



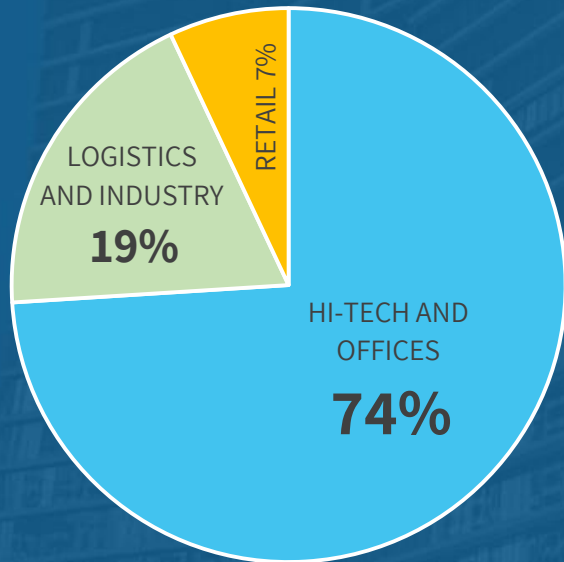
# Financial strength in Covid-19

- Cash and cash equivalents - NIS 1.6 billion
- Leverage - 50%
- 100% of the assets unmortgaged.
- Debt - rating AA Maalot s&p, Aa2 Midrog Moody's
- Average CAP rate of the income-producing properties - 7.41%
- Order backlog in the lease agreements -NIS 2.4 billion (As of 31.12.2019)
- During H1/2020, and due to the Corona Crisis, the company waived revenue of NIS 5 million (from retail properties), approx. 2% from H1 rental revenues (NIS 267 million)



# A diversified portfolio of Income-Producing Properties

Revenues distribution by sectors



**Hi-tech and offices - 74%** of the company annual revenues

Well-established international companies.

Property portfolio is diversified, both geographically, and sectors

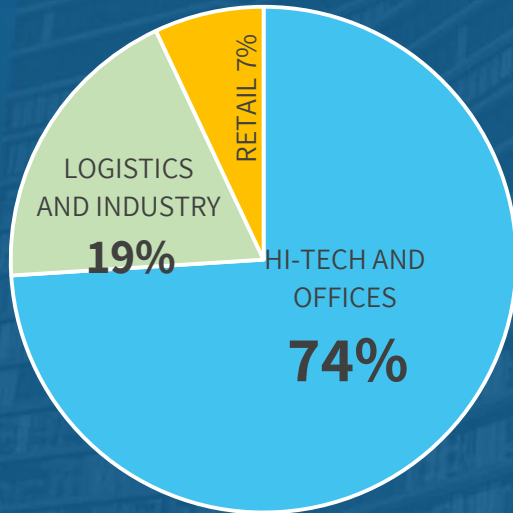
High-tech buildings / parks - high quality and in prime locations

The Company does not have any material tenant sums for over

10% of its annual revenue

## A diversified portfolio of Income-Producing Properties(CONTD.)

Revenues distribution by sectors



**Industry and logistics properties - 19%** of the company annual revenues

**RETAIL - 7%** of the company annual revenues

(All retail areas in the Company's portfolio are located in open areas, and not in shopping malls or closed buildings)



# About Gav-Yam



- A public company traded in the Tel Aviv stock exchange. Included in the TA-90 index
- Total area for rent 1,010,000 sq.m
- Value of investment properties - NIS 8.0 billion (100% unmortgaged)

## Lease Agreements

68 lease agreements signed in H1/2020, related to

66,000 sq.m aboveground with annual revenues

of NIS 47 million (average increase of 7.5% in renewal).

## Summary of H1/2020

### Planning

under Planning,  
Construction &  
Marketing

8

projects

a total area of

**288,600**sq.m

GY's share- 234,000sq.m

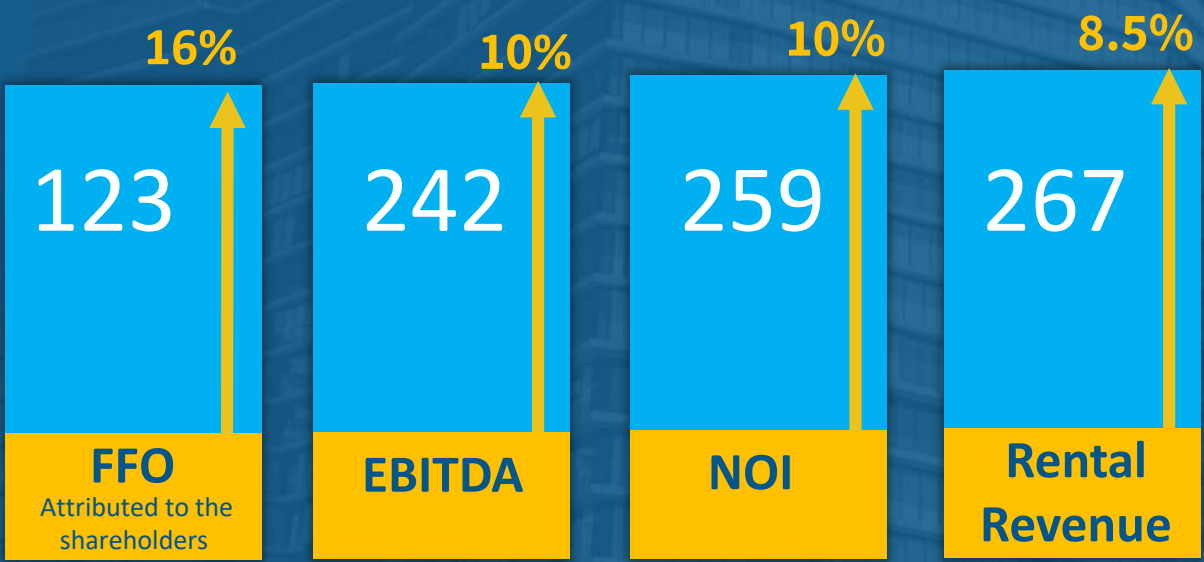
With an construction costs of sums to NIS 1.7 billion, which will be spread over five years

### Debt raising

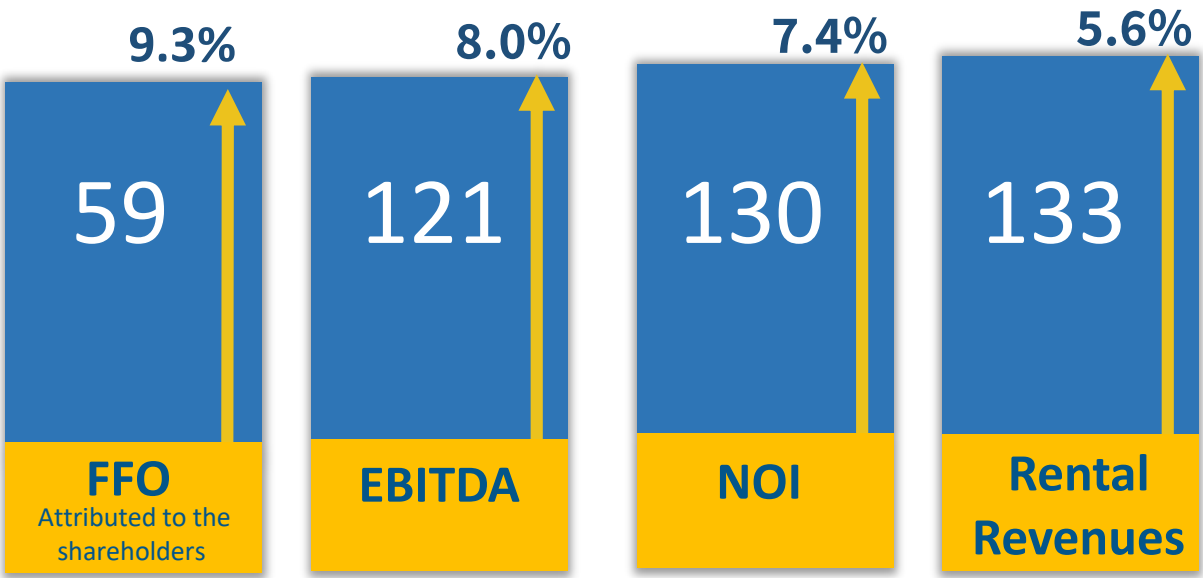
Details/Company	Gav-Yam	Matam
Date	February 2020	July 2020
Gross Consideration	NIS 777 million	NIS 250 million
Average Duration (years)	5.7	4.7
Yield	(-0.01%) linked to CPI	1.98% unlinked, (TACT Institutional)

# Highlights of H1/2020

H1/2020 Vs. H1/2019(NIS Millions)



Increase in all the operational parameters  
Q2/2020 Vs. Q2/2019(NIS Millions)





# Highlights of H1/2020



## Completion of GY – Holon Second building

22,000 sq.m (of which 13,000 sq.m aboveground)

GY's share - 15,000 sq.m

5,300 sq.m - leased

6,700 sq.m - sold





## High quality properties & prime locations

**1,010,000 sqm**

For rent (includes 277,000 sqm parking)

+

**234,000 sqm**

Under licensing, planning and construction. Company's share from 288,600 sqm

+

**476,000 sqm**

Building rights (main area)

+

**180,000 sqm**

Town Building Plan under process. Company's share from 275,000 sqm

**18**

Cities

**21**

Hi-Tech, logistics and Industrials park and Centers

**97%**

Occupancy Rate of Income-Producing Properties



438  
Tenants

25 Companies are traded on  
the world's leading stocks  
exchange

20 Companies are traded on  
the Tel Aviv Stock Exchange

Average agreements duration

4.5 years שנים

Order backlog

NIS 2.4 billion  
(for 31.12.2019)

