

PRESS RELEASE

Stockholm, 13 September 2010

East Capital Explorer invests EUR 35m in East Capital Special Opportunities Fund II

- East Capital Explorer has determined to invest EUR 35m (corresponding to approximately SEK 325m) in the new East Capital Special Opportunities Fund II
- The Fund targets investment opportunities that, due to market or owner-specific reasons, can be acquired at valuations which are lower than suggested by the companies' fundamentals. In addition, the Fund will also invest in distressed situations, and through directed rights issues, when the risk reward ratio for such investments is favorable
- The Fund is mandated to invest in Russia and Eastern Europe

Gert Tiivas, CEO East Capital Explorer states: *"While economic recovery is underway in the majority of the countries in our investment region, there are still great undervalued investment cases out there, special opportunities that we want to pursue through this fund."*

Peter Elam Håkansson, Chairman and Head of Portfolio Management at East Capital says, *"Continued market volatility and scarcity of capital are playing into our hands, enabling us to make investments similar to those undertaken immediately following the 2008 crisis. Our local presence and our on the ground analysis will enable us to act promptly, across markets and sectors, and to capitalise upon these opportunities before market conditions normalise."*

The Fund will target investments in companies with a positive outlook for future operations, but which, due to market or owner-specific reasons, can be acquired at valuations which are lower than suggested by the companies' fundamentals. In addition, the Fund will also invest in distressed situations, and through directed rights issues, when the risk reward ratio for such investments is favorable. The Fund will invest in Russia and Eastern Europe.

Investment opportunities will typically be sourced outside the ordinary market environment, hence, leveraging East Capital's experience and local networks. The Fund will target investments with clear triggers for revaluation and with exit opportunities within a four-year period. When appropriate, East Capital will assume an active role in companies through board representation, or other means. The Fund's investment focus will be on listed, or otherwise traded, equities, but other financial instruments may also be utilized if deemed appropriate. All proceeds on divestments after three years will be distributed to investors.

East Capital Explorer AB has determined to invest EUR 35m in the Fund upon its expected launch during the fourth quarter of 2010.

East Capital will also open the Fund to other institutional and qualified investors, and the maximum Fund size is limited to EUR 100m. The Fund term is expected to be four years.

There is no subscription fee on East Capital Explorer's investment in the Fund. Other terms are an annual management fee of 2 percent of the subscribed capital of the Fund and a 20

percent profit share on realized gains, above a hurdle rate of 7 percent, payable to the investment manager at exit of the investments.

Following this investment, cash, cash equivalents and other short-term investments in East Capital Explorer total EUR 58m (approximately SEK 540m), of which EUR 53m (approximately SEK 490m) are available for new investments.

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Financial reporting calendar - East Capital Explorer:

- Monthly Net Asset Value report on the fifth working day after the end of each month
- Interim Report 1 January – 31 September 2010, 11 November 2010
- Year-end Report 2010, 16 February 2011

About East Capital Explorer | East Capital Explorer AB is a Swedish company, created with the specific aim of bringing unique investment opportunities in Eastern Europe to a broader investor base. The company invests mainly in East Capital's private equity and semi-public equity funds that provide exposure to companies not otherwise accessible via the local stock exchanges in Eastern Europe. East Capital Explorer targets fast growing sectors such as the power utilities, financial, retail and consumer goods and real estate sectors. East Capital Explorer has appointed East Capital to manage its investment activities. Since 9 November 2007, East Capital Explorer is listed on NASDAQ OMX Stockholm, Mid Cap.

This information is disclosed in accordance with the Securities Markets Act, the Financial Instruments Trading Act or demands made in the exchange rules.