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**PRESS RELEASE**

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**External valuation results of the property portfolio of Explorer Property Fund – Baltic States**

Colliers International has completed the annual external valuation of the properties in Explorer Property Fund – Baltic States. The eleven properties were re-valued and the overall value growth of the portfolio is EUR 19.3m. The value growth in the property portfolio of the fund has resulted in an increase of the Net Asset Value of Explorer Property Fund Investors – Baltic States AB from EUR 511.44 to EUR 645.66, representing a 26.25% growth.

**Explorer Property Fund – Baltic States**

Since the fund closed in the summer of 2005 with 55.11m in available capital, Explorer Property Fund – Baltic States has been one of the most active investors on the Baltic property market. The portfolio of the fund as of today comprises eleven objects in total, eight in Estonia, two in Latvia and one in Lithuania. The fund is managed by AVEC Asset Management, a management company based in Tallinn with regional offices in Riga and Vilnius. AVEC Asset Management is jointly owned by Arco Vara and East Capital.

The company Explorer Property Fund Investors – Baltic States AB invests its capital in the Explorer Property Fund – Baltic States. The shares of the company are OTC traded at Öhman Fondkommission in Stockholm.

**About Arco Vara**

Arco Vara was established in 1992 in Estonia and is today the leading real estate development group in the Baltic States. Arco Vara is active in brokering, development and investments and construction. The company is present in 25 cities across Estonia, Latvia, Lithuania, Ukraine, Bulgaria and Romania and employs around 500 people. Consolidated audited turnover of Arco Vara group in 2006 rose to approx. EUR 31m, with the net profit at EUR 13.9m.

**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, Moscow and Oslo, actively manages over EUR 4.2bn, basing its investment strategy on thorough knowledge of the markets, fundamental analysis and frequent company visits by fund managers and analysts.

**Further information can be obtained from:**

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