

PRESS RELEASE

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ECO Business-Immobilien AG: Zaporizhia investment marks entry into the Ukrainian market

- **Investment in development project in Zaporizhia**
- **EUR 18.1 million investment in top-quality business complex**
- **Development projects to spur continued growth**

Vienna, 3 December 2007. Vienna Prime Market-listed ECO Business-Immobilien AG is taking the next step in its expansion by entering the Ukrainian market. The company's first investment there is an office complex in the city of Zaporizhia, and total investment in the development project will amount to EUR 18.1 million. The 19-floor, 14,000 m² Baida Business Hall should be completed by the end of 2008 and will be the city's largest and most modern office complex to date. "After establishing our own infrastructure in Eastern Europe with an office in Kiev, we are now working on the operational implementation of our investment pipeline. This Ukrainian development project will generate returns of 12%, and further projects in Ukraine, Romania and Bulgaria are currently being assessed," says CEO Friedrich Scheck on the company's investment in the Ukrainian market.

Baida Business Hall meets the latest standards and will comprise an office complex and retail and catering areas. In addition to the 8,100 m² of office space, the complex also includes a two-level underground car park covering around 1,700 m². The ground and second floors will house around 30 stores and boutiques spread across some 1,600 m², while a wide variety of catering companies will take up over 900 m² on the first floor. Luxury restaurants are planned for the top three floors. This modern complex is located directly in the heart of Zaporizhia, which has a population of approximately 800,000 and is situated in south-eastern Ukraine. The city is one of the country's key industrial centres and home to several major companies in heavy industry and the mechanical engineering and chemicals sectors.

Development projects to spur continued growth

In addition to the expansion of its business property portfolio in its core Austrian and German markets, ECO is looking to boost growth further with investments in development projects in Eastern Europe. A management team headed by Ukrainian-born Leon Shpilsky was established in Ukraine last year and is responsible for activities in the growth markets of Eastern Europe. With a functioning infrastructure and network now in place, ECO is now well positioned to make high-yield investments in the CEE region.

ECO's stringent criteria for investments in Central and Eastern Europe reflect the Company's strategic positioning in risk and earnings optimisation: average returns on developed real estate investments in countries such as Ukraine, Romania and Bulgaria should be no less than 8%, with a target of 12% for development project investments.

Real estate assets of over EUR 1 billion

ECO is planning additional investments in the CEE region this year. Besides Ukraine, the company is already represented in the Czech Republic and Hungary. Further projects are

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currently undergoing appraisal in Ukraine, Bulgaria and Romania, with investments amounting to some EUR 150 million planned for the region in the medium term.

“In future, our main focus will continue to be on profitable business properties in Austria and Germany, but we will also be looking to complement these with selective, high-quality investments in Central and Eastern Europe,” comments Friedrich Scheck, Chairman of ECO’s Management Board. The coming months will see investments of around EUR 300 million in the core Austrian and German markets. ECO will also be focusing on active property management, with a view to further reducing vacancy rates and increasing rental income.

As a result of investments in Austria, Germany and the CEE region, the total value of the Company’s portfolio, including development projects, should exceed EUR 1 billion in the near future.

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