

THE BOARD OF DIRECTORS RESOLUTIONS

MOSCOW, RUSSIA – July 29, 2013 – HALS-Development (LSE, MICEX, RTS: HALS), a major Russian real estate company, announces the Board of Directors resolutions passed at the meeting on 26 July 2013 (minutes #1 dated 26/07/2013):

- 1) To appoint Puchkov Andrey as the Chairman of the Board of Directors of the Company.
Voting results:
“FOR” – 7 votes.
“AGAINST” - 0 votes.
“ABSTAINED” - 0 votes.
- 2) To determine the amount of payment for services of the auditor of the Company, approved for audit inspection of accounting (financial) statement made according to RAS - Closed Joint-Stock Company Energy Consulting / Audit, basic state registration number – 1047717034640, in the sum 949 900 rubles taking into account a value added tax.
Voting results:
“FOR” – 7 votes.
“AGAINST” - 0 votes.
“ABSTAINED” - 0 votes.
- 3) To determine the amount of payment for services of the auditor of the Company, approved for audit inspection of accounting (financial) statement made according to IFRS - ERNST & YOUNG LLC, basic state registration number – 1027739707203, in the sum 19 560 000 rubles, including:
 - the review of a package of the financial statements for Bank VTB JSC in the 1st quarter 2013 – 2 900 000 rubles;
 - the review of a package of the financial statements for Bank VTB JSC in the 2nd quarter 2013 – 2 900 000 rubles;
 - the review of a package of the financial statements for Bank VTB JSC in the 3rd quarter 2013 – 2 900 000 rubles;
 - the half-year 2013 review– IFRS – 1 705 000 rubles;
 - audit 2013 – IFRS – 8 902 000 rubles;
 - audit of a package of the financial statements for Bank VTB JSC for 2013 – 253 000 rubles.Voting results:
“FOR” – 7 votes.
“AGAINST” - 0 votes.
“ABSTAINED” - 0 votes.
- 4) To give consent to the President and members of the Executive Board of Hals-Development JSC to double-job as members of the management bodies of the subsidiaries of Hals-Development JSC (Annex 1).
Voting results:
“FOR” – 7 votes.
“AGAINST” - 0 votes.
“ABSTAINED” - 0 votes.
- 5) To approve the following composition of the Audit Committee of the Board of Directors of Hals-Development JSC:
Plaksenkov E.A.
Luginin A.V.
Kosov P.N.
Voting results:
“FOR” – 7 votes.
“AGAINST” - 0 votes.

“ABSTAINED” - 0 votes.

- 6) To elect Plaksenkov E.A. as the Chairman of the Audit Committee of the Board of Directors of Hals-Development JSC.

Voting results:

“FOR” – 7 votes.

“AGAINST” - 0 votes.

“ABSTAINED” - 0 votes.

- 7) To approve the following composition of the Staff and Remuneration Committee of the Board of Directors of Hals-Development JSC.

Plaksenkov E.A.

Luginin A.V.

Voting results:

“FOR” – 7 votes.

“AGAINST” - 0 votes.

“ABSTAINED” - 0 votes.

- 8) To elect Plaksenkov E.A. as the Chairman of the Staff and Remuneration Committee of the Board of Directors of Hals-Development JSC.

Voting results:

“FOR” – 7 votes.

“AGAINST” - 0 votes.

“ABSTAINED” - 0 votes.

- 9) To approve the following composition of the Strategy Committee of the Board of Directors of Hals-Development JSC in quantity of 3 people:

Plaksenkov E.A.

Luginin A.V.

Kosov P.N.

Voting results:

“FOR” – 7 votes.

“AGAINST” - 0 votes.

“ABSTAINED” - 0 votes.

- 10) To elect Kosov P.N. as the Chairman of the Strategy Committee of the Board of Directors of Hals-Development JSC.

Voting results:

“FOR” – 7 votes.

“AGAINST” - 0 votes.

“ABSTAINED” - 0 votes.

- 11) To approve the following composition of the Corporate Management Committee of the Board of Directors of Hals-Development JSC in quantity of 3 people:

Plaksenkov E.A.

Luginin A.V.

Kosov P.N.

Voting results:

“FOR” – 7 votes.

“AGAINST” - 0 votes.

“ABSTAINED” - 0 votes.

- 12) To elect Luginin A.V. as the Chairman of the Corporate Management Committee of the Board of Directors of Hals-Development JSC.

7 members of 7 elected members of the Board of Directors have participated at the meeting. There was a quorum on the agenda.

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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