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**PIK GROUP (“The Group” or “PIK”)
3Q2013 Trading update**

PIK Group announces operational results for the 9 months ended September 30, 2013

(LONDON, October 18, 2013) - PIK Group (LSE: PIK), one of Russia’s leading residential real estate developers, is pleased to publish a trading update for nine months ended September 30, 2013 based upon management accounts.

9 months 2013 key highlights:

- Total net cash collections up by 25.7% to RUB 52.2 billion (9 months 2013: RUB 41.6 billion);
 - Cash collections from sale of apartments to individuals increased by 39.3% to RUB 52.2 billion (9 months 2013: RUB 41.6 billion)
 - Cash collections from construction services and other activities slightly declined by 8.8% to RUB 8.4 billion (9 months 2013: RUB 9.2 billion);
- New launches consolidated at 33 properties on sale (9 months 2013: 30) of which 23 came from Moscow Metropolitan area, demonstrating a healthy operational run-rate;
- New sales contracts to customers grew to 473 thousand square meters, up by 7.7% yoy driven by underlying fundamental demand for affordable housing;
- Mortgage backed sales continued to rise strongly, reaching 42.2% in 3Q13 on the back of macroeconomic stability and customer confidence; mortgage rates remained stable for the period;

2013 Outlook

- Operational environment remains good; PIK corrects its 2013 guidance on new sales contracts to customers between 670,000-690,000 square meters with total gross cash collections of RUB 71-73 billion.

Table 1 - Cash collections summary⁽¹⁾

(in RUB MM)	3Q2013	3Q2012	Change, %	9 months 2013	9 months 2012	Change, %
TOTAL GROSS CASH⁽²⁾ COLLECTIONS	18,299	16,293	12,3%	52,248	41,962	24,5%
TOTAL NET CASH COLLECTIONS⁽³⁾	18,380	16,292	12,8%	52,248	41,550	25,7%
<i>including:</i>						
Cash collections from residential real estate sales activities	15,287	12,782	19,6%	43,693	32,335	35,1%
<i>including:</i>						
- Cash collections from retail real estate sales	15,032	11,527	30,4%	40,911	29,369	39,3%
Cash collections from construction services activities and others	2,943	3,490	-15,7%	8,405	9,215	-8,8%

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 (total)

000' sqm	9 months 2013	9 months 2012	Change, %
Total new real estate sales contracts to customers⁽¹⁾	473	439	7,7%

Note: (1) including contracted retail and wholesales

Source: Management accounts

Table 3 – New sales contracts to customers by region⁽¹⁾

000' sqm	9 months 2013	9 months 2012
Moscow	103	114
New Moscow	18	28
Moscow region	262	218
Other regions	90	79
Total	473	439

Note: (1) including contracted retail and wholesales

Source: Management accounts

Table 4 – Pre-sales launches summary table

No. of buildings	9 months 2013	9 months 2012	Change
Number of addresses put on sale	33	30	+3

Source: Management accounts

Table 5 – 9 months 2013 pre-sales launches (detailed summary)

Project	Location	Start of sales
Buninsky - bldg 11 - bldg 14 - bldg 8	Moscow	February 2013 February 2013 March 2013
Grand Kuskovo - bldg 3 - bldg 8	Moscow	May 2013 September 2013
Mironovsky - bldg 2 (parking)	Moscow	August 2013
Putilkovo - bldg 37 - bldg 38	Moscow region	March 2013 March 2013
Khimki, 'Levoberegny' - bldg 10 - bldg 16 - bldg 19	Moscow region	September 2013 August 2013 August 2013
Drozhino - bldg 3 - bldg 4 - bldg 2B - bldg 14	Moscow region	January 2013 March 2013 August 2013 August 2013
Mytishi 'Yaroslavsky' - bldg 25 - bldg 26 - bldg 65 (parking)	Moscow region	February 2013 February 2013 April 2013
Dolgoprudny - townhouses	Moscow region	January 2013
Dmitrov, 'Moskovsky' - bldg 1	Moscow region	January 2013
Zheleznodorogny, 'Centre – 2' - bldg 302	Moscow region	May 2013
Lyubertsy, 'Red Hills' - bldg 72 - bldg 72A	Moscow region	September 2013 September 2013
Kaluga - Dmitrova st., bldg 1	Central Russia	July 2013
Yaroslavl - "Sokol", bldg 17 - "Sokol", bldg 5 - "Bragino", bldg 4 - Moscovskiy pr-t, bldg 104	Central Russia	March 2013 January 2013 March 2013 August 2013
Perm, 'Griboedovsky' - bldg 2	Central Russia	May 2013
Novorossiysk, 'Picadilly' - bldg 1 - bldg 4 - bldg 15	Southern Russia	June 2013 August 2013 July 2013
Rostov on Don - 'Temernik' (renewal)		July 2013

Source: Management accounts

Table 6 - Share of mortgage funded retail sales

000' sqm	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q2013
Share of sales funded by mortgages ⁽¹⁾	28.5%	27.3%	29.0%	29.2%	34.6%	39.2%	42.2%

Note: (1) Based upon monthly averaged data upon retail sales, calculated as per flats only

Source: Management accounts

Table 7 - New sales contracts to retail customers (contracted retail volume)

New sales contracts to customers	3Q2013	3Q2012	Change %	9 months 2013	9 months 2012	Change %
Value, apartments and ground floors (in RUB MM) ⁽¹⁾	16,141	12,360	30,6%	42,316	31,084	36,1%
size (in thousand sqm) ⁽²⁾	178	142	25,4%	467	377	23,9%

Notes: (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

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