

**ELBIT IMAGING LTD. ANNOUNCES SUBMISSION OF CLAIM
AGAINST IT IN THE ENGLISH HIGH COURT**

Tel Aviv, Israel, January 23rd, 2008, Elbit Imaging Ltd. (the "Company") (NASDAQ: EMITF), today announced that it has been served with a claim submitted against it by CP Holdings Ltd. in the High Court of Justice in London, the United Kingdom (the "*Claim*").

The Claim seeks damages in the amount of approximately Euro 33.5 million in relation to an alleged option agreement between the Company and CP Holdings Ltd. to acquire 25% of the Company's interests in a large development project in Romania.

The Company categorically denies the allegations which have been made in the Claim. The Company intends to vigorously defend the Claim, which it considers to be spurious, tendentious and entirely without merit.

About Elbit Imaging Ltd.

Elbit Imaging Ltd. ("EI") is a subsidiary of Europe Israel (M.M.S.) Ltd. EI's activities are divided into the following principal fields: (i) Initiation, construction, operation, management and sale of shopping and entertainment centers in Israel, Central and Eastern Europe and India; (ii) Hotels ownership, primarily in major European cities, as well as operation, management and sale of same through its subsidiary, Elscint Ltd.; (iii) Investments in the research and development, production and marketing of magnetic resonance imaging guided focused ultrasound treatment equipment, through its subsidiary, InSightec Ltd.; and (iv) Other activities consisting of the distribution and marketing of women's fashion and accessories through our wholly-owned Israeli subsidiary, Elbit Trade & Retail Ltd., and venture-capital investments.

Any forward looking statements with respect to EI's business, financial condition and results of operations included in this release are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward looking statements, including, but not limited to, unexpected results of litigation proceedings, ability to find suitable locations, receipt of approvals and permits for zoning and construction, delays in construction, dependency on partners in the hotels business, competition, risks relating to operations in Eastern Europe and Asia (including India) and risks relating to our image guided treatment, economic conditions, as well as certain other risk factors which are detailed from time to time in EI's filings with the Securities and Exchange Commission including, without limitation, Annual Report on Form 20-F for the fiscal year ended December 31, 2006, filed with the Securities and Exchange Commission on July 3, 2007.

For Further Information:

Company Contact

Shimon Yitzhaki, President
Elbit Imaging Ltd.
(972-3) 608-6000
syitzhaki@elbitimaging.com

Investor Contact

Leslie Wolf-Creutzfeldt
The Global Consulting Group
1-646-284-9472
lcreutzfeldt@hfgcg.com

Dudi Machluf, CFO

Elbit Imaging Ltd.
(972-3) 608-6024
dudim@elbitimaging.com