



Imagine the Possibilities

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Analysis and worked examples of the proposed restructuring plan 10 September 2009

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ORCO
PROPERTY GROUP

Revised OPG proposal — summary terms

- In exchange for the Bonds, the Company shall deliver New Convertible Bonds and New Shares
- New Bonds
 - Principal amount: approx. €120m (denominations of €5 per bond)
 - Conversion ratio: each 1 New Convertible Bond carries entitlement to 1 new or existing Share
 - Maturity: 20 November 2017
 - Interest rate: 5% per annum paid in arrears on 20 November of each year from 2010
 - Redeemed in full at maturity, with provisions for early redemption
- New Shares
 - Total number of shares 11.4m shares valued at €9.57 per share (closing price on 9 September 2009)
 - Subject to lock-up of one third for 6 months, one third for 12 months and one third for 18 months
- No financial covenants
- Governed by Luxembourg law
- Issuer's undertaking
 - If the company does not achieve, through an offering and/or placement with new investors and/or existing shareholders, a capital increase of at least €30m before 30 June 2010, it will use all reasonable endeavours to issue or grant a right to the shareholders to subscribe to a capital increase of at least €30m before 31 December 2010

Restructuring step-by-step analysis and estimated NAV per share implications

1. Effect of the bond restructuring

- The reported NAV per share as of June-09 is Euro 15 per share.
- The restructuring of bonds and the issuance of shares adds 11.43 million new shares .
- The estimated NAV per share, based on June-09 reported NAV, is therefore Euro 19.0

	Reported 09	Jun-	1. Bond restructuring
NAV (€m)		164.0	426.2
Shares (m)		10.9	22.4
NAV per share (€)		15.0	19.0

2. Effect of new investments

- The NAV per share after bond restructuring stands at Euro 19.0.
- In order to finance the investments (ca Euro 68 million), 9.71 millions of shares will be issued
- The estimated NAV per share, based on June-09 reported NAV , is therefore Euro 15.4.

	Reported 09	Jun-	1. Bond restructuring	2.New money
NAV (€m)		164.0	426.2	494.2
Shares (m)		10.9	22.4	32.1
NAV per share (€)		15.0	19.0	15.4

3. Effect of the full conversion of restructured 2014 warrants

- The NAV per share after bond restructuring and new money injection stands at Euro 15.4 .
- If, on top of restructuring of bonds and new money injection, 100% of the restructured warrants were converted, the estimated NAV per share, based on June-09 reported NAV, would be at Euro 14.3.

	Reported 09	Jun-	1. Bond restructuring	2.New money	3. After full conversion of restructured warrants
NAV (€m)		164.0	426.2	494.2	526.4
Shares (m)		10.9	22.4	32.1	36.7
NAV per share (€)		15.0	19.0	15.4	14.3

* Estimates involve a number of assumptions, which may not prove valid and may be changed . Certain of the data are based upon projections of future events which are difficult to predict, and beyond Orco Property Group's control. The projections include herein are subject to risks, uncertainties and assumptions. Moreover, the analysis performed above is based on reported NAV as of June-09 which is in constant evolution due to the underlying nature of Orco Property Group activities.

Value for a nominal amount of Euro 1,000

<p><u>1. Debt component</u></p> <ul style="list-style-type: none"> For a nominal amount of Euro 1,000 (0.00024% of total nominal amount), Euro 292 of new bonds are granted. 	+	<p><u>2. Equity component</u></p> <ul style="list-style-type: none"> For a nominal amount of Euro 1,000 (0.00024% of total nominal amount), 27.8* shares are granted. Taking into account a value of Euro 9.57 per share (as of 09 September 2009), the total equity value is Euro 266.2 	=	<p><u>3. Total value</u></p> <ul style="list-style-type: none"> For a nominal amount of Euro 1,000 (0.00024% of total nominal amount), total value granted – with the assumptions of a share price as of 09 September 2009 – is Euro 558.2 ** 	
<p>Nominal</p> <p>Face value of bonds (in millions)</p> <p>% of bond held for 1,000 Euro</p> <p>Amount of new bond granted</p>	<p>1,000.0</p> <p>411.0</p> <p>0.00024%</p> <p>292.0</p>	<p>Number of shares granted</p> <p>Share price as of 09 September 2009</p> <p>Value extracted from shares</p>	<p>27.8</p> <p>9.6</p> <p>266.2</p>	<p>Amount of new bond granted</p> <p>Number of shares granted</p> <p>Share price as of 09 September 2009</p> <p>Value extracted from shares</p> <p>Total value bond + equity as % of nominal</p>	<p>292.0</p> <p>27.8</p> <p>9.6</p> <p>266.2</p> <p>558.2 55.8%</p>

- For the clarity and accuracy of the analysis, truncated shares (ie 0.8 in the case at hand) are taken into account whereas they maybe subject to rounding mechanisms
- Situation as of today ie regardless of coupon payment over the course of the life of the newly issued bond.

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