



# Etalon Group

## 1Q 2012 operating results Investor presentation

April 2012



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# Today's presenting team



**Viacheslav Zarenkov**

- President
- Founding shareholder
- Founded in 1987



**Anton Evdokimov**

- CFO
- With Etalon Group since 1998



**Dmitri Boulkhovkov**

- Head of investments
- With Etalon Group since 2007



**Alexander Shkuratov**

- Head of strategy and business development
- With Etalon Group since 2007



1.

1Q trading update

2.

Pre-sale levels for projects planned for delivery in 1H 2012

3.

Lastochkino Gneздо: construction permit is obtained, sales have been launched

4.

Key takeaways

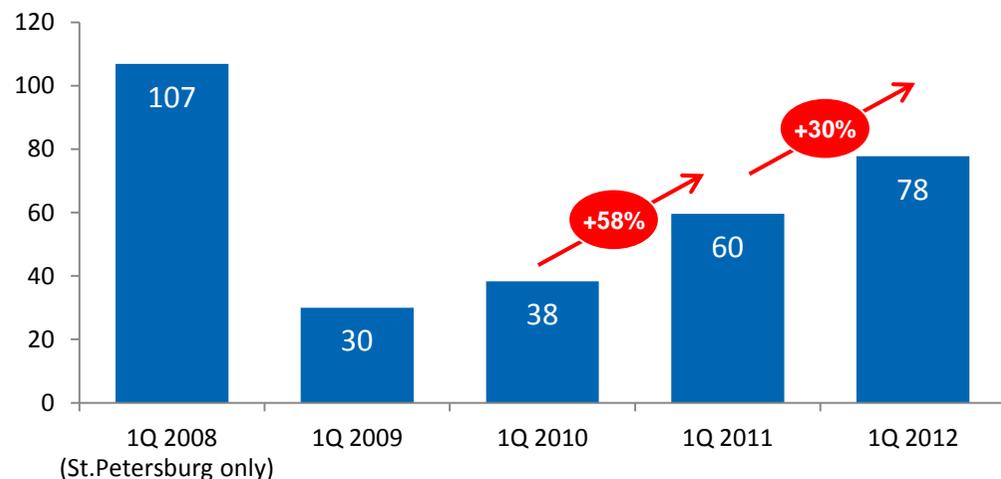


# 1.

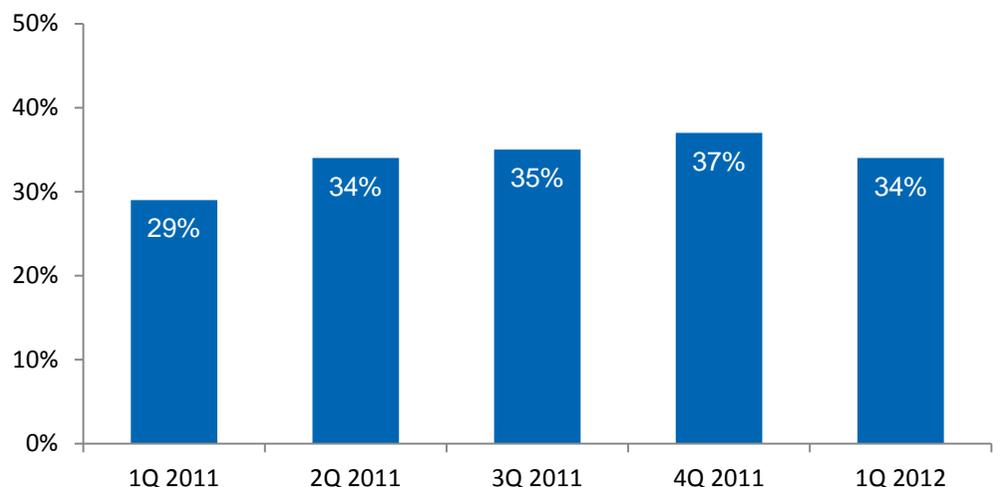
1Q trading update

# Robust new contract sales dynamics, still below pre-crisis levels

## New contract sales, ths sqm



## Share of regional sales



## 1Q 2012 operating results

|                        | 1Q 2012 | 1Q 2011 | Change, % |
|------------------------|---------|---------|-----------|
| New Sales, sqm         | 77 726  | 59 638  | 30%       |
| New sales, mn RUR      | 5 566   | 4 158   | 34%       |
| Average price, RUR/sqm | 71 611  | 69 721  | 3%        |

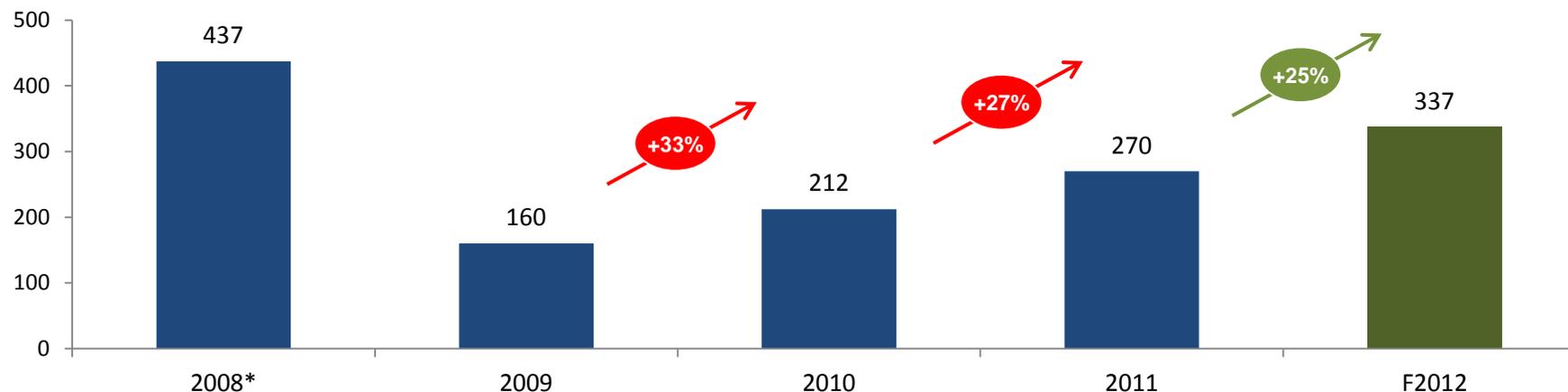
## Significant growth of key sales metrics

- Share of mortgage contracts reached 10%, up from 6% in 1Q 2011
- Average downpayment reached 72%, up from 66% in 1Q 2011 (significantly above the average of 50% envisaged by the business model)
- Share of MMA\* contracts reached 14%

\* Moscow metropolitan area

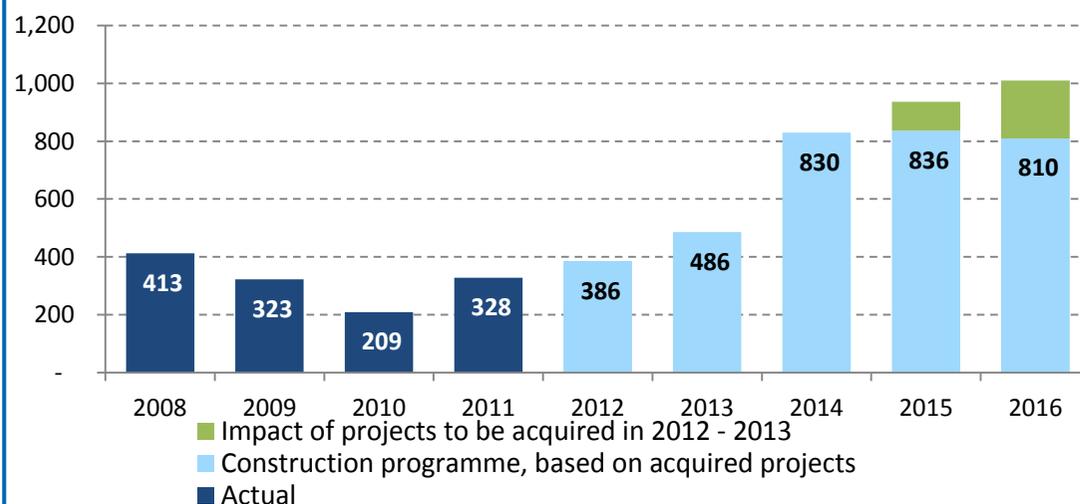
# Expect 25% growth in new contract sales in 2012

## New sales contracts, ths sqm



\* Annualized new contract sales based on 1H 2012, St. Petersburg only

## Construction programme, ths sqm

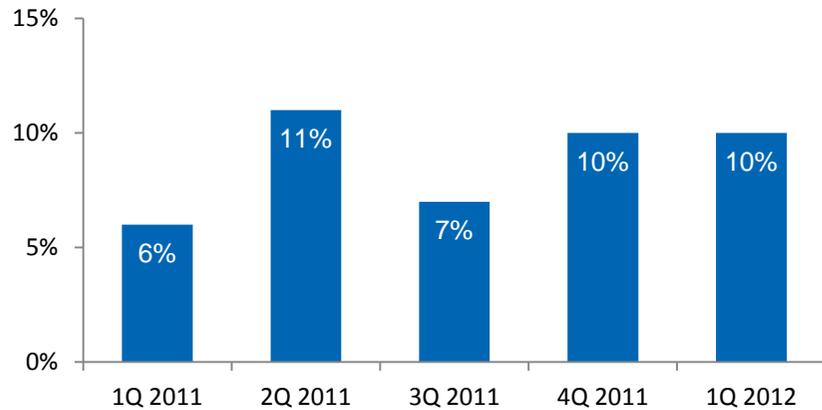


## Highlights

- Further improving transparency by initiating guidance on new contract sales, on top of official guidance on deliveries
- Expect new contract sales to increase by 25% in 2012
- This will be driven by new projects that will be launching towards the end of the year & strong sales on current projects
- Significant drop in deliveries both in MMA and SPMA in last 3 years have resulted in limited supply, especially in “comfort class”, while demand is rapidly approaching pre-crisis levels

# Joint programs established with major banks, yet modest dependency on mortgages due to flexible pre-sale installment plans

Share of mortgage sales,%



## Highlights

- We offer mortgage programs with major domestic and international banks, including Sberbank, VTB Group, Societe Generale (Rosbank), Raiffeisen Group and KBC Group (Absolute Bank)
- Joint programs are established with 17 banks and offer flexible financial options:
  - down payment: 10-30%
  - maturity: 1-30 years
  - interest: from 7.9% in RUR  
from 10% in Euro  
from 10.5% in USD
- We enjoy modest dependency on mortgage financing for our flexible pre-sale installment plans





## 2.

Pre-sale levels for  
projects planned for  
delivered in 1H 2012

# Orbit

Pre-sales rate: 86% of total NSA (excluding parking)

