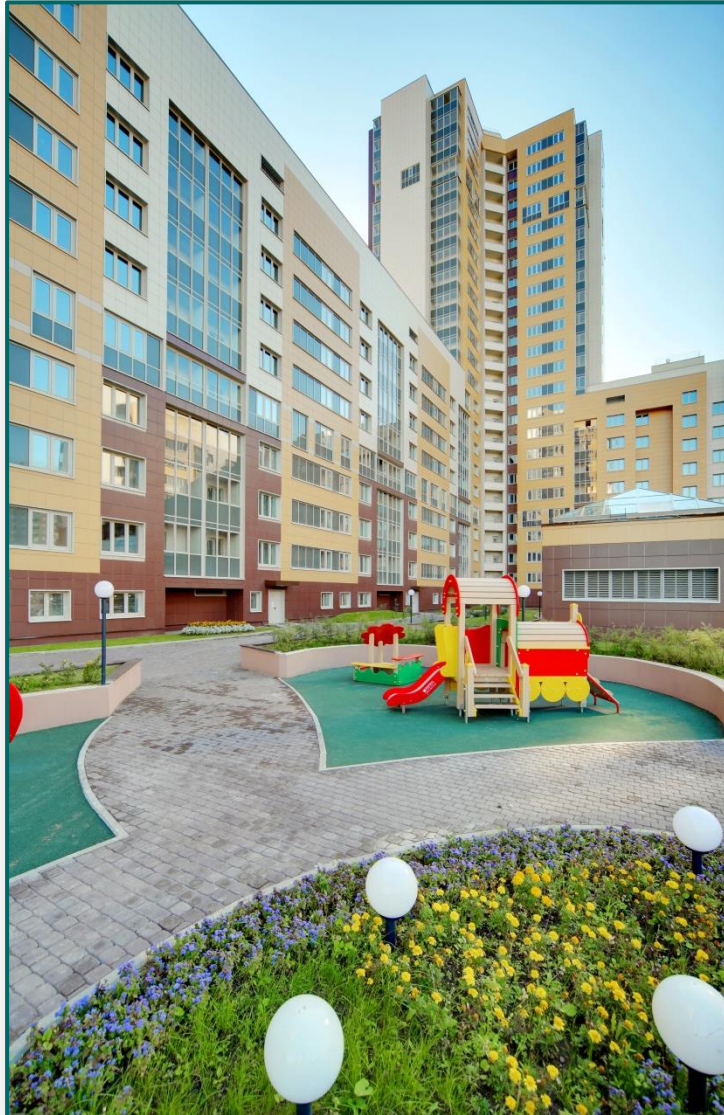
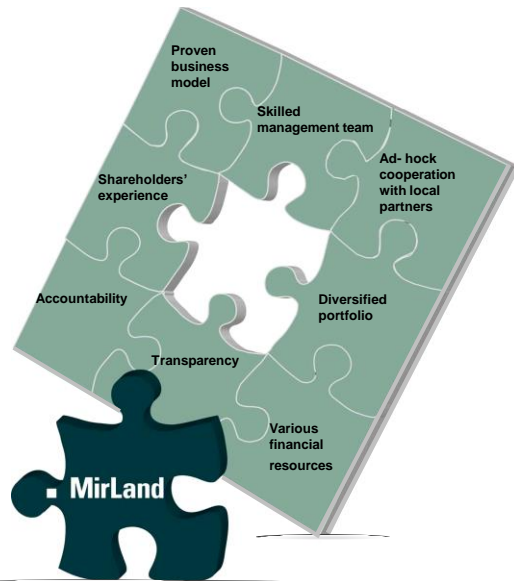


August 2014

MirLand

Development Corporation Plc
Company Presentation





This presentation includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. They appear in a number of places throughout this presentation and include statements regarding our intentions, beliefs or current expectations concerning, amongst other things, our investment objectives and investment policy, financing strategies, investment performance, results of operations, financial condition, liquidity, prospects and dividend policy and the markets in which we, directly or indirectly, will invest. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. Our actual investment performance, results of operations, financial condition, liquidity, dividend policy and the development of our financing strategies may differ materially from the impression created by the forward-looking statements contained in this presentation. In addition, even if our investment performance, results of operations, financial condition, liquidity and dividend policy and the development of our financing strategies are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of results or developments in subsequent periods.

These forward-looking statements speak only as at the date of this presentation. Subject to our legal and regulatory obligations we expressly disclaim any obligation to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

- Introduction
- Strategy & Business Model
- Russian Economy Overview
& Portfolio Highlights
- Financials
- Appendix

■ Residential

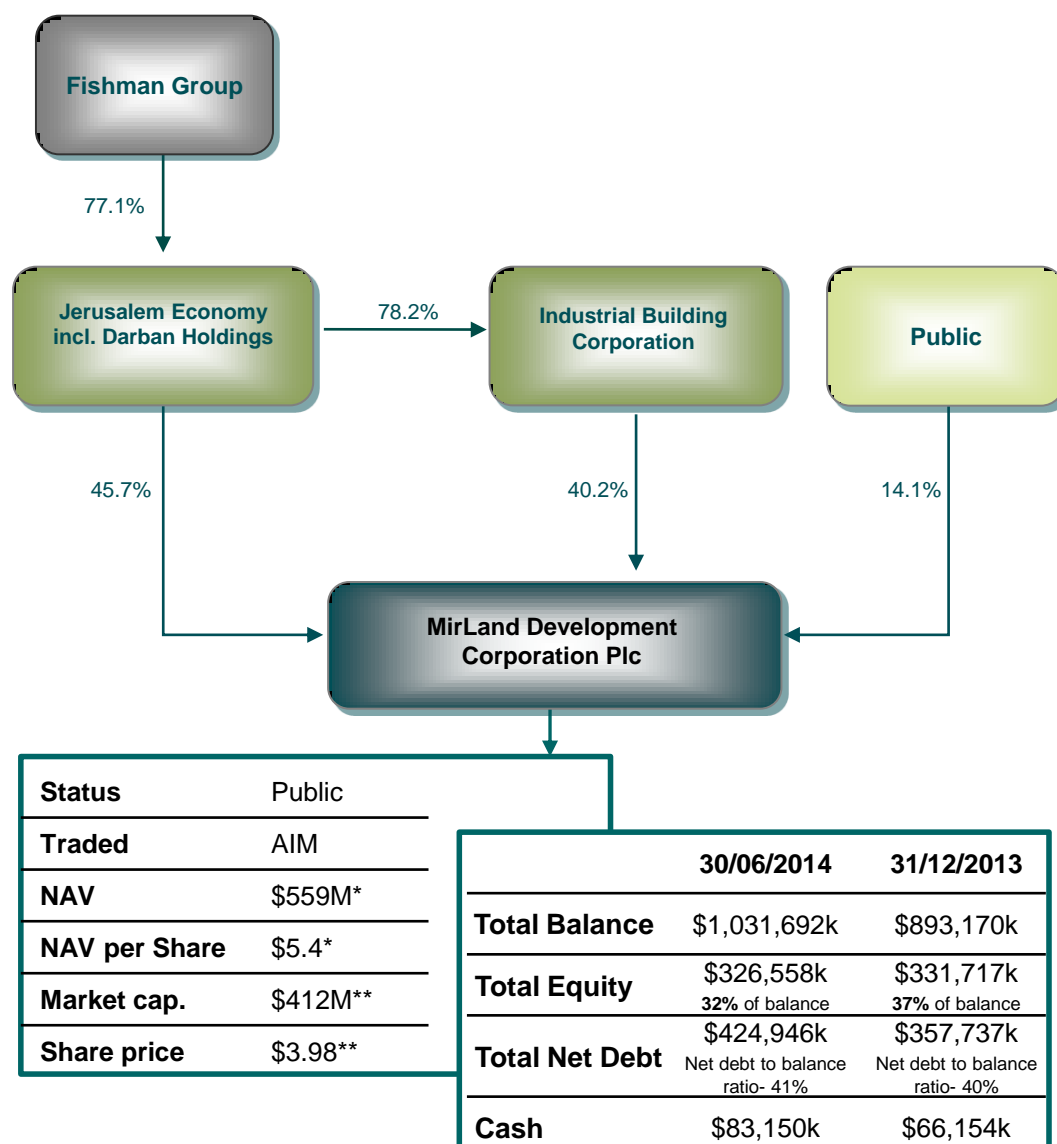
■ Retail

■ Offices

■ Logistics



- The Company was established in 2004, as the real estate vehicle of the Fishman Group in Russia
- MirLand diversified portfolio comprises 13 projects across Russia, with a total rentable/saleable area of ~1.3M sqm upon completion
- In 12/2006, the Company successfully raised net proceeds of US\$327M at the London Stock Exchange
- To date, the Company raised net proceeds of circa US\$306M in publicly traded bonds at the TASE



