

## **THE BOARD OF DIRECTORS RESOLUTIONS**

**MOSCOW, RUSSIA – July 14, 2015 - HALS-Development (LSE, MICEX: HALS)**, a major Russian real estate Company, announces the Board of Directors resolutions passed at the meeting on 13<sup>th</sup> of July 2015 (Minutes № 2 dated July 13, 2015).

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

### Resolutions:

1. To determinate the amount of payment for services of the auditor of book-keeping (financial) report of HALS-Development PJSC for 2015 made according to RAS - Closed Joint-Stock Company Energy Consulting / Audit (main state registration number: 1047717034640) – in the amount of 949,990.00 (nine hundred forty nine thousand nine hundred ninety and 00/100) RUR, including VAT.

**Voting results:**

“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.

2. To determinate the amount of payment for services of the auditor of consolidated financial report of HALS-Development PJSC for 2015 made according to IFRS - ERNST & YOUNG LLC (main state registration number: 1027739707203) – in the amount of 17,000,000.00 (seventeen million and 00/100) RUR, including VAT.

**Voting results:**

“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.

3. To approve interested party transaction – execution of the Guarantee agreement between Hals-Development PJSC (further the Guarantor) and Limited liability company “Yunika Home” (further the Creditor) on the following main terms and conditions:

Subject of transaction: the Guarantor undertakes to be liable before the Creditor for performance by Closed joint stock company “Hals-Tekhnopark” (main state registration number: 1047796711214), hereinafter referred to as the “Debtor”, of its possible future obligation (further – “Obligation”) before the Creditor on return of funds paid by the Creditor to the Debtor under the Agreement on sale of future thing # 28/21/15 dd June 29, 2015 made between the Creditor and the Debtor, due to termination of mentioned Agreement on sale of future thing # 28/21/15 dd June 29, 2015.

Price of transaction: the amount of guarantee is limited by sum equal to 528,759,504.24 (five hundred twenty eight million seven hundred fifty nine thousand five hundred four and 24/100) RUR.

The Guarantor is liable only within the mentioned limit and it is not liable for payment of interest, reimbursement of court expenses on claim for debt and other expenses and loss of profit of the Creditor, caused by non-performance or improper performance of Obligations by the Debtor.

Term of guarantee: the Guarantee shall be valid till September 28, 2019.

The Guarantor is liable before the Creditor on the terms and conditions specified by the Guarantee agreement subject to all of the following circumstances arose:

- termination of the Agreement on sale of future thing # 28/21/15 dd June 29, 2015 or court decision became effective;
- if funds received by the Debtor from the Creditor under Agreement on sale of future thing # 28/21/15 dd June 29, 2015 made between the Creditor and the Debtor, have not been return by the Debtor to the Creditor within 60 calendar days from the date of termination of Agreement on sale of future thing # 28/21/15 dd June 21, 2015.

**Voting results:**

“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.

**Hals-Development** ("the Company") is the fastest growing developing company, specializing in commercial and residential real estate; it controls all stages of development project: from making conception till the following management of the built object.

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.

Starting operations in 1994, Hals-Development has successfully completed about 40 projects with a total area over 400,000 square meters. Hals-Development is currently developing such projects as the "Central Children's Shop on Lubyanka", development of hotel "Peking", building of Land Plot No. 11, MIBC "Moscow-City", selling of residential premises of Wine House, "Nasledie", "Teatral'nyi Dom" and other projects in Moscow and regions. In 2011-2014 the Company put into operation more than 450 thousand sq.m., this is 6 large projects – trade center "LETO" (116 thousand sq. m.), business-center Sky-Light (110 thousand sq. m.), residential complex "Solnce" (60 thousand sq.m.) and resort "Camelia" in Sochi (53 thousand sq.m.), residential complex "Literator" (67 thousand sq.m.), "Central Children's Shop on Lubyanka" (73 thousand sq.m.). The total value of development projects of HALS-Development is 1.6 mio sq.m.

**For further information please contact:**

Elizaveta Bekreneva  
Corporate Secretary  
Tel. +7 (495) 589-2222 (ext. 1338)  
bekreneva@hals-development.ru

\*\*\*

*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.*