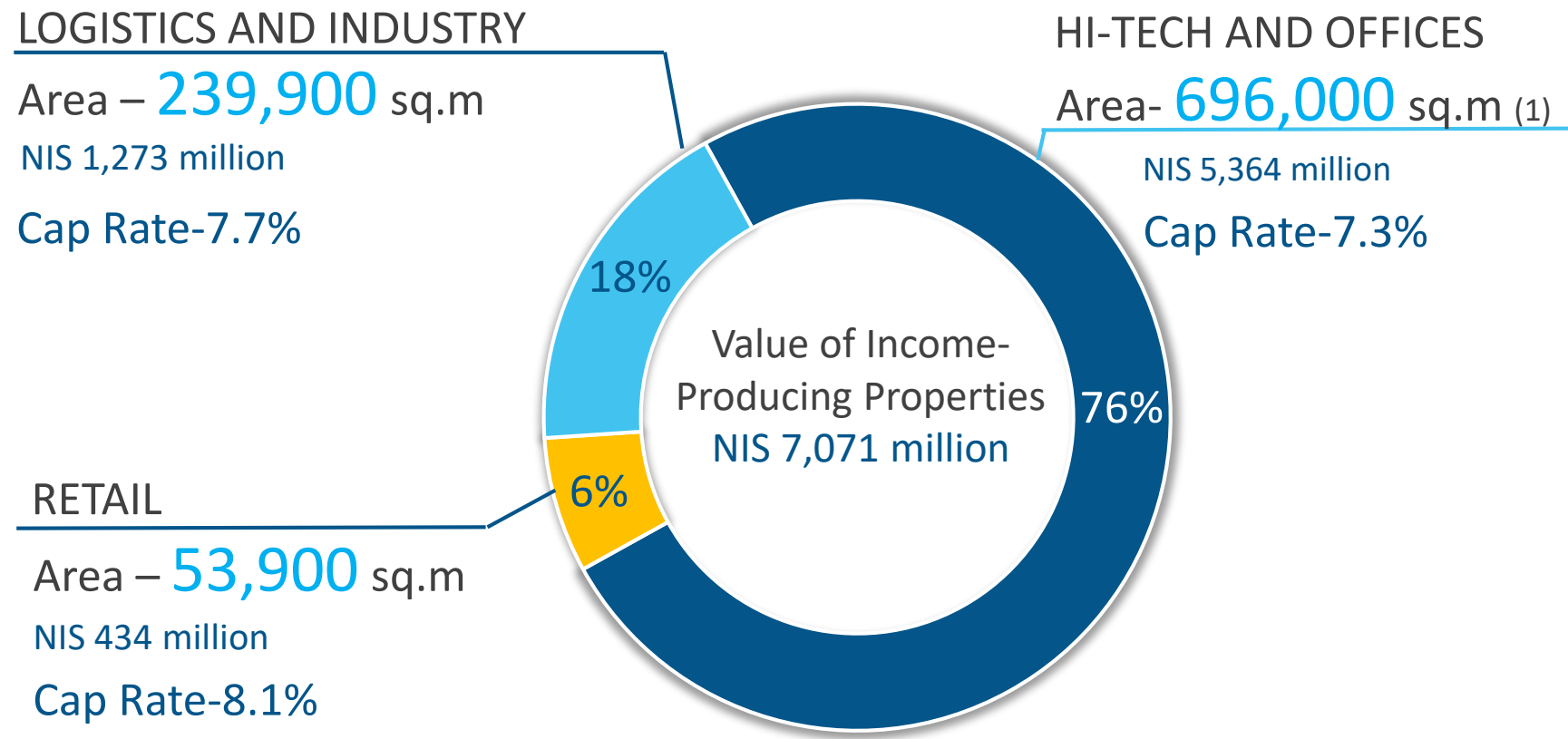
## Our Main Tenants





# Value of Income-Producing Properties sectorial distribution

Average CAP RATE - 7.41%



(1) Includes about 275,000 square meters of parking lots and service areas.



# PARTNERSHIP WITH THE LEADING ACADEMIC INSTITUTIONS IN ISRAEL

אב-ים מתם

×



אוניברסיטת חיפה  
University of Haifa



אב-ים נגב

×



אוניברסיטת  
בן-גוריון בנגב



אב-ים פארק העברית

×

האוניברסיטה העברית בירושלים  
THE HEBREW UNIVERSITY OF JERUSALEM





אב-ים רחובות

×







# Property Upgrade - Past, Present & Future



1999

Built area-60,000 sq.m  
Annual Revenues -NIS 38 million



2020

Built area-272,000 sq.m  
Annual Revenues -NIS 142 million



Future





# Property Upgrade - Past, Present & Future

**GAV•YAM** HERZLIYA

1992



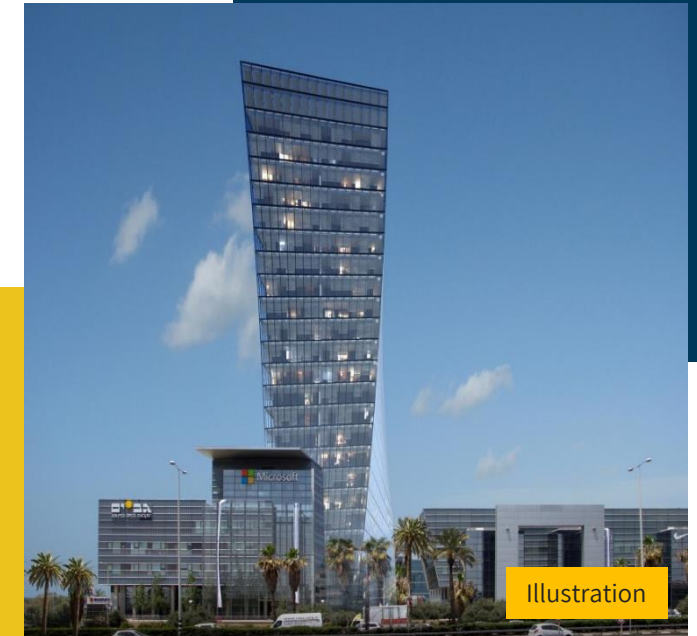
Built area-A few thousand sq.m  
Annual Revenues -NIS 1 million

2020



Built area-114,000 sq.m  
Annual Revenues -NIS 66 million

Future



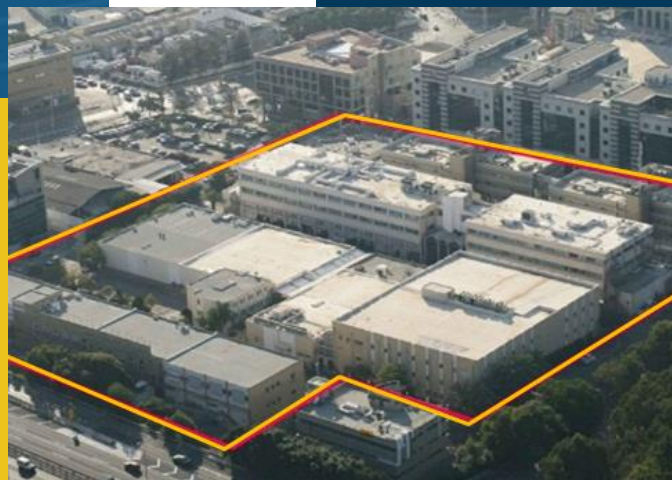
Town planning for additional  
approx. 27,700 sq.m

# Property Upgrade - Past, Present & Future

**GAVYAM** **HERZLIYA**  
North

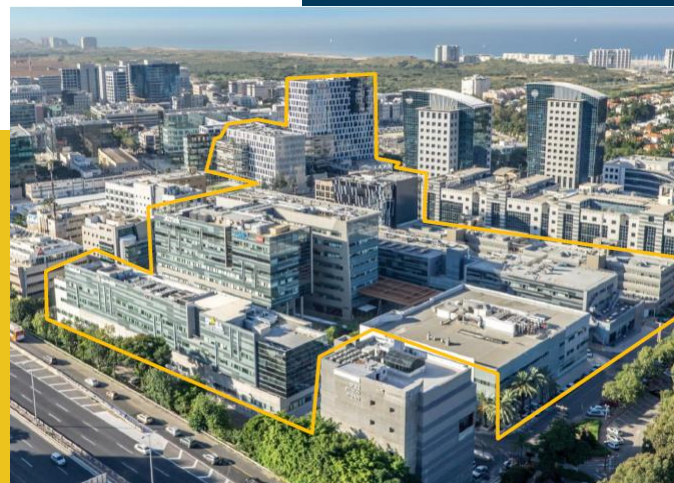
## Future

2007

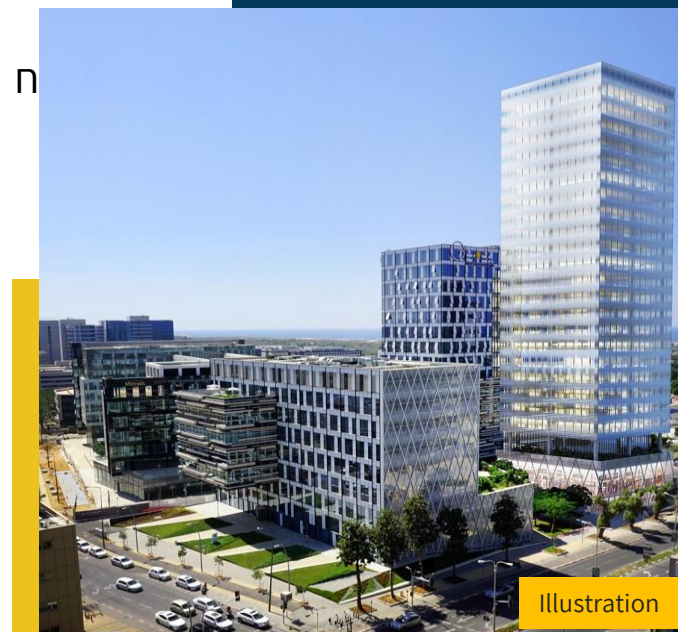


Built area-33,000 sq.m  
Annual Revenues -NIS 15 million

2020



Built area-131,000 sq.m  
Annual Revenues -NIS 93 million



Town planning for additional approx.  
27,000 sq.m (under planning)

