

# Etalon Net Up, Market Off

By [The Moscow Times](#)

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Housebuilder Etalon said Monday that the country's real estate market was still some way off pre-crisis levels and would continue to grow at least into 2013, prompting it to seek several new projects.

The company, which builds houses mainly in Moscow and St. Petersburg, said it contracted 270,000 square meters of property across both cities in 2011, compared with an adjusted 440,000 square meters for St. Petersburg alone in 2008.

"2012 is off to a strong start, and we believe that the recovery will develop further, supporting our cash collections and new contract sales. We have every reason to look toward 2012 and 2013 with confidence," Etalon president Vyacheslav Zarenkov said in a statement.

His comments came after Etalon posted 2011 net income up 64 percent to \$253 million, on the back of a 16 percent growth in revenue to \$774 million.

"Our balanced debt maturity profile, solid track record and \$490 million of expansion capital

will enable us to continue to acquire high-quality projects and provide a perfect growth platform for the years to come," Zarenkov added.

Etalon raised \$575 million in a London initial public offering just under a year ago to take advantage of an expected market recovery.

Etalon shares opened slightly higher at \$6.79, just below the \$7 IPO price. Investors in the company have been on a roller-coaster ride, seeing the stock fall to \$2 a share last October before staging a recovery.

The company launched a share buyback when the shares hit bottom, but abandoned it earlier this month as the share price rise made it illogical.

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