Mitigation of risks by maintaining a diversified portfolio

- Diversification of assets in terms of geographical location, segmentation and development stage

Optimization & diversification of financial resources

- Stock issuance
- Straight bonds issuance at the TSE
- International and Russian banks loans

Predetermined realization strategy

- Residential projects developed for sale
- Commercial projects retained as yielding assets

Realization of growth opportunities

- Cautious consideration of new projects
- Acquisition of land plots with an option for phased development

Dividend distribution

- Starting from 2015 in amount of ~\$15M, subject to adoption of the dividend policy

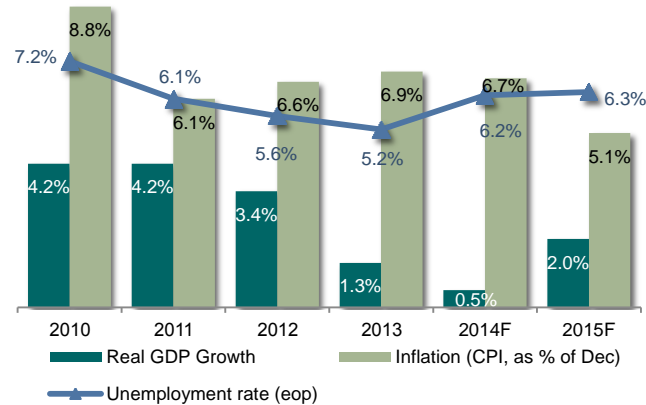


Russian Economy Overview & Portfolio Highlights

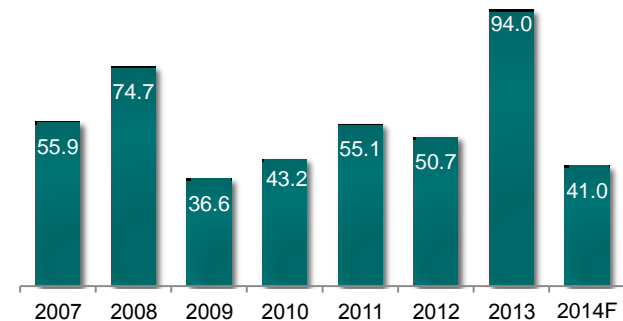
- GDP growth accelerated to 1.2% y/y in 2Q14 from 0.9% y/y in 1Q14. However, the 0.5% GDP growth outlook for 2014 remain unchanged according to the Ministry of Economic Trade & Development, (1% by Alfa Bank)
- Inflation rate for 2014 is expected to reach 6.7% and forecasted to show some slowdown in 2015
- Unemployment level is 6.2% and is expected to remain below 7% in the near future
- Retail trade turnover growth rate still exceeds economic growth, so the consumer market remains a top priority for business

Russia's Government debt amounted to only 13% of GDP, compared with 87% in the EU

Real GDP Growth, Inflation and Unemployment, %



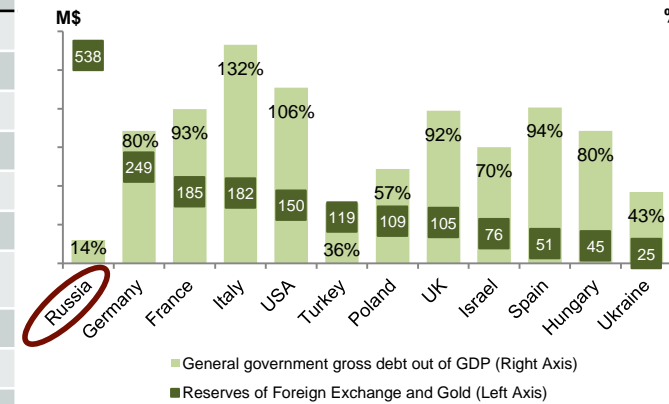
Foreign Direct Investments, \$bn



Global Real GDP Growth Risks Comparison, %

Real GDP %	2013	2014E			2015E		
		Bear	Base	Bull	Bear	Base	Bull
Global	3.0	2.5	3.2	3.7	2.9	3.7	4.5
G10	1.2	1.3	1.8	2.2	1.4	2.2	3.0
US	1.9	1.7	2.1	2.5	2.2	2.8	3.6
EU Zone	(0.4)	0.5	1.0	1.3	0.7	1.5	2.2
Japan	1.6	0.5	1.1	1.6	(0.2)	1.1	1.7
UK	1.7	2.6	3.1	3.7	1.8	2.7	3.9
Emerging markets	4.8	3.7	4.5	5.1	4.2	5.2	5.9
China	7.7	6.8	7.0	7.3	6.7	7.2	7.9
India	4.7	4.7	5.2	5.6	5.8	6.3	7.0
Brazil	2.5	0.1	1.0	1.8	(1.2)	0.9	1.5
Russia	1.3	(1.5)	0.8	1.5	(1.0)	1.9	2.5

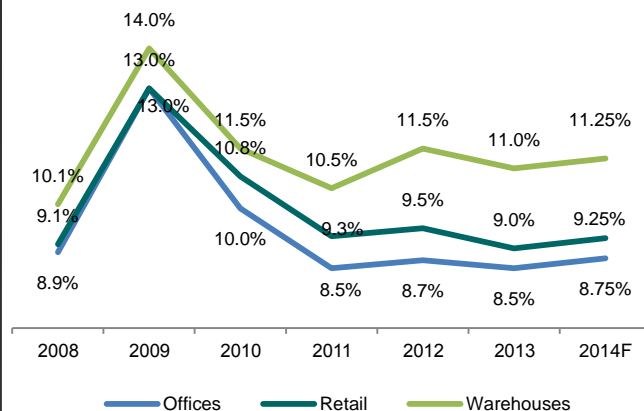
Government Debt % of GDP & Reserves, \$mil



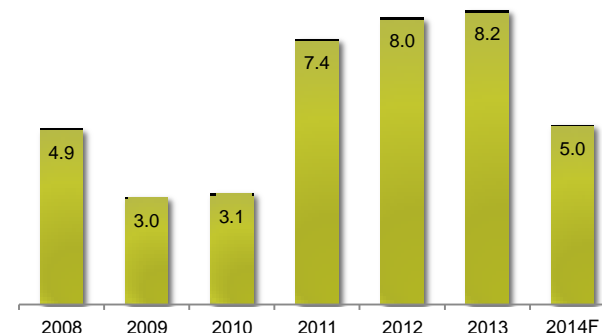
- The total volume of investments in 1H14 accounted for \$2.4bn (almost half compared to 1H13 \$4.63bn). The forecast for 2014 is \$5bn and increase in 2015 up to \$6.5-7.0bn
- The leading share of investments belongs to Russian investors – 88%. While Moscow's investment deals comprise more than 90% of total volume at \$2.2bn
- Prime yields remained stable in 2Q14, but are expected to grow in 3Q14 by 0.25 pp for all segments: 8.75% for offices, 9.25% for retail, and 11.25% for warehouses. This revision reflects the 0.5pp key rate increase by CBR

