

PUBLIC REPORT PURSUANT TO ARTICLE 227 DUTCH BANKRUPTCY ACT ("DBA")

Moratorium Report number 1

Details company/enterprise	: Plaza Centers N.V. (" Plaza Centers ")
Moratorium Number	: 13/61 S
Date of provisional moratorium	: 18 November 2013
District Court	: Amsterdam
Administrator	: J.L.M. Groenewegen
Supervisory Judge	: L. van Berkum
Reporting period	: 18 November 2013 – 26 May 2014

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1. Introduction

This is the first public report of the administrator of Plaza Centers (the “**Administrator**”). The report covers the period 18 November 2013 up to 26 May 2014.

Publication of this first public report took longer than usual in connection with various developments involving the most important category of creditors of Plaza Centers (the Israeli and Polish Bondholders, see below under point 10) and the ensuing legal proceedings in both Israel and the Netherlands.

In anticipation of the voting on the draft restructuring plan offered in this provisional moratorium to be held on 26 June 2014, the Administrator, following consultation with and approval of the Supervisory Judge, provides an overview of all events after 18 November 2013 that are relevant to the creditors at once in this report.

Legally and financially the provisional moratorium of Plaza Centers is complex, specifically because of the nature of the debts of Plaza Centers, the applicability of foreign law and the scope and structure of the group of companies and entities in which Plaza Centers holds (equity)interests.

In accordance with the reporting guidelines that are applicable in the Netherlands, the Administrator represents the current status of affairs in a simplified form in this report.

The Administrator emphasises that the information in this report is subject to further investigation. It may become apparent at a later stage that this information must be adjusted. Consequently, no statements can be made about the completeness and accuracy of the information contained in this report.

No rights can be derived from this moratorium report and/or the following reports from the Administrator. Nothing in this report should be construed as an admission of liability or as a waiver of any right.

Documents relating to the developments around Plaza Centers and the provisionally granted moratorium that are relevant to Plaza Centers' creditors are also made available on-line

through the website of Plaza Centers (www.plazacenters.com, see under "Investor Relations" and subsequently "Debt Restructuring").

In carrying out his duties, the Administrator uses the (consultancy) services of CMS Derks Star Busmann N.V. and PriceWaterhouseCoopers Advisory N.V. ("PwC").

2. Petition for a moratorium

2.1 In its petition of 18 November 2013, Plaza Centers requested the District Court of Amsterdam to grant a provisional moratorium. Together with this petition Plaza Centers filed a draft restructuring plan (the "**Initial Draft Restructuring Plan**") with the court registry.

2.2 For an explanation to and the backgrounds of the petition for a moratorium, see Plaza Centers' petition (exclusive of the appendices) of 18 November 2013 attached as **Appendix 1** to this report.

2.3 The management board of Plaza Centers informed the Administrator that the global real estate crisis, which also hit hard in Central and Eastern Europe (where Plaza Centers has its main business activities), caused Plaza Centers' real estate projects to run into problems.

The Initial Draft Restructuring Plan contains the following passage in this respect:

"1.2.1. The Company has been faced with challenging market conditions for some years. Adverse market conditions have primarily been caused by the underlying economic situation in many of the countries in which the Company operates, combined with the lack of transactional liquidity in the investment markets for assets such as those owned by the Company and the on-going lack of traditional bank financing available to real estate developers and investors.

1.2.2. Although the Company's management team has made considerable progress in re-positioning the Company's business model to ensure that it is focused on the deleveraging of its balance sheet and the recycling of capital, primarily through the disposal of its non-core assets, the Company has not been able to complete these transactions within a timeframe that will enable it to meet its short term obligations towards Bondholders (as defined herein). As a result, the Company is faced with significant liquidity problems."

2.4 In connection with the planned voting on the Initial Draft Restructuring Plan, Plaza Centers, in accordance with Article 255 DBA, requested the court not to hold a hearing on the petition for the moratorium as referred to in Article 218 DBA (being the hearing that may result in the final granting of a moratorium), and that a date by which the claims must be submitted is

immediately set, as well as a date and time of day for the voting on the Initial Draft Restructuring Plan.

