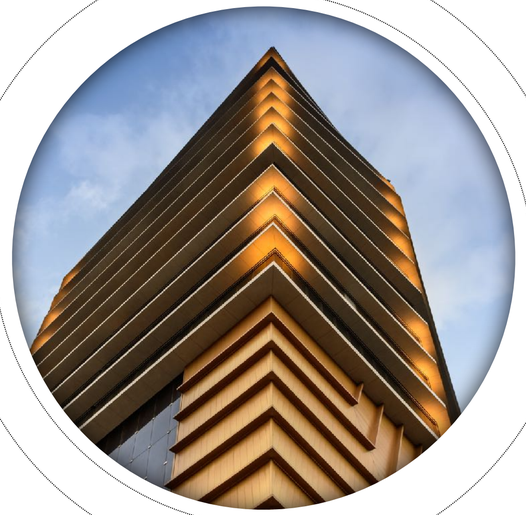
AMOT Investments

People First.



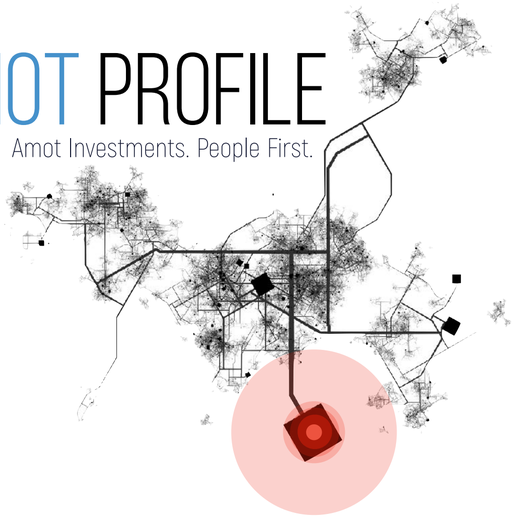
AMOT

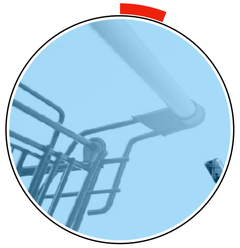
Capital Market Presentation

Financial statements 30.9.2019

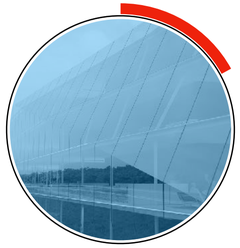
AMOT PROFILE

Amot Investments. People First.





Supermarkets



Industrial and Logistics

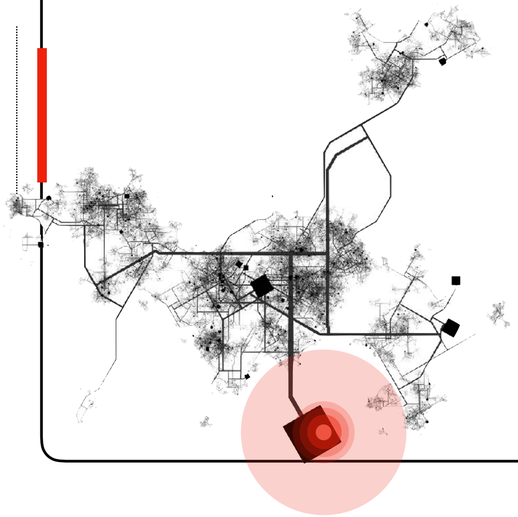
Commercial

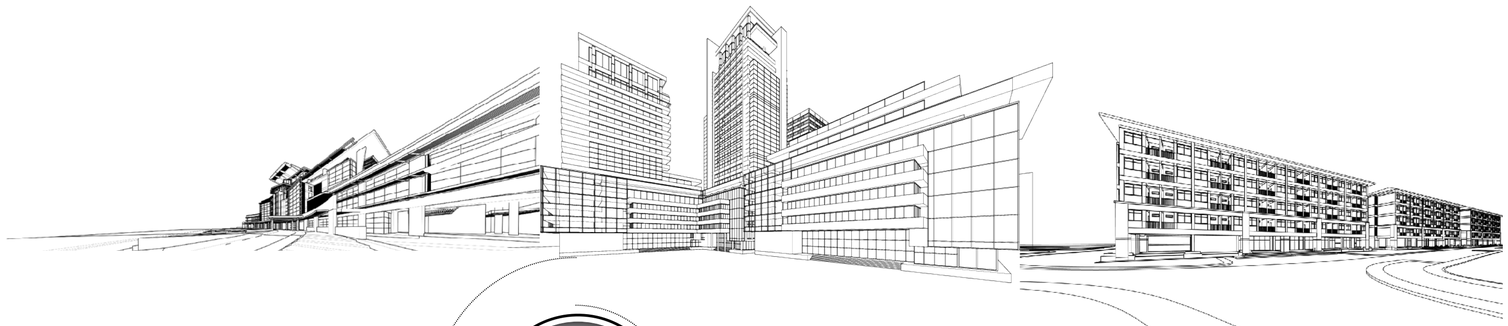
Offices

AMOT PROFILE

Information about the Company

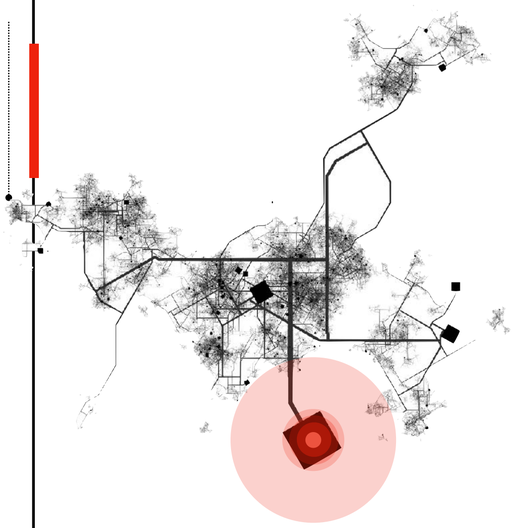
A VARIETY OF USES





AMOT PROFILE

Information about the Company



A public company that is traded on the Israeli Stock Exchange and included in the indices: **Tel Aviv 35, Tel-Aviv - Real Estate and Tel Div.**

A subsidiary of Alony-Hetz Properties and Investments Ltd., which holds approximately 56% of its equity.

The Company owns 103 income-producing properties

Total area: 1,400,000
Approximately 871,000 sqm of rental space

Total real-estate value – 11.5 billion NIS

All of the Company's assets are unsecured except for assets valued at 3% of ownership with partners.

The average occupancy rate of the Company's assets is approximately 97.3%.

4 projects under construction and advanced planning totaling 130,000 sqm.

Leverage ratio – 42%

Net Financial Debt – 4.9 billion NIS

The Company's bonds are rated AA/Stable by S&P Maalot and Aa2/Stable by Midroog.

AMOT PROFILE

Information about the Company

HIGHLIGHTS

NOI 1-9.19 totalled 536 million NIS, an increase of **5.6%** compared with the same period last year

NOI same property 7-9.19 totalled 172 million NIS, an increase of **2%** compared with the same period last year

FFO 1-9.19 totalled 382 million NIS, an increase of **6.5%** compared with the same period last year

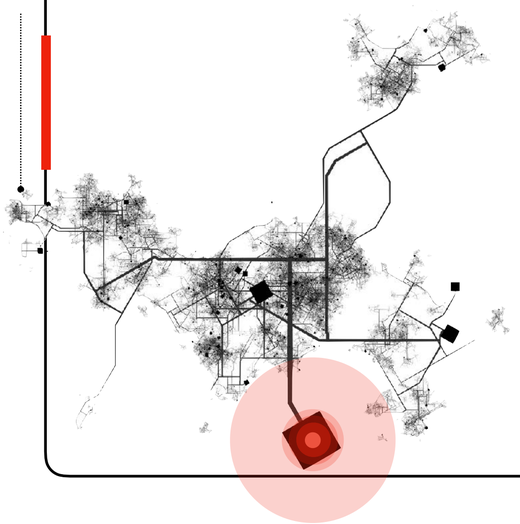
FFO per share 1-9.19 totalled 106.9 agorot per share, decrease of 0.9% compared with the same period last year with an increase of 7.5% in the number of weight shares and decrease of 5% in the leverage rate compared to 30/9/2018

On April 2019, the Company issued –7,300,000 ordinary shares of NIS 1 par value each, in consideration for NIS 150 million (gross). In addition, during the period of 15.6 Series 9 warrants were exercised into ordinary shares in consideration for NIS 307 million.

On June and September 2019, the Company issued – Series F bonds amounting to 1 billion NIS par value. The net consideration received by the Company totalled 1 billion NIS. The bonds bear CPI-linked effective interest of 1.13% and their average duration is 8 years.

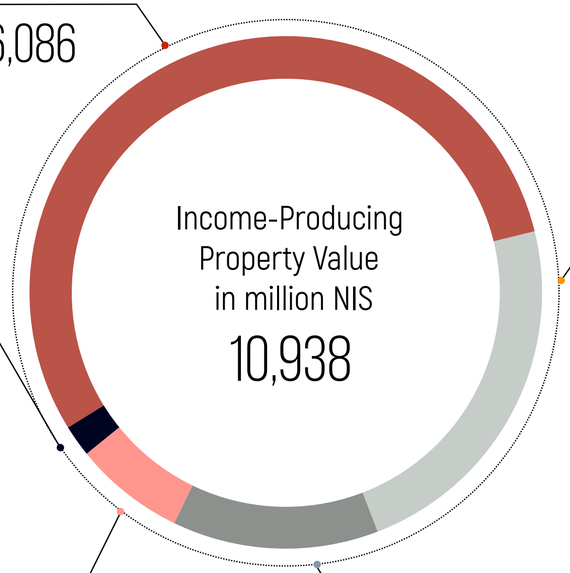
On September 18 2019, the Company's Board of Director approved, in principle, the Company's engagement in a transaction with Property & Building Corp for the purchase of all of its rights in the Kiryat Ono Mall (which is held in equal shares by the Company and Property & Building Corp) in consideration for NIS 545 million. The overall occupancy rate of the asset is app. 97%; this rate has been stable over the years. In the Company's opinion, the projected NOI at full occupancy is app. NIS 68 million per year.

On October 7 2019, the Company and Teva entered into agreement whereby the Company purchased all rights in a logistic center located in the Modi'in Industrial Park, Shoham in consideration for NIS 445 million. In parallel to its entering into the aforementioned agreement, the Company signed a tenancy agreement with S.L.E - Salomon Levin & Elstein Ltd. (which is a subsidiary of Teva), whereunder, S.L.E rents the Logistic Center from the Company for a 10-year period in consideration for annual index-linked rent of app. NIS 22 million.



INVESTMENTS
PROPERTIES

Amot Investments. People First.



