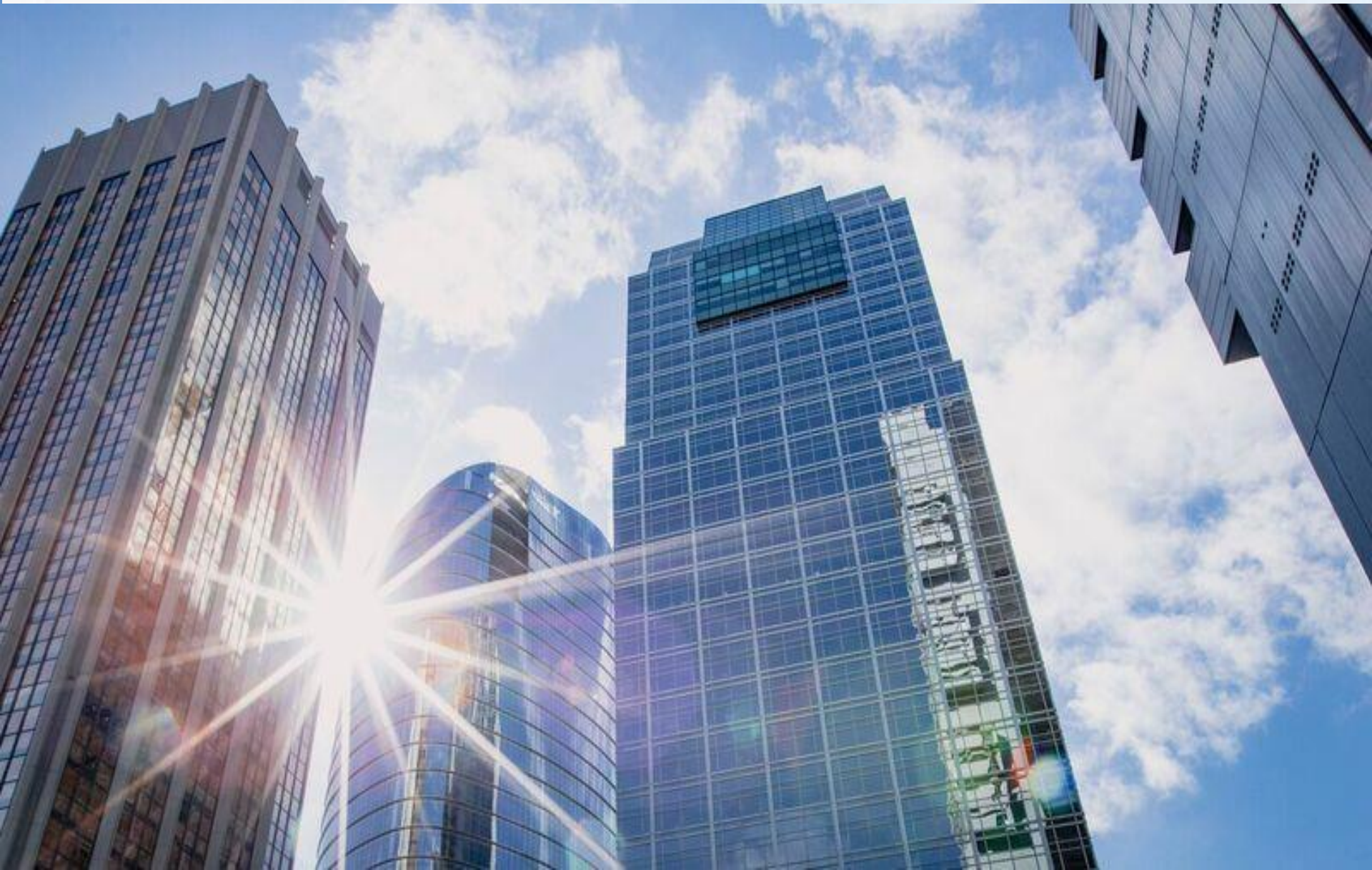


Institutional Presentation

FY2017





94.61%

29.91%



HOTELS

LANDBANK

INTERNATIONAL



SHOPPING

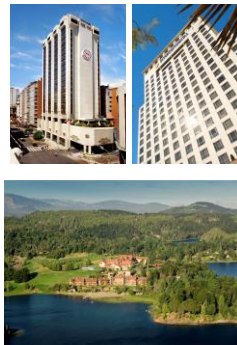
Malls

OFFICE

Buildings

~427,000 sqm of rental GLA

+ Commercial Landbank



VP 28.7%



68.3%

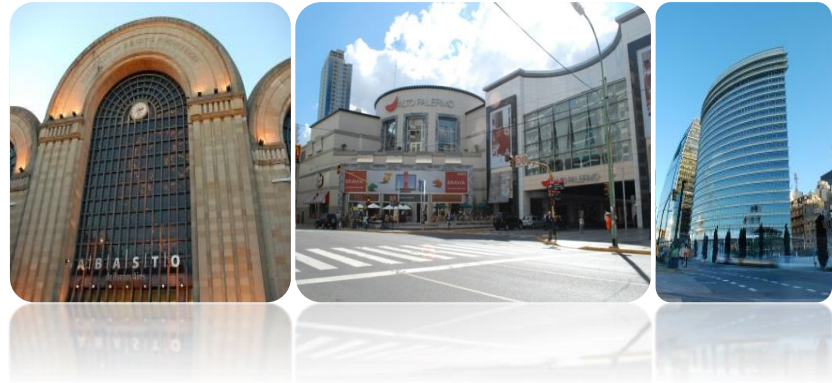


49.0%

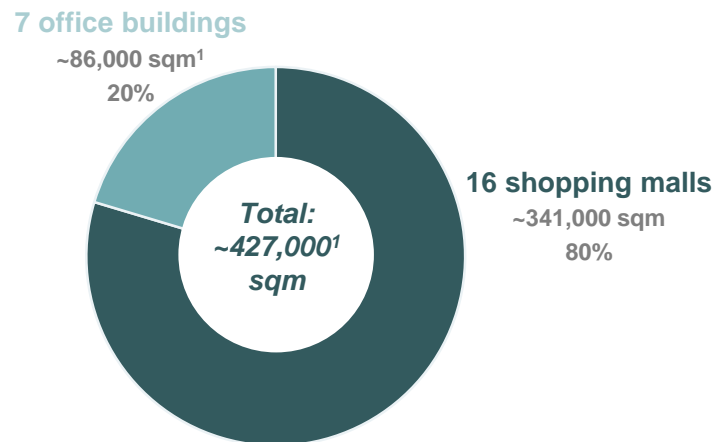


Business description

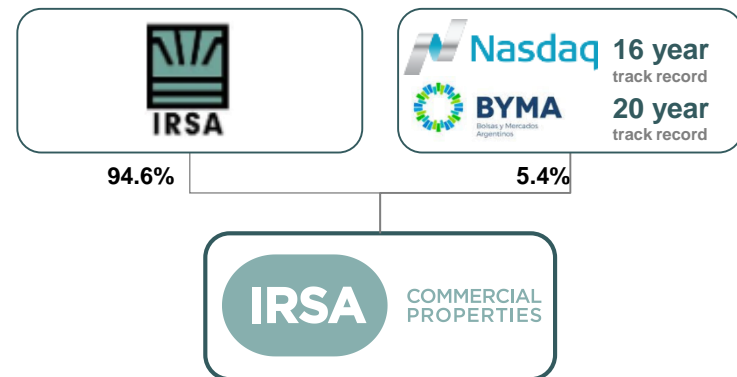
- ✓ Largest owner and operator of **premium shopping malls** and **one of the largest owners of office buildings** in Argentina
- ✓ **~427,000¹** gross leasable area (“GLA”) in prime locations
- ✓ **Land reserve** to develop **~375,000²** sqm of commercial property
- ✓ Over **98% occupancy** rates in shopping malls in last 10 years
- ✓ Average lease rates of US\$25.3 / sqm and **97% office occupancy**



GLA breakdown (as of June 30, 2017)



Simplified ownership structure



