

23 May 2024

Azrieli Group Reports Q1/2024 Results

FFO in Q1 excluding senior housing is up around 14% year-over-year totaling some NIS 383 million; total FFO is up around 12% year-over-year totaling some NIS 393 million.

NOI is up around 2% totaling some NIS 533 million compared with around NIS 525 million year-over-year; Same-Property NOI is up around 4% year-over-year, excluding Compass, which was sold last year

Net profit attributable to shareholders is up around 23% totaling some NIS 464 million compared with around NIS 377 million year-over-year

Eyal Henkin, CEO of Azrieli Group: “We conclude another strong quarter with continued growth in the same-property NOI and double-digit growth in the FFO. The offices segment continues to present good results while maintaining high occupancy rates, and Group shopping malls experienced growth across all parameters, with a notable increase in traffic and revenues. The Data Centers segment continues to gain momentum through the activity of the wholly-owned subsidiary Green Mountain. This year, further growth in results is anticipated with new project launches and expansions of existing projects. We are identifying many opportunities in the sector, which we are proactively pursuing.

“On behalf of the Azrieli Group, I would like to extend our support to the security forces, and we all hope for the safe and swift return of the hostages.”

Financial Highlights for Q1/2024

- **NOI in Q1** totaled some NIS 533 million, compared with some NIS 525 million year-over-year, up around 2%. The increase mainly derives from the offices and senior housing segments and was partially offset by the sale of Compass. Excluding Compass operations, NOI is up by around 5% year-over-year.
- **Same-Property NOI** was up around 4% in Q1 totaling some NIS 527 million compared with approx. NIS 506 million year-over-year.
- **FFO excluding senior housing** totaled some NIS 383 million in Q1 compared with around NIS 335 million year-over-year, up some 14%. **Total FFO** in Q1 was approx. NIS 393 million, compared with around NIS 350 million year-over-year, up some 12%.
- **Net profit** attributable to the shareholders was up around 23% in Q1 totaling approx. NIS 464 million compared with some NIS 377 million year-over-year. **Comprehensive income** in Q1 totaled some NIS 302 million compared with around NIS 330 million year-over-year. The decrease in comprehensive income mainly derives from exchange rate effects.

Occupancy Rates and Store Revenues

- **The average occupancy rate** (excluding lease-up properties) was 99% in malls, 98% in offices in Israel, and 96% in senior housing.
- **Store revenues** from January-April were up some 11% year-over-year.

Balance Sheet as of 31 March 2024

- The Group has **cash, deposits, and short-term investments** totaling approx. NIS 3.8 billion, while, together with Bank Leumi stock, the total cash and cash equivalents and marketable securities totals around NIS 4.9 billion.
- **Net debt** totaled approx. NIS 18.3 billion.
- **The value of investment property and investment property under construction** totaled approx. NIS 45.5 billion.
- **The equity to assets ratio** is approx. 43% and the **net debt to assets ratio** is approx. 34%.
- **Unencumbered assets** total approx. NIS 34 billion.

The conference call to review the results of the quarter will take place today, Thursday 23 May 2024 at 16:00 Israel local time / 15:00 Central European time/ 14:00 United Kingdom time and 9:00AM Eastern Time.

Those interested in participating in the call are invited to join using the attached link.

To participate, please register in this link:

<https://register.vevent.com/register/BI2130d9c54cb149cf827100de3884ba72>

For Further Details:

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