



GREAT THINGS HAPPEN WHEN
YOU **OWN** GREAT REAL ESTATE

INVESTOR PRESENTATION

MARCH 2019

LOC**A**TION
LOC**A**TION
LOC**A**TION.



RISHON LEZION | G - CITY



MANHATTAN | NEW YORK



G | KFAR SABA



INTERNACIONAL SHOPPING I SÃO PAULO



TEL AVIV | G - TZAMERET



SÃO PAULO | SHOPPING LIGHT



BRICKELL GATEWAY I MIAMI I FL



CEASAR'S BAY I BROOKLYN I NEW YORK





DISCLAIMER

This presentation may include forward-looking statements, including forecasts, evaluations, pro forma figures, estimates and other information relating to future events and issues. Forward-looking statements may relate to, among other things, revenues, earnings, cash flows, capital expenditures and other financial items. Forward-looking statements may also relate to our business strategy, goals and expectations concerning our market position, future operations, profitability, liquidity and capital resources. All statements other than statements of historical facts are forward-looking statements and can be identified by the use of forward-looking terminology such as the words "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will" and similar terms and phrases.

Any forward-looking information contained in this presentation is based, in addition to existing information of the company, on present company expectations and evaluations regarding future developments and trends and on the interaction of such developments and trends. Although we believe the assumptions upon which any forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. Our business and operations involve risks and uncertainties, many of which are outside our control, and any one of which, or a combination of which, could materially affect our results of operations and whether the forward-looking statements ultimately prove to be correct. Forward-looking statements are based on current expectations and are not guarantees of future performance.

Actual results and trends in the future may differ materially from those suggested or implied by any forward-looking statements in this presentation depending on a variety of factors including those described in greater detail in our Periodical and Annual Reports, Registration Statement on Form F-1, Registration Statement on Form F-3, Annual Report on Form 20-F and in other information we file and furnish including, but not limited to, with the Israel Securities Authority, the U.S. Securities and Exchange Commission, and the Canadian Securities Administrators, including under the heading "Risk Factors."

All written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the previous statements. Except for any obligations to disclose information as required by applicable securities laws, we undertake no obligation to update any information contained in this presentation or to publicly release the results of any revisions to any statements that may be made to reflect events or circumstances that occur, or that we become aware of, after the date of this presentation.

The information contained herein does not constitute a prospectus or other offering document, nor does it constitute or form part of any invitation or offer to sell, or any solicitation of any invitation or offer to purchase or subscribe for, any securities of Gazit-Globe Ltd. or any other entity, nor shall the information or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any action, contract, commitment or relating thereto or to the securities of Gazit-Globe Ltd.



ABOUT US | GAZITGLOBE

GLOBAL REAL ESTATE COMPANY FOCUSED ON THE OWNERSHIP, MANAGEMENT, AND DEVELOPMENT OF HIGH-QUALITY, IRREPLACEABLE, NECESSITY DRIVEN RETAIL AND MIXED USE PROPERTIES IN MAJOR URBAN MARKETS

101
PROPERTIES



2.5
MILLION SQM
of GLA (26.9 million Sqf.)⁽²⁾

WITH A TOTAL OF

38.6 B NIS

ASSETS VALUE OF NIS 38.6 BILLION



= 10.5 B USD

LARGEST SHAREHOLDER IN
FIRST CAPITAL REALTY INC.

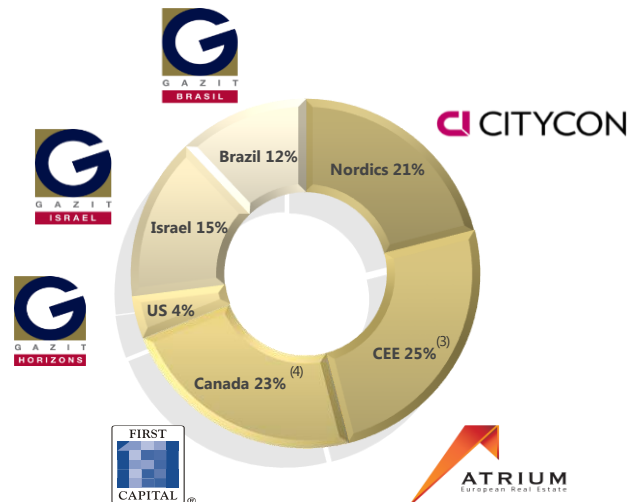
LISTED ON THE TASE : GZT : TA-35

UNDER THE SYMBOL **GZT** AND INCLUDED IN THE **TA-35** IN ISRAEL

LOCATION
LOCATION
LOCATION®

GREAT THINGS HAPPEN WHEN
YOU OWN GREAT REAL ESTATE

GLOBAL PRESENCE ⁽¹⁾



Information in the presentation is as of September 30, 2018, unless otherwise stated.

