

## Commercial Real Estate Market

Moscow and St Petersburg • Q3 2007

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### Executive Summary

- The growth in consumer prices in 2007 put an end to government plans of keeping the inflation rate at 7–8%.
- The positive trends of office real estate development in Moscow and St Petersburg seen in Q3 2007 are set to continue into the future. In Moscow, the growth in demand for rental property is increasing hand-in-hand with the growth in property supply.
- The average hotel room cost in Moscow is still one of the highest in Europe. At the same time, the occupancy rate in the 3–5 star segments is relatively low. There is still a deficit of “modern type” average-price guest accommodation in Moscow.
- During the first three quarters of 2007 the St Petersburg office market has experienced stable growth of average rents together with a decrease in the amount of vacant spaces. This indicates that the growth in supply lags behind the growth in demand.
- During the Q3 2007 the total volume of Class A warehousing property in St Petersburg has increased by over twice. This was mainly due to the commissioning of the MLP Utkina Zavod’ (72,000 sq m) and PNK-2 (40,000 sq m) complexes.
- The St Petersburg hotel market is still characterized by the lack of growth in property supply. From July to September this year, apart from mini-hotels, there has been only one hotel (3 star offering 49 rooms) that entered the market.

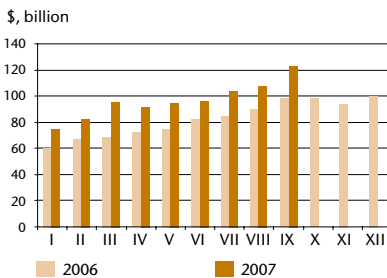
**“The world oil prices for Brent have, for the first time, surpassed the \$80 per barrel barrier”**

## Economy Overview

### Key Events

- On 24 July, the federal legislation act N221–F3 “On state cadastral register of real estate” was accepted. According to the new law, there will be a unified system of data and documents, relating to any real estate on the territory of the Russian Federation. The new legislation is valid from the 1 March 2008.
- On 16 August, Fitch, the international ratings agency, confirmed Russia’s ranking as a BBB+ country with a stable development forecast. Among the country’s strengths the agency noted state funds and low level of foreign debt. According to Fitch, the budget reform and the division of the Stabilization Fund will tighten control over spending and help to overcome possible economic shocks if oil prices suddenly drop. These reforms together with high oil prices and increased level of investment compensate for structural weaknesses of Russian economy, which include the banking sector, business environment and dependence on energy prices.

### Nominal GDP value



Source: Ministry of Finance of Russia, 2007

### Economic growth and inflation

According to the Ministry of Economic Development of the Russian Federation, from January to August 2007, the growth of GDP, compared with the same period of the previous year, was 7.7% (against 6.2% in 2006).

The accumulated inflation rate for the 9–months period was estimated to be 7.5%, slightly higher than 7.2% in the previous year. The government’s plans to keep the inflation rate at 7–8% in 2007 now seem improbable. The more realistic objective would be to keep inflation at 9%. This negative performance has broken the trend of lowering inflation since 1998.

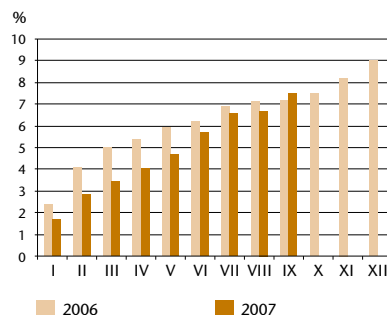
### Foreign Exchange Reserves and Stabilization Fund

In Q3 2007 the level of growth of the Foreign Exchange Reserves was lower than in the first six months of the year. Weekly growth was estimated to be 0.4%, going down by 0.9%.

The world oil prices for Brent have, for the first time, surpassed the \$80 per barrel barrier, 43% growth since the beginning of the year.

As a result, there has been a further increase in the Russia’s Stabilization Fund, the average growth of which since the beginning of 2007 is estimated to be 5.3%.

