

Not for distribution in the United States of America



TLG Finance S.à r.l.

(a limited liability company (société à responsabilité limitée) under the laws of the Grand Duchy of Luxembourg)

€600,000,000 Undated Subordinated Notes subject to Interest Rate Reset with a First Call Date in 2024

ISIN XS2055106210, Common Code 205510621 and German Securities Code
(WKN) A2R77Q

Issue Price: 98.835%

guaranteed on a subordinated basis by

TLG IMMOBILIEN AG

(a stock corporation (Aktiengesellschaft) under the laws of the Federal Republic of Germany)

TLG Finance S.à r.l., incorporated under the laws of the Grand Duchy of Luxembourg (“**Luxembourg**”) as a limited liability company (*société à responsabilité limitée*), (the “**Issuer**”) will issue, on September 23, 2019 (the “**Issue Date**”), €600,000,000 in the aggregate principal amount of undated subordinated notes (the “**Notes**”) subject to an interest rate reset at 5-year intervals commencing on December 23, 2024 (the “**First Reset Date**”, and a “**Reset Date**” being the First Reset Date and thereafter each fifth anniversary of the immediately preceding such Reset Date, as specified in the Terms and Conditions, and a “**Reset Period**” being a period from and including the First Reset 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). The Notes, which are governed by the laws of the Federal Republic of Germany (“**Germany**”), will be issued in a denomination of €100,000 each (the “**Principal Amount**”). The Notes are unconditionally and irrevocably guaranteed by TLG IMMOBILIEN AG, incorporated under the laws of Germany as a stock corporation (*Aktiengesellschaft*) (the “**Guarantor**” and, together with all its consolidated subsidiaries, “**TLG**” or the “**Group**”) pursuant to a subordinated guarantee (the “**Subordinated Guarantee**”).

The Notes shall bear interest on their principal amount, scheduled to be paid annually in arrear on December 23 of each year (each an “**Interest Payment Date**”, and the period from and including the Issue Date (also the “**Interest Commencement Date**”) to but excluding the next Interest Payment Date and thereafter each period from and including any Interest Payment Date to but excluding the immediately following Interest Payment Date, an “**Interest Period**”), (i) from and including the Interest Commencement Date to but excluding the First Reset Date at a rate of 3.375% per annum; (ii) from and including the First Reset Date to but excluding December 23, 2029 (the “**Step-up Date**”) at the relevant 5-year fixed-for-floating EURIBOR swap rate (as specified in more detail in the terms and conditions of the Notes (the “**Terms and Conditions**”) and subject to the replacement by a successor benchmark rate or an alternative benchmark rate upon occurrence of certain benchmark-related events, the

“**Reference Rate**”) plus a margin of 398 basis points per annum; (iii) from and including the Step-Up Date to but excluding December 23, 2044 (the “**Additional Step-Up Date**”) at the Reference Rate for the relevant Reset Period plus a margin of 423 basis points per annum (equal to the initial margin plus a step-up margin of 25 basis points per annum); and (iv) from and including the Additional Step-Up Date at the Reference Rate for the relevant Reset Period plus a margin of 498 basis points per annum (equal to the initial margin plus a step-up margin of 100 basis points per annum).

Upon the occurrence of a “**Change of Control Event**” (as defined in § 7(5) of the Terms and Conditions), the interest rate payable on the Notes may be increased by an additional 500 basis points per annum above the otherwise applicable interest rate if the Issuer does not redeem the Notes in whole.

The Issuer is entitled to defer payments of interest on any Interest Payment Date under certain circumstances (as set out in § 6(1) of the Terms and Conditions) (such Interest not due and payable as a consequence of a deferral 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 § 6(2) of the Terms and Conditions) and it must pay such Arrears of Interest (in whole, but not in part) under certain other circumstances (as set out in § 6(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 Principal Amount plus accrued and unpaid interest to but excluding the date of redemption and any outstanding Arrears of Interest with effect on (i) any date during the period from and including September 23, 2024 (the “**First Call Date**”) to and including the First Reset Date or (ii) each Interest Payment Date after the First Reset Date. The Issuer may also redeem the Notes in whole but not in part at an amount per Note equal to 101% of the Principal Amount prior to the First Call Date and 100% of the Principal Amount on or after the First Call Date, in each case plus accrued and unpaid interest to but excluding the date of redemption and any outstanding Arrears of Interest at any time following (i) a “**Rating Event**”, (ii) an “**Accounting Event**” or (iii) a “**Tax Deductibility Event**” (each as defined in § 7(4) of the Terms and Conditions). Further, the Issuer may redeem the Notes in whole but not in part at an amount per Note equal to the Principal Amount plus accrued and unpaid interest to but excluding the date of redemption and any outstanding Arrears of Interest at any time following the occurrence of a “**Gross-up Event**” (as defined in § 7(4)(d) of the Terms and Conditions) or if at least 75% of the originally issued aggregate principal amount of the Notes have been redeemed or purchased and cancelled. Upon the occurrence of a Change of Control Event, the Issuer may redeem the Notes, in whole but not in part at an amount per Note equal to 101% of the Principal Amount plus accrued and unpaid interest to but excluding the date of redemption and any Arrears of Interest in accordance with the Terms and Conditions.

On issue, the Notes are expected to be rated Ba1 by Moody’s Investors Service Limited (“**Moody’s**”) and BB+ by S&P Global Ratings Europe Limited (“**S&P**”). A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. At the date of this prospectus (the “**Prospectus**”), each of Moody’s and S&P is established in the European Union, registered under Regulation (EC) no. 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended (the “**CRA Regulation**”) and included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website (www.esma.europa.eu) in accordance with the CRA Regulation.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and are being offered and sold in transactions outside the United States of America (“United States”) to non-U.S. persons (as defined in Regulation S under the Securities Act (“Regulation S”)) in reliance on Regulation S.

The Notes will initially be represented by one temporary global bearer note (the "**Temporary Global Note**") without coupons. The Temporary Global Note will be exchangeable for a permanent global bearer note (the "**Permanent Global Note**" and, together with the Temporary Global Note, the "**Global Notes**") without coupons not earlier than 40 and not later than 180 days after the date of issue of the Notes upon certification as to non-U.S. beneficial ownership in the Notes. The Global Notes will be deposited with a common depository for Clearstream Banking S.A. ("**Clearstream**") and Euroclear Bank SA/NV ("**Euroclear**" and, together with Clearstream, the "**Clearing System**").

Prospective investors should be aware that an investment in the Notes involves risks and that if certain risks, in particular those described under “*Risk Factors*”, occur, investors may lose all or a substantial part of their investment.

Application has been made to the Luxembourg Stock Exchange (*Bourse de Luxembourg*) for the Notes to be listed on the official list of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) (the "**Listing**"). The regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended. Only for purposes of the Listing, this Prospectus constitutes a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the "**Prospectus Regulation**") (*i.e.*, a prospectus for the admission to trading on a regulated market according to Article 3 para. 3 of the Prospectus Regulation) and has been prepared in accordance with Article 6 para. 3 of the Prospectus Regulation. This Prospectus has been approved by the Commission de Surveillance du Secteur Financier (the "**CSSF**"), as the competent authority under the Prospectus Regulation. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should neither be considered as an endorsement of the Issuer or the Guarantor that are the subject of this Prospectus nor of the quality of the securities that are the subject of this Prospectus. By approving a prospectus, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer pursuant to Article 6 para. 4 of the *Loi relative aux prospectus pour valeurs mobilières*.

Investors should make their own assessment as to the suitability of investing in the Notes.

For the purposes of the Listing and depending on the date of the approval, the Prospectus will be valid until September 20, 2020 and may in this period be used for admission of the Notes to trading on a regulated market. In case of a significant new factor, material mistake or material inaccuracy relating to the information included in the prospectus which may affect the assessment of the Notes, the Issuer will prepare and publish a supplement to the prospectus without undue delay in accordance with Article 23 of the Prospectus Regulation. The obligation of the Issuer to supplement the prospectus will cease to apply once the Notes have been admitted to trading on the regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) and at the latest upon expiry of the validity period of this prospectus.

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, Notes in any jurisdiction where such offer or solicitation would be unlawful. The Notes are subject to U.S. tax law requirements and may, subject to certain exceptions, not be offered, sold or delivered within the United States or to U.S. persons. For a further description of certain restrictions on the offering and the sale of Notes and on the distribution of this Prospectus, see “*Subscription and Sale—Selling Restrictions*”.

Interest amounts payable under the Notes are calculated by reference to the Euro Interbank Offered Rate (“**EURIBOR**”) which is provided by the European Money Markets Institute (“**EMMI**”). As at the date of this Prospectus, EMMI, with respect to EURIBOR, appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“**ESMA**”) pursuant to Article 36 of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of June 8, 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) 596/2014, as amended (the “**Benchmark Regulation**”).

Joint Global Coordinators, Joint Bookrunners and Joint Structuring Banks

Deutsche Bank

J.P. Morgan

The date of this Prospectus is September 20, 2019.

[This page has intentionally been left blank.]

RESPONSIBILITY STATEMENT

The Issuer and the Guarantor are solely responsible for the information contained in this Prospectus. Each of the Issuer and the Guarantor hereby declares that the information contained in this Prospectus for which it is responsible is, to the best of the Issuer's and the Guarantor's knowledge, in accordance with the facts and contains no omission likely to affect its import. This Prospectus should be read and understood in conjunction with all documents incorporated by reference.

NOTICE

This Prospectus should be read and construed with any supplement thereto and with any other documents incorporated by reference in relation to the Notes.

The information contained in this Prospectus has been provided by the Issuer, the Guarantor and the other sources identified herein. To the fullest extent permitted by law, no representation or warranty is made or implied by Deutsche Bank Aktiengesellschaft, Frankfurt am Main, Germany ("**Deutsche Bank**") and J.P. Morgan Securities plc, London, United Kingdom ("**J.P. Morgan**" and, together with Deutsche Bank, the "**Joint Bookrunners**") or any of their respective affiliates, and neither the Joint Bookrunners nor any of their respective affiliates make any representation or warranty or accept any responsibility, as to the accuracy or completeness of the information contained in this Prospectus or for any statement purported to be made by or on behalf of the Joint Bookrunners. Investors in the Notes must solely rely on the information contained in this Prospectus.

No person has been authorized to provide any information or to make any representation concerning TLG or the Notes (other than as contained in this Prospectus) and, if provided or made, any such information or representation should not be relied upon as having been authorized by the Issuer, the Guarantor or the Joint Bookrunners or their respective affiliates. In making an investment decision, investors must rely on their own examination of the Issuer, TLG and the terms of the offering, including the merits and risks involved. Any decision to purchase Notes should solely be based on this Prospectus.

Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents or use of any information contained herein for any purpose other than considering an investment in the Notes is prohibited. Each offeree of the Notes, by accepting delivery of this Prospectus, agrees to the foregoing.

The Issuer has confirmed to the Joint Bookrunners that this Prospectus is true and accurate in all material respects and is not misleading; that any opinions and intentions expressed herein are honestly held and based on reasonable assumptions; that there are no other facts with respect to the Issuer and the Guarantor, the omission of which would make this Prospectus as a whole or any statement herein or opinions or intentions expressed herein misleading in any material respect; and that all reasonable enquiries have been made to verify the foregoing.

To the fullest extent permitted by law, the Joint Bookrunners do not accept any responsibility for the contents of this Prospectus or for any other statements made or purported to be made by the Joint Bookrunners or on their behalf in connection with the Issuer, the Guarantor, the Notes or the Subordinated Guarantee. Accordingly, the Joint Bookrunners disclaim all and any liability whether arising in tort or contract or otherwise which they might otherwise have in respect of this Prospectus or any such statement.

The Joint Bookrunners are acting exclusively for the Issuer and no other person in connection with the offering of the Notes. They will not regard any other person (whether or not such person is a recipient of this document) as their client in relation to the offering of the Notes and will not be responsible to anyone other than the Issuer and the Guarantor for providing the protections afforded to their respective clients or for giving advice in relation to the offering or any transaction or arrangement referred to herein.

Neither the delivery of this Prospectus nor the offering, sale or delivery of Notes shall, in any circumstances, create any implication that the information contained in this Prospectus is true subsequent to the date upon which this Prospectus has been published or most recently amended or supplemented, or that there has been no adverse change in the financial position of the Issuer after the date hereof or, as the case may be, the date upon which this Prospectus has been most recently amended or supplemented or the balance sheet date of the most recent financial statements, which are deemed to be incorporated by reference or that any other information supplied in connection with the Notes is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

None of the Issuer, the Guarantor or the Joint Bookrunners, or any of their respective affiliates, is making any representation to any offeree or purchaser of the Notes regarding the legality of an investment in the Notes by such offeree or purchaser under the laws applicable to such offeree or purchaser. Prospective investors should not construe anything in this Prospectus as legal, tax, business or financial advice. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of purchases of Notes.

This document may only be communicated, or caused to be communicated, in circumstances in which Section 21 para. 1 of the United Kingdom Financial Services and Markets Act 2000, as amended (“FSMA”), does not apply.

The Notes have not been and will not be registered under the Securities Act and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons; see “*Subscription and Sale—Selling Restrictions*”.

The distribution of this Prospectus as well as the offering, sale, and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Guarantor and the Joint Bookrunners to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer of, or an invitation to purchase, any Notes in any jurisdiction in which such offer, exercise or invitation would be unlawful. None of the Issuer, the Guarantor or the Joint Bookrunners or any of their respective affiliates accepts any legal responsibility for any violation by any person, whether or not a prospective investor, of any such restrictions.

Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Bookrunners to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Prospectus and other offering material relating to the Notes, see “*Subscription and Sale—Selling Restrictions*”.

MIFID II product governance / Professional investors and ECPs only target market

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is

eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

For the avoidance of doubt, the target market assessment does not constitute (i) an assessment of suitability or appropriateness for the purposes of MiFID II or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Notes.

PRIIPs Regulation / Prohibition of sales to EEA retail investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

This Prospectus may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it would be unlawful to make such an offer or solicitation.

This Prospectus does not constitute an offer or an invitation to subscribe for or purchase Notes and should not be considered as a recommendation by the Issuer, the Guarantor, or the Joint Bookrunners that any recipient of this Prospectus should subscribe for, or purchase, Notes. Each recipient of this Prospectus shall be considered to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the Guarantor.

IN CONNECTION WITH THE ISSUANCE OF THE NOTES, THE JOINT BOOKRUNNERS (OR PERSONS ACTING ON BEHALF OF THE JOINT BOOKRUNNERS) MAY OVERALLOT THE 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, STABILIZATION MAY NOT NECESSARILY OCCUR. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILIZATION ACTION OR OVERALLOTMENT MUST BE CONDUCTED BY THE JOINT BOOKRUNNERS (OR PERSONS ACTING ON BEHALF OF THE JOINT BOOKRUNNERS) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

This Prospectus contains assessments of market data and information derived therefrom, which could not be obtained from any independent sources. Such information is based on the Guarantor's own internal assessments and may therefore deviate from the assessments of competitors of TLG or future statistics by independent sources. As regards TLG's market positions, the Issuer's own estimations are mainly based on company data which is either derived from information by competitors or from data provided by independent research companies.

The language of this Prospectus is English, except for the Terms and Conditions and the documents incorporated by reference into this Prospectus listed in the section "*Documents incorporated by Reference*". The German text of the Terms and Conditions and the Subordinated Guarantee shall be binding and controlling; the respective English-language text shall constitute a convenience translation. The German-language documents incorporated by reference into this Prospectus listed in the section "*Documents incorporated by Reference*" will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu). English-language versions of these documents, to the extent English versions have been published by the Guarantor, are translations of the respective German-language versions and are not incorporated by reference in, and do not form part of, this Prospectus.

NOTICE TO PROSPECTIVE INVESTORS IN SINGAPORE

Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (the "**SFA**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

For a further description of certain restrictions on offerings and sales of the Notes and distribution of this Prospectus (or of any part thereof) see "*Subscription and Sale—Selling Restrictions*".

NOTICE TO CERTAIN EUROPEAN INVESTORS

Notice to Prospective Investors in the European Economic Area

This Prospectus has been prepared on the basis that all offers of Notes will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus in connection with offers of securities and is therefore, for the purposes of the offering of the Notes, not a prospectus within the meaning of the Prospectus Regulation. Accordingly, any person making or intending to make any offer of the Notes which are the subject of the offering contemplated in this Prospectus within the EEA should only do so in circumstances in which no obligation arises for the Issuer, the Guarantor or the Joint Bookrunners to produce a prospectus for such offers. None of the Issuer, the Guarantor or the Joint Bookrunners has authorized, nor do they authorize, any offer of Notes through any financial intermediary other than offers made by the Joint Bookrunners which constitute the final placement of the Notes contemplated in this Prospectus.

Notice to Prospective Investors in the United Kingdom

In the United Kingdom, this Prospectus is for distribution only to persons (i) who are investment professionals falling within Article 19 para. 5 of the FSMA, or (ii) falling within Article 49 para. 2 (a) to (d) of the FSMA (*e.g.*, high net worth companies, unincorporated associations) or (iii) other persons to whom it may be lawfully communicated in accordance with the FSMA (all such

persons falling within (i) – (iii) together being referred to as “**Relevant Persons**”). This Prospectus is directed only at Relevant Persons and may not be acted on or relied on by persons who are not Relevant Persons. In the United Kingdom, any investment or investment activity to which this Prospectus relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

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 “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “predicts”, “projects”, “targets” and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on the future earning capacity, plans and expectations regarding TLG’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 makes to the best of its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results, including TLG’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. TLG’s business is also subject to a number of risks and uncertainties that could cause actual developments to differ from the forward-looking statements, estimates or predictions in this Prospectus. Accordingly, investors are strongly advised to read the section “*Description of the Guarantor and the Group*”. This section includes more detailed descriptions of factors that might have an impact on TLG’s business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur. In addition, neither the Issuer nor the Joint Bookrunners assume any obligation, except as required by law, to update any forward-looking statements or to conform these forward-looking statements to actual events or developments.

SOURCES OF MARKET DATA

To the extent not otherwise indicated, the information contained in this Prospectus on the market environment, market developments, growth rates, market trends and competition in the markets in which TLG operates are based on the Issuer’s and the Guarantor’s assessments. These assessments, in turn, are based in part on internal observations of the market and on various market studies.

Irrespective of the assumption of responsibility for the content of this Prospectus by the Issuer and the Guarantor, neither the Issuer nor the Guarantor have independently verified the figures, market data or other information on which third parties have based their studies. Accordingly, the Issuer and the Guarantor make no representation or warranty as to the accuracy of any such information from third-party studies. Prospective investors should note that the Guarantor’s own estimates and statements of opinion and belief are not always based on studies of third parties.

To the extent information contained in this Prospectus has been sourced from third parties, such information has been accurately reproduced and as far as the Guarantor is aware and able to ascertain

from information published by that respective third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Risk Factors	1
Terms and Conditions of the Notes	28
Subordinated Guarantee	77
Description of Rules regarding Resolutions of Holders	86
Overview of the SchVG	86
Individual Subjects of Resolutions	86
Relevant Majorities for Holder Resolutions	87
Procedures for Holder Resolutions	87
Holders' Representative	88
Description of the Issuer	89
General Information	89
Corporate Purpose	89
Group Structure	89
Management Board	90
Statutory Auditor	90
Share Capital	90
Investments.....	90
Business Overview	90
Material Litigation.....	90
Material Agreements	91
Recent Developments and Outlook; Trend Information and No Adverse Change	91
Selected Financial Information of the Issuer	91
Description of the Guarantor and the Group	92
General Information on the Guarantor and the Group	92
Selected Consolidated Financial Information of TLG	96
Business.....	105
Material Agreements	122
Material Litigation.....	129
Description of the Guarantor's Governing Bodies	130
Shareholder Structure	138
Recent Developments and Outlook; Trend Information and No Adverse Change	139
Taxation	142

Taxation in Germany	142
Taxation in Luxembourg	146
Automatic Exchange of Information for Tax Purposes	150
The Proposed Financial Transactions Tax	152
Responsibility of the Issuer for the Withholding of Taxes at Source	152
Subscription and Sale	153
Subscription.....	153
Selling Restrictions.....	153
General Information.....	156
Notice to Prospective Investors in the European Economic Area.....	156
Notice to Prospective Investors in the United Kingdom	156
Interests of Natural and Legal Persons Involved in the Issue.....	156
Authorization and Issue Date	157
Use of Proceeds	157
Delivery of Notes	157
Costs and Expenses Relating to the Purchase of Notes.....	157
Listing and Admission to Trading of the Notes	157
Clearing System and Security Codes	158
Ratings of the Guarantor and the Notes	158
Indication of Yield.....	159
Documents Available	159
Documents incorporated by Reference.....	160
Issuer’s Opening Balance Sheet, Profit and Loss Account and Financial Notes.....	F-1
Glossary	G-1
Names and Addresses	SIG 1

[This page has intentionally been left blank.]

RISK FACTORS

Below is a description of risk factors that are material for the assessment of the market risk associated with the Notes and risks the occurrence of which may affect the ability of the Issuer to fulfil its obligations under the Notes and, as applicable, the Guarantor's ability to fulfil its obligations under the Subordinated Guarantee. These risk factors only describe those risks that are specific to TLG and to the Notes. In addition, TLG faces various risks generally faced by any company operating in the markets in which TLG operates with a platform similar to TLG's platform. Furthermore, any investment in the Notes bears general risks relevant to investments in this type of security, which could have a material adverse effect on the business, financial condition, cash flows, results of operations and prospects of TLG as well as the price of the Notes. Potential investors should carefully consider the specific risk factors outlined below in addition to all other information in this Prospectus and consult with their own professional advisors should they deem it necessary before deciding upon a purchase of Notes.

1. Risks related to TLG's Industry

1.1. TLG could be adversely affected by negative developments in the German economy and commercial real estate markets.

TLG is active in the German commercial real estate markets, focusing on retail and office properties and, to a lesser extent, also hotel properties. In addition, TLG is active in the field of redevelopment of existing properties and new development on owned plots. All of TLG's properties are located in Germany, with the majority currently being located in the regions Berlin, Rhine-Main and Dresden, Leipzig, Rostock.

Commercial real estate markets are susceptible to changes in the overall economy, and therefore volatile. Thus, factors that directly or indirectly affect the overall economy also impact supply and demand for commercial real estate and thereby influence market prices of commercial real estate, rent levels and vacancy rates. TLG's business is therefore highly dependent on macroeconomic and political developments, including changes in legislation, as well as other general trends affecting Germany. As an export-driven economy, Germany itself is affected by the development of the world economy in general and the Eurozone in particular.

Numerous factors are currently contributing to considerable economic uncertainty. Any negative development of the German economy as a whole would likely adversely affect commercial real estate markets and thereby the value of, and demand for, TLG's real estate.

Further, in the event that interest rates were to increase significantly in future periods, the value of commercial real estate could be adversely affected due to increases in the discount rate and a reduction in the availability of attractive financing options. Any such decline in the value of, or demand for, commercial real estate would generally also have an adverse effect on TLG.

While the long-term nature of many of TLG's lease agreements provides some protection against a general decline in rent levels, it may also prevent TLG from increasing its rental income in line with rental growth in the overall commercial real estate market if rent levels were to rise.

1.2. TLG could be adversely affected by a deterioration of the economic conditions and business environment in its key markets, particularly negative demographic trends.

Based on aggregate portfolio value as of June 30, 2019, the majority of the aggregate portfolio of TLG was located in Berlin (42.7%), Dresden, Leipzig, Rostock (together 18.8%), and the Rhine-Main region (13.8%), in particular in Frankfurt am Main. Regional economic and political developments, as well as other trends in these regions therefore have a significant impact on the demand for TLG's commercial real estate and the rents that it is, and will be, able to achieve, as well as on the valuation of its properties. Such local developments may differ considerably from overall developments in Germany.

For example, eastern Germany's regional centers lagged behind western Germany's in terms of absolute economic performance and consumer purchasing power in the past. While some cities and regions in eastern Germany have seen decreasing unemployment rates and growing purchasing power in recent years, there is no guarantee that this trend will continue. In addition, negative demographic trends could lead to a decline in population levels in eastern German cities and regions, particularly among younger segments of the active working population, which could reduce demand for commercial real estate, and thereby adversely affect rental income for TLG's properties in eastern Germany. By comparison, Frankfurt am Main has benefited from positive demographic developments in recent years, but has traditionally seen comparably high vacancy rates. If vacancy rates in the Frankfurt market were to increase further, this could adversely affect rental income for TLG's properties located in Frankfurt am Main.

2. Risks related to TLG's Business Activities

2.1. TLG may not be able to grow through acquisitions.

TLG constantly screens the market for assets and selective acquisition opportunities that best fit its geographic and property type focus and which it expects to provide particularly attractive long-term returns. TLG's acquisitions mainly focus on office properties located in A and B cities in Germany (*i.e.*, Germany's largest cities and larger regional cities) with favorable economic characteristics.

Acquisitions can only be completed if attractive properties or portfolios are available for purchase and if the prices for such properties and portfolios are reasonable. Given its clear focus on office and, to a lesser extent, hotel and retail properties, a large number of the available commercial real estate properties do not meet TLG's portfolio criteria. In addition, a number of factors beyond TLG's control (*e.g.*, the overall development of commercial real estate markets, building activity and planning laws) influence the availability of office, hotel and retail properties. A lack of attractive acquisition opportunities could drive up prices for the type of properties and portfolios TLG seeks to acquire. Thus, TLG may be unable to deploy its financial means in a timely manner, or at all, and might therefore be unable to achieve a satisfactory return on its capital.

Given the currently strong demand for commercial real estate in Germany, there is fierce competition for such properties and portfolios and attractive acquisition opportunities may be unavailable or available only on unfavorable terms (*e.g.*, at higher prices and lower yields). Competitors with acquisition strategies similar to TLG's may possess greater financial resources and lower costs of capital than TLG and may therefore be able to offer higher prices.

TLG intends to finance acquisitions at least partially through additional debt while generally aiming to maintain a maximum long-term net loan to value ratio (“**Net LTV**”) of 45%. The availability and terms of debt financing available to TLG depend on a number of factors, in particular, interest rate levels and the overall state of the financial markets. Rising interest rates or a market crisis could therefore limit TLG’s ability to obtain acquisition financing at acceptable terms or any financing at all. This could limit the prices that TLG is able to offer when acquiring additional properties and portfolios or prevent such acquisitions. In order to maintain its Net LTV, TLG may also seek to raise additional equity. There is no guarantee that there will be sufficient demand for new shares of the Guarantor and thus sufficient equity to finance contemplated acquisitions may not be available.

Any inability to acquire properties or portfolios could impair TLG’s strategy to capture external growth opportunities by growing its portfolio of office, retail and hotel properties and to capitalize on economies of scale.

2.2. TLG may be unable to identify all risks associated with properties or portfolios it acquires and may overestimate the value and/or financial performance of such acquisitions or of its development projects.

Due to a need for quick reaction to attractive opportunities and constraints imposed by the sellers, TLG may in some cases only be able to conduct a limited due diligence investigation. Accordingly, TLG may not always be in a position to examine all risks associated with acquisitions. For example, TLG may not be able to assess whether the original owners of the properties (and their successors, if any) have obtained, maintained or renewed all required permits, satisfied all permit conditions, received all necessary licenses, as well as fire and safety certificates and satisfied all other requirements. In addition, the properties may suffer from hidden defects or damages. Moreover, TLG may not be in a position to carry out all follow-up investigations, inspections and appraisals (or to obtain the results of such inquiries). Accordingly, in the course of the acquisition of properties or portfolios, specific risks may not be, or might not have been, recognized, evaluated and addressed correctly. Legal and/or economic liabilities may be, or might have been, overlooked or misjudged. In particular, real estate transfer tax (*Grunderwerbsteuer* (“**RETT**”)) may inadvertently be, or have been, triggered in the course of such acquisitions of real estate.

Warranties in the purchase agreements that TLG enters into in connection with acquisitions of real estate may not cover all risks or fail to sufficiently cover such risks. In addition, warranty claims may be unenforceable due to a seller’s insolvency or for other reasons. In some cases, a seller may make no representation or warranty as to the sufficiency and correctness of the information made available in the context of a due diligence investigation, or as to whether such information remains correct between the conclusion of the due diligence investigation and the closing of the respective acquisition.

Furthermore, TLG could overestimate the earnings potential and potential synergies from acquisitions or development projects. In the case of acquisitions of portfolios, TLG could in particular underestimate the rental and cost risks, including expected demand from tenants for the respective property or portfolio, and consequently pay a purchase price that exceeds a property’s or portfolio’s actual value. Similarly, TLG could underestimate the rental and cost risks with respect to its development projects which may result from lower than expected demand from tenants for such developed properties, or, with respect to cost risks, for example from increasing material costs or delays in the development or building process. In addition, properties and portfolios could be inaccurately appraised for other reasons, even if TLG were to acquire them on the basis of valuation reports and due

diligence investigations. Therefore, neither a particular cash flow from rentals, nor, if applicable, a certain price upon resale can be guaranteed with respect to acquired properties and portfolios.

2.3. *TLG may face risks related to development activities, including the redevelopment of existing properties and new developments on existing plots, and development activities intended in the future may not be possible.*

TLG has decided to focus more than in the past on development projects if it can identify attractive opportunities within the current portfolio. This strategy provides, among other, for significant capital expenditures on key projects which comprise, in particular, the redevelopment of existing properties and new developments on existing plots.

Such developments are typically long-term in nature and involve numerous risks, including cost overruns, which may result in projects becoming unprofitable, and changes in the economic environment, which may make it difficult or impossible to fully lease projects upon completion.

TLG undertakes these developments at its own risk and, due to inherent uncertainties, TLG faces the risk that developments it undertakes may not be profitable. This may also result in TLG failing to complete construction and delivery of project developments within the scheduled timeframe.

TLG is dependent on third-party contractors to provide construction and other services for the realization of its development projects. Outsourced services include architectural and technical design, concept design and construction. Due to the competitive environment in the German construction sector, particularly in Germany's key metropolitan areas, qualified and reliable construction partners are in great demand. If TLG is unable to find or hire qualified and reliable contractors for any of its development projects, the successful completion of projects in time or with the required quality is at risk. Contractors may fail to meet its standards and deadlines. If any third party fails to provide its services labor, equipment or materials in a timely and/or adequate manner, TLG may be required to source these services or materials at a higher price than anticipated and may face material delays at its project sites until it is able to identify appropriate alternative third parties. In addition, third-party contractors can be adversely affected by economic downturns or poor management decisions. TLG may hire a contractor that subsequently becomes insolvent, causing cost overruns and project delays and increasing the risk that TLG will be unable to recover costs in relation to any defective work performed by such contractor.

Furthermore, the ability to develop or modernize certain properties depends on agreements with the local authorities (including with respect to the acquisition of necessary plots of land) or the land-use regulation applicable to the respective property, in particular local development plans (*Bebauungspläne*). For example, the relevant planning rules applicable to the office property located on Alexanderstraße 1, 3, 5 and the neighboring food service property in Karl-Liebknecht-Straße 30 in Berlin (together the development project *Alexanderstrasse*) currently allow for an increase of the overall building size from approximately 50,550 square meters to up to 149,572 square meters; the relevant planning rules applicable to the warehouse property located on Wriezener Karree 15 in Berlin (the development project *Wiezener Karree*) currently allow for an increase of the overall building size from approximately 9,400 square meters to up to 37,000 square meters. TLG has secured these building rights through preliminary building permits (*Bauvorbescheid*) until 2021. However, local agencies and their respective political authorities might attempt to influence the nature and extent of future buildings during the relevant permit process. In this case, TLG may be unable to realize or fully realize the

potential of such locations, which would affect the rental income generated through a potential development and may therefore affect the economic viability of such developments.

2.4. *Increasing competition in the German commercial real estate markets could lead to falling rent levels or a compression of yields.*

TLG is exposed to competition in all aspects of its real estate business (*i.e.*, the purchase, modernization, development, letting and sale of real estate). Such competition in the real estate market may cause an oversupply of real estate available for rent, especially of office properties, resulting in competition for tenants and decreasing rents, and have a material adverse effect on TLG's ability to find and retain suitable and solvent tenants and to achieve appropriate rents.

Competition for tenants in the German commercial real estate market is already significant and constantly increases. TLG faces competition from local and international real estate companies in all of the regions where it is active. TLG competes with other real estate companies, as well as investment funds, institutional investors, building contractors and individual owners of properties to attract and retain suitable tenants on favorable conditions. Competitors may be able to offer tenants newer and more cost-efficient buildings at attractive prices, any of which could reduce TLG's ability to attract or retain suitable tenants (see also "*TLG may be unable to find or retain suitable and solvent tenants on acceptable terms and existing tenants may be unable to meet their payment obligations. Vacancies may also prevent TLG from passing on fixed operating costs to tenants.*").

2.5. *Prices of TLG's properties may come under pressure from competition and other factors.*

Part of TLG's portfolio strategy is to sell properties that do not qualify as strategic within TLG's overall portfolio.

Should the supply of office and retail properties increase or the related demand decrease, such increase or decrease could put pressure on sales prices, particularly in the local markets in which TLG owns commercial real estate. If commercial real estate is considered to be less favorable economically due to such a development or, for example, changes in taxation, the legal framework or other economic conditions, demand for commercial properties among potential purchasers may decrease, and, consequently, it might only be possible to sell properties at lower prices. Lower sales prices may also require TLG to adjust the fair value of its total real estate portfolio on its consolidated statement of financial position, and to record losses resulting from the fair value adjustments of its investment property in its consolidated statement of comprehensive income for the respective reporting period.

2.6. *TLG may face risks in relation to its acquisition of an equity stake in the share capital of, and a potential merger with, Aroundtown S.A.*

On September 1, 2019, the Guarantor entered into agreements with Avisco Group ("**Avisco**") to purchase a 9.99% stake in the share capital of the publicly listed real estate company Aroundtown S.A. ("**Aroundtown**") from Avisco for a total purchase price of €1,016 million, or €8.30 per share in Aroundtown, and to be granted a call option to acquire another stake of up to 4.99% in the share capital of Aroundtown for the same price per share which can be exercised until February 28, 2020. Similarly, under the agreements, Avisco is granted a put option to sell a stake of up to 4.99% in the share capital of Aroundtown to the Guarantor (see "*Description of the Guarantor and the Group—Material Agreements—Purchase and Sale Agreements—Acquisition of Equity Stake in Aroundtown S.A.*"). On the same date, the Guarantor announced that the Guarantor and Aroundtown will commence discussions

in relation to a potential business merger with Aroundtown in which the Guarantor intends to act as offeror, or effect a different form of business combination as to be mutually agreed between the parties.

The market price for shares in Aroundtown is subject to fluctuations on the stock markets, depending, amongst others, on the operational performance of Aroundtown and the overall economic developments in Germany. As customary for the acquisition of a minority stake in publicly listed German companies, TLG has not conducted a legal or financial due diligence beyond publicly available information with regard to risks relating to Aroundtown prior to entering into the transaction. Therefore, the Guarantor may not have identified all risks associated with Aroundtown's business operations, financial condition or corporate structure which might also negatively affect the market price of the shares in Aroundtown. If the market price for shares in Aroundtown decreases, as it has done after the announcement of the transaction, the Guarantor might be required to reflect such decrease on its balance sheet through write-offs of its position in Aroundtown and, in case of a divestiture, might be able to dispose of such shares only for a consideration lower than the purchase price paid for them. Further, if either the Guarantor or Avisco decides to exercise its option to acquire, or to sell to the Guarantor, additional shares in Aroundtown, the Guarantor might be required to pay a purchase price for such additional shares which exceeds the then current market value of such shares.

Also, it is uncertain whether the negotiations on a potential merger or other business combination with Aroundtown will be successful. Even if such negotiations led to a business merger of the two companies, as of the date of this Prospectus, it cannot be foreseen in which structure and form such business combination might occur, and how the stakeholders of the Guarantor will be affected. In addition, such merger would entail further risks. For example, the integration of the two companies might result in additional or unforeseen expenses or the anticipated benefits of such integration might not be achieved at all.

2.7. *TLG could be subject to liability claims in connection with sold properties.*

In recent years, TLG, including in particular WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft ("WCM AG" and together with its consolidated subsidiaries "WCM") prior to its acquisition by TLG, has sold a large number of properties and plans to continue to sell properties from its existing portfolio. In connection with property sales, the seller is usually required to make representations, warranties and negative declarations of knowledge to the purchaser with respect to characteristics of the sold property. The potential liability resulting therefrom usually continues to exist for a period of several years after the sale. TLG could be subject to claims for damages from purchasers, who could assert that the seller has failed to meet its obligations, or that its representations were incorrect. Furthermore, TLG could become involved in legal disputes or litigation over such claims. If TLG as the seller has provided warranties to a purchaser of properties in connection with maintenance and modernization measures, and claims are asserted against TLG because of defects, TLG may be unable to take recourse against the companies that performed the work.

As a seller of properties, TLG may be liable to tenants for breaches of lease agreements by the purchaser, even where TLG no longer has control over the respective property. When selling properties, TLG typically informs all tenants in writing of the change in landlord in order to be released from persisting obligations. A release from liability does not apply to security deposits (*Mietsicherheiten*) provided by the tenants. If a tenant is unable to receive its security deposit from the purchaser of a property, the liability to repay such security deposit remains with TLG as the seller.

2.8. *TLG's portfolio bears certain concentration risks. Long-term socioeconomic trends could adversely affect demand for TLG's office, retail and hotel properties, or negatively affect TLG's major tenants and its most valuable properties.*

TLG faces concentration risks due to its focus on certain types of commercial real estate and its dependency on a limited number of main tenants and individual properties with particularly high property values. As of June 30, 2019, a significant portion of the properties in TLG's portfolio comprised the asset classes office (42.6% of TLG's aggregate portfolio in terms of property value), retail (24.2% of the TLG's aggregate portfolio in terms of property value), hotel (7.4% of the TLG's aggregate portfolio in terms of property value) and invest (17.6% of the TLG's aggregate portfolio in terms of property value) the current or planned use of which also comprises office and retail purposes. For retail properties, TLG focusses on food anchored retail properties. Demand for office, retail and hotel properties is not only affected by the overall development of commercial real estate markets but also by business developments and long-term socioeconomic trends affecting existing and potential tenants for these types of properties. Such developments include:

- an ongoing consolidation within the food retail sector, an increase of food purchases via internet, including online food delivery services, and trends towards smaller, high-quality food retailers,
- trends towards working from home offices, using shared office or desk space not dedicated to individual employees or from tax-friendly headquarters located away from city centers where TLG's office properties are located, and
- the development of city tourism and alternative models of accommodation, such as Airbnb and hotel taxes.

Changing requirements for real estate may result in TLG's properties becoming obsolete unless significant capital expenditures are made to modernize such properties. As preferences continue to evolve, other socioeconomic trends may develop that decrease the useful lifespan of and demand for rental space. Lower demand for TLG's rental space could result in vacancies or rent reductions as well as increased incentives, such as rent-free periods, due to increased bargaining power on the part of tenants, thus leading to a reduction of rental income and potentially additional capital expenditures to meet market standards for offered rental space.

In addition, TLG generates a significant portion of its annualized in-place rent (*i.e.*, contracted rents as of June 30, 2019, without deduction for any applicable rent-free periods, multiplied by twelve ("**Annualized In-place Rent**")) from only a limited number of main tenants. As of June 30, 2019, 58.2% of Annualized In-place Rent from TLG's retail properties derived from the top seven tenants (namely food retail chains operating under the "EDEKA"/"Netto", "REWE"/"Penny", "Kaufland"/"Lidl", "Hellweg", "OBI", "Rossmann" and "ALDI" brands), and 35.4% of Annualized In-place Rent from TLG's office properties derived from the top ten tenants (*e.g.*, Daimler Real Estate GmbH, AIR Liquide Global E&C Solutions Germany GmbH and OstseeSparkasse Rostock). If such major tenants were to face financial difficulties or default on their lease obligations, reduce or abandon their operations in TLG's markets, attempt to renegotiate lease agreements to TLG's disadvantage, fail to extend their lease agreements or terminate them prematurely, TLG could lose a substantial portion of its Annualized In-place Rent.

Certain properties in TLG's portfolio represent a particularly large portion of its holdings. Based on portfolio value as of June 30, 2019, the top five office properties represented 28.8% of TLG's office asset class (with the top 15 representing 65%). Further, the "H4/H2" hotel in Berlin accounted for 40.8% of TLG's hotel asset class, based on portfolio value as of June 30, 2019. Likewise, the property Alexanderstraße 1, 3, 5 in Berlin, which is TLG's most valuable property, represented 38.2% of TLG's invest asset class, based on portfolio value as of June 30, 2019. Negative developments such as the loss of major tenants and persisting vacancies, a decline in the occupancy rates or the chargeable rates for TLG's hotel rooms, restrictive government orders limiting the use of a property, construction work allowing for rent reductions, fire and other catastrophes could have a material adverse effect on any single property. If one of TLG's most valuable properties were to be affected by such developments, this could have a material adverse effect on TLG's overall portfolio.

2.9. TLG may be unable to find or retain suitable and solvent tenants on acceptable terms and existing tenants may be unable to meet their payment obligations. Vacancies may also prevent TLG from passing on fixed operating costs to tenants.

The letting of office, retail and hotel properties is the most important aspect of TLG's daily operations. TLG's rental income depends on its ability to let large parts of its portfolio at attractive rental levels. Such efforts are influenced by a number of factors, including the remaining term of existing lease agreements, the solvency of current tenants and the attractiveness of properties for suitable tenants. TLG may be unable to renew the expiring lease agreements on acceptable terms or to find suitable, solvent tenants willing to enter into long-term lease agreements. Failure to find and retain suitable tenants may prevent TLG from maintaining its current vacancy rate or renting vacant space or force TLG to reduce the rent it demands from current and future tenants. Also, TLG's profits may be adversely affected by its inability to pass on fixed operating costs for vacant space, including local taxes and service charges, and TLG would have to bear such costs until the affected rental space is fully rented again.

In addition, a tenant's creditworthiness may deteriorate, entailing the risk that the tenant is unable to meet its obligations under its lease agreement and fails to render payments in time, or at all. This could force TLG to reduce rent levels for the respective property and the rental income could be significantly lower than originally estimated, while TLG's operating costs might remain largely fixed or might even increase.

2.10. Indexation clauses in TLG's lease agreements could adversely affect TLG's rental income.

Some of TLG's lease agreements, especially those for retail properties, include clauses providing for full or partial indexation of the applicable rent in line with a reference index, such as the German consumer price index. These clauses provide not only for upward adjustments, but also for downward adjustments tied to changes in the relevant index. Thus, rental income may decrease if consumer prices decline (e.g., as part of a general deflation). If a lease agreement contains no indexation or equivalent adjustment clauses, the applicable rent may remain constant for the term of the lease agreement, while TLG's costs of maintaining the respective property may increase due to inflation. This risk is compounded by the fact that many of TLG's lease agreements provide for long-term leases.

2.11. TLG may incur substantial unexpected maintenance, repair and modernization costs and failure to undertake appropriate maintenance measures could adversely affect its rental income.

TLG aims to continue to invest in its properties, particularly office, retail and hotel properties, to ensure that its properties meet technical requirements and market demand. Maintenance and modernization measures may also be required to meet changing legal, environmental or market requirements (e.g., with regard to health and safety requirements and fire protection). Failure to maintain the properties could pose a risk to the health and safety of TLG's tenants, as well as their employees and customers. Typically, the costs associated with keeping properties up to market demand are borne primarily by the property owner and thus TLG may incur substantial expenses. TLG could incur additional expenses if the actual costs of maintaining or modernizing its properties exceed TLG's estimates, if it is not permitted to raise rents in connection with maintenance and modernization measures, or if hidden defects not covered by insurance or contractual warranties are discovered during the maintenance or modernization process or additional spending is required. Any failure to undertake appropriate maintenance and modernization measures could adversely affect TLG's rental income and entitle tenants to withhold or reduce rental payments or even to terminate existing lease agreements.

2.12. TLG is dependent on the expertise, commitment and performance of a limited number of key members of its management and qualified employees and TLG may fail to hire or retain such personnel.

TLG only employs a small number of employees in central functions responsible for managing its business. Its success greatly depends on the performance of the members of the Guarantor's management board (the "**Management Board**") and other qualified employees in key positions, particularly those with substantial sector expertise, who are responsible for the management of TLG's portfolio and corporate functions. Furthermore, TLG may need to hire additional qualified employees if its future growth exceeds its current platform or if TLG is forced to replace qualified employees. Due to the intense competition for qualified personnel in the commercial real estate sector, there is no guarantee that TLG will be able to hire sufficiently qualified key employees at acceptable terms in the future.

2.13. TLG's IT-systems could malfunction or become impaired.

IT-systems are essential for the daily running of TLG's business operations. Any interruptions in, failures of or damage to its IT-systems could lead to delays or interruptions in TLG's business processes. In particular, TLG's IT-systems may be vulnerable to security breaches and cyberattacks from unauthorized persons outside and within TLG. Despite taking what it considers sufficient precautions, TLG cannot guarantee that anticipated and/or recognized malfunctions or security deficits can be avoided by appropriate preventive security measures in every case. Also, TLG's IT-systems may not be sufficient for TLG's ongoing expansion and there is no guarantee that TLG will be able to adapt its IT-systems to new requirements.

If TLG were to decide to introduce new IT-systems in the future or to adapt existing IT-systems, there is no guarantee that such adaptations will be completed without interruptions or at all. Problems when adapting its IT-systems could lead to delays or interruptions to TLG's business processes. In addition, new IT-systems may turn out to be incompatible with TLG's existing IT-systems, which could also cause problems with respect to TLG's IT-systems.

2.14. TLG's IT-based portfolio management tools could fail to correctly reflect and support the business decisions that are in TLG's best interest.

The administration and management of TLG's portfolio is conducted, *inter alia*, with IT-based portfolio management tools that analyze data of individual properties and the respective tenant base and help monitor the compliance of individual properties with TLG's current business plan. These management tools allow TLG to constantly check, monitor and compare individual properties for a number of relevant key performance indicators. The reliance on such management tools could lead to decisions that are not in TLG's best interest, for example, if essential data cannot be collected or has to be estimated for the future, if model assumptions turn out to be wrong, or if the key performance indicators that are used are not relevant for TLG's long-term success.

2.15. TLG could incur substantial losses from damages not covered by, or exceeding the coverage limits of, its insurance policies.

Insurance policies taken out by TLG, including against fire, natural disasters, operational interruptions and third-party liability, are subject to exclusions and limitations of liability both in amount and with respect to the insured events. There can be no assurance that TLG's assessment that it is sufficiently insured against contingencies is accurate. Floods, fires, storms and similar natural disasters, as well as acts of terrorism or other events may cause damage to a property in excess of insurance coverage and may thus lead to significant costs that must be borne by TLG in connection with remediation and repair work. In addition, significant costs could ensue if tenants terminate their lease agreements or withhold part or all of the agreed rent payments as a consequence of any of the foregoing events. Even in cases where TLG has obtained sufficient insurance coverage, its insurance providers could become insolvent, forcing TLG to bear any costs itself.

2.16. The Guarantor's intra-group cash flows depend on the profitability of its subsidiaries and it may not be able to implement significant changes with regards to its subsidiaries.

The Guarantor itself holds and administers real estate, but is also a holding company for selected subsidiaries that hold individual properties including WCM AG and its subsidiaries. In the future, the Guarantor may found or acquire additional subsidiaries to function as asset-holding companies for certain real estate properties with the aim of creating a more advantageous tax structure of TLG. There is no certainty that these changes to the group structure will be carried out or that they will be successful or actually yield the intended advantages.

In order to cover its operating costs and to make distributions, the Guarantor relies on distributions it receives from its subsidiaries and other equity investments or, as the case may be, repayments of loans (potentially also by way of cash pooling arrangements) granted to its subsidiaries. Any distributions by the subsidiaries depend, in turn, on the subsidiaries' operating results and their ability to make those distributions under applicable law. Such transfers of funds (also by way of cash pooling arrangements) could become restricted by laws or otherwise, and future funds may not be sufficient to satisfy all of the Guarantor's payment obligations.

The Guarantor has entered into domination and/or profit transfer agreements with some of its German subsidiaries, in particular with WCM AG (see "*Description of the Guarantor and the Group—Material Agreements—Inter-Company Agreements*"). These agreements require the Guarantor to cover the losses of the relevant subsidiaries. As a result, the Guarantor may incur substantial losses, if the relevant subsidiaries incur a corresponding deficit.

Furthermore, the Guarantor currently does not own all of the shares in some of its subsidiaries, including its key subsidiaries WCM AG and Triangel Frankfurt Immobilien GmbH & Co. KG, and may

in the future acquire interests in entities with majority shareholders, participate in joint ventures or sell minority interests in its existing or future subsidiaries. Minority shareholders in such entities may be protected by German laws, Luxembourg laws or the laws of their respective jurisdiction, including provisions requiring unanimous consent to structural changes. Thus, the management of subsidiaries with minority shareholders may prove difficult for the Guarantor.

2.17. TLG may be required to adjust the current values of its investment property or record lower results from the remeasurement of investment property and therefore recognize significant accounting losses.

TLG accounts for the vast majority of its investment property (*i.e.*, properties that are held for the purpose of earning rental income, for capital appreciation or both) at fair value in accordance with IAS 40 (Investment Property) in conjunction with IFRS 13 (Fair Value Measurement). The fair value of a property held to generate rental income or for capital appreciation or both is measured with the discounted cash flow method (the “**DCF Method**”). According to the DCF Method, the fair value of a property is the sum of the discounted cash flows for a planning period (*e.g.*, ten years), plus the residual value of the property at the end of the planning period discounted to the valuation date. The applied discount rate for the ten-year planning period reflects the current market assessment, location, condition and letting situation of the property, the yield expectations of a potential investor and the level of uncertainty and inherent risk of the forecast future cash flows, while the applicable exit capitalization rate is derived from the applied discount rate and is based on the individual property location, type, size and quality, taking into account the market information available on the reporting date. Properties generating no sustainable operating cash flows are valued using their liquidation value. TLG recognizes any changes in the fair value of such investment property under result from the remeasurement of investment property in the consolidated statement of comprehensive income. If TLG’s cash flows from investment property decrease or discount rates used in the DCF Method valuation rise (*e.g.*, due to increased interest rates), TLG would have to revise the value of its portfolio in the consolidated statement of financial position downwards. Further, as of the date of this Prospectus, TLG measures the fair value of 7 of its properties assigned to the invest asset class (with an aggregate property value of approximately €420 million as of June 30, 2019) not with the DCF Method but with the residual value method. The residual value method is used to estimate the value of land or buildings that are going to be developed and/or redeveloped. Specifically, the method calculates the residual land value, which is the value of the site or land after development has been completed, minus the cost of purchase, plus developing including construction measures, maintaining, or reselling the land. There is a significant level of uncertainty regarding the underlying assumptions of the residual value method, *e.g.* the development/construction costs and the value of the property after development.

With respect to properties classified as investment property, TLG applies the following accounting treatment in case of a sale: Upon the notarization of the sale and purchase agreement, the property is generally reclassified as a non-current asset held for sale. In that case, the difference between the previous carrying amount of the property and the sales price, if any, is added to the carrying amount of the property and recognized under result from the disposal of investment property. Thus, if the purchase price exceeds the carrying amount, the Guarantor is able to record a gain in the excess amount. However, if a sale fails to close or if the purchase price is reduced between signing and closing of the transaction (*e.g.*, due to an agreed purchase price adjustment mechanism or TLG’s failure to fulfill representations and warranties included in the purchase agreement), the Guarantor may be forced to record a loss in the subsequent reporting periods during which the transaction closes.

3. Risks related to TLG's Financial Situation

3.1. *TLG's ability to repay existing and future debt could be limited and TLG may be unable to obtain new sources of financing on attractive terms, or at all.*

TLG uses debt financing to fund its existing portfolio, ongoing operations and future acquisitions and therefore depends on the availability of such financing. General conditions for real estate financing are subject to constant change and the attractiveness of different financing options depends on a variety of factors beyond TLG's control (*e.g.*, the overall monetary policy, interest rates, general tax conditions and the value of commercial real estate to be used as collateral). In the past, financial difficulties in the capital markets in general and the European Union in particular have adversely impacted the availability of debt financing. Furthermore, regulatory changes could restrict the lending activities of banks.

