

IIQ 2020 Conference Call

February 12, 2020



Hosted by:

Alejandro Elsztain, IIVP

Daniel Elsztain, COO

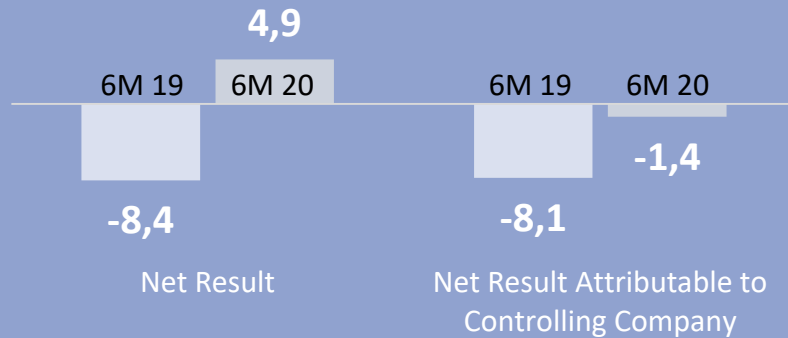
Matías Gaivironsky, CFO

MAIN EVENTS FOR IIQ FY2020

CONSOLIDATED BASIS

NET RESULT

(ARS bn)



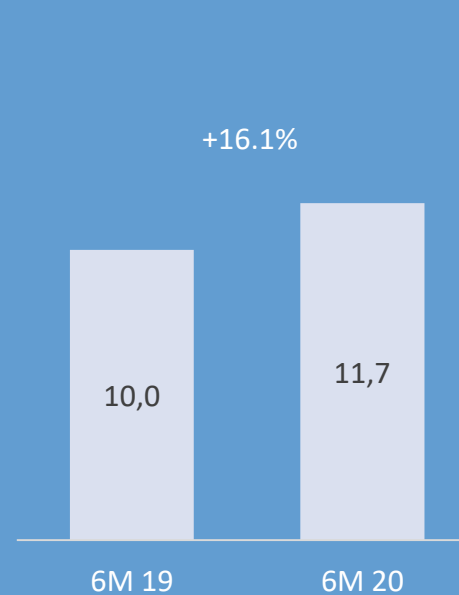
DIVIDEND DISTRIBUTION

On November 14, 2019, the Company distributed a dividend in kind with IRCP shares:

- Amount: ARS 480 million
- 0,004046 IRCP shares/IRSA shares
- 0,040462 IRCP shares/IRSA ADR

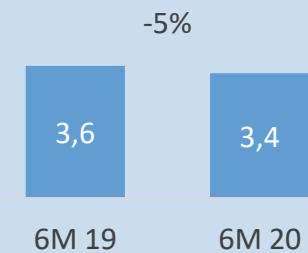
ADJUSTED EBITDA

(ARS bn)



ARGENTINA BUSINESS CENTER

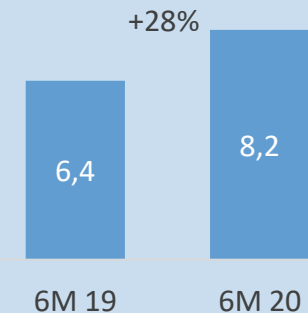
(ARS bn)



Mainly driven by lower results from Shopping Malls & Hotels segments compensated by the office segment.

ISRAEL BUSINESS CENTER

(ARS bn)




Mainly driven by Cellcom due to the positive effect of IFRS 16 (leases costs are now included in amortization line).

ARGENTINA BUSINESS CENTER

DECEMBER 31, 2019



SHOPPING MALLS

- Consumption recovery:
SSS +5.6% IIQ20
+0.4% 6M20
 **AHORA 12 y 18**
- Occupancy remains stable: **95.0%**

OFFICE BUILDINGS

- Industry remains strong
- Rent/sqm stable at **USD 26.9**
- A+ & A occupancy: **97.1%**
- "200 Della Paolera" Work progress: **86%**
Opening: **IVQ20**

HOTELS

- Lower sales due to Libertador deflag process and IIQ19 successful special events.

