

ECEX to construct 23-floor office complex in Vilnius

East Capital Explorer AB (publ) (“ECEX”) has, through a subsidiary, signed a long-term lease contract with Swedbank for premises covering approximately 70 percent of a new office building to be constructed in central Vilnius. The new building will be built on the land plot adjacent to the existing 3 Burės office complex, both of which were purchased by ECEX in 2014. ECEX will invest up to EUR 9m over a two-year construction period, which will commence in the fourth quarter 2016.

Mia Jurke, CEO of East Capital Explorer, commented “This project reflects our long-term interest in commercial real estate in the Baltics, and proves the attractiveness of the Lithuanian capital among international companies. The lease agreement with Swedbank secures cash flows from day one after the construction period, and we expect the property to generate an attractive annual ROE of around 15 percent upon completion.”

East Capital Explorer has since 2012 invested more than EUR 50m in the Baltic real estate segment that continues to offer a combination of high yield and attractive financing while rent levels and valuations are far below the Nordic level.



The new building will comprise approximately 13,000 square meters of leasable floor space. The building is expected to be the first in Lithuania to receive a LEED platinum certification for environmental sustainability. With the new building, the 3 Burės complex will comprise three office towers with more than 41,000 square meters of leasable floor space. 3 Burės will thereby become the largest A class office complex in the Baltics.

Dovilė Grigienė, Head of Swedbank Lithuania, commented: “Swedbank Lithuania aims to provide fine working conditions for all our employees, that is why it has been a natural decision to rent one more office building close to our bank’s headquarters in Konstitucijos prospektas. We have been actively expanding our range of activities in Lithuania and plan to have around 800 working places in the new building. It will mainly host our non-financial services branch as well as bank’s fast growing IT department, both of them are currently located in various places of Vilnius.”

The total construction cost, excluding the land plot purchased at EUR 4.8m by ECEX in 2014, will amount to approximately EUR 25m. Of this, ECEX will finance up to EUR 9m in successive installments over the coming two years, and the remainder will be financed through credit facilities. The new investment will be included in the 3 Burės holding in East

Capital Explorer's portfolio reporting. The project is contracted to the Finnish construction company YIT.

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About East Capital Explorer

East Capital Explorer AB (publ) is a Swedish investment company, offering unique investment opportunities in Eastern Europe, where the Baltic countries represent the company's largest investment region. The company primarily invests in unlisted assets within the private equity and real estate segments. 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 is listed on Nasdaq Stockholm, Mid Cap.

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

This information is information that East Capital Explorer AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 a.m. CET on 21 October 2016.