

# IMMOFINANZ

IMMOFINANZ AG

(incorporated as joint stock company under the laws of Austria, registered number FN 114425y)

EUR 500 million 2.500% Notes due 2027

ISIN: XS2243564478, Common Code: 224356447, WKN: A283SB

This document constitutes a prospectus (the “**Prospectus**”) of IMMOFINANZ AG (the “**Issuer**” or the “**Company**”, and, together with its consolidated subsidiaries at the relevant times, “**IMMOFINANZ**”, the “**IMMOFINANZ Group**” or the “**Group**”) for the purposes of Article 6.3 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 (as amended, the “**Prospectus Regulation**”) and is drawn up in accordance with Annexes 7 and 15 of the Commission Delegated Regulation (EU) 2019/980 of March 14, 2019.

The issue price of the EUR 500,000,000 2.500% Notes due 2027 (the “**Notes**”) of the Issuer is 97.856% of their principal amount. The Notes will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer, ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, unless such obligations are accorded priority under mandatory provisions of statutory law. The Notes bear interest from (and including) October 15, 2020 at the rate of 2.500% *per annum* payable annually in arrears on October 15 in each year commencing on October 15, 2021. The Notes, which are governed by the laws of the Federal Republic of Germany (“**Germany**”), will be issued in a denomination of EUR 100,000 each. Payments on the Notes will be made in Euro without deduction for or on account of taxes imposed or levied by the Republic of Austria (“**Austria**”) to the extent described in the terms and conditions of the Notes (the “**Terms and Conditions**”). Unless previously redeemed or cancelled, the Notes will be redeemed at their principal amount on October 15, 2027. The Notes are subject to redemption in whole at their principal amount at the option of the Issuer at any time in the event of certain changes affecting taxation in Austria or if 80% or more in principal amount of the Notes originally issued have been redeemed or purchased by the Issuer or any subsidiary of the Issuer. The Issuer may further call the Notes for redemption at their principal amount within the last 90 days prior to maturity or, upon notice given in accordance with the Terms and Conditions, at any time at the Call Redemption Amount (as defined and further described in the Terms and Conditions). In addition, the holder of a Note may, upon the occurrence of a Put Event, by the exercise of the relevant option, require the Issuer to redeem such Note at the Put Amount on a Put Date (all as defined and further described in the Terms and Conditions).

The Notes will initially be represented by a temporary global note (the “**Temporary Global Note**”), without interest coupons, which will be delivered on or around October 15, 2020 (the “**Closing Date**”) with a common safekeeper for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking, S.A. (“**Clearstream, Luxembourg**”, and, together with Euroclear, the “**Clearing Systems**”). The Temporary Global Note will be exchangeable, in whole or in part, for interests in a permanent global note (the “**Permanent Global Note**” and, together with the Temporary Global Note, the “**Global Notes**”), without interest coupons, not earlier than 40 days after the Closing Date upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership. The Global Notes are intended to be eligible collateral for the central banking system for the Euro (the “**Eurosystem**”) monetary police. Whether Notes are recognizable as eligible collateral for Eurosystem monetary police and intra-day credit operations will depend upon satisfaction of the Eurosystem eligibility criteria.

**An investment in the Notes carries a high degree of risk. Prospective investors should be aware that, if certain risks, in particular those described in the chapter “Risk Factors” beginning on page 5 materialize, the investors may lose all or a very substantial part of their investment and of their interest claims. The Notes should be bought and traded only by persons knowledgeable in investment matters. Each investor should consult its own professional investment, legal, tax and other relevant advisors in connection with the subscription of Notes.**

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) of the Grand Duchy of Luxembourg (“**Luxembourg**”) which is the Luxembourg competent authority for the purposes of the approval of the Prospectus under the Prospectus Regulation. This Prospectus will be valid until October 13, 2021 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 this Prospectus which may affect the assessment of the Notes, the Issuer will prepare and publish a supplement to this Prospectus without undue delay in accordance with Article 23.1 of the Prospectus Regulation. The CSSF approves the Prospectus only as to meeting the standards of completeness, consistency and comprehensibility of the information pursuant to Article 20.4 of the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Notes that are subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in 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 (the “**Official List**”) and to be admitted to trading on the Luxembourg Stock Exchange’s regulated market (the “**Regulated Market of the Luxembourg Stock Exchange**”), which is a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU (as amended, “**MiFID II**”). This Prospectus will be published in electronic form together with all documents incorporated by reference therein and any supplements to the Prospectus on the website of both the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and the Issuer (<https://immofinanz.com/en/investor-relations/bonds>).

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 is unlawful. The Notes have not been and will not be registered under the United States (“**U.S.**”) Securities Act of 1933, as amended (the “**Securities Act**”). The Notes may be subject to certain requirements under U.S. tax law. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the U.S. or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”) and the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder).

#### Joint Global Coordinators

Citigroup

J.P. Morgan

#### Joint Bookrunners

Citigroup

Credit Suisse

Deutsche Bank

Erste Group Bank AG

HSBC

J.P. Morgan

The date of this Prospectus is October 13, 2020

## RESPONSIBILITY STATEMENT

The Issuer accepts responsibility for the information contained in this Prospectus and relating to the Notes. The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus for which it is responsible, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import.

## NOTICE

This Prospectus is to be read and construed with any supplement thereto and with any other documents which are deemed to be incorporated herein by reference (see “*Presentation of financial and other Information—Financial statements—documents incorporated by reference*”). This Prospectus should be read and construed on the basis that such documents are incorporated and form part of the Prospectus.

The information contained in this Prospectus has been provided by the Issuer and the other sources identified herein. The Managers have not independently verified any such information. To the extent permitted by the laws of any relevant jurisdiction, no representation or warranty is made or implied by Citigroup Global Markets Europe AG, Credit Suisse Securities (Europe) Limited, Deutsche Bank Aktiengesellschaft, Erste Group Bank AG, HSBC Bank plc or J.P. Morgan Securities plc (together the “**Joint Bookrunners**” or the “**Managers**”), or any of their respective affiliates, and neither the Managers 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 any other documents incorporated by reference or for any statement purported to be made by or on behalf of the Managers.

No person is or was authorized to give any information or make any representation concerning the Issuer or the Notes which is not contained in or not consistent with this Prospectus or any information supplied by the Issuer or such other information as in the public domain and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer or the Managers. In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Notes including the merits and risks involved.

The Issuer has confirmed to the Managers that the information contained in this Prospectus with respect to the Issuer and the Notes 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; and that there are no other facts, the omission of which would make any statement, whether fact or opinion, in this Prospectus misleading in any material respect; that all reasonable enquiries have been made to verify the foregoing.

The distribution of this Prospectus and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required to inform themselves about and observe any such restrictions.

This Prospectus as well as any supplement hereto reflect the status as of their respective dates of issue. The delivery of this Prospectus and the offering, sale or delivery of any Notes may not be taken as an implication that the information contained in such documents is accurate and complete subsequent to their respective dates of issue or that there has been no adverse change in the financial situation of the Issuer since such date or that any other information supplied in connection with the Prospectus is accurate at any time subsequent to the date on which it is supplied.

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

**The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the U.S. The Notes may be subject to certain requirements under U.S. tax law. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the U.S. or to, or for the account or benefit of, U.S. persons (as defined in Regulation S and the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder).**

Neither this Prospectus nor any supplement(s) thereto constitute an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer or any manager that any recipient of this Prospectus should subscribe for or purchase any Notes. Each recipient of this Prospectus shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

**This Prospectus is a listing prospectus and 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 by the Issuer or to any person to whom it is unlawful to make such an offer or solicitation.**

**In connection with the issue of the Notes, Citigroup Global Markets Europe AG (or persons acting on its behalf) may over-allot the Notes or effect transactions with a view to supporting the 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 at any time after the adequate public disclosure of the terms of the offer of the Notes and, if begun, may cease at any time, but it 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 over-allotment must be conducted by the stabilizing managers (or person(s) acting on its behalf) in accordance with all applicable laws and rules.**

This Prospectus contains statements regarding the market position of IMMOFINANZ. Unless specified otherwise, such statements regarding IMMOFINANZ's market or competitive position are based on the Group's internal market research and IMMOFINANZ's management's estimates.

The legally binding language of this Prospectus is the English language, except for the Terms and Conditions. The German text of the Terms and Conditions shall be binding and controlling; the English-language text of the Terms and Conditions shall constitute a convenience translation. The documents incorporated by reference into this Prospectus listed in the section "*Presentation of financial and other Information Financial statements – documents incorporated by reference*" have been published on the Issuer's website and will be published on the website of the Luxemburg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). The English-language version of these documents, which are also published on the Issuer's website, are translations of the respective German-language versions; these German-language versions are not incorporated by reference in, and do not form part of, this Prospectus.

In this Prospectus, all references to "€", "Euro" or "EUR" are to the currency introduced at the start of the third stage of the European economic and monetary union, and as defined in Article 2 of the Council Regulation (EC) No. 974/98 of May 3, 1998, on the introduction of the Euro, as amended.

## **MIFID II PRODUCT GOVERNANCE**

**Professional investors and Eligible counterparties 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 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.

**Prohibition of sales to the European Economic Area (“EEA”) and the United Kingdom (“UK”) 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 EEA or the UK. 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 or the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the UK may be unlawful under the PRIIPs Regulation.

## **FORWARD-LOOKING STATEMENTS**

This Prospectus contains certain forward-looking statements relating to the Group’s business, financial condition, results of operations and strategies, and the industry in which it operates. Forward-looking statements concern future circumstances and results and include other statements that are not historical facts, sometimes identified by the words “might”, “will”, “should”, “believes”, “expects”, “predicts”, “intends”, “projects”, “plans”, “estimates”, “aims”, “foresees”, “anticipates”, “targets”, “seeks”, “pursues”, “goal” and similar expressions. Such statements reflect the Group’s current views with respect to future events and are subject to risks and uncertainties. In this Prospectus, forward-looking statements include, *inter alia*, statements relating to the Group’s implementation of its strategic initiatives, the development of aspects of the Group’s results of operations, the Group’s competitive position, certain financial targets the Group has set for itself, the Group’s expectations relating to the impact of risks that affect its business, including those set forth below under “*Risk Factors*”, future developments in the building materials industry (including demand and prices), the Group’s future business development, financial condition and economic performance, and general economic trends and developments.

The Group bases these forward-looking statements on its current plans, estimates, projections and expectations. These statements are based on certain assumptions that, although reasonable at this time, may prove to be erroneous. Investors should not place undue reliance on these forward-looking statements. Many factors could cause the Group’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. These factors include, *inter alia*, changes in general economic and business conditions, levels of demand and pricing, changes and volatility in currency exchange rates and interest rates, changes in raw material and product prices and inability to pass price increases on to customers, changes in governmental policy, laws and regulations and political and social conditions, changes in the competitive environment, the success of the Group’s recent acquisitions and divestitures, other factors that are discussed in more detail under “*Risk Factors*” below; and factors that are not known to the Group at this time.

Should one or more of these factors or uncertainties materialize, or should the assumptions underlying the forward looking statements included in this Prospectus prove incorrect, events described in this Prospectus might not occur or actual results may deviate materially from those described in this Prospectus as anticipated, believed, estimated or expected, and the Group may not be able to achieve its financial targets and strategic objectives. Other than as required by law, the Issuer does not intend, and does not assume any obligation, to update the forward-looking statements set forth in this Prospectus.

## **MARKET AND INDUSTRY DATA**

This Prospectus includes information regarding market share, market position and industry data for the Group’s lines of business, which consists of estimates based on data and reports compiled by third parties and on the Group’s knowledge of its sales and markets. In many cases there is no readily available external information (whether from trade associations, government bodies or other organizations) to validate market-related analyses and estimates, requiring the Issuer to rely on internally developed estimates. The Issuer believes that such data are useful in helping investors understand the industry in which the Group operates and the Group’s position within the industry.

The Issuer confirms that any information provided by third parties was accurately reproduced. So far as the Issuer is aware and was able to ascertain from information published by such third parties, no facts were omitted which would render the reproduced information inaccurate or misleading. However, the Issuer has not independently verified such data. Therefore, neither the Issuer nor any Manager assume any responsibility for the correctness of any market share, market position, industry or other third party data included in this Prospectus. In addition, while the Issuer believes its internal research to be reliable, such research was not verified by any independent sources.

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## OVERVIEW

Words and expressions defined in the “Terms and Conditions of the Notes” below or elsewhere in this Prospectus have the same meanings in this overview.

<b>Issuer:</b>	IMMOFINANZ AG under the laws of Austria.
<b>Managers:</b>	Citigroup Global Markets Europe AG, Credit Suisse Securities (Europe) Limited, Deutsche Bank Aktiengesellschaft, Erste Group Bank AG, HSBC Bank plc and J.P. Morgan Securities plc (together the “ <b>Joint Bookrunners</b> ” or the “ <b>Managers</b> ”).
<b>The Notes:</b>	EUR 500 million 2.500% Notes due 2027.
<b>Issue Price:</b>	97.856% of the principal amount of the Notes.
<b>Issue Date and Closing Date:</b>	October 15, 2020.
<b>Use of Proceeds:</b>	The net proceeds of the issue of the Notes will be used to refinance existing debt, capitalize on value creating growth opportunities, and for general corporate purposes.
<b>Interest:</b>	The Notes bear interest from (and including) October 15, 2020 at the rate of 2.500% <i>per annum</i> payable annually in arrears on October 15 in each year commencing on October 15, 2021.
<b>Status:</b>	The obligations under the Notes constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer ranking <i>pari passu</i> among themselves and <i>pari passu</i> with all other unsecured and unsubordinated obligations of the Issuer, unless such obligations are accorded priority under mandatory provisions of statutory law.
<b>Form and Denomination:</b>	<p>The Notes will be issued in a denomination of EUR 100,000 each. Payments on the Notes will be made in Euro.</p> <p>The Notes are initially represented by a temporary global note (the “<b>Temporary Global Note</b>”) without coupons, which will be delivered on or around October 15, 2020 (the “<b>Closing Date</b>”) to a common safekeeper for Euroclear Bank SA/NV (“<b>Euroclear</b>”) and Clearstream Banking, S.A. (“<b>Clearstream, Luxembourg</b>”, and, together with Euroclear, the “<b>Clearing Systems</b>”). The Temporary Global Note will be exchanged, in whole or in part, for Notes in the specified denomination represented by a permanent global note (the “<b>Permanent Global Note</b>” and, together with the Temporary Global Note, the “<b>Global Notes</b>”), without coupons, not earlier than 40 days after the Closing Date upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership. The holders of Notes (“<b>Holders</b>”) are entitled to co-ownership interests or other comparable rights in the Global Notes which are transferable in accordance with applicable law and the rules and regulations of the Clearing System.</p> <p>The Global Notes are intended to be eligible collateral for the central banking system for the Euro (the “<b>Eurosystem</b>”) monetary policy. Whether Notes are recognizable as eligible collateral for Eurosystem</p>

monetary policy and intra-day credit operations will depend upon satisfaction of the Eurosystem eligibility criteria.

The Global Notes will be issued in new global note form and are kept in custody by a common safekeeper on behalf of both ICSDs as defined in the Terms and Conditions.

- Maturity Date:** October 15, 2027.
- Change of Control Put:** The Holder may, by the exercise of the relevant option, require the Issuer to redeem such Note at the Put Amount (as defined in the Terms and Conditions) in case of a Change of Control (as defined in the Terms and Conditions).
- Call Redemption:** The Issuer may, upon notice given in accordance with the Terms and Conditions redeem all of the Notes at its option, at the Call Redemption Amount (as defined and further described in the Terms and Conditions).
- Three months Par Call:** The Issuer may call and redeem all of the Notes at its option, at any date during the period from and including 90 days prior to the Maturity Date to and excluding the Maturity Date at their principal amount plus accrued interest until the redemption date.
- Tax Call:** The Issuer may, upon notice given in accordance with the Terms and Conditions redeem all of the Notes at its option, at their principal amount plus accrued interest until the redemption date in case of a Gross-up Event (as defined in the Terms and Conditions).
- Clean-up Call:** The Issuer may, upon notice given in accordance with the Terms and Conditions redeem all of the Notes at its option, at their principal amount plus accrued interest until the redemption date if 80% or more in principal amount of the Notes originally issued have been redeemed or purchased by the Issuer or any subsidiary of the Issuer.
- Negative Pledge:** The Notes will have the benefit of a negative pledge as described in the Terms and Conditions.
- Financial Covenants:** So long as any Note remains outstanding:
- a) The Issuer undertakes that it will not, and will procure that none of its Subsidiaries will, after the Issue Date, incur any Financial Indebtedness (except for Financial Indebtedness for refinancing existing Financial Indebtedness with an aggregate principal amount that is equal to or less than the aggregate principal amount of the refinanced Financial Indebtedness) if, after such further Financial Indebtedness and the use of the net proceeds generated therewith has come into effect
    - (i) the Debt Value Ratio (LTV) would exceed 0.6, or
    - (ii) the Secured Debt Ratio would exceed 0.45.
  - b) The Issuer further undertakes to ensure that on each Reporting Date the Consolidated Coverage Ratio will be at least 1.50 to 1.00.



<b>Cross-Acceleration:</b>	The Notes will have the benefit of a cross-acceleration subject to a threshold of EUR 100 million as described in more detail in the Terms and Conditions. Early redemption by Holders upon occurrence of the relevant event of default is subject to a 10% Quorum.
<b>Rating:</b>	The Notes are expected to be rated BBB- by S&P Global Ratings Europe Limited (“S&P”). S&P is established in the European Union and is 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”).
<b>Taxes:</b>	All payments of principal and interest in respect of the Notes will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Austria or any political subdivision or any authority of or in the Republic of Austria that has power to tax, unless the Issuer is compelled by a law to make such withholding or deduction. In that event, the Issuer will pay, subject to detailed provisions in the Terms and Conditions, additional amounts as will result in receipt by the Holders of the same amounts as they would have received had no such withholding or deduction been required, with customary exceptions as described in the Terms and Conditions.
<b>Governing Law:</b>	The Notes are governed by German law.
<b>Listing and Trading:</b>	Application has been made for the Notes to be admitted to listing on the official list of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange’s regulated market.
<b>Clearing Systems:</b>	Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, 1210 Brussels, Kingdom of Belgium.  Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.
<b>Selling Restrictions:</b>	See “ <i>Subscription and Sale</i> ”.
<b>Target Market</b>	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 MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate.
<b>Risk Factors:</b>	There are certain factors that may affect the Issuer’s ability to fulfil its obligations under the Notes. These are set out under “ <i>Risk Factors</i> ” and include various risks relating to the Issuer’s business. In addition, there are certain factors that are material for the purpose of assessing the market risks associated with the Notes. These are set out under “ <i>Risk Factors</i> ” and include the fact that the Notes may not be a suitable investment for all investors and certain market risks.
<b>Financial Information:</b>	See “ <i>Overview of Financial Information</i> ” and “ <i>Documents Incorporated by Reference</i> ”.

<b>International Securities Identification Number (ISIN):</b>	XS2243564478
<b>Common Code:</b>	224356447
<b>German Securities Code (WKN):</b>	A283SB
<b>Legal Entity Identifier (LEI) of the Issuer:</b>	5299000DUMZ99SBBX121

## **RISK FACTORS**

An investment in the Notes involves risks. These risks include factors affecting the ability of the Issuer to fulfil its obligations under the Notes as well as market risks associated with the Notes.

The Issuer believes that the material risks are described below. While the risk factors which the Issuer believes to be most material for each category are presented first, the order in which the risks are described does not indicate the probability of their occurrence, their potential significance, the gravity or significance of the individual risks nor the scope of their negative impact or financial consequences.

The risks described below are not exhaustive. Additional risks the Issuer currently is not aware of or does not consider to be material could also affect the ability of the Issuer to fulfil its obligations under, or be otherwise associated with the Notes. Other events, facts or circumstances could prove to be important and may have a significant negative impact on the business, prospects, assets, financial position and results of operations or general affairs of the Issuer or the Group or otherwise affect the Notes. If several of the risks materialize simultaneously and/or together with other events, facts or circumstances, they may have an even stronger impact.

If one or more of the risks described below individually, simultaneously or together with other events, facts or circumstances materialize, the ability of the Issuer to fulfil its obligations under the Notes and/or the market price of the Notes could be significantly negatively affected. The Holders could lose all or part of their investment in the Notes.

Potential investors should carefully consider the risk factors outlined below in addition to all other information in this Prospectus and consult with their own professional advisors before an investment in the Notes.

Words and terms that are defined in the Terms and Conditions or elsewhere in this Prospectus have the same meaning in this section “*Risk Factors*”.

### **Risks specific to the Issuer and the Group**

#### **Macroeconomic and geographical risks of markets in which the Group operates**

***The ongoing global coronavirus pandemic causing the viral disease known as COVID-19 has already adversely affected the business, financial condition and results of operations of the Issuer and the Group and its negative effects could substantially increase.***

Since its outbreak in December 2019, a pandemic caused by a new strain of coronavirus resulting in the disease known as COVID-19 has spread globally and has also affected the Group’s core markets Poland, Austria, Germany, Austria, Romania, Germany Czech Republic, Hungary and Slovakia. Governments have reacted by taking measures aimed at mitigating the further spread and rate of infections to prevent an increasingly adverse impact on public health. These measures, such as mandatory social distancing, travel restrictions, closures of stores and workplaces, imposition of quarantine and even lockdowns are restrictive by their very nature. They have had, and continue to have, a significant adverse effect on the local and global economy and have caused significant volatility in the financial markets.

COVID-19 and the governmental actions taken in response have already caused a significant downturn of the economic cycle resulting in substantial unemployment. Therefore, governments and legislative bodies have enacted a set of mitigating measures such as subsidized short-term work, direct benefits to substitute loss of revenue or temporary deferral of consumer and small business loans. While these measures are temporary by their very nature, the further duration, effects and other aspects of the COVID-19 pandemic are yet uncertain. Thus, while these measures have contributed to cushion the initial negative economic impact of the COVID-19 pandemic, delayed future effects on the economy such as an increased number of insolvencies at least in the most affected industries are likely.

The Issuer focuses on the office and retail property markets. The economic downturn caused by the COVID-19 pandemic and related governmental measures has a direct adverse impact on both markets. In respect of the office property market, the lockdown of workplaces has also encouraged a step-up in “work from home” arrangements, which, if sustained, may negatively influence the future market recovery. The retail activities of the Issuer and the Group are negatively affected by governmental restrictions imposed on retail stores (such as shortened opening hours, limited customer admission or even lockdowns), in particular in shopping centers, which lead to reduced customer presence and spending. As a consequence thereof, the Group’s cash flow was already impacted by reduced (if based on sales), late or no rental payments – partly on the basis of specific legislation relating to COVID-19 – by tenants of the Group’s properties. Furthermore, tenants of the Group could request rent deferrals and rent reductions (in excess of what the Issuer would expect at the moment) which would negatively affect the Group over the following years. The Group’s occupancy levels may be further impacted by insolvencies of tenants and termination of leases, as tenants may become unable to afford rent payments. Overall demand and rental prices may decrease resulting in reduced cash-flow and profitability and consequently lower value of properties held by the Group.

The COVID-19 pandemic, its causes, effects and further development are subject to considerable uncertainty. Knowledge of the disease is currently limited and no tested vaccine is yet available. Therefore, governments and authorities can currently be expected to continue to rely on the measures described above to further mitigate public health risks. Given the impact of these measures on the economy, commercial and financial challenges at least for 2020 and potentially in 2021 are to be expected.

Therefore, the COVID-19 pandemic and related governmental measures have had, and may continue to have a significant adverse impact on the business and operating results of the Issuer and the Group. The extent of such further impact on the Issuer’s and Group’s operations will depend on future developments such as the duration and severity of the outbreak, medical factors such as the availability of a vaccine and political/regulatory factors such as the nature of further actions taken in response to the COVID-19 pandemic. These developments cannot be predicted with any certainty. Therefore, the impact on the Issuer’s and Group’s operations also remains uncertain. It may, however, have a material adverse effect on the Group’s business, net assets, financial condition, cash flow and results of operations and may impair the ability of the Issuer to fulfil its obligations under the Notes.

***The real estate market where the Group is active depends on the macroeconomic development and on the demand for real estate. Negative developments such as, inter alia, the global economic downturn due to the ongoing global coronavirus pandemic, but also the relationship between the EU and the United Kingdom following the Brexit transition period, or the imposition of further trade barriers may result in economic instability, limited access to debt and equity financing and potential defaults of the Group’s business partners.***

The Group is exposed to all risks typically associated with the acquisition, development, management and disposal of real estate. Certain of these risks, in particular those related to the macroeconomic development are materially increased by the ongoing COVID-19 pandemic, which has caused a global economic downturn. The Issuer considers the following risks to be significant:

- cyclical fluctuations (depending on economic trends) of the real estate market in general as well as of national and local markets in which real estate assets are held may affect the availability of attractive real estate portfolios and the ability to rent or sell the properties on advantageous terms. The office and retail real estate markets are currently affected by an economic downturn caused by the COVID-19 pandemic, which is expected to continue at least for 2020 and potentially 2021;
- financing and interest rate risk, which is currently increased by the financial markets volatility caused by the COVID-19 pandemic;
- delays and budget overruns in connection with real estate development, construction and renovation, which is negatively affected by the COVID-19 pandemic due to governmental restrictions (e.g. relating to social distancing and safety at work);

- environmental pollution and liability (e.g. for contamination or soil pollution) in connection with construction sites and other properties;
- (quality) defects and shortcomings affecting properties;
- natural disasters and their impact on real estate;
- the investment activities of other real estate companies;
- the purchasing power and ability of the general public to rent as well as the availability of appropriate tenants, which are negatively affected by the COVID-19 pandemic and its macroeconomic impact;
- strong dependence on the development of a certain location in case of insufficient diversification and related cluster formation;
- default of a counterparty, a risk which is currently more pronounced due to the COVID-19 pandemic; and
- fluctuations in maintenance and energy costs.

