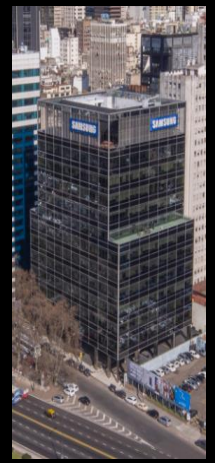
IRSA

Credicorp Capital

XVII Andean Investor Conference

Lima
September 25 &26, 2019

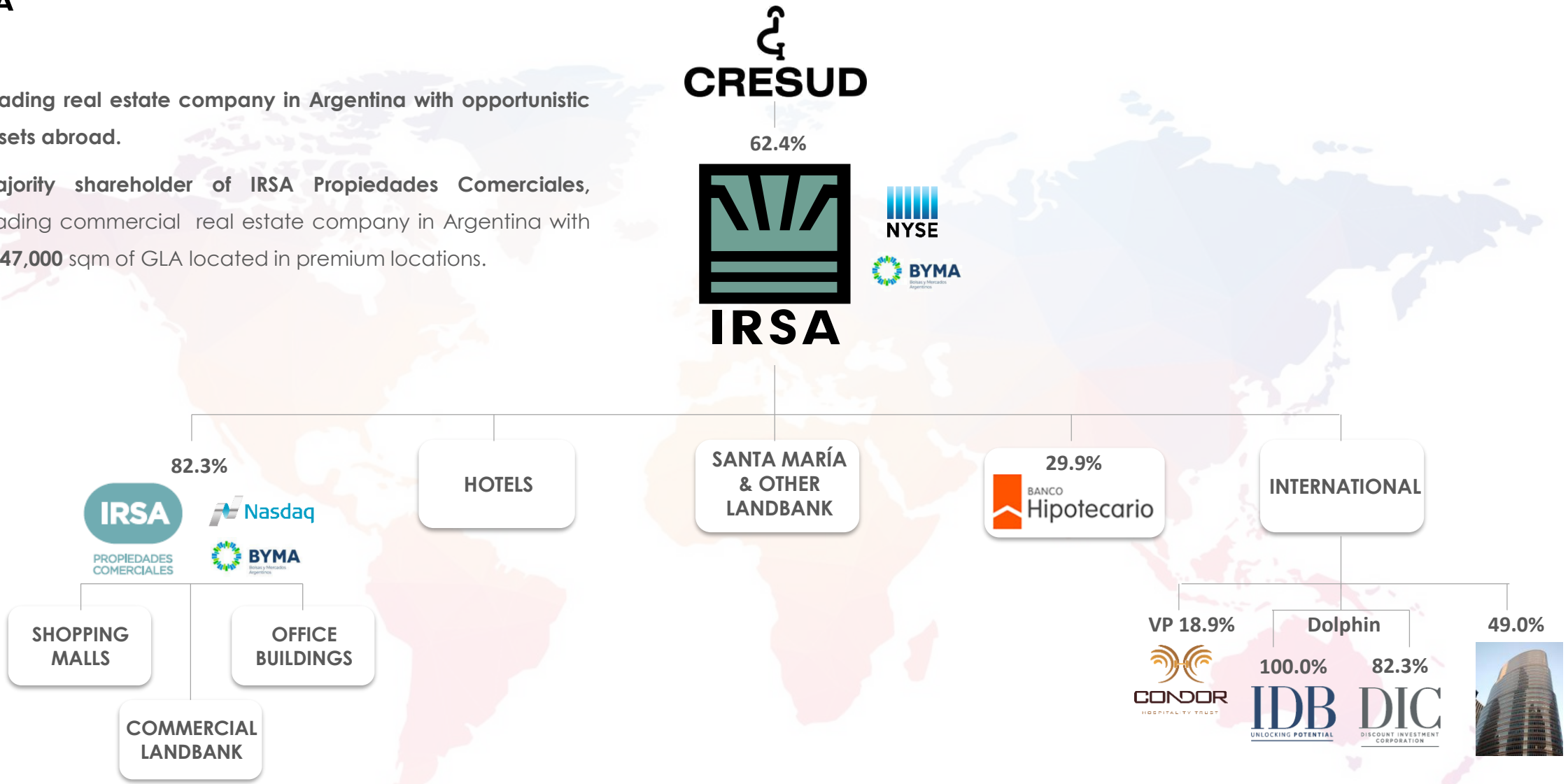


NYSE

BYMA Bolsas y Mercados Argentinos

IRSA: Leading Real Estate Company in Argentina

- **Leading real estate company in Argentina with opportunistic assets abroad.**
- **Majority shareholder of IRSA Propiedades Comerciales,** leading commercial real estate company in Argentina with **~447,000** sqm of GLA located in premium locations.



IRCP at a glance

- ✓ **Leading commercial real estate** company in **Argentina**
- ✓ Listed on **Nasdaq** & **ByMA**
- ✓ Controlled **82.3%** by **IRSA** Inversiones y Representaciones

▪ Unique Portfolio of Prime Commercial Real Estate

15 Shopping Malls

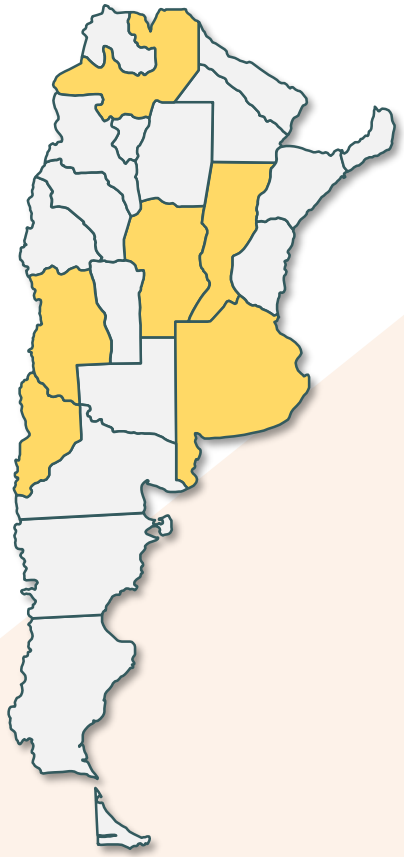
332k sqm GLA

67% Market Share BA City

8 Office Buildings

115k sqm GLA

11% Market Share A+ BA City



▪ Best-in-Class Operator

Shopping Malls	Offices
95% occupancy	**88%** occupancy
74% EBITDA Mg	**82%** EBITDA Mg

▪ High brand recognition & customer loyalty

110 mn
Annual Mall visitors

2.5x
Argentina's population

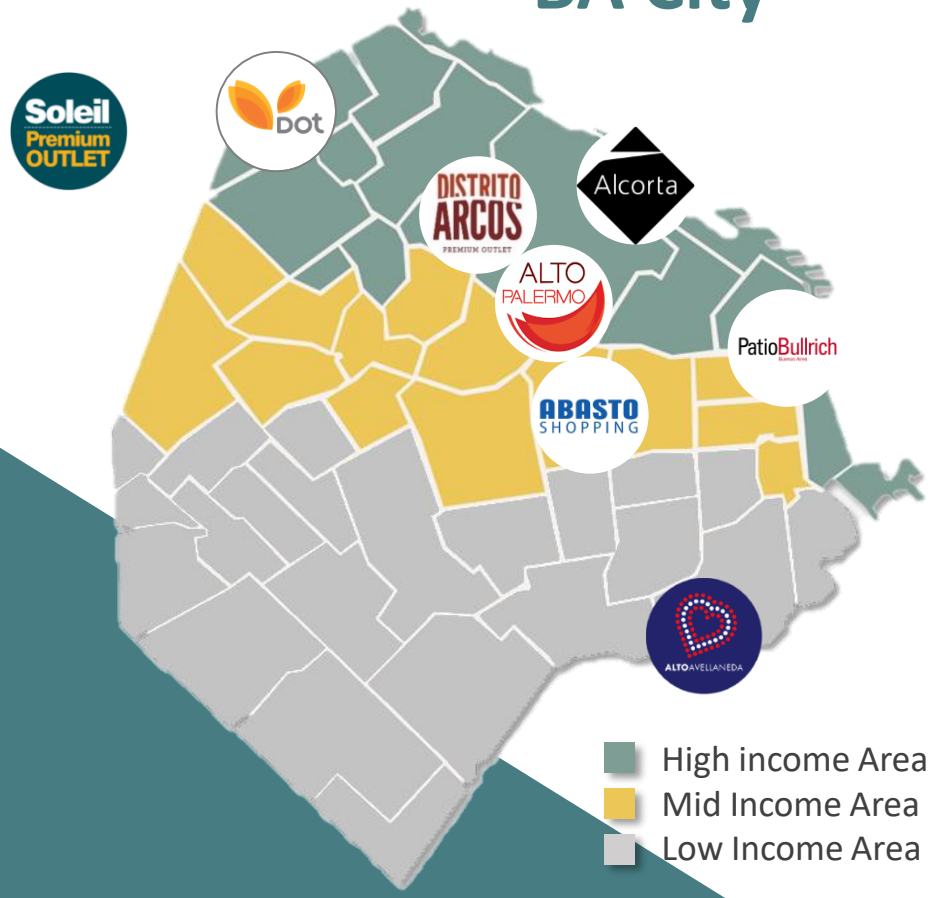
Top of mind
Shopping Malls

BEST Real Estate Company
Fortuna

Valuable customers information & technology innovation

Premium Portfolio of Shopping Malls

BA City

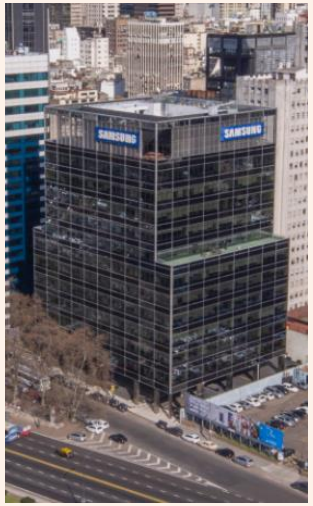


USD 93 MN LTM EBITDA

USD 783 MN Book Value Jun´19

Argentina

Premium Portfolio of Office Buildings



USD 26 MM LTM EBITDA

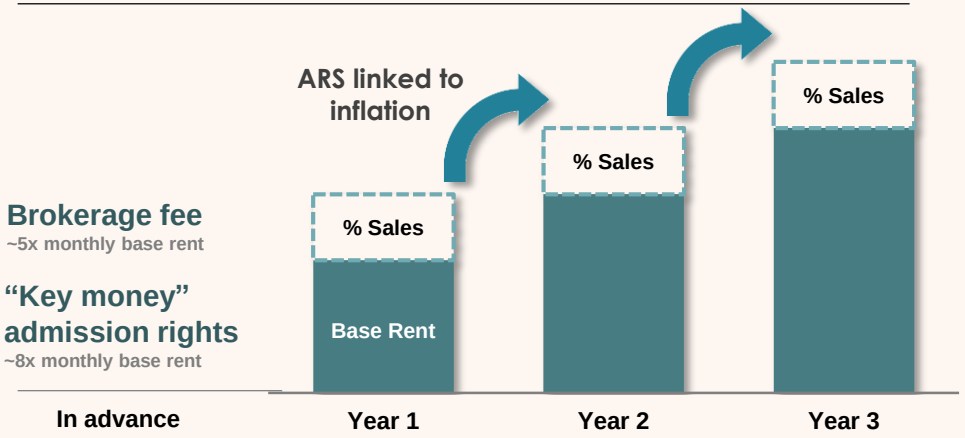
USD 457 MM Book Value

BA City

Rental properties' resilient revenue model

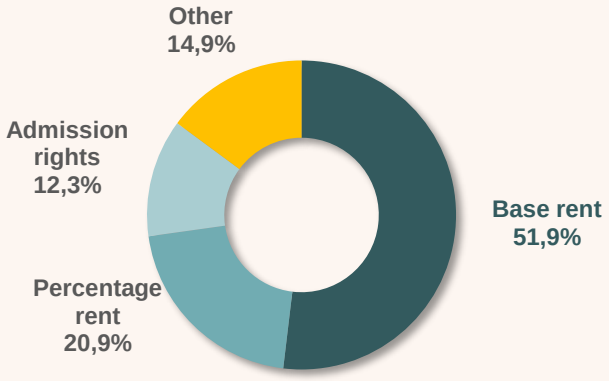
Shopping Malls

Revenue from leases



Other revenues

Rent revenue breakdown

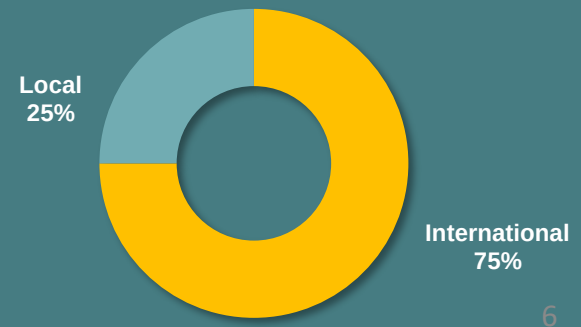


Offices

Revenue from leases

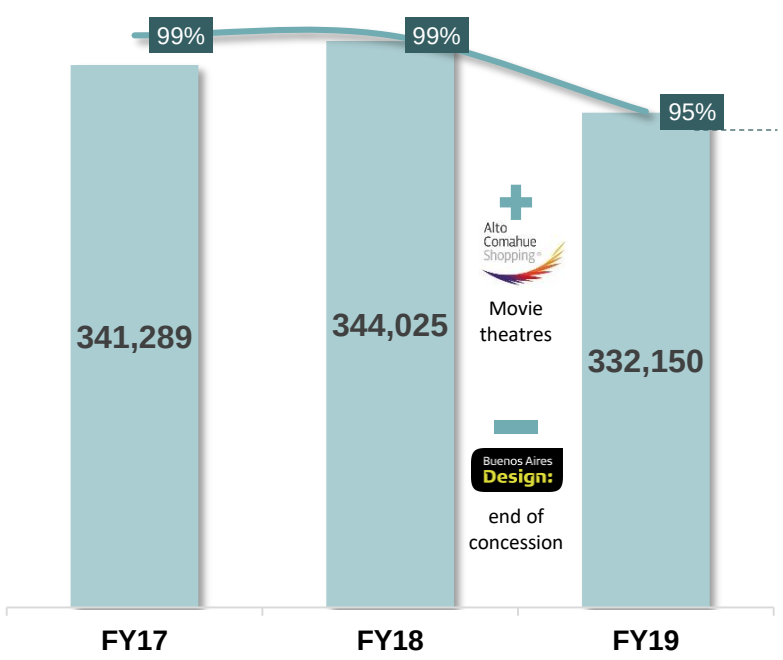
- **3-year average term** for office lease contracts
- **US Dollar based**
- Rental rates **for renewed terms are negotiated at market**

Tenants breakdown



Shopping Malls
Operating Figures

Shopping Malls – Sqm GLA (Th.) & Occupancy (%)



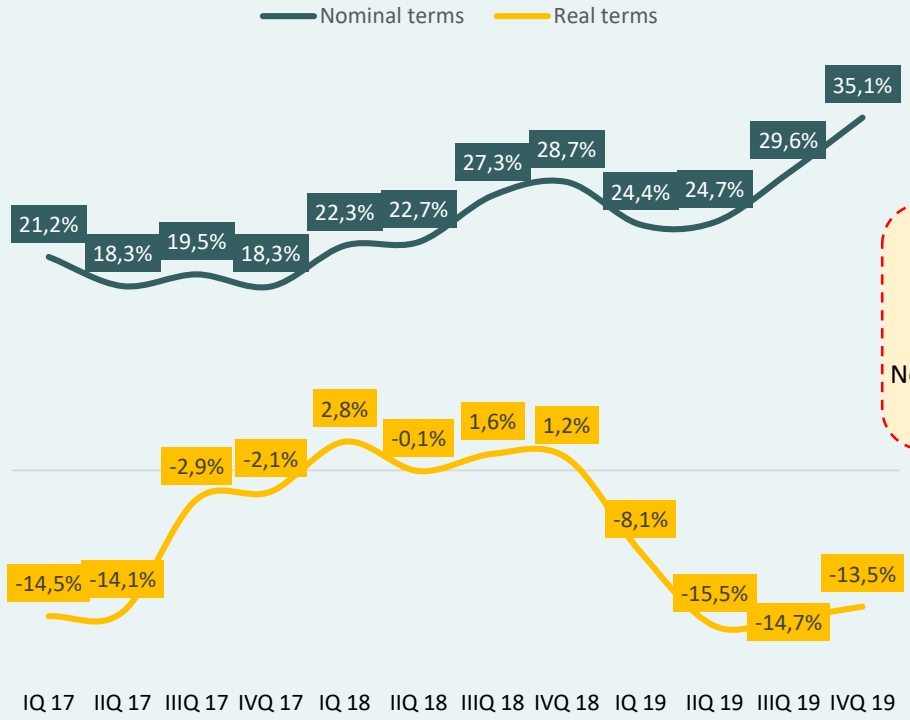
Mainly due to 12,600 sqm vacancy generated by Walmart in DOT Baires Shopping

Walmart

DOT

Excluding this effect, IVQ 19 occupancy would have been 98.5%

Same Shopping Malls' Sales
(% Var i.a.)



Excluding

Walmart

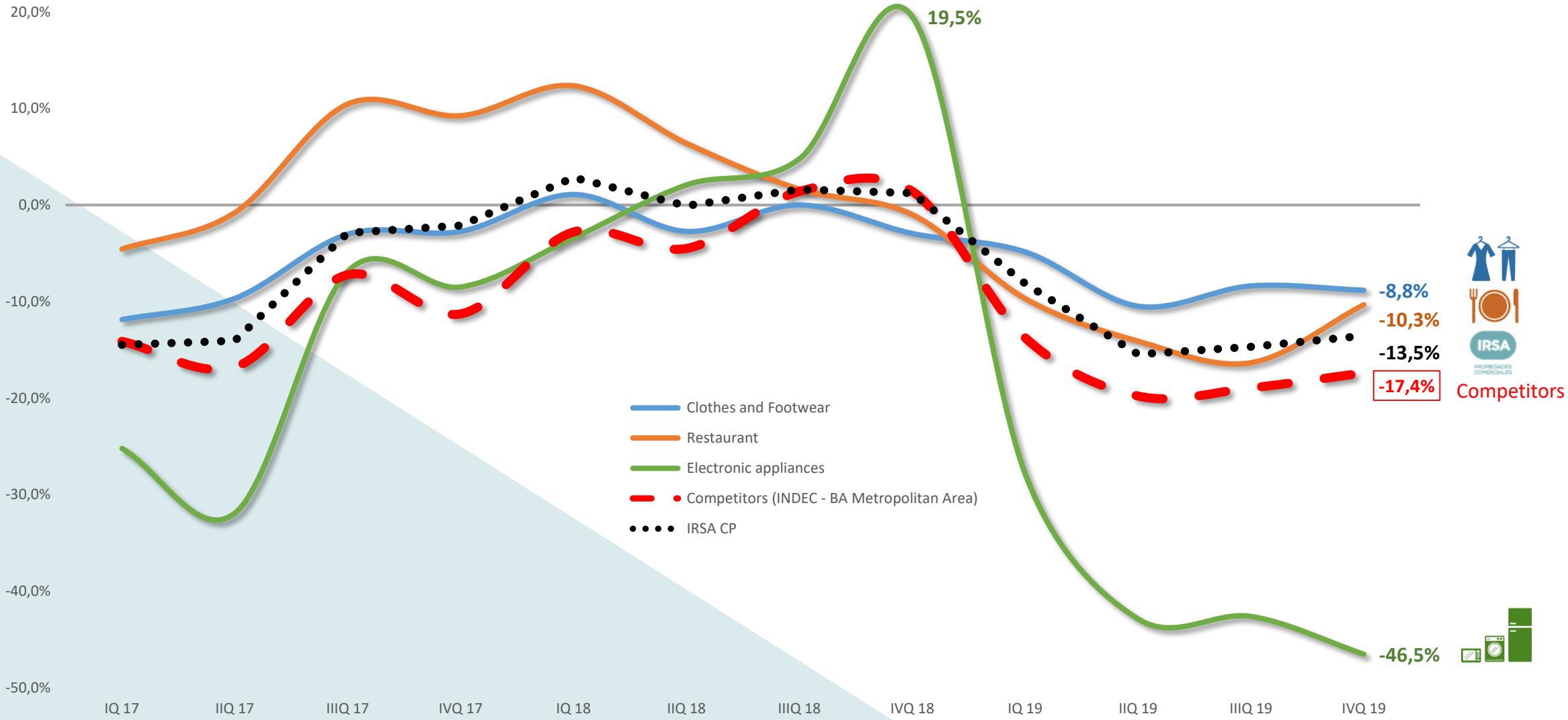
IVQ19

Nominal Terms: **36.6%**

Real Terms: **-12.5%**

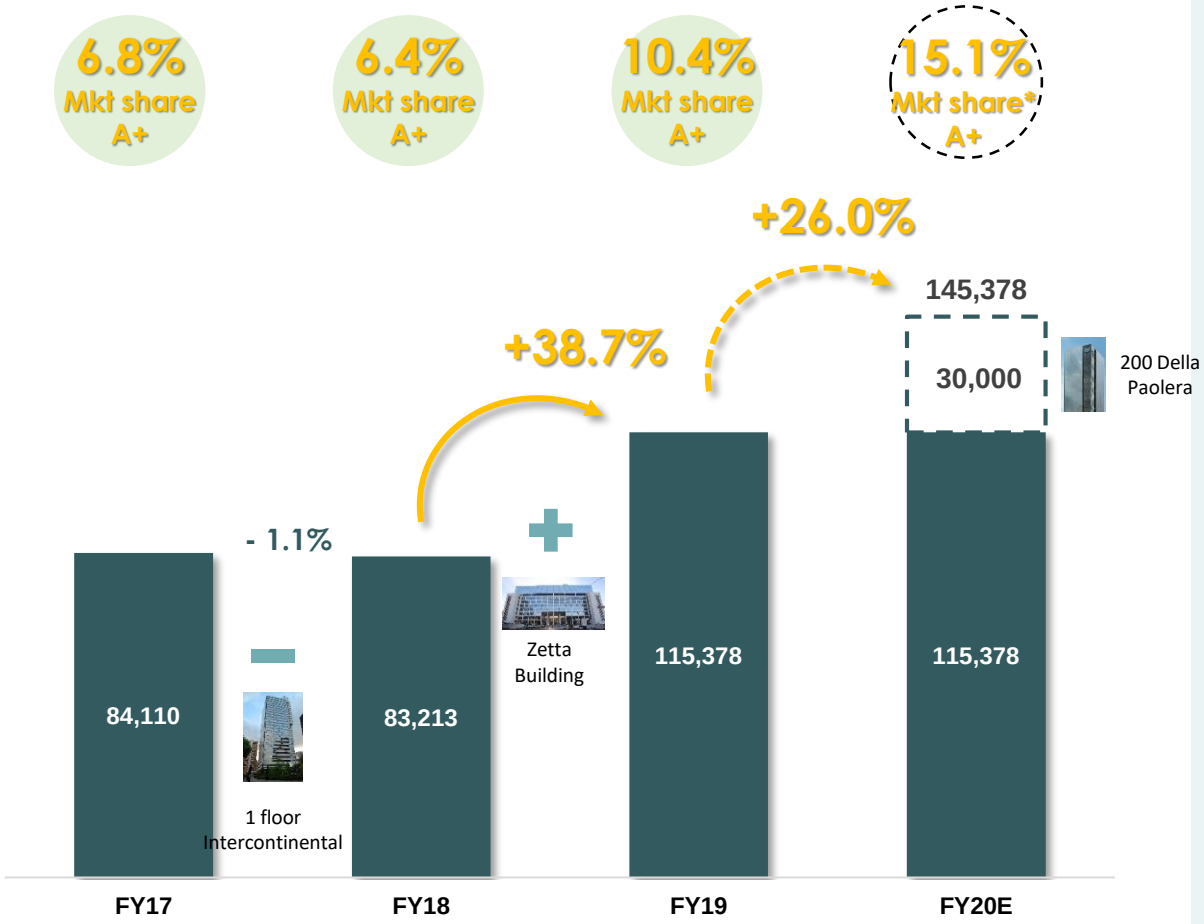
Same Shopping Malls' Sales – Quarterly Real Term Growth

Consumption trends by Type of Business (% Var i.a.)



