



## 2013 Results Investor Presentation



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# Agenda

**1. Operating and Financial Results**

**2. Market update**

# 2013 Results Highlights

## Financial Highlights

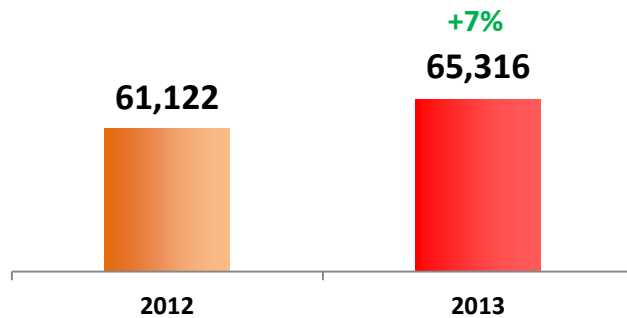
- Revenue increased by **7%**, up to **RUB 65,316m**
- EBITDA increased by **6%**, up to **RUB 14,156m**, EBITDA margin was **22%**
- Total comprehensive income increased by **8%**, up to **RUB 5,321m**
- Total debt decreased by **14%**, down to **RUB 34,062m**
- Net debt/EBITDA ratio was **2.0**

## Operational Highlights

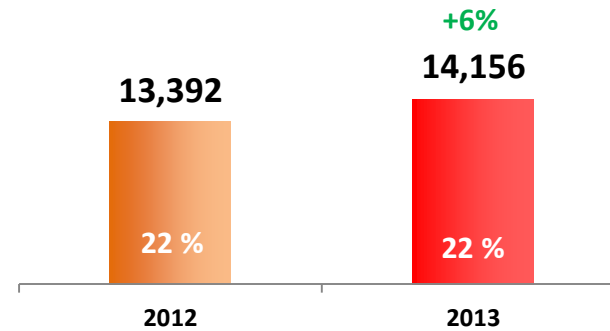
- New contract sales - **753 th m<sup>2</sup> (+69%)**. Value of the contracts – **RUB 60bn (+62%)**
- **960 th m<sup>2</sup> (+94%)** of NSA launched to the market in 2013
- Construction volume increased by **19%**, up to **862 th m<sup>2</sup>**
- As of March 2013 our **new brick plant** achieved **100% capacity utilisation** ratio of its 1<sup>st</sup> production line.
- **2nd production line to manufacture clinker ceramic** items **launched** at our new brick plant.
- In December 2013, **Ryabovsky brick plant** was **acquired** as a part of the assets swap deal.
- Full-scale **reinforced concrete manufacturing complex** with a capacity of **330 th m<sup>3</sup> launched** in Gatchina (the Leningrad region).

# Key financials

Sales (RUB m)



EBITDA (RUB m) and EBITDA margin (%)



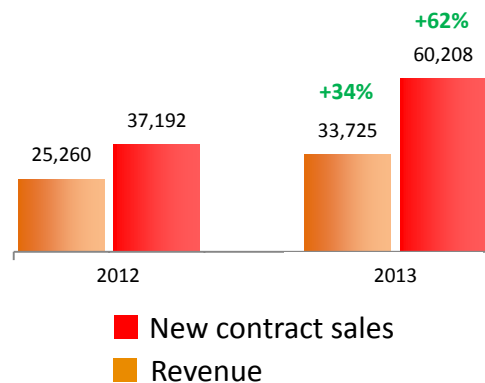
2013 sales revenue and EBITDA breakdown<sup>1</sup>



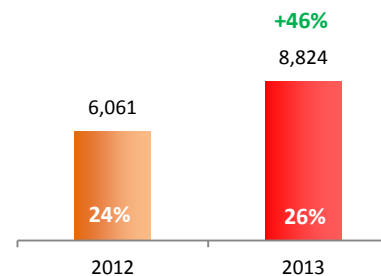
Note: 1) Before inter-group eliminations, unallocated amounts and other operations  
 2) Including Reinforced Concrete in St. Petersburg, previously accounted in Construction

# Real estate development

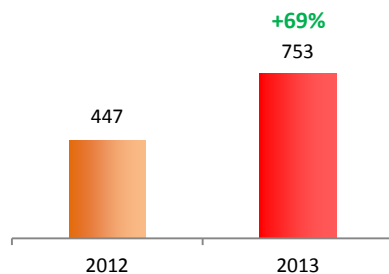
### Revenue<sup>1</sup> and New contract sales (RUB m)



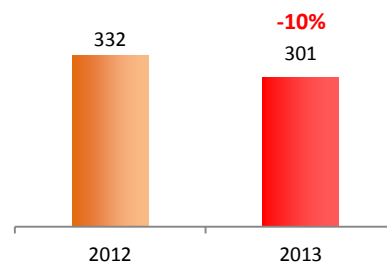
### EBITDA<sup>1</sup> (RUB m) and EBITDA margin (%)



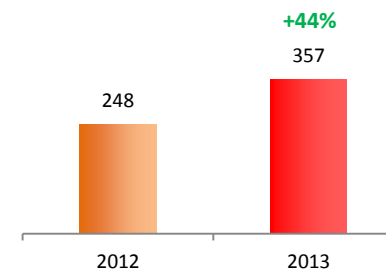
### New contract sales ('000 m<sup>2</sup>)



### Completions ('000 m<sup>2</sup>)



### Transfers ('000 m<sup>2</sup>)



Note: 1) Before inter-group eliminations, unallocated amounts and other operations

