

PRESS RELEASE
Stockholm, 3 May 2013

East Capital Explorer acquires a majority stake in Starman, the leading cable TV operator in Estonia

East Capital Explorer has agreed to acquire a majority stake in Starman, the leading cable TV, broadband internet and voice cable services provider in Estonia. East Capital Explorer will invest approximately EUR 24m to acquire 51% of the company based on a total enterprise value of EUR 107m, and the remaining stake of 49% will be held by Starman's founders, Peeter Kern and Indrek Kuivallik. East Capital Explorer will acquire the shares from the existing owners, a consortium led by Bancroft Private Equity GmbH & Co. KG. The founders will increase their current equity stakes in Starman by investing an additional EUR 5m on the same terms as East Capital Explorer. SEB and Swedbank are financing part of the acquisition with an acquisition loan.

Mia Jurke, CEO of East Capital Explorer, says: *"We are pleased to make this investment into Starman, which will correspond to almost 9% of the total Net Asset Value as of 31 March 2013, and by making the transaction, the part of direct investments in the portfolio will significantly increase. Private Equity in the Baltics is one of our focus areas and we see a strong potential in the company which will benefit from the consumer driven growth in the Baltic countries".*

Gert Tiivas, Head of Baltic Private Equity, East Capital, representing the Investment Manager, says: *"Starman is a well-managed company with a track record of solid financial performance and high profitability. We see further opportunities for growth in this area in the Baltics and Starman is well-positioned to take advantage of this growth. We are looking forward to further developing the company together with the founders."*

Starman has approximately 130,000 cable TV and 60,000 broadband clients. Its network is 100% digital and covers all the major cities in Estonia. The company's revenues in 2012 amounted to EUR 28m and Ebitda was EUR 13m.

The transaction is subject to approval from the Estonian competition authorities, and is expected to be completed during the second quarter of 2013. Starman will be treated as a subsidiary of East Capital Explorer. As a result of this, the Company's interim report for the period 1 January - 30 June 2013 might be postponed.

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Financial reporting calendar - East Capital Explorer:

- Monthly Net Asset Value report on the fifth working day after the end of each month
- Interim Report, 1 January - 31 March 2013 on 8 May 2013
- Interim Report, 1 January - 30 June 2013 on 14 August 2013
- Interim Report, 1 January - 30 September 2013 on 11 November 2013

About East Capital Explorer

East Capital Explorer AB (publ) is a Swedish company, created with the specific aim of bringing unique investment opportunities in Eastern Europe to a broader investor base. The company invests mainly in East Capital's special fund products but it also makes direct investments into private and public companies. 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 - **Analysts:** Carnegie, Svenska
Handelsbanken

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 7:00 a.m. CET on 3 May 2013.