

PRESS RELEASE

Oranienburg, July 4th, 2008

Groundbreaking Ceremony for Senior Citizens' Home and Nursing Residence in Oranienburg

ORCO Germany is constructing a modern senior citizens' home in Oranienburg. On Friday, July 4th, the first groundbreaking will be in the presence of the Mayor of Oranienburg, Hans-Joachim Laesicke. Michael Bethke Seniorenresidenzen GmbH will operate the home.

Today we will see the groundbreaking ceremony for the new construction of a senior citizens' residential and nursing center at Bernauer Strasse 67. Jonas Rabe as representative of the builder-owner ORCO Germany, Michael Bethke as the future operator, and Hans-Joachim Laesicke, the Mayor of Oranienburg, will be taking spades in hand to symbolically break the ground. 200 potential residents as well as representatives of the local economy and the press have been invited to attend.

A modern, state-of-the-art facility will be constructed in Bernauer Strasse on 8,047 m². Upon its completion, the new "Louise-Henriette von Oranien" senior citizens' home and nursing facility will provide 123 inpatient nursing beds and 28 residential units for assisted living. "In Michael Bethke GmbH, we have been able to gain a partner who is a responsible and experienced service provider in the field of home health care and retirement homes", said Jonas Rabe, Head of Advisory Services with the builder-owner ORCO Germany.

ORCO Germany is acting as investor and project developer. The total investment cost is around 12.1 Mio EUR. Financing terms have been agreed.

Since 1993, the Michael Bethke group of enterprises with its over 300 employees has been active in the field of social and nursing services in Berlin and Brandenburg. "We are glad to have found a competent partner in ORCO Germany, who will support us in expanding our division 'Michael Bethke Seniorenresidenzen'. As the second project we are implementing together with ORCO Germany, this new nursing and residential facility for the elderly at an exceptional location in Oranienburg will enable us to further grow and improve the services we provide", said Michael Bethke, Managing Director of Michael Bethke GmbH.

With this residence, an important social facility will be created for the city of Oranienburg. The location is ideally integrated, located as it is in the inner city of Oranienburg, and thus enjoys an outstanding infrastructure in the immediate vicinity. With its excellent connection to the Oranienburg train station; this location is perfectly suited for a nursing home.

The need for new, special residences designed specifically for seniors is increasing in line with improved life expectancy. This means that along with the inpatient nursing beds on approximately 2,050 m², there will be a total of 28 individual residential units where assisted living will be offered. The future residents of the barrier-free apartments that are suited for occupancy by senior citizens will be able to use the comprehensive range of services and facilities at the senior citizens' residence. In addition, a cafe and hairdresser's salon are planned to be installed in the building on Bernauer Strasse on 100 m² of commercial space to supplement the current range of services available.

Construction work for the senior citizens' and nursing residence will begin directly after the groundbreaking ceremony, still in July. Completion is planned for the second quarter of 2009.

ORCO Germany S.A. is a real estate company and is registered in Luxembourg and that is listed in the Prime Standard on the Regulated Market of the Frankfurt Stock Exchange. The ORCO Germany group, which operates under the uniform registered trademark ORCO Germany, has been pursuing its activities in Germany since 2004 and concentrates on residential and commercial properties as well as on asset management and project development. ORCO Germany currently employs about 210 members of staff in Germany.

In 2006, ORCO Germany strategically reinforced its project development operations by acquiring Viterra Development. Viterra Development was renamed ORCO Projektentwicklung GmbH at the beginning of 2008 and is one of the leading project developers and investors specializing in commercial and residential properties in the core German markets of Berlin, Düsseldorf, Frankfurt, Hamburg and Munich. ORCO Germany expanded its portfolio of properties in Berlin in June of 2007 by taking over Gewerbesiedlungs-Gesellschaft mbH (GSG); the company now manages more than 1 million square meters of developed and undeveloped areas in the German capital. GSG was established in 1965 and is the largest owner of commercial space in Berlin with about 850,000 square meters of office and multifunctional space. ORCO-GSG owns 45 so-called commercial courtyards and centers, as well as 235 residential units. Most of the properties are located in the city center with excellent connections to the Berlin public transportation network.

Orco Germany S.A. is a subsidiary of Orco Property Group, one of the leading Central European real estate firms holding a portfolio worth EUR 2.4 billion (as evaluated on December 31st, 2007). Established in 1991, the company has its registered seat in Luxembourg and is listed on the Euronext, Prague, Budapest and Warsaw stock exchanges. It operates primarily in the Czech Republic, Hungary, Poland, Russia, Croatia, the Slovak Republic and Germany.

By switching from the Open Market, where ORCO Germany S.A. had been listed since 2006, to the Regulated Market (Prime Standard) in November of 2007, ORCO Germany has demonstrated that it is implementing a capital market strategy consistent with its rapid operating growth of recent years. By meeting the most exacting standards of transparency in place at the German Stock Exchange, ORCO Germany S.A. has improved its accessibility to capital market players even further.

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