

ORCO GERMANY S.A.
Société Anonyme
L-2661 Luxembourg
42, rue de la Vallée
R.C.S. Luxembourg B 102254
(the “**Company**” or “**OG**”)

NOTICE OF THE WARRANTHOLDERS MEETING
TO BE HELD ON JANUARY 27, 2012 AT 42, RUE DE LA VALLÉE L-2661
LUXEMBOURG AT 3:00 PM CET

A general meeting of the holders of the warrants (the “**Warrantholders**”), registered under ISIN code: XS0302626899 (the “**OG Warrants**”) as described under the Prospectus (as defined below) issued by the Company under the issue of the € 100.100.052,00 bonds registered under ISIN code: XS0302623953 (the “**OG Bonds**”) with redeemable OG Warrants attached on May 24, 2007 pursuant to a prospectus approved by the *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) on May 24, 2007 (the “**Prospectus**”), will be held at 42, rue de la Vallée, L-2661 Luxembourg, Grand Duchy of Luxembourg, on January 27, 2012 at 3:00 PM Central European time (“**CET**”) (the “**2012 Warrantholders Meeting**”), in order to consider and resolve on the following agenda:

AGENDA

- 1. Approval of the terms and conditions of the proposal to the holders of all the OG Bonds to substitute their OG Bonds by *Obligations Convertibles en Actions* (the “**OCA**”) to be issued by Orco Property Group S.A. (“**OPG**”), a Luxembourg *société anonyme*, having its registered office at 42, rue de la Vallée, L-2661 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg register of commerce and companies (the “**RCS**”) under number B 44996 (“**OG Conversion**”), and approval of all steps and actions in connection with the OG Conversion, including but not limited to the entering into and performance of all the transactions, documents, agreements contemplated, needed or useful in connection with the OG Conversion;**
- 2. Miscellaneous.**

Please refer to **Annex A** attached to the present notice and the Company’s website at www.orcogermany.de for further details pertaining to the proposed OG Conversion.

Please refer to **Annex B** attached to the present notice and the Company's website at www.orcogermany.de for further details regarding the proposed terms and conditions of the OCA.

* * * *

The 2012 Warranholders Meeting shall not validly deliberate on the agenda mentioned above, unless at least one half of the total number of the OG Warrants outstanding at the time of the 2012 Warranholders Meeting is represented.

If such proportion of the total number of the OG Warrants is not met, a second meeting may be convened, by means of notices published twice at fifteen days interval at least and fifteen days before the meeting in the *Mémorial C, Recueil des Sociétés et Associations* and in two Luxembourg newspapers. The second meeting shall validly deliberate regardless of the proportion of the OG Warrants represented.

At both meetings, resolutions, in order to be adopted, must be carried by at least three quarters (3/4) of the votes cast by the Warranholders present or represented.

The Warranholders participation form which is necessary to participate to the 2012 Warranholders Meeting is at the disposal of the Warranholders from January 10, 2012 at the registered office of the Company upon request or downloaded from the Company's website at www.orcogermany.de or ultimately upon request to the financial intermediaries or to the relevant central registration bank.

Auditor's reports on review of interim financial information of the Company and of OPG, as at November 30, 2011, are at the disposal of the Warranholders from January 10, 2012 at the registered office of the Company upon request or downloaded from the Company's website at www.orcogermany.de (OPG's board of directors report also on OPG's website at www.orcogroup.com) or ultimately upon request to the financial intermediaries or to the relevant central registration bank.

A report of the Company's board of directors, as well as a report of the OPG's board of directors, explaining the reasons of the OG Conversion, are at the disposal of the Warranholders from January 10, 2012 at the registered office of the Company upon request or downloaded from the Company's website at www.orcogermany.de or ultimately upon request to the financial intermediaries or to the relevant central registration bank.

Copies of the Prospectus, the articles of association of the Company and the proposed terms and conditions of the OG Conversion are available on the Company's website at www.orcogermany.de and at the registered office of the Company upon request.

