

6 October 2006

Road Town, Tortola, BVI

**Eastern Property Holdings Limited announces a public offering in Switzerland of ordinary shares**

Eastern Property Holdings Limited announces its intention to raise additional equity capital by the end of October 2006. We have appointed ING Bank, Kempen & Co and Renaissance Capital as joint global coordinators and joint lead managers, and OZ Bankers as co-lead manager, for the offering.

The offering is expected to consist of a public offering in Switzerland and a private placement in certain other countries outside Switzerland, and outside the United States, Canada, Australia and Japan. We expect to receive all of the proceeds of the offering, net of fees and expenses. We plan to use the net proceeds from the offering for funding of future growth through investment in real estate projects. Shares offered in the offering are expected to be listed on the SWX Swiss Exchange under the ticker symbol "EPH".

As part of the offering, we expect to offer our shares to eligible existing shareholders in accordance with subscription rights. The subscription rights will not be tradable, and will not be offered to existing shareholders in certain jurisdictions, such as the United States, Canada, Australia and Japan, or to existing shareholders in any member state of the European Economic Area other than qualified investors, within the meaning of the Prospectus Directive (2003/71/EC). Shares not taken up by existing shareholders will be available for allocation by the joint lead managers.

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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.