STATEMENT

Evaluation of the fair value of the investment properties owned by Sponda PLC in:

Moscow, Moscow Region and Saint Petersburg, Russia

September 30, 2009

On behalf of Sponda Plc

EVALUATION OF THE FAIR VALUE OF THE INVESTMENT PROPERTIES OWNED BY SPONDA PLC IN RUSSIA

Our Assignment

In accordance with the engagement contract #10/08-33V dated 24 August 2009 between Sponda Plc (hereinafter referred to as "the Client", "the Company" or "Sponda") and CB Richard Ellis LLC, we have reviewed the property valuations carried out internally by Sponda.

CB Richard Ellis has been asked to review the internal valuation of the Sponda real estate Portfolio in accordance with the Royal Institution of Chartered Surveyors' (RICS) Appraisal and Valuation Standards (6th Edition) (the "Standards"). The review of the internal valuation of the Portfolio was conducted for accounting purposes. It may therefore not be reproduced or used for any purpose other than the purpose stated above without the prior written consent of *CB Richard Ellis* in each specific instance.

The Portfolio covered in our analysis consisted of 7 (seven) operational properties held for investment as described in Appendix 1 of this Statement. Our review covered the properties which we believe are owned by the Client or its subsidiaries. CB Richard Ellis made relevant enquiries in order to provide our opinion of the Fair Value of the Property Portfolio as of September 30th, 2009.

We confirm that we provide this advice as independent valuers and we are not aware of any conflict of interest or potential conflict of interest arising in carrying out this instruction.

Approach

In accordance with the Standards, our valuations have been prepared on the basis of Fair Value, which is defined in the Standards as follows:

"The amount for which an asset could be exchanged between knowledgeable, willing parties, in an arm's length transaction." According to International Valuation Standard 2, para 6.2, "In accounting standards, Fair Value is normally equated to Market Value."

We found the general valuation methodology used by the Company to be appropriate, and based our valuation on the Income Approach, adopting a 10-year discounted cash flow method to arrive at a Net Present Value. We amended some of the assumptions on market rental rates used by the Company by checking current rental rates, and then incorporating these into the discounted cash flow model upon current lease expiry taking into account the cyclical nature of the real estate market and the economy. The Sales Comparison Approach was used in addition to the Income Approach in the valuation of the "Ancor" mansion, where vacancy is currently high as a result of the Property entering the market around the time of the credit crisis.

We have used gross floor areas as shown in the title documents. This valuation was based on the premise that the Subject Properties have a clear title and are free from any pending encumbrances, disputes, claims etc.

We have relied upon the rentable areas, tenancy schedule, running rental rates and operating expenses as provided to us by the Client. We have not made check measurements to verify any areas. We assume that all areas provided for the Properties and site areas are complete and correct.

The Properties were inspected between August 28 and September 9, 2009. We have not undertaken structural surveys or tested any of the services. At the time of our inspection the Properties generally appeared to be in a decent state of repair and decoration commensurate with age and use. We have not been provided with a copy of any building surveys or structural reports, and have assumed that there are no defects that could have an impact on value.

For the avoidance of doubt, we have not undertaken any environmental audit or other environmental investigation or soil survey on the Properties that may draw attention to the existence of any contamination or the possibility of any such contamination. We have not carried out any investigation into past or present uses of the Properties nor of any neighbouring land to establish whether there is any potential for contamination from these uses or sites adjacent to the subject Properties and have therefore assumed that none exists.

CB Richard Ellis will not assume any responsibility or liability for losses occurred to Sponda Plc, or other parties, as a result of the circulation, publication, reproduction or use of this Statement contrary to the provisions stated. We wish to emphasise that our liability rests with Sponda Plc and that we are under no obligation, contractual or otherwise, to any other parties.

Valuation Uncertainty

In accordance with Guidance Note 5 of the RICS Valuation Standards, Sixth Edition, we would draw your attention to the following comment regarding current market conditions.