Illustration



# Property Upgrade - Past, Present & Future

GAV YAM HAIFA BAY

2008



Built area-40,000 sq.m

Potential

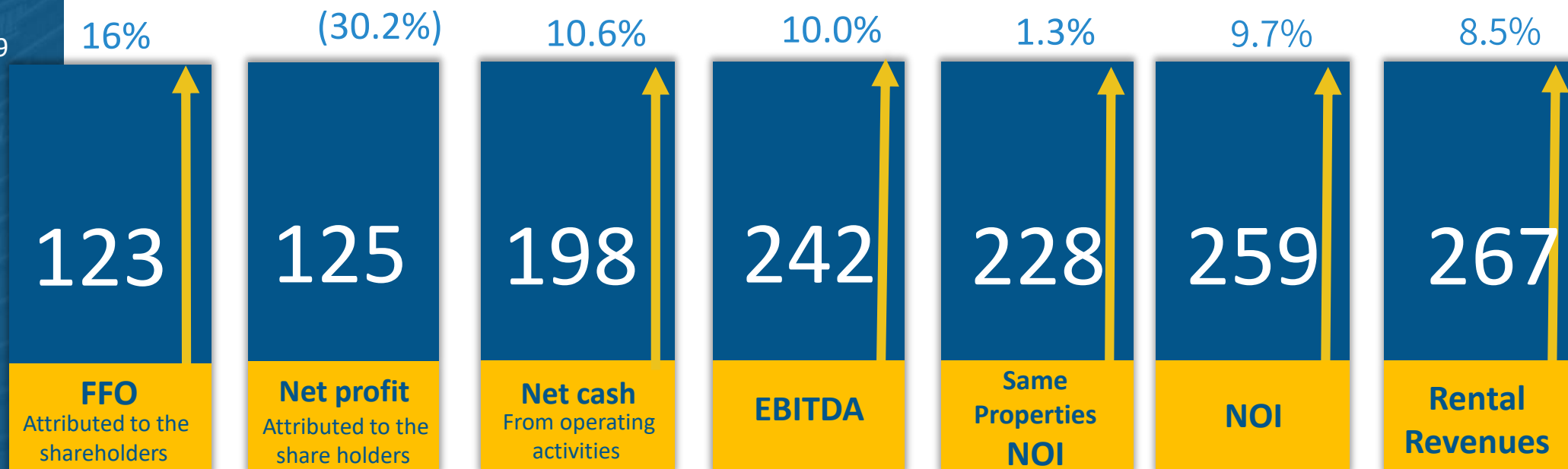
Built area-80,000-100,000 sq.m





# Highlights of Financial Data: H1/2020

H1/2020  
Vs. H1/2019

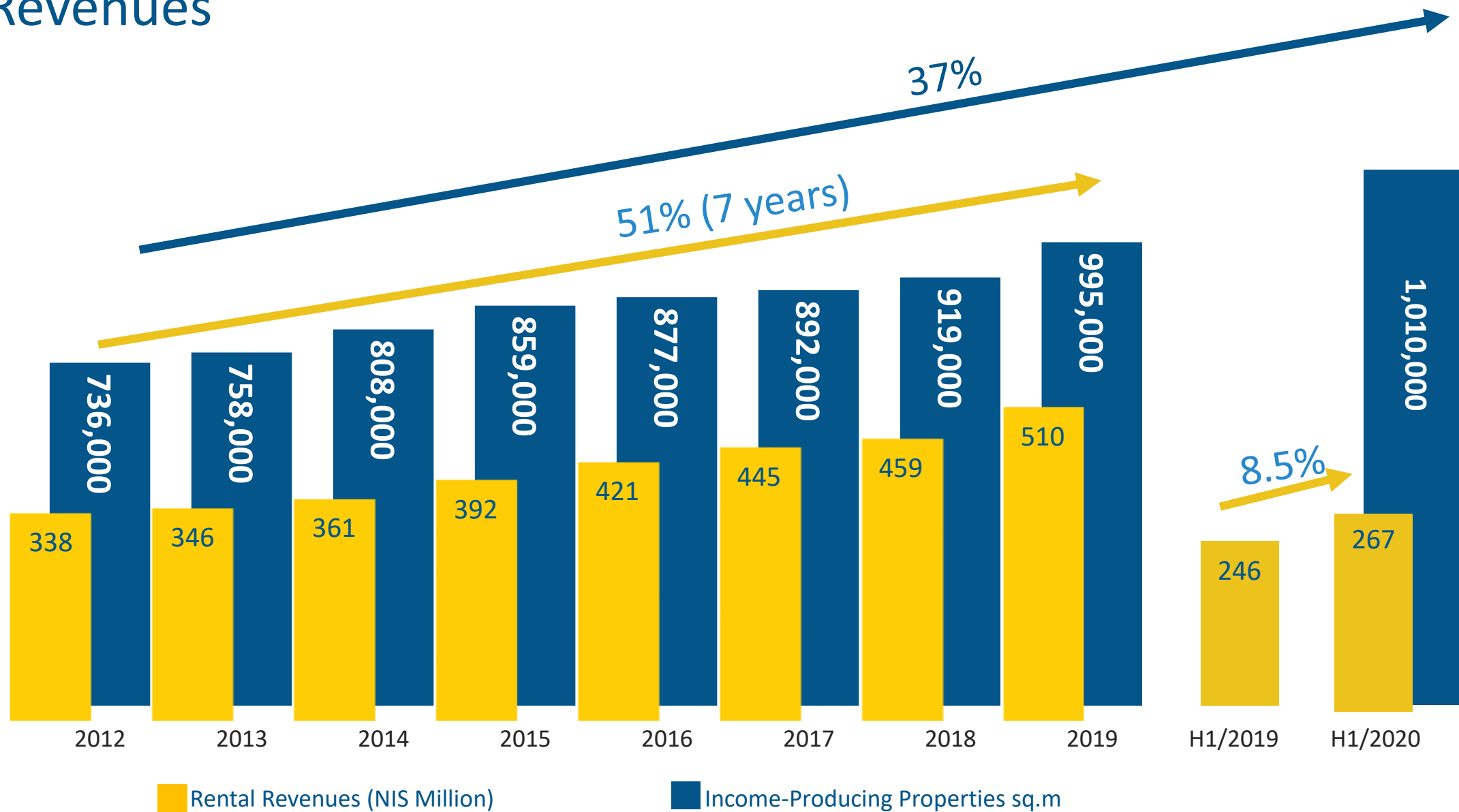


# Highlights of Financial Data (Nis millions)

	30.6.2020	31.12.2019
Gross Financial Debt	<b>5,044</b>	4,669
Other Liabilities	<b>470</b>	436
Deferred taxes	<b>994</b>	972
Equity	<b>3,526</b>	3,596
Total liabilities and equity	<b>10,034</b>	9,673

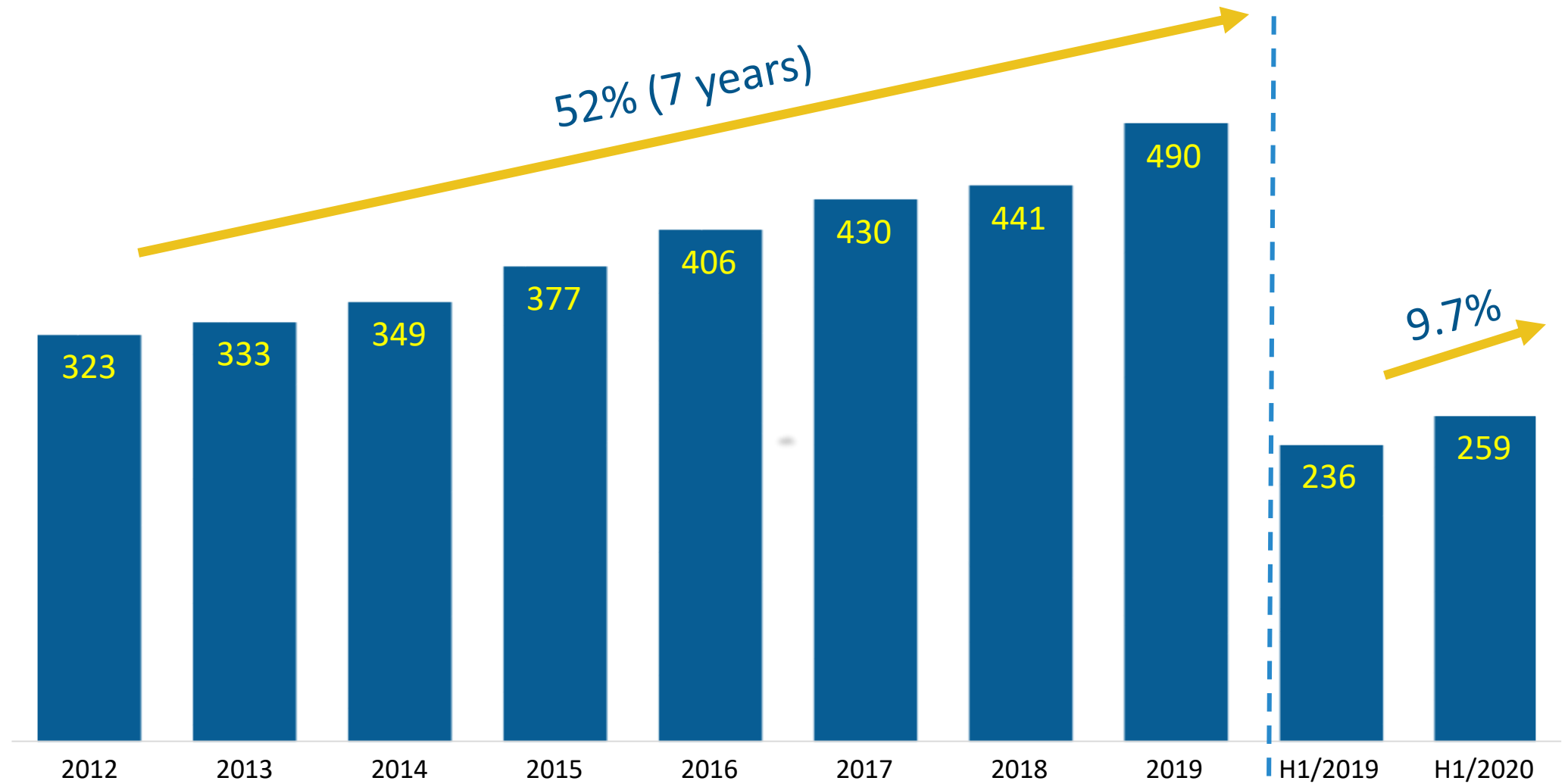
	30.6.2020	31.12.2019
Liquid resources	<b>1,575</b>	1,479
Value of investment properties, Including :	<b>7,967</b>	7,770
Investment property under construction	<b>381</b>	259
Lands	<b>515</b>	615
Investment Properties	<b>7,071</b>	6,896
Other Assets	<b>492</b>	424
Total assets	<b>10,034</b>	9,673

