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9 November 2007

Road Town, Tortola, BVI

Eastern Property Holdings Limited announces successful offering of ordinary shares at a price of US\$94.00 per share

Eastern Property Holdings Limited (“EPH”) announces the pricing of an offering of 1.61 million newly-issued ordinary shares (the “Offer Shares”) at a price per share of US\$94.00. We have granted the Joint Lead Managers a put option for up to 210,000 of such ordinary shares, which is exercisable for a period of 30 days from today solely in respect of such ordinary shares in connection with stabilization activities by the Joint Lead Managers. Assuming no exercise of this put option, our proceeds from the offering, net of expenses, will be approximately \$143.66 million.

We intend to use the net proceeds from the offering for investment in our pipeline of development properties, acquisitions and development of other properties and working capital or other general corporate purposes.

Kempen & Co., Renaissance Capital and Valartis Bank acted as the Joint Lead Managers.

Listing and first trading of the Offer Shares on the SWX Swiss Exchange under the ticker symbol “EPH” is expected to occur on or about 12 November 2007.

The offering consisted of a public offering in Switzerland and an offering to certain investors in certain other jurisdictions under circumstances not requiring registration or constituting an offer to the public.

Upon completion of this offering and assuming no exercise of the put option, we will have 5,099,229 ordinary shares outstanding and 238,903 treasury shares. Assuming exercise of the put option in full, upon completion of the offering, we will have 4,889,229 outstanding ordinary shares and 448,903 treasury shares.

We will be subject to a lock-up that precludes us from selling any equity securities for a period of 180 days following the offering, except with the consent of the Joint Lead Managers, and provided that we shall have the right to place Series A non-voting preferred shares (which are mandatorily convertible into ordinary shares on a 1:1 basis upon an offering of new ordinary shares in an amount of more than 10% of our outstanding ordinary shares) in exchange for in-kind contributions of real estate properties.

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Eastern Property Holdings Limited is an SWX listed real estate development and investment company focusing on Russia. We hold interests in office, residential and retail real estate and property developments, principally in Moscow and St. Petersburg. We are managed by EPML, a real estate management company that is a wholly-owned subsidiary of Valartis Group AG.

Additional information on Eastern Property Holdings is available on the company website: www.easternpropertyholdings.com, or by contacting Terry Olin at Eastern Property Holdings Limited, tel: +41 22 716 1000, e-mail: contact@easternpropertyholdings.com.

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Cautionary note concerning forward looking statements

Matters discussed in this press release may constitute forward-looking statements. Forward-looking statements are statements which are not statements of historical facts. The words “believe,” “expect,” “anticipate,” “intend,” “estimate,” “will,” “may,” “continue,” “should” and similar expressions identify forward-looking statements. Forward-looking statements include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of our markets; the impact of regulatory initiatives; and the strength of our competitors.

The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond our control. Such risks, uncertainties, contingencies and other important factors could cause the actual results of Eastern Property Holdings Limited or the industry to differ materially from those results expressed or implied in this press release by such forward-looking statements. Such risks, uncertainties, contingencies and other important factors include, among others: political and social developments; general economic, market and business conditions; trends in the real estate markets in which we operate or plan to operate; our business and growth strategies; planned acquisitions or development projects, or any other projects in our investment pipeline; our expansion into other geographic regions or market segments; the effects of legislation, regulation, bureaucracy or taxation on our business; and our anticipated future revenues, capital expenditures and financial resources.

The information, opinions and forward-looking statements contained in this press release speak only as at the date of this press release, and are subject to change without notice.

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НАСТОЯЩИЙ РЕЛИЗ НЕ ЯВЛЯЕТСЯ ПРЕДЛОЖЕНИЕМ ИЛИ РЕКЛАМОЙ ЦЕННЫХ БУМАГ В РОССИЙСКОЙ ФЕДЕРАЦИИ, РАВНО КАК НЕ ЯВЛЯЕТСЯ ПРЕДЛОЖЕНИЕМ КАКОМУ-ЛИБО ЛИЦУ, ПРОЖИВАЮЩЕМУ, ЗАРЕГИСТРИРОВАННОМУ, УЧРЕЖДЕННОМУ ИЛИ ИМЕЮЩЕМУ ПОСТОЯННОЕ МЕСТОЖИТЕЛЬСТВО (МЕСТОНАХОЖДЕНИЯ) В РОССИЙСКОЙ ФЕДЕРАЦИИ, ИЛИ НАХОДЯЩЕМУСЯ НА ТЕРРИТОРИИ РОССИЙСКОЙ ФЕДЕРАЦИИ (ЛИБО ПРЕДЛОЖЕНИЕМ В ПОЛЬЗУ ТАКОГО ЛИЦА) О ПРОДАЖЕ ЦЕННЫХ БУМАГ, А ТАКЖЕ НЕ ЯВЛЯЕТСЯ ПРИГЛАШЕНИЕМ КОМУ-ЛИБО ИЗ ТАКИХ ЛИЦ (ЛИБО В ПОЛЬЗУ КОГО-ЛИБО ИЗ ТАКИХ ЛИЦ) ДЕЛАТЬ ОФЕРТЫ О ПРИОБРЕТЕНИИ ЦЕННЫХ БУМАГ.

ОН НЕ ПРЕДНАЗНАЧЕН ДЛЯ ПУБЛИЧНОГО РАСПРОСТРАНЕНИЯ И НЕ ДОЛЖЕН ПУБЛИЧНО РАСПРОСТРАНЯТЬСЯ НА ТЕРРИТОРИИ РОССИЙСКОЙ ФЕДЕРАЦИИ.