

## Real Estate Investment Market

### News / Indicators

#### March – April 2007

#### Deals

- Morgan Stanley acquired 24.99% shares of RBI development holding (US\$ 50 million\*). It is the first transaction of Morgan Stanley in St. Petersburg.

\* - estimates

#### Capital Markets

- Deutsche Bank AG provided Dekmos a loan of US\$ 600 million for the Hotel Moskva reconstruction;
- United Industrial Corporation secured a \$750 million credit facility with Sberbank to develop the luxury residential project Pleshevo on Rublevskoe highway in Moscow.

#### Announcements

- On February 26, 2007 Rutley Capital Partners LLP, the real estate private equity arm of Knight Frank, announced the closing of the Rutley Russia Property Fund (RRPF), a new investment fund investing into commercial properties in Russia;
- London & Regional Properties intends to develop 20 hotels in Russian regions (US\$ 500 million\*\*);
- German company ECE Projektmanagement G.m.b.H. & Co. KG intends to invest around 1 billion euros in the development of shopping centres in Russia in the next 5 years;
- Raven Russia has entered into conditional legal contracts to forward fund and develop a 55,000 sqm Class A logistics and distribution complex close to Sheremetyevo Airport in Moscow in a 50:50 joint venture with a Turkish partner, EGL Holdings;
- Singaporean CapitaLand Limited entered into a Memorandum of Understanding with Eurasia Logistics to take up an initial 10% stake in Eurasia Logistics with the possibility of CapitaLand increasing its initial stake to about 25%;



Hotel Moskva reconstruction, 2, Okhotny Ryad street

- Capital Group announced the development of the luxury residential complex Imperial House at 6, Yakimansky lane (US\$ 250 million\*\*);
- Mirax Group will construct the underground retail and entertainment center Smolenska with a total area of 32,000 sqm (US\$ 90-100 million\*\*);
- Villagio Estate intends construction of the cottage settlement Millennium Park at Novorizhskoe highway, 24 km from MKAD (US\$ 700 million\*\*).

\*\* - projected development volume

#### Financial and Economic Indicators

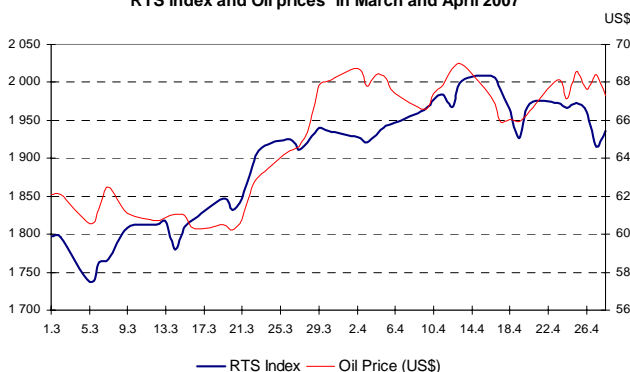
Indicator	February	March	April
Nominal GDP (in billions of roubles)	2,177	2,490	2,374
Inflation (monthly in %, by end of period)	1.1	0.6	0.6

Source: Ministry of Finance, Ministry for Economic Development and Trade

Indicator	Begin. of March	End of April	Change
International Reserves (US\$ billion)	315.3	369.0	+ 17.03% ↑
Stabilization Fund (US\$ billion)	103.55	113.70	+ 9.80% ↑
USD / RUR	26.1481	25.6851	- 1.77% ↓
EUR / RUR	34.5390	35.0653	+ 1.52% ↑
GBP / RUR	51.2189	51.3265	+ 0.21% ↑
RTS Index	1,857.82	1,935.51	+ 4.18% ↑

Source: Ministry of Finance, Bank of Russia, Russian Trading System

RTS index and Oil prices\* in March and April 2007



\* - Brent oil price, InterContinental Exchange Futures

Source: Russian Trading System, ICE