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## **PIK GROUP (“The Group” or “PIK”)**

### **PIK sells apartments to Ministry of Defense in Kaliningrad**

(LONDON, 3 November 2009) - PIK (LSE: PIK), a leading Russian residential developer, today announces that the Group has sold 123 apartments to the Russian Federation Ministry of Defence in Kaliningrad.

PIK Group recently participated in a State tender for residential apartments to be occupied by Ministry of Defence personnel in Kaliningrad. Based on the results of the tender process, on October 30th PIK executed a State contract with the Ministry of Defence for the sale of 123 apartments with a total area of 6,791 sq. m, consisting of one, two and three-bedroom apartments.

The apartments are located in a modern building in a new residential district, “Selma-2”, in Kaliningrad, which has been successfully developed in recent years by PIK Group. As per the contract, all apartments will be delivered furnished and ready for tenants.

The contract with the Ministry of Defense is illustrative of the Group’s stated strategy of interacting with State entities in the economy class real estate sector.

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