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The alliance of PIK Group and Storm Properties has won the award for “Deal of the Year” at the Commercial Real Estate Awards 2008

(LONDON, 17 April 2008) – The alliance of PIK Group (LSE: PIK), Russia’s largest residential real estate developer, and Storm Properties, the leading commercial real estate developer, has won the award for “Deal of the Year” at the Commercial Real Estate Awards 2008.

The fifth annual CRE Awards (2008) took place on 16 April 2008 at Moscow’s Expocenter on Krasnaya Presnya. As in previous years, the event was a tremendous success, attended by over 1000 real estate professionals who during the evening enjoyed delicious food, artists’ performances and a great atmosphere.

The entire PIK-Storm team presented at the ceremony got up on the stage to receive the award.

“The partnership with the commercial real estate developer Storm Properties is beneficial for both parties and I am sure that in the nearest future the market will understand why we made this strategic step,” said Alexey Tsvetkov, Treasury Director of PIK Group, getting the award.

Another achievement was the nomination of Michael Belton, President of Storm Properties, to the short list for “Personality of the Year”.

For the second year running, Storm Properties was the sponsor of the “Consultant of the Year” nomination of the award. Announcing the winner, which once again was Jones Lang LaSalle, Michael Belton said:

“Finally the long-awaited spring came and brought the new impressions, unexpected surprises. Spring is the time to refresh, review of summer clothes and attitude to life. I suggest to get rid of old things and give way to the new energy. The bearer of this energy we can call our dear consultants! This is a team of young professionals and their energy invigorates us with optimism. Today we can’t imagine the real estate market without an active role of consultants. No project can be developed without them. Without a doubt, this is a very prestigious nomination for the entire real estate industry”

We are very grateful to Impress Media for organizing this magnificent event and for the pleasure of meeting our friends, colleagues and business partners in the atmosphere of festival and fun.

PIK Group Overview

Founded in 1994, PIK is one of the leading vertically integrated residential developers in Russia with over 14,000 employees across the country. Its business activities are concentrated in Moscow and the Moscow region with an increasing footprint in many of Russia’s other regions. Its principal activity is the development, construction and sale of residential properties in large scale developments targeted primarily at the middle income housing market in Russia.

PIK’s core activities include:

- development of residential real estate projects and sales of completed units, including servicing and maintenance of residential real estate developed by PIK and other developers;

- production and assembly of concrete panel housing in Moscow as a subcontractor for the Moscow city government; and
- production and sale of raw materials and construction materials.

Since 2004, PIK has completed over 4 million square meters of residential housing, which is equivalent to approximately 58,000 residential units across Russia.

June 1, 2007, the Group completed successful listings on the London Stock Exchange, the RTS and MICEX exchanges in Russia.

PIK Group's website address is: www.pik.ru

Group Financial Summary

Revenue for 2006 rose by 90% and equalled US\$ 1,546 million, while EBITDA for 2006 amounted to US\$ 486 million. Net profit was US\$ 298 million in 2006 compared to US\$ 20 million in 2005.

According to CBRE, an independent appraiser, the combined market value of the Group's properties valued as of January 1, 2007 was \$8.8 billion.

Storm Properties Overview

Storm Properties, a PIK Group Company, is one of Moscow's leading real estate developers providing full range of development, investment, and asset management services. Storm Properties possesses extensive international experience in development projects over the complete spectrum of the real estate market: Class A Office Buildings, Retail, and High-end residential developments, covering not only the Moscow region, but the whole of Russia. Currently, Storm Properties has over 700,000 sq.m under development. Storm also became the first developer in Russia certified in accordance with the international quality management system ISO 9001:2000. For more information on Storm Properties, please visit www.storm.ru.

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