



# Becoming International

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Member of the Board



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- u Ukraine's leading real estate investment, development and property management company
- u Ukraine's only public real estate company listed on London's AIM market
- u Real estate development business started in 1999
- u We operate the largest portfolio of diversified real estate assets in Kyiv
- u Our principal businesses:
  - v shopping centers (Kvadrat chain)
  - v high-end residential complexes (Zhytlo XXI Century)
  - v office, hotel and logistics (Development XXI Century)
  - v investment funds management (Capitoliy, Projects XXI Century)

# Our business portfolio

## XXI Century Investments

### Real Estate Development

### Investment Funds



Shopping  
centers

Development  
XXI Century

Office, hotel  
logistics

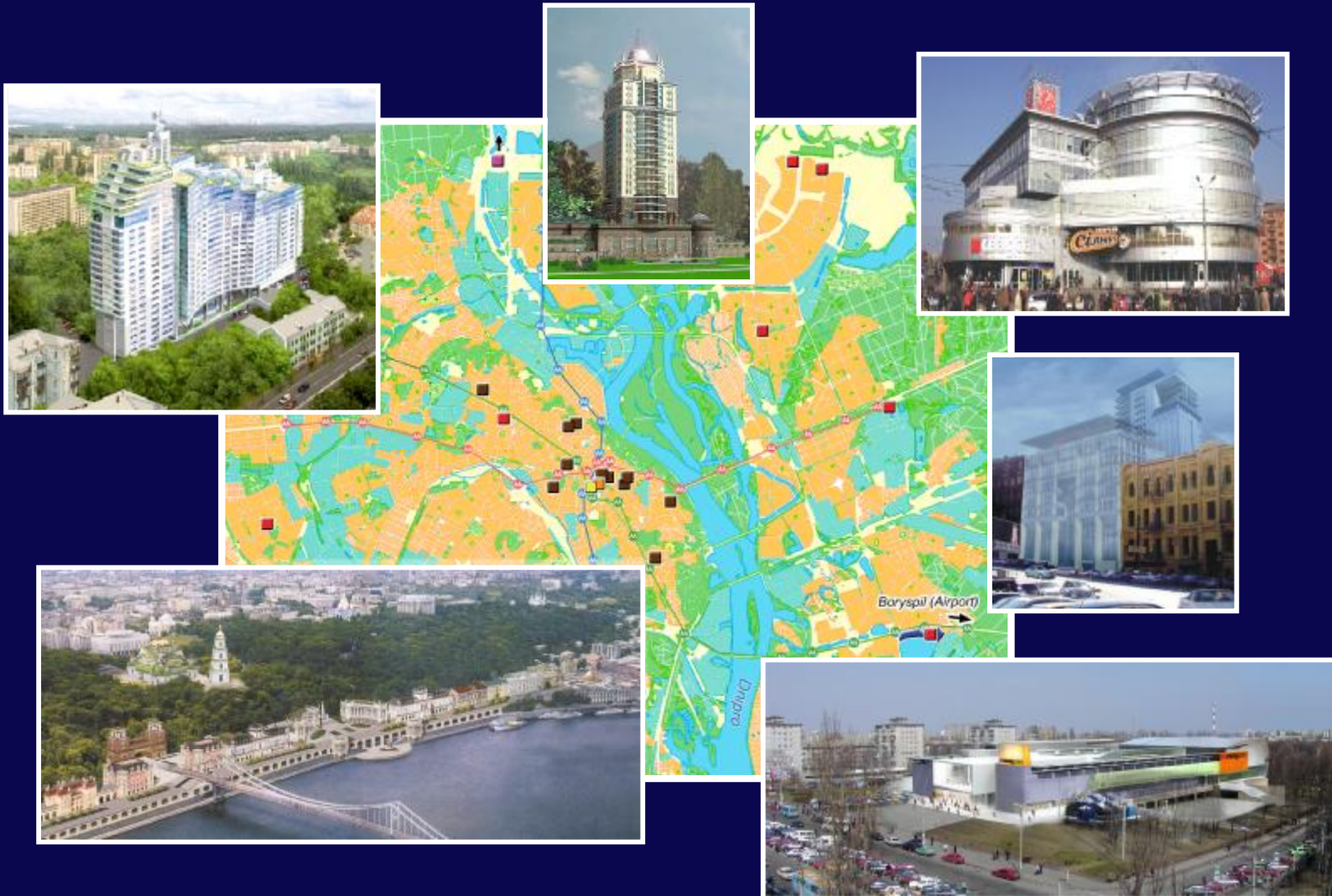


High-end  
residential

Capitoliy

Projects XXI  
Century

# Real estate portfolio



## u Kvadrat - Retail

- ✓ Build and manage chain of modern large scale (35,000 – 50,000 sqm) shopping centres, using hypermarket-gallery of shops format, in high density residential communities in Kyiv
- ✓ roll out to regions before end of decade