Offices
56% | 6,086

Retail
20% | 2,225

Others
2% | 238

6% | 648
Supermarkets

16% | 1,741
Industrial and Logistics

Income-Producing Property
Value as of 30.9.19

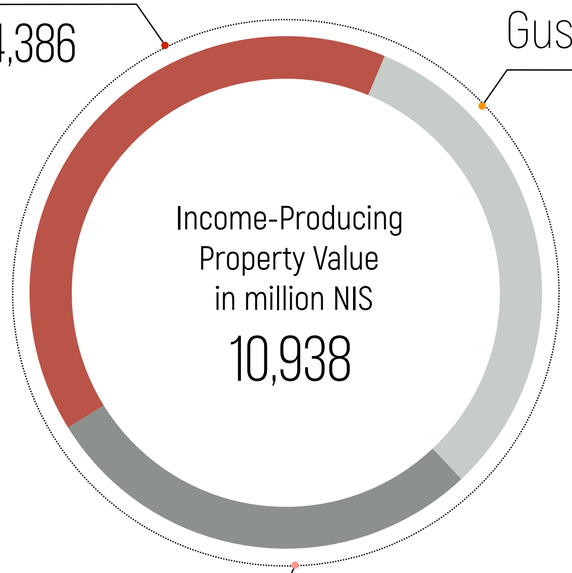
Value in million NIS
10,938

INVESTMENTS PROPERTIES

Segmentation of Income-Producing Property Value

Tel Aviv Metro
40% | 4,386

Gush Dan Surroundings
32% | 3,467



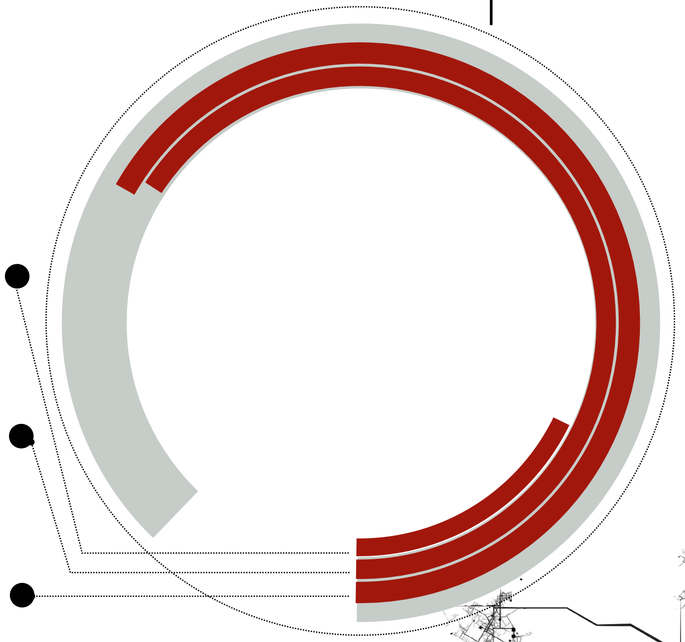
28% | 3,085
Other Areas

Income-Producing Property
Value as of 30.9.19

Value in million NIS
10,938

INVESTMENTS
PROPERTIES

Segmentation of Income-
Producing Property Value



8% | 474
Other Areas

28% | 1,718
Gush Dan Surroundings

92%

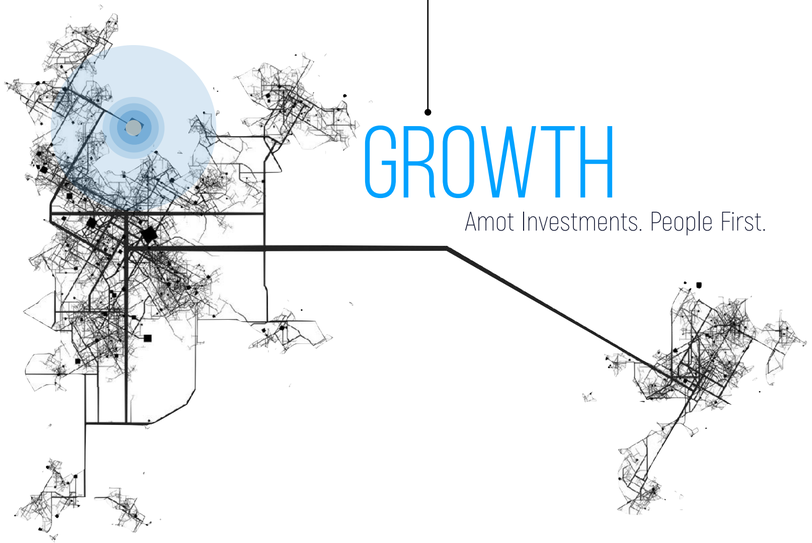
64% | 3,894
Tel Aviv Metro

Income-Producing Offices
Property Value as of
30.9.19

Value in million NIS
6,086

OFFICES
INVESTMENTS PROPERTIES

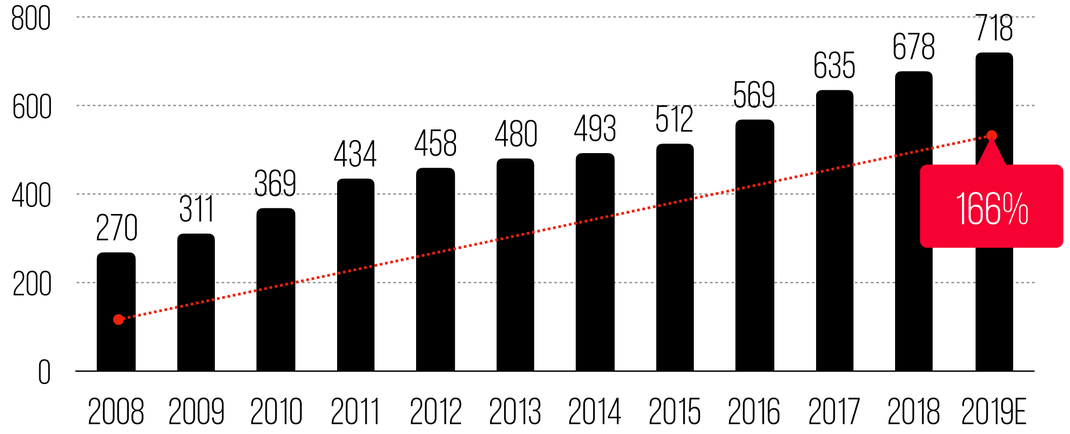
Offices- Income-Producing
Property Value



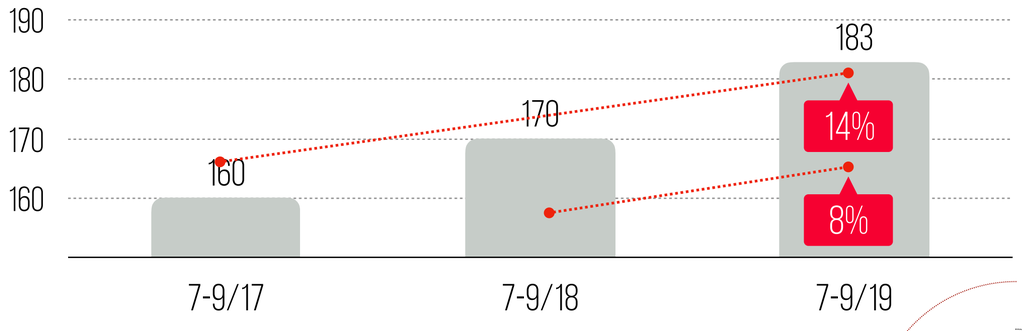
GROWTH

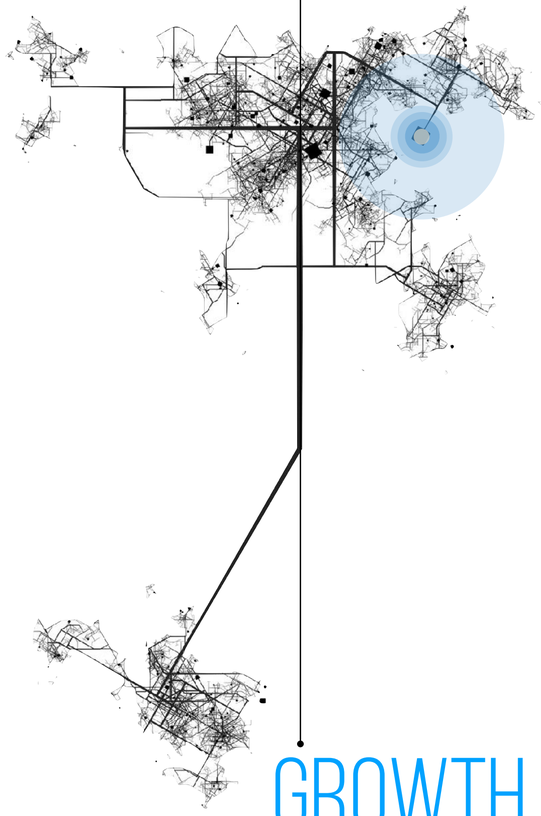
Amot Investments. People First.

Continuous Growth in NOI –Annual-in million NIS



Continuous Growth in NOI –Quarterly-in million NIS

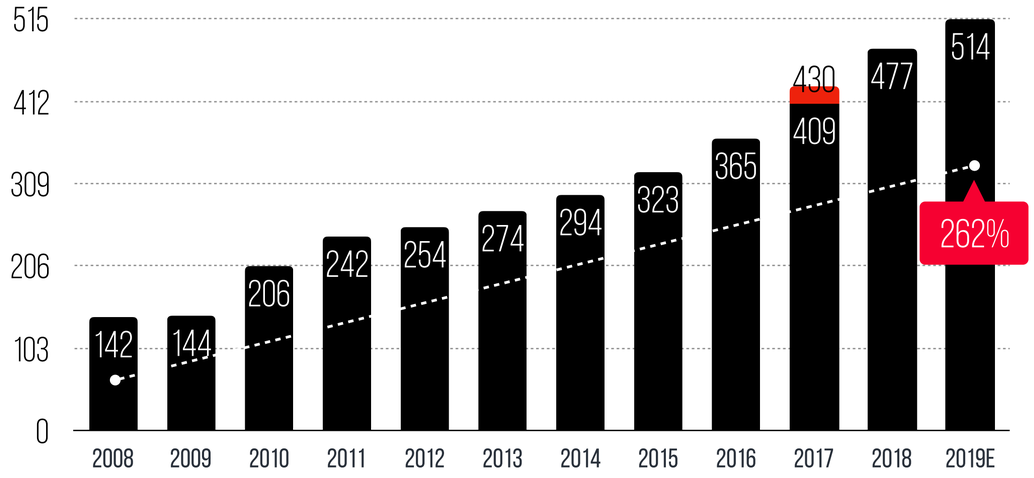




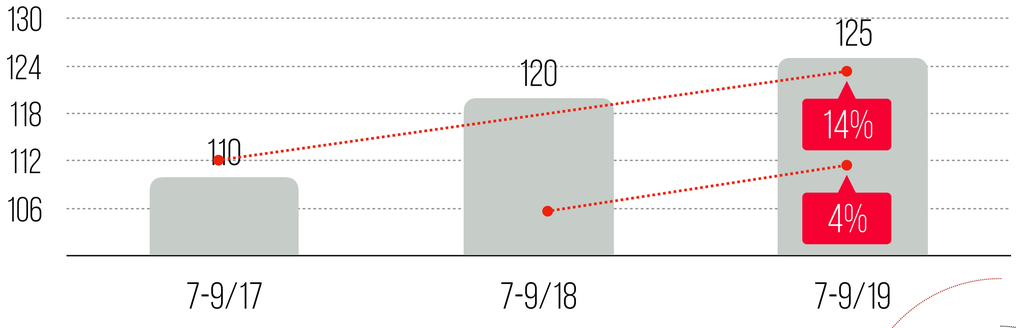
NOI GROWTH

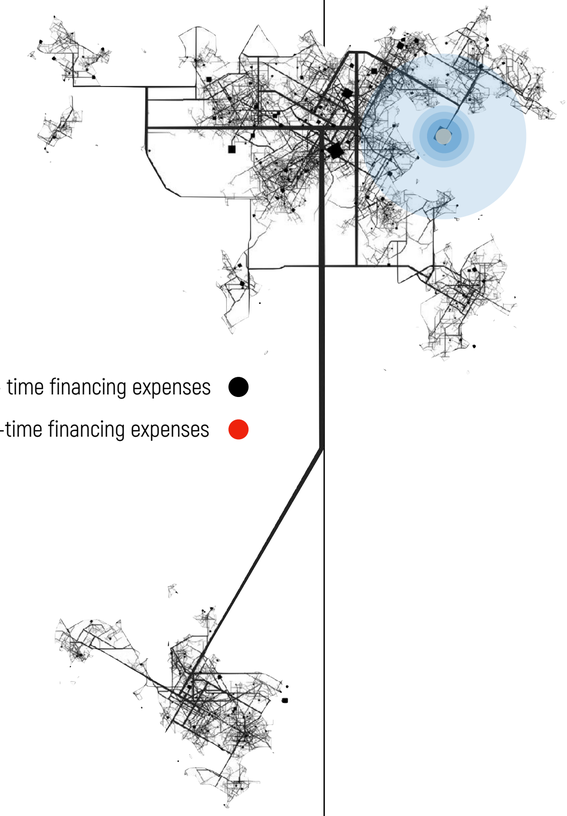
ANNUAL AND QUARTERLY

Continuous Growth in FFO along with a Decrease in the Leverage Ratio- Annual - in million NIS



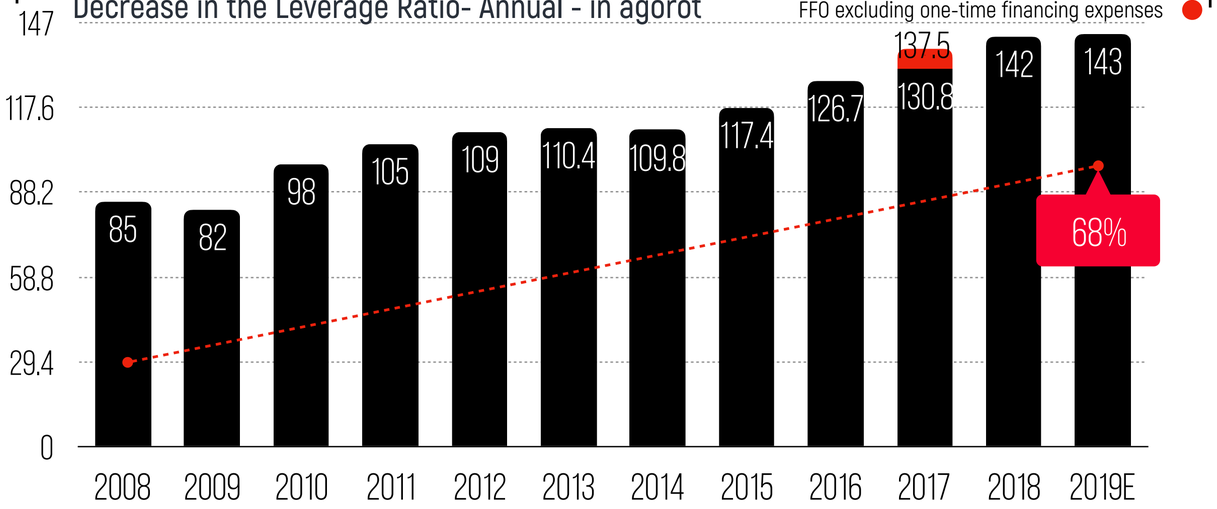
Continuous Growth in FFO along with a Decrease in the Leverage Ratio- Quarterly - in million NIS





