

**Part of the Financial
Statements
translated from the
Hebrew original**

ADGAR INVESTMENTS AND DEVELOPMENT LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2018

UNAUDITED

ADGAR INVESTMENTS AND DEVELOPMENT LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2018

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Dear Sirs,

We have audited, in accordance with International Financial Reporting Standards, the condensed consolidated statements of financial position of **ADGAR INVESTMENTS AND DEVELOPMENT LIMITED** as at June 30, 2018 and the related consolidated statements of profit or loss, condensed consolidated statements of comprehensive income, changes in equity and cash flows for the three months then ended we expressed an unqualified opinion on those financial statements.

The accompanying financial statements are condensed consolidated financial statements and do not include the disclosures required by International Financial Reporting Standards. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the financial position, results of operations, and cash flows of the Company.

Tel-Aviv, Israel
August 22, 2018

KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	June 30		December 31
	2018	2017	2017
	Unaudited		Audited
	NIS in thousands		
CURRENT ASSETS			
Cash and cash equivalents	336,754	175,753	249,602
Short-term investments	15,259	28,631	13,047
Customers	16,420	16,203	20,239
Deposits	16,416	15,840	17,896
Debtors and receivables	24,544	13,053	17,495
Loans	4,089	44,398	5,466
Current taxes receivable	1,258	5,525	1,563
Derivatives	3,540	13,169	2,198
	418,280	312,572	327,506
NON-CURRENT ASSETS			
Deposit	85,505	79,970	85,903
Debtors	3,204	2,858	2,854
Derivatives	2,781	14,378	6,485
Fixed assets, net	12,933	13,451	12,976
Investment property	3,756,307	3,354,113	3,606,815
Investment property under construction	174,069	112,600	140,100
Intangible assets	621	503	605
Deferred taxes	924	1,351	1,218
	4,036,344	3,579,224	3,856,956
	4,454,624	3,891,796	4,184,462

The accompanying notes are an integral part of the interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	June 30		December 31
	2018	2017	2017
	Unaudited		Audited
NIS in thousands			
CURRENT LIABILITIES			
Credit from banking institutions and current maturities of long-term loans	144,241	114,559	123,107
Current maturities of bonds	184,350	100,391	100,185
Liabilities to suppliers and service providers	24,730	13,842	22,244
Taxes payable	749	381	609
Creditors and payables	99,660	69,613	82,969
Derivatives	14,219	13,786	13,210
	<u>467,949</u>	<u>312,572</u>	<u>342,324</u>
NON-CURRENT LIABILITIES			
Loans from banking institutions and other financial entities	1,412,003	1,229,466	1,344,131
Bonds	1,362,712	1,293,916	1,291,296
Derivatives	16,953	20,778	20,206
Employee benefit liabilities, net	210	210	210
Deferred taxes	146,508	140,852	143,163
	<u>2,938,386</u>	<u>2,685,222</u>	<u>2,799,006</u>
EQUITY			
Share capital	175,511	158,495	175,411
Share premium	367,331	275,450	366,706
Other reserves	(4,655)	(8,030)	(5,951)
Adjustments due to the translation of financial statements of activities abroad	(277,920)	(294,192)	(282,576)
Retained earnings	745,412	715,290	745,177
	<u>1,005,679</u>	<u>847,013</u>	<u>998,767</u>
Total equity attributed to the Company's shareholders	1,005,679	847,013	998,767
Non-controlling interests	42,610	46,989	44,365
	<u>1,048,289</u>	<u>894,002</u>	<u>1,043,132</u>
Total equity	<u>4,454,624</u>	<u>3,891,796</u>	<u>4,184,462</u>

The accompanying notes are an integral part of the interim consolidated financial statements.

