



Press release: May 17, 2005

Orco Property Group announces the completion of a share issue within its PACEO¹

Orco Property Group announces today that it has raised 3 925 000 EUR through the issuance of 100 000 new shares fully subscribed by SG Corporate & Investment Banking (SG CIB) within the PACEO program that has been set up with the Bank in April 2005 and has already been announced through a press release dated as of 5th April 2005.

Proceeds will fund the equity capital part of Orco Property Group development plan in Central Europe and the development of the hospitality business in Croatia more specifically.

This share issue corresponds to 1.69% of the share capital. The new shares have been issued at 39,25 EUR (5% discount included). The share capital of the company was increased up to 5 929 439 shares.

⁽¹⁾**PACEO** - Program d'Augmentation de Capital par Exercices d'Options (Step-up Equity Subscription)

The subscription price for shares at each share issue reflects the current stock exchange price. The program is only activated on Orco Property Group request. The new shares are always fully subscribed by Société Générale, acting as financial intermediary. The Step-up Equity Subscription program (PACEO) has been filed with and approved by N° 05-201 of the AMF.

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