



FOR IMMEDIATE RELEASE:

Gazit Brasil Acquires 33% of Shopping Cidade Jardim in Sao Paulo for R\$ 410M (approximately USD 130M)

TEL-AVIV, ISRAEL; November 11, 2016 – Gazit-Globe (NYSE; TSX; TASE: GZT), one of the world's leading multi-national real estate companies focused on the ownership, management, acquisition, development and redevelopment of supermarket-anchored shopping centers in major urban markets, announced today that it has entered into a binding agreement to purchase 33% of Shopping Cidade Jardim in Sao Paulo, Brazil, for R\$ 410 million (approximately USD 130M), excluding closing costs.

Shopping Cidade Jardim is one of Sao Paulo's highest quality shopping centers located in the affluent neighborhood of Morumbi. The shopping center is situated alongside one of the city's major ring road highways and integrates with nine high-end residential buildings and three office towers. Approximately 665,000 inhabitants live within a 5-kilometer-radius of the property with an average annual household income of R\$ 165,000, which is more than double the city's average.

Shopping Cidade Jardim was opened in 2008 with approximately 200 stores, including Chanel, Prada, Louis Vuitton, a fitness club, cinemas and high-end restaurants. The total GLA of the mall is approximately 39,000 sqm, it includes 1,170 parking spaces with a 97% occupancy.

The remaining 67% stake in the mall will continue to be held by JHSF (Bovespa: JHSF3). Founded in 1972, JHSF is controlled by the Auriemo family, and is recognized for its ability to identify and develop state-of-the-art real estate assets in major cities in Brazil.

The purchase agreement includes a right of first offer in favor of JHSF to acquire up to 33% interest in an asset owned by Gazit Brasil, in the event of the redevelopment or sale of that asset. In consideration for this right of first offer, Gazit Brasil will be granted an option to acquire a 33% ownership stake in the potential retail development to be carried out on the two parcels of land which are adjacent to the Shopping Cidade Jardim mall.

Rachel Lavine, CEO of Gazit-Globe: "We are pleased with the opportunity to increase our portfolio in our wholly owned subsidiary in Brazil by acquiring this urban property, which is one of the highest quality malls in the country. In recent months, we sold the principal part of our holdings in BR Malls representing a gain of approximately NIS 150 million, and this transaction demonstrates the further implementation of our business strategy to increase the private real estate component in our portfolio. The economic environment in Brazil is now improving and we are beginning to see the fruits of our investment in recent years."

Gazit Brasil CEO, Mia Stark: "Shopping Cidade Jardim is the most elegant open mall and part of a mixed-use project that offers an exceptional experience due to its natural daylight and garden-front shops of fashion, leisure and world class gastronomy. The acquisition of Shopping Cidade Jardim represents another milestone for Gazit Brasil focused strategy and includes this dominant asset to its urban portfolio in the business capital of South America, Sao Paulo, one of the alpha cities in the world."

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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.

About Gazit-Globe

Gazit-Globe is one of the largest owners, developers and operators of predominantly supermarket-anchored shopping centers in major urban markets around the world. 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-25 and Real-Estate 15 indices in Israel. As of June 30, 2016 Gazit-Globe owns and operates 429 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\$ 21.5 billion.

About Gazit Brasil

Gazit Brasil is a private company engaged in the acquisition, development and management of shopping centers in Brazil. Upon completion of the transaction, Gazit Brasil owns 9 shopping malls and an office building with a leasable area (GLA) of about 140,000 square meters valued at more than R\$ 1.8 billion (USD 600 million).

FOR ADDITIONAL INFORMATION

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