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PIK GROUP ("The Group" or "PIK")

PIK RECORDS FULL YEAR NET INCOME OF RUB4.8 BILLION

Russia's leading developer of affordable residential housing returns strongly to profit

(LONDON, April 27 2012) - PIK (LSE: PIK), a leading Russian residential developer, today announces its consolidated IFRS financial results for 12 months ended December 31 2011.

Financial summary:

- Total revenues were up by 20.7% to RUB46.0 billion (2010: RUB38.1 billion)
- Revenue from sales of apartments grew by 30.0% to RUB35.3 billion (2010: RUB27.1 billion)
- Earnings before interest, taxes, depreciation and amortization (EBITDA) reached RUB11.7 billion (2010: loss of RUB2.1 billion)
- Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) from development activities were at RUB5.9 billion (2010: loss of RUB 0.4 billion))
- Net income recovered to RUB4.8 billion (2010: net loss of RUB6.0 billion)
- Total assets as of December 31 2011 increased to RUB128.8 billion (2010: RUB119.6 billion)
- Net debt as of December 31 2011 amounted to RUB42.8 billion (2010: RUB 37.2 billion)

Operational summary:

- Total gross cash collections increased by over 30% to RUB52.1billion (FY10: RUB 39.9 billion);
- Cash collections from sales of apartments surged 49.5% to RUB34.9billion (FY10: RUB23.4billion) driven mainly by higher volume sales.
- Cash collections from construction services and others remained stable at RUB12.9billion (FY10:RUB12.3billion)
- New sales contracts to customers showed growth to 510,000 sq. meters due to the wider range of available PIK projects

- PIK launched 41 new projects (FY10: 25) of which 26 are in its core Moscow Metropolitan Area (MMA);

- 4Q11 sales figures showed a 30% year-on-year increase, reinforcing management's confidence that growth in PIK's segment of the market is intact and based upon solid and sustainable fundamentals;

- 4Q11 mortgage backed sales stayed at 30% of total sales;

Property portfolio valuation summary:

- Total net selling area amounted to approximately 6.9 million square meters (10.1million as of June 30 2011), of which 99% is represented by the residential area

- The market value of the property portfolio stayed flat at US$2.7 billion

- Market portfolio value per share was at $5.5 (June 30 2011: US$5.5)

- Our top 10 key projects accounted for 61.8% of total market value (June 30 2011: 65.8%)

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Chief Executive Officer's Statement

On behalf of the Management Board, I have great pleasure in summarizing PIK Group's achievements for 2011.

The Russian economy continued to improve during 2011. This renewed confidence has fed through to consumers, who have been able to take advantage of improving mortgage availability to buy apartments. Average selling prices and buying patterns have returned to normality. PIK Group has benefited from this improvement in the economic fundamentals and we see further opportunities ahead. Currently mortgage penetration is still below 3% of Russia's GDP and we therefore see mortgage growth as a long-term catalyst for the whole industry, especially given economic forecasts for decreasing interest rates. Looking at our own sales trends, currently only one in three PIK sales transactions is supported by a mortgage. We believe that increasing mortgage penetration together with better affordability offer significant upside potential for our business.

In 2011 we sold 510,000 square meters in our development projects, which is almost back to the level of sales in 2008. In addition, we provided 225,000 square meters through our construction services activity, which provides building capacity to third party developers as well as federal and local government authorities. If third party investors and city share components are added, in total we completed 870,000 square meters of housing across 14 cities in Russia. This is a tremendous achievement only one year after restarting our operations, enabling PIK to return to profitability during the year and putting us back on track for growth.

These factors enabled PIK Group to increase sales revenue by 20.7% year-on-year to RUR46.0 billion, reaching EBITDA of RUB11.7 billion. At the same time, the Group recorded net income in 2011 of RUR4.8 billion compared to a loss of RUR6.0 billion in 2010.

