

THE MEETING OF THE BOARD OF DIRECTORS AND ITS AGENDA

MOSCOW, RUSSIA – August 20, 2014 – HALS-Development (LSE, MICEX: HALS), a major Russian real estate company, announces, that on 19 August 2014 it was decided to conduct the meeting of the Board of directors on 20 August 2014.

The Agenda includes the following questions:

- 1) On determination of the amount of payment for services of the auditor of accounting (financial) statement of Hals-Development JSC for 2014, made according to RAS.
- 2) On determination of the amount of payment for services of the auditor of consolidated financial statement of Hals-Development JSC for 2014, made according to IFRS.
- 3) 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).
- 4) On approval of composition of the Audit Committee of the Board of Directors of Hals-Development JSC.
- 5) On election of the Chairman of the Audit Committee of the Board of Directors of Hals-Development JSC.
- 6) On approval of composition of the Staff and Remuneration Committee of the Board of Directors of Hals-Development JSC.
- 7) On election of the Chairman of the Staff and Remuneration Committee of the Board of Directors of Hals-Development JSC.
- 8) On approval of composition of the Strategy Committee of the Board of Directors of Hals-Development JSC.
- 9) On election of the Chairman of the Strategy Committee of the Board of Directors of Hals-Development JSC.
- 10) On approval of composition of the Corporate Management Committee of the Board of Directors of Hals-Development JSC.
- 11) On election of the Chairman of the Corporate Management Committee of the Board of Directors of Hals-Development JSC.
- 12) On approval of Regulation on procurements of Hals-development JSC in new version.

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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