



PRESS RELEASE

ORCO PROPERTY GROUP raises EUR 59.2 million and issues 200 million new shares in a reserved capital increase. Resignation of board members, change in strategy.

Luxembourg, 10 November 2014

The board of directors of ORCO PROPERTY GROUP (the "Company") resolved today to implement a reserved capital increase and raise EUR 59.2 million pursuant to the authorization granted to it by its shareholders during the extraordinary general meeting of 28 May 2014.

On 10 November 2014, the Company's board of directors agreed to issue and issued 200 million new ordinary shares having a par value of EUR 0.10 each, at a subscription price of EUR 0.296 per new share, for a global cash contribution of EUR 59.2 million, which were subscribed as follows: (i) 100,000,000 new shares were subscribed for a total subscription price of EUR 29,600,000 by ASPLEY VENTURES LIMITED, British Virgin Islands, an entity closely associated with Mr. Pavel Spanko, and (ii) 100,000,000 new shares were subscribed for a total subscription price of EUR 29,600,000 by FETUMAR DEVELOPMENT LIMITED, Cyprus, an entity closely associated with Mr. Jan Gerner.

The new shares are not listed upon their issue, but the Company will seek to list them on the regulated markets of NYSE Euronext Paris and the Warsaw Stock Exchange as soon as reasonably practicable, subject to legal and regulatory requirements.

The corporate share capital of the Company has been increased from EUR 11,450,762.90 represented by 114,507,629 shares to EUR 31,450,762.90 represented by 314,507,629 shares. The total number of shares comprising the share capital of the Company as well as the total number of voting rights attached thereto is 314,507,629 as of 10 November 2014.

The Company was notified today by Mr. Radovan Vitek and Mr. Tomas Salajka of their resignation from the board of directors of the Company. Mr. Tomas Salajka is also resigning from its position of CEO of the Company with immediate effect, but he will continue supporting the Company in several specific matters until the end year. His decision is based on the fact that he would like to focus on his position as a board member and director of asset management & sales of CPI PROPERTY GROUP in the future. Mr. Tomas Salajka has worked for the Company since January 2014 and successfully completed restructuring of the Company's team and portfolio, including but not limited to the disposal of Zlota project and amendment of the Company's notes.

Further to the amendment of the Company's notes and new capital increase the board of directors of the Company also resolved today to redefine the strategy of the Company, whereby the main focus shall be on development projects. The Company has an excellent track record in development properties throughout CEE and a good land bank, including Bubny project in the center of Prague. The Company is targeting to invest proceeds from the capital increases to acquisition of further development projects.

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