

THE MEETING OF THE BOARD OF DIRECTORS AND ITS AGENDA

MOSCOW, RUSSIA – September 23, 2014 – HALS-Development (LSE, MICEX: HALS), a major Russian real estate company, announces, that on 22 September 2014 it was decided to conduct the meeting of the Board of directors on 23 September 2014.

The Agenda of the board of directors meeting:

1. On recommendations to the Board of directors of Hals-Development JSC with regard to the mandatory offer for purchase of shares of Hals-Development JSC send by Bank of Moscow (Open Joint Stock Company) and received by Hals-Development JSC.
2. On approval of terms and conditions of the agreement with the registrar.

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 reconstructing the building of 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 "Literator", Wine House", "Nasledie" and other projects in Moscow and regions. In 2011-2014 the Company put into operation more than 320 thousand sq m, this is 4 large projects – trade center "LETO" (100 thousand sq. m.), business-center Sky-Light (110 thousand sq. m.), residential complex "Solnce" and resort "Camelia" in Sochi. The total value of development projects of HALS-Development is 1.6 mio sq.m.

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