PLAZA CENTERS N.V.

Company Presentation
Debt Restructuring

November 2013

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1. General

General – About the Company

Plaza Centers is a leading emerging markets developer of shopping and entertainment centers, focusing on developing new centers and, where there is significant redevelopment potential, redeveloping existing centers, in both capital cities and important regional centers

- Plaza Centers N.V. (the Company) is incorporated in the Netherlands and it is dual listed on the Main Board of London Stock Exchange (LSE) and the Warsaw Stock Exchange (WSE). The control of the Company is held indirectly (62.5%) by Elbit Imaging Ltd. a public Israeli company whose shares are traded on both the Tel Aviv Stock Exchange and NASDAQ Global Market in the United States.

- The Company is an emerging market developer operating in nine countries (Romania, Poland, Latvia, Hungary, the Czech Republic, Serbia, Bulgaria, Greece and India) with a portfolio of 30 assets and a strong track record of successfully developing, constructing, operating, leasing and selling shopping and entertainment centres (see appendix B – the Company's operating milestones).

- Bond repayments are made mainly from the sale and/or refinancing of the assets after the development and improvement stages. As a result of the underlying economic situation in the Eurozone, market conditions have deteriorated in many of the countries in which the Company operates, which has impacted the Company's ability to complete realizations.

- Sale of assets (before and after improvement) at proper price will create cash flow to service all company's debts and much more. Matching Principal payment dates after the assets realization date will provide the management the time necessary for improvement and sale of assets at appropriate prices and will enable debt holders to get full repayment.

Overview - Plaza's Liquidity Issue

The financial crisis in Europe coupled with the liquidity shortage in the Israeli capital markets has led to a mis-alignment between Plaza's debt service needs and its ability to generate cash flows from business operations

Europe Financial Crisis

- Since 2008, Europe has been struggling with a major financial crisis that has significantly impacted the real estate market
- Central and Eastern European real estate markets have witnessed a substantial drop in prices and delays in project starts and completions, as well as reduction of rental levels and increase in yields
- The Eurozone crisis has led to delays in development and therefore investors' appetite to conclude real estate transactions has decreased
- The crisis has influenced significantly on the banking system - Liquidity level is deteriorating, bank financing is much less available and interest rates increase

This unforeseen change in the Company's planned business cycle has led to a mis-alignment between Plaza's debt requirements and its ability to generate cash flows from business operations

Israeli Public Debt Market

- Pre 2011, corporate debt was raised in Israel with no collateral and minimal covenants
- Additionally, the payment schedule was usually short and it was relatively simple to refinance
- Regulatory changes, together with negative sentiment towards real estate companies operating in CEE, made it almost impossible to secure financing in Israel

2. The Company's Profile

Plaza Centers - Business Card

Plaza Centers is a leading emerging markets property developer, focusing on western-style shopping and entertainment centres

Business Description

- 17-year track record of developing shopping & entertainment centres in CEE - Plaza Centers has been active in the region since 1996 and was the first to develop western-style shopping and entertainment centre in Hungary
- Plaza has pioneered this concept throughout the CEE whilst building a strong track record of successfully developing, constructing, operating, managing, letting and selling shopping and entertainment centres. In 2006 the Group extended its area of operations beyond the CEE into India
- The company has an experienced and established management team in each operational country, with proven experience in developing shopping centres on schedule and budget, obtaining bank finance, letting to tenants and selling to international funds
- To date, the company has developed 33 shopping and entertainment centres in the CEE (more than any other company in the region) and India, of which 26 have been sold with an aggregate gross value of €1.16 billion. Plaza owns 21 assets on development stage, seven active shopping and entertainment centres and two office buildings
- The company has strong relationships with the banks accompanying the projects in the operational regions, as well as with international and local retail brands, which rent spaces in the shopping centres and also with international real estate funds, which invest in assets in different countries
- The company is an indirect subsidiary (62.5%) of Elbit Imaging Ltd., a public Israeli company, whose shares are traded on both the Tel Aviv Stock Exchange and NASDAQ in the United States

Real Estate Portfolio

Plaza Centers N.V.

USA

- EPN was established in 2009 by Elbit, Plaza and high profile partners to invest in the distress market of income producing assets in the US
- After acquiring the EDT portfolio (47 assets) in April 2010, in June 2012, EPN sold its entire holding in EDT generating gross proceeds of $120m for Plaza, representing a ROE of nearly 50%.

Europe

- 32 Shopping Centres development and management in Central & Eastern Europe
- Six active shopping centres currently owned and managed
- Five projects under development
- 13 pipeline projects
- Two office buildings

