



RAVEN RUSSIA

Trading Update as at 28 June 2010





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Highlights

- Unique focused Russian property business
- International management
- Fully listed on LSE in early August
- Strong Balance Sheet securely financed
- High Cash Balance
- Stable Cash Flow
- Excellent Growth Prospects



Investment Case

EMERGING MARKET PLAY	<ul style="list-style-type: none"> •Russia's economy shows signs of a strong recovery •Material improvement in the warehouse segment with a spike in leasing activity •Undersupply of grade 'A' warehouse space expected in the next 12 months
PROVEN TRACK RECORD	<ul style="list-style-type: none"> •Exclusive focus on warehouse segment •In-house team of 75 professionals in Moscow, Guernsey, Cyprus, London •In 2005-2009 delivered GLA of over 1 million sq m (11 million sq ft) with circa 50% completed in the second half of 2009 •Portfolio is now 69% let and pre-let, increasing to 78% on conversion of letters-of-intent
LARGE PORTFOLIO OF TOP QUALITY YIELDING ASSETS	<ul style="list-style-type: none"> •\$78m of consolidated, annualised NOI as at June 2010 •\$13.7m of additional income under PLAs & LOIs signed on 128,400 sq m •\$91.7m of consolidated, annualised NOI on conversion of PLAs & LOIs •\$124m of estimated rental value when fully let at current rental levels
STRATEGIC LAND BANK	<ul style="list-style-type: none"> •412 hectares of permitted land bank across Russia, in Ukraine and in Belarus
STRONG BALANCE SHEET	<ul style="list-style-type: none"> •\$124m of cash as at 31 Dec 2009 •Gearing of 39.6% net of cash as at the year end with the average cost of debt of 6.9% and the weighted average term of 3.5yrs
HIGH CORPORATE GOVERNANCE STANDARDS	<ul style="list-style-type: none"> •Listed on London Stock Exchange •IFRS financial statements •Jones Lang LaSalle – portfolio valuation
EXCELLENT GROWTH PROSPECTS	<ul style="list-style-type: none"> •Current ERV yield of 14.3% on investment property portfolio •Current market rental level on average at \$100 per sq m



Current Trading (as at 28 June 2010)

Consolidated Annualised Income

NOI	\$78.0m
PLAs & LOIs	<u>\$13.7m</u>
	\$91.7m
Potential Additional NOI	<u>\$32.3m</u>
Entire Portfolio	\$124m



Portfolio Summary

Operating Properties			
Project	GLA, sqm	Occupancy ⁽¹⁾	NOI ⁽²⁾
Constanta	16,000	100%	\$11,100,000
Krekshino	118,000	100%	\$13,400,000
Baltia	28,000	100%	\$4,100,000
Southern	14,000	91%	\$1,900,000
Istra ph 1-5	201,000	93%	\$23,300,000
Shushary ph 1-3	145,000	72%	\$9,800,000 ⁽³⁾
Noginsk ph 1	123,000	46%	\$5,700,000
Pulkovo 1	36,000	77%	\$3,100,000 ⁽³⁾
Lobnya	51,000	100%	\$6,000,000 ⁽³⁾
Klimovsk ph 1	54,000	83%	\$6,100,000 ⁽³⁾
Rostov ph 1	100,000	74%	\$8,500,000 ⁽³⁾
Novosibirsk	117,000	54%	\$6,300,000 ⁽³⁾
Total	1,003,000	78%	\$99,300,000

Land Bank		
Project	Area, ha	GLA, sqm
Pulkovo 2	10	67,000
Klimovsk 2	9	54,000
Noginsk 2	40	180,300
Rostov 2	27	126,500
Khabarovsk	27	140,000
Chelyabinsk	59	295,000
Omsk	55	275,000
Saratov	29	159,000
Ufa	48	240,000
Nizhniy Novgorod	44	220,000
Kiev	19	118,000
Minsk	45	225,000
Total	412	2,099,800

