

**PRESS RELEASE**  
Stockholm, 8 October 2014

**East Capital Explorer intends not to issue preference shares  
- New investments will primarily be financed through fund divestments**

East Capital Explorer has decided not to exercise the mandate to issue preference shares, which was obtained at the Company's Extraordinary General Meeting on 24 March and renewed at the Annual General Meeting on 22 April. The mandate is valid until the next AGM. The decision is based on the fact that the cost of funding through preference shares would be unjustifiably high given the present market conditions, whereas new investments may currently be financed through continued divestment of parts of the company's fund holdings.

- We see a number of attractive investment opportunities within both private equity and real estate, especially in the Baltic countries. These countries have among the euro zone's highest growth rates with a private consumption that remains strong. The Baltic property sector is particularly interesting in terms of its strong cash flow generation and also given that the sector is still in a recovery phase. In order to take advantage of these opportunities we will continue to reduce the portion of public equity, which is primarily held within the funds, while increasing the share of private equity and real estate in our portfolio, says Mia Jurke, CEO of East Capital Explorer.

East Capital Explorer has, since the end of 2012, invested over EUR 50m in direct investments and Baltic real estate. This share of the company's net asset value has during the same period grown from 26 percent to 50 percent today, with the largest investments having been in the Estonian cable TV provider Starman and the A-class office building Vilnius Business Harbour in Lithuania.

**Financial reporting calendar**

- Interim Report, 1 January – 30 September 2014 on 7 November 2014
- Year-end Report 1 January – 31 December 2014 on 12 February 2015

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**About East Capital Explorer**

East Capital Explorer AB (publ) is a Swedish investment company, created with the specific aim of bringing unique investment opportunities in Eastern Europe to a broader investor base. The company makes direct investments into private and public companies but investments are also made through East Capital's private equity, real estate and alternative investment funds. East Capital Explorer's main investment theme is domestic growth and the Company targets fast growing sectors such as Retail and Consumer goods, Financials and Real Estate. East Capital Explorer has appointed East Capital to manage its investment activities. East Capital Explorer is listed on NASDAQ OMX Stockholm, Mid Cap.

**Listing:** NASDAQ OMX Stockholm, Mid Cap - **Ticker:** ECEX - **ISIN:** SE0002158568 -  
**Reuters:** ECEX.ST - **Bloomberg:** ECEX SS Equity

*This information is disclosed in accordance with the Securities Markets Act, the Financial Instruments Trading Act and demands made in the exchange rules. It was released for publication at 11:45 a.m. CET on 8 October 2014.*