



**Presentation of the consolidated IFRS results for 12  
months ended December 31, 2011**

*April 27, 2012*

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■ Artem Eyramdzhants  
– COO

- With PIK since 1996
- 19 years of industry and finance experience



■ Pavel Poselenov  
– CEO  
– Member of the BoD

- With PIK since 2008
- 20 years of industry experience



■ Andrey Rodionov  
– CFO

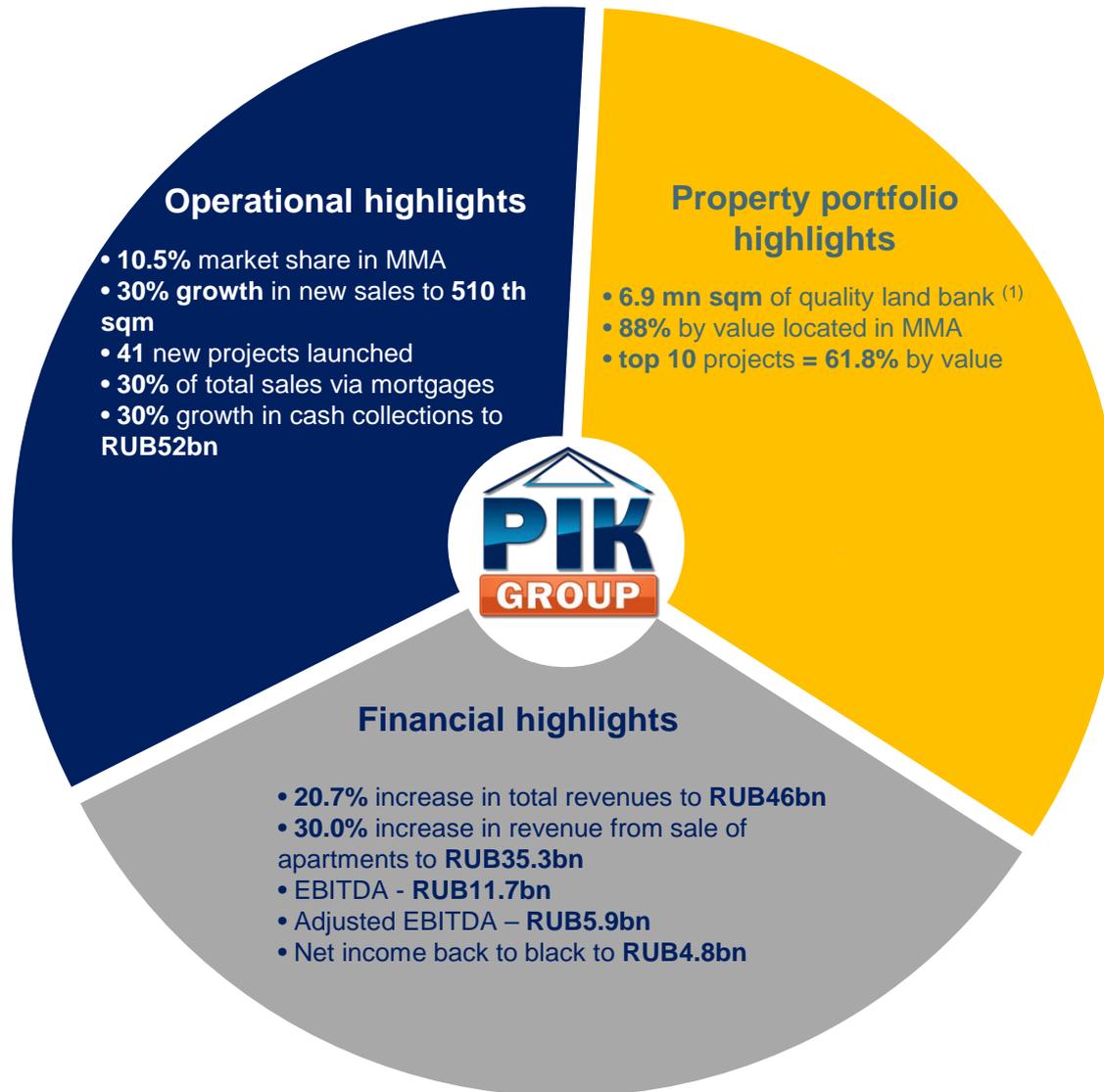
- With PIK since 2010
- Over 22 years of experience in finance



■ Viktor Szalkay  
– IRO

- With PIK since 2007
- 11 years of finance experience





**Clear turning point in financial performance**

(1) since 1994 completed over 12mn sqm of net selling area (NSA)

# 1 Operational highlights

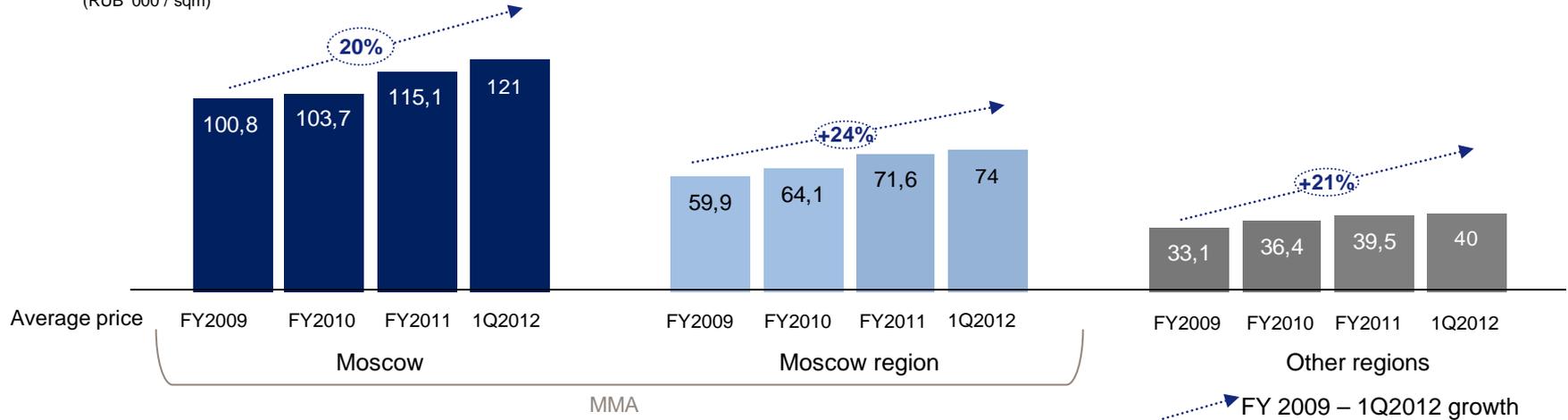


*PIK's typical development – Novokurkino, Moscow region*

# Prices and buying patterns returned to normality

## Environment is back to 2007 average realized price dynamics

(RUB '000 / sqm)