IRSA is a leading, diversified, publicly listed company with presence in real estate and other sectors

¹ Includes acquisition of 10,000 sqm of Philips building completed on June 5, 2017

² Considers land reserve as of March 2017 of 251,206 sqm from shopping malls and 106,400 sqm from offices, in addition to 18,000 sqm of additional potential GLA from recent Philips acquisition

IRCP prime portfolio of assets is located in Argentina's wealthiest neighborhoods and principal business districts

IRSA

COMMERCIAL
PROPERTIES

Buenos Aires shopping malls

Buenos Aires office buildings

67% market share in terms of sales

City of Buenos Aires

City of Buenos Aires

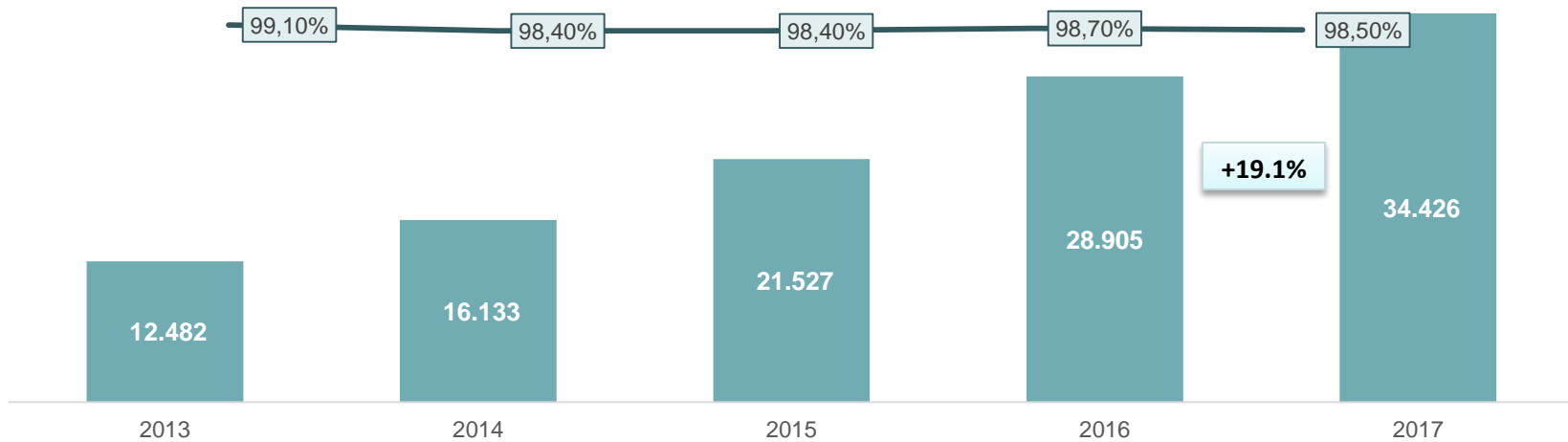
Argentina shopping malls

- Low income Area
- Mid Income Area
- High income Area
- Land reserve

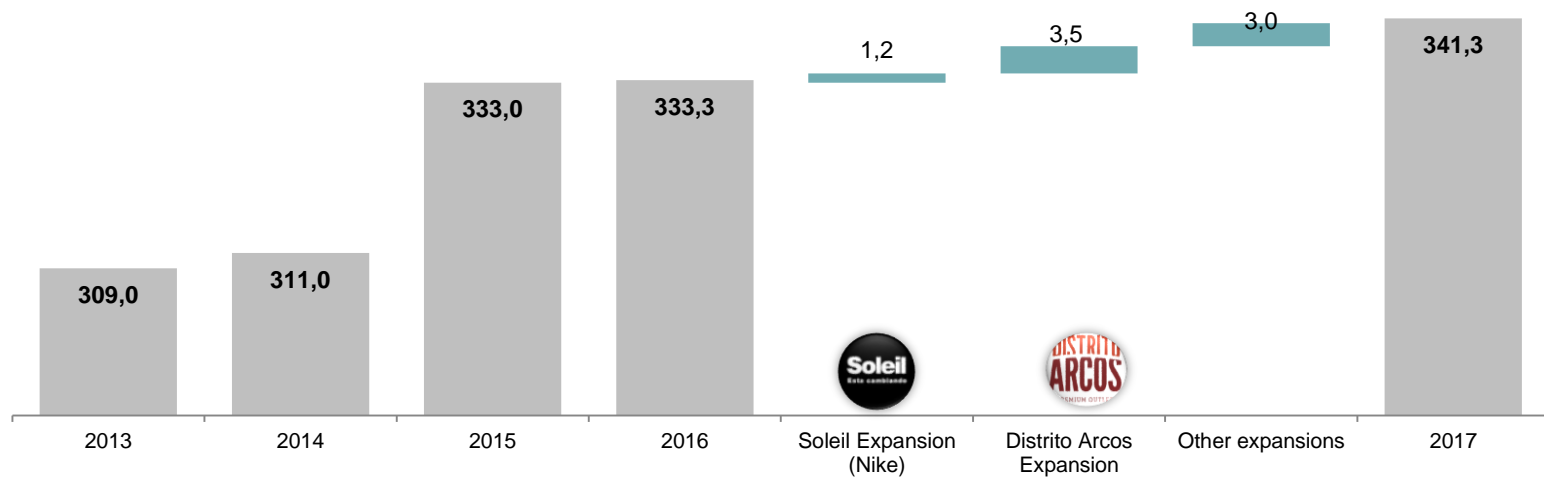
- Expanding Corporate North Area
- Business Center
- AAA Location
- Back Office Center
- Land reserve