Delivery: 2Q 2012

NSA: 207 ths sqm

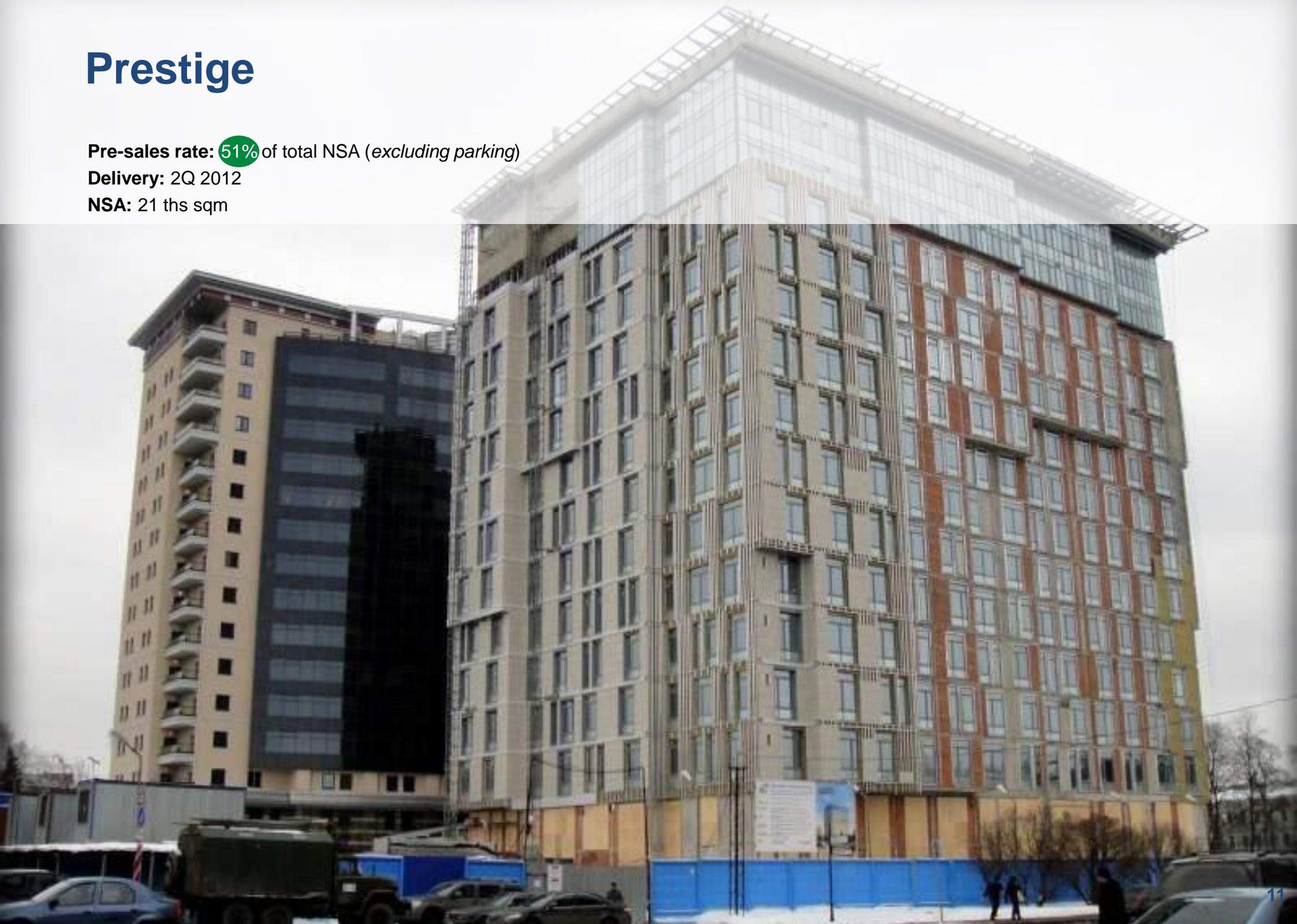


# Prestige

Pre-sales rate: 51% of total NSA (excluding parking)

Delivery: 2Q 2012

NSA: 21 ths sqm

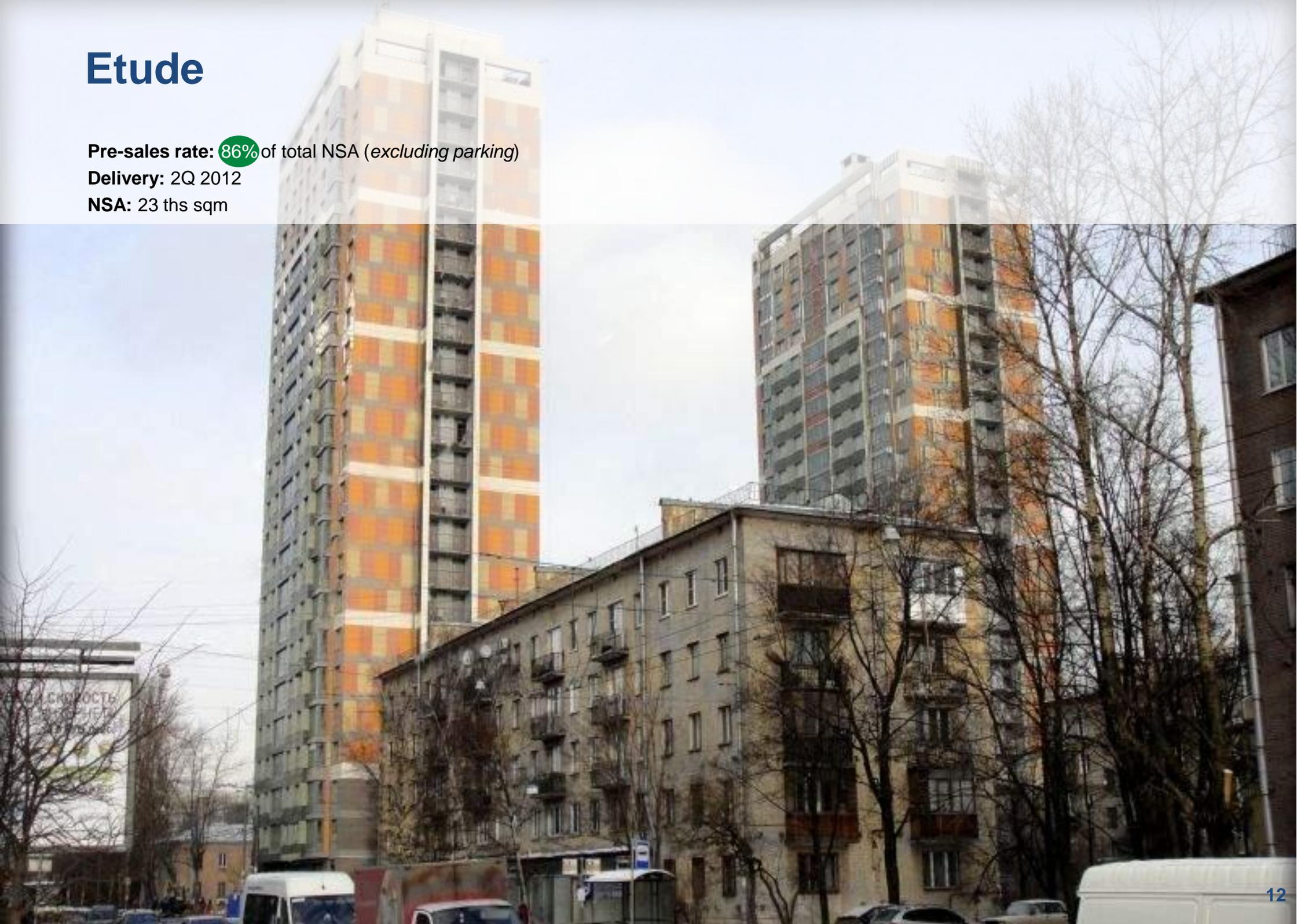


# Etude

Pre-sales rate: 86% of total NSA (excluding parking)

Delivery: 2Q 2012

NSA: 23 ths sqm





# 3.

Lastochkino Gneздо:  
construction permit is  
obtained, sales have been  
launched

# Lastochkino Gnezdo

## Project overview

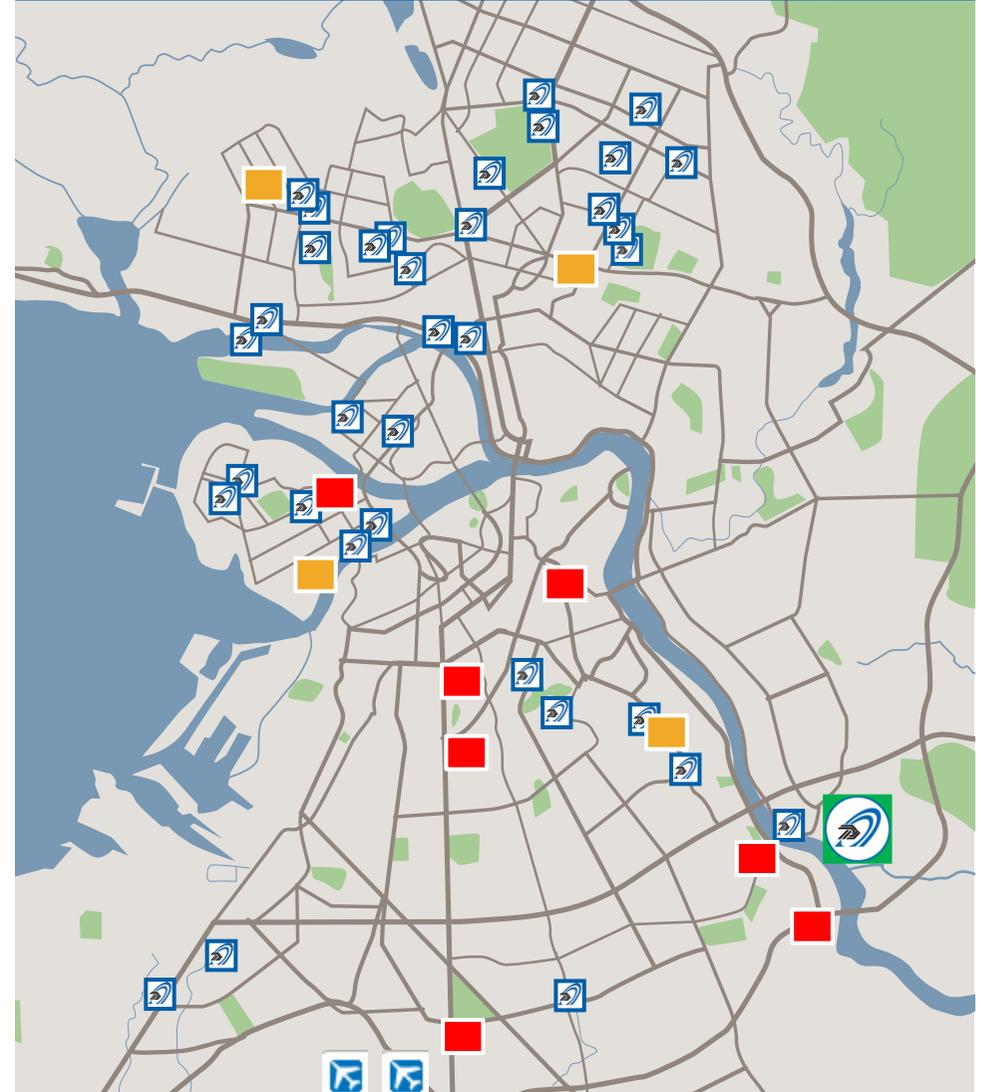
### Master plan



### Overview

- The development occupies a total site area of 13 hectares with a total net sellable area of 319 ths sqm.
- The property is located in the Nevsky District of St. Petersburg and has good transport accessibility, being just 500 m from Oktyabrskaya embankment – one of the most convenient traffic arteries (approximately 20 minutes by car to the centre of St. Petersburg) – and just 2 km to the KAD ring road. The nearest underground station, Proletarskaya, can be reached by public transport, which can be taken from a number of bus stops on the Oktybrskaya Embankment.
- The development has good view of the Neva River.

### Location



# Lastochkino Gnezdo

319 ths sqm of NSA



Stage 1

Stage 2

Stage 3

## Master plan



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# Lastochkino Gneздо

Ground works going full speed ahead



## Master plan



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# Lastochkino Gnezdo

500 m from Oktyabrskaya embankment, 20 minutes by car to city centre



## Master plan



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- The development has good view of the Neva River.

# Lastochkino Gneздо

2 km to KAD ring road, plus easy access to public transport



## Master plan



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- The development has good view of the Neva River.

