



AZRIELIGROUP

# AZRIELI GROUP

Conference Call Presentation

---

Financial Statements March 31, 2018



# Disclaimer



- › The information included in this presentation is a summary only and does not exhaust all of the information on the Company and its business, nor is it a substitute for inspection of the Periodic Report for 2017, the reports for Q1/2018, the Company's current reports and the presentations released thereby, as reported to the ISA via the Magna distribution site. The presentation does not constitute an offering or an invitation to purchase securities of the Company, and the provisions thereof do not constitute a recommendation or opinion or substitute for the discretion of the investor. The Company is not responsible for the integrity and/or accuracy of the information.
- › This presentation includes forecasts, estimates, assessments and other information pertaining to future events and/or matters, whose materialization is uncertain and is beyond the Company's control, and which constitute forward-looking information, as defined in the Securities Law, 5728-1968. Such information may not materialize, in whole or in part, or may materialize in a manner significantly different to that forecast. Such information includes, inter alia, revenue, FFO and NOI forecasts, the value of the Group's holdings, refinancing, sale of assets, timetables and costs of and profit from projects and the development and construction thereof.
- › Forward-looking information is based solely on the Company's subjective assessment, based on facts and data regarding the current condition of the Company's business and macroeconomic facts and figures, all as known to the Company at the time of preparation of this presentation. The materialization or non-materialization of the forward-looking information will be affected, inter alia, by risk factors characteristic of the Company's activity, as well as by developments in the general environment, in market conditions and in external factors affecting the Company's activity, including a delay in the receipt of permits, termination of contracts, changes in the competition, a significant recession, a change in the financing conditions, and other such events which cannot be estimated in advance and which are beyond the Company's control. The Company does not undertake to update and/or change any such forecast and/or assessment to reflect events and/or circumstances postdating this presentation.
- › This presentation includes revenue and other figures that are based on external sources and various surveys and studies, or figures received from some of the Company's tenants. The Company is not responsible for the veracity or content thereof, nor for forecasts in respect thereof.
- › The Company's estimations regarding the growth figures are based on actual rent income, and in some cases include expansions made at the relevant center. These figures are unaudited, are not according to GAAP, and were prepared according to the past experience and professional knowledge accumulated by the Company and in good faith. Such information is presented below for the sake of convenience only, but is not a substitute for the information provided by the Company in its financial statements or in connection therewith, and therefore should not be relied on solely in itself.
- › The financial information in the presentation which is attributed to the extended standalone statement is neither audited nor reviewed by the Company's auditors. The extended standalone statement presents a summary of the Company's consolidated statement figures according to IFRS, with the exception of the Company's investment in Granite Hacarmel and Azrieli E-Commerce which is presented based on the equity method, in lieu of consolidation with the Company's statements.
- › The terms "FFO attributed to the Real Estate Business" and "weighted average cap rate" relate to the Group's income-producing real estate business only. Anyone reading the presentation must read such figures in conjunction with the board's explanations in the board of directors' report as of March 31, 2018, Section 2.6 and 2.7, including the methods of calculation and the underlying assumptions thereof.
- › The information included in this presentation is similar to the information included in the reports and/or immediate reports of the Company and does not include new material information. However, some of the data included in the presentation are presented in a different manner and/or breakdown and/or are differently edited. In any event of inconsistency between the reports and immediate reports of the Company released to the public and the information contained in this presentation, the information released to the public as aforesaid shall prevail.
- › All numbers and figures are approximate.

## Convenience Translation from Hebrew // Important Notice

---

- › The following English translation of Azrieli Group's presentation for the conference call of May 16, 2018 (the "**Presentation**") is provided for convenience. Please note that this document should not be regarded as a substitute for reading the full original Hebrew version of the Presentation. This translation was neither prepared nor checked by the Company. Accordingly, the Company does not warrant that the translation fully, correctly or accurately reflects the Presentation and its contents.
- › The binding version of the Presentation for all intents and purposes is the original Hebrew version, filed by the Company with the Israel Securities Authority through the MAGNA website on May 16, 2018. Nothing in this translation constitutes a representation of any kind in connection with the Presentation, nor should it be regarded as a source for interpretation of the Presentation or the Company's reports or statements. In any event of contradiction or discrepancy between this translation and the Hebrew version of the Presentation, the Hebrew version shall prevail.

# Azrieli Group // Business Card

Traded on the capital market since 2010, the **8<sup>th</sup> largest company<sup>(1)</sup>** on the Tel Aviv Stock Exchange

Market cap of **NIS 20 billion<sup>(1)</sup>**, 30.1% of share capital held by the public

Listed in all leading **indices**: TA-35, TA-125, TA-Real Estate

The only Israeli company included in the **EPRA Index**

The Company owns income-producing properties with a total leasable area of **1,145,000 m<sup>2</sup>** and **10 additional projects under construction**

Average **occupancy rate** in Israel is **98%<sup>(2)</sup>**

**92%** of the value of investment and under-construction income-producing properties (on a consolidated basis) is attributed to real estate in Israel

**Rating: AA+** (Ma'alot S&P); **Aa1** (Midroog Moody's)

**Leverage ratio** is only **25%**, and equity to assets ratio of **52%**



(1) As of May 14, 2018 (2) Excluding recently-completed properties in the process of occupancy.

# Income-Producing Properties Map



## Malls and Retail Centers

Ayalon Mall	Jerusalem Mall	Holon Mall	Akko Mall
Hod Hasharon Mall	Modi'in Mall	Ramla Mall	Kiryat Ata Mall
Herzliya Outlet	Azrieli Mall	Azrieli Ra'anana	Or Yehuda Outlet
Givatayim Mall	Azrieli Holon Center	Haifa Mall	HaNegev Mall
			Rishonim Mall

## Offices and Others in Israel

Azrieli Towers	Modi'in	Givatayim
Azrieli Sarona	Modi'in Residence	Kiryat Ata
Azrieli Holon Center	Petach Tikva	Hanegev
Caesarea	Jerusalem	Rishonim
Herzliya		

17 malls 332,000 m<sup>2</sup>

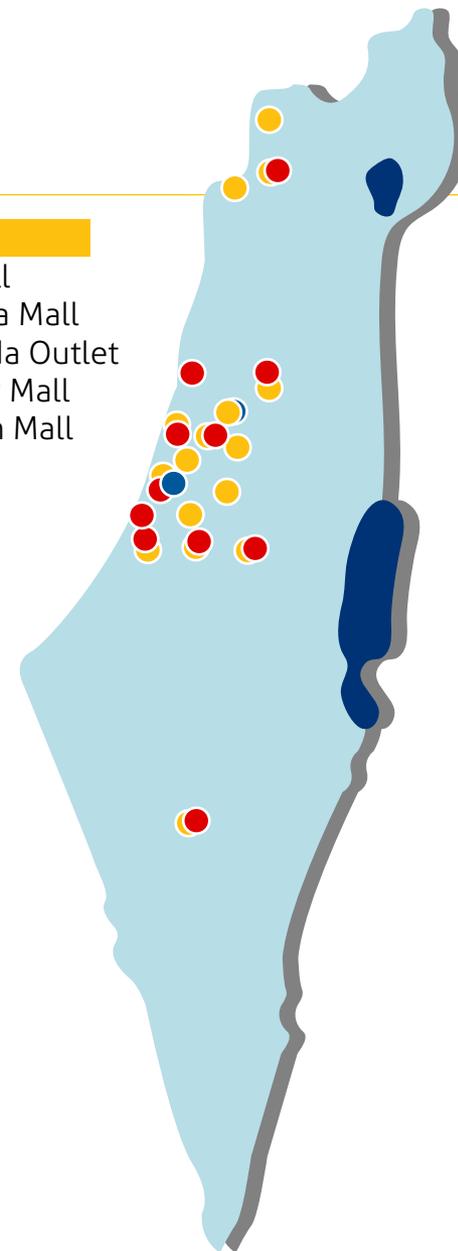
13 office properties 541,000 m<sup>2</sup>