# Real estate development

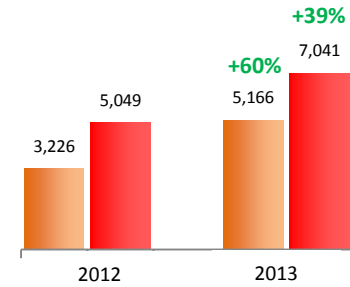
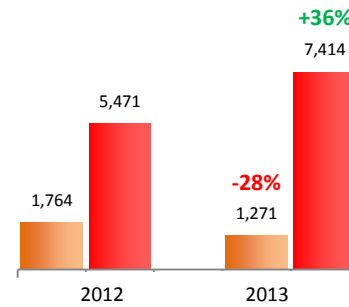
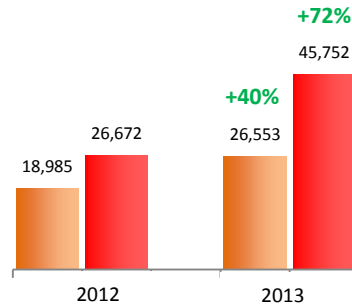
### St. Petersburg

### Moscow

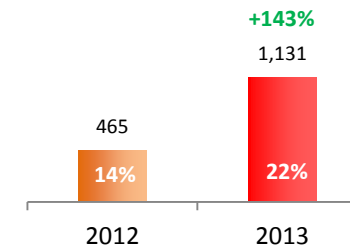
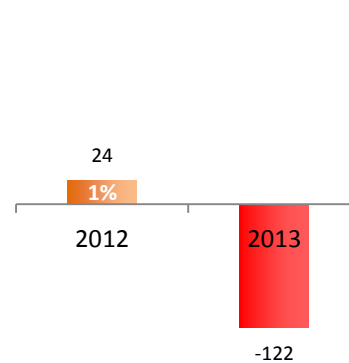
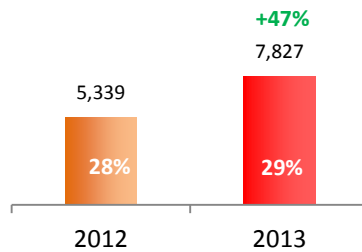
### Urals

## Revenue and New contract sales (RUB m)

- New contract sales
- Revenue

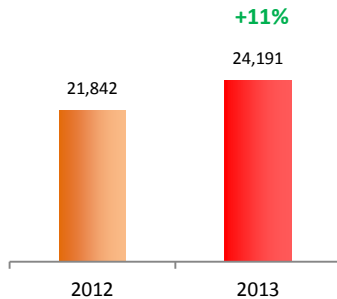


## EBITDA (RUB m) and EBITDA margin (%)

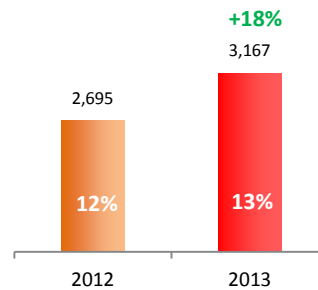


# Construction

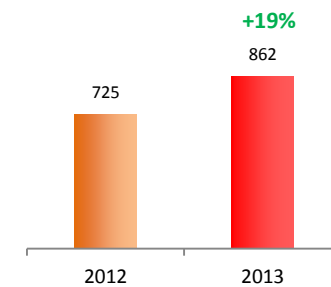
Revenue<sup>1</sup> (RUB m)



EBITDA<sup>1</sup> (RUB m) and EBITDA margin (%)



