

PRESS RELEASE**Berlin, September 2nd 2008****Versatel AG and ORCO-GSG to Cooperate - New Standards in IT Performance/ ORCO-GSG's Own Fiber Optic Network will place Commercial Tenants at a Competitive Advantage**

Gewerbesiedlungs-Gesellschaft mbH (ORCO-GSG) and Versatel AG announced today that they will be setting up their own high-speed network for the so-called Gewerbehöfe belonging to ORCO-GSG in which groups of small commercial enterprises settle around an interior courtyard. This state-of-the-art communications concept will give small and medium-sized Berlin businesses a basis on which to pursue their growth.

Over 400 businesses in 6 courtyards will be connected to the system in 2008. 17 further locations will be smart-wired in the course of 2009 so that by the end of that year a total of over 1,000 businesses will be part of the network.

Rainer Bormann, managing director of Gewerbesiedlungs-Gesellschaft mbH, believes the investment will greatly benefit the tenants. "Our strategic cooperation with Versatel means we will be setting new standards in IT performance. The new network will provide our tenants with maximum speed, the highest level of security in data communications, and consequently a competitive advantage. Our own fiber optic network and the network technology deployed will enable us to offer not only standard communication services such as internet and email, but also above and beyond that comprehensive network-based services such as voice over IP, intranet or direct connections, and also collocation services, and all that at exceptionally favorable rates. The project jointly pursued by Versatel and ORCO-GSG knows no parallel in Germany at present and is a shining example of IT performance for small and medium-sized firms."

Jörg Goronzy, head of Corporate Sales Versatel: "By laying these networks in the commercial courtyards, we are providing the tenants with a scalable high-speed connection. In the future, a connection will also be available in the gigabit range. As a result, the ORCO-GSG courtyards equipped with this network will be in a significantly better position than any other comparable commercial property connected to a DSL system based on current standards."

René Gurka, managing director of Berlin Partner GmbH, the first port of call for investors in Berlin and an agency supporting foreign trade and promoting the capital city welcomed this cooperation: "Providing a state-of-the-art communications infrastructure is an important factor towards making a city attractive to companies wishing to locate there. We in Berlin are already a step ahead. The cooperation between our partner companies ORCO and Versatel will set new standards and will enable us to further strengthen Berlin's leadership position."

The individual commercial courtyards are connected by fiber optic cables to one central star-type distributor. The data line structure will reduce failures to a minimum while the circuit engineering and all conduction paths will be structured as redundant systems. The internet feed is planned to be connected at two separate locations so that the system is comprehensively protected against disruptions.

Scalable dedicated lines for safe networking between locations

Modern switching technology will enable gigabit signals to be transferred via the fiber optic cables connecting the courtyards in the system. Using this technology ORCO-GSG will be able to offer tenants direct, exclusive, and flexible scalable dedicated lines between different locations. This will work to the benefit of companies leasing premises in different courtyards, to cite but one example, or to companies sharing data in their collaboration with partners in other courtyards. The tenants will be able to transmit their data in a significantly safer manner than they would using the internet. What is more, the separate lines mean they will not be dependent on the broadband connections available on the internet.

ORCO Germany S.A. is a real estate company, registered in Luxembourg, and 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 staff members 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 31th, 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.

Versatel AG is listed on the Frankfurt Stock Exchange (Frankfurt: VTW) and is one of the largest alternative providers of voice, Internet and data services for residential and business customers on the German market. Versatel has a strong local and regional presence in the German broadband market. Covering 12 of the 16 German states and 28 of the 50 largest German cities, the company has a market coverage – based on its own calculations – equivalent to some 25% of all German households in the potential coverage range. Versatel is Germany's third largest infrastructure-based telecommunications provider in terms of revenue. In 2007, the company generated preliminary sales of EUR 700 million and had over 680,000 customers under contract at the end of the year. Versatel has a workforce of approximately 1,400 at 14 locations.

Further information: www.versatel.de

Contact ORCO Germany S.A.

Press Contact ORCO Germany
Sabrina Eilers
Head of Marketing & Communications
Kurfürstendamm 103/104
10711 Berlin
T +49. 30. 440 123 190
F +49. 30. 440 123 299
E seilers@orcogroup.com
www.orcogermany.de

Technical Contact ORCO Germany
Christian Kröger
Head of IT & Technologies
Kurfürstendamm 103/104
10711 Berlin
T +49. 30. 440 123 231
F +49. 30. 440 123 299
E technik@orcogermany.de
www.orcogermany.de

Press Contact Versatel

Jana Wessel
Tel: +49(0)211 522 83-254
Fax +49(0)211 522 83-111
Mob: +49(0)173 659 93 14
E-Mail: jana.wessel@versatel.de
Web: www.versatel.de