

THE MEETING OF THE BOARD OF DIRECTORS AND ITS AGENDA

MOSCOW, RUSSIA – May 20, 2013 – HALS-Development (LSE, MICEX: HALS), a major Russian real estate company, announces, that on 20 May 2013 the Chairman of the Company's Board of directors convoked the meeting of the Board of directors on 21 May 2013 in absentia.

The Agenda includes the following questions:

- 1) the recommendation for the AGSM on distribution of profits (including dividend payment) and losses of the Company as the results of activity in 2012;
- 2) the convocation of the AGSM of Hals-Development JSC (definition of the form, date, place and time of the AGSM, time of the beginning registration of people participating in the AGSM of Hals-Development JSC, definition of the date for drawing up a list of shareholders eligible to participate in AGSM of Hals-Development JSC);
- 3) the approval of the agenda of the AGSM of Hals-Development JSC;
- 4) definition of the address for sending the filled bulletins for vote at the AGSM, as well as the date of sending voting ballots to the shareholders of Hals-Development JSC;
- 5) the approval of the list of information (materials) provided to shareholders during preparation to the AGSM of Hals-Development JSC and determination of the procedure of its provision;
- 6) the procedure of notification of the shareholders about the AGSM of Hals-Development JSC;
- 7) the approval of the text of notification of the AGSM of Hals-Development JSC;
- 8) the approval of the form and text of voting bulletins for the AGSM of Hals-Development JSC.

Hals-Development ("the Company") is one of the leading diversified companies on the Russian real estate market.

The Company was the first Russian property developer to list its shares on the main market of the London Stock Exchange. The Company's shares are also listed on the Moscow Interbank Currency Exchange and the Moscow Exchange.

Main shareholder of Hals-Development is Bank VTB (51.24%); free float is about 21,16%.

Starting operations in 1994, Hals-Development has successfully completed about 40 projects with a total area over 400,000 square meters, including several residential complexes in Kuntsevo, the headquarters of DaimlerChrysler company, the Hals Tower office building, the headquarters of the Trubnaya Metallurgical Company, the hotel for the MaMaison chain (Orco Property Group).

Hals-Development is currently developing the SkyLight complex in Moscow; reconstructing the building of the "Central Children's Shop on Lubyanka"; developing the Project «Multi-function complex with a transport terminal as part of the Moscow International Business Center «Moscow-City», and fulfils several other projects.

Hals-Development has assembled a balanced and diversified portfolio of assets in fast-growing sectors of the market. The Company's strategy is focused on building Class A and B office space, multifunctional retail and office complexes, business-class residential buildings.

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