Our premium locations act as an entry barrier for new competitors

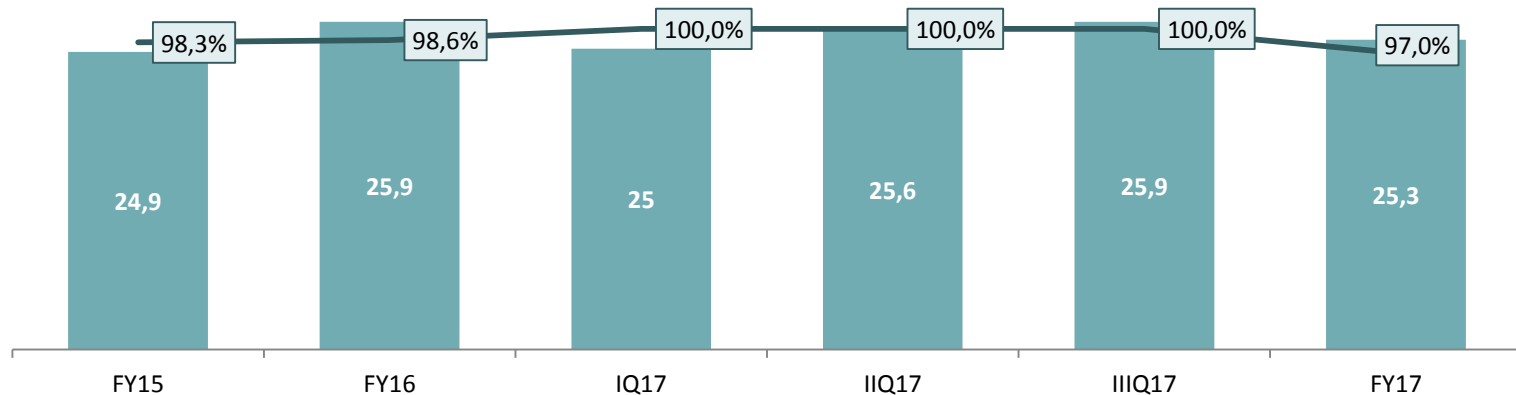
Shopping Malls – Annual Tenants' Sales & Occupancy %
(ARS Million)



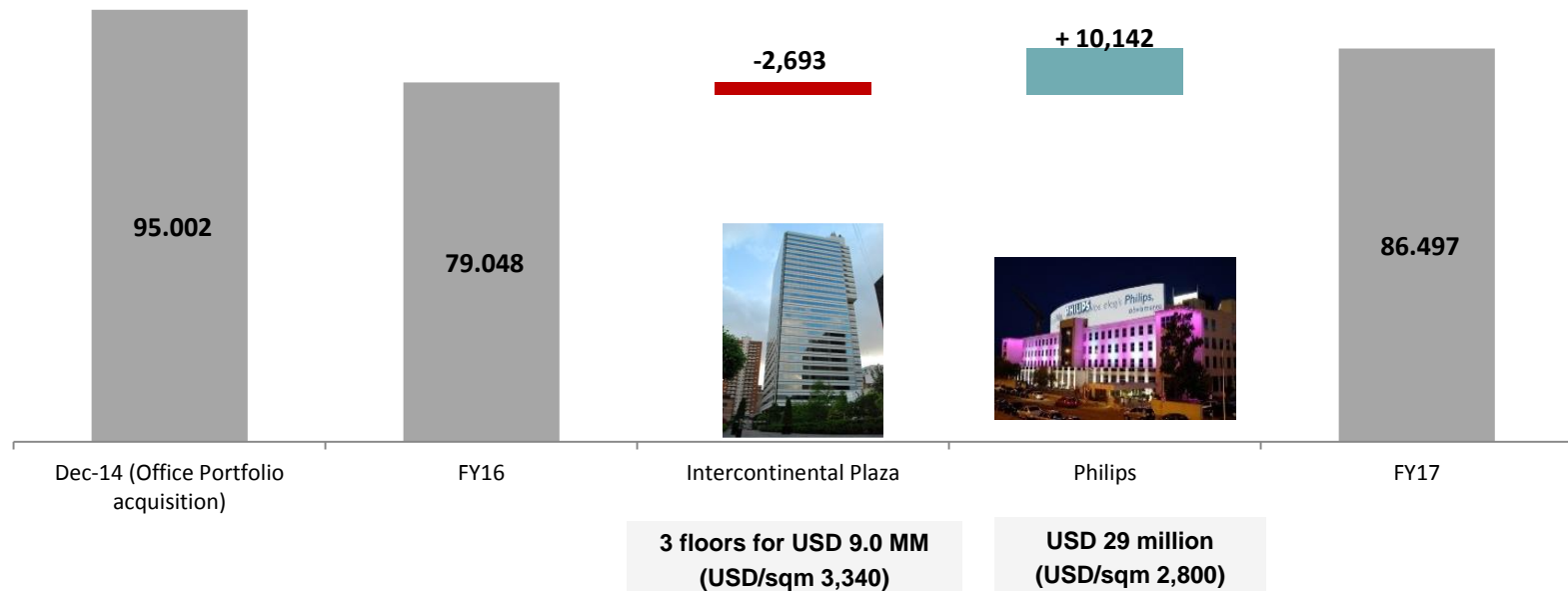
Shopping Centers – Portfolio Evolution
(GLA – Th. sqm)



Offices – Leases USD/sqm/mth & Occupancy



Offices – Stock (sqm)



