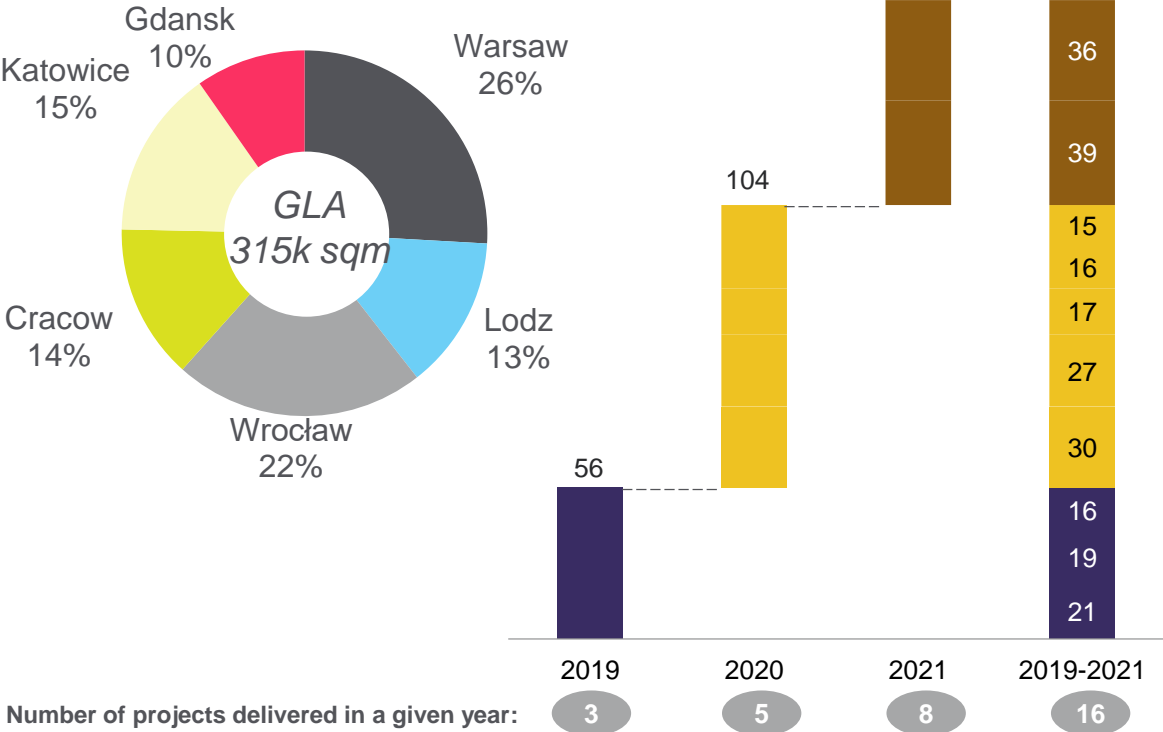
Over 315k GLA of office projects to be delivered in 2019-2021



Destination projects – large, mixed-use, city centre projects in Warsaw, Cracow and Łódź

Office GLA delivered (sqm k)

