

The notice of EGM is important and requires your immediate attention. If you are in any doubt as to what action to take in relation to the EGM, you should consult with the appropriate independent advisers. If you have already sold or otherwise transferred your shareholding in the Company, you should immediately send this document together with the accompanying Proxy Form, Form of Direction or Form of Instruction (as the case may be) to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

PLAZA CENTERS N.V.

(the "Company")

(Incorporated in The Netherlands with registered number 33248324)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that the Extraordinary General Meeting of the shareholders of the Company will be held at 10a.m. (CET) on Tuesday 22 November 2011 at the Park Plaza Victoria Hotel Amsterdam, Damrak 1-5, 1012 LG Amsterdam, The Netherlands for the purpose of considering and, if thought fit, passing the following resolutions:

Ordinary resolutions

1. To approve and to the extent necessary, to ratify, the entering into by the Company of an agreement between the Company and the holders of the Company's Series A and B Bonds, with regard to the Company's dividend distributions in the years 2012-2013.
2. To amend the Company's articles of association (*statuten*) in conformity with the draft of the notarial deed of amendment to the articles of association as available for inspection at the offices of the Company from the date of this notice until the end of the meeting and to authorize each managing director of the Company and also each employee of law firm Buren van Velzen Guelen N.V., jointly as well as severally, to have the deed of amendment of the articles of association executed, and to perform all things necessary and formalities pertaining thereto or in connection therewith.
3. To approve the proposed amendments by the Board of Directors of the Plaza Centers N.V. Incentive Plan.
4. To adopt the Plaza Centers N.V. Second Incentive Plan.

All points on the agenda are resolutions.

By order of the Board of Directors

Mr M. Zisser

Chairman

Dated: 10 October 2011

Notes:

1. A Shareholder entitled to attend and vote at the meeting may appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a Shareholder of the Company.
2. The instrument appointing a proxy and (in the case of an instrument signed by an agent of the Shareholder who is not a corporation) the authority under which such an instrument is signed or an office copy or duly certified copy must be deposited at the offices of the Company not less than 48 hours before the time appointed for the meeting or any adjourned meeting.
3. Completion of a Form of Proxy will not prevent a Shareholder from attending the meeting and voting in person.
4. Shareholders will be entitled to attend and vote at the meeting if they are registered in the Company's register of Shareholders (*aandeelhoudersregister*) 48 hours before the time appointed for the meeting or any adjourned meeting.
5. Forms of Direction are required to be completed by the holders of Depository Interests (other than for holders of Depository Interests that have been credited to investors' accounts maintained by the brokerage house in Poland) and returned so as to be received by Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom, by no later than 5:00p.m. (UK time) on 17 November 2011.
6. Depository Interest holders may instruct the Depository to vote utilising the CREST electronic voting service. To instruct the Depository how to vote or amend an instruction to vote via the CREST system, the CREST message must be received by the issuer's agent RA10 by 5:00p.m. (UK time) on 17 November 2011. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to receive the message. After this time any change of voting instructions through CREST should be communicated to the issuer's agent by other means. CREST Personal Members or other CREST sponsored members, and those of CREST Members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance. For further information on CREST procedures, limitations and system timings please refer to the CREST manual.
7. Depository Interest Holders wishing to attend the Meeting should contact the Depository at Capita IRG Trustees Limited, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, or email custodymgmt@capitaregistrars.com, by no later than 1:00 p.m. (UK time) on 17 November 2011
8. Forms of Instruction are required to be completed by the holders of Depository Interests that have been credited to investors' accounts maintained by the brokerage house in Poland and returned to such brokerage house so as to be received by no later than 15 November 2011 at noon (CET).

EXPLANATION TO THE NOTICE AND RECOMMENDATION

1. Following the Company's announcement on 14 September 2011 to distribute an interim dividend of EUR 0.1010 per ordinary share (a total of EUR 30 million), the trustees of the Series A Bonds and the Series B Bonds have, upon the request by a number of holders of the Series A Bonds and Series B Bonds ("**Bondholders**"), called a general meeting of the Bondholders at which Bondholders were able to question the basis and rationale for the Board of Directors' decision to distribute the interim dividend to shareholders. In addition, the Company received a letter from the legal representative of two further Bondholders requesting clarification on the factors behind the decision for interim dividend and demanding that the payment thereof should be withdrawn.

