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AROUNDTOWN
PROPERTY HOLDINGS PLC

AT Securities B.V.

(a private limited liability company (besloten vennootschap met beperkte aansprakelijkheid) incorporated under the laws of the Netherlands, having its registered office at Strawinskylaan 3051, Atrium, 4th floor, Room 428, Regus, 1077 ZX Amsterdam, the Netherlands and registered with the Dutch Company Register with registration number 68406827)

USD 500,000,000
Undated Subordinated Notes subject to Interest Rate Reset with a First Call Date in 2023

ISIN XS1634523754, Common Code 163452375

with an unconditional and irrevocable guarantee on a subordinated basis by

Aroundtown Property Holdings plc

(a public limited liability company incorporated under the laws of the Republic of Cyprus, having its registered office at 54B Artemidos & Nikou Dimitriou, Scanner Avenue Tower, 4th floor 6027, Larnaca, Cyprus and registered with the Department of the Registrar of Companies and Official Receiver in Cyprus with registration number HE 148223)

AT Securities B.V. (the "**Issuer**") will issue on 21 June 2017 (the "**Issue Date**") USD 500,000,000 Undated Subordinated Notes subject to Interest Rate Reset with a First Call Date in 2023 (the "**Notes**") at an issue price of 98.725 % of their principal amount. The Notes will be issued in denominations of USD 250,000 each. The Notes will be constituted by an agency agreement between the Issuer, the Guarantor (as defined below) and The Bank of New York Mellon, London Branch (the "**Principal Paying Agent**") dated as or before the Issue Date (the "**Agency Agreement**"). The Notes are unconditionally and irrevocably guaranteed, on a subordinated basis, by Aroundtown Property Holdings plc (the "**Guarantor**" and together with its consolidated subsidiaries "**Aroundtown**" and together with its investees, including associates over which the Guarantor has significant influence as defined in IAS 28 and that are not subsidiaries, in particular Grand City Properties S.A. ("**GCP**"), the "**Group**") pursuant to a subordinated guarantee (the "**Subordinated Guarantee**").

The Notes are governed by the laws of the Federal Republic of Germany ("**Germany**").

The Notes bear interest from and including the Issue Date, to but excluding 21 July 2023 (the "**First Call Date**") at a rate of 5.250 per cent. *per annum*, payable annually in arrear on 21 July (each such date, an "**Interest Payment Date**") of each year. Thereafter, unless previously redeemed, the Notes will bear interest from and including the First Call Date to but excluding 21 July 2028 (the "**First Step-up Date**") at a rate *per annum* equal to the Reset Reference Rate for the relevant Reset Period (each as defined in § 3(1) of the terms and conditions of the Notes (the "**Terms and Conditions**")) plus a margin of 354.6 basis points *per annum* (not including a step-up) (the "**Initial Margin**"), payable in arrear on 21 July of each year, commencing on 21 July 2024. Thereafter, unless previously redeemed, the Notes will bear interest from and including the First Step-up Date to but excluding 21 July 2043 (the "**Second Step-up Date**") at a rate *per annum* equal to the Reset Reference Rate for the relevant Reset Period plus a margin of 379.6 basis points *per annum* (being equal to the Initial Margin plus a step-up of 25 basis points), payable on 21 July of each year, commencing on 21 July 2029. Thereafter, unless previously redeemed, the Notes will bear interest from and including the Second Step-up Date to but excluding the date on which the Issuer redeems the Notes in whole pursuant to § 6 of the Terms and Conditions at a rate *per annum* equal to the Reset Reference Rate for the relevant Reset Period plus a margin of 454.6 basis points *per annum* (being equal to the Initial Margin plus a step-up of 100 basis points), payable on 21 July of each year, commencing on 21 July 2044.

The Issuer is entitled to defer interest payments under certain circumstances (as set out in § 5(1) of the Terms and Conditions) (such payments the "Arrears of Interest"). The Issuer may pay such Arrears of Interest (in whole or in part) at any time upon due notice (as set out in § 5(2) of the Terms and Conditions) and it shall pay such Arrears of Interest (in whole, but not in part) under certain

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other circumstances (as set out in § 5(3) of the Terms and Conditions). Such Arrears of Interest will not bear interest themselves.

The Notes have no final maturity date and shall not be redeemed except in accordance with the Terms and Conditions. The Notes are redeemable in whole but not in part at the option of the Issuer at an amount per Note equal to the Specified Denomination (as defined in the Terms and Conditions) plus interest accrued on the Note to but excluding the date of redemption but yet unpaid and any outstanding Arrears of Interest payable on the Note on or during a period of 120 days prior to the First Call Date or on any Interest Payment Date thereafter. The Issuer may also redeem the Notes in whole but not in part at an amount per Note equal to 101% of the Specified Denomination plus interest accrued on the Note to but excluding the date of redemption but yet unpaid and any outstanding Arrears of Interest payable on the Note at any time following a Rating Event, an Accounting Event or a Tax Deductibility Event (each as defined in the Terms and Conditions). Additionally, the Issuer may redeem the Notes in whole but not in part at an amount per Note equal to the Specified Denomination plus interest accrued to but excluding the date of redemption but yet unpaid and any outstanding Arrears of Interest at any time following the occurrence of a Gross-up Event or a Repurchase Event (each as defined in the Terms and Conditions). Upon the occurrence of a Change of Control (as defined in the Terms and Conditions) the Issuer may redeem the Notes, in whole but not in part at an amount per Note equal to the Specified Denomination plus any interest accrued on the Note to but excluding the date of redemption but yet unpaid and any Arrears of Interest payable on the Note under the Terms and Conditions.

The Notes are represented by a temporary global bearer note (the "**Temporary Global Note**"), without interest coupons, which is exchangeable in whole or in part for a permanent global bearer note (the "**Permanent Global Note**" and, together with the Temporary Global Note, the "**Global Notes**") without interest coupons, not earlier than 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership.

This Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Directive 2003/71/EC, as amended (including by Directive 2010/73/EU) (the "**Prospectus Directive**"). The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange plc (the "**Irish Stock Exchange**") for the Notes to be admitted to the official list of the Irish Stock Exchange (the "**Official List**") and trading on its regulated market (the "**Main Securities Market**"). The Main Securities Market is a regulated market for the purposes of Directive 2004/39/EC. Such approval relates only to the Notes which are to be admitted to trading on the Main Securities Market or other regulated markets for the purposes of Directive 2004/39/EC or which are to be offered to the public in any member state of the European Economic Area. References in this Prospectus to the Notes being "listed" (and all related references) shall mean that the Notes have been admitted to the Official List and admitted to trading on the Main Securities Market. This Prospectus is available for viewing on the website of the Irish Stock Exchange.

This Prospectus is a prospectus for the purposes of Article 5 of the Prospectus Directive. This Prospectus is drawn up in the English Language. In case there is any discrepancy between the English text and the German text, the English text stands approved for the purposes of approval under the Prospectus (Directive 2003/71/EC) Regulations 2005.

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, the Notes or the Subordinated Guarantee in any jurisdiction where such offer or solicitation is unlawful. The Notes and the Subordinated Guarantee have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and subject to certain exceptions, the Notes and the Subordinated Guarantee may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons.

The Guarantor is assigned a "BBB" credit rating with stable outlook by Standard & Poor's Credit Market Services Europe Limited ("**S&P**"). The Notes are expected to be assigned a "BB+" rating by S&P. The Issuer will announce any rating it receives from S&P for the Notes to the holders of the Notes as soon as practicable following the receipt of such a rating (which will include details of the rating). S&P is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, amended by Regulation (EC) No 513/2011 of the European Parliament and of the Council of 11 May 2011 (the "**CRA Regulation**"). A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

Investing in the Notes involves risks. See "Risk Factors" beginning on page 2 of this Prospectus for a discussion of certain risks prospective investors should consider in connection with any investment in the Notes.

MANAGERS

Goldman Sachs International	**Morgan Stanley**	**UBS Investment Bank**

Prospectus dated 15 June 2017

IMPORTANT NOTICES

This document comprises a prospectus for the purposes of Article 5 of the Prospectus Directive. References in this Prospectus to the Prospectus Directive shall include for the purposes of this Prospectus any relevant implementing measure in a relevant member state of the European Economic Area. This Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see "*Information Incorporated by Reference*" below).

No person has been authorised to give any information or to make any representation other than those contained in this Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor or the Managers (as defined below). Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Guarantor since the date hereof or the date upon which this Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or the Guarantor since the date hereof or the date upon which this Prospectus has been most recently supplemented or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Prospectus and the offering or sale of the Notes and the Subordinated Guarantee in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Guarantor and the Managers to inform themselves about and to observe any such restriction. The Notes and the Subordinated Guarantee have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States. The Notes will be issued in bearer form and are subject to certain U.S. tax law requirements. Subject to certain exceptions, the Notes and the Subordinated Guarantee may not be offered, sold or delivered within the United States or to U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**") and as defined in the U.S. Internal Revenue Code of 1986, as amended and regulations thereunder). For a description of certain restrictions on offers and sales of the Notes and on distribution of this Prospectus, see "*Subscription and Sale*".

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Managers to subscribe for, or purchase, any Notes.

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer and the Guarantor (each of which has

taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each of the Issuer and the Guarantor further confirms that (i) this Prospectus contains all relevant information with respect to the Issuer and the Guarantor as well as to Aroundtown and to the Notes and the Subordinated Guarantee which is material in the context of the issue and offering of the Notes, including all relevant information which, according to the particular nature of the Issuer and the Guarantor and the Notes and the Subordinated Guarantee, is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer, the Guarantor and Aroundtown and of the rights attached to the Notes and the Subordinated Guarantee; (ii) the statements contained in this Prospectus relating to the Issuer, the Guarantor, Aroundtown, the Notes and the Subordinated Guarantee are in every material particular true and accurate and not misleading; (iii) there are no other facts in relation to the Issuer, the Guarantor, Aroundtown, the Notes or the Subordinated Guarantee the omission of which would, in the context of the issue and offering of the Notes, make any statement in the Prospectus misleading in any material respect; and (iv) reasonable enquiries have been made by the Issuer and the Guarantor to ascertain such facts and to verify the accuracy of all such information and statements.

The Managers have not separately verified the information contained in this Prospectus. The Managers do not make any representation, expressly or implied, or accept any responsibility, with respect to the accuracy or completeness of any information contained in this Prospectus. Neither this Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Guarantor or the Managers that any recipient of this Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. The Managers do not undertake to review the financial condition or affairs of the Issuer and the Guarantor during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of Goldman Sachs International, Morgan Stanley & Co. International PLC or UBS Limited (each a "**Manager**" and collectively the "**Managers**"). This Prospectus may only be used for the purpose for which it has been published.

Prospective investors should have regard to the factors described under the section headed "*Risk Factors*" in this Prospectus. This Prospectus identifies in general terms certain information that a prospective investor should consider prior to making an investment in the Notes. However, a prospective investor should conduct its own thorough analysis (including its own accounting, legal and tax analysis) prior to deciding whether to invest in any Notes as any evaluation of the

suitability for an investor of an investment in the Notes depends upon a prospective investor's particular financial and other circumstances, as well as on the specific terms of the Notes and, if it does not have experience in financial, business and investment matters sufficient to permit it to make such a determination, it should consult its financial adviser prior to deciding to make an investment on the suitability of the Notes.

Investors should rely only on the information contained in this Prospectus. Neither the Issuer nor the Guarantor have authorised anyone to provide investors with different information. The Issuer and the Guarantor are not making any offer of the Notes in any jurisdiction where such offer would not be permitted. You should not assume that the information contained in this Prospectus is accurate as at any date other than the date on the cover of this Prospectus regardless of the time of delivery of this Prospectus or of any sale of the Notes.

In this Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area and references to "**€**", "**EUR**" or "**Euro**" are to the currency introduced at the start of the third stage of European economic and monetary union and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended. References to "**US$**", "**USD**" and "**U.S. dollars**" are to the currency of the United States of America. References to "**billions**" are to thousands of millions.

This Prospectus is drawn up in the English language. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Certain figures included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

In compliance with the requirements of the Prospectus Directive, this Prospectus will be available on the website of the Irish Stock Exchange (www.ise.ie).

Stabilisation

IN CONNECTION WITH THE ISSUE OF THE NOTES, GOLDMAN SACHS INTERNATIONAL AS STABILISING MANAGER (THE "STABILISING MANAGER") (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGER) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE

DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT ANY SUCH STABILIZATION ACTION MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

Forward-looking Statements

This Prospectus contains certain forward-looking statements. A forward-looking statement is a statement that does not relate to historical facts and events. They are based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements are identified by the use of terms and phrases such as "*anticipate*", "*believe*", "*could*", "*estimate*", "*expect*", "*intend*", "*may*", "*plan*", "*predict*", "*project*", "*aim*", "*will*" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on future earning capacity, plans and expectations regarding Aroundtown's business and management, its growth and profitability, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuer and Guarantor make to the best of their present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including Aroundtown's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. Aroundtown's business is also subject to a number of risks and uncertainties that could cause a forward looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "*Risk Factors*" and "*General Information on the Guarantor and the Group*". These sections include more detailed descriptions of factors that might have an impact on Aroundtown's business. In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur. In addition, the Issuer and the Guarantor assume no obligation, except as required by law, to update any forward-looking statement or to conform these forward-looking statements to actual events or developments.

Market Share Information and Statistics

This Prospectus contains information and statistics regarding the market share of the Issuer and Aroundtown, which are derived from, or are based upon, the Issuer's and the Guarantor's

analysis of data obtained from third party sources. All third party information is cited alongside where it is used. Such data have been reproduced accurately in this Prospectus and, as far as the Issuer is aware and is able to ascertain from information published by such entities, no facts have been omitted which would render such reproduced information inaccurate or misleading. Although the Issuer believes that the external sources used are reliable, the Issuer has not independently verified the information provided by such sources. None of the Issuer, the Guarantor or the Managers represent that such information is accurate. Furthermore, this Prospectus contains statements regarding the Issuer's industry and the Guarantor's and Group's relative competitive position in the industry that are not based on published statistical data or information obtained from independent third parties, but are based on the Issuer's or Guarantor's experience and their own investigation of market conditions, including their own elaborations of such published statistical or third-party data. Although the Issuer's and Guarantor's estimates are based on information obtained from their customers, sales force, trade and business organisations, market survey agencies and consultants, government authorities and associations in their industry which they believe to be reliable, there is no assurance that any of these assumptions are accurate or correctly reflect the Issuer's, the Guarantor's or the Group's positions in the industry.

Unless otherwise indicated, the information presented in this Prospectus regarding Aroundtown's property portfolio is based on the fair value assessment of the relevant properties as of the relevant date and includes, in addition to the property portfolio of Aroundtown, a proportional part of the property portfolio of GCP based on the Guarantor's 36% interest in GCP. For more information, see "*Risk Factors—Risk Factors Relating to the Guarantor and the Group—Risks Relating to the Real Estate Market—Aroundtown is dependent on demographic, economic, political and market developments primarily in Germany as well as in the Netherlands and in the regional areas where the properties in Aroundtown's portfolio are located.*"

WARNING

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of the document, you should obtain independent professional advice.

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RISK FACTORS

Set forth below is a description of risk factors that are material for the assessment of the market risks associated with the Notes and risk factors that may affect the Issuer's ability to fulfil its obligations under the Notes and, as applicable, the Guarantor's ability to fulfil its obligations under the Subordinated Guarantee.

Potential investors should carefully read and consider the risk factors described below in addition to all other information contained in this Prospectus and should consult with their own professional advisors (including their financial, accounting, legal and tax advisors) in connection with any purchase of the Notes. The realisation of one or more of these risks could individually or together with other circumstances adversely affect the business activities of the Issuer, the Guarantor or Aroundtown or have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits or prospects of the Issuer, the Guarantor or Aroundtown. The market price of the Notes could decline as the result of any of these risks, and investors could lose all or part of their investments. The risks described below may not be the only risks to which the Issuer, the Guarantor or Aroundtown are exposed. Additional risks which are presently not known to the Issuer, the Guarantor or Aroundtown or which are currently considered immaterial could also adversely affect the business operations of the Issuer, the Guarantor or Aroundtown and have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits or prospects of the Issuer, the Guarantor or Aroundtown. The order in which the risk factors are presented below neither indicates the probability of their occurrence nor their significance, nor the scope of their potential financial consequences should they occur. In addition, investors should be aware that the risks described below might occur simultaneously and thus have an unpredictable or more substantial impact on the Issuer, the Guarantor or Aroundtown.

Words and terms that are defined in the section "Conditions of the Notes" below or elsewhere in this Prospectus have the same meaning when used in this section "Risk Factors".

Potential investors should, among other things, consider the following:

Risk Factors Relating to the Issuer

The Issuer is dependent on the Guarantor and other entities of Aroundtown.

The Issuer acts as a financing subsidiary of the Guarantor. The principal activity of the Issuer is the provision of loans to members of Aroundtown financed with funds acquired from the capital market, bank loans and loans from other companies of Aroundtown. Its assets mainly consist of financial investments in Aroundtown companies, receivables from loans to Aroundtown

companies, and other receivables owed by Aroundtown companies. The Issuer may issue further notes in the future.

The ongoing business activities of the Issuer depend on the ability of the Guarantor and other companies of Aroundtown to fulfil their payment obligations vis-à-vis the Issuer or the obligation to assume losses. If individual or all members of Aroundtown were unable to meet their payment obligations to the Issuer in due time, this could considerably impair the ability of the Issuer to fulfil its obligations under the Notes or cause the market price for the Notes to decline. In addition, if the Guarantor is unable to fulfil its obligations under the Subordinated Guarantee, or if the Subordinated Guarantee is found to be unenforceable, Noteholders may have to rely exclusively on the Issuer to fulfil its obligations under the Notes.

Risk Factors Relating to the Guarantor and the Group

Risks Relating to the Real Estate Market

Aroundtown is dependent on demographic, economic, political and market developments primarily in Germany as well as in the Netherlands and in the regional areas where the properties in the Group's portfolio are located.

The Guarantor is a specialist real estate company, with a focus on value-add income generating properties primarily in Germany and the Netherlands. As of 15 February 2017, the Guarantor directly or indirectly held commercial real estate properties with a fair market value of approximately € 5.6 billion (investment properties excluding assets held for sale ("**AHFS**")), consisting primarily of office, hotel, retail and other types of commercial real estate (the "**Commercial Portfolio**"). In addition, as of the date of this Prospectus the Guarantor holds a 36% interest in GCP, a publicly traded real estate company that focuses on investing in value-add opportunities in the German residential real estate market. Until 31 December 2014, GCP was part of Aroundtown and was deconsolidated with effect from 1 January 2015. As of 31 March 2017, GCP held a property portfolio primarily consisting of residential real estate with a fair market value of approximately € 4.98 billion (investment properties excluding AHFS). GCP and its portfolio are not consolidated in the Guarantor's consolidated financial statements but the Guarantor's interest in GCP is presented as investment in an equity-accounted investee. As of 31 December 2016 the Guarantor's interest in GCP was recorded at €1.3 billion in the Guarantor's consolidated financial statements. Because of its substantial shareholding in GCP, Aroundtown is also impacted by the performance of the properties held by GCP. For more information, see "*—Financial Risks—The Guarantor's cash flow requirements and possible future interest payments are dependent on the profitability of Aroundtown or must be met with borrowed funds or by selling property.*"

As the commercial properties of Aroundtown and the residential properties held by GCP are spread across various cities and regions in Germany and the Netherlands, Aroundtown's activities are directly and indirectly influenced by a number of demographic and economic factors. In particular the development of the German and Dutch real estate market and the regional sub-markets in which the properties are located may have a significant impact on Aroundtown's business and the future prospects. These developments play an important role in determining property values, rent levels, re-letting periods, overall demand, vacancy rates and turnover rates, and may vary significantly across the relevant regional sub-markets. Although the properties of the Commercial Portfolio are located primarily in Germany and the Netherlands, the Commercial Portfolio is more concentrated in certain regions of those countries, such as cities in North Rhine-Westphalia, Germany biggest federal state ("**NRW**"), Berlin, Frankfurt, Munich and Hamburg in Germany, and Amsterdam and Rotterdam in the Netherlands. The residential properties held by GCP are located solely in Germany with a focus on certain regions such as cities in NRW, Berlin, Dresden, Leipzig, Halle, Hamburg, Bremen, Frankfurt, Mainz, Mannheim as well as Munich, Nuremberg and Fürth. Thus, the overall performance of Aroundtown depends not only on general economic and demographic developments in Germany and the Netherlands, but also on the particular circumstances in the regions the properties are located.

Because the performance of real estate markets is driven by changes in the overall economy, Aroundtown's performance is affected not only by factors that impact the commercial and residential real estate markets, but also by factors that impact the economy more generally, such as interest rates, levels of public debt and inflation rates. Real estate markets tend to fluctuate, with asset values and rents reflecting both positive and negative developments. In addition, such impacts may affect commercial and residential real estate markets to a different extent.

The market for commercial real estate depends on economic and demographic developments in Germany and the Netherlands and in particular in the regions within these countries where the properties are located. Factors such as changes in disposable income or industrial activity, the availability of credit financing, interest rates, taxation policies, economic growth, population growth, unemployment rates, consumer confidence and other factors may all impact the level of demand for commercial real estate. A decline in population levels, particularly among younger segments of the working population, or a decline in purchasing power or higher unemployment rates could reduce the demand for office, hotel, retail and other commercial properties. Declines in economic and population growth rates could lead to lower demand for residential real estate as well as to lower demand for commercial property, and, as a result, may adversely affect Aroundtown's ability to achieve or maintain its desired occupancy rates, rent levels and weighted average lease term ("**WALT**"). Local economic developments, such as employment conditions or significant income or liquidity problems for tenants in these areas, may also lead to reduced rental income and increased vacancy or turnover rates. In such circumstances, Aroundtown may not be

able to let or re-let properties on attractive terms or at all, or may only be able to do so after making significant additional investments.

In particular, the retail market in the Netherlands has been greatly affected by the global economic crisis of 2008 and 2009, as well as its aftermath, which has resulted in several bankruptcies of large retail chains such as Scheer & Foppen, Dolcis, Scapino and V&D. The ongoing growth in sales of goods and services over the Internet has also placed increasing pressure on Dutch retailers and consequently on demand for, and the performance of, Dutch retail real estate.

Aroundtown's ability to attract and retain solvent and reliable tenants for its hotel properties depends on the broader development of the hotel market and on the demand for hotel rooms. As of 15 February 2017, Aroundtown owned more than € 1 billion in fair value of hotel properties, located in diverse regions in Germany, such as Berlin, Munich, Hamburg, Frankfurt, Dresden, Düsseldorf, Mannheim and Leipzig. Aroundtown's hotel properties are operated by third party commercial tenants, the majority of which have entered into long-term fixed rent lease agreements with Aroundtown. The profitability of hotels generally, and hence the attractiveness of Aroundtown's hotel properties for tenants, may be adversely affected by a number of factors, including the availability of and demand for hotel rooms in the regional markets, the desirability of particular locations and changes in travel patterns for commercial or leisure travel, or the impact of war, actual or threatened terrorist activity and heightened travel security measures instituted in response. Profit margins in the hotel industry may decline due to increases in the cost of raw materials, limiting the attractiveness of hotels for tenants. Additional competition in the regions where Aroundtown's hotel properties are located may also reduce profitability for Aroundtown's existing hotel tenants, which may create financial difficulties for such tenants and limit their ability to pay their rents or fulfil other obligations under their leases.

The market for residential real estate, and consequently the performance of the residential properties held by GCP, depends on demographic and other economic developments in Germany. Certain studies have forecast that demographic change in Germany, including a declining and ageing population, may cause the nationwide demand for accommodation to fall in the long term. In structurally weak and rural areas, high population losses have already led to an oversupply of housing, and increasing population losses in these areas may result in decreased demand for residential real estate. Changes in other macroeconomic factors, such as gross domestic product ("**GDP**"), unemployment rates, purchasing power and average household sizes across Germany may also impact the demand for residential real estate. Changes in any of these factors may impact the performance of the residential properties. Also, demographic forecasts for large and rapidly growing cities in Germany differ greatly from forecasts for less densely populated areas, and it is expected that such regional differences will continue to grow. It is anticipated that declining population in rural areas will result in decreased demand in the

respective housing markets and a corresponding oversupply of housing. This trend of high vacancies will likely affect cities and municipalities in the eastern part of Germany as well as regions in the western part facing economic structural problems. Conversely, it is expected that big cities in Germany will continue to attract national and international migration. In these areas, the number of households could grow relatively strongly in the medium term due to population gains and the trend toward smaller household sizes. The majority of the properties likely to be affected by this trend are located in NRW, Berlin and Dresden, Leipzig and Halle. Thus, the performance of the residential properties held by GCP also depends on the general macroeconomic developments in these regions. NRW is composed of various socio-economically heterogeneous sub-markets. For example, the Ruhr region is still facing structural challenges following the withdrawal of the coal and steel industry, while the neighbouring Rhineland is one of the strongest economic areas in Germany. Berlin also faces challenges with respect to the economic and demographic development in certain parts of the city. The same applies to other densely populated areas in Germany.

The value of the Guarantor's interest in GCP and the performance of GCP may also be substantially affected by the development of GCP's business. Although the Guarantor holds, as of the date of this Prospectus, a 36 % interest in GCP, the Guarantor is not a majority shareholder in GCP and thus cannot influence the business as if it controlled GCP. For more information, see *"Risks Related to the Business of Aroundtown - The Guarantor is not a majority shareholder in GCP, and the other shareholders of GCP may take resolutions or implement measures that are not supported by the Guarantor or that are contrary to Aroundtown's strategy, policies or objectives."* There is also no guarantee that positive developments in the residential real estate market in Germany will be reflected in the value of the Guarantor's stake in GCP and/or in the performance of GCP or its properties and negative developments in the residential real estate market in Germany may have a disproportionate effect on the value of the Guarantor's stake in GCP, which may result in the Guarantor recording a significant loss to reflect the lower fair value of its investment in GCP and/or on the performance of the residential properties held by GCP.

Changes in demographic, economic, political and market factors are often impossible to predict. Although Aroundtown takes steps to limit the effect of expected economic, demographic, political and market developments, there is no guarantee that Aroundtown will be able to successfully predict or adapt to specific developments.

The occurrence of any of these risks or any misjudgement, miscalculation, failure or inability of Aroundtown to react to such risks may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

The results of the "Brexit" referendum and the announced withdrawal of the United Kingdom from the European Union may cause significant political and economic uncertainty in the European Union, potentially limiting access to debt and equity financing for Aroundtown and resulting in defaults by Aroundtown's counterparties.

On 23 June 2016, voters in the United Kingdom voted in a referendum in favour of the United Kingdom leaving the European Union, a decision known as "Brexit". Because no major member of the European Union has previously chosen to leave the European Union, the legal and political process for doing so is untried and uncertain. On 29 March 2017 the United Kingdom submitted a formal departure notice to the European Council pursuant to article 50 of the Treaty on European Union (the "**EU Treaty**"). The negotiations regarding the withdrawal of the United Kingdom are expected to take up to two years. The Brexit vote, however, has resulted in a high degree of political and legal uncertainty within the United Kingdom, both with respect to the implications of Brexit and the outcome of the negotiations regarding the withdrawal.

The results of the referendum have already had a negative impact on the economy of the United Kingdom, and to a lesser extent on the European Union, and the ongoing economic and political implications are impossible to predict. Among other consequences, departure from the European Union may result in the United Kingdom no longer having access to the European Single Market. The United Kingdom is currently the second largest economy in the European Union, and a withdrawal from the European Single Market is expected to have significant negative impact on the economy of the United Kingdom. If the United Kingdom no longer had access to the European Single Market, the Member States of the European Union would face greater barriers to trade and commerce with the United Kingdom, which may in turn diminish overall economic activity between the European Union and the United Kingdom, resulting in a general economic downturn throughout the United Kingdom, the European Union or both. The Brexit vote may also give rise to or strengthen tensions in other Member States regarding their membership in the European Union, potentially resulting in additional referendums or other actions in Member States regarding withdrawal from the European Union. The withdrawal of other Member States from the European Union would have unpredictable consequences and may threaten the existence of the European Union or the Eurozone as a whole.

Because London is currently one of the world's leading financial centres, the European financial sector is likely to undergo significant changes in the course of any implementation of the United Kingdom's withdrawal from the European Union. Any negative economic or political developments in the European financial sector or the European Union generally may result in a new outbreak of the credit and banking crises that have plagued the European Union in recent years, and may make it more difficult for companies to access the financial markets and raise debt or equity financing. Because Aroundtown relies on access to the financial markets in order to refinance its debt liabilities and gain access to new financing, ongoing political uncertainty and

any worsening of the economic environment may reduce its ability to refinance its existing and future liabilities or gain access to new financing, in each case on favourable terms or at all. Furthermore, Aroundtown's counterparties, in particular its hedging counterparties, may not be able to fulfil their obligations under their respective agreements due to a lack of liquidity, operational failure, bankruptcy or other reasons.

The occurrence of any of these risks may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow, results of operations, net profits and prospects.

Continuing uncertainty regarding the development of the global economy may result in economic instability, limited access to debt and equity financing and possible defaults by Aroundtown's counterparties.

The global financial crisis of 2008 and 2009 resulted in a severe global economic downturn characterised by economic and political uncertainty, tensions in financial and capital markets and greatly weakened consumer confidence and levels of consumption. This downturn adversely impacted economic development worldwide, and its effects continue to generate uncertainty regarding the development of the global economy. The global economic crisis resulted in ongoing sovereign debt and financial deficit crises in many parts of the world, particularly in the Eurozone, resulting in recessions and slowed economic development from which some Eurozone countries are only now beginning to recover. Public debt and unemployment levels remain high in many countries in the Eurozone, such as Ireland, Spain, Greece and Portugal, and future economic growth in the Eurozone is threatened by the fragile state of economic recovery in many Eurozone countries. If a long-lasting solution to the ongoing sovereign debt and financial deficit crisis cannot be found, this may result in bankruptcies of states, withdrawal of states from the Eurozone and/or European Union and the re-introduction of national currencies.

The troubled macroeconomic environment also gave rise to ongoing economic and political instability, including the possibility of a breakup of the Eurozone. In addition, the outcome of “Brexit” vote and the United Kingdom’s withdrawal from the European Union, the current severe geopolitical crises in the Middle East, North Korea, Ukraine, the ongoing economic sanctions against the Russian Federation, the world-wide threat of terror, the uncertain economic prospects in China and other parts of the world, the results of upcoming elections in a number of Eurozone countries (including in France and Germany), the possibility of increased barriers to trade or “trade wars” in or with other countries or regions and other factors, such as the fluctuation of raw material prices and currency fluctuations. Such instability and the resulting market volatility may also create contagion risks for economically strong countries such as Germany and may spread to the German or other Eurozone financial sectors and to the German, Dutch and other Eurozone commercial and residential real estate markets. The German economy, which is highly dependent on its exports, might also be adversely impacted by trends to limit global free trade and by the

introduction of market entry barriers such as market access taxes or tariffs. In particular, if the United States of America should introduce additional market access barriers for German or European businesses, this might negatively affect the overall German economic environment.

Aroundtown relies on access to the financial markets in order to refinance its debt liabilities and gain access to new financing. Any worsening of the economic environment or the financial markets may reduce Aroundtown's ability to refinance its existing or future liabilities or gain access to new financing, in each case on favourable terms or at all. Furthermore, Aroundtown's counterparties, in particular its hedging counterparties, may not be able to fulfil their obligations under the respective agreements due to a lack of liquidity, operational failure, bankruptcy or for other reasons.

The occurrence of any of these risks may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

The business of Aroundtown and the real estate markets in Germany and in the Netherlands and in their regional sub-markets are affected by changes in general economic and business conditions. The current economic situation is characterised by low interest rates, high valuations and an increased demand for investments in real estate. A rise in interest rates could have a material adverse effect on real estate markets and on the business of Aroundtown.

The global financial and economic crisis of 2008 and 2009 and the resulting slow global economic recovery have resulted in increased uncertainty regarding future economic developments. This uncertainty regarding the general economic outlook has made investment opportunities that provide stable and largely predictable cash flows more popular, such as investments in German real estate. This trend has been reinforced by the low interest rate environment in Europe. As a result, property valuations, demand for investments in real estate and the value of real estate companies have generally increased. These developments could reverse if, for example, interest rates were to rise, as has already begun to happen in some parts of the world. An increase in interest rates could be driven by economic conditions, resulting in increased investor interest in investments with a higher risk profile and a decrease in interest in real estate investments.

An increase in interest rates could adversely impact Aroundtown's business in a number of ways. Although Aroundtown's current debt structure primarily involves debt at fixed interest rates or, where variable interest rates apply, is predominantly subject to interest rate hedging agreements, a future increase in interest rates may have a negative impact on Aroundtown. In general, rising interest rates (or market expectations regarding future increases in interest rates) would make financing needed by Aroundtown for its acquisition, capital expenditure ("**capex**") and/or other real estate activities more expensive. Similarly, the willingness of purchasers to acquire real estate in such situations may be negatively affected, thereby restricting Aroundtown's ability to

dispose of its properties on favourable terms when desired. Rising interest rates could also impair the future performance of Aroundtown's business, including future acquisitions and sales.

In addition, the discount rate used to calculate the fair value of real estate properties tends to increase in an environment of rising interest rates, which in turn could result in the properties held by Aroundtown and/or GCP having a lower fair value, resulting in significant losses for Aroundtown. Rising interest rates and economic recovery could also prompt investors to prefer investments which potentially have a higher yield than investments in real estate, which could lead to a general decrease in the value of real estate, thereby having a negative impact on the valuation of the properties held by Aroundtown and/or GCP. For more information, see "*Valuation Risks*".

The occurrence of any of these risks may have a material adverse effect on the business, net assets, cash-flows, financial condition, results of operations, net profits and prospects of Aroundtown.

The future growth of Aroundtown depends on the availability of real estate properties with value-add potential. The real estate markets are competitive, and competition may increase in the future.

Aroundtown seeks to acquire properties which Aroundtown believes have value-add potential, and the future growth of Aroundtown depends on the availability of such properties for purchase at attractive prices. Given the current high demand for real estate in particular in Germany, such properties or portfolios of such properties may be unavailable or available only on unfavourable terms or at unattractive prices. While Aroundtown is focused on acquisitions of commercial properties, in particular office, hotel and retail properties, many of the commercial properties available on the market do not fit Aroundtown's investment criteria. Similar difficulties are also present in the residential real estate markets, including opportunities in the German residential real estate market for GCP. Due to the ongoing consolidation process within the German residential real estate market the number of available properties has further decreased. In addition, a number of factors beyond Aroundtown's control, such as the overall development of real estate markets, construction activity, zoning and planning laws and competition in its target markets, influence the availability of office, hotel, retail and residential properties generally. There is no guarantee that Aroundtown will be able to continue to identify or acquire a sufficient number of suitable properties that will allow it to successfully implement its business strategy or grow its business effectively.

The supply of real estate portfolios available for sale may also be reduced due to fewer sales by private or public sellers. If public and/or private entities reduce or cease privatising or selling their real estate holdings, supply, in particular for residential real estate, could be reduced, which may result in increased competition for acquisitions of suitable properties and may motivate potential

sellers to sell properties through an auction process. The use of auction processes for the sale of properties has grown increasingly common and may increase in the future. Any of these factors may result in increased prices for the types of properties which are the strategic focus of Aroundtown and/or of GCP. As a result, it could be more difficult for Aroundtown and/or of GCP to successfully acquire properties, which could limit their ability to grow their businesses effectively.

Aroundtown is also exposed to competition from local and international investors as well as other markets in which it seeks to operate. Aroundtown competes to acquire attractive properties with other investors, such as international real estate funds, German open-ended and closed-ended funds, German real estate investment trust stock corporations (*REIT-Aktiengesellschaft*), Dutch real estate companies, pensions funds and other European and international companies, any of which may have greater resources, better information or better access to properties or financing than Aroundtown and/or GCP. Aroundtown also competes with other property companies, investment funds, institutional investors, building contractors, individual owners and other entities to attract and retain suitable tenants on favourable conditions. Competition in the real estate markets Aroundtown and GCP are active in is generally intense and could further intensify in the future. There is no guarantee that Aroundtown will be able to successfully compete in any of the regions within its strategic focus or will be able to enter new regions successfully. Changes in law or regulation may also create environments in which Aroundtown can no longer effectively compete.

The occurrence of any of these risks may have a material adverse effect on the future business, cash flows, financial condition and results of operations of Aroundtown.

Risks Relating to the Business of Aroundtown

Aroundtown may not succeed in improving or adding value to its properties, such as increasing occupancy rates, rent levels and/or the weighted average lease term.

Aroundtown focuses on acquiring properties which it believes have upside potential, primarily through operational improvements such as increased occupancy rates, rent levels and/or duration of lease terms. The success of Aroundtown depends significantly on Aroundtown's ability to improve and add value to the properties that it acquires, primarily by reducing vacancy rates and operating costs while increasing rent levels and WALT.

Aroundtown's ability to increase its rental income and the WALT from new and existing tenants and to reduce vacancy rates depends on many factors, including, in particular, the demand for its properties, local market rents, the condition and location of its properties, required capex, refurbishment and modernisation measures and tenant turnover rates. Even if increased capex, refurbishment or maintenance measures would merit increases in rents as a commercial matter, Aroundtown's ability to increase rents is subject to certain limitations, including competition. Rent

levels for properties held by Aroundtown and/or GCP are also subject to the restrictions of relevant tenancy and other laws, as well as in certain cases contractual restrictions under purchase or financing arrangements in connection with the property, specific terms agreed with tenants under their leases, or conditions imposed as a consequence of having received government funding or public subsidies.

As a consequence, Aroundtown and GCP might not be able to reduce vacancy rates and increase rental income and the WALT in a manner or to the extent that Aroundtown expects, and vacancy rates in its properties may increase. The occurrence of any of these risks may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits or prospects of Aroundtown.

The geographic composition of the property portfolio might change in the future due to further acquisitions or divestures.

Aroundtown follows an opportunistic approach to acquisitions and focuses on real estate property which it believes has upside potential. As a result, Aroundtown continuously seeks investment opportunities throughout the regions of its strategic focus but also in other markets that it believes might meet its investment strategy. Consequently, the geographical composition of the property portfolio may change, either as a result of new acquisitions or as a result of divestitures of properties by the Guarantor or other members of Aroundtown. A change in the geographical composition of the property portfolio may lead to increased concentration in certain geographical areas, or introduce dependencies on regional market conditions in new or different geographical areas, which may have different fundamentals, trends or legal, regulatory and tax regimes than the current regions where the properties are located. A broader geographical distribution may also result in additional costs in connection with the management of the properties and reduce the benefits of economies of scale. A different geographical distribution of the property portfolio may also result in reduced availability of market data, which could limit Aroundtown's ability to predict the performance of its investments. The same risks apply if the regional distribution of the property portfolio held by GCP should change.

The occurrence of any of the foregoing factors may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Aroundtown is exposed to concentration risks and other negative developments which could affect demand for its properties or have significant impacts on key tenants or properties, any of which could have a material adverse effect on Aroundtown's business.

Aroundtown is exposed to concentration risks due to its focus on certain types of real estate asset types, its concentration on certain geographies, and its reliance in the case of certain properties

on a limited number of key tenants. The performance of Aroundtown may be disproportionately impacted by events or market developments occurring in specific regions or by developments that affect certain types of commercial or residential real estate. In the event of developments that impact certain key tenants, Aroundtown may be unable to find suitable replacement tenants at attractive rent levels or at all. Any of these developments may result in increased vacancy rates and decreased rent levels for the properties held by Aroundtown, or have a significant negative effect on Aroundtown.

In addition, demand for office, hotel and retail properties is not only affected by the overall development of the commercial real estate market, but also by commercial developments affecting existing and potential tenants for these types of properties. Such developments include an increase in food purchases over the internet and the trend towards smaller, high-quality food retailers for Aroundtown's retail properties, the trend towards working from home offices or from tax friendly headquarters located away from city centres for Aroundtown's office properties and the development of new or increased taxes, such as city tourism and hotel taxes, for Aroundtown's hotel properties. Also travel patterns for commercial or leisure travel, or the impact of war, actual or threatened terrorist activity impact the demand for hotel rooms. The ongoing increase in sales and retail activity over the Internet has and will likely continue to negatively affect demand for retail real estate. Although Aroundtown takes steps to adapt its properties in response to market developments, there is no guarantee that Aroundtown will be able to successfully predict or adapt to changes that may impact its tenant base.

The occurrence of any of the foregoing risks may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Aroundtown may be unable to find or retain suitable tenants on acceptable terms, and existing tenants may be unable to meet their payment obligations.

The letting of properties is one of the most important aspects of Aroundtown's business. Aroundtown's rental income depends on its ability to let its properties at profitable rent levels. Such efforts are influenced by a number of factors, including the remaining term of existing lease agreements, the commercial conditions of current tenants and the attractiveness of properties for new or existing tenants. Aroundtown may be unable to renew expiring lease agreements on acceptable terms or to find suitable tenants willing to enter into new lease agreements. There is also no guarantee that Aroundtown will be able to successfully compete for suitable tenants with other landlords, who may be able to offer more attractive properties, lease terms and/or rent levels. If Aroundtown misjudges the attractiveness or future attractiveness of its properties, it may be difficult to find suitable tenants that are willing to rent its properties at the rent levels or for the time periods anticipated by Aroundtown.

Failure to find and retain suitable tenants may prevent Aroundtown from maintaining its current vacancy rate or renting vacant space, or may force Aroundtown to reduce the rent levels it demands from current and future tenants. In particular, with respect to Aroundtown's hotel properties, the number of potential tenants is limited, and suitable tenants must have sufficient experience with, and capacity for, operating hotels, as well be eligible to receive the relevant permits in order to operate hotel properties. Aroundtown's ability to find new tenants for its hotel properties depends on many factors, including factors that are beyond its control, such as demand for hotel rooms, profitability margins on hotels and the hotel industry generally, and the level of competition in the hotel sector.

In addition, the financial capacity or creditworthiness of Aroundtown's tenants may deteriorate over time, reducing their ability to make payments under their leases on time or at all. Reductions in tenants' abilities to make payments under their leases may force Aroundtown to reduce rent levels for the relevant properties, resulting in rental income that is significantly lower than originally estimated, while Aroundtown's operating costs might remain largely fixed or even increase. Aroundtown may also be forced to engage in expensive and time-consuming administrative or legal proceedings in order to evict certain tenants, or as the result of insolvency or other restructuring activities undertaking by its tenants, which may result in modifications to the terms of Aroundtown's leases with or without its consent. Although Aroundtown takes steps to verify the financial capacity of its tenants prior to entering into leases with them, Aroundtown cannot predict the financial stability and commercial viability of its tenants going forward.

The occurrence of any of the foregoing risks may have a material adverse effect on Aroundtown's business, net assets, financial conditions, cash flows, results of operations, net profits or prospects.

Rent indexation clauses in Aroundtown's lease agreements could adversely affect Aroundtown's rental income.

Some of Aroundtown's lease agreements include clauses providing for full or partial indexation of the applicable rent in line with a reference index, such as the German or Dutch consumer price indexes. Rent levels under these leases will fluctuate based on changes in the reference index, and rental income may decrease. If a lease agreement does not contain an indexation or equivalent adjustment clause, or if such clauses are found to be invalid, the applicable rent may remain constant for the term of the lease agreement, while Aroundtown's costs of maintaining the respective property may increase over time due to inflation. This risk is compounded by the fact that many of Aroundtown's lease agreements provide for long-term leases.

The occurrence of any of these risks may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flows, results of operations, net profits or prospects.

With respect to certain of its properties GCP is subject to contractual rent restrictions or restrictions on disposal under so-called charters of social rights (Sozialchartas) or under subsidies from public authorities which restrict the level of rents chargeable.

As of end of March 2017, approximately 6 % of GCP's residential units were subject to one or more contractual restrictions. Residential real estate transactions often include contractual provisions restricting a buyer's right to sell the acquired properties, to increase the rent or to terminate existing leases. These restrictions might reduce the attractiveness of the affected units for prospective purchasers. Such restrictions often result from so-called charters of social rights (*Sozialchartas*) which are especially common in connection with the privatisation of publicly-owned property, where the selling public authorities (particularly cities and municipalities) often intend to mitigate potential social effects of such transactions, or when these portfolios are subsequently sold on to third parties. Usually, most obligations lapse in full or in part after a certain period of time. In addition, GCP receives grants from public authorities in the form of construction subsidies, expenses subsidies, expenses loans and low-interest loans that impose certain limitations. As of 31 March 2017, approximately 6 % of GCP's properties were rent-restricted due to subsidies provided by publicly owned economic development banks. Most of the subsidies are granted in the form of low-interest long-term loans. The public bodies granting a subsidised loan impose maximum rent levels on the properties constructed, acquired or modernised using such subsidised loan in order to compensate for construction, financing and property-related costs. Although the rent levels set by the public bodies are significantly below current market rents for a number of rent-restricted residential units, it may be difficult to increase rents to market levels after the lapse of subsidy restrictions because of a lack of tenants who are willing or able to pay market level rents for such properties. Some of the aforementioned restrictions may limit GCP's ability to attractively market parts of its residential properties, which could in turn lower the fair value of GCP's property portfolio and limit its ability to generate cash flow from selective divestitures. As Aroundtown depends on the performance of GCP, any of these factors might also adversely impact Aroundtown's business, net assets, financial condition, cash flow and results of operations.

The loss of rent, reductions in rent, higher vacancy rates and shorter lease terms may have a negative effect on Aroundtown's business, net assets, cash flows, financial condition, results of operations, net profits and prospects.

The business of Aroundtown strongly depends on the rental income generated by its properties, which is influenced by the rent levels, vacancy rates and the WALT of such properties. The same applies to the business of and properties held by GCP. Any decrease in demand for commercial or residential real estate (whether due to general economic, demographic, political or market developments or due to conditions in particular regions or at particular properties) may result in a loss of rent, reductions in rent, higher vacancy rates or shorter lease terms, any of which could

result in a substantial decline in the overall rental income of Aroundtown and/or GCP. If tenants fail to meet their rent payment obligations in whole or in part (e.g., due to a deterioration of their financial situation or a deterioration of their business activity or the regions in which they operate), or if large numbers of tenants or certain key tenants terminate their leases, Aroundtown could suffer a substantial decrease in overall rental income. Even if Aroundtown is able to re-let the affected properties, there is no guarantee that it will be able to do so in a timely fashion, on attractive terms or at all. If GCP would suffer a substantial decrease in its overall rental income, this could indirectly also negatively impact Aroundtown and the value of its shareholding in GCP.

Aroundtown is also required to maintain its properties in the conditions required by their respective lease agreements, by law and in certain cases according to the provisions of financing or loan agreements. If the required maintenance measures are not performed on time or at all, the rent that Aroundtown is able to charge for the affected properties may be reduced, in some cases substantially.

The occurrence of any these factors may have a material adverse effect on the business, net assets, cash flows, financial condition and results of operations of Aroundtown.

Aroundtown is exposed to risks related to capex, maintenance, repositioning and repair of properties. The capex, modernisation and repositioning of properties, as well as their ongoing maintenance, may take more time, be more expensive or ultimately be less effective than originally anticipated.

Aroundtown is required to maintain its properties in good condition, based not only on the requirements of law and its obligations under the relevant lease agreements, but also based on the quality of similar properties in the relevant regions where the properties are located. Aroundtown performs maintenance and repairs, as well as invests capex, in its properties for many reasons, including among others to increase value, to order to avoid loss of value and to maintain demand for its properties. Modernisation, refurbishment and capex for Aroundtown's properties may also be necessary in order to increase their appeal or to meet changing legal requirements, such as provisions relating to modernisation and energy savings. In some cases, the amount invested in a property by Aroundtown may be significant. In addition, under a small number of loan agreements, Aroundtown has an obligation to invest a certain amount into specified properties.

