



Results for the 3 months ended 31 March 2016

17 May 2016



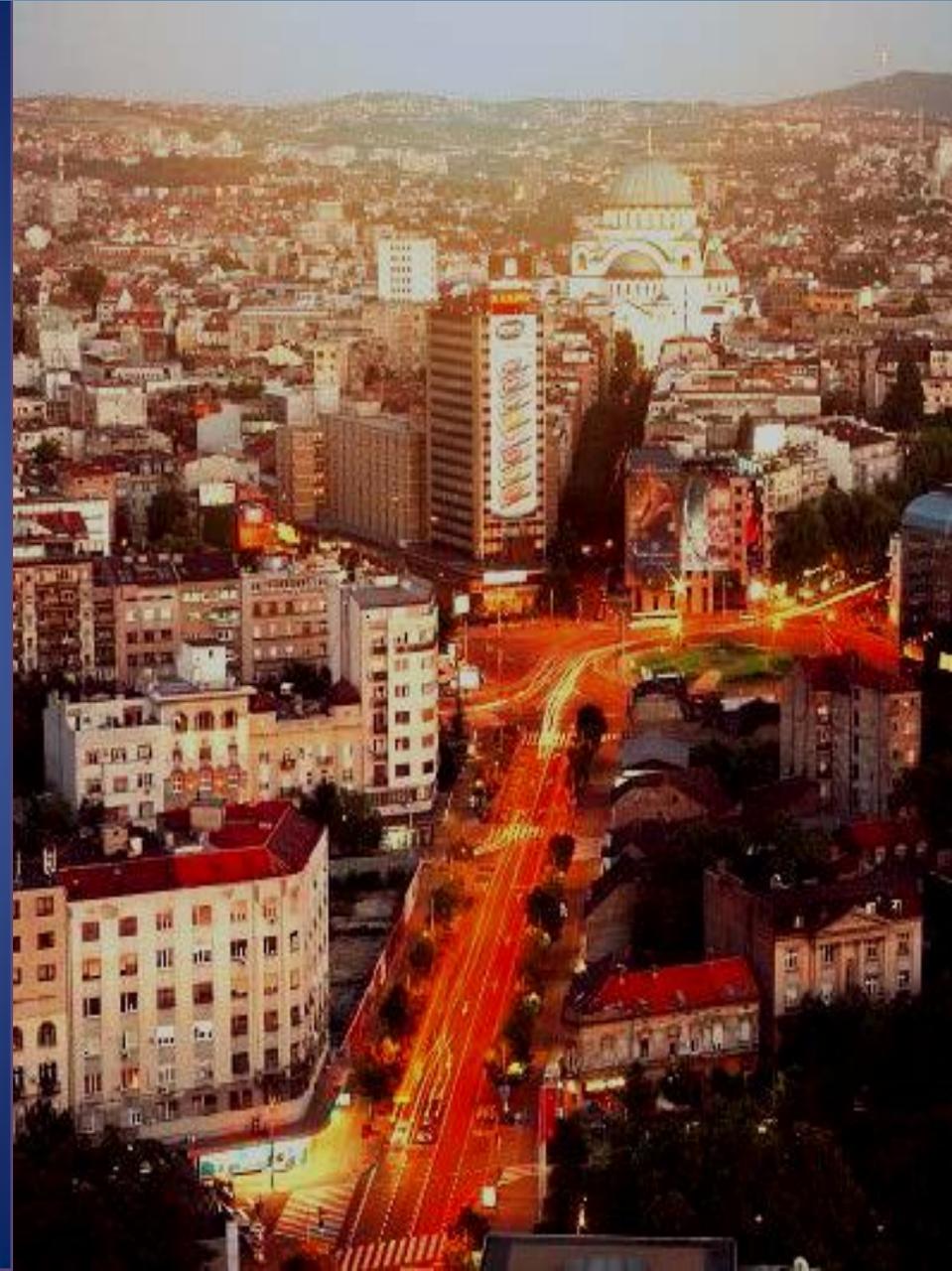
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AGENDA

- **Company Overview**
- **Capital Markets & Debt Restructuring**
- **Financial Highlights**
- **Operational Highlights**



Company Overview

Plaza Centers is a leading emerging markets property developer, focused on western-style shopping and entertainment centres

Business Description

- 20-year track record of developing shopping & entertainment centres in CEE - Plaza Centers has been active in the region since 1996 and was the first to develop western-style shopping and entertainment centres in Hungary
- Plaza has pioneered this concept throughout the CEE whilst building a strong track record of successfully developing, constructing, operating, managing, letting and selling shopping and entertainment centres. In 2006 the Group extended its area of operations beyond the CEE into India
- To date, the Company has developed 33 shopping and entertainment centres in the CEE (more than any other company in the region) and India, of which 29* have been sold with an aggregate gross value of circa €1.25 billion. Plaza owns 15** assets under development and pipeline projects, four active shopping and entertainment centres and one office building
- Currently Plaza is focusing on the development of two new shopping centres- one in Belgrade, Serbia and one in Timisoara, Romania

Real Estate Portfolio

Plaza Centers
N.V.

