

## LSR Group Real Estate Portfolio Fact Sheet at 31 December 2008

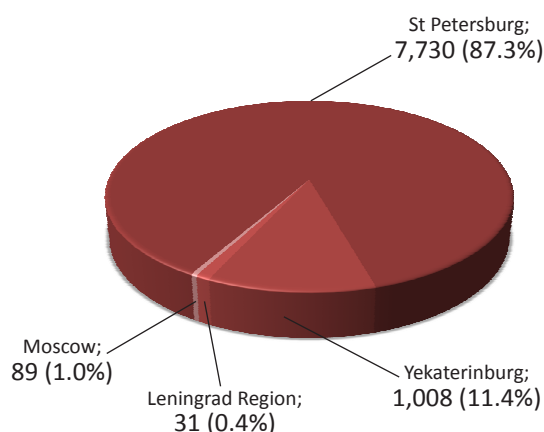
At 31 December 2008, the real estate portfolio of LSR Group includes 64 properties/projects in the residential elite class, business class and mass market property, gated communities and commercial property segments. The net sellable area of the projects included in the portfolio is 8,857 th. sq. m.

Real estate development projects of LSR Group are located in St. Petersburg, the Leningrad Region, Moscow and Yekaterinburg.

### Breakdown of Property Portfolio by Region

Most of the properties – approximately 87% of our portfolio both by area and value – are located in our home market in St. Petersburg and Leningrad region.

In addition, as of 31 December, 2008 we have three projects at different stages of development in Moscow and fourteen in Yekaterinburg.

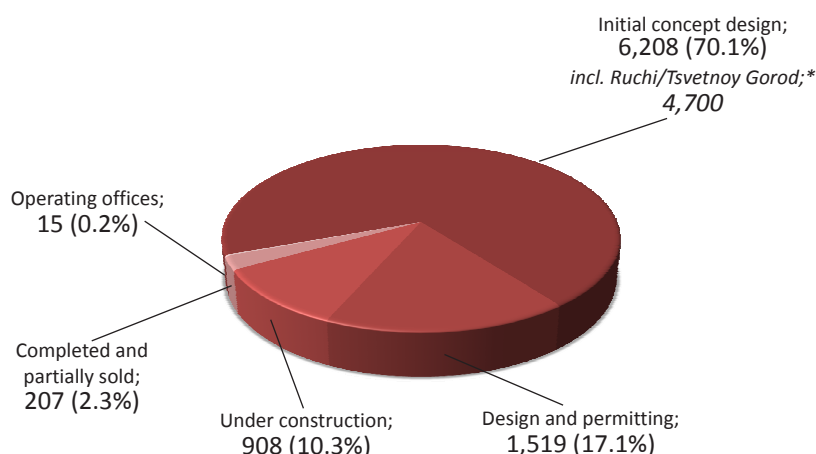


Region	Net sellable / leasable area, th. sq. m.	% of total
St Petersburg	7,730	87.3%
Yekaterinburg	1,008	11.4%
Moscow	89	1.0%
Leningrad Region	31	0.4%
<b>Total</b>	<b>8,857</b>	<b>100%</b>

## Breakdown of Property Portfolio by Stage of Development

At 31 December 2008 our real estate portfolio includes 908 th sq m are at the construction stage and 1,519 th sq m at design and permitting stage. We also have 207 th sq m of the completed and partially sold properties and 15 th sq m of net lettable area of the operating offices.

6,298 th sq m of net sellable area is at the stage of initial concept design including our long-term residential mass market project Tsvetnoy Gorod/Ruch'I which accounts for 4,700 th sq m.



Stage of development	Net sellable / leasable area, th sq m	% of total
Initial concept design	6,208	70.1%
incl. Ruchi/ Tsvetnoy Gorod*	4,700	53.1%
Design and permitting	1,519	17.1%
Under construction	908	10.3%
Completed and partially sold	207	2.3%
Operating offices	15	0.2%
<b>Total</b>	<b>8,857</b>	<b>100%</b>

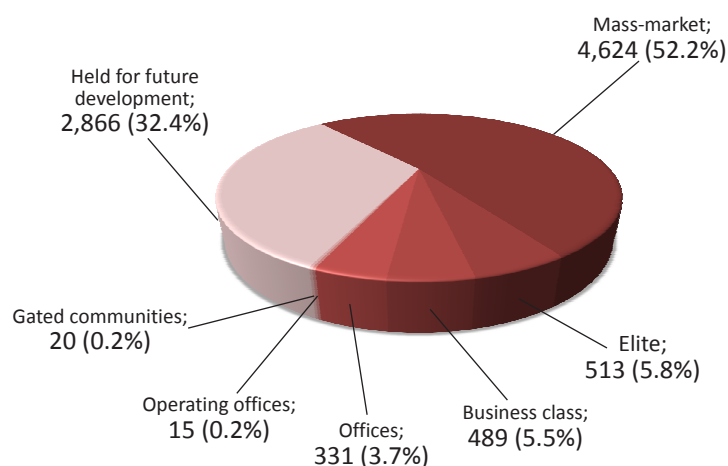
\*partly held for future development

## Breakdown of Real Estate Portfolio by Segment

The real estate portfolio of LSR Group is well-balanced across the various property segments thus making it possible to offer property targeting distinct consumer groups.

In terms of net sellable area, approximately 80% of the portfolio (incl. land plots held for future development) accounts for mass market residential real estate which is always characterized by higher demand.

The portfolio also includes residential elite (or high-end) and business class development projects, gated communities and offices. These segments account for a smaller part of the portfolio in terms of sellable area however they account for a substantial part of market value due to higher prices per square meter compared to mass market properties.



Segment of property	Net sellable / leasable area, th sq m	% of total
Mass-market	4,624	52.2%
Elite	513	5.8%
Business class	489	5.5%
Offices	331	3.7%
Operating offices	15	0.2%
Gated communities	20	0.2%
Held for future development	2,866	32.4%
<b>Total</b>	<b>8,857</b>	<b>100%</b>

\*In addition the real estate portfolio comprises 160 ha of sellable area of land plots for sale in gated communities.

## Valuation of Real Estate Portfolio

Prior to the second half of 2008, when the financial crisis started to significantly affect Russian economy on the whole and the real estate industry in particular, we regularly valued our real estate portfolio with an independent external valuer.

Due to low predictability and visibility of the key economic indicators as well as real estate valuation parameters (discount rates, yields, etc) at the moment we made the decision not to conduct the valuation of our real estate portfolio at 31 December 2008. While we fully recognize that the valuation of our portfolio is very likely to be materially reduced in the current economic conditions, we believe that the external valuation is not able to provide the adequate values and guidance today. The additional consideration of not conducting the valuation is the cost saving which we believe is beneficial for all our stakeholders in the current situation.

We will consider conducting the next valuation when the economic situation stabilises.

At 31 December 2008, we only conducted the external valuation of the eight properties in order to comply with the requirements of IFRS within the framework of preparation of our 2008 annual accounts.

Previous valuations of LSR's real estate portfolio undertaken by DTZ as independent external valuer are available at our corporate website at: [http://www.lsrgroup.ru/en/inv/about/real\\_estate](http://www.lsrgroup.ru/en/inv/about/real_estate).