August 22, 2018			
Date of approval of the financial statements	Doron Schneidman Chairman of the Board	Roy Gadish CEO	Liat Manor Finance Manager

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	For the six months ended June 30		For the three months ended June 30		For the year ended December 31
	2018	2017	2018	2017	2017
	Unaudited				Audited
	NIS in thousands [except for net earnings per share data]				
INCOME					
Income from rental of properties	119,807	108,691	60,356	55,280	225,051
Increase in value of investment property and investment property under construction, net	3,536	2,674	2,688	2,674	17,286
	<u>123,343</u>	<u>111,365</u>	<u>63,044</u>	<u>57,954</u>	<u>242,337</u>
EXPENSES					
Maintenance of assets, net	11,770	11,092	6,302	5,680	22,395
Administrative and general expenses	20,684	18,548	10,658	8,622	38,862
	<u>32,454</u>	<u>29,640</u>	<u>16,960</u>	<u>14,302</u>	<u>61,257</u>
Income before finance	<u>90,889</u>	<u>81,725</u>	<u>46,084</u>	<u>43,652</u>	<u>181,080</u>
Finance income	(2,936)	6,220	1,320	(1,021)	2,080
Finance expenses	(56,827)	(59,426)	(32,094)	(29,809)	(110,452)
Finance expenses, net	<u>(59,763)</u>	<u>(53,206)</u>	<u>(30,774)</u>	<u>(30,830)</u>	<u>(108,372)</u>
Income before capital loss	31,126	28,519	15,310	12,822	72,708
Capital loss	(19)	-	(19)	-	(76)
Income before taxes on income	31,107	28,519	15,291	12,822	72,632
Taxes on income (tax benefit)	9,505	(34,376)	4,616	4,098	(30,400)
Net income	<u>21,602</u>	<u>62,895</u>	<u>10,675</u>	<u>8,724</u>	<u>103,032</u>
Attributed to:					
Company shareholders	24,060	60,989	14,195	7,918	105,876
Non-controlling interests	(2,458)	1,906	(3,520)	806	(2,844)
	<u>21,602</u>	<u>62,895</u>	<u>10,675</u>	<u>8,724</u>	<u>103,032</u>
Earnings per share:					
Net earnings (losses) per share attributed to equity holders of the Company (in NIS)					
Basic and diluted net earnings (loss)	<u>0.18</u>	<u>0.53</u>	<u>0.11</u>	<u>0.07</u>	<u>0.92</u>

The accompanying notes are an integral part of the interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the six months ended June 30		For the three months ended June 30		For the year ended December 31 2017
	2018	2017	2018	2017	Audited
	Unaudited				
	NIS in thousands [except for net earnings per share data]				
Net income	21,602	62,895	10,675	8,724	103,032
Other comprehensive income (loss) (after the tax effect):					
Amounts that will not be reclassified subsequently to profit or loss:					
Revaluation in respect of fixed assets	-	-	-	-	1,381
Amounts that will be classified or reclassified to profit or loss when specific conditions are met:					
Other comprehensive income (loss) (after the tax effect):					
Profit (loss) in respect of cash flow hedging transactions, net	(1,661)	6,556	(2,401)	3,731	7,288
Transfer to profit or loss in respect of cash flow hedging transactions, net	1,951	-	-	-	-
Adjustment resulting from the translation of financial statements of activities abroad	5,500	(16,615)	(3,379)	4,120	(3,282)
Total amounts that will be or that have been reclassified to profit or loss	5,790	(10,059)	(5,780)	7,851	4,006
Total other comprehensive income (loss)	5,790	(10,059)	(5,780)	7,851	5,387
Total comprehensive income	27,392	52,836	4,895	16,575	108,419
Total comprehensive income (loss) attributed to:					
Company shareholders	29,168	50,044	9,832	13,928	108,258
Non-controlling interests	(1,776)	2,792	(4,937)	2,647	161
	27,392	52,836	4,895	16,575	108,419

