

25 July 2013

MirLand Development Corporation plc

("MirLand" or the "Company")

Offering of New Series E Bonds

Further to the announcement on 23 July 2013, MirLand, one of Russia's leading residential and commercial property developers, announces that it has successfully conducted a public auction in Israel of new series E bonds (the "**Bonds**"). Further to this auction, the Company received bids of, in aggregate, approximately NIS 66 million (approximately USD 18.3 million). The public bids, together with the bids received by institutional investors in the auction conducted earlier this week, total approximately NIS 421 million (approximately USD 117.0 million).

The Company shall issue Bonds in the aggregate amount of NIS 240 million (approximately USD 67.2 million) being the amount that Midroog, a subsidiary of Moody's Investor Services the credit rating agency has rated as "ilBaa1/Stable". The Bonds will bear interest at 7.21%. The Bonds are expected to be issued on 29 July 2013 and a further announcement will be made in due course.

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