

RD NEWS

DIGEST FOR PARTNERS

ISSUE
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2015



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BUSINESS NEWS

RD CONSTRUCTION TO BUILD
'GREEN' APARTMENTS IN SKOLKOVO

RESIDENTIAL QUARTERS AND INFRASTRUCTURAL FACILITIES OF THE SKOLKOVO TECHNO PARK TO BE CONSTRUCTED USING 'GREEN' BREEAM CONSTRUCTION STANDARDS

The concept of residential quarters was developed by French Agence d'Architecture A. Bechu based on harmonious combination of comfortable urban environment and natural landscape.



RD Construction will build residential quarters for tutors and students of the Skolkovo Science and Technology Innovation Center. They will be located immediately within the science center. The quarters will include both residential apartments at mid-level buildings and social infrastructure facilities.

RD Construction will build the 9th, 10th and 11th quarters with a total area of 50,000 square meters and will also develop project documentation, install external engineering networks and improve the territories.

BREEAM CERTIFICATION

The quarters will fully comply with the high status of a science and technology center. The facility is scheduled for certification under BREEAM environmental standards. The construction is also fully compliant with the requirements of the above standards to materials, works and engineering systems. One should note that RD Construction already has a 'green construction' experience. Romanov Dvor Business Complex and International School UWC Dilijan College in Armenia have already been certified under BREEAM.

At the current design stage, mobilization is in progress at the construction site, and the project will be completed in Autumn 2015.



Ilya Baybus,
Business Development Director:

"We highly appreciate Skolkovo's trust in us as a reliable partner. RD Construction's professional team and resources allow us to guarantee that the obligations we have assumed will be discharged timely and properly".



BUSINESS NEWS

CHRISTIE'S *The Art People*CHRISTIE'S OPENED ITS OFFICE
AT ROMANOV DVOR BUSINESS
COMPLEX

CHRISTIE'S AUCTION HOUSE HAS OPENED AN OFFICE AT THE ROMANOV DVOR BUSINESS COMPLEX. THE OFFICE INCLUDES EXHIBITION SPACE, WHICH WILL HOST PRE-AUCTION SHOWINGS AND EDUCATIONAL LECTURES.



Roman Tkachenko, Head of the Representative Office of RD Group in Russia:

"We are glad to welcome the Christie's auction house to the Romanov Dvor business complex. The favorable location of the business center, its well-developed infrastructure and modern engineering systems provide the ideal conditions for an international company to run business."



Christie's office occupies 400 square meters on three floors of one of the buildings of the Romanov Dvor business complex on the pedestrian street Romanov Alley. The fit-out work for the office was done by RD Construction (part of RD Group) and RD Management (also part of RD Group) is responsible for the facility management.

The Romanov Dvor business complex harmoniously incorporates business and cultural environment, classical and modern architecture, and well-developed infrastructure. In addition to the high-class offices, the complex has restaurants and cafes, business-class apartments, the World Class fitness center, the Romanov Cinema and a flower shop. One of the highlights of the complex is its well-landscaped internal courtyard and the pedestrian street Romanov Alley, where various urban festivities, exhibitions and master classes are held.



BUSINESS NEWS

UWC DILIJAN COLLEGE IN ARMENIA CERTIFIED IN ACCORDANCE WITH BREEAM

UWC DILIJAN COLLEGE INTERNATIONAL SCHOOL IN ARMENIA WAS CERTIFIED AS GOOD IN ACCORDANCE WITH BREEAM GREEN CONSTRUCTION STANDARDS. RD GROUP HOLDING IS A GENERAL DESIGNER AND GENERAL CONTRACTOR OF THE PROJECT.

UWC Dilijan College is the first international school in the CIS countries. Ruben Vardanyan and Veronika Zonabend, ideologists of the project, have attracted more than 200 donors to establishment of the school. Gagik Adibekyan, Chairman of the Board of Directors of the RD Group holding, was one of the donors of this educational project and a founding partner of the school.



