



Press release

Orco Property Group S.A.: Court approval of *Sauvegarde* Plan

Paris, 19 May 2010 – Orco Property Group’s *Sauvegarde* plan is approved by the Commercial Court of Paris (Tribunal de Commerce de Paris).

This decision puts an end to the observation period that began on 25 March 2009. At that time, Orco Property Group’s Board of Directors chose to request the opening of a safeguard procedure in order to accelerate the company’s financial restructuring due to the difficult real estate market and credit conditions. A majority of creditors were favorable to the *Sauvegarde* plan when circulated among them.

The Court named Maître Laurent le Guernevé, Court Administrator of the company during the safeguard period, as “Commissaire à l’exécution du Plan” whereby he will supervise the implementation of the plan and the annuity payments to the company’s creditors.

The *Sauvegarde* plan’s implementation and, in particular, the debt rescheduling, will allow Orco Property Group to reinvest in real estate projects so as to re-establish a value creating cycle that has been otherwise frozen by the crisis. At the same time, the company will continue to consolidate and refocus its activities. The plan includes the repayment of 100% of the company’s admitted claims over 10 years.

Jean-François Ott, President and founder of Orco Property Group, declared: “We are very pleased with the Commercial Court of Paris’s decision that enables us to confront the future with confidence. For more than a year, the *Sauvegarde* procedure provided us with the time to restore the financial health of the group. In turn, this newly approved recovery plan provides us with the opportunity to very quickly (re)launch projects in Central Europe.”

Laurent Le Guernevé, Orco’s Court Administrator added: “Orco Property Group’s *Sauvegarde* procedure has been innovative, as it is the first application of the new 2008 law revising the *Sauvegarde* procedure. It provided not only an efficient instrument for the judicial treatment of the group’s bonds, but also an amicable and consensual treatment of the bank debt, underwritten by the Group’s 180 subsidiaries located in Central and Eastern Europe. This *Sauvegarde* procedure, which included a “conciliation” process, concerned approximately 1.5 billion Euros worth of debt, and provided all stakeholders, the Group’s 2150 employees, its shareholders and creditors, with a balanced solution.”

For more information, visit our Shareholder corner on www.orcogroup.com, or contact: Nicolas Tommasini +331 40 67 67 23 or at investors@orcogroup.com