- 2.5 In its decision of 18 November 2013, the District Court of Amsterdam granted Plaza Centers a provisional moratorium, appointed the Administrator and Supervisory Judge, honoured Plaza Centers' petition under Article 255 DBA and determined that the creditors must have submitted their claims to the Administrator on 3 April 2014 at the latest and that the consultation and voting on the Initial Draft Restructuring plan will be held on 17 April 2014.
- 2.6 The legal proceedings in Israel and the Netherlands, the formalities to be observed in the United Kingdom, Israel and Poland due to the listing of the shares in Plaza Centers and the bonds issued by it, as well as the negotiations on the amendment of the Initial Draft Restructuring Plan took considerably more time than anticipated at the time of the filing of the petition for a moratorium.
- 2.7 In order to have sufficient time to prepare the consultation and voting on the restructuring plan, Plaza Centers and the Administrator, pursuant to Article 264(1) DBA, requested the Supervisory Judge to postpone the submission of claims and the consultation and voting on the Initial Draft Restructuring Plan to a later date.
- 2.8 At the request of Plaza Centers and the Administrator, the District Court of Amsterdam changed these dates respectively to 12 June 2014 and 26 June 2014 in its decision of 11 March 2014.

In its decision of 11 March 2014, the District Court of Amsterdam decided:

- that the claims must be submitted to the Administrator no later than on 12 June 2014;
- that the consultation and voting on the restructuring plan will be held before the Supervisory Judge in the Herzberg room of the Amsterdam court building at the Parnassusweg 220 in Amsterdam (the Netherlands) on 26 June 2014 at 10:00 AM;
- that the Administrator files a copy of the list of the provisionally allowed and disputed claims as referred to in Article 259 DBA with the court registry in accordance with Article 263 DBA which list is available for public inspection free of charge at the court registry for a period of seven days prior to the consultation and voting;

- that following the consultation and voting, the Administrator issues a written report on the restructuring plan offered at a meeting as referred to in Article 265(1) DBA.

By letter of 12 March 2014, the Administrator informed Plaza Centers' creditors known to him on the decision of District Court of Amsterdam.

2.9 As at the date of this report the moratorium granted is still provisional.

3. Activities of Plaza Centers and its participations; corporate structure

3.1 Plaza Centers is the holding company of the Plaza Centers Group (the "**Plaza Group**") and directly or indirectly holds an equity or other interest in approximately 250, mostly foreign, entities. Through these participations Plaza Centers is one of the largest developers of shopping malls and entertainment centres in Central and Eastern Europe. Plaza Centers develops and constructs shopping malls and entertainment centres, lets these shopping malls and entertainment centres out, and subsequently sells them to third parties in a leased state. Plaza Centers' business model is therefore not designed to have the long-term ownership of real estate (for investment purposes).

In total, the Plaza Group has developed and let out approximately 33 shopping malls and entertainment centres, 26 of which were sold prior to the date of the moratorium. At present, the Plaza Group still owns and operates seven shopping malls and entertainment centres, two office buildings and twenty non-operational projects or projects under development. The actual real estate activities are exclusively performed outside of the Netherlands in participations of Plaza Centers.

3.2 Plaza Centers' 2013 consolidated and company financial statements published on the website of Plaza Centers contain a further description of the activities of the Plaza Group.

3.3 An organisation chart of the Plaza Group, including the company structure of the Plaza Group, is attached to this report as **Appendix 2**.

Plaza Centers is an indirect subsidiary of Elbit Imaging Ltd ("**Elbit**"), an Israeli company the shares of which are traded on the stock exchange of Tel Aviv (Israel) and NASDAQ (US). Elbit holds approximately 62.5% of the shares in the capital of Plaza Centers through a Luxembourg intermediate holding company (Elbit Ultrasound (Luxembourg) B.V./S.a.r.l.).

The shares in Plaza Centers are traded on the stock exchanges of London, United Kingdom and Warsaw, Poland.