UWC Dilijan College School was the first project in Armenia certified under BREEAM green standards. The facility was proclaimed Good, which means that the best practices and efficient solutions were used throughout the project's lifecycle. Key performance criteria including environmental, were set back at the design and construction stage.

The International UWC Dilijan College School is located in a mountainous region of Armenia on the border of Dilijan National Park. The project's architectural concept provided for organic integration of the school's buildings into the environment. That is why, special attention was paid to utilization of power-saving technologies and quality of work performed during design and construction.



Dmitri Letov, UWC Dilijan College Project Head:

"The International UWC Dilijan College School has become the first building in Armenia certified in accordance with BREEAM environmental standards. Our team has shown that the country may implement world-class projects. I am especially pleased that our victory incentivized local players who have already submitted several projects to BREEAM certification."



CORPORATE NEWS



ROMANOV DVOR BUSINESS CENTER RUNS UP FOR BEST OFFICE AWARDS 2015

THE THIRD PHASE OF THE ROMANOV DVOR BUSINESS CENTER RUNS UP TO BEST OFFICE AWARDS 2015 IN THE BUSINESS CENTERS CATEGORY.



Roman Tkachenko, Head of the Representative Office of RD Group in Russia:

Romanov Dvor still remains a trend setter in the office real estate market and offers a high level of services and comfort to its tenants. Phase 3 of the business center is a balanced combination of classic and modern styles. The interior of the public spaces in the building reflects this play of old and new, predictable and surprising as well. The architects managed to find an optimal combination of natural materials, designer and lighting solutions to create integrated space."

The Awards are granted to the best foreign and Russian office projects. An international panel that includes architects, developers, advisors, project managers and general contractors decide the winners.

The third phase of the Romanov Dvor Business Center was opened on December 12, 2014. The facility is a unique example of a modern construction project organically integrated into the existing architectural outlook of the center of Moscow.

RD Construction has been the partner of Best Office Awards for many years. At the awarding ceremony that will be held on May 21, 2015, Oleg Zhukov, CEO of the company, will present a grand prix for the best office interior. This year, two projects run up for RD Construction's award: headquarters of Raiffeisenbank and Alfa Laboratory's office.



Ilya Baybus, Business Development Director:

"We have traditionally been the general partner of the Best Office Awards. We consider the Award an important event in the office real estate market as it ensures credible and fair assessment of projects and contributes to improved development of the industry. We are proud that projects implemented by RD Construction always become runners-up and winners in the Best Office Awards."

BUSINESS NEWS

MALINA MALL: CONSTRUCTION STARTS

ACTIVE PHASE OF MALINA MALL SHOPPING CENTER CONSTRUCTION STARTED IN LATE MARCH 2015. RD CONSTRUCTION IS THE GENERAL CONTRACTOR FOR THE CONSTRUCTION OF THE SHOPPING CENTER.

In 2014, Obninsk became one of the Top 10 "best cities in Russia" according to the rating issued annually by "Kommersant. Sekret Firmy".



The participants of the pouring of the first concrete ceremony included representatives of InCapital (developer of the project) and the RD Construction team led by Andris Bush, Capital Construction Department Director.

The ceremony began with welcoming words by Project Manager Alexei Smirnov: "We congratulate all participants of the project on the start of Malina Mall construction. RD Construction guarantees to implement this project at the highest level and right on schedule."

Following the first concrete pouring ceremony, all of the participants tossed coins, symbolizing the successful start of construction.

RD Construction was selected as the general contractor for the construction of the Malina Mall in Obninsk in late 2014. The company is carrying out the full spectrum of works for compiling the project documentation, construction of the retail complex and underground parking, installation of internal and external engineering systems as well as improvement of the surrounding territory.