Volume of construction works, '000 m<sup>2</sup>

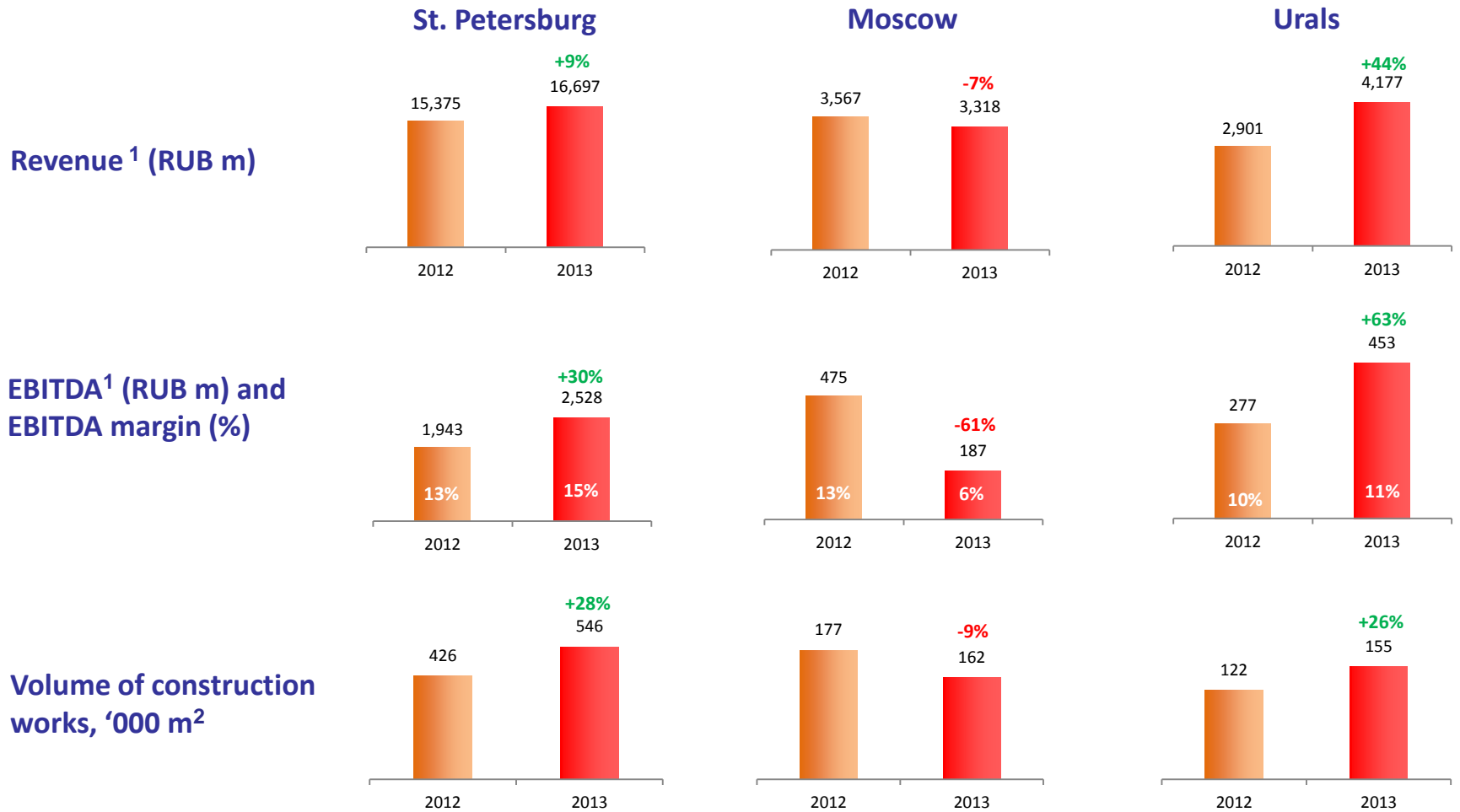


- RUB 2.8 bn modernisation programme of our prefab factory in St. Petersburg completed. Capacity increased up to 500 th m<sup>2</sup> per annum.
- RUB 359 m modernisation programme of our prefab factory in Urals started in 2013. Capacity will increase up to 250 th m<sup>2</sup> per annum.

Note: 1) Before inter-group eliminations, unallocated amounts and other operations



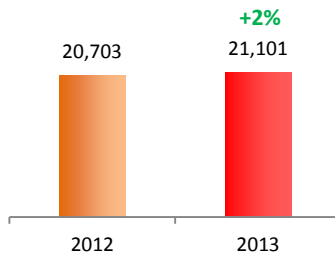
# Construction



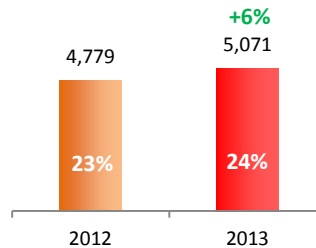
Note: 1) Construction in St. Petersburg includes: Construction, Pile foundation, Tower cranes, Project Management operations

# Building materials

Revenue<sup>1</sup> (RUB m)



EBITDA<sup>1</sup> (RUB m) and EBITDA margin (%)



- In December 2013, Ryabovsky brick plant was acquired as a part of the assets swap deal. The annual production capacity of the new plant is up to 150 million bricks.



- As of March 2013 our new brick plant achieved 100% capacity utilisation ratio of its 1<sup>st</sup> production line.
- 2nd production line to manufacture clinker ceramic items launched at our new brick plant.
- Full-scale reinforced concrete manufacturing complex with a capacity of 330 th m<sup>3</sup> launched in Gatchina (the Leningrad region).

