

Press release

June 14<sup>th</sup>, 2007

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ORCO PROPERTY GROUP

(incorporated as a société anonyme (Joint Stock Company) under the laws of the Grand Duchy of Luxembourg; registered with the Luxembourg Registre de Commerce et des Sociétés under number B44.996)

share code: ISIN: LU0122624777, Common Code: 012262477

("ORCO" or the "Company" or the "Group")

**ORCO ANNOUNCES PRICING OF ITS CAPITAL INCREASE AT EUR 115.00 PER SHARE AND ISSUANCE OF 1,304,348 SHARES**

14 June 2007: ORCO announces the price of its capital increase which will be executed by means of a private placement to institutional investors of ORCO ordinary shares ("New Shares"). The Company will issue 1,304,348 New Shares (the "Capital Increase") at EUR 115.00 per share. The gross proceeds of the capital increase will amount to approximately EUR 150 million excluding the over-allotment option of up to 195,652 New Shares. The net proceeds are estimated at approximately EUR 142.4 million excluding the over-allotment option. The settlement-delivery of the new shares is expected to take place on 21 June 2007.

The shares of the Company (the "Shares") are currently listed on Eurolist by Euronext Paris and the main market of the Prague Stock Exchange. The Company has applied for the New Shares to be admitted to trading on Eurolist by Euronext Paris and on the main market of the Prague Stock Exchange, which is expected to take place on or about 21 June 2007.

The Company has applied for the listing of its Shares (including the New Shares) to be admitted to trading on the main market of the Warsaw Stock Exchange and the regulated market of Budapest Stock Exchange. The Company expects trading on the Warsaw Stock Exchange and the Budapest Stock Exchange on or about 21 June 2007.

Upon completion of the new listing process, the Company's Shares, including the New Shares, will trade on four stock exchanges in Europe.

Citigroup Global Markets Limited ("Citi") acted as Sole Global Co-ordinator and Sole Bookrunner of the offering. Wood & Co. acted as Co-Lead Manager and Dom Maklerski Banku Handlowego, a member of Citigroup, ("DMBH") acted as selling agent in Poland.

Commenting on the proposed transaction, Jean-François Ott, the Chief Executive Officer of ORCO, said: "The success of the capital increase will allow us to expand our portfolio further in the fast growing real estate market of Central Europe. It is also a clear sign from the equity markets that Orco has a unique and successful business model and differentiates itself within the real estate sector. We are particularly pleased with the strong participation of Polish and other investors from the region in the offering and their belief in the future of ORCO".

**Further information on the Company can be obtained on the Company's website, at [www.orcogroup.com](http://www.orcogroup.com) or contact:**

**Luxembourg**

Luc Leroi  
Tel : + 352 26 47 67 47

[lloeroi@orcogroup.com](mailto:lloeroi@orcogroup.com)

**Paris**

Séverine Farjon  
Tel : +33 1 40 67 67 00

[sfarjon@orcogroup.com](mailto:sfarjon@orcogroup.com)

**Prague**

Alès Vobruba  
Tel : +42 02 21 416 311

[avobruba@orcogroup.com](mailto:avobruba@orcogroup.com)

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A prospectus in the English language in respect of listing of ordinary shares in Orco Property Group is expected to be approved by the Commission de Surveillance du Secteur Financier in Luxembourg on or around 14 June 2007. The approved prospectus and its French summary will be published on the website of the *Autorité des marchés financiers* ([www.amf-france.org](http://www.amf-france.org)) and on the website of the Company ([www.orcogroup.com](http://www.orcogroup.com)). The approved prospectus and its Czech summary will be published on or around 14 June 2007, in accordance with applicable legal regulations, on the web sites of the Company and Wood & Co. ([www.wood.cz](http://www.wood.cz)).

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**Orco Property Group** is a leading investor, developer and asset manager in the Central European real estate and hospitality market, currently managing assets of approximately EUR 1.31 billion as estimated at 31/12/2006. Operating in Central Europe since 1991, Orco Property Group is a public company (société anonyme), based in Luxembourg. Orco Property Group's portfolio includes, IPB Real, MaMaison Hotels & Apartments, Orco Real Estate, and other retail properties. Orco Property Group operates in a number of countries including, mainly, the Czech Republic, Germany, Hungary, Poland, Russia, Croatia and Slovakia. Orco Property Group is continually analyzing investment into new territories. Orco Property Group is also sponsor and manager of the Endurance Real Estate Fund for Central Europe (The Endurance Fund), a Luxembourg-regulated, closed-end umbrella fund whose total subscribed capital represents EUR 150 million, and which currently manages assets of approx. EUR 190 million appraised value. The Endurance Fund is dedicated to institutional investors and focuses on acquisitions in Central European real estate markets