Resilient revenue model

That has withstood historical inflation and currency depreciation

IRSA

COMMERCIAL
PROPERTIES

Shopping malls

Revenue from leases

In advance



Brokerage fee

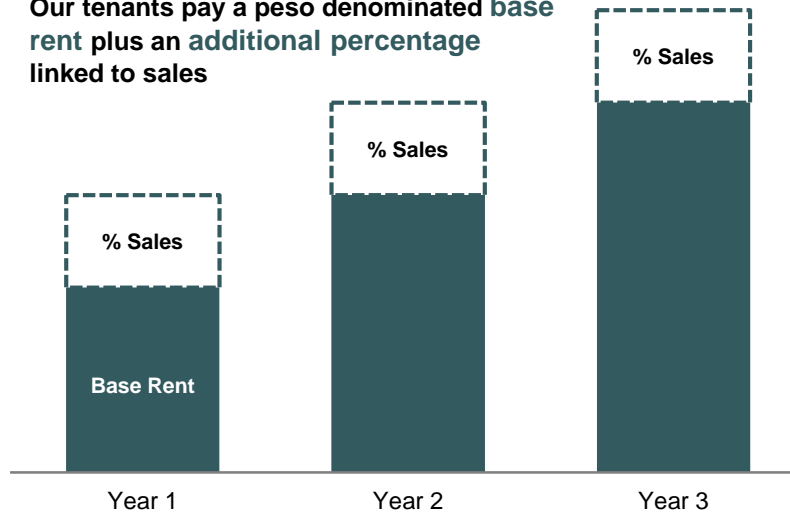
~5x monthly base rent



“Key money” admission rights

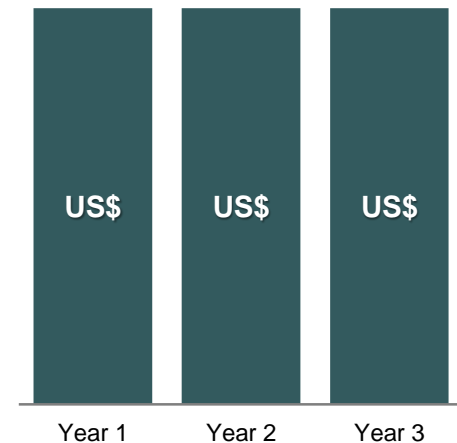
~8x monthly base rent

Our tenants pay a peso denominated base rent plus an additional percentage linked to sales



Office buildings

Revenues from leases



Other revenues

Shopping mall rent revenue breakdown¹

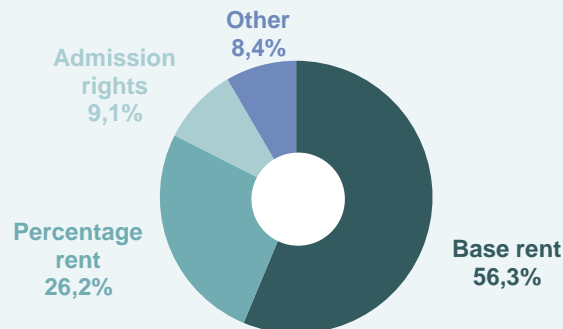
Non Traditional Advertising



Parking



Stands



- ✓ 3-year average term for office lease contracts
- ✓ US Dollar based
- ✓ Rental rates for renewed terms are negotiated at market

¹ As of March 31, 2017

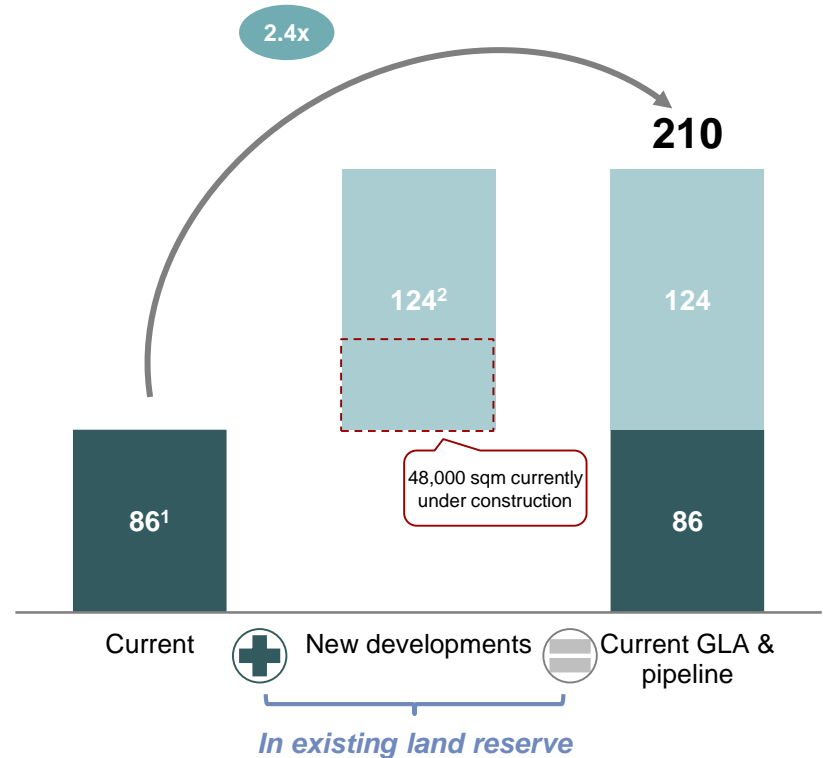
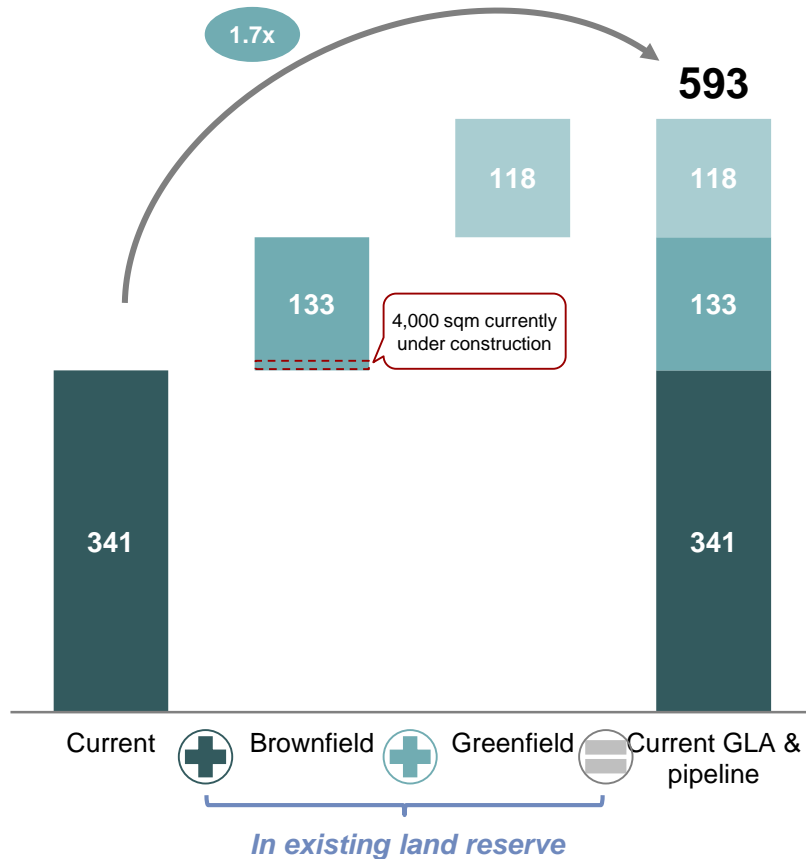
Our land reserve will allow us to significantly expand our property portfolio

IRSA

COMMERCIAL
PROPERTIES

We have a robust pipeline for shopping malls...