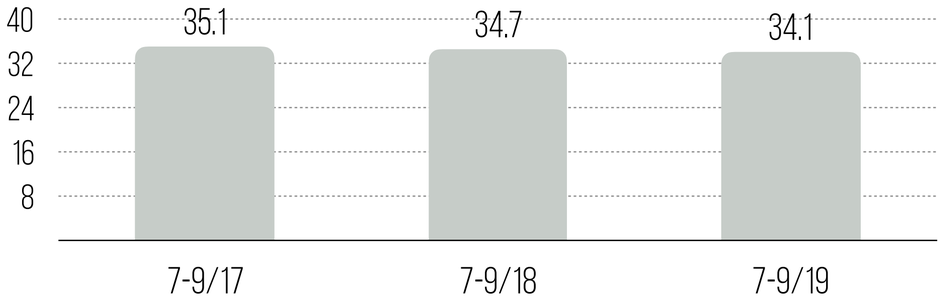
FFO GROWTH
ANNUAL AND QUARTERLY

Continuous Growth in FFO per share along with a Decrease in the Leverage Ratio- Annual - in agorot

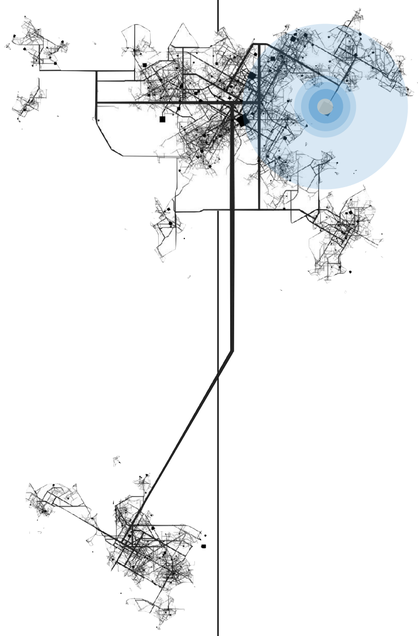


Following the issuance of 7.3 million shares and the exercise of 15.6 million Series 9 options, until the date of the financial statements publication, FFO per share diluted by 3.3% (4.9 agorot). Leverage rate decreased to 42%.

FFO per share along with a Decrease in the Leverage Ratio- Quarterly - in agorot



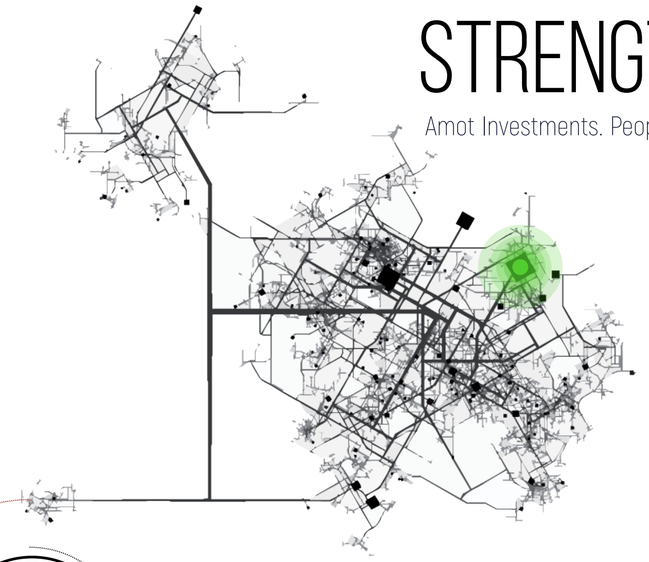
FFO per share in 1-9.19 amounted to 34.1 agorot, compared to 37.3 agorot in the same period last year, representing decrease of 0.9%, with an increase of 7.5% in the number of weighted shares. Leverage rate decreased by 5% compared to 30/9/2018.



FFO GROWTH
PER SHARE

FINANCIAL STRENGTH

Amot Investments. People First.

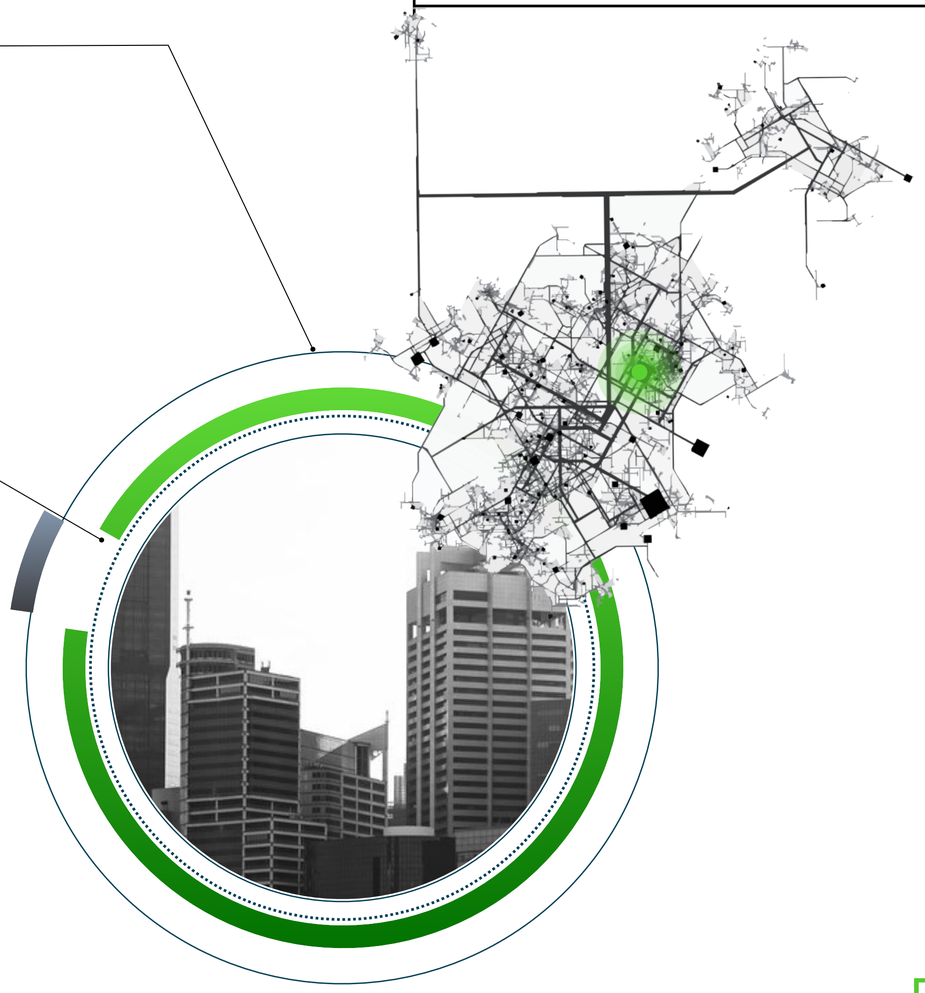


Bonds

5,397 | 94%

Banks

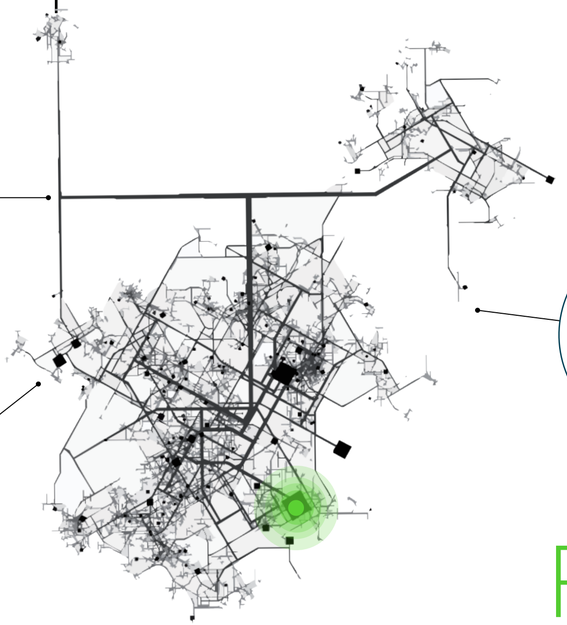
353 | 6%



During August 2019, the company disposed commercial papers of 344 million NIS

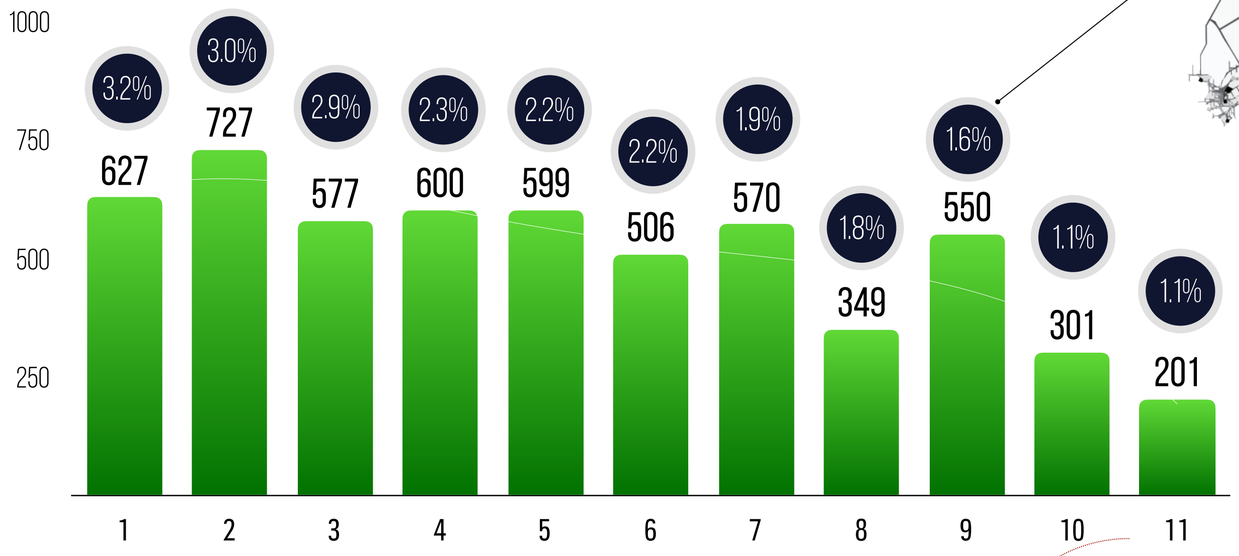
FINANCIAL STRENGTH

Debt Structure – Expanded
Consolidated-in NIS thousands



FINANCIAL STRENGTH

The spread of repayments over the years, with a decrease in the effective interest rate



Each year begins in 1/10 and ended in 30/9

Effective interest rate

Cash and cash equivalents in the amount of **817** million NIS

All of the Company's assets are unsecured except for assets valued at 3% which is held with partners.

