

Clarification regarding the essential legal entities controlled by the Company

Moscow, Russia – 29 April 2013 – HALS-Development (LSE, MICEX: HALS), a major Russian real estate Company, announces that due to making the Company's audited consolidated financial statements for 2012 according to IFRS, in accordance with the Russian legislation:

- 1) the following legal entities, controlled by the Company, have got the status of the organizations of essential importance for the Company:
 - ***Closed joint-stock company "Hals-Technopark" (Bolshaya Tatarskaya street, 35, build 4, 115184, Moscow, Russia, TIN: 7705619307, Registration number: 1047796711214, the Company controls it together with Closed joint-stock company "StroiPromObject")***
 - ***Closed joint-stock company "Eksperimentalny zavod napitkov v Khamovnikakh" (Lva Tolstogo street, 23, build. 4, 119034, Moscow, Russia, TIN: 7703595587, registered number: 1067746667702, the Company controls it through CELOSITA HOLDING LTD***

The Company has the rights to dispose more than 50% of votes in the Supreme management body and appoint CEO of the all above mentioned organizations.

- 2) ***Joint-stock company "Hotel "Peking"*** has lost this status of organization of essential importance for the Company.
- 3) The following legal entities, disclosed as essential legal entities, controlled by the Company, in accordance with consolidated financial statements for the 6 months of 2012, have saved the status of organizations of essential importance for the Company:
 - ***"Gorki-8" Ltd;***
 - ***Limited liability company "Hals-Invest Development";***
 - ***CiTer Invest B.V.***
 - ***Open joint-stock company "Lubyanka-Development"***
 - ***Joint-stock company "Hals-Stroy";***
 - ***Closed joint-stock company "Kuncevo-Invest";***

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, the Moscow Stock 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.

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.