

# 1H 2015 Trading Volume Update



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# Agenda

1. Operating Results

2. Market update

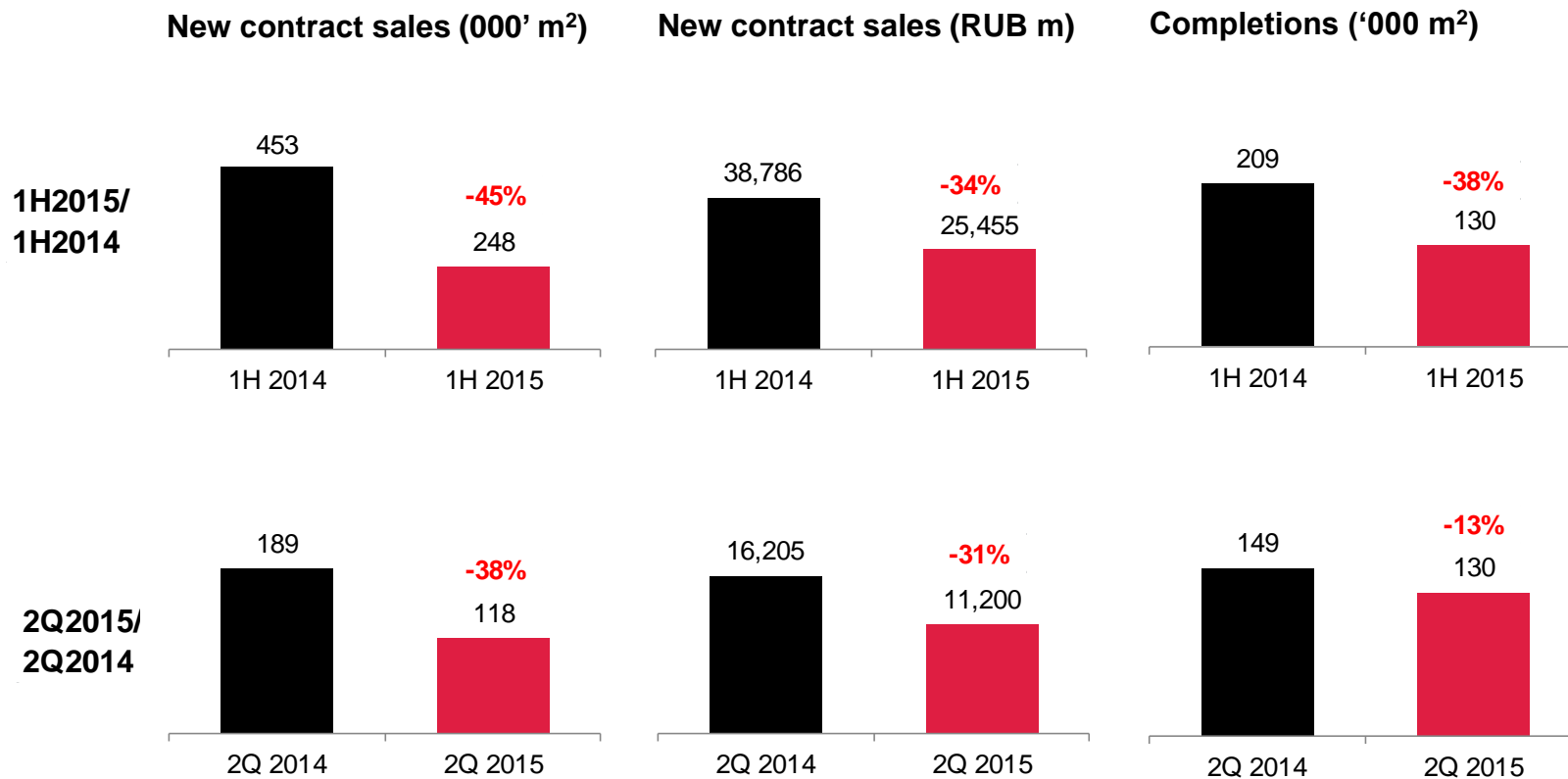


# 1H 2015 Results Highlights

## Operational Highlights

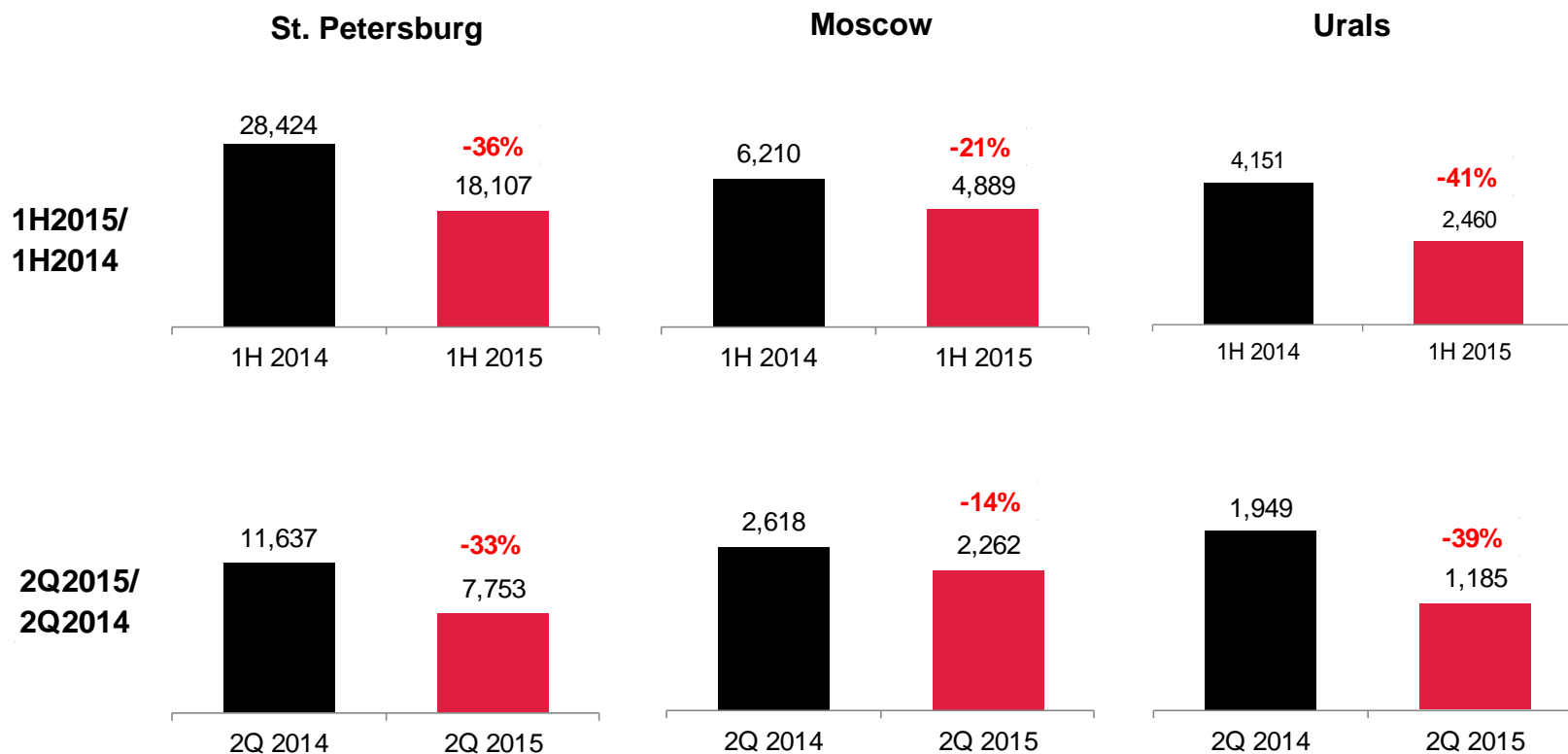
- 2Q 2015 new contract sales – **118 th m<sup>2</sup> (-38%)**. Value of the contracts – **RUB 11,2bn (-31%)**,
- **456th m<sup>2</sup>** of NSA launched to the market during the first 6 months of 2015,
- In 1H 2015 construction volume decreased by **10%**, down to **461 th m<sup>2</sup>**,
- Increase in sales of building materials in the first half of 2015: **sand – 4,140 th m<sup>3</sup> (+32%)**, **brick – 176m units (+27%)**.

