
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the month of **August 2015**

Commission File Number 000-28996

ELBIT IMAGING LTD.
(Translation of Registrant's Name into English)

7 MOTA GUR STREET, PETACH TIKVA 4900102
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-__

Attached hereto and incorporated by reference herein are the following documents:

- 99.1 Operating and Financial Review and Prospects for the six-month period ended June 30, 2015.
- 99.2 Unaudited Interim Consolidated Financial Data for the six-month period ended June 30, 2015.

Exhibits 99.1 and 99.2 of this Report on Form 6-K are hereby incorporated by reference into Elbit Imaging Ltd.'s Registration Statement on Form F-3 (Registration Statement No. 333-172122) and Registration Statements on Form S-8 (Registration Statements Nos. 333-117509, 333-130852, 333-136684 and 333-152820) and to be a part thereof from the date on which this report is submitted, to the extent not superseded by documents or reports subsequently filed or furnished.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ELBIT IMAGING LTD.
(Registrant)

Date August 24, 2015

By: /s/ Ron Hadassi

Ron Hadassi
Chairman of the Board

EXHIBIT INDEX

<u>EXHIBIT NO.</u>	<u>DESCRIPTION</u>
99.1.	Operating and Financial Review and Prospects for the six-month period ended June 30, 2015.
99.2.	Unaudited Interim Consolidated Financial Data for the six-month period ended June 30, 2015.

Operating and Financial Review and Prospects

The activities of Elbit Imaging Ltd. ("Elbit" or the "Company") are divided into the following principal fields: (i) Commercial Centers - initiation, construction and sale of commercial centers and other mixed-use real property projects, predominantly in the retail sector, located in Central and Eastern Europe, primarily through our 45% subsidiary Plaza Centers N.V. ("PC"); in certain circumstances and depending on market conditions, we operate and manage commercial centers prior to their sale; (ii) Hotels - hotel operation and management; (iii) Medical Industries - (a) research and development, production and marketing of magnetic resonance imaging guided focused ultrasound treatment equipment and (b) development of stem cell population expansion technologies and stem cell therapy products for transplantation and regenerative medicine; and (iv) Residential Projects - initiation, construction and sale of residential units or plots designated for residential, located primarily in India;

We may from time to time make written or oral forward-looking statements, including in filings with the U.S. Securities and Exchange Commission ("SEC"), in reports to shareholders, press releases and investor webcasts. Forward-looking statements include statements regarding the intent, belief or current expectations of Elbit and our management about our business, financial condition, results of operations, and our relationship with our employees and the condition of our properties. Words such as "believe", "expect," "intend", "estimate" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Actual results may differ materially from those projected, expressed or implied in the forward-looking statements as a result of various factors including, without limitation, the factors set forth in our filings with the SEC including, without limitation, Item 3.D of our Annual Report on Form 20-F for the fiscal year ended December 31, 2014, under the caption "Risk Factors". Any forward-looking statements speak only as of the date of such statement, and we caution existing and prospective investors not to place undue reliance on such statements. Such forward-looking statements do not purport to be predictions of future events or circumstances, and therefore, there can be no assurance that any forward-looking statement will prove to be accurate. We undertake no obligation to update or revise any forward-looking statements.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the unaudited interim consolidated financial data for the period ended June 30, 2015 included elsewhere in this Current Report on Form 6-K and in conjunction with our consolidated financial statements and the related notes and other financial information included in our Annual Report on Form F-20 submitted to the SEC on April 30, 2015.

Six months ended June 30, 2015 compared to corresponding period in 2014

Consolidated income and revenues for the six months period ended June 30, 2015 amounted to NIS 312 million (\$ 83 million) compared to NIS 157 million in the corresponding period in 2014. Following is the analyses of our revenues:

- (i) Revenues from sale of commercial centers increased in the first half of 2015 to NIS 182 million (\$ 48 million) compared to no revenues in the corresponding period. Such amount in 2015 was attributable to the sale of Koregaon Park commercial centers in Pune, India and the sale of plots in Romania by PC.
- (ii) Revenues from hotel operations and management amounted to NIS 85 million (\$23 million) in the first half of 2015 compared to NIS 97 million in the corresponding period. The decrease was mainly attributable to the sale of our hotels in Antwerp, Belgium in June 2015 partially offset by an increase in the revenue of the Radisson Blu Hotel in Bucharest Romania. The average occupancy rate in our hotels was approximately 80% in 2015 compared to 75% in 2014, and the average room rate increased approximately from €87 in 2014 to €93 in 2015. Our hotels consist approximately of 1,026 rooms in 2014 and 990 rooms in 2015.
- (iii) Rental income from commercial centers amounted to NIS 44 million (\$12 million) in the first half of 2015 compared to NIS 60 million in the corresponding period. The decrease was mainly attributable to the sale of Kragujevac commercial center in Q3 2014 and Koregaon Park commercial center in Q2 2015. The average occupancy rates in 2015 were 83%-96% compared to 86%-100% in 2014. PC's business model in respect of its commercial centers is to develop, rent and then sell the properties to third parties. Therefore the rental income from the commercial centers in the first half of 2015 and 2014 represented, only the lease income from the commercial centers and may not be sustainable in the future once PC sells the commercial centers as part of its business cycle.

Expenses and losses (income):

Our expenses and losses in 2015 amounted to NIS 518 million (\$137 million) compared to income in the amount of NIS 826 million in the corresponding period in 2014. The increase in expenses and losses were mainly attributable to financial gain from debt restructuring in the amount of NIS 1.6 billion, recorded in the corresponding period in 2014. Set forth below is an analysis of our expenses and losses:

- (i) Expenses of commercial centers amounted to NIS 255 million (\$68 million) in the first half of 2015 compared to NIS 45 million in the corresponding period in 2014. The increase was mainly attributable to (i) cost of commercial centers and plots sold by PC during the first half year of 2015 in the amount of NIS 220 million (\$58 million) compared to no such costs in the corresponding period, offset by (ii) decrease in expenses resulting from a decrease in the rental income from commercial centers as mentioned above.
- (ii) Cost of hotel operations and management amounted to NIS 74 million (\$20 million) in the first half year of 2015 compared to NIS 85 million in the corresponding period. The decrease mainly resulted from the sale of our hotels in Antwerp, Belgium as mentioned above.
- (iii) General and administrative expenses decreased to NIS 8 million (\$2 million) in the first half of 2015 compared to NIS 18 million in the corresponding period in 2014. The decrease was mainly attributable to cost saving actions in the Company and its subsidiaries by reducing salaries costs and moving into smaller offices.
- (iv) Share in losses of associated net amounted to NIS 25 million (\$7 million) in the first half of 2015 compared to NIS 17 million in the corresponding period. The losses in the first half a year of 2015 were mainly attributable to losses of InSightec which is an associate of the Company.
- (v) Financial gain from debt restructuring in the first half of 2014 amounted to approximately NIS 1,610 million. Such gain reflected the difference between the carrying amount of the Company's unsecured financial debts (notes and a bank loan) as of the closing of the restructuring and the fair value of the shares and notes issued by the Company based on their quoted closing price on the first day of trading.
- (vi) Financial expenses, net amounted to NIS 181 million (\$48 million) in the first half of 2015 compared to NIS 195 million in the corresponding period in 2014. The decrease of NIS 14 million related mainly to the following:
 - A decrease in the amount of NIS 91 million (\$24 million) in non-cash expenses, as a result of changes in the fair value of financial instruments mainly in respect of PC's debentures which were measured at fair value through profit and loss in the first half year of 2014 and were measured at amortized cost in the first half year of 2015.
 - A decrease in the amount of NIS 5 million (\$1 million) in interest and CPI - linked borrowing expenses, net, attributable mainly to (i) a decrease in the Company interest expenses, mainly due to the lower level of corporate debts of the Company following the closing of the Company's debt restructuring in February 2014 in the amount of NIS 26 million, offset by (ii) an increase in PC's interest expenses in the amount of 11 million (\$3 million) mainly due to the higher effective interest rate of its debentures following the completion of its debt restructuring at the end of 2014 and (iii) an increase in the Israeli consumer price index to which PC's notes are linked to in the amount of NIS 8 million (\$2 million).

Offset by:

- An increase in the amount of NIS 82 million (\$21 million) in exchange rate differences mainly attributable to changes in the exchange rate between the Euro and NIS on PC's notes, which are recorded in NIS and are measured in Euro.

(vii) Write-down, charges and other expenses, net, amounted to income in the amount of NIS 25 million (\$7 million) in the first half of 2015 compared to expenses in the amount of NIS 425 in the corresponding period in 2014. The amounts in the first half of 2015 include an income of NIS 60 million (\$16 million) which is attributable to realization of foreign currency translation reserve to the profit and loss due to the realization of the Euro activity in the Hotel segment. Offset in part by expenses of NIS 35 million (\$9 million) which are mainly attributable to write downs of trading property by PC. The following table provide the breakdown of the write-downs in PC's trading property in 2015 and 2014 (in NIS millions):

Project name (location)	Six months ended June 30, 2015	Six months ended June 30, 2014
Casaradio - (Bucharest, Romania)	-	205
Liberec (Czech Republic)	21	-
Koregaon Park (Pune, India)	6	48
Helios Plaza (Athens, Greece)	-	51
Other, aggregated	-	102
Total	27	406

(viii) As a result of the foregoing factors, we recognized loss before income tax in the total amount of NIS 206 million (\$55 million) in the first half of 2015 compared to income in the total amount of NIS 982 million in the corresponding period in 2014.

Income taxes expenses amounted to NIS 2 million (\$0.5 million) in the first half of 2015 compared to NIS 4 million in the corresponding period in 2014.

The loss from continued operation amounted to NIS 208 million (\$55 million) in the first half a year of 2015 compared to income in the amount of NIS 978 million in the corresponding period.

The profit from discontinued operation amounted to NIS 7 million in the first half year of 2015 compared to NIS 5 million in the corresponding period. The profit in 2015 and 2014 is mainly attributed to the Company's fashion retail operation, which were sold in January 2015, and accordingly reclassified as discontinued operation.

The above resulted in loss of NIS 201 million (\$55 million) in the first half year of 2015, of which NIS 97 million (\$26 million) was attributable to our equity holders and loss in the amount of NIS 104 million (\$27 million) was attributable to the non-controlling interest. The profit in the first half year of 2014 amounted to NIS 983 million of which NIS 1,161 million was attributable to our equity holders and loss in the amount of NIS 178 million was attributable to the non-controlling interest.

(ix) The following table provides supplemental information of our results of operations per segment, for the first half year ended June 30, 2015 (in NIS millions):

Segment	Hotels	Commercial Centers	Medical Industries	Residential	Other and Allocations*	Total
Revenues	85	182	15		(15)	267
Rental income from commercial centers		57			(12)	45
Costs and expenses	73	261	75		(81)	328
Financial expenses (income), net	18	14	(1)			31
Other expenses (income), net	(57)	28	-	1	3	(25)
Share in losses (income) of associates, net			6		19	25
Segment profit (loss)	51	(64)	(65)	(1)	31	(48)
Unallocated general and administrative expenses						(8)
Unallocated financial expenses						(149)
Profit before income taxes						(206)
Income Tax						(2)
Profit from discontinued operation						7
Loss for the period						(201)

Three months ended June 30, 2015 compared to corresponding period in 2014

Consolidated Income revenues and gains for the three months period ended June 30, 2015 amounted to NIS 244 million (\$65 million) compared to NIS 82 million in the corresponding period in 2014.

Revenues from hotels operations and management amounted to NIS 42 million (\$11 million) in Q2 2015 compared to NIS 52 million in the corresponding period in 2014. The decrease was mainly attributable to the sale of our hotels in Antwerp, Belgium in June 2015 partially offset by an increase in the revenue of the Radisson Blu Hotel in Bucharest Romania.

Costs and expenses of hotels operations and management amounted to NIS 34 million (\$12 million) in Q2 2015 compared to NIS 44 million in Q2 2014. The decrease resulted from the decrease in the revenue mentioned above.

Revenues from sale of commercial centers amounted to NIS 182 (\$ 48 million) in Q2 2015 compared to no such revenues in Q2 2014. Such amount in Q2 2015 was attributable to the sale of Koregaon Park commercial centers in Pune, India and sale of plots in Romania by PC.

Rental income from commercial centers amounted to NIS 20 million (\$5 million) in Q2 2015 compared to NIS 29 million in Q2 2014. The decrease was mainly attributable in the sale of the Kragujevac commercial center in Q3 2014 and the Koregaon Park commercial center, which was sold in Q2 2015.

Cost of commercial centers amounted to NIS 237 million (\$63 million) in Q2 2015 compared to NIS 22 million in Q2 2014. The increase resulted from (i) cost of sale of commercial center and plots sold by PC in the amount of 220 million in Q2 2015 compared to not such costs in Q2 2014 offset by (ii) a decrease in expenses resulting from a decrease in the rental income of the commercial center as mentioned above.