TLG's current and non-current liabilities due to financial institutions amounted to €1,088.5 million and corporate bonds amounted to €987.0 million, as of June 30, 2019, respectively, and each measured in accordance with International Financial Reporting Standards, as adopted by the European Union ("**IFRS**"), resulting in a Net LTV of 28.4%.

TLG's ability to repay existing debt could be limited if it were unable to obtain new debt financing or extend existing credit facilities or issue new debt capital instruments to the extent necessary or when required (in particular, when large amounts mature under the Notes, the €400,000,000 1.375% Fixed Rate Standalone Notes due 2024 issued on November 27, 2017 (the "**2017 Notes**"), the €600,000,000 1.500% Fixed Rate Standalone Notes due 2026 issued on May 28, 2019 (the "**2019 Notes I**"), or, if issued, under the €600,000,000 0.375% Fixed Rate Standalone Notes due 2022 intended to be issued at or around the time of the issuance of these Notes (the "**2019 Notes II**")). TLG's level of debt could lead banks and other financiers not to make new loans available to TLG, or to only make them available on less favorable terms, or to refuse to extend existing credit lines, or to grant an extension of existing credit lines only on less favorable terms (*e.g.*, demanding additional collateral, increasing interest rates).

Furthermore, some loans, the 2017 Notes, the 2019 Notes I and, if issued, the 2019 Notes II depend on the shareholder structure and provide for termination rights of the respective lender or noteholder if the control over the Guarantor changes. The terms and conditions of the 2017 Notes and the 2019 Notes provide for termination rights of the noteholders which are triggered if any person or persons acting in concert acquire 30% or more of the share capital of the Guarantor. The termination right for the 2017 Notes does not depend, in addition to that, on a rating downgrade as a consequence of such change of control, as opposed to the termination right for the 2019 Notes I and, if issued, the 2019 Notes II. In case of the exercise of such termination rights, a refinancing under changed conditions is required.

Under the Terms and Conditions of the Notes, the Issuer has the right to call for redemption of the notes at 101% of the principal amount if any person or persons acting in concert acquire (i) 30% or more of the registered share capital of the Guarantor or (ii) such number of the shares in the capital of the Guarantor carrying 30% or more of the voting rights, resulting in a rating downgrade as a consequence. If the Issuer does not exercise this right, interest on the Notes will increase by 500 basis points as from the date of such change of control.

Rising interest rates could increase TLG's financing costs and prevent it from achieving an adequate spread between cash flows from rental income and disposals on the one hand and interest payments on the other hand, or any cash inflow at all. While TLG may try to substitute debt financing through equity financing, TLG may be unable to raise capital at attractive terms, or at all.

TLG's acquisition of additional properties and portfolios may be financed by taking on additional debt or by issuing and offering new shares or equity-linked instruments, or a combination thereof. If TLG is unable to obtain the necessary financing on reasonable terms, it may be unable to make acquisitions, or may only be able to do so to a limited extent. This could adversely affect its future business development and competitiveness. In addition, to secure bank loans for the financing of property acquisitions, TLG has provided lenders with a certain amount of collateral for securing its liabilities. In particular, TLG has provided collateral in the form of land charges and, to a certain extent, pledges over the shares of the subsidiaries holding the real estate in relation to the properties which were acquired with the funds from the respective financing. TLG's assets are therefore available only to a limited degree for securing other debt, which in turn could restrict its ability to raise additional funds and refinance existing financing. Even if debt financing is available, any additional debt could have a significant negative impact on TLG's key performance indicators and could result in higher interest expenses.

TLG obtained corporate ratings from Moody's and S&P. These ratings depend, *inter alia*, on the development of TLG's performance and certain key credit ratios. In addition, macro-economic developments such as the development of the German economy and changes in interest rate levels may have an impact on TLG's performance and, accordingly, on its rating. Moody's and S&P review the factors that influence TLG's rating on a regular basis. TLG cannot rule out that its ratings may be downgraded in the future. Any downgrade or negative outlook could negatively impact TLG's reputation, the price of its shares and debt instruments and may prevent TLG from raising funds at attractive terms or at all.

Subject to future market conditions, TLG may decide to take further measures to optimize its financing structure, including by potentially drawing on the debt capital markets through the issuance of additional bonds. However, there is no guarantee that TLG will be able to place such bonds at acceptable terms or at all.

TLG has hedged most financial debt with floating interest rates against interest rate changes. When extending existing debt or taking on new debt, TLG may be unable to enter into hedging instruments or may only be able to do so at significant costs when trying to limit its exposure to such developments.

3.2. *If TLG breaches covenants under its current or future financing, it could be forced to sell properties at economically unattractive conditions and its creditors or security agents could seize or realize significant collateral, which could ultimately lead to an insolvency of the Guarantor.*

TLG's financing agreements and debt instruments require TLG to comply with certain general and financial covenants such as a maximum loan-to-value-ratio, minimum interest or debt-service cover ratios, as well as equity ratios. Failure to comply with such covenants could have severe consequences, including:

- creditors may have the right to terminate the loan agreement, and outstanding loan amounts could be declared immediately due and payable;
- other creditors could also be entitled to terminate their loan agreements with TLG as a result of cross-default provisions;
- creditors may be entitled to extraordinary prepayments or higher interest rates; and
- creditors may have the right to request the granting of additional security interest.

To secure the repayment of its loans, TLG has granted land charges over its properties and has assigned as security rental income, potential insurance claims and other related claims. It has also pledged to its creditors rental income and other accounts, as well as shares in property holding subsidiaries. If TLG is unable to perform obligations under its financing agreements, its creditors could seize and realize this collateral without further negotiations. This could result in a loss of part or all of TLG's real estate or a forced sale of properties on economically unfavorable terms. If the proceeds from such forced sales are insufficient for the repayment of TLG's liabilities, this could ultimately lead to an insolvency of the Guarantor or other entities of TLG.

In addition, the 2017 Notes, the 2019 Notes I and, if issued, the 2019 Notes II include certain covenants. If TLG were to issue additional bonds in the future, such bonds would typically also include various covenants. If TLG were to breach its covenants under the 2017 Notes, the 2019 Notes I, the 2019 Notes II or any future bonds, the effects therefrom could be similar to those described with respect to TLG's loans above.

4. Legal and Regulatory Risks

4.1. TLG may be adversely affected by changes to the real estate-related regulatory environment in Germany.

TLG's business is subject to the general regulatory framework that applies to commercial properties and lease agreements for such properties as well as special provisions of other laws (e.g., construction and construction planning laws, the building code, environmental laws and safety regulations, including fire protection). If German federal or state laws or the interpretation or application thereof changes, this could force TLG to significantly change the way it conducts its business and therefore affect the value of its portfolio. TLG could incur additional expenses in trying to comply with more restrictive laws. Furthermore, European and German legislators or regulators could subject TLG's business to additional regulatory obligations and restrictions.

4.2. TLG may incur costs in connection with residual pollution including wartime ordnance, soil contaminations and hazardous materials.

Some of TLG's properties do, and some of the properties TLG acquires may, contain soil contaminations, hazardous materials (including asbestos), other residual pollution or wartime ordnance. As of June 30, 2019, 21 properties from TLG's aggregate portfolio (including 8 properties already sold where TLG has post-closing obligations) were affected by soil contaminations. The Guarantor estimates that the total exposure from soil contaminations amounted to €4.8 million in respect of the existing portfolio (€14.8 million for properties already sold) as of that date. TLG has received declarations of indemnification (*Freistellungserklärungen*) relating to these contaminations and it may be, and has on

past occasions been, otherwise released and indemnified, pursuant to the German Environmental Framework Act (*Umweltrahmengesetz*) and administrative agreements, from certain responsibilities for sites contaminated and polluted prior to July 1, 1990. These indemnifications do not cover TLG's full exposure from soil contaminations. Also, declarations of indemnification only cover periods prior to July 1, 1990. Other periods could be relevant for contamination and pollution as well. Also, such declarations of indemnification may not cover all costs associated with remediation measures (*e.g.*, loss of rent). The existence or even suspected existence of soil contaminations or wartime ordinance may negatively affect TLG's ability to lease or sell such properties.

TLG could also be responsible for the remediation of properties that TLG, including WCM, sold in the past. For soil contaminations, the German Federal Soil Protection Act (*Bundesbodenschutzgesetz*) provides for an ongoing responsibility of previous property owners if the property has been sold or transferred after March 1, 1999 and the contamination was, or should have been, known to the previous owner. There is no general ranking as to which of the parties is primarily liable. It is within the discretion of the relevant authority to decide which party shall be held liable. The party most likely to be held liable is the current owner of the contaminated site, because it is legally entitled to carry out the required remedial measures. TLG, including WCM, sold various properties in the past and plan to sell further properties in the future. TLG could thus be held liable as a previous owner, but also as the responsible party having caused the contamination.

For instance, TLG is or was the owner of several properties in Apolda, Thuringia, affected by soil contaminations. The contaminated soil from TLG's properties was moved to a neighboring property owned by GESA Gesellschaft zur Entwicklung und Sanierung von Altstandorten mbH ("GESA"). In 2011, GESA estimated that costs for a full remediation of contaminated properties in Apolda owned by TLG and GESA would amount to between €20 million to €44 million. TLG has received a declaration of indemnification in the amount of €20.2 million by the state of Thuringia. However, there is no guarantee that such indemnification will be granted or that the indemnification granted will prove sufficient. Furthermore, TLG also obtained indemnifications from purchasers of those Apolda properties that it sold. However, there is no guarantee that all costs incurred by TLG will ultimately be covered by declarations of indemnification or purchase agreements, or that the buyers of TLG's properties will be able to fulfill their indemnification obligations.

As of June 30, 2019, a total of 33 buildings located on TLG's properties contained hazardous materials. The Guarantor estimates that TLG's total exposure from such hazardous materials amounted to €2.5 million as of that date. Even if TLG itself is not responsible for existing contamination or pollution of the soil or buildings, it might be legally or practically difficult or impossible to force the responsible parties to remedy or remove the damage or take recourse against such parties. Even if TLG performs its customary due diligence with regard to soil contamination prior to acquiring new real estate, this due diligence may not expose all environmental issues such that TLG may remain liable.

The existence or even suspected existence of hazardous materials or other residual pollution may negatively affect TLG's ability to lease or sell such properties. In the course of decontamination procedures, tenants of the affected building may withhold part or all of their rent, may view such contamination as cause to exercise extraordinary termination rights or assert damage claims due to an interruption of their business. Additionally, tenants' employees may claim damages due to personal injury caused by the contamination.

4.3. *Clauses in TLG's standard lease agreements may be invalid and some of these agreements may not fulfill the strict written form requirements under German law.*

TLG uses standardized contracts in its contractual relationships with a large number of parties, in particular with its tenants. Any invalid provisions or ambiguities in standardized contracts can therefore affect a multitude of contractual relationships. Standardized terms under German law are required to comply with the statutory law on general terms and conditions (*Allgemeine Geschäftsbedingungen*), which means that they are subject to fairness control by the courts regarding their content and the way they are presented to the other contractual party by TLG. As a general rule, standardized terms are invalid if they are not transparent, unclearly worded, unbalanced or discriminatory. Any standardized clauses in TLG's contracts being invalid could lead to a substantial number of claims being brought against TLG or TLG being forced to bear costs which it had previously considered to be allocable to its contractual counterparties. In addition, clauses which are not standardized clauses may also be invalid, which could have a material adverse effect on TLG (e.g., if due to such invalid clauses a key tenant could exercise an extraordinary termination right).

Real estate owned by TLG is leased predominantly long term. Pursuant to German law, fixed-term lease agreements with a term exceeding one year can be terminated prior to their contractually agreed expiration date if certain formal requirements are not complied with. These include the requirement that there needs to be a document that contains all material terms of the lease agreement, including all attachments and amendments, and the signatures of all parties thereto. While the details of the applicable formal requirements are assessed differently by various German courts, most courts agree that such requirements are, in principle, strict. Some lease agreements regarding real estate owned by TLG may not satisfy the strictest interpretations of these requirements (for the conclusion and the modifications of these agreements). In this case, the respective lease agreement would be deemed to have been concluded for an indefinite term and could therefore be terminated one year after handover of the respective property to the tenant at the earliest, provided that the statutory notice period is complied with (i.e., notice of termination is admissible at the latest on the third working day of a calendar quarter towards the end of the next calendar quarter). Consequently, some of TLG's tenants might attempt to invoke alleged non-compliance with these formal requirements in order to procure an early termination of their lease agreements or a renegotiation of the terms of these lease agreements to TLG's disadvantage.

4.4. *TLG may be forced to repay certain subsidies.*

As of June 30, 2019, TLG had received investment supplements (*Investitionszulagen*), investment subsidies (*Investitionszuschüsse*) and other public grants with unexpired commitment periods (*Bindungsfristen*) in an aggregate amount of approximately €5.0 million relating to properties in its portfolio as of that date. Certain subsidies were directly paid to TLG and set-off against the lease obligations of the respective tenants. The administrative decisions, based on which these subsidies were granted, impose certain obligations on these tenants. Failure to comply with such obligations or an insolvency of the respective tenant or other factors could lead to a revocation of subsidies and force TLG to repay amounts paid to TLG, even where it may not be able to take recourse against its tenants. As a result, TLG has been involved in litigation with government authorities over the revocation of grants in the past.

In addition, as of June 30, 2019, TLG had received subsidies in an aggregate amount of approximately €25.8 million relating to properties in its portfolio as of that date, where there are no

commitment periods or where commitment periods have already expired. The authorities granting such subsidies could demand repayment of such subsidies if they were to decide that TLG or its tenants have violated certain obligations or due to other reasons.

Furthermore, TLG has sold a number of properties for which it had received subsidies in the past and TLG could be forced to repay these subsidies if the buyer of the respective property does not qualify for such subsidies or violated obligations under the administrative decisions granting these subsidies. While TLG may have obtained contractual indemnities against the respective buyer, it may be unable to actually take recourse against the buyer (*e.g.*, due to an insolvency of the respective buyer).

In addition, TLG has received subsidies for development measures, which also impose certain obligations. TLG may be forced to repay these subsidies if it were in breach of these obligations.

4.5. *TLG may be subject to restitution or compensation claims if its properties have been unlawfully expropriated, and this could delay or prevent the transfer of its properties in case of a sale.*

TLG has been and may in the future be subject to third-party claims in connection with restitution and compensation claims. Under German law, former owners of assets that were dispossessed either by the national socialist government between January 30, 1933 and May 8, 1945 or by the former German Democratic Republic (*Deutsche Demokratische Republik*) can demand the restitution of such assets. TLG has obtained contractual indemnity claims against the Federal Institute for Special Tasks Arising from Unification (*Bundesanstalt für vereinigungsbedingte Sonderaufgaben*) if restitution or compensation is successfully claimed because of unlawful expropriation during certain historical periods.

Furthermore, when disposing of properties TLG has to comply with the German Real Estate Transfer Ordinance (*Grundstücksverkehrsordnung*), pursuant to which TLG generally needs to obtain approval from the competent authorities prior to disposing of any properties it has not purchased itself unless certain exemptions apply. If any restitution claims have been filed for a property that TLG intends to sell, such approval will not be granted before the claim has been settled. Therefore, restitution claims may adversely impact TLG's ability to dispose of properties.

4.6. *Outside shareholders of WCM AG may enforce an increase of the exchange ratio and/or annual compensation under the Domination Agreement.*

Following the completion of the voluntary public takeover offer for all shares of WCM AG (see "*Description of the Guarantor and the Group—General Information on the Guarantor and the Group—History and Development—Takeover of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft*"), the Guarantor as controlling entity and WCM AG as controlled entity entered into a domination agreement in October 2017 (the "**Domination Agreement**") which became effective in February 2018. The Domination Agreement provides for a certain annual cash guarantee dividend per share to be paid to outside shareholders of WCM AG and a compensation in kind in form of an offer to exchange a certain number of shares in WCM AG against a certain number of shares in TLG should any such outside shareholder want to exit WCM. The Domination Agreement was entered into the commercial register in February 2018. 83 petitioners initiated an appraisal proceeding before the regional court of Frankfurt am Main against TLG challenging the appropriateness of the guarantee dividend and compensation stipulated in the Domination Agreement. Although the outcome of this appraisal proceeding remains unclear, if such action were successful and TLG had to grant a higher exchange ratio and/or a higher

annual compensation to such outside shareholders of WCM AG, the net economic benefits TLG can derive from the Domination Agreement could be reduced significantly.

5. Risks related to Tax

5.1. TLG may be adversely affected by an increase of its tax burden.

TLG is dependent on the general tax environment in Germany. The tax burden depends on various tax laws, as well as their application and interpretation. For instance, increases in the RETT-rate, as experienced in most German states and uncertainties with regards to the legal framework concerning interest deductibility and trade tax relief for the administration of real estate could make the acquisition and sale of properties more expensive and adversely affect TLG's business. Its tax planning and optimization depends on the current and expected tax environment. Amendments to tax laws may take retroactive effect and their application or interpretation by tax authorities or courts may change unexpectedly. Furthermore, court decisions are occasionally limited to their specific facts by tax authorities by way of non-application decrees. This may also increase TLG's tax burden.

The Guarantor received the last final and binding tax assessments with respect to the fiscal years of 2012 up to and including 2015. WCM received the last final and binding tax assessments with respect to the fiscal years up to and including 2012. The lack of more recent final and binding tax assessments increases the uncertainty regarding the tax authorities' interpretations of applicable tax laws for periods for which no final assessment has been received and increases the possibility that these interpretations may differ from the interpretations of the Guarantor and WCM, respectively. Any tax assessments that deviate from the expectations of the Guarantor and WCM, respectively, could lead to an increase in its tax obligations and, additionally, could give rise to interest payable on the additional amount of taxes.

Furthermore, future tax audits and other investigations conducted by the competent tax authorities could result in the assessment of additional taxes. In particular, this may be the case with respect to changes in TLG's shareholding structure, other reorganization measures or impairment on properties with regard to which tax authorities could take the view that they ought to be disregarded for tax purposes could result in the assessment of additional taxes; tax loss carryforwards could not be deductible as a consequence of changes in the shareholder structure. Furthermore, expenses could be treated as non-deductible, trade tax relief for the administration of real estate could be refused or RETT could be assessed. Any of these assessments could lead to an increase of TLG's tax obligations and could result in the assessment of interest or fines. At the moment there are no provisions for tax risks associated with tax audits recognized. TLG will continue to establish provisions for such risks if required. Not or not adequately recognizing provisions may prove to be inappropriate and when paid may negatively impact TLG's cash flow.

In addition, it is German market practice for the purchaser of properties to pay RETT. The respective RETT is determined at the state level. The statutory RETT-framework falls within the competency of federal lawmakers. The German ministers of finance of the German states have announced an intention to introduce new RETT rules, particularly with regard to the sale and the transfer of shares or partnership interests. The intention is to reduce the legal or economic ownership threshold of currently 95% to 90% of the shares or interests in a real-estate holding company upon which RETT is triggered and extend the relevant holding periods from five to ten years, in some cases up to fifteen years, where applicable. Besides, it is intended to introduce new RETT rules for corporations according to which RETT would be triggered if at least 90% of the shares in a corporation are directly or indirectly

transferred within a period of ten years from existing shareholders to new shareholders, *i.e.* effectively treating corporations for RETT purposes in the same way as partnerships (a unification of shares in a corporation would not be required). An official draft bill, also including other proposed amendments related to German tax law, has been published on May 8, 2019 by the Federal Ministry of Finance. According to the draft bill, the new rules shall be applicable for transfer of shares from January 1, 2020 and contains complex transitional regulations with partial recourse to past transactions. This draft bill was almost entirely approved by the Federal Cabinet. However, the proposed amendments related to a reform of the RETT regulations were carved out from the original draft bill and are now pursued in the more specific draft bill of the Act on the amendment of the RETT (*Gesetz zur Änderung des Grunderwerbssteuergesetzes*). Committees of the Federal Council issued certain recommendations regarding this new draft bill on September 9, 2019, not objecting to the proposed reduction of the economic ownership threshold from 95% to 90%, but recommending an exception to the rule for the transfer of shares in stock exchange listed corporations. It is planned that the Federal Council will decide about the adoption of these recommendations in its next plenary session currently scheduled for September 20, 2019. However, since this is only a draft bill which is under further discussion by the legislative bodies, it can still not entirely be excluded that the RETT thresholds may even be reduced to below 90% (for example to 75%). In any case, if such proposed legislative changes were to be introduced acquisition processes for share or interest deals would become even more complex compared to the current RETT law and would further increase the required minority rights for the seller and the acquisition costs and future administrative burdens in respect of the newly acquired entity. It may not even be possible to avoid RETT at all. Furthermore, the new RETT-framework could have an impact on the existing shareholding structure of the Guarantor and its subsidiaries and could require that agreements with minority shareholders be amended which could have a detrimental effect on TLG.

In addition, the applicable RETT rate currently varies between 3.5% in Bavaria and Saxony and up to 6.5% in other federal states. Federal states may increase the RETT rate in the future. This would increase acquisition costs for the purchase of properties as well and can also affect the fair value of the properties.

5.2. Taxable capital gains arising out of the sale of real estate may not be completely offset by the tax transfer of built-in gains.

Under the German Income Tax Act (*Einkommensteuergesetz*), the possibility of a tax-neutral transfer of built-in gains (*stille Reserven*) to newly acquired or constructed real estate is available within a certain period of time, subject to certain conditions (Section 6b of the German Income Tax Act (*Einkommensteuergesetz*)). The taxable capital gains realized upon sale of the real estate can either be deducted from the tax base of the new real estate in the same fiscal year or by forming a reserve (“**6b Reserve**”) and, for a later deduction in tax costs relating to acquisitions or construction, using it to reduce the tax base of new real estate acquired or constructed in the near future. If the 6b Reserve is not utilized within four years (or, under certain conditions, within six years), then generally it has to be dissolved, thereby increasing the taxable income. In such case, the taxable income is increased by 6% for each full fiscal year for which the 6b Reserve existed. As of December 31, 2018, the Guarantor’s 6b Reserve amounted to approximately €65 million.

In the past, TLG acquired or disposed of a significant number of properties in its portfolio and may continue to do so in the future. These transactions are generally taxable for income tax purposes. However, subject to certain requirements, the respective capital gain can be rolled over in an income tax-neutral way according to Section 6b of the German Income Tax Act (*Einkommensteuergesetz*). The

Guarantor believes that built-in gains from property disposals in the past can be transferred in sufficient amounts. However, if these assumptions turn out to be inaccurate or if the competent tax authorities decide otherwise, TLG may be unable to roll over capital gains arising out of property sales in the past or in the future in an income-tax-neutral manner.

6. Risks Related to the Notes

6.1. *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. No holder of Notes (a “**Holder**”) has a 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. Under the Terms and Conditions, the Issuer has the right to call the Notes for redemption at certain times or upon certain events and there may be market expectations among investors in the Notes with regard to the Issuer making use of such right. Should the Issuer’s actions diverge from such expectations, the market value of the Notes could be adversely affected.

6.2. *The market value of Notes with fixed interest rates is dependent on market interest rates.*

The Notes bear interest at a fixed rate until the First Reset Date and will be reset every five years to the fixed Reference Rate and a fixed margin as specified in the Terms and Conditions. A Holder of a fixed interest rate note bears 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, 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 may adversely affect the market price of the Notes and lead to losses for Holders if they sell their Notes.

6.3. *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 Reset Date, the Notes bear interest at rates which will be fixed prior to each Reset Date at a 5-year swap rate (as specified in the Terms and Conditions) for the next Reset Period, plus a margin. Potential investors should be aware that the performance of such 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.

Potential investors in the Notes should bear in mind that neither the current nor the historical level of the 5-year swap rates is an indication of the future development of such swap rate (and therefore the Reference 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 “*The market value of Notes with fixed interest rates is dependent on market interest rates.*”

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

The Euro Interbank Offered Rate (“**EURIBOR**”) as published and administered by the European Money Market Institute (“**EMMI**”) and other interest rates or other types of rates and indices such as the annual swap rate for swap transactions which are deemed “benchmarks” (each a “**Benchmark**” and together, the “**Benchmarks**”), to which the distributions on the Notes will, from and including the First Reset Date, be linked, have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented.

International proposals for reform of Benchmarks include the regulation (EU) 2016/1011 of the European Parliament and of the Council of June 8, 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) 596/2014, as amended (the “**Benchmark Regulation**”), which fully applies since January 1, 2018. According to the Benchmark Regulation, a Benchmark may only be used if its administrator obtains authorization or is registered and in case of an administrator which is based in a non-EU jurisdiction, if the administrator’s legal benchmark system is considered equivalent, the administrator is recognized or the Benchmark is endorsed (subject to applicable transitional provisions). If this is not the case, the Notes could be impacted.

The Benchmark Regulation could have a material impact on the Notes in any of the following circumstances:

- the Benchmark for determining the relevant Reference Rate could not be used as such if its administrator does not obtain authorization or is based in a non-EU jurisdiction which (subject to applicable transitional provisions) does not satisfy the “equivalence” conditions, is not “recognized” pending such a decision and is not “endorsed” for such purpose (with respect to EURIBOR, EMMI has recently been granted the authorization as administrator by the Belgian Financial Services and Markets Authority); 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 Reference Rate of the Notes, including the determination of the rate or level of such Benchmark by an independent adviser.

Under the Terms and Conditions, if the 5-year swap rate (as specified in the Terms and Conditions) does not appear on the “Reset Screen Page” (as defined in the Terms and Conditions), the Issuer shall, subject to the Terms and Conditions, request the principal office of up to five leading swap dealers in the interbank market to provide their mid-market swap rate quotation (as specified in the Terms and Conditions). If at least three mid swap rate quotations are provided, the Reference 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 (or, in the event of equality, one of the lowest).

If a Benchmark (or any component part thereof) used to calculate interest amounts payable under the Notes for any interest period has ceased to be published on a regular basis, ceases to exist or is discontinued or if its methodology is materially altered (each as defined in the Terms and Conditions), the Issuer shall endeavour to appoint an independent adviser, which must be an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets. Such independent adviser will be tasked with determining in its reasonable discretion whether an officially recognized successor rate to the discontinued Benchmark exists. If that is not the case, the independent adviser will attempt to find an alternative rate in its reasonable discretion which, possibly after application of adjustments, can replace the discontinued Benchmark. If the independent adviser determines a successor rate or alternative rate (the "**New Benchmark Rate**"), such rate will replace the previous Benchmark for purposes of determining the relevant rate of interest. Such determination will be binding for the Issuer, the Guarantor, the "Calculation Agent" (as defined in the Terms and Conditions), the "Paying Agents" (as defined in the Terms and Conditions) and the Holders. Any amendments pursuant to these fallback provisions will apply with effect from the respective effective date specified in the Terms and Conditions. If prior to the relevant interest determination date, the Issuer fails to appoint an independent adviser or the independent adviser appointed by the Issuer fails to determine a New Benchmark Rate, the Reference Rate applicable to the immediately following Reset Period shall be the rate determined on the last preceding interest determination date which can negatively affect the value of the Notes.

Uncertainty as to the continuation of the Reference Rate and/or the EURIBOR and the rate that would be applicable if the Reference Rate and/or the EURIBOR were discontinued may adversely affect the trading market and the value of the Notes. At the date of this Prospectus, it is not possible to predict what the effect of these developments will be or what the impact on the value of the Notes will be.

6.5. *The Issuer or the Guarantor may partly or completely fail to make payments on the Notes or the Subordinated Guarantee, respectively.*

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 that the Issuer or the Guarantor partly or completely fail to make interest and/or redemption payments on the Notes which the Issuer or the Guarantor is obliged to make under the Terms and Conditions or the Subordinated Guarantee, respectively, if any. The worse the creditworthiness of the Issuer or the Guarantor, the higher the risk of a loss. A materialization of the credit risk may result in partial or complete failure of the Issuer or the Guarantor to make interest and/or redemption payments under the Terms and Conditions 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 Terms and Conditions or the Subordinated Guarantee, respectively, if and when they fall due actually has not decreased, market participants may nevertheless be of a different opinion. In particular, market participants may be of the opinion, that the Issuer's or the Guarantor's ability to perform their obligations under the Terms and Conditions or the Subordinated Guarantee, respectively, has been adversely affected if their assessment of the creditworthiness of corporate debtors in general or debtors operating in the same industry as the Guarantor adversely changes.

6.6. *Interest payments under the Terms and Conditions may be deferred at the option of the Issuer.*

Holders should be aware that interest payments may be deferred by the Issuer and, thus, not be due and payable (*fällig*) on a scheduled Interest Payment Date, and that the later 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 Terms and Conditions 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. Furthermore, such event or the consecutive occurrence of such events, *inter alia*, may have an impact on the price at which Holders will be able to sell their Notes.

6.7. *The terms and conditions of the Notes do not include any events of default or a cross default, in particular the terms and conditions of the Notes do not contain any financial covenants.*

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

The Terms and Conditions do not contain any financial covenants. Therefore, neither the Guarantor nor any of its subsidiaries (including the Issuer) will be restricted from incurring additional unsecured debt or other liabilities under the Terms and Conditions, including senior debt or *pari passu* debt. If the Guarantor incurs additional debt or liabilities, the Issuer's and/or the Guarantor's ability to pay its obligations under the Terms and Conditions could be adversely affected. In addition, under the Terms and Conditions, neither the Issuer nor the Guarantor will be restricted from paying dividends or issuing or repurchasing its 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.

6.8. *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 would 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 Terms and Conditions.

6.9. *The Notes are subordinated to unsubordinated and generally also to subordinated obligations of the Issuer.*

The obligations of the Issuer under the Terms and Conditions 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 generally also 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 Terms and Conditions 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. Potential investors should therefore take into consideration that in a liquidation or insolvency of the Issuer, they may lose the value of their entire investment in the Notes or part of it.

6.10. *Claims under the Subordinated Guarantee are subordinated to unsubordinated and generally also to subordinated obligations of the Guarantor.*

The Guarantor's obligations under the Subordinated Guarantee are unsecured subordinated obligations of the Guarantor ranking subordinated to all unsubordinated obligations and generally also to all subordinated obligations and at least *pari passu* amongst themselves and with certain subordinated obligations of the Guarantor, except for any subordinated obligations required to be preferred by mandatory provisions of law. In the event of the liquidation, dissolution or insolvency of the Guarantor or any proceeding for the avoidance of insolvency of the Guarantor, the obligations of the Guarantor under the Subordinated Guarantee are subordinated to the claims of all holders of unsubordinated obligations and subordinated obligations within the meaning of Section 39 para. 1 German Insolvency Code, so that in any such event, payments in respect of the Subordinated Guarantee will not be made until all claims against the Guarantor under obligations which rank senior to obligations of the Guarantor under the Subordinated Guarantee have been satisfied in full (*i.e.*, not only with a quota).

Potential investors should take into consideration that liabilities ranking senior to the Subordinated Guarantee may also arise out of events that are not reflected on the Guarantor'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 Guarantor, become unsubordinated or subordinated liabilities and will therefore be paid in full before payments are made to Holders. Potential investors should therefore take into consideration that in a liquidation or insolvency of the Issuer, they may lose the value of their entire investment in the Notes or part of it.

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

During insolvency proceedings over the assets of the Guarantor, claims against the Guarantor under the Subordinated Guarantee would be treated as subordinated insolvency claims (*nachrangige Insolvenzforderungen*). According to Section 174 para. 3 of the German Insolvency Code (*Insolvenzordnung*), subordinated insolvency claims must not be registered with the insolvency court unless the insolvency court handling the case has granted special permission allowing these subordinated insolvency claims to be filed which is not the rule, but the exception. The beneficiaries of the Subordinated Guarantee would not participate in any creditors' committee (*Gläubigerausschuss*) and would have very limited rights within the creditors' assembly (*Gläubigerversammlung*). They may be invited to participate in the creditors' assembly, but would not be entitled to vote within such meetings (Section 77 para. 1 of the German Insolvency Code).

In case of insolvency plan proceedings (*Insolvenzplanverfahren*), the beneficiaries under the Subordinated Guarantee generally would have no voting right on the adoption of an insolvency plan presented by the Guarantor, the relevant insolvency administrator or custodian (Sections 237 and 246 German Insolvency Code). In addition, their claims would be waived after the adoption of the

insolvency plan unless the insolvency plan makes an exception to this general rule (Section 225 para. 1 German Insolvency Code).

6.12. *The current IFRS accounting classification of financial instruments such as the Notes as equity instruments may change, which may result in the occurrence of an Accounting Event.*

In June 2018, the IASB (*International Accounting Standards Board*) published the discussion paper DP/2018/1 on "*Financial Instruments with Characteristics of Equity*" (the "**DP/2018/1 Paper**") and a public meeting was recently held on this matter. If the proposals set out in the DP/2018/1 Paper are implemented in their current form, the current IFRS accounting classification of financial instruments such as the Notes as equity instruments may change and this may result in the occurrence of an "Accounting Event" (as described in the Terms and Conditions). In such an event, the Issuer may have the option to redeem, in whole but not in part, the Notes pursuant to the Terms and Conditions of the Notes. The implementation of any of the proposals set out in the DP/2018/1 Paper or any other similar such proposals that may be made in the future, including the extent and timing of any such implementation, if at all, is still uncertain. Accordingly, no assurance can be given as to the future classification of the Notes from an accounting perspective or whether any such change may result in the occurrence of an Accounting Event, thereby providing the Issuer with the option to redeem the Notes pursuant to the Terms and Conditions of the Notes. The occurrence of an Accounting Event may result in Holders receiving a lower than expected yield (see —6.13. *If the Notes are redeemed, Holders may receive a lower than expected yield.*)

6.13. *If the Notes are redeemed, Holders may receive a lower than expected yield.*

The Issuer may redeem all outstanding Notes (i) on (x) any date during the period from and the First Call Date to and including the First Reset Date or, (y) each Interest Payment Date after the First Reset Date, or (ii) for reason of minimal outstanding amount, or (iii) if the Issuer is obligated to pay additional amounts in respect of 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 (as specified in the Terms and Conditions), 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 Germany, or for its account or from or for the account of an area municipality authorized to raise taxes or an agency in a relevant taxing jurisdiction (as specified in the Terms and Conditions), or (iv) if interest payable in respect of the Notes 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 a rating agency as specified 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 Event" (as defined in the Terms and Conditions).

If the Notes are redeemed at an unexpected point in time, a Holder is exposed to the risk that due to such redemption his 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.

6.14. *There is no active public trading of Notes and it is unclear whether such active trading will develop.*

Application has been made for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg) and to be listed on the official list of the Luxembourg Stock Exchange (Bourse de Luxembourg). However, no assurance can be given as to whether such admission to trading and/or listing will be obtained and for how long it may be sustained.

Furthermore, 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 is currently uncertain. If such a market were to develop, the Notes could trade at prices that may be higher or lower than the initial offer price depending on a variety of factors (*e.g.*, prevailing interest rates, TLG's operating results, the market for similar securities and general economic conditions, performance and prospects as well as analyst recommendations). The liquidity of, and the trading market for, the Notes may also be adversely affected by a general decline in debt securities markets. Such a decline may affect the liquidity and trading of the Notes independent of TLG's financial performance and prospects. In an illiquid market, Holders may be unable to sell Notes at fair market prices, or at all. The possibility to sell Notes may also be restricted by country specific reasons. Potential investors must therefore be prepared to retain Notes for an unspecified time period.

6.15. Transfer of the Notes will be restricted, which may adversely affect the value of the Notes.

The Notes have not been registered under the Securities Act, or any U.S. state securities laws. Consequently, the Notes may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws, and Holders who have acquired Notes may be required to bear the cost of their investment in the Notes. It is the Holders' obligation to ensure that their offers and sales of Notes within the United States and other countries comply with applicable securities laws.

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

Ratings assigned to the Issuer by rating agencies are an indicator of the Issuer's ability to meet its obligations under the Notes in a timely manner. The lower the assigned rating, the higher the respective rating agency assesses the risk that the Issuer's obligations will be met in a timely manner or at all. The market value of the Notes likely depends upon the credit rating assigned to the long-term debt of the Issuer. Rating agencies may change, suspend or withdraw their ratings at short notice, and this may affect the price and the market value of the Notes. Therefore, Holders may incur financial disadvantages as they may not be able to sell their Notes or will only be able to do so at a discount to the issue price or the purchase price paid by such Holder.

One or more independent credit rating agencies may assign credit ratings to the Notes. Such 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, the respective rating agencies may change their methodologies for rating securities with features similar to the Notes in the future. 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 and the ratings of the Notes were to be lowered as a consequence thereof, this could have an adverse impact on the market price of the Notes.

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

The Issuer acts as a financing subsidiary of the Guarantor. The Issuer has been established for the purpose of issuing the Notes. In the future, its principal activity will be the provision of loans to Group companies financed with the proceeds of the issuance of the Notes and, potentially, further funds acquired from the capital market, bank loans and loans from other companies of the Group. Its assets mainly consist of receivables from loans to Group companies and other receivables owed by Group 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 Group companies to fulfil their payment obligations vis-à-vis the Issuer or the obligation to assume losses. If individual or all Group companies 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.

6.18. Certain rights of the Holders under the Terms and Conditions may be amended or reduced or even cancelled by holders' resolutions and any such resolutions 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.

Since the Terms and Conditions provide for meetings of Holders or the taking of votes without a meeting, the Terms and Conditions may be amended by majority resolution of the Holders and a Holder is subject to the risk of being outvoted by a majority resolution of the Holders. Pursuant to the German Act on Debt Securities of 2009 (*Schuldverschreibungsgesetz* – “**SchVG**”), the relevant majority for Holders' resolutions is generally based on votes cast, rather than on the aggregate principal amount of Notes outstanding, therefore, any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of Notes outstanding. As such majority resolution is binding on all Holders, certain rights of such Holder against the Issuer under the Terms and Conditions may be amended or reduced or even cancelled.

Since the Terms and Conditions, in accordance with the SchVG, provide that the Holders are entitled to appoint a holders' representative by a majority resolution of Holders (the “**Holders' Representative**”), 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, such right passing to the Holders' Representative who is then exclusively responsible to claim and enforce the rights of all the Holders.

TERMS AND CONDITIONS OF THE NOTES

Anleihebedingungen ("Anleihebedingungen")

Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung dient nur zur Information.

§ 1 (Form und Nennbetrag)

(1) *Währung, Nennbetrag und Form.*

Die TLG Finance S.à r.l. (die "**Emittentin**") begibt unbesicherte nachrangige Schuldverschreibungen ohne feste Laufzeit erstmals kündbar in 2024 im Gesamtnennbetrag von EUR 600.000.000 (die "**Schuldverschreibungen**"). Die Schuldverschreibungen lauten auf den Inhaber. Die Schuldverschreibungen werden von der TLG IMMOBILIEN AG auf nachrangiger Basis garantiert (die "**Garantin**") und haben einen Nennbetrag von je EUR 100.000 (der "**Nennbetrag**").

(2) *Globalurkunden und Austausch.*

Die Schuldverschreibungen werden zunächst von einer vorläufigen Globalurkunde (die "**Vorläufige Globalurkunde**") ohne Zinsscheine verbrieft, welche bei einer gemeinsamen Verwahrstelle für Clearstream Banking S.A., Luxemburg und Euroclear Bank SA/NV (beide gemeinsam nachstehend als "**Clearingsystem**" bezeichnet) hinterlegt wird. Die Vorläufige Globalurkunde wird nicht vor Ablauf von 40 und spätestens nach Ablauf von 180 Tagen nach dem Tag der Begebung der Schuldverschreibungen gegen Vorlage einer Bestätigung über das Nichtbestehen U.S.-amerikanischen wirtschaftlichen Eigentums (*beneficial ownership*) an den Schuldverschreibungen gemäß den Regeln und Betriebsabläufen

Terms and Conditions ("Terms and Conditions")

These Terms and Conditions are written in the German language and provided with an English language translation. The German text will be the only legally binding version. The English language translation is provided for convenience only.

§ 1 (Form and Denomination)

(1) *Currency, Denomination and Form.*

TLG Finance S.à r.l. (the "**Issuer**") issues undated unsecured subordinated notes with a first call date in 2024 in an aggregate principal amount of EUR 600,000,000 (the "**Notes**"). The Notes are issued in bearer form. The Notes are guaranteed on a subordinated basis by TLG IMMOBILIEN AG (the "**Guarantor**") and have a denomination of EUR 100,000 each (the "**Principal Amount**").

(2) *Global Notes and Exchange.*

The Notes will initially be represented by one temporary global bearer note (the "**Temporary Global Note**") without coupons which will be deposited with a common depositary for Clearstream Banking S.A., Luxembourg and Euroclear Bank SA/NV (together hereinafter referred to as the "**Clearing System**"). The Temporary Global Note will be exchangeable for a permanent global bearer note (the "**Permanent Global Note**" and, together with the Temporary Global Note, the "**Global Notes**") without coupons not earlier than 40 and not later than 180 days after the date of issue of the Notes upon certification as to non-U.S. beneficial ownership in the Notes in accordance with the rules and operating procedures of the

des Clearingsystems gegen eine endgültige Globalurkunde (die "**Dauer-Globalurkunde**" und, gemeinsam mit der Vorläufigen Globalurkunde, die "**Globalurkunden**") ohne Zinsscheine ausgetauscht. Zahlungen auf die Vorläufige Globalurkunde erfolgen nur gegen Vorlage einer solchen Bestätigung. Einzelurkunden oder Zinsscheine werden nicht ausgegeben.

(3) *Miteigentumsanteile.*

Den Inhabern der Schuldverschreibungen (die "**Anleihegläubiger**") stehen Miteigentumsanteile bzw. Rechte an der Vorläufigen Globalurkunde und der Dauer-Globalurkunde zu, die nach Maßgabe des anwendbaren Rechts und der Regeln und Bestimmungen des Clearingsystems übertragen werden können.

§ 2
(Status)

(1) *Status der Schuldverschreibungen.*

Die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen sind nicht besicherte und nachrangige Verbindlichkeiten der Emittentin, die im Fall der Abwicklung, Auflösung oder Liquidation der Emittentin:

- (a) nur den Nachrangigen Verbindlichkeiten der Emittentin im Rang vorgehen,
- (b) untereinander und mit jeder Gleichrangigen Verbindlichkeit der Emittentin im Rang gleich stehen, und
- (c) allen anderen bestehenden und zukünftigen nachrangigen und nicht nachrangigen Verbindlichkeiten der Emittentin, im Rang nachgehen, die nicht Gleichrangige Verbindlichkeiten der Emittentin oder Nachrangige Verbindlichkeiten der Emittentin sind, soweit zwingende gesetzliche Vorschriften nichts anderes

Clearing System. Payments on the Temporary Global Note will only be made against presentation of such certification. No definitive notes or interest coupons will be issued.

(3) *Proportional Co-ownership Interests.*

The holders of the Notes (the "**Holders**") are entitled to proportional co-ownership interests or rights in the Temporary Global Note and the Permanent Global Note, which are transferable in accordance with applicable law and the rules and regulations of the Clearing System.

§ 2
(Status)

(1) *Status of the Notes.*

The Issuer's obligations under the Notes constitute unsecured and subordinated obligations of the Issuer and in the event of the winding-up, dissolution or liquidation 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
- (c) junior to all other present and future unsubordinated and subordinated obligations of the Issuer that are not Parity Obligations of the Issuer nor Junior Obligations of the Issuer, except as otherwise provided by mandatory provisions of law or as expressly provided for by the terms of the relevant instrument.

vorschreiben bzw. die Bedingungen des betreffenden Instruments ausdrücklich etwas anderes vorsehen.

"Nachrangige Verbindlichkeiten der Emittentin" bezeichnet (i) die Stammaktien und etwaige Vorzugsaktien 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 Stammaktien und etwaigen Vorzugsaktien 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), (ii) und (iii) genannten Instrumenten gleichrangig oder als gleichrangig vereinbart sind.

"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.

"Junior Obligations of the Issuer" means (i) the ordinary shares and preferred shares, if any, 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 and preferred shares, if any, 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), (ii) and (iii).

"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 its obligations under the Notes.

"Tochtergesellschaft der Emittentin" bezeichnet jedes direkte oder mittelbare, mehrheitlich der Emittentin gehörende Tochterunternehmen, das im betreffenden Zeitpunkt für die Zwecke der Erstellung eines konsolidierten Jahresabschlusses der Emittentin nach IFRS von der Emittentin konsolidiert werden muss.

"Subsidiary of the Issuer" means any directly or indirectly majority-owned subsidiary of the Issuer that must be consolidated by the Issuer for the purposes of preparing annual consolidated financial statements of the Issuer under IFRS from time to time.

(2) *Insolvenz oder Liquidation der Emittentin.*

Im Falle einer Insolvenz oder Liquidation der Emittentin steht jedwede Zahlung auf die Schuldverschreibungen an die Anleihegläubiger unter dem Vorbehalt, dass zuvor sämtliche Verbindlichkeiten der Emittentin, die gegenüber den Verbindlichkeiten der Emittentin aus den Schuldverschreibungen gemäß § 2(1) vorrangig sind, zur Gänze (d.h. nicht nur quotenmäßig) bezahlt wurden.

(2) *Insolvency or Liquidation of the Issuer.*

In an insolvency or liquidation of the Issuer, no payments under the Notes shall be made to the Holders unless all obligations of the Issuer that, pursuant to § 2(1), rank senior to the obligations of the Issuer under the Notes have been discharged in full (i.e. not only with a quota).

**§ 3
(Garantie)**

(1) *Unbedingte und Unwiderrufliche Garantie.*

Die Schuldverschreibungen werden unbedingt und unwiderruflich durch die Garantin auf nachrangiger Ebene im Hinblick auf Zahlungen garantiert (die **"Garantie"**).

(2) *Status der Garantie.*

Die Verbindlichkeiten der Garantin aus der Garantie:

- (a) gehen nur den Nachrangigen Verbindlichkeiten der Garantin im Rang vor,
- (b) stehen gleich im Rang mit jeder Gleichrangigen Verbindlichkeit der Garantin, und
- (c) gehen allen anderen bestehenden und zukünftigen nachrangigen und nicht nachrangigen Verbindlichkeiten der Garantin, die nicht Gleichrangige

**§ 3
(Guarantee)**

(1) *Unconditional and Irrevocable Guarantee.*

The Notes will be unconditionally and irrevocably guaranteed by the Guarantor on a subordinated basis as to payments (the **"Guarantee"**).

(2) *Status of the Guarantee.*

The obligations of the Guarantor under the 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 all the Guarantor's present and future subordinated and unsubordinated obligations, that are not Parity Obligations of the

Verbindlichkeiten der Garantin oder Nachrangige Verbindlichkeiten der Garantin sind, 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.

"Nachrangige Verbindlichkeiten der Garantin" bezeichnet (i) die Stammaktien und etwaigen 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 und 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.

"Gleichrangige Verbindlichkeiten der Garantin" bezeichnet jede bestehende und zukünftige Verbindlichkeit, die (i) von der Garantin begeben wurde und die gleichrangig im Verhältnis zu den Verbindlichkeiten der Garantin aus der 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

Guarantor nor Junior Obligations of the Guarantor except as expressly provided for otherwise by the terms of the relevant obligation, and subordinated obligations required to be preferred by law.

"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 and 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).

"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 Guarantor's obligations under the Guarantee, or (ii) benefits from a guarantee or support agreement that ranks or is expressed to rank *pari passu* with its obligations under the Guarantee.

Garantie gleichrangig oder als gleichrangig vereinbart sind.

"Tochtergesellschaft der Garantin" bezeichnet jedes direkte oder mittelbare, mehrheitlich der Garantin gehörende Tochterunternehmen, das im betreffenden Zeitpunkt für die Zwecke der Erstellung eines konsolidierten Jahresabschlusses der Garantin nach IFRS von der Garantin konsolidiert werden muss.

(3) *Insolvenz oder Liquidation der Garantin.*

Im Falle einer Insolvenz oder Liquidation der Garantin steht jedwede Zahlung auf die Garantie an die Anleihegläubiger unter dem Vorbehalt, dass zuvor sämtliche Verbindlichkeiten der Garantin, die gegenüber den Verbindlichkeiten der Garantin aus der Garantie gemäß § 3(2) vorrangig sind, zur Gänze (d.h. nicht nur quotenmäßig) berichtigt wurden.

(4) Unter Beachtung von § 3(2) und (3) bleibt es der Garantin unbenommen, ihre Verbindlichkeiten aus der Garantie auch aus dem sonstigen freien Vermögen zu bedienen.

§ 4

(Aufrechnungsverbot)

Die Anleihegläubiger sind nicht berechtigt, Forderungen aus den Schuldverschreibungen bzw. aus der Garantie gegen mögliche Forderungen der Emittentin bzw. der Garantin aufzurechnen. Die Emittentin ist nicht berechtigt, Forderungen gegenüber Anleihegläubigern gegen Verpflichtungen aus den Schuldverschreibungen aufzurechnen. Die Garantin ist nicht berechtigt, Forderungen gegenüber Anleihegläubigern gegen Verpflichtungen aus der Garantie aufzurechnen.

§ 5

(Zinsen)

(1) *Zinszahlungstage und Zinszeiträume.* Vorbehaltlich der weiteren Bestimmungen

"Subsidiary of the Guarantor" means any directly or indirectly majority-owned subsidiary of the Guarantor that must be consolidated by the Guarantor for the purposes of preparing annual consolidated financial statements of the Guarantor under IFRS from time to time.

(3) *Insolvency or Liquidation of the Guarantor.*

In an insolvency or liquidation of the Guarantor, no payments under the Guarantee shall be made to the Holders unless all obligations of the Guarantor that, pursuant to § 3(2), rank senior to the obligations of the Guarantor under the Guarantee have been discharged in full (i.e. not only with a quota).

(4) Subject to § 3(2) and (3), the Guarantor may satisfy its obligations under the Guarantee also from other distributable assets (*sonstiges freies Vermögen*) of the Guarantor.

§ 4

(Prohibition of Set-off)

No Holder may set-off any claims arising under the Notes or the 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

(Interest)

(1) *Interest Payment Dates and Interest Periods.* Subject to the further provisions of

dieses § 5 und § 6 berechtigen die Schuldverschreibungen die Anleihegläubiger für jeden Zinszeitraum (wie nachstehend definiert) vom Zinslaufbeginn (einschließlich) bis zu dem in § 5(7) vorgesehenen Zeitpunkt zu Zinsen in Höhe des für den jeweiligen Zinszeitraum gemäß § 5(2) anwendbaren Zinssatzes (der "**Anwendbare Zinssatz**") auf den Nennbetrag je Schuldverschreibung. Die Zinsen sind jährlich nachträglich am 23. Dezember eines jeden Jahres (jeweils ein "**Zinszahlungstag**") zur Zahlung vorgesehen, erstmals am 23. Dezember 2019 (kurze erste Zinsperiode) und werden gemäß § 6 fällig.

"**Zinszeitraum**" bezeichnet (i) den Zeitraum ab dem Zinslaufbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und (ii) den Zeitraum ab einem Zinszahlungstag (einschließlich) bis zum unmittelbar folgenden Zinszahlungstag (ausschließlich).

(2) *Anwendbarer Zinssatz.*

(a) *Anfänglicher Festzinszeitraum.* Für jeden Zinszeitraum, der in den Zeitraum ab dem 23. September 2019 (der "**Zinslaufbeginn**") (einschließlich) bis zum 23. Dezember 2024 (der "**Erste Resettag**") (ausschließlich) fällt, entspricht der Anwendbare Zinssatz 3,375 % per annum.

(b) *Erster Resetzeitraum.* Für jeden Zinszeitraum, der in den Resetzeitraum ab dem Ersten Resettag (einschließlich) bis zum 23. Dezember 2029 (der "**Step-Up-Tag**") (ausschließlich) fällt, entspricht der Anwendbare Zinssatz dem Referenzsatz für diesen Resetzeitraum zuzüglich 398 Basispunkte per annum (die "**Anfängliche Marge**").

this § 5 and § 6 the Notes entitle the Holders to Interest for each Interest Period (as defined below) from and including the Interest Commencement Date to the date specified in § 5(7) at the prevailing interest rate according to § 5(2) (the "**Prevailing Interest Rate**") on the Principal Amount per Note. Such Interest shall be scheduled to be paid annually in arrear on December 23 of each year (each an "**Interest Payment Date**"), commencing on December 23, 2019 (short first coupon), and will fall due and payable (*fällig*) in accordance with the conditions set forth in § 6.