The properties held by Aroundtown may from time to time require investment for targeted modernisation and repositioning. Some of these properties were acquired following periods of mismanagement and may not have received adequate investment from previous owners, resulting in significant modernisation, repositioning, capex and fit-out costs, which could well exceed the costs of general maintenance.

Although Aroundtown takes steps to predict the expenses associated with its properties, there is no guarantee that Aroundtown has predicted, or will correctly predict in the future, the amount of time and money that it must spend on maintenance, repairs, modernization, repositioning, fit-out or capex and development of its properties. These costs may increase substantially as a result of many factors, such as increased costs of materials, increased labour costs, increased energy costs, bad weather conditions, unexpected safety requirements or unforeseen complexities and developments at the building site. Aroundtown may be unable to undertake work on its properties in a timely fashion or at all for many reasons, including lack of a skilled labour force, bad weather conditions or the failure of contractors or subcontractors to adhere to agreed-upon time schedules or continue as going concerns during the course of necessary work. Further, necessary building or other permits may be delayed or denied, or only issued subject to further restrictions or with fewer rights than anticipated by Aroundtown. In addition, the impact of these factors may be more significant for Aroundtown, which invests from time to time in properties that may have experienced periods of mismanagement, than for investors in properties that have been better maintained. In the case of acquired property portfolios, Aroundtown may not be contractually protected against these costs and may not have been able to adequately predict or foresee them prior to the acquisition of the relevant properties.

Aroundtown may selectively choose to engage in development activities if it can identify suitable opportunities. Such developments, which may be long-term in nature, are associated with numerous risks, including cost overruns, which may result in projects become unprofitable, and changes in the economic environment, which may make it difficult to complete projects on time or realize the returns Aroundtown anticipates upon beginning such projects.

The occurrence of any of these factors may have a material adverse effect on the net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

The growth of Aroundtown depends on its continuing ability to acquire properties with value-add potential. A key factor for the growth of Aroundtown has been its ability to acquire properties via its sourcing network and through transactions in a variety of forms. Aroundtown may fail in its ability to source or acquire suitable properties.

Aroundtown's business model includes the acquisition of properties with value-add potential. Aroundtown's growth relies on its ability to acquire such properties through its sourcing network, including the contacts of its key personnel. There is no guarantee that Aroundtown's sourcing network will provide it with sufficient opportunities or that Aroundtown will be able to maintain its sourcing network in the future. In addition, other investors may succeed in gaining access to the same sources of information and/or properties that Aroundtown has relied on in the past, thereby undermining the value of Aroundtown's sourcing network. Further, there can be no guarantee that new direct or indirect competitors will not arise.

Aroundtown acquires properties through transactions in a variety of forms, including without limitation asset-based transactions, share deals and acquisitions of non-performing loans ("**NPL**") in a variety of forms. In the case of acquisitions of properties via NPLs, Aroundtown may be unable to gain access to the underlying property in the time period anticipated by Aroundtown, and may fail to gain access to the property at all, or may only do so at a significantly greater cost than anticipated. As a result, there is no guarantee that Aroundtown will be able to gain access in a timely fashion or at all to the properties it has attempted to obtain by means of NPLs.

The occurrence of any of these risks may have a material adverse effect on the future business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Aroundtown may be unable to make acquisitions if it is unable to obtain the necessary funds.

Aroundtown's ability to make future acquisitions may be limited if Aroundtown is unable to obtain necessary funds through additional debt or equity financing, each on acceptable terms. Further, additional debt incurred in connection with future acquisitions could have a significant negative impact on Aroundtown's performance indicators, and could result in higher interest expenses for Aroundtown. If Aroundtown is no longer able to obtain the debt or equity financing it needs to acquire additional property portfolios, or if it is able to do so only on onerous terms, its future business development and competitiveness could be severely constrained. A shortage of financing may prevent Aroundtown from growing.

Since 2014, the Guarantor has successfully raised debt and equity financing through the issuance of new shares, the issuance of debt securities and perpetual notes, in addition to raising financing through bank loans. There is no guarantee that the Guarantor will be able to obtain debt or equity financing as needed or on favourable terms or at levels that would allow it to acquire additional properties in the desired volumes.

The occurrence of any of these factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flows, results of operations, net profits and prospects.

Aroundtown's acquisitions and investments involve risks, including unexpected liability claims, increased indebtedness and interest expenses, the impact of German, Dutch or other real estate transfer taxes, and the failure of acquired properties or portfolios to develop or perform as expected.

Before acquiring a property or portfolio of properties, Aroundtown generally performs a due diligence exercise in order to evaluate the properties and to identify risks connected with the properties. There can be no assurance as to the adequacy or accuracy of information provided

during any due diligence exercise or that such information will remain accurate following the conclusion of the due diligence exercise until the acquisition of the relevant properties. In certain situations Aroundtown may enter into transactions with only limited time to conduct due diligence and/or on the basis of limited, missing, inconsistent or incomplete information. Particularly in the case of properties or property portfolios that were mismanaged, have deteriorated or were sold under financial, legal or time pressure, information regarding the properties may be limited, missing, inconsistent or incomplete.

Aroundtown purchases property through transactions in a variety of forms, such as asset purchases, stock purchases and the purchase of NPLs. These types of transactions differ in the amount of information that can be provided to Aroundtown and the time that Aroundtown is given to review it. It is possible that Aroundtown may have overlooked or not received information regarding certain risks, especially where transactions were closed under financial, legal or time pressure. These risks, among others, relate to title and security searches, planning permissions and conditions, building permits, revisions to zoning plans, licences, fire and health and safety certificates and the compliance with related regulations as well as restrictions in connection with historic preservation laws, subsidised housing or contractual limitations imposed by the seller of the respective property that may relate to investment obligations, limitations as to rent increases or other provisions for extra-statutory tenant protection.

In the case of environmental risks, Aroundtown or the original acquirers, as the case may be, may not have been able to undertake (or obtain results for) inspections and surveys (including labour and time intensive environmental and asbestos investigations and technical surveys) that Aroundtown would otherwise have carried out in the course of comparable acquisitions. In respect of certain properties in Aroundtown's portfolio, only limited investigation or review was undertaken prior to purchase as to the existence of harmful environmental contamination.

Even if supplied with sufficient information, there is no guarantee that Aroundtown will be able to correctly evaluate and predict the impact of the risks and information that it receives. It is possible that damage or quality defects could remain entirely undiscovered or misunderstood, or that the scope of such problems may not be fully apparent in the course of Aroundtown's due diligence exercise, and/or that defects may only become apparent at a later time. In general, sellers exclude liability for hidden defects in properties which they sell, which would prevent a claim for any loss incurred by Aroundtown in connection with the acquisition of such property. Even if liability for hidden defects has not been fully excluded, it is possible that the representations and warranties made by the seller in the course of the sale of the property failed to cover all risks and potential problems.

Besides the risks directly related to the properties to be acquired, any acquisition also involves significant use of internal personnel resources and management capacity, which cannot be used

otherwise. Certain acquisitions may be disproportionately time consuming and may limit the ability of Aroundtown to successfully engage with other projects.

If Aroundtown is not successful in raising additional capital at reasonable costs, it could be unable to acquire additional properties. Additional indebtedness in connection with future acquisitions might have a negative impact on key performance indicators, such as net asset value calculated in accordance with the recommendations of the European Public Real Estate Association ("**EPRA**") ("**EPRA NAV**") and loan-to-value ratio ("**LTV**"), which might trigger an increase in interest expenses. In addition, certain performance indicators material for the rating of Aroundtown might be adversely affected by acquisitions or Aroundtown might breach financial covenants under existing loan agreements or its outstanding debt securities.

Since the introduction of section 1 para 3a of the German Real Estate Transfer Tax Act (*Grunderwerbsteuergesetz*) generally might be avoided only, if the direct and indirect ownership interest of the Guarantor in newly acquired property companies is less than 95 %. Should the Guarantor intend to acquire new properties on a tax neutral basis, Aroundtown might have to co-operate with one or more third parties, which will acquire 5 % or more in the property. This might add complexity to the acquisition process, introduce stronger minority rights of partners and consequently might increase the acquisition costs and the management costs of the property.

Accordingly, in the course of acquiring a property portfolio, specific risks might not be or might not have been, recognised or correctly evaluated which could lead to additional costs and could have an adverse effect on the proceeds from rental income and sales of the relevant properties.

The occurrence of any of these factors may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

There is a risk that Aroundtown may incorrectly appraise the value of acquired properties or property portfolios, real estate companies or non-performing loans before, during and after an acquisition.

Prior to an acquisition, Aroundtown carries out an examination and evaluation of the properties to be acquired, which typically includes developing an initial business plan for the properties after taking into account required maintenance, refurbishment, modernisation, repositioning or capex measures.

The assumptions, estimates and judgments made by Aroundtown in connection with its acquisition of properties, property portfolios, real estate companies or NPLs may be mistaken, inaccurate or incorrect, particularly with respect to anticipated rent and vacancy levels, commercial attractiveness, relevant costs and timeframes, and any other liabilities associated with the acquisition. During periods of reduced activity in the real estate markets, or periods of

economic, political or market volatility, market prices for properties may be difficult to assess. In addition, the valuation methods used could subsequently be found to have been unsuitable for the environment during the periods in question.

Accordingly, the actual performance of acquired properties may differ substantially from the performance predicted by Aroundtown at the time of acquisition. It may be more difficult to lease or sell such properties than anticipated, market rents could decline or fail to achieve the levels anticipated by Aroundtown, and vacancy rates may exceed Aroundtown's projections or even increase following the acquisition.

Due to the numerous factors that affect the performance of property and real estate markets, there is no guarantee that the properties acquired by Aroundtown will perform in the way anticipated by Aroundtown at the time of acquisition. Incorrect and erroneous valuations in connection with the acquisition of property portfolios and other unforeseeable events could result in Aroundtown being unable to achieve its projected yields, leading to the risk that valuations of the properties at their acquisition or later on have to be adjusted downwards (see: "*—Valuation Risks—Real estate valuation is based on assumptions that may change and are inherently subjective and uncertain. The values recorded in the Guarantor's consolidated financial statements may not reflect the value of Aroundtown's properties*").

The occurrence of any of these factors may negatively affect the value of the property portfolio of Aroundtown as reported in its financial statements and may lead to negative impacts on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Aroundtown's investments are predominantly investments in real estate or real estate companies. Due to the potentially illiquid nature of the real estate market, Aroundtown may not be able to sell any portion of its portfolio or investments on favourable terms or at all.

Aroundtown primarily invests in real estate or in real estate companies. While the general strategy of Aroundtown is to hold properties that it acquires, Aroundtown will from time to time sell properties or portfolios of properties if attractive opportunities or market conditions arise. The ability of Aroundtown to sell its properties generally depends on the liquidity of the real estate markets at the time of the potential sale. The demand for real estate assets is influenced by, among other factors, the quality of the property, vacancy rates, the overall economic and market situation at the time of the sale, the level of interest rates and the availability of debt financing to market participants.

As a result, if Aroundtown were required to sell parts of its properties, particularly on short notice or under legal, financial or time pressure, there is no guarantee that Aroundtown would be able to

do so in a timely fashion or on favourable terms or at all. In the case of a forced sale, for example, if creditors realise on collateral, there would likely be a significant shortfall between the fair value of a property or a property portfolio or shares in a real estate company and the price achievable upon the sale of such property or property portfolio or shares in such circumstances, and there can be no guarantee that the price obtained would represent a fair or market value for the property or property portfolio or shares.

The occurrence of any of the foregoing factors may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits or prospects of Aroundtown.

Aroundtown may be exposed to losses and liabilities (including tax liabilities) in respect of its assets as a result of the acts or omissions of vendors or previous owners or occupiers or relating to the prior period of ownership.

Aroundtown may be exposed to losses and liabilities including, but not limited to, tax, environmental or regulatory liabilities, in respect of properties Aroundtown has acquired or will acquire in the future, as a result of the acts and omissions of the relevant vendors or previous owners or occupiers of such assets or relating to the prior period of ownership in question. When Aroundtown acquires property by means of the acquisition of other companies, the liabilities, provisions and other values booked by Aroundtown may not accurately reflect the actual values of the property or the company or the result that Aroundtown anticipated as part of the acquisition. The actual values may be materially lower than the face values recorded by Aroundtown, which may result in significant losses for Aroundtown. There is no guarantee that Aroundtown will be aware or able to determine the scope of such losses and liabilities prior to acquiring the assets.

The occurrence of any of these risks may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Following an acquisition, Aroundtown is exposed to integration risks.

After the acquisition of properties or a property portfolio, the properties must be integrated into Aroundtown's existing management platform. Aroundtown has developed an IT-based platform that is intended to provide efficient in-house management of its real estate portfolio, as well as the efficient integration of newly acquired properties. The integration of acquired portfolios may be more difficult or take longer than anticipated and cost savings and synergies may not develop as expected, resulting in higher administrative and management costs than anticipated by Aroundtown.

Also, the integration of IT systems of newly acquired property portfolios or real estate companies into the existing IT platform of Aroundtown or transmission of the respective data into the IT system of Aroundtown could require significant time, effort and related costs. As Aroundtown continues to grow, further acquisitions could cause a significant increase in such costs, or in other costs related to the development and maintenance of Aroundtown's IT systems.

The occurrence of any of these factors may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

The Guarantor is not a majority shareholder in GCP, and the other shareholders of GCP may take resolutions or implement measures that are not supported by the Guarantor or that are contrary to Aroundtown's strategy, policies or objectives.

Although the Guarantor is as of the date of this Prospectus the largest single shareholder of GCP, holding 36 % of the shares in GCP as of the date of this Prospectus, the Guarantor is not a majority shareholder in GCP. Accordingly, there is no guarantee that the other shareholders of GCP will not take resolutions or implement measures that are not supported by the Guarantor or that are contrary to Aroundtown's strategy, policies or objectives. Thus, Aroundtown's influence on GCP is limited and there is no guarantee that the Guarantor will be able to influence GCP to an extent it considers beneficial to its business. In addition, if the Guarantor's shareholding in GCP decreases in the future, for example through conversions of GCP's outstanding convertible bonds or through capital increases, the Guarantor's ability to influence important decisions at GCP might further decline. The occurrence of any of the foregoing factors may have a material adverse effect on the business, net assets, cash flows, financial condition and results of operations of Aroundtown.

GCP's business is subject to a number of risks, and GCP may not manage or develop its business properly.

GCP is a publicly traded specialist real estate company that focuses on investing in the German residential real estate market. As such, GCP is exposed to a number of risks which are similar to those described in this Prospectus with respect to the Guarantor and Aroundtown, including without limitation demographic, economic, political and market developments in Germany, political and economic uncertainty in the Eurozone and the potential impact of "Brexit" referendum and the withdrawal of the United Kingdom from the European Union, uncertainty regarding global economic development, the potential impact of changes in interest rates, the availability of real estate for purchase and the impact of competition on the ability of GCP to pursue its business strategy, the ability of GCP to successfully manage its properties, potential changes in geographic composition and concentration risks in GCP's property portfolio, the ability of GCP to find and retain suitable tenants for its properties, the impact of capex, maintenance,

repositioning and repair of its properties, the strength of GCP's sourcing network and its ability to retain senior management and key personnel, the availability of funding and the ability of GCP to access the capital markets on favourable terms or at all, fluctuations in the fair valuations of its properties, integration risks for newly acquired properties, potential environmental, building code or other legal, regulatory, tax or administrative liabilities in connection with its properties or business, interruptions to information technology or other operational systems, insufficient insurance coverage, defective or insufficient risk management systems, loss of reputation in the market place, the impact of financial covenants and other limitations on GCP's business under its existing financing arrangements and debt securities, the impact of ongoing legal disputes or administrative proceedings, and the impact of, and potential changes to, the legal, regulatory, administrative and tax regimes in Germany, Luxembourg and the other areas where GCP operates.

There is no guarantee that GCP will be able to successfully meet these risks or manage or develop its business going forward. Also, the ability of Aroundtown to influence any of these developments is limited due to its minority shareholding. Any negative developments with respect to the risks facing GCP or any misjudgement, miscalculation, failure or inability of GCP to react to such developments or to manage or develop its business successfully may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of GCP, and in turn, may have a material adverse effect on the share price of GCP, the value of the Guarantor's stake in GCP.

The occurrence of any of the foregoing factors may have a material adverse effect on the business, net assets, cash flows, financial condition and results of operations of Aroundtown.

Minority interests of third parties in subsidiaries of Aroundtown or co-investments may make it difficult to implement significant structural changes or other material decisions with regard to these entities, in particular, where those resolutions require a qualified majority or the unanimous consent of all shareholders of these entities.

In some entities of Aroundtown, the Guarantor and/or its subsidiaries do not own all shares and/or do not hold all voting rights in such entities and are thus exposed to the influence of other shareholders or joint venture partners in the respective entity, including the holdings of minority shareholders. In some cases, significant structural changes or other material decisions with respect to such entities may only be implemented with qualified majority consent and/or the consent of the remaining shareholders or the joint venture partner. Such exposure to other shareholders' influence and interests may limit Aroundtown's flexibility to implement Aroundtown's strategy, policies or objectives. This could affect the distribution of dividends from such subsidiary or the sale of shares in such subsidiary or related properties. Furthermore, a joint venture partner or minority shareholder may have economic or business interests or goals that are inconsistent with those of Aroundtown, take actions contrary to Aroundtown's strategy, policies or objectives,

experience financial or other difficulties or be unable or unwilling to fulfil their obligations under their co-investment agreements.

The occurrence of any of the foregoing factors may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

The occurrence of any of the foregoing factors may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

The Guarantor is subject to certain obligations and restrictions due to the stock listings of the Guarantor, PCI and GCP.

Presently, the Guarantor's shares are listed on the Alternext market segment of the Paris Euronext stock exchange and on the regulated market (Prime Standard) of the Frankfurt Stock Exchange. Consequently, the Guarantor is exposed to the restrictions and obligations arising from the applicable laws and regulations in France, and is expected to comply with the requirements applicable to companies whose shares are listed on Euronext Paris as well as the requirements of the Frankfurt Stock Exchange. Primecity Investment plc ("**PCI**"), a subsidiary of the Guarantor holding Aroundtown's hotel properties, is also listed on the Alternext market segment of the Paris Euronext. GCP is listed on the regulated market of the Frankfurt Stock Exchange in the Prime Standard segment.

These stock listings impose obligations and restrictions on the Guarantor, PCI and GCP under the applicable capital markets provision, such as the European Market Abuse Regulation including prohibition of insider trading, insider lists, disclosure of inside information as well as under applicable rules of the relevant stock exchange. In addition, the Guarantor, as a result of being a shareholder of PCI and GCP, is subject to applicable capital markets laws and regulations, such as certain notification obligations on shareholding, public takeover regulations and squeeze-out provisions.

These laws and regulations are constantly evolving, and the diversity and complexity of these laws and regulations create a risk that, in some instances, the Guarantor may be deemed liable for violations of such laws and regulations, in particular, in connection with a failure to comply with those laws and regulations.

Any violation or breach of these laws and regulations could affect the overall reputation of the Guarantor and, depending on the case, expose the Guarantor to administrative or judicial proceedings, which could result in adverse judgments. Furthermore there is a risk that the obligations arising from such laws and regulations may restrict or adversely influence the

possibilities and overall conditions for taking material decisions with respect to the Guarantor's interest in GCP and/or PCI.

The occurrence of any of these factors may have a material adverse effect on Aroundtown's business, financial condition, cash flows, results of operations, net profits and prospects.

Aroundtown's business is exposed to risks from possible violations of building code and other such regulations in Germany and the Netherlands.

Aroundtown's business is exposed to the risk of non-compliance with building codes and other such regulations as regards the construction of buildings. Such codes and regulations tend to become stricter over time. As a result, in addition to the risk that properties did not comply with such regulations at the time of acquisition, the building owner's responsibilities could also be further expanded with respect to fire, health and safety protection and environmental protection, which could require additional refurbishment, maintenance and modernisation measures. Furthermore, the projected cost of such measures is based on the assumption that the required permits are issued promptly and consistently with Aroundtown's schedules. It is possible, however, that the required building permits are not issued promptly or are issued only subject to conditions, which may lead to substantial delays in the completion of such modernisation measures and result in higher than projected costs and lower rental income for the relevant properties.

The occurrence of any of these risks may have a material adverse effect on the net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Aroundtown may incur environmental liabilities, such as from residual pollution including wartime ordnance, soil conditions and contaminants in building materials.

Properties owned or in the process of acquisition by Aroundtown may contain ground contamination, hazardous substances, wartime relics (including potentially unexploded ordnance) and/or other residual pollution and environmental risks. Aroundtown's properties and their fixtures might contain asbestos or other hazardous substances such as polychlorinated biphenyl ("**PCB**"), Dichlorodiphenyltrichloroethane ("**DDT**"), Pentachlorphenol ("**PCP**") or Lindane above the recommended levels or above the allowable or recommended thresholds, or the buildings could bear other environmental risks.

Aroundtown bears the risk of cost-intensive assessment, remediation or removal of such ground contamination, hazardous substances, wartime relics or other residual pollution. The discovery of any such residual pollution on the sites and/or in the buildings, particularly in connection with the letting or sale of properties or borrowing using the real estate as security, could trigger claims for rent reductions or termination of letting contracts for cause, for damages and other breach of warranty claims against Aroundtown.

Moreover, environmental laws in Germany and in the Netherlands, such as the German Federal Soil Protection Act (*Bundesbodenschutzgesetz*) and the Dutch Soil Protection Act (*Wet Bodembescherming*), typically impose actual and contingent liabilities to undertake remedial action on contaminated sites and in contaminated buildings or to compensate for damages. These obligations may relate to sites Aroundtown currently owns or sites Aroundtown formerly owned because environmental laws typically impose liability not only on the polluter but also on its legal successor, the owner of the contaminated site and - in some cases - certain previous owners. The costs of any removal, investigation or remediation of any residual pollution on such sites or in such buildings as well as costs related to legal proceedings, including potential damages, regarding such matters may be substantial, and it may be impossible, for a number of reasons, for Aroundtown to have recourse against a former seller of a contaminated site or building or the party that may otherwise be responsible for the contamination, for example, because the former seller or polluter cannot be identified, no longer exists or has become insolvent. Moreover, even the mere suspicion of the existence of ground contamination, hazardous materials, wartime relics or other residual pollution can negatively affect the value of a property and the ability to let or sell such a property.

Laws and regulations, as may be amended over time, may also impose liability for the release of certain materials into the air or water from a property, including asbestos, and such release could form the basis for liability to third parties for personal injury or other damages. In addition, if Aroundtown's officers or employees infringe or have infringed environmental protection laws, Aroundtown could be exposed to civil or criminal damages. Aroundtown may be required to provide for additional reserves with respect to its potential obligations to remove and dispose of any hazardous and toxic substances.

The occurrence of any of these risks may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Aroundtown could sustain substantial losses not covered by, or exceeding the coverage limits of, its insurance policies.

The properties held by Aroundtown are generally insured against losses due to fire, flooding, earthquakes and other natural hazards, operational interruptions and third-party liability, as well as terrorism to the extent usual for its business. Aroundtown's insurance policies are, however, subject to exclusions and limitations of liability. Aroundtown may, therefore, have limited or no coverage relating to third-party liability, other natural disasters and other environmental risks or war. Aroundtown may also have limited or no coverage relating to inflation, changes in planning laws or regulations, building codes and ordinances, title defects and defective construction. In addition, Aroundtown's insurance providers could become insolvent.

Aroundtown does not maintain separate funds or otherwise set aside reserves to cover losses or third-party claims from uninsured events. Should an uninsured loss or a loss in excess of Aroundtown's insurance limits occur, Aroundtown could lose capital invested in the affected property, as well as anticipated income and capital appreciation from that property. In such circumstances Aroundtown may incur further costs to repair damage caused by uninsured risks. Aroundtown could also remain liable for any debt or other financial obligation related to such property, and may experience material losses in excess of insurance proceeds.

The occurrence of any of these risks may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Aroundtown may face difficulties in replacing key personnel if it loses them.

The success of Aroundtown depends on the performance of its management executives and qualified employees in key positions, particularly employees active in the management activities of Aroundtown with substantial expertise as to the sourcing of new property portfolios and the value-add and repositioning process for real estate. Aroundtown considers the know-how of its existing management team and key personnel as a key competitive strength. Consequently, the loss of one or more members of the board of directors, advisory board, senior management or other key employees of Aroundtown could impair Aroundtown's ability to manage its operations effectively, in particular if Aroundtown fails to attract new highly qualified management executives or qualified employees in key positions. Aroundtown also faces competition for highly qualified employees from real estate and other companies, and may not able to recruit, retain or replace key employees in a timely fashion or at all.

The failure to provide the necessary management resources or to recruit, retain or replace key employees may have a material adverse effect on the business, net assets, cash flows, financial condition and results of operations of Aroundtown.

Damage or interruptions to Aroundtown's information technology systems could lead to diminished data security and limit Aroundtown's business operations.

Aroundtown's proprietary information technology systems are an important part of Aroundtown's business model. Any interruptions in, failures of or damage to Aroundtown's information technology systems could lead to business process delays or interruptions. If Aroundtown's information technology systems were to fail and back-ups were not available, Aroundtown would have to recreate existing databases, which would be time-consuming and expensive. Aroundtown may also have to expend additional funds and resources to protect against or to remedy potential or existing security breaches and related consequences. Any malfunction or impairment of Aroundtown's information technology systems could interrupt its operations, including its

monitoring, controlling and reporting operations, which may result in increased costs and potentially lost revenue. Aroundtown cannot guarantee that anticipated and/or recognised malfunctions can be avoided or remedied by appropriate preventative, maintenance or security measures in every case. Damage, malfunction or interruptions in Aroundtown's information technology systems may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

A loss of reputation or harm to the brand name of the Guarantor, Aroundtown or members of Aroundtown, or of the members of the board, advisory board or senior management of the Guarantor or members of Aroundtown, or insufficient levels of client satisfaction may reduce the demand for Aroundtown's properties, shares or debt and make it more difficult for Aroundtown to raise capital or issue debt on attractive terms.

If the Guarantor, Aroundtown or members of Aroundtown, or the members of the board, advisory board or senior management of the Guarantor or members of Aroundtown, are unable to maintain their good reputations, brand names and high levels of client service, client satisfaction and the demand for Aroundtown's services and property may decline. In particular any damage to the reputation or brand names of the Guarantor or Aroundtown or the members of Aroundtown may make it more difficult for Aroundtown to rent its properties on favourable terms or at all or to attract or retain tenants. The misuse, misrepresentation or abuse of the Guarantor's or Aroundtown's reputation or brand names may occur due to the result of actions by third parties without the consent or awareness of the Guarantor or Aroundtown, and may occur even if the alleged events or actions are false, misleading or did not occur.

Any loss of reputation or harm to brand names may restrict the Guarantor or Aroundtown's ability to attract or retain clients and business partners, and may limit its ability to source new business opportunities or acquire new property on favourable terms or at all. Moreover, it may make it more difficult or expensive or impossible for the Guarantor or Aroundtown to raise capital, issue debt or gain access to financing from banks or the capital markets.

The occurrence of any of these risks may result in a material decline in the share price of the Guarantor or the trading prices of its debt, and may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Valuation Risks

In the event of a downturn or other developments in the real estate markets in Germany and in the Netherlands, the fair values of the properties may decline, which may have adverse effects on the valuation of Aroundtown's properties. The same risks also apply to GCP.

Aroundtown accounts for its investment properties at fair value. The valuation model is predominantly based on the present value of net cash flows to be generated from the property, taking into account expected rental growth rates, void periods, occupancy rates, lease incentive costs such as rent-free periods and other costs not paid by tenants, as well as capex and maintenance expenses related to the property. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality, and lease duration and terms.

The fair value thus reflects not only the circumstances directly connected with the property but also the general conditions of the real estate markets, such as regional market developments and general economic conditions or interest rate levels. Accordingly, there is a risk that in the event of a downturn in the real estate market or the general economic situation, Aroundtown will need to revise downward the value of Aroundtown's properties. In addition, rising interest rates generally may have a negative influence on the fair value of property portfolios, and may impact the value of Aroundtown's properties.

Any change in fair value must be recognised as a profit or loss under the fair value adjustment. Any negative significant fair value adjustments Aroundtown is required to make could have significant adverse effects on Aroundtown's financial condition and results of operations, as well as the market price of the Guarantor's shares. Additionally, there would be negative effects on performance indicators, particularly EPRA NAV and LTV, which may have a negative influence on the credit rating of the Guarantor and may constitute a covenant breach under financing agreements. All of the risks mentioned above also apply to GCP. Any negative adjustments to the fair value of the properties held by GCP may also adversely affect the value of the shareholding of Aroundtown in GCP.

The occurrence of any of these risks may have a material adverse effect on the business, net assets, financial condition, results of operations, net profits and prospects of Aroundtown.

Real estate valuation is based on assumptions that may change and are inherently subjective and uncertain. The values recorded in the Guarantor's consolidated financial statements may not reflect the value of Aroundtown's properties.

In valuing a property, an appraiser may consider factors such as real estate tax rates, operating expenses, potential environmental liabilities and the risks associated with certain construction

materials, in addition to expected rental income, the property's condition and its historic vacancy level. In addition, property valuations may be based on assumptions or models that may not be correct or may contain mistakes. An adverse change in one of the assumptions used or factors considered in valuing a property can decrease the assessed value of the property.

Important assumptions used by independent property appraisers are based on information that Aroundtown produces, for example, vacancy rates, WALT and current rental income. A change in the factors considered and assumptions used may cause lower valuation results.

The external valuation of Aroundtown’s properties may not reflect the actual sale or market prices that Aroundtown could generate on a sale of its property, even where any such sales occur shortly after the relevant valuation date, or the estimated yield and annual rental income of any such property. In particular, during times of reduced real estate transaction levels, market prices for properties may be difficult to assess.

Any re-valuation of Aroundtown’s property could also cause the fair value determined for the respective valuation date to fall short of a property’s book value, and could thereby result in a fair value loss. Under such circumstances, Aroundtown would be required to immediately write down the value of such real estate for the relevant accounting period. If any of the information or assumptions on which a valuation is based is subsequently found to be incorrect, the valuation figures may also be incorrect and may have to be reconsidered. In connection with the acquisition of property portfolios and other unforeseeable events this could result in Aroundtown being unable to achieve its expected returns.

The occurrence of any of the foregoing risks may have a material adverse effect on the business, net assets, financial condition, results of operations, net profits and prospects of Aroundtown.

A decrease in the fair value of GCP may result in a loss for the Guarantor.

Following the deconsolidation of GCP from the Guarantor's consolidated financial statements at the end of 2014, the Guarantor's interest in GCP is presented as investment in an equity-accounted investee. As part of the deconsolidation, the Guarantor determined the cost value of its investment in GCP based on an external valuation undertaken for that purpose. From 1 January 2015 forward, the Guarantor has recorded its proportional share of GCP's result in the Guarantor's profit and loss statement. The Guarantor is required to assess the fair value of its interest in GCP on an ongoing basis. In the event of a significant or prolonged decline in the fair value of the Guarantor's interest in GCP, the Guarantor would be required to recognize a loss based on the decline, which may be significant.

The occurrence of any of the foregoing risks may have a material adverse effect on the business, net assets, financial condition, results of operations, net profits and prospects of Aroundtown.

Financial Risks

Aroundtown's financing strategy depends on its current corporate investment grade rating, including the satisfaction of its future financing needs through the issuance of unsecured corporate bonds and notes.

A fundamental part of Aroundtown's financing strategy to satisfy a significant portion of its future financing needs through the issuance of unsecured corporate bonds and notes. The Guarantor obtained a corporate investment grade rating of "BBB" from Standard & Poor's Credit Market Services Europe Limited (Niederlassung Deutschland) (German Branch) ("**S&P**") in June 2016. Companies with a "BBB" rating are considered by S&P to have adequate capacity to meet their financial commitments, but adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the issuers to meet their financial commitments. Except for the Series B Bonds and the Series G Bonds which are not assigned a rating, the outstanding unsecured bonds of the Guarantor have also been assigned a "BBB" rating by S&P. The subordinated perpetual notes of the Guarantor have been assigned a "BB+" rating by S&P. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

If the Guarantor were to lose its investment grade rating, future issuances of unsecured bonds and notes may become significantly more expensive or may not be possible in the targeted amounts. S&P could downgrade the Guarantor, for instance if the value of Aroundtown's assets, Aroundtown's debt-service or interest coverage ratio were to fall below, or Aroundtown's debt-to-capital ratio exceeds, certain values, if Aroundtown were unable to keep or render sufficient values of its assets unencumbered or if the real estate market in Germany or in the Netherlands deteriorates in general. If any of the risks described above were to materialise, it would be more difficult for Aroundtown to pursue its current financing strategy, which could have material adverse effects on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

A downgrade or withdrawal of the Guarantor's current credit rating or of GCP's current credit rating may impact the ability of Aroundtown to obtain financing or issue further debt and may have a negative impact on Aroundtown's debt costs and on the share price of the Guarantor and/or GCP.

The current credit ratings of the Guarantor and/or GCP may be downgraded or withdrawn in the future as a result of factors that are beyond the Guarantor's control, such as a deterioration in the real estate or financial markets, or due to weakened financial performance by the Guarantor, GCP or Aroundtown. Any negative change in the credit rating of the Guarantor or GCP may make future financing and debt issuances by the Guarantor and other members of Aroundtown more difficult and expensive, and may require the Guarantor and other members of Aroundtown to,

among other things, pay higher interest rates and/or provide increased collateral or other security if they are able to access additional financing at all. A downgrade or withdrawal of the credit ratings of the Guarantor and/or GCP may also result in a breach of certain financial covenants in their respective credit lines, financing arrangements and/or debt issuances, and may have a material adverse effect on their respective businesses. A downgrade or withdrawal of the credit ratings of the Guarantor and/or GCP may also result in a significant decline in the share price of the Guarantor and/or GCP, and in the case of a decline of the share price GCP, may result in a significant loss to the Guarantor due to the decrease in value of its investment in GCP.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. The occurrence of any of these factors may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Aroundtown may not be able to extend its existing credit arrangements, refinance its debt on substantially similar terms as it matures or obtain acquisition financing on financially attractive terms as and when needed.

Aroundtown may require additional funds to finance or refinance its debt, capital expenditures, future acquisitions and working capital requirements. Aroundtown may likewise need to borrow additional funds or to raise additional equity or debt capital. The extent of Aroundtown's future capital requirements will depend on many factors which may be beyond Aroundtown's control, and its ability to meet its capital requirements will depend on its future operating performance and ability to generate cash flows. Additional sources of financing may include equity, hybrid debt/equity, debt financing or other arrangements. The Guarantor believes that its debt structure, with an overall LTV of 39 % as of 31 December 2016, is conservative and provides Aroundtown with adequate flexibility as to future financings. There can be no assurance, however, that Aroundtown will be able to obtain additional financing on acceptable terms when required. If Aroundtown does not generate sufficient cash flows or if Aroundtown is unable to obtain sufficient funds from future equity or debt financings or at acceptable interest rates, Aroundtown may not be able to pay its debts as they come due or to fund its other liquidity needs. The occurrence of any of these factors would limit Aroundtown's operating flexibility, and may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

A rise in general interest rate levels could increase Aroundtown's financing costs. When it attempts to mitigate interest rate risk by entering into hedging agreements, Aroundtown also becomes exposed to the risks associated with the valuation of hedging instruments and these hedges' counterparties.

Aroundtown has a substantial level of debt. As at 31 December 2016, the total carrying amount of Aroundtown's total financial debt was approximately € 3.57 billion and Aroundtown's total net debt (total financial debt deducted by cash and liquid assets) was approximately € 2.74 billion.

When concluding financing agreements or extending such agreements, Aroundtown depends on its ability to agree on terms for interest payments that will not impair its desired profit and amortisation schedules. In general, rising market interest rates would lead to higher financing costs in the future and so may have a material adverse effect on the business, financial condition and results of operations of Aroundtown. Aroundtown regularly enters into financing agreements with variable interest rates while hedging such variable interest rate with customary market hedging instruments, such as interest swaps or caps. The hedging instruments that Aroundtown uses, however, may not be completely effective and Aroundtown may be unable to enter into necessary extensions or renegotiations of its financing agreements or hedging instruments at their current interest rate terms, including associated costs, or to the extent planned.

In addition, the hedging agreements Aroundtown enters into generally do not completely counterbalance a potential change in interest rates, and as a result even with hedging agreements in place, interest rate fluctuations may have a negative impact on Aroundtown's equity. In addition, Aroundtown is exposed to the risk that its hedging counterparties will not perform their obligations as established by the hedging agreements into which Aroundtown has entered. Hedging counterparties may default on their obligations towards Aroundtown due to lack of liquidity, operational failure, bankruptcy or other reasons.

The occurrence of any of these factors may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

The redemption or early redemption of Aroundtown's or GCP's outstanding bonds may result in a substantial payment obligation for Aroundtown or GCP. Besides the final maturity dates as stipulated in the respective terms and conditions or any early redemption in accordance with the terms and conditions, the breach of covenants of the conditions (if any) by Aroundtown or GCP under their outstanding bonds or a default of other obligations of Aroundtown or GCP arising from their outstanding bonds may result in a substantial payment obligation for Aroundtown or GCP before the final maturity dates of the bonds.

Aroundtown has borrowed a significant amount of debt by the issue of bonds. As of the date of this Prospectus, the total aggregate amount of bonds outstanding is € 2.62 billion. Material outstanding obligations under bonds include as of the date of this Prospectus € 127.4 million under a convertible bond that is due and repayable on 5 May 2020 (the "**Series B Bonds**") of which the Guarantor currently holds bonds with an aggregate nominal amount of € 55.3 million it purchased from holders of bonds in the course of a certain tender offer to the holders of bonds on 9 May 2017, € 300 million under a convertible bond that is due and repayable on 18 January 2021 (the "**Series C Bonds**"), € 600 million under a straight bond that is due and repayable on 3 May 2022 (the "**Series D Bonds**"), € 650 million under a straight bond that is due and repayable on 15 July 2024 (the "**Series E Bonds**"), € 550 million under a straight bond that is due and repayable on 13 March 2023 (the "**Series F Bonds**"), € 30 million under a straight bond that is due and repayable on 22 December 2017 (the "**Series G Bonds**") and $ 400 million issued under Aroundtown's EMTN programme that is due and repayable on 27 March 2032 (the "**Series H Bonds**", and together with the Series B Bonds, Series C Bonds, Series D Bonds, Series E Bonds, Series F Bonds and the Series G Bonds, the "**Outstanding Bonds**"). The Outstanding Bonds are unsecured.

In the terms and conditions of the Outstanding Bonds, the Guarantor in its capacity as guarantor or issuer as well as its subsidiary ATF Netherlands B.V. in its capacity as obligor or issuer have made several undertakings in respect of the incurrence of further indebtedness, group structuring and the granting of securities. The Outstanding Bonds require, in particular, that Aroundtown complies with certain financial covenants, such as a maximum LTV-Ratio, a minimum debt-service or interest coverage ratio, a minimum ratio of unencumbered properties and other assets or restrictions on the sale of properties. Any breach of such undertakings may trigger an event of default. An event of default under the Outstanding Bonds may also arise if the Guarantor or ATF Netherlands B.V. fails to repay any indebtedness provided that such due but unpaid indebtedness exceeds 10 % of Aroundtown's gross consolidated assets or if insolvency or similar proceedings are commenced against the Guarantor or any other company of Aroundtown or if security granted by the Guarantor or its subsidiaries is enforced. As a result of an event of default and cross default provisions, all Outstanding Bonds may become due and repayable in their respective principal amount plus any accrued interest. If the Guarantor is not able to redeem the

Outstanding Bonds plus accrued interest in full when required, this could lead to the insolvency of the Guarantor.

In addition, the Guarantor has issued perpetual notes with an aggregate principal amount of € 600 Million (which are accounted for as equity under IFRS). The Guarantor can redeem the perpetual notes beginning on 20 January 2023, and the interest rate payable on the perpetual notes will increase after this date.

The Guarantor intends to refinance its outstanding debt as necessary through the issue of bonds, perpetual notes and other credit facilities. The capability of Aroundtown to repay or refinance its existing financial indebtedness when it comes due might be adversely impacted by market conditions, development of Aroundtown's business and overall level of indebtedness of Aroundtown. Although Aroundtown has successfully managed to refinance and reduce its debts and/or to extend maturity of its bank loan facilities, an increase in the level of total indebtedness might become more difficult or only available at less favourable terms.

Similar risks apply to GCP, which indirectly may impact the Guarantor and the value of its shares held in GCP. GCP itself has borrowed a significant amount of debt by the issue of bonds. As of 31 December 2016, the total aggregate amount of unsecured bonds outstanding was € 1.5 billion. GCP has also issued two different series of perpetual notes with an aggregate principal amount of € 700 Million (which are accounted for as equity under IFRS). GCP can redeem the perpetual notes on 18 February 2022 and 22 January 2023, respectively. Any later redemption will result in an increase of the interest rate due.

The occurrence of any of the risks described above might have a material adverse impact on the net assets, cash flows, financial condition and results of operations of Aroundtown.

A change of control of the Guarantor and/or the decrease in the free float of the ordinary shares in the Guarantor below a certain level may result in a substantial payment obligation for the Guarantor with respect to its outstanding bonds.

According to the conditions of the Outstanding Bonds, the holders of such bonds are entitled to request redemption of their bonds in the event of a change of control in the Guarantor. Such change of control is deemed to be the acquisition of more than 50 % of the voting rights in the Guarantor by a third party (subject to limited exceptions) or the right of a third party to appoint and/or remove the majority of the members of the Guarantor's board of directors. A repayment obligation under one series of the Outstanding Bonds may also trigger repayment obligation under the other series of Outstanding Bonds. Provided that the present number of Outstanding Bonds issued was also outstanding at the point in time a change of control in the Guarantor occurred and all of the bondholders requested redemption, the potential payment obligations of

the Guarantor may total the aggregate principal amount of the Outstanding Bonds then outstanding plus accrued interest.

Any such payment obligation would have a material adverse effect on the business, net assets, cash flows, financial condition and results of operations of the Guarantor. If the Guarantor was not able to redeem the bonds to the extent required this may lead to insolvency of the Guarantor.

The Guarantor's cash flow requirements and possible future interest payments are dependent on the profitability of Aroundtown or must be met with borrowed funds or by selling property.

The Guarantor is the parent of Aroundtown and conducts its business primarily through other members of Aroundtown. In order to service the Guarantor's and Aroundtown's debt (principal and interest) Aroundtown needs to continue to achieve positive cash flows from operating activities. Aroundtown generally generates such cash flow from rental and operating income (as described in the Guarantor's consolidated financial statements) and from proceeds from disposals. If Aroundtown is unable to generate positive cash flows from its operating activities in the future, Aroundtown could be forced to sell properties irrespective of the market situation and possibly on terms unfavourable to Aroundtown or be forced to borrow money on financially unattractive terms in order to meet its obligations.

The Guarantor accounts for its interest in GCP as an investment in equity-accounted investees, and does not consolidate the results of GCP. While the value of the Guarantor's interest in GCP may increase based on GCP's financial performance, resulting in additional income being recorded for the Guarantor, the Guarantor will not realize cash from its interest in GCP unless its sells its interest or GCP pays dividends to its shareholders. The values of the shares of GCP are subject to market fluctuations, which the Guarantor cannot control, and its ability to sell the shares of GCP that it holds may be limited. In addition, any sales of shares of GCP by the Guarantor or other members of Aroundtown may have a negative impact on the value of the shares of GCP. Because the Guarantor is not a majority shareholder in GCP, the Guarantor cannot guarantee that dividends will be declared by GCP. Accordingly, there is no guarantee that the growth or performance of GCP will result in additional cash income for the Guarantor. For more information, see "*Risks Related to the Business of Aroundtown - The Guarantor is not a majority shareholder in GCP, and the other shareholders of GCP may take resolutions or implement measures that are not supported by the Guarantor or that are contrary to Aroundtown's strategy, policies or objectives.*"

The occurrence of any of these risks may have a material adverse effect on the net assets, cash flows, financial condition, results of operations, net profits or prospects of Aroundtown.

There are risks of foreclosure if the borrowing entities in Aroundtown do not fulfil their obligations under loans granted by banks. A breach of covenants or undertakings under loan agreements, such as a change of control within Aroundtown or a material decline in the collateral securing the loan, could result in substantial payment obligations for Aroundtown and could lead to the enforcement of the related collateral including sales at prices substantially below fair value.

Aroundtown has raised capital in the past through loans and bond issuances and will likely continue to do so in the future. The receivables resulting from loans granted by banks for the purpose of acquiring and/or redeveloping properties are usually secured by first-ranking land charges in favour of the lending bank. If the relevant entity of Aroundtown does not fulfil its obligations under the loan, e.g. repayment of receivables when they become due, or a potential breach of covenants or undertakings is not cured within the cure period, such entity could be forced to sell the respective security under time pressure or on unfavourable conditions, or the lending bank may be entitled to enforce its interest in the security, any of which may lead to a sale of the security at prices substantially below fair value.

Loan agreements between banks and entities of Aroundtown usually provide for financial covenants or undertakings. If the relevant entity is in breach of such covenants or undertakings, the lender may terminate the affected loan agreements. In addition, certain of Aroundtown's loan agreements require that Aroundtown receive the lender's approval in connection with any change in tenant or new rental agreement for the relevant properties. While Aroundtown generally maintains good relationships with its lending partners, there is no guarantee that Aroundtown's lenders in such circumstances will grant their approval for tenant changes that Aroundtown would like to make, which may limit Aroundtown's ability to manage certain of its properties.

Most of the loan agreements of entities of Aroundtown with banks contain standard change of control clauses enabling the respective lender to terminate the loan agreement in case of a change of control without the lender's consent. Under a considerable portion of the loan agreements the respective lender may terminate the loan agreement if (a) the Guarantor is no longer (directly or indirectly) the majority shareholder of the respective borrower or (b) the property management of the respective property is no longer performed by a member of Aroundtown. If a loan agreement is terminated due to the aforementioned reasons, the outstanding amounts (principal and interest) under the affected loan agreements are immediately due and payable.

The occurrence of any of the foregoing factors may have a material adverse effect on the business, financial condition, results of operations, net profits, cash flows and prospects of the affected entity and Aroundtown.

Aroundtown has grown rapidly since 2012, and there is no guarantee that the Guarantor and Aroundtown will be able to manage future growth successfully. The Guarantor's and Aroundtown's historical earnings and other historical financial results are not necessarily predictive of future earnings or other financial results of the Guarantor or Aroundtown.

The financial information included in this Prospectus and the financial statements of the Guarantor incorporated by reference in this Prospectus relate to the past performance of the Guarantor and Aroundtown. Aroundtown has grown rapidly since 2012, and the future development of Aroundtown could deviate significantly from past results due to a large number of internal and external factors. There is no guarantee that the Guarantor and Aroundtown have the capacity to adequately manage and handle their future growth. Aroundtown's risk management, IT, property management and other operational systems may be unable to handle growth of the Guarantor and Aroundtown, and the Guarantor and Aroundtown may be unable to acquire the employees, operating capacity and other resources that it needs to handle its growth in the future.

In addition, because of the rapid growth of the Guarantor and Aroundtown, the historical earnings, historical dividends and other historical financial data of the Guarantor and Aroundtown are not necessarily predictive of future earnings or other financial results for the Guarantor or Aroundtown. The information presented in this Prospectus often involves forward-looking statements based on estimates and assumptions of Aroundtown. There can be no assurance that these estimates and assumptions will be accurate, reasonable or correct in every market condition, and Aroundtown may fail to accurately predict future developments.

Aroundtown will from time to time invest in short term traded securities, primarily to generate returns from excess cash. There can be no guarantee that Aroundtown will not suffer losses related to these investments, which may cause its financial results to fluctuate.

Legal and Regulatory Risks

Aroundtown's business is subject to the general legal environment in Germany and the Netherlands, which may change to Aroundtown's detriment.

