



KARDAN SUPERVISORY BOARD RECOMMENDS APPOINTMENT OF MR. SHOUKY OREN AS NEW CHAIRMAN OF MANAGEMENT BOARD

Amsterdam, February 21, 2012 – Kardan N.V. (“Kardan”), active in Real Estate, Water Infrastructure and Financial Services in emerging markets announces that yesterday the Supervisory Board of Kardan decided to recommend to the Annual General Meeting of Shareholders on May 31, 2012, to appoint Mr. Shouky Oren as Chairman of the Management Board of Kardan, following approval of the shareholders. Mr. Shouky Oren will succeed Mr. Alain Ickovics - the current Chairman of the Management Board - who will remain in the Kardan Group as Chairman of the Management Board of Kardan real estate subsidiary GTC Real Estate Holding B.V.

Mr. Oren’s last position was Chief Treasurer of the State of Israel, which position he held from December 2007 until June 2011. Prior to working for the Israeli Government, Mr. Oren held various senior positions in the banking sector, the last one as General Manager of Bank Leumi Switzerland, a private Swiss bank based in Zurich and Geneva.

Mr. Oren is 53, married, has 5 children and has a BA in economics as well as an MBA.

The broad experience in finance combined with the extensive managerial skills and leadership that Mr. Oren has shown during his tenure as Chief Treasurer of the State of Israel, as well as his consequential impressive network within the international financial communities and the capital markets, underpin the decision of the Supervisory Board to propose to appoint him as Chairman of the Management Board of Kardan. Mr. Oren has worked and lived both in Israel as well as abroad and has been exposed to leadership challenges in difficult macroeconomic circumstances, which he has dealt with very successfully. He has been in charge of large organizations with various activities and different cultures. The Supervisory Board of Kardan is confident that Mr. Oren will contribute substantially to the development and further growth of Kardan.

Mr. Oren will join Kardan on February 22, 2012, as the intended Chairman of the Management Board /CEO. Until the Annual General Meeting of Shareholders he will cooperate closely with Mr. Ickovics to ensure a smooth transition.

Further information on the proposal to appoint Mr. Oren will be included in the Notice and Agenda for the Annual General Meeting of Shareholders, to be held in Amsterdam on May 31, 2012.

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 (“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 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’s listings 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



KARDAN N.V.

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's ability to achieve its objectives and (v) from any of the risk factors specified in Kardan's Annual Report 2010 and in the "Periodic Report for 2010" published by Kardan N.V. in Israel on March 31, 2011 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 the CEE, CIS and China. Its activities are mainly focused on three sectors that benefit from the rising middle class: Real Estate, Water Infrastructure and Retail Lending. Company headquarters are in the Netherlands. Kardan aims at holding controlling interests in its investments and, through the development of local business platforms, is actively involved in the definition and implementation of their strategy. Total assets as of September 30, 2011 amounted to EUR 5 billion; revenues totaled EUR 322 million in 9M-2011. Kardan is listed on NYSE Euronext Amsterdam and the Tel-Aviv Stock Exchange.

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