

**STRICTLY CONFIDENTIAL –
FOR ADDRESSEE ONLY**

Report and Valuation for

**MIRLAND DEVELOPMENT
CORPORATION PLC**

**Of the Properties together
known as**

**“THE MIRLAND DEVELOPMENT
CORPORATION ASSETS”, RUSSIA**

Date of Valuation

31ST OF DECEMBER 2011

Date of report issue

13TH OF MARCH 2012

Prepared by

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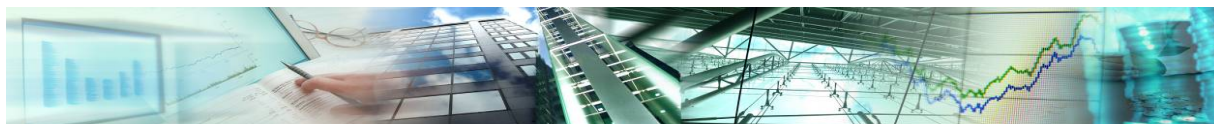
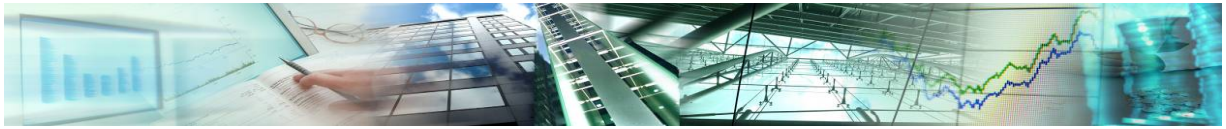


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For the attention of Mr. Roman Rozental

13TH of March 2012

Dear Mr. Rozental,

**MIRLAND DEVELOPMENT CORPORATION PLC ("the Company")
Various Properties Together Known As The "Mirland Development
Corporation Assets" ("The Properties")**

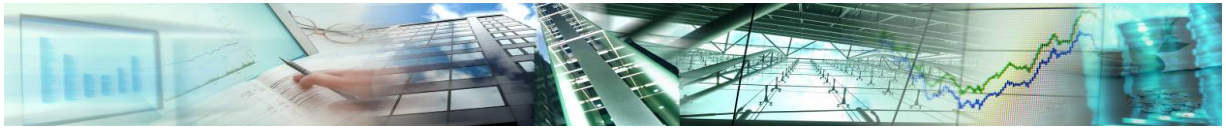
In accordance with the contracts between ourselves and MirLand Development Corporation plc dated 30th of June 2011 respectively, we have pleasure in reporting to you as follows:

I. SCOPE OF INSTRUCTIONS

We, Cushman & Wakefield (herein referred as "C&W"), have considered each property as set out in the Appendix.

We are instructed to prepare this Valuation Report for financial reporting purposes. The effective date of each valuation is 31st of December 2011.

Each valuation has been in accordance with the Practice Statements contained in the RICS Appraisal and Valuation Standards ("the Red Book") published by The Royal Institution of Chartered Surveyors and amended in May 2011 (7th edition). The valuation has been prepared by a valuer who conforms to the requirements as set out in the Red Book, acting in the capacity of an independent valuer.



We confirm that this Valuation Report is a Regulated Purpose Valuation as defined in the Red Book.

2. BASIS OF VALUATION

Each property is either: held as an investment; for development; or is in the course of development and has, as instructed and in accordance with the requirements of the Red Book, been valued on the basis of Market Value, as defined in the Red Book as:

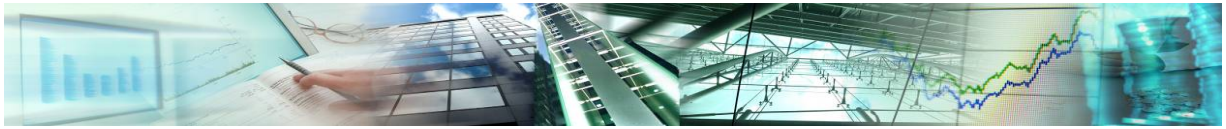
“The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably prudently and without compulsion.”

3. TENURE AND TENANCIES

We have not reviewed the Title Deeds or Leases and each valuation has been based entirely on the information which the Company has supplied to us as to tenure, tenancies and statutory notices. We understand each property is either held by the Company, its subsidiaries, or jointly with third parties. We have valued a 100% share of the tenure stated in each property, unless otherwise specifically stated, as if each property was held entirely by the Company as at the valuation date. We have not made any adjustment to value, which may be appropriate when considering fractional ownership for each individual property. In the summary below, an apportionment has been provided taking into account the share ownership of each property as provided to us by the Company. This is a straight apportionment based on these percentages, and no further deductions have been made to reflect minority share ownerships or the fact of fractional ownership. This number therefore may differ from the Market Value for the share ownership of individual properties, particularly when only a minority interest is held by the Company.

A number of properties are held leasehold on ground leases from Moscow City Government. The standard terms of these leases are that rents are reviewed annually (upwards, or downwards) in accordance with a city-wide formula that is set by the Moscow City Government. Each ground lease is subject to Term Extension Right Clause as standard, allowing for the extension of the duration of the lease upon expiry, on the same terms and conditions. However you should be aware that the effectiveness of the Term Extension Right Clause remains untested in the market because few leases have reached expiry. Our valuation assumes that the ground lease at each property can be extended in accordance with the Term Extension Right Clause.

Where a property is either “*currently in the course of development*” or “*held for future development*” and is held leasehold, the land leases generally confer the landlord’s permission to develop. Where the considered development scheme differs from that anticipated by the land lease, our valuation assumes that the required variation to the landlord’s permission will be forthcoming without material cost or delay. Where a property is to be held leasehold but the terms of the land lease are not finalised, our valuation takes into account any additional, reasonable, risks of delay and cost in receiving landlord’s permissions. We have assumed



that there are no unforeseeable circumstances that would cause additional cost or delay in excess of that generally experienced.

Unless disclosed to us to the contrary and recorded in the property descriptions, each valuation is on the basis that:

- a) the property possesses a good and marketable title, free from any unusually onerous restrictions, covenants or other encumbrances;
- b) where the interest held in the property is leasehold, there are no unreasonable or unusual clauses which would affect value and no unusual restrictions or conditions governing the assignment or disposal of the interest;
- c) leases to which the property may be subject are on standard market terms, and contain no unusual or onerous provisions or covenants which would affect value;
- d) all notices have been served validly and within appropriate time limits;
- e) the property excludes any mineral rights; and
- f) vacant possession can be given of all accommodation which is unlet, or occupied either by the Company or by its employees on service occupancies.

In certain cases we have been informed by the Company that land lease rights are “*in the process of being formulated*”. Unless otherwise stated our valuation is for a full share interest in the Property and assumes that a good and marketable title exists. This should be taken into account in consideration of individual properties. Where specific outstanding costs have been identified to us as being required to arrive at ownership of a full share interest in the requisite Property or in order to obtain the necessary permits, these costs have been taken into account in the valuation in full.

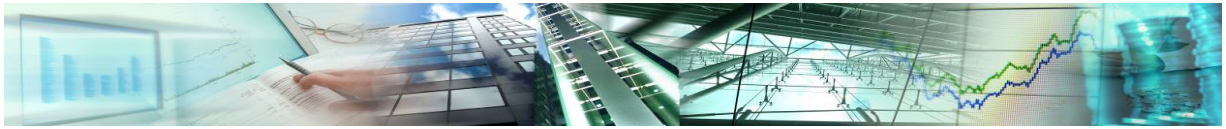
For some properties we have been informed by the Company that investment contracts are held for the development. In these cases our valuations assume that a ground lease and an ownership certificate will be issued upon completion of the development, as is normal development practice in Moscow.

4. NET ANNUAL RENT

The net annual rent for each property is referred to in the Schedule at Appendix One. Net annual rent is defined as:

“the current income or income estimated by the valuer:

(i) ignoring special receipts or deductions arising from the property;



(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and

(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the property and allowances to maintain it in a condition to command its rent”.

5. TOWN PLANNING

We have not made formal searches, but have generally relied on verbal enquiries and any informal information received from the Local Planning Authority, or from the Company. Each valuation is on the basis that the property has been erected either prior to planning control or in accordance with a valid planning permission and is being occupied and used without any breach of planning or building regulations. Except where stated otherwise, each valuation is on the basis that each property is not affected by proposals for road widening, Compulsory Purchase, planning inquiry, or archaeological investigation.

We are informed by the Company that for a number of “properties held for development”, the relevant planning permission approvals are either; “*in the process of being applied for*”, or “*in the process of being updated*”. Each valuation assumes that all required planning permission consents will be received within a normally acceptable timescale and that there are no such issues which would materially delay the issuance of the required consent, or have a material effect on value or marketability.

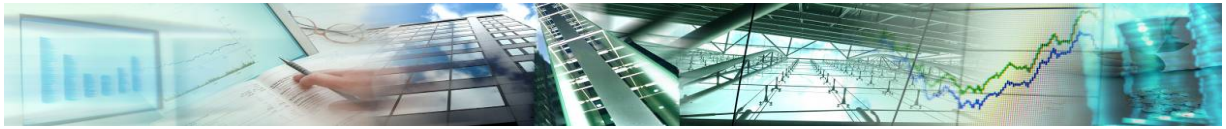
Although, where appropriate, we have considered the Company’s business plan to develop each property, each valuation reflects our opinion of an appropriate development that could reasonably be expected to form the basis of a bid for a property by a third party. I.e. the Highest and Best Use as defined by the International Valuation Standards has been considered for each property. The Highest and Best Use is defined in Paragraph 3.4 of IVS 1 as: “*The most probable use of a property which is physically possible, appropriately justified, legally permissible, financially feasible, and which results in the highest value of the property being valued*”.

6. STRUCTURE

We have neither carried out a structural survey of each property, nor tested any services or other plant or machinery. We are therefore unable to give any opinion on the condition of the structure or services at any property. Each valuation takes into account any information supplied to us and any defects noted during our inspection, but otherwise are on the basis that there are no latent defects, wants of repair or other matters which would materially affect each valuation.

We have not inspected those parts of each property which are covered, unexposed or inaccessible and each valuation is on the basis that they are in good repair and condition.

We have not investigated the presence or absence of High Alumina Cement, Calcium Chloride, Asbestos and other deleterious materials. In the absence of information to the



contrary, each valuation is on the basis that no hazardous or suspect materials or techniques have been used in the construction of any property.

7. SITE AND CONTAMINATION

We have not investigated ground conditions/stability and each valuation is on the basis that any buildings have been constructed, having appropriate regard to existing ground conditions. Where the property has development potential, our valuation is on the basis that there are no adverse ground conditions which would affect building costs. However, where you have supplied us with a building cost estimate, we have relied on it being based on full information regarding existing ground conditions. We have considered the Company's construction estimates in the light of typical market norms.

We have not carried out any investigations or tests, nor been supplied with any information from you or from any relevant expert that determines the presence or otherwise of contamination (including any ground water). Accordingly, our valuation has been prepared on the basis that there are no such matters that would materially affect our valuation.

8. PLANT AND MACHINERY

Where the interest held in the property is freehold, usual landlord's fixtures such as lifts, escalators and central heating have been treated as an integral part of the building and are included within the asset valued. Where the interest held in the property is leasehold (<50 years), these items have been treated as belonging to the landlord upon reversion of the lease.

Process-related plant/machinery and tenants' fixtures/trade fittings have been excluded from each valuation.

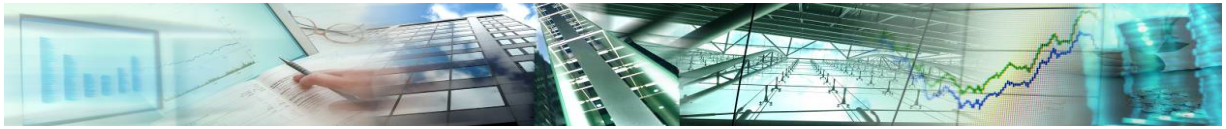
9. INSPECTIONS, AREAS AND DIMENSIONS

We have inspected each property internally and externally (except the properties held for development in Penza and Kazan) unless specific reference is made to a limited inspection. Further inspections have been carried out where there have been significant changes to any individual property, and these further inspection dates, where applicable, are identified in the property descriptions below.

No measured surveys have been carried out by C&W. We have relied entirely on the site and floor areas and dimensions provided to us by the Company. We have assumed that these are correct and calculated on the appropriate basis, as normally adopted by the local property market. Any references to the age of buildings are approximate.

10. GENERAL PRINCIPLES

Each valuation is based on the information which has been supplied to us by the Company or which we have obtained in response to our enquiries. We have relied on this information



as being correct and complete and on there being no undisclosed matters which would affect each valuation.

In respect of tenants' covenants, whilst we have taken into account information of which we are aware, we have not received a formal report on the financial status of the tenants. We have not been supplied with any information to indicate that there are material arrears or that the tenants are unable to meet their commitments under the leases. Each valuation is on the basis that this is correct. You may wish to obtain further information to verify this.

Where we have reflected development potential in a valuation, we have assumed that all structures at the property will be completed using good quality materials and first class workmanship and that the development scheme will let to tenants who satisfy the tenant mix policy and are of reasonable covenant status and on typical market lease terms.

Each valuation does not make allowance either for the cost of transferring sale proceeds internationally or elsewhere within the Company, or for any restrictions on doing so. No account has been taken of any leases granted between subsidiaries of the Company, and no allowance has been made for the existence of a mortgage, or similar financial encumbrance on or over each property. Where a grant has been received, no allowance has been made in our valuations for any requirement to repay the grant.

A purchaser of a property is likely to obtain further advice or verification relating to certain matters referred to above before proceeding with a purchase. You should therefore note the conditions on which this Valuation Report has been prepared.

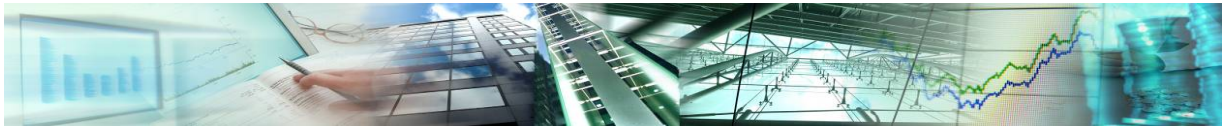
We strongly recommend that no disposal of any property should be undertaken without proper exposure to the market. Each valuation assumes that there is an active letting and funding market. This Valuation Report should be read in conjunction with the contracts referred to above, our terms of engagement and in particular our Standard Terms and Conditions of Appointment of Cushman & Wakefield as Valuers.

11. SPECIAL ASSUMPTIONS, RESERVATIONS AND DEPARTURES

We can confirm that each valuation is not made on the basis of any Special Assumptions or any Departures from the Practice Statements contained in the Red Book. Subject to the general limitations of our inspections and sources of information set out above, each valuation is not subject to any specific Reservations in relation to restricted information or property inspection.

12. CONFLICT OF INTEREST

We confirm that there are no conflicts of interest in our advising you on the value of the Properties.



The fee paid to us bears no impact whatsoever on the outcome of the appraisal. The goal of this Report is not to attain a previously agreed market value or its derivative, favorable to the interests of the Client.

13. DISCLOSURE

The members of The Royal Institution of Chartered Surveyors signing this Report have previously been the signatories to the valuations provided to the Company for the same purposes as this Valuation Report. C&W have previously carried out these valuations for the same purpose as this Valuation Report on behalf of the Company.

14. AGGREGATE VALUATION

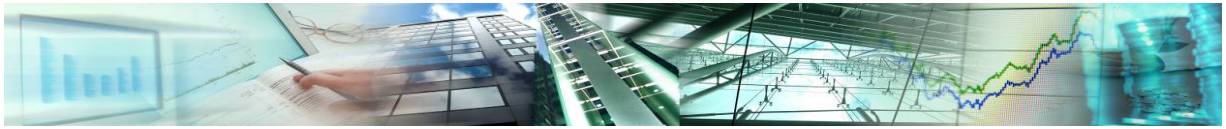
Subject to the foregoing, and based on values current as at 31st of December 2011, we are of opinion that the aggregation of the Market Value of each 100% share of each freehold and leasehold interest in each Property, as set out in the appendix, is the total sum of (rounded):

US\$953,300,000

**NINE HUNDRED FIFTY THREE MILLION AND THREE HUNDRED
THOUSAND US DOLLARS
NET OF VAT**

This sum may be apportioned as follows:

	Freehold (rounded)	Leasehold (rounded)
Properties held as Investments	US\$207,800,000	US\$229,700,000
Properties in the Course of Development	US\$87,600,000	US\$40,700,000
Properties Held for Development	US\$333,500,000	US\$54,000,000
Total	US\$628,900,000	US\$324,400,000



Based on the information supplied to us as regards ownership, we are of opinion that the Market Value of the Company's beneficial share in each Property, on the basis outlined above is the total sum of (rounded):

US\$853,600,000

**EIGHT HUNDRED FIFTY THREE MILLION AND SIX HUNDRED
THOUSAND US DOLLARS
NET OF VAT**

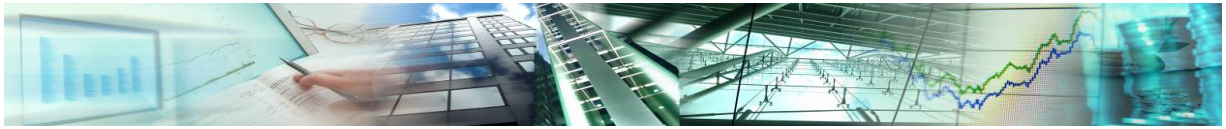
This sum may be apportioned as follows:

	Freehold (rounded)	Leasehold (rounded)
Properties held as Investments	US\$159,700,000	US\$182,200,000
Properties in the Course of Development	US\$87,600,000	US\$40,700,000
Properties Held for Development	US\$329,400,000	US\$54,000,000
Total	US\$576,700,000	US\$276,900,000

The valuation stated above represents the aggregate of the current values attributable to the individual properties and should not be regarded as a valuation of the portfolio as a whole in the context of a sale as a single lot. We set out the value ascribed to each property in the appendix.

We have considered an appropriate development commencement date and development period for each property in isolation, based on each property's particular circumstance. Each valuation does not consider any effect of multiple properties being developed concurrently (e.g. any resource, expense or savings issues if undertaken by a single developer), or released to the market (occupation or investment) together.

The Summary Valuation Schedule shows our opinion of the appropriate discount rate on an un-leveraged basis as used in the Market Valuation for each property. This discount rate is calculated on the assumption that each property would be held for a reasonable period to allows stabilisation of income upon development completion, with the exception of the development of residential property for sale, and that no debt is used.



15. CONFIDENTIALITY

The contents of this Valuation Report are intended to be confidential to the addressees and for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents. Before the Valuation Report or any part of its contents are reproduced or referred to in any document, circular or statement or disclosed orally to a third party, our written approval as to the form and context of such publication or disclosure must first be obtained. For the avoidance of doubt, such approval is required whether or not this firm is referred to by name and whether or not our Valuation Report is combined with others.

Notwithstanding the preceding paragraph, our prior written approval shall not be required for the reproduction and inclusion of this report, in its entirety or only parts of this report, in respect of the MirLand Development Corporation financial reporting related to its public listing at AIM and TASE.

Yours faithfully

For and on behalf of Cushman & Wakefield

Stanislav Bibik MScSurv CCIM MRICS

Partner

Valuation & Advisory

Oxana Pertsevaya

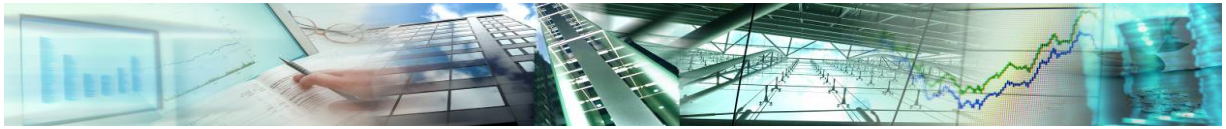
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APPENDIX ONE

VALUATION METHODOLOGY

GLOBAL ASSUMPTIONS

SCHEDULE OF VALUES

PROPERTY SCHEDULES : SUMMARY TABLE

PROPERTY SCHEDULES : PROPERTIES HELD AS INVESTMENTS

PROPERTY SCHEDULES : PROPERTIES IN COURSE OF DEVELOPMENT

PROPERTY SCHEDULES : PROPERTIES HELD FOR DEVELOPMENT

VALUATION METHODOLOGY

There are three generally adopted approaches used to value property: *The Sales Comparison Approach*; *The Income Approach*; and *The Cost Approach*. We have valued the properties using the income approach, taking account of sales comparables where available. The cost approach has not been used as this produces a “Non-Market Value” suitable for financial statements relating only to “specialised properties”. An overview of The Sales Comparison Approach and The Income Approach and how these relate to the Russian Market, follows.

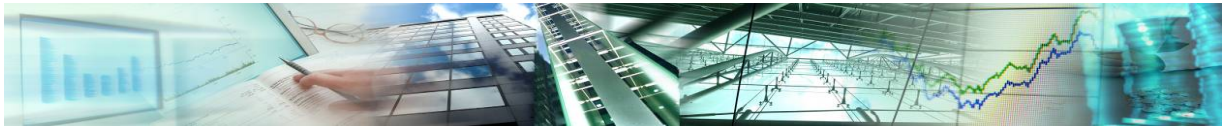
The Cost Approach

Under IVS this approach is relevant to specialised properties (i.e. properties that are rarely if ever sold on the open market ... due to their uniqueness which arises from their specialised nature and design of the buildings, their configuration, size, location or otherwise) and Limited Market Property (i.e. properties that because of market conditions, unique features, or other factors attract relatively few buyers).

The Sales Comparison Approach

This method involves analysing all available information on sales of comparable properties that have taken place and making adjustments in the prices achieved to reflect the differences in the properties sold and the property to be valued. This approach hinges on the availability of reliable market evidence of comparable sales. Distinction must be drawn between information that is known to be accurate and reported information that is second hand or at best hearsay. Only information that is known to be accurate can be relied upon with any degree of comfort to provide an accurate valuation.

There are severe difficulties of applying this valuation approach in emerging real estate markets, including Russia, as due to their comparative immaturity the availability of reliable market information is very limited. To reflect this, the International Valuation Standards Committee (“IVSC”) (the leading international body for setting valuation standards) devoted a recent White Paper to the study. It identifies specific problems for valuers in



emerging markets, which apply very well to Moscow and to Russia – and these problems also tend to inhibit the operation of the market as a whole, in particular as regards investment.

The principal problem is a lack of transparency and a relatively low volume of recorded deals. In mature property markets there is a wealth of information available on completed sales transactions, in the form of yields and total sales prices, and this makes it relatively straight-forward to apply this valuation technique to any property. In Russia this sort of information is often not available, and where the details of transactions are publicized their accuracy cannot always be guaranteed. In addition, a large number of sales transactions in Russia take place “off-market” and therefore details of them are seldom known beyond those who were party to the deal.

The volume of completed deals is very low in all sectors of the Russian real estate market. In addition – as outlined above, deal information is rarely reported accurately and is often manipulated for other reasons benefiting the separate parties to any sale deal. Therefore it is often necessary to use offered prices as a basis for assessing the opinion as to value using the sales comparison approach.

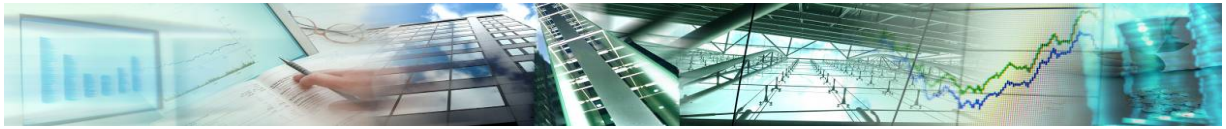
Development sites are transacted, but these transactions are usually “off-market” and therefore reliable comparable information is therefore only available to the parties to the transactions and their advisers – who are usually bound by confidentiality restrictions.

We are aware of the details of a number of transactions of land held for development. This comparable information has been taken into account in assessing the valuations herein, and where possible these comparables are referred to. However – in most cases we are bound by confidentiality and therefore can only provide guideline information.

We applied this method where it was applicable in order to develop our judgement on the market value of each property.

For the purpose of this valuation we applied this method to the properties where it was possible to find relevant comparable offers and information on their status and price. This method was applied while valuing land plots, intended for retail complex development in Penza and Kazan and a land plot in Saratov, intended for development of a logistics complex.

In respect of the land plot in Moscow (Skyscraper project), it should be stated that there are no similar comparables, possessing identical characteristic. Therefore we applied only the DCF method while valuing these Properties.



GLOBAL ASSUMPTIONS FOR THE SALES COMPARISON APPROACH

We have used the Sales Comparison Approach to develop an opinion of land values. Within this approach, we have analyzed prices offered by owners for similar sites in the market. In making comparisons, we have adjusted the sale prices for differences between the Properties and the comparable sites. If the comparable was superior to the subject, a downward adjustment was made to the comparable sale. If inferior, an upward adjustment was made.

In the valuation of the freehold interest in the Properties, the Sales Comparison Approach has been used to establish the prices being paid for similarly zoned land. The most widely used and market oriented unit of comparison for properties with characteristics similar to those of the subject is the sale price per square meter of land area. All transactions used in this analysis are analyzed on this basis.

The major elements of this approach include tenure, permitted use of the land plot, status of the comparable, location of the property, its size, access to public utilities, documentation and technical conditions.

Discussion of Adjustments

While assessing the adjustments, we were guided by common practice and based our assumptions on our previous experience in valuation of similar kind of assets.

Tenure

This adjustment describes the type of rights in regards of the property: freehold or leasehold. Practically all comparables used are held freehold as well as the subject Properties. Whereas the comparable is held leasehold for 49 years, an adjustment of 10% is considered to be appropriate.

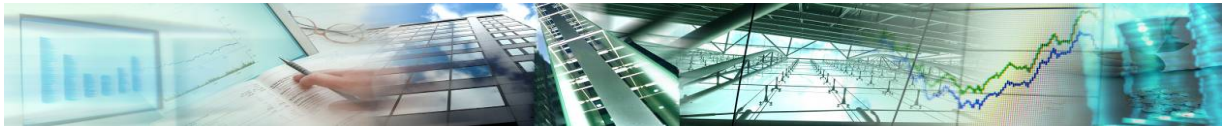
Status

Adjustments for the type of comparable usually reflect the status of the comparable itself. As all comparables are open offers, we made necessary adjustments taking into account the discount that each owner is ready to give to the buyer. General market practice shows that owners are ready to give a 5-10% discount to the offer price. We made downward adjustments of 10% to reflect this fact.

Permitted use

This adjustment describes the permitted use every land plot has got. As all comparables have one and the same permitted use as the Properties, we did not make any adjustments in this respect.

As there were no deviations from the applicable zoning plan, no adjustments have been made in this respect to the subject Properties.



Project Documentation and Technical Conditions

Existence of Project documentation and Technical conditions of different utilities always significantly increases the value of the land plot. This adjustment represents a money-based adjustment, which is measured not in the percentages but in the amount of money per 1 sq. m. invested into the project and connected with acquisition of all necessary documentation and technical conditions. In our case this adjustment was applied in respect of the Kazan land plot, which is undergoing the Project stage.

Location

An adjustment for location is required when the location characteristics of a comparable property are different from those of the subject property. We have estimated the data relative to the location of the subject Properties including their specific location and immediate surroundings. Based on our analysis, we have made a downward adjustment to those comparables considered superior in location versus the subject. Conversely, an upward adjustment was made to those comparables considered inferior.

Size

The size adjustment generally reflects the inverse relationship between the unit price and the lot size. Smaller lots tend to sell for higher unit prices than larger lots, and vice versa. Hence, upward adjustments were made to larger land parcels, and downward adjustments were made to smaller land parcels.

Public Utilities

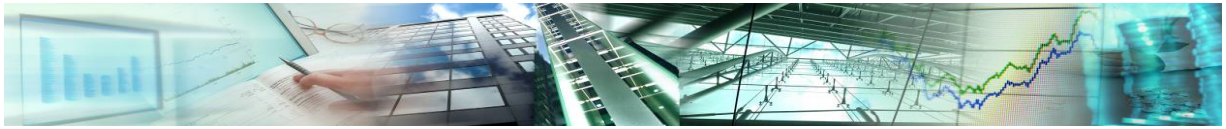
The public utilities adjustment usually reflects access to all necessary utilities such as gas, electricity and water supply. We have made a downward adjustment to those comparables where all technical conditions were agreed whereas for the subject Properties it was assumed that all necessary utilities are located nearby.

In regards to the Saratov land plot, this adjustment represents a money-based adjustment, which is measured not in the percentages but in the amount of money per 1 sq. m. invested into the project and connected with acquisition of necessary utilities – in our case the money was invested into the laying of electricity, construction of electricity sub-station and acquisition of technical conditions on 6Mwt of electricity.

Weight

Taking into account nature, character and main characteristics of the comparable land plots, while valuing the land plots in Penza, we have weighted the adjusted values in order to come to the market value per 1 sq. m of the subject Property. Bigger weights were given to those Comparables, which are more similar to the subject Properties in their main characteristics and therefore their adjusted value better reflects the market value of the subject Property.

On the basis of all adjustments made we have estimated the market value for the subject Properties, derived from the average meaning of the adjusted prices for comparable sites or weighted average where appropriate. Summary tables are presented in the Appendix 6.



The Income Approach

The most commonly used technique for assessing Market Value within the Income Approach is Discounted Cash-flow. This is a financial modelling technique based on explicit assumptions regarding the prospective cash-flow to a property or business and the costs associated with being able to generate the income. To this assessed cash-flow is applied a market-derived discount rate to establish a present value of the income stream. This Net Present Value ("NPV") is an indication of Market Value¹. This approach is considered to be the most sophisticated valuation technique, because it allows differences between comparable sales and the subject property to be explicitly considered and analysed. It is therefore less based on subjective judgements but objectively on market available information.²

For the basis of the current valuations where for the majority of properties consents exist for a specific type of development, the income approach is the most relevant. The residual value for properties under development or properties held for future development is the NPV of all future income streams less the NPV of all future costs. The costs include all of the development costs still outstanding in respect of each property, taxes paid over the operation incomes and tax for the sale of assets, and future incomes are assessed based on current returns for completed properties of a similar nature in the market adjusted to reflect the expected completion date for the particular project and anticipated future trends in rents and / or sales prices.

The difficulty in applying this method in the Russian market is assessing the correct market derived discount rate, due to the very small number of transactions, the lack of transparency in the reporting of information and in the wide variations in returns required on projects from different investors.

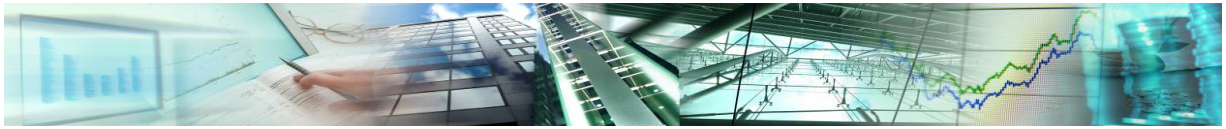
The costs and incomes associated with the project have been assessed on the basis of standard construction costs in the market together with property or project specific information provided by the developer and current market returns adjusted to reflect anticipated future trends.

