



Paris, January 13, 2010

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### **2010 and 2014 Bondholders General Meetings held on January 13, 2010**

Orco Property Group S.A. held today General meetings of the 2010 and 2014 Bonds issues set to vote on the amendments of the terms and conditions of the Bonds 2010 and Bonds 2014.

#### The proposal

The proposed amendments aimed at improving the existing possibility for 2010 Bondholders and 2014 Bondholders to equitize their Bonds 2010 and their Bonds 2014 respectively via the exercise of Warrants 2012 and Warrants 2014<sup>i</sup>. Each 2010 and 2014 Bondholder had the choice (i) either to keep its Bonds (ii) to pay the exercise price of Warrants 2012 or Warrants 2014 by remittance of respectively Bonds 2010 or Bonds 2014<sup>ii</sup>.

The proposal aimed at reducing OPG bond indebtedness while strengthening its equity and improving the credit risk of all outstanding bonds, whether 2011, 2012, 2013 or remaining 2010 and 2014 bonds.

#### Warrants ownerships

Warrants 2014 are listed on Euronext Paris and Euronext Brussels.

Approximately 1,100,000 Warrants 2014 are in the public and purchasable by 2014 Bondholders on the market.<sup>iii</sup>

Managers of Orco Property Group own approx. 1,475,000 Warrants 2014.<sup>iv</sup>

Approximately 285,000 Warrants 2014 are still attached to Bonds 2014. The proposal implied that holders of "Bonds Cum Warrants"<sup>v</sup> would have equitized 20% of their Bonds 2014 without having to purchase any Warrants 2014<sup>vi</sup>.

Warrants 2012 are listed on Euronext Paris. Approximately 21,161 Warrants 2012 are in the public and purchasable by 2010 Bondholders on the market.<sup>vii</sup>

## Management proposal

Orco Property Group SA announced to the 2010 Bondholders and the 2014 Bondholders at the occasion of the general meetings that it has been informed by its managers of its proposal to the 2014 Bondholders. The terms of this proposal are summarized below:

If the amendments of the terms and conditions of the Bonds 2014 are approved on January 13, 2010, the Managers propose:

- to facilitate the exchange of Bonds 2014 against Managers Warrants,
- in order to generate OPG shares (the “Shares”) through the exercise of Managers Warrants paid by the remittance of Bonds 2014 to OPG.

If the amendments of the terms and conditions of the Bonds 2014 are not approved on January 13, 2010, the Managers are ready to keep their Managers Warrants until the OPG share price reaches appropriate levels for their exercise.

An independent broker has been selected in order to:

- collect exchange orders from 2014 Bondholders and Managers,
- manage the sale of the Shares in an orderly manner on the market.

The proceeds from the sale of the Shares will be shared on a pro rata basis. Managers do not intend to sell their Shares before December 31, 2012 as they wish to become long term reference shareholders of OPG. Ex-bondholders would therefore get a priority access to liquidity and their Shares would be sold prior to any Shares owned by the Management. The Management thus emphasizes its commitment vis-à-vis OPG over the long term.

Managers would commit to exchange their Warrants 2014 against Bonds 2014 according to the following terms:

<i>Exchange ratio:</i>	each Bond 2014 together with a payment in cash of an amount equal to €58.60 would be exchanged against 40 Warrants 2014. This exchange ratio implies a value sharing of 60% for the 2014 Bondholders and 40% for 2014 warrant holders.
<i>Exchange period:</i>	until February 1 <sup>st</sup> , 2010.
<i>Maximum number of Managers Warrants available:</i>	up to 907,680 Managers Warrants would be made available by the Managers for the exchange.
<i>Shareholders agreement:</i>	as long as OPG shares resulting from the exercise of Managers Warrants will be held by ex-bondholders, each of them will commit (i) to vote at any OPG shareholders general meeting so as to maintain the composition of the existing board of directors and (ii) to vote against any resolution aiming at dissolving or liquidating OPG. In any case, the measures necessary to avoid a mandatory takeover bid will be taken.
<i>OPG Shares sale:</i>	no more than 50% of any daily trading liquidity shall result from the sale by the independent broker of OPG shares resulting from the exercise of Managers Warrants.
<i>Road shows:</i>	road shows will be organised in order to promote the stock and present the OPG recovery story to the investors' community.

## The vote

**Both general meetings of holders of Bonds 2010 and Bonds 2014 held today rejected the resolutions relative to the amendments of the terms and conditions of the Bonds 2010 and Bonds 2014.**

The Bonds 2010 and the Bonds 2014 alongside other Company bonds will still have to be treated within a safeguard plan to be submitted and adopted by the Paris Commercial Court. The “Mandataire Judiciaire” will circulate to all creditors over the coming weeks the Company's proposal of rescheduling within the safeguard plan, over a maximum period of ten years.

Bonds 2010: ISIN Code: FR 0010249599

Bonds 2014: ISIN Code: XS 0291838992 and XS0291840626

Warrants 2012: ISIN Code: LU0234878881

Warrants 2014: ISIN Code: XS0290764728

For further information on these meetings, please consult the convening notices available on Orco's website [www.orcogroup.com](http://www.orcogroup.com), or contact: Nicolas Tommasini, Tel : +33 1 40 67 67 00, [ntommasini@orcogroup.com](mailto:ntommasini@orcogroup.com).<sup>viii</sup>

## NOTES

<sup>i</sup> the outstanding number of Warrants 2012 and 2014 being respectively 21,161 and 2,871,021

<sup>ii</sup> the outstanding number of Bonds 2010 being 73,273 representing an aggregate principal amount of approx. €50 million and the outstanding number of Bonds 2014 is 119,544 representing an aggregate principal amount of approx. €175 million

<sup>iii</sup> these ‘public warrants 2014 would have been exercised by remittance of approx. 44,000 Bonds 2014 (representing an aggregate principal amount of approx. €65 million).

<sup>iv</sup> these “managers warrants” would have been exercised by remittance of 59,000 Bonds 2014 (representing an aggregate principal amount of approx. €86 million).

<sup>v</sup> under the units registered under ISIN code XS0291840626 (the “Bonds Cum Warrants”).

<sup>vi</sup> these Bonds Cum Warrants would have been exercised by remittance of 11,400 Bonds 2014 (representing an aggregate principal amount of approx. €17 million).

<sup>vii</sup> these Warrants 2012 would have been exercised by remittance of approx. 1,878 Bonds 2010 (representing an aggregate principal amount of approx. €1 million).

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This press release is for information purposes. There is no guarantee that the proposals as described in this press release will actually be implemented or implemented on the terms described in this press release.

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