



Investor Presentation

February, 2011

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Company overview



PIK's typical residential development, Khimki, Novokurkino (Moscow region)



A leading mass market residential developer in Russia with 16 year track record

9.3% market share in MMA
Over 10mn sqm completed since inception



Focused on Moscow Metropolitan Area (MMA)⁽¹⁾ with significant presence in the Russian regions

87% of project portfolio by value is concentrated in MMA



Integrated business model with substantial production facilities

#1 in Russia with prefabricated production capacity of 1.4mn sqm per year
Includes large/diversified portfolio of projects, prefabricated construction and sales force



Substantial portfolio of real estate projects

10.8mn sqm of unsold NSA valued by CBRE at US\$2,564mn⁽²⁾



Strategic Russian enterprise

Company of strategic importance to the Russian economy according to decision as of 25.12.08

(1) Moscow Metropolitan Area (MMA) includes Moscow and the Moscow region
(2) As of July 1, 2010

Key statistics

	2007	2008	2009	2010	1H2009	1H2010
Key Operating indicators						
Total housing completions ('000 sqm) ⁽¹⁾	1,542	813	884	739	174	245
New sales contracts to customers (PIK share) ('000 sqm) ⁽¹⁾	825	520	123	392	24	159
Transferred to customers (PIK share) ('000 sqm) ⁽²⁾	992	378	492	nd	110	152
Key Financial indicators						
Revenue, US\$m ⁽³⁾	2,322	1,355	1,300	nd	363	503
Adjusted EBITDA, US\$m ^(3,4)	500	92	138	nd	(13)	(81)

(1) Management accounts

(2) IFRS accounts

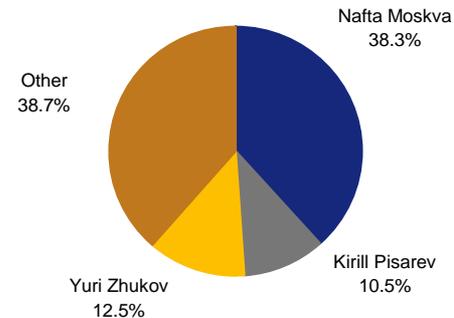
(3) Converted at historical average CBR US\$/RUB exchange rates for respective period

(4) Adjusted EBITDA - net profit/loss for the period before income tax expenses, interest income, interest expense including penalties payable, depreciation, foreign exchange gain/(loss), impairment losses, impairment loss on financial assets, income from sale of development rights and other income/expense

Note: 2007, 2008 financial numbers were restated

Source: Company data

Shareholding structure



Note: Major shareholders are highlighted
Source: IFRS as of June 30, 2010



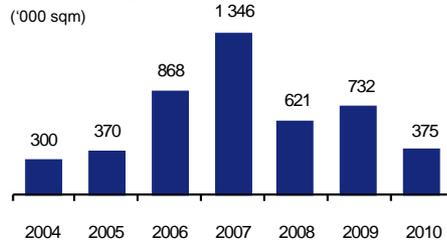
Revised strategy aligned to new economic landscape



Real estate development

- Mass market residential development
- *Land Bank*
 - 10.8mm sqm of unsold NSA
- *Prefabricated housing manufacturing*
 - Capacity – 1.4mn sqm p.a.⁽²⁾

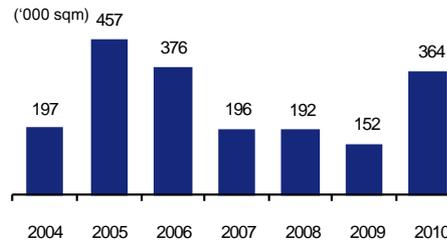
Housing completions⁽¹⁾



Construction services

- Construction services provision to third parties:
 - Federal and regional governments
 - 3rd party developers

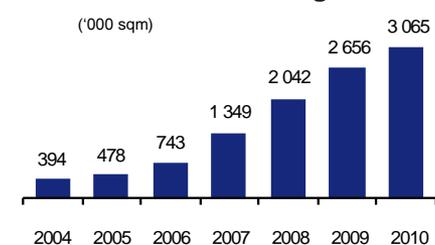
Construction services completions



Facility management, industrials and others¹

- Post completion property management

Area under management



(1) Excluding construction services completions on chart below

(2) As of 1 July 2010

Source: Company data

The plan is to significantly increase volumes of own mass market development after real estate market recovers

Strengthened management team

During the financial crisis PIK strengthened its management team with key new appointments