LAND RESERVES

- Residential Barter Agreements:
Abasto Airspace – Tower 1
8,400 buildable sqm
USD 4.5 mm
Caballito – Plot 1
11,400 buildable sqm
USD 5.5 mm

FINANCIAL & INTERNATIONAL

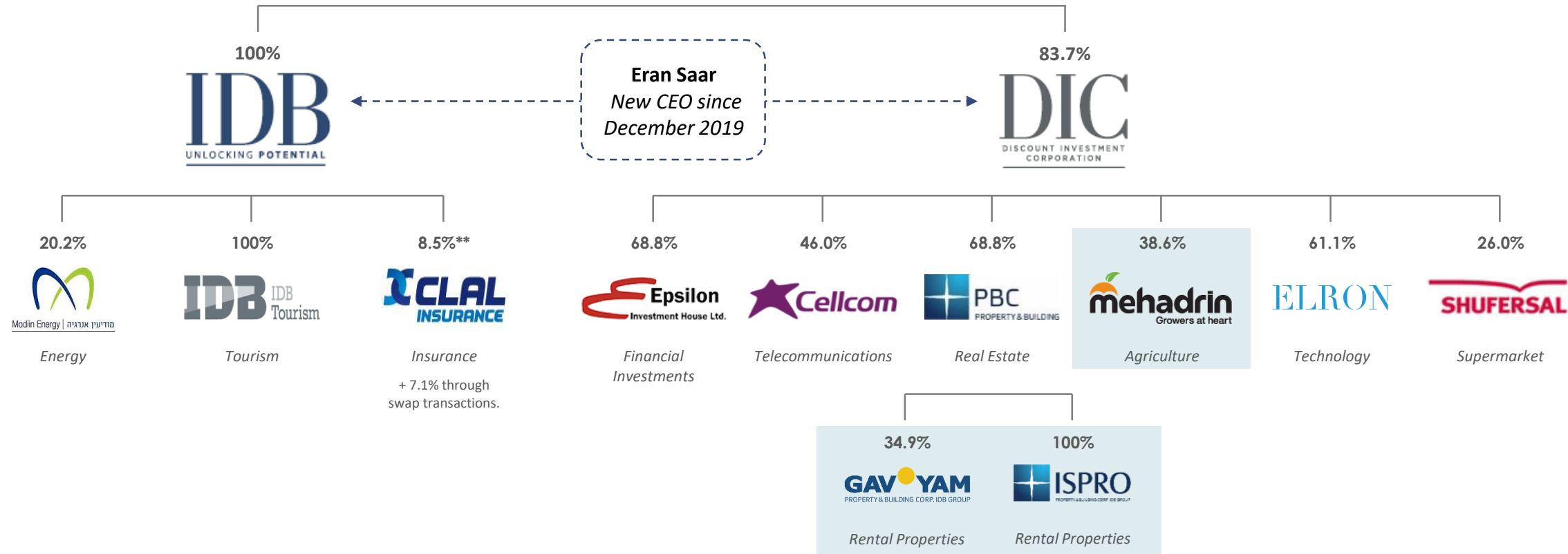
- Banco Hipotecario: losses due to impairment over government notes and doubtful accounts
- Condor Hospitality Trust: under sale process (settlement expected for IIIQ20)

ISRAEL BUSINESS CENTER

CURRENT CORPORATE STRUCTURE



Directly and Indirectly*



Concentration Law Resolution:

- Disposal of 16.7% of Gav-Yam shares during IQ20 Accounting deconsolidation and loss of control (under Ministry of Justice examination)
- ISPRO public debt privatization
- Mehadrin shares distributed as dividends

