

IRSA

IIIQ FY 2019 Conference Call

May 13, 2019

Hosted by: Alejandro Elsztain, IIVP
Daniel Elsztain, COO
Matías Gaivironsky, CFO



HSBC Tower
New York City - US



Main Events for 9M FY2019

Consolidated Basis



Financial Statements

Adjusted for Inflation

ARS 13.8 billion
Adjusted EBITDA
+6.9% vs. 9M18

ARS 4.0 billion
Argentina Business Center
-4.2% vs. 9M18

ARS 9.8 billion
Israel Business Center
+12.2% vs 9M19

+7.1%
Argentina 
Rental EBITDA Growth

mainly driven by Office & Hotels segments due to the positive effect of the currency devaluation in their dollar linked revenues.

+42.2%
Israel 
Real Estate EBITDA Growth

Mainly driven by PBC due to the positive effect of early revenues recognition according to IFRS 15.

- ARS 9.1 billion
Net Loss
vs. Gain ARS 10.5 bn in 9M18

- ARS 8.8 billion
Net Loss attributable to IRSA

Mainly explained by **lower results** from changes in **FV of Investment properties and FX losses in Argentina Business Center**

Subsequent Material Events

 Local bond issuance for a total amount of USD 96.3 million at 10% fixed annual rate due Nov-20 to refinance short term debt

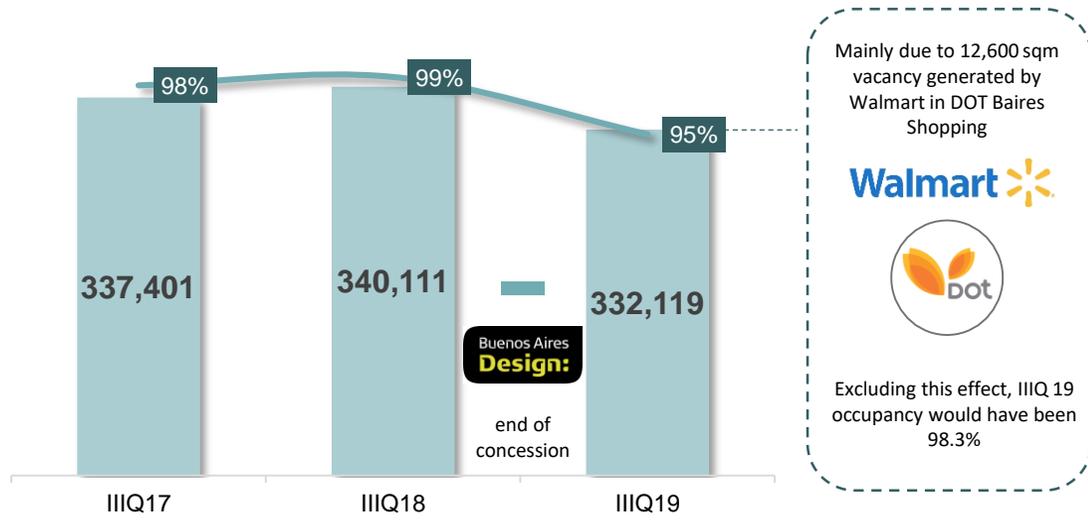
 CLAL Control permit requested by IDBD, under process

 Sale of 10% of Clal shares to 2 private investors. IDBD total exposure reduced to 44.3% (**20.3% directly and 24% through SWAPS**)

 PBC recent debt local issuance for NIS 520 mm at a fixed interest rate of 4.1% due 2029 to refinance short term debt