Aroundtown's business is subject to the general legal framework applicable to real estate in Germany and the Netherlands. This framework includes a variety of laws and regulations, including civil, corporate, tax, planning, zoning, environmental, health and safety and other laws, regulations and/or requirements, as well as specific laws with impact on Aroundtown’s properties in, such as German and Dutch tenancy law, and special provisions under other laws, including construction laws, historic preservation laws, social legislation and other public laws. Aroundtown may be required to pay penalties and/or lose required permits or licenses for non-compliance with any such laws, regulations and/or other requirements of local, regional and national authorities to which it is subject, as well as the authorities of the European Union. Any changes to German,

Dutch, European or other laws applicable to Aroundtown's properties, including changes with retrospective effect, or changes in the interpretation or application of existing laws may have a material adverse effect on the net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

In addition, the Guarantor is incorporated in Cyprus and Aroundtown conducts its business through companies that are located in a number of jurisdictions, including without limitation Cyprus, Germany, Luxembourg and the Netherlands. Certain members of Aroundtown may be formed, incorporated or registered in jurisdictions where Aroundtown does not, or does not yet, hold property. Any change in the legal, tax or regulatory environments in any of these jurisdictions, including changes with retrospective effect, or changes in the interpretation or application of existing laws could have a material adverse effect on the net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Although Aroundtown takes steps to keep itself informed of potential changes to the legal, tax and regulatory environments in which operates and where its members are formed, incorporated or registered, there is no guarantee that Aroundtown will become aware of such changes in a timely fashion. Any such changes or any misjudgement, miscalculation, failure or inability of Aroundtown to react to such changes may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Aroundtown is subject to tenant protection laws in Germany and the Netherlands. These laws may limit among other things the ability to evict tenants, the levels of rent increases and the ability to pass on modernisation costs. Moreover, further regulatory developments are likely.

Aroundtown is subject to tenant protection laws in Germany and the Netherlands. These laws may limit, in some cases substantially, Aroundtown's ability to engage in certain actions with respect to the properties that it owns, including without limitation with respect to the eviction of tenants, levels of rent increases and the ability to pass on modernisation costs. These laws may change in the future, and any such changes may in turn adversely affect the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

In Germany and the Netherlands, the landlord-tenant relationship is subject to a significant level of statutory regulation which generally provides for far-reaching economic and social protections for tenants under residential leases. For example, landlords may only terminate residential lease agreements if there is a legitimate interest in doing so.

In Germany, landlords may not increase residential rents under existing leases by more than an aggregate of 20 % compared to locally prevailing comparative rent levels over a three-year period (the capping limit). This capping limit may be, and has been in certain cases, reduced by certain

municipalities to 15 % over a three-year period. Further statutory limitations on the rent for new lease agreements were introduced by the German Tenancy Law Amendment Act (*Mietrechtsnovellierungsgesetz*) which came into effect in June 2015, and according to which newly agreed rents may only be increased by a maximum of ten per cent above the relevant locally prevailing comparative rent level (*ortsübliche Vergleichsmiete*), unless the rent level agreed with the previous tenant was higher. Landlords in Germany are also subject to certain requirements with respect to modernisation of their properties and are limited in their ability to pass on these costs to residential tenants. In the Netherlands, rent control laws impose restrictions on landlords regarding rent increases if such relevant properties are subject to social housing rules. Rent increases in these situations are effectively limited to annual inflation.

Aroundtown is impacted by these and other regulations, and the growth of Aroundtown, including rent levels, vacancy rates and WALT, may be limited by such regulations. In addition, residential real estate in Germany continues to be a highly sensitive political topic and further regulatory developments in this area are likely.

In the Netherlands, the lease of retail and hotel property is subject to certain mandatory laws regarding tenant protection. As a rule, the lease of retail property requires an initial lease period of at least 5 years, with an automatic extension up to 10 years in total. There are only limited possibilities for the landlord to terminate the lease after the first 5 years. Retail leases for a period of 2 years or shorter are excluded from this rule. The applicability of this legal regime limits the ability of Aroundtown to terminate leases and it adversely affects Aroundtown's flexibility to terminate, extend or amend retail lease agreements.

Furthermore, laws in some jurisdictions may grant some tenants a periodic right to terminate a lease before it expires, which may affect among other things occupancy rates and rent levels in Aroundtown’s properties.

The occurrence of any of these factors may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Aroundtown's tenants in Germany could attempt to prematurely terminate their lease agreements based upon strict formal requirements under German law for long-term leases which could lead to a reduction or loss of rental income.

Certain of the real estate properties in particular in the Commercial Portfolio, are subject to long-term lease agreements. Pursuant to German law, long-term lease agreements can be terminated prior to their contractually agreed expiration date if certain formal requirements are not complied with. These include the requirement that there is a document that contains all the material terms of the lease agreement, including all attachments and amendments, and is signed by both

parties. Although the details of the applicable formal requirements are assessed differently by various German courts, most courts and legal experts agree that such requirements are, in principle, to be interpreted strictly. Certain of the lease agreements in relation to the properties of Aroundtown may not satisfy these requirements. Consequently, some of Aroundtown's tenants might attempt to invoke alleged noncompliance with these formal requirements (or other requirements to be met by a landlord) in order to procure an early termination of their lease or force a favourable renegotiation of the terms of their lease, to the detriment of Aroundtown.

Premature loss of tenants and the ensuing loss of rental income, a failure to renew lease agreements, at all or at favourable conditions, and uncertainties regarding the validity of long-term lease agreements have a material adverse effect on Aroundtown's business, net assets, financial conditions, cash flows or results of operations.

The growth of Aroundtown's portfolio may be limited by German, Dutch and other laws, including laws with respect to environmental modernization, restrictions on modernization alternatives and other regulations. Moreover, further regulatory developments are likely.

Any change to German, Dutch or other laws applicable to the properties, including the laws of the European Union, may have an impact on Aroundtown's properties and its growth, including rent levels, vacancy rates and WALT, may be limited by such changes. These laws and any changes to them may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Based on environmental EU Directives, that have been implemented in the laws of Germany and the Netherlands, the landlord or the seller of a property will be required to present an energy certificate (*Energieausweis* in German and *energielabel* in Dutch) before concluding a new lease or sale and purchase agreement, respectively. Where a property is offered (for sale or lease) via commercial media, the energy performance rating of such property is also to be indicated in accordance with the available energy certificate. Penalties may apply when such energy certificate cannot be presented.

Also, owners of properties with a centralized water facility are required to take measures to prevent the legionella bacteria, for instance by periodical testing. Further, owners of properties are required to separate drinking water from fire-fighting water by establishing and maintaining separate lines for these systems.

In Germany, other heightened environmental laws may cause additional costs for Aroundtown. Under the German Ordinance on Energy Saving (*Energieeinsparverordnung*, "**EnEV**"), which was revised with effect from 1 May 2014, the landlord is responsible for making investments in renovation work for the purpose of reducing the energy consumption (including through heat insulation). In certain circumstances, thermal renovation of the building in question will be

necessary. For example, landlords are required to renovate the roofs of their let properties so as to meet minimum heat insulation standards.

In the case of listed historical buildings or monuments in Germany or in the Netherlands, laws or regulations regarding the protection of historical buildings may entail increased expenditures on maintenance and modernization procedures or may restrict the ability of the landlord or owner to carry out certain modernization, improvement or maintenance measures. Such laws or regulations may have a negative impact on Aroundtown's ability to sell or let such properties or to use them as security for financing purposes.

Any of these factors may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Aroundtown is exposed to the risks of ground leases in Germany and the Netherlands.

Certain of the properties of Aroundtown are located in Germany and the Netherlands on ground leases, where legal title to the land and the property are separated. In general, financing and sales in connection with properties located on ground leases are more difficult due to the restrictions typically found in ground leases, and the conditions of the ground lease agreements, such as their terms and payment obligations, are key parameters that impact the value of these properties. The ground lease agreements may contain provisions leading to the exceptional result of the loss of the ground leased property if Aroundtown is in material breach of the ground lease agreement. Furthermore, Aroundtown may face changes in the terms and conditions of the ground lease agreement, for example with respect to payment obligations to the owner of the land. Unfavourable changes to the ground lease agreements or relevant regulations may limit Aroundtown's ability to sell or refinance the properties, which are subject to ground leases, and may thereby decrease its value, or require Aroundtown to write down the assets value as recorded on Aroundtown's consolidated balance sheet.

The occurrence of any of these factors may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Aroundtown's use of standardised documents, clauses and agreements could lead to additional legal risks.

Aroundtown maintains legal relationships with a large number of persons, primarily tenants and also employees of Aroundtown. In this context, Aroundtown frequently uses standardised documents, clauses and agreements. If such documents, clauses or agreements are found to be invalid, in whole or in part, statutory provisions or judicial interpretations which are unfavourable to Aroundtown may be substituted for such documents, clauses or agreements, which may in turn affect a large number of the documents, clauses and agreements used by Aroundtown. It is

impossible to fully protect Aroundtown against risks from the use of such standardised documents, clauses and agreements due to the frequent changes to the legal frameworks, particularly court decisions relating to general terms and conditions of business.

In Germany, for example, the German Federal Court of Justice (*Bundesgerichtshof*) has ruled that standard clauses in letting contracts are invalid if they obligate the tenant to carry out cosmetic repairs (*Schönheitsreparaturen*) within a fixed schedule or to fully renovate the apartment at the end of the letting term (*Endrenovierung*) or if they provide for compensation regarding ratios (*Quotenabgeltung*). The invalidity of such clauses results in the landlord being responsible for the repair and maintenance and being required to bear all related costs. If the tenant carries out such repair and maintenance works without actually being obliged to do so, the landlord might be required to compensate the tenant for the corresponding costs. Even in the case of agreements prepared on the basis of legal advice, it is impossible for Aroundtown to avoid problems of this nature in advance or in the future, because changes could occur in the legal framework, particularly case law, making it impossible for Aroundtown to avoid the ensuing legal disadvantages. Although these rulings were originally applied only to residential real estate, additional court rulings have extended them to commercial real estate.

The occurrence of any of these factors may have a material adverse effect on the business, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

The risk management system of Aroundtown may prove to be partially or completely insufficient or fail, and unknown, unrecognised, underestimated or unexpected risks may materialise. Aroundtown may fail to adequately account for potential liabilities or risk exposures.

Aroundtown has put in place management systems that it believes are suitable to its business, and Aroundtown continues to develop and update its risk management systems in order to monitor market risk, liquidity and financial risk, operational risk, organisational risk and the risk of reputational damage. There is no guarantee, however, that Aroundtown's risk management systems are in fact sufficient to manage the risks faced by Aroundtown. Aroundtown may be faced with risks that were previously unknown, unrecognized, underestimated or unconsidered, and its risk management systems may function incorrectly or fail. Inappropriate risk management measures may cause irregularities leading to among other things cash losses or delays in development of Aroundtown, or to official investigations or third-party claims against Aroundtown, which in turn could have significant financial, reputational and other consequences.

Aroundtown books provisions for potential liabilities such as tax liabilities, litigation exposure and bad debt. These provisions are based on management's assumptions, estimates and judgments, and there is no guarantee that the provisions taken by Aroundtown adequately account for Aroundtown's potential or actual liabilities or risk exposures. Failure to take adequate provisions

against potential liabilities could have significant financial, reputational and other consequences for the Guarantor or Aroundtown.

The occurrence of any of these risks could have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flows, results of operations, net profits, reputation and prospects.

Aroundtown could incur liability in connection with properties, interests in companies or other assets that it sells.

When Aroundtown sells properties, interests in companies that hold real estate or other assets, it is typically required to make representations, warranties, covenants and negative declarations of knowledge to purchasers with respect to certain characteristics of such properties, interests or assets. The resulting obligations of Aroundtown may continue to exist for a number of years after Aroundtown sells such properties, interests or assets. Among other things, Aroundtown could be subject to claims for damages from purchasers who assert that the representations or warranties that Aroundtown made to them were untrue, or that Aroundtown failed to meet its obligations under the relevant sale agreement. Aroundtown could become involved in lengthy and expensive legal disputes with purchasers and could be required to make significant payments for restitution, damages or to settle disputes.

As a seller of properties, Aroundtown is liable to tenants for any breach of letting contracts by the buyer unless it has notified the tenant of the change of ownership and the tenant fails to terminate the tenancy at the earliest permitted termination date. This applies specifically where Aroundtown no longer has any control over the property. Moreover, Aroundtown continues to be exposed to liability for breach of contract even in the event that the buyer resells the property and the subsequent buyer breaches the letting contract. As a rule, when selling properties, Aroundtown informs all tenants in writing of the change of landlord. Such release from liability does not apply for rental securities (*Mietsicherheiten*) provided by the tenants. If the tenant is unable to receive its rental security from the buyer of the property, the liability to repay such rental security remains with the seller. Failure to comply with these requirements may expose Aroundtown to legal, administrative or regulatory proceedings, sanctions or penalties. Legal or settlement costs, including the costs of defending lawsuits, whether justified or not, as well as potential damages associated with liability for properties, interests in companies or other assets that Aroundtown has sold may have an adverse effect on the cash flows, financial condition and results of operations of Aroundtown.

The occurrence of any of these factors may have a material adverse effect on the business, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Entities of Aroundtown may be subject to litigation, administrative proceedings and similar claims.

Entities of Aroundtown have been and will likely continue to be subject to various administrative and legal proceedings in the ordinary course of business. Such proceedings often relate to matters such as outstanding rent payments and the termination of lease agreements, but may from time to time involve larger scale litigation or disputes. These proceedings, even for routine matters, can be lengthy and expensive and involve substantial resources at Aroundtown. In addition, larger or unexpected proceedings may distract or delay management from implementing Aroundtown's business strategy.

Aroundtown may also be subject to litigation in connection with agreements entered into by the Guarantor or members of Aroundtown relating to the purchase and/or sale of property, interests in companies or other assets, or other activities of Aroundtown. It is impossible for Aroundtown to predict if and when significant litigation or administrative or legal proceedings may occur.

The occurrence of any of these factors may have a material adverse effect on the business, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Aroundtown could be exposed to restitution claims in Germany.

According to the German Act on Unsettled Property Issues (*Gesetz zur Regelung offener Vermögensfragen*), persons who were expropriated of property within the former German Democratic Republic ("**GDR**") can claim restitution or compensation under certain conditions, in particular if the property was seized without compensation or less compensation than citizens of the GDR were entitled to. The German Act on Unsettled Property Issues is also applicable to persons who lost property due to racist, political, religious or ideological reasons between 1933 and 1945. Although the notification deadline under the German Act of Unsettled Property Issues, subject to certain exemptions, expired at the end of 1992, the aforementioned restitution and compensation claims cannot be entirely excluded. If any such claims were asserted in respect of an entity of Aroundtown regarding properties owned by Aroundtown, Aroundtown would be severely limited in its ability to manage such properties and may even be forced to transfer such properties to successful claimants without adequate compensation. Any such limitations or compulsory transfers of properties could have a material adverse effect on the business, net assets, cash flows, financial condition and results of operations of Aroundtown.

Control and prevention mechanisms under the compliance system may not be sufficient to protect Aroundtown from financial and/or legal risks. Irregularities could result in investigations by competent authorities or claims of third parties.

To protect Aroundtown against legal risks and other potential harm, Aroundtown implemented an Aroundtown-wide code of conduct. This binding policy addresses conduct, corruption prevention,

conflicts of interest, information and data protection, discrimination and protection of company property and applies to all employees and the members of the board of directors. Moreover, Aroundtown has introduced a code of conduct for its main business partners. Legal and compliance risks are addressed by Aroundtown's risk management. There can be no assurance, however, that the aforementioned compliance arrangements will be sufficient to completely prevent all unauthorised practices, legal infringements or corruption within Aroundtown. Any failure in compliance could have material adverse effects on its net assets, financial condition, cash flow, results of operations and reputation.

Tax Risks

Aroundtown is currently subject to the tax environment in Cyprus, Germany and the Netherlands, and may be subject to the tax environment in Luxembourg in the future. Aroundtown's tax burden may increase as a consequence of current or future tax assessments, tax audits or court proceedings based on changes in tax laws or changes in the application or interpretation thereof.

Aroundtown is subject to the tax environment in Cyprus, Germany and the Netherlands. Upon the re-domiciliation of the Guarantor to the Grand Duchy of Luxembourg, as resolved by the general shareholders' meeting of the Guarantor (see "*—Risks Relating to the Shareholding Structure of the Guarantor—The re-domiciliation of the Guarantor could be delayed or may not succeed at all. The rights of shareholders in the Guarantor after a successful re-domiciliation might differ from their existing rights.*"), Aroundtown will also be subject to the tax environment of the Grand Duchy of Luxembourg. Aroundtown's tax burden depends on various aspects of tax laws, as well as their application and interpretation. Amendments to tax laws may have a retroactive effect, and the application or interpretation of tax laws by tax authorities or courts may change. Furthermore, court decisions are occasionally limited to their specific facts by tax authorities. Any of these developments may increase or alter Aroundtown's tax burden.

A number of factors may also impact Aroundtown's tax situation. Aroundtown is required to file tax declarations in Cyprus, Germany, the Netherlands, and potentially in the future in the Grand Duchy of Luxembourg, and any tax assessments that deviate from Aroundtown's tax declarations may increase or alter Aroundtown's tax obligations. The members of Aroundtown are regularly subject to tax audits by the competent tax authorities which may result in increases in Aroundtown's tax obligations or penalties and fines. Aroundtown may also be subject to administrative or judicial proceedings with respect to its tax declarations, and may incur substantial time and effort in addressing and resolving tax issues.

In addition, changes in tax legislation, administrative practice or case law, which are possible at any time and may occur on short notice, could have adverse tax consequences for Aroundtown.

The applicable tax rates, for example with respect to property tax, property transfer tax or capital gains tax, may also change rapidly and with short notice. Additionally, changes could be made to the ability to depreciate owned real estate. Any of these changes may have an adverse effect on the attractiveness of commercial and residential real estate. Despite a general principle prohibiting retroactive application, amendments to applicable laws, orders and regulations can have retroactive effect. Additionally, divergent statutory interpretations by the tax authorities or the courts are possible. Any changes to the Cyprus, German, Dutch or Luxembourg tax regimes, may have a material adverse effect on the business, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

The structure of Aroundtown is influenced by the general tax environment in Cyprus, Germany, the Netherlands and Luxembourg, and changes in the tax environment in these countries may increase the tax burden of Aroundtown.

In addition to the Guarantor, which is incorporated in Cyprus and has resolved to transfer its registered seat to Luxembourg, Aroundtown consists of more than 600 companies. These companies have registered offices primarily in Germany, Cyprus, the Netherlands and Luxembourg. The companies in Aroundtown are subject to the tax laws of their jurisdictions of registration and the jurisdictions where they conduct business. The Guarantor and PCI have their registered office in Cyprus. Most of Aroundtown's German property companies are held through Cypriot subsidiaries which themselves are held by one of the Guarantor's aforementioned subsidiaries or investees. GCP has its registered office in Luxembourg and itself is the parent company of more than 500 companies with registered offices primarily in Germany, Cyprus, the Netherlands and Luxembourg.

Thus, the structure of Aroundtown provides for various tax aspects, including cross-border taxation issues governed by double-tax treaties between Cyprus, Germany, the Netherlands and Luxembourg. It cannot be excluded that tax authorities in Cyprus, Germany, the Netherlands, or Luxembourg may not share the view of the tax assessment of Aroundtown which could lead to additional tax burdens for Aroundtown in any of these countries. Also, the tax laws in any of these jurisdictions or double-tax treaties between these countries might change in the future, even with retroactive effect, which could cause additional tax burdens for Aroundtown.

For Dutch corporate income tax purposes, real estate may be depreciated only for as long as the tax book value does not fall below the 'threshold value'. This threshold value of properties that are held as portfolio investment equals the value provided in the Law on Valuation of Real Estate (*Wet Waardering Onroerende Zaken* or "**WOZ**"), known as the WOZ value. With respect to real estate that is not portfolio investment (e.g. an own building used within an enterprise) different depreciation rules apply. Although the WOZ value is meant to approximate the fair market value of the real estate property, in practice there may be a significant difference between the WOZ value and the actual fair market value. The WOZ value is determined annually by the municipality

where the property is situated. If the threshold value increases, tax depreciation that had been previously claimed is not recaptured.

Upon the disposal of real estate and under strict conditions, a company may apply for a reinvestment reserve provided that the taxpayer has a clear intention of replacing the disposed business assets with business assets that perform a similar function within the enterprise. Under the reinvestment reserve provisions, the tax book profit arising from the disposal of real estate may technically be carried forward and offset against the acquisition cost of a reinvestment asset. The reinvestment reserve only applies for qualifying business assets used in an enterprise (i.e., no shares, portfolio assets or inventory).

The occurrence of any of these factors could have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flows, results of operations, net profits, reputation and prospects.

Aroundtown is exposed to real estate transfer taxes and value added taxes.

Increases in the applicable real estate transfer tax rates for the properties of Aroundtown could negative impact Aroundtown by, among other things, reducing the proceeds from a sale of the affected properties or by reducing purchase demand for the affected properties.

Aroundtown currently holds real estate in Germany and shares in companies which own real estate in Germany. In Germany, the transfer of real estate or of a 95 % or greater interest in a company that owns real estate triggers a potential liability for real estate transfer taxes. In these cases, the real estate transfer tax generally equals the sum of the values for real estate transfer tax purposes according to the German Valuation Act (*Bewertungsgesetz*) multiplied by the tax rate, as applicable. At the national level in Germany, the legal framework of real estate transfer tax is provided for in the German Real Estate Transfer Tax Act (*Grunderwerbsteuergesetz*; "**GrEStG**"), at the level of the Federal States, however, the real estate transfer tax rate varies by Federal State, currently within a range of 3.5 % to 6.5 %. The relevant tax bases (*Bemessungsgrundlagen*) for real estate transfer tax purposes have recently been changed. This may generally lead to a higher real estate transfer tax burden than under previously applicable laws, in particular for share unifications or other transactions pursuant to section 1 paras. 2a, 3, 3a GrEStG. Such legislative change was based on a decision by the German Federal Constitutional Court (*Bundesverfassungsgericht*) which, inter alia, requested that the legislator implement valuation methods that lead to values which mirror the values of the relevant property realistically (*realitatsgerecht*). According to the recently amended real estate transfer tax law, such amendments are applicable to acquisitions (*Erwerbsvorgänge*) realized after 31 December 2008. For the tax bases being relevant for share unifications or other transactions pursuant to section 1 paras. 2a, 3, 3a GrEStG, the amended real estate transfer tax law refers to the relevant values for inheritance tax purposes. Under such rules, tax bases shall, inter alia, be derived from future earnings based on

the actual leases and be adjusted by certain deductions and additions based on a specific method pursuant to the German Valuation Act, provided inter alia that such leases do not deviate from third party leases for more than 20 %. In any event, the taxpayer may establish a lower fair market value (*gemeiner Wert*) (section 198 of the German Valuation Act).

Because of the complexity of the real estate transfer tax laws in Germany, Aroundtown may from time to time seek to acquire properties with less than a 95 % stake in the ownership company. This may result in an increased complexity of the transaction and stronger minority rights of the associate parties. As a consequence, transaction costs and future administrative expenses for the newly acquired property would generally rise, too.

In relation to acquisition of existing real estate located in the Netherlands, Real Estate Transfer Tax ("**RETT**") will be due. The RETT rate is 2 % for residential real estate and 6 % for non-residential real estate and is levied over the value of the acquired property. Residential real estate is real estate that at the time of its transfer is intended for occupation by private individuals. The definition of residential real estate has been and is the subject of extensive debate and litigation. Where tax payers have claimed the 2 % rate, the tax authorities may increase to 6 % plus interest and possibly penalties if the property cannot, or not wholly, be classified as residential.

Dutch RETT may also be due in case of the acquisition of shares in a company of which the majority of assets consist of real estate in the Netherlands. This is the case if all of the following requirements are met:

- the stock is acquired in a Dutch legal entity with its equity divided into shares, or an entity incorporated under the laws of another state that has the same characteristics of such a Dutch legal entity;

- the stock is acquired in a legal entity of which, at the time of the acquisition or at any time in the preceding year, the assets consist or consisted of 50 per cent or more of real estate, and at least 30 per cent of all assets consist of real estate in the Netherlands;

- the activities pertaining to the real estate consist, at the time of the acquisition or at any time in the preceding year, of 70 per cent or more of the acquisition, disposal or exploitation of that real estate; and

- the buyer directly or indirectly acquires an interest of at least one-third in the entity's capital, including any interest the buyer may already directly or indirectly hold.

The Dutch RETT and value added tax ("**VAT**") treatment of ground leases (*erfpacht*) follow specific regulations to calculate the tax base and to determine whether the establishment or acquisition of the ground lease qualifies as a supply of services or goods for VAT purposes. In

order to prevent an adverse outcome, the establishment and acquisition of ground leases should be carefully considered.

The transfer of real estate is generally exempt from VAT in the Netherlands, unless the transfer concerns newly developed real estate, such as construction sites and (part of) buildings including the surrounding terrain, prior to, on or within a period of two years after the moment of first use of the buildings concerned. Should a transfer of newly developed real estate indeed be subject to VAT, an exemption generally applies for RETT, but not always. Under certain circumstances, the renovation of real estate can be to such an extent that it can deem newly developed real estate.

In the event of an asset transaction - such as an acquisition of real estate, where a so-called 'totality of goods' is acquired - the acquisition may be considered as a non-taxable transfer for Dutch VAT purposes. As VAT is assessed on the basis of the tax payers own assessment the application of such exemption may not be recognized by the tax authorities.

The occurrence of any of these factors could have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flows, results of operations, net profits, reputation and prospects.

Risks Relating to the Shareholding Structure of the Guarantor

The Guarantor's largest shareholder Avisco Group plc is in a position to exert substantial influence on the Guarantor. The interests of this shareholder could differ from the interests of the other shareholders.

Avisco Group plc (the "**Principal Shareholder**") is the Guarantor's largest shareholder and holds a total of 44% of the Guarantor's issued shares and voting rights following the admission to trading. The Principal Shareholder will be in a position to exert substantial influence at the general meeting and extraordinary meetings of the Guarantor's shareholders and consequently on matters decided by the general meeting or extraordinary meetings of the Guarantor's shareholders. Depending on the level of shareholder participation at the general meeting or extraordinary meetings of the Guarantor's shareholders, the Principal Shareholder may be able to adopt and implement or prevent the adoption of resolutions which require a simple majority or even higher majorities solely through the exercise of its own votes in the Guarantor. Furthermore, the Principal Shareholder could prevent a general meeting of the Guarantor's shareholders from adopting resolutions which require a qualified majority of the votes cast. In any of the aforementioned instances, the interests of the Principal Shareholder could deviate from the interests of other shareholders.

Even if the Principal Shareholder were not in fact to use its controlling stake to influence the Guarantor, the possibility of such influence could have material adverse effects on the Guarantor's share price and make it more difficult for the Guarantor, for example, to raise capital.

Future sales or market expectations of sales of a large number of shares by the Guarantor's largest shareholders or other shareholders could cause the share price to decline.

As of the date of this Prospectus, the Principal Shareholder holds 44 % of the Guarantor's share capital. There are no lock-up agreements with respect to the Shares, either with the Principal Shareholders or with other existing shareholders. Thus the Principal Shareholder and the other existing shareholders are free to sell their shares in the Guarantor at any time. The Guarantor's share price could fall substantially if one or more of the Principal Shareholder sell some or all of their shares or if such sales are anticipated by investors. This also applies if other significant shareholders sell shares in the market or if such a sale is expected.

The Principal Shareholder regularly pledges the shares of the Guarantor that it holds or controls as security for credit facilities of various types. These credit facilities may include provisions with respect to mandatory prepayments and/or cancellations in the event of a change of control or in the case of the occurrence of certain events or triggers with respect to the pledged securities, including a decline in share price.

In addition, the sale or market expectation of a sale of a large number of shares by any of the Principal Shareholders or other significant shareholders could make it difficult for the Guarantor to issue new shares in the future on favourable terms. In addition, this may have a material adverse effect on the market price of the shares of the Guarantor.

The re-domiciliation of the Guarantor could be delayed or may not succeed at all. The rights of shareholders in the Guarantor after a successful re-domiciliation might differ from their existing rights.

On 7 April 2017, the shareholders of the Guarantor adopted in an extraordinary general meeting a resolution approving the transfer of the seat of the Guarantor from the Republic of Cyprus to the Grand Duchy of Luxembourg (the "**Redomiciliation**"). As of the date of this Prospectus, the implementation of the Redomiciliation is ongoing in both Cyprus and Luxembourg. The successful completion of the Redomiciliation is contingent upon the receipt of regulatory approvals from the authorities in Cyprus and a further resolution of the extraordinary general meeting of the shareholders of the Guarantor to be held in the Grand Duchy of Luxembourg, as well as the receipt of consents from certain third parties. The Guarantor expects the completion of the Redomiciliation to occur in the second half of the year 2017. There is no guarantee that the Redomiciliation will be successfully completed in a timely fashion or at all, and the successful

completion of the Redomiciliation may be substantially more expensive and time consuming than the Guarantor currently anticipates. In the event that the Redomiciliation is unsuccessful, the Guarantor may incur substantial expenses without benefit and may suffer reputational harms as a result.

In addition, implementation of the Redomiciliation may consume the time and attention of senior management and key employees and distract them from growing the business and implementing the strategy of the Guarantor. Although the Guarantor believes that the Redomiciliation is in the best interests of the Guarantor, there is no guarantee that the Redomiciliation will prove beneficial to the Guarantor or its shareholders in the short- or long-term. The implementation of the Redomiciliation may also expose the Guarantor to substantial additional or unexpected expenses, including without limitation income, capital gains and real estate transfer tax expenses in Cyprus, Germany, the Netherlands and Luxembourg and expenses associated with legal, accounting and other advisors.

Noteholders should also be aware that following the successful implementation of the Redomiciliation enforcement proceedings in connection with the Subordinated Guarantee shall be conducted against the Guarantor having then its registered seat in the Grand Duchy of Luxembourg instead of Cyprus.

Risk Factors Relating to the Notes

An investment in the Notes involves certain risks associated with the characteristics, specification and type of the Notes which could lead to substantial losses that holders of the Notes ("**Holders**") would have to bear in the case of selling their Notes or with regard to receiving interest payments and repayment of principal. Risks regarding the Notes include the following risks:

The Notes may not be a suitable investment for all Investors.

The Notes are complex financial instruments. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- possess sufficient knowledge and experience in financial and business matters to make a meaningful evaluation of the chances and risks of an investment in the Notes and the information contained in, or incorporated by reference into this Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate such chances and risks in the context of the potential investor's particular financial situation and to evaluate the impact the Notes will have on their overall investment portfolio;

- understand thoroughly the terms of the Notes and be familiar with the behaviour of the financial markets;

- be capable of bearing the economic risk of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;

- know that it may not be possible to dispose of the Notes for a substantial period of time, if at all, and

- be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect a potential investor's investment and ability to bear the applicable risks.

The investments of certain investors are subject to investment laws or regulations or, respectively, the supervision or regulation by certain authorities. Each potential investor should consult with a financial advisor, if and to what extent: (a) the Notes are an investment suitable for it to make; (b) the Notes may serve as collateral for different types of debt financing; and (c) other limitations on the purchase or pledge of the Notes apply. Financial institutions should consult with their legal advisor or their appropriate regulatory authority in order to assess the suitable classification of the Notes with respect to the applicable rules on risk capital or similar provisions.

The Notes are undated securities in which an investment constitutes a financial risk for an indefinite period.

The Issuer is under no obligation to redeem the Notes. The Holders have no right to call for redemption of the Notes. Therefore, prospective investors should be aware that they may be required to bear the financial risks of an investment in the Notes for an indefinite period and may not recover their investment in the foreseeable future, if at all.

If a loan is used to finance the acquisition of the Notes, the loan may significantly increase the risk of a loss.

If a loan is used to finance the acquisition of Notes by a potential investor and the Notes subsequently go into default, or if the trading price diminishes significantly, the investor may not only have to face a potential loss on its investment, but will also have to repay the loan and pay interest thereon. A loan may significantly increase the risk of a loss. Potential investors should not assume that they will be able to repay the loan or pay interest thereon from the profits of an investment in the Notes. Instead, potential investors should assess their financial situation prior to an investment in the Notes, as to whether they are able to pay interest on the loan, repay the loan on demand, and the possibility that they may suffer losses instead of realising gains.

An investment in the Notes may be subject to inflation risks.

The inflation risk is the risk of future money depreciation. The real yield from an investment is reduced by inflation. The higher the rate of inflation, the lower the real yield on the Notes. If the inflation rate were to increase and match or exceed the nominal yield, the real yield of the Notes would be zero or even negative.

Exchange rate risks and exchange controls.

The Notes are denominated in U.S. dollars. Potential investors should bear in mind that an investment in the Notes involves currency risks. This presents certain risks relating to currency conversions if a Holder's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than U.S. dollar. These include the risk that exchange rates may change significantly (including changes due to devaluation of the U.S. dollar or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the U.S. dollar would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes, and (iii) the Investor's Currency-equivalent market value of the Notes.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, Holders may receive less interest or principal than expected, or no interest or principal at all.

The Holders are exposed to risks relating to fixed interest rate notes.

The Notes bear interest at a fixed rate to but excluding the First Call Date. A holder of a fixed interest rate note carries the risk that the price of such note may fall as a result of changes in the current interest rate on the capital markets (the "**Market Interest Rate**"). While the nominal interest rate of a note with a fixed interest rate is fixed in advance for the entire duration or during a certain period, the Market Interest Rate typically changes on a daily basis. As the Market Interest Rate changes, the price of a note with a fixed interest rate also changes – but in the opposite direction. If the Market Interest Rate increases, the price of a note with a fixed interest rate typically falls until the yield of such note approximately equals the Market Interest Rate. If the Market Interest Rate decreases, the price of a fixed interest rate note typically increases, until the yield of such note is approximately equal to the Market Interest Rate. Potential investors should be aware that movements of the Market Interest Rate can adversely affect the market price of the Notes and can lead to losses for Holders if they sell their Notes.

The Holders are exposed to risks relating to the reset of interest rates linked to the 5-year swap rate.

From and including the First Call Date to but excluding the date on which the Issuer redeems the Notes in whole pursuant to § 6 of the Terms and Conditions, the Notes bear interest at a rate which will be determined on each Reset Date at the 5-year Swap Rate for the relevant Reset Period plus the relevant Margin for the relevant Interest Period. Potential investors should be aware that the performance of the 5-year Swap Rate and the interest income on the Notes cannot be anticipated. Due to varying interest income, potential investors are not able to determine a definite yield of the Notes at the time they purchase them, therefore their return on investment cannot be compared with that of investments having longer fixed interest periods. In addition, after interest payment dates, Holders are exposed to the reinvestment risk if Market Interest Rates decline. That is, Holders may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Potential investors in the Notes should bear in mind that neither the current nor the historical level of the 5-year swap rate is an indication of the future development of such 5-year swap rate during the term of the Notes.

Furthermore, during each Reset Period, it cannot be ruled out that the price of the Notes may fall as a result of changes in the Market Interest Rate, as the Market Interest Rate fluctuates. During each of these periods, the Holders are exposed to the risks as described under "*Risk factors— Risk Factors Relating to the Notes— The Holders are exposed to risks relating to fixed interest rate notes*".

Risks associated with the reform of EURIBOR and other interest rate benchmarks.

The EURIBOR and other interest rate indices which are deemed to be benchmarks are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such 'benchmarks' to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to such a benchmark.

On 30 June 2016, the "Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014" (the "**Benchmark Regulation**") entered into force. Subject to various transitional provisions, the Benchmark Regulation will apply from 1 January 2018, except that the regime for "critical" benchmarks applies from 30 June 2016. The Benchmark Regulation will apply to "contributors", "administrators" and "users" of benchmarks in the European Union, and will, inter alia: (i) require benchmark administrators to be authorised (or, if non-EU-based, to have satisfied certain 'equivalence' conditions in its local jurisdiction, to be "recognised by the authorities of a Member State pending an equivalence decision or to be 'endorsed' for such purpose by an EU competent authority) and to comply with requirements in relation to the administration of benchmarks; and (ii) ban the use of benchmarks of unauthorised administrators. The scope of the Benchmark Regulation is wide and, in addition to so-called 'critical benchmark' indices such as EURIBOR, will apply to many other interest rate indices.

The Benchmark Regulation could have a material impact on Notes linked to a benchmark rate or index, including in any of the following circumstances:

- a rate or index which is a benchmark could not be used as such if its administrator does not obtain authorisation or is based in a non-EU jurisdiction which (subject to applicable transitional provisions) does not satisfy the equivalence conditions, is not recognised pending such a decision and is not endorsed for such purpose. In such event, depending on the particular benchmark and the applicable terms of the Notes, the Notes could be de-listed, adjusted, redeemed prior to maturity or otherwise impacted; and

- the methodology or other terms of the benchmark could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level, and could lead to adjustments to the terms of the Notes, including Calculation Agent determination of the rate or level in its discretion.

Any of the international, national or other proposals for reform or the general increased regulatory scrutiny of benchmarks could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain benchmarks, trigger changes in the rules or methodologies used in certain benchmarks or lead to the disappearance of certain benchmarks. The disappearance of a benchmark or changes in the manner of administration of a benchmark could result in adjustment to the Terms and Conditions, discretionary valuation by the Calculation Agent, delisting or other consequence in relation to Notes linked to such benchmark. Any such consequence could have a material adverse effect on the value of and return on any such Notes.

Holders are subject to the risk of a partial or total failure of the Issuer or the Guarantor to make interest and/or redemption payments.

Any person who purchases Notes is relying on the creditworthiness of the Issuer and the Guarantor and has no rights against any other person. Holders are subject to the risk of a partial or total failure of the Issuer or the Guarantor to make interest and/or redemption payments that the Issuer or the Guarantor is obliged to make under the Notes or the Subordinated Guarantee, respectively. The worse the creditworthiness of the Issuer or the Guarantor, the higher the risk of a loss (see also "*—Risks relating to the Guarantor*" above). A materialisation of the credit risk may result in partial or total failure of the Issuer or the Guarantor to make interest and/or redemption payments under the Notes or the Subordinated Guarantee, respectively.

In addition, even if the likelihood that the Issuer or the Guarantor will be in a position to fully perform all obligations under the Notes or the Subordinated Guarantee, respectively, when they fall due actually has not decreased, market participants could nevertheless be of that opinion. Market participants may in particular be of this opinion if market participants' assessment of the creditworthiness of corporate debtors in general or debtors operating in the same industry as the Guarantor adversely changes. If any of these risks occur, third parties may only be willing to purchase the Notes for a lower price than before the materialisation of said risk, or not at all. The market value of the Notes may therefore decrease and investors could lose some or all of their investment.

Interest payments under the Notes may be deferred at the option of the Issuer.

Holders should be aware that interest may not be due and payable (*fällig*) on the scheduled Interest Payment Date, and that the payment of the resulting Arrears of Interest is subject to certain further conditions. Failure to pay interest as a result of an interest deferral will not constitute a default of the Issuer or a breach of any other obligations under the Notes or for any other purposes. Holders will not receive any additional interest or compensation for the deferral of payment. In particular, the resulting Arrears of Interest will not bear interest.

The Holders' only remedy against the Issuer is the institution of legal proceedings to enforce payment or to file an application for insolvency proceedings.

The only remedy against the Issuer available to the Holders for recovery of amounts which have become due in respect of the Notes will be the institution of legal proceedings to enforce payment of the amounts or to file an application for the institution of insolvency proceedings. On an insolvency or liquidation of the Issuer, any Holder may only declare its Notes due and payable and may claim the amounts due and payable under the Notes, after the Issuer has discharged or secured in full (*i.e.*, not only with a quota) all claims that rank senior to the Notes.

The beneficiaries under the Subordinated Guarantee have limited rights in insolvency proceedings.

The Guarantor's obligations under the Subordinated Guarantee are, and will remain, subordinated to the full prior payment of all existing and future indebtedness of the Guarantor. Accordingly, the claims under the Subordinated Guarantee will rank junior to all other creditors (the claims of which do not rank pari passu with the claims of holders of the Notes under the Subordinated Guarantee) of the Guarantor in the event of an insolvency or liquidation. Therefore, in liquidation or insolvency proceedings of the Guarantor, the holders of the Notes will in all likelihood recover significantly less than the holders of unsubordinated and other subordinated liabilities of the Guarantor.

Holders will have limited ability to influence the outcome of any insolvency proceeding or a restructuring outside insolvency. Also the Subordinated Guarantee does not provide for any meetings or resolutions of holders of the Notes outside of a meeting. Accordingly, holders of the Notes will have limited influence on the outcome of a restructuring outside insolvency.

The Notes do not include express events of default or a cross default.

Holders should be aware that the Terms and Conditions do not contain any express event of default provisions. There will also not be any cross default under the Notes. Thus, there is only limited protection for Holders against a deterioration of the Issuer's or Guarantor's financial condition.

The Notes do not contain any financial covenants.

Neither the Guarantor nor any of its subsidiaries (including the Issuer) will be restricted from incurring additional unsecured debt or other liabilities, including senior debt under the Terms and Conditions. If the Guarantor incurs additional debt or liabilities, the Issuer's and/or the Guarantor's ability to pay their respective obligations under the Notes or the Subordinated Guarantee could be adversely affected. In addition, under the Notes, neither the Issuer nor the Guarantor will be restricted from paying dividends or issuing or repurchasing their other securities. Holders will not

be protected under the Terms and Conditions in the event of a highly leveraged transaction, a reorganisation or a restructuring, merger or similar transaction that may adversely affect Holders.

There is no limitation on issuing further debt ranking senior to, or pari passu with, the Notes.

There is no restriction on the amount of debt which the Issuer may issue ranking senior or *pari passu* to the obligations under or in connection with the Notes. Such issuance of further debt may reduce the amount recoverable by the Holders upon insolvency or liquidation of the Issuer or may increase the likelihood that the Issuer is required or permitted to defer payments of interest under the Notes.

There is a risk that the Notes are qualified as equity of the Issuer for Dutch tax purposes.

Instruments such as the Notes that are considered as debt for Dutch legal purposes are as a general rule also considered debt for Dutch tax purposes. As a result thereof, payments of interest made on such instruments should (i) be deductible for Dutch corporate income tax purpose and (ii) not be subject to Dutch withholding tax. There is one exception to this general rule. If the Notes were to be considered to be granted under such conditions that the Notes in fact function as equity of the Issuer, the Notes would be considered equity for Dutch tax purposes. The relevant Dutch tax conditions for a loan to be considered to function as equity of a borrower have been developed in case law. These cumulative conditions are: (i) the loan is subordinated to the claims of all other creditors (ii) the loan has no fixed term or has a term in excess of 50 years, and (iii) the remuneration on the loan is dependent on the profit of the borrower. Since the Notes are subordinated to all creditors and have a perpetual term, the first two conditions are met. Given that the Notes have a fixed interest rate and that interest becomes due and payable irrespective of the financial performance of the Issuer, the remuneration of the Notes should not be considered to be dependent on the profit of the Issuer. Consequently, the third condition should not be met and the Notes should not be considered equity for Dutch tax purposes and accordingly interest payments on the Notes should in principle be deductible and payment of interest on the Notes should not be subject to Dutch dividend withholding tax.

However, the profit dependency condition was, and is being, developed in case law and the interpretation of this case law is subject to discussions and further developments. The Issuer has sought advice and is of the view that there is a remote risk that the interest remuneration on the Notes would be considered to be dependent on the profit of the Issuer and as such there is a risk that the Notes could be qualified as equity of the Issuer for Dutch tax purposes and accordingly there is a risk that payments of interest under the Notes could be (i) not deductible for Dutch corporate income tax purposes and (ii) subject to Dutch dividend withholding tax. To obtain certainty on the debt classification of the Notes for Dutch tax purposes, the Issuer may decide to request a ruling from the Dutch tax authorities. Any such ruling would not be obtained prior to the

issuance of the Notes. Absent a final ruling, there is a risk that the Notes could be qualified as equity of the Issuer for Dutch tax purposes.

The Notes are subordinated to senior and subordinated obligations of the Issuer.

The obligations of the Issuer under the Notes will be unsecured subordinated obligations of the Issuer which in an insolvency or liquidation of the Issuer rank pari passu among themselves and with certain other obligations of the Issuer, subordinated to all present and future unsubordinated and subordinated obligations of the Issuer and senior only to the Issuer's share capital and similar present or future instruments. According to the Terms and Conditions, in an insolvency or liquidation of the Issuer, no payments under the Notes will be made to the Holders unless the Issuer has discharged or secured in full (*i.e.*, not only with a quota) all claims that rank senior to the Notes.

In a liquidation, insolvency or any other proceeding for the avoidance of insolvency of the Issuer, the Holders may recover proportionately less than the holders of the notes of unsubordinated or subordinated obligations of the Issuer or may recover nothing at all. Potential investors should take into consideration that liabilities ranking senior to the Notes may also arise out of events that are not reflected on the Issuer's balance sheet, including, without limitation, the issuance of guarantees or other payment undertakings. Claims of beneficiaries under such guarantees or other payment undertakings will, in liquidation or insolvency proceedings of the Issuer, become unsubordinated or subordinated liabilities and will therefore be paid in full before payments are made to the Holders.

Claims under the Subordinated Guarantee are subordinated to senior and subordinated obligations of the Guarantor.

The Guarantor's obligations under the Subordinated Guarantee are unsecured and rank subordinate to and junior in right of payment to all its other liabilities, except for any present or future parity obligations. This means that if the Guarantor fails to pay any liability that is senior to the Subordinated Guarantee, it may not make payments on the Subordinated Guarantee. Also, if the Guarantor is bankrupt or liquidates or dissolves, the Guarantor or its trustee will use assets of the Guarantor to pay obligations on all liabilities ranking senior to the Subordinated Guarantee before making payments on the Subordinated Guarantee. Any parity obligations will share equally in payments with the Subordinated Guarantee if the Guarantor does not have sufficient funds to make full payments on all of them.

If the Notes are redeemed, a Holder of such Notes is exposed to the risk of a lower yield than expected.

The Issuer may redeem all outstanding Notes (i) on the First Call Date or any Payment Date thereafter, or (ii) for reason of minimal outstanding amount, or (iii) if the Issuer is obligated to pay

additional amounts in respect to the Notes due to withholding or deduction or on account of any current or future taxes or any other dues imposed, levied, collected, or withheld by or on behalf of a Relevant Taxing Jurisdiction, or if the Guarantor is obligated to pay additional amounts in respect of the Subordinated Guarantee due to withholding or deduction or on account of, any current or future taxes or any other duties imposed, levied, collected, or withheld by or on behalf of a Relevant Taxing Jurisdiction, or for its account or from or for the account of an area municipality authorised to raise taxes or an agency in a Relevant Taxing Jurisdiction, or (iv) if interest payable in respect of the Notes (including under the Subordinated Guarantee) is no longer fully income tax deductible, or (v) if the funds raised through the issuance of the Notes must not or must no longer be recorded as "equity" of the Guarantor, or (vi) if any rating agency eligible under the Terms and Conditions determines to assign a lower category of "equity credit" to the Notes as a result of an amendment, clarification or change to the equity credit criteria of such rating agency effective after the Issue Date, or (vii) upon the occurrence of a Change of Control (as defined in § 6(6) of the Terms and Conditions).

If the Notes are redeemed, a Holder is exposed to the risk that due to such redemption its investment will have a lower than expected yield. In such circumstances, the investor might possibly not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes.

There may be no active public trading market for the Notes.

Application has been made for the Notes to be admitted to the Irish Stock Exchange's Official List and to trading on the Main Securities Market. Investors should note that securities to be admitted to the Main Securities Market will, because of their nature, normally be bought and traded by a limited number of investors who are particularly knowledgeable in investment matters.