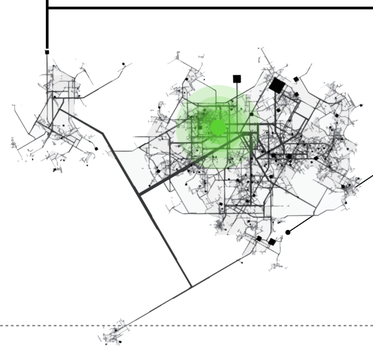
Credit facilities in the amount of **800** million NIS

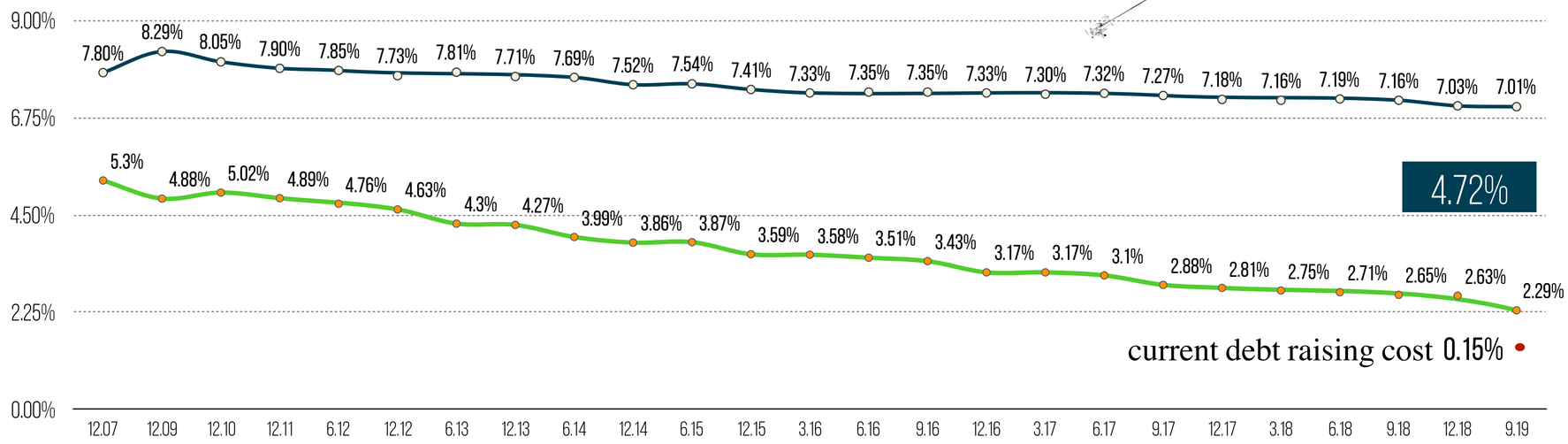
Rating AA by Maalot and Midroog

Average duration of debt – **4.9** years

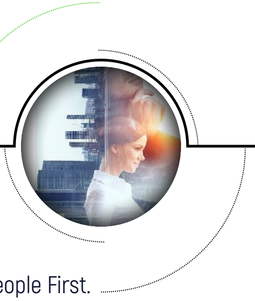
Weighted effective linked interest (excluding commercial papers) – **2.29%**

FINANCIAL STRENGTH



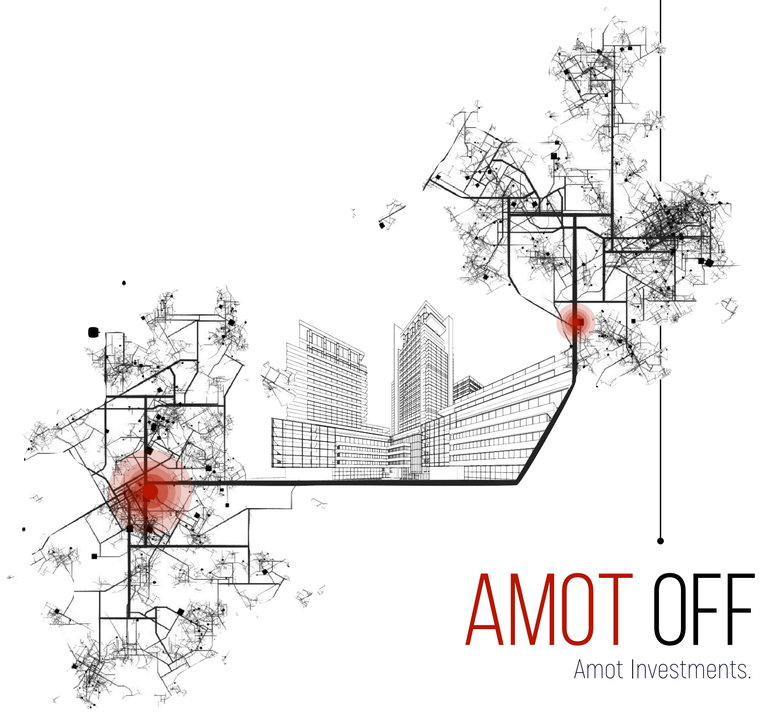


Current debt raising cost based on company's bond market price (series number 4), 5.6 years duration, as of November 3, 2019



FINANCIAL STRENGTH

The Change in the Weighted Capitalization Rate Relative to the Change in the Company's Weighted linked Interest Rate

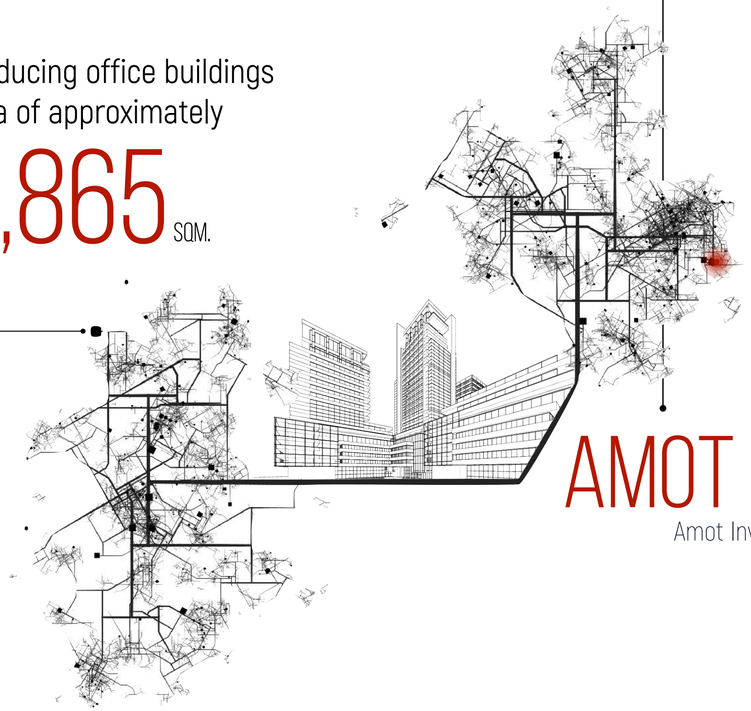


AMOT OFFICES

Amot Investments. People First.

Income producing office buildings
with an area of approximately

390,865 SQM.



AMOT OFFICES

Amot Investments. People First.

The fair value as of 30/09/2019
is approximately 6.1 billion NIS

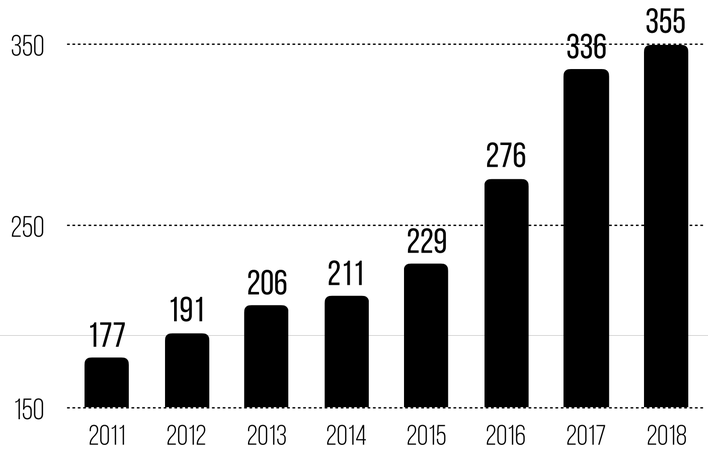
The NOI from offices in 1-9/19 is
290 million NIS

64% of the value of offices located
in the Tel Aviv metro area

The average contractual-renting
duration is 3-5 years
(20% of rental agreements are
renewed each year)

As of 30/09/2019 the occupancy
rate of office space is 95.8%

NOI FROM OFFICES



TOHA Tower
Atrium Tower
Platinum Tower
Amot Investments Tower
Ziviel House, Ramat Hahayal
HP Yehud
Amot Law House
Amot Insurance House

Europe House
Vered House
Amot Park Afek
Verint House
Amot Hakiriya
Hame'a Tower
Merkazim 2001

Hayetzira House
Tim House
Pliner House
Amot Communications House
Moshe Aviv Tower
Amot Haifa House
Hotzvim mountain

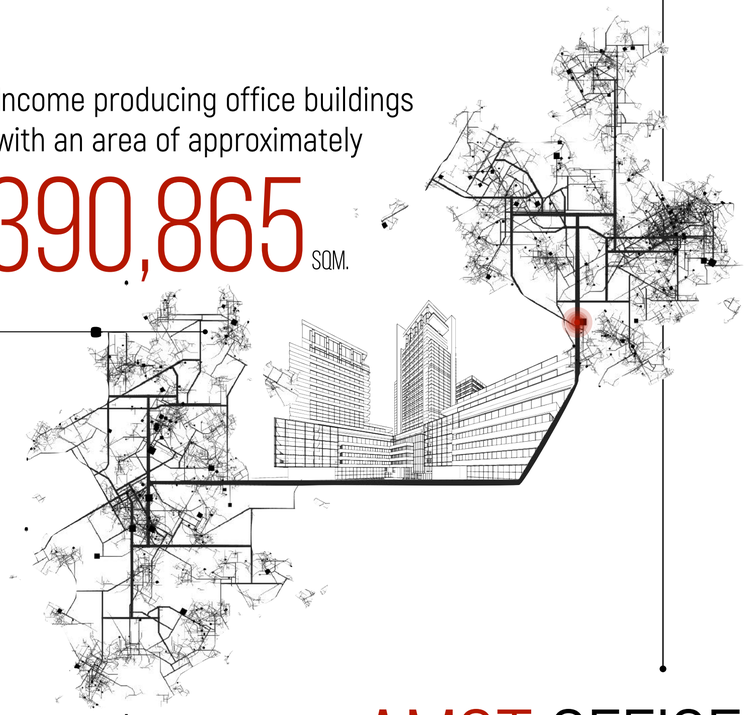
Dubnov 10
Amot Mevasseret Zion
Habarzel 30
Yahav House
Maccabi Netanya

Properties

Representative assets

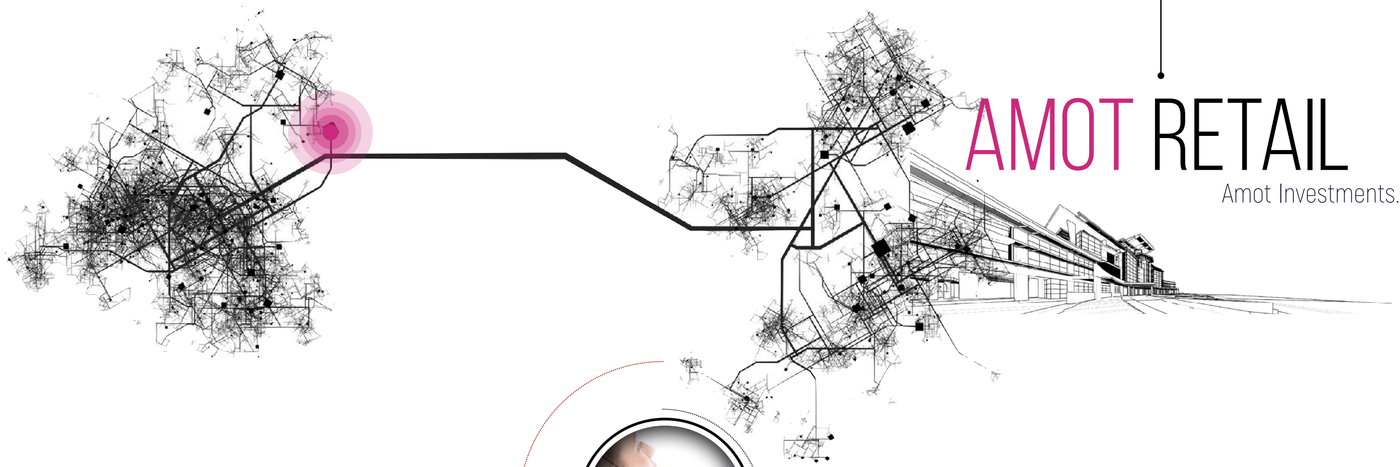
Income producing office buildings with an area of approximately

390,865 SQM.



AMOT OFFICES

Amot Investments. People First.



AMOT RETAIL

Amot Investments. People First.

The fair value as of 30/09/2019 is approximately 2.2 billion NIS

As of 30/09/2019 the occupancy rate in malls and shopping centers is 96.4%

The NOI from shopping centers and malls in 1-9/19 is 109 million NIS

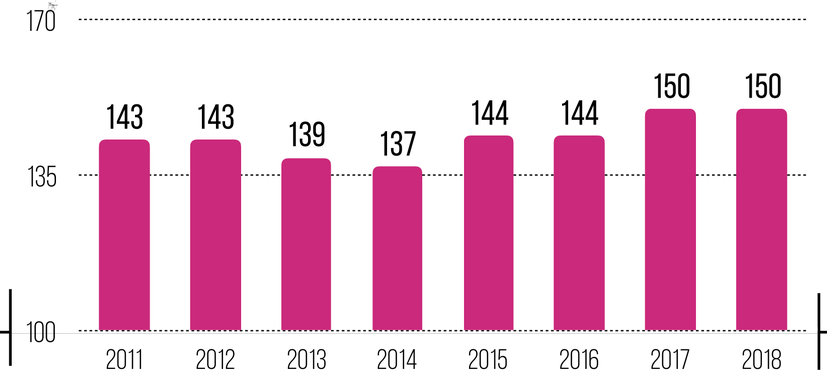
AMOT RETAIL

Amot Investments. People First.