General and administrative expenses amounted to NIS 4 million (\$1 million) in Q2 2015 compared to NIS 8 million in Q2 2014. The decrease was mainly attributable to cost saving actions in the Company and its subsidiaries by reducing salaries costs and moving into smaller offices.

Share in losses of associated, net amounted to NIS 11 million (\$3 million) in Q2 2015 and in Q2 2014.

Financial expenses, net amounted to NIS 57 million (\$15 million) in Q2 2015 compared to NIS 86 million in Q2 2014. The decrease of NIS 29 million relates mainly to the following:

- (i) A decrease in the amount of NIS 44 million (\$12 million) in non-cash expenses, mainly as a result of changes in the fair value of PC' debentures which were measured at fair value through profit and loss in Q2 2014 and were measured at amortized cost in Q2 2015.

Offset by:

- (ii) An increase in the amount of NIS 5 million (\$1 million) in exchange rate differences.
- (iii) An increase in the amount of NIS 10 million (\$2 million) in interest and CPI- linked borrowing expenses, net, attributable mainly to an increase in Israeli consumer price index to which PC notes are linked to.

Write-down and other expenses, net amounted to an income in the amount of NIS 27 million (\$7 million) in Q2 2015 compared to expenses in the amount of NIS 413 million in Q2 2014. The amounts in Q2 2015 include an income of NIS 60 million (\$16 million) which was attributable to realization of foreign currency translation reserve to the profit and loss due to realization of the Euro activity in the Hotel segment. Offset in part by expenses of NIS 33 million (\$8 million) which are mainly attributable to write downs of trading property by PC. For additional information in respect of the write - down during the period see analysis above regarding the six month financial information.

Loss before tax benefits amounted to NIS 72 million (\$19 million) in Q2 2015 compared to NIS 500 million in Q2 2014.

Income tax expenses amounted to nil in Q2 2015 compared to NIS 5 million in Q2 2014.

Loss for the period attributable to equity holders of the Company amounted to NIS 14 million (\$4 million) in Q2 2015 compared to NIS 339 million in Q2 2014. Total loss for the period in Q2 2015 amounted to NIS 71 million (\$ 19 million) compared to NIS 492 million in Q2 2014.

Shareholders' equity as of June 30, 2015 amounted to NIS 338 million (\$90 million) (out of which Shareholders' equity in the amount to NIS 34 million (\$9 million) was attributed to the controlling interest).

ELBIT IMAGING LTD.
INTERIM CONSOLIDATED FINANCIAL DATA
AS OF JUNE 30, 2015

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ELBIT IMAGING LTD.
INTERIM CONSOLIDATED BALANCE SHEETS

	June 30 2 0 1 5	December 31 2 0 1 4	June 30 2 0 1 5 Convenience translation US\$'000
	(in NIS thousands)		
Current Assets			
Cash and cash equivalents	319,835	323,182	84,859
Short-term deposits and investments	66,588	47,967	17,667
Trade accounts receivables	15,834	24,067	4,201
Other receivables	18,951	27,217	5,028
Inventories	2,057	2,803	546
	<u>423,265</u>	<u>425,236</u>	<u>112,301</u>
Assets related to discontinued operation	1,921	63,466	510
	<u>425,186</u>	<u>488,702</u>	<u>112,811</u>
Non-Current Assets			
Trading property	1,490,616	1,875,937	395,494
Deposits, loans and other long-term balances	23,695	27,226	6,287
Investments in associates	304,016	349,537	80,662
Property, plant and equipment	629,181	919,911	166,936
	<u>2,447,508</u>	<u>3,172,611</u>	<u>649,379</u>
	<u>2,872,694</u>	<u>3,661,313</u>	<u>762,190</u>
Current Liabilities			
Short-term credits	425,580	207,193	112,917
Suppliers and service providers	14,100	22,288	3,741
Payables and other credit balances	71,948	99,162	19,089
	<u>511,628</u>	<u>328,643</u>	<u>135,747</u>
Liabilities related to discontinued operation	84	30,342	22
	<u>511,712</u>	<u>358,985</u>	<u>135,769</u>
Non-Current liabilities			
Borrowings	1,887,812	2,425,503	500,879
Other liabilities	69,362	92,377	18,403
Deferred taxes	65,446	71,211	17,364
	<u>2,022,620</u>	<u>2,589,091</u>	<u>536,646</u>
Shareholders' Equity			
Attributable to equity holders of the Company	34,443	231,979	9,138
Non controlling Interests	303,919	481,258	80,637
	<u>338,362</u>	<u>713,237</u>	<u>89,775</u>
	<u>2,872,694</u>	<u>3,661,313</u>	<u>762,190</u>

The accompanying notes form an integral part of the interim financial data.

ELBIT IMAGING LTD.
INTERIM CONSOLIDATED INCOME STATEMENTS

	Six months ended		Three months ended		Year ended	Six months ended
	June 30		June 30		December 31,	June 30
	2 0 1 5	2 0 1 4	2 0 1 5	2 0 1 4	2 0 1 4	2 0 1 5
	(in NIS thousands)					Convenience translation US\$'000
Income revenues and gains						
Revenues						
Revenues from sale of commercial centers	182,315	-	182,315	-	201,571	48,372
Revenues from hotels operation and management	85,006	96,748	42,117	52,318	197,007	22,554
Total revenues	267,321	96,748	224,432	52,318	398,578	70,926
Gains and other						
Rental income from Commercial centers	44,443	59,934	19,889	29,238	113,661	11,792
Gain from sale investees		-		-	11,301	
Total income revenues and gains	311,764	156,682	244,321	81,556	523,540	82,718
Expenses and losses						
Hotels operation and management	73,503	85,268	34,033	43,665	173,918	19,502
Commercial centers	254,900	44,760	236,946	21,861	291,864	67,630
General and administrative expenses	8,266	17,546	4,062	7,986	39,785	2,193
Share in losses of associates, net	25,438	17,303	11,164	10,933	17,298	6,751
Financial gain from debt restructuring	-	(1,610,429)	-	(1,400)	(1,616,628)	-
Financial expenses	181,044	194,972	56,945	85,648	302,716	48,034
Write down, charges and other expenses (income), net	(25,368)	424,894	(27,275)	412,927	531,042	(6,731)
	517,783	(825,686)	315,875	581,620	(260,005)	137,379
Profit (loss) before tax benefits						
Income tax expenses (tax benefits)	(206,019)	982,368	(71,554)	(500,064)	783,545	(54,661)
Profit (loss) from continuing operations	2,029	4,229	(238)	(3,278)	(2,287)	538
Profit (loss) from discontinued operation, net	(208,048)	978,139	(71,316)	(496,786)	785,832	(55,199)
	7,229	4,590	397	5,279	(1,475)	1,918
Profit (loss)for the period	(200,819)	982,729	(70,919)	(491,507)	784,357	(53,281)
Attributable to:						
Equity holders of the Company	(96,801)	1,160,910	(13,718)	(339,474)	1,008,999	(25,683)
Non controlling interest	(104,018)	(178,181)	(57,201)	(152,033)	(224,642)	(27,598)
	(200,819)	982,729	(70,919)	(491,507)	784,357	(53,281)

The accompanying notes form an integral part of the interim financial data.