There can be no assurance regarding the future development of a market for the Notes or the ability of Holders to sell their Notes or the price at which Holders may be able to sell their Notes. If such a market were to develop, the Notes could trade at prices that may be higher or lower than the initial offering price depending on many factors, including prevailing interest rates, Aroundtown's operating results, the market for similar securities and other factors, including general economic conditions, performance and prospects, as well as recommendations of securities analysts. The liquidity of, and the trading market for, the Notes may also be adversely affected by declines in the market for debt securities generally. Such a decline may affect any liquidity and trading of the Notes independent of Aroundtown's financial performance and prospects. In an illiquid market, Holders might not be able to sell Notes at fair market prices, or at all. The possibility to sell Notes might additionally be restricted by country specific reasons. A potential investor must therefore be prepared to hold the Notes for an unspecified time period.

The development of market prices of the Notes depends on various factors.

The market value of the Notes is influenced by a change in the creditworthiness (or the perception thereof) of the Issuer or the Guarantor and by the credit rating of the Guarantor and a number of other factors including market interest and rate of return.

The trading market for debt securities may be volatile and may be adversely impacted by many events.

The market for debt securities issued by the Issuer is influenced by a number of interrelated factors, including economic, financial and political conditions and events in Germany as well as economic conditions and, to varying degrees, market conditions, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in Germany, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of the Notes or that economic and market conditions will not have any other adverse effect. Accordingly, the price at which a Holder will be able to sell his Notes may be at a discount, which could be substantial, from the issue price or the purchase price paid by such Holder.

Potential Investors assume the risk that the credit spread of the Issuer changes (credit spread risk).

A credit spread is the margin payable by the Issuer to the Holder as a premium for the assumed credit risk of the Issuer. Credit spreads are offered and sold as premiums on current risk-free interest rates or as discounts on the price.

Factors influencing the credit spread include, among other things, the creditworthiness and rating of the Issuer, probability of default, recovery rate, remaining term to maturity of obligations under any collateralisation or guarantee and declarations as to any preferred payment or subordination. The liquidity situation, the general level of interest rates, overall economic developments, and the currency in which the relevant obligation is denominated may also have a positive or negative effect.

Potential investors are exposed to the risk that the credit spread of the Issuer widens, resulting in a decrease in the price of the Notes.

Ratings may not reflect all risks and are subject to change.

Ratings assigned to the Guarantor by rating agencies are among other things an indicator of the Guarantor's ability to meet its obligations under the Subordinated Guarantee in a timely manner. The lower the assigned rating is on the respective scale the higher the respective rating agency assesses the risk that obligations will not be met at all or not be met in a timely manner. The

market value of the Notes from time to time is likely to be dependent upon the level of credit rating assigned to the long-term debt of the Guarantor. Rating agencies may change, suspend or withdraw their ratings at short notice. A rating's change, suspension or withdrawal may affect the price and the market value of the outstanding Notes. A Holder may thus incur financial disadvantages as he may not be able to sell the Notes at fair market value.

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to the structure, market and additional factors discussed herein, and other factors that may affect the value of the Notes. In addition, Moody's, S&P, Fitch or any other rating agency may change their respective methodologies for rating securities with features similar to the Notes in the future, including with respect to the equity or debt treatment of the Notes. This may include the relationship between ratings assigned to an issuer's senior securities and ratings assigned to securities with features similar to the Notes, sometimes called "notching". If the rating agencies were to change their practices for rating such securities in the future and the ratings of the Notes were to be subsequently lowered, this may have a negative impact on the trading price of the Notes, and may in certain cases have an impact on the rating of the Guarantor. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Incidental costs related in particular to the purchase and sale of Notes may have a significant impact on the profit potential of the Notes.

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) may be incurred in addition to the purchase or sale price of the Notes. These incidental costs may significantly reduce or eliminate any profit from holding the Notes. Credit institutions as a rule charge commissions which are either fixed minimum commissions or pro rata commissions, depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, investors may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third-party costs).

In addition to such costs directly related to the purchase of Notes (direct costs), investors must also take into account any follow-up costs (such as custody fees). Investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes. These additional costs may significantly reduce or eliminate any profit from holding the Notes.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, potential investors will have to rely on their procedures for transfer, payment and communication with the Issuer.

The Notes will be represented by the Global Notes. These will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Investors will not be entitled to receive definitive notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by the Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and the Issuer will discharge its payment obligations under the Notes by making payments to, or to the order of, the Clearing System (as defined in § 1(4) of the Terms and Conditions) for distribution to their account holders. A holder of a beneficial interest in the Global Notes must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of beneficial interests in, the Global Notes.

No assurance can be given as to the impact of any possible judicial decision or change of laws or administrative practices after the date of this Prospectus.

The Terms and Conditions are based on the laws of Germany in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in German law or administrative practice or the official application or interpretation of German law after the date of this Prospectus.

Were the German choice of law provision in the Subordinated Guarantee not respected by the relevant courts in Germany and were such courts to decide that Cypriot law (or Luxembourg law if the Redomiciliation is successfully completed) is the appropriate governing law for the Subordinated Guarantee, then any provision in the Subordinated Guarantee that is inconsistent with Cypriot law (including without limitation sections 91 through 99 of Cyprus Contracts Law CAP 149) or Luxembourg law, as applicable, could be deemed to be unenforceable.

A potential investor may not rely on the Issuer, the Guarantor, the Managers or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes.

Each potential investor in the Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, whether its acquisition of the Notes is fully consistent with its (or if it is acquiring the Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes as principal or in a fiduciary capacity) and is a fit, proper and suitable

investment for it (or if it is acquiring the Notes in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

A potential investor may not rely on the Issuer, the Guarantor, the Managers or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

Without independent review and advice, a potential investor may not adequately understand the risks inherent with an investment in the Notes and may lose parts or all of its capital invested without taking such or other risks into consideration before investing in the Notes.

The Terms and Conditions and the terms of the Subordinated Guarantee, including the terms of payment of principal and interest, can be amended by a Holders' resolution and any such resolution will be binding for all Holders. Any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of the Notes outstanding.

The Terms and Conditions or the terms of the Subordinated Guarantee may be amended or other measures relating to the Notes or the Subordinated Guarantee may be taken by majority resolution of the Holders. The voting process under the Terms and Conditions will be governed in accordance with the SchVG, pursuant to which the required participation of Holder votes (quorum) is principally set at 50% of the aggregate principal amount of outstanding Notes. In case there is no sufficient quorum, there is no minimum quorum requirement in a second meeting (unless the resolution to be passed requires a qualified majority, in which case Holders representing at least 25% of outstanding Notes by principal amount must participate in the meeting or voting). As the relevant majority for Holders' resolutions is generally based on votes cast, rather than on principal amount of the Notes outstanding, the aggregate principal amount required to vote in favour of an amendment will vary based on the Holders' votes participating. Therefore, a Holder is subject to the risk of being outvoted by a majority resolution of such Holders and losing rights towards the Issuer or the Guarantor against his will in the event that Holders holding a sufficient aggregate principal amount of the Notes participate in the vote and agree to amend the Terms and Conditions or the terms of the Subordinated Guarantee or on other matters relating to the Notes or the Subordinated Guarantee by majority vote in accordance with the Terms and Conditions and the SchVG.

Since no Noteholders' Representative will be appointed as from the Issue Date, it will be more difficult for Holders to take collective action with respect to the Notes and the Subordinated Guarantee.

No initial Noteholders' Representative will be appointed under the Terms and Conditions. Any appointment of a Noteholders' Representative of the Notes post issuance of the Notes will, therefore, require a majority resolution of the Holders.

If a Noteholders' Representative has been appointed by majority resolution of the Holders, it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer or the Guarantor, if such right was passed to the Noteholders' Representative by majority vote, In such case, the Noteholders' Representative becomes exclusively responsible to claim and enforce the rights of all of the Holders.

The Holders have no voting rights.

The Notes are non-voting with respect to general meetings of the Issuer. Consequently, the Holders cannot influence any decisions by the Issuer to defer interest payments or to optionally settle such Arrears of Interest or any other decisions by the Issuer's shareholders concerning the capital structure or any other matters relating to the Issuer.

The income under the Notes may be reduced by taxes.

Potential investors should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Potential investors are advised not to rely on the tax discussions contained in this Prospectus but to ask for their own tax advisor's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor.

Payments on the Notes may be subject to U.S. withholding tax under the Foreign Account Tax Compliance Act.

Under the U.S. Foreign Account Tax Compliance Act ("**FATCA**"), a 30% withholding tax is imposed on certain payments to certain non-U.S. financial institutions that fail to comply with information reporting requirements or certification requirements in respect of their direct and indirect U.S. shareholders and/or U.S. accountholders. To avoid becoming subject to the 30% withholding tax on payments to them, non-U.S. financial institutions may be required to report information to the IRS regarding the Holders of Notes and, possibly, to withhold on a portion of payments on the Notes to certain Holders that fail to comply with the relevant information

reporting requirements (or hold Notes directly or indirectly through certain non-compliant intermediaries). If this withholding were to apply, Holders will not receive any Additional Amount in respect of such withholding, and Holders will therefore receive less than the amount that they would otherwise have received on the Notes. It is unclear whether payments on the Notes could be subject to such withholding. However, if such withholding were to apply, it would not apply to payments made before 1 January 2017. Furthermore, the rules for the implementation of this withholding as it might apply to the Notes have not yet been written, so it is impossible to determine at this time what impact, if any, this withholding will have on Holders of the Notes.

Risks related to the Common Reporting Standard

The common reporting standard framework was first released by the OECD in February 2014 as a result of the G20 members endorsing a global model of automatic exchange of information in order to increase international tax transparency. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters was published by the OECD, including the Common Reporting Standard ("**CRS**"). As of 12 May 2016 and per the status issued by the OECD on 19 August 2016, 84 jurisdictions, including The Netherlands, signed the multilateral competent authority agreement, which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications. More than 40 jurisdictions, including The Netherlands, have committed to a specific and ambitious timetable leading to the first automatic exchanges in 2017 (early adopters). Under CRS, financial institutions resident in a CRS country would be required to report, according to a due diligence standard, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which include trusts and foundations) with tax residency in another CRS country. CRS includes a requirement to look through passive entities to report on the relevant controlling persons.

As of 1 January 2016, CRS and EU Council Directive 2014/107/EU have been implemented in Dutch law. As a result, the Issuer will be required to comply with identification obligations starting in 2016, with reporting set to begin in 2017. Holders of Notes may be required to provide additional information to the Issuer to enable it to satisfy its identification obligations under the Dutch implementation of the CRS. Prospective investors are advised to seek their own professional advice in relation to the CRS and EU Council Directive 2014/107/EU. Not complying with the CRS rules may be sanctioned by fines imposed upon the Issuer. Furthermore, it cannot be ruled out that as a sanction against failure to comply with the CRS rules, a withholding tax will be introduced similar to the withholding tax imposed for non-compliance with FATCA regulations.

The Financial Transactions Tax could apply to certain dealings in the Notes.

On February 14, 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a directive for a Financial Transaction Tax ("**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of the Notes should, however, be exempt.

According to recent press releases, certain EU member states intend to decide on the implementation of the FTT and to present draft legislation before the end of 2016 or early in 2017 (Estonia has stated that it will not participate). According to the latest public statements made by representatives of certain EU member states, the FTT may be levied for the first time in 2018.

The FTT proposal remains subject to negotiation between the participating EU member states. It may therefore be altered prior to any implementation. Additional EU member states may decide to participate. Therefore, it is currently uncertain whether and when the proposed FTT will be enacted by the participating EU member states and when it will take effect with regard to dealings in the Notes. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

INFORMATION INCORPORATED BY REFERENCE

The pages set out in the "*Table of documents incorporated by reference*" below which are extracted from the following documents shall be deemed to be incorporated in, and to form part of, this Prospectus: (a) the audited consolidated financial statements of the Guarantor as at and for the financial years ended 31 December 2016 (the "**2016 Consolidated Financial Statements**") and 31 December 2015 (the "**2015 Consolidated Financial Statements**") and (b) the unaudited condensed interim consolidated financial statements of the Guarantor as at and for the three-month period ended on 31 March 2017 (the "**Q1 2017 Condensed Interim Consolidated Financial Statements**" and together with the 2015 Consolidated Financial Statements and the 2016 Consolidated Financial Statements, the "**Consolidated Financial Statements**") each prepared in accordance with International Financial Reporting Standards as adopted by the EU ("**IFRS**").

Such documents are incorporated into, and form part of, this Prospectus, save that: (a) any statement contained therein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise); and (b) any information contained in the aforementioned annual financial statements, but not included in the cross-reference tables set out below, is not incorporated by reference in this Prospectus because such information is either not relevant for investors or is covered elsewhere in this Prospectus.

Table of Documents Incorporated by Reference

Aroundtown Property Holdings plc

Q1 2017 Condensed Interim Consolidated Financial Statements

Interim Consolidated Statement of Comprehensive Income ..... pages 66 - 67
Interim Consolidated Statement of Financial Position ..... pages 68 - 69
Interim Consolidated Statement of Changes in Equity ..... pages 70 - 71
Interim Consolidated Statement of Cash Flows ..... pages 72 - 73
Condensed Notes ..... pages 74 - 91
Board of Directors' Report ..... pages 02 - 65

2016 Consolidated Financial Statements

Consolidated Statement of Comprehensive Income ..... pages 72 - 73
Consolidated Statement of Financial Position ..... pages 74 - 75
Consolidated Statement of Changes in Equity ..... pages 76 - 77
Consolidated Statement of Cash Flows ..... pages 78 - 79

Notes ..... pages 80 - 114
Independent Auditor's Report ..... pages 68 - 71
EPRA Performance Measures..... pages 60 - 65
Board of Directors' Report ..... pages 2 - 59

2015 Consolidated Financial Statements

Consolidated Statement of Comprehensive Income ..... pages 48 - 49
Consolidated Statement of Financial Position ..... pages 50 - 51
Consolidated Statement of Changes in Equity ..... pages 52 - 53
Consolidated Statement of Cash Flows..... pages 54 - 55
Notes ..... pages 56 - 86
Independent Auditor's Report ..... pages 46 - 47
Board of Directors' Report ..... pages 2 - 45

Copies of documents incorporated by reference in this Prospectus are published on the website of the Guarantor (http://aroundtownholdings.com/downloads.html).

Any websites referred to in this Prospectus are for informational purposes only and do not form part of this Prospectus.

Alternative Performance Measures

The Issuer presents certain non-IFRS financial information in this Prospectus. The Issuer and Guarantor use this financial information because they believe that they are of use for their investors. According to the ESMA guidelines on Alternative Performance Measures ("**APM**"), the Issuer and the Guarantor consider the following information presented in this Prospectus as APMs: EBITDA, Adjusted EBITDA, FFO I, FFO I per share, LTV, EPRA NAV, EPRA NAV per share and EPRA NNNAV. All alternative performance measures used by the Issuer or the Guarantor relate to their or Aroundtown's past performance. The Issuer and the Guarantor believe that these measures are useful in evaluating Aroundtown's operational performance, the net value of Aroundtown's portfolio, the level of indebtedness and of cash profits generated from operations by Aroundtown, because a number of companies, in particular in the real estate sector, also publish these figures. However, none of the aforementioned performance measures are financial measures defined under IFRS and none of these performance measures is suitable to replace financial information such as total assets, total equity, total liabilities, rental and operating income, operating profit, profit for the year, net cash provided by operating activities or net cash used in finance activities or other line items in Aroundtown's consolidated balance sheet, consolidated comprehensive statement of consolidated income and consolidated cash flow statement which have been prepared in accordance with IFRS. The alternative performance measures used by Aroundtown do not necessarily state if Aroundtown has sufficient cash flow or

liquidity and might not be suitable as performance indicators for the past operative result of Aroundtown. The alternative performance measures are not suitable to predict a future performance. Because not all companies in the real estate sector use the same performance indicators and also might calculate them differently, the display of the alternative performance measures by Aroundtown is not necessarily suitable to be compared with similar performance indicators of other companies.

TERMS AND CONDITIONS

§ 1

CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS

(1) *Currency; Denomination*. This issue of notes (the ***Notes***) of AT Securities B.V., a private limited liability company incorporated under the laws of the Netherlands (the ***Issuer***), is being issued in U.S. dollars (***USD***) in the aggregate principal amount of USD 500,000,000 (in words: five hundred million U.S. dollars) in denominations of USD 250,000 (the ***Specified Denomination***) on 21 June 2017 (the ***Issue Date***).

(2) *Form*. The Notes are being issued in bearer form.

(3) *Temporary Global Note – Exchange*.

(a) The Notes are initially represented by a temporary global note (the ***Temporary Global Note***) without coupons. The Temporary Global Note will be exchangeable for Notes in Specified Denominations represented by a permanent global note (the ***Permanent Global Note*** and, together with the Temporary Global Note, the ***Global Notes***) without coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by two authorised signatories of the Issuer and shall each be authenticated by or on behalf of the Principal Paying Agent. Definitive certificates representing individual Notes and interest coupons will not be issued.

EMISSIONSBEDINGUNGEN

§ 1

WÄHRUNG, STÜCKELUNG, FORM, BESTIMMTE DEFINITIONEN

(1) *Währung, Stückelung*. Diese Emission von Schuldverschreibungen (die ***Schuldverschreibungen***) der AT Securities B.V., einer Gesellschaft mit beschränkter Haftung nach niederländischem Recht (die ***Emittentin***) wird am 21. Juni 2017 (der ***Begebungstag***) in U.S. Dollar (***USD***) im Gesamtnennbetrag von USD 500.000.000 (in Worten: fünfhundert Millionen U.S. Dollar) in einer Stückelung von USD 250.000 (die ***Festgelegte Stückelung***) begeben.

(2) *Form*. Die Schuldverschreibungen lauten auf den Inhaber.

(3) *Vorläufige Globalurkunde – Austausch*.

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die ***Vorläufige Globalurkunde***) ohne Zinsscheine verbrieft. Die Vorläufige Globalurkunde wird gegen Schuldverschreibungen in den Festgelegten Stückelungen, die durch eine Dauerglobalurkunde (die ***Dauerglobalurkunde*** und, zusammen mit der Vorläufigen Globalurkunde, die ***Globalurkunden***) ohne Zinsscheine verbrieft sind, ausgetauscht. Die Vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die eigenhändigen Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und sind jeweils von der Hauptzahlstelle oder in deren

Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(b) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the ***Exchange Date***) not later than 180 days after the Issue Date of the Notes. The Exchange Date shall not be earlier than 40 days after the Issue Date. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes is not a U.S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions). Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the Issue Date of the Notes will be treated as a request to exchange the Temporary Global Note pursuant to this § 1(3)(b). Any Notes delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 1(6)).

(b) Die Vorläufige Globalurkunde wird an einem Tag (der ***Austauschtag***) gegen die Dauerglobalurkunde ausgetauscht, der nicht mehr als 180 Tage nach dem Begebungstag der Schuldverschreibungen liegt. Der Austauschtag wird nicht weniger als 40 Tage nach dem Begebungstag liegen. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen erfolgen, wonach der oder die wirtschaftlichen Eigentümer der Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Solange die Schuldverschreibungen durch eine Vorläufige Globalurkunde verbrieft sind, werden Zinszahlungen erst nach Vorlage solcher Bescheinigungen vorgenommen. Eine gesonderte Bescheinigung ist für jede solche Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Begebungstag der Schuldverschreibungen eingeht, wird als ein Ersuchen behandelt werden, die Vorläufige Globalurkunde gemäß diesem § 1(3)(b) auszutauschen. Schuldverschreibungen, die im Austausch für die Vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten (wie in

§ 1(6) definiert) geliefert werden.

(4) *Clearing System*. Each Global Note will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied. ***Clearing System*** means the following: Clearstream Banking, *société anonyme*, Luxembourg (***CBL***) and Euroclear Bank SA/NV, Brussels (***Euroclear***) and any successor in such capacity.

(4) *Clearingsystem*. Jede Globalurkunde wird solange von einem oder im Namen eines Clearingsystems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind. ***Clearingsystem*** bedeutet folgendes: Clearstream Banking, *société anonyme*, Luxemburg (***CBL***) und Euroclear Bank SA/NV, Brüssel (***Euroclear***) sowie jeder Funktionsnachfolger.

(5) *Holder of Notes*. ***Holder*** means any holder of a proportionate co-ownership or other beneficial interest or right in the Notes.

(5) *Gläubiger von Schuldverschreibungen*. ***Gläubiger*** bezeichnet jeden Inhaber eines Miteigentumsanteils oder anderen vergleichbaren Rechts an den Schuldverschreibungen.

(6) *United States*. For the purposes of these Terms and Conditions, ***United States*** means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

(6) *Vereinigte Staaten*. Für die Zwecke dieser Emissionsbedingungen bezeichnet ***Vereinigte Staaten*** die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

§ 2

STATUS, SUBORDINATED GUARANTEE, PROHIBITION OF SET-OFF

§ 2

STATUS, NACHRANGIGE GARANTIE, AUFRECHNUNGSVERBOT

(1) *Status*. The obligations under the Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and in the event of the winding-up, dissolution, liquidation or bankruptcy of the Issuer rank:

(a) senior only to the Junior Obligations of the Issuer,

(b) *pari passu* among themselves and with any Parity Obligations of the Issuer, and

(1) *Status*. Die Schuldverschreibungen begründen unmittelbare, unbedingte nicht besicherte und nachrangige Verbindlichkeiten der Emittentin, die im Fall der Abwicklung, Auflösung. Liquidation oder Insolvenz der Emittentin:

(a) nur Nachrangigen Verbindlichkeiten der Emittentin im Rang vorgehen,

(b) untereinander und mit jeder Gleichrangigen Verbindlichkeit der Emittentin im Rang gleich stehen, und

(c) junior to all other present and future obligations of the Issuer, whether subordinated or unsubordinated, except as otherwise provided by mandatory provisions of law or as expressly provided for by the terms of the relevant instrument.

(c) allen anderen bestehenden und zukünftigen Verbindlichkeiten der Emittentin, ob nachrangig oder nicht nachrangig, im Rang nachgehen, soweit zwingende gesetzliche Vorschriften nichts anderes vorschreiben bzw. die Bedingungen des betreffenden Instruments ausdrücklich etwas anderes vorsehen.

(2) *Insolvency or Liquidation of the Issuer*. In the event of the winding-up, dissolution, liquidation or bankruptcy of the Issuer, no payments under the Notes shall be made to the Holders unless all claims that, pursuant to § 2(1), rank senior to the Notes (condition precedent) have been discharged or secured in full (i.e. not only with a quota).

(2) *Insolvenz oder Liquidation der Emittentin*. Im Fall der Abwicklung, Auflösung. Liquidation oder Insolvenz der Emittentin steht jedwede Zahlung unter den Schuldverschreibungen an die Gläubiger unter dem Vorbehalt, dass zuvor sämtliche Verpflichtungen auf gegenüber den Schuldverschreibungen gemäß § 2(1) vorrangigen Verbindlichkeiten zur Gänze (d. h. nicht nur quotenmäßig) bezahlt oder sichergestellt wurden.

(3) *Subordinated Guarantee.* Aroundtown Property Holdings PLC (the ***Guarantor***) has given an unconditional and irrevocable guarantee on a subordinated basis (the ***Subordinated Guarantee***) for the due and punctual payment of principal of, and interest on, and any other amounts payable under any Notes. The Subordinated Guarantee constitutes a contract for the benefit of the Holders from time to time as third party beneficiaries in accordance with section 328 paragraph 1 of the German Civil Code (*Bürgerliches Gesetzbuch*), giving rise to the right of each Holder to require performance of the Subordinated Guarantee directly from the Guarantor and to enforce the Subordinated Guarantee directly against the Guarantor. Copies of the Subordinated Guarantee may be obtained free of charge at the specified office of the Principal Paying Agent.

(3) *Nachrangige Garantie.* Aroundtown Property Holdings PLC (die ***Garantin***) hat eine unbedingte und unwiderrufliche Garantie auf nachrangiger Basis (die ***Nachrangige Garantie***) für die ordnungsgemäße und pünktliche Zahlung aller Kapital-, Zins und sonstigen auf die Schuldverschreibungen zahlbaren Beträge übernommen. Die Nachrangige Garantie stellt einen Vertrag zugunsten der Gläubiger als begünstigte Dritte im Sinne des § 328 Abs. 1 BGB dar, der jedem Gläubiger das Recht gibt, die Garantin unmittelbar aus der Nachrangigen Garantie auf Erfüllung in Anspruch zu nehmen und Ansprüche aus der Nachrangigen Garantie unmittelbar gegen die Garantin durchzusetzen. Abschriften der Nachrangigen Garantie sind bei der bezeichneten Geschäftsstelle der Hauptzahlstelle kostenlos erhältlich.

(4) *Status of the Subordinated Guarantee.* The obligations of the Guarantor under the

(4) *Status der Nachrangigen Garantie.* Die Verbindlichkeiten der Garantin unter der

Subordinated Guarantee rank:

(a) senior only to the Junior Obligations of the Guarantor,

(b) pari passu with any other present and future Parity Obligations of the Guarantor, and

(c) junior to the Guarantor's unsubordinated obligations, contractually and statutorily subordinated obligations except as expressly provided for otherwise by the terms of the relevant obligation, and subordinated obligations required to be preferred by law.

Nachrangigen Garantie:

(a) gehen nur Nachrangigen Verbindlichkeiten der Garantin im Rang vor,

(b) stehen gleich im Rang untereinander und mit jeder Gleichrangigen Verbindlichkeit der Garantin, und

(c) gehen allen anderen nicht nachrangingen Verbindlichkeiten der Garantin, gesetzlich nachrangigen und vertraglich nachrangigen Verbindlichkeiten, außer wenn in den Bedingungen der betreffenden Verbindlichkeit etwas anderes geregelt sein sollte, und nachrangigen Verbindlichkeiten, die durch Gesetz vorrangig sein müssen, im Rang nach.

(5) *Prohibition of Set-off*. No Holder may set-off any claims arising under the Notes or the Subordinated Guarantee against any claims that the Issuer or the Guarantor may have against it. The Issuer may not set-off any claims it may have against the Holders against any of its obligations under the Notes. The Guarantor may not set-off any claims it may have against the Holders against any of its obligations under the Guarantee.

(5) *Aufrechnungsverbot*. Die Gläubiger sind nicht berechtigt, Forderungen aus den Schuldverschreibungen bzw. der Nachrangigen Garantie gegen mögliche Forderungen der Emittentin bzw. der Garantin aufzurechnen. Die Emittentin ist nicht berechtigt, Forderungen gegenüber Gläubigern gegen Verpflichtungen aus den Schuldverschreibungen aufzurechnen. Die Garantin ist nicht berechtigt, Forderungen gegenüber Gläubigern gegen Verpflichtungen aus der Garantie aufzurechnen.

Junior Obligations of the Guarantor means (i) the ordinary shares and preferred shares (if any) of the Guarantor, (ii) any present or future share of any other class of shares of the Guarantor, (iii) any other present or future security, registered security or other instrument of the Guarantor under which the Guarantor's obligations rank or are expressed to rank *pari passu* with the ordinary shares or the preferred shares (if any) of the Guarantor and (iv) any present or future security, registered security or

Nachrangige Verbindlichkeiten der Garantin bezeichnet (i) die Stammaktien und etwaige Vorzugsaktien der Garantin, (ii) jede gegenwärtigen oder zukünftigen Aktie einer anderen Gattung von Aktien der Garantin, (iii) jedes andere gegenwärtige oder zukünftige Wertpapier, Namenswertpapier oder jedes andere Instrument, das von der Garantin begeben ist und bei dem die daraus folgenden Verbindlichkeiten der

other instrument which is issued by a Subsidiary of the Guarantor and guaranteed by the Guarantor or for which the Guarantor has otherwise assumed liability where the Guarantor's obligations under such guarantee or other assumptions of liability rank or are expressed to rank *pari passu* with the instruments described under (i), (ii) and (iii).

Garantin mit den Stammaktien oder etwaigen Vorzugsaktien der Garantin gleichrangig oder als gleichrangig vereinbart sind und (iv) jedes gegenwärtige oder zukünftige Wertpapier, Namenswertpapier oder jedes andere Instrument, das von einer Tochtergesellschaft der Garantin begeben und von der Garantin dergestalt garantiert ist oder für das die Garantin dergestalt die Haftung übernommen hat, dass die betreffenden Verbindlichkeiten der Garantin aus der maßgeblichen Garantie oder Haftungsübernahme mit den unter (i), (ii) und (iii) genannten Instrumenten gleichrangig oder als gleichrangig vereinbart sind.

Junior Obligations of the Issuer means (i) the ordinary shares of the Issuer, (ii) any present or future share of any other class of shares of the Issuer, (iii) any other present or future security, registered security or other instrument of the Issuer under which the Issuer's obligations rank or are expressed to rank pari passu with the ordinary shares of the Issuer and (iv) any present or future security, registered security or other instrument which is issued by a Subsidiary of the Issuer and guaranteed by the Issuer or for which the Issuer has otherwise assumed liability where the Issuer's obligations under such guarantee or other assumptions of liability rank or are expressed to rank pari passu with the instruments described under (i) and (ii).

Nachrangige Verbindlichkeiten der Emittentin bezeichnet (i) die Stammanteile der Emittentin, (ii) jede gegenwärtige oder zukünftige Aktie einer anderen Gattung von Aktien der Emittentin, (iii) jedes andere gegenwärtige oder zukünftige Wertpapier, Namenswertpapier oder jedes andere Instrument, das von der Emittentin begeben ist und bei dem die daraus folgenden Verbindlichkeiten der Emittentin mit den Stammanteilen der Emittentin gleichrangig vereinbart sind und (iv) jedes gegenwärtige oder zukünftige Wertpapier, Namenswertpapier oder jedes andere Instrument, das von einer Tochtergesellschaft der Emittentin begeben und von der Emittentin dergestalt garantiert ist oder für das die Emittentin dergestalt die Haftung übernommen hat, dass die betreffenden Verbindlichkeiten der Emittentin aus der maßgeblichen Garantie oder Haftungsübernahme mit den unter (i) und (ii) genannten Instrumenten gleichrangig oder als gleichrangig vereinbart sind.

Parity Obligations of the Guarantor means any present or future obligation which (i) is

Gleichrangige Verbindlichkeiten der Garantin bezeichnet jede bestehende

issued by the Guarantor and the obligations under which rank or are expressed to rank pari passu with the Guarantor's obligations under the Subordinated Guarantee, or (ii) benefits from a guarantee or support agreement that ranks or is expressed to rank pari passu with the Guarantor's obligations under the Subordinated Guarantee.

und zukünftige Verbindlichkeit, die (i) von der Garantin begeben wurde und die gleichrangig im Verhältnis zu den Verbindlichkeiten der Garantin aus der Nachrangigen Garantie ist oder ausdrücklich als gleichrangig vereinbart ist oder die (ii) von einer Garantie oder Haftungsübernahme profitiert, bei der die Verbindlichkeiten der Garantin aus der betreffenden Garantie oder Haftungsübernahme mit den Verbindlichkeiten der Garantin aus der Nachrangigen Garantie gleichrangig oder als gleichrangig vereinbart sind.

Parity Obligations of the Issuer means any present or future obligation which (i) is issued by the Issuer and the obligations under which rank or are expressed to rank *pari passu* with the Issuer's obligations under the Notes, or (ii) benefits from a guarantee or support agreement expressed to rank *pari passu* with the Issuer's obligations under the Notes.

Gleichrangige Verbindlichkeiten der Emittentin bezeichnet jede bestehende und zukünftige Verbindlichkeit, die (i) von der Emittentin begeben wurde und die gleichrangig im Verhältnis zu den Verbindlichkeiten der Emittentin unter den Schuldverschreibungen ist oder ausdrücklich als gleichrangig vereinbart ist oder die (ii) von einer Garantie oder Haftungsübernahme profitiert, bei der die Verbindlichkeiten der Emittentin aus der betreffenden Garantie oder Haftungsübernahme mit den Verbindlichkeiten der Emittentin aus den Schuldverschreibungen als gleichrangig vereinbart sind.

Person means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organisation, limited liability company or government (or any agency or political subdivision thereof) or other entity.

Person bezeichnet natürliche Personen, Körperschaften, Personengesellschaften, Joint Ventures, Vereinigungen, Aktiengesellschaften, Trusts, nicht rechtsfähige Vereinigungen, Gesellschaften mit beschränkter Haftung, staatliche Stellen (oder Behörden oder Gebietskörperschaften) oder sonstige Rechtsträger.

Subsidiary of the Issuer means any corporation, partnership or other enterprise in which the Issuer directly or indirectly holds in the aggregate more than 50% of the capital or the voting rights.

Tochtergesellschaft der Emittentin bezeichnet jede Gesellschaft, Personengesellschaft und jedes sonstige Unternehmen oder jede andere Person an der bzw. dem die Emittentin direkt oder indirekt insgesamt mehr als 50 % des Kapitals oder der Stimmrechte

Subsidiary of the Guarantor means any corporation, partnership or other enterprise in which the Guarantor directly or indirectly holds in the aggregate more than 50% of the capital or the voting rights.

hält.

Tochtergesellschaft der Garantin bezeichnet jede Gesellschaft, Personengesellschaft und jedes sonstige Unternehmen oder jede andere Person an der bzw. dem die Garantin direkt oder indirekt insgesamt mehr als 50 % des Kapitals oder der Stimmrechte hält.

§ 3
INTEREST

(1) *Interest Accrual.* The Notes shall bear interest on their principal amount

(a) from (and including) the Issue Date to (but excluding) 21 July 2023 (the ***First Call Date***) at the rate of 5.250 % per annum, and

(b) from (and including) the First Call Date to (but excluding) the date on which the Issuer redeems the Notes in whole pursuant to § 6 at the relevant Reset Rate of Interest for the Interest Period.

Interest shall be payable annually in arrears on 21 July in each year (each such date, an ***Interest Payment Date***) and will be due and payable (*fällig*) in accordance with the conditions set out in § 5. The first payment of interest shall be made on 21 July 2018 (first long coupon).

Reset Rate of Interest means the sum of, converted from a semi-annual basis to an annual basis, the Reset Reference Rate for the relevant Reset Period in which the relevant Interest Period falls, plus the relevant Margin for the relevant Interest Period.

§ 3
VERZINSUNG

(1) *Zinssatz und Zinszahlungstage*. Die Schuldverschreibungen werden bezogen auf ihren Nennbetrag verzinst, und zwar

(a) vom Begebungstag (einschließlich) bis zum 21. Juli 2023 (der ***Erste Rückzahlungstermin***) (ausschließlich) mit jährlich 5,250 %, und

(b) vom Ersten Rückzahlungstermin (einschließlich) bis zu dem Tag, an dem die Emittentin die Schuldverschreibungen gemäß § 6 vollständig zurückzahlt, (ausschließlich), mit dem jeweiligen Reset-Zinssatz für die jeweilige Zinsperiode.

Die Zinsen sind nachträglich am 21. Juli eines jeden Jahres zahlbar (jeweils ein ***Zinszahlungstag***) und werden nach Maßgabe der in § 5 dargelegten Bedingungen fällig. Die erste Zinszahlung erfolgt am 21. Juli 2018 (langer erster Kupon).

Reset-Zinssatz bezeichnet die Summe, umgerechnet von einer halbjährlichen Basis auf eine jährliche Basis, des jeweiligen Reset-Referenzsatzes für den jeweiligen Reset-Zeitraum, in den die jeweilige Zinsperiode fällt, zuzüglich der relevanten Marge für die jeweilige Zinsperiode.

Converting from a semi-annual to annual basis will be done according to the following calculation:

$$\text{Reset Rate of Interest} = \left(1 + \frac{\text{semi} - \text{annual rate}}{2}\right)^2 - 1$$

Das Umrechnen von halbjährlicher auf jährliche Basis erfolgt nach der folgenden Formel:

$$\text{Reset} - \text{Zinssatz} = \left(1 + \frac{\text{halbjährlicher Zinssatz}}{2}\right)^2 - 1$$

The ***5-year Swap Rate*** for the relevant Reset Period will be determined by the Calculation Agent on the Reset Rate Determination Date prior to the relevant Reset Date on which the relevant Reset Period commences (the ***Reference Reset Date***) and will be the semi-annual mid-swap rate which is fixed at 11:00 a.m. (New York time) which appears on the Screen Page on the relevant on the Reset Rate Determination Date at or around 11:00 a.m. (New York time). In the event that any of the information required for the purposes of the determination of the 5-year Swap Rate does not appear on the Screen Page on the relevant Reset Rate Determination Date, the Reset Reference Bank Rate on that Reset Rate Determination Date as determined by the Calculation Agent.

Der ***5-Jahres-Swapsatz*** für den jeweiligen Reset-Zeitraum wird von der Berechnungsstelle am Reset-Referenzsatz-Bestimmungstag vor dem jeweiligen Reset-Termin zu dem der jeweilige Reset-Zeitraum beginnt (der ***Referenz-Reset-Termin***) bestimmt und ist der um 11:00 Uhr (New York Zeit) gefixte, als Prozentsatz ausgedrückte halbjährlichen Mid Swapsatz, der auf der Bildschirmseite am jeweiligen Referenzsatz-Bestimmungstag gegen 11:00 Uhr (New York Zeit) angezeigt wird. Falls eine für die Festlegung des 5-Jahres-Swapsatzes benötigte Information am jeweiligen Reset-Termin nicht auf der Bildschirmseite erscheint, der Reset-Reset-Referenzbankensatz an diesem Reset-Termin wie durch die Berechnungsstelle festgelegt.

Reset Reference Bank Rate means the percentage rate determined by the Calculation Agent on the basis of the Mid Swap Rate Quotations provided by up to five leading swap dealers in the interbank market (the ***Reference Banks***) to the Calculation Agent at approximately 11.00 a.m. (New York time) on the Reset Rate Determination Date. If at least three Mid Swap Rate Quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two Mid Swap Rate Quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the quotations provided. If only one Mid Swap Rate Quotation is provided, the

Der ***Reset-Referenzbankensatz*** ist der Prozentsatz, der auf Basis der Mid Swapsatz-Quotierungen, die der Berechnungsstelle ungefähr um 11:00 Uhr (New York Zeit) von bis zu fünf führenden Swap-Händlern im Interbankenhandel (die ***Referenzbanken***) gestellt werden, am Reset-Termin von der Berechnungsstelle festgelegt wird. Wenn mindestens drei Mid Swapsatz-Quotierungen genannt werden, wird der Reset-Referenzbankensatz das arithmetische Mittel der Mid Swapsatz-Quotierungen unter Ausschluss der höchsten Quotierung (bzw., für den Fall von gleich hohen Quotierungen, einer der höchsten Quotierungen) und der niedrigsten Quotierung (bzw., für den Fall von gleich hohen Quotierungen,

Reset Reference Bank Rate will be the quotation provided. If no Mid Swap Rate Quotation is provided, the Reset Reference Bank Rate will be equal to the last available 5 year mid swap rate for U.S. dollar swap transactions, expressed as an annual rate, on the Screen Page.

einer der niedrigsten Quotierungen) sein. Falls nur zwei Mid Swapsatz-Quotierungen zur Verfügung gestellt werden, ist der Reset-Referenzbankensatz das rechnerische Mittel der zur Verfügung gestellten Quotierungen. Falls nur eine Mid Swapsatz-Quotierung zur Verfügung gestellt wird, ist der Reset-Referenzbankensatz die zur Verfügung gestellte Quotierung. Falls keine Mid Swapsatz-Quotierung zur Verfügung gestellt wird, ist der Reset-Referenzbankensatz der letzte Mid Swap-Satz für U.S. Dollar-Swap-Transaktionen mit einer Laufzeit von 5 Jahren, ausgedrückt auf jährlicher Basis, der auf der Bildschirmseite verfügbar ist.

Where ***Mid Swap Rate Quotations*** means the arithmetic mean of the bid and offered rates for the semi-annual fixed rate leg (calculated on a 30/360 day count basis) of a fixed-for-floating U.S. dollar interest rate swap transaction which transaction (x) has a term of 5 years and commencing on the relevant Reset Date, (y) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (z) has a floating leg based on the 3-months LIBOR rate (calculated on an Actual/360 day count basis).

Dabei bezeichnet ***Mid Swapsatz-Quotierungen*** das arithmetische Mittel der nachgefragten und angebotenen Prozentsätze für den halbjährlichen Festzinszahlungsstrom (berechnet auf einer 30/360 Tage-Berechnungsbasis) einer fixed-for-floating U.S. Dollar Zinsswap-Transaktion, (x) die eine 5-jährige Laufzeit hat und am jeweiligen Reset-Termin beginnt, (y) die auf einen Betrag lautet, der dem einer repräsentativen einzelnen Transaktion in dem relevanten Markt zur relevanten Zeit eines anerkannten Händlers mit guter Bonität im Swap-Markt entspricht, und (z) deren variabler Zahlungsstrom auf dem 3-Monats LIBOR Satz beruht (berechnet auf einer Actual/360 Tage-Berechnungsbasis).

Screen Page means Bloomberg Screen Page ISDA 01. If the Screen Page permanently ceases to quote the 5-year Swap Rate but such quotation is available from another page selected by the Calculation Agent in equitable discretion (the ***Replacement Screen Page***), the Replacement Screen Page must be used for the purpose of the calculation of the 5-year Swap Rate.

Bildschirmseite bezeichnet die Bloomberg Bildschirmseite ISDA 01. Hat die Bildschirmseite dauerhaft aufgehört, den 5-Jahres-Swapsatz anzugeben, ist diese Quotierung jedoch auf einer anderen von der Berechnungsstelle nach billigem Ermessen ausgewählten Bildschirmseite verfügbar (die ***Ersatzbildschirmseite***), wird die Ersatzbildschirmseite zum Zweck der Festlegung des 5-Jahres-Swapsatzes eingesetzt.

Interest Period means each period from (and including) the Issue Date to (but excluding) the first Interest Payment Date and from (and including) each Interest Payment Date to (but excluding) the following Interest Payment Date.

Zinsperiode bezeichnet jeweils den Zeitraum vom Begebungstag (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Zinszahlungstag (ausschließlich).

Margin means:

(a) in respect of each Interest Period from and including the First Call Date to but excluding 21 July 2028 (the ***First Step-up Date***): 354.6 basis points *per annum* (the ***Initial Margin***);

(b) in respect of each Interest Period from and including the First Step-up Date to but excluding 21 July 2043 (the ***Second Step-up Date***): 379.6 basis points *per annum* (being equal to the Initial Margin plus a step-up of 25 basis points); and

(c) in respect of each Interest Period from and including the Second Step-up Date to but excluding the date on which the Issuer redeems the Notes in whole pursuant to § 6 454.6 basis points *per annum* (being equal to the Initial Margin plus a step-up of 100 basis points).

Marge bedeutet:

(a) für jede Zinsperiode ab dem Ersten Rückzahlungstermin (einschließlich) bis zum 21. Juli 2028 (der ***Erste Step-up-Termin***): 354,6 Basispunkte *per annum* (die ***Ursprüngliche Marge***);

(b) für jede Zinsperiode ab dem Ersten Step-up-Termin (einschließlich) bis zum 21. Juli 2043 (der ***Zweite Step-up-Termin***): 379,6 Basispunkte *per annum* (dies entspricht der Ursprünglichen Marge zuzüglich eines Step-up von 25 Basispunkten); und

(c) für jede Zinsperiode ab dem Zweiten Step-up-Termin (einschließlich) bis zu dem Tag, an dem die Emittentin die Schuldverschreibungen gemäß § 6 vollständig zurückzahlt (ausschließlich), 454,6 Basispunkte *per annum* (dies

entspricht der Ursprünglichen Marge zuzüglich eines Step-up von 100 Basispunkten).

Representative Amount means an amount that is representative for a single transaction in the swap market at the relevant time.

Repräsentative Höhe bedeutet die Höhe einer einzelnen Transaktion, die zur jeweiligen Zeit im Swap-Markt typisch ist.

Reset Date means the First Call Date and each fifth anniversary of the First Call Date.

Reset-Termin bezeichnet den Ersten Rückzahlungstermin und jeden fünften Jahrestag des Ersten Rückzahlungstermins.

Reset Period means each period from and including the First Call Date to but excluding the next following Reset Date and thereafter from and including each Reset Date to but excluding the next following Reset Date.

Reset-Zeitraum bezeichnet jeden Zeitraum ab dem Ersten Rückzahlungstermin (einschließlich) bis zum ersten Reset-Termin (ausschließlich) und nachfolgend ab jedem Reset-Termin (einschließlich) bis zu dem jeweils nächstfolgenden Reset-Termin (ausschließlich).

Reset Rate Determination Date means the second Business Day prior to the relevant Reset Date.

Reset-Referenzsatz-Bestimmungstag ist der zweite Geschäftstag vor dem jeweiligen Reset-Termin.

Reset Reference Rate means the relevant 5- year Swap Rate for the relevant Reset Period, as determined by the Calculation Agent.

Reset-Referenzsatz ist der jeweilige 5-Jahres-Swapsatz für den jeweiligen Reset-Zeitraum, wie er von der Berechnungsstelle festgestellt wird.

(2) *Determination and Notification of Reset Rate of Interest*. The Calculation Agent will, on the Reset Rate Determination Date, determine the Reset Rate of Interest.

(2) *Feststellungen und Bekanntgabe von Reset-Zinssatz*. Die Berechnungsstelle wird den Reset-Zinssatz für die Schuldverschreibungen am Reset-Referenzsatz-Bestimmungstag bestimmen.

The Calculation Agent will cause each Reset Rate of Interest to be notified to the Issuer, the Guarantor and to the Holders and the Principal Paying Agent and, if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange, and to the Holders in accordance with § 13 as soon as possible after their determination, but in no event later than the fourth Business Day after its determination.

Die Berechnungsstelle wird veranlassen, dass der jeweilige Reset-Zinssatz der Emittentin, der Garantin sowie den Gläubigern und der Hauptzahlstelle sowie jeder Börse, an der die betreffenden Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, gemäß § 13 baldmöglichst, aber keinesfalls später als am vierten auf die Bestimmung jeweils folgenden Geschäftstag mitgeteilt werden.

(3) *Interest following the Occurrence of a Change of Control Event*. If a Change of Control Event (as defined in § 6(6)) occurs and the Issuer does not redeem the Notes in whole in accordance with § 6(6), the interest rate applicable to the Notes will be subject to an additional 500 basis points *per annum* above the otherwise applicable rate of interest from the Change of Control Effective Date (as defined in § 6(6)).

(3) *Verzinsung nach Eintritt eines Kontrollwechsel-Ereignisses*. Wenn ein Kontrollwechsel-Ereignis (wie in § 6(6) definiert) eintritt und die Emittentin die Schuldverschreibungen nicht insgesamt gemäß § 6(6) zurückzahlt, erhöht sich der für die Zinszahlung auf die Schuldverschreibungen ansonsten anwendbare Zinssatz ab dem Kontrollwechsel-Stichtag (wie in § 6(6) definiert) um zusätzliche 500 Basispunkte *per annum*.

(4) *Calculation of Interest for Periods of less than one Year*. If interest is to be calculated for a period of less than a full year, it shall be calculated on the basis of the Day Count Fraction (as defined below).

(4) *Berechnung der Zinsen für Zeiträume von weniger als einem Jahr*. Sofern Zinsen für einen Zeitraum von weniger als einem vollen Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachfolgend definiert).

(5) *Day Count Fraction*. ***Day Count Fraction*** means, in respect of the calculation of an amount of interest on the Notes for any period of time (from and including the first day of such period to but excluding the last day of such period) (the ***Calculation Period***)) the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).