Europe (CEE)

- 32 Shopping centres developed and managed in Central & Eastern Europe, of which 28 were sold
- Four active shopping centres currently owned and managed*
- Three projects for development
- 10 pipeline projects**
- One office building

India

- Koregaon Park Plaza Mall was sold in 2015
- In May 2013 Plaza completed the sale of its 50% interest in a JV which mainly holds interest in an office complex in Pune.
- In the process of disposing of two plots in the cities of Bangalore and Chennai held by a joint venture with Elbit Imaging

* In May 2016, the Company has entered into a business sale agreement with respect to the sale of Riga Plaza (see slide 27)

** In March 2016, the Company has signed a binding pre-agreement for the sale of the plot in Piraeus, Greece (see slide 26) and in May 2016 announced the sale of MUP plot in Belgrade, Serbia (see slide 27)

Company Overview

Competitive Advantage

- **Proven track record and Geographical reach** – Plaza has been active in the CEE for 20 years and together with its regional teams has developed projects in eight countries. In addition, Plaza has managed to utilize its experience and “know-how” in the shopping centres field to enter the US commercial real estate market in 2010, resulting in the acquisition of 49 US-based shopping centres, which were later sold in a transaction valued at USD 1.47M, representing a 50% return on equity for Plaza in a period of 18 months.
- **Highly skilled management team** — The Company has a professional and established management team in each operational country, with proven experience in developing shopping centres on schedule and within budget, obtaining bank finance, letting to tenants and selling to international funds.
- **Extensive network** — The Company has strong relationships with the banks accompanying the projects in the operational regions, as well as with international and local retail brands, which rent space in the shopping centres, and also with international real estate funds, which invest in assets in different countries. Plaza is also able to benefit from Elbit’s knowledge and experience in the hotel field for future development opportunities.
- **Strong brand name** — Plaza Centers has become a widely recognised brand name for successful property development in CEE, which is beneficial at all stages of project execution (e.g. following portfolio sales to Klépierre, Dawnay Day and aAIM, the purchasers continue to use the “Plaza Centers” brand name under license).
- **Thorough project evaluation** — Prior to each project, Plaza goes through a carefully developed, structured evaluation process involving each of the relevant disciplines (economics, engineering, marketing, etc).
- **Successful project management** — Almost all projects to date completed on time and within budget.
- **Flexibility and ability to anticipate and adapt to market trends** — Plaza is well positioned to satisfy the significant retail demand resulting from rapidly growing household incomes, as well as the increasingly westernised tastes and habits of emerging market populations. Decisions to dispose of portfolio properties are based on an in-depth analysis of market conditions.
- **Capital Markets** – Plaza’s shares are traded in the London Stock Exchange (“LSE”), the Warsaw Stock Exchange (“WSE”) and in the Tel-Aviv Stock Exchange (“TASE”), providing platform needed for raising funds for new projects and operations.



Company Overview

20 year track record of developing shopping & entertainment centres in CEE — Plaza Centers has been active in the region since 1996 and was the first to develop western-style shopping and entertainment centres in Hungary

1996	First investment in Hungary
1996–2004	Developed and managed a portfolio of 20 shopping and entertainment centres
2004	Sold 12 shopping and entertainment centres to Klépierre at a gross asset value of €278m (c. 9.3% net yield)
2005	Sold four shopping and entertainment centres to Dawnay Day at a gross asset value of €54m (c. 9.2% net yield)
2006	Sold four shopping and entertainment centres to Klépierre at a gross asset value of €204m (c. 8.4% gross yield)
2007	Forward sold five shopping and entertainment centres to Klépierre
2006	Raised £166.2m from issuing 92.3m ordinary shares listed on the Main Board of the LSE
2006	Sold one shopping and entertainment centre to Klépierre at a gross asset value of €50m (c. 7.9% gross yield)
2006	First acquisition in India
2007	Sold three shopping and entertainment centres to Klépierre at a gross asset value of €129m (c. 7.3% gross yield)
2007	Sold one shopping and entertainment centre to aAIM for approx. €387m (c. 5.9% gross yield)
2007	Introduction to Exchange trading shares of Plaza Centers on the main market on WSE
2007-2011	Gross proceeds raised of approximately €370m from bond issuance on the Tel Aviv stock exchange
2008	Sold one shopping and entertainment centre to Klépierre at a gross asset value of €61.4m (c. 7.3% gross yield)
2009	Opening of two new shopping and entertainment centres in Riga, Latvia and in Liberec, Czech Republic
2010	Opening of two new shopping and entertainment centres in Zgorzelec and Suwalki, Poland
2010	Raised a total of PLN 60m (€15.2m) from issuing bonds to Polish Institutional investors
2010	First transaction in the US retail market
2011	Opening of a shopping and entertainment centre in Torun, Poland
2012	Opening of two shopping and entertainment centres in Kragujevac, Serbia and in Pune, India
2012	Sold 49 US based shopping and entertainment centres to BRE DDR Retail Holdings LLC (a joint venture between Blackstone Real Estate and DDR Corp.) at a gross asset value of US\$1.47 billion
2013	Completed the sale of its 50% interest in a vehicle which mainly holds interests in an office complex project located in Pune, India, generating gross cash proceeds of circa €16.7 million
2013	Completed the sale of 100% of its interest in a vehicle which holds the interest in the Prague 3 project located in Prague, Czech Republic, generating net cash proceeds of circa €7.5 million. Also completed the sale of a 39,000 sqm plot in Roztoky, Czech Republic, generating cash proceeds of circa €1.3 million