The Group has achieved successful results, turning around its performance while managing a complex debt restructuring and putting the business on a more sound financial footing. Operationally we are stronger and more disciplined. We now have a strong platform from which to generate the cash from operations necessary to reduce debt, fund future growth and generate returns to shareholders. On behalf of the Management Board, I would like to thank all employees for their energy and commitment. We have come through a period of extreme economic turmoil and can now look forward to 2012 with greater confidence.

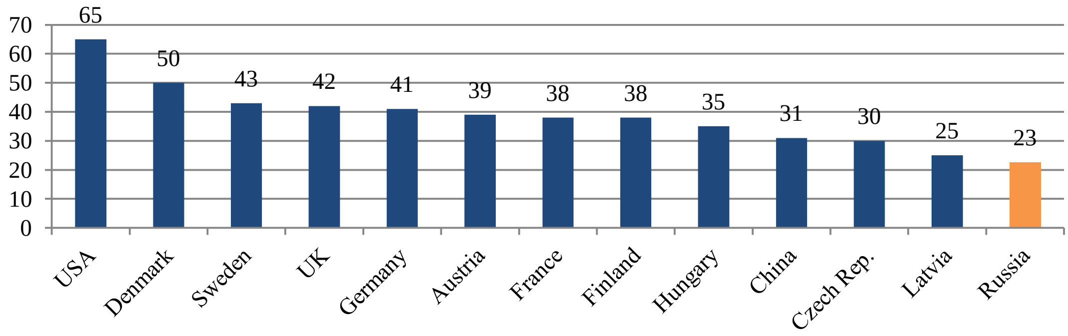
Pavel Poselenov
Chief Executive Officer

Operating environment, financial results and property portfolio review for the 12 months for ended 31 June 2011

Macroeconomic environment

During 2009-2011, significant monetary easing was launched by most of the central banks across the globe to tackle with the consequences of the 2008 economic turmoil, including the Euro zone debt crisis. This helped to stabilize western economies, while the emerging economies of Asia and South America continued to underpin global growth. With the world economy slowly reawakening, in 2009 oil prices began to rise again and the Russian economy started to recover gradually. Russian economic growth continued in 2010 and accelerated to 4.8% real GDP growth in 2011. This was helped by Russia having a low debt to GDP ratio compared to European countries, the US and Japan. Overall, Russia is well-positioned to take advantage of its potential in the long-run.

Meanwhile, at 23 square meters per capita, housing stock is still at a low level compared to the average of developed European countries or the United States. Russians still live in small apartments, which in most cases were built during the Soviet era and need to be replaced in the near future by newly built housing.



Source: Rosstat 2010 data for Russia, UNECE for other countries

Russian residential real estate market environment

In 2011 Russian housing completions exceeded 2007 pre-crisis levels. Overall, 62.3 million sq meters were completed across the country, up by 6.7% year on year.

(in million sq meters)	**2007**	**2008**	**2009**	**2010**	**2011**
Residential housing completions	61.2	64.1	59.9	58.4	62.3
growth yoy, %	-	*4.7%*	*6.5%*	*2.5%*	*6.7%*
Residential completions in MMA	*12.6*	*11.1*	*11.2*	*9.7*	*10.0*
growth yoy, %	-	*-11.9%*	*0.9%*	*-13.4%*	*3.1%*

Source: Rosstat

The largest residential submarket in Russia is Moscow and Moscow region, – together called the Moscow Metropolitan Area (MMA) - which accounts for around 12% of the country’s total population and approximately 13% of Russia’s total housing stock.

Historically, the MMA has always been the largest real estate market in Russia. It has shown some of the highest economic growth in the country since the collapse of the Soviet Union, supported by continuous migration from the Russian regions to the capital and its surrounding region. Currently, the MMA is an established marketplace, having a 16.0% share of total residential completions, equating to 10mn square meters. PIK is a leading developer in the MMA, with a 10.5% market share in 2011 (up by around 1.5% from 2010).