# Real estate development



# Real estate development (region breakdown)

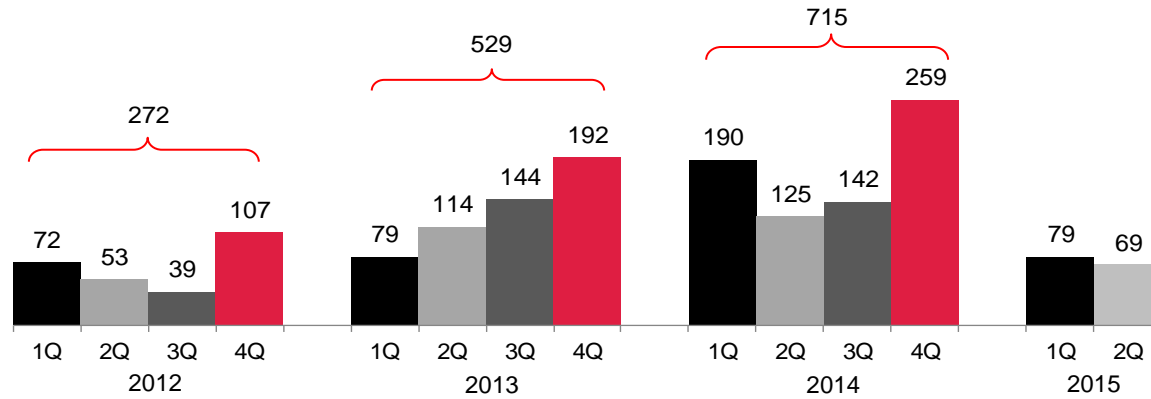
New contract sales (RUB m)



# Real estate development: St. Petersburg

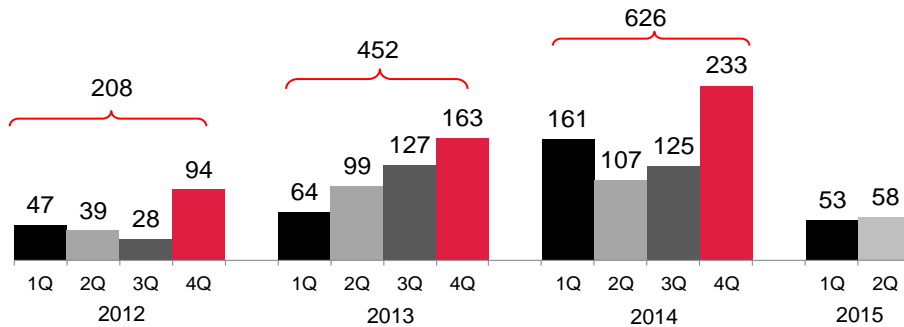
**New contract sales in St. Petersburg,**  
‘000 m<sup>2</sup>

1H2015/1H2014: **-53%**  
2Q2015/2Q2014: **-44%**



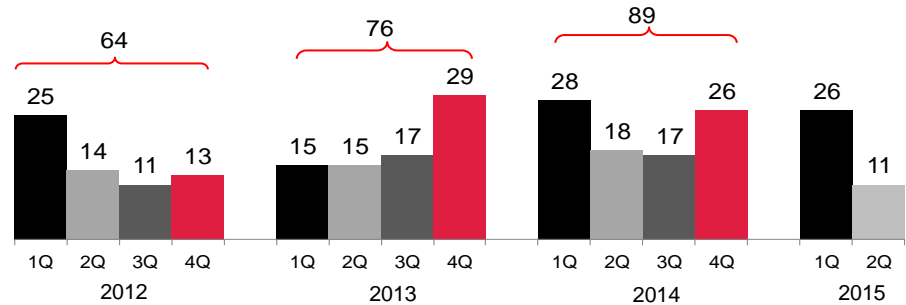
**New contract sales in mass market segment,**  
‘000 m<sup>2</sup>