Company Overview

20 year track record of developing shopping & entertainment centers in CEE — Plaza Centers has been active in the region since 1996 and was the first to develop western-style shopping and entertainment centres in Hungary

- 2013 Completed the sale of its share (43.5%) in the Dream Island project in Budapest, Hungary. The deal represented a gross asset value of circa €16.5 million (100%)
- 2014 Sold its 35% stake in Uj Udvar project in Budapest, Hungary for cash proceeds of €2.35 million
- 2014 Completed the sale of a plot in Targu Mures, Romania, generating cash proceeds of €3.5 million
- 2014 Completed the sale of a plot in Hunedoara, Romania, generating cash proceeds of €1.2 million
- 2014 Completed the sale of Kragujevac Plaza shopping and entertainment centre for a total consideration of €38.6 million. The Net Cash Proceeds from the sale were €12.2 million
- 2015 Sold Koregaon Park Plaza Shopping and Entertainment Centre located in Pune, India for circa €35 million. The Net Cash Proceeds from the sale were circa €7.4 million
- 2015 Completed the sale of a 17,000 sqm plot in Brasov, Romania generating cash proceeds of €0.33 million
- 2015 Completed the sale of a 46,500 sqm plot in Iasi, Romania generating cash proceeds of €7.3 million
- 2015 Completed the sale of an office building in Bucharest, Romania (823 sqm GLA) for €1.1 million
- 2015 Completed the sale of part of a plot in Lodz, Poland for €0.5 million
- 2015 Completed the transaction to waive its leasing rights of the Cina property in Bucharest, Romania, which has been sold by its owner. The gross proceeds from the transaction were circa €2.7 million
- 2016 Completed the sale of Liberec Plaza, Czech Republic for €9.5 million (upon completion of the disposal the Company received €8.5 million)
- 2016 Completed the sale of a 23,880 sqm plot in Slatina, Romania generating cash proceeds of €0.66 million
- 2016 Signed a binding pre-agreement to sell the plot in Piraeus, near Athens, Greece, for €4.7 million. The sale agreement with a third party developer is subject to certain conditions being met, including due diligence which has up to six months to complete
- 2016 Entered into a business sale agreement with respect to the sale of Riga Plaza shopping and entertainment centre in Riga, Latvia, to a global investment fund. The agreement reflects a value for the business of circa €93.4 million
- 2016 Announced the sale of the wholly owned subsidiary, which holds the “MUP” plot and related real estate in Belgrade, Serbia, for €15.9 million

Company Overview

Portfolio Summary by Country

Total portfolio of 20 assets in eight countries



Company Overview

Operating Shopping and Entertainment Centers

Torun Plaza



Location	Torun, Poland
Concept	Shopping and entertainment center
GLA (sqm)	40,000
Occupancy	94%

- Operating shopping and entertainment center
- Located in Central Poland
- Opened to the public in November 2011
- External Valuation 12/2015: €97.7M

Suwalki Plaza



Location	Suwalki, Poland
Concept	Shopping and entertainment center
GLA (sqm)	20,000
Occupancy	95%

- Operating shopping and entertainment center
- Located in North East Poland
- Opened to the public in May 2010
- External Valuation 12/2015: €43.3M

Company Overview

Operating Shopping and Entertainment Centers

Zgorzelec Plaza



Location	Zgorzelec, Poland
Concept	Shopping and entertainment center
GLA (sqm)	13,000
Occupancy	89%

- Operating shopping and entertainment center
- Located in South West Poland
- Opened to the public in March 2010
- External Valuation 12/2015: €12M

Riga Plaza*



Location	Riga, Latvia
Concept	Shopping and entertainment center
GLA (sqm)	49,000
Occupancy	97%

- Operating shopping and entertainment center
- Located in the capital of Latvia
- Opened to the public in March 2009
- Plaza Centers' share: 50%
- External Valuation 12/2015: €93.4M (100%)

* See slide 26 regarding the sale of Riga Plaza

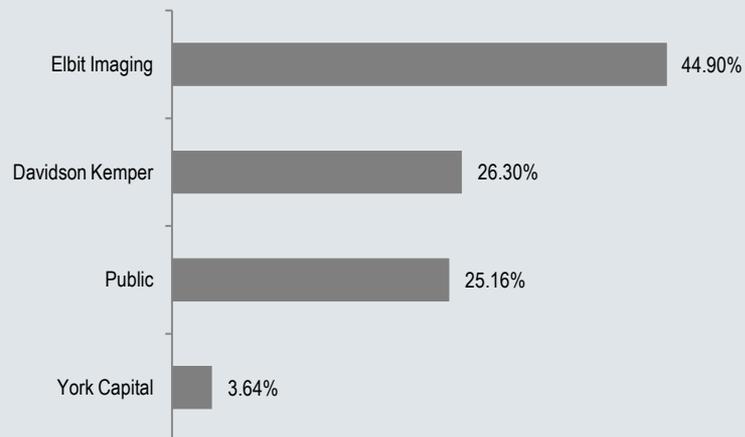
Capital Markets & Debt Restructuring

Plaza's shares are traded on the Main Board of the London Stock Exchange (LSE), listed on the Warsaw Stock Exchange (WSE) and on Tel-Aviv Stock Exchange (TASE)