Shopping centers with an area of approximately

118,854 SQM.

NOI FROM SHOPPING CENTERS AND MALLS



Arim Mall, Kfar Saba

Merkazit Mall, Jerusalem

Neve Ze'ev, Beer Sheva

124 Mall, Iben Gvirol, Tel Aviv

Kiryat Ono Mall

Hutzot Alonim Mall

Amot Max, Beer Sheva

Merkaz h'kirya Ashdod

Orot Mall, Or Akiva

Center Hagalil, Rosh Pina

My Center, Carmiel

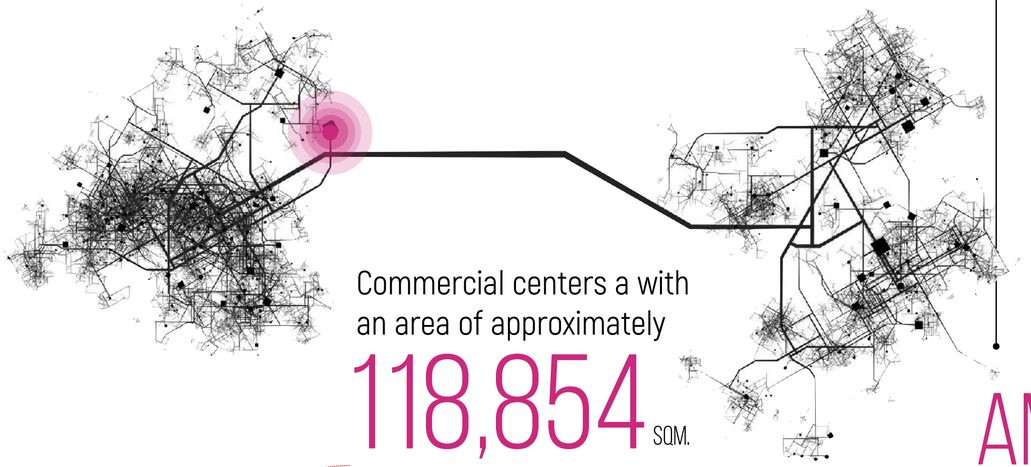
Brodetzky, Ramat Aviv

Bat Hadar, Ashkelon

Bat Hadar, Ashkelon

Properties

Representative assets

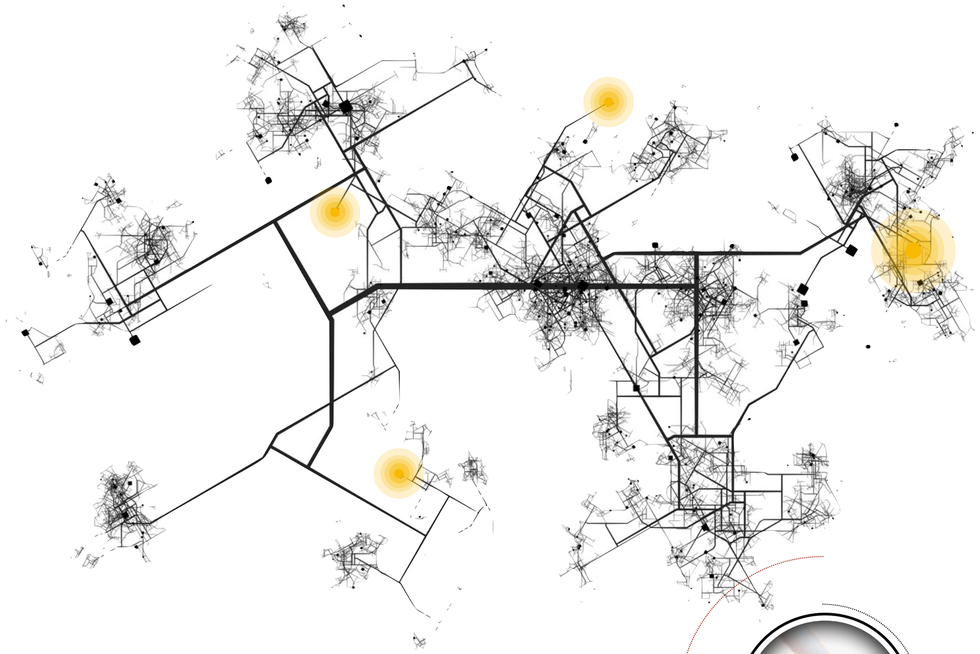


Commercial centers a with an area of approximately

118,854 SQM.

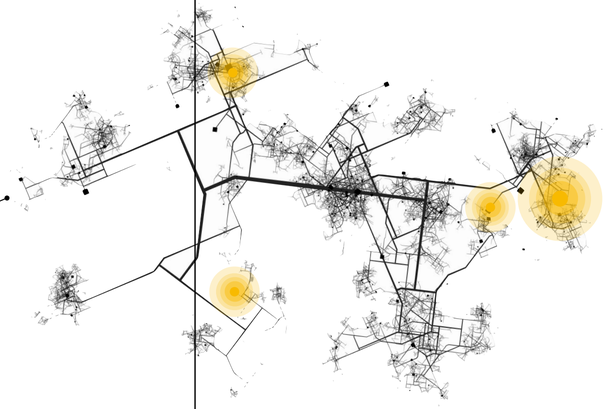
AMOT COMMERCIAL

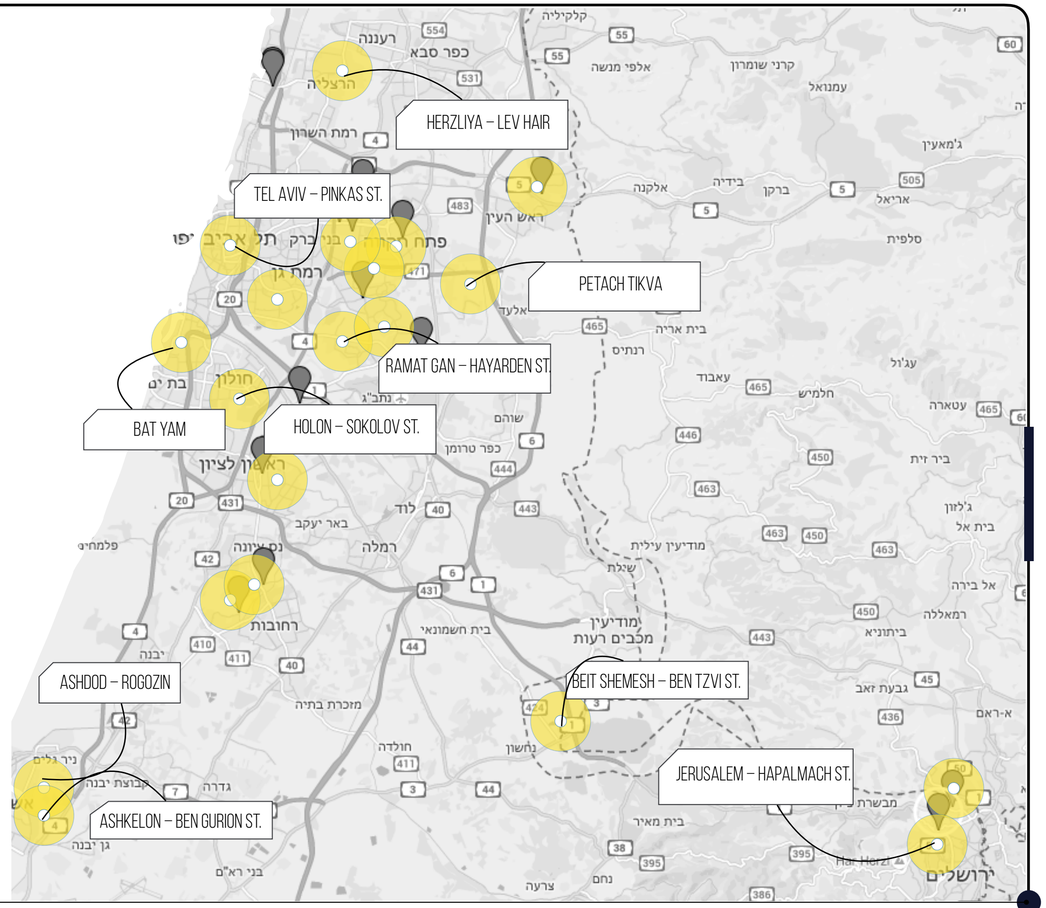
Amot Investments. People First.



AMOT SUPERMARKETS

Amot Investments. People First.



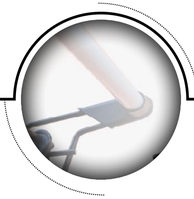


Supermarkets with an area of approximately

38,889 SQM.

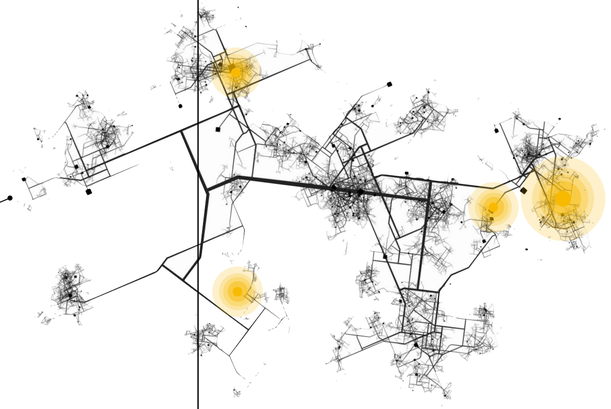
AMOT SUPERMARKETS

Amot Investments. People First.



Supermarkets with an area of approximately

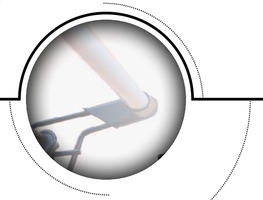
38,889 SQM.



AMOT SUPERMARKETS

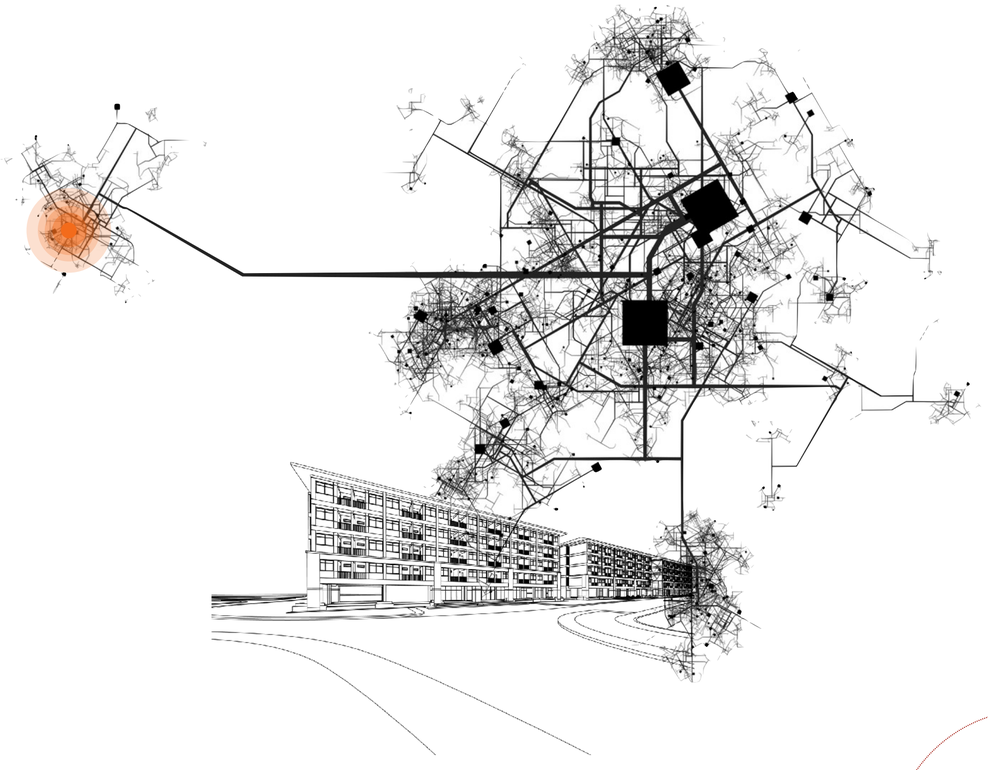
Amot Investments. People First.