Market activity in the MMA market continued to accelerate during the year. Secondary transactions in Moscow continued to rise, showing accelerated growth in almost every quarter.

Number of transaction on secondary market in Moscow

(in units)	**1Q**	**2Q**	**3Q**	**4Q**	**TOTAL**
2008	11,780	18,641	17,805	16,891	65,117
2009	8,986	13,804	13,907	18,976	55,673
2010	14,908	25,225	20,454	25,063	85,650
2011	**18,140**	**24,071**	**21,017**	**27,994**	**91,222**
2012	19,784				

Source: Rosreestr

Meanwhile, 2011 transactions on the secondary market in Moscow were up by 6.5% year-on-year to 91,222 units. This positive trend continued into the first quarter of 2012.

Mortgage lending environment

(RUB in billions)	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Housing loans outstanding	350	758	1,265	1,181	1,295	1,625
As of GDP, %	*1.3%*	*2.3%*	*3.1%*	*3.0%*	*2.9%*	*3.0%*

Source:CBR

Housing loans outstanding accelerated during 2011 as total loans issued rose by 25.5% during the year to reach RUB1,625 billion. Average mortgage rates in Moscow stand at approximately 11.7% as of December 2011, down by 2.6% since the beginning of the year.

Operating overview

PIK was able to benefit from the upturn in the residential market and record 30% growth in new sales to customers.

510,000 square meters were sold in 2011, driven by both volume demand and prices. During the period 41 new buildings were introduced for sale, a rise of 64% on the previous year, of which 26 were in the Moscow Metropolitan Area ("MMA").

New sales contracts to customers [(1)]

000' sqm	**1H**	**2H**	**FY**	**4Q**
2010	159	233	392	128
2011	229	281	510	167
Change, %			*30,1%*	*30,5%*

Note: (1) including contracted retail and wholesales and others
Source: Management accounts

In line with seasonal patterns, the final quarter of the year turned out to be the strongest with new sales hitting 167,000 square meters, up by 30.5% compared to the corresponding period of the previous year (4Q10: 128,000 square meters).

New sales contracts to customers

In '000 sqm	**2008**	**2009**	**2010**	**2011**	**Change yoy, %**
Total housing completions[1]	813	884	739	870	17.7%
New sales contracts to customers[1]	520	123	392	510	30.1%
Transfers to customers[2]	378	492	434	512	18.0%

Source: (1) Management accounts
(2) as per revenue recognition policy adopted under IFRS

Transfers to customers under IFRS totaled 512,000 square meters, up by 18.0% compared to previous year. Total housing completions from all activities (real estate development, construction services and share of third parties) were up by 17.7% to 870,000 sq meters.

Average effective selling prices for PIK apartments, which are presold at the construction stage, enjoyed positive trends. Overall, consumer confidence was back and customers were buying apartments at the early stage of construction, meaning that buying patterns returned to normality. Selling prices in Moscow were up by 10% (not including our English Town business-class project, where price growth was 23%), while in Moscow region and other Russian regions they increased by 8.2% and 4.4% respectively.

Average property prices[1][2] *(in '000 RUB per square meter)*	**2010**	**2011**	**Change, %**
Moscow	113.8	140.0	*23.0%*
Moscow(excl. business-class) [3]	103.7	114.1	*10.0%*
Moscow region	64.1	69.4	*8.2%*
Other regions	36.4	38.0	*4.4%*

Note: (1) PIK is preselling properties at different stages of construction. Selling prices vary depending on geographic location, size, floor location, stage of construction. Accordingly, average prices per square meters represent blended average price calculations of the above.
(2) Calculated for property under construction on contracts with retail customers
(3) I.e. English Town project, which was launched in 4Q2010
Source: Management accounts

Mortgage market dynamics were strong following the signing of partnership programs with most of Russia's leading commercial banks, such as Sberbank, VTB24 as well as Bank Vozrogdenie, and others. The top three mortgage providers accounted for over 60% of total mortgage transactions, while the top five represented around 85% of total transactions.