Capital Markets

- On 1 November 2006, Plaza raised £166m (€247m) from its IPO and began trading on the Main Board of the London Stock Exchange (LSE)
- Plaza Centers' shares have been traded on the Warsaw Stock Exchange since 19 October 2007 – the first property company to achieve a London-Warsaw dual listing
- Between July 2007 – January 2011, Plaza issued €370m of bonds on the Tel Aviv Stock Exchange
- In November 2010 the Company raised a total of PLN 60m (€15.2m) from issuing bonds to Polish Institutional investors
- As of 27 November 2014, following the completion of the debt restructuring and rights issuance, Plaza Centers N.V.'s shares are also traded on the Tel-Aviv Stock Exchange under the ticker "PLAZ".

Shareholding Structure



* Davidson Kemper and York Capital hold 14.3% and 19.76% in Elbit Imaging respectively.

Key Financials as of March 31, 2016 (€m)

Market Capitalization	10.8
Total Equity (Book Value)	74.3
Market Cap./BV	0.14x
Total Revenues (3 months)	14.1
Total Debt (Book Value)*	311.2
Total Assets (Consolidated)	385.5

* For additional information see slide 25



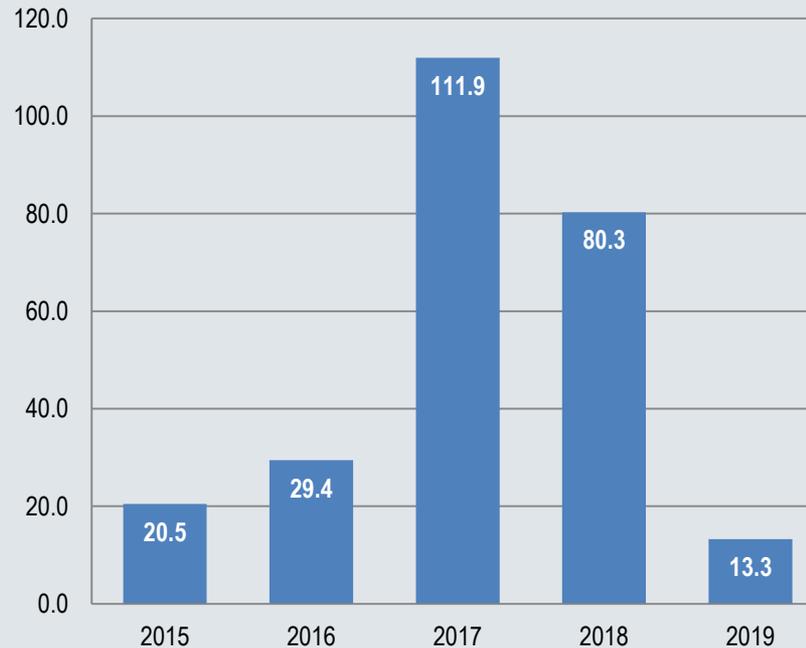
Capital Markets & Debt Restructuring

Bonds Repayments Schedule

Bonds Series

Plaza currently has two series of NIS Bonds traded on the Tel-Aviv Stock Exchange ("TASE") and one series of PLN bonds (circa €13 Million) held by Polish institutional investors.

Debentures Repayment Schedule post restructuring* (for the three series) – Principal & Interest (€ M)



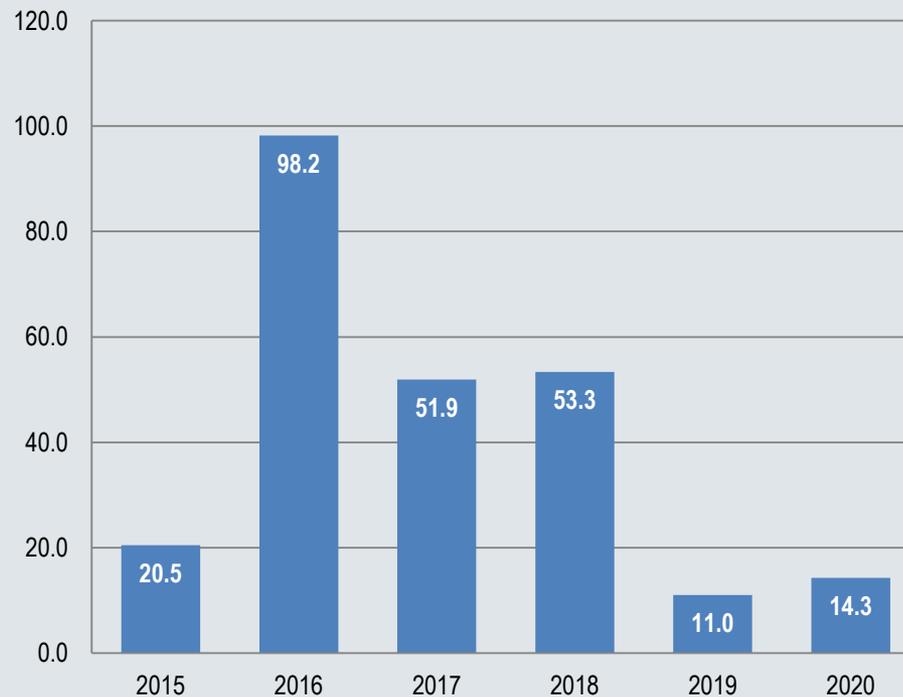
* the above schedule considers the mandatory repayments, and **does not** take into consideration early principal repayments (except the ones made or will be made on account of asset sales that were already concluded as of today) and **excluding** additional one year postponement of principal repayments -according to the agreement with the bondholders.



