

**PLAZA CENTERS N.V.**

**UPDATE ON BONDHOLDER MEETING**

Further to its announcement on 19 September 2011, Plaza Centers N.V. ("Plaza" / "Company" / "Group"), today announces that it has reached an agreement with holders of the Company's Series A and B Bonds (the "Bondholders") with regards to its dividend distributions in the years 2012-2013, should any be declared.

The agreement, which was approved by vast majority of Bondholders, places certain covenants and conditions on dividend payments by the Company during 2012-2013, in light of the ongoing challenging global economy. 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 realisation 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.

This agreement is in line with the Company's forecasted cash flows as previously published in its most recent investor presentation.

The interim dividend in the amount of €30 million, which was announced 14 September 2011, is being distributed as planned.

The Company is pleased to conclude this agreement which is supported by the vast majority of the bondholders participating in the meeting, and will continue to maintain an open dialogue with all of its shareholders and bondholders.

**For further details, please contact:**

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**Notes to Editors**

Plaza Centers N.V. ([www.plazacenters.com](http://www.plazacenters.com)) is a leading property developer and investor 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. ("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 15 years.