



GAZIT-GLOBE

December 1, 2009

Gazit Globe announces the completion of the Exchange Transaction of Convertible Bonds and Warrants for Ordinary Shares

Gazit Globe (“Gazit”) and Citi Property Investors (“CPI”) currently hold approximately 49.9% of Atrium shares. Gazit holds approximately 112 million shares representing about 30% of the Atrium’s shares

Gazit expects to report a gain of NIS 1.05 Billion in the 4th quarter, 2009 as a result of the completed transaction

TEL AVIV; December 1, 2009 - Gazit Globe (TASE: GLOB), 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 the Americas, Europe, the Baltic countries and Israel, reported today on the closing of the Exchange Transaction of its Convertible Bonds and Warrants for shares in Atrium.

In an agreement signed and reported on September 3rd, 2009, the parties agreed that:

- Gazit and CPI surrender all their Convertible Bonds and Warrants in Atrium.
- In consideration for its Convertible Bonds and Warrants, Gazit receives 79.6 million new Ordinary Shares.
- Atrium will pay a Special Dividend of EUR 0.50 per share post closing. The new Ordinary Shares issued in exchange for the Convertible Bonds and Warrants will be eligible for this dividend as well. Gazit expects to receive about NIS 318 million of the Special Dividend.
- Atrium will adopt an annual dividend policy of at least EUR 0.12 per share, paid quarterly and beginning on December 2009.
- As a result of the transaction and the increased equity ownership in Atrium, Gazit expects to recognize a gain in the 4th quarter of 2009 in the amount of NIS 1.05 billion, assuming Atrium’s shareholders equity and the exchange rates as of September 30, 2009. Gazit’s shareholders equity is expected to increase in the same amount.