Capital Markets & Debt Restructuring

Bonds Repayments Schedule- cont.

Debentures Repayment Schedule post restructuring (for the three series) – Principal & Interest (€ M)
Based on the Company's forecast of asset sales resulting early principal repayments*



* the above schedule considers early principal repayments (based on the Company's asset sales latest assumptions) and including the additional one year postponement of principal repayments -according to the agreement with the bondholders.



Capital Markets & Debt Restructuring

Plaza's debt restructuring plan was approved by the Dutch court in July 2014 and became final in November 2014 with the Rights Issuance approval. Since then (until March 31, 2016), Plaza has paid circa NIS 239 Million (€53 million) and allocated 13.21% of its shares to its bondholders

Upside:

The bondholders (excluding the subsidiary holding bonds) were allocated circa 13.21% of the Company's shares following the EUR 20 million shareholders' injection and allocation. This allocation of shares was performed according to each series' share in the Deferred Debt as of December 31, 2013.

Interest payments:

Interest payments accrued and not paid until the end of 2013 were added to the principal and are paid together with it. Following the restructuring plan's closing, interest payments are paid on their due dates.

Interest rate:

Starting on January 1, 2014, an addition of 1.5% to the original annual interest rate is paid.

Payment upon restructuring's closing:

The Company paid the Israeli and Polish bondholders, following the arrangement's closing date at end 2014, an amount of **€14.3 million (NIS 67.2 million) on account of the 2014 accrued interest** according to the determined mechanism (pari passu to the accumulated interest).

Interest payments 2015-2016:

The Company paid circa NIS 74 million (€17.3 million) for all series of bonds (excluding January 7, 2015 payment).

Principal Prepayments:

The Company is obliged to execute a 75% prepayment upon asset disposals, raising new financial debt or refinancing of assets (except of certain cases). **Accordingly, as of today the Company has paid circa NIS 98.2 million (€21.6 million).**

Deferral of payments:

In the case that in two years from the effective date of the trust deeds (until December 1st, 2016), the Company repays the principal of the bonds (of the three series) in prepayments of at least NIS 434 million, then all remaining principal payments will be deferred by an additional year (on that day and month of each series). **As of today the Company has paid circa 20.4% of the abovementioned amount.**

Shares	13.21% of Plaza's shares allocated to bondholders
Interest 2015-2016	NIS 74 million (€17.3 million) paid (1.5% addition to annual interest rate; interest payments accrued and not paid till 12/2013 were added to principal)
Interest upon restructuring closing (2014)	NIS 67.2 million (€14.3 million) paid on account of interest
Principal	NIS 98.2 million (€21.5 million) paid upon disposal of assets



Activities Following Approval of Restructuring Plan

Sales of assets since approval of the Restructuring Plan

In line with the Company's stated restructuring plan, 75% of the net cash proceeds from Plaza's asset sales are distributed to the Company's bondholders as an early principal repayment.

September 2014: Completed the sale of a 31,500 sqm plot in Targu Mures, **Romania**, generating cash proceeds of €3.5 million.

Completed the sale of Kragujevac Plaza Shopping and Entertainment centre in Kragujevac, **Serbia** for a total consideration of €38.6 million. The net cash proceeds from the sale were €12.2 million.

December 2014: Completed the sale of a 41,000 sqm plot in Hunedoara, **Romania** generating cash proceeds of €1.2 million.

February 2015: Completed the sale of part of a plot in Lodz, **Poland** for €0.5 million.

May 2015: Completed the sale of a 17,000 sqm plot in Brasov, **Romania** generating cash proceeds of €0.33 million.

Completed the sale of Koregaon Park Plaza Shopping and Entertainment Centre located in Pune, **India** for circa €35 million. The net cash proceeds from the sale, circa €7.4million, were put towards Plaza's future investments and used for general corporate purposes. The mall was underperforming and created negative NOI, and circa €14 million of its bank loan was with recourse to the parent company.

June 2015: Completed the sale of a 46,500 sqm plot in Iasi, **Romania** generating cash proceeds of €7.3 million.

September 2015: Completed the sale of an office building in Bucharest, **Romania** (823 sqm GLA) for €1.1 million.

December 2015: Completed the transaction to waive the Company's leasing rights to the Cina property in Bucharest, **Romania**, which has been sold by its owner. The gross proceeds from the transaction were circa €2.7 million.