(5) *Zinstagequotient*. ***Zinstagequotient*** bezeichnet im Hinblick auf die Berechnung eines Betrages von Zinsen auf die Schuldverschreibungen für einen beliebigen Zeitraum (ab dem ersten Tag dieses Zeitraums (einschließlich) bis zum letzten Tag dieses Zeitraums (ausschließlich)) (der ***Zinsberechnungszeitraum***)) die Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (i) der letzte Tag des Zinsberechnungszeitraums fällt auf den 31. Tag eines Monates, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. noch auf den 31. Tag eines Monats fällt, wobei in diesem Fall der diesen Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (ii) der letzte Tag des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter

(6) *Cessation of Interest Accrual*. The Notes will cease to bear interest from the beginning of the day on which their principal amount is due for repayment. If the Issuer fails to make any payment of principal under the Notes when due, the Notes will cease to bear interest from the beginning of the day on which such payment is actually made. In such case the applicable rate of interest will be determined pursuant to § 3(1).

§ 4

PAYMENTS

(1) *Payments of Principal and Interest*. Payments of principal and interest in respect of Notes, as and when due in accordance with §§ 5 and 6, as applicable, shall be made to the Principal Paying Agent for forwarding to the Clearing System or to its order for credit to the accounts of the relevant accountholders of the Clearing System.

Payment of interest on Notes represented by the Temporary Global Note shall be made, in accordance with § 5(1), to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System, upon due certification as provided in § 1(3)(b).

(2) *Manner of Payment*. Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in U.S. dollar.

(3) *Discharge*. The Issuer or, as the case may be, the Guarantor shall be discharged by payment to, or to the order of, the Clearing System.

Monat zu behandeln ist).

(6) *Zinslaufende*. Die Verzinsung der Schuldverschreibungen endet mit Beginn des Tages, an dem ihr Kapitalbetrag zur Rückzahlung fällig wird. Sollte die Emittentin eine Zahlung von Kapital auf die Schuldverschreibungen bei Fälligkeit nicht leisten, endet die Verzinsung der Schuldverschreibungen mit Beginn des Tages, an dem die Zahlung tatsächlich erfolgt. Der in einem solchen Fall jeweils anzuwendende Zinssatz wird gemäß § 3(1) bestimmt.

§ 4

ZAHLUNGEN

(1) *Zahlungen von Kapital und Zinsen*. Die Zahlung von Kapital und Zinsen auf die Schuldverschreibungen bei Fälligkeit erfolgt nach Maßgabe des § 5 bzw. § 6 an die Hauptzahlstelle zur Weiterleitung an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.

Die Zahlung von Zinsen auf die Schuldverschreibungen, die durch die Vorläufige Globalurkunde verbrieft sind, erfolgt nach Maßgabe des § 5(1) an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1(3)(b).

(2) *Zahlungsweise*. Vorbehaltlich geltender steuerlicher oder sonstiger gesetzlicher Regelungen und Vorschriften werden auf die Schuldverschreibungen fällige Zahlungen in U.S. Dollar geleistet.

(3) *Erfüllung*. Die Emittentin bzw. die Garantin werden durch Leistung der Zahlung an das Clearingsystem oder dessen Order von ihrer Zahlungspflicht befreit.

(4) *Business Day*. If the date for payment of any amount in respect of any Note is not a Business Day then the Holder shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

Business Day means a day which is a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in London, New York and Frankfurt.

(5) *References to Principal and Interest*. References in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the principal amount and the Specified Denomination per Note, the Early Redemption Amount, Additional Amounts and any other premium and any other amounts which may be payable under or in respect of the Notes. References in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Arrears of Interest or any Additional Amounts which may be payable under § 8.

(6) *Deposit of Principal and Interest*. The Issuer or the Guarantor, as the case may be, may deposit with the local court (*Amtsgericht*) in Frankfurt am Main principal or interest not claimed by Holders within twelve months after any specified payment date, even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall

(4) *Geschäftstag*. Fällt der Tag der Fälligkeit einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Geschäftstag ist, so hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächsten Geschäftstag am jeweiligen Ort und ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.

Geschäftstag bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in London, New York und Frankfurt für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.

(5) *Bezugnahmen auf Kapital und Zinsen*. Bezugnahmen in diesen Emissionsbedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Nennbetrag und die Festgelegte Stückelung je Schuldverschreibung, den Vorzeitigen Rückzahlungsbetrag, Zusätzliche Beträge und alle Aufschläge oder sonstigen auf die Schuldverschreibungen oder im Zusammenhang damit gegebenenfalls zahlbaren Beträge. Bezugnahmen in diesen Emissionsbedingungen auf Zinsen auf die Schuldverschreibungen schließen, soweit anwendbar, sämtliche gegebenenfalls Aufgeschobene Zinszahlungen oder gemäß § 8 zahlbaren Zusätzlichen Beträge ein.

(6) *Hinterlegung von Kapital und Zinsen*. Die Emittentin bzw. die Garantin ist berechtigt, beim Amtsgericht Frankfurt am Main Kapital- oder Zinsbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach einem bestimmten Zahlungstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt und auf das

cease.

Recht der Rücknahme verzichtet wird, erlöschen die diesbezüglichen Ansprüche der Gläubiger gegen die Emittentin.

§ 5

DUE DATE FOR INTEREST PAYMENTS, DEFERRAL OF INTEREST PAYMENTS, PAYMENT OF ARREARS OF INTEREST

(1) *Due Date for Interest Payments; Optional Interest Deferral.*

(a) Interest accrued during an Interest Period will be due and payable (*fällig*) on the relevant Interest Payment Date, unless the Issuer elects, by giving notice to the Holders not less than 10 Business Days prior the relevant Interest Payment Date in accordance with § 13, to defer the relevant payment of interest (in whole but not in part).

If the Issuer elects not to pay accrued interest on an Interest Payment Date, then it will not have any obligation to pay such interest on such Interest Payment Date. Any such non-payment of interest will not constitute a default of the Issuer or any other breach of its obligations under the Notes or for any other purpose.

Interest not due and payable in accordance with this § 5(1)(a) will constitute arrears of interest (***Arrears of Interest***).

§ 5

FÄLLIGKEIT VON ZINSZAHLUNGEN, AUFSCHUB VON ZINSZAHLUNGEN, ZAHLUNG AUFGESCHOBENER ZINSZAHLUNGEN

(1) *Fälligkeit von Zinszahlungen; wahlweiser Zinsaufschub.*

(a) Zinsen, die während einer Zinsperiode aufgelaufen sind, werden an dem betreffenden Zinszahlungstag fällig, sofern sich die Emittentin nicht durch eine Bekanntmachung an die Gläubiger gemäß § 13 innerhalb einer Frist von nicht weniger als 10 Geschäftstagen vor dem betreffenden Zinszahlungstag dazu entscheidet, die betreffende Zinszahlung (insgesamt, jedoch nicht teilweise) auszusetzen.

Wenn sich die Emittentin an einem Zinszahlungstag zur Nichtzahlung aufgelaufener Zinsen entscheidet, dann ist sie nicht verpflichtet, an dem betreffenden Zinszahlungstag Zinsen zu zahlen. Eine Nichtzahlung von Zinsen aus diesem Grunde begründet keinen Verzug der Emittentin und keine anderweitige Verletzung ihrer Verpflichtungen aufgrund der Schuldverschreibungen oder für sonstige Zwecke.

Nach Maßgabe dieses § 5(1)(a) nicht fällig gewordene Zinsen sind aufgeschobene Zinszahlungen (***Aufgeschobene Zinszahlungen***).

(b) Arrears of Interest will not bear interest.

(2) *Optional Settlement of Arrears of Interest*. The Issuer or the Guarantor will be entitled to pay outstanding Arrears of Interest (in whole but not in part) at any time by giving notice to the Holders not less than 10 Business Days before such voluntary payment and specifying (i) the amount of Arrears of Interest to be paid and (ii) the date fixed for such payment.

(3) *Mandatory Payment of Arrears of Interest*. The Issuer must pay outstanding Arrears of Interest (in whole but not in part) on the earliest of the following calendar days (each a ***Mandatory Settlement Date***):

(a) the calendar day falling 10 Business Days after the day on which a dividend, other distribution or other payment was validly resolved on, declared, paid, or made in respect of Junior Obligations of the Issuer (other than any dividend, other distribution or other payment made by the Issuer exclusively to the Guarantor), Junior Obligations of the Guarantor, Parity Obligations of the Issuer or Parity Obligation of the Guarantor (except where such dividend, other distribution or payment was required in respect of employee share schemes);

(b) Aufgeschobene Zinszahlungen werden nicht verzinst.

(2) *Freiwillige Zahlung von Aufgeschobenen Zinszahlungen*. Die Emittentin oder Garantin ist berechtigt, ausstehende Aufgeschobene Zinszahlungen jederzeit insgesamt, jedoch nicht teilweise nach Bekanntmachung an die Gläubiger unter Einhaltung einer Frist von nicht weniger als 10 Geschäftstagen vor einer freiwilligen Zinszahlung, wobei eine solche Bekanntmachung (i) den Betrag an Aufgeschobenen Zinszahlungen, der gezahlt werden soll, und (ii) den für diese Zahlung festgelegten Termin enthalten muss.

(3) *Pflicht zur Zahlung von Aufgeschobenen Zinszahlungen*. Die Emittentin ist verpflichtet, Aufgeschobene Zinszahlungen insgesamt und nicht nur teilweise am ersten der folgenden Kalendertage zu zahlen (jeweils ein ***Pflichtnachzahlungstag***):

(a) am Kalendertag, der 10 Geschäftstage nach dem Tag liegt, an dem eine Dividende oder sonstige Ausschüttung oder sonstige Zahlung in Bezug auf Nachrangige Verbindlichkeiten der Emittentin (mit Ausnahme von Dividenden, anderen Ausschüttungen oder anderen Zahlungen, die von der Emittentin ausschließlich an die Garantin geleistet werden), Nachrangige Verbindlichkeiten der Garantin, Gleichrangige Verbindlichkeiten der Emittentin oder Gleichrangige Verbindlichkeiten der Garantin erklärt, beschlossen, gezahlt oder geleistet wurde (außer in dem Fall, dass die Dividende oder sonstige Ausschüttung oder Zahlung unter einem Mitarbeiterbeteiligungsprogramm erforderlich war);

(b) the calendar day falling 10 Business Days after the day on which the Issuer, the Guarantor any Subsidiary of the Issuer or any Subsidiary of the Guarantor has redeemed, repurchased or otherwise acquired Junior Obligations of the Issuer, Junior Obligations of the Guarantor, Parity Obligations of the Issuer or Parity Obligations of the Guarantor (except where such redemption or repurchase was required in respect of employee share schemes);

(b) am Kalendertag, der 10 Geschäftstage nach dem Tag liegt, an dem die Emittentin, die Garantin oder eine Tochtergesellschaft der Emittentin oder eine Tochtergesellschaft der Garantin Nachrangige Verbindlichkeiten der Garantin, Nachrangige Verbindlichkeiten der Emittentin, Gleichrangige Verbindlichkeiten der Emittentin oder Gleichrangige Verbindlichkeiten der Garantin zurückgekauft, zurückgezahlt oder anderweitig erworben hat (außer in dem Fall, dass die Rückzahlung oder der Rückkauf unter einem Mitarbeiterbeteiligungsprogramm erforderlich war);

(c) the calendar day on which the Notes are redeemed;

(c) am Kalendertag, an dem die Schuldverschreibungen zurückgezahlt wurden;

(d) the next Interest Payment Date on which the Issuer pays interest on the Notes scheduled to be paid on such Interest Payment Date; or

(d) am nächsten Zinszahlungstag, an dem Emittentin Zinsen auf die Schuldverschreibungen zahlt; oder

(e) the calendar day after an order is made for the winding-up, dissolution, liquidation or bankruptcy of the Issuer or the Guarantor (other than for the purposes of or pursuant to an amalgamation, reorganization or restructuring while solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer or the Guarantor, as the case may be);

(e) am Kalendertag nach dem ein Beschluss zur Auflösung, Abwicklung, Liquidation oder Insolvenz der Emittentin oder der Garantin ergangen ist (aber nur, wenn dies nicht für die Zwecke oder als Folge eines Zusammenschlusses, einer Umstrukturierung oder Sanierung geschieht und die Emittentin bzw. die Emittentin noch zahlungsfähig sind und die übernehmende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin bzw. der Garantin übernimmt);

provided that

mit der Maßgabe, dass

(x) in the cases (a) and (b) above, no Mandatory

(x) in den vorgenannten Fällen (a) und (b)

Settlement Date occurs if the Issuer, the Guarantor, any Subsidiary of the Issuer or any Subsidiary of the Guarantor is obliged under the terms and conditions of such parity or junior obligations to make such payment, such redemption, such repurchase or such other acquisition; and

kein Pflichtnachzahlungstag vorliegt, wenn die Emittentin, die Garantin, eine Tochtergesellschaft der Emittentin oder eine Tochtergesellschaft der Garantin nach Maßgabe der Emissionsbedingungen der betreffenden gleichrangige oder nachrangige Verbindlichkeiten zu der Zahlung, zu der Rückzahlung, zu dem Rückkauf oder zu dem anderweitigen Erwerb verpflichtet ist; und

(y) in the case (b) above no Mandatory Settlement Date occurs if the Issuer, the Guarantor, any Subsidiary of the Issuer or any Subsidiary of the Guarantor repurchases or otherwise acquires any Parity Obligations of the Issuer or Parity Obligations of the Guarantor in whole or in part in a public tender offer or public exchange offer at a purchase price per Parity Obligation below its par value.

(y) im vorgenannten Fall (b) kein Pflichtnachzahlungstag vorliegt, wenn die Emittentin, die Garantin, eine Tochtergesellschaft der Emittentin oder eine Tochtergesellschaft der Garantin Gleichrangige Verbindlichkeiten der Emittentin oder Gleichrangige Verbindlichkeiten der Garantin nach einem öffentlichen Rückkaufangebot oder öffentlichen Umtauschangebot zu einem unter dem Nennwert je Gleichrangiger Verbindlichkeit liegenden Kaufpreis zurückkauft oder anderweitig erwirbt.

§ 6

REDEMPTION, PURCHASES AND CANCELLATION

(1) *No Scheduled Redemption*. The Notes have no final maturity date and shall not be redeemed except in accordance with the provisions set out in this § 6.

(2) *Redemption at the Option of the Issuer*. The Issuer may call the Notes for redemption (in whole but not in part) with effect as of the date failing 30 days (including) after the publication of a call notice pursuant to § 13, provided that the Issuer shall publish such call notice not less than 30 days nor more than 120 days before the First Call Date or any Interest Payment Date thereafter. In the case such call notice is given, the Issuer shall redeem the Notes at an amount per Note equal to the Specified Denomination

§ 6

RÜCKZAHLUNG, ANKAUF UND ENTWERTUNG

(1) *Keine Endfälligkeit*. Die Schuldverschreibungen haben keinen Endfälligkeitstag und werden nicht zurückgezahlt, außer in Übereinstimmung mit den Bestimmungen dieses § 6.

(2) *Rückzahlung nach Wahl der Emittentin*. Die Emittentin ist berechtigt die Schuldverschreibungen (insgesamt und nicht nur teilweise) mit Wirkung zum 30. Tag (einschließlich) nach der Veröffentlichung der Kündigungserklärung gemäß § 13 zu kündigen, wobei die Emittentin die Kündigungserklärung nicht weniger als 30 und nicht mehr als 120 Tage vor dem Ersten Rückzahlungstermin oder einem nachfolgenden Zinszahlungstag zu

plus any interest accrued on the Note to but excluding the date of redemption but yet unpaid and any Arrears of Interest payable pursuant to § 5(3) on the specified redemption date.

veröffentlichen hat. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin zu einem Betrag je Schuldverschreibung in Höhe der Festgelegten Stückelung zuzüglich der bis zum Tag der Rückzahlung in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen sowie sämtlicher gemäß § 5(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.

(3) *Early redemption following a Rating Event, an Accounting Event or a Tax Deductibility Event*. The Issuer may, subject to § 6(5) and upon giving not less than 30 nor more than 60 days' notice pursuant to § 13, call the Notes for early redemption (in whole but not in part) at any time if a Rating Event, an Accounting Event or a Tax Deductibility Event has occurred. In the case such call notice is given, the Issuer shall redeem the Notes at an amount per Note equal to 101% of the Specified Denomination plus any interest accrued on the Note to but excluding the date of redemption but yet unpaid and any Arrears of Interest payable pursuant to § 5(3) on the specified redemption date.

(3) *Vorzeitige Rückzahlung nach Eintritt eines Ratingereignisses, eines Rechnungslegungsereignisses oder eines Steuerereignisses.*. Die Emittentin ist vorbehaltlich § 6(5) berechtigt, durch Bekanntmachung gemäß § 13 unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen, die Schuldverschreibungen (insgesamt und nicht nur teilweise) jederzeit vorzeitig zu kündigen, falls ein Ratingereignis, ein Rechnungslegungsereignis oder ein Steuerereignis eingetreten ist. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin zu einem Betrag je Schuldverschreibung in Höhe von 101 % der Festgelegten Stückelung zuzüglich der bis zum Tag der Rückzahlung (ausschließlich) in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen sowie sämtlicher gemäß § 5(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.

(a) A ***Rating Event*** has occurred if the Issuer or the Guarantor has received, and has provided the Principal Paying Agent with a copy of, written confirmation from any Rating Agency from whom the Issuer or the Guarantor is assigned Solicited Ratings either directly or via a publication by such Rating Agency, that an amendment, clarification or

(a) Ein ***Ratingereignis*** ist eingetreten, wenn die Emittentin oder die Garantin von einer Ratingagentur, von der die Emittentin oder die Garantin Beauftragte Ratings erhält, schriftlich benachrichtigt wurde (entweder direkt oder im Wege einer Veröffentlichung durch die betreffende Ratingagentur) und

change has occurred in the equity credit criteria of such Rating Agency effective after the Issue Date of the Notes (or, if later, effective after the date when the equity credit is assigned to the Notes by such Rating Agency for the first time), which amendment, clarification or change results in a lower equity credit for the Notes than the then respective equity credit assigned on the Issue Date, or if equity credit is not assigned to the Notes by the relevant Rating Agency on the Issue Date, at the date when the equity credit is assigned by such Rating Agency for the first time.

der Hauptzahlstelle davon eine Kopie zur Verfügung gestellt hat, dass eine Abänderung, Klarstellung oder Änderung der Kriterien für die Eigenkapitalanrechnung (*equity credit criteria*) dieser Ratingagentur eingetreten ist, die nach dem Begebungstag der Schuldverschreibungen in Kraft getreten ist (oder, falls dies später erfolgt ist, nach dem Tag, an dem die betreffende Ratingagentur den Schuldverschreibungen erstmals eine Eigenkapitalanrechnung (*equity credit*) zugewiesen hat und dazu führt, dass den Schuldverschreibungen eine niedrigere Eigenkapitalanrechnung (*equity credit*) zugewiesen wird als diejenige, die ihnen am Begebungstag zugewiesen wurde (oder, falls den Schuldverschreibungen von der betreffenden Ratingagentur am Begebungstag keine Eigenkapitalanrechnung (*equity credit*) zugewiesen wurde, an dem Tag, an dem die betreffende Ratingagentur den Schuldverschreibungen erstmals eine Eigenkapitalanrechnung (*equity credit*) zugewiesen hat.

(b) An ***Accounting Event*** has occurred if an accountancy firm of international standing, acting upon instructions of the Issuer or the Guarantor, has delivered a letter or report to the Issuer, the Guarantor and the Principal Paying Agent, stating that as a result of a change in accounting principles (or the application thereof) since the Issue Date, the Notes may not or may no longer be recorded as "equity" in the audited annual or the semi-annual

(b) Ein ***Rechnungslegungsereignis*** ist eingetreten, wenn eine international anerkannte Wirtschaftsprüfungsgesellschaft, die im Auftrag der Emittentin oder der Garantin handelt, der Emittentin, der Garantin und der Hauptzahlstelle einen Brief oder ein Gutachten übermittelt hat, wonach aufgrund einer Änderung der Rechnungslegungsgrundsätze

consolidated financial statements of the Guarantor pursuant to IFRS or any other accounting standards that may replace IFRS for the purposes of preparing the annual consolidated financial statements of the Guarantor.

(oder deren Auslegung) seit dem Begebungstag die Schuldverschreibungen nicht oder nicht mehr als "Eigenkapital" in den konsolidierten Jahres- oder Halbjahresabschlüssen der Garantin gemäß IFRS bzw. anderen Rechnungslegungsstandards, die die Garantin für die Erstellung ihrer konsolidierten Jahresabschlüsse anstelle der IFRS anwenden kann, ausgewiesen werden dürfen.

(c) A ***Tax Deductibility Event*** has occurred if an opinion of a recognized law firm or accounting firm of international standing has been delivered to the Issuer, the Guarantor and the Principal Paying Agent, stating that by reason of a change in the relevant Relevant Taxing Jurisdiction or regulation, or any change in the official application or interpretation of such law, becoming effective on or after the Issue Date, the tax regime of any payments under the Notes is modified and such modification results in payments of interest payable by the Issuer or the Guarantor in respect of the Notes being no longer deductible for corporate income tax purposes in whole or in part, and such risk cannot be avoided by the use of reasonable measures available to the Issuer or the Guarantor.

(c) Ein ***Steuerereignis*** ist eingetreten, wenn die Emittentin, die Garantin und die Hauptzahlstelle ein Gutachten einer international anerkannten Rechtsanwaltskanzlei oder einer internationalen Wirtschaftsprüfungsgesellschaft erhalten haben, aus dem hervorgeht, dass an oder nach dem Begebungstag als Folge einer Änderung von Recht der jeweils Maßgeblichen Steuerjurisdiktion oder dessen offizieller Auslegung oder Anwendung die steuerliche Behandlung von Zinszahlungen, die von der Emittentin oder die Garantin in Bezug auf die Schuldverschreibungen zahlbar sind, dergestalt geändert wurde, dass sie nicht mehr für die Zwecke der Körperschaftssteuer ganz oder teilweise abzugsfähig sind, und dieses Risiko nicht durch das Ergreifen der Emittentin oder der Garantin zumutbarer Maßnahmen vermeiden kann.

(4) *Early redemption following a Gross-up Event or a Repurchase Event*. The Issuer may, subject to § 6(5) and upon giving not less than 30 nor more than 60 days' notice

(4) *Vorzeitige Rückzahlung nach Eintritt eines Gross-up Ereignisses oder eines Rückkauf-Ereignisses*. Die Emittentin ist vorbehaltlich § 6(5) berechtigt, durch

pursuant to § 13, call the Notes for early redemption (in whole but not in part) at any time if a Gross-up Event or a Repurchase Event has occurred. In the case such call notice is given, the Issuer shall redeem the Notes at an amount equal to the Specified Denomination plus any interest accrued on the Note to but excluding the date of redemption but yet unpaid and, for the avoidance of doubt, any Arrears of Interest payable pursuant to § 5(3) on the specified redemption date.

Bekanntmachung gemäß § 13 unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen, die Schuldverschreibungen (insgesamt und nicht nur teilweise) jederzeit vorzeitig zu kündigen, wenn ein Gross-up Ereignis oder ein Rückkauf-Ereignis eingetreten ist. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin zu einem Betrag in Höhe der Festgelegten Stückelung zuzüglich der bis zum Tag der Rückzahlung (ausschließlich) in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 5(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.

A ***Gross-up Event*** has occurred if (i) an opinion of a recognized law firm or accounting firm of international standing has been delivered to the Issuer, the Guarantor and the Principal Paying Agent, stating that, by reason of any change in the law or regulation, or the official application or interpretation of the Relevant Taxing Jurisdiction (as defined in § 8) in respect of the Issuer or, as the case may be, the Guarantor affecting taxation or the obligation to pay duties of any kind, becoming effective on or after the Issue Date, the Issuer or, as the case may be, the Guarantor is required to pay Additional Amounts (as defined in § 8) on the next succeeding Interest Payment Date, and (ii) this obligation cannot be avoided by the use of reasonable measures available to the Issuer or, as the case may be, the Guarantor..

Ein ***Gross-up Ereignis*** ist eingetreten, wenn (i) die Emittentin, die Garantin und die Hauptzahlstelle ein Gutachten einer international anerkannten Rechtsanwaltskanzlei oder einer international anerkannten Wirtschaftsprüfungsgesellschaft erhalten haben, aus dem hervorgeht, dass die Emittentin bzw. die Garantin an oder nach dem Begebungstag als Folge einer Änderung der Gesetze und Vorschriften oder der offiziellen Auslegung oder Anwendung der Maßgeblichen Steuerjurisdiktion (wie in § 8 definiert) im Hinblick auf die Emittentin bzw. die Garantin, die Steuern oder die Verpflichtung zur Zahlung von Abgaben jeglicher Art betreffen, am nächstfolgenden Zinszahlungstag zur Zahlung von Zusätzlichen Beträgen (wie in § 8 definiert) verpflichtet sein wird, und (ii) diese Verpflichtung nicht durch das Ergreifen der Emittentin bzw. der Garantin zur Verfügung stehender zumutbarer Maßnahmen vermieden werden kann.

However, no such notice of early redemption due to the occurrence of a Gross-up Event

Eine Kündigung wegen des Eintritts eines Gross-up Ereignisses darf

may be given (i) earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obligated to pay such Additional Amounts if a payment in respect of the Notes was then due, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts does not remain in effect.

allerdings nicht (i) früher als 90 Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin bzw. die Garantin verpflichtet wäre, solche Zusätzlichen Beträge zu zahlen, falls eine Zahlung auf die Schuldverschreibungen dann fällig wäre, oder (ii) erfolgen, wenn zu dem Zeitpunkt, zu dem die Kündigung erklärt wird, die Verpflichtung zur Zahlung von Zusätzlichen Beträgen nicht mehr wirksam ist.

A ***Repurchase Event*** has occurred if 80% or more of the originally issued aggregate principal amount of the Notes (including further issues pursuant to § 11) have been redeemed or purchased and cancelled by the Issuer, the Guarantor or any direct or indirect Subsidiary of the Guarantor pursuant to the provisions of this § 6.

Ein ***Rückkauf-Ereignis*** ist eingetreten, wenn 80 % oder mehr des Gesamtnennbetrags der ursprünglich (ggf. unter Berücksichtigung einer Erhöhung gemäß § 11) begebenen Schuldverschreibungen nach diesem § 6 von der Emittentin, der Garantin oder einer direkten oder indirekten Tochtergesellschaft der Garantin zurückgezahlt oder angekauft und eingezogen wurden.

(5) Any notice of redemption pursuant to §§ 6(3) or 6(4) shall set forth the underlying facts of the Issuer's right to early redemption and specify the date fixed for redemption. Prior to the publication of any notice of redemption pursuant to §§ 6(3) or 6(4), the Issuer shall deliver to the Principal Paying Agent an Officers' Certificate, stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred.

(5) Jede Bekanntmachung einer Kündigung gemäß §§ 6(3) oder 6(4) muss diejenigen Tatsachen enthalten, auf welche die Emittentin ihr Kündigungsrecht stützt, und den für die Rückzahlung festgelegten Tag angeben. Vor Bekanntmachung einer Kündigung gemäß §§ 6(3) oder 6(4) hat die Emittentin der Hauptzahlstelle eine Vorstandsbescheinigung vorzulegen, die feststellt, dass die Emittentin zur Kündigung berechtigt ist, und darlegt, dass die Voraussetzungen des Kündigungsrechts der Emittentin erfüllt sind.

(6) Early Redemption following a Change of Control Event.

(a) If a Change of Control Event (as defined in § 6(6)(c)) occurs, the Issuer will fix the Change of Control Effective Date (as defined in § 6(6)(c)) and give notice in accordance with § 13 of the Change of Control Event and the Change of Control Effective Date

(6) *Vorzeitige Rückzahlung nach Eintritt eines Kontrollwechsel-Ereignisses.*

(a) Wenn ein Kontrollwechsel-Ereignis (wie in § 6(6)(c) definiert) eintritt, hat die Emittentin innerhalb von sieben Kalendertagen nach Eintritt eines Kontrollwechsel-Ereignisses den Kontrollwechsel-Stichtag (wie in § 6(6)(c) definiert) zu bestimmen

within seven calendar days following the occurrence of a Change of Control Event (the ***Change of Control Notice***).

und das Kontrollwechsel-Ereignis und den Kontrollwechsel-Stichtag gemäß § 13 anzuzeigen (die ***Kontrollwechsel-Mitteilung***).

(b) If a Change of Control Event occurs, the Issuer may call the Notes for redemption (in whole but not in part) with effect as of the Change of Control Effective Date upon giving notice in accordance with the following paragraph. In the case such call notice is given, the Issuer shall redeem each Note at an amount equal to the Specified Denomination plus any interest accrued on the Note to but excluding the date of redemption but yet unpaid and, for the avoidance of doubt, any Arrears of Interest payable pursuant to § 5(3) on the Change of Control Effective Date.

(b) Wenn ein Kontrollwechsel-Ereignis eintritt, ist die Emittentin berechtigt, die Schuldverschreibungen (insgesamt, jedoch nicht teilweise) durch Erklärung gemäß dem nachstehenden Absatz mit Wirkung zu dem darin für die Rückzahlung festgelegten Tag zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin jede Schuldverschreibung am Kontrollwechsel-Stichtag zu einem Betrag in Höhe der Festgelegten Stückelung zuzüglich der bis zum Tag der Rückzahlung in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 5(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.

The Issuer shall give not less than 45 days' notice to the Holders after publication of the Change of Control Notice in accordance with § 13 of an early redemption pursuant to this § 6(6).

Die Emittentin muss ihr Recht zur Rückzahlung gemäß diesem § 6(6) durch eine Bekanntmachung an die Gläubiger gemäß § 13 unter Einhaltung einer Frist von nicht weniger als 45 Tagen nach Bekanntmachung der Kontrollwechsel-Mitteilung ausüben.

(c) In this § 6(6):

A ***Change of Control Event*** occurs when a person or persons (in each case, other than Avisco Limited and/or Moricol Limited and/or Gabrilet Limited and/or persons that are, directly or indirectly, controlled by them, individually or jointly), acting

(c) In diesem § 6(6) gilt:

Ein ***Kontrollwechsel-Ereignis*** tritt ein, wenn eine Person oder mehrere Personen zusammen durch abgestimmtes Verhalten Kontrolle (dies gilt jeweils nicht für Avisco Limited und/oder Moricol Limited und/oder Gabrilet

together, acquire Control of the Guarantor (a ***Change of Control***), and at the time of the occurrence of a Change of Control, the Guarantor carries (with the agreement of the Guarantor) from any Rating Agency: (x) an investment grade credit rating (Baa3 by Moody's, BBB- by S&P, BBB- by Fitch, or equivalent, or better), and such rating from any Rating Agency is within 120 days of such time either downgraded to a non-investment grade credit rating (Ba1 by Moody's, BB+ by S&P, BB+ by Fitch or equivalent, or worse) or withdrawn and is not within such 120-day period subsequently (in the case of a downgrade) upgraded to an investment grade credit rating by such Rating Agency or (in the case of withdrawal) replaced by an investment grade credit rating from any other Rating Agency; or (y) a non-investment grade credit rating (Ba1 by Moody's, BB+ by S&P, BB+ by Fitch or equivalent, or worse), and such rating from any Rating Agency is within 120 days of such time downgraded by one or more notches (for illustration, Ba1 to Ba2 being one notch) and is not within such 120-day period subsequently upgraded to its earlier credit rating or better by such Rating Agency, provided that if at the time of the occurrence of the Change of Control the Guarantor carries a rating from more than one Rating Agency, at least one of which is investment grade, then subparagraph (x) will apply; and in making the relevant decision(s) referred to above, the relevant Rating Agency announces publicly or confirms in writing to the Guarantor that such decision(s) resulted, in whole or in part, from the occurrence of the Change of Control.

Limited und/oder Personen, die direkt oder indirekt, , jeweils einzeln oder gemeinsam) über die Garantin erlangen (ein ***Kontrollwechsel***), und die Garantin bei Eintritt des Kontrollwechsels über ein (mit Zustimmung der Garantin erteiltes) Rating von einer Rating Agentur verfügt, entsprechend: (x) einem Investment Grade Rating (Baa3 von Moody's, BBB- von S&P, BBB- von Fitch oder gleichwertig oder besser) und dieses Rating von einer Rating Agentur innerhalb von 120 Tagen nach dem Kontrollwechsel zu einem non-investment Grade Rating (Ba1 von Moody's, BB+ von S&P, BB+ von Fitch oder gleichwertig oder schlechter) herabgestuft oder das Rating zurückgezogen wurde und nicht innerhalb dieser 120-Tagesperiode anschließend (im Falle einer Herabstufung) durch diese Rating Agentur wieder auf ein Investment Grade Rating heraufgestuft oder (im Falle einer Zurückziehung) durch das Investment Grade Rating einer anderen Rating Agentur ersetzt wurde; oder (y) einem non-investment Grade Rating (Ba1/BB+ oder gleichwertig oder schlechter) und dieses Rating durch eine Rating Agentur innerhalb von 120 Tagen nach Kontrollwechsel um eine odermehrere Stufen (zur Erläuterung: Ba1 nach Ba2 entspricht einer Stufe) herabgestuft und nicht innerhalb dieser 120-Tagesperiode anschließend wieder auf das ursprüngliche oder ein besseres Rating durch diese Rating Agentur heraufgestuft wurde,

wobei falls die Garantin zum Zeitpunkt des Eintritts des Kontrollwechsels über ein Rating von mehr als einer Rating Agentur verfügt, von denen mindestens eines ein Investment Grade Rating ist, die Regelung unter (x) Anwendung findet; und im Zusammenhang mit einer der oben genannten Entscheidungen die betreffende Rating Agentur öffentlich bekannt macht oder gegenüber der Garantin schriftlich bestätigt, dass diese Entscheidung ganz oder teilweise auf den Kontrollwechsel zurückzuführen ist.

If the rating designations employed by any Rating Agency are changed from those which are described in the paragraph above, the Guarantor shall determine the rating designations of the Rating Agency (as appropriate) as are most equivalent to the prior rating designations of the Rating Agency and the paragraph above shall be read accordingly.

Falls sich die von einer Rating Agentur verwendeten Rating Kategorien gegenüber denen, die in vorangegangenen Absatz angegeben wurden, ändern sollten, wird die Garantin diejenigen Rating Kategorien der Rating Agentur bestimmen, die den früheren Rating Kategorien der Rating Agentur möglichst nahe kommen; der vorangegangene Absatz ist dann entsprechend auszulegen.

Control means (i) the acquisition or control of more than 50 per cent. of the voting rights of the Guarantor or (ii) the right to appoint and/or remove all or the majority of the members of the Guarantor's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise.

Kontrolle bedeutet: (i) der Erwerb oder die Kontrolle von mehr als 50 % der Stimmrechte der Garantin, oder (ii) das Recht, alle oder die Mehrheit der Mitglieder des Vorstandes oder eines anderen Führungsgremiums der Garantin zu benennen oder abzuberufen, unabhängig davon, ob dieses Rechte direkt oder indirekt, mittels Besitz von Gesellschaftskapital oder von Stimmrechten, durch Vertrag oder auf andere Weise erworben wurde.

Change of Control Effective Date means the date fixed by the Issuer in the Change of Control Notice, which

(i) must be a Business Day;

(ii) must fall not less than 45 days and not more than 60 days after publication of the Change of Control Notice; and

(iii) must, if at the relevant time any Qualifying Debt Securities are outstanding, be at least one day after the date on which a put notice of the holders of the Qualifying Debt Securities due to the Change of Control (or a similar concept) becomes effective.

Kontrollwechsel-Stichtag bezeichnet den von der Emittentin in der Kontrollwechsel-Mitteilung festgelegten Tag, der

(i) ein Geschäftstag sein muss

(ii) nicht weniger als 45 Tage und nicht mehr als 60 Tage nach Bekanntmachung der Kontrollwechsel-Mitteilung liegen darf; und

(iii) falls zum betreffenden Zeitpunkt Qualifizierte Fremdkapitalwertpapiere ausstehen, mindestens einen Tag nach dem Tag liegen muss, an dem eine Kündigung der Gläubiger der Qualifizierten Fremdkapitalwertpapiere aufgrund des Kontrollwechsel-Ereignisses (oder eines ähnlichen Konzepts) wirksam wird.

Qualifying Debt Securities means any current or future indebtedness that:

(i) is in the form of, or represented by, a certificate of indebtedness or notes or other securities which are or are capable of being quoted, listed, dealt in or traded on a stock exchange or other recognised securities market, including Schuldscheine (whether or not initially distributed by way of private placement);

Qualifizierte Fremdkapitalwertpapiere bezeichnet jede gegenwärtige oder zukünftige Verbindlichkeit, die

(i) durch Schuldscheine oder durch Schuldverschreibungen oder sonstige Wertpapiere, die an einer Börse oder an einem anderen anerkannten Wertpapiermarkt notiert oder gehandelt werden oder werden können, verbrieft, verkörpert oder dokumentiert ist, einschließlich Schuldscheine

(unabhängig davon ob diese ursprünglich im Rahmen einer Privatplatzierung platziert wurden);

(ii) is either issued directly by the Guarantor or indirectly by any other entity and benefiting from a guarantee of the Guarantor;

(ii) entweder direkt von der Garantin begeben ist oder indirekt von einer anderen Gesellschaft unter der Garantie der Garantin;

(iii) is not subordinated; and

(iii) nicht nachrangig ist; und

(iv) benefits from a Solicited Rating.

(iv) ein Beauftragtes Rating aufweist.

Solicited Rating means a rating assigned by a Rating Agency with whom the Guarantor has a contractual relationship under which the Qualifying Debt Securities are assigned a rating.

Beauftragtes Rating bezeichnet ein Rating, das von einer Ratingagentur erteilt wird, mit der die Garantin in einem Vertragsverhältnis steht, in dessen Rahmen die Ratingagentur ein Rating für die Qualifizierten Fremdkapitalwertpapiere erteilt.

(7) For the purposes of this § 6:

(7) Für die Zwecke dieses § 6:

IFRS means the International Financial Reporting Standards as adopted by the European Union and as published by the International Accounting Standards Board, as in effect from time to time;

bezeichnet ***IFRS*** die nach der EU anwendbaren International Financial Reporting Standards des International Accounting Standards Board in jeweils geltender Fassung;

Officers' Certificate means a certificate signed by two members of the board of directors of the Guarantor; and

bezeichnet ***Vorstandsbescheinigung*** eine von zwei Mitgliedern des Vorstands der Garantin unterzeichnete Bescheinigung; und

Rating Agency means any of the following rating agencies: Standard and Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. (***S&P***), Moody's Investor Services Limited (***Moody's***) or Fitch Ratings Ltd. (***Fitch***) or any of their respective successors or any other rating agency of equivalent international standing specified from time to time by the Guarantor.

bezeichnet ***Ratingagentur*** jede der folgenden Ratingagenturen: Standard and Poor's Rating Services, eine Abteilung von The McGraw-Hill Companies, Inc. (***S&P***), Moody's Investor Services Limited (***Moody's***) oder Fitch Ratings Ltd. (***Fitch***) oder eine ihrer jeweiligen Nachfolgegesellschaften oder jede andere von der Garantin von Zeit zu Zeit bestimmte Ratingagentur vergleichbaren internationalen

(8) *Purchases*. The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Paying Agent for cancellation.

(9) *Cancellation*. All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

§ 7

PRINCIPAL PAYING AGENT AND CALCULATION AGENT

(1) *Appointment, Specified Office*. The initial Principal Paying Agent and the initial Calculation Agent and their initial specified offices shall be:

Principal Paying Agent:

Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

Calculation Agent:

Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

The Principal Paying Agent and the Calculation Agent reserve the right at any time to change their specified offices to some other office in the same city.

Ansehens.

(8) *Ankauf*. Die Emittentin sind berechtigt, jederzeit Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Zahlstelle zwecks Entwertung eingereicht werden.

(9) *Entwertung*. Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

§ 7

HAUPTZAHLSTELLE UND BERECHNUNGSSTELLE

(1) *Bestellung; bezeichnete Geschäftsstelle*. Die anfänglich bestellte Hauptzahlstelle und die anfänglich bestellte Berechnungsstelle und deren anfänglich bezeichneten Geschäftsstellen lauten wie folgt:

Hauptzahlstelle:

Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
Vereinigtes Königreich

Berechnungsstelle:

Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
Vereinigtes Königreich

Die Hauptzahlstelle und die Berechnungsstelle behalten sich das Recht vor, jederzeit ihre bezeichneten Geschäftsstellen durch eine andere Geschäftsstelle in derselben Stadt zu ersetzen.

(2) *Variation or Termination of Appointment*. The Issuer reserves the right at any time to vary or terminate the appointment of the Principal Paying Agent or the Calculation Agent and to appoint another Principal Paying Agent or one or more additional paying agents or another Calculation Agent. The Issuer shall at all times maintain a Principal Paying Agent and a Calculation Agent. Any variation, termination, appointment or other change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 13.

(3) *Agent of the Issuer*. The Principal Paying Agent and the Calculation Agent and any other paying agent appointed pursuant to subsection (2) act solely as the agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for any Holder.

(2) *Änderung oder Beendigung der Bestellung*. Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Hauptzahlstelle oder der Berechnungsstelle zu ändern oder zu beenden und eine andere Hauptzahlstellen oder eine oder mehrere zusätzliche Zahlstellen oder eine andere Berechnungs-stelle zu bestellen. Die Emittentin wird zu jedem Zeitpunkt eine Hauptzahlstelle und eine Berechnungsstelle unterhalten. Eine Änderung, Beendigung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 13 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

(3) *Erfüllungsgehilfe der Emittentin*. Die Hauptzahlstelle und die Berechnungsstelle und jede andere nach Absatz (2) bestellte Zahlstelle handeln ausschließlich als Erfüllungsgehilfen der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

§ 8

TAXATION

All amounts payable in respect of the Notes shall be made, and the Subordinated Guarantee shall provide that all amounts payable in respect of such Subordinated Guarantee shall be made, without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied at source by way of withholding or deduction by or on behalf of any jurisdiction in which the Issuer or the Guarantor, as applicable, is organised, engaged in business, resident for tax purposes or generally subject to tax on a net income basis or through or from which payment on the Notes or the Subordinated Guarantee, as applicable, is made or any political subdivision or

§ 8

BESTEUERUNG

Alle in Bezug auf die Schuldverschreibungen zu zahlenden Beträge werden ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder Abgaben gleich welcher Art gezahlt, die von oder im Namen eines Landes, in dem die Emittentin bzw. die Garantin gegründet wurde, geschäftstätig, steuerlich ansässig oder grundsätzlich mit ihren Nettoeinkünften steuerpflichtig ist oder über das oder aus dem Zahlungen auf die Schuldverschreibungen bzw. die Nachrangige Garantie geleistet werden, oder einer steuererhebungsberechtigten Gebietskörperschaft oder Steuerbehörde

any authority thereof or therein having power to tax (each, a ***Relevant Taxing Jurisdiction***), unless such withholding or deduction is required by law. If such withholding with respect to amounts payable in respect of the Notes is required by law, the Issuer will pay, and the Subordinated Guarantee shall provide that, if such withholding with respect to amounts payable in respect of such Subordinated Guarantee is required by law, the Guarantor will pay, such additional amounts (the ***Additional Amounts***) as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:

dieses Landes (jeweils eine ***Maßgebliche Steuerjurisdiktion***) im Wege des Abzugs oder Einbehalts an der Quelle auferlegt oder erhoben werden und die Nachrangige Garantie muss entsprechende Bestimmungen für alle in Bezug auf diese Nachrangige Garantie zu zahlenden Beträge enthalten, es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. Ist ein Einbehalt in Bezug auf zu zahlenden Beträge auf die Schuldverschreibungen gesetzlich vorgeschrieben, so wird die Emittentin diejenigen zusätzlichen Beträge (die ***Zusätzlichen Beträge***) zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach einem solchen Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern erhalten worden wären und die Nachrangige Garantie muss eine entsprechende Verpflichtung der Garantin vorsehen, falls ein solcher Einbehalt in Bezug auf diese Nachrangige Garantie zu zahlenden Beträge gesetzlich vorgeschrieben ist; eine Verpflichtung zur Zahlung solcher Zusätzlichen Beträge besteht jedoch nicht für solche Steuern oder Abgaben:

(a) are payable by any Person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer or the Guarantor, as applicable, from payments of principal or interest made by it, or

(a) die von einer als Depotbank oder Inkassobeauftragter im Namen eines Gläubigers handelnden Person zu entrichten sind, oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin bzw. die Garantin von den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt, oder

(b) are payable by reason of the Holder having, or having had, some personal or business connection with the Relevant Taxing Jurisdiction and not merely by reason of the fact that payments in respect of the Notes or the Subordinated Guarantee, as applicable, are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the Relevant Taxing Jurisdiction, or

(b) die aufgrund einer bestehenden oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zur Maßgeblichen Steuerjurisdiktion zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen bzw. die Nachrangige Garantie aus Quellen in der Maßgeblichen Steuerjurisdiktion stammen (oder für Zwecke der Besteuerung so behandelt werden) oder

dort besichert sind, oder

(c) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which Cyprus, the Federal Republic of Germany or the Kingdom of the Netherlands or the European Union or the Relevant Taxing Jurisdiction is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding, or

(c) die aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) zwischenstaatlicher Abkommen oder Vereinbarungen über deren Besteuerung, an denen Zypern, die Bundesrepublik Deutschland oder das Königreich Niederlande oder die Europäische Union oder der Maßgeblichen Steuerjurisdiktion beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die der Umsetzung dieser Richtlinie, Verordnung oder dieses Abkommens oder dieser Vereinbarung dient, diesen entspricht oder zur Anpassung an diese eingeführt wurde, abzuziehen oder einzubehalten sind, oder

(d) would not have been imposed or withheld but for the failure of the Holder or beneficial owner of Notes (including, for these purposes, any financial institution through which the Holder or beneficial owner holds the Notes or through which payment on the Notes is made), following a written request by or on behalf of the Issuer or the Guarantor addressed to the Holder or beneficial owner (and made at a time that would enable the Holder or beneficial owner acting reasonably to comply with that request, and in all events, at least 30 days before any withholding or deduction would be required), to comply with any certification, identification, information or other reporting requirement whether required by statute, treaty, regulation or administrative practice of a Relevant Taxing Jurisdiction, that is a precondition to exemption from, or reduction in the rate of deduction or withholding of, taxes imposed by the Relevant Taxing Jurisdiction (including, without limitation, a certification that the Holder or beneficial owner is not resident in the Relevant Taxing Jurisdiction), but in each case, only to the extent the Holder or beneficial owner is legally entitled to

(d) die nicht erhoben oder einbehalten worden wären, wenn es der Gläubiger oder der wirtschaftliche Eigentümer der Schuldverschreibungen (für die vorliegenden Zwecke einschließlich Finanzinstitute, über die der Gläubiger oder wirtschaftliche Eigentümer die Schuldverschreibungen hält oder über die Zahlungen auf die Schuldverschreibungen erfolgen) nicht unterlassen hätte, nach einer an den Gläubiger oder wirtschaftlichen Eigentümer gerichteten schriftlichen Aufforderung der Emittentin, der Garantin oder in deren Namen (die so rechtzeitig erfolgt, dass der Gläubiger bzw. der wirtschaftliche Eigentümer dieser Aufforderung mit zumutbaren Anstrengungen nachkommen kann, in jedem Fall aber mindestens 30 Tage, bevor ein Einbehalt oder Abzug erforderlich wäre), einer aufgrund von Gesetzen, Abkommen, Verordnungen oder der Verwaltungspraxis in einer Maßgeblichen Steuerjurisdiktion vorgeschrieben Bescheinigungs-, Identifizierungs-, Informations-, oder sonstigen Nachweispflicht

provide such certification, information or documentation, or

nachzukommen, die Voraussetzung für eine Befreiung von in der Maßgeblichen Steuerjurisdiktion erhobenen Steuern oder eine Reduzierung der Höhe des Abzugs oder Einbehalts solcher Steuern ist (u. a. eine Bescheinigung, dass der Gläubiger bzw. der wirtschaftliche Eigentümer nicht in der Maßgeblichen Steuerjurisdiktion ansässig ist), jedoch jeweils nur, soweit der Gläubiger bzw. der wirtschaftliche Eigentümer rechtlich berechtigt ist, die Bescheinigung, Information oder Dokumentation vorzulegen, oder

(e) are required to be withheld or deducted pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the ***Code***), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Code, or

(e) deren Einbehalt oder Abzug gemäß Sections 1471 bis 1474 des U.S. Internal Revenue Code von 1986 in der jeweils geltenden Fassung (der ***Code***), gegenwärtigen oder künftigen gemäß dem Code erlassenen Regelungen oder seiner offiziellen Auslegung, einer gemäß Section 1471(b) des Code geschlossenen Vereinbarung oder gemäß steuerrechtlichen oder aufsichtsrechtlichen Gesetzen, Regelungen oder Verfahrensweisen, die gemäß im Zusammenhang mit der Umsetzung dieser Vorschriften des Code geschlossenen zwischenstaatlichen Vereinbarungen eingeführt wurden, erforderlich ist, oder

(f) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is published in accordance with § 13, whichever occurs later, or

(f) die wegen einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 13 wirksam wird, oder

(g) any combinations of items (a) through (f),

(g) jegliche Kombination der Absätze (a) bis (f).

nor shall any Additional Amounts be paid with respect to any payment on a Note to a Holder who is a fiduciary or partnership or who is other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Relevant Taxing Jurisdiction to be included

Zudem werden keine Zusätzlichen Beträge im Hinblick auf Zahlungen auf die Schuldverschreibungen an einen Gläubiger gezahlt, welcher die Zahlung als Treuhänder oder Personengesellschaft oder als sonstiger nicht alleiniger wirtschaftlicher Eigentümer der

in the income, for tax purposes, of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had such beneficiary, settlor, member or beneficial owner been the Holder of the Note.