ELBIT IMAGING LTD.
INTERIM CONSOLIDATED INCOME STATEMENTS

	Six months ended June 30		Year ended December 31,	Six months ended June 30
	2015	2014	2014	2015
	(In NIS)			Convenience Translation \$
Earnings (loss) per share				
Basic earnings per share:				
From continuing operation	(3.77)	58.22	42.55	(1.00)
From discontinued operations	0.26	0.23	(0.06)	0.07
	(3.51)	58.45	42.49	(0.93)
Diluted earnings per share:				
From continuing operation	(3.77)	58.22	42.55	(1.00)
From discontinued operations	0.26	0.23	(0.06)	0.07
	(3.51)	58.45	42.49	(0.93)

The accompanying notes form an integral part of the interim financial data.

ELBIT IMAGING LTD.
INTERIM CONSOLIDATED OTHER COMPREHENSIVE INCOME STATEMENT

	Six months ended June 30		Three months ended June 30		Year ended December 31,	Six months ended June 30
	2015	2014	2015	2014	2014	2015
	(in NIS thousands)					Convenience translation US\$'000
Profit (loss) for the period	(200,819)	982,729	(70,919)	(491,507)	784,357	(53,281)
Other comprehensive income to be reclassified to profit or loss in subsequent periods:						
Exchange differences arising from translation of foreign operations	(97,317)	(6,437)	(67,652)	(34,324)	24,262	(25,820)
Gain (loss) from cash flow hedge	713	(185)	765	(93)	702	189
Reclassification adjustments relating to foreign operations disposed of in the period	(32,453)	-	-	-	-	-
Gain from available for sale investments	-	5,279	-	2,085	(11,329)	(8,611)
	(129,057)	(1,343)	(66,887)	(32,332)	13,635	(34,242)
Items not to be reclassified to profit or loss in subsequent periods:						
Revaluations of assets	16,009	(5,912)	16,009	(5,912)	(79,393)	4,247
Other Comprehensive income (loss)	(113,048)	(7,255)	(50,878)	(38,244)	(65,758)	(29,995)
Comprehensive income (loss)	(313,867)	975,474	(121,797)	(529,751)	718,599	(83,276)
Attributable to:						
Equity holders of the Company	(191,161)	1,158,843	(72,057)	(364,487)	958,878	(50,719)
Non controlling interests	(122,706)	(183,369)	(49,740)	(165,264)	(240,279)	(32,557)
	(313,867)	975,474	(121,797)	(529,751)	718,599	(83,276)

The accompanying notes form an integral part of the interim financial data.

ELBIT IMAGING LTD.
INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Share premium	Other reserves (*)	Revaluation of property, plant and equipment	Stock-based compensation reserve	Foreign currency translation reserve	Retained earnings	Gross amount	Treasury stock	Attributable to shareholders of the company	Non-Controlling interest	Total shareholders' equity
	(in thousand NIS)											
Balance - January 1, 2014	38,069	871,288	(181,862)	202,283	48,812	(755,886)	(1,086,820)	(864,116)	(168,521)	(1,032,637)	624,007	(408,630)
Profit (loss) for the year	-	-	-	-	-	-	1,008,999	1,008,999	-	1,008,999	(224,642)	784,357
Other comprehensive income (loss)	-	-	(10,789)	(71,734)	-	21,710	10,692	(50,121)	-	(50,121)	(15,637)	(65,758)
Issuance of shares	-	314,220	-	-	-	-	-	314,220	-	314,220	-	314,220
Stock based compensation expenses	-	-	-	-	715	-	-	715	-	715	4,321	5,036
Treasury stock and old stock cancellation	(38,069)	(130,452)	-	-	-	-	-	(168,521)	168,521	-	-	-
Transaction with non-controlling interest	-	-	(47,431)	-	-	-	-	(47,431)	-	(47,431)	131,443	84,012
Expiration and exercise of option	-	-	38,234	-	-	-	-	38,234	-	38,234	(38,234)	-
Balance - December 31, 2014	-	1,055,056	(201,848)	130,549	49,527	(734,176)	(67,129)	231,979	-	231,979	481,258	713,237
Profit (loss) for the year	-	-	-	-	-	-	(96,801)	(96,801)	-	(96,801)	(104,018)	(200,819)
Other comprehensive income (loss)	-	-	549	(115)	-	(110,794)	16,049	(94,311)	-	(94,311)	(18,737)	(113,048)
Stock based compensation expenses	-	-	-	-	304	-	-	304	-	304	161	465
Transaction with non-controlling interest	-	-	(6,728)	-	-	-	-	(6,728)	-	(6,728)	(54,745)	(61,473)
Balance - June 30, 2015	-	1,055,056	(208,027)	130,434	49,831	(844,970)	(147,881)	34,443	-	34,443	303,919	338,362

(*) includes transactions with non-controlling interest reserve and hedging reserve.

The accompanying notes form an integral part of the interim financial data.

ELBIT IMAGING LTD.
INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

	Share capital	Share premium	Other reserves (*)	Revaluation of property, plant and equipment	Stock-based compensation reserve	Foreign currency translation reserve	Retained earnings	Gross amount	Attributable to share- holders of the company	Non- Controlling interest	Total shareholder's equity
	Convenience translation, U.S.\$'000										
Balance - December 31, 2014	-	279,930	(53,557)	34,638	13,140	(194,793)	(17,811)	61,547	61,547	127,689	189,236
Profit (loss) for the year	-	-	-	-	-	-	(25,683)	(25,683)	(25,683)	(27,598)	(53,281)
Other comprehensive income (loss)	-	-	146	(30)	-	(29,396)	4,258	(25,022)	(25,022)	(4,973)	(29,995)
Stock based compensation expenses	-	-	-	-	81	-	-	81	81	44	125
Transaction with non controlling interest	-	-	(1,785)	-	-	-	-	(1,785)	(1,785)	(14,525)	(16,310)
Balance - June 30, 2015	-	279,930	(55,196)	34,609	13,221	(224,189)	(39,236)	9,138	9,138	80,637	89,775

(*) includes transactions with non-controlling interest reserve and hedging reserve.

