

Company Mirland Development Corporation PLC
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MirLand Development Corporation plc (“MirLand” or the “Company”)

MIRLAND CLOSES BOND ISSUANCE

7 December 2007 - MirLand, one of Russia’s leading residential and commercial property developers, announces that it has raised approximately \$63 million by issue of New Israeli Shekel (“NIS”) 39,260,000 A Series bonds and NIS 204,874,000 B Series bonds (together the “Bonds”). The Bonds are to be redeemed in 6 annual, equal and consecutive payments on 31 December for each of the years between 2010 to 2015 (inclusive).

Interest is payable on the A Series bonds at the rate of 6.5% linked to the Israeli consumer price index and interest is payable on the B Series bonds at the rate of LIBOR (for dollar deposits for a period of six months) plus a margin of 2.75%, linked to the NIS/US dollar exchange rate. Interest on the Bonds will be payable in semi annual payments on 30 June and 30 December of each of the years from 2008 to 2015 (inclusive).

Jerusalem Economic Corporation Ltd., Industrial Buildings Corporation Ltd. and Darban Investments Ltd, public companies listed on the Tel Aviv Stock Exchange which are ultimately controlled by a director of the Company, Mr Eliezer Fishman, and certain members of his family, together own 56,269,674 shares in the capital of the Company and have subscribed for \$24,909,000 B Series bonds respectively. A private company controlled by Mr. Eliezer Fishman has, in addition subscribed for \$9,912,000 B Series Bonds.

The independent directors of the Company, having consulted with Credit Suisse, the Company’s Nominated Adviser, consider that the terms of the issuance of the bonds are fair and reasonable insofar as the shareholders are concerned.

Commenting Moshe Morag, Chief Executive of MirLand Development Corporation plc, said:

“MirLand is making significant progress in the delivery of its strategy to assemble a strong portfolio of development properties. We are delighted to have secured this additional funding by way of the bond which will provide the company with greater financial flexibility and enhance our ability to deliver our exciting pipeline of property.”

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