MALINA MALL

Malina Mall is located in Obninsk in a picturesque area of the Belkinsky ponds. The retail center will total 40,000 square meters, including a gallery of 120 stores, food supermarket, multiplex cinema, children's entertainment center, food court, fitness club, aboveground and underground parking. The plans also call for the improvement of the neighboring park and embankment areas of the Belkinsky ponds. Construction is scheduled for completion in the first quarter of 2016.



BUSINESS NEWS

Comcity.

RD MANAGEMENT PROVIDES FACILITY SERVICES TO SYSTEMATICA GROUP OF COMPANIES

RD MANAGEMENT HAS BEGUN SERVICING THE ENGINEERING SYSTEMS OF THE OFFICE OF SYSTEMATICA GROUP AT THE COMCITY OFFICE PARK, WHICH IS LOCATED ON THE TERRITORY OF NEW MOSCOW.

Comcity Project Developer is PPF Real Estate Russia. The total area of the office park is 430,000 sq. m.



The office of Systematica Group occupies approximately 17,600 sqm. RD Management's mandate to provide technical servicing of the engineering systems includes maintenance of electrical supply and lighting, HVAC system, water supply and drains, fire prevention systems and more.

Since December 2013, specialists of RD Management have been providing technical consultations on the preparation of the first stage of Comcity for commissioning. Following the opening of the first stage of the project in October 2014, the company began providing comprehensive facility management services for

the property, including management of the office and retail premises and park zone. In total, RD Management is responsible for the management of 200,000 square meters at Comcity.

COMCITY

The Comcity office park was built using the most advanced technologies in accordance with LEED environmental standard. The facilities features include facades with improved heating and lighting performance, cooling beams used instead of fan coils, cold storages, use of gray (rain) water and energy saving elevators.



BUSINESS NEWS

LECTURE ON REGENERATION OF HISTORICAL DISTRICTS OF MOSCOW

ON MARCH 20, THE THIRD STAGE OF THE ROMANOV DVOR BUSINESS COMPLEX HOSTED AN OPEN LECTURE OF OLEG POPOV, A FAMOUS ARCHITECT FROM MOSCOW, ON REGENERATION OF HISTORICAL QUARTERS IN THE CENTER OF MOSCOW.



Roman Tkachenko, Head of the Representative Office of RD Group in Russia:

Restoring the architecture of historical buildings and creating comfortable urban environment in the center of Moscow are business priorities of RD Group Holding. When creating the Romanov Dvor Business Quarter, we restored historical facades of buildings and gave back the city a look of Old Moscow.



Architect Oleg Popov lectured students of the Restoration Art Institute and Arts and Journalism Department of Lomonosov Moscow State University on Regeneration of Romanov Dvor Business Complex in the Historical Center of Moscow. The event was hosted by RD Group Holding.

Romanov Dvor Business Complex is located at the junction of Bolshaya Nikitskaya, Mokhovaya, Vozdvizhenka streets and Romanov Lane. Using the restoration of the quarter as an example, architect Oleg Popov told the audience about the experience in scientific restoration of historical buildings and creation of harmonized architectural spaces.

In addition to the business center, Romanov Dvor quarter accommodates Sheremetyevs' Palace, K.A. Timirizyaev's apartment museum, journalism department of Lomonosov Moscow State University and Church of Our Lady of the Sign, a veritable masterpiece of Naryshkin Baroque. Historical facades of the buildings on the side of Romanov Lane and the church were restored under drawings and photos made early in the 20th century using scientific restoration methods.



BUSINESS NEWS

NEW APPOINTMENTS
IN RD GROUP HOLDING

RD GROUP INTERNATIONAL HOLDING ANNOUNCES NEW APPOINTMENTS TO THE COMPANY'S POSITIONS IN FINANCE, LAW AND REAL ESTATE MANAGEMENT.