Location of ongoing office projects to be completed in 2019-2021





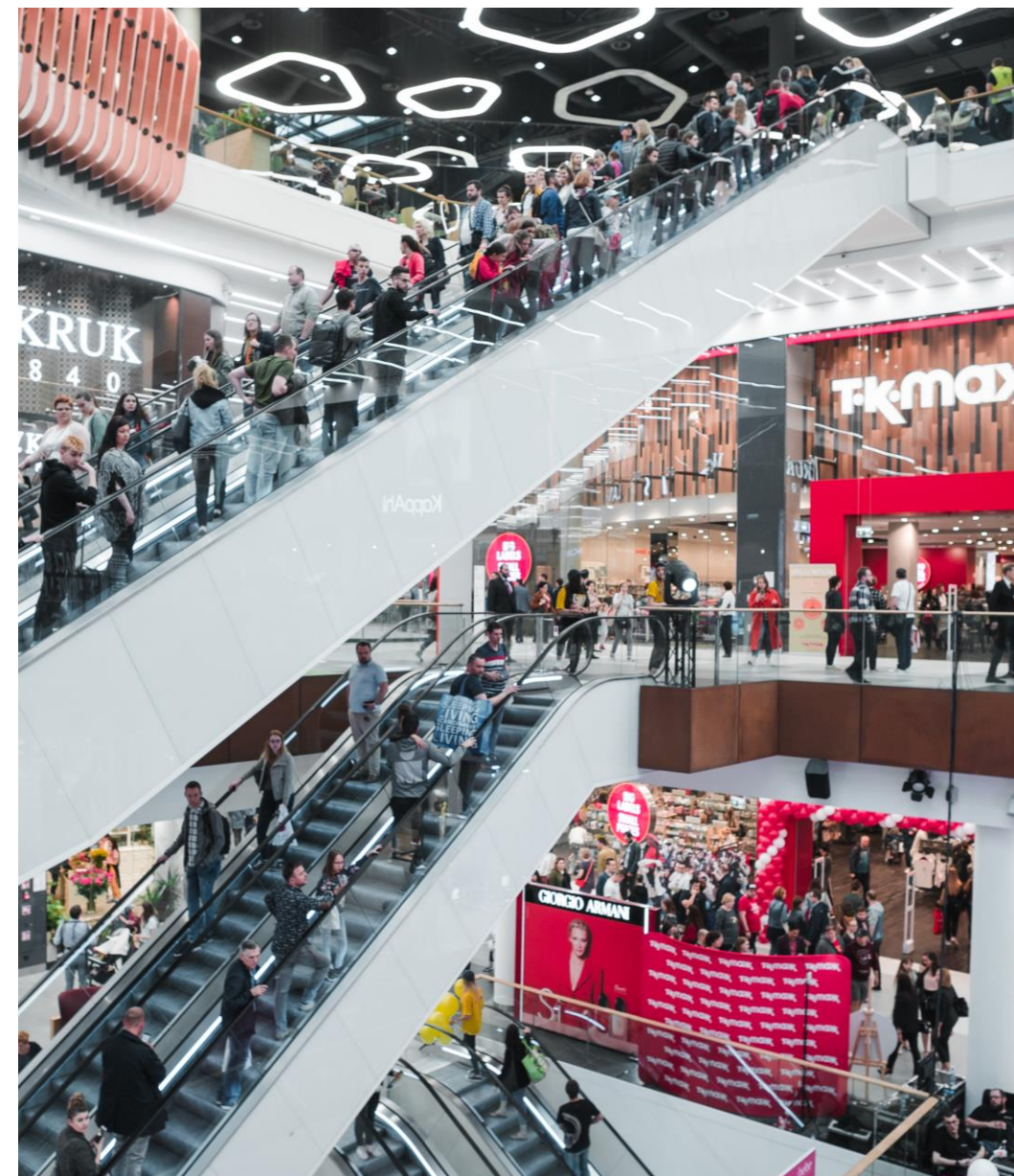
VII.
—

Segment Achievements

Retail

Polish retail market landscape in Q2 2019

- After a weak beginning of the year when only 38,000 sqm of retail space was delivered to the market across Poland, in Q2 2019 **177,000 sqm of retail space was opened**
- The largest and the most important was opening of **Galeria Młociny** that consists of 84,800 sqm
- **Primark** enters Polish market
- **H&M** will launch two new brands in Poland
- **Total volume of new space to be opened in Poland in 2019 at low level** c.a. 231,000 sqm (Galeria Młociny constitute 1/3 of total supply)
- Growing employment, salaries and consumption
- **Rent stable but most likely to grow** due to high demand, currently top headline rents in Warsaw up to 130 euro/sqm
- **Entertainment and gastronomy** is becoming a main driver of future retail projects



Galeria Młociny – 40 new brands opening this Autumn

- Successful grand opening on **23rd May**
- **Well received** project by customers
- **40 new brands** will open it's doors in the next 3 months
- The most iconic opening- **Primark**
- Primark occupy the larger retail unit with ca. **7,000 sqm**
- Fantastic **food & entertainment zone** on the top floor exceeding 6,000 sqm attracting clients and guests
- Food zone is attracting thousands of customers during Sunday



Extensive marketing and investments in Galeria Libero

- After its opening in November 2018, Libero successfully built its recognition on Silesian market
- Echo is conducting **number of initiatives** to attract new customers and establish Libero as a leading shopping center in Katowice
- One of the example can be summer lottery, open air cinema or theatres for kids
- **‘Square to Joy’- Modern and exciting city square** was opened last weekend in front of the project, making it even more attractive for people to visit
- The Square is a vibrant and attractive **destination to visit, combining shopping and outdoors entertainment**
- Footfall in Libero has increased **by 19%** in the last six months
- Shopping center is fully leased to reputable tenants with stabilized net operating income (NOI) amounting to **EUR 9.42 mln**



Libeŕo

KATOWICE



VIII.



Segment Achievements

Landbank

Building the future – extending landbank

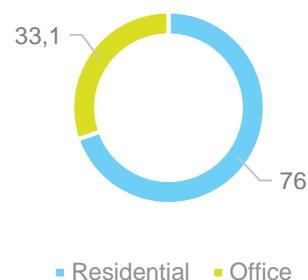
PLN 169,3 mln

value of plots acquired in H1 2019

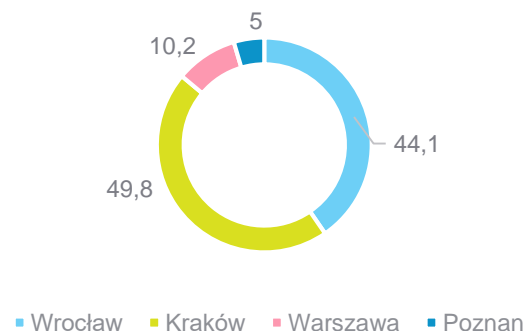
PLN 1,600

average land price per 1 sqm
of leasing/selling area

Split by function (sqm '000)



Split by location (sqm '000)



Acquired Land Bank in H1 2019

109,200 sqm of office & residential space

Cracow:

- 18,600 sqm of residential space (Aleja Pokoju)
- 12,000 sqm of residential space (Rydlowka)
- 19,300 sqm of residential space (Krowodrza)

Wroclaw:

- 33,100 sqm of office space (Swobodna)
- 11,000 sqm of residential space (Mińska)

Warsaw:

- 10,200 sqm of residential space

Poznan:

- 5,000 sqm of residential space (Garbary II)

Value of plots acquired: **PLN 169,3 mln**

Building the future – securing landbank

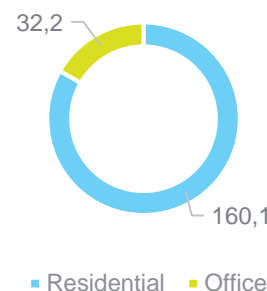
PLN 420 mln

value of plots secured in Q1-Q3 2019

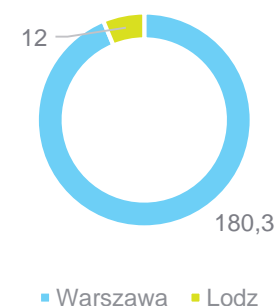
PLN 1,800

average land price per 1 sqm
of leasing/selling area

Split by function (sqm '000)