The accompanying notes are an integral part of the interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributed to the Company's shareholders							Non controlling interests	Total equity
	Share capital	Share premium	Other reserves	Adjustments resulting from the translation of financial statements of activities abroad	Retained earnings	Total			
	Unaudited								
	NIS in thousands								
Balance as at January 1, 2018 (Audited)	175,411	366,706	(5,951)	(282,576)	745,177	998,767	44,365	1,043,132	
Net income	-	-	-	-	24,060	24,060	(2,458)	21,602	
Total other comprehensive income	-	-	452	4,656	-	5,108	682	5,790	
Total comprehensive income (loss)	-	-	452	4,656	24,060	29,168	(1,776)	27,392	
Share-based payment	-	-	970	-	-	970	21	991	
Realization of options to Company shares	100	625	(126)	-	-	599	-	599	
Dividend to Company shareholders	-	-	-	-	(23,825)	(23,825)	-	(23,825)	
Balance as at June 30, 2018	<u>175,511</u>	<u>367,331</u>	<u>(4,655)</u>	<u>(277,920)</u>	<u>745,412</u>	<u>1,005,679</u>	<u>42,610</u>	<u>1,048,289</u>	

The accompanying notes are an integral part of the interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributed to the Company's shareholders							Non controlling interests	Total equity
	Share capital	Share premium	Other reserves	Adjustments resulting from the translation of financial statements of activities abroad	Retained earnings	Total			
	Unaudited								
	NIS in thousands								
Balance as at January 1, 2017 (Audited)	158,495	275,450	(14,353)	(277,959)	654,301	795,934	44,175	840,109	
Net income	-	-	-	-	60,989	60,989	1,906	62,895	
Total other comprehensive income (loss)	-	-	5,288	(16,233)	-	(10,945)	886	(10,059)	
Total comprehensive income (loss)	-	-	5,288	(16,233)	60,989	50,044	2,792	52,836	
Share-based payment	-	-	1,035	-	-	1,035	22	1,057	
Balance as at June 30, 2017	<u>158,495</u>	<u>275,450</u>	<u>(8,030)</u>	<u>(294,192)</u>	<u>715,290</u>	<u>847,013</u>	<u>46,989</u>	<u>894,002</u>	

The accompanying notes are an integral part of the interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributed to the Company's shareholders							Non controlling interests	Total equity
	Share capital	Share premium	Other reserves	Adjustments resulting from the translation of financial statements of activities abroad	Retained earnings	Total			
	Unaudited								
	NIS in thousands								
Balance as at April 1, 2018	175,411	366,706	(3,251)	(275,556)	739,342	1,002,652	47,531	1,050,183	
Net income	-	-	-	-	14,195	14,195	(3,520)	10,675	
Total other comprehensive loss	-	-	(1,999)	(2,364)	-	(4,363)	(1,417)	(5,780)	
Total comprehensive income (loss)			(1,999)	(2,364)	14,195	9,832	(4,937)	4,895	
Share-based payment	-	-	721	-	-	721	16	737	
Realization of options to Company shares	100	625	(126)	-	-	599	-	599	
Dividend to Company shareholders	-	-	-	-	(8,125)	(8,125)	-	(8,125)	
Balance as at June 30, 2018	<u>175,511</u>	<u>367,331</u>	<u>(4,655)</u>	<u>(277,920)</u>	<u>745,412</u>	<u>1,005,679</u>	<u>42,610</u>	<u>1,048,289</u>	

The accompanying notes are an integral part of the interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributed to the Company's shareholders							Non controlling interests	Total equity
	Share capital	Share premium	Other reserves	Adjustments resulting from the translation of financial statements of activities abroad	Retained earnings	Total			
Unaudited									
NIS in thousands									
Balance as at April 1, 2017	158,495	275,450	(11,410)	(297,145)	707,372	832,762	44,336	877,098	
Net income	-	-	-	-	7,918	7,918	806	8,724	
Total other comprehensive income	-	-	3,057	2,953	-	6,010	1,841	7,851	
Total comprehensive income	-	-	3,057	2,953	7,918	13,928	2,647	16,575	
Share-based payment	-	-	323	-	-	323	6	329	
Balance as at June 30, 2017	<u>158,495</u>	<u>275,450</u>	<u>(8,030)</u>	<u>(294,192)</u>	<u>715,290</u>	<u>847,013</u>	<u>46,989</u>	<u>894,002</u>	