In order to assess the residual valuation of the land a discount rate has to be applied to the projected cash-flows. The discount rate is market derived and reflects the minimum returns a typical investor would require to undertake a project of this type. This approach then provides the maximum value that an investor would be willing to pay for the land in its current condition, being the Net Present Value of all identified future costs and incomes at the necessary rate of return.

In the Russian market this approach specifically excludes the use of debt and the effect of leverage. The availability of debt, and on what terms, varies widely from investor to investor, and there is no market standard – especially in a comparatively immature debt market such as Moscow. Pre-debt discount and capitalisation rates are therefore used to represent the risk-return requirement of investors.

¹ International Valuation Standards Sixth Edition – Guidance Note 9

² International Valuation Standards Committee Newsletter - Global Valuation Issues (Sept. 2003)



GLOBAL ASSUMPTIONS FOR THE INCOME APPROACH

For the subject Properties some general assumptions have been made in developing the residual valuations.

These are summarised below:

Acquisition Cost

The properties are mainly owned. However, in the modelling process the Market Value for a third party purchaser has been treated as the initial investment;

Development Proposals

It has been assumed where project documentation exists that any development would conform to the overall sizes as provided to us unless it is reasonable to assume that development could take place in some other form;

Utilities & Road Improvement

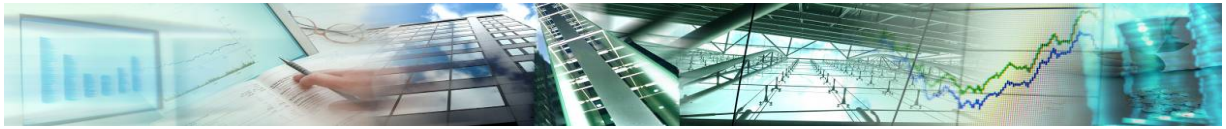
In Russia the cost of providing utilities and executing necessary road improvements can vary widely. Where utilities need to be provided or road works executed it has been assumed that the cost estimates supplied to us are accurate;

Construction Phasing

All projects, unless specifically stated otherwise, have been assumed to be constructed in one phase. Due to the size of the Saint Petersburg (Residential and Trade Centre), Yaroslavl Phase 2 and Perkhushkovo projects it has been assumed that they would be phased and that the phasing would be designed to maximise the returns from the site;

Construction Costs

Construction costs have been assessed in accordance with standard rates in the market that a third party developer / purchaser would expect to have to pay in the course of the development of each project. All the costs were provided to us by the Company, a reliable and a well-known developer, and were then double-checked by ourselves, based on the tables and construction costs guidance that we have got in-house as well as the data on other developments in Russia that we have from the information provided on other valuation projects;

**Construction Contract**

An advance payment is included in the cost calculations, which is charged to the first quarter of the construction contract. A hold-back against defects requiring remedy is also included and is charged to the quarter after completion of construction of the relevant phase. The remaining construction costs are applied equally throughout the development period;

Permit & Design Costs

Where there are outstanding permitting costs these have been assessed in line with the anticipated numbers as supplied by the client as, once again, there can be a wide variation in the permitting costs. Design costs – where appropriate have been assessed in line with market standards;

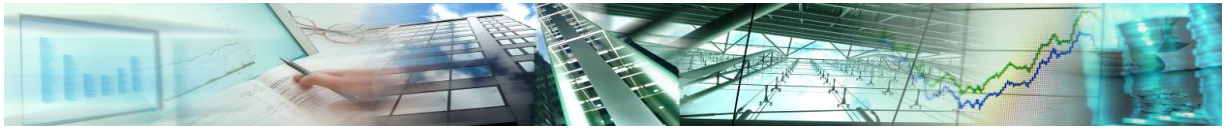
Assumed Sale

In order to assess the capital value of a completed development, we have assumed that a property is to be held upon completion for a period until the net income stabilizes, and thereafter is sold. Taxes for the operation period and for the sale of assets were deducted from the proceeds (See taxes below). This is a valuation technique and does not necessarily represent the intention of the owner;

Discount Rate

We have considered the perceived risk associated with the subject Properties, as there is a direct correlation between a property's perceived risk and expected rate of return to an investor. Based on our knowledge of required rates of return for various investments, in particular real estate, as well as through discussions with persons active in the real estate market of Moscow, St. Petersburg and other regions, we have been able to estimate an appropriate discount rate that reflects the perceived risk and required rate of return for a property such as the subject one.

The term "discount rate" is a rate of return used to convert a monetary sum, payable or receivable in the future, into present value. Thus the discount rate is used to determine the amount an investor would pay today (present value) for the right to receive an anticipated stream of payments (e.g., cash-flows) in the future.

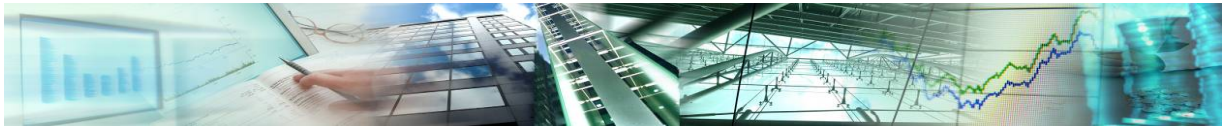


Generally, the discount rate is the rate of return that would be required by an investor to purchase the stream of expected benefits (e.g., future cash-flows), given the risk of achieving those benefits. Risk is generally defined as the degree of certainty or uncertainty as to the realisation of expected future returns. In terms of a discounted cash-flow projection, this can be interpreted as the probability and extent to which the future projections will be realised. In other words, it is the risk of achieving the projections.

The discount rate selected must be based on the same definition of cash-flow utilised in the valuation model.

The level of yield may vary in different areas of each region for many reasons such as condition, desirability of location, which might be related to such factors as accessibility, visibility, reputation, etc. Investors expect larger returns when investing in high-risk income properties. A discount rate, appropriate for each Property, was applied in each case.

While assessing the yields, we as appraisers had to work in conditions of market slowdown. As a consequence, there has been a significant reduction in market evidence upon which to base our valuation and so we have had to exercise a greater degree of judgment than usual. This is due to low level of investment activity which results in an imbalance between supply and demand therefore leading to forced transactions and distressed sales. Therefore we based our valuation on our overall experience and our knowledge of the market. While assessing an appropriate level of yields to each property in the portfolio, we used the available information about generalized capitalization rates for a certain real estate sector and a certain balance between prudent sellers' and willing buyers' expectations as well as analyzed general trends and correlations between all market variables. Therefore the yields were mainly derived from the market perception and knowledge rather than from any kind of mathematical calculations, which cannot be fully relied on in view of the market volatility and low activity. All the



numbers were confirmed internally with our in-house investment team that has its own range of external and internal sources of information, which is formed on the basis of regular discussions with buyers and sellers, available market data as well as with other consulting and investment companies.

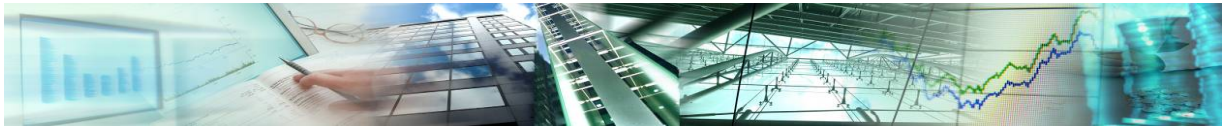
When analyzing the level of yield for Mirland Business Centre properties located on 2nd Khutorskaya Street, we have analyzed perceived level of risk associated with these properties which is discussed in greater detail below.

Based on the analysis of all salient facts and available information we have assessed the level of discount rate for MAG and Hydromashservice business centres as 12%.

When assessing the level of yield for Century building, we based our choice of the discount rate on the fact that the building was partly over-rented with a binding lease contract which was also taken into account in our valuation. Taking into account existing leasing and marketing risk for the property and considering the timing and the lease terms applied in the valuation, we have appropriately set a discount rate for the subject property at the level of 13%. We believe this provides a reasonable risk premium.

During our analysis of Tamiz office building we have taken into account all the relevant characteristics of the building and the fact that at present it has 20% vacancy rate. Taking into account the above information we are of the opinion that a discount rate of 12.5% represents a reasonable level of yield for the subject property.

In regards to the yielding retail projects in the regions, we analyzed these Properties in terms of their characteristics, location and income generating ability. Taking into account the above information we are of the opinion that a discount rate of 12.5% represents a reasonable level of yield for shopping centers in Yaroslavl and Saratov;

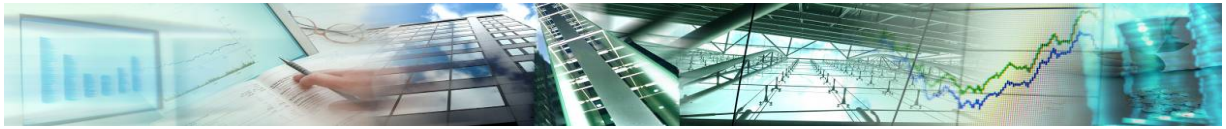


Exit Capitalization Rates

The capitalization rates are derived from our analysis of recent market transactions, together with our market knowledge derived from Cushman & Wakefield's investment agency coverage. In view of the current state of the market a greater degree of judgment was applied than would be the case in more mature markets where there is a large amount of transactional evidence. Nevertheless the yield levels used in the valuation calculation are based on market evidence and our experience of working with investors looking to invest in the market and our knowledge of the levels of return that they are seeking from their investments.

It is necessary to note that the Russian investment market has shown significant growth in 2011 with prime capitalization rates at the end of the year at the level of 8.9-9% for offices, 9-9.5% for retail premises and 10-10.5% for warehouse properties. On the basis of our market analysis, our discussions with major investment market players and recent capital markets transactions, both executed and in the process of final negotiations, we have been able to assess the exit capitalisation rates for the subject commercial properties.

Now most of the money interested to move into the market is focused on the best assets in Moscow. In addition, well managed properties with good reputation and solid rent rolls will command a scarcity premium and will be most attractive to buyers and bankers alike. We believe that the improvement in macro fundamentals will lift interest in the retail and warehouse sectors, particularly once consumer spending accelerates to the extent we believe it has. Residential property is also attractive key of interest. Market capitalisation rates have been projected based on the assessment that the property investment market for Moscow, Saint Petersburg and the regions will become more sophisticated over the period and that the number of active investors will increase. We consider these to be both logical and appropriate;



Rental Rates

Rental rates for commercial office and retail spaces have been projected together with capitalisation rates, for the period of the cash-flow. Sales prices for residential developments have been assessed for the reasonably expected completion dates. These figures are based on research carried out by Cushman & Wakefield and market information.

In respect of commercial rents they have been assessed on a conservative projection of future market movement. They therefore provide realistic minimum figures that it is anticipated can be achieved;

Rental Rates Growth

Due to reviving market, its recovery and rather positive forecasts of the market experts and analysts, we decided to apply a moderate rental growth of 3% for all office premises for the whole duration of a forecasting period.

Growth rates for Residential part of Triumph Park in St. Petersburg were estimated at a conservative level of 5%. Taking into account general market trend of 5%-10% price growth on residential apartments in prime location in St. Petersburg, we believe this is reasonable.

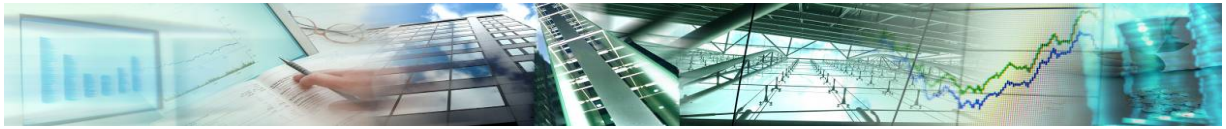
Growth rate of 10% was adopted for Perkhushkovo cottage settlement taking into account average market trend of 10-15% price growth on cottages of this type and in this direction and distance from MKAD;

Sale Prices

Sales prices for residential properties have been analyzed on the basis of the current sales program together with the current market situation. In addition, we have analyzed the current deals in the market as at the date of valuation;

Review / Renewal Period

This is the length of the initial leases. The rents for the initial leases remain fixed for their entire term, in line with current market practices where indexation and rent reviews are not prevalent, and the rent during this period will depend upon the prevailing market rental rate in the year of completion. The assumed length of initial leases varies depending upon the property class – office leases are typically 5 years and retail leases are typically 3 to 5 years;



Vacancy Rate

Vacancy has been assumed for the duration of each project and depends upon the property class, its location, the local market and the relative merits of each anticipated project. Vacancy rates in a cutaway view of each particular Property in each particular city were agreed with our internal brokers' departments, which have deep knowledge and large experience in all sectors of commercial real estate all over Russia;

Operating Expenses

Operating expenses include the following expenses: Utilities, Insurance, Security, Legal, Land Rent, Taxes (including Property Tax), Audit, Technical operation, Administrative expenses.

For the purposes of our analysis we analysed all operating expenses associated with each property by comparing operating expenses, covered by tenants and operating expenses paid by the Company. As a result we have identified Non-Recoverable Costs for each Property that reduce the net income in each period.

For Yaroslavl Vernissage Mall there are no non-recoverable costs as all of them are covered by tenants.

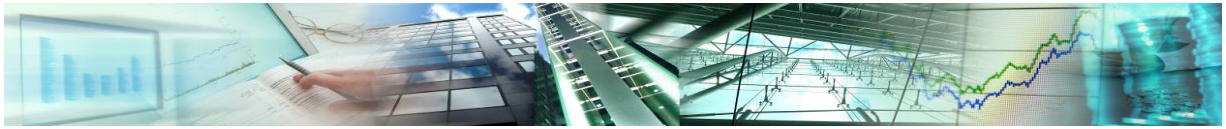
For residential properties it is assumed that operating expenses will be passed through to residents in the form of a service charge or similar;

Turnover

On the basis of our inquiries we have identified that Triumph Mall in Saratov and Vernissage Mall in Yaroslavl are subjects to an additional income stream in the form of turnover rent that we consider to be in line with market current as at the valuation date. Turnover rent is payable when determined in the agreements percentage of the annual turnover net of VAT exceeds the amount of the annual base rent net of VAT;

Security Deposit

It is common for tenants to pay security deposits in the Russian market which are held interest free by the Landlord and offset against the last relevant



period of the lease. Standard levels of Security Deposit have been assumed for different property classes. These deposits are treated as financing cash-flow and will be off-settable against the final relevant period of each lease;

Debt Assumptions

In assessing the Market Value of property it has been assumed that no debt is used. There are wide variations as to the financing terms available in the as yet immature Russian property finance market and it is not therefore possible to apply standard terms. Therefore unleveraged yields are used to provide a consistent approach;

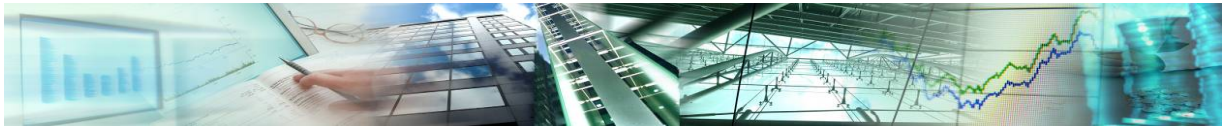
VAT Rate

The VAT rate has been taken at the current rate of 18% introduced at the beginning of 2004. The VAT rate is of importance because although in theory VAT in Russia is immediately recoverable from the government the practice is slightly different. The VAT paid on construction and other development costs is considered a VAT credit account in favour of the landowner. VAT on future rents can be retained and offset against the VAT account until it is zeroed out. This has a significant effect on cash-flow. For the purchase of existing properties VAT is payable in respect of that part of the purchase price apportioned to building improvements. VAT is not payable in respect of the part (or whole) of the purchase price that relates to the land plot (or land lease).

It has been assumed that all of the costs in association with the development of the project will be subject to VAT and also that all of the tenants (where appropriate) will be VAT paying. Where applicable the current VAT credit account has been taken into account – depending upon the tenure of the property. I.e. freehold property sales are subject to VAT, but sales of shares in a company are not. For the purposes of this valuation all properties have been assessed on a freehold basis as opposed to the existence of any SPVs;

Cash Reserve

A contingency account against future capital expenditures is a prudent measure. Contributions to



this cash reserve have been set depending on the different criteria of each proposed development;

Agent's & Brokers Fees

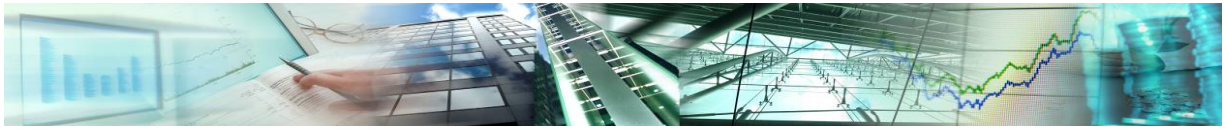
Standard market practice is to use brokers to lease commercial space. This has been taken into account;

Taxes

Similarly property tax is payable on the book value of any property, excluding that part that relates to the underlying land value, currently at 2.2% and the nature of the tenure will affect the overall level of property tax payable. There may also be effects on the level of other taxes payable due to the type of tenure. The standard corporate profit tax rate is currently at 20% and has been included in our financial analysis, i.e. taxes were deducted from the operation profits during the operation period and from capital gains due to sale of assets;

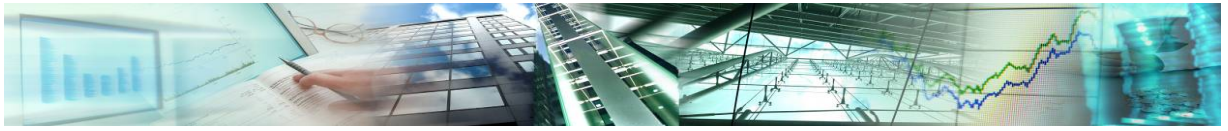
Development Assumption

The current Report and Valuation are based on the assumption that all concepts proposed by the Company are legally possible and the proposed development schemes will be realized by the Company under current conditions and commercial terms. Therefore the Values provided are related to the size and use of the planned project, but are subject to change, the risk for which is taken into account in the discount rates applied.

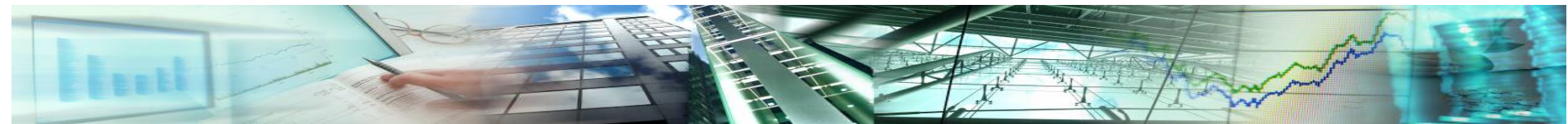


SCHEDULE OF VALUES

A summary table is included below. The appendices contain information for each of the individual properties within the classes of: “Properties *held* as investments”, “Properties *in the course of development*”, and “Properties *held for development*”.



SUMMARY TABLE



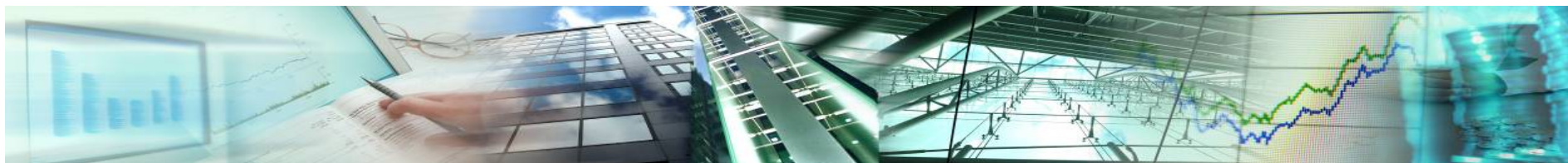
MirLand Development Corporation Assets - Overview of Market Values as at 31st of December 2011



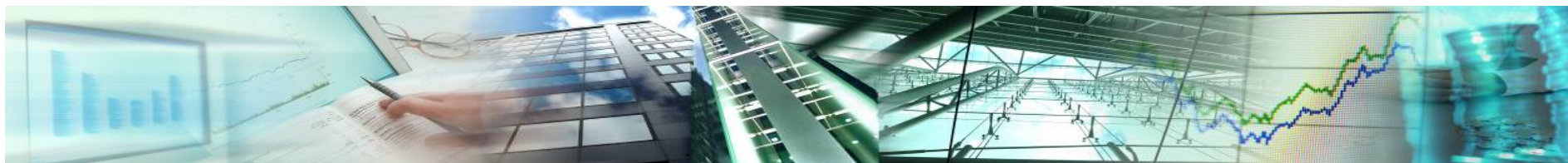
Ref.	City	Property Name and Address	Portfolio Market Value as of 31st of December 2011	Percentage Owned by MirLand	MirLand Market Value as of 31st of December 2011 (Rounded)	Total sqm of Land	Projected Net Leasable / Saleable Area in sqm upon Completion (excl. Parking)	Market Value per sqm of Projected Net Leasable Area	Discount Rate	Projected Exit Date	Projected Exit Capitalisation Rate for Commercial	Projected Exit Sales Price (Uncompleted Only)	Projected Corporate Profit Tax on Exit Sales Price of Commercial Units (Uncompleted Only) Rounded	Projected Exit Sales Price per sqm of Net Leasable Commercial Area (Uncompleted Only)	Total Outstanding Investment (excl. VAT & Land for commercial properties and incl. VAT for residential projects)	Total Commercial Income as of 2011 Market Rental Values (Assuming 100% Occupancy and Fully Completed)
001	Moscow	Hydromashservice, 2-Khutorskaya str., 38A	\$69 100 000	100%	\$69 100 000	12 237	16 696	\$4 139	12,00%	Completed	9,00%	Completed	Completed	Completed	Completed	\$5 921 000
002	Moscow	MAG, 2-Khutorskaya str., 38A	\$63 700 000	100%	\$63 700 000	21 940	18 392	\$3 464	12% / 14%	Completed	9% / 9%	Completed	Completed	Completed	Completed	\$7 092 000
003	Moscow Region	Western Residence, Perkhushkovo, Odintsovsky district	\$87 600 000	100%	\$87 600 000	225 300	65 619	\$1 335	14% / 18%	2016	Residential	\$122 101 000	Residential	Residential	\$27 928 000	Residential
004	Saratov	Triumph Mall, 167 Zarubina street	\$110 600 000	100%	\$110 600 000	22 000	27 305	\$4 051	12,50%	Completed	10,50%	Completed	Completed	Completed	Completed	\$11 050 000
005	Moscow	Skyscraper, Dmitrovskoe schosse, 1	\$45 200 000	100%	\$45 200 000	9 079	92 000	\$491	18,00%	2018	8,50%	\$757 127 000	\$87 993 000	\$8 230	\$281 055 000	\$58 362 000
006	Saint Petersburg	Triumph Park, Residential	\$285 200 000	100%	\$285 200 000	326 651	630 900	\$452	19,00%	2014-2021	Residential	\$2 159 321 000	Residential	Residential	\$937 244 000	Residential
007	Saint Petersburg	Triumph Park, Trade Center	\$21 000 000	100%	\$21 000 000	81 663	117 775	\$178	20,00%	2017/2019	9%/ 9%	\$402 908 000	\$41 666 000	\$3 421	\$180 341 000	\$41 753 000
008	Yaroslavl	Vernissage Mall, Kalinina str.	\$97 200 000	51%	\$49 100 000	120 000	34 092	\$2 851	12,50%	Completed	10,00%	Completed	Completed	Completed	Completed	\$10 100 000
009	Yaroslavl	Phase II	\$8 300 000	51%	\$4 200 000	180 000	55 245	\$150	22,00%	2016	10,50%	\$87 308 000	\$7 693 000	\$1 580	\$42 130 000	\$9 497 000
010	Moscow	Tamiz Building	\$40 700 000	100%	\$40 700 000	4 500	11 737	\$3 468	12,50%	Completed	9,00%	Completed	Completed	Completed	Completed	\$3 668 000
011	Moscow	Century Buildings	\$96 900 000	51%	\$49 400 000	5 800	20 903	\$4 636	13,00%	Completed	12,00%	Completed	Completed	Completed	Completed	\$9 921 000
012	Kazan	Triumph House	\$8 800 000	100%	\$8 800 000	22 000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
013	Penza	Retail Center	\$3 000 000	100%	\$3 000 000	52 790	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
014	Saratov	Logistics Complex	\$7 400 000	100%	\$7 400 000	260 000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
015	Novosibirsk	Logistics Complex	\$8 600 000	100%	\$8 600 000	406 752	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total			\$953 300 000		\$853 600 000							\$3 528 765 000			\$1 468 698 000	



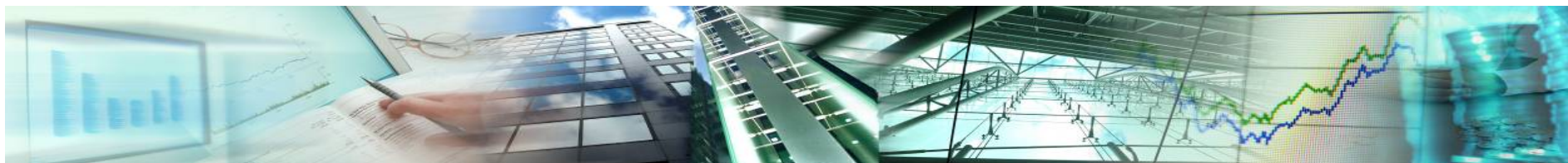
PROPERTIES HELD AS INVESTMENTS



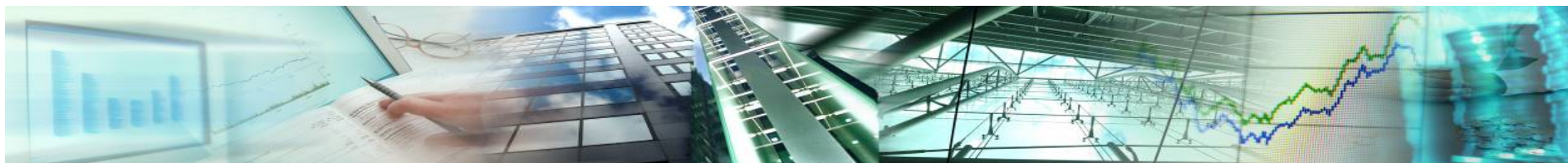
Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Net Annual Rent:	Estimated Net Annual Rent:	Market Value:
“MAG” 2-Khutorskaya street, 38A Moscow, Russia	<p>The Property is located in approximately 10 minutes walking distance from the nearest metro station Dmitrovskaya. This location is in the north part of the Moscow Novoslobodsky Business District, approximately 2 kilometres from the Third transport ring road.</p> <p>MAG is a former factory site containing several buildings, which have been refurbished and transformed into new class B office space. According to information provided to us total leasable area is 11,248.80 sq. m. and 175 parking slots. As at the date of valuation there were 616.40 sq. m. of vacant space, which represents 5.48% of the total rentable area.</p> <p>On the 20th of March, 2010 a fire broke out in building #26, which is a part of MAG complex. As a consequence, the building with the total area of 7,142 sq. m is under renovation now. The building is due to start operating again since June 2012. Total outstanding investments for renovation are US\$6,382,694.</p> <p>According to the Long Term Lease Agreement #M-09-031793 of 29th of September 2006, Mashinostroenie and Hydraulika OJSC leases a land plot of 1.2879 ha until 1st of September 2055.</p> <p>The land plot with a total area of 1.0257 ha is held by Mashinostroenie and Hydraulika OJSC under the Decree of the Northern Administrative district of Moscow # 9590 from 19.12.2007 on the leasehold basis up to 30.11.2032.</p>	Differing length periods.	US\$4 143 928 (excluding bld. 26)	US\$7 734 720 (including bld. 26)	US\$63,700,000 US\$63,700,000 for the 100% share interest held by the Company according to information provided to us.