Top Management



Andrey Rodionov*
CFO

- In PIK since 2010
- 23 years of finance experience
- Joined from Nafta-Moskva in Feb-2010



Pavel Poselenov
CEO, Chairman of the Management Board,
Member of the Board of Directors

- In PIK since 2001, CEO since 2009
- 23 years of industry experience



Artem Eyramdzhants
First Vice President

- In PIK since 1996
- 18 years of industry and finance experience



Konstantin Kuznetsov
Vice President for Industry and
Construction

- In PIK since 2008
- 22 years of industry experience



Fedor Sapronov
Vice President for Legal Issues

- In PIK since 1998
- 14 years of legal experience

Key Management



Alexander Gribov
General Director of DSK-2

- In PIK since 2001
- 36 years of industry experience



Tatiana Tikhonova
Vice President for Moscow Development

- In PIK since 1994
- 15 years of industry experience



Alexander Kraynikov*
Vice President for HR

- In PIK since 2010
- 16 years of relevant experience



Dmitry Kapyrin
General Director of DSK-3

- In PIK since 2005
- 25 years of industry experience



Daromir Obuhanich
Vice President for Moscow Region
Development

- In PIK since 1996
- 14 years of industry experience



Yuriy Komissarenko*
Vice President for Sales

- In PIK since 2009
- 8 years of relevant experience



Natalia Kirpichenko*
Vice President for Regional
Development

- In PIK since 2010
- 17 years of industry experience

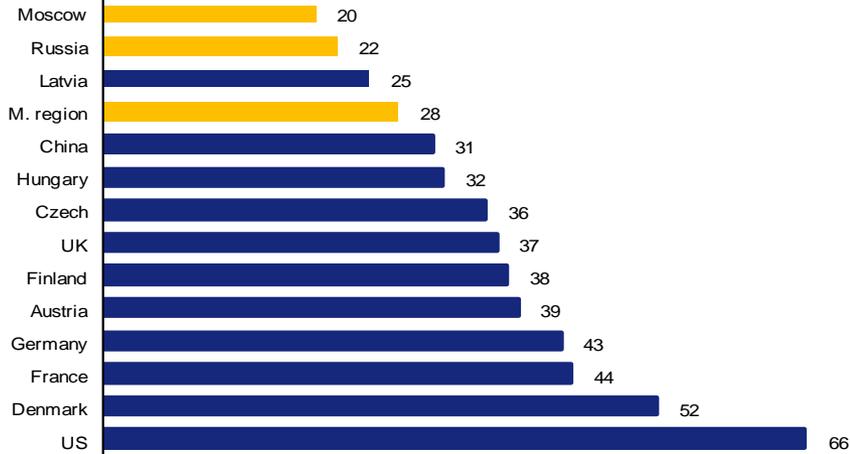
An aerial photograph of a large residential development in Bitsevsky, Moscow. The image shows numerous multi-story apartment buildings, some under construction with cranes, interspersed with green trees. The sky is clear and blue.

Recovering real estate market with strong long-term fundamentals

PIK's typical residential development, Bitsevsky (Moscow)

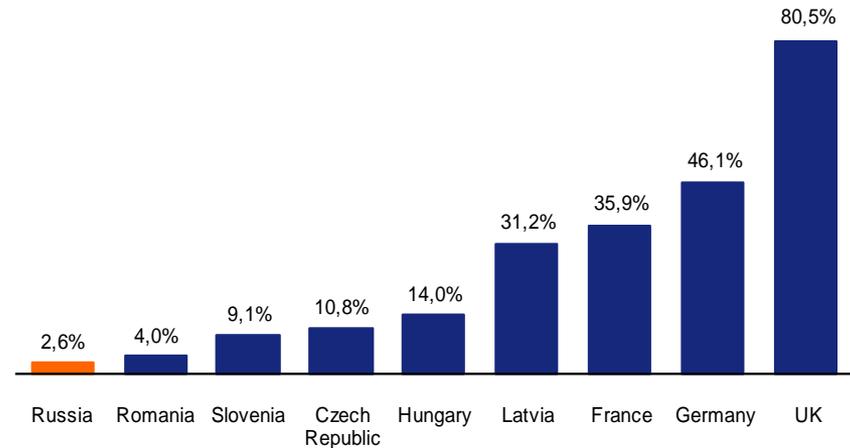
1 Low level of housing stock per capita underpins demand

(sqm per capita)