Office Buildings
Operating Figures

Offices - Stock (sqm GLA)



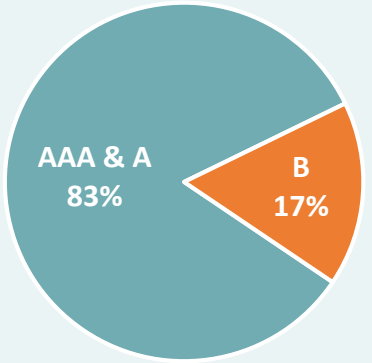
* According to A+ stock projected for FY20 by L.J.Ramos

Offices – Current portfolio by class

Boston Tower
(AAA)

Bouchard 710
(AAA)

Zetta Building (AAA)



República
(AAA)

Intercontinental
(A) – 3 floors remaining

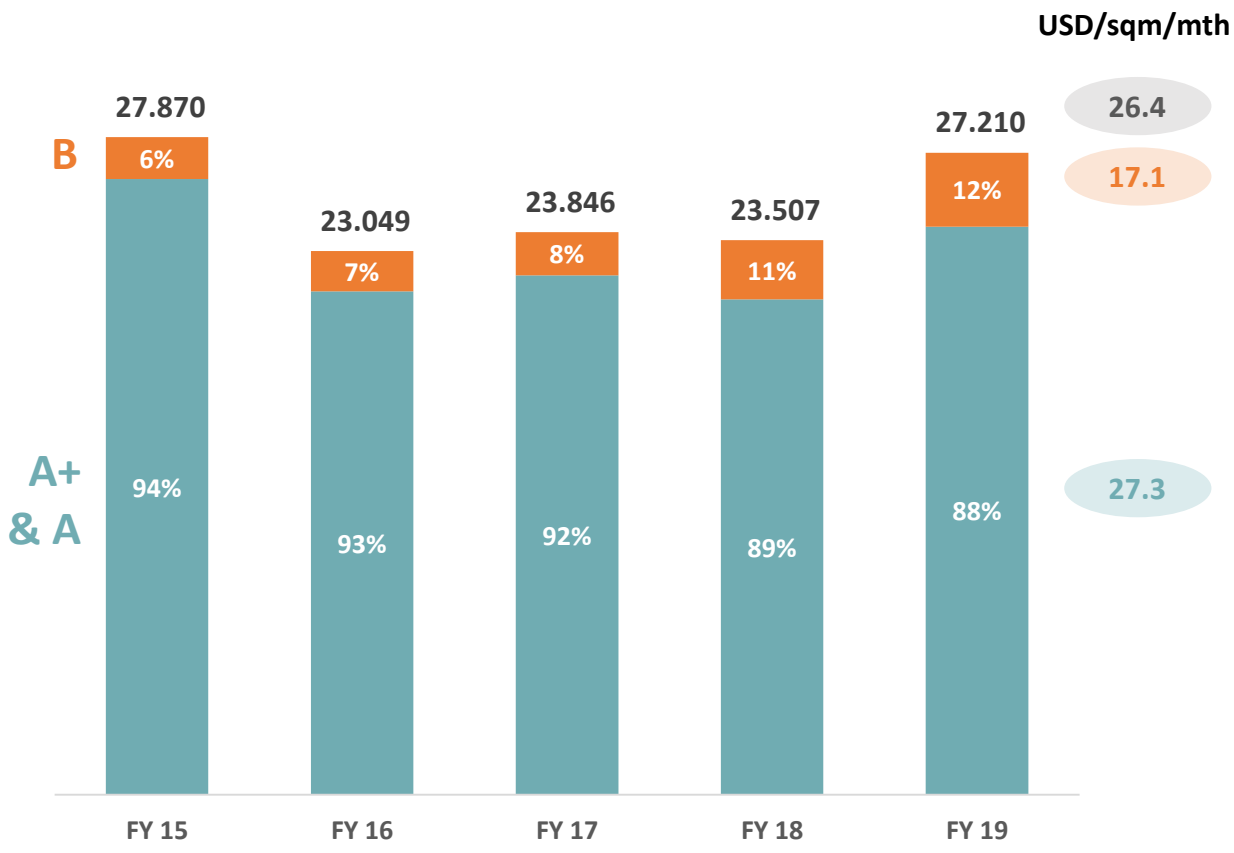
Dot Building (A)

Suipacha 664 (B)

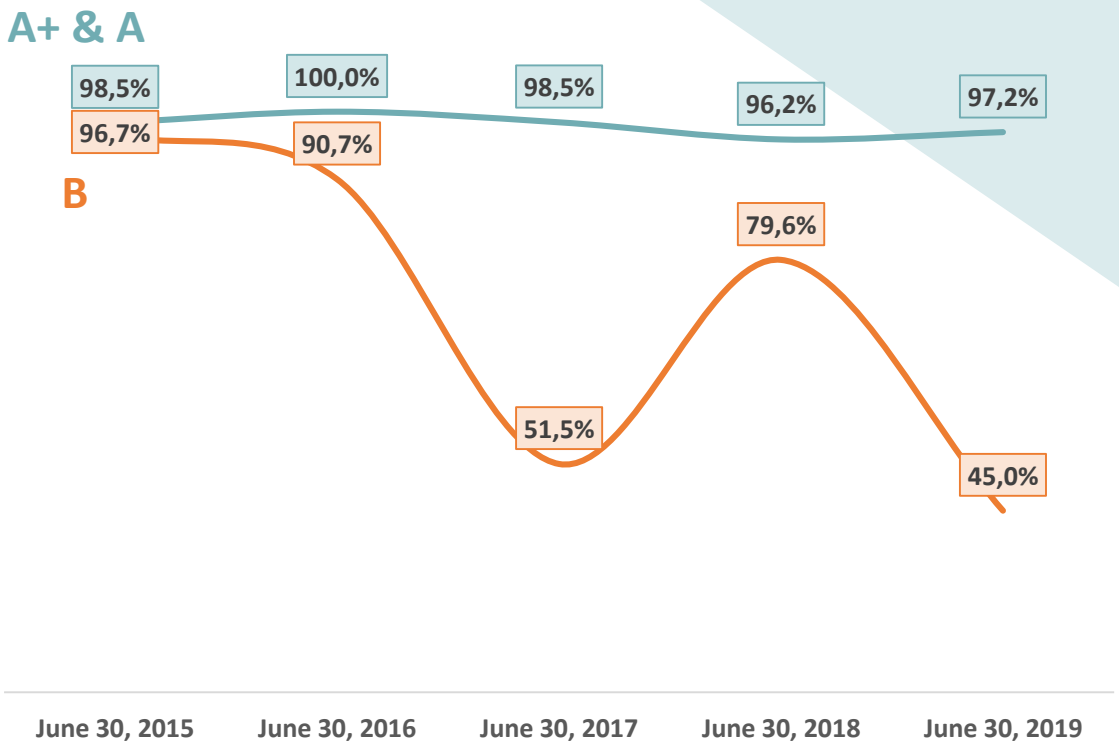
Philips Building (B)

Office Buildings
Operating Figures

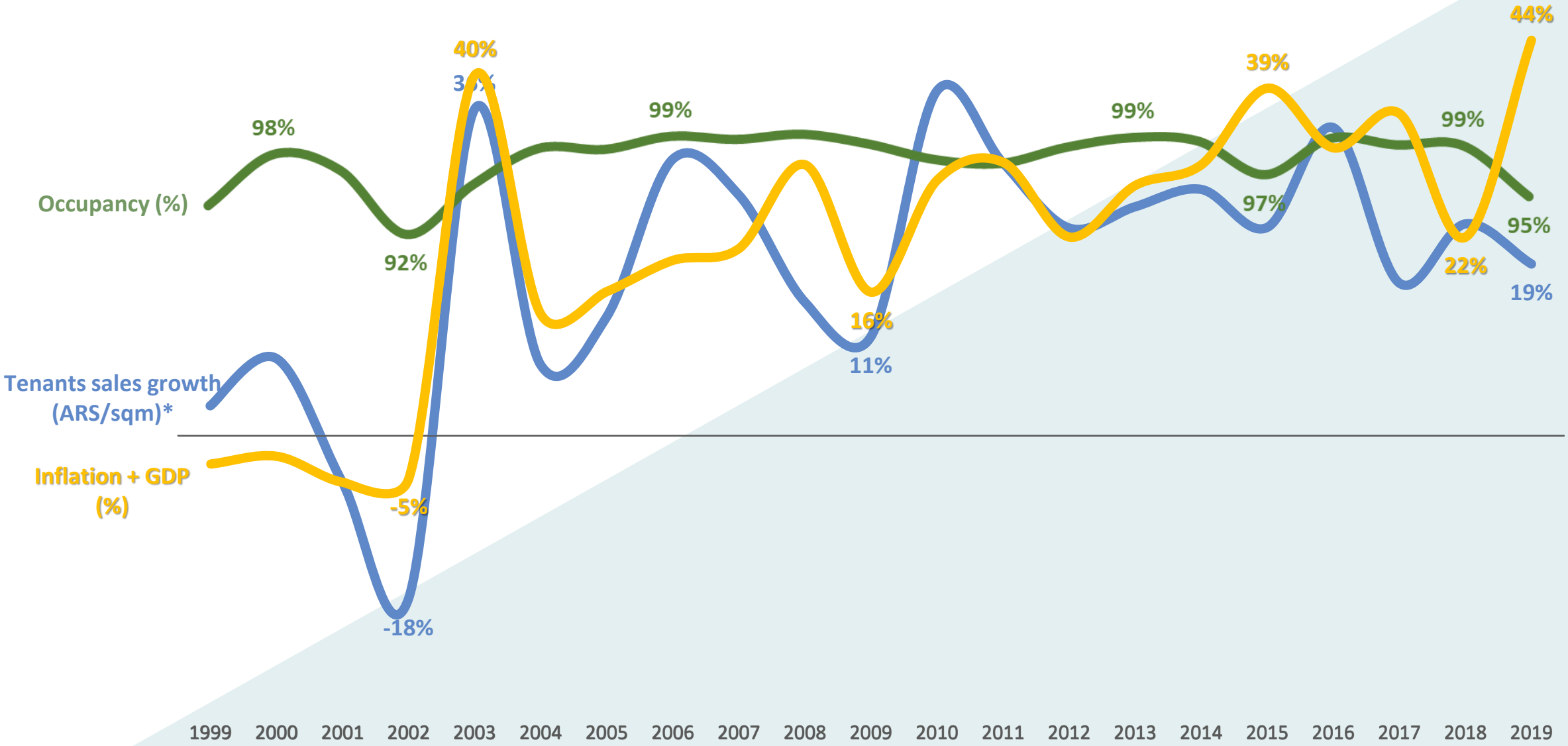
Revenues by Class (USD Th.)



Occupancy by Class



Shopping Malls historical figures evolution

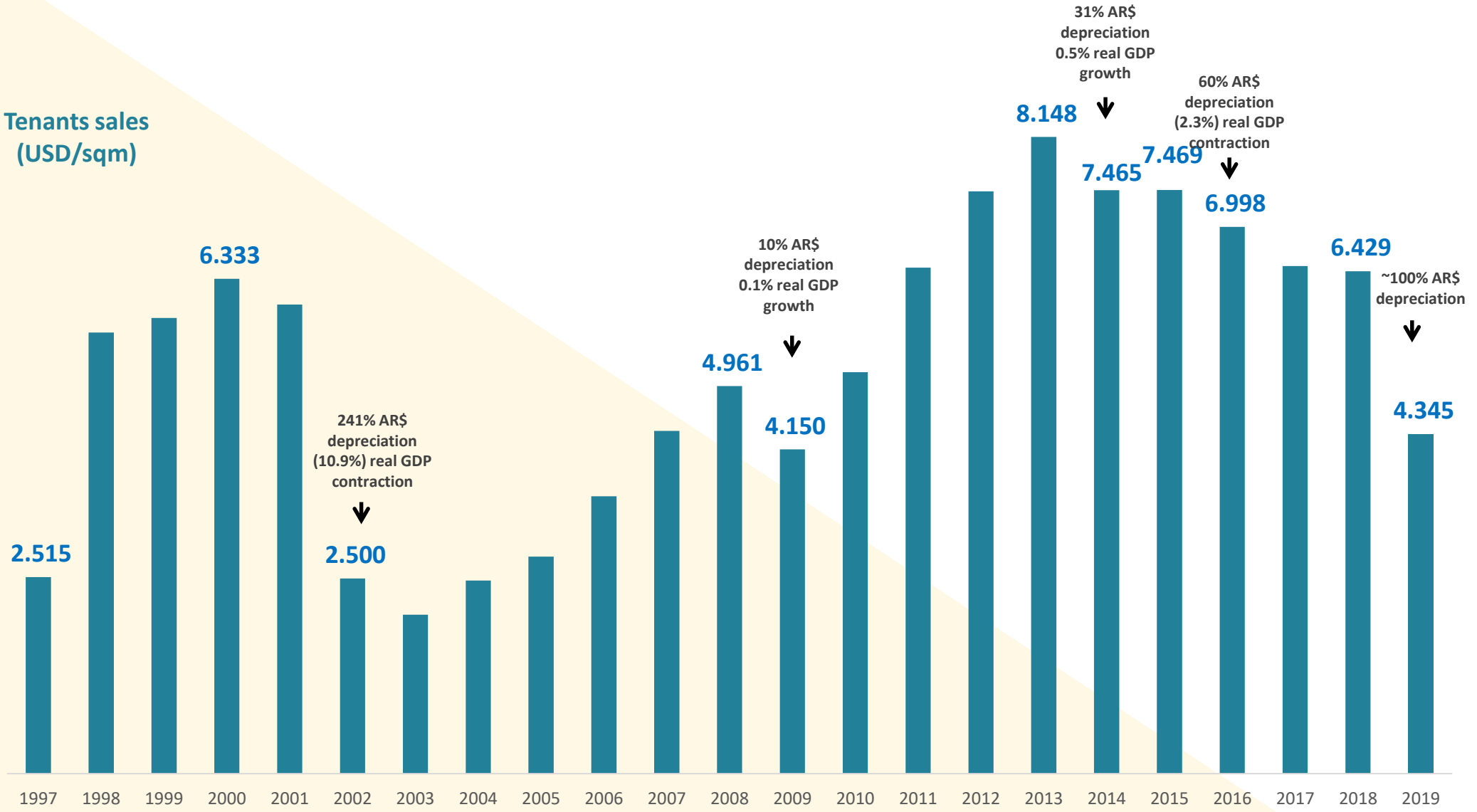


* Excluding DOT Baires

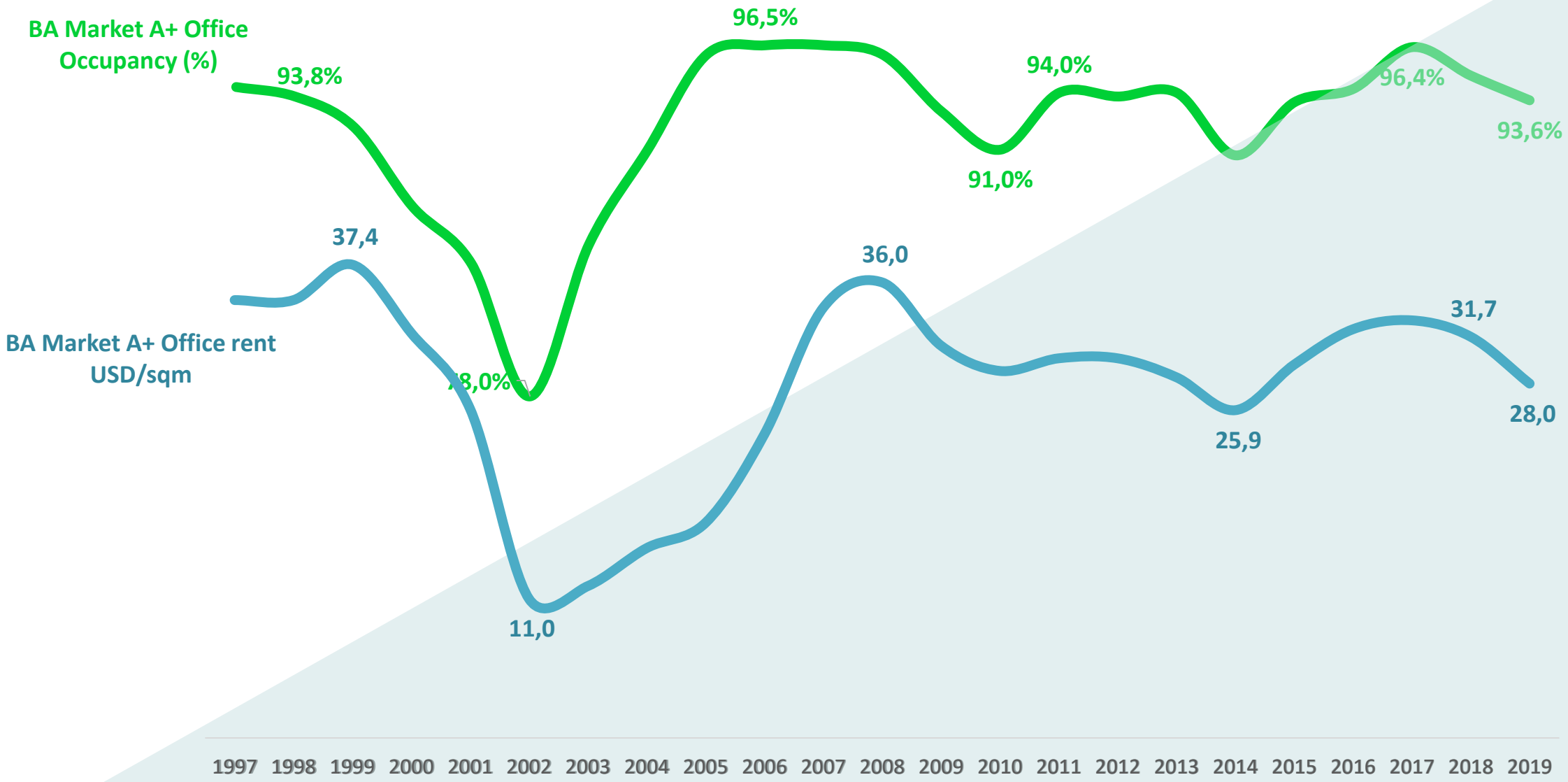
Source: Indec

Shopping Malls historical sales in USD

(as of June 30)



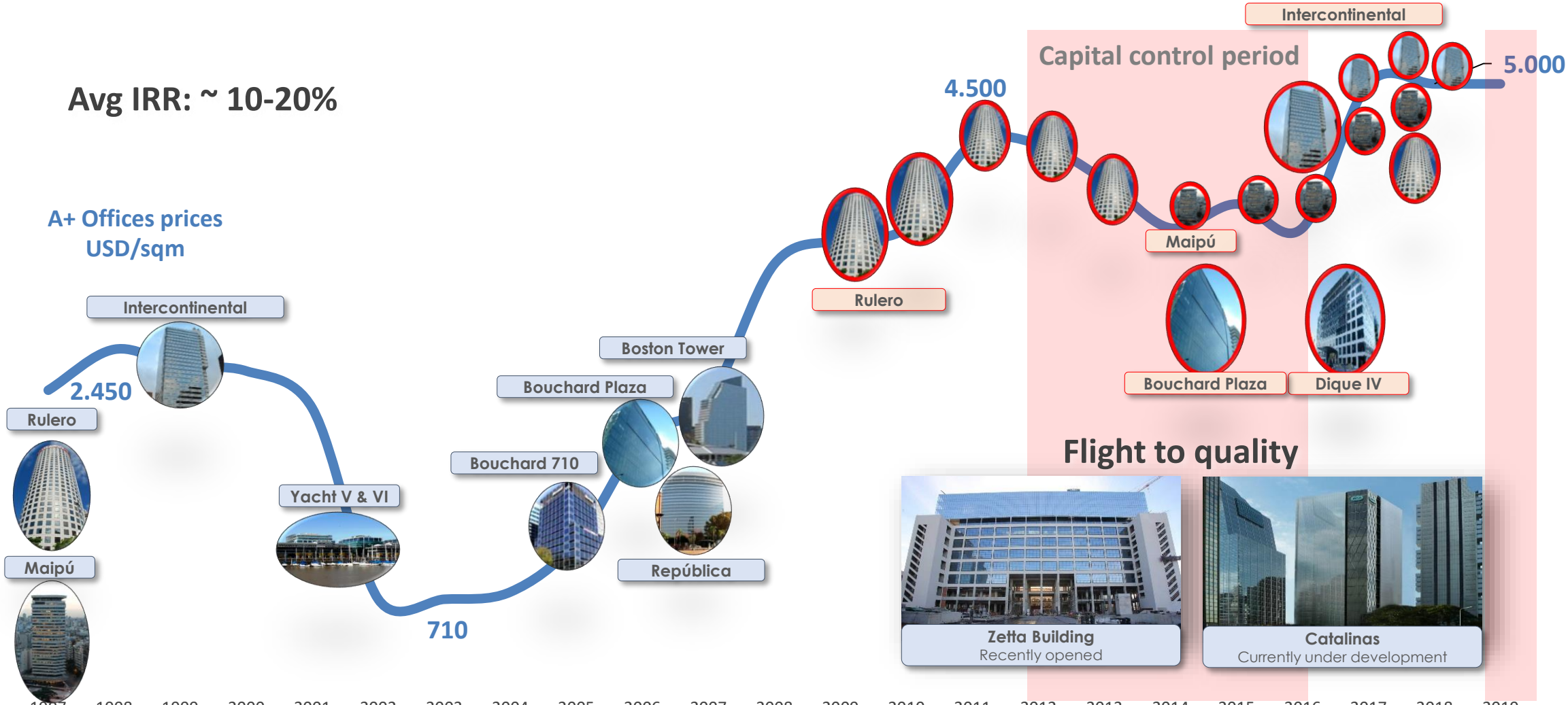
A+ Office sector BA City - historical evolution



Source: Indec

Real Estate Acquisitions & Sales Track Record

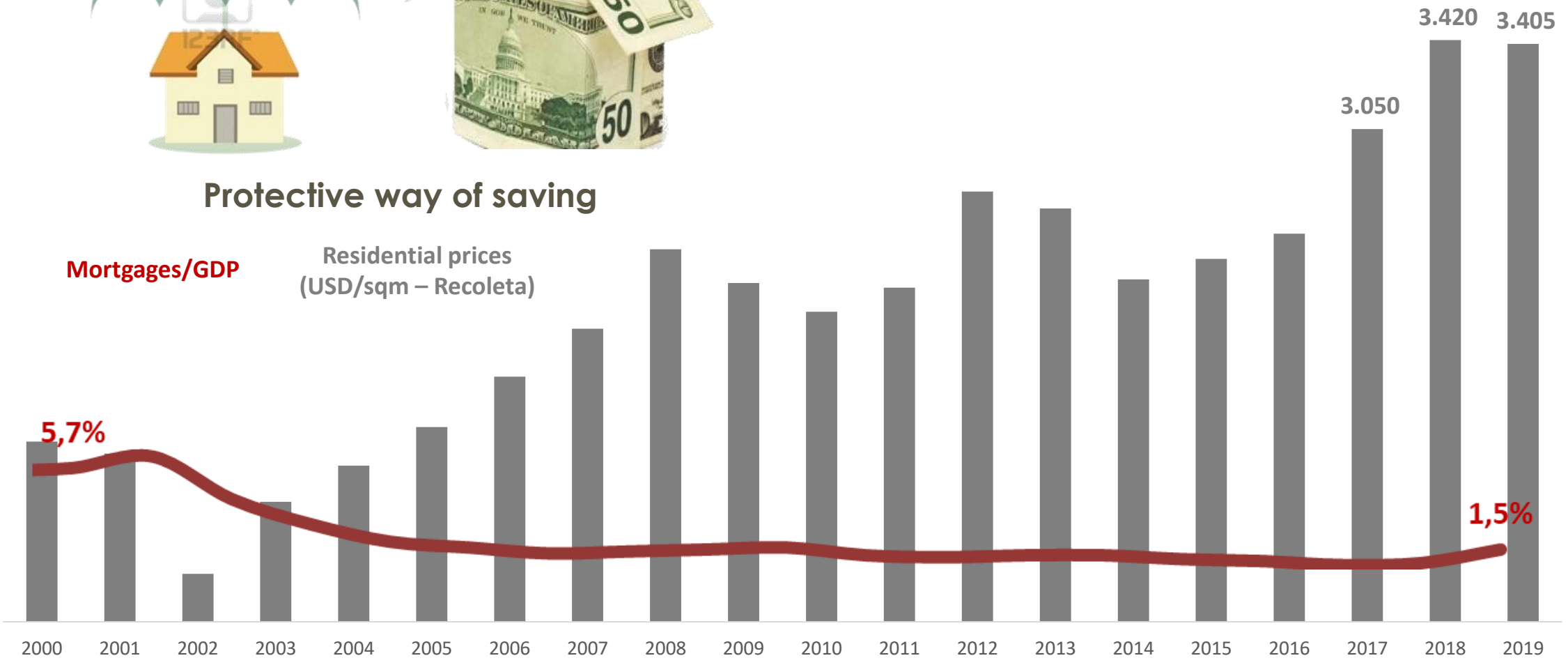
Active portfolio management



Source: L.J. Ramos – Colliers

Real Estate prices' increase despite no mortgages

Protective way of saving



Source: Reporte inmobiliario

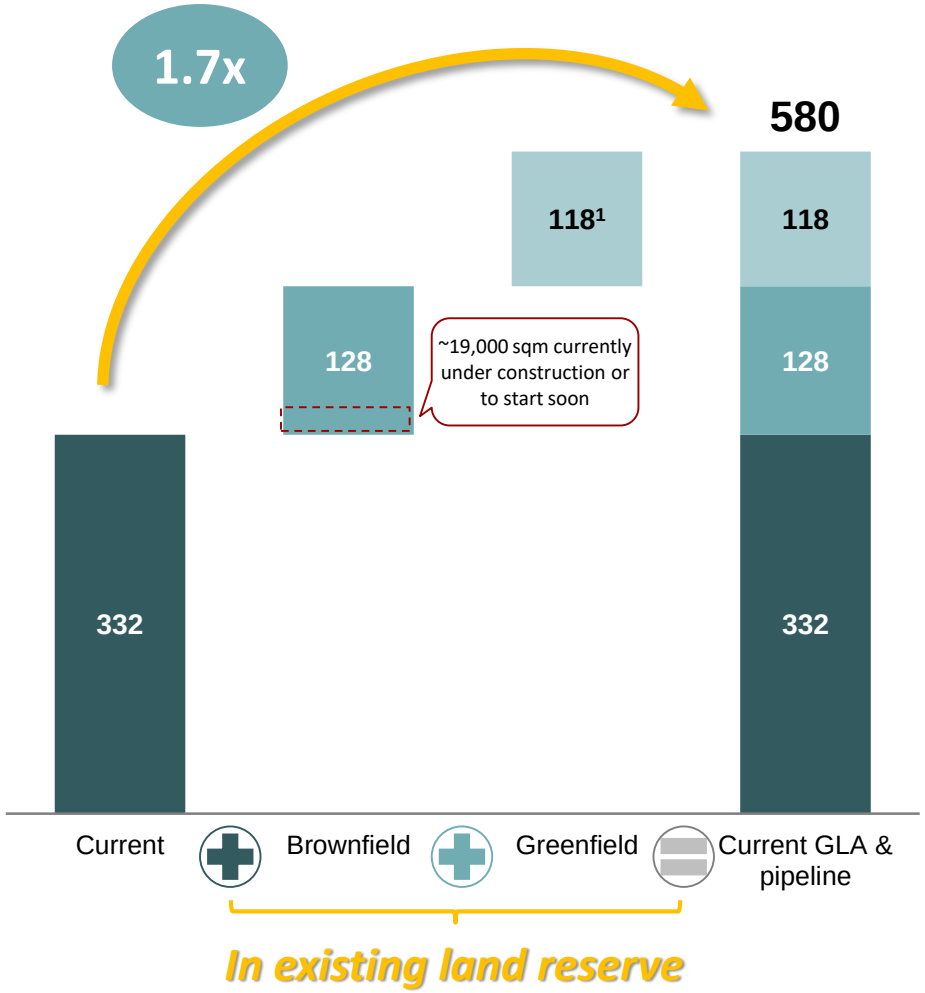
City of Buenos Aires – Residential market statistics