Split by location (sqm '000)



Secured* Land Bank in 2019

192,300 sqm of office & residential space*

Warsaw:

- 148,300 sqm of residential space
- 32,000 sqm of GLA

Lodz:

- 12,000 sqm of residential space

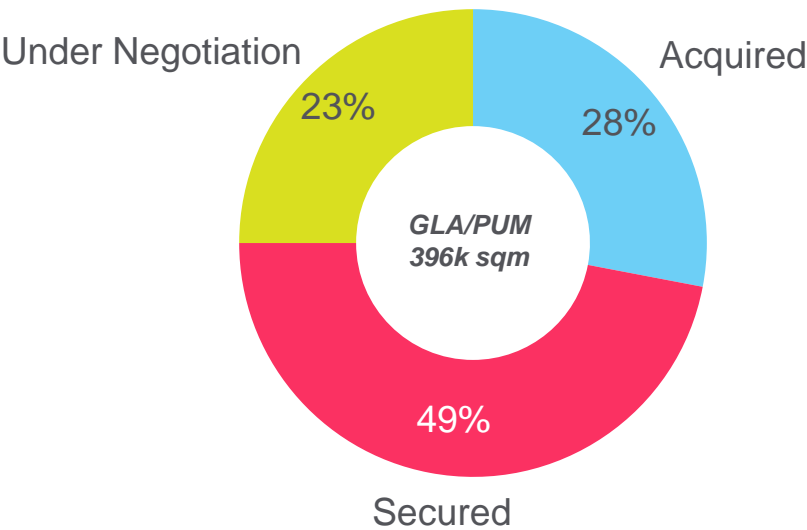
Value of plots secured (PSPA): **PLN 420 mln**

***Does not include 22,700 sqm plots secured for R4R**

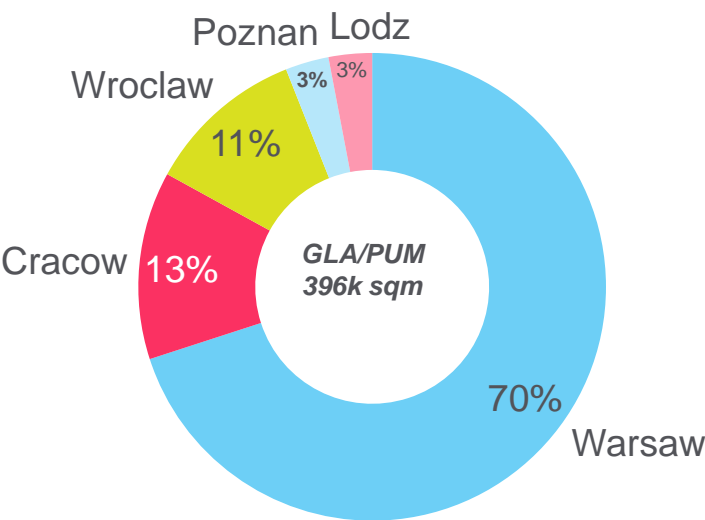
* Not acquired but secured by preliminary agreement

301,500 sqm of PUM/GLA acquired & secured (PSPA) in 2019

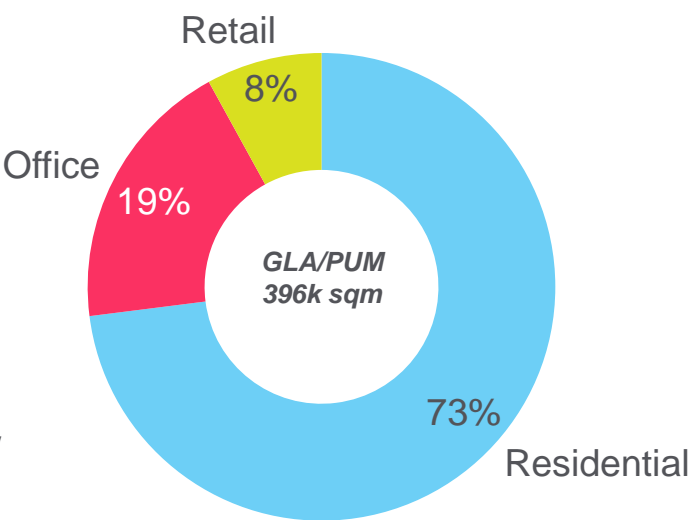
Status of acquisition



Split by location (sqm k)



Split by function (sqm k)





IX.



Financials

Net profit above PAP consensus

PLN mln	Actual results		PAP consensus
	Q2 2019	Q2 2018	Q2 2019
Revenue	61.4	126	63.6
Operating profit	52.7	45	47.6
Profit before tax	52.4	96	
Net profit	36.1	64	28.4

Revenues

(PLN mln)

