

**18 April 2008**

**Dragon - Ukrainian Properties & Development Plc (the “Company” or “DUPD”)**

**Independent valuation of portfolio properties accomplished**

Dragon - Ukrainian Properties & Development Plc, one of the largest AIM-listed real estate investment companies with an exclusive focus on Ukraine, managed by Dragon Capital Partners Limited (“DCP”), is delighted to announce the results of valuation of three of its investment projects.

DUPD has employed Knight Frank, a leading real estate advisory company, as an independent professional valuer for the valuation of the Company’s holdings in these projects, based on the results of a previously conducted tender. This is the first independent valuation of the Company’s investment portfolio as at 31 December 2007, results of which will be reflected in its financial statements for 2007. The valuation was produced in accordance with the International Valuation Standards 2005 (IVS 2005).

The interest of the Company in the three investment projects was valued as detailed below:

1. 15% shareholding interest in Komarova project, which envisions the construction of a 45,000 sqm shopping centre project in Kyiv. (The stake will increase to 50% + 1 as DUPD completes pre-committed subscriptions during the development period);
2. 75.15% shareholding interest in Obolon project, which envisions the construction of a mixed-use development in Kyiv of approx. 48,000 sqm; and
3. 50.3% shareholding interest in Pine Forest Riverside Estate project, which envisions the construction of an elite cottage community of approximately 65 homes in Kyiv region.

According to the valuation results, as of 31 December 2007, the total market value of these properties was US\$135 million. DUPD’s pro-rata value in these projects, based on its shareholding in the respective companies, was \$72.6 million.

The valued properties represent only 16.4% of the Company’s total current commitments, which as of 31 December 2007 reached US\$199.5 million. The total amount of funds committed by DUPD to acquire and develop these properties was \$32.75 million, \$21 million of which was disbursed in 2007.

The balance of property investments under the Company’s portfolio will be subject to valuation at the end of the first half of 2008 according to the Company valuation policy.

**Aloysius Van der Heijden**, Chairman of DUPD said: “We are very glad to report such a significant upside on three of our investment projects, which is a testimony to the abilities of our management team in sourcing and executing lucrative investment projects for our shareholders. Moreover, we have not seen the global market turmoil affect Ukrainian real estate market and from our experience real estate values in Ukraine continue to be relatively strong”.

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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 a subsidiary of Dragon Asset Management, the asset management arm of Dragon Capital. Dragon Capital is 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.