

19 January 2018

PLAZA CENTERS N.V.

DISPUTE WITH THE PURCHASER OF A PLOT IN INDIA

Plaza Centers N.V. ("Plaza" or the "Company") announces, further to its press release dated June 19, 2017 regarding the signing of a revised agreement for the sale of the 100% interest in an SPV (in which Plaza holds a 50% stake with its joint venture partner, Elbit Imaging Ltd.), that holds property in Bangalore, India, to a local investor (the "**Agreement**" and the "**Purchaser**" respectively), that, due to a proposed change (initiated by the Indian authorities) which could potentially impact the development of the land, the Purchaser has given notice that all remaining payments under the Agreement will be stopped until a mutually acceptable solution is reached.

To date, since the signing of the Agreement, the Purchaser has paid non-refundable advance payments totalling INR 40 Crores (circa €5.3 million), out of the total consideration of INR 338 Crores (circa €43.4 million) due under the Agreement .

The Company rejects the Purchaser's claims and is considering all available legal options.

Ends

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Notes to Editors

Plaza Centers N.V. (www.plazacenters.com) is listed on the Main Board of the London Stock Exchange, as of 19 October 2007, on the Warsaw Stock Exchange (LSE: "PLAZ", WSE: "PLZ/PLAZACNTR") and, on the Tel Aviv Stock Exchange. Plaza Centers N.V. is an indirect subsidiary of Elbit Imaging Ltd. ("EI"), an Israeli public company whose shares are traded on both the Tel Aviv Stock Exchange in Israel and on the NASDAQ Global Market in the United

States. Plaza Centers has been active in real estate development in emerging markets for over 22 years.