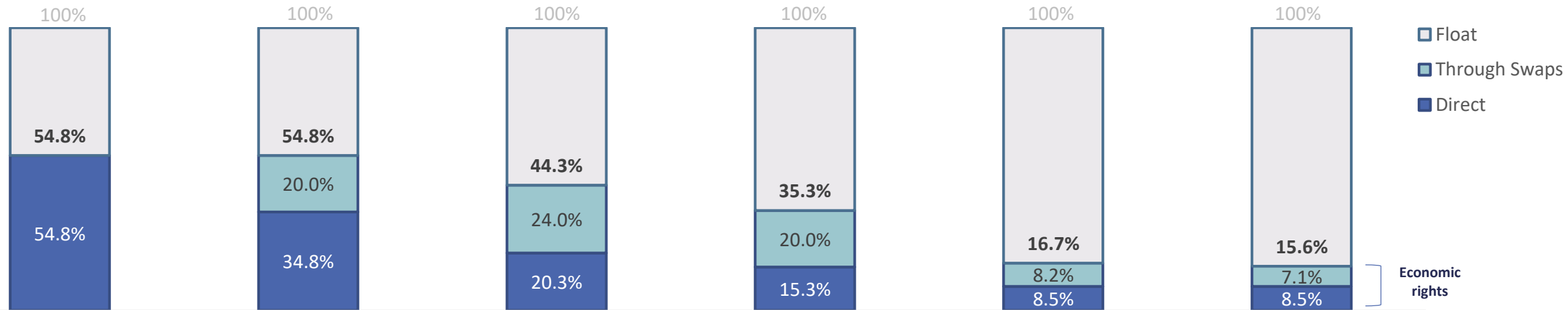
* There is a nonrecourse intercompany loan between Dolphin (borrower) and IDB (lender) due to the transference of DIC shares. This loan is guaranteed with DIC shares sold.

** Direct stake.

ISRAEL BUSINESS CENTER

CLAL SALE PROCESS

CLAL OWNERSHIP



Original Stake

FY 18

FY 19

IQ 20

IIQ 20

Subsequent (jan-20)

Swap transactions

Private investors
(sales + options)

IDB Debt exchange
(Series 9 & 14)

- IDB Debt exchange
- Investors' options exercise
- Capital increase & IDB dilution

Mkt Value: USD 0.8 bn
 Book Value: USD 1.5 bn
 MV/BV: 53%


Economic rights

ISRAEL BUSINESS CENTER

DIC MAIN SUBSIDIARIES



- Agreement to sell ISPRO to Mega Or for **NIS 855 MM**
- Sale of 50% stake of Kiryat Ono Mall for **NIS 545 MM**
- Sale of other non-core assets

- Cost reduction and synergies through its unification with 
- Large capital investments in the automatic logistic center

- New Senior Management
- Change of controlling shareholder: from PBC to DIC through dividend share distribution
- Recent additional acquisitions of shares (~+7% since Dec-2019)

- Avi Gabbai: New CEO since January 2020
- Capital increase for **NIS 307 MM** (DIC subscribed NIS 169 MM) – **share price +88%** since Sep-2019
- Restructuring plan: based on cutting expenses & CAPEX

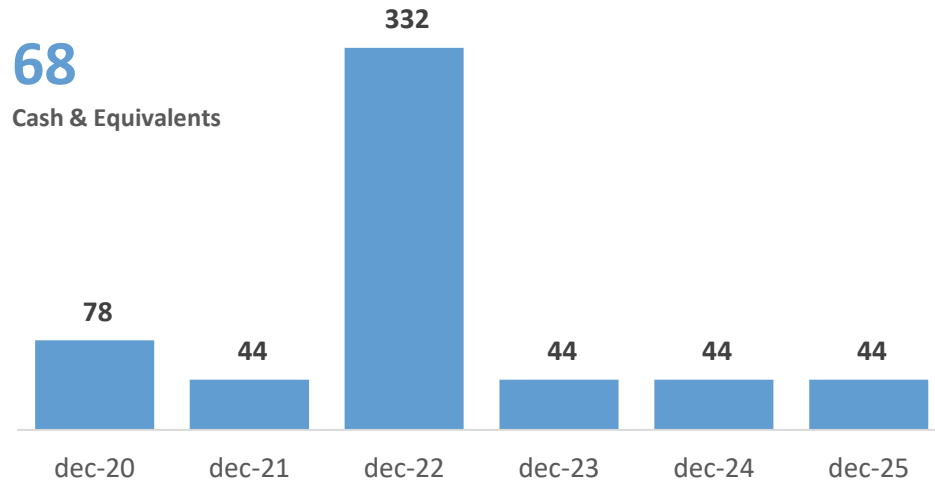
- Positive news regarding latest developments:
 -  **OpenLegacy** OPEN INNOVATION IT • Japanese fund made a **USD 20 MM** strategic investment
 -  **CartiHeal** Medical Technology • Positive Interim Analysis Results of Agili-C (cell-free cartilage regeneration)
 -  **SIXGILL** Deep, Dark & Beyond Cybersecurity • Successful recent capital increase ⁶