- Mega – Anbar Holon
- Mega – Ashdod
- Mega – Bavli
- Shufersal – Givatayim Weizman
- Mega – Gilat Beer Sheva
- Mega – Dimona
- Shufersal – South Givatayim
- Mega – Hadar Weizman
- Mega – Lev Halr Herzliya
- Mega –Erel Tower
- Mega – Nahum Tower
- Mega – Ne'ot Rachel
- Mega – Neve Amirim
- Supermarket – Arad
- Mega – Hafetz Haim
- Mega – Ramat Efal
- Mega – Raanana
- Victory – Hyper Ashkelon
- Victory – Raanana
- Rami Levy – Ezdirect
- Shufersal – Kfar Saba
- Shufersal – Nazareth Illit
- Shufersal – Carmiel
- Shufersal – Yizraelia
- Super-Sapir – Akko
- Shufersal – Kiryat Eliezer
- Shufersal – Motzkin
- Shufersal – Hayarden
- Shufersal – Or Yehuda
- Shufersal – Kiryat Shprinzak
- Supermarket – Beit Shemesh
- Co-op – Hapalmach
- Co-op – Kiryat Yam
- Co-op – Kiryat Menachem
- Levkowitz – Givat Hamoreh
- Super Sapir – Tzfat



Properties

List of supermarkets



AMOT
INDUSTRIAL AND LOGISTIC PARKS

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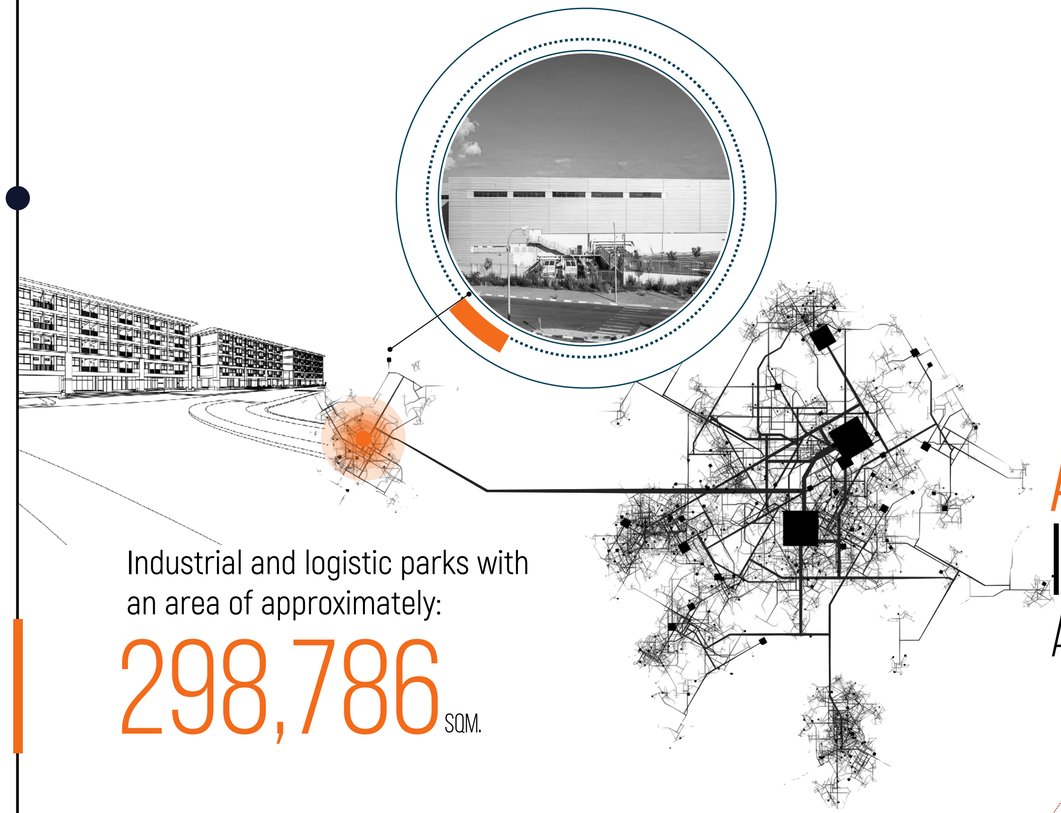

Industrial and logistic parks with an area of approximately:

298,786 SQM.

AMOT
INDUSTRIAL
AND LOGISTIC PARKS

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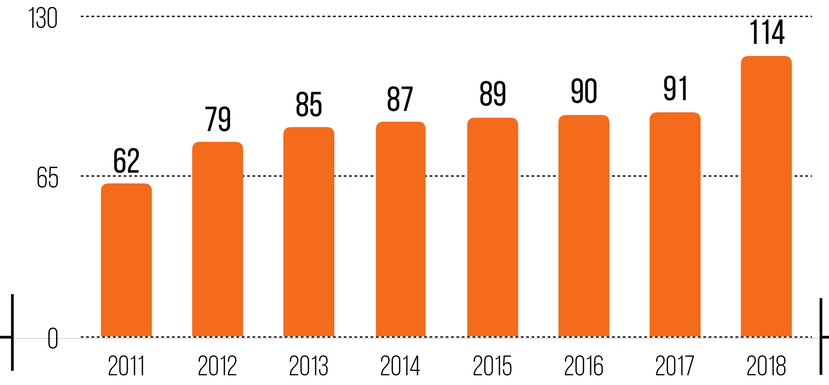
The fair value as of 30/09/2019 is approximately 1.7 billion NIS

As of 30/09/2019 the occupancy rate is 98.9%

The NOI from industrial and logistics in 1-9/19 is 92 million NIS

In accordance with the Company's business strategy of expanding and developing the logistics line of business in the Company's assets portfolio, in October 2019, subsequent to balance sheet date, the Company and Teva entered into agreement whereby the Company purchased all rights in a logistic center located in the Shoham in consideration for NIS 445 million.

NOI FROM INDUSTRIAL AND LOGISTIC PARKS

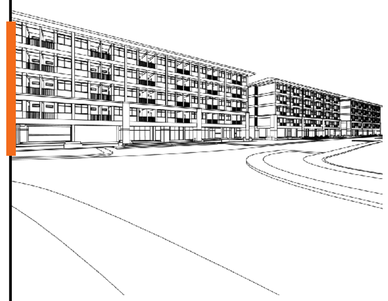


Poleg Park
Rehovot Park
Amot Modi'in

Si'im Park
Tech Park Yavne
Frenkel Caesarea

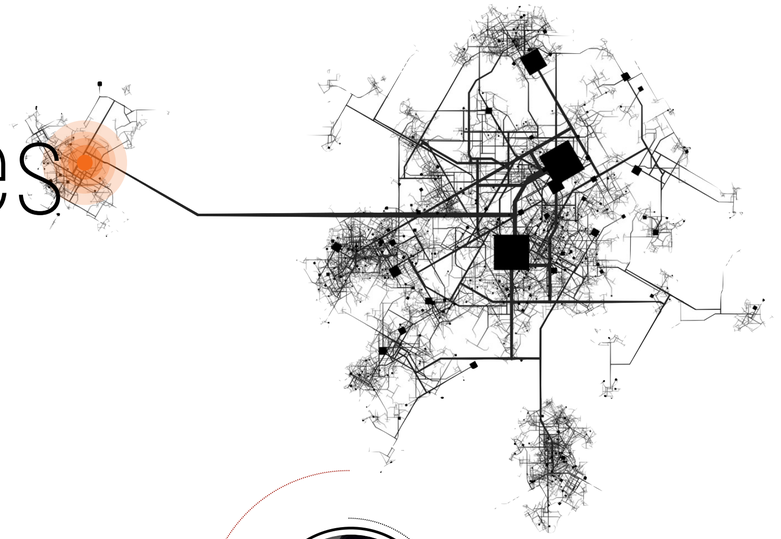
Amot Hamada
Best Carton
Amot Ariel

Amot Park Tech
Cargal
The Amot Modi'in complex



Properties

Representative assets



AMOT INDUSTRIAL AND LOGISTIC PARKS

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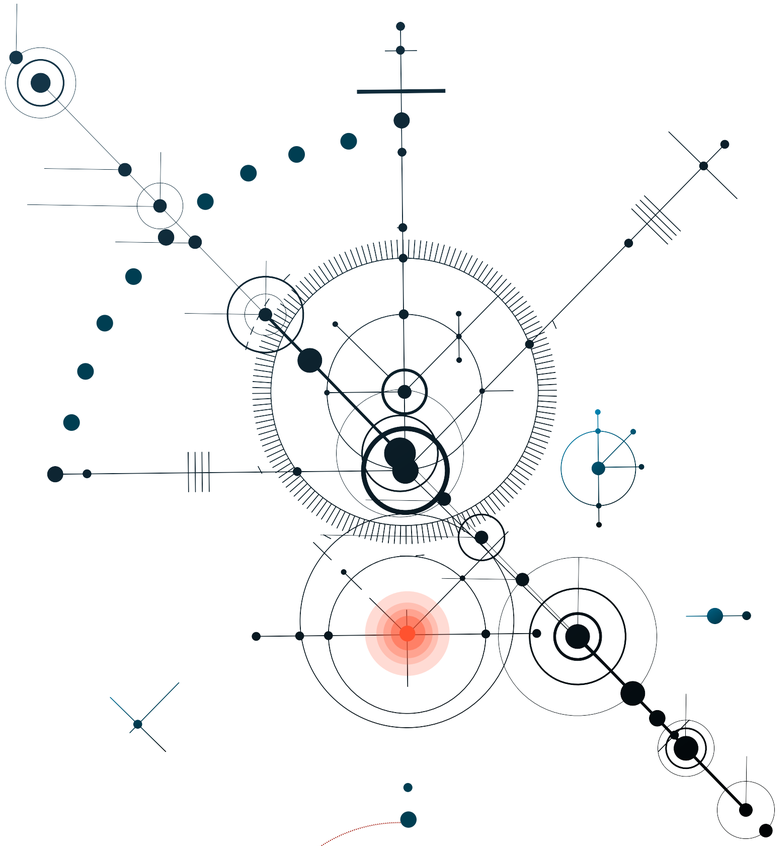
Industrial and logistic parks with an area of approximately:

298,786 SQM.



AMOT
DEVELOPMENTS

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Investment in projects under construction (land + building) up to 15% of the total property value.

Construction outside of the Gush Dan region is backed by an anchor tenant.

Maintaining the Company's existing leverage rates.

Low Development risks

AMOT DEVELOPMENTS

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Developments Strategy

Concentration of data on projects under construction at September 30, 2019

Name of Property	Use	Location	Company's Share %	Land Size acre	GLA 100% sqm	Estimated Completion Year	Book value 30/9/19	Estimated Construction Cost, Including Land and parking cellars	Estimated Completion Cost 30/9/19	Estimated NOI
							Company's Share -Million NIS			
Amot Holon	Offices	Holon	77.8%	11	56,000	2021	176	515	339	42
Amot Modi'in	Logistics	Modi'in	75%	34	34,000	2020	95	250	155	20
Mitham Ha'lehi	Offices	Bnei Brak	50%	16	75,000	2024	10	550	540	49
Mitham 1000	Offices	Rishon Lezion	100%	3	19,000	2022	34	230	196	19
TOTAL				**64**	**184,000**		**315**	**1,545**	**1,230**	**130**

AMOT
DEVELOPMENTS
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Concentration of data on projects in the planning and initiation stages as of September 30, 2019

Name of Property	Location	Use	Amot's Ownership %	Estimated Completion Date	GLA 100%	GLA Company's Share	Estimated Construction Cost including land and parking cellars Company's Share Million NIS (1)
						Company's Share -Million NIS	
TOHA2	Tel Aviv	Offices	50%	TBD	140,000	70,000	1,000
Platinum Phase B (2)	Petah Tikva	Offices	100%	TBD	27,000	27,000	210
Amot Shaool	Kfar Saba	Offices	50%	TBD	30,000	15,000	160
TOTAL					**197,000**	**112,000**	**1,370**

(1) The estimated cost including land and parking cellars. excluding capitalizations and tenant improvements
(2) Subject to completion of building rights to build a twin tower

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AMOT DEVELOPMENTS

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Projects under Construction and Status of Building Rights

TOHA2

Main use	Area for construction	Group's share
OFFICES	140,000 SQM.	50%

Additional rights:
According to T"A\5000, the local committee approved for deposit under conditions, building rights for the construction of another office tower

Estimated construction cost:
1 Billion NIS- group's share

AMOT DEVELOPMENTS

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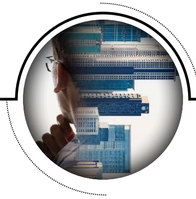
Projects under Construction and Status of Building Rights

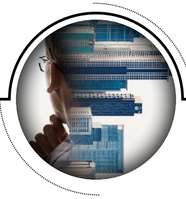
HOLON

Main use	Area for construction	Group's share	Expected completion
OFFICES	56,000 SQM.	78%	2021



Estimated construction cost:
NIS 515 million

AMOT DEVELOPMENTS



HOLON

AMOT DEVELOPMENTS

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Projects under Construction and Status of Building Rights

MODI'IN

Main use
LOGISTICS

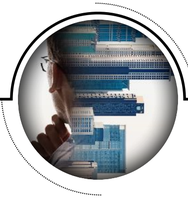
Area for construction
34,000 SQM.