2 senior homes 49,000 m<sup>2</sup> 560 residential units

7 office properties overseas 223,000 m<sup>2</sup>

Total 1,145,000 m<sup>2</sup> (1)

(1) As of March 31, 2018



## Senior Homes

- Palace Tel Aviv
- Palace Ra'anana

## Overseas

- GALLERIA
- PLAZA
- 8 WEST
- 3Riverway
- 1Riverway
- LEEDS
- ASPEN II

- Malls
- Offices
- Senior Homes



# Highlights for and Developments in and after the Quarter



## Financial Highlights

- NOI totaled NIS 371 million, **an increase of 10%** compared with the same quarter last year.
- Same Property NOI – **an increase of 1% from same properties**
- FFO attributed to real estate operations grew by approx. 11% without the contribution of the senior housing and amounted to approx. NIS 257 million compared with approx. NIS 232 million in the same quarter last year.
- **The FFO** for the entire real estate operations grew by approx. 5% and amounted to approx. NIS 266 million compared with approx. NIS 253 million in the same quarter last year.

## Property Purchases

The Company is continuing the development and betterment of existing properties and properties under development, *inter alia* through the purchase of land and properties that are located near to existing properties.

- In January 2018, Lot 21 was purchased for development in Modi'in on an area of 5.3 thousand m<sup>2</sup>, which is adjacent to the Azrieli Modi'in Mall, in consideration for NIS 101.5 million, which is designated for residences, offices, hotel and retail.
- In May 2018, the Mivney Gazit property was purchased in consideration for NIS 260 million. The property is adjacent to Azrieli Town.



# Highlights for and Developments in and after the Quarter



## Financing

- In February 2018, the Company raised NIS 1.4 billion through expansion of the Series D Bonds at an effective interest rate linked to CPI of 0.94% with an average duration of 6.2 years.

## Dividend

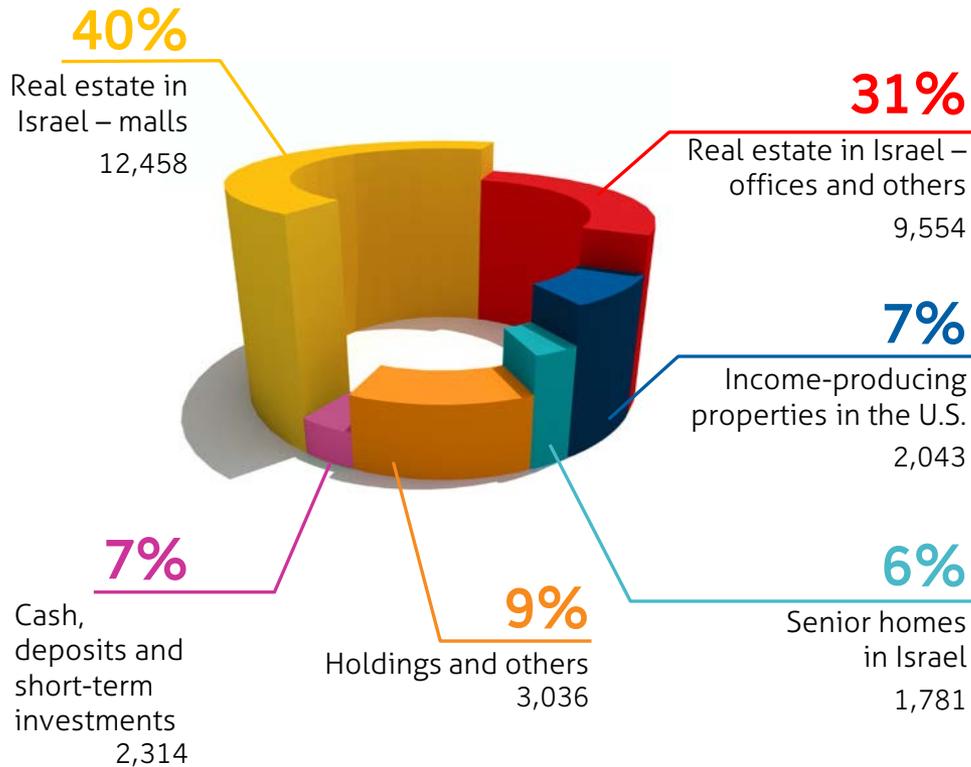
- In May 2018, the Group distributed a dividend for 2017 in the sum of NIS 520 million, which is NIS 4.29 per share.

## Increase in Revenues of Azrieli Malls

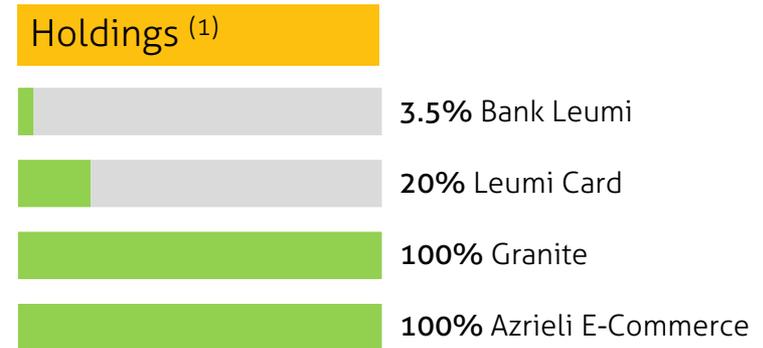
- In Q1/2018, the Group's revenues grew by 9.4% compared with the same period last year. Net of Rishonim Mall that was opened for the first time in March 2017, revenues grew by 5.3%.



# Azrieli Group // Breakdown of Properties<sup>(1)</sup>



**% of Total Properties**  
Book Value (NIS in millions)



(1) Extended standalone as of March 31, 2018. For details regarding the Company's structure, see Section 1.2.1 of Chapter A of the Annual Report.



# Income-Producing Property // Azrieli Sarona

## Azrieli Sarona

Land area - 9,400 m<sup>2</sup>

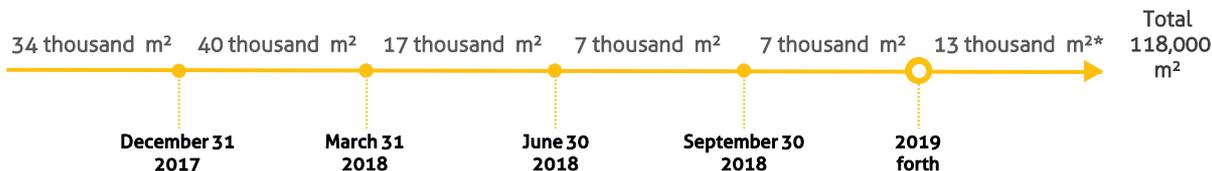
GLA - 118,000 m<sup>2</sup> of office space  
10,500 m<sup>2</sup> of retail space - opening in Q3/2018  
1,247 parking spaces

Estimated direct construction cost, including land – NIS 1.6-1.7 billion

Projected NOI - NIS 200-210 million<sup>(1)</sup>

## Marketing and Occupancy

Until March 31, 2018, 74,000 m<sup>2</sup> of office space has been leased up.  
Below is the lease-up plan for the following quarters, assuming that all options are exercised and leased up on their expiration date:



\* Including exercise of options of existing major tenants that expire during 2019 and assuming that areas with respect to which binding agreements have not yet been signed will be occupied.

