

Azrieli Group Ltd.
Registrar's number: 510960719

| | | | |
|-----------------------------|------------------------------|----------|---------------------------|
| To: | To: | T049 | Transmitted on |
| Israel Securities Authority | Tel Aviv Stock Exchange Ltd. | (Public) | MAGNA: |
| www.isa.gov.il | www.tase.co.il | | August 9, 2016 |
| | | | Reference: 2016-01-100267 |

Immediate report on the results of a meeting for the approval of a transaction with a controlling shareholder and/or a private placement and/or a double Chairman-CEO office and/or an appointment of an outside director

Pursuant to Regulation 13 of the Securities Regulations (Transaction Between a Company and its Controlling Shareholder), 5761-2001
or Regulation 22 of the Securities Regulations (Private Placement of Securities in a Registered Company), 5760-2000
Regulation 36D(b) of the Securities Regulations (Periodic and Immediate Reports), 5730-1970

Insofar as there were additional issues on the meeting's agenda, they shall be specified in Section 3.

1. In a meeting which convened on *August 9, 2016*, a notice on the convening of which was published in the form whose reference is *2016-01-074518* and whose agenda included the following issues:

| Serial Number | Transaction Type/Voted Issue | Essence of the Issue |
|---------------|---|--|
| 1 | Appointment of an outside director | <i>Reappointment of Prof. Niv Ahituv as an outside director of the Company, for an additional term of office of three years commencing August 24, 2016.</i> |
| 2 | Appointment of an outside director | <i>Reappointment of Mr. Efraim Halevy as an outside director of the Company, for an additional term of office of three years commencing August 24, 2016.</i> |
| 3 | Indemnification, exemption and/or insurance | <i>Amendment of the Company's articles of association.</i> |

The following resolutions were adopted:

| |
|--|
| 1 |
| Transaction Type/Voted Issue: <i>Appointment of an outside director</i> |
| Essence of the Issue <i>Reappointment of Prof. Niv Ahituv as an outside director of the Company, for an additional term of office of three years commencing August 24, 2016.</i> |

Essence of Proposed Resolution: *Approval of reappointment of Prof. Niv Ahituv as an outside director of the Company, for an additional term of office of three years commencing August 24, 2016.*

The Meeting Resolved: *to approve*

The Quantity of Shares/Securities which Participated in the Vote: *111,525,569*

The Quantity of Shares/Securities which Voted in Favor: *105,248,005*

The Quantity of Shares/Securities which Participated in the Vote, and were not classified as shares whose holders have a personal interest/as shares having no control or personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder: *26,797,207 of which 20,519,643* voted in favor of approval of the transaction and *6,277,530* voted against approval of the transaction.

The Quantity of Shares which Participated in the Vote and were not classified as shares whose holders are controlling shareholders of the Company/as shares of holders of a personal interest in the approval of the resolution *26,797,207* of which *20,519,643* voted in favor of approval of the transaction.

The Quantity of Shares/Securities that voted against: *6,277,530*

Voting percentage in favor of approval of the transaction out of the total number of voters who do not have a personal interest in the transaction/who are not controlling shareholders or holders of a personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder: *76.57%*

Voting percentage in favor of approval of the transaction out of the total number of voters who are not controlling shareholders of the Company/who do not have a personal interest in the approval of the resolution *76.57%*

Percentage of those voting against out of the total number of the voting rights in the Company: *5.18%*

2

Transaction Type/Voted Issue: *Appointment of an outside director*

Essence of the Issue *Reappointment of Mr. Efraim Halevy as an outside director of the Company, for an additional term of office of three years commencing August 24, 2016.*

Essence of Proposed Resolution: *Approval of the reappointment of Mr. Efraim Halevy as an outside director of the Company, for an additional term of office of three years commencing August 24, 2016.*

The Meeting Resolved: *to approve*

The Quantity of Shares/Securities which Participated in the Vote: *111,525,569*

The Quantity of Shares/Securities which Voted in Favor: *111,208,742*

The Quantity of Shares/Securities which Participated in the Vote, and were not classified as shares whose holders have a personal interest/as shares having no control or personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder: *26,797,207 of which 26,480,380 voted in favor of approval of the transaction and 316,827 voted against approval of the transaction.*

The Quantity of Shares which Participated in the Vote and were not classified as shares whose holders are controlling shareholders of the Company/as shares of holders of a personal interest in the approval of the resolution *26,797,207 of which 26,480,380 voted in favor of approval of the transaction.*

