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Azrieli Group has Successfully Completed the Tender for Accredited Investors in a Bond Offering in Two New Series, with Demand of Close to NIS 3 Billion

Azrieli Group successfully completed the tender for accredited investors in an offering of two new series at a scope of approx. NIS 1.5 billion, with demand of close to NIS 3 billion from a broad range of leading institutional bodies. The two new bond series (E and F) are index-linked, with a duration of approx. 7 years and approx. 10 years, respectively. In Series E, the Group secured approx. NIS 1.2 billion raised with interest of 1.77%, and in Series F it secured approx. NIS 300 million raised with interest of 2.48%.

The public stage is expected to be held in the coming days. The bonds are rated Aa1 by Moody's-Midroog.

The offering was led by Discount Capital Underwriting, together with the underwriting bodies of Leader, Leumi Partners, Barak Capital, Menora, Value Base, Excellence, Rosario and Poalim IBI.

In recent years, Azrieli Group has had significant and unprecedented development momentum, which was expressed also by investments of around NIS 1.6 billion in the first three quarters of 2018, both through purchases and in the development of new properties, and mainly the purchase of an office building adjacent to the Azrieli Town project in Tel Aviv, land in the city center of Modi'in and a property in Austin, Texas, In addition to the continued development of the development projects: completion of the Azrieli Sarona tower and completion of the marketing thereof, completion of the senior home Palace Modi'in which opened at the end of 2018 with outstanding marketing achievements, commencement of excavation and shoring for expansion of Azrieli Center (on which the Spiral Tower will be situated), in projects in Holon, and more.

In addition, during December 2018, the Group entered into a lease agreement with Bezeq, according to which Bezeq will relocate its offices to the Hamanor project in Holon which is under construction. The relocation to the Hamanor project will be carried out upon expiration of the lease agreement in the Triangular Tower in Azrieli Tel Aviv, in which Bezeq leased space for around 20 years. Bezeq will lease around 20,000 sqm in the Hamanor project from late 2020, as well as approx. 900 parking spaces, in consideration for around NIS 19 million per annum. The contract was signed for 10 years with extension options.

Azrieli Group Ltd.



Irit Sekler-Pilosof, CFO of Azrieli Group: “The Group has very successfully completed the tender for accredited investors, with high levels of demand. For us, this is a significant expression of the capital market’s confidence in the Group and in its business.

The present financing round will allow extension of the duration of the Group’s loans and ensures financing for the long-term. We are continuing to develop significant projects in high-demand areas, while focusing on the core activity of the Group, in the income-producing property segments”.

Further details:

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