

**Date: November 14, 2013**

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

**WITHHOLDING OF MATERIAL PAYMENTS AND UPDATE ON LIQUIDITY SITUATION**

As consistently reported in its statements to shareholders, Plaza has faced challenging market conditions for some years. These have primarily been caused by the underlying economic situation in many of the countries in which the Company operates, combined with the lack of transactional liquidity in the investment markets for assets such as those owned by Plaza and the ongoing lack of traditional bank financing available to real estate developers and investors.

Against this background, Plaza’s management team has made considerable progress in re-positioning its business model to ensure that it is focused on the deleveraging of its balance sheet and the recycling of capital, primarily through the disposal of its non-core assets. In 2013 alone, the Company has raised circa €61 million through the disposal of five assets and the collection of the remaining proceeds from the transaction in the US. In addition, it has successfully applied intensive asset management initiatives to maximize the income generated by its portfolio of investment assets, seeing marked improvement in its turnover, footfall and occupancy levels (including a recently secured anchor tenant for Torun Plaza which has leased 7% of the Mall’s space), and has also had success in refinancing a €59.3 million loan secured against one of its largest assets, Riga Plaza in Latvia.

Plaza continues to manage all its assets intensively, with a view to preparing them for sale in an improving market supported by improving operating figures of the assets.

However, despite ongoing efforts to progress a number of asset disposals and complete some alternative financing transactions, the Company has not been able to complete these deals within a timeframe that will enable it to meet its short term obligations towards bondholders, specifically a circa €15 million payment due to Polish bondholders on 18 November 2013 and a circa €17 million payment due to Israeli bondholders on 31 December 2013.

Plaza today holds circa €23 million of free cash balances while an additional circa €10 million of cash is held as restricted cash on a consolidated basis. Plaza’s auditors, as part of an ongoing review of Plaza’s 30 September 2013 financial statements which are expected to be completed in the last week of November 2013, have notified the Company that it is likely that they will include an emphasis of matter paragraph in their review report on the interim financial statements, referring to the liquidity situation and potential impact on Plaza’s ability to continue operating as a going concern.

In light of the above, the Board has concluded that it will withhold payment on the upcoming maturities of the bonds and approach the creditors of the Company with a restructuring plan in a formalized restructuring process within a few days. Given the strong balance sheet of the Company on a going concern basis, the restructuring plan will be aimed at resolving the present liquidity situation in order to safeguard the continuity of the Company and preserve value for the creditors. In the meantime the Company will refrain from incurring additional material financial liabilities.

The Company expects that the trading of the Israeli bonds will be suspended by the Tel Aviv Stock Exchange for a limited period.

A further update will be provided in due course.

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

**Plaza**

Ran Shtarkman, President and CEO

+36 1 462 7221

Roy Linden, CFO

+36 1 462 7222

**FTI Consulting**

Stephanie Highett / Nina Legge

+44 20 7831 3113

***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. 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. It has been active in real estate development in emerging markets for over 17 years.