1H2015/1H2014: **-59%**  
2Q2015/2Q2014: **-46%**



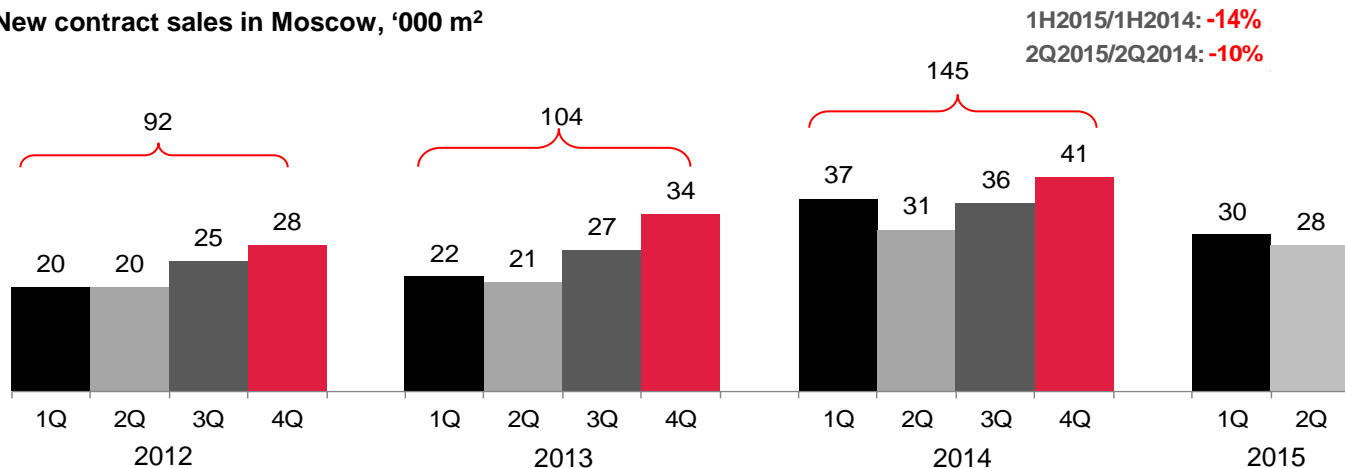
**New contract sales in elite segment,**  
‘000 m<sup>2</sup>