Note: Realized prices based on pre-sales of mass market projects under construction excluding high-end residential projects (English Town)  
 Source: Company data (management accounts)

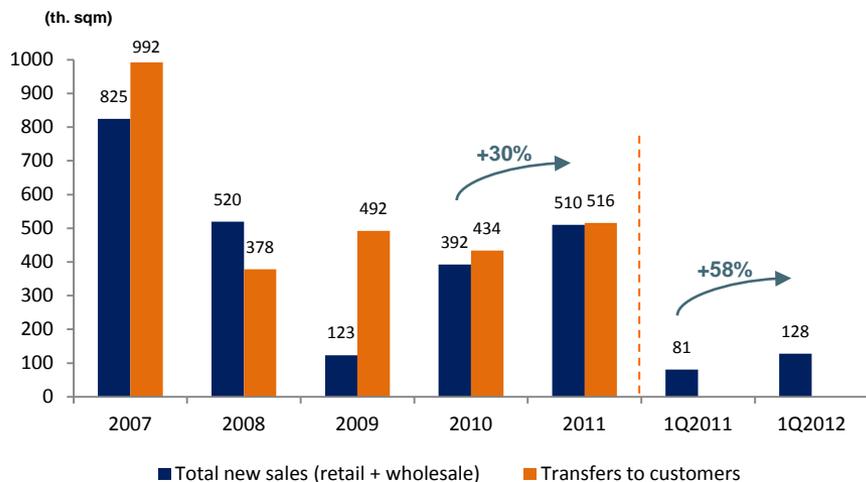
## Typical development process and typical sales pattern in MMA



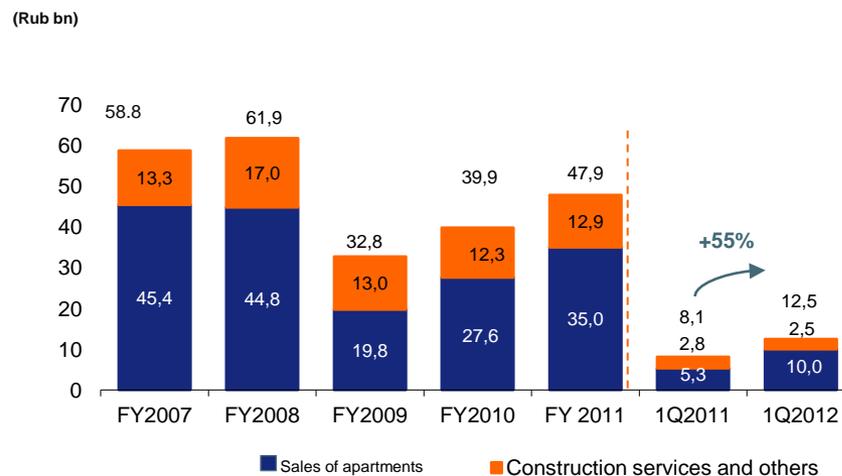
- ✓ Start of intensive sales since early 2011 (= 2008 pre-crisis period)
- ✓ Start of intensive sales during crisis period (2009)

# Clear indication of strong operating performance

## Total new sales and transfers to customers

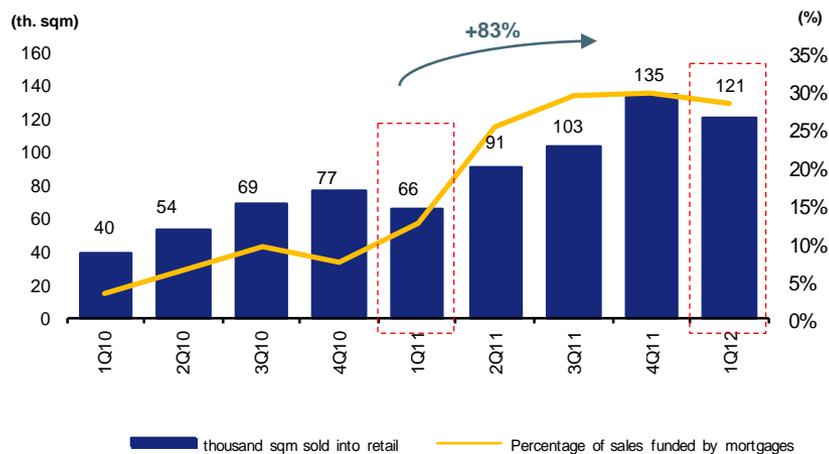


## Gross cash collections<sup>(1)</sup>



(1) Refers to all sales, including wholesales, retail and offsets

## New sales to retail customers





## Real estate development

- Full chain of mass market residential development,



## Construction services

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

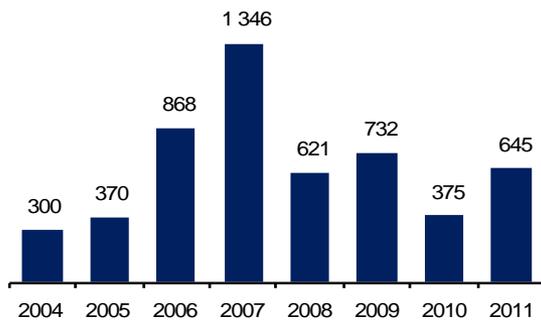


## Facilities management and others

- Post completion property management
- Sale of construction materials

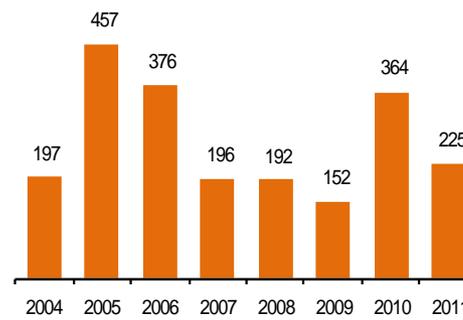
**Housing completions<sup>(1),(2)</sup>**