# Growth in sq.m of Income-Producing Properties & Rental Revenues

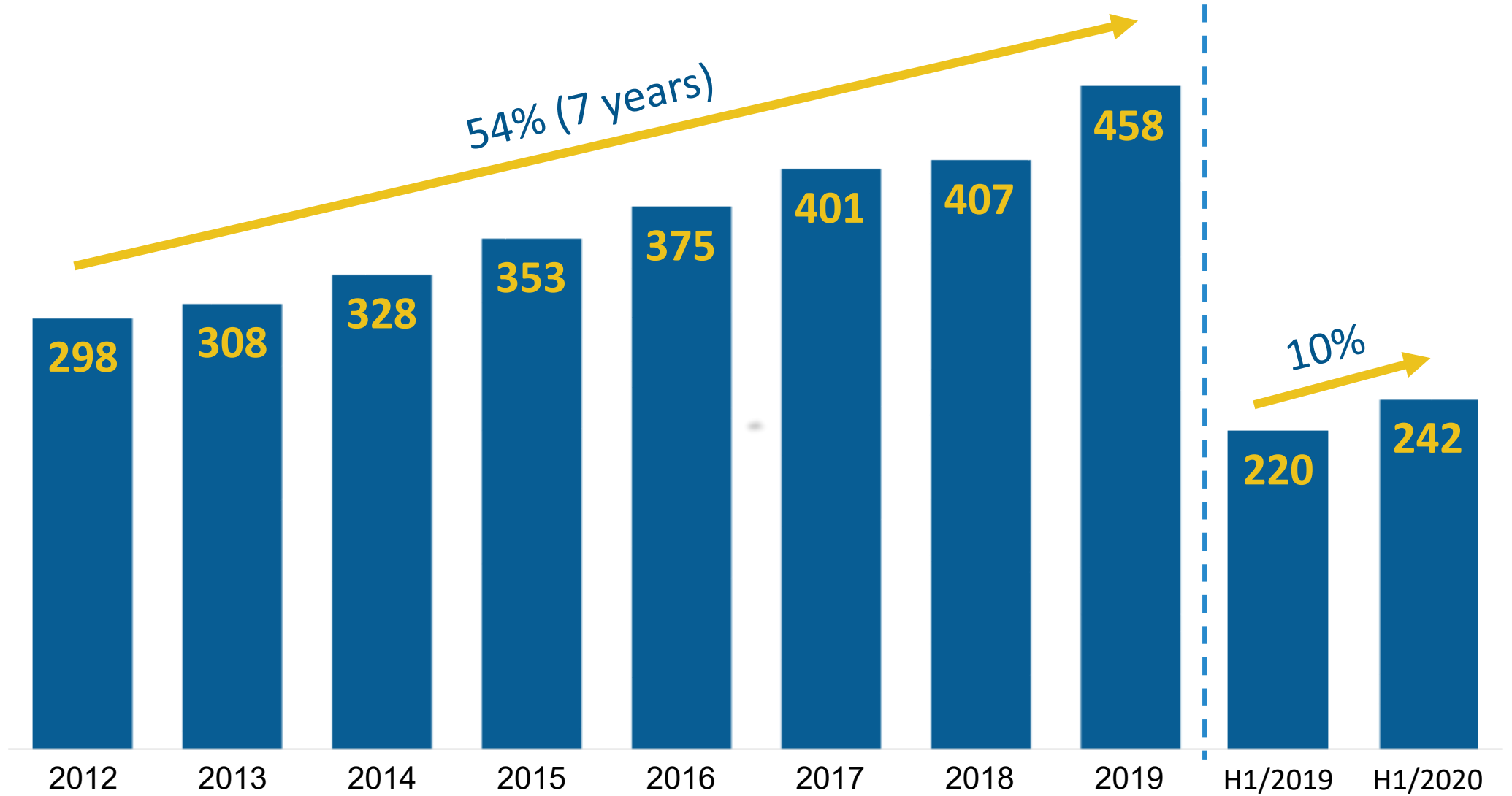




# Growth NOI (NIS million)



# Growth EBITDA (NIS million)



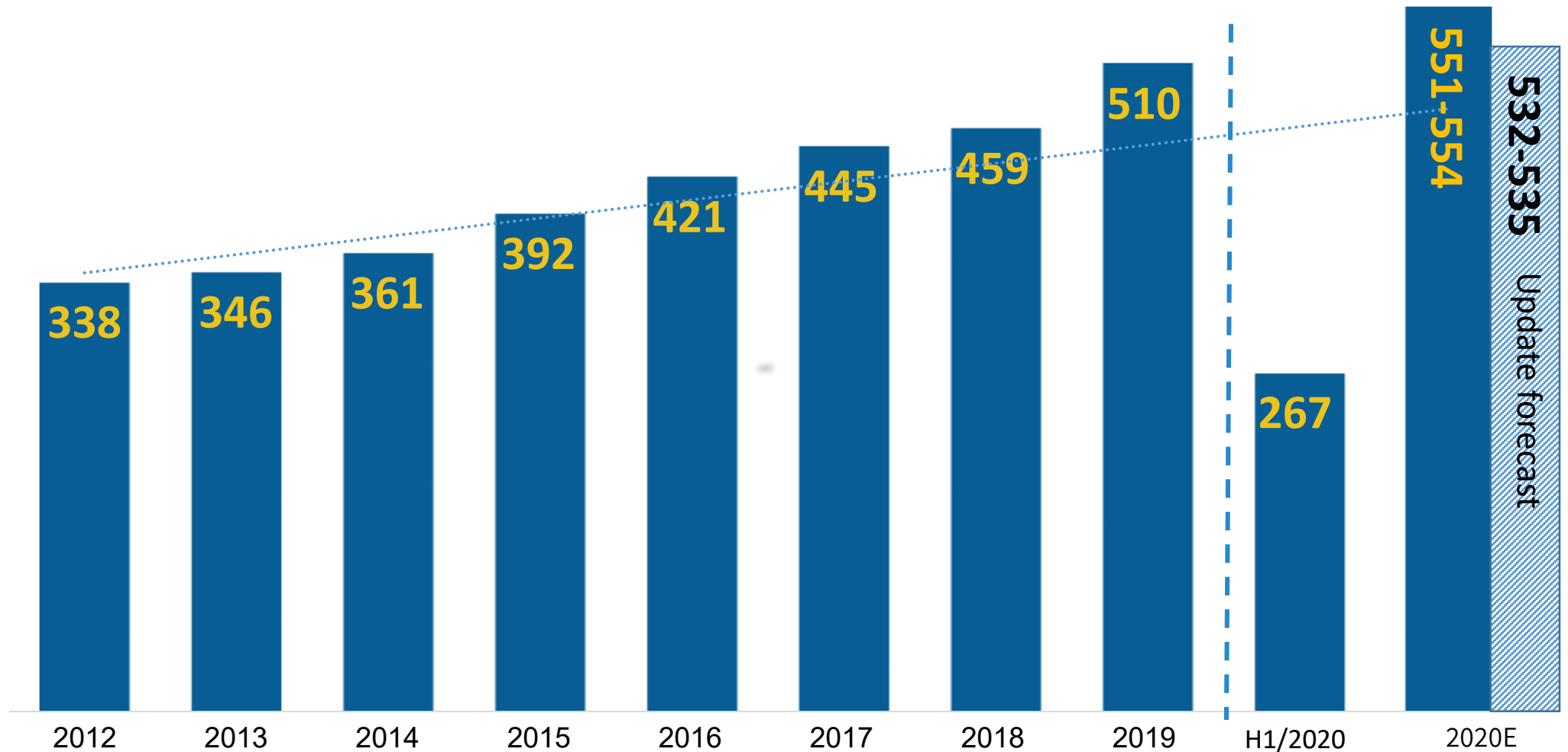


# Stable Leverage and Growth in Rental Revenues

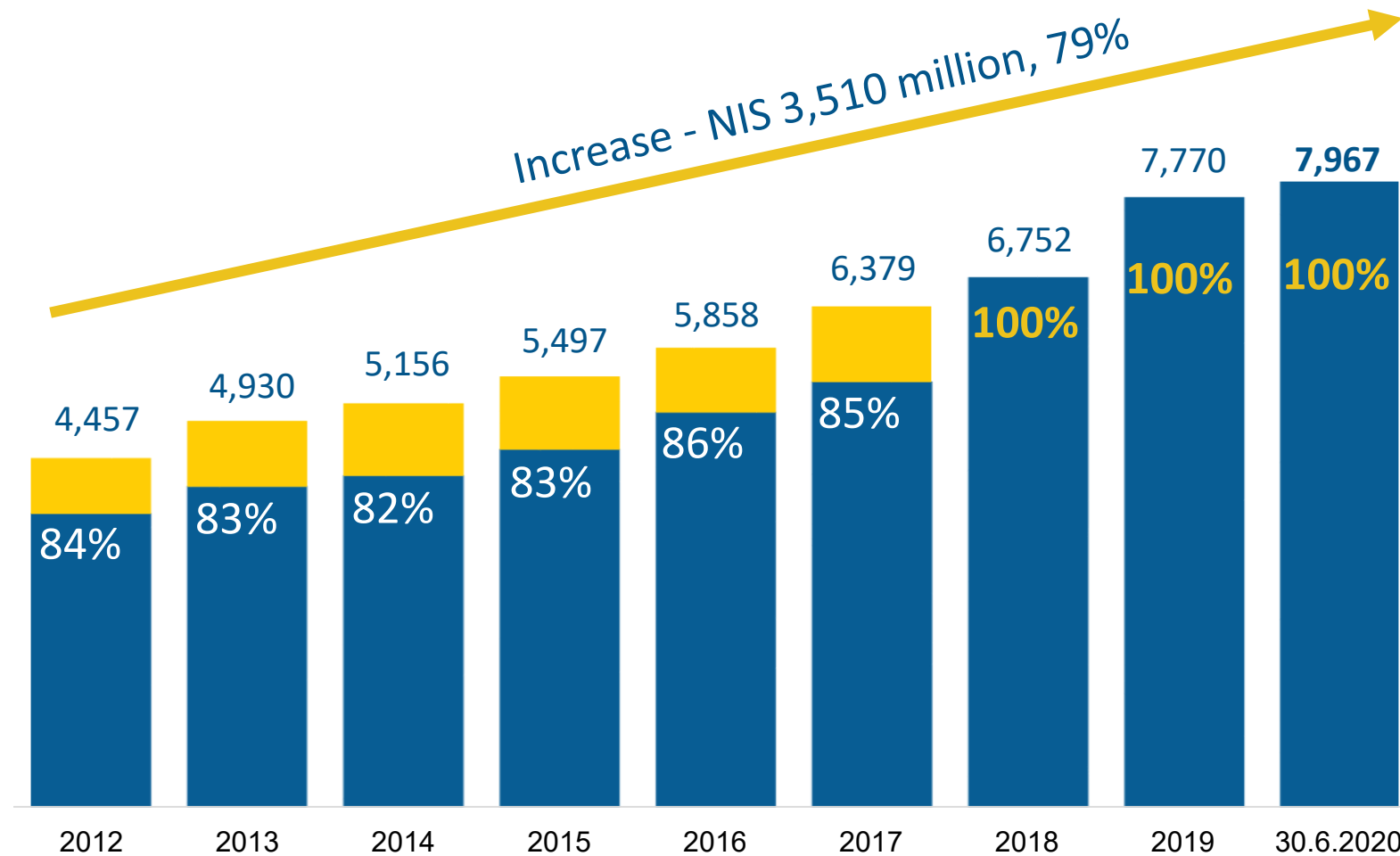
Leverage (%)



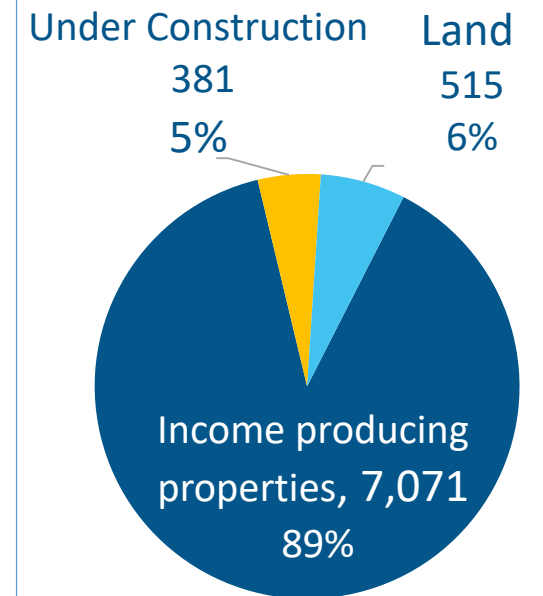
Rental Revenues  
(NIS million)



# Growth Value of investment properties (NIS million)



Value of investment properties for 30.6.2020 (NIS million)



■ Unpledged ■ Pledged

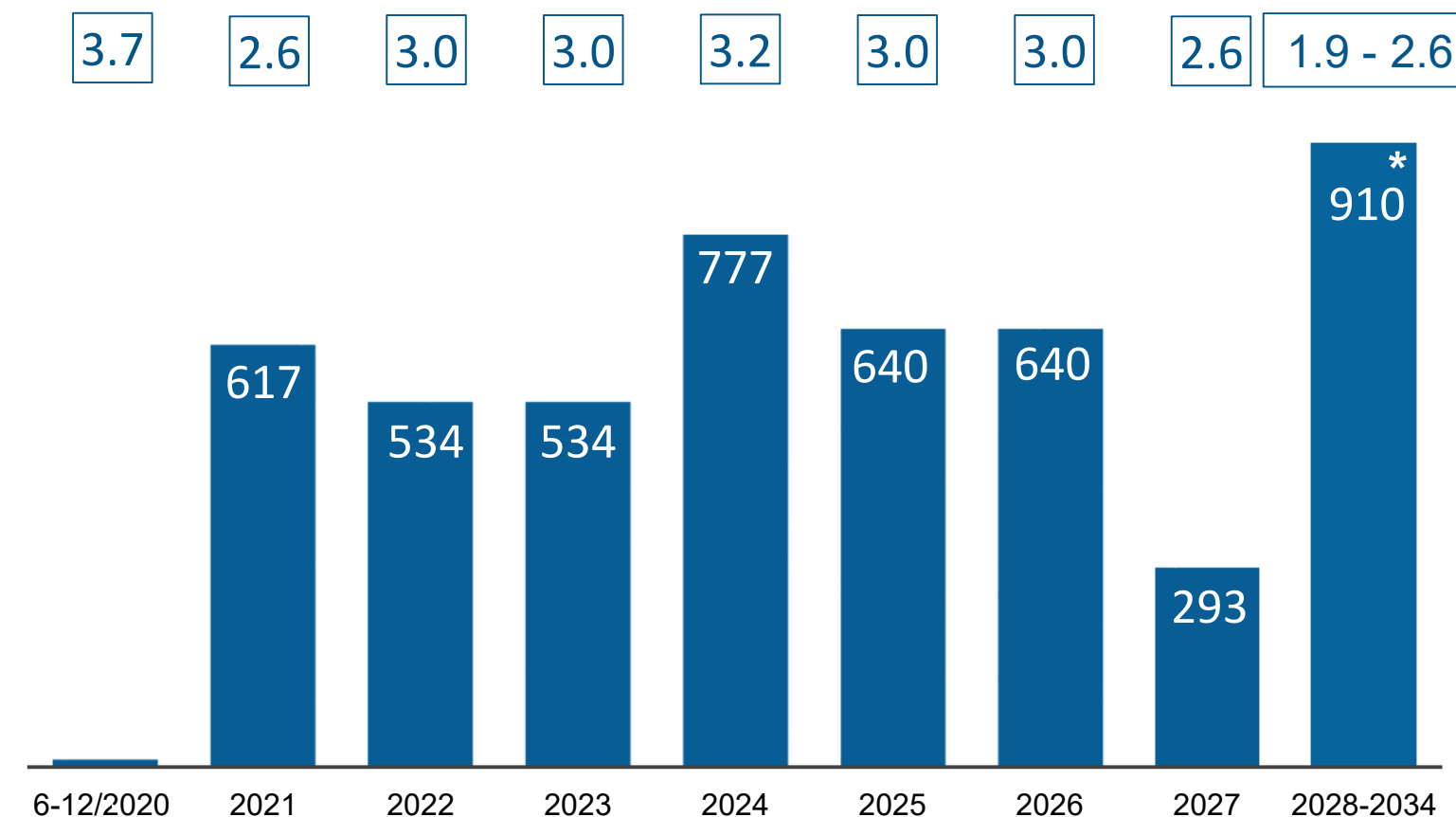


# Debt Repayment (NIS million)

Debt - rating  
AA Maalot s&p, Aa2 Midrog