"**Interest Period**" means (i) the period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and (ii) the period from and including any Interest Payment Date to but excluding the immediately following Interest Payment Date.

(2) *Prevailing Interest Rate.*

(a) *Initial Fixed Rate Period.* For any Interest Period falling in the period from and including September 23, 2019 (the "**Interest Commencement Date**") to but excluding December 23, 2024 (the "**First Reset Date**"), the Prevailing Interest Rate shall be equal to a rate of 3.375 % per annum.

(b) *First Reset Period.* For any Interest Period falling in the Reset Period from and including the First Reset Date to but excluding December 23, 2029 (the "**Step-Up Date**"), the Prevailing Interest Rate shall be equal to the Reference Rate for such Reset Period plus 398 basis points per annum (the "**Initial Margin**").

(c) *Resetzeiträume ab dem Step-Up-Tag.*

- (i) Für jeden Zinszeitraum, der in einen Resetzeitraum ab dem Step-Up-Tag (einschließlich) bis zum 23. Dezember 2044 (der "**Zusätzliche Step-Up-Tag**") (ausschließlich) fällt, entspricht der Anwendbare Zinssatz dem Referenzsatz für den betreffenden Resetzeitraum zuzüglich der Step-Up Marge.
- (ii) Für jeden Zinszeitraum, der in einen Resetzeitraum fällt, der an oder nach dem Zusätzlichen Step-Up-Tag beginnt, entspricht der Anwendbare Zinssatz dem Referenzsatz für den betreffenden Resetzeitraum zuzüglich der Zweiten Step-Up Marge (wie nachstehend definiert).

"**Step-Up Marge**" bezeichnet die Anfängliche Marge zuzüglich 25 Basispunkten per annum.

"**Zweite Step-Up Marge**" bezeichnet die Anfängliche Marge zuzüglich 100 Basispunkten per annum.

(d) *Feststellung des Referenzsatzes.*

Die Berechnungsstelle bestimmt an jedem Zinsfestsetzungstag den jeweiligen Referenzsatz nach Maßgabe dieses § 5(2)(d).

Der "**Referenzsatz**" für einen Resetzeitraum wird von der Berechnungsstelle an dem betreffenden Zinsfestsetzungstag (wie unten definiert) vor dem Reset-Termin, an dem der betreffende Reset-Zeitraum beginnt, festgelegt und

- (i) entspricht, solange kein Benchmark-Ereignis eingetreten ist,

(c) *Reset Periods from the Step-Up Date*

- (i) For any Interest Period falling in a Reset Period from and including the Step-Up Date to but excluding December 23, 2044 (the "**Additional Step-Up Date**") the Prevailing Interest Rate shall be equal to the Reference Rate for the relevant Reset Period plus the Step-Up Margin.
- (ii) For any Interest Period falling in any Reset Period commencing on or after the Additional Step-Up Date the Prevailing Interest Rate shall be equal to the Reference Rate for the relevant Reset Period plus the Second Step-Up Margin (as defined below).

"**Step-Up Margin**" means the Initial Margin plus 25 basis points per annum.

"**Second Step-Up Margin**" means the Initial Margin plus 100 basis points per annum.

(d) *Determination of the Reference Rate.*

The Calculation Agent will determine the relevant Reference Rate in accordance with this § 5(2)(d) on each Interest Determination Date.

The "**Reference Rate**" for a Reset Period will be determined by the Calculation Agent on the relevant Interest Determination Date (as defined below) prior to the Reset Date on which the relevant Reset Period commences and will be,

- (i) as long as no Benchmark Event has occurred,

(A) dem Ursprüngliche
Benchmarksatz; oder

(B) dem Referenzbankensatz,
falls eine für die Festlegung
des Ursprünglichen Bench-
marksatzes benötigte
Information an dem
betreffenden Zinsfest-
setzungstag nicht auf der
Reset-Bildschirmseite
erscheint.

Kann der Referenzbankensatz
nicht gemäß der Definition
dieses Begriffs bestimmt
werden, aber ist kein
Benchmark-Ereignis
eingetreten, entspricht der
jeweilige "Referenzsatz" dem
durch die Berechnungsstelle
festgelegten 5-Jahres-
Swapsatz, welcher zuletzt auf
der Reset-Bildschirmseite
verfügbar war.

(C) wird, wenn ein Benchmark-
Ereignis eingetreten ist, für
jeden Resetzeitraum, der an
oder nach dem Stichtag (wie
in § 5(2)(g)(viii) definiert)
beginnt, gemäß § 5(g)(h)
bestimmt.

Dabei gilt Folgendes:

"Referenzbanken" bezeichnet fünf
führende Swap-Händler im
Interbankenhandel, die von der
Emittentin jeweils ausgewählt
werden.

"Referenzbankensatz" ist ein
Prozentsatz, der auf der Grundlage der
jeweiligen von den Referenzbanken
um ca. 11:00 Uhr (Frankfurter Zeit),
falls erforderlich, an einem
Zinsfestsetzungstag mitgeteilten
Quotierungen des Mid-Market
jährlichen Swapsatzes für den

(A) the Original Benchmark
Rate; or

(B) the Reference Bank Rate if
any information required for
the purposes of the
determination of the
Original Benchmark Rate
does not appear on the Reset
Screen Page on the relevant
Interest Determination Date.

If the Reference Bank Rate
cannot be determined
pursuant to the definition of
this term, but no Benchmark
Event has occurred, the
relevant "Reference Rate"
shall be equal to the last 5-year
Swap Rate available on the
Reset Screen Page as
determined by the Calculation
Agent.

(C) if a Benchmark Event has
occurred, determined in
accordance with § 5(2)(g)
for each Reset Period
commencing on or after the
Effective Date (as defined in
§ 5(2)(g)(viii)).

Where:

"Reference Banks" means five
leading swap dealers in the interbank
market, in each case selected by the
Issuer.

"Reference Bank Rate" is a
percentage determined on the basis of
the Mid-Market Annual Swap Rate
quotations provided by the Reference
Banks at approximately 11:00 a.m.,
Frankfurt time, if required, on an
Interest Determination Date for the
following Reset Date. For this

folgenden Resettag ermittelt wird. Für diesen Zweck bezeichnet "**Mid-Market jährlicher Swapsatz**" das rechnerische Mittel der Geld- und Briefkurse für den jährlichen Festzinszahlungsstrom (berechnet auf einer 30/360 Tagesberechnungsbasis) einer fixed-for-floating Euro Zinsswap-Transaktion, die eine Laufzeit von fünf Jahren beginnend am Resettag hat, auf einen Betrag lautet, der dem einer repräsentativen einzelnen Transaktion in dem relevanten Markt zur relevanten Zeit mit einem anerkannten Händler mit guter Bonität im Swap Markt entspricht, und deren variabler Zahlungsstrom auf dem 6-Monats EURIBOR Satz beruht (berechnet auf einer Actual/360 Tagesberechnungsbasis).

Die Emittentin wird die Hauptniederlassung jeder Referenzbank bitten, der Berechnungsstelle die Quotierung ihres Mid-Market jährlichen Swapsatzes mitzuteilen.

Wenn mindestens drei Quotierungen genannt werden, ist der Referenzbankensatz für diesen Resettag das rechnerische Mittel der Quotierungen unter Ausschluss der höchsten Quotierung (oder, für den Fall von gleich hohen Quotierungen, einer der höchsten Quotierungen) und der niedrigsten Quotierung (oder, für den Fall von gleich hohen Quotierungen, einer der niedrigsten Quotierungen).

"Resettag" bezeichnet den Ersten Resettag und danach jeden fünften Jahrestag des jeweils unmittelbar vorangehenden Resettages.

"Resetzeitraum" bezeichnet jeden Zeitraum ab dem Ersten Resettag (einschließlich) bis zum

purpose, the "**Mid-Market Annual Swap Rate**" means the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to five years commencing on that Reset Date and 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, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to the six months-EURIBOR.

The Issuer will request the principal office of each of the Reference Banks to provide to the Calculation Agent a quotation of its Mid-Market Annual Swap Rate.

If at least three quotations are provided, the Reference Bank Rate for that Reset Date 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).

"Reset Date" means the First Reset Date and thereafter each fifth anniversary of the immediately preceding Reset Date.

"Reset Period" means each period from and including the First Reset Date to but excluding the next

nächstfolgenden Resettag (ausschließlich) und nachfolgend ab jedem Resettag (einschließlich) bis zu dem jeweils nächstfolgenden Resettag (ausschließlich).

"TARGET-Geschäftstag"

bezeichnet einen Tag, an dem das Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) betriebsbereit ist.

"Ursprünglicher Benchmarksatz"

bezeichnet den 5-Jahres-Swapsatz (der "**5-Jahres-Swapsatz**"), wie er am Zinsfestsetzungstag um 11:00 Uhr (Frankfurter Zeit) auf dem Reuters Bildschirm "ICESWAP2" unter der Überschrift "EURIBOR BASIS" und dem Untertitel "11:00 AM Frankfurt time" (auf dem solche Überschriften und Untertitel von Zeit zur Zeit erscheinen) (die "**Reset-Bildschirmseite**") angezeigt wird.

"Zinsfestsetzungstag" bezeichnet den zweiten TARGET-Geschäftstag vor dem jeweiligen Resettag.

- (e) Unverzüglich nach Bestimmung des betreffenden Referenzsatzes wird die Berechnungsstelle den Anwendbaren Zinssatz für den betreffenden Resetzeitraum berechnen.
- (f) Die Berechnungsstelle wird veranlassen, dass der Anwendbare Zinssatz der Emittentin, der Hauptzahlstelle, und jeder Börse, an der die Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, sowie den Anleihegläubigern gemäß § 13 unverzüglich, aber keinesfalls später als am achten auf dessen Feststellung folgenden Geschäftstag mitgeteilt wird.

following Reset Date and thereafter from and including each Reset Date to but excluding the next following Reset Date.

"TARGET Business Day" means a day on which the Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) is operating.

"Original Benchmark Rate" means the 5-year swap rate (the "**5-year Swap Rate**") which appears on the Reuters screen "ICESWAP2" under the heading "EURIBOR BASIS" and the caption "11:00 AM Frankfurt time" (as such headings and captions may appear from time to time) as of 11:00 a.m. (Frankfurt time) (the "**Reset Screen Page**") on the Interest Determination Date.

"Interest Determination Date" means the second TARGET Business Day prior to the relevant Reset Date.

- (e) Promptly after the determination of the relevant Reference Rate, the Calculation Agent shall determine the Prevailing Interest Rate for the relevant Reset Period.
- (f) The Calculation Agent will cause the Prevailing Interest Rate to be notified to the Issuer, the Principal Paying Agent and, if required by the rules of any stock exchange on which the Notes are listed from time to time, to such stock exchange, and to the Holders in accordance with § 13 without undue delay, but, in any case, not later than on the eighth Business Day after its determination.

"**Geschäftstag**" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Banken in London und Frankfurt am Main für den allgemeinen Geschäftsverkehr geöffnet sind und an dem das Clearingsystem sowie alle maßgeblichen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer System 2 (TARGET2) betriebsbereit sind, um Zahlungen vorzunehmen.

"**Business Day**" means a day (other than a Saturday or a Sunday) on which banks are open for general business in London and Frankfurt am Main and on which the Clearing System as well as all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 (TARGET2) are operational to effect payments.

(g) *Benchmark-Ereignis.*

Wenn ein Benchmark-Ereignis in Bezug auf den Ursprünglichen Benchmarksatz (oder eine Teilkomponente davon) eintritt, gilt für die Bestimmung des jeweiligen Referenzsatzes und den Reset des Anwendbaren Zinssatzes gemäß diesem § 5(2) Folgendes:

- (i) Die Emittentin wird sich, sobald dies (nach Ansicht der Emittentin) nach Eintritt des Benchmark-Ereignisses und vor dem nächsten Zinsfestsetzungstag praktikabel ist, bemühen, einen Unabhängigen Berater zu bestellen, der einen Neuen Benchmarksatz (wie in § 5(2)(g)(vi) definiert), die Anpassungsmarge (wie in § 5(2)(g)(vi) definiert) und etwaige Benchmark-Änderungen (gemäß § 5(2)(g)(iv)) festlegt.
- (ii) Wenn vor dem maßgeblichen Zinsfestsetzungstag
 - (A) es der Emittentin nicht gelingt einen Unabhängigen Berater zu ernennen; oder
 - (B) der ernannte Unabhängige Berater keinen Neuen

(g) *Benchmark Event.*

If a Benchmark Event occurs in relation to the Original Benchmark Rate (or any component part thereof), the relevant Reference Rate and the reset of the Prevailing Interest Rate in accordance with this § 5(2) will be determined as follows:

- (i) The Issuer shall, as soon as it is (in the Issuer's view) practicable following the occurrence of the Benchmark Event and prior to the next Interest Determination Date, endeavour to appoint an Independent Adviser, who will determine a New Benchmark Rate (as defined in § 5(2)(g)(vi)), the Adjustment Spread (as defined in § 5(2)(g)(vi)) and any Benchmark Amendments (in accordance with § 5(2)(g)(iv)).
- (ii) If prior to the relevant Interest Determination Date,
 - (A) the Issuer fails to appoint an Independent Adviser; or
 - (B) the Independent Adviser appointed by it fails to determine a New

Benchmarksatz gemäß
diesem § 5(2)(g) festlegt,

dann entspricht der
"Referenzsatz" für den
unmittelbar nachfolgenden
Resetzeitraum dem an dem
letzten zurückliegenden
Zinsfestsetzungstag
festgestellten Ursprünglichen
Benchmarksatz.

Falls dieser § 5(2)(g)(ii) bereits
im Hinblick auf den Ersten
Resettag angewendet werden
muss, entspricht der
"Referenzsatz" für den ersten
Resetzeitraum dem
Ursprünglichen Benchmarksatz
auf der Reset-Bildschirmseite an
dem letzten Tag vor dem
Zinsfestsetzungstag, an dem
dieser Ursprüngliche
Benchmarksatz angezeigt wurde.

Falls der gemäß diesem
§ 5(2)(g)(ii) bestimmte
Ausweichsatz zur Anwendung
kommt, wird § 5(2)(g) erneut
angewendet, um den
Referenzsatz für den nächsten
nachfolgenden Resetzeitraum zu
bestimmen.

(iii) *Nachfolge-Benchmarksatz oder
Alternativ-Benchmarksatz.* Falls
der Unabhängige Berater nach
billigem Ermessen feststellt,

(A) dass es einen Nachfolge-
Benchmarksatz gibt, dann
ist dieser Nachfolge-
Benchmarksatz der Neue
Benchmarksatz; oder

(B) dass es keinen Nachfolge-
Benchmarksatz aber einen
Alternativ-Benchmarksatz

Benchmark Rate in
accordance with this
§ 5(2)(g),

then the "Reference Rate"
applicable to the immediately
following Reset Period shall be
the Original Benchmark Rate
determined on the last preceding
Interest Determination Date.

If this § 5(2)(g)(ii) is to be
applied in respect of the First
Reset Date, the "Reference Rate"
applicable to the first Reset
Period shall be the Original
Benchmark Rate on the Reset
Screen Page on the last day
preceding the Interest
Determination Date on which
such Original Benchmark Rate
was displayed.

If the fallback rate determined in
accordance with this § 5(2)(g)(ii)
is to be applied, § 5(2)(g) will be
operated again to determine the
Reference Rate applicable to the
next subsequent Reset Period.

(iii) *Successor Benchmark Rate or
Alternative Benchmark Rate.* If
the Independent Adviser
determines in its reasonable
discretion that:

(A) there is a Successor
Benchmark Rate, then such
Successor Benchmark Rate
shall subsequently be the
New Benchmark Rate; or

(B) there is no Successor
Benchmark Rate but that
there is an Alternative

gibt, dann ist dieser
Alternativ-Benchmarksatz
der Neue Benchmarksatz,

und dann entspricht der
"Referenzsatz" für den
unmittelbar nachfolgenden
Resetzeitraum und alle folgenden
Resetzeiträume vorbehaltlich
§ 5(2)(g)(vii) dem betreffenden
Neuen Benchmarksatz an dem
betreffenden Zinsfestsetzungstag
zuzüglich der Anpassungsmarge.

- (iv) *Benchmark-Änderungen.* Wenn ein Neuer Benchmarksatz und die entsprechende Anpassungsmarge gemäß diesem § 5(2)(g) festgelegt werden, und wenn der Unabhängige Berater nach billigem Ermessen feststellt, dass Änderungen hinsichtlich dieser Anleihebedingungen notwendig sind, um die ordnungsgemäße Anwendung des Neuen Benchmarksatzes und der entsprechenden Anpassungsmarge zu gewährleisten (diese Änderungen, die "**Benchmark-Änderungen**"), dann wird der Unabhängige Berater die Benchmark-Änderungen nach billigem Ermessen feststellen und die Emittentin wird diese durch eine Mitteilung gemäß § 5(2)(g)(v) bekanntmachen.

Diese Benchmark-Änderungen können insbesondere folgende Regelungen in diesen Anleihebedingungen erfassen:

- (A) den Referenzsatz einschließlich der Definition des Begriffs "Reset-Bildschirmseite" und/oder die Methode zur

Benchmark Rate, then such
Alternative Benchmark Rate
shall subsequently be the
New Benchmark Rate,

and then the "Reference Rate" for the immediately following Reset Period and all following Reset Periods, subject to § 5(2)(g)(vii), will be the relevant New Benchmark Rate on the relevant Interest Determination Date plus the Adjustment Spread.

- (iv) *Benchmark Amendments.* If any New Benchmark Rate and the applicable Adjustment Spread are determined in accordance with this § 5(2)(g), and if the Independent Adviser in its reasonable discretion determines that amendments to these Terms and Conditions are necessary to ensure the proper operation of such New Benchmark Rate and the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**"), then the Independent Adviser will determine the Benchmark Amendments in its reasonable discretion and the Issuer will give notice thereof in accordance with § 5(2)(g)(v).

The Benchmark Amendments may comprise in particular the following conditions of these Terms and Conditions:

- (A) the Reference Rate including the definition of the term "Reset Screen Page" and/or the method for determining the fallback rate

Bestimmung des Ausweichsatzes (sog. fallback) für den Referenzsatz einschließlich des Referenzbanksatzes; und/oder	in relation to the Reference Rate, including the Reference Bank Rate; and/or
(B) die Definitionen der Begriffe "Geschäftstag", "Zinszahlungstag", "Resettag", "Zinsfestsetzungstag", "Zinstagequotient" und/oder "Zinszeitraum" (einschließlich der Festlegung, ob der Referenzsatz vorausschauend vor oder zu Beginn der betreffenden Zinsperiode oder zurückblickend vor oder zum Ablauf der betreffenden Zinsperiode bestimmt wird); und/oder	(B) the definitions of the terms "Business Day", "Interest Payment Date", "Reset Date", "Interest Determination Date", "Day Count Fraction" and/or "Interest Period" (including the determination whether the Reference Rate will be determined in advance on or prior to the relevant Interest Period or in arrear on or prior to the end of the relevant Interest Period); and/or
(C) die Geschäftstagekonvention gemäß § 6(2).	(C) the business day convention in § 6(2).
(v) <i>Mitteilungen, etc.</i> Die Emittentin hat einen Neuen Benchmarksatz, die Anpassungsmarge und etwaige Benchmark-Änderungen gemäß diesem § 5(2)(g) der Hauptzahlstelle und der Berechnungsstelle sowie gemäß § 13 den Anleihegläubigern mitzuteilen, und zwar sobald eine solche Mitteilung (nach Ansicht der Emittentin) nach deren Feststellung praktikabel ist. Eine solche Mitteilung ist unwiderruflich und hat den Stichtag zu benennen. Der Neue Benchmarksatz, die Anpassungsmarge und etwaige Benchmark-Änderungen, die jeweils in der Mitteilung benannt werden, sind für die Emittentin, die Garantin, die	(v) <i>Notices, etc.</i> The Issuer will notify any New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined under this § 5(2)(g) to the Principal Paying Agent and the Calculation Agent and, in accordance with § 13, the Holders as soon as such notification is (in the Issuer's view) practicable following the determination thereof. Such notice shall be irrevocable and shall specify the Effective Date. The New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any), each as specified in such notice, will be binding on the Issuer, the Guarantor, the

Berechnungsstelle, die Hauptzahlstelle, eventuelle weitere Zahlstellen und die Anleihegläubiger bindend. Die Anleihebedingungen gelten ab dem Stichtag als durch den Neuen Benchmarksatz, die Anpassungsmarge und die etwaigen Benchmark-Änderungen geändert.

An oder vor dem Tag dieser Mitteilung hat die Emittentin der Hauptzahlstelle und der Berechnungsstelle eine durch zwei Unterschriftsberechtigte der Emittentin unterzeichnete Bescheinigung zu übergeben, die

(A)

(I) bestätigt, dass ein Benchmark-Ereignis eingetreten ist;

(II) den Neuen Benchmarksatz benennt;

(III) die entsprechende Anpassungsmarge und etwaige Benchmark-Änderungen benennt; und

(IV) den Stichtag benennt; und

(B) bestätigt, dass die etwaigen Benchmark-Änderungen notwendig sind, um die ordnungsgemäße Anwendung des Neuen Benchmarksatzes und der entsprechenden Anpassungsmarge zu gewährleisten.

Calculation Agent, the Principal Paying Agent, any additional paying agents and the Holders. The Terms and Conditions shall be deemed to have been amended by the New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments, if any, with effect from the Effective Date.

On or prior to the date of such notice, the Issuer shall deliver to the Principal Paying Agent and the Calculation Agent a certificate signed by two authorized signatories of the Issuer:

(A)

(I) confirming that a Benchmark Event has occurred;

(II) specifying the relevant New Benchmark Rate;

(III) specifying the applicable Adjustment Spread and the Benchmark Amendments (if any); and

(IV) specifying the Effective Date; and

(B) confirming that the Benchmark Amendments, if any, are necessary to ensure the proper operation of such New Benchmark Rate and the applicable Adjustment Spread.

- (vi) *Definitionen.* Zur Verwendung in § 5(2)(g):

Die "**Anpassungsmarge**", die positiv, negativ oder gleich Null sein kann, wird in Basispunkten ausgedrückt und bezeichnet entweder (a) die Spanne oder (b) das Ergebnis der Anwendung der Formel oder Methode zur Berechnung der Spanne,

(A) die im Fall eines Nachfolge-Benchmarksatzes von einem Nominierungsgremium im Zusammenhang mit der Ersetzung des Ursprünglichen Benchmarksatzes durch den Nachfolge-Benchmarksatz förmlich empfohlen wird; oder

(B) die (sofern keine Empfehlung abgegeben wurde oder im Fall eines Alternativ-Benchmarksatzes) an den internationalen Anleihekapitalmärkten (oder, hilfsweise, an den internationalen Swapmärkten) auf den Neuen Benchmarksatz (oder eine Teilkomponente davon) angewendet wird, um einen branchenweit akzeptierten Ersatz-Benchmarksatz für den Ursprünglichen Benchmarksatz zu erzeugen, wobei sämtliche Feststellungen durch den Unabhängigen Berater nach billigem Ermessen vorgenommen werden.

"Alternativ-Benchmarksatz" bezeichnet

- (vi) *Definitions.* As used in this § 5(2)(g):

The "**Adjustment Spread**", which may be positive, negative or zero, will be expressed in basis points and means either (a) the spread or (b) the result of the operation of the formula or methodology for calculating the spread,

(A) which in the case of a Successor Benchmark Rate, is formally recommended in relation to the replacement of the Original Benchmark Rate with the Successor Benchmark Rate by any Relevant Nominating Body; or

(B) which (if no such recommendation has been made, or in the case of an Alternative Benchmark Rate) is applied to the New Benchmark Rate (or any component part thereof) in the international debt capital markets (or, alternatively, the international swap markets) to produce an industry-accepted replacement benchmark rate for the Original Benchmark Rate, provided that all determinations will be made by the Independent Adviser in its reasonable discretion.

"Alternative Benchmark Rate" means an alternative

eine alternative Benchmark oder einen alternativen Bildschirmsatz, die bzw. der üblicherweise an den internationalen Anleihekapitalmärkten (oder, hilfsweise, an den internationalen Swapmärkten) zur Bestimmung von Zinssätzen bzw. Mid-Swap-Sätzen in Euro angewendet wird, wobei sämtliche Feststellungen durch den Unabhängigen Berater nach billigem Ermessen vorgenommen werden.

Ein "**Benchmark-Ereignis**" tritt ein, wenn:

- (A) der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) nicht mehr regelmäßig veröffentlicht oder nicht mehr erstellt wird; oder
- (B) eine öffentliche Bekanntmachung des Administrators des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) dahingehend vorliegt, dass dieser die Veröffentlichung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) dauerhaft oder auf unbestimmte Zeit eingestellt hat oder einstellen wird (in Fällen in denen kein Nachfolgeadministrator ernannt worden ist, der die weitere Veröffentlichung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente

benchmark or an alternative screen rate which is customarily applied in the international debt capital markets (or, alternatively, the international swap markets) for the purpose of determining rates of interest or mid swap rates, respectively in EUR, provided that all determinations will be made by the Independent Adviser in its reasonable discretion.

A "**Benchmark Event**" occurs if:

- (A) the Original Benchmark Rate (or any component part thereof) ceases to be published on a regular basis or ceases to exist; or
- (B) a public statement by the administrator of the Original Benchmark Rate (or any component part thereof) is made, that it has ceased or that it will cease publishing the Original Benchmark Rate (or any component part thereof) permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue the publication of the Original Benchmark Rate (or any component part thereof)); or

davon) vornehmen wird);
oder

(C) eine öffentliche
Bekanntmachung der
Aufsichtsbehörde des
Administrators des
Ursprünglichen
Benchmarksatzes (oder
einer Teilkomponente
davon) vorliegt, dass der
Ursprüngliche
Benchmarksatz (oder einer
Teilkomponente davon)
dauerhaft oder auf
unbestimmte Zeit nicht
mehr fortgeführt wird oder
fortgeführt werden wird;
oder

(D) eine öffentliche
Bekanntmachung der
Aufsichtsbehörde des
Administrators des
Ursprünglichen
Benchmarksatzes (oder
einer Teilkomponente
davon) vorliegt, wonach der
Ursprüngliche
Benchmarksatz (oder eine
Teilkomponente davon)
allgemein oder in Bezug auf
die Schuldverschreibungen
nicht mehr verwendet wird
oder verwendet werden darf,
oder nach welcher der
Ursprüngliche
Benchmarksatz (oder eine
Teilkomponente davon)
nicht länger als repräsentativ
für einen branchenweit
akzeptierten Benchmarksatz
angesehen wird oder
angesehen werden wird;
oder

(E) die Verwendung des
Ursprünglichen
Benchmarksatzes (oder
einer Teilkomponente

(C) a public statement by the
supervisor of the
administrator of the Original
Benchmark Rate (or any
component part thereof) is
made, that the Original
Benchmark Rate (or any
component part thereof) has
been or will permanently or
indefinitely discontinued; or

(D) a public statement by the
supervisor of the
administrator of the Original
Benchmark Rate (or any
component part thereof) is
made as a consequence of
which the Original
Benchmark Rate (or any
component part thereof) has
been or will be prohibited
from being used either
generally, or in respect of
the Notes, or pursuant to
which the Original
Benchmark Rate (or any
component part thereof) has
ceased or will cease to be
representative as an industry
accepted benchmark rate; or

(E) it has become unlawful for
any Paying Agent, the
Calculation Agent, the
Issuer, the Guarantor or any

davon) zur Berechnung oder Bestimmung des Referenzsatzes für die Zahlstellen, die Berechnungsstelle, die Emittentin, die Garantin oder jeden Dritten rechtswidrig geworden ist; oder

- (F) sich die Methode für die Feststellung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) wesentlich gegenüber der Methode ändert, die der Administrator des Ursprünglichen Benchmarksatzes bei Verzinsungsbeginn anwendet.

"Nachfolge-Benchmarksatz"
bezeichnet einen Nachfolger oder Ersatz des Ursprünglichen Benchmarksatzes, der formell durch das Nominierungsgremium empfohlen wurde.

"Neuer Benchmarksatz"
bezeichnet den jeweils gemäß § 5(2)(g) bestimmten Nachfolge-Benchmarksatz bzw. Alternativ-Benchmarksatz.

"Nominierungsgremium"
bezeichnet in Bezug auf die Ersetzung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon):

- (A) die Zentralbank für die Währung in der die Benchmark oder der Bildschirmsatz dargestellt

other party to calculate or determine the Reference Rate using the Original Benchmark Rate (or any component part thereof); or.

- (F) the methodology for the determination of the Original Benchmark Rate (or any component part thereof) is materially altered compared to the methodology as used by the administrator of the Original Benchmark Rate at the Interest Commencement Date.

"Successor Benchmark Rate" means a successor to or replacement of the Original Benchmark Rate which is formally recommended by any Relevant Nominating Body.

"New Benchmark Rate" means the Successor Benchmark Rate or, as the case may be, the Alternative Benchmark Rate determined in accordance with § 5(2)(g).

"Relevant Nominating Body" means, in respect of the replacement of the Original Benchmark Rate (or any component part thereof):

- (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any

wird oder eine Zentralbank oder andere Aufsichtsbehörde, die für die Aufsicht des Administrators der Benchmark oder des Bildschirmsatzes zuständig ist; oder

central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

- (B) jede Arbeitsgruppe oder jeden Ausschuss gefördert durch, geführt oder mitgeführt von oder gebildet von (a) der Zentralbank für die Währung in der die Benchmark oder der Bildschirmsatz dargestellt wird, (b) einer Zentralbank oder anderen Aufsichtsbehörde, die für die Aufsicht des Administrators der Benchmark oder des Bildschirmsatzes zuständig ist, (c) einer Gruppe der zuvor genannten Zentralbanken oder anderer Aufsichtsbehörden oder (d) dem Finanzstabilitätsrat (Financial Stability Board) oder Teilen davon.

- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"Unabhängiger Berater"
bezeichnet ein von der Emittentin bestelltes unabhängiges Finanzinstitut mit internationalem Ansehen oder einen anderen unabhängigen Finanzberater mit Erfahrung in internationalen Kapitalmärkten.

"Independent Adviser" means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer.

- (vii) Eine Anpassung des Ursprünglichen Benchmarksatzes im Falle eines Benchmark-Ereignisses darf nur insoweit durchgeführt werden, als durch diese Anpassung kein Ratingereignis eintritt.

- (vii) Any adjustment to the Original Benchmark Rate in case of a Benchmark Event will be made only to the extent that no Rating Event would occur as a result of such adjustment.

(viii) Der Stichtag für die Anwendung des Neuen Benchmarksatzes, der Anpassungsmarge und der etwaigen Benchmark-Änderungen gemäß diesem § 5(2)(g) (der "**Stichtag**") ist der Zinsfestsetzungstag, der auf den frühesten der folgenden Tage fällt oder diesem nachfolgt:

(A) den Tag des Eintritts des Benchmark-Ereignisses, wenn das Benchmark-Ereignis aufgrund des Absatzes (A) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist; oder

(B) den Tag, ab dem die Veröffentlichung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) eingestellt wird bzw. an dem der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) eingestellt oder nicht länger als repräsentativ angesehen wird, wenn das Benchmark-Ereignis aufgrund der Absätze (B), (C) oder (D) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist; oder

(C) den Tag, ab dem der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) nicht mehr verwendet werden darf, wenn das Benchmark-Ereignis aufgrund des Absatzes (E) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist; oder

(viii) The effective date for the application of the New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined under this § 5(2)(g) (the "**Effective Date**") will be the Interest Determination Date falling on or after the earliest of the following dates:

(A) if the Benchmark Event has occurred as a result of clause (A) of the definition of the term "Benchmark Event", the date of the occurrence of the Benchmark Event; or

(B) if the Benchmark Event has occurred as a result of clause (B), (C) or (D) of the definition of the term "Benchmark Event", the date from which the Original Benchmark Rate (or any component part thereof) ceases to be published, is discontinued or ceases to be representative, as the case may be; or

(C) if the Benchmark Event has occurred as a result of clause (E) of the definition of the term "Benchmark Event", the date from which the prohibition applies; or

- (D) den Tag, an dem die wesentliche Änderung der Methode wirksam wird, wenn das Benchmark-Ereignis aufgrund des Absatzes (F) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist.
- (ix) Wenn ein Benchmark-Ereignis in Bezug auf einen Neuen Benchmarksatz eintritt, gilt dieser § 5(2)(g) entsprechend für die Ersetzung des Neuen Benchmarksatzes durch einen neuen Nachfolge-Benchmarksatz bzw. Alternativ-Benchmarksatz. In diesem Fall gilt jede Bezugnahme in diesem § 5(2)(g) auf den Begriff Ursprünglicher Benchmarksatz als Bezugnahme auf den zuletzt verwendeten Neuen Benchmarksatz.
- (3) *Berechnung der Zinsen.* Die an dem jeweiligen Zinszahlungstag zu zahlenden Zinsen je Schuldverschreibung (die "**Zinsen**") ergeben sich aus der Multiplikation des jeweiligen Anwendbaren Zinssatzes mit dem Nennbetrag je Schuldverschreibung und dem Zinstagequotienten, wobei der daraus resultierende Betrag auf den nächsten Eurocent auf oder abgerundet wird, und 0,5 oder mehr eines Eurocents aufgerundet werden. Zinsen, die für einen Zeitraum von weniger als einem Jahr zu berechnen sind, werden nach Maßgabe des § 5(5) berechnet.
- (4) *Zinsen nach Eintritt eines Kontrollwechsel-Ereignisses.* Wenn ein Kontrollwechsel-Ereignis (wie in § 7(5) definiert) eintritt und die Emittentin die Schuldverschreibungen nicht insgesamt gemäß § 7(5) an dem Kontrollwechsel-Stichtag (wie in § 7(5) definiert) zurückzahlt, erhöht sich der für die Berechnung der Zinsen ansonsten
- (D) if the Benchmark Event has occurred as a result of clause (F) of the definition of the term "Benchmark Event", the date on which the material alteration of the methodology has taken effect.
- (ix) If a Benchmark Event occurs in relation to any New Benchmark Rate, this § 5(2)(g) shall apply *mutatis mutandis* to the replacement of such New Benchmark Rate by any new Successor Benchmark Rate or Alternative Benchmark Rate, as the case may be. In this case, any reference in this § 5(2)(g) to the term Original Benchmark Rate shall be deemed to be a reference to the New Benchmark Rate that last applied.
- (3) *Calculation of Interest.* Interest payable per Note on the respective Interest Payment Date (the "**Interest**") shall be calculated by multiplying the Prevailing Interest Rate with the Principal Amount and the Day Count Fraction and rounding the resulting figure to the nearest eurocent with 0.5 or more of a eurocent being rounded upwards. If Interest is to be calculated for a period of less than one year, it shall be calculated pursuant to § 5(5).
- (4) *Interest following the occurrence of a Change of Control Event.* If a Change of Control Event (as defined in § 7(5)) occurs and the Issuer does not redeem the Notes in whole in accordance with § 7(5) on the Change of Control Effective Date (as defined in § 7(5)), the rate applicable for calculating the Interest will be subject to an additional 500 basis points per annum

anzuwendende Anwendbare Zinssatz ab dem Kontrollwechsel-Stichtag um zusätzliche 500 Basispunkte per annum. Für den Fall, dass in dem Zeitraum zwischen dem Eintritt des ersten Kontrollwechsel-Ereignisses und dem Tag, an dem die Kontrollwechsel-Mitteilung (wie in § 7(5) definiert) in Bezug auf dieses erste Kontrollwechsel-Ereignis veröffentlicht wird, mehr als ein Kontrollwechsel eintritt, erhöht sich der für die Berechnung der Zinsen ansonsten anzuwendende Anwendbare Zinssatz jedoch nur einmal.

above the otherwise applicable Prevailing Interest Rate from the Change of Control Effective Date, provided however that, in case more than one Change of Control Event has occurred in the period from the occurrence of the first Change of Control Event to (and including) the day on which the Change of Control Notice (as defined in § 7(5)) with regard to such first Change of Control Event is published, the otherwise applicable Prevailing Interest Rate will only be increased once.

(5) *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) *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).

(6) *Zinstagequotient.* "**Zinstagequotient**" bezeichnet in Bezug auf die Berechnung von Zinsen auf die Schuldverschreibungen für einen beliebigen Zeitraum (der "**Zinsberechnungszeitraum**"):

(6) *Day Count Fraction.* "**Day Count Fraction**" means, in respect of the calculation of Interest on any Note for any period of time (the "**Calculation Period**"):

(a) wenn der Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieses Zeitraums) kürzer ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraumes fällt oder ihr entspricht, die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieses Zeitraums) geteilt durch die Anzahl der Tage in der Feststellungsperiode; oder

(a) if the Calculation Period (from and including the first day of such period but excluding the last) is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of days in such Calculation Period (from and including the first day of such period but excluding the last) divided by the number of days in such Determination Period; or

(b) wenn der Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieses Zeitraums) länger ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraumes fällt,

(b) if the Calculation Period (from and including the first day of such period but excluding the last) is longer than the Determination Period during which the Calculation Period ends, the sum of: (A) the number of days in such

die Summe aus (A) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in welcher der Zinsberechnungszeitraum beginnt, geteilt durch die Anzahl der Tage in dieser Feststellungsperiode und (B) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die nächste Feststellungsperiode fallen, geteilt durch die Anzahl der Tage in dieser Feststellungsperiode.

"Feststellungsperiode" ist der Zeitraum ab einem Feststellungstermin (einschließlich) bis zum nächsten Feststellungstermin (ausschließlich).

"Feststellungstermin" bezeichnet jeden 23. Dezember.

(7) *Zinslaufende.*

Die Verzinsung der Schuldverschreibungen endet mit Beginn des Tages, an dem ihr Nennbetrag 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 der tatsächlichen Zahlung. Der in einem solchen Fall jeweils anzuwendende Zinssatz wird gemäß § 5(1) bestimmt.

§ 6

(Fälligkeit von Zinszahlungen; Aufschub von Zinszahlungen; Zahlung Aufgeschobener Zinszahlungen)

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

(a) Zinsen, die während einer Zinsperiode auflaufen, werden an dem betreffenden Zinszahlungstag fällig, sofern sich die Emittentin nicht durch eine Bekanntmachung an die Anleihegläubiger gemäß § 13 innerhalb einer Frist von nicht

Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the number of days in such Determination Period and (B) the number of days in such Calculation Period falling in the next Determination Period divided by the number of days in such Determination Period.

"Determination Period" means the period from and including a Determination Date to but excluding the next Determination Date.

"Determination Date" means each December 23.

(7) *Cessation of interest accrual.*

The Notes will cease to bear interest from the beginning of the day 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 made. In such case the applicable rate of interest will be determined pursuant to § 5(1).

§ 6

(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 which accrues 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

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 § 6(1)(a) nicht fällig gewordene Zinsen sind aufgeschobene Zinszahlungen ("**Aufgeschobene Zinszahlungen**").

- (b) Aufgeschobene Zinszahlungen werden nicht verzinst.

(2) *Freiwillige Zahlung von Aufgeschobenen Zinszahlungen.*

Die Emittentin ist berechtigt, ausstehende Aufgeschobene Zinszahlungen jederzeit insgesamt, jedoch nicht teilweise nach Bekanntmachung an die Anleihegläubiger unter Einhaltung einer Frist von nicht weniger als 10 Geschäftstagen vor einer freiwilligen Zinszahlung zu zahlen, 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

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 § 6(1)(a) will constitute arrears of interest ("**Arrears of Interest**").

- (b) Arrears of Interest will not bear interest.

(2) *Optional Settlement of Arrears of Interest.*

The Issuer 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**"):

folgenden Kalendertage zu zahlen (jeweils ein "**Pflichtnachzahlungstag**"):

- | | |
|--|--|
| <p>(a) dem Kalendertag, an dem eine Dividende oder sonstige Ausschüttung oder sonstige Zahlung in Bezug auf 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);</p> <p>(b) dem Kalendertag, an dem die Emittentin, die Garantin oder eine Tochtergesellschaft der Garantin Nachrangige Verbindlichkeiten der Emittentin, Nachrangige Verbindlichkeiten der Garantin, 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 nach den Bedingungen des Instruments verpflichtend war oder unter einem Mitarbeiterbeteiligungsprogramm erforderlich war);</p> <p>(c) dem Kalendertag, an dem die Schuldverschreibungen zurückgezahlt werden;</p> <p>(d) dem nächsten Zinszahlungstag, an dem die Emittentin Zinsen auf die Schuldverschreibungen zahlt; oder</p> <p>(e) dem Kalendertag, nach dem ein Beschluss zur Auflösung, Abwicklung oder Liquidation der Emittentin oder der Garantin ergangen ist (aber nur,</p> | <p>(a) the calendar 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 Guarantor, Parity Obligations of the Issuer or Parity Obligations of the Guarantor (except where such dividend, other distribution or payment was required in respect of employee share schemes);</p> <p>(b) the calendar day on which the Issuer, the Guarantor or a 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 mandatory under the terms of the instrument or required in respect of employee share schemes);</p> <p>(c) the calendar day on which the Notes are redeemed;</p> <p>(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</p> <p>(e) the calendar day after an order is made for the winding-up, dissolution or liquidation of the Issuer or the Guarantor (other than for the purposes</p> |
|--|--|

wenn dies nicht für die Zwecke oder als Folge einer Verschmelzung, einer Umstrukturierung oder Sanierung geschieht und die Emittentin bzw. die Garantin noch zahlungsfähig sind und die übernehmende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin bzw. der Garantin übernimmt);

mit der Maßgabe, dass

- (x) in den vorgenannten Fällen (a) und (b) kein Pflichtnachzahlungstag vorliegt, wenn die Emittentin, die Garantin oder die betreffende Tochtergesellschaft der Garantin nach Maßgabe der Emissionsbedingungen der betreffenden Gleichrangigen Verbindlichkeiten der Emittentin oder Gleichrangigen Verbindlichkeiten der Garantin oder Nachrangigen Verbindlichkeit der Emittentin oder Nachrangigen Verbindlichkeiten der Garantin zu der Zahlung, zu der Rückzahlung, zu dem Rückkauf oder zu dem anderweitigen Erwerb verpflichtet ist; und
- (y) im vorgenannten Fall (b) kein Pflichtnachzahlungstag vorliegt, wenn die Emittentin, die Garantin oder die betreffende 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 der Emittentin bzw. Gleichrangige Verbindlichkeit der Garantin liegenden Kaufpreis zurückkauft oder anderweitig erwirbt.

§ 7

(Rückzahlung und Rückkauf)

- (1) *Keine Endfälligkeit.*

of or pursuant to a merger, reorganisation or restructuring while solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer or Guarantor, as the case may be);

provided that

- (x) in the cases (a) and (b) above no Mandatory Settlement Date occurs if the Issuer, the Guarantor or the relevant Subsidiary of the Guarantor is obliged under the terms and conditions of such Parity Obligations of the Issuer or Parity Obligations of the Guarantor or Junior Obligations of the Issuer or Junior Obligations of the Guarantor to make such payment, such redemption, such repurchase or such other acquisition; and
- (y) in the case (b) above no Mandatory Settlement Date occurs if the Issuer, the Guarantor or the relevant 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 of the Issuer or Parity Obligation of the Guarantor (as applicable) below its par value.

§ 7

(Redemption and Repurchase)

- (1) *No Scheduled Redemption.*

Die Schuldverschreibungen haben keinen Endfälligkeitstag und werden, außer gemäß den Bestimmungen in diesem § 7, nicht zurückgezahlt.

(2) *Rückkauf.*

Die Emittentin, die Garantin oder eine Tochtergesellschaft der Garantin kann, soweit gesetzlich zulässig, jederzeit Schuldverschreibungen auf dem freien Markt oder anderweitig sowie zu jedem beliebigen Preis kaufen. Derartig erworbene Schuldverschreibungen können entwertet, gehalten oder wieder veräußert werden.

(3) *Rückzahlung nach Wahl der Emittentin und bei geringem ausstehendem Gesamtnennbetrag.*

(a) Die Emittentin ist berechtigt, durch Bekanntmachung gemäß § 13 unter Einhaltung einer Frist von nicht weniger als 20 und nicht mehr als 40 Tagen, die Schuldverschreibungen (insgesamt und nicht nur teilweise) zu kündigen

(i) mit Wirkung zu jedem Tag während des Zeitraums ab dem 23. September 2024 (der "**Erste Rückzahlungstag**") bis zum Ersten Resettag (jeweils einschließlich);

(ii) mit Wirkung zu jedem auf den Ersten Resettag folgenden Zinszahlungstag.

Im Falle einer solchen Kündigung ist die Emittentin verpflichtet, jede Schuldverschreibung an dem in der Bekanntmachung festgelegten Rückzahlungstag zu ihrem Nennbetrag zuzüglich aufgelaufener aber noch nicht bezahlter Zinsbeträge sowie

The Notes have no final maturity date and shall not be redeemed, except in accordance with the provisions set out in this § 7.

(2) *Repurchase.*

Subject to applicable laws, the Issuer, the Guarantor or any Subsidiary of the Guarantor may at any time purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold.

(3) *Redemption at the Option of the Issuer and in Case of Minimum Outstanding Aggregate Principal Amount.*

(a) The Issuer may, upon giving not less than 20 nor more than 40 days' notice pursuant to § 13 call the Notes for redemption (in whole but not in part)

(i) with effect on any date during the period from and including September 23, 2024 (the "**First Call Date**") to and including the First Reset Date;

(ii) with effect on each Interest Payment Date after the First Reset Date.

In this case the Issuer shall redeem each Note at its Principal Amount plus accrued and unpaid interest and any Arrears of Interest on the redemption date specified in the notice.

Aufgeschobener Zinszahlungen
zurückzuzahlen.

- (b) Die Emittentin ist berechtigt, durch Bekanntmachung gemäß § 13 unter Einhaltung einer Frist von nicht weniger als 20 und nicht mehr als 40 Tagen, die Schuldverschreibungen (insgesamt und nicht nur teilweise) jederzeit zu kündigen, falls mindestens 75 % des ursprünglich begebenen Gesamtnennbetrages der Schuldverschreibungen zurückgezahlt oder erworben und eingezogen worden sind.

Im Falle einer solchen Kündigung ist die Emittentin verpflichtet, jede Schuldverschreibung an dem in der Bekanntmachung festgelegten Rückzahlungstag zu ihrem Nennbetrag zuzüglich aufgelaufener aber noch nicht bezahlter Zinsbeträge sowie Aufgeschobener Zinszahlungen zurückzuzahlen.

(4) *Besondere Rückzahlungsereignisse.*

Die Emittentin ist berechtigt, durch Bekanntmachung gemäß § 13 unter Einhaltung einer Frist von nicht weniger als 20 und nicht mehr als 40 Tagen, die Schuldverschreibungen (insgesamt und nicht nur teilweise) jederzeit zu kündigen, falls eines der folgenden besonderen Ereignisse eingetreten ist. Im Falle einer solchen Kündigung ist die Emittentin verpflichtet, jede Schuldverschreibung an dem in der Bekanntmachung festgelegten Rückzahlungstag zu ihrem Vorzeitigen Rückzahlungsbetrag zuzüglich aufgelaufener aber noch nicht bezahlter Zinsbeträge sowie Aufgeschobener Zinszahlungen zurückzuzahlen. Die Bekanntmachung hat den Grund der vorzeitigen Rückzahlung und den Rückzahlungstag anzugeben:

- (a) Falls (i)(A) eine Ratingagentur eine Veränderung in ihrer Methodologie

- (b) The Issuer may, upon giving not less than 20 nor more than 40 days' notice pursuant to § 13, call the Notes for redemption (in whole but not in part) at any time if at least 75 per cent. of the originally issued aggregate principal amount of the Notes have been redeemed or purchased and cancelled.

In this case the Issuer shall redeem each Note at its Principal Amount plus accrued and unpaid interest and any Arrears of Interest on the redemption date specified in the notice.

(4) *Special Redemption Events.*

The Issuer may upon giving not less than 20 nor more than 40 days' notice pursuant to § 13, call the Notes for redemption (in whole but not in part) at any time if any of the special events as set forth below has occurred. In this case the Issuer shall redeem each Note at the Early Redemption Amount plus accrued and unpaid interest and any Arrears of Interest on the redemption date specified in the notice. The notice shall set forth the underlying facts of the Issuer's right to early redemption and specify the redemption date:

- (a) If (i)(A) any Rating Agency publishes a change in its hybrid capital

für Hybridkapital oder der Interpretation dieser Methodologie veröffentlicht, wodurch die Schuldverschreibungen nicht mehr länger in derselben oder einer höheren Kategorie der "Eigenkapitalanrechnung" (oder eine vergleichbare Beschreibung, die von der Ratingagentur in Zukunft genutzt wird, um zu beschreiben, inwieweit die Bedingungen eines Instruments die vorrangigen Verbindlichkeiten der Garantin unterstützen) wie am Begebungstag der Schuldverschreibungen einzuordnen sind (ein "**Verlust der Eigenkapitalanrechnung**"), oder (B) die Emittentin eine schriftliche Bestätigung oder allgemeine Publikation von einer Ratingagentur erhalten und diese an die Hauptzahlstelle in Kopie weitergegeben hat, welche besagt, dass aufgrund einer Änderung ihrer Methodologie für Hybridkapital oder der Interpretation dieser Methodologie, ein Verlust der Eigenkapitalanrechnung erfolgt ist (die Ereignisse unter (A) und (B) jeweils ein "**Ratingereignis**") und (ii) die Emittentin die Anleihegläubiger über das Ratingereignis gemäß § 13 informiert hat, bevor die Mitteilung der Rückzahlung (wie oben beschrieben) bekanntgemacht wurde.

"**Ratingagentur**" bezeichnet Moody's und S&P, wobei "**Moody's**" Moody's Investors Services Limited oder eine ihrer Nachfolgesellschaften und "**S&P**" S&P Global Ratings Europe Limited oder eine ihrer Nachfolgesellschaften bezeichnet.

- (b) Eine anerkannte Wirtschaftsprüfungsgesellschaft, die im Auftrag der Emittentin oder der Garantin handelt, hat der Emittentin oder der Garantin einen Brief oder ein Gutachten übermittelt, wonach

methodology or the interpretation thereof, as a result of which change the Notes would no longer be eligible for the same or a higher category of "equity credit" (or such similar nomenclature as may be used by that Rating Agency from time to time to describe the degree to which the terms of an instrument are supportive of the Guarantor's senior obligations) attributed to the Notes at the issue date of the Notes (a "**Loss in Equity Credit**"), or (B) the Issuer has received, and has provided the Principal Paying Agent with a copy of, a written confirmation or public announcement from any Rating Agency that due to a change in its hybrid capital methodology or the interpretation thereof, a Loss in Equity Credit occurred (the events described in (A) and (B) each a "**Rating Event**") and (ii) the Issuer has given notice to the Holders in accordance with § 13 of such Rating Event prior to giving the notice of redemption referred to above.

"**Rating Agency**" means Moody's and S&P, where "**Moody's**" means Moody's Investors Services Limited or any of its successors and "**S&P**" means S&P Global Ratings Europe Limited or any of its successors.

- (b) A recognised accountancy firm, acting upon instructions of the Issuer or Guarantor, has delivered a letter or report to the Issuer or Guarantor, stating that as a result of a change in accounting principles (or the

aufgrund einer Änderung der Rechnungslegungsgrundsätze (oder deren Auslegung) seit dem Begebungstag die Schuldverschreibungen nicht oder nicht mehr als "Eigenkapital" in den konsolidierten Jahres- oder Halbjahresabschlüssen der Garantin gemäß den International Financial Reporting Standards ("IFRS") bzw. anderen Rechnungslegungsstandards, die die Garantin für die Erstellung ihrer konsolidierten Jahresabschlüsse anstelle der IFRS anwenden kann, ausgewiesen werden dürfen (ein "**Rechnungslegungsergebnis**").