('000 sqm)



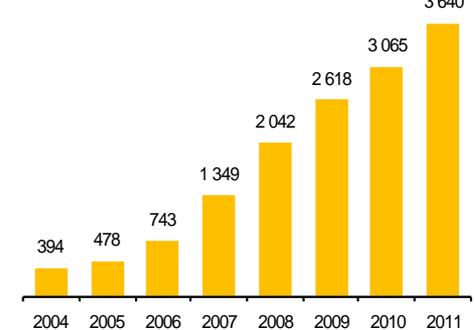
**Construction services completions<sup>(2)</sup>**

('000 sqm)



**Area under management<sup>(2)</sup>**

('000 sqm)



(1) Excluding construction services completions to 3<sup>rd</sup> parties (shown on the middle chart)

(2) Net sellable area

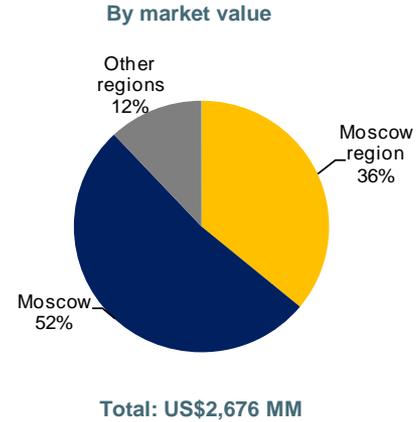
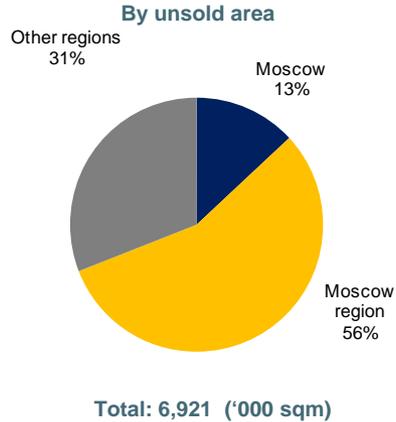
Source: Company data, IFRS

## 2 Property portfolio highlights



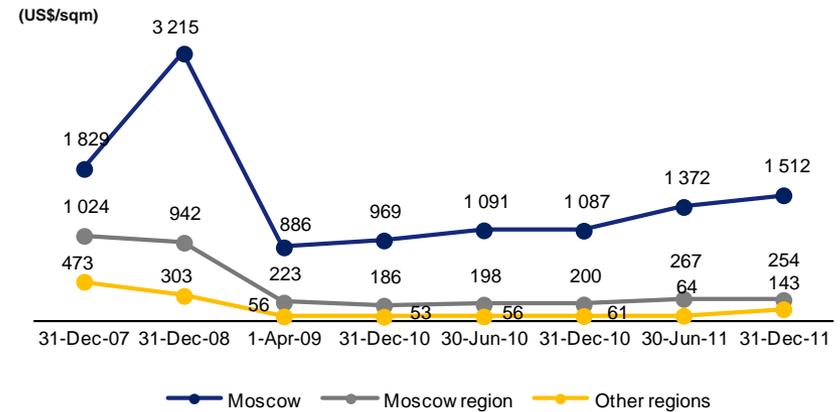
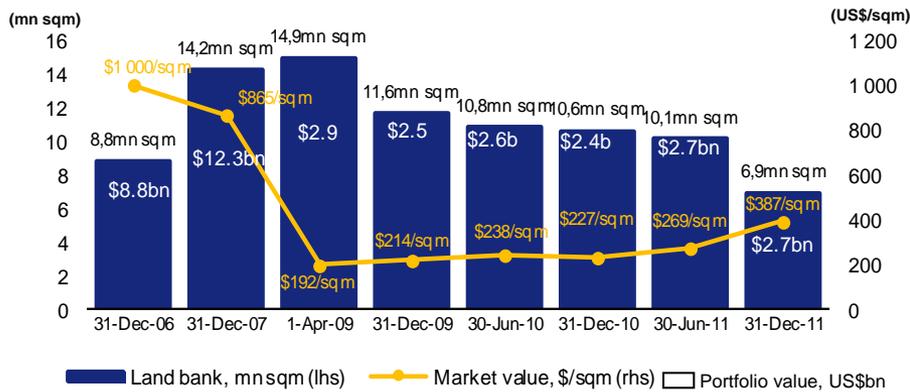
*PIK's typical residential development – Zapovednaya, Moscow*

