

Dragon - Ukrainian Properties & Development Plc (the "Company" or "DUPD")

\$140.75 million Investment in land acquisition in Kyiv Region

Dragon - Ukrainian Properties & Development Plc, one of the largest AIM-listed real estate investment companies focused on investments in Ukraine, managed by Dragon Capital Partners Limited ("DCP"), is delighted to announce acquisition of 675 ha agricultural land in Kyiv Region in the close proximity to the city of Kyiv for the total amount of \$140.75ml.

The land purchase is in line with the investment strategy of DUPD having one of its core focuses acquisition of the land plots with the further re-zoning of the land plots for construction of residential and commercial structures.

Highlights:

- The Company has agreed to acquire 675 ha of agricultural land about 5km from the edge of Kyiv for the total cash amount of \$140.75ml;
- Convenient location of the land plots in the close proximity to Kyiv;
- Favorable relief of the land which doesn't require significant work on leveling –off the site;
- Availability of all necessary infrastructure (i.e. water, gas, electricity) in place;
- Post completion of such process, Dragon-Ukrainian Properties & Development ("DUPD") might consider i) further development of the land plot (according to preliminary review, the site is suitable for development of a gated community) or ii) sale of the converted land (most likely in separate pieces) to 3rd party real estate developers.
- The Directors believe that the attractive location and favorable properties of the land plots will stimulate high demand for the land subject to prior rezoning with a significant financial upside of the deal.

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Notes to Editors

About Dragon- Ukrainian Properties & Development Plc

DUPD is an Isle of Man incorporated company formed to invest in the development of new commercial properties and re-development of existing properties in Ukraine which offer the prospect of attractive returns to its shareholders. Having raised US\$ 208 million at US\$2 per share, DUPD's ordinary shares were admitted to trading on the AIM market of the London Stock Exchange on 1 June 2007.

About Dragon Capital Partners

DCP is the private equity arm of Dragon Capital, a leading Ukrainian financial institution specialising in the provision of investment banking, securities trading, asset management and private equity services. Dragon Capital has received the "Best Equities House in Ukraine" award in 2002, 2004, 2005, 2006 and 2007 by "Euromoney", a leading financial journal.

DCP professionals combine extensive local knowledge and expertise gained through substantial investment activity in the Ukrainian private equity market across a wide spectrum of industries, including real estate.