Group's share
75%

Expected completion
2020

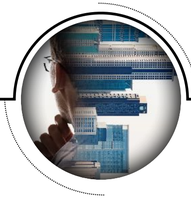
Estimated construction cost:
NIS 250 million

AMOT DEVELOPMENTS



MODI'IN

AMOT DEVELOPMENTS



MODI'IN

AMOT DEVELOPMENTS

Amot Investments. People First.

Projects under Construction and Status of Building Rights

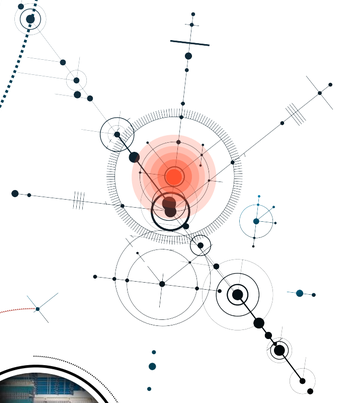
BNEI BRAK

Main use
OFFICES

Area for construction
75,000 SQM.

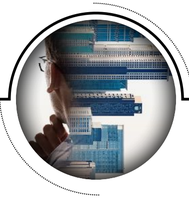
Group's share
50%

Land area
16.4 acre



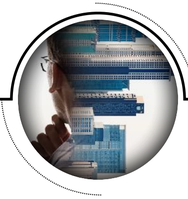
Estimated construction cost:
550 million NIS

AMOT DEVELOPMENTS



BNEI BRAK

AMOT DEVELOPMENTS



BNEI BRAK

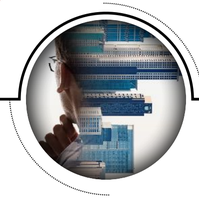
AMOT DEVELOPMENTS

Amot Investments. People First.

Projects under Construction and Status of Building Rights

RISHON LEZION

Main use	Area for construction	Group's share	Land area
OFFICES	19,000 SQM.	100%	3.2 acre



Estimated construction cost:
230 million NIS

AMOT
FORECAST

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	1-9.19 Actual In million NIS	2019 Updated Forecast In million NIS	2019 Original Forecast In million NIS	2018 Actual In million NIS
NOI	536	715-721	717-727	678
FFO	382	511-517	510-520	477
FFO PER SHARE (PENNIES)	106.9	142-144	145-148	142

Following the issuance of 7.3 million shares and the exercise of 15.6 million Series 9 options, until the date of the financial statements, FFO per share diluted by 3.3% (4.9 agorot). Leverage rate decreased to 42%.

The expected NOI for ToHa1 in full occupancy is 48 million NIS and the expected FFO is 30 million NIS

AMOT FORECAST

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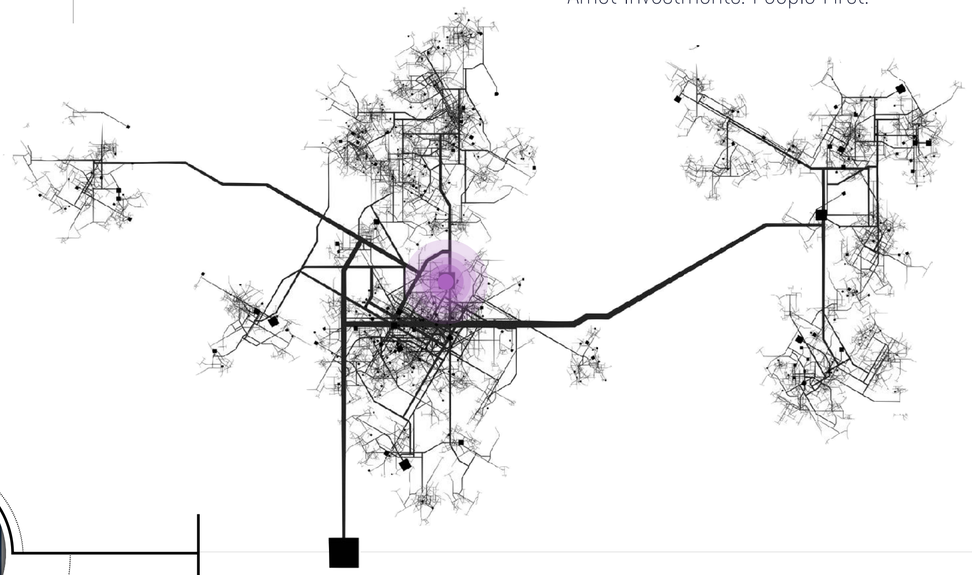

Forecast 2019

FINANCIAL DATA

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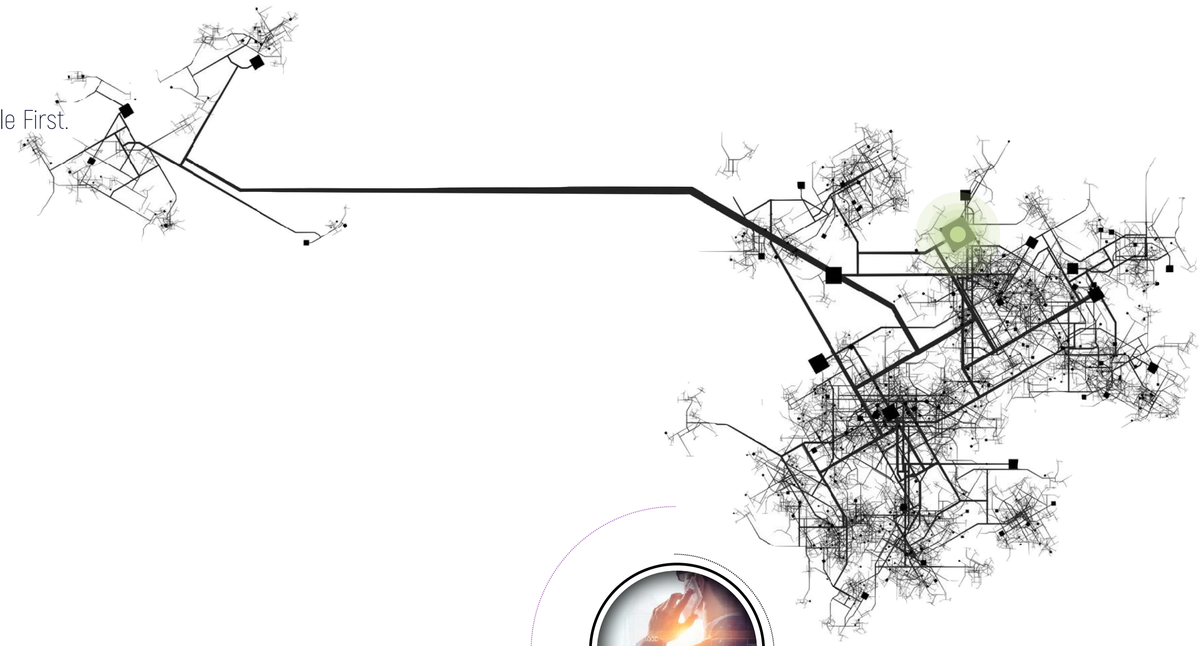
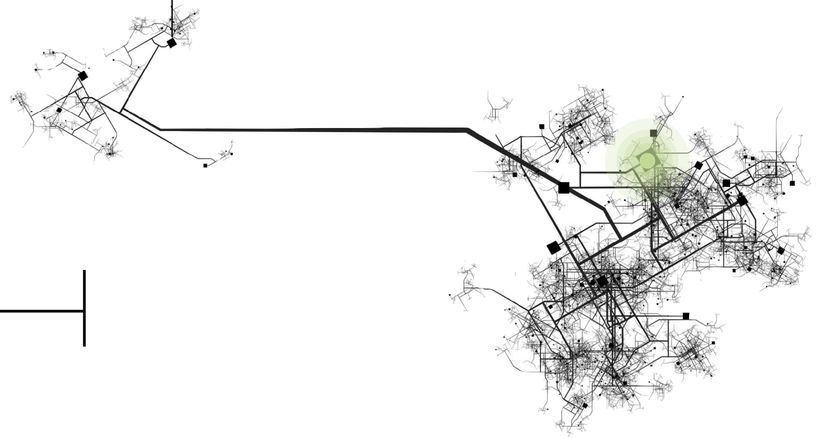


Amot Balance Sheet Data – Expanded Consolidated

	30/09/19	31/12/18
	million NIS	million NIS
Cash and cash equivalents	817	309
Income-producing property and under construction	11,520	11,115
Financial liabilities	5,750	5,443
Deferred taxes	1,100	1,013
Total equity	5,336	4,837

FINANCIAL
DATA

Amot Investments. People First.

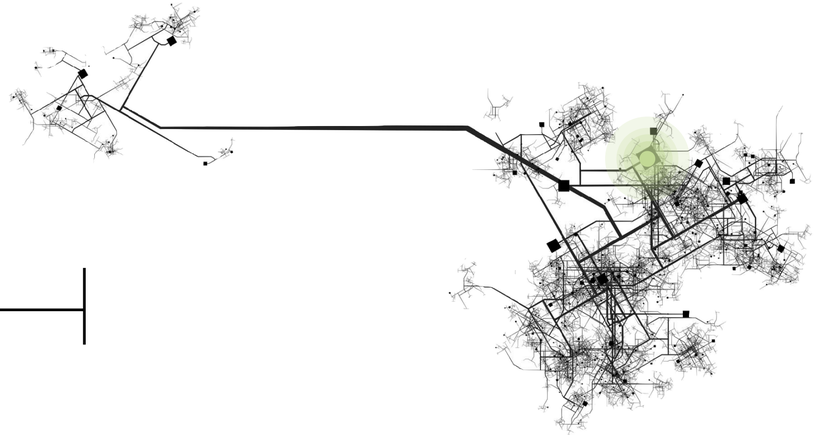


Amot Summary of Profit or loss – Expanded Consolidated

	Change	1-9.19	1-9.18
NOI	6%	536	508
Change in the value of investment properties		115	99
General and administrative expenses		(38)	(36)
Financing – real interest	(3%)	(98)	(101)
Financing – linkage and exchange rate differentials		(22)	(34)
Taxes		(109)	(92)
Net income	12%	382	341
FFO	6%	382	359

FINANCIAL
DATA

Amot Investments. People First.



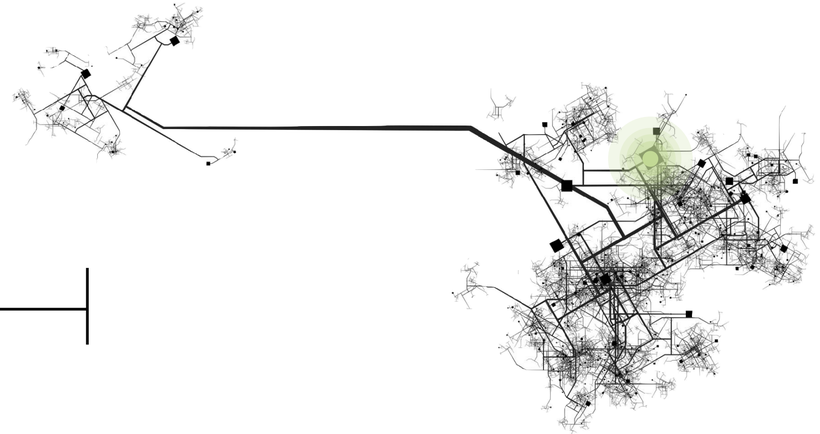
Amot Summary of Profit or loss – Expanded Consolidated

NOI

	7-9.19	4-6.19	1-3.19	10-12.18	7-9.18	CHANGE 2018/2019
	thousands NIS					
Same property NOI	172,262	170,235	170,918	168,921	168,904	2%
New assets/assets classified as income producing	10,451	7,831	4,272	1,864	802	
NOI	**182,713**	**178,066**	**175,190**	**170,785**	**169,706**	**8%**

FINANCIAL DATA

Amot Investments. People First.



