

Orava Residential REIT plc

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ORAVA RESIDENTIAL REIT SPECIFIES ITS FINANCIAL RESULT ESTIMATE

On 30 December 2016, Orava Residential REIT announced that the combined impact of the housing acquisitions at the end of December and the change in the fair value of the investment properties in October-November on the profit for the fourth quarter amounted to approximately EUR +0.2 million. The change in the fair value of previously acquired investment properties was estimated to be slightly negative in December. Moreover, in its interim report for the third quarter published on 17 November 2016, the company estimated that it is reasonable unlikely to come close to its targeted total return of 10 per cent on shareholders' equity on 2016.

The company's specified estimate of the result for the fourth quarter is approximately EUR -0.4 million and for the financial year approximately EUR +1.6 million. The result is explained mainly by the negative change in the fair value of the investment properties in the fourth quarter and by the increase in maintenance and repair costs primarily due to seasonal variation.

Based on the parent company's result, the distributable funds are estimated to amount to approximately EUR +1.2 million, whereby the estimated total dividend payable in 2017 will be no more than EUR 0.12 per share. The difference in the results of the Group and the parent company is mainly due to the differences in sectioning of financial costs in international and Finnish accounting regulations.

Orava Residential REIT will release its financial statements bulletin on 1 March 2017.

Orava Residential REIT plc

Board of Directors

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