### Cumulative inflation\*



\*Consumer price index from the beginning of the corresponding year

Source: Ministry of Finance of Russia, 2007

### Stock market

The Russian stock market in Q3 2007 has been developing with varying success, going slightly up and down. From about mid June the market has experienced new historical maximum levels. The RTS index on the 23 July closed at 2,091 points.



Krasnaya Roza Office complex  
Timura Frunze st., 11, building 8

## Moscow Office Market

Key Indicators	Class A	Class B+	Class B-
Total stock area, thousand sq m	6,385		
including, thousand sq m	903.6	3,580	1,901
Commissioned in Q3, 2007, thousand sq m	274.6		
including, thousand sq m	37.6	155.4	81.6
Vacancy rate, %	1.3	4.3	6.7
Base rents (average rates for functional business centers)*, \$/sq m/ year	900–1,100	650–800	420–550
Operating expenses, \$/sq m/ year	100–130	80–105	50–75
Sale price, \$/sq m	6,700–13,000	4,200–6,000	3,500–4,000

\* Excluding operating expenses and VAT (18%)

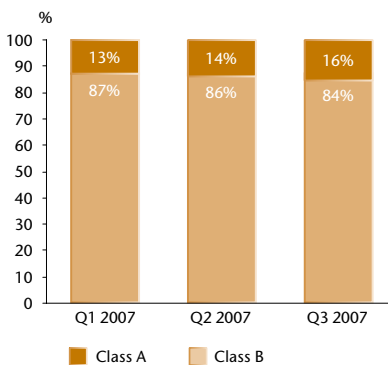
Source: Knight Frank Research, 2007

### “Continuous increase in rents for high-quality office premises”

### Trends

The number of transactions on the office market involving companies that are expanding their businesses and, therefore, are in need of additional or better office space is increasing. Approximately 15% of all transactions relating to office space in business centers have been concluded on the re-sale market.

Rate of new construction (commissioning premises) by Class, % of the total volume



Source: Knight Frank Research, 2007

### Key projects commissioned in Q3, 2007

Name	Address	Total area, sq m
<b>Class A</b>		
Lotte Plaza	Noviy Arbat st., 21	20,700*
Aquamarine, phase II	Ozerkovskaya emb., 26	16,800
<b>Class B+</b>		
Sokolnaya Gora**	Semenovskaya sq., 1	34,650
Kutuzoff Tower	Ivana Franko st., 10A	32,300
Diagonal House	Butyrskaya st., 77	16,500
Krugozor**, phase II	Obrucheva st., 30	16,400
<b>Class B-</b>		
Agat	B. Semenovskaya st., 40	35,000
Logic Park**	2nd Yuzhnoportoviy way, 18, building 2	16,000

\* Office site

\*\* Knight Frank acting as consultant

Source: Knight Frank Research, 2007



Riga Land Business Park,  
Novorizhskoe highway, 7 km

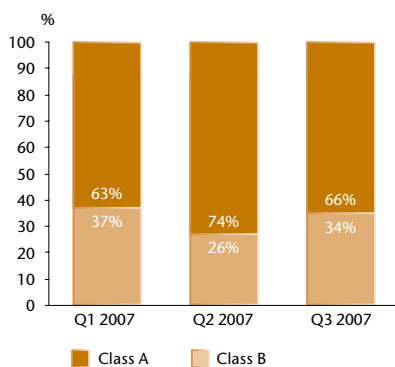
Key transactions in Q3 2007

Company	Transaction volume, sq m	Address	Name
<b>Rent</b>			
Transtelekom*	15,240	Krasnopresnenskaya emb., 19	Severnaya Bashnya
Fesco	8,080	B.Pirogovskaya st., 27	Luch
Confidential Client	7,640	Lesnaya st., 15	Belaya Ploschad'
Hewlett Packard	7,270	Kosmodem'yansaya emb., 52, building 1, 3	Riverside Towers
JTI*	6,790	Zemlyanoy Val st., 11-19	Citidel
Rusfinans*	6,580	Zemlyanoy Val st., 11-19	Citidel
General Motors*	5,610	Krasnopresnenskaya emb., 19	Severnaya Bashnya
Bayer*	5,520	Zemlyanoy Val st., 11-19	Citidel