NIS/USD exchange rate as of February 28, 2018 1\$=NIS 3.6227

(1) Based on book value as presented in Gazit financial statements as of September 30, 2018.

(2) Including jointly controlled properties.

(3) Including investments in Bulgaria and Germany

(4) FCR – On February 28, 2019 the Gazit Globe announced entry into transaction for the sale of 23% of its stake in FCR for Approx. CAD \$1.2 Billion. The Transaction is Subject to certain conditions including a FCR shareholder vote.



ABOUT US | GAZITGLOBE

OUR INVESTMENTS

PRIVATE INVESTMENTS

GROWING THE "PRIVATE COLLECTION"

MID STAGE PUBLIC INVESTMENTS

CREATE ADDITIONAL VALUE

MATURE INVESTMENTS

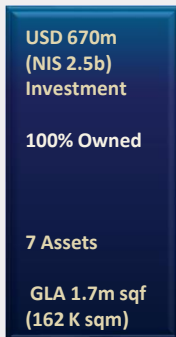
"INSTITUTIONAL GRADE"



OPPORTUNITIES



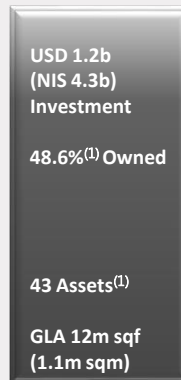
GAZIT HORIZONS
EST. 2017



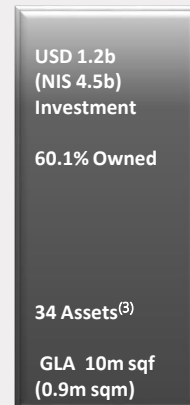
GAZIT BRASIL
EST. 2008



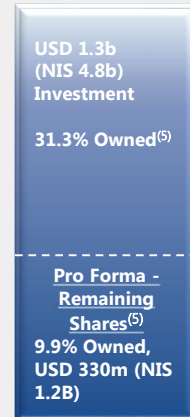
GAZIT ISRAEL
EST. 2005



CITYCON
ACQUIRED 2004



ATRIUM
ACQUIRED 2008



FIRST CAPITAL
ACQUIRED 2000



LOCATION
LOCATION
LOCATION

GREAT THINGS HAPPEN WHEN
YOU OWN GREAT REAL ESTATE

Figures represented are as of September 30, 2018 unless otherwise specified and include rounding adjustments. Bar chart is not drawn to scale.

- (1) Citycon - Based on December 31, 2018 and including jointly controlled properties. Gazit ownership as at February 28, 2019.
- (2) Israel - Managed GLA (Gazit's share 134K sqm). Not including development and redevelopment in Kochav Hatzafon, Tel Aviv and G Fashion, Rishon LeZion.
- (3) Atrium - Including jointly controlled properties (Arkady Pankrac) and Wars Sawa Junior that was acquired in October 2018.
- (4) Horizons - Including jointly controlled properties (Ceasar's Bay in Brooklyn) and acquisitions in Boston in December 2018 and Jan 2019.

(5) FCR - On February 28, 2019 the Gazit Globe announced entry into transaction for the sale of 23% of its stake in FCR for Approx. CAD \$1.2 Billion. **The transaction is subject to certain conditions including a FCR shareholder vote.**



FFO

(2018 FFO Outlook)

\$192 MILLION

Represents FFO yield of 13.1% ⁽¹⁾, a FFO multiple of 7x

Dividend of approx. 290 Million NIS annually, a yield of 5.5% ⁽¹⁾

OPERATING CF ⁽²⁾ \$130 MILLION

Represents cash yield of 8.9% ⁽¹⁾

Dividend payout ratio of 61.6%

(1) Based on Gazit's closing share price at February 28, 2019.

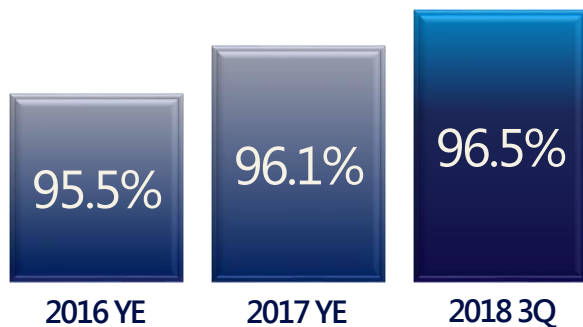
(2) Run rate, excluding special dividend paid from Atrium in 2018 amounting approximately USD 36 million.



