

AN EXCELLENT COMPANY FOR EXCELLENT PEOPLE



ROLF GROUP OF COMPANIES

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**ROLF announces record revenues and raises full-year forecast
Details of Group re-structuring confirmed**

Moscow 28 September 2007, The Rolf Group, Russia's leading automotive business today released audited consolidated financial statements for the first half of 2007 and updated its forecasts for the full year.

Summarising the results, Rolf Group's Chairman and CEO Matt Donnelly said "The first six months of 2007 marked an important period for Rolf as the results of a number of recent initiatives and business decisions started to become apparent and as the Group positions itself for further growth. Rolf has taken important steps in ensuring that it has the right financial and operating structure in place to allow it to continue as a leader across the automotive business and has taken the steps required to secure the overall momentum of our retail business for the rest of this year and into 2008. We expect both revenues and profits to grow by at least 30% this year, a significant increase from our previous forecasts, demonstrating our confidence in our business"

Financial Highlights and Commentary

Business Environment – the automotive market in Russia has continued to grow consistently in 2007 and there are few signs of this growth slowing down. The demand for imported/foreign cars is leading this growth and Rolf has sought to reinforce its market leadership position through strengthening its relationships with manufacturers, adding new manufacturers to the portfolio and opening new dealerships as well as, above all else, focusing on the Company's hallmark customer service. In the first six months of 2007 Rolf sold some 55,450 cars, an increase of more than 15.4% over the same period of 2006. Of these 31,055 were sold through the Rolf retail network (up 21.5%) and 37,312 were sold through the Group's distribution contracts (an increase of 8.3%). A number of new dealerships have begun to make a meaningful contribution to the Company's results although it takes time for the profitability of each site to become established. There are a number of new and attractive car models being launched by the "Rolf brands" in the second half of this year and this will further stimulate sales growth.

Revenues – total revenues for the six months increased by more than 40% to \$1.71 bn reflecting the continued strength of Rolf across its businesses but particularly in its retail and distribution businesses. Growth was also strong in Logistics and Spare Parts.

Profit – Gross profit increased in line with revenues during the period, up 47% to \$294.7m. Reflecting a lower level of profit in the Hyundai distribution business Carnet 2000 (which has, as planned, been discontinued and replaced by the new Joint Venture HMCIS) and the limited contribution from new dealerships, Operating Profit was flat at \$80m while EBITDA increased from \$ 90 m for the first 6 months of 2006 to \$ 98 m in the equivalent period of 2007. If the

discontinued Hyundai operations are excluded, EBITDA rose from \$ 64 m to \$84m during the period – an increase of 31%.

Financial Position – Following June’s successful Eurobond issue and arrangement of loan facilities, Rolf remains in a strong position financially and is well placed to fund all planned growth.

2007 Forecasts Increased

Rolf has today significantly increased the forecasts for full-year revenues and EBITDA that it made at the time of its Eurobond issue. The revenue forecast of \$3.066 bn has been raised by 25 % to \$3.9 bn and forecast 2007 EBITDA is now expected to be up to \$280m, also an increase of 20%

Commenting on the new forecasts Matt Donnelly added “We are very pleased with the momentum in our business. We took steps in the first half of the year to build market share and to create a platform for continued growth in the second half of the year. This will be reflected in sales and at the bottom line”

New Group Structure

Rolf today confirmed that a new group structure is being put in place to support the growth potential across the business and to allow the distinct parts of the group to seek their own growth opportunities. “We need to ensure that each of our businesses has the right positioning in the market and the right platform for profitable growth” said Donnelly “The new structure and clarity in the identities of particular parts of the business will increase their visibility and also their accountability”.

White Square – Holding Company responsible for the strategic direction of the Group overall

Rolf Retail – responsible for the retail operations of the Group and the development of the dealership network

Rolf Import – responsible for the exclusive Mitsubishi dealership contract and distribution of spare parts and accessories

Aist (“Stork”) – the Group’s logistics business which will aggressively pursue profitable growth in a still under-developed market

Rolf PDC – a focused spare parts business with a clear plan to develop the range and coverage of its operations

Financial services – Rolf Pronto, credit and insurance business

Hyundai Motor CIS – joint venture between HMC and Rolf, in which Rolf is a minority shareholder

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