

16 October 2009

**MIRLAND DEVELOPMENT CORPORATION PLC**  
("MirLand" or the "Company")

**Changes to executive service contracts, share options and reappointment of non-executive directors**

MirLand Development Corporation plc, one of Russia's leading residential and commercial property developers, today announces the following matters relating to its management.

***Succession / Executive management changes***

The Board is pleased to announce that Mr Roman Rozental, who is currently the CFO of the Company will be appointed CEO with effect from 1 January 2011 and will continue to be employed as CFO of the Company until that time.

Mr Morag's appointment as CEO of the Company has been extended until 31 December 2010. After that, it is intended that he will serve as a non-executive director for a further period of six months in order to ensure the Company will continue to benefit from his experience over that period.

The Board will begin a search for a new CFO for the Company in due course.

***Amendment to Awards under the Company's share option schemes***

1,122,995 share options have been granted to Mr Morag today at an exercise price of 250 pence per share and exercisable until 19 December 2012. At the same time, Mr Morag's existing share options, granted at the time of the Company's IPO, will be cancelled. Under the rules of the Company's share option scheme, shareholder consent is required to extend the life of the options beyond three months from Mr Morag ceasing his anticipated non-executive directorship and accordingly it is expected that shareholder consent will be sought for this extension at the Company's next General Meeting which will be held in May 2010.

449,198 share options have been granted to Mr Rozental today at an exercise price of 250 pence per share and exercisable until 19 December 2012. At the same time, Mr Rozental's existing share options, again granted at the time of the Company's IPO, will be cancelled. It has also been agreed with Mr Rozental, that on or before his appointment as CEO of the Company, he will be granted a further 673,797 share options. The exercise price for these options shall be equal to the aggregate of shareholder equity (as shown in the Company's consolidated balance sheet as at 30 June 2010) divided by the Company's fully diluted share capital, subject to such price not being less than the Company's share price as at the date of grant.

***Renewal of non-executive director appointments***

The Board is also pleased to announce that Nigel Wright has been reappointed as non-executive Chairman and that Caroline Brown has been reappointed as non-executive director of the Company for a further three years from 19 December 2009 on the same terms as their existing terms of appointment.

Nigel Wright, the Company's Chairman said "The strong management skills and in depth knowledge and understanding of the markets in which we operate displayed by Roman Rozental as the Company's CFO made him the ideal successor to Moshe and we are delighted to confirm his appointment. Roman and Moshe have an excellent working relationship and

we are pleased that MirLand will continue to benefit from Moshe's experience after his retirement as CEO.

"The Company's share price has significantly declined, in line with other companies in the real estate sector, from the time the original options were granted. The MirLand remuneration committee considers that the changes to the share options for Mr Morag and Mr Rozental are fair and appropriate and further align management's and shareholders' interests."

For further information:

**MirLand Development Corporation plc**

+74 951 303 109

Roman Rozental

+7 499 130 31 09

roman@mirland-development.com

**Financial Dynamics**

+44 20 7831 3113

Dido Laurimore / Rachel Drysdale

[dido.laurimore@fd.com](mailto:dido.laurimore@fd.com) / [rachel.drysdale@fd.com](mailto:rachel.drysdale@fd.com)