On 22 September 2011, the Board of Directors reached an agreement with the Bondholders, which was approved by a significant majority of the Bondholders participating in the abovementioned meeting ("**Bondholder Agreement**"). The Bondholder Agreement places certain covenants and conditions on dividend payments by the Company during 2012 and 2013, in light of the ongoing challenging global economy and purports to amend the Company's current dividend policy as published earlier.

A summary of the major terms in the agreement is as follows:

- The total dividend will be capped at €30 million per annum for each of the years 2012 and 2013;
- Distribution of dividends will be made only from the net cash flows derived from the realization of assets and will be capped at 50% of net cash flows received;
- Should a dividend be paid while the average market yield of the Company's series A and B bonds exceeds a certain threshold, the Company shall retain, for a period of 12 months following the dividend payment, a sum of not less than €70 million in reserve accounts, of which a sum equal to the dividend payment can be used solely for the repurchase of bonds and / or making principal and interest payments to bondholders;
- Should a dividend be paid while the average market yield of the Company's series A and B bonds is below a certain threshold, the Company shall be entitled to distribute dividends of up to €50 million per annum. Should this occur, the sum of the dividend which exceeded €30 million will be held in a reserve account, to be used solely for the repurchase of bonds and/or making principal and interest payments to bondholders.

The Bondholder Agreement is in line with the Company's forecasted cash flows as previously published in its most recent investor presentation of 31 August 2011. The full text of the Bondholder Agreement is available for inspection (in Hebrew and English) from the date of this notice until the end of the meeting at (i) the offices of the Company, Keizersgracht 241, 1016 EA Amsterdam, The Netherlands, and (ii) on the Company's website (www.plazacenters.com).

Pursuant to the Company's articles of association (*statuten*) the profits of the Company are at the disposal of the general meeting of shareholders. Therefore, the Company's shareholders are invited to approve (and to the extent necessary: ratify) the entering into by the Company of the Bondholder Agreement.

2. It is proposed that the articles of association of the Company be amended to, amongst other things, update the articles of association in line with mandatory corporate law from Book Two of the Dutch Civil Code (*Burgerlijk Wetboek*) that came into force since the last amendment to the articles of association, as well as legislation that will come in force on 1 January 2012. These amendments include *inter alia* (i) adjustment of the maximum percentage of shares that the Company (and its subsidiaries) may hold in its own capital (increased from ten per cent. (10%) to half of the issued share capital (50%); (ii) an amendment to the rules re the Board of Directors, reflecting new legislation that will come in force as per 1 January 2012 and which creates a statutory basis under Dutch law for the "one tier board" concept providing for a statutory board of directors comprising executive (*uitvoerend*) and non-executive (*niet-uitvoerend*) board members; (iii) amendments in respect of the position of the chairman and the maximum number of positions that each member of the Board of Directors is allowed to hold; and (iv) the new rules in respect of conflicts of interest of members of the Board of Directors, as will come into force per 1 January 2012. The draft provides that, as a general rule, a member of the Board of Directors must abstain from participating in the decision-making process with respect to the relevant matter. If, as a consequence of the conflict of interest clause, no valid board resolution can be passed, the draft contains a clause that the Board of Directors will nevertheless be authorised to resolve upon such matter regardless of that conflict of interest, provided that such a resolution is adopted unanimously in a meeting in which all members of the Board of Directors are present or represented (as similar to the provision in the current articles of association).

The draft deed of amendment of the Company's articles of association, containing the full text of the proposed amendments, is available for inspection, in the Netherlands and in the English language, from the date of this notice until the end of the meeting at (i) the offices of the Company, Keizersgracht 241, 1016 EA Amsterdam, The Netherlands, and (ii) on the Company's website (www.plazacenters.com).

