



**Gazit Globe, Ltd.**  
**(“Gazit” or the “Company”)**

**COMPLETION OF MEINL EUROPEAN LAND TRANSACTION PROVIDES CRITICAL MASS IN CENTRAL AND EASTERN EUROPE**

**-€300 million investment into the company and change of name from Meinl European Land to Atrium European Real Estate (“Atrium”)**

Tel Aviv (August 4, 2008) – Gazit Globe, Ltd. (TASE:GLOB), a leading global owner, developer and operator of income producing properties, today announces the completion of the transaction it has undertaken in a joint venture with Citi Property Investors (“CPI”) to invest in and restructure Atrium European Real Estate Ltd.

The joint venture, named CPI/Gazit Holdings Limited (“CPI/G”), provides Gazit Globe with an established footprint in the Central & Eastern European real estate market, a region targeted by the Company as an area which offers significant growth opportunities.

Atrium owns 162 properties, which are primarily shopping centres (and include a number of other properties assets, as well as land reserves for future development) in 11 countries in Central and Eastern Europe, including Russia and Turkey, with a fair market value of €1.9 billion. Atrium also owns 34 properties under development and redevelopment with a total value (including cost to complete) estimated at approximately €3.3 billion. The portfolio comprises 1.6 million sqm of gross lettable area under development and redevelopment, as well as 11 land parcels for future development of 1.9 million sqm.

Upon completion of the transaction, a new board was appointed with a majority of independent directors and includes two board members appointed by Gazit: Mr. Chaim Katzman, as chairman of the new board and Mr. Michael Bar Haim. The management of the company has been internalized under Rachel Lavine, the newly appointed chief executive officer.

As part of the transaction, CPI/G will provide up to €800 million of new investment into Atrium, comprising a subscription for €500 million of convertible securities which was completed at closing and an additional €300 million rights issue to Atrium shareholders, which will be underwritten by CPI/G within six months post closing. In addition, CPI/G has received 30 million warrants as part of the transaction. The new board and management will be committed to ensuring the Atrium’s corporate governance procedures are of best practice international standards.



**Chaim Katzman, chairman of Gazit-Globe Ltd, commented:** “We have identified the Central & Eastern European region as an area where we believe there is a significant opportunity to create value by applying our in-depth knowledge of the development and operation of shopping centres. Our focus now is on working with the existing high quality staff at Atrium and our partners at CPI to improve and develop these assets, in order to position Atrium as Europe’s leading owner, developer and operator of shopping centers. We have full faith in Rachel Lavine’s expertise and competence in the field based on her many years of experience in the region and look forward to her building a strong management team that can guide the company towards its new horizon.”

This transaction increases Gazit Globe’s assets and developments under management from 471 properties at a value of over \$12 billion to 657 properties at a value of over \$21 billion post completion of the development pipeline. Gazit now has another public company platform in addition to its already established three dominant platforms under its umbrella including Equity One in the US (EQY: NYSE), First Capital Realty in Canada (FCR:TSX) and Citycon in Finland (CTY: OMX).

**Mr. Katzman adds:** “The addition of Atrium to our family of companies allows our shareholders to enjoy an exposure to a global platform of supermarket anchored shopping centers. Accompanied with our latest ventures in Brazil, Germany and now India, Gazit provides a true global diversification that separates itself from the rest of the players in such asset class.”

#### **CPI/Gazit Holdings Limited**

CPI/Gazit Holdings Limited, a joint venture between Gazit-Globe Ltd (“Gazit”), a multinational real estate investment company listed on the Tel Aviv Stock Exchange (TASE:GLOB), and CPI Austria Holdings Limited (“CPI Austria”), a wholly-owned subsidiary of CPI Capital Partners Europe LP (and its parallel funds), a real estate fund advised by Citibank International plc through its business unit, Citi Property Investors (“CPI”).

#### **About Atrium European Real Estate**

Atrium European Real Estate, previously called Meinel European Land, is a real estate investment and development company whose primary focus is on retail assets in Central and Eastern Europe. At 31 December 2007 it had 162 operating investment properties with a market value of approximately €1.9 billion and a significant portfolio of development projects with an expected investment requirement of €3.3 billion, of which €0.8 billion had been spent by 31 December 2007. In addition, it has established a land bank of over 1.9 million sqm. The Company has been listed on the Vienna Stock Exchange since 2002 and is currently capitalised at €1.8 billion.



### **About Gazit-Globe Ltd**

Gazit is a leading multinational real estate investment company with in excess of \$12 billion of properties under control in the United States, Canada, Europe, Israel and Brazil. Gazit and its public subsidiaries are corporate governance leaders in their markets and are governed by world class boards of directors. Gazit actively pursues growth opportunities, both organically and through strategic and accretive acquisitions.

### **About Citi Property Investors**

CPI is a global real estate investment manager with offices in major financial centers and with more than \$12.9 billion in assets under management as of 1 February 2008. CPI employs more than 125 real estate professionals and its senior leaders have an average of more than 20 years of commercial real estate experience. CPI is the real estate investment arm of Citi Alternative Investments which as of 31 December 2007 had €59.2 billion of un-levered assets under management.