3.4 On 18 November 2013 the management of Plaza Centers consisted of:

- Mr. M. Zisser (having sole and independent authority to represent the company)
- Mr. R. Shtarkman (having sole and independent authority to represent the company)
- Mr. S. Yitzchaki (jointly authorised director)
- Mr. E. Paap (jointly authorised director)
- Mr. M. H. Wichers (jointly authorised director)
- Mr. M.W. van Eibergen Santhagens (jointly authorised director).

The foreign subsidiaries of Plaza Centers are managed by local management in the various countries. The Plaza Group's central (financial) administration is located in Budapest, Hungary.

3.5 At the time the provisional moratorium was granted, Plaza Centers was leasing office space at the Keizersgracht 241 in Amsterdam, the Netherlands. In its letter of 31 January 2014, Plaza Centers terminated the lease with the Administrator's consent and moved to a cheaper location at the Prins Hendrikkade 48 S in Amsterdam, effective from 1 May 2014.

4. Financial key data

4.1 Profits and Losses

4.1.1 According to the audited and approved 2011 consolidated financial statements, Plaza Centers' net profit for the year 2011 was € 13.8 million.

According to the audited and approved 2012 consolidated financial statements, Plaza Centers' net profit for the year 2012 was € 85.9 million.

According to the 2013 financial statements, prepared and approved in accordance with the IFRS standards and published on 30 April 2014, Plaza Centers' loss for 2013 amounted to € 218 million.

4.2 **Total assets**

4.2.1 According to the audited and approved 2011 financial statements, Plaza Centers' balance sheet total was € 1,348,526,000 as at 31 December 2011.

According to the audited and approved 2012 financial statements, Plaza Centers' balance sheet total was € 958,005,000 as at 31 December 2012.

4.2.2. According to the 2013 financial statements, prepared and approved in accordance with the IFRS standards and published on 30 April 2014, Plaza Centers' balance sheet total amounted to € 585,766,000 million as at 31 December 2013.

4.2.3 Plaza Centers' 2013 consolidated and company financial statements, prepared in accordance with Dutch accounting rules, will be discussed during the shareholders' meeting convened on 8 July 2014.

4.2.4 At the time the moratorium was provisionally granted, Plaza Centers, partly through its participations, held an amount of approximately EUR 23 million in cash.

5. **Staff and procedures**

5.1 Plaza Centers has 2 employees in the Netherlands. These employees are responsible for Plaza Centers' day-to-day record keeping. In 2014, the Plaza Group employed approximately 136 employees or consultants in total. Given the envisaged acceptance of the restructuring plan on 26 June 2014, no notice has been given yet to the employees or consultants. Plaza Centers is currently able to meet its obligation to continue to pay wages.

5.2 The Administrator is not aware of any pending legal proceedings in which Plaza Centers is a party.

6. **Assets**

6.1 **General**

Apart from its equity interests and other interests (see below) and office equipment, Plaza Centers does not own any real estate or stock.

Below Plaza Centers' main assets and participations will be summarised.

6.2 Participations

6.2.1 According to the organisation chart attached to this report as **Appendix 2**, Plaza Centers has equity and other interests in domestic and foreign participations, some of which are also participated in by third parties. Some of these participations are not active or no longer active and in each participation one or more construction projects were operated or developed.

6.2.2 The projects can be classified as follows: (i) seven shopping malls and entertainment centres still operated or operated awaiting the sale thereof and (ii) two office buildings, six projects or development projects under construction and fourteen plots.

(i) Seven shopping and entertainment centres in operation

Out of the seven shopping malls and entertainment centres three are located in Poland, one is located in Serbia, one is located in Latvia and one is located in the Czech Republic. These malls and centres are largely but not entirely let out to third parties. The seventh mall is located in Pune, India. An agreement to sell this mall has been signed, but at the date of this report the transfer (*closing*) has not been finalized.

(ii) Two office buildings, six projects or development projects under construction and fourteen plots

These projects are located in Romania, Serbia, Poland, India, Greece, Hungary and Bulgaria, and will not or no longer be developed or operated during the moratorium, awaiting the acceptance of the restructuring plan.