STABLE, DIVERSIFIED, AND HIGH - QUALITY FUNDAMENTALS

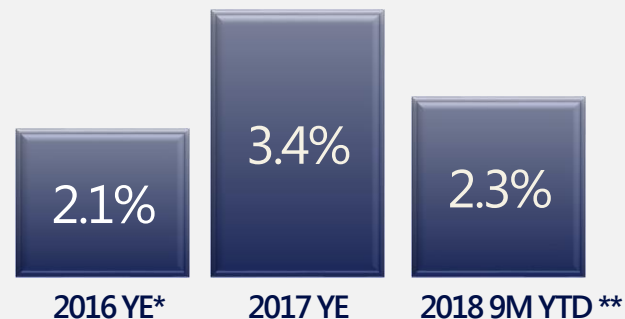
OCCUPANCY

TOTAL



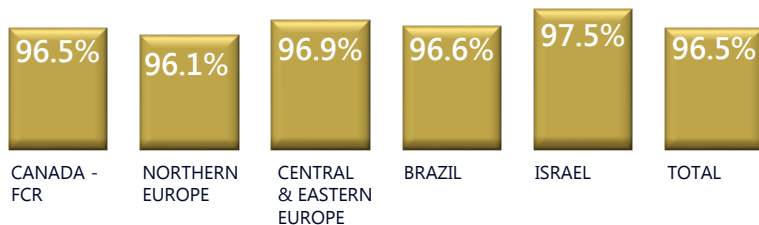
SAME PROPERTY NOI GROWTH

TOTAL



* Including Russia Same property NOI growth in 2016 increased by 1.2% compared to 2015
 ** 2018 YTD is compared to same period in 2017

GEOGRAPHIC SPREAD (3Q 2018)



GEOGRAPHIC SPREAD (3Q 2018)



*Same property NOI in Northern Europe excluding Iso Omena, Helsinki, Finland, decreased by 0.7%.



