



Press Release, June 2nd, 2009

Orco Property Group and its CEO, Jean-François Ott Take Legal Action Against Luboš Smrčka and SOS Orco

Orco Property Group (together with its subsidiaries, "Orco"), today announces that in order to protect its interests and those of its shareholders, it has submitted a request to the Czech National Bank to investigate the actions of Mr. Ing. Luboš Smrčka, CSc. and SOS ORCO o.s. ("SOS") on the grounds of potential market manipulation. In parallel, Mr. Jean-François Ott, founder, President and CEO of Orco filed a defamation action in the City Court of Prague against Mr. Smrčka and SOS.

Orco and its management have maintained a permanent and constructive dialogue with all of Orco's shareholders and stakeholders. While Mr. Smrčka and SOS purport to represent the interests of a sizeable percentage of Orco's minority shareholders, Orco questions how many shareholders they actually represent and whether their goals and interests are aligned with those of Orco's other shareholders.

- Market manipulation:

Pursuant to the Czech Capital Markets Act, an individual or entity is prohibited from engaging in "market manipulation" which includes any conduct with the potential to distort the expectation of capital market participants with respect to the value, offer or demand of an investment instrument or otherwise distort the price of an investment instrument in the public market.

SOS and Mr. Smrčka have repeatedly disclosed on their website or in the media misleading, defaming and false information concerning Orco. Based on publicly available information, shortly after such misleading disclosures were made, there was an increased trading volume in Orco shares on the Prague Stock Exchange.

Orco's motion requests that the Czech National Bank conduct an investigation to determine whether or not Mr. Smrčka and SOS's conduct was intended to manipulate the market. Given the international character of Orco, acting in this fashion may harm investors in numerous EU member states.

- Defamation

Despite accurate information provided by Orco on its website, press releases, and its annual reports regarding Jean-François Ott, Mr Smrčka and SOS repeatedly and purposefully expressed and published numerous defamatory statements with respect to him. These allegations and misrepresentations were made with the express purpose of damaging his reputation as a

businessman, leader, and person. Given Mr. Ott's leadership position with Orco, such misrepresentations also negatively affect Orco and its shareholders. Mr. Ott has therefore sued Mr. Smrčka and SOS by filing a defamation action for protection of personality with the City Court of Prague.

Orco and its management will continue to act in favour of all its shareholders and stakeholders, will remain vigilant to protect its business reputation and will examine all possible legal actions against any information they consider misleading which may be issued or published in the future.

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 2, 5 billion. Operating in Central Europe since 1991, Orco Property Group is a public company, based in Luxembourg, and listed on the NYSE Euronext, Prague, Warsaw and Budapest Stock Exchanges. Orco Property Group operates in a number of countries including, mainly, the Czech Republic, Hungary, Poland, Russia, Croatia, Germany and Slovakia.

Orco Property Group is also sponsor of The Endurance Real Estate Fund, a Luxembourg-regulated closed-end mutual fund (fonds commun de placement - fonds d'investissement spécialisé) organised as an umbrella fund with sub-funds focused on real estate acquisitions on office, retail and residential markets in central Europe.