Average Duration - 4.6  
years

Effective Interest rate -  
2.8% (average)

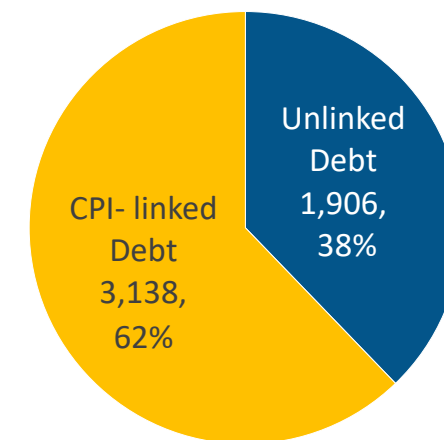


■ Debt Repayment (NIS million)

□ Interest Rate (%)

\* NIS 135 million per year for 6 years and NIS 98 million in the 7th year

Gross Financial Debt -  
NIS 5,044 million



## Highlights of Financial Data Expand Solo\* (NIS Million)

	H1/2020	H1/2019	Increase (%)
Rental Revenues	220	201	9.5
NOI	214	194	10.3
Same Property NOI	186	184	1.1
EBITDA	201	181	11.0
Income from increase in fair value	36	113	(68.1)
Financing expenses, net	67	75	(10.7)
Taxes expenses	44	43	2.3
Net profit	125	179	(30.2)
FFO	123	106	16.0