Overall, better mortgage affordability led to substantial growth of sales funded by mortgages at PIK projects. Mortgage funded sales reached 29.7% in 4Q11.

Share of mortgage funded retail sales

000' sqm	**1Q10**	**2Q10**	**3Q10**	**4Q10**	**1Q11**	**2Q11**	**3Q11**	**4Q11**
Share of sales funded by mortgages [1]	3.1%	6.4%	9.3%	7.5%	12.4%	25.3%	29.5%	29.7%

Note: (1) based upon retail sales, calculated as per flats
Source: Management accounts

Portfolio of properties overview

At 31 December 2011, the total landbank stood at 6.9 million square meters, of which 4.8 million was located in PIK's principal area of focus, the MMA. The MMA was 69% by net sellable area and 88.5% by value of the total landbank. Compared to our previous valuation date, changes in the portfolio structure are explained by the growth in value in Moscow and a reclassification made in the regional portfolio (see explanation below).

Portfolio of properties by region

	Number of properties (1)	Net selling area, PIK share ('000 sqm)	Unsold area ('000 sqm)	Value ($MM)	Value per sqm ($)
Moscow	25	1,666	921	1,392	1,512
Moscow region	26	5,604	3,851	977	254
Other regions	44	2,615	2,149	307	143
Total	**95**	**9,885**	**6,921**	**2,676**	

Source: CB Richard Ellis valuation report
(1) I.e. number of projects

The market value of the property portfolio as of December 31 2011 stood at US$2.7 billion (June 30 2011: US$2.7 billion). Market portfolio value per square meter increased by 43.9% to US$387 (June 30 2011: US$269) due to growing market values of underlying projects in Moscow and reclassification of certain Regional projects.

The average value of our portfolio per square meter was up by 10.2% to $1,512 in Moscow, down by 4.9% to $254 in Moscow region and up by 123% to $143 in Russia's regions.

In 2011 PIK significantly accelerated its development pipeline and overall achieved 510 thousand square meters of new sales to its customers.

This process was driven by launches made in 2010, including "Ak. Vinogradova" (1 building), "English Town" (2 buildings), the "Anninsky" (2 buildings) projects, as well as new sales initiated in 2011.

During the year, PIK put 41 new buildings on sale, the majority of which came from its large-scale residential developments in the MMA, such as "Novokurkino" (5 buildings), "Levoberezny" (4 buildings), "Yubileyniy" (2 buildings) in Khimki city, "Krasnaya Gorka" (2 buildings) in Lubertsy, and "Yaroslavsky" (4 buildings) in Mytischi and as well as mid-sized projects, such as "Chertanovsky" (4 buildings), Pyhtino (2 buildings) and others. In Russia's regions, the most active city was Obninsk with 4 new launches, followed by Yaroslavl and Perm.

At the same time, PIK completed 53 buildings within its own developments, including 2 kindergartens (at "Bicevsky" and "Yubileyniy" projects), 1 small office (at Zhukov lane) and 1 fitness centre (at "Bicevsky" project).
Going forward, PIK plans to capitalize further on developing its existing pipeline. Apart from ongoing real estate development on a large scale at MMA projects ("Novokurkino", "Levoberezny", "Yaroslavky", "Krasnaya Gorka"), PIK plans to launch a number of small- and mid-sized projects in the MMA and Russia's regions.

In 2012 so far, the Group has already started construction on "Mironovsky" and the "Grand Kuskovo" projects both located in Moscow. In addition to launching small and mid-sized projects from the current pipeline, PIK has just commenced the first phase (approx 580 thousand square meters of sellable space) of its "Buninskiy" project located in Kommunarka (MMA) within the "New Moscow" territory.