- (c) Erhalt durch die Emittentin oder die Garantin eines Gutachtens einer international anerkannten Rechtsanwaltskanzlei oder Wirtschaftsprüfungsgesellschaft, aus dem hervorgeht, dass als Folge einer nach dem Begebungstag der Schuldverschreibungen in Kraft tretenden Änderung von deutschem oder luxemburgischen Recht oder dessen offizieller Auslegung oder Anwendung die steuerliche Behandlung von Zinszahlungen, die von der Emittentin oder der Garantin in Bezug auf die Schuldverschreibungen bzw. die Garantie zu zahlen sind, dergestalt geändert wurde, dass sie nicht mehr für die Zwecke der Körperschaftsteuer ganz oder teilweise abzugsfähig sind, und die Emittentin bzw. die Garantin dies nicht durch das Ergreifen zumutbarer Maßnahmen vermeiden kann, die sie nach Treu und Glauben für angemessen hält (ein "**Steuerereignis**").

- (d) Erhalt durch die Emittentin oder die Garantin eines Gutachtens einer international anerkannten Rechtsanwaltskanzlei oder Wirtschaftsprüfungsgesellschaft, aus dem hervorgeht, dass die Emittentin

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 consolidated financial statements of the Guarantor pursuant to the International Financial Reporting Standards ("**IFRS**") or any other accounting standards that may replace IFRS for the purposes of preparing the annual consolidated financial statements of the Guarantor (an "**Accounting Event**").

- (c) An opinion of a recognised law firm or accountancy firm of international standing has been delivered to the Issuer or Guarantor, stating that by reason of a change in German or Luxembourg laws or regulations, or any change in the official application or interpretation of such laws, which change becomes effective after the issue date of the Notes, the tax regime of any payments under the Notes or the Guarantee is modified and such modification results in payments of interest payable by the Issuer or the Guarantor in respect of the Notes or the Guarantee being no longer deductible for corporate income tax purposes in whole or in part, and this cannot be avoided by the Issuer or the Guarantor taking reasonable measures it (acting in good faith) deems appropriate (a "**Tax Deductibility Event**").

- (d) An opinion of a recognised law firm or accountancy firm of international standing has been delivered to the Issuer or Guarantor, stating that by reason of any change in German or Luxembourg laws or published

oder die Garantin als Folge einer nach dem Begebungstag der Schuldverschreibungen in Kraft tretenden Änderung von deutschen oder luxemburgischen Gesetzen oder veröffentlichten Vorschriften oder deren offizieller Auslegung oder Anwendung verpflichtet ist, Zusätzliche Beträge zu zahlen, und die Emittentin bzw. die Garantin die Zahlungsverpflichtung nicht durch das Ergreifen zumutbarer Maßnahmen vermeiden kann, die sie nach Treu und Glauben für angemessen hält (ein **"Gross-up-Ereignis"**).

Der **"Vorzeitige Rückzahlungsbetrag"** ist gleich:

- (i) im Falle eines Gross-up-Ereignisses, 100 % des Nennbetrags; und
- (ii) im Falle eines Ratingereignisses, eines Rechnungslegungsereignisses oder eines Steuerereignisses,
 - (A) 101 % des Nennbetrags, soweit die Rückzahlung vor dem Ersten Rückzahlungstag erfolgt; bzw.
 - (B) 100 % des Nennbetrags, soweit die Rückzahlung an oder nach dem Ersten Rückzahlungstag erfolgt.

(5) *Kündigungsrecht der Emittentin nach Eintritt eines Kontrollwechsel-Ereignisses.*

- (a) Wenn ein Kontrollwechsel-Ereignis (wie in § 7(5)(c) definiert) eintritt, hat die Emittentin binnen 20 Geschäftstagen den Kontrollwechsel-Stichtag (wie in § 7(5)(c) definiert) zu bestimmen und das Kontrollwechsel-Ereignis und den Kontrollwechsel-

regulations, or any change in the official application or interpretation of such laws or regulations, becoming effective after the issue date of the Notes, the Issuer or the Guarantor would have to pay Additional Amounts, provided that the payment obligation cannot be avoided by the Issuer or the Guarantor taking such reasonable measures it (acting in good faith) deems appropriate (a **"Gross-up Event"**).

The **"Early Redemption Amount"** shall be equal to

- (i) in the case of a Gross-up Event 100 per cent. of the Principal Amount; and
- (ii) in the case of a Rating Event, Accounting Event or Tax Deductibility Event,
 - (A) 101 per cent. of the Principal Amount if such redemption occurs prior to the First Call Date; and
 - (B) 100 per cent. of the Principal Amount if such redemption occurs prior on or after the First Call Date.

(5) *Issuer Call Right following a Change of Control Event.*

- (a) If a Change of Control Event (as defined in § 7(5)(c)) occurs, the Issuer will fix the Change of Control Effective Date (as defined in § 7(5)(c)) and give notice in accordance with § 13 of the Change of Control and the Change of Control Effective Date within 20 Business

Stichtag gemäß § 13 anzuzeigen (die "**Kontrollwechsel-Mitteilung**").

- (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 Kontrollwechsel-Stichtag zu kündigen.

Die Emittentin kann ihr Recht zur Rückzahlung gemäß diesem § 7(5) durch eine Bekanntmachung an die Anleihegläubiger gemäß § 13 unter Einhaltung einer Frist von nicht mehr als 5 Geschäftstagen nach Bekanntmachung der Kontrollwechsel-Mitteilung ausüben. Diese Bekanntmachung kann auch zeitgleich mit der Kontrollwechsel-Mitteilung erfolgen.

Im Falle einer solchen Kündigung ist die Emittentin verpflichtet, jede Schuldverschreibung an dem Kontrollwechsel-Stichtag zu 101% des Nennbetrags zuzüglich aufgelaufener aber noch nicht bezahlter Zinsbeträge sowie Aufgeschobener Zinszahlungen zurückzuzahlen.

- (c) In diesem § 7(5) gilt:

Ein "**Kontrollwechsel-Ereignis**" gilt jedes Mal als eingetreten, wenn nach dem Begebungstag der Schuldverschreibungen ein Kontrollwechsel eintritt und es innerhalb des Kontrollwechselzeitraums zu einer Absenkung des Ratings auf Grund des eingetretenen Kontrollwechsels kommt.

Eine "**Absenkung des Ratings**" gilt in Bezug auf einen Kontrollwechsel als eingetreten, wenn (a) innerhalb des

Days (the "**Change of Control Notice**").

- (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.

The Issuer may give not more than 5 Business Days' notice to the Holders after publication of the Change of Control Notice in accordance with § 13 of an early redemption pursuant to this § 7(5). Such notice may be given simultaneously with the Change of Control Notice.

In this case the Issuer shall redeem each Note at 101 per cent. of the Principal Amount plus accrued and unpaid interest and any Arrears of Interest on the Change of Control Effective Date.

- (c) In this § 7(5):

A "**Change of Control Event**" shall be deemed to have occurred at each time if a Change of Control occurs after the issue date of the Notes and within the Change of Control Period a Rating Downgrade in respect of that Change of Control occurs.

A "**Rating Downgrade**" shall be deemed to have occurred in respect of a Change of Control (a) if within the

Kontrollwechselzeitraums ein vorher für unbesicherte, nicht-nachrangige Fremdkapitalwertpapiere der Garantin vergebenes Rating einer Rating Agentur (i) zurückgezogen oder (ii) von einem Investment Grade Rating (BBB- von S&P/Baa3 von Moody's oder jeweils gleichwertig, oder besser) in ein non-Investment Grade Rating (BB+ von S&P/Ba1 von Moody's oder jeweils gleichwertig, oder schlechter) geändert oder (iii) (falls das für unbesicherte, nicht-nachrangige Fremdkapitalwertpapiere der Garantin vergebene Rating einer Rating Agentur unterhalb des Investment Grade Ratings liegt) um einen ganzen Punkt (von BB+ nach BB von S&P oder Ba1 nach Ba2 von Moody's oder eine ähnliche Absenkung eines gleichwertigen Ratings) abgesenkt wird oder (b) zur Zeit des Kontrollwechsels kein Rating für unbesicherte, nicht-nachrangige Fremdkapitalwertpapiere der Garantin vergeben ist und keine Rating Agentur während des Kontrollwechselzeitraums ein Investment Grade Rating für unbesicherte, nicht-nachrangige Fremdkapitalwertpapiere der Garantin vergibt (es sei denn, die Garantin ist trotz zumutbarer Anstrengungen innerhalb dieses Zeitraums nicht in der Lage, ein solches Rating zu erhalten, ohne dass dies seine Ursache im Kontrollwechsel hat).

Falls sich die von Moody's oder S&P verwendeten Rating-Kategorien gegenüber denen, die in vorangegangenen Absatz angegeben wurden, ändern sollten, wird die Garantin diejenigen Rating Kategorien von Moody's oder S&P bestimmen, die den früheren Rating-Kategorien von Moody's oder S&P möglichst nahe kommen; der

Change of Control Period any rating previously assigned to senior unsecured debt securities of the Guarantor by any Rating Agency is (i) withdrawn or (ii) changed from an investment grade rating (BBB- by S&P/Baa3 by Moody's, or its equivalent for the time being, or better) to a non-investment grade rating (BB+ by S&P/Ba1 by Moody's, or its equivalent for the time being, or worse) or (iii) (if the rating assigned to senior unsecured debt securities of the Guarantor by any Rating Agency shall be below an investment grade rating) lowered one full rating notch (from BB+ to BB by S&P or Ba1 to Ba2 by Moody's or such similar lower of equivalent rating) or (b) if at the time of the Change of Control, there is no rating assigned to senior unsecured debt securities of the Guarantor and no Rating Agency assigns during the Change of Control Period an investment grade credit rating to senior unsecured debt securities of the Guarantor (unless the Guarantor is unable to obtain such a rating within such period having used all reasonable endeavours to do so and such failure is unconnected with the occurrence of the Change of Control).

If the rating designations employed by any of Moody's or S&P are changed from those which are described in the paragraph above, the Guarantor shall determine the rating designations of Moody's or S&P (as appropriate) as are most equivalent to the prior rating designations of Moody's or S&P and the paragraph above shall be read accordingly.

vorangegangene Absatz ist dann entsprechend auszulegen.

Ein "**Kontrollwechsel**" gilt jedes Mal als eingetreten (unabhängig davon, ob der Vorstand oder der Aufsichtsrat der Garantin zugestimmt haben), wenn eine oder mehrere Personen, die gemeinsam handeln, (die "**relevante(n) Person(en)**") oder ein oder mehrere Dritte, die im Auftrag der relevanten Person(en) handeln, zu irgendeiner Zeit unmittelbar oder mittelbar (i) 30 % oder mehr des Grundkapitals der Garantin oder (ii) eine solche Anzahl von Aktien der Garantin, auf 30 % oder mehr der Stimmrechte entfallen, erwirbt bzw. erwerben oder hält bzw. halten.

Der "**Kontrollwechselzeitraum**" ist der Zeitraum, der 120 Tage nach dem Eintritt eines Kontrollwechsels endet.

"Kontrollwechsel-Stichtag"

bezeichnet den von der Emittentin in der Kontrollwechsel-Mitteilung festgelegten Tag, der, (i) falls zum betreffenden Zeitpunkt nicht-nachrangige Fremdkapitalwertpapiere der Garantin oder einer anderen Gesellschaft unter Garantie der Garantin ausstehen, der fünfte Geschäftstag nach dem Tag sein muss, an dem solche Wertpapiere aufgrund einer Kündigung der Anleihegläubiger dieser Wertpapiere wegen des gleichen Kontrollwechsel-Ereignisses (oder eines vergleichbaren Konzepts) fällig werden können, und (ii) falls zum betreffenden Zeitpunkt keine nicht nachrangigen Fremdkapitalwertpapiere der Garantin oder einer anderen Gesellschaft unter Garantie der Garantin ausstehen, ein Geschäftstag sein muss, der nicht weniger als 20 und nicht mehr als 40 Tage nach Bekanntmachung der

A "**Change of Control**" shall be deemed to have occurred at each time (whether or not approved by the management board or supervisory board of the Guarantor) that any person or persons acting in concert ("**Relevant Person(s)**") or any person or persons acting on behalf of any such Relevant Person(s), at any time directly or indirectly acquire(s) or come(s) to own (i) 30 per cent. or more of the registered share capital of the Guarantor or (ii) such number of the shares in the capital of the Guarantor carrying 30 per cent. or more of the voting rights.

"**Change of Control Period**" means the period ending 120 days after the occurrence of the Change of Control.

"Change of Control Effective Date"

means the date fixed by the Issuer in the Change of Control Notice, which (i) must, if at the relevant time any senior debt securities of the Guarantor or another entity benefitting from a guarantee of the Guarantor are outstanding, be the fifth Business Day following the date on which such securities may become payable due to put notices of the holders of such securities in respect of the same Change of Control Event (or a similar concept); and (ii) must, if at the relevant time no senior debt securities of the Guarantor or another entity benefitting from a guarantee of the Guarantor are outstanding, be a Business Day which falls not less than 20 nor more than 40 days after publication of the Change of Control Notice.

Kontrollwechsel-Mitteilung liegen darf.

§ 8 (Zahlungen)

- (1) Die Emittentin verpflichtet sich, Kapital und Zinsen auf die Schuldverschreibungen bei Fälligkeit in Euro zu zahlen. Die Zahlung von Kapital und Zinsen auf die Schuldverschreibungen erfolgt, vorbehaltlich geltender steuerrechtlicher und sonstiger gesetzlicher Regelungen und Vorschriften, über die Hauptzahlstelle zur Weiterleitung an das Clearingsystem oder nach dessen Weisung zur Gutschrift für die jeweiligen Kontoinhaber. Die Zahlung an das Clearingsystem oder nach dessen Weisung befreit die Emittentin in Höhe der geleisteten Zahlung von ihren entsprechenden Verbindlichkeiten aus den Schuldverschreibungen. Eine Bezugnahme in diesen Anleihebedingungen auf Kapital oder Zinsen der Schuldverschreibungen schließt jegliche Zusätzlichen Beträge gemäß § 9 ein.
- (2) Falls ein Fälligkeitstag für die Zahlung von Kapital und/oder Zinsen kein Geschäftstag ist, erfolgt die Zahlung erst am nächstfolgenden Geschäftstag; die Anleihegläubiger sind nicht berechtigt, Zinsen oder eine andere Entschädigung wegen eines solchen Zahlungsaufschubs zu verlangen.

§ 9 (Besteuerung)

Sämtliche auf die Schuldverschreibungen zu zahlenden Beträge (einschließlich sämtlicher von der Garantin auf die Garantie zu zahlender Beträge) werden ohne Einbehalt oder Abzug von Steuern, Abgaben, Festsetzungen oder behördlicher Gebühren jedweder Art geleistet ("Steuern"), die von dem Staat, in dem die Emittentin steuerlich ansässig ist bzw. von dem Staat, in dem die Garantin steuerlich ansässig ist oder einer deren jeweiligen Gebietskörperschaften oder zur Erhebung von

§ 8 (Payments)

- (1) The Issuer undertakes to pay, as and when due, principal and interest on the Notes in euro. Payment of principal and interest on the Notes will be made, subject to applicable fiscal and other laws and regulations, through the Principal Paying Agent for on-payment to the Clearing System or to its order for credit to the respective account holders. Payments to the Clearing System or to its order will to the extent of amounts so paid constitute the discharge of the Issuer from its corresponding liabilities under the Notes. Any reference in these Terms and Conditions of the Notes to principal or interest will be deemed to include any Additional Amounts as set forth in § 9.
- (2) If the due date for any payment of principal and/or interest is not a Business Day, payment will be effected only on the next Business Day. The Holders will have no right to claim payment of any interest or other indemnity in respect of such delay in payment.

§ 9 (Taxation)

All amounts to be paid in respect of the Notes (including all amounts to be paid by the Guarantor under the Guarantee) will be paid free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature ("Taxes") imposed, levied, collected, withheld or assessed by the Issuer's country of domicile for tax purposes or the Guarantor's country of domicile for tax purposes (respectively) or any political subdivision or any authority or any other agency of or in the Issuer's

Steuern berechtigten Behörden oder sonstigen Stellen auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt werden, sofern nicht die Emittentin oder die Garantin kraft Gesetzes oder einer sonstigen Rechtsvorschrift zu einem solchen Einbehalt oder Abzug verpflichtet ist. Sofern die Emittentin oder die Garantin zu einem solchen Einbehalt oder Abzug verpflichtet ist, wird die Emittentin bzw. die Garantin zusätzliche Beträge (die "**Zusätzlichen Beträge**") an die Anleihegläubiger zahlen, so dass die Anleihegläubiger die Beträge erhalten, die sie ohne den betreffenden Einbehalt oder Abzug erhalten hätten. Solche Zusätzlichen Beträge sind jedoch nicht zahlbar wegen solcher Steuern in Bezug auf Schuldverschreibungen, die:

- (a) auf andere Weise als durch Einbehalt oder Abzug von zahlbaren Beträgen zu entrichten sind; oder
- (b) von einer als Depotbank oder Inkassobeauftragten im Namen eines Anleihegläubigers handelnden Person zu entrichten sind oder sonst auf andere Weise als dadurch, dass die Emittentin bzw. Garantin von den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Einbehalt oder Abzug vornimmt; oder
- (c) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Anleihegläubigers zu Luxemburg oder der Bundesrepublik Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in Luxemburg oder der Bundesrepublik Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder
- (d) durch eine Zahlstelle von der Zahlung einzubehalten oder abzuziehen sind, wenn die Zahlung von einer anderen Zahlstelle ohne einen solchen

country of domicile for tax purposes or of or in the Guarantor's country of domicile for tax purposes (respectively) that has power to tax, unless the Issuer or the Guarantor is compelled by law to make such withholding or deduction. If the Issuer or the Guarantor is required to make such withholding or deduction, the Issuer or the Guarantor (as the case may be) will pay such additional amounts (the "**Additional Amounts**") to the Holders as the Holders would have received if no such withholding or deduction had been required, except that no such Additional Amounts will be payable for any such Taxes in respect of any Note, which:

- (a) are payable otherwise than by withholding or deduction from amounts payable; or
- (b) 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 withholding or deduction by the Issuer or the Guarantor (as applicable) from payments of principal or interest made by it, or
- (c) are payable by reason of the Holder having, or having had, some personal or business connection with Luxembourg or the Federal Republic of Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, Luxembourg or the Federal Republic of Germany; or
- (d) are withheld or deducted by a paying agent from a payment if the payment could have been made by another paying agent without such withholding or deduction, or

Einbehalt oder Abzug hätte vorgenommen werden können; oder

- (e) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung, eines zwischenstaatlichen Abkommens oder einer zwischenstaatlichen Verständigung über deren Besteuerung, an der der Staat, in dem die Emittentin steuerlich ansässig ist bzw. der Staat, in dem die Garantin steuerlich ansässig ist oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung, Vereinbarung, Verständigung oder dieses Abkommen umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder
- (f) aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 13 wirksam wird; oder
- (g) aufgrund jeglicher Kombination der Absätze (a) bis (f) zu entrichten sind.

Die Emittentin ist keinesfalls verpflichtet, zusätzliche Beträge in Bezug auf einen Einbehalt oder Abzug von Beträgen zu zahlen, die gemäß Sections 1471 bis 1474 des U.S. Internal Revenue Code (in der jeweils geltenden Fassung oder gemäß Nachfolgebestimmungen), gemäß zwischenstaatlicher Abkommen, gemäß den in einer anderen Rechtsordnung in Zusammenhang mit diesen Bestimmungen erlassenen Durchführungsvorschriften oder gemäß mit dem Internal Revenue Service geschlossenen Verträgen von der Emittentin, der jeweiligen Zahlstelle oder einem anderen Beteiligten

- (e) are to be withheld or deducted pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty, agreement or understanding relating to such taxation and to which Issuer's country of domicile for tax purposes or the Guarantor's country of domicile for tax purposes or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty, agreement or understanding; or
- (f) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment of principal or interest becomes due, or, if later, is duly provided for and notice thereof is published in accordance with § 13; or
- (f) are payable due to any combination of items (a) to (f).

In any event, the Issuer will have no obligation to pay additional amounts deducted or withheld by the Issuer, the relevant Paying Agent or any other party ("**FATCA Withholding**") in relation to any withholding or deduction of any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue

abgezogen oder einbehalten wurden ("**FATCA-Steuerabzug**") oder Anleger in Bezug auf einen FATCA-Steuerabzug schadlos zu halten.

Service or indemnify any investor in relation to any FATCA Withholding.

§ 10
(Vorlegungsfrist, Verjährung)

Die Vorlegungsfrist der Schuldverschreibungen wird auf zehn Jahre reduziert. Die Verjährungsfrist für alle Ansprüche (inklusive Ansprüche auf Zinszahlungen und gegebenenfalls Rückzahlung) aus den Schuldverschreibungen, die innerhalb der Vorlegungsfrist zur Zahlung vorgelegt wurden, beträgt zwei Jahre von dem Ende der betreffenden Vorlegungsfrist an.

§ 10
(Presentation Period, Prescription)

The period for presentation of the Notes will be reduced to 10 years. The period of limitation for all claims (including claims for interest payment and repayment, if any) under the Notes presented during the period for presentation will be two years calculated from the expiration of the relevant presentation period.

§ 11
(Zahlstellen und Berechnungsstelle)

(1) *Bestellung.*

Die Emittentin hat die Deutsche Bank Aktiengesellschaft als Hauptzahlstelle in Bezug auf die Schuldverschreibungen (die "**Hauptzahlstelle**" und gemeinsam mit jeder etwaigen von der Emittentin nach § 11(2) bestellten zusätzlichen Zahlstelle, die "**Zahlstellen**") bestellt.

Die Emittentin hat die Deutsche Bank Aktiengesellschaft als Berechnungsstelle in Bezug auf die Schuldverschreibungen (die "**Berechnungsstelle**" und, gemeinsam mit den Zahlstellen, die "**Verwaltungsstellen**") bestellt.

Die Geschäftsräume der Verwaltungsstellen befinden sich unter den folgenden Adressen:

Hauptzahlstelle:

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Deutschland

Berechnungsstelle:

Deutsche Bank Aktiengesellschaft
Taunusanlage 12

§ 11
(Paying Agents and Calculation Agent)

(1) *Appointment.*

The Issuer has appointed Deutsche Bank Aktiengesellschaft as principal paying agent with respect to the Notes (the "**Principal Paying Agent**" and, together with any additional paying agent appointed by the Issuer in accordance with § 11(2), the "**Paying Agents**").

The Issuer has appointed Deutsche Bank Aktiengesellschaft as calculation agent with respect to the Notes (the "**Calculation Agent**" and, together with the Paying Agents, the "**Agents**").

The addresses of the specified offices of the Agents are:

Principal Paying Agent:

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Germany

Calculation Agent:

Deutsche Bank Aktiengesellschaft
Taunusanlage 12

60329 Frankfurt am Main
Deutschland

(2) *Änderung oder Beendigung der Bestellung.*

Die Emittentin behält sich das Recht vor, jederzeit die Benennung einer Verwaltungsstelle zu verändern oder zu beenden und Nachfolger bzw. zusätzliche Zahlstellen zu ernennen. Den Anleihegläubigern werden Änderungen in Bezug auf die Verwaltungsstellen, deren angegebenen Geschäftsstellen umgehend gemäß § 13 bekannt gemacht.

(3) *Status der beauftragten Stellen.*

Die Zahlstellen und die Berechnungsstelle handeln ausschließlich als Vertreter der Emittentin und übernehmen keine Verpflichtungen gegenüber den Anleihegläubigern; es wird kein Vertrags-, Auftrags- oder Treuhandverhältnis zwischen ihnen und den Anleihegläubigern begründet.

(4) Wenn die Emittentin gemäß § 5(2)(g) einen Unabhängigen Berater bestellt, dann ist § 11(3) entsprechend auf den Unabhängigen Berater anzuwenden.

**§ 12
(Weitere Emissionen)**

Die Emittentin kann ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen begeben, die in jeder Hinsicht (mit Ausnahme der ersten Zinszahlung) die gleichen Bedingungen wie die Schuldverschreibungen haben und die zusammen mit den Schuldverschreibungen eine einzige Anleihe bilden.

**§ 13
(Bekanntmachungen)**

(1) *Bekanntmachungen auf www.bourse.lu.*

Alle Bekanntmachungen, die die Schuldverschreibungen betreffen, werden, außer wie in § 15(6) vorgesehen, (solange eine der Schuldverschreibungen an der

60329 Frankfurt am Main
Germany

(2) *Variation or Termination of Appointment.*

The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint successor or additional Paying Agents. Notice of any change in the Paying Agents or in the specified office of any Agent will promptly be given to the Holders pursuant to § 13.

(3) *Status of the Agents.*

The Paying Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligations towards or relationship of contract, agency or trust for or with any of the Holders.

(4) If the Issuer appoints an Independent Advisor in accordance with § 5(2)(g), § 11(3) shall apply *mutatis mutandis* to the Independent Advisor.

**§ 12
(Further Issues)**

The Issuer may from time to time, without the consent of the Holders, create and issue further Notes having the same terms and conditions as the Notes in all respects (except for the first payment of interest) so as to form a single series with the Notes.

**§ 13
(Notices)**

(1) *Notices published on www.bourse.lu.*

All notices regarding the Notes, except as stipulated in § 15(6), will be published (so long as any of the Notes is listed on the Luxembourg Stock Exchange) on the

Luxemburger Wertpapierbörse notiert ist) auf der Internet-Seite der Luxemburger Börse (www.bourse.lu) veröffentlicht. Für das Datum und die Rechtswirksamkeit sämtlicher Bekanntmachungen ist die erste Veröffentlichung maßgeblich.

- (2) *Mitteilungen, die an das Clearingsystem weitergeleitet werden.*

Die Emittentin ist ferner berechtigt, alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearingsystem zur Weiterleitung an die Anleihegläubiger zu übermitteln. Eine Nachricht gilt als an die Anleihegläubiger übermittelt, wenn sie an die Clearingsysteme zur Veröffentlichung für die Anleihegläubiger gesendet wurde.

§ 14 (Schuldnerersetzung)

- (1) *Schuldnerersetzung.*

Die Emittentin ist jederzeit berechtigt, ohne Zustimmung der Anleihegläubiger die Garantin als Nachfolgeschuldnerin (die "**Nachfolgeschuldnerin**") für alle sich aus oder im Zusammenhang mit den Schuldverschreibungen ergebenden Verpflichtungen mit schuldbefreiender Wirkung für die Emittentin an die Stelle der Emittentin zu setzen, sofern:

- (a) die Emittentin nicht mit irgendwelchen auf die Schuldverschreibungen zahlbaren Beträgen in Verzug ist;
- (b) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin aus den Schuldverschreibungen übernimmt;
- (c) die Nachfolgeschuldnerin in der Lage ist, sämtliche sich aus den Schuldverschreibungen ergebenden Zahlungsverpflichtungen in Euro zu leisten, ohne gesetzlich zu einem Abzug oder Einbehalt von Steuern

website of the Luxembourg Stock Exchange (www.bourse.lu). Any notice will become effective for all purposes on the date of the first such publication.

- (2) *Notices delivered to the Clearing System.*

The Issuer will also be entitled to deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Holders. A notice will have been deemed to have been given to Holders if such notice is sent to the Clearing Systems for publication to Holders.

§ 14 (Substitution)

- (1) *Substitution.*

The Issuer may at any time, without the consent of the Holders, substitute for itself the Guarantor (the "**Substitute Debtor**") in respect of all obligations arising under or in connection with the Notes, with the effect of releasing the Issuer of all such obligations, if:

- (a) the Issuer is not in default in respect of any amount payable under any of the Notes;
- (b) the Substitute Debtor assumes all obligations of the Issuer under the Notes;
- (c) the Substitute Debtor can fulfil all payment obligations under the Notes in euro without being required by law to make any withholding or deduction for, any Taxes (as defined in § 9) levied by the country or jurisdiction in

(wie in § 9 definiert) in dem Land oder Hoheitsgebiet, in dem die Nachfolgeschuldnerin ihren Sitz für Steuerzwecke hat (mit Ausnahme von Steuern, die auch angefallen wären, wäre die Ersetzung nicht erfolgt), verpflichtet zu sein;

- (d) die Nachfolgeschuldnerin sich verpflichtet, jedem Anleihegläubiger sämtliche Steuern, Gebühren oder Abgaben zu erstatten, die ihm im Zuge der Ersetzung der Emittentin gemäß diesem § 14 auferlegt werden, vorausgesetzt, dass sich die Verpflichtung auf Beträge beschränkt, die der Anleihegläubiger ohne die Ersetzung der Emittentin nicht hätte tragen müssen; und
- (e) der Hauptzahlstelle jeweils ein Rechtsgutachten bezüglich jeder betroffenen Rechtsordnung von anerkannten Rechtsanwälten vorgelegt wurden, die bestätigen, dass die Bestimmungen in den vorstehenden § 14(1)(b) bis (d) erfüllt wurden.

(2) *Bezugnahmen.*

Im Fall einer Schuldnerersetzung gemäß § 14(1) gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin als eine solche auf die Nachfolgeschuldnerin und jede Bezugnahme auf Luxemburg als eine solche auf den Staat (die Staaten), in welchem die Nachfolgeschuldnerin steuerlich ansässig ist.

(3) *Bekanntmachung und Wirksamwerden der Ersetzung.*

Die Ersetzung der Emittentin ist gemäß § 13 bekannt zu machen. Mit der Bekanntmachung der Ersetzung wird die Ersetzung wirksam und die Emittentin von ihren sämtlichen Verbindlichkeiten aus den Schuldverschreibungen frei.

which the Substitute Debtor is domiciled for tax purposes (other than taxes which would also be levied in the absence of such substitution);

- (d) the Substitute Debtor undertakes to reimburse any Holder for such taxes, fees or duties which may be imposed upon such Holder in relation to the substitution of issuer in accordance with this § 14, provided that such undertaking shall be limited to amounts that would not have been imposed upon the Holder had such substitution of issuer not occurred; and
- (e) there shall have been delivered to the Principal Paying Agent one opinion for each jurisdiction affected of lawyers of recognized standing to the effect that § 14(1)(b) through (d) above have been satisfied.

(2) *References.*

In the event of a substitution pursuant to § 14(1), any reference in these Terms and Conditions to the Issuer will be a reference to the Substitute Debtor and any reference to Luxembourg will be a reference to the Substitute Debtor's country (countries) of domicile for tax purposes.

(3) *Notice and Effectiveness of Substitution.*

Notice of any substitution of the Issuer will be given by publication in accordance with § 13. Upon such publication, the substitution will become effective, and the Issuer will be discharged from any and all obligations under the Notes.

§ 3(1) gilt als insoweit angepasst, als der Rang der Ansprüche aus den Schuldverschreibungen unverändert bleibt.

§ 15

(Änderung der Anleihebedingungen durch Beschluss der Anleihegläubiger; Gemeinsamer Vertreter)

- (1) *Beschlüsse durch die Anleihegläubiger.* Die Emittentin kann mit den Anleihegläubigern Änderungen der Anleihebedingungen oder sonstige Maßnahmen durch Mehrheitsbeschluss der Anleihegläubiger nach Maßgabe der §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen ("**SchVG**") in seiner jeweils geltenden Fassung beschließen.

Eine Änderung der Anleihebedingungen ohne Zustimmung der Emittentin scheidet aus. Die Anleihegläubiger können insbesondere einer Änderung wesentlicher Inhalte der Anleihebedingungen, einschließlich der in § 5 Absatz 3 SchVG vorgesehenen Maßnahmen durch Beschlüsse mit den in dem nachstehenden § 15(2) genannten Mehrheiten zustimmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Anleihegläubiger gleichermaßen verbindlich.

- (2) *Mehrheit.* Vorbehaltlich des nachstehenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit, beschließen die Anleihegläubiger mit der einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen, insbesondere in den Fällen des § 5 Absatz 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(1) is deemed to be amended such that the ranking of the Notes stays the same.

§ 15

(Amendments to the Terms and Conditions by resolution of the Holders; Joint Representative)

- (1) *Resolutions of Holders.* 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 § 5 et seqq. of the German Act on Issues of Debt Securities (Gesetz über Schuldverschreibungen aus Gesamtemissionen – "**SchVG**"), as amended from time to time.

There will be no amendment of the Terms and Conditions without the Issuer's consent. 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 § 5 paragraph 3 SchVG by resolutions passed by such majority of the votes of the Holders as stated under § 15(2) below. A duly passed majority resolution shall be binding equally upon all Holders.

- (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 § 5 paragraph 3 numbers 1 through 9 SchVG, or which relate 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").

(3) *Abstimmung ohne Versammlung.* Vorbehaltlich Absatz (4) sollen Beschlüsse der Anleihegläubiger ausschließlich durch eine Abstimmung ohne Versammlung nach § 18 SchVG gefasst werden. Die Aufforderung zur Stimmabgabe enthält nähere Angaben zu den Beschlüssen und den Abstimmungsmodalitäten. Die Gegenstände und Vorschläge zur Beschlussfassung werden den Anleihegläubigern mit der Aufforderung zur Stimmabgabe bekannt gemacht. Die Ausübung der Stimmrechte ist von einer Anmeldung der Anleihegläubiger 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 Anleihegläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 16(4)(a)(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 Tag, an dem der Abstimmungszeitraum endet (einschließlich), nicht übertragbar sind, nachweisen.

(4) *Zweite Gläubigerversammlung.* Wird für die Abstimmung ohne Versammlung gemäß Absatz (3) die mangelnde Beschlussfähigkeit festgestellt, kann der Abstimmungsleiter eine Gläubigerversammlung einberufen, die als zweite Versammlung im Sinne des § 15 Abs. 3 Satz 3 SchVG anzusehen ist. Die Teilnahme an der zweiten Gläubigerversammlung und die Ausübung der Stimmrechte sind von einer Anmeldung der Anleihegläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der zweiten

(3) *Vote without a meeting.* Subject to paragraph (4), resolutions of the Holders shall exclusively be made by means of a vote without a meeting in accordance with section 18 of the SchVG. The request for voting 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 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 § 16(4)(a)(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 to (and including) the day the voting period ends.

(4) *Second Holders' Meeting.* If it is ascertained that no quorum exists for the vote without meeting pursuant to paragraph (3), the scrutineer may convene a Holders' meeting, which shall be deemed to be a second Holders' meeting within the meaning of section 15 paragraph 3 sentence 3 of the SchVG. Attendance at the second Holders' 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 Holders' meeting. As part of the registration, Holders must demonstrate their eligibility to participate

Gläubigerversammlung zugehen. Mit der Anmeldung müssen die Anleihegläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 16(4)(a)(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) *Gemeinsamer Vertreter.* Die Anleihegläubiger 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 Anleihegläubiger 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 Anleihebedingungen oder sonstigen wesentlichen Maßnahmen gemäß § 15(2) zuzustimmen.
- (6) *Bekanntmachungen.* Bekanntmachungen betreffend diesen § 15 erfolgen ausschließlich gemäß den Bestimmungen des SchVG.
- (7) Die oben aufgeführten auf die Änderung der Anleihebedingungen anwendbaren Bestimmungen finden sinngemäß für Änderungen der Bedingungen der Garantie Anwendung.

§ 16 (Schlussbestimmungen)

- (1) *Anzuwendendes Recht.*

in the vote by means of a special confirmation of the Custodian in accordance with § 16(4)(a)(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 to (and including) the stated end of the Holders' meeting.

- (5) *Holders' Representative.* The Holders may by majority resolution provide for the appointment or dismissal of a holders' representative (the "**Holders' Representative**"), the duties and responsibilities and the powers of such Holders' Representative, the transfer of the rights of the Holders to the Holders' Representative and a limitation of liability of the Holders' Representative. Appointment of a Holders' Representative may only be passed by a Qualified Majority if such Holders' Representative is to be authorized to consent, in accordance with § 15(2) hereof, to a material change in the substance of the Terms and Conditions or other material matters.

- (6) *Notices.* Any notices concerning this § 15 shall be made exclusively pursuant to the provisions of the SchVG.

- (7) The provisions set out above applicable to the amendment of the Terms and Conditions shall apply *mutatis mutandis* to amendments of the terms of the Guarantee.

§ 16 (Final Provisions)

- (1) *Applicable Law.*

Form und Inhalt der Schuldverschreibungen bestimmen sich nach dem Recht der Bundesrepublik Deutschland, unter Ausschluss des internationalen Privatrechts. Die Anwendbarkeit der Vorschriften 470-3 bis 470-19 des luxemburgischen Gesetzes vom 10. August 1915 über die Handelsgesellschaften, in der jeweils gültigen Fassung, ist ausgeschlossen.

(2) *Gerichtsstand.*

Vorbehaltlich eines zwingend vorgeschriebenen Gerichtsstands für bestimmte Verfahren nach dem SchVG ist nicht ausschließlicher Gerichtsstand für sämtliche aus oder im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstige Verfahren beim Landgericht in Frankfurt am Main.

(3) *Erfüllungsort.*

Erfüllungsort ist Frankfurt am Main, Bundesrepublik Deutschland.

(4) *Geltendmachung von Rechten.*

Jeder Anleihegläubiger ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Anleihegläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen geltend zu machen gegen Vorlage:

- (a) einer Bescheinigung der Depotbank, die (A) den vollen Namen und die volle Anschrift des Anleihegläubigers bezeichnet, (B) den gesamten Nennbetrag von Schuldverschreibungen angibt, die am Ausstellungstag dieser Bescheinigung den bei dieser Depotbank bestehenden Depots dieses Anleihegläubigers gutgeschrieben sind und (C) bestätigt, dass die Depotbank dem Clearingsystem und der Hauptzahlstelle eine schriftliche

The Notes, as to form and content, are governed by, and construed in accordance with, the laws of the Federal Republic of Germany, without giving effect to the principles of conflict of laws. The provisions of articles 470-3 to 470-19 of the Luxembourg law of 10 August 1915 on commercial companies, as amended, are excluded.

(2) *Place of Jurisdiction.*

Subject to any mandatory jurisdiction for specific proceedings under the SchVG, the district court of Frankfurt am Main shall have non-exclusive jurisdiction for any action or other legal proceedings arising out of or in connection with the Notes.

(3) *Place of Performance.*

Place of performance will be Frankfurt am Main, Federal Republic of Germany.

(4) *Enforcement of Rights.*

Any Holder may in any proceedings against the Issuer or to which the Holder and the Issuer are parties protect and enforce in his own name his rights arising under his Notes on the basis of:

- (a) a certificate issued by his Custodian (A) stating the full name and address of the Holder, (B) specifying an aggregate Principal Amount of Notes credited on the date of such statement to such Holder's securities account(s) maintained with his Custodian and (C) confirming that his Custodian has given a written notice to the Clearing System and the Principal Paying Agent containing the information specified in (A) and (B) and bearing acknowledgements of the Clearing

Mitteilung gemacht hat, die die Angaben gemäß (A) und (B) enthält und Bestätigungsvermerke des Clearingsystems sowie des betroffenen Kontoinhabers bei dem Clearingsystem trägt sowie

- (b) einer von einem Vertretungsberechtigten des Clearingsystems oder der Hauptzahlstelle beglaubigten Ablichtung der Globalurkunden; oder
- (c) eines anderen, in Rechtsstreitigkeiten in dem Land der Geltendmachung zulässigen Beweismittels.

"Depotbank" bezeichnet ein Bank- oder sonstiges Finanzinstitut, bei dem der Anleihegläubiger Schuldverschreibungen im Depot verwahren lässt und das ein Konto bei dem Clearingsystem hat, einschließlich des Clearingsystems.

§ 17 (Sprache)

Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung dient nur zur Information.

System and the relevant account holder in the Clearing System; and

- (b) a copy of the Global Notes relating to the Notes, certified as being true copies by a duly authorised officer of the Clearing System or the Principal Paying Agent; or
- (c) any other means of evidence permitted in legal proceedings in the country of enforcement.

"Custodian" means any bank or other financial institution with which the Holder maintains a securities account in respect of any Notes and having an account maintained with the Clearing System, including the Clearing System.

§ 17 (Language)

These Terms and Conditions are written in the German language and provided with an English language translation. The German text will be the only legally binding version. The English language translation is provided for convenience only.

The following paragraph in italics does not form part of the Terms and Conditions of the Notes.

Intention regarding Redemption and Repurchase of the Notes

The Issuer intends (without thereby assuming a legal or contractual obligation) that it will redeem or repurchase the Notes only to the extent they are replaced with instruments with at least equivalent S&P equity credit. The equity credit attributed to the net proceeds received by the Issuer or a subsidiary of the Issuer from the sale to third party purchasers of securities which are assigned an S&P equity credit (or such similar nomenclature then used by S&P) that is at least equal to the equity credit assigned to the Notes by S&P at the issue date of the Notes will count as replacement (but taking into account any changes in its rating methodology or the interpretation thereof since the issue date of the Notes).

The following exceptions apply as to the Issuer's replacement intention. The Notes are not intended to be replaced:

- (i) if the rating assigned by S&P to the Issuer is at least equal to the rating at the issue date of the Notes (or such similar nomenclature then used by S&P) and the Issuer 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 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*
- (iii) if the Notes are redeemed either (x) following the occurrence of a Rating Event, an Accounting Event, a Tax Deductibility Event, a Gross-Up Event or a Change of Control Event or (y) in accordance with § 7(3)(b), or*
- (iv) in the case of a repurchase of Notes, such repurchase relates to an aggregate principal amount of Notes which is less than or equal to the excess (if any) above the maximum aggregate principal amount of the Issuer's hybrid capital to which S&P then assigns equity credit under its prevailing methodology, or*
- (v) if the Notes are not assigned any category (not even minimal) of "equity credit" (or such similar nomenclature then used by S&P) at the time of such redemption or repurchase, or*
- (vi) if such redemption or repurchase occurs on or after the Additional Step-Up Date.*

Terms used but not defined in the preceding sentence shall have the meaning set out in the Terms and Conditions of the Notes.

SUBORDINATED GUARANTEE

GARANTIE

der

TLG IMMOBILIEN AG
(Berlin, *Deutschland*)
(die "**Garantin**")

zugunsten der Anleihegläubiger der EUR 600.000.000 garantierten, nicht besicherten und nachrangigen Schuldverschreibungen ohne feste Laufzeit, erstmals kündbar in 2024 (die "**Schuldverschreibungen**"), eingeteilt in untereinander gleichberechtigte, auf den Inhaber lautende Schuldverschreibungen im Nennbetrag von je EUR 100.000, die von der

TLG Finance S.à r.l.
(51, boulevard Grande Duchesse Charlotte
L-1331, Luxemburg)
(die "**Emittentin**")

begeben worden sind, ISIN XS2055106210.

VORBEMERKUNG:

- (A) Die Garantin beabsichtigt die ordnungsgemäße Zahlung von allen Beträgen, die nach Maßgabe der Anleihebedingungen (die "**Anleihebedingungen**") der von der Emittentin begebenen Schuldverschreibungen zu zahlen sind, auf nachrangiger Basis zu garantieren.
- (B) Es ist Sinn und Zweck dieser Garantie, sicherzustellen, dass die Anleihegläubiger unter allen tatsächlichen und rechtlichen Umständen und unabhängig von Wirksamkeit und Durchsetzbarkeit der Verpflichtungen der Emittentin aus den Schuldverschreibungen und unabhängig von sonstigen Gründen, aufgrund derer die Emittentin ihre Verpflichtungen nicht erfüllt, bei Fälligkeit alle nach Maßgabe der Anleihebedingungen zu zahlenden Beträge erhalten.

GUARANTEE

of

TLG IMMOBILIEN AG
(Berlin, *Germany*)
(the "**Guarantor**")

for the benefit of the Holders of the EUR 600,000,000 guaranteed undated unsecured and subordinated Notes with a first call date in 2024 (the "**Notes**"), divided into Notes in bearer form with a principal amount of EUR 100,000 each, which rank *pari passu* among themselves, issued by

TLG Finance S.à r.l.
(51, boulevard Grande Duchesse Charlotte
L-1331, Luxembourg)
(the "**Issuer**")

ISIN XS2055106210.

WHEREAS:

- (A) The Guarantor intends to guarantee on a subordinated basis the due and punctual payment of any amounts payable by the Issuer in accordance with the terms and conditions of the Notes (the "**Terms and Conditions**").
- (B) The intent and purpose of this Guarantee is to ensure that the Holders under any and all circumstances, whether factual or legal, and irrespective of validity or enforceability of the obligations of the Issuer under the Notes, or any other reasons on the basis of which the Issuer may fail to fulfil its obligations, receive on the respective due date any and all sums payable in accordance with the Terms and Conditions.

ES WIRD FOLGENDES VEREINBART:

1. Definitionen

Die in dieser Garantie verwendeten und nicht anders definierten Begriffe haben die ihnen in den Anleihebedingungen zugewiesene Bedeutung.

2. Garantie

(a) Die Garantin übernimmt gegenüber der Deutsche Bank Aktiengesellschaft (die "**Hauptzahlstelle**") zugunsten jedes Anleihegläubigers (jeweils ein "**Anleihegläubiger**") der Schuldverschreibungen (wobei dieser Begriff jede Globalurkunde, welche die Schuldverschreibungen verbrieft, einschließt), die unbedingte und unwiderrufliche Garantie für die ordnungsgemäße Zahlung aller gemäß den Anleihebedingungen von der Emittentin zu zahlenden Beträge bei Fälligkeit.

(b) Die Verbindlichkeiten der Garantin aus der Garantie:

- (i) gehen nur den Nachrangigen Verbindlichkeiten der Garantin im Rang vor,
- (ii) stehen gleich im Rang mit jeder Gleichrangigen Verbindlichkeit der Garantin, und
- (iii) gehen allen anderen bestehenden und zukünftigen nachrangigen und nicht nachrangigen Verbindlichkeiten der Garantin, die nicht Gleichrangige Verbindlichkeiten der Garantin oder Nachrangige Verbindlichkeiten der Garantin sind, außer wenn in den Bedingungen der betreffenden Verbindlichkeit

IT IS AGREED AS FOLLOWS:

1. Definitions

Terms used in this Guarantee and not otherwise defined herein will have the meaning attributed to them in the Terms and Conditions.

2. Guarantee

(a) The Guarantor unconditionally and irrevocably guarantees towards Deutsche Bank Aktiengesellschaft (the "**Principal Paying Agent**") for the benefit of each holder (each a "**Holder**") of each Note (which expression will include any Global Note representing the Notes), the due payment of all amounts which are payable by the Issuer in accordance with the Terms and Conditions, as and when the same will become due.

(b) The obligations of the Guarantor under the Guarantee rank:

- (i) senior only to the Junior Obligations of the Guarantor,
- (ii) *pari passu* with any other present and future Parity Obligations of the Guarantor, and
- (iii) junior to all the Guarantor's present and future subordinated and unsubordinated obligations, that are not Parity Obligations of the Guarantor nor Junior Obligations of the Guarantor except as expressly provided for otherwise by the terms of the relevant obligation, and subordinated obligations required to be preferred by law.

etwas anderes geregelt sein sollte, und nachrangigen Verbindlichkeiten, die durch Gesetz vorrangig sein müssen, im Rang nach.

"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 und 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.

"Gleichrangige Verbindlichkeiten der Garantin" bezeichnet jede bestehende und zukünftige Verbindlichkeit, die (i) von der Garantin begeben wurde und die gleichrangig im Verhältnis zu den Verbindlichkeiten der Garantin aus der Garantie ist oder ausdrücklich als gleichrangig vereinbart ist oder die (ii) von einer Garantie oder Haftungsübernahme profitiert, bei der die Verbindlichkeiten der

"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 and 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).

"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 Guarantor's obligations under the Guarantee, or (ii) benefits from a guarantee or support agreement that ranks or is expressed to rank *pari passu* with its obligations under the Guarantee.

Garantin aus der betreffenden Garantie oder Haftungsübernahme mit den Verbindlichkeiten der Garantin aus der Garantie gleichrangig oder als gleichrangig vereinbart sind.

"Tochtergesellschaft der Garantin" bezeichnet jedes direkte oder mittelbare, mehrheitlich der Garantin gehörende Tochterunternehmen, das im betreffenden Zeitpunkt für die Zwecke der Erstellung eines konsolidierten Jahresabschlusses der Garantin nach IFRS von der Garantin konsolidiert werden muss.

- (c) Im Falle einer Insolvenz oder Liquidation der Garantin steht jedwede Zahlung auf die Garantie an die Anleihegläubiger unter dem Vorbehalt, dass zuvor sämtliche Verbindlichkeiten der Garantin, die gegenüber den Verbindlichkeiten der Garantin aus der Garantie gemäß Ziffer 2(b) vorrangig sind, zur Gänze (d.h. nicht nur quotenmäßig) berichtet wurden.

Die Anleihegläubiger sind nicht berechtigt, Forderungen aus der Garantie mit etwaigen gegen sie gerichteten Forderungen der Garantin aufzurechnen. Die Garantin ist nicht berechtigt, Forderungen gegenüber Anleihegläubigern mit den Verpflichtungen aus der Garantie aufzurechnen.

- (d) Die Verpflichtungen der Garantin aus dieser Garantie (i) sind selbständig und unabhängig von den Verpflichtungen der Emittentin aus den Schuldverschreibungen, (ii) bestehen unabhängig von der Rechtmäßigkeit, Gültigkeit, Verbindlichkeit oder Durchsetzbarkeit der Schuldverschreibungen und (iii) werden nicht durch Ereignisse,

"Subsidiary of the Guarantor" means any directly or indirectly majority-owned subsidiary of the Guarantor that must be consolidated by the Guarantor for the purposes of preparing annual consolidated financial statements of the Guarantor under IFRS from time to time.

- (c) In an insolvency or liquidation of the Guarantor, no payments under the Guarantee shall be made to the Holders unless all obligations of the Guarantor that, pursuant to Clause 2(b), rank senior to the obligations of the Guarantor under the Guarantee have been discharged in full (i.e. not only with a quota).

No Holder may set off any claims arising under the 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 Guarantee.

- (d) The obligations of the Guarantor under this guarantee (i) will be separate and independent from the obligations of the Issuer under the Notes, (ii) will exist irrespective of the legality, validity and binding effect or enforceability of the Notes, and (iii) will not be affected by any event, condition or circumstance of whatever nature, whether factual or legal, save the full, definitive and

Bedingungen oder Umstände tatsächlicher oder rechtlicher Art berührt, außer durch die vollständige, endgültige und unwiderrufliche Erfüllung sämtlicher in den Schuldverschreibungen eingegangenen Zahlungsverpflichtungen.

- (e) Im Falle einer Ersetzung der Emittentin durch die Garantin als Nachfolgeschuldnerin erlischt diese Garantie.
- (f) Sämtliche auf die Schuldverschreibungen oder die Garantie zu zahlenden Beträge werden ohne Einbehalt oder Abzug von Steuern, Abgaben, Festsetzungen oder behördlicher Gebühren jedweder Art geleistet ("**Steuern**"), die von dem Staat, in dem die Emittentin steuerlich ansässig ist bzw. von dem Staat, in dem die Garantin steuerlich ansässig ist oder einer deren jeweiligen Gebietskörperschaften oder zur Erhebung von Steuern berechtigten Behörden oder sonstigen Stellen auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt werden, sofern nicht die Emittentin oder die Garantin kraft Gesetzes oder einer sonstigen Rechtsvorschrift zu einem solchen Einbehalt oder Abzug verpflichtet ist. Sofern die Garantin zu einem solchen Einbehalt oder Abzug verpflichtet ist, wird die Emittentin oder die Garantin zusätzliche Beträge (die "**Zusätzlichen Beträge**") an die Anleihegläubiger zahlen, so dass die Anleihegläubiger die Beträge erhalten, die sie ohne den betreffenden Einbehalt oder Abzug erhalten hätten. Solche Zusätzlichen Beträge sind jedoch nicht zahlbar wegen solcher Steuern in Bezug auf

irrevocable satisfaction of any and all payment obligations expressed to be assumed under the Notes.