The accompanying notes are an integral part of the interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributed to the Company's shareholders					Total	Non controlling interests	Total equity
	Share capital	Share premium	Other reserves	Adjustments resulting from the translation of financial statements of activities abroad	Retained earnings			
	Unaudited							
	NIS in thousands							
Balance as at January 1, 2017 (Audited)	158,495	275,450	(14,353)	(277,959)	654,301	795,934	44,175	840,109
Net income	-	-	-	-	105,876	105,876	(2,844)	103,032
Other comprehensive income (loss)	-	-	6,999	(4,617)	-	2,382	3,005	5,387
Total comprehensive income (loss)	-	-	6,999	(4,617)	105,876	108,258	161	108,419
Issue of share capital	16,916	91,256	-	-	-	108,172	-	108,172
Cost of share-based payment	-	-	1,403	-	-	1,403	29	1,432
Dividend to Company's shareholder	-	-	-	-	(15,000)	(15,000)	-	(15,000)
Balance as at December 31, 2017 (Audited)	<u>175,411</u>	<u>366,706</u>	<u>(5,951)</u>	<u>(282,576)</u>	<u>745,177</u>	<u>998,767</u>	<u>44,365</u>	<u>1,043,132</u>

The accompanying notes are an integral part of the interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the six months ended June 30		For the three months ended June 30		For the year ended December 31
	2018	2017	2018	2017	2017
	Unaudited				Audited
	NIS in thousands [except for net earnings per share data]				
CASH FLOWS FROM CURRENT ACTIVITIES					
Net income	21,602	62,895	10,675	8,724	103,032
Adjustments needed to present cash flows from current activities:					
Adjustments to the profit or loss items:					
Increase in value of investment property and investment property under construction, net	(3,536)	(2,674)	(2,688)	(2,674)	(17,286)
Finance expenses, net	59,763	53,206	30,774	30,830	108,372
Capital loss	19	-	19	-	76
Depreciation and amortization	3,323	3,200	1,635	1,603	6,200
Taxes on income (tax benefit)	9,505	(34,376)	4,616	4,098	(30,400)
Cost of share-based payment	991	1,057	737	329	1,432
	70,065	20,413	35,093	34,186	68,394
Changes in asset and liability items:					
Decrease (increase) in customers	4,123	1,613	4,416	1,421	(2,025)
Decrease (increase) in debtors and receivables	(3,939)	(3,647)	2,076	(507)	(7,722)
Increase (decrease) in liabilities to suppliers and service providers	(382)	(7,090)	2,250	783	(5,227)
Increase (decrease) in creditors and payables	(2,775)	3,034	390	(6,685)	10,289
	(2,973)	(6,090)	9,132	(4,988)	(4,685)
Cash paid and received during the year for:					
Interest paid	(52,673)	(51,330)	(12,069)	(11,280)	(104,264)
Interest received	1,341	1,044	723	346	2,372
Dividend received	21	160	16	131	198
Taxes paid	(3,436)	(2,662)	(2,950)	(1,086)	(5,585)
	(54,747)	(52,788)	(14,280)	(11,889)	(107,279)
Net cash provided by current activities	33,947	24,430	40,620	26,033	59,462