(1) Estimated NOI which reflects additional investments in finishing standard of NIS 185 million.

# Azrieli Group // Acquisitions during and after the Quarter

## Land for Development, Lot 21, Modi'in

Land area - **5,300 m<sup>2</sup>**

Cost of acquisition - **NIS 101.5 million** | Date of acquisition - **January 2018**

The land is adjacent to the Azrieli Modi'in Mall

The land is designated for the construction of offices, retail space, 50 hotel rooms and 80 residential units. The Company intends to look into the possibility of adding building rights in the lot.



## Real Estate Property, Mivney Gazit, Tel Aviv

Land area – **3,200 m<sup>2</sup>**

Cost of acquisition - **NIS 260 million** | Date of acquisition - **May 2018**

A 4-story building above a commercial ground floor of a total area of 5,500 m<sup>2</sup>, the majority of which is leased for the purpose of offices, and 216 underground parking spaces.

The property yields an annual NOI of approx. NIS 6 million.

The property includes unused building rights at a scope of 21,000 m<sup>2</sup> aboveground areas and rights for the long-term lease of underground areas.



# Revenues and Rent to Revenue Ratio

## Q1/2018 versus Q1/2017

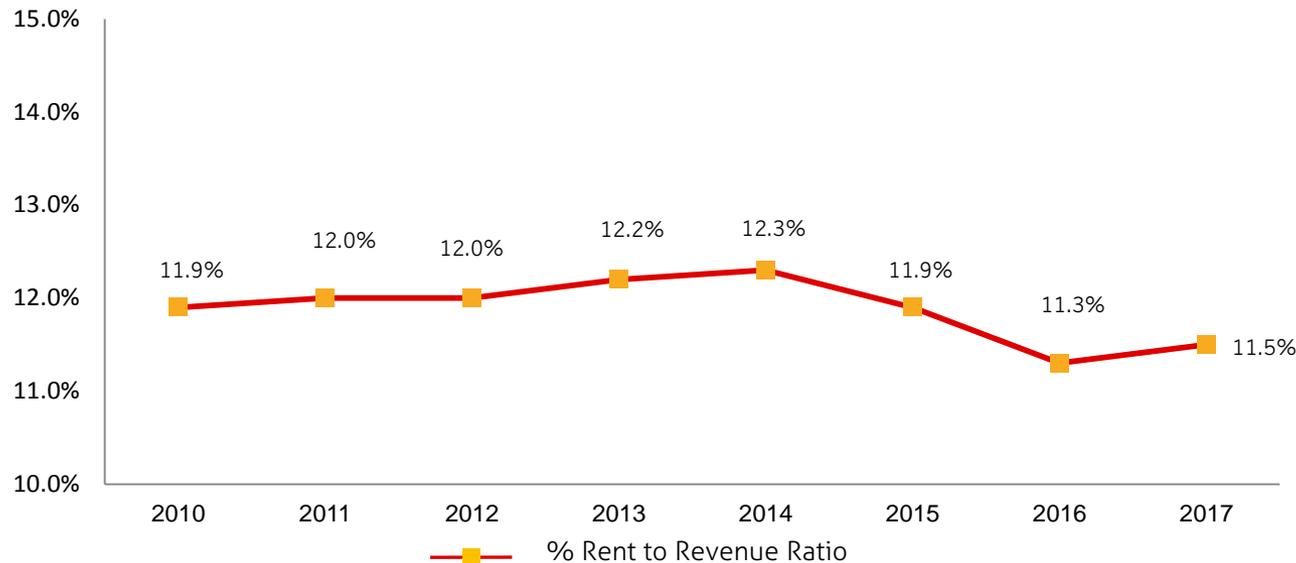
Total increase in revenues of  
Azrieli Malls Group

+ 9.4%



Total increase in revenues of  
Azrieli Malls Group – **same properties**  
Net of Rishonim Mall which opened in March 2017

+ 5.3%





AZRIELGROUP

# Development Pipeline

---



# Azrieli Group // Development Momentum



Azrieli Sarona,  
Tel Aviv – retail  
**10,500 m<sup>2</sup>**



Expansion of Azrieli  
Tel Aviv Center  
**150,000 m<sup>2</sup> (1)**



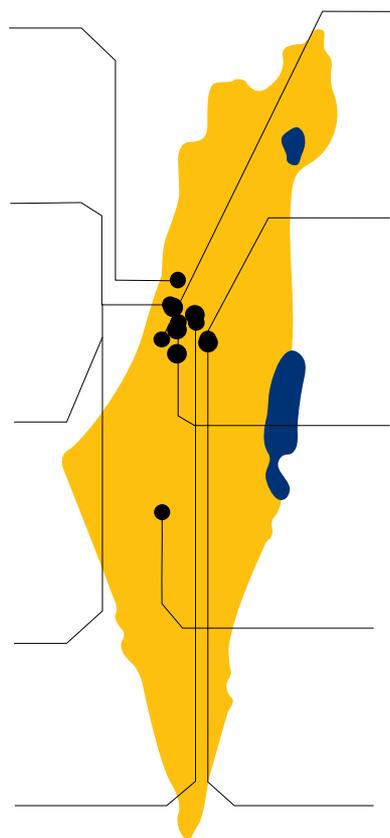
Land for Development  
Petach Tikva  
**53,000 m<sup>2</sup>**



Azrieli Town Tel Aviv  
**75,000 m<sup>2</sup> (2)**



Holon 3 Project  
(ex. Lodzia)  
**220,000 m<sup>2</sup>**



Palace Rishon Lezion  
Senior Home  
**29,000 m<sup>2</sup> (3) (4)**

Palace Modi'in  
Senior Home  
**35,000 m<sup>2</sup> (3)**

Holon HaManor project  
**28,000 m<sup>2</sup>**

Palace Lehavim  
Senior Home  
**44,000 m<sup>2</sup> (3)**

Lot 21  
Modi'in  
**20,000 m<sup>2</sup> (3)**



(1) As of the Report Release Date, the zoning plan has been published and validated. (2) The Company is in the process of increasing the building rights in the project by around 24,000 sqm. (3) The figure represents building rights in sqm. (4) The Company is in the process of increasing the building rights in the project by around 33,000 sqm (above- and below-ground).



# Development Projects // The Growth Engine

Name of Property	Location	Use	GLA	Estimated Completion Date	Estimated Construction Cost, including Land (NIS in millions) <sup>(1)</sup>
<b>Development Projects Under Construction</b>					
Azrieli Sarona	Tel Aviv	Retail	10,500	Q3/2018	330-340
Palace senior housing	Modi'in	Senior Housing	35,000 <sup>(2)</sup>	Q3/2018	380-390
Palace senior housing	Lehavim	Senior Housing	Stage A -32,000 <sup>(2)</sup>	Stage A -2019	380-390
			Stage B- 12,000 <sup>(2)</sup>	Stage B- TBD	
Azrieli Town <sup>(3)</sup>	Tel Aviv	Retail, Offices and Residence	Offices 50,000	Retail and Offices 2020	1,060-1,110
			Retail 4,000		
			210 Residential Units	Residences TBD	
Holon Hamanor	Holon	Offices and Retail	Offices 26,000	2020	220-240
			Retail 2,000		
<b>Total</b>			<b>192,500</b>		<b>2,370-2,470</b>
<b>Development Projects whose Estimated Completion Date is Yet to be Determined</b>					
Expansion of Azrieli Tel Aviv Mall	Tel Aviv	Retail, Offices and Residence	150,000 <sup>(4)</sup>	TBD	2,300-2,500
Modi'in land (Lot 21)	Modi'in	Offices + Residence + Retail + Hotel	20,000 <sup>(2)</sup>	TBD	TBD
Palace Rishon Lezion	Rishon Lezion	Senior housing and Retail	28,750 <sup>(2)(5)</sup>	TBD	310-320
Holon 3 (ex. Lodzia)	Holon	Retail and Offices	220,000	TBD	TBD
Petach Tikva land	Petach Tikva	Offices	53,000	TBD	TBD
<b>Total</b>			<b>471,750</b>		<b>2,610-2,820</b> + projects whose construction cost is yet to be determined
<b>Total</b>			<b>664,250</b>		<b>4,980-5,290</b>

