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**PIK GROUP (“The Group” or “PIK”)  
3Q2012 Trade update**

**QUARTER ON QUARTER CONSISTENT SALES GROWTH CONTINUES**

(LONDON, October 16 2012) - PIK Group (LSE: PIK), one of Russia’s leading residential real estate developers, is pleased to publish today a trading update for nine months ended September 30, 2012 based upon management accounts.

**9M2012 key highlights:**

- PIK enjoyed another quarter of consistent growth, building on the Group’s positive performance in 1H2012
- Total net cash collections up by 32.3% to RUB 41.6 billion (9M11: RUB 31.4 billion);
  - Cash collections from sale of apartments to individuals rose 50.3 % to RUB 29.4 billion (9M11: RUB 19.5 billion) driven by sales price growth and volume growth;
  - Cash collections from construction services remained steady at RUB 9.2 billion (9M11: RUB 9.0 billion);
- PIK launched 30 new projects of which 24 are in its core Moscow Metropolitan Area (MMA);
- New sales contracts to customers were up to 439,000 sq. meters (9M11: 343,000 sq. meters), up by 28% y-o-y driven by underlying fundamental demand for affordable housing;
  - 3Q12 new sales contracts to customers reached 169,000 sq. meters, which were 48% higher than those of previous year and 19% higher than in 2Q12; PIK has demonstrated sales growth in every quarter of 2012
- 3Q12 mortgage backed sales were slightly up to 29.0% of total sales;

**2012 Outlook**

- PIK reiterates its guidance for the year with a tighter range of new sales to customers of 600,000-620,000 sq. meters, with total gross cash collections of RUB 62-64billion;

Table 1 - Cash collections summary<sup>(1)</sup>

<i>(in RUB MM)</i>	3Q2011	9M2011	3Q2012	9M2012	Change, % (3Q12/3Q11)	Change, % (9M12/9M11)
<b>TOTAL GROSS CASH COLLECTIONS<sup>(2)</sup></b>	<b>11,744</b>	<b>35,077</b>	<b>16,293</b>	<b>41,962</b>	38.7%	19.6%
<b>TOTAL NET CASH COLLECTIONS<sup>(3)</sup></b>	<b>11,402</b>	<b>31,405</b>	<b>16,292</b>	<b>41,550</b>	42.9%	32.3%
<i>including:</i>						
<b>Cash collections from residential real estate sales activities</b>	<b>8,260</b>	<b>22,442</b>	<b>12,782</b>	<b>32,335</b>	54.7%	44.1%
<i>including:</i>						
- Cash collections from retail real estate sales	7,854	19,544	11,527	29,369	46.8%	50.3%
<b>Cash collections from construction services activities and others</b>	<b>3,145</b>	<b>8,963</b>	<b>3,490</b>	<b>9,215</b>	11.0%	2.8%

Note:(1) In line with PIK's accounting standards, these cash collections will be recognized as sales revenue once the residential real estate properties have been completed and third party acceptance acts (formal building certification provided by authorities) are received upon the completed unit

(2) Including offsets with suppliers

(3) Excluding offsets with suppliers

Source: Management accounts

Table 2 – New sales contracts to customers (y-o-y comparison)

000' sq. meters	1Q	2Q	3Q	YTD
<b>2012</b>	128	142	169	439
<b>2011</b>	81	148	114	343
<i>change, y-o-y, %</i>	58%	-4%	48%	28%

Note: including contracted retail and wholesales

Source: Management accounts

Table 3 – New sales contracts to customers (q-o-q comparison)

000' sq. meters	1Q	2Q	3Q	Change 2Q/1Q	Change 3Q/2Q
<b>2012</b>	128	142	169	+11%	+19%
<b>2011</b>	81	148	114	+83%	-23%

Note: including contracted retail and wholesales

Source: Management accounts

Table 4 – 9M2012 pre-sales launches summary

<b>Project</b>	<b>Location</b>	<b>Start of sales</b>
<b>“Novoperedelkino”</b>	Moscow	
- bldg 9a		June 2012
- bldg 13ab		July 2012
<b>“Grand Kuskovo”</b>	Moscow	
- bldg 5		June 2012
- bldg 6		July 2012
<b>“Michurinsky”</b>	Moscow	
- bldg 20a		July 2012
<b>“Drozhino”</b>	Moscow region	
- bldg 2		August 2012
- bldg 5-1		August 2012
- bldg 6		August 2012
<b>Khimki, ‘Novokurkino’</b>	Moscow region	
- bldg 9		March 2012
- bldg 7		June 2012
- bldg 19		June 2012
<b>Khimki, “Levoberegny”</b>	Moscow region	
- bldg 8		August 2012
<b>Mytishi ‘Yaroslavsky’</b>	Moscow region	
- bldg 22		March 2012
- bldg 23		March 2012
- bldg 38		June 2012
- bldg 40		June 2012
<b>Lubertsy</b>	Moscow region	
- bldg 7		February 2012
- bldg 37		February 2012
- bldg 9		June 2012
- bldg 53a		September 2012
- bldg 53b		September 2012
<b>Pykhtino</b>	Moscow region	
- bldg 24		March 2012
- bldg 25		March 2012
- bldg 26a		March 2012
<b>Obninsk</b>	Central Russia	
- mkr. 55, bldg 1a		January 2012
- mkr. 55, bldg 1b		April 2012
<b>Yaroslavl</b>	Central Russia	
- Krivova str.		June 2012
- “Bragino”, bldg 5-5a		April 2012
- “Sokol”, bldg 5		July 2012
<b>Perm</b>	Central Russia	
- “Griboedovsky”, bldg 31		May 2012

Source: Management accounts

Table 5 - Share of mortgage funded retail sales

000' sqm	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q2012
<b>Share of sales funded by mortgages</b> <sup>(1)</sup>	12.4%	25.3%	29.5%	29.7%	28.5%	27.3%	29.0%

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

Table 6 - New sales contracts to retail customers (contracted retail volume)

New sales contracts to customers	3Q2012	3Q2011	Change %	9M2012	9M2011	Change %
Value, apartments and ground floors (in RUB MM) <sup>(1)</sup>	12,360	8,331	48.4%	31,084	21,251	46.3%
size (in thousand sqm) <sup>(2)</sup>	142,016	103,080	37.8%	376,979	260,281	44.8%

Note: (1) unit is equivalent to aggregated amount of flats, ground floors and parking lots

(2) size is taken for flats and ground floors

Source: Management accounts

**Enquiries:**

PIK Group

Investors

Viktor Szalkay

Tel: +7 495 505 97 33 ext. 1358 / 1315

Media

Natalia Ivanova

Tel: +7 495 505 97 33 ext. 1010 /1014