Generally, financial markets are partly characterized by high volatility (price and currency fluctuations), enhanced by liquidity shortages. Such developments can have a material adverse effect on the availability and performance of financial instruments, which are used to hedge financial risks also in the real estate industry. Any reduced availability of bank financing combined with a decline in consumer spending and corporate and commercial investments can have a material adverse effect on corporate financing and the ability of tenants to expand their business activities and production volumes. The COVID-19 pandemic has caused significant volatility in the financial markets in the first half of 2020 and could further strain the banking system caused by an increase in borrower defaults, which may result in reduced availability of bank financing.

Moreover, the UK has formally withdrawn from the EU effective as of 31 January 2020 (“**Brexit**”), with a transition period set to end on 31 December 2020, during which the EU and the UK are negotiating their future relationship, and upon the expiry of which the UK will finally withdraw from the EU acquis, the internal market and the customs union. As no major member of the European Union has previously left the EU, the outcome of this process is unpredictable. Among other consequences, it may result in the UK no longer having access to the European Single Market, leading to greater barriers to trade and commerce between the EU and the UK, resulting in a general economic downturn throughout the UK, the EU or both. The uncertainty around the consequences of Brexit and the future relationship between the EU and the UK may cause further volatility in the financial markets. Brexit may also give rise to or strengthen tensions in other EEA member states regarding their membership in the EU, potentially resulting in additional referenda or other actions in EEA member states regarding withdrawal from the EU. The withdrawal of other member states from the EU would have unpredictable consequences and may have adverse effects on levels of economic activity in the countries in which the Issuer operates.

Furthermore, increased trade barriers can also be a consequence of governmental decisions: Since 2018, the U.S. introduced trade tariffs followed by the EU introducing retaliatory tariffs. The dispute has continued until 2020 and further escalated on EU subsidies granted to Airbus and U.S. subsidies granted to Boeing. Any further escalation of trade tariffs could lead to uncertainties, also along with ever strengthening populist movements in several EU member states, with the risk of a further destabilization of the EU. Further, the U.S. presidential election scheduled for November 2020 may lead to a substantial change in the political landscape and profile of the U.S. and relations with the EU, the outcome of which is uncertain.

Each of the above factors, individually or collectively, may have a material adverse effect on the Group’s business, net assets, financial condition, cash flow and results of operations and may impair the ability of the Issuer to fulfil its obligations under the Notes.

***The current economic environment is characterized by comparatively low interest rates and high valuations of real estate portfolios. Any rise in interest rates could have material adverse effects on the real estate markets in which the Group operates.***

Investment opportunities that provided stable and largely predictable cash flows, such as investments in Austrian and German real estate, continue to be popular among investors. This trend continues even in light of the effects of the COVID-19 pandemic and has been exacerbated by historically low interest rates in Europe which led to higher valuations of real estate portfolios.

These developments could reverse if interest rates rise again. As a consequence, investor interest in investments with another risk profile would rise and investments in real estate would decrease. Furthermore, rising interest rates could adversely impact the Group in a number of ways, including a decrease in demand for real estate which could make it more difficult to dispose of non-strategic assets and an increase in the discount rate used to calculate the value of the Group's properties, which would lead to lower fair values. In addition, financing costs may increase and impair the targeted profit.

Each of these factors, individually or collectively, may have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations and may impair the ability of the Issuer to fulfil its obligations under the Notes.

***The Group is exposed to risks relating to the property office markets and the retail markets.***

The Group's focus on office properties exposes it to the office market cycles on its core markets, which are affected by economic indicators such as economic growth, industrial activity, unemployment, consumer confidence, digitalisation and other factors relevant to the overall economic development. With regard to its investments in property office markets but also in retail shopping centers which operate under the brand "VIVO!" and retail parks which operate under the brand "STOP SHOP", the Group is exposed to rental risks, such as, in particular, the development of consumer spending, growth of e-commerce, security and terrorism concerns and the general attractiveness of retail parks and shopping centres. Furthermore, both property office markets and retail markets share the risks of loss of income due to vacancies, defaults on rental payments due to deterioration in economic environment or tenant bankruptcies, a decline in rental income due to the intense competition involving also rental price reductions or costly incentives to retain tenants, and reductions in income through limitations on use.

The ongoing COVID-19 pandemic and governmental measures taken in response have exacerbated these risks and resulted in an economic downturn which has, and may have in the future, a direct adverse impact on the office and retail property markets. In particular, it did and may further lead to a decreased demand for, and/or an increased supply of, and/or a contraction of the market for office and/or retail space and may further directly impact (potential) tenants of retail space as a result of poor economic conditions. In respect of the office property market, the lockdown of workplaces has also encouraged a step-up in "work from home" arrangements, which, if sustained, may negatively influence a market recovery. The retail activities of the Issuer and the Group could be negatively affected by further governmental trade restrictions imposed on retail stores (such as shortened opening hours, customer limits or even lockdowns) which lead to reduced customer presence and consumer spending. This particularly applies to shopping centers and retail parks being part of the Group's investment portfolio which are dependent on high visitor frequency and subject to consumer preference and shopping behaviour, which may change significantly (e.g. in favour of online shopping) during a continued pandemic.

These factors could have a material adverse effect on the business, net assets, financial condition, cash flow and results of operations of the Group and thus on the ability of the Issuer to meet its obligations under the Notes.

***In the countries in which the Group has investments, it is exposed to various political, economic and legal environments. In particular in connection with the degree of development of the legal systems in the Central Eastern Europe (“CEE”) region, legal uncertainties and risks exist; this can include uncertainties with respect to title to land where shopping centers and office buildings are located.***

The Issuer is an entity established and administered under Austrian law. The subsidiaries of the Issuer are established under the laws of the countries where the Group is active (in particular Germany and in the CEE countries). The Group structure is based on the current political, economic and legal framework conditions. Following reforms of their legal systems, some of the legal systems of CEE countries continue to find themselves in a state of transition and therefore carry risks such as inconsistencies between the constitution, laws, regulations, decisions, and other administrative acts. Furthermore, unforeseeable changes in the political and economic system as well as in the legislation, jurisdiction or administration practice in particular in the CEE region and at times with retroactive effect may lead to the necessity of reorganization.

In the field of real estate law, it may prove difficult to establish with absolute certainty whether or not unencumbered ownership of a property has been acquired due to the lack of reliability of public registers and the ambiguity of the applicable rules of law and legislative norms. Legal uncertainty could arise in connection with land ownership; this applies, in particular, to the VIVO! shopping center in Cluj, where the local property company was deprived of ownership to the land which ownership was, however, not yet finally transferred to another entity or state authority. A series of claims relating to this shopping centre is still pending before various courts. Some legal systems may recognize unregistered encumbrances as valid. Furthermore, some legal systems do not provide for temporal limits on the application for registration of encumbrances eligible for registration. Therefore, it may well be that third parties successfully argue the existence of encumbrances relating to property owned by the Group of which the Group has no knowledge, or third parties are able to have such encumbrances registered. The existence or substantiation of encumbrances in favour of third parties as well as the delayed registration of security interests by financing partners may constitute a breach of conditions imposed under financing agreements.

The realization of any one or more of these risks may have a material adverse effect on the Group’s business, net assets, financial condition, cash flow and results of operations and may impair the ability of the Issuer to fulfil its obligations under the Notes.

***Crime, corruption and money laundering may have a material adverse effect on the business of the Group.***

Organized crime, in particular fraud and extortion, is a general risk to which commercial activities are exposed, which may be relatively higher in certain CEE countries compared to Western European countries. The Group’s investments and staff may become targets of criminal activities. Related incidents may force the Group to cease or alter certain activities or adjust or even liquidate investments, which may have a material adverse effect on its business, net assets, financial condition, cash flow and results of operations and consequently a negative impact on the ability of the Issuer to meet its obligations under the Notes.

***The Group is subject to location risk.***

The properties of the Group are located in different regions. Its geographical focus is on Austria, Germany and CEE (in particular Poland, Romania, the Czech Republic, Hungary, and Slovakia). In the office sector, the Group mainly focuses on the capital cities in Austria and CEE, and additionally in Germany on the two major commercial locations, Düsseldorf and Aachen. The Group’s biggest retail markets are Romania, Poland and Slovakia.

The value of a property mostly depends on its location and intended use. To the extent the Group incorrectly estimates the attractiveness or possible use of a location, it may prove difficult to rent the entire property or achieve the estimated rental conditions. If the Group is forced to reduce the rent level of a property in order to gain tenants or in the case of the property being mostly empty for a longer period

of time, the market value can substantially decrease and the income and profitability of the Group can be negatively affected.

If the rental income of a property turns out to be lower than estimated (i.e. due to changes in the tenant structure) or if its location is not accepted by the market, its profitability will be subject to long-term effects. Estimations or assumptions in connection with location advantages and disadvantages can prove to be incorrect (for example due to changes of economic conditions). Such misjudgements or miscalculations can lead to a material adverse effect on the business, net assets, financial condition, cash flow and results of operation of the Group and the ability of the Issuer to meet its obligations under the Notes.

### **Market and property-specific risks**

#### ***The Group is subject to risks of fluctuations on the real estate markets.***

Real estate markets are usually subject to fluctuations, whereas real estate prices and rents in particular reflect positive and negative economic developments and other developments of the markets in general and of the respective real estate markets in particular. Many of these factors which could lead to negative developments are not within the Group's sphere of influence. Factors such as changes in disposable income, economic performance, interest rate levels or tax policies, economic growth, unemployment rates or consumer confidence can influence directly or indirectly the local supply and demand for real estate. Changes in supply and demand can lead to fluctuations in market prices, rents and occupancy rates. Such fluctuations may have material adverse effects on the value of properties and revenue generated therefrom. Furthermore, the political and economic development in countries in which the Group is active can significantly affect occupancy rates and rental loss.

Fluctuations on the real estate markets were also and may continue to be caused by the ongoing COVID-19 pandemic and the measures taken by authorities in response to it. These have resulted in an economic downturn which has, and may have in the future, a direct adverse impact on the office and retail property markets.

#### ***The Group is subject to risks relating to the extension of lease agreements.***

If the Group is no longer able to extend expiring rental agreements at favorable terms and conditions and to find creditworthy tenants willing to enter into long-term rental agreements, the market value of the affected property will be impaired. Furthermore, tenants of the Group's properties can have extraordinary termination rights and it is possible that rental agreements entered into by the Group are invalid in whole or in part due to the lack of essential mandatory components or ambiguous or inconsistent wording in the contract, which could lead to early termination rights by the tenant and prevent the Group from exercising its rights and claims from the rental agreements. Tenants may also be entitled to terminate lease agreements under circumstances caused by the effects of the COVID-19 pandemic, such as reduced sales or occupancy benchmarks in shopping centers.

#### ***The Group is subject to the counterparty risk of its tenants.***

The net revenue generated from the Group's real estate depends on the ability of the tenants to pay rent and therefore on their financial stability. The creditworthiness of a tenant can decline in the short or medium term, especially during an economic slowdown, and the risk of a tenant becoming insolvent or being in any other way unable to meet its obligations from the rental agreement may occur. If the credit assessment of a key tenant turns out to be incorrect, the rental income from a property with unchanged operating costs can turn out to be significantly below expectations. Especially during a severe economic slowdown or in politically unstable countries, in which the Group is active, the Group may decide to accept rent reductions in order to maintain a reasonable occupancy rate.

The counterparty risk of the Group's tenants has been substantially increased by the COVID-19 pandemic, which has caused an economic slowdown affecting the creditworthiness of tenants of office and retail space by increasing the risk of insolvencies or other inability to meet obligations under the



lease. In the course of the COVID-19 pandemic, advance deposits, guarantees and other security, if held by the Group as lessor, may have already been applied to meet obligations under the leases and may be insufficient to cover future claims against tenants. If several important tenants become unable to meet their obligations when due or file for insolvency, the profitability of the Group may be negatively affected. As the Group is not insured against credit risk and available security is typically limited, the Group may not be able to limit potential loss of revenues from tenants unable to meet their obligations.

If one or more of the aforementioned risks materialise, it may have a material adverse effect on the Issuer's business, net assets, financial condition, cash flow and results of operation and may impair the ability of the Issuer to fulfil its obligations under the Notes.

***Shopping centers and retail parks, which are also contained in the Group's portfolio, have and need a high visitor frequency, which results in risks particularly increased by the COVID-19 pandemic.***

A part of the Group's portfolio consists of shopping centers operating under the brand "VIVO!" and retail parks operating under the brand "STOP SHOP", which are associated with particular risks. Construction defects may lead to property and personal damage, bomb threats can stop business operations temporarily, declining visitor numbers may substantially impede the tenants business or a low quality of the center management may have material adverse effects. There is strong competition in this business area, which has recently even been on the rise. Declining visitor numbers as a consequence of rising e-commerce and strong competition may lead to decreasing rents and to a total loss of important tenants. Losing key tenants, such as do-it-yourself markets, leads to substantial reductions in revenue and/or visitor numbers. Such areas are often adapted to the individual needs of the tenant and therefore it can be difficult to find appropriate new tenants at reasonable conditions or to find a new tenant at all. Finally, important retail tenants may become insolvent.

These risks are even more pronounced due to the ongoing COVID-19 pandemic. Governmental measures directed at preventing a further spread of the disease such as reduced opening hours, maximum visitor numbers, social distancing, mandatory hygienic precautions and even temporary lockdowns of certain types of retail shops particularly affect shopping centers, which are dependent on a high visitor number and frequency and aim at offering a broad and diversified shopping experience based on consumers' physical presence. Any such restrictions, but also reduced consumer confidence and spending caused by the economic downturn and a shift in consumer preference and behaviour in favour of online shopping during a continued pandemic may have a pronounced negative impact on the Group's investments in shopping centers and retail parks. In general, the retail industry is rapidly changing due to the growth of e-commerce. Consumers become increasingly comfortable with internet and mobile shopping. These developments have been substantially accelerated and intensified in the context of the COVID-19 pandemic.

All of these factors may result in material adverse effects on the Group's business, net assets, financial condition, cash flow and results of operation and may impair the ability of the Issuer to fulfil its obligations under the Notes.

***It may become more difficult for the Group to acquire properties and land at favorable terms particularly due to the increase in market prices for real estate and the increasing consolidation in the real estate market.***

The Issuer's core expertise lies in the acquisition, development and management of office and retail properties. Accordingly, the Group needs to be able to find and purchase land suitable for the development of office and retail units and properties. This strategy, however, may only be implemented if the Group can purchase attractive properties and land at reasonable prices. If demand for real estate increases further and market prices for office or retail real estate properties and land become unfavorably high, the Group may not be able to acquire further properties or land at reasonable terms which could negatively impact its strategy.

Several of the Group's competitors may be interested in acquiring properties similar to the Group's focus and may possess greater financial resources and lower costs of capital than the Group is able to obtain.

Competition and the gap between the demand and supply would make it more costly to compete for properties and more difficult to successfully implement the Issuer's growth strategy. Any prospective inability to acquire suitable properties on attractive terms in the future could impair the Issuer's perspectives.

Each of the above factors, individually or collectively, may have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations and thus on the ability of the Issuer to meet its obligations under the Notes.

***The ability of the Group to adjust rents to reflect fluctuations in the market may be heavily restricted.***

Rents and the market value of properties are influenced by general economic conditions, such as for example gross domestic product ("GDP"), developments in the labour markets, inflation, interest rate levels and the availability of financing (which are currently negatively affected by the COVID-19 pandemic). Both rental income and property values are also influenced by other factors specifically relating to the property market, in particular whether (i) lease agreements can be concluded at the originally expected rental prices, (ii) rent payable by key tenants is dependent on turnover (and thus rental payments fall in line with the tenant's turnover, which is a pronounced risk in connection with the COVID-19 pandemic), and (iii) the vast majority of lease agreements with the Group provide for indexation on the basis of consumer price indices. The income from such lease agreements is therefore dependent on the general economic development, market conditions and future levels of inflation. Furthermore, the ability of the Group to increase rents during the agreed term of the lease may be subject to prohibitions or restrictions in some jurisdictions. Increasing competition, pressure on rental prices and a deterioration of the economic situation of tenants may result in the Group being unable to pass on cost increases to its tenants in full. Ultimately, it may prove necessary for the Group to defer or reduce rents due to the economic pressure on its tenants (which may be increased by the COVID-19 pandemic). Each of these factors may negatively impact the ability of the Group to increase rents in line with market requirements, which may have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations and thus on the ability of the Issuer to meet its obligations under the Notes.

***Indexing clauses in most of the Issuer's lease agreements may adversely affect leasing revenues.***

Approximately 92.8% of the lease agreements (relating to base rental income in Euro) include an indexation clause, providing for partial or full indexation of the applicable rent in line with a reference, typically a consumer price index. Lease adjustments under the Issuer's lease agreements can be triggered if certain thresholds are crossed. In accordance with the applicable law, these clauses provide not only for upward adjustments but also for downward adjustments tied to changes in the relevant index. Consequently, an increase in rental proceeds from such leases during their term is tied to future rates of inflation and the crossing of the relevant indexing thresholds. If the relevant index rises slowly over a longer period of time so that the relevant threshold for a lease adjustment is only exceeded after such a longer period in time, the respective rent will remain constant for such term of the lease, while the Issuer's costs of maintaining the property may increase due to a variety of possible factors. Rental proceeds may also decrease if consumer prices decline. If a lease agreement contains no indexation or equivalent adjustment clause, the applicable rent will remain constant for the term of the lease, while Issuer's costs of maintaining the property may increase.

Any of the factors described above may lead to a decrease in actual yields of the Group's business and may have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations and thus on the ability of the Issuer to meet its obligations under the Notes.

***The Group is subject to risks related to maintenance, modernization and renovation of properties. The Issuer may incur higher-than-expected maintenance costs for properties.***

The demand for rental properties not only depends on their location, but also on their condition and technical characteristics. In order for a property to remain attractive to tenants so that long-term appropriate income can be achieved, it is necessary to maintain and occasionally modernize or improve

its condition to satisfy the demand of the market. Failure to maintain a building in such condition may also pose a risk to the health and safety of the Group's tenants and employees.

The maintenance of the market standard of rental properties can require substantial costs, which according to the respective jurisdiction have, in general, to be paid by the landlord. In doing so, the landlord is burdened with high expenses which are not reimbursed by the tenant, especially for necessary repairs or required improvements in order to comply with amendments to the legal framework (e.g. with regard to energy efficiency or health and safety requirements). Moreover, maintenance work and improvements may be required in order to be able to compete with offers from other real estate investors.

Maintenance and in particular large refurbishments are subject to certain construction, operating and other risks that are beyond the Group's control. Price increases or shortages of materials, equipment and labour, counterparty risk of contractors, adverse weather conditions, accidents, unexpected delays, failure to obtain approvals and consents and other unforeseen circumstances may result in maintenance costs that are materially higher than initially estimated. The Group may also need to delay or abandon maintenance or refurbishments. These risks have been exacerbated by the Covid-19 pandemic, which triggered additional requirements imposed through various legislative acts, including hygienic measures and safety at work rules for the Group and its contractors.

Unexpected additional expenses can be incurred by the Group if the expenses for maintenance work and for making improvements to a property exceed the estimates of the Group or in the case of latent defects arising during such work not covered by insurance or contractual provisions, or if the Group is unable to increase the rent in accordance with legal provisions. If similar competing properties are built or renovated in the neighbourhood of a property held by the Group, the value and net income from this property can decrease. If the actual costs of maintenance exceed the Issuer's estimates or if the Issuer is not permitted to raise its rents due to legal or contractual constraints, profit generated from an affected property could decline, which may have a negative impact on the Issuer's results of operations.

A failure to undertake appropriate maintenance and refurbishment work could entitle tenants to withhold or reduce rental payments or even to terminate existing lease agreements and could adversely affect the rental income earned from affected properties, in particular upon the conclusion of future lease agreements. Failure to undertake appropriate maintenance and refurbishment work may also result in revaluation losses and write-downs. The materialization of any of these risks may have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations and may have a negative effect on the ability of the Issuer to meet its obligations under the Notes.

***In markets in which it operates, the Group is significantly competing with other owners, operators and developers of commercial properties and this may intensify in the future.***

The business model of the Group is based on the ability to develop and administer its real estate portfolio sustainably and at financially favorable conditions. In connection with the renting of property, the Group is in competition with local and international investors in all the markets in which it operates. The Group competes with other real estate companies, real estate developers and owners of property in acquiring and contracting with suitable tenants at conditions favorable to the Group. It also competes with other investors including European listed real estate companies in the development of properties, which competitors have more resources at their disposal. In the CEE region, the demand for office and retail space is also dependent on favorable government policies and/or subsidies encouraging foreign direct investment, changes of which may have an effect on the competition and/or demand.

Rents are under pressure in many of the markets where the Group is active. Competition between real estate investors for renowned tenants is huge, might even intensify and impairs the ability of the Group to acquire and contract with tenants. Moreover, the Group could be forced to accept rental conditions lower than those predicted in order to remain attractive to tenants.

Properties which are in competition with those of the Group can have a lower occupancy rate than those of the Group. This can increase the willingness of their owners to offer floor space at rental conditions lower than what the Group would be prepared to offer. Consequently, the Group would be forced to offer

the lower condition in order to remain competitive. Therefore, it is uncertain whether the Group will be able to successfully compete in the future. Should the Group no longer be able to successfully develop real estate portfolios or rent space at favorable conditions, the ability of the Issuer to implement its strategy will be negatively affected. This may have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations and may impair the ability of the Issuer to fulfil its obligations under the Notes.

***The delay of commencement or completion of construction projects could jeopardize usage rights and building permits of the Group, trigger rights to repurchase and hamper or impede construction work.***

The Group may stop construction projects for a certain time, for example due to unfavorable economic development, a shortage of liquidity or as a result of measures taken to combat the COVID-19 pandemic. Local and regional authorities may refuse to extend limited or expired land use contracts of the Group or building permits regarding properties of the Group, may claim repurchase rights or annul existing land use contracts or construction permits on the grounds that the construction work was not initiated by or completed before a fixed date or that other essential conditions or provisions of land use contracts, building permits or purchase contracts were infringed. Each such termination or refusal to extend expired use contracts or permits and each claim of repurchase rights may have material adverse effects on the Group's business, net assets, financial condition, cash flow and results of operation and may impair the ability of the Issuer to fulfil its obligations under the Notes.

***The Group is exposed to risks relating to investments in property development projects.***

The Group typically incurs costs during the early stages of real estate development projects, whereas income is only generated during the later stages of the project. Development projects are often associated with cost overruns, non-performance of counterparties such as for example construction companies or suffer from delays in completion frequently caused by factors that are beyond the control of the Group (and which are currently more likely due to the impact of the COVID-19 pandemic). Recently, the handover of a rented property to a major tenant of the Group was delayed because of warranty claims and delays attributable to subcontractors. In the event the Group is unable to address such risks relating to real estate development adequately by carefully selecting, planning and executing the projects, or if it fails to provide for contractual penalties and other rights in the event of delays or cost overruns, this may have a negative impact on the economic success of development projects. If the Group enters into lease agreements for properties during the development phase, and if completion is delayed, the Group may be exposed to contractual penalties or claims for damages. Where on the other hand the Group fails to find suitable tenants or to enter into lease agreements during the construction phase for other reasons or only leases parts of the property, this may result in the property standing empty following its completion. Should one or more of these risks materialise, this may have a material adverse effect on the business, net assets, financial condition, cash flow and results of operations of the Group and thus on the ability of the Issuer to meet its obligations under the Notes.

### **Property valuation risks**

***The valuation of properties is based on assumptions and considerations which are not only subject to adjustments, but are also subjective and uncertain. It is possible that appraisal reports do not correctly reflect the actual value of a property to which the reports relate. If the market conditions deteriorate, the Issuer may be required to adjust the fair values of its properties and recognize significant losses.***

Due to the illiquid nature and particular characteristics of properties, their valuation is subjective and therefore subject to uncertainties. This uncertainty is currently exacerbated by the COVID-19 pandemic. Its impact on valuations is unpredictable and dependent on various factors including the duration of the pandemic and the nature, effect and duration of governmental measures adopted in response. The effect of the pandemic and related measures on the general economy and more specifically, tenants of properties held by the Group may have an impact on the rental income and therefore, on property values.

The valuation of a property depends on the factors considered when determining the valuation and the chosen valuation method. Fluctuations in value can occur due to modified macroeconomic conditions or

real estate-specific factors. If the market situation deteriorates, for example, because interest rates rise or rent levels decrease or vacancy rates increase, the Group will have to revise downwards the values of the total portfolio on the consolidated balance sheet. A real estate expert may take other factors into consideration over and above the expected rental income of a specific property, its condition and previous occupancy rate, such as property taxes, operating costs, claims of third parties due to environmental risks or risks relating to construction materials. Appraisal reports are based on assumptions, which can prove to be incorrect. An adverse change in connection with an assumption on which a valuation was based, or in a factor considered when determining the valuation, can affect the estimated value of a property. Furthermore, the consideration of different factors can lead to significant deviations in property valuations. There is no certainty that the valuation of properties which are held by the Group reflect the actual sales or market value (even if such a sale is supposed to take place shortly after the respective valuation date), or that the estimated rate of return or annual income will actually be achieved. Moreover, the Group usually has the market value of its properties determined twice a year by external experts. Any change in the value of properties can negatively affect retained profit or loss of the Group as well as the gearing ratio and subsequently the market price and creditworthiness of the Issuer. Depending on the amount of the purchase price, the sale of properties can also result in a loss.