3. It is proposed that the Company's current stock options incentive plan for personnel (the "Plaza Centers N.V. Incentive Plan", the "**1st ESOP**") is amended *inter alia* on the following matters. Options granted under the 1st ESOP are currently "out of the money" largely due to the global economic crisis that is still impacting the geographic regions and real estate sectors in which the Company operates. The Board of Directors still considers that for the current option holders who are still employed or provide services, the options should remain an incentive. In the light of this, the Board of Directors proposes to amend the 1st ESOP to extend the Option Term (i.e., as defined in the 1st ESOP, being the term during which options can be exercised under the 1st ESOP) from seven (7) to ten (10) years from the Date of Grant (as defined in the 1st ESOP). This amendment will only apply to options that are held by those Grantees (as defined in the 1st ESOP) who are employed by the Company or an entity within

the Company Group (as defined in the 1st ESOP) or who continue to provide services to the Company or an entity within the Company Group on the date of amendment of the 1st ESOP (i.e. the date of the EGM). The Option Term in respect of Grantees who have terminated their employment or service provision in respect of the Company or an entity within the Company Group on the date of the EGM (the "**Leavers**"), will not be amended. The Board of Directors considers this to be a reasonable measure in light of the fact that options should remain an incentive, that will only apply to those who, by their employment or provision of services, continuously create value for the Company and the Company Group and whereby it is noted that the position of the Leavers will not be affected by this amendment.

Furthermore, an amendment is made to the 1st ESOP, which enables Grantees to link the exercise mechanism to the share price on the Warsaw Stock Exchange, in case no opening price on the London Stock Exchange is available on the relevant date of exercise. The 1st ESOP currently only provides for the exercise mechanism to be calculated on the share price on the London Stock Exchange. This has led to a situation where frequently no opening price can be determined during part of the trading days in the London market, resulting therein that options cannot be exercised. Since the Warsaw market provides additional liquidity, this amendment will enable the Grantees to have more trading days on which they will be able to exercise their options.

The Company's shareholders are invited to approve the terms of the amended 1st ESOP and these amendments, will come into force immediately after the EGM.

The full text of the 1st ESOP, with the proposed amendments, is available for inspection (in the English language) from the date of this notice until the end of the meeting at (i) the offices of the Company, Keizersgracht 241, 1016 EA Amsterdam, The Netherlands, and (ii) on the Company's website (www.plazacenters.com).

4. The 1st ESOP was initially adopted in October 2006 and almost all of the options under this plan were granted during the last five years. In order to maintain an appropriate incentive plan for its employees and employees of its group companies, the Company proposes to the shareholders to adopt a second incentive plan (the "**2nd ESOP**"). The 2nd ESOP is based on the terms of the 1st ESOP as amended in accordance with the terms as referred to above, with a couple of amendments, the most important of which are the following. The total number of options to be granted under the 2nd ESOP is fourteen million (14,000,000). It is noted that, on the basis of all 14,000,000 options being granted under the 2nd ESOP and fully exercised thereafter, this would have an effect of dilution of up to three percent (3%) (on fully diluted basis) of the issued share capital as of the date of this notice. More freedom is attributed to the Board of Directors for its sole and absolute discretion, to determine *inter alia* (i) the time or times at which options shall be granted; (ii) any terms and conditions in addition to those specified in the 2nd ESOP under which options may be granted; (iii) to accelerate that date on which any option allocated under the 2nd ESOP becomes exercisable; and (iv) to extend the option term, with respect to either a certain Grantee (as defined in the 2nd ESOP), a group of

Grantees or all Grantees, as the Board of Directors deems fit, in its sole discretion.

The Option Terms (as defined in the 2nd ESOP, being the term during which options can be exercised under the 2nd ESOP, is ten (10) years.

Options may not be transferred to any Grantee and/or any other third party, other than by transfer to an Affiliate (as defined in the 2nd ESOP being (i) in the case of a Grantee who is an individual - a spouse, child, brother, sister, or parent of such Grantee and any corporate entity which is wholly owned by him; (ii) in the case of any incorporated Grantee (whether a company or other entity) - any legal entity which controls, is controlled by, or is under common control with such incorporated Grantee.

The Company's shareholders are invited to adopt the 2nd ESOP in order to enable the Company to offer an appropriate incentive to the members of the Board of Directors, its employees and employees of the Company Group (as defined in the 2nd ESOP).

The full text of the 2nd ESOP is available for inspection (in the English language) from the date of this notice until the end of the meeting at (i) the offices of the Company, Keizersgracht 241, 1016 EA Amsterdam, The Netherlands, and (ii) on the Company's website (www.plazacenters.com).

Recommendation

Your Board of Directors considers that each of the resolutions set out in the Notice of Meeting is in the best interests of shareholders as a whole and recommends that you vote in favour of each resolution, as each of the directors who holds shares in the Company intends to do in respect of his own beneficial holding.