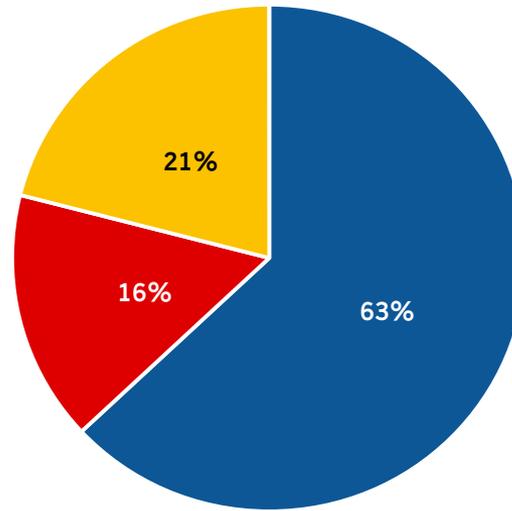
1) The cost without capitalizations and without tenant adjustments | (2) The figure represents building rights in sqm | (3) The Company is in the process of increasing the building rights in the project by around 24,000 sqm | (4) As of the Report Release Date, the zoning plan has been published and validated | (5) The Company is in the process of increasing the building rights in the project by around 33,000 sqm (above- and below-ground).

# Azrieli Group // Development Investments by Sectors

Investments in properties under development by sectors<sup>(1)</sup>

## Investments by sectors, total for projects

NIS 4,980-5,290 million



- Offices & others (including residences)
- Retail
- Senior housing



Investments in properties under development include: Azrieli Sarona (retail), Azrieli Town, Palace Modi'in, Palace Lehavim, Holon HaManor, expansion of Azrieli Tel Aviv Center and Palace Rishon Lezion and exclude: the Holon 3 project (ex. Lodzia), land in Petach Tikva and land in Modi'in.

(1) As of March 31, 2018.

# Development Projects // Expected Contribution\* to NOI and FFO

(NIS in Millions)



## Actual NOI in 2017 1,385

- Additional NOI from development projects (1) 187
- Annualized additional NOI from existing properties (2) 222

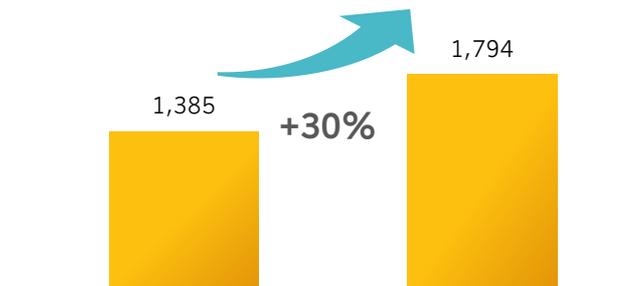
Projected NOI after lease-up of projects under development 1,794

## Actual FFO in 2017 1,023

- Additional FFO 345
- Savings due to refinancing 9

Projected FFO after lease-up of projects under development and refinancing 1,377

NOI (NIS in millions)



FFO (NIS in millions)



(1) NOI from projects under development includes: Sarona retail space, Town, Palace Modi'in, Palace Lehavim and Holon HaManor, and excludes: expansion of Azrieli Tel Aviv Center, Holon 3 project (ex. Lodzia), Palace Rishon Lezion, land in Petach Tikva and land in Modi'in.

(2) Annualized additional NOI from existing properties includes: Azrieli Sarona (offices), Azrieli Holon Center and Azrieli Rishonim.

\* The main assumptions in the calculations: full lease-up of the projects under development, refinancing according to an interest rate of 1.5%, a tax rate of 23%.



# Development Projects // Azrieli Town

## Azrieli Town

Land area - **10,000 m<sup>2</sup>**

GLA <sup>(1)</sup> - **50,000 m<sup>2</sup>** of offices  
**4,000 m<sup>2</sup>** of retail space  
**210** residential units

Estimated construction cost, including land -  
**NIS 1,060-1,110 million**

Estimated date of completion – Offices and retail – **2020**  
Residences - TBD

## Marketing

During and after the quarter, the Company signed an agreement for the lease of another **1,400 m<sup>2</sup>**. In total, the Company has signed agreements for the lease of **27,000 m<sup>2</sup>**.

## Progress Update

In May 2018, the Local Committee approved the deposit of a zoning plan for additional commerce and hotel areas at a scope of **24,000 m<sup>2</sup>** (gross).



(1) The figures relate to the existing zoning plan.

# Development Projects // Palace Modi'in Senior Home

## Palace Modi'in Senior Home

Land area - **10,500 m<sup>2</sup>**  
at the entrance to the city of Modi'in, on Route 443

Building rights – **35,000 m<sup>2</sup>**

**239 residential units + 136 LTC beds**

Estimated construction cost, including land -  
**NIS 380-390 million**

Estimated date of completion – **Q3/2018**

## Marketing

As of the Report Release Date, 143 preliminary applications have been signed, out of which 122 contracts have been signed.

## Progress Update

The Company is in the final stages of completion of the construction. Development is scheduled to be finalized in Q3/2018.



# Development Projects // Expansion of Azrieli Tel Aviv Center

## Yedioth Ahronoth Land

Land area - **8,400 m<sup>2</sup>**

GLA - **150,000 m<sup>2</sup>**

including 13,000 m<sup>2</sup> of retail space  
for expansion of the Azrieli Tel Aviv Mall

Cost of land - **NIS 374 million**

Estimated construction cost, including land –  
**NIS 2.3-2.5 billion**

## Progress Update

As of the report release date, a zoning plan has been approved for increased rights for the construction of the fourth tower and expansion of the mall, at a total scope of approx. **150 thousand sqm**, increasing the construction area by around **80 thousand sqm**.



# Development Projects // Palace Lehavim Senior Home

## Palace Lehavim Senior Home

Land area - **28,000 m<sup>2</sup>**, in the southern part of the town of Lehavim, near to the train station

### Building rights

Phase A - **32,000 m<sup>2</sup>**

Phase B - **12,000 m<sup>2</sup>**

**350 residential units + 36 LTC beds**

Estimated construction cost, including land – **NIS 380-390 million**

Estimated date of completion – **Phase A - 2019**  
**Phase B - TBD**

## Marketing

As of the Report Release Date, **58 preliminary applications** have been signed, out of which 47 contracts were signed.

## Progress Update

Structural work is currently in progress and finishing and systems work is commencing.



# Development Projects // Azrieli Holon HaManor

## Azrieli Holon HaManor Center

Land area – **6,200 m<sup>2</sup>**

GLA – **26,000 m<sup>2</sup>** of offices  
**2,000 m<sup>2</sup>** of retail space

Estimated construction cost, including land –  
**NIS 220-240 million**

Estimated completion date – **2020**

The land is adjacent to the Holon 3 project land (formerly Lodzia) and close to the **Azrieli Holon Center**.

