

PRESS RELEASE

KARDAN COMPLETES ACQUISITION OF ALBANIAN INSURANCE COMPANY

Amsterdam, 20 September 2007 – Following the press release dated 16 March 2007, Kardan N.V. (Kardan) announces that its group company TBIH Financial Services Group N.V. (TBIH) has completed the acquisition of approximately 75% of Sigma Albania (Sigma), an Albanian insurance company, for a consideration of approximately EUR 16.2 million

Sigma is primarily active in general insurance and is the second largest insurance company in Albania. Sigma owns a 100% stake in Sigma Macedonia and has a branch office in Kosovo.

The agreement includes a put option for the minority shareholders to sell up to 50% of their holdings to TBIH during the six month period following the publication of the 2010 financial statements of Sigma and the remaining shares during the six month period following the publication of the 2011 financial statements of Sigma.

The acquisition of Sigma fits TBIH's strategy to be active in countries with a low level of insurance penetration and will allow TBIH an early entrance to three new markets with a high potential of growth in the insurance sector.

TBIH is a leading retail financial services provider active in several CEE and CIS countries. TBIH is jointly controlled by Kardan and Wiener Stadtische Versicherung AG Vienna Insurance Group.

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, 2006 amounted to EUR 2.2 billion, with revenues of EUR 588 million. The number of employees engaged by the group is approximately 7,980 as of December 31, 2006. Kardan is listed on Euronext Amsterdam and the Tel-Aviv Stock Exchange.

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