1993 – 2019: Number of signed deeds
2009 – 2019: Number of mortgages granted
(thousands)

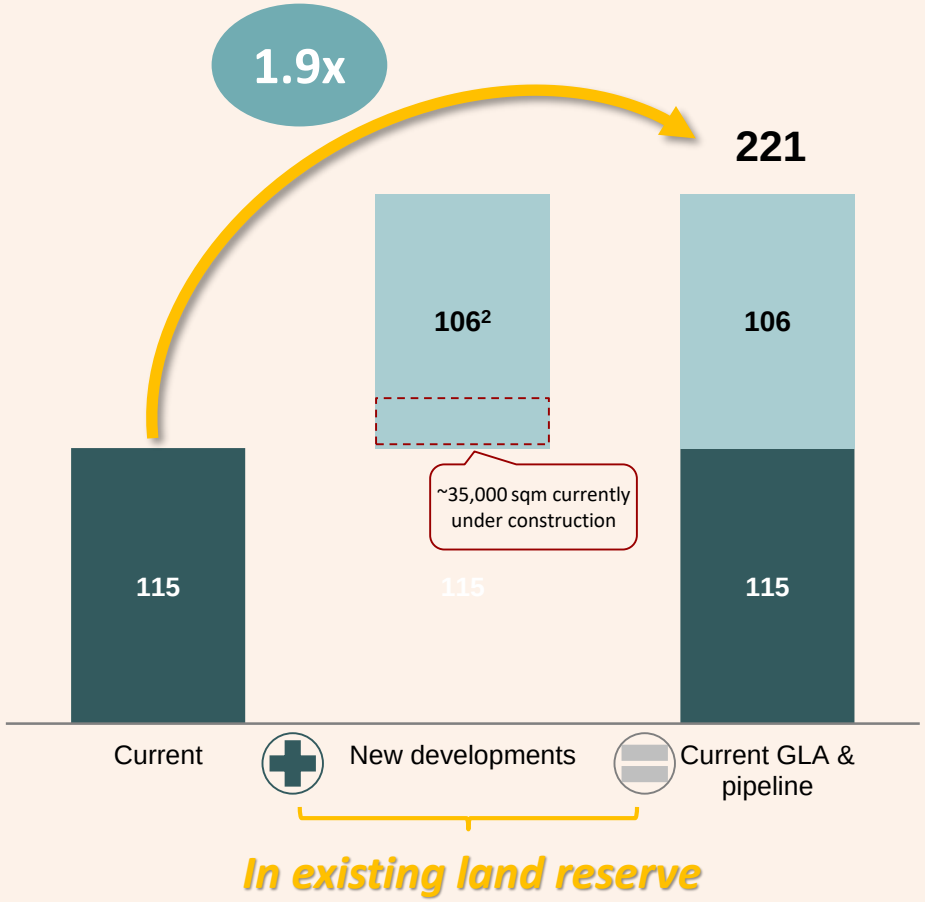
Source: Colegio de Escribanos de la Ciudad de Buenos Aires

Our land reserve will allow us to significantly expand our commercial real estate portfolio

We have a robust pipeline for shopping malls…



…as well as for premium office properties



ZETTA BUILDING OPENING

32,000
GLA sqm

May 2019
Opening date

USD 60mm
Investment

USD 9mm
Est. EBITDA

15%
Cap Rate

falabella.

mercado Libre

ZETTA BUILDING - INTERIOR

polo DOT office park
Intecons Building
Exa Building (planning status)
Dot Baires Shopping
Dot Connection (planning status)
Giga Building (planning status)
Dot Building
Zetta Building
Philips Building (future recycling)
Coca Cola Building
Panamerican Plaza

200 DELLA PAOLERA

Under development

35,000
GLA sqm

87%
IRCP stake

68%
Works Progress

IVQ FY20
Est. Opening date

USD 90mm
Est. Investment

USD 10-12mm
Est. Estabilized EBITDA

12%
Cap Rate

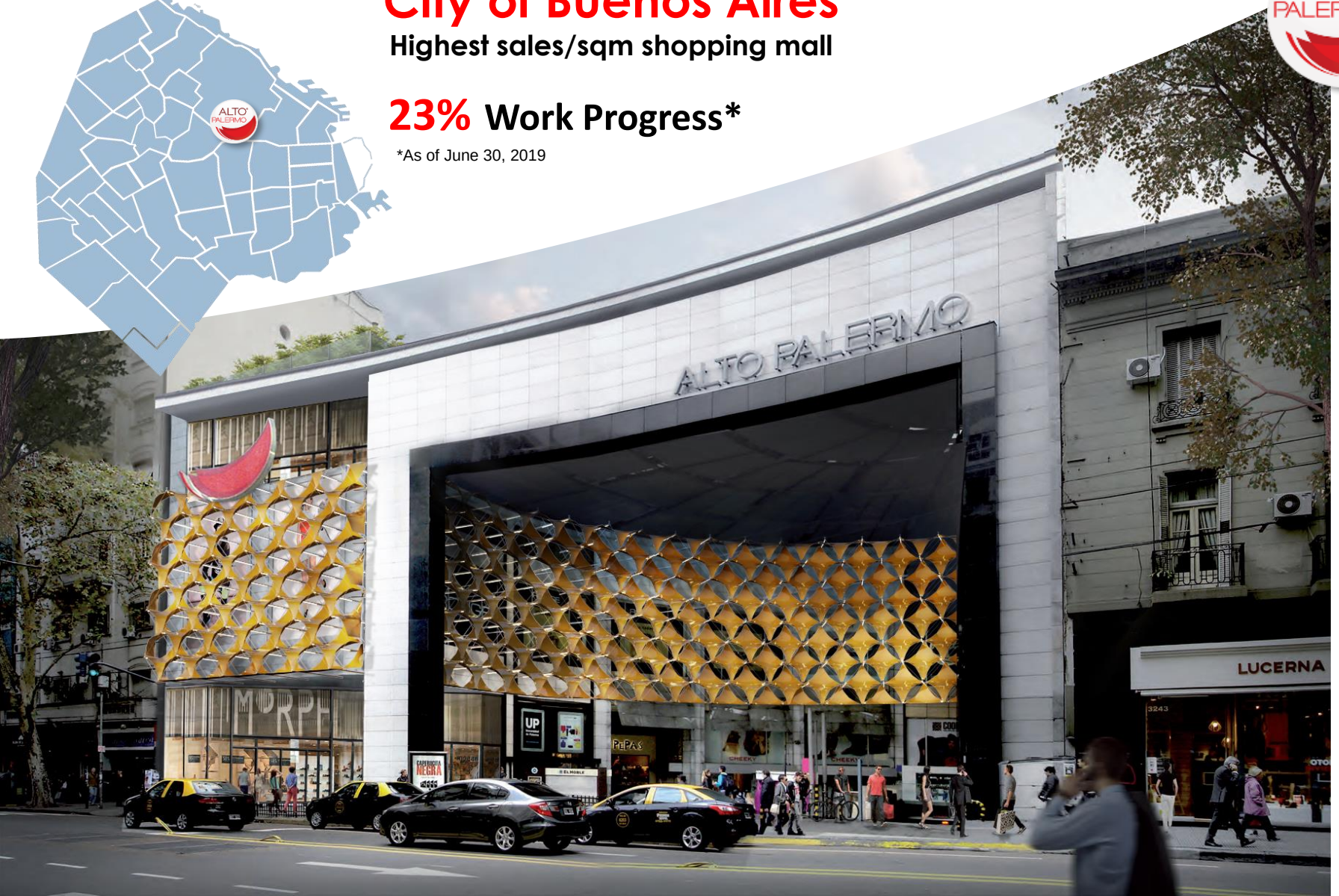
Shopping malls´ Expansions
Alto Palermo

City of Buenos Aires

Highest sales/sqm shopping mall

23% Work Progress*

*As of June 30, 2019



3,900
sqm GLA

US$28.5mm
estimated investment

FY2021
opening date

Mixed-use Projects' approvals

CABALLITO

BA City

23,000

sqm

~ 76,000 & ~ 11,000

Buildable Residential & Retail sqm

LA PLATA

Greater BA

78,000

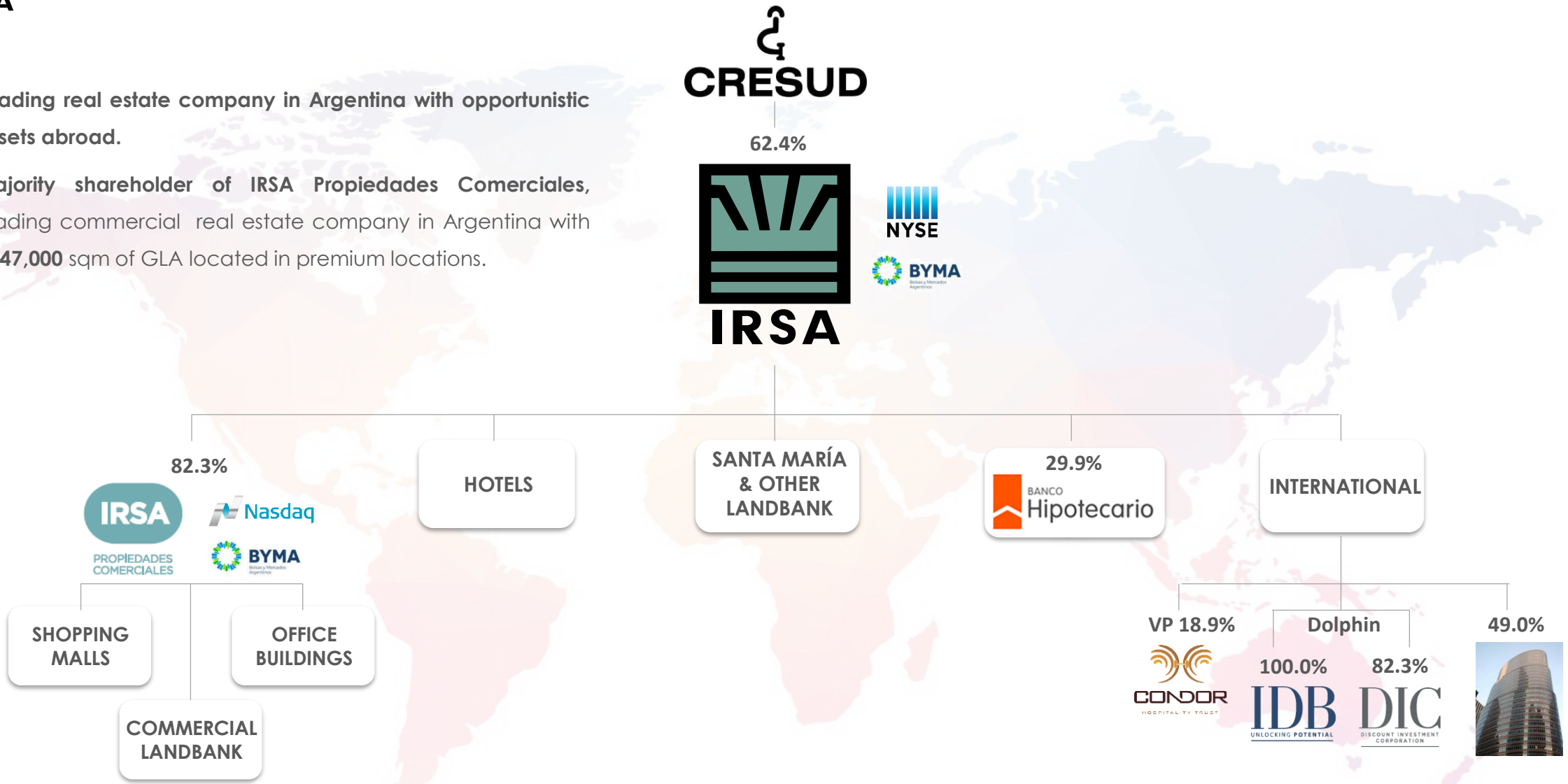
sqm

~ 100,000

Buildable Residential & Commercial sqm

IRSA: Leading Real Estate Company in Argentina

- **Leading real estate company in Argentina with opportunistic assets abroad.**
- **Majority shareholder of IRSA Propiedades Comerciales,** leading commercial real estate company in Argentina with **~447,000** sqm of GLA located in premium locations.



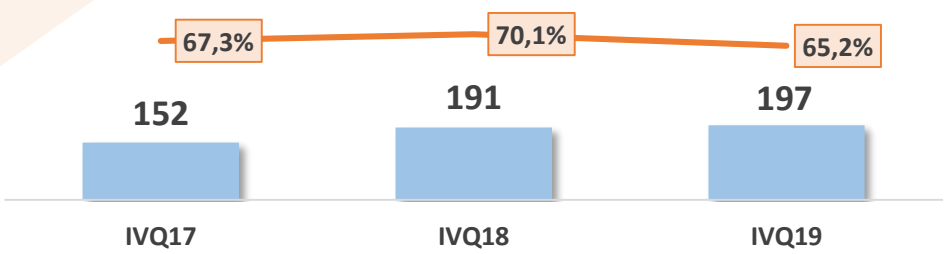
Argentina Business Center - Hotels

Intercontinental
BA city

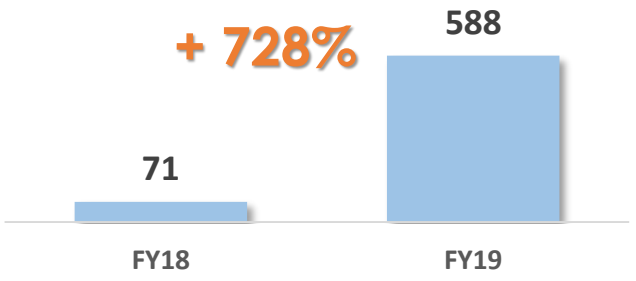
Llao Llao Resort
Bariloche city

Libertador
BA city

Rate USD/room & Occupancy evolution



EBITDA (ARS MM)

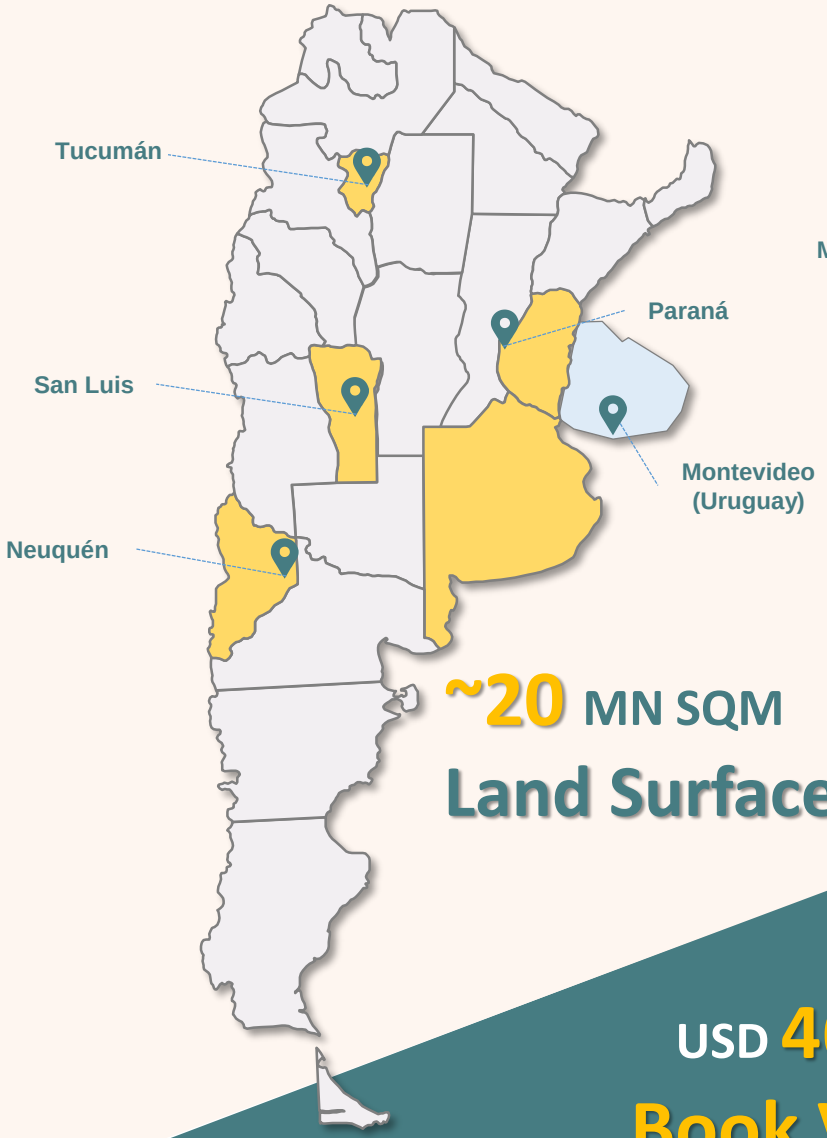


On Feb-19, IRSA acquired **20%** of the shares of Hoteles Argentinos S.A., owner of the hotel formerly known as **Sheraton Liberatdor**

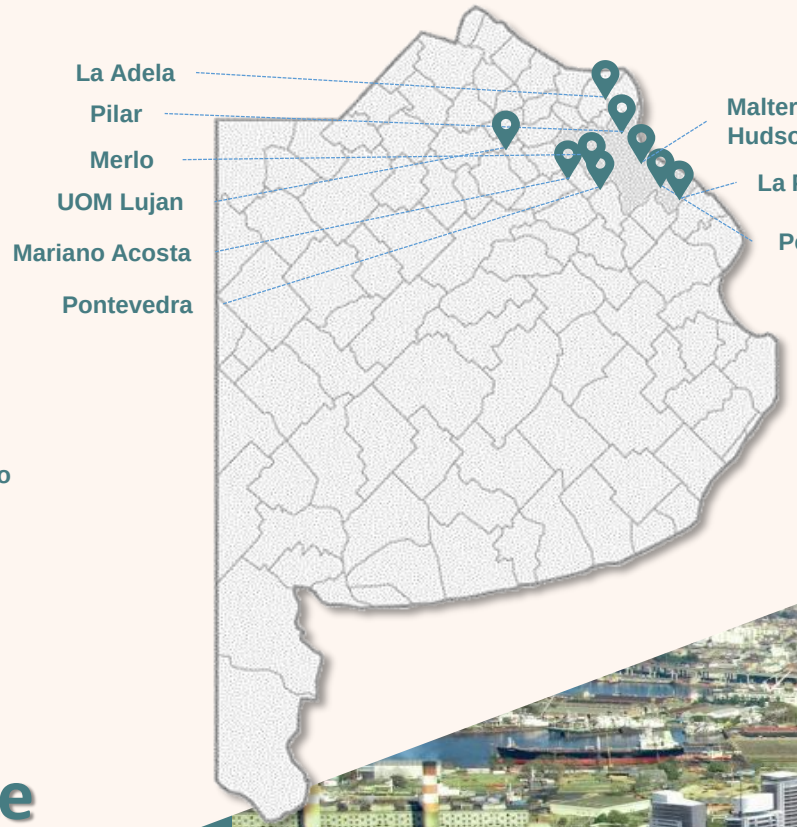
Current stake: **100%**

Premium mixed-use Landbank for future developments

Argentina



BA Province



BA City

~20 MN SQM

Land Surface

USD 460 MN

Book Value

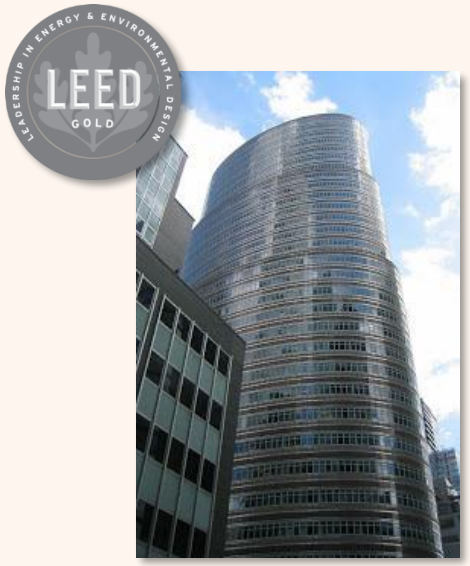
~ 700,000 sqm of Premium Real Estate to be developed in the best location of BA City (Approvals pending)

US Investments

Lipstick Building

Main events FY19:

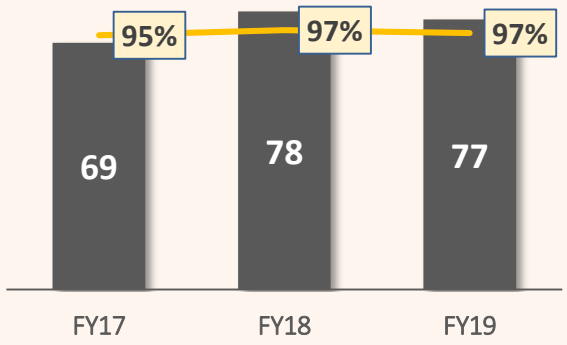
- Debt refinance from USD 53 to **USD 11 MM** maturing in April 2021.
- In June 2019, a deposit "escrow" agreement was signed for USD 5.1mm to get an option to acquire a controlling position on a fraction of the land where Lipstick is built. The option expired on August 30th and the owner is entitled to collect the deposit.
- The company will continue negotiations trying to obtain funding sources that allow us to execute the purchase.



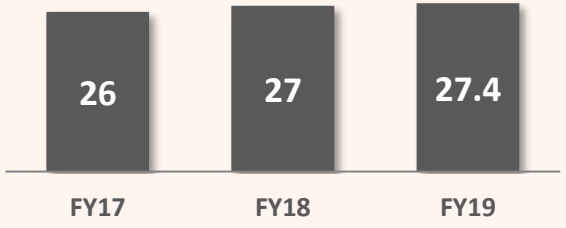
Main future challenges:

- Keep working on its capital structure
- Main tenant replacement in FY 2021.

Leases (USD MM) & Occupancy



NOI (USD MM)



US Hospitality REIT (NYSE: CDOR)

Under sale process

On **July 2019**, Condor signed an agreement and merge plan with a non-related company.

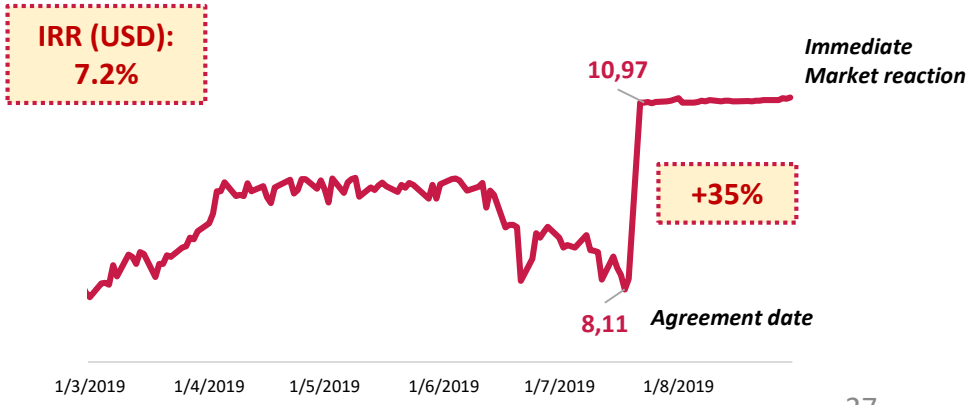
IRSA will collect its position in common and preferred shares according the following conditions:

- Ordinary share price: USD 11.10
- Preferred E convertible share price: USD 10.00

The transaction is expected to be concluded between October and December 2019.

IRSA will collect approximately **USD 29 million**.

