

RESULTS OF AGM

Moscow, Russia – 24 June 2014 – HALS-Development (LSE, MICEX: HALS), a major Russian real estate company, announces the results of the Company's annual general shareholders meeting held on June 26, 2014 (Minutes № 26 dd 06/24/2014):

Due to participate in the meeting there were registered 6 persons, eligible to participate in the meeting, owning 8 943 211 votes, that is 79.73% of the general number of votes 11 217 094 persons included in the list of persons eligible to participate in the AGM. There was a quorum on all agenda items.

1. On approval of the Annual Report of JSC HALS-Development for 2013.

Results of vote:

“FOR” – 8 943 211 votes.

“AGAINST” - 0 votes.

“ABSTAINED” - 0 votes.

Resolution:

"To approve the Annual Report of JSC HALS-Development for 2013".

2. On approval of the annual accounting statement of JSC HALS-Development, including the profit-and-loss statement (profit and loss accounts of JSC HALS-Development) for 2013.

Results of vote:

“FOR” – 8 943 211.

“AGAINST” - 0 votes.

“ABSTAINED” - 0 votes.

Resolution:

"To approve the annual accounting statement, including the profit-and-loss statement of JSC HALS-Development for the financial year 2013".

3. On distribution of profit (including payment (declaration) of dividends) and losses of JSC HALS-Development in accordance with the results of financial year 2013.

Results of vote:

“FOR” – 8 943 211.

“AGAINST” - 0 votes.

“ABSTAINED” - 0 votes.

Resolution:

"Not to pay dividends on outstanding stock of JSC HALS-Development with reference to absence of net profit at year-end of 2013".

4. On determining of quantitative composition of the Board of Directors of JSC HALS-Development.

Results of vote:

“FOR” – 8 943 211.

“AGAINST” - 0 votes

“ABSTAINED” - 0 votes.

Resolution:

"To determine the quantitative composition of the Board of Directors of JSC HALS-Development as 7 (seven) members".

5. On election of the Board of Directors of JSC HALS-Development.

Results of vote:

During summing-up the votes “For” have been determined as follows:

№	Name of candidate	Number of votes
1	Moos Gerbert	8 943 206
2	Deryabina Alena Viktorovna	8 943 206
3	Adamov Viktor Evgenyevich	8 943 206
4	Luginin Andrey Viktorovich	8 943 206
5	Lapin Konstantin Vitalevich	8 943 206

6	Pouchkov Andrei Sergeevich	8 943 206
7	Plaksenkov Eugeniy Anatolievich	8 843 236
AGAINST ALL CANDIDATES:		0 votes
ABSTAINED IN RESPECT OF ALL CANDIDATES:		0 votes

Resolution:

"To elect members of the Board of Directors of JSC HALS-Development from the following candidates:

1. Moos Gerbert
2. Deryabina Alena Viktorovna
3. Adamov Viktor Evgenyevich
4. Luginin Andrey Viktorovich
5. Lapin Konstantin Vitalevich
6. Pouchkov Andrei Sergeevich
7. Plaksenkov Eugeniy Anatolievich

6. On election of the Audit Commission of JSC HALS-Development.

Results of vote:

“FOR” - 8 943 211 votes.

“AGAINST” - 0 votes.

“ABSTAINED” – 0 votes.

Resolution:

"To elect members of the Audit Commission of JSC HALS-Development from the following candidates:

Volimbovsky Vladimir Anatolyevich
Fedotov Kirill Nikolaevich
Mikhailovsky Iliya Valentinovich».

7. On approval of the Auditor of JSC HALS-Development bookkeeping (financial) statement for 2014 according to RAS.

Results of vote:

“FOR” – 8 943 211 votes.

“AGAINST” - 0 vote.

“ABSTAINED” – 0 votes.

Resolution:

"To approve the Closed Joint-Stock Company Energy Consulting / Audit as the auditor of JSC HALS-Development bookkeeping (financial) statement for 2014 according to RAS".

8. On approval of the Auditor of JSC HALS-Development consolidated financial statement for 2014 according to IFRS.

Results of vote:

“FOR” – 8 943 211 votes.

“AGAINST” - 0 votes.

“ABSTAINED” – 0 votes.

Resolution:

"To approve the ERNST & YOUNG LLC as the auditor of JSC HALS-Development consolidated financial statement for 2014 according to IFRS".

9. On approval of transactions that are potentially interesting and that may be effected by JSC HALS-Development in future within the framework of its regular economic activity.

Results of vote:

“FOR” – 3 195 923 votes.

“AGAINST” - 5 votes.

“ABSTAINED” – 0 votes.

The number of votes, which had all persons included in the list of persons eligible to participate in the AGM and not interested in making transaction by the Company: 5 464 251 votes.

The number of votes, coming due to voting shares, owning by persons no interested in making transaction by the Company, determined in conformity with the provisions of the clause 4.20 of "Regulation on additions demands to the order of preparation, convocation and conduction of the general meeting of the shareholders" approved by the Rule of FFMS dd 02/022012 № 12-6/n3-н: 4 464 251 votes.

The number of votes which was not calculated for the results of vote on the issue of agenda of the AGM put to the vote: 5 752 843 votes.

The number of votes which was not calculated due to determination of quorum and results of voting on the agenda due to absents in the ballot of signature of person or its authorized representative eligible to participate in the general meeting in accordance with the clause 4.24 of "Regulation on additions demands to the order of preparation, convocation and conduction of the general meeting of the shareholders" approved by the Rule of FFMS dd 02/022012 № 12-6/n3-н: 0 votes.

Resolution:

"To approve transactions that are potentially interesting and that may be effected by JSC HALS-Development in future within the framework of its regular economic activity in accordance with the list (Annex No. 1)".

10. On payment of remuneration to the independent member of the Board of Directors of JSC HALS-Development according to his function in 2013-2014.

Results of vote:

"FOR" – 8 943 211 votes.

"AGAINST" - 0 votes.

"ABSTAINED" – 0 vote

Resolution:

"To pay remuneration to the independent member of the Board of Directors of the Company - Plaksenkov Eugeny Anatolievich according to his function from 28 June 2013 to 24 June 2014 in an amount of 18 634,86 USD in Rouble equivalent in accordance with the exchange course 1 US Dollars to Roubles fixed by the Central Bank of Russia on the payment date, by 16 July 2014 inclusively".

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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The information in the press release may contain forward-looking statements regarding future events or the future financial performance of Hals-Development. You can identify forward looking statements by terms such as "expect", "believe", "anticipate", "estimate", "intend", "will", "could", "may" or "might" the negative of such terms or other similar expressions. We wish to caution you that these statements are only predictions and those actual events or results may differ materially. We do not intend to update these statements to reflect events and circumstances occurring after the date thereof or to reflect the occurrence of unanticipated events.