## Project portfolio split by geography



Source: CBRE

## Portfolio dynamic over time



Source: CBRE

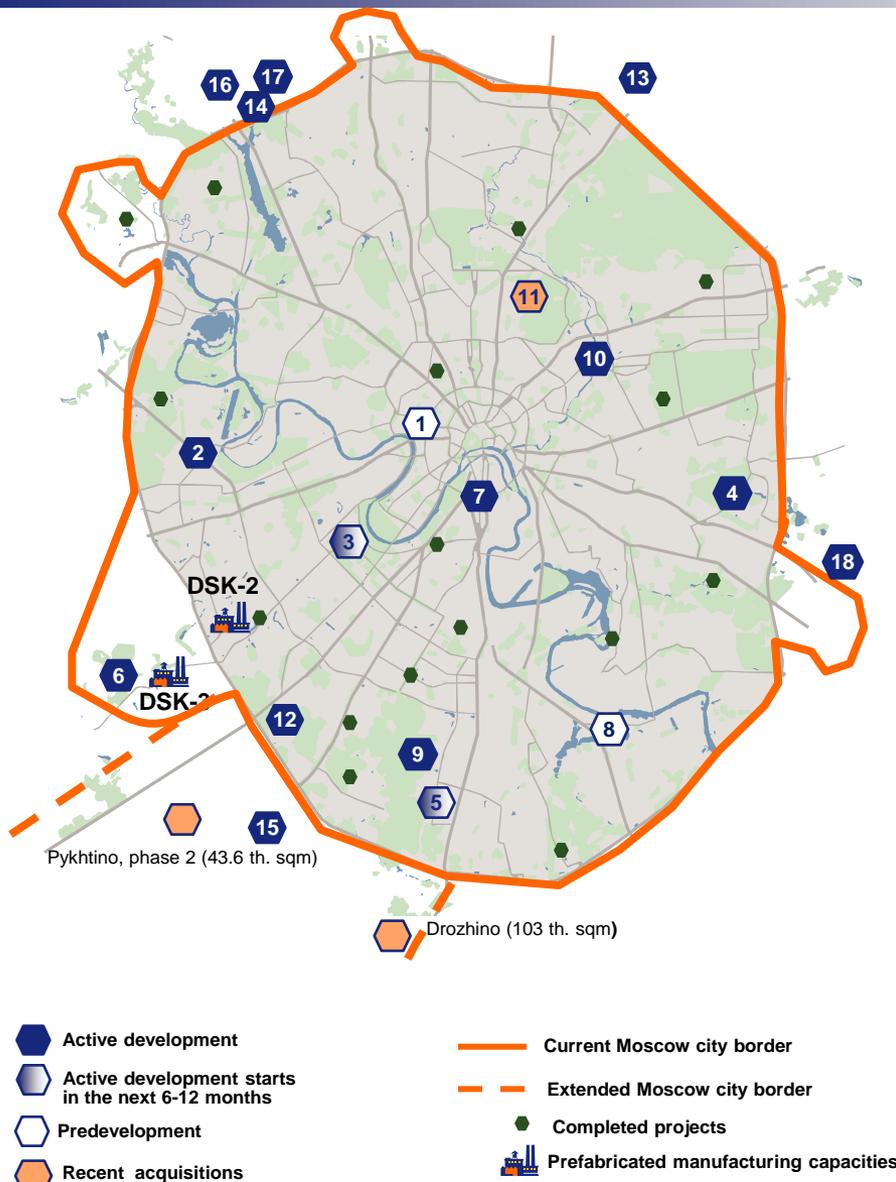
Source: CBRE

# Project portfolio 2H2011 roll-forward

		NSA, Unsold area, '000 sqm
<b>Total as of June 30 2011</b>		<b>10,109</b>
<b>Projects acquired</b>	Lubertsy, "Red hill" (expansion)	320
	Zheleznodorojniy, Avtozavodskaya St.	233
		<b>553</b>
<b>Projects reclassified into land :</b>	Omsk, Rokossovskogo str.	<b>(946)</b>
	Svetlogorsk, Otradnoe	<b>(300)</b>
	Izhevsk	<b>(880)</b>
	Perm, Baharevka	<b>(344)</b>
	Rostov-on-Don, Schepkinskoe Field	<b>(265)</b>
	Yakhroma, Levoberezhje	<b>(196)</b>
	Kaluga, Likhun	<b>(182)</b>
		<b>(3,113)</b>
<b>Projects divested:</b>	Kaliningrad, Yuzhny,	<b>(136)</b>
	Kaliningrad, Soglasiya-Chelnokova	<b>(70)</b>
	N.Novgorod, Geroya Shnitnikova St.	<b>(46)</b>
		<b>(252)</b>
<b>Sqm sold in 2H2011:</b>		<b>(281)</b>
<b>Others<sup>(1)</sup></b>		<b>(96)</b>
		<b>(96)</b>
<b>Total as of December 31 2011</b>		<b>6,920</b>

Source: CBRE, Company data

(1) attributed to cumulative NSA changes due to change in master plans



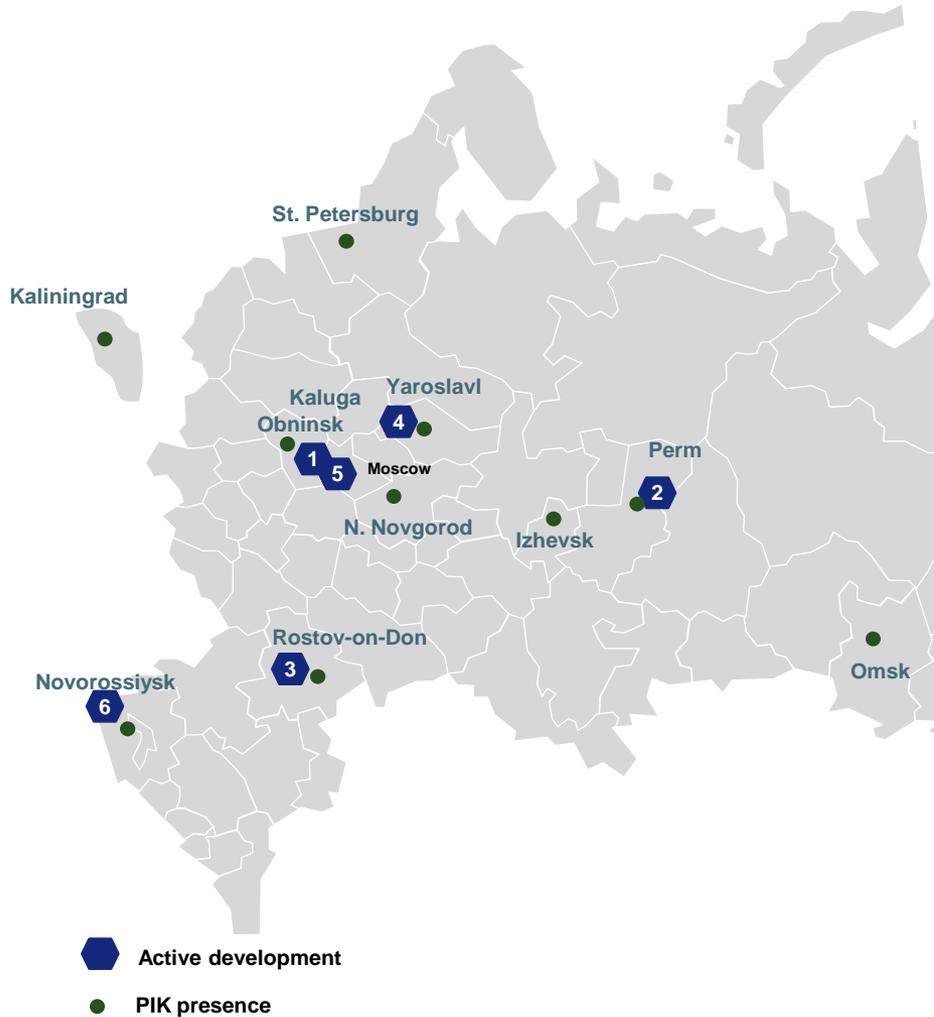
- Active development
- Active development starts in the next 6-12 months
- Predevelopment
- Recent acquisitions