- (e) In the event of a substitution of the Issuer by the Guarantor as the Substitute Debtor this Guarantee will terminate.
- (f) All amounts to be paid in respect of the Notes or the Guarantee will be paid free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by the Issuer's country of domicile for tax purposes or the Guarantor's country of domicile for tax purposes (respectively) or any political subdivision or any authority or any other agency of or in the Issuer's country of domicile for tax purposes or of or in the Guarantor's country of domicile for tax purposes (respectively) that has power to tax, unless the Guarantor is compelled by law to make such withholding or deduction. If the Guarantor is required to make such withholding or deduction, the Issuer or the Guarantor (as the case may be) will pay such additional amounts (the "**Additional Amounts**") to the Holders as the Holders would have received if no such withholding or deduction had been required, except that no such Additional Amounts will be payable for any such Taxes in respect of any Note or the Guarantee, which:

Schuldverschreibungen oder die Garantie, die:

- | | |
|--|--|
| <p>(i) auf andere Weise als durch Einbehalt oder Abzug von zahlbaren Beträgen zu entrichten sind; oder</p> <p>(ii) von einer als Depotbank oder Inkassobeauftragten im Namen eines Anleihegläubigers handelnden Person zu entrichten sind oder sonst auf andere Weise als dadurch, dass die Emittentin bzw. Garantin von den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Einbehalt oder Abzug vornimmt; oder</p> <p>(iii) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Anleihegläubigers zu Luxemburg oder der Bundesrepublik Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in Luxemburg oder der Bundesrepublik Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder</p> <p>(iv) durch eine Zahlstelle von der Zahlung einzubehalten oder abzuziehen sind, wenn die Zahlung von einer anderen Zahlstelle ohne einen solchen Einbehalt oder Abzug hätte vorgenommen werden können; oder</p> <p>(v) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union</p> | <p>(i) are payable otherwise than by withholding or deduction from amounts payable; or</p> <p>(ii) 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 withholding or deduction by the Issuer or the Guarantor (as applicable) from payments of principal or interest made by it, or</p> <p>(iii) are payable by reason of the Holder having, or having had, some personal or business connection with Luxembourg or the Federal Republic of Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, Luxembourg or the Federal Republic of Germany; or</p> <p>(iv) are withheld or deducted by a paying agent from a payment if the payment could have been made by another paying agent without such withholding or deduction, or</p> <p>(v) are to be withheld or deducted pursuant to (i) any European Union Directive or Regulation</p> |
|--|--|

betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung, eines zwischenstaatlichen Abkommens oder einer zwischenstaatlichen Verständigung über deren Besteuerung, an der der Staat, in dem die Emittentin steuerlich ansässig ist bzw. der Staat, in dem die Garantin steuerlich ansässig ist oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung, Vereinbarung, Verständigung oder dieses Abkommen umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder

(vi) aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 13 der Anleihebedingungen wirksam wird; oder

(vii) aufgrund jeglicher Kombination der Absätze (i) bis (vi) zu entrichten sind.

Die Garantin ist keinesfalls verpflichtet, zusätzliche Beträge in Bezug auf einen Einbehalt oder Abzug von Beträgen zu zahlen, die gemäß Sections 1471 bis 1474 des U.S. Internal Revenue Code (in der jeweils geltenden Fassung oder gemäß Nachfolgebestimmungen), gemäß zwischenstaatlicher

concerning the taxation of interest income, or (ii) any international treaty, agreement or understanding relating to such taxation and to which Issuer's country of domicile for tax purposes or the Guarantor's country of domicile for tax purposes or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty, agreement or understanding; or

(vi) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment of principal or interest becomes due, or, if later, is duly provided for and notice thereof is published in accordance with § 13 of the Terms and Conditions; or

(vii) are payable due to any combination of items (i) to (vi).

In any event, the Guarantor will have no obligation to pay additional amounts deducted or withheld by the Guarantor, the relevant Paying Agent or any other party ("**FATCA Withholding**") in relation to any withholding or deduction of any amounts required by the rules of U.S. Internal Revenue Code Sections

Abkommen, gemäß den in einer anderen Rechtsordnung in Zusammenhang mit diesen Bestimmungen erlassenen Durchführungsvorschriften oder gemäß mit dem Internal Revenue Service geschlossenen Verträgen von der Garantin, der jeweiligen Zahlstelle oder einem anderen Beteiligten abgezogen oder einbehalten wurden ("**FATCA-Steuerabzug**") oder Anleger in Bezug auf einen FATCA-Steuerabzug schadlos zu halten.

1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service or indemnify any investor in relation to any FATCA Withholding.

- | | |
|--|---|
| <p>3. Diese Garantie und alle darin enthaltenen Vereinbarungen stellen einen Vertrag zugunsten der jeweiligen Anleihegläubiger als begünstigte Dritte gemäß § 328 Absatz 1 BGB dar. Sie begründen das Recht eines jeden Anleihegläubigers, die Erfüllung der hierin eingegangenen Verpflichtungen unmittelbar von der Garantin zu fordern und diese Verpflichtungen unmittelbar gegenüber der Garantin durchzusetzen.</p> <p>4. Die Hauptzahlstelle handelt nicht als Treuhänder oder in einer ähnlichen Eigenschaft für die Anleihegläubiger.</p> <p>5. Verschiedene Bestimmungen</p> <p>(a) Diese Garantie unterliegt deutschem Recht.</p> <p>(b) Erfüllungsort ist Frankfurt am Main.</p> <p>(c) Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit der Garantie entstehenden Klagen oder sonstige Verfahren ist das Landgericht Frankfurt am Main.</p> <p>(d) Jeder Anleihegläubiger kann in jedem Rechtsstreit gegen die Garantin und in jedem Rechtsstreit, in dem er und die Garantin Partei sind, seine Rechte aus dieser Garantie auf der Grundlage einer von</p> | <p>3. This Guarantee and all undertakings contained herein constitute a contract for the benefit of the Holders from time to time as third party beneficiaries pursuant to § 328 (1) of the BGB. They give rise to the right of each such Holder to require performance of the obligations undertaken herein directly from the Guarantor, and to enforce such obligations directly against the Guarantor.</p> <p>4. The Principal Paying Agent does not act in a fiduciary or in any other similar capacity for the Holders.</p> <p>5. Miscellaneous Provisions</p> <p>(a) This Guarantee will be governed by, and construed in accordance with, German law.</p> <p>(b) Place of performance will be Frankfurt am Main.</p> <p>(c) The District Court (<i>Landgericht</i>) in Frankfurt am Main will have non-exclusive jurisdiction for any action or other legal proceedings arising out of or in connection with the Guarantee.</p> <p>(d) On the basis of a copy of this Guarantee certified as being a true copy by a duly authorised officer of the Principal Paying Agent, each Holder may protect and enforce in its own name its rights arising under this</p> |
|--|---|

einer vertretungsberechtigten Person der Hauptzahlstelle beglaubigten Kopie dieser Garantie ohne Vorlage des Originals im eigenen Namen wahrnehmen und durchsetzen.

- (e) Die Hauptzahlstelle verpflichtet sich, das Original dieser Garantie bis zur Erfüllung sämtlicher Verpflichtungen aus den Schuldverschreibungen und dieser Garantie zu verwahren.

- 6. Für Änderungen der Bedingungen der Garantie durch Beschluss der Anleihegläubiger mit Zustimmung der Garantin gilt § 15 der Anleihebedingungen entsprechend.

Guarantee in any legal proceedings against the Guarantor or to which such Holder and the Guarantor are parties, without the need for presentation of this Guarantee in such proceedings.

- (e) The Principal Paying Agent agrees to hold the original copy of this Guarantee in custody until all obligations under the Notes and this Guarantee have been fulfilled.

- 6. In relation to amendments of the terms of the Guarantee by resolution of the Holders with the consent of the Guarantor, § 15 of the Terms and Conditions applies *mutatis mutandis*.

DESCRIPTION OF RULES REGARDING RESOLUTIONS OF HOLDERS

The SchVG provides that holders of debt securities may, with the consent of the respective issuer (where required), amend the terms and conditions or resolve on other matters concerning debt securities by way of majority resolutions. If provided for in the terms and conditions, this shall apply *mutatis mutandis* to obligations securing such debt securities. A majority resolution in accordance with the SchVG is binding for all holders of one series of debt securities. The SchVG applies to debt securities that form an issue of identical debt securities (*Gesamtemission*) which are governed by German law. Consequently, the SchVG applies to the Notes. The SchVG can also be applied to amend the Subordinated Guarantee.

The following sections provide an overview of the statutory provisions of the SchVG with respect to the Notes.

Overview of the SchVG

Under the SchVG and in accordance with the Terms and Conditions, it is possible to extensively change and therefore restructure the Terms and Conditions and to adopt further measures concerning the Notes with the Issuer's consent (where required). Any such amendments or measures are only binding in respect of the Notes and do not apply to any other issue of debt securities of the Issuer.

The Terms and Conditions also provide for the appointment of the Holder's Representative.

Individual Subjects of Resolutions

As provided for by the SchVG, the Notes do not specify an exclusive list of admissible amendments to the Terms and Conditions or other measures on which Holders may resolve. In accordance with Section 5 para. 3 sentence 1 no. 1-10 SchVG, the individual subjects for resolutions may include:

- amendments to the principal claim (due date, amount, currency, rank, debtors, object of performance) of the Notes;
- amendments to or removal of ancillary conditions of the Notes;
- modification or waiver of a right of termination and removal of the effect of the collective right of termination;
- substitution and release of security;
- amendments to legal transactions with joint obligors; and
- amendments to ancillary claims (due date, amount, exclusion, currency, rank, debtors, object of performance).

In addition, resolutions not affecting the contents of the Terms and Conditions may be passed, including:

- exchange of the Notes for other debt securities or shares; and

- appointment, duties and removal of a Holders' Representative.

Relevant Majorities for Holder Resolutions

The Terms and Conditions use the applicable majorities provided for by the SchVG. Hence, any resolutions which materially alter the Terms and Conditions or adopt other measures, in particular in the cases listed in Section 5 para. 3 sentence 1 no. 1-9 SchVG, require a majority of at least 75% of the participating votes (a “**Qualified Majority**”). All other resolutions may generally be passed with a simple majority of 50% of the participating votes.

Procedures for Holder Resolutions

General

Resolutions of the Holders with respect to the Notes can be passed by means of a vote without a meeting pursuant to Section 18 and Sections 9 *et seq.* SchVG (*Abstimmung ohne Versammlung*).

The Issuer or a Holders' Representative may, and Holders who together hold 5% of the outstanding nominal amount of the Notes for specified reasons permitted by the SchVG may demand in writing to hold a vote without a meeting, as the case may be.

The Issuer bears the costs of the vote and/or the meeting and, if a court has convened a meeting, also the costs of such court proceedings.

All resolutions adopted must be properly published. Resolutions which amend or supplement the Terms and Conditions have to be implemented by supplementing or amending the Global Note.

If a resolution constitutes a breach of the SchVG or the Terms and Conditions, Holders who have filed a complaint within two weeks after publication of the resolution may bring an action to set aside such resolution. Such action must be filed with the competent court within one month following the publication of the resolution.

Resolution without a Physical Meeting

The voting will be conducted by a scrutineer (*Abstimmungsleiter*). Such scrutineer shall be (i) a notary public appointed by the Issuer, (ii) the Holders' Representative, if the vote was solicited by it, or (iii) a person appointed by the competent court.

A vote without a meeting will be convened by way of a notice given to the Holders to solicit their votes (*Aufforderung zur Stimmabgabe*) no later than 14 calendar days prior to the commencement of the vote. The solicitation notice shall set out the period within which votes may be cast (at least 72 hours), the agenda and the subject matter of the vote and the details of the conditions to be met for the votes to be valid. During the applicable voting period, Holders may cast their votes to the scrutineer. Each Holder may be represented by proxy.

A resolution by way of a vote without a meeting can only be passed if a quorum of at least 50% of the outstanding Notes by value participates in the vote during the voting period. The scrutineer shall ascertain each Holder's entitlement to vote based on evidence provided by such Holder and shall prepare a list of the Holders entitled to vote.

Resolution by (Second) Physical Meeting

If the quorum of 50% of the outstanding aggregate principal amount of the Notes is not met, the scrutineer or the chairman, as the case may be, may convene a (second) physical meeting of the Holders at which no quorum will be required, provided that where a resolution may only be adopted by a Qualified Majority, a quorum requires the presence of at least 25%, of the outstanding Notes. For such (second) physical meeting the provisions set out in the SchVG with respect to a first physical meeting apply *mutatis mutandis*.

Holders' Representative

The Holders' Representative may generally be appointed by way of a majority resolution passed by the Holders. If at the same time rights are assigned to the Holders' Representative, thereby enabling it to consent to material amendments to the Terms and Conditions on behalf of the Holders, the appointment requires a Qualified Majority.

The Holders may at any time and without reason terminate the appointment of the Holders' Representative by majority resolution passed by a simple majority. The Holders' Representative is bound by the Holders' instructions, which are based on the relevant majority resolutions.

Any individual or competent legal entity may be appointed as Holders' Representative, provided that, for the avoidance of conflicts of interest, certain disclosure requirements are to be met.

The duties and rights of the Holders' Representative are determined by the SchVG and any resolutions of the Holders. To the extent that the exercise of the Holders' rights has been transferred to the Holders' Representative, the Holders themselves may not assert these rights, unless a majority resolution of the Holders provides otherwise. The Holders' Representative liability may be limited in accordance with the SchVG.

DESCRIPTION OF THE ISSUER

General Information

The Issuer was incorporated for an unlimited period of time on July 16, 2019 under the laws of Luxembourg as a private limited liability company (*société à responsabilité limitée*). Its first fiscal year ends on December 31, 2019. Each following fiscal year will be the calendar year.

The Issuer has its registered office in the City of Luxembourg, Grand Duchy of Luxembourg. The address of the Issuer's registered office is 51, boulevard Grande-Duchesse Charlotte, L-1331 Luxembourg. The Issuer is registered with the Luxembourg Trade and Companies Register (*registre du commerce et des sociétés*) under number B236574.

The address of the webpage of the Group is www.tlg.de. The Prospectus will be published under www.tlg.de/ir/anleihen (information on the website of the Group does not form part of the Prospectus and has not been scrutinized or approved by the CSSF as the competent authority, unless that information is incorporated by reference).

TLG Finance S.à r.l. is the Issuer's legal and commercial name.

The legal entity identifier (LEI) of the Issuer is: 549300VIITIKUS3JVN97.

Corporate Purpose

Pursuant to Article 2 of the articles of association of the Issuer, the purpose of the Issuer is the holding of participations in any form whatsoever in Luxembourg and foreign companies and in any other form of investment, the acquisition by purchase, subscription or in any other manner as well as the transfer by sale, exchange or otherwise of securities of any kind and the administration, management, control and development of its portfolio.

The Issuer may grant loans to, as well as guarantees or security for the benefit of third parties to secure obligations of, companies in which it holds a direct or indirect participation or right of any kind or which form part of the same group of companies as the Issuer, or otherwise assist such companies.

The Issuer may raise funds through borrowing in any form or by issuing any kind of notes, securities or debt instruments, bonds and debentures and generally issue securities of any type (including any debt, equity and/or hybrid securities in accordance with Luxembourg law). Non-equity securities may also be issued to the public and/or may be listed, admitted to trading or otherwise registered on any stock exchange, trading platform or other negotiation facility. The Issuer may not publicly issue shares.

The Issuer may carry out any commercial, industrial, financial, real estate or intellectual property activities which it considers useful for the accomplishment of these purposes.

Group 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 by the Guarantor.

Management Board

The current members of the Issuer's board of managers are as follows:

- **Mr. Benjamin Mertens**, born in Berlin, Germany on August 6, 1986, professionally residing at Hausvogteiplatz 12, 10117 Berlin, Germany, appointed as Class A Manager;
- **Ms. Cornelia Maria Wilhelmina van den Broek**, born in Oosterhout, The Netherlands on June 26, 1968, professionally residing at 13, Schlappgaass, L-9365 Eppeldorf, Luxembourg, appointed as Class B Manager.

The current members of the board of managers of the Issuer can be contacted at the registered office of the Issuer. The Issuer has no supervisory board.

There are no actual or potential conflicts of interest between the duties of the members of the managing board of the Issuer and their respective private interests or other duties.

Statutory Auditor

The Issuer has not yet appointed a statutory auditor for the fiscal year 2019.

Share Capital

The issued share capital of the Issuer amounts to €25,000, divided into twenty-five thousand (25,000) registered shares with a nominal value of €1.00 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 Group companies financed with funds acquired from the capital markets, bank loans and loans from other companies of the Group.

Because of its purely internal purpose, 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.

Material Litigation

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.

Material Agreements

As of the date of this Prospectus, the Issuer has not entered into any material contract which could result in any Group company (including the Issuer) being under an obligation or entitlement that is material to the ability of the Issuer or the Guarantor to meet its obligation to security holders in respect of the Notes being issued.

Recent Developments and Outlook; Trend Information and No Adverse Change

Since the incorporation of the Issuer on July 16, 2019, there have been no recent events particular to the Issuer which are to a material extent relevant for the evaluation of the solvency of the Issuer.

Since the incorporation of the Issuer on July 16, 2019, there has been no material adverse change in the prospects of the Issuer or any significant change in the financial position or performance, or trading position of TLG.

Selected Financial Information of the Issuer

The Issuer is a newly incorporated company that has not yet commenced operations. No historical financial statements have been made up as of the date of this Prospectus, except for the opening balance sheet of the Issuer as of July 16, 2019, the profit and loss account of the Issuer for the period ended on July 16, 2019 and the notes to the financial information prepared in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial information (*Luxembourg GAAP*) (see *Issuer's Opening Balance Sheet, Profit and Loss Account and Financial Notes*). The Issuer's opening balance sheet as of July 16, 2019, the Issuer's profit and loss account for the period ended on July 16, 2019 and the notes to the financial information have been audited by Ernst & Young Société anonyme Cabinet de révision agréé, 35E, Avenue John F. Kennedy, L-1855 Luxembourg, Luxembourg ("**EY Luxembourg**"). EY Luxembourg is a member of the Luxembourg institute of registered auditors (*Institut des réviseurs d'entreprises agréés*) under audit firm registration number 43.

	As of July 16, 2019 and for the period from July 16, 2019 until July 16, 2019
	(in €)
External expenses	1,325.31
Liabilities	1,325.31
Total assets	100,000.00
Capital and reserves	98,674.69

DESCRIPTION OF THE GUARANTOR AND THE GROUP

General Information on the Guarantor and the Group

Formation, Incorporation, Commercial Name, Fiscal Year and Registered Office

The Guarantor was formed as a limited liability company (*Gesellschaft mit beschränkter Haftung*) under German law by memorandum of association dated June 18, 1991. Its legal name was “DUHO Verwaltungs-Gesellschaft mbH” with its registered office in Berlin, Germany, and registered in the commercial register of the local court (*Amtsgericht*) of Charlottenburg under the docket number HRB 38419 (“DUHO”).

By merger agreement dated August 14, 1996, TLG Treuhand Liegenschaftsgesellschaft mbH and a number of other entities were merged into DUHO and the Guarantor changed its legal name into TLG Treuhand Liegenschaftsgesellschaft mbH. The merger and the change in legal name were registered in the commercial register on August 30, 1996. By decision of the Guarantor’s general meeting dated July 26, 2002, the Guarantor changed its legal name to TLG Immobilien GmbH. The change in legal name was registered in the commercial register on August 21, 2002. On September 5, 2014, the Guarantor’s shareholders’ meeting approved a resolution to change the Guarantor’s legal form to a German stock corporation (*Aktiengesellschaft*) and its legal name to TLG IMMOBILIEN AG. The change in legal form and name was registered in the commercial register on September 10, 2014. The German stock corporation (*Aktiengesellschaft*) is now registered in the commercial register of the local court (*Amtsgericht*) of Charlottenburg under the docket number HRB 161314 B.

The Guarantor is the parent company of TLG and operates under the commercial name “TLG IMMOBILIEN”.

The Guarantor’s fiscal year is the calendar year.

The Guarantor’s registered office is at Hausvogteiplatz 12, 10117 Berlin, Germany (telephone: +49 (0) 30-2470-50).

The address of the webpage of the Guarantor and the Group is <https://www.tlg.de/> (information on the website does not form part of the Prospectus and has not been scrutinized by the CSSF as the competent authority, unless that information is incorporated by reference).

The legal entity identifier (LEI) of the Guarantor is: 549300NYSIH10FPUO363.

History and Development

The Guarantor traces its roots back to two former subsidiaries of Treuhandanstalt (“THA”), a state agency tasked with administering businesses owned by the former German Democratic Republic (*Deutsche Demokratische Republik*).

DUHO Verwaltungs-Gesellschaft mbH

DUHO was formed by memorandum of association dated June 18, 1991. Its formation was registered in the commercial register of the local court (*Amtsgericht*) of Charlottenburg on June 24, 1991. DUHO’s capital was created through spin-off mergers (*verschmelzende Aufspaltungen*) of 139 other legal entities owned by THA. 129 of these split-ups were actually registered in the commercial

register. DUHO's articles of association were subsequently amended to reflect the decreased number of split-ups. This company set-up through multiple spin-off mergers (*verschmelzende Aufspaltungen*) was a very innovative, but not uncontested corporate measure; this process facilitated the bringing together of various assets in one single transaction.

DUHO was tasked with the privatization of certain commercial real estate owned by trade organizations of the former German Democratic Republic (*Deutsche Demokratische Republik*). On September 29, 1994, the shareholders' meeting decided to dissolve DUHO. The decision was registered in the commercial register on November 11, 1994. On June 30, 1996, the share capital of DUHO was transferred to the Federal Republic of Germany. On July 18, 1996, the shareholders' meeting decided to continue DUHO's business. The decision was registered in the commercial register on July 26, 1996.

Liegenschaftsdienst für die Treuhandanstalt GmbH

Liegenschaftsdienst für die Treuhandanstalt GmbH was founded by memorandum of association dated November 12, 1990 and registered in the commercial register of the local court (*Amtsgericht*) of Charlottenburg under the docket number HRB 36064 on December 10, 1990. It was rebranded Liegenschaftsgesellschaft der Treuhandanstalt mbH on March 18, 1991 and tasked with the privatization of the real estate holdings of the former German Democratic Republic (*Deutsche Demokratische Republik*). Until the end of 1994, Liegenschaftsgesellschaft der Treuhandanstalt mbH sold approximately 37,000 properties from the holdings of THA for a total consideration of approximately €8.9 billion. Approximately 11,000 other properties were restituted or municipalized.

In 1994, Liegenschaftsgesellschaft der Treuhandanstalt mbH was rebranded TLG Treuhand Liegenschaftsgesellschaft mbH and the Federal Republic of Germany became the owner of its entire share capital. Subsequently, TLG Treuhand Liegenschaftsgesellschaft mbH acquired over 100,000 properties from THA.

Merger and Privatization

TLG Treuhand Liegenschaftsgesellschaft mbH was then merged into DUHO by merger agreement dated August 14, 1996, and DUHO was rebranded TLG Treuhand Liegenschaftsgesellschaft mbH. Thus, the actual legal predecessor of the Guarantor is DUHO. Between 1995 and 2000, more than 75,000 properties were sold, restituted or municipalized by TLG Treuhand Liegenschaftsgesellschaft mbH, DUHO and the Guarantor.

In 2000, the Guarantor began to pursue a new strategy of active portfolio management. On July 26, 2002, the shareholders' meeting decided to change the Guarantor's legal name to TLG Immobilien GmbH. The change was registered in the commercial register on August 21, 2002. Between 2000 and the end of 2011, the portfolio and property management processes were professionalized and the organization was streamlined (*e.g.*, subsidiaries were merged or otherwise integrated), the number of employees was reduced from approximately 1,100 employees to 297 permanent and 15 temporary employees and the portfolio was further reduced from approximately 27,000 to approximately 1,100 properties (both as of December 31, 2011).

In 2011, the Federal Republic of Germany launched a privatization process. In preparation and effective as from January 1, 2012, substantially all of the Guarantor's residential real estate was transferred to TLG WOHNEN GmbH, a separate state entity, whose sole shareholder was the Federal

Republic of Germany and which was subsequently privatized. The Guarantor was then sold by Germany to private investors on December 12, 2012.

Initial Public Offering and Growth Period

Following its privatization in 2012, TLG further streamlined its portfolio, focusing on attractive commercial real estate properties in Berlin and the growth regions in eastern Germany. As a consequence, the Guarantor was able to successfully complete its initial public offering in October 2014. The former investors subsequently divested their holdings in the Guarantor.

Takeover of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft

On May 10, 2017, the Guarantor announced its intention to submit a voluntary public takeover offer for all shares of WCM AG in the form of an exchange offer (the “**Takeover Offer**”) which was published on June 27, 2017. The Takeover Offer was successfully completed on October 6, 2017 (the “**Completion**”) with an acceptance for a total of 117,505,327 shares of WCM AG, corresponding to approximately 85.89% of WCM AG’s share capital and voting rights. During the course of the Completion, all 117,505,327 shares of WCM AG for which the Takeover Offer had been accepted were transferred to the Guarantor and 20,435,708 new shares of the Guarantor were issued to former shareholders of WCM AG. With the Completion, WCM became part of TLG. As of the date of this Prospectus, the Guarantor holds 91.85% of WCM AG’s share capital and voting rights. On October 6, 2017, the Guarantor, as the controlling company, and WCM AG, as the controlled company, entered into the Domination Agreement which became effective upon its registration with the commercial register of WCM AG on February 9, 2018 (see “—*Material Agreements—Inter-Company Agreements—Domination Agreement between the Guarantor and WCM AG*”).

Duration of the Guarantor and Corporate Purpose

The Guarantor was established for an unlimited period of time.

Pursuant to Section 2 para. 1 of the Guarantor’s articles of association (the “**Articles of Association**”), the Guarantor’s corporate purpose is the conduct of real estate business and any related business of any kind, in particular the management, leasing, construction and modification, acquisition and sale of commercial real estate in a broader sense, particularly office space, retail store properties and hotels, the development of real estate projects as well as the provision of services in connection with the aforementioned objectives, either by itself or by companies in which the Guarantor holds an interest.

The Guarantor is authorized to undertake all business activities appearing directly or indirectly suitable to serve the purpose of the Guarantor. Within the scope of the Guarantor’s purpose, it may establish and maintain branch offices, domestic and abroad, under the same or different legal name, acquire or divest interests in other companies, and establish or acquire such companies.

The Guarantor may dispose of any of its participations and may, in whole or in part, split or transfer to affiliates its business or assets. Further, the Guarantor is entitled to combine under its direction companies in which it holds an interest and/or restrict its activities to the management of the interest(s) and to conclude inter-company agreements (*Unternehmensverträge*) of any kind as well as to spin off or transfer its business, in whole or in part, to companies in which it has a majority interest.

The Guarantor may restrict its activities to the partial performance of the corporate purpose.

Group Structure

The Guarantor is the parent company of TLG. TLG's consolidated financial statements include all material subsidiaries whose financial and business policy can be controlled by the Guarantor, either directly or indirectly, and the equity interests of TLG whose financial and business policy can be influenced by TLG to a significant extent. As of the date of this Prospectus, the group of consolidated companies includes 54 direct and indirect subsidiaries of the Guarantor.

The Guarantor's Key Subsidiaries

The following table lists the Guarantor's key subsidiaries (material holding and value of real estate held) as of the date of this Prospectus:

Name and country of incorporation	Guarantor share of capital ⁽¹⁾ (in %)
Triangel Frankfurt Immobilien GmbH & Co. KG, Germany	94.9 ⁽²⁾
WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft, Germany	91.8

(1) In % directly or indirectly held.

(2) Directly held by WCM AG.

Statutory Auditor

Ernst & Young Wirtschaftsprüfungsgesellschaft GmbH, Stuttgart, office Berlin, Friedrichstraße 140, 10117 Berlin, Germany ("**EY Germany**"), as the statutory auditor, audited the Guarantor's consolidated financial statements prepared in accordance with IFRS and the additional requirements of German commercial law pursuant to Section 315e para. 1 of the German Commercial Code (*Handelsgesetzbuch* ("**HGB**") as of and for the fiscal years ended December 31, 2017 and 2018 in accordance with Section 317 HGB and generally accepted standards for financial statement audits promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V.*) and issued in each case an unqualified independent auditor's report (*uneingeschränkter Bestätigungsvermerk des unabhängigen Abschlussprüfers*).

Furthermore, EY Germany reviewed the unaudited condensed consolidated interim financial statements of the Guarantor as of and for the six months ended June 30, 2019 prepared in accordance with IFRS on interim financial reporting (IAS 34) in accordance with German generally accepted standards for the review of financial statements promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V.*) and issued an unqualified review report (*Bescheinigung nach prüferischer Durchsicht*) in accordance with Section 115 para. 5 of the German Securities Trading Act (*Wertpapierhandelsgesetz*).

EY Germany is a member of the Chamber of Public Auditors (*Wirtschaftsprüferkammer*), Rauchstraße 26, 10787 Berlin, Germany.

Notifications

In accordance with Section 3 para. 1 of the Articles of Association, the Guarantor's notifications are published in the German Federal Gazette (*Bundesanzeiger*), unless mandatory statutes provide otherwise.

Selected Consolidated Financial Information of TLG

The following financial information of TLG is taken or derived from the audited consolidated financial statements of the Guarantor as of and for the fiscal years ended December 31, 2017 and 2018, the unaudited condensed consolidated interim financial statements of the Guarantor as of and for the six months ended June 30, 2019 and the Guarantor's internal reporting system. The audited consolidated financial statements of the Guarantor as of and for the fiscal years ended December 31, 2017 and 2018 have been prepared in accordance with IFRS and the additional requirements of German commercial law pursuant to Section 315e para. 1 HGB. The unaudited condensed consolidated interim financial statements of the Guarantor as of and for the six months ended June 30, 2019 have been prepared in accordance with IFRS on interim financial reporting (IAS 34).

WCM AG with its subsidiaries was fully consolidated as a subsidiary of the Guarantor for the first time in the consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2017, with effect only for the period from October 6, 2017 through December 31, 2017. The consolidated financial statements as of and for the fiscal year ended December 31, 2018 are the first audited consolidated financial statements of the Guarantor reflecting the consolidation of WCM for a whole fiscal year of the Guarantor.

EY Germany has audited the Guarantor's consolidated financial statements as of and for the fiscal years ended December 31, 2017 and 2018, and issued in each case an unqualified independent auditor's report thereon.

In the audited consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2018, the Guarantor changed the accounting classification of certain expense and income items in the consolidated statement of comprehensive income relating to net operating income from letting activities, income from letting activities, expenses relating to letting activities and other operating expenses, result from the disposal of properties (formerly result from the disposal of investment property and result from the disposal of real estate inventory) and the result from the remeasurement of investment property, leading to corresponding changes in the comparative financial information for the fiscal year ended December 31, 2017. The financial information for the fiscal year ended December 31, 2017 with respect to the consolidated statement of comprehensive income is taken or derived from the adjusted comparative financial information as shown in the audited consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2018.

Where financial information in the following tables are labelled "audited", this means that they have been taken from the audited consolidated financial statements of the Guarantor mentioned above. The label "unaudited" is used in the following tables to indicate financial information that have not been taken from the audited consolidated financial statements of the Guarantor mentioned above, but were taken either from the Guarantor's unaudited condensed consolidated interim financial statements mentioned above, or the Guarantor's internal reporting system, or have been calculated based on figures from the aforementioned sources.

All of the financial information presented in the text and tables below is shown in millions of Euro (in € million), except as otherwise stated. Certain financial information (including percentages) in the following tables has been rounded according to established commercial standards. As a result, the aggregate amounts (sum totals or sub-totals or differences or if numbers are put in relation) in the following tables may not correspond in all cases to the aggregated amounts of the underlying (unrounded) figures appearing elsewhere in this Prospectus. Furthermore, in those tables, these rounded

figures may not add up exactly to the totals contained in those tables. Financial information presented in parentheses denotes the negative of such number presented. In respect of financial information set out in this Prospectus, a dash (“–”) signifies that the relevant figure is not available, while a zero (“0.0”) signifies that the relevant figure is available but has been rounded to zero.

The following selected financial information should be read together with the consolidated financial statements, including the related notes, incorporated by reference into this Prospectus, and additional financial information contained elsewhere in this Prospectus.

Selected Consolidated Financial Information

Consolidated Statement of Comprehensive Income Data

	For the year ended December 31,		For the six months ended June 30,	
	2017⁽¹⁾⁽²⁾	2018	2018⁽³⁾	2019
	(audited) (in € million)		(unaudited) (in € million)	
Income from letting activities	208.3	271.4	131.1	139.7
Expenses relating to letting activities	(53.4)	(74.7)	(33.9)	(35.2)
Net operating income from letting activities.....	154.9	196.7	97.2	104.4
Result from the disposal of properties	10.4	7.8	0.9	16.5
Result from the remeasurement of investment property	210.8	552.9	182.4	400.8
Other operating income	1.9	1.9	1.1	0.7
Personnel expenses	(12.0)	(16.5)	(7.8)	(7.7)
Depreciation and amortization	(0.5)	(165.8)	(0.5)	(0.9)
Other operating expenses	(19.3)	(16.1)	(9.7)	(6.8)
Earnings before interest and taxes (EBIT).....	346.2	561.1	263.7	507.1
Financial income	0.1	0.6	0.2	0.2
Financial expenses	(44.6)	(32.1)	(14.0)	(20.7)
Result from the remeasurement of derivative financial instruments	5.7	(7.9)	(3.5)	(22.4)
Earnings before taxes	307.3	521.7	246.4	464.2
Income taxes	(23.0)	(210.7)	(75.5)	(142.1)
Net income/Net income for the period	284.4	310.9	170.9	322.1
Other comprehensive income (OCI)				
thereof will not be reclassified to profit or loss in subsequent years/periods				
Actuarial gains and losses, net of taxes	0.2	(0.2)	–	–
thereof will be reclassified to profit or loss in subsequent years/periods				
Gain/loss from remeasurement of derivative financial instruments in hedging relationship, net of taxes	8.0	0.7	0.3	1.0
Total comprehensive income for the year/period	292.6	311.4	171.1	323.1

(1) WCM was fully consolidated only for the period from October 6, 2017 through December 31, 2017.

(2) In the audited consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2018, the Guarantor changed the accounting classification of certain expense and income items in the consolidated statement of comprehensive income relating to net operating income from letting activities, income from letting activities, expenses relating to letting activities and other operating expenses, result from the disposal of properties (formerly result from the disposal of investment property and result from the disposal of real estate inventory) and result from the remeasurement of investment property, leading to corresponding changes in the comparative financial information for the fiscal year ended December 31, 2017. In the audited consolidated financial statements of the Guarantor as of and for the fiscal year

ended December 31, 2017, in the consolidated statement of comprehensive income, the net operating income from letting activities, expenses relating to letting activities, result from the remeasurement of investment property, result from the disposal of investment property, result from the disposal of real estate inventory and other operating expenses reported for the fiscal year ended December 31, 2017 are shown in the amount of €153.5 million, €54.7 million, €218.6 million, €2.7 million, €-0.1 million and €18.0 million, respectively.

- (3) In the unaudited condensed consolidated interim financial statements of the Guarantor as of and for the six months ended June 30, 2019 due to changes in the accounting classification of certain expense and income items in the consolidated statement of comprehensive income relating to net operating income from letting activities, income from letting activities, expenses relating to letting activities and other operating expenses, result from the disposal of properties (formerly result from the disposal of investment property and result from the disposal of real estate inventory) and the result from the remeasurement of investment property the Guarantor adjusted the comparative financial information for the six months ended June 30, 2018.

Consolidated Statement of Financial Position Data

	As of December 31,		As of June 30,
	2017	2018	2019 ⁽¹⁾
	(audited) (in € million)		(unaudited) (in € million)
Non-current assets	3,604.4	4,112.8	4,488.7
Investment property	3,383.3	4,067.5	4,435.1
Advance payments on investment property	17.5	0.0	0.1
Property, plant and equipment	8.2	8.9	8.8
Intangible assets	165.9	2.6	3.0
Other non-current financial assets	14.9	13.5	18.8
Right-of-use assets	—	—	2.2
Other assets	14.5	20.2	20.7
Current assets	231.4	208.1	954.9
Inventories	0.8	0.7	0.7
Trade receivables	10.2	14.9	10.0
Receivables from income taxes	1.9	1.8	1.8
Other current financial assets	2.0	1.1	16.4
Other receivables and assets	5.3	2.6	226.4
Cash and cash equivalents	201.5	153.9	551.1
Non-current assets classified as held for sale/Assets classified as held for sale	9.7	33.1	148.6
Total assets	3,835.7	4,320.8	5,443.6
Equity	1,936.6	2,157.2	2,605.7
Subscribed capital	102.0	103.4	112.0
Capital reserves	1,061.1	1,011.4	1,224.9
Retained earnings	739.6	1,023.8	1,248.6
Other reserves	(5.1)	(4.6)	(3.6)
Equity attributable to the shareholders of the parent company	1,897.6	2,133.9	2,581.9
Non-controlling interests	38.9	23.3	23.8
Liabilities	1,899.2	2,163.6	2,837.9

	As of December 31,		As of June 30,
	2017	2018	2019 ⁽¹⁾
	(audited) (in € million)		(unaudited) (in € million)
Non-current liabilities	1,829.2	1,970.1⁽²⁾	2,697.6
Non-current liabilities due to financial institutions	1,120.9	1,046.3	1,026.8
Corporate Bonds	395.8	396.5 ⁽²⁾	982.9
Pension provisions	7.9	8.0	7.9
Non-current derivative financial instruments	4.9	10.3	31.6
Other non-current liabilities	26.8	28.5	27.0
Deferred tax liabilities	272.7	480.5	621.4
Current liabilities	70.0	193.5⁽²⁾	140.4
Current liabilities due to financial institutions ...	24.8	136.6	61.7
Corporate Bonds	—	— ⁽²⁾	4.1
Trade payables	17.2	35.4	27.9
Other current provisions	4.0	4.5	3.6
Tax liabilities	1.4	2.7	2.9
Other current liabilities	22.6	14.3	40.2
Total equity and liabilities	3,835.7	4,320.8	5,443.6

- (1) In the unaudited condensed consolidated interim financial statements of the Guarantor as of and for the six months ended June 30, 2019, the Guarantor started applying IFRS 16 (Leases) on January 1, 2019, the initial application date of the new accounting standard, in accordance with the modified retrospective method, relating to right-of-use assets and other non-current liabilities in the consolidated statement of financial position. According to the modified retrospective method the comparative financial information has not been adjusted in the unaudited condensed consolidated interim financial statements of the Guarantor as of and for the six months ended June 30, 2019.
- (2) In the unaudited condensed consolidated interim financial statements of the Guarantor as of and for the six months ended June 30, 2019, the Guarantor adjusted the recognition of the accrued interest for corporate bonds recognizing as separate line item under current liabilities leading to the corresponding adjusted recognition in the comparative financial information as of December 31, 2018. In the unaudited condensed consolidated interim financial statements of the Guarantor as of and for the six months ended June 30, 2019, in the consolidated statement of financial position, non-current liabilities, non-current corporate bonds, current liabilities and current corporate bonds reported as of December 31, 2018 are shown in the amount of €1,969.6 million, €396.0 million, €194.0 million and €0.5 million, respectively.

Consolidated Cash Flow Statement Data

	For the year ended December 31,		For the six months ended June 30,	
	2017 ⁽¹⁾	2018	2018	2019
	(audited) (in € million)		(unaudited) (in € million)	
Cash flow from operating activities	100.7	161.9	79.2	77.9
Interest received	0.4	0.6	0.2	0.2
Interest paid	(48.8)	(30.7)	(14.0)	(18.0)
Income tax paid/received	(6.3)	(1.8)	(0.2)	(0.9)
Net cash flow from operating activities	46.1	130.0	65.3	59.2
Cash flow from investing activities	(128.6)	(129.8)	(122.8)	(66.3)
Cash flow from financing activities	215.6	(47.8)	(34.8)	404.3
Net change/Change in cash and cash equivalents	133.1	(47.6)	(92.4)	397.2

- (1) WCM was fully consolidated only for the period from October 6, 2017 through December 31, 2017.

Additional Key Performance Indicators

TLG uses the key performance indicators FFO, FFO per share, the Net LTV and EPRA NAV as the most important indicators for measuring the operating and financial performance of TLG's business and its internal controlling.

In addition, TLG expects the rental income, net operating income from letting activities, EBITDA, the Equity Ratio, and the EPRA Vacancy Rate to be of use for potential investors as key performance indicators in evaluating TLG's operating and financial performance.

However, the key performance indicators described in this section are not recognized as measures under IFRS and should not be considered as substitutes for figures on net assets, earnings before taxes, net income, net cash flow from operating activities or other data from the consolidated statement of comprehensive income, the consolidated cash flow statement or the consolidated statement of financial position, as determined in accordance with IFRS, or as measures of profitability or liquidity. Such key performance indicators do not necessarily indicate that cash flows will be sufficient or available for TLG's cash requirements, nor is any such measure indicative of TLG's historical operating results. The key performance indicators described in this section are not meant to be indicative of future results. Because not all companies calculate these key performance indicators in the same way, TLG's presentation of such key performance indicators is not necessarily comparable with similarly-titled measures used by other companies, including companies in the real estate sector.

Performance and Profitability

The following table provides information on TLG's key performance and profitability measures for the periods presented:

	For the year ended December 31,		For the six months ended June 30,	
	2017⁽¹⁾	2018	2018	2019
	(audited and in € million, unless otherwise specified)		(unaudited) (in € million, unless otherwise specified)	
Rental income ⁽²⁾	168.3	223.9	109.6	114.8
Net operating income from letting activities ⁽³⁾	154.9 ⁽⁴⁾	196.7	97.2	104.4
EBITDA (unaudited)	135.8 ⁽⁵⁾	173.9	81.8	107.2
FFO (unaudited)	102.7	134.0	67.8	71.5
FFO per share (in €) (unaudited)	1.29	1.30	0.66	0.69

(1) WCM was fully consolidated only for the period from October 6, 2017 through December 31, 2017.

(2) Rental income refers to income from letting activities without income from recharged operating costs and income from other goods and services as shown in the consolidated statement of comprehensive income for the respective period.

(3) Net operating income from letting activities refers to income from letting activities less expenses relating to letting activities, all as shown in the consolidated statement of comprehensive income for the respective period.

(4) Due to changes in the accounting classification of certain expense and income items in the consolidated statement of comprehensive income in the audited consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2018, net operating income from letting activities for the fiscal year ended December 31, 2017 is derived from the adjusted comparative financial information for the fiscal year ended December 31, 2017, as reported in the consolidated statement of comprehensive income in the consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2018. In the audited consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2017, in the consolidated statement of comprehensive income, the net operating income from letting activities reported for the fiscal year ended December 31, 2017 is shown in an amount of €153.5 million.

- (5) Due to changes in the accounting classification of certain expense and income items in the consolidated statement of comprehensive income in the audited consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2018, EBITDA for the fiscal year ended December 31, 2017 is derived from the adjusted comparative financial information for the fiscal year ended December 31, 2017, as reported in the consolidated statement of comprehensive income in the consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2018. EBITDA for the fiscal year ended December 31, 2017 derived from the financial information as reported in the consolidated statement of comprehensive income in the audited consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2017 (earnings before interest and taxes (EBIT) of €346.2 million, depreciation and amortization of €0.5 million and result from the remeasurement of investment property of €218.6 million) amounted to €128.0 million.

(a) EBITDA

Earnings before interest, taxes, depreciation and amortization (“**EBITDA**”) is defined as net income/loss or net income/loss for the period before income taxes, financial income, financial expenses, result from the remeasurement of derivative financial instruments, depreciation and amortization as well as the result from the remeasurement of investment property, all as shown in the Guarantor’s respective consolidated financial statements.

The following table shows the calculation of EBITDA starting from net income for the periods presented:

	For the year ended December 31,		For the six months ended June 30,	
	2017 ⁽¹⁾	2018	2018	2019
	(audited, unless otherwise specified) (in € million)		(unaudited) (in € million)	
Net income/Net income for the period	284.4	310.9	170.9	322.1
Income taxes	23.0	210.7	75.5	142.1
Earnings before taxes (EBT)	307.3	521.7	246.4	464.2
Financial income	(0.1)	(0.6)	(0.2)	(0.2)
Financial expenses	44.6	32.1	14.0	20.7
Result from the remeasurement of derivative financial instruments	(5.7)	7.9	3.5	22.4
Earnings before interest and taxes (EBIT).	346.2	561.1	263.7	507.1
Depreciation and amortization	0.5	165.8	0.5	0.9
Result from the remeasurement of investment property	(210.8) ⁽²⁾	(552.9)	(182.4)	(400.8)
EBITDA (unaudited)	135.8	173.9	81.8	107.2

(1) WCM was fully consolidated only for the period from October 6, 2017 through December 31, 2017.

(2) Due to changes in the accounting classification of certain expense and income items in the consolidated statement of comprehensive income in the audited consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2018, the result from the remeasurement of investment property for the fiscal year ended December 31, 2017 is derived from the adjusted comparative financial information for the fiscal year ended December 31, 2017, as reported in the consolidated statement of comprehensive income in the consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2018. In the audited consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2017, in the consolidated statement of comprehensive income, the result from remeasurement of investment property reported for the fiscal year ended December 31, 2017 is shown in an amount of €218.6 million.

(b) FFO

Funds from operations (“**FFO**”) is a measure of cash generation for real estate companies. The Guarantor defines FFO as net income/loss or net income/loss for the period before income taxes (earnings before taxes (EBT)) adjusted for the result from the disposal of properties, the result from the remeasurement of investment property, the result from the remeasurement of derivative financial instruments, depreciation and amortization, earnings attributable to non-controlling interests (before taxes) and other effects, and applying an expected long-term tax rate of 2.5% based on historical data and the multi-year planning for an upcoming five-year period beginning with the fiscal year ended December 31, 2017 for purposes of calculating the income taxes relevant to the FFO.

The following table shows the calculation of FFO as well as FFO per share for the periods presented:

	For the year ended December 31,		For the six months ended June 30,	
	2017 ⁽¹⁾	2018	2018	2019
	(audited and in € million, unless otherwise specified)		(unaudited) (in € million, unless otherwise specified)	
Net income/Net income for the period	284.4	310.9	170.9	322.1
Income taxes	23.0	210.7	75.5	142.1
Earnings before taxes (EBT)	307.3	521.7	246.4	464.2
Result from the disposal of properties	(10.4) ⁽²⁾	(7.8)	(0.9)	(16.5)
Result from the remeasurement of investment property	(210.8) ⁽²⁾	(552.9)	(182.4)	(400.8)
Result from the remeasurement of derivative financial instruments	(5.7)	7.9	3.5	22.4
Depreciation and amortization	0.5	165.8	0.5	0.9
Earnings attributable to non-controlling interests (before taxes)	(0.7)	(1.3)	(0.7)	(0.6)
Other effects (unaudited) ⁽³⁾	25.1	4.1	3.1	3.9
Income taxes relevant to FFO	(2.6)	(3.4)	(1.7)	(1.8)
FFO (unaudited)	102.7	134.0	67.8	71.5
Average weighted number of shares issued (in million) ⁽⁴⁾	79.7	102.8	102.4	103.6
FFO per share (in €) (unaudited)	1.29	1.30	0.66	0.69

(1) WCM was fully consolidated only for the period from October 6, 2017 through December 31, 2017.

(2) Due to changes in the accounting classification of certain expense and income items in the consolidated statement of comprehensive income in the audited consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2018, the result from the disposal of properties for the fiscal year ended December 31, 2017 and the result from the remeasurement of investment property for the fiscal year ended December 31, 2017 are derived from the adjusted comparative financial information, as reported in the consolidated statement of comprehensive income in the consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2018. In the audited consolidated financial statements of the Guarantor as of and for the fiscal year ended December 31, 2017, in the consolidated statement of comprehensive income, the result from the disposal of investment property, the result from the disposal of real estate inventory and the result from the remeasurement of investment property reported for the fiscal year ended December 31, 2017 is shown in an amount of €2.7 million, €-0.1 million and €218.6 million, respectively.

(3) Other effects comprise:

a) Personnel restructuring expenses including one-off effect from the transition of the long-term incentive scheme of €1.5 million in 2018; €0.4 million in 2017; €0.6 million in the six months ended June 30, 2018.

b) Transaction costs of €2.5 million in 2018; €8.0 million in 2017; €2.5 million in the six months ended June 30, 2018.

c) Refinancing costs of € 0.0 million in 2018; €19.2 million in 2017; €0.0 million in the six months ended June 30, 2018; €3.9 million in the six months ended June 30, 2019.

d) Income from the liquidation of TLG Gewerbepark Wirkbau GmbH of €0.1 million in 2017.

- e) Income from operating costs (statement surplus) relating to the previous year/period of €2.5 million in 2017.
- (4) The total number of shares issued amounted to 102.0 million as of December 31, 2017, 103.2 million as of June 30, 2018, 103.4 million as of December 31, 2018 and 112.0 million as of June 30, 2019.

Financing and Leverage

The following table provides information on TLG's key financing and leverage measures as of the dates presented:

	As of December 31,		As of June 30,
	2017	2018	2019
	(audited, unless otherwise specified) (in %)		(unaudited) (in %)
Equity Ratio (unaudited)	50.5	49.9	47.9
Net LTV	39.2	34.7	28.4

(a) Equity Ratio

The equity ratio is the ratio of equity to total equity and liabilities as of the respective reporting date (the "**Equity Ratio**").

The following table shows the calculation of the Equity Ratio as of the dates presented:

	As of December 31,		As of June 30,
	2017	2018	2019
	(audited and in € million, unless otherwise specified)		(unaudited) (in € million, unless otherwise specified)
Equity.....	1,936.6	2,157.2	2,605.7
Total equity and liabilities	3,835.7	4,320.8	5,443.6
Equity Ratio (in %) (unaudited)	50.5	49.9	47.9

(b) Net LTV

The Net LTV is defined as the ratio of net debt (sum of non-current and current interest-bearing liabilities, comprising non-current and current liabilities due to financial institutions and corporate bonds, less cash and cash equivalents), to real estate assets (sum of investment property, advance payments on investment property, owner-occupied property, non-current assets classified as held for sale/assets classified as held for sale and inventories).

The following table shows the calculation of the Net LTV as of the dates presented:

	As of December 31,		As of June 30,
	2017	2018	2019
	(audited) (in € million, unless otherwise specified)		(unaudited) (in € million, unless otherwise specified)
Investment property (IAS 40)	3,383.3	4,067.5	4,435.1
Advance payments on investment property (IAS 40)	17.5	0.0	0.1
Owner-occupied property (IAS 16)	6.9	8.1	8.0
Non-current assets classified as held for sale/Assets classified as held for sale (IFRS 5)	9.7	33.1	148.6
Inventories (IAS 2)	0.7	0.7	0.7
Real estate assets	3,418.1	4,109.5	4,592.6
Interest-bearing liabilities (liabilities due to financial institutions and corporate bonds)	1,541.7	1,579.4	2,075.5
Cash and cash equivalents	(201.5)	(153.9)	(773.2) ⁽¹⁾
Net debt	1,340.2	1,425.5	1,302.3
Net LTV (in %)	39.2	34.7	28.4

(1) The capital increase that was carried out in June 2019 has been factored into the cash and cash equivalents; the net cash inflow took place in early July 2019. As of June 30, 2019, TLG's cash and cash equivalents amounted to €551.1 million and other receivables and assets resulting from the capital increase amounted to €222.1 million.

EPRA Key Performance Indicators

EPRA NAV is calculated in accordance with the definition recommended by the European Public Real Estate Association (the “**EPRA**”) and used as an indicator of TLG's long-term equity. The EPRA NAV is calculated based on equity attributable to the shareholders of the parent company (i) plus fair value adjustment of owner-occupied property (IAS 16) and fair value adjustment of properties in inventories (IAS 2) and (ii) excluding the fair value of derivative financial instruments, deferred tax assets and liabilities attributable to investment property and derivative financial instruments and goodwill resulting from deferred taxes (the “**EPRA NAV**”).

Following the takeover of WCM, the Guarantor disclosed an adjusted EPRA NAV as of December 31, 2017 for the first time which differs from the EPRA NAV in that it is fully adjusted for goodwill (the “**Adjusted EPRA NAV**”). The goodwill was fully impaired as of December 31, 2018.

The EPRA vacancy rate is defined as the market rental value of vacant space divided by the market rental value of the whole portfolio (“**EPRA Vacancy Rate**”).

