

18 May 2010

## PLAZA CENTERS N.V.

### FIRST QUARTER INTERIM MANAGEMENT STATEMENT

Plaza Centers N.V. ("Plaza" / "Company" / "Group"), a leading emerging markets property developer, today announces its interim management statement relating to the period from 1 January 2010 to 31 March 2010, and includes an update to the date of the publication of this report ("the Period").

Material events which occurred during the first quarter of 2010 were outlined in the Company's annual report 2009 which was published on 30 April 2010, which may be found at:

[http://www.plazacenters.com/index.php?p=financial\\_reports\\_2009](http://www.plazacenters.com/index.php?p=financial_reports_2009) (mainly on pages 26-37 (chairman's statement and chief executive's review) and on pages 117-118 (Events after the reporting period - note 40).

The main activities over the Period were:

- Additional issuances of Series B notes in January and February 2010 in the principal amount of NIS 308 million for a cash consideration of NIS 330 million (circa €62.8 million). These notes maintained their rating of iIA/Stable by S&P Maalot and A2/Stable by MIDROOG Ltd, the Israeli Credit Rating Agency and an affiliate of Moody's Investors Service.
- Launch of Elbit Plaza USA, L.P. ("Elbit Plaza USA"), a real estate investment venture jointly formed by Plaza and its parent Elbit Imaging Ltd. ("Elbit"). Co-investment agreement subsequently signed with Eastgate Property to form EPN GP, LLC ("EPN") with a commitment to invest a combined US\$200 million (to be split 50:50 between Elbit Plaza USA and Eastgate) in the US retail and commercial real estate sectors.
  - In April, EPN announced its first investment in the USA. The joint venture entered into a series of agreements to invest in Macquarie DDR Trust ("MDT" or the "Trust"), an Australian publicly traded trust (ASX:MDT.AX), which holds and manages two US REIT portfolios (the "Investment Agreements"). The assets comprise 78 retail properties with a total of approximately 13.3 million sq ft of lettable area of mainly community shopping centres across 23 states in the United States. The Investment Agreements include the acquisition of a unitholding representing 15.3% of the Trust's units, through a A\$9.5 million private placement, and the participation in and sub-underwriting of a proposed recapitalisation of MDT to raise approximately A\$200 million. Plaza currently holds a 25% indirect stake in EPN.
- Ongoing progress with the Company's targeted development pipeline:
  - Completion during 2010 of Zgorzelec Plaza in Poland. Totalling 13,000 sq m of gross lettable area, the centre was opened on 18 March 2010 and was circa 75% let on opening

- Construction expected to commence later this year on two major new projects at Torun, Poland and Kragujevac, Serbia. Both schemes have significant pre-lets in place and their development finance is set to be finalised shortly
- Plaza's first Indian development, Koregaon Park in Pune, on schedule for completion in H1 2011 (mall) - 2012 (offices)
- Suwalki Plaza, a 20,000 sqm GLA shopping centre, is expected to be completed and opened on 26 May 2010, and will be the 30<sup>th</sup> shopping and entertainment centre developed by Plaza in the CEE region

**Ran Shtarkman, President and Chief Executive Officer of Plaza Centers N.V., said:**

“As the outlook for many of the markets in which we operate remains relatively uncertain, we continue to take a prudent approach to our development pipeline. However, we have continued to make good progress at our active developments since the start of the year, which has been supported by an improvement in the availability of development finance, construction costs remaining relatively low and a cautious rise in consumer confidence impacting positively on our prospective retail tenants.

“The announcement of our first investment in the USA, through our joint venture Elbit Plaza USA, was the major highlight for us during the period. We believe that this diverse portfolio of income producing retail assets should be well positioned to deliver significant value growth, supported by our considerable asset management experience in the retail sector.”

***For further details please contact:***

**Plaza**

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**Forward-looking statements**

This press release may contain forward-looking statements with respect to Plaza Centers N.V. future (financial) performance and position. 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.

## **About Plaza Centers**

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, on the Warsaw Stock Exchange (LSE:"PLAZ", WSE: "PLZ/PLAZACNTR"). 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 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 14 years.