1H2015/1H2014: **-20%**  
2Q2015/2Q2014: **-36%**

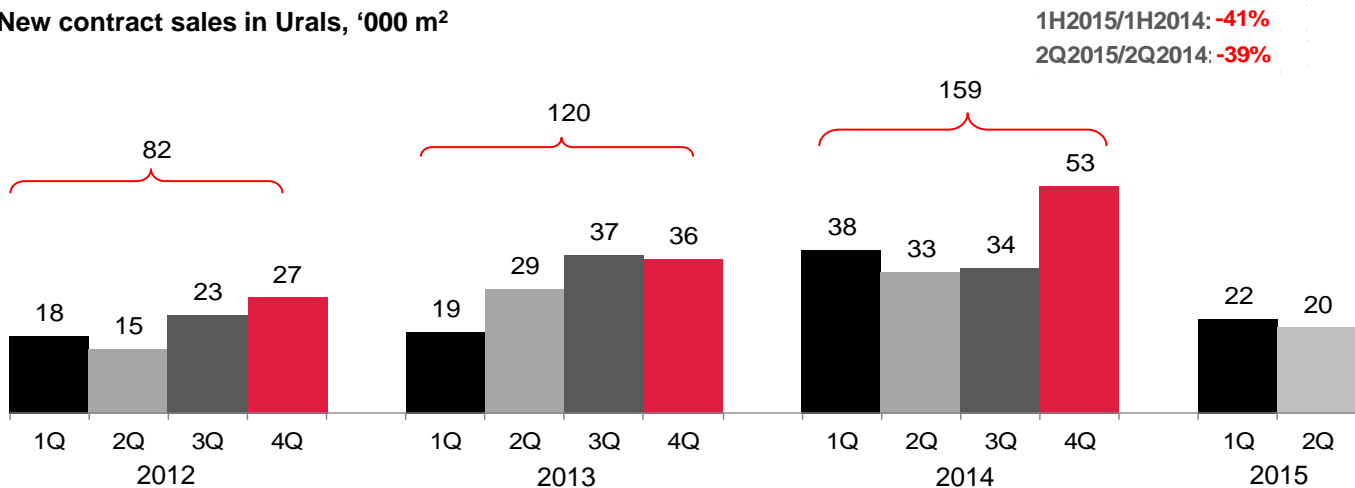


# Real estate development: Moscow and Urals

New contract sales in Moscow, '000 m<sup>2</sup>



New contract sales in Urals, '000 m<sup>2</sup>





# Key project launches 2015

St. Petersburg



Three winds *launched in April*  
54 th m<sup>2</sup>



Oktyabrskaya Naberezhnaya  
824 th m<sup>2</sup>



Russkiy Dom *launched in April*  
55 th m<sup>2</sup>



Smolenskaya 14  
23 th m<sup>2</sup>

Moscow



ZIL  
952 th m<sup>2</sup>



Vzlet  
470 th m<sup>2</sup>



Leningradskoe shosse 58  
37 th m<sup>2</sup>

Yekaterinburg



Flagman *launched in June*  
70 th m<sup>2</sup>

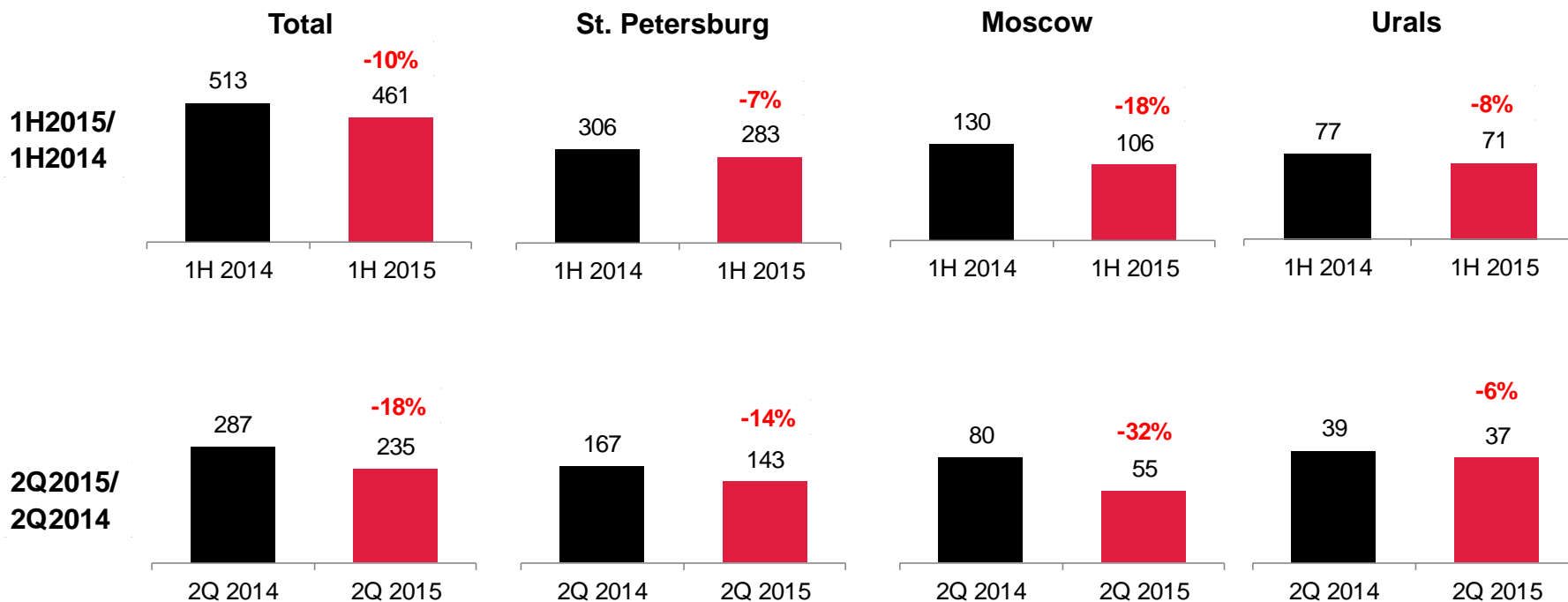


Rastochnaya  
9 th m<sup>2</sup>

**2015 total new supply:**  
**1m m<sup>2</sup>**  
(including new supply in the projects  
already launched to the market)

# Construction

## Volume of construction works, '000 m<sup>2</sup>

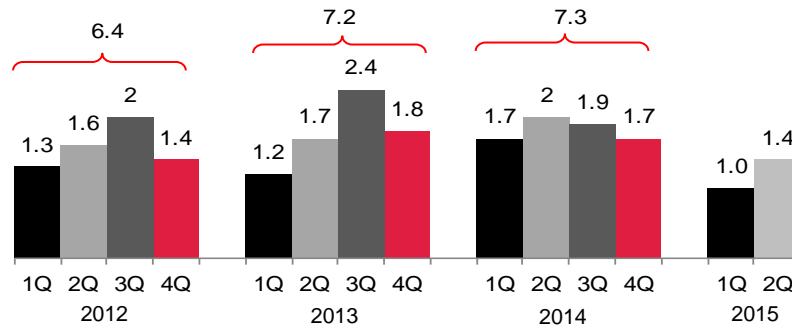


# Building materials: Aggregates

**Crushed granite, million m<sup>3</sup>**

1H2015/1H2014: **-34%**

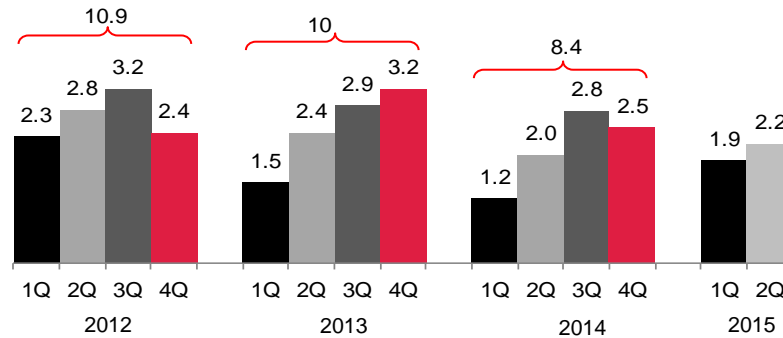
2Q2015/2Q2014: **-29%**



**Sand, million m<sup>3</sup>**

1H2015/1H2014: **+32%**

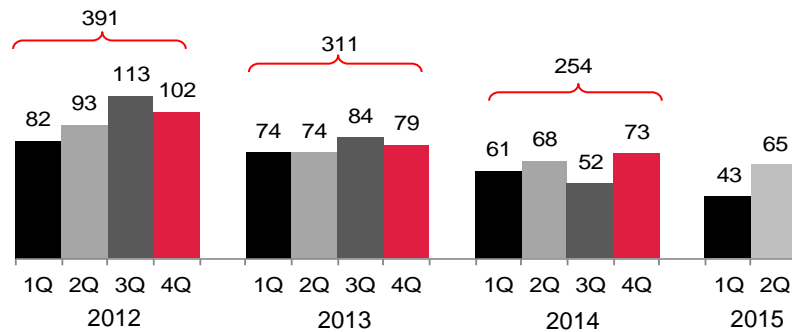
2Q2015/2Q2014: **+14%**



## Building materials: Reinforced Concrete and Ready-Mix Concrete

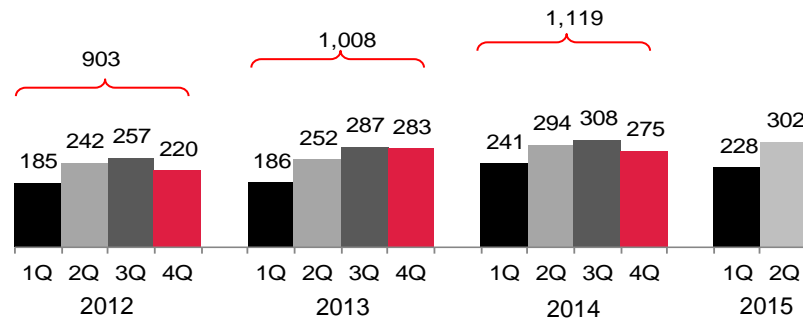
Reinforced concrete, '000 m<sup>3</sup>

1H2015/1H2014: **-16%**  
2Q2015/2Q2014: **-5%**



Ready-mix concrete, '000 m<sup>3</sup>

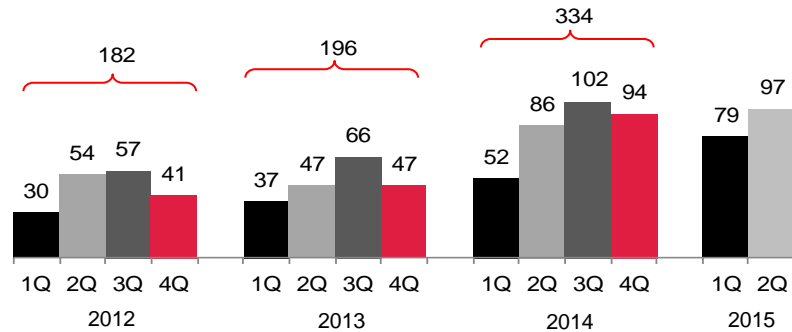
1H2015/1H2014: **-1%**  
2Q2015/2Q2014: **+3%**



