

THE BOARD OF DIRECTORS RESOLUTIONS

MOSCOW, RUSSIA – June 09, 2014 - HALS-Development (LSE, MICEX: HALS), a major Russian real estate Company, announces the Board of Directors resolutions passed at the meeting on 09th of June 2014 (Minutes № 10 dated June 09, 2014).

7 members of 7 elected members of the Board of Directors have participated at the meeting. There was a quorum on the agenda.

Resolutions:

- 1. To elect Mr. Kalinin Sergey Valeryevich (passport of the citizen of the Russian Federation: ...) as the president of HALS-Development JSC for the term from June 15, 2014 till March 31, 2015.**

Voting results:

“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.

Participation interest of this person in the charter capital of the Issuer, and the interest of the ordinary shares of the Issue (joint-stock company), owning by this person: 0.

- 2. To approve the term and conditions of the agreement with the President of HALS-Development JSC, including determination of the value of his remuneration in accordance with the Annex 1.**

Voting results:

“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.

- 3. To determinate the Management Board of HALS-Development JSC should consist of 10 members including the President of HALS-Development JSC.**

Voting results:

“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.

- 4. To elect Mr. Bychenok Igor Valeryevich as the Member of Management Board of HALS-Development JSC for the term from June 15, 2014 till March 31, 2015.**

Voting results:

“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.

Participation interest of this person in the charter capital of the Issuer, and the interest of the ordinary shares of the Issue (joint-stock company), owning by this person: 0.

- 5. To determinate the main terms and conditions of the agreement made with Mr. Bychanok I.V. as the member of Management Board of HALS-Development JSC in accordance with the Annex 2.**

Voting results:

“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.

- 6. To elect Mr. Goncharov Alexey Stepanovich as the member of Management Board of HALS-Development JSC for the term from June 15, 2014 till March 31, 2015.**

Voting results:

“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.

Participation interest of this person in the charter capital of the Issuer, and the interest of the ordinary shares of the Issue (joint-stock company), owning by this person: 0.

- 7. To determinate the main terms and conditions of the agreement made with Mr. Goncharov A.S. as the member of Management Board of HALS-Development JSC in accordance with the Annex 3.**

Voting results:

“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.

- 8. To elect Mr. Grinin Dmitry Gennadyevich as the member of Management Board of HALS-Development JSC for the term from June 15, 2014 till March 31, 2015.**
Voting results:
“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.
Participation interest of this person in the charter capital of the Issuer, and the interest of the ordinary shares of the Issue (joint-stock company), owning by this person: 0.
- 9. To determinate the main terms and conditions of the agreement made with Mr. Grinin D.G. as the member of Management Board of HALS-Development JSC in accordance with the Annex 4.**
Voting results:
“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.
- 10. To elect Mr. Kaprov Leonid Grigoryevich as the member of Management Board of HALS-Development JSC for the term from June 15, 2014 till March 31, 2015.**
Voting results:
“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.
Participation interest of this person in the charter capital of the Issuer, and the interest of the ordinary shares of the Issue (joint-stock company), owning by this person: 0.
- 11. To determinate the main terms and conditions of the agreement made with Mr. Kaprov L.G. as the member of Management Board of HALS-Development JSC in accordance with the Annex 5.**
- 12. To elect Mrs. Kruglova Viktoria Vladimirovna as the member of Management Board of HALS-Development JSC for the term from June 15, 2014 till March 31, 2015.**
Voting results:
“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.
Participation interest of this person in the charter capital of the Issuer, and the interest of the ordinary shares of the Issue (joint-stock company), owning by this person: 0.
- 13. To determinate the main terms and conditions of the agreement made with Mrs. Kruglova V.V. as the member of Management Board of HALS-Development JSC in accordance with the Annex 6.**
- 14. To elect Mr. Lickevich Sergey as the member of Management Board of HALS-Development JSC for the term from June 15, 2014 till March 31, 2015.**
“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.
Participation interest of this person in the charter capital of the Issuer, and the interest of the ordinary shares of the Issue (joint-stock company), owning by this person: 0.
- 15. To determinate the main terms and conditions of the agreement made with Mr. Lickevich S. as the member of Management Board of HALS-Development JSC in accordance with the Annex 7.**
“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.
- 16. To elect Mr. Sivak Mikhail Ruvimovich as the member of Management Board of HALS-Development JSC for the term from June 15, 2014 till March 31, 2015.**
“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.
Participation interest of this person in the charter capital of the Issuer, and the interest of the ordinary shares of the Issue (joint-stock company), owning by this person: 0.

- 17. To determinate the main terms and conditions of the agreement made with Mr. Sivak M.R. as the member of Management Board of HALS-Development JSC in accordance with the Annex 8.**
“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.
- 18. To elect Mr. Strigin Vladimir Vyacheslavovich as the member of Management Board of HALS-Development JSC for the term from June 15, 2014 till March 31, 2015.**
“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.
Participation interest of this person in the charter capital of the Issuer, and the interest of the ordinary shares of the Issue (joint-stock company), owning by this person: 0.
- 19. To determinate the main terms and conditions of the agreement made with Mr. Strigin V.V. as the member of Management Board of HALS-Development JSC in accordance with the Annex 9.**
“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.
- 20. To elect Mrs. Sukhanceva Anastasiya Vladimirovna as the member of Management Board of HALS-Development JSC for the term from June 15, 2014 till March 31, 2015.**
“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.
Participation interest of this person in the charter capital of the Issuer, and the interest of the ordinary shares of the Issue (joint-stock company), owning by this person: 0.
- 21. To determinate the main terms and conditions of the agreement made with Mrs. Sukhanceva A.V. as the member of Management Board of HALS-Development JSC in accordance with the Annex 10.**
“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.
- 22. To authorize the President of HALS-Development JSC to execute agreements with the members of the Management Board of HALS-Development JSC: Mr. Bychanok I.V., Mr. Goncharov A.S., Mr. Grinin D.G, Mr. Kaprov L.G., Mrs. Kruglova V.V., Mr. Lickevich S., Mr. Sivak M.R., Mr. Strigin V.V., Mrs Sukhanceva A.V.**
“FOR” – 7 votes; “AGAINST” - 0 votes; “ABSTAINED” - 0 votes.

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 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.

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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.