\* Knight Frank participating in the transaction

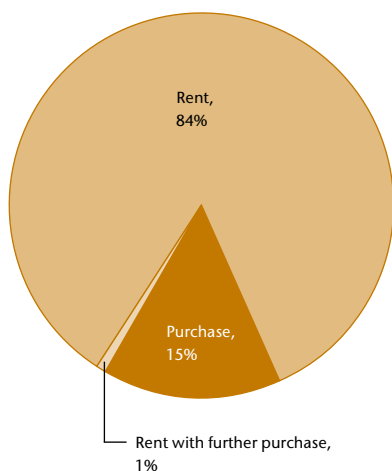
Source: Knight Frank Research, 2007

Consumption by Class,  
% of the total stock



Source: Knight Frank Research, 2007

Division of demand by type of enquiry,  
% of the total number of enquiries



Source: Knight Frank Research, 2007



Multifunctional Complex  
Imperia Tower  
MMDTs, Moscow-City  
Krasnopresnenskaya emb., site 4

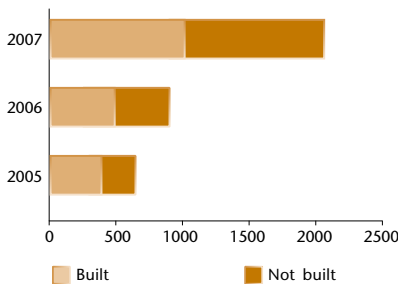


Office-hotel complex  
Kozhevnikeskaya st., 8/4



Eurasia Logistic built 550,000 sq m of Class A premises in Severnoe Domodedovo logistics park

#### Correlation between declared and built premises, thousand sq m



Year	2005	2006	2007
Planned thousand sq m	620	887.7	2,099
%-entering the market	66%	57%	49%*

\* Estimates based on preliminary data. Correction is possible towards increase

Source: Knight Frank Research, 2007



The construction of the first phase of Class A MLP-Podol'sk warehousing complex is completed. Official opening – November 2007

## Moscow Warehouse Market

Key indicators	Class A	Class B
Total stock of high-quality supply, thousand sq m	2,457	1,612
Total stock of supply in all classes, thousand sq m	8,345	
Built in Q3 2007, thousand sq m	678.5	91.5
Planned to enter the market in 2007, thousand sq m	2,099	
Vacancy rate, %	1	1
Rent rates, \$/sq m/year*	115–135	90–122
Operating expenses, \$/sq m/year	32–38	30–33

\* Excluding VAT, operating expenses and utility charges

Source: Knight Frank Research, 2007

### Trends

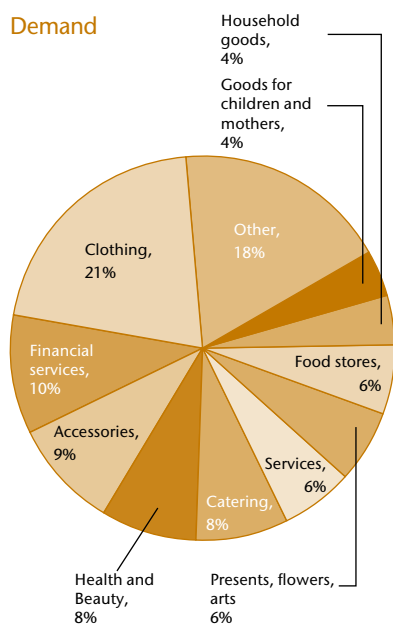
In Q3 2007 the supply of Class B warehousing premises was increased by a few projects. Nevertheless, the dominance of Class A premises in the total structure of supply was further increased by new stock.

From the beginning of 2007 the prices of construction materials have increased. In August 2007 the price of cement went up by 18% compared with July. On average, since the beginning of the year the price of cement increased by 30%. However, rental rates in the expensive segment of the warehousing market still remained the same.