...as well as for premium office properties



Total potential investment: US\$1,000mm

¹ Includes acquisition of 10,000 sqm of Philips building on June 5, 2017

² Considers 106,400 sqm from offices as of March 2017 in addition to 18,000 sqm of additional potential GLA from recent Philips acquisition

Highest sales/sqm mall in the region

Shopping Alto Palermo



**City of
Buenos
Aires**
shopping mall

US\$28.5mm
estimated investment
FY2019
opening date

4,000
sqm GLA

Modern office building in the City

Catalinas Office Building



**City of
Buenos
Aires**
office

US\$45mm
estimated investment
FY2020
opening date

16,000
sqm GLA

Our current projects under development and recent acquisition

IRSA

COMMERCIAL
PROPERTIES



Top quality office project in the booming northern area



98,000 sqm¹

Total GLA

**2nd stage
POLO DOT**

**Polo Dot Office
Under development**

Dot Building

Dot Baires Mall

Property acquired

Polo Dot Phase 1



32,000

sqm GLA

FY2019

opening date

80%

owned by IRCP

US\$65mm

estimated investment

Philips Building – Recently acquired



10,000

sqm GLA

28,000

potential sqm GLA

Buenos Aires office

¹ Includes 32,000 sqm from Dot Phase 1; 38,000 sqm from Dot Phase 2; 10,000 current and 18,000 additional potential sqm from recently acquired Philips building

Attractive Development Pipeline...

Shopping San Martín ~ 35,000 sqm



Polo Dot: U Building + Mall Expansion



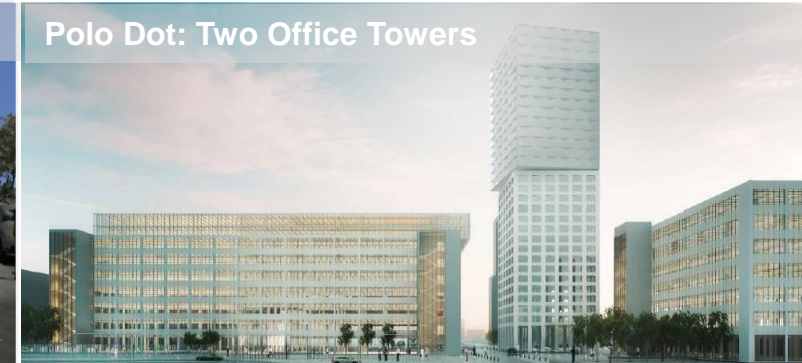
Shopping Tucumán ~ 10,000 sqm



Shopping Paraná ~ 5,000 sqm



Polo Dot: Two Office Towers



Shopping Caballito ~ 68,000 sqm



Intercontinental Plaza II ~ 20,000 sqm



**Current malls
Expansions**

133,000 sqm GLA



IRSA Main Landbank across Argentina

Santa María del Plata



Montevideo Project (Uruguay)



Puerto Retiro (BA)



La Adela (Lujan - BA)

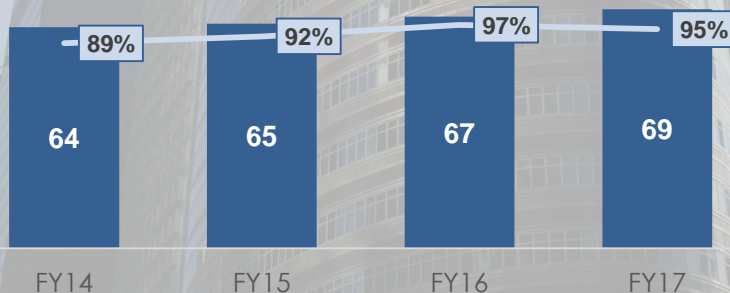


Argentina Business Center – International

Lisptick Building (49% stake)



Lipstick Operating Figures Leases USD/sqm & Occupancy



Condor Hospitality Trust (Nasdaq: CDOR) – 28.5% Voting Power



Strategy: Fly to quality - Selective hotel sales to achieve better margin & scale hotels

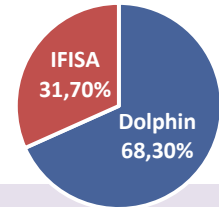
Relevant Events for FY17

- On March 2017, Condor issued **4.7 million new shares** at a price of **USD/share 10.5**.
- On May 2017, Condor **extended a revolving credit line** from USD 90 million to **USD 150 million**.
- Proceeds from those transactions will be used to **refinance short term debt** and **keep acquiring hotels** in the US following its **fly to quality strategy**.

IDB Development Corporation Ltd.

Main events - 2017

Ownership



Sale of Adama:

- DIC sold its 40% stake in Adama to Chemchina for USD 230 mm in excess of the total loan cancellation for USD 1.17 Bn
- Gain recognized at IRSA: ARS 4.2 billion

The signing of the Israil – Sun D’or transaction

- The signing of a transaction for the sale of Israil, within the framework of which a net amount of approximately \$42 – 45 million will be received in cash and 25% of the shares in Sun D’or (subject to crucial terms, including the approval of the Anti-Trust Authority).

Debt

- The raising of the rating, the strengthening of the liquidity, the continuation of the lowering of the yield on the bonds and the removal of the going concern clause and covenants
- Refinance of short term debt to 2019 at 5.40% fixed rate.

Dividends

- DIC paid dividends for the 1st time since 2014 for a total amount of NIS 694 million.

Clal Insurance:

- The continuation of the legal processes in the matter of the outline for the sale of the Company’s holdings in Clal Insurance.
- As of today, IDBD sold 10% of Clal Insurance through the execution of two swap transaction.