"The current crisis in the global financial system, including the failure or rescue of major banks and financial institutions, has created a significant degree of uncertainty in commercial real estate markets across the world. In this environment, it is possible that prices and values could go through a period of heightened volatility whilst the market absorbs the various issues and reaches its conclusions. The lack of liquidity in the capital markets means that it may be very difficult to achieve a successful sale of these assets in the short term and we would recommend that the situation and the valuations are kept under regular review and specific marketing advice is obtained should you wish to effect a disposal."

MARKET SITUATION

Macroeconomic Overview

Recently released official figures confirm that Russia will not be immune to the global economic slowdown, as some had previously thought. Following average growth of 7.4% in the first 3 quarters of 2008, 4th quarter growth was reported at just 1.2% (year-on-year). Some estimates from the Ministry of the Economy are already showing a 10.9% decline in GDP for Q2 2009, although it should be stressed that these are highly preliminary. The World Bank forecasts that GDP will decline by 4.5% in 2009 and be flat in 2010 – a drastic revision of its end-2008 forecast that GDP would grow by 3% in 2009. Other agencies and financial institutions support this negative growth forecast for 2009. Household consumption fell towards the end of 2008, although it remained relatively strong in comparison with other European countries: after average year-on-year growth of 12.6%, growth fell to 8% in Q4 2008. Household consumption and domestic demand, despite falling, are expected to be significant mainstays of the Russian economy throughout 2009 and, with the return of private income growth, over the medium term as well. Underpinning everything, of course, are commodity prices, in particular the price of oil.

While these are forecast to rise gently, with oil possibly reaching $65 bbl in 2009, they are not likely to return to the levels that drove Russia's previous high growth.

Oil Prices

Declining oil prices have dramatically altered the international economic outlook for Russia as an oil exporter, causing the economy to slow. After July 3, 2008, when oil prices reached their historic peak of $144.07 per barrel of Brent crude and $139.52 per barrel of Ural, there were early signs of a slowdown, initially as a result of increasing capacity constraints, higher factor costs, and real appreciation of the currency.

The worsening of global demand and the associated decline in oil prices accelerated the slowdown, which was felt strongly in the last quarter of 2008. In December 2008 Brent and Ural oil prices touched the bottom ($36.5 per barrel and $34.2 per barrel respectively) causing a sharp drop in all macroeconomic indicators. However prices increased dramatically during the first six months of 2009 and exceeded the expectations of major economists, stabilising at $70 per barrel for Brent, with a continuous upward trend.

Foreign Investment

Moscow has attracted many foreign investors in recent years. In 2007 the total value of foreign investment reached US$72 billion, but in 2008 this fell by 42.2% to an estimated US$41 billion. According to the Federal Statistics Services, a further fall was seen in the first half of 2009, total investment reaching only 69% of the previous year's level; however, the downturn slowed in Q2 2009. The major foreign investment comes from Luxembourg, Cyprus, United Kingdom, Netherlands and Germany which are estimated to account for 82% of investment into the capital's economy. The majority of foreign capital entered Russia through Cyprus, which has double-taxation agreements with Russia. The next largest investing countries are the United Kingdom and Luxembourg which also have double-taxation treaties with Russia. Investment from the CIS is represented by Belarus, Kyrgyzstan and Kazakhstan.

Given the current uncertain economic situation, the Russian market has started to lose its attractiveness for foreign direct investment funds. In a short-term horizon market, investors are more interested in investing into other developing countries such as China, Brazil and India. About 74% of investors consider the Russian market to be risky in the short-term due to the general confusion in the region's banking sector.

Major Trends

The main trends to look out for in 2009 will be the following:

- Rising unemployment and some social unrest;
- A higher level of corporate failures;
- Inflation to remain high, at 12-15%;
- Continued, though less frequent, CBR intervention to keep the Rouble at approximately 33-35 to the dollar (or 38-40 to the dollar-euro basket);
- A moderate rise in oil prices;
- Confidence gradually returning towards the end of 2009.