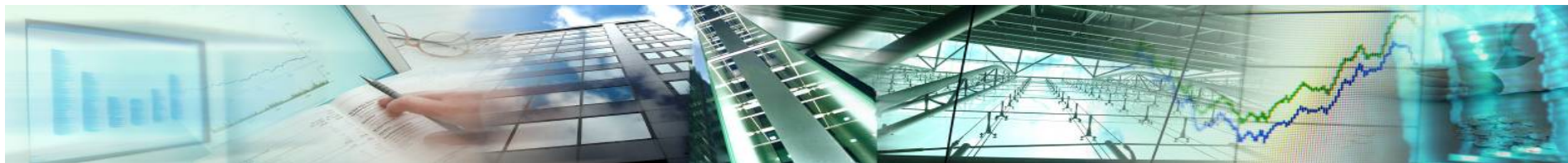
Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Net Annual Rent:	Estimated Net Annual Rent:	Market Value:
“Hydromashservice” 2-Khutorskaya street, 38A Moscow, Russia	<p>The Property is located in approximately 10 minutes walking distance from the nearest metro station Dmitrovskaya. This location is in the north portion of the Moscow Novoslobodsky Business District, approximately 2 kilometres from the Third transport ring road.</p> <p>Hydromashservice is a former factory site containing several buildings, which have been practically fully refurbished and transformed into new class B office space. According to information provided to us total leasable area is 16,695.90 sq. m., of which 411.2 sq. m. or 2.46% are not leased and 175 parking places. The Property has originally been constructed and used as an industrial premise in the former century. The building improvements are owned by Hydromashservice LLC according to ownership certificates provided by the Company.</p> <p>According to the Amendment Agreement No.5 of 29.09.2006 to the land lease agreement # M-09-025311, dated 28.11.2003.</p> <p>Hydromashservice LLC leases a land plot of 1.2237 ha.</p>	Differing length periods.	US\$5 904 716	US\$6 968 805	US\$69,100,000 US\$69,100,000 for the 100% share interest held by the Company according to information provided to us.
“Century Buildings” 2-Khutorskaya street, 38A	<p>The Property is located in approximately 10 minutes walking distance from the nearest metro station Dmitrovskaya. This location is in the north portion of the Moscow Novoslobodsky Business District, approximately 2 kilometres from the Third transport ring road.</p> <p>The property is represented by two Class B office buildings</p>	Differing length periods.	US\$10 073 171	US\$7 147 066	US\$96,900,000 US\$49,400,000 for the 51% share interest held by the Company according



Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Net Annual Rent:	Estimated Net Annual Rent:	Market Value:
Moscow, Russia	with a total leaseable area of 20,903.30 sq. m. located on the land plot with the total area of 0.58 hectares. The land plot is held leasehold and the building is held freehold.				to information provided to us.
“Tamiz” 2-Khutorskaya street, 38A Moscow, Russia	The Property is located in approximately 10 minutes walking distance from the nearest metro station Dmitrovskaya. This location is in the north portion of the Moscow Novoslobodsky Business District, approximately 2 kilometres from the Third transport ring road. The property is represented by Class B office building with a total leaseable area of 11,736.70 sq. m. located on the land plot with the total area of 0.45 hectares. There are 2,497.9 sq. m. or 21.28% vacancy in the building. Currently the building is offered on the market for lease. There are 22 surface parking spaces intended for lease. The land plot is held leasehold and the building is held freehold.	Differing length periods	US\$3 285 984	US\$3 780 365	US\$40,700,000 US\$40,700,000 for the 100% share interest held by the Company according to information provided to us
“Triumph Mall” 167 Zarubina Street Saratov, Russia	The Property represents a modern three-floor retail entertainment center with the total area of 27,304.83 sq. m. The Property answers all European standards in terms of technical and engineering conditions as well as in terms of management services. The Mall has a list of prestigious tenants bound with the Owner of the Property by long-term relations.	Differing length periods	US\$11 050 389 (including turnover rent)	US\$11 106 824 (including turnover rent)	US\$110,600,000 US\$110,600,000 for the 100% share interest held by the Company according to information provided to us



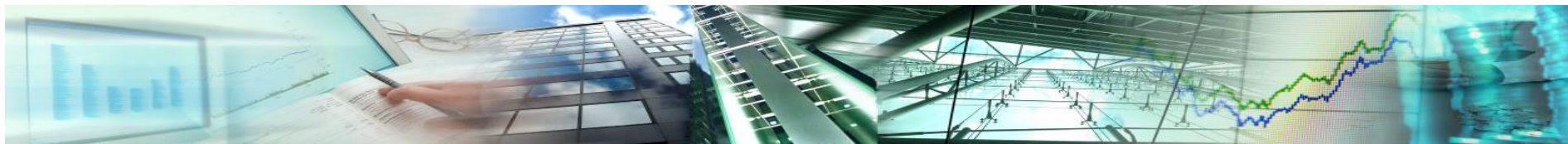
Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Net Annual Rent:	Estimated Net Annual Rent:	Market Value:
	<p>The subject Property is located at the intersection of Astrakhanskaya and Kutyakova streets in 15 minutes' walking distance from the historical centre of Saratov, near Saratov airport and Saratov railway station.</p> <p>The north-eastern border faces Zarubina Street. Universitetskaya Street is in the north-west from the site and Astrakhanskaya Street is the south-eastern frontier. The south-western border of the site is Kutyakova Street. The surroundings are predominantly retail, residential and industrial premises.</p> <p>The tenure of the land plot of 2.2 ha is freehold.</p>				
<p>“Vernissage Mall”</p> <p>Moskovskoye Shosse & Kalinina street</p> <p>Yaroslavl Region, Russia</p>	<p>The Property is represented by a modern retail complex with entertaining areas which opened on the 27th of April 2007 with a total leaseable area of 34,091.54 sq. m. Gross buildable area comprises 40,787 sq. m. The complex consists of one ground floor and a guest ground parking with 1,450 slots.</p> <p>All premises are currently occupied.</p> <p>The Property is located at the intersection of Kalinina street (ring road of Yaroslavl) and Moskovskoye shosse at the border of the city of and the Yaroslavl region. The city centre (6 km) can be reached in about 15 to 20 minutes driving distance. The district is mostly residential, with a large residential micro-district in the north and individual housing surrounding the subject Property.</p> <p>The Property answers all European standards in terms of</p>	Differing length periods.	US\$10 112 408	US\$10 030 890	<p>US\$97,200,000</p> <p>US\$49,100,000 for the 50.50% share interest held by the Company according to information provided to us.</p>



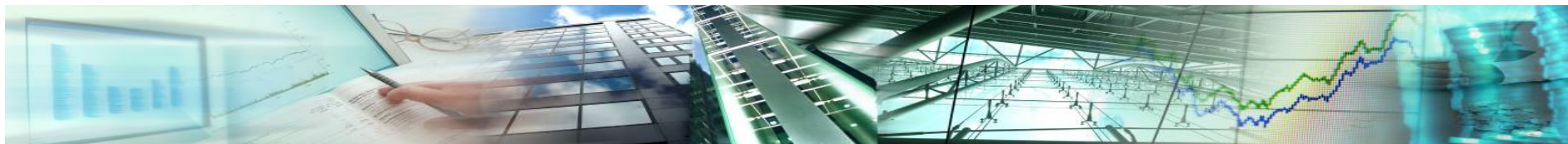
Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Net Annual Rent:	Estimated Net Annual Rent:	Market Value:
	<p>technical and engineering conditions as well as in terms of management services.</p> <p>The Mall has a list of prestigious tenants bound with the Owner of the Property by long-term relations.</p> <p>The tenure of the land plot (12 hectares in size) is freehold (according to the Ownership Certificate 76-AA #170178). The remaining land area of 18 hectares is reserved for future development (see “Yaroslavl: Phase II”).</p>				



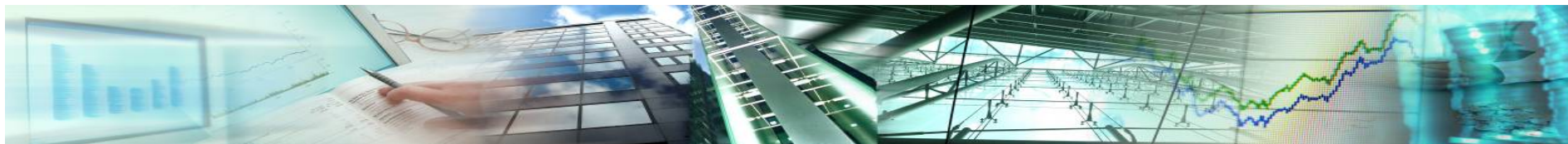
PROPERTIES IN COURSE OF DEVELOPMENT



Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Net Annual Rent:	Estimated Net Annual Rent:	Market Value:
Western Residence Perkhushkovo Odintsovo District Moscow Region, Russia	<p>The Property is located in the Moscow Region in the Odintsovo district close to the Mozhayskoe shosse in approximately 15 km distance to the west from MKAD (Moscow Ring Road) and approximately five km from Perkhushkovo railway station. The neighbouring land plots are characterised by housing settlements and forests.</p> <p>The Property is represented by two adjacent land plots held freehold with a total area of 22.53 ha:</p> <p>Land plot #1 with a total area of 10.57 ha;</p> <p>Land plot #2 with a total area of 11.96 ha.</p> <p>The Property is in course development and is intended to provide 163 luxury homes, including about 71 town houses and about 92 business class houses of different types (according to the information provided by the Company). Apart from residential premises a managing company building with a total saleable area of 300 sq. m. and 1,570 sq. m. of saleable retail will be constructed.</p> <p>According to the information provided by the Company as at the date of this Report the 1st phase of development was 100% completed.</p> <p>19 houses from the 1st phase were already sold as of the date of valuation.</p> <p>Total outstanding development costs for phase 2 are estimated at US\$27,927,900 (including VAT).</p>	<p>Upon completion the units are expected to get sold on a single unit basis.</p>	<p>Upon completion the units are expected to get sold on a single unit basis.</p>	<p>Upon completion the units are expected to get sold on a single unit basis.</p>	<p>US\$87,600,000</p> <p>US\$87,600,000 for the 100% share interest held by the Company according to information provided to us (Assuming built and fully sold on market terms US\$122,101,000)</p>



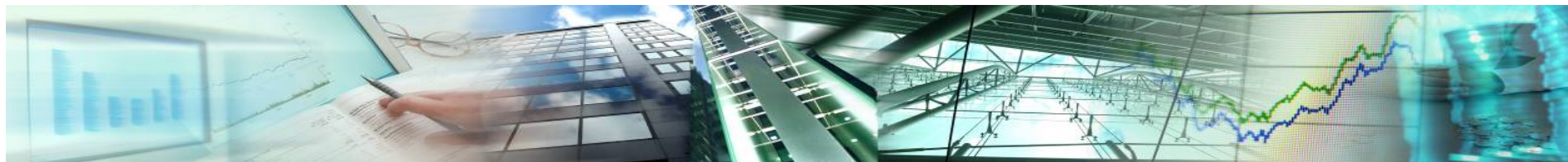
Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Net Annual Rent:	Estimated Net Annual Rent:	Market Value:
“Triumph Park, Residential” and “Triumph Park, Trade Center” 30 Pulkovskoe Shosse Saint Petersburg, Russia	<p>The Property is located in the second line to the main road (Pulkovskoe Shosse) connecting the Saint Petersburg airport to the city centre. The distance to the airport is approximately five km. The city centre is about 16 km away.</p> <p>The tenure of the land plot is freehold.</p> <p>The Property is represented by a land plot of 40.8314 hectares in total which is intended for future development of residential apartment dwellings including appertaining community buildings and parking facilities. Gross buildable area of the Property will comprise 788,625 sq. m.</p> <p>A high-voltage power line passes the site along the eastern land plot boundaries. The power line takes a comparable small part of the land plot.</p> <p>The concept of the Residential part provided to us suggests constructing all in all 9,000 residential dwellings comprising an average saleable area of 63.5 sq. m. per apartment (571,200 sq. m. in total) in 5 phases. The quality of the apartments is split into “Economy” class - 399,840 sq. m. of total saleable area and “Comfort” class - 171,360 sq. m. of total saleable area.</p> <p>The construction of the first phase was started in August 2008 with the consecutive phases following at a time difference of one and a half years each. Moreover, some 59,700 sq. m. net area of community buildings as well as some 7,639 underground parking spaces as well as open parking areas along the streets will be constructed as part of the Saint</p>	<p><u>Residential:</u></p> <p>Upon completion the units are expected to get sold on a single unit basis.</p> <p><u>Commercial:</u></p> <p>n/a</p>	<p><u>Residential:</u></p> <p>Upon completion the units are expected to get sold on a single unit basis.</p> <p><u>Commercial:</u></p> <p>n/a</p>	<p><u>Residential:</u></p> <p>Upon completion the units are expected to get sold on a single unit basis.</p> <p><u>Commercial:</u></p> <p>US\$41,753,000 upon completion and assuming 100% occupancy. For the purpose of our valuation we have assumed a structural vacancy rate of 15% in 2014-2015 decreasing to 10% in 2016-2019 and then to 10% in 2015</p>	<p>Total Value for Residential & Trade</p> <p>US\$306,200,000</p> <p>US\$306,200,000 for the 100% share interest held by the Company according to information provided to us (Assuming built and fully sold on market terms US\$2,562,229,000)</p>



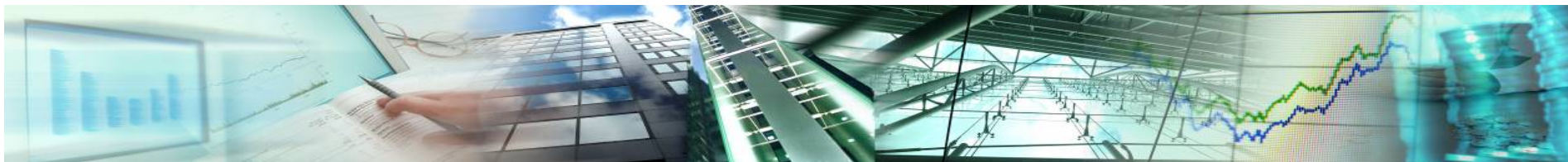
Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Net Annual Rent:	Estimated Net Annual Rent:	Market Value:
	<p>Petersburg Residential project.</p> <p>The construction started in August 2008 and will take place in 5 phases, with the last one being completed in 2019.</p> <p>We have also been informed that the general plan of the project was approved as well as the detailed planning.</p> <p>According to the information provided to us by the Client, preliminary sales of residential apartments started in Q3-Q4 2011 with LOIs signed for 179 apartments.</p> <p>Commercial part of the property is represented by a land plot of 8.16628 hectares in total and is part of 40.8314 hectares site which is intended for future development of class B office and retail space including parking facilities in three phases.</p> <p>It is planned to construct 60,000 sq. m. of leasable area of Class B office space in 3 phases, about 57,775 sq. m. of retail premises in 3 phases with construction expected to start in March 2014 and the last phase being completed in February 2018. The planned retail areas are split into two different forms – street retail and shopping center.</p> <p>Total outstanding development costs are estimated at US\$1,117,585,199 (together for commercial and residential parts) (excluding VAT for commercial part and including VAT for residential part).</p>			on office and retail premises.	



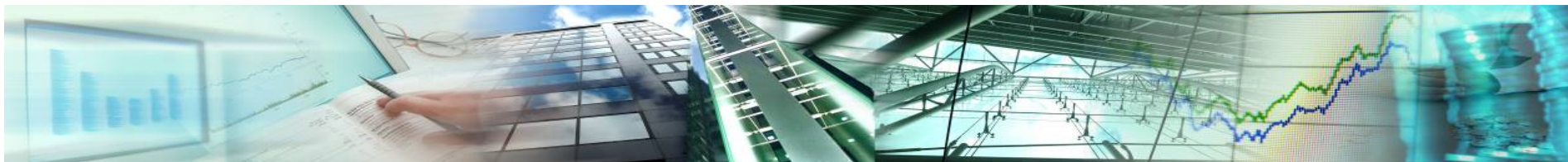
PROPERTIES HELD FOR FUTURE DEVELOPMENT



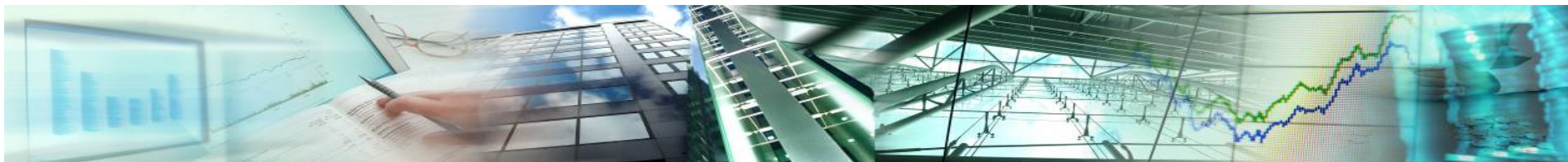
Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Net Annual Rent:	Estimated Net Annual Rent:	Market Value:
"Skyscraper" Dmitrovskoye Shosse 1B Moscow, Russia	<p>The property is represented by a land plot of 9,079 sq. m. of total area and intended for future construction of a multi-storey office building including retail areas in the lower floors. In accordance with the information provided by the Company, the project passed state Gosekspertiza, ARI was approved by the Moscow authorities and the concept design was approved by Chief Architect of Moscow. According to the concept provided by the Company the planned construction will include (all leasable area) 85,000 sq. m. of office space, 7,000 sq. m. of retail space and 1,690 underground parking spaces. gross buildable area excluding parking will comprise 106,000 sq. m. Construction is expected to take place in one phase starting in July 2013 and expected to be completed in December 2016. The tenure of the land plots is leasehold.</p> <p>The site is located in Northern Administrative District of Moscow. The Property is confined by transportation routes of the North-Eastern part of the junction formed by Dmitrovsky lane in the North, and slip road to Dmitrovskoye Shosse in the North-East, Rizhskaya railroad line in the South and street railway depot in the West. Dmitrovskoye Shosse has four lanes each way. Both of the roots are high traffic routes.</p> <p>Total outstanding development costs are estimated at US\$281,055,400 (excluding VAT).</p>	n/a	n/a	US\$64,315,260 upon completion and assuming 100% occupancy. For the purpose of our valuation we have assumed a structural vacancy rate for offices and retail of 15% in 2013 decreasing to 10% in 2014-2015 and then to 5% in 2016-2017 and to 3% for retail in 2018.	US\$45,200,000 US\$45,200,000 for the 100% share interest held by the Company according to information provided to us (Assuming built and fully let on market terms US\$757,127,000)



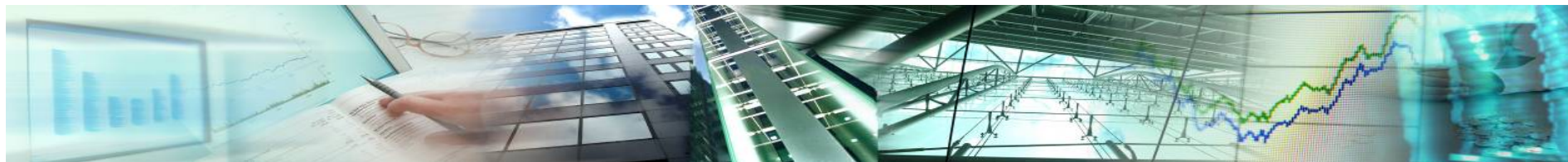
Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Net Annual Rent:	Estimated Net Annual Rent:	Market Value:
	Legal status of the Property: the year 2011 was marked not only by a very positive trends for the Russian economy and real estate market, but also by the policy of the new Moscow authorities. The urban and land commissions have reviewed several hundred of investment contracts and cancelled a number of projects held for construction in Moscow. New Moscow government has also complicated the process of getting construction permissions and took all ambitious projects under their thorough review. Therefore based on our perception of the market, our assessment of the risk and the Company's clarifications on the matter, we decided to increase "Outstanding construction and related permissions obtaining risk" for Skyscraper project from 2% to 4% compared to previous valuation as of 30.06.2011, thus bringing the overall discount rate to 18% compared to 16% in 30.06.2011 valuation. We believe that above mentioned discount rate increase reflects the risks arising from the policy of the new Moscow government on construction permissions and related approvals.				
"Triumph House" Okolnaya street, 28A Kazan,	<p>The Property represents a land plot with total area of 2.2 ha intended for construction of a two-storied Home Design Centre. Mostly the site is surrounded by residential buildings from the west, south and east. From the north the Site is bounded by industrial zone.</p> <p>Total gross leasable area will be 31,470 sq. m of which</p>	n/a	n/a	n/a	US\$8,800,000 US\$8,800,000 for the 100% share interest held by the Company according to information



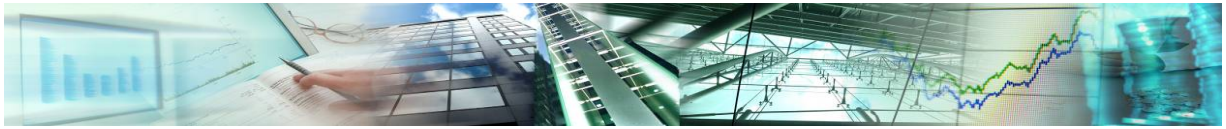
Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Net Annual Rent:	Estimated Net Annual Rent:	Market Value:
Russia	<p>26,277sq. m. will be for lease. Total gross buildable area will comprise 44,737 sq. m. An underground parking for 534 lots and 465 on-roof parking slots will be constructed.</p> <p>The site is located in the Central part of Kazan on the intersection of Gorkovskoe highway, Bolotnikova street, Frunze street and Vosstaniya street.</p> <p>According to information provided, the Company has finally approved the land zoning and in the process of receiving of building permits for the zero cycle of construction.</p>				provided to us
“Yaroslavl Phase II” Moskovskoye Shosse & Kalinina street Yaroslavl, Russia	<p>The Property is represented by a land plot of approximately 18 hectares (remaining part of the Yaroslavl land plot which has not been used for the development of the Yaroslavl mall) which is unimproved as at the date of valuation.</p> <p>According to information provided by the Company the construction of a big box retail complex incorporating some 55,245 sq. m. of total leasable area with an entertainment zone is planned in the future. Construction is supposed to be divided into 2 phases.</p> <p>The Property is located at the intersection of Kalinina street (ring road of Yaroslavl) and Moskovskoye shosse at the border of the city of and the Yaroslavl region. The city centre (six km) can be reached in about 15 to 20 minutes driving distance. The district is mostly residential, with a large residential micro-district in the north and individual housing</p>	n/a	n/a	US\$9,236,597 upon completion and assuming 100% occupancy. For the purpose of our valuation we have assumed a structural vacancy rate of 15% for retail gallery, food court and other small tenants in 2013, 10% for	US\$8,300,000 US\$4,200,000 for the 50.50% share interest held by the Company according to information provided to us (Assuming built and fully let on market terms US\$87,307,624)



Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Net Annual Rent:	Estimated Net Annual Rent:	Market Value:
	<p>surrounding the subject Property.</p> <p>The tenure of the land plot is freehold (according to the Ownership Certificate 76-AA #170178)</p>			the same category of tenants from 2014 and 3% onwards.	
Penza Shopping Center Sosnovka district, Penza, Russia	<p>The Property represents an undeveloped land plot of approximately 5.3 ha held for construction of a retail shopping center. According to information provided by the Company the construction of a shopping center incorporating some 18,024 sq. m. of total leasable area (19,584 sq. m of gross buildable area) is planned in the future.</p> <p>We have been informed by the Company that the contract with the management company was in the process of signing and the concept was under development.</p> <p>The Property is located in the south-eastern district of Penza, Sosnovka district at the intersection of Izmailova Street and Antonova Street in close proximity to a developing residential district.</p> <p>The tenure of the land plot is freehold (according to the Ownership Certificate 58-AA #392826)</p>	n/a	n/a	n/a	US\$3,000,000 US\$3,000,000 for the 100% share interest held by the Company according to information provided to us
Logistics Complex 1,3 km to the south-east of	<p>The Property represents an undeveloped land plot of approximately 26 hectares held for construction of a logistics complex.</p> <p>According to information provided by the Company the</p>	n/a	n/a	n/a	US\$7,400,000 US\$7,400,000 for the 100% share interest held by the



Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Net Annual Rent:	Estimated Net Annual Rent:	Market Value:
Dubki village Saratov Region, Russia	<p>construction of a logistics complex incorporating some 104,000 sq. m. of total area is planned in the future. Construction is supposed to be divided into 3 phases.</p> <p>The Property is located in close proximity to Dubki village in Saratov district, Saratov region.</p> <p>The tenure of the land plot is freehold (according to the Ownership Certificate 64-AB #286547)</p>				Company according to information provided to us
Logistics Complex 1 km to the north-east of Sadoviy village, along the railway line Inya-Vostochnaya – Krasny Yar Novosibirsk Region, Russia	<p>The Property represents an undeveloped land plot of approximately 40 hectares held for construction of a logistics complex.</p> <p>According to information provided by the Company the construction of a logistics complex incorporating some 180,000 sq. m. of total area is planned in the future. Construction is supposed to be divided into 5 phases.</p> <p>The Property is located in close proximity to Sadoviy village, Novosibirsk region.</p> <p>The tenure of the land plot is leasehold.</p>	n/a	n/a	n/a	<p>US\$8,600,000</p> <p>US\$8,600,000 for the 100% share interest held by the Company according to information provided to us</p>

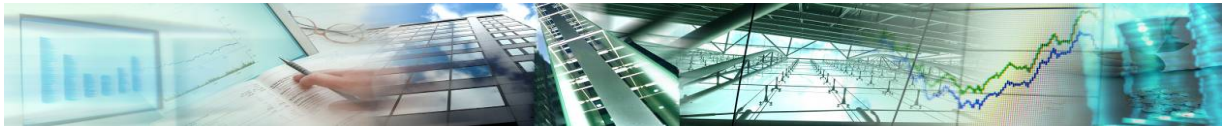


APPENDIX TWO

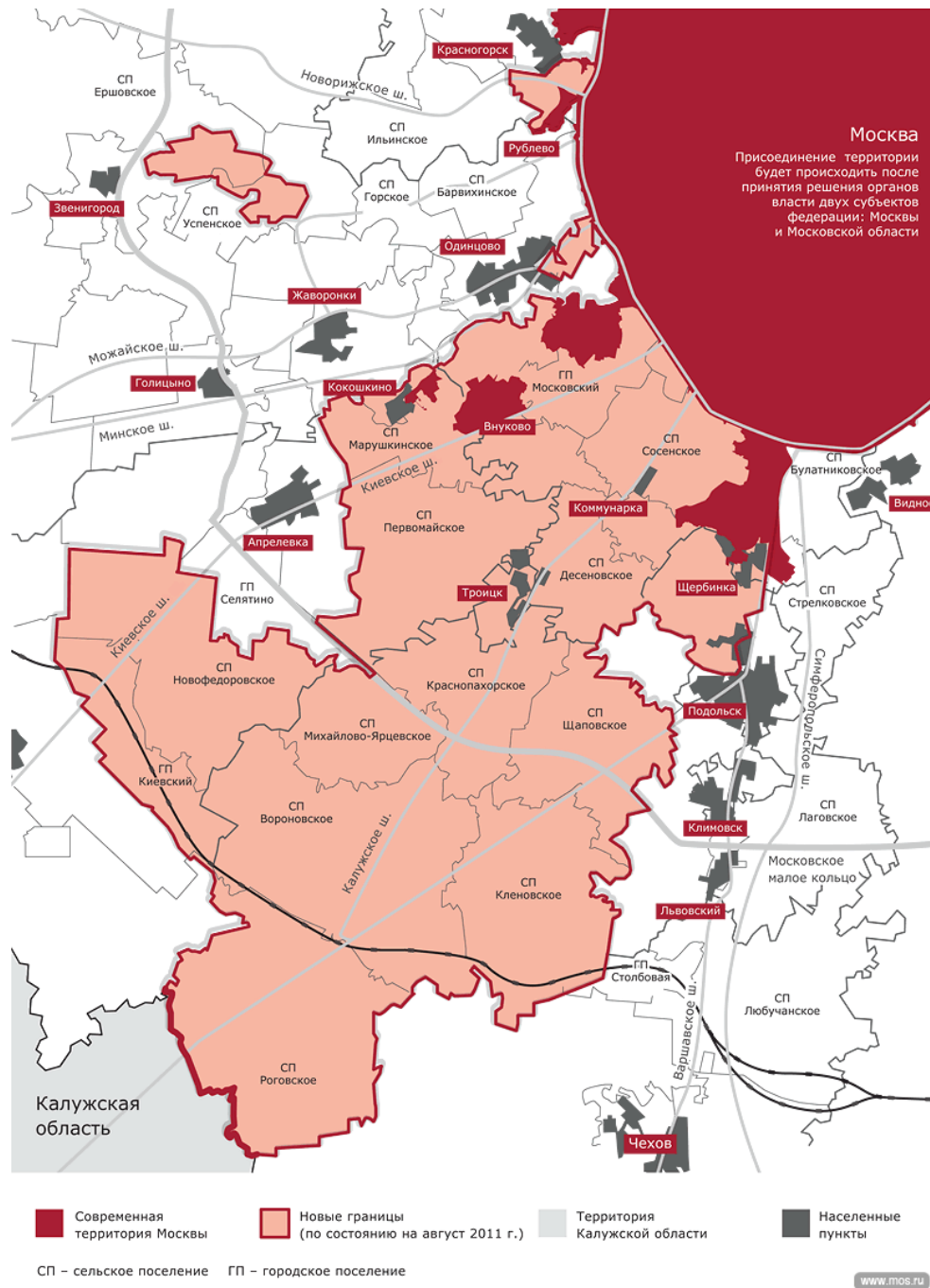
MARKET COMMENTARY

THE NEW MOSCOW MARKET

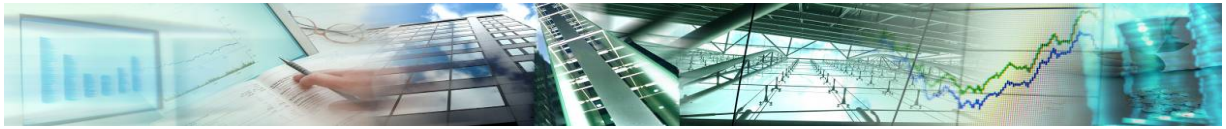
On December 27 an agreement on borders between Moscow City and the Moscow Region was adopted. This means that Moscow's expansion has been finalized. However, it looks like there is still no common understanding concerning development in this area within the City Government or the urban community. The government will spend this year trying to formulate tasks and principles for the development of this area. As the result "New Moscow" will be developing even slower than other parts of the Moscow Region. First of all, development will be restricted by unclear regulations. For example, there is no freehold tenure in Moscow, while in "New Moscow" area land plots are available as freeholds. Also, there is no clarity regarding land values. Obviously value have changed, but there is still no consensus between buyers and sellers as to value, as a result, transactions are being delayed. It is likely that in 2012 the market will hear about one or two individual projects in this area but for a complete development plan we may have to wait several years. However, this obscurity may provide unique development opportunities. Properly planned and developed projects may become anchor and attraction points or even development hubs for huge areas that have access to the Moscow City budget.



The “New Moscow” market



Source: Moscow Government (mos.ru)



RUSSIAN ECONOMY OVERVIEW

2012: LOCAL MARKET CORRECTION

In 2012 the market will remain under pressure from external factors (uncertainty in Europe, Russian elections). In most segments there is an adequate level of supply. Construction is likely to be limited both by a lack of finance and by the Moscow Administration in 2012. The Moscow Government is attempting to limit construction in order to preserve infrastructure.

Demand will remain low. Outstanding demand that accumulated over 2009-2010 was largely met in 2011. Projected moderate economic growth will not be sufficient to bring demand for business space to high levels. Also, social tax increases will force corporations to control headcount and decrease the need for office space.

The market will remain in balance and a slight decrease in business activity will not lead to collapse. We expect that in certain sectors (class A and B offices located outside recognised business areas and shops on unpopular streets) rental rates may decrease by 5-10%. In the middle segment (successful office buildings and warehouses) rents will either remain stable or decrease by 5%.

Prime buildings and the best shopping centres will demonstrate rental growth.

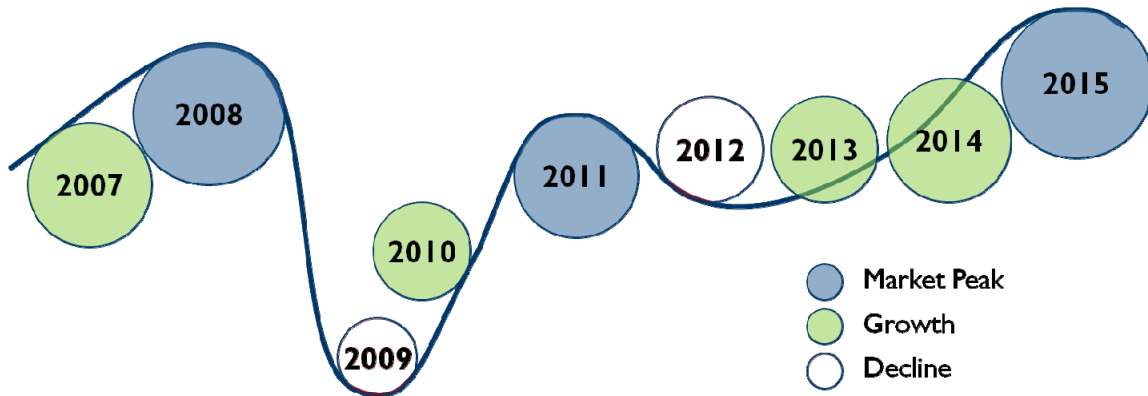
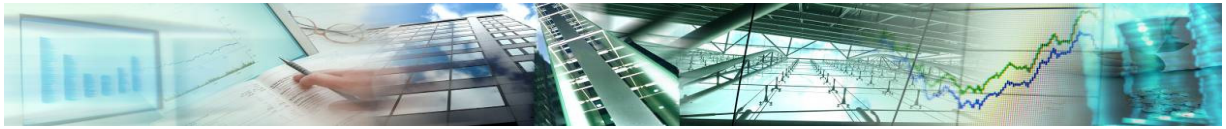
Altogether this will mean a 5% rental rate decrease for the whole market. We expect the market to pick up in 2013, when construction will still remain limited but corporations will adapt to the new economic and political reality and initiated their long-term construction plans. Maximum build rates are expected in 2014-2015.

MARKET CYCLES

Obviously there are cycles in the Russian real estate market. However, thus far the market was maturing and evolving and was not subject to cyclical development.

Now that quality build stock is present in the market and supply and demand are balanced, we can consider Y2011 as the beginning of a new cycle that starts at its peak.

