

PRESS RELEASE

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East Capital Russian Fund is best performing Russia fund in the world with +2,067% return***Russia's domestic demand remains key growth driver***

East Capital's first fund – the East Capital Russian Fund – celebrates its 10th anniversary this month. It was launched on 18 May 1998 and has returned 2,067% in USD terms since inception (source Morningstar*), whilst the benchmark index RTS has gained 989% over the same period.

The top performing fund has a highly diversified portfolio and mirrors the drivers of the Russian economy. It is strongly geared towards many companies and sectors that stand to gain from domestic growth, seeking value in sectors such as consumer goods, construction, retail and banking sectors. The fund has approx. USD 2bn in assets under management.

Peter Elam Håkansson, Chairman and head of investment team of East Capital, said *“Successful fund management in Russia means active-stock-picking and a long term perspective. An integral part of how we invest is visiting companies throughout the country.”*

“Today the Russian economy is stronger than ever but Russia's transformation has much more to give for at least another ten years. In addition to the country's impressive natural resources, we believe that the key driver of Russia's growth will continue to be domestic consumption and investments.”

Since inception, the East Capital Russian Fund has captured the growth of an emerging Russia. In only 10 years the country has gone from bankrupt-like conditions to prosperity. The economy is very stable having the third largest foreign exchange reserves in the world and comfortable budget and current account surpluses.

For information about the East Capital Russian Fund please go to www.eastcapital.com/russia

* Compared to all publicly-traded funds in Morningstar's global fund database between 18/05/98 and 18/05/08 (in USD).

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About East Capital

East Capital is a leading, independent asset manager specialising in Eastern European financial markets. The company, which is headquartered in Stockholm, with offices in Paris, Hong Kong, Tallinn, Milan, Vienna, Moscow and Oslo, actively manages over EUR 4.4 bn, basing its investment strategy on thorough knowledge of the markets, fundamental analysis and frequent company visits by its investment teams.

www.eastcapital.com