The following table shows the calculation of EPRA NAV and the EPRA Vacancy Rate as of the dates presented:

	As of December 31,		As of
	2017	2018	June 30,
	(audited and in € million, unless otherwise specified)		2019 (unaudited) (in € million, unless otherwise specified)
Equity attributable to the shareholders of the parent company	1,897.6	2,133.9	2,581.9
Fair value adjustment of owner-occupied properties (IAS 16) (unaudited) ⁽¹⁾	8.8	17.2	20.4
Fair value adjustment of inventories (IAS 2) (unaudited) ⁽²⁾	1.2	1.2	1.2
Fair value of derivative financial instruments (unaudited)	1.8	8.6	29.4
Deferred tax assets and liabilities attributable to investment property and derivative financial instruments (unaudited)	368.0	554.8	700.2
Goodwill resulting from deferred taxes (unaudited)	(48.9)	—	—
EPRA NAV (unaudited)	2,228.5	2,715.7	3,333.1
Number of shares outstanding (in thousand) (unaudited)	102.0	103.4	112.0
EPRA NAV per share (in €) (unaudited)	21.84	26.27	29.77
Adjustment of remaining goodwill (unaudited)	(115.8)	—	—
Adjusted EPRA NAV	2,112.7	2,715.7	3,333.1
Adjusted EPRA NAV per share (in €) (unaudited)	20.71	26.27	29.77
EPRA Vacancy Rate (in %) (unaudited)	3.6	3.3	3.1

(1) Fair value adjustment of owner-occupied properties (IAS 16) means the surplus arising from the remeasurement at fair value of owner-occupied properties, which are included under IFRS in the consolidated statement of financial position at the lower of cost less any accumulated depreciation and impairments and fair value.

(2) Fair value adjustment of inventories (IAS 2) means the surplus arising from the remeasurement at fair value of trading properties, which are recognized under IFRS at the lower of cost and net realizable value and recognized under inventories in the consolidated statement of financial position.

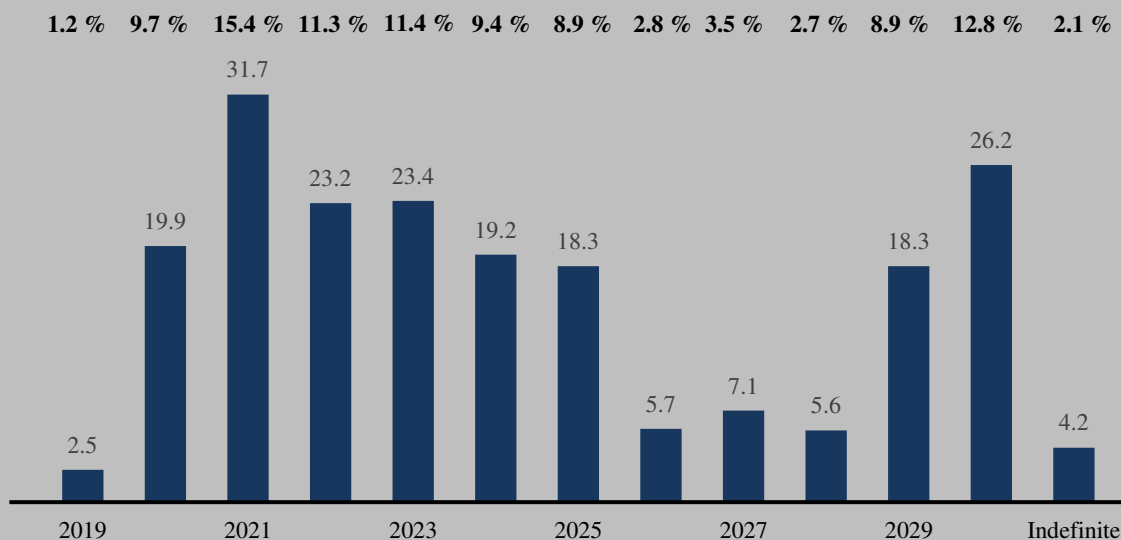
Business

TLG considers itself a leading German commercial real estate company and an active portfolio manager, managing office and retail properties as well as seven hotels. As of June 30, 2019, the portfolio of TLG included a total of 391 properties with an aggregate portfolio/property value (*i.e.*, sum of the carrying amounts of investment property, owner-occupied property, non-current assets classified as held for sale/assets classified as held for sale and inventories) of €4,592.5 million. With a weighted average lease term (*i.e.*, the remaining average contractual lease term for unexpired leases with a contractually fixed maturity, taking into account special termination rights) (the “WALT”) of 6.0 years and an EPRA Vacancy Rate of just 3.1% (both as of June 30, 2019), the Guarantor believes that TLG’s portfolio is well positioned to generate stable cash flows for the foreseeable future. TLG is headquartered in Berlin and operates five additional offices in Dresden, Erfurt, Frankfurt am Main, Leipzig and Rostock.

The following chart shows the net rent contribution of the lease agreements for the strategic assets (as of June 30, 2019) divided into the calendar years in which the lease agreements expire:

(EURm)

Lease expiring profile (strategic assets)



The top five tenants for the office properties contribute 21.0% of the net rent for this asset class, the top five tenants for the retail properties 54.4% of the net rent for this asset class, the top five tenants for the hotel properties 66.3% of the net rent for this asset class and the top five tenants for the investment properties 56.2% of the net rent for this asset class (based on the use of the investment properties as of the date of this Prospectus).

TLG's portfolio is focused on the asset classes office, retail, hotel and invest. Based on aggregate portfolio value as of June 30, 2019, TLG's office asset class, of which most properties are situated in good or very good locations in Berlin, Frankfurt am Main and other German A and B cities (*i.e.*, Germany's largest cities and larger regional cities), accounted for 42.6% of the overall portfolio of TLG. Tenants for these office properties include "blue chip" companies and their subsidiaries such as Daimler Real Estate GmbH and AIR Liquide Global E&C Solutions Germany GmbH, government-related entities and agencies such as OstseeSparkasse Rostock, the Federal Agency for Real Estate (*Bundesanstalt für Immobilienaufgaben*) and the State Agency for Building and Real Estate of Hesse (*Landesbetrieb Bau und Immobilien Hessen*) as well as medium-sized enterprises. TLG plans to grow its office portfolio through additional acquisitions in line with TLG's investment criteria as well as through development activities in its existing portfolio. The Guarantor believes that this will further improve its market position in what it considers to be a very dynamic German office market.

Based on aggregate portfolio value as of June 30, 2019, TLG's retail asset class, of which the majority of properties are located in attractive micro-locations in Berlin and other German growth regions, accounted for 24.2% of the overall portfolio of TLG. TLG's retail properties are situated in micro-locations that are particularly attractive to food retailers and other sellers of essential consumer goods given that the tenant is a significant, and in some cases the sole, retailer of the relevant consumer goods in the catchment area. As of June 30, 2019, 50.0% of the Annualized In-place Rent from the retail asset class of TLG related to lease agreements with major food retail chains, including "EDEKA", "Netto", "Kaufland", "REWE", "Penny", "Lidl" and "Aldi". With a WALT of 5.4 years and an

EPRA Vacancy Rate of 2.7% (both as of June 30, 2019), the retail asset class of TLG was virtually fully-let and offers stable and secure rental income.

The hotel asset class comprises seven hotel properties located in the city centers of Berlin, Dresden, Leipzig and Rostock and accounted for 7.4% of the overall portfolio of TLG (based on aggregate portfolio value as of June 30, 2019). The tenant base for these properties includes well-known hotel chains “Steigenberger”, “Marriott”, “InterCityHotel”, “Motel One” and “H4/H2”. TLG’s hotel asset class had an EPRA Vacancy Rate of 1.8% and a WALT of 10.9 years (both as of June 30, 2019). Lease agreements for the seven hotel properties generally provide for fixed lease payments, limiting TLG’s dependence on the performance of hotel operators. Stable cash flows and a focus on dynamic markets make TLG’s hotel asset class a fitting complement for the office and retail asset class.

As of June 2019, TLG has introduced the invest asset class as an additional asset class within its strategic portfolio. The invest asset class comprises 13 properties, 6 of which were formerly assigned to the office asset class and 7 of which were formerly assigned to the retail asset class. All of these properties are located in Berlin and Dresden and accounted for 17.6% of the overall portfolio of TLG (based on aggregate portfolio value as of June 30, 2019).

In 2018, the management of the Guarantor conducted a comprehensive portfolio review classifying all of its properties as either “strategic” or “non-strategic” mainly based on the location of the respective property, but with deviating prioritizations between different asset classes. All assets assigned to the office, hotel, retail and invest asset classes form part of TLG’s strategic portfolio. As of June 30, 2019, TLG has classified 104 of its properties with an aggregate property value of €376.9 million (*i.e.*, 8.2% of the total portfolio value) as non-strategic and therefore assigned these properties to the “Non-Strategic” asset class. 85.1% of the non-strategic assets are retail assets, 6.4% office assets and 8.6% other assets (based on portfolio value as of June 30, 2019).

In the six months ended June 30, 2019, TLG generated rental income of €114.8 million and net operating income from letting activities of €104.4 million. In the fiscal year ended December 31, 2018, TLG generated rental income of €223.9 million and EBITDA of €173.9 million.

TLG’s Strengths

The Guarantor believes that the following competitive strengths have been the primary drivers of TLG’s success in the past and will continue to set it apart from its competitors in the future:

Market Leading Integrated Management Platform

TLG possesses a strong local network through its five local offices operated by employees with longstanding experience in asset and property management. The Guarantor believes that its tenants particularly value TLG’s approachability and high responsiveness to their individual needs, making TLG a trusted and reliable partner for its key tenants. Deep understanding of the German commercial real estate market as well as strong local connectivity and presence provide TLG with excellent access to information on potential acquisition opportunities to further strengthen its portfolio and allow TLG to manage its portfolio effectively. The ability to properly evaluate acquisition targets in light of respective local market dynamics and letting trends allows TLG to act swiftly and decisively on identified market opportunities.

In particular, the members of the Management Board, Barak Bar-Hen, Jürgen Overath and Gerald Klinck, possess a track record of successful transactions, business integrations and project developments. TLG's internal structures and functions cover major parts of the real estate value chain, focusing on those aspects that the Guarantor considers most value-enhancing, in particular acquisitions and disposals as well as tenant relationship management. The Guarantor believes that its current platform bears the capacity to integrate recent acquisitions as well as future acquisitions at low incremental overhead costs.

Strong Position in Berlin and Other German Growth Regions

The German economy has shown consistently strong performance, which has positively affected demand for commercial real estate in the country as a whole. The Guarantor believes that TLG's portfolio covers particularly attractive locations of the office, food retail and hotel real estate market. TLG considers itself a long-time market leader for office properties in excellent locations in Berlin and economically strong eastern German cities such as Dresden, Leipzig and Rostock. Particularly in Berlin, locations of such quality are becoming increasingly rare, which will limit the potential for new developments of competing office and hotel properties.

With the acquisition of WCM, TLG has further strengthened its platform and expanded into new western German growth markets, building a pan-German portfolio with the aggregate portfolio value amounting to €4.6 billion as of June 30, 2019. In particular, TLG holds an attractive portfolio of office properties in and around Frankfurt am Main, one of the most dynamic office markets in all of Germany. The Guarantor believes that the current momentum in the commercial real estate letting markets will help to further increase demand for TLG's office and hotel properties.

TLG's regionally diversified retail portfolio profits from excellent micro-locations, which offer competitive advantages for many of its tenants and stable rental income for TLG. The Guarantor believes that the positioning of TLG's retail properties in dynamic regions combined with the attractive micro-locations of these properties as well as TLG's strong tenant base will allow TLG to further grow its portfolio value.

High-Quality Portfolio across Asset Classes

TLG's focus on the main segments of the commercial real estate market allows for efficient leverage of its long-established local expertise as well as what the Guarantor considers appropriate risk diversification. The portfolio of TLG had an aggregate portfolio value of €4,592.5 million as of June 30, 2019. As of the same date, 67.3% of the total properties in the office, retail, hotel and invest asset classes of TLG had been newly built or fully-refurbished since 2000. The Guarantor believes that there is currently no material maintenance backlog regarding TLG's portfolio. These characteristics make the relevant properties particularly attractive to long-term oriented tenants, resulting in what the Guarantor believes is an industry-leading EPRA Vacancy Rate of just 3.1% and a WALT of 6.0 years for the overall portfolio of TLG as of June 30, 2019. In addition, TLG's believes that its invest asset class provides for a significant value creation potential due to unused building rights TLG considers permissible under the relevant constructions and planning laws, allowing TLG for the re-use of and new developments on these properties. The mix across asset classes for TLG's portfolio (42.6% office, 24.2% retail, 7.4% hotel and 17.6% invest, based on aggregate portfolio value as of June 30, 2019; the remaining 8.2% represent non-strategic assets) provides for risk diversification across major asset classes and reduces the dependency on any one type of properties. The Guarantor believes that TLG's portfolio provides for a resilient cash flow profile against adverse economic developments. Further, the

Guarantor is of the opinion that TLG's strategic portfolio displays opportunities for significant value creating investments.

Strong Tenant Base with Long-Term Leases Ensuring Earnings Stability

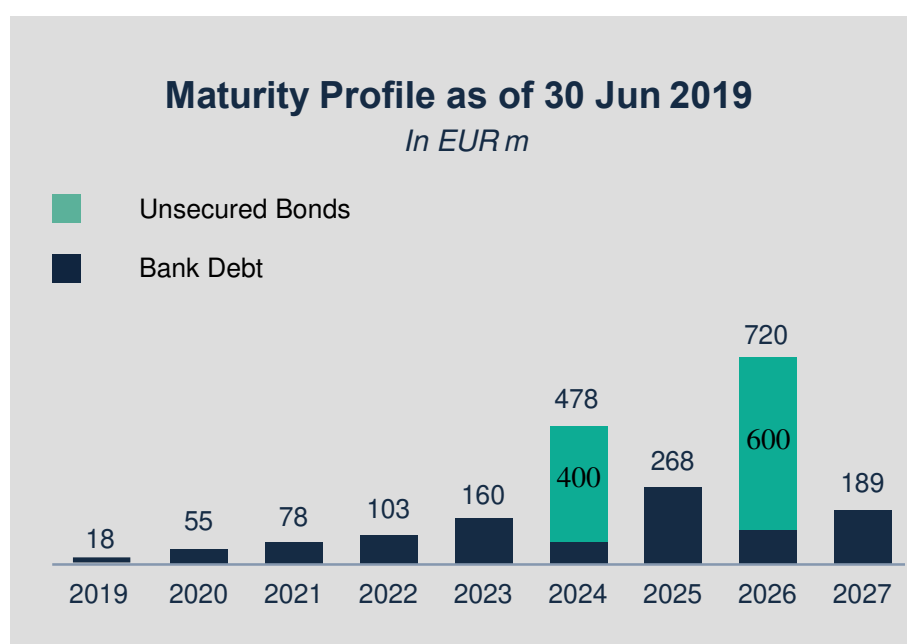
TLG maintains close relationships with its tenants, which is reflected, *inter alia*, in long-term rental agreements. TLG is a significant landlord for most leading food retail operators in Germany. Therefore, the retail asset class, which accounts for 24.2% of the overall portfolio value of TLG, has a WALT of 5.4 years and has 60.4% of lease agreements expiring after 2022 (all as of June 30, 2019), historically contributed steady rental income.

Furthermore, as of June 30, 2019, 18.4% of the Annualized In-place Rent of the office properties in the office asset class of TLG was attributable to German government-related tenants. The Guarantor believes that default risks associated with those tenants are particularly low. Lease agreements for TLG's seven hotel properties generally provide for fixed lease payments, limiting TLG's dependence on the performance of hotel operators. With a strong WALT of 10.9 years as of June 30, 2019, TLG's hotel asset class allows for particularly good additional cash flow visibility. Steady rental income from all three asset classes will help ensure that the Issuer will be able to meet its obligations under the Notes.

Solid Financing Structure with Multiple Sources of Funding

The Guarantor considers TLG's financing structure conservative. TLG's Net LTV of 28.4% as of June 30, 2019 is lower than its target maximum Net LTV of 45% leaving the Guarantor sufficient headroom to fund external growth. TLG's conservative capital structure is evidenced by what it considers a long weighted average debt maturity of 5.8 years and a low average cash interest rate of 1.74% (both based on gross debt of TLG as of June 30, 2019).

The following chart shows the maturity profile for TLG's liabilities due to financial institutions and under corporate bonds as of June 30, 2019⁽¹⁾:



-
- (1) On May 28, 2019, the Guarantor issued the 2019 Notes I in a total nominal amount of €600 million which will mature in 2026 (see “—*Material Agreements—Financing Agreements of TLG—2019 Notes I*”). Approximately €144.3 million of the proceeds from the issuance of the 2019 Notes I were used to repay certain of TLG’s existing loan agreements with banks including the full repayment of a €58.7 million loan agreement with Deutsche Pfandbriefbank AG maturing in 2019.

In addition, the interest rates of the majority of TLG’s loans are either fixed or hedged, only floating rate loans of approximately €11.0 million are unhedged, limiting TLG’s risk from increasing interest rates in the future as are the €400,000,000 fixed rate notes due 2024 that the Guarantor has issued in 2017 (see “—*Material Agreements—Financing Agreements of TLG—2017 Notes*”) and the €600,000,000 fixed rate notes that the Guarantor has issued on May 28, 2019 (see “—*Material Agreements—Financing Agreements of TLG—2019 Notes I*”). TLG plans to continue to hedge against (not necessarily all) interest rate exposure in the future in case financial indebtedness with variable rates is incurred. The Guarantor’s access to debt and equity capital markets and its proven ability to quickly draw on such financing sources provide it with multiple funding options.

TLG’s Strategy

Profitable Growth and Preservation of High Portfolio Quality

TLG constantly screens the market for assets and selective acquisition opportunities that best fit its geographic and property type focus and which it expects to provide attractive long-term returns and potential for value creation. TLG’s acquisitions mainly focus on mid-sized and larger office properties in the city centers of Berlin and other major German cities with favorable economic characteristics.

TLG intends to continue to use its extensive network and close business relationships with multiple market participants to identify promising acquisition targets with an attractive yield profile, promoting stable cash flows while maintaining a balanced risk profile. TLG applies a consistent selection process in order to identify the most attractive properties among numerous acquisition proposals it receives during the course of any given year. TLG in particular looks for acquisition opportunities which are in line with or accretive to its overall FFO/share and NAV/share and internal rate of return (IRR) hurdles based on TLG’s weighted average cost of capital.

TLG plans to continue to grow in line with its strategic positioning. In particular, it aims to acquire multi-tenant office properties, preferably with a fair value exceeding €20 million. It particularly targets office properties with vacancy, which offers TLG an opportunity to unlock value through active letting management of such properties in the short- to medium-term.

The Guarantor believes that, especially with respect to office properties, managing a smaller number of larger properties requires fewer asset and property management resources. TLG’s long-term plan is to further grow the overall portfolio and at the same time increase the average value of individual properties included in its portfolio.

Additional Value Creation from Investments in Existing Properties

TLG has identified significant potential for value creation in its strategic portfolio from re-using existing assets (also through redevelopment after pulling down existing buildings) for higher returns and new developments on existing TLG’s city-center land plots. In this respect, TLG benefits from its ownership of the respective properties as well as from its strong tenant relationships which increase

TLG's pre-lease opportunities. While the creation of higher returns by redeveloping and reusing existing assets can be achieved irrespective of the location, TLG considers in particular certain of its owned city-center land plots to have value creation potential that can be realized by new developments on such properties. As of the date of this Prospectus, TLG has identified 12 key projects (comprising 13 properties all of which have been assigned to the invest asset class within TLG's strategic portfolio) in its portfolio for new developments during a period of ten years, including the flagship development projects Alexanderstraße in Berlin and Annenhöfe in Dresden. The aggregate value of the properties for the key projects currently identified for this purpose is approximately €809 million as of June 30, 2019. In its current preliminary plans, TLG assumes capital expenditure of around €4,000 per sqm and sees significant value creation potential for these projects.

In addition, TLG constantly aims to identify further investment opportunities within its existing (strategic) portfolio. As part of this strategy, TLG screens its portfolio for let properties that can be upgraded through value-enhancing modernizations and/or expansions. TLG maintains close contacts with its tenants to ensure that it can meet their expectations and requirements for additional space, in particular with respect to TLG's retail properties. With ongoing investments in these properties, TLG has followed and assisted the expansions of some of its major food retail tenants over the last two decades and plans to continue to maintain such close links by being a reliable partner. This allows TLG in various cases to extend existing lease agreements significantly ahead of the scheduled expiry dates. TLG plans to further upgrade its portfolio through value-enhancing modernizations and/or expansions for all of TLG's asset classes.

Safeguard and further optimize Portfolio Quality through Active Portfolio Management

As an active portfolio manager, TLG aims to protect and further optimize the high overall quality and profitability of its portfolio. In 2018, the Guarantor conducted a comprehensive review of its properties classifying these as either strategic or non-strategic. On the basis of the results of that review, the Guarantor aims to consequently streamline its portfolio. While the management of the Guarantor consistently screens the market for opportunities to dispose of its non-strategic assets at beneficial terms but taking into account losses in value to a certain extent, it has subdivided TLG's strategic portfolio into a core portfolio and a development and investment portfolio. Properties pertaining to the core portfolio are characterized by the creation of sustainable returns at a low risk and low management requirements, whereas the development and investment assets are characterized by value creation potential requiring further investments. These findings allow the Guarantor the targeted realisation and use of funds from disposals of non-strategic assets and other financing sources for acquisitions or investments in existing assets in the context of its defined growth, investment and development strategy.

TLG's Portfolio

Selection of Strategic and Non-Strategic Assets

Based on a comprehensive portfolio review conducted in 2018, TLG categorizes its overall portfolio into a strategic portfolio and a non-strategic portfolio. Among others, the selection criteria for inclusion in the non-strategic category are:

- a location in rural regions with relatively high asset management efforts;
- no active asset management opportunities for value creation; and

- with respect to retail properties, non-food retail use of the respective property.

Among others, selection criteria for properties to qualify as strategic on the other hand are:

- with respect to office and hotel assets, a location in attractive major cities and/or well-established inner-city office and hotel locations; and
- with respect to retail assets, a location in highly frequented micro-locations or city centers.

TLG's strategic portfolio is subdivided into the office, retail, hotel and, as of June 2019, invest asset classes. The invest asset class comprises properties which had formerly been assigned to TLG's office and retail asset classes where TLG has, based on an assessment of the construction and planning laws applicable to these properties, identified significant potential for value creation from the re-use of, or new developments on such properties. While the non-strategic portfolio may also comprise retail and office properties not meeting TLG's selection criteria for strategic assets, it also comprises other assets such as light industrial properties and warehouses.

As of June 30, 2019, the aggregate portfolio of TLG was split between the different portfolios and asset classes as follows:

	Total	Strategic				Non-Strategic
		Office	Retail	Hotel	Invest	
			(unaudited)			
Portfolio value (in € million)	4,592.5	1,955.2	1,112.9	338.5	809.0	376.9
Annualized In-place Rent (in € million)	233.5	95.8	76.3	17.2	16.0 ⁽¹⁾	28.2
EPRA Vacancy Rate (in %).....	3.1	4.2	2.7	1.8	0.6 ⁽¹⁾	2.8
WALT (in years)	6.0	5.8	5.4	10.9	3.0 ⁽¹⁾	6.5
Number of properties.....	391	56	211	7	13	104
Total lettable area (in thousand sqm) ⁽²⁾	1,918,168	702,338	655,090	109,727	127,789 ⁽³⁾	324,364

(1) Based on the current use of the investment properties.

(2) Excluding parking space.

(3) Based on the current use of the investment properties, excluding two properties which are currently undeveloped.

Based on aggregate portfolio value as of June 30, 2019, 42.7% of TLG's portfolio was located in Berlin, 18.8% was located in Dresden, Leipzig, Rostock and 13.8% in the Rhine-Main region, in particular in Frankfurt am Main. With respect to TLG's strategic portfolio, 46.4% was located in Berlin, 19.4% was located in Dresden, Leipzig, Rostock and 15% in the Rhine-Main region (based on aggregate portfolio value as of June 30, 2019, respectively).

Office Asset Class

As of June 30, 2019, TLG's office asset class comprised 56 properties in total. Based on an aggregate portfolio value of €1,955.2 million as of that date, the office asset class represented the largest portion of the real estate holdings of TLG (42.6% of TLG's overall portfolio).

The following table provides an overview of TLG's office asset class as of June 30, 2019:

	Berlin	Frankfurt am Main ⁽¹⁾	Other A and B Cities ⁽²⁾	Other
		(unaudited)		
Portfolio value (in € million)	718.7	565.6	506.2	164.4
Annualized In-place Rent (in € million) ..	25.5	30.7	27.7	12.0
EPRA Vacancy Rate (in %)	0.9	8.6	4.4	2.8
WALT (in years)	5.9	5.9	5.3	6.7
Number of properties	14	9	18	15
Total lettable area (in thousand sqm) ⁽³⁾	161,192	185,900	241,868	113,378

(1) Including two properties located in Neu-Isenburg and two properties located in Eschborn.

(2) Comprising properties located in Leipzig, Dresden, Hamburg, Mannheim, Bonn, Stuttgart, Düsseldorf, Essen and Wiesbaden.

(3) Excluding parking space.

For its office asset class, TLG focusses on office properties located in A and B cities in Germany (*i.e.*, Germany's largest cities and larger regional cities) with favorable economic characteristics. Based on aggregate portfolio value as of June 30, 2019, 36.8% of TLG's office asset class was located in Berlin, 28.9% was located in Frankfurt am Main (including Neu-Isenburg und Eschborn) and 25.9% was located in other German A and B cities with favorable economic developments. With respect to TLG's strategic portfolio, 17.0% of the office assets were located in Berlin and Berlin region, 13.4% in the Rhine-Main region and 12.0% in other German A and B cities with favorable economic developments (based on aggregate portfolio value as of June 30, 2019, respectively).

TLG's office properties are generally of a high quality. Based on aggregate portfolio value as of June 30, 2019, 69.8% of the properties in the office asset class TLG had been newly built or fully refurbished since 2000. Accordingly, TLG boasts a high quality tenant structure, including "blue chip" companies and their subsidiaries such as Daimler Real Estate GmbH and AIR Liquide Global E&C Solutions Germany GmbH, government-related entities and agencies such as OstseeSparkasse Rostock, the Federal Agency for Real Estate (*Bundesanstalt für Immobilienaufgaben*) and the State Agency for Building and Real Estate of Hesse (*Landesbetrieb Bau und Immobilien Hessen*) as well as medium-sized enterprises.

The following table shows the top ten tenants in terms of Annualized In-place Rent for properties in TLG's office asset class as of June 30, 2019:

	Annualized In-place Rent ⁽¹⁾	Share of Annualized In-place Rent ⁽²⁾ (unaudited)	WALT ⁽³⁾
Daimler Real Estate GmbH ⁽⁴⁾	4.9	5.1	0.3
AIR Liquide Global E&C Solutions Germany GmbH	4.3	4.5	6.5
OstseeSparkasse Rostock	4.0	4.2	11.8
State Agency for Building and Real Estate of Hesse	3.6	3.7	20.3
City of Leipzig	3.3	3.5	10.4
Federal Agency for Real Estate	3.3	3.4	7.6
Reemtsma Cigarettenfabriken GmbH	3.3	3.4	4.4
GMG Generalmietgesellschaft mbH	3.1	3.2	2.5
Hochtief Solutions AG	2.3	2.4	4.5
BS Payone GmbH	1.9	1.9	6.1
Total	33.9	35.4	8.9⁽⁵⁾

(1) In € million.

(2) In %. The calculation of the share of Annualized In-place Rent only takes into account Annualized In-place Rent for the office asset class of TLG and excludes Annualized In-place Rent of office space used by TLG.

- (3) In years.
(4) Successor tenant is Federal Agency for Real Estate from October 2019 for ten years with an Annualized In-place Rent of €5.3 million.
(5) Taking the successor lease agreement into consideration.

While many of these tenants have signed comparatively long lease agreements, the WALT for the office asset class of TLG amounted to 5.8 years as of June 30, 2019.

The fifteen most valuable office properties account for 65.0% of TLG's office asset class, with the top five representing 28.8% (based on aggregate portfolio value as of June 30, 2019).

The following table provides additional information on the top fifteen most valuable properties in the office asset class of TLG as of June 30, 2019:

	Location	Property value ⁽¹⁾	Annualized In-place Rent ⁽¹⁾	WALT ⁽²⁾	Total lettable area ⁽³⁾	Anchor tenant(s)
			(unaudited)			
Englische Strasse 27, 28, 30.....	Berlin	138.7	4.9	10.3	17,371	Daimler Real Estate GmbH, Federal Agency for Real Estate
Zum Laurenburger Hof 76	Frankfurt am Main	132.1	5.3	15.5	28,405	State Agency for Building and Real Estate of Hesse
Lyoner Strasse 9.....	Frankfurt am Main	104.6	6.1	4.5	38,777	BS Payone GmbH
Schönhauser Allee 36/ Sredzki- und Knaakstrasse 97.....	Berlin	96.3	4.5	4.9	30,577	Greater Union Filmpalast GmbH, Quandoo GmbH
Aroser Allee 60, 64, 66, 68, 70, 72, 72a, 74, 76, 78	Berlin	91.4	4.1	4.9	36,648	Vivantes Netzwerk für Gesundheit GmbH
Lyoner Strasse 25/ Herriotstrasse 6, 8, 10/ Rhonestrasse 7.....	Frankfurt am Main	89.7	5.7	3.6	31,525	Hochtief Solutions AG, Techniker Krankenkasse GMG
Am Propstthof 49/51	Bonn	88.2	5.4	5.6	33,614	Generalmietgesellschaft mbH
Olaf-Palme-Strasse 35.....	Frankfurt am Main	75.0	4.4	6.5	26,575	Air Liquide Global E&C Solutions Germany GmbH
Richard-Wagner-Strasse 1, 2-3/ Brühl 65, 67.....	Leipzig	74.4	3.6	3.8	26,374	Deutsche Bahn AG
Köpenicker Strasse 30-31/ Bona-Peiser-Weg 2.....	Berlin	69.8	1.7	4.3	11,969	Vereinte Dienstleistungsgewerkschaft
Prager Strasse 118, 120, 122, 126, 128, 130, 132, 134, 136	Leipzig	66.2	3.4	10.4	45,016	City of Leipzig
Dircksenstrasse 42-44	Berlin	65.1	1.7	2.7	9,642	PSI Software AG
Kaiserin-Augusta-Allee 104-106.....	Berlin	64.0	2.5	7.9	14,220	Technische Universität Berlin
Bertrand-Russel-Strasse 3, 5/ Max-Born-Strasse 2, 4.....	Hamburg	58.6	3.4	4.3	22,851	Reemtsma Cigarettenfabriken GmbH
Kapweg 3, 4, 5	Berlin	57.5	3.0	5.2	18,150	Bezirksamt Mitte von Berlin
Total		1,271.5	59.5	6.6	391,715	

(1) In € million.

(2) In years.

(3) In sqm and excluding parking space.

Retail Asset Class

As of June 30, 2019, TLG's retail asset class comprised 211 properties with an aggregate portfolio value of €1,112.9 million, making up the second largest portion of the overall portfolio of TLG (24.2% of TLG's overall portfolio). The following table provides an overview of the retail asset class of TLG as of June 30, 2019:

	Berlin (unaudited)	Berlin Surrounding	Dresden/ Leipzig/ Rostock	Bavaria/ Baden- Wuerttemberg	Other Locations
Portfolio value (in € million)	304.8	124.8	248.5	102.9	331.8 ⁽¹⁾
Annualized In-place Rent (in € million).....	17.0	9.4	16.7	6.8	26.3
EPRA Vacancy Rate (in %).....	1.4	4.6	2.7	5.9	2.1
WALT (in years)	6.1	3.4	4.9	6.2	5.7
Number of properties.....	30	13	46	10	112
Total lettable area (in thousand sqm) ⁽²⁾	146.278	69.378	134.018	63.971	241.445

(1) Includes "food around the corner" in the amount of €17.1 million.

(2) Excluding parking space.

TLG considers 63.2% of its retail properties as located in key commercial hubs comprising 38.6% Berlin and surrounding, 22.3% Dresden, Leipzig, Rostock and 2.2% Stuttgart surrounding. With respect to TLG's strategic portfolio, 7.2% of the retail properties were located in Berlin and 3.0% in the Berlin surrounding, 5.9% in Dresden, Leipzig, Rostock, 2.4% in Bavaria and Baden-Wuerttemberg and 7.9% in other locations (based on aggregate portfolio value as of June 30, 2019, respectively).

For retail properties, TLG focusses on market-leading food retail chains as tenants such as those operating under the "EDEKA", "Netto", "Kaufland", "REWE", "Penny", "Lidl" and "Aldi" brands. Furthermore, the "Hellweg" and "OBI" do-it-yourself chains are significant tenants of TLG's retail properties. TLG considers itself one of the most important regional landlords for some of its retail tenants. The micro-locations in which TLG's retail properties are located are particularly attractive for food retailers and other sellers of essential consumer goods because they enable the tenant to be a significant, in many cases even the dominant, retailer of the relevant consumer goods in the relevant catchment area. These properties are also attractive due to their modern standards. Based on aggregate portfolio value as of June 30, 2019, 84.0% of properties in TLG's retail asset class had been newly built or fully refurbished since 2000. The Guarantor believes that the strong positioning and tenant structure of its retail portfolio offers certain negotiation power when dealing with key tenants.

The following chart illustrates the focus of the retail asset class of TLG on food retail chains as of June 30, 2019:

	Annualized In-place Rent ⁽¹⁾ (unaudited)	Share of Annualized In-place Rent ⁽²⁾
Food retail chains.....	38.2	50.0
Other	38.1	50.0
Total	76.3	100.0

(1) In € million.

- (2) In %. The calculation of the share of Annualized In-place Rent only takes into account Annualized In-place Rent from TLG's retail asset class.

Long-standing relationships with key tenants help TLG lease new retail space quickly and have made it a go-to landlord for such tenants. The Guarantor believes that its tenants particularly value TLG's approachability, local roots and expertise and the long-standing trust developed between TLG as the lessor and major food retail chains as the tenants. As of June 30, 2019, the top seven tenants for properties in the retail asset class of TLG accounted for 58.2% of the Annualized In-place Rent from that asset class.

The following chart provides an overview of the top seven tenants for properties in the retail asset class of TLG as of June 30, 2019:

	Annualized In-place Rent ⁽¹⁾	Share of Annualized In-place Rent ⁽²⁾ (unaudited)	WALT ⁽³⁾
EDEKA-Group (EDEKA, Netto Marken-Discount) ⁽⁴⁾	17.8	23.4	6.6
REWE-Group (REWE, Penny) ⁽⁵⁾	9.9	13.0	5.0
Schwarz-Gruppe (Kaufland, LIDL) ⁽⁶⁾	7.1	9.3	5.9
OBI GmbH	4.1	5.4	10.5
Hellweg Die Profibaumärkte GmbH & Co. KG.....	2.5	3.2	6.4
Unternehmensgruppe ALDI Nord ⁽⁷⁾	1.6	2.0	6.1
Dirk Rossmann GmbH	1.4	1.8	4.7
Total	44.4	58.2	6.4

(1) In € million.

(2) In %. The calculation of the share of Annualized In-place Rent only takes into account Annualized In-place Rent from retail properties in the retail asset class of TLG.

(3) In years.

(4) Includes EDEKA Grundstücksgesellschaft Nordbayern-Sachsen-Thüringen mbH, EDEKA Handelsgesellschaft Nord mbH, EDEKA-MIHA Immobilien-Service GmbH, EDEKA-Markt Minden-Hannover GmbH, Netto Marken-Discount AG & Co. KG, Kaiser's Verwaltungs- und Beteiligungsgesellschaft.

(5) Includes Penny-Markt GmbH, REWE Markt GmbH, REWE Dortmund Vertriebsgesellschaft mbH, REWE Markt GmbH Zweigniederlassung Nord, REWE Markt GmbH Zweigniederlassung Ost, REWE Markt GmbH Zweigniederlassung Süd, REWE Markt GmbH Zweigniederlassung Südwest.

(6) Includes Kaufland Vertrieb Sigma GmbH & Co. KG, Kaufland Vertrieb KAPPA GmbH & Co. KG, Kaufland Vertrieb KDSE GmbH & Co. KG, Kaufland Vertrieb KDSN GmbH & Co. KG, Kaufland Warenhandel Mittel-Sachsen GmbH & Co. KG, Kaufland Center Berlin/Brandenburg GmbH & Co. KG, Lidl Vertriebs-GmbH & Co. KG.

(7) Includes ALDI GmbH & Co. Beucha KG, ALDI GmbH & Co. KG, ALDI GmbH & Co. KG Jarmen, ALDI GmbH & Co. KG Mittenwalde.

TLG communicates with its retail tenants on a regular basis. When further expanding their operations, these tenants actively seek out and ask TLG to acquire and lease for them desired locations. They may even assume control of efforts associated with acquiring and developing such properties (e.g., obtaining building permits, architectural planning), thereby lowering TLG's operational costs and making it easier to entirely meet its tenants' requirements. For existing food retail properties, tenants oftentimes proactively try to extend existing lease agreements far ahead of the scheduled expiry dates prior to making considerable investments in modernizing and/or expanding leased space.

Hotel Asset Class

As of June 30, 2019, the hotel asset class included a total of seven properties with an aggregate portfolio value of €338.5 million, representing the fourth largest portion of the real estate holdings of TLG (7.4% of TLG's overall portfolio).

The following table provides additional information on these seven hotel properties as of June 30, 2019:

	Location	Property value ⁽¹⁾	Rooms/ Apartments	Total lettable area ⁽²⁾ (unaudited)	Of which hotel area ⁽²⁾	Lease Maturity ⁽³⁾	Construction Year
THR Hotel (H ₄ /H ₂ -Hotel)							
Berlin Alexanderplatz.....	Berlin	138.0	625	33,942	26,907	11.6	2011
Steigenberger Hotel de Saxe .	Dresden	53.8	185	13,487	12,284	17.5	2006
Motel One Dresden am Zwinger.....	Dresden	44.0	288	14,646	8,620	18.8	2013
Leipzig Marriott Hotel	Leipzig	35.2	239	21,451	15,019	8.3	1997
InterCity Hotel Dresden	Dresden	27.3	162	12,440	6,510	8.7	2008
Novum Winters Hotel Berlin	Berlin	22.3	145/25	7,158	7,158	13.7	2012
Motel One Rostock	Rostock	17.9	180	6,603	5,230	19.3	2013
Total.....	–	338.5	1,824/25	109,727	81,729	13.4	–

(1) In € million.

(2) In sqm and excluding parking space.

(3) In years and only for the anchor tenant of the respective hotel property.

Except for the Novum Winters Hotel Berlin, all hotel properties are of mixed use (*i.e.*, parts of the hotel property are also leased as offices, retail space or for other uses), allowing for risk diversification within the individual property. As of June 30, 2019, the EPRA Vacancy Rate for TLG's hotel asset class amounted to 1.8%. Lease agreements for the seven hotel properties generally provide for fixed lease payments, limiting TLG's dependence on the performance of hotel operators. Two contracts provide for TLG to receive additional rent payments if the hotel operations prove to be particularly profitable (*i.e.*, TLG only shares in the upside of this property). At the same time, only little effort is required by TLG to manage its hotel portfolio given that smaller refurbishments and repairs will generally be handled by the hotel operators themselves. With a WALT of 10.9 years as of June 30, 2019, TLG's hotel asset class allows for particular long-term stability and planning. Situated in good or very good locations in Berlin, Dresden, Leipzig and Rostock, it also shares in the upside potential of positive developments of property values in these dynamic cities.

As of June 30, 2019, TLG's top five tenants in terms of Annualized In-place Rent for properties in TLG's hotel asset class accounted for a combined Annualized In-place Rent of €11.4 millionen which corresponds to a share of 66.3% of Annualized In-Place Rent generated by that asset class.

Invest Asset Class

As of June 30, 2019, the invest asset class included a total of 13 properties (12 key-projects) with an aggregate portfolio value of €809.0 million, representing the third largest portion of the real estate holdings of TLG (17.6% of TLG's overall portfolio). 7 of these properties had formerly been assigned to TLG's retail asset class, while the other 6 properties had formerly been assigned to TLG's office asset class. 95.6% of TLG's invest asset class properties are located in Berlin (11 properties) and 4.4% are located in Dresden (2 properties).

Although assigned to the invest asset class, ten of TLG's invest asset class properties are currently rent as retail or office properties with an EPRA Vacancy Rate of 0.6% and a WALT of 3.0 (based on the current use of all properties assigned to the invest asset class). Only three properties are currently either undeveloped or provide for dilapidated building conditions not creating any or only sporadic rental income.

The following table provides additional information on the top three most valuable properties in the invest asset class of TLG as of June 30, 2019:

	<u>Location</u>	<u>Property value⁽¹⁾</u>	<u>Annualized In-place Rent⁽¹⁾</u> (unaudited)	<u>WALT⁽²⁾</u>	<u>Total lettable area⁽³⁾</u>	<u>Anchor tenant(s)</u>
Alexanderstrasse 1, 3, 5	Berlin	309.1	7.6	2.0	42,484	BIM Berliner Immobilienmanagement GmbH
Karl-Liebknecht-Strasse 31, 33/ Kleine Alexanderstrasse	Berlin	159.0	3.5	3.2	24,567	Federal Agency for Real Estate
Wriezener Karree 15	Berlin	145.8	0.0	-	8,448	-
Total		613.9	11.1	2.4	75,499	

(1) In € million.

(2) In years.

(3) Current lettable area excluding parking space in sqm.

The three most valuable invest asset class properties account for 75.9% of TLG's invest asset class in terms of property value.

Non-Strategic Asset Class

As of June 30, 2019, a total of 104 properties with a portfolio value of €376.9 million comprised the "Non-Strategic" or "Other" asset class of TLG, which accounted for 8.2% of TLG's overall portfolio (based on aggregate portfolio value as of June 30, 2019). While properties in the "Non-Strategic" asset class do not qualify for inclusion in the office, retail or hotel asset classes, the majority of these properties either generate a net cash inflow (*i.e.*, rents exceed the costs associated with letting and maintaining these properties) or can be operated at little to no operating cost.

TLG will nevertheless seize attractive opportunities to divest properties from the "Other" asset class, if it is able to achieve proceeds at or above fair value, in order to invest such proceeds to further enhance the size and quality of the office, retail and hotel asset classes.

85.1% of the non-strategic assets are retail assets, 6.4% office assets and 8.6% other assets (based on portfolio value as of June 30, 2019). 34.8% of the non-strategic assets (based on portfolio value as of June 30, 2019) have already been sold but the sale is not closed yet.

TLG's Business Operations

Acquisitions and Disposals

TLG considers itself to be an active asset manager. It constantly aims to identify attractive opportunities to acquire additional properties and dispose of properties at attractive prices. While TLG's transaction management is centrally operated from its Berlin-based headquarters, its local offices each have teams of employees, which are responsible for providing local market expertise and executing

individual acquisitions and disposals. The acquisition and disposal process is centrally supervised by the portfolio management department as well as the member of the Management Board responsible for TLG's portfolio management.

(a) Acquisitions

TLG has a track record of successful strategic acquisitions. The following table provides an overview of successful acquisitions by TLG for the periods indicated (excluding the acquisition of WCM AG):

	For the year ended December 31,	
	2017	2018
	(unaudited)	
	(in € million, unless otherwise specified)	
Acquisition volume office asset class.....	97.5	123.6
Acquisition volume retail asset class.....	107.4	16.6
Acquisition volume hotel asset class.....	0.0	0.0
Total acquisition volume.....	204.9	140.2
Number of properties.....	29	4
Total lettable area (in thousand sqm) ⁽¹⁾	108.8	72.3

(1) Excluding parking space.

Acquisitions of new attractive office and retail properties meeting its investment criteria are a key part of TLG's strategy. Depending on the type of asset, TLG focuses on the following types of properties:

- For its office asset class, TLG focusses its acquisition efforts on office properties in the city centers of Berlin and other A and B cities in Germany (*i.e.*, Germany's largest cities and larger regional cities) with favorable economic characteristics, including the surrounding area. TLG typically targets multi-use properties, preferably with a fair value exceeding €20 million. Furthermore, TLG specifically targets properties with vacancy, as the Guarantor believes that it can acquire such properties at a discount and unlock additional value potentials through modernizations, refurbishments and active letting management.
- For its retail asset class, TLG targets retail portfolios in attractive micro-locations (*i.e.*, lack of competition within the relevant catchment area), suitable for major food retail chains which are fully-let or almost fully-let.
- For its hotel asset class, TLG targets hotel properties in inner city locations of attractive A and B cities in Germany with long term lease agreements and large hotel operators. While hotels are less of a focus of TLG's acquisition strategy compared to the office and retail asset classes TLG is particularly interested in mixed use properties (*i.e.*, parts of the hotel property are also leased as offices, retail space or for other uses) or hotel properties included in portfolio transactions.

TLG's acquisition process generally follows a multi-stage approach: TLG will typically first review any proposals received by the seller, conduct a first screening, a site-visit and pre-calculate how a particular acquisition could complement its overall portfolio, hand in an indicative bid, obtain a valuation report from TLG's external property appraiser, prepare the financing of a potential acquisition, to the extent required, and finally proceed to negotiate the purchase agreement and conduct a thorough due diligence. TLG generally only acquires properties that it considers sufficiently attractive after completion of its disciplined acquisition process, which TLG applies to screening of acquisition opportunities in both western and eastern Germany.

TLG does not currently plan any acquisitions for project development purposes, but may engage in such developments on an opportunistic basis.

(b) Disposals

Profitable disposals of non-strategic properties have for a long time been part of TLG's portfolio streamlining and growth process. In the future, TLG intends to continue its active portfolio management approach, including a regular turnover of properties:

- which have been classified as non-strategic; or
- for which a sale is in the interest of the overall portfolio quality; or
- for which the offered price is particularly attractive and allows for a realization of proceeds that significantly exceed the fair value of the respective property.

TLG's management decides on the disposal of properties on a property-by-property basis, taking into account a property's fair value as well as overall and local market trends and developments. TLG may intensify its disposal efforts in the future, in particular during the course of the ongoing integration of WCM AG into TLG following the Completion of the Takeover Offer.

Property Investments

TLG comprehensively reviewed its strategic portfolio in 2019. Based on the results, TLG has categorized its strategic portfolio in core assets and development and investment assets. The development and investment assets are categorized by additional value creation potential requiring further investments. In particular, TLG has identified considerable value creation opportunities with respect to certain properties which TLG believes are suitable for new developments or redevelopments. Project development measures are currently explored and conducted on TLG's Alexanderstrasse property in Berlin and the Annenhöfe property in Dresden. Such project development opportunities are discussed between the local asset management and TLG's Berlin headquarters. The planning and implementation of actual project development measures works is conducted by experienced third-party providers in close cooperation with the top management of the Guarantor, while required negotiations are led by TLG's top management.

Further, by monitoring individual properties and maintaining close business relationships with its tenants, TLG identifies the potential and need for modernizations and expansions. Such opportunities are discussed between the local asset management and TLG's Berlin headquarters. Actual modernizations and repair works are outsourced to experienced third-party providers.

Tenant Management

TLG's tenant management includes relationship management with its existing tenants, searches for prospective tenants, maintenance, repair and value-enhancing investments in TLG's portfolio and the contracting of third-party facility management service providers. Such activities are organized locally. TLG's headquarters nevertheless provide guidelines for local operations and constantly monitor performance and compliance with these guidelines.

TLG's tenant management is run from the offices in Berlin, Frankfurt am Main, Dresden, Rostock, Leipzig and Erfurt as well as with limited support from external property managers. As of the date of this Prospectus, 32 employees are responsible for TLG's local tenant management.

(a) Relationships with Existing Tenants

All property-specific aspects relating to existing tenants are handled by TLG's local offices and representatives. This process includes regular meetings with representatives of TLG's main tenants. The Guarantor believes that maintaining close business relationships with its tenants allows TLG to act proactively and responsively with regard to the demands of its key tenants. Property performance is reviewed on a regular basis and property-by-property business plans are reviewed in order to analyze the following items:

- Potential value enhancements identified since the last business plan review;
- Potential cost reductions identified since the last business plan review;
- Property performance compared to the underwriting process; and
- Potential risks associated with the property and measures taken to control those risks.

Furthermore, TLG conducts regular credit rating checks on its existing tenants to ensure that it has the relevant information on the creditworthiness of its tenant base.

(b) Letting Activities

TLG's letting activities are also organized locally. All discussions relating to lease agreements are handled by the responsible asset managers and/or the letting managers. TLG uses a wide array of sources to find suitable tenants including contacts with existing tenants, market knowledge of its local offices and real estate agents. However, it will at all times retain control of the letting process and decide for itself whether a tenant is suitable for the respective property. Prior to agreeing on any lease agreements, TLG will conduct a credit rating check on the prospective tenant.

(c) Facility Management

TLG does not perform any actual facility management tasks itself. However, it does hire and supervise a number of experienced and well-known service providers such as Gegenbauer Holding SE & Co. KG, SPIE GmbH and WISAG Facility Management Berlin-Brandenburg GmbH & Co. KG to render such services and to ensure that TLG's properties comply with all applicable building and security regulations.

Employees

As experience and in-depth local market knowledge are fundamental for consistent performance in the commercial real estate industry, TLG's success depends on its ability to attract, train, retain and motivate qualified personnel. TLG particularly aims to recruit young, qualified trainees and therefore offers a bachelor program, which allows such trainees to gain both valuable practical experience as well as to obtain a bachelor of arts. As of the date of this Prospectus, TLG's workforce comprises 143 permanent and two temporary employees.

Material Agreements

Financing Agreements of TLG

Prior to the issuance of the Notes and, if issued, the 2019 Notes II, TLG is financed through a mix of bank loans and capital market notes, namely the 2017 Notes and the 2019 Notes I.

Loan Agreements with Financial Institutions

As of June 30, 2019, TLG's liabilities due to financial institutions amounted to €1,088.5 million (including accrued interest). Those included land-charge secured loans from 11 banks with individual carrying amounts of up to €135.0 million. The weighted average debt maturity was 5.8 years.

The table below provides a summary of TLG's loan agreements with carrying amounts of more than €50.0 million as of June 30, 2019:

Bank	Carrying amount (in € million)	Maturity
	(unaudited)	
Landesbank Hessen-Thüringen Girozentrale	135.0	2027
DZ Hyp AG	127.3	2025
Bayerische Landesbank.....	87.7	2023
Berlin Hyp AG	79.7	2026
Berliner Sparkasse	67.5	2025
Deutsche Pfandbriefbank AG	60.0	2025
Commerzbank AG	53.8	2027
Berlin Hyp AG	50.0	2020

TLG's loans bear interest at fixed rates or at variable rates of three-month EURIBOR plus margin. Approximately 98.2% of the outstanding floating-rate loan amount is currently hedged by fixed-for-floating swaps. As of June 30, 2019, TLG's average cash interest rate amounted to 1.74%. The rates for the relevant loans depend, *inter alia*, on the quality of the properties securing the loan, the market conditions at the time the loan was raised, the term and the financial leverage in respect of the financed properties. The interest rate for some of the loans can increase if extraordinary events occur.

The terms provide for regular repayments of the loans during their respective terms, up to 19.6% per annum of the initial loan amount through different repayment provisions (*e.g.*, fixed amortization rates or annuities), or repayment at maturity of the respective loan.

Land charges have been granted over the properties used as security for the relevant loans. The loans are typically also secured by pledges or assignments of the claims under interest hedging instruments and assignments of rent payments, purchase price claims and insurance claims. Some loan

agreements also provide for pledges of special purpose accounts and of shares of the financed subsidiaries.

The loan agreements typically contain financial covenants customary for real estate borrowings, in particular with respect to the loan-to-value ratio. Most loan agreements require certain maximum loan-to-value ratios, calculated as the quotient of the outstanding loan amount (including senior-ranking loans) and the value of the borrowers' properties. The value of the individual portfolios was determined before the first utilization and will be determined again during the term of the loan. The maximum loan-to-value ratios allowed depend on the quality and size of the financed properties, the market conditions at the time the loan was provided and the lender, and range from 55% to 78%. Many loan agreements also contain liquidity-related financial covenants such as minimum interest or debt-service cover ratios or maximum debt-to-rent ratios. In addition, many loan agreements also contain an equity ratio covenant of at least 30%. The breach of financial covenants usually allows the bank to terminate the respective loan and claim early repayment of the entire loan unless the breach is cured by a (partial) repayment, or, as the case may be, the granting of additional security interest. As of the date of this Prospectus, TLG is not in breach of any financial covenants.