CONDOR price evolution



Israel Business Center

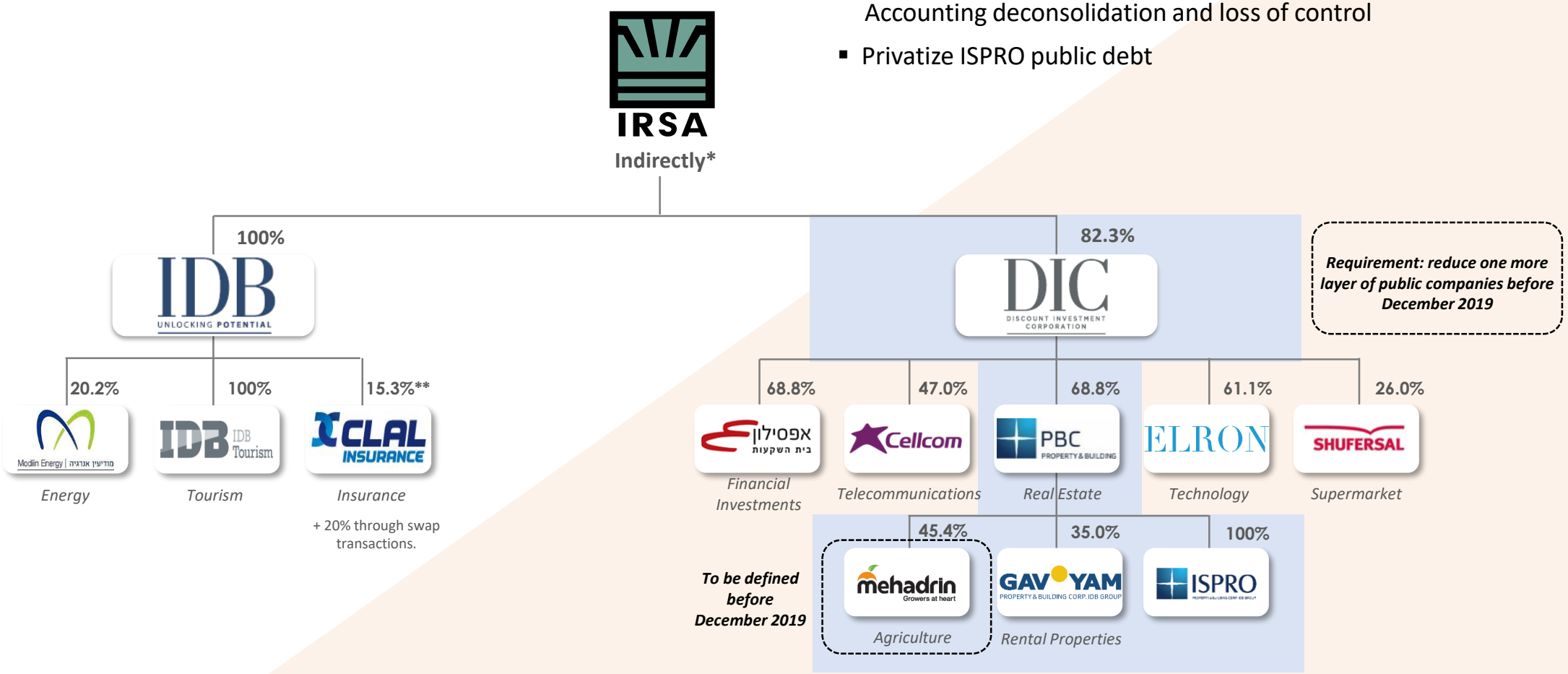
Current Corporate Structure

Senior Management:

- New CEO appointment under process

Concentration Law Resolution:

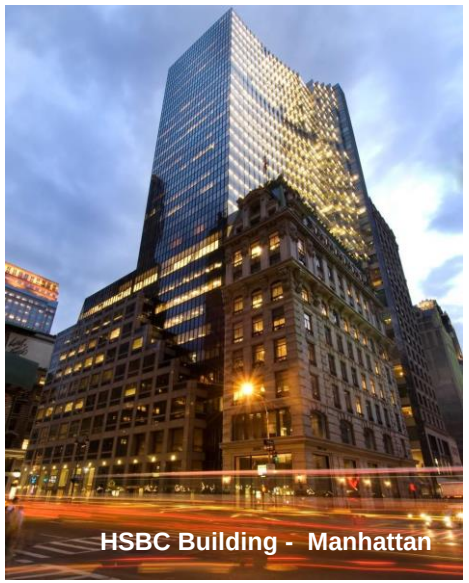
- Disposal of 16.7% of Gav-Yam shares
  Accounting deconsolidation and loss of control
- Privatize ISPRO public debt



* There is a nonrecourse intercompany loan between Dolphin (borrower) and IDB (lender) due to the transference of DIC shares. This loan is guaranteed with DIC shares sold.
** Direct stake.

PBC (**67.5%** DIC stake) & Gav Yam (**51.7%** PBC stake) Leading Real Estate companies in Israel

ORACLE · NIKE · Microsoft · Google · YAHOO! · IBM



Market Cap

PBC PROPERTY & BUILDING — USD 523 MM

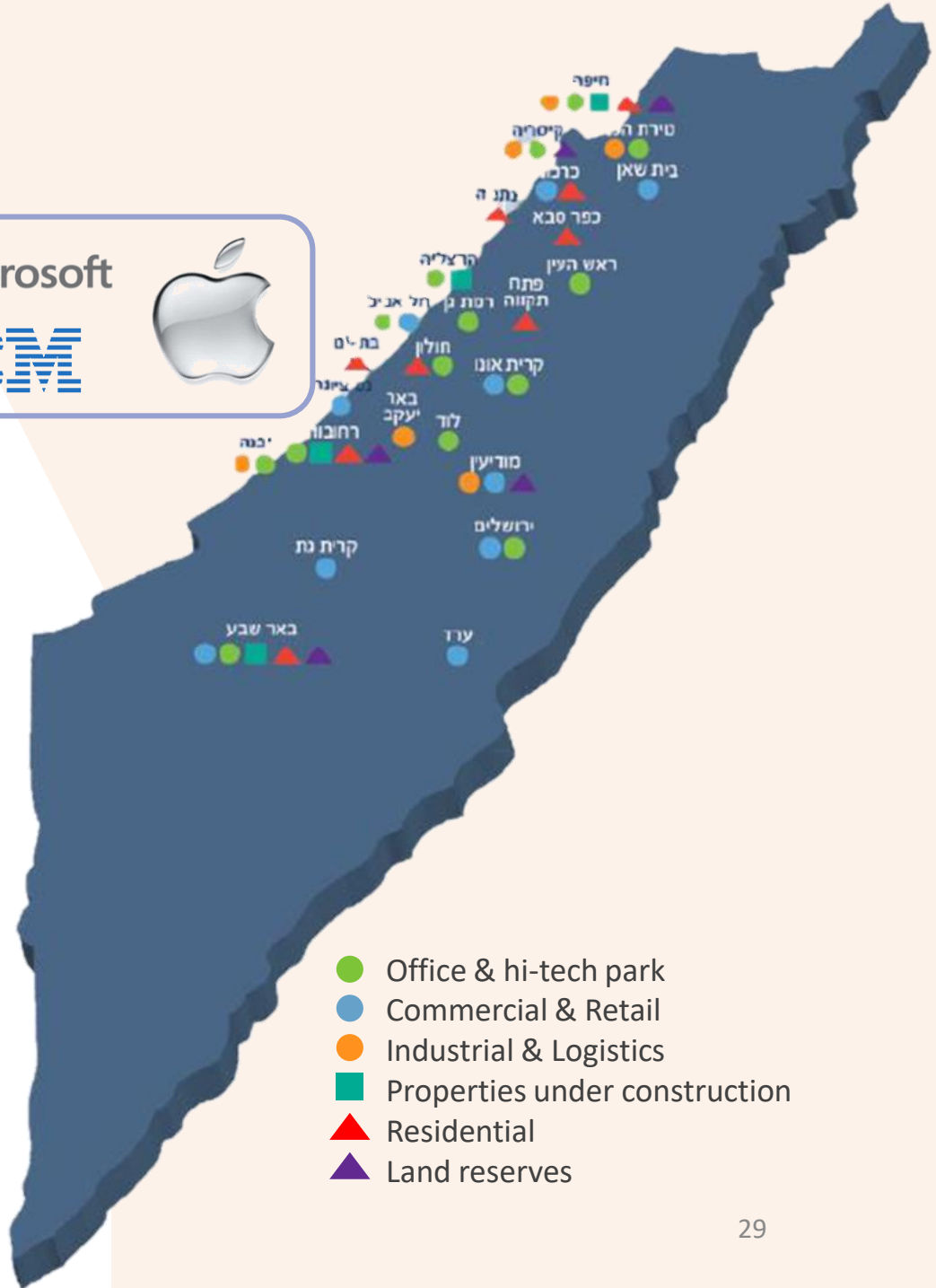
GAV YAM PROPERTY & BUILDING CORP. IDB GROUP — USD 1,010MM

1,160,000 sqm
in Israel

670,000 sqm
Land reserve

97%
occupancy

142,000 sqm
in USA



Real Estate projects under development in Israel

8 Projects

194,000 sqm

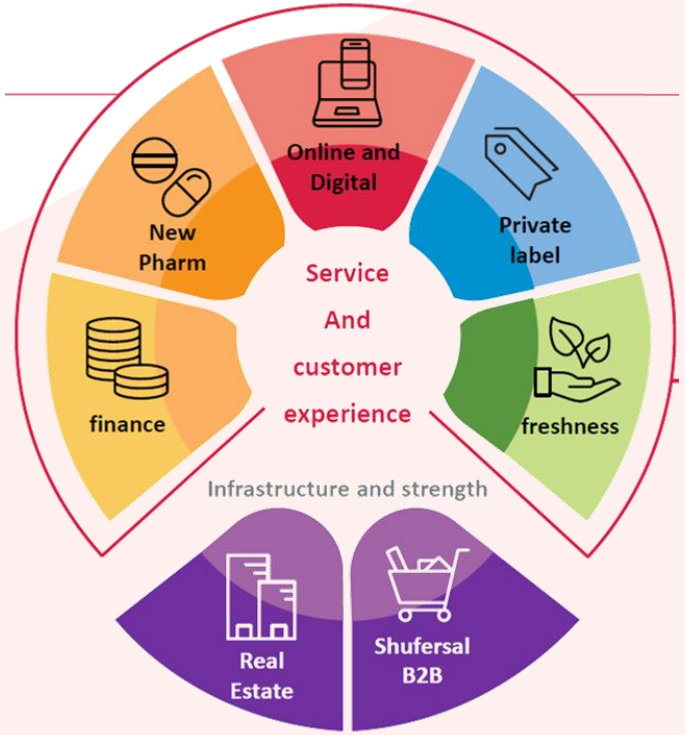
Shufersal (**26.0%** DIC stake): Israel's Leading Food Retailer

Shufersal

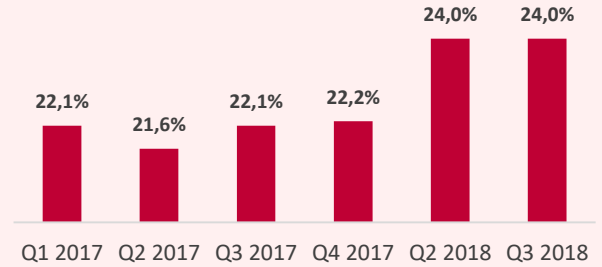
- ✓Traded on TASE – Market cap **USD 1,589 MM**
- ✓Operates **338 stores** nationwide
  - **Shufersal: 274** stores
  - **New Pharm: 64** stores
- ✓Holds a real estate portfolio of ~ **NIS 3 billion**

New Pharm recent acquisition
2nd largest pharmacy chain in Israel

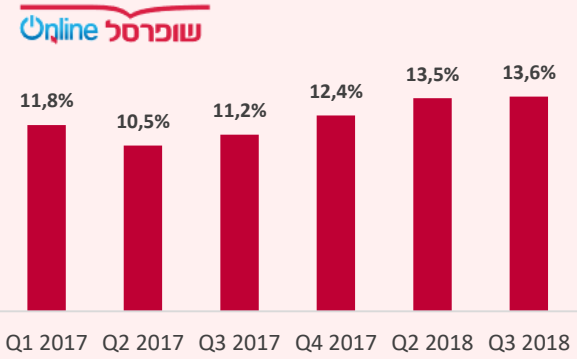
ניו-פארם
פשוט משתלם.



Private Label - % of Total Sales



Online Sales - % of Total Sales



Largest Telecommunications Provider

(**43.9%** DIC stake)

- ✓ Israel's largest cellular provider – **2.8 million subscribers**
  26% market share
- ✓ **Competition:**
  - Operates in competitive environment -5 cellular providers.
  - Cellular: ARPU NIS 51.8 vs ~ NIS 163 in the US.
- ✓ Transition from **cellular company to communication Group:**

- ✓ Fastest growing company in TV, internet & fixed line services:
  - **ISP Service for 685k households**
  - **Over 195,000 pay TV subscribers**

Cellcom TV Subscribers (Th.)

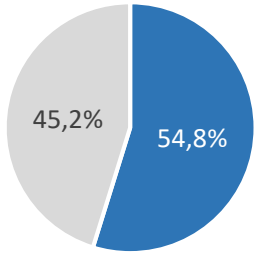
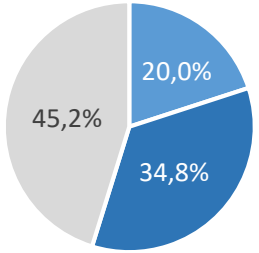
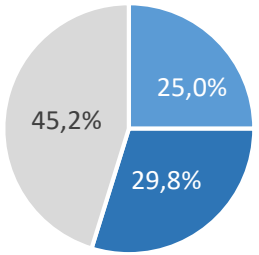
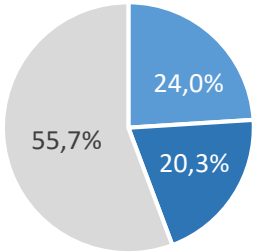
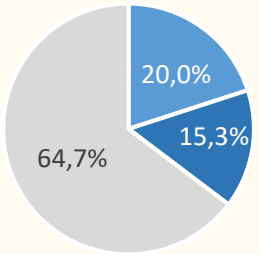
- ✓ Market cap **USD 524 MM**

Clal sale process

Mar-19: Control permit requested

Aug-19: Control permit requested pulled back

CLAL INSURANCE

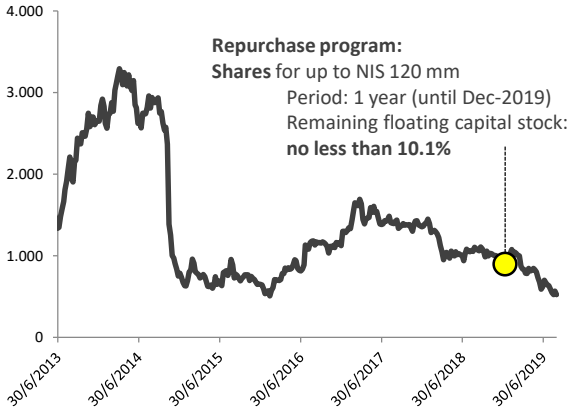
Jun-18	Aug-18	Jun-19	Sep-19
Original stake	4 sales of 5% each through swap transactions during FY 18	1 additional sale of 5% through swap transaction	In May, 2 private investors bought ~10%, and one of them received an option to buy another 3% Additional option given to a 3rd investor to buy 3-5%.	On September 2nd and 3rd, 3% of swaps were sold and IDB announced a 6% additional sale of Clal shares in exchange of its own bonds: • 5% at a price of NIS 52.5 per share - total consideration of NIS 145 MM, in exchange of Series 9 & 14 own bonds. • 1% additional sale in swaps. This transaction is equivalent to sell at ~90% BV.
				
Economic rights	**54.8%**	**54.8%**	**54.8%**	**44.3%**	**35.3%**

IDB Through swaps IDB Directly Float

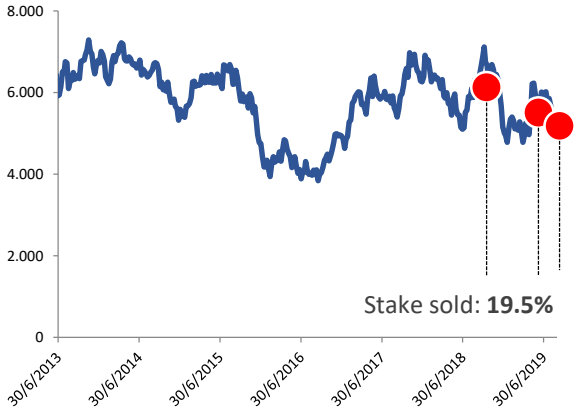
Israel Business Center

Shares' performance evolution

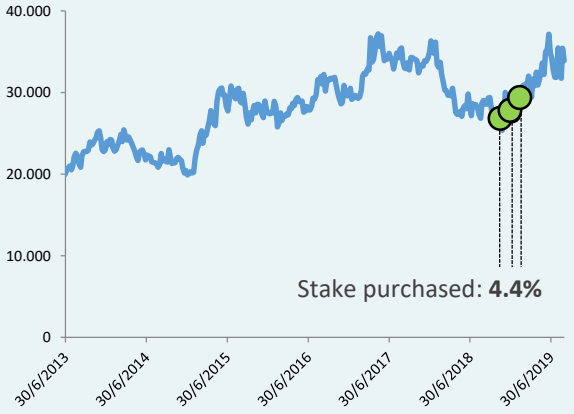
DIC — YoY -51.9%



CLAL INSURANCE — YoY -15.9%

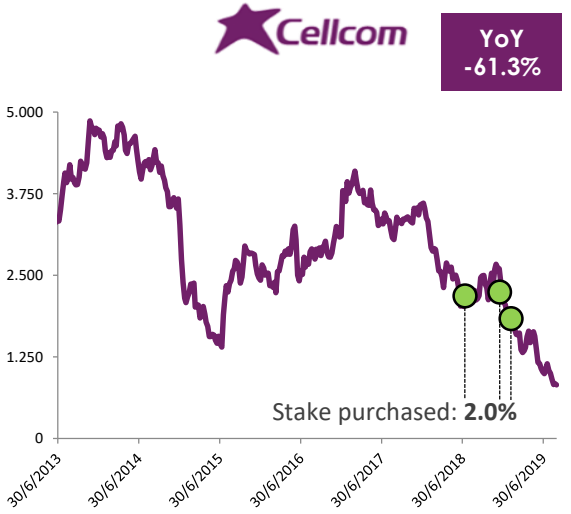


PBC PROPERTY & BUILDING — Yoy 16.7%

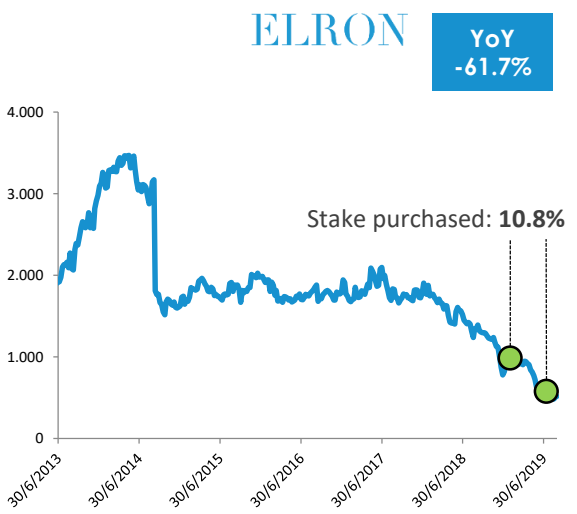


Shufersal — YoY 0.8%

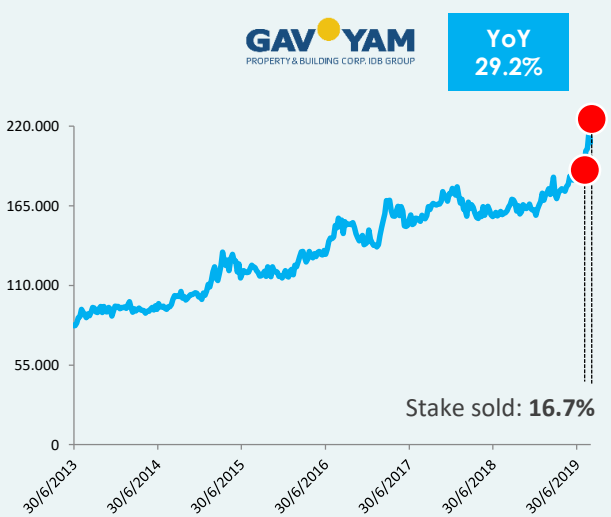
Cellcom — YoY -61.3%



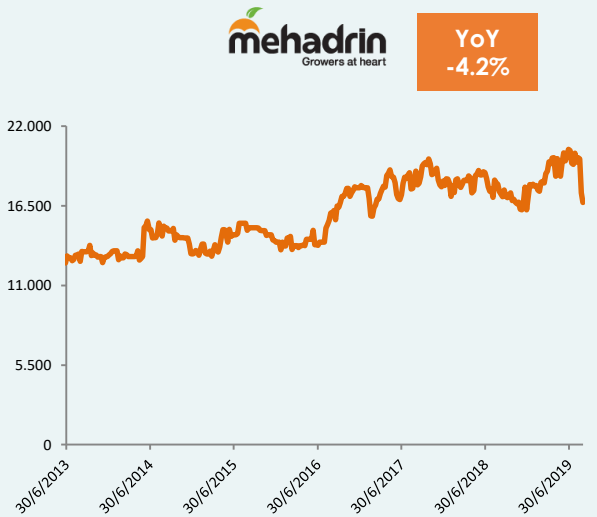
ELRON — YoY -61.7%



GAV YAM PROPERTY & BUILDING CORP. IDB GROUP — YoY 29.2%



mehadrin Growers at heart — YoY -4.2%

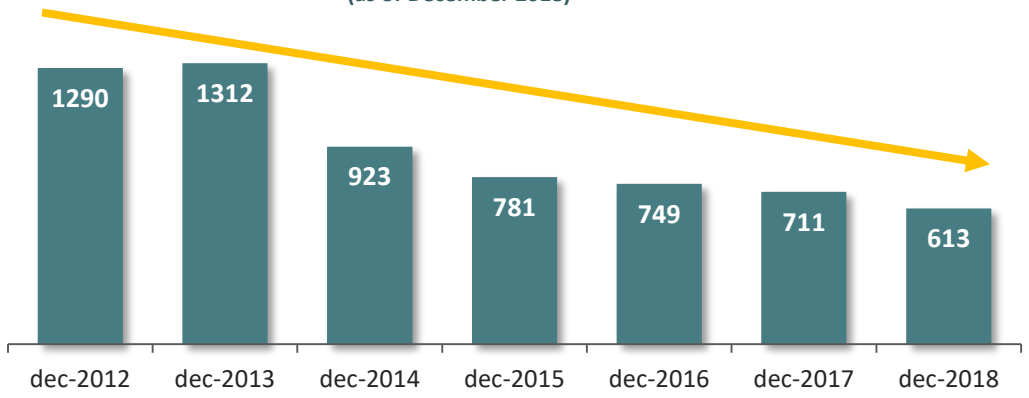


Israel Financial Figures
(USD MM)

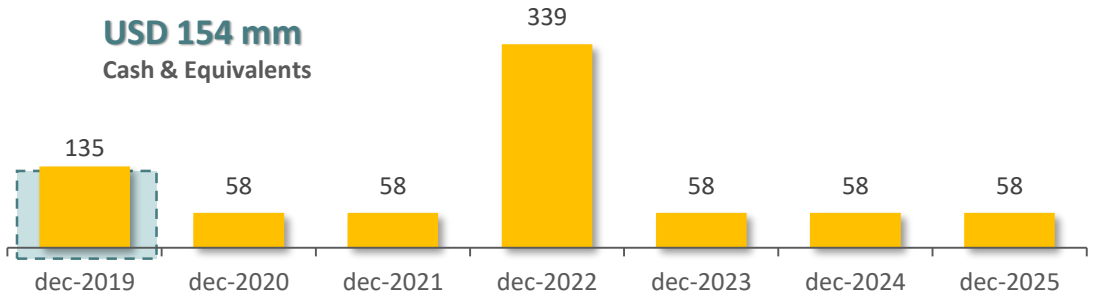
IDB UNLOCKING POTENTIAL

Stand alone

Net Debt evolution
(as of December 2018)



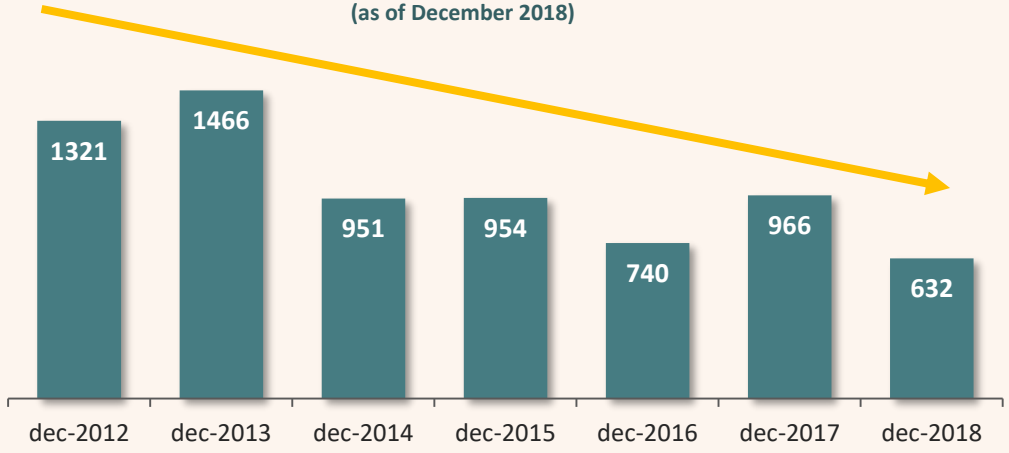
Debt Amortization Schedule
(as of June 2019)



