



PRESS RELEASE

GAZIT AMERICA ANNOUNCES ITS 2011 THIRD QUARTER RESULTS

Toronto, Ontario (November 14, 2011) - Gazit America Inc. (“Gazit America” or the “Company”) (TSX: GAA) announced today in accordance with International Financial Reporting Standards (IFRS), its financial and operating results for the three and nine months ended September 30, 2011. Highlights include:

- Cash provided by operating activities of \$0.3 million for the third quarter and \$1.2 million for the nine months ended September 30, 2011.
- Completed the acquisition of Meadowlark Health and Shopping Centre in Edmonton totaling approximately 306,000 square feet of rentable space for approximately \$84.0 million (100%) in a 50/50 joint venture.
- Subsequent to the quarter, the Company closed on a 40,000 square foot building in Toronto for approximately \$12.4 million, including transactions costs.

Our third quarter and year-to-date results reflect a significant increase in our operating income from the aggregate \$118 million of acquisitions completed during the nine-month period”, said Gail Mifsud, CEO of Gazit America. “Looking forward, we continue to have a steady pipeline of acquisitions; including the \$21.9 million previously announced properties that we expect to close during the fourth quarter. With the pending acquisitions slated to close during the fourth quarter in combination with completed acquisitions, we have substantially increased our property portfolio that, in addition to the dividend income we receive from our investment in Equity One, provide a solid base to build our business.”

FINANCIAL HIGHLIGHTS

Gazit America reported third quarter rental revenues and net operating income of \$4.2 million and \$2.3 million, respectively. The Company’s third quarter rental revenues and net operating income have increased by \$3.2 million and \$1.8 million, respectively, over the same period last year, largely as a result of the acquisition of six properties totaling 663,000 square feet during 2011. The Company received dividends from its investment in Equity One of \$3.1 million (US\$3.1 million or US\$0.22 per share) in the quarter ended September 30, 2011 consistent with \$3.2 million (US\$3.1 million or US\$0.22 per share) for the quarter ended September 30, 2010. For the nine months ended September 30, 2011, the Company

received \$9.2 million (US\$9.4 million) in dividends from Equity One compared to the \$9.6 million (US\$9.4 million) received for the same period in 2010.

Net loss for the third quarter of 2011 was \$3.0 million or \$0.13 per diluted share compared to net loss of \$1.6 million or \$0.12 per share in the third quarter of 2010. The third quarter 2011 results reflect the additional net operating income from newly acquired properties of \$1.8 million, higher income from Equity One of approximately \$1.8 million as compared to the same period in 2010, offset by a \$3.0 million unrealized loss on foreign exchange compared to a gain of \$1.3 million in the same period in 2010.

SUBSEQUENT EVENTS

In early November 2011, the Company acquired a 40,000 square foot, five-storey office building located within the busy retail and commercial node of Leaside on the southwest corner of Bayview Avenue and Hillsdale Avenue, just south of the major intersection of Bayview Avenue and Eglinton Avenue East. The property is less than 2 kilometers immediately south of Sunnybrook Hospital in Toronto. The property is fully leased to a mix of tenants including a specialty outpatient clinic funded by the Government of Ontario, Bank of Montreal, medical and dental practitioners, and other knowledge-based enterprises. The weighted average remaining lease term is in excess of five years. The purchase price was approximately \$12.4 million, including transaction costs, and was partially funded by a new \$8.3 million first mortgage that matures in 2016.

The Company also announced that it entered into a binding agreement to purchase a 47,000 square foot medical office building in Kitchener, Ontario for approximately \$9.5 million and to be partially funded by a new \$6.0 million first mortgage that matures in 2016. This acquisition is subject to the satisfaction of customary closing conditions, and is expected to close during the fourth quarter of 2011.

Financial statements and management's discussion and analysis for the three and nine months ended September 30, 2011 will be filed on SEDAR at www.sedar.com and will be available through our website at www.gazitamerica.com.

ABOUT GAZIT AMERICA (TSX: GAA)

Gazit America is focused on entrepreneurial real estate investments including the acquisition and development of income-producing properties, investments in public and private real estate entities, investments in joint ventures and other structured acquisitions and investments in commercial and residential mortgage-backed securities. Gazit America currently owns approximately 12.5% of Equity One, Inc. (NYSE: EQY), a U.S. real estate investment trust, and has interest in ten properties totaling approximately 868,000 square feet of rentable space located in Longueuil and Montreal, Quebec, and Cambridge, London, Mississauga, Toronto and Ottawa, Ontario, and Edmonton, Alberta.

