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PRESS RELEASE

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East Capital opens Baltic office in Tallinn, Gert Tiivas to manage the activities

East Capital is opening an office in Tallinn to better serve current and future clients in the Baltic States and ease communication with partners and portfolio companies. Gert Tiivas, former head of OMX Baltic Markets, has been recruited to start up and manage the office.

East Capital has been successfully investing in Baltic companies since 1998. The East Capital Baltic Fund, currently with EUR 233m under management, constitutes one of the largest institutional investors in the region, with holdings in approximately 70 companies. The fund's investments in Estonian companies currently total more than EUR 56m. Since its inception, the fund has been top-ranking among its peers, showing low volatility and a stellar return of 463.6% in EUR terms, giving an average annual return of 25.1%. The fund was awarded the Golden Star from Morningstar and leading Swedish financial newspaper Dagens Industri in 2005. Also, in 2005, East Capital together with Arco Vara, launched a joint venture, Arco Asset Management, which is operating a real estate fund with EUR 55m under management.

"We are very happy to establish a presence in the Baltic States, as this will further prove our deep and lasting commitment to being the leading portfolio investor and asset manager in this rapidly growing region. We are happy to announce that Gert Tiivas will take responsibility for this effort and contribute his expertise on the Baltic capital markets," says **Peter Elam Håkansson**, Chairman of East Capital.

"East Capital has been investing in Baltic companies for many years, believing in the potential of this region through the good and bad times, and producing excellent returns for its investors. I am delighted to take on this new challenge and to join this extremely innovative and professional team," says **Gert Tiivas**.

Tiivas has 10 years experience in the financial sector. Most recently, he was President of OMX Growth Markets, responsible for new business development in Eastern Europe and Russia. Prior to this, he served as the CEO of the Tallinn Stock Exchange and led the consolidation and integration of the Baltic stock exchanges whilst being responsible for the Baltic Operations at OMX. Tiivas holds a Master's degree in economics from George Washington University.

Facts about East Capital

East Capital is a leading, independent asset manager specialising in Eastern European financial markets. The company was founded in 1997 and actively manages EUR 2.7bn. East Capital's investment strategy is based on a profound knowledge of the markets, fundamental analysis and frequent company visits by fund managers and analysts.

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