



PRESS RELEASE

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## **Court's decision -- SOS has to pay Orco for damages**

In early 2009, SOS Orco and Lubos Smrcka launched a slanderous and defamatory media campaign against Orco Property Group. During a time when Orco and its personnel were dedicating themselves around the clock to saving the company and preserving shareholder value, they were forced to spend time and resources defending themselves against the unsubstantiated attacks of SOS Orco and Mr. Smrcka.

Lawsuits were filed against SOS Orco and Mr. Smrcka alleging defamation for repeatedly disclosing on their website or in the media misleading, defaming and false information concerning Orco and its top management. Among the misrepresentations made by SOS Orco and Mr. Smrcka were that they represented up to 20% of the Orco shareholders when in fact during two shareholder general assemblies they represented less than 1% of Orco's shareholders. The lawsuits sought damages as a result of the time and expenses that Orco's employees, attorneys and consultants had to spend in defending themselves against SOS Orco and Mr. Smrcka's misrepresentations.

During the course of these lawsuits, SOS Orco and Mr. Smrcka submitted evidence to the court demonstrating among the individuals participating in the negative media campaign were Mr. James Woolf and Mr. Steven Davis, former Senior Vice President of Orco.

Orco is pleased to announce that on 29 January, 2010, the Prague court ordered SOS Orco and Mr. Smrcka to pay damages of CZK 2,677,167, or approximately EUR 100,000 to Orco.

While this decision can be appealed by SOS Orco and Mr. Smrcka, Orco and its personnel will tirelessly defend the company against any and all attacks against it and its management. Orco thanks its employees, attorneys, and consultants for their diligent work in this lawsuit and all other lawsuits that protect the interests of Orco, its shareholders, and its bondholders.

For more information, please, visit [www.orcogroup.com](http://www.orcogroup.com)