

Arricano Real Estate plc

("Arricano" or the "Company" or, together with its subsidiaries, the "Group")

**Decrease in Vacancy Rates and
the Signing of 42 New Lease Agreements in the First Quarter of 2016**

Arricano Real Estate plc is pleased to announce that vacancy rates at the end of Q1 2016 have decreased across the portfolio when compared to the same date in 2015:

	Vacancy Rate 31/03/2015	Vacancy Rate 31/12/2015	Vacancy Rate 31/03/2016
City Mall Shopping Center (Zaporizhzhia)	0.77%	0.00%	0.00%
Sun Gallery Shopping Mall (Kryvyi Rih)	3.13%	2.32%	2.53%
Prospect Shopping Mall (Kyiv)	25.32%	7.00%	3.52%
South Gallery Shopping Mall (Simferopol)	17.14%	4.91%	5.07%
RayON Shopping Mall (Kyiv)	2.45%	3.53%	2.09%

These lower vacancy rates are in-line with the Company's targets. Mikhail Merkulov, CEO of Arricano, said: "Reducing the level of vacancy rates across the Company's portfolio is a primary focus for the management team in 2016. We are continuing to make progress; in 2015 we focused on interaction with tenants which we continue to do, as well as creating a quality tenant mix and rotating this where necessary, all of which will help to improve the quality of the entire portfolio. This should mean that both tenants and visitors feel comfortable in our shopping malls, and the management team are confident that this quality of service will continue."

During the first quarter of 2016, Arricano has leased 3,878 square meters of retail space (including 1,401 square meters of current tenant renewals), and has signed 42 new lease agreements:

Shopping Mall	New Major Tenants
City Mall Shopping Center (Zaporizhzhia)	New Balance, Silver Age
Sun Gallery Shopping Mall (Kryvyi Rih)	The Spiceroom cake shop, Brand Cook Restaurant and Dim
Prospect Shopping Mall (Kyiv)	Must Have, Philosophy, Shopping Therapy, Walker,

	Brocard, US Kids, Marsee's, Nikola, Backstreet Café, Welfare, Cherry Berry and Nostalgia 80.
RayON Shopping Mall (Kyiv)	Mida, VD One, Candy Point, HelenA, Misto Outlet, Bukva and Souvenir Prestige

Speaking on Arricano's aim to continue to increase the footfall and positive experience of visitors to the shopping malls, Mr. Merkulov said: "We plan to further develop the high quality tenant mix in each of the Company's facilities in-line with the concept of each shopping mall. I am confident that the innovative approach to our business, along with high-quality management teams with a desire to make our shopping malls leaders in each city, will continue to attract new visitors and high-grade tenants."

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