January 06, 2012

Press Release

Azrieli Group withdraws its application for approval to purchase "Ir Yamim" mall in Netanya, following disagreements with the Antitrust Authority

At noon today, Azrieli Group announced its decision to withdraw the application it filed with the Antitrust Authority to approve the purchase of the "Ir Yamim" mall in Netanya, in view of Azrieli Group's disagreement with the conditions posed by the Authority for approving the transaction. Accordingly, the condition precedent for closing the transaction for the purchase of the "Ir Yamim" mall was not fulfilled.

The group is continuing to promote extensive projects in the income-producing real estate sector, including **Azrieli Sarona Center** (Southern Hakirya), which excavation and shoring work will soon begin for commencement of construction of the office and commerce complex, in the scope of approx. 125,000 sqm; **Azrieli Holon Center**, which is in the midst of construction of the basements; **Azrieli Ramla mall**, whose construction is scheduled to begin shortly; **Azrieli Rishonim project**; and a second floor at **Ayalon mall** in Ramat Gan.

Menachem Einan, Deputy Chairman of the Board, said: "The Group will continue to invest in and develop income-producing real estate in Israel in a significant scope".

The group's investments in existing development projects are estimated at over NIS 3 billion. It should be noted that as of the date of reporting of its financial results for the third quarter of 2011, the group has liquid means (cash and cash equivalents) of approx. NIS 1.5 billion, which provide high financial flexibility and make it possible to take advantage of investment opportunities and raise capital on good terms.