The aforementioned factors, amongst others, can lead to the valuation of properties held by the Group, determined in appraisal reports prepared by external experts, being higher than the amounts achievable by the sale of individual properties or the entire portfolio. Appraisal reports are particularly based on numerous substantial assumptions which partly rely on information provided to the expert by the Group. The Group cannot guarantee that the assumptions made on the basis of such information turn out to be correct. An adverse change of essential assumptions or factors considered when determining the valuation could significantly reduce the estimated value of the properties.

With regard to the COVID-19 pandemic, valuations are currently under pressure and have already declined. Depending on the duration of the pandemic and its medium to long term impact on the economy valuations could see a further substantial decrease which in turn would affect the Group as a whole.

There is no certainty that the value of properties held by the Group remains constant as time goes by or that the fundamental assumptions for the valuation do not change. Each of these cases may have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations and may impair the ability of the Issuer to fulfil its obligations under the Notes.

***Fluctuations in the fair value of the Group's property investments may significantly affect the Group's consolidated financial statement, financial position and profit.***

Any increase or decrease in the fair value of a particular property has to be recorded as a fair value adjustment in the Group's consolidated statement of result of evaluation drawn up in accordance with IFRS. Fair value changes result in non-cash gains or losses, regardless if the property is sold and the change in fair value is therefore realized. Financial metrics and ratios based on the Group's consolidated financial statements are affected accordingly. Such changes could result in non-compliance with financial covenants agreed in respect of financial indebtedness of the Group, such as loan-to-value ratios (calculated as the outstanding loan amount related to such property divided by the appraised value of the property). Uncertainties relating to the impact of the COVID-19 pandemic on valuations exacerbate this risk.

A substantial change of valuation in the Group's property investments may therefore have a material adverse effect on the Group's business, financial condition and results of operation and may impair the ability of the Issuer to fulfil its obligations under the Notes.

### **Market and property-specific transaction risks**

***The Group acquires and disposes of real estate portfolios and companies to optimize its portfolio quality and is therefore exposed to risks relating to property acquisitions and sales.***

In the past the Group has acquired and disposed of entire companies, stakes in joint ventures, property

portfolios or completed buildings, plots of land and other properties in various stages of development. The Group will continue to undertake acquisitions and disposals. Value-enhancing acquisitions may only be implemented if attractive real estate portfolios or companies are available for purchase at reasonable prices. Such portfolios or companies may be unavailable or available only at unfavorable terms. In addition, competitors with asset acquisition objectives similar to those of the Group may have greater financial resources and lower costs of capital than the Group. Furthermore, it cannot be guaranteed that the Group will be able to generate sufficient funds to finance envisaged acquisitions in the future. Moreover, real estate markets are characterized by limited liquidity and the ability of the Group to sell properties depends on the state of investment markets and on market liquidity. As the COVID-19 pandemic is having a negative impact on the real estate markets, it may require the Group to liquidate parts of its investments (e.g. due to reduced profitability or increased liquidity requirements), but may also have a negative impact to the Group's ability to do so at favorable terms or at all (e.g. due to reduced demand for office or retail objects). All these circumstances could jeopardize the Group's efforts to improve portfolio quality.

Generally, each acquisition or disposal is subject to uncertainties and involves risks, including the risk that an acquisition or a sale is not completed after the Group has made significant investments in assessing the project from a legal perspective and in accordance with economic, technical and environmental criteria. Completed acquisitions or disposals of property and investments in companies or funds entail additional risks. Within the context of the due diligence normally undertaken by the Group during the course of an acquisition, the Group or its advisors and experts may incorrectly assess or may have incorrectly assessed the risks relating to the acquisition of property or those relating to the acquisition of the participation. Warranty and liability claims for defects of a material nature relating to the property or participation may be limited by contractual provisions to an inadequate amount, and such claims may not be enforceable against the seller (or the purchaser, as the case may be) or external advisers and experts or may lead to a reduction of the agreed purchase price or the unwinding of the entire transaction. Should one or more of these risks materialise, this may have a material adverse effect on the business, net assets, financial condition, cash flow and results of operations of the Group and thus on the ability of the Issuer to meet its obligations under the Notes.

***In the case of insufficient liquidity in the property market, the Group is exposed to the risk of not being able to sell properties at all or only at unacceptable conditions.***

Real estate investments are characterized by limited liquidity and, under certain conditions, may also be subject to significant volatility in fair values. The Group's property sales depend on the condition of investment markets and on market liquidity. Investors might hesitate to or refrain from investing in real estate. The reasons could be the general assumption of decreasing real estate prices, the unavailability of appropriate financing, or the market assessment of a declining demand for living, office and retail space or hotels, causing a decrease in rental revenue and liquidity. The ongoing COVID-19 pandemic and its effects on the economy and various markets, including the real estate market, may further increase the negative impact on these factors.

Investments of the Group are (direct or indirect) investments in real estate. A depressed market, applicable law and contractual regulations (including those related to the COVID-19 pandemic) may have an impact on the Group to sell certain properties to strategically adjust the geographical and sectorial alignment of the portfolio or to sell parts of the portfolio at acceptable conditions in a timely manner.

Furthermore, certain circumstances may arise (e.g. due to unfavorable market conditions, default of counterparties or liquidity shortages within the Group, including those caused by the ongoing COVID-19 pandemic) that make it appear necessary or advisable to sell the Group's real estate portfolio or parts of it promptly. Such being the case, there would likely be a significant shortfall between the fair value and the sale price of such property, in particular if the current market conditions do not improve substantially. Any such inability for timely sales of real estate assets at acceptable conditions may have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations and may impair the ability of the Issuer to fulfil its obligations under the Notes.

## **Business risks**

***As the Group's parent company, the Issuer's ability to satisfy its debt obligations significantly depends on the profitability of and its receipt of funds from its subsidiaries.***

The Issuer is the parent company of the Group. The Issuer's main activity is the strategic and operational management of its domestic and foreign subsidiaries. Therefore, the Issuer's ability to satisfy its debt obligations significantly depends on distributions and/or management fees that it receives from its subsidiaries and other investment interests, fees for management services provided or, as the case may be, scheduled repayments of loans it has granted to its subsidiaries. The extent of such cash flows to the Issuer will depend on the business, financial condition and results of operations of its subsidiaries. In addition, payments and transfers of funds may be restricted by the terms of any indebtedness that may be incurred by subsidiaries and by applicable law. A further strain on these cash flows from its subsidiaries to the Issuer comes from the indirect effects of the COVID-19 pandemic (see "*The ongoing global coronavirus pandemic causing the viral disease known as COVID-19 has already adversely affected the business, financial condition and results of operations of the Issuer and the Group and its negative effects could substantially increase.*"). Furthermore, the Holders' ability to receive payments of interest and/or principal under the Notes in case of the Issuer's insolvency will depend on the value of the Issuer's subsidiaries which will have to be disposed of in such default scenario. As senior unsecured creditors of the Issuer, the Holders' claims not only will be discharged following secured creditors of the Issuer, but are also structurally subordinated to creditors of the Issuer's subsidiaries, which enjoy privileged access to assets of such subsidiaries, because in case of the insolvency of a subsidiary, the Issuer may distribute only eventual liquidation proceeds (following satisfaction of all secured and unsecured creditors of the subsidiary) to its Holders.

Some countries may impose regulations restricting upstream payments such as dividends to foreign shareholders through exchange control regulations. To the Issuer's knowledge, there are currently no countries in which it has operative subsidiaries that directly restrict the payment of dividends. However, there can be no assurance that such restrictions will not arise in the future, for example in the context of the COVID-19 pandemic to reduce cash outflow from certain countries. The above factors could cause any or all subsidiaries to be unable to pay dividends or make other distributions directly or indirectly to the Issuer which may have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations and may impair the ability of the Issuer to fulfil its obligations under the Notes.

***On September 21, 2018, the Issuer acquired 19,499,437 shares in S Immo AG. The Issuer is exposed to the risk of fluctuations in the value of strategic financial investments including the S Immo investment, in particular a devaluation or write-off of this strategic financial investment, the receipt of smaller dividends or no dividends at all, or a negative impact on the long term issuer rating.***

The Issuer holds significant investments, in particular 19,499,437 shares (corresponding to a participation of 26.5%) of the outstanding share capital in the publicly listed company S IMMO AG ("**S Immo**") acquired on September 21, 2018. As of June 30, 2020, the Issuer's S Immo investment amounted to approximately 7.2% of the Group's total assets. The strategic financial investments held by the Group may generate yields lower than expected or could stop dividend payments entirely. If its strategic financial investments suffer a decline in value resulting from, *inter alia*, adverse economic conditions or the materialization of risks, IMMOFINANZ could be forced to devalue or even write-off such financial investments. Importantly, IMMOFINANZ has no control over the daily management of S Immo in which it holds a minority stake and therefore is unable to influence the daily business of this company. In addition, IMMOFINANZ could be forced to write-off the investment accounted for at equity or incur losses due to impairment requirements related to companies of the Group. The materialization of such devaluation, write-off or decline in performance could have a material adverse effect on the business prospects, results of operations and financial condition of the Group.

***The Group is dependent on the uninterrupted operation and security of its computer and data processing systems.***

The Group depends on the efficient and uninterrupted operation of its computer and data processing systems. Computer and data processing systems are generally vulnerable, susceptible and prone to disruptions, damage, power failures, computer viruses, fires and similar events and may be exposed to unlawful or other harmful acts such as unauthorized access, data misuse and theft (hacking). For this reason, it cannot be ruled out that these systems may be subject to operational disruptions or interruptions or that they are compromised by third parties. Due to the fact that the Group's structure is decentralized and because a significant portion of the Group's business activities are abroad, the Group relies on the smooth operation of Group-wide corporate reporting. Disruptions or interruptions in the operations of the computer and data processing systems used by the Group may impede effective management of the Group. Where the confidentiality of sensitive data, for instance that of business secrets, the valuations of individual properties, or other internal information regarding projects or properties, is breached by data misuse or theft, this may significantly impair and cause great damage to the operational and strategic business of the Group and its business model in general. This may have material adverse effects on the business, net assets, financial condition, cash flow and results of operations of the Group and/or the Issuer and thus on the ability of the Issuer to meet its obligations under the Notes.

***The control and prevention mechanisms of the Group's compliance structure may not have been, or may not be, sufficient to adequately protect the Group from all legal or financial risks. Cases of irregularities could lead to official investigations or third-party claims against the Group, which, in turn, could have a material adverse effect on its business, net assets, financial condition, cash flow, results of operations and reputation.***

The functioning of the risk management system is evaluated annually by the Group's auditor under the requirements of C Rule 83 of the Austrian Code of Corporate Governance. Nevertheless, the Group's techniques and strategies may not be fully effective in mitigating its risk exposure in all economic market environments or against all types of risk, including risks that the Group fails to identify or anticipate. Some of the Group's qualitative tools and metrics for managing risk are based upon its use of observed historical market behaviour. The Group applies statistical and other tools to these observations to arrive at quantifications of its risk exposures. These tools and metrics may fail to predict future risk exposures. These risk exposures could, for example, arise from factors the Group did not anticipate or correctly evaluate in its statistical models. In addition, the Group's quantified modelling does not take all risks into account. Its more qualitative approach to managing those risks could prove insufficient, exposing it to material unanticipated losses. If the Group's risk management turns out to be inadequate, losses greater than anticipated could harm the Group's revenues and profits as well as its reputation.

To protect the Group against legal risks and other potential harm, a Group-wide compliance management system ("CMS") has been implemented. Binding policies apply to all employees and the members of the Management Board and Supervisory Board and address conduct, corruption prevention, conflicts of interest, information and data protection, discrimination, environmental protection and protection of company property. In signing a 'compliance declaration for third parties', all business partners commit to observing, to the best of their knowledge, applicable legislation and complying with the Group's ethical principles in their business dealings with the Group. As part of the CMS all compliance competencies are assumed by the Group's compliance officer who reports to the Management Board. Legal and compliance risks are addressed by the Group's risk management and the compliance steering committee. However, there can be no assurance that the aforementioned compliance arrangements will be sufficient to completely prevent all unauthorized practices, legal infringements or corruption within the Group. Any failure in compliance could have material adverse effects on its net assets, financial condition, cash flow, results of operations and reputation.

***The Group could be exposed to risks from residual pollution including wartime ordnance, soil conditions and contaminants in building materials, as well as possible building regulation violations. The Group is exposed to risk of catastrophes caused by nature as well as humans.***

Environmental and safety regulations set out effective and latent obligations in the markets in which the



Group is active to refurbish contaminated properties. These obligations can apply to properties currently owned by the Group or which were owned by the Group in the past or which are or were managed or developed by it, or in which operational waste of the Group was deposited. In particular, it may be that buildings of the Group contain harmful materials that have been undiscovered, or that properties of the Group are contaminated with petrol or chemical or other pollutants or war material or are subject to other environmental risks or liabilities such as soil contamination or pollution to an unforeseen extent. The existence or even suspected existence of wartime ordnance, hazardous materials, other residual pollution or soil contamination can negatively affect the value of a property and the Group's ability to lease or sell such property. Obligations for remediation due to environmental or safety regulations and the resulting consequences may have material adverse effects on the Group's business, net assets, financial condition, cash flow and results of operations. These negative effects can result in civil and criminal liabilities and consequences in the case of the violation of environmental regulations by the Group, its employees or those responsible. Some regulations and provisions which are constantly subject to possible changes impose sanctions where emissions are discharged into the air, or leak into the soil or water, including asbestos which can lead to liabilities towards third parties for personal or other damages. The presence of such contamination or the failure to remove such substances can impair the ability of the Group to sell or rent the affected property or to use it as collateral. After all, the tenants can refuse to pay the agreed rent in whole or in part until such contamination is removed or terminate the rental agreement prematurely and/or claim damages including those for interruption of business. This may lead to a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations and the ability of the Issuer to meet its obligations under the Notes.

As a result of the COVID-19 pandemic, the Group also has to comply with stricter health and safety policies. At this stage, the Issuer is unable to quantify the duration and the impact of these stricter health and safety policies on its operations and Group earnings.

More strict environmental, health and safety laws and implementation measures may result in significant expenses and liabilities and require a more thorough investigation of the properties held by the Group compared to current practice. The compliance with these provisions may lead to substantial investment and other costs and therefore have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations and the ability of the Issuer to meet its obligations under the Notes.

Natural catastrophes and extreme weather conditions such as earthquakes, flooding, storms and hail can cause severe damage to properties under construction or those already completed. Such damage can also occur due to man-made catastrophes such as nuclear incidents. If such damage is not sufficiently covered by insurance policies, the Group's business, net assets, financial condition, cash flow and results of operations and the ability of the Issuer to meet its obligations under the Notes could be materially adversely affected.

***The insurance coverage of the Group may prove to be insufficient.***

Where insurance coverage is incorrectly evaluated, this may result in risks such as liability or natural catastrophes only being covered to a limited extent or not being covered by insurance policies at all. Therefore, the Group is exposed to the risk of having insufficient or no insurance coverage for risks such as the consequences of COVID-19, in particular business interruptions, inflation, changes in the legal provisions for building and regional planning, legal deficiencies such as lack of ownership, construction defects, floods, fire or similar natural catastrophes as well as terrorism and other damage events with regard to the real estate. If a loss is incurred which exceeds the sum insured or in respect of which no cover is provided, the Group may lose the capital invested in the real estate and expected revenues or appreciation may not occur. Moreover, additional costs may arise for the Group from repairing damage caused by uninsured risks. The Group would continue to be liable for debt and other financial obligations regarding the affected real estate. Substantial losses exceeding the insurance coverage may be incurred which may have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations and may impair the ability of the Issuer to fulfil its obligations under the Notes.

## **Financial business risks**

***The Group is exposed to the risk of loss and counterparty risk when investing liquid assets as well as during hedging transactions.***

The Group has fluctuating levels of liquid assets that are invested in accordance with the respective operational and strategic requirements and objectives. On a case by case basis, such investments can also be made in listed securities or funds that are subject to an increased risk of loss. Furthermore, the Group enters into hedging transactions on an ongoing basis, in particular to hedge against changes in interest rates and the related fluctuations in its financing costs. Such hedging transactions may prove to be inefficient or unsuitable for attaining the objectives sought, and may result in losses recognized in profit and loss. Further, the assessment of the value of derivatives may have a negative impact on the result and/or on the equity of the Issuer. Furthermore, the Group is exposed to the risk that its contract partners are unable to meet their obligations as agreed under hedging or investment transactions, for instance to effect payment of amounts under swap transactions, make repayments, pay interest or effect other payments in the agreed amount or on the agreed due date (counterparty risk). This risk is more pronounced in times of significant market volatility such as caused by the COVID-19 pandemic. This may have material adverse effects on the business, net assets, financial condition, cash flow and results of operations of the Group and thus on the ability of the Issuer to meet its obligations under the Notes.

***The Group may be insufficiently protected against changes in interest rates.***

Approximately 9.3% of the Group's financings are not hedged against interest rate fluctuations: Such fluctuations are caused by market factors and have an effect on both the rate of financing and the market value of the interest rate hedging transactions concluded. Depending on its investment strategy, the Group opts for a mixture of long-term fixed interest rates and floating interest rate loans regarding the financing it takes out. The latter are not entirely hedged by derivative financial instruments. The extent to which the needs of the Group are serviced by derivative instruments depends on the assumptions and market expectations of the management and the responsible employees of the Group in relation to the future interest rate level. Should these assumptions prove incorrect, this may result in a significant increase in expenditure on interest and have a material adverse effect on the business, net assets, financial condition, cash flow and results of operations of the Group and thus on the ability of the Issuer to meet its obligations under the Notes.

***The Group has a substantial need of financing and refinancing and is exposed to the risk of not being able to obtain debt financing to the extent necessary or at the time required. In the case of refinancing, the conditions may deteriorate substantially, for example in the form of higher interest rates or additional collateralisation requirements.***

Financing (or refinancing) on the financial and capital markets represents one of the most important measures available to real estate companies. IMMOFINANZ has a substantial level of debt; the book value of the Group's outstanding financial indebtedness (excluding IFRS 16 values) was EUR 2,825.0 million as of June 30, 2020 (consisting of bank debt and other financial indebtedness of EUR 2,035.5 million, a convertible bond of EUR 288.9 million and a corporate bond of EUR 500.6 million). The Group may rely on outside capital in particular to refinance existing loans and bonds and to finance the current and future development of the Group. Approximately EUR 204.0 million of the Company's nominal debt will be maturing (excluding regular scheduled repayments) until end of 2020. IMMOFINANZ is to issue the Notes to refinance debt and to provide a more flexible and an extended debt maturity profile.

However, in times of extremely volatile real estate markets (including as may be caused by the COVID-19 pandemic), it may well be that the providers of external capital are unwilling to extend maturing loans at all or at conditions which are unfavorable to the Group. This may in particular lead to higher margins, make it necessary to provide further collateral and generally result in a lack of refinancing opportunities. To the extent the Group is unable to generate liquidity or outside capital to the extent necessary and at the time required and/or raise such liquidity or outside capital at acceptable conditions, this may have a material adverse effect on the business, net assets, financial condition, cash flow and results of operations

of the Group and thus on the ability of the Issuer to meet its obligations under the Notes.

***Conditions imposed in financing agreements concluded by the Group may limit its financial and commercial flexibility. Violations may impair the financial position of the Group.***

The financing agreements concluded by the Group contain conditions, in particular restrictions regarding the permissible loan to value ratio, and debt and/or interest service coverage ratios (DSCR, ISCR). These conditions may restrict or otherwise constrain the flexibility of the Group to obtain financing for future business activities and to meet its financing needs in the case of special business opportunities. The assessment of such covenants may also be negatively influenced by changes to regulatory and financial reporting standards and/or amended estimates, as well as valuation fluctuations (including as may be caused by the COVID-19 pandemic). These restrictions in form of violation of any covenants may have a negative impact on the business, net assets, financial condition, ability of subsidiaries to distribute dividends to the Issuer, cash flow and results of operations of the Group and thus on the ability of the Issuer to meet its obligations under the Notes.

The Group may find it is in breach of conditions or representations and warranties stipulated in financing agreements if not waived by the respective financing partner. Such a breach or violation may be deemed to constitute an event of default under the respective financing agreement and furthermore as a cross default under other financing agreements. This may entitle the respective lender(s) to demand its immediate repayment. If the Group does not have sufficient liquidity to finance such repayments, it may be compelled to sell properties from its real estate portfolio or to take out refinancing, if at all available, at unfavorable conditions. This risk is even more pronounced due to the effects of the COVID-19 pandemic on the real estate markets. As the debt financing of the Group is largely secured by security interests in real estate, financing partners may also be entitled to sell such properties during enforcement proceedings regarding these securities. Such a forced sale may be made at conditions which are much less favorable than those assessed by the Group, and the proceeds from the sale may not entirely cover the claims of the lender(s), together with enforcement costs.

Should one or more of these risks materialise, this may have a material adverse effect on the business, net assets, financial condition, cash flow and results of operations of the Group and thus on the ability of the Issuer to meet its obligations under the Notes.

***The Group's business may be significantly impaired due to the lack of availability of equity financing.***

The Group does not exclude the possibility of financing its business activities in future through the issuance of further shares. Where no investors who typically invest in the shares of real estate companies can be found, for example due to the market assessment that the risks relating to the shares of issuers outside of the real estate sector or real estate companies other than the Issuer are lower for economic reasons or for other reasons or the expected return on such shares is higher, it may prove difficult for the Group to raise or obtain further outside capital at adequate conditions, or even at all. This may make it necessary to raise capital at less favorable conditions or even to change the strategy of the Group. Should the Group be unable to obtain sufficient capital resources at adequate conditions for a planned acquisition for instance due to unfavorable market conditions, this may mean that it is not possible for the transaction to be performed or that the level of leverage has to be increased. All of this may have a material adverse effect on the business, net assets, financial condition, cash flow and results of operations of the Group and thus on the ability of the Issuer to meet its obligations under the Notes.

## **Legal and tax risks**

***The Group is subject to risks resulting from legal disputes related to its operating business.***

The Group may be involved in legal disputes as plaintiff or defendant within the scope of its ordinary business. The Group may be involved in disputes and litigation in different jurisdictions where legal systems and procedures deviate significantly from Austrian or German standards. In particular, in relation to the VIVO! shopping center in Cluj, where the local property company was deprived of ownership to the land which ownership was, however, not yet finally transferred to another entity or state authority, a series of claims relating to this shopping centre is still pending before various Romanian courts. The

respective applicable procedural law, different levels of efficiency of the competent courts and the complex nature of the legal disputes may prolong proceedings and also give rise to the risk that even with regard to disputes with positive expectations no timely payment will be received or there is no obligation to effect payment. In general, the Group has established balance-sheet provisions for legal disputes, but it did not make value adjustments or provisions for all legal disputes. It cannot be ruled out that these forecasts will change in the future and that adjustments will need to be made to the valuation of balance sheet items for this reason. If insufficient value adjustments or provisions are made, the result of such legal disputes may have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations and may impair the ability of the Issuer to fulfil its obligations under the Notes.

***Changes in law due to COVID-19 could adversely affect the Group and the Issuer***

In response to the ongoing COVID-19 pandemic, governments in various core markets where the Group is active have enacted or changed laws to both mitigate the further spread of the disease as well as the impact of these measures on the general public and the economy. These measures cover a broad range of areas including, without limitation, restrictions on individual freedom rights such as mandatory social distancing, travel restrictions, closure of stores and workplaces, quarantine and lockdowns, hygienic and safety measures, subsidized short-term work, regulations applicable to the public administration and authorities such as changes to the laws of civil and administrative procedure as well as changes in civil law including deferral of loan repayments, options to reduce rent, defer rent payments or to terminate unfavorable leases, and implementation of subsidy schemes.

The interpretation and practical implementation of these laws is subject to considerable uncertainty and in some cases, re-examination and valuation by supreme courts and other competent authorities. Furthermore, the potential expiry or extension of such laws and regulations is uncertain, and additional laws and regulations could be enacted to implement further policies and measures in response to the COVID-19 pandemic.

Changes in, the extension, or the implementation of further laws and regulations (in response to the ongoing COVID-19 pandemic or otherwise) in the countries in which the Group currently operates, or may operate in the future, or the interpretation or enforcement thereof, may require the Group to incur additional costs or otherwise adversely affect the markets where it operates or the management of its real estate portfolio, each of which could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group is subject to the general tax environment and uncertainties of tax systems in the markets in which it operates. The Group's tax burden may increase as a consequence of future tax treatment of dividend or interest payments, current or future tax assessments, tax audits or court proceedings based on changes in tax laws or changes in the application or interpretation thereof.***

The Group is subject to the general tax environment in the markets in which it operates. The Group's tax burden depends on various aspects of tax laws as well as their application and interpretation. Amendments to tax laws, for example an increase of statutory taxes or the introduction of further taxes due to excessive public debt and budget restrictions may have a retroactive effect and their application or interpretation by tax authorities or courts may change. Furthermore, court decisions are occasionally limited to their specific facts by tax authorities by way of non-application decrees. This may also increase the Group's tax burden.