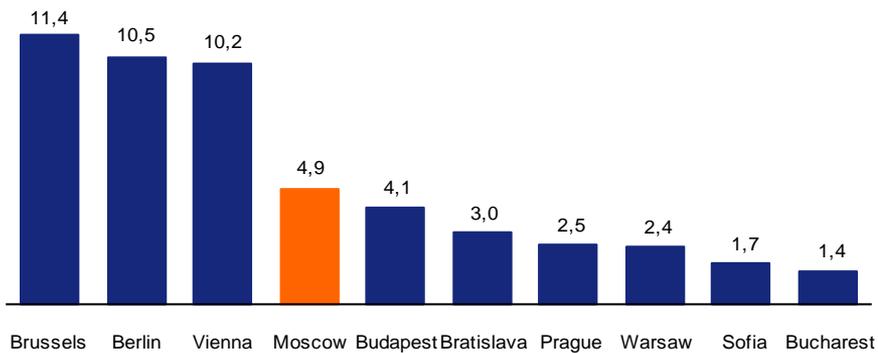
Source: Rosstat, UNECE as of 2009

2 Residential debt to GDP (%)



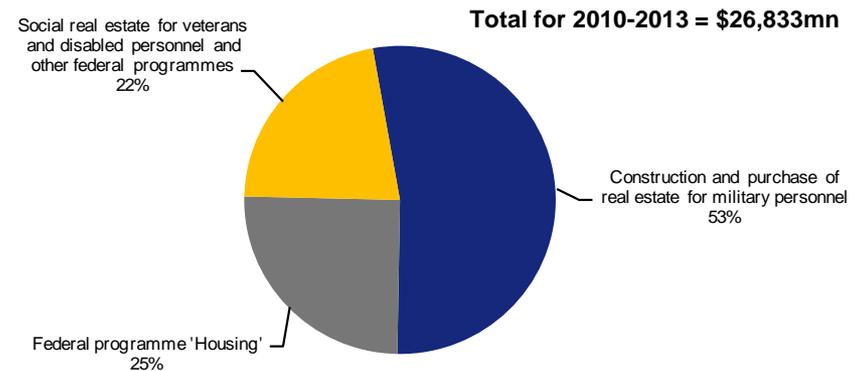
Source: Rosstat, Central Bank data 2009; European Mortgage Federation 2008

3 Housing affordability in Moscow vs. other European cities



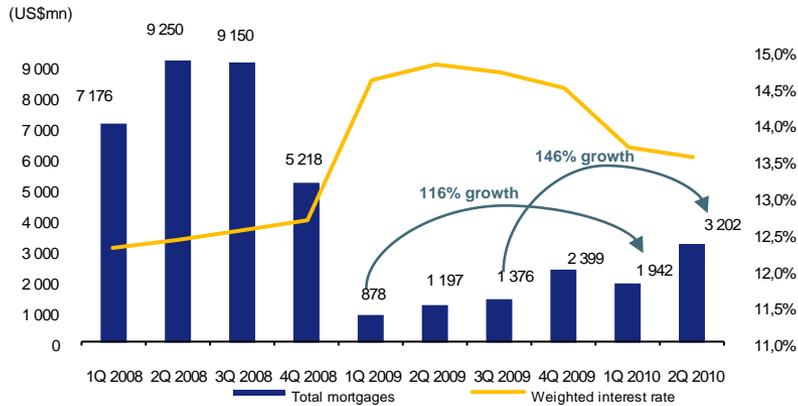
Note: Affordable average sqm for quality apartments per estimated average annual income
Source: Eurostat, GPG, Homebroker

4 Budget expenditures on housing



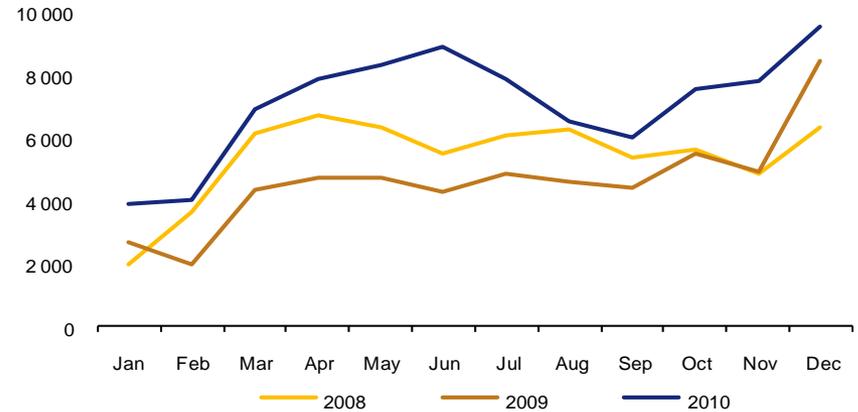
Note: Converted at 30.0 US\$/RUB exchange rates
Source: Federal budget