TATIANA KHOREVA HAS BEEN APPOINTED DEPUTY HEAD FOR FINANCE AND ECONOMY OF RD GROUP HOLDING'S REPRESENTATIVE OFFICE

Tatiana has been working in finance and management over 15 years and is a Certified Public Accountant (CPA). Her professional portfolio includes international majors such as Ernst & Young and Mirland Development. At RD Group, Tatiana will be responsible for assessment of projects' investment potential, raising financing, structuring new assets acquisition deals, streamlining budgeting systems and efficient tax planning.



ANNA STROEVA HAS BEEN APPOINTED DEPUTY HEAD FOR LEGAL AFFAIRS OF RD GROUP HOLDING'S REPRESENTATIVE OFFICE.

Anna has been working at the Big Four companies, PWC, KPMG and Ernst & Young, over 15 years and has been an advisor on legal issues to the president of a development major. She is an expert with significant experience in mergers and acquisitions (M&A), transactions with commercial and residential real estate and managing large-scale projects. At RD Group, Anna will provide legal support to the holding's business.



LILITH ADIBEKYAN HAS BEEN APPOINTED MANAGER OF THE DREAM HOUSE LUXURY SHOPPING CENTER.

Before her appointment to the new position, Lilith was a real estate investment advisor with AVICA Property Investors. Before that, she had been a financial analyst at a brokerage agency and specialized in Russian art at the Paris office of Sotheby's. Lilith is a master of ESCP Europe business school. She is fluent in five languages: German, French, English, Armenian and Russian. At Dream House, Lilith will be responsible for attracting new and managing relations with existing tenants, project management as well as the project for reconceptualization of the shopping center.



ANDRIS BUSH HAS BEEN APPOINTED CAPITAL CONSTRUCTION DEPARTMENT DIRECTOR

In his new position, Mr. Busch will be responsible for strategic development of the capital construction business line and creating new professional teams for implementation of projects in Russia and abroad. Andris Busch has been working with RD Construction since 2014 as a leading project manager and managed construction of such landmark projects of the company as the Arctic Hotel and Business Center and Suburban Quarter Residential Complex. Mr. Busch's experience comprises over 20 years of working in construction and development including major projects of German and Baltic companies. He is an active professional Member of the Royal Institution of Chartered Surveyors (MRICS).

CORPORATE NEWS

ATTRACTIVE EMPLOYER
OF THE YEAR

BASED ON THE ANNUAL SURVEY BY SUPERJOB.RU, RD GROUP HOLDING'S COMPANIES RD CONSTRUCTION AND RD MANAGEMENT HAVE BEEN PROCLAIMED THE ATTRACTIVE EMPLOYER FOR TWO CONSECUTIVE YEARS



RD Management employs over 700 qualified specialists of different profiles.

Today, the total headcount of RD Construction's employees is over 3500 persons.

Out of over one million Russian companies, Superjob has selected the ones most preferred by job seekers during the year. During their survey, Superjob.ru's experts noted high interest of job seekers in RD Construction and RD Management's vacancies as well as competitive labor conditions and salary levels.

The Attractive Employer 2014 status is a logical result of RD Construction and RD Management's stable performance and high level of their social responsibility that have allowed the companies to attract the best specialists in the industry and create a highly efficient team for implementation of complex projects for many years.

ATTRACTIVE EMPLOYER

The Attractive Employer is an annual recruiting survey in the course of which the largest recruitment portal Superjob identifies the most attractive employers from the job seekers' viewpoint.



CORPORATE NEWS

TATIANA KHOREVA ADDRESSES
CRE MARKET SNAPSHOT

TATIANA KHOREVA, DEPUTY HEAD OF THE REPRESENTATIVE OFFICE OF RD GROUP, ADDRESSED THE CRE MARKET SNAPSHOT CONFERENCE ON MARCH 31. THE EVENT WAS HOSTED BY IMPRESS MEDIA PUBLISHERS.

The CRE Market Snapshot is an annual conference of major players in the commercial real estate market.