In numerous countries tax regulations exist both at the central level and at the level of local administrations. In less developed national economies and legal systems, these regulations have been in force for a short period of time, which in many cases is reflected in unclear or non-existent implementing provisions. Furthermore, such tax regulations are frequently subject to changes and amendments, which may result in significant complexity and related costs for the Group. In many cases, there are differences of opinion regarding the interpretation of tax regulations between, but also within, public authorities, including the tax authorities, which may lead to legal uncertainties and conflicts. Decreasing tax payments as well as other regulatory concerns are being investigated and assessed by numerous authorities, which are often authorized to impose significant fines and interest on tax underpayments.

As a result of the OECD-action plan against abusive international tax planning structures, the EU member states are in the process of adopting measures to avoid so-called “base erosion and profit shifts” (BEPS) in national tax legislations. One element thereof is the adoption of rules which limit the deductibility of interests, i.e. the so-called “interest barrier rules”. Such rules might limit the deduction of interests on these Notes in the subscriber’s jurisdiction as well.

Any of these circumstances could have an impact on the tax position of the Issuer which may have a material adverse effect on the business, net assets, financial condition, cash flow and results of operations of the Group and thus on the ability of the Issuer to meet its obligations under the Notes.

***The Group can be exposed to losses and liabilities (including tax burdens) in relation to its properties, as a result of acts or omissions of sellers or previous owners, or which refer to a former owner.***

The Group may be subject to losses and liabilities, including tax, regulatory, environmental or compliance risks, with regard to acquired real estate. Actions and omissions of previous owners or possessors of the real estate, changes in legal provisions and numerous other factors may lead to such losses and liabilities. There is thus a risk that some of the properties have hidden defects that once detected are the responsibility of the Group, and for that risk the Group possibly has insufficient insurance coverage. The Group is not insured against risks related to the COVID-19 pandemic (e.g. in connection with business interruptions or loss of revenue due to governmental measures).

In the course of acquiring a real estate portfolio, the Group either by itself or through consulted advisers and external experts, may have conducted only limited due diligence on the properties in question. Consequently, it might not have sufficiently ascertained that the previous owner of the properties obtained all governmental approvals and authorizations and acted in compliance with applicable law or that the properties were kept in accordance with applicable provisions. In certain cases investigations, inquiries and appraisals (e.g. environmental legal investigations, testing for asbestos contamination and technical assessment) normally conducted when acquiring real estate and carried out by the Group may turn out to have been not sufficient. Contracts relating to the purchase of real estate may contain only limited liability and warranty of the seller and no further contractual protection for the benefit of the Group. Finally, the respective seller may not be able to satisfy possible claims of the Group. All of this may have material adverse effects on the Group’s business, net assets, financial condition, cash flow and results of operations and may impair the ability of the Issuer to fulfil its obligations under the Notes.

### **Risks specific to the Notes**

#### **Risks related to the nature of the Notes**

***Risks exist due to the structural subordination of Notes towards other financing obtained by the Issuer or its subsidiaries based on the financial structure of the Group as well as the Terms and Conditions.***

Holder are unsecured creditors of the Issuer. Hence Holders are subordinated to secured creditors of the Issuer and its subsidiaries, since they have preferential access to the assets on which they hold security interests.

Structural subordination exists with regard to unsecured creditors of subsidiaries, because in the event of the insolvency of the subsidiary they have access to the financial assets of the respective subsidiary, whereas the Issuer has potential proceeds from the liquidation of the respective subsidiary at his disposal only after all creditors’ claims. The Issuer holds large investments domestically and abroad and hence exercises a holding function. As a holding company the Issuer has a weaker position than creditors of the subsidiaries.

Numerous financings of the Group do not take place at the Group level, but as project financing at the level of the project companies. Creditors of project financings are typically secured by all assets of the project company and therefore they in any case have access to the assets of the project company prior to the Holders. Moreover, claims of the Issuer against the subsidiary may under applicable law be treated subordinately in case of insolvency of the subsidiary.

As a consequence, creditors of project financing of the Group have an advantageous creditor position in comparison to Holders through possible access to securities including a pledge of the share in the project company and because of direct claims against several project companies that have financial assets at their disposal. Those aspects as well as the financing structure of the Issuer in general may infringe the ability of Holders to enforce their claims against the Issuer and may have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations and may impair the ability of the Issuer to fulfil its obligations under the Notes.

***Holders are subject to Issuer's credit risk and the insolvency of the Issuer may lead to a total loss of the investment of Holders.***

In case of its insolvency, the Issuer is usually not able to meet its obligations resulting from the issuance of the Notes. Therefore, the insolvency of the Issuer may lead to interest and capital payment default and in the worst case to a total loss of the invested capital. The claims under the Notes are neither guaranteed or secured by any assets of the Issuer or the Group and are not subject to any legal deposit protection or other protection schemes. In case of an insolvency of the Issuer, Holders may lose all or a very substantial part of their investment and of their interest claims.

***Although the occurrence of a change of control will permit Holders to require redemption of the Notes, the Issuer may not be able to redeem such Notes.***

Upon the occurrence of a change of control, Holders will have the right to require the redemption of the Notes at the Put Amount (as defined in the Terms and Conditions). The Issuer's ability to redeem Notes upon such a change of control will be limited by its access to funds at the time of the redemption. The source of funds for these repayments would be the available cash or cash generated from other sources. However, there can be no assurance that there will be sufficient funds available upon a change of control to make these repayments and any required redemption of tendered Notes.

***The solvency of the Issuer can change during the term of the Notes (solvency risk).***

The solvency of the Issuer significantly influences the price development of the Notes. In addition to factors surrounding the Issuer's business development (described under "*Risks specific to the Issuer and the Group*" above), other circumstances, such as a policy of paying excessive dividends (which cannot be influenced by the Holders) may have adverse effects on the Issuer's solvency. Possible redemptions of treasury shares may have adverse effects on key figures of the Issuer, in particular with regard to debt financed acquisitions of treasury shares. A deterioration of the Issuer's solvency may lead to a negative price development and selling the Notes before maturity may lead to losses.

#### **Business risks related to the Notes**

***The market price of interest-paying notes can decrease due to changes of the market interest rate (price risk).***

While the nominal interest amount of the Notes is fixed for the entire tenor of the Notes, the current interest rate on the capital market (market interest rate) typically changes on a daily basis. As the market interest rate changes, the market price of a note with a fixed interest rate also changes – but in the opposite direction. The longer the remaining term of a note, the bigger the change of the price is when a change of the interest level occurs. If the market interest rate increases, the price of fixed rate notes typically falls until the yield of such notes approximately equals the market interest rate. If the market interest rate decreases, the price of a fixed interest rate notes typically increases until the yield of such note is approximately equal to the market interest rate. Potential investors should be aware that fluctuations of the market interest rate can have adverse material effects on the price of the Notes and that the selling of the Notes before maturity can lead to losses.

***Holders are exposed to the risk that a liquid market for the Notes does not develop or that trading of the Notes is suspended. Revocation of the listing or suspension of trading with the Notes can lead to distorted pricing or to the sale of the Notes becoming impossible.***

The liquidity (tradability) of the Notes is influenced by different factors such as issue volume, facilities and market situation. There is currently no secondary market for the Notes.

Application has been made for the Notes to be listed on the Luxembourg Stock Exchange's Regulated Market. Regardless of the listing, it cannot be guaranteed that a secondary market for the Notes will develop and/or persist. In an illiquid market it may happen that Holders are not able to sell their Notes at any time or at a market price in line with their expectations.

The admission of the Notes to be traded on a regulated market may be revoked for numerous reasons (e.g. due to a decision of the exchange operating company or the supervisory authority or upon application of the Issuer) and/or the Notes may be suspended from trading by the exchange operating company or the competent financial market authority (e.g. if certain price limits are exceeded, legal provisions are infringed, in case of operational problems of the stock exchange, in case of publication of information relevant to stock prices or in general, if it is necessary to guarantee a functioning market or the protection of Holders). The suspension of trading typically means that orders already placed expire. The Issuer is not able to influence the revocation or suspension from the trade (except where it is based on an action taken by the Issuer) and Holders are exposed to this risk.

Finally Holders have to consider that neither revocation nor suspension from the trade is necessarily a sufficient or proper instrument to avoid market or price disturbances or to protect the Holders' interests. If, for instance, trading is suspended because information relevant to stock prices is published, it is possible that the price of the Notes was already influenced prior to the suspension. All of this may lead to the market price not corresponding to the value of the Notes so that the Notes cannot be sold or can only be sold for a price that is lower than the value of the capital employed by the Holder to purchase the Note or lower than the value of the Note at the time of sale. Holders must in particular not rely on the possibility to sell the Notes at a certain time at a certain price.

***Credit 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 is on the respective scale, the higher the respective rating agency assesses the risk that obligations will not be met at all or not be met in a timely manner. The market price of the Notes from time to time is likely to depend upon the level of credit rating assigned to the long-term debt of the Issuer. Rating agencies may change, suspend or withdraw their ratings at short notice. A rating's change, suspension or withdrawal may affect the price and the market price of the outstanding Notes. An investor may thus incur financial disadvantages, as he may not be able to sell the Notes at a fair price. The ratings may not reflect the potential impact of all risks related to the structure, market and additional factors discussed herein, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

***Holders are dependent on the operation of the Clearing Systems.***

The Global Note, which will document the Notes, will be kept in custody by clearing systems. Hence, purchases and sales of securities do not take place through delivery of physical certificates but are settled through clearing systems. With respect to the transfer of the Notes and the receipt of payments out of the Notes, the Holders are reliant on the operation of the relevant process. The Issuer assumes no responsibility or liability for the actual booking of the securities to the securities account of the Holder in case of an acquisition or for de-recognition when Notes are sold. Due to the use of clearing systems, there is the risk that bookings are not made, not made within the time expected by the Holder or only made with a delay and therefore the Holder suffers economic disadvantages.

***The Issuer can effect transactions which are not in the Holders' interest, or other reasons may lead to conflicts of interest arising between the Issuer and the Holders.***

The interests of the Issuer may not be congruent with the interests of the Holders. Future businesses and transactions of the Issuer or the Group may have an adverse effect on the Holders' position. In particular with regard to the issuance of Notes, the Issuer's right to enter into unsubordinated obligations with the same ranking as the obligations of the Notes is not restricted. Any further obligation of the Issuer may have adverse effects on the Notes' market price, increases the probability of a delayed coupon payment and/or may reduce the amount recoverable by the Holders in case of insolvency of the Issuer.

#### **Legal risks relating to the Notes**

***The Notes are subject to early termination rights by the Issuer.***

In accordance with § 5 of the Terms and Conditions, the Issuer is under certain circumstances entitled to early redeem the Notes at their principal amount in the event of changed tax law provisions, or if 80% or more in principal amount of the Notes originally issued have been redeemed or purchased by the Issuer or any subsidiary of the Issuer. The Issuer may further, upon notice given in accordance with the Terms and Conditions, redeem all of the Notes at the Call Redemption Amount or at any date during the period from and including 90 days prior to the Maturity Date to and excluding the Maturity Date at their principal amount. In case of such an early redemption and premature repayment, Holders bear the risk that the yield on their investment is lower than expected. In case of an early termination of the Notes, Holders may not be able to reinvest their capital under at least equivalent conditions.

***Early redemption in case of certain events of default is subject to a 10% quorum.***

The Terms and Conditions provide that, in case of certain events of default, any notice by a Holder declaring its Notes due and payable shall become effective only when the Paying Agent has received such default notices from Holders representing at least 10% of the aggregate principal amount of the Notes then outstanding. Holders should be aware that, as a result, they may not be able to accelerate their Notes upon the occurrence of certain events of default, unless the required quorum of Holders delivers default notices.

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

The Terms and Conditions may be amended or other measures relating to the Notes may be taken by majority resolution of the Holders. The voting process under the Terms and Conditions will be governed in accordance with the German Act on Debt Securities of 2009 (*Schuldverschreibungsgesetz* – “**SchVG**”), pursuant to which the required participation of Holders votes (quorum) is principally set at 50% of the aggregate principal amount of outstanding Notes in a vote without a meeting. In case there is no sufficient quorum in the vote without a meeting, there is no minimum quorum requirement in a second meeting or voting on the same resolution (unless the resolution to be passed requires a qualified majority, in which case Holders representing at least 25% of the outstanding Notes by principal amount must participate in the meeting or voting). As the relevant majority for Holders' resolutions is generally based on votes cast, rather than on principal amount of Notes outstanding, the aggregate principal amount such Notes required to vote in favour of an amendment will vary based on the Holders' votes participating. Therefore, a Holder is subject to the risk of being outvoted by a majority resolution of such Holders and losing rights towards the Issuer against his will in the event that Holders holding a sufficient aggregate principal amount of the Notes participate in the vote and agree to amend the Terms and Conditions of the Notes or on other matters relating to the Notes by majority vote in accordance with the Terms and Conditions and the SchVG. Any such majority resolution will even be binding on Holders, who have declared their claims arising from the Notes due and payable based on the occurrence of an event of default, but who have not received payment from the Issuer prior to the amendment taking effect.



Furthermore, despite the Terms and Conditions being governed by German law, it cannot be ruled out that investors seek remedies under the Austrian Bond Trustee Act (*Kuratorenengesetz*) Gazette RGBI 1874/49, as amended and as supplemented by the Austrian Bond Trustee Supplementation Act (*Kuratorenergänzungsgesetz*) Gazette RGBI 111/1877, leading to the appointment of a bondholder trustee (*Kurator*) by an Austrian court, if it accepts jurisdiction, to represent the joint interests of the Holders. Once appointed, such trustee will exercise the rights and represent the interests of the Holders and is entitled to make statements on their behalf which shall be binding on all Holders. This can conflict with decisions passed by a Holder majority under the SchVG as described above or otherwise adversely affect the interests of individual or all Holders.

***Changes to applicable law, regulations or administrative practice can lead to negative consequences for the Issuer, the Notes and the Holders.***

The Terms and Conditions are subject to German law as in force at the date of the Prospectus. No assurances can be given with regard to the impacts of possible court decisions or changes in German law provisions (or the law applicable in Germany) or the administrative practice, that takes place after the date of this Prospectus. Holders are exposed to the risk that those decisions and/or changes negatively affect the Issuer, the Notes and the Holders.

***Since no Holders' representative will be appointed as from the issue date of Notes, it will be more difficult for Holders to take collective action with respect to the Notes.***

No initial Holders' representative will be appointed under the Terms and Conditions of the Notes. Any appointment of a Holders' representative for the Notes post issuance of the Notes will, therefore, require a majority resolution of the Holders. As a result, it will be more difficult for Holders to take collective action with respect to the Notes.

If a Holders' representative has been appointed by majority resolution of the Holders, it is possible that a Holders may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer, if such right was passed to the Holders' representative by majority vote who is then exclusively responsible to claim and enforce the rights of all Holders.

***Claims towards the Issuer in respect of repayment become time-barred if not asserted within ten years and in respect of interest within three years.***

Claims towards the Issuer for repayment relating to the Notes become time-barred and terminate, if not asserted within ten years (in respect of repayment) and three years (in respect of interest). There is a risk that holders of Notes will not be able to assert their payment claims against the Issuer after expiration of the limitation periods.

***Holders are exposed to the risk of a lack of influence on the Issuer.***

The Notes do not constitute shareholders' rights, in particular they do not entitle Holders to participate in or vote at the shareholders' meeting of the Issuer. The Holders are not able to impact the business policy or the entrepreneurial decisions of the Issuer. The Issuer may operate against the will of Holders and make decisions in future that deviate from the information provided in this Prospectus. This may impede the ability of the Issuer to meet its obligations under the Notes and hence have material adverse effects on Holders.

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

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

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

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

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

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### Financial statements - documents incorporated by reference

English language translations of the audited consolidated financial statements of the Issuer as of, and for the financial year ended December 31, 2019 and the financial year ended December 31, 2018 (including the notes thereto, the “**Audited Consolidated Financial Statements**”) extracted from the IMMOFINANZ Annual Report 2019 and the IMMOFINANZ Annual Report 2018, respectively, as set out below, and an English language translation of the reviewed (unaudited) consolidated interim financial statements of the Issuer as of, and for the first half-year ended June 30, 2020 extracted from the Company’s Half-year Financial Report of 2020 (including the notes thereto, the “**Consolidated Interim Financial Statements**” and together with the Audited Consolidated Financial Statements, the “**Consolidated Financial Statements**”) are incorporated by reference into this Prospectus and are defined herein as the “**Documents Incorporated by Reference**”. This Prospectus should be read and construed in conjunction with the Documents Incorporated by Reference which have been previously published and which have been filed with the CSSF and shall form part of this Prospectus.

The Issuer has prepared the German language Consolidated Financial Statements in accordance with IFRS. The Audited Annual Consolidated Financial Statements 2019, as defined below, and the Audited Annual Consolidated Financial Statements 2018, as defined below, both in the German language, were audited by Deloitte Audit Wirtschaftsprüfungs GmbH, Renngasse 1/Freyung, A-1010 Vienna, Austria (“**Deloitte**”), a certified public accountant and member of the Austrian Chamber of Tax Advisors and Auditors (*Kammer der Steuerberater und Wirtschaftsprüfer*). Deloitte issued audit reports with unqualified audit opinions on the German language Audited Consolidated Financial Statements. The Consolidated Interim Financial Statements for the first half-year ended June 30, 2020 were not subject to an audit, but were reviewed by Deloitte. The Consolidated Financial Statements are translations of the original German language documents.

### *Cross reference list*

The Documents Incorporated by Reference may be inspected on IMMOFINANZ’ website ([www.immofinanz.com](http://www.immofinanz.com)) under the icons “Investor Relations” and “Financial Reports”. The following sections of the Consolidated Interim Financial Statements for the first half-year ended June 30, 2020, the Audited Annual Consolidated Financial Statements 2019 (as defined below) and the Audited Annual Consolidated Financial Statements 2018 (as defined below) are incorporated by reference into this Prospectus as follows:

- Consolidated Interim Financial Statements for the first half-year ended June 30, 2020: the consolidated interim financial statements as of, and for the first half-year ended, June 30, 2020, together with an English translation of the review report: consolidated balance sheet for the first half-year 2020, page 40, consolidated income statement for the first half-year 2020, page 41, consolidated statement of comprehensive income for the first half-year 2020, page 42, consolidated cash flow statement for the first half-year 2020, page 43, consolidated statement of changes in equity for the first half-year 2020, pages 44-45, selected explanatory notes to the consolidated financial statements for the first half-year 2020, pages 46-69; unqualified auditor’s review report, pages 71-72; the Half-year Financial Report 2020 may also be inspected on IMMOFINANZ’ website <https://graph.immofinanz.com/api/v1/attachment/5f46a8035ef8793c66b1aedc/download/en>;
- audited annual consolidated financial statements 2019: the audited annual consolidated financial statements as of, and for the financial year ended, December 31, 2019 (the “**Audited Annual Consolidated Financial Statements 2019**”) together with an English translation of the auditor’s report: consolidated balance sheet, page 118, consolidated income statement, page 119, consolidated statement of comprehensive income, page 120, consolidated cash flow statement, page 121, consolidated statement of changes in equity, pages 122-123, notes to the consolidated financial statements, pages 124-211; unqualified auditor’s report, pages 212-216; the IMMOFINANZ Annual Report 2019 may also be inspected on IMMOFINANZ’ website <https://graph.immofinanz.com/api/v1/attachment/5e9f60d17dca1f7be44d7a81/download/en>; and

- audited annual consolidated financial statements 2018: the audited annual consolidated financial statements as of, and for the year ended, December 31, 2018 (the “**Audited Annual Consolidated Financial Statements 2018**”) together with an English translation of the auditor’s report: consolidated balance sheet, page 92, consolidated income statement, page 93, Consolidated statement of comprehensive income, page 94, consolidated cash flow statement, page 95, consolidated statement of changes in equity, pages 96-97, notes to the consolidated financial statements, pages 98-193; unqualified auditor’s report, pages 194-198; the IMMOFINANZ Annual Report 2018 may also be inspected on IMMOFINANZ’ website <https://graph.immofinanz.com/api/v1/attachment/5cb0935773f6182e782545bb/download/en>.

Information included in the Documents Incorporated by Reference that is not included in the cross reference list above is neither part of this Prospectus nor incorporated by reference in the Prospectus. Such information not incorporated by reference in the Prospectus is either not relevant for investors or already included elsewhere in the Prospectus.

### ***Rounding adjustments***

As is customary in commercial accounting, some numerical figures (including percentages) in this Prospectus were rounded, primarily to the nearest whole number or tenth of a million (euro). As a result, figures shown as totals in some tables may not be the exact arithmetic aggregation of the rounded figures that precede them. Percentages cited in the text, however, were calculated using the actual values rather than the rounded values. Accordingly, in certain cases it is possible that the percentages in the text differ from percentages based on the rounded values.

## **DOCUMENTS AVAILABLE FOR INSPECTION**

This Prospectus, any supplement thereto, if any, and any Documents Incorporated by Reference into this Prospectus will be published in electronic form on the website of both, the Luxembourg Stock Exchange, *Bourse de Luxembourg* ([www.bourse.lu](http://www.bourse.lu)) and the Issuer (<https://immofinanz.com/en/investor-relations/bonds>). The following documents will be available free of charge for as long as any Notes are outstanding, or for ten years following the approval of this Prospectus, whichever falls later:

- the Prospectus and any supplement thereto; and
- the Documents Incorporated by Reference.

In addition, the following documents may be inspected on the Company’s website ([www.immofinanz.com](http://www.immofinanz.com)) under the icon “Investor Relations”:

- the Company’s Articles of Association;
- the Annual Report 2019;
- the Annual Report 2018; and
- the Half-year Financial Report 2020.

These documents and any other information displayed on the Company’s website do not form a part of this Prospectus nor are they incorporated by reference in this Prospectus, unless explicitly otherwise stated in this Prospectus.

## OVERVIEW OF THE CONSOLIDATED FINANCIAL DATA

The following overview of the consolidated financial data of the Group have been derived from the Consolidated Financial Statements, which are incorporated into this Prospectus, or have been calculated based on the data in the Consolidated Financial Statements and certain other information of the Group. For more detailed information on the Group's financial information, please refer to these Consolidated Financial Statements.

	Half-year ended June 30,		Year ended December 31,	
	2020	2019	2019	2018 <sup>(*)</sup>
	(in EUR million)			
	(reviewed, except as otherwise noted)		(audited, except as otherwise noted)	
<b>Earnings Data</b>				
Rental income.....	145.5	131.8	279.9	236.9
Results of asset management.....	102.8	101.0	207.3	174.0
Results of property sales.....	-0.7	1.7	-5.1	27.2
Results of property development.....	-16.7	14.3	-12.4	-4.3
Results of operations.....	59.7	98.7	149.9	153.1
Revaluation result from stranding investments and goodwill.....	-143.4	104.7	195.7	6.0
EBIT.....	-83.6	203.4	345.6	159.1
Financial results.....	-42.4	-5.2	4.5	44.2
EBT.....	-126.0	198.2	350.1	203.3
Net profit for the period.....	-120.4	185.3	352.1	217.5
FFO 1 <sup>(1)</sup> (unaudited, unreviewed).....	53.3	59.0	123.8	85.0
Adjusted FFO 1 <sup>(1)</sup> (unaudited, unreviewed).....	53.3	72.7	137.4	105.6

	As of June 30,		As of December 31,	
	2020	2019	2018 <sup>(*)</sup>	
	(in EUR million, except as otherwise noted)			
	(reviewed, except as otherwise noted)		(audited, except as otherwise noted)	
<b>Asset Data</b>				
Balance Sheet Total.....	6,185.7	6,385.1	5,837.7	
Equity as % of the balance sheet total <sup>(2)</sup> (unaudited, unreviewed).....	45.0%	46.0%	48.0%	
Net financial liabilities excluding IFRS 16 liabilities <sup>(3)</sup> (unaudited, unreviewed).....	2,482.8	2,483.1	1,793.5	
Cash and cash equivalents.....	342.2	341.2	631.8	
Loan to value ratio (net) <sup>(3)</sup> (unaudited, unreviewed).....	44.7%	43.0%	37.3%	
Gearing Net <sup>(4)</sup> (unaudited, unreviewed).....	92.1%	87.4%	64.1%	
Total average interest rate incl. costs for derivatives (unreviewed).....	1.9%	1.9%	2.1%	
Average term of financial liabilities <sup>(5)</sup> (in years, unreviewed).....	3.8	4.0	3.3	

<sup>(\*)</sup> The income statement data for the 2018 financial year was adjusted to provide a more transparent presentation of the development of outstanding purchase price receivables from discontinued operations. The reclassification of compounding effects totalling EUR 1.1 million (2018: EUR 1.0 million) from financial results to discontinued operations better reflects the share of earnings on the consolidated income statement.

Additionally, when comparing income statement data for the 2018 financial year with other periods, it should be noted that IFRS 16 replaced the previous rules for the recognition and measurement of leases (IAS 17) as of 1 January 2019. It introduced extensive changes to lease accounting for the lessee, while the rules for lessors remained largely unchanged. The change to the new standard was based on the modified retrospective approach, and the comparable data for 2018 was not adjusted.

<sup>(1)</sup> Funds from operations 1 ("FFO 1") means sustainable funds from operations from asset management and are calculated before tax and excluding results of property sales & property development. The calculation of FFO 1 as set out herein has been extracted from the Audited Annual Consolidated Financial Statements 2019, the Audited Annual Consolidated Financial Statements 2018, the Consolidated Interim Financial Statements for the first half-year of 2020 and internal data. The Issuer's economic interest in S Immo AG ("S Immo") and CA Immobilien Anlagen AG ("CA Immo") is not included in FFO 1 as calculated below. Adjusted FFO 1 includes dividends received from CA Immo and S Immo.

