

16 May 2016

## **PLAZA CENTERS N.V.**

### **SALE OF RIGA PLAZA FOR €93.4 MILLION**

Plaza Centers N.V. (“Plaza” or the “Company”), a leading emerging markets property developer, announces that one of its subsidiaries, in which it has a 50% stake, has entered into a business sale agreement with respect to the sale of Riga Plaza shopping and entertainment centre in Riga, Latvia, to a global investment fund. The agreement reflects a value for the business of circa €93.4 million, which is in line with the last reported book value.

The sale of Riga Plaza is consistent with the Company’s stated strategy to oversee an orderly disposal of its non-core or mature assets in order to reduce Company debt levels and to bring its development projects to fruition. The asset, which is a dominant scheme in the Latvian capital comprising 50,000 sqm of GLA, is the second biggest shopping centre to have been developed by Plaza. Riga Plaza is one of the fastest growing malls in Riga, in terms of occupancy, footfall and turnover, which has been achieved out of successful asset management activity since the centre opened during very challenging times for the global and, specifically, Latvian economy in 2009.

In line with the Company’s stated restructuring plan, 75% of the net cash proceeds from Plaza’s share of the sale of the business, after the repayment of the bank loan (circa €55 million, reflecting 100%), will be distributed to Plaza’s bondholders within the quarter following the closing. The closing of the transaction is subject to several conditions precedent, all of which are expected to be fulfilled in the coming months.

#### **Dori Keren Acting CEO at Plaza Centers, said:**

“Despite the very challenging timing of the development and opening phase of Riga Plaza in 2007-2009, during the course of the significant global economic downturn, which had a significant impact on the Latvian market, Riga Plaza has been a success story for Plaza over the last number of years, having been turned into the dominant fashion oriented shopping and entertainment centre that it is today. The transaction represents another solid step forward in our strategy implementation and the ongoing disposal programme, as we seek to meet the commitments of our restructuring plan and refocus the portfolio towards more resilient and higher quality income-producing properties, especially in Serbia and Romania.”

**Ends**

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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 operations in Central and Eastern Europe and India. 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, the Warsaw Stock Exchange and, as of 27 November 2014, the Tel Aviv Stock Exchange (LSE: "PLAZ"; WSE: "PLZ/PLAZACNTR"; TASE: "PLAZ"). 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 the NASDAQ Global Market in the United States. It has been active in real estate development in emerging markets for over 20 years.