AZRIELI GROUP

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Press release

Menachem Einan to be promoted to Active Deputy to Azrieli Group's Chairman; Shlomo Sherf to be appointed as the Group's CEO

David Azrieli, Chairman of the Board: "The upgrade in the structure of management expresses the vast importance we place in establishing exceptional managerial leadership in the group"

Azrieli Group's board of directors announced today (Sunday) the expansion of the structure of management leading the group. In this context, the company approved Menachem Einan's promotion to active deputy to the group's chairman. In this position, Einan will be responsible for the strategic areas related to Azrieli Group's continued business development and realization of its long-term vision. Further to this appointment, the board announced the appointment of Shlomo Sherf as the group's CEO. Sherf will take office on April 1, 2011.

Menachem Einan, who is regarded as one of Israel's most highly esteemed business leaders, has acted as CEO of Azrieli Group for approx. 19 years. Upon taking office, the group owned only two shopping malls. The group now holds 11 active malls and another 4 under construction. In recent years, Einan led the expansion of the group's activity to new areas of business, including the acquisition of Granite HaCarmel and the partnership with Leumi Group in Leumi Card. In the last year, Einan led the Group's IPO, which is considered the largest private offering of all times on the Israeli stock exchange. Azrieli Group is traded on the Tel Aviv 100 index with a market cap of approx. NIS 12.5 billion.

Shlomo Sherf (61), the designated CEO, has held a series of positions in Electra Group and has acted as the group's CEO for about 20 years. In the last decade, Sherf acted to develop Electra's real estate business in Israel and overseas, and focused on this area in the last five years as CEO of Electra Real Estate. Sherf has led, among others, real estate transactions at a total scope of billions of shekels, offerings, placements and new business development.

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Danna Azrieli, active vice Chairman of Azrieli Group, said following the company's announcement: "We welcome Shlomo Sherf to Azrieli Group. I have no doubt that he has the experience, capabilities and talent to step into Menachem Einan's shoes and continue leading the group forward. Shlomo Sherf will have at his disposal all the means necessary for his success and quick acclimation. At the same time, we will continue to draw on Menachem Einan's vast experience also in the years to come".

David Azrieli addressed the company's announcement today, saying that "the upgrade in the structure of management expresses the vast importance we place in establishing exceptional managerial leadership in the group". Referring to Einan's appointment, he said that "Menachem is due much credit in the establishment of Azrieli Group's positioning and branding as a leading and influential player in Israel, and for steering it through the most stormy periods experienced by the global economy and the Israeli market. In his new position, Menachem Einan will be responsible for realizing the group's vision and continuing its impressive and steady business growth, and for placing before the group new goals and challenges. I believe that together with my vice chairman, Danna Azrieli, we will continue to lead the group to more achievements". Referring to Shlomo Sherf's appointment, Azrieli said: "Throughout his years at Electra, Sherf demonstrated exceptional managerial capabilities, including identifying and seizing new business opportunities, and impressive handling of challenging times, and all in a conservative and stable manner and while demonstrating professionalism and responsibility".

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