

23 July 2013

**MirLand Development Corporation plc**

("MirLand" or the "Company")

**Offering of new series E bonds**

MirLand, one of Russia's leading residential and commercial property developers, announces that it has successfully conducted an auction among institutional investors in Israel, regarding the issuance of new series E bonds (the "**Bonds**"). Further to the auction, the Company received bids of, in aggregate, approximately NIS 355 million (approximately USD 99.4 million).

In addition, Midroog, a subsidiary of Moody's Investor Services, the credit rating agency, has reconfirmed the "ilBaa1/Stable" credit rating for the Bonds and extended this rating to the issue of Bonds of up to a value of NIS 240 million (approximately USD 67.2 million).

Therefore, the Company has decided to accept bids from institutional investors amounting to approximately NIS 193 million (approximately USD 54.0 million) and additional Bonds of up to a value of NIS 47 million (USD 13.2 million) will be offered to the public in Israel in a separate auction to be held in the next few days.

The institutional auction fixed the maximum interest rate of the Bonds at 7.25%

The offering is subject to approval by the Board of Directors of the Company and approval by Tel Aviv Stock Exchange to register the Bonds for trading. There is no certainty as to the value and terms of the final issuance of Bonds. The Company will update the market at the appropriate time.

For further information, please visit [www.mirland-development.com](http://www.mirland-development.com), or contact:

MirLand Development Corporation plc +7 495 787 49 62

Roman Rozental +7 499 130 31 09

[roman@mirland-development.com](mailto:roman@mirland-development.com)

FTI Consulting +44 20 7831 3113

Dido Laurimore / Will Henderson

Investec Bank plc +44 20 7597 4000

Jeremy Ellis / David Anderson