The two office buildings are used by the Plaza Group itself.

6.3 Hawker 400XP Business Aircraft

6.3.1 At the time the moratorium was provisionally granted, Plaza Centers owned a Hawker 400XP business aircraft (the "**Aircraft**") registered in Hungary. To purchase the Aircraft a loan had been taken out from GEFA Gesellschaft für Absatzfinanzierung mbH ("**GEFA**") in the amount of USD 4,546,500. At the date of the moratorium the outstanding principal balance of the loan was approximately USD 3.540,000. A right of mortgage under Hungarian law had been established on the Aircraft for the benefit of GEFA.

6.3.2 After consultation with GEFA, and with the consent of the Administrator, the Aircraft was sold in the spring of 2014. The net proceeds, which were insufficient to pay GEFA's claim, were paid to GEFA as mortgagee. Following the completion of this sale GEFA has an unsecured claim on Plaza Centers in the amount of approximately EUR 1.2 million.

6.4 **Receivables**

6.4.1 Plaza Centers has receivables on various group companies (pursuant to current account positions). Pending the provisionally granted moratorium and awaiting the outcome of the vote on the restructuring plan on 26 June 2014, no actions are taken towards these debtors to recover these receivables.

6.5 **Cash and cash equivalents**

6.5.1 See under paragraph 4.2.4 above.

7. **Bank/Security rights**

7.1 **Bank financing Plaza Centers**

Plaza Centers received a loan for the financing the Aircraft from GEFA (see paragraph 6.3.1 above). Apart from this loan, Plaza Centers has not raised any funding from banking institutions.

Plaza Centers' activities and those of the Plaza Group have mainly been financed through equity raised during the initial public offering in 2006, proceeds received from sales (i.e. the successful sale of 26 shopping and entertainment centers) and the issue of bonds (see paragraph 10 below).

7.2 **Bank financing of participations**

7.2.1 The activities of Plaza Centers' participations are formally outside of the scope of the provisionally granted moratorium. The Administrator only mentions that some participations are independently financed by banks (for a total amount of approximately € 208 million). Other subsidiaries are financed also through capital contributions by Plaza Centers.

7.2.2 In general, the loans granted by external parties are secured by security rights granted by the participations. Plaza Centers' management expects that these security rights are sufficient to repay the claims of the financiers. According to the information of Plaza Centers' management (further) agreements on the fulfilment of the obligations have been made with the banks involved. As far as known to the Administrator on the date of this report, none of the banks involved is currently planning to cancel the loans granted or to take steps to enforce the security rights.

7.2.3 Plaza Centers is liable or jointly liable towards the financiers for either the amount of the principal of the loans granted or for the interest on some of these loans. If and to the extent that these claims can be paid from the securities granted, on balance, there will be no further claims or guarantee claims on Plaza Centers.

According to Plaza Centers' statement attached as Appendix 4 to the petition for a moratorium the total amount of these claims or provisional claims is approximately € 37 million. The Administrator is currently investigating the exact amount of these claims and is liaising in this respect with the financiers involved.

8. Continuation of the activities during the moratorium

8.1 Pending the provisionally granted moratorium Plaza Centers' activities are continued for the time being under Plaza Centers' day-to-day management.

8.2 Plaza Centers regularly reports on the operations to the Administrator and, in principal, no new obligations are entered into. The Administrator *i.a.* engaged PwC to assess Plaza Centers' financial position.

8.3 There is sufficient available cash to pay the costs of the administration, to meet the current obligations and pay for the other costs associated with the entry into, and vote on the restructuring plan. The majority of these costs relate to the fees of external (legal) consultants of Plaza Centers, both in the Netherlands and abroad. An overview of the costs to be paid from this cash is regularly submitted to the Administrator for approval.

9. Records

9.1 Accounting

The accounting records of Plaza Centers come across as reliable.

9.2 Adoption and filing of the financial statements

The financial statements of Plaza Centers for the years 2009-2012 have been adopted and filed in time.