# Building materials: Aggregates and Ready-Mix Concrete

## Crushed Granite

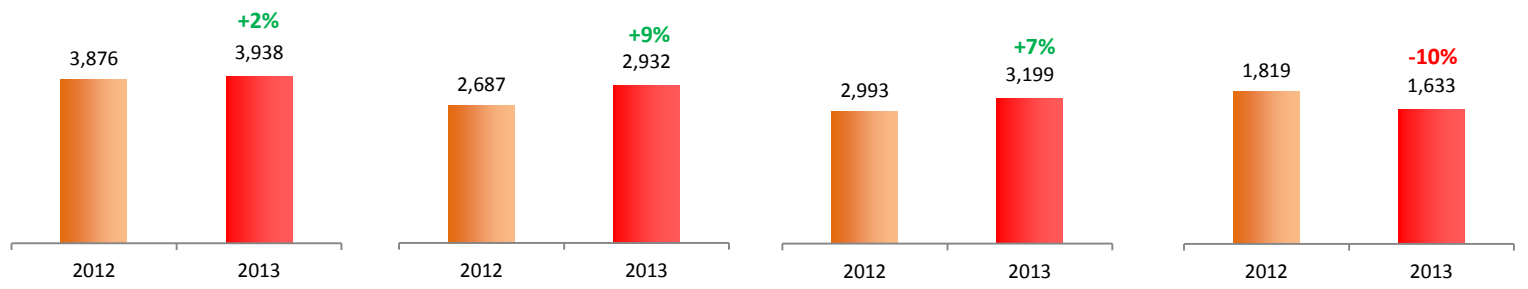
## Sand

## Ready-Mix Concrete

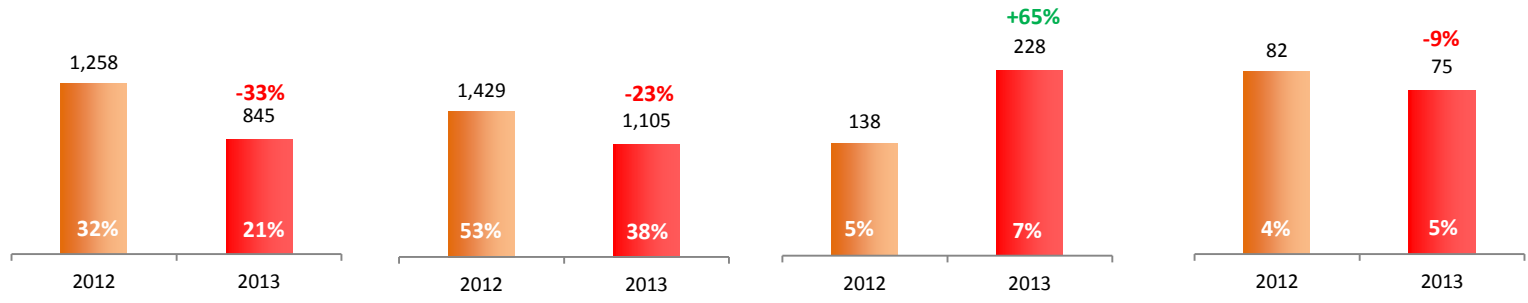
### St. Petersburg

### Moscow

Revenue (RUB m)



EBITDA (RUB m) and EBITDA margin (%)

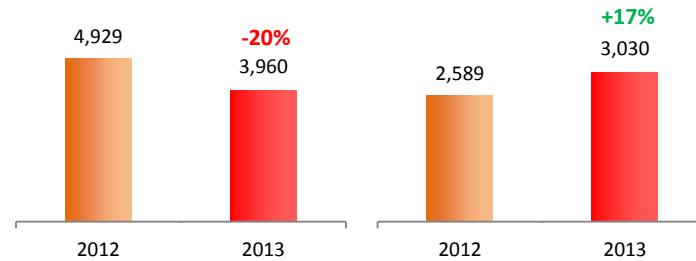


# Building materials: Reinforced Concrete and Cement

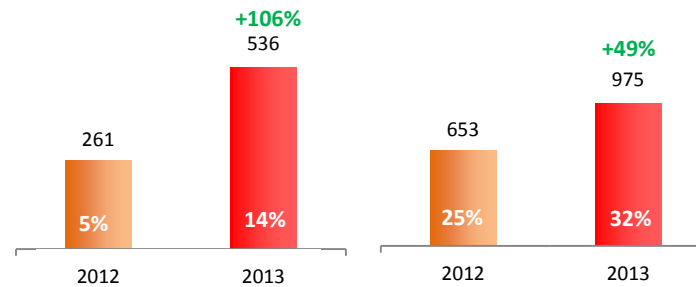
## Reinforced Concrete

## Cement

Revenue (RUB m)



EBITDA (RUB m) and EBITDA margin (%)



# Building materials: Bricks and Aerated Concrete

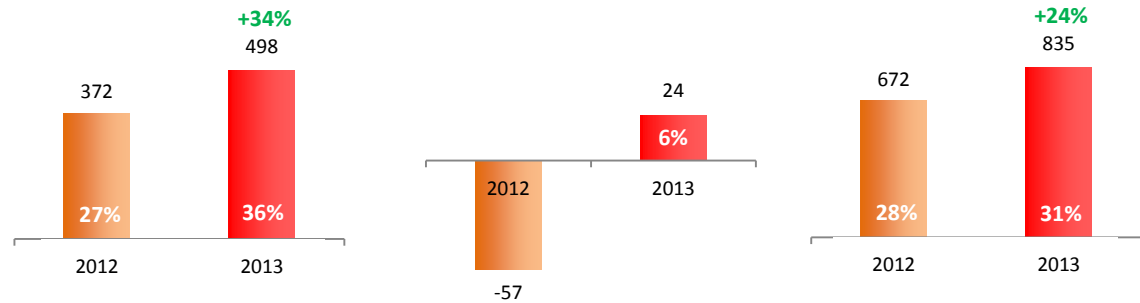
## Bricks

## Aerated Concrete

Revenue (RUB m)

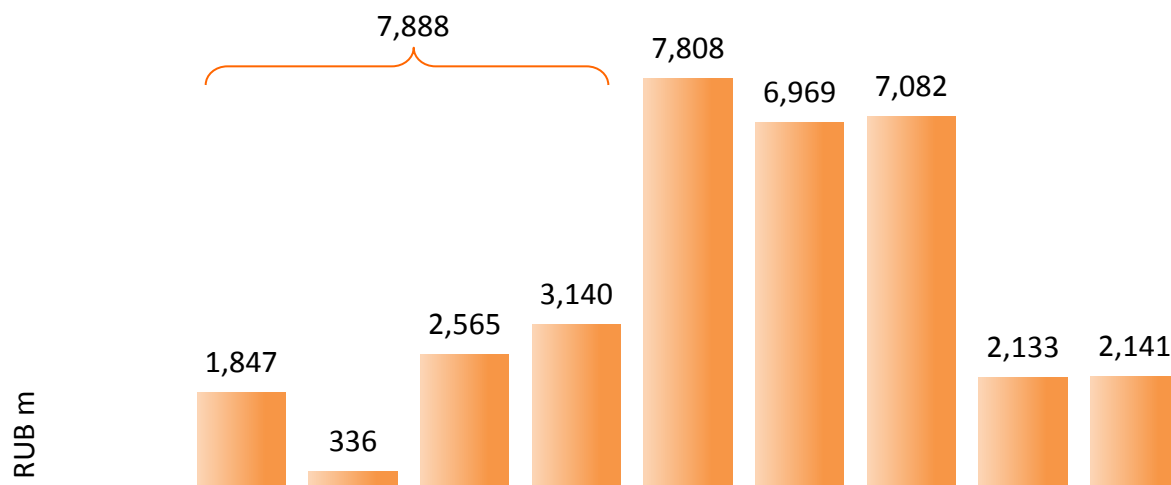


EBITDA (RUB m) and EBITDA margin (%)



