

Current report no.34/2011
Dated 23 November 2011

EBRD FINANCING

Sadovaya Group S.A., a joint stock company under Luxembourg law, with registered office at 412F, route d'Esch, L-2086 Luxembourg, registered in the Luxembourg Register of Companies under No. B 153.489, (the "Company"), hereby informs that

The Board of EBRD approved financing of Sadovaya Group Coal Recycling Project on 22 November 2011. The financing in the amount of USD 36 mln at annual interest rate of LIBOR 3M + 6.5% will be repaid over 7 years. The funds will be used for development of the Group's waste recovery business. Following Board approval, financing provision is subject to legal due diligence and execution of the financing agreements with the Group's subsidiary Manufacturing Company Interdon LLC.

The first stage of the project implies construction of two waste reprocessing facilities. The first factory is to be put into operation in 2Q2012, the second - in 4Q2012. The proposed project has a number of environmental and social benefits including: processing of waste material, reduced emissions of greenhouse gases, smaller stockpiles with associated visual landscaping improvements and social-economic benefits in terms of job creation and a local economic stimulus.

For additional information regarding the project please follow the EBRD official project page at <http://www.ebrd.com/russian/pages/project/psd/2011/42621.shtml>

Legal grounds: article 56.1 in connection with article 56.6 of the Act of 29 July 2005 on the public offering, conditions governing the introduction of financial instruments to organised trading system and on public companies.

Signatures of individual authorised to represent the Company:

Viktor Chornogor