



TOWER GROUP A/S i likvidation
Nørre Voldgade 11, 1.sal
DK-1358 København

Telephone +45 3318 6073
E-mail info@towergroup.dk

CVR-no 64138413

Copenhagen, 25 October 2012

Company Release no. 16 / 2012 – Interim Release 3rd quarter 2012

Tower Group A/S i likvidation hereby publishes the interim release for the 3rd quarter covering events during the period of 1 July to 30 September 2012 according to § 27 (8) of the Danish Securities Trading Act.

Sales Process

The Sales & Purchase Agreement with FFIRE Investment GmbH, latest mentioned in the half year report 2012, has been conducted duly and has been completed for all sold subsidiaries. The obligation to amortize the senior and junior loans of the sold subsidiaries rests with the purchaser.

The remaining EUR 750,000 of the sales proceed was released from the escrow account and is used to pay off the remainder of the debt to the Company's larger creditors as per the various settlement agreements, payments of smaller creditors and to fund the current expenditure as well as the liquidation process.

A release agreement, which should have been signed between the Company and Landsbanki Luxembourg has to be renegotiated with Landsbanki Iceland, as Landsbanki Iceland has assumed all claims of its subsidiary Landsbanki Luxembourg. The new agreement is already in negotiation and is intended to be signed in the 4th quarter 2012.

Financial Position

After the insolvency of four German entities (Tower 1 Immobilien zweite GmbH, Tower 1 Immobilien dritte GmbH, Tower 1 Immobilien vierte GmbH, Tower 1 Immobilien fünfte GmbH) and the sale of six subsidiaries (Tower 1 Immobilien erste GmbH, Tower 1 Immobilien neunte GmbH, Tower Pension 1 GmbH, Tower Pension 2 GmbH, Eranus Real Estate Investment GmbH, Molinia SP.z.o.o.) the remaining asset portfolio consists of three subsidiaries (Tower 1 Immobilien sechste GmbH, Tower 1 Immobilien siebte GmbH, Tower 1 Immobilien achte GmbH). This portfolio comprises in total 140 assets with 1,706 residential units and 207 commercial units. The portfolio requires substantial maintenance and suffers from vacancy rates about 20% and more. To improve the economic performance of the remaining portfolio and in preparation for a tendering procedure, a new asset management agreement has been entered into with arsago Real Estate Management GmbH, who are a private equity fund manager with intensive expert knowledge on the German real estate market. As mentioned in the half year report 2012 discussions has been ongoing whether a trustee solution should be implemented or a disposal of the

assets should be done within the current framework. Only the disposals of the assets are now discussed. All proceeds are still expected to be used to settle the claims of the Senior Bank.

Delisting

As published in company release no. 15, Tower Group A/S i likvidation has applied for and has been granted by NASDAQ OMX Copenhagen the delisting of the Company. Accordingly the Company will be deleted from trading and official listing at NASDAQ OMX Copenhagen as per 2 November 2012. Thus, the last day of trading the Tower Group A/S i likvidation shares on NASDAQ OMX Copenhagen is 1 November 2012.

Once the delisting has taken place, information about the Company will be distributed through the Company's website and through GlobeNewswire. Furthermore we will attempt to match up prospective vendors and purchasers of shares. However, we have and will inform all shareholders and potential investors that no liquidation proceeds are expected to be available for distribution.

Company activities

The winding up of the Company is in progress on schedule. Besides the Restructuring and Waiver Agreement with the lenders of junior loans the Company had signed settlement agreements with its major suppliers, which allowed the Company only to repay a discounted amount and in two installments. These agreements were fulfilled in due course by payment of the respective last installment in September.

Nevertheless there are some liabilities remaining which were not part of the above mentioned release agreements and which still have to be settled. Furthermore the Company is still in litigation with Curanis entities with claims and counterclaims. The Company has conducted negotiations with the official receiver of Curanis in order to achieve an out-of-court settlement. These negotiations will be continued.

Dr. Christian Eichberger
Liquidator

Please direct any question regarding this release to Dr. Christian Eichberger, Liquidator, on tel. +49 30 32 67 99 51 or preferably via e-mail to ce@towergroup.dk.