The accompanying notes form an integral part of the interim financial data.

ELBIT IMAGING LTD.
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended		Year ended	Six months ended
	June 30		December 31,	June 30
	2015	2014	2014	2015
	(in NIS thousands)			Convenience translation US\$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) for the period from continuing operations	(208,048)	982,729	785,832	(55,200)
Profit from sale of subsidiary (Appendix A)	(4,147)	-	-	(1,100)
Realization of foreign currency translation reserve in connection with sale operations	(59,570)	-	-	(15,805)
Income tax benefit recognized in profit and loss	2,029	4,231	(2,287)	538
Finance expenses recognized in profit and loss	181,044	194,972	302,716	48,035
Financial gain from debt restructuring	-	(1,610,429)	(1,616,628)	-
Income tax paid in cash	(122)	(529)	(85)	(32)
Depreciation and amortization (including write-down and impairment)	51,464	435,069	582,745	13,655
Loss (Profit) from realization of investments in associates and joint venture	-	-	(11,301)	-
Share in losses of associates, net	25,438	17,303	17,298	6,749
Profit (loss) from realization of assets and liabilities	-	77	1,328	-
Stock based compensation expenses	493	2,207	5,036	131
Others	(587)	-	(20,679)	(156)
Trade accounts receivables	3,379	(1,792)	5,538	897
Receivables and other debit balances	12,114	3,982	22,739	3,214
Inventories	(94)	320	198	(25)
Trading property and payment on account of trading property	232,730	10,866	214,171	61,749
Suppliers and service providers	(2,335)	(2,112)	(970)	(620)
Payables and other credit balances	(57,890)	10,624	(6,022)	(15,360)
Net cash provided by continuing operations	175,898	47,518	279,629	46,670
Net cash provided (used) by discontinued operating activities	(2,420)	1,035	1,506	(642)
Net cash provided by operating activities	173,478	48,553	281,135	46,028

The accompanying notes form an integral part of the interim financial data.

ELBIT IMAGING LTD.
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (Cont.)

	Six months ended		Year ended	Six months ended
	June 30		December 31,	June 30
	2 0 1 5	2 0 1 4	2 0 1 4	2 0 1 5
	(in NIS thousands)			Convenience translation US\$'000
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from realization of investments in subsidiaries (Appendix A)	192,026	-	-	50,949
Purchase of property plant and equipment, investment property and other assets	(9,128)	(2,516)	(4,525)	(2,422)
Purchase of non-controlling interest	(62,059)	-	-	(16,466)
Proceeds from realization of property plant and equipment	169	6,722	7,230	45
Investments in associates and joint venture companies	-	(3,115)	(3,193)	-
Proceed from realization of long-term deposits and long-term loans	6,185	522	(3,365)	1,641
Interest received in cash	366	4,420	3,730	97
Short-term deposits and marketable securities, net	(22,290)	2,918	47,186	(5,914)
Net cash provided by continued investing activities	105,269	8,951	47,063	27,930
Net cash provided by discontinued investing activities	37,737	(3,773)	(7,913)	10,012
Net cash provided by investing activities	143,006	5,178	39,150	37,942
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from share issuance	-	1,283	(153,561)	-
Interest paid in cash	(69,605)	(59,501)	-	(18,468)
Proceeds from selling derivatives	9,820	-	-	2,605
Proceeds from long-term borrowings	-	-	42,715	-
Repayment of long-term borrowings	(240,276)	(30,270)	(247,709)	(63,751)
Proceeds from transactions with non-controlling interests, net	-	1,404	54,885	-
Proceed from (repayment of) short-term credit	(6,997)	-	7,152	(1,856)
Net cash used in continued financing activities	(307,058)	(87,084)	(296,518)	(81,470)
Net cash provided by (used in) discontinued financing activities	(2,135)	1,301	2,000	(566)
Net cash used in financing activities	(309,193)	(85,783)	(294,518)	(82,036)
Increase in cash and cash equivalents	7,291	(32,052)	25,767	1,934
Cash and cash equivalents at the beginning of the year	323,182	311,181	311,181	85,747
Cash and cash equivalents related to discontinued operations at the end of the period	(1,057)	-	(6,290)	(280)
Net effect on cash due to currency exchange rate changes	(9,581)	(1,866)	(7,476)	(2,542)
Cash and cash equivalents at the end of the period	319,835	277,263	323,182	84,859

The accompanying notes form an integral part of the interim financial data.

ELBIT IMAGING LTD.
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (Cont.)

Six months ended		Year ended	Six months ended
June 30		December 31,	June 30
2 0 1 5	2 0 1 4	2 0 1 4	2 0 1 5
(in NIS thousands)			Convenience translation US\$'000

Appendix A -

Proceeds from realization of investments in subsidiaries

Working capital (excluding cash), net	(15,591)	-	-	(4,136)
Property, plant equipment and other assets	203,470	-	-	53,985
Profit from realization of subsidiaries	4,147	-	-	1,100
	192,026	-	-	50,949

The accompanying notes form an integral part of the interim financial data.

ELBIT IMAGING LTD.
Notes to the condensed consolidated interim financial data

1. Reporting entity

- A.** Elbit Imaging Ltd. ("Elbit" or "the Company") was incorporated in 1996 under the laws of the State of Israel. The Company's securities are listed on the NASDAQ Global Select Market (ticker symbol: EMITF) and on the Tel Aviv Stock Exchange ("TASE"). Its executive offices are located at 7 Motta Gur Str., Petach Tikva Israel
- B.** The activities of the Company and its held entities (the "Group") are divided into the following principal fields: (i) Commercial Centers - initiation, construction and sale of commercial centers and other mixed-use real property projects, predominantly in the retail sector, located in Central and Eastern Europe, primarily through its 45% subsidiary Plaza Centers N.V. In certain circumstances and depending on market conditions, the Group operate and manage commercial and entertainment centers prior to their sale; (ii) Hotels - hotel operation and management; (iii) Medical Industries and devices - (a) research and development, production and marketing of magnetic resonance imaging guided focused ultrasound treatment equipment and (b) development of stem cell population expansion technologies and stem cell therapy products for transplantation and regenerative medicine; (iv) Residential Projects - initiation, construction and sale of residential units or plots designated for residential located primarily in India.