5 Mortgage lending dynamics in Russia



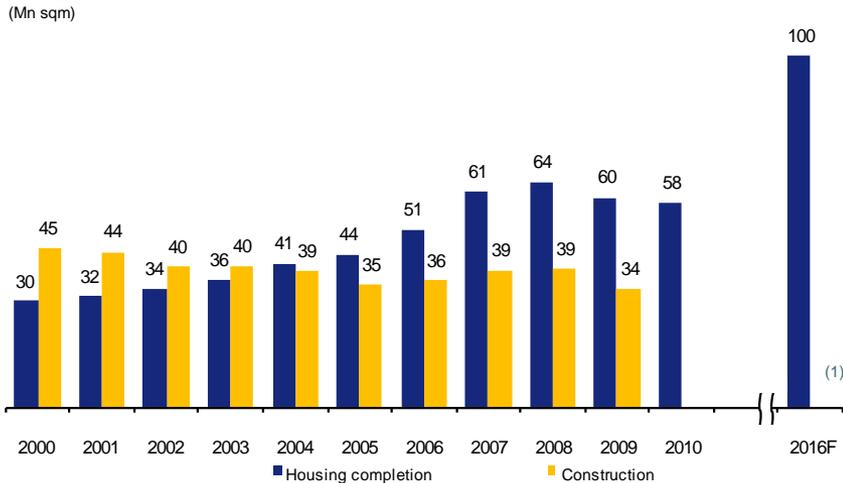
Note: Converted at historical average CBR US\$/RUB exchange rates for respective period
Source: CBR

6 Housing demand⁽¹⁾ in Moscow



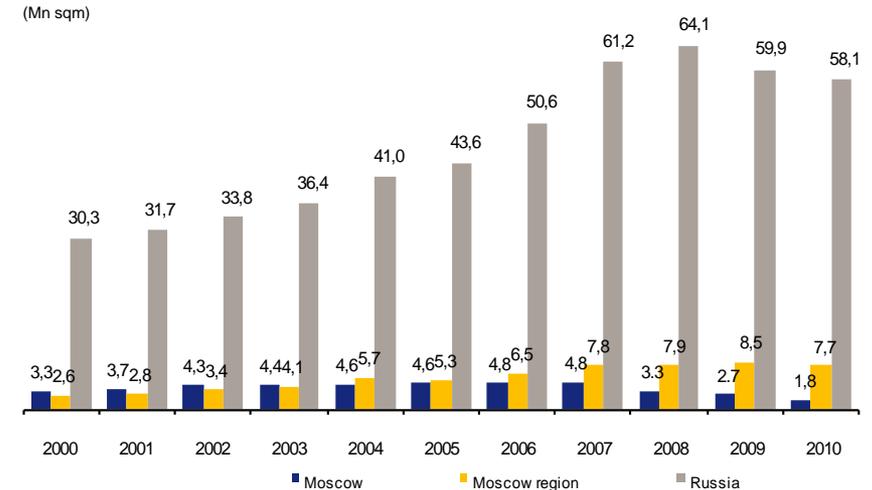
(1) Number of registered residential secondary market deals in Moscow
Source: Rosreestr, IRN

7 Housing completion and construction in Russia



Source: Rosstat
(1) Russian Government plan

8 Volumes of completed housing in 2000-2009



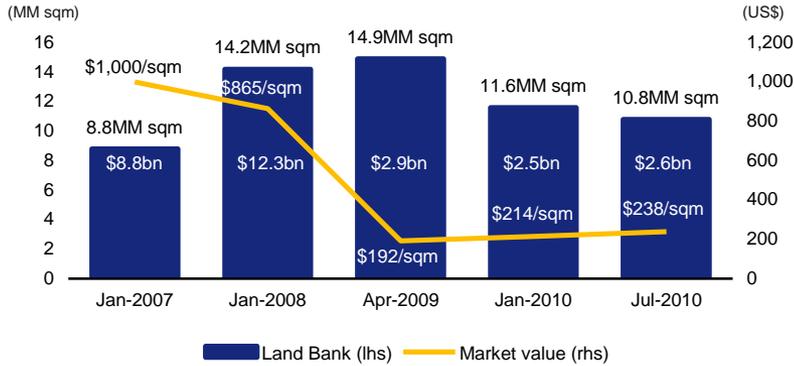
Source: Rosstat

A photograph of a residential development in Moscow, showing several multi-story apartment buildings with light blue and white facades and curved balconies. The buildings are set against a clear blue sky. A street lamp is visible in the foreground between the buildings.