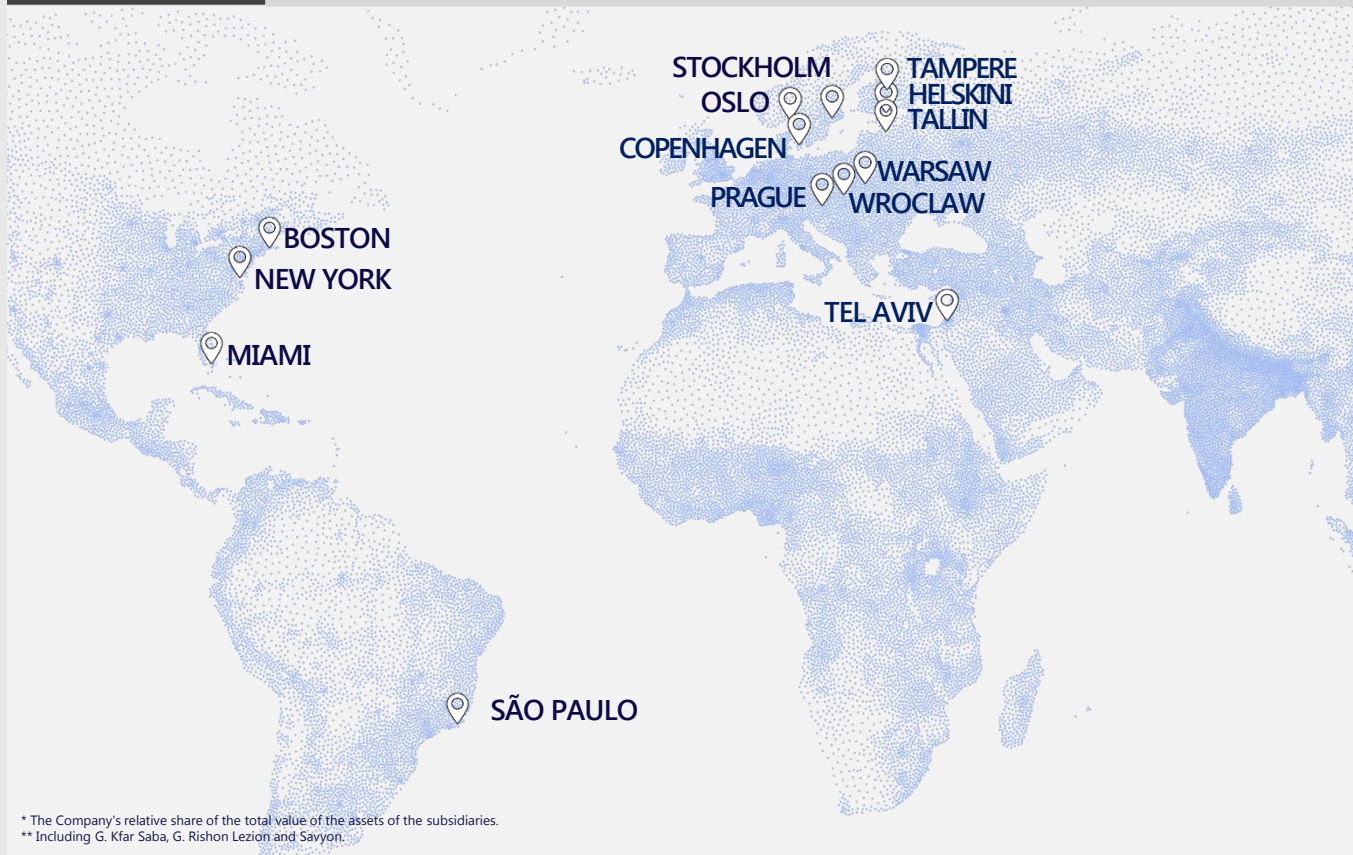
STRATEGY

GAZITGLOBE

Focus on major cities in densely populated areas

75%

OF GAZIT'S ASSETS* ARE LOCATED IN 14 METROPOLITAN AREAS



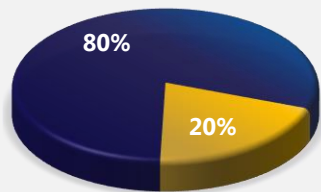
STOCKHOLM HELSKINI OSLO COPENHAGEN TALLIN TAMPERE	30%	26 ASSETS
CENTRAL EUROPE: WARSAW PRAGUE WROCLAW	15%	7 ASSETS
NEW YORK BOSTON MIAMI	5%	8 ASSETS
SAO PAULO	12%	8 ASSETS
METRO TEL AVIV**	13%	10 ASSETS

LOCATION
LOCATION
LOCATION®

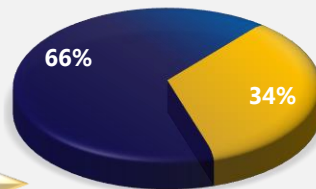
GREAT THINGS HAPPEN WHEN
YOU OWN GREAT REAL ESTATE

* The Company's relative share of the total value of the assets of the subsidiaries.
** Including G. Kfar Saba, G. Rishon Lezion and Savyon.