## Marketing

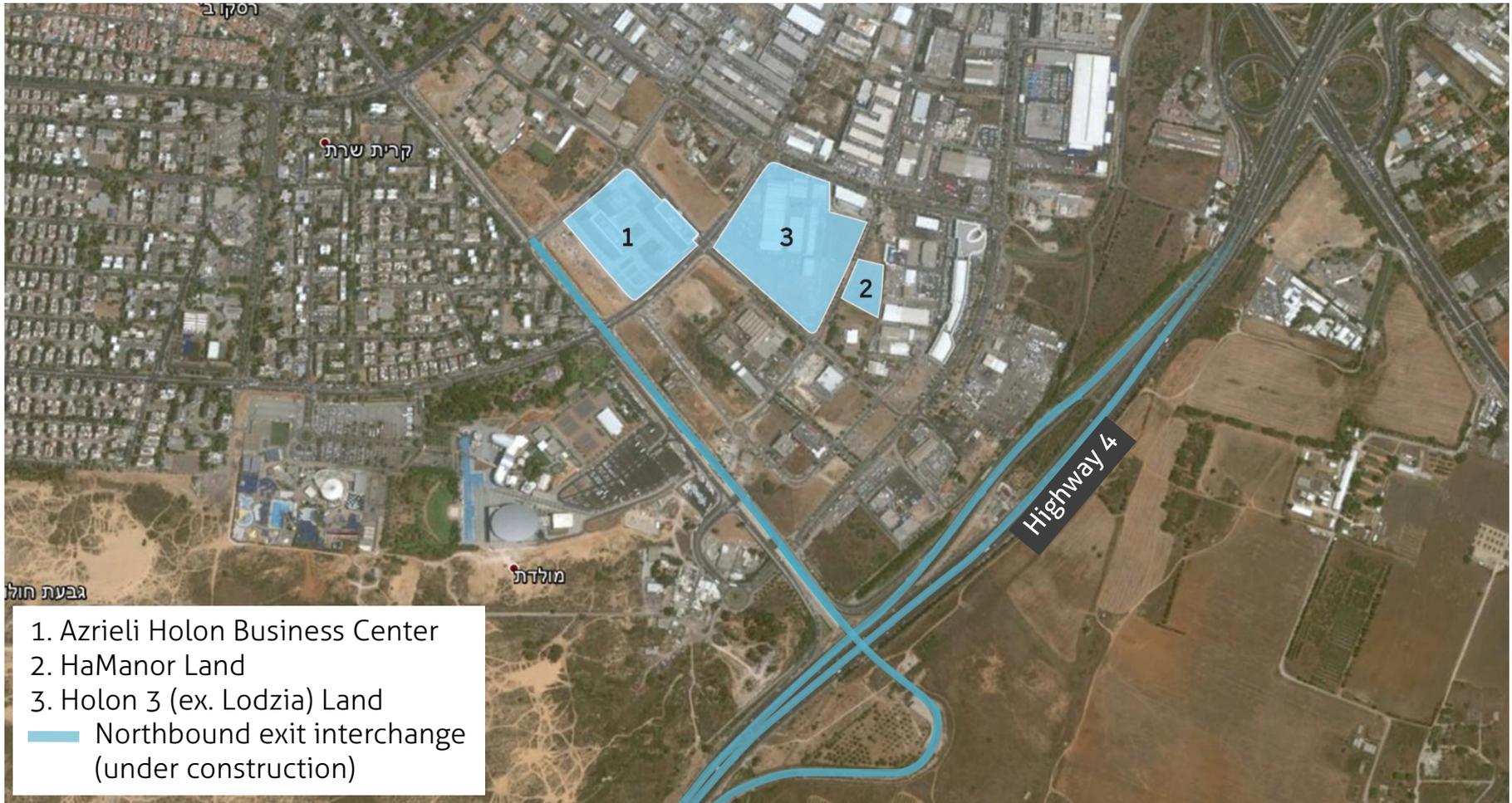
The Company has begun activity for the marketing of the building.

## Progress Update

Structural work has begun on the parking lots. In February 2018, a basement permit was received and an application for an aboveground permit was conditionally approved.



