



**GAZIT-GLOBE**

**GAZIT GLOBE TAKES A 49% PARTNER  
IN THREE OF ITS SHOPPING CENTERS IN ISRAEL**

TEL AVIV (January 7, 2010) - Gazit Globe Israel (Development) Ltd., a subsidiary of Gazit-Globe Ltd. (TASE: GLOB), announced that it has completed a transaction in which it has exchanged 49% stake in three of its shopping centers in Israel to REIT 1 (TASE: RIT1), its new partner, for the consideration of NIS 315 million.

Gazit Globe Ltd., one of the world's leading real estate companies engaged in the acquisition, development and management of income-producing properties, with a focus on supermarket-anchored shopping centers in high-growth markets in North and South America, Europe and Israel.

Ronen Ashkenazi, CEO of Gazit Globe Israel, said that in exchange for the 49% stake, Gazit Globe Israel received NIS 315 million (approximately \$85 million) of which approximately NIS 24 million (approximately \$6.5 million) was paid in REIT 1 newly issued common shares.

He added that Gazit Globe Israel will remain in control (with 51% ownership) of the three properties and will receive management and other customary fees. The properties include two stabilized shopping centers and one shopping center under redevelopment. For its part, REIT 1 will have a guaranteed income stream for 2-4 years.

Roni Soffer, president of the parent Gazit Globe Ltd., congratulated Mr. Ashkenazi and his team for "an outstanding performance in developing the Group's portfolio in Israel".

Mr. Soffer added "In recent years, Gazit Globe, directly and through its subsidiaries, has completed a number of partnerships with leading financial institutions, both in the US and in Europe, which are reflective of our Asset Management strategy. Our plan is to broaden and expand our asset management business throughout the Gazit platform".

"Our Asset Management strategy allows us to take advantage of the accumulated market knowledge, experience and reputation of the Group in the supermarket-anchored shopping centers business. At the same time, it enables us to diversify funding sources, recycle capital, capitalize on lucrative business opportunities, continue development and redevelopment, and strengthen the Group's balance sheet" added Soffer.