Portfolio overview

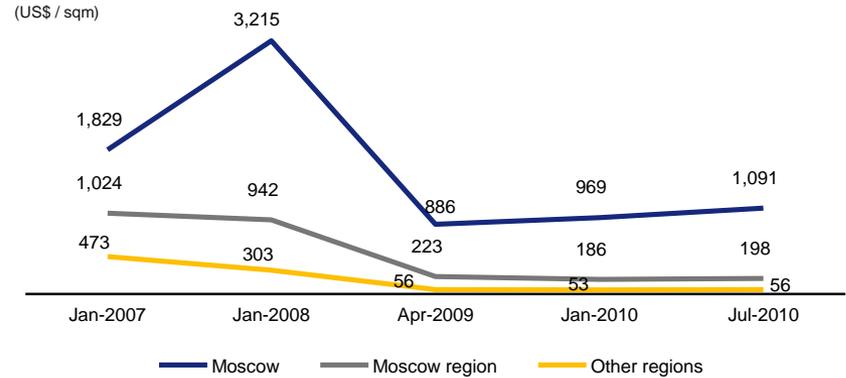
PIK's typical residential development, Zapovednaya (Moscow)

Portfolio dynamic over time



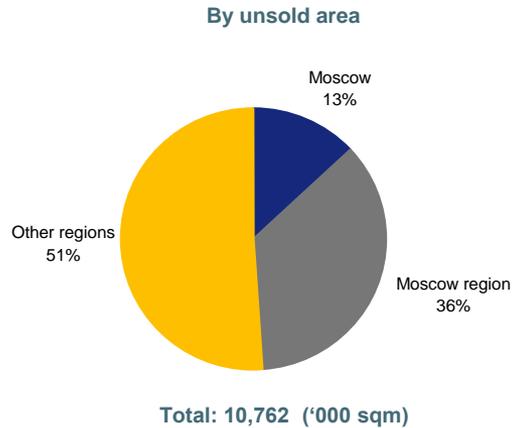
Source: CBRE

Portfolio dynamics over time by geography

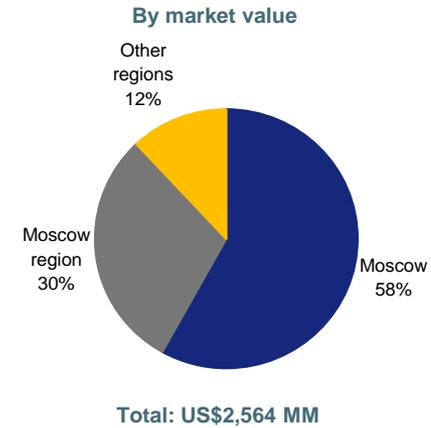


Source: CBRE

Project portfolio split by geography



Source: CBRE

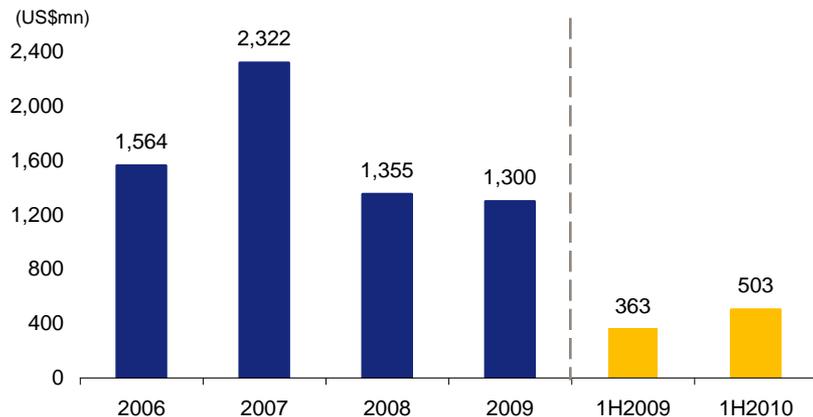


Financial overview



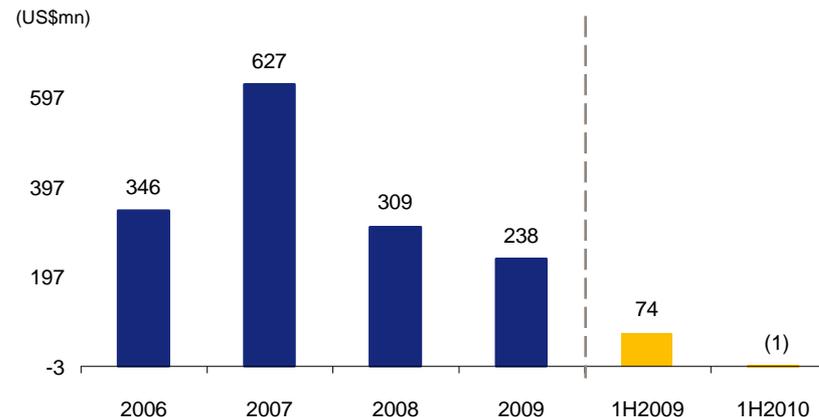
PIK's typical residential development, Zapovednaya (Moscow)

Revenue



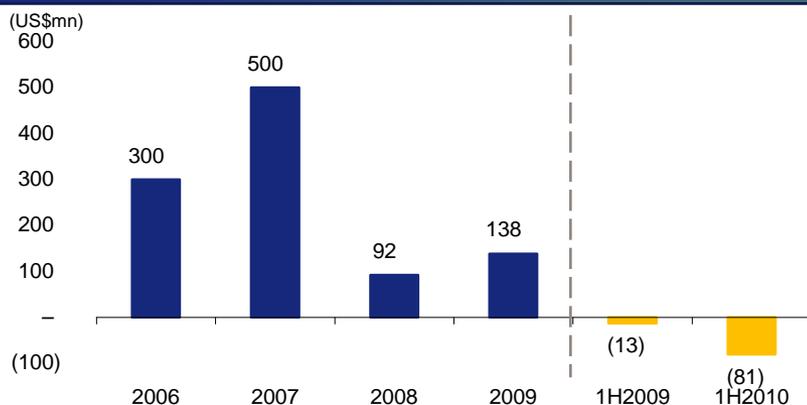
Note: 2006, 2007, 2008 numbers were restated
Source: Audited IFRS accounts

