



FOR IMMEDIATE RELEASE:

Gazit-Globe Provides Further Update on First Capital Realty, Inc. (“FCR”) Share Sale

Tel Aviv; March 20, 2017 - Gazit-Globe (NYSE; TSX; TASE: GZT), a leading global real estate company focused on the ownership, development and management of supermarket-anchored shopping centers in major urban markets, announced today that as a result of its previously announced sale of FCR (TSX: FCR) shares, which is still expected to close on or about March 22nd 2017, it will deconsolidate FCR from its financial statements and present the investment on an equity method basis.

In its financial results for the first quarter 2017, the Company is expected to recognize an increase of approximately NIS 800 million in its shareholders' equity, net of approximately NIS 400 million losses related primarily to currency translation.

After completion of the sale, the Company will own (through its wholly owned subsidiaries) approximately 79.6 million shares of FCR, representing approximately 32.7% of the outstanding shares and voting rights of FCR (31.3% on a fully diluted basis).

About Gazit-Globe

Gazit-Globe is a global owner, developer and operator of high quality necessity-driven supermarket-anchored retail properties in urban markets. Gazit-Globe is listed on the New York Stock Exchange (NYSE: GZT), the Toronto Stock Exchange (TSX: GZT) and the Tel Aviv Stock Exchange (TASE: GZT) and is included in the TA-35 index in Israel. As of September 30, 2016, Gazit-Globe owns and operates 427 properties in more than 20 countries, with a gross leasable area of approximately 6.5 million square meters and a total value of approximately US\$ 22 billion.

FOR ADDITIONAL INFORMATION

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FORWARD LOOKING STATEMENTS

This release may contain forward-looking statements within the meaning of applicable securities laws. In the United States, these statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve a number of known and unknown risks and uncertainties, many of which are outside our control, that could cause our future results, performance or achievements to differ significantly from the results, performance or achievements expressed or implied by such forward-looking statements. Important factors that could cause or contribute to such differences include risks detailed in our public filings with the SEC and the Canadian Securities Administrators. Except as required by applicable law, we undertake no obligation to update any forward-looking or other statements herein, whether as a result of new information, future events or otherwise.

GAZIT GLOBE