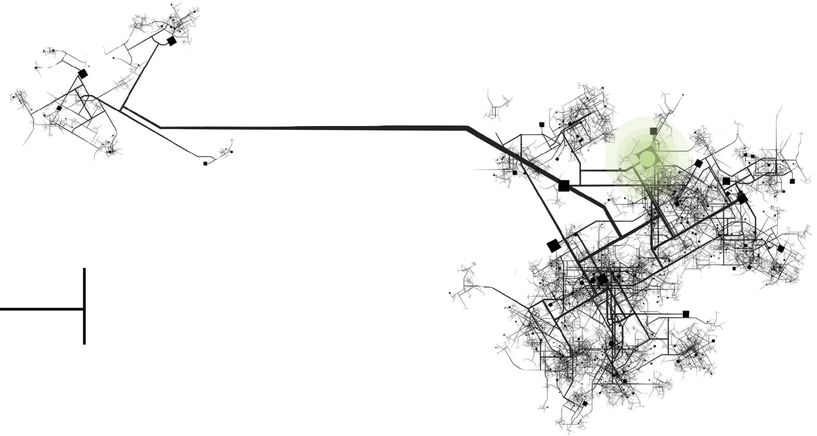
Amot Summary of Profit or loss – Expanded Consolidated

FFO

	1-9.19	1-9.18	Change %
	thousands NIS		
FFO	382,063	358,664	6.5%
Weighted number of shares	357,637	332,733	7.5%
FFO PER SHARE	106.9	107.8	(0.9%)

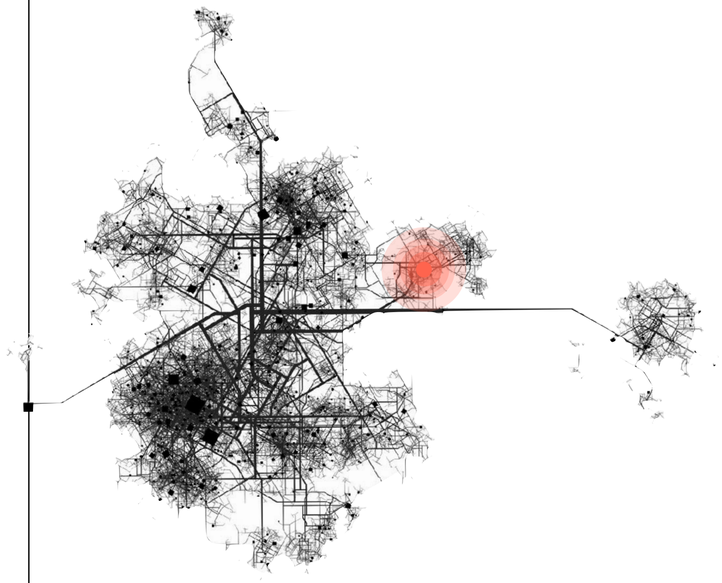
FINANCIAL DATA

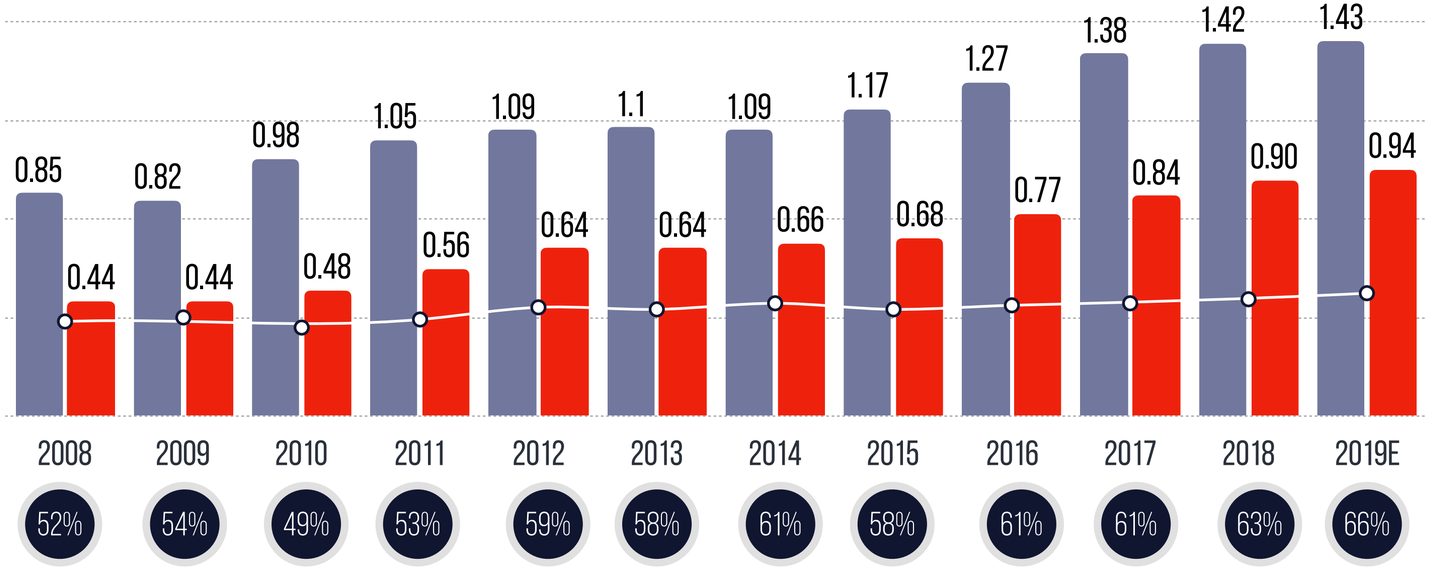
Amot Investments. People First.



SUMMARY

Amot Investments. People First.





SUMMARY

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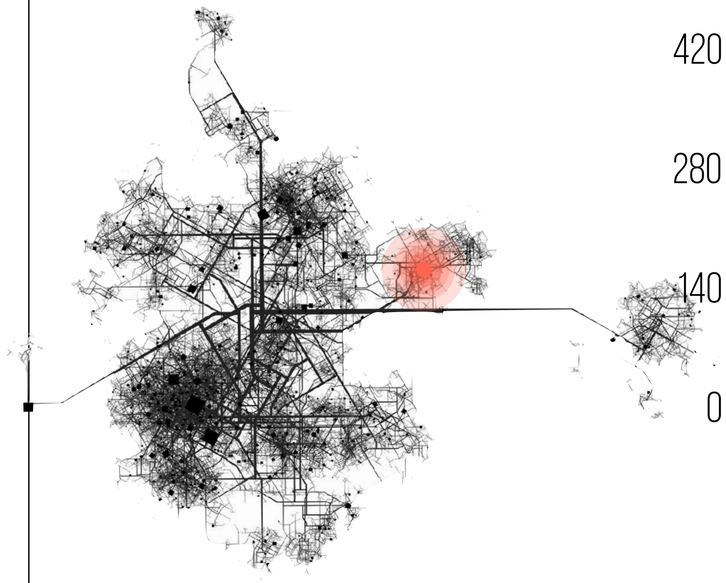
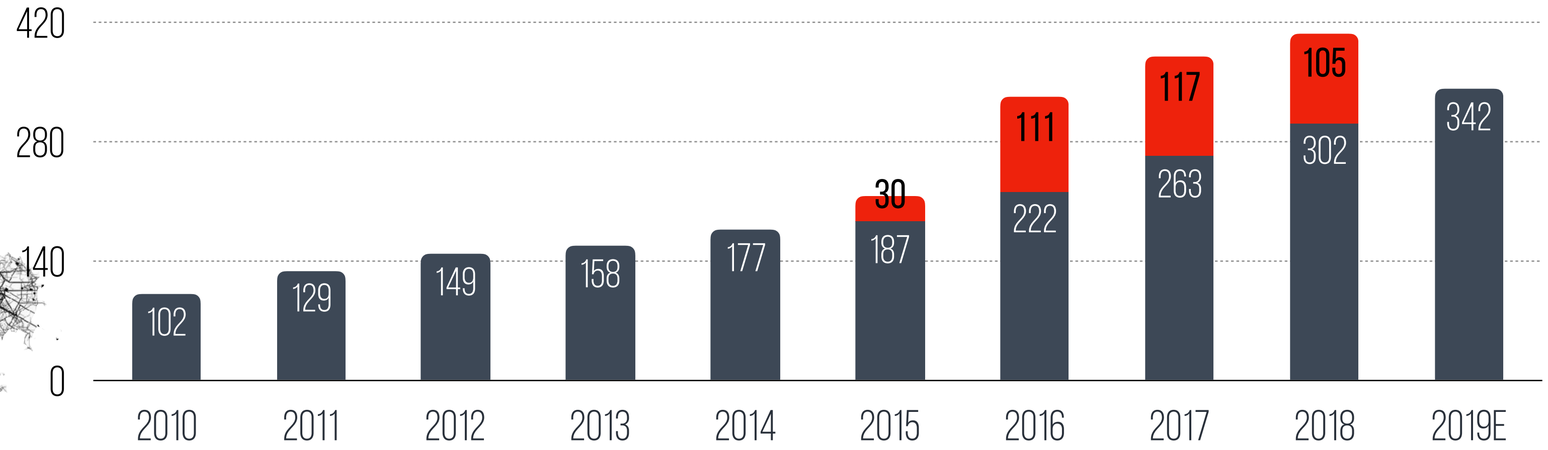
FFO per share

Dividend per share

Dividend Payout Ratio

Not including distribution of additional dividend





SUMMARY

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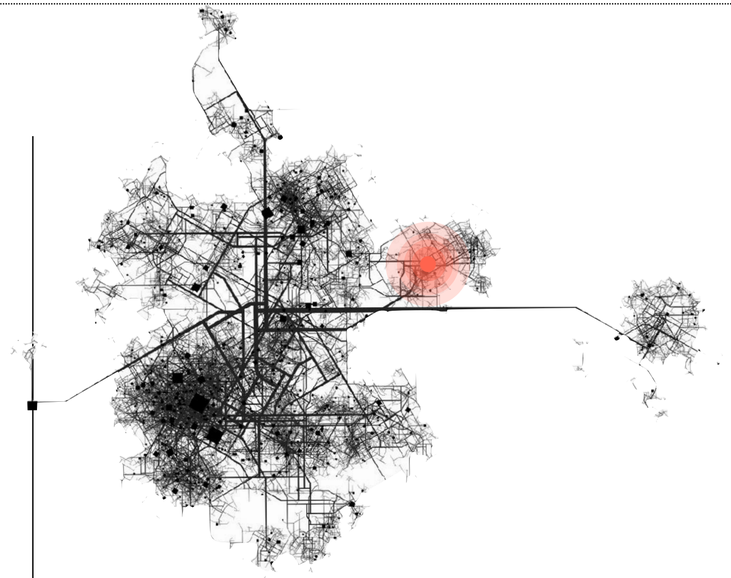
DIVIDEND DISTRIBUTION

Dividend Distribution over the Years
(in million NIS)

Accumulated amount distributed since 2006:

3

BILLION NIS



SUMMARY

Amot Investments. People First.

Our Strengths

103 income producing properties

A variety of uses

Strong tenant mix and wide geographic distribution, managed in a responsible manner

Managerial ability and the ability to improve assets

Financial strength and availability for large-scale acquisition transactions

Effective leverage ratio of 42%

Financial flexibility and high accessibility to the capital market

High financial strength (rated AA by Maalot and Midroog)

All of the Company's assets are unsecured except for assets valued at 3% held with partners

Credit facilities in the amount of 800 million NIS

High occupancy over time – 97.3% as of 30/09/19

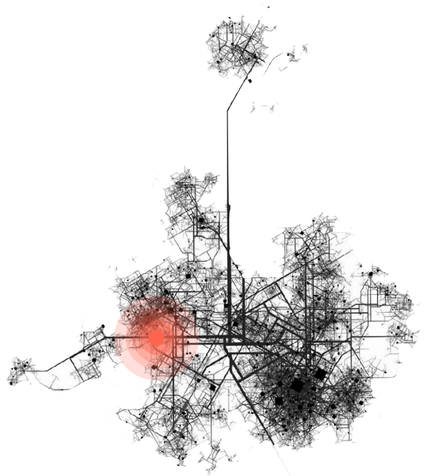
Promoting projects with reference to the potential for improvement

A dividend policy that is stable and known in advance

The presentation does not constitute an offer or an invitation to purchase the Company's securities, and its contents do not constitute a recommendation or opinion or a substitute for the investor's discretion.

This presentation includes forecasts, valuations, estimates, and other information relating to future events and/or matters, the realization of which is not certain and is not under the Company's control, and is forward-looking information, as defined in the Securities Law, 1968. Such information may not be realized, in whole or in part, or may be realized in a manner significantly different than expected. Such information includes, inter alia, income forecasts, FFO and NOI, and timetables.

Forward-looking information is based solely on the subjective evaluation of the Company, based on facts and data regarding the current state of the Company's business and macro-economic facts and data, all as known to the Company at the time of preparing this presentation. The realization or non-realization of the forward-looking information will be affected, inter alia, by factors that cannot be assessed in advance and which are not under the Company's control. The Company does not undertake to update and/or change any such forecast and/or assessment in order to reflect events and/or circumstances that may occur after the date of preparation of this presentation.



DISCLAİMER

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AMOT

Capital Market Presentation

2019

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