



Press release: 8th February 2007

Conversion of bonds (*obligations convertibles en actions*)

Pursuant to the conversion of 26.559 convertible bonds (5.5 % - 2011), 26.559 additional shares have been issued and created (ISIN code LU0122624777). The corporate capital is fixed at EUR 34,691,338.2 representing 8,461,302 shares. Since the bond issue, 766,241 bonds (ISIN FR00101018704) were converted out of 1,001,563 convertible bonds.

In accordance with the prospectus certified by "The Autorité des marchés financiers" issued on August 10 2004 under n° 04.720, ORCO PROPERTY GROUP will proceed on March 26 2007 to the redemption before due date of the Convertible bonds 2004-2011, ISIN code FR00101018704.

The bondholders will have the possibility to convert their bonds at the conversion ratio of 1 bond for 1 share ISIN code LU0122624777 until March 19 2007.

The reimbursement will be done on the balance on March 20 2007, the bondholders who did not convert their bonds at this date will receive a supplementary interest assuring them for the total length of their investment a gross redemption yield on the basis of 8%. The total amount of the reimbursement will be of 34,94 EUR per bond divided as follows:

Interest from 1st January 2007 to March 26, 2007 of 0.42 EUR on the nominal of 32.40 EUR increased by a reimbursement premium of 2.12 EUR.

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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 1,3 billion as estimated at 31/12/2006. Operating in Central Europe since 1991, Orco Property Group is a public company, based in Luxembourg, and listed on both the Euronext and Prague Stock Exchange. Orco Property Group's portfolio includes, IPB Real, MaMaison Hotels & Apartments, Orco Real Estate, and other retail properties. 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 continually analyzing investment into new territories. Orco Property Group is also sponsor and manager of the Endurance Real Estate Fund for Central Europe (The Endurance Fund), a Luxembourg-regulated, closed-end umbrella fund whose total subscribed capital represents EUR 141.6 million, and which currently manages assets of approx. EUR 160 million. Estimated total value of the Fund's portfolio after investment of full subscribed capital is ca. EUR 500 million. The Endurance Fund is dedicated to institutional investors and focuses on acquisitions in Central European real estate markets.