

RECENT NEWS

- ORCO Property Group was the principal sponsor of **REevolutio Budapest 2006**. REevolutio 2006 is the first international professional exhibition in the field of development, investment and project development, which is organized with twelve participating countries, conferences and business meetings. ORCO Property Group arranged further exclusive program facilities to welcome visitors. At the uniquely designed and innovative stall visitors could familiarize themselves with Orco's brand new developments in Hungary, which consist of Divatcsarnok (Párizsi Nagy Áruház), acquired last year, the reconstruction of Tőzsdepalota at Vörösmarty square, and the luxury estate Avenue Gardens on Andrassy street, already under construction. The team of ORCO Property Group held a banquet at the end of each day of the exhibition. Besides being present at the exhibition, ORCO presented visitors with a number of bonus programmes.



- ORCO Property Group successfully closed the acquisition of a new 34,000 sqm property in Prague 7, Bubenská 1 (a building originally owned by Dopravni Podniky). The building is fully occupied as the IT headquarters of Ceska sportelna, until the first half of 2008. ORCO bought the property for EUR 24 million from PPF Alpha. At the same time, ORCO Property Group acquired 20,000 sqm of mixed use leaseable space in minor cities throughout the Czech Republic, as well as a further 5 hectares of land for its Land bank.
- The Cocktail party concerning Zlota 44 project took place in Le Regina in Warsaw, Poland on 14th September.



- Endurance Real Estate Management Company is to open a second sub fund in the ENDURANCE umbrella fund. This sub fund with an initial equity target of Euro 100 million, dedicated to institutional investors, will be focused on the acquisition, development, management and disposition of middle class and luxury residential properties located across Central Europe, Germany, Croatia, and Russia and will start its activities in October 2006. The Fund is further structured in a tax-efficient way and operated under strict governance rules with a pre-defined rigorous investment process.

FIRST HALF 2006 RESULTS

ORCO Property Group presented its consolidated accounts for the first half of 2006 prepared in accordance with IFRS. This presentation took place on 20th September at the Riverside Hotel in Prague in the presence of Orco's management representatives, financial analysts and key journalists.

Key figures

<i>In thousand Euro</i>	H1 2006	H1 2005	% Variation
Sales	33 728	22 302	+ 51 %
Net gain from fair value adjustments	40 276	14 213	+ 183 %
Operating result	38 020	10 769	+ 253 %
Financial result	- 5 076	- 2 502	+ 103 %
Profit before tax	32 944	8 267	+ 299 %
Net profit attributable to equity holders *	26 740	2 819	+ 848 %
<i>In Euro</i>			
Earnings per share	3,61	0,52	+ 594 %
Diluted earnings per share	3,00	0,58	+ 417 %

UPCOMING ORCO EVENTS

OCTOBER

- October 7-8th, Real Estate Fair in Warsaw, Poland
- October 13th, Radio Free Europe Ground-breaking Ceremony, Prague, Czech Republic
- October 23-25th, Expo Real 2006, Munich, Germany

ORCO IN NEW PREMISES

From 9th October 2006, ORCO Property Group will have new offices in **Luxembourg Plaza**, one of its key commercial project in the Czech Republic. This modern complex is located in an attractive area of Prague 3, close to the Flora metro station and between the Vinohrady and Žižkov districts. (www.luxembourgplaza.cz)
Address: Přemyslovská 2845/43, Prague 3.