FFO 1 Calculation for the Half-year ended June 30, 2020	Earnings data as reported		Adjustments	FFO 1
	(in EUR million)			
	(reviewed)	(unaudited)		
Results of asset management <sup>(A)</sup> .....	102.8	0.0		102.8
Results of property sales.....	-0.7	0.7		-
Results of property development.....	-16.7	16.7		-
Other operating income <sup>(B)</sup> .....	0.9	-0.2		0.8

**FFO 1 Calculation  
for the Half-year ended June 30, 2020**

	Earnings data	Adjustments	FFO 1
	as reported	(in EUR million)	
	(reviewed)	(unaudited)	
Other operating expenses <sup>(C)</sup> .....	-26.5	7.1	-19.5
<b>Results of operations</b> .....	59.7	24.4	84.1
Other revaluation results.....	-143.4	143.4	-
<b>Operating profit (EBIT)</b> .....	-83.6	167.7	84.1
Financing costs <sup>(D)</sup> .....	-37.7	2.8	-35.0
Financing income <sup>(E)</sup> .....	1.1	-0.1	1.0
Foreign exchange differences.....	0.3	-0.3	-
Other financial results <sup>(F)</sup> .....	-12.4	12.4	-
Net profit or loss from equity-accounted investments <sup>(G)</sup> ..	6.4	-3.3	3.1
<b>Financial results</b> .....	<b>-42.4</b>	<b>11.5</b>	<b>-30.9</b>
<b>Earnings before tax (EBT)/FFO 1</b> .....	<b>-126.0</b>	<b>179.3</b>	<b>53.3</b>
Dividend received from S Immo.....	-	-	-
<b>Adjusted FFO 1</b> .....	-	-	<b>53.3</b>

(A) The adjustment relates to the (negative) contribution of non-core group entities to result of asset management in the amount of EUR 0.0 million.

(B) The adjustment relates to the (positive) contribution of non-core group entities to other operating income in the amount of EUR 0.0 million and a one-time compensation payment of a service company in the amount of EUR 0.2 million.

(C) The adjustment relates to the (negative) contribution of non-core group entities to other operating expenses in the amount of EUR 2.2 million, EUR 3.8 million of severance payment for an executive board member and EUR 1.1 million for corporate projects.

(D) The adjustment relates to the difference (EUR 1.6 million) between financing costs as reported (EUR 37.7 million) on the one side and actually paid interest (EUR 30.8 million) and payments made in connection with derivatives (EUR 5.4 million) on the other side, as well as an adjustment relating to the sale of underlying assets or refinancing of the underlying loan in the amount of EUR 1.2 million.

(E) The adjustment reflects the difference between financing income (as reported in the profit and loss statement) and actual payments received from interests and dividends from financial instruments in the amount of EUR 1.0 million (as reported in the Group cash flow statement).

(F) The adjustment relates to profit and loss of financial instruments (EUR 0.0 million), negative contribution from fair value option for financial instruments (EUR 0.6 million), negative contribution from derivatives measured at fair value (EUR 12.6 million), dividend income from financial instruments (EUR 0.6 million), as well as positive contribution of bad-debt allowances to other financial results (EUR 0.2 million).

(G) The adjustment relates to the difference (EUR 3.3 million) between net profit or loss from equity-accounted investments as reported (EUR 6.4 million) and dividends received from equity-accounted investments reported excluding dividends from S Immo (EUR 3.1 million).

**FFO 1 Calculation  
for the Half-Year ended June 30, 2019**

	Earnings data	Adjustments	FFO 1
	as reported	(in EUR million)	
	(reviewed)	(unaudited)	
Results of asset management <sup>(A)</sup> .....	101.0	-0.1	100.8
Results of property sales.....	1.7	-1.7	-
Results of property development.....	14.3	-14.3	-
Other operating income <sup>(B)</sup> .....	4.1	-2.7	1.3
Other operating expenses <sup>(C)</sup> .....	-22.3	0.7	-21.6
<b>Results of operations</b> .....	<b>98.7</b>	<b>-18.1</b>	<b>80.6</b>
Other revaluation results.....	104.7	-104.7	-
<b>Operating profit (EBIT)</b> .....	<b>203.4</b>	<b>-122.8</b>	<b>80.6</b>
Financing costs <sup>(D)</sup> .....	-31.6	6.8	-24.8
Financing income <sup>(E)</sup> .....	0.6	0.1	0.7
Foreign exchange differences.....	-1.5	1.5	-
Other financial results <sup>(F)</sup> .....	-16.2	16.1	-0.0
Net profit or loss from equity-accounted investments <sup>(G)</sup> ..	43.4	-40.8	2.6
<b>Financial results</b> .....	<b>-5.2</b>	<b>-16.3</b>	<b>-21.6</b>
<b>Earnings before tax (EBT)/FFO 1 (excl. S Immo)</b> .....	<b>198.2</b>	<b>-139.2</b>	<b>59.0</b>
Dividend received from S Immo.....	-	13.7	13.7
<b>Adjusted FFO 1</b> .....	-	-	<b>72.7</b>

(A) The adjustment relates to the (positive) contribution of non-core group entities to result of asset management in the amount of EUR 0.1 million.

(B) The adjustment relates to the (positive) contribution of non-core group entities to other operating income in the amount of EUR 0.2 million and the release of a liability for payments received in the amount of EUR 2.5 million.

(C) The adjustment relates to the (negative) contribution of non-core group entities to other operating expenses in the amount of EUR 0.2 million and EUR 0.5 million for corporate projects.

- (D) The adjustment relates to the difference (EUR 4.3 million) between financing costs as reported (EUR 31.6 million) on the one side and actually paid interest (EUR 20.6 million) and payments made in connection with derivatives (EUR 6.7 million) on the other side, as well as an adjustment relating to the sale of underlying assets or refinancing of the underlying loan in the amount of EUR 2.5 million.
- (E) The income statement was adjusted to provide a more transparent presentation of the development of outstanding purchase price receivables from discontinued operations. The adjustment reflects the difference between financing income (as reported in the profit and loss statement (adjusted)) and actual payments received from interests and dividends from financial instruments in the amount of EUR 0.7 million.
- (F) The adjustment relates to profit and loss of financial instruments (EUR 0.0 million), negative contribution from fair value option for financial instruments (EUR 0.2 million), negative contribution from derivatives measured at fair value (EUR 16.1 million), dividend income from financial instruments (EUR 0.6 million), as well as negative contribution of bad-debt allowances to other financial results (EUR 0.4 million).
- (G) The adjustment relates to the difference (EUR 40.8 million) between net profit or loss from equity-accounted investments as reported (EUR 43.4 million) and dividends received from equity-accounted investments reported excluding dividends from S Immo (EUR 2.6 million).

**FFO 1 Calculation  
for the year ended December 31, 2019**

	Earnings data		FFO 1
	as reported	Adjustments	
	(in EUR million)		
	(audited)	(unaudited)	
Results of asset management <sup>(A)</sup> .....	207.3	0.4	207.8
Results of property sales.....	-5.1	5.1	-
Results of property development.....	-12.4	12.4	-
Other operating income <sup>(B)</sup> .....	6.2	-3.1	3.1
Other operating expenses <sup>(C)</sup> .....	-46.1	3.2	-42.9
<b>Results of operations</b> .....	<b>149.9</b>	<b>18.1</b>	<b>168.0</b>
Other revaluation results.....	195.7	-195.7	-
<b>Operating profit (EBIT)</b> .....	<b>345.6</b>	<b>-177.6</b>	<b>168.0</b>
Financing costs <sup>(D)</sup> .....	-64.6	17.0	-47.6
Financing income <sup>(E)</sup> .....	1.2	-0.4	0.8
Foreign exchange differences.....	-1.5	1.5	-
Other financial results <sup>(F)</sup> .....	-9.0	9.0	0.0
Net profit or loss from equity-accounted investments <sup>(G)</sup> ..	78.4	-75.8	2.6
<b>Financial results</b> .....	<b>4.5</b>	<b>-48.6</b>	<b>-44.2</b>
<b>Earnings before tax (EBT)/FFO 1 (excl. S Immo)</b> .....	<b>350.1</b>	<b>-226.3</b>	<b>123.8</b>
Dividend received from S Immo.....	-	13.7	13.7
<b>Adjusted FFO 1</b> .....	<b>-</b>	<b>-</b>	<b>137.4</b>

- (A) The adjustment relates to the (negative) contribution of non-core group entities to result of asset management in the amount of EUR 0.4 million.
- (B) The adjustment relates to the (positive) contribution of non-core group entities to other operating income in the amount of EUR 0.3 million and the release of a liability in the amount of EUR 2.8 million.
- (C) The adjustment relates to the (positive) contribution of non-core group entities to other operating expenses in the amount of EUR 0.7 million, penalty payments in the amount of EUR 0.4 million and EUR 4.3 million for corporate projects.
- (D) The adjustment relates to the difference (EUR 10.3 million) between financing costs as reported (EUR 64.6 million) on the one side and actually paid interest (EUR 39.2 million) and payments made in connection with derivatives (EUR 15.1 million) on the other side, as well as an adjustment relating to the sale of underlying assets or refinancing of the underlying loan in the amount of EUR 6.7 million.
- (E) The adjustment reflects the difference between financing income and actual payments received from interests and dividends from financial instruments in the amount of EUR 0.9 million (as reported in the profit and loss statement) minus one-off compensation payment in the amount of EUR 0.1 million.
- (F) The adjustment relates to loss from financial instruments (EUR 0.3 million), negative contribution from fair value option for financial instruments (EUR 0.9 million), negative contribution from derivatives measured at fair value (EUR 8.0 million), dividend income from financial instruments (EUR 0.6 million), as well as negative contribution of bad-debt allowances to other financial results (EUR 0.3 million).
- (G) The adjustment relates to the difference (EUR 75.8 million) between net profit or loss from equity-accounted investments as reported (EUR 78.4 million) and dividends received from equity-accounted investments reported excluding dividends from S Immo (EUR 2.6 million).

**FFO 1 Calculation  
for the year ended December 31, 2018**

	Earnings data		FFO 1
	as reported	Adjustments	
	(in EUR million)		
	(audited)	(unaudited)	
Results of asset management <sup>(A)</sup> .....	174.0	0.3	174.4
Results of property sales.....	27.2	-27.2	-
Results of property development.....	-4.3	4.3	-
Other operating income <sup>(B)</sup> .....	6.1	-0.6	5.5
Other operating expenses <sup>(C)</sup> .....	-49.9	12.6	-37.3

**FFO 1 Calculation  
for the year ended December 31, 2018**

	Earnings data	Adjustments	FFO 1
	as reported	(in EUR million)	
	(audited)	(unaudited)	
<b>Results of operations</b> .....	153.1	-10.5	142.6
Other revaluation results.....	6.0	-6.0	-
<b>Operating profit (EBIT)</b> .....	159.1	-16.5	142.6
Financing costs <sup>(D)</sup> .....	-68.4	6.4	-61.9
Financing income <sup>(E)</sup> .....	6.9	-6.0	0.9
Foreign exchange differences.....	0.1	-0.1	-
Other financial results <sup>(F)</sup> .....	-2.5	2.5	-0.0
Net profit or loss from equity-accounted investments <sup>(G)</sup> ..	108.2	-104.6	3.5
<b>Financial results</b> .....	<b>44.3</b>	<b>-101.8</b>	<b>-57.5</b>
<b>Earnings before tax (EBT)/FFO 1 (excl. CA Immo)</b> .....	<b>203.3</b>	<b>-118.3</b>	<b>85.0</b>
Dividend received from CA Immo .....	-	20.6	20.6
<b>Adjusted FFO 1</b> .....	-	-	<b>105.6</b>

(A) The adjustment relates to the (negative) contribution of non-core group entities to result of asset management in the amount of EUR 0.3 million.

(B) The adjustment relates to the (positive) contribution of non-core group entities to other operating income in the amount of EUR 0.6 million.

(C) The adjustment relates to the (negative) contribution of non-core group entities to other operating expenses in the amount of EUR 0.3 million, EUR 4.1 million of bonus payments for the executive board members, EUR 1.7 million one-time penalty payments, EUR 1.4 million one-time property tax in connection with the acquisition of limited partnership interests and EUR 5.1 million for corporate projects.

(D) The adjustment relates to the difference (EUR 4.5 million) between financing costs as reported (EUR 68.4 million) on the one side and actually paid interest (EUR 52.7 million) and payments made in connection with derivatives (EUR 11.2 million) on the other side, as well as an adjustment relating to the sale of underlying assets or refinancing of the underlying loan in the amount of EUR 2.0 million.

(E) The income statement was adjusted to provide a more transparent presentation of the development of outstanding purchase price receivables from discontinued operations. The adjustment reflects the difference between financing income (as reported in the profit and loss statement (adjusted)) and actual payments received from interests and dividends from financial instruments in the amount of EUR 0.9 million (as reported in the Group cash flow statement).

(F) The adjustment relates to loss from financial instruments (EUR 0.1 million), positive contribution from fair value option for financial instruments (EUR 2.3 million), negative contribution from derivatives measured at fair value (EUR 6.2 million), dividend income from financial instruments (EUR 0.5 million), as well as positive contribution of bad-debt allowances to other financial results (EUR 0.8 million).

(G) The adjustment relates to the difference (EUR 104.6 million) between net profit or loss from equity-accounted investments as reported (EUR 108.2 million) and dividends received from equity-accounted investments reported excluding dividends from CA Immo (EUR 3.5 million).

(2) Equity as % of the balance sheet total corresponds to the total equity in the company, divided by the total assets, multiplied by 100:

	As of	As of December 31,	
	June 30,	2019	2018
	2020	(in EUR million, except as otherwise noted)	
	(unaudited)	(audited, except as otherwise noted)	
Total equity .....	2,781.7	2,937.1	2,800.3
Total assets.....	6,185.7	6,385.1	5,837.7
<b>Equity as % of the balance sheet total (unaudited)</b> .....	<b>45.0%</b>	<b>46.0%</b>	<b>48.0%</b>

(3) Net financial liabilities excluding IFRS 16 liabilities is calculated by deducting cash and cash equivalents from the carrying amount of financing. The loan-to-value ratio (net) is calculated by dividing the net financial liabilities excluding IFRS 16 liabilities by the total carrying amount of properties (including real estate assets held for sale) including, as applicable, the market value or EPRA net asset value of the investments in S Immo shares (EPRA NAV, calculated by dividing the equity of S Immo attributable to its shareholders by the number of shares outstanding and multiplied with the number of shares held by IMMOFINANZ) multiplied by 100. This calculation does not include any values resulting from IFRS 16 bookings.

	As of	As of	
	June 30,	December 31,	2018
	2020	2019	
	(unaudited)	(audited, except as otherwise noted)	
Non-current liabilities from convertible bonds .....	284.4	281.3	278.7
Non-current financial liabilities.....	2,234.9	2,307.7	1,802.6
Current liabilities from convertible bonds .....	4.5	4.5	5.9



	As of June 30, 2020	As of December 31, 2019      2018	
	(in EUR million, except as otherwise noted)		
	(unaudited)	(audited, except as otherwise noted)	
Current financial liabilities .....	336.3	272.7	338.3
Financial liabilities held for sale .....	43.5	45.4	0.0
Carrying amount of financing (unaudited) .....	2,903.6	2,911.6	2,425.5
- Carrying amount of financial liabilities resulting from IFRS 16 (unaudited) .....	78.6	83.3	n/a
- Cash and cash equivalents (unaudited) .....	342.3 <sup>(*)</sup>	345.1 <sup>(*)</sup>	632.0 <sup>(*)</sup>
<b>Net financial liabilities excluding IFRS 16 liabilities (unaudited) .....</b>	<b>2,482.1</b>	<b>2,483.1</b>	<b>1,793.5</b>
Real estate property .....	4,818.6	4,985.3	3,893.6
Property under construction .....	214.4	199.4	397.5
Real estate inventories .....	0.9	0.9	46.9
Real estate assets held for sale .....	138.0	149.9	56.7
- Carrying amount of properties resulting from IFRS 16 (unaudited) .....	77.1	81.4	n/a
<b>Carrying amount of properties (unaudited) .....</b>	<b>5,094.8</b>	<b>5,254.1</b>	<b>4,394.8</b>
EPRA NAV relating to S Immo (unaudited) .....	463.7	515.8	414.4
<b>Carrying amount of properties including, as applicable, the market value or EPRA net asset value (EPRA NAV) of the investment in S Immo shares (unaudited) .....</b>	<b>5,558.5</b>	<b>5,769.9</b>	<b>4,809.1</b>
<b>Loan to value ratio (net) (unaudited) .....</b>	<b>44.7%</b>	<b>43.0%</b>	<b>37.3%</b>

(\*) Including cash and cash equivalents held for sale.

- (4) Gearing Net is calculated by deducting cash and cash equivalents (including cash and cash equivalents held for sale) from financial liabilities and dividing the result by equity multiplied by 100:

	As of June 30, 2020	As of December 31, 2019      2018	
	(in EUR million, except as otherwise noted)		
	(unaudited)	(audited, except as otherwise noted)	
Carrying amount of financing (unaudited) .....	2,903.6	2,911.6	2,425.5
Cash and cash equivalents (unaudited) .....	-342.3	-345.1	-632.0
Net debt (unaudited) .....	2,561.4	2,566.4	1,793.5
Equity .....	2,781.7	2,937.1	2,800.3
<b>Gearing Net (unaudited) .....</b>	<b>92.1%</b>	<b>87.4%</b>	<b>64.1%</b>

- (5) The average term of financial liabilities is calculated by current outstanding loan amounts multiplied by their respective remaining term divided by the total current outstanding loan amounts. As of December 31, 2017 the average term of financial liabilities was 3.5 years, and as of December 31, 2016 it was 3.3 years.

Source: Consolidated Financial Statements, internal data.

In the second quarter of 2020, the spread of the COVID-19 virus and the resulting lockdown in the Group's largest markets caused a pronounced downturn and had material adverse effects on the net assets, cash flows, net profits and prospects of the Group. For details on the impact on the Group, see "*BUSINESS—Recent events*" and "*BUSINESS—Economic outlook*". Other than that, there has been no material adverse change in the prospects of the Issuer since December 31, 2019.

In July 2020, the Issuer raised approximately EUR 356 million by way of a EUR 236 million private share placement (partly treasury share, partly from authorized capital) and a EUR 120.0 million placement of subordinated mandatory convertible notes in accelerated bookbuildings to institutional investors. If these capital measures had taken place already as of June 30, 2020, equity as percentage of the balance sheet total would have been 47.8%, the loan-to-value ratio (net) would have been 38.6% and the cash position (also considering revolving credit facilities) would have amounted to EUR 715 million. In August 2020, IMMOFINANZ sold the Panta Rhei office building in the Düsseldorf Airport City to Deka Immobilien at a market price over the carrying amount. Other than that, there has been no significant change in the financial or trading position or the financial performance of the Group since June 30, 2020.

## NON-IFRS MEASURES

This Prospectus contains the following financial measures that are not defined or recognized under IFRS (the “**non-IFRS measures**”):

- “**FFO 1**” represents sustainable funds from operations from asset management as described in more detail above.
- “**Equity as % of the balance sheet total**” represents equity as a percentage of total assets.
- “**Net financial liabilities excluding IFRS 16 liabilities**” represents the carrying amount of financing after deduction of cash and cash equivalents excluding liabilities resulting from IFRS 16.
- “**Loan-to-value ratio (net)**” represents net financial liabilities excluding IFRS 16 liabilities as a percentage of the carrying amount of properties and the market value of the investments in BUWOG and S Immo shares.
- “**Gearing Net**” represents net debt as a percentage of equity.
- “**Average interest rate on financial liabilities, including hedging**” represents the volume weighted average applicable interest rate on financial liabilities after taking into account hedging.
- “**Average term of financial liabilities**” represents the volume weighted average remaining term of financial liabilities.

These measures and other information are provided in this Prospectus because the Group believes they provide investors with additional information to measure the economic performance of business activities. For a reconciliation of these measures (to the extent possible from IFRS measures), please see “*Overview of the Consolidated Financial Data*”.

Non-IFRS measures are not recognized terms under IFRS and should not be considered as an alternative to the applicable IFRS measures. These non-IFRS measures are not audited and are not measures of financial performance under IFRS and should not be considered as a replacement for any IFRS financial measure. Moreover, such measures, as defined by the Group, may not be comparable to other similarly titled measures used by other companies, because the above-mentioned non-IFRS measures are not defined under IFRS; other companies may calculate them in a different manner than the Group, which limits their usefulness as comparative measures. These non-IFRS measures have limitations and should not be considered in isolation, or as substitutes for financial information as reported under IFRS. Accordingly, undue reliance should not be placed on the non-IFRS measures presented in this Prospectus.

## GENERAL INFORMATION ABOUT THE ISSUER

### General

IMMOFINANZ AG is a joint stock corporation (*Aktiengesellschaft*) incorporated under Austrian law. Its registered seat and its business address is Wienerbergstraße 11, 1100 Vienna, Austria. Its telephone number is +43-1 88 090; the Group's website is [www.immofinanz.com](http://www.immofinanz.com). Information on this website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus. IMMOFINANZ AG operates under Austrian legislation; it was founded on August 22, 1994 and registered with the Austrian commercial register (*Firmenbuch*) at the Commercial Court of Vienna on September 13, 1994 under the registration number FN 114425y. It has the legal entity identifier 5299000DUMZ99SBBX121. Its original registered name was CPAG Immobilienvermietungs GmbH. On October 26, 1994, the Issuer changed its legal form from a limited liability company (*Gesellschaft mit beschränkter Haftung*) to a stock corporation (*Aktiengesellschaft*). On December 30, 2006, its legal name was changed to IMMOFINANZ AG (the Issuer is also known under the commercial name "IMMOFINANZ"). The Company's financial year ends on December 31 of each calendar year.

### Object of the Company

According to Section 2 of the Company's articles of association (the "**Company's Articles of Association**") the business purpose of the Issuer in Austria and abroad is in particular:

- a) Purchase, development, management, renting (leasing) and realization of developed and undeveloped real properties (including buildings on third party land (*Superädifikate*) and building rights (*Baurechte*));
- b) real estate development, planning and implementation of real estate projects of any kind;
- c) operating retail properties, residential properties, office properties, logistics centers and other properties;
- d) conduct the business (*Gewerbe*) as real estate trustee (estate agent, property management, property developer); and
- e) acquisition, management and disposal of investments in other enterprises or corporations with the same or similar business purpose as well as the management and administration of such investments (holding function).

The Issuer is entitled to conduct any business and adopt all measures which are deemed to be necessary or useful within the scope of its business purpose, in particular also in fields of operations similar or related to the business purpose of the Company. Banking business according to the Austrian Banking Act (*Bankwesengesetz*) is excluded from the Company's operations.

### Share capital and major shareholders

As of the date of this Prospectus, the nominal share capital of the Issuer amounts to EUR 123,293,795, represented by 123,293,795 no par value shares (the "**Shares**"), each Share having the value of EUR 1.00 of the nominal share capital. The nominal share capital is fully paid up.

According to the respective most recent announcements available to the Company, the principal shareholders of the Issuer are:

	<b>Last reporting date</b>	<b>Participation<sup>(1)</sup> in %</b>
S Immo (via CEE Immobilien GmbH).....	March 27, 2018	10.86%
Ronny Pecik / Peter Korbačka <sup>(2)</sup> .....	September 22, 2020	11.52%
Tomas Krsek (via Tahoe Invest a.s. and WXZ1 a.s.) .....	July 22, 2020	6.61%
Treasury shares .....	n.a.	5.68%
Free float.....	n.a.	65.34%

<sup>(1)</sup> Calculation based on number of shares issued as of the date of this Prospectus.

<sup>(2)</sup> Mr. Pecik and Mr. Korbačka jointly own and control RPPK Immo GmbH which holds 13 million shares. Additional shares are held by Mr. Pecik personally, via RPR Treasury GmbH and via other companies indirectly controlled by him.

Source: Company data based on notifications received of the acquisition or disposal of major holdings in accordance with Article 9 of Directive 2004/109/EC as amended and its respective transpositions into Austrian law, each as of the date of receipt of such notification.