9.3 Unqualified audit opinions

An unqualified audit opinion has been issued in respect of the 2012 consolidated and company financial statements of Plaza Centers, published at the time of the issue of this report. In respect of the 2013 consolidated and company financial statements, prepared in accordance with IFRS standards and available through Plaza Centers' website (www.plazacenters.com), the auditor (KPMG Hungary), also in view of the provisionally granted moratorium, expressed reservations in its audit opinion with regard to Plaza Centers' continuity perspectives (see page 70 of the financial statements).

10. Creditors

10.1 General

According to the petition for a moratorium, on 18 November 2013, the total unsecured debt burden was approximately EUR 245 million and consisted of claims of bondholders, guarantee claims of banks and claims of other creditors. The Administrator refers to **Appendix 1** attached to Plaza Centers' petition for a moratorium for a breakdown of this amount.

10.2 Claims of Israeli and Polish bondholders

10.2.1 Plaza Centers' activities and those of the Plaza Group are almost completely funded through the issue of three series of bonds (jointly referred to as the "**Bonds**") (apart from bank mortgage financing to the various participations of Plaza Centers).

- 10.2.2 Two bond series were issued to institutional and private investors in Israel (series A and series B) and the relevant bonds are listed on the Tel Aviv stock exchange ("**Israeli Bonds A**" and "**Israeli Bonds B**" respectively, together referred to as the "**Israeli Bonds**", and the holders of these Bonds are referred to as the "**Israeli Bondholders**" below). The bond documentation and Israeli Bonds are subject to Israeli law.
- 10.2.3 The third bond series was issued to institutional investors in Poland (the "**Polish Bonds**" and the holders of these bonds are referred to as the "**Polish Bondholders**" below) and the relevant bonds are listed on the Polish Catalyst Market. The bond documentation and Polish Bonds are subject to Polish law.
- 10.2.4 On 18 November 2013, the total amount outstanding on the Israeli Bonds was approximately EUR 191 million, representing approximately 78% of Plaza Centers' total unsecured debt burden.
- 10.2.5 The Israeli Bonds A are payable in eight annual instalments on 31 December of each year, for the first time on 31 December 2010 and for the last time on 31 December 2017. The interest on these bonds is 4.5%, payable in semi-annual instalments on 31 December and 1 July of each year, for the first time on 31 December 2007 and for the last time on 31 December 2017. Both interest and principal are linked to the Israeli CPI (Consumer Price Index).
- The Israeli Bonds B are payable in five annual instalments on 1 July of each year, for the first time on 1 July 2011 and for the last time on 1 July 2015. The interest on these bonds is 5.4%, payable in semi-annual instalments on 31 December and 1 July of each year, for the first time on 1 July 2008 and for the last time on 1 July 2015. Both interest and principal are linked to the Israeli CPI (Consumer Price Index).
- 10.2.6 On the basis of the bond documentation the Israeli Bondholders are represented by two Bond Trustees (jointly the "**Israeli Bond Trustees**"), one for each series.
- 10.2.7 The Polish Bonds were issued for a period of three years which period ended on 18 November 2013 and on which a total amount of 14,9 million converted into Euro was outstanding on that date, representing approximately 6% of the total unsecured debts of Plaza Centers. Plaza Centers had to repay the Polish Bonds on that date, but Plaza Centers was

unable to do so which was the direct cause for the filing of the petition for a moratorium. No bond trustee was appointed for the Polish Bonds.

10.2.8 Plaza Centers' debts to the Israeli and Polish Bondholders in amount jointly represent approximately 85% of Plaza Centers' total unsecured debt.

10.3 **Guarantee claims**

The Administrator refers to paragraph 7.3 above. According to the statement of Plaza Centers' management, Plaza Centers has not furnished any collateral in respect of the guarantee claims.

10.4 **Other liabilities**

According to a statement provided by Plaza Centers, a number of group companies had intercompany receivables on Plaza Centers at the date of the moratorium for a total amount of approximately EUR 1.7 million.