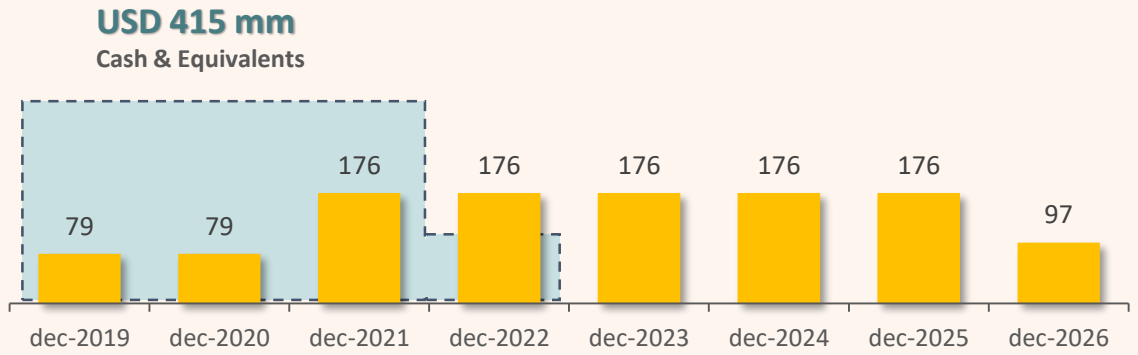
DIC DISCOUNT INVESTMENT CORPORATION

Stand alone

Net Debt evolution
(as of December 2018)

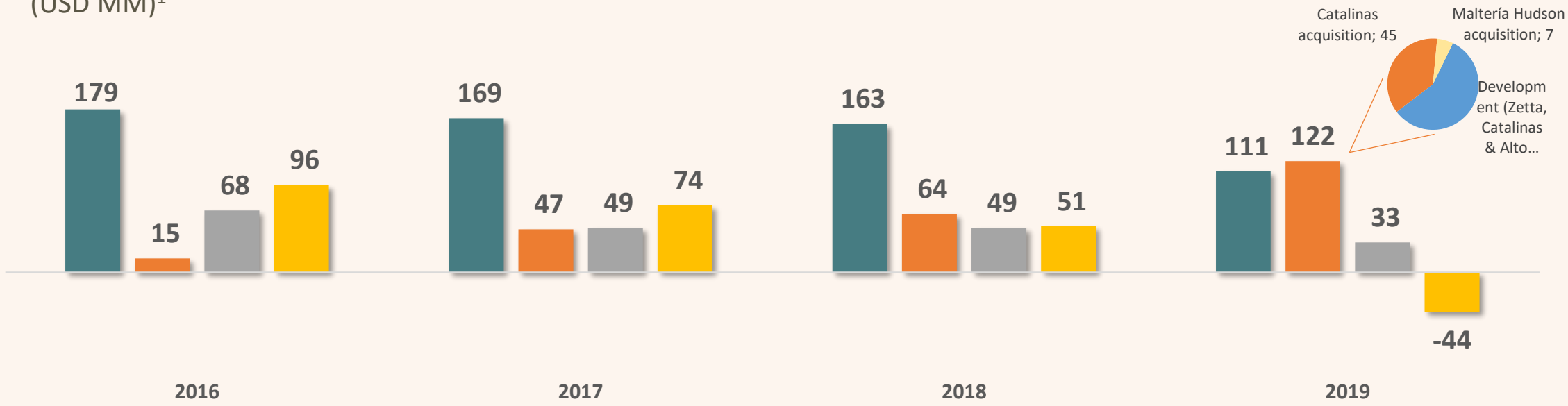


Debt Amortization Schedule
(as of June 2019)



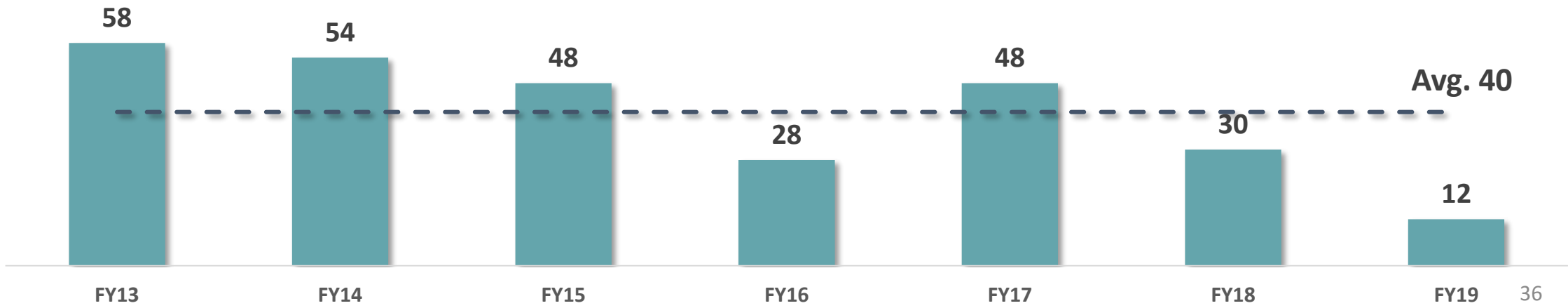
Financial Figures

(USD MM)[1]



[1] Figures not adjusted for inflation.

Dividends received by IRSA from IRCP

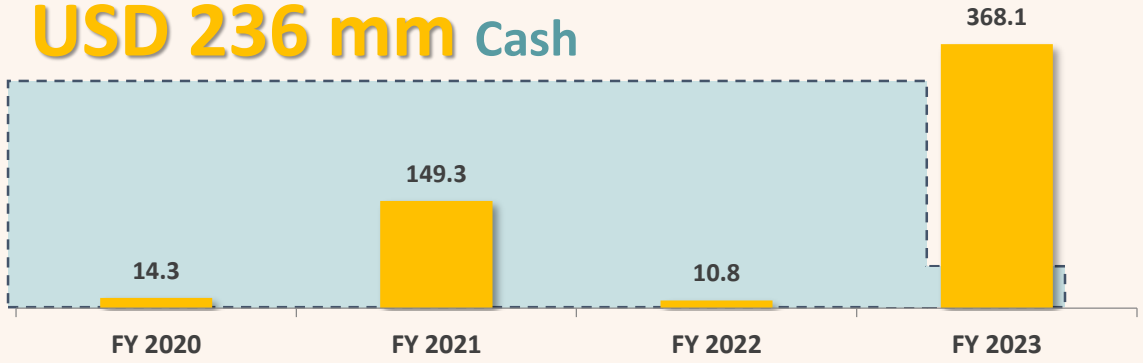


Financial Figures

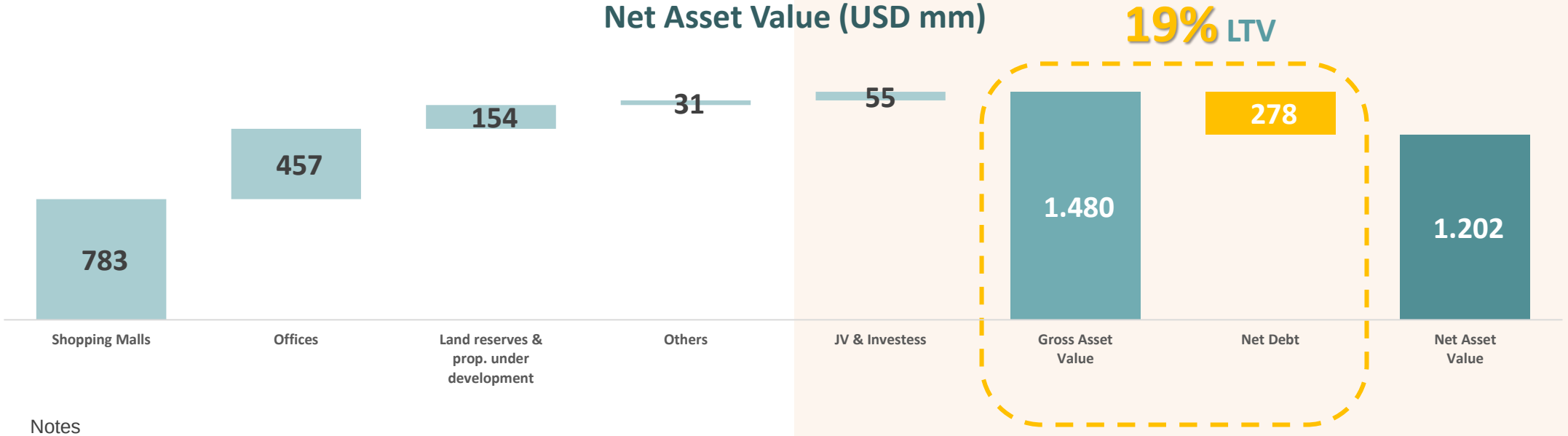
As of June 30, 2019

Debt	USD 542 mm
Net Debt	USD 306 mm
Net Debt / EBITDA	2.8x
Adjusted EBITDA FY19	USD 111 mm
NOI FY19	USD 136 mm
Adjusted FFO FY19	USD 70 mm

Debt Amortization Schedule



Net Asset Value (USD mm)



Notes

(1) Assets and liabilities adjusted by IRCP ownership

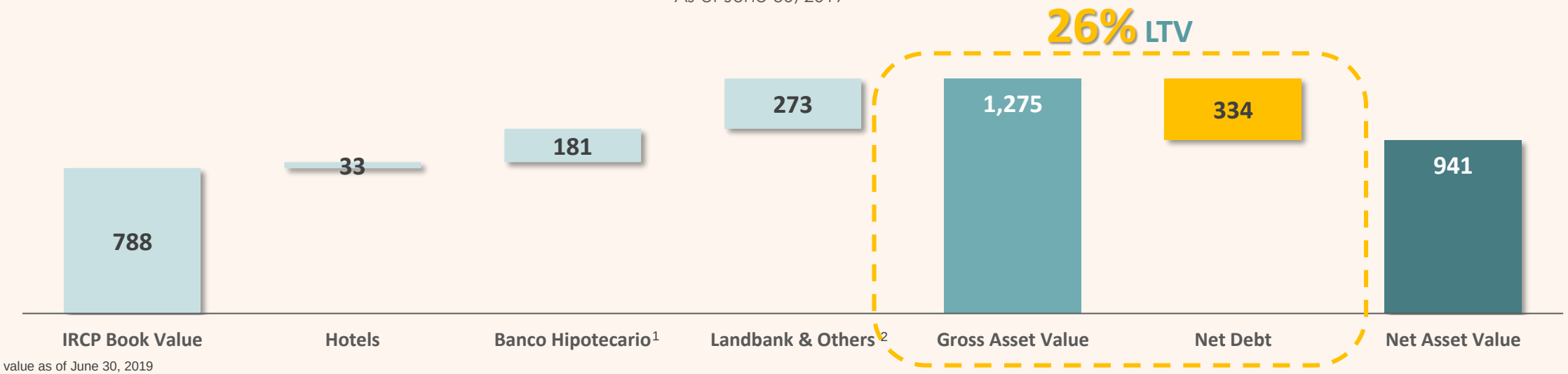
(2) Includes floors of the Intercontinental building used by IRCP, registered under PP&E, and trading properties and barters registered under intangible assets. These 3 items are recorded at historical cost in the financial statements

(3) Includes Quality and Nuevo Puerto Santa Fe as JV and La Rural, La Arena, Convention Center, TGLT & Avenida as Investees.

IRSA Stand Alone Financial Figures

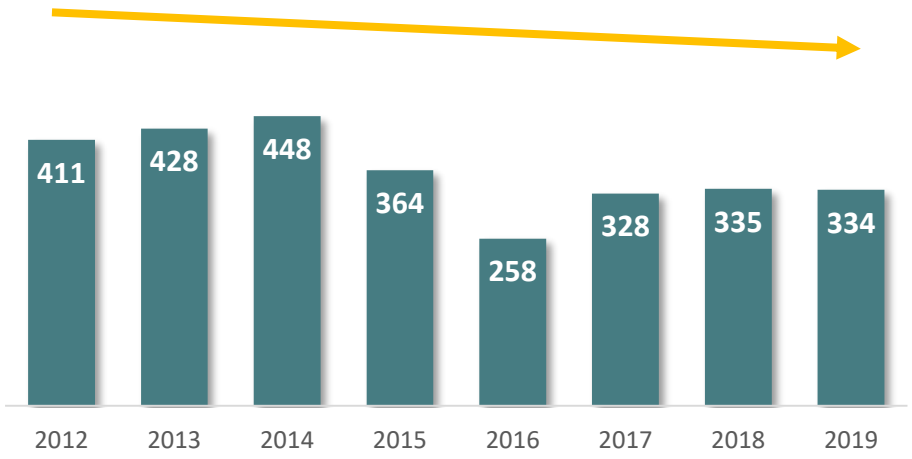
Net Asset Value (USD mm)

As of June 30, 2019



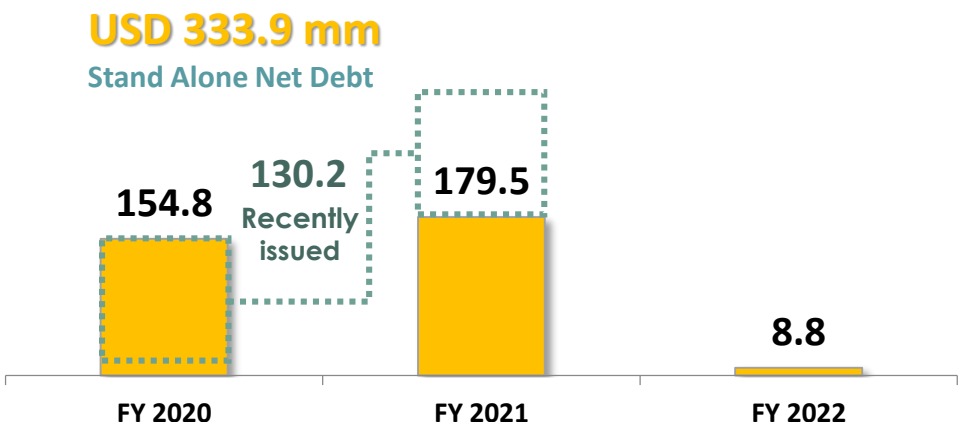
1. Market value as of June 30, 2019
2. Book value as of June 30, 2019. Others includes the investment in Condor Hospitality Trust and Israel at market value

Net Debt evolution



Debt Amortization Schedule

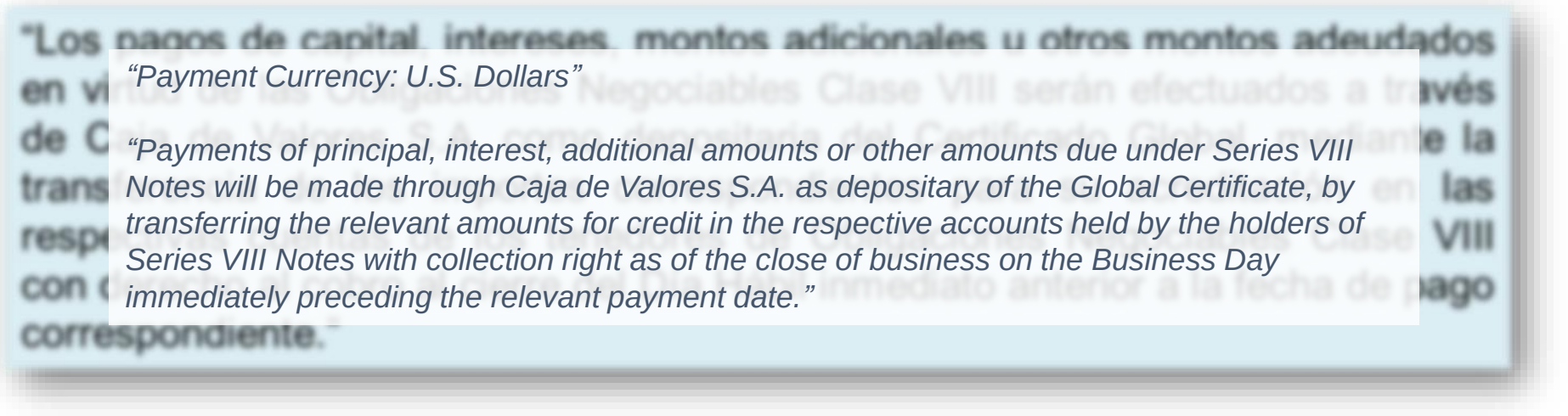
As of June 30, 2019



Financial events:

- Credit line with IRCP for up to USD 180 mm, for up to 3 years, at an interest rate equal to IRSA 2020 or future issuances.
- In May 2019, we issued a local Bond for **USD 96.3 mm** at a fixed annual interest rate of 10.0% due November 2020 to refinance short-term debt
- Subsequently, in August 2019, we issued a second tranche of the Class 1 issued in May for **USD 85,2 mm** at an 8.75% yield, and a new class in Chilean Pesos for an equivalent of **USD 45 mm** at an interest rate of 10.5%, both maturing in August 2020.

Payment of IRSA´s Series VIII



"Payment Currency: U.S. Dollars"

"Payments of principal, interest, additional amounts or other amounts due under Series VIII Notes will be made through Caja de Valores S.A. as depositary of the Global Certificate, by transferring the relevant amounts for credit in the respective accounts held by the holders of Series VIII Notes with collection right as of the close of business on the Business Day immediately preceding the relevant payment date."

- Argentina Law.
- On **September 9**, 2019, IRSA **paid in time and appropriate manner, U.S. dollars 135 million to Caja de Valores** (USD 132.6 million of Principal + USD 2.3 million of Interest).
- Once Caja de Valores received the entire payment, they **distributed** the funds to **all the bondholders.**
- **Non-residents** received the **funds in U.S. dollars** in Euroclear/Clearstream accounts **in Caja de Valores**.
- According to Regulation "A" 6770 of the Central Bank, U.S. dollars received locally by **non-residents can not be transferred abroad** through **direct** transfer mechanisms ("Canje") without Central Bank authorization.
- The **funds are available in Argentina** for withdrawal or transfer to local accounts.

Historical Overview of Business in Argentina

1980 – 2018: Argentina GDP (%)

Return to Democracy

Malvinas War

Argentinian Default

≠

Farm crisis

Hyperinflation

2008 crisis

Reconnection to the World (G20 – MSCI EM)

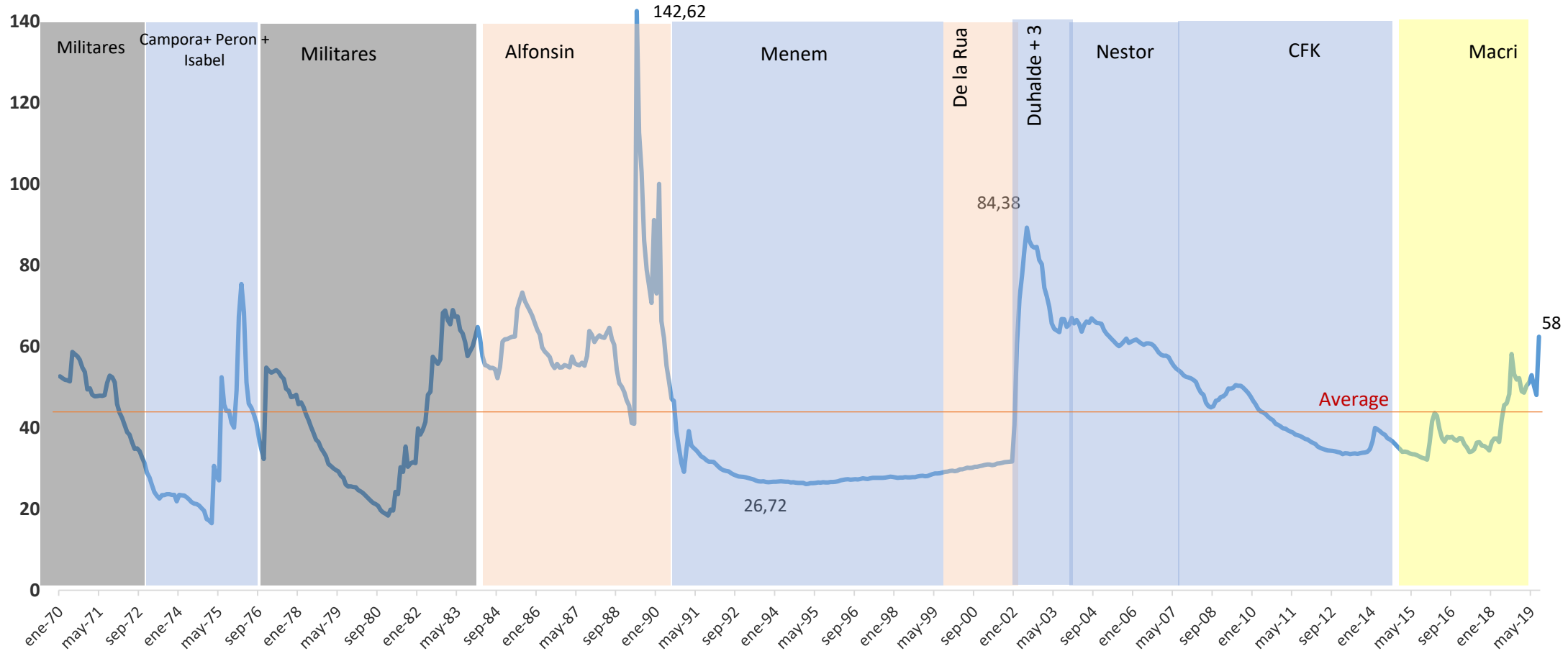
Nestor Kirchner

Cristina Fernandez de Kirchner

Mauricio Macri

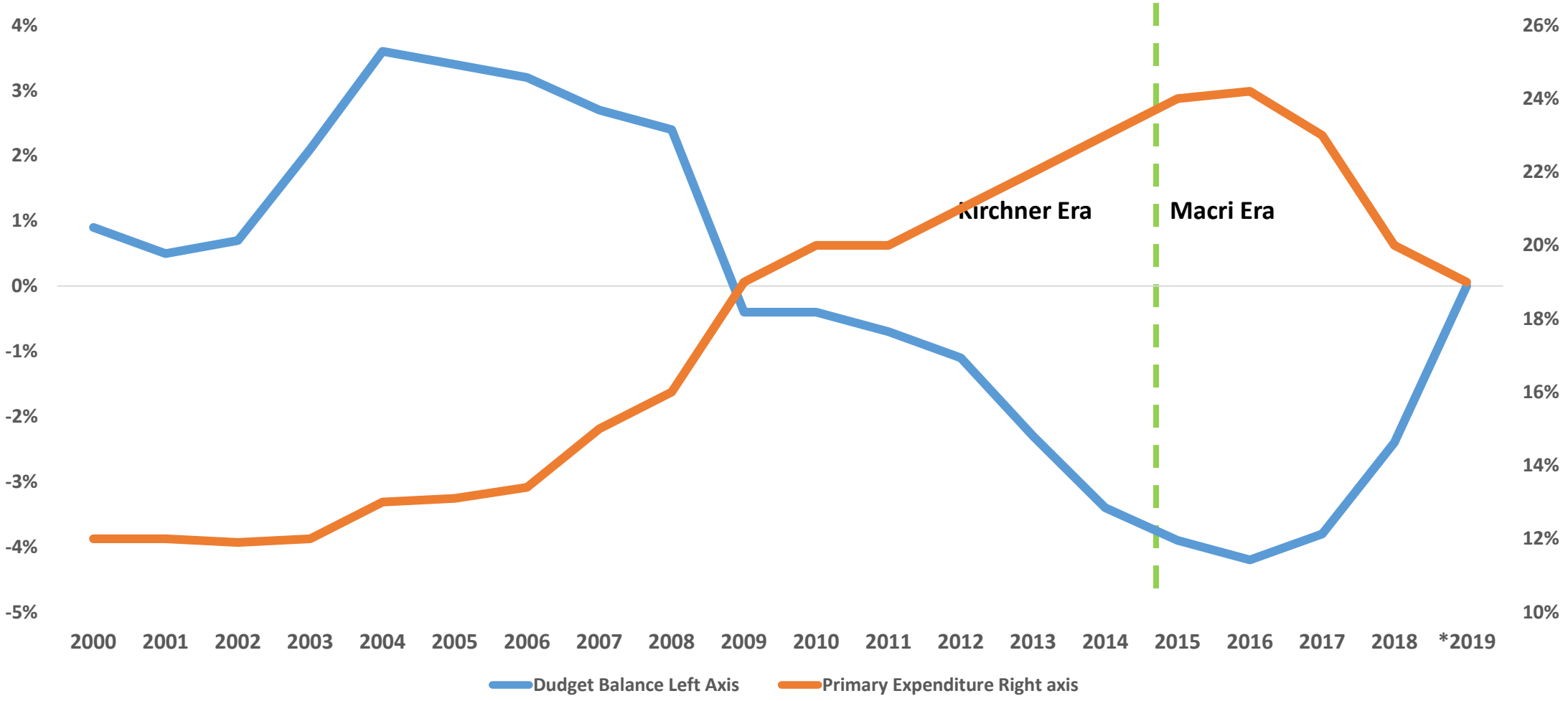
1980 1982 1984 1986 1988 1990 1992 1994 1996 1998 2000 2002 2004 2006 2008 2010 2012 2014 2016 2018