The board of directors of the Company would like to point out that for Warranholders whose ownership is directly or indirectly recorded in the warrant registry of the Company, the conditions for attendance or representation at the 2012 Warranholders Meeting are as follows:

1. Conditions for personal attendance

- (i) *Warrantheolders whose ownership is indirectly recorded in the warrant registry of the Company*

Warrantheolders whose ownership is indirectly recorded in the warrant registry of the Company and who elect to attend the 2012 Bondholders Meeting in person must use their usual applicable contacting method for informing their financial intermediary, with whom their OG Bonds are on deposit, accordingly. They must further request their financial intermediary, with whom their OG Bonds are on deposit, to send a Bondholders blocking certificate (the “*Bondholders blocking certificate*”) for their OG Bonds to the relevant central registration bank no later than 5 business days prior to the 2012 Bondholders Meeting.

Such blocking certificate must indicate clearly the precise identity of the Bondholder, the number of OG Bonds being blocked, the date such OG Bonds are being blocked, which must be no later than January 20, 2012 and a statement that the relevant OG Warrants are registered in the local bank or brokers records in the holder’s name and shall be blocked until the close of the 2012 Warrantheolders Meeting.

The Warrantheolders must bring a copy of the Warrantheolders blocking certificate to the 2012 Warrantheolders Meeting.

The Warrantheolders shall also announce their intention to participate at the 2012 Warrantheolders Meeting by completing, signing, dating and returning on no later than January 20, 2012 at the latest to the relevant central registration bank or to the Company (C/O “Orco Germany S.A., 42, rue de la Vallée, L-2661 Luxembourg, to Mr. Christophe Le Priol or Mrs. Françoise de Jongh, département juridique”), the Warrantheolders participation form that can be obtained at the registered office of the Company upon request or downloaded from the Company’s website at www.orcogermany.de or ultimately upon request to the financial intermediaries or the relevant central registration bank.

- (ii) *Warrantheolders whose ownership is directly recorded in the warrant registry of the Company*

Warrantheolders whose ownership is directly recorded in the warrant registry of the Company, shall announce their intention to participate to the 2012 Warrantheolders Meeting by completing, signing, dating and returning on January 20, 2012, at the latest to the relevant central registration bank or to the Company (C/O “Orco Germany S.A., 42, rue de la Vallée, L-2661 Luxembourg, to Mr. Christophe Le Priol or Mrs. Françoise de Jongh, département juridique”) the Warrantheolders participation form that can be obtained at the registered office of the Company upon request or downloaded from the Company’s website at www.orcogermany.de or ultimately upon request to the financial intermediaries or the relevant central registration bank.

2. Conditions for proxy voting or granting a mandate

- (i) *Warrantheolders whose ownership is indirectly recorded in the warrant registry of the Company*

Warrantheolders whose ownership is indirectly recorded in the warrant registry of the Company and who are unable to attend the 2012 Warrantheolders Meeting in person, may give a voting instruction to a third party that the Warrantheolder designates.

Prior to giving voting instructions to a proxy, this Warrantheolder must a) have obtained and delivered to the relevant central registration bank the Warrantheolders blocking certificate described above (see “Conditions for personal attendance”), and b) complete, sign and date the Warrantheolders participation form that can be obtained at the registered office of the Company upon request or downloaded from the Company’s website at www.orcogermany.de or ultimately upon request to the financial intermediaries or the relevant central registration bank, indicating the name of the proxy.

The completed, signed and dated Warrantheolders participation form must be returned to the relevant central registration bank or to the Company (C/O “Orco Germany S.A., 42, rue de la Vallée, L-2661 Luxembourg, to Mr. Christophe Le Priol or Mrs. Françoise de Jongh, département juridique”) no later than January 20, 2012, at the latest, in order to have that name recorded on the registration list of the 2012 Warrantheolders Meeting.

