

12 September 2014

MirLand Development Corporation plc

("MirLand" or the "Company")

Offering of new series F 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 F bonds (the "**Bonds**"). Further to the auction, the Company received bids, in aggregate, of approximately NIS 190 million (approximately USD 52 million).

The Company has decided to accept bids from institutional investors amounting to approximately NIS 132 million (approximately US\$ 36 million) and additional Bonds of up to a value of NIS 33 million (US\$ 9 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 5.50%. The Bonds are due September 2019, with 5% repaid every September from 2015 to 2018, with the remaining 80% due in September 2019.

The offering is subject to reconfirmation by Midroog, a subsidiary of Moody's Investor Services, the credit rating agency, of the "iBaa1/Stable" credit rating for the Bonds and extension of this rating to the issue of Bonds of up to a value of NIS 165 million (approximately US\$ 45 million).

In addition, the offering is subject to approval by the 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.

The proceeds from the issue of the Bonds will be used for MirLand's general corporate purposes and repayment of existing debt.

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

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