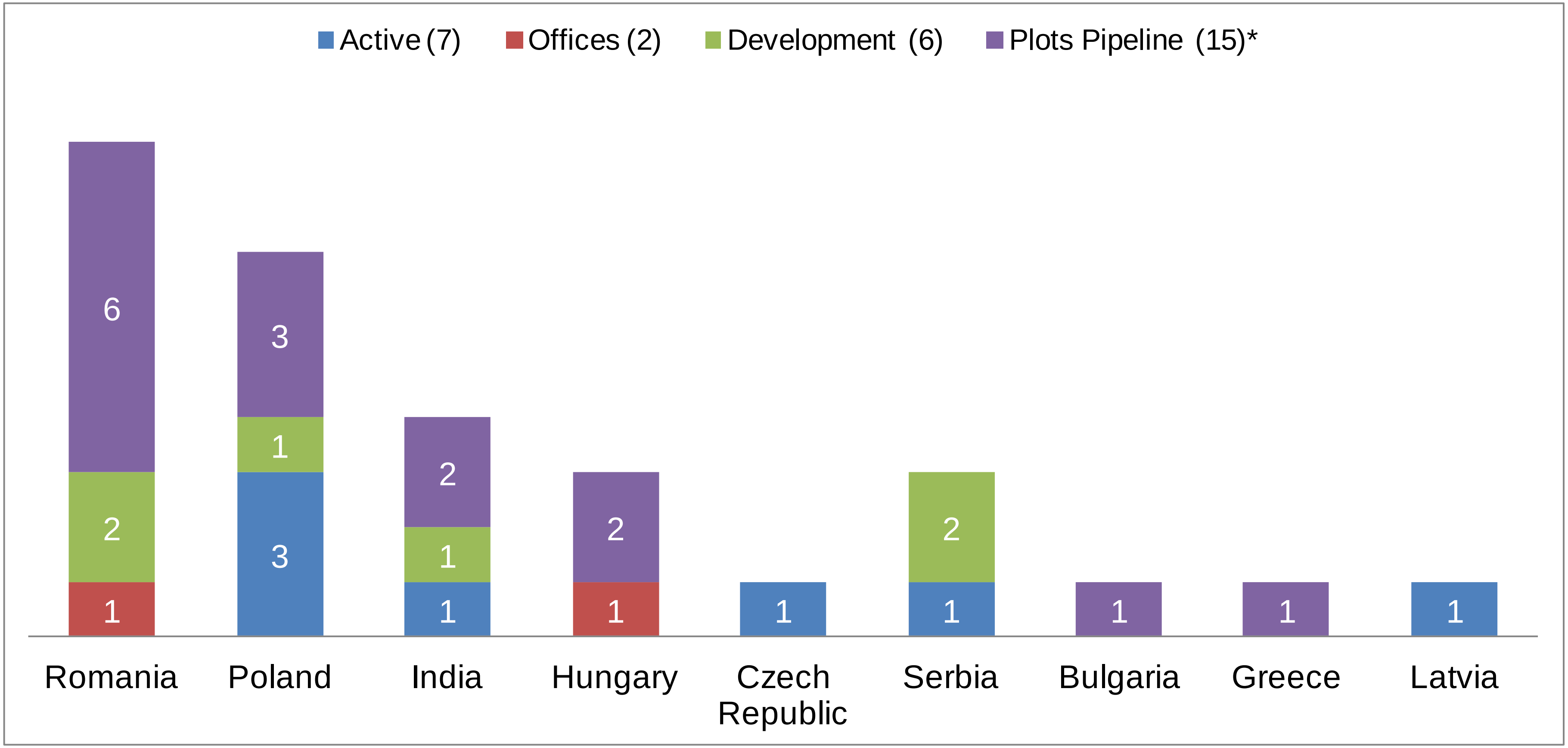
India

- A joint venture with Elbit Imaging to develop three mega mixed-used projects in the cities of Bangalore, Chennai and Kochi
- A completed project- Koregaon Park Plaza Mall
- In May 2013 Plaza completed the sale of its 50% interest in a JV which mainly holds interest in an office complex in Pune. The transaction reflects asset value of circa €33.4 million

Assets Portfolio

The company has future growth potential through its attractive development assets and a number of yielding assets designated for sale (for a list of main assets see Appendix A)

Total 30 Assets in nine countries



* Including plots and projects designated for sale

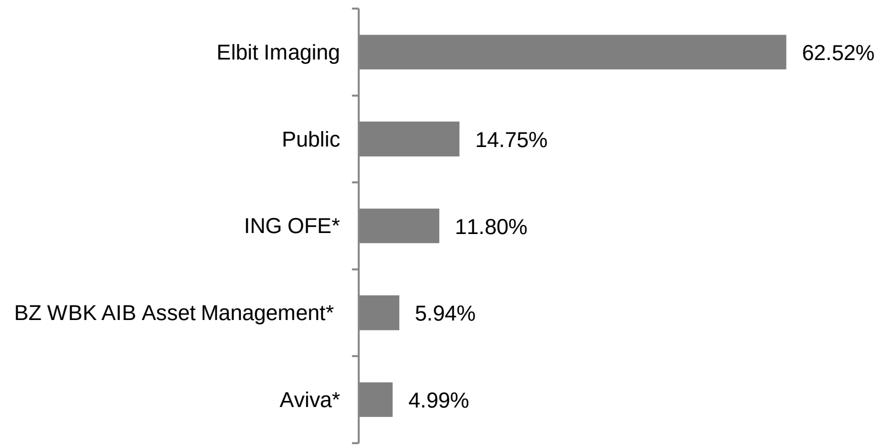
Capital Markets Milestones

Plaza's shares are traded on the Main Board of the London Stock Exchange (LSE) and also listed on the Warsaw Stock Exchange (WSE)

Capital Markets

- On 1 November 2006, Plaza raised ₤166m (€247m) from its IPO and began trading on the Main Board of the London Stock Exchange (LSE)
- Plaza Centers shares have been traded in the Warsaw Stock Exchange since 19 October 2007 – the first property company to achieve a London-Warsaw dual listing
- Between July 2007 – January 2011, Plaza issued €370m of bonds on the Tel Aviv Stock Exchange
- In November 2010 the company raised a total of PLN 60m (€15.2m) from issuing bonds to Polish Institutional investors

Shareholding Structure



* Institutional Polish investors

Key Financials as of June 30, 2013 (€m)

Market Capitalization	95.5
Total Equity (Book Value)	355
Market Cap./BV	0.27x
Total Revenues (H1-2013)	31
Total Debt	400
Total Assets (Consolidated)	792.5

History of capital raising and bond repayments of the Company

The Company raised debt in Israel by issuing marketable bonds and in Poland by private issuance

	Series A Israeli Bonds	Series B Israeli Bonds	Polish Bonds
	NIS		*EURO
Bond raising	401,850,451	1,483,126,346	15,085,058
Directly purchased by Plaza and were Removed from the cycle	(8,253,378)	(96,443,579)	-
Bond raising, net	393,597,073	1,386,682,767	-
Principal payments over the years	(158,664,391)	(935,892,762)	-
Interest payments	(93,208,979)	(325,001,189)	(2,830,616)
Total payments	(251,873,370)	(1,260,893,951)	(2,830,616)
Total payments over the years as percentage of total raising, net (%)	**64%**	**91%**	**19%**