### Key Events

- Parkridge Holdings announced its plans for the construction of a 150,000 sq m warehousing complex on Leningradskoe highway, close to Sheremet'ev airport. The first phase of the complex (40,000 sq m) is expected to be completed by the end of 2008.
- Deutsche Bank, AIG Global Real Estate and Redwood Group have completed transactions on purchasing Pushkino logistics park and a land plot for industrial construction in the Domodedovo district of the Moscow Region. The land was purchased from Capital Partners.
- The first phase of 17,000 sq m of Class A terminal in the Kaloshino industrial zone in Moscow, that belongs to Victoria company, has been officially commissioned. The second phase includes construction of similar warehousing terminal of over 27,000 sq m.

## Demand



Source: Knight Frank Research, 2007

## Moscow Retail Market

## Key indicators

Total high-quality stock, thousand sq m	4,713
Gross leasable area, thousand sq m	2,536
Commissioned in Q3 2007, thousand sq m	81
Gross leasable area commissioned in Q3 2007	50
Vacancy rate, %	1.6
Base rents (excluding operating expenses, and VAT(18%))* , \$/sq m/ year	600–2,400
Operating expenses, \$/sq m/year	120–200

\* For operators using around 100 sq m of space, located on the first floor

Source: Knight Frank Research, 2007

Three new shopping centers were opened in Q3 2007.

## Shopping centers opened in Q3 2007

Opening date	Name	Area, sq m		Parking spaces	Number of floors of the retail site
		Total	Retail		
25 August	AST	26,000	15,000	300, surface parking	4
25 August	Domodedovskiy	31,800	17,000	380, surface parking	3
2 September	Lotte Plaza	23,130*	18,130	450, underground parking	8

\* Retail site

Source: Knight Frank Research, 2007

**“Six shopping centers with 450,000 sq m of total area are expected to be opened by the end of 2007”**

## Forecast

## Largest shopping centers expected to be opened by the end of 2007

Name	Total area, sq m	Location	Developer
Ashan on Krasnosel'skaya	144,900	Krasnosel'skaya Verhnyaya st., 3a	Immochan
MEGA-Belaya Dacha, II phase	110,000	Kotel'niki town, 1st Pokrovskiy way, estate 5	IKEA Mos
Megapolis	72,000	Andropova av., estate 4-10	ZAO Mosrybhoz
Vremena goda	64,300	Kutuzovskiy av., estate 48	ZAO Oktan Plus-Alfa
Prazdnik*	34,800	Tushinskaya st., estate 13-15	ZAO Mosrybhoz
Semenovskiy, II phase	31,500	Semenovskaya sq., 1	ZAO San'ei-Moskva

\* Knight Frank exclusive consultant of the project

Source: Knight Frank Research, 2007



Pokrovka Suite Hotel,  
Pokrovka st., 40, building 2

## Moscow Hotel Market

### Key indicators\*

Total number of hotels	138
Total room stock	28,605
Number of hotels opened in Q3 2007	2
Total room stock in hotels opened in Q3 2007	384

\*The date is given for 3–5 star category hotels

Source: Knight Frank Research, 2007

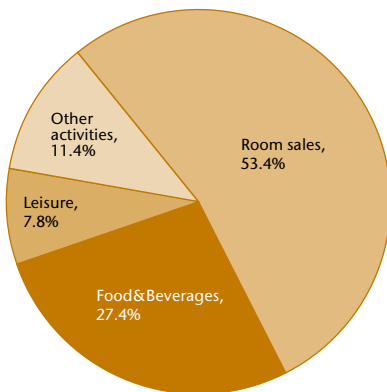
### Planned projects of foreign hotel operators in Moscow