Gross Profit



Note: 2006, 2007, 2008 numbers were restated
Source: Audited IFRS accounts

Adjusted EBITDA⁽¹⁾

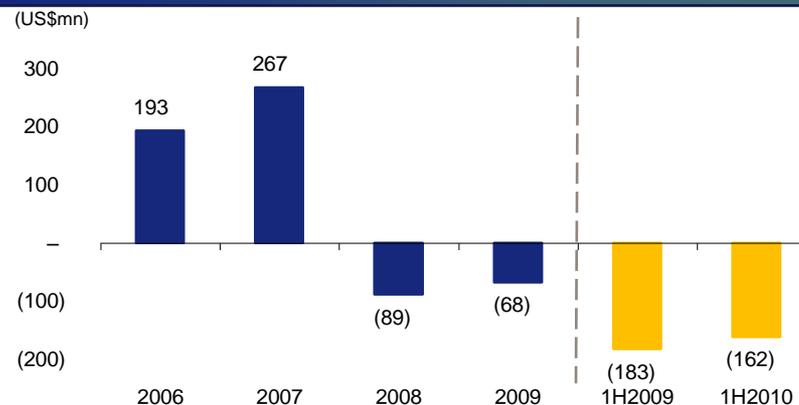


(1) Adjusted EBITDA from development activities represents net profit/loss for the period before income tax expenses, interest income, interest expense including penalties payable, depreciation, foreign exchange gain/(loss), impairment losses, impairment loss on financial assets, income from sale of development rights and other income/expense

Note: 2006, 2007, 2008 numbers were restated
Source: Company data

Note: Converted at historical average CBR US\$/RUB exchange rates for respective period