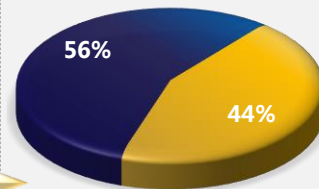
INCREASING OUR PRIVATE INVESTMENT SHARE



2015
80% / 20%



2018 (September 30)
62% / 38%

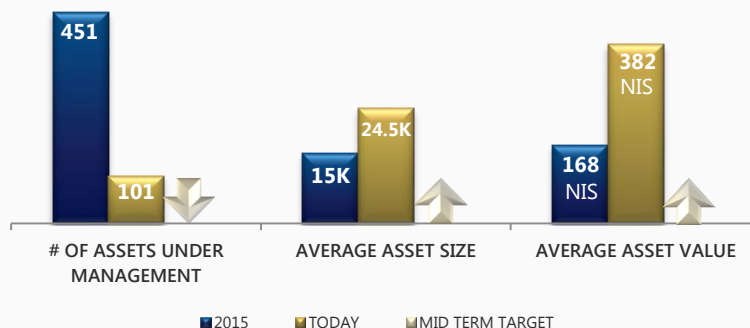


Pro Forma* –
Excluding FCR

PRIVATE SHARE
>60%

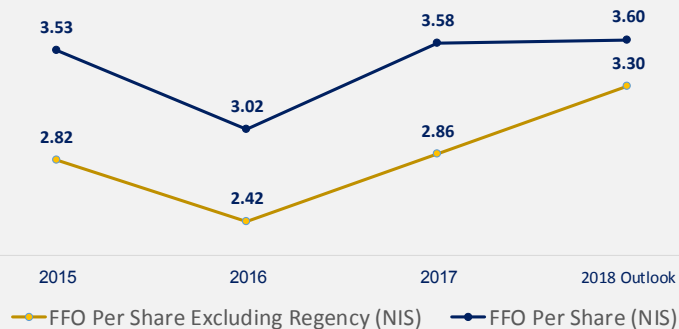
MID TERM TARGET
40% / 60%

FOCUS ON LARGER DOMINANT ASSETS

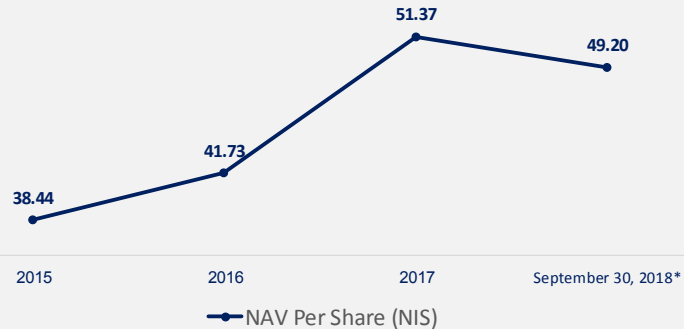




INCREASING FFO PER SHARE

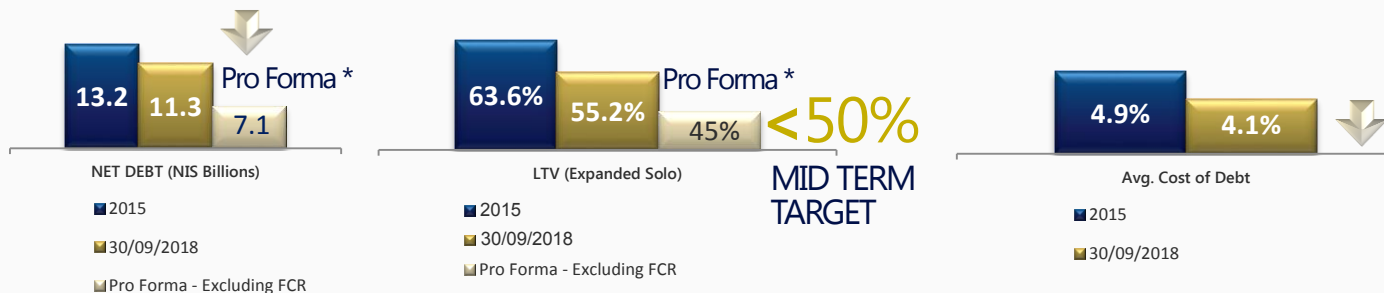


INCREASING NAV PER SHARE



* NAV Pro Forma.

WHILE REDUCING LEVERAGE AND COST OF DEBT



* On February 28, 2019 the Gazit Globe announced entry into transaction for the sale of 23% of its stake in FCR for Approx. CAD \$1.2 Billion. The transaction is subject to certain conditions including a FCR shareholder vote.



ABOUT US

GAZITGLOBE

THE "PRIVATE COLLECTION"

BUSINESS STRATEGY

Create value in our privately owned urban, irreplaceable, necessity driven retail and mixed use properties

Long-term oriented investor in income producing assets in dense urban locations with high barriers to entry and significant upside potential.

Identifying assets with opportunities for cash flow growth and value appreciation through proactive asset management, redevelopment and expansion, assemblage, below market rent and undervalued land.

SHOPPING LIGHT | SÃO PAULO



BRICKELL GATEWAY | MIAMI | FL





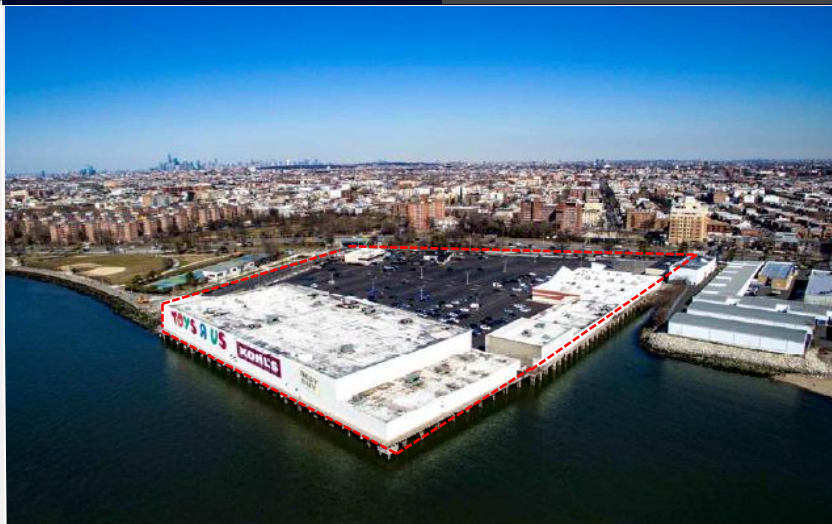
CASE STUDY – VALUE CREATION **CEASAR'S BAY**

