



Press Release

Paris, 18 April 2012

OPG and OG bondholder ad-hoc committees agree on joint terms of equitization into OPG shares; signature of standstill agreement on GSG financing

Following the press release of 10 April 2012, Orco Property Group, S.A. ("**OPG**") and Orco Germany, S.A. ("**OG**") announce that a joint restructuring agreement (the "**Joint Agreement**") has been entered into on 17 April 2012 with bondholders representing approximately one-third of the OPG bonds in nominal value and approximately 61% of the OG bonds in nominal value.

The terms of the Joint Agreement are those of the joint scenario of the binding term sheet announced on 10 April, i.e. approximately 90% of the OPG bonds will be converted into approximately 65 million OPG shares and the remaining OPG bonds can be exchanged for EUR 55.2 million in newly issued OPG bonds (the "**New Notes**"). In addition, approximately 85% of the OG bonds will be converted into approximately 26.2 million OPG shares and the remaining OG bonds can be exchanged for EUR 20 million in New Notes.

The implementation of the Joint Agreement is subject to finalization of certain OG transaction documents by April 24, 2012 and the approval at a minimum of the OPG bondholder general assemblies for the 2010, 2013 and 2014 bonds. Upon approval of the Joint Agreement by these general assemblies and the Commercial Court of Paris, the other options described in the press release of 10 April such as the OG bondholders' option to receive part of the share capital of OG will not be applicable. OPG bondholder general assemblies for the 2010, 2012, 2013 and 2014 bonds will take place in Luxembourg on 27 April 2012 to vote on the terms of the Joint Agreement. An OPG bondholder general assembly for the 2011 bonds will take place in Prague on 30 April 2012. The Joint Agreement will then be submitted to the OPG shareholder general assembly for approval.

Given that the Joint Agreement modifies the conversion terms as approved by the OG bondholders on 5 April 2012, new convening notices will be published shortly for an OG bondholder general assembly to be held on or around 7 May 2012 to approve the terms of the Joint Agreement. Approximately 61% of OG bondholders have committed to vote for such approval.

The New Notes to be issued by OPG upon the voluntary exchange of the remainder of the OPG and OG bonds will have a maturity in 2018 and will bear an annual interest consisting of a combination of cash interest (decreasing from 5% to 4% upon repayment of at least 50% of the principal) and payment-in-kind interest (decreasing in steps from 5% to 3% upon repayment of 50% and 75% of the principal). The principal will be repaid in four annual payments in 2015, 2016, 2017 and 2018. The New Notes will

benefit from a 25% cash sweep from net sale proceeds on selected assets, which will correspondingly reduce the subsequent annual repayment.

The Joint Agreement is subject to approval by applicable regulatory authorities and the conversion of the OPG bonds is subject to a modification of the 'Sauvegarde' plan by the Commercial Court of Paris. A hearing on such modification is likely to occur in mid May 2012.

Once the implementation of the Joint Agreement is complete, assuming that the terms of the Joint Agreement are approved by each of the bond tranches and assuming 100% participation in the New Notes offer, OPG's share capital will increase from approximately 17.1 million shares to approximately 108.3 million shares, and the only Group bond debt will be at the OPG level for an amount of EUR 75 million. Based on December 2011 estimated figures, OPG's NAV will be an estimated EUR 5.8 per share and OG's NAV will be an estimated EUR 1.0 per share

The Joint Agreement on the restructuring of OPG and OG bonds, besides ensuring the going concern of the Group, allows the Group to lower its LTV to approx.56% and provides the platform for the Group to maximize the potential value of its portfolio.

In addition, RBS and GSG have signed a standstill agreement that will be effective from 19 April to 15 June 2012 which defers the repayment obligation related to the 15 April 2012 maturity of the EUR 300 million financing for OG's GSG portfolio. Such extension will allow the Group to further advance in its refinancing negotiations.

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