FORWARD LOOKING STATEMENT ADVISORY

This press release contains forward-looking statements, and other statements concerning Gazit America's objectives and strategies and Management's beliefs, plans, estimates and intentions. Forward-looking statements can generally be identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend", "outlook", "objective", "may", "will", "should", "continue" and similar expressions. The forward-looking statements are not historical facts but reflect the Company's current expectations regarding future results or events and are based on information currently available to Management. Certain material factors and assumptions were applied in providing these forward-looking statements. All forward-looking statements in this press release are qualified by these cautionary statements.

Management believes that the expectations reflected in forward-looking statements are based upon reasonable assumptions; however, Management can give no assurance that actual results will be consistent with these forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed under "Risks and Uncertainties" in the Company's current Management's Discussion and Analysis.

Factors that could cause actual results or events to differ materially from those expressed, implied or projected by forward-looking statements in addition to those described in the "Risks and Uncertainties" section include, but are not limited to, general economic conditions, the relative illiquidity of real property, unexpected costs or liabilities related to acquisitions, environmental matters, legal matters, reliance on key personnel, financial difficulties and defaults, changes in interest rates and credit spreads, changes in the U.S.–Canadian foreign currency exchange rate, changes in operating costs, reliance on third parties, risks related to investments in securities, the Company's ability to obtain insurance coverage at a reasonable cost and the availability of financing.

Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. Gazit America undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances except as required by securities laws.

These forward-looking statements are made as of November 14, 2011.

For further information regarding Gazit America:

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NON-IFRS SUPPLEMENTAL FINANCIAL MEASURES

Net Operating Income

Net operating income ("NOI") is defined as rental revenues less property operating expenses. In Management's opinion, net operating income is useful in analyzing the operating performance of the Company's portfolio. Net operating income is not a measure defined by International Financial Reporting Standards ("IFRS") and there is no standard definition of net operating income. As a result, net operating income may not be comparable with similar measures presented by other entities. Net operating income is not to be construed as an alternative to net income or cash flow from operating activities determined in accordance with IFRS.

GAZIT AMERICA INC.
Consolidated Balance Sheets
(thousands of dollars)
(unaudited)

	September 30	December 31
	2011	2010
ASSETS		
<i>Non-current assets</i>		
Investment properties	\$149,760	\$30,541
Investment in Equity One, Inc.	237,398	203,154
Other non-current assets	820	863
	387,978	234,558
<i>Current assets</i>		
Cash	4,561	9,145
Other current assets	14,251	9,875
	18,812	19,020
	\$406,790	\$253,578
LIABILITIES		
<i>Non-current liabilities</i>		
Mortgages, credit facilities and term loans	\$183,813	\$112,189
Loan payable to affiliated entity	38,196	35,793
Other non-current liabilities	2,763	1,035
Deferred income tax liability	36,442	11,466
	261,214	160,483
<i>Current liabilities</i>		
Mortgages, credit facilities and term loans	7,759	6,689
Loan payable to affiliated entity	266	1,099
Accounts payable and other liabilities	3,537	2,706
	11,562	10,494
SHAREHOLDERS' EQUITY	134,014	82,601
	\$406,790	\$253,578

GAZIT AMERICA INC.**Consolidated Statements of Earnings**

*For the three and nine months ended September 30 (thousands of dollars, except per share amounts)
(unaudited)*

