Corporate Presentation

Financial Statements 30.09.2017



WWW.SKYLINEINVESTMENTS.COM

November, 2017

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Forward-looking information in this presentation is based on current estimates and assumptions made by the Company's management, including, without limitation, a reasonably stable North American economy, the strength of the U.S. lodging industry, and the competitive ability of the Company. Although the forward-looking information contained in this presentation is based on what management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with such information. Forward-looking information involves risks and uncertainties, including factors that are not within the Company's control, each of which, or a combination of them, may materially affect the Company's operating results and cause the actual results to substantially differ from the forward-looking information.

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NOI (EBITDA) is a non-GAAP defined as Profit from Operations, after rent payment to condo owners, before depreciation.

Note: All amounts are in thousands of Canadian Dollars unless indicated otherwise. Exchange rate to NIS (as of September 30, 2017) is 2.82577 CAD

BEAR VALLEY
A SKYLINE RESORT
CALIFORNIA

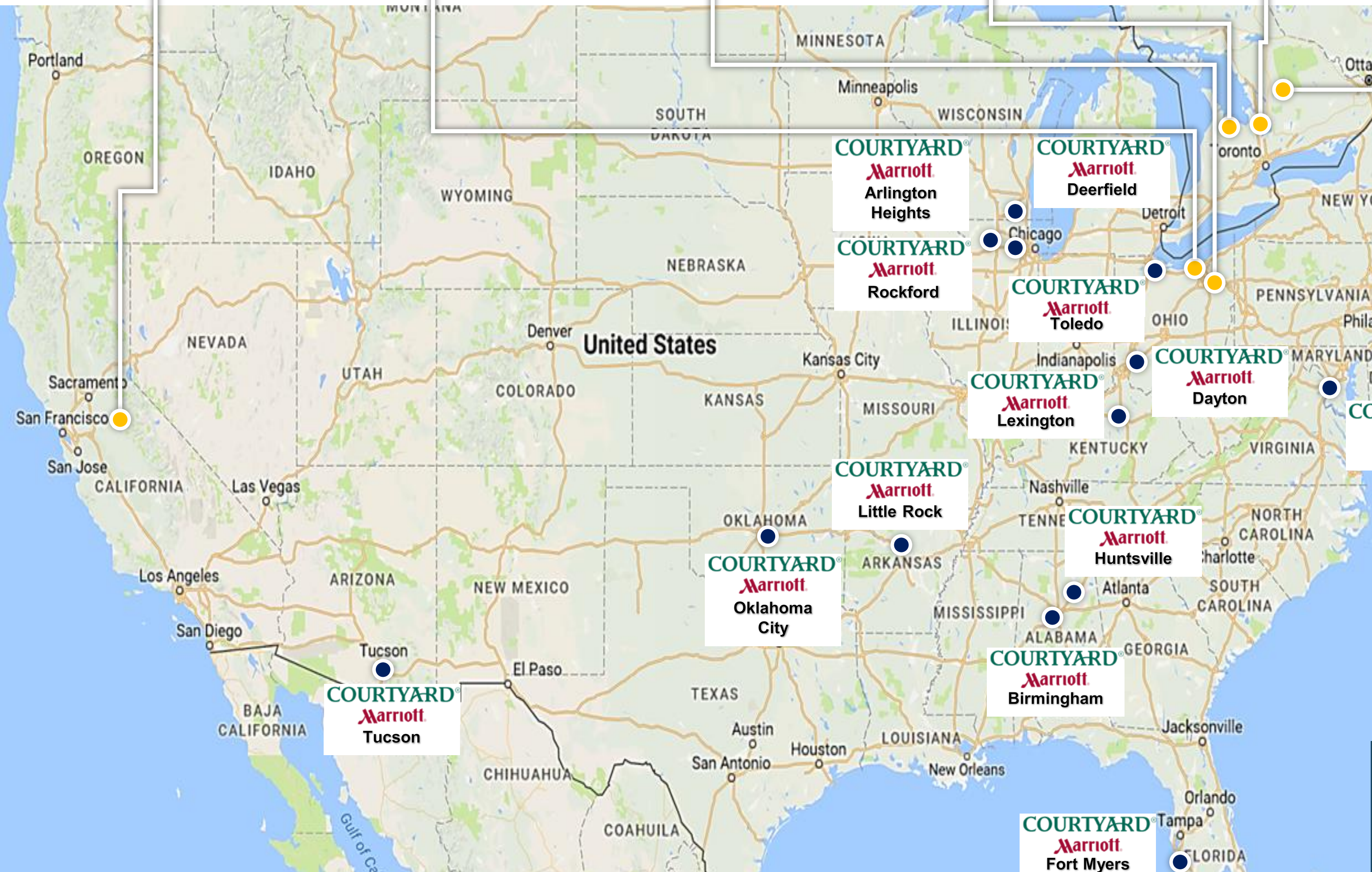
RENAISSANCE®
CLEVELAND HOTEL

HYATT REGENCY®
CLEVELAND

BLUE MOUNTAIN VILLAGE
DEVELOPMENTS
BLUE MOUNTAIN

HORSESHOE
A SKYLINE RESORT
BARRIE

DEERHURST
A SKYLINE RESORT
MUSKOKA



SKYLINE
INVESTMENTS

18 CITIES IN CANADA AND THE US | 19 INCOME PRODUCING ASSETS| 3,228 GUESTROOMS |

Corporate Overview

SKYLINE INVESTMENTS




- Skyline specializes in hospitality real estate investments in Canada and the US, with a focus on income producing hospitality assets.
- The Company owns 19* assets with 3,200 hotel rooms under management in 18 cities in the Canada and the US, as well as development lands with rights for almost 3,300 residential units.
- Skyline's stock is traded on the Tel Aviv Stock Exchange and is included in the SME60 index (TLV: SKLN).
- Both of Skyline's publically traded debentures are rated Baa1.il from Midroog, Moody's Israeli subsidiary.
- As of September 30, 2017 the Company's assets totaled approx. $577M*.
- Skyline's Shareholders' equity totaled approximately $284M with a capital to balance ratio of 49% (Approx. $244M is attributed to the Company's shareholders).
- Skyline continues to invest in its assets and works to improve operational efficiency. This is expected to increase NOI in the coming years.
- Ongoing development assets in advanced stages of sale are expected to realize $100M in revenue and receive $34M in free cash flow by 2019.
- Taken together, Skyline's strong balance sheet, low leverage and cash flow allows us continue to acquire new properties.

***Post Balance sheet events:** On November 14, Skyline completed the acquisition of 13 Select-Service Courtyard by Marriott hotels for $135M USD. In 2016, the hotels presented revenues of $51.1M USD and generated NOI of $14.5M USD.

Recent Activity

- **November 2017:** Skyline has completed the acquisition of 13 Individual Courtyard by Marriott hotels for $135M* USD. As part of the transaction, Skyline signed a new 20-year franchise agreement with Marriott International under which all 13 hotels will continue to operate as part of the Courtyard by Marriott brand.
- **November 2017:** In order to finance the acquisition of 13 Individual Courtyard by Marriott hotels, Skyline closed on a purchase loan in the amount of $89.5M USD from one of the biggest banks in the world. The Non-Recourse purchase loan is for 5 years**, bearing interest of LIBOR+3.25%, with interest payments throughout the whole loan's period. Additionally to the acquisition loan, the company has secured a credit line in the amount of ~$31M USD for potential investments in the hotels in order to improve their financial performance. The credit line is available during the first four years on the same terms as the purchase loan.
- **September 2017:** Skyline issued its first **unsecured corporate bond** in Israel, linked to USD exchange rate index (Series B). The Series B has a face-value of 164M NIS, a duration of ~5 years and bears an interest rate of 5.65%.
- **August 2017:** Both of Skyline's publically traded debentures are rated Baa1.il from Midroog, Moody's Israeli subsidiary.
- **August 2017:** Skyline closed a private placement for institutional investors in Israel for Series A bonds in the amount of NIS 20.75M. The bond's duration is approx. 4.2 years and the new expansion represents a gross shekel yield of 4.4%.

*Excludes transaction and acquisition costs in the amount of $3M.
**The loan is for two years with three extension options of twelve months each, exercisable by Skyline and subject to additional conditions.

