

PRESS RELEASE

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East Capital Financials Fund sells holding in Russian Bank Kedr

The East Capital Financials Fund has agreed to sell its 18.8% stake in Krasnoyarsk-based Bank Kedr to a Russian leasing company Ekstroleasing, which is part of a Russian financial group. The Fund acquired the shares in November 2006. The agreed terms imply 46.3% cash on cash return including dividend income. The transaction is expected to be completed by end of June 2012.

Bank Kedr has been majority owned by four shareholders – the two Russian bankers who led the management team, European Bank for Reconstruction and Development and East Capital Financials Fund. The shareholders have been actively promoting the sale of the bank to a strategic investor during the past 12 months and are all selling their stakes in this transaction. The new owner intends to merge Bank Kedr into its existing bank holdings in Russia, in keeping with the accelerating consolidation trend in the Russian banking sector.

“We are very pleased to close this transaction. It provides all shareholders a satisfactory exit and good returns. We are equally happy to see that the strong regional franchise of Bank Kedr will get a new boost from the wider footprint that the merger with the Moscow-based banks will offer,” said Kestutis Sasnauskas, CEO of East Capital Private Equity.

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About East Capital

East Capital is the leading independent asset manager specializing in the emerging markets of Eastern Europe and China. The company, founded in 1997, bases its investment strategy on thorough knowledge of the markets, fundamental analysis and frequent company visits by its investment teams. East Capital actively manages EUR 3.4 billion in public equity, private equity and real estate. It is headquartered in Stockholm, with offices in Hong Kong, Kyiv, Moscow, Oslo, Paris, Shanghai and Tallinn.
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The East Capital Financials Fund is a EUR 500 million private equity fund, which makes equity investments in companies within the financial sector in Eastern Europe.