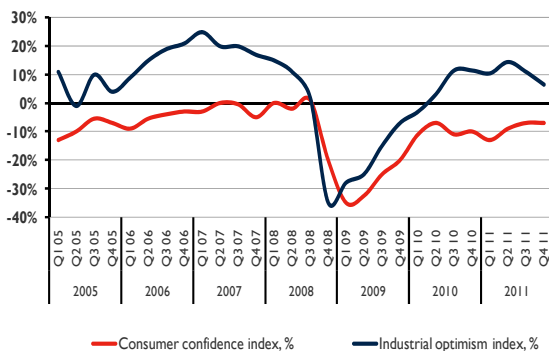
The real estate cycle in Russia is much shorter than in other countries and lasts for 3-5 years. This is not only because the market is so young. It is also caused by planning and financing terms in Russia, which rarely exceed 5 years. However, such short cycles do not necessarily mean higher risk. While in EU a downturn may last a decade, whereas Russia may emerge from downturns within 1-2 years. Therefore, landlords can wait until the market improves. This was demonstrated in 2009 when the market fell by 50%, but there were almost no distressed sales—most owners managed to wait until the situation improved.



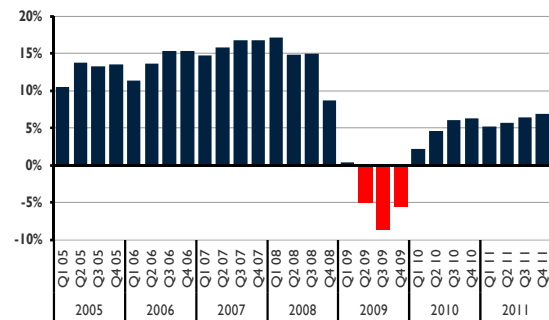
MACRO IN BRIEF

In Q3 2011 GDP growth amounted to 4.1%, according to the Ministry for Economic Development. Rosstat's industrial production index totaled 3.9% YoY in November and 5% YoY from January-November. Fixed investments showed a 4.8% growth as the result of Q1-Q3. In general, all macro indexes are positive, however a strong slowdown trend was also observed.

Consumer confidence and Industrial optimism indices

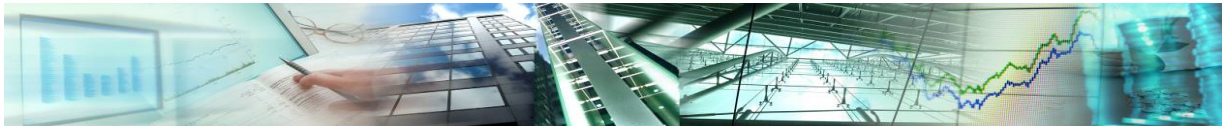


Retail Trade turnover growth Q-on-Q

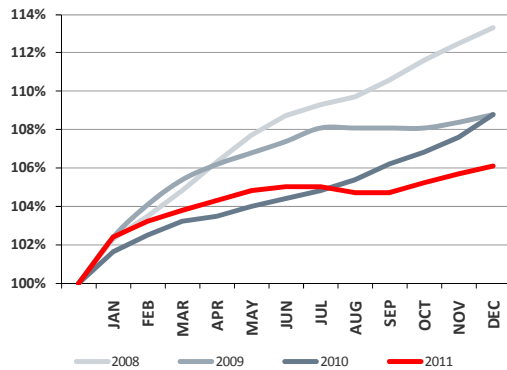


Source: Rosstat

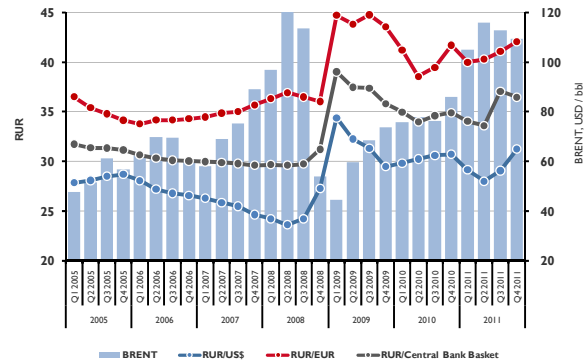
A record-breaking 6.1% CPI (the lowest number in Russia's history) was caused by low food inflation (3.9%) whereas non-food inflation (6.7%) and services, especially and traditionally, the services of state monopolies (8.7%) contributed to the CPI increase. Despite Rosstat's optimistic forecast of 5% in 2012, one may hardly believe that CPI will keep this year's low level in 2012.



CPI Performance



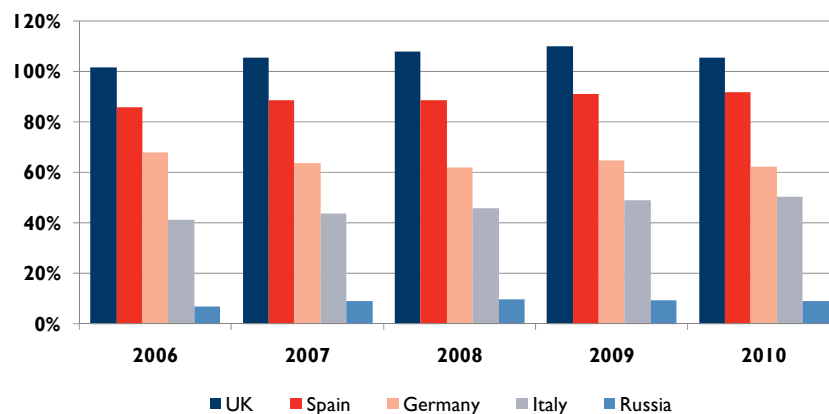
Oil price and Currency Exchange Rate



Source: Rosstat, C&W estimate

Retail sales grew by 8.6% YoY in November, cumulating in 6.9% YoY during January-November (compared to 6.3% in January-November of 2010) however, despite low inflation the consumer confidence index shows a disappointing -7%, which is a result showing consumer caution - despite promises of wages increases and the limitation of state monopoly tariff growth, consumers are pessimistic or unsure about their post-elections future, the results of which could cause changes in consumer behavior patterns in 2012.

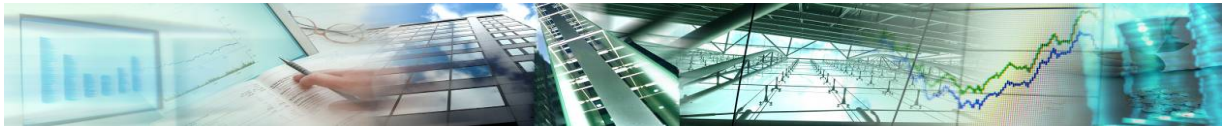
Consumer debt in % GDP. Russia and EU



Source: Cushman & Wakefield

MONEY MARKET

Capital outflows in 2011 comprised 84,2 bn USD (Central Bank), higher than the 34 bn of 2010, but still lower compared to the 134 bn of 2008. Political instability developed in the second half of 2011 and is considered to be one of the main reasons for capital flight. Still, the risks are quite moderate, which has allowed Russia to keep its sovereign credit rating stable.



The political instability, which escalated in December, has pushed the Ruble down to RUB36.46/ against the USD/EUR currency basket at the end of year.

Joining the WTO, and upgrading Russia's financial services infrastructure are important signals to the foreign investment community. Moreover, from the recent report of the RF Accounts Chamber it seems that the Russian government understands the importance of a transparent financial system.

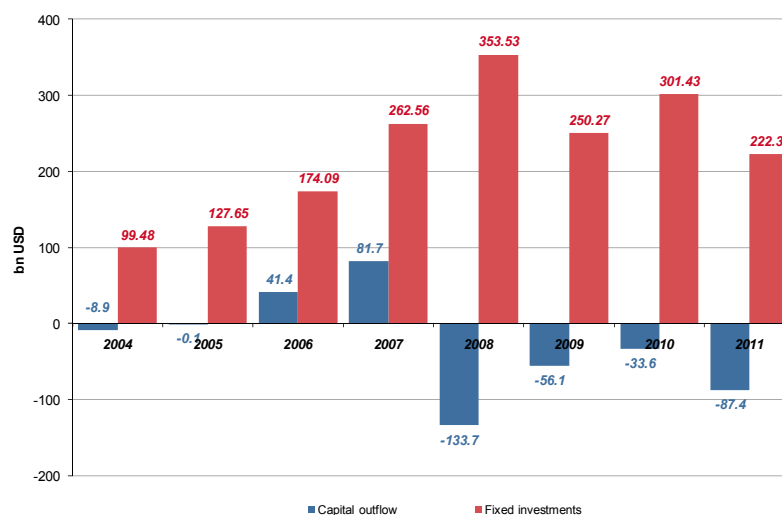
The oil price remains supported by tensions around Iran, stable growth of BRIC economies and a moderate upturn in the US economy. However, EU financial uncertainty will continue to import volatility into the Russian economy.

In the midst of all the above political and economic development, prime commercial real estate assets, with dollar and euro denominated rental rates, will remain in demand as one of the most reliable and effective investment media in the Russian market.

REAL ESTATE INVESTMENTS

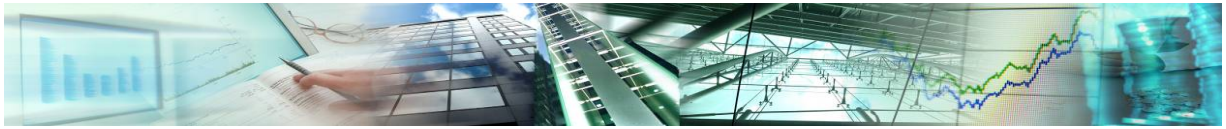
One year ago no one expected that 2011 would become the most successful year in the history of the Russian real estate investment market. As the market developed and new opportunities appeared, investment interest responded accordingly, resulting in more than 7.5 bn USD of total investments across the sector. The figure is about twice as high as the quantum achieved in 2010 and 30% higher than 2008, which used to be the best year in the real estate investment market with 5.8 bn USD invested.

Fixed investments and Capital outflow



Source: Rosstat, Central bank of Russia

Moscow enjoyed an impressive 88% of this total investment volume in 2011. The percentage is close to pre-crisis Moscow / regions ratio and reflects both the increasing attractiveness of developed regional markets (such as St. Petersburg) and the leadership of Moscow as the core driver of the Russian investment business, whose well-developed

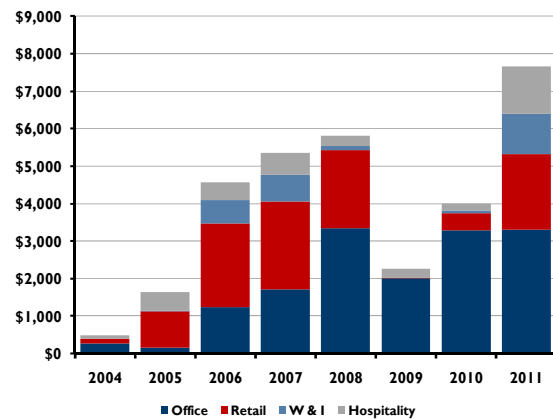


commercial real estate market generates plenty of investment opportunities for various types of investors.

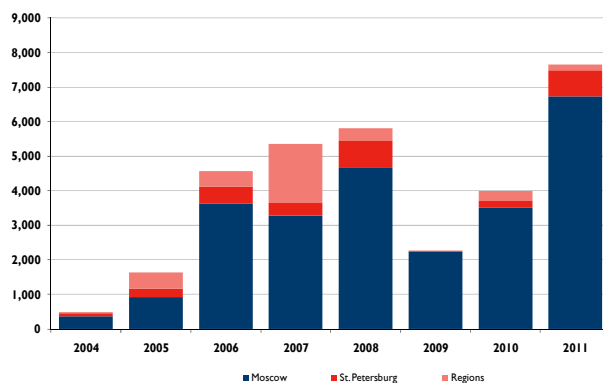
The market also experienced significant quality improvements in 2011. We witnessed transactions across all sectors, with office and retail premises in leading positions (about 41% and 27% respectively), followed by hospitality (17%) and warehousing (15%). Following this increased interest from investors, market pricing expectations on the sell side have hardened and yields for quality retail premises have compressed.

Foreign investors' interest is back, showing a range of geographies representing different investment styles. Principally, these investors are searching for core, income producing assets in Moscow and more recently in St. Petersburg also. Despite a general preference for offices and a perception that offices are the most well-developed and least risky property sector with many investment opportunities in Moscow, especially in the early post-crisis years, special attention should be paid to retail sector, which made a milestone comeback recently in terms of investments, totaling US\$ 3.5 bn in 2011.

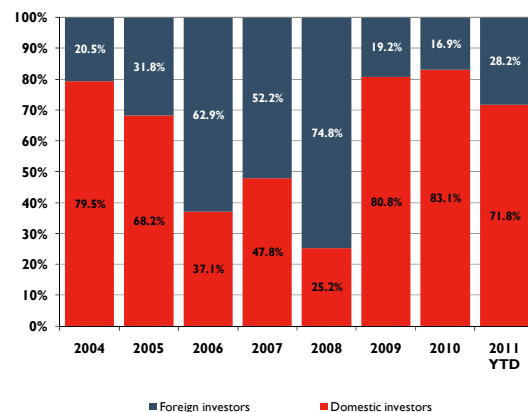
Transaction volume split by sector



Investment volume by region

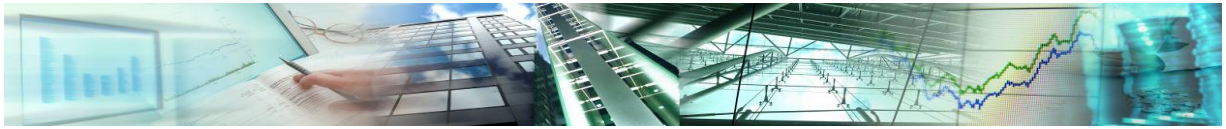


Investor origin



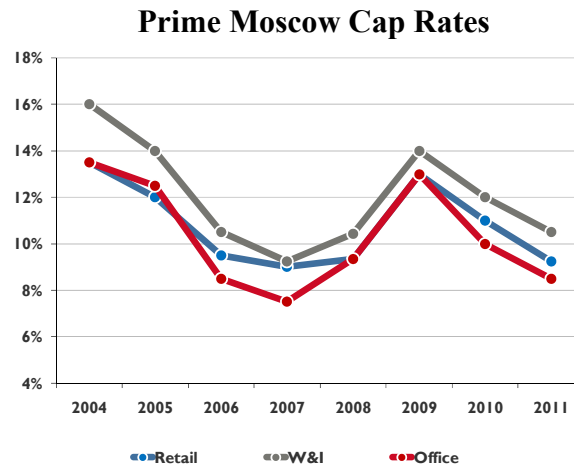
Source: Cushman & Wakefield

Although more investors entered the market this year with improved confidence and buyers are looking for other opportunities which can provide higher returns (we saw a number of transactions with developed assets and projects), there's still a lack of appetite for development risk at present. Since the middle of 2010 a small sub-set of investors have continued to investigate and query industrial and hospitality investment opportunities which have not yet attracted the kind of attention that the retail and office market have garnered.



CAPITALIZATION RATES

As shown in the table below, prime yields for Quality Moscow premises have hardened from ~13% in Q4 2009 to approximately 9.5% and even lower, depending on the asset, by the end of 2011. At the same time, although investors remain cautious about development risk, or concerning regional investment projects, they may be prepared to enter into such projects at higher yields in exchange for higher risks.



We believe that both vendors' and investor purchasers' perceptions as to value now correspond with market conditions and yields are likely to remain stable in the first half of 2012.

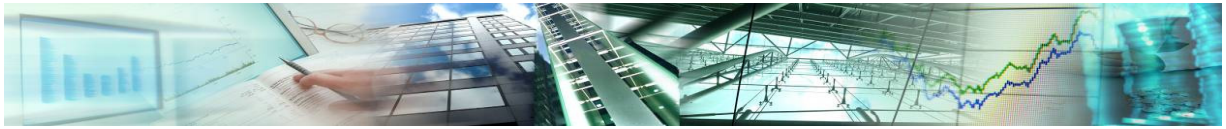
MOSCOW OFFICE MARKET

OVERVIEW

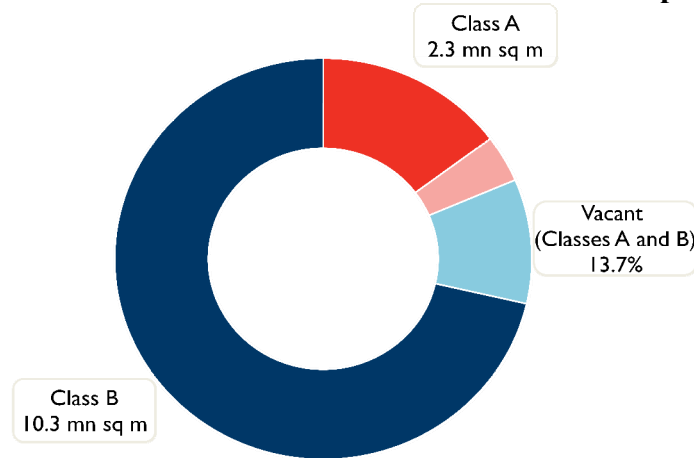
2011 was an exceptionally good year for every sector of commercial real estate. However, in H2 2011 the market began to slowdown and by end of year market became becalmed.

According to our analysis, in 2011 the commercial real estate market reached the top of the cycle and in 2012 it will be subject to a downturn. While the overall market correction will not be deeper than -5%, secondary properties will be highly exposed to risks, while prime properties will become even more expensive, supported by development restrictions in the city centre.

Tenant activity will remain high, but Net Absorption will be under pressure. So, it is likely that the current 13% vacancy rate will remain unchanged for some time.



Structure of Moscow office stock and Available space



Source: Cushman & Wakefield

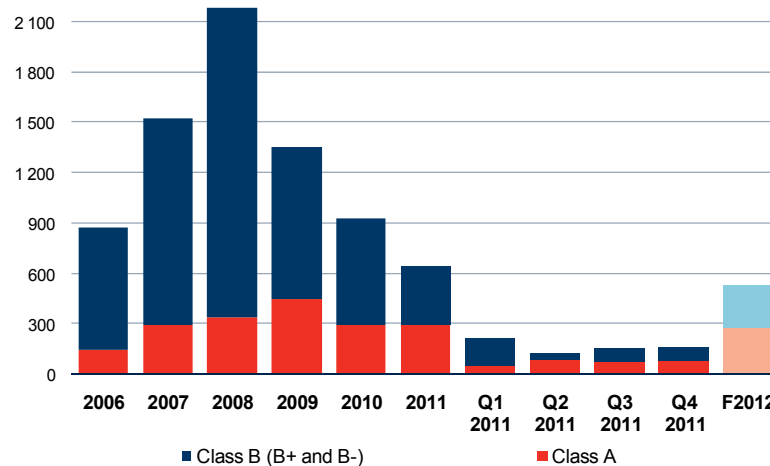
SUPPLY

New construction in 2011 was lowest since 2003. But this is good news for the market, because it means that there is a balance and that a large portion of uncompleted projects started during the construction boom are already delivered. During 2011 construction activity has remained low, this trend will continue and the threat of oversupply will diminish.

Deliveries of class A and B offices became almost equal - another sign of market maturity. We expect that in future class A deliveries will outpace class B.

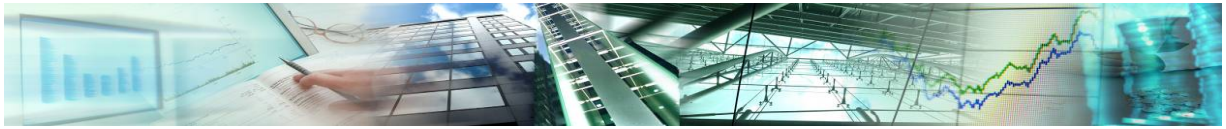
For 2012-2015 new construction will be approximately 500 000 sq. m per year. This will be sufficient to balance the market.

New construction in Moscow. Actual and forecast, '000 sq m



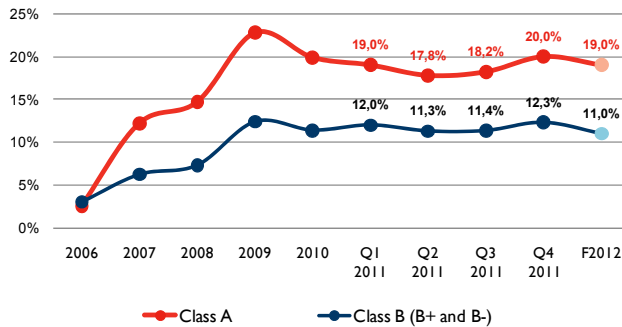
Source: Cushman & Wakefield

Restrictions placed by the Moscow Administration have influenced this process to some extent, however, the construction slowdown is driven mainly by market reasons.

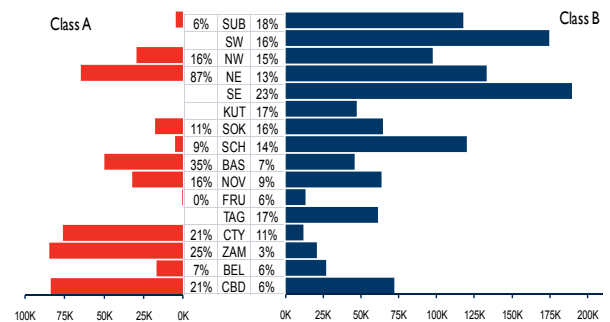


The development of “New Moscow” may boost construction, but this will not take place before 2014.

A and B class vacancy rate in Moscow



Vacancy rate (%) and availability (sq m) by submarkets



Source: Cushman & Wakefield

DEMAND

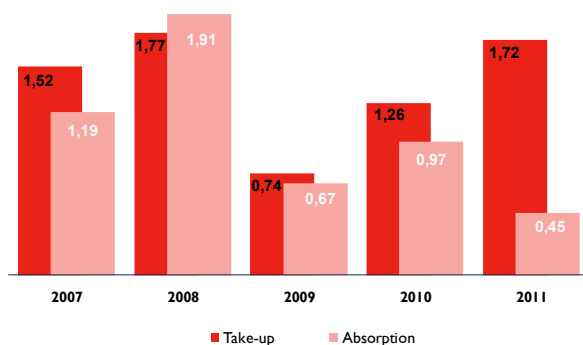
In 2011 we saw a major shift in office space demand. For years net Absorption was 80-100% of Gross Absorption, or Take-Up.

Presently most tenants already reside in quality buildings, so even if they change offices they free up older space.

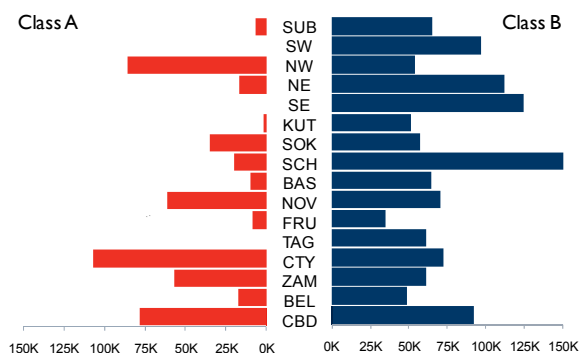
On other hand, there are over 11 million sq. m of occupied office space in Moscow with average lease lengths of 3-5 years, which means a relatively high rotation of tenants and significant Take-Up volume. We expect that in coming years take up will be well over 1.1 million sq. m and net absorption will account for less than one half of this figure.

A high rotation rate will mean that even with a 13% overall market vacancy rate landlords will have a chance to lease their buildings. Landlords will need to be more flexible and creative in the competition for tenants in the market.

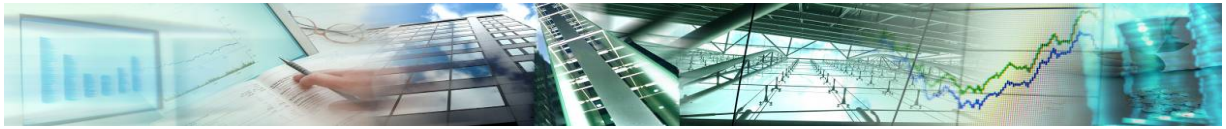
Office take up and net absorption in Moscow, mn sq. m



Take-up by submarkets, sq. m



Source: Cushman & Wakefield



RENTAL RATES

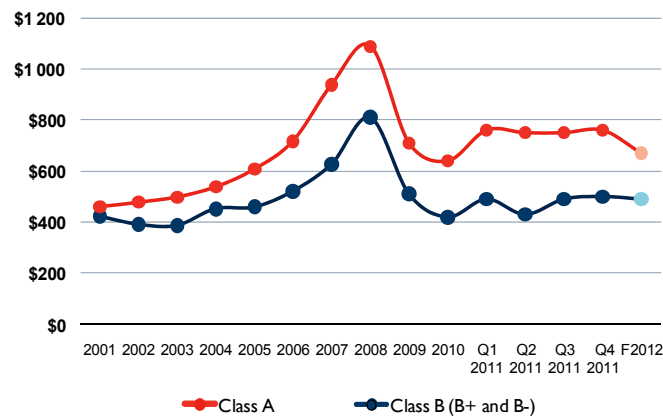
Rental rates in 2011 demonstrated 11% growth with 13% in A class and 10% in B Class. While availability on the market is high, quality product remain scarce. As a result class A offices in the CBD became 18% more expensive. Offices located outside the Moscow Ring Road became 10% cheaper.

In 2012 the trend will probably change and the market will show a 5-10% correction with class A on the lower end and B—on the higher. Prime buildings will outperform the market with 5-10% growth due to scarcity of supply.

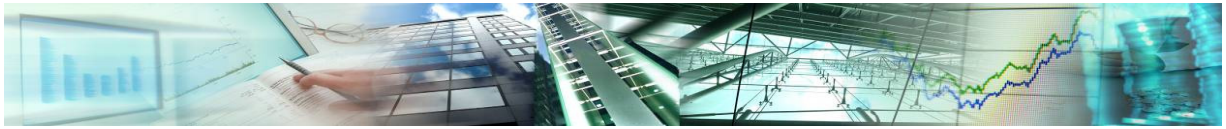
Class B offices in secondary locations will be exposed to correction risk .

We anticipate that in 2013 the market will start recovering and by 2014 we will see strong rental growth, supported by increasing demand and diminishing vacancy rates.

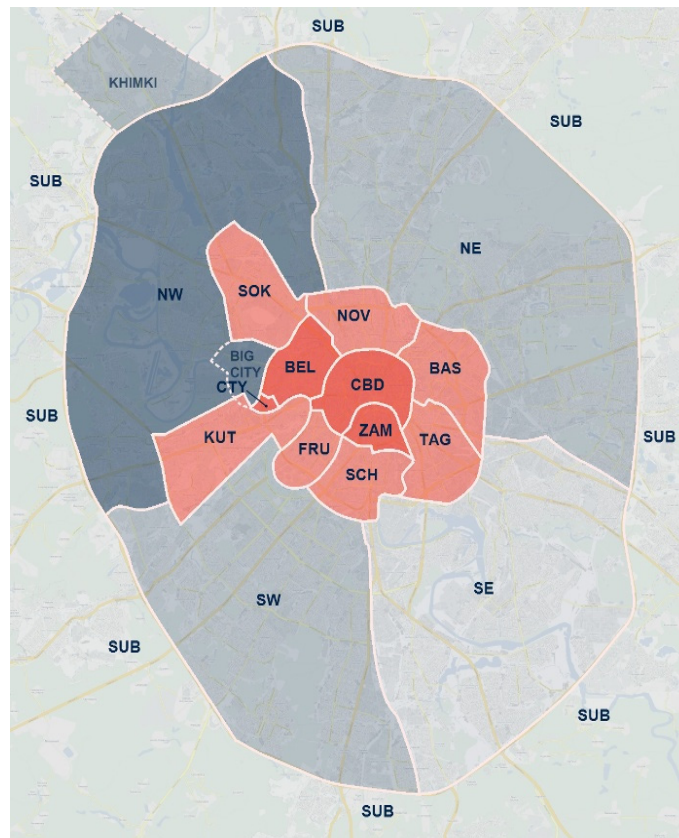
**A and B Class weighted average net rental rate,
USD per sq. m**



Source: Cushman & Wakefield

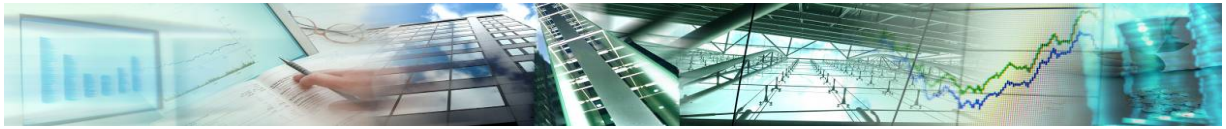


MOSCOW OFFICE SUBMARKETS



Source: Cushman & Wakefield

Prime		Central		Other Trade Areas	
CBD	District	FRU	Frunzensky	NW	North-West
CTY	Moscow City	SCH	Shabolovka	NE	North-East
BEL	Belorussky	SOK	Sokol	SW	South-West
ZAM	Zamoskvorechie	TAG	Tagansky	SE	South-East
		NOV	Novoslobodsky	SUB	Suburbs
		BAS	Basmany		
		KUT	Kutuzovsky		



RETAIL MARKET IN RUSSIA OVERVIEW

CONSUMER DEMAND

According to Rosstat, the real income of Russian consumers is stable (has grown in November by 0.2%). At the same time, consumer activity remains high and retail turnover in November increased by 8.6% (compared with the same period of 2011).

About 5% of consumer payments are paid by plastic cards or web money. At the moment there are about 167 mn cards issued in Russia, an increase of 40% on the number issued three years ago. The share of payments by plastic cards (as opposed to cash withdrawals) is growing and is 28% for Moscow and 18% for Russia, in total. Within the last several years, most retailers enabled credit payment systems in their stores and some retailers are going further: X5 Retail group has co-branding programs (with Alfa-bank), IKEA is planning to open an in-house bank to offer credit to its customers.

RETAILERS

New expansion plans:

- Detsky Mir is planning to double its total occupied retail space by 2015 with new stores in the regional cities with populations exceeding 300,000;
- Auchan plans to open 5 new hypermarkets in 2012 - in Ryazan, Tyumen, Ulyanovsk, Volgograd and Rostov-on-Don;
- Stenders plans to open 50 new stores in Russia over the next three years.

New services:

- From autumn 2011 X5 Retail Group stores are working 24/7;
- X5 Retail Group is planning to open an online store, beginning with non-food goods in Q1 2012 and then enlarging to food goods. Carusel hypermarkets will also offering a pick-up of purchases service.

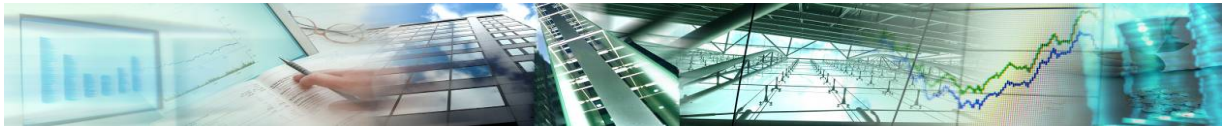
New retailers:

- Among new openings in Q4 were: Imaginarium (children's goods), and two new restaurants— Osteria Numero Uno and Tonino Lamborghini Boutique Cafe, all of which opened in Moscow.