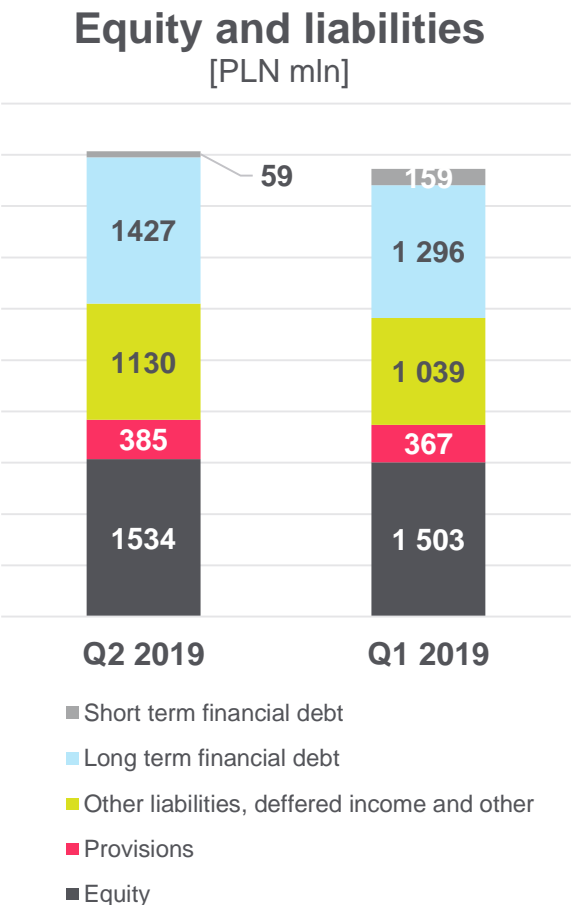
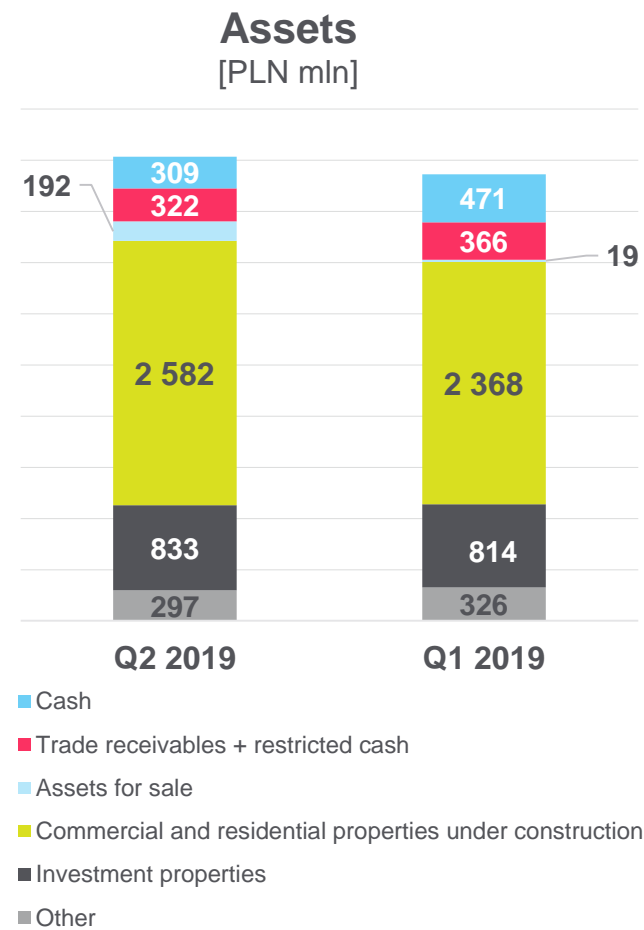
	Q2 2019	Main source of revenue
Office	14.8	Rents, fit-out
Retail	11.0	Rents
Residential	31.5	Apartments sale
Other	4.1	Sales
Total	61.4	

Fair value gain on investment properties

(PLN mln)

	Q2 2019	Accum.
Villa and Malthouse Offices	55.8	184.5
Moje Miejsce I	5	36.5
Opolska III	5.3	53.5
Face2Face Phase I	5.5	18.3
Face2Face Phase II	4.9	4.9
Libero	-9	175
Other	-1,3	
Total	66.2	472.7

Strong focus on increasing properties in development



PLN 4.535 bn

total assets value as of 31.06.2019
(3,9% growth compared to Q1 2019)

PLN 171 mln

total assets increase (Q2 2019/Q1 2019)

1.486 PLN mln

Long-term and short term debt
(2% more than as of 31 March 2019)