The accompanying notes are an integral part of the interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the six months ended June 30		For the three months ended June 30		For the year ended December 31
	2018	2017	2018	2017	2017
	Unaudited				Audited
	NIS in thousands				
CASH FLOWS FROM					
INVESTMENT ACTIVITIES:					
(Settlement) investment in deposits, net	2,779	(37,550)	407	(30,820)	(42,592)
Acquisition of short term investments	(11,808)	(5,377)	(8,270)	(4,221)	(9,100)
Sale of short term investments	9,246	4,020	3,952	2,708	23,649
Payment from the sale of hedge transactions	(3,859)	(1,292)	(2,391)	(1,292)	(4,346)
Proceeds in respect of settlement of hedge transactions	760	7,053	293	5,486	4,330
Acquisition and investment of investment property	(110,223)	(45,274)	(81,663)	(25,239)	(201,739)
Investment of investment property under construction	(27,674)	(18,810)	(13,188)	(10,909)	(40,963)
Acquisition of fixed assets	(549)	(578)	(479)	(229)	(1,084)
Proceeds from realization of fixed assets	122	-	122	-	260
Capitalization of interest paid for investment property under construction	(3,250)	(1,955)	(2,044)	(1,130)	(4,062)
Acquisition of intangible assets	(54)	(15)	(54)	(4)	(152)
Maturity (grant) of loan to partners in assets in Canada and others, net	953	(3,989)	681	(2,287)	37,385
Net cash used in investment activities	(143,557)	(103,767)	(102,634)	(67,937)	(238,414)
CASH FLOWS FROM					
FINANCE ACTIVITIES					
Settlement of short term credit from banking institutions, net	-	(764)	-	-	(764)
Receipt of long term loans	100,241	58,631	28,907	34,404	168,631
Settlement of long-term loans	(27,623)	(246,293)	(15,169)	(11,178)	(273,998)
Dividend paid to Company shareholders	(23,825)	(15,000)	(8,125)	-	(30,000)
Issue of capital shares	-	-	-	-	108,172
Realization of options to shares	599	-	599	-	-
Proceeds (settlement) of CPI hedging transactions and interest rate fixation	(2,331)	(2,260)	270	-	(8,358)
Settlement of bonds	(66,447)	(120,280)	-	(54,032)	(120,280)
Issue of bonds net issue expenses	216,943	346,874	36,130	-	346,874
Net cash provided by (used in) finance activities	197,557	20,908	42,612	(30,806)	190,277
Translation differences in respect of cash balances in units held abroad	(795)	109	(1,468)	1,618	4,204
Increase (decrease) in cash and cash equivalents	87,152	(58,320)	(20,870)	(71,092)	15,529
Balance of cash and cash equivalents as at the beginning of the period	249,602	234,073	357,624	246,845	234,073
Balance of cash and cash equivalents as at the end of the period	336,754	175,753	336,754	175,753	249,602

The accompanying notes are an integral part of the interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the six months ended June 30		For the three months ended June 30		For the year ended December 31
	2018	2017	2018	2017	2017
	Unaudited				Audited
	NIS in thousands				
(a) Significant activities not involving cash flows					
Acquisition of investment property and investment property under construction against creditors, suppliers and service providers	<u>57,981</u>	<u>30,326</u>	<u>57,981</u>	<u>30,326</u>	<u>38,118</u>

The accompanying notes are an integral part of the interim consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4:- SEGMENTS OF ACTIVITYa. General

1. The Group operates in the income generating real estate market. Its main activity is holding income-producing properties, mainly for use as office premises. The Group has income-producing properties abroad (Belgium, Canada and Poland) that are held through companies registered abroad, as well as income-producing properties in Israel.
2. All the income and expenses are attributed directly to segments of activity since the Company's management examines its activities based on these segments.

b. Report regarding segments of activity

	For the period of six months ended as at June 30, 2018				
	<u>Israel</u>	<u>Belgium</u>	<u>Poland</u>	<u>Canada</u>	<u>Total</u>
	Unaudited				
	NIS in thousands				
Income:					
Income from leasing of properties before amortization	36,608	7,364	36,773	41,791	122,536
Deduction of deferred incentives to lessees	(80)	-	(289)	(2,360)	(2,729)
Increase (decrease) in value of investment property and investment property under construction, net	-	-	(22,311)	25,847	3,536
Total income	<u>36,528</u>	<u>7,364</u>	<u>14,173</u>	<u>65,278</u>	<u>123,343</u>
Segment results	<u>24,660</u>	<u>6,225</u>	<u>4,722</u>	<u>55,282</u>	90,889
Finance income					(2,936)
Finance expenses					<u>(56,827)</u>
Net finance expenses					<u>(59,763)</u>
Income before capital loss					31,126
Capital loss					<u>(19)</u>
Income before taxes on income					<u>31,107</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4:- SEGMENTS OF ACTIVITY

b. Report regarding segments of activity (Cont.)

