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GAZIT-GLOBE

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FOR IMMEDIATE RELEASE:

Gazit-Globe Reports Third Quarter 2011 Financial Results

**FFO & FFO per share for the Quarter Increased by 28% and 14.5% respectively
Same Property NOI Growth of 4.7% for the Period**

TEL-AVIV, ISRAEL; November 21, 2011 – Gazit-Globe (TASE: GLOB), one of the world's leading multi-national real estate companies focused on acquisition, development and redevelopment of supermarket-anchored shopping centers announced today its financial results for the three months (the “quarter”) and nine months (the “period”) ended September 30, 2011.

When using the term “Group”, results refer to Gazit-Globe's consolidated financial statements. When using the term “Company”, results refer to Gazit-Globe's solo financial statements. Unless otherwise stated, results announced in this press release are attributable to the “Group”.

Highlights:

- NOI for the quarter increased by 14%; NOI totalled NIS 885 million compared to NIS 775 million for the same quarter last year.
- FFO for the quarter increased by 28%; FFO totalled NIS 110 million (NIS 0.71 per share) as compared to NIS 86 million (NIS 0.62 per share) for the same quarter last year.
- Investments during the quarter totalled NIS 1,832 million, compared to NIS 735 million in the same quarter last year. Investments during the period totalled NIS 7.0 billion, compared to NIS 2.6 billion in the same period last year.
- Net income attributable to the Company's shareholders for the quarter totalled NIS 169 million (NIS 1.09 per diluted share) compared to net income of NIS 197 million (NIS 1.41 per diluted share) for the same quarter last year.
- The Group's same-property NOI grew by 4.7% for the period. As of September 30, 2011, occupancy rate was 94.3% compared to 93.5% as of September 30, 2010.
- As of September 30, 2011, the Group had cash on hand and undrawn revolving credit facilities in the amount of NIS 7.7 billion of which NIS 1.7 billion is at the Company's level.
- As of September 30, 2011, net debt to total assets (LTV) was 59.7%, compared to 62.5% as of September 30, 2010, and 60.7% as of December 31, 2010.
- In August 2011, S&P Maalot affirmed Gazit-Globe's domestic credit rating of ilA+ and revised its outlook from stable to positive.
- The Company's Board of Directors declared a quarterly cash dividend of NIS 0.39 per share payable on December 28, 2011 to shareholders of record as of December 12, 2011. The Company's Board of Directors declared a dividend policy for 2012 of a minimum quarterly dividend payment of NIS 0.40 per share (NIS 1.60 per share annualized) to be distributed as of the first quarter of 2012.

Roni Soffer, Gazit-Globe's President said: "We have concluded another quarter of continued growth in all of our operational parameters, including a strong increase in our FFO and FFO per share which also reflects our portfolio's growth potential and the effect of capital deployment in the first nine months of the year. The Group's organic and strategic growth continues to be our main focus as well as maintaining a strong balance sheet and high liquidity. We have declared a dividend policy for 2012 of an annualized dividend of 1.60 NIS per share. This is the thirteenth year in which we have increased our dividend to our shareholders which is now being distributed for more than 50 consecutive quarters"

Financial Highlights for the quarter:

- **Property rental income for the quarter increased by 15% to NIS 1,309 million compared to NIS 1,138 million for the same quarter last year.**
- **NOI for the quarter increased by 14%; NOI totalled NIS 885 million compared to NIS 775 million for the same quarter last year.**
- **FFO for the quarter increased by 28%; FFO totalled NIS 110 million (NIS 0.71 per share) as compared to NIS 86 million (NIS 0.62 per share) for the same quarter last year.**
- Net income attributable to the Company's shareholders for the quarter totalled NIS 169 million (NIS 1.09 per diluted share) compared to net income of NIS 197 million (NIS 1.41 per diluted share) for the same quarter last year.
- The fair value gain from investment property and investment property under development totalled NIS 233 million in the quarter compared to a fair value gain of NIS 516 million in the same quarter last year. The Company's share in the fair value gain from investment property and investment property under development totalled NIS 149 million in the quarter compared to a fair value loss of NIS 247 million in the same quarter last year.
- Shareholders' equity as of September 30, 2011 increased to NIS 6,521 million (NIS 42.2 per share), as compared to NIS 5,280 million (NIS 38.0 per share) as of September 30, 2010, and NIS 5,915 million as of December 31, 2010.
- EPRA NAV per share as of September 30, 2011 was NIS 46.6 compared to NIS 39.5 per share as of September 30, 2010 (The EPRA NAV was calculated based on EPRA's new guidelines published in October 2010).

Financial Highlights for the period:

- **Property rental income for the period increased by 13% to NIS 3,847 million compared to NIS 3,412 million for the same period last year.**
- **NOI for the period increased by 13%; NOI totalled NIS 2,570 million compared to NIS 2,266 million for the same period last year.**
- **FFO for the period increased by 17%; FFO for the period totalled NIS 294 million (NIS 1.90 per share) as compared to NIS 251 million (NIS 1.81 per share) for the same period last year.**
- Net income attributable to the Company's shareholders for the period totalled NIS 403 million (NIS 2.58 per diluted share) compared to net income of NIS 564 million (NIS 4.03 per diluted share) for the same quarter last year.

Acquisition, Development and Redevelopment Activities

During the period, the Group acquired 34 income-producing properties totaling 671 thousand square meters and adjacent land parcels for future development for an aggregate amount of NIS 5.85 billion. The Group also invested NIS 1.15 billion in new development and redevelopment projects.