RETAIL SPACE

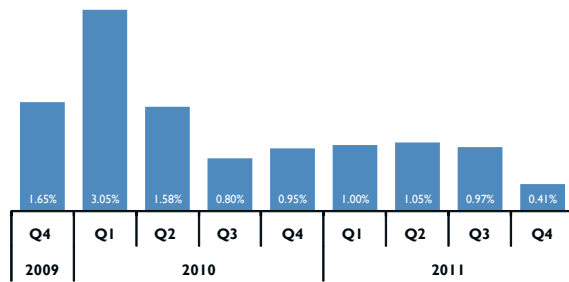
In Q4 foot fall has grown in accordance with the usual seasonal trend, it is virtually at the same level as in Q4 2010 (only 5% less). The vacancy rate for quality shopping centres in Moscow decreased again from 0.9% to 0.4%. There is a strong deficit of retail space in shopping centres with a clear catchment area.

In Moscow the development focus is now concentrated on small formats (convenience stores, street retail units). Among interesting new schemes is the new shopping centre Ecobazar in Mitishi (GLA 10,000 sq m, Rostik Group). 60% of retail space is occupied by Russian farmers and entrepreneurs with local food goods, with the remainder comprising traditional retailers. It is hoped that this approach will help local producers compete with large food retailers.



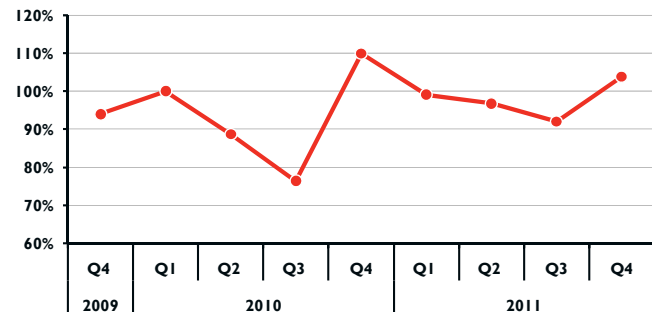
Outside Moscow large shopping centers still have development potential. Frequently a new, quality shopping centers built in a small city works as the anchor for new development in the vicinity and creates a local city center.

Vacancy Rate



Source: Cushman & Wakefield

Foot Fall



Source: Cushman & Wakefield

SHOPPING CENTRES

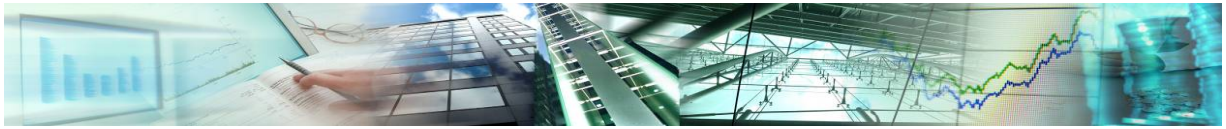
2011 became a year of further slowdown in new retail construction in Moscow. At the beginning of the year developers announced that 12 quality shopping centers with a total GLA of 328,000 sq m was to be delivered in 2011. The result by year end was significantly lower - only 165,000 sq m of retail premises were put into operation. During the first three quarters only 3 shopping centres were delivered and during Q4 one project, Aventura (part of the residential complex Avenue 77), entered the market. The soft opening of the Otrada shopping centre (GLA 70,000 sq m) also took place.

This is a result of two influence factors:

During the recession a limited number of new projects were started and developers mainly focused on completing current construction projects;

Moscow local authorities restricted construction of commercial real estate in the Moscow territory.

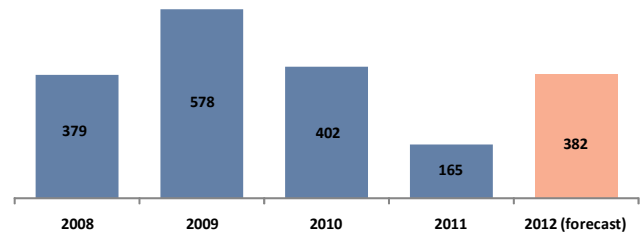
At the same time, the activity of developers in the Moscow Region was growing: new projects appeared in Electrostal (Park Plaza GLA 9,000 sq m) and Domodedovo (Torgoviy Kvartal GLA 22,500 sq m).



New Quality Shopping Centers Delivered in 2011 in Moscow, GLA > 10,000 sq. m

Property Name	Retail GLA, sq.m	Delivery
Monarch	16,000	Q1 2011
AFImall City (Mall of Russia)	114,213	Q1 2011
Severnoe Siyanie	15,000	Q2 2011
Aventura	20,000	Q4 2011
Total GLA > 10,000 sq m	165,213	
Total GLA 2011 new construction, sq m	174,213	

Quality Retail Construction, GLA 000' sq m, Moscow



Source: Cushman & Wakefield

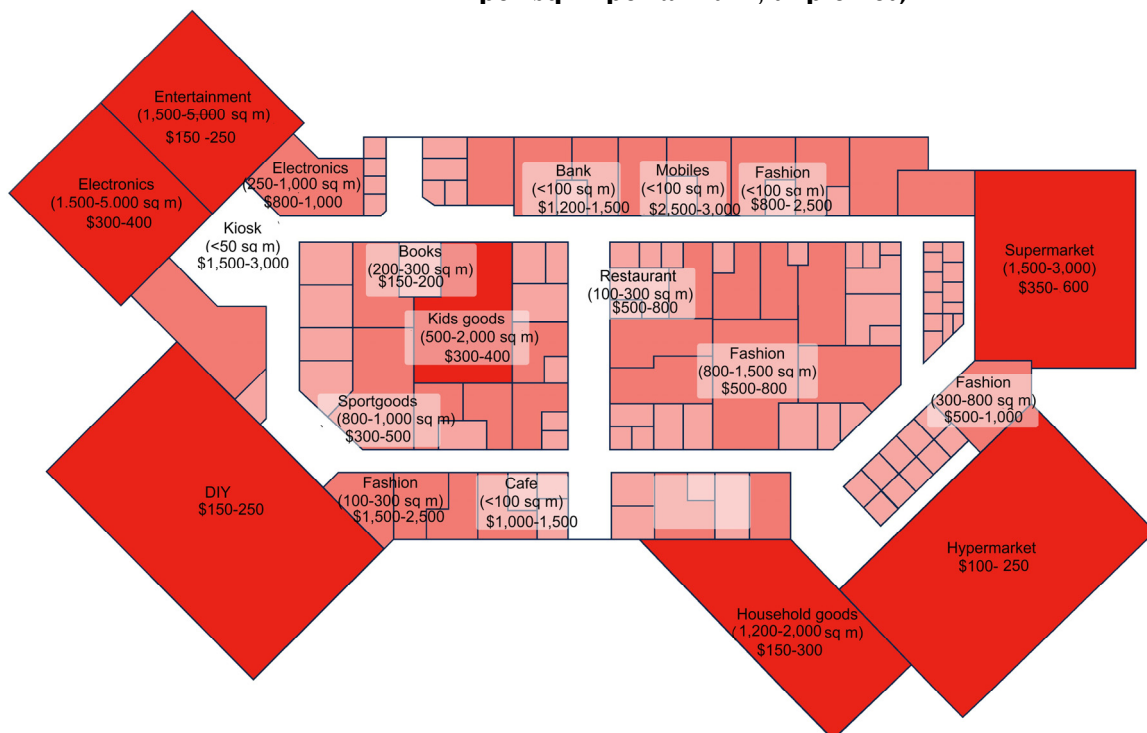
RENTAL RATES

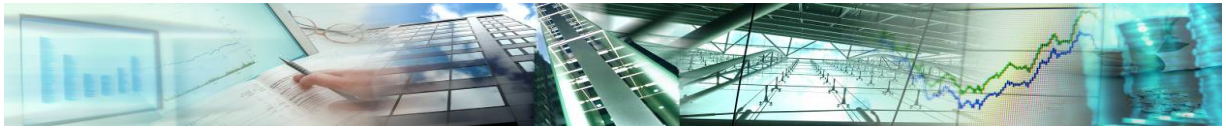
Rental rates for retail gallery space in Moscow are in the range of \$500-\$4,000 (per sq m per year) depending on the size of retail unit and the type of retailer. In the image below we have produced a rental rate distribution by tenant type and occupied area for the typical quality Moscow shopping centre. In 2011 base rental rates were subject to moderate growth of 3-5% per quarter.

In other cities rental rates are from 30 to 60% below Moscow levels.

In the stable economy rental rates might grow over the next four years up to 2015 by 10% annually on average (in line with inflation or slightly ahead of it).

Average Rental Rates In Quality Shopping Centers, Moscow (USD per sq m per annum, triple net)





WAREHOUSE MARKET IN RUSSIA OVERVIEW

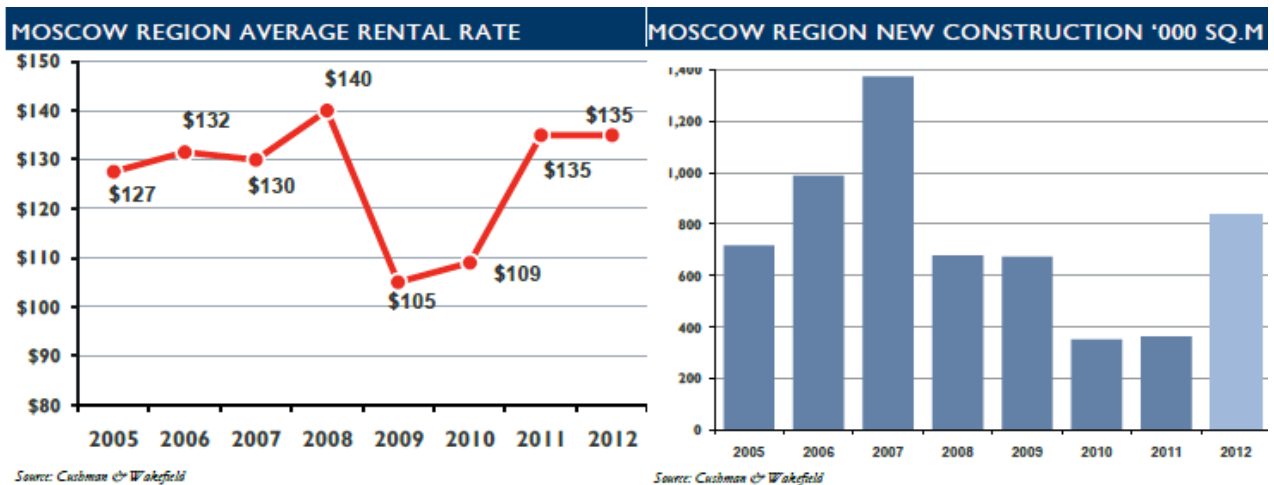
MARKET OVERVIEW

The distinctive features of the Warehouse & Industrial (W&I) market in 2011 were stable demand and a low pace of construction. About 700,000 sq m were leased in the Moscow Region and 400,000 sq m in other regions. This ratio is quite similar to the one we observed in 2010. The total amount of the space delivered in 2011 is 364,000 sq m which is more than 50% less than the total space leased in 2011 (compared to 352,000 sq m delivered in 2010).

In 2011 rental rates increased 25% and reached 135 USD per sq m per annum, triple net. The practice of entering into preliminary/per-lease agreements returned to the market (for the first time after 2008). Additionally, the build-to-suit concept became more popular among Developers in 2011.

The lack of financing that developers experienced in 2011 became the main reason for the shortage of warehouse space on the market.

The increase of the net rental rates to the pre-crisis level of 135 USD in the first part of the 2011 and its further stabilization helped to stimulate limited warehouse development. The total supply for 2012 is pre-estimated now as 900,000 sq m of warehouse space, which is more than double the total supply of 2011.

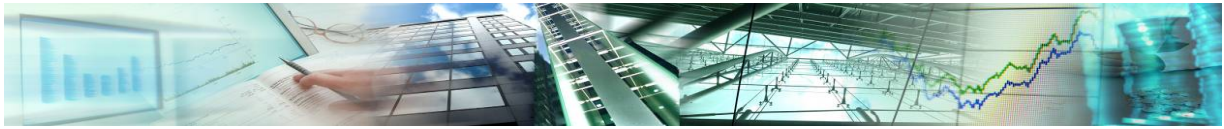


SUPPLY

In Q4 2011 more than 147,000 sq m was commissioned in the Moscow Region. 365,000 sq m is the total warehouse space commissioned in 2011. PNK Group and VVV Company were the most active developers in the market.

During 2011 Class A rental rates rose 25% up to the level of 135 USD per sq m per annum, triple net. Vacancy rates decreased from 3.9% at year end 2010, to a level of 1% by the end of 2011.

In the first part of 2011, despite a growing shortage and under-supply of warehouse space, few developers were able to obtain project financing as rental rates remained at 110-120 USD per sq m per annum, triple net.



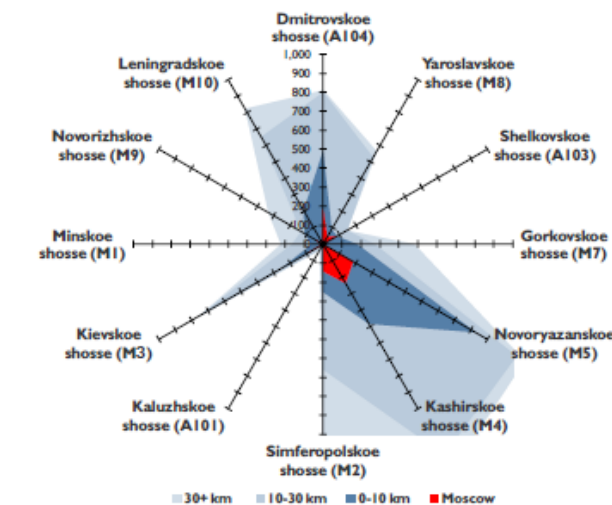
The increase of the rental rates up to 135 USD per sq m per annum, triple net, secured the required cost-efficiency of the projects and subsequent growth of development activity in the second part of the year.

About 900,000 sq m of warehouse space is expected to be completed in 2012. PNK Group is the leading developer in terms of this projected stock. PNK's share comprises 28% of total development planned for 2012. The second largest developers are Gelamco and Ifrastroy together comprising about 15% of total development in 2012.

The majority of these projects are sold or leased on the basis of presale or prelease agreements.

The situation in the regional market differs from that of the Moscow Region. Over 2011 vacancy rates have been decreasing, whilst rental rates kept escalating in the Moscow Region. But developers were not agitating to start regional projects else-where apart for the south of Russia and Krasnodar in particular with three on-going projects.

DISTRIBUTION OF W&I SPACE IN MOSCOW REGION, '000 SQ M



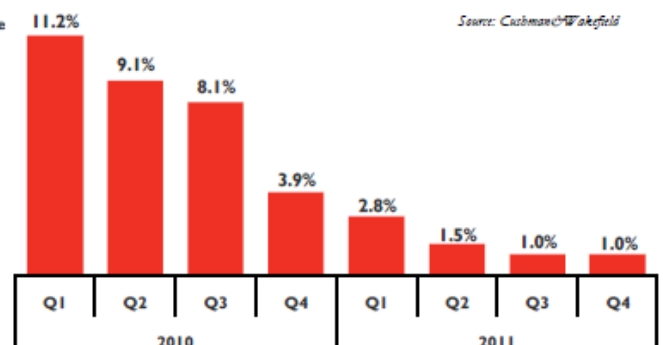
Source: Cushman&Wakefield

2011 CLASS A PIPELINE

PROJECT	GRADE	DIRECTION	DISTANCE FROM MKAD	TOTAL AREA, SQ M	EXPECTED DELIVERY
Belaya Dacha logopark	A	Novoryazanskoye	4	33,000	Q3
Krekshino logistic park	A	Kievskoye	24	20,000	Q3
PNK-Chekhov	A	Simferopolskoye	50	32,000	Q3
PNK-Vnukovo	A	Kievskoye	19	37,330	Q4
Sakar'ev wh complex	A	Kievskoye	2	20,000	Q1
Springs park	A	Egoryevskoye	15	13,300	Q4
VVV Aparinki	B	Kashirskoye	3	80,000	Q4

Source: Cushman&Wakefield

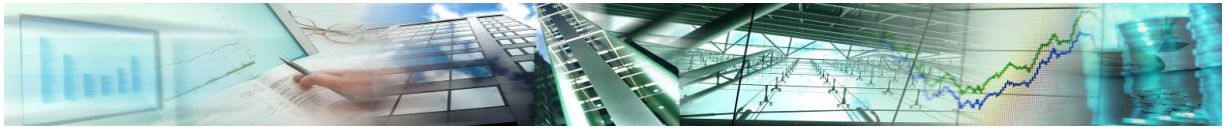
VACANCY RATE, A CLASS



Source: Cushman&Wakefield

DEMAND

Approximately 700,000 sq. m of warehouse premises were leased out and sold in the Moscow Region during 2011, 3% less than in 2010. The lack of warehouse space caused a small volume of deals to be executed – only about 100,000 sq. m. Such a decline in transactions was registered only in the crisis period of 2008. Apparently, deferred demand continues to accumulate; the choice of available premises for pre-lease contracts and built-



to -suit projects was not large. It was only close to year end that new supply reached the market.

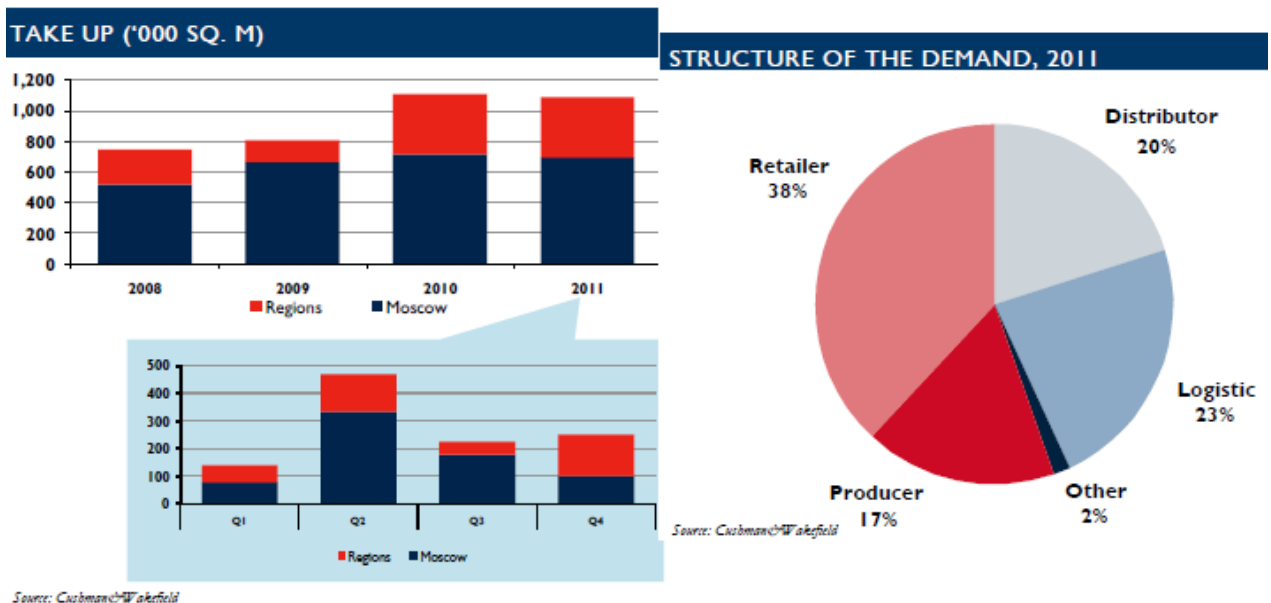
Increased retailer requirements formed the basis of demand during the entire year. According to our estimations, retailer demand will shape supply in 2012 too. Logistics operator demand also rose during the year and now is about 23% of the volume, whilst at the same time, the amount of distribution requirements decreased. Despite the fact that industrial companies leased just 17% of space, they executed the highest number of the deals.

The average size of deals remained the same. Retail – 16,000 sq. m., logistics – 13,000 sq. m., distribution – 10,000 sq. m.

There were 2 first-rate deals executed in the market during 2011:

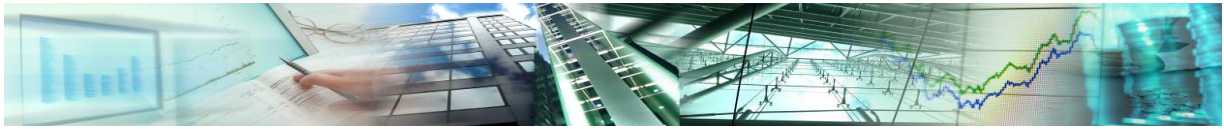
- X5 Retail group leased 75,000 sq. m in the „Noginsk- Vostochny“ logistic park, and
- Dixi bought 47,000 sq. m in PNK-Vnukovo.

Approximately 400,000 sq. m of quality warehouse space was leased out in the other regions in 2011, a repeat of 2010's figure. In Q4 deal volume didn't decrease. Warehouse and industrial real estate demand remained stable. Principal demand generators are different companies according to the region. Industrial premises are preferred in the those regions where major foreign companies build their factories for manufacturing; retail – near large cities with a high concentration of developed trading.



OUTLOOK

According to our forecasts, rental rates are unlikely to change sharply in 2012, they may fluctuate from 135 to 140 USD per sq. m excluding VAT, operational expenses and municipal payments. The price suits developers as well as tenants. The increase of development activity is likely to influence vacancy rate, which we expect will rise up to 1.5-



2%, as tenants will have more variety of choice. Consumer demand, restored after 2009, will positively affect companies' expansion and retail chain reorganization, despite the fact that tenants made their development plans with more accuracy after 2008 taking into the account the high probability of a second crisis wave, demand for warehouse premises will remain stable in Moscow Region. In the other regions the demand will depend greatly on business activity.

The current programme of the development of a touristic hub in the south of Russia should have a positive influence on demand for quality warehouse space there.

We expect demand growth for warehouse space in Saint Petersburg and Kaluga, where active industrial development is observed. There, demand will be generated by producers and their supply chain contractors.

The apprehension of a second wave of the crisis will moderate development activity in general. Developers will not be able to attract capital for development and will thus not be able to over supply the market with space. Pre-lease agreements and build-to-suit development will also continue to stabilize the market.

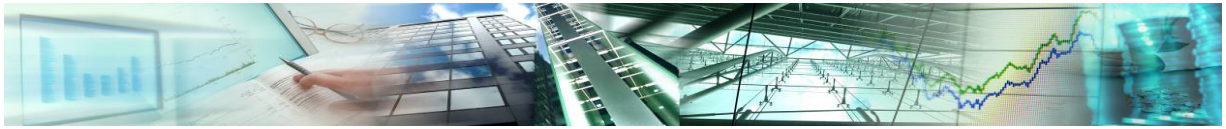
RENTAL RATES IN MOSCOW					TRANSACTIONS SPLIT BY REGIONS		
	CLASS A	CLASS B	CLASS C	COLD STORAGE	CITY	AVERAGE BASE RENTAL, USD / ANNUM	AVERAGE RENTED AREA, SQ M
Net Rent Rates*, \$/sq m/year	135-140	120-130**	170**	251	Moscow	135-140	10,000-15,000
Operating Expenses, \$/sq m/year	35-45	20-30	-	-	St. Petersburg	115-100	2,000-10,000
Utility Charges, \$/sq m/year	10-15	10	-	-	Ekaterinburg	100-105	5,000-10,000
Yearly rent indexation	CPI-3%	8-10%	n/d	n/d	Nizhnyi Novgorod	110-120	3,000-5,000
Minimum Lease Term, years	5-10	1-5	-	-	Samara	105-110	3,000-5,000
Deposit, months	1-3	1-3	-	-	Kazan	90-100	3,000-5,000
Advance Payment, months	1-3	1-3	1	-	Rostov-On-Don	105-115	3,000-5,000
Contract currency	USD/EUR	RUB	RUB	RUB	Krasnodar	105-115	3,000-5,000
Minimal lease area, sq m	3,000	500	-	-	Novosibirsk	105-110	2,000-5,000
					Ufa	90-100	3,000-5,000

* Net Rent is exclusive of Operating Expenses, Utility Charges and VAT

**For B, C and Cold storage: OPEX inclusive, VAT exclusive

Source: Cushman & Wakefield

Source: Cushman & Wakefield



LAND MARKET IN RUSSIA OVERVIEW

Demand, supply and pricing were stable in the land market during Q4 2011, except for the new segment of the recently publicized “Big Moscow” expansion, where speculative asking prices grew 20% a year for key, most attractive land plots. However, cases of land disposals and acquisitions were not systematic in this area. The majority of the land developers have tended not to sell these land assets, as it takes time to determine the optimal use of each land plot and to provide the necessary “package” of documents.

Industrial enterprises remained the main demand-setters of the land market in 2011.

Since the financial crisis of 2008 the demand pattern for industrial land has changed from large to the smaller plots. Major developers, e.g. RDI Group, The Masshtab Company, Absolute, EastLine, Coalco, etc. began parceling large land assets out, offering them in a size acceptable to medium and small companies.

The standard acquisition requests in the market were for land plots from 1-1.5 Ha and 3-5 ha from industrial companies.

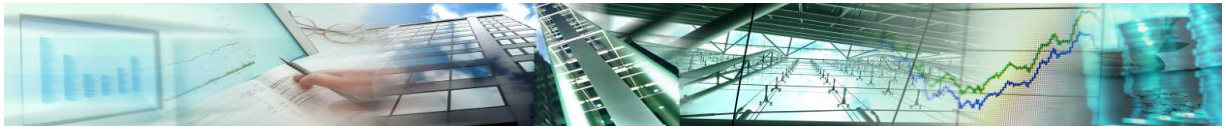
The larger requests (20-25 ha land plots) are transacted in the primary land market. The Local Administration allocates a land plot on the basis of the long-term lease or transfers the ownership rights to the relevant industrial company.

Industrial land was not the only subject of demand. Many contemporary industrial clusters offer land plots with all necessary utilities at the site, thus there are plenty of choices beyond “traditional” greenfield plots. Availability of sufficient utility capacity, infrastructure and labor force are the main requirements of the industrial companies. Geographical location as well as proximity to Moscow became less strict and less important.

Large producers, the “anchors” of industrial parks, have not disappeared. Many have shifted outside the Moscow Region. During the past two years industrial plant start-ups were initiated in the areas bordering the Moscow Region, such as: Kaluzhskaya (Lafarge, Mitsubishi Automobiles Rus, etc.), Tverskaya (Hitachi, Hamilton Standard, Cisco, etc.), Yaroslavskaya (Nykomed, ROLS ISOMARKET), Vladimirskaya (Nestle, NST, etc.) and others.

There are several reasons for this ongoing decentralization:

- There are no decent land plots left in the primary market of the Moscow Region (land plots allocated by administrations). Miscellaneous offers from land developers are several times more expensive than similar land plots from administrations.
- The land plots in the regions adjacent to Moscow Region located 120-170 km from the Capital (a 1.5-2 hour drive from the MKAD) attract even those companies which are producing primarily for the Moscow market.
- The regional administration in Russia, in comparison to the Moscow Region, are much more focused on attracting investments. Approximately 30 regions run regular promotions via conferences and exhibitions to attract investment. The Moscow Region, which enjoys high demand, provides no tax incentives for resident companies comparable to those provided in the regions.



- Cost of the long-term rent and land tax is also lower than in Moscow region.
- Lower cost of connection to off-site utilities.

We observe the relocation of the “anchor” industrial companies from Moscow region to the neighboring areas and from the secondary market to the regional prime.

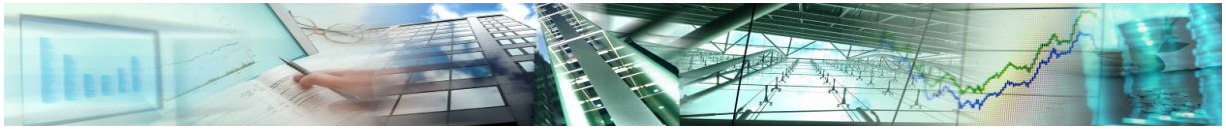
In the surrounding regions the cost of long-term rent and land tax is also lower than in the Moscow Region.

It is worth mentioning that an allocation of prime land from the administration is usually documented as an acquisition by a private owner. The land plot is earlier privatized by the administration and then allocated to the “affiliated” physical entity—the new private owner. Even in this case the cost of the land is competitive in comparison to offers made by Moscow Region developers.

A moderately optimistic forecast for the Moscow Region and the neighboring areas is likely to be sustained for the coming quarter. However, after the parliamentary elections held in December 2011 the majority of market “consumers” have postponed their decision-making deadlines. This is a result of the unclear economic course of the country before and after the presidential elections, downgrading of the Russian stock exchange indices as a result of the downgrade of the credit and investment rating of the Russian market in general.

Thus the investment rating of the region—a result of economic and political factors—will influence the land market in its way too. Similar to other market sectors, the dependence of the further activity of the land market on the political situation in Russia is apparent.

The country houses and cottages real estate market continues its trend of increased development of middle class projects. According to the dominant developers in the sector, current projects are at different stages of realization, from the initial design stage to the final phases of construction. However, similar to the industrial sector, demand and decisions in the cottage real estate sector have also been postponed. According to developers, a significant increase in prices is expected after the elections, resulting in a market revival.



APPENDIX THREE

BOOK VALUES*

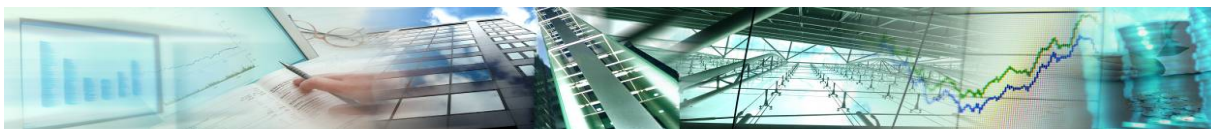
Investment properties

	30/09/2011
Company	
Hydro	63 056
MAG	58 126
Saratov Mall	103 394
Global 1(Yaroslavl Mall)	42 456
Tamiz project	-
Century Buildings	45 929
	312 961

Investment properties under construc

	30/09/2011
Company	
Saratov Mall	-
Real Service - Skyscraper project	47 359
Techagrokom	-
Tamiz project	42 982
Penza project	3 000
Novosibirsk Project	6 981
Liga 45	7 200
St. Petersburg commercial	16 177
TTM - Kazan project	8 600
	132 299

* The table represents the figures as mentioned in the Client's last Financial Statements as of 30.09.2011. The information has been provided to us by the Client.



