



GAZIT-GLOBE

Gazit Globe Israel Sells 49% of One of Its Shopping Centers in Israel

TEL AVIV (January 14, 2010) – Gazit Globe Israel (Development) Ltd., a subsidiary of Gazit- Globe Ltd. (TASE: GLOB), announced that it has completed a transaction with Harel Insurance Investments and Financial Services Ltd. which makes Harel a 49% partner in Gazit's shopping center, G Kfar Saba.

Gazit-Globe Ltd., one of the world's leading real estate companies, is 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.

Gazit Globe Israel will receive NIS 347 million in return for the 49% stake in G Kfar Saba based on a valuation of NIS 709 million which reflects a 7.75% CapRate. As of the transaction date, the amount invested in G Kfar Saba is approximately NIS 340 million (including land purchase), plus an additional NIS 40 million to complete the last stage of the Center. The transaction includes approximately 50,000 sqm, of which, approximately 38,000 sqm (phase one) is revenue generating and approximately 12,000 sqm (phase two) is currently under construction.

As a 51% stakeholder, Gazit Globe Israel is entitled to management and promotes fees. Harel has a four year Net Operating Income (NOI) protection mechanism built in to the deal which applies to both phases and is determined based on actual NOI.