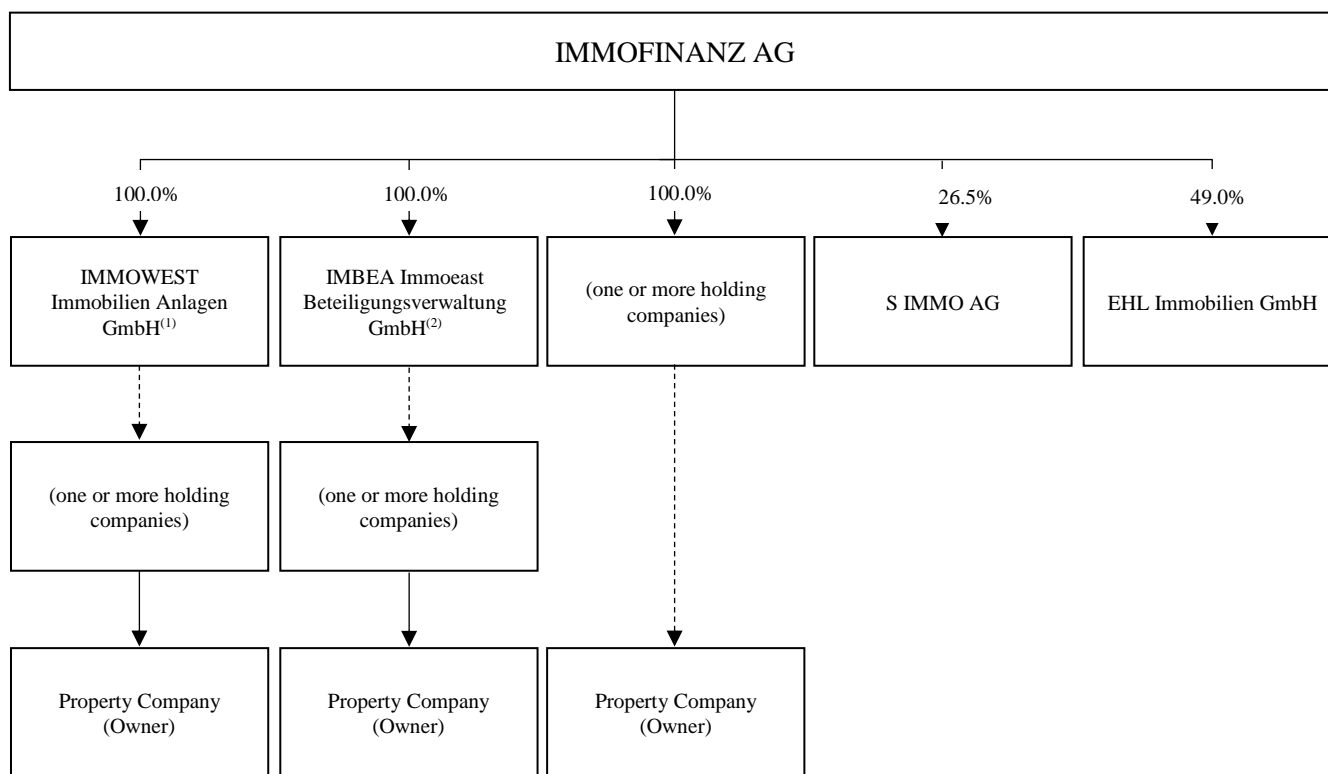
The Issuer is not aware that it is being controlled by any person within the meaning of the Austrian Takeover Act (*Übernahmegesetz*). To the management’s best knowledge, there are no arrangements, the operation of which may at a subsequent date result in a change of control in the Company.

### Organizational structure

The Issuer is the parent company of the Group which is an international real estate group headquartered in Vienna operating in various countries. As a holding company, IMMOFINANZ AG has no business operations of its own, but is responsible for management and support functions for the Group, including overall strategy and planning, investment, accounting and finance, budgets, treasury, legal services, mergers and acquisitions and investor and public relations.

In its capacity as parent company with its own real estate holdings, the Issuer is only aiming to generate income by itself to a limited extent; it partly exercises a holding function and is therefore also dependent on contributions and dividends paid out by its subsidiaries.

The chart below illustrates the condensed organizational structure of the Group with its main subsidiaries at the top of which is the Issuer as the Group’s holding company.



<sup>(1)</sup> German Portfolio.

<sup>(2)</sup> Other Core and Non Core Markets.

Source: Internal data.

## BUSINESS

### Overview

The Issuer is the parent company of the Group which is an international real estate group headquartered in Vienna and operating in various countries. The Group's core business is the management of office and retail properties with a balanced exposure to the so-called developed markets (according to the FTSE EPRA/NAREIT definition) of Germany, Austria and Poland, and to the growth markets of CEE. In addition, IMMOFINANZ focuses on growth through acquisitions and own development projects. The Group's business activities in the office sector, which comprised 64.3% of the Group's investment property portfolio (excluding properties which are held for sale and fall under IFRS 5) as at June 30, 2020 are concentrated on the capital cities of the above listed core countries and Düsseldorf and Aachen in Germany. Its strategic focus with respect to retail properties, representing 35.6% of the investment property portfolio as at June 30, 2020 primarily lies in secondary and tertiary cities of such countries. With respect to office properties, the Group has created the brand "myhive". The Group's retail portfolio mainly consists of shopping centers and retail parks characterized by their consistent branding and design ("VIVO!" and "STOP SHOP"). From the total property portfolio of EUR 4,972.8 million (not including properties held for sale in accordance with IFRS 5 and not including IFRS 16 assets), standing investments represented the largest component at EUR 4,578.2 million, or 92.1% of the carrying amounts and approximately 2.0 million m<sup>2</sup>. These properties generate steady rental income. The development projects comprised EUR 214.4 million or 4.3% of the carrying amount (not including properties held for sale in accordance with IFRS 5) and pipeline projects (future planned development projects, undeveloped land and/or temporarily suspended projects) represented EUR 180.2 million or 3.6% of the carrying amounts. The Group is responsible for the entire value chain, from the design and development of the property sites to renting the respective property. Therefore, the Group generates value by creating and actively managing commercial properties. The Group had 311 employees in nine countries as at December 31, 2019.

In September 2018, the Issuer acquired 19,499,437 shares (corresponding to a participation of 26.5%) in S Immo as strategic financial investment to become S Immo's largest shareholder, and disposed of its 26.0% participation in CA Immobilien Anlagen AG.

The Group's property portfolio covered 212 properties worth EUR 4,972.8 million (not including properties held for sale in accordance with IFRS 5) with 2,007,051 m<sup>2</sup> rentable space as at June 30, 2020; thereof, 155 standing investments, which are properties held to generate steady rental income, comprise EUR 4,578.2 million. Renting of such standing investment properties is the Group's main source of earnings and part of its core business activity. The development projects currently under realization had a combined carrying amount of EUR 214.4 million. The budgeted outstanding construction costs for these active development projects totaled EUR 76.0 million, of which EUR 32.0 million are bank financed.

The Group's business includes the purchase, construction, leasing, operation, refurbishment and sale of real estate in its core regions Austria, Germany, Czech Republic, Slovakia, Hungary, Romania and Poland (the "Core Regions"). The Group's activities also include real estate project development, revitalization and refurbishment of investment properties and asset management. The Group regards leasing as local business and therefore leases properties in its Core Regions via local teams. It has subsidiaries with their own staff in Austria, Poland, Romania, Germany, Czech Republic, Slovakia, Hungary and Serbia, which are responsible for asset management and leasing activities in those countries. In addition, there are holding companies in the European Union.

The following table shows the evolution of key financial metrics (key performance indicators and key portfolio metrics) since 2017:

	Half-year ended or as of June 30,		Year ended or as of December 31,		
	2020	2019	2019	2018	2017
	(in EUR million, unless otherwise stated)				
	(unaudited)		(unaudited, unless otherwise stated)		
Rental Income (audited) .....	145.5	131.8	279.9	236.9	234.5
FFO 1 (before tax) <sup>(1)</sup> .....	53.3	59.0	137.4	105.6	54.0

	Half-year ended or as of June 30,		Year ended or as of December 31,		
	2020	2019	2019	2018	2017
(in EUR million, unless otherwise stated)					
	(unaudited)		(unaudited, unless otherwise stated)		
FFO 1 per share (in EUR) .....	0.53	0.54	1.29	0.96	0.51
Gross asset value (portfolio value) .....	4,972.8	4,545.3	5,122.1	4,338.0	4,194.8
Total number of properties (in absolute numbers) .....	212	214	213	226	239
EPRA NAV .....	3,119.8	3,404.1	3,563.7	3,086.0	3,220.6
EPRA NAV per share (in EUR) .....	30.9	29.2	31.1	28.8	28.6
Occupancy rate (in %) .....	95.9%	94.8%	96.8%	95.8%	94.2%

<sup>(1)</sup> Full year numbers including dividends received from S Immo/CA Immo, half year numbers excluding dividends received from S Immo/CA Immo.

Source: Internal data.

## Portfolio structure

In the following section, unless otherwise stated, portfolio-related carrying amounts do not include properties held for sale in accordance with IFRS 5 and IFRS 16-related bookings.

The property portfolio covered 212 properties as of June 30, 2020 with a combined value of EUR 4,972.8 million (including non-core countries, i.e. Slovenia, Serbia, Croatia, Turkey and Bulgaria) in the core markets of Poland, Austria, Romania, Germany, Czech Republic, Hungary and Slovakia. No single country exceeds 22% of the total portfolio. IMMOFINANZ has a balanced exposure to developed markets and growth markets: Geographically, 50.7% of the portfolio is located in the so-called developed markets of Germany, Austria and Poland (according to the FTSE EPRA/NAREIT definition). Standing investments represented the largest component at EUR 4,578.2 million, or 92.1%, of the carrying amounts of properties and approximately 2.0 million m<sup>2</sup> of rentable space. These properties generate steady rental income. The development projects (properties under construction) comprised EUR 214.4 million or 4.3% of the carrying amount of properties. Pipeline projects were responsible for EUR 180.2 million or 3.6% of the carrying amount of properties and include future planned development projects and undeveloped land that is intended for sale.

The IMMOFINANZ portfolio is focused on clearly defined brands with a high degree of standardization (see also “—*The IMMOFINANZ brands also in the COVID-19 setting*”). In the retail sector, the brands include STOP SHOP for retail parks and VIVO! for shopping centers. Management believes that the Group is a leading retail park operator in the CEE region. As of June 30, 2020, it operated 90 STOP SHOP retail parks in nine countries, thereof 16 in Slovakia, 14 in each of Hungary and Slovenia, 13 in Austria, ten in each the Czech Republic and Serbia, ten in Poland and one in Romania; furthermore ten VIVO! shopping centers in four countries, thereof four in each Poland and Romania, and one in each the Czech Republic and Slovakia. Under its office brand myhive, the Group operated 23 properties in six countries, thereof six in Warsaw, five in each Vienna and Budapest, three in Bucharest, and two in each Prague and Bratislava. Together the three main brands accounted for approximately 75% of rental income in the first half-year 2020. Specifically, 29% of rental income related to the office brand myhive, 28% related to the STOP SHOP brand and 18% related to the VIVO! Brand with the remaining 25% of turnover being attributable to other office properties (i.e. office buildings where a multi-tenant myhive concept is not appropriate, in particular single tenant buildings).

Set forth below is an overview of key data on the standing investments by brand as of and for the six months ended June 30, 2020:

	myhive	STOP SHOP	VIVO!
Number of properties .....	23	90	10
Rentable space (in m <sup>2</sup> ) .....	546,706	665,379	314,112
Occupancy rate .....	93.8%	98.4%	96.7%
Rental income in first half 2020 (in EUR million) .....	19.8	18.9	12.6
Carrying amount (in EUR million) .....	1,530.4	948.7	669.9
Financing costs (including derivatives) .....	1.3% (1.8%)	1.6% (2.0%)	1.6% (2.0%)
Loan-to-value ratio .....	45.2%	45.9%	34.6%
Return on invoiced rents <sup>(1)</sup> .....	5.5%	8.0%	7.5%

	myhive	STOP SHOP	VIVO!
Gross return <sup>(2)</sup> .....	5.2%	8.0%	7.5%

<sup>(1)</sup> Return based on invoiced rents information is provided to improve comparability with the peer group.

<sup>(2)</sup> The difference to return on invoiced rents is explained by the accrual of rental incentives – e.g. the standard market practice of granting rent-free periods or allowances for fit-out costs. These incentives must be accrued on a straight-line basis over the contract term in accordance with IFRS (basis for gross return under IFRS) but are not included in the invoiced rent.

Source: Internal data.

Properties in these three brands were responsible for 68.8% of the carrying amount of the standing investment portfolio as of June 30, 2020 and 74.5% of rental income at the end of the first half year 2020.

The following table shows the fully consolidated real estate portfolio of the Group (not including properties held for sale in accordance with IFRS 5) divided for each Core Region as at June 30, 2020:

Property Portfolio	Number of properties	Standing investments	Pipeline projects	Investment properties <sup>(1)</sup>	Development projects	Property portfolio <sup>(1)</sup>	Property portfolio in %
Austria .....	31	740.0	29.4	769.4	103.9	873.3	17.6
Germany .....	8	567.3	0.6	567.9	74.8	642.7	12.9
Poland .....	26	1,005.0	0.0	1,005.0	0.3	1,005.3	20.2
Czech Republic .....	18	535.8	0.0	535.8	0.0	535.8	10.8
Hungary .....	26	489.9	10.6	500.5	2.5	503.0	10.1
Romania .....	46	618.0	107.3	725.3	31.6	756.8	15.2
Slovakia .....	21	319.4	1.2	320.6	0.0	320.6	6.4
Non-core countries .....	36	302.9	31.2	334.1	1.4	335.5	6.7
<b>IMMOFINANZ .....</b>	<b>212</b>	<b>4,578.2</b>	<b>180.2</b>	<b>4,758.4</b>	<b>214.4</b>	<b>4,972.8</b>	<b>100.0</b>
		<b>92.1%</b>	<b>3.6%</b>	<b>95.7%</b>	<b>4.3%</b>	<b>100.0%</b>	

<sup>(1)</sup> Investment properties are the sum of standing investments and pipeline projects.

<sup>(2)</sup> Property portfolio is the sum of standing investment, pipeline projects and development projects.

Sources: Consolidated Interim Financial Statements, internal data.

### **Occupancy rate by asset class**

The occupancy rate in the office portfolio equaled 94.2% as of June 30, 2020 (June 30, 2019 93.5%; December 31, 2019: 95.3%), while the offices in the myhive brand have an occupancy rate of 93.8%. The vacancy rate equals 5.1% according to the EPRA calculation (the EPRA vacancy rate is based on the ratio of the estimated market rent for vacant space to the total estimated market rent for the standing investment portfolio) formula (December 31, 2019: 4.2%). The office portfolio has a balanced tenant structure. The ten largest tenants (aggregated) are responsible for renting 22.2% of the space in the standing investments, and no single tenant has rented more than 3.5% of the total space in these office properties. The WAULT (average unexpired lease term weighted by rental income, excluding open-ended contracts) equaled 4.5 years as of June 30, 2020 (December 31, 2019: 4.6 years). The total leasing activity in the office segment amounted to approximately 57,200 m<sup>2</sup> in the first half of 2020; roughly 18,700 m<sup>2</sup> represented new rentals and 38,500 m<sup>2</sup> contract extensions.

The occupancy rate in the retail properties equaled 97.8% as of June 30, 2020 (June 30, 2019: 96.4%; December 31, 2019: 98.3%); the occupancy rates in the STOP SHOP retail parks and the VIVO! shopping centers are 98.4% and 96.7%, respectively. Total leasing activity in the retail properties amounted to roughly 33,700 m<sup>2</sup> in the first half of 2020 and includes approximately 9,400 m<sup>2</sup> of new rentals and 24,300 m<sup>2</sup> of contract extensions. The WAULT was 3.6 years as of June 30, 2020 (December 31, 2019: 3.8 years).

### **Portfolio sustainability**

The Issuer intends to gradually expand sustainability certification for development projects and standing investments. Office buildings are generally certified in accordance with both the Building Research Establishment Environmental Assessment Methodology (“BREEAM”) and the Leadership in Energy

and Environment Design (“**LEED**”), while shopping centers are generally certified only in accordance with BREEAM.

The certified space increased from 350,000 m<sup>2</sup> (18% of overall standing portfolio) as of December 31, 2017 by 34.9% to 472,000 m<sup>2</sup> (26% of overall standing portfolio) as of December 31, 2018 and 594,200 m<sup>2</sup> (29% of overall standing portfolio) as of December 31, 2019. As of December 31, 2019 additional 220,000 m<sup>2</sup> of rentable space (10.7% of the overall standing portfolio) were in preparation for certification. Taking into account these properties in preparation for certification, the total certified space as of December 2019 amounted to 814,200 m<sup>2</sup> or 39.7% of the overall standing portfolio, representing an increase compared to December 31, 2018 of 72.5%.

With roughly 70% of the Issuer’s office portfolio already certified or in preparation for certification the Issuer intends to further expand the number of certified properties and the leasable space covered by sustainability certifications.

IMMOFINANZ regularly evaluates opportunities for energy reduction and the use of alternative low CO<sub>2</sub> energy sources. For example, in 2019 the Group installed 1,008 photovoltaic modules on roughly 4,000 m<sup>2</sup> roof at the STOP SHOP Stockerau, Austria, the first ever photovoltaic energy system within the STOP SHOP retail brand, which can produce up to 400,000 kWh of electricity per year (at peak performance), corresponding to the annual energy consumption of 115 households. Further projects for STOP SHOPS include rainwater utilization systems.

### *Standing investments*

The 155 standing investments had a carrying amount of EUR 4,578.2 million as of June 30, 2020 (158 properties or EUR 4,749.5 million as of June 30, 2019). Of this total, 64.3% were attributable to office properties and 35.6% to retail properties. The focal point of the standing investments based on the carrying amount are the markets in Poland (EUR 1,005.0 million), Austria (EUR 740.0 million), Romania (EUR 618.0 million) and Germany (EUR 567.3 million).

These properties have 2,007,051 m<sup>2</sup> of rentable space. Based on annualized rental income, the portfolio had a gross return of 6.0% (6.3% as of June 30, 2019) and a return of 6.2% based on invoiced rents as of the end of the first half of 2020. The difference is explained by the accrual of rental incentives – e.g. the standard market practice of granting rent-free periods or allowances for fit-out costs. These incentives must be accrued on a straight-line basis over the contract term in accordance with IFRS (basis for gross return under IFRS), but are not included in the invoiced rent.

The occupancy rate equaled 95.9% as of June 30, 2020 (94.8% as of June 30, 2019). Due to the COVID-19 crisis IMMOFINANZ rented only roughly 90,900 m<sup>2</sup> of usable space in the first half year of 2020 (excluding Other standing investments) as opposed to 145,900 m<sup>2</sup> in the first half year of 2019. Of this total, approximately 28,100 m<sup>2</sup> represented new rentals and 62,800 m<sup>2</sup> contract extensions. The average unexpired lease term weighted by rental income and excluding open-ended contracts equaled roughly 4.1 years as of June 30, 2020 (4.3 years as of June 30, 2019).

The COVID-19 pandemic has had a far-reaching impact on the economy with effects visible also on the real estate market. Since the beginning of the pandemic, IMMOFINANZ teams have successfully managed the shutdown and reopening of the retail areas affected by the lockdowns and assisted their tenants. In the office properties, the government-ordered closings were felt primarily by gastronomy facilities, fitness clubs and other service providers. Almost all IMMOFINANZ office and retail properties have now reopened; individual restrictions remain in force in some countries (e.g. restaurants and movie theatres in Romania and Serbia). IMMOFINANZ is working with its tenants to develop individual solutions to counter the future negative developments from COVID-19. Temporary rental reductions or deferrals in exchange for e.g. contract extensions had already been arranged and continue to be negotiated with its tenants: Approximately 95% of the negotiations were finalized by mid-August, more than half of the related agreements have already been signed. The goal is to complete the signing of all contract adjustments by the end of 2020.



The following table shows the regional distribution of standing investments as at June 30, 2020:

Standing Investments	Number of properties	Carrying amount of properties (in EUR million)	Carrying amount in %	Rentable space (in m <sup>2</sup> )	Occupancy rate (in %)	Rental income Q2/2020 (in EUR million)	Gross return (invoiced rents return <sup>(1)</sup> ) in %
Austria .....	25	740.0	16.2%	243,454	91.7%	8.3	4.5% (4.6%)
Germany .....	5	567.3	12.4%	103,665	99.1%	5.6	4.0% (4.2%)
Poland .....	24	1,005.0	22.0%	418,203	96.9%	16.0	6.4% (6.7%)
Czech Republic .....	18	535.8	11.7%	218,664	96.8%	7.4	5.5% (5.5%)
Hungary .....	23	489.9	10.7%	284,120	96.7%	8.1	6.6% (7.2%)
Romania .....	13	618.0	13.5%	333,595	94.3%	11.5	7.5% (7.5%)
Slovakia .....	20	319.4	7.0%	188,089	95.3%	5.6	7.0% (7.4%)
Non-core countries .	27	302.9	6.6%	217,260	98.5%	6.3	8.3% (8.3%)
<b>IMMOFINANZ.....</b>	<b>155</b>	<b>4,578.2</b>	<b>100.0%</b>	<b>2,007,051</b>	<b>95.9%</b>	<b>68.9</b>	<b>6.0% (6.2%)</b>

<sup>(1)</sup> Return based on invoiced rents information is provided to improve comparability with the peer group.

Sources: Internal data; not including properties which are held for sale and fall under IFRS 5.

### Diversification of standing investments by asset class and geography

The following table shows the regional distribution of office standing investments as at June 30, 2020:

Office Standing Investments	Number of properties	Carrying amount of properties (in EUR million)	Carrying amount in %	Rentable space (in m <sup>2</sup> )	Occupancy rate (in %)	Rental income Q 2 / 2020 (in EUR million)	Gross return in %
Austria .....	11	607.3	20.6	176,381	88.8	6.0	4.0
Germany .....	4	560.0	19.0	103,665	99.1	5.5	4.0
Poland .....	10	716.5	24.4	232,687	97.0	9.7	5.4
Czech Republic .....	7	394.9	13.4	122,509	95.3	4.7	4.7
Hungary .....	9	287.3	9.8	148,792	96.3	4.4	6.1
Romania .....	8	289.1	9.8	181,656	90.8	5.4	7.5
Slovakia .....	2	59.6	2.0	35,592	94.4	0.9	5.8
Non-core countries .	1	26.8	0.9	15,995	90.2	0.4	6.6
<b>IMMOFINANZ.....</b>	<b>52</b>	<b>2,941.5</b>	<b>100.0</b>	<b>1,017,277</b>	<b>94.2</b>	<b>37.1</b>	<b>5.0</b>

Sources: Internal data; not including properties which are held for sale and fall under IFRS 5.

The ten largest standing investments in the office portfolio based on the carrying amount (in declining order) are the *Warsaw Spire* (Warsaw), *FLOAT* (Düsseldorf), *myhive am Wienerberg* (Vienna), *trivago Campus* (Düsseldorf), *City Tower Vienna* (Vienna), *Na Příkopě 14* (Prague), *BBC Gamma* (Prague), *myhive Átrium Park* (Budapest), *Cluster Produktionstechnik* (Aachen) and *myhive Palmovka* (Prague).

The following table shows the regional distribution of retail standing investments as at June 30, 2020:

Retail Standing Investments	Number of properties	Carrying amount of properties (in EUR million)	Carrying amount in %	Rentable space (in m <sup>2</sup> )	Occupancy rate (in %)	Rental income Q 2 / 2020 (in EUR million)	Gross return in %
Austria .....	14	132.7	8.1	67,073	99.6	2.3	6.9
Poland .....	14	288.6	17.7	185,516	96.8	6.3	8.8
Czech Republic .....	11	140.8	8.6	96,156	98.8	2.7	7.6
Hungary .....	14	202.6	12.4	135,328	97.2	3.8	7.4
Romania .....	5	328.8	20.2	151,939	98.3	6.2	7.5
Slovakia .....	18	259.8	15.9	152,496	95.6	4.7	7.3
Non-core countries .	26	276.0	16.9	201,265	99.2	5.8	8.4
<b>IMMOFINANZ.....</b>	<b>102</b>	<b>1,629.4</b>	<b>100.0</b>	<b>989,774</b>	<b>97.8</b>	<b>31.8</b>	<b>7.8</b>

Sources: Internal data; not including properties which are held for sale and fall under IFRS 5.

The ten largest standing investments in the retail portfolio based on the carrying amount (in declining order) are the *VIVO! Cluj* (Romania), *VIVO! Bratislava* (Slovakia), *VIVO! Lublin* (Poland), *VIVO! Constanța* (Romania), *VIVO! Baia Mare* (Romania), *VIVO! Stalowa Wola* (Poland), *VIVO! Pila* (Poland), *VIVO! Krosno* (Poland), *VIVO! Hostivař* (Czech Republic) and *STOP SHOP Veszprém* (Hungary).

By tenants' branch, the rented space in STOP SHOP retail parks as of June 30, 2020 can be split into 32.0% fashion, 12.0% furniture & household, 11.8% supermarket & grocery, 8.6% health & beauty, 8.6% shoes, 8.0% electronics & telecommunications, 7.4% sports, 2.8% toys and games, 2.3% pets and 6.5% others; the rented space in VIVO! shopping centers at the same time can be split into 35.6% fashion, 14.1% supermarket & grocery, 12.5% entertainment & fitness, 6.3% sports, 6.0% electronics & telecommunications, 5.2% shoes, 5.3% health & beauty, 4.4% restaurants & cafés and 10.6% others.

### **Development projects**

The development projects had a carrying amount of EUR 214.4 million as of June 30, 2020, which represented 4.3% of the total property portfolio. Included in this amount are EUR 192.0 million of active development projects and EUR 22.4 million of projects in the preparation or concept phase which are expected to be reclassified as active projects in the coming quarters but for which outstanding construction costs are not yet available. The COVID-19 pandemic led to construction delays on several development projects, but there have been no other limitations to date.

In the Düsseldorf Medienhafen, *myhive Medienhafen* is designed as a high-rise multitenant-building and will be the first myhive office building in Germany with roughly 21,000 m<sup>2</sup> of rentable space on 16 floors and is scheduled for completion in the third quarter 2021. In Austria, the two active project developments include the modernization of an existing office building on the *myhive am Wienerberg* location with approximately 12,600 m<sup>2</sup> of rentable space and of *myhive Ungargasse* in Vienna's third district with roughly 27,200 m<sup>2</sup> of usable space, both scheduled for completion in 2020. At the IRIDE Business Park in Bucharest, the IRIDE 18 and 19 buildings are currently undergoing modernization and integration in the myhive concept. The office buildings should then have roughly 10,000 m<sup>2</sup> and 18,000 m<sup>2</sup> of rentable space, respectively. These modernization projects are scheduled for completion in the first quarter of 2021.