APPENDIX FOUR

SENSITIVITY ANALYSIS

MAG

Vacancy rate	+5%	current	-5%
Market Value	\$49 200 000	\$49 400 000	\$49 600 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$44 600 000	\$49 400 000	\$55 400 000
Average rental rate	+5%	current	-5%
Market Value	\$51 900 000	\$49 400 000	\$46 900 000

MAG_bld 26

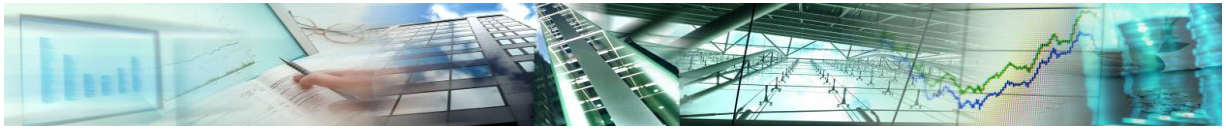
Vacancy rate	+5%	current	-5%
Market Value	\$13 200 000	\$14 300 000	\$15 500 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$12 000 000	\$14 300 000	\$17 300 000
Average rental rate	+5%	current	-5%
Market Value	\$15 400 000	\$14 300 000	\$13 300 000
Total Development Costs	+5%	current	-5%
Market Value	\$14 000 000	\$14 300 000	\$14 600 000

HYDROMASHSERVICE

Vacancy rate	+5%	current	-5%
Market Value	\$68 200 000	\$69 100 000	n/a
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$62 500 000	\$69 100 000	\$77 500 000
Average rental rate	+5%	current	-5%
Market Value	\$72 600 000	\$69 100 000	\$65 700 000

CENTURY

Vacancy rate	+5%	current	-5%
Market Value	\$96 300 000	\$96 900 000	n/a
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$89 700 000	\$96 900 000	\$105 400 000
Average rental rate	+5%	current	-5%
Market Value	\$101 700 000	\$96 900 000	\$92 000 000



TAMIZ

Vacancy rate	+5%	current	-5%
Market Value	\$40 400 000	\$40 700 000	\$40 800 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$36 800 000	\$40 700 000	\$45 500 000
Average rental rate	+5%	current	-5%
Market Value	\$42 700 000	\$40 700 000	\$38 600 000

SKYSCRAPER

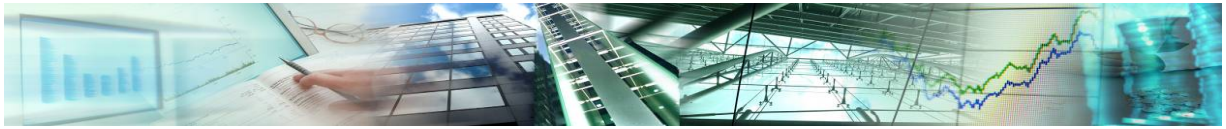
Vacancy rate	+5%	current	-5%
Market Value	\$35 100 000	\$45 200 000	\$55 400 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$15 000 000	\$45 200 000	\$85 200 000
Average rental rate	+5%	current	-5%
Market Value	\$57 000 000	\$45 200 000	\$33 500 000
Total Development Costs	+5%	current	-5%
Market Value	\$35 900 000	\$45 200 000	\$54 600 000

ST. PETERSBURG_commercial

Vacancy rate	+5%	current	-5%
Market Value	\$14 500 000	\$21 000 000	\$27 600 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$8 900 000	\$21 000 000	\$36 600 000
Average rental rate	+5%	current	-5%
Market Value	\$26 900 000	\$21 000 000	\$15 200 000
Total Development Costs	+5%	current	-5%
Market Value	\$16 200 000	\$21 000 000	\$25 800 000

YAROSLAVL_Vernissage Mall

Vacancy rate	+5%	current	-5%
Market Value	\$96 800 000	\$97 200 000	n/a
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$89 000 000	\$97 200 000	\$107 200 000
Average rental rate	+5%	current	-5%
Market Value	\$102 000 000	\$97 200 000	\$92 400 000

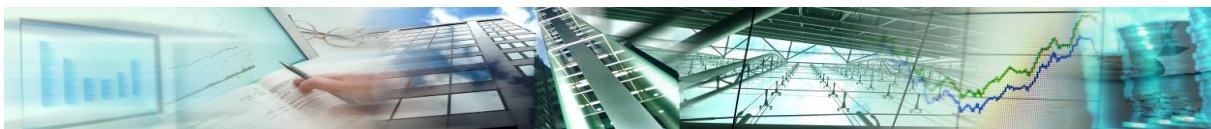


SARATOV_Triumph Mall

Vacancy rate	+5%	current	-5%
Market Value	\$109 600 000	\$110 600 000	n/a
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$102 000 000	\$110 600 000	\$121 000 000
Average rental rate	+5%	current	-5%
Market Value	\$115 800 000	\$110 600 000	\$105 300 000

YAROSLAVL_Phase 2

Vacancy rate	+5%	current	-5%
Market Value	\$7 300 000	\$8 300 000	\$9 000 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$4 700 000	\$8 300 000	\$12 900 000
Average rental rate	+5%	current	-5%
Market Value	\$10 300 000	\$8 300 000	\$6 400 000
Total Development Costs	+5%	current	-5%
Market Value	\$6 600 000	\$8 300 000	\$10 000 000



APPENDIX FIVE

DISCOUNT RATE BREAKDOWN

For the purpose of our valuation we calculated the discount rate on the basis of a cumulative method:

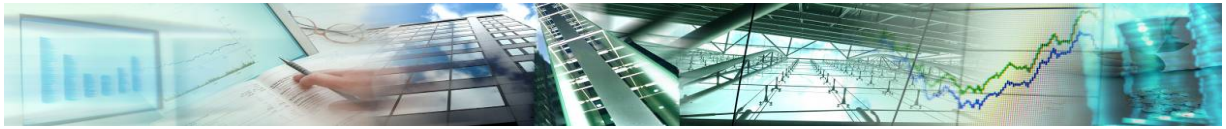
$$DR = \text{Risk Free Rate} + \text{Investment Risk} + \text{Liquidity Risk} + \text{Management Risk} + \text{Specific Risk (if applicable)}.$$

When assessing the discount rate for non-completed Properties, we added additional risks associated directly with the construction process.

We have calculated the discount rate on the basis of a long term risk-free rate plus a risk premium in accordance with international valuation practice. Risk Free Rate is estimated on the basis of the most liquid and secure investments. The risk-free rate has been taken from the yield of Russia-30 Bonds to reflect the long-term horizon of real estate investments. As of the date of valuation this number is estimated to be around 5.20%. The generally applied discount rate has therefore been calculated from the risk-free rate of 5.20% and specific risk premiums reflecting the limited liquidity of the real estate investments compared to more liquid asset classes such as stocks or bonds. Then we took into consideration location, degree of completion, type of property and other characteristics while assessing risk premiums in line with every separate Property.

MAG (Completed)	31.12.2011
Risk Free Rate	5,20%
Risk Adjustments:	
- Investment Risk	5%
- Liquidity Risk	1,50%
- Management Risk	0,25%
- Specific Risk (Region Risk)	0,25%
Discount Rate	12,00%

Tamiz Building (Completed)	31.12.2011
Risk Free Rate	5,20%
Risk Adjustments:	
- Investment Risk	5%
- Liquidity Risk	1,25%
- Management Risk	0,25%
- Specific Risk (Region Risk)	0,50%
Discount Rate (Fully Completed Property)	12,50%

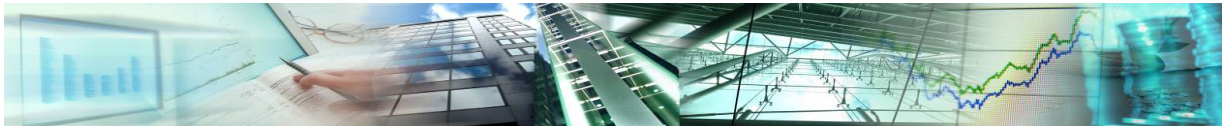


Hidromashservice (Completed)	31.12.2011
Risk Free Rate	5,20%
Risk Adjustments:	
- Investment Risk	5%
- Liquidity Risk	1,50%
- Management Risk	0,25%
- Specific Risk (Region Risk)	0,25%
Discount Rate	12,00%

Century (Completed)	31.12.2011
Risk Free Rate	5,20%
Risk Adjustments:	
- Investment Risk	5%
- Liquidity Risk	1,50%
- Management Risk	1,00%
- Specific Risk (Region Risk)	0,25%
Discount Rate	13,00%

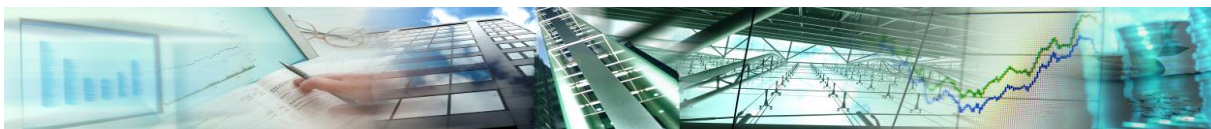
Vernissage Mall Yaroslavl (Completed)	31.12.2011
Risk Free Rate	5,20%
Risk Adjustments:	
- Investment Risk	5%
- Liquidity Risk	1,50%
- Management Risk	0,25%
- Specific Risk (Region Risk)	1,00%
Discount Rate	12,50%

Triumph Mall Saratov (Completed)	31.12.2011
Risk Free Rate	5,20%
Risk Adjustments:	
- Investment Risk	5,25%
- Liquidity Risk	1,50%
- Management Risk	0,25%
- Specific Risk (Region Risk)	1,00%
Discount Rate	12,50%



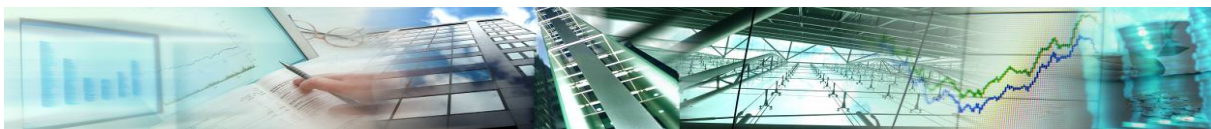
Skyscraper (Held for Future Development)	31.12.2011
Risk Free Rate	5,20%
Risk Adjustments:	
- Investment Risk	4,00%
- Liquidity Risk	2,00%
- Management Risk	0,25%
- Specific Risk (Region Risk)	0,50%
Discount Rate (Fully Completed Property)	11,95%
Risk Adjustments for Not Completed State:	
- Construction (0% Completed)	2,00%
- Construction currently Stopped	0,00%
- Outstanding Construction & Related Permissions	4,00%
- Land Plot without Zoning for Proposed Use	0,00%
Discount Rate Conclusion	18,00%

St. Petersburg Commercial (Held for Future Development)	31.12.2011
Risk Free Rate	5,20%
Risk Adjustments:	
- Investment Risk	4,00%
- Liquidity Risk	1,75%
- Management Risk	0,50%
- Specific Risk (Region Risk)	0,75%
Discount Rate (Fully Completed Property)	12,20%
Risk Adjustments for Not Completed State:	
- Construction (0% Completed)	5,00%
- Construction currently Stopped	0,00%
- Outstanding Construction & Related Permissions	2,50%
- Land Plot without Zoning for Proposed Use	0,00%
Discount Rate Conclusion	20,00%



Yaroslavl Phase II (Held for Future Development)	31.12.2011
Risk Free Rate	5,20%
Risk Adjustments:	
- Investment Risk	4,50%
- Liquidity Risk	2,00%
- Management Risk	0,25%
- Specific Risk (Region Risk)	1,00%
Discount Rate (Fully Completed Property)	12,95%
Risk Adjustments for Not Completed State:	
- Construction (0% Completed)	6,00%
- Construction currently Stopped	0,00%
- Outstanding Construction & Related Permissions	3,00%
- Land Plot without Zoning for Proposed Use	0,00%
Discount Rate Conclusion	22,00%

MAG bld. 26 (Held for Renovation)	31.12.2011
Risk Free Rate	5,20%
Risk Adjustments:	
- Investment Risk	5%
- Liquidity Risk	1,50%
- Management Risk	0,25%
- Specific Risk (Region Risk)	0,25%
Discount Rate (Fully Completed Property)	12,00%
Risk Adjustments for Not Completed State:	0,00%
- Construction (0% Completed)	2,00%
- Construction currently Stopped	0,00%
- Outstanding Construction & Related Permissions	0,00%
- Land Plot without Zoning for Proposed Use	0,00%
Discount Rate Conclusion	14,00%



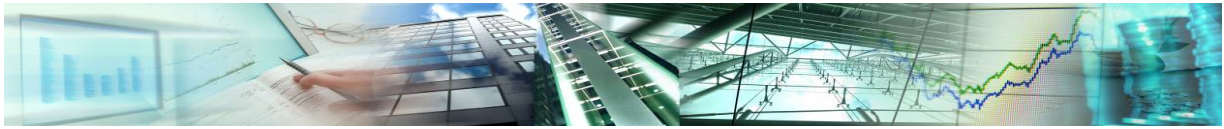
APPENDIX SIX

FINANCIAL MODELS

Saratov Logistics

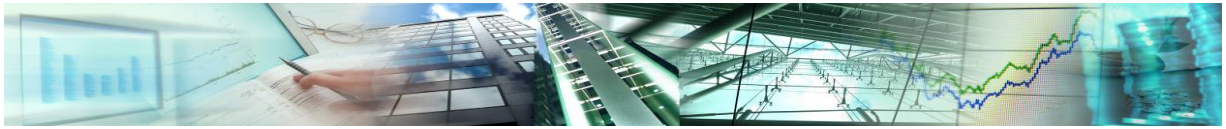
Saratov

	Subject property	Comparable 1	Comparable 2	Comparable 3
Price, \$	-	2 702 191	242 265	1 863 580
Total area (ha)	26,0000	17,00	6,00	30,00
Total area ex encumbrances (ha)	26,0000	17,00	6,00	30,00
Price per ha, \$	-	158 952	40 378	62 119
Adjustments				
Size				
Adjustment, %	-	0,00%	-10,00%	0,00%
Subtotal, \$	-	158 952	36 340	62 119
Location	Russia, Saratov region, 1.3 km south-east to Dubki village	Saratov, Antonova Str.	Saratov, Volsky Trakt	Saratov Circle road/ Sokursky Trakt
Adjustment	-	-10,00%	0,00%	0,00%
Subtotal, \$	-	143 057,15	36 339,81	62 119,33
Transport access	Good	Good	Good	Good
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, \$	-	143 057,15	36 339,81	62 119,33
Zoning	industrial	industrial	industrial	industrial
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, \$	-	143 057	36 340	62 119
Property rights	freehold	leasehold	leasehold	leasehold
Adjustment	-	10,00%	10,00%	10,00%
Subtotal, \$	-	157 363	39 974	68 331
Utilities	on the border	on the border	on the border	on the border
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, \$	-	157 363	39 974	68 331
Market conditions	-	sale offer	sale offer	sale offer
Adjustment	-	-10,00%	-10,00%	-10,00%
Subtotal, \$	-	141 627	35 976	61 498
Other	Electricity brought to the land plot. Technical conditions on electricity (6Mw t)	no	no	no
Adjustment, \$	-	203 846	203 846	203 846
Subtotal, \$	-	345 473	239 823	265 344
Weights, %	-	0,3333	0,3333	0,3333
Source		http://nedvizhimos.t.sar.slando.ru/saratov/prodayu-zemelnyy-	http://www.rosreal.t.ru/Saratov/uchastok/62654	shom77@mail.ru;+79042401176
Weighted average, per ha, \$		283 547		
Weighted average, per sotka, \$		2 835		
Fair value, \$		7 400 000		



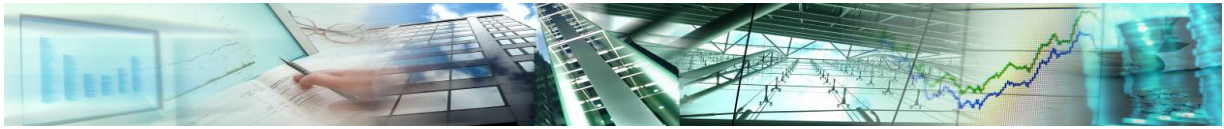
Novosibirsk Logistics

Novosibirsk					
	Subject property	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Price, \$	-	8 696 706	1 863 580	1 397 685	2 484 773
Total area (ha)	40,6700	28,00	5,00	4,50	11,70
Total area ex encumbrances (ha)	40,6700	28,00	5,00	4,50	11,70
Price per ha, \$	-	310 597	372 716	310 597	212 374
Adjustments					
Size					
Adjustment, %	-	0,00%	-20,00%	-20,00%	-10,00%
Subtotal, \$	-	310 597	298 173	248 477	191 136
Location					
	Novosibirskiy region, MO Stacionnogo selsoveta, 1 km to the north-east from village Sadoviy along railw ay line Inya-Vostochnaya – Krasniy Yar	Novosibirsk, Tolmachyovskoe Hw .	Novosibirsk, Kaytimovskaya Str.	Novosibirsk, Petukhova Str.	Novosibirsk, Tolmachyovskoe Hw .
Adjustment	-	0,00%	0,00%	0,00%	0,00%
Subtotal, \$	-	310 596,63	298 172,76	248 477,30	191 136,38
Transport access					
	Average	Good	Average	Average	Good
Adjustment	-	-10,00%	0,00%	0,00%	-10,00%
Subtotal, \$	-	279 536,96	298 172,76	248 477,30	172 022,75
Zoning					
	industrial	industrial	industrial	industrial	industrial
Adjustment	-	0,00%	0,00%	0,00%	0,00%
Subtotal, \$	-	279 537	298 173	248 477	172 023
Property rights					
	leasehold	freehold	freehold	leasehold	leasehold
Adjustment	-	-10,00%	-10,00%	0,00%	0,00%
Subtotal, \$	-	251 583	268 355	248 477	172 023
Utilities					
	on the border	on the border	on the border	on the border	on the border
Adjustment	-	0,00%	0,00%	0,00%	0,00%
Subtotal, \$	-	251 583	268 355	248 477	172 023
Market conditions					
		sale offer	sale offer	sale offer	sale offer
Adjustment	-	-10,00%	-10,00%	-10,00%	-10,00%
Subtotal, \$	-	226 425	241 520	223 630	154 820
Other					
	-				
Adjustment	-	0,00%	0,00%	0,00%	0,00%
Subtotal, \$	-	226 425	241 520	223 630	154 820
Weights, %					
	-	0,2500	0,2500	0,2500	0,2500
Source					
		http://novosibirsk.olx.ru/11-7-iid-265998373	http://novosibirsk.irr.ru/advert/150087496	http://novosibirsk.olx.ru/4-5-iid-292832871	http://www.rosrealt.ru/Novosibirsk/uchastok/54697
Weighted average, per ha, \$			211 599		
Weighted average, per sotka, \$			2 116		
Market value, \$			8 600 000		



Penza Retail

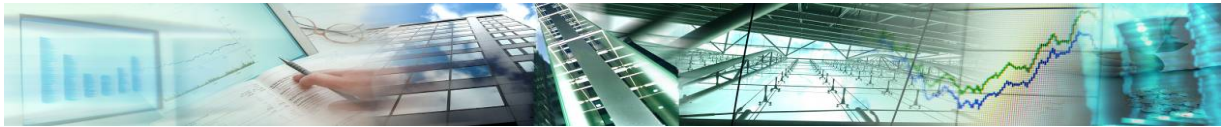
Penza				
	Subject property	Comparable 1	Comparable 3	Comparable 4
Price, \$	-	3 539 137	496 955	357 186
Total area (ha)	5,0000	7,00	0,50	0,50
Total area ex encumbrances (ha)	5,0000	7,00	0,50	0,50
Price per ha, \$	-	505 591	993 909	714 372
Adjustments				
Size				
Adjustment, %	-	0,00%	-20,00%	-20,00%
Subtotal, \$	-	505 591	795 127	571 498
Location				
	Russia, Penza city, Sosnovka district	Penza, in the north exit from the city, Moscow motorway	Penza, Sverdlova Str.	Penza, Austrina Str.
Adjustment	-	10,00%	0,00%	0,00%
Subtotal, \$	-	556 150,10	795 127,36	571 497,79
Transport access				
	Good	Good	Good	Good
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, \$	-	556 150,10	795 127,36	571 497,79
Zoning				
	settlement	settlement	settlement	settlement
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, \$	-	556 150	795 127	571 498
Property rights				
	freehold	freehold	freehold	freehold
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, \$	-	556 150	795 127	571 498
Utilities				
	on the border	on the border	on the border	on the border
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, \$	-	556 150	795 127	571 498
Market conditions				
	-	sale offer	sale offer	sale offer
Adjustment	-	-10,00%	-10,00%	-10,00%
Subtotal, \$	-	500 535	715 615	514 348
Other				
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, \$	-	500 535	715 615	514 348
Weights, %	-	0,2000	0,4000	0,4000
Source		CW database	http://penza.barahla.net/realty/216/3677426.html	http://ru.ners.ru/object/1325396.html
Weighted average, per ha, \$		592 092		
Weighted average, per sotka, \$		5 921		
Fair value, \$		3 000 000		



Kazan Retail

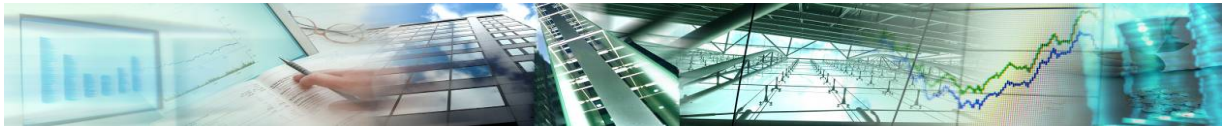
Kazan				
	Subject property	Comparable 1	Comparable 2	Comparable 3
Price, \$	-	2 702 191	4 634 102	6 413 820
Total area (ha)	2,2640	1,46	1,84	2,59
Total area ex encumbrances (ha)	2,2640	1,46	1,84	2,59
Price per ha, \$	-	1 855 900	2 517 165	2 476 378
Adjustments				
Size				
Adjustment, %	-	0,00%	0,00%	0,00%
Subtotal, \$	-	1 855 900	2 517 165	2 476 378
Location				
	Russia, Kazan city, Okolnaya Street, 23-A, intersection of Gorkovskoye highway, Bolotnikova Street, Frunze street and Vosstaniya Street	Republic of Tatarstan, Kazan city, Vladimira Kulagina Street	Republic of Tatarstan, Kazan city, near Pobedy prosp.	Republic of Tatarstan, Kazan city, near Pobedy prosp.
Adjustment	-	10,00%	0,00%	0,00%
Subtotal, \$	-	2 041 490,18	2 517 165,48	2 476 378,50
Transport access				
	Good	Good	Good	Good
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, \$	-	2 041 490,18	2 517 165,48	2 476 378,50
Zoning				
	settlement commercial	settlement commercial	settlement commercial	settlement commercial
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, \$	-	2 041 490	2 517 165	2 476 378
Property rights				
	freehold	freehold	freehold	freehold
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, \$	-	2 041 490	2 517 165	2 476 378
Utilities				
	on the site	on the border	on the border	on the border
Adjustment	-	5,00%	5,00%	5,00%
Subtotal, \$	-	2 143 565	2 643 024	2 600 197
Market conditions				
	-	sale offer	sale offer	sale offer
Adjustment	-	-10,00%	-10,00%	-10,00%
Subtotal, \$	-	1 929 208	2 378 721	2 340 178
Project Documentation, Technical Conditions and Project Development Stage				
	1) The facades approved by General architect of the city 2) Receiving building permits for ground level is in process 3) Preruling for licensing 4) Zoning approved 5) Technical conditions approved 6) 2 underground tunnels for transportation approved	no	no	no
Adjustment, \$	-	1 650 000	1 650 000	1 650 000
Subtotal, \$	-	3 579 208	4 028 721	3 990 178
Weights, %	-	0,3333	0,3333	0,3333
Source				
		http://kazan.irr.ru/advert/158374473/	http://kazan.irr.ru/advert/158374148/	http://kazan.irr.ru/advert/158374017/
Weighted average, per ha, \$			3 866 036	
Weighted average, per solka, \$			38 660	
Fair value, \$			8 800 000	

MAG



Results and Assumptions	
Total Lettable Area	11 248,80 sqm
Vacancy at Beginning of	616,40 sqm
Vacancy Rate in Terms of	5,48%

Period		1				2				3				4				5				6			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
		01.01.2012	01.04.2012	01.07.2012	01.10.2012	01.01.2013	01.04.2013	01.07.2013	01.10.2013	01.01.2014	01.04.2014	01.07.2014	01.10.2014	01.01.2015	01.04.2015	01.07.2015	01.10.2015	01.01.2016	01.04.2016	01.07.2016	01.10.2016	01.01.2017	01.04.2017	01.07.2017	01.10.2017
		31.03.2012	30.06.2012	30.09.2012	31.12.2012	31.03.2013	30.06.2013	30.09.2013	31.12.2013	31.03.2014	30.06.2014	30.09.2014	31.12.2014	31.03.2015	30.06.2015	30.09.2015	31.12.2015	31.03.2016	30.06.2016	30.09.2016	31.12.2016	31.03.2017	30.06.2017	30.09.2017	31.12.2017
		2012				2013				2014				2015				2016				2017			
Income		\$1 090 399	\$1 160 405	\$1 213 353	\$1 243 024	\$988 860	\$1 211 998	\$1 256 094	\$1 268 308	\$1 307 142	\$1 310 351	\$1 313 728	\$1 308 559	\$1 342 717	\$1 344 345	\$1 346 214	\$1 358 072	\$1 392 826	\$1 392 897	\$1 413 793	\$1 262 969	\$1 397 327	\$1 407 015	\$1 413 596	\$1 413 596
Non-recoverable Costs																									
Reserve deductions	1,00%	\$10 904	\$11 604	\$12 134	\$12 430	\$9 889	\$12 120	\$12 561	\$12 683	\$13 071	\$13 104	\$13 137	\$13 086	\$13 427	\$13 443	\$13 462	\$13 581	\$13 928	\$13 929	\$14 138	\$12 630	\$13 973	\$14 070	\$14 136	\$14 136
Non-recoverable OPEX		\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034	\$116 034
Total Expenditure		\$144 938	\$161 684	\$128 167	\$128 464	\$125 922	\$128 154	\$128 595	\$128 717	\$129 105	\$129 137	\$129 171	\$129 119	\$129 461	\$129 477	\$129 496	\$129 614	\$129 962	\$129 963	\$130 172	\$128 663	\$130 007	\$130 104	\$130 170	\$130 170
Total Quarterly Cash Flow		\$945 462	\$998 720	\$1 085 186	\$1 114 560	\$862 938	\$1 083 844	\$1 127 499	\$1 139 591	\$1 178 037	\$1 181 214	\$1 184 557	\$1 179 440	\$1 213 256	\$1 214 867	\$1 216 718	\$1 228 458	\$1 262 865	\$1 262 934	\$1 283 622	\$1 134 305	\$1 267 320	\$1 276 911	\$1 283 426	\$1 283 426
Terminal Value Calculation	Exit Capitalisation Rate	9,00%																							
Present Value Calculation	Discount Rate	12,00%	1,0000	0,9721	0,9449	0,9185	0,8929	0,8679	0,8437	0,8201	0,7972	0,7749	0,7533	0,7322	0,7118	0,6919	0,6726	0,6538	0,6355	0,6178	0,6005	0,5837	0,5674		
Present Value per Period		\$945 462	\$970 822	\$1 025 404	\$1 023 741	\$770 480	\$940 685	\$951 238	\$934 582	\$939 124	\$915 352	\$892 300	\$863 627	\$863 572	\$840 563	\$818 327	\$803 142	\$802 573	\$780 197	\$770 825	\$32 563 955				
Net Present Value		\$49 415 972																							
Market Value		\$49 400 000																							



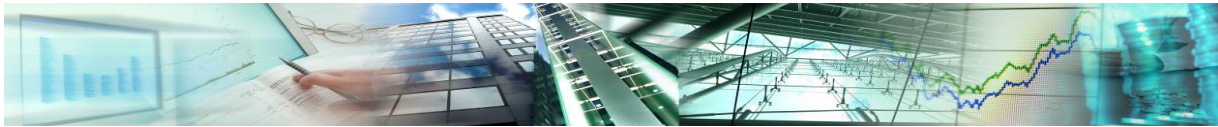
MAG bld. 26

Project Outline - MAG

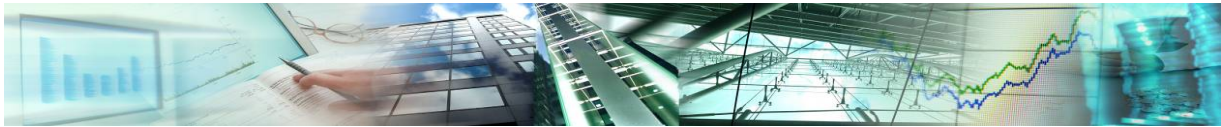
	Description	Type of Premises	Type of Deal	GLA (sqm)	Phase 1
Zone 1	Office	Office	Lease	7 143	100%
	Surface Parking (# spaces)	A	Lease	0	0%
	Structured Parking (# spaces)	A	Lease	0	0%
	Underground Parking (# spaces)	A	Lease	0	0%
Total Area for Lease sqm (excl. Parking)				7 143	7 143
Total Parking for Lease (spaces)				0	0
Total Area (excl. Parking)				7 143	7 143
Total Parking (spaces)				0	0

Design & Construction Costs		
Office	\$/sqm	894
Surface Parking	\$/place	0
Underground Parking	\$/place	0
Utilities	\$/sqm	0
Developer's Fee	\$/sqm	0
Completion Condition		Shell & Core
Construction Contract Type		Fixed
Construction Costs Inflation Rate	%	0%
Permit & Design Costs Inflation Rate	%	0%
Fit-out Period	Months	3
VAT Rate	%	18%
Contribution to Cash Reserve (% of GOI)	%	1,25%
Interest on Cash Reserve	%	0%
Security Deposit	Months	3
Review / Renewal Period	Years	1
Review / Renewal Period for Anchors	Years	3
Broker's Fees on Acquisition (% of Land Acquisition Costs)	%	3,00%
Broker's Fees on Leasing (% of GOI)	%	8,33%
Broker's Fees on Sale (% of Sale Price)		3,00%
Depreciation Rate for Buildings	%	2%
Accelerating Multiple for Depreciation	Units	1
Income Tax Rate	%	20%
Advance Payment for Construction	%	20%
Hold Back on Construction	%	5%

Year	Annual Rent/Sale Price per sq m	Occupancy
	Zone 1 Office	Office
2012	400	0%
2013	412	80%
2014	424	90%
2015	437	95%
2016	450	95%