11. **Overview of the main events and developments after 18 November 2013**

11.1 **Position of the Israeli Bond Trustees; decision of the Israeli court**

11.1.1 Plaza Centers and the Administrator regularly consulted the Israeli Bond Trustees. The role of the Administrator during these consultations was largely limited to a discussion of the manner in which the Israeli Bond Trustees could represent the Israeli Bondholders in the submission of the claims and vote on the restructuring plan, this also in view of the existing practice in Israel which deviates from the usual practice, based on the Dutch Bankruptcy Act, in the Netherlands.

11.1.2 The Israeli Bond Trustees indicated that they wished to apply to the Israeli court for the authorisation to submit the claims of the Israeli Bondholders to the Administrator in a certain manner that is common and acceptable in Israel, and to also cast votes in this respect. Prior to this submission of the request to the Israeli court by the Israeli Bond Trustees, the Israeli Bond Trustees consultant Plaza Centers and the Administrator on the voting procedure preferred by the Israeli Bond Trustees.

In this respect, Plaza Centers and the Administrator indicated their willingness to cooperate with a voting procedure for the Israeli Bonds that is as close as possible to the Israeli practice, subject to such voting procedure being compatible with the Dutch system and not detracting from the rights that creditors can directly exercise in the Dutch proceedings. The consultations on this issue have taken up considerable time.

- 11.1.3 On 3 April 2014, the Israeli Bond Trustees requested the Israeli court to determine that the Israeli Bond Trustees could submit (i) claims in Plaza Centers' Dutch moratorium and (ii) and vote on the restructuring plan offered by Plaza Centers on 26 June 2014, in the manner proposed by them and on behalf of the Israeli Bondholders.
- 11.1.4 On 13 April 2014, the Israeli court honoured the request of the Israeli Bond Trustees.
- 11.1.5 English translations of the request from the Israeli Bond Trustees and the decision of the Israeli court can be viewed on Plaza Centers' website (www.plazacenters.com).

11.2 **Position of the Polish Bondholders**

A similar request as that of the Israeli Bond Trustees was not necessary in respect of the Polish Bondholders.

11.3 **Petition of Plaza Centers and the Administrator pursuant to Article 225(1) and (2) DBA**

- 11.3.1 As the Bonds can be traded in during the provisionally granted moratorium and it is therefore impossible to determine the identity of the holders of the Bonds on 26 June 2014, an arrangement had to be agreed on. Furthermore, arrangements had to be made under Dutch law that were in line with the aforementioned decision of the Israeli court.
- 11.3.2 In line with the methodology sanctioned by the Dutch Supreme Court (*Hoge Raad*) in similar cases, (including UPC's moratorium, see decision of the Dutch Supreme Court of 26 August 2003, *NJ* 2004/549) the court is authorised pursuant to Article 225 DBA to set a so-called 'voting record date' for the first problem referred to in paragraph 11.3.1 provided that the time lag between the 'voting record date' and the date of the vote on the restructuring plan is not too great.

Where a 'voting record date' is set, only those Bondholders that are a bondholder on the 'voting record date' may vote. These Bondholders may also vote if they have sold their bonds after the 'voting record date'. The person purchasing a bond after the 'voting record date' acquires such bond without having the right to vote on the restructuring plan.

- 11.3.3 The problem arose that it is not possible to establish the number of anonymous bondholders on whose behalf the Israeli Bond Trustees will vote. To solve this problem, and to allow so-called "prime brokers" to vote in conformity with the instructions of those for whose account they hold the bonds, it was requested to treat the Israeli and Polish Bonds, by analogy, as bearer securities for the purposes of Article 82/134/260(2) DBA, in which solution each bond would be treated as an individual creditor.
- 11.3.4 In order to facilitate the correct submission of claims and proper voting on the restructuring plan and to obtain the required arrangements, Plaza Centers and the Administrator filed a joint request under Article 225 DBA with the District Court of Amsterdam on 29 April 2014, in which request the court was asked to issue the necessary orders on the basis of this Article.
- 11.3.5 In its decision of 9 May 2014, the District Court of Amsterdam honoured the request of Plaza Centers and the Administrator and issued the requested orders in which it was i.a. determined that the 'voting record date' is 2 June 2014.
- 11.3.6 A copy of the decision of the court, almost integrally containing the contents of the petition pursuant to Article 225 DBA, is attached to this report as **Appendix 3**. The English translation of this decision is available on Plaza Centers' website (www.plazacenters.com).
- 11.4 **Instructions for the submission of claims and voting on the restructuring plan**
- 11.4.1 Further to the Israeli and Dutch court proceedings referred to above, on 16 May 2014, Plaza Centers and the Administrator subsequently published detailed instructions for the submission of claims and casting of votes on 26 June 2014 by way of a so called "Filing and Voting Instructions Memorandum".
- 11.4.2 A copy of the Filing and Voting Instructions Memorandum in English dated 16 May 2014 is attached as **Appendix 4** to this report. The Filing and Voting Instructions Memorandum is also available through the Plaza Centers' website (www.plazacenters.com).

