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PRESS RELEASE 21 NOVEMBER 2014

**Russian Real Estate Investment Company AB (publ) publishes Prospectus and price-sensitive information in connection with the Rights Issue**

***Russian Real Estate Investment Company AB (publ) ("Ruric") publishes its Prospectus in connection with its Rights Issue of new shares with preferential rights for existing shareholders in accordance with the press release from 14 October 2014. The Prospectus contains information that has not previously been published.***

The Prospectus will be available on the Ruric's website [www.ruric.com](http://www.ruric.com) and on Mangold's website <http://www.mangold.se/MangoldOnline/Nyheter.aspx?newsId=585&index=1>.

The Board of Ruric deems the following information could potentially be considered price sensitive. On page 48 in the Prospectus, under Property Portfolios - Tenants:

*"As of 30 October 2014 a tenant occupies approximately 1,167 square meters of Fontanka 57, which in aggregate represents 8.3 per cent of the lettable area."*

On page 49 in the Prospectus:

*"Maris Properties Ltd valued the the leasing rights to Fontanka 57 to a total of USD 20,100,000. The valuation was performed as of 30 September 2014."*

On pages 59 – 61 in the Prospectus, financials for January – June 2014:

**Income statement**

SEK Million	Jan-June 2014
Rental income	1.0
Management fee	5.5
Real estate expenses	(0.8)
<b>Operating surplus</b>	<b>5.7</b>
Administrative expenses	(6.0)
Changes in value, real estate	-
Results from disposal of subsidiaries	-
<b>Operating profit</b>	<b>(0.3)</b>
Income from participation in associated companies	3.2
Financial income	5.1
Financial expenses	
<b>Profit/loss after financial items</b>	<b>7.9</b>

Taxes	(0.3)
<b>Profit loss after tax</b>	<b>7.6</b>
Currency translation differences	-
<b>Total result</b>	<b>7.6</b>

## Balance sheet

SEK million	Jan-Jun 2014
<b>ASSETS</b>	
<i>Fixed Assets</i>	
Investment property	158.6
Real estate projects	-
Equipment	0.3
Participation in associated companies	
Deferred tax assets	-
Other long-term receivables	-
<b>Total fixed assets</b>	<b>158.9</b>
<i>Current assets</i>	
Current receivables	307.3
Liquid funds	6.3
<b>Total current assets</b>	<b>313.6</b>
<b>TOTAL ASSETS</b>	<b>472.5</b>
<b>EQUITY AND LIABILITIES</b>	
Share Capital	165.2
Paid in funds	1,408.5
Translation differences	93.2
Retained earnings	(1,292.1)
Minority interest	(3.3)
<b>Total equity</b>	<b>371.4</b>
<i>Liabilities</i>	
Deferred tax liabilities	95.6
Other long-term liabilities	-
<b>Long-term liabilities</b>	<b>95.6</b>
Bond	-
Loans from related parties	-
Accounts payable and other liabilities	5.5
Accrued expenses and paid in income	-
<b>Short-term liabilities</b>	<b>5.5</b>
<b>Total Liabilities</b>	<b>101.1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>472.5</b>

## Cash flow statement

SEK million	Jan-Jun 2014
<b>Operating activities</b>	
Profit/loss after financial items	7.6
<i>Adjustment for items not included in the cash flow</i>	
Depreciation	0.6
Change in value investment properties	-
Exchange rate differences	(2.7)
Financial expenses\income	(2.4)
Income from participation in associated companies	3.2
Income from disposal of subsidiaries	
Taxes	0.3
Other items not included in cash flow	2.0
<b>Cash flow from operating activities before change in</b>	<b>8.6</b>
<b>Changes in working capital</b>	
Change in operating receivables	0.1
Change in operating liabilities	(11.0)
<b>Cash flow from operating activities before paid taxes and</b>	<b>(2.2)</b>
Paid income tax	(0.3)
Paid interest	(0.1)
<b>Cash flow from operating activities</b>	<b>(2.7)</b>
<b>Investing Activities</b>	
Acquisition of participations	7.1
Acquisition of tangible fixed assets	
Loans to related parties	
Sale of tangible fixed assets	
Investments in other financial assets	
Disposal of subsidiaries	
<b>Cash flow from investing activities</b>	<b>7.1</b>
<b>Financing activities</b>	
Loans from related parties	(4.4)
<b>Cash flow from financing activities</b>	<b>(4.4)</b>
<b>Cash flow for the period</b>	<b>1.1</b>
Opening liquid funds	5.2
<b>Liquid funds at the close of the period</b>	<b>6.3</b>