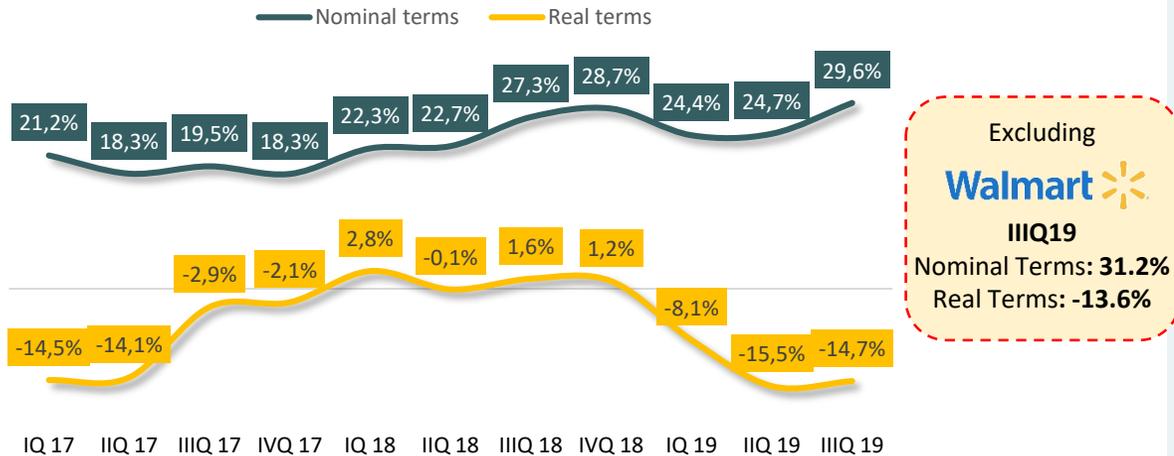
Shopping Malls & Offices Operating Figures

Shopping Malls – Sqm GLA (Th.) & Occupancy (%)



Same Shopping Malls' Sales

(% Var i.a.)



Offices – Stock (sqm GLA)



Offices – Leases USD/sqm/month & Occupancy





Subsequent event Zetta building Opening May 6, 2019

The first building of the Office Park developed in the north area of BA City

32,000 GLA sqm

Fully Leased

USD 60 mm

Est. investment

~ USD 9mm

Est. EBITDA

15% Cap Rate

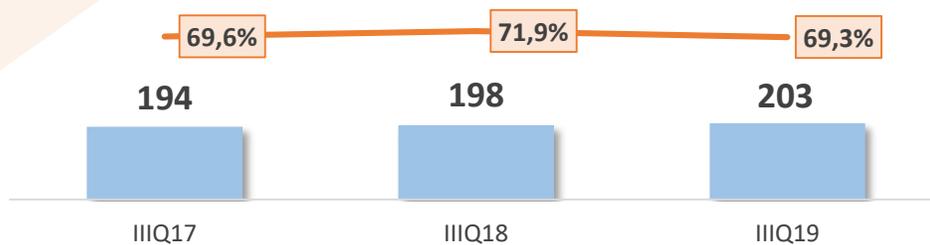


falabella





Rate USD/room & Occupancy evolution



EBITDA (ARS MM)