# Launch of Lastochkino gnezdo

22% of NSA\* in first building already contracted at 31 March 2012



\* Excluding parking



# 4.

Key takeaways

# Key takeaways

## Strong performance on contract sales

- New contracts sales reached 78 thousand sqm and RUR 5.6 billion, a year-on-year (y-o-y) increase of 30% and 34%, respectively, yet still below pre-crisis levels of 107 thousand sqm in 1Q 2008 in St. Petersburg alone
- Share of mortgages reached 10%, vs. 6% in 1Q 2011
- Average down payment was 72%, vs. 66% in 1Q 2011 (well above target of 50%)
- Regional sales, a stable source of demand even through last crisis, remained strong at 34% of total

## Share of MMA continued to increase

- Share of contracts in the Moscow Metropolitan Area (“MMA”) reached 14%
- MMA projects account for 45% of Etalon Group’s landbank as of 31 December 2011

## Major new project in SPMA launched

- Obtained construction permit and launched sales for Lastochkino Gnezdo, with 319 thousands sqm of NSA
- 22% of the floor space of the first building contracted as of 16 April 2012 via waiting list & actual sales after official launch of sales

## Strong balance sheet position to benefit from higher quality deal flow

- US\$ 490 of expansion capital on balance sheet and low debt levels
- We believe Etalon is well positioned to acquire more high-quality projects in order to create additional value for our shareholders
- Solid growth in new contract sales expected in 2012, to increase by 25% up to 337 thousands sqm



# At a glance

## Presence in rapidly growing markets

- **Leader in St Petersburg\*** real estate market with ca. **11% market share** <sup>(1)</sup>
- **Strong presence in Moscow\*** real estate market
- **Dominant player in “comfort class” in Russia**

## Liquidity and credit ratings

- Secure liquidity position supported by pre-sales cash collections
- **Low leverage:** 0.6x Net debt / EBITDA as of 31.12.2010<sup>(2)</sup>, Net cash = US\$167 mln as of 31.12.2011
- Credit rating by S&P<sup>(3)</sup>: **B/Stable/B**

## Strong delivery track record

- **3.0 mln sqm** commissioned since inception in 1987
- **25 years** of construction & development experience

## Rapidly expanding projects portfolio

- Projects portfolio focused on **cash-flow generation**
- Focus **on upper economy class and lower middle class** segments
- **Sufficient land bank** to support future recurring income. Land bank secured to 2x delivery volume by 2012 and 4x by 2014

## True vertical integration

- **All stages** of development cycle
- Large-scale multi-phase projects
- **Country-wide sales network**

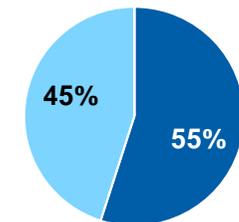
## Corporate governance

- Fully accomplished Board of Directors with appropriate representation of interests of all investor groups
- Quarterly trading updates and semi-annual financial reporting

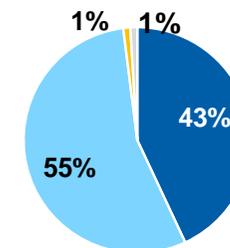
| Ticker                | ETLN:LI                     |
|-----------------------|-----------------------------|
| Market capitalization | US\$ 1,917 mln (13.04.2012) |
| Share price           | US\$ 6.50 (13.04.2012)      |

## Portfolio composition

### Total unsold NSA breakdown



■ SPMA as of 31.12.2011  
■ MMA as of 31.12.2011



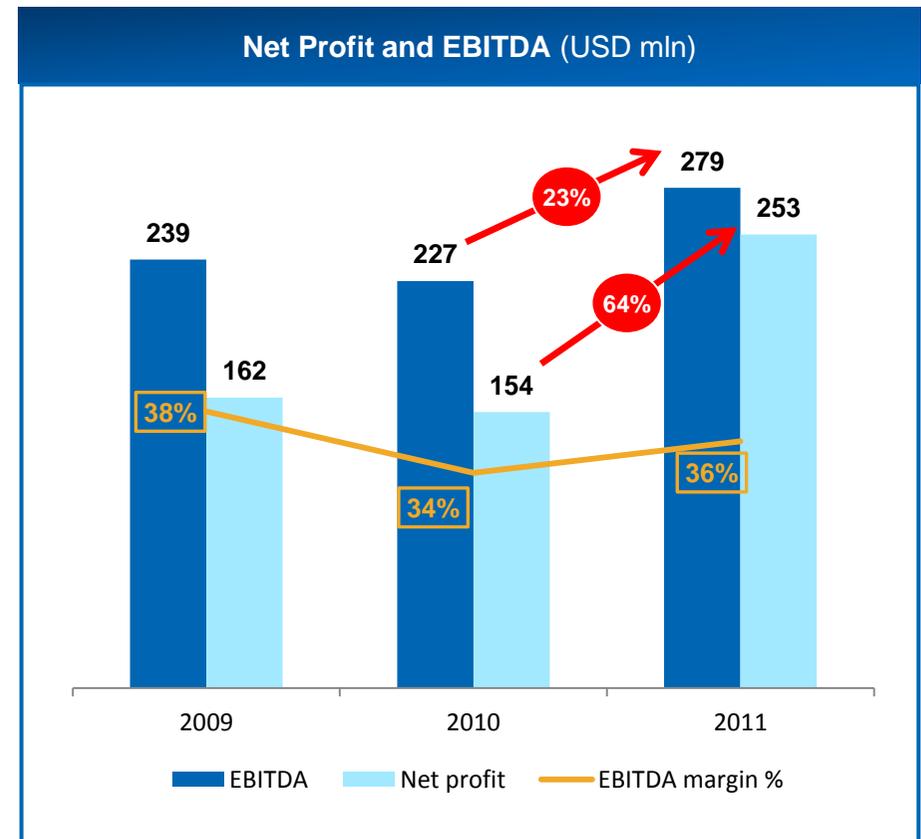
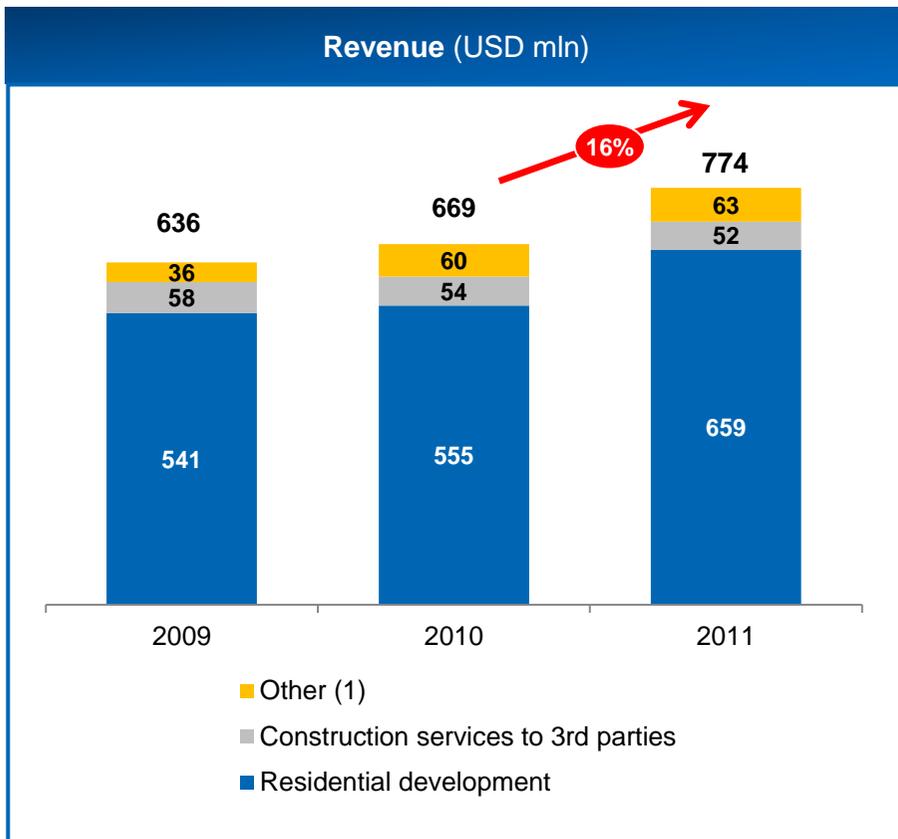
■ Residential under construction ■ Residential design stage  
■ Completed residential ■ Standing commercial

Source: JLL report as of 31.12.2011,

\* St Petersburg metropolitan and Moscow metropolitan areas respectively

(1) Average annual market share of total residential completions in the private sector (excluding individual construction) between 2000 and 2011 in St. Petersburg; (2) Net debt as of 31.12.2010, EBITDA for 2010; based on audited consolidated IFRS accounts of Etalon Group; (3) 'B' long-term & 'B' short-term corporate credit ratings of SSMO LenSpetsSMU with 'Stable' outlook (last reconfirmed on 10.01.2012);

# Strong financial performance



Source: audited consolidated IFRS accounts for 2008, 2009, 2010, 2011

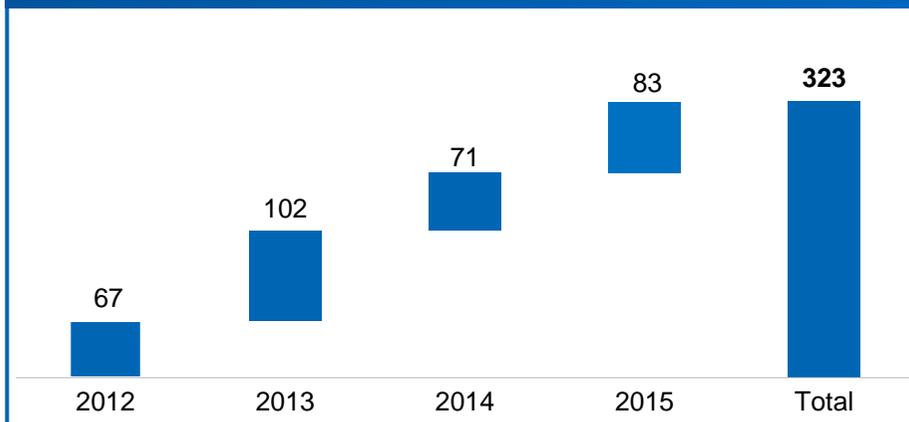
Average USD/RUB fx rate in 2010      30.38

Average USD/RUB fx rate in 2011      29.39

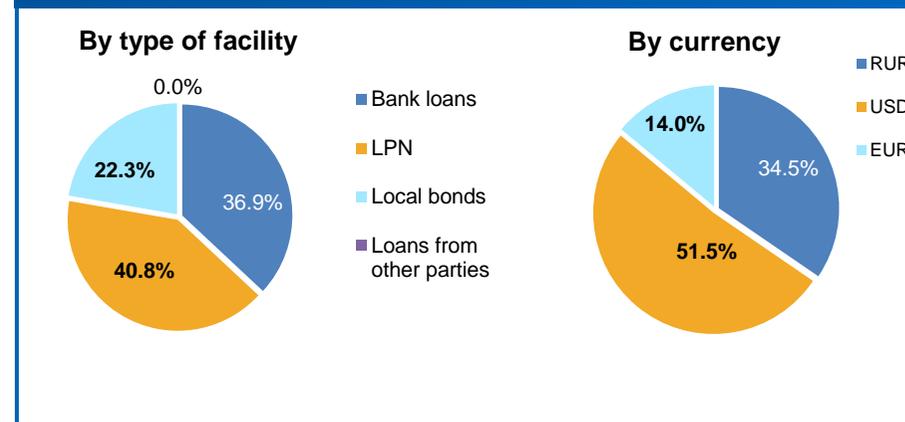
(1) Includes 'Other operations' reporting segment (selling of construction materials, construction of stand-alone premises for commercial use and various services related to sale and servicing of premises) and 'Other revenues' (reflect revenues from operations not classified under any of the three reporting segments) (2) EBITDA is defined as profit (loss) for the period before interest and related income / (expenses), income tax expense, depreciation and amortization

# Robust balance sheet

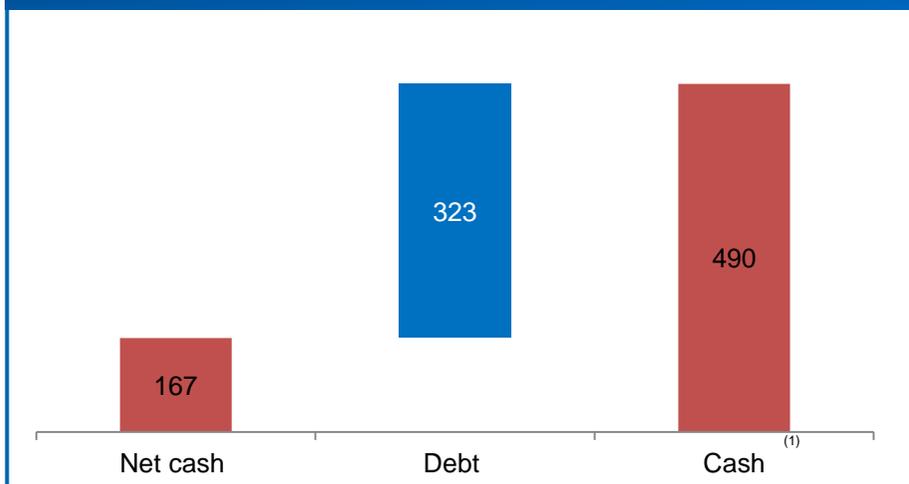
Debt cash flows maturity profile (as of 31/12/2011; USD mln)



