



## **Gazit Globe Announces Offer to Acquire All Minority Owned Interest in its Subsidiary Atrium**

Tel Aviv, August 2, 2021, Gazit Globe Ltd. (TASE: GZT) (“the Company”), a leading global real estate company focused on the ownership, development and management of mixed-use income producing real estate with a focus on retail, office and residential uses in highly populated urban areas in key cities, announces that following a discussion with the board of directors of its public subsidiary Atrium European Real Estate (“Atrium”), the Company sent a letter to the Atrium board today detailing a non-binding proposal to acquire all the minority owned shares in Atrium in an all-cash transaction at a price of EUR 3.35 per share. The contemplated price constitutes a premium of 14.3% to the last closing price. The transaction would make Atrium a wholly-owned, privately-held subsidiary of Gazit Globe by way of a merger pursuant to The Companies Law (Jersey) and would entail delisting Atrium’s shares. Gazit Globe currently holds approximately 75% of Atrium’s outstanding share capital.

Atrium is a publicly listed company with a portfolio of high-quality assets, the majority of which are located in Warsaw and Prague. Over the last year and a half, Atrium entered the residential for rent property sector and recently reported that it has a pipeline of over 4,000 residential units in major cities in Poland in various phases of investment and development. This figure includes 2,000 apartments planned for development above or adjacent to existing Atrium assets, and an additional 2,000 apartments through prospective acquisitions of existing properties or properties currently being built.



As of June 30, 2021, Atrium European Real Estate has:

- 26 properties with a total GLA of approximately 809k sq.m with a total value of approximately EUR 2.5 billion
- An occupancy rate of 92.2%
- 55% of its portfolio value concentrated in Warsaw and Prague, two capital cities boasting positive population growth and impressive trends with regards to employment and wages
- Unencumbered assets totaling NIS 7.8 billion (approximately EUR 2 billion)
- A cash balance of approximately NIS 2 billion (EUR 520 million) and unutilized credit facilities of approximately NIS 1.1 billion (EUR 300 million)
- Leverage (loan to value) of 26%
- International credit ratings from Moody's and Fitch of Baa3 and BBB-, respectively (outlook - stable)

**Chaim Katzman, Founder and CEO of Gazit Globe:** "The contemplated merger will bring Gazit closer to Atrium's assets and will enhance the operational flexibility within the Group with regards to real estate operations, construction and development of existing properties, and cash flow and financing of assets. We believe that once Atrium becomes a privately-held company owned by Gazit we will be able to generate value through synergies both operationally and in terms of financing and the capital markets. The unification of the Group's assets under a "single roof" will enable us to create a streamlined international brand and even further strengthen our ties with major international brands and tenants. Over 60% of Atrium's properties are located in densely populated city centers with attractive growth rates, and we believe that we will be able to further implement our strategy of "densifying" existing assets and generating additional development rights for mixed use. We intend to continue to execute upon Atrium's asset recycling plan focused on improving the overall quality of the asset portfolio, building on the successful implementation of that plan that Atrium has achieved over the last number of years, while also aiming to increase the pace of non-core asset sales, which will reduce leverage and help us to reach our leverage objectives."



### 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 March 31, 2021, the Group held and managed 102 properties covering a built-up area for lease of 2.5 million sq. m with a value of NIS 37 billion.**

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

Investors and Analysts:

Or Ackerman, Head of Investor Relations, Gazit Globe, tel.: 03-6948000, [oackerman@gazitgroup.com](mailto:oackerman@gazitgroup.com)