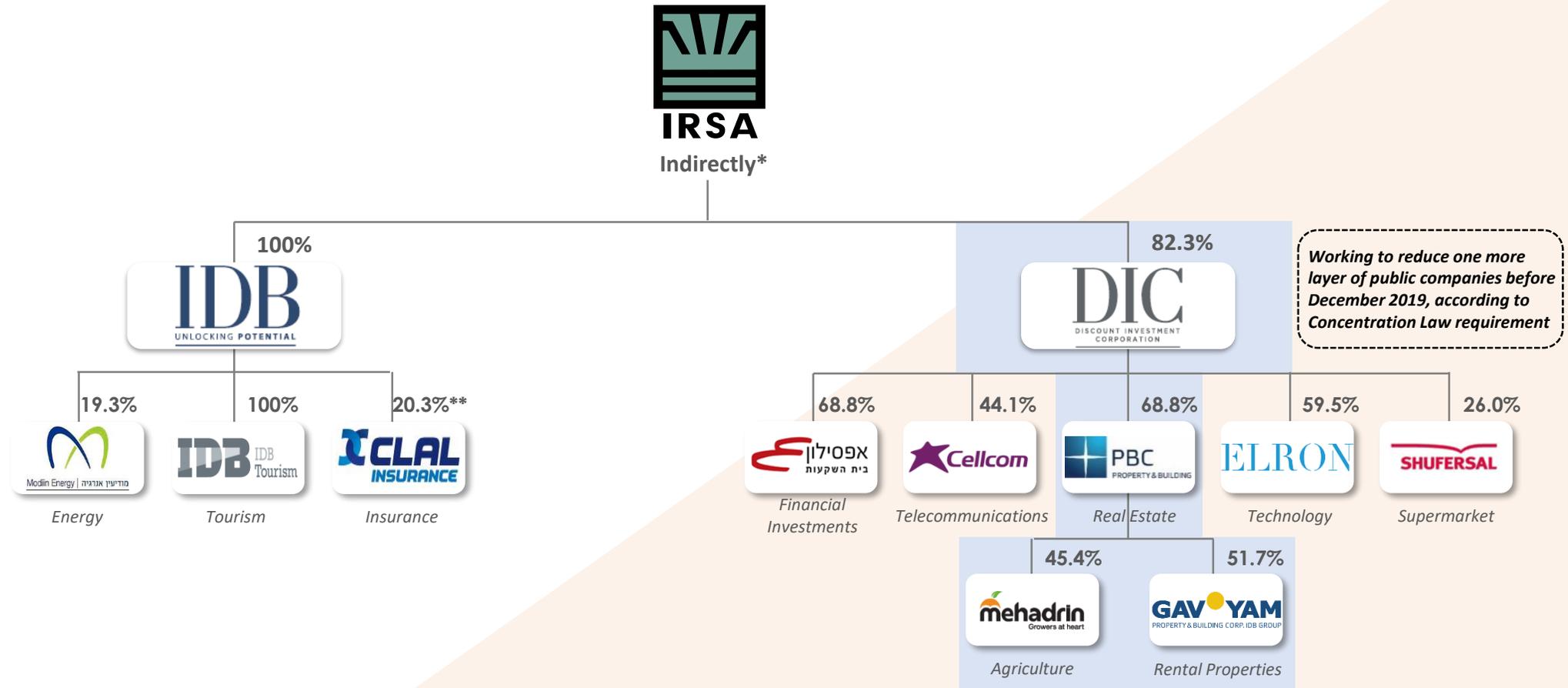
On Feb-19, IRSA acquired 20% of the shares of Hoteles Argentinos S.A., owner of the hotel formerly known as Sheraton Libertador

Current stake: 100%



Investment in IDB & DIC – Israel

Current Corporate Structure (as of mar-19)



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

** 15% of the shares are held by a trustee. IDB sold 24% of Clal shares as part of swap transactions.



Clal Insurance

(20.3% IDB current stake + 24.0% through swaps)