ISRAEL BUSINESS CENTER – FINANCIAL SITUATION

DECEMBER 31, 2019 - USD MILLION

525.1

IDB
Net Financial Debt

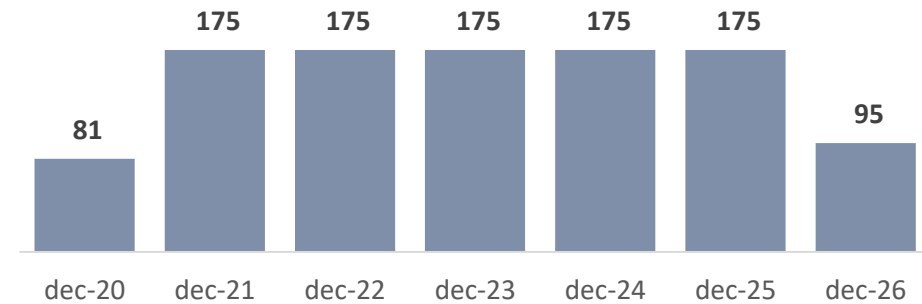


830.9

DIC
Net Financial Debt

345

Cash & Equivalents



IDB* last debt issuance (Nov-19)

- NIS 236 million
- Series 16 – YTM 4.7%

*Collateral: 8.5% Clal shares

DIC recent debt buyback (Jan-20)

- NIS 92 million
- Series 10



Financial Results

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2019 - ARS MILLION

P&L	Argentina Business Center			Israel Business Center			Total		
	6M 2020	6M 2019	Var %	6M 2020	6M 2019	Var %	6M 2020	6M 2019	Var %
1 Revenues	8,019	8,800	-8.9%	34,767	30,919	12.4%	42,786	39,719	7.7%
2 Costs	-2,946	-3,037	-3.0%	-23,498	-21,744	8.1%	-26,444	-24,781	6.7%
3 Gross Profit	5,073	5,763	-12.0%	11,269	9,175	22.8%	16,342	14,938	9.4%
4 Change in Fair Value	3,888	-9,569	-140.6%	-164	488	-133.6%	3,724	-9,081	-141.0%
5 S,G&A Expenses	-1,669	-1,784	-6.4%	-8,757	-8,228	6.4%	-10,426	-10,012	4.1%
6 Other Net Operating Results	37	-75	-	-2,594	966	-368.5%	-2,557	891	-387.0%
7 Operating Income	7,329	-5,665	-229.4%	-246	2,401	-110.2%	7,083	-3,264	-317.0%
8 Results from associates and JV	-1,108	-592	87.2%	-563	-620	-9.2%	-1,671	-1,212	37.9%
9 Net Financial Results	-7,049	-3,777	86.6%	-7,780	-6,464	20.4%	-14,829	-10,241	44.8%
10 Income Tax	-2,337	3,276	-171.3%	-28	36	-177.8%	-2,365	3,312	-171.4%
11 <i>Current Tax</i>	-197	2	-9,950.0%	230	-557	-141.3%	33	-555	-
12 <i>Deferred Tax</i>	-2,140	3,274	-165.4%	-258	593	-143.5%	-2,398	3,867	-162.0%
13 Net Income from continuing operations	-3,165	-6,758	-53.2%	-8,617	-4,647	85.4%	-11,782	-11,405	3.3%
14 Net Income from discontinuing operations	-	-	-	16,639	3,042	447.0%	16,639	3,042	447.0%
15 Net Income	-3,165	-6,758	-53.2%	8,022	-1,605	-	4,857	-8,363	-
Attributable to:									
16 Controlling Interest							-1,421	-8,093	-82.4%
17 Non-controlling Interest							6,278	-270	-2,425.2%
2+5 Total Costs + Expenses	-4,615	-4,821	-4.3%	-32,255	-29,972	7.6%	-36,870	-34,793	6.0%

