

PRESS RELEASE

10 December 2007



ECO Business-Immobilien AG: entry into the Luxembourg market with EUR 30 million development project

- **EUR 30 million investment in high-quality office complex**
- **Booming office market in Luxembourg**
- **Development projects in West and East**

Vienna, 10 December 2007 – Vienna Prime Market-listed ECO Business-Immobilien AG is taking advantage of the vibrant office property market in Luxembourg and investing around EUR 30 million in a development project in close proximity to the city of Luxembourg. The project involves the construction of a four-floor office building with 7,500 m² of office space and 148 underground parking spaces. Once the building is completed, returns of at least 8% are expected. Construction will begin this year, as planning permission has already been secured, and the complex should be ready for use around the middle of 2009.

“This, our first investment in Luxembourg, represents yet another step in our strategy of securing top-class properties in both Western and Eastern Europe. The office property market in Luxembourg is characterised by limited supply coupled with high demand and rising rents, so we have chosen the ideal time to enter the market,” says CEO Friedrich Scheck, explaining the background to the Luxembourg investment.

Attractive returns available in Luxembourg property market

The minimum annual return of 8% is guaranteed by the complex’s high quality and excellent location, and the preliminary negotiations already held with potential tenants are confirmation of the strong demand for office accommodation in Luxembourg. Strong economic growth has had a major impact on the market, which is experiencing increasing demand and rising rents, and has an extremely low vacancy rate of only about 4%.

Leudelange, the location for this latest ECO development project, lies close to the capital in south-west Luxembourg, and has excellent road links to Luxembourg, Brussels and Paris. Central Luxembourg and the airport can be reached within minutes via the nearby motorway, making this an ideal location for incoming businesses.

Development activities in West and East

In addition to the projects already contracted in Eastern Europe, ECO will also be looking to extend its development activities in the West as a complementary part of its risk management and yield maximisation strategy. CEO Friedrich Scheck sums up: “In the current climate, development projects represent an opportunity to exploit resources in the best possible way. Combined with our investments in business properties with development potential, this will help us achieve ongoing increases in both returns and value.”

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ECO's key focus will continue to be on its core Austrian and German markets, and investments totalling EUR 300 million are planned for these regions in the coming months. An additional priority is active property management, which is aimed at reducing vacancy rates and raising rental income.

As a result of investments in Western and Eastern Europe, the total value of the Company's portfolio, including development projects, should exceed EUR 1 billion in the near future.

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