

ORCO Germany S.A.

Analysts Conference

20th November 2009

ORCO GERMANY

Agenda

- ORCO Germany at a glance
- Presentation of 3rd quarter 2009 unaudited accounts
- Strategic update and outlook

ORCO Germany at a glance

- Focus on Germany's capital Berlin
- Real Estate Portfolio according to IFRS with a value of approx. 861 Mio. Euro
- ORCO-GSG (largest owner of commercial real estate in Berlin) being core business
- 168 employees (09/09)

Unaudited accounts 3Q/2009



Profit & Loss

Comments	September 09	September 08
	Revenue	51 237
	Net gain/loss from fair value adjustments	60 226
	on investment property	60 953
	Other operating income	513
	Net gain/loss on disposal of assets	0
	Cost of goods sold	-11 605
	Employee benefits	-9 749
	Amortisation, impairments and provisions	-17 668
	Other operating expenses	-30 017
	Operating result	52 653
	Interest expenses	-26 304
	Interest income	1 130
	Other net financial results	- 828
	Financial result	-26 003
	Profit/loss before income taxes	26 650
	Income taxes	-11 967
	Net profit/loss	14 683
	Attributable to minority interests	- 18
	Attributable to the Equity holders of the Company	14 701
	Basic earnings in EUR per share	0,30
	Diluted earnings in EUR per share	0,30

- Fair value adjustments and impairments occurred in Q2/2009

Leasing Revenues

- ORCO Germany's investment portfolio generated €41.5 million of rental income (compared to €42.1 million in September 2008). In fact ORCO-GSG's contribution to revenue in the first nine months ORCO-GSG business parks revenues increased by 9% to € 38 million (€35 million in 2008), while disposal of non-current assets led to lower overall rental revenues of € 0.6 million.
- During the first nine months, the company managed to increase the occupancy rate slightly by 0.7% (to 75.3% as at 30 September) and to increase the average rental income per m² from €6.07 to €6.24. In the first nine months of 2009 renting requests were recorded across almost all business sectors and related to space ranging from 20 m² to more than 3.000 m².
- Since the take-over of GSG in July 2007 the net take-up increased by 7 per cent (+ 37,745 m²). During the same period the average rental income per m² increased by 6.5%.
- Residential leasing income lost almost its impact as several assets were disposed of since 2008 and further ones will be sold in 2009.

Development Revenues

- The development revenue amounted to €11.9 million in the first nine months of 2009 in comparison to €19.2 million in the same period of 2008.
- Less development sales in the third quarter led to revenues of €1.6 million, while the first half year development revenues in 2009 amounted to 10.3 million.
- Within the third quarter the biggest project of ORCO Germany Sky Office and two health care projects (Rostock and Oranienburg) were completed and successfully handed over to the tenants. Sky Office was completed on time in July. First tenants like McKinsey, Lovells, Interconsilium and Bistro EssArt moved in. So far 65% are let to 5 tenants. Further contracts are being negotiated.

Adjusted EBITDA

As at 30 September 2009				
	Development	Renting	Intersegment activities	Total
Revenue	11.926	41.451	-2.139	51.237
Net gain/loss from fair value adjustments on investment property	-19.768	-40.370	0	-60.138
Cost of goods sold	-11.886	-401	0	-12.287
Amortisation, impairments and provisions	-32.309	-3.562	0	-35.871
Other operating results	-8.520	-24.144	2.139	-30.525
Operating result	-60.558	-27.027	0	-87.585
Net gain/loss from fair value adjustments on investment property	19.768	40.370	0	60.138
Amortisation, impairments and provisions	32.309	3.562	0	35.871
Correction of cost of goods sold	0	0	0	0
Net gain/(loss) on abandoned developments	5.689	0	0	5.689
Net gain/ loss on disposal of assets	1.128	830	0	1.958
Adjusted EBITDA	-1.663	17.735	0	16.072

As at 30 September 2008				
	Development	Renting	Intersegment activities	Total
Revenue	19.177	42.119	-1.070	60.226
Net gain/loss from fair value adjustments on investment property	608	60.345		60.953
Cost of goods sold	-13.362	1.757		-11.605
Amortisation, impairments and provisions	-17.774	106		-17.668
Other operating results	-14.788	-25.534	1.070	-39.252
Operating result	-26.139	78.793	0	52.654
Net gain/loss from fair value adjustments on investment property	-608	-60.345		-60.953
Amortisation, impairments and provisions	17.774	-106		17.668
Correction of cost of good sold	-265			-265
Net gain/ loss on disposal of assets	-260	-230		-490
Adjusted EBITDA	-9.498	18.112	0	8.614