11.5 Publication of a prospectus and amendment of the Initial Draft Restructuring plan

11.5.1 The Israeli and Polish bond documentation must be amended for the situation that the restructuring plan is accepted by the creditors and subsequently approved by the District Court of Amsterdam.

11.5.2 Plaza Centers had to publish an Israeli prospectus in connection with the amendments in the Israeli bond documentation, which prospectus was published on 27 May 2014.

11.5.3 Plaza Centers also filed an amended draft restructuring plan (the "**Amended Draft Restructuring plan**") with the registry of the court of Amsterdam on 27 May 2014, and published this on its website. In principle, this is the restructuring plan subject to consultation and voting by the creditors on 26 June 2014.

A copy of the Amended Draft Restructuring Plan (without Annexes) is attached as **Appendix 5** to this report. The complete Amended Draft Restructuring is also available through Plaza Centers' website (www.plazacenters.com).

11.5.4 Following on from the Initial Draft Restructuring plan, the Amended Draft Restructuring plan provides for additional compensation and further relief to the creditors in exchange for the postponement of payment requested. Two key elements have been added to the Initial Draft Restructuring plan offered in order to strengthen the position of the creditors; these are (i) a capital injection of at least EUR 20 million through a rights issue and (ii) issuing of shares to the Israeli and Polish Bondholders who then, following the rights issue, will hold approximately 13.2% of the issued share capital in Plaza Centers in total.

To that end the shares in Plaza Centers currently listed on the London stock exchange must also be listed on the Tel Aviv Stock Exchange. In the situation that the Amended Draft Restructuring plan becomes binding, Plaza Centers has committed itself to procure that EUR 20 million capital is injected prior to 30 November 2014 and that the shares are issued to the Israeli and Polish Bondholders within the subsequent 10 trading days.

11.5.5 In his letter of 28 May 2014, the Administrator informed the creditors of the filing of the Amended Draft Restructuring plan.

11.5.6 This public report does not contain an opinion or assessment of the Administrator on the Amended Draft Restructuring plan or the merits thereof.

11.5.7 In principle, the Administrator will issue a report as referred to in Article 265(1) DBA on the occasion of the consultation and vote on the Amended Draft Restructuring plan on 26 June 2014.

12. Hours spent and further information

12.1 Hours spent

In the period covered by this report, the Administrator and his associates have spent 634.30 hours in total on this provisional moratorium.

12.2 Plaza Centers' creditors are to a large extent informed through Plaza Centers' website (www.plazacenters.com) on the developments in Plaza Centers' moratorium that are relevant to them.

12.3 This public report will also be published on Plaza Centers' website as well as on www.cms-dsb.com (online services, bankruptcies) and on www.rechtspraak.nl.

Amsterdam, 2 June 2014

J.L.M. Groenewegen,
Administrator

Overview of the Appendices:

Appendix 1: Plaza Centers' petition for a moratorium dated 18 November 2013 (without Annexes)

Appendix 2: Organisation chart Plaza Centers Group

Appendix 3: Decision of the District Court of Amsterdam pursuant to Article 225 DBA of 9 May 2014

Appendix 4: Filing and Voting Instructions Memorandum dated 16 May 2014

Appendix 5: Amended Draft Restructuring Plan dated 27 May 2014 (without Annexes)