Debt composition (as of 31/12/2011)



Net cash (at 31/12/2011), USD mln



Financing strategy

- Longer debt maturities (3-5 years)
- Decrease the cost of funding
- Conservative approach to leverage, less than 2.0 net debt/EBITDA

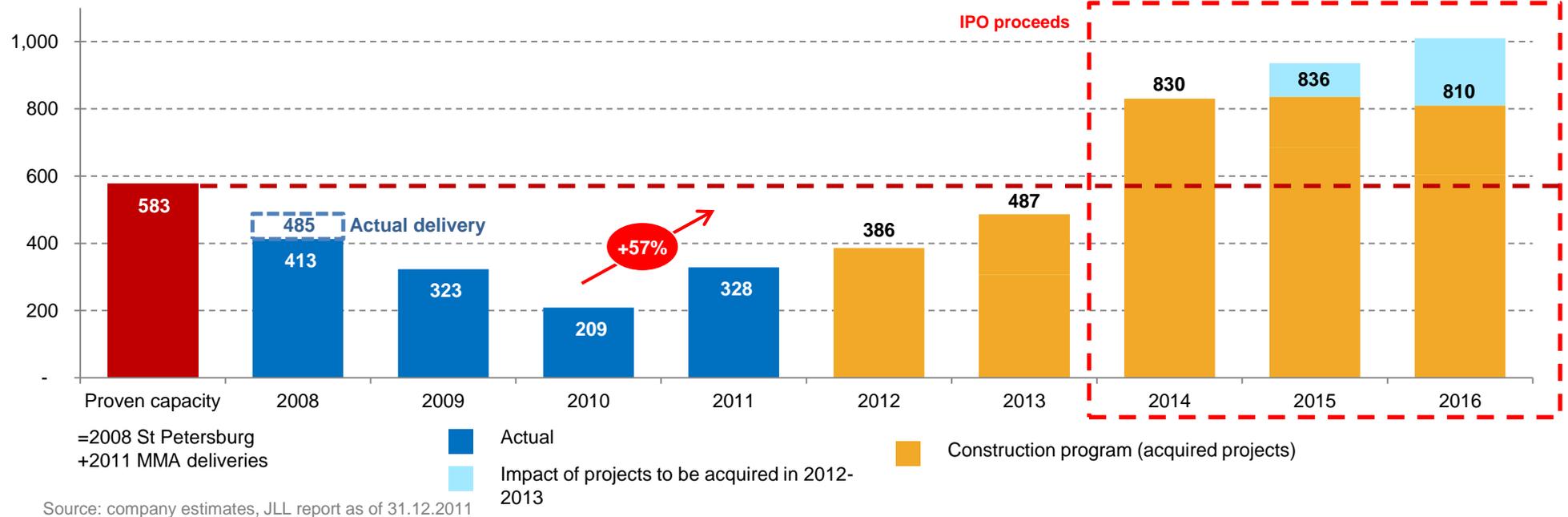
End of period USD/RUR fx rate at 31 December 2011 32.20

End of period EUR/RUR fx rate at 31 December 2011 41.67

(1) Includes bank deposits from ST Investments line (Note 19 of Financial statements)

# 5 Year programme based on existing land bank

## Sufficient land bank to increase deliveries 2x by 2012 and 4x by 2014



## Projects scheduled for delivery in 2012

| Project                            | NSA, sqm       |
|------------------------------------|----------------|
| 1 Etude                            | 22,784         |
| 2 Prestige                         | 21,404         |
| 3 Jubilee Estate 78A building 2, 5 | 96,235         |
| 5 Orbit building 2, 3, 4           | 138,750        |
| 6 Emerald Hills stage 2            | 107,602        |
| <b>Total</b>                       | <b>386,775</b> |

# Project portfolio time line

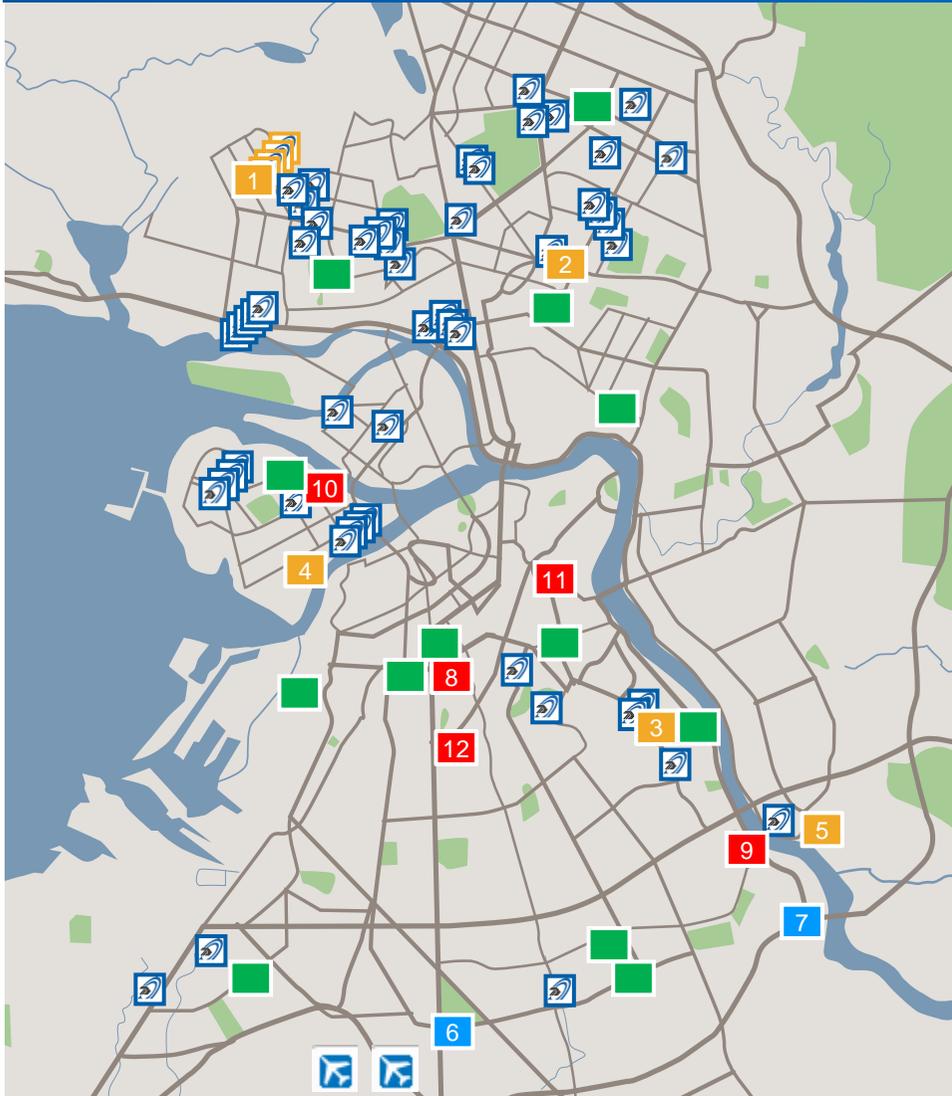
Construction period

| #  | Project            | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | Status              | Total NSA ('000 sqm) | Unsold NSA (Etalon,s share) ('000 sqm) | OMV (US\$m)    | Unsold parking (lots) | Construction budget (US\$m) | Outstanding budget (US\$m) |
|--|--------------------|------|------|------|------|------|------|---------------------|----------------------|--|----------------|-----------------------|-----------------------------|----------------------------|
| <b>St. Petersburg</b>                                |                    |      |      |      |      |      |      |                     |                      |  |                |                       |                             |                            |
| 1  | Jubilee Estate     | ←→   |      |      |      |      |      | Construction        | 602                  | 242                                    | 448.6          | 1,375                 | 738                         | 31                         |
| 2  | Orbit              | ←→   |      |      |      |      |      | Construction        | 207                  | 88                                     | 114.7          | 908                   | 233                         | 82                         |
| 3  | Etude              | ←→   |      |      |      |      |      | Construction        | 23                   | 7                                      | 13.3           | 138                   | 23                          | 5                          |
| 4  | Prestige           | ←→   |      |      |      |      |      | Construction        | 21                   | 13                                     | 33.9           | 96                    | 42                          | 8                          |
| 5  | Lastochkino gnezdo | ←→   |      |      |      |      |      | Construction        | 319                  | 318                                    | 50.1           | 1,950                 | 387                         | 382                        |
| 6  | Letniy             | ←→   |      |      |      |      |      | Construction permit | 71                   | 71                                     | 25.6           | 604                   | 86                          | 86                         |
| 7  | Rechnoy            | ←→   |      |      |      |      |      | Construction permit | 108                  | 92                                     | 22.3           | 688                   | 125                         | 125                        |
| 8  | Galant             | ←→   |      |      |      |      |      | Construction permit | 56                   | 56                                     | 28.1           | 123                   | 91                          | 91                         |
| 9  | Molodejny          | ←→   |      |      |      |      |      | Construction permit | 96                   | 96                                     | 32.5           | 678                   | 109                         | 109                        |
| 10   | Samotsvety         | ←→   |      |      |      |      |      | Planning permit     | 187                  | 187                                    | 63.4           | 865                   | 311                         | 310                        |
| 11   | Tsarskaya stolitsa | ←→   |      |      |      |      |      | Planning permit     | 459                  | 358                                    | 129.5          | 1,638                 | 793                         | 793                        |
| 12   | Moskovsky          | ←→   |      |      |      |      |      | Planning permit     | 253                  | 253                                    | 118.6          | 1,286                 | 408                         | 408                        |
| <b>Completed and unsold residential developments</b> |                    |      |      |      |      |      |      |                     | 1,133                | 30                                     | 46.3           | 623                   | 0                           | 0                          |
| <b>Completed stand-alone commercial properties</b>   |                    |      |      |      |      |      |      |                     | 39                   | 6                                      | 41.7           | 0                     | 0                           | 0                          |
| <b>Total SPMA</b>                                    |                    |      |      |      |      |      |      |                     | <b>3,574</b>         | <b>1,817</b>                           | <b>1,168.6</b> | <b>10,972</b>         | <b>3,346</b>                | <b>2,430</b>               |
| <b>Moscow</b>  |                    |      |      |      |      |      |      |                     |                      |  |                |                       |                             |                            |
| 1  | Emerald Hills      | ←→   |      |      |      |      |      | Construction        | 884                  | 779                                    | 342.2          | 4,463                 | 1,132                       | 978                        |
| 2  | Etalon-City        | ←→   |      |      |      |      |      | Planning permit     | 381                  | 364                                    | 99.6           | 4,019                 | 576                         | 576                        |
| 3  | Dmitrovskoe shosse | ←→   |      |      |      |      |      | Planning permit     | 357                  | 285                                    | 103.4          | 2,584                 | 538                         | 531                        |
| <b>Total MMA</b>                                     |                    |      |      |      |      |      |      |                     | <b>1,622</b>         | <b>1,428</b>                           | <b>545.2</b>   | <b>11,066</b>         | <b>2,246</b>                | <b>2,085</b>               |
| <b>Total Etalon Group</b>                            |                    |      |      |      |      |      |      |                     | <b>5,196</b>         | <b>3,245</b>                           | <b>1,713.8</b> | <b>22,038</b>         | <b>5,592</b>                | <b>4,515</b>               |