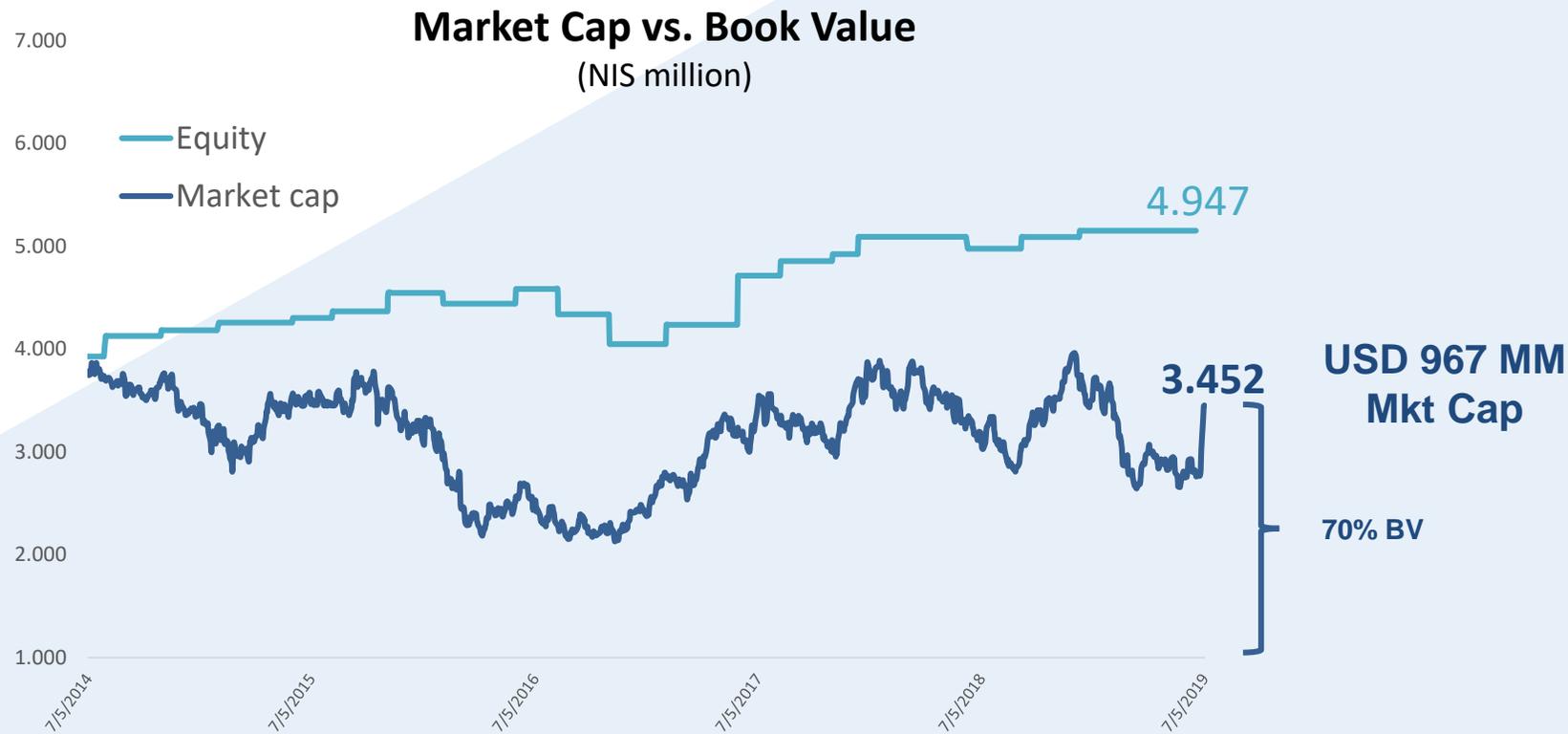


Recent Material events

- ✓ **Control permit requested** on Mar-19 – under process
- ✓ **Sale agreements signed** with third non-related parties
 - ~ **10% already sold** (5% of the shares held by the trustee and 5% of the Swaps transactions) **to 2 private investors**, at NIS 47.7.
 - In the event of gaining control permit, one of the investors received an option to buy another **3%** at NIS 50.
 - An additional option was given for a third investor (**3-5%** at NIS 47.7), financed by 90% seller loan.
- ✓ After the sale, IDB total exposure reduced to **45.3% (20.3% directly and 24% through SWAPS)**

✓ Positive market reaction to the sale: total 20% increase 3 days following the sale