# Debt maturity profile as of 31 December 2013

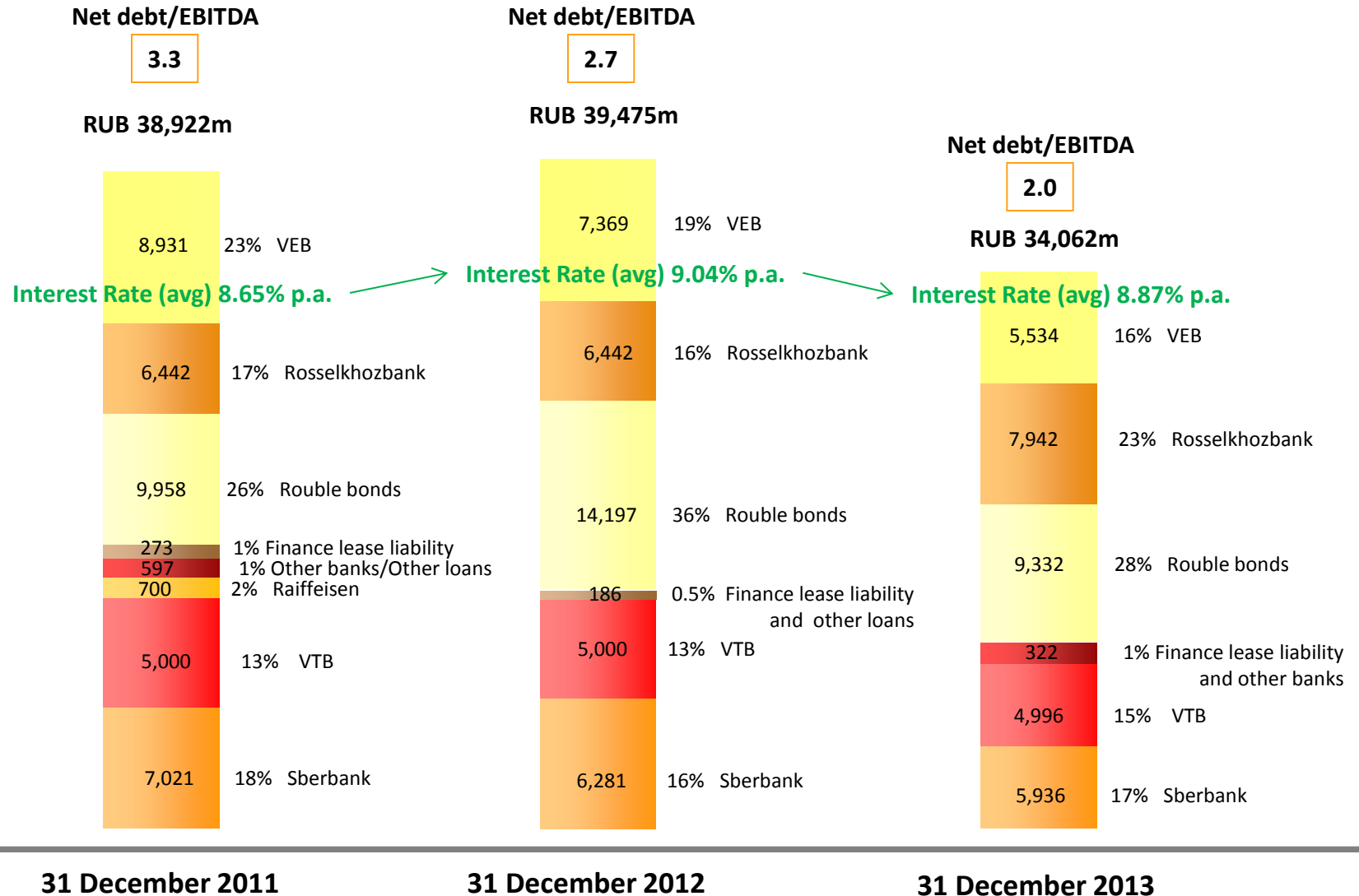
Total debt: RUB 34,022m\*



	1Q14	2Q14	3Q14	4Q14	2015	2016	2017	2018	2019>	Total	Total, %
<b>RUB m</b>	1,847	336	2,565	3,140	6,785	6,040	6,152	1,203	1,676	29,744	87%
<b>USD m</b>	-	-	-	-	28	28	28	28	14	128	13%
<b>EUR m</b>	-	-	-	-	2	-	-	-	-	2	0.3%
<b>Total RUB m</b>	1,847	336	2,565	3,140	7,808	6,969	7,082	2,133	2,141	34,022	100%