# Building materials: Bricks and Aerated Concrete

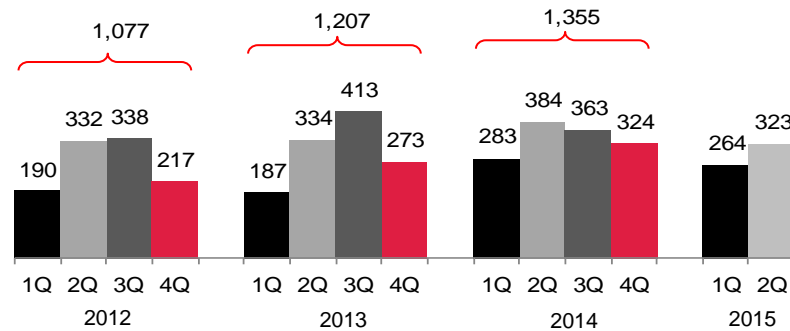
**Bricks, million nf**

1H2015/1H2014: **+27%**  
 2Q2015/2Q2014: **+13%**



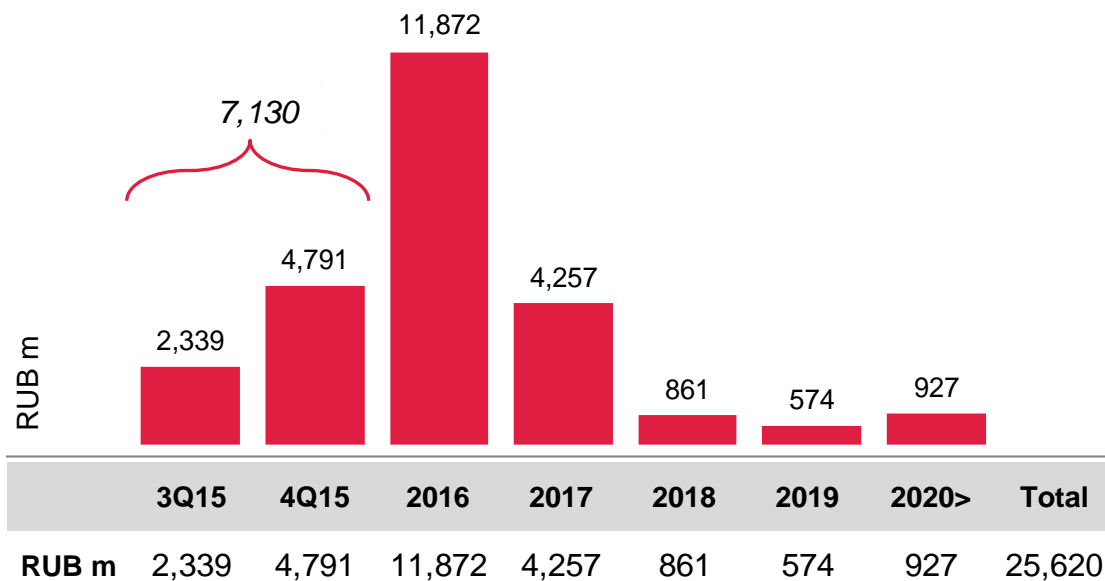
**Aerated concrete, '000 m<sup>3</sup>**

1H2015/1H2014: **-12%**  
 2Q2015/2Q2014: **-16%**



# Debt maturity profile as of 30 June 2015

Total debt: RUB 25,620m \*

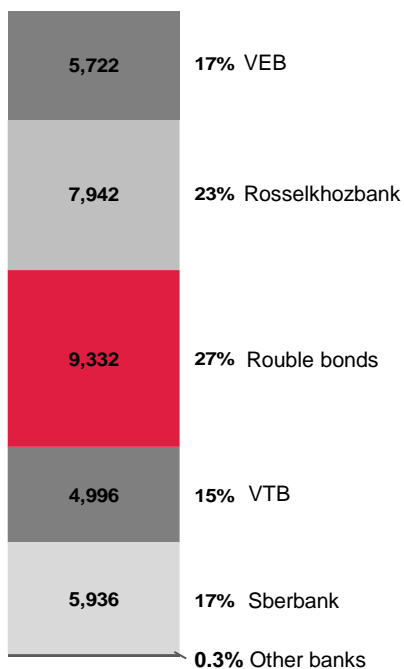


Note: \*excluding finance lease liability and other loans  
Source: Company

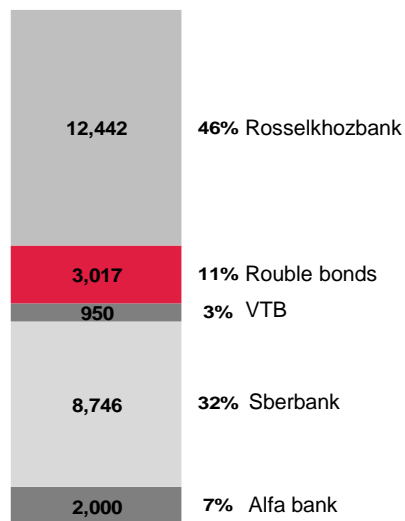
# Gross debt by source as of 30 June 2015

Interest Rate (avg) 8.87% p.a. ↗ Interest Rate (avg) 12.33% p.a. ↘ Interest Rate (avg) 11.30% p.a.