The Quantity of Shares/Securities that voted against: *316,827*

Voting percentage in favor of approval of the transaction out of the total number of voters who do not have a personal interest in the transaction/who are not controlling shareholders or holders of a personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder: *98.82%*

Voting percentage in favor of approval of the transaction out of the total number of voters who are not controlling shareholders of the Company/who do not have a personal interest in the approval of the resolution *98.82%*

Percentage of those voting against out of the total number of the voting rights in the Company: *0.26%*

3

Transaction Type/Voted Issue: *Indemnification, exemption and/or insurance*

Essence of the Issue *Amendment of the Company's articles of association.*

Essence of Proposed Resolution: *Approval of amendments to the Company's articles of association, which consist mainly of updates pursuant to provisions of the legislation which changed, expansion of the liabilities and/or expenses for which the Company may grant indemnification and/or insurance to directors and officers, inter-alia, in accordance with the Restrictive Trade Practices Law, 5748-1988, as well as the expansion of the definition of the term "Party Injured by a Breach" such that the definition will apply to any statute in respect of which an administrative proceeding may be held.*

The Meeting Resolved: *to approve*

The Quantity of Shares/Securities which Participated in the Vote: *111,525, 569*

The Quantity of Shares/Securities which Voted in Favor: *110,573,425*

The Quantity of Shares/Securities which Participated in the Vote, and were not classified as shares whose holders have a personal interest/as shares having no control or personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder: *26,797,207 of which 25,845,063* voted in favor of approval of the transaction and *951,821* voted against approval of the transaction.

The Quantity of Shares which Participated in the Vote and were not classified as shares whose holders are controlling shareholders of the Company/as shares of holders of a personal interest in the approval of the resolution *26,797,207* of which *25,845,063* voted in favor of approval of the transaction.

The Quantity of Shares/Securities that voted against: *951,821*

Voting percentage in favor of approval of the transaction out of the total number of voters who do not have a personal interest in the transaction/who are not controlling shareholders or holders of a personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder: *96.45%*

Voting percentage in favor of approval of the transaction out of the total number of voters who are not controlling shareholders of the Company/who do not have a personal interest in the approval of the resolution *96.45%*

Percentage of those voting against out of the total number of the voting rights in the Company: *0.79%*

2. The meeting's resolutions with regard to other issues that were on its agenda:

Approval of the appointment of Mr. Menachem Einan as a director of the Company for a term of office until the end of the next annual meeting of the Company's shareholders.

3. Specification of voters in the meeting who are institutional, interested parties or senior officers:

The form can include up to 40 lines (each line shall contain information with regard to one holder of securities who voted in the meeting). In the event that the voter list is longer than 40, the figures with respect to the additional voters shall continue to be filled out on an additional form.

[Link to file] The file shall include, with regard to each voter, the figures that are required in this form.

Specification of the vote according to the numbering of the issues specified in Section 1 above:

| Serial Number | Numbering of Issue on the Agenda | Surname of Shareholder or Holder of Securities / Corporation Name (Hebrew)(1) | Given Name of Shareholder or Holder of Securities | Quantity of Securities | Personal Interest (2) | Vote | Voting Card / Proxy |
|---------------|----------------------------------|---|---|------------------------|-----------------------|-------|---------------------|
| 1 | Issue _____ | _____ | _____ | _____ | _____ | _____ | _____ |

Explanations:

(1) *State the full name as registered with the Registrar of Companies or in the ID card.*

(2) *Whether this is a personal interest of the shareholder or the holder of the securities or a personal interest of the proxy.*

In this column of the table, the details shall be filled out in accordance with the following specification:

- In the case of the approval of a double chairman–CEO office (pursuant to Section 121(c) of the Companies Law) – “Yes” shall be marked for a voter who is a controlling shareholder or who has a personal interest in the approval of the resolution;*
- In the case of the appointment of an outside director (pursuant to Section 239(b) of the Companies Law) – “Yes” shall be marked for a voter who is a controlling shareholder or who has a personal interest in the approval of the appointment, other than a personal interest which does not derive from a connection to the controlling shareholder;*
- In the case of an irregular transaction with a controlling shareholder or a transaction in which the controlling shareholder has a personal interest (pursuant to Section 275 of the Companies Law) – “Yes” shall be marked for a voter who has a personal interest in the approval of the transaction;*
- In the case of a resolution pursuant to Section 350 of the Companies Law, or a resolution to modify an indenture in a*

meeting of holders of certificates of indebtedness – “Yes” shall be marked for a voter who has a personal interest, in accordance with the resolution.

