



PRESS RELEASE

TMM Real Estate Development PLC Publishes 2014 Audited Consolidated Financial Results

Kyiv, 01 July 2015 - TMM Real Estate Development PLC (FRA: TR61) (“TMM” or the “Company”) announces publication of its consolidated financial statements as at 31st December 2014 and for the year then ended. The financial statements were prepared in accordance with IFRS and audited by Ernst & Young Cyprus Limited.

Key Highlights:

<i>US\$ thousands, unless otherwise indicated</i>	FY2014	FY2013
Revenue	32,608	45,114
Gross profit	2,650	2,389
<i>Gross margin, %</i>	8.1%	5.3%
EBITDA ⁽¹⁾	-11,443	1,660
<i>EBITDA margin, %</i>	<i>neg.</i>	3.7%
Operating profit / (loss)	721	-4,737
<i>Operating margin, %</i>	2%	<i>neg.</i>
Loss before tax	-17,098	-18,057
Loss for the year	-21,535	-20,697
Total assets	221,016	389,993
Net debt ⁽²⁾	91,588	172,873

Larysa Chyvurina, TMM Company’s CFO, commented: “Political changes and the military conflict in Ukraine had affected the economical situation, which was increasingly worsening through 2014. The cut-off in bank credit financing did not allow us to maintain the planned pace of construction of the 4th phase of our largest project. This in its turn negatively affected the volume of sales and thus the company’s liquidity.

One of the other major factors that affected the Company’s FY2014 results was the **local currency devaluation**: Hryvnia depreciated against major foreign currencies by around 100% during 2014. This led to the **foreign exchange loss of USD 10.8mn** reflected in the Income Statement.

Finance costs also continued to have a negative impact on the company’s bottom line: **interest costs** and the **borrowing costs included in cost of completed inventory property sold** amounted to **USD 6.9mn** and **USD 4.4mn** respectively.

As the debt burden still remains heavy, the Company is currently seeking to extend repayment of the portion of its debt that falls due in 2015 (USD 49.9mn). Negotiations with the lender are underway.”

The consolidated financial statements as at 31st December 2014 and for the year then ended with the Independent Auditor’s report are published at our website at <http://www.tmm.ua/en/investors>

⁽¹⁾ EBITDA is equal to operating profit plus borrowing costs included in cost of completed inventory property, plus depreciation and amortization of fixed assets and intangible assets, less changes in the fair value of investment property.

⁽²⁾ Net Debt is calculated as total interest bearing loans and borrowings less cash and cash equivalents

This news report is presented for general informational purposes only and should not be construed as an offer to sell or the solicitation of an offer to buy or acquire any securities of TMM Real Estate Development PLC or any of its subsidiaries in any jurisdiction or an inducement to enter into investment activity. Certain statements in this news report are forward-looking statements and, as such, are based on the management’s current expectations and are subject to uncertainty and changes in circumstances.

About TMM:

TMM is a leading Ukrainian real estate development and construction company delivering residential, office and commercial real estate projects in Kyiv, Kharkiv, Zhytomyr and the Kherson region. During the past 20 years the company has completed 32 projects totaling to over 750 thousand sq m.

For further questions, please contact:

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