The following table shows an overview of the developments as of June 30, 2020, split by country:

Development projects	Number of properties	Carrying amount	Carrying amount in %	Outstanding construction costs	Planned rentable space in m <sup>2</sup>	Expected fair value after completion	Expected rental income at full occupancy	Expected yield after completion in % <sup>(1)</sup>
(in EUR million, except as otherwise noted)								
Austria .....	2	86.4	45.0%	14.5	26,572	100.9	4.2	4.1%
Germany .....	1	74.0	38.5%	52.6	21,690	161.0	5.8	4.6%
Romania .....	2	31.6	16.4%	8.9	27,956	40.5	3.6	8.9%
<b>Active projects .....</b>	<b>5</b>	<b>192.0</b>	<b>100.0%</b>	<b>76.0</b>	<b>76,218</b>	<b>302.4</b>	<b>13.6</b>	<b>5.1%</b>
Projects in preparation .....	7	22.4						
<b>IMMOFINANZ.....</b>	<b>12</b>	<b>214.4</b>						

<sup>(1)</sup> Expected yield after completion in relation to the current carrying amount, including outstanding construction costs.

The STOP SHOP Siedlce, which opened at the end of March 2020, was reclassified to the standing investment portfolio during the first half of 2020. This retail park has an occupancy rate of 99.1%.

IMMOFINANZ regards development business, with its size relatively small in relation to the overall property portfolio as an add-on to safeguard organic growth: The entire value chain from site preparation to property rental can be covered; this can also include the redevelopment of existing assets for the purpose of portfolio optimization.

## **Core markets of the Group**

The Group's business activities mainly take place in Poland, Austria, Romania, Germany, Czech Republic, Hungary and Slovakia and are concentrated on office and retail properties.

The effects of the COVID-19 pandemic are also clearly visible on the real estate market. Transactions on the European commercial property market totaled EUR 43.9 billion in the second quarter of 2020, representing a year-on-year decline of 38%. The transaction volume on the commercial property market in Germany fell by roughly 20% to EUR 13.6 billion in the second quarter. The prime yield for office properties equals 3.0% in Düsseldorf, while the lowest yields in the top seven cities are currently recorded in Munich and Berlin, each with 2.6%. In Austria, commercial property transactions totaled EUR 1.0 billion in the second quarter of 2020. This represents a COVID-19-related, year-on-year decline of roughly 16%. Prime yields are stable at 3.45% on the Vienna office market and equal roughly 5% for retail parks. The transaction markets in the CEE region recorded an overall decline of 13% (for the second quarter of 2020 on a year-on-year basis) but differed by country. First half-year increases were recorded in the Czech Republic with +74% to EUR 1.9 billion, Slovakia with +66% to EUR 432 million and Romania with +17% to EUR 395 million. Lower transaction volumes were reported in Poland with a decline of 9.3% to EUR 2.9 billion and Hungary with a decline of 12% to EUR 500 million. Rents in the individual markets remain generally stable. The office markets react to economic developments with a delay, and the Issuer predicts that the impact of the current downturn will not be visible before 2021.

## **IMMOFINANZ strategy**

The core expertise of the Group lies in the management and development of office and retail properties in Austria, Germany and the CEE region. Based on management's estimates and peers' reported portfolio value figures, IMMOFINANZ believes that the Group is a leading commercial real estate company in the CEE region. IMMOFINANZ management believes that its Core Regions are attractive and low risk investment markets with robust fundamentals. The primary strategic aim of the Group is the increase of the operating cash flow by generating rental earnings from income-producing investment properties and therefore also to compensate the risk of active development projects. The implementation of such strategy is based on the optimization and active management of the real estate portfolio of the Group. Therefore, it is of great importance to the Group to keep the quality and efficiency of its properties to strengthen ties with existing tenants with international and local anchor brands and gain attractiveness for potential new tenants. In this connection, the Group has created its own brands – STOP SHOP and VIVO! for the retail sector and myhive for offices – which in the Group's view stand for standardization, recognition value, a high quality and service level, and aim for competitive advantages in rentals as well as continuing growth. Development projects of the Group include the development and design of newly established buildings as well as the rebranding and/or refurbishment of existing buildings. The Group is focused on the marketing and further optimization of these brands respectively within retail properties and the office sector. The Group expects that the brand features will increase the attractiveness for tenants and recent new rentals – as these three brands generated 74.5% of the total rental income of the Group at June 30, 2020 – have confirmed this strategy. Overall the occupancy rate rose to 96.8% in 2019 and decreased to 95.9% at June 30, 2020.

Furthermore, the Group has decided to strategically prioritize strengthening its market position in existing key markets with local asset management teams with local market know-how compared to entering into new markets. The portfolio optimization also includes the sale of remaining properties that are no longer part of the core business. With regard to the optimization of the Group's portfolio, as of June 30, 2020, the carrying amount and rentable space of standing investment properties stood at EUR 2,941.5 million (December 31, 2019: EUR 3,022.9 million) and 1,017,277 m<sup>2</sup> (December 31, 2019: 1,035,844m<sup>2</sup>) in the office sector and at EUR 1,629.4 million (December 31, 2019: EUR 1,672.9 million) and 989,774 m<sup>2</sup> (December 31, 2019: 955,039m<sup>2</sup>) in the retail sector. Upon completion of development projects, and within a certain stabilization period, the properties shall be reclassified to the standing investment portfolio and generate rental income. In 2019, properties with a value of EUR 119.4 million (excl. proceeds from the sale of real estate inventories) were sold including, among others, several office properties in Budapest, Bucharest and Vienna as well as various non-core properties and land reserves in Poland and Romania.

Moreover, establishing an effective structuring and improvement of financing with outside capital is highly relevant; alongside the management and development of the real estate portfolio, this is one of the key factors in the overall result of the Group. It has slightly reduced its financing costs which have declined to EUR 64.6 million in 2019 (EUR 68.4 million). The net loan-to-value ratio of the Group as at June 30, 2020, which shows the relation of net debt to the carrying amount of properties plus EPRA NAV of S Immo, stood at 44.7% (December 31, 2019: 43.0%) and therefore within the Group's target range of up to 45% at both times.

The Group has established and followed a sustainable dividend policy: The annual general meeting in May 2019 approved a dividend of EUR 0.85 per share for the 2018 financial year (2017: EUR 0.70). In view of the COVID-19 pandemic, IMMOFINANZ rescheduled the 27th annual general meeting which was originally planned for May 22, 2020 to October 1, 2020 to be held as virtual meeting. After consideration of all circumstances known at that time and the possible consequences of the COVID-19 pandemic, the Management Board and Supervisory Board decided to recommend to this annual general meeting to waive the dividend for the 2019 financial year and to carry forward the corresponding balance sheet profit. This recommendation is no departure from the continuous dividend policy, but is intended to preserve the Issuer's capital strength in view of the exceptional situation caused by the COVID-19 pandemic.

### **Investments**

The Group's capital expenditures in the property portfolio in 2019 increased to EUR 824.6 million (2018: EUR 240.9 million, including investments made by joint ventures). The 2019 capital expenditures were influenced, above all, by the acquisition of numerous office and retail properties in various countries. Investments in the standing investment portfolio amounted to EUR 58.4 million (2018: EUR 29.2 million). In contrast, the investments in development projects were 29.2% lower than in the previous year, 2018.

In response to the COVID-19 crisis and in order to reduce the negative effects and strengthen its liquidity, the Issuer postponed non-essential investments (and reduced overhead costs and renegotiated supplier contracts). Consequently, investments in the real estate portfolio during the first half of 2020 declined year-on-year to EUR 57.5 million (first half of 2019: EUR 198.8 million). Most of these expenditures were directed to the *myhive Medienhafen* (Düsseldorf), *myhive am Wienerberg*, *myhive Ungargasse* (Vienna) and to the STOP SHOP retail park in Siedlce.

### **Property sales**

In the second quarter of 2020 the Group closed property sales in the amount of approximately EUR 51.7 million in order to support its liquidity position as financing measure during the COVID-19 crisis. Further property sales as part of portfolio optimization in the amount of EUR 130.7 million have been signed, but not closed. In total, the Issuer expects a sales volume in the amount of roughly EUR 250.0 million in 2020.

### **Capital structure**

The Issuer is currently financed through a mix of bank and capital markets instruments, the majority of which represent secured indebtedness. Of the EUR 2,009.2 million financial liabilities owed to financial institutions as of June 30, 2020, EUR 2,009.1 million were secured by collateral and EUR 0.1 million were not secured by collateral.

#### ***Current capital structure***

The financial liabilities held by IMMOFINANZ consist of amounts due to financial institutions as well as liabilities from an unsecured corporate and convertible bond. The composition of these liabilities (excluding IFRS 16 financial liabilities) as of June 30, 2020 is as follows:

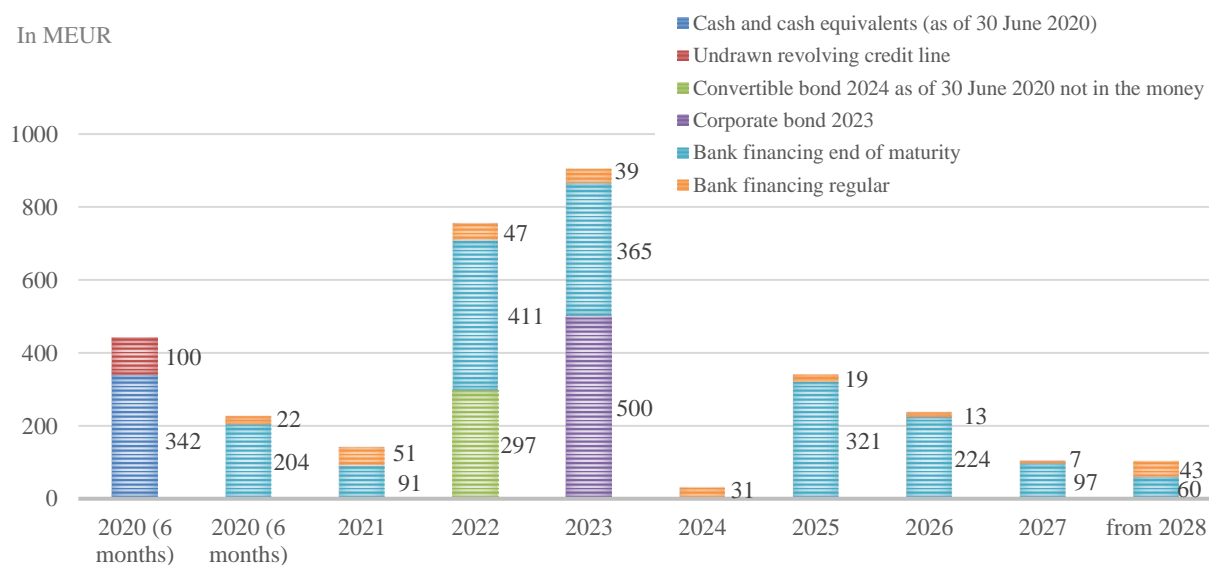
	Outstanding liability (book value) in EUR million as of June 30, 2020	Outstanding liability in % (unaudited)	Weighted average interest rate excluding derivatives <sup>(1)</sup>
Convertible bond in EUR.....	288.9	10.2%	1.50%
Corporate bond in EUR .....	500.6	17.7%	2.63%
Bank liabilities (including IFRS 5) in EUR .....	2,035.5	72.1%	1.77%
<b>Sub-total .....</b>	<b>2,825.0</b>	<b>100.0%</b>	<b>1.89%</b>
Other financial liabilities.....	0.1	0.0%	n.a.
<b>Total.....</b>	<b>2,825.0</b>	<b>100.0%</b>	<b>n.a.</b>

<sup>(1)</sup> Calculation basis: actual remaining debt (nominal amount).

In March 2020, IMMOFINANZ concluded an unsecured, revolving credit facility of EUR 100.0 million which can be used at the Company's discretion until March 31, 2022 and provides added financial flexibility. This credit facility has not been drawn yet and is therefore available in full.

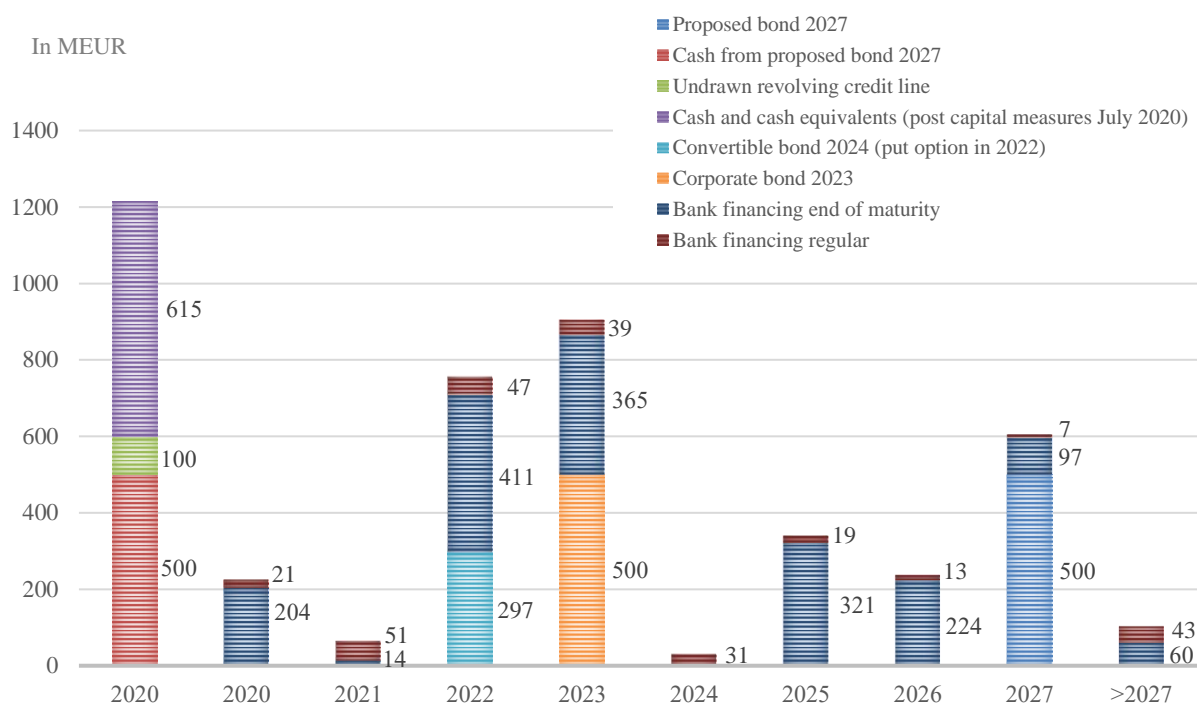
### Term structure

The weighted average remaining term of the financial liabilities equals 3.75 years. The following graph shows the term structure by year for IMMOFINANZ as of June 30, 2020. The liabilities scheduled to expire during the 2020 financial year totaled EUR 204.0 million as of June 30, 2020 (December 31, 2019: EUR 203.0 million).



Source: Internal data.

The following chart illustrates the debt maturity profile of the Issuer (nominal debt, cash and cash equivalents as of June 30, 2020 adjusted for the issuance of MEUR 236 in primary accelerated bookbuilding, MEUR 120 in Mandatory Convertible Notes on July 9, 2020, repayment of debt after June 30, 2020, and the issuance of EUR 500 million Notes).



Source: Internal data.

The following table shows IMMOFINANZ' key credit matrix, i.e. the financial covenants of its main financings, the contractual limits, the actual numbers as of June 30, 2020, and the changes to the respective matrix (i) post the July 2020 convertible bond and equity offering and (ii) assuming an offering and successful placement of EUR 500 million Notes:

Financial covenants	Requirement	H1 2020	Post July 2020 offering	Post-placement of the Notes
		(in % of total)		
Net debt to value ratio.....	≤60%	43.7%	38.6%	38.7%
Secured debt ratio .....	≤45%	29.9%	23.6%	14.7%
Interest coverage ratio.....	≥1.5x	3.4x	n.a. <sup>(1)</sup>	n.a. <sup>(1)</sup>
Average term of financial liabilities (years).....	n.a.	3.8	3.8	5.25

Source: Internal data.

<sup>(1)</sup> Not applicable due to quarterly calculation basis.

### Unencumbered assets

In addition to properties which carry external financing and are encumbered through standard market collateral (e.g. mortgages, pledge of company shares), EUR 1,381.2 million, or 27.1%, of the total property carrying amount (including properties which are held for sale and fall under IFRS 5) was not externally financed and therefore unencumbered as of June 30, 2020 (December 31, 2019: EUR 1,434.0 million or 27.3%). Including the S Immo stake based on EPRA NAV of S Immo as of 30 June 2020, unencumbered assets increase to EUR 1,844.8 million, or 33.2%.

## Financial strategy

Set forth below is an overview of the development of the Group's average financing costs and net loan-to-value:

	As of June 30, 2020	As of December 31, 2019 2018 2017 2016 (unaudited)			
Weighted average interest rate including hedging costs.....	1.89%	1.91%	2.14%	2.31%	3.02%
Net loan-to-value .....	44.67%	43.04%	37.29%	40.77%	49.01%

Source: Internal data.

The Group uses derivatives to hedge against interest rate increases. The volume of financial liabilities hedged through interest rate derivatives amounted to EUR 1,692.6 million as of June 30, 2020 (December 31, 2019: EUR 1,694.1 million). In total, 90.7% of financial liabilities (December 31, 2019: 90.7%) are hedged against interest rate risk: 59.6% via interest rate derivatives, while a further 31.1% represent financial liabilities with fixed interest rates. The remaining 9.3% financial liabilities are unhedged at floating interest rates.

## Legal Disputes

During the past twelve months, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are still pending or might be initiated of which the Issuer is aware) which may have, or have had in the recent past, significant effects on the Issuer and/or the Group's financial position or earnings power.

Restitution proceedings are currently in progress over land on which a Romanian subsidiary constructed a shopping center and over another parcel of land in Romania. Following final decisions of the Romanian Supreme Court depriving the subsidiary of its title to the land without deciding who else should hold the title, further proceedings were initiated by the Romanian state, various local land law commissions and by individuals for restitution of the land, demolition of the shopping center and rectification of the land register which restrict de facto the possibilities of disposal. The Romanian subsidiary raised counterclaims of approximately EUR 13.7 million against the seller of the land for damages (contract breaches) and the value of the land and made similar provisions. Despite these disputes which have lasted for almost 20 years the shopping center keeps being operated. However, these proceedings restrict the rights of disposal. Settlement discussions are currently in progress to resolve the restitution issue.

## Significant contracts

No contracts exist which were concluded outside of the normal course of business and/or as a result of which the Issuer or its subsidiaries have entered into a commitment or have obtained a right which is of major importance to the Group or the ability of the Issuer to meet its obligations vis-à-vis its Holders.

## Research and Development

Technological and social changes influence the real estate sector and in particular the Issuer's core segments – retail and office properties. The Issuer is aware that in order to be able to offer attractive rentable space with high demand from tenants in the future, it needs to develop strategies to continuously improve its current and future portfolio. Therefore, the Issuer has entered into a research and development contract with the Vienna University of Technology pursuant to which changes in work processes and tenants' demands on space and building concepts are routinely monitored. This research project with in particular address the effects of digitalization on the real estate sector and facility management.

## Recent events

With effectiveness of March 2, 2020. CARPINUS Holding GmbH (now: RPPK Immo GmbH) acquired 12,000,000 shares in the Issuer, corresponding to a shareholding of (then) approximately 10.71%. The

indirect shareholders of CARPINUS Holding GmbH are Peter Korbacka and RPR Privatstiftung (the founder and beneficiary of this private foundation is Ronny Pecik); this participation was further increased thereafter (see “*General information about the Issuer—Share capital and major shareholders*”). As at March 18, 2020, former CEO Oliver Schumy left the Issuer’s Management Board due to personal reasons, based on mutual agreement. Beginning with May 4, 2020, Ronny Pecik was appointed new CEO by the Issuer’s Supervisory Board for three years.

Since the outbreak of the COVID-19 pandemic in early 2020, all governments of countries which the Issuer considers as core-markets of the Group have taken drastic measures to contain the spread of the virus. Such measures include restrictions on travel and public transport, on trade and in particular closures of retail spaces with regards to non-essential retailers (lockdown). As a result, visitor numbers decreased significantly in the first half-year 2020, but higher revenues per customer resulted in a lower decrease of retailers’ sales. For example, in the Stop Shop segment a 24% decrease in visitors resulted in a 13% decrease in retailers’ revenues in the first half-year 2020 (compared to the first half-year 2019). The Group’s tenants which are or were affected by state declared injunctions over retail spaces may have the right to lower or fully suspend rent payments which in turn has significant negative impact on the Group’s income from standing investments, in particular in the retail segment. Some of the Group’s tenants may also be in substantial risk of bankruptcy proceedings which may impair the Group’s rental claims. The generally expected price decline in commercial real estate may lead to further negative valuation effects on the Group’s standing investment portfolio.

In July 2020, the Issuer initiated the private placements of shares and subordinated mandatory convertible notes through accelerated bookbuilding procedures under exclusion of subscription rights. 15,418,824 shares in the Issuer have subsequently been placed to institutional investors corresponding to about 13.76% of the then outstanding amount of shares. The gross issuing proceeds from this placement amount to approximately EUR 236 million. The number of new shares were partially offered from a capital increase, making use of authorized capital resolved upon in the Issuer’s shareholders’ meeting held already in May 2018, and from the sale of treasury shares sold based on a respective resolution from May 2019. With respect to the offered subordinated mandatory convertible bonds, volume of EUR 120.0 million, the Issuer made further use of the resolution of the Issuer’s shareholders’ from May 2018. The bonds, which have been included in the trading of the Vienna MTF, have a maturity of three years and were issued with a coupon of 4% *per annum*, converting to 6,998,228 shares in the Issuer.

## Rating

In February 2020, S&P confirmed the long-term issuer credit rating:

“BBB-” (Outlook stable)<sup>(1)</sup>.

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<sup>(1)</sup> According to S&P: “The credit rating opinions awarded by S&P range from the highest rating “AAA”, which is defined as “extremely strong capacity to meet financial commitments” to the lowest rating “D”, which is defined as “Payment default on financial commitments”. S&P define a “BBB” rating for a long-term issuer as follows: “An obligor rated ‘BBB’ has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments. Ratings from ‘AA’ to ‘CCC’ may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.”

In a bulletin published in May 2020, S&P stated that despite its anticipating a decline in the Issuer’s net rental income and valuation in 2020, with only a slow recovery in 2021, the company’s credit metrics have remained consistent with the ‘BBB-’ rating and stable outlook. In another bulletin published in July 2020, S&P stated that the equity issuances in July 2020 should improve the Issuer’s credit metrics and increase the headroom under the current rating threshold.

The Notes are expected to be rated BBB-<sup>(2)</sup> by S&P.

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<sup>(2)</sup> According to S&P: “An issue rating is an assessment of default risk but may incorporate an assessment of relative seniority or ultimate recovery in the event of default. Junior obligations are typically rated lower than senior obligations, to reflect lower priority in bankruptcy.”. S&P define a “BBB” rating for a long-term issue as follows: “An



obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation. Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories."

S&P is established in the European Union and is 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")<sup>(3)</sup>.

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<sup>(3)</sup> The European Securities and Markets Authority publishes on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) 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 Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

Investors in the Notes should be aware that a credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

### **Outlook regarding the Group**

The IMMOFINANZ portfolio has been the focus of an optimization and concentration process in recent years, which led to the concentration on two asset classes and three brands as well as the sale of properties that no longer fit with the corporate strategy.

IMMOFINANZ is committed to the responsible use of natural resources, the utilization of climate-friendly technologies, a systematic energy savings strategy, the refurbishment of building substance which is worth preserving, and the construction of efficient new buildings. These central points reduce operating costs and emissions and also make an important contribution to environmental protection and tenant satisfaction.

Uncertainty remains high over the further development of the COVID-19 pandemic as well as possible future containment measures and their effects on the economy and financing environment. With a view towards the long-term development of its business, IMMOFINANZ is convinced that it must act cautiously and protect its ability to act from a position of strength during the crisis as well as the ability to utilize attractive opportunities and quickly return to a profitable growth course with acquisitions and development projects.

### **Economic outlook**

In March 2020, the COVID-19 pandemic reached the countries in which the Group owns real estate. The immediate effects involved property-specific risks, such as rental income lost due to the government-ordered closing of businesses, special legal regulations for rent cutbacks, and the reduction in rents caused by the declining commercial viability of retail properties (including turnover-based rents). Also, the Group's project development were affected as construction works have been performed only in a limited manner, potentially leading to delays in project completion. As the spread of the novel COVID-19 virus has also led to a severe decline of economic activity in all core markets of the Group, the Issuer's management anticipates that this slowdown will lead to rising vacancies caused by several factors. Such factors include tenant bankruptcies and significant cuts in expansion plans by tenants due to the weakening economy. Higher bankruptcy rates among tenants may also lead to higher risk premiums on financing. Further state-ordered closures of retail businesses may have negative effects on the Group's retail portfolio. Moreover, government or company guidelines on social distancing measures may lead to a long term trend to home office work and thus to a decrease in demand for rentable office space.

In general, the further consequences of the COVID-19 pandemic cannot be conclusively assessed as at the date of the Prospectus due to ongoing uncertainties. The Issuer is continuously monitoring the situation and will take appropriate measures to mitigate the COVID-19 pandemic's impact on the Group's earnings, asset and financial positions.