- Current Moscow city border
- Extended Moscow city border
- Completed projects
- Prefabricated manufacturing capacities

		Landplot (ha)	Unsold NSA ('000 sqm)	Market value (US\$m)	Total remaining budget (US\$m)	Total buildings (№)	
<b>Moscow</b>							
	1	Mantulinskaya str., "City Quarter"	6.93	113	376	370	6
	2	Kuntsevo	-	146	161	335	7
	3	Michurinsky pr-t., blocks 5-6, 11	19.03	64	133	131	2
	4	Perovskaya str., "Grand Kuskovo"	15.32	132	135	250	9
	5	Varshavskoe highway, own. 141	8.87	130	113	224	6
	6	Novo-Peredelkino, mcr. 14	21.22	34	72	55	12
	7	Mitnaya, 13, "English Town"	4.58	17	68	118	2
	8	Marshala Zakharova str.	4.79	79	73	147	2
	9	Southern Chertanovo, mcr 17, 18	11.35	31	58	98	6
	10	Mironovskaya str., 46	2.64	33	46	72	2
	11	Izmaylovsky Proezd	3.5	54	51	122	2
	12	Ak. Vinogradova str., own. 7	2.06	15	32	44	7
<b>Moscow Region</b>							
	13	Mytishi, "Yaroslavsky"	114.25	632	254	1,472	58
	14	Khimki, "Levoberegny"	41.67	301	171	455	25
	15	Kommunarka, "Buninskiy"	127.79	1,069	168	1,780	50+
	16	Khimki, "Novokurkino"	81.0	239	90	521	38
	17	Khimki, "The Star of Russia"	7.09	109	47	171	8
	18	Lubertsy, "Red hill"	29.8	360	38	630	43
	<b>Subtotal</b>			<b>3,557</b>	<b>2,085</b>		
	<b>Total all projects</b>			<b>6,921</b>	<b>2,676</b>		
	<b>Subtotal as % of total</b>			<b>52%</b>	<b>78%</b>		

CBRE data as of 31.12.2011

# Project pipeline in other regions



		Landplot (ha)	Unsold NSA ('000 sqm)	Market value (US\$m)	Total remaining budget (US\$m)	Total buildings (№)
<b>1</b>	Kaluga region, Obninsk, mcr 55	13.5	163	56	146	14
<b>2</b>	Perm, "Griboedovsky"	6.42	103	27	94	9
<b>3</b>	Rostov-on-Don, "Nord"	15.67	237	13	217	4
<b>4</b>	Yaroslavl, "Sokol"	12.68	75	12	77	18
<b>5</b>	Kaluga region, Obninsk, mcr 38	2.27	7	2	9	8
<b>6</b>	Novorossiysk, "Yuzhny bereg", mcr 16	37.06	158	13	154	15
	<b>Subtotal</b>		<b>743</b>	<b>123</b>		
	<b>All projects</b>		<b>6,921</b>	<b>2,676</b>		
	<b>Subtotal as % of total</b>		<b>10.7%</b>	<b>4.6%</b>		

## 4 Financial highlights



# Key financial highlights

RUB bn, unless otherwise stated	FY2008	FY2009	FY2010	FY2011	
Revenue	33,8	41,2	38,1	46,0	
Transfers to customers, '000 sqm	378	492	434	512	
Revenue from sales of apartments	23,2	30,7	27,1	35,2	
Implied average price '000 RUB/sqm	61,5	62,5	62,5	68,8	→ +10,1%
Gross profit	9,0	8,6	2,9	9,4	
<i>Gross profit margin</i>	26,6%	20,9%	7,5%	20,4%	
Distribution and administrative expenses	6,5	4,4	3,9	4,8	
Disposal of development rights and subsidiaries	-	(0,04)	0,4	2,3	
EBITDA <sup>(1)</sup>	(27,0)	(3,2)	(2,1)	11,7	→ US\$ 400 mn!
<i>EBITDA margin</i>	na	na	na	25,4%	
Adjusted EBITDA <sup>(2)</sup>	2,3 <sup>(3)</sup>	4,5	(0,4) <sup>(3)</sup>	5,9	→ US\$ 200 mn!
<i>Adjusted EBITDA margin</i>	6,7%	11,0%	na	12,8%	
Net income (loss)	(29,0)	(11,5)	(6,0)	4,8	→ Back to black!
<i>Net Income margin</i>	na	na	na	10,4%	

(1) EBITDA represents total comprehensive income/(loss) before income tax expense, interest income, interest expense including penalties payable and depreciation and amortization

(2) Adjusted EBITDA represents EBITDA before impairment losses and reversal of impairment, impairment losses on financial assets, foreign exchange losses (gains), share of loss of equity accounted investees, net gain/loss on disposal of PP&E, gain/loss on disposal of subsidiaries and development rights, effect of termination of long-term land lease agreements, provision for doubtful accounts and accrued penalties and fees