(1) Includes pre-lets and letters of intent

(2) Net Operating Income for income producing assets represents the annualised rental income as at 30 June 2010 including pre-let agreements and letters of intent

(3) Includes rental income from Roslogistics (trading as Avalon Logistics), a wholly owned subsidiary of the Company



Balance Sheet Valuation

- Investment properties at ERV yield of 14.3%
- Land written down from Cost
- \$1.14 of Basic NAV per share at FYE2009 (75p as at 28 June 2010 FX rate)



Debt Update

Project	Principal Amount, \$m	Drawn, \$m	Term End	Bank
Baltia	\$22.6	\$22.6	24-Oct-12	HSH Nordbank
Southern	\$13.4	\$13.4	23-Nov-12	HSH Nordbank
Krekshino	\$89.3	\$89.3	30-Jan-13	Hypo RE
Constanta	\$53.3	\$53.3	16-Nov-12	HSH Nordbank
Istra 1-5	\$119.0	\$109.0	24-Oct-13	Aareal
Noginsk 1	\$59.7	\$59.7	22-Oct-11	HSH Nordbank
Novosibirsk	\$50.0	\$50.0	15-May-18	IFC/EBRD
Rostov on Don 1	\$40.0	\$30.0	30-Sep-17	IFC
Shushary	Unencumbered			
Pulkovo	Unencumbered			
Klimovsk 1	Unencumbered			
Lobnya	Unencumbered			
Total	\$447.3	\$427.3		



Capital Structure¹

▪ Ordinary Shares	515,672,412
▪ Warrants* (strike @ 25p, expiry in 2019)	139,444,981
▪ Irredeemable 12% Preference Shares	143,635,447

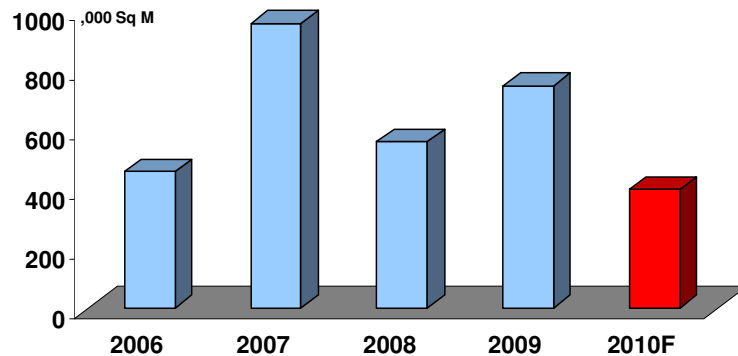
¹ As at 30 June 2010

*Warrants in issue will reduce to 103,190,200 on moving to the Full List on 2 August 2010



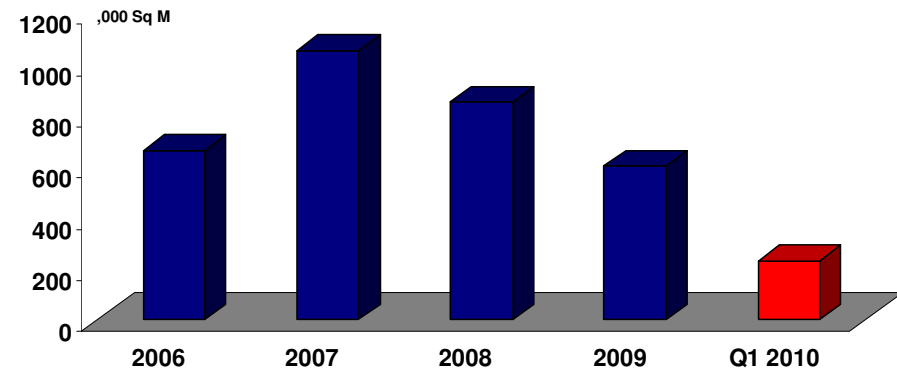
Market Update – Moscow, Class “A”