If a Warrantheolder wishes to be represented by a proxy other than the Chairman of the 2012 Warrantheolders Meeting, then this holder must (a) have obtained and delivered to the relevant central registration bank the Warrantheolders blocking certificate described above (see “Conditions for personal attendance”), and (b) complete, sign and date the Warrantheolders participation form that can be obtained at the registered office of the Company upon request or downloaded from the Company’s website at www.orcogermany.de or ultimately upon request to the financial intermediaries or the relevant central registration bank, indicating the name of the proxy. The completed, signed and dated Warrantheolders participation form must be returned to the relevant central registration bank or to the Company (C/O “Orco Germany S.A., 42, rue de la Vallée, L-2661 Luxembourg, to Mr. Christophe Le Priol or Mrs. Françoise de Jongh, département juridique”) no later than January 20, 2012, at the latest, in order to have that name recorded on the registration list of the 2012 Warrantheolders Meeting.

Warrantheolders who have obtained the Warrantheolders blocking certificate and have executed a Warrantheolders participation form but who wish to revoke such proxy may do so at any time by timely delivering a properly executed, later dated participation form no later than January 20, 2012, at the latest, or by properly attending and voting in person at the 2012 Warrantheolders Meeting.

Simply attending the 2012 Warranholders Meeting without voting will not revoke the proxy.

(ii) Warranholders whose ownership is directly recorded in the warrant registry of the Company.

Warranholders whose ownership is directly recorded in the warrant registry of the Company must complete, sign and date the Warranholders participation form that can be obtained at the registered office of the Company upon request or downloaded from the Company's website at www.orcogermany.de or ultimately upon request to the financial intermediaries or the relevant central registration bank.

The completed, signed and dated Warranholders participation form must be returned to the relevant central registration bank or to the Company (C/O "Orco Germany S.A., 42, rue de la Vallée, L-2661 Luxembourg, to Mr. Christophe Le Priol or Mrs. Françoise de Jongh, département juridique") no later than January 20, 2012, at the latest.

3. Request for information and central registration banks

Warranholders looking for more information can do so by:

(i) contacting the Company's services directly:

- At the registered office of the Company– Legal Department

Tel.: +352 26 47 67 1

Fax.: +352 26 47 67 67

(ii) contacting one of the central registration banks :

- For OG Warrants that are included in the Clearstream Banking or Euroclear Bank system and that are admitted to trading on the Euro MTF:

BNP Paribas Security Services – Lucie Maiore, Emmanuel Gérard

33 rue Gasperich Howald,

Hesperange L-2085, Luxembourg

Tel: +352 26 96 23 89, +352 26 96 62 445

lux.ostdomiciliees@bnpparibas.com

Luxembourg, January 10, 2011

The Board of directors of the Company

Annex A:

PROPOSED TERMS AND CONDITIONS OF THE OG CONVERSION

Subject to compliance with Luxembourg laws and to the granting of all the regulatory approval (in particular the decision from the CSSF confirming that in the context of the proposed OG Conversion, the Bondholders are not obliged to launch a takeover bid), the OG Bonds will be converted for their total nominal amount and accrued interest (app. EUR 129.1 Million consisting of the nominal value, premium and coupon interest as at the maturity date) into OCA to be issued by OPG on 31 January 2012 (the “**Conversion Date**”) which are convertible as follows:

- OCA in an aggregate nominal amount of EUR 79,100,000 are converted into 19,250,010 newly issued ordinary shares of OPG (ISIN LU0122624777, “**OPG Shares**”) on or about 31 January 2012 (the “**Upfront Conversion**”);
- OCA in an aggregate nominal amount of around EUR 50,000,000 convertible into shares of OG or OPG, as further detailed below:
 - Each OCA will bear an interest of 0.01% and shall have a maturity of 15 April 2012 or any subsequent date agreed to by the holders of OCA at the relevant majority in a meeting of holders of OCA (the “**Exchange Date**”);
 - The holders of the OCA shall benefit from a lien on 55% of all shares issued by OG (ISIN LU0251710041, “**OG Shares**”), including current OG Shares and the New OG Shares (as defined below)) held by OPG as collateral in a separate securities account that will be pledged to the holders of OCA (a *nantissement de compte d’instruments financiers* or any equivalent security under Luxembourg law), for the repayment in cash of such OCA in accordance with the provisions below;
 - If and provided that the OPG Bond Conversion Condition (as defined below) is met three business days prior to the Exchange Date, the remaining OCA are converted into 54 OPG Shares per one OCA;
 - if and provided the OPG Bond Conversion Condition is not met three business days prior to the Exchange Date such remaining OCA will, at the option of OPG be (a) repaid in a cash amount of EUR 337.66 per one OCA or (b) in case such cash amount is not paid by OPG and subject to a decision made by the holders of OCA (at a 50% plus 1 OCA majority of all the OCA outstanding) to convert all of the remaining OCA into either (i) 54 OPG Shares per one OCA or (ii) a

number of OG Shares equivalent to 55% of the fully diluted capital of OG post equitization of the OG Bonds by OPG. In the event no cash repayment is made by OPG, the election decision of the OCA holders in this case will not be required by April 12th but can extend as necessary to allow for proper notice period, quorum, and majority decision. The OG Shares pledged and held as collateral shall remain pledged until such election is made. No new OG Shares can be issued during this time without 55% of those new shares also being added to the pledged collateral.

- OPG will prior to maturity of the OCA (subject to Luxembourg laws and the regulatory formalities, corporate decisions and notice periods being complied with both at the level of OG and OPG) convert the EUR 129.1 Million including the accrued coupons of OG Bonds into additional OG Shares based on the volume weighted average price of OG Shares on the Frankfurt stock exchange over a period of 6 (six) months prior to the Conversion Date (the “**New OG Shares**”).

For the purposes of the OG Conversion, the “**OPG Bond Conversion Condition**” is met if 3 business days before the Exchange Date, 65% of all OPG Bonds (as defined below, in terms of nominal value) have been converted into a combination of (i) OPG Shares at a value of EUR 6.40 (on the basis that up to 64,000,000 new OPG shares may be issued in order to equitize 100% of 410,000,000 of nominal of OPG Bonds, to be reduced proportionally in accordance with the actual number of OPG Bonds equitized) or higher, or (ii) bonds issued by OPG with a coupon of 0.5% per annum with a maturity in 2050.

This time frame can be extended at the request of OPG if the negotiations with the OPG Bondholders are well advanced as of 1 April 2012 and provided that such extension is agreed by a decision of the holders of OCA (taken in accordance with the quorum and majority provisions provided for by law in a meeting of holders of OCA convened to extend the Exchange Date, i.e. the decision can only validly be taken if at least one half of the OCA outstanding are present or represented at that meeting. If such proportion of the total number of the OCA is not met, a second meeting shall be convened and such second meeting shall validly deliberate regardless of the proportion of the OCA present or represented. At both meetings, decisions in order to be adopted must be approved by at least two third of the votes cast). The OPG Bond Conversion Condition shall be met on the date when the substitution of the relevant OPG Bonds into OPG Shares has been approved by the relevant bondholders' meetings, and warrant holders' meetings (as appropriate) and the shareholders' meeting of OPG.

The total number of new OPG Shares issued as a result of the Upfront Conversion shall be 19,250,010. Furthermore, an additional number of 7,996,158 OPG Shares

may be issued on or around the Exchange Date subject to and in accordance with the provisions described above.

The new OPG Shares issued as a result of the OG Conversion and the OPG Conversion shall be referred to as the “**New OPG Shares**”.