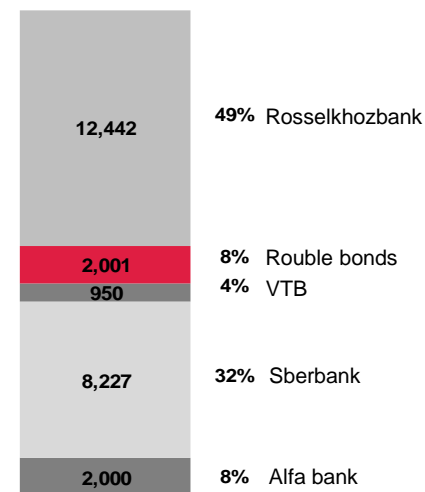
**RUB 34,022m**



**RUB 27,155m**



**RUB 25,620m**



**31 December 2013**

**31 December 2014**

**30 June 2015**

Note: \*excluding finance lease liability and other loans  
Source: Company



# Agenda

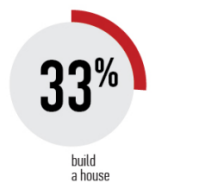
1. Operating Results

2. Market update

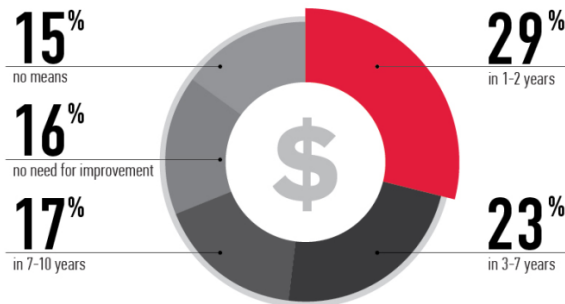


# Housing stock in Russia

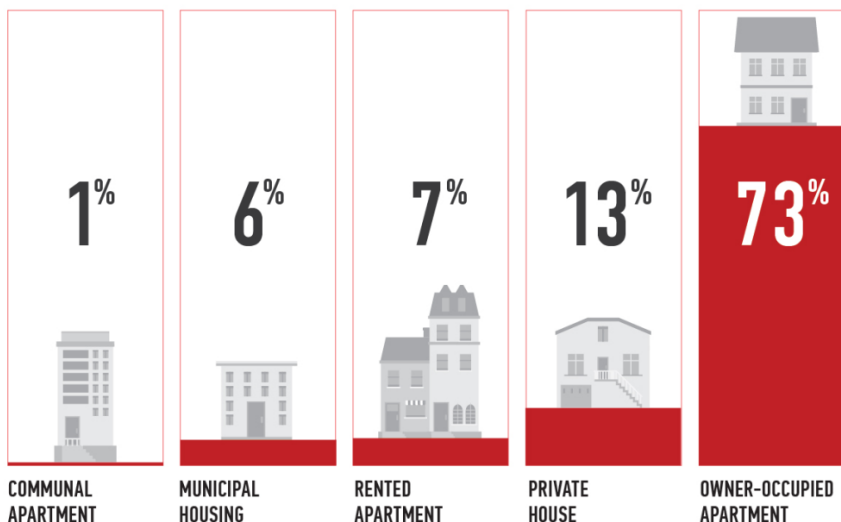
## IMPROVEMENT OPTIONS



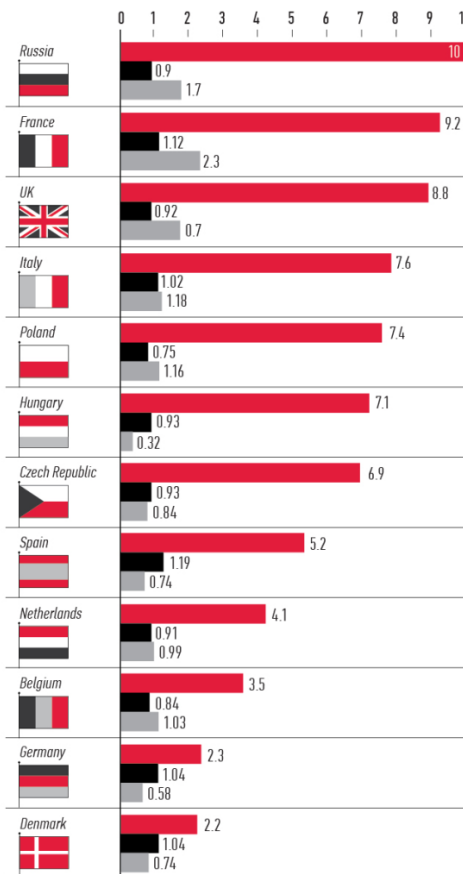
## PEOPLE'S HOUSING IMPROVEMENT PLANS IN RUSSIA



## PLACES OF RESIDENCE IN RUSSIA



## INTERNATIONAL COMPARISONS



■ Number of annual salaries (required to buy an apartment)  
■ Housing stock for 1,000 residents (1-473.6 apartments for 1,000 residents)  
■ Annual residential construction volume (1-3.3 apartments for 1,000 residents)

# Sales of new apartments

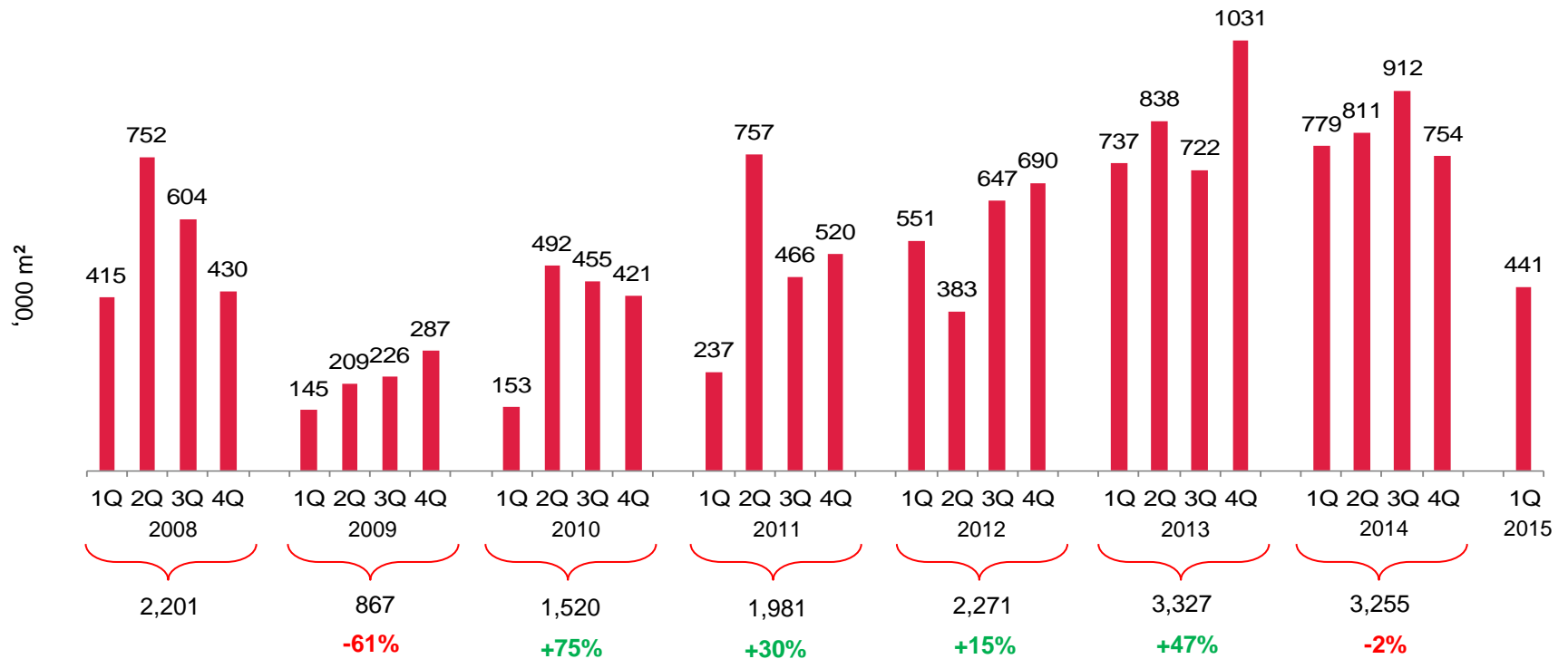
## Sales of new apartments in St. Petersburg