On page 67 in the Prospectus, capitalization and indebtedness for 31 August 2014:

Net financial indebtedness, SEK million	2014-08-31
A) Cash	2.9
B) Other liquid funds	-

C) Marketable securities	-
<b>D) Liquidity A+B+C</b>	<b>2.9</b>
<b>E) Current receivables</b>	<b>286.5</b>
F) Current financial receivables	-
G) Current bank debt	-
H) Other current financial liabilities	-
<b>I) Current financial liabilities F+G+H</b>	<b>-</b>
<b>J) Net current liabilities I-E-D</b>	<b>-289.4</b>
K) Non-current financial receivables	-
L) Issued bonds	-
M) Other non-current liabilities	-
<b>N) Non-current financial liabilities K + L + M</b>	<b>-</b>
<b>O) Financial net indebtedness J+N</b>	<b>-289.4</b>

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**Equity and liabilities, SEK million** **2014-08-31**

**Current interest bearing debt**

Against guarantee or surety	-
Against collateral	-
Without guarantee/surety or collateral	-
<b>Total current interest bearing debt</b>	<b>-</b>

**Non-current interest bearing debt**

Against guarantee or surety	-
Against collateral	-
Without guarantee/surety or collateral	-
<b>Total Non-current interest bearing debt</b>	<b>-</b>

**Equity**

Shareholder's equity	165.2
Legal reserve	-
Other reserves	1,501.7
Retained earnings including the period's result	-1,292.1
Non-controlling interest	-3.3
<b>Total equity</b>	<b>371.5</b>

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**IMPORTANT INFORMATION**

This announcement is not an offer for subscription for shares in Russian Real Estate Investment Company AB (publ) (“Ruric”). A prospectus relating to the rights offering referred to in this announcement will be prepared and filed with the Swedish Financial Supervisory Authority. After approval and registration of the prospectus by the Swedish Financial Supervisory Authority, the prospectus will be published and made available pursuant to applicable rules and regulations. This announcement is not a prospectus and investors should not subscribe for or purchase any securities referred to in this press release, except on the basis of information provided in the prospectus to be published by Ruric.

The distribution of this announcement in certain jurisdictions may be restricted by law and persons into whose possession it or any part of it comes should inform themselves about and observe any such restrictions. The information in this announcement shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities referred to herein in any jurisdiction in which such offer, solicitation or sale would require preparation of further prospectuses or other offer documentation, or be unlawful prior to registration, exemption from registration or qualification under the securities laws of any such jurisdiction. Copies of this announcement are not being, and may not be, distributed or sent, in whole or in part, directly or indirectly, into Australia, Canada, Hong Kong, Japan, South Africa or the United States.

Mangold Fondkommission AB is acting for Ruric and no one else in connection with the rights offering and will not be responsible to anyone other than Ruric for providing the protections afforded to their respective clients or for providing advice in relation to the rights offering and/or any other matter referred to in this announcement.

This announcement does not constitute or form part of an offer or solicitation of an offer to purchase or subscribe for securities in the United States. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States absent registration under the Securities Act or an exemption therefrom. No public offering of the securities referred to herein is being made in the United States.

Ruric has not authorized any offer to the public of securities in any Member State of the European Economic Area other than Sweden (and any other jurisdiction into which the offering of shares or rights will be passported). With respect to each Member State of the European Economic Area other than Sweden (and any other jurisdiction into which the offering of shares or rights will be passported) and which has implemented the Prospectus Directive (each, a “Relevant Member State”), no action has been undertaken or will be undertaken to make an offer to the public of securities requiring publication of a prospectus in any Relevant Member State. As a result, the securities may only be offered in Relevant Member States (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive; or (b) in any other circumstances falling within Article 3(2) of the Prospectus Directive. For the purposes of this paragraph, the expression an “offer of securities to the public” means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to exercise, purchase or subscribe the securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

This announcement is directed only at (i) persons who are outside the United Kingdom or (ii) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) and (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2) of the Order (all such persons together being referred to as “relevant persons”). Any investment activity to which this announcement relates will only be available to and will only be engaged with, relevant persons. Any person who is not a relevant person should not act or rely on this announcement or any of its contents.