## u Zhytlo - Residential

- ✓ Build and sell good quality, high-end apartments in central Kyiv

## u Development XXI Century - Commercial

- ✓ Build and sell hotel, office, logistics/warehouse properties

## u Real estate investment funds

- ✓ Establish and manage high yield funds

# Local financing constraints

- u Under-developed banking sector
- u Weak capital markets
- u Limitations in accessing institutional and private equity investors
- u Limited access to international investors and financial institutions

# Rationale for IPO

- u Cost effective way of raising funds
- u Corporate strategy is maintained
- u Provides access to international financial and capital markets
- u Provides platform for using wider range of financial instruments
- u Opens door and provides comfort to larger variety of partners and investors

# Choice of exchange

Listing on London's AIM market was best option:

- u AIM is a successful and growing market
- u Investor comfort with AIM securities and AIM's regulatory environment
- u Access to international and professional investors
- u Softer public entry regulatory requirements

# Marketing our Company: Attractions

- u High growth Ukrainian market
- u Sector diversification play
- u Development company rather than real estate fund
- u Tangible assets – real estate
- u Attractive asset/project portfolio & NAV growth potential
- u Strong management team & solid experience
- u Market driven & customer focused
- u Transparent corporate governance and financial reporting
- u Success of previous CEE real estate IPOs (GTC, Open Investments)

# Marketing our Company: Challenges

- u Ukrainian “macro” risk – political and economic
- u Composition of NAV – large proportion of NAV in uncompleted projects
- u Scale of projects and long timeframe to completion

# Our advisers



Global Co-ordinator/Bookrunner and Lead Manager

**BAKER & MCKENZIE**

Company and transaction counsel as to English law



Property Valuation Advisor



Auditors to XXI Century



Reporting accountants to XXI Century

**Dr K. CHRYSOSTOMIDES & Co.**  
Law Office

Company and transaction counsel as to Cyprus law



Underwriters counsel



Advisor to XXI Century



Public Relations



CREST Share Depository



GDR Depository

# Deal summary

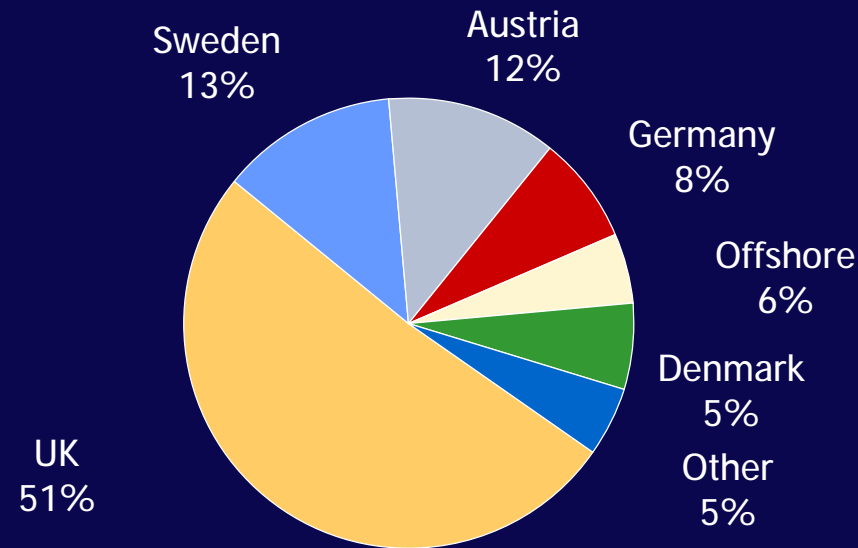
- u Offering date 12 December 2005
- u Deal size US\$139 m (including greenshoe)
- u Listing London AIM
- u Shares 100% primary shares
- u Price range US\$8.60 to US\$10.40
- u IPO price top of range, US\$10.40
- u Demand at US\$10.40 US\$624, 5.2x transaction size (base deal)
- u Free float 35.7% (post greenshoe)
- u Share price open 13 Dec. '05 US\$11.49 - up 10% on IPO price
- u Share price 16 Feb. '06 US\$14.14
- u Market capitalization 16 Feb. '06 US\$528 million

# Marketing and road show

- u ING pre-marketed to 95 investors in 12 countries
- u Personal meetings of top-management with 65 investors in 7 countries



# Geographical demand



- u Demand from 12 countries, including US investors using offshore locations (6%)
- u UK investors underpin deal: over 50% of demand coming from London funds
- u 1% of demand from Russian investors: significant interest but orders did not materialize
- u Ukraine institutions were not targeted

# Reasons for success

- u High growth of Ukrainian real estate market
- u High-quality and diversified project/asset portfolio
- u Transparent corporate governance
- u International financial reporting standards
- u Strong management team
- u Market-driven and customer focused strategies

# Outlook and opportunities for cooperation

- u Our objective is to double the size of our company in the next 1.5 to 2 years (our market capitalization increased by roughly 36% since the IPO)
- u We plan to carefully leverage our capital base and assets using a variety of financing instruments, when timing is appropriate
- u We intend to capitalize on our experience and reputation by offering investors opportunities to invest in our realty investment funds

# XXI Century Investments

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