



**PLAZA CENTERS N.V.**  
("Plaza" or the "Company")

**PLAZA CENTERS N.V. ANNOUNCES THE PRIVATE ISSUANCE OF ADDITIONAL  
UNSECURED NON-CONVERTIBLE SERIES B NOTES AND THE RESULTING  
WEIGHTED DISCOUNT RATE FOR SERIES B NOTES**

**26 October, 2009 – Plaza Centers N.V.** ("Plaza" or the "Company"), a leading emerging markets property developer, announces today that, following the public offering in Israel of unsecured non-convertible Series B Notes of Plaza (the "Series B Notes") pursuant to Plaza's prospectus dated 3 February 2008, it has agreed with Israeli Investors to issue approximately an additional NIS 94.5 million in principal amount of Series B Notes (the "Additional Notes") for an aggregate consideration of approximately NIS 100 million (approximately €18 million). The terms of the Additional Notes are identical to the terms of the Series B Notes issued to the public under Plaza's prospectus dated 3 February, 2008 (the "Prospectus"). For information regarding the terms of the Series B Notes, see Plaza's announcement dated 13 February, 2008.

Ran Shtarkman, Plaza's President and Chief Executive Officer, commented:

"This further issue of Notes means that Plaza has successfully raised circa €27 million over the last three months from Israeli institutions. The demand for these highly rated bonds is a reflection of the confidence that investors have shown in our business, as we continue with our targeted development and opportunistic acquisition program."

In accordance with an approval received by the Company on 17 April 2008 from the Israeli Tax Authority ("Tax Authority Approval"), at the dates of redemption of the Series B Notes the Company will withhold tax payable at source, at tax rates as set forth in the above mentioned prospectus, with regard to the discount amounts of the Series B Notes pursuant to a calculation of a weighted discount rate applicable to all Series B Notes in circulation and in accordance with applicable law. The weighted discount rate for the purpose of such withholding tax, following the issuance of the Additional Notes, was determined to be 0.472% (based on the Israeli Consumer Price Index for September 2009 and accrued interest on the Notes).

The aforementioned tax arrangement applies for the purpose of withholding tax at source with respect to such discount amounts only and does not exhaust the final tax liability of the holders of the Series B Notes.

The discount calculation formula specified in the Tax Authority Approval will also be valid for future increases of the Series B Notes, provided that such increases will be conducted before 31 December, 2010. In the event of a future increase of the Series B Notes before the said date, the Company will calculate the new weighted discount rate and will publish it in an immediate report. Any increase of the Series B Notes after the said date will require the Company to apply to the Israeli Tax Authority for the calculation of a new weighted discount rate.

The issuance of the Additional Notes is subject to the receipt of the approval of the Tel Aviv Stock Exchange for the listing of the Additional Notes for trade on the Tel Aviv Stock Exchange.

The sale and/or transfer of the Additional Notes are subject to the limitations on re-sale of securities set forth in Article 15C of the Israeli Securities Law of 1969 (the "Law") and the Securities Regulations (Details with respect to Articles 15A-15C of the Law) of 2000 applicable to investors of the type specified in the first supplement to the Law.

This announcement shall not be deemed to be an offer to sell or a solicitation of an offer to buy any of the Series B Notes.

### **About Plaza Centers N.V.**

**Plaza Centers N.V.** ([www.plazacenters.com](http://www.plazacenters.com)) is a leading emerging markets developer of shopping and entertainment centres. It focuses on constructing new centres and, where there is significant redevelopment potential, redeveloping existing centres in both capital cities and important regional centres. The Company is dual listed on the Main Board of the London Stock Exchange and, as of 19 October 2007, the Warsaw Stock Exchange (LSE:"PLAZ", WSE: "PLZ/PLAZACNTR"). Plaza Centers N.V. is an indirect subsidiary of Elbit Imaging Ltd. ("EIL"), an Israeli public company whose shares are traded on both the Tel Aviv Stock Exchange in Israel and the NASDAQ Global Market in the United States.

Plaza Centers is a member of the Europe Israel Group of companies which is controlled by its founder, Mr Mordechay Zisser. It has been active in real estate development in emerging markets for over 13 years.

### **For further details, please contact:**

#### **Plaza Centers**

Mordechay Zisser, Chairman	+972 3 608 6000
Ran Shtarkman, President and CEO	+36 1 462 7221
Roy Linden, CFO	+36 1 462 7105

#### **Financial Dynamics**

Stephanie Highett / Laurence Jones	+44 20 7831 3113
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