

21 February 2011

**PLAZA CENTERS N.V.**

**UPDATE ON INDIAN DEVELOPMENT IN KHARADI, PUNE**

**70% of saleable space pre-sold in first phase of Matrix One office complex due to open in Q4 this year**

Plaza Centers N.V. ("Plaza" or the "Company"), a leading emerging markets property developer, today provides an update on its development project located in the Kharadi district of Pune, Maharashtra, India.

Along with its 50:50 local joint venture partner, Plaza has made good progress with the construction of the first phase of the project, a 300,000 sq ft office building known as 'Matrix One'. To date, Plaza has pre-sold 70% of the saleable area.

This first office building has a total expected development cost of USD 23.5 million, and, based on accumulated sales of office space to date inclusive of underground parking revenues, will have an end development value of approximately USD 36.5 million. Plaza therefore anticipates this will deliver a development pre-tax profit of approximately USD 13.0 million.

Plaza acquired the development site in 2007. The large scale project will total 1.2 million sq ft of gross built area on completion, comprising the first phase Matrix One office complex, which is expected to be completed in Q4 this year, and a second phase of two additional office buildings totalling 420,000 sq ft each, as well as a 60,000 sq ft supermarket. Construction of phase two is expected to commence in the second half of 2011.

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

"Following several years of laying down foundations in the Indian market, we are happy to see encouraging progress with our projects in the region. When we entered the Indian market back in 2006, we held a long term view of the strong potential demand for commercial Indian real estate, especially for well located large scale projects such as Kharadi. Despite the challenging global market conditions since then, the market is still demonstrating attractive fundamentals and we are pleased to be nearing the completion of our first office building in India due at the end of this year. We are particularly delighted by the high level of sales we have achieved to date for Matrix One, which we view as a good reflection of our ability to deliver a high quality building in conjunction with our local experienced partners.

"We remain committed to progressing all our schemes in the region and in particular look forward to the opening of our first shopping and entertainment centre at Koregaon Park in Pune later this year.

With the Indian Government predicting economic growth of circa 9% upwards this year, and with little competition in the local real estate market for large-scale mixed use developments such as ours, we see India as an important part of Plaza's overall growth strategy."

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***Notes to Editors:***

Plaza Centers N.V. ([www.plazacenters.com](http://www.plazacenters.com)) is a leading emerging markets developer of shopping and entertainment centres with a significant presence across Central and Eastern Europe as well as operations in India and the USA. 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., 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 15 years.