28% net debt ratio

(net debt) / (total assets – cash)
compared to 25% in Q1 2019

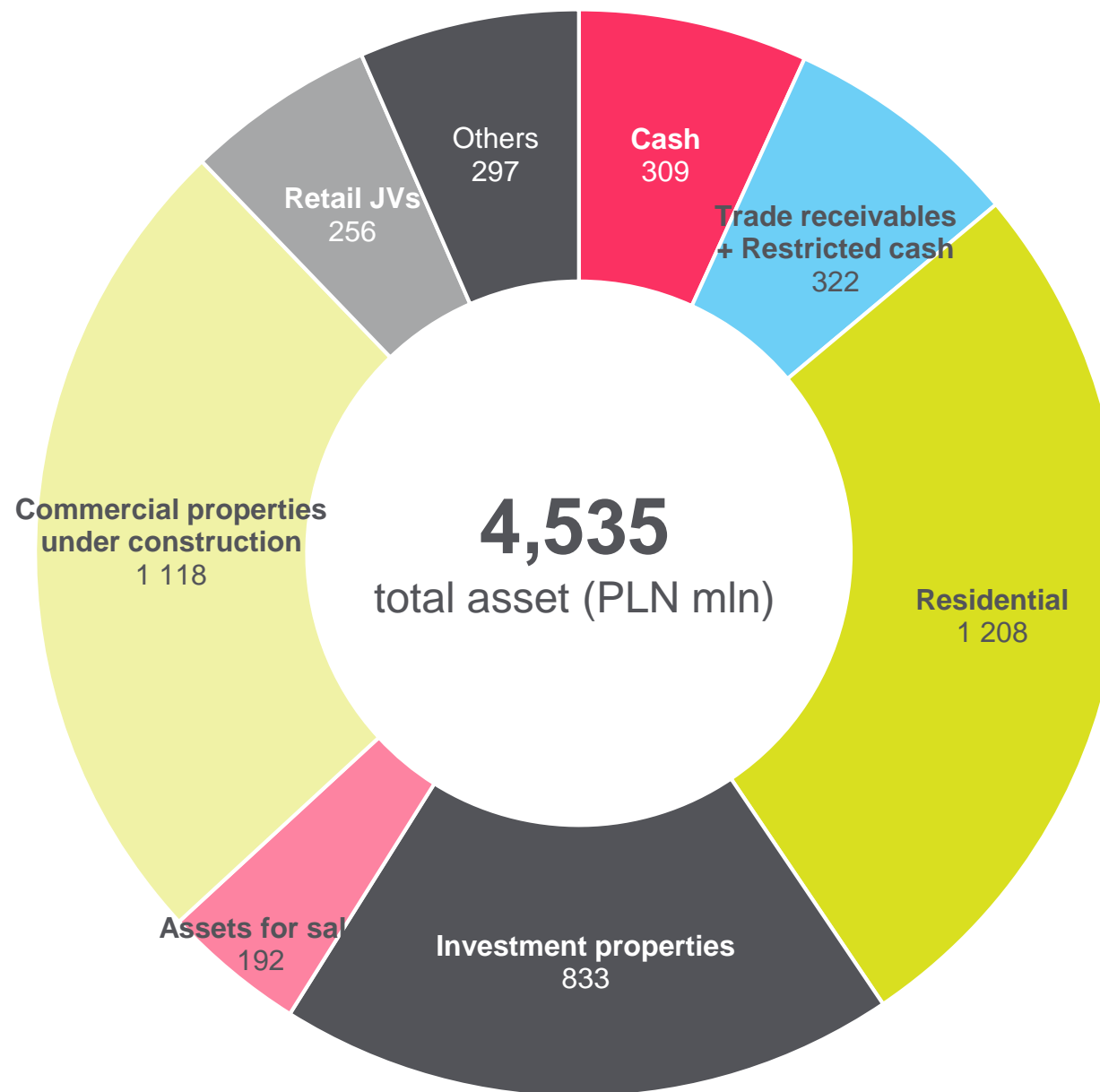
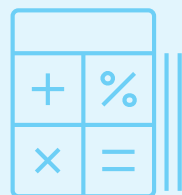
PLN 309 mln

cash (PLN 471 mln in Q1 2019)

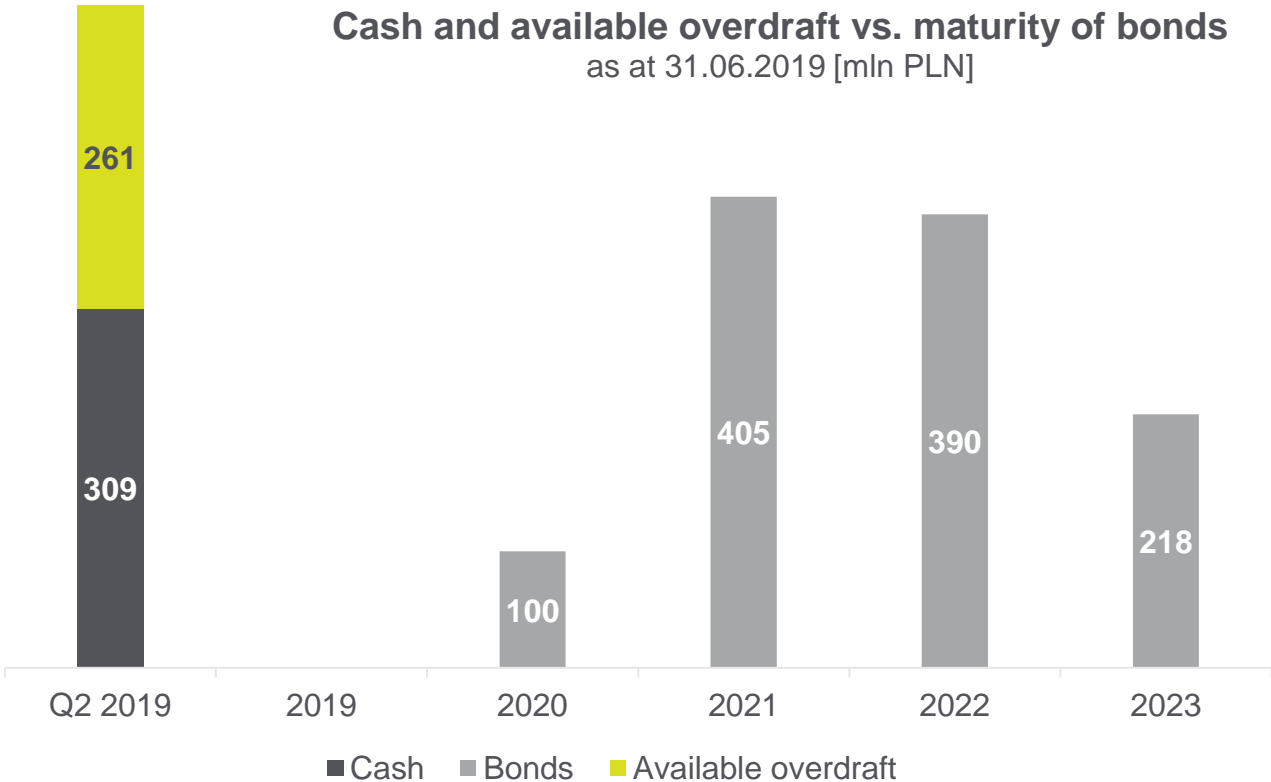
Assets' structure - focus on development and liquidity

