

To the shareholders of Norwegian Property ASA

## **NOTICE OF AN EXTRAORDINARY GENERAL MEETING**

An Extraordinary General Meeting of Norwegian Property ASA will be held at:

**Felix Konferansesenter  
Bryggetorget 3, Aker Brygge, Oslo**

**24 June 2009 at 9:00 hours**

The General Meeting will be opened by the Chairman of the Board of Directors, or whoever he appoints.

The Board of Directors proposes the following agenda:

- 1 ELECTION OF A PERSON TO CHAIR THE MEETING**
- 2 APPROVAL OF THE NOTICE AND THE AGENDA**
- 3 ELECTION OF A PERSON SIGN THE MINUTES TOGETHER WITH THE CHAIRPERSON**
- 4 CAPITAL REDUCTION**

The share capital in the company according to the balance sheet as of 31 December 2008 is NOK 5,040,885,400 and the share premium fund NOK 78,831,000. The company does not have distributable equity. In connection with the private placement as proposed under Section 5 below, it is necessary to reduce the nominal value of the shares. The Board of Directors suggest reducing the nominal value of the shares from NOK 25 to NOK 0.50.

The capital reduction does not include any distribution to the shareholders and is only a reclassification of the equity from share capital to other equity, and will therefore not affect the creditors' position. The capital reduction is subject to notice to creditors.

The Board of Directors proposes that the General Meeting adopts the following resolution:

- 1. The share capital is reduced with NOK 4,940,067,692 from NOK 5,040,885,400 to NOK 100,817,708 by reduction of the nominal value of the shares from NOK 25 to NOK 0.50 per share. The reduction amount shall be transferred to other equity.*
- 2. In this connection, Section 4 of the Articles of Association is amended and shall read:  
  
"The share capital is NOK 100,817,708 divided into 201,635,416 shares, each with a nominal value of NOK 0.50."*

3. The change in the articles of association shall be in force at the same time the capital reduction is in force.

## 5 CAPITAL INCREASE

The Board of Directors has over a period had an objective to strengthen the balance sheet in order to secure a more robust financial position in the company. In order to achieve this, the company has been in negotiations with its key banks in order to improve the terms of its loan agreements. A decision in principle has been made concerning the amendments as described below, conditional upon that the equity is strengthened. On this background, the Board of Directors suggests a capital increase in the form of a private placement of NOK 1,200 millions by issue of new shares. As announced in the notice 10 June 2009, it is entered into agreements to subscribe for shares in the private placement for the gross proceeds of NOK 1,200 millions. The agreements to subscribe for shares includes as an condition to complete the private placement that the credit committee in various banks has approved (i) extending of the due date of NOK 1,700 million acquisition facility for Oslo Properties AS from October 2010 to June 2012 (after repayment of the loan with NOK 700 millions), (ii) extending of the due date of SEK 565 millions facility maturing in September 2009 for three years until 2012, (iii) securing available financing to repay second priority bond loan maturing March 2010; and (iv) obtaining waivers for LTV and ICR covenants on the NOK 11,000 million "Term Loan" facility and NOK 1,700 million "OPAS" facility until and including Q2 2011 (after repayment of the loan with NOK 400 millions). The private placement is conditional upon that there will not be any amendments to the final bank conditions, except for immaterial changes, taking into regard what is presented to the investors. If the terms of the loan agreements are not accepted by the credit committees within 30 June 2009, the private placement will lapse.

It is expected that all conditions above will be fulfilled before the General Meeting is convened. If the conditions are not met on the time of the General Meeting, the proposed resolution for a capital increase will be adjusted accordingly in order to reflect the outstanding conditions.

The proposed capital increase is placed in the form of a private placement after an overall evaluation based on the current market situation and evaluation of the existing shareholders in the company. The private placement is placed after a book building directed towards current major shareholders and new investors. It is therefore suggested that the preferential right of the existing shareholders to subscribe for the new shares is waived pursuant to Section 10-5 of the Norwegian Public Limited Liability Companies Act, and that all shares shall be subscribed for by the managers of the company, Arctic Securities ASA, Pareto Securities AS and Pareto Private Equity AS on behalf of the investors in the private placement.

Subject to completion of the private placement, the Board of Directors will, based on the current power of attorney for the Board of Directors, propose to conduct a subsequent "repair offering". The "repair offering" will be offered to the shareholders in Norwegian Property ASA as of 10 June 2009 that have not been offered to participate in the private placement, at the same price per share. Reference is made to the company's announcement dated 10 June 2009.

The Board of Directors proposes that the General Meeting adopts the following resolution:

- 1 *The share capital shall be increased with NOK 100,817,708, from 100,817,708 to 201,635,416, by issue of 201,635,416 new shares, each with a nominal value of NOK 0.50.*

- 2 *The shares shall be subscribed for by Arctic Securities ASA, Pareto Securities AS and/or Pareto Private Equity AS after proxy form investors that ordered shares in the private placement. The preferential right of the existing shareholders to subscribe for the new shares pursuant to Section 10-4 of the Norwegian Public Limited Liability Companies Act, cf. Section 10-5, is waived.*
- 3 *The subscription price shall be NOK 6 per share. Payments shall be made in cash.*
- 4 *The subscription period is 1 July 2009 to 30 September 2009.*
- 5 *Payment for the new shares shall be made no later than 30 September 2009. The payment shall be made to the company's bank account number 8101 23 07454 by Arctic Securities ASA, Pareto Securities AS and Pareto Private Equity AS on behalf of the investors.*
- 6 *The new shares will carry rights to dividend and have shareholder rights from registration of the share capital increase with the Norwegian Register of Business Enterprises.*
- 7 *Section 4 of the Articles of Association is amended and shall read:  
  
