



12 November 2012

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

**INTERIM MANAGEMENT STATEMENT FOR THE PERIOD FROM 1 JULY 2012
TO 12 NOVEMBER 2012**

Key Highlights

- Annualised, consolidated NOI now \$168 million, increasing to \$170 million including Letters of Intent (“LOIs”)
- Portfolio 95% let
- Construction commenced on new build of 19,000 sqm at Noginsk and 30,000 sqm at Klimovsk phase 3 projects, for delivery Q2 2013
- Preparatory work commenced on the Padikovo project
- Construction financed by a \$30m facility with DEG bank, drawn at end of October
- Refinancing of Klimovsk phase 2 project to complete this quarter
- Terms agreed to refinance Krekshino and Constanta projects
- Tender offer buy back at 75p fully subscribed and completed on 26 October 2012
- Group cash balance currently \$156 million

Overview

The letting market in our sector remains strong as we head towards the year end. We expect our assets in Moscow, St Petersburg and Rostov to be virtually fully let by 31 December. Novosibirsk is the slowest of the markets we operate in but continues to show steady interest.

At today’s date, we have annualised net operating income (“NOI”) of \$168 million, increasing to \$170 million including LOIs and to \$177 million when fully let.

We have now turned to a managed development programme of our Moscow land bank and have commenced construction of 49,000 square metres (“sqm”) of new space: 19,000 sqm at our Noginsk project; and 30,000 sqm at our Klimovsk project. As these are new phases of existing sites, the total marginal cost of construction is budgeted at \$35 million, with delivery expected at the end of Q2 2013.

The completion of these phases is expected to add \$6.1 million of potential NOI to the portfolio.

Preparatory work, which will enable a further 36,000 sqm of construction at the sites, is being completed in parallel.

We have also commenced detailed planning work for our site at Padikovo, on the Nova Riga highway, North West Moscow, which was purchased in July this year. This will allow us to commence construction on that site in the second half of 2013, if the market remains strong.

Financial

Our focus in the second half of this year has been on refinancing near term bank maturities. Terms have been agreed on the refinancing of the facility secured on our Krekshino asset, which matures in

January 2013. The new facility is for \$100 million, with a 7 year term. We expect this facility to be finalised this quarter.

We have agreed terms to roll over the existing facility secured on our Constanta asset for a further 2 years.

There are two new facilities completing in the second half of this year. We have drawn an unsecured construction loan of \$30 million from DEG bank on an 8 year term, to fund the construction programme described earlier. As an unsecured construction loan, this has a higher cost of debt of 9% than our secured facilities.

The second phase of our Klimovsk project is being used as security on another new facility of \$47.5 million with a 10 year term and total expected cost of debt of just over 7%. All facility documents have been signed and we are awaiting confirmation of the registration of the mortgage before drawing.

The tender offer buy back of 1 in 49 shares at 75p announced on 11 September 2012 was fully subscribed and 12,277,785 shares were purchased on 26 October 2012 and subsequently cancelled.

Following the draw down of the DEG facility and tender offer buy back, the Group's cash balance is \$156 million.

Glyn Hirsch, Chief Executive of Raven Russia said:

"We now have a mature portfolio of high yielding assets. To continue our steady growth, we are using our cash resources to develop selectively our Moscow land bank."

Enquiries

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This announcement contains forward-looking statements that involve risk and uncertainties and speak only as at the date of this announcement. 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 and Warrants are listed on the Main Market of the London Stock Exchange with a market capitalisation of approximately £350 million. The company operates out of offices in Guernsey, Moscow and Cyprus and has to date completed a portfolio of circa 1.3 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