Adjusted Net Income⁽¹⁾

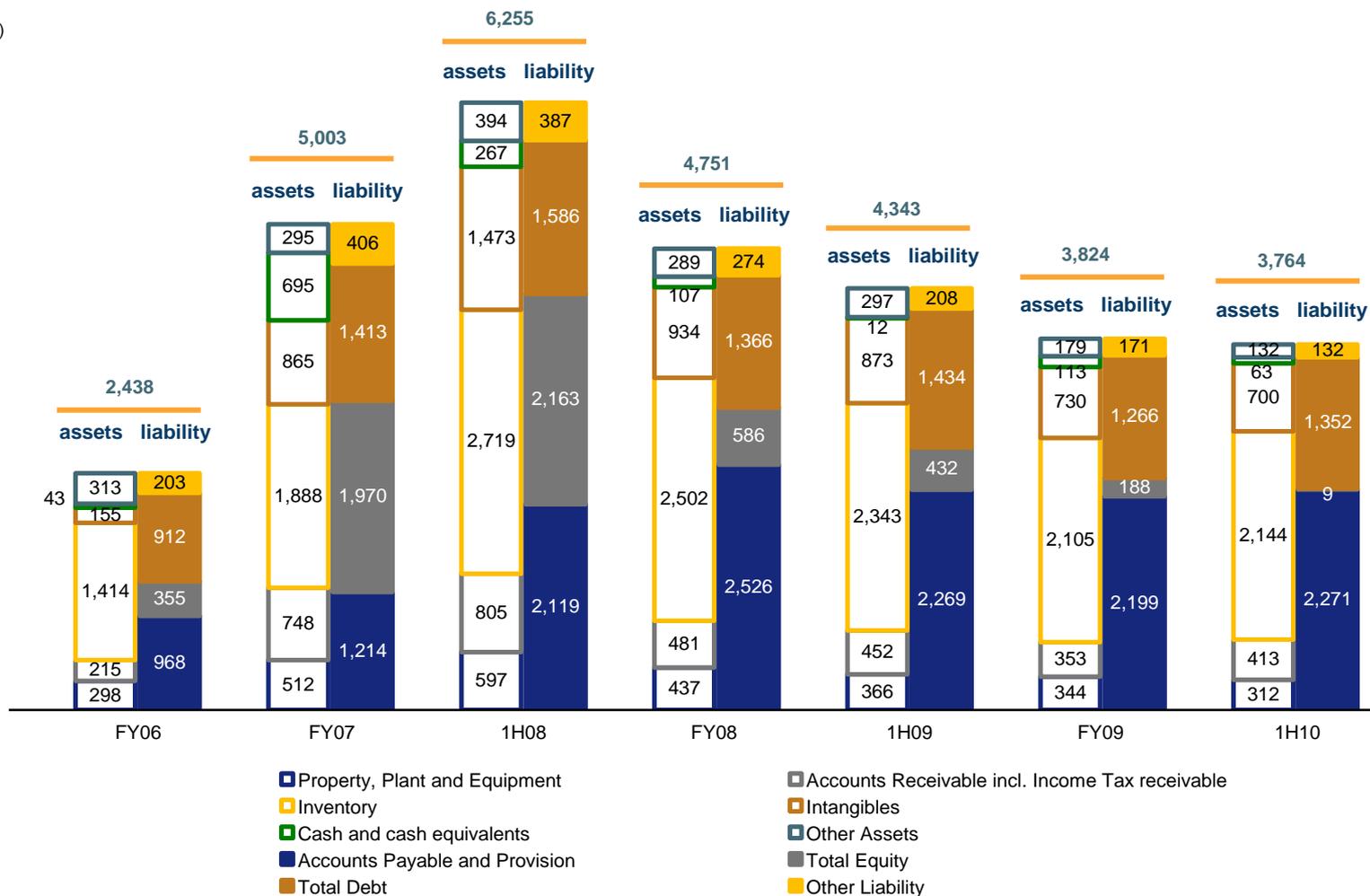


(1) Normalized net income/loss calculated as net profit before impairment losses, impairment loss on financial assets, income/loss from sale of development rights, penalties and fines related to loans' late repayment and other income/expense

Note: 2006, 2007, 2008 numbers were restated
Source: Company data

Balance sheet structure

(US\$mn)

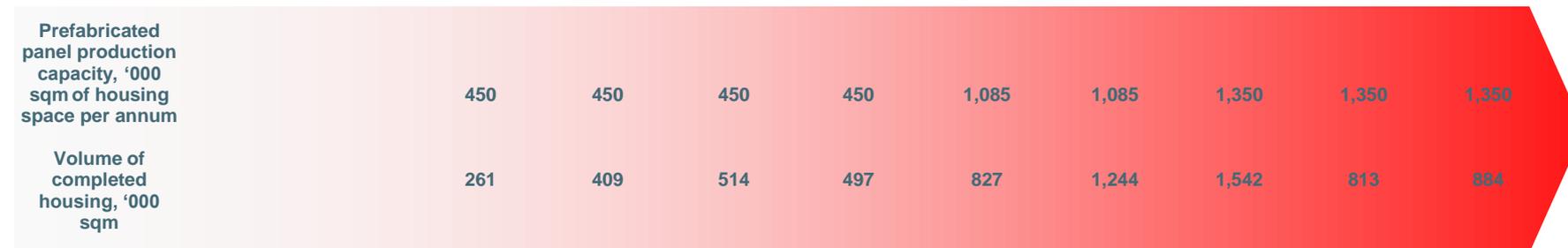


Note: 2006, 2007, 2008, 2009 numbers were restated. Converted at CBR historical US\$/RUB rates as at the end of the respective period
 Source: Audited IFRS accounts, except half year information, from reviewed IFRS accounts