* 60,000,000 PLN

The Company's Consolidated balance sheet

The Company's consolidated balance sheet as of June 30, 2013 (EURO in thousands)

ASSETS	
Cash and cash equivalents	86,934
Restricted bank deposits	12,128
Available for sale financial assets	883
Trade receivables	3,551
Other receivables and prepayments	9,103
Trading properties	560,831
Assets held for sale	12,865
Total current assets	**686,295**
Equity accounted investees	91,549
Loan to equity accounted investees	6,994
Property and equipment	6,838
Investment property	-
Restricted bank deposits	495
Other non-current assets	393
Total non-current assets	**106,269**
Total assets	**792,564**

LIABILITIES AND SHAREHOLDERS' EQUITY	
Current liabilities	
Interest bearing loans from banks	186,452
Liabilities held for sale	3,997
Debentures at fair value through profit or loss	33,929
Debentures at amortized cost	37,899
Trade payables	3,504
Related parties	698
Provisions	15,597
Derivatives	1,170
Other liabilities	13,159
Total current liabilities	**296,405**
Non-current liabilities	
Debentures at fair value through profit or loss	80,618
Debentures at amortized cost	53,483
Other liabilities	147
Deferred tax liabilities	6,016
Total non-current liabilities	**140,264**
Equity	
Share capital	2,972
Translation reserve	(31,963)
Other reserves	14,218
Share premium	261,773
Retained earnings	108,231
Total equity attributable to equity holders of the Company	**355,231**
Non-controlling interests	664
Total equity	**355,895**
Total equity and liabilities	**792,564**

3. Debt restructuring – scheduling principal payments to asset realization dates

Debt restructuring – scheduling principal payments to asset realization dates

Rationale

- The income generating assets are qualitative and may be improved further.
- Land reserves represent a potential for initiation and betterment.
- The management team is highly professional and skilled, and has extensive local and business knowledge with a proven ability to effectively manage the Company's assets.
- The Company and its management maintain good and long term relations with a number of the financing banks. Until now, in all of the 33 shopping centres built by the Company (26 of which were already sold) all bank loans were duly repaid.
- The requested period to defer the principal payments will serve to optimize the potential of the Company's assets.
- The Company continues to manage all of its assets intensively and, supported by improving operations figures of assets, to prepare them for sale in an improving market and fair prices.
- The deferment of principal payments will safeguard the continuity of the Company and preserve value for the creditors.
- Deferment of debt maturities will facilitate the development of selective sites to maximize the value with no material equity investment.

Debt restructuring – scheduling principal payments to asset realization dates

The circumstances for addressing the creditors

- The Company exhausted all the available possibilities to meet its repayment obligations.
- Lack of reasonable sources for material cash flows in the immediate/short term.
- The Company received a notice from its auditors under which it is reasonable to assume that in the reviewed statements as of September 30, 2013, an emphasize of matter paragraph drawing attention to the Company's liquidity status will be included, highlighting the possible effect on the Company's ability to continue its operations as a "going concern".
- The Company believes that the value of its assets significantly exceeds the value of its liabilities.
- The Company (as a developer) has the ability to realize the potential embodied in its assets through improvement, development, sale etc., and by an informed action and reducing debt pressure, it can maximize the assets' value during the period of deferring principal payments.
- The active shopping centres in Europe show a continuous and consistent improvement. Occupancies, tenants' turnover, number of visitors have all been increasing and the Company advances toward selling them in an improved market at a decent valuations.
- Most countries in the Eurozone are seeing moderate improvement in their macro economic data.
- The removal of the "cloud" above the Company's head will encourage potential buyers to offer reasonable and fair prices.
- The current management team of the Company is well appreciated by the banking system that finances the assets and the creditors' consent to defer the payment will bring stability to the Company, enabling the receipt of loans for the purpose of the improvement of the assets, ahead of realizations.

Debt restructuring – scheduling principal payments to asset realization dates

The actions taken by the Company during last year

Last year, the Company increased its efforts to generate cash flows in the following ways:

- Asset realization – five assets were realized and the consideration balance received following the US transaction totaled EUR 61 million.
- Issuing new European bonds – Merrill Lynch managed the issuance, which was finally unsuccessfully.
- Swapping short term debt with a long term debt – the formula satisfying the requirements of all relevant parties was not reached.
- Addressing the controlling shareholders – the parent company was also entered into debt arrangement proceedings.

Recently, the Company's management acted responsibly towards the unsecured creditors and reviewed the following alternatives:

- Selling income producing assets at a lower value than their real price.
- Receiving a loan at an extremely low LTV and high interest against placing a charge on <u>all</u> of the Company's assets.
- Purchase of certain debts of the Company at a significant discount to their carrying value.

Currently, the Company's management continues to run its operations as an entrepreneurial Going Concern company in all parameters:

- Asset realization – negotiations are at various stages in respect to asset realizations or combination deals.
- Asset betterment – increasing the occupancy rate above 90% in shopping centres in Poland in order to obtain fair value for these assets upon sale. At the Torun shopping centre, an anchor tenant was recently signed to occupy 7% of the centre's area bringing the occupancy to 88%.
- Refinancing – the Company recently entered into an agreement to receive a loan of EUR 59 million for the active shopping centre in Riga (Company's interest – 50%) for an additional four years (the original loan was scheduled to end in mid 2014).
- The Company reached an agreement to sell the Koregaon Park Plaza shopping and entertainment centre in Pune, India and after the repayment of the bank loan, the Company is expected to receive EUR18.5 million that will be paid in several installments in the coming nine months.

Debt restructuring – scheduling principal payments to asset realization dates

The Company’s guiding principles

- Most of the Company’s assets are in process of being intensively managed and improved prior to their sale. Transferring the assets for realization in their current condition to receiver/liquidator will significantly impair the consideration to be received by the creditors.

