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GAZIT-GLOBE

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FOR IMMEDIATE RELEASE:

Gazit-Globe in a Major, Strategic Transaction: Acquires Norway's Sektor Through its Subsidiary, Citycon, for EUR 1.47 Billion

Chaim Katzman, Chairman of Gazit-Globe and Citycon: "This Transaction Strengthens the Position of Gazit-Globe as a Leader in the Global Shopping Center Industry"

TEL-AVIV, ISRAEL; May 25, 2015 – 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 that its subsidiary, Citycon (42.8%), entered into an agreement to purchase all of the shares of Norway's second largest commercial real estate company, Sektor Gruppen, for consideration amounting to approximately EUR 1.47 billion subject to customary balance sheet and post-closing adjustments. The consideration will be paid in cash (approximately EUR 541 million) and by the assumption of debt. Citycon will become the largest publicly-listed shopping center company in the Nordic region and the third largest in continental Europe.

Sektor Gruppen is a private company focused on the development and operation of supermarket- anchored shopping centers in Norway. The majority of its assets (95%) are located in the three main economic centers of Norway - Oslo, one of the fastest growing cities in Europe, as well as in Bergen and Stavanger, two major growing cities bordering the North Sea. Total assets under management exceed 600,000 sqm of which approximately 400,000 sqm are owned by Sektor. Sektor's revenues in 2014 were EUR 127 million and its net operating income amounted to approximately Euro 75 million. The net initial yield of the assets is approximately 5.2% with the potential for substantial organic growth, which is expected to be accretive to Citycon's earnings per share from 2016. As of December 31, 2014, the Sektor portfolio had an occupancy rate of 96.5%.

Citycon intends to finance the acquisition through a rights issue of approximately EUR 600 million, a EUR 250 million bridge financing facility obtained from a syndicate of Nordic banks, and, if necessary, from existing credit facilities. In addition, waivers have been obtained for approximately EUR 671 million of the existing bank financing facilities of Sektor to remain in place upon closing. The closing of the transaction is expected to take place in July 2015.

Gazit-Globe has provided a commitment to subscribe for its pro rata share (42.8%) in the rights offering, approximately Euro 257 million, while the second largest shareholder in Citycon, Canada Pension Plan Investment Board, CPPIB (15.0%), which is the largest pension fund in Canada, has also committed to participate in its pro rata share of the rights issue. The transaction advisers are JP Morgan, SEB and Pangea Property Partners.

Based on on-going discussions between Citycon and their rating agencies, Citycon expects that its current credit rating (BBB from Standard & Poor's and Baa2 from Moody's) will be maintained after the transaction, subject to the expected rights offering and other terms related to the transaction.

Chaim Katzman, Chairman of Gazit-Globe and Citycon: "This major, strategic transaction further strengthens Gazit-Globe's position as one of the most significant players in the global shopping center industry as well as demonstrating our ability to enter into new and attractive markets, including AAA rated countries with high barriers to entry, and become a market leader, while further enhancing our portfolio diversification and our cash flow."

Katzman added: "With this transaction, Citycon continues to establish its position as the leading European shopping center company active in the Nordic region and the third largest in continental Europe as it increases its asset value to approximately EUR 5 billion. Upon completion, Citycon's portfolio will benefit from the entry into Norway, an economy with one of the highest incomes per capita in the world, which now will comprise 30% of Citycon's portfolio and approximately 7% of Gazit-Globe's."

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. Gazit-Globe owns and operates 524 properties in more than 20 countries, with a gross leasable area of approximately 6.3 million square meters and a total value of approximately US\$ 21 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.