# Development Projects // Azrieli Holon Center – Looking to the Future

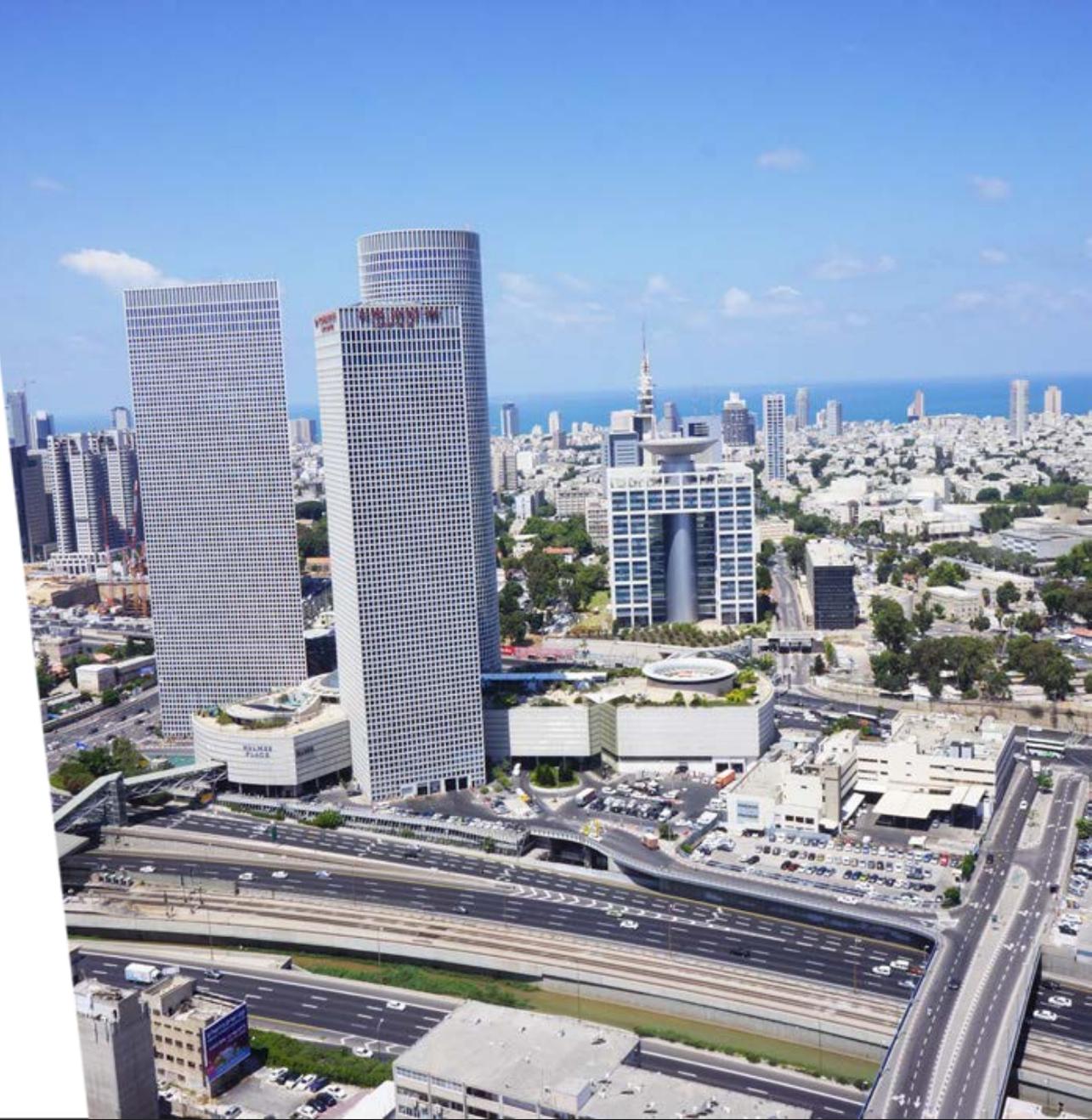




AZRIELGROUP

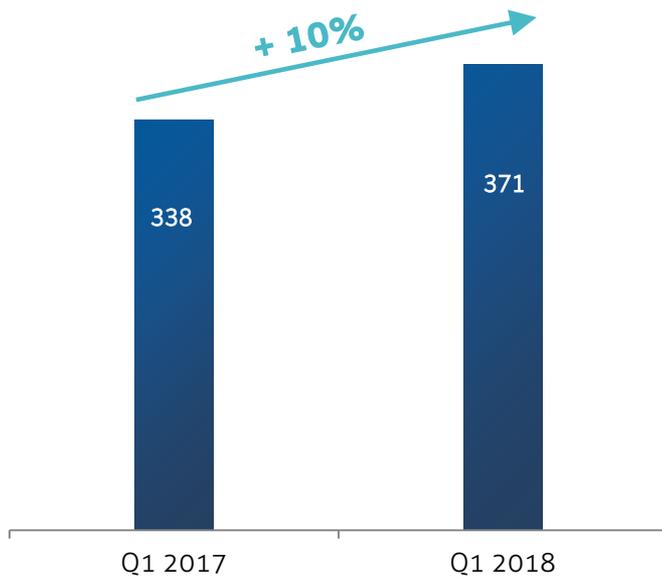
# Financial Highlights

---

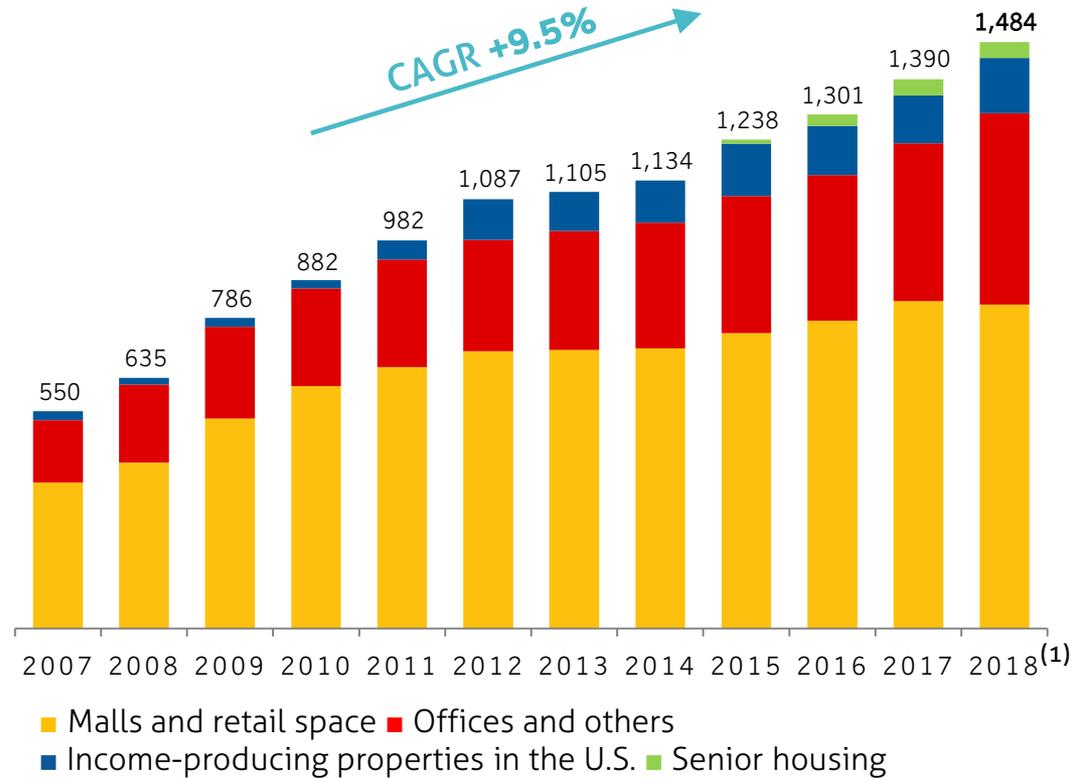


# Constant NOI Growth

Quarterly NOI (NIS in millions)



Annual NOI (NIS in millions)

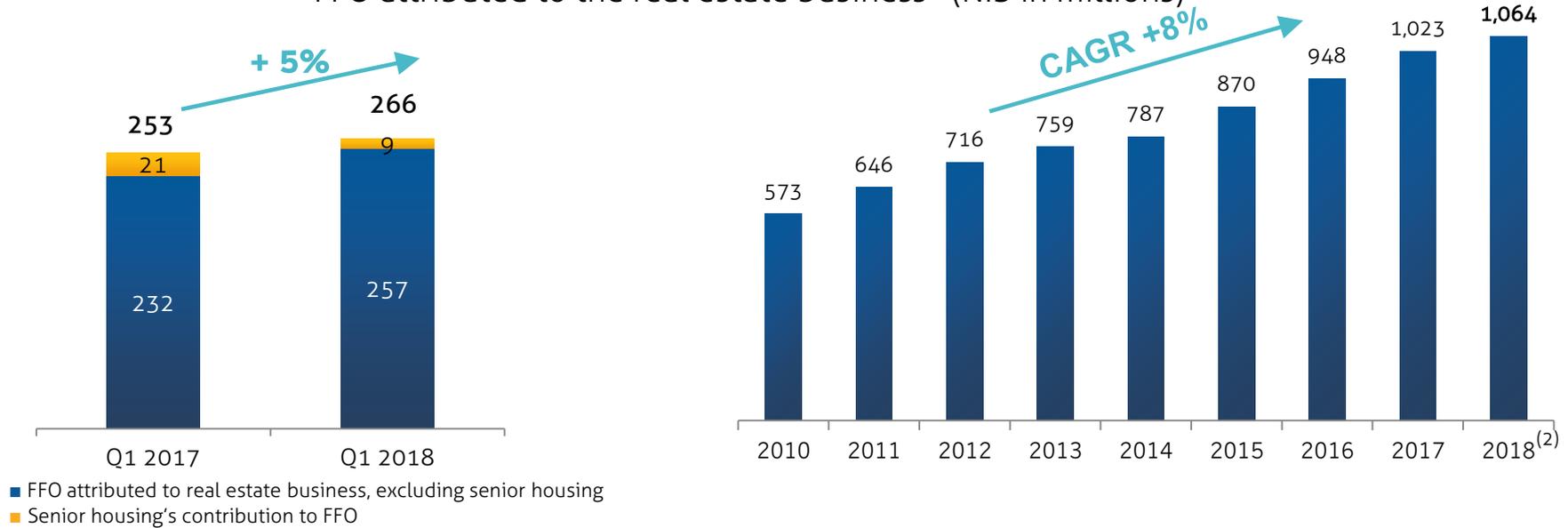


(1) According to the calculation: NOI 2018 = Q1x4; the figure does not represent a forecast for 2018.