Starting from 2H2011, real estate activity has intensified in certain Russia's regions and PIK is in the final process of launching additional projects in Obninsk, Perm, Rostov and Yaroslavl.

Meanwhile, PIK has continued reassessing each regional residential project. This process started two years ago when PIK in a conservative and disciplined way started examining the development potential of each development project.

As a result, seven large-scale regional projects were reclassified as land, decreasing the total land bank by 3.1 million square meters down to 6.9 million square meters. Accordingly, CB Richard Ellis reduced the valuation of these land plots by US$26.8 million down to US$56.9million as of January 1 2012. The reclassification related to large legacy projects in Russia's regions, acquired in 2007-2008 by the Group at the peak of the market. In the current market environment, PIK sees no viable economic opportunities to undertake these real estate developments.

In accordance with IFRS, the book values of the above regional land plots have been already written off during 2008-2009 almost in full. Therefore, the financial implications for 2011 are negligible.

In future, PIK Group will consider various alternatives for efficient use of these land plots, including disposal.

Top-10 key projects by value

			December 31 2011		**June 30 2011**	
Project Name	**Location**	**Type**	**Unsold area ('000 sqm)**	**Value ($MM)**	**Unsold area ('000 sqm)**	**Value ($MM)**
City Quarters on Mantulinskaya str.	Moscow	High-end residential	113	376	122	360
Mytischi, Yaroslavsky	Moscow region	Mass market residential	632	254	660	264
Khimki, Sovkhoznaya str.	Moscow Region	Mass market residential	301	171	340	193
Kommunarka, "Buninskiy"	Moscow region	Mass market residential	1,069	168	1,079	161
Kuntsevo	Moscow	High-end residential	146	161	151	177
Perovskaya str., 66	Moscow	Mass market residential	132	135	139	114
Michurinsky pr-t., district 5-6	Moscow	High-end residential	64	133	64	129
Varshavskoe highway, own. 141	Moscow	Mass market residential	130	113	130	105
Novo-Peredelkino	Moscow	Mass market residential	34	72	37	25
Obninsk, district 55	Kaluga region	Mass market residential	163	56	156	47
Subtotal			**2,844**	**1,653**	**2,988**	**1,800**
As of total, %			*41.1%*	*61.8%*	*29.6%*	*65.8%*

Source: CB Richard Ellis valuation report

Financial overview

Total revenues were up by over 20.7% to RUB46.0 billion (2010: RUB38.0 billion) driven by an increase in sales of apartments from RUB27.1 billion to RUB35.3 billion. Revenues from apartment sales accounted for 76.6% of total sales (2010: 71.1%), while revenue from construction services contributed 11.3% of total sales (2010: 16.0%). The balance of revenues came from other businesses, such as facilities management and the sale of construction materials.

Revenue	2011	2010	Change, %
Revenue from sale of apartment, RUB bn	35.3	27.1	*32.4%*
Revenue from construction services, RUB bn	5.2	6.1	*18.9%*
Revenue from sale of construction materials and other sales	5.5	4.9	*11.4%*
Total	**46.0**	**38.1**	**23.4%**

Source: IFRS

Revenue from the sale of apartments was up, due to increased transfers to customers amounting to 512,000 square meters (2010: 434,000 square meters). Implied average selling prices, calculated as revenue from apartment sales divided by transfers to customers, increased by 10.0% to RUB68.8 thousand per square meter. Overall, increased revenues were driven by volume and price growth.

Implied average selling prices (1)	2011	2010	Change, %
Revenue from sale of apartments, RUB bn	35.3	27.1	*30.0%*
Transfers to customers, 000' sqm	512	434	*18.9%*
Implied average selling price, RUB per sqm	68.8	62.5	*10.0%*

Note: (1) calculated as revenue from apartment sales divided by transfers to customers
Source: IFRS

Gross profit totaled RUB9.4 billion (2010: RUB2.9 billion). The gross profit margin was 20.4%, up by 12.9 per cent year-on-year.

