

7 November 2016

Plaza Centers N.V. (the “Company” or “Plaza”)

PROPOSED AMENDMENT TO AN EARLY PREPAYMENT TERM UNDER THE RESTRUCTURING PLAN

As previously announced, Plaza is implementing a restructuring plan that was approved by the Dutch court on 9 July 2014 (the “Restructuring Plan”).

Under the Restructuring Plan, principal payments under the notes (both those that are traded on the Tel Aviv Stock Exchange and those held by Polish investors) issued by Plaza and originally due in the years 2013 to 2015 were deferred for a period of four and a half years, and principal payments originally due in 2016 and 2017 were deferred for a period of one year (the “Extended Repayment Schedule”).

The Restructuring Plan further provides that, if the Company does not prepay an aggregate amount of at least NIS 434,000,000 (circa €103 million) on the principal of the notes on or before 1 December 2016 (the “Early Prepayment”), the principal payments due under the Extended Repayment Schedule will be advanced by one year (the “Accelerated Repayment Schedule”).

Since the Restructuring Plan became effective, the Company has made Early Prepayments of an aggregate amount of approximately NIS 142.5 million (circa €34 million) and has repaid a total amount of circa €71 million in respect of the principal amount, together with interest (on top of the issuance to the bondholders of 13.21% of its outstanding share capital). At the same time, the Company continues to implement an aggressive cost cutting plan in order to reduce its general and administrative expenses, which have decreased by approximately 20% over the period.

The Company is currently in active negotiations on several disposal transactions with a total negotiated value of circa €140 million (with an estimated €71 million of expected net proceeds to the Company) and, although there is no certainty that the transactions will be completed, it is expected that the closing of these transactions will take place within a few months of 1 December 2016.

The enforcement of the Accelerated Repayment Schedule would add significant pressure to the Company’s liquidity and result in an acceleration of the asset sales, which is likely to have an adverse impact upon the value achieved on any disposals. The Accelerated Repayment Schedule may, therefore, adversely affect the position of the Company’s stakeholders, including its shareholders and creditors.

Accordingly, the Company has a strong preference to continue operating on the basis of the Extended Repayment Schedule. In order to ensure that the Extended Repayment Schedule remains applicable, in the event that the closing of the aforementioned transactions takes longer than anticipated, the Company is proposing to seek, from its bondholders, a relaxation of the terms of the Early Prepayment required to maintain the Extended Repayment Schedule.

The proposed amendments sought by Plaza comprise the postponement of the Early Prepayment date by up to four (4) months, and the reduction of the total amount of the required Early Prepayments to at least NIS 382,000,000 (a reduction of 12% on the original amount) (the "Requested Amendment"). Apart from this Requested Amendment, the Company intends to otherwise fully comply with the repayment schedule of the notes. Plaza proposes to implement the Requested Amendment through a consensual process with its bondholders and will shortly be initiating discussions with its bondholders in order to seek their consent to the Requested Amendment.

Plaza has made considerable progress in creating and generating value from its assets and appreciates the continued support of its stakeholders in order to be able to continue the implementation of the approved Restructuring Plan. A further update will be provided in due course.

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Notes to Editors

Plaza Centers N.V. (www.plazacenters.com) is an 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 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 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 has been active in real estate development in emerging markets for over 20 years.