

Eastern Property Holdings Ltd. announces signing of the share purchase agreement regarding acquisition of 94% of office and retail complex “Work Life Center” in Hamburg, Germany

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Eastern Property Holdings (“EPH” or the “Company”) announces the signing of the share purchase agreement to acquire 94% ownership interest in the office & retail complex “Work Life Center”, located in Hamburg, Germany from DWI Group.

The closing of the transaction is expected by the end of 2017 subject to completion of construction and various customary closing conditions.

Work Life Center was originally constructed in 1883-1887 as a postal administration building, then it has been gutted and is currently rebuilt. The central building and the historic central hall will be developed and will hold modern office and retail areas, while the historic façade will remain. The project has prime location close to Hamburg's city centre, the opera and the botanical gardens. After completion of the construction works, there will be a mixed-use building complex (office, retail, leisure/fitness studio and underground parking lots with a gross leasable area of approx. 12,000 sqm, where 4,200 sqm is already rented out to well-known media company and the rest is currently marketed by the seller.

Work Life Center is EPH's second real estate asset acquisition in Germany.

Although Russia remains to be the prime focus for the Company's investments and EPH is fully satisfied with its current real estate portfolio, on the back of current uncertainty in Russian real estate sector the Company searches for alternative destinations for investments that remains consistent with general EPH aims and objectives. Germany remains one of the most attractive, safe and liquid real estate markets in Europe which benefits from its strong demand due to diversified economy, growing reputation of technology center, young generation, increasing population, diverse investment environment and attractive risk adjusted returns.

This new transaction follows the strategy of the Company to focus on investments in premium quality income producing commercial property assets in Europe. Given its key investment parameters such as good location in the city center, impressive architectural design and expected high construction quality, the acquisition of Work Life Center will further diversify the Company's portfolio and strengthen sustainability of its long-term performance.

***Eastern Property Holdings Ltd.** is an investment company listed on SIX Swiss Exchange which holds interest in office, residential and retail properties. 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 Anna Bernhart Tel: +41 44 503 5400.