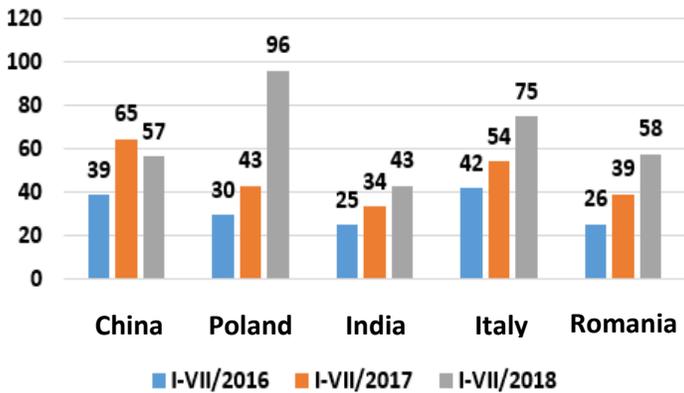
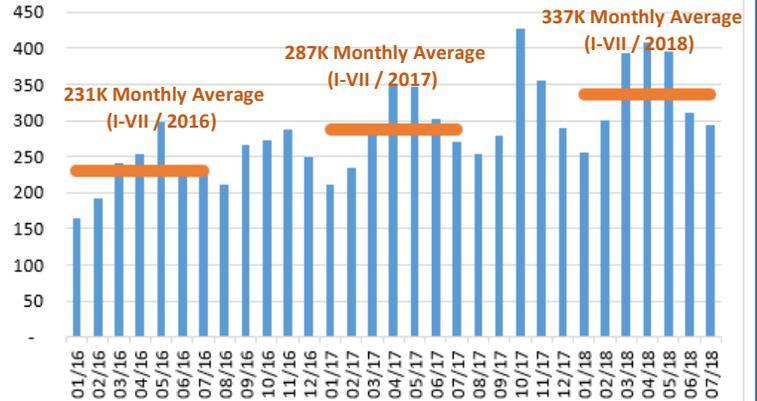


Tourist Arrivals – Selected Countries (Thousands)



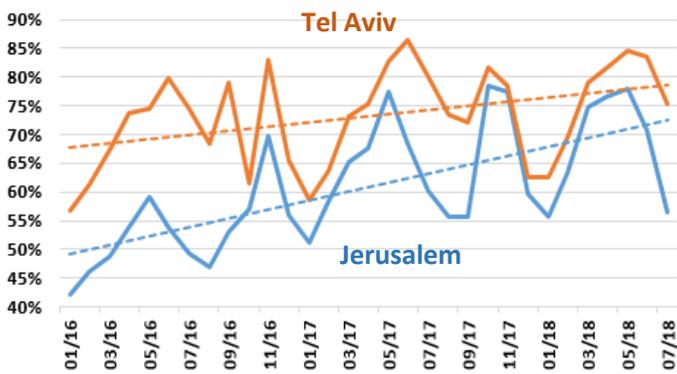
The number of tourists arriving from Poland has tripled since 2016. During Jan-July 2018 96K tourists from Poland arrived in Israel, compared with only 30K during the same period in 2016. Significant growth rates occurred in arrivals from India, Italy and Romania. Arrivals from China have moderately slowed down.

Tourist Arrivals (Thousands)



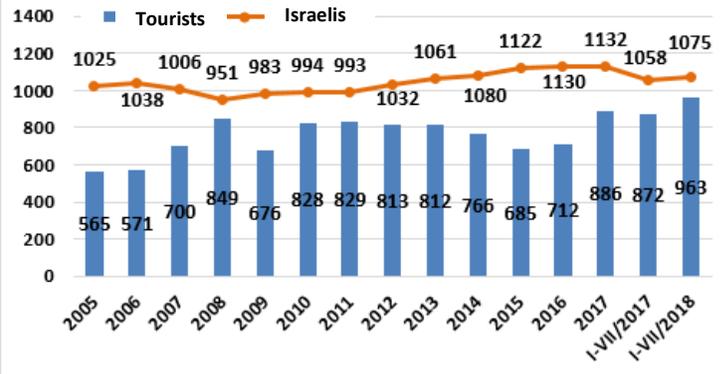
Tourist arrivals in Israel are greatly increasing reaching new records. During Jan-July 2018 2.4 million tourists spent approximately \$3.5 billion. The total number of tourist arrivals in Jan-July was 17% higher than during the same period last year, and 46% higher compared to the same period in 2016.

Room Occupancy Rate in Hotels (% of total rooms)



Room occupancy in tourist hotels is growing continuously in most regions. In Tel-Aviv last summer the rate exceeded 85%, and in last October (the Hebrew New Year) 82%. From the beginning of 2018, the highest rates were recorded at 84% during May-June. Room occupancy in Jerusalem was lower when comparing to Tel-Aviv but the growth rate is higher. During Jan-July 2016, room occupancy in Jerusalem was 51%, whereas in the same period of 2017 the occupancy climbed to 64%, reaching 68% in 2018.

Person-Nights at Tourist Hotels (Thousands Monthly average)



Nights per person at tourist grade hotels grew by 5.6% in Jan-July 2018 compared to the same period in 2017. In monthly average terms: The Jan-July 2018 monthly average was 1% higher than the total 2017 monthly average, and 10.6% higher than entire 2016 monthly average. The growth rate of person-nights at tourist hotels is exceptional, as the first half of the year is usually lower than the second half. (in the years 2017-2015 person-nights in the first half was lower by 17% than the second half).

Tourism Industry is estimated @ 2.6% of GDP



Tourism Industry is contributing 265K of Employees



Tourist's Average Expenditure in Israel \$1,420



1/3 Tourists Arrive in Israel as part of an Organized Group



Tourism Services Exports 16% of total Services Exports