- The creditors will be requested to defer the principal payments for which a reasonable and fair compensation will be granted.

- A mechanism will be set up to shorten the payment deferral and even precedes the payments relative to the original amortization schedule, if possible.

- The Company applied to the court in the Netherlands seeking stay of proceedings and a proposal for an arrangement with the creditors in the countries of operations (bonds in Israel and Poland and banks throughout the countries of operations).

- The long term strong relationships with the banks and the banks’ recognition of the high competence of the Company’s management in managing shopping centres will probably result in the banks’ cooperation (most of the shopping centres have a distinct surplus value supporting the bank loans against them).

Debt restructuring – scheduling principal payments to asset realization dates

The Company's address to the shareholders and creditors

To the shareholders

The Company will address the shareholders requesting capital/monetary inflow to the Company by way of issuing rights in a scope of EUR 20 million. Elbit Imaging confirmed that it will positively consider its participation in its relative share in the rights issue.

To creditors with non-collateral backed debts

- The group of creditors with non-collateral backed debts include the following lenders: bond holders in Israel, the lenders in Poland and the banks with fixed charges with a recourse right.

- The principle of the request from creditors with non-collateral backed debts is based on deferring principal payment dates against intensifying collaterals (negative pledge on all of the Company's assets), the grant of compensation on interest payment and participation in the Equity Upside.

- The Company intends to invest all efforts so as to avoid damages to the creditors, as practicable, from the situation that has resulted in the countries of operations, and due to the change in the flavors of capital markets.

- The Company and its officers will not be held responsible against any claims, except claims for violation of fiduciary duty, fraud or claims for which a waiver cannot be granted under the law.

Debt restructuring – scheduling principal payments to asset realization dates

The Company's address to shareholders and creditors – itemizing the request to the Israeli bond holders and the institutional holders in Poland

Israeli bond holders and the institutional holders in Poland

Principal payments - all principal payments of non-collateral backed debts (bonds (series A) bonds (series B) and institutional bonds in Poland including unpaid interest due November/December 2013) for 2013, 2014 and 2015 in the amount of EUR181.9 million ("**the deferred debt"**) will be deferred to 2016, 2017 and 2018 (at the same date and month of each series).

Interest payments – after the arrangement, interest payments will be made as due.

Interest rate – effective January 1, 2014, an additional 1.5% interest will be paid in addition to compensation in interest to be received from option exercise as detailed in the Equity Upside section in the next page.

Early repayment – the Company is entitled to make early repayments at any time of any debt balance which is according to the adjusted Par value price of the bonds but it **must** make an early repayment upon realization or refinancing of assets in a scope of 75% of the net cash flows that will be received by the Company. Upon making the early repayment, the debt in respect of the cumulative interest will be paid and thereafter the next principal payments. Out of the amount paid as an early repayment, 21.12% will be paid for bonds (series A), 70.8% will be paid for bonds (series B) and 8.08% will be paid for Polish bonds. (each will be paid according to its relative share in the deferred debt- without the accumulated interest).

Debt restructuring – scheduling principal payments to asset realization dates

The Company's address to shareholders and creditors – itemizing the request to the Israeli bond holders and the institutional holders in Poland

Payment Deferral – This would occur in the event that in two years from the arrangement date, if the Company made early repayments over 50% of the deferred debt (such that the balance of bonds (series A) will be lower than NIS 170 million par value and the balance of bonds (series B) will be lower than NIS 250 million par value), then the remaining principal payments will be deferred in an additional year (at the same date and month of each series).

Equity Upside - to enable the creditors enjoy the 'Equity Upside' feature, the Company will allocate to the representatives of the non- collateral backed debts options for 9.99% of the Company's shares (2.11% to the bond trustees (series A), 7.07% to bond trustees (series B) and 0.81% to the Polish holders) at no consideration.
The options are exercisable into shares in the first and second year following the arrangement date with an exercise price of 25 pence per share (the average share price in the 90 day period preceding the notice date of the arrangement and at discount of 80% of the NAV) and effective from the third year exercise price at 30 pence per share (constituting a premium of 20% of the average share price in the 90 day period preceding the notice date of the arrangement and at discount of 75% of the NAV).
The proceeds received from selling the options or the shares deriving from the options will be transferred to the creditors as an addition to the interest. The options will expire four years from the arrangement date.

Restriction of Payments to Shareholders – the Company undertakes that as long as the deferred debt balance is not paid in full, no dividend (DIVIDEND STOPPER) will be distributed without the majority bondholders' consent.

Debt restructuring – scheduling principal payments to asset realization dates

The Company's address to shareholders and creditors – itemizing the request to the Israeli bond holders and the institutional holders in Poland

Collaterals - a negative pledge on all of the Company's assets. The asset value included in the negative pledge according to their book value (net of debt, if any) as of June 30, 2013 is EUR563 million (assets less liabilities that are not bonds).

❖ Key instructions on unpledged assets

- The Company may not take new loans against pledging existing unpledged assets and/or non collateral loans. Despite these restrictions, the Company may obtain financing against a pledge and/or existing assets and/or non collateral loans provided that 75% of the financing will be used for early repayment.
- The Company may pledge lands, first in priority, for a construction loan in favor of a bank, with an LTC ratio that will not fall below 60%.

❖ Instructions on pledged assets

- The Company may obtain refinancing or new loans with respect to each of the pledged assets provided that at least 75% of the extra financing in respect of that asset will be used for early repayment.
- Upon selling an asset of the pledged assets, at least 75% of the consideration to received by the Company from selling the asset (after debt repayment to the bank, selling expenses and tax, if required) will be used for early repayment.
- The Company may obtain new loans to purchase new assets provided that the loans will be of non-recourse type and the equity component in the purchase will not exceed 40%.