Argentina Real FX Evolution



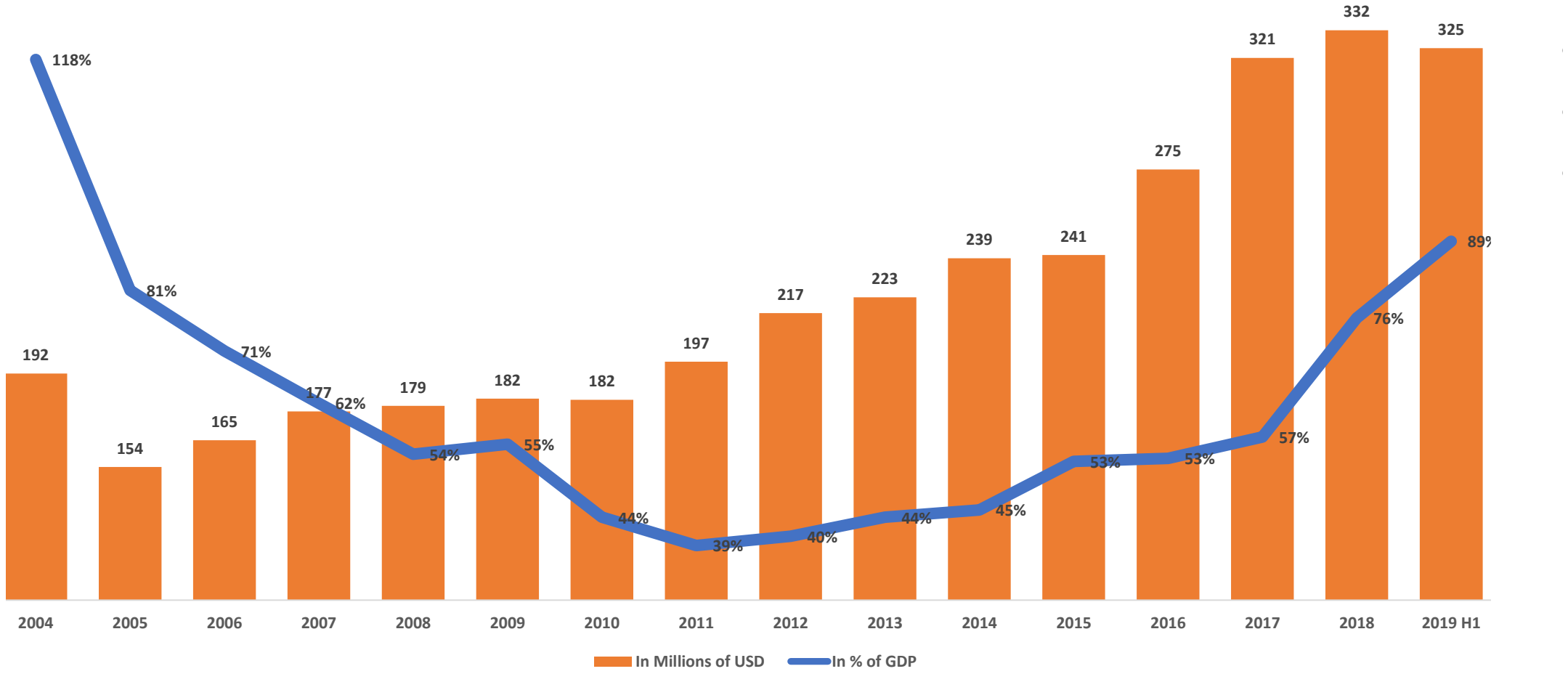
Source: Argentinian Ministry of Finance

Fiscal Deficit Evolution as % of GDP



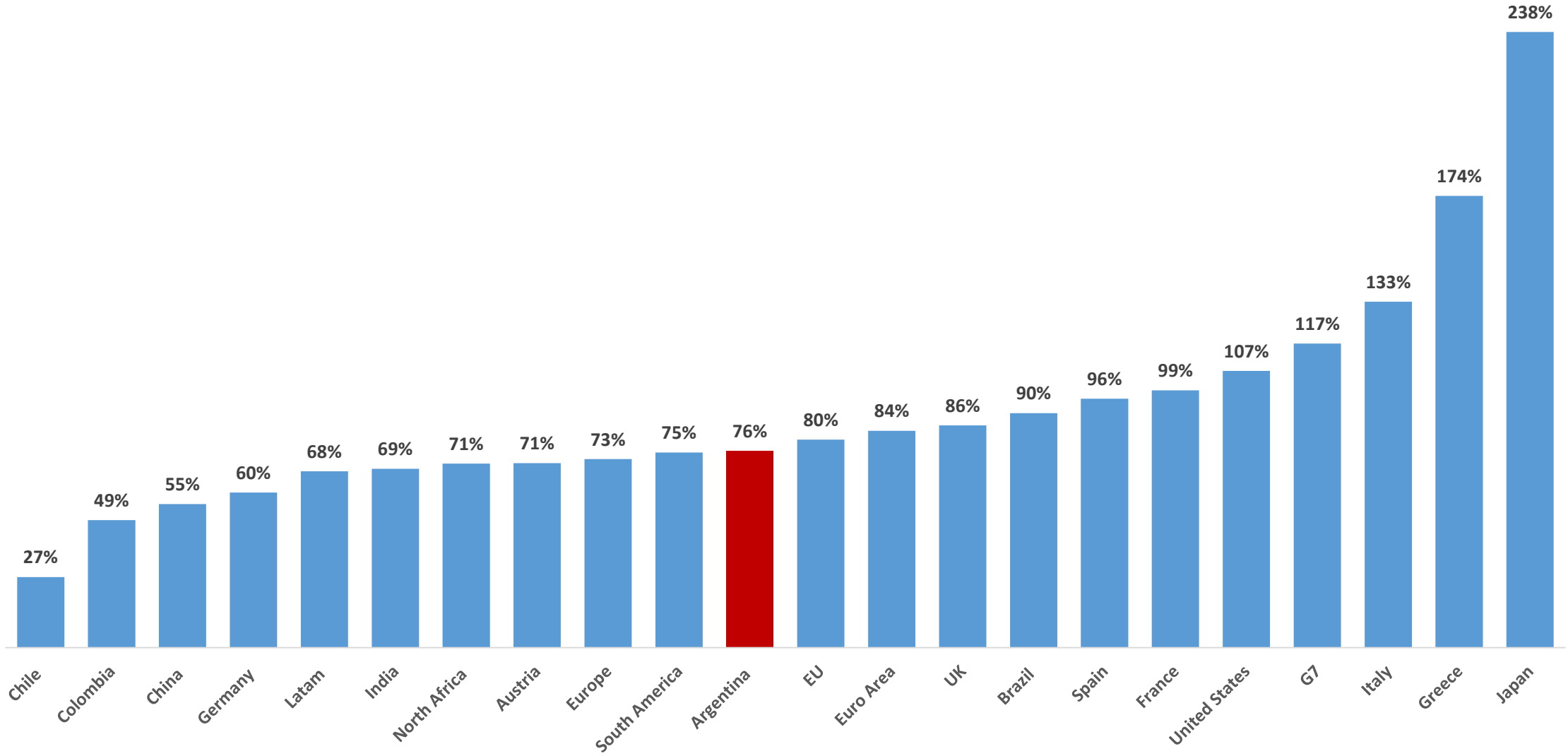
Source: IMF

Argentina's Indebtedness (Billions of USD)



Source: Argentinian Ministry of Finance

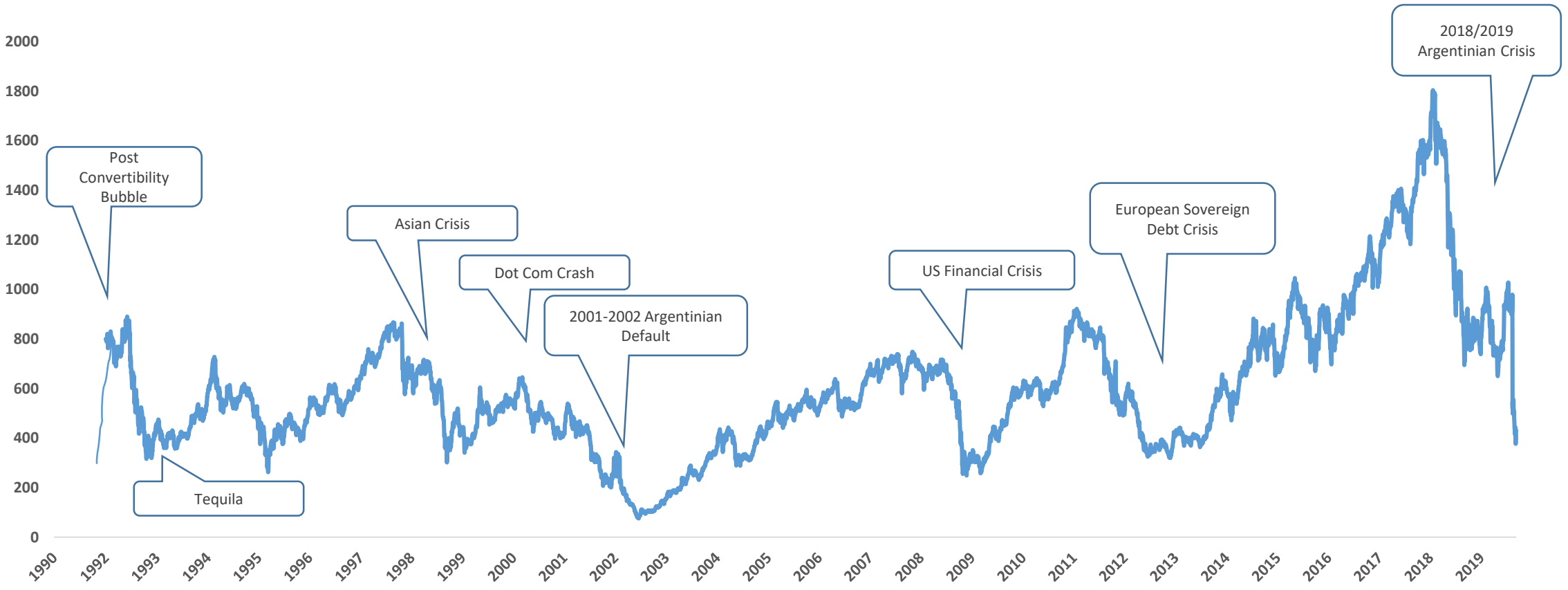
Argentina's Debt compared to Main World Economies end of 2018 (as % of GDP)



Source: IMF

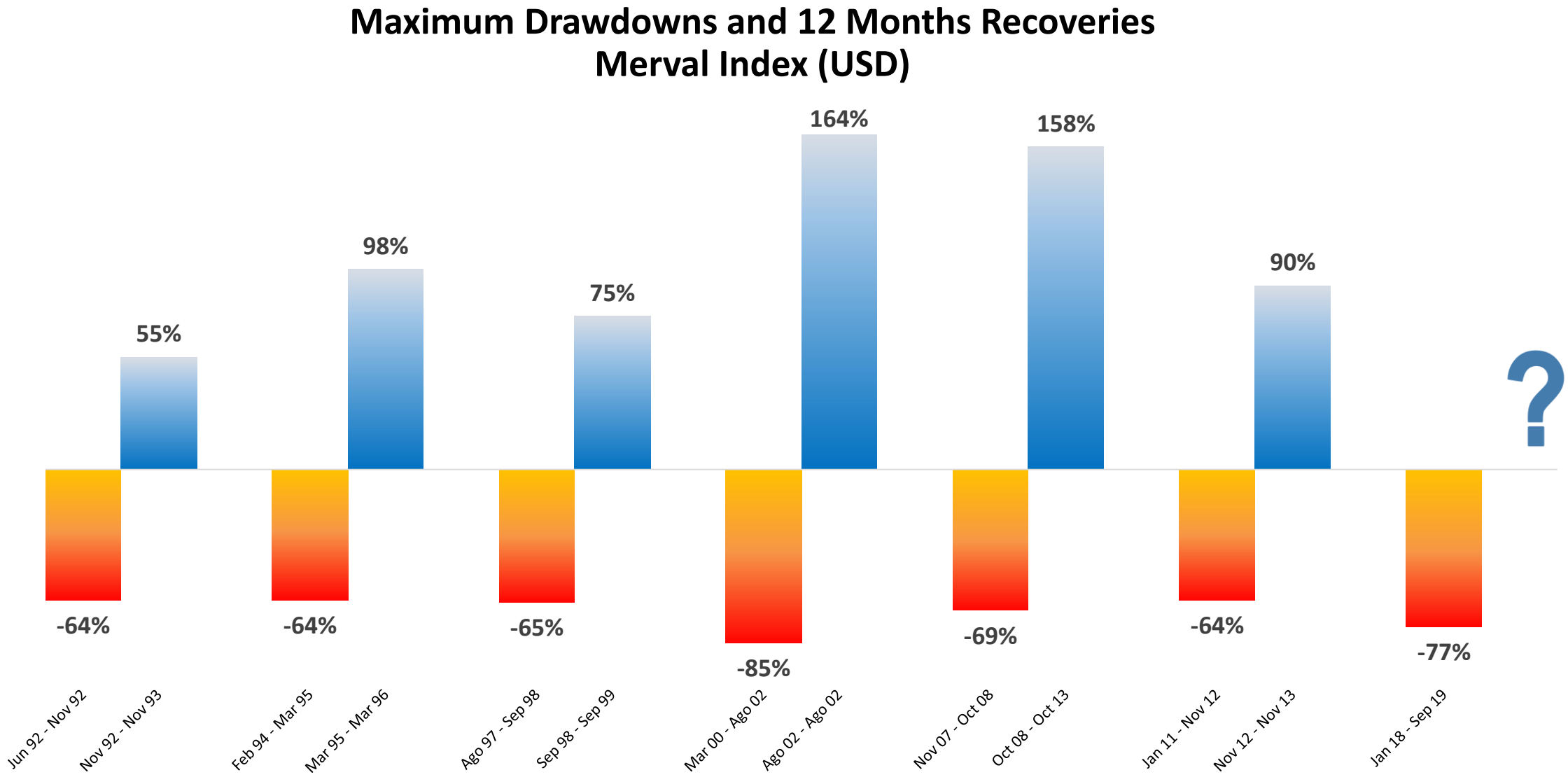
Argentina's Financial Market: a new opportunity?

Merval (USD) Index
1990-2019



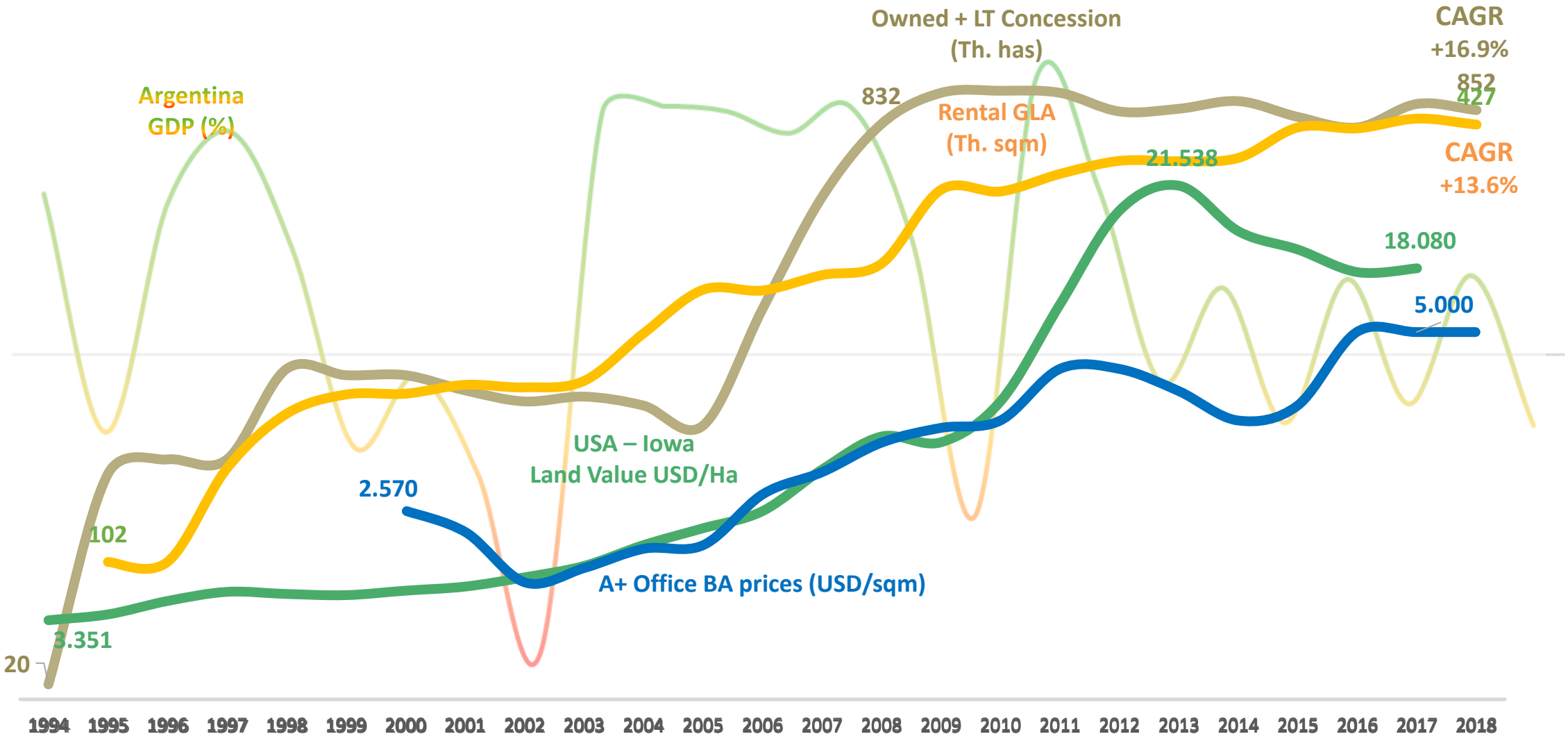
Source: Argentinian Ministry of Finance

Argentina's Financial Market: a new opportunity?



Source: Bloomberg / AR partners

Our real assets growth despite Argentina macro volatility



CRESUD

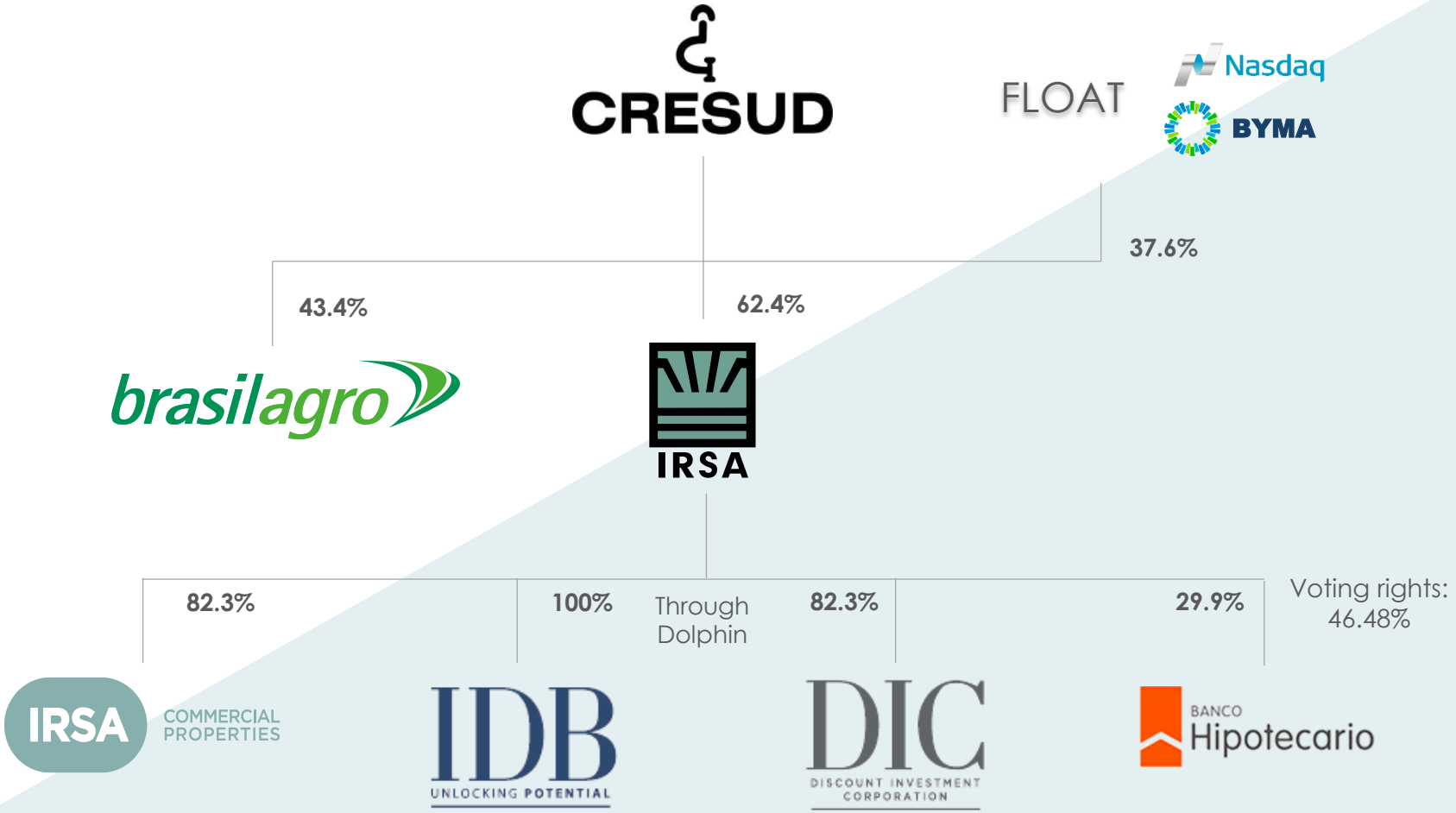
BTG Pactual 10th Latam CEO Conference

September 18 and 19, 2019

CRESY
NASDAQ LISTED

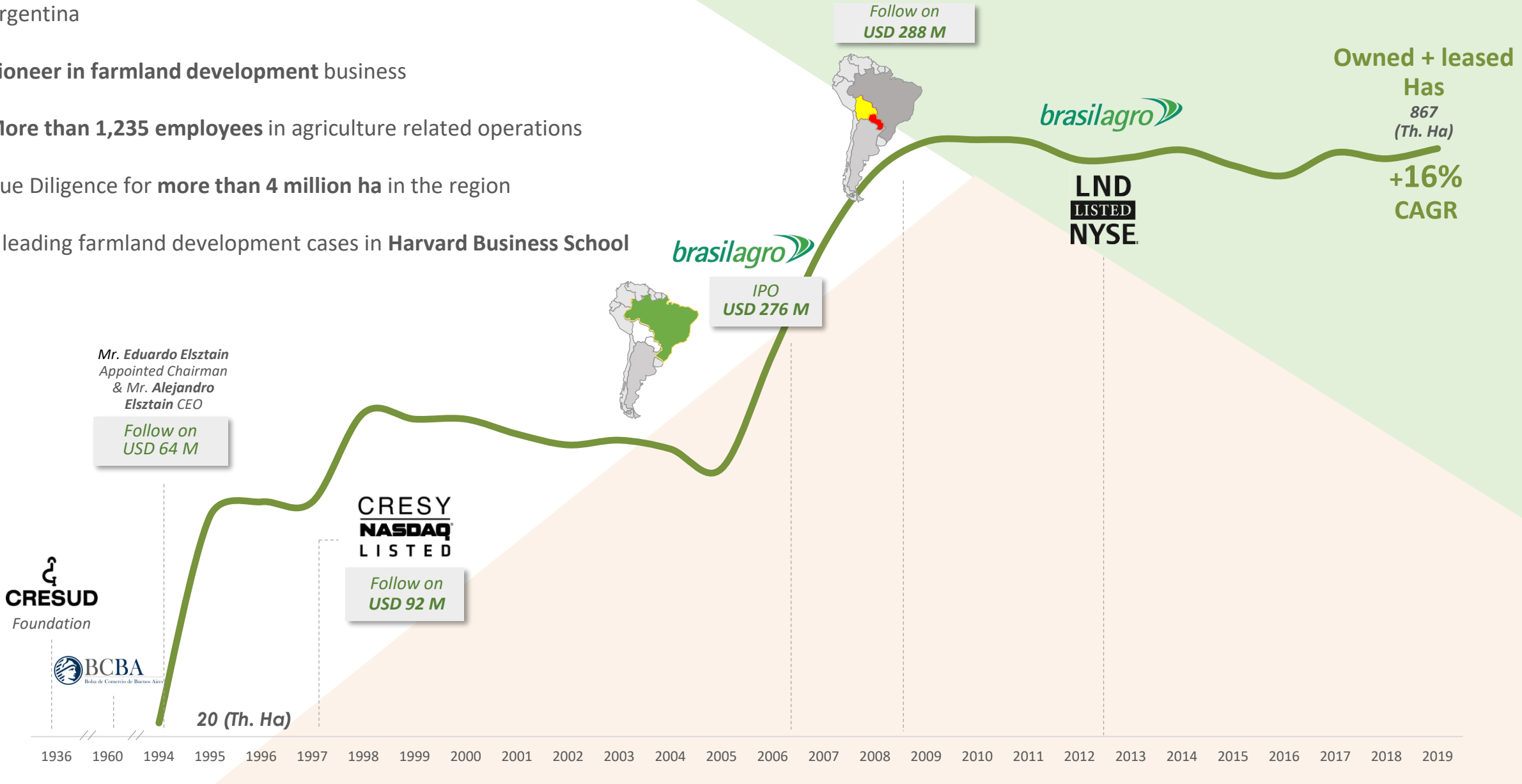
BYMA
Bolsas y Mercados Argentinos

Corporate Structure



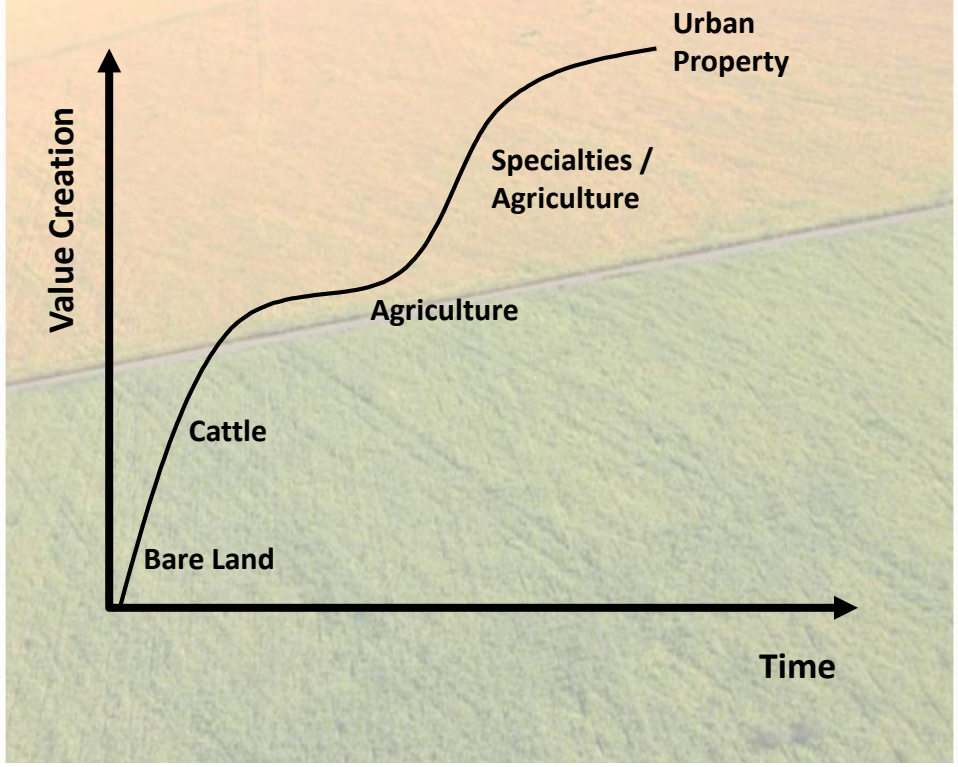
Pioneer Agribusiness Company with 83 years of history