Operator/Owner	Brand name	Category	Planned projects
Hyatt International	Grand Hyatt	5*	Grand Hyatt Moscow (Federation Complex)
InterContinental Hotels Group	Holiday Inn	3–4*	Holiday Inn (Volokolamskoe highway)
	InterContinental Hotels & Resorts	5*	5* hotel (on the place of the former Minsk hotel)
Best Western International	Best Western	3–4*	Best Western Sherrizone, part of complex on Begovaya st.
Accor Group	Novotel	4*	Gostiniy Dvor hotel
Carlson Hotels Worldwide (The Rezidor Hotel Group)	Radisson Hotels & Resorts	4*	Radisson SAS Olympiysky, Radisson SAS Belorusskaya, Radisson SAS Riverside
Hilton Hotels Corporation	Hilton Hotels & Resorts	4*	Hilton Moscow Leningradskaya (expected to open in March 2008)
Four Seasons Hotels & Resorts	Four Seasons	5*	Moskva hotel, hotel–residential complex on the place of the former Krasny Oktyabr' factory

Source: Knight Frank Research, 2007

**“The Average Daily Rate indicator continues to increase while the occupancy rate in Moscow is one of the lowest in Europe”**

Departmental revenue mix,  
% of the total revenue



Source: TRI Hospitality Consulting

### Three most expensive tourist centers in Europe by average daily rate, January – August 2007

City	Occupancy rate, %	Average Daily Rate (ADR), \$ per day	Revenue per Available Room (RevPAR), \$ per day
Moscow	65.9	301	198
Paris	79.5	301	239
London	83.8	289	242

Source: TRI Hospitality Consulting



Senator Business Centre,  
18th line, Vasilevskiy Island, 31

## St Petersburg Office Market

Key indicators	Class A	Class B
Total high-quality stock, thousand sq m		646.1
including, thousand sq m	78.7	567.4
Commissioned in Q3 2007, thousand sq m		55.4
including, thousand sq m	14.3	41.1
Vacancy rate, %	2.9	2.4
Base rents, \$/sq m /year	535–920	240–675
Operating expenses, \$/sq m /year	75–130	45–95

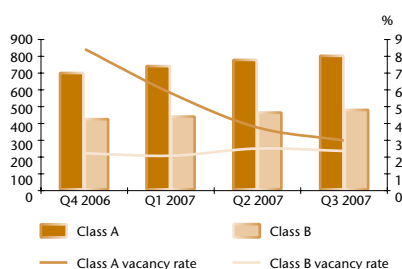
\* Excluding operating expenses and VAT (18%)

Source: Knight Frank Research, 2007

### Key events

- A Plus Estate has presented its Electric City project. The company is planning to build a 340,000 sq m multifunctional complex on the territory of the former Electric factory. The Class A office site of the complex will occupy more than half of the overall space. The rest will be allocated to shops, restaurants, fitness-centre, hotel, conference-hall, medical centre and a kindergarten. The complex will also offer underground parking with 2,800 spaces.
- Arsenal–Nedvizhimost' is investing in the construction of a multifunctional complex. The project consists of an office tower and a retail site and will be located in the Primorskiy district next to the projected Western speed line. The concept of the complex was developed by RMJM London Ltd. The business centre will have a 17-floor tower (27,000 sq m) with helicopter landing area.
- Adamant has renewed the dimensions of the Adamant–Park project. The project will be located on the intersection of Pulkovskoe highway and Dunaitskiy prospect. The 127,000 sq m multifunctional complex will include a Class A office site, a hotel, retail areas, restaurants, apartments, and a fitness-centre. The projects completion date is set for 2010.

Average rents (\$/sq m/year, excl. VAT) and vacancy rates (%) for Class A and B premises



Source: Knight Frank Research, 2007

### Key projects commissioned in Q3 2007

Name	Address	Developer	Total area, sq m	Class
Veda–House	Petrogradskaya emb., 20	Veda Systema	20,300	A
Dom Zingera	Nevskiy pr., 28	PAN	6,300	A
Senator, I phase	18th line Vasilevskiy Island	Imperia	20,000	B
Nord House	Kolomyazhskiy/Aerodromnaya	Story Invest	11,650	B