The Company's address to shareholders and creditors – itemizing the request to banks with Recourse rights

To banks with Recourse right

Debt balance to banks – the debt balance in the Company's books as of 30.9.13 amounts to EUR48 million against assets valued at EUR87 million which are pledged, with first priority, to the banks.

Recourse to the Company – deferring recourse possibility for four years.

If the Company fails to meet its current payments and a debt balance to the banks remains after asset realization, the banks may demand the above debt balance only after four years from the arrangement date.

The recourse right will be at the debt level before asset realization net of the highest between the received consideration from asset realization and 90% of the value of an external appraiser (to be agreed upon by the parties) in a time period of not more than three months before the realization date.

Debt restructuring – scheduling principal payments to asset realization dates

Expected Cash Flow under the assumption of reasonable market conditions

		H2/2013	H1/2014	H2/2014	H1/2015	H2/2015	H1/2016	H2/2016	H1/2017	H2/2017	H1/2018
	Cash - Opening Balance[1]	**94**	**32**	**49**	**50**	**48**	**56**	**49**	**33**	**61**	**97**
Sources											
	Proceeds from selling trading and investment properties	12	35	55	30	51	0	48	44	36	261
	Cash flows from operating Activities [2]	9	14	10	10	10	7	8	7	7	6
	Right issuance	0	20	0	0	0	0	0	0	0	0
	Total Sources	**115**	**100**	**115**	**90**	**110**	**63**	**104**	**84**	**103**	**365**
Uses											
	Debentures - principle [3] [4]	60	26	42	22	39	0	62	17	0	0
	Debentures - interest [3] [4]	6	7	6	5	4	3	2	1	0	0
	Bank loans - principal	3	3	3	2	1	1	1	1	1	1
	Bank loans - interest	5	4	3	2	1	1	1	1	1	1
	Additional Equity investments in current projects	2	7	7	7	5	5	0	0	0	0
	Operational expenses	6	5	5	5	5	5	5	5	5	5
	Total Uses	**83**	**51**	**65**	**42**	**54**	**14**	**71**	**23**	**6**	**6**
	Cash - Closing Balance	**32**	**49**	**50**	**48**	**56**	**49**	**33**	**61**	**97**	**359**
	Principal Debentures outstanding at period end	**207**	**181**	**140**	**118**	**79**	**79**	**17**	**0**	**0**	**0**

(1) Including cash at active shopping and entertainment centres, cash and cash equivalents, deposits (both restricted and unrestricted) and liquid financial instruments.
(2) including income from operating malls, Indian residential activities and financial income
(3) EUR 60.3M of bonds principle was paid July 1, 2013; EUR 6.3M of bonds interest was paid in July 1, 2013.
(4) The deferred repayments following the proposed restructuring will be paid earlier upon sale of assets (75% of the net proceeds from sale). The undeferred debt is presented under the assumption of early repayment as well.

4. Appendix A – Details of the Company's assets

Plaza Centers - Operating Assets

Poland

Torun Plaza

Location	Torun, Poland
Concept	Shopping and entertainment centre
GLA (sqm)	40,000
Occupancy	88%*

- Operating shopping and entertainment centre
- Located in Central Poland
- Opened to the public in November 2011
- Current annual revenue from rent – €6.5M (Expected - €7.5-7.8M)

*** Under advanced negotiations to sign additional 6% of space to bring total occupancy to 94%**

Poland

Suwalki Plaza

Location	Suwalki, Poland
Concept	Shopping and entertainment centre
GLA (sqm)	20,000
Occupancy	85%*

- Operating shopping and entertainment centre
- Located in North East Poland
- Opened to the public in May 2010
- Current annual revenue from rent – €3.3M (Expected - €3.4-3.7M)

*** Under advanced negotiations to sign additional 10% of space to bring total occupancy to 95%**

Poland

Zgorzelec Plaza

Location	Zgorzelec, Poland
Concept	Shopping and entertainment centre
GLA (sqm)	13,000
Occupancy	89%*

- Operating shopping and entertainment centre
- Located in South West Poland
- Opened to the public in March 2010
- Current annual revenue from rent – €1.5M (Expected - €1.8-2.2M)

*** Under advanced negotiations to sign additional 5% of space to bring total occupancy to 94%**

Plaza Centers - Operating Assets

Serbia

Kragujevac Plaza

Location	Kragujevac, Serbia
Concept	Shopping and entertainment centre
GLA (sqm)	22,000
Occupancy	100%

- Operating shopping and entertainment centre
- Located in Central Serbia
- The first western style shopping center built outside the capital city
- Opened to the public in March 2012
- Current annual revenue from rent – €3.7M (Expected - €3.8-4.1M)

Latvia

Riga Plaza

Location	Riga, Latvia
Concept	Shopping and entertainment centre
GLA (sqm)	49,000
Occupancy	96%

- Operating shopping and entertainment centre
- Located in the capital of Latvia
- Opened to the public in March 2009
- Plaza Centers' share: 50%
- Current annual revenue from rent – €6.6M (Expected - €7.6-8.4M) (100%)

Czech Republic

Liberec Plaza

Location	Liberec, Czech Republic
Concept	Shopping and entertainment centre
GLA (sqm)	17,000
Occupancy	76%*

- Operating shopping and entertainment centre
- Located in north Czech Republic
- Opened to the public in March 2009
- Current annual revenue from rent – €1.6M (Expected - €2M)

*** Under advanced negotiations to sign additional 10% of space to bring total occupancy to 86%**

Plaza Centers - Operating Assets

India

Koregaon Park

Location	Koregaon Park, Pune
Concept	Shopping and Entertainment Centre
GLA (sqm)	41,000
Occupancy	85%*

* Signed leases

- Operating shopping and entertainment centre
- Located in Pune, India
- Opened to the public in March 2012
- The company's first completed project in India.
- Future representing NOI– €5.4M
- The company reached an agreement to sell Koregaon Park on November 2013, for aggregate net cash proceeds totaling circa €18.5 million which will be paid in several installments during the next nine months.