The loan agreements contain representations, information, corporate and property-related undertakings and termination rights customary for real estate borrowings. There is no indication that any representations or material undertakings have been breached. Termination rights exist if (interest, amortization or other) payments are not made when due, financial covenants are not complied with, the borrower becomes insolvent or defaults on other financial liabilities, representations or warranties turn out to have been incorrect, information obligations are violated by TLG or other material contractual obligations are not complied with (unless the respective violation can be and is cured within a contractually specified period). In addition, some of the loan agreements contain termination rights of the respective bank if the control over the Guarantor changes. In most cases, loan agreements also incorporate the respective bank's general terms and conditions or similar standard terms that contain very broad termination rights, in particular the right to terminate the loan if there is, or threatens to be, a substantial deterioration in the financial circumstances of the respective borrower or in the value of a security granted as a result of which the repayment of the loan is jeopardized even if this security is realized.

2017 Notes

On November 27, 2017, the Guarantor issued unsecured fixed rate notes with a total nominal amount of €400.0 million and a denomination of €100,000 each (the “**2017 Notes**”). The 2017 Notes bear interest at a fixed interest rate of 1.375% *per annum*. Interest payments are made annually in arrear on November 27. The 2017 Notes are listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*).

The terms and conditions of the 2017 Notes contain certain covenants limiting the incurrence of new financial indebtedness by TLG. These covenants relate to TLG's total-net-debt-to-total-assets ratio, its interest-coverage-ratio and its secured-debt-to-total-assets ratio.

The 2017 Notes become due and payable on November 27, 2024. According to the terms and conditions of the 2017 Notes, the Guarantor may redeem the 2017 Notes at any time in whole but not in part, together with any accrued interest thereon, upon no less than 45 days' and no more than 60 days' prior notice. In case of a premature redemption, the repayable amount is the higher of (i) the

principal amount per 2017 Note and (ii) the discounted market price per 2017 Note as calculated by the calculation agent (make-whole amount).

Moody's assigned a Baa2 (stable outlook) rating to the 2017 Notes on November 9, 2017 which has remained unchanged since then.

2019 Notes I

On May 28, 2019, the Guarantor issued unsecured fixed rate notes with a total nominal amount of €600.0 million and a denomination of €100,000 each (the "**2019 Notes I**"). The 2019 Notes I bear interest at a fixed interest rate of 1.500% *per annum*. Interest payments are made annually in arrear on May 28. The 2019 Notes I are listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*).

The 2019 Notes I become due and payable on May 28, 2026. The terms and conditions of the 2019 Notes I provide for a make-whole provision and covenants limiting the incurrence of new financial indebtedness by TLG similar to the terms and conditions of the 2017 Notes (see "*—2017 Notes*").

Moody's assigned a Baa2 (stable outlook) rating to the 2019 Notes I on May 17, 2019 which has remained unchanged since then.

Bridge Facilities Agreement

On September 6, 2019, the Guarantor as original borrower, J.P. Morgan Securities plc as arranger, J.P. Morgan Europe Limited as agent and JPMorgan Chase Bank, N.A., London Branch as original lender entered into a €800,000,000 bridge facilities agreement (the "**Bridge Facilities Agreement**"). Under the Bridge Facilities Agreement, the Company is provided with a €300,000,000 million term loan facility ("**Facility A**") and a €500,000,000 term loan facility ("**Facility B**"). The funds available under Facility A must be applied towards the financing and/or refinancing of the purchase price to be paid for the shares in Aroundtown S.A. acquired under the Share Purchase Agreement (see "*—Purchase and Sale Agreements—Acquisition of Equity Stake in Aroundtown S.A.*"), including by way of repayment of the Vendor Loan (see "*—Recent Developments and Outlook; Trend Information and No Adverse Change*"). The funds made available under Facility B must be applied towards the financing and/or refinancing the purchase price to be paid for the shares in Aroundtown S.A. which will be acquired in case of the exercise of the Option under the Option Agreement. The term of the Bridge Facilities Agreement is one year following the date of first utilisation with the options of the Guarantor to extend the term to two years following the date of first utilisation. As of the date of this Prospectus, no loans are utilized under the Bridge Facilities Agreement.

The interest rate per annum of each loan utilized under the Bridge Facilities Agreement is the aggregate of the applicable margin and EURIBOR. A margin step-up occurs every three months following the date of the Bridge Facilities Agreement.

The obligations of the Guarantor under the Bridge Facility Agreement are unsecured.

The Bridge Facilities Agreement contains a number of covenants, for example a negative pledge, financial covenants equal to those under the terms and conditions of the 2017 Notes and the 2019 Notes I and certain other limitations. Upon the occurrence of a change-of-control with respect to the Guarantor and the expiry of a following negotiation period, every lender may direct the agent to

cancel its respective commitments and declare such lender's participation in any outstanding loans immediately due and payable. Further, the Bridge Facilities Agreement provides for customary termination rights upon the occurrence of an event of default and a cross-default provision.

2019 Notes II

On or around the time of the issuance of these Notes, the Guarantor intends to issue unsecured fixed rate notes with a total nominal amount of €600 million and a denomination of €100,000 each (the “**2019 Notes II**”). The 2019 Notes II will bear interest at a fixed interest rate of 0.375% per annum. Interest payments are made annually on the day of issuance. The 2019 Notes II are intended to be listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*).

The 2019 Notes II will become payable on September 23, 2022. The terms and conditions of the 2019 Notes II provide for a make-whole provision and covenants limiting the incurrence of new financial indebtedness by TLG similar to the terms and conditions of the 2017 Notes (see “—2017 Notes”).

Inter-Company Agreements

Domination Agreement between the Guarantor and WCM AG

Following the Completion, the Guarantor, as the controlling company, and WCM AG, as the controlled company, entered into the Domination Agreement on October 6, 2017. Following the approval by the shareholders' meetings of WCM AG and the Guarantor on November 17, 2017 and November 22, 2017, respectively, the Domination Agreement entered into force upon its registration in the commercial register of WCM AG on February 9, 2018.

Under the Domination Agreement, WCM AG assigned the management control (*Leitung*) of its company to the Guarantor. Accordingly, the Guarantor is entitled to issue instructions (*Weisungen*) which are binding for the management board of WCM AG, both generally and with regard to individual cases.

Pursuant to the Domination Agreement, the Guarantor guarantees outside shareholders of WCM AG a fixed annual payment in the form of a guaranteed dividend in a gross amount of €0.13 per share of WCM AG as compensation payment within the meaning of Section 304 para. 1 sentence 2 AktG.

Under the Domination Agreement, the Guarantor offered outside shareholders of WCM AG to tender their shares for new shares of the Guarantor at an exchange ratio of 4 new shares of the Guarantor for every 23 shares in WCM AG (the “**Exchange Ratio**”) as exit compensation within the meaning of Section 305 para. 1 AktG within a defined period which ended on April 16, 2018.

As appraisal proceedings were initiated pursuant to the German Act on Appraisal Proceedings (*Spruchverfahrgesetz*), outside shareholders of WCM AG that have not exchanged their shares for new shares of the Guarantor are entitled to exchange their shares into new shares of the Guarantor at the same conditions as set forth in the Takeover Offer or, as the case may be, as amended in the appraisal proceeding or in a settlement reached in the course of or in connection with such proceeding, until two

months after the initial judgment regarding the last appraisal motion is announced in the German Federal Gazette (*Bundesanzeiger*).

Domination and Profit Transfer Agreements with other Subsidiaries

The Guarantor has entered into domination and profit transfer agreements with the following other subsidiaries:

- Hotel de Saxe an der Frauenkirche GmbH;
- TLG CCF GmbH;
- TLG Fixtures GmbH;
- TLG MVF GmbH;
- TLG Sachsen Forum GmbH;
- TLG EH1 GmbH;
- TLG EH2 GmbH; and
- TLG FAB GmbH.

Essentially, the domination and profit transfer agreements comprise the placement of the respective subsidiary under the management of the Guarantor, establish a duty to transfer the full profits of the respective subsidiary to the Guarantor and oblige the Guarantor to assume the losses of the respective subsidiary. In particular, the domination and profit transfer agreements serve to establish a consolidated tax group for corporate income and trade tax purposes. At least 94.9% of the shares in each of the aforementioned companies are held directly by the Guarantor. In case of external shareholders, the Guarantor is obliged to pay recurring compensation within the meaning of Section 304 of the German Stock Corporation Act (*Aktiengesetz* (“**AktG**”)) or exit compensation within the meaning of Section 305 AktG.

The domination and profit transfer agreements provide for a minimum term of five years. If not terminated at least six months prior to their expiration, they are renewed for another year. The right to early termination for cause remains unaffected.

On March 6, 2019, WCM AG entered into customary domination and profit transfer agreements with each of WCM Office I GmbH, WCM Handelsmärkte I GmbH, WCM Handelsmärkte II GmbH and WCM Handelsmärkte XVII GmbH. These domination and profit transfer agreements were approved by the shareholders of WCM AG in the annual shareholder meeting held on June 11, 2019. The effectiveness of these domination and profit transfer agreements is still subject to registration in the commercial register of the respective dominated company. Applications for registration have not been filed yet as actions challenging the resolution of WCM AG’s annual shareholder meeting approving these domination and profit transfer agreements have been brought by certain of WCM AG’s shareholders which are currently pending.

An existing domination and profit transfer agreement between WCM Beteiligungsgesellschaft mbH & Co. KG, a 100% direct subsidiary of WCM AG, and its 94% direct subsidiary, Greenman 1D GmbH, shall be terminated in connection with closing the sale of the portfolio held by this company.

Purchase and Sale Agreements

Max-Born-Offices in Hamburg

In March 2018, TLG entered into a purchase agreement for an office property in Hamburg (*Max-Born-Offices*) with a total lettable area of approximately 22,800 sqm with a value of €58.6 million. The vacancy rate on the acquisition date was about 15% and the beneficial ownership passed over on July 1, 2018.

Office Property in Eschborn

By purchase agreement dated January 2018, TLG purchased a fully occupied office property in Eschborn with a total lettable area of approximately 7,800 sqm with a property value of €15.4m. The WALT is 2.6 years and the Guarantor expects to be able to generate higher rental income after the expiration of the relatively short WALT. The beneficial ownership passed over on March 1, 2018.

Office Property “Theo & Luise” in Mannheim

In December 2017, the Guarantor entered into a purchase agreement for an office property in Mannheim (“*Theo & Luise*”) with a total lettable area of approximately 25,300 sqm with a property value of €50.2 million. The vacancy rate was at approximately 10%; the beneficial ownership passed over on March 1, 2018.

Retail Property “Klenow-Tor” in Rostock

In November 2017, the Guarantor entered into a purchase agreement for the Klenow-Tor retail property in Rostock with a total lettable area of approximately 16,300 sqm for a total investment volume of €18.0 million. The property is almost fully let and the beneficial ownership passed over on January 1, 2018.

Westside Office in Bonn

By purchase agreement dated February 28, 2019, the Guarantor purchased an office property in Bonn (“*Westside Office*”) with a total lettable area of approximately 33,600 sqm. The property is completely let with a WALT of 6 years and tenants comprising a listed company as well as public administration. The total investment volume amounted to €88.8 million and the closing occurred on April 12, 2019.

Acquisition of Equity Stake in Aroundtown S.A.

On September 1, 2019, the Guarantor entered into an agreement with Avisco to purchase a 9.99% stake in the share capital of Aroundtown S.A. from Avisco for a total purchase price of €1,016 million (the “**Share Purchase Agreement**”). The total purchase price values Aroundtown S.A. at €8.30 per share which corresponds to the EPRA NAV of Aroundtown S.A. as of June 30, 2019.

Also on September 1, 2019, the Guarantor and Avisco entered into an option agreement (the “**Option Agreement**”). Under the Option Agreement, the Guarantor has a call right to purchase from Avisco, and Avisco has a put right to sell to the Guarantor, an additional equity stake of up to 4.99% in the share capital of Aroundtown (the “**Option**”). In the case of the full exercise of the Option, the Guarantor’s shareholding in Aroundtown would increase from 9.99% to 14.99%. The price per share of the Option is equal to the purchase price under the Share Purchase Agreement. The Option is exercisable by either party prior to February 28, 2020, subject to certain conditions precedent, including receipt of merger control clearance. As part of the transaction, each of the Guarantor and Avisco have agreed to a lock up of shares representing 9.99% in Aroundtown S.A. until the earlier of August 31, 2020 or a potential merger between the Guarantor and Aroundtown.

Disposals

On March 18, 2019, the Guarantor entered into a sale agreement for the disposal of a retail portfolio comprising 29 assets for a selling price of approximately €118.0 million. Based on portfolio value as of the signing date, 90% of these properties are located in Saxony, Saxony-Anhalt and Thuringia. Closing is expected to occur in October 2019.

Other Material Agreements

Restitution Agreement

TLG has been and may in the future be subject to third-party claims in connection with restitution and compensation claims. Under the German Asset Act (*Vermögensgesetz*) former owners of assets that were dispossessed either by the national socialist government between January 30, 1933 and May 8, 1945 or by the former German Democratic Republic (*Deutsche Demokratische Republik*) can demand the restitution of such assets. If returning the assets is impossible due to a valid sale to a third party the former owners have compensation claims under the German Investment Priority Act (*Investitionsvorranggesetz*). The German Asset Allocation Law (*Vermögenszuordnungsgesetz*) provides for similar regulations.

In order to ensure that such third-party claims would not prevent a privatization of TLG, the Federal Institute for Special Tasks Arising from Unification (*Bundesanstalt für vereinigungsbedingte Sonderaufgaben*) (“**BVS**”), a federal office of Germany and the successor of THA), and TLG on December 20, 2007 entered into an agreement for the cumulative assumption of liabilities regarding restitution claims brought against TLG. Under this agreement, the BVS will indemnify and hold harmless TLG against claims arising out of or in connection with the aforementioned restitution laws. Thus, any claims brought against TLG in connection with the aforementioned restitution laws will be fulfilled by the Federal Republic of Germany. As of the date of this Prospectus, a total of three of TLG’s properties are subject to claims under the aforementioned restitution laws.

Social Charter

In connection with its privatization, TLG assumed an obligation to adhere to the social charter (*Sozialcharta*) agreed between the private investors who acquired the Guarantor and the Federal

Republic of Germany on December 12/13, 2012, and relating to 131 residential tenants in the “Other” asset class as of the date of this Prospectus.

The social charter provides special protection for elderly and disabled tenants as well as their legal successors by limiting TLG’s ability to terminate lease agreements with these tenants and prohibiting TLG from increasing rents for so-called luxury modernizations (*Luxusrenovierungen*) (i.e., modernization measures after which the respective property appeals to a target group of tenants differing from the pre-modernization tenant structure). In this context, when disposing of residential properties protected by the social charter TLG must ensure that the buyer of the respective property assumes TLG’s obligations under the social charter. Failure to comply with the obligations under the social charter would force TLG to pay a contractual penalty of at least €100,000.00 per residential unit concerned.

Material Litigation

General

In the course of TLG’s business activities, the Guarantor and its subsidiaries are regularly parties to legal disputes, including rental and warranty disputes. As of June 30, 2019, the aggregate amount of claims brought against TLG amounted to approximately €2.52 million and the aggregate amount of claims brought by TLG amounted to approximately €10.49 million (both excluding costs and interest). As of that same date, TLG had made provisions in the aggregate amount of €0.7 million for legal disputes and litigation-related costs (excluding provisions for appraisal proceedings as described below under “*Appraisal Proceedings*”).

Subsidiaries of WCM are currently challenging two tax assessments by the competent tax authorities and have filed a lawsuit against the assessment of RETT in a total amount of €7.5 million with the Fiscal Court of Hesse (*Hessisches Finanzgericht*). The relevant tax claim has already been fulfilled to reduce the risk of default interest. Both lawsuits are currently still pending.

Apart from the proceedings described above and below under “*Appraisal Proceedings*”, TLG is not a party to any governmental, legal or arbitration proceedings (including any pending or threatened proceedings) during the last twelve months, with a value exceeding €1.0 million or which may have, or have had, significant effects on its financial position or profitability.

Appraisal Proceedings

On October 6, 2017, the Guarantor entered into the Domination Agreement with WCM AG. The Domination Agreement was approved by the shareholders’ meetings of WCM AG and the Guarantor held in November 2017 and became effective upon its registration with the Commercial Register on February 9, 2018 (see “*Material Agreements—Inter-Company Agreements—Domination Agreement between the Guarantor and WCM AG*”). Pursuant to the Domination Agreement, outside shareholders of WCM AG may demand the exchange of their shares of WCM AG for new shares of the Guarantor at the Exchange Ratio. Outside shareholders of WCM AG who decide to continue to hold their shares of WCM AG will be paid a guaranteed gross dividend of €0.13 per share of WCM AG. Shareholders of WCM AG instituted appraisal proceedings (*Spruchverfahren*) pursuant to the German Appraisal Proceedings Act (*Spruchverfahrensgesetz*) against the Guarantor before the Regional Court of Frankfurt am Main (*Landgericht Frankfurt am Main*). In their complaint, shareholders of WCM AG

claim in particular that the compensation offered by TLG is not adequate. TLG believes that the compensation offered was appropriate and that the proceedings will be dismissed in court.

Description of the Guarantor's Governing Bodies

The Guarantor's corporate bodies are the Management Board, its supervisory board (the "**Supervisory Board**") and the shareholders' meeting. The powers and responsibilities of these corporate bodies are governed by the AktG, the Articles of Association and the rules of procedure of the Management Board and the Supervisory Board.

The Management Board conducts the Guarantor's business in accordance with the law, the Articles of Association and the rules of procedure of the Management Board, taking into account the resolutions of the shareholders' meeting. The Management Board represents the Guarantor in its dealings with third parties. The Management Board is required to introduce and maintain appropriate risk management and risk controlling measures, in particular setting up a monitoring system in order to ensure that any developments potentially endangering the continued existence of the Guarantor may be identified early. Furthermore, the Management Board must report regularly to the Supervisory Board of the performance and the operations of the Guarantor. In addition, the Management Board is required to present to the Supervisory Board, no later than at the last Supervisory Board meeting of each fiscal year, certain matters of business planning (including financial investment and personnel planning) for the following fiscal year for approval by the Supervisory Board. Furthermore, as regards all matters of particular significance to the Guarantor, each member of the Management Board who becomes aware of such matters must immediately report these matters, verbally or in writing, to the chairman and the vice chairman of the Supervisory Board or to all members of the Supervisory Board. Significant matters also include any development or event at an affiliated company of which the Management Board has become aware and that could have a material influence on the Guarantor's position.

The Supervisory Board appoints the members of the Management Board and has the right to remove them for good cause. Simultaneous membership on the Management Board and the Supervisory Board is prohibited. The Supervisory Board advises the Management Board in the management of the Guarantor and monitors its management activities. The Management Board may not transfer management tasks to the Supervisory Board. However, pursuant to the rules of procedure of the Management Board, the Management Board must obtain the consent of the Supervisory Board for certain transactions or measures, in particular transactions or measures that entail fundamental changes to the Guarantor's net assets, financial position or results from operations.

The members of the Management Board and of the Supervisory Board owe duties of loyalty and due care to the Guarantor. In discharging these duties, the members of the governing bodies have to take into account a broad range of interests, in particular those of the Guarantor, its shareholders, employees and creditors. The Management Board must also take into account the rights of shareholders to equal treatment and equal information. If the members of the Management Board or Supervisory Board fail to discharge their duties, they are jointly and severally liable for damages to the Guarantor. A directors' and officers' insurance policy, which provides for a deductible, protects the Management Board and Supervisory Board members against claims for damages.

Under the AktG, neither individual shareholders nor any other person may use its influence on the Guarantor to cause a member of the Management Board or Supervisory Board to act in a manner that would be detrimental to the Guarantor. People using their influence to cause a member of the Management Board or Supervisory Board, a holder of a general commercial power of attorney or an authorized agent to act in a manner causing damage to the Guarantor or its shareholders, are liable to compensate the Guarantor for any resulting losses if they have acted in violation of their obligation to use due care. Moreover, in this case, the members of the Management Board and Supervisory Board are jointly and severally liable in addition to the person using its influence if they have acted in breach of their obligations towards the Guarantor.

Generally, an individual shareholder may not take court action against members of the Management Board or Supervisory Board if he believes that they have acted in breach of their duties to the Guarantor and, as a result, the Guarantor has suffered losses. Claims of the Guarantor for damages against the members of the Management Board or Supervisory Board may generally only be pursued by the Guarantor itself; in the case of claims against members of the Supervisory Board, the Guarantor is represented by the Management Board, and, in case of claims against members of the Management Board, it is represented by the Supervisory Board. Pursuant to a ruling by the German Federal Court of Justice (*Bundesgerichtshof*), the Supervisory Board must bring claims that are likely to succeed against members of the Management Board unless significant considerations of the Guarantor's well-being, which outweigh or are at least equivalent to those in favor of such claim, render such a claim inadvisable. Claims against the Management Board or Supervisory Board must be asserted if the shareholders' meeting adopts a resolution to this effect by a simple majority.

Shareholders whose joint holdings equal or exceed 10% of the share capital or the pro-rata amount of €1.0 million may petition the court to appoint a representative to pursue their claims for damages. Furthermore, shareholders whose joint holdings equal or exceed 1% of the share capital or a proportionate interest of €100,000.00 of the share capital at the time the petition is submitted may petition in their own name for a claim for damages to be heard by the regional court (*Landgericht*) where the Guarantor has its registered office. For such a claim to be heard, the Guarantor must have failed to make a claim when called on to do so by the shareholders' meeting within an appropriate deadline set by them, and facts must have come to light justifying the suspicion that the Guarantor has sustained damages as a consequence of dishonesty or of a flagrant breach of the law or of the Articles of Association and there are no significant grounds relating to the welfare of the Guarantor outweighing such claim. The Guarantor is entitled to bring a claim for damages itself at any time, and any pending application or claim on the part of the shareholders is barred once the Guarantor does so.

The Guarantor may only waive or settle a claim for damages against board members if at least three years have elapsed since the vesting of the claim, so long as the shareholders' meeting approves the waiver or settlement by a simple majority, unless shareholders, whose aggregate shareholdings amount to at least 10% of the share capital, record an objection to such resolution in the minutes of the shareholders' meeting.

Management Board

Current Composition of the Management Board

Pursuant to Section 8 para. 1 and 2 of the Articles of Association, the Management Board must consist of at least two persons and the Supervisory Board determines the exact number of the members of the Management Board. The Supervisory Board may appoint a Management Board member as chairman of the Management Board and another member as deputy chairman. On May 28, 2019, the Supervisory Board appointed Barak Bar-Hen as chairman of the Management Board with effect as of June 3, 2019. Currently, the Management Board consists of three members.

Reappointment or extension, each for a maximum period of up to five years, is permissible. The Supervisory Board may revoke the appointment of a Management Board member prior to the expiration of his or her term for good cause, such as a gross breach of fiduciary duty, or if the shareholders' meeting passes a vote of no confidence with respect to such member, unless the no-confidence vote was clearly unreasonable. The Supervisory Board is also responsible for entering into, amending and terminating employment agreements with members of the Management Board and, in general, for representing the Guarantor in and out of court against the Management Board.

Pursuant to Section 10 of the Articles of Association, the Guarantor is represented *vis-à-vis* third parties and in court proceedings by two members of the Management Board or a member of the Management Board jointly with an authorized signatory (*Prokurist*). The Supervisory Board may determine that all or specific members of the Management Board are authorized to represent the Guarantor individually.

The table below lists the current members of the Management Board:

<u>Name</u>	<u>Age</u>	<u>Member since</u>	<u>Appointed until</u>	<u>Responsibilities</u>
Barak Bar-Hen (chairman).....	42	2019	2023	Chief Executive Officer
Jürgen Overath.....	56	2018	2021	Asset Management, Development, Portfolio Management, Property Management, Auditing Division, Transactions, Corporate Communications
Gerald Klinck.....	50	2018	2022	Controlling, Finance, Investor Relations, Accounting, Legal, IT/Corporate Digitalisation, Human Resources, Auditing Division, Taxes

The following description provides summaries of the *curricula vitae* of the current members of the Management Board and indicates their principal activities outside TLG to the extent that those activities are significant with respect to TLG.

Barak Bar-Hen was born March 14, 1977 in Tel Aviv, Israel.

Mr. Bar-Hen has many years of experience in the sale, acquisition, asset management and property management as well as development of real estate projects. Before joining TLG, Mr. Bar-Hen was an adviser to investors in the real estate sector in Germany and The Netherlands with a focus on the development of value-add properties. Prior to that, he held various management positions within the Elad Group in the USA and Europe for more than ten years. In 2008 he was appointed chief executive

officer of Elad Europe. Mr. Bar-Hen holds a degree in law and started his professional career at Gornitzky & Co., one of Israel's leading law firms.

Jürgen Overath was born April 11, 1963 in Hennef, Germany.

Mr. Overath has more than 30 years of experience in the real estate sector. Before joining the Guarantor, he was the managing director at SSN Development, a German subsidiary of Swiss SSN Group AG. Between 2005 and 2007 he served as a member of the board of DIC Asset AG and between 2007 and 2015 of Deutsche Office AG. Prior to 2005, he worked several years as managing director for Corpus Sireo Real Estate. He started his professional career in project development of shopping centres and retails assets. Mr. Overath obtained a degree in business administration.

Gerald Klinck was born June 28, 1969 in Lüneburg, Germany.

Mr. Klinck has more than 20 years of experience in real estate finance. He was previously a board member (chief controlling officer) of Vonovia SE and Gagfah (chief financial officer), one of its predecessors. Between 2006 and 2011, he worked in leading positions for Deutsche Wohnen SE where he was a member of the executive board between 2009 and 2011. Prior to 2006 he held the office of the chief financial officer at HSH Real Estate Consulting. Mr. Klinck obtained a master's degree in business (*Diplom-Kaufmann*).

The members of the Management Board may be reached at the Guarantor's office at Hausvogteiplatz 12, 10117 Berlin, Germany (telephone: +49 (0) 30-2470-50).

Supervisory Board

Pursuant to Section 11 para. 1 of the Articles of Association, the Supervisory Board consists of six members. Pursuant to Section 100 para. 5 AktG, the members of the Supervisory Board as a whole have to be familiar with the sector in which the Guarantor conducts its business.

The Supervisory Board is not subject to employee codetermination as provided by the German One-Third Employee Representation Act (*Drittelbeteiligungsgesetz*) or the German Codetermination Act (*Mitbestimmungsgesetz*). Therefore, the members of the Supervisory Board are all elected by the shareholders' meeting as representatives of the shareholders. The members of the Supervisory Board are generally elected for a fixed term of approximately five years. Reelection, including repeated reelection, is permissible.

For each member of the Supervisory Board, the shareholders may, at the same time the respective member is elected, appoint substitute members. These substitute members will replace the elected Supervisory Board member in the event of his premature departure in an order that was defined at the time of the appointment. The term of office of the substitute member replacing the departing member terminates if a successor is elected at the next shareholders' meeting or the following one, at the close of the shareholders' meeting, otherwise on the expiry of the term of office of the departed member of the Supervisory Board. Members of the Supervisory Board who were elected by the shareholders' meeting may be dismissed at any time during their term of office by a resolution of the shareholders' meeting adopted by 75% of the votes cast. In accordance with the Articles of Association, any member or substitute member of the Supervisory Board may resign at any time, even without providing a reason, by giving two weeks' notice of his resignation in writing. This does not affect the right to resign with immediate effect for good cause.

Pursuant to Section 107 para. 1 AktG, the Supervisory Board elects its chairman and vice chairman from among its members. Currently, Mr. Sascha Hettrich has been elected chairman of the Supervisory Board and Mr. Ran Laufer as vice chairman of the Supervisory Board.

The AktG stipulates that a quorum of the Supervisory Board is present if at least three members, and at least one-half of the members of the Supervisory Board as mandated by law or the Articles of Association, participate in the voting. The resolutions of the Supervisory Board are passed with a simple majority, unless otherwise mandated by law. In the event of a parity of votes, the chairman or, if he or she is unable to vote, the vice chairman, has the deciding vote.

Current Composition of the Supervisory Board

The table below lists the current members of the Supervisory Board:

Name	Age	Member since	Appointed until ⁽¹⁾	Principal occupation outside of TLG
Sascha Hettrich (chairman)	57	2018	2023	Managing Director of Hettrich Tomorrow GmbH and Chief Executive Officer of Vivion Capital Partners, S.A.
Ran Laufer (vice chairman).....	45	2019	2024	Managing Director of Panorama Immobilien GmbH ⁽²⁾
Jonathan Lurie	43	2019	2024	Real Estate Senior Adviser at McKinsey & Company, London, and Managing Partner of Realty Corporation Ltd.
Helmut Ullrich	69	2015	2021	Consultant
Klaus Krägel.....	58	2019	2024	Chief Executive Officer and member of the management board of DIM Holding GmbH

(1) In each case until the end of the relevant general shareholders' meeting.

(2) On June 21, 2019 Mr. Laufer was also elected chief executive officer of ADO Properties S.A. with effect as of July 22, 2019.

The following description provides summaries of the *curricula vitae* of the members of the Supervisory Board and indicates their principal activities outside TLG to the extent those activities are significant with respect to TLG.

Sascha Hettrich was born May 3, 1962 in Saarbrücken, Germany.

Mr. Hettrich started his professional career as a developer of residential and commercial properties in 1983. In 1988, he became an equity partner of JLL. In 1999, Mr. Hettrich founded Hettrich Chartered Surveyors in Berlin where he also served as a managing director with a specialisation in investments and valuations. Following Hettrich Chartered Surveyors' merger with King & Sturge LLP in 2007, he became a managing director and member of King & Sturge LLP's strategy board. In 2011, Mr. Hettrich left King & Sturge LLP and founded Hettrich Sauer & Cie Chartered Surveyors (today Knight Frank Berlin) where he held the office of the chief executive officer. In 2011 Mr. Hettrich founded Hettrich Tomorrow GmbH, a management consulting and venture capital company and has been managing director of that company ever since. From 2017 until 2018, Mr. Hettrich also was a managing director of INTOWN Property Management GmbH. Mr. Hettrich obtained an executive master in business administration from the Zurich Institute of Business Education in 2005.

Alongside his office as chairman of the Supervisory Board, Mr. Hettrich is a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside TLG:

- Vivion Capital Partners (chairman of the board of directors);
- Lianeo Real Estate GmbH (chairman of the shareholders' committee); and
- Experts Committee (*Gutacherausschuss*) of the city of Berlin.

Ran Laufer was born September 5, 1973 in Tel Aviv, Israel.

In 2001, Mr. Laufer graduated from the Arison School of Business in Herzliya, Israel, obtaining a bachelor of arts in business administration. In addition, Mr. Laufer received a master of business administration in 2006 from the Solvay Business School at the Université Libre de Bruxelles, Belgium.

In 2010, Mr. Laufer became deputy chief executive officer of the Grand City Properties Group, an office which he held until 2014. In 2014, he joined the Israel-based companies Airport City Ltd. and Nitsba Holdings Ltd. as chief marketing and sales officer. Since 2019, Mr. Laufer has been the managing director of Panorama Immobilien GmbH based in Monheim am Rhein, Germany. On June 21, 2019, Mr. Laufer was appointed chief executive officer of ADO Properties S.A. with effect as of July 22, 2019.

Alongside his office as a member of the Supervisory Board, Mr. Laufer will also be a member of the management board of ADO Properties S.A. with effect as of July 22, 2019.

Jonathan Lurie was born May 6, 1976 in Baltimore, United States of America.

In 1998, Mr. Lurie graduated from Princeton University obtaining a bachelor of arts. In 2005, Mr. Lurie received a master in business administration from the Wharton School, University of Pennsylvania.

Mr. Lurie started his professional career at Morgan Stanley where he worked as an associate and analyst between 1998 and 2003 in Morgan Stanley's London and New York offices. From 2004 until 2007, Mr. Lurie worked as a director at Tishman Speyer Properties in the areas of European acquisitions, asset management and debt capital markets. In 2007, he joined Goldman Sachs in London and Frankfurt to serve as an executive director and Head of Real Estate Investment Management – Europe. Between 2012 and 2017, Mr. Lurie was a managing director in the real estate asset management of Blackstone and head of Blackstone Property Partners Europe (Blackstone's core-plus real estate business). Since 2018, Mr. Lurie has been a real estate senior advisor at McKinsey and Company, London, and a managing partner of Realty Corporation Ltd.

Alongside his office as a member of the Supervisory Board, Mr. Lurie is also a member of the supervisory board of CORESTATE Capital Holding S.A.

Helmut Ullrich was born October 4, 1949 in Heidenheim an der Brenz, Germany.

Helmut Ullrich completed his university education in 1977 with a law degree from the Rheinische-Friedrich-Wilhelms University in Bonn, Germany, and finished his term as a junior lawyer at the Cologne Higher Regional Court and completed his bar exam in 1980. In 1996 he became a fellow

of the Royal Institution of Chartered Surveyors (FRICS). Since 1990, Mr. Ullrich held various executive positions in the real estate segment of the Deutsche Bank Group. Since 1997, these included the roles of CFO and COO of both DB Real Estate Management GmbH and DB Real Estate Investment GmbH (now RREEF Management GmbH and RREEF Investment GmbH), Eschborn, Germany. From 2002 to 2007, he was chairman of the supervisory board and from 2007 to 2012 member of the management board (CFO) of Deutsche Wohnen AG (today Deutsche Wohnen SE).

Alongside his office as a member of the Supervisory Board, Mr. Ullrich is also a member of the supervisory board and chairman of the audit committee of GSW Immobilien AG.

Klaus Krägel was born September 1, 1960 in Waldorf, Germany.

Mr. Krägel started his professional career with Jones Lang LaSalle GmbH, where he most recently headed the Berlin branch as managing director. In 2002, Mr. Krägel joined AGIV Real Estate AG as an authorized officer. From 2004 to 2007, he held the office of the chairman of the management board of Deutsche Real Estate AG, from where he joined Archon Group Deutschland GmbH in 2008. In this function, he headed the asset management for key parts of the properties acquired in Germany by the Whitehall Funds and in 2015 became a managing director of Goldman Sachs Realty Management Europe GmbH and Goldman Sachs Realty Management GmbH. Since 2017, Mr. Krägel has been the chairman of the management board of DIM Holding GmbH.

Alongside his office as a member of the Supervisory Board, Mr. Krägel is a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside TLG:

- DIM Holding AG (chairman of the management board);
- GIV Management GmbH (managing director); and
- Golden Route GmbH (managing director).

The members of the Supervisory Board can be reached at the Guarantor's office at Hausvogteiplatz 12, 10117 Berlin, Germany (tel. +49 (0) 30-2470-50).

Supervisory Board Committees

Pursuant to Section 12 para. 2 of the Articles of Association, the Supervisory Board may form committees from among its members. The Supervisory Board's decision-making authority may be delegated to these committees to the extent permitted by law. The following committees have been established by the Supervisory Board:

The **Audit Committee** (*Prüfungsausschuss*) is concerned, in particular, with the oversight of the Guarantor's accounting process and the effectiveness of its internal control system, internal auditing system, as well as the audit of the annual financial statements including required independence of the auditor and additional services provided by the auditor, the conclusion of audit agreements with the auditor, setting focus points for the audit and agreeing audit fees and – unless another committee is entrusted therewith – compliance. It shall prepare the Supervisory Board's resolutions on the annual financial statements (including consolidated financial statements) and the Supervisory Board's proposal to the general shareholders' meeting upon the election of the auditor, and the instruction of the auditor.

The chairman of the audit committee shall have specialist knowledge and experience in the application of accounting standards and internal control processes. Furthermore, the chairman of the audit committee shall be independent and may not be a former member of the Management Board whose appointment ended less than two years prior to his appointment as chairman of the audit committee. Additionally, the chairman of the Supervisory Board shall not also be the chairman of the audit committee at the same time.

The current members of the audit committee are:

Name	Responsibilities
Helmut Ullrich	Chairman
Sascha Hettrich	Member
Jonathan Lurie	Member

Section 107 para. 4 AktG requires the Guarantor to have at least one independent member of the audit committee with expertise in the fields of accounting or auditing in the meaning of Section 100 para. 5 AktG. According to the rules of procedure of the Supervisory Board, this member also has to be independent. Mr. Ullrich as member of the Supervisory Board and audit committee of the Guarantor is considered to possess the respective expertise and independence.

The **Executive and Nomination Committee** (*Präsidial- und Nominierungsausschuss*) shall debate key issues and make proposals to the Supervisory Board with respect to the appointment and revocation of members of the Management Board and with respect to their respective compensation and adjustment in compensation. They make recommendations to the Supervisory Board for Supervisory Board proposals to the shareholders' meeting with respect to the election of Supervisory Board members. Furthermore, the executive and nomination committee is responsible for devising a financial and investment policy for TLG as well as to aid in making decisions of strategic importance regarding acquisitions and divestures. The executive and nomination committee shall consist of the chairman of the Supervisory Board, the deputy chairman of the Supervisory Board and one additional member to be elected by the Supervisory Board. The chairman of the Supervisory Board shall be the chairman of the executive committee and nomination committee.

The current members of the executive and nomination committee are:

Name ⁽¹⁾	Responsibilities
Sascha Hettrich	Chairman
Ran Laufer	Member
Jonathan Lurie	Member

The **Committee for Capital Markets and Acquisitions** (*Ausschuss für Kapitalmarkt und Akquisitionen*) advises the Supervisory Board on capital market transactions, in particular with respect to preparing and executing capital measures (Sections 182 *et seq.* AktG) of the Guarantor and its publicly listed subsidiaries, including the issuance of notes, profit participation rights and participating bonds, purchases of treasury stock, preparations for public takeovers and communications with capital markets. It also advises the Supervisory Board on the preparation of key acquisitions, in particular acquisitions financed through the issuance of shares or other capital instruments as well as key matters of financial planning and important refinancings and borrowings.

The current members of the committee for capital markets and acquisitions are:

Name	Responsibilities ⁽¹⁾
Sascha Hettrich	Chairman
Jonathan Lurie	Member
Helmuth Ullrich	Member

The **Project Development Committee** (*Ausschuss für Projektentwicklungsmaßnahmen*) advises the Supervisory Board on project development measures.

The current members of the project development committee are:

Name ⁽¹⁾	Responsibilities
Klaus Krägel	Chairman
Sascha Hettrich	Member
Ran Laufer	Member

No Potential Conflicts of Interest

There are no potential conflicts of interest between any duties to the Guarantor of the members of the Management Board and Supervisory Board and their private interests and/or other duties.

Shareholder Structure

As of August 30, 2019, the Guarantor's share capital amounts to €111,958,044.00 divided into 111,958,044 bearer shares with no par-value (*Stückaktien*).

On the basis of the notifications received by the Guarantor as of the date of this Prospectus in accordance with the German Securities Trading Act (*Wertpapierhandelsgesetz*) and pursuant to information provided by the respective shareholders, the following shareholders directly or indirectly hold more than 3.0% of the Guarantor's shares and voting rights as of the date of this Prospectus. It should be noted that the number of voting rights last notified could have changed since such notifications were submitted to the Guarantor without requiring the relevant shareholder to submit a corresponding voting rights notification if no notifiable threshold has been reached or crossed:

Shareholder	Share of voting rights (in %)
Amir Dayan/Maria Saveriadou	29.33 ⁽¹⁾
Republic of Singapore	9.25 ⁽²⁾
Georgios Economou	7.99 ⁽³⁾
Principal Financial Group Inc.	3.38 ⁽⁴⁾
Blackrock, Inc.	3.33 ⁽⁵⁾
AXA S.A.	3.00 ⁽⁶⁾

(1) Indirect shareholdings of Amir Dayan and Maria Saveriadou, as notified for March 15, 2019 based on a total number of 103,444,574 voting rights. Amir Dayan controls the following entities listed in his notification: MARIOZOTTA Ltd.; Nanocare Limited; and Ouram Holding S.à r.l. All shares with voting rights are directly held by Ouram Holding S.à r.l. (29.33% of the Guarantor's shares). Maria Saveriadou controls the following entities listed in her notification: MS Meridien Nominees Ltd.; MARIOZOTTA Ltd.; Nanocare Limited; and Ouram Holding S.à r.l. All shares with voting rights are directly held by Ouram Holding S.à r.l. (29.33% of the Guarantor's shares).

(2) Indirect shareholdings as notified for October 6, 2017 based on a total number of voting rights of 94,611,266. All shares with voting rights are directly held by GIC Private Limited. The Government of Singapore, acting by and through the

Ministry of Finance, is the controlling shareholder of GIC Private Limited that directly held all of the notified voting rights in the Guarantor at that date.

- (3) Indirect shareholdings as notified for April 26, 2019 based on a total number of 103,444,935 voting rights. All shares with voting rights are directly held by Xenopus Limited. Georgios Economou controls the following entities listed in his notification: Prime Cap Holdings Inc., Prime Cap Investments Inc. and Xenopus Limited.
- (4) Indirect shareholdings of Principal Financial Group Inc. as notified for February 3, 2016 based on a total number of voting rights of 67,432,326 at that date. Principal Financial Group Inc. is the ultimate controlling entity of the following other companies listed in its group notification: Principal Financial Services Inc.; Principal Life Insurance Company; Principal Global Investors, LLC; and Principal Real Estate Investors, LLC. None of these companies directly held 3.0% or more of the voting rights in the Guarantor at that date.
- (5) Indirect shareholdings of Blackrock, Inc. as notified for May 2, 2018 based on a total number of 102,530,090 voting rights. Blackrock, Inc. is the ultimate controlling entity of the following other companies listed in its group notification: BlackRock Holdco 2, Inc.; BlackRock Financial Management, Inc.; BlackRock International Holdings, Inc.; BR Jersey International Holdings L.P.; BlackRock Holdco 3, LLC; BlackRock Canada Holdings LP; BlackRock Canada Holdings ULC; BlackRock Asset Management Canada Limited; BlackRock Group Limited; BlackRock Luxembourg HoldCo S.à r.l.; BlackRock UK Holdco Limited; BlackRock Asset Management Schweiz AG; BlackRock Investment Management Ireland Holdings Limited; BlackRock Asset Management Ireland Limited; BlackRock (Singapore) Holdco Pte. Ltd.; BlackRock HK Holdco Limited; BlackRock Asset Management North Asia Limited.; BlackRock Investment Management (UK) Limited; BlackRock Fund Managers Limited; BlackRock Advisors (UK) Limited; BlackRock Holdco 4, LLC; BlackRock Holdco 6, LLC; BlackRock Fund Advisors; BlackRock Delaware Holdings, Inc.; BlackRock Institutional Trust Company, National Association; BlackRock International Limited; BlackRock Life Limited; BlackRock Australia Holdco Pty. Ltd.; BlackRock Investment Management (Australia) Limited; BlackRock (Netherlands) B.V.; BlackRock Capital Holdings, Inc. and BlackRock Advisors, LLC. None of these companies directly held 3.0% or more of the voting rights in the Guarantor at that date.
- (6) Indirect shareholdings as notified for July 23, 2019 based on a total number of 111,952,313 voting rights. AXA S.A. is the ultimate controlling entity of the following other companies listed in its group notification: Oudinot Participation S.A.; AXA America Holdings Inc; AXA Financial, Inc; AXA Equitable Financial Services LLC; AXA Equitable Life Insurance Company; Equitable Holding LLC; AllianceBernstein Corporation; and AllianceBernstein L.P. All shares with voting rights are directly held by AllianceBernstein L.P.

The Guarantor is not controlled by any shareholder.

Recent Developments and Outlook; Trend Information and No Adverse Change

By purchase agreement dated February 28, 2019, the Guarantor purchased an office property in Bonn (“*Westside Office*”) with a total lettable area of approximately 33,600 sqm. The property is completely let with a WALT of 6 years and tenants comprising a listed company as well as public administration. The total investment volume amounted to €88.8 million and the closing occurred on April 12, 2019.

On March 18, 2019, the Guarantor entered into a sale agreement for the disposal of a retail portfolio comprising 29 assets for a selling price of approximately €118.0 million. Based on portfolio value as of the signing date, 90% of these properties are located in Saxony, Saxony-Anhalt and Thuringia. Closing is expected to occur in October 2019.

On May 28, 2019, the Guarantor issued the 2019 Notes I in a total nominal amount of €600 million (see “—*Material Agreements—Financing Agreements of TLG—2019 Notes I*”). Approximately €144.3 million of the proceeds from the issuance of the 2019 Notes I were used to repay certain of TLG’s existing loan agreements with banks including the full repayment of a €58.7 million loan agreement with Deutsche Pfandbriefbank AG which would have matured later in the fiscal year 2019.

By resolution of the Management Board dated June 26, 2019, approved by the Supervisory Board on the same day, the Management Board resolved to increase the registered share capital of the

Guarantor by up to €8,500,000.00 to up to €111,884,729.00 against contribution in cash by issuing up to 8,500,000 new ordinary bearer shares with no par-value (*Stückaktien*), each with a notional value of €1.00 (the “**New Shares**”), while excluding subscription rights of existing shareholders.

On that same day, the Guarantor and Deutsche Bank und J.P. Morgan as joint bookrunners jointly set the price for the private placement at €26.13 per New Share (the “**Placement Price**”). The implementation of the capital increase for the issuance of the New Shares was registered in the commercial register of the local court (*Amtsgericht*) of Charlottenburg, Germany, on June 28, 2019. The New Shares were admitted to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with additional post-admission obligations (Prime Standard) on July 2, 2019 and the private placement of the New Shares in the form of an accelerated bookbuilding offering closed on the same date.

Following the placement of 8,500,000 New Shares at the Placement Price and payment of the discretionary fee, the Guarantor received gross proceeds of approximately €222.0 million and net proceeds of approximately €220.2 million from the private placement.

The Guarantor intends to use the net proceeds from the private placement for the financing of future growth and acquisitions in accordance with TLG’s investment strategy, while maintaining the target Net LTV of 45.0%.

On July 8, 2019, the Guarantor announced that it had conducted a revaluation of its total portfolio which led to an increase of the value of TLG’s existing portfolio as of June 30, 2019 by approximately €400 million. As a result of this revaluation, and taking into account the acquisition of the Westside Office property in Bonn which closed in April 12, 2019 (see “—*Material Agreements—Purchase and Sale Agreements—Westside Office in Bonn*”), TLG’s total portfolio value increased from approximately €4.1 billion as of March 31, 2019 to €4.6 billion as of June 30, 2019.

On September 1, 2019, the Guarantor announced that it has entered into the Share Purchase Agreement and the Option Agreement (see “—*Material Agreements—Purchase and Sale Agreements—Acquisition of Equity Stake in Aroundtown S.A.*”). Pursuant to the Share Purchase Agreement, the Guarantor has acquired an equity stake of 9.99% in the share capital of Aroundtown from Avisco for a total purchase price of €1,016 million. Under the Option Agreement, the Guarantor has a call right to purchase from Avisco, and Avisco has put right to sell to the Guarantor, an additional equity stake of up to 4.99% in the share capital of Aroundtown. In the case of the full exercise of the Option, the Guarantor’s shareholding in Aroundtown would increase from 9.99% to 14.99% making it the largest shareholder in Aroundtown. The purchase price per share of the Option is equal to the purchase price under the Share Purchase Agreement. The Option is exercisable by either party prior to February 28, 2020.

In connection with entering into the Share Purchase Agreement, the Guarantor has received a vendor loan from Avisco in an amount of €516 million (the “**Vendor Loan**”). The Vendor Loan was repaid in an amount of €200 million on September 13, 2019. Any amounts outstanding after that time must be repaid on November 2, 2019, subject to the option of the Guarantor to extend the term of the Vendor Loan until December 2, 2019.

On September 1, 2019, the Guarantor further announced that the Guarantor and Aroundtown will commence discussions in relation to a potential business merger in which the Guarantor intends to act as offeror (at an exchange ratio guided by the then prevailing EPRA NAV of the two companies,

subject to market conditions and mutual due diligence), or effect a different form of business combination as to be mutually agreed between the parties. TLG considers that a potential merger with Aroundtown could result in a long-term shareholder value creation from synergies and a further upside from joint development potential benefitting from best practice and knowledge sharing. Such newly merged company might have a leading position in the European commercial real estate sector, with a focus on offices and hotels in top tier German and Dutch cities with combined total assets in excess of €25 billion. TLG considers that such newly merged company might be able to attract an enhanced credit rating and provide for an increased free float and liquidity of its shares, as well as index weighting.

On September 6, 2019, the Guarantor as borrower entered into the Bridge Facilities Agreement with, amongst others, JPMorgan Chase Bank, N.A., London Branch as lender (see “—*Material Agreements—Financing Agreements of TLG—Bridge Facilities Agreement*”). As of the date of this Prospectus no loans are utilized under the Bridge Facilities Agreement.

On September 16, 2019 the Guarantor announced that it considered to issue the 2019 Notes II (see “—*Material Agreements—Financing Agreements of TLG—2019 Notes II*”). The proceeds from the issuance of the 2019 Notes II are expected to be used for the financing and/or refinancing of (i) the purchase price paid or to be paid for the 9.99% stake in the share capital of Aroundtown S.A. under the Share Purchase Agreement, and (ii) the price to be paid for the additional stake of up to 4.99% in the share capital of Aroundtown in case of the exercise of the Option.

Other than listed above, there have been no recent events particular to the Guarantor which are relevant to the evaluation of the Guarantor’s solvency. Between June 30, 2019 and the date of this Prospectus, no significant changes occurred in the financial or trading position, or in the financial performance of TLG.

Since December 31, 2018, there has been no material adverse change in the prospects of the Guarantor.

TAXATION

The following is a general discussion of certain German and Luxembourg tax consequences of the acquisition, ownership and disposal of the Notes offered by the Issuer. This discussion does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to purchase these Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of Germany and the Grand Duchy of Luxembourg (“**Luxembourg**”) currently in force and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive or retrospective effect.

Prospective purchasers of the Notes are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposal of the securities, including the effect of any state or local taxes, under the tax laws applicable in Germany, Luxembourg and each country of which they are residents.

Taxation in Germany

Income Tax

Notes Held by German Tax Residents as Private Assets

(a) Taxation of Interest

Payments of interest on the Notes to its Holders who are tax residents of Germany (*i.e.*, persons whose residence or habitual abode is located in Germany) are subject to German income tax (*Einkommensteuer*). In each case where German income tax arises, a solidarity surcharge (*Solidaritätszuschlag*) is currently levied in addition to such tax (for a discussion of the German government’s plans to (partially) abolish or reduce the solidarity surcharge in the future see below). Furthermore, church tax may be levied, where applicable. If interest claims are disposed of separately (*i.e.*, without the securities), the proceeds from the disposal are subject to income tax. The same applies to proceeds from the redemption of interest claims if the Notes are disposed of separately.

On payments of interest on the Notes to individual tax residents of Germany, income tax is generally levied as a flat income tax at a rate of 25% (plus the solidarity surcharge in an amount of 5.5% of such tax resulting in a total tax charge of 26.375%, and, if applicable, church tax). The total investment income of an individual will be decreased by a lump sum deduction (*Sparer-Pauschbetrag*) of €801.00 (€1,602.00 for married couples and registered partners filing jointly). A deduction of expenses actually incurred is excluded.

If the Notes are kept or administrated in a custodial account which the Holder of the Notes maintains with a German branch of a German or non-German credit institute (*Kreditinstitut*) or financial services institution (*Finanzdienstleistungsinstitut*) or with a securities trading business (*Wertpapierhandelsunternehmen*) or with a securities trading bank (*Wertpapierhandelsbank*) (each within the meaning of the German Banking Act (*Kreditwesengesetz*) in Germany (each a “**Disbursing Agent**”), the flat income tax will generally be levied by way of withholding at the aforementioned rate (including the solidarity surcharge and, if applicable, church tax) from the gross interest payment to be made by the Disbursing Agent. For Holders who are subject to church tax, an electronic information system for church withholding tax purposes applies in relation to investment income, with the effect that church tax will be collected by the Disbursing Agent by way of withholding unless the investor has

filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*) in which case the investor will be assessed to church tax.

