



## PRESS RELEASE

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### **Second phase of project Plachta sold out before construction/development terminated**

ORCO Property Group, a leading investor, developer and asset manager in the Central European real estate and hospitality market, is pleased to announce that all housing units of the second phase of residential project Plachta in Hradec Kralove were sold out.

The second phase consists of 8 buildings with together 279 housing units. Low-floor flat buildings, projected in a residential style, are carefully set in green park areas and located around artificially built lagoon. Almost all flats have a terrace or a balcony and there is a purchase possibility for a garage or a garage parking. At ground floor of two buildings, there is located commercial space available for shops or services premises, including a large space for a restaurant with a pre-garden.

Residential district Plachta is placed in Malsovice, situated south-eastern from the centre, and it is a favourite residential area of Hradec Kralove. Next to Plachta district there are large Novohradecke woods, ideal for family walks and cycling trips. Within reach there are tennis courts, horse riding area, gardening colony and children's playing field too.

Civic amenities such as kinder garden, primary school, post office, medical centre and sport stadium – fully correspond with all requirements for a modern family. Nearby can be also found a shopping mall Futurum offering a wide spectrum of services and shops, including supermarket Tesco, and an opportunity for cultural entertainment. Close Gocar circuit enables fast connection for car drivers with all important trunk roads direction to Prague and Brno.

Third last phase of project Plachta is at the time being under preparation. Sales will be launched in autumn 2007 and will be recognized in turnover end of 2007 and early 2008.

*"The fact that all flats were sold out already in July, while the construction itself is to be finished only at the end of year 2007, shows evidence that we are going in the right direction. Project Plachta confirms that modern residential projects fulfilling high standards have a big potential in the whole territory of the Czech Republic",* stated Vladimir Toman, Sale Manager of Orco Property Group.

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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 1.31 billion EUR, as valued at 31/12/2006. Operating in Central Europe since 1991, Orco is a public company listed on the Euronext in Paris and on the Prague, Warsaw and Budapest Stock Exchanges. Orco Property Group's portfolio includes, IPB Real, MaMaison Hotels & Apartments, Viterro Development, Gewerbesiedlungs-Gesellschaft mbH (GSG), 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, a Luxembourg-regulated, closed-end and umbrella fund with several sub-funds focused on real estate acquisitions on office and retail, residential and hospitality markets. The total subscribed capital of the first Office sub-fund represents EUR 150 million and it currently manages assets of approx. EUR 240 million. Estimated total value of the Fund's portfolio after investment of full subscribed capital is app. EUR 500 million. The Endurance Fund is dedicated to institutional investors and focuses on acquisitions in Central European real estate markets. The second Residential sub-fund started its activities in October 2006. Its current subscribed capital amounts to EUR 100 million, the target being EUR 150-200 million. Hospitality sub-fund and Office A-class sub-fund are currently starting the subscriptions. For further information, please visit [www.orcogroup.com](http://www.orcogroup.com)

*In case of divergences between the English and translated versions, the English version will be prevailing.*