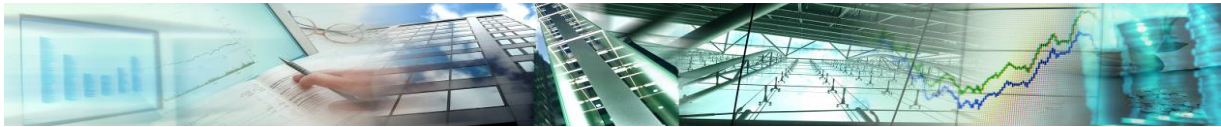
	31-Dec-2011	31-Mar-2012	30-Jun-2012	30-Sep-2012	31-Dec-2012	31-Mar-2013	30-Jun-2013	30-Sep-2013	31-Dec-2013	31-Mar-2014	30-Jun-2014	30-Sep-2014	31-Dec-2014	31-Mar-2015	30-Jun-2015	30-Sep-2015	31-Dec-2015	31-Mar-2016	30-Jun-2016	30-Sep-2016	31-Dec-2016
Cashflow of the Project	4Q2011	1Q2012	2Q2012	3Q2012	4Q2012	1Q2013	2Q2013	3Q2013	4Q2013	1Q2014	2Q2014	3Q2014	4Q2014	1Q2015	2Q2015	3Q2015	4Q2015	1Q2016	2Q2016	3Q2016	4Q2016
Cashflow from Operating Activity																					
Phase 1		N/a																			
Last Review Date		N/a	1-Jun-2012	1-Jun-2012	1-Jun-2012	1-Jun-2012	1-Jun-2013	1-Jun-2013	1-Jun-2013	1-Jun-2013	1-Jun-2014	1-Jun-2014	1-Jun-2014	1-Jun-2014	1-Jun-2015	1-Jun-2015	1-Jun-2015	1-Jun-2015	1-Jun-2016	1-Jun-2016	1-Jun-2016
Last Review Date - Anch		N/a	1-Jun-2012	1-Jun-2012	1-Jun-2012	1-Jun-2012	1-Jun-2012	1-Jun-2012	1-Jun-2012	1-Jun-2012	1-Jun-2012	1-Jun-2012	1-Jun-2012	1-Jun-2012	1-Jun-2015	1-Jun-2015	1-Jun-2015	1-Jun-2015	1-Jun-2015	1-Jun-2015	1-Jun-2015
Weights																					
Office		0	0	0	0	578 579	584 111	595 936	595 936	670 429	676 838	690 541	690 541	728 905	735 873	750 772	750 772	750 772	757 950	773 295	16 811
Gross Operating Income		0	0	0	0	578 579	584 111	595 936	595 936	670 429	676 838	690 541	690 541	728 905	735 873	750 772	750 772	750 772	757 950	773 295	16 811
Operating Expenses		-77 750	-77 750	-77 750	-77 750	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Gross Operating Income		0	0	0	0	578 579	584 111	595 936	595 936	670 429	676 838	690 541	690 541	728 905	735 873	750 772	750 772	750 772	757 950	773 295	16 811
Total Operating Expenses		-77 750	-77 750	-77 750	-77 750	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Tax		0	0	-35 017	-34 842	-34 666	-34 490	-34 315	-34 139	-33 964	-33 788	-33 613	-33 437	-33 262	-33 086	-32 911	-32 735	-32 560	-32 384	-32 209	-16 060
Other																					
Total Net Operating Income from Leasing		-77 750	-77 750	-112 767	-112 592	543 913	549 620	561 621	561 797	636 465	643 050	656 929	657 104	695 643	702 787	717 861	718 037	718 212	725 565	741 086	750
EBITDA		-77 750	-77 750	-112 767	-112 592	543 913	549 620	561 621	561 797	636 465	643 050	656 929	657 104	695 643	702 787	717 861	718 037	718 212	725 565	741 086	750
Net Income		-77 750	-77 750	-144 681	-144 505	409 600	414 165	423 766	423 907	483 641	488 909	500 012	500 152	530 984	536 699	548 758	548 899	549 039	554 922	567 338	-31 163
Total CF from Operating Activity (excl. VAT)		-77 750	-77 750	-112 767	-112 592	441 513	446 079	455 680	455 820	515 554	520 822	531 925	532 066	562 897	568 612	580 672	580 812	580 952	586 835	599 252	750
Cashflow from Investing Activity																					
Property Acquisition		-14 348 504	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agent's Fees on Acquisition		-430 455	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Phase 1			-18	-17	-16	-15	-14	-13	-12	-11	-10	-9	-8	-7	-6	-5	-4	-3	-2	-1	0
Period Counter	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
Construction Costs	-6 063 560	-319 135	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sale Proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Book Value for Disposal	20 842 519	21 161 653	21 129 740	21 097 826	21 065 913	21 033 999	21 002 086	20 970 173	20 938 259	20 906 346	20 874 432	20 842 519	20 810 605	20 778 692	20 746 778	20 714 865	20 682 951	20 651 038	20 619 124	20 587 211	34 713 147
Total Acquisition/Disposal	-14 778 959	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	34 713 147
Tax on Sale Proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-2 818 955
Total Construction, Permit and Design Costs	-6 063 560	-319 135	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Value Added Tax Calculation																					
VAT Received from Tenants	0	0	0	0	0	104 144	105 140	107 269	107 269	120 677	121 831	124 297	124 297	131 203	132 457	135 139	135 139	135 139	136 431	139 193	3 026
VAT Paid on Maintenance Costs & Broker's Fees	-13 995	-13 995	-13 995	-13 995	-13 995	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
VAT on Investment Activity	-2 976 834	-57 444	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6 248 366
Total VAT Received (Paid)	-2 990 829	-71 439	-13 995	-13 995	-13 995	104 144	105 140	107 269	107 269	120 677	121 831	124 297	124 297	131 203	132 457	135 139	135 139	135 139	136 431	139 193	1 230 633
Balance of VAT	-2 990 829	-3 062 268	-3 076 263	-3 090 258	-2 986 114	-2 880 974	-2 773 706	-2 666 437	-2 545 760	-2 423 929	-2 299 632	-2 175 334	-2 044 131	-1 911 674	-1 776 535	-1 641 396	-1 506 257	-1 369 826	-1 230 633	0	0
Total VAT Received (Paid) Disregarding Inflation	-2 990 829	-71 439	-13 995	-13 995	-13 995	104 144	105 140	107 269	107 269	120 677	121 831	124 297	124 297	131 203	132 457	135 139	135 139	135 139	136 431	139 193	1 230 633
Balance of VAT Disregarding Inflation	-2 990 829	-3 062 268	-3 076 263	-3 090 258	-2 986 114	-2 880 974	-2 773 706	-2 666 437	-2 545 760	-2 423 929	-2 299 632	-2 175 334	-2 044 131	-1 911 674	-1 776 535	-1 641 396	-1 506 257	-1 369 826	-1 230 633	0	0
Total CF from Investment Activity	-23 833 348	-390 574	-13 995	-13 995	-13 995	104 144	105 140	107 269	107 269	120 677	121 831	124 297	124 297	131 203	132 457	135 139	135 139	135 139	136 431	139 193	33 124 826
Equity Cashflow		-23 911 098	-468 324	-126 762	-126 587	545 657	551 219	562 948	563 089	636 232	642 653	656 223	656 363	694 100	701 070	715 811	715 951	716 091	723 266	738 445	33 125 576
Quarterly IRR	3,33%																				
Annually IRR	14,00%																				
NPV	0																				
Discount Rate	14,00%																				
Period	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	
NPV Factor	1	0,967773637	0,936585812	0,906403057	0,877192982	0,848924243	0,821566501	0,795090401	0,769467528	0,744670388	0,72067237	0,69744772	0,674971516	0,653219639	0,632168745	0,611796246	0,592080277	0,572999683	0,554533987	0,536663373	
Discounted Equity Cashflow	-23 911 098	-453 232	-118 724	-114 738	478 647	467 943	462 500	447 707	489 559	478 565	472 922	457 779	468 498	457 952	452 513	438 016	423 984	414 431	409 493	17 777 283	
Cumulative	-23 911 098	-24 364 329	-24 483 053	-24 597 791	-24 119 145	-23 651 202	-23 188 702	-22 740 995	-22 251 436	-21 772 871	-21 299 949	-20 842 170	-20 373 673	-19 915 720	-19 463 207	-19 025 191	-18 601 207	-18 186 776	-17 777 283		



HYDRO

Results and Assumptions	
Total Lettable Area	16 695,90 sqm
Vacancy at Beginning of Year 1	411,20 sqm
Vacancy Rate in Terms of Lettable Area	2,46%

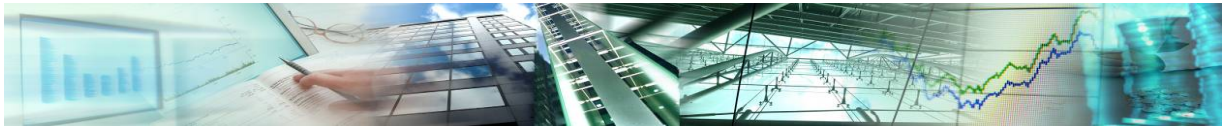
Period		1				2				3				4				5				6			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
		01.01.2012	01.04.2012	01.07.2012	01.10.2012	01.01.2013	01.04.2013	01.07.2013	01.10.2013	01.01.2014	01.04.2014	01.07.2014	01.10.2014	01.01.2015	01.04.2015	01.07.2015	01.10.2015	01.01.2016	01.04.2016	01.07.2016	01.10.2016	01.01.2017	01.04.2017	01.07.2017	01.10.2017
		31.03.2012	30.06.2012	30.09.2012	31.12.2012	31.03.2013	30.06.2013	30.09.2013	31.12.2013	31.03.2014	30.06.2014	30.09.2014	31.12.2014	31.03.2015	30.06.2015	30.09.2015	31.12.2015	31.03.2016	30.06.2016	30.09.2016	31.12.2016	31.03.2017	30.06.2017	30.09.2017	31.12.2017
		2012				2013				2014				2015				2016				2017			
Net Operating Income		\$1 587 210	\$1 648 207	\$1 717 734	\$1 752 709	\$1 761 749	\$1 775 244	\$1 801 370	\$1 839 623	\$1 857 940	\$1 839 984	\$1 832 432	\$1 667 966	\$1 739 395	\$1 828 252	\$1 834 824	\$1 841 216	\$1 885 548	\$1 885 922	\$1 877 792	\$1 876 486	\$1 848 942	\$2 013 139	\$2 019 689	\$2 019 689
Non-recoverable Costs																									
Reserve deductions	1,00%	\$15 872	\$16 482	\$17 177	\$17 527	\$17 617	\$17 752	\$18 014	\$18 396	\$18 579	\$18 400	\$18 324	\$16 680	\$17 394	\$18 283	\$18 348	\$18 412	\$18 855	\$18 859	\$18 778	\$18 765	\$18 489	\$20 131	\$20 197	\$20 197
Letting Fees	1,0 Months	\$18 000	\$13 500	\$13 707	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-recoverable OPEX		\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220	\$172 220
Total Expenditure		\$206 092	\$202 202	\$203 104	\$189 747	\$189 837	\$189 972	\$190 233	\$190 616	\$190 799	\$190 619	\$190 544	\$188 899	\$189 614	\$190 502	\$190 568	\$190 632	\$191 075	\$191 079	\$190 998	\$190 984	\$190 709	\$192 351	\$192 417	\$192 417
Total Quarterly Cash Flow		\$1 381 118	\$1 446 006	\$1 514 630	\$1 562 962	\$1 571 912	\$1 585 272	\$1 611 137	\$1 649 007	\$1 667 141	\$1 649 364	\$1 641 888	\$1 479 066	\$1 549 782	\$1 637 750	\$1 644 256	\$1 650 584	\$1 694 473	\$1 694 843	\$1 686 794	\$1 685 502	\$1 658 233	\$1 820 788	\$1 827 272	\$1 827 272
Terminal Value Calculation	Exit Capitalisation Rate	9,00%																				\$79 261 843			
Present Value Calculation	Discount Rate	12,00%	1,0000	0,9721	0,9449	0,9185	0,8929	0,8679	0,8437	0,8201	0,7972	0,7749	0,7533	0,7322	0,7118	0,6919	0,6726	0,6538	0,6355	0,6178	0,6005	0,5837	0,5674		
Present Value per Period		\$1 381 118	\$1 405 612	\$1 431 191	\$1 435 605	\$1 403 493	\$1 375 882	\$1 359 269	\$1 352 356	\$1 329 035	\$1 278 133	\$1 236 797	\$1 083 024	\$1 103 104	\$1 133 154	\$1 105 876	\$1 079 121	\$1 076 868	\$1 047 015	\$1 012 934	\$45 509 429				
Net Present Value		\$69 139 014																							
Market Value		\$69 100 000																							



Vernissage Mall, Yaroslavl

Results and Assumptions	
Total Lettable Area	34 091,54 sqm
Vacancy at Beginning of Year I	0,00 sqm
Vacancy Rate in Terms of Lettable Area	0,00%

Period	1																									2				3				4				5				6			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q																					
	01.01.2012	01.04.2012	01.07.2012	01.10.2012	01.01.2013	01.04.2013	01.07.2013	01.10.2013	01.01.2014	01.04.2014	01.07.2014	01.10.2014	01.01.2015	01.04.2015	01.07.2015	01.10.2015	01.01.2016	01.04.2016	01.07.2016	01.10.2016	01.01.2017	01.04.2017	01.07.2017	01.10.2017																					
	31.03.2012	30.06.2012	30.09.2012	31.12.2012	31.03.2013	30.06.2013	30.09.2013	31.12.2013	31.03.2014	30.06.2014	30.09.2014	31.12.2014	31.03.2015	30.06.2015	30.09.2015	31.12.2015	31.03.2016	30.06.2016	30.09.2016	31.12.2016	31.03.2017	30.06.2017	30.09.2017	31.12.2017																					
	2012				2013				2014				2015				2016				2017																								
Gross Revenue from Leasing	\$2 488 775	\$2 518 764	\$2 529 142	\$2 541 782	\$2 564 173	\$2 598 652	\$2 608 656	\$2 617 465	\$2 634 448	\$2 618 928	\$2 613 671	\$2 619 130	\$2 623 248	\$2 632 411	\$2 624 377	\$2 629 114	\$2 627 692	\$2 635 524	\$2 637 701	\$2 643 251	\$2 648 478	\$2 641 967	\$2 638 246	\$2 561 333																					
Non-recoverable Costs																																													
Reserve deductions	1,00%	\$24 888	\$25 188	\$25 291	\$25 418	\$25 642	\$25 987	\$26 087	\$26 175	\$26 344	\$26 189	\$26 137	\$26 191	\$26 232	\$26 324	\$26 244	\$26 291	\$26 277	\$26 355	\$26 377	\$26 433	\$26 485	\$26 420	\$26 382	\$25 613																				
Total Expenditure		\$24 888	\$148 068	\$25 291	\$25 418	\$25 642	\$25 987	\$26 087	\$26 175	\$26 344	\$26 189	\$26 137	\$26 191	\$26 232	\$26 324	\$26 244	\$26 291	\$26 277	\$26 355	\$26 377	\$26 433	\$26 485	\$26 420	\$26 382	\$25 613																				
Total Quarterly Cash Flow		\$2 463 887	\$2 370 696	\$2 503 851	\$2 516 365	\$2 538 531	\$2 572 666	\$2 582 570	\$2 591 290	\$2 608 104	\$2 592 739	\$2 587 535	\$2 592 939	\$2 597 016	\$2 606 087	\$2 598 133	\$2 602 823	\$2 601 415	\$2 609 169	\$2 611 324	\$2 616 818	\$2 621 993	\$2 615 547	\$2 611 864	\$2 535 720																				
Total Quarterly Cashflow from turnover		\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682	\$33 682																					
Terminal Value Calculation	Exit Capitalisation Rate	10,00%																			\$103 851 239																								
Terminal Value Calculation for Turnover		15,00%																			\$898 197																								
Present Value Calculation	Discount Rate	12,50%	1,0000	0,9710	0,9428	0,9155	0,8889	0,8631	0,8381	0,8137	0,7901	0,7672	0,7449	0,7233	0,7023	0,6820	0,6622	0,6430	0,6243	0,6062	0,5886	0,5715	0,5549																						
Present Value Calculation for Turnover	Discount Rate	17,50%	1,0000	0,9605	0,9225	0,8861	0,8511	0,8174	0,7851	0,7541	0,7243	0,6957	0,6682	0,6418	0,6164	0,5921	0,5687	0,5462	0,5246	0,5039	0,4840	0,4649	0,4465																						
Present Value per Period		\$2 463 887	\$2 301 907	\$2 360 653	\$2 303 611	\$2 256 472	\$2 220 459	\$2 164 329	\$2 108 624	\$2 060 724	\$1 989 141	\$1 927 547	\$1 875 525	\$1 823 967	\$1 777 228	\$1 720 393	\$1 673 488	\$1 624 050	\$1 581 627	\$1 537 002	\$58 544 319																								
Present Value per Period for Turnover		\$33 682	\$32 351	\$31 073	\$29 845	\$28 666	\$27 533	\$26 445	\$25 400	\$24 396	\$23 432	\$22 507	\$21 617	\$20 763	\$19 943	\$19 154	\$18 398	\$17 671	\$16 972	\$16 302	\$416 692																								
Net Present Value		\$97 187 796																																											
Market Value		\$97 200 000																																											

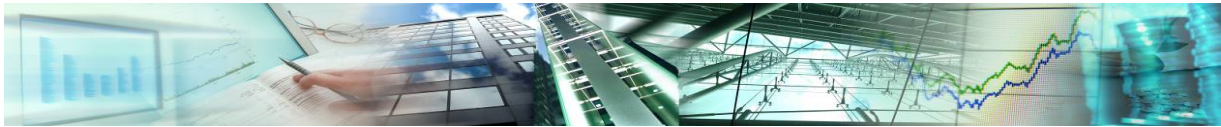


Skyscraper, Moscow

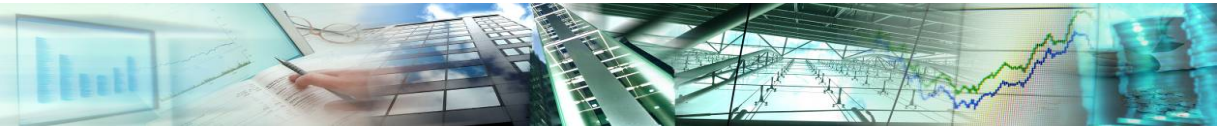
	Description	Type of Premises	Type of Deal	GLA (sqm)	Phase 1
Zone 1	Office	Office	Lease	85 000	100%
Zone 2	Retail	Retail	Lease	7 000	100%
	Underground Parking (# spaces)		Lease	1 690	100%
Total Area for Lease sqm (excl. Parking)				92 000	92 000
Total Parking for Lease (spaces)				1690	1690
Total Area (excl. Parking)				92 000	92 000
Total Parking (spaces)				1690	1690

Design & Construction Costs		
Office	\$/sqm	2 412
Retail	\$/sqm	2 412
Underground Parking	\$/place	35 000
Completion Condition		Shell & Core
Construction Contract Type		Fixed
Construction Costs Inflation Rate	%	0%
Permit & Design Costs Inflation Rate	%	0%
Fit-out Period	Months	3
VAT Rate	%	18%
Contribution to Cash Reserve (% of GOI)	%	1,25%
Interest on Cash Reserve	%	0%
Security Deposit	Months	3
Review / Renewal Period	Years	1
Review / Renewal Period for Anchors	Years	3
Agent's Fees on Acquisition (% of land acquisition costs)	%	3,00%
Broker's Fees on Leasing (% of GOI)	%	8,33%
Broker's Fees on Sale (% of Sale Price)		1,00%
Depreciation Rate for Buildings	%	2%
Accelerating Multiple for Depreciation	Units	1
Income Tax Rate	%	20%
Advance Payment for Construction	%	20%
Hold Back on Construction	%	5%

Year	Annual Rent/Sale Price per sq m			Occupancy		
	Zone 1	Zone 2				
	Office	Retail	Underground Parking	Office	Retail	Underground Parking
2012	550	500	4 800	85%	85%	85%
2013	567	515	4 944	85%	85%	85%
2014	583	530	5 092	90%	90%	90%
2015	601	546	5 245	90%	90%	90%
2016	619	563	5 402	95%	95%	95%
2017	638	580	5 565	95%	95%	95%
2018	638	580	5 565	95%	97%	95%



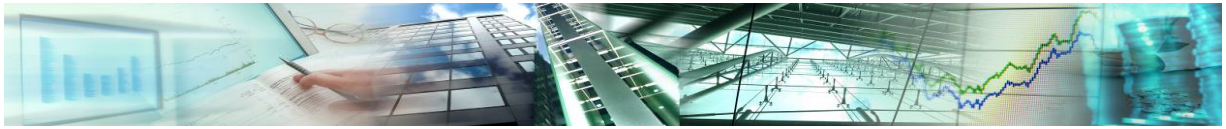
		31-Dec-2011	31-Mar-2012	30-Jun-2012	30-Sep-2012	31-Dec-2012	31-Mar-2013	30-Jun-2013	30-Sep-2013	31-Dec-2013	31-Mar-2014	30-Jun-2014	30-Sep-2014	31-Dec-2014	31-Mar-2015	30-Jun-2015	30-Sep-2015	31-Dec-2015	31-Mar-2016	30-Jun-2016	30-Sep-2016	31-Dec-2016	31-Mar-2017	30-Jun-2017	30-Sep-2017	31-Dec-2017	31-Mar-2018	30-Jun-2018	30-Sep-2018	31-Dec-2018	
Cashflow of the Project		4Q2011	1Q2012	2Q2012	3Q2012	4Q2012	1Q2013	2Q2013	3Q2013	4Q2013	1Q2014	2Q2014	3Q2014	4Q2014	1Q2015	2Q2015	3Q2015	4Q2015	1Q2016	2Q2016	3Q2016	4Q2016	1Q2017	2Q2017	3Q2017	4Q2017	1Q2018	2Q2018	3Q2018	4Q2018	
Cashflow from Operating Activity																															
Phase 1	Last Review Date	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	31-Dec-2016	31-Dec-2016	31-Dec-2016	31-Dec-2016	31-Dec-2017	31-Dec-2017	31-Dec-2017	31-Dec-2017	31-Dec-2018	
	Last Review Date - Anch	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	31-Dec-2016	31-Dec-2016	31-Dec-2016	31-Dec-2016	31-Dec-2017	31-Dec-2017	31-Dec-2017	31-Dec-2017	31-Dec-2018	
Weights	Office		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	12 730 119	12 871 565	12 871 565	12 871 565	12 871 565	419 725	0	
100%	Retail																							963 647	963 647	963 647	983 934	983 934	32 085	0	
	Underground Parking																								2 208 914	2 233 457	2 233 457	2 233 457	72 830	0	
	Gross Operating Income		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15 892 090	16 068 669	16 068 669	16 088 956	16 088 956	524 640	0	
	Operating Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Gross Operating Income			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15 892 090	16 068 669	16 068 669	16 088 956	16 088 956	524 640	0	
	Property Tax		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-1 541 940	-1 534 211	-1 526 482	-1 518 753	-1 511 024	-1 503 295	-1 495 566	-745 851	
	Utilities																														
	Other																														
Total Net Operating Income from Leasing			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-1 541 940	14 357 879	14 542 187	14 549 916	14 577 932	14 585 661	-970 926	-745 851	
	EBITDA		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-5 354 080	-1 541 940	14 357 879	14 542 187	14 549 916	14 577 932	14 585 661	-970 926	-745 851
	Net Income		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-5 354 080	-2 947 217	10 362 082	10 509 528	10 515 711	10 538 124	10 544 307	-5 114 696	-2 151 128
Total CF from Operating Activity (excl. VAT)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-5 354 080	-1 541 940	11 767 359	11 914 805	11 920 988	11 943 401	11 949 584	-3 709 419	-745 851
Cashflow from Investing Activity																															
Property Acquisition		-45 235 780	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Agent's Fees on Acquisition		-1 357 073	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Phase 1			-29	-34	-23	-23	-22	-21	-20	-19	-18	-17	-16	-15	-14	-13	-12	-11	-10	-9	-8	-7	-6	-5	-4	-3	-2	-1	0	0	
	Period Counter	0	0	0	0	0	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22		
	Construction Costs	0	0	0	0	0	0	-72 425 815	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-14 052 770	0	0	0	0	0	0	0		
	Permit & Design Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Sale Proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Book Value for Disposal	45 200 000	45 200 000	45 200 000	45 200 000	45 200 000	45 200 000	117 625 815	133 840 549	150 055 284	166 270 018	182 484 753	198 699 488	214 914 222	231 128 957	247 343 692	263 558 426	279 773 161	295 987 895	312 202 630	326 255 400	324 850 123	323 444 846	322 039 569	320 634 292	319 229 015	317 823 738	316 418 461	315 013 184		
Total Acquisition/Disposal		-46 592 853	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	757 127 353
Tax on Sale Proceeds		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	757 127 353
Total Construction, Permit and Design Costs		0	0	0	0	0	0	-72 425 815	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-16 214 735	-14 052 770	0	0	0	0	0	0	0	0	-87 992 608
Value Added Tax Calculation																															
	VAT Received from Tenants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2 892 360	0	2 860 576	2 892 360	2 892 360	2 896 012	2 896 012	94 435	0	
	VAT Paid on Maintenance Costs & Broker's Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-963 734	0	0	0	0	0	0	0	0	
	VAT on Investment Activity	-4 744 273	0	0	0	0	0	-13 036 647	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 529 499	0	0	0	0	0	0	0	136 282 924	
	VAT Received from Sales	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	VAT Paid on Broker's Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	VAT Paid on Construction, Permit & Design	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total VAT Received (Paid)		-4 744 273	0	0	0	0	0	-13 036 647	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-600 873	0	2 860 576	2 892 360	2 892 360	2 896 012	2 896 012	94 435	38 873 863	
Balance of VAT		-4 744 273	-4 744 273	-4 744 273	-4 744 273	-4 744 273	-4 744 273	-17 780 920	-20 699 572	-23 618 224	-26 536 877	-29 455 529	-32 374 181	-35 292 833	-38 211 485	-41 130 138	-44 048 790	-46 967 442	-49 886 094	-52 804 747	-53 405 619	-53 405 619	-50 545 043	-47 652 683	-44 760 322	-41 864 310	-38 968 298	-38 873 863	0	0	
Total VAT Received (Paid) Disregarding Inflation		-4 744 273	0	0	0	0	0	-13 036 647	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-2 918 652	-600 873	0	2 860 576	2 892 360	2 892 360	2 896 012	2 896 012	94 435	38 873 863	
Balance of VAT Disregarding Inflation		-4 744 273	-4 744 273	-4 744 273	-4 744 273	-4 744 273	-4 744 273	-17 780 920	-20 699 572	-23 618 224	-26 536 877	-29 455 529	-32 374 181	-35 292 833	-38 211 485	-41 130 138	-44 048 790	-46 967 442	-49 886 094	-52 804 747	-53 405 619	-53 405 619	-50 545 043	-47 652 683	-44 760 322	-41 864 310	-38 968 298	-38 873 863	0	0	
Total CF from Investment Activity		-51 337 126	0	0	0	0	0	-85 462 461	-19 133 387	-19 133 387	-19 133 387	-19 133 387	-19 133 387	-19 133 387	-19 133 387	-19 133 387	-19 133 387	-19 133 387	-19 133 387	-19 133 387	-19 133 387	-14 653 643	0	2 860 576	2 892 360	2 892 360	2 896 012	2 896 012	94 435	708	



Triumph Mall, Saratov

Results and Assumptions	
Total Lettable Area	27 304,83 sqm
Vacancy at Beginning of Year I	0,00 sqm
Vacancy Rate in Terms of Lettable Area	0,00%

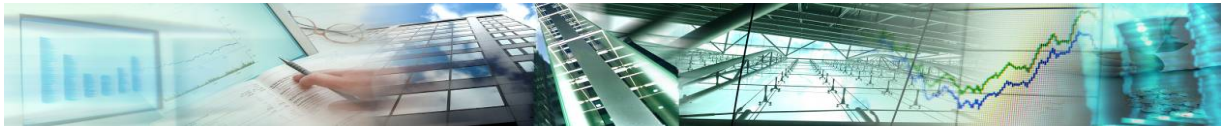
Period			1				2				3				4				5				6			
			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
			01.01.2012	01.04.2012	01.07.2012	01.10.2012	01.01.2013	01.04.2013	01.07.2013	01.10.2013	01.01.2014	01.04.2014	01.07.2014	01.10.2014	01.01.2015	01.04.2015	01.07.2015	01.10.2015	01.01.2016	01.04.2016	01.07.2016	01.10.2016	01.01.2017	01.04.2017	01.07.2017	01.10.2017
			31.03.2012	30.06.2012	30.09.2012	31.12.2012	31.03.2013	30.06.2013	30.09.2013	31.12.2013	31.03.2014	30.06.2014	30.09.2014	31.12.2014	31.03.2015	30.06.2015	30.09.2015	31.12.2015	31.03.2016	30.06.2016	30.09.2016	31.12.2016	31.03.2017	30.06.2017	30.09.2017	31.12.2017
			2012				2013				2014				2015				2016				2017			
Gross Revenue from Leasing			\$2 865 471	\$2 877 063	\$2 884 449	\$2 928 221	\$3 126 387	\$3 134 125	\$3 142 016	\$3 178 863	\$3 324 913	\$3 333 309	\$3 341 742	\$3 372 417	\$3 511 530	\$3 520 641	\$3 529 660	\$3 585 498	\$3 268 536	\$3 242 534	\$3 229 519	\$3 236 910	\$3 258 715	\$3 256 530	\$3 262 021	\$3 273 539
Non-recoverable Costs																										
Reserve deductions	1,00%		\$28 655	\$28 771	\$28 844	\$29 282	\$31 264	\$31 341	\$31 420	\$31 789	\$33 249	\$33 333	\$33 417	\$33 724	\$35 115	\$35 206	\$35 297	\$35 855	\$32 685	\$32 425	\$32 295	\$32 369	\$32 587	\$32 565	\$32 620	\$32 735
Letting Fees	1,0 Months		\$16 713	\$0	\$0	\$2 017	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Recoverable OPEX			\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500	\$315 500
Total Expenditure			\$360 867	\$344 271	\$344 344	\$346 799	\$346 764	\$346 841	\$346 920	\$347 289	\$348 749	\$348 833	\$348 917	\$349 224	\$350 615	\$350 706	\$350 797	\$351 355	\$348 185	\$347 925	\$347 795	\$347 869	\$348 087	\$348 065	\$348 120	\$348 235
Total Quarterly Cash Flow			\$2 504 603	\$2 532 792	\$2 540 105	\$2 581 422	\$2 779 623	\$2 787 284	\$2 795 096	\$2 831 574	\$2 976 164	\$2 984 475	\$2 992 825	\$3 023 193	\$3 160 915	\$3 169 935	\$3 178 863	\$3 234 143	\$2 920 351	\$2 894 609	\$2 881 724	\$2 889 041	\$2 910 627	\$2 908 465	\$2 913 901	\$2 925 304
Total Quarterly Cash Flow from Turnover			\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$222 867	\$220 444	\$220 444	\$220 444	\$220 444	\$220 444
Terminal Value Calculation	Exit Capitalisation Rate	10,50%																								\$111 031 396
Terminal Value Calculation for Turnover	Exit Capitalisation Rate	15,00%																								\$5 878 512
Present Value Calculation	Discount Rate	12,50%	1,0000	0,9710	0,9428	0,9155	0,8889	0,8631	0,8381	0,8137	0,7901	0,7672	0,7449	0,7233	0,7023	0,6820	0,6622	0,6430	0,6243	0,6062	0,5886	0,5715	0,5549			
Present Value Calculation for Turnover	Discount Rate	17,00%	1,0000	0,9615	0,9245	0,8889	0,8547	0,8218	0,7902	0,7598	0,7305	0,7024	0,6754	0,6494	0,6244	0,6003	0,5772	0,5550	0,5337	0,5131	0,4934	0,4744	0,4561			
Present Value per Period			\$2 504 603	\$2 459 300	\$2 394 834	\$2 363 168	\$2 470 776	\$2 405 695	\$2 342 437	\$2 304 152	\$2 351 537	\$2 289 680	\$2 229 461	\$2 186 736	\$2 220 011	\$2 161 746	\$2 104 932	\$2 079 396	\$1 823 161	\$1 754 655	\$1 696 157	\$62 616 892				
Present Value per Period for Turnover			\$222 867	\$214 288	\$206 040	\$198 110	\$190 484	\$183 152	\$176 103	\$169 325	\$162 807	\$156 541	\$150 515	\$144 722	\$139 151	\$133 795	\$128 645	\$123 694	\$118 933	\$114 355	\$109 953	\$2 785 827				
Net Present Value			\$110 588 638																							
Market Value			\$110 600 000																							



APPENDIX SEVEN

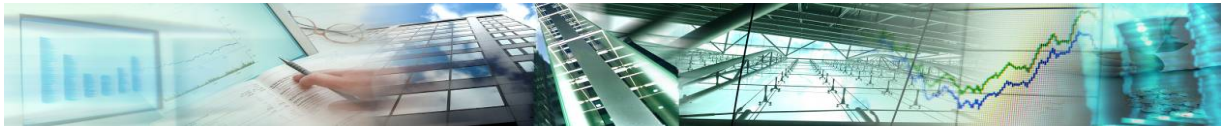
VALUATION LICENSES





APPENDIX EIGHT

PRINCIPAL TERMS AND CONDITIONS OF APPOINTMENT AS VALUERS



1. PRELIMINARY

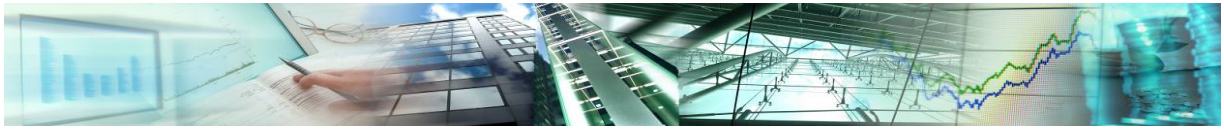
- 1.1 These general terms and conditions (the "Terms of Business") shall apply to all forms of professional services, other than agency services (to which separate terms will apply), provided by Cushman & Wakefield ("C&W", "we", "us" or "the Firm") to the client to whom the fee confirmation letter is sent ("you"). They shall apply separately to each service provided to you.
- 1.2 The Terms of Business are to be read in conjunction with the agreement between C&W and you (the "Agreement"). In the event of any ambiguity or conflict between the Agreement and these Terms of Business, the provisions in the Agreement shall prevail. These Terms of Business and the Agreement may only be varied in writing by agreement between the parties.

