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GAZIT-GLOBE

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FOR IMMEDIATE RELEASE:

**Citycon to Raise EUR 400 Million in New Capital
CPPIB to Become a Strategic Shareholder in Citycon**

TEL-AVIV, ISRAEL; May 13, 2014 - Gazit-Globe (NYSE; TSX; TASE: GZT), one of the world's leading multi-national real estate companies focused on the acquisition, development and redevelopment of supermarket-anchored shopping centers in major urban markets, announced today that its Finnish subsidiary, Citycon Oyj ("CTY"), is raising approximately EUR 400 million in new capital. Approximately 77.9 million shares (for an aggregate amount of approximately EUR 206 million at a price of EUR 2.65 per share) will be issued in the form of a directed share issuance to the CPP Investment Board European Holdings S.à.r.l ("CPPIBEH"), a wholly owned subsidiary of the Canada Pension Plan Investment Board, the strategic investor that joint ventured with CTY in December 2012 to acquire Kista Galleria in Stockholm, Sweden.

The shares issued to CPPIBEH in the directed share issuance will represent approximately 15% of CTY's outstanding share capital prior to the rights issuance. Subsequent to the completion of the directed share issuance, a rights issuance of up to approximately 74.2 million new shares will be offered to CTY's shareholders at the same subscription price of EUR 2.65 per share, raising an aggregate additional amount of approximately EUR 200 million for CTY.

Gazit-Globe and CPPIBEH, together with the Finnish pension fund Ilmarinen Mutual Pension Insurance Company, have, subject to certain conditions, undertaken to fully subscribe to their respective pro rata shares in the rights issuance. In addition, Gazit-Globe and CPPIBEH have further committed, subject to certain conditions, to back-stop additional amounts of the rights issuance to the extent a portion remains unsubscribed after the primary phase is completed.

As part of the transaction, Gazit-Globe and CPPIBEH have entered into a governance agreement that, among other things, commits each of the parties to certain understanding with respect to the election of directors at shareholders meetings and includes a tag-along right for CPPIBEH in the event of a sale of a certain number of shares by Gazit-Globe, and obligates both parties to work towards the application of best corporate governance practices at CTY.

As of the date hereof, Gazit-Globe holds approximately 217.6 million shares of CTY, constituting approximately 49.3% of its share capital and voting rights. Following the directed share issuance, Gazit-Globe will hold approximately 42% of CTY's share capital and voting rights, while after the rights issuance (assuming the full exercise of its underwriting commitment), Gazit-Globe holdings will rise to approximately 45%.

The transaction remains subject to the authorization of CTY's shareholders who will convene for an extraordinary general meeting in early June.

Chaim Katzman, Chairman of Gazit-Globe and Citycon: "This is a vote of confidence in Citycon by CPPIB, which is one of the world's largest investment funds with global real estate assets of over US\$ 20 billion. The investment signals CPPIB's recognition of the ability of Citycon's management to navigate the long-term strategic growth of Nordic and Baltic shopping centers."

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 577 properties in more than 20 countries, with a gross leasable area of approximately 6.6 million square meters and a total value of more than US\$ 22 billion.

FOR ADDITIONAL INFORMATION

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About CPPIB

Canada Pension Plan Investment Board (CPPIB) is a professional investment management organization that invests the funds not needed by the Canada Pension Plan (CPP) to pay current benefits on behalf of 18 million Canadian contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. At December 31, 2013, the CPP Fund totalled C\$ 201.5 billion. For more information about CPPIB, please visit www.cppib.com.

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.