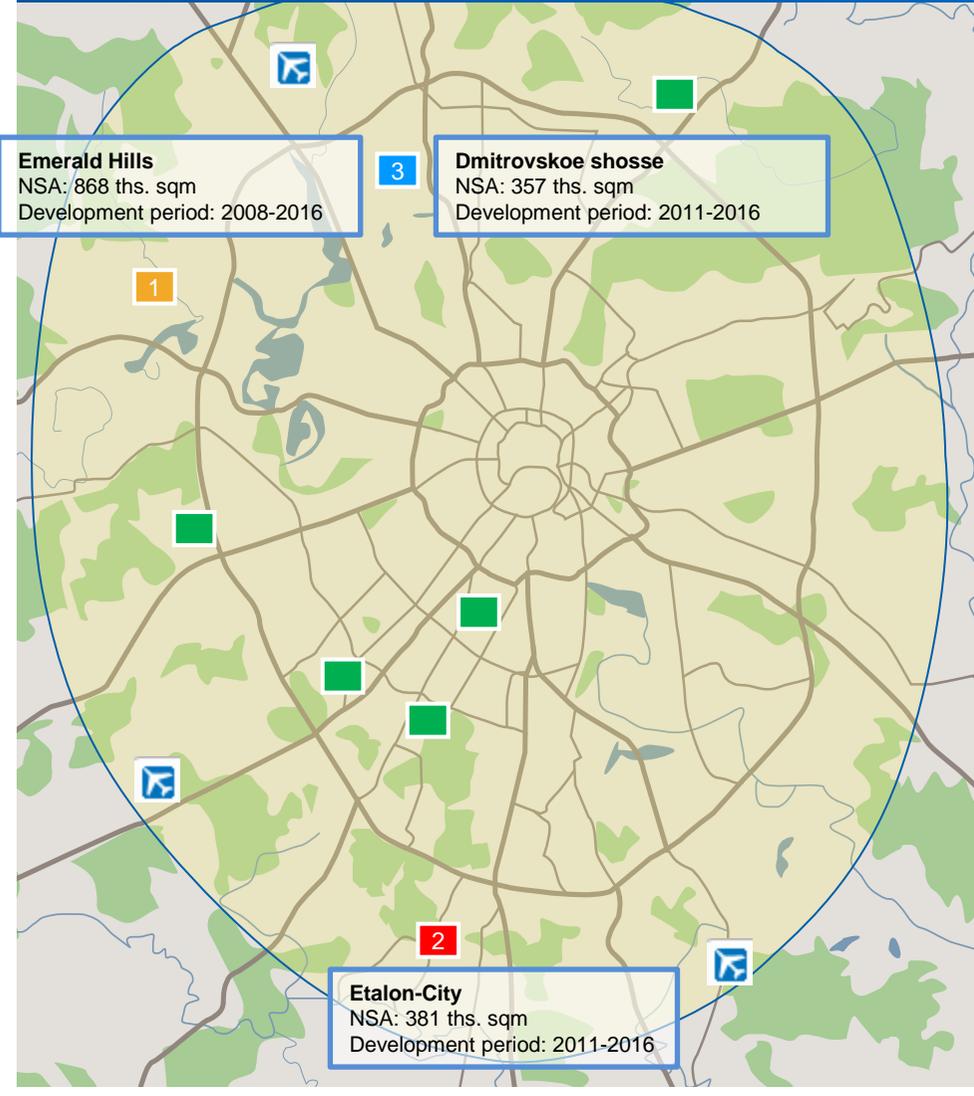
Source: company estimates, JLL report as of 31.12.2011

# New acquisitions will secure production until 2018- 2019

## Projects in St. Petersburg Metropolitan Area



## Projects in Moscow Metropolitan Area



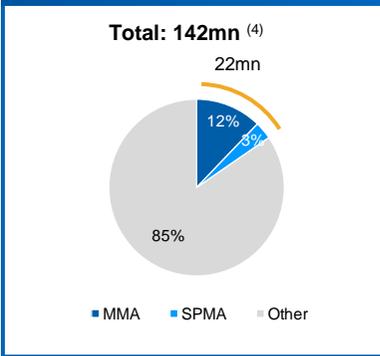
 Completed 
  Under construction <sup>(1)</sup>
 Design stage <sup>(1)</sup>
 Newly acquired projects 
  In the course of DD and negotiations

\* Moscow metropolitan and St Petersburg metropolitan areas respectively  
 (1) Project numbers in square correspond to the projects in the table at page 4

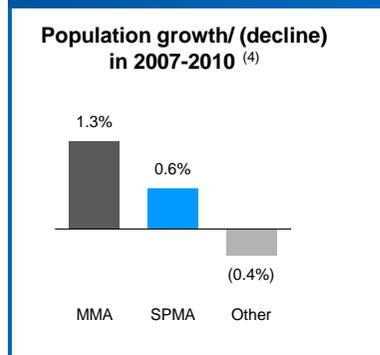
# Multiple generations of growth opportunity

MMA and SPMA are the most attractive residential markets in Russia

## MMA & SPMA – most populated Russian regions...

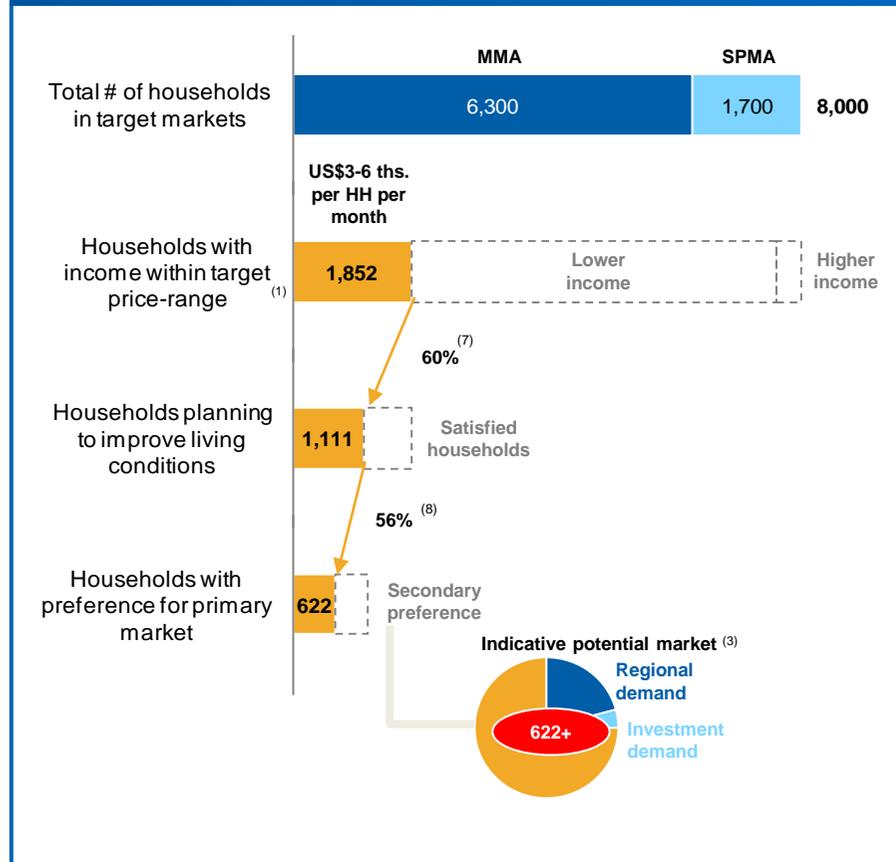


## ... with growing demand for residential real estate

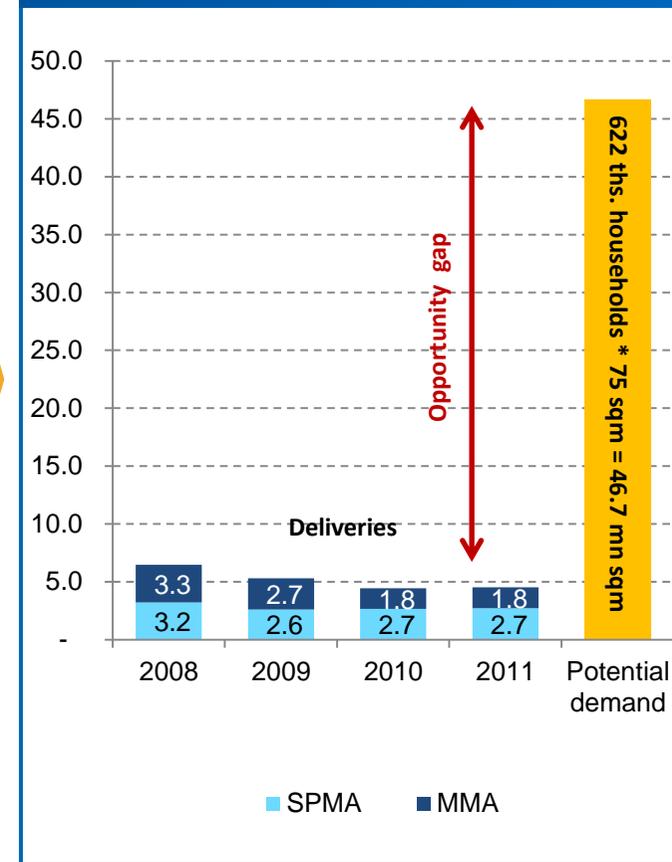


Source: Rosstat

## Potential demand estimation (ths. households)



## Potential demand estimation (mn sqm)

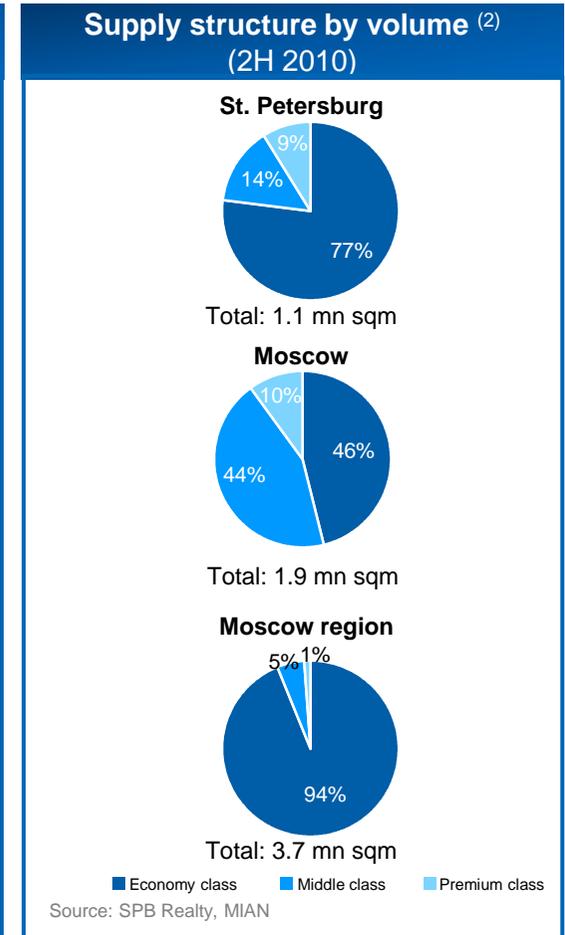
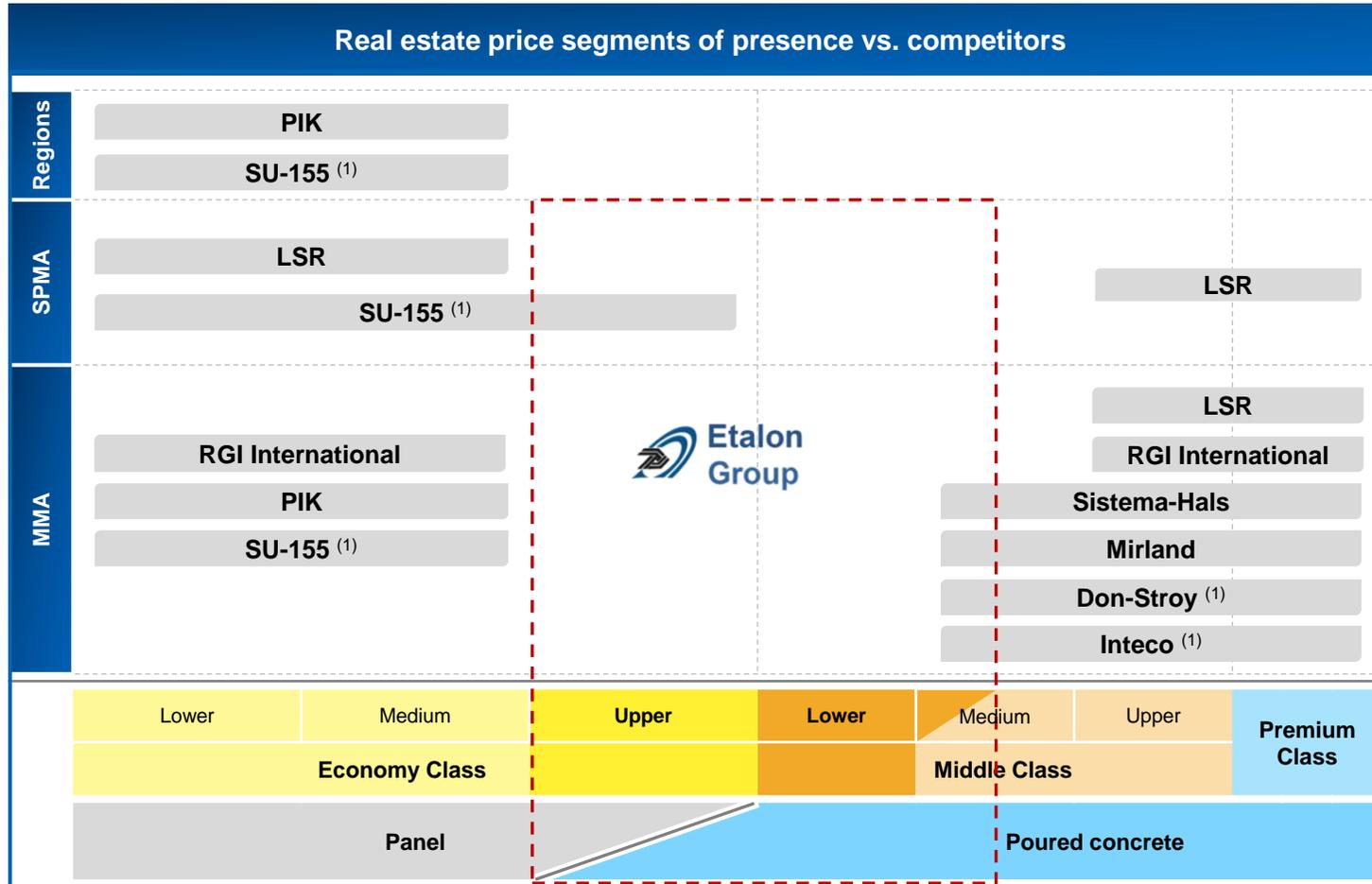