Note: \*excluding finance lease liability and other loans

# Gross debt by source as of 31 December 2013



# Agenda

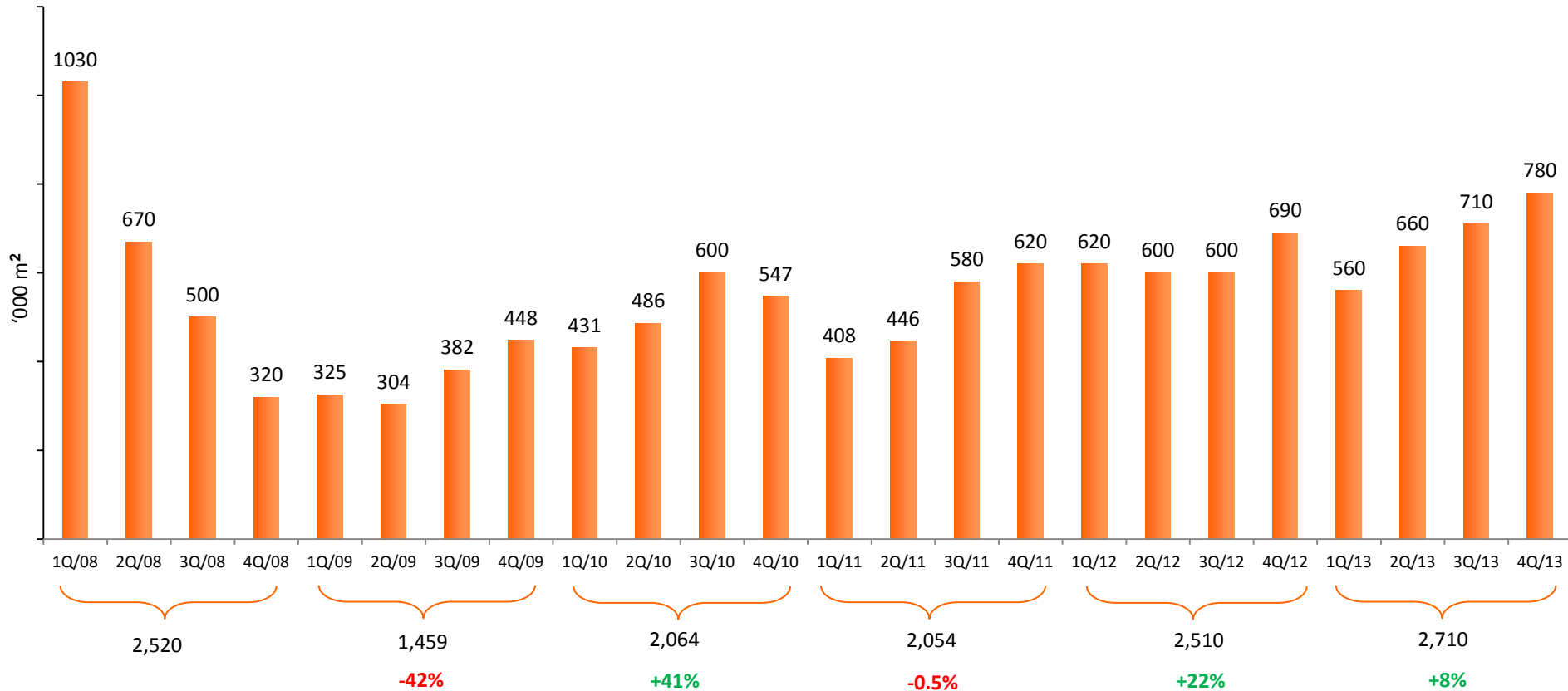
**1. Operating and Financial results**

**2. Market update**



# Sales of new apartments

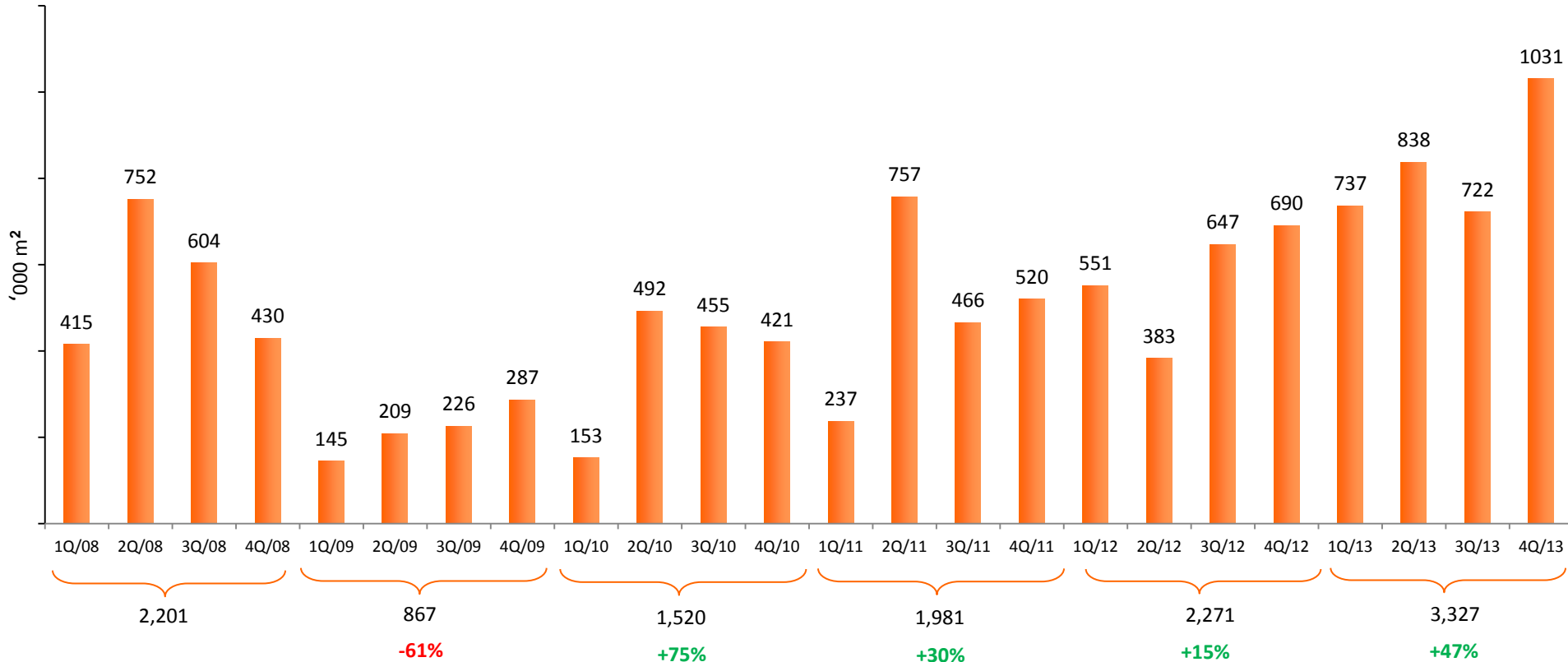
## Sales of new apartments in St. Petersburg