Real estate sector continues to perform well due to strong consumer market

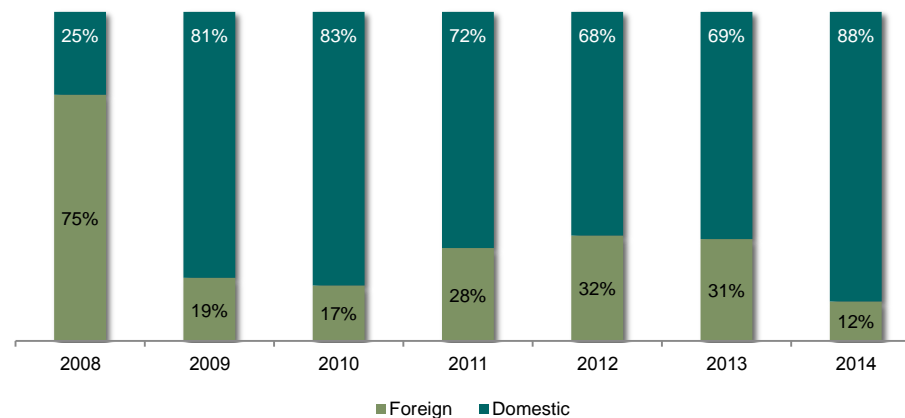
Prime Yields in Moscow, %



Accumulated Investment in Commercial RE, \$bn



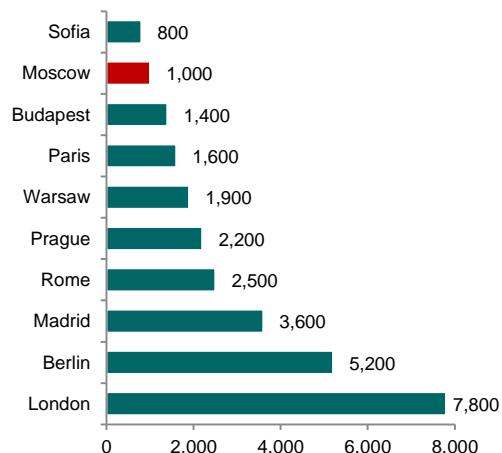
Investment Split by Source of Capital, %



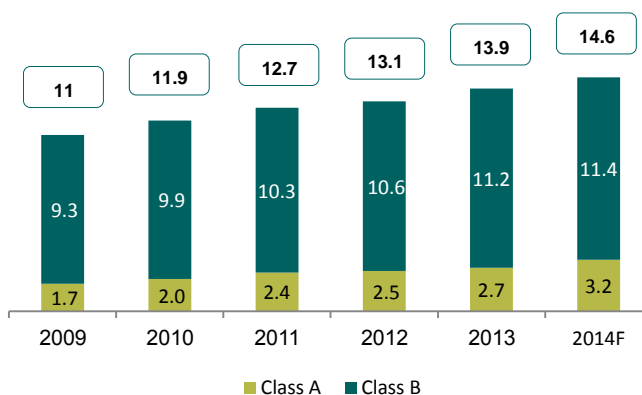
- The total volume of investments in the office segment in 1H14 was \$1.71bn, 70% of total investments (\$2.4bn)
- The average vacancy rate has increased by 2.4pp to 14.1% in 1H14 (23.7% in Class A and 12.1% in Class B), and is expected to grow further
- The rental rates in 1H14: Class A average rate has decreased from \$870/sqm to \$809/sqm (per year, triple net). Class B average rental rate is stable at \$528/sqm
- In 1H14, the total volume of office deals (sale & lease) decreased 32% compared to 1H13 and amounted to 538Ksqm. 2014 monthly take-up decreased to 80K-100K sqm compared to 150K in 2012-2013
- This year might be a record year of new construction since 2009

Moscow office stock is only 1 sqm per person, well below the European countries

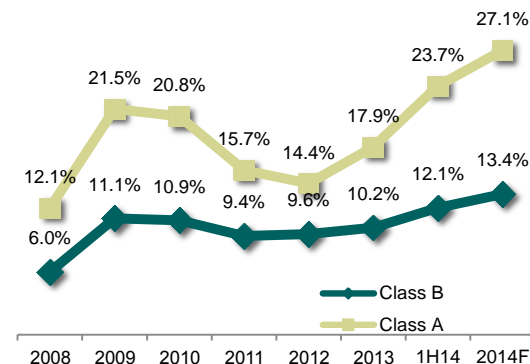
Office Stock per 1,000 ppl



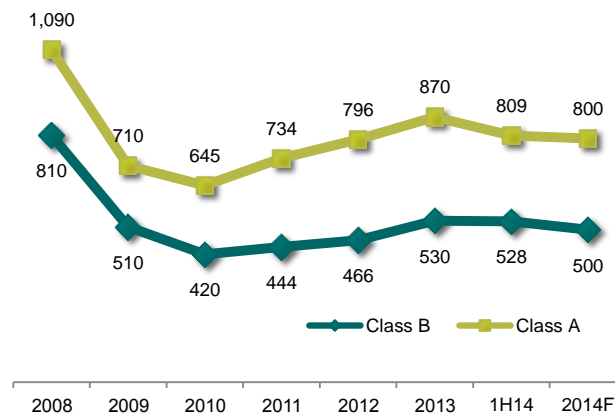
Office Stock in Moscow, mil sqm



Vacancy Rates for Class A&B in Moscow, %



Rent Rates for Class A&B in Moscow, \$/sqm



- **Land area:** 4.43ha
- **Total GLA:** 67,871 sqm
- **C&W Valuation*30/0614:** \$252M

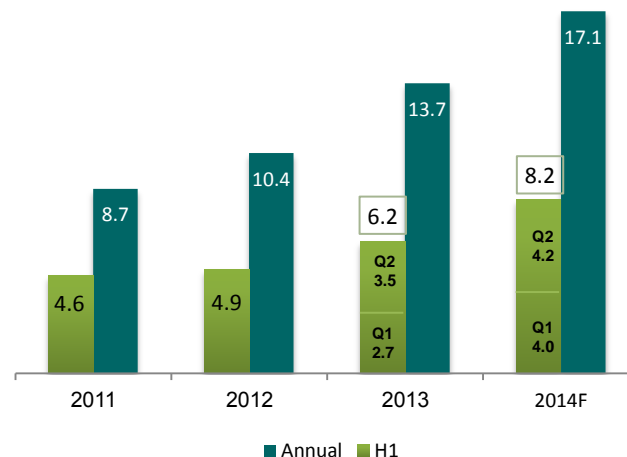
Contracts Data Summary

- **Ave rent rate per sqm:** \$454
- **Ave contract duration:** 4.5 (y)
- **Tenants:** 160
- **Indexation:** ~8%
- **Currency:** linked to USD
- **Occupancy:** 93%

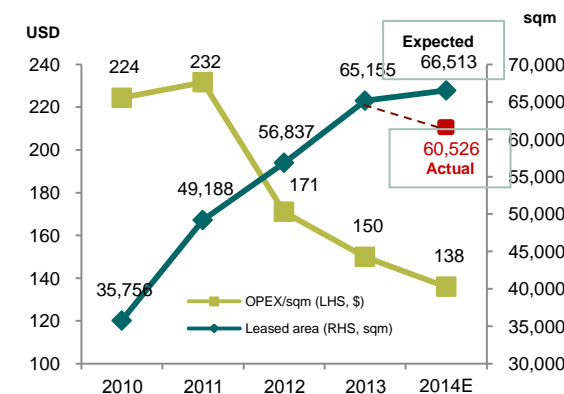
MirLand Business Center comprises 4 Class B+ office projects, located in the northern part of Moscow's Novoslobodskiy business district



Annual NOI (MirLand Share), \$M



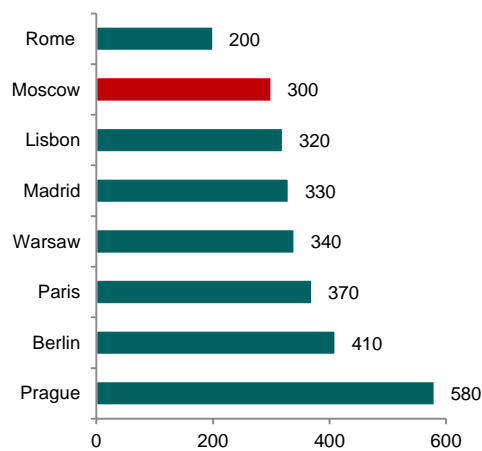
OPEX Dynamics \$/sqm per Leased Area in sqm



- The average vacancy rate in Moscow quality shopping centers increased to 3.5%
- By the end of the year, total stock is expected to exceed 18M sqm and Russia will become the 2nd largest market in Europe after UK (18.2m sq m) and ahead of France (16.5m sq m)
- Rental rates remain fairly stable. The average rent is USD500-1,800/ sq m/year, according to the premises
- Regardless of the macroeconomic conditions, international retailers continue to target the Russian market (Deichmann, Harmont & Blaine, Moncler and Norma J Baker ,Prenatal Milano, Tony Moly).