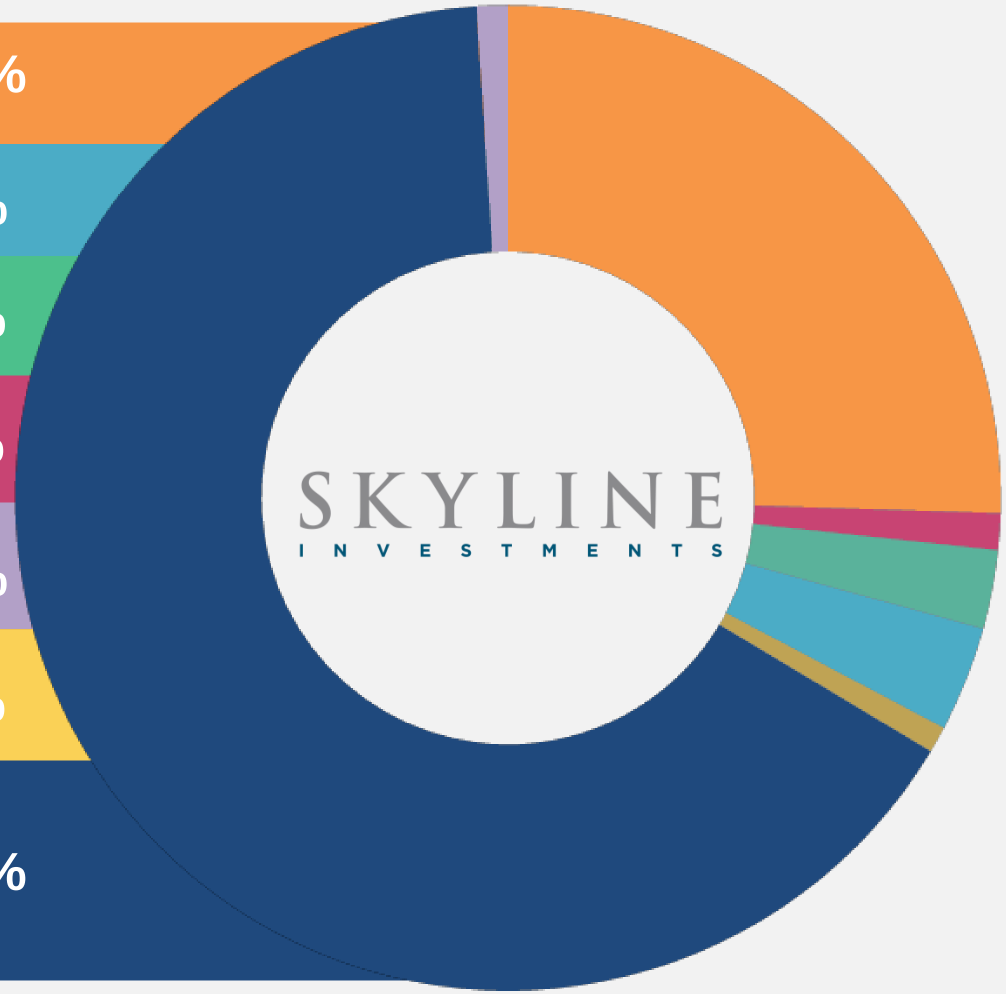
Recent Activity

- **July 2017:** The company completed the sale of Port McNicoll for $42M and received the first payment of $4.2M. The $25.2M (60% of the transaction) will be spread over 72 monthly payments (6 years) of $350K, and the buyer will pay the remaining $12.6M (30% of transaction) at the end of the sixth year. In addition, the contract includes a mechanism of accelerated payments with the sale of housing units by the buyer to third parties.
- **July 2017:** The Company signed a conditional agreement for the sale of land near Horseshoe Resort in Canada for $6.25M. The closing is expected to take place during the fourth quarter 2017.
- **June 2017:** Skyline signed an agreement to sell land parcels at Blue Mountain for $3.45M. The Company is expected to complete this transaction within six months and receive a cash flow of $2.5M.
- **April 2017:** Skyline distributed its first ever corporate dividend in the amount of $1.8M.
- **March 2017:** The Company signed a 5-year agreement for a credit line of $20M bearing an interest rate of prime + 2%, using Horseshoe Resort as collateral. This credit line enhances Skyline's financial flexibility.
- **March 2017:** The Company received a loan for $17M USD at 3.4% interest over 5 years. This loan refinanced a prior US $11.7M loan with a higher interest rate of 4.76%.

Current Ownership Structure

SKYLINE INVESTMENTS

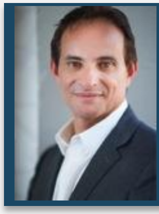
Public	25.48%
MISHORIM INVESTMENTS	3.46%
Gil Blutrich	2.58%
Blake Lyon	1.20%
Alex Shnaider	1.02%
ILDC	0.86%
SKYLINE CANADA ISRAEL LTD. (70.31% MISHORIM INVESTMENTS; 29.69% ILDC)	65.36%



* 74% of Mishorim is owned by Alex Shnaider and Gil Blutrich through a joint voting arrangement.

** Mishorim holds directly and indirectly 50% of Skyline Investments Inc. shares.

Senior Team



Gil Blutrich

Chairman and President