Plaza Centers - Current Developments

Poland

Lodz

Location	Lodz, Poland
Concept	Commercial
GLA (sqm)	35,000
Value upon completion*	83 (Euro m)
Exp. Completion	2015
Percentage Holding	100%

- The planned scheme will include a shopping and entertainment centre project
- Located in one of Poland's largest cities with 750,000 inhabitants
- The company is currently obtaining permits.
- Plaza Centers' share: 100%
- Project budget – €61.3M
- Annual revenue from rent - €6.5M

Serbia

Belgrade Plaza (Visnjicka)

Location	Serbia
Concept	Commercial
GLA (sqm)	32,000
Value upon completion*	107 (Euro m)
Exp. Completion	2014-2015
Percentage Holding	100%

- The planned scheme will include a shopping and entertainment centre
- Located in the centre of Belgrade - the capital and main city of Serbia
- Plaza Centers' share: 100%
- Project budget – €79M
- Annual revenue from rent - €8M

Serbia

Belgrade Plaza

Location	Belgrade, Serbia
Concept	Mixed Use
GBA (sqm)	70,000
Value upon completion*	139 (Euro m)
Exp. Completion	2015-2016
Percentage Holding	100%

- The planned scheme will include a commercial gallery, hotel and office areas
- Located in a prominent location in Belgrade - the capital and main city of Serbia
- Plaza Centers' share: 100%
- Project budget – €124.3M
- Annual revenue from rent - €13M

*Value by Jones Lang LaSalle as at 31 December 2012 (Plaza's share)

Plaza Centers - Current Developments

Romania

Casa Radio Shopping Center, Bucharest

Location	Bucharest, Romania
Concept	Commercial
GLA (sqm)	76,000
Value upon completion*	331 (Euro m) – Plaza share
Exp. Competion	2017
Percentage Holding	75%

- The scheme will include a shopping and entertainment centre, main underground car park and Public Authority Building (PAB)
- The Romanian Government is a 15% partner in the scheme alongside an additional third party investor (10%)
- The Casa Radio development site located in Sector One, in central Bucharest
- Project Budget - €242.9M
- Annual revenue from rent - €27M

Romania

Casa Radio Offices, Bucharest

Location	Bucharest, Romania
Concept	Offices
GLA (sqm)	219,000
Value upon completion**	N/A
Percentage Holding	75%

- The scheme will include three office buildings
- The Romanian Government is a 15% partner in the scheme alongside an additional third party investor (10%)

Romania

Casa Radio Hotel Complex, Bucharest

Location	Bucharest, Romania
Concept	Hotel Complex
GLA (sqm)	59,600
Value upon completion**	N/A
Percentage Holding	75%

- The scheme will include a hotel complex, apartment hotel, energy centre and front parking
- Located in central Bucharest
- The group enjoys the vast hotel development experience of its parent Elbit Imaging as the developer and owner of leading hotels in Europe (and specifically in Bucharest, where it holds the most successful hotel in the country)

*Value by Jones Lang LaSalle as at 31 December 2012 (Plaza's share)
** Assets were valued with the comparative sales price method, no value on completion was estimated

Plaza Centers - Current Developments

Romania

Timisoara

Location	Timisoara, Romania
Concept	Commercial
GLA (sqm)	36,000
Value upon completion*	68 (Euro m)
Exp. Completion	2015
Percentage Holding	100%

- The planned scheme will include a shopping and entertainment centre
- Located in West Romania in a city with over 300,000 inhabitants
- Plaza Centers' share: 100%
- Project Budget - €64.7M
- Annual revenue from rent - €6.8M

India

Chennai

Location	Chennai, India
Concept	Commercial
GBA (sqm)	230,000
Value upon completion*	43 (Euro m) – PC share
Exp. Completion	2015-2018
Percentage Holding	38%

- The planned scheme will include a residential project with a land mix of approximately 33% for Villa units and 67% for self development
- Plot size is 83 acres (336K sqm)
- Located in India's fourth largest city with a population of over 8 million people
- Project duration: 36-48 months
- Plaza Centers' share: 38%
- Negotiating a joint development agreement which expected to yield future cash flows to Plaza of €28.7M

*Value by Jones Lang LaSalle as at 31 December 2012 (Plaza's share)

Plots Pipeline

Plaza has a strong plots pipeline, with a total of additional 1.2 million sqm of GLA/GBA to be built

Country	Project	Type	GLA/ GBA (sqm)	Percentage Holding	Value Upon Completion* (€m)	Current Value* (€m)
Romania	Targu Mures	Commercial	30,000	100%	N/A**	6
Romania	Slatina	Commercial	17,000	100%	N/A**	2
Romania	Constanta	Commercial	18,000	100%	14	10
Romania	Hunedoara	Commercial	13,000	100%	N/A**	3
Romania	Miercurea Ciuc	Commercial	14,000	100%	19	7
Romania	Iasi	Commercial	58,000	100%	94	13
Poland	Kielce	Commercial	33,000	100%	N/A**	5
Poland	Leszno	Commercial	16,000	100%	26	2
Poland	Lodz	Residential	80,000	100%	N/A**	8
Hungary	Arena Extension	Mixed Use	40,000	100%	68	8.5
India	Kochi	Residential	575,000	23.75%	N/A**	5
India	Varthur	Residential	310,000	23.75%	120	14.5
Greece	Pireas	Commercial	26,000	100%	99	21
Bulgaria	Shumen	Commercial	20,000	100%	N/A**	5
Total			**1,250,000**		**440**	**110**

*Value by Jones Lang LaSalle as at 31 December 2012 (Plaza's share)
** Assets were valued with the comparative sales price method, no value on completion was estimated

