

THE END OF CONTROL OF HALS-INVEST DEVELOPMENT

MOSCOW, RUSSIA – March 22, 2017 – HALS-Development (LSE, MICEX: HALS), a major Russian real estate Company announces the end of the control with respect to 100% of the share capital of the LLC “Hals-Invest Development” on the 20th of March 2017.

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 main shareholder of the Company is VTB Bank.

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 Exchange.

The company is in the top five of the largest developers in Moscow. The total value of development projects of HALS-Development is 1.6-mil sq.m. In 2016 the Company put into operation 4 projects with total area 300 thousand sq.m.: the first phase of construction of the business class residential premises of “Nasledie”; “Wine House”; “Peking Gardens”; “IQ-Quarter” residential block (MMDC “Moscow-City”).

The total value of currently developing projects by HALS-Development is about 800 thousands sq.m. Hals-Development is currently developing such projects as development of the second phase construction of the business class residential premises of “Nasledie”; multifunctional complex “Iskra-Park”, non-residential towers of “IQ-Quarter” (MMDC “Moscow-City”) and the residential complex “Dostoyanie”.

The Company's portfolio includes such existing facilities as the shopping and entertainment complex "LETO" in St. Petersburg, the business centers SkyLight, "Danilovsky Fort", hotel "Beijing", the shopping and entertainment complex "CDM at Lubyanka", resort complex "Camellia" in Sochi and other objects in Moscow and regions.

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