



Press Release

Paris, 17 October 2011

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

Orco Property Group has completed the 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 20% of future sales proceeds in the event they exceed the EUR 53 million.

Formal closing occurred on 14 October 2011. An initial payment of EUR 7,950,000 was received on closing. Under the agreements a total sum of circa EUR 13,200,000 (inclusive of the initial payment) is 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.

“In a challenging global market and economic situation, real estate assets are showing their resilience, this transaction is positive for the company and its stakeholders. Orco will continue the implementation of its strategy of focusing on our four major cities, Prague, Berlin, Warsaw and Budapest and on of deleveraging.” stated Jean-Francois Ott.

For more information, visit www.orcogroup.com