Supply – New Delivery



Source: CBRE, Moscow Big Box Q1 2010

Demand – Take-up Dynamics



Source: Jones Lang LaSalle, Moscow Warehouse report Q1 2010

- Total Moscow “A” stock at the end of Q1 2010 was approximately 3.5 mln sq m
- Vacancy rate fell to 13.1% from 16.9% registered in Q4 2009
- Rental rates in Moscow region stabilised at circa \$100 per sq m (triple net)
- Main active market players are: Raven Russia (c17% market share), PNK Group, MLP



Tenant Mix





Conclusion & Outlook

- Macro
- Lettings
- Acquisitions
- Dividends
- Share Buy-backs



Analyst Research Coverage

- Credit Suisse
- Goldman Sachs
- Merrill Lynch
- ING
- Numis Securities
- Singers Capital
- Liberum Capital
- Renaissance Capital
- Uralsib Bank



Latest Press Coverage

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Monday June 28 2010

Raven Russia prepares for LSE offering

REAL ESTATE

By Daniel Thomas,
Property Correspondent

It is well positioned to gain from a 'macro environment rebound', triggering demand for its warehouse space

Raven Russia, the Aim-listed real estate company, plans to move to the main market of the London Stock Exchange in a bid to expand its overseas investor base.

The company, which specialises in warehouses in the Russian market, is expected to reveal today that it will meet the requirements for an official listing, and will aim to join the LSE this year.

Raven Russia is close to completing its development pipeline as well as sufficient lettings to make it cash flow positive, and sees now as the time to move to the larger market.

Those close to the talks say that it is hoping to attract overseas investors, in particular from the US, that have been deterred from investing in London's junior market, as well as the larger institutions. Raven Russia declined to comment on the move.

The management, led by Glyn Hirsch, chief executive, has been working on a restructuring to reduce the warrants-to-shares ratio in the company, which presently exceeds the 20 per cent threshold. Raven Russia is understood to have secured the backing of its largest shareholders and warrant owners, including Invesco Perpetual, to reduce the number to an acceptable level. The company owns 1m sq m of warehousing, largely around Moscow and

St Petersburg, which is more than two-thirds let.

Raven Russia is one of the larger of the many European property funds that sought an Aim listing during the boom years of property, when investors saw the opportunity to raise easy money through the market to invest in far-flung parts of the world.

The Aim-listed property sector has struggled during the subsequent downturn, with many companies trading at massive discounts to their net asset values and a series of takeovers and business failures as the weakest have been hit by debt problems.

Raven Russia, which is chaired by Anton Bilton, the property tycoon, whose grandfather, Percy, founded the Bilton property empire, is seen as among the most established, however. A well-known management and secure finances mark it out from some other eastern European-focused property companies.