Source: Knight Frank Research, 2007

### Key projects planned to be commissioned in Q4 2007

Name	Address	Developer	Total area, sq m	Class
Korpus Benua	Sverdlovskaya emb., 44	UK Teorema	14,500	A
Sovereign	Maliy pr., Vasilevskiy Island, 24	Dimiks	9,000	A
Gavan'	Sredniy pr., Vasilevskiy Island, 88	Rosinvest	25,000	B
Renaissance Center	Shatelena st., 26	Renaissance Constr.	13,250	B
Stels	Borovaya st., 32/19	Matriks	10,000	B

Source: Knight Frank Research, 2007





MLP Utkina Zavod',  
St Petersburg

## St Petersburg Warehouse Market

Key indicators	Class A	Class B
Total high-quality stock, thousand sq m		694
Commissioned in Q3 2007, thousand sq m		140
Vacancy rate, %	7	5
Rents, \$/sq m/year	115–145	80–110
Operating expenses, \$/sq m/year	30–35	20–25

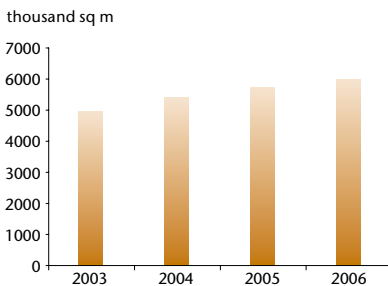
\* Excluding VAT, operating expenses and utility charges

Source: Knight Frank Research, 2007

### Key Events

- Espro Investment announced its plans to build the Mar'ino industrial park on 130 hectares next to Noydorf industrial zone. An investment fund will be created to finance the project. The fund will be managed by the VTB Bank. According to the project estimates, 8 Class A warehousing complexes offering 260,000 sq m of space will be built on 42 hectares. The investment volume into the project is estimated to be \$300 million.
- A cargo-handling terminal on 150–200 hectares of land will be built within the framework of Pulkovo airport development. Currently, the work is being done on attracting 30 billion rubles worth of investment. The terminal will be built on state-private ownership basis.
- Mediterranean Shipping Company (MSC), one of the world leaders in sea transportation, announced its plans to invest over \$0.5 billion into construction of container-handling terminal in Lomonosovo. The terminal is expected to handle up to 1 million TEU cargo and up to 300,000 cars every year. The MSC is also aiming at winning the strategic investor of the year award.

### Total stock (premises of all classes)



Source: Knight Frank Research, 2007

### Key projects commissioned in Q3 2007

Name	Location	Class	Area, sq m	Date
MLP Utkina Zavod', I phase	KAD	A	72,000	Q3
PNK-2	Shushary	A	40,000	Q3

Source: Knight Frank Research, 2007

### Key projects expected to be commissioned by the end of 2007

Name	Location	Class	Area, sq m	Date
Interterminal-Predportoviy	Kubinskaya st., 75/1	A	26,000	Q4
Warehousing complex	Shushary	A	20,000	Q4
Staraya derevnya terminal	Mebel'naya st.	B	22,000	Q4

Source: Knight Frank Research, 2007



The largest shopping centre commissioned in Q3 2007. Retail-entertainment centre Kontinent-2, Baikonurskaya st., 14a

## St Petersburg Retail Market

Key indicators	
Total high-quality stock, thousand sq m	2,990
Gross leasable area, thousand sq m	2,217
Commissioned in Q3 2007, thousand sq m	125
Gross leasable area commissioned in Q3 2007, thousand sq m	100
Vacancy rate, %	5
Base rents, \$/sq m/year: anchor tenants	100–500
retail operators	500–2,500

Source: Knight Frank Research, 2007

### Trends

- Chain shopping centers construction is becoming more popular among developers. In September 2007 Adamant opened its first chain project, Kontinent-2, on Baikonurskaya st., 14. The concept of Kontinent-2 is similar to the concept of Kontinent-1 on Stachek prospect, 99.
- The Primorsky administrative district in St Petersburg is leading in regards the number of retail premises commissioned in Q3 2007 (52.4%).
- Despite the fact that the actual number of specialized shopping centers commissioned in Q3 2007 decreased, their share in the total structure of all commissioned premises remains above 30%.