5. Appendix B – the Company's operating milestones

Historical Business Cycle

17 year track record of developing shopping & entertainment centres in CEE — Plaza Centers has been active in the region since 1996 and was the first to develop western-style shopping and entertainment centres in Hungary

1996	**First investment in Hungary**
1996–2004	**Developed and managed a portfolio of 20 shopping and entertainment centres**
2004	**Sold twelve shopping and entertainment centres to Klépierre at a gross asset value of €278m (c. 9.3% net yield)**
2005	**Sold four shopping and entertainment centres to Dawnay Day at a gross asset value of €54m (c. 9.2% net yield)**
2005	**Sold four shopping and entertainment centres to Klépierre at a gross asset value of €204m (c. 8.4% gross yield)**
2005	**Forward sold five shopping and entertainment centres to Klépierre**
2006	**Raised £166.2m from issuing 92.3m ordinary shares listed on the Main Board of the LSE**
2006	**Sold one shopping and entertainment centre to Klépierre at a gross asset value of €50m (c. 7.9% grosst yield)**
2006	**First acquisition in India**
2007	**Sold three shopping and entertainment centres to Klépierre at a gross asset value of €129m (c. 7.3% gross yield)**
2007	**Sold one shopping and entertainment centre to aAIM for approx. €387m (c. 5.9% gross yield)**
2007	**Introduction to Exchange trading shares of Plaza centres in the main market on WSE**
2007-2011	**Gross proceeds raised of approximately €300m from bond issuance on the Tel Aviv stock exchange**
2008	**Sold one shopping and entertainment centre to Klépierre at a gross asset value of €61.4m (c. 7.3% gross yield)**
2009	**Opening of two new shopping and entertainment centres in Riga, Latvia and in Liberec, Czech Republic**
2010	**Opening of two new shopping and entertainment centres in Zgorzelec and Suwalki, Poland**
2010	**First transaction in the US retail market**
2011	**Opening of a shopping and entertainment centre in Torun, Poland**
2012	**Opening of two shopping and entertainment centres in Kragujevac, Serbia and in Pune, India**
2012	**Sold 49 US based shopping and entertainment centres to BRE DDR Retail Holdings LLC (a joint venture between Blackstone Real Estate and DDR Corp.) at a gross asset value of US$1.47 billion**
2013	**Completed the sale of its 50% interests in a vehicle which mainly holds interests in an office complex project located in Pune, India, generating gross cash proceeds of circa €16.7 million in line with its holding**
2013	**Completed the sale of 100% of its interests in a vehicle which holds the interest in the Prague 3 project located in Prague, Czech Republic, generating cash proceeds of net circa €7.5 million. In addition completed the sale of a 39,000 sqm plot in Roztoky, Czech Republic, generating cash proceeds of circa €1.3 million**
2013	**Completed the sale of its share (43.5%) in the Dream Island project in Budapest, Hungary for circa €16.5 million**
2013	**Agreed the sale of Koregaon Park Plaza Shopping and Entertainment centre in Pune, India for circa €40 million**

Biggest Exit of a Single Asset

The sale of Arena Plaza represented circa 20% of all real estate transactions by value in Hungary during 2007

6. Appendix 6 – Risk Factors

Risk Factors

The Company is exposed to certain risk factors as specified in the Company's Reports that may be material for the purpose of assessing the market risks associated with the transaction (s) and that may affect the outcome of its activities and/or its ability to realize its plans as oulined. Without derogating from the generality of the foregoing the following factors may have material influence on the Company's activities and business performance:

(a) *Risk factors that are related the Company’s Real Estate Projects*: The real estate industry continues to be cyclical and affected by changes in general economic, or other business conditions that could materially adversely affect the Company’s business or financial results; there is no assurance that the Company will successfully implement its “construct and dispose” strategy and in such event its results may be materially adversely affected; the valuation of real estate is inherently subjective due to the individual nature of each property. As a result, valuations are subject to uncertainty; finding a suitable location is critical to the success of a shopping and entertainment center; the Company’s business is subject to numerous national and local government regulations, including those relating to the acquisition of real estate properties, building and zoning requirements. Any failure by the Company to comply with government regulation may adversely affect the Company’s business and results of operations. Zoning restriction and local opposition can delay or prevent construction of a real estate project; reliance on contractors and subcontractors during the construction of shopping and entertainment centers may lead to high construction costs and loss of the Company's competitive edge; delay in the completion of projects of construction of shopping and entertainment centers might affect the success of the Company; the Company is dependent upon third parties for the purpose of entering lease contracts and especially agreements with anchor tenants for shopping and entertainment centers when, in the event that the Company cannot enter into the aforesaid agreements, it runs the risk of price reduction; the Company is exposed to a decrease in the prices of rent and/or sale prices of shopping and entertainment centers it owns; competition in its areas of activity becomes more intense; there is no guarantee that the Company will be able to implement its strategy to successfully build shopping and entertainment centers and such circumstances may result in serious damage to the performance of the Company; some of the shopping and entertainment centers are held with business partners and are exposed to risks relating to such business partners, which may lead to increased development and construction costs; transactions aimed at purchasing commercial centers, shopping and entertainment centers purchased by the Company are subject to inherent risks that are characteristic of real estate transactions such as, but not limited to, failure to discover flaws and defects in the framework of a due-diligence investigation or the ability to conduct due-diligence to a limited extent, flaws in the purchase rights, flaws and defects in the building or the ground, pollution and environmental nuisances; there might be dependency on business partners, cooperation and service providers; disputes with land owners and/or tenants and/or service providers, breach of agreements and/or insolvency by anchor tenants; failure to communicate that property management companies in general or under conditions that are desired by the Company; changes in the buying power or worsening of the economy of the relative state that harms the financial performance of the commercial centers; decrease in the value of assets; urban and/or demographic changes and/or changes in the mixture of the population constituting the primary target audience of the commercial center and affecting its profitability; changes in legislature or taxation limiting the activities of the commercial center and/or its profitability and/or the possibility of its realization; acquisition, development and renovation of commercial centers involves significant risks for the Company and lack of an option to predict the success of future projects;