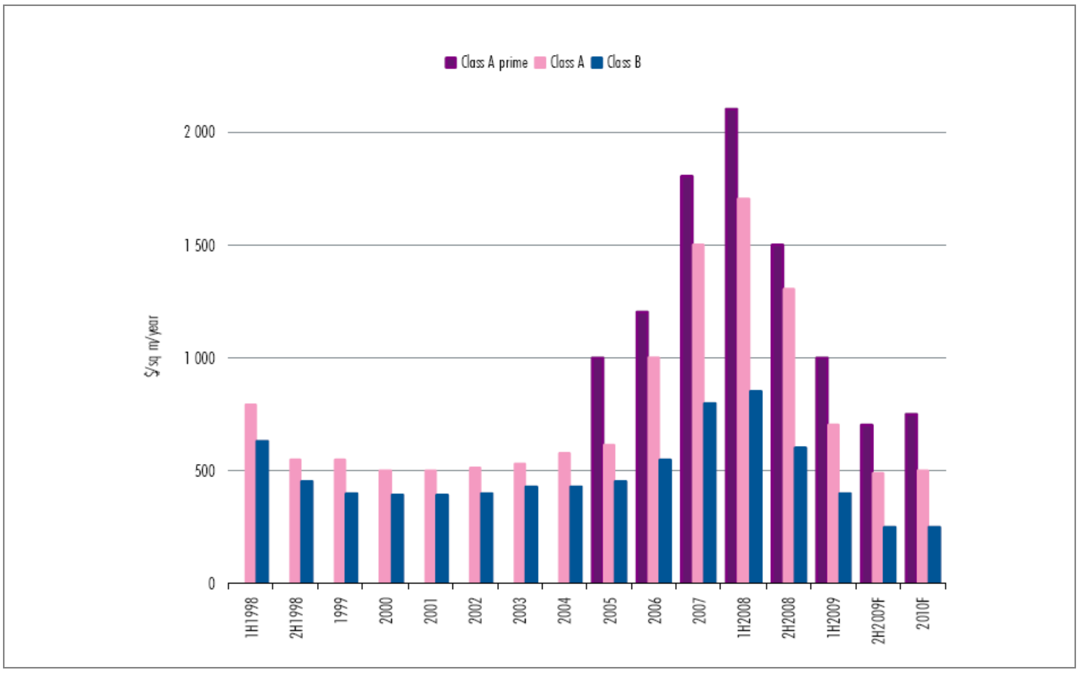
LETTING MARKET

Moscow Office Market Overview

During the first half of 2009, almost 1.2 mln sq m of office space was delivered to the market (defined as the moment a building receives its operational permits from the state). The majority was delivered in the first quarter. Such a high level resulted from developers with projects at the final stage of construction being able to secure the funds needed for completion. However, projects scheduled for delivery later than the middle of 2009 might not be able to secure such financing, and their completion is likely to be postponed. Delivery of new office space in 2010-2011 could be lower than previous periods.

During the summer of 2009, in addition to the macroeconomic forces that have been causing a fall in demand for space, with resultant increasing vacancy rates and falling rents, additional downward pressure on rents has been seen because of distressed landlords and offers of space on subleases. As a result of their obligations to banks, shareholders and investors, distressed landlords are prepared to provide a wide range of incentives in order to attract tenants quickly; these include considerable discounts on rents, rent-free periods, fit-out contributions, and no rental indexation, etc.

Average Historic Asking Rents



Source: CB Richard Ellis

We expect that by the end of 2009 the amount of vacant class A space in shell & core condition could reach 300,000 sq m and Class B 1.6 mln sq m. The levels of new delivery and low demand for this kind of space are driving the growth in vacancy in this sector. The average vacancy rate in Moscow at the end of the first half of 2009 stood at 20%. For the first time in the history of the Moscow office market the vacancy rate for Class A space (27%) has overtaken Class B (19%).

Another factor which is putting additional downward pressure on rents is the amount of space offered on sublease. The vast majority of this space, around 73 percent, is Class A. The amount of space offered for sublease increased from less than 10,000 sq m in October 2008 to 100,000 sq m as of August 2009. As a result, space offered for sublease has become an important factor in the Class A market. This competes with space offered for direct lease and is putting considerable downward pressure on Class A rents.