(3) Adjusted EBITDA for 2008 and 2010 does not add back the effect of revision of social infrastructure costs of RUB548mn (US\$22mn) and RUB4,181mn (US\$138mn), respectively

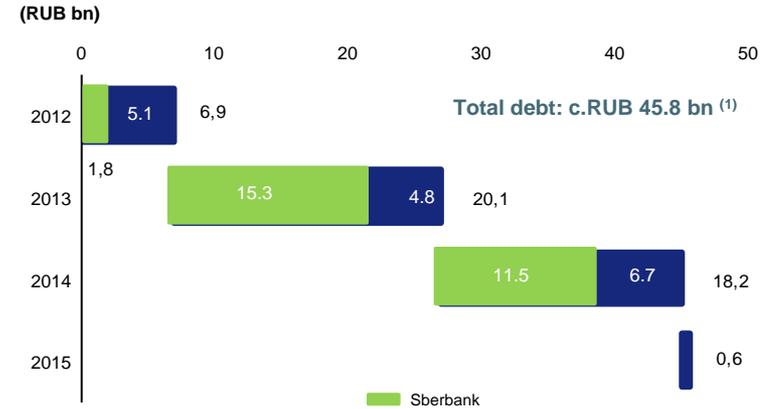
Note: Converted at historical average CBR RUB/US\$ exchange rates for respective period; 2007, 2008, 2009 numbers were restated in 1H2010; 2H2010 numbers in US\$ calculated as full year 2010 less 1H2010

Source: Audited annual IFRS accounts, reviewed 1H2011 accounts; translated at relevant average ex-rates except for 2H2010

- In March 2012 the repayment schedule under Sberbank credit facilities was amended reducing amounts due in 2012 down to RUB1.8bn. The difference of RUB8.6bn is proportionally extended to 2013-2014 periods. (see opposite chart)

Source: Company data

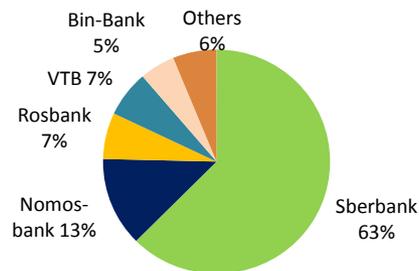
## Debt repayment schedule revised as of April 2012<sup>(1)</sup>



Note: (1) Total debt of RUB47.1bn as of December 31, 2011 less RUB1.32bn of accrued interest expense

Source: Company data

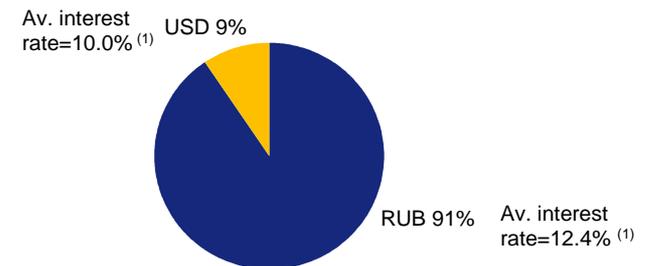
## Debt composition by source



Total debt as of December 31, 2011 c.RUB 45.8 bn

Source: IFRS accounts as of December 31, 2011; Company data.

## Debt composition by currency



Total debt as of December 31, 2011 c.RUB 45.8 bn

Average Interest rate=12.2% <sup>(1)</sup>

Note: (1) Average % rates calculated as of April 2012

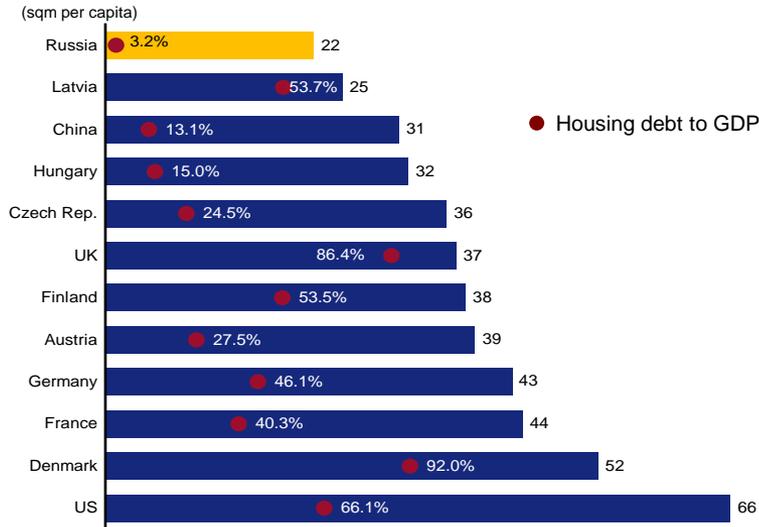
Source: IFRS accounts as of December 31, 2011

# Appendix



*PIK's typical residential development, Bitsevsky (Moscow)*

## Low level of housing stock



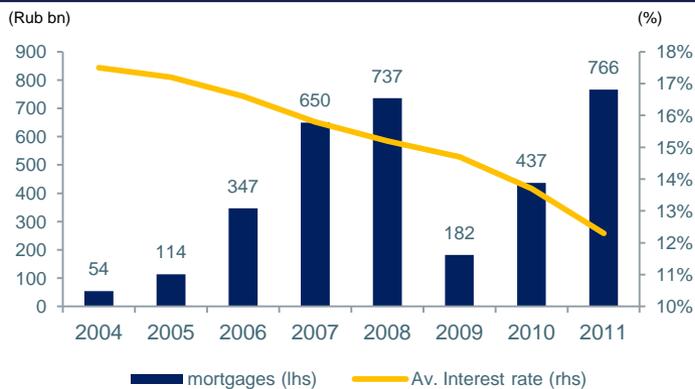
Source: Rosstat for 2010, Euromonitor for 2010, UNECE for 2006-2009

