



## **Gazit Brazil, a wholly owned subsidiary of Gazit-Globe, has completed raising debt of NIS 405 million in Brazil**

**This is Gazit's first debt raising in the Brazilian market through a private offering to local institutional investors**

Tel-Aviv, May 18, 2021 - Gazit-Globe (TASE: GZT) ("the Company"), a leading global real estate company focused on the ownership, development, and management of mixed-use income producing real estate for a variety of uses including commercial, offices and residential in highly populated urban areas in key cities, announces today that it has completed its first debt capital raise in Brazil in local currency through a private offering to Brazilian institutional investors, in which it raised BRL 650 million (NIS 405 million).

On February 2, 2021, the Company reported that it had filed with the securities and exchange commission in Brazil a draft public prospectus for an IPO on the Sao Paolo Stock Exchange for participation units in Gazit Malls FII, a Brazilian REIT that is wholly owned by the Company. The Company has now completed its targeted debt capital raise (in the local currency) of BRL 650 million (NIS 405 million). The debt is secured by a lien on receivables from the assets owned by Gazit Malls FII, and have customary financial covenants<sup>1</sup>.

The offering generated strong demand among Brazilian institutional investors and closed with a spread of 170 basis points over Brazilian government bonds, at an interest rate of 5.89% linked to the Brazilian index (IPCA) with a duration of 9.4 years.

The debt capital raise was led by BTG Pactual, one of the leading investment banks in Brazil and South America.

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<sup>1</sup> For additional information concerning the collateral, see the Company's immediate report filled today.



**Adi Jemini, Executive Vice President and CFO of Gazit-Globe:** “This process was an important milestone in advancing Gazit’s ability to diversify and expand our capital raising activity, while also reducing our effective cost of debt. It also serves to align our sources of debt financing with our assets in the local markets, which in-turn serves as a natural hedge on our exposure to the local currency. We are glad to have demonstrated access to the Brazilian capital markets and will continue to assess opportunities for raising debt and equity capital in this market going forward.”

**Mia Stark, CEO of Gazit Brazil:** “This process is an important first step in the implementation of our recently announced capital raising and value enhancing strategy in Brazil. Our high-quality property portfolio in Sao Paolo, the largest commercial city in South America, together with our talented, respected and experienced management team are what facilitated the success of the debt capital raise that has been completed. The completion of the debt capital raise marks the first necessary step in our planned equity offering on the Sao Paolo stock exchange in the coming months and opens up the opportunity for further access in the debt capital markets.”

\*The BRL / NIS exchange rate used for convenience conversion is 0.62.

### **About Gazit Globe**

**Gazit Globe is a leading global real estate company focused on the ownership, development, and management of mixed-use income producing real estate for a variety of uses including commercial, offices and residential in highly populated urban areas in key cities. As of September 30, 2020, the Group held and managed 104 properties covering a built-up area for lease of 2.5 million sq. m with a value of NIS 38 billion.**

Additional information available on the Company's website: [www.gazitglobe.com](http://www.gazitglobe.com)

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