



Paris, 31 August 2011 – Press Release

Orco Property Group enters into agreement to sell Russian assets for EUR 53m pursuant to restructuring strategy

Orco Property Group has entered into an agreement to sell its stake in its Russian operations to a local investor. This EUR 53 million sale includes the logistics business, the residential projects, the offices and land plots that are collectively valued at circa EUR 57 million. The agreement contains a further provision entitling Orco to a percentage of future sales which should result in Orco reaching or exceeding the existing valuation. Formal closing should taking place in September. With an initial payment due on closing, a total sum of circa EUR 13.2 .

Million will be payable in cash before year end 2011 with the balance to be paid in 2012.

In Russia, Orco retains Pokrovka, which is part of Mamaison Hotels and Residences, and a 10% stake in the Filion shopping centre.

"We continue to implement our strategy to focus on our 4 core cities of Prague, Berlin, Warsaw and Budapest. As such, the disposal of our assets in Moscow were important. With payments being made in 2011 and 2012 and a promote structure allows the company to take advantage of any improved market conditions in the coming years, the transaction is positive to the company and its stakeholders. " stated Jean-Francois Ott.

For more information please, visit www.orcogroup.com