Zahlung erhält, soweit nach den Gesetzen der Maßgeblichen Steuerjurisdiktion eine solche Zahlung für Steuerzwecke dem Einkommen des Begünstigten bzw. Gründers eines Treuhandvermögens oder eines Gesellschafters der Personengesellschaft zugerechnet würde, der jeweils selbst nicht zum Erhalt von Zusätzlichen Beträgen berechtigt gewesen wäre, wenn der Begünstigte, Gründer eines Treuhandvermögens, Gesellschafter oder wirtschaftliche Eigentümer selbst Gläubiger der Schuldverschreibungen wäre.

For the avoidance of doubt, the withholding tax (*Kapitalertragsteuer*) currently levied in the Federal Republic of Germany at the level of the custodian bank and the solidarity surcharge (*Solidaritätszuschlag*) imposed thereon pursuant to tax law as in effect as of the Issue Date do not constitute a tax or duty as described above in respect of which Additional Amounts would be payable by the Issuer.

Zur Klarstellung wird festgehalten, dass die gegenwärtig in der Bundesrepublik Deutschland gemäß dem zum Begebungstag geltenden Steuerrecht auf der Ebene der Depotbank erhobene Kapitalertragsteuer und der darauf anfallende Solidaritätszuschlag keine Steuern oder Abgaben der vorstehend beschriebenen Art darstellen, für die von der Emittentin Zusätzliche Beträge zu zahlen wären.

§ 9

PRESENTATION PERIOD

The presentation period provided in section 801 paragraph 1, sentence 1 German Civil Code (*Bürgerliches Gesetzbuch*) is reduced to ten years for the Notes.

§ 9

VORLEGUNGSFRIST

Die in § 801 Abs. 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

§ 10

SUBSTITUTION, TRANSFER OF DOMICILE

(1) *Substitution*. The Issuer may, without the consent of the Holders, if no payment of principal of or interest on any of the Notes is in default, at any time substitute for the Issuer the Guarantor or any Affiliate of the Guarantor as principal debtor in respect of all obligations arising from or in connection with these Notes (the ***Substitute Debtor***) provided that:

(a) the Substitute Debtor, in a manner legally effective, assumes all obligations of the Issuer in respect of

§ 10

ERSETZUNG, SITZVERLEGUNG

(1) *Ersetzung*. Die Emittentin ist berechtigt, wenn kein Zahlungsverzug hinsichtlich Kapital oder Zinsen auf die Schuldverschreibungen vorliegt, jederzeit ohne die Zustimmung der Gläubiger die Garantin oder ein mit der Garantin Verbundenes Unternehmen an ihrer Stelle als Hauptschuldnerin (die ***Nachfolgeschuldnerin***) für alle Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen einzusetzen, vorausgesetzt, dass:

(a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin im Zusammenhang mit den

the Notes;

(b) none of the early redemption events specified in §§ 6(3) or 6(4) occurs as a consequence of the substitution of the Issuer by the Substitute Debtor;

(c) the Guarantor (*provided that* the Guarantor is not the Substitute Debtor) declares that its Subordinated Guarantee shall with respect to the Notes also apply to the Substitute Debtor (each such declaration a ***Substitution Guarantee***);

(d) the obligations under the Subordinated Guarantee will not be limited in any way solely as a consequence of the Issuer being substituted by the Substitute Debtor;

(e) the Substitute Debtor, the Issuer and the Guarantor (provided that the Guarantor is not the Substitute Debtor) have obtained all necessary governmental and regulatory approvals and consents for such substitution and for the issue by the Guarantor (*provided that* the Guarantor is not the Substitute Debtor) of a Substitution Guarantee, that the Substitute Debtor has obtained all necessary governmental and regulatory approvals and consents for the performance by the Substitute Debtor of its obligations under the Notes and that all such approvals and consents are in full force and effect and that the obligations assumed by the Substitute Debtor in respect of the Notes and the obligations assumed by the Guarantor (*provided that* the Guarantor is not the Substitute Debtor) under its

Schuldverschreibungen rechtswirksam übernimmt;

(b) kein in §§ 6(3) oder 6(4) genannter vorzeitiger Kündigungsgrund in Folge der Ersetzung der Emittentin durch die Nachfolgeschuldnerin eintritt;

(c) die Garantin (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist) erklärt, dass ihre Nachrangige Garantie im Zusammenhang mit den Schuldverschreibungen auch auf die Nachfolgeschuldnerin Anwendung findet (jede solche Erklärung eine ***Ersetzungsgarantie***);

(d) die Verpflichtungen aus der Nachrangigen Garantie in keiner Weise lediglich deshalb beschränkt sind, weil die Emittentin durch die Nachfolgeschuldnerin ersetzt wurde;

(e) die Nachfolgeschuldnerin, die Emittentin und die Garantin (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist) alle für die Ersetzung und für die Übernahme einer Ersetzungsgarantie durch die Garantin (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist) notwendigen Genehmigungen und Zustimmungen von staatlichen Stellen und Aufsichtsbehörden erhalten haben, die Nachfolgeschuldnerin alle für die Erfüllung ihrer Verpflichtungen aus den Schuldverschreibungen notwendigen Genehmigungen und Zustimmungen von staatlichen Stellen und Aufsichtsbehörden erhalten hat und weiterhin sämtliche dieser Genehmigungen und

Substitution Guarantee are, in each case, valid and binding in accordance with their respective terms and enforceable by each Holder;

Zustimmungen in vollem Umfang gültig und wirksam sind und zudem die Verpflichtungen der Nachfolgeschuldnerin aus den Schuldverschreibungen und die von der Garantin (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist) aus ihrer Ersetzungsgarantie übernommenen Verpflichtungen jeweils gemäß ihren Bestimmungen wirksam und rechtsverbindlich und durch jeden Gläubiger durchsetzbar sind;

(f) the Substitute Debtor can transfer to the Paying Agent in the currency required and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer or the Guarantor (*provided that* the Guarantor is not the Substitute Debtor) has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;

(f) die Nachfolgeschuldnerin alle für die Erfüllung der Zahlungsverpflichtungen aus den Schuldverschreibungen erforderlichen Beträge in der erforderlichen Währung an die Zahlstelle überweisen kann, ohne zum Abzug oder Einbehalt von Steuern oder sonstigen Abgaben gleich welcher Art verpflichtet zu sein, die in dem Land erhoben werden, in dem die Nachfolgeschuldnerin, die Emittentin oder die Garantin (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist) ihren Sitz hat oder steuerlich ansässig ist;

(g) the Substitute Debtor has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder in respect of such substitution; and

(g) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Gläubiger hinsichtlich solcher Steuern, Abgaben, Festsetzungen oder behördlichen Lasten freizustellen, die einem Gläubiger im Zusammenhang mit der Ersetzung auferlegt werden; und

(h) the Issuer shall have delivered to an agent appointed for that purpose one Opinion of Counsel for each jurisdiction affected of lawyers of recognised standing to the effect that

(h) die Emittentin einem zu diesem Zweck bestellten Beauftragten ein Rechtsgutachten bezüglich jeder betroffenen Rechtsordnung von anerkannten

subparagraphs (a) to (g) above have been satisfied.

Rechtsanwälten vorgelegt hat, das bestätigt, dass die Bestimmungen in den vorstehenden Absätzen (a) bis (g) erfüllt wurden.

For purposes of this § 10:

Für die Zwecke dieses § 10 bezeichnet:

Affiliate means any affiliated company (*verbundenes Unternehmen*) within the meaning of section 15 of the German Stock Corporation Act (*Aktiengesetz*).

Verbundenes Unternehmen ein verbundenes Unternehmen im Sinne von § 15 Aktiengesetz (AktG).

Opinion of Counsel means a written opinion from legal counsel. The counsel may be an employee of, or counsel to, the Guarantor.

Rechtsgutachten bezeichnet ein schriftliches Gutachten eines Rechtsberaters. Der Rechtsberater kann Mitarbeiter oder externer Rechtsberater der Garantin sein.

(2) *Notice*. Any substitution of the Issuer pursuant to this § 10 and the date of effectiveness of such substitution shall be published in accordance with § 13.

(2) *Bekanntmachung*. Jede Ersetzung der Emittentin gemäß diesem § 10 sowie das Datum, an dem die Ersetzung wirksam wird, ist gemäß § 13 bekannt zu geben.

(3) *Change of References*. Upon effectiveness of the substitution any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the Relevant Taxing Jurisdiction with respect to the Issuer shall from then on be deemed to refer to the Relevant Taxing Jurisdiction with respect to the Substitute Debtor.

(3) *Änderung von Bezugnahmen*. Mit Wirksamwerden der Ersetzung gilt jede Bezugnahme in diesen Emissionsbedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin und jede Bezugnahme auf die Maßgebliche Steuerjurisdiktion im Hinblick auf die Emittentin gilt ab diesem Zeitpunkt als Bezugnahme auf die Maßgebliche Steuerjurisdiktion im Hinblick auf die Nachfolgeschuldnerin.

(4) *Release from Obligations*. Upon effective substitution of the Issuer as set forth in this § 10, the Issuer shall be released from any obligation arising from or in connection with the Notes.

(4) *Schuldbefreiung*. Nach wirksamer Ersetzung der Emittentin gemäß diesem § 10 ist die Emittentin von allen Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen befreit.

(5) *Further Substitution*. At any time after a substitution pursuant to § 10(1) above, the Substitute Debtor may, without the consent of the Holders, effect a further substitution *provided that* all the provisions specified in §§ 10(1) to 10(4) above shall

(5) *Weitere Ersetzungen*. Die Nachfolgeschuldnerin ist jederzeit nach einer Ersetzung gemäß vorstehendem § 10(1) berechtigt, ohne die Zustimmung der Gläubiger eine weitere Ersetzung vorzunehmen, wobei alle

apply, *mutatis mutandis*, and, without limitation, references in these Terms and Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substitute Debtor, *provided that* in no event any substitution under this § 10 have the effect of releasing the Guarantor from any of its obligations under its Subordinated Guarantee.

Bestimmungen der vorstehenden §§ 10(1) bis 10(4) sinngemäß Anwendung finden und, ohne hierauf beschränkt zu sein, Bezugnahmen in diesen Emissionsbedingungen auf die Emittentin, sofern der Zusammenhang dies verlangt, als Bezugnahmen bzw. auch als Bezugnahmen auf jede weitere Nachfolgeschuldnerin gelten. Eine Ersetzung gemäß dieses § 10 hat jedoch in keinem Fall zur Folge, dass die Garantin von ihren Verpflichtungen aus ihrer Nachrangigen Garantie befreit wird.

(6) *Transfer of Domicile*. A transfer of domicile of the Issuer to another country or territory is only permissible if the requirements set forth in § 10(1) and (2) above are complied with accordingly. § 10(3) second half-sentence of sentence 1 shall apply *mutatis mutandis*.

(6) *Sitzverlegung*. Eine Verlegung des Sitzes der Emittentin in ein anderes Land oder Gebiet ist nur zulässig, wenn die vorstehend in §§ 10(1) und (2) genannten Anforderungen entsprechend erfüllt sind. § 10(3) zweiter Halbsatz des ersten Satzes findet entsprechende Anwendung.

§ 11

FURTHER ISSUES

Further Issues. The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the Issue Date and/or issue price) so as to form a single series with the Notes.

§ 11

BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN

Begebung weiterer Schuldverschreibungen. Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit in jeder Hinsicht gleicher Ausstattung (gegebenenfalls mit Ausnahme des jeweiligen Begebungstags und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

§ 12

AMENDMENTS TO THE TERMS AND CONDITIONS BY RESOLUTIONS OF HOLDERS, NOTEHOLDERS' REPRESENTATIVE

(1) *Amendment of the Terms and Conditions*. The Issuer may agree with the Holders on amendments to the Terms and Conditions or on other matters by virtue of a majority resolution of the Holders pursuant to

§ 12

ÄNDERUNGEN DER EMISSIONSBEDINGUNGEN DURCH BESCHLÜSSE DER GLÄUBIGER, GEMEINSAMER VERTRETER

(1) *Änderung der Emissionsbedingungen*. Die Emittentin kann mit den Gläubigern Änderungen der Emissionsbedingungen oder sonstige Maßnahmen durch Mehrheitsbeschluss der Gläubiger nach

sections 5 *et seqq*. of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – ***SchVG***), as amended from time to time. In particular, the Holders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under section 5 paragraph 3 of the SchVG by resolutions passed by such majority of the votes of the Holders as stated under § 12(2) below. A duly passed majority resolution shall be binding equally upon all Holders. Resolutions of the Holders which result in the Notes no longer being recorded as "equity" in the audited annual or the semi- annual consolidated financial statements of the Issuer pursuant to IFRS (as defined in § 6(7)) or any other accounting standards that may replace IFRS for the purposes of preparing the annual consolidated financial statements of the Issuer are invalid.

Maßgabe der §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (***SchVG***) in seiner jeweils geltenden Fassung beschließen. Die Gläubiger können insbesondere einer Änderung wesentlicher Inhalte der Emissionsbedingungen, einschließlich der in § 5 Abs. 3 SchVG vorgesehenen Maßnahmen durch Beschlüsse mit den in dem nachstehenden § 12(2) genannten Mehrheiten zustimmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Gläubiger gleichermaßen verbindlich. Beschlüsse, die dazu führen, dass die Schuldverschreibungen nicht mehr als "Eigenkapital" in den geprüften Jahres- und Halbjahresabschlüssen der Emittentin, die im Einklang mit IFRS (wie in § 6(7) definiert) oder jedem anderen Buchhaltungsstandard, der IFRS bei der Erstellung der geprüften Jahres- und Halbjahresabschlüsse der Emittentin ersetzt, erstellt wurden, zu bilanzieren wären, sind unwirksam.

(2) *Majority*. Except as provided by the following sentence and provided that the quorum requirements are being met, the Holders may pass resolutions by simple majority of the voting rights participating in the vote. Resolutions which materially change the substance of the Terms and Conditions, in particular in the cases of section 5 paragraph 3 numbers 1 through 9 of the SchVG, or relating to material other matters may only be passed by a majority of at least 75% of the voting rights participating in the vote (a ***Qualified Majority***).

(2) *Mehrheit*. Vorbehaltlich des nachstehenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit, beschließen die Gläubiger mit der einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Emissionsbedingungen, insbesondere in den Fällen des § 5 Abs. 3 Nr. 1 bis 9 SchVG, geändert wird, oder sonstige wesentliche Maßnahmen beschlossen werden, bedürfen zu ihrer Wirksamkeit einer Mehrheit von mindestens 75 % der an der Abstimmung teilnehmenden Stimmrechte (eine ***Qualifizierte Mehrheit***).

(3) *Passing of resolutions*. The Holders can pass resolutions in a meeting (*Gläubiger-versammlung*) in accordance with section 5 *et seq.* of the SchVG or by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance with section

(3) *Beschlussfassung.* Die Gläubiger können Beschlüsse in einer Gläubigerversammlung gemäß §§ 5 ff. SchVG oder im Wege einer Abstimmung ohne Versammlung gemäß § 18 und § 5

18 and section 5 *et seq.* of the SchVG.

ff. SchVG fassen.

(4) *Meeting*. If resolutions of the Holders shall be made by means of a meeting the convening notice (*Einberufung*) will provide for further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to the Holders together with the convening notice. Attendance at the meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 14(3)(i)(a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the stated end of the meeting.

(4) *Gläubigerversammlung*. Falls Beschlüsse der Gläubiger in einer Gläubigerversammlung gefasst werden, enthält die Bekanntmachung der Einberufung nähere Angaben zu den Beschlüssen und zu den Abstimmungsmodalitäten. Die Gegenstände und Vorschläge zur Beschlussfassung werden den Gläubigern mit der Bekanntmachung der Einberufung bekannt gemacht. Die Teilnahme an der Gläubigerversammlung und die Ausübung der Stimmrechte ist von einer vorherigen Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der Gläubigerversammlung zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 14(3)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Gläubigerversammlung (einschließlich) nicht übertragbar sind, nachweisen.

(5) *Vote without a Meeting*. If resolutions of the Holders shall be made by means of a vote without a meeting the request for voting (*Aufforderung zur Stimmabgabe*) will provide for further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to the Holders together with the request for voting. The exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the request for voting no later than the third day

(5) *Abstimmung ohne Versammlung*. Falls Beschlüsse der Gläubiger im Wege einer Abstimmung ohne Versammlung gefasst werden, enthält die Aufforderung zur Stimmabgabe nähere Angaben zu den Beschlüssen und zu den Abstimmungsmodalitäten. Die Gegenstände und Vorschläge zur Beschlussfassung werden den Gläubigern mit der Aufforderung zur Stimmabgabe bekannt gemacht. Die Ausübung der Stimmrechte ist von einer vorherigen Anmeldung der Gläubiger

preceding the beginning of the voting period. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 14(3)(i)(a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the day the voting period ends.

abhängig. Die Anmeldung muss unter der in der Aufforderung zur Stimmabgabe mitgeteilten Adresse spätestens am dritten Tag vor Beginn des Abstimmungszeitraums zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 14(3)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum letzten Tag des Abstimmungszeitraums (einschließlich) nicht übertragbar sind, nachweisen.

(6) *Second Meeting*. If it is ascertained that no quorum exists for the meeting pursuant to § 12(4) or the vote without a meeting pursuant to § 12(5), in case of a meeting the chairman (*Vorsitzender*) may convene a second meeting in accordance with section 15 paragraph 3 sentence 2 of the SchVG or in case of a vote without a meeting the scrutineer (*Abstimmungsleiter*) may convene a second meeting within the meaning of section 15 paragraph 3 sentence 3 of the SchVG. Attendance at the second meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the second meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 14(3)(i)(a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the stated end of the meeting.

(6) *Zweite Versammlung*. Wird für die Gläubigerversammlung gemäß § 12(4) oder die Abstimmung ohne Versammlung gemäß § 12(5) die mangelnde Beschlussfähigkeit festgestellt, kann – im Fall der Gläubigerversammlung – der Vorsitzende eine zweite Versammlung im Sinne von § 15 Abs. 3 Satz 2 SchVG und – im Fall der Abstimmung ohne Versammlung – der Abstimmungsleiter eine zweite Versammlung im Sinne von § 15 Abs. 3 Satz 3 SchVG einberufen. Die Teilnahme an der zweiten Versammlung und die Ausübung der Stimmrechte sind von einer vorherigen Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der zweiten Versammlung zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 14(3)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden

Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Versammlung (einschließlich) nicht übertragbar sind, nachweisen.

(7) *Noteholders' Representative*. The Holders may by majority resolution provide for the appointment or dismissal of a noteholders' representative (the ***Noteholders' Representative***), the duties and responsibilities and the powers of such Noteholders' Representative, the transfer of the rights of the Holders to the Noteholders' Representative and a limitation of liability of the Noteholders' Representative. Appointment of a Noteholders' Representative may only be passed by a Qualified Majority if such Noteholders' Representative is to be authorised to consent, in accordance with § 12(2) hereof, to a material change in the substance of the Terms and Conditions or other material matters.

(7) *Gemeinsamer Vertreter*. Die Gläubiger können durch Mehrheitsbeschluss die Bestellung oder Abberufung eines gemeinsamen Vertreters (der ***Gemeinsame Vertreter***), die Aufgaben und Befugnisse des Gemeinsamen Vertreters, die Übertragung von Rechten der Gläubiger auf den Gemeinsamen Vertreter und eine Beschränkung der Haftung des Gemeinsamen Vertreters bestimmen. Die Bestellung eines Gemeinsamen Vertreters bedarf einer Qualifizierten Mehrheit, wenn er ermächtigt werden soll, Änderungen des wesentlichen Inhalts der Emissionsbedingungen oder sonstigen wesentlichen Maßnahmen gemäß § 12(2) zuzustimmen.

(8) *Publication*. Any notices concerning this § 12 shall be made exclusively pursuant to the provisions of the SchVG.

(8) *Veröffentlichung*. Bekanntmachungen betreffend diesen § 12 erfolgen ausschließlich gemäß den Bestimmungen des SchVG.

(9) *Amendments to the Subordinated Guarantee.* The provisions set out above applicable to the Notes shall apply *mutatis mutandis* to the Subordinated Guarantee.

(9) *Änderung der Nachrangigen Garantie*. Die oben aufgeführten auf die Schuldverschreibungen anwendbaren Bestimmungen gelten entsprechend für die Bestimmungen der Nachrangigen Garantie.

§ 13

NOTICES

(1) *Publication*. All notices concerning the Notes, except as stipulated in § 12(8), will be made by means of electronic publication on the internet website of the stock exchange on which the Notes are listed. Any notice will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first such publication).

§ 13

MITTEILUNGEN

(1) *Bekanntmachung*. Alle die Schuldverschreibungen betreffenden Mitteilungen, außer wie in § 12(8) vorgesehen, sind auf der Internetseite der derjenigen Wertpapierbörse, an der die Schuldverschreibungen zugelassen sind, elektronisch zu veröffentlichen. Jede derartige Mitteilung gilt mit dem dritten Tag nach dem Tag der Veröffentlichung (oder bei mehrfacher Veröffentlichungen mit dem dritten Tag

nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

(2) *Notification to Clearing System*. So long as the Notes are listed on any stock exchange, § 13(1) shall apply. In addition to publication as set forth in § 13(1) above, if the rules of the respective stock exchange so permit, or so long as the Notes are not listed on any stock exchange, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders.

(2) *Mitteilungen an das Clearingsystem.* Solange Schuldverschreibungen an einer Wertpapierbörse notiert sind, findet § 13(1) Anwendung. Zusätzlich zu Mitteilungen nach § 13(1) und soweit die Regeln der jeweiligen Wertpapierbörse dies zulassen oder solange wie die Schuldverschreibungen an keiner Wertpapierbörse zugelassen sind, kann die Emittentin eine Veröffentlichung durch eine Mitteilung an das Clearingsystem zur Weiterleitung an die Gläubiger vornehmen.

(3) *Notification to the Issuer*. Notices to be given by any Holder to the Issuer shall be made by means of a written declaration to be delivered by hand or registered mail to the Paying Agent.

(3) *Mitteilungen an die Emittentin*. Mitteilungen eines Gläubigers an die Emittentin haben in der Weise zu erfolgen, dass der Gläubiger der Zahlstelle eine entsprechende schriftliche Erklärung übergibt oder durch eingeschriebenen Brief übermittelt.

§ 14

APPLICABLE LAW, PLACE OF JURISDICTION, ENFORCEMENT AND PROCESS AGENT

§ 14

ANWENDBARES RECHT, GERICHTSSTAND, GERICHTLICHE GELTENDMACHUNG UND ZUSTELLUNGSBEVOLLMÄCHTIGTER

(2) *Applicable Law*. The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by the laws of the Federal Republic of Germany, without giving effect to the principles of conflict of laws.

(1) *Anwendbares Recht*. Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich nach dem Recht der Bundesrepublik Deutschland, unter Ausschluss des internationalen Privatrechts.

(3) *Submission to Jurisdiction*. Subject to any mandatory jurisdiction for specific proceedings under the SchVG, the place of non-exclusive jurisdiction for any action or other legal proceedings in connection with the Notes shall be Frankfurt am Main.

(2) *Gerichtsstand*. Vorbehaltlich eines zwingend vorgeschriebenen Gerichtsstands für bestimmte Verfahren nach dem SchVG ist Frankfurt am Main nicht ausschließlicher Gerichtsstand für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehende Klagen oder sonstige Verfahren.

(4) *Enforcement*. Any Holder of Notes may in any proceedings against the Issuer or any Guarantor, or to which such Holder and the

(3) *Gerichtliche Geltendmachung*. Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit

Issuer or any Guarantor are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global form certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note representing the Notes. For purposes of the foregoing, ***Custodian*** means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the proceedings.

gegen die Emittentin oder eine Garantin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin oder eine Garantin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearingsystem eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält, und (ii) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person von dem Clearingsystem oder einer Verwahrstelle des Clearingsystems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet ***Depotbank*** jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Depotgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearingsystems. Unbeschadet der vorstehenden Bestimmungen ist jeder Gläubiger berechtigt, seine Rechte aus diesen Schuldverschreibungen auch auf jede andere im Land des Verfahrens zulässige Weise geltend zu machen.

§ 15

LANGUAGE

These Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.

The following paragraphs in italics do not form part of the Terms and Conditions.

The Issuer and the Guarantor intend (without thereby assuming a legal or contractual obligation) that they will redeem or repurchase the Notes only to the extent they are replaced with instruments with equivalent S&P equity credit. Such replacement would be provided during the 360-day period prior to the date of such redemption or repurchase. The net proceeds received by the Issuer, the Guarantor or any Subsidiary of the Guarantor from the sale to third party purchasers of securities which are assigned an S&P equity credit that is at least equal to the equity credit assigned to the Notes by S&P at their issuance will count as replacement.

The following exceptions apply as to the Issuer's and the Guarantor's replacement intention. The Notes are not required to be replaced:

(i) if the rating assigned by S&P to the Issuer or the Guarantor is at least BBB and the Issuer or the Guarantor (as applicable) is comfortable that such rating would not fall below this level as a result of such redemption or repurchase, or

(ii) in the case of repurchase of less than (x) 10% of the aggregate principal amount of

§ 15

SPRACHE

Diese Emissionsbedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.

Die folgenden Absätze in Kursivschrift sind nicht Bestandteil der Emissionsbedingungen.

Die Emittentin und die Garantin beabsichtigen (ohne dadurch eine Rechtspflicht zu übernehmen), die Schuldverschreibungen nur zurückzuzahlen oder zurückzukaufen, soweit sie durch Instrumente mit gleichwertiger S&P Eigenkapitalanrechnung ersetzt werden. Ein solcher Ersatz würde innerhalb von 360 Tagen vor dem Tag der Rückzahlung oder des Rückkaufs geschaffen werden. Als Ersatz gelten die Nettoerlöse, die die Emittentin, die Garantin oder eine Tochtergesellschaft der Garantin aus dem Verkauf an Dritte von Wertpapieren erhält, die eine S&P Eigenkapitalanrechnung haben, die mindestens so hoch ist wie die ursprüngliche S&P Eigenkapitalanrechnung der Schuldverschreibungen.

Es gelten jedoch folgende Ausnahmen in Bezug auf die Absicht der Emittentin und der Garantin. Es muss nicht für Ersatz gesorgt werden:

(i) wenn das der Emittentin oder der Garantin durch S&P erteilte Rating mindestens BBB beträgt und die Emittentin oder die Garantin (je nach Fall) sich sicher ist, dass ein solches Rating infolge der Rückzahlung oder des Rückkaufs nicht unter diesen Wert fallen würde oder

(ii) im Fall eines Rückkaufs von Schuldverschreibungen in Höhe von

the Notes originally issued in any period of 12 consecutive months or (y) 25% of the aggregate principal amount of the Notes originally issued in any period of 10 consecutive years is repurchased, or

weniger als (x) 10% des ursprünglich ausgegebenen Gesamtnennbetrags der Schuldverschreibungen während einer Frist von 12 aufeinander folgenden Monaten oder (y) 25% des ursprünglich ausgegebenen Gesamtnennbetrags der Schuldverschreibungen während einer Frist von 10 aufeinander folgenden Jahren oder

(iii) if the Notes are redeemed pursuant to a Rating Event, an Accounting Event, a Tax Deductibility Event, or a Gross-Up Event; or

(iii) im Fall der Rückzahlung der Schuldverschreibungen gemäß einem Ratingereignis, einem Rechnungslegungsereignis, einem Steuerereignis oder einem Gross-Up Ereignis erfolgt; oder

(iv) if the Notes are not assigned an "equity credit" (or such similar nomenclature then used by S&P at the time of such redemption or repurchase); or

(iv) wenn die Schuldverschreibungen keine Eigenkapitalanrechung (oder eine solche von S&P zum Zeitpunkt der Rückzahlung oder des Rückkaufs dann verwendete gleichartige Klassifikation) aufweisen; oder

(v) if such redemption or repurchase occurs on or after the Second Step-up Date.

(v) wenn die Rückzahlung oder der Rückkauf am oder nach dem Zweiten Step-up Termin erfolgt.

Terms used but not defined in the preceding paragraphs shall have the meaning set out in the Terms and Conditions.

Begrifflichkeiten, die in den vorhergehenden Absätzen verwendet, aber nicht definiert werden, haben die gleiche Bedeutung wie in den Emissionsbedingungen.

SUBORDINATED GUARANTEE

of

Aroundtown Property Holdings PLC
(the ***Guarantor***)

for the benefit of the holders of the USD 500,000,000 guaranteed, unsecured subordinated Notes subject to interest reset with a first call date July 2023
(ISIN: XS1634523754)
(the ***Notes***)
issued by

AT Securities B.V.
(the ***Issuer***)

NACHRANGIGE GARANTIE

der

Aroundtown Property Holdings PLC
(die ***Garantin***)

zugunsten der Gläubiger der USD 500.000.000 garantierten, nicht besicherten nachrangigen Schuldverschreibungen mit Zinssatzanpassung, erstmalig kündbar im Juli 2023
(ISIN: XS1634523754)
(die ***Schuldverschreibungen***)
emittiert durch

AT Securities B.V.
(die ***Emittentin***)

§ 1
SUBORDINATED GUARANTEE

(1) The Guarantor hereby unconditionally and irrevocably guarantees by way of an independent payment obligation (*selbständiges Zahlungsversprechen*) to each holder of the Notes (the ***Holders***) the due and punctual payment of principal of, and interest on, and any other amounts payable under the relevant Notes on a subordinated basis (the ***Subordinated Guarantee***). This Subordinated Guarantee shall be separate and independent from the obligations of the Issuer and shall exist irrespective of the validity and enforceability of the obligations of the Issuer.

(2) The intent and purpose of this Subordinated Guarantee is to ensure that the Holders under all circumstances, whether factual or legal, and regardless of the validity and enforceability of the obligations of the Issuer or of any other grounds on the basis of which the Issuer may fail to effect payment, shall receive the amounts payable as principal, interest and other amounts to the Holders pursuant to the Conditions on the due

§ 1
NACHRANGIGE GARANTIE

(1) Die Garantin garantiert hiermit unbedingt und unwiderruflich im Wege eines selbständigen Zahlungsversprechens gegenüber jedem Gläubiger der Schuldverschreibungen (die ***Gläubiger***) die ordnungsgemäße und pünktliche Zahlung aller Kapital-, Zins- und sonstigen auf die Schuldverschreibungen zahlbaren Beträge auf nachrangiger Basis (die ***Nachrangige Garantie***). Diese Nachrangige Garantie besteht selbständig und unabhängig von den Verbindlichkeiten der Emittentin und gilt unabhängig von der Wirksamkeit und Durchsetzbarkeit der Verbindlichkeiten der Emittentin.

(2) Sinn und Zweck dieser Nachrangigen Garantie ist es, sicherzustellen, dass die Gläubiger unter allen Umständen tatsächlicher oder rechtlicher Art und unabhängig von der Wirksamkeit und Durchsetzbarkeit der Verbindlichkeiten der Emittentin oder sonstiger Gründe, auf deren Basis die Emittentin Zahlungen möglicherweise nicht leistet, die in Form von Kapital- oder Zinszahlungen oder sonstigen Zahlungen gemäß den

dates as provided for in the Conditions.

Emissionsbedingungen an die Gläubiger zu leistenden Beträge bei Fälligkeit nach Maßgabe der Emissionsbedingungen erhalten.

(3) The Guarantor hereby explicitly waives any personal defences of the Issuer (*Einreden des Hauptschuldners*) as well as any defences arising out of the Issuer's right of revocation (*Anfechtbarkeit*) or set-off (*Aufrechenbarkeit*) with respect to the Notes. This waiver shall not apply to any defences relating to any right of set-off with counterclaims that are (i) uncontested (*unbestritten*) or (ii) based on an unappealable (*rechtskräftig festgestellt*) court decision.

(3) Die Garantin verzichtet hiermit ausdrücklich auf alle der Emittentin zustehenden persönlichen Einreden des Hauptschuldners sowie auf alle der Emittentin zustehenden Einreden der Anfechtbarkeit oder Aufrechenbarkeit im Hinblick auf die Schuldverschreibungen. Dieser Verzicht auf die Einrede der Aufrechenbarkeit gilt nicht für (i) unbestrittene oder (ii) rechtskräftig festgestellte Gegenforderungen.

(4) The Guarantor expressly consents to the Subordinated Guarantee being independent from any other security granted in connection with the Notes and waives any right which might result from the release of any such other security.

(4) Die Garantin erklärt ausdrücklich, dass die Nachrangige Garantie unabhängig von allen anderen im Zusammenhang mit den Schuldverschreibungen gestellten Sicherheiten besteht, und verzichtet auf alle etwaigen aus einer Freigabe solcher anderen Sicherheiten entstehenden Rechte.

(5) The Guarantor's payment obligations under this Subordinated Guarantee become automatically due and payable if and when the Issuer does not make a payment with respect to the Notes when such payment is due and payable pursuant to the Conditions.

(5) Die Zahlungsverpflichtungen der Garantin aus dieser Nachrangigen Garantie werden automatisch fällig und zahlbar, sofern und sobald die Emittentin eine Zahlung auf die Schuldverschreibungen nicht bei Fälligkeit gemäß den Emissionsbedingungen leistet.

(6) This Subordinated Guarantee is discharged upon the full and irrevocable satisfaction of all claims guaranteed pursuant to this § 1 (the ***Guaranteed Obligations***). However, if any of the Guaranteed Obligations was only temporarily satisfied or may be set aside by an insolvency administrator (*Anfechtungsrecht*) or may otherwise be avoided, the Subordinated Guarantee shall continue in full force and effect.

(6) Diese Nachrangige Garantie ist mit der vollständigen und unwiderruflichen Befriedigung aller gemäß diesem § 1 garantierten Ansprüche (die ***Garantierten Verpflichtungen***) abschließend erfüllt. Sollten Garantierte Verpflichtungen jedoch nur vorläufig erfüllt oder Gegenstand eines Anfechtungsrechts eines Insolvenzverwalters oder anderweitig anfechtbar sein, so bleibt die Nachrangige Garantie weiterhin in Kraft.

(7) The Guarantor shall ensure that, so long as any of the Notes are outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Principal Paying Agent, the Issuer or, as applicable, the Substitute Debtor is at all times an Affiliate of the Guarantor.

(7) Solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Hauptzahlstelle zur Verfügung gestellt wurden, wird die Garantin sicherstellen, dass die Emittentin bzw. die Nachfolgeschuldnerin stets ein Verbundenes Unternehmen der Garantin

(8) For this purpose:

Affiliate means any affiliated company (*verbundenes Unternehmen*) within the meaning of section 15 of the German Stock Corporation Act (*Aktiengesetz*).

Conditions means the terms and conditions of the Notes, as annexed to the Global Note.

Principal Paying Agent means, subject to any variation, termination, appointment or change in accordance with § 7 of the Conditions, Bank of New York Mellon, London Branch.

ist.

(8) Für diesen Zweck gilt:

Verbundenes Unternehmen bezeichnet ein verbundenes Unternehmen im Sinne von § 15 Aktiengesetz (AktG).

Emissionsbedingungen bezeichnet die der Globalurkunde beigefügten Emissionsbedingungen der Schuldverschreibungen.

Hauptzahlstelle bezeichnet vorbehaltlich einer Änderung, Abberufung, Bestellung oder eines Wechsels nach § 7 der Emissionsbedingungen Bank of New York Mellon, London Branch.

§ 2
STATUS

(1) The obligations of the Guarantor under this Subordinated Guarantee shall rank:

(a) senior only to the Junior Obligations of the Guarantor,

(b) *pari passu* with any other present and future Parity Obligations of the Guarantor, and

(c) junior to the Guarantor's unsubordinated obligations, contractually and statutorily subordinated obligations except as expressly provided for otherwise by the terms of the relevant obligation, and subordinated obligations required to be preferred by law.

(2) In the event of liquidation, dissolution, insolvency, composition or other proceedings for the avoidance of insolvency of, or against the Guarantor, the claims of the Holders under the Subordinated Guarantee will be satisfied after (but only after) the obligations of the Guarantor that rank senior to the Notes. In

§ 2
STATUS

(1) Die Verbindlichkeiten der Garantin aus dieser Nachrangigen Garantie:

(a) gehen nur Nachrangigen Verbindlichkeiten der Garantin im Rang vor,

(b) stehen gleich im Rang untereinander und mit jeder Gleichrangigen Verbindlichkeit der Garantin, und

(c) gehen allen anderen nicht nachrangingen Verbindlichkeiten der Garantin, gesetzlich nachrangigen und vertraglich nachrangigen Verbindlichkeiten, außer wenn in den Bedingungen der betreffenden Verbindlichkeit etwas Anderes geregelt sein sollte, und nachrangigen Verbindlichkeiten, die durch Gesetz vorrangig sein müssen, im Rang nach.

(2) Im Fall der Liquidation, der Auflösung oder der Insolvenz der Garantin oder eines Vergleichs oder eines anderen der Abwendung der Insolvenz dienenden Verfahrens gegen die Garantin werden die Ansprüche der Anleihegläubiger aus der Nachrangigen Garantie erst nach den Ansprüchen der Inhaber aller anderen

any such event, Holders will not receive any amounts payable in respect of the Subordinated Guarantee until the claims of all obligations of the Guarantor that rank senior to the Notes have first been satisfied in full.

gegenüber den Schuldverschreibungen vorrangigen Verbindlichkeiten der Garantin bedient. In einem solchen Fall werden die Anleihegläubiger keine Zahlungen auf die Nachrangige Garantie erhalten, bis alle Ansprüche aus den gegenüber den Schuldverschreibungen vorrangigen Verbindlichkeiten der Garantin vollständig bedient sind.

(3) No Holder may set off any claims arising under the Subordinated Guarantee against claims that the Guarantor may have against it. The Guarantor may not set off any claims it may have against any Holder against any of its obligations under the Subordinated Guarantee.

(3) Die Anleihegläubiger sind nicht berechtigt, Forderungen aus der Nachrangigen Garantie mit etwaigen gegen sie gerichteten Forderungen der Garantin aufzurechnen. Die Garantin ist nicht berechtigt, Forderungen gegenüber Anleihegläubigern mit den Verpflichtungen aus der Nachrangigen Garantie aufzurechnen.

(4) For this purpose:

(4) Für diesen Zweck gilt:

Junior Obligations of the Guarantor means (i) the ordinary shares and preferred shares (if any) of the Guarantor, (ii) any present or future share of any other class of shares of the Guarantor, (iii) any other present or future security, registered security or other instrument of the Guarantor under which the Guarantor's obligations rank or are expressed to rank *pari passu* with the ordinary shares or the preferred shares (if any) of the Guarantor and (iv) any present or future security, registered security or other instrument which is issued by a Subsidiary of the Guarantor and guaranteed by the Guarantor or for which the Guarantor has otherwise assumed liability where the Guarantor's obligations under such guarantee or other assumption of liability rank or are expressed to rank *pari passu* with the instruments described under (i), (ii) and (iii).

Nachrangige Verbindlichkeiten der Garantin bezeichnet (i) die Stammaktien und etwaige Vorzugsaktien der Garantin, (ii) jede gegenwärtige oder zukünftige Aktie einer anderen Gattung von Aktien der Garantin, (iii) jedes andere gegenwärtige oder zukünftige Wertpapier, Namenswertpapier oder jedes andere Instrument, das von der Garantin begeben ist und bei dem die daraus folgenden Verbindlichkeiten der Garantin mit den Stammaktien oder etwaigen Vorzugsaktien der Garantin gleichrangig vereinbart sind und (iv) jedes gegenwärtige oder zukünftige Wertpapier, Namenswertpapier oder jedes andere Instrument, das von einer Tochtergesellschaft der Garantin begeben und von der Garantin dergestalt garantiert ist oder für das die Garantin dergestalt die Haftung übernommen hat, dass die betreffenden Verbindlichkeiten der Garantin aus der maßgeblichen Garantie oder Haftungsübernahme mit den unter (i), (ii) und (iii) genannten Instrumenten gleichrangig oder als gleichrangig vereinbart sind.

Parity Obligations of the Guarantor means any present or future obligation which (i) is issued by the Guarantor and the obligations under which rank or are expressed to rank *pari passu* with the

Gleichrangige Verbindlichkeiten der Garantin bezeichnet jede bestehende und zukünftige Verbindlichkeit, die (i) von der Garantin begeben wurde und die gleichrangig im Verhältnis zu den

Guarantor's obligations under the Subordinated Guarantee, or (ii) benefits from a guarantee or support agreement that ranks or is expressed to rank *pari passu* with the Guarantor' obligations under the Subordinated Guarantee.

Verbindlichkeiten der Garantin aus der Nachrangigen Garantie ist oder ausdrücklich als gleichrangig vereinbart ist oder die (ii) von einer Garantie oder Haftungsübernahme profitiert, bei der die Verbindlichkeiten der Garantin aus der betreffenden Garantie oder Haftungsübernahme mit den Verbindlichkeiten der Garantin aus der Nachrangigen Garantie gleichrangig oder als gleichrangig vereinbart sind.

Person means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organisation, limited liability company or government (or any agency or political subdivision thereof) or other entity.

Person bezeichnet natürliche Personen, Körperschaften, Personengesellschaften, Joint Ventures, Vereinigungen, Aktiengesellschaften, Trusts, nicht rechtsfähige Vereinigungen, Gesellschaften mit beschränkter Haftung, staatliche Stellen (oder Behörden oder Gebietskörperschaften) oder sonstige Rechtsträger.

Subsidiary of the Guarantor means any corporation, partnership or other enterprise in which the Guarantor directly or indirectly holds in the aggregate more than 50 per cent. of the capital or the voting rights.

Tochtergesellschaft der Garantin bezeichnet jede Gesellschaft, Personengesellschaft und jedes sonstige Unternehmen oder jede andere Person an der bzw. dem die Garantin direkt oder indirekt insgesamt mehr als 50% des Kapitals oder der Stimmrechte hält.

Subsidiary of the Issuer means any corporation, partnership or other enterprise in which the Issuer directly or indirectly holds in the aggregate more than 50 per cent. of the capital or the voting rights.

Tochtergesellschaft der Emittentin bezeichnet jede Gesellschaft, Personengesellschaft und jedes sonstige Unternehmen oder jede andere Person an der bzw. dem die Emittentin direkt oder indirekt insgesamt mehr als 50 % des Kapitals oder der Stimmrechte hält.

§ 3
TAXATION

All amounts payable in respect of this Subordinated Guarantee shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied at source by way of withholding or deduction by or on behalf of any jurisdiction in which the Guarantor is organised, engaged in business, resident for tax purposes or generally subject to tax on a net income basis or through or from which payment on the Subordinated

§ 3
BESTEUERUNG

Alle in Bezug auf diese Nachrangige Garantie zu zahlenden Beträge werden ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder Abgaben gleich welcher Art gezahlt, die von oder im Namen eines Landes, in dem die Garantin gegründet wurde, geschäftstätig, steuerlich ansässig oder grundsätzlich mit ihren Nettoeinkünften steuerpflichtig ist oder über das oder aus dem Zahlungen auf die Nachrangige Garantie geleistet werden, oder

Guarantee is made or any political subdivision or any authority thereof or therein having power to tax (each, a ***Relevant Taxing Jurisdiction***), unless such withholding or deduction is required by law. If such withholding with respect to amounts payable in respect of this Subordinated Guarantee is required by law, the Guarantor will pay such additional amounts (the ***Additional Amounts***) as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:

einer Gebietskörperschaft oder einer Steuerbehörde dieses Landes (jeweils eine ***Maßgebliche Steuerjurisdiktion***) im Wege des Abzugs oder Einbehalts an der Quelle auferlegt oder erhoben werden, es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. Ist ein Einbehalt in Bezug auf diese Nachrangige Garantie zu zahlenden Beträge gesetzlich vorgeschrieben, so wird die Nachrangige Garantie diejenigen zusätzlichen Beträge (die ***Zusätzlichen Beträge***) zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach einem solchen Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern erhalten worden wären; eine Verpflichtung zur Zahlung solcher Zusätzlichen Beträge besteht jedoch nicht für solche Steuern oder Abgaben:

(a) are payable by any Person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Guarantor from payments of principal or interest made by it, or

(a) die von einer als Depotbank oder Inkassobeauftragter im Namen eines Gläubigers handelnden Person zu entrichten sind oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Garantin von den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt, oder

(b) are payable by reason of the Holder having, or having had, some personal or business connection with the Relevant Taxing Jurisdiction and not merely by reason of the fact that payments in respect of this Subordinated Guarantee are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the Relevant Taxing Jurisdiction, or

(b) die aufgrund einer bestehenden oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zur Maßgeblichen Steuerjurisdiktion zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf diese Nachrangige Garantie aus Quellen in der Maßgeblichen Steuerjurisdiktion stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind, oder

(c) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the Cyprus, the Federal Republic of Germany, or the Kingdom of The Netherlands or the European Union or the Relevant Taxing Jurisdiction is a party, or (iii) any provision of law implementing, or complying with, or

(c) die aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) zwischenstaatlicher Abkommen oder Vereinbarungen über deren Besteuerung, an denen Zypern, die Bundesrepublik Deutschland oder das Königreich Niederlande oder die Europäische Union oder der Maßgeblichen Steuerjurisdiktion beteiligt ist, oder (iii) einer gesetzlichen Vorschrift,

introduced to conform with, such Directive, Regulation, treaty or understanding, or

die der Umsetzung dieser Richtlinie, Verordnung oder dieses Abkommens oder dieser Vereinbarung dient, diesen entspricht oder zur Anpassung an diese eingeführt wurde, abzuziehen oder einzubehalten sind, oder

(d) would not have been imposed or withheld but for the failure of the Holder or beneficial owner of Notes (including, for these purposes, any financial institution through which the Holder or beneficial owner holds the Notes or through which payment on the Notes is made), following a written request by or on behalf of the Issuer or a Guarantor addressed to the Holder or beneficial owner (and made at a time that would enable the Holder or beneficial owner acting reasonably to comply with that request, and in all events, at least 30 days before any withholding or deduction would be required), to comply with any certification, identification, information or other reporting requirement whether required by statute, treaty, regulation or administrative practice of a Relevant Taxing Jurisdiction, that is a precondition to exemption from, or reduction in the rate of deduction or withholding of, taxes imposed by the Relevant Taxing Jurisdiction (including, without limitation, a certification that the Holder or beneficial owner is not resident in the Relevant Taxing Jurisdiction), but in each case, only to the extent the Holder or beneficial owner is legally entitled to provide such certification, information or documentation, or

(d) die nicht erhoben oder einbehalten worden wären, wenn es der Gläubiger oder der wirtschaftliche Eigentümer der Schuldverschreibungen (für die vorliegenden Zwecke einschließlich Finanzinstitute, über die der Gläubiger oder wirtschaftliche Eigentümer die Schuldverschreibungen hält oder über die Zahlungen auf die Schuldverschreibungen erfolgen) nicht unterlassen hätte, nach einer an den Gläubiger oder wirtschaftlichen Eigentümer gerichteten schriftlichen Aufforderung der Emittentin, einer Garantin oder in deren Namen (die so rechtzeitig erfolgt, dass der Gläubiger bzw. der wirtschaftliche Eigentümer dieser Aufforderung mit zumutbaren Anstrengungen nachkommen kann, in jedem Fall aber mindestens 30 Tage, bevor ein Einbehalt oder Abzug erforderlich wäre), einer aufgrund von Gesetzen, Abkommen, Verordnungen oder der Verwaltungspraxis in einer Maßgeblichen Steuerjurisdiktion vorgeschrieben Bescheinigungs-, Identifizierungs-, Informations-, oder sonstigen Nachweispflicht nachzukommen, die Voraussetzung für eine Befreiung von in der Maßgeblichen Steuerjurisdiktion erhobenen Steuern oder eine Reduzierung der Höhe des Abzugs oder Einbehalts solcher Steuern ist (u. a. eine Bescheinigung, dass der Gläubiger bzw. der wirtschaftliche Eigentümer nicht in der Maßgeblichen Steuerjurisdiktion ansässig ist), jedoch jeweils nur, soweit der Gläubiger bzw. der wirtschaftliche Eigentümer rechtlich berechtigt ist, die Bescheinigung, Information oder Dokumentation vorzulegen, oder

(e) are required to be withheld or deducted pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the ***Code***), any current or future regulations or official

(e) deren Einbehalt oder Abzug gemäß *Sections* 1471 bis 1474 des *U.S. Internal Revenue Code* von 1986 in der jeweils geltenden Fassung (der ***Code***), gegenwärtigen oder künftigen gemäß

interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code, or

dem Code erlassenen Regelungen oder seiner offiziellen Auslegung, einer gemäß *Section* 1471(b) des Code geschlossenen Vereinbarung oder gemäß steuerrechtlichen oder aufsichtsrechtlichen Gesetzen, Regelungen oder Verfahrensweisen, die gemäß im Zusammenhang mit der Umsetzung dieser Vorschriften des Code geschlossenen zwischenstaatlichen Vereinbarungen eingeführt wurden, erforderlich ist, oder

(f) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is published in accordance with § 13 of the Conditions, whichever occurs later, or

(f) die wegen einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 13 der Emissionsbedingungen wirksam wird, oder

(g) any combinations of items (a)-(f),

(g) jegliche Kombination der Absätze (a)-(f).

nor shall any Additional Amounts be paid with respect to any payment on a Note to a Holder who is a fiduciary or partnership or who is other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had such beneficiary, settlor, member or beneficial owner been the Holder of the Note.