"The share capital is 201,635,416 divided into 403,270,832 shares. The nominal value of each share is NOK 0.50."*
- 8 *The private placement is conditional upon the capital reduction as proposed under Section 4 above. The private placement will be annulled if the capital reduction and the capital increase is not registered in the Norwegian Register of Business Enterprises within 30 September 2009.*

\* \* \*

For events that must be taken into consideration in relation to the proposed capital reduction and capital increase, reference is made to the presentation of the financial results for the first quarter in 2009 for the company and otherwise the announcements from 1 January 2009 up until today. This is available in the offices of the company. Except for the information mentioned and otherwise news communicated to the marked in the ordinary business, it has not occurred events with significant impact on the financial position of the company since the last balance sheet date. A copy of the latest annual accounts, annual report and auditor report is available in the offices of the company.

Pursuant to Section 8 of the Articles of Association, the Board of Directors has decided that the shareholders wishing to attend the General Meeting (either themselves or their proxies) must give notice to the company by sending the enclosed registration form per mail/ facsimile or e-mail. The notice of attendance must have been received by the company no later than 22 June 2009 at 12:00 hours. Within the same date, notice of attendance may be made at [www.norwegianproperty.no](http://www.norwegianproperty.no). Shareholders, who do not provide notice of attendance or do not meet the deadline stated above, may be rejected attendance to the General Meeting and will not be able to vote for their shares.

The shareholders that are prevented from attending can be represented by a proxy. The proxy form, including detailed instructions for the use of the form, is enclosed this notice. If desirable, proxy may be given to the Chairman of the Board of Directors, Mr. Tormod Hermansen.

Norwegian Property ASA is a public limited liability company subject to the rules of the Norwegian Public Limited Liability Companies Act. As of the date of this notice, the company has issued 201,635,416 shares, each of which represents one vote. The shares have equal rights also in other respects. A shareholder has the right to have questions addressed at the General Meeting provided that these are submitted in writing to the Board of Directors at least two weeks prior to the General Meeting.

This notice and its appendices, as well as the company's Articles of Association, are also available at the company's homepage: [www.norwegianproperty.no](http://www.norwegianproperty.no)

Oslo, 10 June 2009

For the Board of Directors of Norwegian Property ASA

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Tormod Hermansen  
Chairman of the Board of Directors

**Appendices:**

1. Registration form
2. Proxy to the General Meeting
3. Confirmation from the auditor that there will be full cover for the company's undistributable equity [not enclosed in English version]

**REGISTRATION – EXTRAORDINARY GENERAL MEETING 24 JUNE 2009 IN  
NORWEGIAN PROPERTY ASA**

Notice of attendance at the Extraordinary General Meeting on 24 June 2009 at 9:00 hours can be sent via this attendance slip. The notice must have been received by Nordea Bank Norge ASA no later than 22 June 2009 at 12:00 hours.

Address: Nordea Bank Norge ASA, Verdipapirservice, P.O.Box 1166 Sentrum, 0107 Oslo, Norway.

Fax number: +47 22 48 63 49. Within the same deadline notice of attendance may be made through

[www.norwegianproperty.no](http://www.norwegianproperty.no).

If you are unable to attend after you have registered, a written and dated proxy can be submitted at the General Meeting (see the enclosed proxy).

The undersigned will attend the General Meeting of Norwegian Property ASA 24 June 2009 and (check-off):

Ref no  
Name of shareholder  
Address

- Vote for my/our shares
- Vote for shares pursuant to the enclosed proxy(ies)

For:  
(Name of shareholder)

\_\_\_\_\_  
date

\_\_\_\_\_  
place

\_\_\_\_\_  
the signature of the shareholder

**PROXY –GENERAL MEETING 24 JUNE 2009 OF NORWEGIAN PROPERTY ASA**

If you are not able to attend the Extraordinary General Meeting 24 June 2009, you may be represented by way of proxy, in which case this proxy form may be used.

The undersigned shareholder in Norwegian Property ASA hereby grants (please check-off):

- The Chairman of the Board of Directors Tormod Hermansen or the person he authorises,  
**or**
- \_\_\_\_\_  
Name of proxy (*please use capital letters*)

proxy to meet and vote for my/your shares at the General Meeting of Norwegian Property ASA 24 June 2009. If the proxy form is submitted without stating the name of the proxyholder, the proxy will be deemed to have been given to the Chairman of the Board of Directors or the person he authorises.

The votes shall be cast in accordance with the instructions below. Please note that **if the alternatives below are not ticked off, this will be deemed to be an instruction to vote "in favour" of the proposals in the notice**, provided, however, that the proxy determines the voting to the extent proposals are put forward in addition to, or instead of, the proposals in the notice.

Items:	In favour	Against	Abstain	At the proxy's discretion
1. Election of a person to chair the Meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Approval of the notice and the agenda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Election of a person to co-sign the Minutes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Capital reduction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Capital increase	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The name and address of the shareholder: \_\_\_\_\_  
(*please use capital letters*)

\_\_\_\_\_  
date

\_\_\_\_\_  
place

\_\_\_\_\_  
the signature of the shareholder

If this proxy is given by signatory powers on behalf of a legal entity, please attach a certificate of registration or similar showing the authority to sign on behalf of the legal entity.