ADJUSTED EBITDA BY SEGMENT

DECEMBER 31, 2019 - ARS MILLION

Argentina Business Center		6M 2020	6M 2019	Var %
1	Shopping Malls	2,650	3,260	-18.7%
2	Offices	873	632	38.1%
3	Hotels	332	469	-29.2%
4	Sales & Development	-240	-251	-4.4%

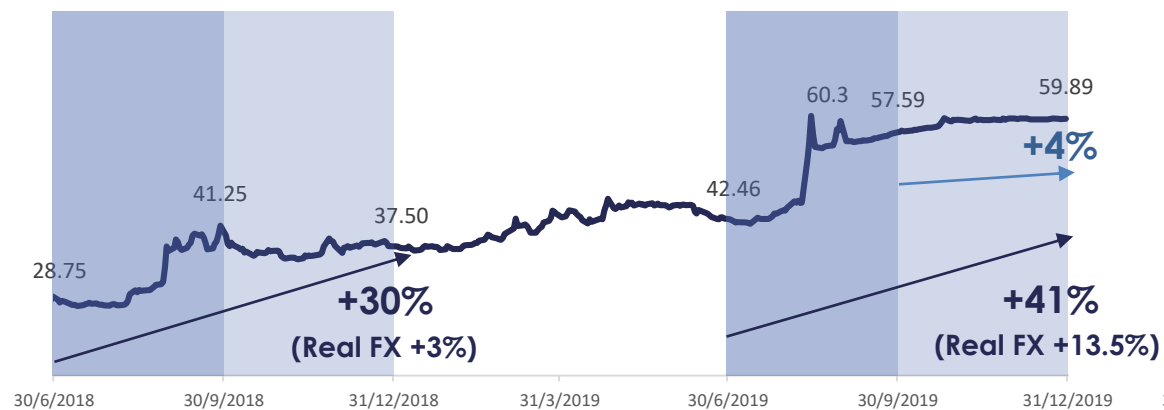
Israel Business Center		6M 2020	6M 2019	Var %
5	Real Estate	2,456	1,937	26.8%
6	Telecommunications	6,299	4,467	41.0%
7	Others	-43	6	-816.7%