For the purposes of the OPG Bond Conversion Condition, the OPG Bonds means:

- EUR 50,272,605.30 bonds with subscription rights attached issued by OPG on 18 November 2005 (the “**OPG Bonds 2010**”);
- CZK 300,000,000.00 bonds issued by OPG on 3 February 2006 (the “**OPG Bonds 2011**”). As of the date of this Term Sheet EUR 11,631,934 of nominal OPG Bonds 2011 remain outstanding;
- EUR 24,169,193.39 bonds issued by OPG on 30 June 2005 (the “**OPG Bonds 2012**”);
- EUR 149,999,928.00 convertible bonds issued by OPG on 1 June 2006 (the “**OPG Bonds 2013**”);
- EUR 175,000,461.60 bonds with subscription rights attached issued by OPG on 28 March 2007 (the “**OPG Bonds 2014**”).

(OPG Bonds 2010, 2011, 2012, 2013 and 2014 jointly as the “**OPG Bonds**”, and the holders of the OPG Bonds as the “**OPG Bondholders**”).

Annex B:

SUMMARY OF THE PROPOSED TERMS AND CONDITIONS OF THE OCA (*Obligations Convertibles en Actions*)

Context

Orco Property Group S.A. ("**OPG**"), a Luxembourg *Société Anonyme* having its registered office at 42, rue de la Vallée, L-2661 Luxembourg, Grand Duchy of Luxembourg and registered in Luxembourg with the Luxembourg register of commerce and companies (the "**RCS**") under the number B 44996, wishes to substitute all the EUR 100,100,052 five years bonds with redeemable warrants attached thereto ("**OG Bonds**") issued on 30 May 2007 by Orco Germany S.A. ("**OG**"), a Luxembourg *Société Anonyme* having its registered office at 42, rue de la Vallée, L-2661 Luxembourg, Grand Duchy of Luxembourg and registered in Luxembourg with the Luxembourg register of commerce and companies (the "**RCS**") under the number B 102254, into OCA to be issued by OPG (the "**Convertible Bonds**") on 31 January 2012 (the "**Conversion Date**"). The Convertible Bonds are convertible as follows:

- The Convertible Bonds in an aggregate nominal amount of EUR 79,100,000 are immediately converted into 19,250,010 OPG shares on or about 31 January 2012;
- The Convertible Bonds in an aggregate nominal amount of EUR 49,999,451.68 are later to the Conversion Date, payable in cash or convertible into shares of OG or OPG, provided that the specific conditions detailed in the terms and conditions of the Convertible Bonds are satisfied.

Orco Property Group has the following outstanding bonds (the "**OPG Bonds**"):

- EUR 50,272,605.30 bonds with subscription rights attached issued by OPG on 18 November 2005
- CZK 300,000,000.00 bonds issued by OPG on 3 February 2006
- EUR 24,169,193.39 bonds issued by OPG on 30 June 2005
- EUR 149,999,928.00 convertible bonds issued by OPG on 1 June 2006
- EUR 175,000,461.60 bonds with subscription rights attached issued by OPG on 28 March 2007

The main characteristics of the Convertible Bonds are set out in the following table:

Issuer of Convertible Bonds	OPG
Share capital of OPG	EUR 69,920,850.60 divided into 17,053,866 shares

Legal form of OPG	Public limited liability company, <i>Société Anonyme</i> , registered in Luxembourg with a Board of Directors
FTSE activity segment	862 – Real Estate Holding and Development
Number of OG Bonds to be converted	148,077
Number of Convertible Bonds to be issued	148,077
Form of the Convertible Bonds	Registered form
Total nominal amount of the Convertible Bonds	EUR 129,099,451.68
Issue Price of Convertible Bonds	EUR 871.84
Issuance Price of Convertible Bonds Payment	Exchange of one OG Bond against one Convertible Bond
Convertible Bonds Payments	Issue of the Convertible Bonds in two payments : - one corresponding to EUR 79,100,000 (the " First Payment ") - the second corresponding to EUR 49,999,451.68 (the " Second Payment ")
Issue Date	31 January 2012
Maturity Date of the First Payment	1 February 2012
Maturity Date of the Second Payment	15 April 2012 (the " Maturity Date ")
Gross Yearly Coupon on the Second Payment	0.01% paid on the Maturity Date
Bondholders Conversion Rights	- Mandatory conversion of the First Payment on the Issue Date - Mandatory conversion of the Second Payment on the Maturity Date
Convertible Bonds Conversion Condition for the Second Payment	3 business days prior to the Maturity Date, 65% of all OPG Bonds (in terms of nominal value) have been converted into a combination of (i) OPG shares