	For the period of six months ended as at June 30, 2017				
	<u>Israel</u>	<u>Belgium</u>	<u>Poland</u>	<u>Canada</u>	<u>Total</u>
	Unaudited				
	NIS in thousands				
Income:					
Income from leasing of properties before amortization	34,949	6,336	32,260	37,803	111,348
Deduction of deferred incentives to lessees	(83)	-	(333)	(2,241)	(2,657)
Increase (decrease) in value of investment property and investment property under construction, net	<u>3,621</u>	<u>-</u>	<u>(686)</u>	<u>(261)</u>	<u>2,674</u>
Total income	<u>38,487</u>	<u>6,336</u>	<u>31,241</u>	<u>35,301</u>	<u>111,365</u>
Segment results	<u>27,153</u>	<u>4,997</u>	<u>23,064</u>	<u>26,511</u>	81,725
Finance income					6,220
Finance expenses					<u>(59,426)</u>
Net finance expenses					<u>(53,206)</u>
Income before taxes on income					<u>28,519</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4:- SEGMENTS OF ACTIVITY (Cont.)

b. Report regarding segments of activity (Cont.)

	For the period of three months ended as at June 30, 2018				
	<u>Israel</u>	<u>Belgium</u>	<u>Poland</u>	<u>Canada</u>	<u>Total</u>
	<u>Unaudited</u>				
	<u>NIS in thousands</u>				
Income:					
Income from leasing of properties before amortization	18,300	3,688	18,692	21,086	61,766
Deduction of deferred incentives to lessees	(46)	-	(140)	(1,224)	(1,410)
Increase (decrease) in value of investment property and investment property under construction, net	-		(23,159)	25,847	2,688
Total income	<u>18,254</u>	<u>3,688</u>	<u>(4,607)</u>	<u>45,709</u>	<u>63,044</u>
Segment results	<u>12,384</u>	<u>2,951</u>	<u>(9,256)</u>	<u>40,005</u>	46,084
Finance income					1,320
Finance expenses					<u>(32,094)</u>
Net finance expenses					<u>(30,774)</u>
Income before capital loss					15,310
Capital loss					<u>(19)</u>
Income before taxes on income					<u>15,291</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4:- SEGMENTS OF ACTIVITY (Cont.)

b. Report regarding segments of activity (Cont.)

	For the period of three months ended as at June 30, 2017				
	Israel	Belgium	Poland	Canada	Total
	Unaudited				
	NIS in thousands				
Income:					
Income from leasing of properties before amortization	18,192	3,192	15,972	19,262	56,618
Deduction of deferred incentives to lessees	(39)	-	(163)	(1,136)	(1,338)
Increase (decrease) in value of investment property and investment property under construction, net	3,621	-	(686)	(261)	2,674
Total income	<u>21,774</u>	<u>3,192</u>	<u>15,123</u>	<u>17,865</u>	<u>57,954</u>
Segment results	<u>16,358</u>	<u>2,386</u>	<u>11,118</u>	<u>13,790</u>	43,652
Finance income					(1,021)
Finance expenses					<u>(29,809)</u>
Net finance expenses					<u>(30,830)</u>
Income before taxes on income					<u>12,822</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4:- SEGMENTS OF ACTIVITY (Cont.)

b. Report regarding segments of activity (Cont.)

	Year ended as at December 31, 2017				
	<u>Israel</u>	<u>Belgium</u>	<u>Poland</u>	<u>Canada</u>	<u>Total</u>
	Audited				
	NIS in thousands				
Income:					
Income from leasing of properties before amortization	69,923	13,315	68,277	78,591	230,106
Deduction of deferred incentives to lessees	(161)	-	(650)	(4,244)	(5,055)
Increase (decrease) in value of investment property and investment property under construction, net	12,138	(3,561)	(36,779)	45,488	17,286
Total income	<u>81,900</u>	<u>9,754</u>	<u>30,848</u>	<u>119,835</u>	<u>242,337</u>
Segment results	<u>60,466</u>	<u>7,379</u>	<u>12,758</u>	<u>100,477</u>	<u>181,080</u>
Finance income					2,080
Finance expenses					(110,452)
Net finance expenses					(108,372)
Income before capital loss					72,708
Capital loss					(76)
Income before taxes on income					<u>72,632</u>
