



PRESS RELEASE

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Eastern Property Holdings Announces Negotiations

Road Town, Tortola, BVI,

EPH is in negotiations with a real estate group to form a partnership for some of its real estate assets. The potential proceeds from such a transaction may be used for such purposes as repaying debt, providing further investment for its development projects, buying back shares, and/or paying dividends. Further information will be provided when negotiations have been finalized.

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.