As of September 30, 2011, the Group had 15 properties under development with a gross leasable area of 167 thousand square meters and 27 properties under redevelopment with a gross leasable area of 142 thousand square meters with a total investment value of NIS 1,247 million. The additional cost to complete the properties under development and redevelopment totals NIS 1,761 million.

Financing Activities

- During the quarter, the Group raised NIS 286 million in equity as compared to NIS 266 million during the same quarter last year. During the nine month period ended September 30, 2011, the Group raised NIS 700 million as compared to NIS 852 million during the same period last year.
- As of September 30, 2011, the Group had cash on hand and undrawn revolving credit facilities in the amount of NIS 7.7 billion of which NIS 1.7 billion is at the Company's level.

Balance Sheet Highlights

- As of September 30, 2011, net debt to total assets (LTV) was 59.7%, compared to 62.5% as of September 30, 2010, and 60.7% as of December 31, 2010.
- Shareholders' equity as of September 30, 2011 increased to NIS 6,521 million (NIS 42.2 per share), as compared to NIS 5,280 million (NIS 38.0 per share) as of September 30, 2010, and NIS 5,915 million as of December 31, 2010.

Dividend

The Company's Board of Directors declared a quarterly cash dividend of NIS 0.39 per share payable on December 28, 2011 to shareholders of record as of December 12, 2011. The quarterly cash dividend of NIS 0.39 per share represents an annualized amount of NIS 1.56.

The Company's Board of Directors declared a dividend policy for 2012 of a minimum quarterly dividend payment of NIS 0.40 per share (NIS 1.60 per share annualized) to be distributed as of the first quarter of 2012.

ACCOUNTING AND OTHER DISCLOSURES

Restatement of the financial statements for the first and second quarters of 2011

As a result of EQY's restatement of its unaudited financial statements for the three months ended March 31, 2011 and the six months ended June 30, 2011, the Company intends to restate its financial statements for such periods, as soon as practicable. The restatement has no impact on the Company's cash position, its FFO and its net income attributed to its shareholders or otherwise on its operations. The impact of the restatement is with respect to the net income and equity attributed to non-controlling interests

The Company believes that publication of FFO, which is calculated according to EPRA best-practice recommendations, better reflects the operating results of the Company, since the Company's financial statements are prepared in conformity with IFRS. In addition, publication of FFO provides a better basis for the comparison of the Company's operating results between different reporting periods and strengthens the uniformity and the comparability of this financial measure to that published by European property companies.

As clarified in the EPRA and NAREIT position papers, the FFO measures do not represent cash flows from current operations according to accepted accounting principles, nor do they reflect the cash held by a company or its ability to distribute that cash, and they are not a substitute for the reported net income (loss). Furthermore, it is also clarified that these measures are not part of the data audited by the Company's independent auditors.

CONFERENCE CALL/WEB CAST INFORMATION

Gazit-Globe will host a conference call and webcast in English on Monday, November 21, 2011 at 17:00 Israel Time/ 3:00 p.m. United Kingdom/ 4:00 p.m. Central European Time/ 10:00 a.m. Eastern Time to review Q3/2011 financial results. Shareholders, analysts and other interested parties can access the conference call by dialing 1 866 966 9439 (U.S./Canada) or 0800 694 0257 (U.K.) or +44 (0) 1452 555 566 (International) or 1 809 216 057 (Israel) or on the Company's website www.gazit-globe.com, under the Investor Relations section.

For those unable to participate during the call, a replay will be available on Gazit-Globe's website for future review.

FOR ADDITIONAL INFORMATION

A comprehensive copy of the Company's financial report is available on Gazit-Globe website at www.gazit-globe.com. To be included in the Company's e-mail distributions for press releases and other Company notices, please send e-mail addresses to Ms. Avishag Kichel, International Investor Relations, at akichel@gazitgroup.com.

ABOUT GAZIT-GLOBE

Gazit-Globe is one of the world's leading multi-national real estate companies engaged in the acquisition, development, redevelopment and management of supermarket-anchored shopping centers in growing urban markets. In addition, the Company is active in North America in the healthcare real estate sector. Gazit-Globe is listed on the Tel Aviv Stock Exchange (TASE: GLOB) and is included in the TA-25 and the Real-Estate 15 indices. The Group operates in more than 20 countries, owns and manages over 660 properties with a gross leasable area of 7.0 million square meters, has a consolidated total asset value of approximately US\$18.5 billion and a gross annualized income of about US\$1.7 billion.

The Group's activities have grown significantly since it was established in 1991 while the quality of its operations and assets has been continually enhanced. Gazit-Globe's primary objective is the creation of value through long-term maximization of cash flow and capital appreciation from its growing real estate portfolio, while increasing its dividends over time. Gazit-Globe's knowledge and expertise, combined with its proactive management style and disciplined acquisition strategy, has enabled it to grow its business consistently and expand its portfolio into other asset classes and geographies. Gazit-Globe continues to seek opportunities in the regions where it operates as well as in new territories. www.gazit-globe.com.

FORWARD LOOKING STATEMENTS

This press release may contain forward-looking statements relating to Gazit-Globe's operations and the environment in which it operates that are based on Gazit-Globe's expectations, estimates, forecasts and projections. These statements may be identified by their use of forward-looking terminology such as "believes", "expects", "may", "should", "would", "will", "intends", "plans", "estimates", "anticipates" and similar words. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Actual outcomes and results may differ materially from those expressed or implied in these forward-looking statements. We refer you to our latest annual report and current interim financial statements, both of which are available on Gazit-Globe's website, for a discussion of the risks and uncertainties associated with forward-looking statements. You therefore should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements speak only as of the date on which such statement is made. Except as required by laws and regulations, Gazit-Globe undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances.

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