- **1st Latam Agricultural Company to be listed** both in the US and Argentina
- **Pioneer in farmland development** business
- **More than 1,235 employees** in agriculture related operations
- Due Diligence for **more than 4 million ha** in the region
- 3 leading farmland development cases in **Harvard Business School**

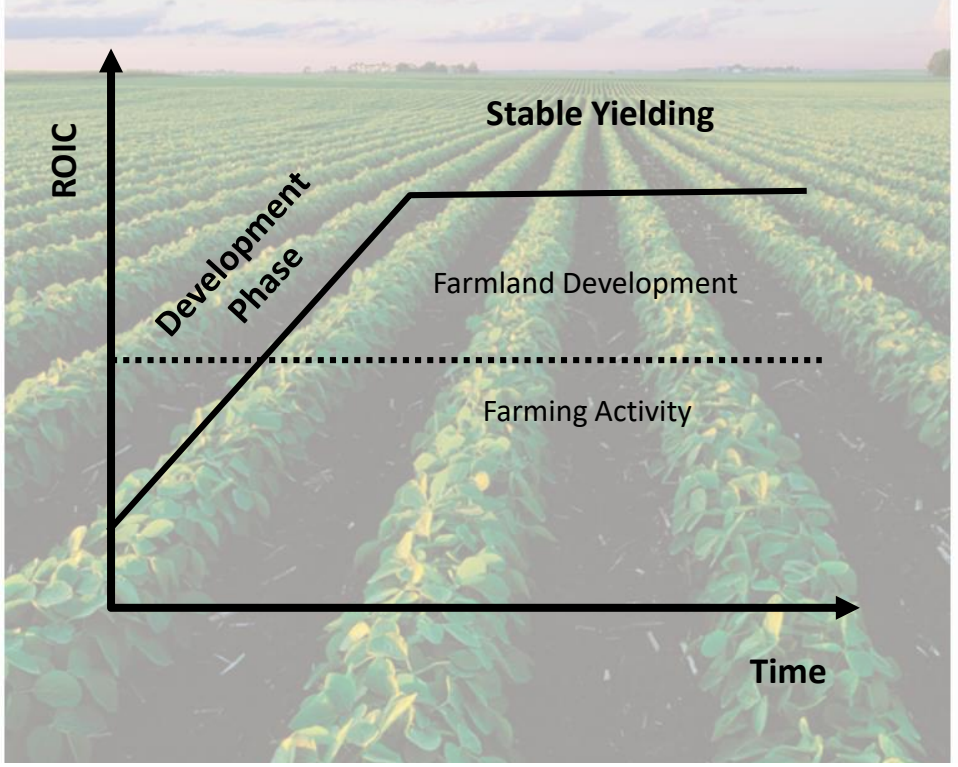


Cresud Business Strategy

FARMLAND DEVELOPMENT



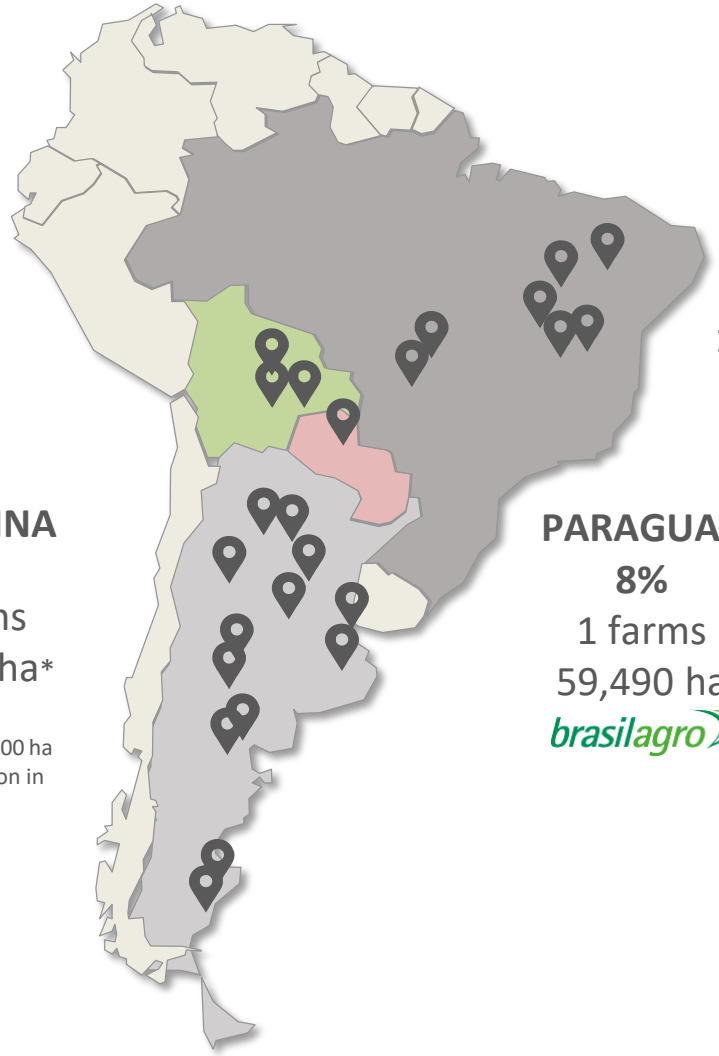
FARMING ACTIVITY



Cresud Diversified Rural Portfolio – 23 farms in the region

BOLIVIA
1%
3 farms
9,875 ha
Acres del Sud

BRASIL
18%
7 farms
125,656 ha
brasilagro

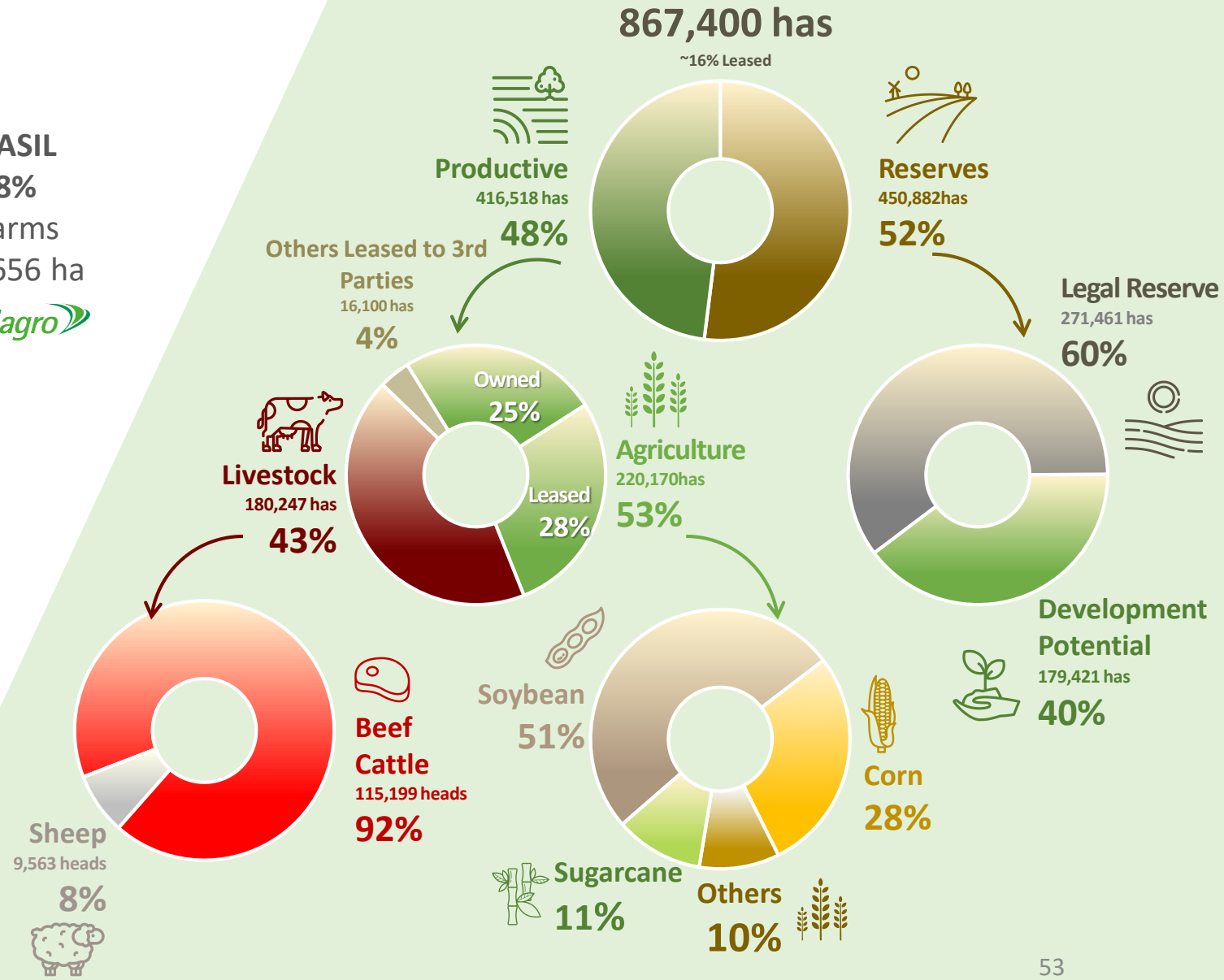


ARGENTINA
73%
12 farms
536,593 ha*

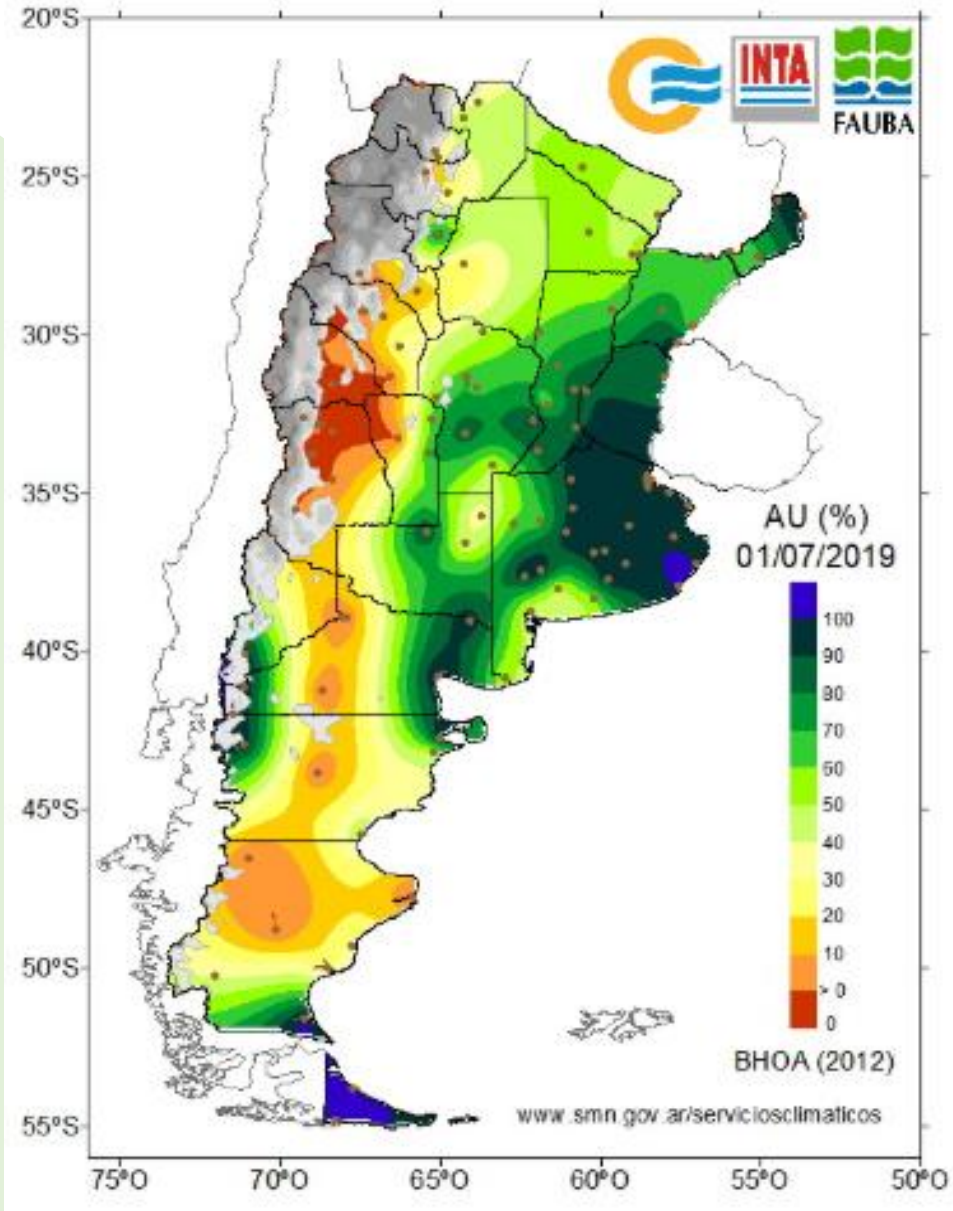
* Includes 132.000 ha under concession in Argentina

PARAGUAY
8%
1 farms
59,490 ha
brasilagro

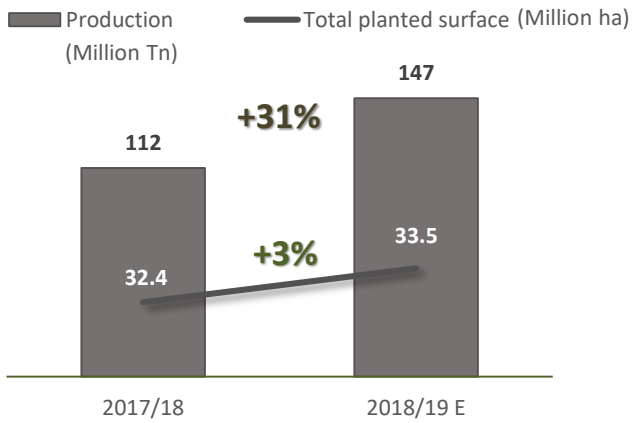
LEASING AS COMPLEMENTARY BUSINESS
(135,785 ha in Argentina & Brasil)



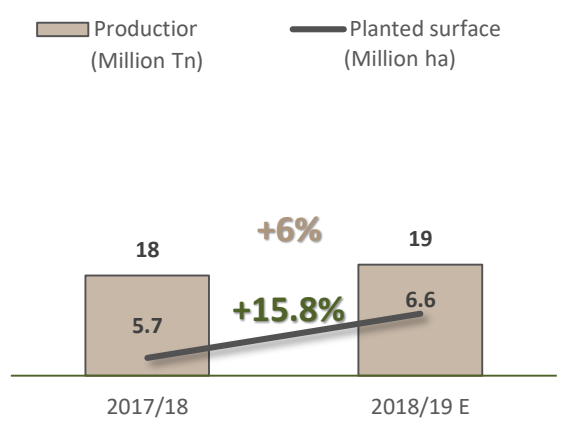
FY19: Record Campaign in Argentina



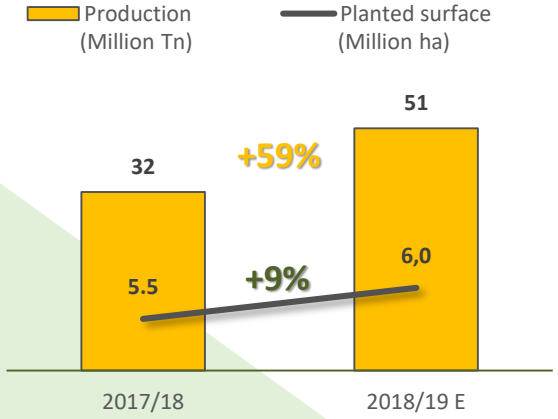
Record Planted surface in Argentina



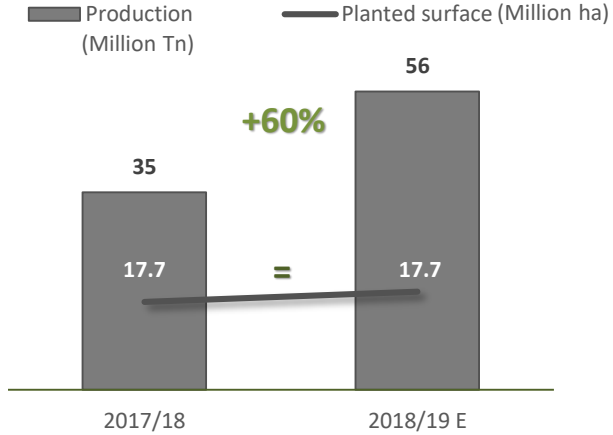
Wheat



Corn



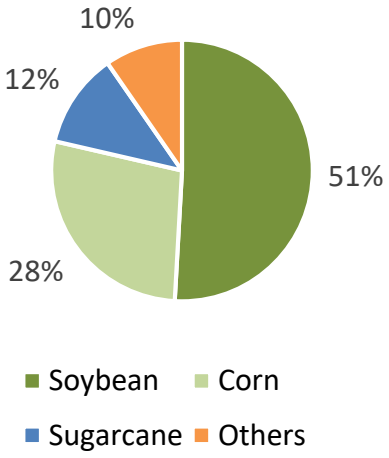
Soybean

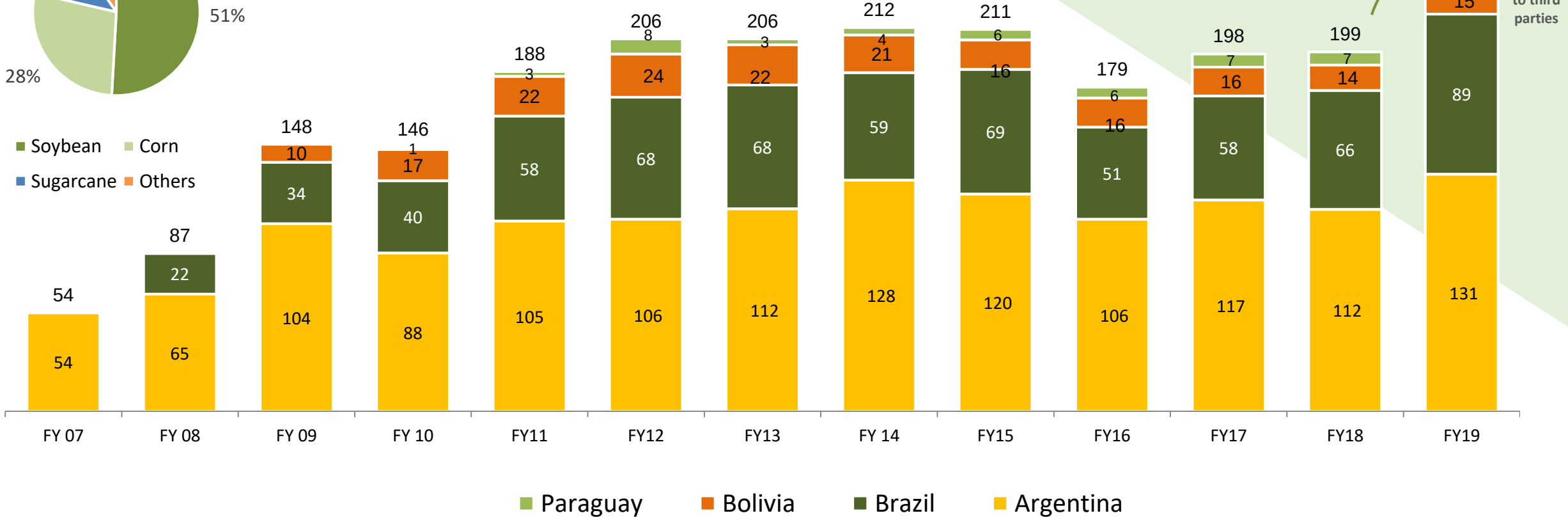


* Source: Bolsa de Cereales & USDA

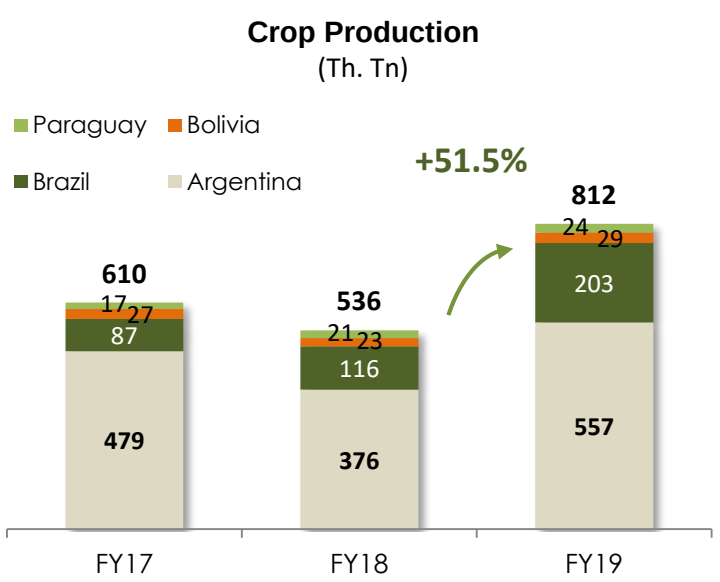
Planted Area Evolution
(in thousand hectares)