CEASAR'S BAY I | BROOKLYN, NY

Ceasar's Bay Bazaar is a community shopping center located along the waterfront in the dense Brooklyn neighborhood of Sheepshead Bay. Easily accessible from Brooklyn's Belt Parkway, the 14 acre, 300,000 square foot shopping center is home to national retailers Kohl's, Best Buy, Starbucks and Modell's Sporting Goods, among others, and is one of the largest shopping centers in New York City offering surface parking.

Value increased from \$50M to \$69M (2018 YE, Gazit's Share) – equity multiple of 1.4X within a year.

NOI will increase from \$5.1 million to \$10.5 million within two years of acquisition (based on leases in place)



ACQUIRED IN JUNE 2018

41% INTEREST IN JOINT VENTURE

**14 ACRE
300,000 SF GLA**

\$67,686 1-MILE AVG. HOUSEHOLD INCOME

87,247 1-MILE POPULATION

June 2018

Acquisition basis of \$50M (Gazit's Share)

Occupancy at 73.5%

Going in Yield at approx. 4.1%

February 2019

Opened three new small shop tenants;

Downsized Kohl's to improve vacant space;

Signed a 90,000 square foot lease with National Retailer and received all approvals

2020 Projections

Yield on Cost will increase to approximately 8.6%

With 50% leverage, cash on cash yields will exceed 15%

Stabilized value estimate over \$78M (Gazit's Share) @ 5.5% cap rate

Further Potential Upside:

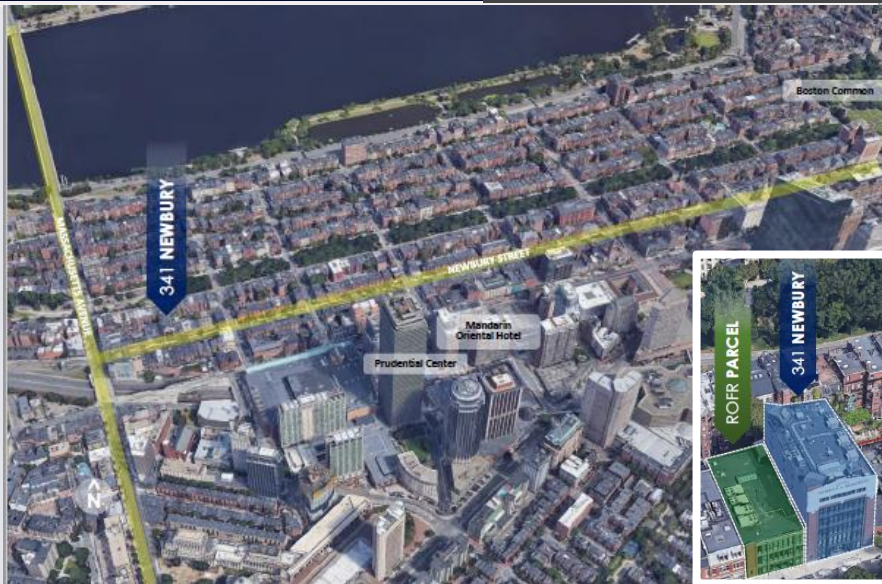
Signage, self-storage, out parcel's and land development



RECENT ACQUISITIONS

LATEST ACQUISITION OF GAZIT HORIZONS

341 NEWBURY STREET I BOSTON, MA



In January 2019, Gazit Horizons acquired 341 Newbury Street in Boston's Back Bay neighborhood for \$51 million in an off market transaction. The property is a 49,000 square feet, 6-story + basement mixed-use building located on the westernmost block of Newbury Street, containing three floors of retail and a parking garage. The acquisition comes with the ability to create premium office space—which is in high demand in Back Bay—as well as the right of first refusal for the adjacent building.

THE POPULATION WITHIN 1 MILE AND 3 MILES IS APPROXIMATELY 94,000 AND 543,000, RESPECTIVELY, WITH AVERAGE HOUSEHOLD INCOMES BETWEEN \$107,000 - \$115,000 PER YEAR.