## Robust demand for housing



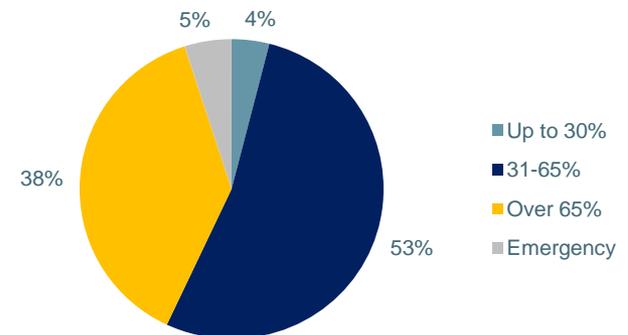
Note: Number of registered residential secondary market deals in Moscow  
Source: Rosreestr, IRN

## Increasing mortgage affordability



Source: CBRF

## Deterioration of housing stock

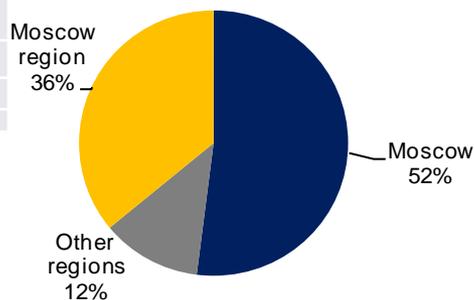


Source: Expert RA, Rosstat 2008

# Project portfolio by geography

Top-5 projects in Moscow region	Landplot (ha)	Unsold NSA ('000 sqm)	Market value (US\$mn)
Mytishi, "Yaroslavsky"	114.25	632	254
Khimki, "Levoberegny"	41.67	301	171
Kommunarka, "Buninskiy"	127.79	1,069	168
Khimki, "Novokurkino"	81.0	239	90
Khimki, "The Star of Russia"	7.09	109	47
		<b>2,350</b>	
<b>% as of total Moscow region</b>		<b>61%</b>	

Total: US\$2,676 MM

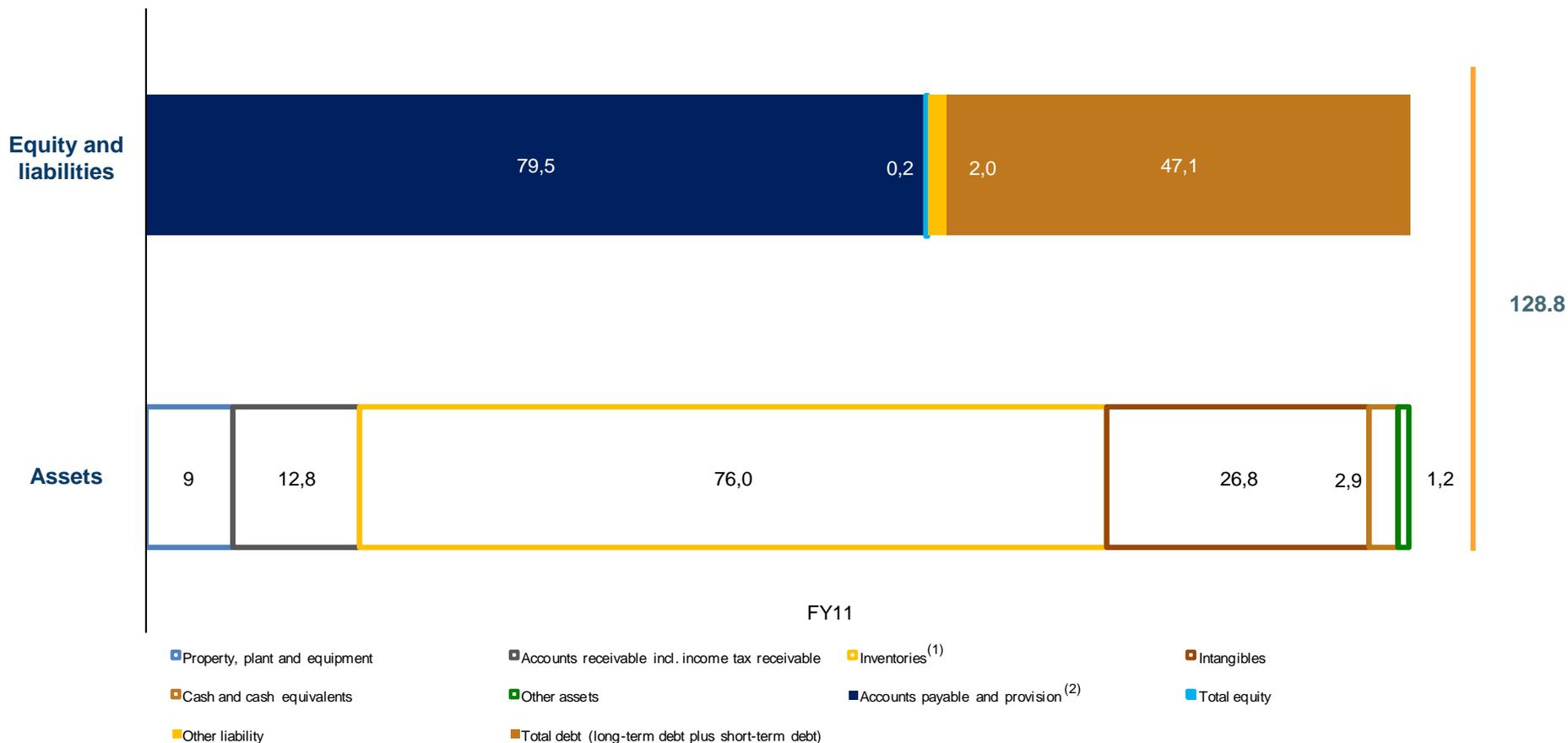


Top-5 projects in Moscow	Landplot (ha)	Unsold NSA ('000 sqm)	Market value (US\$mn)
Mantulinskaya str., "City Quarter"	6.93	113	376
Kuntsevo	0.95	146	161
Michurinsky pr-t., blocks 5-6, 11	19.03	64	133
Perovskaya str., 66	15.32	131	135
Varshavskoe highway, own. 141	8.87	130	113
		<b>584</b>	
<b>%as of total Moscow</b>		<b>64%</b>	

