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## RECORDS OF A MEETING.

On the thirtieth day of May two thousand and thirteen, I, Martine Bijkerk, civil-law notary in Amsterdam, at the request of the board of the public limited liability company: **Kardan N.V.**, with corporate seat in Amsterdam, having its place of business at (1082 MD) Amsterdam, Claude Debussylaan 30, Viñoly building thirteenth floor ("**Company**" or "**Kardan**"), attended a general meeting of shareholders of the Company, held in Amsterdam (the meeting of the shareholders as well as the corporate body consisting of the shareholders present thereat both called: "**Meeting**"), with the intent to make records of the Meeting. -----

I, civil-law notary, have recorded the following: -----

### 1. Opening -----

Mr. Peter Sheldon, born in Chesterfield, the United Kingdom, on the eleventh day of June, nineteen hundred forty-one, chairman of the board of the Company ("**Board**"), acted as chairman of the Meeting ("**Chairman**"). -----

The Chairman opened the Meeting shortly past ten, welcomed the attendants, explained about the Meeting simultaneously in Tel Aviv, and proposed that the language of the Meeting would be English. Subsequently the Chairman declared that:

- in calling the Meeting, all statutory requirements had been met, the Meeting has been announced on the Company's website on the seventeenth day of April two thousand and thirteen, and that advertisements had been placed on the eighteenth day of April two thousand and thirteen in Israel in the newspapers called "Ha'Aretz" and "Makor Reshon"; -----
- the notice calling the Meeting stated that the agenda and the explanatory notes thereto, the annual report of the Company for the year two thousand and twelve ("**2012 Annual Report**") could be obtained free of charge as of the seventeenth day of April two thousand and thirteen at the Company's offices in the Netherlands and in Tel Aviv and the offices of ING Bank in Amsterdam and on the Company's website; -----
- the minutes of last year's annual general meeting as well as the extraordinary meeting held on the sixth day of February two thousand and thirteen were available on the Company's website within the statutory period of publication and copies can be obtained at the entrance of the venue of the Meeting; -----
- Mrs. Ayelet Weller was appointed to check the identity of the beneficial shareholders participating in the Meeting in Tel Aviv; -----
- according to the signed registration list, sixty million one hundred seventy-eight thousand one hundred and sixty-four (60,178,164) shares, having a nominal value of twenty eurocents (€ 0.20) each, in turn representing the same number of votes, were represented at the Meeting, representing



approximately fifty-three and eight/tenth percent (53.8%) of the issued and outstanding share capital of the Company; -----

- Ernst & Young, the Company's external auditor, represented by Mr. W. van Hoeven, was present at the Meeting. -----

After making some further practical announcements, the Chairman continued with the following item on the agenda. -----

**2. Presentation by the CEO on the Company's group activities for the financial year two thousand and twelve and discussion of the report of the Board on the financial year two thousand and twelve.** -----

With respect to the Company's group activities for the financial year two thousand and twelve the Chairman gave the floor to the Company's chief executive officer, Mr. Shouky Oren. -----

Mr. Oren presented the highlights of the Kardan group of companies in two thousand and twelve, the financial developments with respect to the past year, showed a few of the assets and projects of the Kardan group in China, eastern Europe and Africa, and finished his presentation with a short outlook for two thousand thirteen. -----

After Mr. Oren finished his presentation, the Chairman invited the attendants at the Meeting to raise questions relating to the presentation by Mr. Oren. -----

Mr. Stevense (*Stichting rechtsbescherming beleggers*) raised questions on: -----

- the press releases on negative developments on several of Kardan's projects, and how this will affect Kardan's financial position. -----

Mr. Oren explained that a distinction is to be made between Kardan debt, and debt of its subsidiaries. He explained into more detail the financial implications for Kardan in connection with GTC S.A. (positive cash flow position, however this will not substantially affect Kardan as it is a minority shareholder of GTC S.A.), Galleria Bucharest (which has balance sheet issues as a result of revaluation of real estate but has a positive cash flow), Europark Dalian (negotiations for selling Kardan's share in the project were unexpectedly aborted, which has a negative effect on Kardan's cash flow). --- The sale of assets within the group may be considered if necessary from a cash flow point of view. -----

