

Significant Shareholding Notification:
**Red Square Equity Fund stake in Eastern Property Holdings
exceeds 5%**

Tortola, British Virgin Islands (6 March 2012):

Eastern Property Holdings (the "Company") has been notified that as of 2 March 2012, Red Square Equity Fund, and companies affiliated with it, hold in excess of 5% of the Company's shares in issue. Red Square Equity Fund announced that it had surpassed 3% on 17 August 2011.

Pursuant to Article 7.6 of the Articles of Association of the Company, as amended at the 2011 Annual Shareholders Meeting on 21 June 2011, "A shareholder must notify the Company of the percentage of its shares outstanding he holds, directly or indirectly, if such aggregate ownership reaches, exceeds or falls below 3%, 5%, 10%, 15%, 20%, 25%, 33%, 50% or 66% as a result of an acquisition or disposal of shares or any other form of financial instrument or derivative which results in an entitlement to acquire, on such Shareholder's own initiative alone, shares of the Company."

The reporting levels are based on the total 5,338,132 shares in issue.

The Memorandum and Articles of Association of Eastern Property Holdings are available on the Company website: www.easternpropertyholdings.com

Eastern Property Holdings Ltd. is an SIX Swiss Exchange-listed real estate development 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.