Top-5 projects in Russian regions	Landplot (ha)	Unsold NSA ('000 sqm)	Market value (US\$mn)
Kaluga region, Obninsk, mcr 55	13,5	163	56
Perm, "Griboedovsky"	6,42	103	27
Rostov-on-Don, "Nord"	15,24	237	13
Yaroslavl, "Sokol"	12,68	75	12
Kaluga region, Obninsk, mcr 38	2,27	7	2
		<b>585</b>	
<b>% as of total other regions</b>		<b>27%</b>	

# Balance sheet structure

RUB bn



(1) Mostly consist of construction in progress, intended for sale (RUB 68 bn)

(2) Mostly consist of advances from customers (RUB 39 bn), accounts payable for construction works (RUB 11 bn) and provision for construction costs to complete (RUB 21 bn)

Source: IFRS accounts

	2008	2009	2010	2011	1H2010	2H2010	1H2011	2H2011
<b>Key Operating indicators ('000 sqm)</b>								
New sales contracts to customers (PIK share) <sup>(1)</sup>	520	123	392	510	159	233	229	281
Transferred to customers (PIK share) <sup>(2)</sup>	378	492	434	512	152	282	260	252
Total housing completions <sup>(1)</sup>	813	884	739	870	245	494	354	558
<b>Key Financial indicators (US\$m)<sup>(4)</sup></b>								
Total cash collections	2 104	1 086	1 308	1 617	477	831	830	787
Revenue <sup>(2)</sup>	1 356	1 298	1 254	1 565	503	751	796	769
Average selling price, US\$/sqm <sup>(2)</sup>	2 472	1 970	2 058	2 341	2 234	1 882	2 409	2 273
EBITDA / Adjusted EBITDA <sup>(2)</sup>	(1,085) / 92	(99) / 143	(81) / (27)	398 / 200	(107) / (58)	26 / 31	176 / 64	222 / 136
Net Debt <sup>(2,3)</sup>	1 250	1 112	1 221	1 332	1 214	1 221	1 328	1 332

(1) Management accounts

(2) IFRS accounts

(3) Net debt calculated as LT&ST debt - accrued interest payable - accrued penalties - cash;

Note: 2007, 2008, 2009 financial numbers were restated in 1H2010

2H2010 and 2H2011 numbers in US\$ calculated as full year 2010 and 2011 less 1H2010 and 1H2011 respectively

Source: IFRS accounts, management accounts

Translated at relevant average ex-rates

## Moscow, Mitnaya, 13 “English Town”

Area, Ha	4.58
Class	High-end Residential
NSA (PIK share), ‘000 sqm	72
Unsold area, ‘000 sqm	17
Market value, US\$ mln	68
Pre-sales launch	on sale
Estimated completion date	3Q2012
Development cost to completion, US\$ mn	118

Bldg 1B:



November 2010



August 2011



March 2012



March 2012

Source: CBRE, December 31, 2011

## Moscow, Mantulinskaya “City Quarters”

Area, Ha	6.93
Class	High-end Residential
NSA (PIK share), ‘000 sqm	113
Unsold area, ‘000 sqm	113
Market value, US\$ mln	376
Pre-sales launch	1Q2013
Estimated completion date	2Q2019
Development cost to completion, US\$ mn	370



Master plan



Visualization



Current view

Source: CBRE, December 31, 2011

**Launched**

## Moscow, Perovskaya str., "Grand Kuskovo"

Area, Ha	15.32
Class	Mass Residential
NSA (PIK share), '000 sqm	132
Unsold area, '000 sqm	132
Market value, US\$ mln	135
Pre-sales launch	3Q2012
Estimated completion date	3Q2016
Development cost to completion, US\$ mn	250



April 2012



April 2012

Source: CBRE, December 31, 2011

**Launched**

## Moscow, Mironovskaya str.

Area, Ha	2.64
Class	Mass Residential
NSA (PIK share), '000 sqm	33
Unsold area, '000 sqm	33
Market value, US\$ mln	46
Pre-sales launch	3Q2012
Estimated completion date	2Q2013
Development cost to completion, US\$ mn	72



February 2012



April 2012

Source: CBRE, December 31, 2011

## Moscow region, Khimki, "Novokurkino"

Area, Ha	81.0
Class	Mass Residential
NSA (PIK share), '000 sqm	831
Unsold area, '000 sqm	239
Market value, US\$ mln	90
Pre-sales launch	on sale
Estimated completion date	4Q2018
Development cost to completion, US\$ mn	521

Source: CBRE, December 31, 2011

Mcr 6, bldg 11:



August 2011



October 2011



April 2012

## Moscow region, Mytishi, "Yaroslavsky"

Area, Ha	114.3
Class	Mass Residential
NSA (PIK share), '000 sqm	834
Unsold area, '000 sqm	632
Market value, US\$ mln	254
Pre-sales launch	on sale
Estimated completion date	4Q2022
Development cost to completion, US\$ mn	1,471

Source: CBRE, December 31, 2011

Mcr 16, bldg 13:



June 2011



January 2011



July 2011

# Selected projects under development

## Moscow region, Khimki, "Levoberegny"

Area, Ha	41.67
Class	Mass Residential
NSA (PIK share), '000 sqm	404
Unsold area, '000 sqm	301
Market value, US\$ mln	171
Pre-sales launch	on sale
Estimated completion date	4Q2017
Development cost to completion, US\$ mn	455

Mcr 6, bldg 12:



October 2008



September 2010



April 2012

Source: CBRE, December 31, 2011



## Moscow region, Kommunarka, "Buninskiy"

Area, Ha	127.79
Class	Mass Residential
NSA (PIK share), '000 sqm	1,069
Unsold area, '000 sqm	1,069
Market value, US\$ mln	168
Pre-sales launch	1Q2013
Estimated completion date	4Q2026
Development cost to completion, US\$ mn	1,780



Visualization



Current view

Source: CBRE, December 31, 2011



**THANK YOU!**