Source: SPB Realty

# Supply of new apartments

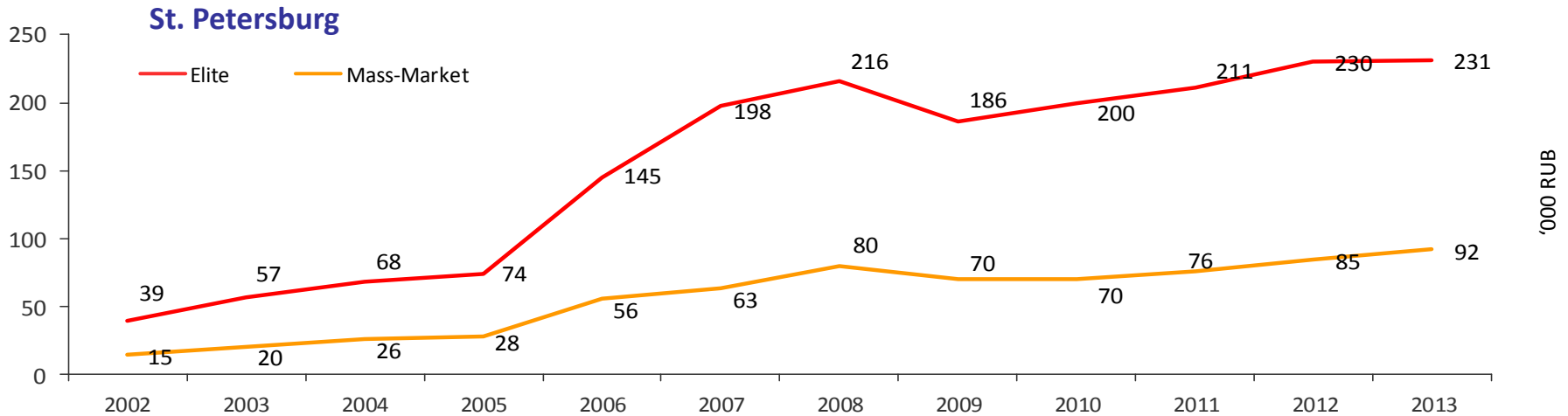
## Supply of new apartments in St. Petersburg



Source: SPb Realty

Note: Supply of new housing (apartments) represents residential projects at different stages of development which are offered for sale for the first time during the reported period

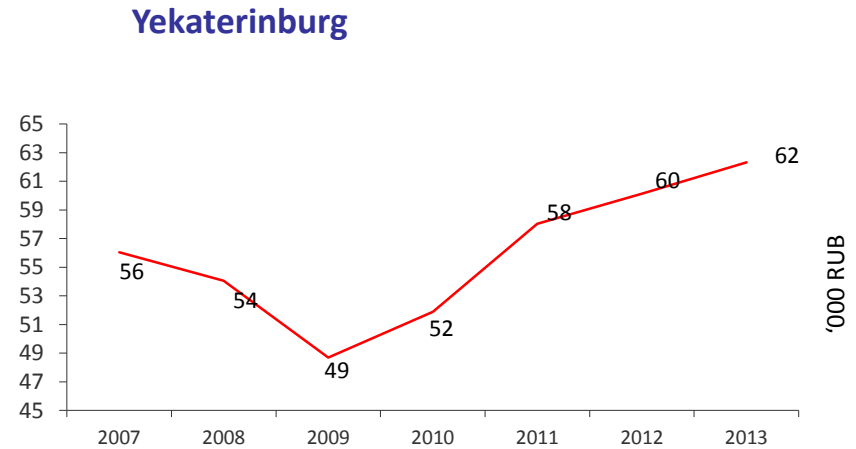
# New residential real estate price development in St. Petersburg, Moscow and Yekaterinburg