✓ Current Market Cap / Equity: 70%



Real Estate projects under development in Israel

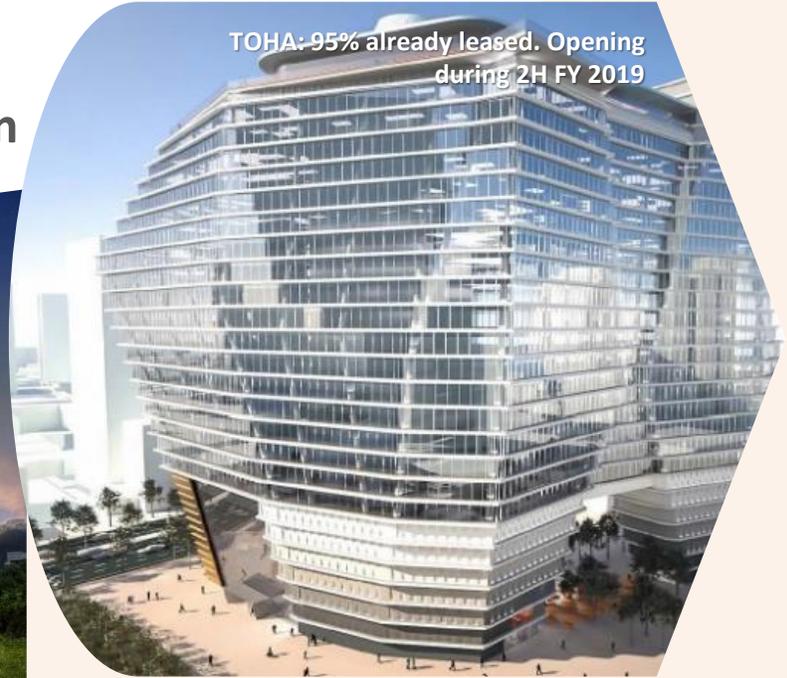
8 Projects
194,000 sqm



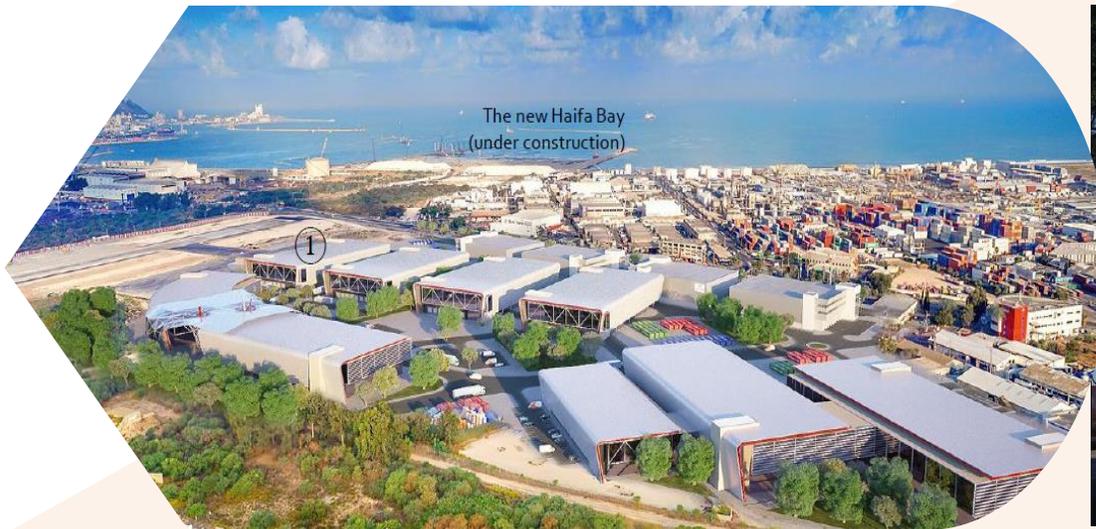
REHOVOT: 3 of 4 buildings finished



MATAM-YAM: Recently finished
Amazon main tenant



TOHA: 95% already leased. Opening during 2H FY 2019



The new Haifa Bay (under construction)



The New Haifa Bay – Logistic Center
Opening during 2H FY 2019



NEGEV: 3 of 4 buildings finished

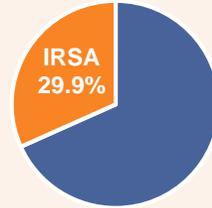


Argentina Business Center – Banco Hipotecario

Main Events for 9M FY 2019



Ownership



2019 main work fronts:

- **Liabilities:** to preserve cash and long term deposits, adjusting rates to market changes.
- **Assets:** increase of commissions, fees and preservation of the quality of the portfolio in a context of higher delinquency rates.
- **Balance Sheet equilibrium:** preserving the solvency and liquidity, with focus on the funding.

