



גזית-גלוב בע"מ
GAZIT-GLOBE LTD.

08.21.2007

Gazit Globe enter an agreement to acquire 50% of Acad Building & Investments Ltd., the controlling shareholder of Dori Engineering, for \$ 44.4 million

Tel Aviv, Israel (August 21, 2007): Gazit-Globe announces today that it has signed an agreement to acquire of 50% of the shares of Acad which holds, directly and indirectly, 76.08% of the share capital and voting rights of U. Dori Engineering Works Corp. (54.36% on a fully diluted basis), a public company that is traded on the Tel-Aviv Stock Exchange. The agreement was signed in parallel with and in addition to the signing of another agreement, pursuant to which these shares were acquired from the third party that had been the owners of the acquired shares until now.

U. Dori Engineering Works Corp. is one of Israel's leading construction companies and is primarily engaged in the construction of residential neighborhoods, office buildings, industrial and commercial buildings, hotels, etc. In addition, the company develops residential projects in Eastern Europe and owns some income-producing property.

It has been agreed that Mr. Uri Dori will continue as the CEO of U. Dori for the period specified in the agreement. He will also serve as acting chairman of the board of directors of Acad and its subsidiaries until reaching retirement age. A director on behalf of Gazit will also be appointed to serve together with him in the position of chairman.

Chaim Katzman, Gazit-Globe's Chairman, stated: "I am pleased to announce this acquisition, which will enable us to benefit from U. Dori's proven ability as one of the leading contractors in its field and as a property developer in regions with high growth potential. In recent years, Gazit-Globe has been engaged in a geographic expansion of its operations. Today, the Company is active in nine different countries and maintains 16 offices throughout the world. We are confident that we will achieve further expansion and diversification of our business activities in new geographic regions, through the employment of the management infrastructures that we establish in every region. The proven expertise and comprehensive knowledge accumulated by Uri Dori over the years will assist the Group in its development activities, in general, and in emerging markets, in particular, and we believe that a meaningful synergy will be forged. The expertise of U. Dori will also make a significant contribution in the development of our land reserves and the extensive building rights that we have amassed over the years in various excellent locations, adjacent or near to the Company's existing shopping centers."