Founded Mishorim in 1990 and Skyline in 1998. Chairman, President and Main Business Development Officer. In 2004, he was awarded Ernst & Young's Entrepreneur of the Year in Ontario.

Blake Lyon CA, CPA

CEO

Blake Lyon has an extensive experience in hotel and resort asset management in Canada and Internationally. Before joining Skyline, Mr. Lyon served as the CEO of some of the largest family offices in Canada and was responsible for the management of assets totaling $9B, and was CFO at Brookfield.

Vadim Shub CA, CPA

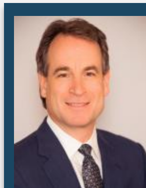
CFO

Over 20 years of experience in managing funds for public companies. CPA in Canada, Israel and the US.

Ben Novo-Shalem

Head of M&A and IR

In his previous position, Ben Novo-Shalem served as the head of the research department and was in charge of the income-producing real estate sector at Epsilon Investment.



Chris Lund

Senior VP Hotels and Resorts

Chris Lund has an extensive experience in managing hotels. Serving as the GM of the Deerhurst Resort for more than 4 years. Prior to joining the company served as regional vice president of the Delta hotels.

Paul Mondell

Senior VP Development

In the last 6 years, served as VP Business Development in two leading companies (Brookvalley Development and Management, and Walton Development).

Business Strategy – Increased Acquisition Program of Income Producing Assets

SKYLINE INVESTMENTS

<u>Skyline's Strategy:</u>

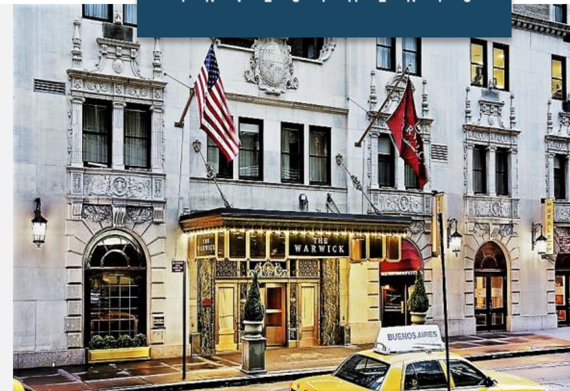
- Optimization of cash flow from existing assets through our experience in operations.
- Acquisition of accommodation properties to decrease seasonality and diversify our geographic presence.
- Decreasing our land bank holding to less than 10% of asset holdings.
- Active asset management.

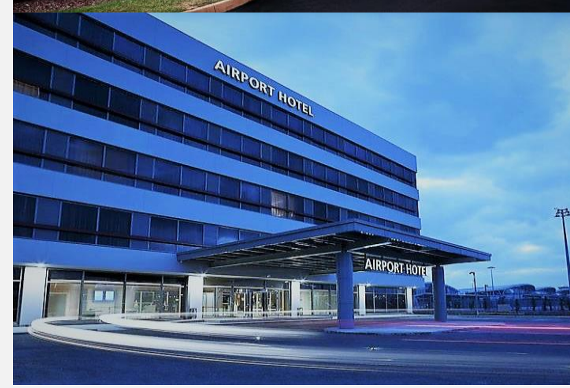
<u>Acquisition Targets:</u>

- New markets in Canada and US, primarily the US east coast.
- Non-seasonal locations.