Source: SPb Realty

# Supply of new apartments

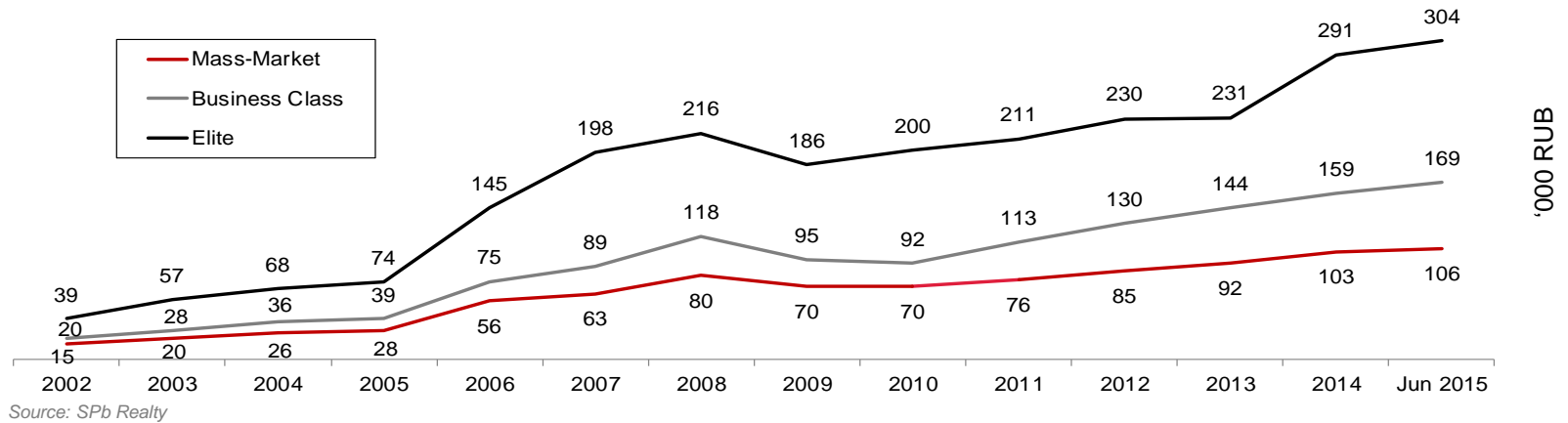
## Supply of new apartments in St. Petersburg



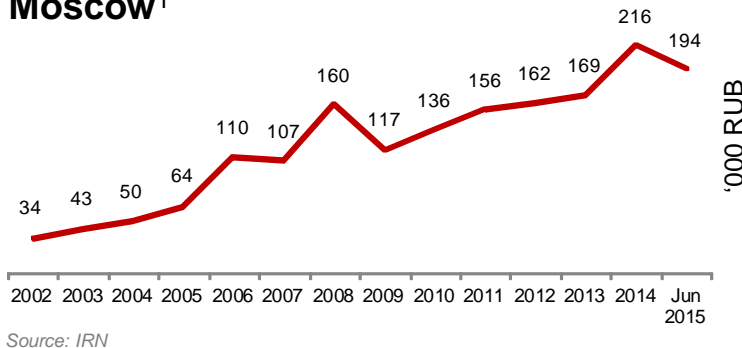
Source: SPb Realty

# New residential real estate price development in St. Petersburg, Moscow and Yekaterinburg

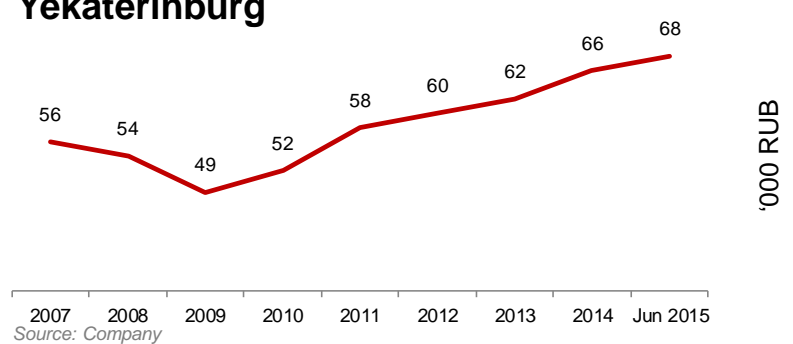
## St. Petersburg



## Moscow<sup>1</sup>



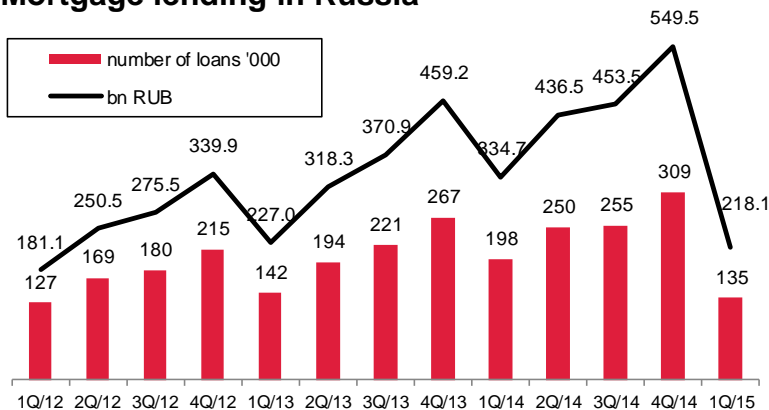
## Yekaterinburg



Notes: Prices as of the end of the respective periods  
 1) IRN Index is calculated on the basis of prices in both primary and secondary markets