Activities Following Approval of Restructuring Plan

Sales of assets since approval of the Restructuring Plan – Cont.

- March 2016: Completed the sale of **Liberec Plaza** Shopping and Entertainment Centre in Liberec, Czech Republic for €9.5 million (upon completion of the disposal the Company received €8.5 million (out of the €9.5 million) on account of the Liberec bank loan it purchased in 2015).
- March 2016: Completed the sale of a 23,880 sqm plot in **Slatina, Romania** generating cash proceeds of €0.66 million.
- March 2016: Signed a binding pre-agreement to sell the plot in **Piraeus, near Athens, Greece**, for €4.7 million. The sale agreement with a third party developer is subject to certain conditions being met, including due diligence which has up to six months to complete.
- May 2016: Entered into a business sale agreement with respect to the sale of **Riga Plaza** shopping and entertainment centre in Riga, Latvia, to a global investment fund. The agreement reflects a value for the business of circa €93.4 million.
- May 2016: Announced the sale of the wholly owned subsidiary, which holds the “**MUP**” plot and related real estate in Belgrade, Serbia, for €15.9 million.
- Improving Performance: Continuing improvement of the occupancy levels and NOI of the malls, extending leases and stabilizing performance.



Activities Following Approval of Restructuring Plan

Bank Loans- Refinancing and Discounts

As part of the Company's plan to reduce its leverage, the following action was taken:

February 2014: Following the sale of its **airplane** for US\$1.9 million, the Company reached a settlement with the airplane financing bank for a reduced repayment of US\$1.1 million (out of the outstanding balance of US\$1.9 million). The settlement generated a gain of US\$0.81 million (€0.6 million) in the Company's books.

May 2015: The Company concluded the sale of **Koregaon Park Plaza** in Pune, India, which eliminated a recourse component of the loan of circa €14 million (the recourse would have matured 4 years from the restructuring approval - July 2018).

June 2015: The Company concluded the sale of an SPV holding a plot comprising a c. 1,200 sqm plot in **Ploiesti, Romania** for a total consideration of €240,000. The proceeds were used to repay an outstanding bank loan and no proceeds were obtained by the Group. A waiver was obtained for the remainder of the unpaid bank loan facility, totaling €1.4 million, and the Company therefore recorded a gain, included as finance income in its consolidated financial statements.

September 2015: A subsidiary of the Company has won a tender to buy the loan of the wholly owned holding and operating company for **Liberec Plaza** shopping and entertainment centre in the Czech Republic. Plaza has agreed to buy the €20.4 million bank loan (which was provided by two commercial banks) for €8.5 million, reflecting a discount of 58%. The Company recorded a profit on the discount (circa €12 million) in its financial statements for the second half of 2015. The Liberec loan was a full recourse loan (the recourse would have matured 4 years from the restructuring approval - July 2018).



Activities Following Approval of Restructuring Plan

Plaza's Main Focus in 2016

- Developments:**
1. Continuing construction of **Belgrade Plaza** (“Visnjicka”) in Belgrade, Serbia – The building permit was received in July 2015 and bank financing is expected to be agreed shortly. The project is the subject of a very strong demand from retailers. Construction began in 2015, with demolition works and pile works completed and skeleton construction underway, the completion is targeted for the first half of 2017;
 2. Commencing construction of **Timisoara Plaza** in Timisoara, Romania – The building permit was received in July 2015 and a binding financing offer has also been agreed for circa 65% of the project cost;
 3. Advancing related permits and approvals for the **Casa Radio** project in Bucharest, Romania and exploring opportunities for financing and/or partnerships for the development; and
 4. Continuing processes to secure relevant local planning and permitting approvals for the **Lodz Plaza** project in Poland.

- Asset sales:**
1. Sale of the yielding assets where value potential is or is close to being established and where sale prices are appealing;
 2. Sale of plots which are not part of the Company's core business or not suitable for development in the short/medium term.

Debt: Continuing to reduce corporate debt by early repayments following sale of assets according to the Company's debt restructuring agreement, and achieving a one year deferral period on bond principal repayments (NIS 434 Million) per the restructuring plan.

General Expenses: Continue with efficiency measures and cost reduction where possible. At the end of 2015, G&A expenses phase was reduced to below €6 million per annum following stringent cost control initiatives, e.g. the Board was reduced from 7 to 5 members.

Board & Management: Stabilising the Company's board and management.



Financial Highlights

Summary

- Reduction in total assets value to €386 million (31 December 2015: €392 million) mainly due to cash decrease, which was used to repay interest and principal of bonds according to restructuring plan.
- Book value of the Company's trading properties decreased by 2.5% (€8 million) over the period, primarily due to the sale of Liberec Plaza shopping center.
- The Net Operating Income ("NOI")* performance of current operational shopping centres (excluding Riga shopping centre) slightly decreased in Q1 2016 to €3.3 million (Q1 2015: €3.5 million), mainly due to discounts granted to new and renewed tenants in several shopping centers across the portfolio of assets held. The total NOI of Plaza's five malls was circa €4.2 million.

(*) In respect of NOI performance of shopping centres, refer to slide 23.



Financial Highlights

Summary- cont.

