



August 6, 2018

Additional Immediate Supplementary Report

Sale of "Sakia" Property

Further to the Company's Immediate Reports dated December 6, 2017, January 8, 2018 and May 22, 2018 concerning the Company contracting for the sale of the property at the "Sakia" complex at the Mesubim Junction ("the Agreement" and "the Property", respectively) and the demand for permit fees from the Israel Lands Authority (ILA") that the Company has received, this Supplementary Immediate Report is provided that on August 5, 2018 the Company received from the Or Yehuda Local Planning Committee a demand for payment of an improvement levy of NIS 143.5 million for sale of the Property ("Demand for Improvement Levy").

If at the end of the day the Company will be required to pay the full amount of the Demand for Improvement Levy and the full demand for permit fees ("the Overall Amount of the Demands"), then the capital gain to be recognized in the financial statements is expected to be NIS 250 million.

The Company has filed an objection to the demand for permit fees and is studying the Demand for Improvement Levy, including the issue of its obligation to pay the Levy, in whole or in part, in terms of its contractual relationships with the ILA. The Company estimates that the final Overall Amount of the permit fees and Improvement Levy that it will be required to pay is expected to be lower and even materially lower than the Overall Amount of the Demands.

The information in this immediate report concerning the Company's estimates and the capital gain as a result of selling the Property is forward looking information in the meaning of this term in the Securities Law, 1968, and is based, *inter alia*, on what is stated above and on the Company's estimates of the costs of the transaction, various expenses of the Company in respect of the Property, and the Company's arguments concerning payment of the Demands when at this stage the Company is not in possession of all the arguments of the ILA in these matters. The information may not come about in full if the Company's estimates will be fulfilled differently from expected.



The above information constitutes a translation of the Immediate Report published by the Company. The Hebrew version was submitted by the Company to the relevant authorities pursuant to Israeli law, and represents the binding version and the only one having legal effect. This translation was prepared for convenience purposes only.