

THE MEETING OF THE BOARD OF DIRECTORS AND ITS AGENDA

MOSCOW, RUSSIA – April 25, 2014 – HALS-Development (LSE, MICEX: HALS), a major Russian real estate company, announces, that on 25 April 2014 it was decided to convoke the meeting of the Board of Directors on 28 April 2014.

The Agenda includes the following questions:

- 1) the recommendation for the AGSM on distribution of profits (including dividend payment) and losses of the Company as the results of activity in 2013 financial year;
- 2) the convocation of the AGSM of Hals-Development JSC (definition of the form, date, place and time of the AGSM, time of the beginning registration of people participating in the AGSM of Hals-Development JSC, definition of the date for drawing up a list of shareholders eligible to participate in AGSM of Hals-Development JSC);
- 3) the approval of the agenda of the AGSM of Hals-Development JSC;
- 4) definition of the address for sending the filled bulletins for vote at the AGSM, as well as the date of sending voting ballots to the shareholders of Hals-Development JSC;
- 5) the approval of the list of information (materials) provided to shareholders during preparation to the AGSM of Hals-Development JSC and determination of the procedure of its provision;
- 6) the procedure of notification of the shareholders about the AGSM of Hals-Development JSC;
- 7) the approval of the text of notification of the AGSM of Hals-Development JSC;
- 8) the approval of the form and text of voting bulletins for the AGSM of Hals-Development JSC.

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 Hals-Development is Bank VTB (51.24%); free float is about 21,16%.

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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