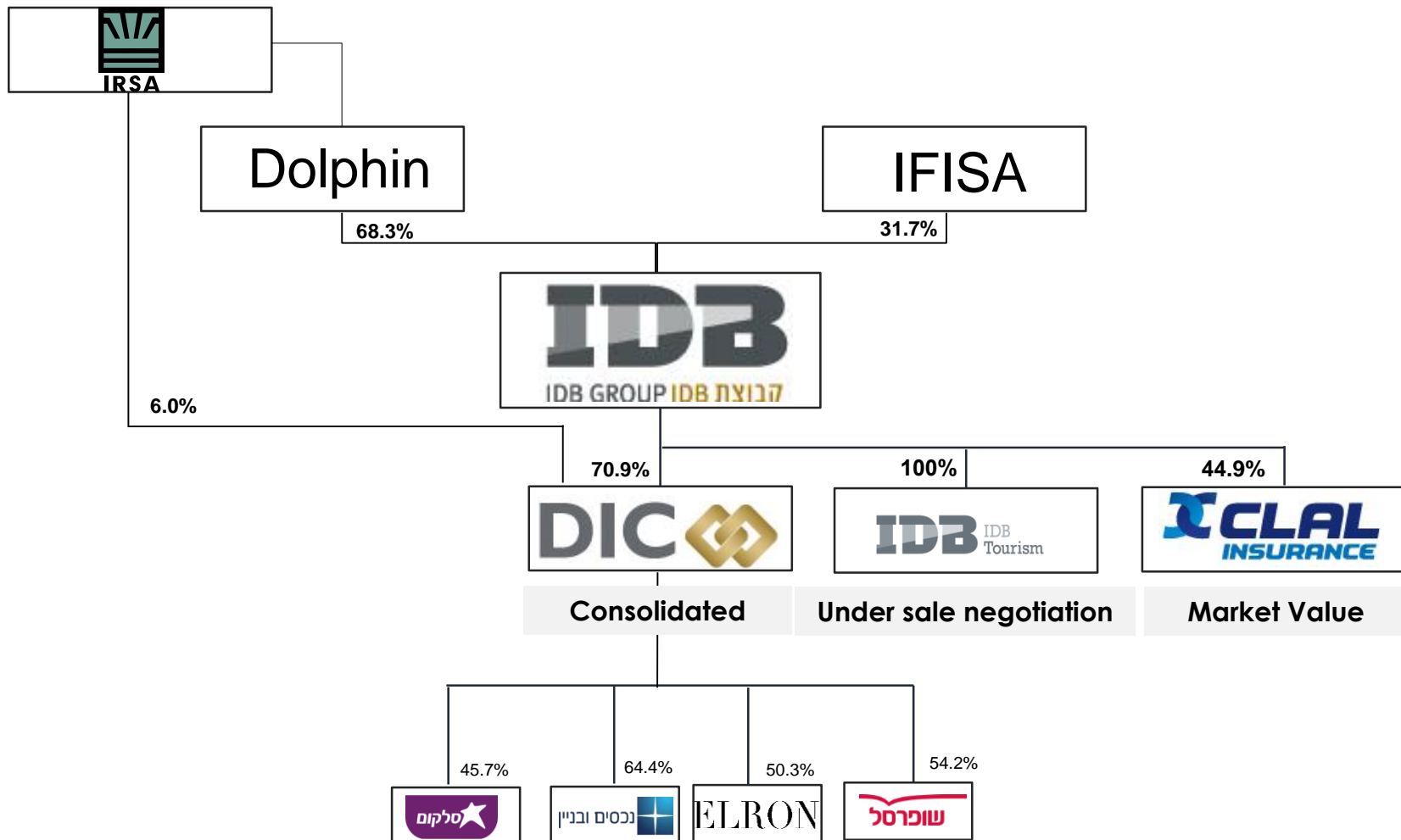
The Concentration Law:

- The law do not allow to have more than 3 layers of public companies (Eg: IDBD-DIC-PBC-Gav-Yam)
- The selected course of action involved the sale of all the shares of Discount Investment Corporation Ltd. (“DIC”) at a fair value to a special-purpose corporation incorporated in Israel, controlled by IRSA and financed through a loan with guarantee on DIC shares.
- On August 2017, Dolphin made a non binding offer to acquire all the stake of IDBD in DIC.
- The execution is subject to approval of IDBD and IRSA board of directors

Israel Business Center: Investment in IDBD

As of today:

- IRSA controls, through Dolphin, **68.3%** of IDBD
- IRSA owns **6.0%** of DIC (dilution from 8.8% stake as of March 31, 2017 due to exercise of warrants)