Compared to 31.03.2019:

- **3,9%** increase of total assets
- **17%** increase of residential properties
- **4,4%** increase of commercial properties



Stable cash position, low amount of bonds maturing until 2021



Repayment of PLN 110 mln
bonds in Q1 2019



Issue of PLN 134 mln bonds
for institutional and individual
investors



Secured loans for West 4 in Wroclaw,
Warsaw Brewery, Face2Face and React
in total amount of **EUR 172 mln**

Strong financial position allows Echo Investment to pay a special dividend from EPP shares disposal proceeds

DIVIDEND



PLN 0.50

per share

Amount of dividend

- Echo Investment has decided to pay **special dividend** from the sale proceeds of EPP shares
- The dividend will be paid on 21st of October
- The total amount of the dividend amounts to PLN 206 mln – **PLN 0,5 per share**



X.

Appendix

Residential Projects Under Construction [1/3]

Project / address	Sales area [sqm]	Number of units	Sales level [% of units]	Targeted revenues [PLN mln]	Targeted budget [PLN mln]	Expenditure incurred [%]	Start	Targeted completion
Rydla 32 Kraków, ul. Rydla	5,700	95	100%	48.5	36.5	86%	Q1 2018	Q3 2019
Osiedle Jarzębinowe V Łódź, ul. Okopowa	8,100	145	87%	43.1	34.0	87%	Q4 2017	Q3 2019
Osiedle Jarzębinowe VI Łódź, ul. Okopowa	3,300	52	35%	20.0	15.7	52%	Q4 2018	Q1 2020
Osiedle Jarzębinowe VII Łódź, ul. Okopowa	6,100	105	1%	35.6	28.4	13%	Q2 2019	Q4 2020
Nowa Dzielnica Łódź, ul. Wodna	5,300	87	80%	29.7	22.8	94%	Q3 2017	Q3 2019
Fuzja I Łódź, ul. Tymienieckiego	14,200	282	20%	104.0	78.8	12%	Q1 2019	Q4 2020
Osiedle Jaśminowe IV Poznań, ul. Sielawy	5,300	103	92%	32.4	23.4	49%	Q2 2018	Q1 2020
Osiedle Perspektywa III Poznań, ul. Sielawy	5,600	105	99%	30.9	25.4	62%	Q4 2017	Q4 2019
Apartamenty Esencja Poznań, ul. Garbary	12,500	261	28%	114.8	86.6	22%	Q1 2019	Q4 2020

Residential Projects Under Construction [2/3]

Project / address	Sales area [sqm]	Number of units	Sales level [% of units]	Targeted revenues [PLN mln]	Targeted budget [PLN mln]	Expenditure incurred [%]	Start	Targeted completion
Nasze Jeżyce I Poznań, ul. Szczepanowskiego	7,500	142	17%	57.7	44.5	19%	Q2 2019	Q1 2021
Warsaw Brewery B Warsaw, ul. Grzybowska	10,500	190	97%	125.0	77.0	77%	Q4 2017	Q3 2019
Warsaw Brewery C Warsaw, ul. Grzybowska	6,900	114	98%	91.8	50,8	82%	Q4 2017	Q3 2019
Warsaw Brewery E Warsaw, ul. Grzybowska	5,700	81	30%	113.4	72.1	28%	Q4 2017	Q4 2020
Widoki Mokotów Warsaw, ul. Puławska	4,800	77	41%	69.2	50.3	54%	Q4 2017	Q1 2020
Osiedle Reset I Warsaw, ul. Taśmowa	7,300	159	91%	66.2	55.3	88%	Q4 2017	Q4 2019
Osiedle Reset II Warsaw, ul. Taśmowa	12,200	255	60%	117.8	95.9	43%	Q4 2018	Q4 2020
Moje Miejsce Warsaw, ul. Beethovena	13,300	251	62%	131.2	96.6	51%	Q3 2018	Q2 2020
Zebra Wrocław, ul. Zakładowa	11,300	233	97%	75.6	55.3	81%	Q3 2017	Q3 2019

Residential Projects Under Construction [3/3]

Project / address	Sales area [sqm]	Number of units	Sales level [% of units]	Targeted revenues [PLN mln]	Targeted budget [PLN mln]	Expenditure incurred [%]	Start	Targeted completion
Grota - Roweckiego 111 etap III Wrocław, ul. Grota-Roweckiego	2,600	53	92%	16.1	12.7	56%	Q4 2018	Q4 2019
Ogrody Graua Wrocław, ul. Gdańska	4,000	57	47%	44.2	32.5	40%	Q4 2018	Q2 2020
Stacja 3.0 Wrocław, ul. Mińska	11,000	204	0%	88.2	64.7	20%	Q2 2019	Q4 2020
Total	163,200	3,051		1,455.4	1,059			

Residential Projects in Preparation [1/2]

