

PRESS RELEASE

**Eastern Property Holdings Ltd
Announces the resignation of Mr. Serge de Pahlen from the Board of Directors**

08 June 2012, Road Town, Tortola, BVI

Eastern Property Holdings Ltd (EPH), the real estate development and investment company focused on Russia, announces the resignation of Mr. Serge de Pahlen as a non-executive member of the company's Board of Directors, a position he has held since April 2004.

With the departure of Mr. de Pahlen, the EPH Board of Directors has five members. Two members of the Board are also officers of Valartis Group, the company's largest shareholder with a 38% stake, and manager, through wholly-owned subsidiary Valartis International.

EPH wishes to express its appreciation to Mr. de Pahlen for his service to the Company and its shareholders during his eight year tenure as an independent board member.

Eastern Property Holdings Ltd is an SIX Swiss Exchange-listed real estate development and investment company focusing on Russia. The company holds interests in office, residential, retail and parking properties and developments, principally in Moscow and St. Petersburg. EPH is managed by Valartis International Ltd. a wholly-owned subsidiary of Valartis Group AG. Additional information on Eastern Property Holdings is available by contacting Terry Olin, Tel: +41 22 716 1035 or by visiting the company's website, www.easternpropertyholdings.com.