

5 August 2013

Dragon-Ukrainian Properties & Development PLC
("DUPD" or the "Company")

Investment in Arricano Real Estate PLC

Dragon-Ukrainian Properties & Development plc notes the announcement issued on 2 August 2013 in relation to Arricano Real Estate PLC ("Arricano") regarding its intention to seek admission to the Alternative Investment Market of the London Stock Exchange plc ("AIM").

Arricano and its subsidiaries are amongst the leading real estate developers in Ukraine and specialise in operating shopping centres. Arricano is engaged in all cycles of retail real estate development, from acquisition of land plots for development to delivery and operation of shopping centres.

The Company's final results announcement for the year ended 31 December 2012, released on 2 May 2013, stated that Arricano was considering an IPO in 2013.

DUPD holds a 16.67% direct interest in Arricano, equating to 10,770,000 ordinary shares. As disclosed in Arricano's AIM Schedule 1 announcement, DUPD also holds a 20% interest in Weather Empire Limited, which DUPD acquired in July 2013. Weather Empire Limited holds a 16.67% interest in Arricano. DUPD's indirect interest in Arricano through Weather Empire Limited is therefore 3.33%, which together with DUPD's direct 16.67% interest, provides DUPD with a current 20% interest in Arricano.

The AIM Schedule 1 announcement refers to a proposed issue price for new shares in Arricano at US\$2.33 per share. At this price, DUPD's 20.0% shareholding (direct and indirect) would be valued at US\$30,112,920, as compared to the carrying value at 31 December 2012 in DUPD's financial statements of US\$32,716,000.

Volodymyr Tymochko, a representative of Dragon Capital Partners Limited, DUPD's Investment Manager, has been appointed a director of Arricano, and will be the Company's representative on the Arricano board of directors.

A further update will be provided in due course.

For further information, please contact:

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