

MEDIA RELEASE

20 December 2012

Valartis Group continues its strategic focusing and sells its participation in Eastern Property Holdings Ltd.

By selling all of its shares in the associated company Eastern Property Holdings Ltd. (EPH) to the Aurora Value Fund, Valartis Group has taken an important step in pursuing its "Private Banking Plus" strategy initiated in 2008. Through its subsidiary Valartis International Ltd., which will continue to manage EPH, a real estate development company focusing on the Russian real estate market, Valartis can continue to offer its product expertise for the future success of EPH.

Valartis Group AG announces the sale of the shares in its associated company Eastern Property Holdings Ltd. (EPH), in which it recently held a strategic stake of approximately 40 per cent. The shares have been purchased by the Liechtenstein-based Aurora Value Fund, which is managed by CAIAC Fund Management AG in Barend. This sale is part of the "Private Banking Plus" strategy initiated in 2008 and is the next important milestone in focusing Valartis Group's business activities on wealth management for wealthy private clients and institutional investors.

Eastern Property Holdings Ltd. (EPH) is a property management company listed on the Swiss stock exchange SIX Swiss Exchange with a focus on Russia. The company, managed by Valartis International Ltd., a wholly-owned subsidiary of Valartis Group AG, combines project development with the management of rented office, residential and commercial properties in prime locations in Moscow and St. Petersburg.

A sustainable investment

As part of the transaction, the Valartis Group disposes its entire position in EPH and is expected to receive a total of approximately USD 110 million in cash over a period of four years. This corresponds mostly to the valuation of the EPH stake as shown in the 2011 Valartis Group Annual Report. The payments will be received in several instalments and are partly linked to the successful completion of current EPH development projects. Valartis Group receives CHF 56.8 million of the purchase price in cash immediately.

Valartis International Ltd. will continue to serve as the manager and administrator of EPH for the next few years so that EPH as a real estate development company can continue to use the industry and market expertise of Valartis Group's experienced property specialists. Valartis Group will also continue to be represented on EPH's Board of Directors.

"Our work for and commitment to EPH has proven to be very fruitful over the last few years. The Aurora Value Fund is a strategic buyer, who appreciates this development the same way as we do and who, like us, believes that EPH and its property development projects have a positive future," says Gustav Stenbolt, CEO of Valartis Group AG. "This sale of our participation allows us not only to focus our resources more on our core business – traditional wealth management and investment advisory for private and institutional clients – but also to notably improve the risk profile of Valartis Group. At the same time, the structuring of the transaction allows us to continue to provide our specific experience to EPH and its positive development anticipated."

Development of niche investment products

The Valartis Group will also use its extensive property expertise and years of experience in the performance-oriented management of client assets to develop and promote other property-based niche investment products. “We will continue to use our network of contacts around the globe and our proven expertise in the successful implementation of promising property development projects to assist our discerning private and institutional clients in their search for specific real estate investment solutions and to create attractive niche investment products for them,” says Gustav Stenbolt.

If you have any questions, please contact:

Gustav Stenbolt, CEO Valartis Group AG
Tel. +41 43 336 81 11

Valartis Group – Private Banking Plus

Valartis Group is an internationally active banking and finance group with offices in Zurich, Geneva, Lugano, Vienna, Liechtenstein, Luxembourg, Moscow, and Singapore. The Group’s holding company, Valartis Group AG, is domiciled in Baar, canton of Zug, and is listed on the Swiss stock exchange SIX Swiss Exchange.

Valartis Group focuses on the wealth management business for wealthy private clients and institutional investors: “Private Banking Plus”. In addition to traditional wealth management and investment advisory, Valartis Group develops, manages and markets innovative niche investment products and provides specialised advisory and banking services within corporate and structured finance. The Group’s core markets include Central and Eastern Europe, the Middle East and selected countries in North and South America as well as Asia.