Project / address	Sales area [sqm]	Number of units	Targeted revenues [PLN mln]	Targeted budget [PLN mln]	Expenditure incurred [%]	Targeted start	Targeted completion
Wita Stwosza I Kraków, ul. Wita Stwosza	13,700	217	132.2	82.6	18.4%	Q3 2020	Q1 2022
Wita Stwosza II Kraków, ul. Wita Stwosza	12,400	196	121.7	73.9	18.4%	Q3 2021	Q1 2023
Rydlówka I Kraków, ul. Rydlówka	5,900	108	53.8	41.1	25.4%	Q1 2020	Q3 2021
Rydlówka II Kraków, ul. Rydlówka	6,000	110	55.4	41.4	25.9%	Q2 2020	Q4 2021
Osiedle Krk I Kraków, Krowodrza	9,700	218	87.0	65.6	0.0%	Q4 2019	Q1 2021
Osiedle Krk II Kraków, Krowodrza	9,700	218	89.9	66.3	0.0%	Q1 2020	Q4 2021
Osiedle Jarzębinowe VIII Łódź, ul. Okopowa	6,100	101	36.2	28.9	12.1%	Q1 2020	Q4 2021
Nasze Jeżyce II Poznań, ul. Szczepanowskiego	8,100	168	61.6	47.2	15.3%	Q3 2019	Q2 2021
Apartamenty Esencja II Poznań, ul. Garbary	5,100	100	45.8	36.0	23.4%	Q3 2020	Q1 2022

Residential Projects in Preparation [2/2]

Project / address	Sales area [sqm]	Number of units	Targeted revenues [PLN mln]	Targeted budget [PLN mln]	Expenditure incurred [%]	Targeted start	Targeted completion
Stacja Wola I Warszawa, ul. Ordoną	20,000	387	191.0	137.8	26.0	Q4 2019	Q4 2021
Stacja Wola II Warszawa, ul. Ordoną	28,800	535	280.7	196.4	25.7	Q1 2021	Q1 2023
Fuzja II Łódź, ul. Tymienieckiego	11,700	212	90.0	64.4	8.5	Q2 2020	Q1 2022
Fuzja III Łódź, ul. Tymienieckiego	8,600	152	70.4	47.8	8.8	Q2 2021	Q4 2022
Osiedle Enter I Poznań, ul. Sielawy	12,000	222	76.5	56.6	4.2	Q4 2019	Q3 2021
Osiedle Enter II Poznań, ul. Sielawy	8,500	153	54.8	40.0	3.5	Q2 2020	Q1 2022
Osiedle Enter III Poznań, ul. Sielawy	9,600	159	65.0	45.0	3.3	Q2 2021	Q1 2023
Total	175,800	3,256	1,509	1,071.2			

Residential Projects for Rental Platform Resi4Rent Under Construction

Project / address	Residential area [sqm]	Number of units	Targeted annual rental revenues [PLN mln]	Targeted budget [PLN mln]	Start	Targeted completion	Comments
Rychtalska Wrocław, ul. Zakładowa	11,400	302	8.4	76.8	Q4 2017	Q3 2019	preliminary sales contract from Echo Investment to Resi4Rent
Warsaw Brewery Warsaw, ul. Grzybowska	19,000	451	16.6	187.6	Q4 2017	Q3 2020	preliminary sales contract from Echo Investment to Resi4Rent
Wodna Łódź, ul. Wodna	7,900	211	4.9	52.4	Q4 2017	Q4 2019	preliminary sales contract from Echo Investment to Resi4Rent
Kępa Mieszczańska Wrocław, ul. Dmowskiego	9,300	269	6.8	76.3	Q2 2018	Q1 2020	preliminary sales contract from Echo Investment to Resi4Rent
Taśmowa Warsaw, ul. Taśmowa	13,000	372	10.9	113.4	Q1 2019	Q4 2020	property of Resi4Rent
Woronicza Warsaw, ul. Woronicza	7,900	229	6.3	61.8	Q2 2019	Q1 2021	property of Resi4Rent
Total	68,500	1,834	53.9	568.3			

Residential Projects for Rental Platform Resi4Rent in Preparation

Project / address	Residential area [sqm]	Number of units	Targeted annual rental revenues [PLN mln]	Targeted budget [PLN mln]	Targeted start	Targeted completion	Comments
Szczepanowskiego Poznań, ul. Szczepanowskiego	5,000	160	3.8	42.9	Q3 2019	Q3 2021	preliminary sales contract from Echo Investment to Resi4Rent
Kołobrzeska Gdańsk, ul. Kołobrzeska	10,200	302	8.8	90.3	Q3 2019	Q3 2021	plot bought by Resi4Rent in Q3 2019
Total	15,200	462	12.6	133.2			

Office Projects in Operation

Project / address	GLA [sqm]	Leasing [%]	NOI [EUR mln]	Targeted budget [PLN mln]	Expenditure incurred [%]	Recognised fair value gain [PLN mln]	Completion	Comments
O3 Business Campus III Kraków, ul. Opolska	18,900	73%	3.3	118.9	73%	53.5	Q1 2018	Sold to EPP in Q3
Moje Miejsce I Warsaw, ul. Beethovena	18,700	64%	3.4	149.4	90%	36.5	Q2 2019	ROFO agreement with Globalworth Poland
Total	37,500		6.7	268.3		90.0		

Office Projects Under Construction

Project / address	GLA [sqm]	Leasing [%]	NOI [EUR mln]	Targeted budget [PLN mln]	Expenditure incurred [%]	Recognised fair value gain [PLN mln]	Start	Targeted completion	Comments
Face 2 Face I Katowice, ul. Grundmanna	20,400	72%	3.6	151.8	42%	18.3	Q2 2018	Q4 2019	
Villa Offices and Malthouse Offices (G, H, K) Warsaw, ul. Grzybowska	45,600	24%	10.7	498.2	27%	184.5	Q3 2018	Q3 2020	
West 4 Business Hub I Wrocław, ul. Na Ostatnim Groszu	15,600	0%	2.6	112.6	21%		Q4 2018	Q3 2020	
Face 2 Face II Katowice, ul. Grundmanna	26,400	46%	4.6	196.1	15%	4.9	Q4 2018	Q4 2020	
Moje Miejsce II Warsaw, ul. Beethovena	16,900	0%	3.0	133.7	23%		Q2 2019	Q4 2020	ROFO agreement with Globalworth Poland
React I Łódź, al. Piłsudskiego	15,000	0%	2.6	102.4	14%		Q2 2019	Q4 2020	
Total	139,900		27.2	1,194.8		207.7			

