

Orava Residential Real Estate Investment Trust plc

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ORAVA RESIDENTIAL REIT ACQUIRES 157 APARTMENTS AND ISSUES NEW SHARES

Orava Residential Real Estate Investment Trust plc (Orava Residential REIT) has acquired 26 apartments from Pohjola Rakennus Oy Sisä-Suomi at a debt-free price of EUR 4.4 million through a binding agreement concluded today. The acquisition concerns new apartments located in Jyväskylä, in the properties Asunto Oy Jyväskylän Kyläseppä and Asunto Oy Jyväskylän Ahjotar, and in Tampere, in Asunto Oy Tampereen Vuoreksen Emilia. The apartments are unleased.

Orava Residential REIT has acquired 131 apartments at a total debt-free purchase price of EUR 4.1 million from A. Ahlström Kiinteistöt Oy and its subsidiaries through transactions concluded yesterday. The properties acquired are Asunto Oy Kotkan Alahovintie 7 (36 apartments), Asunto Oy Riihimäen Vuorelanmäki I (16 apartments), Asunto Oy Savonlinnan Välimäentie 5–7 (51 apartments) and Asunto Oy Varkauden Ahlströminkatu (28 apartments).

The transactions concluded with A. Ahlström Kiinteistöt Oy were funded through a directed share issue allocated to A. Ahlström Kiinteistöt Oy. In the directed issues subscribed yesterday, the company issued a total of approximately 319 thousands new shares. The subscription price of the new shares was EUR 12.82, which was based on the weighted, dividend-adjusted average price over the five trading days preceding the transaction. The new shares do not entitle holders to dividends paid during 2014. Trading in the new shares is expected to begin on the Helsinki Stock Exchange on Monday 30 June 2014 with the trading code OREITN0114. The new shares have a liquidity provider.

In addition, the company allocated itself 100,000 new shares without charge in a directed share issue. The company may use the shares for strengthening its capital structure, developing its business operations and widening its ownership base by both acquiring investment properties and issuing a convertible bond.

The transactions concluded and the binding agreement are estimated to improve the company's result for the second quarter by approximately EUR 1.5 million.

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