

30 September 2016

PLAZA CENTERS N.V.

UPDATE REGARDING AGREEMENT TO SELL PROJECT IN BANGALORE, INDIA

Plaza Centers N.V. ("Plaza" or the "Company"), a leading emerging markets property developer, further to its announcement of 2 December 2015 regarding an agreement to sell 100% of its interest in a special purpose vehicle which holds a site in Bangalore, India by Elbit Plaza India Real Estate Holdings Limited (in which Plaza holds a 50% stake with its joint venture partner, Elbit Imaging Ltd.) ("EPI") to a local investor (the "Purchaser"), that:

1. The sale of the project in Bangalore has not been completed by the long stop date, September 30, 2016 (the "LSD").
2. As a result, the Company and the Purchaser has reached these preliminary understandings:
 - a. The Purchaser will pay EPI an advance payment of 5 Crore Rupees (approximately €0.65 million) prior to 30 September 2016.
 - b. The securities provided by the Purchaser to EPI under the Sale Agreement will remain effective and unchanged (the "Securities").
 - c. Subject to the receipt of the first advance payment, the LSD will be extended to 15 November 2016.
 - d. The Purchaser will forego additional advance payments (the "Additional Advance Payments") as follows:
 - i. 32 Crore rupees (approximately €4.3 million) in two instalments during the fourth quarter of 2016.
 - ii. Additional 22.5 Crore rupees (approximately €3 million) during the second quarter of 2017.
 - e. Subject to the execution of all the Additional Advance Payments, the LSD will be extended to 15 September 2017.
 - f. If the Purchaser fails to execute any of the advance payments, EPI will be able to enforce its rights under the Sale Agreement including the execution of the Securities.
3. At this preliminary stage, there is no definitive agreement between EPI and the Purchaser and there is no certainty that any of the aforementioned understandings will be executed.
4. In the event that the involved parties do not reach such a final agreement, EPI will consider its options with respect to the Sale Agreement, including, *inter alia*, the execution of the Securities.

The Company will update the market on any new developments as appropriate.

Ends

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Notes to Editors

Plaza Centers N.V. (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, 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.