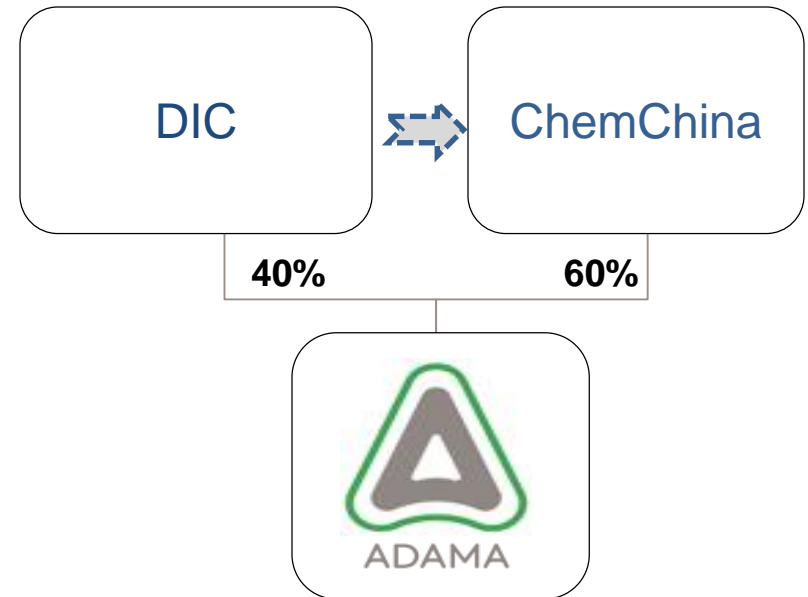


Israel Business Center: Sale of Agrochemical ADAMA

Transaction

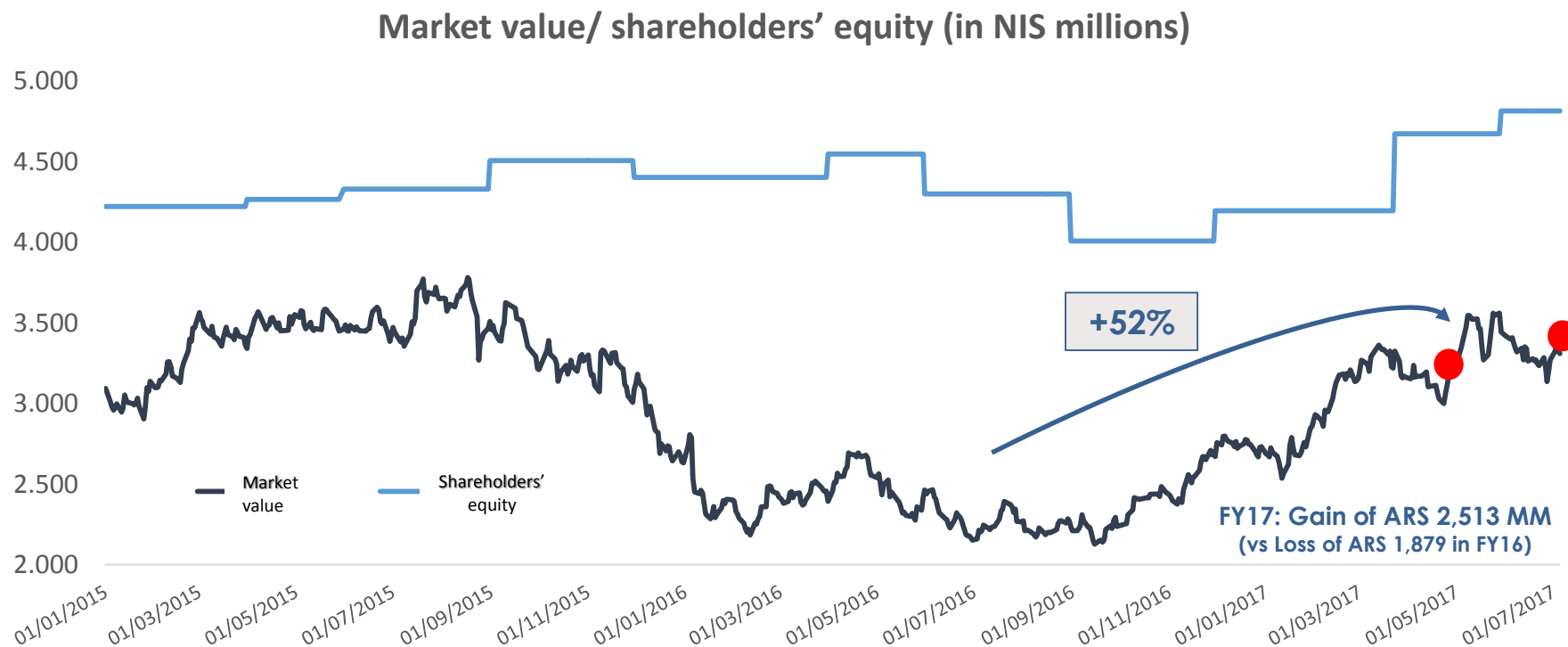
- **DIC sold its 40% stake in Adama to ChemChina**
- **Price: USD 230 million** in excess of the total loan cancelation for USD 1.17 billion
- Transaction completed on **November 2016**
- **DIC's net cash flow ~ NIS 800 millions**
- **Gain recognized: ARS 4,2 billion at IRSA level**

Ownership Structure



Israel Business Center: Clal' share price evolution

Clal Insurance

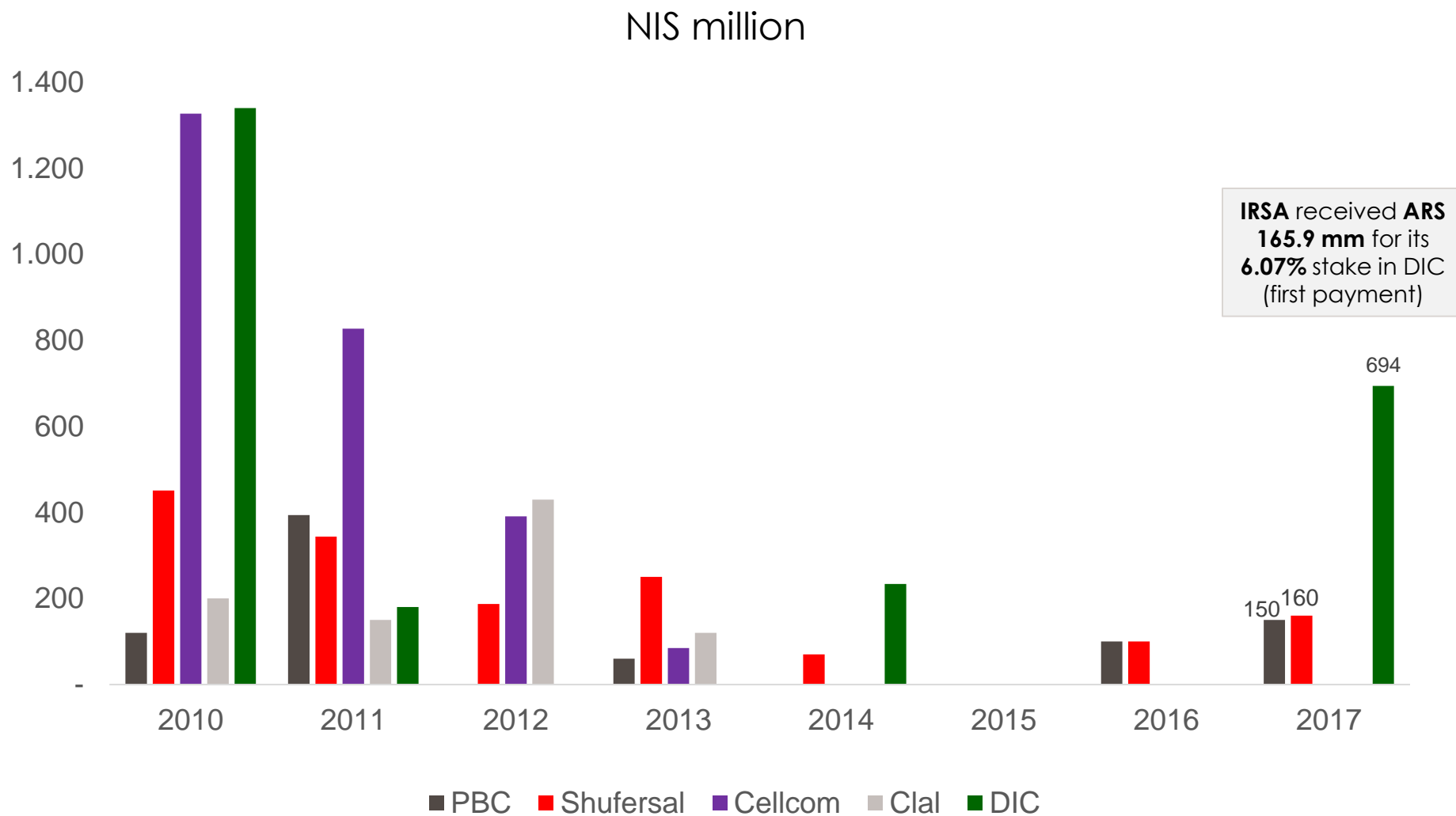


● Two sales of 5% stake each at market price through swap transactions with local banks

Subsequent event : Non-binding Offer for IDBD stake in CLAL

- IDBD has received a non-binding offer from Huabang Financial Holdings Limited (listed on the Hong Kong Stock Exchange) to acquire its entire stake in Clal.
- The amount to be paid will be the equivalent to Clal's equity as of the time of the transaction (currently ~ NIS 4.88 billion)
- The transaction is subject to certain conditions, including regulatory approvals.

