

23 December 2013

MirLand Development Corporation plc

("MirLand" or the "Company")

Vernissage Mall Project - Purchase Of Remaining Outstanding Shares

Further to the announcement on 2 December 2013, MirLand, one of Russia's leading residential and commercial property developers, announces that it has entered into a conditional agreement ("**Agreement**") to purchase the outstanding shares that it does not currently own in the company that owns the Vernissage Mall in Yaroslavl, together with 18 hectares of adjacent land for future development (the "**Yaroslavl Project**").

Pursuant to the transaction MirLand is expected to acquire all of Goodrock Real Estate Commercial Fund Limited's ("**Goodrock**") 49.5% interest in the issued share capital of Inverton Enterprises Limited ("**Inverton**").

Pursuant to the terms of the Agreement, the Company is to make an initial payment of US\$3 million to Goodrock by 27 December 2013, which is repayable (less expenses) if the Agreement does not complete. The balance of the consideration for the acquired shares will be paid within seven business days after all conditions precedent to the Agreement have been satisfied, including the receipt of certain regulatory approvals and the Company securing bank financing to purchase the shares in Inverton. The total consideration for the acquired shares will be calculated according to the valuation of the share capital of Inverton (currently US\$85 million), less debt (currently US\$24 million) both as at completion, multiplied by 49.5%. The valuation is also subject to certain adjustments based on any fluctuations in the exchange rate between the US Dollar and the Russian Ruble. If finalised, the closing date will be no later than 15 March 2014, unless otherwise agreed by the parties.

The Company intends to continue development of the second phase of the Yaroslavl Project by constructing an additional 25,000 sqm of retail space, and is already in the process of preparing detailed designs for the extension.

Roman Rozental, CEO of MirLand, commented:

"This is an excellent opportunity for MirLand to take full ownership of the Yaroslavl Project, which is a high quality asset that has performed extremely well and is currently 100% let to a strong roster of tenants. There is a good level of demand for space from retail occupiers at this location and we believe there is significant scope to grow income and value at the property through an extension that will nearly double the size of the Vernissage Mall. We look forward to completing this deal and starting work on the development."

For further information, please visit www.mirland-development.com, or contact:

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