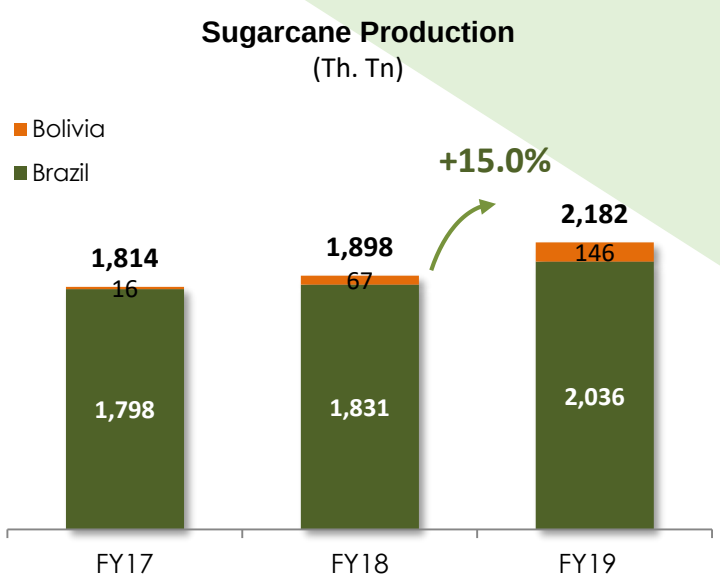
FY 2019
Crop Breakdown

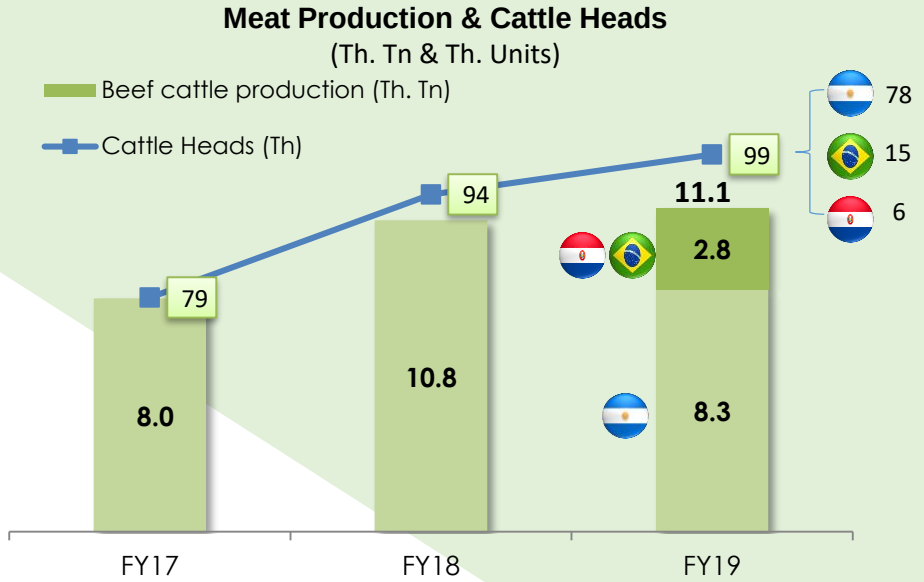


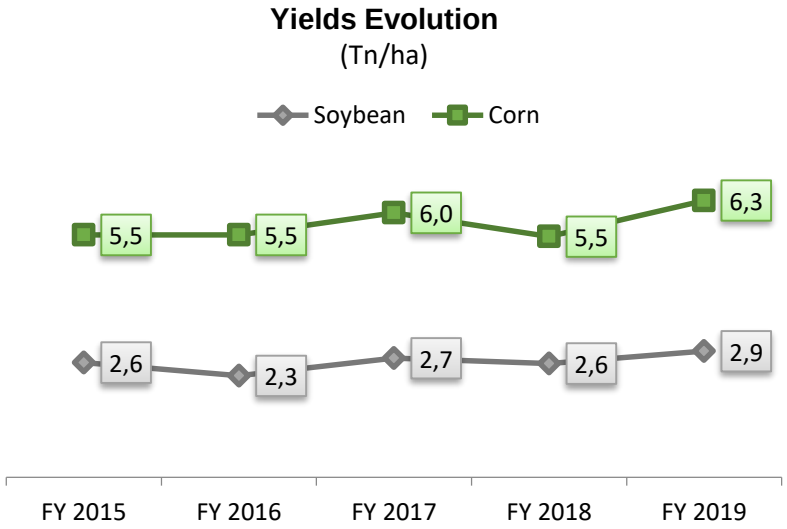


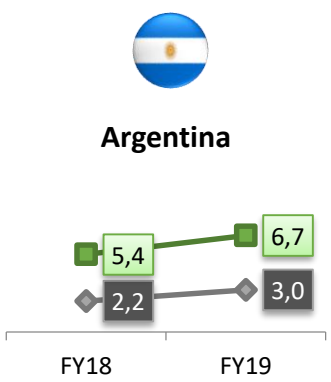
Farming: Crop & Cattle Production

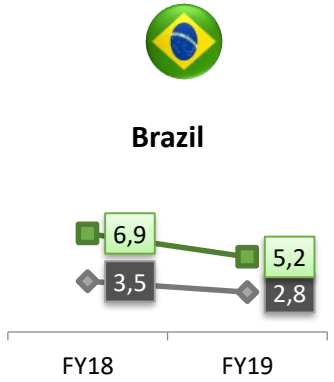


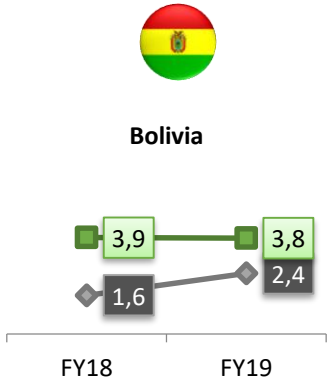


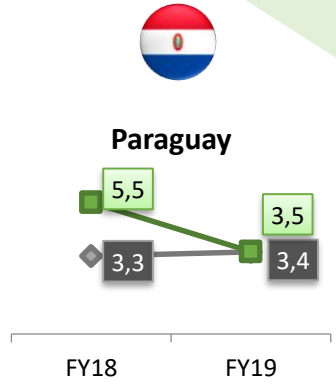








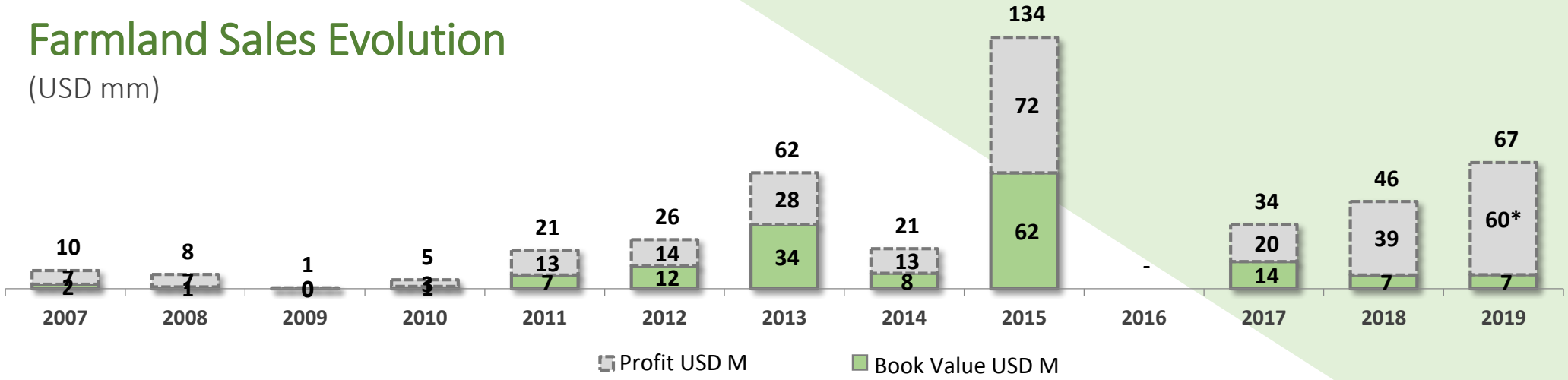




Farmland Sales & Development

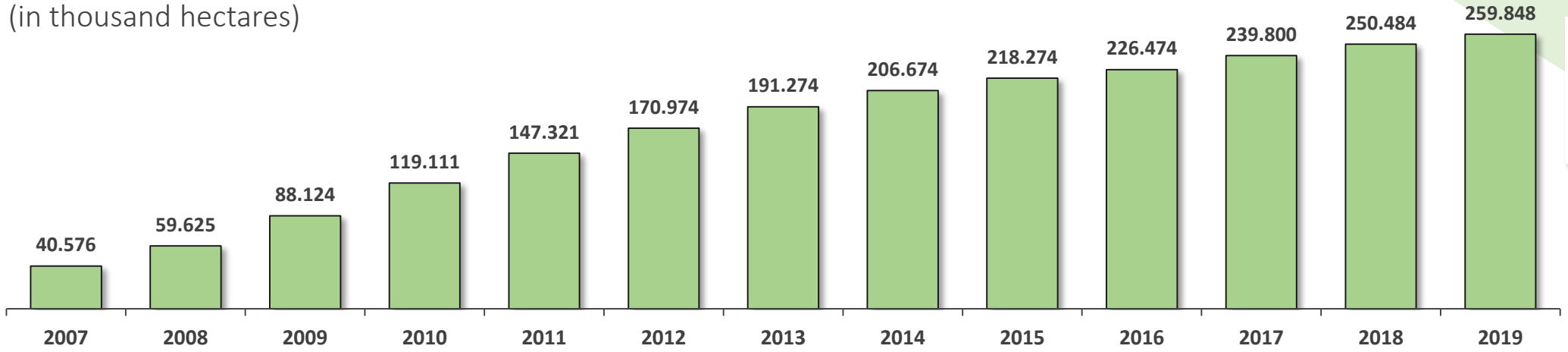
Farmland Sales Evolution

(USD mm)



Farmland Development Evolution

(in thousand hectares)

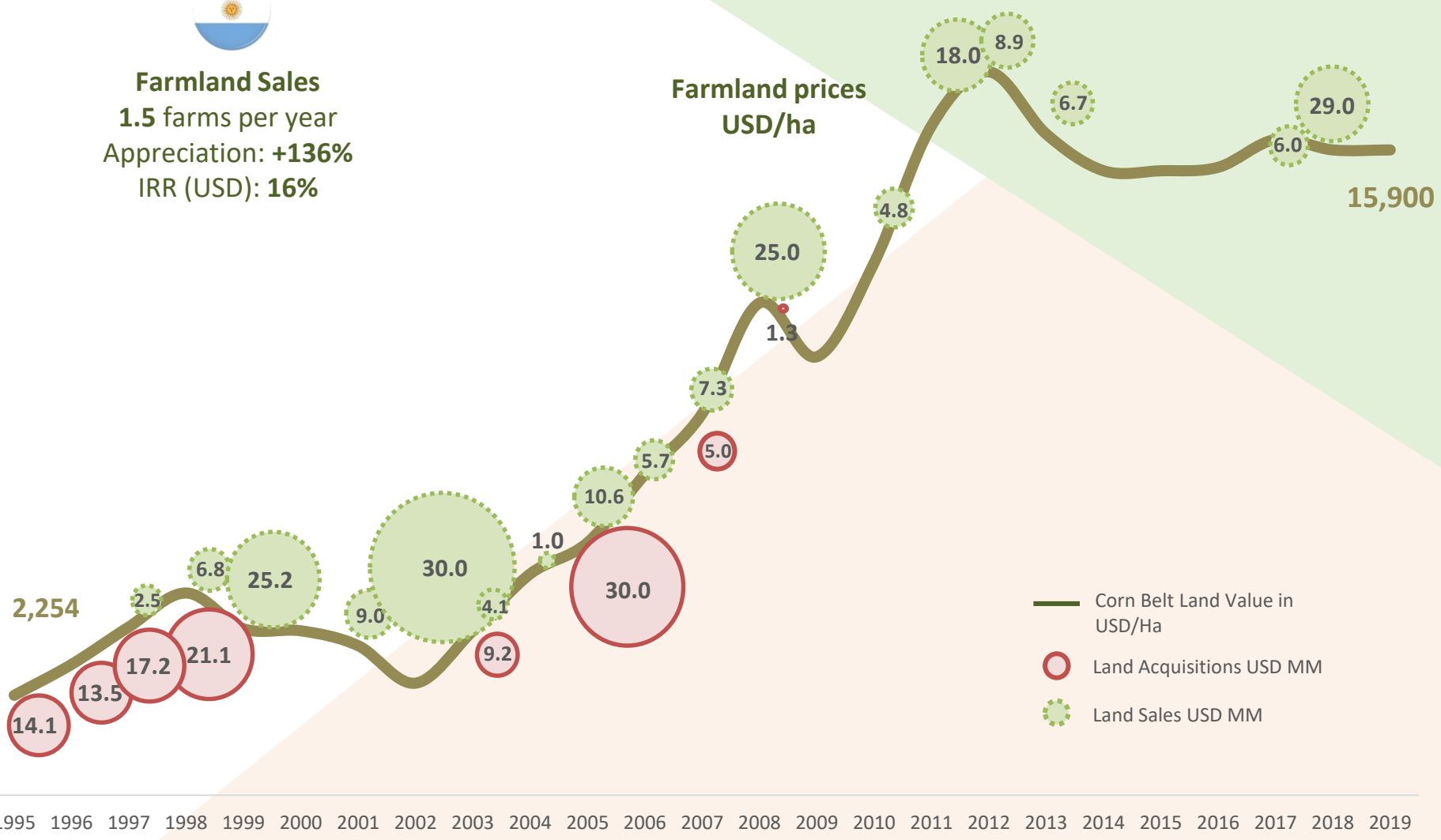


FY 2019
+9,364 ha
+ 2,946 ARG
+1.976 PY
+4,442 BZ

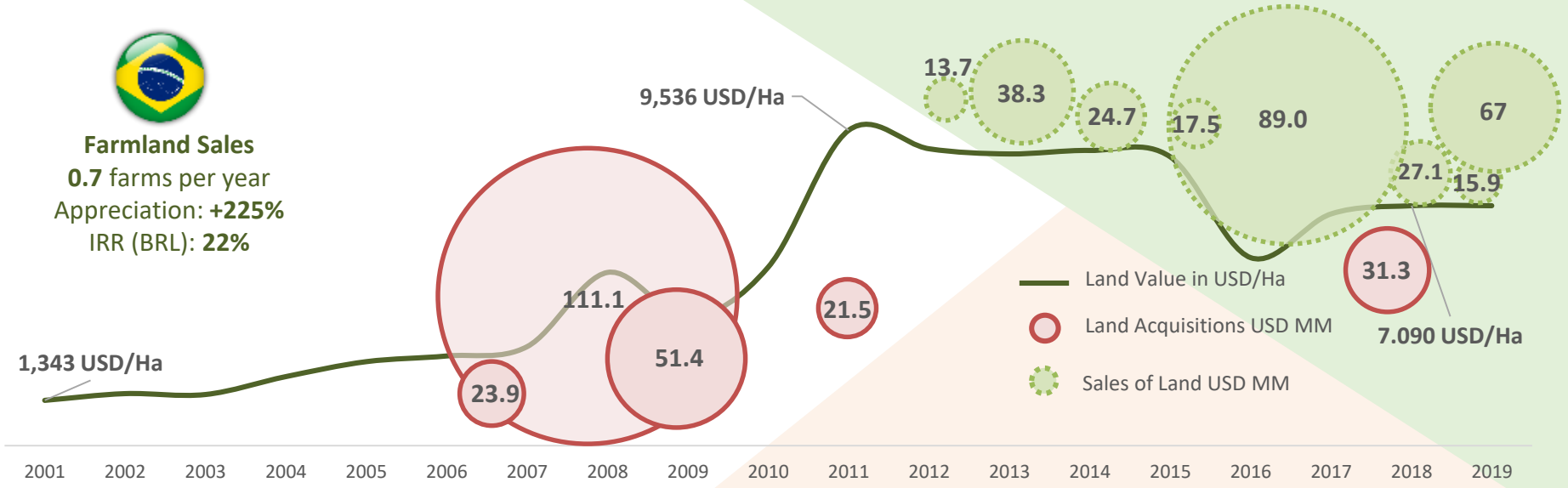
* USD 60mm considers the full price transaction of Jatobá & Alto Taquari financed partial sales (Present Value ~USD 43 mm).
Brasilagro's partial sale of Jatobá was not recognized at CRESUD level since it was already valued at fair value as Investment Property (leased to third parties)

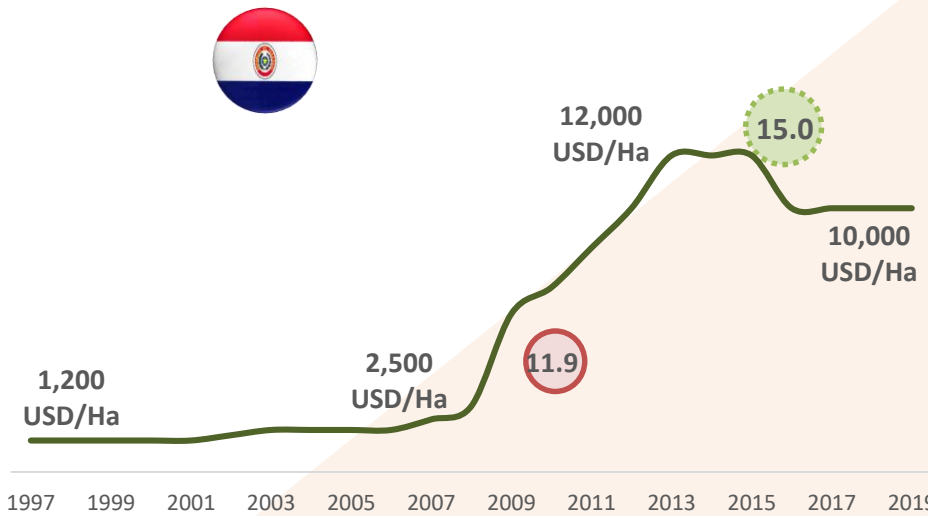
Farmland Real Estate Track Record

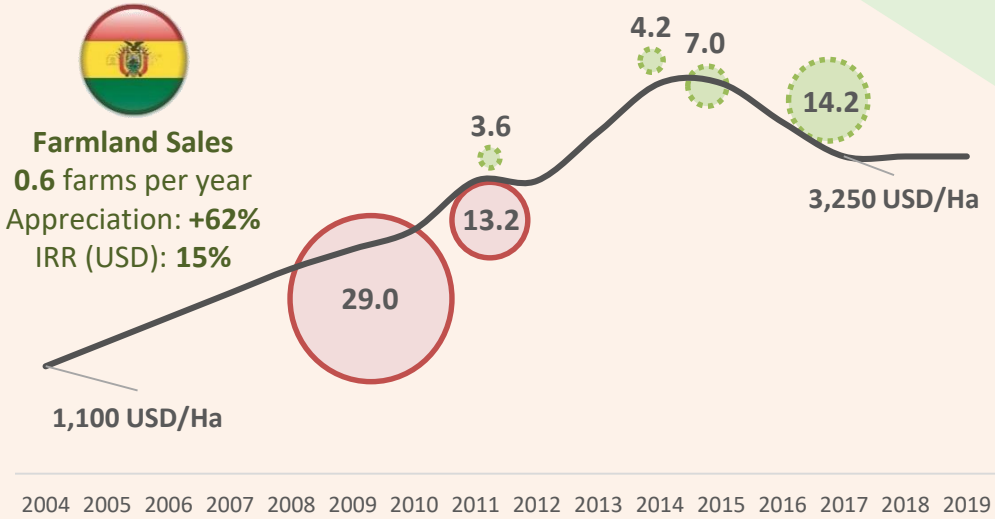
Farmland Sales
1.5 farms per year
Appreciation: **+136%**
IRR (USD): **16%**



Farmland Real Estate Track Record







Farmland Development Cases

Investment in FyO

Cresud' Stake: 50,1%

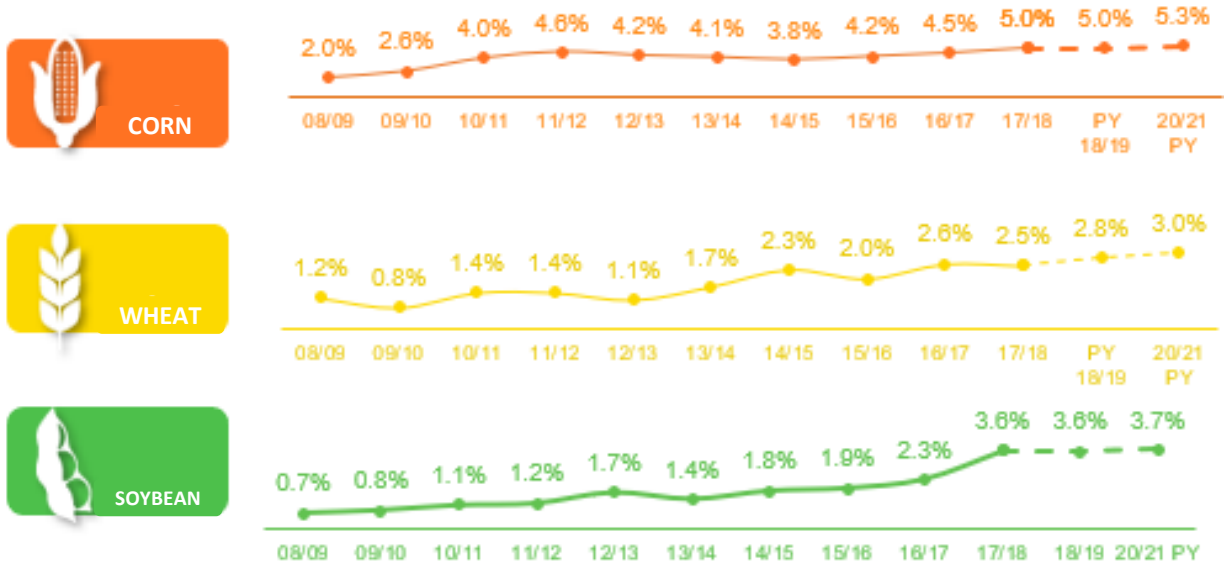
MAIN SERVICES

- Brokerage
- Derivatives
- Exports
- Specialties
- Freights & Logistics
- Trading
- Grain Elevator
- Consultancy
- Portfolio Management
- Training

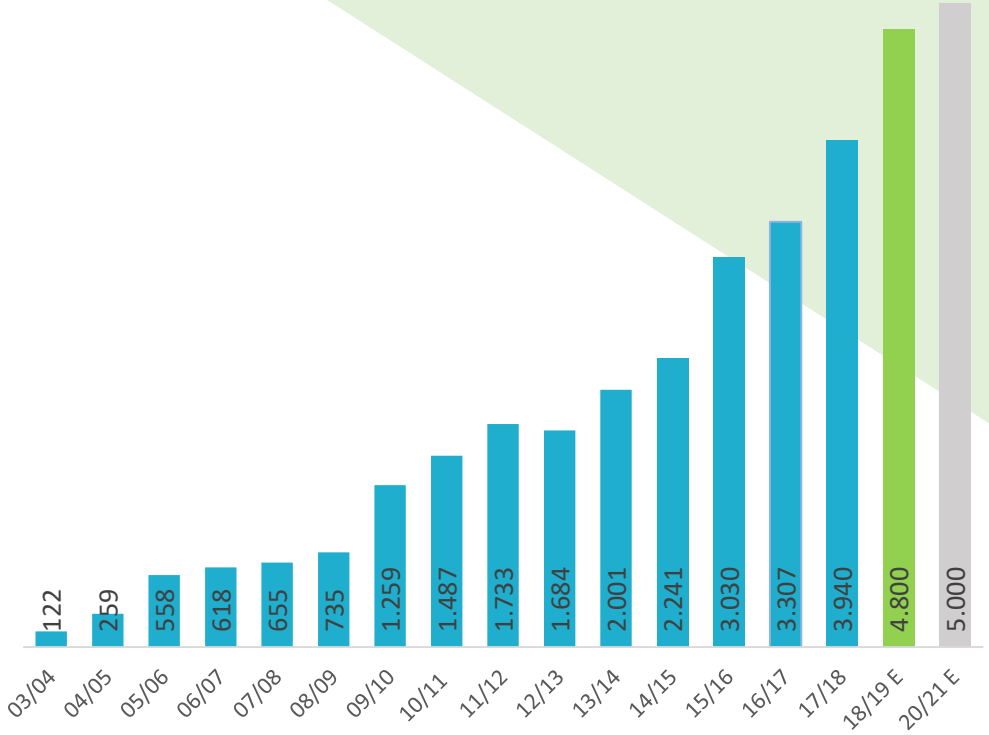
ARS 450 million
Operating Result
+176% vs. FY 18

ARS 284 million
Net Income
+231% vs. FY 18

MARKET SHARE (fyo's share / total commercialized in Argentina)



VOLUME (Grain Traded Tons (Million)



Other agricultural investments

Agrofy

Online business platform

35.2% Equity stake

AGROFY is an E-commerce company that pioneers in the Agribusiness sector

Leading in LATAM in the next 3 years

20,239,236
Monthly Visits
+75% vs. FY 18

598,438
Monthly Contacts
+45% vs. FY 18

1,807,801
FY19 Revenues
+21% vs. FY 18

Meatpacking facility

CARNES PAMPEANAS
CRESUD

100%

Equity stake

Carnes Pampeanas is a meat packing plant located in La Pampa with capacity to slaughter and process ~9,600 cattle heads per month

Lower losses due to:

- Higher exchange rate in Argentina
- Slaughter at record volumes with increasing exports' ratio

(ARS 90 million)
Net Income
-57% vs. FY 18

Shares buyback programs

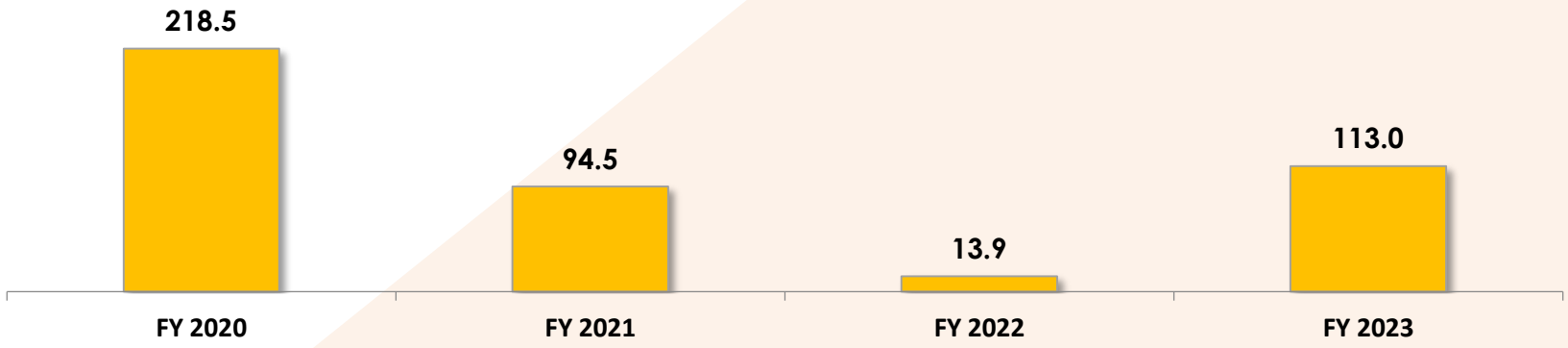
6.7% repurchased in 2 years
- **FY 18: 4.1%**
- **FY 19: 2.6%**

Net Debt as of June 30, 2019*

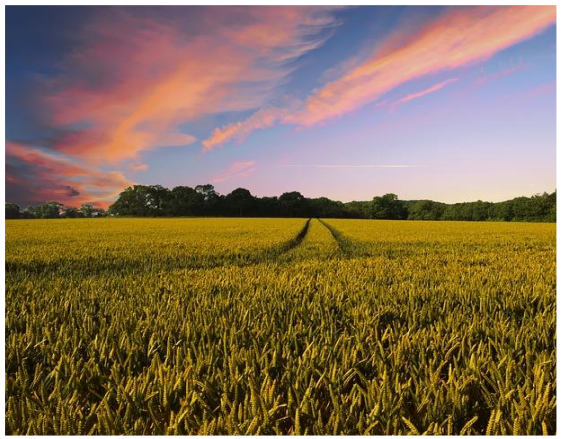
(USD million)

CRESUD Net Debt	**436.5**

Amortization Schedule



*Does not include IRSA, IRCP & IDB/DIC debt



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