

News

Sistema-Hals concludes strategic agreement with Apsys

Sistema-Hals and global international retailer Apsys have concluded a long-term strategic partnership agreement. As part of the agreement they have formed a joint venture to develop and manage projects in the retail sector. Each of the parties holds a 50% stake in the venture. The joint venture's first investment project was to acquire the Leto shopping and entertainment complex in St. Petersburg from Sistema-Hals.

Sistema-Hals chooses strategic partner for Sochi project

Sistema-Hals has concluded a strategic partnership agreement with Saraya, a company engaging in property development, asset management and investment in the tourism and travel industry. As part of the deal, Saraya acquired 50% ownership of the hotel and resort complex situated on the site of the former Kamelia health resort in Sochi. The companies will work together to redevelop the existing grounds and build a world-class resort at the site.

Project updates

Elite apartments, 15 Moskovskaya, Yalta

- obtained all of the main technical specifications for the project
- the first part of the project – the retaining wall – has passed its state expert assessment
- a tender has been held for construction and installation work on the retaining wall

Emerald Valley residential building, 28 Yelninskaya St.

- the construction site has been cleared
- all utilities have been removed from the building site
- contracts have been signed for shifting the sewerage system and removing trees

Residential complex, Vrubelevski Spusk, Kiev

- the designs have passed municipal hearings

Primavera residential complex, 4 Nakhimovski Prospekt

- construction and installation work has reached the 14th floor on building A and the 12th floor on building B
- work is currently being done to install the on-site utilities, sewerage system and drainpipes
- construction of the water pipes and heating networks is nearing completion

Diplomat residential complex, 39A Michurinski

- construction and installation work has reached the 8th floor on block 1, the 9th floor on block 2 and the 11th floor on block 3
- work is currently being done to install the on-site utilities

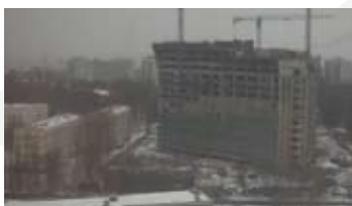
Bridge over the Volga at Dubna

- a positive state expert assessment has been received

Views



Diplomat residential complex



Primavera residential complex



Leto, Saint-Petersburg

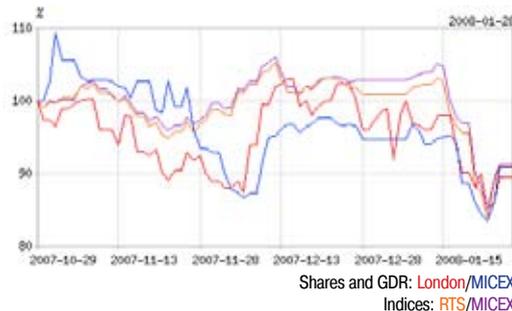


Vrubelevski Spusk, Kiev



15 Moskovskaya, Yalta

Stock price



Sistema-Hals in media

"Following its renovation, the Peking Hotel in the centre of Moscow is due to become a world-class hotel. Through the implementation of this ambitious project, an area of cafes, restaurants, offices and a shopping centre will be created near the Garden Ring Road. The developer Sistema-Hals considers one of its main goals to be preserving the hotel's unique architectural appearance."
Vesti-Moskva TV, 25 December 2007

"Today no one is in any doubt that the appearance of Yalta will change over the next few years: every day more and more new buildings are popping up. Many of them are dull, but some are very impressive - such as the complex being developed by the Moscow company Sistema-Hals. Interestingly, even though construction has only just started, businessmen from all four corners of Ukraine are already trying to get retail and residential space in this unique building."
Yuzhnaya Gazeta, 10 January

"Sistema-Hals has become one of the 300 biggest companies in Russia by market capitalisation. The company came in at number 99 in the rankings."
Kommersant Daily, 14 January 2008

"Nizhny Novgorod Provincial Construction Minister Vladimir Chelomin is predicting a 30% increase in new housing for Nizhny Novgorod and the surrounding province in 2008, to 1.35 million square metres. Last year, for example, Moscow-based Sistema-Hals announced a large new project in Nizhny Novgorod – 1.85 million square metres of housing, with the first properties to be completed in 2008..."
Vedomosti, 18 January 2008

Contacts

35/4, B.Tatarskaya St., Moscow, 115184, Russia

Anton Klimenko, Head of IR Department
Telephone +7 (495) 785-7742 (3350)
Fax +7 (495) 785-7743
klimenko@sistema-hals.ru

Anna Zavialova, PR manager
Telephone +7 (495) 785-7764
zavialova@sistema-hals.ru