<u>Primary Type of Acquisitions:</u>

- Suburban select service hotels.
- Downtown full service hotels.
- Focused service hotels (eg. airport hotels).





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Main Operating Assets in the United States

The Hyatt Regency Arcade, Cleveland, OH

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13 Courtyard by Marriott Hotels


Courtyard Ft. Myers-Cape Coral
Ft. Myers, FL


Courtyard Manassas Battlefield Park
Manassas, Virginia


Courtyard Deerfield Chicago,
Deerfield, IL


Courtyard Tucson Airport
Tucson, AZ


Courtyard Birmingham Hoover,
Hoover, AL


Courtyard Lexington North
Lexington, KY

13 Courtyard by Marriott Acquisition

- On November 14, 2017, Skyline has completed the acquisition of 13 individual business oriented select-service Courtyard by Marriott hotels for $135M USD.
- Completion of the acquisition was a post balance sheet event that will be fully reflected in the balance sheet only in the 2017 annual financial statements.

<u>As a part of the acquisition process Skyline has managed:</u>

1. To sign with Marriott International a new 20-years franchise agreement for the Courtyard by Marriott brand.
2. To finance the acquisition with a $89.5M USD acquisition loan and secured $31M USD credit line for potential improvements and upgrades from one of the biggest banks in the world.
3. To transition all the 13 assets from the previous Marriott brand management to Aimbridge Hospitality* a third-party management.

*Aimbridge currently manages Skyline's Renaissance Hotel and is the largest third party manager of Marriott hotels in the US, and, in particular, the largest third party manager of Courtyard hotels.

13 Courtyard by Marriott Hotels

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- The 13 hotels totaling 1,913 rooms are spread over 9 US states and are geographically diverse with strong locations in key Midwest, Southeast and Southwest markets.
- All 13 buildings are almost identical, have the same layout, age and all of them are in excellent condition.
- Each hotel generates strong revenue and NOI.
- Since 2005, the previous owner has invested $80M in renovations, approximately half of this amount was invested between 2012-2014.
- Average price per room is $70.5K, well below the replacement cost.

Courtyard Hotels Historical Performance

	2014	2015	2016
Revenue ($000 USD)	46,070	49,236	51,127
NOI ($000 USD)	11,082	13,121	14,508
NOI/Revenue	24%	27%	28%

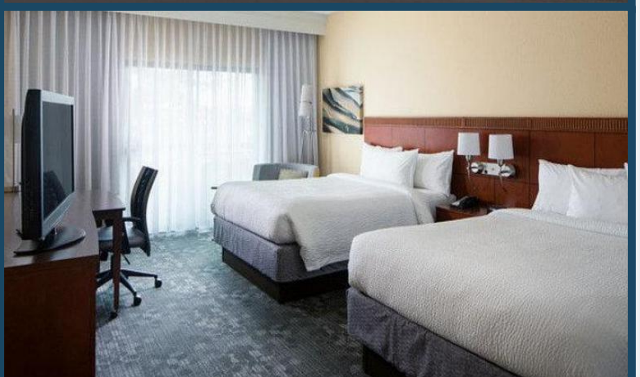
- In the last three years the hotels maintained a stable occupancy and showed stable increases in ADR (Average Daily Rate).
- More than 90% of revenue comes from room operation and the rest from food and other services.

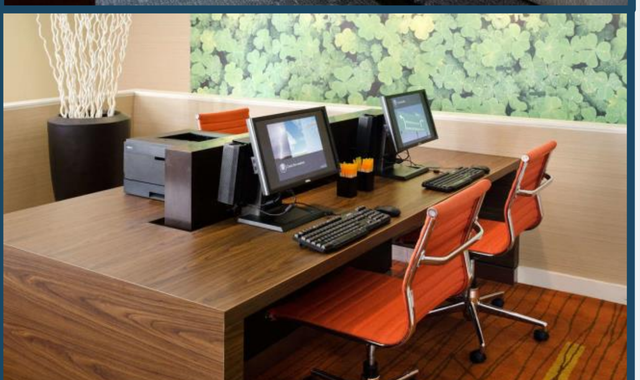
Benefits of the Acquisition

- This acquisition is in accordance with the new company strategy and represents the largest transaction in Skyline's history.
- Skyline has researched significant number of potential acquisitions before focusing on these Courtyard hotels.
- The Courtyard hotels were chosen based on risk/rewards factors, simplicity in management, location, liquidity of the assets and the readiness of banks to provide attractive financing.
- The hotels provide instant diversification of Skyline's cash flow, reduces seasonality significantly, and significantly increases the stability of the company and its earnings.
- After completion of this acquisition, Skyline owns 19 income producing properties with approx. 3,200 hotel rooms under management, spread across 18 cities in Canada and the US.
- This acquisition provided an opportunity to effectively utilize Skyline's low leverage. Furthermore, after this acquisition, Skyline will still maintain a conservative leverage.