Regardless of the macroeconomic conditions, leading international retailers continue to target the Russian market

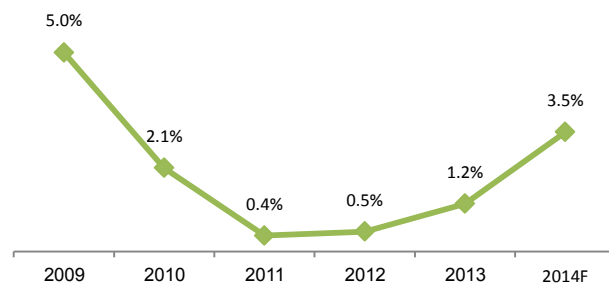
Retail Stock per 1,000 ppl



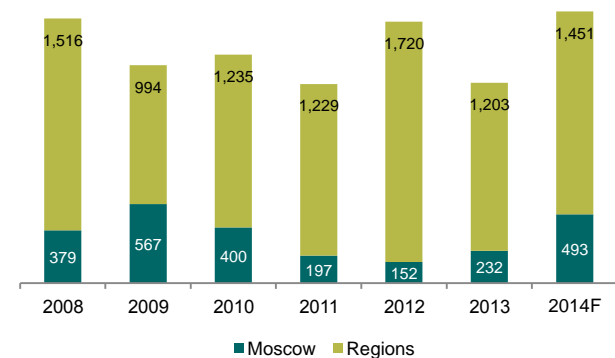
Retail Turnover & Real Disposable Income, %YoY



Moscow Quality Retail Vacancy Rate, \$/sqm, %



Quality Retail Delivery, '000 sqm



Vernissage Mall, Yaroslavl

- Land area: 12 ha
- GLA: 34,090 sqm
- Completed: Q2 '07
- Rights from freehold: 100%
- Average monthly footfall: 252K
- C&W Valuation 30/06/14: \$102.8M
- NOI 2013: \$11.9M

Triumph Mall, Saratov

- Land area: 2.2 ha
- GLA: 27,305 sqm
- Completed: Q4 '10
- Rights from freehold: 100%
- Average monthly footfall: 524K
- C&W Valuation 30/06/14: \$137.3M
- NOI 2013: \$13.7M

Contracts Data Summary

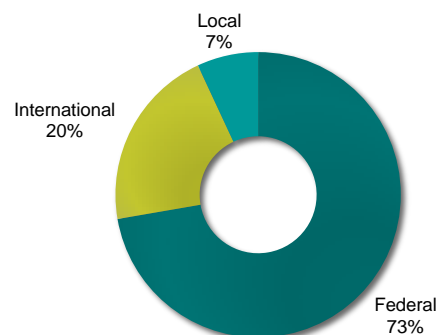
- Annual ave. rent per sqm: \$411
- Ave contract duration: 11.5 (y)
- Tenants: 260
- Indexation: ~4%
- Currency: linked to USD
- Occupancy: 100%

Triumph Mall, Saratov

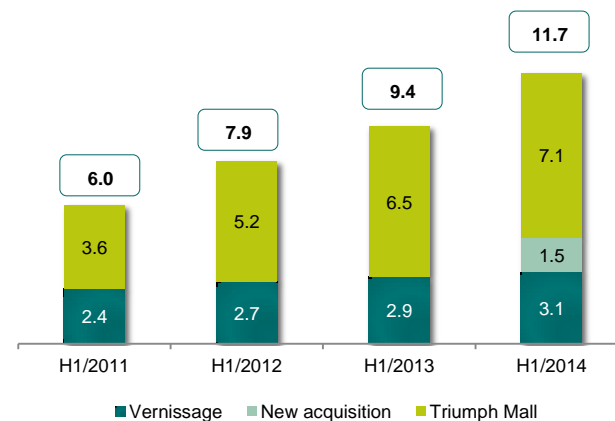
Shopping center



Tenants' Mix



NOI Development, \$mil



Our Tenants: International, Federal and Local Brands



MANGO

celio*



CAMAÏEU



Accessorize



CALZEDONIA

re RESERVED



O'STIN



RIVE GAUCHE

Seppälä

HOMEcenter

M. GUGEO

befree

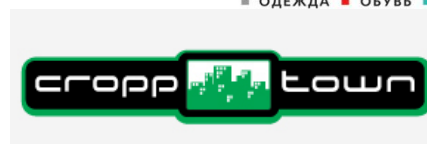


Paolo Conte fashion



LINDEX

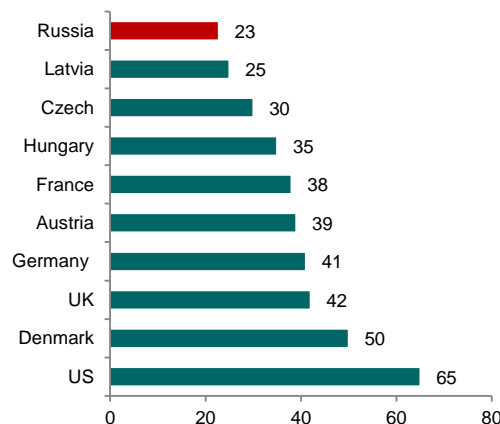
be casual
FINN FLARE
ОДЕЖДА ОБУВЬ АКСЕССУАРИ



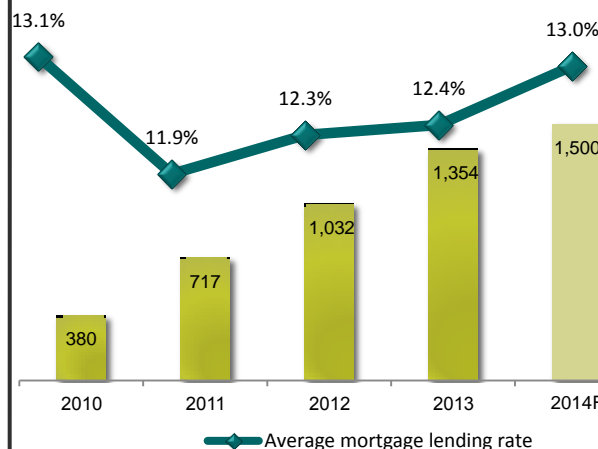
- In Russia the average area per capita totals at circa 23 sqm
- 35% of the existing stock is in poor condition and therefore should be replaced within the next 5-7 years
- Market prices slightly increased in 2Q14. The price change varies according to the project's segment: business is up by 1.3%, economy by 0.8%, compared to 1Q14
- The mortgage market amounts to only 3% of GDP. It continues its positive trend, with 643.8bn RUB of mortgages granted during the first 5 months of 2014, which is higher by 1.3 than the same period in 2013. The average lending rate was ~12.2%
- 2Q14 delivery of residential projects totaled in ~394K sqm., 18% higher than 2Q13. Most of which was in the mass-market segment (81%)

The residential sector in Russia presents one of the best opportunities for growth due to low living space per capita

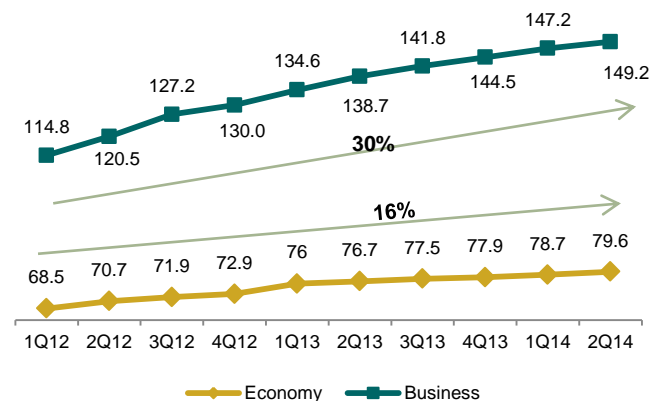
Average Living Space Comparison, sqm/capita



