

## **IDB Publishes Its Q2 2018 Results**

**The Company's net debt as at August 22, 2018 amounted to NIS 2,388 million  
Net asset value (NAV) as at August 22, 2018 amounted to approximately NIS 594  
million**

**The LTV ratio decreased after the balance sheet date, and amounted to  
approximately 80% as at August 22, 2018, as compared with approximately 91%  
as at March 31, 2018**

**Loss in the second quarter of the year, in the amount of NIS 174 million, was  
partially due to the adjustment to the price of Clal stock in the amount of NIS  
375 million, the adjustment to the fair value of the debenture which was issued  
to Dolphin in the amount of NIS 82 million, and the adjustment to the value of  
the Tivoli project in the amount of NIS 40 million, after offsetting income from  
the adjustment to the value of subordinated debt in the amount of NIS 427  
million.**

**In August, the rating company S&P Maalot announced the ratification of the  
Company's rating as BBB-, stable outlook.**

### **Main points**

- The Company's net debt proximate to the publication date amounted to approximately NIS 2.4 billion, similarly to March 31, 2018.
- The average lifetime of liabilities as at June 2018 amounted to 3.0 years, similarly to the corresponding quarter last year. The average lifetime was extended due to current repayments, mostly with respect to Series 7 and 10, and the other hand, was offset due to the issuance of debentures (Series 14) during the comparison period.

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- The Company currently has significant liquid balances at a scope of approximately NIS 983 million, of which NIS 464 million are unrestricted. These balances suffice to fully service the Company's liabilities until October 2019 without debt refinancing, dividends from subsidiaries and sale of assets.
- The Company's LTV ratio as at August 22, 2018 amounted to approximately 80% (based on the market value of the collateral to secure the debenture), as compared with approximately 91% as at March 31, 2018.
- After the balance sheet date, the Company announced a partial prepayment of debentures (Series 13), in the amount of approximately NIS 130 million (the redeemed part), and in the total amount of NIS 136 million with respect to principal, interest and compensation for the redeemed part.
- After the balance sheet date, the rating company S&P Maalot ratified a credit rating of BBB-, stable outlook. The rating company stated that the Company has sufficient sources to service its liabilities at least until November 2019.
- IDB Development's net asset value (NAV) as at August 22, 2018 amounted to NIS 594 million, as compared with NIS 235 million as at June 30, 2017. The difference was mostly due to the increase in the market value of Clal Insurance.
- In August, the Company was instructed by the Commissioner to sell an additional 5% of its stake in Clal shares.
- In June, the Company announced the cancellation of the agreement involving the acquisition of Israil by Sun D'Or. Further to this notice, in August a contractual agreement was signed with an external banking entity, in connection with managing the process of finding a buyer for Israil, and selling it.

IDB's net asset value (NAV) (based on the market value of its marketable investments, the market value of the collateral to secure the debenture, and the book value, as at August 22, 2018, of its non-marketable investments) proximate to the approval date of the financial statements is approximately NIS 594 million.

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<b>Company name</b>	<b>Stake</b>	<b>Market value as at August 22, 2018</b>	<b>Value of stake NIS millions</b>
<b>Seller's loan to Dolphin Israel* at market value</b>	100%	1,268	1,268
<b>Clal Insurance Enterprises Holdings</b>	35%	3,501	1,219
<b>IDB Tourism</b>			179
<b>IDBG</b>			204
<b>Others</b>			112
<b>Total assets</b>			<b>2,982</b>
<b>Net financial debt as at August 22, 2018</b>			<b>(2,388)</b>
<b>NAV</b>			<b>594</b>
<b>LTV</b>			<b>80%</b>

\* According to the value of DIC shares which serve to secure the debenture. The par value of the debenture, plus accrued interest, amounted to approximately NIS 1.86 billion.

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