CONSOLIDATED FINANCIAL STATEMENTS

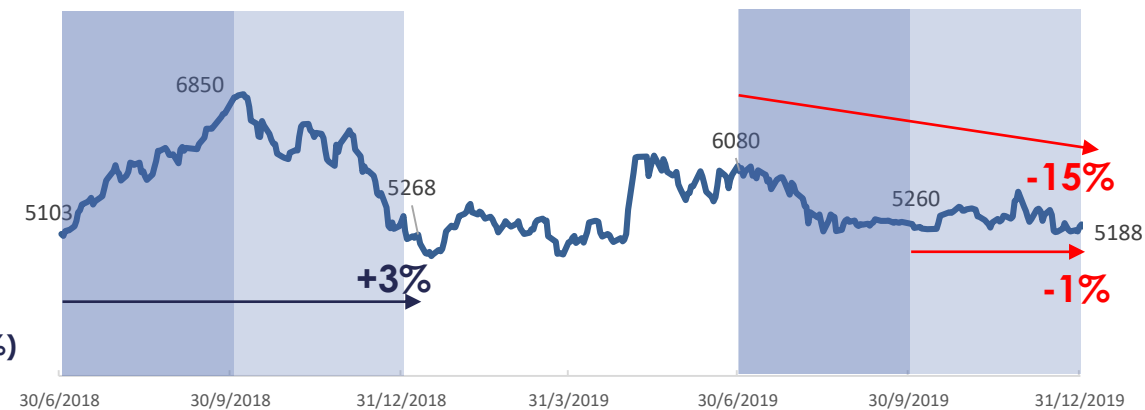
DECEMBER 31, 2019 - ARS MILLION

Net financial Results		Argentina Business Center			Israel Business Center			Total		
		6M 2020	6M 2019	Var %	6M 2020	6M 2019	Var %	6M 2020	6M 2019	Var %
1	Net Interest, loss	-2,636	-2,452	7.5%	-6,918	-7,019	-1.4%	-9,554	-9,471	0.9%
2	Net Foreign Exchange, loss	-4,347	-2,327	86.8%	-80	231	-134.6%	-4,427	-2,096	111.2%
3	FV gain from financial assets and liabilities	-120	1,276	-109.4%	-2,858	57	-5,115.8%	-2,978	1,333	-323.4%
4	Inflation Adjustment	206	-579	-135.6%	-	-	-	206	-579	-135.6%
5	Other Financial Results	-152	305	-149.9%	2,076	267	677.5%	1,924	572	236.4%
6	Net Financial Results	-7,049	-3,777	86.6%	-7,780	-6,464	20.4%	-14,829	-10,241	44.8%

Nominal Exchange Rate evolution (ARS/USD)
6M 20 vs 6M 19



CLAL Insurance share evolution (NIS)
6M 20 vs 6M 19



DEBT PROFILE

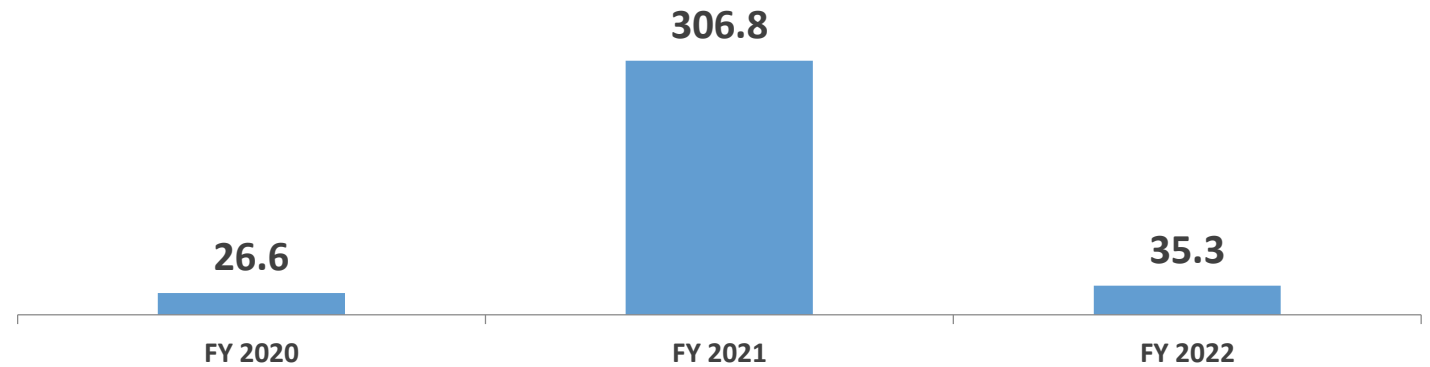
DECEMBER 31, 2019 - USD MILLION

Description	Amount	Maturity
Short-term debt	20.7	<360 days
2020 Series II (USD)	71.4	Jul 2020
2020 Series II (CLP)	42.1	Aug 2020
2020 Series I	181.5	Nov 2020
Other Debt	53.0	
GROSS DEBT	368.7	
Cash & Equivalents	1.2	
NET DEBT	367.5	

367.5 Stand Alone Net Debt

AA Local Credit Rating

AMORTIZATION SCHEDULE





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Cautionary Statement

Investing in all equities, including natural resources and real estate-related equities, carries risks which should be taken into consideration when making an investment.

This institutional presentation contains statements that constitute forward-looking statements, in that they include statements regarding the intent, belief or current expectations of our directors and officers with respect to our future operating performance. You should be aware that any such forward looking statements are no guarantees of future performance and may involve risks and uncertainties, and that actual results may differ materially and adversely from those set forth in this presentation. We undertake no obligation to release publicly any revisions to such forward-looking statements to reflect later events or circumstances or to reflect the occurrence of unanticipated events.

Additional information concerning factors that could cause actual results to differ materially from those in the forward-looking statements can be found in the companies' Forms 20-F for Fiscal Year 2019 ended June 30, 2019, which are available for you in our web sites.