

**PRESS RELEASE**

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**East Capital acquired Arco Vara's shares in AVEC Asset Management AS**

**East Capital acquired Arco Vara's 50% holding in AVEC Asset Management AS becoming sole owner of AVEC Asset Management AS, managing real estate funds AVEC Baltic Property Fund and Arco Baltic Real Estate Portfolio.**

Founded in 2005, AVEC Asset Management manages two real estate funds – AVEC Baltic Property Fund and Arco Baltic Real Estate Portfolio with a total value of approximately 220 million EUR. The funds invest in Estonian, Latvian and Lithuanian commercial real estate such as office buildings, shopping centres, wellness centres, hotels and industrial buildings.

“Our joint venture cooperation since 2005 with Arco Vara – the leading Baltic real estate company – has been mutually beneficial. Now we are ready as sole owner of the company to take full responsibility as a long-term investor for the development of the business”, says Gert Tiivas, Head of East Capital's Baltic office and Chairman of the Board of AVEC Asset Management.”

AVEC Asset Management will continue its investments in the Baltic real estate market. Examples of properties managed by AVEC Asset Management are GO SPA at Kuressaare, three newly built warehouses of Tännasilma Logistics just outside Tallinn, Kerese Centre situated in Narva, Jeruzelemes office building situated in Riga city centre, Laracija office building located outside Klaipeda city in Lithuania and the Jin & Jan office centre in Vilnius.

**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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