

20 May 2013

MirLand Development Corporation plc

("MirLand" or "the Company")

MAG Refinancing

MirLand, one of the leading residential and commercial property developers in Russia, is pleased to announce that its wholly-owned subsidiary, Mashinostroenie & Hydraulika OJSC (the "Subsidiary"), entered into a loan agreement with Sberbank of Russia (the "Bank"), on 16 May 2013 pursuant to which the Bank will provide a total credit facility of up to U.S. \$19 million (the "Loan").

The proceeds of the Loan will be applied to refinance buildings in the Subsidiary's MAG office investment property, comprising a total area of 7,300 square meters. In January this year the property was leased to a single tenant.

A first tranche of \$10 million of the Loan will be made available immediately to the Subsidiary and a second tranche of \$9 million made available within 11 months.

The term of the Loan is approximately 6.5 years and it bears interest at a fixed annual rate of 8.75%, payable quarterly. Additionally, other fees as set forth in the loan agreement are payable.

The first \$10 million of the facility is to be repaid in quarterly instalments starting from the fifth quarter following draw down, and the second part of the Loan, \$9 million, will be also be repaid in quarterly instalments starting from the fifth quarter from draw down of the first part of the Loan. There will be a final balloon payment of approximately 67%.

The Loan is secured by various mortgages, charges, pledges and other customary security interests for the benefit of the Bank and entered into by both the Company and the Subsidiary.

For further information, please contact:

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