	<p>at a value of EUR 6.40 (on the basis that up to 64,000,000 new OPG shares may be issued in order to equitize 100% of 410,000,000 of nominal of OPG bonds, to be reduced proportionally in accordance with the actual number of OPG bonds equitized) or higher or (ii) bonds issued by OPG, with a coupon of 0.5% per annum with a maturity in 2050</p>
<p>Exchange Parity of the Convertible Bonds</p>	<ul style="list-style-type: none"> • For the First Payment: EUR 79,100,000 are converted into 19,250,010 OPG shares, pursuant to the ratio of 1 OCA converted in 130 OPG shares, • For the Second Payment, one Convertible Bond carries entitlement to: <ul style="list-style-type: none"> – If the Convertible Bonds Condition is met, 54 OPG new shares, – If the Convertible Bonds Condition is not met : <p>(i) at the option of OPG, a reimbursement in cash of EUR 337.66 or</p> <p>(ii) in case such cash amount is not paid by OPG and subject to a decision made by the holders of Convertible Bonds of the Second Payment (at a 50% plus 1 Second Payment Convertible Bond majority of all the Second Payment Convertible Bonds outstanding) to convert all of the remaining Second Payment Convertible Bonds into either :</p> <p>(a) 54 shares of OPG per one Second Payment Convertible Bond or</p> <p>(b) a number of OG shares equivalent to 55% of the fully diluted capital of OG post equitization of the OG Bonds by OPG.</p>
<p>Security</p>	<p>The holders of the Second Payment Convertible Bonds shall benefit from a lien on 55% of all shares issued by OG (including current OG shares and the new OG shares) held by OPG as collateral in a separate securities account that will be pledged to the holders of Second Payment Convertible Bonds (a <i>nantissement de compte d'instruments financiers</i> or</p>

	any equivalent security under Luxemburg law), for the repayment in cash of such Second Payment Convertible Bonds.
Lock-up	100% of the new OPG shares will be register shares and be subject to a lock-up until the Maturity Date of the Second Payment, after which they will be freed
Representation of the Second Payment Convertible Bondholders	<p>The representative of the Convertible Bondholders is Mr Lionel BOTBOL</p> <p>In addition to its general task of representation of the Second Payment Convertible Bondholders in accordance with article 88 of the law of 10 August 1915 on commercial companies, the representative will:</p> <ul style="list-style-type: none"> - keep on behalf of the bondholders the Convertible Bonds not claimed by the initial OG bondholders when issued and will ensure to transfer the relevant Convertible Bonds to the relevant bondholders upon request; - ensure that all Convertible Bonds not claimed by the initial OG bondholders will be converted on the Issue Date or Maturity Date as appropriate, into new OPG shares or new OG shares (as further described under the terms and conditions of the Convertible Bonds), will keep these new shares on behalf of the relevant bondholders and transfer them to the relevant bondholders upon request.
Applicable Law	Luxembourg Law
Restrictions on transfer and negotiability of the OCA	<p>The Convertible Bonds are not transferable, not negotiable on the capital markets and cannot be offered to the public.</p> <p>The Convertible Bonds will neither be transferable between the Convertible Bondholders and are exclusively linked to the position of holders of OG Bonds (<i>i.e. intuitu personae</i>).</p> <p>The Convertible Bonds can only be payable in cash or converted into new OPG shares or new OG shares as further provided in the terms and conditions of the Convertible Bonds.</p>

Listing and admission to trading	The Convertibles Bonds will not be listed and/or admitted to trading on any stock exchange within the European Economic Area nor on a stock exchange outside the European Economic Area.
----------------------------------	--