Gross profit margins	2011	2010	Change, %
Revenue from sale of apartments, RUB bn	35.3	27.1	*30.0%*
Gross profit, RUB bn	9.4	2.9	*225.8%*
Gross profit margin, %	20.4%	7.5%	*+12.9ppt*

Source: IFRS

Both general administrative, selling & distribution expenses increased in line with sales growth. Total general administrative, selling & distribution expenses amounted to RUB4.8bn, constituting of 10.5% of total revenue (2010: 10.1%)

In 2011, PIK cancelled penalties and fines relating to the late repayment of loans and late completions under investment contracts. The total value of these cancellations, the majority of which were incurred in 2010, reached RUB1.7bn.

Following the market recovery in 2010 and further growth in 2011, impairment losses made in 2008-2009 on landplots, fixed assets and work in progress were reversed to the amount of RUB2.9bn.

At the same time, during the year PIK sold three landplots in line with the Group's strategy to divest non-core and /or illiquid assets, in order to deleverage the Group's balance sheet and optimize the Group's landbank structure. These divestments included the disposal of a 32.5% interest in "Park City" (14.3 he) and a 50% interest in "Bolsaya Ochakovskya" (11.2 he), as well as a landplot in Korolyov (11,2 he). These disposals in total resulted in a RUB2.3bn profit for PIK. PIK Group will continue exploiting further opportunities to optimize the structure of its landbank.

EBITDA meanwhile reached RUB11.7billion (2010: negative EBITDA of RUB2.1billion) and adjusted EBITDA totaled RUB5.9 billion (2010: negative adjusted EBITDA of RUB0.4 billion). For a detailed calculation refer to the appendix.

As a result of the above, net income moved back to the black and for the year amounted to RUB4.8 billion, a sharp contrast to the net loss of RUB6.0 billion in 2010. This marks a clear turning point in PIK's underlying financial performance.

Total assets grew to RUB128.7 billion (December 31 2010: 119.6 billion). Total equity turned positive to RUB0.2 billion (December 31 2010: negative equity of RUB4.6 billion).

Significantly accelerating the Group's construction activities resulted in inventory growth from RUB65.0 billion to RUB76.0 billion, as work in progress advanced by RUB11.0 billion. On the back of rising sales, advances from customers were up by RUB8.6 billion to RUB38.9billion (December 31 2010: 30.3billion). The growing volume of activity was mainly funded by growing customer deposits taken as working capital.

Since December 31 2011, total debt increased by RUB3.1billion to RUB47.0billion as PIK drew down the open credit facility from Sberbank in full and repaid some of the small credit facilities which came due in 2011. Net debt amounted to RUB42.8billion (December 31 2010: RUB37.2billion). The share of long-term debt was 58.5%.

Debt profile	**2011**	**2010**
Long-term loans and borrowings, RUB bn	27.5	4.9
Short-term loans and borrowings, RUB bn	19.5	39.0
Total debt	**47**	**44**
less		
Accrued interest payable	(1.3)	(1.1)
Accrued penalties	-	(1.3)
Cash and equivalents	(2.9)	(4.4)
Net debt	**42.8**	**37.2**
Long-term loans and borrowings, %	*58.5%*	*11.1%*
Short-term loans and borrowings, %	*41.5%*	*88.9%*

Source: IFRS

In January 2012, PIK rolled over RUB2.3 billion of debt due to a Russian commercial bank. In March 2012 the Group successfully renegotiated certain terms relating to the credit facilities of Sberbank. Accordingly, the debt repayment schedule was changed through the reduction of amounts due in 2012 to RUB1.8 billion from RUB10.4 billion. The difference of RUB8.6 billion was proportionally extended to the 2013-2014 period. The Sberbank credit facilities continue to be backed by assets of the Group together with government guarantees issued by the Ministry of Finance of the Russian Federation.

