
PRESS RELEASE

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Q1 results 2012

ORCO Germany: Key portfolio GSG performs well despite decline in group's net profit

In the first quarter of 2012, ORCO Germany realised total revenues of EUR 16.6 million and reached an operating result (EBIT) of EUR 6.9 million, a slight decrease compared to previous year's first quarter revenues of EUR 17,2 million and EBIT of EUR 7.6 million stemming mainly from sales of non strategic assets conducted in 2011.

Due to a lower financial result – mainly impacted by a lower (non-cash) profit on the revaluation of interest rate derivatives - the net profit declined from € 2.2 million as of March 2011 to € 0.8 million as of March 2012.

Key asset performs well

Rents generated on the key asset, the ORCO-GSG portfolio in Berlin, contributed with EUR 11.1 million or 66.6% of the total revenues of ORCO Germany, an increase of 3.0% compared to the first quarter of 2011. ORCO-GSG could continue raising its occupancy rate by 60 bps to 78.4%, as well as the net commercial rent by EUR 0.09 to EUR 5.10 in Q1/2012.

In general, ORCO-GSG's Berlin business parks revenues increased YoY by 3.2% to EUR 13.7 million including service charges to tenants. This development and the fact that two assets from ORCO-GSG were sold in 2011 with sales prices of 29% above their latest valuation show that ORCO Germany's key asset performs very positively. The revenues from ORCO Germany's second business segment, the Development Segment, declined by EUR 0.3 million compared to Q1/2011 in line with the strategic run-down of the business activities. By now, the segment only contributes 11.7% to the company's total revenues.

Financial restructuring continues

During April and May 2012, ORCO Property Group, ORCO Germany's mother company, initiated the execution of the total bond deleverage of ORCO Germany as per the Joint Agreement signed on 17 April 2012. ORCO Property Group acquired approximately 85% of ORCO Germany total bond liability or EUR 109 million which shall be equitized in ORCO Germany shares over the coming weeks. The remaining approximately 15% bond portion can be then exchanged into EUR 20 million of new notes to be issued by OPG.

As a result of the operational financial restructuring, the liabilities of ORCO Germany already decreased from EUR 726.4 million as of December 2011 to EUR 715.4 million as at 31.03.2012 and the total equity rose from EUR 69.8 million as at 31.12.2011 to EUR 70.3 million as at 31.03.2012

In April 2012 ORCO-GSG and Royal Bank of Scotland signed a standstill agreement which terminates on 15 June 2012. The assets sales, together with the ORCO-GSG cash generation led to a reimbursement of ORCO-GSG outstanding bank debt by EUR 14 million from EUR 300 million to EUR 286 million. 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, including the proceeds from the disposal of its landmark building Sky Office in Düsseldorf.

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 is a subsidiary of ORCO Property Group, which is one of the leading Central European property companies. The ORCO Property Group, established in 1991, is based in Luxembourg and has listings on NYSE Euronext Paris, Prague and Warsaw stock exchanges.

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