

## News

### Sistema-Hals Board of Directors approves credit agreement with VTB Bank

The Board of Directors has approved a deal for a credit agreement with JSC VTB Bank. Under the terms of the deal, VTB Bank will provide Sistema-Hals with USD 500 million in financing over five years. These credit resources will be used to refinance bridging loans which were obtained before Sistema-Hals' IPO from Deutsche Bank, UBS and Nomura International, as well as to finance the company's current investment programme.

### Sistema-Hals President named one of Russia's best professional managers

According to ratings by the Russian Managers Association published in Kommersant newspaper, Sistema-Hals President Felix Evtushenkov has joined the list of Russia's best professional managers among companies in the construction industry. The ratings are conducted each year in order to provide a comprehensive evaluation and promote the development of professionalism among Russia's community of top managers.

### Departures and appointments at Sistema-Hals

Michael Golomb, Chief Financial Officer, has left his position at Sistema-Hals. Pavel Bondarchuk, head of the Finance Department and Chief Financial Controller, has been named as his acting replacement until the appointment of a new chief financial officer.

Ivan Batalov has been appointed Vice President for Sales and Promotion.

### Sistema-Hals increases its assets on the suburban Moscow property market

Sistema-Hals has acquired a 74.9% stake in the Gorki-8 Ltd. As a result of this deal, the company has obtained control over more than 35,000 square meters of property and around 9 hectares of land on the Rublevo-Uspenskoye highway. The deal is valued at over USD 100 million. "Sistema-Hals is building up its assets in the suburban property market, where it continues to capture leading positions. The acquisition of this asset is a significant step in that direction," Felix Evtushenkov, President of Sistema-Hals, says.

### Sistema-Hals starts selling apartments in two residential buildings

Sistema-Hals, in co-operation with Ferro-Stroy investment and development company, has begun selling apartments in residential complexes at 25a Dnepropetrovskaya St. and 39a Michurinsky Prospekt. The two complexes are being built under separate projects in environmentally friendly districts of southern Moscow.

### Sistema-Hals sells shares in Kamenny Ostrov JSC

Sistema-Hals has pulled out of the registered capital of Kamenny Ostrov (Stony Island) JSC, having sold 50% of shares in the company. The proceeds from the sale will be used for the development of other projects with a higher rate of return.



Shares and GDR: London/MICEX  
Indices: RTS/MICEX

## Sistema-Hals in the media

"Petrocommerce Bank recommends buying Sistema-Hals ordinary shares and GDRs for two reasons. First, the company's wide diversification reduces the risk of investing in real estate projects. Second, Sistema-Hals' significant interests both in Moscow and at the federal level enable the company to diversify the risk of a slowdown in the property market. According to Petrocommerce's estimates, the fair value of the company's ordinary shares is \$355.6, while its GDRs are worth \$17.8. The growth potential for both types of securities is over 40%".

**LoveMoney.ru, 16 August 2007**

"The Moscow-based developer Sistema-Hals' latest acquisition boosted its exposure to the property markets of Sochi, the Black Sea resort north of the southern Russian border, which are booming - and now are about to expand even further".

**EuroProperty, 3 September 2007**

"Sistema-Hals is embarking on its first large-scale regional project. The company will take part in the development of Astrakhan's city centre. The project was presented at the Sochi 2007 International Investment Forum. At the same forum, a trilateral agreement was signed between the Moscow-based developer and the administrations of Astrakhan and the Astrakhan Region for the development of the project, which has been dubbed the "New City Centre Project".

**Vedomosti, 21 September 2007**

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