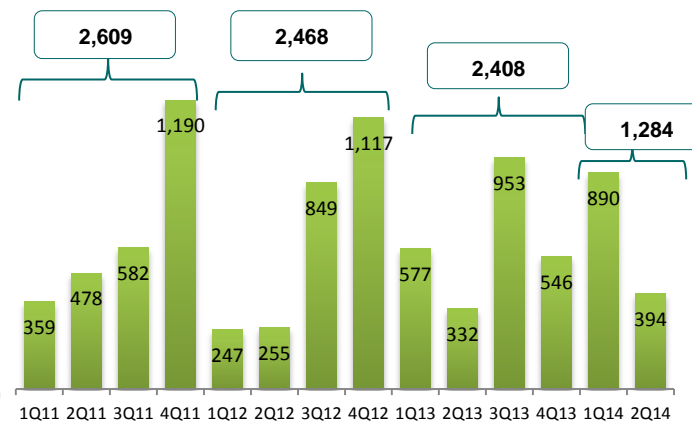
Russia's Mortgage Lending market



St. Petersburg's Primary Housing Prices, '000 RUB/sqm



Delivery in St. Petersburg and Outskirts, '000 sqm

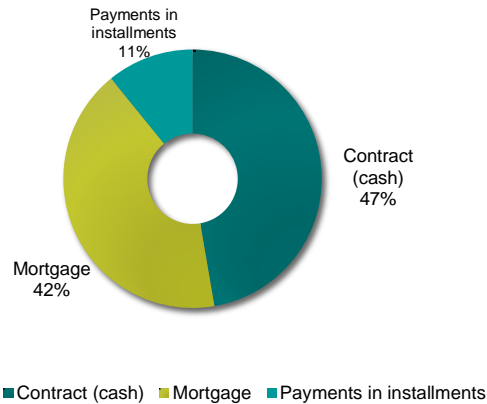


- **Land area:** 41 ha
- **Total saleable area:** 560,000 sqm (9,000 apt)
- **Rights from freehold:** 100%
- **C&W Valuation 31/12/13:** \$323.2M

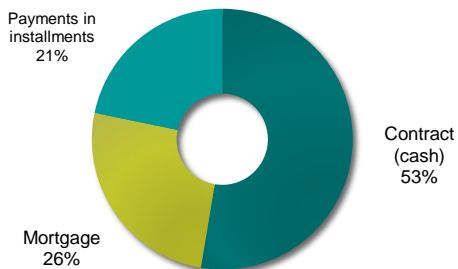
Phased development of a residential neighbourhood with commercial and public areas. Phases I-IV are in process, further development of additional 370K sqm is in planning

	   			
	<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>	<u>Phase IV</u>
Commencement	Q3/2011	Q3/2012	Q3/2013	Q3/2014
Completion	Q4/2013	Q4/2014	Q1/2016	Q2/2017
Number of apt	510	630	1,346	1,244
Total sqm	27,700	34,100	63,200	~60,600
Ave. sale price, RUR	81,700	92,000	100,000	104,000
Total income, USD mil	71	98	194	205
Profit , USD mil	12	26	58	66
% Profit NET	20%	24%-28%	26%-30%	28%-31%
Cash flow projected from Phase, USD mil	12.5	14	60	70

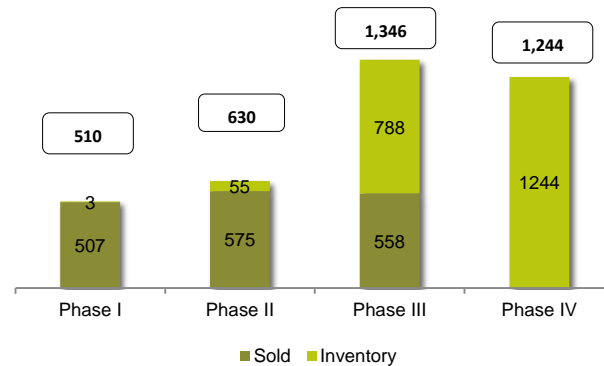
Phase II Payment Spread



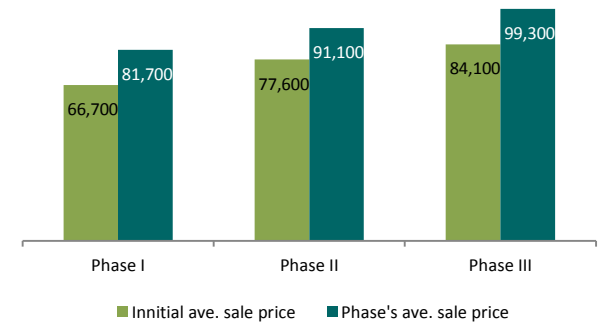
Phase III Payment Spread



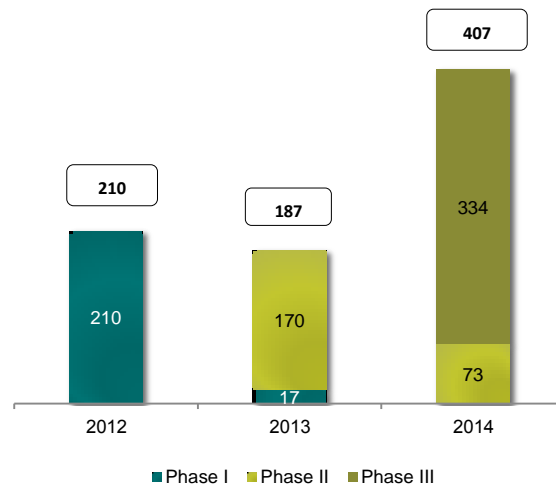
Sales & Inventory by Phases, apt



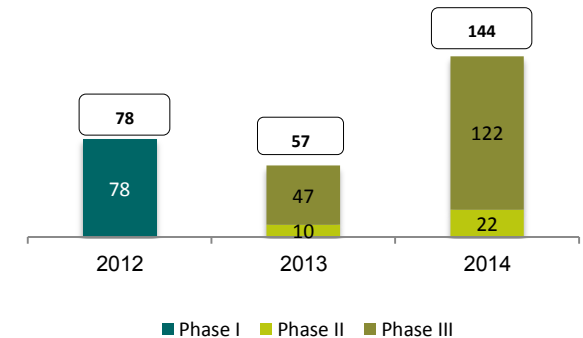
Projected Price vs Initial Sale Price, RUB/sqm



7 Months (Jan – July) Sales by Phases, apt



Last 3 Months (May – July) Sales by Phases, apt



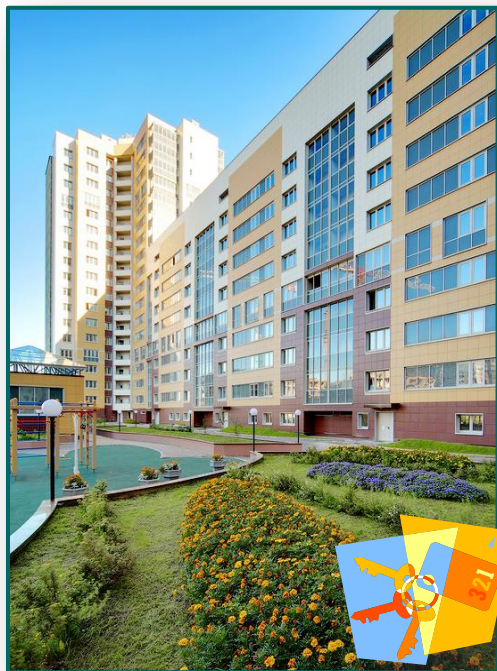
Phase I
delivered

~1,600
apt
Sold

~\$190M
Sales

~1,000
workers
on site

~100K sqm
under
construction



- Triumph Park is a **winner of Green Awards 2012 и 2013**, the Russian Federal Competition on sustainable development and energy efficiency

BREEAM®



Triumph Park – the 1st **residential BREEAM certified** project in Russia

Transportation scheme

Parking for Bicycles

Recreation area

Shuttle bus to the metro station

Smoking free territory

Built-in retail infrastructure

Kids and sports playgrounds

- **Land area:** 22.5 ha
- **Saleable area:** 65,629 sqm
- **Phase 1:** 77 houses (out of 163)
- **Rights from freehold:** 100%

C&W Valuation 30/06/14:

- **Project Value:** \$51.5M

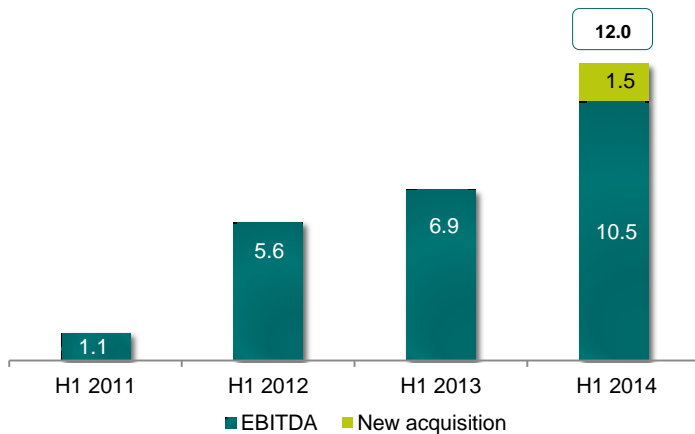
Project Status:

- Total sales: 33 houses
- Infrastructure construction completed
- Completion Certificate obtained
- Delivery is in process

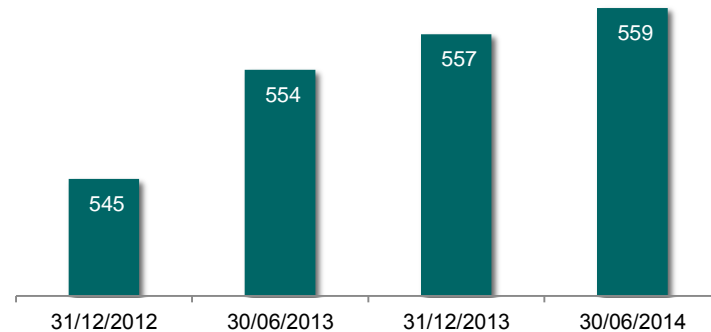
Western Residence is a neighbourhood of cottages and town houses, targeting the middle class segment. Located in the prestigious western outskirts of Moscow - Perkhushkovo settlement



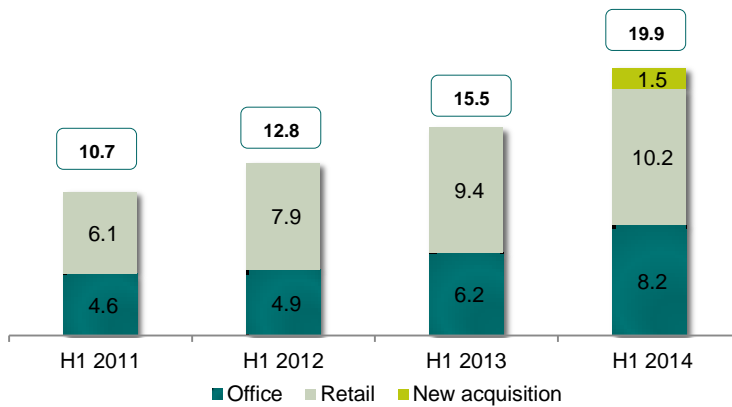
EBITDA, USDml



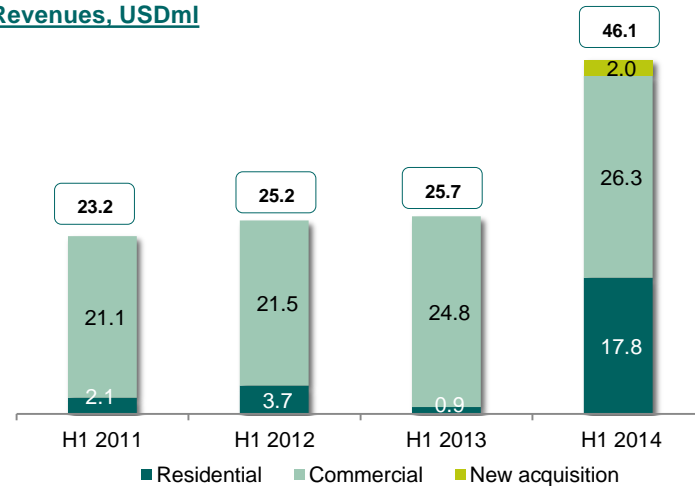
Nav, USDml



NOI, USDml

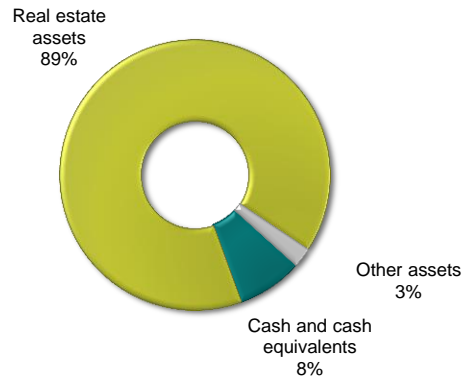


Revenues, USDml

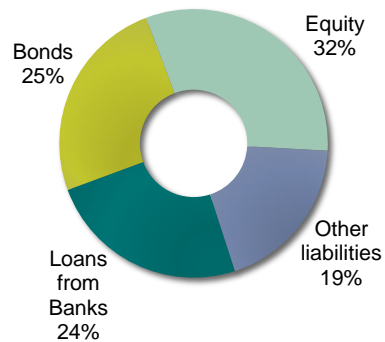


Financial Highlights

Assets

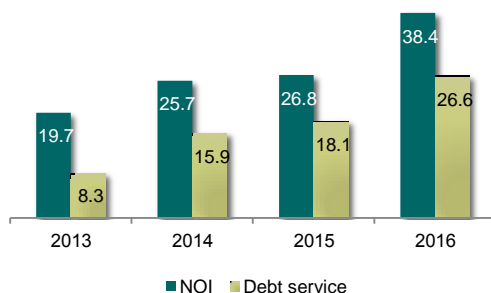


Liabilities & Equity

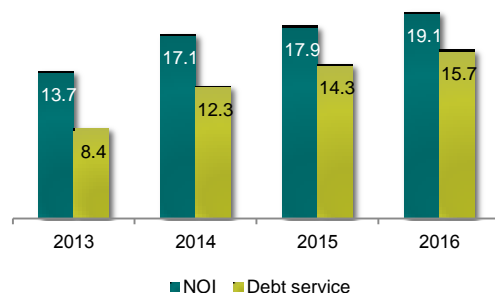


	30/06/2014	31/12/2013	30/06/2013
Total Balance	\$1,031,692K	\$893,170K	\$859,389K
Total Equity	\$326,558K 32% of balance	\$331,717K 37% of balance	\$328,808K 38% of balance
Property & Land	\$913,555K 89% of balance	\$807,384K 90% of balance	\$792,588K 92% of balance
Total Net Debt	\$424,946K Net debt to balance ratio- 41%	\$357,737K Net debt to balance ratio- 40%	\$328,498K Net debt to balance ratio- 38%
Net Income	\$324K	\$6,206K	\$4,000K
Cash (end of the period)	\$83,150K	\$66,154K	\$45,757K

Retail Projects NOI vs Debt Service*, \$mil

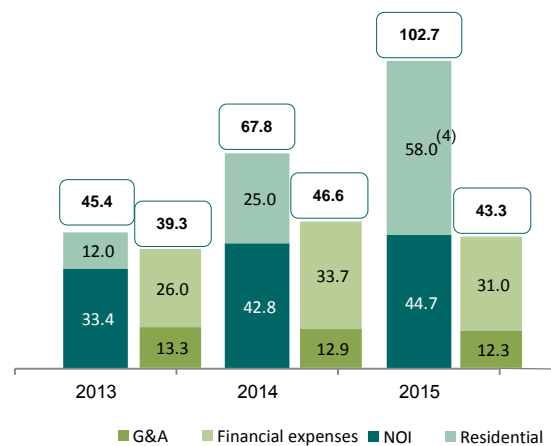


Office Projects NOI vs Debt Service*, \$mil



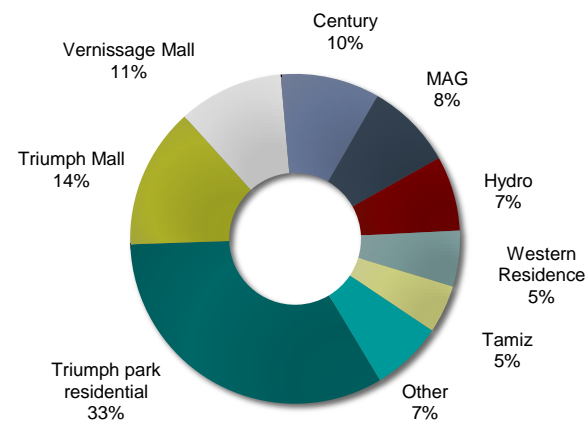
Project/ Data, \$mil	Valuation as of 30/06/14	Financing ⁽²⁾	Loan to Value	Asset Cost	NOI 2014F ⁽³⁾	Loan terms
Retail						
Triumph Mall – Saratov	137.3	89.4	65%	75.7	14	7% USD, 7(y), 53% balloon
Vernissage Mall – Yaroslavl	116.0	45.8	39%	46.0	12	7.75% USD, 7(y), 49% balloon
Total retail	253.3	135.2		121.7	26	
Offices						
Hydro, MAG, Tamiz – Moscow	198.9	65.2	33%	142.9	13	9.5% USD, 7(y), 50% balloon MAG (b.26)- 8.75%, 6.5(y), quarterly payment
Century Buildings – Moscow	95.3	38.2	40%	62.9	8	Libor+6.85%-7.7% USD, 5-7(y), 50% balloon
Total offices	294.2	103.4		205.8	21	
Total	547.5	238.6	44%	327.5	47	