Results to IRSA

- The bank has generated a loss of ARS 533 million during 9M19 compared to a gain of ARS 348 million during 9M 18.

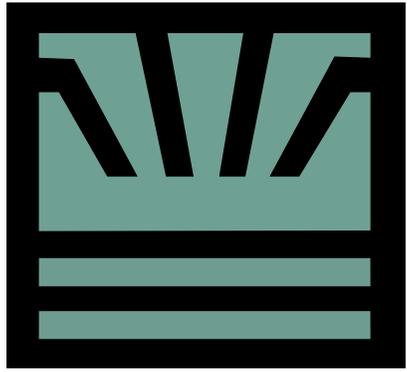
Share Price evolution



Market Value to IRSA

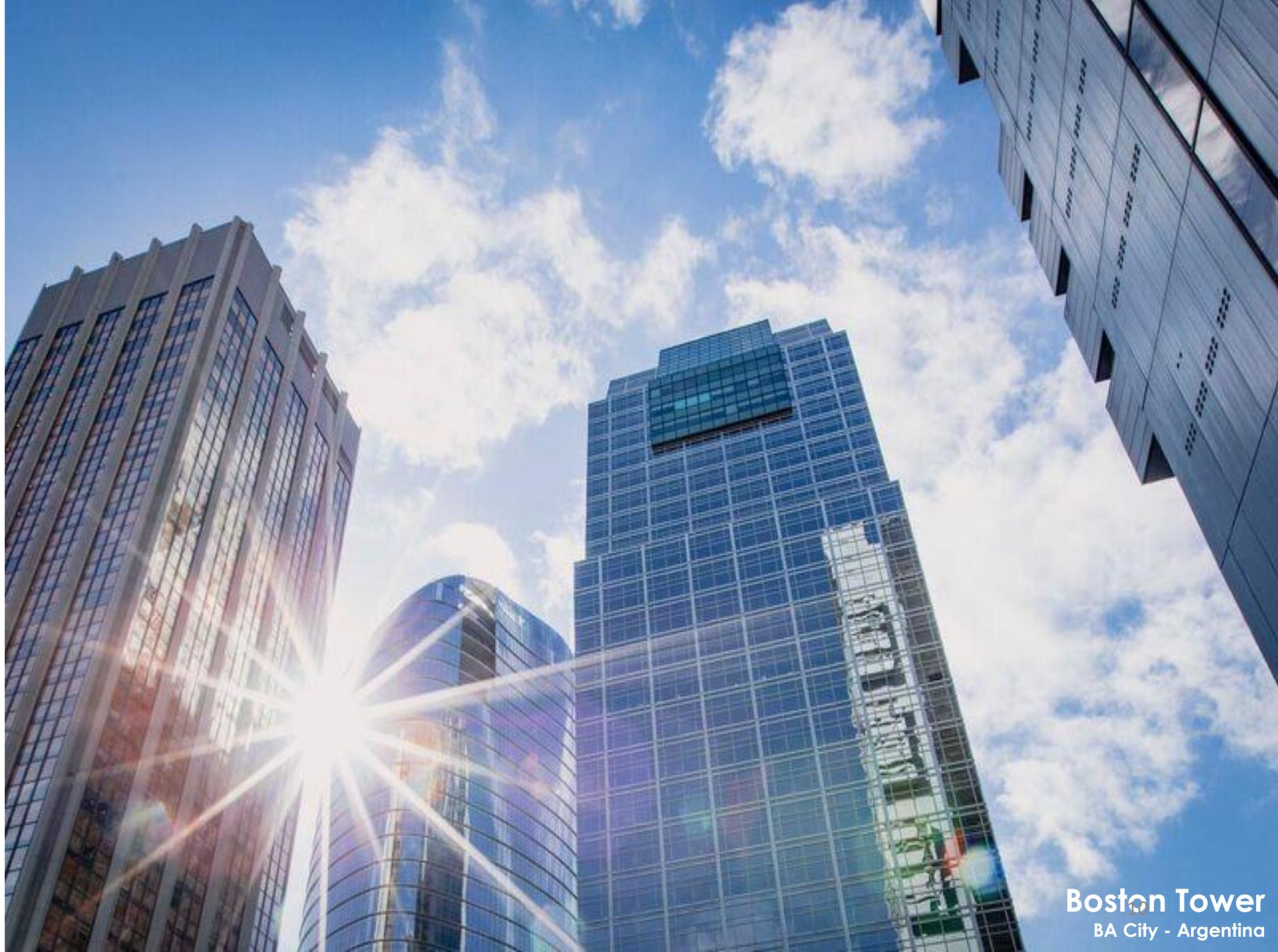
(USD million)