Appendix

Note: The calculation of following measures used in this announcement is set below. Our calculations of the below measures may be different from the calculation used by other companies and therefore comparability may be limited. The below measures are not measures of financial performance under IFRS.

1). EBITDA represents net profit/loss for the period before income tax expenses, interest income, interest expense including penalties payable, depreciation and amortization.

	2011 MM RUB	2010 MM RUB
Net (loss) / profit for the period	**4,805**	**(6,045)**
Depreciation and amortisation	736	759
Interest expense including penalties payable	4,682	5,599
Interest income	(151)	(325)
Income tax expense/(credit)	1,607	(2,051)
EBITDA	**11,679**	**-2,063**

2) Adjusted EBITDA from development activities represents EBITDA before impairment losses and reversal of impairment, impairment losses on financial assets, foreign exchange losses (gains), share of loss of equity accounted investees, net gain/loss on disposal of PP&E, gain/loss on disposal of subsidiaries and development rights, effect of termination of long-term land lease agreements, provision for doubtful accounts and accrued penalties and fees.

	2011 MM RUB	2010 MM RUB
Net (loss) / profit for the year	**4,805**	**(6,045)**
Depreciation and amortisation	736	759
Interest expense including penalties payable	4,682	5,599
Interest income	(151)	(325)
Income tax expense/(credit)	1,607	(2,051)
EBITDA	**11,679**	**-2,063**
Impairment (reversals) /losses	(2,877)	1,106
Impairment losses/(reversals) on financial assets	564	595
Forex loss / (gain)	(179)	96
Share of loss of equity accounted investees	-	52
(Gain) / loss on disposal of PP&E	39	(6)
(Gain) / loss from disposal of development rights and subsidiaries	(2,298)	(368)
Effect of termination long-term land lease agreements	(585)	(2,032)
Provision for doubtful accounts	-	-
Accrued penalties and fines\(reversals)	(473)	2,191
Adjusted EBITDA from development activities	**5,870**	**(429)**

3. Total assets calculated as sum of non-current and current assets.

	December 31 2011 MM RUB	December 31 2010 MM RUB
Total non-current assets	36,792	32,632
Total current assets	92,054	86,952
Total assets	**128,846**	**119,584**

4. Total debt calculated as sum of non-current loans and borrowings, current loans and borrowings.

	December 31 2011 MM RUB	December 31 2010 MM RUB
Non-current loans and borrowings	27,549	4,916
Current loans and borrowings	19,523	39,062
Total debt	**47,072**	**43,978**

5. Net debt calculated as total debt less accrued interest payable, accrued penalties, cash and equivalents.

	December 31 2011 MM RUB	December 31 2010 MM RUB
Total debt	47,071	43,978
Accrued interest payable	(1,324)	(1,132)
Accrued penalties	-	(1,280)
Cash and equivalents	(2,874)	(4,350)
Net debt	**42,873**	**37,216**

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Matters discussed in this press-release may constitute forward-looking statements. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The words "believe", "expect", "anticipate", "intend", "estimate", "forecast", "project", "will", "may", "should" and similar expressions identify forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements appear in a number of places in this press-release and may include statements regarding: strategies, outlook and growth prospects; future plans, expectations, projections and potential for future growth; plans or intentions relating to acquisitions; future revenues and performance; liquidity, capital resources and capital expenditures; economic outlook and industry trends; the impact of regulatory initiatives; competitive strengths and weaknesses; and the strengths of competitors. The forward-looking statements in this press-release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including, without limitation, management's examination of historical operating trends, data contained in PIK's records and other data available from third parties. Although PIK believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause the actual results of PIK or the industry to differ materially from those results expressed or implied in this press-release by such forward-looking statements. No representation is made that any of these forward-looking statements or forecasts will come to pass or that any forecast result will be achieved and you are cautioned not to place any undue influence on any forward-looking statement. No one undertakes to publicly update or revise any such forward-looking statement.