The above set of simple assumptions further supports the existence of significant unsatisfied demand for value-added housing in MMA and SPMA

(1) Company estimates based on Rosstat's methodology and data; includes additional demand from mortgage users - share of sales with mortgage in total sales is 12%, according to MER (assuming no overlap between mortgage and instalments customers); (2) 1H2010 new supply volume of Middle Class residential properties on the primary market, according to MIAN and SPb Realty, converted from sqm into housing units, assuming that 1 flat = 85.3 sqm (average flat size in Russia in 2009, Rosstat); (3) The demand structure shown on the pie chart is for indicative purposes; (4) Rosstat data as of January 2010; (5) Residential real estate commissioning, excluding individual construction; (6) Calculated as residential real estate commissioning volume in 2009 (excluding individual construction) multiplied by average real estate RUR prices on the primary market in 2009 and divided by end of period official CBR RUR/US\$ exchange rate in 2010 (RUR/US\$ 30.5); (7) 60% of households plan to improve living conditions (source - Rosstat, Comcon, 2010); (8) 56% of consumers prefer primary vs. secondary residential real estate market (Source -Metriinfo survey in Moscow, 1H 2010)

# Unique price, product and market combination

Etalon Group is attractively positioned in high quality, yet affordable real estate segment



- Etalon Group is positioned in Upper Economy Class and Lower Middle Class – market segment with fewer number of competitors
- Economy Class and Middle Class price segments dominate both SPMA and MMA real estate markets, with marginal share of premium class
- Competitive pricing combined with upscale poured concrete technology is able to target a very wide universe of customers

(1) Non-public peers

(2) Based on the total area of residential apartments available for sale on primary market at the end of 2H 2010

# Nationwide sales & marketing network supports sustainable contracting

## Powerful sales network across the country

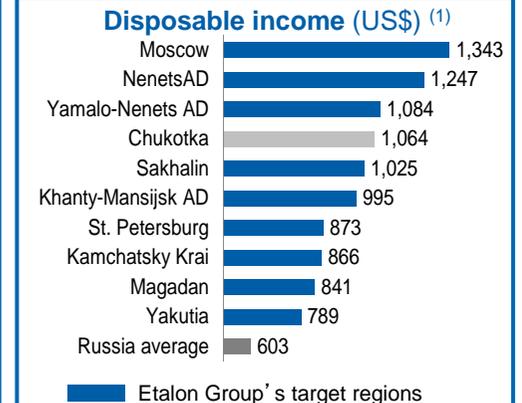
Regional population actively buys apartments in Moscow and St. Petersburg



## Etalon Group's regional sales geography (2010) <sup>(2)</sup>

| Region                | Share in sales |
|-----------------------|----------------|
| Leningrad region      | 3.9%           |
| Khanty-Mansijsk AD    | 3.2%           |
| Yamalo-Nenets AD      | 2.0%           |
| Kamchatsky Krai       | 1.9%           |
| Sakhalin region       | 1.2%           |
| Magadan region        | 0.9%           |
| Yakutia               | 0.6%           |
| Nenets AD             | 0.2%           |
| Other Russian regions | 9.9%           |
| Foreigners            | 0.6%           |
| <b>Total:</b>         | <b>28.5%</b>   |

## The Group's flats are sold in 9 out of 10 richest Russian regions

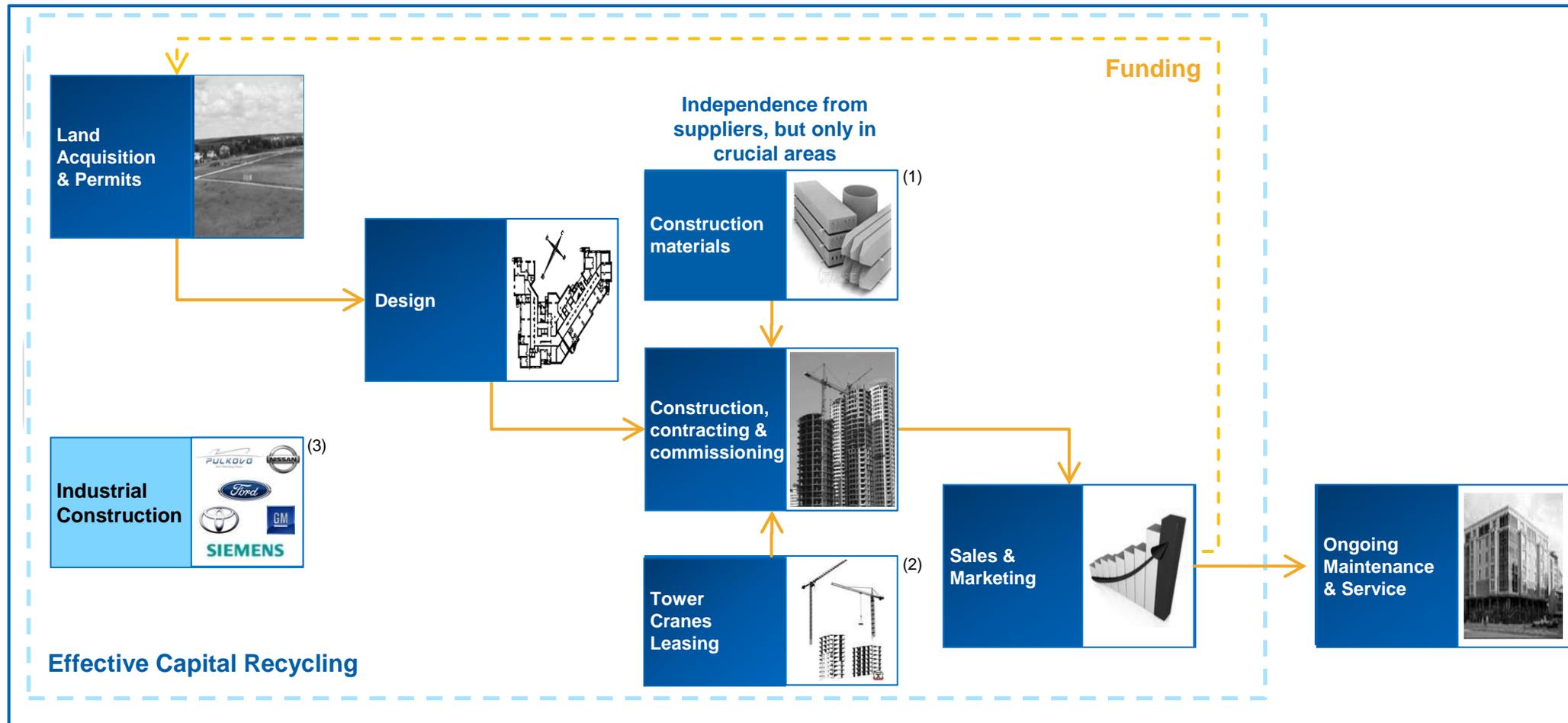


- Etalon Group sales force is focused on the regions with the largest disposable income
- Key markets: **SPMA and MMA**
- 30 cities covered** with 10 sales offices in St. Petersburg and 10 sales offices nationwide
- External professional marketing and sales service agents engaged nationwide

(1) Average monthly disposable income, Rosstat data as of 3Q 2010; RUR values were converted into US\$ at official CBR average exchange rate in 3Q 2010 (30.62 RUR/US\$);  
 (2) Source: management accounts

# Strategic vertical integration: control over costs, quality and timing

Etalon Group operates in every part of property development process



- Control over costs, quality & timely delivery of the projects

- Business stability and lower risk of counterparties' dependence

- Understanding of customer needs (sales network throughout the country)

(1) Brick plant and concrete products plant. Own production only for "bottleneck" construction materials  
 (2) 38 Liebherr tower cranes (of which 37 were manufactured in 2006-2008). Data as of 31.12.2010  
 (3) Construction to third parties

# Board of Directors represents interests of all investor groups

Founders



## Viacheslav Zarenkov

*Chairman of the Board of Directors, Founding shareholder and President of Etalon Group*

### Experience and awards

- 43 years of experience in construction industry
- Honored builder of Russia <sup>(1)</sup>

### Education

- Institute of Civil Engineering and SPb University of the Internal Affairs
- PhD in Economics, PhD in Technical Sciences, PHD in Architecture, Professor



## Dmitri Zarenkov

*First Vice-President of Etalon Group*

### Experience and awards

- 16 years of experience in construction industry
- Honored builder of Russia (1); Certificate of Honour of the Ministry of Regional Development

### Education

- Institute of Aeronautical Instrumentation, SPb University of Architecture & Civil Engineering and SPb University of Internal Affairs
- PhD in Engineering

Non-Executive Directors



## Michael John Calvey

*Senior partner at Baring Vostok since 1999*

### Experience and awards

- Member of the board of Europlan, Volga Gas, Gallery Media Group, etc.
- Worked at EBRD, Salomon Brothers, Sovlink Corporation
- Ex-Member of the board of CTC Media, Golden Telecom, Burren Energy

### Education

- University of Oklahoma and London School of Economics



## Alexey Kalinin

*Senior partner at Baring Vostok*

### Experience and awards

- With Baring Vostok since 1999
- Worked at Alfabank and Alfa Capital
- Chairman of the Board of Directors at Volga Gas, member of the board of directors at Samarenergo and two Russian glass companies

### Education

- Moscow Power Engineering University
- PhD in Engineering



## Martin Cocker

*INED at Etalon Group*

### Experience and awards

- 16 years of experience in audit, 3 years - in construction industry
- Runs his own development business in Portugal
- Worked at Deloitte & Touche, KPMG and Ernst & Young in Russia, Kazakhstan and UK

### Education

- University of Keele



## Peter Touzeau

*Client Director at International Private Equity Services (Guernsey) Limited*

### Experience and awards

- Director of the General Partners Boards of a number of Guernsey private equity funds
- Director of the Board of the Investment Advisor to the funds investing in Russia, board member of a number of their portfolio companies
- Worked at Sedgwick Management Services (Guernsey) Limited, Marsh Management Services (Guernsey) Limited