\*Attributed to the shareholders

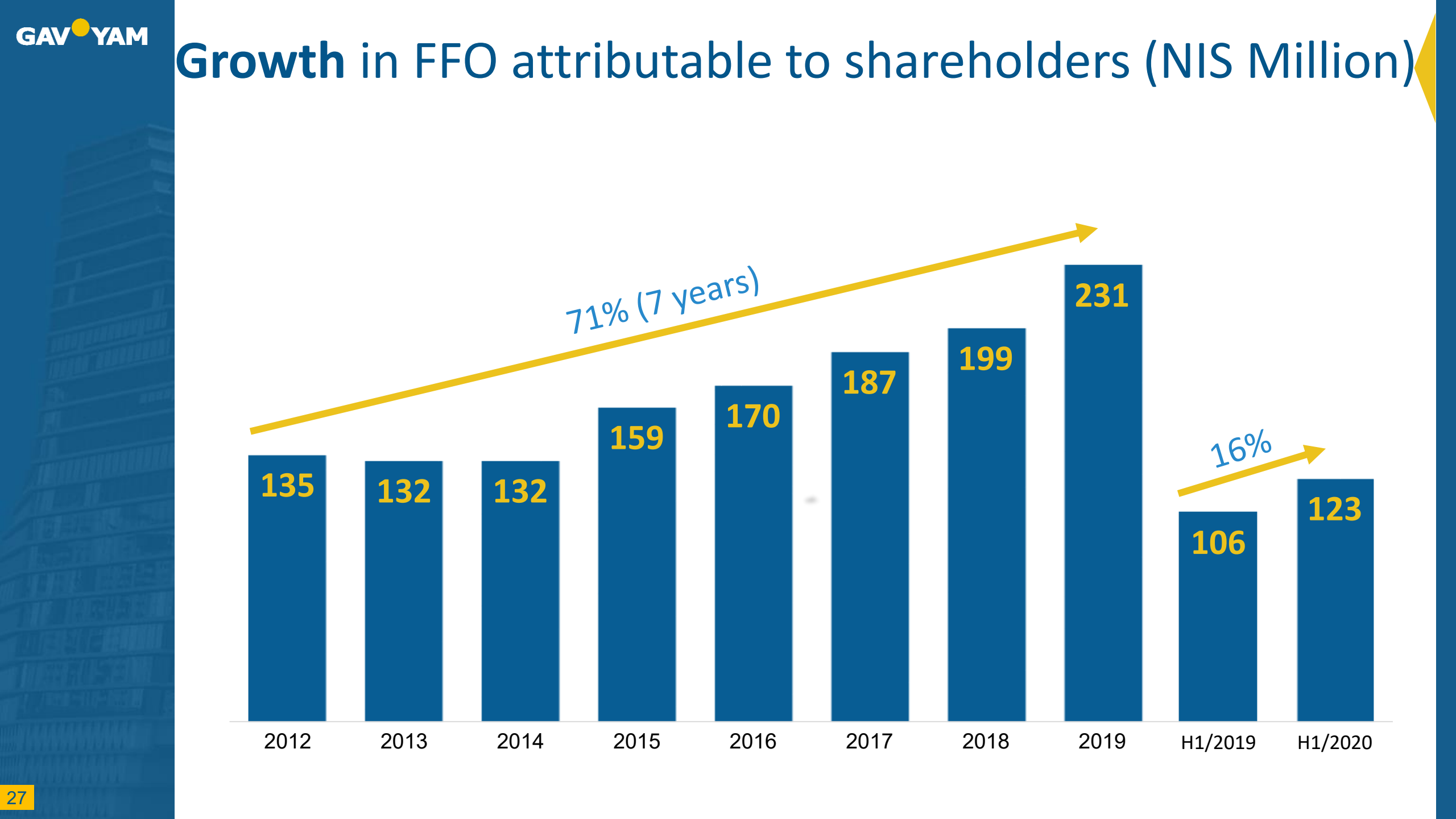


# Highlights of Financial Data Expand Solo\* (NIS Million)

	30.6.2020	31.12.2019
Gross Financial Debt	<b>4,648</b>	4,254
Other Liabilities	<b>450</b>	400
Deferred taxes	<b>815</b>	789
Equity	<b>2,638</b>	2,710
Total liabilities and equity	<b>8,550</b>	8,153

	30.6.2020	31.12.2019
Cash and cash equivalents	<b>1,395</b>	1,280
Value of investment properties, Including :	<b>6,708</b>	6,472
Investment property under construction	<b>307</b>	204
Lands	<b>451</b>	484
Investment Properties	<b>5,949</b>	5,784
Other Assets	<b>447</b>	401
Total assets	<b>8,550</b>	8,153

\*Attributed to the shareholders



8

Projects

173,000 sq.m

(GY'S share 146,500 sq.m)

After the completion and occupancy of the projects :

1,244,000 sq.m of income-producing properties

Annual Revenues of approx.  
NIS 705 million

## Under Planning, Construction & Marketing

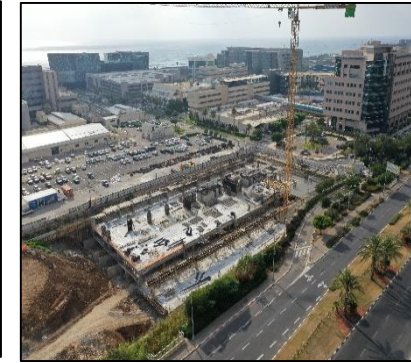
GY Negev #4



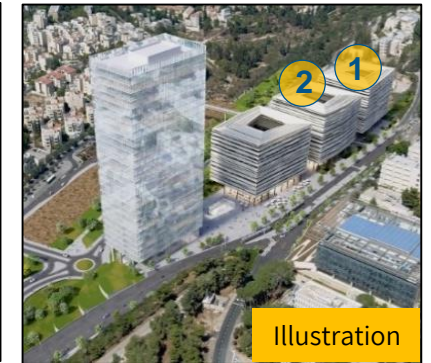
GY Haifa Bay #2



Matam East



GY Ha'lvrit Park #1+2



GY Haifa Bay #3



GY Gderot #1



GY Ra'anana #1 #1



ToHa - Particle parking





# Under Planning, Construction and Marketing

Status	The Project	Above ground	Parking	Total	GY's share	Construction cost	To be paid, 30/06/2020	Revenues <sup>(1)</sup>	Yield <sup>(5)</sup>
		Area (sq.m)				Nis Million, GY's share			
To Be completed during 2020	GY Negev #4	13,000	-	<b>13,000</b>	13,000	89	22	9	10.1%
	GY Haifa Bay #2	10,600	-	<b>10,600</b>	10,600	56	18	5	8.9%
Planning/ Licensing/ Construction	Matam-East	56,000	37,000	<b>93,000</b>	93,000	522	410	57	10.9%
	GY Ra'anana #1 <sup>(2)</sup>	25,400	32,600	<b>58,000</b>	40,300	222	203	16	<sup>(4)</sup> 7.7%
	GY Gderot #1	7,500	-	<b>7,500</b>	7,500	55	24	4	7.3%
	GY Ha'lvrit park #1+#2	55,000	30,000	<b>85,000</b>	56,100	587	580	45	7.6%
	GY Haifa Bay #3	5,500	-	<b>5,500</b>	5,500	29	18	2.6	9.0%
	ToHa #2 - particle parking	-	16,000	<b>16,000</b>	8,000	150	115		
Total Projects		<b>173,000</b>	<b>115,600</b>	<b>288,600</b>	<b>234,000</b>	<b>1,710</b>	<b>1,390</b>	<sup>(3)</sup> <b>138</b>	

(1) After full occupancy (2) Combination transaction, GY's share- 69.5% (3) An addition of approximately NIS 111 million to the consolidated FFO (4) Excluding parking attributed to the next phases (5) Average expected yield rate from the above projects - 8.7%.

# Under Planning, Construction and Marketing, Expand Solo\*

Status	The Project	GY's share	Construction cost	To be paid, 30/06/2020	Revenues <sup>(1)</sup>	Yield <sup>(5)</sup>
		Area (sq.m)	Nis Million, GY's share			
To Be completed during 2020	GY Negev #4	9,500	65	16	6.6	10.1%
	GY Haifa Bay #2	10,600	56	18	5	8.9%
Planning/ Licensing/ Construction	Matam-East	46,600	261	205	28.5	10.9%
	GY Ra'anana #1 <sup>(2)</sup>	40,300	222	203	16	<sup>(4)</sup> 7.7%
	GY Gderot #1	7,500	55	24	4	7.3%
	GY Ha'lvrit park #1+#2	56,100	587	580	45	7.6%
	GY Haifa Bay #3	5,500	29	18	2.6	9.0%
	ToHa #2 - particle parking	8,000	150	115		
Total Projects		184,100	1,425	1,179	<sup>(3)</sup> 107.7	

(1) After full occupancy (2) Combination transaction, GY's share- 69.5% (3) An addition of approximately NIS 86 million to the FFO attributed to the shareholders (4) Excluding parking attributed to the next phases (5) Average expected yield rate from the above projects - 8.5%.