Gross Profit vs G&A and Financial Expenses, \$mil

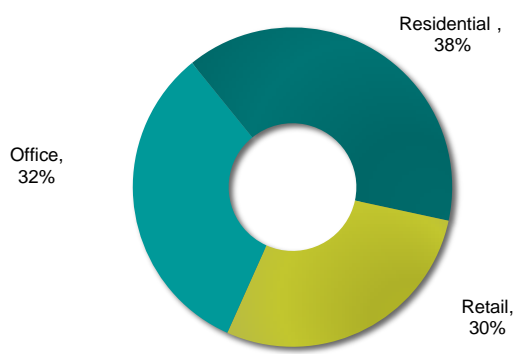


Portfolio Assets Distribution by Value, %

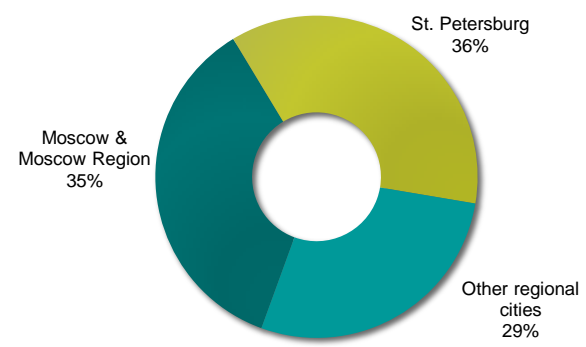
Total Portfolio as of 30/06/14: \$939 (MirLand share)



Portfolio Segment Distribution by Value, %



Portfolio Geographic Distribution by Value, %

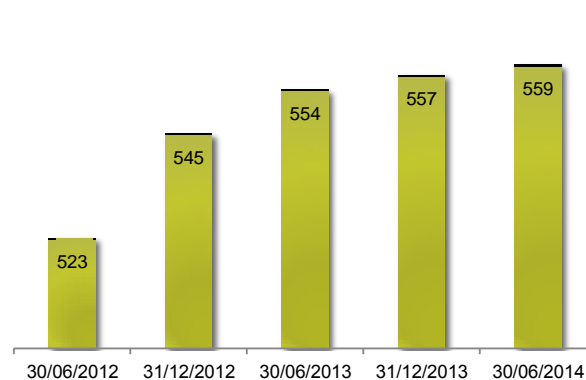


- Consecutive growth in C&W valuation as well as in Net Asset Value of the Company

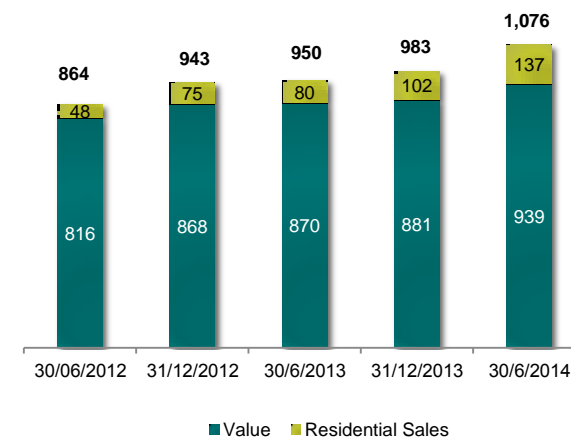
NAV Calculation as of 30/06/14, \$mil

	\$mil
Market value of the Company's beneficial share in the Properties	939.0
Advances from buyers in residential projects	136.6
Non-property non-current assets	17.1
Non-current liabilities	(438.7)
Current assets less current liabilities	(94.8)
Adjusted Net Asset Value	559.2

NAV Development, \$mil



C&W Valuation (MirLand share), \$mil



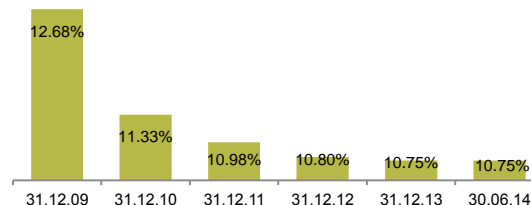
- Strong potential upside in case of decrease in discount and cap rates

Internal Revaluation Sensitivity Analysis

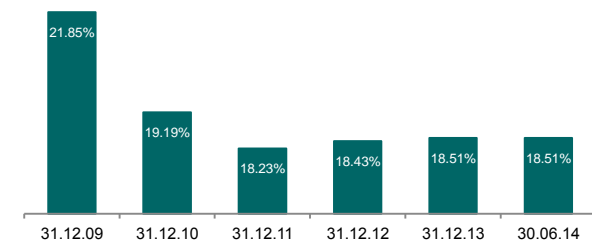
Sensitivity analysis (M, \$)		Discount rate				
Mirland share market value		0.50%	0.25%	0.00%	-0.25%	-0.50%
Cap rate	0.50%	\$469.9	\$473.7	\$477.7	\$482	\$486
	0.25%	\$476.8	\$480.7	\$484.6	\$489	\$493
	0.00%	\$483.9	\$487.9	\$492.1	\$496	\$500
	-0.25%	\$491.5	\$495.5	\$499.7	\$504	\$508
	-0.50%	\$499.3	\$503.6	\$507.8	\$512	\$517
Sensitivity analysis (M, \$)		Discount rate				
Mirland share market value		0.50%	0.25%	0.00%	-0.25%	-0.50%
Cap rate	0.50%	-\$22.2	-\$18.3	-\$14.3	-\$10.3	-\$6.3
	0.25%	-\$15.3	-\$11.4	-\$7.4	-\$3.3	\$0.8
	0.00%	-\$8.1	-\$4.1	\$0.0	\$4.1	\$8.2
	-0.25%	-\$0.6	\$3.4	\$7.7	\$11.9	\$16.2
	-0.50%	\$7.3	\$11.5	\$15.8	\$20.1	\$24.6

- Conservative C&W approach to valuation of assets, implementing relatively high discount and cap rates

Commercial Projects Weighted Ave Discount Rate, %



Residential Projects Weighted Ave Discount Rate, %



Appendix

- Strong cash balance projection
- Possible dividend distribution, subject to adoption of the dividend policy
- Decrease of Net Debt/Balance ratio to 35% by June 2016
- Decrease of Net Debt/Net Cap ratio to 51% by June 2016

In '000 USD	Six months ending on December 2014	Twelve months ending on December 2015	Six months ending on June 2016
Cash balance at the beginning of the period	83,150	29,254	26,048
Refinancing of yielding assets	-	22,363	-
Receipt of construction loans	17,496	35,269	13,200
Cash flow from sale of residential units	62,928	144,966	58,026
Cash flow from ongoing operations	13,509	28,249	15,066
Total sources	93,933	230,846	86,292
Interest payments to banks and bonds holders	(8,750)	(14,528)	(5,777)
Repayment of bonds	(45,788)	(45,788)	(11,145)
Repayment of interest and loans from banks granted to the subsidiaries	(33,188)	(44,564)	(17,771)
Investments in projects	(60,103)	(114,172)	(51,349)
Dividends	-	(15,000)	-
Total uses	(147,829)	(234,052)	(86,042)
Cash balance at the end of the period	29,254	26,048	26,298

