



18 November 2013

Raven Russia Limited (“Raven Russia” or the “Company”)

**INTERIM MANAGEMENT STATEMENT FOR THE PERIOD FROM 1 JULY 2013
TO 15 NOVEMBER 2013**

Key Highlights

- Annualised NOI (including PLAs and LOIs) of \$192.2 million
- Over 97% of the 1.4 million sqm completed portfolio is let
- PLA signed on 39,284 sqm of space at third phase of Noginsk Project to be delivered by first quarter 2015 and generating additional NOI of \$8.5 million
- Foundation work on the first phase of Padikovo project commenced
- Bank facility secured on Rostov project, drawing \$61 million and repaying existing facility of \$35 million
- A further \$9.7 million drawn on facility secured on the Sholokovo project
- Extensions of facilities secured on the Noginsk and Klimovsk assets credit approved for \$23 million and \$33 million respectively on the recently completed phases
- Cash held by the Group now \$181 million
- Tender offer buy back at 80p fully subscribed and completed on 16 October 2013

Overview

The markets in which the Group operates continue to be undersupplied. In Moscow the vacancy rate for Grade A warehousing is below one per cent and demand for stock continues to outstrip new supply. Prime yields in Moscow are now around 11 per cent and vary between 12 and 13 per cent in the regional cities in which the Group operates.

At today's date, the Group has annualised net operating income (“NOI”) on its completed portfolio of \$192.2 million including pre let agreements (“PLAs”) and letters of intent (“LOIs”), the majority of the latter being PLAs on the newly completed phases at Noginsk and Klimovsk.

A PLA has also been signed with Dixy, the large Russian supermarket operator, for 39,284 square metres (“sqm”) of new, build to suit, space at the next phase of the Noginsk project in Moscow. The lease term is 15 years. Construction is about to commence and the building is expected to be delivered in the first quarter of 2015. Build cost is \$48 million and total income of \$8.5 million per annum is expected, the higher rental rate due to the specification of the building.

The total potential annualised NOI of the portfolio, including the new Noginsk building, is now \$207 million.

Work on the foundations of the first two buildings of our development site at Padikovo on the Nova Riga highway to the north west of Moscow has commenced. The Group is in early stage discussions to obtain construction finance for the first phase of the project, totalling 100,000sqm.



Financial

There are no significant near term financing maturities on the portfolio. Focus has been on the more expensive finance secured on regional assets and the Group refinanced the debt secured on its Rostov asset, repaying the existing facility of \$35 million. The draw on the new facility was \$61 million.

Following the acquisition of the Sholokovo project in Moscow last year, a further \$9.7 million was drawn on the facility secured on that asset.

The newly built phases at Noginsk and Klimovsk are being used as security to draw additional funds from existing lenders, of \$23 million and \$33 million respectively. These have been credit approved and both have progressed to the facility document stage.

Group cash balances now stand at \$181 million.

The tender offer buy back of 1 in 40 shares at 80p, announced on 9 September 2013, was fully subscribed and 14,319,990 shares were purchased on 16 October 2013. These shares have been cancelled.

Glyn Hirsch, Chief Executive of Raven Russia said:

"We have a secure, core portfolio funding our progressive distributions. Our plan for managed, organic growth is also working well, evidenced by the demand for the additional phases at our Noginsk and Klimovsk projects. Including the pre let building under construction at Noginsk, the potential annualised NOI of the portfolio is now \$207 million."

Enquiries

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This announcement contains forward-looking statements that involve risk and uncertainties. The Group's actual results could differ materially from those estimated or anticipated in the forward-looking statements as a result of many factors. Information contained in this announcement relating to the Company should not be relied upon as a guide to future performance.

About Raven Russia

Raven Russia was founded in 2005 to invest in class A warehouse complexes in Russia and lease to Russian and International tenants. Its Ordinary Shares, Preference Shares and Warrants are listed on the Main Market of the London Stock Exchange with a market capitalisation of approximately £420 million. The company operates out of offices in Guernsey, Moscow and Cyprus and has to date completed a portfolio of circa 1.4 million square metres of Grade "A" warehouses in Moscow, St Petersburg, Rostov-on-Don and Novosibirsk. For further information visit the Company's website: www.ravenrussia.com