

Orava Residential REIT plc

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## **STRUCTURE AND STRATEGY OF ORAVA RESIDENTIAL REIT**

The Board of Directors of Orava Residential REIT has been studying the different alternatives for the company's structure and strategy. The Board of Directors takes the view that a change of the structure and strategy is necessary for developing the company's business and shareholder value. As part of the preparations, the Board has had discussions with major stakeholders. The change of structure will be decided by an extraordinary general meeting to be convened separately.

Orava Residential REIT is primarily seeking to concentrate on improving profitability. For this, more apartments than before may be sold from the housing portfolio, and the capital of loans with a high rate of interest may be repaid. Profitability will also be improved by enhancing the efficiency of administration.

Orava's short-term goal is to improve profitability, but in the long run, the intention is to grow the business profitably. Orava can carry out real estate and corporate arrangements, if they support the profitability and growth objectives.

The intention is to convert Orava Residential REIT into an investment company that is more free to also invest in other real estate properties besides apartments. In the future, Orava Residential REIT could also act as a project developer and property developer.

Open communications are a strategic focal point for Orava Residential REIT. Orava Residential REIT seeks to communicate its activities and investments as openly as possible.

The Board of Directors expects the changes and development actions to be implemented in 2018–2019.

Helsinki, 20 March 2018

Orava Residential REIT plc

Board of Directors

Additional information:

Petri Roininen, Chairman of the Board, tel. +358 40 761 9669