

Orava Residential REIT plc

Stock Exchange Release 18 December 2015, at 8:00 a.m.

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ORAVA RESIDENTIAL REIT PLC OFFERING TO A LIMITED NUMBER OF QUALIFIED INVESTORS AND TO ITSELF

Orava Residential REIT plc ("Orava" or the "Company") announced on 14 December 2015 its plan to offer new shares in the Company (the "Offer Shares") against payment to a limited number of qualified investors as defined in the Prospectus Directive ("Qualified Investors") in the European Economic Area as procured by Carnegie Investment Bank AB in a book-building process, and in the event that all Offer Shares are not subscribed by the Qualified Investors to the Company itself without payment (the "Offering"), however the Offer Shares subscribed by the Company shall not exceed 10 per cent of the number of all outstanding shares in the Company after the completion of the Offering and including also the treasury shares already owned by the Company.

The Board of Directors of the Company has today resolved to offer up to 500,000 Offer Shares to the Qualified Investors who participated in the book-building process announced by the Company on 14 December 2015 and up to 1,000,000 Offer Shares to the Company in the Offering. However the Offer Shares subscribed by the Company shall not exceed 10 per cent of the number of all outstanding shares in the Company after the completion of the Offering and including also the treasury shares already owned by the Company. The Board of Directors of the Company has resolved the terms and conditions of the Offering, which are attached to this release.

Based on the price formed in the book-building process the subscription price shall be EUR 9.70 per Offer Share for the Qualified Investors. The Offer Shares subscribed by the Company in accordance with the terms and conditions of the Offering are free of charge. The maximum amount of the Offering is, before fees and costs, EUR 4,850,000. The Subscription Price of the Offer Shares shall be fully credited to the reserve for invested equity of the Company. The Offer Shares shall carry no right to the dividend distributed during the year 2015.

The subscription period of the Offer Shares shall commence today at 8 a.m. Finnish time and end today at 12 p.m. Finnish time. The Company shall publish the final result of the Offering after the Board of Directors of the Company has resolved on the approval of the subscriptions.

The purpose of the Offering is to raise capital for further growth in accordance with the strategic goals of the Company. Furthermore, the purpose of the Offering is to expand the owner base of the Company, raise awareness of the Company among Finnish and international investors, and increase the liquidity of the shares of the Company, which would also lower the transaction costs of further property acquisitions of the Company. Through increased liquidity the ability to use the shares of the Company as payment in the property acquisitions would be easier. The proceeds from the Offering will be used for acquisitions of new properties, for development of new properties and for general financing needs of the Company.

The Offer Shares correspond approximately up to 18.84 per cent of all the shares and voting rights of the Company immediately prior to the Offering and approximately up to 15.85 per cent of all shares and voting rights of the Company after the completion of the Offering.

The Offer Shares are offered to the Qualified Investors and to the Company deviating from the shareholders' pre-emptive subscription rights. The reason for the deviation from the shareholder's pre-emptive subscription right is the strengthening of the Company's working capital and capital structure, fulfillment of the financing needs of growth and expansion of the owner base and recognition of the Company. Based on these grounds the Company considers that there are weighty financial reasons to deviate from the shareholders' pre-emptive subscription rights as referred to in Section 9, Article 4:1 of the Companies Act.

The Company shall apply for the registration of the Offer Shares to the Trade Register as soon as practically possible after the Board of Directors or the Company has resolved on the approval of the subscription of the Offer Shares. The Company expects that the acceptably subscribed Offer Shares of the Offering are registered to the Trade Register approximately on 23 December 2015.

The Offer Shares shall be issued and recorded to the book-entry system maintained by Euroclear Finland Ltd first as interim shares representing the Offer Shares (the "Interim Shares"). The Interim Shares will not be applied to be admitted to trading on Nasdaq Helsinki Ltd (Helsinki Stock Exchange). The ISIN code of the Interim Shares is FI4000188735. The Interim Shares will be combined with the Company's present class of shares (the ISIN code FI4000068614, trading symbol OREIT) when the Offer Shares have been registered to the Trade Register. Such combination is expected to occur approximately on 23 December 2015. The Offer Shares are applied to be admitted to trading on the Helsinki Stock Exchange approximately on 28 December 2015 together with the other shares of the Company.

The Board of Directors resolved on the Offering pursuant to the authorization granted by the Company's Annual General Meeting of the shareholders on 19 March 2015.

Carnegie Investment Bank AB acts as the arranger in the Offering. The Company's legal advisor in the Offering is Bird & Bird Attorneys Ltd.

Orava Residential REIT plc

Board of Directors

Information

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CFO Veli Matti Salmenkylä, phone +358 (0)10 420 3102

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ATTACHMENT

Terms and conditions of the Offering