2. PERFORMANCE OF THE SERVICES

- 2.1 We undertake to use all reasonable skill and care in providing the services and advice described in the instruction given by you (the "Services"). We will inform you if it becomes apparent that the Services need to be varied or external third party advice is required. Any variation is to be confirmed in writing.
- 2.2 We may need to appoint third party providers to perform all or part of the Services and we shall agree this with you in advance.

3. BASIS OF FEES

- 3.1 The basis of our fees for our Services are set out in the Agreement.
- 3.2 When applicable, VAT shall be payable by you in addition to any fees or disbursements invoiced at the applicable rate.
- 3.3 You shall pay our fees in accordance with the payment schedule represented in the Agreement. Payment is due within 10 business days of the invoice date.
- 3.4 Where valuations are undertaken for a lender for loan security purposes and it is agreed that a Borrower will pay our fee, you shall remain primarily liable to pay our fee should such Borrower fail to meet its liabilities to us in full. Payment of our fees is not conditional upon the loan being drawn down or any of the conditions of the loan being met.
- 3.5 If you do not dispute with us an invoice or any part thereof within 10 business days of the date of such invoice, you shall be deemed to have accepted the invoice in its entirety.
- 3.6 If we are required by you to undertake additional work in relation to an instruction, you shall pay additional fees based upon our usual rates. We will notify you of the amount of such additional fees.
- 3.7 Where there is a change to the stated purpose for which our valuation is being commissioned and in our sole opinion we deem this to result in an increase in our liability (for example a valuation for annual accounts being used for loan security purposes), we reserve the right to charge an additional fee in accordance with clause 13.
- 3.8 In the event that you withdraw our instructions prior to completion of a valuation, you shall be liable to pay us for a fair and reasonable proportion of our fees and any agreed



disbursements. If we have sent you a draft valuation report, such fees shall be subject to a minimum of those instalments then due under the Agreement.

Associated/Related Entities of the Client

- 3.10 Where we are instructed to provide Services to one of your subsidiaries or associate/related entities or should you subsequently request that another entity be substituted for you at a later stage and we are unable to seek or obtain payment of any outstanding monies for whatever reason, you shall remain primarily liable to pay those outstanding monies if the subsidiary, associate/related or other entity does not meet its liabilities in relation to the Services.

4. DISBURSEMENTS

- 4.1 You shall reimburse us for all reasonable disbursements incurred in the provision of the Services quarterly in arrears from the date they were incurred in accordance with terms in the Agreement. These include, for example, maps, plans, research, photography, copying of documents or plans, messenger delivery, costs of obtaining external information on companies, properties, demographic or other similar information, any reproduction, copying or other royalties incurred, additional bound copy reports, costs of external information/references obtained and key cutting, travel and subsistence expenses at their actual cost and car mileage at the standard AA scales.

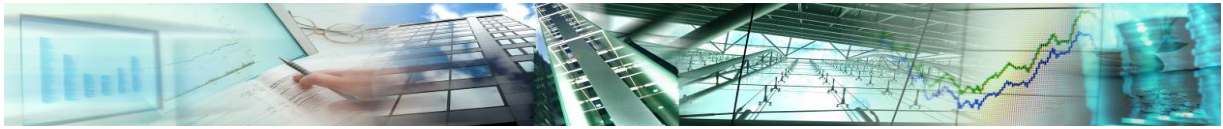
5. INFORMATION RECEIVED FROM THE CLIENT

- 5.1 We will take all reasonable steps to ensure property information is accurate where we are responsible for its preparation. Where you provide us with any information on a property that is necessary or convenient to enable us to provide the Services properly, you are aware that we will rely on the accuracy, completeness and consistency of any information supplied by you or on your behalf and, unless specifically instructed otherwise in writing, we will not carry out any investigation to verify such information. We accept no liability for any inaccuracy or omission contained in information disclosed by you or on your behalf, whether prepared directly by you or by a third party, and whether or not supplied directly to us by that third party and you shall indemnify us should any such liability arise. If our valuation is required for the purpose of purchase or loan security, you accept that full investigation of the legal title and any leases is the responsibility of your lawyers.

5.2 Advice Assumptions

Unless otherwise advised by you in writing, we will provide the Services in relation to any property on the assumption that:

1. information provided as to the extent of and ownership of the property is complete and correct and that there are no encumbrances or unduly onerous or unusual easements, restrictions, outgoings or conditions attaching to the property save as specifically notified to us;
2. there are no environmental matters (including but not limited to actual or potential land, air or water contamination, or by asbestos or any other harmful or hazardous substance) that would affect the property, any development or any existing buildings on the property in respect of which the Services are provided or any adjoining property, and that we shall not be responsible for any investigations into the existence of the same and that you are responsible for making such investigations;
3. the property and any existing buildings are free from any defect whatsoever;



4. all the building services (such as lifts, electrical, gas, plumbing, heating, drainage and air conditioning installations and security systems) and property services (such as incoming mains, waste, drains, utility supplies, etc) are in good working order without any defect whatsoever;
5. any building, the building services and the property services comply with all applicable current regulations (including fire and health and safety regulations);
6. the property and any existing building comply with all planning and building regulation, have the benefit of appropriate planning consent or other statutory authorisation for the current use and no adverse planning conditions or restrictions apply (which includes, but is not limited to, threat of or actual compulsory purchase order);
7. appropriate insurance cover is, and will continue to be, available on commercially acceptable terms for any building incorporating types of construction or materials which may pose an increased fire or health and safety risk, or where there may be an increased risk of terrorism, flooding or a rising water table;
8. items of plant and machinery that usually comprise part of the property on an assumed sale, are included in the property but items of plant and machinery that are associated with the process being carried on in the property or tenants trade fixtures and fittings are excluded from the property; and
9. all buildings have been constructed having appropriate regard to existing ground conditions or that these would have no unusual effect on building costs, property values or viability of any development or existing buildings.

- 5.3 Where comparable evidence information is included in our report, this information is often based upon our oral enquiries and its accuracy cannot always be assured, or may be subject to undertakings as to confidentiality. However, such information would only be referred to where we had reason to believe its general accuracy or where it was in accordance with expectation. In addition, we have not inspected comparable properties.

6. STRUCTURE

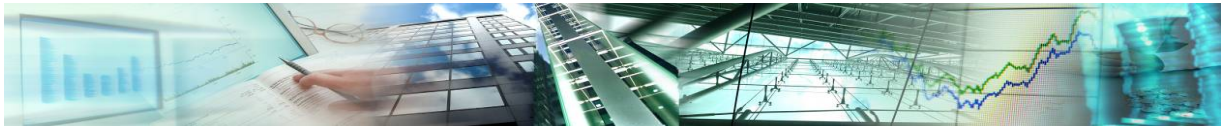
- 6.1 We will not carry out a structural survey of any property nor will we test services. Further, no inspection will be made of the woodwork and other parts of the structures which are covered, unexposed or inaccessible. In the absence of information to the contrary, the valuation will be on the basis that the property is free from defect. However, the value will reflect the apparent general state of repair of the property noted during inspection, but we do not give any warranty as to the condition of the structure, foundations, soil and services. Our report should not be taken or interpreted as giving any opinion or warranty as to the structural condition or state of repair of the property, nor should such an opinion be implied.

6.2 Measurements

All measurements are to be provided by the Client from the relevant property registration documentation. We will not carry out any physical measurements unless specifically instructed to do so.

7. CONFLICTS OF INTEREST

- 7.1 We have conflict management procedures in place designed to prevent us from acting for one client in a matter where there is or could be a conflict with the interest of another client for whom we are acting. If you are aware or become aware of a possible conflict of this type, please raise it immediately with us. If a conflict of this nature arises, then



we will decide, taking account of legal constraints, relevant regulatory body rules and your and the other client's interests and wishes, whether we can continue to act for both parties (such as through the use of separate teams with appropriate Chinese Walls), for one only or for neither. Where we do not believe that any potential or actual conflict of interest can be managed appropriately, we will inform you and consult with you as soon as reasonably practicable. Should you have any queries on this, you should contact your client partner.

8. MANAGEMENT OF THE PROPERTY

- 8.1 We shall not be responsible for the management of the property nor have any other responsibility (such as maintenance or repair) in relation to the property. We shall not be liable for any damage that may occur while the property is unoccupied. The property shall be your sole responsibility. You are aware that while a property is unoccupied, the property is likely to suffer from adverse weather conditions and frost damage may occur to water and heating systems and sanitary appliances. You are strongly recommended to take all necessary actions to protect the property from such risks and to ensure that adequate insurance cover is in force.

9. APPRAISAL EXCLUSIONS

Delay

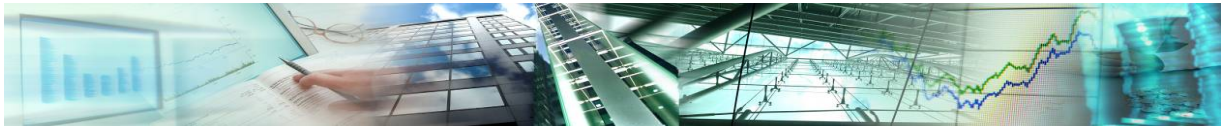
- 9.1 Where matters beyond our control cause delay to the performance of the Services we will notify you as soon as we become aware of the situation.

Basis of Valuation

- 9.2 Unless otherwise requested the valuation will be prepared in accordance with Russian Valuation Standards and rules and the Appraisal and Valuation Standards published by the RICS ("The Red Book") and will be prepared by Asset Valuers as defined therein. In case of any discrepancies between these standards Russian Valuation Standards and rules will have precedence.
- 9.3 The valuation of any property held as an investment or surplus to requirements will be on the basis of Market Value (as defined in paragraph 21.4 hereof). Each Property should be valued separately and not as part of a portfolio and the Report will include long form reports on each of the Properties including detailed working assumptions and excel sheets used in preparation of such reports. The Consultant should also indicate the "Net Annual Rent (as defined in appendix 1 to the Listing Rules of the UK Listing Authority) and "Estimated Net Annual Rent" (as defined in the Red Book) of the Properties in current market conditions. Any properties primarily occupied by the owner of those properties or their subsidiaries will be valued on the basis of Existing Use Value (as defined in paragraph 21 hereof).

In addition, the Report shall include the Consultant's opinion of the Market Value of the Properties, taking account of any discount or premium reflecting the fact that the Properties are contained within a single portfolio. The valuation report shall disclose the gross development value, net asset value and the net asset value less the appropriate developers profit.

Furthermore, the Report should take into account of, and contain, all the information required by paragraph 130 of the Committee of European Securities Regulators' ("CSER") recommendations dated January 2005 (Ref: CSER/05-054b).



Whilst the Consultant is asked to assume that values will remain static during the period commencing on the date of the issue of its Report and until the date of Admission, the Consultant is asked to give consideration to those property aspects that are genuinely known to the market as likely to become of material relevance for the rental and investment market for properties of the type and location that are typically found within the portfolio during the 6 months following the date of the valuation and to write a brief commentary on those aspects. The Consultant is not asked to value forward, but to comment on the future direction of the market.

In providing the valuation, the Consultant shall carry out inspections of all of the Properties.

All assumptions upon which the valuation is based must be clearly set out in the Report.

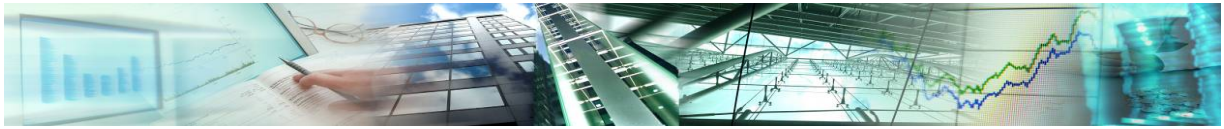
- 9.4 Any property which is classified as "specialised" or which has been subject to specialist adaptation works may need to be valued on the basis of Depreciated Replacement Cost (as defined in paragraph 21.2 hereof). This value will be caveated as being subject to the directors of the owning company being satisfied that there is adequate potential profitability of the business compared with the value of the total assets employed.
- 9.5 When assessing either Existing Use Value or Market Value for balance sheet purposes, we will not include directly attributable acquisition or disposal costs in our valuation. Where asked to reflect costs by the client (as required under FRS15), these will be stated separately.

Tenure and Tenancies

- 9.6 We will not inspect title deeds and we will therefore rely on the information supplied as being correct and complete. In the absence of information to the contrary, we will assume the absence of unusually onerous restrictions, covenants or other encumbrances and that the property has a good and marketable title. Where supplied with legal documentation, we will consider it but we will not take responsibility for the legal interpretation of it. Unless agreed we will not obtain information from any local land registry office (where any such office exists).
- 9.7 You should confirm to us in writing if you require us to read leases and if so, provide all the relevant documentation within a reasonable time for consideration bearing in mind the date for receipt of our report. You should not rely upon our interpretation of the leases without first obtaining the advice of your lawyers.

Covenant

- 9.8 Our valuation will take into account potential purchasers' likely opinion of the financial strength of tenants. However, we will not undertake any detailed investigations on the covenant strength of the tenants. Unless informed to the contrary by you, we will assume that there are no significant arrears and that the tenants are able to meet their obligations under their leases or agreements.
- 9.9 We will not make any allowance in our Services for the existence of any mortgage or other financial encumbrance on or over the property nor take account of any leases between subsidiaries.
- 9.10 Any appraisal figures provided will be exclusive of VAT.



- 9.11 In instances where we are instructed to provide an indication of current reinstatement costs for fire insurance purposes, this is given solely as a guide without warranty. Formal estimates for insurance purposes can only be given by a quantity surveyor or other person with sufficient current experience of replacement costs.

10. PLANNING REGULATIONS

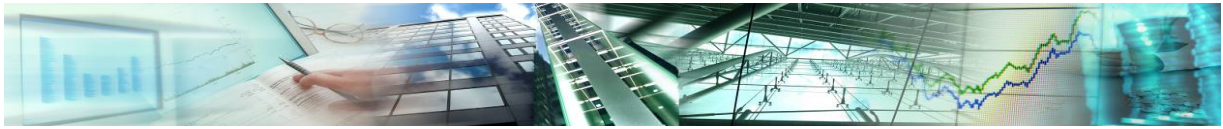
- 10.1 Unless specifically instructed in writing to make formal searches with the relevant local planning authorities, we shall rely in the provision of our Services on the information provided informally by the relevant planning authority or its officers or by you or your advisors to us. We recommend that your lawyers be instructed to confirm the planning position relating to the property and review our comments on planning in the light of their findings.
- 10.2 Where we undertake value appraisals, we may consider the possibility of alternative uses being permitted. Unless otherwise notified by you or your advisors in writing, we shall assume that the property and any existing buildings comply with all planning and building regulation, existing uses have the benefit of appropriate planning consent or other statutory authorisation, and that no adverse planning conditions or restrictions apply.

11. TERMINATION BY NOTICE

- 11.1 Unless a fixed period has been agreed, either party may terminate the instruction by giving 14 days' notice in writing to the other party.
- 11.2 In the event of termination by notice, you shall be obliged to pay forthwith all the fees accrued in relation to the Services and work performed up to the date of termination (and any agreed abort fee) (the "Termination Fees") plus any reasonable expenses or disbursements incurred by us or to which we are committed at the date of termination.

12. PROFESSIONAL LIABILITY

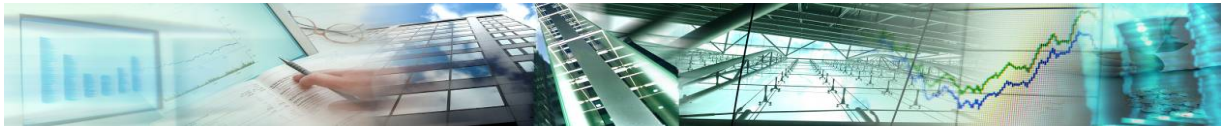
- 12.1 Subject at all times to the provisions in these Terms and Conditions and the Letter, we shall not be liable to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the Services in respect of:
- 12.1.1 any direct loss of profit;
 - 12.1.2 any indirect, special or consequential loss whatsoever howsoever caused including without limitation:
 - (i) indirect loss of profit; (ii) loss of business; (iii) loss of goodwill; (iv) loss of use of money; and (v) loss of opportunity, and the parties agree that the sub-clauses of this clause shall be severable.
- 12.2 Subject at all times to the provisions in these Terms and Conditions and the Letter, we shall not be liable to you in negligence for pure economic loss arising in connection with the performance or contemplated performance of the Services.
- 12.3 You acknowledge and agree that the exclusions contained in Clause 12.1 are reasonable in all the circumstances and that you have had the opportunity to take independent legal advice.



- 12.4 Where a third party has contributed to the losses, damages, costs, claims or expenses, we shall not be liable to make any contribution in respect of the liability of such third party.
- 12.5 Save in respect of third parties directly instructed by us and not on your behalf, we shall not be liable for the services or products provided by other third parties, nor shall we be required to inspect or supervise such third parties, irrespective of the third party services or products being incidental to or necessary for the provision of our Services to you.
- 12.6 Subject to the provisions in these Terms and Conditions and the Letter, our total aggregate liability (including that of our partners and employees) to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the Services shall be limited to an aggregate sum not exceeding twenty times the fee paid for each instruction accepted.
- 12.7 We shall be released from our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond our reasonable control (examples being a strike, act of God or act of terrorism). On becoming aware of any circumstance which gives rise, or which is likely to give rise, to any failure or delay in the performance of our obligations, we will notify you by the most expeditious method then available.
- 12.8 To cover any liability that might be incurred by us, we confirm that we will maintain professional indemnity insurance through the Lloyds and company insurance market, so long as such insurance is available at commercially acceptable rates and terms, with insurers of good standing and repute of not less than £10 million on an each and every claim basis.
- 12.9 Our pricing structure has been established by reference to these limitations on our liability and our level of professional indemnity insurance in respect of the Services we provide. If you feel that it is necessary to discuss with us a variation in these levels, then please raise the issue with your client partner who will be able to let you have proposals for a revised pricing structure to reflect the agreed level of our liability and/or professional indemnity cover.
- 12.10 Responsibility for our valuation extends only to the party(ies) to whom it is addressed. However in the event of us being asked by you to readdress our report to another party or other parties or permit reliance upon it by another party or other parties, we will give consideration to doing so, to named parties, subject to the following minimum fees:

	First Extended Party	Second & Subsequent
		Extended Parties
For the first £1m of reported value	0.075%	0.025% per party
Thereafter	0.035%	0.015% per party

These fees are exclusive of VAT & expenses (including the cost of readdressing the report) and are subject to a minimum fee of \$750. Should additional work be involved, over and above



that undertaken to provide the initial report, we may make a further charge although we will agree this with you before commencing the work.

Where we consent to reliance on our report by another party or other parties, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/they had been a party to the original letter of instruction between us. Where we consent to such reliance, you agree to furnish the addressee with a copy of any reliance letter issued by us and/or a copy of these terms and conditions.

12.11 Where you provide a copy of and/or permit another party or parties to rely upon our valuation report without obtaining our express written consent (in accordance with clause 12.10 above), you agree to indemnify us for any and all liability which arises from the use of or reliance upon our report by such unauthorised party.

12.12 Save where we have consented to another party or other parties relying on the valuation report in accordance with clause 12.10, where a valuation report is prepared or where we consent to a valuation report being used for the purpose of a public offering in accordance with any stock exchange listing rules, you agree to indemnify us for any liability whatsoever that we have to any party or parties which exceeds our aggregate cap on liability (referred to at clause 12.6) which arises from their use and/or reliance on the valuation report.

13. QUALITY OF SERVICE

13.1 Whilst we seek to provide high quality Services, if a client has cause for complaint we have standard complaints procedures, a copy of which is available on request. This is in accordance with requirements of the Royal Institution of Chartered Surveyors.

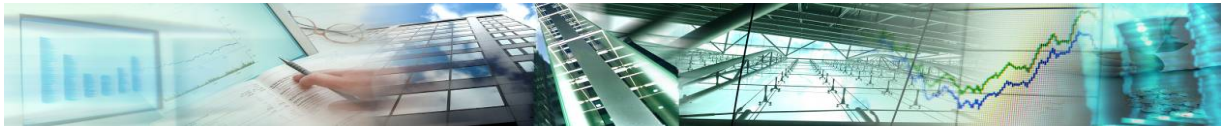
14. QUALITY CONTROL

14.1 In circumstances where a valuation, although provided for a client, may also be of use to third parties, for instance the shareholders in a company (otherwise defined as a “Regulated Purpose Valuation” by the RICS), the RICS requires us to state our policy on the rotation of the surveyor who prepares the valuation and the quality control procedures that are in place.

14.2 Irrespective of the purpose of the valuation, we will select the most appropriate surveyor for the valuation having regard to his/her expertise and the possible perception that independence and objectivity could be compromised where a valuer has held the responsibility for a particular client for a number of years. This may result in us rotating the surveyor responsible for repeat valuations for the same client although we will not do so without prior discussion with the client.

14.3 All our valuation reports are signed by a Board Member of the Firm whose responsibility it is to ensure that all relevant quality control procedures have been complied with. In particular for valuations of properties with an individual value of \$30m or over, the valuer is required to present and explain his methodology to another member of the Valuation Advisory Team.

14.4 Where we are undertaking a Regulated Purpose Valuation (see 14.1 above) we are required by the RICS to state all of the following in our report:



14.4.1 The length of time the valuer continuously has been the signatory to valuations provided to you for the same purpose as the report, together with the length of time we have continuously been carrying out that valuation instruction for you;

14.4.2 The extent and duration of the relationship between you and us;

14.4.3 In relation to our preceding financial year the proportion of the total fees, if any, payable by you to our total fee income expressed as one of the following:
less than 5%; or
if more than 5%, an indication of the proportion within a range of 5 percentage points;

14.4.4 Where, since the end of the last financial year, it is anticipated that there will be a material increase in the proportion of the fees payable, or likely to be payable, we shall include a further statement to that effect in addition to 14.4.3 above.

15. DATA PROTECTION

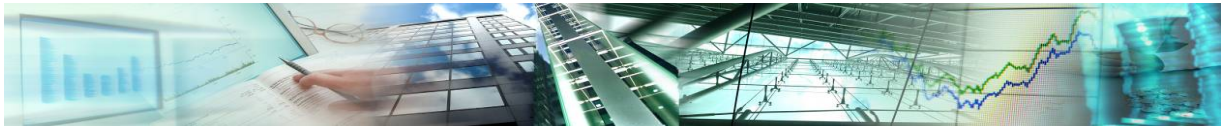
15.1 We (including any of our international partnerships, group companies and affiliated organisations) are a data controller of all personal data collected during the provision of the agency services. We shall use such personal data and information we obtain from other sources for providing the agency services, for administration and customer services, for marketing and to analyse your preferences. We may keep such personal data for a reasonable period for these purposes. We may need to share personal data with our service providers and agents for these purposes. We may disclose personal data in order to comply with a legal or regulatory obligation and you may request, in writing and upon payment of a fee, a copy of the details held about you by us.

15.2 We may share, for the purpose of the provision of the Services and on a need to know basis only, personal data within our international partnerships, group companies and affiliated organisations and with our business partners for marketing purposes, which may be to countries or jurisdictions which do not provide the same level of data protection as the country in which you are based, or we may send you and your employees information about other organisations' goods and services. We or any business partners may contact you and your employees, directly or via our agents, by mail, telephone, fax, email, SMS or other electronic messaging service with offers of goods and services or information that may be of interest. By providing us with your or your employees' personal data (whether that data is deemed sensitive or not) including fax numbers, telephone numbers or email addresses, you and your employees consent to being contacted by these methods for these purposes.

16. MONEY LAUNDERING REGULATIONS

16.1 Pursuant to requirements of Russian law on money laundering we may be required to verify certain particulars of our clients and may need to ask you to assist us in complying with such requirements. Where such information is requested, you will provide such information promptly to enable us to proceed to provide our Services. We shall not be liable to you or any other parties for any delay in the performance or any failure to perform the Services which may be caused by our duty to comply with such requirements.

17. ELECTRONIC COMMUNICATIONS



- 17.1 We may communicate with each other by electronic mail, sometimes attaching electronic data. By consenting to this method of communication, we and you accept the inherent risks (including the security risks of interception of, or unauthorized access to, such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices). In the event of a dispute, neither of us will challenge the legal evidential standing of an electronic document and our system shall be deemed to be the definitive record of electronic communications and documentation.

18. CONFIDENTIALITY AND INTELLECTUAL PROPERTY

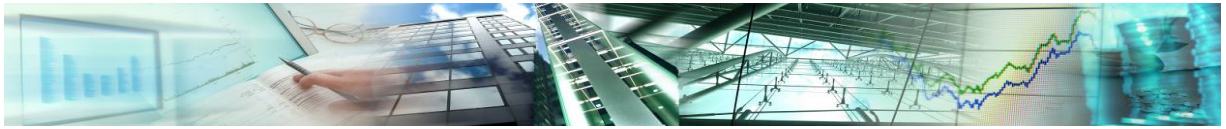
- 18.1 We owe our clients a duty of confidentiality. You agree, however, that we may, when required by our insurers or other advisers, provide details to them of any engagement on which we have acted for you, and that we may also disclose confidential information relating to your affairs if required to do so for legal, regulatory or insurance purposes only.
- 18.2 Both parties agree never to disclose sensitive details of transactions or our advice without the other's consent. Unless we are expressly bound by a duty of confidentiality which otherwise overrides this, both parties shall be entitled to mention to third parties (e.g. in the course of presentations, speeches or pitches) and/or publish (e.g. in brochures, marketing or other written material) that we provide our services to you.
- 18.3 We will not approve any mention of our Services unless it contains sufficient reference to all the special assumptions and/or limitations (if any) to which our Services are subject. For the avoidance of doubt our approval is required whether or not we are referred to by name and whether or not our advice is combined with others.
- 18.4 We may make the approval of any mention of our Services subject to the payment of an additional fee to cover additional work and professional liability.
- 18.5 All intellectual property rights (including copyrights) in the documents, materials, records, data and information in any form developed or provided to you by us or otherwise generated in the provision of our Services shall belong to us solely

19. THIRD PARTIES RIGHTS AND ASSIGNMENT

- 19.1 Except as expressly provided otherwise no term of the Agreement or these Terms of Business is intended to confer a benefit on or to be enforceable by any person who is not a party to the same.
- 19.2 Except as expressly provided otherwise neither party shall be entitled to assign this contract or any rights and obligations arising from it without the prior written consent of the other, such consent not to be unreasonably withheld or delayed.

20. GENERAL

- 20.1 If any provision of the Terms of Business is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, voidable, unenforceable or unreasonable it shall to the extent of such illegality, invalidity, voidness, voidability, unenforceability or unreasonableness be deemed severable and the remaining provisions of the Terms of Business and the remainder of such provision shall continue in full force and effect.



- 20.2 Failure or delay by us in enforcing or partially enforcing any provision of these Terms of Business shall not be construed as a waiver of any of our rights under these Terms of Business.
- 20.3 The Agreement and these Terms of Business shall be governed by and be construed in accordance with English Law.

21. BASES OF VALUATION

Our valuation advice will be prepared in accordance with one or more of the following bases of valuation as defined in the Practice Statements of the Red Book ("PS"), as appropriate:

21.1 Market Value

PS 3.2 defines Market Value as:

"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

21.1.1 Trading Related Valuations

Where appropriate, such properties will be valued on the basis of Market Value as a fully equipped operational entity, having regard to trading potential.

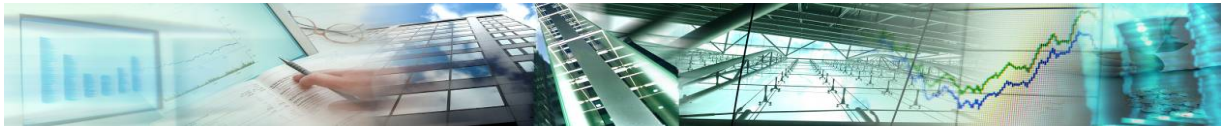
Where we are instructed to value an operational property having regard to its trading potential (such as self storage properties, hotels and marinas), we will take account of any trading information provided to us. The valuations will be based on our opinion as to future trading potential and the level of turnover and net operating income likely to be achieved.

The valuations will be made on the basis that the properties will be sold as a whole including all fixtures, fittings, stock and goodwill. The new owner would normally engage the existing staff and the new management would expect to take over the benefit of existing and future bookings or occupational agreements which may be an important feature of the continuing operation, together with all existing statutory consents plus all operational permits and licenses.

Unless made clear to the contrary in our report, the valuations will reflect our opinion that all goodwill for the properties is tied to the land and buildings and does not represent personal goodwill to the operator.

Our valuations will be based on the information which either the operator has supplied to us or which we have obtained from our enquiries (including full detailed trading information in relation to each trading property). We will rely on this being correct and complete and on there being no undisclosed matters which would affect our valuation.

21.2 Depreciated Replacement Cost



PS 3 Appendix 3.1 states that Depreciated Replacement Cost (DRC) is recognized as an acceptable method of estimating Market Value where more reliable methods, such as market comparison or an income (profits test), cannot be applied. The valuer must be satisfied that it is not practicable to prepare a valuation by any other method before relying solely on depreciated replacement cost.

DRC is based on an estimate of the value of the land, plus the current gross replacement (reproduction) costs of the improvements, less allowances for physical deterioration and all relevant forms of obsolescence and optimization.

21.3 Market Rent

PS 3.4 defines Market Rent as:

“The estimated amount for which a property, or space within a property, should lease (let) on the date of valuation between a willing lessor and a willing lessee on appropriate lease terms in an arms length transaction after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion.”

21.4 Existing Use Value

PS 1.3 defines Existing Use Value as:

“The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms length transaction, after proper marketing wherein the parties had acted knowledgeably, prudently, and without compulsion, assuming that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause it’s Market Value to differ from that needed to replace the remaining service potential at least cost.”