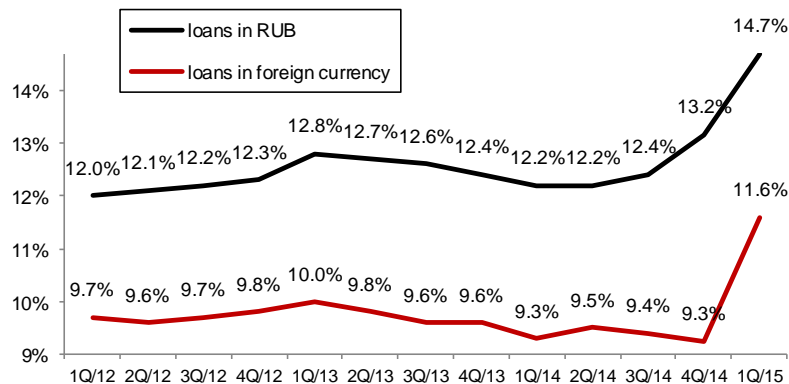
# Mortgage lending

## Mortgage lending in Russia



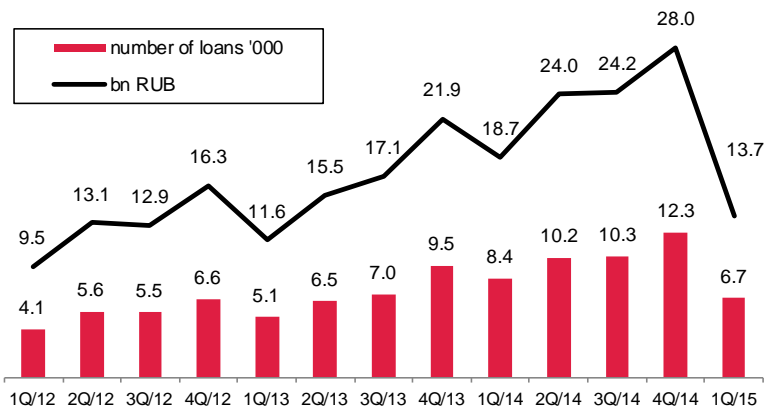
Source: CBR

## Average mortgage rates in Russia



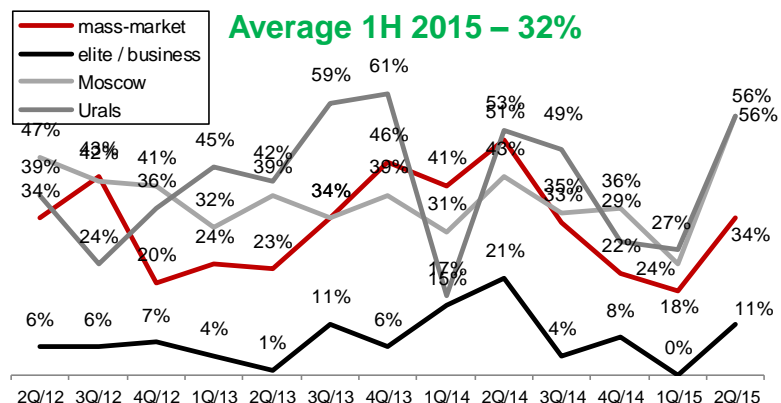
Source: CBR

## Mortgage lending in St. Petersburg



Source: AIZhK

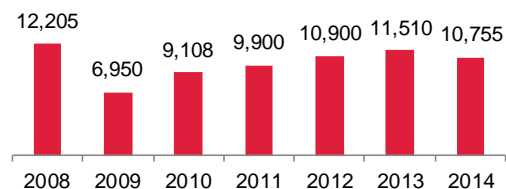
## LSR mortgage sales in Regions by number of deals



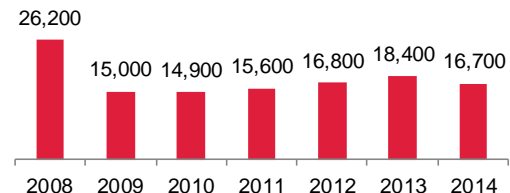
Source: Company

## Building materials market volumes in St. Petersburg and the Leningrad region

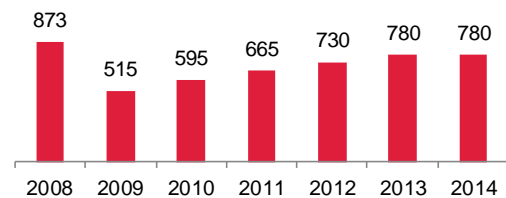
**Crushed granite, '000 m<sup>3</sup>**



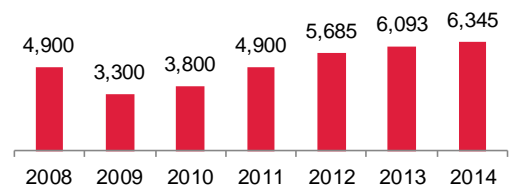
**Sand, '000 m<sup>3</sup>**



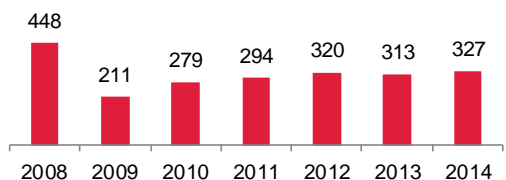
**Reinforced concrete, '000 m<sup>3</sup>**



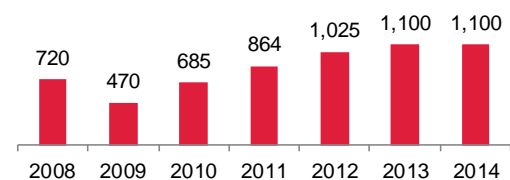
**Ready-mix concrete, '000 m<sup>3</sup>**



**Bricks, million nf**



**Aerated concrete, '000 m<sup>3</sup>**





## Contacts

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