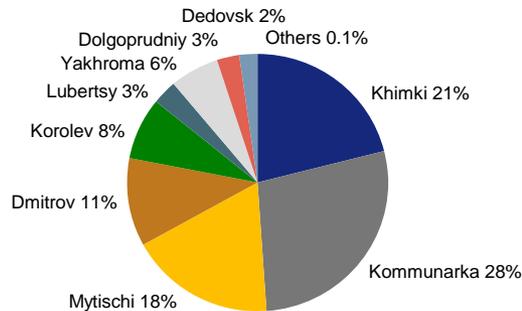
Appendix



PIK's typical residential development, Krasnaya Gorka, Lubertsy (Moscow Region)

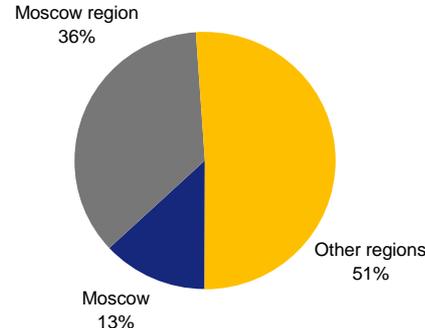


Moscow Region Split by Cities



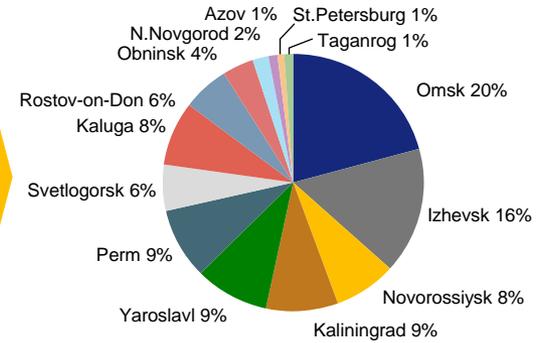
Total 3.9MM sqm

Portfolio Breakdown by Regions Unsold Area, sqm



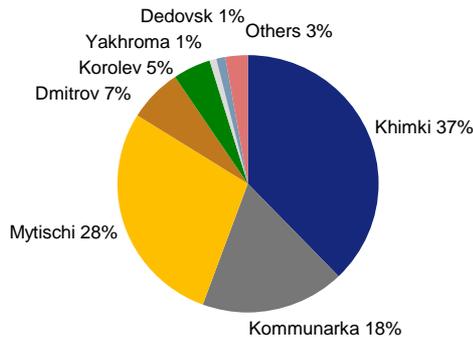
Total 10.8MM sqm

Other Regions Split by Cities



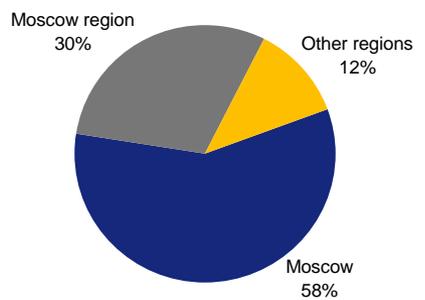
Total 5.5MM sqm

Moscow Region Split by Cities



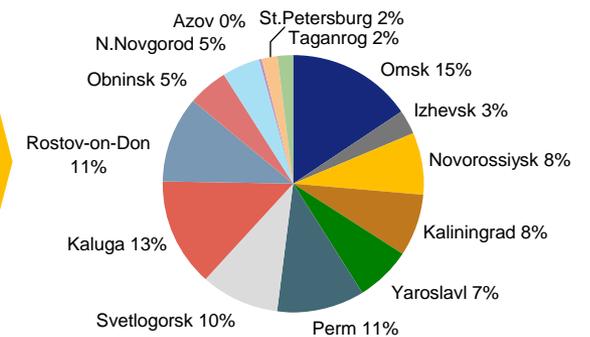
Total US\$774MM

Portfolio Breakdown by Regions Market Value, MM US\$



Total US\$2,564MM

Other Regions Split by Cities



Total US\$308MM

Source: CBRE as of 1 July 2010