Thus, in the same building, the asking rent for space offered for sublease may be up to 20% lower than that for directly leased space. In addition, most Class A space currently available for sublease is fitted out and ready for immediate occupation. Meanwhile, landlords of newly delivered buildings who are offering space in shell & core condition are finding it extremely difficult to compete with sublease space in the current market conditions. In the current climate, the additional cost of fitting out newly delivered space is an unwanted expense for tenants. Thus, subleases constitute another sub-sector: medium-sized areas of fitted out space.

Outlook

In summary, space offered for sublease and space offered by distressed landlords is putting additional downward pressure on rents. Large blocks of secondary space will be arriving on the market soon as several large occupiers are planning to relocate before the end of 2009; when this happens, these will compete with space put on the market by distressed landlords. If demand for office space has not recovered by this time, we envisage a further reduction in market rents in this sector, or at least a prolonged period of stagnation. We expect the additional downward pressures brought about by the amount of space offered for sublease and by distressed landlords to continue influencing the market for up to 18 months. While forecasts published in early 2009 suggested that the market would recover in 12-18 months especially for Class A space, on the basis of the above report we envisage a slower recovery over the next 2-3 years.

Overview of the Moscow and Moscow Region Retail Markets

The financial crisis has had a two-fold effect on real estate, depressing both supply and demand. Being one of the most leverage-dependent sectors, the development of the retail sector began stagnating, while some sub-sectors even contracted. Levels of real estate construction fell, as the cost of money for developers increased, while equity remained scarce. On the demand side, retailers had to adjust their expansion plans as a result of the difficulties in obtaining credit financing and the downturn in retail turnover driven by a fall in consumer purchasing power and expenditure.

By mid-summer 2009, shrinking demand for retail space has shifted the balance of power from landlords to tenants. Vacancy rates have risen, a result of which has been dramatic downward pressure on rents.

Retail sector development prospects are highly dependent upon the macroeconomic outlook. At present, any revival of the sector is unlikely to occur before 2010 when living standards and consumer sentiment are expected to turn positive, together with the stabilisation of the economic environment.

Retail Market Trends

The Moscow and Moscow Region retail markets are usually considered as interdependent. The major advantage of the Moscow Region is its proximity to Moscow. As a result, the Region is highly developed and diversified in terms of the presence and development of retail units. According to official statistics, the Moscow Region is one of the five most highly developed regions in Russia.

The retail markets in Moscow and the Moscow Region have been following the general economic trends experienced in the rest of the country: a decline in disposable income, growing unemployment, decreasing consumption, etc. As a direct follow-on from the global economic crisis and its subsequent impact on the Russian economy, the current market snapshot for the Moscow and Moscow Region shopping centre markets is as follows:

- In Moscow the first half of 2009 saw the opening of 5 new retail schemes, increasing the city's supply by some 230,000 sq m of gross leasable area, which represented a record amount for the last five years. In the Moscow Region the total supply of available retail space has increased by 110,000 sq m.
- Between autumn 2008 and the end of August 2009, the overall decline in retail turnover has driven retail chains to rationalise space, re-negotiate lease terms, and postpone expansion plans. The transition from a landlord's market to a tenant's market can be demonstrated by several factors including, but not limited to, the following:
  - lower deposits, extended rent free terms and grace periods;
  - landlords are covering expenses for finishing work;
  - a shift towards turnover rents as opposed to fixed rents; turnover rents are considered to be beneficial for tenants as they minimise the tenant's risk associated with the business.
- Vacancy rates are now stabilising at around 8-10% with the most successful shopping centres with sound retail concepts continuing to fare the best. For the Moscow Region, vacancy rates vary between 20 and 30%.
- Base rental rates in 2008 were denominated in US dollars, Roubles and Euros per square metre per year. Since the beginning of 2009 rental rates have been denominated in US dollars as the US currency is still perceived as relatively stable compared to the devaluing Rouble.
- Despite the negative trends in the Russian economy, which are affecting the retail real estate sector, the construction of new shopping centres continues. In Moscow the estimated GLA of the projects to be delivered totals 700,000 sq m. Some delays in the delivery of new projects are expected because of unforeseen complications in the construction process and in additional financing caused by a possible worsening of the economic situation.
- Retail rents fell by approximately 10-15% in Q1 2009 and by 5-10% (compared with Q1) in Q2, suggesting some stabilisation in the rental decline in Moscow. In the Moscow Region, rents fell by an estimated 20-30% in the same period.
- By the end of September most tenants had managed to amend their budgets and adjust financial goals to keep up with the speed of the economic slump. After a seasonal downturn, demand for retail space has started to increase. This will cause rental rates to stabilise in the medium term.
- Despite signs of early recovery, the optimism of retailers in shopping centres in Moscow and the Moscow Region should remain cautious. It will take a combination of economic