Source: SPb Realty



Source: IRN

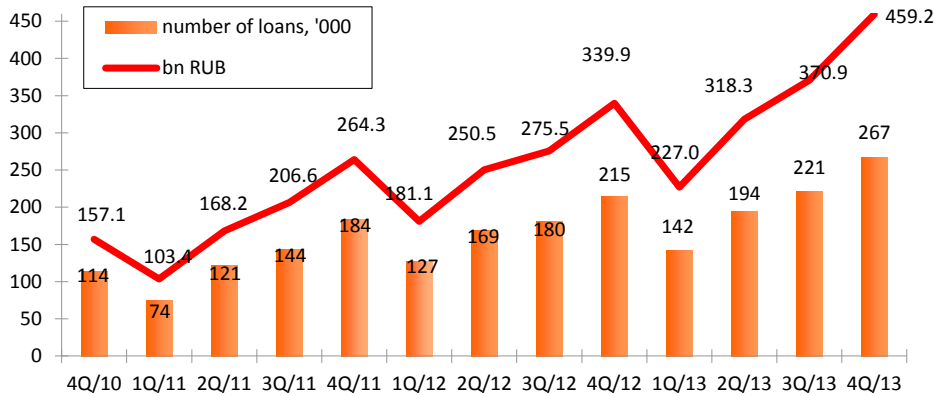


Source: Company

Notes: Prices as of the end of the respective periods  
 1) IRN Index is calculated on the basis of prices in both primary and secondary markets

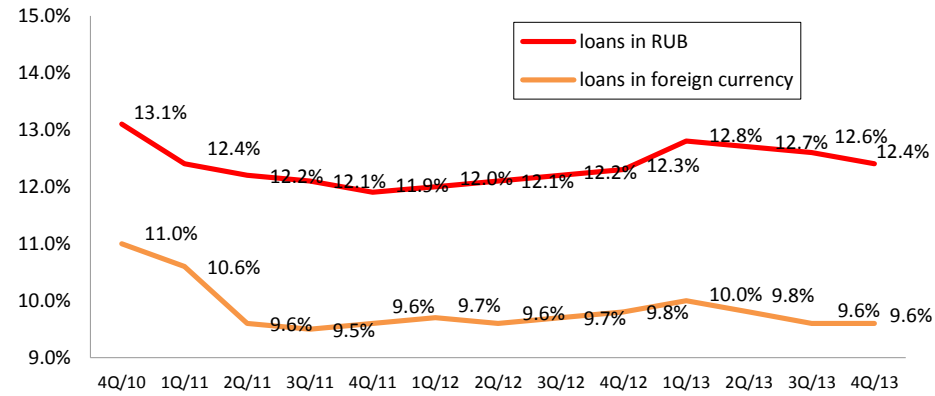
# Mortgage lending

## Mortgage lending in Russia



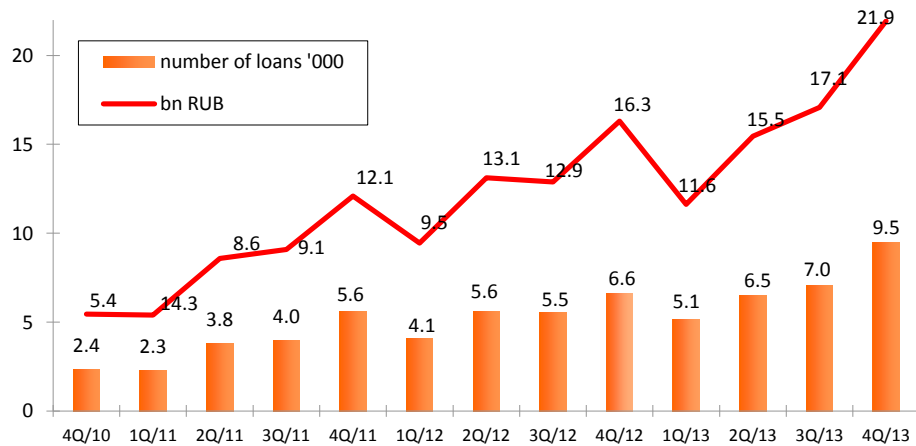
Source: CBR

## Average mortgage rates in Russia



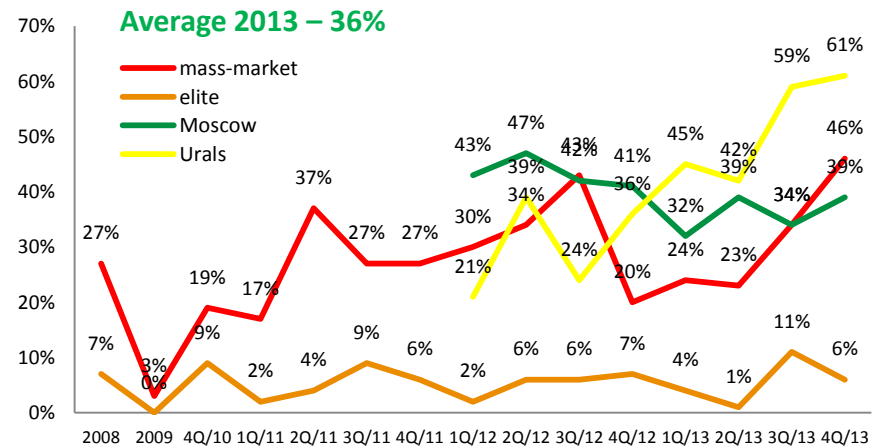
Source: CBR

## Mortgage lending in St. Petersburg



Source: SPb Mortgage Agency

## LSR mortgage sales in Regions by number of deals



Source: Company

# Contacts

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