

PRESS RELEASE

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The East Capital Baltic Fund celebrates its tenth anniversary with gains of + 724% since inception

The East Capital Baltic Fund turns ten this year. Since inception on 30 June 1998, the fund has returned **+724% (USD)**, whilst the benchmark Baltic 30 Index has posted gains of **232% (USD)** for the same period.

The Baltic region has undergone sturdy economic growth during this decade, and EU membership has been beneficial for both the region as a whole and for individual companies. East Capital's active fund management and strong local presence have proven very successful; the East Capital Baltic Fund has performed twice as well as the benchmark index.

"We are still a very active fund manager in the Baltics. We have been investing in the region for ten years now and have long-term faith in its growth," says **Aivaras Abromavicius**, partner at East Capital.

"Although the economic downturn we are currently witnessing is noticeable on the stock markets, it is actually necessary in order to shake off the imbalances that have built up over recent years due to the very high growth levels. We think that the growth will return and that it will be more balanced and sustainable," says **Marcus Svedberg**, East Capital's Chief Economist.

The fund is, to a great extent, focused on the domestic growth sectors, with consumer goods, banking and retail being the most dominant. The fund also strives to reduce the company and sector-specific risks by making diverse investments in many sectors and companies. The fund's country breakdown is currently: 58% Lithuanian, 25% Estonian and 16% Latvian investments. The fund has a total of approx. SEK 950m under management.

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About East Capital

East Capital is a leading independent asset manager specialising in Eastern European financial markets. Basing its investment strategy on thorough knowledge of the markets, fundamental analysis and frequent company visits by its investment teams, East Capital actively manages EUR 4.4bn in the East Capital Universe, which spans 29 countries and encompasses more than 400 million people. East Capital has its headquarters in Stockholm, with offices in Paris, Tallinn, Moscow, Oslo, Hong Kong, Milan and Vienna.

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