

Minutes of Annual General Meeting of the Company

Date	20 th October 2010
Time	10:30 hrs (Valletta, Malta time)
Place	Hotel Phoenicia, The Mall, Valletta, Malta
Present	Roderick Hamilton McGeoch – Chairman Mark Dunstan – Director Francis J. Vassallo – Director Ruth Agius Scicluna Buttigieg – Director Adriana Camilleri Vassallo – Company Secretary
in attendance	Nicolas Comes – Director in representation of BGP Investment S.à.r.l. - Luxembourg Yves Elsen - Director in representation of BGP Investment S.à.r.l. - Luxembourg Maire Gallagher – General Counsel to BGP Investment S.à.r.l. Anthony Doublet – Partner in representation of Ernst & Young - Malta Karl Buttigieg – Francis J. Vassallo & Associates Limited Luisa Bartoli – Francis J. Vassallo & Associates Limited

1. Chairman

Roderick Hamilton McGeoch chaired the meeting.

2. Confirmation of Notice of Quorum

The Chairman confirmed that notice of the meeting had been given to all members in terms of the Articles of Association of the Company and that a quorum was present.

The Chairman advised those present that the trustee, representing a substantial portion of the shares of the Company, had passed on the wishes of 13.18% of the shares it holds on behalf of the beneficiaries. This represents 12.48% of the total issued share capital of the Company. With GPT Management Holdings Limited’s proxy representing 5.3% of the issued share capital of the Company, a quorum by proxy of 17.78% was achieved.

3. Chairman's speech

- 3.1 The Chairman opened the meeting by giving an introductory speech as documented in Appendix I of the said minutes. Since no questions were raised following this speech, the Chairman proceeded to the formal part of the meeting.

4. Purpose of meeting

The Chairman **NOTED** that the purpose of this meeting was to:

- (a) approve the Annual Report and Financial Statements of the Company for the year ended 31st December 2009, comprising the Financial Statements and the Directors' and Auditors' Report thereon.
- (b) approve the appointment of Ernst & Young Certified Public Accountants as Auditors, and authorise the Board of Directors to establish their remuneration.

5. Documents tabled

The following documents were tabled:

5.1 **Annual Report and Financial Statements for the year ended 31st December 2009**

A copy of the Annual Report and Financial Statements of the Company for the year ended 31st December 2009, comprising the Financial Statements and the Directors' and Auditors' Report thereon were tabled, considered and discussed at the meeting.

6. Approvals

6.1 **Annual Report and Financial Statements for the year ended 31st December 2009**

RESOLVED (as an ordinary resolution) that the Annual Report and Financial Statements of the Company for the year ended 31st December 2009, comprising the Financial Statements and the Directors' and Auditors' Report thereon be approved.

The Chairman noted that all open proxies given to the Chairman were voted in favour of this resolution.

6.2 **Appointment of Ernst & Young Certified Public Accountants as Auditors**

RESOLVED (as an ordinary resolution) that Ernst & Young Certified Public Accountants be approved as Auditors, and the Board of Directors authorised to establish their remuneration.

The Chairman noted that all open proxies given to the Chairman were voted in favour of this resolution.

7. Closure

There being no further business, the Chairman declared the meeting closed.

Signed

Chairman

7th December 2010
Dated

CHAIRMAN'S INTRODUCTORY SPEECH

APPENDIX I

Dear fellow directors and shareholders of BGP Holdings,

It has been a year since I was asked to take on the role of Chairman of this company. At that time the GPT Group had just completed its divestiture of BGP via the in specie dividend and instructed the Board to realise the assets of the Joint Venture with Babcock to return as much value as possible to you, the shareholders.

The global financial crisis significantly reduced the market value of property across Europe. Economic recovery has been gradual, uneven and uncertain. The management of BGP has also had to deal with a number of legacy issues stemming from the acquisition, financing and previous management of BGP's portfolio.

We feel our initial actions have proven successful. A leading property asset manager, Internos, now handles the retail and light industrial portfolios, having acquired GPT Halverton in December 2009 and retained key staff members to ensure smooth continuity of service. We are their biggest client.

BGP fully controls the asset management of the residential properties via a 100% owned subsidiary, BGP Asset Management. This is significant for BGP because the residential portfolio, with active and effective asset management, provides the best potential for future returns from sales. BGP Asset Management has subsequently achieved economies in its own business. With the move to the office space costing 30% less and a reduction in staff members, the operation is now breaking even and has even started repaying the initial capital lent by BGP Investment.

We are implementing a strategic program of divestment. The crucial step is managing the assets for value by restructuring and refinancing as required. Over the last 12 months we have already disposed of the properties that had the least prospective value, those that carried the risk of litigation or loss of reputation for the company. Properties divested over the past six months include the residential portfolios in Germany, totalling, just under €500 million book value.

Corestate, a Swiss private equity firm, acquired another of the portfolios though failed to complete on the parallel Immo West sale. Franz 2 and 3 were acquired by a company close to their financing bank.

Hansteen, a listed UK investment company, acquired HBI Germany at the end of March 2010 for €300 million. Hansteen assumed all outstanding debt on the portfolio and met transaction costs. Although BGP did not achieve an economic return, the sale enabled management to refocus on portfolios with higher potential.

In 2011 BGP will continue the program of asset sales.

We will target portfolios that carry too much debt for effective turnaround or those that promise only a low return from required capital expenditure.

CHAIRMAN'S INTRODUCTORY SPEECH

Potential sales include outlying retail assets in Spain and Germany as well as light industrial assets in France and Denmark. Their total estimated book value is approximately €250 million but debt levels are extremely high, sometimes above the asset value.

Negotiating with our banking partners will be key to our success as we seek to restructure debt and add flexibility to the portfolio structure. Individual asset sales can be complex when an underperforming asset has been cross-collateralised with stronger assets. In other cases a bank can prevent a sale by calling in the loan, deterring potential purchasers when the real estate market is starved of credit.

For these reasons, the timing of future sales will be partly guided by the results of our negotiations with the banks.

In seeking maximum value for shareholders, it is possible that time is on our side. The designated turnaround portfolios are already benefiting from increased management attention. As well, macroeconomic indicators point to slow and steady recovery in Germany, our key market, and a gradual return to normal credit availability.

In Europe overall, the current economic outlook is cautiously optimistic. Unemployment remains high but the trend is down. Inflation remains at historic lows. Although the value of the Euro has fallen by nearly 10 per cent because of European sovereign debt issues, the currency should be supported by its strong fundamentals. In our estimation, the remaining risk of double-dip or W-shaped recession should not significantly change the current portfolio valuations, which were set conservatively in 2009.

In these conditions, buyers should return their wholesale real estate markets and this will improve liquidity. Real estate prices should increase as economic recovery lowers vacancy rates and raises nominal rents. The Board has therefore decided that the portfolios with the highest potential future value should be the last to be sold. A steady and orderly disposal program should bring the best returns to shareholders.

Ladies and Gentlemen: We, as the management team of BGP, intend to undertake every effort to maximise shareholder value by implementing the broad strategy that is outlined

May I, in conclusion, thank Mark Dunstan and all the people in the Luxembourg office and all of the people in Francis' office for the support that they have given the Board and this company and I do so on behalf of the shareholders.

- Rod McGeoch, Chairman, BGP Holdings