Ref.	City	Property Name and Address	Portfolio Market Value as of 30th of June 2014	Percentage Owned by MirLand	MirLand Market Value as of 30th of June 2014 (Rounded)	Total sqm of Land	Projected Net Leasable / Saleable Area in sqm upon Completion (excl. Parking)	Market Value per sqm of Projected Net Leasable Area	Discount Rate	Projected Exit Date	Projected Exit Capitalisation Rate for Commercial	Projected Exit Sales Price (Uncompleted Only)	Projected Exit Sales Price per sqm of Net Leasable Commercial Area (Uncompleted Only)	Total Outstanding Investment (excl. VAT & Land for commercial properties and incl. VAT for residential projects)	Total Commercial NOI as of 2014/2015 Market Rental Values (Assuming 100% Occupancy and Fully Completed)
001	Moscow	Hydromashservice	71,100,000\$	100%	71,100,000\$	12,237	16,696	4,259\$	12.50%	Completed	9.00%	Completed	Completed	Completed	7,547,000\$
002	Moscow	MAG	81,800,000\$	100%	81,800,000\$	21,940	18,535	4,413\$	12.50%	Completed	9.00%	Completed	Completed	Completed	8,884,000\$
003	Moscow Region	Western Residence	51,500,000\$	100%	51,500,000\$	225,300	56,876	905\$	18%/ 14%	2016	Residential	Residential	Residential	27,928,000\$	Residential
004	Saratov	Triumph Mall	137,300,000\$	100%	137,300,000\$	22,000	27,241	5,040\$	12.50%	Completed	10.50%	Completed	Completed	Completed	15,975,000\$
005	Moscow	Skyscraper	0\$	100%	0\$	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
006	Saint Petersburg	Triumph Park, Residential	324,600,000\$	100%	324,600,000\$	326,651	484,167	670\$	19.00%	2013-20204	Residential	Residential	Residential	797,697,000\$	Residential
007	Saint Petersburg	Triumph Park, retail	31,700,000\$	100%	31,700,000\$	81,663	117,775	269\$	25.00%	2021	10% /10%	412,677,000\$	3,504\$	142,698,000\$	41,268,000\$
008	Yaroslavl	Vernissage Mall	102,800,000\$	100%	102,800,000\$	120,000	34,092	3,015\$	12.50%	Completed	10.50%	Completed	Completed	Completed	11,040,000\$
009	Yaroslavl	Vernissage Ph II	13,200,000\$	100%	13,200,000\$	180,000	55,000	240\$	20.00%	2017	10.50%	119,741,000\$	2,177\$	62,152,000\$	11,332,000\$
010	Moscow	Tamiz	46,000,000\$	100%	46,000,000\$	4,500	11,737	3,919\$	12.50%	Completed	9.00%	Completed	Completed	Completed	5,046,000\$
011	Moscow	Century Buildings	95,300,000\$	61%/51%	53,100,000\$	5,800	20,904	4,559\$	12.50%	Completed	9.00%	Completed	Completed	Completed	10,459,000\$
012	Kazan	Triumph House	12,200,000\$	100%	12,200,000\$	22,000	16,783	n/a	16.00%	2019	10.00%	58,214,000\$	3,469\$	24,051,000\$	5,237,000\$
013	Saratov	Logistics Complex	7,200,000\$	100%	7,200,000\$	260,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
014	Novosibirsk	Logistics Complex	6,500,000\$	100%	6,500,000\$	406,752	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total			981,200,000\$		939,000,000\$							590,630,000\$		1,054,500,000\$	

MirLand Business Center

- Class B office complex 67,870 sqm



Western Residence

- Phase I: 77 houses - completed
- Phase II: 86 houses (pipeline)

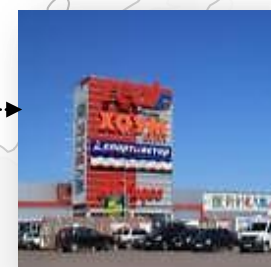


Triumph Park neighborhood

- Phases I-IV in process
- Phases V-VIII in planning

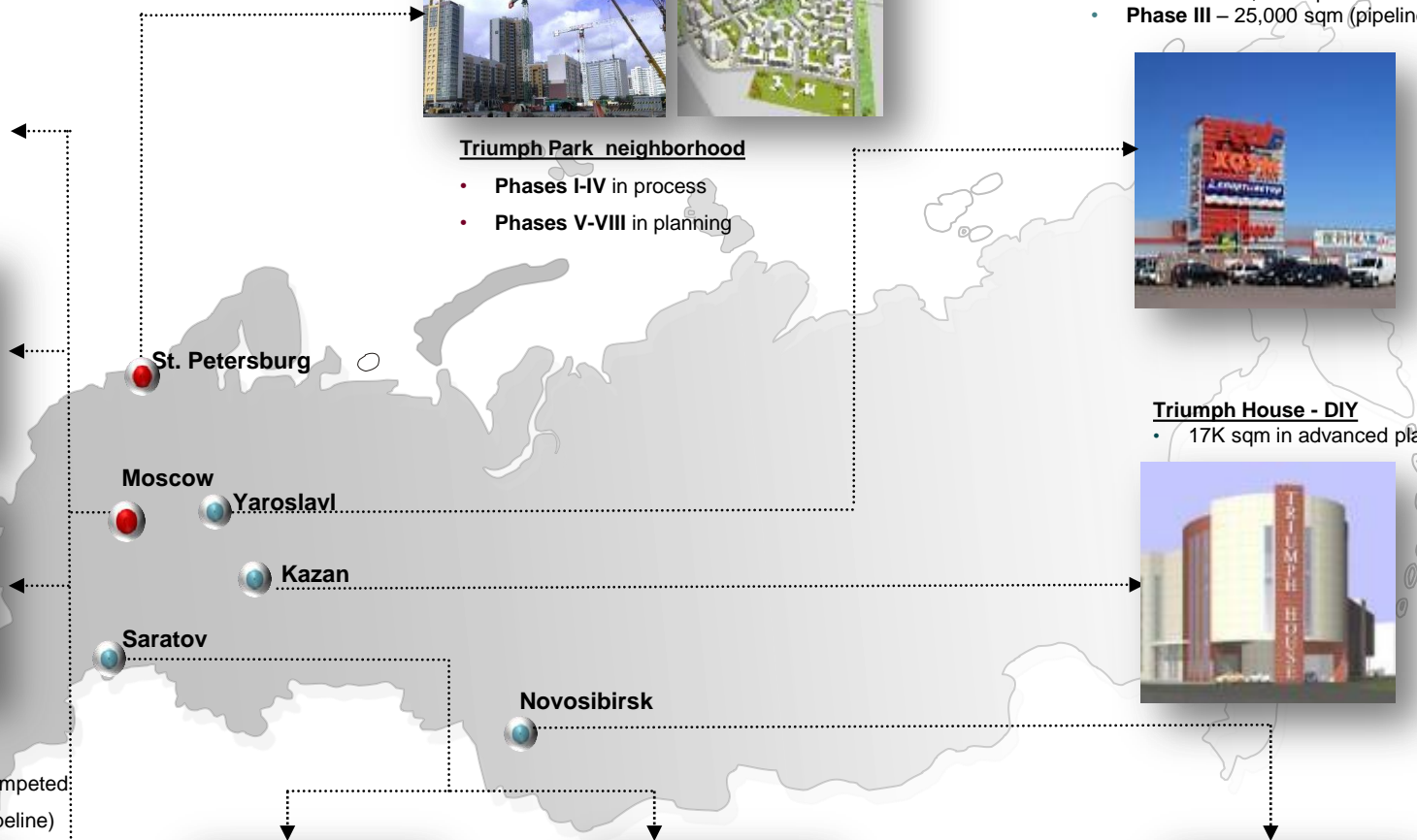
Vernissage Mall

- Phase I - 34,090 sqm SC
- Phase II - 30,000 sqm in advanced planning
- Phase III - 25,000 sqm (pipeline)



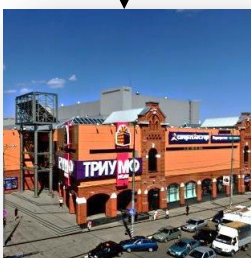
Triumph House - DIY

- 17K sqm in advanced planning



Triumph Mall

- 27,250 sqm SC & entertainment



Logistics Centre - 26 ha (pipeline)



Logistics Centre - 40.7 ha (pipeline)



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