



GERMANY

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## PRESS RELEASE

Berlin, 06.08.2012

### Audited results of financial year 2011

Orco Germany is publishing its full year 2011 audited financial statements.

Financial statements presented are in line with the one published as of 28 March 2012.

### **Main update with 28 March Press Release:**

The main update in comparison with the publication of the 28 March 2012 is the validation of the going concern assumption based on :

- The successful agreement with the Orco Germany bondholders for the equitization of the debt. During April and May 2012, Orco Property Group ("OPG"), ORCO Germany's mother company, initiated the execution of the total bond deleverage of the ORCO Germany as approved by general assembly of 7 May 2012. OPG acquired 85% of ORCO Germany total bond liability (bonds registered under ISIN code XS0302623953) or EUR 109 million which shall be equitized in ORCO Germany shares over the coming weeks. The remaining approximately 15% bonds not held by OPG can be then exchanged into EUR 20 million of "new notes" to be issued by OPG, the main terms of which were described in OPG's 18 April 2012 press release. The conversion of the totality of OG bonds after exchange of the remaining bonds with OPG New Notes into OG shares, to be executed over the coming weeks, will reduce OG's leverage ratio from 78% to 63%.
- The signing of a standstill in April 2012 GSG Asset GmbH & Co. Verwaltungs KG, a subsidiary of ORCO Germany S.A ORCO-GSG and Royal Bank of Scotland signed a standstill agreement which terminates on 15 June 2012. Thanks to execution of the OG deleverage, the negotiations on the refinancing of the existing bank loan have substantially progressed and Management remains confident in successfully reimbursing the existing loan over the coming months.

### **2011 financial highlights reminder:**

- ORCO Germany closed 2011 with a net gain of €21.3 million compared to a net gain of €5.6 million in the corresponding 2010 period
- Revenues are at EUR 63.8 Million in 2011, to be compared to EUR 150.9 Million at December 2010 as the Property Investments business lines demonstrates stable revenues at a level of EUR 55.5 Million to be compared with EUR 56.7 Million (-4.0%). The development business line revenue reached a level of EUR 8.2 Million to be compared to EUR 94.2 Million in 2010 due to the missing development sales in 2011



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- Operating result decreased to EUR 55.3 Million (-11.5% year on year) mainly driven by lower valuation gains (- EUR 12.5 Million year on year)
- Interest expenses are reduced from EUR 41.0 Million down to EUR 33.0 Million thanks to asset disposal.
- Loan To Value (LTV) before bonds stands at 63% compared to 66% in December 2010.
- On 1 February 2011, ORCO Immobilien GmbH, a subsidiary of ORCO Germany S.A., closed the sale of ORCO Leipziger Platz GmbH, holding the Wertheim project on Leipziger Platz in Berlin. The total purchase price for this sales transaction amounted to €113.5 million, positively impacting the P&L by €9.2 million. Based upon the signed sales contract additional €30 million as part of the agreed total purchase price, are expected to inflow after the finalization of the project

For further detailed information please visit our website on:

<http://www.orcogermany.de/>

#### **About ORCO Germany**

ORCO Germany S.A. is a property company that is listed in the Prime Standard on the Regulated Market at Frankfurt Stock Exchange and has its registered office in Luxembourg. The ORCO Germany Group, which acts consistently under its registered name of ORCO Germany, has been operating in Germany since 2004 and concentrates on commercial property and project development.

ORCO Germany S.A. is a subsidiary of ORCO Property Group, which is one of the leading Central European property companies. The company established in 1991 is based in Luxembourg and has listings on NYSE Euronext Paris and Prague as well as on Warsaw stock exchange. The company mainly operates in the Czech Republic, Hungary, Poland, Russia, Croatia, Slovakia and Germany.

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