C. Financial position:

The Company's separate financial statements include liabilities to Bank Hapoalim and Series H and Series I notes, in the aggregate principal amount (par value) of approximately NIS 850 million. NIS 233 million (principal plus interest) will become due in the two years following the approval of these financial statements, of which NIS 169 million will become due in February 2017 (see note 14 C 1 for the financial statement as for December 31, 2014). In addition, the Company has certain operational expenses for its ongoing operations.

The main anticipated sources of the Company's projected cash flow are (i) cash and cash equivalents (on its separate financial statements) of approximately NIS 137 million, (ii) cash expected to be generated from refinance of the Company's Hotel in Bucharest, in the amount of approximately NIS 126 million; and (iii) sale of shares in our held companies in the medical field. It should be noted that the projected cash flow is based on the Company's forward-looking plans, assumptions, estimations, predictions and evaluations which rely on the information known to the Company at the time of the approval of these financial statements (collectively, the "Assumptions"). The materialization, occurrence consummation and execution of the events and transactions and of the Assumptions on which the projected cash flow is based, including with respect to the proceeds and timing thereof, are not certain and are subject to factors beyond the Company's control as well as to the consents and approvals of third parties and certain risks factors, including those referred to in the Company's Annual Report on Form 20-F for the year ended December 31, 2014. Therefore, delays in the realization of our assets and investments or realization at lower price than expected by us, as well as any other deviation from our Assumptions, could have an adverse effect on our cash flow and our ability to serve our indebtedness on a timely manner.

In light of the foregoing, the Company's board of directors is of the opinion that, the Company is a going concern and hence, the condensed consolidated interim financial information of the Company as of June 30, 2015 was prepared based on going concern assumption.

ELBIT IMAGING LTD.
Notes to the condensed consolidated interim financial data

2. Statement of compliance

This condensed consolidated interim financial information has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The condensed consolidated interim financial information does not include all of the information required for full annual financial statements, and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended December 31, 2014.

The condensed consolidated interim financial information was approved for issue by the Company's board of directors on August 23, 2015.

Rates of exchange of NIS, in effect, in relation to foreign currency (in NIS) are as follows:

	Half year ended June 30 2015	Year ended December 31 2014
US Dollar (\$)	3.769	3,889
EURO (€)	4.219	4.725
Romanian New Lei (RON)	1.0624	1.0541
Indian Rupee (INR)	0.0593	0.0614

Scope of change in the exchange rate, in effect, of the NIS in relation to the foreign currencies (%):

	Half year ended June 30 2015	Year ended December 31 2014
US Dollar (\$)	(3)	12
EURO (€)	(11)	(1)
Romanian New Lei (RON)	0	(1)
Indian Rupee (INR)	(3)	10

3. Significant accounting policies

The accounting policies applied by the Group in these condensed interim financial information are the same as those applied by the Group in its latest annual consolidated financial statements as of December 31, 2014.

4. Segment reporting

The chief operating decision-makers (CODM) have been identified as the Chairman of the board CEO and the Acting CEO and CFO. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. The CODM assess the performance of the Group's segments based on Net Operating Income.

For the purpose of this interim financial information the following business segments were identified:

- Commercial Centers
- Hotels
- Medical industries
- Residential projects
- Other activities

ELBIT IMAGING LTD.
Notes to the condensed consolidated interim financial data

4. Segment reporting (Cont.)

Six months period ended June 30, 2015

	Commercial and entertainment centers	Hotels	Medical industries (i)	Residential	Other Activities and allocations	Equity method adjustment	Total
	(In thousands)						
	(Unaudited)						
Segment revenues	239,356	85,006	14,950	-	-	(27,548)	311,764
Segment profit (loss)	(49,797)	68,244	(59,616)	(1,395)	(2,178)	53,471	8,730
Financial expenses	(13,843)	(18,438)	1,467	-	30	-	(30,784)
Share in losses of associates, net	-	-	(6,574)	-	-	(18,864)	(25,438)
Unallocated general and administrative expenses							(8,266)
Unallocated financial expenses							(150,261)
Loss before income taxes							(206,019)

(i) Includes mainly investments in associates and therefore not included in the Total Revenues.

ELBIT IMAGING LTD.
Notes to the condensed consolidated interim financial data

4. Segment reporting (Cont.)

Six months period ended June 30, 2014 ⁽ⁱ⁾

	Commercial and entertainment centers	Hotels	Medical industries (ii)	Residential	Other Activities and allocations	Equity method adjustment	Total
	(In thousands NIS)						
	(Unaudited)						
Segment revenues	72,831	96,748	22,991	-	-	(35,888)	156,682
Segment profit (loss)	(373,835)	11,480	(35,730)	(20,070)	(10,365)	30,280	(398,240)
Financial expenses	(22,181)	(12,497)	(714)	-	142	-	(35,250)
Share in losses of associates, net	-	-	(6,382)	-	-	(10,921)	(17,303)
Unallocated general and administrative expenses							(17,546)
Unallocated financial expenses							1,450,707
Profit before income taxes							982,368

(i) In the reporting period, a loss of 406 Million NIS was recognized due to write-down of several assets in the commercial and entertainment segment. Other than the mentioned assets there is no material changes in the amounts disclosed for other segments assets.

(ii) Includes mainly investments in associates and therefore not included in the Total Revenues.

ELBIT IMAGING LTD.
Notes to the condensed consolidated interim financial data

5. Financial instruments

A. Financial risks

During the six-months period ended June 30, 2015 there have been no significant changes in the Group's financial risk management. Objectives and policies are consistent with those disclosed in note 24.C to the consolidated financial statements as at and for the year ended December 31, 2014.

