

23 October 2007

## **PLAZA CENTERS FORMS PARTNERSHIP TO DEVELOP RESIDENTIAL AND OFFICE PROJECTS IN ROMANIA**

Plaza Centers N.V. ("Plaza" or the "Company"), a leading emerging markets property developer, today announces that it has entered into a joint venture partnership with BAS Development ("BAS"), to develop residential and office projects in Romania. BAS is a private company which is active in the Romanian property market and which operates primarily in partnership with Aura Investments Limited, an Israeli investment and management company listed on the Tel Aviv Stock Exchange (AUR.TA).

A newly established company (the "JV Company"), of which 50.1 per cent will be owned by Plaza and the remaining 49.9 per cent by the current shareholders of BAS, will acquire BAS' ownership in five existing residential and office development projects. The acquisition price of approximately €6.9 million reflects the initial value of BAS' net interest in the projects. BAS will retain responsibility for managing these projects.

The five projects are located in three of Romania's largest cities: Bucharest, Brasov (the gateway to Transylvania) and Ploiesti (56 km north of Bucharest). Plaza anticipates that these cities are poised for significant growth, particularly in light of the positive economic impact of the EU on this region. In the future, the JV Company will work to identify and secure additional residential and office development opportunities in these and other large cities in Romania.

### **Commenting on the deal, Ran Shtarkman, CEO, Plaza Centers N.V. said:**

"Our main focus of activity will continue to be shopping and entertainment centres. However, we believe the opportunity to gain a position in Romania's fast growing residential and office markets, at little cost and risk to Plaza, will generate a profitable return as we strive to generate increased shareholder value.

"We know the Romanian market very well and have a strong local presence. We are therefore confident that diversifying into additional sectors in this region will generate significant additional returns. Bucharest, Brasov and Ploiesti are vibrant cities in excellent locations which we believe will generate significant value growth. This, in turn, will translate into higher returns for our shareholders."

**Ends**

### **For further details please contact:**

#### **Plaza**

Ran Shtarkman

+36 1 462 7221

Roy Linden

+36 1 462 7105

#### **Financial Dynamics**

Stephanie Highett/Lauren Mills

+44 20 7831 3113

## Notes to Editors

**Plaza Centers N.V.** ([www.plazacenters.com](http://www.plazacenters.com)) is a leading emerging markets developer of shopping and entertainment centres. It focuses on constructing new centres and, where there is significant redevelopment potential, redeveloping existing centres in both capital cities and important regional centres. The Company is dual listed on the Main Board of the London Stock Exchange and, as of 19 October 2007, the Warsaw Stock Exchange. Plaza Centers N.V. is an indirect subsidiary of Elbit Medical Imaging Ltd. ("EMIL"), an Israeli public company whose shares are traded on both the Tel Aviv Stock Exchange in Israel and the NASDAQ Global Market in the United States.

Plaza Centers is a member of the Europe Israel Group of companies which is controlled by its founder, Mr Mordechay Zisser. It has undertaken real estate development in emerging markets for more than 11 years.

**B.A.S. Development B.V.**, a private company, which specialises in the development of residential and office schemes, mainly in Romania, under the brand name "Primavera".

**Aura Investments Limited** is an Israeli public company which has been traded on the Tel Aviv stock exchange since 1993 (AUR.TA). Through its 100% subsidiary, Aura Europe SA, it is active in the development of 18 residential, office and retail projects in Romania, Hungary and Kazakhstan. In addition, Aura is active in the development of over 20 residential projects in Israel.