\*Attributed to the shareholders

GAVYAM

To Be Completed During 2020:  
GY Negev #4



Photo- July 2020





# To Be Completed During 2020:

## GY Negev #4



4

**Built area:**  
13,000 sq.m aboveground

**Completion:**  
Q3/2020



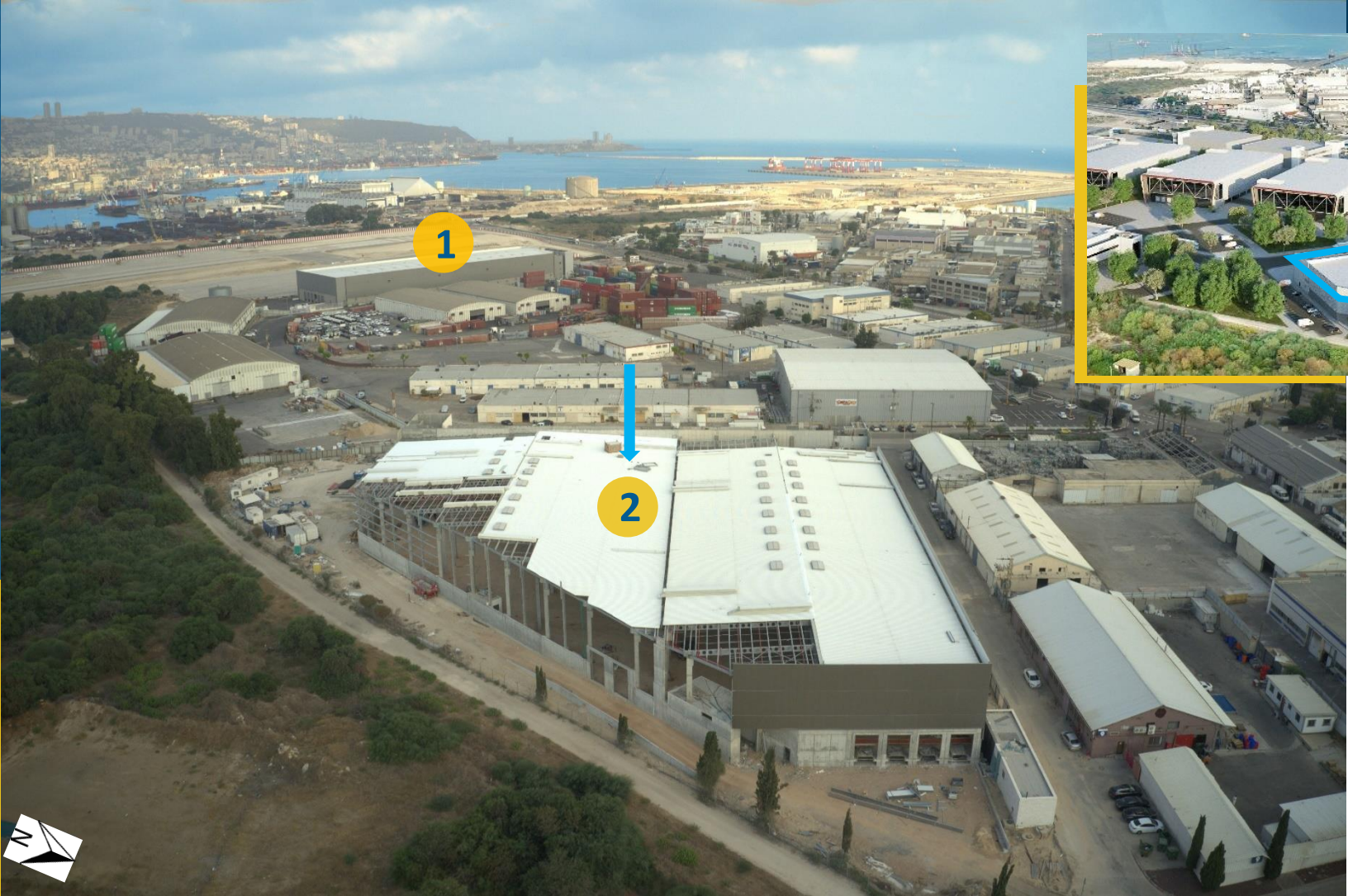
# GY Haifa Bay



- 1 | 7,200 sq.m  
Completed and leased
- 2 | 10,600 sq.m  
under construction & marketing
- 3 | 5,500 sq.m  
Under planning



# Under Construction: GY Haifa Bay #2



2

**Built area:**  
10,600 sq.m

**Completion:**  
Q4/2020





# Under Planning: GY Haifa Bay #3



3

**Built area:**  
5,500 sq.m



# Under Planning & Construction: Matam-East



## Matam East 1+2:

56,000 sq.m aboveground  
36,000 sq.m underground

## Completion:

Q4/2021 (Building 1)

Q2/2022 (Building 2)

Illustration



# Under Construction: Matam-East



Photo- July 2020



# Under Construction: GY Ra'anana Park #1



**25,400** sq.m aboveground  
**32,600** sq.m underground

**Completion:**  
Q2/2022

Combination transaction,  
GY's share- **69.5%**

\*Including parking attributed to  
building#2



# Under Construction: GY Ra'anana Park #1



Photo- July 2020



# GY Gderot Park





# Under Planning: GY Gderot #1



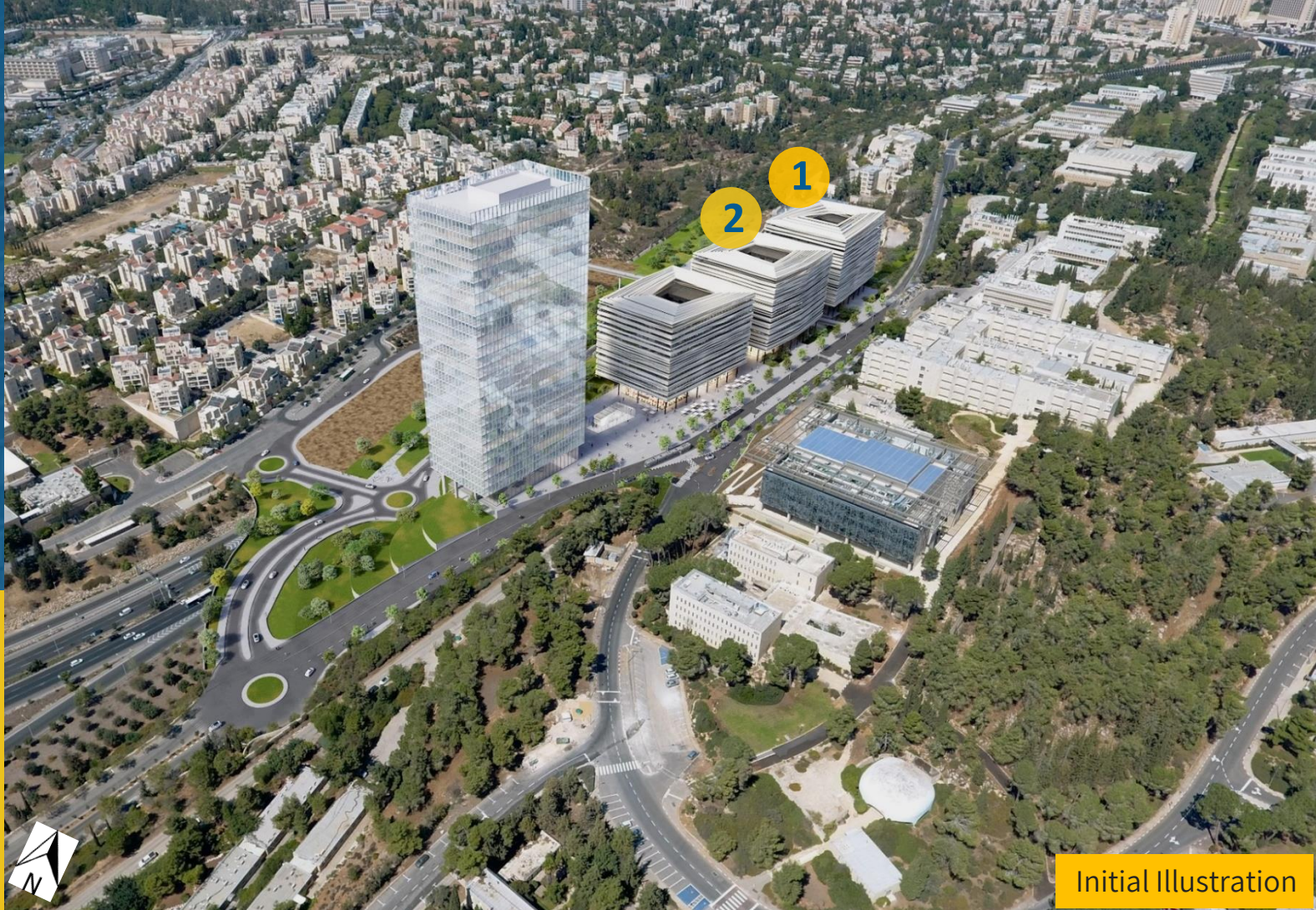
Illustration

1

**Built area:**  
7,500 sq.m  
Fully Leased



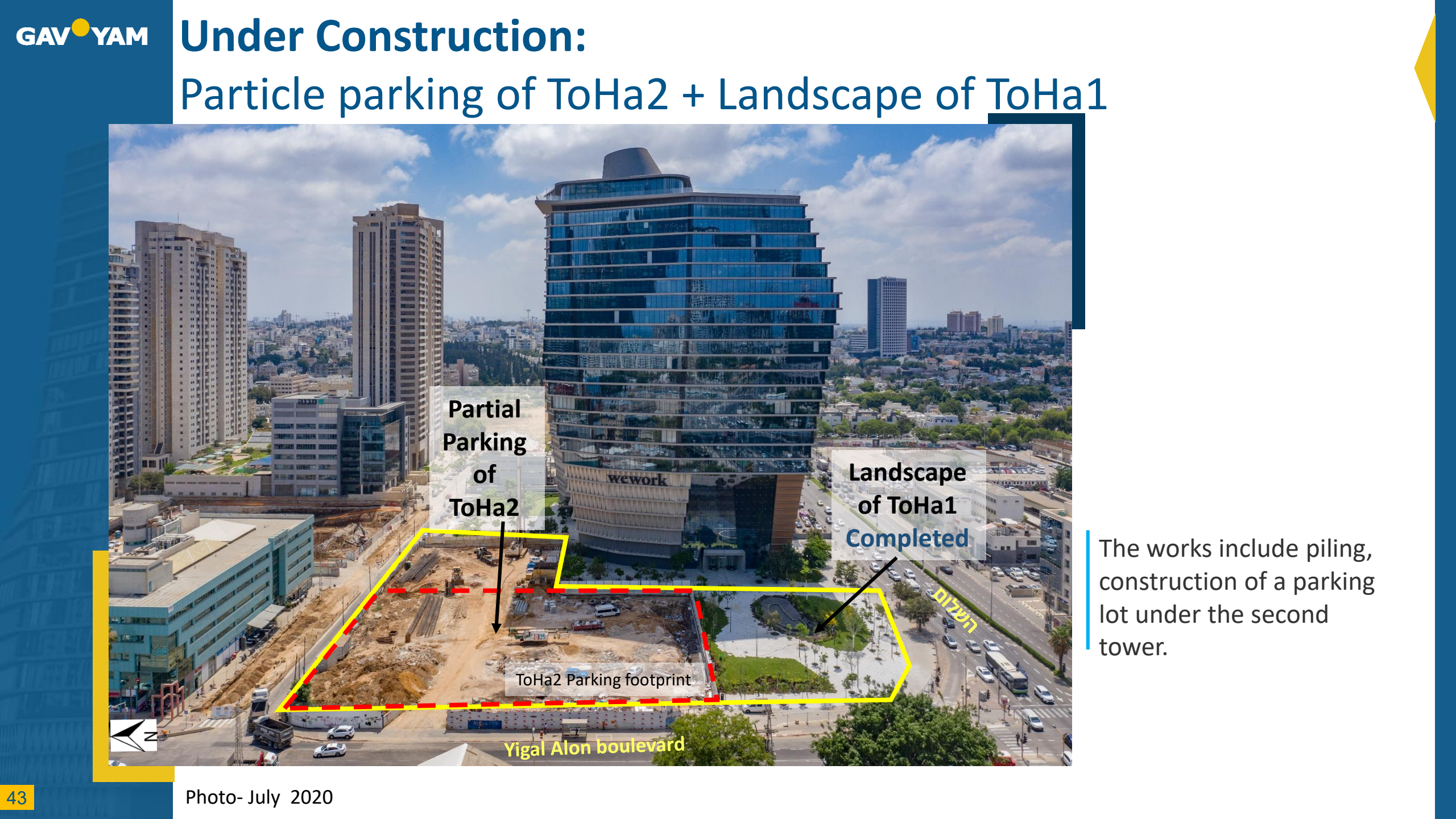
# Under Planning: GY Ha`Ivrit Park #1+#2