B. Fair value of financial instruments

- 1) The following table presents the book value and fair value of the Group's financial assets (liabilities), which are presented in the financial statements at other than their fair value:

		June 30, 2015	
		Book Value	Fair Value
		(In thousands NIS)	
	Level		
Short- term loans at fixed interest rate	Level 3	(257,911)	(257,911)
Debentures	Level 1	(1,367,713)	(1,159,332)
		<u>(1,625,624)</u>	<u>(1,417,243)</u>

		December 31, 2014	
		Book Value	Fair Value
		(In thousands NIS)	
	Level		
Short- term loans at fixed interest rate	Level 2	(322,675)	(322,675)
Debentures	Level 1	(1,341,535)	(1,217,671)
		<u>(1,664,210)</u>	<u>(1,540,346)</u>

6. Significant events during the period

A. Sale of Mango franchise

On January 5, 2015 Elbit Fashion have completed the sale of the operation and business of "Mango" retail stores in Israel from Elbit Fashion to Fox- Wiesel Ltd (the "Closing") for consideration of approximately NIS 37.7 million. Following the Closing and consummation of the transaction, Elbit Fashion has ceased to operate the "Mango" retail stores activity, and accordingly the said activity was classified as discontinued operation.

B. Purchase of Bucuresti Turism S.A. ("BUTU") minority

On February 18, 2015 the Company subsidiary BUTU, which owns the "Radisson Blu" hotel in Bucharest, Romania and which shares were traded on RASDAQ market announced that: At the extraordinary general meeting of BUTU, it was resolved, amongst other things, that BUTU will not take the necessary legal actions for the shares issued by it to be admitted for trading on a regulated market or to be listed on an alternate trading system. Bea Hotels Eastren Europe B.V. (the Company's indirect wholly owned subsidiary) voted in favor of the above resolution.

6. Significant events during the period (Cont.)

B. Purchase of Bucuresti Turism S.A. ("BUTU") minority (Cont.)

The shareholders of BUTU who had not voted in favor of the aforementioned resolution were entitled to withdraw from BUTU, in consideration for a price to be paid by BUTU as determined by an independent certified expert in accordance with the provisions of the Romanian law and regulations. The independent certified expert nominated in accordance with the provisions of the Romanian law and regulations (Ernst & Young Services SRL), has determined the estimated shareholders' equity fair value of BUTU, to be Euro 64,630 thousands resulting in a price per share of BUTU of Euro 4.50.

On June 9, the Company announced that shareholders holding 21.48% of BUTU, exercised their right to withdraw from BUTU. The total amount paid by BUTU for such withdrawal requests was approximately Euro 13.9 million (NIS 58 million). An amount of Euro 2 million (NIS 5 million) was financed by BUTU from its own resources and the remainder in the amount of approximately Euro 11.9 million (NIS 26 million) was financed by the Company through shareholder loan granted to BUTU.

Upon the completion of the delisting, all the shares acquired by BUTU during the delisting process were cancelled and the share capital of BUTU has decreased accordingly. Following the share capital decrease, the Company holds (indirectly) approximately 98% of BUTU's share capital.

As consequences of this transaction the Company shareholder's Equity was decreased in the amount of NIS 61 million out of which 55 million were attributable to the non-controlling interest and NIS 6 million were attributable to the shareholder of the Company.

C. Transaction among certain shareholders of InSightec with respect to its shares

On March 31, 2015 the Company was informed by InSightec, that General Electric Company, Healthcare Division ("GE"), of the first part, and York Global Finance II S.à.r.l (a company owned by York Capital, an interested party in of the Company), other shareholders of InSightec and certain other purchasers, of the second part (the "Purchasers"), have signed and executed an agreement for the sale of 6 million Series C Preferred Shares of InSightec held by GE, which constitutes approx. 4.2% of InSightec's issued and outstanding share capital on a fully diluted basis, at a price of \$1.50 per share. Furthermore, the agreement grants the Purchasers an option to purchase 12 million additional Series C Preferred Shares from GE, which represent approx. 8.5% of InSightec's issued and outstanding share capital on a fully diluted basis, for the same price (\$1.50) (collectively: the "Sold Shares"), within one year of the closing date of the transaction, subject to the conditions stipulated in the agreement (the "Sale Transaction"), and that the Sale Transaction had been closed and consumed.

As part of the Sale Transaction, Elbit Medical waived a preemptive right granted thereto to purchase a pro rata share of the Sold Shares.

6. Significant events during the period (Cont.)

C. Transaction among certain shareholders of InSightec with respect to its shares (Cont.)

As part of the conditions precedent of the agreement, on March 30, 2015, a meeting of the shareholders of InSightec approved an amendment to the articles of association of InSightec and an amendment to the Technology, Co-Operation and Distribution Agreement of October 17, 2012 between InSightec and GE, as amended on June 26, 2014 (the "Cooperation Agreement").

The principal amendments to the articles of association of InSightec were: removal of various restrictions on the performance of transactions in InSightec shares and on the initiation of a Qualified IPO of InSightec; revocation of some of certain excess rights granted to GE in InSightec's articles of association and change of the majority of Series C Preferred Shares required for certain resolutions under InSightec's articles of association with respect to such shares; furthermore, Elbit Medical was granted the right to appoint an observer to the board of directors of InSightec (in addition to its right to appoint Designated Directors on its behalf).

The principal amendments to the Cooperation Agreement were: removal of restrictions on the performance of transactions in InSightec shares with a party competing with GE; amendment of InSightec's right to make an advance one-time payment of royalties to GE, such that instead of a one-time \$10 million payment, such one-time payment would amount to \$10 million prior to a Qualified IPO and \$7.5 million after a Qualified IPO (within the definition of such terms in the articles of association of InSightec) less the amounts of royalties already paid to GE, all subject to the terms of the Cooperation Agreement; and termination of GE's Right of First Negotiation for Sale of InSightec with respect to any Company Sale (as such terms are defined in the Cooperation Agreement) and the extension of the term of the Cooperation Agreement until the fifth anniversary of the closing date.

D. Selling of the Koregaon park shopping center in Pune, India

On May 13, 2015, PC signed an agreement to sell Koregaon Park Plaza, the retail, entertainment and office scheme located in Pune, India for approximately EUR 35 million (NIS 148 million). The net cash proceeds received (after repayment of the related bank loan, other liabilities and transaction costs) from the sale totaled EUR 7 million (NIS 30 million). In line with PC's stated restructuring plan, all the net cash proceeds from the transaction was retained with PC.

PC recorded a total loss of EUR 6.5 million (NIS 27 million) from this transaction due to exercise of foreign currency translation reserve accumulated relating to the subsidiary. Additional loss of EUR 2.3 million (NIS 10 million) was recorded mainly due to impairment of related various receivables.

6. Significant events during the period (Cont.)

E. Selling of undeveloped plots in Romania

In June, 2015, PC reached an agreement to sell its 46,500 sqm development site in Iasi, Romania in two separate transactions (one for the sale of 37,334 sqm and the other for the sale of 9,166 sqm), for a gross consideration of EUR 7.3 million (NIS 31 million). There was no bank debt secured against the property. No profit or loss was recorded as a result of the transaction.

