KARDAN

PRESS RELEASE

ANNUAL GENERAL MEETING KARDAN

Amsterdam, 14 June 2006 – During the Annual General Shareholders Meeting (AGM) of Kardan N.V. held today all resolutions were adopted, provided however, that the majority requirement for the approval of the amendment of article 8 of the Articles of Association was not met, as a result of which this article will not be amended.

Furthermore, Mr. Alain Ickovics, was appointed to the Board of Management. As announced on 27 March 2006, Mr. Ickovics is the fourth member of the Board of Management. Mr. Ickovics has been actively involved in managing the Kardan Group for more than 10 years, the last years in the capacity of director in the Real Estate and Financial Services sectors. The Board of Management now consists of Mr. Zach Rubin, Mrs. Einat Gabber, Mr. Alon Shlank and Mr. Alain Ickovics, who will be acting as Chairman of the Board of Management.

During the AGM, Mr. Henri Alster has resigned as a member of the Supervisory Board. Mr. Alster will continue to work for the Kardan Group as a member of the Supervisory Board of the Real Estate subsidiary GTC SA. Kardan is grateful for the contribution of Mr. Alster since the incorporation and subsequent listing of Kardan in 2003.

About Kardan

Kardan is an international investment company with a focus on three sectors: Real Estate, Financial Services and Infrastructure. Kardan is primarily active in Central and Eastern Europe, where it conducts most of its activities. Kardan holds controlling interests in its main businesses and is actively involved in the definition and implementation of their strategy. Total assets per December 31, 2005 amounted to USD 1,769 million, with revenues of USD 547 million. The number of employees engaged by the group is approximately 6,100 as of December 31, 2005. Kardan is listed on Euronext Amsterdam and the Tel-Aviv Stock Exchange.

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