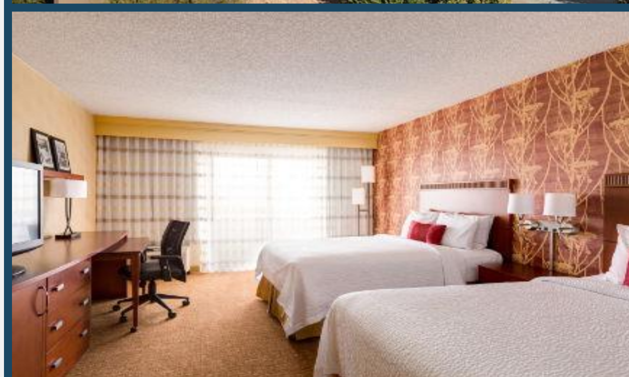
All 13 Courtyard by Marriott Hotels are nearly identical

Huntsville

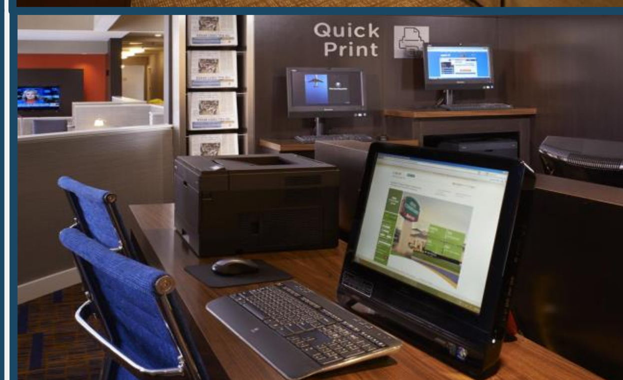




Tucson



Chicago-Arlington Heights



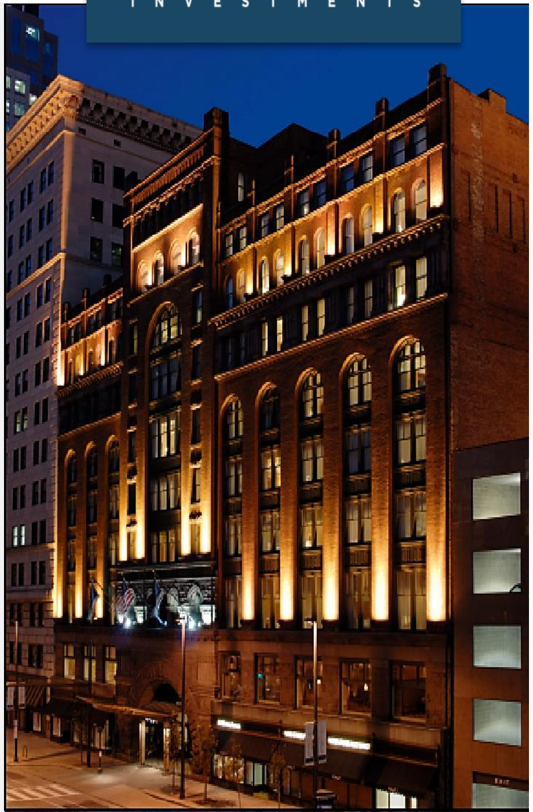
Hyatt Regency Arcade

<u>Overview:</u>

- Historical heritage site built in 1890. Located in the central business district of Cleveland. The property includes a 293-room hotel, an indoor mall of about 4,200 sq.m., and conference rooms, spa, fitness club and restaurants.
- Hyatt is currently under a 10-year contract as the manager and brand of the property.
- The property was purchased by Skyline in February 2012 for $7.6M USD (a net acquisition cost of $3.1M USD, after deduction of cash available in the hotel's accounts at the time of purchase).
- Recently completed renovation of the remaining 170 rooms. As of now, all rooms in the hotel have been substantially renovated which will improve the hotel's competitive advantage.
- The renovation was mostly funded by the Property Renovation Reserve*.
- In March 2017, the Company refinanced the property with a loan bearing a 3.4% interest rate.
- The hotel is a well-known wedding destination, hosting 60-70 weddings a year.

<u>Future Potential:</u>

- Increasing NOI from completion of a full room renovations, continued lease ups of its retail mall and Cleveland's continued growth.

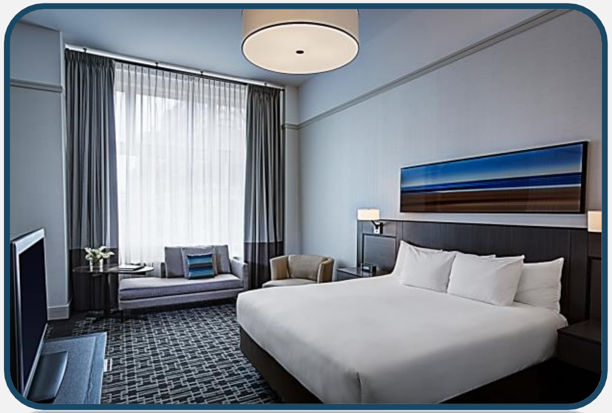


* Restricted cash not reported under cash and cash equivalent balances.

Active Asset Management – Hyatt Room Renovations

Before

HYATT REGENCY CLEVELAND



After

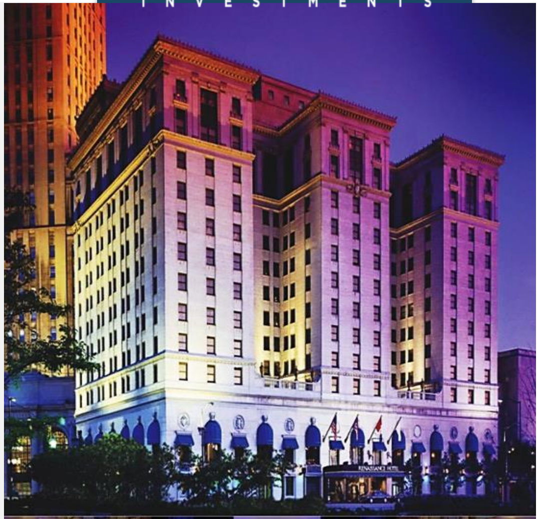
Renaissance Cleveland Hotel

Overview:

- Historical heritage asset built in 1918. The property is located in the business center of downtown Cleveland US, near the city's main square. (sized 860,000 sq.f)
- The property was purchased by Skyline for $19.1M USD, for which Skyline received a $3.5M USD from partner. The property was appraised at $55.5M USD on December 31, 2016.
- 491 room, 34 conference spaces (64,000 sq.f well positioned in the area) and more than 300 parking stalls.
- Public square underwent a significant renovation of approx. $40M USD.
- A 20 year franchise agreement was signed with Marriott and the hotel is managed by Aimbridge which manages approx. 500 hotels in the United States.
- The hotel is co-owned 50% by Skyline.
- Skyline has begun the first phase of a significant 3-year renovation, which will upgrade the property and is expected to improve its performance.
- To finance the majority of the renovations, the Company signed for a credit line with a large American bank.