IRSA

Financial Results



Boston Tower
BA City - Argentina



Consolidated Financial Statements IIIQ FY 2019

(ARS millions)

P&L		Argentina Business Center			Israel Business Center			Total			
		9M 2019	9M 2018	Var %	9M 2019	9M 2018	Var %	9M 2019	9M 2018	Var %	
1	Revenues	9,283	8,864	5%	38,885	30,455	28%	48,168	39,319	22%	
2	Costs	-3,343	-3,583	-7%	-25,403	-18,906	34%	-28,746	-22,489	28%	
3	Gross Profit	5,940	5,281	13%	13,482	11,549	17%	19,422	16,830	15%	
4	Change in Fair Value	-5,922	5,855	-201%	1,248	2,118	-41%	-4,674	7,973	-159%	
5	S,G&A Expenses	-1,800	-1,591	13%	-9,664	-8,860	9%	-11,464	-10,451	10%	
6	Other Net Operating Results	-321	-112	187%	351	1,282	-73%	30	1,170	-97%	
7	Operating Income	-2,103	9,433	-122%	5,417	6,089	-11%	3,314	15,522	-79%	
8	Results from associates and JV	-946	523	-281%	-267	-416	-36%	-1,213	107	-1,234%	
9	Net Financial Results	-3,974	-1,814	119%	-9,116	-9,957	-8%	-13,090	-11,771	11%	
10	Income Tax	2,128	5,150	-59%	-513	-469	9%	1,615	4,681	-65%	
11	<i>Current Tax</i>	<i>-113</i>	<i>-380</i>	<i>-70%</i>	<i>-855</i>	<i>-580</i>	<i>47%</i>	<i>-968</i>	<i>-960</i>	<i>1%</i>	
12	<i>Deferred Tax</i>	<i>2,241</i>	<i>5,531</i>	<i>-60%</i>	<i>341</i>	<i>111</i>	<i>207%</i>	<i>2,582</i>	<i>5,642</i>	<i>-54%</i>	
13	Net Income from continuing operations	-4,895	13,292	-137%	-4,479	-4,753	-6%	-9,374	8,539	-210%	
14	Net Income from discontinuing operations	-	-	-	309	1,924	-84%	309	1,924	-84%	
15	Net Income	-4,895	13,292	-137%	-4,170	-2,829	47%	-9,065	10,463	-187%	
Attributable to:											
16	Controlling Interest								-8,801	8,381	-205%
17	Non-controlling Interest								-264	2,082	-113%
2+5	Total Costs + Expenses	-5,143	-5,174	-1%	-35,067	-27,766	26%	-40,210	-32,940	22%	



Adjusted EBITDA by Segment IIIQ FY 2019

(ARS millions)

Urban Segment: Argentina Business Center	9M 2019	9M 2018	Var %
Shopping Malls	3,155	3,665	-13.9%
Offices	837	445	88.1%
Hotels	483	69	600.0%
Sales & Development	86	332	-74.1%

