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GAZIT-GLOBE

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Gazit-Globe Increases its Holding in Gazit-Globe Israel (Development) to 100% and Becomes the Sole Shareholder in the Company

Yaron Eshel, Deputy CEO will be appointed CEO of Gazit Israel

TEL-AVIV, ISRAEL; May 8, 2016 – Gazit-Globe (NYSE; TSX; TASE: GZT), one of the world's leading multi-national real estate companies focused on the management, acquisition, development and redevelopment of supermarket-anchored shopping centers in major urban markets, announced today the increase of its holding in Gazit Israel to 100%, becoming the sole shareholder in the company.

Gazit-Globe is acquiring the outstanding shares of the company, representing c.15% of Gazit Israel, which are held by its CEO, Ronen Ashkenazi. It was also agreed that Ashkenazi will step down from his position as the CEO of the company and that Gazit Israel (directly and indirectly) will sell to Ashkenazi the rights in two land plots, an office building in Israel (for which Ashkenazi will be entitled for a partial vendors loan) and part of the shares of subsidiaries that own real estate in Bulgaria and Macedonia (the company will continue to own the remaining shares), all assets which are non-core for the company.

Yaron Eshel, Deputy CEO will be appointed CEO of Gazit Israel. Eshel joined Gazit Israel 10 years ago and has many years of experience in the fields of real estate and investment.

Rachel Lavine, CEO of Gazit-Globe said: "We are pleased to increase our holdings in Gazit Israel to 100% in accordance with the company's business strategy to increase its direct holdings of private real estate. In the coming years, we will continue to strategically develop and grow Gazit Israel."

Ronen Ashkenazi said: "I would like to thank Gazit Group, its controlling shareholders and management, and in particular my devoted colleagues in Gazit Israel for the long-standing successful partnership, which led the company to be a leading player in the Israeli shopping center industry. I wish us all success in the future, especially to Yaron Eshel, who I'm sure will manage the company with dedication and professionalism that characterized him so far."

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 December 31, 2015 Gazit-Globe owns and operates 451 properties in more than 20 countries, with a gross leasable area of approximately 6.6 million square meters and a total value of approximately US\$ 21 billion.

FOR ADDITIONAL INFORMATION

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