In general, no withholding tax will be levied if the Holder of the Notes filed a withholding exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent, but only to the extent the interest income derived from the Notes, together with other investment income, does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, 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 relevant local tax office.

In computing the withholding tax, the Disbursing Agent generally deducts from the basis of the withholding tax negative investment income realized by a Holder via the Disbursing Agent (with the exception of losses on sales of Notes that may be offset against gains on sales of Notes). The Disbursing Agent also deducts accrued interest on the Notes or other securities paid separately upon the acquisition of the respective security by a private Holder via the Disbursing Agent. In addition, subject to certain requirements and restrictions the Disbursing Agent credits foreign withholding taxes levied on investment income in a given year regarding securities held by a private Holder in the custodial account with the Disbursing Agent.

If the Notes are kept or administrated in a custodial account abroad or if no Disbursing Agent is involved in the payment process, the Holder of the Notes will have to include its interest income on the Notes in its tax return and the flat income tax of 25% (plus the solidarity surcharge and, if applicable, church tax) will be collected by way of assessment.

Payment of the flat income tax by way of withholding will generally satisfy any income tax liability (including the solidarity surcharge and, if applicable, church tax) of the Holder of the Notes with respect to such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25% (*Günstigerprüfung*). A deduction of expenses actually incurred is also excluded in this case.

Please note that the coalition agreement between the German Christian Democratic and Christian Social Union, as well as with the German Social Democratic Party for the formation of a new German federal government provides that the flat tax regime shall be partially abolished for certain capital investment income, in particular interest income. That means however that income received by individual investors from the Notes may be taxed at individual progressive income tax rates of up to 45% in the future (plus a 5.5% solidarity surcharge thereon, unless (partially) abolished or reduced in the future, and church tax, if applicable to the individual investor). Besides this, the German government has published a draft bill pursuant to which the solidarity surcharge will be abolished for 90% of all tax payers and reduced for additional 6.5% of all taxpayers starting in calendar year 2021 depending on certain income thresholds.

(b) Taxation of Capital Gains

Capital gains realized by individual tax residents of Germany from the disposal or redemption of Notes are subject to the flat income tax on investment income at a rate of 25% (plus the solidarity surcharge in an amount of 5.5% of such tax, resulting in a total tax charge of 26.375%, and, if applicable, church tax), irrespective of any holding period.

Capital losses from the sale or redemption of the Notes held as private assets should generally be tax-recognized irrespective of the holding period of the Notes. According to the view of German tax authorities losses suffered upon a bad debt loss (*Forderungsausfall*) and a waiver of a receivable (*Forderungsverzicht*) (to the extent the waiver does not qualify as a hidden contribution) shall, in general, not be deductible for tax purposes. With respect to a bad debt loss the German Federal Tax Court has recently rejected the view of German tax authorities, but the Federal Ministry of Finance did not yet amend the corresponding statement relating to the aforementioned tax decree, which has to be applied by the Disbursing Agent for withholding tax purposes. According to a draft bill by the German government published on August 8, 2019, the view of German tax authorities shall be adopted by law.

Any tax-recognized capital losses may not be used to offset other income like employment or business income but may only be offset against investment income subject to certain limitations. Losses not utilized in one annual assessment period may be carried forward into subsequent assessment periods but may not be carried back into preceding assessment periods. Individual investors are entitled to a lump sum deduction (*Sparer-Pauschbetrag*) of €801.00 (€1,602.00 for married couples and registered partners filing jointly). The lump sum deduction is considered for purposes of the withholding tax, if the investor has filed a withholding tax exemption request (*Freistellungsauftrag*) with the respective Disbursing Agent. A deduction of expenses actually incurred is excluded.

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 as the Notes. In particular, such a substitution could result in the recognition of a taxable gain or loss for any Holder of a Note. The Substitute Debtor is obligated to indemnify each Holder for any tax incurred by such Holder as a result of a substitution of the Issuer pursuant to the rules set forth in “*Terms and Conditions of the Notes—§14 Substitution*”. The indemnities to be paid may constitute taxable income.

If the Notes are kept or administrated in a custodial account which the Holder of the Notes maintains with a Disbursing Agent, the flat income tax will generally be levied by way of withholding from the difference between the redemption amount (or the proceeds from the disposal) after deduction of expenses directly related to the redemption (or disposal) and the issue price (or the purchase price) of the Notes. If Notes kept or administrated in the same custodial account were acquired at different points in time, the Notes first acquired will be deemed to have been sold first for the purposes of determining the capital gains (FIFO method). The FIFO method is applied on the level of the individual custodial account. Where Notes are acquired and/or sold in a currency other than Euro, the sales price and the acquisition costs have to be converted into Euro on the basis of the foreign exchange rates prevailing on the sale date and the acquisition date respectively with the result that any currency gains or losses are part of the capital gains. If interest claims are disposed of separately (*i.e.* without the Notes), the proceeds from the disposal are subject to taxation. The same applies to proceeds from the payment of interest claims if the Notes have been disposed of separately.

If the Notes have been transferred to the custodial account of the Disbursing Agent only after their acquisition, and the previous account bank or the Holder of the Notes are not allowed or able to provide evidence on the acquisition data, withholding tax will be levied by the Disbursing Agent on 30% of the proceeds from the disposal or redemption of the Notes. The transfer of the Notes to the custodial account of another person is considered as a disposal of the Notes and withholding tax will be levied from the difference between the stock market price and the issue price of the Notes, minus the costs of transfer. If a stock market price is not available, withholding tax will be levied on 30% of the

issue price. The Holder of the Notes can avoid the levy of withholding tax by informing the Disbursing Agent that the Notes were transferred free of charge.

If no Disbursing Agent is involved in the payment process, the Holder of the Notes will be required to include capital gains from the disposal or redemption of the Notes in its tax return and the flat income tax of 25% (plus the solidarity surcharge and, if applicable, church tax) will be collected by way of assessment. The same applies if the withholding tax on a disposal or redemption has been calculated from 30% of the disposal proceeds and the capital gain calculated on the basis of the actual acquisition costs of the Notes is higher than the basis for the withholding tax.

Otherwise, the considerations on the withholding tax implications for interest income on the Notes apply accordingly for withholding tax on capital gains from a sale, redemption or other disposal of the Notes.

Notes Held by German Tax Residents as Business Assets

Payments of interest on the Notes and capital gains from the disposal or redemption of Notes held as business assets by German tax resident individuals or corporations (including via a partnership, as the case may be), are generally subject to German income tax (*Einkommensteuer*) or German corporate income tax (*Körperschaftsteuer*) (in each case, plus the solidarity surcharge and, if applicable, church tax in case of individuals). The interest and capital gain will also be subject to German trade tax (*Gewerbesteuer*) if the Notes form part of the property of a German trade or business. The trade tax rate depends on the municipal multiplier of the respective municipality.

If the Notes are kept or administrated in a custodial account which the Holder of the Notes maintains with a Disbursing Agent, tax at a rate of 25% (plus the solidarity surcharge and, if applicable, church tax in case of individuals) will also be withheld from interest payments on Notes held as business assets. In these cases, the withholding tax does not satisfy the income tax liability of the Holder of the Notes, as in the case of the Notes held by tax residents as private assets but will be credited as advance payment against the income or corporate income tax liability (plus the solidarity surcharge and, if applicable, church tax in case of individuals) of the Holder of the Notes.

Generally and subject to further requirements, no withholding will be required with regard to capital gains derived from Notes held by corporations resident in Germany, provided that, regarding certain legal entities, the legal form of the corporation has been evidenced by a certificate of the competent tax office. Upon application, the same applies to Notes, held as business assets by individuals or partnerships.

Notes Held by Non-German Tax Residents

In general, interest and capital gains are not subject to German taxation for non-residents (*i.e.*, persons having neither their residence nor their habitual abode nor legal domicile nor place of effective management in Germany), unless the Notes form part of the business property of a permanent establishment (*Betriebsstätte*) or business for which a permanent representative (*ständiger Vertreter*) in Germany has been appointed. Interest or capital gains may, however, be subject to German income tax if the capital investments are secured by real estate situated in Germany, or if they otherwise constitute taxable income in Germany.

Non-German tax residents are, in general, exempt from German withholding tax on interest and capital gains and from any solidarity surcharge thereon. However, if the interest or capital gain is subject to German taxation, as set forth in the preceding paragraph, and the Notes are kept or administrated in a custodial account with a Disbursing Agent, withholding tax will be levied as explained above under “—Notes Held by German Tax Residents as Private Assets” or under “—Notes Held by German Tax Residents as Business Assets”, respectively.

Inheritance and Gift Tax

No inheritance or gift taxes with respect to any securities will generally arise under the laws of Germany, if, in the case of inheritance tax, neither the decedent nor the beneficiary, or in the case of gift tax, neither the donor nor the donee, is a resident of Germany and such securities are 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 to this rule apply to certain German citizens who previously maintained a residence in Germany.

Other Taxes

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the Notes. Currently, neither a net assets tax (*Vermögenssteuer*) nor a financial transfer tax is levied in Germany.

Taxation in Luxembourg

This summary is of a general nature only and does therefore not purport to be a complete analysis of all possible tax situations that may be relevant to an investment decision. This summary is based upon the Luxembourg law and regulations as in effect and as interpreted by the Luxembourg tax authorities on the date of this Prospectus and is subject to any amendments in law (or in interpretation) later introduced, whether or not on a retroactive basis. As the taxation consequences of holding any Notes will depend on the terms and conditions of those Notes as well as the statutes of the individual investors, prospective investors should consult their professional advisers with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject and as to their tax position.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) as well as personal income tax (*impôt sur le revenu*) generally. Investors may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income taxes, municipal business tax, the solidarity surcharge, as well as the net wealth tax invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Taxation of the holders of Notes

Withholding Tax

(a) Non-resident holders of Notes

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident Holders, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident Holders.

(b) Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of December 23, 2005, as amended (the “**Relibi Law**”), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident Holders, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident Holders.

Under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Relibi Law will be subject to a withholding tax at a rate of 20%, if paid by such Luxembourg paying agent.

Under the Relibi Law, Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 20% withholding tax on interest payments made by foreign paying agents, if these are located in member state of the European Union other than Luxembourg, or in a member state of the EEA (other than an EU Member State, and except Luxembourg).

Income Tax

(a) Non-resident holders of Notes

A non-resident Holder, not having a permanent establishment or permanent representative in Luxembourg to which/whom such Notes are attributable, is not subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes. A gain realized by such non-resident holder of Notes on the sale or disposal, in any form whatsoever, of the Notes is further not subject to Luxembourg income tax.

A non-resident corporate Holder or an individual Holder acting in the course of the management of a professional or business undertaking, who has a permanent establishment, permanent representative or permanent base in Luxembourg to which or to whom such Notes are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes and on any gains realised upon the sale or disposal, in any form whatsoever, of the Notes.

(b) Resident holders of Notes

Holders who are residents of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

A resident corporate Holder that is governed by the law of May 11, 2007 on family estate management companies, as amended, or by the law of December 17, 2010 on undertakings for collective investment, as amended, by the law of February 13, 2007 on specialized investment funds, as amended, or by the law of July 23, 2016 on reserved alternative investment funds, as amended, and which does not fall under the special tax regime set out in article 48 thereof is neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realized on the sale or disposal, in any form whatsoever, of the Notes. Other resident corporate Holders must include any interest received or accrued, as well as any gain realized on the sale or disposal, in any form whatsoever, of the Notes in their taxable income for Luxembourg income tax assessment purposes.

An individual holder of Notes, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax at progressive rates in respect of interest received, redemption premiums or issue discounts, under the Notes, except if (i) withholding tax has been levied by a Luxembourg paying agent (within the meaning of the Relibi Law) on such payments in accordance with the Relibi Law, or, in the absence of such Luxembourg paying agent, (ii) the individual Holder has opted for the application of a 20% tax in full discharge of income tax in accordance with the Relibi Law, which can be opted for through self-declaration if a payment of interest has been made or ascribed by a paying agent established in a member state of the European Union (other than Luxembourg), or in a member state of the EEA (other than member state of the European Union, and except Luxembourg). A gain realized by an individual Holder, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of Notes is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the Notes were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax, except if tax has been levied on such interest in accordance with the Relibi Law.

An individual Holder acting in the course of the management of a professional or business undertaking must include any income deriving under the Notes in its taxable basis. If applicable, the tax levied in accordance with the Relibi Law will be credited against his/her final tax liability.

Net Wealth Taxation

A corporate Holder, whether it is a resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which/whom such Notes are attributable, is subject to Luxembourg wealth tax on such Notes, except if the Holder of Notes is governed by the law of May 11, 2007 on family estate management companies, as amended, by the law of December 17, 2010 on undertakings for collective investment, as amended, by the law of February 13, 2007 on specialized investment funds, as amended, by the law of July 23, 2016 on reserved alternative investment funds, as amended, or by the law of July 13, 2005 on professional pension institutions, as amended, or is a securitization company governed by the law of March 22, 2004 on securitization, as amended, or is a capital company governed by the law of June 15, 2004 on venture capital vehicles, as amended. Please note, however, that securitization companies governed by the law of March 22, 2004 on securitization, as amended, or capital companies governed by the law of June 15,

2004 on venture capital vehicles, as amended, or reserved alternative investment funds governed by the law of July 23, 2016, as amended, and which fall under the special tax regime set out under article 48 thereof or of the professional pension institutions governed by the law of July 13, 2005, as amended, may, under certain conditions, be subject to minimum net wealth tax.

An individual Holder, whether he/she is a resident of Luxembourg or not, is not subject to Luxembourg wealth tax on the Notes.

Taxation of the Issuer

The Issuer will be considered a fiscal resident of Luxembourg from a Luxembourg income tax law perspective and for double tax treaties purposes, and should therefore be able to obtain a residence certificate from the Luxembourg tax authorities.

The Issuer will be liable for Luxembourg corporation taxes. The current standard applicable rate in Luxembourg city, including corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*) and solidarity taxes, is 24.94%. Liability for such corporation taxes extends to the Issuer's worldwide profits including capital gains, subject to the provisions of any relevant double taxation treaty. The taxable income of the Issuer is computed by application of all rules of the Luxembourg income tax law of December 4, 1967, as amended (*loi concernant l'impôt sur le revenu*), as commented on and currently applied by the Luxembourg tax authorities.

Under certain conditions, dividends received by the Issuer from qualifying participations and capital gains realized by the Issuer on the sale of qualifying participations may be exempt from Luxembourg corporation taxes under the Luxembourg participation exemption regime. If the Notes qualify as debt under Luxembourg tax law the Issuer may further deduct from its taxable profits interest payments made to the Holders to the extent that such interest exceeds any exempt income derived from participations financed with the Notes and qualifying under the Luxembourg participation exemption regime. Furthermore, should the Notes finance qualifying participations under the Luxembourg participation exemption regime, any interest having reduced the taxable basis of the Issuer may be subject to recapture upon disposal of the qualifying participations by reducing the exempt amount of capital gains. As from 2019, interest barrier rules apply in respect of the deductibility of 'exceeding borrowing costs' (generally, the excess of interest expenses over interest income) to the higher of (i) 30% of the Issuer's EBITDA (which does not include exempt income) for the financial year and (ii) €3 million (as a "safe harbor" provision). As long as the activities of the Issuer are limited to financing activities (as is intended), these interest barrier rules should not have adverse tax consequences in the hands of the Issuer, assuming the Issuer will incur interest expenses corresponding to its interest income less its taxable arm's length remuneration, and consequently no exceeding borrowing costs are expected to arise.

Other Taxes

In principle, neither the issuance nor the transfer, repurchase or redemption of Notes will give rise to any Luxembourg registration tax or similar taxes.

However, a fixed or *ad valorem* registration duty may be due upon the registration of the Notes in Luxembourg in the case where the Notes are physically attached to a public deed or to any other

document subject to mandatory registration, as well as in the case of a registration of the Notes on a voluntary basis.

Where a Holder is a resident of Luxembourg for tax purposes at the time of his/her death, the Notes are included in his/her taxable estate for inheritance tax assessment purposes.

Gift tax may be due on a gift or donation of Notes if embodied in a Luxembourg deed passed in front of a Luxembourg notary or recorded in Luxembourg.

Automatic Exchange of Information for Tax Purposes

FATCA

The provisions of the Foreign Account Tax Compliance Act, commonly known as “**FATCA**”, established under the Hiring Incentives to Restore Employment Act generally impose, as from 2014, a new reporting regime and potentially a 30% withholding tax with respect to (i) certain U.S. source “**FDAP**” income (including dividends and interest) (“**Withholdable Payments**”) and (ii) (possibly, in the future) a portion of certain non-U.S. source payments from non-US entities that have entered into FFI Agreements (as defined below) to the extent attributable to Withholdable Payments (“**Passthru Payments**”). As a general matter, the new rules are designed to require U.S. persons' direct and indirect ownership of non-U.S. accounts and non-U.S. entities to be reported to the Internal Revenue Service (“**IRS**”). The 30% withholding tax regime applies if there is a failure to provide required information regarding US ownership.

Generally, the new rules subject all Withholdable Payments and (future) Passthru Payments received by a foreign financial institution (an “**FFI**”) to 30% withholding tax (including the share that is allocable to non-US investors) unless the FFI enters into an agreement with the IRS (an “**FFI Agreement**”) or complies with the terms of an applicable intergovernmental agreement (an “**IGA**”).

Under an FFI Agreement or an applicable IGA, an FFI (denominated a “**Reporting Financial Institution**” or “**RFI**” under an IGA) generally will be required to provide information and (outside an IGA “Model-1” context) waivers of non-US law to comply with the provisions of the new rules, including information regarding its direct and indirect US accountholders.

Likewise, most jurisdictions in the European Union (and many jurisdictions outside the European Union), the governments of Germany, the United Kingdom and Luxembourg entered into a “Model-1” IGA with the United States regarding FATCA. Under these IGA, as currently drafted, an FFI generally should not be subject to withholding or be required to withhold amounts on payments it makes under FATCA (except regarding certain payments made to “Non-Participating FFI”; however then only in the presence of U.S. source “FDAP” income being attributed directly to the account holders, or, possibly, as from a certain moment in the future, regarding indirect payments of such US source “FDAP” income, should the future Passthru Payment system be introduced. It should be noted that based on the latest proposals issued on December 13, 2018, the IRS and the U.S. Treasury have determined, at least for now, that withholding on foreign Passthru Payments is not required, pending further guidance and analysis, meaning this system is suspended until further notice).

Additionally, under an IGA, an FFI does not have to enter into an FFI Agreement with the IRS and instead is required to obtain information regarding accountholders and report such information to the local government, which, in turn, would report such information to the IRS.

In the case at hand, one or several parties located in Germany, the United Kingdom and/or Luxembourg could qualify as RFI under the respective IGA concluded by these countries.

Investors (entities and individuals) opening an “account” (within the meaning of such applicable IGA) with such RFI with an aim to subscribe to the Notes will be required to self-certify their FATCA classification and provide certain other identification data to such RFI through self-certification forms upon subscription. In the absence of valid self-certification, such subscription cannot be accepted by the RFI. Depending of the respective FATCA status of the subscribers, the RFI may be obliged to report certain identification and financial information on certain subscribers and possibly their controlling persons to the local government under the applicable IGA (notably on subscribers that qualify as “Specified U.S. Persons” and on controlling persons of entity subscribers, where these entities qualify as “Passive NFFE” and one or several of their controlling persons qualify as “Specified U.S. Persons”). The latter governments would then be in charge of transmitting such information to the competent US authorities under the applicable IGA.

In the (unlikely) event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

Each prospective investor should consult its own tax advisors regarding the requirements under FATCA with respect to its own situation.

Common Reporting Standard

The common reporting standard framework was first published by the Organization for Economic Co-operation and Development (“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 July 21, 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 June 25, 2019, 106 jurisdictions, including all member states of the European Union, 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.

Under the CRS, “Reporting Financial Institutions” or “RFI” (as defined in the CRS) resident in a CRS country are 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. The CRS includes a requirement to look through entities qualifying as “Passive NFE” to classify and report on the relevant controlling persons.

As of January 1, 2016, the CRS has been implemented within the European Union through Council Directive 2014/107/EU of December 9, 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation, as amended (the “**CRS Directive**”), as transposed into national law by the member states of the European Union. In the case at hand, one or several parties located in Germany, the United Kingdom and/or Luxembourg could qualify as RFI under the CRS Directive.

Holders opening an “account” (within the meaning of the CRS Directive) with such RFI, with an aim to subscribe to the Notes, will be required to self-certify their CRS classification, including amongst others their tax residence country(ies) and Tax Identification Number(s), and provide certain other identification data to such RFI through self-certification forms upon subscription. In the absence of valid self-certification, such subscription cannot be accepted by the RFI. Depending of the respective CRS status and tax residence country(ies) of the subscribers, the RFI may be obliged to report certain identification and financial information on certain subscribers and possibly their controlling persons to the local government under the CRS Directive, as transposed in the relevant country of the RFI. The latter local governments would then be in charge of transmitting such information to the competent authorities of the governments of the respective reportable jurisdictions.

Prospective investors are advised to seek their own professional advice in relation to the CRS Directive. Non-compliance with the CRS rules may be sanctioned by fines imposed upon the Issuer.

The Proposed Financial Transactions Tax

The European Commission and certain member states of the European Union (including Germany) currently intend to introduce an FTT. On February 14, 2013, the Commission published a proposal for a Council Directive that focusses on levying an FTT of 0.1% (0.01% for derivatives) on secondary market transactions in securities involving at least one financial intermediary.

The FTT proposal is still subject to negotiation between the Participating Member States and full details are not available. Therefore, it is currently uncertain whether and when the proposed FTT will be enacted by the Participating Member States and when it will take effect with regard to dealings in the Notes. The proposal may be altered prior to any implementation and other member states may decide to participate. Prospective Holders are advised to seek their own professional advice in relation to the FTT.

According to the coalition agreement between the German Christian Democratic and Christian Social Union, as well as with the German Social Democratic Party, the current German government still has the intention to introduce a FTT. Additionally, in June 2018, Germany and France agreed to further pursue the implementation of a FTT in the EU for which the current French financial transaction tax (which is mainly focused on transactions regarding shares in listed companies with a market capitalization of more than EUR 1 billion) could serve as a role model.

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.

SUBSCRIPTION AND SALE

Subscription

On or about September 20, 2019, the Issuer, the Guarantor, and the Joint Bookrunners will enter into a subscription agreement (the “**Subscription Agreement**”). Under the Subscription Agreement, the Issuer will agree to issue and sell to the Joint Bookrunners, and the Joint Bookrunners will agree, subject to certain customary closing conditions, to subscribe to and pay for the Notes on September 23, 2019. The Issuer has agreed to pay certain fees to the Joint Bookrunners and to reimburse the Joint Bookrunners for certain expenses incurred in connection with the issuance of the Notes.

Under certain circumstances, the Joint Bookrunners may terminate the Subscription Agreement. In such event, no Notes will be delivered to investors. Furthermore, the Issuer and the Guarantor will agree to indemnify the Joint Bookrunners against certain liabilities it may incur in connection with the offer and sale of the Notes.

From time to time, the Joint Bookrunners or their respective affiliates have provided, and expect to provide in the future, investment services to the Guarantor and/or its affiliates (including the Issuer), for which the Joint Bookrunners or their respective affiliates have received or will receive customary fees and commissions.

Selling Restrictions

General

The Joint Bookrunners have acknowledged that no representation is made by the Issuer, the Guarantor, or any of the Joint Bookrunners that any action has been or will be taken in any jurisdiction that would permit a public offering of the Notes, or possession or distribution of this Prospectus or any other materials relating to the Notes, in any country or jurisdiction where further action for that purpose would be required. Each Joint Bookrunner has undertaken to comply, to the best of its knowledge and belief, in all material respects with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Notes, or has in its possession or distributes this Prospectus or any such other materials, in all cases at its own expense.

United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in accordance with Regulation S or pursuant to an exemption from, or in transactions not subject to, the registration requirements of the Securities Act.

The Joint Bookrunners have represented, warranted and undertaken that they have not offered or sold, and will not offer or sell, the Notes constituting part of their respective allotment within the United States, except in accordance with Rule 903 of Regulation S. Accordingly, the Joint Bookrunners have further represented, warranted and undertaken that neither they, nor their respective affiliates, nor any persons acting on their behalf, have engaged or will engage in any directed selling efforts with respect to the Notes. Terms used in this paragraph shall have the meaning ascribed to them by Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in transactions permitted by U.S. tax regulations. Terms used in this paragraph shall have the meaning ascribed to them by the United States Internal Revenue Code of 1986, as amended, and applicable regulations thereunder.

European Economic Area

Each Joint Bookrunner has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision the expression retail investor means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Each of the Joint Bookrunners has represented and agreed that:

- (i) 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 the Notes in circumstances in which Section 21 para. 1 of the FSMA does not apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

Singapore

Each Joint Bookrunner has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Bookrunner has represented, warranted and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the 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 the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, 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:

- (i) 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
- (ii) 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 or securities-based derivatives contracts (each term as defined in Section 2(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:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

GENERAL INFORMATION

This Prospectus constitutes a prospectus within the meaning of Article 3 para. 3 of the Prospectus Regulation and has been prepared in accordance with Article 6 para.3 of the Prospectus Regulation. This Prospectus has been approved by the CSSF, as the competent authority for such approval under the Prospectus Regulation. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should neither be considered as an endorsement of the Issuer or the Guarantor that are the subject of this Prospectus nor of the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. This Prospectus will be published in electronic form on the website of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) (www.bourse.lu). By approving this Prospectus, the CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by the prospectus or the quality or solvency of the Issuer and the Guarantor.

Notice to Prospective Investors in the European Economic Area

This Prospectus has been prepared on the basis that all offers of Notes will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus in connection with offers of Notes and is therefore, for the purposes of the offering of the Notes, not a prospectus within the meaning of the Prospectus Regulation. Accordingly, any person making or intending to make any offer of Notes within the EEA should only do so in circumstances in which no obligation arises for the Issuer, the Guarantor, or the Joint Bookrunners to produce a prospectus for such offers. Neither the Issuer, the Guarantor, nor the Joint Bookrunners have authorized, nor do they authorize, any offer of Notes through any financial intermediary, other than offers made by the Joint Bookrunners, which constitute the final placement of the Notes contemplated in this Prospectus.

Notice to Prospective Investors in the United Kingdom

In the United Kingdom, this Prospectus is for distribution to Relevant Persons only. This Prospectus is directed only at Relevant Persons and may not be acted or relied on by persons who are not Relevant Persons. In the United Kingdom, any investment or investment activity to which this Prospectus relates is only available to Relevant Persons and will only be engaged in with Relevant Persons.

Interests of Natural and Legal Persons Involved in the Issue

The Joint Bookrunners have entered into a contractual relationship with the Issuer and the Guarantor in connection with the issuance of the Notes.

In addition, in the ordinary course of their business activities, the Joint Bookrunners and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer, the Guarantor, or their affiliates. The Joint Bookrunners and their respective affiliates that have a lending relationship with the Issuer and the Guarantor routinely hedge their credit exposure to the Issuer and the Guarantor, as applicable, consistent with their customary risk management policies. Typically, the Joint Bookrunners and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit

default swaps or the creation of short positions in securities, potentially including the Notes. Any such short positions could adversely affect future trading prices of the Notes.

The Joint Bookrunners and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities or instruments.

Authorization and Issue Date

The issuance of the Notes was authorized by the board of managers of the Issuer and by the Guarantor, in its capacity as sole shareholder of the Issuer, on September 17, 2019. The issuance of the Notes as well as the giving of the Subordinated Guarantee was authorized by the Management Board and by the Committee for Capital Markets and Acquisitions (*Ausschuss für Kapitalmarkt und Akquisitionen*) of the Supervisory Board on September 17, 2019. The Issue Date of the Notes is September 23, 2019.

Use of Proceeds

The net proceeds from the issuance of the Notes, estimated by the Issuer to be approximately €590.3 million will be on-lent by the Issuer to the Guarantor. TLG expects the net proceeds to be used for the financing and/or refinancing of (i) the purchase price paid or to be paid for the 9.99% stake in the share capital of Aroundtown S.A. under the Share Purchase Agreement, and (ii) the price to be paid for the additional stake of up to 4.99% in the share capital of Aroundtown in case of the exercise of the Option.

Delivery of Notes

Delivery and payment of the Notes will be made on the Issue Date (*i.e.*, September 23, 2019). The Notes so purchased will be delivered via book-entry delivery through the Clearing System and their depository banks against payment of the issue price.

Costs and Expenses Relating to the Purchase of Notes

The Issuer will not directly charge any costs, expenses or taxes to any investor in connection with the Notes. However, Investors should inform themselves about any costs, expenses or taxes in connection with the Notes which are generally applicable in their respective country of residence, including any charges their own depository banks may charge them for purchasing or holding Notes.

Listing and Admission to Trading of the Notes

Application has been made to the Luxembourg Stock Exchange (*Bourse de Luxembourg*) for the Notes to be listed on the official list of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*). The regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) is a regulated market for purposes of Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended.

The admission to trading is expected to be granted on or around September 23, 2019. The expenses in connection with the admission to trading are expected to amount to approximately €25,000.00.

Clearing System and Security Codes

The Notes will be accepted for clearance through:

Clearstream Banking S.A.

42 Avenue JF Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

and

Euroclear Bank SA/NV

1 Boulevard du Roi Albert II
1210 Brussels
Kingdom of Belgium

The Notes have the following securities codes:

International Securities Identification Number (ISIN)XS2055106210

Common Code205510621

German Securities Identification Number (WKN)A2R77Q

Ratings¹ of the Guarantor and the Notes

Moody's² has assigned the long-term rating "Baa2"³ (positive outlook) to the Guarantor; S&P⁴ has assigned the long-term rating "BBB"⁵ (positive outlook) to the Guarantor.

¹ A credit rating assesses the creditworthiness of an entity and informs an investor therefore about the probability of the entity being able to redeem invested capital. It is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

² Moody's is established in the European Community and is registered under the CRA Regulation. The European Securities and Markets Authority publishes on its website (www.esma.europa.eu/page/list-registered-and-certified-CRAs) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Articles 16, 17 or 20 of the CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

³ Moody's defines "Baa2" as follows: "Obligations rated Baa2 are judged to be medium-grade and subject to moderate default 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-PD through Caa-PD (*e.g.*, Aa1-PD). 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."

⁴ S&P is established in the European Community and is registered under the CRA Regulation.

⁵ S&P defines "BBB" 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 weaken the obligor's capacity to meet its financial commitments."

The Notes are expected to be rated “Ba1”⁶ by Moody’s and “BB+”⁷ by S&P.

Credit ratings have been assigned to the Guarantor and the Notes at the request of the Issuer.

Indication of Yield

The yield in respect of the Notes from the Issue Date to the First Call Date is 3.625% *per annum*, 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.

Documents Available

For the term of the Prospectus, the following documents will be available and can be inspected on the website of the Group under the link: www.tlg.de/ir/anleihen (information on the website of the Group (www.tlg.de) does not form part of the Prospectus and has not been scrutinized or approved by the CSSF as the competent authority, unless that information is incorporated by reference):

- (i) the articles of association of the Issuer;
- (ii) the Articles of Association (of the Guarantor);
- (iii) a copy of this Prospectus prepared for the purposes of the Listing and any supplement thereto;
- (iv) the documents incorporated by reference; and
- (v) the Subordinated Guarantee.

⁶ Moody’s defines “Ba1” as follows: “Obligations rated Ba are judged to be speculative and subject to substantial credit risk. Moody’s appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa-PD through Caa-PD (*e.g.*, Aa1-PD). 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.”

⁷ S&P defines “BB+” as follows: “Obligations rated BB are regarded as having significant speculative characteristics”. BB indicates the least degree of speculation and C the highest. S&P applies the modifiers (+) and (-) to show relative standing within the rating categories.”

DOCUMENTS INCORPORATED BY REFERENCE

The pages set out below, which are extracted from the following documents, shall be deemed to be incorporated in, and form part of, this Prospectus: (i) the Guarantor's German-language Half-Year Financial Report as of June 30, 2019 (www.tlg.de/halbjahresbericht_2019); (ii) the Guarantor's German-language Annual Report 2018 (www.tlg.de/finanzbericht_2018) and (iii) the Guarantor's German language Annual Report 2017 (www.tlg.de/finanzbericht_2017).

The Guarantor's unaudited condensed consolidated interim financial statements as of and for the six months ended June 30, 2019 incorporated by reference were prepared in accordance with IFRS on interim financial reporting (IAS 34). The review report (*Bescheinigung nach prüferischer Durchsicht*) with respect to the Guarantor's unaudited condensed consolidated interim financial statements as of and for the six months ended June 30, 2019 incorporated by reference refer to the unaudited condensed consolidated interim financial statements and the respective group interim report, as a whole, and not solely to the unaudited condensed consolidated interim financial statements incorporated by reference. The Guarantor's audited consolidated financial statements as of and for the fiscal years ended December 31, 2018 and 2017, respectively, incorporated by reference were prepared in accordance with IFRS and the additional requirements of German commercial law pursuant to Section 315e para. 1 HGB. The independent auditor's reports (*Bestätigungsvermerke des unabhängigen Abschlussprüfers*) with respect to the Guarantor's consolidated financial statements as of and for the fiscal years ended December 31, 2018 and 2017, respectively, incorporated by reference refer to the consolidated financial statements and the respective report on the position of the Guarantor and TLG, in each case as a whole, and not solely to the consolidated financial statements incorporated by reference.

Any information not incorporated by reference in this Prospectus but contained in one of the documents mentioned as source documents in the cross reference list below is either not relevant for the investor or covered in another part of this Prospectus.

In respect of the documents incorporated by reference, the German language is controlling and binding in relation to the documents listed in the table of documents incorporated by reference. The Guarantor's published English-language Half-Year Financial Report as of June 30, 2019 (www.tlg.de/half-year_report_2019) and the Guarantor's English-language Annual Report 2018 (www.tlg.de/annual_report_2018) and English-language Annual Report 2017 (www.tlg.de/annual_report_2017) are translations of the respective German-language versions and are not incorporated by reference in, and do not form part of, this Prospectus.

Upon written or oral request, the Issuer will provide a copy of any or all of the documents incorporated by reference free of charge. Requests for such documents should be directed to the Issuer at its registered office as set out at the end of this Prospectus. Furthermore, the documents incorporated by reference have been published on the Issuer's website under the links provided above and will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Table of documents incorporated by reference:

(1) Unaudited German-language Condensed Consolidated Interim Financial Statements of the Guarantor as of and for the Six Months ended June 30, 2019 and German-language Review Report thereon, extracted from the German-language Half-Year Financial Report as of June 30, 2019

Consolidated Statement of Comprehensive Income	page 23
Consolidated Statement of Financial Position	page 24
Consolidated Cash Flow Statement	page 25
Consolidated Statement of Changes in Equity	page 26
Condensed Notes to the Consolidated Interim Financial Statements..	pages 27 to 35
Review Report.....	Page 36

(2) Audited German-language Consolidated Financial Statements of the Guarantor as of and for the Fiscal Year ended December 31, 2017 and German-language Independent Auditor's Report thereon, extracted from the German-language Annual Report 2017

Consolidated Statement of Comprehensive Income	page 98
Consolidated Statement of Financial Position	page 99
Consolidated Cash Flow Statement	page 100
Consolidated Statement of Changes in Equity	page 101
Notes to the Consolidated Financial Statements	pages 102 to 145
Independent Auditor's Report.....	page 146 to 154

(3) Audited German-language Consolidated Financial Statements of the Guarantor as of and for the Fiscal Year ended December 31, 2018 and German-language Independent Auditor's Report thereon, extracted from the German-language Annual Report 2018

Consolidated Statement of Comprehensive Income	page 104
Consolidated Statement of Financial Position	page 105
Consolidated Cash Flow Statement	page 106
Consolidated Statement of Changes in Equity	page 107
Notes to the Consolidated Financial Statements	pages 108 to 146
Independent Auditor's Report.....	page 147 to 154

ISSUER'S OPENING BALANCE SHEET, PROFIT AND LOSS ACCOUNT AND FINANCIAL NOTES

The Issuer is a newly incorporated company that has not yet commenced operations. The date of the Issuer's incorporation is July 16, 2019. No historical financial statements of the Issuer have been made up as of the date of this Prospectus, except for the opening balance sheet of the Issuer as of July 16, 2019, the profit and loss account of the Issuer for the period ended on July 16, 2019 and the notes to the financial information prepared in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial information (*Luxembourg GAAP*) which are set out below.

Balance sheet of the Issuer as of July 16, 2019:

	As at July 16, 2019 (in €)
Assets	
Current Assets	
Cash at bank and in hand.....	100,000.00
Total Assets	100,000.00
Capital, Reserves and Liabilities	
Capital and Reserves	
Subscribed capital	25,000.00
Share premium account	75,000.00
Profit or loss for the financial year	(1,325.31)
	98,674.69
Creditors	
Total creditors becoming due and payable within one year	1,325.31
Total Capital Reserves and Liabilities	100,000.00

Profit and loss account of the Issuer for the period ended on July 16, 2019:

	For the period from July 16, 2019 until July 16, 2019 (in €)
Raw materials and consumables and other external expenses.....	(1,325.31)
Profit or loss for the financial year	(1,325.31)

Notes to the financial information as at July 16, 2019:

Note 1 – General

TLG Finance S.à r.l. (the “Company”) was incorporated on July 16, 2019 as a “société à responsabilité limitée”, within the definition of the Luxembourg law of August 10, 1915 on commercial companies, as amended, for an unlimited period of time.

The registered office of the Company is established at 51, Boulevard Grande-Duchesse Charlotte, L-1331 Luxembourg.

According to the Company’s articles of association, the financial year starts on January 1st and ends on December 31st of each year, except for its first financial year, which starts on July 16, 2019 and ends on December 31, 2019.

The purpose of the Company is to provide to any company in which it holds a direct or indirect participation or right of any kind or which form part of the same group of companies as the Company, any and all financial assistances including but not limited to providing loans, advances, guarantees, raising investments and loans from financial or other institutions.

The Company may grant loans to, as well as guarantees or security for the benefit of third parties to secure obligations of, companies in which it holds a direct or indirect participation or right of any kind or which form part of the same group of companies as the Company, or otherwise assist such companies.

The Company may raise funds through borrowing in any form or by issuing any kind of notes, securities or debt instruments, bonds and debentures and generally issue securities of any type (including any debt, equity and/or hybrid securities in accordance with Luxembourg law). Non-equity securities may also be issued to the public and/or may be listed, admitted to trading or otherwise registered on any stock exchange, trading platform or other negotiation facility. The Company may not publicly issue shares.

The Company may carry out any commercial, industrial or financial activities which it considers useful for the accomplishment of these purposes.

Note 2 – Principles, rules and valuation methods

2.1 General principles

This financial information is prepared in conformity with the Luxembourg legal and regulatory requirements and according to generally accepted accounting principles applicable in Luxembourg. The accounting policies and valuation principles are, apart from those enforced by the law, determined and applied by the Management.

2.2 Significant rules and valuation methods

The significant valuation rules of the Company can be summarised as follows:

2.2.1 *Cash at bank and in hand*

Cash at bank and in hand is valued at its nominal value.

2.2.2 *Debts*

Debts are recorded at their repayment value.

2.2.3 *Foreign currency translation*

The Company maintains its accounting records in EUR and the annual accounts are expressed in EUR. The cost of investment expressed in a currency other than EUR is translated into EUR at historic rate.

- All the other assets expressed in currencies other than EUR are valued individually at the lower of their value translated into EUR at historic rates or at exchange rates prevailing at the balance sheet date.
- All liabilities expressed in a currency other than EUR are valued individually at the higher of their value translated at historic rates or at the exchange rates prevailing at the balance sheet date.
- Income and expenses in currencies other than EUR are translated into EUR at the exchange rates prevailing at the payment date.
- Consequently, only realised foreign exchange gain or losses and unrealised foreign exchange losses are reflected into the profit and loss account.

Note 3 – Capital and reserves

The movements for the period are as follows:

	Subscribed capital	Share premium account	Profit or loss for the financial year	Total
	EUR	EUR	EUR	EUR
Opening balance	0.00	0.00	0.00	0.00
Subscription at incorporation	25,000.00	75,000.00	0.00	100,000.00
Result for the financial period	0.00	0.00	(1,325.31)	(1,325.31)
Closing balance	25,000.00	75,000.00	(1,325.31)	98,674.69

Subscribed capital

The subscribed capital of EUR 25,000.00 is represented by 25,000 shares with a par value of EUR 1.00 fully paid.

Legal reserve

In accordance with Luxembourg Company Law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve, which is not available for

distribution to the shareholders. This requirement ceases to be necessary once the balance of the legal reserve reaches 10% of the issued share capital.

Note 4 – Employee information

The Company does not have any employees as at July 16, 2019.

Note 5 – Subsequent events

There are no events which have occurred subsequent to July 16, 2019, that requires consideration as adjustments to or disclosures in this financial information as at July 16, 2019.

GLOSSARY

2017 Notes	The unsecured €400.0 million 1.375% fixed rate notes due 2024, issued by the Guarantor on November 27, 2017.
2019 Notes I	The unsecured €600.0 million 1.500% fixed rate notes due 2026, issued by the Guarantor on May 28, 2019.
2019 Notes II	The unsecured €600.0 million 0.375% fixed rate notes due 2022, intended to be issued by the Guarantor at or around the time of the issuance of these Notes.
Adjusted EPRA NAV	EPRA NAV adjusted for goodwill.
AktG	The German Stock Corporation Act (<i>Aktiengesetz</i>).
Annualized In-place Rent	Contracted rents as of June 30, 2019, without deduction for any applicable rent-free periods, multiplied by twelve.
Aroundtown	Aroundtown S.A.
Arrears of Interest	Payments of interest on any Interest Payment Date.
Articles of Association	The Guarantor's (TLG Immobilien AG) articles of association.
Avisco	The Avisco Group.
Benchmark	EURIBOR and other interest rates or other types of rates and indices which are deemed as "benchmarks" to which distributions on the Notes may be linked.
Benchmark Regulation	The regulation (EU) 2016/1011 of the European Parliament and of the Council 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) 596/2014 of June 8, 2016, as amended.
Bridge Facilities Agreement	The €800,000,000 bridge facilities agreement entered into on September 6, 2019 between the Company as original borrower, J.P. Morgan Securities plc as arranger, J.P. Morgan Europe Limited as agent and JPMorgan Chase Bank, N.A., London Branch as original lender.
BVS	The Federal Institute for Special Tasks Arising from Unification (<i>Bundesanstalt für vereinigungsbedingte Sonderaufgaben</i>).
Clearing System	Clearstream together with Euroclear.

Clearstream	Clearstream Banking S.A., Luxembourg.
Completion	The completion of the Takeover Offer on October 6, 2017.
CRA Regulation	Regulation (EC) no. 1060/2009 of the European Parliament and of the Council dated September 16, 2009 on credit rating agencies, as amended.
CRS	The Common Reporting Standard as included in the Standard for Automatic Exchange of Financial Account Information in Tax Matters, published by the OECD on July 21, 2014.
CRS Directive	Council Directive 2014/107/EU dated December 9, 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation, as amended.
CSSF	Commission de Surveillance du Secteur Financier.
DCF Method	The discounted cash flow method.
Deutsche Bank	Deutsche Bank Aktiengesellschaft, Frankfurt am Main, Germany.
Distributor	Any person subsequently offering, selling or recommending the Notes.
DP/2018/1 Paper	The discussion paper DP/2018/1 on " <i>Financial Instruments with Characteristics of Equity</i> " published by IASB in June 2018.
DUHO	DUHO Verwaltungs-Gesellschaft mbH, a limited liability company with its registered office in Berlin, Germany and registered in the commercial register of the local court (<i>Amtsgericht</i>) of Charlottenburg under the docket number HRB 38419.
EBIT	Earnings before interest and taxes.
EBITDA	Earnings before interest, taxes, depreciation and amortization, which is defined as net income/loss or net income/loss for the period before income taxes, financial income, financial expenses, gain/loss from the remeasurement of derivative financial instruments, depreciation and amortization as well as the result from the remeasurement of investment property, all as shown in the Guarantor's respective consolidated financial statements.
EEA	The European Economic Area.

EMMI	The European Money Market Institute.
EPRA	The European Public Real Estate Association.
EPRA NAV	EPRA NAV is calculated based on equity attributable to the shareholders of the parent company (i) plus fair value adjustment of owner-occupied property (IAS 16) and fair value adjustment of properties in inventories (IAS 2) and (ii) excluding the fair value of derivative financial instruments, deferred tax assets, deferred tax liabilities and goodwill.
EPRA Vacancy Rate	The market rental value of vacant space divided by the market rental value of the whole portfolio.
Equity Ratio	The Equity Ratio is the ratio of equity to total equity and liabilities.
ESMA	The European Securities and Markets Authority.
EURIBOR	The Euro Interbank Offered Rate.
Euro and €	The single European currency adopted by certain participating member states of the European Union, including Germany.
Euroclear	Euroclear Bank SA/NV.
Eurosystem	The central banking system for the Euro.
EY Germany	Ernst & Young Wirtschaftsprüfungsgesellschaft GmbH, Stuttgart, office Berlin, Friedrichstraße 140, 10117 Berlin, Germany.
Facility A	The 300,000,000 term loan facility under the Bridge Facility Agreement.
Facility B	The 500,000,000 term loan facility under the Bridge Facility Agreement.
FFO	Funds from operations.
First Call Date	September 23, 2024.
First Reset Date	December 23, 2024.
FSMA	The United Kingdom Financial Services and Markets Act 2000, as amended.
FTT	A common financial transaction tax.
Germany	The Federal Republic of Germany.

GESA	GESA Gesellschaft zur Entwicklung und Sanierung von Altstandorten mbH.
Global Notes	The Temporary Global Note and the Permanent Global Note.
Guarantor	TLG IMMOBILIEN AG, a Germany-based stock corporation (<i>Aktiengesellschaft</i>) incorporated and existing under the laws of Germany.
Holder	Each holder of Notes.
Holders' Representative	A joint representative (<i>gemeinsamer Vertreter</i>) of the Holders.
IFRS	The International Financial Reporting Standards as adopted by the European Union.
Insurance Distribution Directive ..	Directive (EU) 2016/97 of the European Parliament and of the Council of January 20, 2016 on Insurance Distribution.
Interest Commencement Date	September 23, 2019.
Interest Payment Date	The December 23 of each year during the lifetime of the Notes.
Investor's Currency	A currency or currency unit other than the Euro.
Issue Date	The issue date of the Notes (<i>i.e.</i> , September 23, 2019).
Issuer	TLG Finance S.à r.l.; a subsidiary of the Guarantor, TLG IMMOBILIEN AG.
Joint Bookrunners	Deutsche Bank and J.P. Morgan.
J.P. Morgan	J.P. Morgan Securities plc, London, United Kingdom.
Listing	The listing of the Notes on the official list of the Luxembourg Stock Exchange (<i>Bourse de Luxembourg</i>) and the admission to trading on the Regulated Market of the Luxembourg Stock Exchange (<i>Bourse de Luxembourg</i>).
Luxembourg	The Grand Duchy of Luxembourg.
Management Board	The Guarantor's management board.
Market Interest Rate	The current interest rate on the capital markets.
MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014 on Markets in Financial Instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.

Moody's	Moody's Investors Service Limited.
Net LTV	The net loan to value ratio, which is defined as the ratio of net debt (sum of non-current and current liabilities due to financial institutions less cash and cash equivalents), to real estate (sum of investment property, advance payments on investment property, owner-occupied property, non-current assets classified as held for sale/assets classified as held for sale and inventories).
New Shares	Up to 8,500,000 new ordinary bearer shares of the Guarantor with no par-value (<i>Stückaktien</i>), each with a notional value of €1.00 of the Guarantor.
Notes	€600,000,000 undated subordinated notes subject to an interest rate reset at 5-year intervals with a first call date on September 23, 2024, issued by the Issuer on September 23, 2019.
OECD	The Organization for Economic Co-operation and Development.
Option	The call right of the Guarantor to purchase from Avisco, and the put right of Avisco to sell to the Guarantor, an equity stake of up to 4.99% in the share capital of Aroundtown S.A. under the Option Agreement.
Option Agreement	The option agreement between the Guarantor and Avisco dated September 1, 2019, relating to an equity stake of up to 4.99% in the share capital of Aroundtown S.A.
Participating Member States	Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia.
Permanent Global Note	The permanent global bearer note for the Notes.
Placement Price	The price for the private placement of €26.13 per New Share.
PRIIPs Regulation	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of November 26, 2014 on Key Information Documents for Packaged Retail and Insurance-Based Investment Products (PRIIPs), as amended.
Prospectus	This Prospectus.

Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended.
Regulation S	Regulation S under the Securities Act.
Relibi Law	The law of December 23, 2005, as amended.
Reference Rate	The relevant 5-year fixed-for-floating EURIBOR swap rate (as specified in more detail in the Terms and Conditions).
Reset Date	The First Reset Date and each fifth anniversary of the First Reset Date.
Reset Period	The period from and including the First Reset 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.
RETT	Real Estate Transfer Tax (<i>Grunderwerbsteuer</i>).
S&P	S&P Global Ratings Europe Limited.
SchVG	The German Act on Issues of Debt Securities (<i>Gesetz über Schuldverschreibungen aus Gesamtemissionen</i>).
Share Purchase Agreement	The share purchase agreement between the Guarantor and Avisco dated September 1, 2019, relating to the acquisition of an equity stake of 9.99% in the share capital of Aroundtown S.A. by the Guarantor.
Securities Act	The U.S. Securities Act of 1933, as amended.
SFA	The Securities and Futures Act (Chapter 289 of Singapore).
Sqm	Square meter.
Step-up Date	December 23, 2029.
Subordinated Guarantee	The guarantee given by the Guarantor in respect to the Notes on a subordinated basis.
Subscription Agreement	The subscription agreement to be entered into between the Issuer, the Guarantor and the Joint Bookrunners on or about September 20, 2019.
Supervisory Board	The Guarantor's supervisory board.

Takeover Offer	The voluntary public takeover offer of the Guarantor for all shares of WCM AG in the form of an exchange offer.
Temporary Global Note	The temporary global bearer note for the Notes.
Terms and Conditions	The terms and conditions of the Notes.
THA	Treuhandanstalt.
TLG	The Guarantor, together with its consolidated subsidiaries from time to time (including, following the Completion, WCM).
United States	The United States of America.
Vendor Loan	A vendor loan in an amount of €516 million the Guarantor has received from Avisco in connection with entering into the Share Purchase Agreement.
WALT	The weighted average lease term (<i>i.e.</i> , the remaining average contractual lease term for unexpired leases with a contractually fixed maturity, taking into account special termination rights).
WCM	WCM AG, together with its consolidated subsidiaries.
WCM AG	WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft.

[This page has intentionally been left blank.]

NAMES AND ADDRESSES

ISSUER

TLG Finance S.à r.l.
51, boulevard Grande Duchesse Charlotte
L-1331 Luxembourg
Grand Duchy of Luxembourg

GUARANTOR

TLG IMMOBILIEN AG
Hausvogteiplatz 12
10117 Berlin
Federal Republic of Germany

PRINCIPAL PAYING AGENT

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Federal Republic of Germany

LISTING AGENT

Arendt & Medernach SA
41A, avenue J.F. Kennedy
L-2082 Luxembourg
Grand Duchy of Luxembourg

JOINT BOOKRUNNERS

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Federal Republic of Germany

J.P. Morgan Securities plc
25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

INDEPENDENT AUDITOR TO THE GUARANTOR

Ernst & Young Wirtschaftsprüfungsgesellschaft GmbH, Stuttgart
Office Berlin
Friedrichstraße 140
10117 Berlin
Federal Republic of Germany

LEGAL ADVISORS TO THE ISSUER AND THE GUARANTOR

as to the laws of Germany and the United States

Sullivan & Cromwell LLP
Neue Mainzer Straße 52
60311 Frankfurt am Main
Federal Republic of Germany

as to the laws of Luxembourg

Arendt & Medernach SA
41A, avenue J.F. Kennedy
L-2082 Luxembourg
Grand Duchy of Luxembourg

LEGAL ADVISOR TO THE JOINT BOOKRUNNERS

Linklaters LLP
Taunusanlage 8
60329 Frankfurt am Main
Federal Republic of Germany