

Orava Residential REIT plc
Insider information
Stock Exchange Release on 27 February 2018 at 8:30 am

THE BOARD OF DIRECTORS OF ORAVA RESIDENTIAL REIT IS INVESTIGATING THE POSSIBILITIES FOR CONVERTING THE COMPANY INTO AN INVESTMENT COMPANY AS AN ALTERNATIVE TO A REIT

As part of its strategy and structure analysis, the Board of Directors of Orava Residential REIT has arrived at the opinion that the current listed REIT is not an ideal structure for the future development of the company. As a REIT, the company's business model has lost a significant part of its competitiveness. Changing that trend will be challenging without a structural change. This is for its part indicated by the financial results that in 2016–2017 have weakened and turned negative, as well as the development of the company's share price.

In order to find alternatives for the current structure and business model, the Board of Directors has identified and assessed several structural and business models. They have been assessed regarding how the company's operational prerequisites, financial results and thus also its share price could be improved in the coming years. On the basis of its assessment, the Board of Directors has decided to initiate investigations and preparations for the possible conversion of Orava Residential REIT into a real estate investment company whose share would be quoted on the main list of the stock exchange. With the best interest of the shareholders in mind, the Board of Directors will also at the same time initiate negotiations regarding the matter with the stock exchange, Financial Supervisory Authority and financiers.

On the basis of the results from the investigations and preparations, the Board of Directors will then decide whether to make a proposal regarding the change to the shareholders who would decide the matter in a possible extraordinary general meeting of shareholders.

Helsinki, 27 February 2018

Orava Residential REIT plc

Board of Directors

Additional information:

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