

16 May 2012

MirLand Development Corporation plc

(“**MirLand**” or the “**Company**”)

Notification of Interests

MirLand, one of Russia's leading residential and commercial property developers, announces that it was notified today that Jerusalem Economy Ltd. (“**JEC**”) had today pledged in favour of Bank Leumi le-Israel B.M. (“**Bank Leumi**”) 6,700,000 ordinary shares in MirLand representing approximately 6.46% of the Company's entire issued share capital. Under the terms of the pledge agreement, title to the pledged shares can be transferred to, sold, or otherwise dealt with by, Bank Leumi following the occurrence of an event of default.

Following this transaction, JEC remains legally and beneficially interested in 31,551,701 ordinary shares in the Company, representing approximately 30.47% of the Company's entire issued share capital.

Mr Eyal Fishman, a non-executive director of the Company, holds a 15.8% equity interest in two companies which, through various intermediate companies, hold an effective interest of approximately 73% of JEC, which holds a legal and beneficial interest in approximately 30.47% of the Company.

Mr Eliezer Fishman, a non-executive director of the Company, and his wife Tova Fishman together hold approximately 53% of the intermediate companies referred to above and which hold an effective interest of approximately 73% of JEC.

JEC, together with Darban Investments Ltd and Industrial Buildings Corporation Ltd (a company controlled by Mr Eliezer Fishman), effectively hold a legal and beneficial interest in approximately 85.2% of the Company's entire issued share capital.

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

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