

Woodbridge Group of Companies Announces Settlement Achievements with Creditor and Investor Groups, New Investor Representation and New Management Team

SHERMAN OAKS, Calif., February 6, 2018 – Woodbridge Group of Companies, LLC announced today that it has reached a comprehensive settlement with the United States Securities and Exchange Commission (“SEC”) and the Official Committee of Unsecured Creditors appointed in its Chapter 11 bankruptcy case (the “Creditors’ Committee”) by resolving the SEC’s and Committee’s requests for the appointment of a Chapter 11 trustee and providing for the appointment of fiduciary representative groups for the other major creditor constituencies which represent investors owed as much as \$1 billion.

The agreement involved reconstituting the Board of Managers (the “Board”) with three experienced restructuring professionals - Richard Nevins, M. Freddie Reiss, and Michael Goldberg - with unique skillsets that will be useful in helping to maximize recoveries for creditors and investors.

“In a matter of days, the Board has met with each of the creditor and investor groups, hired Frederick Chin who has extensive experience in real estate development and will operate the business on a day-to-day basis as Chief Executive Officer (“CEO”), and retained Bradley Sharp, of Development Specialists, Inc., who is a seasoned chief restructuring officer (“CRO”) and will navigate the Chapter 11 process,” said Richard Nevins, a member of the Board of Managers.

“The Board, Mr. Chin and Mr. Sharp look forward to working closely with the investor and creditor groups toward a fair, prompt and transparent resolution of the bankruptcy cases,” said Michael Goldberg, a member of the Board of Managers. “The new management team is cognizant of the difficult position that creditors and investors are in and is fully committed to the mission of achieving the best possible results for all of them, while also seeking to protect their interest from numerous third parties that are seeking to buy claims at a lowball price or to represent their interest by filing a simple proof of claim form for a whopping contingent fee, at times as much as 30 percent.”

Steven Kortanek of Drinker, Biddle & Reath, LLP, counsel to the Ad Hoc Noteholder Group, added, “We are pleased that the parties’ settlement has resulted not only in the appointment of very capable and committed new management, but also court-approved representation of all noteholder investors through the Ad Hoc Noteholder Group. We are committed to pursuing a value-maximizing outcome in these chapter 11 cases.”

“The Settlement authorized the appointment of fiduciary groups for the investors of Woodbridge to ensure their respective voices are heard and represented,” said Dr. Raymond Blackburn, a member of the Ad Hoc Unitholder Group.

“The Settlement also paves the way for the bankruptcy filing of additional non-debtor affiliates, which will allow the assets of those entities to be administered in the debtors’ bankruptcy proceedings, which will also help advance the goal of maximizing recoveries

for creditors,” said Richard M. Pachulski of Pachulski Stang Ziehl & Jones LLP, counsel to the Creditors’ Committee.

Creditors and Investors can find information about the bankruptcy cases and contact information for the Debtors, the Creditors’ Committee, the Noteholder Group and the Unitholder Group by visiting www.gardencitygroup.com/cases/WGC

Gibson Dunn & Crutcher LLP and Young, Conaway, Stargatt & Taylor, LLP are serving as legal advisors to Woodbridge.

Pachulski Stang Ziehl & Jones LLP is serving as legal advisor to the Creditors Committee.

Drinker Biddle & Reath LLP is serving as legal advisor to the Ad Hoc Noteholder Group.

Venable LLP is serving as legal advisor to the Ad Hoc Unitholder Group.

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