



Net rental income earned by O1 Properties amounted to USD 325 million in 2015

Moscow, Russia, 8 June 2016. O1 Properties, one of the largest owners of Class A office properties in Moscow, has reported its financial performance for 2015 prepared according to IFRS.

	2015 (USD mln)	2014 (USD mln)
Net rental income	325	351
EBITDA	307	314
Monetary interest expense	198	198
Investment property	3,699	4,021
Equity	1,075	1,183

O1 Properties' net rental income dropped 7% in 2015 compared to 2014, amounting to USD 325 million. This decrease was mainly driven by discounts granted to tenants in the form of the temporary fixing USD/RUR exchange rate and discounts on rental rates.

As a result of the property revaluation carried out at the end of 2015, the value of the portfolio decreased by 8% to USD 3.7 billion.

During the reporting period, the occupancy rate at the office centres owned by O1 Properties (excluding development projects) was 86%. As in previous years, the key tenants included leading national and international companies.

O1 Properties' general and administrative expenses decreased by more than 53% as the result of the devaluation of the Russian rouble.

O1 Properties' total net debt amounted USD 2.7 billion. The company's cash interest expense on loans remained at 2014 levels, amounting to USD 198 million. In October 2015, the company successfully placed a bonded loan on the Moscow Exchange. The proceeds from the placement, which amounted to RUB 15 billion, were used to repay the company's current financial liabilities.

The average interest rate on the company's loans was 7.3%, including hedging costs. The average term remaining on the loans to maturity is four years. The company's net LTV was 67%.

Notwithstanding the negative trends observed in the real estate market, the ratio of EBITDA to cash interest expense decreased slightly from 1.59 to 1.55.

O1 Properties' net loss for year 2015 amounted to approximately USD 177 million, which was mainly driven by the negative impact of the revaluation of investment properties.

In 2015, O1 Properties attracted two new shareholders, Andrey Barinskiy and Vladimir Zubrilin, who are co-owners of Forum Properties. They invested nearly USD 85 million in the company.

Tomasz Zamiara, Chief Financial Officer of O1 Properties, commented: "Given current market conditions, O1 Properties' results appear to be better than the average market indicators thanks to the high quality of its assets, the professional approach applied to the management of our properties, and the reliability of our tenants. The company is fully meeting its financial obligations to its creditors and tenants and gradually decreasing its debt load."

For details, please visit the company's official site at www.o1properties.ru or contact us:

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O1 Properties Profile

O1 Properties is a major owner of Class A office premises in Moscow. The company owns and operates a portfolio of 14 fully operating business centres in the key business districts of the capital city with net leased space of 517,500 sq. m. The current value of the company's projects portfolio is USD 3.7 billion.