- Loss in Q1/2016 totalled €7.6 million (Q1 2015: loss of €17.7 million), the 2016 loss stemming vastly from a non-cash €8.5 million of finance costs (resulting from Bonds discount amortisation), Basic and diluted loss per share reduced to €0.01 (March 31, 2015: loss per share of €0.03).
- Consolidated cash position as at March 31, 2016 (including restricted bank deposits, short term deposits) of €13.7 million (31 December 2015: €20.4 million) and current cash position of circa €20 million (of which €6.1 million is restricted).
- Gearing slightly increased to 81% (31 December 2015: 79%), due to the abovementioned discount amortization.



Financial Highlights

Results (€ 000)

	Three months ended March 31	
	2016	2015
Revenue from disposal of Trading Property	9,632	-
Rental income	4,524	5,291
Revenues from entertainment centres	-	219
	14,156	5,510
Cost of Trading Property disposed	(9,632)	-
Cost of operations	(1,424)	(1,907)
Cost of operations – entertainment centres	-	(315)
Loss from disposal of Trading property SPV ⁽¹⁾	(355)	-
Gross profit ⁽²⁾	2,745	3,288

(1) Due to the Liberec Plaza SPV sale – attributed to price adjustments of receivables in the SPV and cost of transaction

(2) Refer also to slides 17 and 23 for more information regarding NOI from operating shopping centres



Financial Highlights

Results (€ 000)- cont.

	Three months ended March 31	
	2016	2015
Write-down of Trading Property	(23)	(212)
Share in results of equity-accounted investees ("EAI"), net of tax	569	(176)
Administrative expenses ¹⁾	(1,542)	(1,810)
Other income	362	1,960
Other expenses	(182)	(583)
Profit from operating activities	1,929	2,467

(1) Sharp decrease in line with Group policy of cost cutting.



Financial Highlights

Results (€ 000)- cont.

	Three months ended March 31	
	2016	2015
Finance income ⁽¹⁾	3,592	1,417
Finance costs ⁽²⁾	(12,900)	(21,338)
Net finance costs	(9,308)	(19,921)
Loss before income tax	(7,379)	(17,454)
Income tax expense	(258)	(224)
Loss for the period	(7,637)	(17,678)



Financial Highlights

Notes to the results

- (1) Finance income increased to €3.6 million from €1.4 in Q1 2015 mainly due €3.3 million income resulting from Forex and Israeli CPI decrease incurred in 2016.
- (2) Finance costs decreased from €21.3 million in Q1 2015 to €12.9 million in Q1 2016. The main components of costs were:
 - NIS strengthening vs. EUR during 2015 effect on debentures totaled €13.0 million of expense (2016 – income, see above).
 - Interest expenses booked on debentures totaled €3.3 million of (Q1 2015- €3.4 million expense recorded).
 - In Q1 2016 an additional €8.5 million recorded as an expense (non-cash), associated with amortization of discount on debentures (Q1 2015- €2.8 million).
 - Interest expenses on borrowings totaled €1 million in Q1 2016 (Q1 2015 - €2 million of expenses).



Financial Highlights

Company's Shopping Centres' Net Operating Income ("NOI")

The following table presents the NOI performance of shopping centres for the three months ended 31 March 2016:

Shopping Centre	NOI 3 months 2016 (€M)	NOI 3 months 2015 (€M)	Remarks
Torun	1.9	2.0	
Suwalki	0.9	0.9	
Zgorzelec	0.25	0.3	
Liberec	0.25	0.3	The SPV was sold in March 2016
Subtotal	3.3	3.5	
Riga	0.9	0.9	Not included as part of gross profit due to IFRS requirements, but rather as part of Equity Accounted Investees.
Total	4.2	4.4	



Financial Highlights

Debt Structure of the Group

Debt Structure – March 31, 2016			€ million
Debt	Debentures ⁽¹⁾		197
	Bank Loans	CEE - operating malls ⁽³⁾	122
		CEE - others ⁽⁴⁾	8
	Total Debt		327
Resources	Liquid balances - Consolidated	Including receivable due to selling Liberec – obtained in beginning of April 2016	18
	Restricted bank deposits		5
	Total sources		23
Net Financial Debt			304
Shareholders' equity (Non-revalued)			74
Net Debt / Net CAP ⁽²⁾			80%
Total Net Debt to Balance Sheet			79%

(1) Adjusted Par Value

(2) Net CAP= Net Debt + Equity

	€ million
(3) CEE - Operating malls	
Riga	28
Suwalki	27
Zgorzelec	21
Torun	45
IRS SWAP	1
	122

(4) CEE - Projects under development

	€ million
Bas (Romania)	8.2
	8.2

Bonds as at March 31, 2016			
	Original currency (ILS/PLN)	fx rate	liability (M EUR)
Bond A	276,116,922	4.29	64
Bond B (net of treasury bonds)	514,477,709	4.29	120
Polish bond	55,090,376	4.27	13
Total			197



Operational Highlights

Developments, Finance and Asset sales

- The Company completed the sale of its subsidiary holding the **Liberec Plaza**, a shopping and entertainment centre in the Czech Republic, on 31 March 2015 for €9.5 million. Following net asset value adjustments related to the subsidiary's balance sheet, the group received net €9.37 million. The majority of the proceeds from the sale (€8.5 million, reflecting 100% of the loan) was repaid to Plaza Centers Enterprises B.V., a wholly owned subsidiary of Plaza, on account of the bank loan has successfully acquired by this subsidiary Company in September 2015 (the bank loan was provided to the SPV, the holding and operating company of Liberec Plaza). At least 75% of the remaining net proceeds will be distributed to the Company's bondholders by the end of June 2016, in line with the Company's stated restructuring plan.

