

**Arricano Real Estate plc**  
 (“Arricano” or the “Company” or, together with its subsidiaries, the “Group”)

**Improvement in Vacancy Rates and Visitor Numbers**

Arricano (AIM:ARO), a leading real estate developer and shopping mall operator in Ukraine, is pleased to announce, a significant 21% improvement in average vacancy rates, coupled with a 17% increase in visitor numbers in 2017 across its portfolio of five shopping centres which together comprise 147,500m<sup>2</sup> of gross leasable area.

As at 31 December 2017, the weighted average vacancy of Arricano’s shopping centres improved to 1.35% compared with 1.71% as at 31 December 2016.

<b>Shopping Mall</b>	<b>31 Dec 2016 Vacancy rate</b>	<b>31 Dec 2017 Vacancy rate</b>
Prospekt	2.42%	1.68%
Rayon	1.35%	4.64%
City Mall	0.00%	0.00%
Sun Gallery	0.18%	0.35%
South Gallery	3.86%	0.46%

This was a good performance achieved in a challenging economic period during which the Company added 101 new tenants with leases covering 11,574m<sup>2</sup> of retail space. As a result, the average weighted vacancy rates in Arricano’s shopping centres improved by 21% in 2017.

2017 demonstrates the continued strong appeal of Arricano’s shopping malls, with visitor numbers increasing substantially over 2016. The Company believes this reflects the attraction of a retail offering which combines a high quality tenant mix with attractive social spaces. The uplift in visitor numbers represents an increase of 17.4%:

<b>Shopping Mall</b>	<b>Number of visitors 2016 (million)</b>	<b>Number of visitors 2017 (million)</b>
Prospekt	13.3	17.8
Rayon	6.2	6.6
City Mall	5.2	6.4
Sun Gallery	4.7	4.9
South Gallery	9.1	9.5

Mykhailo Merkulov, CEO of Arricano, said the improvement in Arricano’s retail areas was due to a number of factors:

"As always, it is good teamwork that results in us achieving our goals and making our shopping malls social spaces which people want to visit again and again. The key concept across all our shopping malls is to provide a quality tenant mix, implement marketing programs that influence the creation of positive atmospheres and form ecosystems involving "Buyer - Retailer - Lessor" for each shopping mall so that each party achieves a satisfactory outcome. We understand that our consumers demand quality and

personal attention, in response we have continued our use of innovative approaches to meet the needs of our visitors and ultimately we have seen visitor numbers in 2017 significantly improve by 17.4%.”

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