Risk Factors

(b) *The Company is highly dependent on realising cash proceeds from the sale of existing and pipeline projects in order to service its financial obligations*. The Company's primary business strategy is the construction, development and sale of shopping and entertainment centres in Central and Eastern Europe and other markets where it operates. Whilst the Company intends to continue to implement its "construct and sell" development strategy, it also holds completed developments on its balance sheet, until sales prices which appropriately reflect their potential are achieved. While the properties are held on the Company's balance sheet, it manages them deriving rental and other income from those assets. Such income is not comparable with the proceeds that may be received on a sale of such properties. For example, the Company recently divested its U.S. investment properties which generated cash proceeds of approximately U.S.$120 million (compared to approximately U.S.$82 million initially invested). Losing the income from the high yielding U.S. properties may cause cash flow problems. While the Company has recently raised substantial cash proceeds from the sale of its investment in the U.S. shopping centres, the Company will no longer benefit from the rental income generated from these investments, which represented a large share of the Company's income. The Company's current debt maturity profile indicates that significant principal repayments of senior secured and other debt obligations will come due. There is no assurance that the Company will be successful in either realising cash proceeds to service such debt obligations or, alternatively, re-negotiating and extending scheduled debt maturities in order to match its income on completed projects which have not been sold. The Company has significant debt service obligations, including bank debt, publicly traded debentures in Israel and debentures offered in a private offering in Poland, all of which require cash payments of principal and interest, in the short and medium term. In addition, the Company may incur additional debt from time to time to finance acquisitions or capital expenditures or for other purposes; The Company's financial instruments (mainly its loans and debentures) and its derivative financial instruments are subject to fluctuation in interest rates, currency exchange rates, changes in the Israeli consumer price index and/or changes in fair value, which may have a negative impact on its earnings, balance sheet and cash flows.

(c) *Risk factors related to Central and Eastern Europe*: in the framework of the Company's activities in Central and Eastern Europe, the Company is subject to a variety of risks such as economic risks, political instability and corruption and the lack of experience and unpredictability of the civil justice system.

(d) *Risk factors related to India: Hostility in India and other Asian countries* might have an adverse effect on the Company's performance and financial condition; changes in the economic policy implemented by the Indian government or political instability might have an adverse effect on the Company's business; the Company is new in the Indian market and there is no certainty that its skills or experience will suffice in these areas; limitations imposed by the Indian government concerning investments in India might have an adverse effect on the Company's business performance; uncertainty concerning ownership of lands in India might expose the Company to third party claims in connection with the acquisition of lands by the Company; regulatory limitations in India in connection with repatriating capital from the country might have an adverse effect on the Company's cash flow.

Risk Factors

(e) *Risks factors relating to the holdings structure of the Company*: One of the Company's shareholder, Elbit Imaging Ltd. ("Elbit") beneficially owns a substantial amount of the Company's ordinary shares and, therefore, has effective control over the Company's affairs. As a result, Elbit has sufficient voting power at a meeting of the shareholders of the Company to effectively control most matters concerning the Company that require shareholder approval. For example, Elbit Imaging may have the power to affect the Company's legal and capital structure, elect all of the directors, prevent or effect changes in control or management, influence the issue of shares and the exclusion of pre-emptive rights. In addition, due to the concentration of shareholding in Elbit Imaging and other major shareholders the Company is not in compliance with the Financial Services Authority (the "FSA") free float requirement that at least 25% of its outstanding shares be in public hands. If the free float requirement is not complied with, the Company may be required to de-list its shares from the London Stock Exchange (the "LSE"). The Company approached the FSA in this respect and updated that Elbit is not going to vote in favour of such delisting. The FSA decided to put the issue on hold for the time being. Any loss of the services of members of our senior management team could result in the loss of expertise necessary for us to succeed, which could cause our revenues to decline and impair our ability to meet our objectives; Certain of the Company's directors, officers and key employees are officers of Elbit. As a result, they may have real or apparent conflicts of interest on matters affecting both the Company and Elbit and in some circumstances may have interests adverse to the Company's interests. Currently, two members of the Company's board of directors are executive officers of Elbit. Change and/or transfer of control in Elbit, either voluntarily as a result from a wilful event, restructuring of Elbit's debt or as a result from a compulsory foreclosure event with respect to shares of Elbit Imaging that are pledged as security to lending banks (including, in particular, shares that were pledged by Europe-Israel (M.M.S.) Ltd. which is controlled by Mr. Mordechai Zisser to Bank Hapoalim B.M.), may result in a violation of contractual undertakings made by Company.

(f) *The Company's global operations expose it to additional and unpredictable risks:* The Company conducts its businesses on a global basis and constantly seeks new opportunities in various regions of the world. The Company's future results could be materially adversely affected by a variety of factors relating to international transactions, including changes in currency exchange rates, general economic conditions, regulatory requirements, tax structures or changes in tax laws or practices, and longer payment cycles in the countries in its geographic areas of operations. International operations may be limited or disrupted by the imposition of governmental controls and regulations, political instability and difficulties in managing international operations. There can be no assurance that one or more of these factors will not have a material adverse effect on the Company's international operations and, consequently, on the Company's business, financial condition and results of operations. A failure to effectively manage the expansion of the Company's business could have a negative impact on the Company's business. To accommodate its global expansion, the Company is continuously implementing new or expanded business systems, procedures and controls. There can be no assurance that the implementation of such systems, procedures, controls and other internal systems can be completed successfully

(g) Cross default: a decision of either series of the bondholders to call for immediate repayment of their bonds may trigger cross default provisions included in the Company's agreements with certain of its lending banks that are financing its real estate projects. If any or all of the banks decide to call for immediate repayment of their debt, this will result in material adverse effect on the Company's operations and financial results and its ability to repay its debt towards its creditors.