# Constant FFO Growth

11% increase in FFO, excluding senior housing, compared to the corresponding quarter<sup>(1)</sup>

FFO attributed to the real estate business\* (NIS in millions)



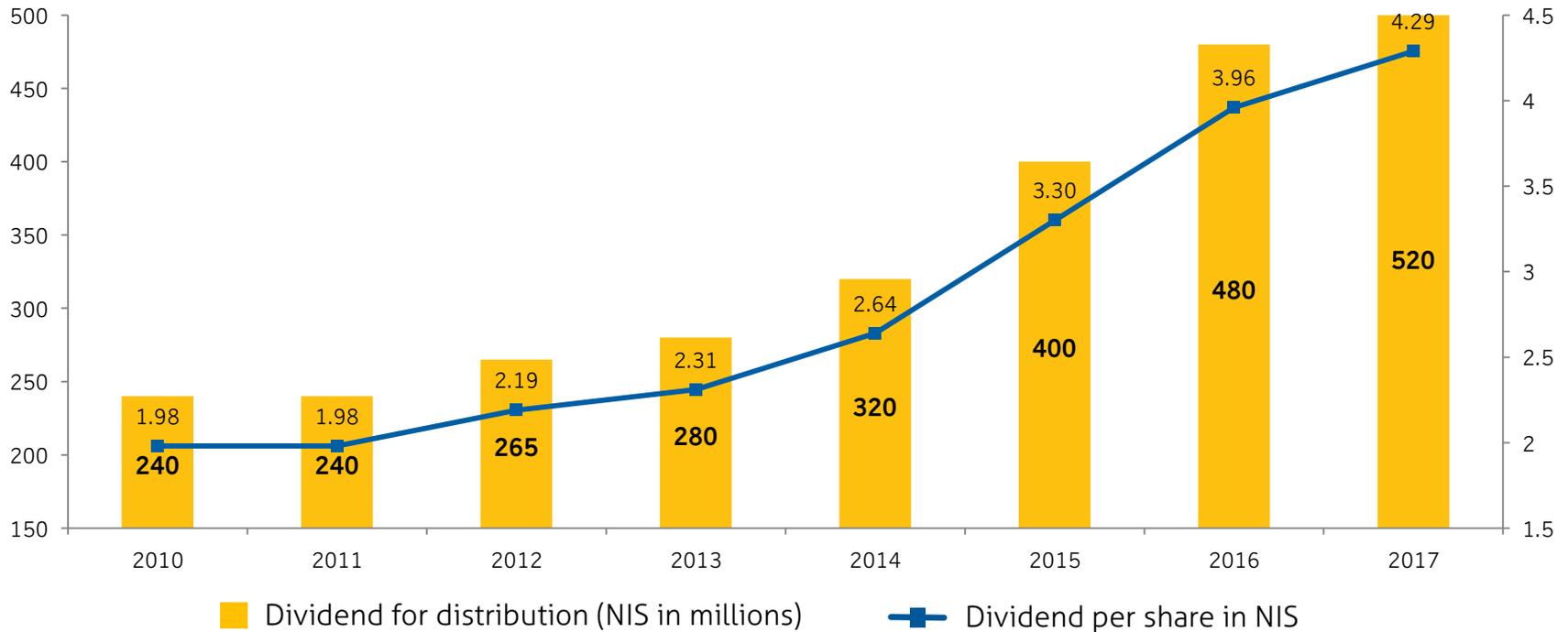
\* For details with respect to the FFO calculation, see Section 2.7 of the Board of Directors' Report.

(1) FFO for Q1/2018 includes NIS 9 million from the senior housing business and Q1/2017 includes NIS 21 million from the senior housing business. It is noted that during 2016 and 2017, a large number of vacant units were leased up for the first time in Palace Ra'anana, which were purchased by the Group, and it is now fully occupied.

(2) According to the calculation: FFO 2018 = Q1x4; the figure does not represent a forecast for 2018.

# Constant and Increasing Dividend Distribution

In May 2018, the Company distributed a dividend in the sum of NIS 520 million for 2017, which represents NIS 4.29 per share.



# Extension of the Duration and Reduction of the Cost of Debt

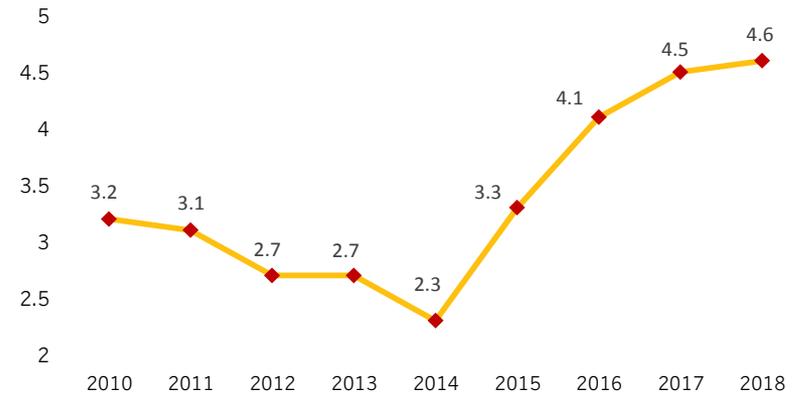
## Progress Update

- In February 2018, the Company raised NIS 1.4 billion by expanding the Series D bonds at an effective interest rate linked to CPI of 0.94% with an average duration of 6.2 years.

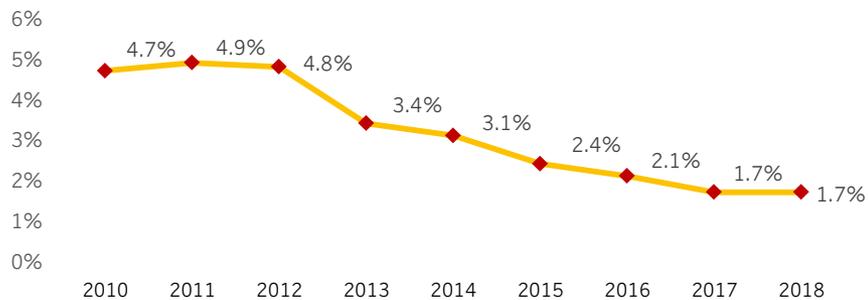
## Financial Strength(1)

- Low leverage – net financial debt to assets - **25%**
- Equity to assets - **52%**
- Cash and cash equivalents - **NIS 2,314 million**
- Unencumbered assets - **NIS 21 billion**

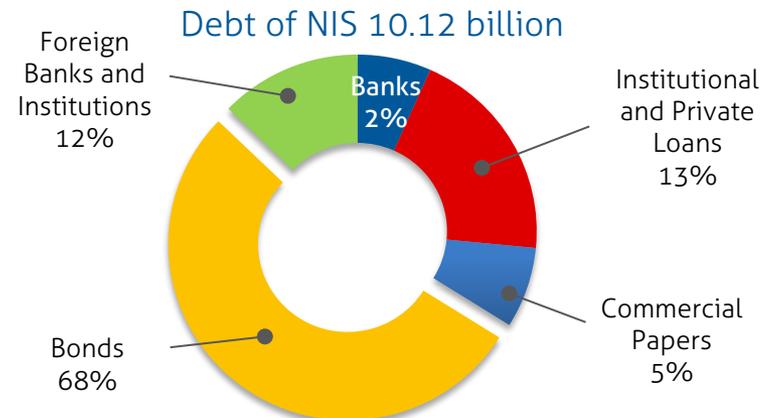
## Extension of Average Debt Duration (2)