Office Projects in Preparation [1/2]

Project / address	GLA [sqm]	NOI [EUR mln]	Targeted budget [PLN mln]	Expenditure incurred [%]	Targeted start	Targeted completion
Solidarności Gdańsk, ul. Nowomiejska	30,600	5.1	211.1	11%	Q4 2019	Q4 2021
Midpoint 71 Wrocław, ul. Powstańców Śląskich	36,100	6.6	292.2	17%	Q3 2019	Q2 2021
Wita Stwosza Kraków, ul. Wita Stwosza	29,600	5.2	234.8	13%	Q3 2020	Q2 2022
Al. Pokoju I Kraków, ul. Fabryczna / Al. Pokoju	19,500	3.4	160.1	23%	Q1 2020	Q3 2021
Al. Pokoju II Kraków, ul. Fabryczna / Al. Pokoju	21,900	3.9	180.5	23%	Q3 2020	Q2 2022
Swobodna Wrocław, ul. Swobodna	33,100	6.2	288.4	16%	Q2 2020	Q2 2022
React II Łódź, al. Piłsudskiego	26,600	4.5	180.4	6%	Q2 2020	Q2 2024
React III Łódź, al. Piłsudskiego	12,700	2.2	91.5	5%	Q4 2021	Q1 2023
Fuzja C Łódź, ul. Tymienieckiego	9,600	1.7	72.3	7%	Q2 2020	Q1 2022

Office Projects in Preparation [2/2]

Project / address	GLA [sqm]	NOI [EUR mln]	Targeted budget [PLN mln]	Expenditure incurred [%]	Targeted start	Targeted completion
Fuzja D Łódź, ul. Tymienieckiego	10,300	1.9	77.2	7%	Q2 2020	Q1 2022
Piotra Skargi Katowice, ul. P. Skargi	22,700	3.8	151.5	8%	Q2 2020	Q1 2022
Total	252,700	44.7	1,939.7			

Retail Projects in Operation

Project / address	GLA [sqm]	Leasing [%]	NOI [EUR mln]	Budget [PLN mln]	Expenditure incurred [%]	Recognised fair value gain [PLN mln]	Completion	Comments
Libero Katowice, ul. Kościuszki	44,900	99%	9.4	383.5	99%	175.0	Q4 20118	ROFO agreement with EPP
Galeria Młociny Warsaw, ul. Zgrupowania AK „Kampinos”	84,800	97%	22.1	1,127.2	89%	72.0*	Q2 2019	Echo's joint-venture with EPP: 30%:70%
Total	129,700		31.5	1,659.7				

* 30% of the project value

Towarowa 22

Function	GLA [sqm]	NOI [EUR mln]	Targeted budget [PLN mln]	Expenditure incurred [%]
Retail	116,500	39.1	1,933.1	16%
Office	60,700	14.7	780.7	14%
Hotel	18,900	5.1	288.6	12%
Total	196,100	58.9	3,002.4	

Function	Residential area [sqm]	Number of units	Targeted revenues [PLN mln]	Targeted annual rental revenues [PLN mln]	Targeted budget [PLN mln]	Expenditure incurred [%]
Retail	18,400	261	324.5	-	216.5	13%
Hotel	16,300	444	-	14.7	144.5	18%
Total	34,700	705	324.5	14.7	361.0	

Early Stage Projects

Project / address	Plot area [sqm]	Potential of GLA / PUM [sqm]	Comments
Łódź, ul. Tymienieckiego	32,100	37,400	office, retail
Wrocław, ul. Na Ostatnim Groszu	32,300	55,000	office
Warsaw, ul. Chłodna/Wronia	600	1,100	residential
Poznań, Hetmańska	65,300	80,000	residential, office
Kraków, Al. Pokoju	4,000	18,500	residential
Poznan, Naramowice	58,100	49,700	residential
Total	192,400	241,700	

Investment Properties

Project / address	Plot area [sqm]	Comments
Poznań, Pamiątkowo	874,200	preliminary sales contract
Poznań, Naramowice	99,500	
Koszalin, ul. Krakusa i Wandy	39,300	preliminary sales contract
Katowice, ul. Jankego	26,200	
Poznań, Sołacz	17,300	
Zabrze, ul. Miarki	8,100	
Warsaw, ul. Konstruktorska	7,200	
Radom, ul. Beliny-Prażmowskiego	6,300	
Warsaw, ul. Woronicza	5,100	plot for Student Depot
Total	1,083,200	



Appendix

Definitions

The estimated budget includes:

- Value of land,
- Cost of design,
- Construction and external supervision.

It does not include:

- Interest costs or activated financial costs, marketing and total personnel costs related to the project, which in total are estimated by the Company to equal 7% for office & retail and 6% for residential projects' targeted budgets.
- Costs reducing sales revenue (price):
 - Rent-free periods
 - Profit share on ROFO projects
 - Master lease

Resi4Rent

Estimated budget of R4R projects includes:

- value of land,
- cost of design, construction and external supervision,
- development services
- financial costs.

It does not include costs of the platform operation and marketing.

GLA - gross leaseable area

NOI - net operating income with the assumption of full rental and the average market rent rates

ROFO - right of first offer

FAIR VALUE includes currency differences on investment loans.

Presented data are for **100%** of each project. Echo has 75% of profit on ROFO projects and holds 30% of shares in JV's



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