RECENT ACQUISITION OF GAZIT HORIZONS

THE EDGE I NEW YORK



In July 2018, Gazit Horizons acquired a 60,000 square foot retail condominium complex in the Williamsburg section of Brooklyn for \$47.3 million. The property sits at the base of a master-planned luxury complex that includes over 900 residential units, a 500 space parking garage, 1.75 acres of open space, and a New York City ferry terminal transporting commuters and visitors to Wall Street and Midtown Manhattan.

THE POPULATION WITHIN 1 MILE AND 3 MILES IS APPROXIMATELY 150,000 AND 1,250,000, RESPECTIVELY, WITH AVERAGE HOUSEHOLD INCOMES OF ABOUT \$100,000 PER YEAR.

**LOCATION
LOCATION
LOCATION**
GREAT THINGS HAPPEN WHEN
YOU OWN GREAT REAL ESTATE

- Occupancy 100%
- Yield on Cost⁽¹⁾ from 6.5% (2014) to 9.0% (2018)
- NOI Growth of approximately 70% in five years

(1) Shopping center only, excludes the office tower. 2018 NOI is based on pro-forma figures

SÃO PAULO | TOP CENTER | BRASIL

BEFORE



SÃO PAULO | TOP CENTER | BRASIL

AFTER



2014

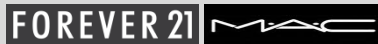
Acquisition and submission of plans to municipality



STARBUCKS

2015

Re-tenanting 95% of the mix, bringing in international brands- Forever 21 and MAC



2016

Acquisition of the office tower and parking garage

2017

Revamping the lobby and signing with Decathlon for its flagship store and offices



2018

Opening of Decathlon flagship store and relocated their headquarters to the office tower



ISRAEL

ISRAEL

GAZIT ISRAEL

CASE STUDY | CREATING VALUE THROUGH DEVELOPMENT AND PROACTIVE MANAGEMENT

G CITY | RISHON LE'TZIVON | ISRAEL

- G City is privately-held, unique and dominant shopping center spanning ~1 km of frontage with 80,600 sqm of land (-19.7 acres) on a major thoroughfare.
- The strip is strategically located with high visibility and accessibility to main traffic routes.
- Since our acquisition in 2006, we have completed multiple expansion projects.
- The company is in the final stages of rebranding and expanding the western side of "G- City" and the construction of "G-Fashion".

	AT ACQUISITION	AFTER EXPANSION	GROWTH
GLA (SQM)	36,594 (394,000 sqf)	80,790 (870,000 sqf)	+220%
STABILIZED NOI (MILLION NIS)	26.9 (USD 7.6M)	94.5 (USD 26.8M)	+351%
ACQUISITION AND RENOVATION COST (MILLION NIS)	315.0 (USD 89.0M)	850.0 (USD 241.0M)	+270%
VALUE (MILLION NIS)	315.0 (USD 89.0M)	~1,380 (USD 391.0M)	+438%





GAZITGLOBE | COMPLETED AND ONGOING DEVELOPMENT

DEVELOPMENT PIPELINE – PRIVATE SUBSIDIARIES

MAIS, SAO PAULO, EXPANSION

COMPLETED



GLA 8,750 SQM
TOTAL INVESTMENT **NIS 60 MILLION**

G CITY (DEVELOPMENT EXPANSION)

2019



GLA 13,265 SQM
TOTAL INVESTMENT **NIS 158 MILLION**

G KOCHAV HAZAFON, DEVELOPMENT

2020



GLA 2,200 SQM
TOTAL INVESTMENT **NIS 105 MILLION**

FUTURE DEVELOPMENT

BRICKELL - MIAMI



POTENTIAL GLA 35,000 SQM
TOTAL INVESTMENT - TBD

PAULISTA 1267, SAO PAULO



GLA 3,750 SQM
TOTAL INVESTMENT - TBD

G CITY – OFFICE TOWER



GLA 50,000 SQM
TOTAL INVESTMENT
NIS 450-500 MILLION

G KFAR SABA – RETAIL EXPANSION & OFFICE TOWER (51%)



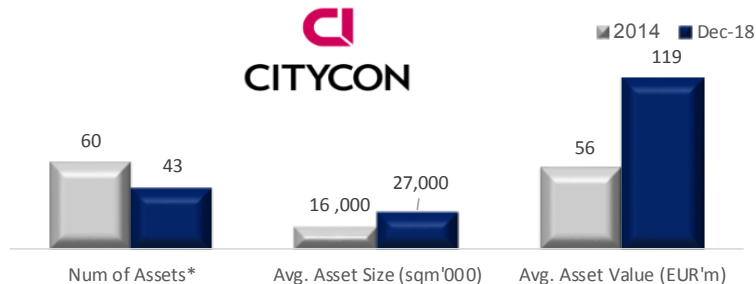
GLA 26,750 SQM
TOTAL INVESTMENT
NIS 165-180 MILLION