### Education

- Oatlands College



## Anton Poriadine

*INED at Etalon Group*

### Experience and awards

- 10 years of experience in strategy consulting at A.T. Kearney. Partner and Vice President at A.T. Kearney
- Previously project manager at Barents International Markets B.V., Corporate Development and Project Finance Director at Torno Internazionale S.p.A., deputy General Manager of St. Petersburg Foundation for Enterprise Development

### Education

- St. Petersburg Technical University and Business School at the University of Rochester

Executive Directors



## Alexander Shkuratov

*Head of strategy and business development of Etalon Group*

### Experience and awards

- 6 years of experience in construction industry
- Worked at Baring Vostok, Carlyle Group, E&Y, Deloitte

### Education

- Finance Academy under the Government of Russia



## Anton Evdokimov

*CFO of Etalon Group*

### Experience and awards

- 26 years of experience in construction industry
- Certificate of Honour of the Ministry of Regional Development of Russia

### Education

- Leningrad Engineering Construction Institute, SPb State University and International Banking Institute, MBA



## Dmitri Boulkhovkov

*Head of investments of Etalon Group*

### Experience and awards

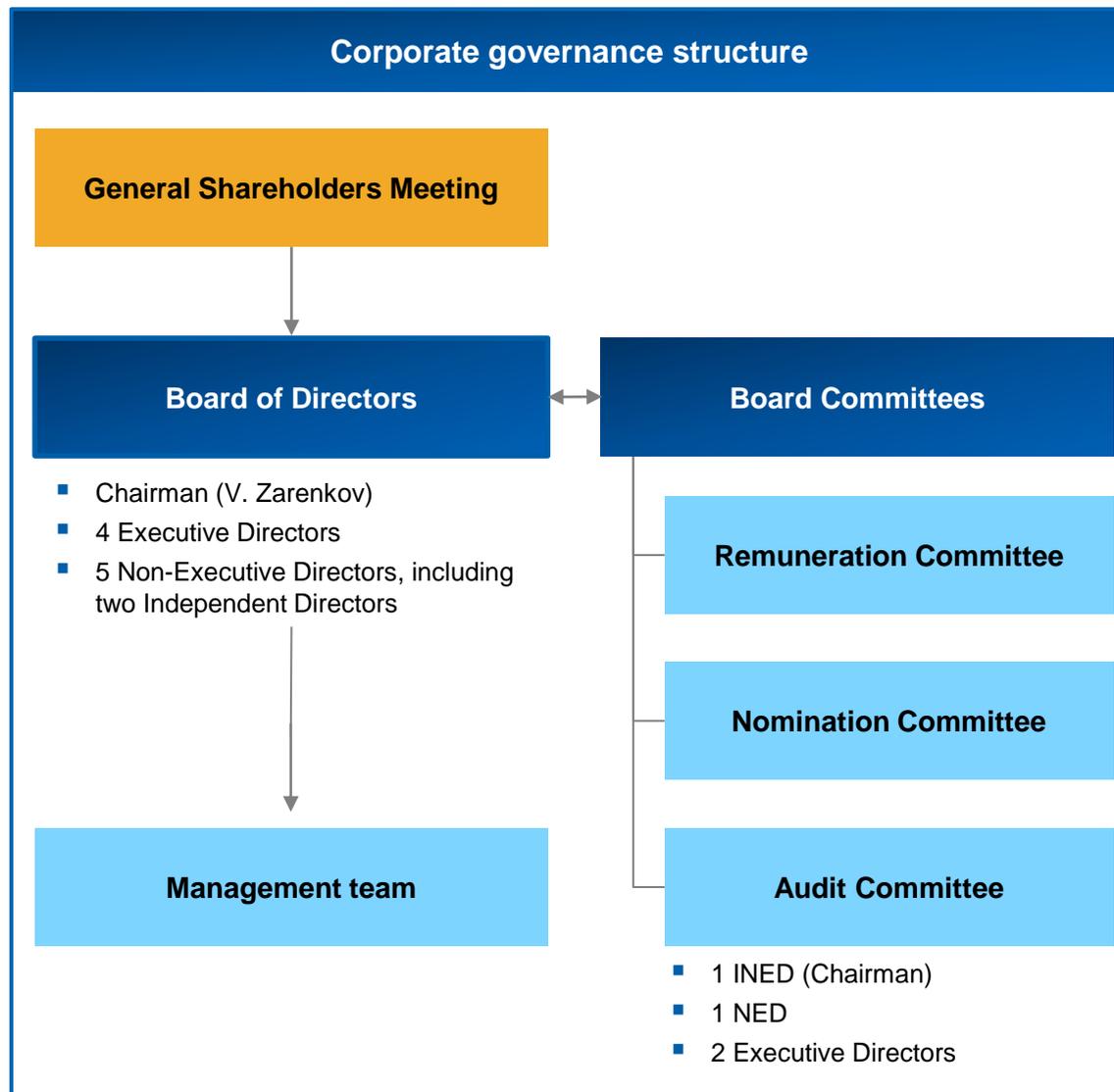
- 6 years of experience in construction industry
- Worked at Renaissance Partners, Carlyle Group, Deloitte, E&Y

### Education

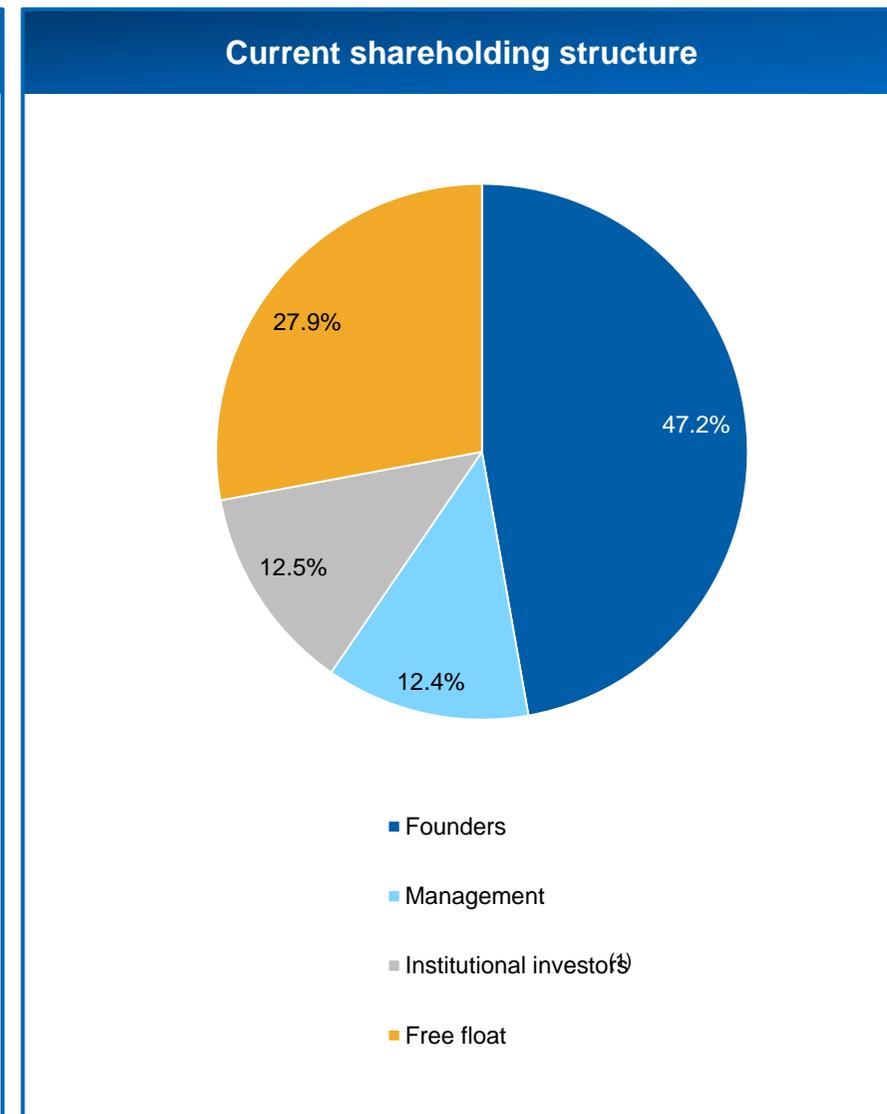
- Moscow State University named after Lomonosov

(1) Title granted by President of Russia

# Strong corporate governance and cornerstone international investor



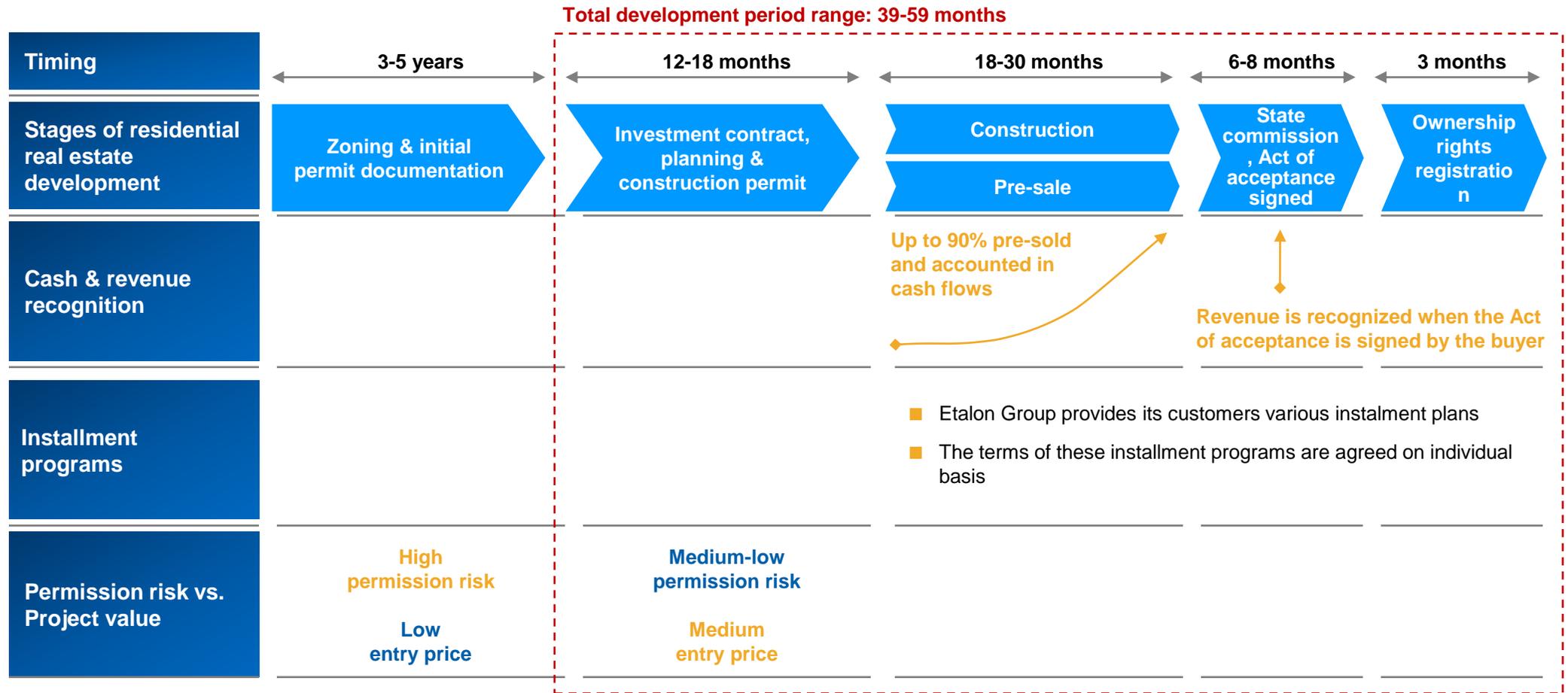
Source: Company data



As of 15 April 2011

(1) includes Baring Vostok

# Revenue recognition scheme



**Etalon Group focus**

Source: Company data

# Industrial construction

## Description

- Etalon Group is a leader in industrial construction in the North-West region of Russia with superb track record throughout its history

## Track-record

- We have contributed to 15 milestone projects
- heat & power station, two hotels, four car assembly plants, shipyards, machinery plant, fitness and sports center etc.

