



KARDAN N.V.

KARDAN LAND CHINA SIGNS AGREEMENT TO SELL EUROPARK DALIAN SERVICE APARTMENT BUILDING

Amsterdam, August 19, 2015 – Kardan N.V., active in Real Estate, Water Infrastructure and Financial Services in emerging markets announces that today its subsidiary Kardan Land Dalian Ltd. (the ‘Project Company’), a wholly owned subsidiary of Kardan Land China Ltd. (‘KLC’), signed a binding agreement (the ‘Agreement’) with Fraser Suite Dalian Company Ltd. (‘ the Purchaser’) to sell Building B of the Europark Dalian project (the ‘Project’) for a total consideration of approximately RMB 481 million (approximately EUR 68 million) (the ‘Consideration’). Fraser Suite Dalian Company Ltd. is a Chinese company belonging to the Frasers Centrepoint Ltd. group, a public company listed on the Singapore Stock Exchange. The Purchaser shall pay 10% of the Consideration within twenty-five working days from the date the Agreement has been signed.

The balance of the Consideration shall be paid in phases, subject to meeting certain conditions precedent and receiving certain approvals which are expected to be met or obtained during the development of the Project, as stipulated in the Agreement.

KLC estimates that 50% of the Consideration will be received in 2015, 25% in 2016, 15% in 2017 and the balance (10%) in 2018. The delivery of the 262 serviced apartments and 14 parking spaces that Building B comprises is expected to take place in the fourth quarter of 2017 when the agreed upon interior construction has been finished in the already completed core and shell of Building B. The Consideration will be used by the Project Company to repay part of a bank loan and for further development of the Project.

The Europark Dalian Project, located in Dalian, comprises a shopping mall (Galleria Dalian), which has its grand opening this week, two Small Office Home Office buildings (Building A1 and Building A2, which have both been completed and of which nearly all apartments have been delivered), service apartments (Building B) and two still to be constructed luxury apartment buildings all situated around a green park. The total built area of the Project is expected to be 327,000 square meters. Besides being connected to Dalian’s new subway line, the Project also offers 2,200 parking spaces.

“This is an important transaction for Kardan Land China as this Agreement signifies the quality of the Europark Project, which offers its residents and consumers the combination of high quality living and retail space in an environmentally friendly setting. KLC focuses on co-operating with its clients and relations to achieve the best for all parties. The sale of Building B is evidence to this, and – after the sale of Building A – is another success for the Europark Project’ states Shouky Oren, Chairman of Kardan Land China and CEO of Kardan N.V.

DISCLAIMER

This press release contains forward-looking statements and information, for example concerning the financial condition, results of operations, businesses and potential exposure to market risks of Kardan N.V. and its group companies (jointly “Kardan Group”). All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements (including “forward looking statements” as defined in the Israeli Securities Law). Forward-looking statements are statements of future expectations that are based on management’s current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. These forward-looking statements are identified by the use of terms and phrases such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “objectives”, “outlook”, “probably”, “project”, “will”, “seek”, “target”, “risks”, “goals”, “should” and similar terms and phrases. A variety of factors, many of which are beyond Kardan Group’s control, affect our operations, performance, business strategy and results and could cause the actual results, performance or achievements of Kardan Group to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. For Kardan



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Group, particular uncertainties arise, amongst others but not limited to and not in any order of importance, (i) from dependence on external financing with the risk that insufficient access to capital threatens its capacity to grow, execute its business model, and generate future financial returns (ii) from concentration of its business in Central Eastern Europe and China as a result of which Kardan Group is strongly exposed to these particular markets (iii) from risks related to the financial markets as a result of Kardan N.V.'s listings on Euronext Amsterdam and the Tel Aviv Stock Exchange and (iv) from it being a decentralized organization with a large number of separate entities spread over different geographic areas in emerging markets, so that Kardan Group is exposed to the risk of fraudulent activities or illegal acts perpetrated by managers, employees, customers, suppliers or third parties which expose the organization to fines, sanctions and loss of customers, profits and reputation etc. and may adversely impact Kardan Group's ability to achieve its objectives and (v) from any of the risk factors specified in Kardan N.V.'s Annual Report and in the related "Periodic Report" (published by Kardan N.V. in Israel) published in April, and which is also available at the Kardan website. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the relevant forward-looking statement as expected, anticipated, intended, planned, believed, sought, estimated or projected. Kardan N.V. does not intend or assume any obligation to update or revise these forward-looking statements in light of developments which differ from those anticipated.

About Kardan

Kardan identifies and develops assets in promising emerging markets, mainly in Asia (predominantly China), Africa and selected CEE and CIS countries. Its activities are mainly focused on three sectors that benefit from the rising middle class: Real Estate, Water Infrastructure and Banking & Retail Lending. Company headquarters are in the Netherlands. Kardan aims at holding controlling interests in its investments and is actively involved in the definition and implementation of their strategy through its local business platforms. Total assets as of March 31, 2015 amounted to EUR 1 billion; revenues totalled EUR 49 mn in the first quarter of 2015. Kardan is listed on Euronext Amsterdam and the Tel Aviv Stock Exchange.

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Building B – Europark, Dalian (China)