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East Capital Explorer Financial Institutions Fund reaches a size of EUR 500m after successful additional capital increase

East Capital announced today that the capital increase of EUR 150m to its East Capital Explorer Financial Institutions Fund is now complete, bringing the total capital available for investments up to EUR 500m.

The EUR 150m capital increase was launched at the beginning of June in order to finance anticipated follow-on investments in the existing portfolio companies as well as to make new investments that the investment team anticipates identifying during the coming year.

"We are very pleased to have this additional investment capacity available, as we still view the investment opportunities as abundant within the financial sector in the CIS region. We can also see significant follow-on investment needs in order to fund the strong growth in our existing portfolio companies," says **Kestutis Sasnauskas**, partner at East Capital.

The capital increase was directed to the existing investors of the fund, and EUR 87m was raised by a rights issue by East Capital Explorer Financial Institutions Investors AB (publ), the public Investor Consortium of the fund. The rights issue was very successful, as 98.5% of the subscription rights were utilised and the remaining shares were greatly over-subscribed.

The remaining amount of the capital increase was allocated to the institutional direct investors of the fund, who agreed to increase their capital commitments.

Facts about the fund

East Capital Explorer Financial Institutions Fund is a private equity fund that invests in companies in the financial sector within the CIS and Eastern Europe. The fund portfolio comprises holdings in ten banks, of which six are located in Russia, two in Ukraine, one in Kazakhstan and one in Georgia. The shares of the public Investor Consortium of the fund are traded OTC at Öhman Fondkommission in Stockholm. The Net Asset Value of the Investor Consortium is published on a monthly basis on www.eastcapital.com. The Net Asset Value has increased 43 % since inception in January 2006. Six out of ten portfolio investments are still kept at cost.

Facts 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 4.7bn, basing its investment strategy on thorough knowledge of the markets, fundamental analysis and frequent company visits by fund managers and analysts.

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