growth, real income growth, and growth in consumer expenditure to drive the future expansion of retail chains that will bring about a reversal to the recent market declines.

SAINT PETERSBURG PROPERTY MARKET OVERVIEW

At the end of the first half of 2009, it is clear that the financial crisis has already affected all sectors of the commercial real estate market. Demand has significantly decreased, rental rates have gradually fallen, occupancy levels declined, and only a few investment transactions have taken place on the market as investors have waited for prices to fall. The only increases seen were in capitalisation and vacancy rates.

Saint Petersburg Office Market

Supply continued to rise in the first half of 2009, increasing by 200,000 sq m. This significant growth resulted from the delivery of properties which were postponed from 2008 to Q1-2 2009. Over the last 4 years there has been a trend towards the decentralisation of supply, including in particular a steady growth of supply in the Moskovskiy and Primorskiy districts of the city. This has come on the back of a gradual decline in the share of the Central and Admiralteiskiy districts.

Some business centres which are almost completed will probably open by the end of 2009 or the beginning of 2010 as it is not profitable to freeze them. However, the delivery of new office space in 2010-2011 could be lower than in previous periods.

The vacancy rate in existing Class A business centres continues to rise and has already reached an average of about 25%. The occupancy rate in recently opened office centres is 40-50%, as a result of increasing supply along with decreasing demand. Changes have not been as significant in Class B business centres, where the vacancy rate has risen more slowly, to 12% by the end of Q2 2009.

Demand

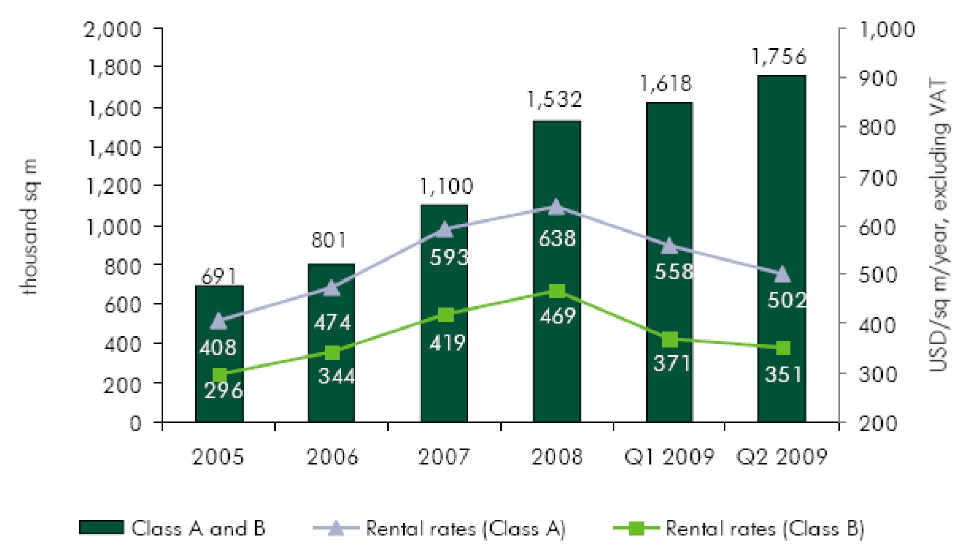
On the back of the increase in supply, the structure of demand has changed. The number of requests for areas of less than 50 sq m has increased, while requests for areas of 200-500 sq m have fallen significantly. There has always been demand for small areas of space, and this will continue, but even in the current market this demand will not be satisfied as new office centres initially focus on large tenants. The number of showings and transactions has decreased. Potential tenants are sounding out the market to find out how much rents have fallen and what discounts are achievable, in order to be able to revise their current lease agreements and negotiate a reduction in rental rates with their landlords. Landlords are trying to conclude short-term agreements in the hope that they will be able to revise terms and increase rental rates later. However, tenants insist on long-term agreements with fixed rental rates in Roubles. Demand at the beginning of the year was active to a certain extent, as a result of the implementation of plans that had previously been delayed - at the end of 2008 tenants were unsure about their future and postponed moves until the beginning of 2009. Therefore the activity seen in Q1 2009 was a temporary phenomenon, and Q2 saw a fall in activity.

