

THE MEETING OF THE BOARD OF DIRECTORS AND ITS AGENDA

MOSCOW, RUSSIA – July 25, 2013 – HALS-Development (LSE, MICEX: HALS), a major Russian real estate company, announces, that on 25 July 2013 it was decided to conduct the meeting of the Board of directors on 26 July 2013 in absentia.

The Agenda includes the following questions:

- 1) On appointment the Chairman of the Board of Directors of the Company.
- 2) On determination of the amount of payment for services of the auditor of Hals-Development JSC, approved for audit inspection of accounting (financial) statement made according to RAS.
- 3) On determination of the amount of payment for services of the auditor of Hals-Development JSC, approved for audit inspection of accounting (financial) statement made according to IFRS.
- 4) On giving consent to the President and members of the Executive Board of Hals-Development JSC to double-job as members of the management bodies of other companies (subsidiaries of Hals-Development JSC).
- 5) On approval of composition of the Audit Committee of the Board of Directors of Hals-Development JSC.
- 6) On election of the Chairman of the Audit Committee of the Board of Directors of Hals-Development JSC.
- 7) On approval of composition of the Staff and Remuneration Committee of the Board of Directors of Hals-Development JSC.
- 8) On election of the Chairman of the Staff and Remuneration Committee of the Board of Directors of Hals-Development JSC.
- 9) On approval of composition of the Strategy Committee of the Board of Directors of Hals-Development JSC.
- 10) On election of the Chairman of the Strategy Committee of the Board of Directors of Hals-Development JSC.
- 11) On approval of composition of the Corporate Management Committee of the Board of Directors of Hals-Development JSC.
- 12) On election of the Chairman of the Corporate Management Committee of the Board of Directors of Hals-Development JSC.

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 Russian Trading System Stock 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 450,000 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 "Detsky Mir" on Lubyanka; constructing LETO shopping center in Saint Petersburg; 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:

Elena Balashova
Corporate Secretary
Tel. +7 (495) 589-2222 (ext. 3350)
balashovaep@hals-development.ru

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