Zudem werden keine Zusätzlichen Beträge im Hinblick auf Zahlungen auf die Schuldverschreibungen an einen Gläubiger gezahlt, welcher die Zahlung als Treuhänder oder Personengesellschaft oder als sonstiger nicht alleiniger wirtschaftlicher Eigentümer der Zahlung erhält, soweit nach den Gesetzen der Maßgeblichen Steuerjurisdiktion eine solche Zahlung für Steuerzwecke dem Einkommen des Begünstigten bzw. Gründers eines Treuhandvermögens oder eines Gesellschafters der Personengesellschaft zugerechnet würde, der jeweils selbst nicht zum Erhalt von Zusätzlichen Beträgen berechtigt gewesen wäre, wenn der Begünstigte, Gründer eines Treuhandvermögens, Gesellschafter oder wirtschaftliche Eigentümer selbst Gläubiger der Schuldverschreibungen wäre.

For the avoidance of doubt, the withholding tax (*Kapitalertragsteuer*) currently levied in the Federal Republic of Germany at the level of the custodian bank and the solidarity surcharge (*Solidaritätszuschlag*) imposed thereon pursuant to tax law as in effect as of the issue date of the Notes do not constitute a tax or duty as described above in respect of which Additional Amounts would be payable by the Issuer.

Zur Klarstellung wird festgehalten, dass die gegenwärtig in der Bundesrepublik Deutschland gemäß dem zum Tag der Begebung der Schuldverschreibungen geltenden Steuerrecht auf der Ebene der Depotbank erhobene Kapitalertragsteuer und der darauf anfallende Solidaritätszuschlag keine Steuern oder Abgaben der vorstehend beschriebenen Art darstellen, für die von der Emittentin Zusätzliche Beträge zu zahlen

wären.

§ 4
RESOLUTIONS OF HOLDERS — AMENDMENTS TO THE GUARANTEE

The Holders of the Notes may consent to amendments of this Subordinated Guarantee in respect of the Notes by majority resolution passed in accordance with § 12 of the Conditions, provided that no obligation to make any payment or render any other performance shall be imposed on any Holder by majority resolution.

Majority resolutions shall be binding on all Holders of the Notes. Resolutions which do not provide for identical conditions for all Holders of the Notes are void, unless Holders who are disadvantaged have expressly consented to their being treated disadvantageously.

§ 4
BESCHLÜSSE DER GLÄUBIGER – ÄNDERUNGEN DER GARANTIE

Die Gläubiger der Schuldverschreibungen können durch Mehrheitsbeschluss gemäß § 12 der Emissionsbedingungen Änderungen dieser Nachrangigen Garantie im Hinblick auf die Schuldverschreibungen zustimmen. Eine Verpflichtung zur Leistung kann für die Gläubiger durch Mehrheitsbeschluss nicht begründet werden.

Mehrheitsbeschlüsse sind für alle Gläubiger der Schuldverschreibungen verbindlich. Ein Mehrheitsbeschluss der Gläubiger, der nicht gleiche Bedingungen für alle Gläubiger vorsieht, ist unwirksam, es sei denn die benachteiligten Gläubiger stimmen ihrer Benachteiligung ausdrücklich zu.

§ 5
APPLICABLE LAW, PLACE OF JURISDICTION, LANGUAGE AND ENFORCEMENT

(1) *Applicable Law*. This Subordinated Guarantee, as to form and content, and all rights and obligations of the Holders and the Guarantor, shall be governed by the laws of the Federal Republic of Germany, without giving effect to the principles of conflict of laws.

(2) *Submission to Jurisdiction*. The place of non-exclusive jurisdiction for any action or other legal proceedings or in connection with this Subordinated Guarantee shall be Frankfurt am Main.

(3) *Original Text of Subordinated Guarantee.* The original of this Subordinated Guarantee shall be delivered to, and kept by, Bank of New York Mellon, London Branch in its capacity as Principal Paying Agent. The Principal Paying Agent does not act as agent, fiduciary or in any other similar capacity for the Holders.

§ 5
ANWENDBARES RECHT, GERICHTSSTAND, SPRACHE UND GERICHTLICHE GELTENDMACHUNG

(1) *Anwendbares Recht.* Form und Inhalt dieser Nachrangigen Garantie sowie die Rechte und Pflichten der Gläubiger und der Garantin bestimmen sich nach dem Recht der Bundesrepublik Deutschland, unter Ausschluss des internationalen Privatrechts.

(2) *Gerichtsstand*. Frankfurt am Main ist nicht ausschließlicher Gerichtsstand für sämtliche im Zusammenhang mit dieser Nachrangigen Garantie entstehende Klagen oder sonstige Verfahren.

(3) *Originaltext der Nachrangigen Garantie.* Das Original dieser Nachrangigen Garantie wird der Bank of New York Mellon, London Branch in ihrer Eigenschaft als Hauptzahlstelle ausgehändigt und von dieser verwahrt. Die Hauptzahlstelle handelt nicht als Beauftragter, Treuhänder oder in einer ähnlichen Eigenschaft für die Gläubiger.

(4) *Holders Third Party Beneficiaries*. This Subordinated Guarantee constitutes a contract for the benefit of the Holders from time to time as third party beneficiaries in accordance with § 328(1) of the German Civil Code (*Bürgerliches Gesetzbuch*) giving rise to the right of each Holder to require performance of this Subordinated Guarantee directly from the Guarantor and to enforce this Subordinated Guarantee directly against the Guarantor.

(5) *Language*. This Subordinated Guarantee is written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.

(6) *Enforcement*. Any Holder of Notes may in any proceedings against the Guarantor, or to which such Holder and the Guarantor are parties, protect and enforce in his own name his rights arising under this Subordinated Guarantee on the basis of a copy of this Subordinated Guarantee certified by an authorised person of the Principal Paying Agent without presentation of the original Subordinated Guarantee.

(4) *Gläubiger als begünstigte Dritte.* Diese Nachrangige Garantie stellt einen Vertrag zugunsten der Gläubiger als begünstigte Dritte im Sinne des § 328 Abs. 1 BGB dar, der jedem Gläubiger das Recht gibt, die Garantin unmittelbar aus dieser Nachrangigen Garantie auf Erfüllung in Anspruch zu nehmen und Ansprüche aus dieser Nachrangigen Garantie unmittelbar gegen die Garantin durchzusetzen.

(5) *Sprache*. Diese Nachrangige Garantie ist in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.

(6) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Garantin oder in jedem Rechtsstreit, in dem der Gläubiger und die Garantin Partei sind, seine Rechte aus dieser Nachrangigen Garantie im eigenen Namen auf der Grundlage einer Kopie dieser Nachrangigen Garantie, deren Übereinstimmung mit dem Original von einer dazu von der Hauptzahlstelle ermächtigten Person bestätigt wurde, geltend zu machen, ohne dass eine Vorlage des Originals der Nachrangigen Garantie erforderlich wäre.

Larnaca, June 2017

Aroundtown Property Holdings PLC

By: _____

Name:
Position:

By: _____

Name:
Position:

We accept the terms of the above Subordinated Guarantee without recourse, warranty or liability.

Frankfurt am Main, June 2017

Bank of New York Mellon, London Branch

By: _____

Name:
Position:

By: _____

Name:
Position:

Larnaka, Juni 2017

Aroundtown Property Holdings PLC

Durch: _____

Name:
Position:

Durch: _____

Name:
Position:

Wir nehmen die Bedingungen der vorstehenden Nachrangigen Garantie ohne Obligo, Haftung oder Rückgriffsrechte an.

Frankfurt am Main, Juni 2017

Bank of New York Mellon, London Branch

Durch: _____

Name:
Position:

Durch: _____

Name:
Position:

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be used to fund Aroundtown's growth strategy, re-finance or repay existing debt, and/or for other corporate purposes.

DESCRIPTION OF THE ISSUER

General Information

The Issuer was incorporated on 28 March 2017 under the laws of The Netherlands as a Dutch private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*). Its fiscal year is the calendar year.

The Issuer has its corporate seat in Amsterdam, the Netherlands and is subject to the Dutch Company Law. The Issuer is registered in the Dutch Trade Register of the Chamber of Commerce under registration number 68406827. The address of the Issuer's registered office is Strawinskylaan 3051, Atrium, 4th floor, Room 428, Regus, 1077 ZX Amsterdam, the Netherlands, telephone number: +31 203012303.

AT Securities B.V. is the Issuer's legal and commercial name.

Corporate Business

Pursuant to Article 3 of the articles of association of the Issuer, the objects of the Issuer are: (a) to issue bonds, debentures or other securities in United States Dollar and also in other currency, to borrow, including the lending and raising of funds, and to enter into related agreements; (b) to incorporate, in any manner to participate in, to manage and to supervise businesses, companies and other legal entities; (c) to finance businesses, companies and other legal entities; (d) to give advice and to provide services to businesses, companies and other legal entities with which the Issuer is affiliated in a group, and to third parties; (e) to issue guarantees, to commit the Issuer and to encumber assets of the Issuer for the benefit of businesses, companies and other legal entities with which the Issuer is affiliated in a group and for the benefit of third parties; (f) to make periodical payments, including the conclusion and performance of annuity and other standing right agreements, whether or not in the context of a pension provision; (g) to invest capital and to invest moneys in real property, shares and bonds, to acquire, dispose of, manage and operate real property, personal property, securities and other goods, including patents, trademark rights, licences, permits and other industrial property rights, to manage pension funds and to perform all the work and develop projects that may be conducive to achieving the above objects; (h) to perform all kinds of industrial, financial and commercial activities, as well as any and all things that are related or may be conducive to the above.

Organisational Structure

The Issuer is a wholly-owned subsidiary of the Guarantor. The Issuer does not have any subsidiaries of its own. The Issuer is dependent upon the administrative and management services provided for it by the Guarantor and other members of Aroundtown. There are no specific measures in place at the Issuer regarding positions of control.

Management, Corporate Governance

The current members of the Issuer's managing board are as follows:

Name	**Position**
Jelena Afxentiou	Director
Alon Levy	Director

The current members of the managing board of the Issuer can be contacted at the registered office of the Issuer during normal business hours. The Issuer has no supervisory board.

No specific rules apply to the Issuer under the Dutch Corporate Governance Code, because the Dutch Corporate Governance Code only applies to companies whose shares are listed.

The members of the Issuer’s managing board do not hold any positions in administrative, management or supervisory bodies outside Aroundtown which are significant with respect to the Issuer.

To the best knowledge of the Issuer, no potential conflicts of interest exist between any duties owed by the members of the Issuer’s managing board to Aroundtown and the private interests and/or other duties of such persons.

Share Capital

The issued capital of the Issuer amounts to USD 10, divided into 1000 registered shares of common stock with a par value of USD 0.01 each, which are all held by the Guarantor. The capital is fully issued and paid-up. The Issuer does not have authorised but unissued capital.

Investments

The Issuer has made no material investments since the date of its incorporation and, as of the date of this Prospectus, its management has made no firm commitments on future material investments.

Business Overview

Pursuant to its corporate purpose, the Issuer acts as a financing subsidiary of the Guarantor, the principal activity of which is the provision of loans to members of Aroundtown financed with funds acquired from the capital markets, bank loans and loans from other companies of Aroundtown.

Because of its internal role with respect to Aroundtown, the Issuer does not have any markets in which it competes and, therefore, the Issuer cannot make a statement regarding its competitive position in any markets.

Legal and Arbitration Proceedings

There are currently no, and the Issuer has not been involved in any, governmental, legal or arbitration proceedings during the last twelve months, against or affecting the Issuer, nor is the Issuer aware of any pending or threatened proceedings, which (in either case) may have or have had in the recent past significant effects on the financial position or profitability or results of operations of the Issuer and/or Aroundtown.

Financial Information and Auditors

The Issuer was established on 28 March 2017 and has not yet prepared any financial statements. The opening balance sheet of the Issuer included in this Prospectus was audited at the request of the Issuer by Mazars Paardekooper Hoffman N.V. ("**Mazars**"), Delflandlaan 1, 1062 EA Amsterdam, The Netherlands,, which has produced an independent auditors report in respect of such opening balance sheet (the "**Report**"). Mazars has consented to the inclusion of the Report in the form and context in which it is included in this Prospectus, which consent has not been withdrawn prior to the publication of this Prospectus. Mazars has not caused or authorized the issue of this Prospectus and takes no responsibility for any part of it other than the Report and references to its name.

Mazars is a member of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*)**.**

Significant Change in the Financial or Trading Position

Since its incorporation there has been no significant change in the financial or trading position of the Issuer.

Trend Information

There has been no material adverse change in the prospects of the Issuer since its incorporation.

DESCRIPTION OF THE GUARANTOR AND THE GROUP

Formation, Incorporation, Registered Office, Commercial Name, Financial Year

The Guarantor is a public limited liability company duly incorporated under the laws of the Republic of Cyprus ("**Cyprus**") and registered with the Department of the Registrar of Companies and Official Receiver in Cyprus under the Cyprus Companies Law Cap. 113 with registration number HE 148223. The Guarantor was founded on May 7, 2004 in Cyprus under the name Redspot Media Limited. The commercial name of the Guarantor is Aroundtown. The duration of the Guarantor is unlimited.

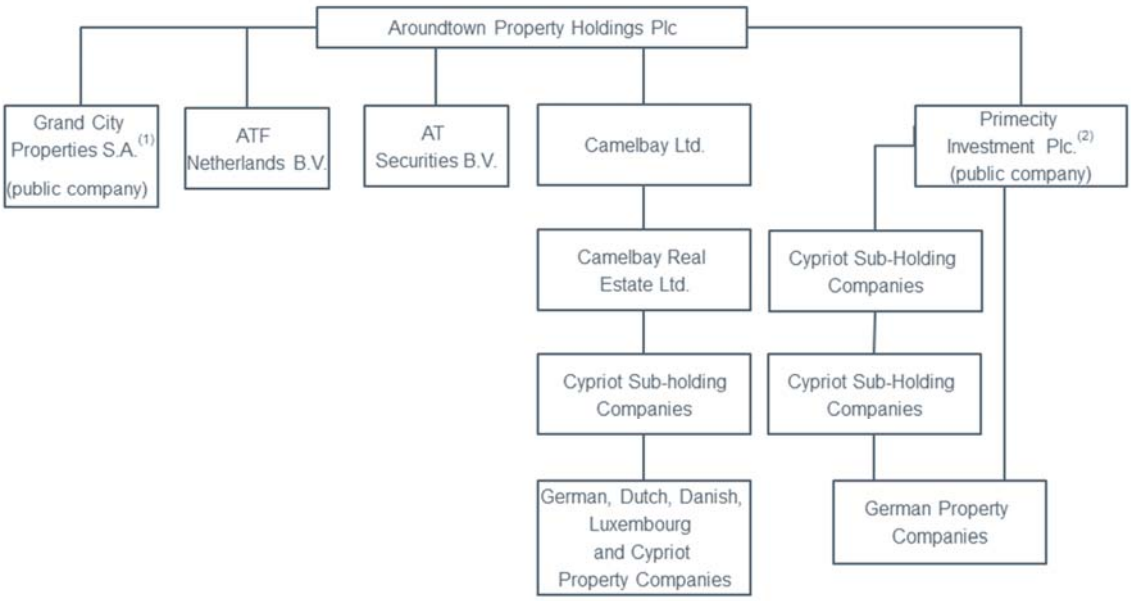
The address and registered office of the Guarantor is at 54B Artemidos & Nikou Dimitrriou, Scanner Avenue Tower, 4th floor 6027, Larnaca, Cyprus. The telephone number of the Guarantor's registered office is +357-2420-1312.

Group Structure

The Guarantor is the parent company of Aroundtown, which consists of more than 300 companies and together with the Group consists of more than 800 companies. These companies are located primarily in Germany, Luxembourg, the Netherlands and Cyprus. The Guarantor conducts its business through itself and through the other members of Aroundtown.

The Guarantor's shares are listed on the Alternext market segment of the Paris Euronext stock exchange and are also listed on the regulated market (Prime Standard) of the Frankfurt Stock Exchange (ISIN: CY0105562116). The Guarantor holds 98% of the shares in Primecity Investment PLC ("**PCI**"), which is listed on the Alternext market segment of the Paris Euronext stock exchange (ISIN: CY0104972217). The Guarantor also holds 36% of the shares in Grand City Properties S.A. ("**GCP**"), which is listed on the regulated market (Prime Standard) of the Frankfurt Stock Exchange (ISIN: LU0775917882).

The following diagram sets forth the structure of Aroundtown in a simplified form as of the date of this Prospectus:



(1) The Guarantor's 36% interest in GCP is held through its wholly owned subsidiary Edolaxia Group Limited, which is not shown in the diagram for simplification purposes. On 31 December 2014, GCP was deconsolidated from the Guarantor's consolidated financial statements. The Guarantor's interest in GCP is presented as investment in an equity-accounted investee. For more information, see page 32 in the 2015 Consolidated Financial Statements.
(2) The Guarantor's interest in PCI is held through its fully-owned subsidiaries Alfortia Ltd. and Bluestyle Ltd., which are not shown in the diagram for simplification purposes.

Business Overview

The Guarantor is a specialist real estate company, with a focus on value-add and income generating properties primarily in the German and Dutch real estate markets. Aroundtown invests in commercial and residential real estate assets which benefit from strong fundamentals and growth prospects.

Operating with a fully integrated real estate value chain, Aroundtown targets cash generating properties with upside potential in terms of rental income and/or occupancy, lease and tenant structure, cost level optimization and consequential value. Through an intensive property operational repositioning, Aroundtown seeks to further improve the portfolio results, creating secure and strong cash flow generating characteristics and benefits from the internal growth potential. This enables the Guarantor to create significant value in its portfolio.

History

The Guarantor and Aroundtown have been active in the German real estate market since 2004, and have built a diversified and growing real estate portfolio consisting primarily of commercial real estate in Germany and the Netherlands and the Guarantor's indirect interest in the property portfolio of GCP based on the Guarantor's 36% interest in GCP, a publicly traded specialist real estate company which invests in the German residential real estate market. In October 2016, the Guarantor announced that it intends, subject to market conditions, to increase its interest in GCP up to a 40% holding.

The Guarantor was founded as a private limited liability company in Cyprus in May 2004 under the name Redspot Media Limited and changed its name to Aroundtown Property Holdings Limited in October 2004. In November 2014, the Guarantor became a public limited liability company in Cyprus under the name Aroundtown Property Holdings plc. The shares of the Guarantor have been listed on the Paris Euronext stock Exchange since June 2015 and are currently listed on the Alternext market segment of the Paris Euronext stock exchange and on the regulated market (Prime Standard) of the Frankfurt Stock Exchange. PCI has been listed on the Paris Euronext stock exchange since October 2014 and is currently listed on the Alternext market segment of the Paris Euronext stock exchange. GCP was listed on the Open Market of the Frankfurt Stock Exchange in the Entry Standard segment in May 2012. In May 2017, GCP’s shares were listed on the regulated market (Prime Standard) of the Frankfurt Stock Exchange.

In December 2015, S&P assigned the Guarantor an investment grade long term corporate credit rating of "BBB-", and in June 2016, S&P upgraded the Guarantor's credit rating to "BBB" with a stable outlook. In December 2016, S&P assigned the Guarantor a short-term corporate credit rating of "A-2".

Since 2014, the Guarantor has completed a number of capital markets transactions and raised over €4.4 billion, including gross proceeds from share capital increases and the issuance of perpetual notes, convertible bonds and straight bonds.

Since its listing on the Frankfurt stock exchange in 2012, GCP has successfully accessed the capital markets and issued shares and debt securities in an aggregate volume of €3.3 billion, including gross proceeds from share capital increases and the issuance of perpetual notes, convertible bonds and straight bonds.

Recent Developments

From January 2017 through May 2017, Aroundtown has acquired approximately €1.2 billion of additional property through various transactions.

In April 2017, the Guarantor announced that its shareholders had approved the Redomiciliation. In May 2017, the Guarantor announced that the holders of its outstanding convertible bonds had also approved the Redomiciliation.

The implementation of the Redomiciliation is ongoing in both Cyprus and Luxembourg. The successful completion of the Redomiciliation is contingent upon the receipt of regulatory approvals from the authorities in Cyprus and a further resolution of the extraordinary general meeting of the shareholders of the Guarantor to be held in the Grand Duchy of Luxembourg, as well as the receipt of consents from certain third parties. The Guarantor expects the completion of the Redomiciliation to occur in the second half of 2017. For more information, see "*Risk Factors—Risk Factors Relating to the Guarantor and the Group—Risks Relating to the Shareholding Structure of the Guarantor—The re-domiciliation of the Guarantor could be delayed or may not succeed at all. The rights of shareholders in the Guarantor after a successful re-domiciliation might differ from their existing rights.*"

In 2017, the Guarantor has raised new funds through various transactions. In January 2017, the Guarantor through its finance subsidiary ATF Netherlands B.V. successfully tapped its Series F Bonds by additional € 50 million to the aggregate principal amount of € 550 million and also tapped the perpetual notes by € 100 million, which now have an aggregate principal amount of € 600 million. Further, in Mach 2017 the Guarantor's subsidiary PCI redeemed outstanding convertible bonds in the amount of € 22 million. Also in March 2017 the Guarantor together with ATF Netherlands B.V. announced the establishment of its € 1.5 billion EMTN Programme, which will facilitate the issuance by ATF Netherlands B.V. of senior notes over time in various currencies and maturities as a continuing element of the Guarantor's financing strategy. The base prospectus for the EMTN Programme is dated 10 March 2017, and has been approved by the Central Bank of Ireland. Also in March 2017, the Guarantor through ATF Netherlands B.V. successfully placed USD 400 million fixed rate notes due 2032 as a first placement under the EMTN Programme. Also in March 2017, the Guarantor announced its resolution to exercise its right to fully redeem the remaining amount of its outstanding Series A Bonds in accordance with the bond's terms and conditions. The redemption took place on 4 May 2017. On 10 May 2017 the Guarantor completed a capital increase through the issuance of 93 million new shares for cash with an issue volume of around € 426 million. At the same time the Guarantor issued a tender offer to the holders of certain outstanding convertible bonds in the course of which the Guarantor has accepted tenders of convertible bonds for purchase for cash or exchange into shares of the Guarantor in an aggregate principal amount of € 55.3 million. Through this transaction and

through further conversions since then, the outstanding aggregate principal amount of the convertible bonds subject to the tender offer was reduced to € 127.4 million (of which the Guarantor holds € 55.3 million).

In March 2017 the board of directors decided to increase the dividend policy to a payout ratio of 65 % of FFO I per share with effect for the financial year 2016.

The Property Portfolio

Overview

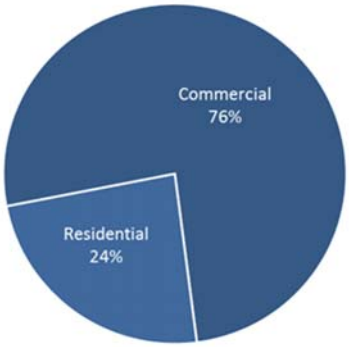
As at 31 December 2016, the Guarantor assessed the total market value of its real estate portfolio at €5.0 billion (compared to €2.4 billion as at 31 December 2015). As at 15 February 2017, the Guarantor assessed the total market value of its real estate portfolio at €5.6 billion (excluding AHFS). The increase since 31 December 2016 is based mainly on the acquisition of further properties.

Aroundtown's portfolio includes 3.4 million square meters of office, hotel, retail and other real estate primarily in large urban areas in Germany, such as Berlin, Munich, Hamburg, Frankfurt, NRW and Hannover, as well as in Amsterdam and Rotterdam in the Netherlands.

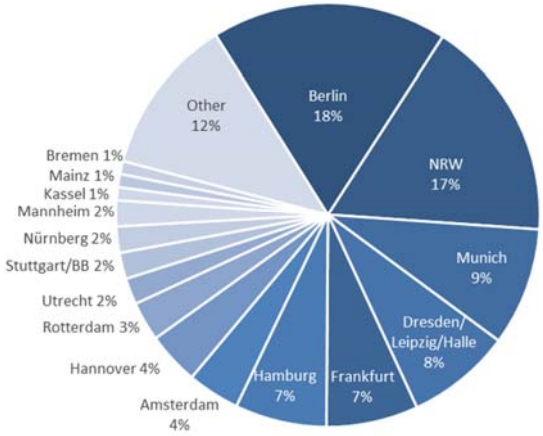
As of 28 February 2017, GCP held approximately 84,000 units located in densely populated areas in Germany, such as Berlin, NRW, Dresden, Leipzig, Mannheim, Halle, Nuremberg, Munich, Mannheim, Frankfurt, Bremen and Hamburg. As at 31 March 2017, GCP assessed the total market value of its real estate portfolio at € 4.98 billion.

Unless otherwise indicated, the information presented in this Prospectus regarding the property portfolio is based on the fair value assessment of the relevant properties as of the relevant date and includes, in addition to the Commercial Portfolio of Aroundtown, a proportional part of the property portfolio of GCP based on the Guarantor's 36% interest in GCP. All information in this Prospectus relating to GCP has been taken from information made publicly available by GCP. For more information regarding portfolio acquisitions, see "—*Recent Developments*".

As of 15 February 2017, by value, 76% of the property portfolio consisted of Aroundtown's Commercial Portfolio and 24% of the property portfolio consisted of GCP's residential portfolio.



As of 15 February 2017, by value, 18 % of the combined portfolios were located in Berlin, 17 % in NRW, 9 % in Munich, 7 % in Frankfurt, 8 % in Dresden/Leipzig/Halle, 7 % in Hamburg and 4 % in Amsterdam, with the remainder in other locations.



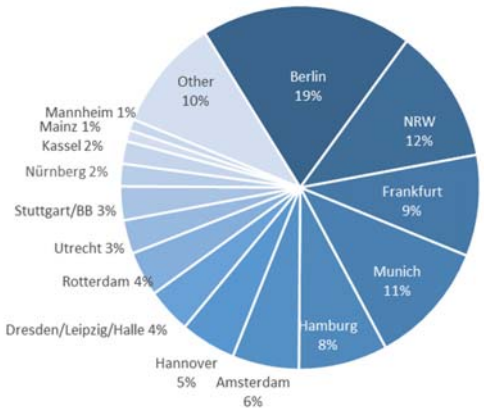
As of 15 February 2017, the total average monthly in-place rent in the combined portfolios was €7.4 per square meter, and the EPRA Vacancy Rate was 7.4% as of the same date. As of 15 February 2017, the combined portfolios' estimated monthly annualised adjusted EBITDA run rate was €357 million.

Commercial Portfolio

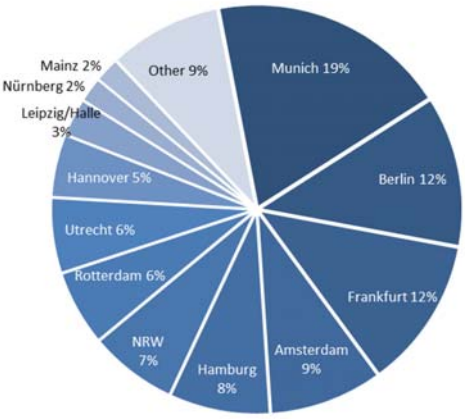
The Commercial Portfolio consists primarily of office, retail and hotel properties. As of 15 February 2017, by value, Aroundtown's Commercial Portfolio consisted of 54 % office properties, 20 % retail space, 18 % hotel assets and 8 % industrial and other use properties.

The Guarantor believes that its Commercial Portfolio is geographically well distributed. As of 15 February 2017, by value, 19 % of the Commercial Portfolio was located in Berlin, 12 % in NRW, 11 % in Munich, 9 % in Frankfurt, 8 % in Hamburg, 6 % in Amsterdam, 5 % in Hannover and 4 % in Dresden/Leipzig/Halle, with the remainder in other locations. The tables below provide an overview of the geographical break of the Commercial Portfolio, as well as a geographical breakdown of the office, retail and hotel asset types in the Commercial Portfolio.

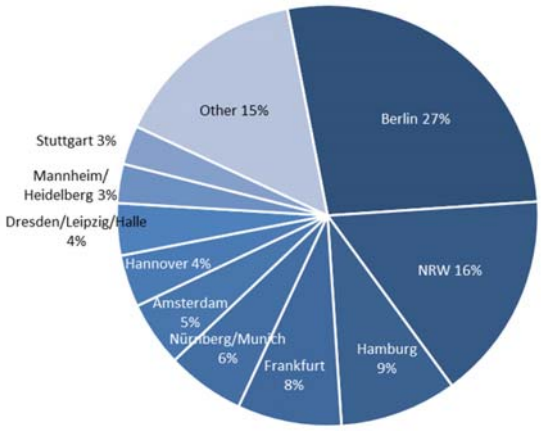
Commercial Portfolio Geographical Breakdown by Value



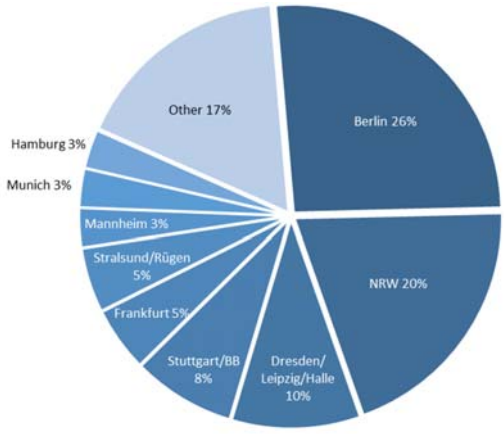
Office Geographical Breakdown by Value



Retail Geographical Breakdown by Value



Hotel Geographical Breakdown by Value



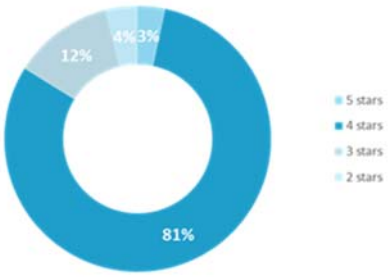
The Commercial Portfolio includes a comprehensive tenant base of approximately 2,500 tenants as of February 2017, which is diversified over a wide range of market sectors. Primary tenants in the Commercial Portfolio include Metro Group, HypoVereinsbank, Clifford Chance, Telekom, Allianz, Sheraton Arabella, Bol.com, De Persgroep, Jenoptik (ESW GmbH), Caterpillar and others. As of February 2017, the Commercial Portfolio generated an average monthly in-place rent of € 8.6 per square meter. The EPRA Vacancy Rate as of February 2017 was 7.3 %. As of February 2017, the WALT of the Commercial Portfolio was approximately 7.7 years.

As of February 2017, the monthly annualised rental income run rate for the Commercial Portfolio was € 380 million. The estimated FFO I run rate for the Commercial Portfolio as of February 2017 was approximately € 178 million.

The Commercial Portfolio also includes hotel assets with a total value of € 1 billion, consisting of 540 thousand square meters in key locations throughout Germany. Aroundtown's hotels are leased primarily on a long-term basis to third party commercial tenants.

The tenants of Aroundtown's hotel assets have entered into franchise agreements mainly with the following hotel brand franchisor enterprises: Wyndham, TRYP by Wyndham, Wyndham GARDEN, Days Inn, Swissôtel, ibis, Sheraton, Carlson REZIDOR, Radisson Blue, ACCOR, Mercure, Best Western, Holiday Inn and Steigenberger Hotel Group.

The majority of Aroundtown's hotel assets are categorized as “4 star” properties, which the Guarantor believes allows them to meet the rising market demand for both business and leisure travel. Unless otherwise indicated, the figures in the chart have been extracted from Aroundtown’s management information system.



The following tables provide a breakdown of the Commercial Portfolio by asset type and by region.

Commercial Portfolio Breakdown by Asset Type

As of 15 February 2017

	Investment properties	Rentable area	EPRA vacancy	Annualized net rent	In-place rent per sqm	Value per sqm	Rental yield
	(in millions of €)	(in 000' sqm)		(in millions of €)	(in €)	(in €)	
Office	2,989	1,428	9.9 %	173	10.6	2,094	5.8 %
Retail	1,124	784	6.5 %	78	8.4	1,434	7.0 %
Hotel	1,019	542	0.0 %	64	9.9	1,881	6.3 %
Industrial/Others	441	655	8.0 %	25	3.2	673	5.7 %
Total	**5,572**	**3,408**	**7.3 %**	**341**	**8.6**	**1,635**	**6.1 %**

Commercial Portfolio Breakdown by Region

As of 15 February 2017

	Investment properties	Rentable area	EPRA vacancy	Annualized net rent	In-place rent per sqm	Value per sqm	Rental yield
	(in millions of €)	(in 000' sqm)		(in millions of €)	(in €)	(in €)	
Berlin	1,064	534	7.6 %	57	9.4	1,992	5.4 %
NRW	658	657	6.3 %	47	5.9	1,001	7.1 %
Frankfurt	520	230	10.3 %	29	11.5	2,261	5.6 %
Munich	607	191	9.1 %	27	11.8	3,174	4.4 %
Hamburg	438	229	2.7 %	21	7.9	1,916	4.9 %
Amsterdam	329	124	9.8 %	20	14.7	2,641	6.2 %
Hannover	255	184	5.9 %	17	7.9	1,386	6.5 %
Dresden/Leipzig /Halle	244	165	9.8 %	15	8.1	1,486	6.1 %
Rotterdam	182	99	9.6 %	15	13.1	1,839	8.0 %
Utrecht	177	85	5.0 %	13	11.7	2,078	7.3 %
Stuttgart/BB	162	97	12.9 %	10	9.5	1,666	6.0 %
Nuremberg	110	79	2.9 %	7	7.5	1,385	6.7 %
Other	828	734	5.1 %	63	7.4	1,128	7.6 %
Total	**5,572**	**3,408**	**7.3 %**	**341**	**8.6**	**1,635**	**6.1 %**

GCP residential portfolio

As at 31 December 2016, GCP assessed the total market value of its real estate portfolio at € 4.8 billion (compared to € 3.8 billion as at 31 December 2015). As at 31 March 2017, GCP assessed the total market value of its real estate portfolio at € 4.98 billion.

The following table provides an overview on certain key information for the GCP's real estate portfolio as of 31 March 2017. Unless otherwise indicated, the figures in the table have been extracted from GCP's website:

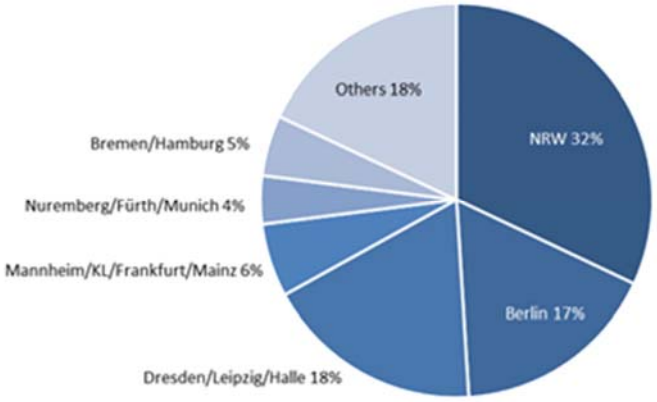
	Value (in € million)	**Area (in thousand sqm)**	**EPRA vacancy**	**Annualized net rent (in € million)**	**In-place rent per sqm (in €)**
NRW	1,613	1,861	8.3%	108	5.1
Berlin	834	470	5.3%	38	6.9
Dresden/Leipzig/Halle	894	1,129	9.1%	60	4.9
Mannheim/KL/Frankfurt/Mainz	282	243	3.8%	17	5.9
Nuremberg/Fürth/Munich	181	102	4.8%	9	7.6
Bremen/Hamburg	245	264	6.0%	17	5.6
Others	929	1,230	8.4%	69	5.3
Total	**4,978**	**5,298**	**7.7%**	**318**	**5.4**

As of 31 March 2017, GCP's property portfolio generated an average monthly in-place rent of € 5.4 per square meter, with an EPRA Vacancy Rate of 7.7 %. As of 31 March 2017, the monthly annualised rental income for GCP's property portfolio was € 472 million, and the first quarter 2017 annualized FFO I for GCP's property portfolio was € 168 million.

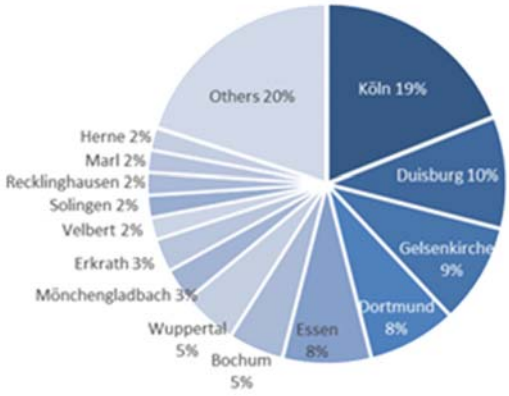
The first quarter 2017 annualised adjusted EBITDA of the GCP property portfolio was € 240 million.

Regional distribution

The GCP Group focuses on properties in densely populated areas in Germany. As of 31 March 2017 the GCP Group's portfolio comprised 28,029 units situated in NRW, 6,270 units in Berlin, 19,872 units in Dresden, Leipzig and Halle, 3,981 units in Mannheim/Kaiserslautern, Frankfurt und Mainz, 1,471 units in Nuremberg, Fürth and Munich, 3,844 units in Bremen /Hamburg and 20,635 units in other densely populated regions in Germany. The following chart shows GCP's real estate portfolio broken down by regions in percentages according to fair value:



As of 31 March 2017 GCP's portfolio comprised 28,029 units situated in NRW. The following chart shows the distribution of units within NRW in percentages according to fair value.

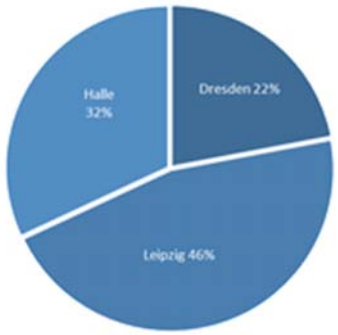


As of 31 March 2017 GCP's portfolio comprised 6,270 units situated in Berlin. The following table shows the distribution of units within Berlin.

63 % of the Berlin portfolio is located in top tier neighbourhoods. 50 % are located in the inner city, whereas 13 % are located in growing areas outside the inner circle, such as West Charlottenburg/Wilmersdorf, Lichtenberg, south of Schöneberg, Schönefeld, Steglitz and others.

The remaining 37 % is located primarily in Reinickendorf, Treptow, Köpenick and Marzahn-Hellersdorf.

As of 31 March 2017 GCP's portfolio comprised 19,872 units situated in the cities of Dresden, Leipzig and Halle. The following chart shows the distribution of units within Dresden, Leipzig and Halle in percentages according to fair value.



Business Operations

Overview

Aroundtown invests in commercial and residential real estate assets which it believes benefit from strong fundamentals and growth prospects. Aroundtown's focus is on major cities and metropolitan areas with positive demographic prospects. Aroundtown targets in particular cash generating properties with upside potential in terms of rental income and/or occupancy, lease and tenant structure, WALT, cost level optimization and resulting value.

Aroundtown manages the entire real estate value chain of its properties, across acquisition, letting, upkeeping and refurbishment. Aroundtown believes that this integrated approach brings further efficiency benefits and a preferred landlord status to Aroundtown and fast response times to its tenants. While Aroundtown's portfolio management is centrally organised, Aroundtown's asset management, sales and marketing activities are organised locally to better capture regional demand and necessities.

The following chart provides an overview on the business model of Aroundtown, and the following sections describe each step of Aroundtown's business model in more detail:

Sourcing and targeting acquisitions

Aroundtown focuses on value-add properties characterized primarily by below market rent levels and/or vacancy reduction potential. Aroundtown's property sourcing success stems from its wide network as well as its reputation as a reliable real estate acquisition partner. Aroundtown sources deals from a large and diverse deal sourcing base, such as receivers, banks, loan funds, broker networks, distressed owners, private and institutional investors and court auctions. With significant experience in the real estate markets since 2004, Aroundtown believes that it benefits from a preferred buyer status across its sourcing network. Aroundtown follows the following acquisition criteria:

- Upside potential through operational improvements
- Cash flow generating assets
- Vacancy reduction potential
- Rent levels per sqm below market levels (under-rented properties)
- Acquisitions located in densely populated areas and commercially attractive cities
- Purchase price below replacement cost and below market values
- Potential to reduce the cost per sqm significantly through operational improvements

Due to the broad experience and knowledge of its management, Aroundtown is able to consider different possible uses for properties that it acquires, including altering the property's primary use in order to target specific supply shortages in the marketplace. Given the complexity of

reclassification projects and the necessity of cross-segment experience in order to complete them, Aroundtown believes that its business model provides it with a strong and sustainable competitive advantage.

Due Diligence

After a potential property passes an initial screening, the property is further assessed in order to take into account the specific features of each project while ensuring that the acquisition is in line with Aroundtown's overall business strategy. Aroundtown believes that Aroundtown's experience in analysing properties with value creation potential, and in identifying both the potential risks and the upside potential of each property, results in fast, but thorough and reliable, screening procedures. During the due diligence phase, Aroundtown's construction team analyses potential capex requirements for the property. These are subsequently priced in the valuation process in order to provide a fair assessment of the property's value. A detailed business plan is created for each property in the due diligence phase, including an assessment of the portfolio fit and identification of possible tenants. Aroundtown believes that beginning to identify tenants prior to acquisition of the property not only decreases risk to Aroundtown but also accelerates the property takeover process. Further, possible rent increases and tenant restructuring are assessed in the due diligence process.

Acquisition and takeover

Aroundtown follows a thorough cross-organizational process in the due diligence phase which facilitates an efficient takeover once a property is acquired. Because liquidity plays a significant role in the acquisition of value-add properties, Aroundtown benefits from its solid liquidity position and its ability to acquire properties with existing resources and refinance the acquisition at a later stage. Aroundtown also benefits from a strong and experienced centralized in-house legal department, which, combined with close and longstanding relationships with external law firms, enables Aroundtown to complete multiple deals simultaneously.

Disposals

Aroundtown engages in disposals of properties which it considers as non-core properties or which in the Guarantor’s view have already realised their material potential.

Repositioning and operational improvements

Repositioning

The initial repositioning activities aim at minimizing the time until the profitability of the acquired properties is improved. Therefore, Aroundtown maps weaknesses and strengths of the property in the course of the due diligence phase and prepares a specific business plan for each property. The business plan input is integrated into Aroundtown's IT/software platform which enables the management to monitor all operational and financial parameters and to fully control the repositioning progress.

Marketing

Aroundtown develops a rental and marketing strategy for every property to optimize its usage and to fit it to the demand and supply in the respective markets. Targeted marketing activities are implemented to increase occupancy and thereby rental income. Aroundtown conducts comprehensive vacancy analysis including usability studies and creates letting concepts of vacant spaces in order to attract a large pool of tenants. Market and benchmark analysis enables the management to closely track macro and micro developments and decision making. Various marketing channels are combined to cover the broadest market possible, including negotiations with existing tenants (business plans, perspective and development expectations), online data bases, advertising billboards, regional and nationwide brokerage, governmental data bases (local economic promotion) and e-commerce. Further, in order to optimize contract negotiations Aroundtown uses promotion incentives and offers adaptations to tenants' future plans.

Vacancy reduction initiatives are adjusted to the specific type of property at hand. As to its commercial properties Aroundtown focuses its marketing activities on its network of internal and external, as well as local and nationwide, letting brokers, on the offering of promotional features and on the building of a reputation in the market for high service standards. For Aroundtown's hotel assets, operators are selected for the asset and a fixed long-term lease contract entered into once the hotel is repositioned.

As to the residential properties GCP targets relationship building with potential tenants and the local community by collaborating with local governments, supporting community building projects and advertising on key real estate platforms.

Lease management

Aroundtown conducts ongoing analysis regarding the WALT. Depending on factors such as market demand, gap to market rent or tenant structure Aroundtown either signs an extension of an individual lease contract in advance or lets the individual contract expire. Tenants are prospectively screened for credit worthiness (credit rating, business plan plausibility check, online

screening) and tenant structure adaptability (competition protection and tenant type mix). Aroundtown carries out hands-on collection management and prepares monthly collection reports on an asset level and on a per-tenant basis. Thereby, Aroundtown aims to solve problems before they arise. Possibilities for rent increase and tenant restructuring which have been assessed in the due diligence process are executed according to the property's business plan or adjusted if needed.

Operational improvements

All operational improvements Aroundtown initiates aim to increase the living quality or business environment for existing and future tenants and thereby to increase the demand for these repositioned properties. Once viable operational improvements have been identified, Aroundtown implements cost saving opportunities on a per unit basis, e.g. by making use of modern technologies such as consumption based meters. Aroundtown believes that these efforts combined with cost savings achieved through vacancy reductions and economies of scale enable Aroundtown to benefit from a significant improvement of the cost base and therefore higher profitability.