Plaza acquired the loan of Liberec Plaza at a circa 58% discount in October 2015 and, since then, the Company has benefitted from free cash arising from the asset's income, as well as the release of restricted cash of approximately €700,000. As a result of the sale, it delivered almost €1 million of surplus cash flow after the settlement of the loan.

- As announced on 8 April 2016, Plaza has signed a binding pre-agreement to sell a 15,000 sqm development plot in **Piraeus, near Athens, Greece**, for €4.7 million. The sale agreement with a third party developer is subject to certain conditions being met, including due diligence which has up to six months to complete. The purchaser has provided a corporate guarantee to secure the transaction for 10% of the consideration. A building permit for the land was received in 2009 for the construction of a shopping centre but, due to market conditions, the strategic decision was taken by Plaza not to proceed with the project. Upon completion of the disposal, in line with the Company's stated restructuring plan, 75% of the net cash proceeds will be distributed to Plaza's bondholders.

- Construction of **Belgrade Plaza (Visnjicka)** is progressing well and is on schedule. Tenant demand is strong and 48% of the shopping centre is now pre-let with heads of terms or lease agreement having been already signed with tenants, among them several international retailers including H&M and Inditex – and this is more than a year before planned opening of the shopping centre to the public.



Operational Highlights

Developments, Finance and Asset sales- cont.

- As announced after on 16 May 2016, after the period end, a subsidiary of Plaza, in which the Company has a 50% stake, entered into a business sale agreement with respect to the disposal of **Riga Plaza** shopping and entertainment centre in Riga, Latvia, to a global investment fund. The agreement reflects a value for the business of circa €93.4 million (reflecting 100%), which is in line with the last reported book value. In line with the Company's stated restructuring plan, 75% of the net cash proceeds from Plaza's share of the sale of the business (expected to be 75% from circa €19 million, following the repayment of the bank loan associated with the business of circa €55 million (reflecting 100%)), will be distributed to Plaza's bondholders within the quarter following the closing. The closing of the transaction is subject to several conditions precedent, all of which are expected to be fulfilled in the coming months.
- On 17 May 2016, Plaza announced the sale of its wholly owned subsidiary, which holds the **"MUP" plot** and related real estate in Belgrade, Serbia, for €15.9 million, above the last reported book value of circa €13.5 million. Following the fulfilment of certain technical conditions that are expected to be met in the coming weeks, the purchaser will pay €11 million in cash to the Company. An additional €300,000 will be due before 30 November 2016 and the remaining €4.6 million will be due within 15 months from the transaction closing date. Furthermore, Plaza will also be entitled to an additional pending payment of €600,000, on top of the €15.9 million transaction consideration, once the purchaser successfully develops at least 69,000 sqm above ground.

Upon the receipt of each stage payment, in line with the Company's stated restructuring plan, 75% of the net cash proceeds will be distributed to Plaza's bondholders in the following quarter.



Operating Shopping and Entertainment Centres

■ Stable performance at core CEE shopping centres during the Period:

Portfolio occupancy slightly improved to 95.92% as of 31 March 2016, compared to 94% in Q1 2015.

- At **Torun Plaza**, Poland, occupancy increased to 94.08% (2015: 92.81%) due to new openings such as Sizeer, book store “World Books” and tour operator Rainbow. Further to this, an additional 600 sqm has been leased by existing tenants Reserved and CCC, both of which are expanding their stores. Despite the positive letting activity, turnover at the shopping centre decreased by 8% compared to the same period, while like-for-like footfall was down by 7%, as a reduced number of shops were opened due to the refurbishment works and fit-out of the units for new tenants. Most of these works were completed by the reporting date, and the Company expects improvement of both indicators in the next quarters till the year end.
- Turnover at **Riga Plaza**, Latvia, was up by 6.2% compared to the first quarter of 2015, while footfall also increased on a like-for-like basis by 1.3% and occupancy remained stable at 97% (2015: 96.1%). This stabilised positive performance and further potential have enabled the sale of the shopping centre after the period end, as detailed on the previous slide.
- Turnover at **Suwalki Plaza**, Poland, was significantly up by 11%, while footfall increased by 7%, versus the first quarter of 2015. Occupancy remains high (95.4% compared to 99.2% in Q1 2015) despite a number of lease expiries and negotiations are currently underway with a number of existing and prospective new tenants, the successful conclusion of which should result in close to 100% occupancy again in the near future.
- Turnover at **Zgorzelec Plaza**, Poland, was up significantly, increasing by 11% on a like-for-like basis. Footfall at the centre has risen by 6% while occupancy remained stable at 89%.





THE END