**“The total number of premises commissioned in Q3 2007 amounted to 125,600 sq m (18.7% of the declared annual volume). In total, there are 2.9 million sq m of retail space offered on the market”**

### Supply

In Q3 2007, 8 shopping centers have been commissioned in St Petersburg offering 125,600 sq m of space, the gross leasable area of which was estimated to be 100,400 sq m.

Shopping centers commissioned in Q3 2007				
Name	Address	Area, sq m		Developer
		total	retail	
Kontinent-2	Baikonurskaya st., 14a	43,818	32,500	Adamant
Promenad	Komendantskiy pr., 9A b.2	22,000	14,700	ZAO Simvol and OOO SIML
Yugo-Zapad/ NIK	Marshall Zhukov pr., 35a, b.1	15,500	10,540	Investor-Bank Tavricheskiy, AB Group
Maksidom	Dunaiskiy pr., 64	12,000	12,000	OOO Tekom
Metrika	Pargolovo village, Vyborgskoe highway, 214a	12,000	12,000	SBR Corporation / ZAO Megalit
Lenta	Hasanskaya st., site 1	9,000	9,000	OOO Lenta
Sportmaster	Pulkovskoe highway, 19	6,276	6,276	GK Sportmaster
Kondrat'evskiy	Kondrat'evskiy pr., 15	5,000	3,400	Investment-construction company SPLAV

Source: Knight Frank Research, 2007

In Q4 2007, 8 shopping centers are planned to be commissioned offering 229,400 sq m of space, the gross leasable area of which will be 158,900 sq m.



Ibis (Accor), St Petersburg,  
Ligovskiy pr., 54

## St Petersburg Hotel Market

Key indicators*	
Total number of hotels, excluding mini-hotels** and out-of-town projects	55
Total room stock, excluding mini-hotels** and out-of-town projects	11,702
Total number of hotels planned to be commissioned in 2007	6
Total room stock in hotels planned to be commissioned in 2007	982

\* The data is given for 3–5 star category hotels

\*\* Hotels with less than 30 rooms

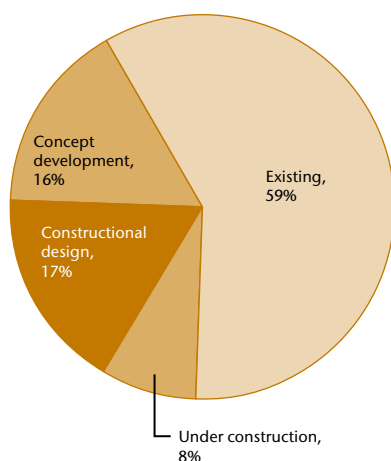
Source: Knight Frank Research, 2007

### Key Events

- Only one new hotel, Lancaster Court, was commissioned on the market between July and September 2007. This 3 star hotel is located on Fokina street, 3 and offers 40 rooms.
- Another 3 star hotel in the centre of the city, Ibis (part of European Accor chain), obtained state committee's approval in Q3 2007. The official opening is planned for the end of this year. The hotel contains 9,000 sq m of space and is located on Ligovskiy pr., 54. Kesko investment company spent around \$19 million on Ibis development.
- Hilton announced signing the strategic development agreement with London & Regional Properties Limited. The companies are planning to open 25 new hotels in Russia under the brands of Conrad, Hilton, Doubletree by Hilton, Hilton Garden Inn and Hampton by Hilton Hotels. The first hotel, Hampton by Hilton, is planned to be opened in Q1 2008 in St Petersburg.
- Sokotel announced its plans to construct five 4 star hotels in the centre of St Petersburg during the next six years. In total, the hotels will offer 1,000 rooms. The total investment volume into these projects is estimated to be over €185 million.