BUILDING RIGHTS

More than 315,000 sqm mixed use approved building rights in Sao Paulo metropolitan area
Land in Tel Aviv (50% Gazit's share) in a luxury neighborhood with more than 32,000 sqm commercial and residential approved building rights
Land in the size of 3.7 Acre in Savoyon luxurious village in center of Israel for residential use.
Land in Ramat Hasharon (34% Gazit's share) in the size of 1 Acre with 7,000 sqm commercial and office approved building rights.

CITYCON & ATRIUM

- Focus on high density urban markets
- Recycling capital and enhancing portfolio quality through divestment of non-core assets, selective acquisitions and investment in major redevelopment/expansions



STATUS - 2018

- 85% of the portfolio of standing investments are located in Poland and the Czech Republic, with Poland at 67%, 50% in Warsaw and Prague.
- 3 Major developments are ongoing in Warsaw, total investment of approx. €300 million – Promenada, Targowek and Reduta, adding 60,000 sqm to Atrium's portfolio in Warsaw, out of 26,000 sqm added in Q4 2018.
- 10 Largest assets comprise approx. 68% of the portfolio value.

STATUS - 2018

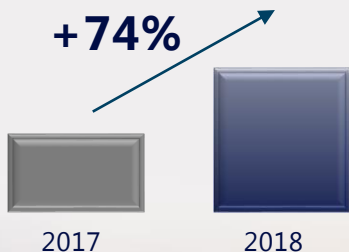
- Completion of expansion of Iso Omena, in Helsinki, Finland - Expansion of 37,700 Sqm to 101,000 Sqm, € 270 million investment
- Opening of MoIndal Galleria, Gotenburg, Sweden in September 2018, GLA of 26,000 sqm, for a total investment of approximately EUR 115 million.
- Major development in Helsinki, Lipullavia, GLA of 44,300 sqm, total investment of approximately EUR15 million, expected to be completed in 2021.
- 7 Largest assets comprise approx. 50% of the portfolio value.

ISO OMENA – CASE STUDY

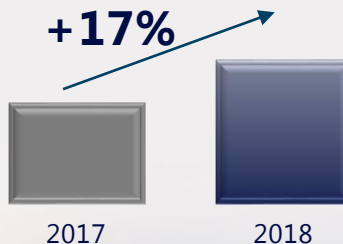
- Completed the expansion of Iso Omena, in Helsinki, Finland - Expansion of 37,700 Sqm to 101,000 Sqm, € 270 million investment
- Metro line opened in November 2017
- ~20 million visitors
- 37% of all visitors walk through M.E.E.T.
- 16% of all visitors eat at M.E.E.T.
- ~1.5 million visitors to public service square
- 96% interaction with shopping centre
- 62% of all shopping centre visitors visit at least once a week



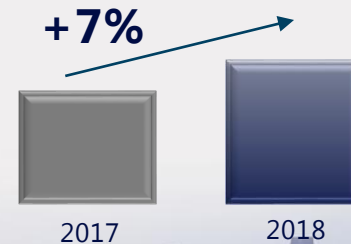
FOOTFALL – 20m Visitors



TENANT SALES



SAME STORE SALES





- In October, Atrium completed the acquisition of Wars Sawa Junior, a prime central Warsaw retail asset located in the most prominent high street retail area, for EUR 301.5m
- 26,000 sqm high quality modern retail GLA, with over 60m visitors p.a.
- Fully let to a range of strong international and domestic retail and leisure brands
- The asset offers a further 11,000 sqm of office and storage space
- Acquisition is fully in line with Atrium's strategy of focusing on larger, dominant shopping centres in strong urban locations in the top tier cities of Poland and the Czech Republic
- Upon completion of the transaction, Atrium will own four major shopping centres in the Polish capital with a total GLA of approximately 550,000 sqm



G - TZAMERET | TEL AVIV I ISRAEL

CONTACT INFORMATION

GREAT THINGS HAPPEN WHEN
YOU OWN GREAT REAL ESTATE

THANK YOU FOR YOUR TIME.

LOCATION
LOCATION
LOCATION®

Adi Jemini
EVP & CFO
+972.3.6948000

Doron Lavi Segelson
HEAD OF INVESTOR RELATIONS
dlavi@gazitgroup.com
+972.3.6948037