Financial result

- The net financial result for the first three quarters of 2009 amounts to €-36.6 million versus €-26.0 million in September 2008.
- The financial result includes interest expenses of €-24.5 million (vs. €26.3 million in September 2008), interest income amounts to €0.3 million versus €1.1 million in September 2008.
- The other net financial results amount to €-12.4 million (vs. €-0.8 million in September 2008), which is caused by the fair value measurement of interest rate swaps (€-8.9 million), redemption premiums on the ORCO Germany bond (€-1.6 million) and other financial charges including swap costs.
- The financial result shows decreasing interest expenses for the third quarter in comparison to the previous quarters due to asset sales and loan redemptions. Extraordinary effects like the fair value measurement of interest rate swaps and the redemption premiums on the ORCO Germany bond already occurred in the second quarter 2009.

Balance Sheet : Assets

ASSETS			
	Notes	September 09	December 08
NON-CURRENT ASSETS		708 675	808 449
Intangible assets		50 700	51 172
Investment property		641 147	741 050
Property, plant and equipment		14 826	14 166
Own-occupied buildings		10 588	10 912
Fixtures and fittings		2 919	3 254
Properties under development		1 319	-
Financial assets at fair value through profit or loss		655	489
Deferred tax assets		1 347	1 572
CURRENT ASSETS		255 962	234 465
Inventories		205 503	171 868
Trade receivables		9 052	9 959
Other receivables		13 850	17 832
Derivative Instruments		28	31
Current financial assets		31	136
Cash and cash equivalents		27 498	34 639
Assets held for sale		0	-
TOTAL		964 637	1 042 914

Balance Sheet : Liabilities

EQUITY AND LIABILITIES			
	Notes	September 09	December 08
EQUITY		41 266	149 769
Equity attributable to owners of the Company		41 388	149 764
Minority interests		- 121	5
LIABILITIES		923 371	893 145
Non-current liabilities		679 696	649 145
Bonds		89 472	86 793
Financial debts		498 848	448 705
Provisions & other long term liabilities		8 872	12 096
Derivative instruments		9 654	8 031
Deferred tax liabilities		72 850	93 520
Current liabilities		243 675	244 000
Financial debts		121 512	136 901
Trade payables		15 240	16 977
Advance payments		30 041	28 070
Derivative instruments		31 667	22 329
Other current liabilities		45 216	39 723
TOTAL		964 637	1 042 914

NAV : Real Estate Approach

Real Estate Net Asset Value

Net Asset Value (in KEUR)		
	Jun 2009	Dec 2008
Consolidated equity	45.299	149.764
Fair value adjustments on IAS40	0	525
Fair value adjustments on IAS16 (own occupied)	160	0
Fair value adjustments on IAS2 (Development)	2 725	-48 479
Deferred taxes on revaluations	77 462	93 948
Goodwill	-43 285	-43 734
Net asset value	82 361	152 024
Net asset value per share	1.69	3.12
Existing shares	48 771 333	48 771 333

Strategy Update



Düsseldorf: Opening Sky Office, 09/09

ORCO Germany today – outlook

Initial Situation (January 2009)

- Activities: Investment, Development
- 4 Locations – Berlin, Frankfurt, Düsseldorf, Hamburg
- 212 employees

*CORPORATE
RESTRUCTURING*

Future Positioning

- Focus on Investment and Asset Management
- Selected project development
- Cash flow oriented investments
- Main focus on one location – Berlin

Major Steps

- Selling land bank and all non-strategic investment assets
- Completion of ongoing development projects (Sky Office, H2 Office, Health Care projects)
- Continuation of cost cutting
- Continuation of debt restructuring program
- Reduce balance sheet size and optimise debt/equity ratio to a more defensive level

Future Strategic Positioning

- Industry Focus: Real Estate
- Business Profile: Real Estate Investor; Asset Manager
- Business lines: Investment and Asset Management
- Regional Focus: Germany / Berlin
- Main revenue driver: Rental income GSG portfolio; management fees; new acquisitions
- Investment targets:
 - (i) Complementary asset to GSG;
 - (ii) Acquisition of cash flow producing single assets and portfolios with active management potential
 - (iii) Acquisition/participation in real estate related companies
- Management style: Core+; Value-added
- Investment Format: Partnerships; joint Ventures



ORCO-GSG portfolio (850,000 sqm lettable area)



Project SkyOffice, Duesseldorf



Project H²Office, Duisburg

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Contact

Orco Germany S.A.
Société Anonyme
40, Parc d'Activités Capellen
L-8308 Capellen
R.C.S. Luxembourg B 102254
(hereinafter the «Company»)

www.orcogermany.de

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