Tenant relationship management

Aroundtown emphasises strong relationships with its tenants to reduce tenant turnover rates and to predict and strengthen the tenant structure. Aroundtown aims to offer high quality services for both potential and existing tenants. Aroundtown pays strong attention to the industry in which its commercial tenants operate and to their individual success factors. Aroundtown also offers direct support to its tenants through add-on amenities for its rental properties such as parking facilities, space extensions to facilitate growth and smart space redesign to match modern office layouts. By providing the tenants with personal contact points to a local team, Aroundtown seeks to establish personal relationships between its property, the local teams and the tenants. The personal contacts points allow Aroundtown to react promptly to problems and proactively prolonging existing contracts in order to optimize and secure long-term revenues. The local teams meet with the tenants on a regular basis. Aroundtown provides an open line of communication at all times and short reaction times to tenants' concerns to ensure short business interruptions. Tenant satisfaction is continuously analysed. Aroundtown believes that this localized one team contact point approach builds strong and long-term relationships with tenants.

With respect to its residential tenant base GCP regularly invests into community building projects such as playgrounds and community centres and provides a wide range of regional or centralized services including a service centre, which is available 24 hours a day and seven days a week.

Construction

Aroundtown considers smart capex and conversion planning with scrutiny on execution to be vital for the maximization of a property's potential. Aroundtown addresses capex needs to keep the properties at high standards and addresses the requirements of its existing and prospective tenants. Already during the due diligence phase Aroundtown prepares a business plan, which addresses the potential volume of capex required e.g. for refurbishment. Moreover, capital intense improvements are discussed in close coordination with committed tenants allowing an efficient and cost effective implementation of the investments. The carried out investments are monitored by Aroundtown's experienced construction team. The financial feasibility of the proposed alterations is balanced against the lease term, rental income and property acquisition cost and the capacity to bear quick returns over the investment period.

Employees

As of 15 February 2017, Aroundtown employed over 150 employees, and together with GCP employed over 850 employees.

Loan Agreements

The Group has entered into various loan agreements primarily for the purpose of financing the acquisition of properties in Aroundtown Portfolio. As of 31 December 2016, Aroundtown's outstanding aggregate total bank loan amount (including accrued interest) was approximately €992 million.

The Group's loan agreements typically bear interest at fixed rates or at rates based on EURIBOR plus a spread, and the interest rates may in certain cases be hedged. Undrawn amounts under Aroundtown's credit facilities may be subject to a commitment fee. The Group's loan agreements are typically secured by pledges of property, including pledges of rental proceeds, shares of the relevant holding companies, and operational bank accounts, and contain customary representations and warranties, undertakings and events of default with respect to real estate financing (which are in turn typically subject to certain agreed exceptions and materiality carve-outs). A number of Aroundtown's loan agreements provide the lender with the right to terminate the loan if the Guarantor no longer directly or indirectly (i) controls the relevant borrowing entity or (ii) manages the relevant property.

Corporate Purpose

The Guarantor is a specialist real estate investment company which focuses on value-add properties primarily in the German real estate markets. The objects for which the Guarantor was

established are set forth in Section 3 of its articles of association (the "**Articles of Association**"). The Guarantor is generally entitled to take all actions or measures required to operate its business, including but not limited to the following activities: carry on the business of commerce, general trade business and works, import, export; carry on activities as business consultants and management consultants; purchase or otherwise acquire or possess any estate or interest in lands or buildings; maintain, manage, improve and repair flats, shops or offices; improve manage, let on lease or otherwise deal with all or any part of the property, assets and rights of the Guarantor; engage, hire and train staff and workers; purchase or otherwise acquire other companies or partnerships; apply for, purchase or otherwise acquire trademarks, patents or copyrights or licenses therefore; borrow, lend or raise money or secure obligations (whether of the Guarantor or others); establish, regulate and discontinue branch offices, regional offices and local boards and to acquire or purchase shares or securities.

Board of Directors and Other Bodies

General

The Guarantor is administered and managed by a board of directors (the "**Board of Directors**", and each member of the Board of Directors, a "**Director**"). The Board of Directors is vested with broad powers to perform all acts of administration and management in the Guarantor's interest. All powers not expressly reserved by the companies law of the Republic of Cyprus as last amended on 25 July 2016 (the "**Companies Law**") or by the Articles of Association to the general meeting of the Guarantor's shareholders fall within the competence of the Board of Directors. The powers of the Board of Directors may be delegated by resolution of the Board of Directors or a committee duly authorized by the Board of Directors to a single director, officer or a third person. The Board of Directors may determine the scope of such delegation at its discretion.

The Board of Directors may appoint one or more Directors to the office of managing director of the Guarantor. The Board of Directors shall choose amongst the Directors a chairperson and also appoint a secretary who need not be a member of the Board of Directors. The chairperson of the Board of Directors shall have a casting vote when adopting resolutions of the Board of Directors.

Pursuant to the Companies Law as well as the Articles of Association, the minimum number of Directors shall be at least two whereas the general meeting may determine a higher or maximum number. The general meeting resolves on the remuneration of the Directors.

The Directors may be dismissed with or without any cause at any time and at the sole discretion of the general meeting of the Guarantor's shareholders, subject to the provisions of section 178 and section 136 of the Companies Law.

In the event of a vacancy in the office of a Director, the remaining Directors may appoint a Director, by a majority vote, to fill such vacancy until the next general meeting of the Guarantor's shareholders.

Members of the Board of Directors

The following table sets out information with respect to each of the members of the Board of Directors, including their positions within the Guarantor as of the date of the Prospectus.

Name	**Position**
Mr. Andrew Wallis	Director
Mr. Oschrie Massatschi	Director
Mr. Reshef Ish-Gur	Director
Ms. Elena Koushos	Independent Director
Ms. Jelena Afxentiou	Director
Mr. Markus Leininger	Independent Director

The business address of the Directors is at 54B Artemidos & Nikou Dimitrriou, Scanner Avenue Tower, 4th floor 6027, Larnaca, Cyprus.

The members of the Board of Directors do not hold any positions in administrative, management or supervisory bodies outside Aroundtown which are significant with respect to the Guarantor.

To the best knowledge of the Guarantor, no potential conflicts of interest exist between any duties owed by the members of the Board of Directors to Aroundtown and the private interests and/or other duties of such persons.

The Guarantor’s most recent shareholders’ annual general meeting was held on 18 November 2016. The shareholders meeting approved the appointment of two additional members to the Board of Directors, namely Mr. Andrew Wallis, previously Vice Chairman of the advisory board, and Mr. Oschrie Massatschi.

The Guarantor’s most recent shareholders’ annual general meeting held on 18 November 2016 resolved the distribution of a cash dividend in the amount of €0.051 per share, with a record date of 23 November 2016. The Guarantor distributed the cash dividend in a gross aggregate amount of €34.5 million on 23 December 2016.

Senior Management

The following table sets out information with respect to each of the members of the senior management of the Guarantor, including their positions within the Guarantor as of the date of the Prospectus:

Name	**Position**
Mr. Shmuel Mayo	Chief Executive Officer (CEO)
Mr. Eyal Ben David	Chief Financial Officer (CFO)

The main business address of the members of senior management is at Wittestraße 30, Haus F, 13509 Berlin, Germany.

The members of the senior management do not hold any positions in administrative, management or supervisory bodies outside Aroundtown which are significant with respect to the Guarantor.

To the best knowledge of the Guarantor, no potential conflicts of interest exist between any duties owed by the members of the senior management and the private interests and/or other duties of such persons.

Advisory Board

The Board of Directors of the Guarantor has established an advisory board. The task of the advisory board is to provide expert advice and assistance to the Board of Directors. The Board of Directors decides on the composition, tasks and term of the advisory board as well as the appointment and dismissal of its members. The advisory board has no statutory powers under the Company Law or the Articles of Incorporation of the Guarantor, but applies rules which have been adopted by the Board of Directors. However, the Guarantor considers the advisory board to be an important source of guidance for the Board of Directors when making strategic decisions. The current members of the advisory board are Mr. Yakir Gabay (Chairman), Mr. Dr. Axel Froese and Mr. Frank Roseen.

Audit Committee

The Board of Directors has established an Audit Committee. The Board of Directors decides on the composition, tasks and term of the Audit Committee as well as the appointment and dismissal of its members. The responsibilities of the Audit Committee relate to the integrity of the financial statements, including reporting to the Board of Directors on its activities and the adequacy of internal systems controlling the financial reporting processes and monitoring the accounting

processes. The Audit Committee provides guidance to the Board of Directors on the auditing of the annual financial statements of the Guarantor and, in particular, shall monitor the independence of the approved independent auditor, the additional services rendered by such auditor, the issuing of the audit mandate to the auditor, the determination of auditing focal points and the fee agreement with the auditor. The current members of the Audit Committee are the independent directors of the Guarantor, Ms. Elena Koushos and Mr. Markus Leininger (Chairman).

Risk Committee

The Board of Directors has established a Risk Committee for assisting and providing expert advice to the Board of Directors in fulfilling its oversight responsibilities, relating to the different types of risks, recommend a risk management structure including its organization and its process as well as assess and monitor effectiveness of the risk management. The Board of Directors decides on the composition, tasks and term of the Risk Committee and the appointment and dismissal of its members. The Risk Committee provides advice on actions of compliance, in particular by reviewing Aroundtown's procedures for detecting risk, the effectiveness of Aroundtown's risk management and internal control system and by assessing the scope and effectiveness of the systems established by the management to identify, assess and monitor risks. The current members of the Risk Committee are Mr. Andrew Wallis, Ms. Jelena Afxentiou, Mr. Markus Leininger, Ms. Elena Koushos and Mr. Eyal Ben David.

Corporate Governance

As of the date of this Prospectus, the Guarantor is not subject to any compulsory corporate governance code of conduct or respective statutory legal provisions. The Code of Corporate Governance released by the Cyprus stock exchange does not apply because the shares of the Guarantor are not listed on a regulated market of the Cyprus stock exchange. The Guarantor is also not subject to a compulsory corporate governance regime in Germany, as the German corporate governance code only refers to domestic issuers.

Nevertheless, the Guarantor intends to voluntarily comply with the “Ten Principles of Corporate Governance of the Luxembourg Stock Exchange” in the future and is currently evaluating the necessary measures to implement the principles and recommendations of the Ten Principles of Corporate Governance of the Luxembourg Stock Exchange.

Share Capital

As of the date of this Prospectus, the Guarantor has a stated share capital in the amount of €8,723,102.38. The share capital is divided into 872,310,238 shares with par value of €0.01 per share (the "**Shares**"). The share capital has been fully paid up. The Shares are in global form and deposited with Euroclear and Clearstream. Outstanding conversion rights under the Guarantor's outstanding convertible bonds may increase the share capital to up to approximately €9,449,205 (based on the assumption that all outstanding convertible bonds were converted into shares of the Guarantor at their respective current conversion prices).

The Guarantor has an authorised capital. The authorised capital (including the subscribed capital) amounts to €15,000,000.00 (i.e. the corporate share capital of the Guarantor may be increased by the Board of Directors from its present amount to €15,000,000.00 by creation and issuance of new shares with a par value of €0.01 each).

The Guarantor's shares are listed on the Alternext market segment of the Paris Euronext stock exchange and on the regulated market (Prime Standard) of the Frankfurt Stock Exchange (ISIN: CY0105562116).

Shareholding Structure

The table below sets out the information known to the Guarantor with respect to the shareholding structure of the Guarantor as at the date of this Prospectus. The shareholdings may have changed since the date on which the Guarantor obtained knowledge of the shareholding.

Shareholder	**Direct ownership of the Guarantor in%**
Avisco Group Plc*	44
Free float	56
Total	**100**

* The shareholdings of Avisco Group Plc are held through its wholly- and majority-owned subsidiaries, which have not been included in this table for simplification purposes.

Avisco Group Plc (the "**Principal Shareholder**") holds or controls 44% of the voting rights of the Guarantor. Depending on the level of shareholder attendance at the general meeting or extraordinary meetings of the Guarantor's shareholders, Avisco Group plc may be able to adopt and implement or prevent the adoption of resolutions which require a simple majority or even higher majorities solely through the exercise of its own votes in the Guarantor. Furthermore, the Principal Shareholder may prevent a general meeting of the Guarantor's shareholders from adopting resolutions which require a qualified majority of the votes cast (see *"Risk Factors—Risks*

Relating to the Shareholding Structure of the Guarantor—The Guarantor's largest shareholder Avisco Group plc is in a position to exert substantial influence on the Guarantor. The interests of this shareholder could differ from the interests of the other shareholders.").

To the best knowledge of the Guarantor, as at the date of this Prospectus, there are no arrangements the operation of which may at a subsequent date result in a change of control in the Guarantor.

Dividend Policy

On 20 July 2015 the Board of Directors resolved on a dividend policy which shall commence in 2016, according to which 30% of the Guarantor 's annual funds from operations ("**FFO I**") per share shall be distributed as annual dividends to the shareholders. The distribution of dividends is subject to a respective resolution of the shareholders' annual general meeting.

FFO I is a measure of Aroundtown's materialized bottom line operational profit, calculated by deducting current tax expenses and finance expenses from adjusted EBITDA.

The Guarantor's most recent shareholders' annual general meeting held on 18 November 2016 resolved the distribution of a cash dividend in the amount of €0.051 per share, with a record date of 23 November 2016. The Guarantor distributed the cash dividend in a gross aggregate amount of €34.5 million on 23 December 2016.

Legal and Arbitration Proceedings

During the last twelve months, there have been no governmental, legal or arbitration proceedings brought against or affecting the Guarantor, nor is the Guarantor aware of any pending or threatened proceedings, which (in either case) may have or have had in the recent past significant effects on the Guarantor and/or Aroundtown's financial position, profitability or results.

Statutory Auditors

The statutory auditors are appointed by general meeting of shareholders for holding office from the conclusion of such meeting until the conclusion of the next annual general meeting.

As of the date of this Prospectus, KPMG Limited (KPMG), Certified Accountants and Registered Auditors, Millenium Lion House, P.O. Box 40075, 6300 Larnaca, Cyprus is appointed as auditor. Its mandate expires at the conclusion of the annual general meeting of the Guarantor to be held in 2017.

KPMG is registered as a corporate body with the official table of company auditors drawn up by the Institute of Certified Public Accountants of Cyprus.

The 2016 Consolidated Financial Statements and the 2015 Consolidated Financial Statements of the Guarantor have been audited by KPMG, which provided an unqualified auditor's report for each of these financial statements.

Credit Rating

The Guarantor is assigned a "BBB" rating with a stable outlook by S&P.

GCP is assigned a "BBB+" rating with a stable outlook by S&P and a "Baa2" rating with a positive outlook for GCP by Moody's. The Notes are expected to be assigned a "BBB" rating by S&P. The Issuer will announce any rating it receives from S&P for the Notes to the holders of the Notes as soon as practicable following the receipt of such a rating (which will include details of the rating).

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. See "*Risk Factors—Risk Factors Relating to the Notes—Ratings may not reflect all risks and are subject to change*".

The following information is taken from the websites of S&P and Moody's as of the date of this Prospectus and is provided solely for informational purposes.

The credit rating opinions awarded by S&P range from the highest rating "AAA", which is defined as "extremely strong capacity to meet financial commitments" to the lowest rating "D", which is defined as "Payment default on financial commitments". S&P define a "BBB" rating for a long-term issuer as follows: "An obligor rated 'BBB' has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments. Ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories." S&P define a "BBB" rating for a long-term issue obligation as follows: "An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories." S&P define a "BB" rating for a long-term issue obligation as follows: "An obligation rated 'BB' is less vulnerable to non-payment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation. The ratings from 'AA' to 'CCC' may be

modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories."

The global long-term rating scales awarded by Moody's range from the highest rating "Aaa", which is defined as "Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk." to the lowest rating "C", which is defined as "Obligations rated C are the lowest rated and are typically in default, with little prospect for recovery of principal or interest." (*Source*: website Moody's). Moody's defines a "Baa" rating as follows: "Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Additionally, a "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firms." Moody's defines a "Ba" rating as follows: "Obligations rated Ba are judged to be speculative and are subject to substantial credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Additionally, a "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firms."

Significant Change in the Financial or Trading Position

Since December 31, 2016, save as disclosed in the "*Description of the Guarantor and Aroundtown—Business Overview—Recent Developments*" section of this Prospectus, there has been no significant change in the financial or trading position of the Guarantor or Aroundtown.

Trend Information

There has been no material adverse change in the prospects of the Guarantor since December 31, 2016.

TAXATION

The following discussion of the tax consequences of an investment in the Notes is based on the laws in force on the date of this Prospectus. The Issuer emphasizes that tax implications can be subject to alteration due to future changes in law, possibly with retroactive or retrospective effect.

Although this discussion reflects the opinion of the Issuer, it should not be misunderstood as a guarantee in an area of law which is not free from doubt. Further, this discussion is not intended as the sole basis for an investment in the Notes as the individual tax position of the Holder needs to be investigated. Therefore, this statement is confined to a general discussion of certain German income tax and Netherlands tax consequences of an investment in the Notes.

Prospective Holders are recommended to consult their own tax advisors regarding the tax consequences of an investment in the Notes.

Responsibility of the Issuer for the withholding of taxes at source

The Issuer does not assume any responsibility for the withholding of taxes at source.

Federal Republic of Germany

The following is a general discussion of certain German tax consequences of the acquisition, holding and disposal of the Notes. It does not purport to be a comprehensive description of all German tax considerations that may be relevant to a decision to purchase Notes, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. This discussion of the tax consequences of an investment in the Notes is based on the tax laws of Germany currently in force and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive or retrospective effect.

Tax resident holders of the Notes

The section "**Tax Residents**" refers to persons who are tax residents of Germany (i.e. persons whose residence, habitual abode, statutory seat, or place of effective management is located in Germany).

Withholding tax on ongoing payments and capital gains

Ongoing payments, such as interest payments, received by an individual Holder of the Notes will be subject to German withholding tax if the Notes are kept in a custodial account with a German branch of a German or non-German credit institution, a branch of a German or non-German German financial services institution, a German securities trading company or a German securities trading bank (each a "**Disbursing Agent**", *auszahlende Stelle*). The tax rate is 25 % (plus 5.5% solidarity surcharge thereon, the total withholding being 26.375%) plus church tax, if

applicable to an individual Holder. An electronic information system for church withholding tax purposes applies in relation to investment income, with the effect that church tax, if applicable to an individual Holder, will be collected by the Disbursing Agent by way of withholding unless the individual Holder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*) in which case the individual Holder will be assessed to church tax.

The same treatment applies to capital gains (i.e. the difference between the proceeds from the disposal, redemption, repayment or assignment after deduction of expenses directly related to the disposal, redemption, repayment or assignment and the cost of acquisition) derived by an individual Holder provided the Notes have been held in a custodial account with a Disbursing Agent since the time of their acquisition. Where Notes are acquired and/or sold in a currency other than Euro, the sales/redemption price and the acquisition costs have to be converted into Euro on the basis of the foreign exchange rates prevailing on the sale or redemption date and the acquisition date respectively. If interest claims are disposed of separately (i.e. without the Notes), the proceeds from the disposition are subject to withholding tax. The same applies to proceeds from the payment of interest claims if the Notes have been disposed of separately.

To the extent the Notes have not been kept in a custodial account with a Disbursing Agent since the time of their acquisition, upon the disposal, redemption, repayment or assignment withholding tax applies at a rate of 26.375% (including solidarity surcharge, plus church tax, if applicable to an individual Holder) on 30% of the disposal proceeds (plus interest accrued on the Notes ("**Accrued Interest**", *Stückzinsen*), if any), unless the individual Holder or the previous account bank or financial service institution was able and allowed to provide evidence of the individual Holder's actual acquisition costs of the Notes to the Disbursing Agent.

Pursuant to a tax decree issued by the German Federal Ministry of Finance dated 18 January 2016 a bad debt-loss (*Forderungsausfall*) and a waiver of a receivable (*Forderungsverzicht*), to the extent the waiver does not qualify as a hidden capital contribution, shall not be treated like a disposal. Accordingly, losses suffered upon such bad debt-loss or waiver shall not be tax-deductible. A German lower fiscal court has recently confirmed the view of the German tax authorities regarding the qualification of a bad debt-loss in a non-final judgement. A German lower fiscal court has also recently confirmed the view of the German tax authorities regarding the qualification of a (voluntary) bad debt-loss in a final judgement. A disposal of the Notes might not be recognised according to the view of the tax authorities, if the received proceeds do not exceed the respective transaction costs or if the level of transaction costs is restricted because of a mutual agreement that the transaction costs are calculated by subtracting a certain amount from the sales price. This view has however been challenged in 2014 by a final judgement of a German lower fiscal court. Where the Notes provide for instalment payments, such instalment payments shall always qualify as taxable investment income, unless the terms and conditions of

the Notes provide explicit information regarding redemption or partial redemption during the term of the Notes and the contractual parties comply with these terms and conditions.

In computing any German tax to be withheld, the Disbursing Agent may generally deduct from the basis of the withholding tax negative investment income realised by the individual Holder of the Notes via the Disbursing Agent (e.g. losses from the sale of other securities with the exception of shares). The Disbursing Agent may also deduct Accrued Interest on the Notes or other securities paid separately upon the acquisition of the respective security via the Disbursing Agent. In addition, subject to certain requirements and restrictions the Disbursing Agent may credit foreign withholding taxes levied on investment income in a given year regarding securities held by the individual Holder in the custodial account with the Disbursing Agent.

Individual Holders may be entitled to an annual allowance (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 for jointly assessed individual Holders) for all investment income received in a given year. Upon the individual Holder filing an exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent, the Disbursing Agent will take the allowance into account when computing the amount of tax to be withheld. No withholding tax will be deducted if the Holder of the Notes has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the competent local tax office.

German withholding tax will not apply to gains from the disposal, redemption, repayment or assignment of Notes held by a corporation as Holder while ongoing payments, such as interest payments, are subject to withholding tax (irrespective of any deductions of foreign tax and capital losses incurred). The same may apply to individual Holders where the Notes form part of a German trade or business, subject to further requirements being met.

Neither the Issuer nor the Guarantor, unless either of them qualifies as Disbursing Agent, is obliged under German law to withhold any withholding tax (*Kapitalertragsteuer*) on interest payments and upon the sale or redemption of the Notes.

Taxation of current income and capital gains

The personal income tax liability of an individual Holder deriving income from capital investments under the Notes is, in principle, settled by the tax withheld. To the extent withholding tax has not been levied, such as in the case of Notes kept in custody abroad or if no Disbursing Agent is involved in the payment process, the individual Holder must report his or her income and capital gains derived from the Notes on his or her tax return and then will also be taxed at a rate of 25% (plus solidarity surcharge and church tax thereon, where applicable to an individual Holder). If the withholding tax on a disposal, redemption, repayment or assignment has been calculated from 30% of the disposal proceeds (rather than from the actual gain), an individual Holder may and according to the view of German tax authorities in case the actual gain is higher than 30 % of the

disposal proceeds must also apply for an assessment on the basis of his or her actual acquisition costs. Further, an individual Holder may request that all investment income of a given year is taxed at his or her lower individual tax rate based upon an assessment to tax with any amounts over withheld being refunded. In each case, the deduction of expenses (other than transaction costs) on an itemised basis is not permitted.

Losses incurred with respect to the Notes can only be off-set against investment income of the individual Holder realised in the same or the following years.

Where Notes form part of a trade or business the withholding tax, if any, will not settle the personal or corporate income tax liability. Where Notes form part of a trade or business, interest (accrued) and gains from the disposal, redemption, repayment or assignment of Notes must be taken into account as income. The respective Holder will have to report income and related (business) expenses on the tax return and the balance will be taxed at the Holder's applicable tax rate. Withholding tax levied, if any, will be credited against the personal or corporate income tax of the Holder. Where Notes form part of a German trade or business the current income and gains from the disposal, redemption, repayment or assignment of the Notes may also be subject to German trade tax.

Non-resident Holders of the Notes

Interest, including Accrued Interest, and capital gains are not subject to German taxation, unless (i) the Notes form part of the business property of a permanent establishment, including a permanent representative, or a fixed base maintained in Germany by the Holder or (ii) the income otherwise constitutes German-source income. In cases (i) and (ii) a tax regime similar to that explained above under "Tax resident holders of the Notes" applies.

Non-residents of Germany are, in general, exempt from German withholding tax on interest and the solidarity surcharge thereon. However, where the interest is subject to German taxation as set forth in the preceding paragraph and the Notes are held in a custodial account with a Disbursing Agent, withholding tax may be levied under certain circumstances. Where Notes are not kept in a custodial account with a Disbursing Agent and interest or proceeds from the sale or redemption of a Note are paid by a Disbursing Agent to a non-resident Holder upon delivery of the Notes, withholding tax generally will apply. The withholding tax may be refunded based on an assessment to tax or under an applicable tax treaty.

Substitution of the Issuer

If the Issuer exercises the right to substitute the debtor of the Notes, the substitution might, for German tax purposes, be treated as an exchange of the Notes for new notes issued by the Substitute Debtor and subject to similar taxation rules like the Notes. In particular, such a substitution could result in the recognition of a taxable gain or loss for any Holder of a Note.

Inheritance and Gift Tax

No inheritance or gift taxes with respect to any Notes will generally arise under the laws of Germany, if *inter alia*, in the case of inheritance tax, neither the deceased nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a resident of Germany and such Note is not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in Germany. Exceptions from this rule apply to certain German expatriates.

Other Taxes

No stamp, issue, value added, capital transfer or registration taxes or such duties will be payable in Germany in connection with the issuance, delivery or execution as well as the purchase, sale or other disposal of the Notes. However, under certain circumstances entrepreneurs may choose liability to German value added tax with regard to the sale of the Notes to other entrepreneurs which would otherwise be tax exempt. Currently, net assets tax is not levied in Germany.

The Netherlands

The following discussion outlines the principal Netherlands tax consequences of the acquisition, holding, settlement, redemption and disposal of the Notes, but does not purport to be a comprehensive description of all Netherlands tax considerations in relation thereto. This discussion is intended as general information only. Each prospective investor should consult a professional tax advisor with respect to the tax consequences of an investment in the Notes.

This discussion is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Prospectus, and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect. Where this section refers to The Netherlands, such reference is restricted to the part of the Kingdom of The Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

Scope

Regardless of whether or not a holder of Notes is, or is deemed to be, a resident of The Netherlands, with the exception of the section on Netherlands Withholding Tax below, this discussion does not address The Netherlands tax consequences for:

- investment institutions (*fiscale beleggingsinstellingen*);
- pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other entities that are exempt from Netherlands corporate income tax;

- entities that are a taxpayer for the purposes of Netherlands corporate income tax (*vennootschapsbelasting*), having a participation (*deelneming*) in the Issuer (such a participation is generally present in the case of an interest of at least 5% of the Issuer's nominal paid-in capital);

- holders of Notes holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer and holders of Notes of whom a certain related person holds a substantial interest in the Issuer. Generally speaking, a substantial interest in the Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutory defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5 % or more of the total issued capital of the Issuer or of 5 % or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in the Issuer;

- persons to whom the Notes and the income from the Notes are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of The Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) and the Netherlands Gift and Inheritance Tax Act 1956 (*Successiewet 1956*);

- entities which are a resident of Aruba, Curacao or Sint Maarten that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba, to which permanent establishment or permanent representative the Notes are attributable;

- individuals to whom the Notes or the income there from are attributable to employment activities which are taxed as employment income in the Netherlands; and

- holders of Notes which are not considered the beneficial owner (*uiteindelijk gerechtigde*) of these Notes or of the benefits derived from or realised in respect of these Notes.

Netherlands Withholding Tax

All payments made by the Issuer under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein, provided that the Notes do not in fact function as equity of the Issuer within the meaning of the Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

Netherlands Individual Income Tax

Resident holders

If an individual is a resident or deemed to be a resident of The Netherlands for Netherlands income tax purposes, income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are taxable at the progressive rates (at up to a maximum rate of 52 %) under the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*), if:

1. the individual is an entrepreneur *(ondernemer*) and has an enterprise to which the Notes are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Notes are attributable; or

2. such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which include the performance by the individual of activities with respect to the Notes that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (1) nor condition (2) above applies, an individual holder of the Notes must record the Notes as assets that are held in box 3. Taxable income with regard to the Notes is then determined on the basis of a certain deemed return on the holder's yield basis (*rendementsgrondslag*) at the beginning of the calendar year insofar the yield basis exceeds a €25,000 threshold (*heffingvrij vermogen*), rather than on the basis of income actually received or gains actually realised. Such yield basis is determined as the fair market value of certain qualifying assets held by the holder of the Notes, less the fair market value of certain qualifying liabilities at the beginning of the calendar year. The fair market value of the Notes will be included as an asset in the holder's yield basis. The holder's yield basis is allocated to up to three brackets for which different deemed returns apply. The first bracket includes amounts up to and including €75,000, which amount will be split into a 67% low-return part and a 33% high-return part. The second bracket includes amounts in excess of €75,000 and up to and including €975,000, which amount will be split into a 21% low-return part and a 79% high-return part. The third bracket includes amounts in excess of €975,000, which will be considered high-return in full. For 2017 the deemed return on the low-return parts is 1.63% and on the high-return parts is 5.39%. The deemed return percentages will be reassessed every year. The individual will be taxed at a rate of 30% on the deemed return.

Non-resident holders

If an individual is neither a resident, nor deemed to be a resident of The Netherlands for the purposes of Netherlands income tax, such individual will not be subject to Netherlands income tax in respect of benefits derived from the Notes, unless such holder has (1) an (interest in an)

enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which the Notes are attributable (*Nederlandse onderneming*), or (2) realises income or gains with respect to the Notes that qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*) or (3) is (other than by way of securities) entitled to a share in the profits of an enterprise which is effectively managed in the Netherlands and to which enterprise the Notes are attributable.

Netherlands Corporate Income Tax

Resident holders

If a holder of Notes which is a corporate entity, and for Netherlands corporate income tax purposes is a resident or deemed to be a resident of The Netherlands, and as a result is fully subject to Netherlands corporate income tax or is only subject to Netherlands corporate income tax in respect of an enterprise to which the Notes are attributable, income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are generally taxable in The Netherlands at up to a maximum rate of 25 per cent.

Non-resident holders

A holder of Notes which is a corporate entity and, for the purposes of Netherlands corporate income tax, is neither a resident, nor deemed to be a resident of the Netherlands, will not be subject to corporate income tax, unless such holder has an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in The Netherlands, a Netherlands Enterprise (*Nederlandse onderneming*), to which Netherlands Enterprise the Notes are attributable, or such holder is (other than by way of securities) entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Notes are attributable. Such holder is taxed in respect of benefits derived from the Notes at rates of up to 25 per cent.

Netherlands Gift and Inheritance Tax

Netherlands gift or inheritance taxes (*schenk- of erfbelasting*) will not be levied on the occasion of the transfer of a Note by way of gift by, or on the death of, a holder of a Note, unless:

1. the holder of a Note is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions; or

2. the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in The Netherlands for the purpose of the relevant provisions.

Other Netherlands Taxes and Duties

In general, no value added tax (*omzetbelasting*) will arise in respect of payments in consideration for the issue of the Notes or in respect of a cash payment made under the Notes, or in respect of a transfer of Notes and no registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in The Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Notes.

Residency

A holder will not become a resident, or a deemed resident, of the Netherlands for Netherlands tax purposes by reason only of holding the Notes.

Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (FATCA) impose a new reporting regime and potentially a 30 % withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "**foreign financial institution**", or FFI (as defined by FATCA)) that does not become a Participating FFI by entering into an agreement with the U.S. Internal Revenue Service (IRS) to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "**United States account**" of the Issuer (a "**Recalcitrant Holder**"). The Issuer and the Guarantor may be classified as FFIs.

The new withholding regime has been phased in beginning 1 July 2014 for payments from sources within the United States and will apply to foreign passthru payments (a term not yet defined) no earlier than 1 January 2017. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued after the grandfathering date, which is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified on or after the grandfathering date and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued on or before the grandfathering date, and additional Notes of the same series are issued after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions have announced their intention to negotiate intergovernmental agreements to facilitate the implementation of FATCA (each, an "**IGA**"). Pursuant to FATCA and the "**Model 1**" and "**Model 2**" IGAs released by the United States, an FFI

in an IGA signatory country could be treated as a "**Reporting FI**" not subject to withholding under FATCA on any payments it receives. Further, an FFI in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being "**FATCA Withholding**") from payments it makes. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States has entered into agreements with the Netherlands (the U.S.-Netherlands IGA) and Germany (the "**U.S.-Germany IGA**") based largely on the Model 1 IGA.

If the Issuer and Guarantor are treated as Reporting FIs pursuant to the U.S.-Netherlands IGA and U.S.-Germany IGA, respectively, they do not anticipate that they will be obliged to deduct any FATCA Withholding on payments they make. There can be no assurance, however, that the Issuer or Guarantor will be treated as a Reporting FI, or that they would in the future not be required to deduct FATCA Withholding from payments they make. The Issuer, the Guarantor and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

While the Notes are in global form and held within Euroclear Bank SA/NV or Clearstream Banking, société anonyme (together the "**ICSDs**"), it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, the Guarantor and any paying agent, given that each of the entities in the payment chain between the Issuer and the participants in the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, definitive Notes will only be printed in remote circumstances.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. **Prospective investors should consult their tax advisors on how these rules may apply to payments they may receive in connection with the Notes.**

SUBSCRIPTION AND SALE

Pursuant to a subscription agreement dated 15 June 2017 (the "**Subscription Agreement**") among the Issuer, the Guarantor and the Managers, the Issuer has agreed to sell to the Managers, and the Managers have agreed, subject to certain customary closing conditions, to purchase, the Notes on 21 June 2017. The Issuer has furthermore agreed to pay certain commissions to the Managers and to reimburse the Managers for certain expenses incurred in connection with the issue of the Notes. Commissions may be payable by the Managers to certain third party intermediaries in connection with the initial sale and distribution of the Notes.

The Subscription Agreement provides that the Managers under certain circumstances will be entitled to terminate the Subscription Agreement. In such event, no Notes will be delivered to investors. Furthermore, the Issuer has agreed to indemnify the Managers against certain liabilities in connection with the offer and sale of the Notes.

The Managers or its respective affiliates, including parent companies, engage, and may in the future engage, in investment banking, commercial banking (including the provision of loan facilities) and other related transactions with the Issuer and the Guarantor and their affiliates and may perform services for them, for which the Managers or its respective affiliates have received or will receive customary fees and commissions, in each case in the ordinary course of business.

There are no interests of natural and legal persons involved in the issue, including conflicting ones, which are material to the issue.

Selling restrictions

General

Each Manager has acknowledged that no action is taken or will be taken by the Issuer or the Guarantor in any jurisdiction that would permit a public offering of the Notes, or possession or distribution of any offering material relating to them, in any jurisdiction where action for that purpose is required.

Each Manager has represented and agreed that it will comply with all applicable laws and regulations in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes any offering material relating to them.

United States of America and its territories

The Notes and the Subordinated Guarantee have not been and will not be registered under the Securities Act, and the Notes are subject to U.S. tax law requirements. Subject to certain

exceptions, the Notes and the Subordinated Guarantee may not be offered, sold or delivered within the United States or to U.S. persons. Each Manager has agreed that tit will not offer, sell or deliver any Notes and the Subordinated Guarantee within the United States or to U.S. persons, except as permitted by the Subscription Agreement.

In addition, until 40 days after the commencement of the offering of the Notes and the Subordinated Guarantee, an offer or sale of the Notes or the Subordinated Guarantee within the United States by a Manager may violate the registration requirements of the Securities Act.

United Kingdom

Each Manager has represented and agreed that:

a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Cyprus

Each Manager represents, warrants and agrees that:

a) it has not and will not, directly or indirectly, offer, sell, resell, reoffer or deliver Notes, and has not distributed or caused to be distributed and will not distribute or cause to be distributed in Cyprus any document, circular, advertisement or other offering material, except under circumstances which will result in compliance with the Public Offer and Prospectus Law, Law 114(I)/2005 (the "**Prospectus Law**") and any other applicable laws and regulations in effect at the relevant time; and

b) it has not and will not provide from within Cyprus any "investment services", "ancillary services" and/or perform any "investment activities" (as such terms are defined in the Investment Services and Activities and Regulated Markets Law, Law 144(I)/2007, as amended, (the "**Investment Services Law**") or provide from outside Cyprus any investment and ancillary services and/or perform any investment activities to or for the benefit of any persons resident, domiciled or located in Cyprus or otherwise conclude in Cyprus any transaction relating to such services or activities, except under circumstances which will result in compliance with the Investment Services Law and any other applicable laws and regulations in effect at the relevant time.

The Netherlands

The Notes are not being offered and may not be offered in the Netherlands other than to persons or entities who or which are qualified investors as defined in Section 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*).

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Manager has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of the Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of the Notes to the public in that Relevant Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Manager for any such offer; or

(c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of the Notes referred to in (a) to (c) above shall require the Issuer or the Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision:

- the expression an offer of the Notes to the public in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State;

- the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including by Directive 2010/73/EU as amended), and includes any relevant implementing measure in the Relevant Member State.

Hong Kong

Each Manager has represented and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Singapore

Each Manager has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Manager has represented and agreed that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(c) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

1. to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

2. where no consideration is or will be given for the transfer;

3. where the transfer is by operation of law; or

4. as specified in Section 276(7) of the SFA.

Taiwan

The Notes issued have not been and will not be registered with the Financial Supervisory Commission of Taiwan, the Republic of China pursuant to relevant securities laws and regulations. The Issuer, the Guarantor and the Managers have represented, warranted and agreed that Notes issued may not be and will not be offered or sold in Taiwan, the Republic of China or in circumstance which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan, the Republic of China that requires the registration with or approval of the Financial Supervisory Commission of Taiwan, the Republic of China. The Issuer, the Guarantor and the Managers have also acknowledged that no person or entity in Taiwan, the Republic of China has been authorised or will be authorised to offer or sell Bond issued in Taiwan, the Republic of China.

Malaysia

Nothing in this Prospectus constitutes making available or an offer or an invitation for subscription or purchase, or sale of, Notes in Malaysia. No approval of, or recognition by, the Securities Commission of Malaysia has been or will be obtained for the making available, an offer or an invitation for subscription or purchase, or sale of, Notes to any persons in Malaysia. Accordingly,

the Notes will only be made available or offered or sold exclusively to persons outside Malaysia. The Prospectus or any disclosure document has not and will not be registered or deposited with the Securities Commission of Malaysia on the basis that Notes will not be made available, offered or sold in Malaysia. This Prospectus may not be circulated or distributed in Malaysia, whether directly or indirectly, for the purpose of any making available or offer or invitation for subscription or purchase, or sale of Notes in Malaysia. The Issuer, the Guarantor and the Managers represent that they will not make available, offer for subscription or purchase, or issue an invitation to subscribe for or purchase, or sell, Notes, whether directly or indirectly, to any persons in Malaysia.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, each Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

GENERAL INFORMATION

Documents available

For as long as Notes are outstanding, copies of the following documents will be physically available free of charge, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the office of each paying agent. In addition, this Prospectus (together with any supplement, if any) will be available in electronic form on the website of the Irish Stock Exchange (www.ise.ie):

1. the Subordinated Guarantee;
2. the articles of association of the Issuer;
3. the articles of association of the Guarantor;
4. this Prospectus;
5. the agency agreement relating to the Notes between the Issuer, the Guarantor and The Bank of New York Mellon, London Branch as Principal Paying Agent; and
6. the documents specified in the chapter "*Information Incorporated by Reference*".

Authorisation

The creation and issue of the Notes was authorised by resolution of the Board of Directors of the Issuer dated 14 June 2017.

The granting of the Subordinated Guarantee was authorised by resolution of the Board of Directors of the Guarantor dated 14 June 2017.

Legend on Global Notes

Each Global Note will bear the following legend:

> "Neither this note nor any related guarantee in respect thereof has been or will be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold in the United States of America (including the states and the District of Columbia) or its territories or possessions and other areas subject to its jurisdiction, unless an exemption from the registration requirements of the Securities Act is available.

Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the U.S. Internal Revenue Code of 1986, as amended."

Listing and Admission to Trading

Application has been made for the Notes to be admitted to the Official List of the Irish Stock Exchange and to trading on the Main Securities Market. The total expenses related to the admission of the Notes to trading on the Irish Stock Exchange's regulated market are expected to amount to approximately €5,000.

The Bank of New York Mellon SA/NV, Dublin Branch is acting solely in its capacity as Irish listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the Main Securities Market for the purposes of the Prospectus Directive.

Indication of Yield

The yield in respect of the Notes from the Issue Date to the First Call Date is 5.500 % p.a., calculated on the basis of the issue price of the Notes. Such yield is calculated in accordance with the ICMA (International Capital Markets Association) Method.

Notices to Noteholders

All notices regarding the Notes will be published (so long as the Notes are listed on the Irish Stock Exchange) on the website of the Irish Stock Exchange on www.ise.ie. The Issuer will be entitled to deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Noteholders.

Clearing Systems and Security Codes

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg.

The International Securities Identification Number (ISIN) for the Notes is XS1634523754, and the Common Code for the Notes is 163452375.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

FINANCIAL INFORMATION OF THE ISSUER

AT Securities B.V.

Financial statements as at March 28, 2017

(Date of incorporation)

2017

AT Securities B.V.

Financial statements as at March 28, 2017
(Date of incorporated)

2017

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MAZARS

INDEPENDENT AUDITORS' REPORT

To: the directors and shareholders of AT Securities B.V.

REPORT ON THE AUDIT OF THE STATEMENT OF FINANCIAL POSITION AND NOTES

OUR OPINION

We have audited the accompanying statement of financial position as at 28 March 2017 (the incorporation date) of AT Securities B.V., Amsterdam, The Netherlands, including the notes.

In our opinion the statement of financial position and notes as at 28 March 2017 of AT Securities B.V. have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS).

BASIS FOR OUR OPINION

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the statement of financial position and notes' section of our report.

We are independent of AT Securities B.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

BASIS OF ACCOUNTING AND RESTRICTION ON DISTRIBUTION AND USE

We draw attention to the fact that the statement of financial position and the notes have been prepared for inclusion in the prospectus of AT Securities B.V. Therefore the statement of financial position and the notes may not be suitable for any other purposes. Our report is intended solely for AT Securities B.V. for inclusion in the prospectus and should not be used by, or distributed to, anyone for any other purpose. Our opinion is not qualified in respect of this matter.

MAZARS

DESCRIPTION OF RESPONSIBILITIES REGARDING THE STATEMENT OF FINANCIAL POSITION AND NOTES

RESPONSIBILITIES OF THE DIRECTORS FOR THE STATEMENT OF FINANCIAL POSITION AND NOTES

The directors are responsible for the preparation and fair presentation of the statement of financial position and notes in accordance with EU-IFRS. Furthermore, the directors are responsible for such internal control as the directors determine is necessary to enable the preparation of the statement of financial position and notes that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the statement of financial position and notes, the directors are responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the directors should prepare the statement of financial position and notes using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the statement of financial position and notes.

OUR RESPONSIBILITIES FOR THE AUDIT OF THE STATEMENT OF FINANCIAL POSITION AND NOTES

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A full description of our responsibilities is available at the NBA website.

Amsterdam, 10 April 2017

MAZARS PAARDEKOOPER HOFFMAN N.V.

F.D.N. Walta RA

AT SECURITIES B.V.

STATEMENT OF FINANCIAL POSITION

	Note	March 28, 2017 (Date of incorporation) In dollar
Assets		
Receivables from shareholders	3	10
Total assets		**10**
Equity		
Share capital	4	10
Total equity		**10**

The Board of Directors of AT Securities B.V. authorized these financial statements for issuance on April 7, 2017.

.....	.....
Alon Levy	Jelena Afxentiou
Director	Director

AT SECURITIES B.V.

Notes to the financial statements
as at March 28, 2017 (date of incorporation)

1. GENERAL

Incorporation and principal activities

AT Securities B.V. ("the Company") was incorporated on March 28, 2017 as a private limited liability company under the Dutch Companies Law, having its corporate seat in Amsterdam, the Netherlands and address at Strawinskylaan 3051, 1077 ZX Amsterdam, the Netherlands.

The main objects of the Company are to issue bonds, debentures or other securities, to borrow, including the lending and raising of funds, and to enter into related agreements, as defined in Article 3 of the Company's deed of incorporation from March 28, 2017.

2. BASIS OF PREPARATION

Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, and for the purpose of inclusion within a prospectus of the Company. The primary statements of comprehensive income, change in shareholders equity and cash flows are not included in this set of financial statements due to their unnecessary role with presenting the opening balances of the Company.

These financial statements were authorized to be issued by the Board of Directors on April 7, 2017.

3. RELATED PARTY TRANSACTIONS

Receivable amount from shareholders

March 28, 2017
(Date of incorporation)
In dollar
10

4. EQUITY

A. Share capital

	March 28, 2017 (Date of incorporation)	
	Number of shares	In dollar
Authorized		
Ordinary shares of dollar 0.01 each	1,000	10
Issued and not fully paid		
On March 28, 2017 (Incorporation)	1,000	10

B. Issued capital

Upon incorporation (March 28, 2017), the total authorized, issued and not fully paid ordinary share capital amounted to 1000 units with a par value of dollar 0.01 each.

5. COMMITMENTS

The Company had no significant commitments as at March 28, 2017.

6. CONTINGENT ASSETS AND LIABILITIES

The Company had no significant contingent assets and liabilities as at March 28, 2017.

7. EVENTS AFTER THE REPORTING PERIOD

There were no material events after the balance sheet date.

Names and Addresses

REGISTERED OFFICE OF THE ISSUER

AT Securities B.V.

Strawinskylaan 3051

Atrium, 4th floor, Room 428, Regus1077 ZX Amsterdam

The Netherlands

REGISTERED OFFICE OF THE GUARANTOR

Aroundtown Property Holdings plc

54B Artemidos & Nikou Dimitriou

Scanner Avenue Tower, 4th floor

6027 Larnaca

Cyprus

PRINCIPAL PAYING AGENT

The Bank of New York Mellon, London Branch

One Canada Square

London E14 5AL

United Kingdom

LISTING AGENT

The Bank of New York Mellon SA/NV, Dublin Branch

Riverside II, Sir John Rogerson's Quay

Grand Canal Dock

Dublin 2

Ireland

MANAGERS

Goldman Sachs International

Peterborough Court

133 Fleet Street

London EC4A 2BB

United Kingdom

Morgan Stanley & Co. International plc

25 Cabot Square

Canary Wharf

London E14 4QA

United Kingdom

UBS Limited

5 Broadgate

London EC2M 2QS

United Kingdom

LEGAL ADVISERS TO THE ISSUER AND THE GUARANTOR

As to Dutch law:

BWK Partners
Oosteinde 27
1017 WT Amsterdam
The Netherlands

As to German law:

Jung & Schleicher Rechtsanwälte
Partnergesellschaft mbB
Klingelhöferstraße 4
10785 Berlin
Federal Republic of Germany

As to Cyprus law:

Koushos Korfiotis Papacharamlambous LLP
20 Costi Palama Street
Aspelia Court, 2nd-4th floors
Nicosia 1096, Cyprus

LEGAL ADVISERS TO THE MANAGERS

As to Dutch law:

Linklaters LLP
Zuidplein 180-WTC
1077 XV Amsterdam
Netherlands

As to German law:

Linklaters LLP
Taunusanlage 8
60329 Frankfurt
Germany

As to Cyprus law:

Harneys, Aristodemou Loizides Yiolitis LLC
313, 28th October Avenue,
Omrania Centre, 3105 Limassol,
Cyprus

INDEPENDENT AUDITORS

To the Issuer:

Mazars Paardekooper Hoffman N.V.
Delflandlaan 1,
1062 EA Amsterdam
The Netherlands

To the Guarantor:

KPMG Limited
Millenium Lion House
P.O. Box 40075
6300 Larnaca
Cyprus