



GERMANY

PRESS RELEASE

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ORCO Germany S.A.: 9 months results 2010

ORCO Germany S.A. today presents its results of the third quarter 2010. In line with the strategic refocusing of ORCO Germany S.A. on the City of Berlin and investment properties, the planned disposition of non-strategic assets worth €230 million progressed further. Development and Assets worth €138.2 million have been sold in the first nine months 2010 in a non-distressed environment, resulting in a decrease of liabilities by €105.9 million to €821.0 million.

In the third quarter alone, revenues amounted to €120.9 million compared to €51.2 Mio. in Q3/2009, mainly driven by development revenues of €79.1 million, including €72.9 million revenues from sales of non-strategic development projects, comprising among others the Health Care Portfolio and H2 Office.

The rental revenues increased slightly from €41.5 million to €41.8 million in Q3/2010, of which GSG contributed €37.7 million, thus overcompensating the loss of rental income from the sale of non-strategic assets. During the first nine months, GSG could raise both prices per sqm from €4,80 to €4,85 and occupancy rate from 76.5 % as of December 2009 to 77.2 % in September 2010.

The adjusted EBITDA was up 56 % from €16.1 million in September 2009 to today's €25.1 million mainly thanks to gains from development and asset sales, the operational restructuring program as well as an improved GSG performance.

Marking a turning point, the consolidated profit was €6.1 million after a negative result of €-108.2 million in Sept. 2009.

The results were influenced by decreased amortization, impairments and provisions, but also through fair value profits and cost reductions. Nevertheless the net interest expenses (€31.5 million) are still higher than the adjusted EBITDA (€25.1 million). It is a management priority to achieve a full coverage of interest expenses by adjusted EBITDA by 2011.

Asset values improved by €23.8 million thanks to the operational performance by ORCO Germany's core business GSG and a slight improvement of yields.

Outlook

ORCO will continue the announced disposal program. Most remaining asset disposals processes are well advanced.

In November 2010, ORCO and High Gain House Investments GmbH (HGHI) have confirmed signing a LOI aimed at selling and co-developing the plot of Leipziger Platz. Both parties are working on concluding the transaction for a start of the project that could take place as early as year end.

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 as well as on asset management and project development.



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ORCO Germany 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 Euronext, Prague, Budapest and Warsaw Stock Exchange listings.

Fur further information please contact:

Kirchhoff Consult AG
Sebastian Bucher
T +49 40 60 91 86 18
sebastian.bucher@kirchhoff.de