1

Surname of Shareholder or Holder of Securities (Hebrew) / Corporation Name (Hebrew): _____

Given Name of Shareholder or Holder of Securities (Hebrew): _____

Surname of Shareholder or Holder of Securities / Corporation Name (English): _____

Given Name of Shareholder or Holder of Securities (English): _____

Type of I.D. Number: _____

I.D. Number: _____

The participation in the vote is by virtue of holding of securities number: _____

The place of incorporation of the shareholder or holder of securities/the passport country: _____

Proxy name: _____

Type of Proxy's I.D. Number: _____

Proxy's I.D. Number: _____

Passport Country: _____

If the Company knows of any connection between the voter (who does not have a personal interest) and the Company or any of the controlling shareholders thereof, including an employment relationship, business relationship, etc. – specification of the nature thereof:

4. This report is filed further to the following report/s:

| Report | Release Date | Reference Number |
|--------|--------------|------------------|
| | | |

By Irit Sekler-Pilosof, CFO

Reference numbers of previous documents on the issue (citation is not incorporation by reference):

The corporation's securities are listed on TASE

Form structure updated on: July 26, 2016

Abbreviated Name: Azrieli Group

Address: 1 Azrieli Center, Tel Aviv 67021 Telephone: 03-6081400, 03-6081300

Fax: 03-6081380

E-mail: michalk@azrieli.com

Company website: www.azrieli.com

Previous names of reporting entity:

Name of person making electronic report: Irit Sekler-Pilosof

Title: CFO

Name of employing company:

Address: 1 Azrieli Center, Tel Aviv 67021 Tel.: 03-6081319, Fax.: 03-6094518

E-mail: iritp@azrieli.com

Azrieli Group Ltd.

Registrar's number: 510960719

| | | | |
|--|---|---|--|
| To: Israel Securities Authority www.isa.gov.il | To: Tel Aviv Stock Exchange Ltd. www.tase.co.il | T102 (Public) Reference: 2016-01-100270 | Transmitted on MAGNA: August 9, 2016 |
|--|---|---|--|

Immediate Report on Changes to the Articles of Association

Regulation 31C of the Securities Regulations (Periodic and Immediate Reports),
5730-1970.

5. On August 9, 2016, the General Meeting resolved to make changes to the corporation's articles of association.

6. Essence of the Change:

Amendments to the Company's articles of association, which consist mainly of an adjustment of the provisions of the Company's articles of association to provisions of the law, as they were changed and/or will change from time to time, including an amendment to the provisions of the articles of association which relate to indemnification, insurance and granting an exemption to officers, as well as defining the term "Party Injured by a Breach" in order for such a definition to apply to any statute in respect of which an administrative proceeding may be held, as stated in Annex D to the notice of general meeting report as was reported by the Company on July 5, 2016 (Reference No. 2016-01-074518), which is included herein by way of reference.

7. Language of the Change:

Amendments to the Company's articles of association, which consist mainly of an adjustment of the provisions of the Company's articles of association to provisions of the law, as they were changed and/or will change from time to time, including an amendment to the provisions of the articles of association which relate to indemnification, insurance and granting an exemption to officers, as well as defining the term "Party Injured by a Breach" in order for such a definition to apply to any statute in respect of which an administrative proceeding may be held, as stated in Annex D to the notice of general meeting report as was reported by the Company on July 5, 2016 (Reference No. 2016-01-074518), which is included herein by way of reference.

8. The date on which the change took effect is August 9, 2016.

9. The articles of association following the change is attached: [\[link to file\]](#)

Signed by Irit Sekler-Pilosof, CFO

Reference numbers of previous documents on the issue (citation is not incorporation by reference):

The corporation's securities are listed on TASE

Form structure updated on: July 26, 2016

Abbreviated Name: Azrieli Group

Address: 1 Azrieli Center, Tel Aviv 67021 Telephone: 03-6081400, 03-6081300

Fax: 03-6081380

E-mail: michalk@azrieli.com

Company website: www.azrieli.com

Previous names of reporting entity:

Name of person making electronic report: Irit Sekler-Pilosof

Title: CFO

Name of employing company:

Address: 1 Azrieli Center, Tel Aviv 67021 Tel.: 03-6081319, Fax.: 03-6094518

E-mail: iritp@azrieli.com