Israel Business Center	9M 2019	9M 2018	Var %
Real Estate	5,659	3,979	42.2%
Telecommunications	4,609	4,635	-0.6%
Others	-140	-111	26.1%



Consolidated Financial Statements IIIQ FY 2019

(ARS millions)

Net financial Results	Argentina Business Center			Israel Business Center			Total		
	9M 2019	9M 2018	Var %	9M 2019	9M 2018	Var %	9M 2019	9M 2018	Var %
1 Net Interest, loss	-2,287	-1,283	78%	-8,342	-6,914	21%	-10,629	-8,197	30%
2 Net Foreign Exchange, loss	-2,508	-316	694%	418	-254	-265%	-2,090	-570	267%
3 FV gain from financial assets and liabilities	1,066	246	333%	-1,394	1,359	-203%	-328	1,605	-120%
4 Inflation Adjustment	-560	-390	44%	-	-	-	-560	-390	44%
5 Other Financial Results	315	-71	-544%	202	-4,148	-105%	517	-4,219	-112%
6 Net Financial Results	-3,974	-1,814	119%	-9,116	-9,957	-8%	-13,090	-11,771	11%

Nominal Exchange Rate evolution (ARS/USD)

9M19 vs 9M18



CLAL Insurance share evolution (NIS)

9M19 vs 9M18



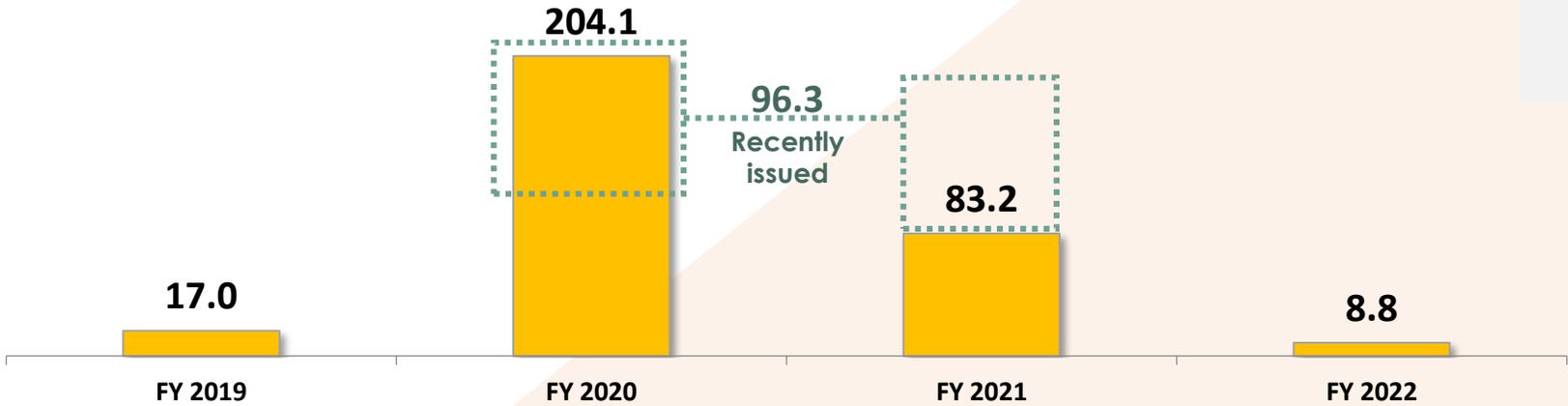


Net Debt as of March 31, 2019*

(USD millions)

IRSA Net Debt **313.2**

Amortization Schedule



Subsequent events:

- Credit line with IRCP for up to **USD 180 mm**, for up to 3 years, at an interest rate equal to IRSA 2020 or future issuances.
- In May 2019, we issued a local Bond for **USD 96.3 mm** at a fixed annual interest rate of 10.0% due November 2020 to refinance short-term debt

*Does not include IRCP & IDB/DIC debt



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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 2018 ended June 30, 2018, which are available for you in our web sites.