Israel Business Center: Dividends' Payment

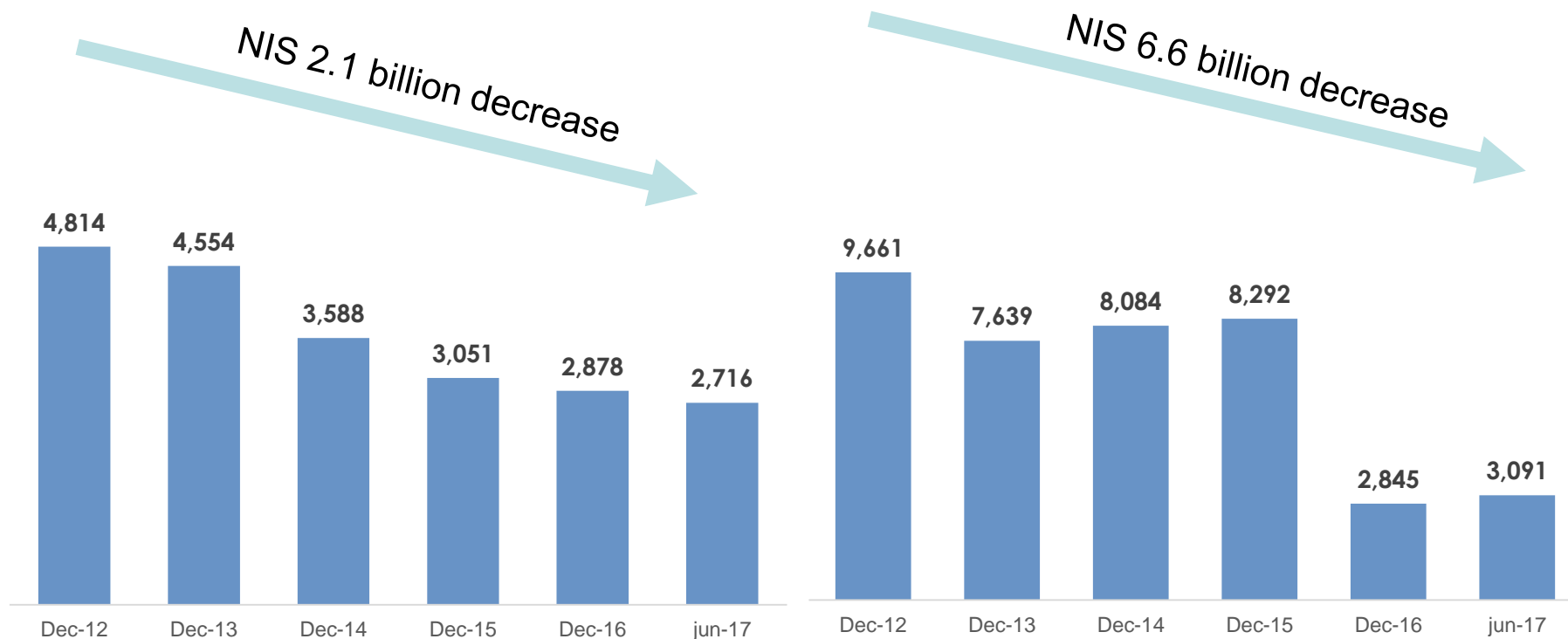


* In two payments (april-17 for a total amount of NIS 508 million and the balance will be paid on sep-17)

IDBD & DIC Net debt decrease (NIS million)

IDBD

DIC*



*Includes Adama non recourse loan

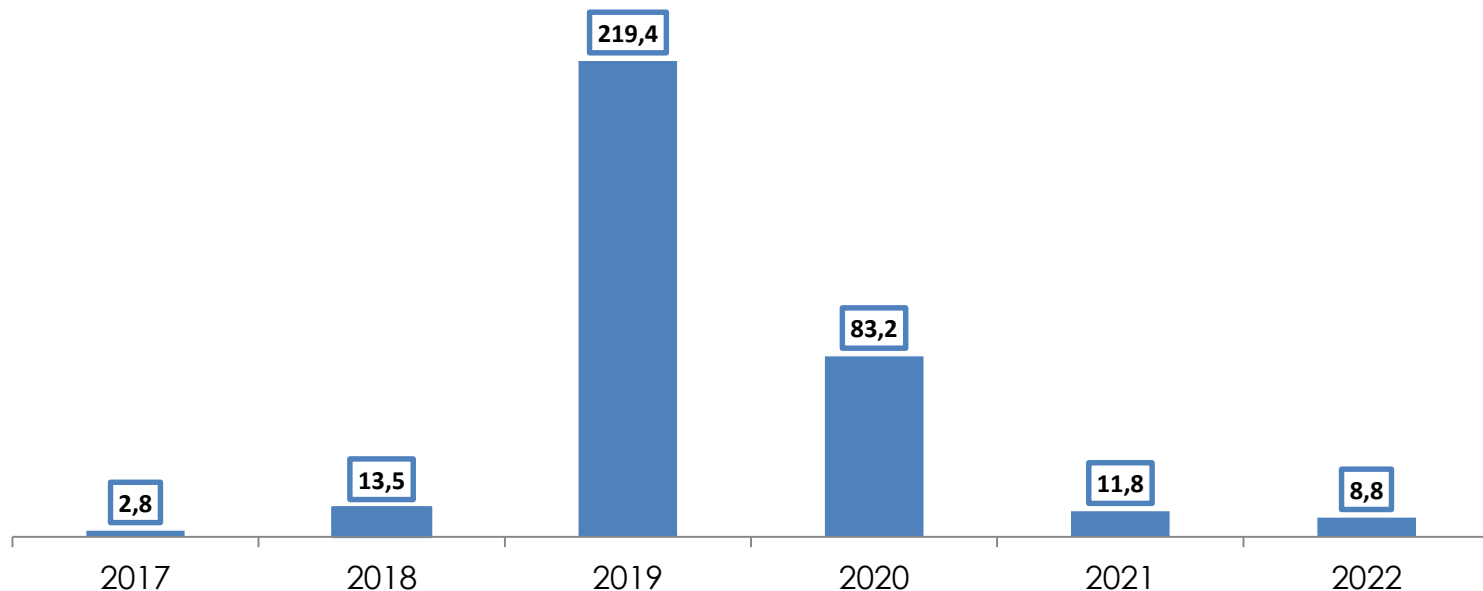
Companies' last issuances:

- **Gav-Yam (Sep-17): NIS 424 million at 2.55% fixed rate due 2034.**
- **IDBD (July-17) : NIS 642.1 million at 5.30% fixed rate due 2022**
- **PBC (Apr-17): NIS 446 million at 3.68% fixed rate due 2029**
- **Gav -Yam (Mar-17): NIS 430 million at 1.69% fixed rate due 2026**
- **DIC (Mar-17): NIS 555 million at 4.06% + CPI due 2025**
- **IDBD (Feb-17): NIS 1,060 million at 5.40% fixed rate due 2019**

Gross Debt: **USD 339.5 MM**

Net Debt: **USD 328.3 MM**

Debt Amortization schedule (USD million)



Thanks!