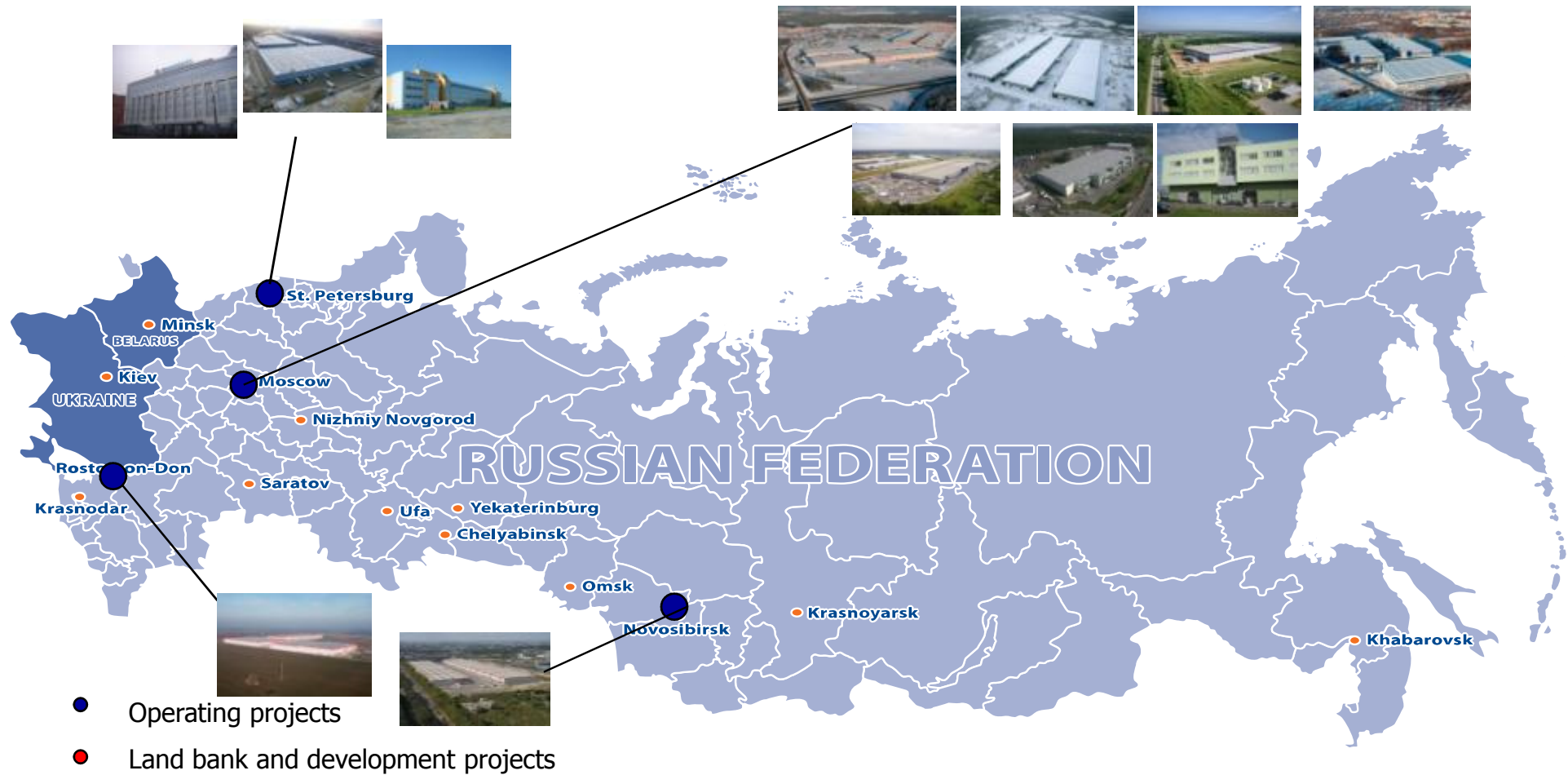
Analysts are expected to be supportive of the move. The company's development assets are now largely complete, and it is expected to move to a positive cash flow position for the first time given new leasing activity. Raven Russia is trading at a discount of almost a third to its last stated net asset value. Shares closed at 42p on Friday.

In a recent note, ING said Raven Russia was well positioned to gain from a "macro environment rebound", triggering demand for the company's warehouse space.

"Unlike in the office and, to a large extent, residential segments, there is no excessive supply of properties in the warehouse segment," it said.



Pan-Russian Logistics Warehouse Platform





Individual Project Locations

Moscow



St Petersburg



Raven Russia Ltd.

© July 2010 Raven Russia Ltd.



Baltia, Moscow



Raven Russia Ltd.

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Southern, Moscow



Raven Russia Ltd.

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Krekshino, Moscow





Istra, Moscow



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Noginsk, Moscow



Raven Russia Ltd.

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Lobnya, Moscow



Raven Russia Ltd.

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Klimovsk, Moscow



Raven Russia Ltd.

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Constanta, St Petersburg



Raven Russia Ltd.

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Shushary, St Petersburg



Raven Russia Ltd.

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Pulkovo I, St Petersburg





Rostov on Don



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Novosibirsk