	Three months ended		Nine months ended	
	September 30 2011	September 30 2010	September 30 2011	September 30 2010
REVENUE				
Rental revenue	\$4,209	\$1,042	\$10,033	\$2,914
Property operating expenses	1,861	540	4,672	1,515
Net operating income	2,348	502	5,361	1,399
EXPENSES				
Interest expense, net	2,992	2,433	8,038	6,931
General and administrative expenses	1,506	1,068	4,923	3,405
	4,498	3,501	12,961	10,336
Equity income from Equity One, Inc.	-	1,391	8,372	5,964
Dilution gain (loss) on investment in Equity One, Inc.	-	(132)	223	(244)
Distribution from Equity One, Inc.	3,081	-	3,081	-
	3,081	1,259	11,676	5,720
Income (loss) before the undernoted	931	(1,740)	4,076	(3,217)
Unrealized loss on interest rate swaps and option	(1,308)	(1,284)	(1,977)	(3,528)
Fair value gain (loss) on investment properties	134	(170)	955	(852)
Fair value gain on investment in Equity One, Inc.	-	-	34,136	-
Unrealized gain (loss) on foreign exchange	(2,969)	1,269	(1,856)	802
Income (loss) before income taxes	(3,212)	(1,925)	35,334	(6,795)
Income taxes				
Current year expense (recovery)	(395)	388	(27)	1,174
Deferred tax expense (recovery)	171	(673)	11,819	(1,805)
	(224)	(285)	11,792	(631)
Net income (loss)	(\$2,988)	(\$1,640)	\$23,542	(\$6,164)
Earnings (loss) per common share, basic	(\$0.13)	(\$0.12)	\$1.21	(\$0.48)
Earnings (loss) per common share, diluted	(\$0.13)	(\$0.12)	\$1.20	(\$0.48)

GAZIT AMERICA INC.**Consolidated Statements of Cash Flow***For the three and nine months ended September 30 (thousands of dollars)**(unaudited)*

	Three months ended		Nine months ended	
	September 30 2011	September 30 2010	September 30 2011	September 30 2010
Operating Activities				
Net income (loss)	(\$2,988)	(\$1,640)	\$23,542	(\$6,164)
Items not affecting cash:				
Amortization	21	6	31	10
Non-cash interest expense	21	59	(18)	134
Non-cash portion of gain on sale of marketable securities	-	-	(101)	-
Dividend received from Equity One, Inc.	-	3,222	6,137	9,650
Equity income from Equity One, Inc.	-	(1,391)	(8,372)	(5,964)
Fair value gain on investment in Equity One, Inc.	-	-	(34,136)	-
Dilution (gain) loss on investment in Equity One, Inc.	-	132	(223)	244
Deferred income tax expense (recovery)	171	(673)	11,819	(1,805)
Fair value (gain) loss on investment properties	(134)	170	(955)	852
Unrealized (gain) loss on foreign exchange translation	2,969	(1,269)	1,856	(802)
Unrealized loss on interest rate swaps and option	1,308	1,284	1,977	3,528
Non-cash compensation expense	291	469	997	1,056
Net change in non-cash operating items	(1,325)	(1,480)	(1,390)	244
Cash provided by (used in) operating activities	334	(1,111)	1,164	983
Investing Activities				
Acquisition of investment properties, net of \$21.9 million mortgages assumed	(42,488)	(360)	(95,407)	(4,023)
Capital expenditures	(206)	(272)	(860)	(290)
Deposits on properties under option	(611)	-	748	-
Investment in common shares of Equity One, Inc.	-	-	-	(1,882)
Investments in marketable securities	(369)	(208)	(4,287)	(2,131)
Proceeds from sale of marketable securities	-	-	611	-
Cash used in investing activities	(43,674)	(840)	(99,195)	(8,326)
Financing Activities				
Proceeds from issuance of common shares	-	8,698	25,905	8,698
Proceeds from issuance of common share warrants	-	4,169	22,452	4,169
Proceeds from exercise of warrants	-	-	5	-
Proceeds from mortgages	25,000	-	41,500	-
Proceeds from credit facilities	-	618	17,000	11,612
Repayment of term loans, credit facilities and mortgages	(2,963)	(3,880)	(13,499)	(7,396)
Payments to affiliated entities	-	(855)	(40,043)	(2,384)
Receipts from affiliated entities	-	1,606	39,902	1,606
Cash provided by financing activities	22,037	10,356	93,222	16,305
Effect of currency rate movement on cash balances	323	829	225	799
(Decrease) increase in cash	(20,980)	9,234	(4,584)	9,761
Cash, beginning of period	25,541	4,418	9,145	3,891
Cash, end of period	\$4,561	\$13,652	\$4,561	\$13,652
SUPPLEMENTARY INFORMATION				
Income taxes paid	\$0	\$0	\$0	\$22
Interest paid	\$2,916	\$2,372	\$8,240	\$7,655