Rental Rates

Asking rental rates have fallen by 25% in Class A office centres since the beginning of the crisis (November 2008), and by 29% in Class B centres, reaching the levels seen in 2006.

Asking rents are close to achieved prices. The most significant declines have occurred in business centres in the centre, or in new business centres. The instability of the dollar and euro exchange rates, as well as the desire of landlords to attract tenants under the current conditions of low demand, have resulted in the majority of rental rates being denominated in Roubles. A few business centres, all of them Class A, show rents in dollars and euros.

Office Supply and Rental Rates



Source: Maris Properties in association with CB Richard Ellis

SAINT PETERSBURG WAREHOUSE MARKET

The economic crisis has caused the pace of development in the warehouse sector to slow. However, warehousing in Saint Petersburg has big potential for development, due to the unique geographical location of the city and its transport infrastructure (including seaport, airport, railway stations, and transit main roads).

Supply

Supply of warehouses on the market increased by 191,000 sq m in the first half of 2009, when five warehouse complexes were opened. The majority of warehouses delivered were complexes which opened last year, but the delivery dates were postponed. It does not make sense to freeze projects which are 70% completed, or to build new phases or new warehouse complexes, in view of the economic crisis and low demand.

Warehouse complexes are gradually seeing a shift in quality to Class A. Class A accounted for 62% of the total in 2008, rising to 66% in the first half of 2009. This includes warehouses both delivered and under construction. By the end of the year the 3rd phases of Theorema-Terminal and Kulon-Pulkovo are forecast to open. Both projects are Class A.

Demand

As a result of the economic downturn, demand for warehousing has fallen – units of 1,500-3,000 sq m are now most popular (as opposed to 5,000–10,000 sq m before the crisis), with lease terms reduced from 5-7 years to 3 years. In 2008 the total amount of quality warehouse complexes nearly doubled, which, along with decreased demand, has affected occupancy. Warehouse complexes delivered before the crisis have a high occupancy rate of about 80%, while those opened at the end of 2008 and in 2009 are only 40% occupied.

Rental Rates

Asking rents fell by 20-30% in the first half of 2009 and now stand at $90-100 for Class A and $80-90 for Class B space (triple net). However, since there are no transactions on the market, it is difficult to estimate achieved rents. On average, they can be 10-20% lower than asking rents.

Conclusions

Having reviewed the internal valuation of the Company Portfolio, CB Richard Ellis concluded that the Fair Value of the subject Property Portfolio corresponds to the Fair Value of the Portfolio as published in the company's unaudited consolidated interim report for July – September 2009 as of November 5th, 2009.

Yours faithfully,

Jana Kuzina MSc MRICS

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APPENDIX 1: SUMMARY OF THE PROPERTIES

The Property Portfolio of Sponda Plc consists of 7 (seven) properties held for investment. Three of the seven are located in Moscow, one in the Moscow Region and three in Saint Petersburg. Approximately 67% of the value of the Portfolio is represented by two office buildings in Moscow. The retail properties, including 2 (two) shopping centres in Moscow and in Ramenskoe in the Moscow Region, represent approximately 22% of the total Portfolio value. The lowest shares in the total value of the Portfolio (around 5% and 6% respectively) are accounted for by the warehouse building in Saint Petersburg and two office buildings in Saint Petersburg. The majority of properties are modern, recently developed or redeveloped, except for two older buildings converted into business centres in Saint Petersburg in the late 1990s/early 2000s after reconstruction.