**“The number of hotels declared to enter the market as part of multifunctional complexes is increasing”**

The structure of existing and projected hotel supply in the St Petersburg market



Source: Knight Frank Research, 2007

Key hotels announced to be commissioned by the end of 2007				
Operator	Brand	Address	Category	Room stock
Sokos Hotels	Holiday Club	Volhovskiy lane 4, Birzhevaya line, 12	5*	300
Accor	Ibis	Ligovskiy pr., 54	3*	270
Best Western	Best Western Palmira	Konstitutsii, sq	3*	165

Source: Knight Frank Research, 2007



Kuhnstroy retail centre, Moscow,  
71st km of MKAD

## Investment market

According to the Russian Federal State Statistics Service, as of the end of June 2007, the accumulated foreign capital in Russia amounted to \$178.5 billion, 39.5% higher than in the corresponding period of the previous year. The biggest share in structure of foreign capital is accounted for other investments, investments given on a return-basis (credits given by international finance organizations, trade credits, and other) – 52.8% (50.1% at the of June 2006), foreign direct investment – 45.2% (48.1%), portfolio investments – 2% (1.8%).

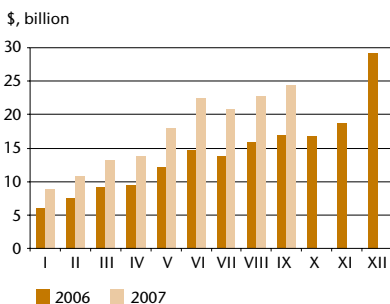
The highest investment activity on the Russian commercial real estate market is still seen in the retail and warehousing segments. The total volume of transactions concluded with the participation of foreign investors in Q3 2007 is estimated to be around \$1.4 billion

### Key transactions

- Dutch investment fund, BPT Avista A/S, purchased for \$20 million\* the 8,000 sq m Kuhnstroy retail centre on 71st km of MKAD.
- English development company, Parkridge Holdings, purchased for \$26 million\* a 40 hectares land plot on the Leningradskoe highway in Moscow. The land plot is planned to be used for warehousing complex construction.
- British investors Charlemagne Capital Limited, through its funds, purchased for \$37.5 million\* 3.01% of RGI International capital.
- Austrian investment fund Immoest purchased the project of Gudzon retail centre development in Moscow for €450 million\*\*.
- T.Rowe Price, an American investment fund, purchased for \$31 million\* another 1.24% of shares of OAO Sistema-Hals increasing its total share in the company to 1.84%.
- Deutsche Bank Global Commercial Real Estate (development division of Deutsche Bank) purchased a share of an office-hotel project development in Moscow near the Paveletskaya underground station. The project includes construction of four 11-floor class A office buildings and a hotel with 170 rooms (110,000 sq m including 1,000 parking spaces). The co-investors of the project development will be: Otkrytie (a finance corporation), Starr Investment (a New-York based private equity fund), American hedge-funds Old Lane LP and Alpha Capital.
- Within the framework of mutual enterprise, Raven Russian Limited reached agreement with Feliks (a construction company) on forward financing and construction of 109,000 sq m warehousing complex. The investment volume into the project is estimated to be \$112 million\*\*\*. The complex will be located in Klimovsk in the Moscow Region near the Simferopol'skoe highway 21 km from MKAD.
- Irish investment company, Quinn Group, purchased the 17,000 sq m Kaspiy retail-office centre (currently under construction) in the North-East of Moscow, and, the 70,000 sq m Avrora retail-entertainment centre in Ufa. The cost of the first transaction is estimated to be around \$40–50 million\*, the second around \$120 million\*.
- The consortium of Deutsche Bank, AIG Global Real Estate and Redwood Group closed the transactions of purchasing for \$330–350 million\* the 210,000 sq m Pushkino logistics park and 140 hectares land plot in the Domodedovo district of the Moscow Region from Capital Partners.

\* amount of the transaction  
\*\* projected investment volume  
\*\*\* projected final cost of the project

### Investment in fixed capital



Source: Russian Federal State Statistics Service



Avrora retail-entertainment centre,  
Ufa, Marshall Zhukov street

# Overview

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