## Reduction of Average Interest over the Years (2)



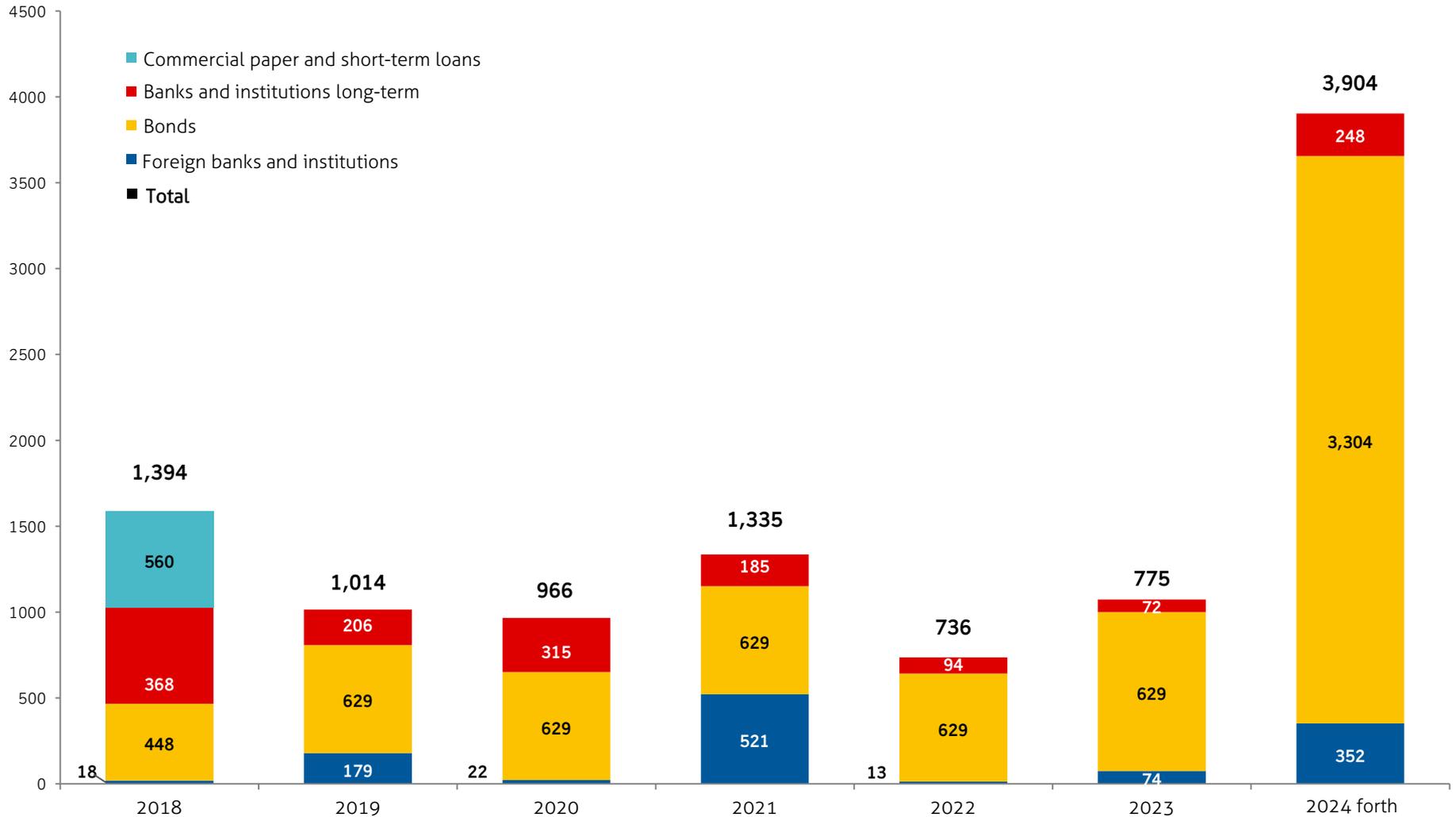
## Debt Breakdown by Lender



(1) As of March 31, 2018 (2) The figures are as of the last day of the year / the reported period.

# Payment Schedule (Principal Only)

Extended standalone as of March 31, 2018



# Summary of Financial Results (Extended Standalone, NIS in millions)

	Q1 2018	Q1 2017	2017
Revenues from rent, maintenance and management fees	494	453	1,875
NOI	371	338	1,385
Same property NOI	337	335	
FFO attributed to the real estate business <sup>(1)</sup>	266	253	1,023
Change in the value of investment properties <sup>(2)</sup>	(29)	(12)	399
Net profit, including minority interests	259	240	1,448
Net profit, attributable to the shareholders	259	240	1,456
Comprehensive income, attributable to the shareholders	276	182	1,488

(1) For details with respect to the FFO calculation, see Section 2.7 of the Board of Directors' Report.

(2) Net, after tax.



## Summary of Balance Sheet Data (Extended Standalone, NIS in millions)

	March 31, 2018	March 31, 2017
Cash, securities and deposits	2,314	1,832
Gross financial debt	10,124	9,073
Net financial debt <sup>(1)</sup>	7,810	7,241
Net financial debt to assets	25%	25%
Financial assets (mainly Leumi and Leumi Card)	1,691	1,614
investment properties and properties under construction	25,526	23,846
Equity (excluding minority interests)	16,032	14,975
Equity to assets	52%	52%
Total assets	31,186	28,683
Equity per share (NIS)	132.2	123.48
EPRA NAV per share (NIS) <sup>(2)</sup>	157	147

(1) Excluding financial assets available for sale.

(2) Excluding the full component of expected profit in respect of the development projects.



# Average Cap Rate and FFO of the Income – Producing Real Estate Business



## Weighted average cap rate - 7.4%

	NIS in millions
Total investment properties "extended standalone" as of March 31, 2018	25,650
Net of the value attributed to land reserves, properties under construction and senior housing	(3,788)
<b>Total income-producing properties</b>	<b>21,862</b>
Actual NOI Q1/2018 <sup>(1)</sup>	361
Future quarterly NOI addition	41
Total standardized NOI Q1/2018	402
Proforma annual NOI	1,608
<b>Weighted cap rate derived from income-producing investment properties, including vacant space</b>	<b>7.4%</b>

## Quarterly FFO <sup>(2)</sup> attributed to the real estate business - NIS 266 million

	NIS in millions
Net profit Q1/2018 (attributable to shareholders)	259
Discounting the profit from Granite and Azrieli E-Commerce (including a deduction of excess cost)	(17)
Impairment of investment properties	38
Taxes	17
Additional adjustments	(38)
Plus interest paid in respect of real investments	3
Cash flow from the receipt of residents' deposits, net, discounting forfeiture revenues	4
<b>Total FFO attributed to the income-producing real estate business</b>	<b>266</b>
Total cash flow of financing of properties under development <sup>(3)</sup>	2
<b>Total FFO attributed to the income-producing real estate business, excluding the cash flow of financing of properties under development.</b>	<b>268</b>

(1) Excluding senior housing (the weighted cap rate of the senior housing as of the report date is 8.75%) because the cap rate of senior housing properties derives from the FFO rather than the NOI. (2) For details with respect to the FFO calculation, see Section 2.7 of the Board of Directors' Report. (3) The FFO calculation also includes cash-flow financing expenses in connection with projects under construction, calculated according to the credit costs capitalized to qualified properties and investment property under construction.

# Conclusion – Leadership, Innovation and Strength



Continued growth in the key parameters of the core business (NOI, FFO)

Lasting high occupancy rate

Exceptional financial soundness and strength

Significant growth engines:

- Internal growth
- Enterprise and development of new properties
- Acquisition of income-producing properties and land for future development
- New real estate operating segments (senior housing) and entry into the e-commerce segment

Most of the Company's operations are in Israel

