

February 11, 2019

## PLAZA CENTERS N.V.

### NON-BINDING LOI FOR THE SALE OF THE COMPANY'S INDIRECT SHAREHOLDINGS IN THE DAMBOVITA CENTER PROJECT ("CASA RADIO")

Plaza Centers N.V. ("**Plaza**" or the "**Company**") announced today, following a previous announcement on a number of offers received, that it has signed a non-binding Letter of Intent ("**LOI**") with AFI Europe N.V. (the "**Purchaser**", and together with the Company, the "**Parties**"), an indirectly wholly-owned subsidiary of Africa Israel Properties Ltd., an Israeli Company listed on TA-90 Index (the top 90 companies traded on the Tel Aviv Stock Exchange), for the sale of its entire indirect shareholdings (75%) in the Casa Radio Project (the "**Project**"), for a maximum consideration of EUR 60 million (the "**Transaction**"), subject to the fulfilment of certain conditions.

As of this date, the Company indirectly holds 75% of the shares in the Project, whilst the remaining 25% are held by the Romanian authorities (15%) and a third-party private investor (10%).

Following the execution of the LOI, the Purchaser shall have a period of 3 months to conduct due diligence investigations (with the aim of concluding the due diligence investigations before April 19, 2019), after which, if satisfactory, a pre-sale agreement will be executed within 30 days following the conclusion of the due diligence investigations (the "**Pre-Sale Agreement**"). In the framework of the Pre-Sale Agreement, the Purchaser will pay the Company a non-refundable down payment. 15 months following the execution of the Pre-Sale Agreement, and subject to the satisfactory fulfillment of certain conditions precedent, the Parties will sign a sale agreement (the "**Sale Agreement**").

The consummation of the Transaction is subject to the fulfillment of certain conditions, including, *inter alia*: (i) certain confirmations and approvals of competent public authorities regarding the PPP agreement in place and acceptance of the Purchaser; (ii) the successful conclusion by the Purchaser of its due diligence investigations; (iii) obtaining the approval of the Romanian authorities for the updated structure of the Project and timetable; (iv) confirmation that the 49-year lease period under the PPP agreement (signed between the Romanian Authorities and the Company) will commence from 2012 at the earliest, although, should the said lease period commence earlier, the parties shall amicably negotiate a price adjustment mechanism to the Purchaser's satisfaction and approval; and (v) the execution of definitive agreements.

During the period commencing on the date of the execution of the LOI and ending on the earlier of: (i) 18 month, or (ii) the Purchaser informs the Company of his withdrawal from the Transaction, the Company and its representatives have undertaken to refrain from negotiating with any other third party other than the Purchaser for the purpose of selling its shareholdings in the Project.

The payment schedule is expected to be set as follows:

Non-refundable down payment	EUR 200,000
Execution of Sale Agreement (following fulfillment of the conditions precedent)	EUR 20,000,000
Issuance of Building Permit for Phase 1 (the construction of the shopping mall, offices/residential, Hotel& Casino, Supermarket and parking).	EUR 22,000,000
Finalization and inauguration of Phase 1	EUR 17,800,000

Plaza is not obligated to participate in the financing of the Project. In addition, the Purchaser acknowledged the liability to build the public authority building under the PPP agreement.

As of the date hereof, there can be no certainty that either the Pre-Sale Agreement, nor the Sale Agreement will be executed and/or that the Transaction will be consummated as presented above or at all. The LOI is governed by the laws of Romania.

**Ends**

**For further details, please contact:**

**Plaza**

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***Forward-looking statements***

*This press release may contain forward-looking statements with respect to the possibility of completing the Transaction with the Purchaser. Such statements are based on current expectations, estimates and projections of Plaza Centers N.V. and information currently available to the company. Plaza Centers N.V. cautions readers that such statements involve certain risks and uncertainties that are difficult to predict and therefore it should be understood that many factors can cause actual performance and position to differ materially from these statements. Plaza Centers N.V. has no obligation to update the statements contained in this press release, unless required by law.*

***Notes to Editors***

Plaza Centers N.V. ([www.plazacenters.com](http://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 has been active in real estate development in emerging markets for over 23 years.