A brief description of the Properties in the Portfolio is provided below:

Adastra

Address: 7, "Zanevka" warehouse zone, Zanevka Village, Vsevolzhsky District, Leningrad Region, Russia

Main Use: Warehouse Complex ("Onninen")

Description: The Property comprises a Class A warehouse complex of 7,872.3 sq m built in 2006.

As of the valuation date, the subject warehouse was fully leased and occupied on a long term basis by *Onninen, LLC*. The lease expires at the end of 2016.

Ancor

Address: 6 Prospect Mira St., Moscow, Russia

Main Use: Business Centre

Description: The Property is a 4-storey office building (mansion) with 1 level of underground parking built in 2008. It has a GBA of 4,842.5 sq m and a GLA of 2,968 sq m.

The Property suffers from a low occupancy of 14% as it entered the market in 2008 during the crisis and is best suited to a single occupier because of its mansion style.

Inform-Future

Address: 12A Tambovskaya St, Frunzensky District, Saint Petersburg, Russia

Main Use: Business Centre

Description: The Business Centre comprises three buildings with a combined GBA of 3,695 sq m and a GLA of 2,659 sq m. The buildings are almost equal in size. They were built before the revolution in the 1900s and substantially reconstructed in 1992-1997 with some minor re-decoration in 2004.

As of the valuation date the Property was 69% let to multiple tenants. The long-term leases representing circa 15% of the secure income are due to expire in 2010-2013. The pool of tenants is represented by reputable international and local companies.

Korbis

Address: 4B Vokzal'naya St., Ramenskoe City, Moscow Region, Russia

Main Use: "Solnechniy Rai II" Shopping Centre

Description: The Property is a two-storey shopping centre with an underground level built in 2005. It comprises 9,018.8 sq m GBA and 6,508 sq m GLA. The Property has surface parking for 110 cars providing a parking ratio of approximately 59 sq m of GLA per car space.

The Subject Property is located on Privokzal'naya Plashad', in the centre of Ramenskoye City. The advantages of the Subject Property include its central location, convenient access by car, and the vicinity of the railway station.

As of the valuation date the Property was 100% let to multiple tenants. The long-term leases with anchor tenants, representing circa 52% of the total, are due to expire between 2010 and 2016. The pool of tenants consists totally of local companies, some of whom operate on franchises from international brands.

NRC

Address: 3A Kaluzhsky Lane, Saint Petersburg, Russia

Main Use: Office Centre

Description: The Property is an office building with four above-ground floors and a basement totalling 3,835.8 sq m GBA and 3,374 sq m GLA. The building was constructed before the revolution in 1886 and substantially reconstructed in 1996.

The Property is 85% let to multiple tenants. The anchor tenants represent circa 35% of the secure income. The pool of tenants consists of reputable international companies, including state-owned companies, mainly from Northern Europe.

Slavyanka

Address: 6 Borovskoye Shosse, Solncevo District, Moscow, Russia

Main Use: "Solnechniy Rai" Shopping Centre

Description: The Property is a two-storey shopping centre with an underground level built in 2004. It comprises 11,652 sq m GBA and 8,966 sq m GLA. The Property has surface parking for 140 cars providing a parking ratio of approximately 64 sq m of GLA per car space.

As of the valuation date the Property was 96% let to multiple tenants. The long-term leases with anchor tenants, representing circa 36% of the total, expire between 2010 and 2016. The pool of tenants consists totally of local companies, some of whom operate on franchises from international brands.

Western Realty

Address: 7 Gasheka Street, Moscow, Russia

Main Use: Office Centre ("Ducat II").

Description: The Property is a multi-level office building with floors on levels 4 to 10 and a two-level underground car park. The building comprises 19,190.3 sq m GBA and 14,420 sq m GLA. The Property was delivered to the market in 1997.

The Property is 98% let to multiple tenants. The office space in the Property is let on a long term basis to reputable, internationally recognised tenants. The majority of the lease agreements expire between 2015 and 2017.