Initial Illustration

**55,000 sq.m** aboveground  
**30,000 sq.m** underground





# Under Construction:

## Particle parking of ToHa2 + Landscape of ToHa1

Partial  
Parking  
of  
ToHa2

Landscape  
of ToHa1  
**Completed**

ToHa2 Parking footprint

Yigal Alon boulevard

The works include piling, construction of a parking lot under the second tower.



# Under Construction: Landscape of ToHa1



Photo- July 2020





# Town Building Plans: ToHa2



The local committee approved ToHa2 town building plan for “deposit”:

140,000 sq.m

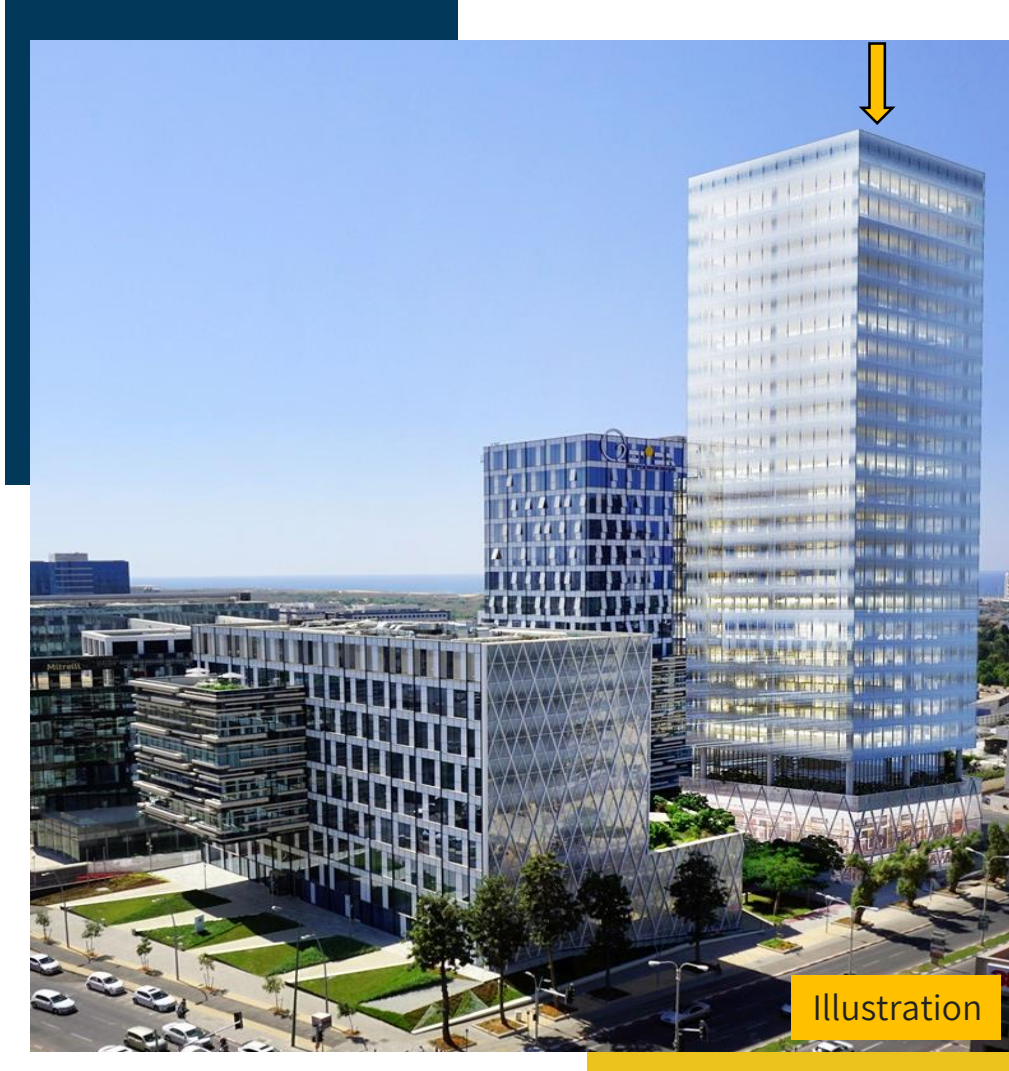
1,500 parking places

\* GY`s share - 50%



# Town Building Plan

## GY O2 Park, Herzliya

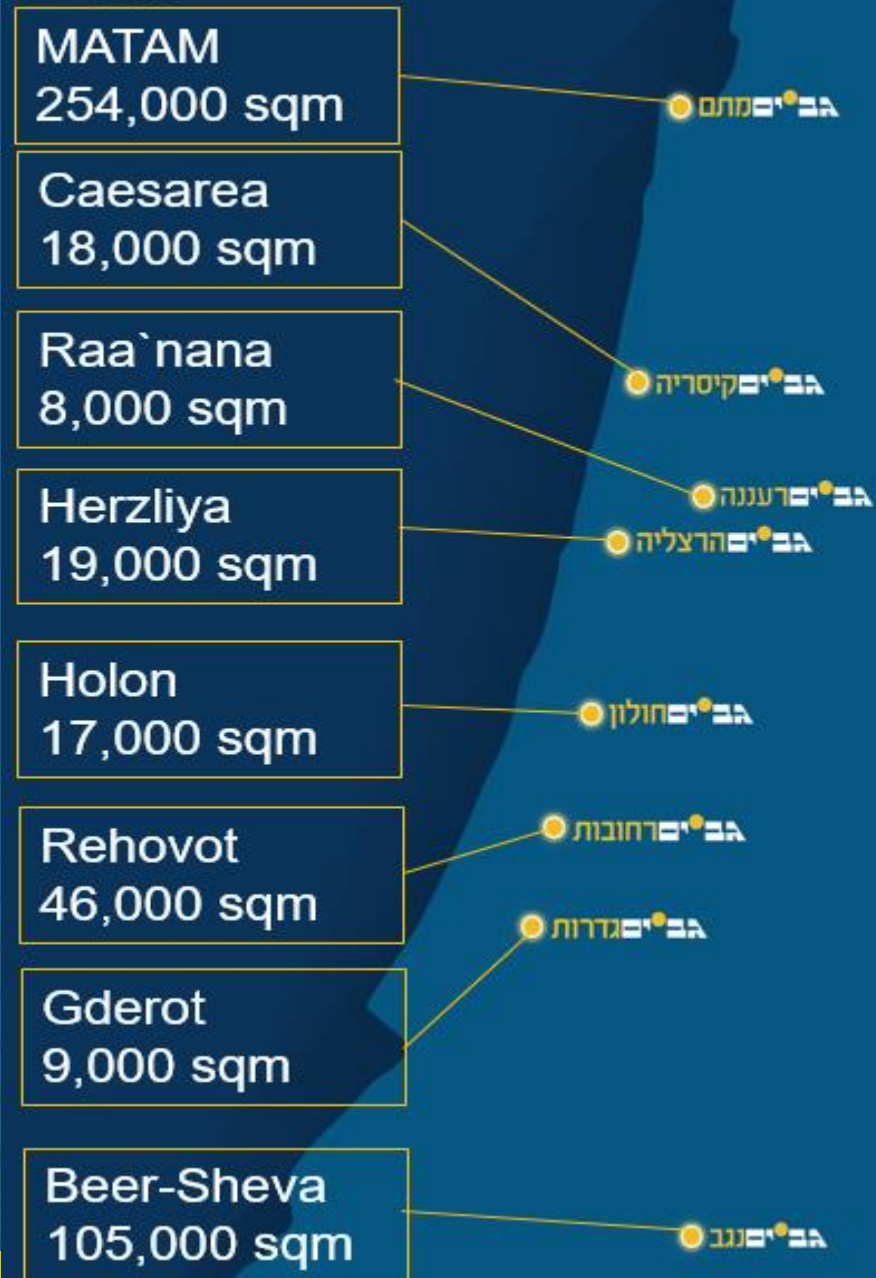


### GY O2 Park, Herzliya

Town planning for additional approx. 27,000 sq.m, under process.

Today





Continued growth:  
Building rights

476,000 sq.m

available for construction

(main areas, not including projects under  
planning and construction)



# Under Planning: GY Holon Park #3



Illustration



# Under Planning: GY Rehovot #5





# Donations

In April, the company donated NIS 1.5 million to two hospitals and three charitable organizations.

In Addition, Matam company donated during 2019-2020 NIS 500,000 to "YAHAD " organization for the lone soldiers (fit-up cost in Haifa Congress Center).

Renovation area in Haifa Congress Center which will be used for the association "YAHAD " for lonely soldiers:





Thanks

**GAVYAM**  
PROPERTY & BUILDING CORP. IDB GROUP