Future Potential:

- Increase NOI through the recently started renovation program.
- Continue lease ups of retail space.
- Cleveland’s continued growth.



Bear Valley

BEAR VALLEY
A SKYLINE RESORT
CALIFORNIA

SKYLINE
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Overview:

- Ski resort located in California.
- The resort acquisition was purchased in 2014 for a total consideration of $3.7M USD.
- Skyline management invested significant efforts to reduce operational costs, invested close to $3M USD in improvements, which along with a return to normal snowfall levels has resulted in an NOI of approx. $2.3M USD.
- A new ski lift has been installed and will be ready for the upcoming ski season, improving visitor experience.

Future Potential:

- Additional NOI growth as ski visits increase to historical levels.
- Investment is new equipment will yield higher ticket pricing.
- Opportunities to develop and sell adjacent lands.

SKYLINE INVESTMENTS

Main Operating Assets in Canada

Deerhurst Resort

Overview:

- Luxury year round resort in the district of Muskoka, two hours from Toronto.
- The Resort includes approx. 315 rooms (101 rooms owned by Skyline, 214 managed), two golf courses, conference rooms, spa, swimming pools, restaurants, and a private airport.
- With approximately 800 acres owned, the site hosted the G-8 Summit.
- The Resort is a collateral for bonds series A.
- The resort is expanding with the construction of the new 162 room Lakeside condo/hotel (117 units sold).
- Some of the resident units are expected to join the rental program.
- Recently received approval of a secondary plan for 640 units & 4,500 sq.m. retail space (Zoning-by-law).

Future Potential:

- Increase NOI through improving operations efficiency and utilizing additional condominium inventory.
- Focus on the off-peak traveler market with increased marketing to international traveler.
- Continued sale and select development of adjacent land.

Deerhurst Resort

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Horseshoe Resort

HORSESHOE
A SKYLINE RESORT
BARRIE

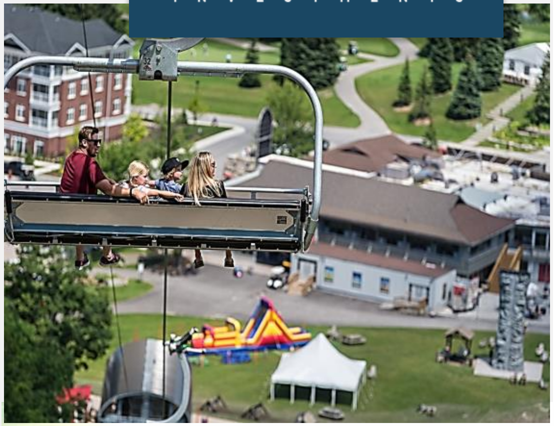
SKYLINE
INVESTMENTS

Overview:

- A ski, golf, adventure park and hospitality resort operating year round, located one hour drive from Toronto.
- The site includes a leading golf course in Canada, 25 alpine ski runs and 40km of cross-country trails, 163 hotel rooms (141 owned, 22 managed), and 5 restaurants.
- The resort sits on approximately 220 acres.
- The company recently completed the $20M Copeland House condo/hotel adding a significant number of new rooms to the resort.
- In 2016 Skyline invested $5M in a new high-speed chairlift.
- In July 2017, the Company began a significant renovation of the 44-unit Slopeside Lodge. As of today Skyline has already sold 23 units. Additionally, some of these new, upscale units are expected to join the resort rental program, creating additional value.

Future Potential:

- Increase NOI through improved operational efficiency and additional condominium inventory (Slopeside Lodge and Copeland House).
- Enhance summer business with the introduction of the new Horseshoe Lake. This lake will also serve as a water reservoir for artificial snow production in the winter.
- Continued sale and select development of adjacent land.



Blue Mountain Village

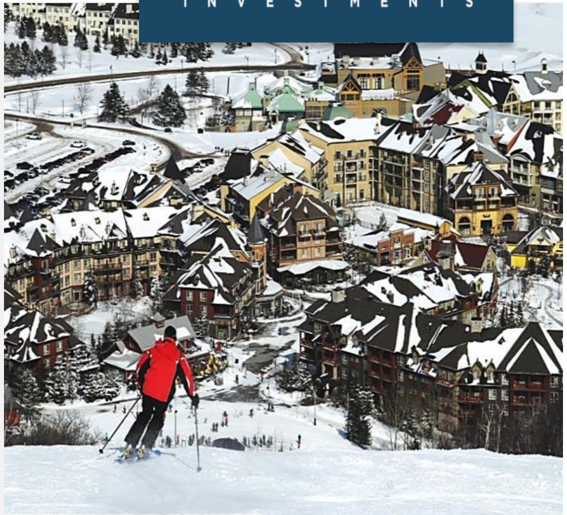
Overview:

- The Village includes Ontario’s largest ski resort, retail shops, and restaurants operating throughout the four seasons.
- Blue Mountain is located near Collingwood and Georgian Bay, two hours away from Toronto.
- The Company, together with a partner (40%), holds half of the retail space in the village (but manages 100%) as well as 740* units with development rights for residential construction (including infrastructure).
- Skyline manages all commercial areas in the Blue Mountain Village.

