

AD-HOC RELEASE

Despite plunging real estate stock prices, Warimpex posts a dynamic operating result for H1 2008

- Revenues up 25% to EUR 44.3 million
- 63% in increase in EBITDA to EUR 22 million and EBIT up 76% to EUR 15.8 million, thanks to higher gains on property sales
- NNNAV per share of EUR 9.5

Key figures(in EUR million)	H1 2008	H1 2007	Change
Revenues	44.3	35.4	+25%
Gains from the sale of project companies	9.6	2.3	+312%
EBITDA	22	13.5	+63%
EBIT	15.8	8.9	+76%
Profit for the period	3.1	5.5	-45%
Earnings per share in EUR*	0.09	0.16	-44%
	30.6.2008	31.12.2007	
Gross Asset Value (GAV)	636.4	614.8	+4%
Triple Net Asset Value (NNNAV)	341.4	387.4	-12%
NNNAV per share in EUR	9.5	10.8	-12%

*) calculated based on the average number of shares in the period (H1 2007: 35 million; H1 2008: 36 million)

Compared to the first six months of 2007, revenues increased by 25%, rising from EUR 35.4 million to EUR 44.3 million. EBITDA rose 63% from EUR 13.5 million to EUR 22.0 million, while EBIT amounted to EUR 15.8 million, compared to EUR 8.9 million for the same period of the previous year. This increase is mainly due to the higher revenues realised on the sale of real estate and real estate development projects. While revenues from the sale of project companies amounted to EUR 2.3 million in H1 2007, a result of EUR 9.6 million was registered for the same period of 2008. This increase resulted from the sale of a 10% stake in Airportcity St. Petersburg. The profit for the period decreased from EUR 5.5 million to EUR 3.1 million, due to deterioration in the financial result.

Real estate assets

As of 30 June 2008, Warimpex's real estate portfolio consisted of 17 hotels and 7 office buildings. The number of rooms increased by 553 to 2,562 (adjusted for proportional share of ownership). Above and beyond this, there are currently 14 projects at an advanced stage or under construction.

Compared to 31 December 2007, the estimated real estate value declined, due to significant increases in yields in CEE and higher construction costs, which led to a reduction in the NNNAV. As of 30 June 2008, NNNAV



amounted to EUR 9.5 and was thus some 12% lower than at year-end, but still well above the current stock market price of the share.

Outlook

By Q2 2009, two andel's and three angelo hotels are scheduled to be opened in various markets. Further expansion of the hotel brands in secondary metropolitan areas is under evaluation. Within the framework of the joint venture with Louvre Hotels, more properties are to be acquired so that the first joint Budget hotels can be opened in early 2010.

In the coming months, the Warimpex Group will continue to focus on the projects under construction and development, with an eye to further reinforcing its market position on its domestic markets.