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ORCO PROPERTY GROUP IS ISSUING THE 1ST LOCAL BOND IN THE TOTAL AMOUNT OF CZK 1.4 BILLION AFTER A SUCCESSFUL DUAL LISTING LAST YEAR

Today, ORCO PROPERTY GROUP S.A., a leading investor, developer and asset manager in Central European real estate market has launched the first bond issue on the Czech market. ORCO PROPERTY GROUP S.A. is issuing the floating coupon bonds with the face value of CZK 10,000,000 each for the issue price of 100%. The coupon will be derived from 6M PRIBOR +2.20% p.a. The total nominal amount of the bonds issued on the issue date is CZK 1.4 billion, while the total maximum issue amount is set at CZK 1.5 billion. The bonds are due in 2011 and will be listed on the Secondary Market of the Prague Stock Exchange as of the issue date.

"We are delighted we could follow our successful story on the Czech capital market in 2005, when we listed our shares on the Prague Stock Exchange. We decided to utilize favourable market conditions and increased ORCO's awareness among Czech and regional investors. The bonds represent an innovative financing structure on the local market; the bonds are not primarily secured by any of ORCO assets. The proceeds from the bonds will be used for new acquisitions", said Mr Arnaud Bricout, Vice President for Corporate Finance of ORCO PROPERTY GROUP S.A.

Česká spořitelna, a.s. acts as the sole Bookrunner, Lead Manager and Listing Agent for the admission of the bonds to trading on the Prague Stock Exchange.

The bonds have been offered mainly to institutional investors.

The prospectus, which was approved by the Czech Securities Commission, will be available in the ORCO registered office at 8, boulevard Emmanuel Servais, L-2535 Luxembourg, on the address Anglická 26, 120 00 Prague 2 and at the Specified Office of the Fiscal and Paying Agent (Česká spořitelna, a.s.) located at the address Na Perštýně 1, 110 00 Praha 1. The prospectus will be also available in an electronic form on the Issuer's website www.orcogroup.com on the issue date, at the latest.

For more information about ORCO please see www.orcogroup.com.

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Orco Property Group is a leading investor, Developer and Asset Manager in the Central European real estate and hospitality markets, managing assets of over EUR 600 million. Orco Property Group is a Luxembourg based company listed on the Euronext and Prague Stock Exchange and has operated in Central Europe since 1991. Orco Property Group's portfolio includes IPB Real, MaMaison Residences, Orco Hotel Collection, Orco Real Estate, and other retail properties. Orco Property Group operates in a number of countries including Croatia, Czech Republic, Germany, Hungary, Poland, Russia, Slovakia and is continuously analysing investments in new territories. Orco Property Group is also the sponsor and the manager of the Endurance Fund, a regulated Luxembourg closed-end fund focused on Central Europe real estate assets dedicated to institutional investors.