## Strategy

- 12 projects under way
- Etalon Group plans to continue developing its industrial construction operations and maintain its share in total business

## Diversification benefits

- Ability and expertise to provide quality construction services to well-known international and local companies facilitates Group's brand development
- Allows to maintain skilled work force during market downturn

Source: Company data

## Selected industrial projects completed by Etalon Group



Poling and gridding



Design & construction (increase of production capacities)



Poling & road infrastructure construction



Infrastructure & site for the finished good

### Admiralty shipyards



Construction of workshop & transportation utilities

### Pulkovo customs



Full construction cycle

### Satellite Antennas Production Plant



Turn-key project, which involved design and construction of an industrial building

### North-West Heat & Power Station



Foundation construction for a cooling tower and main building

### Almazov Medical Complex



Renovation of the existing building and building up two additional floors

# Income statement

| <i>mn USD</i>   | <b>2008</b>   | <b>2009</b>   | <b>2010</b>   | <b>2011</b>  |
|---|---------------|---------------|---------------|--------------|
| <b>Revenue</b>  | <b>573.7</b>  | <b>635.6</b>  | <b>668.7</b>  | <b>773.8</b> |
| Cost of sales   | (368.4)       | (347.0)       | (364.6)       | (404.5)      |
| <b>Gross profit</b>   | <b>205.4</b>  | <b>288.6</b>  | <b>304.1</b>  | <b>369.3</b> |
| General and administrative expenses                               | (62.0)        | (45.3)        | (67.4)        | (79.2)       |
| Selling expenses  | (18.1)        | (4.1)         | (19.4)        | (29.1)       |
| Other expenses, net   | (6.0)         | (6.2)         | (5.8)         | (0.9)        |
| <b>Results from operating activities</b>                          | <b>119.3</b>  | <b>233.0</b>  | <b>211.5</b>  | <b>260.1</b> |
| Finance income  | 7.0           | 7.1           | 9.3           | 49.0         |
| Finance costs   | (50.5)        | (33.0)        | (22.0)        | (2.0)        |
| <b>Net finance costs</b>  | <b>(43.5)</b> | <b>(25.9)</b> | <b>(12.6)</b> | <b>47.0</b>  |
| Share of profit of equity accounted investees (net of income tax) | 0.2           | 0.1           | 0.0           | 0.0          |
| <b>Profit before income tax</b>                                   | <b>75.9</b>   | <b>207.1</b>  | <b>198.9</b>  | <b>307.1</b> |
| Income tax expense  | (28.7)        | (45.1)        | (44.6)        | (53.9)       |
| <b>Profit for the period</b>                                      | <b>47.2</b>   | <b>162.0</b>  | <b>154.3</b>  | <b>253.1</b> |
| Profit attributable to:   |               |               |               |              |
| Owners of the Company   | 31.2          | 155.4         | 152.3         | 249.5        |
| Non controlling interest  | 16.0          | 6.6           | 1.9           | 3.7          |
| <b>Profit for the period</b>                                      | <b>47.2</b>   | <b>162.0</b>  | <b>154.3</b>  | <b>253.1</b> |

Source: audited consolidated IFRS accounts for 2008, 2009, 2010, 2011

# Balance sheet

| <i>mn USD</i>                   | 01/01/2008   | 2008           | 2009           | 2010           | 2011           |
|---------------------------------|--------------|----------------|----------------|----------------|----------------|
| <b>ASSETS</b>                   |              |                |                |                |                |
| <b>Non-current assets</b>       |              |                |                |                |                |
| PP&E                            | 36.2         | 38.2           | 55.0           | 54.5           | 62.4           |
| Other long-term investments     | 2.5          | 2.7            | 1.1            | 1.3            | 2.7            |
| Trade and other receivables     | 20.3         | 20.2           | 26.7           | 29.7           | 17.1           |
| Deferred tax assets             | 42.9         | 40.4           | 36.9           | 8.6            | 21.1           |
| Other non-current assets        | 4.4          | 1.2            | 0.1            | 1.1            | 2.9            |
| <b>Total non-current assets</b> | <b>106.4</b> | <b>102.7</b>   | <b>119.7</b>   | <b>95.1</b>    | <b>106.2</b>   |
| <b>Current assets</b>           |              |                |                |                |                |
| Inventories                     | 636.9        | 996.2          | 883.5          | 841.6          | 995.2          |
| Trade and other receivables     | 94.5         | 112.2          | 128.2          | 130.1          | 232.1          |
| Short-term investments          | 0.8          | 1.1            | 0.9            | 11.2           | 41.2           |
| Cash and cash equivalents       | 37.4         | 80.9           | 113.0          | 119.3          | 449.8          |
| Other current assets            | 0.5          | 0.2            | 0.8            | 1.9            | 1.1            |
| <b>Total current assets</b>     | <b>770.1</b> | <b>1,190.7</b> | <b>1,126.4</b> | <b>1,104.0</b> | <b>1,719.4</b> |
| <b>Total assets</b>             | <b>876.5</b> | <b>1,293.4</b> | <b>1,246.1</b> | <b>1,199.1</b> | <b>1,825.6</b> |

| <i>mn USD</i>   | 01/01/2008    | 2008           | 2009           | 2010           | 2011           |
|---|---------------|----------------|----------------|----------------|----------------|
| <b>EQUITY AND LIABILITIES</b>                                     |               |                |                |                |                |
| <b>Equity</b>   |               |                |                |                |                |
| Share capital   | 0.04          | 0.03           | 0.03           | 0.03           | 0.03           |
| Share premium   | 0             | 66.4           | 64.5           | 64.0           | 479.4          |
| Reserve for own shares  | 0             | 0              | 0              | 0              | (14)           |
| Retained earnings   | (16.9)        | 13.5           | 176.1          | 333.2          | 549.8          |
| <b>Total equity attributable to equity holders of the Company</b> | <b>(16.9)</b> | <b>80.0</b>    | <b>240.6</b>   | <b>397.3</b>   | <b>1,015.0</b> |
| Non-controlling interest  | 11.0          | 20.2           | 25.6           | 15.1           | 11.6           |
| <b>Total equity</b>   | <b>(5.9)</b>  | <b>100.1</b>   | <b>266.2</b>   | <b>412.3</b>   | <b>1,026.6</b> |
| <b>Non-current liabilities</b>                                    |               |                |                |                |                |
| Long-term debt  | 190.5         | 63.5           | 85.1           | 219.9          | 262.6          |
| Long-term trade and other payables                                | 2.6           | 1.8            | 12.6           | 8.6            | 1.5            |
| Provisions  | 2.9           | 2.6            | 2.7            | 2.7            | 2.4            |
| Deferred tax liabilities  | 4.1           | 9.5            | 27.8           | 1.3            | 3.0            |
| <b>Total non-current liabilities</b>                              | <b>200.2</b>  | <b>77.5</b>    | <b>128.2</b>   | <b>232.4</b>   | <b>269.5</b>   |
| <b>Current liabilities</b>  |               |                |                |                |                |
| Loans and borrowings  | 76.0          | 165.7          | 108.2          | 46.7           | 60.6           |
| Trade and other payables  | 593.4         | 898.7          | 679.8          | 468.6          | 420.5          |
| Provisions  | 12.8          | 51.4           | 63.6           | 39.0           | 48.4           |
| <b>Total current liabilities</b>                                  | <b>682.2</b>  | <b>1,115.8</b> | <b>851.6</b>   | <b>554.4</b>   | <b>529.5</b>   |
| <b>Total equity and liabilities</b>                               | <b>876.5</b>  | <b>1,293.4</b> | <b>1,246.1</b> | <b>1,199.1</b> | <b>1,825.6</b> |

Source: audited consolidated IFRS accounts for 2008, 2009, 2010, 2011

# Cashflow statement

| <i>mn USD</i>   | 2008         | 2009         | 2010          | 2011           |
|---|--------------|--------------|---------------|----------------|
| OPERATING ACTIVITIES:   |              |              |               |                |
| <b>Profit for the year</b>  | 47.2         | 162.0        | 154.3         | 253.1          |
| <i>Adjustments for:</i>   |              |              |               |                |
| Depreciation and amortisation   | 7.7          | 6.5          | 9.4           | 9.0            |
| (Gain)/loss on disposal of PP&E   | 0.2          | (2.0)        | (0.0)         | (3.1)          |
| Loss on disposal of subsidiaries  | 0            | 0            | 0.2           | 0.0            |
| Share of profit on equity accounted investees                           | (0.2)        | (0.1)        | 0.0           | 0.0            |
| Gain (loss) on disposal of other investments                            | 0.0          | 0.0          | 0.0           | (0.8)          |
| Finance cost, net   | 44.9         | 24.3         | 16.1          | (48.5)         |
| Impairment losses on loans given  | 2.0          | 2.4          | 0.0           | 0.0            |
| Income tax expense  | 28.7         | 45.1         | 44.6          | 53.9           |
| <b>Cash from operating activities before changes in working capital</b> | <b>130.6</b> | <b>238.2</b> | <b>224.6</b>  | <b>263.7</b>   |
| Change in inventories   | (530.0)      | 81.6         | 50.0          | (180.6)        |
| Change in accounts receivable   | (42.7)       | (26.0)       | (6.6)         | (98.4)         |
| Change in accounts payable  | 476.3        | (196.2)      | (219.2)       | (27.8)         |
| Change in provisions  | 48.2         | 13.2         | (24.2)        | 12.5           |
| Change in other current assets  | 0.0          | (0.5)        | (1.1)         | 0.8            |
| Income tax paid   | (27.6)       | (15.9)       | (35.6)        | (64.5)         |
| Interest paid   | (28.4)       | (26.0)       | (26.8)        | (37.4)         |
| <b>Net cash provided by operating activities</b>                        | <b>26.5</b>  | <b>68.6</b>  | <b>(39.0)</b> | <b>(131.8)</b> |

| <i>mn USD</i>   | 2008          | 2009          | 2010          | 2011          |
|---|---------------|---------------|---------------|---------------|
| INVESTING ACTIVITIES:                                     |               |               |               |               |
| Proceeds from disposal of non-current assets              | 1.9           | 3.4           | 1.0           | 4.0           |
| Interest received   | 3.5           | 6.3           | 3.1           | 4.8           |
| Acquisition of PP&E                                       | (17.9)        | (7.0)         | (10.8)        | (24.7)        |
| Loans given   | (3.4)         | (8.4)         | (3.5)         | (8.6)         |
| Loans repaid  | 0.7           | 0.2           | 2.0           | 8.0           |
| Acquisition of subsidiaries, net of cash acquired         | 0.0           | 0.5           | 0.3           | 0.0           |
| Disposal of subsidiaries, net of cash disposed of         | 0.0           | 0.0           | (1.2)         | (0.6)         |
| Acquisition of other investments                          | 0.0           | 0.0           | (9.1)         | (34.9)        |
| <b>Net cash used in investing activities</b>              | <b>(15.2)</b> | <b>(4.9)</b>  | <b>(18.3)</b> | <b>(52.1)</b> |
| FINANCING ACTIVITIES:                                     |               |               |               |               |
| Proceeds from IPO   | 0.0           | 0.0           | 0.0           | 458.9         |
| Proceeds from issue of share capital                      | 78.4          | 0.0           | 0.0           | 0.0           |
| Acquisition of non-controlling interest                   | (0.4)         | 0.0           | (3.2)         | (0.1)         |
| Proceeds from disposal of non-controlling interest        | 0.0           | 0.0           | 0.0           | 0.8           |
| Proceeds from borrowings                                  | 283.4         | 272.2         | 355.3         | 216.2         |
| Repayments of borrowings                                  | (314.6)       | (303.4)       | (283.7)       | (164.0)       |
| Acquisition of own shares                                 | 0.0           | 0.0           | 0.0           | (15.6)        |
| Dividends paid  | (0.8)         | (1.0)         | (1.3)         | 0.0           |
| <b>Net cash (used in)/from financing activities</b>       | <b>46.0</b>   | <b>(32.1)</b> | <b>67.1</b>   | <b>496.1</b>  |
| <b>Net increase in cash and cash equivalents</b>          | <b>57.3</b>   | <b>31.6</b>   | <b>9.9</b>    | <b>312.2</b>  |
| <b>Cash and cash equivalents at the end of the period</b> | <b>95.6</b>   | <b>107.5</b>  | <b>119.7</b>  | <b>492.8</b>  |

Source: audited consolidated IFRS accounts for 2008, 2009, 2010, 2011