Mr. Sheldon added that as a listed company Kardan sometimes is obliged to go public with information on projects at a very early stage, as a result of which market expectations may be raised a bit prematurely. The fact that any such project will ultimately not lead to a deal should not necessarily be regarded as a negative development. -----

- the level of occupancy of Kardan's shopping malls. -----

Mr. Oren informed the Meeting that in Bulgaria and Rumania the level of consumer confidence and the consumer willingness to spend money are more relevant than the occupancy level of the shopping malls (which level is, in general, good). China is a different market, people are, by large numbers,



moving from rural areas to cities and the middle class is fast growing as a group; as such it is important for Kardan to be present there. Kardan is relatively small in China but the outlooks are promising. -----

Mr. Rechter mentioned that he was at the opening of the Chengdu shopping mall in China, where during the first eight hours more than thirty thousand visitors were counted. -----

**3. Adoption of the annual accounts for the financial year two thousand and twelve (the "2012 Annual Accounts")** -----

There being no further questions, the proposal to adopt the 2012 Annual Accounts was adopted. -----

**4. Dividend policy** -----

The Chairman informed the Meeting that, taking into account the negative results for the past financial year and the commitments of the Company towards its debenture holders not to make dividend distributions until the actual repayment of principal and interest to the debenture holders and in any event not before the publication of the two thousand thirteen annual accounts, the Board has decided not to propose to make any distributions to the shareholders of the Company. -----

No questions were raised. -----

**5. Corporate Governance** -----

The Chairman reminded the Meeting of the introduction of the one-tier governance structure implemented in two thousand and twelve, and the appointment of four non-executive members of the Board in February two thousand and thirteen. He subsequently invited the attendees to discuss the governance structure and implementation of the Dutch Corporate Governance Code as set out in the relevant chapter of the 2012 Annual Report. No questions were raised. -----

**6. Assessment of external auditor** -----

The Chairman informed the Meeting that the audit committee of the Board performed a thorough assessment of the Company's external auditor, Ernst & Young in accordance with the Dutch Corporate Governance Code. The audit committee executed the assessment together with executive management of Kardan and with input received from the Company's chief financial officer, making use of extensive questionnaires. The audit committee declared to the Board to be, overall, content with the services provided and with the dedication of the auditor's team. -----

Mr. Stevense requested the external auditor to inform the Meeting on the process of verification of the Company's financial statements, in the Netherlands as well as in Israel. Mr. Van Hoeven gave a summary of the work done by Ernst & Young, the level of transparency of Kardan, the systems of control, and the good communication with Kardan management. He declared to be satisfied with the information provided and that he had not come across any issues. -----

**7. Appointment of the external auditor for the financial year two thousand and thirteen** -----



The Board proposed to reappoint Ernst & Young in the Netherlands and in Israel as the external auditors. A question was raised on whether or not the appointment should relate to the financial year two thousand and thirteen and fourteen. The Chairman promised to consider the issue for the agenda for next year's shareholders meeting. There being no other questions, the proposal to reappoint Ernst & Young as the external auditors for the financial year two thousand thirteen was adopted. -----

**8. Discharge from liability -----**

**a. Discharge of the members of the Management Board in respect of their management in the period from the first of January two thousand and twelve until the thirty-first of May two thousand and twelve. -----**

The Chairman referred to his explanation in previous years on the nature of the Dutch concept of discharge. He noted that discharge is granted to the extent that it is apparent from the 2012 Annual Report or has been otherwise disclosed to the Meeting prior to the adoption of the 2012 Annual Accounts. There being no questions, the proposal to grant discharge of the members of the Management Board in respect of their management during the period mentioned was adopted. -----

**b. Discharge of the members of the Supervisory Board in respect of their supervision in the period from the first of January two thousand and twelve until the thirty-first of May two thousand and twelve. -----**