Future Potential:

- Sale of lots and land parcels to local developers.
- Sale and/or development of retail spaces.
- Hotel and condo development opportunities.
- $24.5M lands sold with an expected cash flow of $11M.
- Revenue and cash flow from leased land to be delivered 2017-19.

*Note: 194 units have been sold but have not yet been delivered to their purchasers.



SKYLINE INVESTMENTS

Land Sales and Development

Lakeside Lodge
Huntsville, ON

Land Sales and Development Assets

SKYLINE INVESTMENTS

Lakeside Lodge (Deerhurst):

- 162-unit development on Deerhurst land to be sold, afterwards some will enter the rental pool as inventory.
- As of today, 117 (72%) units have been sold for a revenue of $42M.
- Total revenue and gross profit are expected to be $54M and $13M respectively.
- Delivery is expected in Q3/2018.
- Closed a favorable construction loan agreement at a rate of Prime+1.75%.

Slopeside Lodge (Horseshoe):

- The resort is renovating the Slopeside Lodge to convert 44 rooms to condominium units which will be sold, afterwards some will enter the rental pool as inventory.
- Closed a favorable construction loan agreement at a rate of Prime+1.75%.
- As of today, 23 units have been sold for a revenue of $9M.
- By 2018, expected revenue from the project is $15M and gross profit of $5M.

Land Sales and Development Assets

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Blue Mountain:

- In the past 2 years, Skyline has sold several land plots at Blue Mountain Resort.
- As of December 2016, the Company delivered 74 lots bringing in approx. $9M in revenue.
- As of today, the Company has sold 194 units at $24.5M with an expected cash flow of $11M. The revenue and cash flow from these units will be recognized in financial statements over the next 3 years.

Port McNicoll:

- **In July 2017**, Skyline completed the sale of Port McNicoll for $42M and received the first payment of $4.2M. This sale will provide a stable cash-flow over the next 6 years. In addition, the contract includes a mechanism of accelerated payments with the sale of housing units by the buyer to third parties.
- The Port McNicoll Project - revenue and profit calculation:

The Port McNicoll Project Sale	
Purchase price and acquisitions	$7,070
Improvements and investments	$7,600
Total Investment in Port McNicoll	**$14,670**
New Agreement	$41,965
Cash Profit (cost method)	$27,295
ROI	186%

*After the new sale agreement of Port McNicoll, several land parcels and the museum ship remain under the ownership of the Company. The total value of the remaining assets is $8M.

**Since the acquisition of the project, part of the land was sold for $20M which generated $6.5M in cash flow.

SKYLINE INVESTMENTS

Financial Information

Blue Mountain Village
Collingwood, ON

Financial Strength and Flexibility*

SKYLINE INVESTMENTS

Strong Balance Sheet

- Capital to balance ratio of 49%.
- Net Debt to Net Assets ratio is 30%.

Flexibility

- As of September 30, 2017 the Company has:
  - A cash balance of $24M.
  - An unutilized low cost credit line of $17M.
  - Effective average loan duration of 4.4 years, and an average interest rate of ~5%.
  - Low LTV (34% for the income producing assets and 11% for the lands).
  - A total value of assets without debt is ~$153M.

Cash Flow

- In 2018, the Company expects to show a significant increase in our revenues and cash flow as a result of the recent acquisition of 13 Courtyard by Marriott hotels*.
- In the coming years, NOI will continue to increase significantly due to increased efficiency, renovation, upgrades and expansions of existing properties.
- Skyline is expected to see a cash flow of $34M over the next three years from development projects in advanced stages of sale.
- In July 2017, Skyline completed the sale of land reserves in Port McNicoll for $42M. The Company received the first payment of approx. $4.3M and has begun to receive payments of approx. $350K per month. The sale will provide stable cash flow over the nest 6 years.

***Post Balance sheet events:** On November 14, Skyline completed the acquisition of 13 Select-Service Courtyard by Marriott hotels for $135M USD, and closed a purchase loan in the amount of approx. $90M USD. In 2016, the hotels presented revenues of $51.1M USD and generated NOI of $14.5M USD.

Both of Skyline's publically traded debentures are rated Baa1.il from Midroog, Moody's Israeli subsidiary

SKYLINE
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Primary Reasons for the Rating

- "Properties that have been active for many years in relevant markets contribute to a company's business profile. Skyline's Canadian resorts have existed for decades which strengthens their durability, giving them an advantage."
- "The Company's conservative financing strategy and related financial ratios stand out and show the Company's stability for the sake of this rating. The acquisition of the Courtyard by Marriott Portfolio is expected to change these ratios significantly, but, even with this change, they would stand out in favor for this rating.
- "The Company's total equity attributable to its shareholders is appropriate to this rating and amounts to approximately $245 million as of June 30, 2017."
- "Good liquidity and the Company's low LTV rate for its assets reflects some financial flexibility which gives the Company the ability to generate additional liquidity from leveraging its assets, reducing the exposure to debt refinancing."
- "The FFO volume (including profits from the sale of land) creates coverage ratios that stand out favorably for this rating level."
- "Midroog views positively the diversification of the Company's financing sources, which reduces the Company's exposure to the capital market as it isn't dependent on a single financing source."

Net Asset Value

	Ownership	BV	2015 NOI	2016 NOI	NOI - LTM	NOI - LTM/BV	Loan Balance 9/2017 (6)	LTV	Equity
Revenue generating assets									
Deerhurst Resort (1)	100%	74,900	4,390	3,885	5,333	7.1%	47,114	63%	27,786
Horseshoe Resort (2)	100%	54,000	4,078	2,747	4,032	7.5%	-	0%	54,000
Blue Mountain Retail	60%	28,980	1,671	1,750	1,805	6.2%	14,395	50%	14,585
Hyatt Regency Arcade (3)	100%	61,387	4,689	5,463	4,480	7.3%	25,273	41%	36,114
Renaissance Hotel (4)	50%	66,642	331	7,072	6,403	9.6%	15,413	23%	51,229
Bear Valley Resort	100%	16,511	(188)	2,771	2,368	14.3%	-	0%	16,511
Total Revenue generating assets		302,420	14,971	23,689	24,421	8.1%	102,195	34%	
Adjustment to consolidated FS (5) (5a)		1,123	599	(2,868)	(3,934)		6,232		
Total Revenue generating assets consolidated FS		303,543	15,570	20,821	20,487		108,427	36%	200,225
Average Interest rate (6)							5.04%		
Lands									
Deerhurst lands	100%	29,609					8,976		20,633
Horseshoe lands	100%	19,079							19,079
Blue Mountain lands	60%	29,657							29,657
Port McNicoll	100%	5,841							5,841
Total lands		**84,186**					**8,976**	11%	75,210
Projects under construction and other		24,557					10,512		14,045
Total Real Estate		**412,286**					**127,915**	31%	289,480
Cash and cash equivalents (7)		23,977							
Funds received Bond B		58,725					58,725		
Vendor's take back against Port McNicoll lands		34,869							
Receivables & Other		39,965					5,076		
Deferred tax		7,436							
Total Assets per Financial Statements		577,258					**191,716**	**33%**	**289,480**
Debt, including bonds		(191,716)					5.07%		
Payables & Other		(42,163)							
Deferred tax		(59,587)							
Total liabilities		**(293,466)**							
Non-controlling interest		(39,964)							
Equity attributable to shareholders of the company		243,828							**243,828**
Number of Shares, 000		16,737							
Equity per Share (CAD)		**14.57**							
Equity per Share (NIS)		**41.21**							

FX 1 CAD to NIS as of September 30, 2017 2.82577
(1) Loan balance: Series A bonds net of hedge.
(2) Horseshoe resort NOI for 2016 was negatively impacted by extremely poor weather conditions, resulting in $1,500 loss of NOI.
(3) The Loan was refinanced in March 2017, new amount is 17,000 USD at variable 3.40%.
(4) Renaissance was acquired on Oct 28, 2015, full 2015 year NOI was $6,601.
(5) Primarily severance payments due to restructuring, prior year prop taxes, third party non operational costs (5a) lease obligations
(6) Average Interest rate is calculated by multiplying the loan stated interest rate by loan balance and divided by total loan balances.
(7) Not including available lines of credit totaling $17,000.

SKYLINE INVESTMENTS

Summary of Periodic Results

Section	2016	1-9/16	1-9/17
Revenue from revenue generating assets	122,197	96,191	91,378
Revenue from sale of residential real estate and other	25,797	19,815	24,452
Total Revenue*	**147,994**	**116,006**	**115,830**
NOI from revenue generating assets	20,821	17,840	17,506
Total EBITDA*	19,455	15,547	15,712
FFO*	9,742	6,305	9,736
Same Property Revenue		**91,075**	**90,927**
Same Property NOI		**17,502**	**18,093**

*See explanation for calculation in the MDA.
****Post Balance sheet events:** On November 14, Skyline completed the acquisition of 13 Select-Service Courtyard by Marriott hotels for $135M USD, and closed a purchase loan in the amount of approx. $90M USD. In 2016, the hotels presented revenues of $51.1M USD and generated NOI of $14.5M USD.

SKYLINE INVESTMENTS

Main Balance Sheet Parameters

Section	31.12.2016	30.09.2017
Total Assets	**519,753**	**577,258**
Gross financial debt	130,985	191,716
Cash and equivalents	29,961	23,977
Net Debt	**101,024**	**167,739**
Shareholders equity	245,968	243,828
Non-controlling interest	41,404	39,964
Total Equity	**287,372**	**283,792**
Net Debt to Net Assets	**20.6%**	**30.3%**
Equity to balance ratio	**55.3%**	**49.2%**

***Post Balance sheet events:** On November 14, Skyline completed the acquisition of 13 Select-Service Courtyard by Marriott hotels for $135M USD, and closed a purchase loan in the amount of approx. $90M USD. In 2016, the hotels presented revenues of $51.1M USD and generated NOI of $14.5M USD.

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Questions? Please contact Ben Novo-Shalem, Head of M&A and IR
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SKYLINE INVESTMENTS

Appendix

List of Assets with no Financial Debt

Name	FMV
Bear Valley Resort	14,241
Horseshoe Resort (3)	49,000
Excluded Lands surrounding Deerhurst Resort (1)	15,480
Excluded Lands surrounding Horseshoe resort (2)	19,079
Lands at Blue Mountain (60%)	14,898
Vendor's take back against Port McNicoll lands	34,869
Remaining Port McNicoll lands	5,841
Total	**153,408**

(1) In accordance with the terms of the trust deed, a first-level technical lien will be registered on these lands in favor of the bondholders, which will be released in the future upon the completion of the percolation process.

(2) Similar terms and conditions.

(3) Constitutes collateral for an unutilized credit facility of $20M, during Q3 2017 $3M has been drawn and repaid after balance sheet date.