In May 2015, PC concluded (through its 50.1% held Plaza Bas subsidiary) the sale of a approximately 17,000 sqm plot in Brasov, Romania for a total consideration of EUR 330 thousands (NIS 1 Million). No profit or loss resulted from this transaction.

In June 2015, PC concluded an additional sale (also through its 50.1% held Bas subsidiary) of an SPV holding approximately 1,200 sqm plot in Ploiesti, Romania for a total consideration of EUR 240 thousands (NIS 1 million). The proceeds were used to repay a bank loan outstanding and no proceeds were obtained by PC. A waiver was obtained for the remaining of the unpaid bank loan facility in a total amount of EUR 1.4 million (NIS 6 million) and the Company recorded accordingly a gain included as finance income for the period.

In line with PC stated restructuring plan, 75% of the net cash proceeds (approximately Euro 6 million) from the abovementioned transactions will be repaid to PC's bondholders this year as an early repayment of the bonds.

F. Selling of hotels in Belgium

On June 10, 2015 the Company's wholly owned indirect subsidiary (the "Seller"), has completed a transaction contemplated in the Share Purchase Agreement with Astrid JV S.à.r.l., an affiliate of Kohlberg Kravis Roberts & Co. L.P., (the "Purchaser"), with regard to the sale of its entire (100%) holdings in its wholly owned subsidiary (the "Target") which owns and operates the Radisson Blu Hotel and the Park Inn Hotel in Antwerp, Belgium (collectively: the "Hotels").

The asset value reflected in the transaction was approximately Euro 48 million for both Hotels subject to working capital and other adjustments as specified in the agreement. The total net consideration paid to the Seller following the repayments of the Target's banks loan, and the aforementioned adjustments, was approximately Euro 27 million out of which Euro 1 million was deposited in escrow to secure the Seller's indemnification obligations under the Share Purchase Agreement.

In accordance with the refinancing loan agreement between Bank Hapoalim B.M and the Company, the Company has prepaid an amount of approximately \$5 million on account of the loan.

the transaction had no material effect on the company profit and loss for the period.

6. Significant events during the period (Cont.)

G. Dismissal of the appeal to the supreme filed by holder of Series B note

In connection with the law suit described in note 17 (B) (4) in the financial statement as of December 31, 2014, on June 15, 2015 the Company announced that in the hearing held at the Israel Supreme Court (the "Court") and following the recommendation of the Court, the Plaintiff withdraw the Appeal filed by a holder of Series B Notes following the approval of the adjusted plan of arrangement by the Court (the "Appeal").

H. Novartis did not exercise her option to buy Gamida

In connection with the transaction described in note 8 B in the financial statement as of December 31, 2014, on September 2, 2014, Elbit Medical Technologies has announced that Gamida, in which Elbit Medical holds in fully diluted 23% of the voting power, has notified Elbit Medical that with respect to the engagement of Gamida and its shareholders in option and investment agreements with Novartis Pharma AG ("Novartis"), which include an option granted to Novartis to purchase from the other shareholders of Gamida (including Elbit Medical) all of their holdings therein (the "Option"), as follows:

- (1) In discussions held between the Novartis representative and the CEO of Gamida Cell, the Novartis representative notified Gamida Cell that, although Gamida Cell has successfully met all of the determined milestones, Novartis does not intend to exercise the Option. At the same time, it was further stated that Novartis was interested in continuing to collaborate with Gamida Cell in the development of its products, and will soon explore suitable alternatives with Gamida Cell.
- (2) Gamida Cell is examining the implications of the notice.

I. Movements in NIS/Euro rate

In the course of the first half year of 2015 there were significant fluctuations in the company functional currency against the subsidiaries functional currency. As a result the Company recorded NIS 69 million decreases in the foreign currency translation reserve in the shareholder equity. In addition, such fluctuations caused an increase NIS 79 million in the financial expenses mainly attributed to PC debentures which are linked to the NIS while PC's functional currency is the Euro. See note 6 L as for call options strategy executed by PC in order to mitigate these exposure.

J. Update on covenants

In respect of the Coverage Ratio Covenant ("CRC"), as defined in the restructuring plan of PC, as at June 30, 2015 the CRC was 123%, in comparison with 118% minimum ratio required.

As at the end of the reporting period, all of the group's companies are in compliance with their respective loan covenants, with the exception of three bank facilities. For one bank loan with an outstanding balance of EUR 20 million (NIS 85 million) PC has a waiver valid until the expiry of the loan, and in respect of the two facilities, totaling EUR 30 million (NIS 127 million), PC negotiates with financial institutions for obtaining of waivers, on all outstanding breaches. Accordingly these 2 loans were presented in the balance sheet as short term credit.

ELBIT IMAGING LTD.
Notes to the condensed consolidated interim financial data

6. Significant events during the period (Cont.)

K. Write-down of trading property

During the Course of the first six months of 2015 the Company recorded the following material impairments:

- (1) EUR 4.9 million (NIS 21 million) impairment to PC's commercial center in Liberec, Poland - which was done based on updated valuation obtained.
- (2) EUR 1.5 million (NIS 6 million) impairment to Koregaon Park commercial center in Pune, India based on the sale agreement signed during the period (see note 6 D).

L. Call option strategy activity in 2015

During the period PC sells call options to hedge its exposure to fluctuation of the Euro (in which its assets are held) and the NIS (to which its notes are linked to). As of balance sheet date PC sold EUR 55 million currency options with strike range of 4.22 to NIS 4.31. The expiry date is July through August 2015 and PC collected during the six months period premiums in the amount of EUR 2.2 million (NIS 9 million).

M. Building permits obtained

In July 2015 PC received a building permit to develop the Timisoara Plaza commercial center in Timisoara, western Romania. A binding financing offer has also been agreed with a commercial bank for approximately 65% of the project cost.

In addition in July 2015, PC received a building permit to develop the Belgrade Plaza (Visnjicka) commercial center in Belgrade, Serbia.

7. Subsequent events

(1) Call option strategy activity

Subsequent to the balance sheet date PC wrote additional EUR 75 million currency call options with strike price of NIS 4.14 and NIS 4.21. The expiry dates is September through November 2015.

PC collected premiums in the amount of EUR 1 million (NIS 4 million). Due to call options which expired in July and August (see note 6 L above) no cash outflow was required as a result of the expiry of the option.