Tatiana Khoreva took part in the development project financing session where experts discussed issues of bank loans and alternative financing sources under current economic conditions. The session was attended by representatives of GVA Sawyer, Storm Properties, Morgan Stanley, Rose Group, etc.

"Raising bank financing for or attracting investors into development projects primarily depends on the reputation of the company and its shareholders as well as its bona fide relations with its partners such as banks, investors and customers. Current market conditions give reputable and successful companies new opportunities on the market.

Banks and investment funds still remain willing to invest but are more scrupulous in assessment of project performance and developer reputation," Tatiana Khoreva commented.

As far as acquisition of finished projects goes, it is possible to acquire attractive facilities at lower prices nowadays.

"When buying finished projects, companies should analyze not so much financials as locations and quality of the buildings. For example, a shopping or business center's profitability may be low due to mismanagement. If a new owner creates a professional team, it will increase management performance and profitability of the facility," the expert concluded.



CORPORATE NEWS

RD MANAGEMENT TAKES PART
IN PFM CONGRESS

RD Management established its Tender Committee in 2013. It comprises heads of financial, legal and commercial departments, object group manager, cleaning director and coordinators.

LATE IN FEBRUARY, THE 8TH PROPERTY & FACILITY MANAGEMENT CONGRESS TOOK PLACE IN MOSCOW. THERE, MARKET PLAYERS DISCUSSED TRENDS IN THE MANAGEMENT AND OPERATION MARKET. OLGA RESINA, COMMERCIAL DIRECTOR OF RD MANAGEMENT, ADDRESSED THE AUDIENCE OF THE EVENT.

Property & Facility Management Congress is an annual gathering of major real estate managers and operators.

In her speech, Olga Resina noted that given the current economic conditions, holding by management companies of tenders to select subcontractors are an efficient cost-cutting tool for the owners.

"Tenders held by management companies allow them to select the best offers with optimal value for money. As a rule, the participants of our tenders are major companies that are ready to give discounts on prices of their services if the scope of work is large," Olga Resina said.

When inviting subcontractors to participate in its tenders, RD Management considers legal and financial reliability of the companies and their market reputation.



PLACES TO GO ON WEEKENDS / MOSCOW

Deadly Beauty



Arts and crafts, historical exhibitions

ORIENTAL MUSEUM

April 8 —May 28

+7 (495) 691 02 12 (info),
12a Nikitskiy Boulevard

The exhibitions presents about 500 samples of cold steel and armor from India and China as well as Tibet and Nepal in seven halls of the Oriental Museum. The thesis about beauty in the title is unveiled as the exhibits are viewed. The thing is not only the exquisite pattern of damask blades and gilded daggers but also creative engineering thinking.

Victory Day



Concert, French chanson

TRETYAKOV GALLERY

ON KRYMSKY VAL

April 28 – July 19

+7 (499) 550 00 55,
66th kilometer of MRHW

Everything we know from illustrations in school textbooks: A Letter From the Front by A. I. Laktionov (1947), Aleksandr Nevsky triptych by P. D. Korin, sketches for placards, satire by Kukryniksy and lesser-known photos from Tretyakov's archive. A large-scale solemn project dedicated to the 70th anniversary of Victory Day (May 9, 1945).

Victorian Photos



Photo exhibition

ZURAB TSERETELI'S ART GALLERY

April 14 —May 31

+7 (495) 637 58 40,
19 Prechistenka street

Art, portrait, reporting, landscape and scientific photos from 1850s to 1870s made under the impression from medieval painting images, literature and poetry.

PLACES TO GO ON WEEKENDS / SAINT PETERSBURG

**Modern Art and Crafts
Donations from the US
Hermitage Fund: 1948–2013**



Exhibition

HERMITAGE MUSEUM

until June 8

+7 (812) 710 96 25 (voicemail),
2 Palace Square

The basis of the exhibition is private collection of Helen Drutt English, a famous US gallerist. The exhibition is dedicated to the US arts and crafts of the second half of the 20th century.