The Chairman noted that discharge is granted to the extent that it is apparent from the 2012 Annual Report or has been otherwise disclosed to the Meeting prior to the adoption of the 2012 Annual Accounts. There being no questions, the proposal to grant discharge of the members of the Supervisory Board in respect of their supervision during the period mentioned was adopted. -----

**c. Discharge of the members of the Board in respect of the exercise of their duties as of the thirty-first day of May two thousand and twelve up to and including the thirty-first day of December two thousand and twelve. -----**

The Chairman noted that discharge is granted to the extent that it is apparent from the 2012 Annual Report or has been otherwise disclosed to the Meeting prior to the adoption of the 2012 Annual Accounts. There being no questions, the proposal to grant discharge of the members of the Board in respect of the exercise of their duties during the period mentioned adopted. -----

**9. Approval of amendment of the service agreement with Kardan Israel Ltd. -----**

The Chairman explained that it was proposed that the Company enters into an amendment to a service agreement with Kardan Israel Ltd. which has been in place since two thousand and eight. The proposal requires approval of the Meeting adopted with a special general meeting majority as referred to in the Company's articles of association. After a short explanation of the nature of the proposed amendment, the Chairman noted that the proposed amendment has been approved by the Board with a special board majority as required under Company's articles of association, and that the Board found the proposed amendment fair and reasonable



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and as such not detrimental to the interest of the Company, and that Mr. Grunfeld, Mr. Rechter and Mr. Schnur had refrained from participation in the Board resolution. - There being no questions, the proposal was adopted. -----

**10. Authorisation of the Board to resolve to issue shares, to grant rights to subscribe for shares and to restrict or exclude pre-emptive rights -----**

With respect to these two items, the Chairman noted that in two thousand twelve, the Meeting provided authorization to the Board for a period of five years as of the date of that meeting. In addition, questions were raised by Israeli interested parties on these agenda items, as they do not reflect common practice in Israel. The Board took into account both the term of the existing authorizations and the questions raised, and deemed it unnecessary to have the Meeting vote on these proposals now. As such, the Board decided not to put these items up for voting. -----

**11. Authorization of the Board to resolve for the Company to acquire its own shares -----**

The Chairman proposed to authorize the Board for a period of eighteen months, within the limits of the law and the Company's articles of association, to acquire, on the stock exchange or otherwise in return for payment, shares in the capital of the Company at a price lying between the par value of such shares and one hundred and ten percent of the market value, whereby market value has the meaning as indicated in the notes to the agenda for the Meeting. -----

There being no other questions, the proposal was adopted. -----

The Chairman added that the Board, given the Company's current liabilities does not intend to make use of this authorization in the coming months unless required for the execution of current commitments. -----

**12. Any other business -----**

The Chairman invited the attendants of the Meeting to raise other matters, if any. ----- After answering a few question on the financial calendar included in the 2012 Annual Report and on the reappointment scheme of the members of the Board, the Chairman thanked the attendants for their presence. -----

**13. Closing -----**

There being no further questions the Chairman closed the Meeting at eleven hours and forty minutes. -----

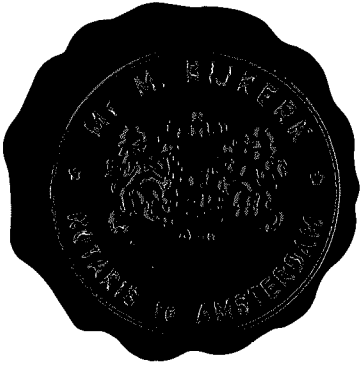
The votes at the Meeting were cast as laid down in the list attached to these records. In order to proof his approval of the minutes of the Meeting, the Chairman will sign this deed. -----

THIS DEED, -----  
is executed in Amsterdam on the twenty-seventh day of August two thousand and thirteen. -----

After the substance of this deed, and thereupon an explanation, had been communicated to the Chairman, he declared that he had taken cognizance of its contents and was in agreement therewith and with its limited reading. -----



The Chairman and I, civil law notary, subsequently signed the deed after its limited reading, according to law. -----  
(Signatures follow). -----



*[Handwritten signature]*  
FOR CERTIFIED COPY: