KARDAN N.V.

KARDAN: SUBSIDIARIES INVEST IN KARDAN DEBENTURES

Amsterdam, December 7, 2011 – Kardan N.V. ("Kardan"), active in Real Estate, Water Infrastructure and Financial Services in emerging markets announces that today its subsidiaries GTC Real Estate Holding B.V. ("GTC RE") and Tahal Consulting Engineers Ltd. ("TCE") together have purchased 30,000,000 Debentures Series A, issued by Kardan in 2007 and listed on the Tel Aviv Stock Exchange, at a price of NIS 1.061 per Debenture. GTC RE purchased 11,153,411 Debentures totalling NIS 11.8 million (approximately EUR 2.4 million). TCE purchased 18,846,589 Debentures totalling NIS 20 million (approximately EUR 4 million).

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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"This press release contains regulated information (gereglementeerde informatie) as defined in the Dutch Act on Financial Supervision (Wet op het financieel toezicht)"