## Property valuation

IMMOFINANZ prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and arranges for the regular valuation of its properties by independent experts. These external appraisals are carried out each year as of June 30, and December 31. The valuation of the property portfolio follows the EPRA's Best Practices Policy Recommendations for the application of the fair value method as defined in IFRS.

CBRE appraised nearly all real estate in IMMOFINANZ's portfolio (EUR 4.9 billion) as of June 30, 2020. Internal valuations were responsible for 0.9%.

The COVID-19 pandemic had a negative influence on the valuation of investment property. Revaluations totalled EUR -159.2 million in the first half of 2020, compared with clearly positive results in the first half of the previous year (first half 2019: EUR 123.5 million or full year: EUR 193.3 million). The external appraisals by CBRE reflected slightly higher market yields (increase of up to 0.5% in the retail segment) as well as changed assumptions concerning re-rentals in the portfolio properties.

Results from the revaluation of the standing investments totalled EUR -143.4 million (first half 2019: EUR 104.7 million). This decline in value represents roughly 3.1% of the carrying amount of the standing investments as of June 30, 2020. Retail properties were written down by EUR -68.1 million (4.2% of the carrying amount) and office properties by EUR -74.8 million (2.5% of the carrying amount).

A like-for-like analysis – i.e. after an adjustment for new acquisitions, completions and sales to improve comparability – shows a valuation effect of EUR -124.6 million for the first half of 2020 (first half of 2019: EUR 78.2 million).

The following table presents a like-for-like analysis of the valuation effects in the first half-year 2020 by core market:

Standing investments like-for-like	Number of properties	Carrying amount of properties (in EUR million)	Carrying amount of properties (in %)	Valuation effects first half-year 2020 (in EUR million)
Austria.....	23	691.3	18.7%	-12.3
Germany.....	4	332.6	9.0%	-4.9
Poland.....	20	574.8	15.5%	-30.9
Czech Republic.....	17	453.0	12.2%	-5.9
Hungary.....	23	489.9	13.2%	-13.7
Romania.....	13	618.0	16.7%	-41.0
Slovakia.....	20	319.4	8.6%	-11.3
Non-core countries.....	20	220.1	5.9%	-4.6
<b>IMMOFINANZ.....</b>	<b>140</b>	<b>3,699.1</b>	<b>100.0%</b>	<b>-124.6</b>

Source: Internal data

The following table presents a like-for-like analysis of the valuation effects in the first half-year 2020 by asset class:

Standing investments like-for-like	Number of properties	Carrying amount of properties (in EUR million)	Carrying amount of properties (in %)	Valuation effects first half-year 2020 (in EUR million)
Office.....	48	2,191.9	59.3%	-58.5
Retail.....	91	1,499.9	40.5%	-65.9
Others.....	1	7.3	0.2%	-0.3
<b>IMMOFINANZ.....</b>	<b>140</b>	<b>3,699.1</b>	<b>100.0%</b>	<b>-124.6</b>

Source: Internal data

## MANAGEMENT

The Issuer has a two-tier management structure, consisting of a Management Board (*Vorstand*) and a Supervisory Board (*Aufsichtsrat*). The business address for each of the members of the Management Board and the Supervisory Board is Wienerbergstrasse 11, A-1100 Vienna, Austria.

### Management Board (*Vorstand*)

Day-to-day management of the Issuer is vested in the Management Board, which represents the Issuer externally. Under the Company's Articles of Association, any two members of the Management Board, or any one member of the Management Board jointly with one authorized signatory holding a general power-of attorney (*Prokurist*), legally bind the Issuer through certain actions.

According to the Company's Articles of Association, the Management Board consists of two to five members appointed by the Supervisory Board for a term of up to five years each. Currently, the Management Board consists of three members. Management Board members may be reappointed for one or more additional terms of up to five years each. The current members of the Management Board are:

Name	Initial appointment	End of current term	Area of responsibility	Outside activities
Ronny Pecik .....	2020	2023	Member of the Board, CEO	Managing director of Marathon Beteiligungs GmbH, Vienna; managing director of ANNA Industriebeteiligung GmbH, Vienna; managing director of Cosima Holding GmbH, Vienna; managing director of Cosima Holding Eins GmbH & Co KG and Cosima Holding Zwei GmbH & Co KG, both through the partner with unlimited liability, Cosima Holding GmbH, Vienna; partner with unlimited liability of Braavos GmbH & Co OG, Vienna
Stefan Schönauer .....	2016	2026	Member of the Board, CFO	n/a
Dietmar Reindl .....	2014	2026	Member of the Board, COO	n/a

Source: Internal data.

### Supervisory Board (*Aufsichtsrat*)

The Supervisory Board is vested with the authority to appoint and remove the members of the Management Board and to supervise the business conducted by the Management Board and the general affairs of the Company. Although the Supervisory Board does not actively manage the Company, both the Austrian Stock Corporation Act (*Aktiengesetz*), the Company's Articles of Association and the by-laws for the Management Board require the consent of the Supervisory Board before the Management Board takes certain actions.

The Company's Articles of Association require that the Supervisory Board consists of not less than three and not more than six members elected at the shareholders' meeting, as well as members appointed by Group's works councils under mandatory provisions of the Austrian Labor Constitutional Act (*Arbeitsverfassungsgesetz*). No elected member of the Supervisory Board may be appointed for a longer period than until the annual shareholders' meeting deciding on the discharge of the board members for the fourth financial year following the financial year of their appointment.

The current members of the Supervisory Board are:

Name	Initial appointment	End of current term	Principal occupation
Bettina Breiteneder (Chairwoman) .....	2019	2023	Numerous positions as managing director and member of supervisory boards within the family held real estate group, Vienna; member of the supervisory board of Die Erste österreichische Sparkasse Privatstiftung, Vienna; member of the supervisory board of Generali Versicherung AG, Vienna (chairwoman of the audit committee); member of the supervisory board of Generali Holding Vienna AG, Vienna; member of the supervisory board of Pappas Holding GmbH, Salzburg; member of the directorate of the Wiener Konzerthaus, Vienna
Christian Böhm (Vice-Chairman) .....	2010	2020	Chairman of the management board of APK Pensionskasse AG, Vienna; chairman of the supervisory board of APK Versicherung AG, Vienna; member of the supervisory board of APK Vorsorgekasse AG, Vienna
Sven Bienert (Vice-Chairman).....	2019	2023	Professor and institute director at the International Real Estate Business School of the University of Regensburg, Germany; managing director of IIÖ - Institut für Immobilienökonomie GmbH, Wörgl; member of the supervisory board of ZIMA Holding AG, Vienna; member of the sustainability advisory board of DAW – Deutsche Amphibolin-Werke von Robert Murjahn Stiftung & Co KG, Germany
Nick J.M. van Ommen.....	2008	2020	Member of the supervisory board of W.P. Carey Inc, U.S.; chairman of the supervisory board of Allianz Nederland Group N.V., Netherlands; member of the supervisory board of Allianz Benelux SA, Belgium; CEO of the European Public Real Estate Association (EPRA), Belgium; member of the advisory board of ZIA – Zentraler Immobilien Ausschuss, Germany; member of the advisory board of BNP Paribas Real Estate Advisory Netherlands B.V., Netherlands
Philipp Amadeus Obermair.....	2014	n.a. <sup>(1)</sup>	Delegated by the IMMOFINANZ works council

Source: Internal data.

<sup>(1)</sup> Nominated by the Company's works council. The term of the works council representatives is indefinite. However, works council representatives may be replaced by the works council at any time.

The Supervisory Board has set up an Audit and Valuation Committee (*Prüfungsausschuss*), a Strategy Committee (*Strategieausschuss*) and a Personnel and Nominating Committee (*Personal- und Nominierungsausschuss*).

The Audit and Valuation Committee consists of Christian Böhm (chairman), Sven Bienert (vice-chairman), Bettina Breiteneder and Philipp Amadeus Obermair. The Audit Committee is responsible for monitoring accounting processes and supervising the audit of the separate and consolidated financial statements. This committee also monitors the effectiveness of the Company's internal control system, risk management and internal audit. Its responsibilities also include property valuation, and all Supervisory Board members have received training on this subject. Christian Böhm serves as the Audit Committee's financial expert based on his professional experience and knowledge of finance and accounting. The committee members, as a whole, are well informed of the business sector in which IMMOFINANZ operates. The Audit and Valuation Committee held four meetings in 2019, whereby 88% of the shareholder representatives were in attendance.

The Strategy Committee consists of Sven Bienert (chairman), Nick J.M. van Ommen (vice-chairman), Bettina Breiteneder and Philipp Amadeus Obermair. The Strategy Committee is responsible, above all, for the regular evaluation of the Company's strategy and orientation as well as consultations with the Management Board on the definition of this strategy. In 2019, these responsibilities were fulfilled by the full Supervisory Board.

The Personnel and Nominating Committee consists of Bettina Breiteneder (chairwoman), Sven Bienert (vice-chairman) and Christian Böhm. The Personnel and Nominating Committee makes recommendations to the Supervisory Board for nominations to the Management and Supervisory Boards

and is responsible for determining the remuneration and preparing the employment contracts for the Management Board members. The committees operate under the same rules that apply for the Supervisory Board. This committee met six times in 2019, whereby 89% of the shareholder representatives attended these meetings.

### **Conflicts of interest**

Christian Böhm, a member of the Supervisory Board, serves on the management board of APK Pensionskasse AG. The Issuer makes pension fund contributions at ordinary market conditions to this firm for the Issuer pensions of the Management Board members.

In respect of each member of the Supervisory Board and the Management Board, there are no conflicts of interest or potential conflicts of interest between any duties which they have to the Issuer and any private interests and/or duties which they may also have, apart from the above business relationship.

### **Austrian Corporate Governance Code**

The Austrian Code of Corporate Governance (the “CGC”) was published by the Austrian Working Group on Corporate Governance, a Group of private organizations and individuals, in 2002. This voluntary self-regulatory initiative is designed to reinforce the confidence of investors by improving reporting transparency, and the quality of cooperation between supervisory board, managing board and shareholders, to provide for accountability and promote sustainable, long-term value.

The CGC primarily applies to Austrian stock market-listed companies that undertake to adhere to its principles. The CGC is based on statutory provisions of Austrian corporate law, securities law and capital markets law (“**Legal Requirements**”, “**L Rules**”). In addition, the CGC contains rules considered to be a part of common international practice, such as the principles set out in the OECD Principles of Corporate Governance. Non-compliance with some of these rules must be explained at the shareholders’ meeting (“**Comply or Explain**”, “**C Rules**”). However, the CGC also contains rules that are voluntary and do not require explanation in the case of deviations (recommendations, “**R Rules**”). Overall, successful implementation of the CGC depends on self-regulation by companies. The CGC was amended most recently in January 2020.

IMMOFINANZ currently commits the observance of the mandatory L Rules, all C Rules as well as all R Rules of the CGC as amended in January 2020.

## TERMS AND CONDITIONS OF THE NOTES

### ANLEIHEBEDINGUNGEN

#### § 1

#### Nennbetrag und Stückelung, Verbriefung, Clearingsystem

- (1) *Nennbetrag und Stückelung.* Diese Schuldverschreibungen (die „**Schuldverschreibungen**“) der IMMOFINANZ AG, Wien, Republik Österreich („**Emittentin**“) werden am 15. Oktober 2020 (der „**Ausgabetag**“) in EUR im Gesamtnennbetrag von EUR 500.000.000 (in Worten: Euro fünfhundert Millionen) begeben und sind in 5.000 an den Inhaber zahlbare und untereinander gleichrangige Schuldverschreibungen mit einem Nennbetrag von jeweils EUR 100.000 (die „**Festgelegte Stückelung**“) eingeteilt.
- (2) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die „**Vorläufige Globalurkunde**“) ohne Zinsscheine verbrieft. Die Vorläufige Globalurkunde wird gegen Schuldverschreibungen in der Festgelegten Stückelung, die durch eine Dauerglobalurkunde (die „**Dauerglobalurkunde**“ und, zusammen mit der Vorläufigen Globalurkunde, die „**Globalurkunden**“) ohne Zinsscheine verbrieft sind, ausgetauscht. Die Einzelheiten eines solchen Austausches werden in die Register der ICSDs (wie nachstehend definiert) eingetragen. Die Vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die eigenhändigen Unterschriften von zwei ordnungsgemäß bevollmächtigten Vertretern der Emittentin und sind jeweils von der Zahlstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

Die Schuldverschreibungen werden in Form einer New Global Note („**NGN**“) ausgegeben und von einem Common Safekeeper im Namen beider ICSDs verwahrt.

- (3) Die Vorläufige Globalurkunde wird an einem Tag (der „**Austauschtag**“) gegen die Dauerglobalurkunde ausgetauscht, der nicht mehr als 180 Tage nach dem Ausgabetag liegt. Der Austausch tag darf nicht weniger als 40 Tage nach dem Ausgabetag liegen. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen erfolgen, wonach der oder die wirtschaftliche(n) Eigentümer der Schuldverschreibungen keine U.S.-Person(en) ist/sind (ausgenommen bestimmte Finanzinstitute oder

### TERMS AND CONDITIONS

#### § 1

#### Principal Amount and Denomination, Form, Clearing System

- (1) *Principal Amount and Denomination.* These notes (the “**Notes**”) are being issued by IMMOFINANZ AG, Wien, Republic of Austria (the “**Issuer**”) on October 15, 2020 (the “**Issue Date**”) in EUR in the aggregate principal amount of EUR 500,000,000 (in words: euro five hundred million) and are divided into 5,000 Notes payable to the bearer and ranking *pari passu* among themselves, with a principal amount of EUR 100,000 each (the “**Specified Denomination**”).
- (2) The Notes are initially represented by a temporary global note (the “**Temporary Global Note**”) without coupons. The Temporary Global Note will be exchanged for Notes in the Specified Denomination represented by a permanent global note (the “**Permanent Global Note**”) and, together with the Temporary Global Note, the “**Global Notes**”) without coupons. The details of such exchange shall be entered in the records of the ICSDs (as defined below). The Temporary Global Note and the Permanent Global Note shall each be signed by two authorized signatories of the Issuer and shall each be authenticated by or on behalf of the Paying Agent. Definitive certificates representing individual Notes and interest coupons will not be issued.

The Notes are issued in new global note (“**NGN**”) form and are kept in custody by a common safekeeper on behalf of both ICSDs.

- (3) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the “**Exchange Date**”) not later than 180 days after the issue date. The Exchange Date will not be earlier than 40 days after the issue Date. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes is/are not (a) U.S. person(s) (other than certain financial institutions or certain persons holding Notes through such financial institutions as defined in

bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten gemäß dem United States Internal Revenue Code 1986, in derzeit geltender Fassung). Solange die Schuldverschreibungen durch die Vorläufige Globalurkunde verbrieft sind, werden Zinszahlungen erst nach Vorlage solcher Bescheinigungen vorgenommen. Eine gesonderte Bescheinigung ist für jede solche Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Ausgabetag eingeht, wird als ein Ersuchen behandelt werden, die Vorläufige Globalurkunde gemäß diesem § 1(3) auszutauschen. Schuldverschreibungen, die im Austausch für die Vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten geliefert werden.

- (4) *Register der ICSDs.* Der Nennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind schlüssiger Nachweis über den Nennbetrag der durch die Vorläufige Globalurkunde bzw. die Dauerglobalurkunde verbrieften Schuldverschreibungen und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bestätigung mit dem Nennbetrag der so verbrieften Schuldverschreibungen ist zu jedem Zeitpunkt ein schlüssiger Nachweis über den Inhalt des Registers des jeweiligen ICSD.

Bei Rückzahlung oder Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über jede Rückzahlung und Zahlung bzw. Kauf und Entwertung bezüglich der Globalurkunden anteilig in die Register der ICSDs eingetragen werden, und nach dieser Eintragung vom Nennbetrag der in die Register der ICSDs eingetragenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgezahlten bzw. gekauften und entwerteten Schuldverschreibungen bzw. der Gesamtbetrag der so gezahlten Raten abgezogen wird.

Bei Austausch nur eines Teils von Schuldverschreibungen, die durch eine Vorläufige Globalurkunde verbrieft sind, wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs anteilig in die Register der ICSDs eingetragen werden.

the United States Internal Revenue Code of 1986, as amended). Payment of interest on Notes represented by a Temporary Global Note shall be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the issue Date shall be treated as a request to exchange the Temporary Global Note pursuant to this § 1(3). Any Notes delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

- (4) *Records of the ICSDs.* The principal amount of Notes represented by the Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the principal amount of Notes represented by the Temporary Global Note or the Permanent Global Note, as the case may be, and, for these purposes, a statement issued by an ICSD stating the principal amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the Global Note the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of the Global Note shall be entered pro rata in the records of the ICSDs and, upon any such entry being made, the principal amount of the Notes recorded in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled or by the aggregate amount of such instalment so paid.

On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered pro rata in the records of the ICSDs.

- (5) *Clearingsystem.* Jede Globalurkunde wird solange von einem oder im Namen eines Clearingsystems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind. „**Clearingsystem**“ bedeutet jeweils folgendes: Clearstream Banking S.A., Luxemburg („**CBL**“) und Euroclear Bank SA/ NV, Brüssel („**Euroclear**“) sowie jeder Funktionsnachfolger. „**International Central Securities Depository**“ oder „**ICSD**“ bezeichnet jeweils CBL und Euroclear (zusammen die „**ICSDs**“).
- (6) Den Inhabern von Schuldverschreibungen („**Anleihegläubiger**“) stehen Miteigentumsanteile oder vergleichbare andere Rechte an der Globalurkunde zu, die nach Maßgabe des anwendbaren Rechts und der Regeln und Bestimmungen des Clearingsystems übertragen werden können.
- (5) *Clearing System.* Each Global Note will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied. “**Clearing System**” means each of the following: Clearstream Banking S.A., Luxembourg (“**CBL**”) and Euroclear Bank SA/NV, Brussels (“**Euroclear**”) and any successor in such capacity. “**International Central Securities Depository**” or “**ICSD**” means each of CBL and Euroclear (together, the “**ICSDs**”).
- (6) The holders of Notes (“**Holders**”) are entitled to co-ownership interests or other comparable rights in the Global Note which are transferable in accordance with applicable law and the rules and regulations of the Clearing System.

## § 2 Status der Schuldverschreibungen

Die Schuldverschreibungen begründen unmittelbare, unbedingte, nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit diesen Verbindlichkeiten nicht durch zwingende gesetzliche Bestimmungen ein Vorrang eingeräumt wird.

## § 3 Negativerklärung

- (1) *Negativerklärung.* Solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen dem Clearingsystem vollständig zur Verfügung gestellt worden sind, wird die Emittentin
- (a) keine Grund- und Mobiliarpfandrechte, sonstige Pfandrechte oder dingliche Sicherheiten (jedes ein „**Sicherungsrecht**“) in Bezug auf ihr gesamtes Vermögen oder Teile davon zur Sicherung von Kapitalmarktverbindlichkeiten (wie nachstehend definiert) oder einer von der Emittentin gegebenen Garantie oder Haftungsvereinbarung für Kapitalmarktverbindlichkeiten gewähren oder bestehen lassen, und
- (b) ihren Einfluss auf ihre Wesentlichen Konzerngesellschaften dahingehend ausüben, dass diese keine Sicherungsrechte in Bezug auf deren

## § 2 Status of the Notes

The obligations under the Notes constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, unless such obligations are accorded priority under mandatory provisions of statutory law.

## § 3 Negative Pledge

- (1) *Negative Pledge.* So long as Notes are outstanding, but only up to the time all amounts of principal and interest have been provided to the Clearing System in full, the Issuer shall
- (a) not provide or permit to subsist any mortgage, charge, pledge, lien or other form of *in rem* encumbrance (each a “**Security Interest**”) over the whole or any part of its assets to secure any Capital Market Indebtedness (as defined below) or any guarantee or indemnity given by the Issuer in respect of any Capital Market Indebtedness; and
- (b) to procure that no Material Subsidiary will provide or permit to subsist any Security Interest over the whole or any part of its respective assets to secure any



jeweiliges gesamtes Vermögen oder Teile davon zur Sicherung von Kapitalmarktverbindlichkeiten oder einer von der jeweiligen Wesentlichen Konzerngesellschaft gegebenen Garantie oder Haftungsvereinbarung für Kapitalmarktverbindlichkeiten gewähren oder bestehen lassen,

ohne gleichzeitig die Anleihegläubiger gleichrangig an einem solchen Sicherungsrecht zu beteiligen oder ihnen ein gleichwertiges Sicherungsrecht zu gewähren.

Die Verpflichtung nach dem vorstehenden Absatz findet keine Anwendung auf ein Sicherungsrecht, das (i) am Vermögen einer Tochtergesellschaft bestellt wurde, die erst nach dem Ausgabetag Tochtergesellschaft wird, sofern das betreffende Sicherungsrecht bereits bei Erwerb der Tochtergesellschaft durch die Emittentin bestand, (ii) gesetzlich vorgeschrieben ist oder (iii) im Rahmen von Asset Backed Securitisation-Modellen oder ähnlichen Forderungsübertragungsstrukturen mit Besicherung bestellt werden.

(2) *Definitionen.*

„**Kapitalmarktverbindlichkeit**“ bezeichnet eine gegenwärtige oder zukünftige Verpflichtung zur Rückzahlung von Geldern (einschließlich Verpflichtungen aus Garantien oder anderen Haftungsvereinbarungen) aus Anleihen, Schuldverschreibungen, Schuldscheindarlehen oder anderen ähnlichen Instrumenten, soweit sie an einer Wertpapierbörse bzw. an einem geregelten oder unregulierten Markt zum Handel zugelassen sind oder in diesen einbezogen sind oder so beschaffen sind, dass sie dort zugelassen oder in diesen einbezogen werden können, oder soweit sie an einem Over-the-Counter-Markt gehandelt werden oder so beschaffen sind, dass sie dort gehandelt werden können.

„**Tochtergesellschaft**“ bezeichnet jede Person, die bei der Erstellung der Konzernabschlüsse der Emittentin mit ihr voll konsolidiert werden muss.

„**Wesentliche Konzerngesellschaft**“ bezeichnet ein Konzernunternehmen (i.S.d. § 15 AktG) der Emittentin,

- (i) dessen Immobilienvermögen (oder falls dieses Konzernunternehmen selbst einen konsolidierten IFRS-Jahresabschluss aufstellt, dessen konsolidierte Summe an Immobilienvermögen gemäß dessen letzten geprüften konsolidierten IFRS-Jahresabschluss, jeweils inklusive nach

Capital Market Indebtedness or any guarantee or indemnity given by the respective Material Subsidiary in respect of any Capital Market Indebtedness,

without at the same time letting the Holders share *pari passu* in such Security Interest or giving to the Holders an equivalent Security Interest.

The undertaking pursuant to the preceding paragraph shall not apply to any Security Interest which (i) was granted over assets of a subsidiary of the Issuer that becomes a Subsidiary after the Issue Date, provided that the Security Interest has been in existence upon acquisition of the Subsidiary by the Issuer, (ii) is mandatory according to applicable laws or (iii) is granted in relation to asset backed securitisation models or similar collateralized receivables transfer structures.

(2) *Definitions.*

“**Capital Market Indebtedness**” means any present or future obligation for the repayment of money (including obligations by reason of any guarantee or other indemnity) that is borrowed through the issuance of bonds, debentures, notes, Schuldschein loans (*Schuldscheindarlehen*) or other similar debt securities which are, or are capable of being, admitted to trading on, or included in, a securities exchange, a regulated market or unregulated market or which are, or are capable of being, traded on an over-the-counter market.

“**Subsidiary**” means any Person that must be fully consolidated with the Issuer for the purposes of preparing Consolidated Financial Statements of the Issuer.

“**Material Subsidiary**” means a subsidiary (within the meaning of § 15 Austrian Stock Corporation Act) of the Issuer,

- (i) which Real Estate Property (or, if the subsidiary itself prepares consolidated annual financial statements in accordance with IFRS, the consolidated total of its property assets reported in its latest audited annual consolidated financial statements prepared in

IFRS 5 bilanziertes Immobilienvermögen) mindestens 5% zu den in dem letzten geprüften konsolidierten IFRS-Jahresabschluss der Emittentin ausgewiesenen Immobilienvermögen beitragen (inklusive nach IFRS 5 bilanziertes Immobilienvermögen), und

- (ii) dessen Umsatzerlöse (oder falls dieses Konzernunternehmen selbst einen konsolidierten IFRS-Jahresabschluss aufstellt, dessen konsolidierte Umsatzerlöse gemäß dessen letzten geprüften konsolidierten IFRS-Jahresabschluss) mindestens 5% zu den in dem letzten geprüften konsolidierten IFRS-Jahresabschluss der Emittentin ausgewiesenen Umsatzerlösen der Emittentin beitragen.

#### § 4 Verzinsung

- (1) *Verzinsung.* Die Schuldverschreibungen werden bezogen auf ihre festgelegte Stückelung ab dem 15. Oktober 2020 (einschließlich) (der „**Verzinsungsbeginn**“) mit 2,500% jährlich verzinst. Die Zinsen sind jährlich nachträglich am 15. Oktober jeden Jahres (jeweils ein „**Zinszahlungstag**“) fällig und zahlbar. Die erste Zinszahlung erfolgt am 15. Oktober 2021.
- (2) *Zinsberechnung.* Sind Zinsen für einen Zeitraum zu berechnen, der kürzer als eine Zinsperiode ist oder einer Zinsperiode entspricht, so werden die Zinsen auf der Grundlage der tatsächlichen Anzahl der Tage in dem jeweiligen Zeitraum ab dem ersten Tag des jeweiligen Zeitraums (einschließlich) bis zu dem letzten Tag des jeweiligen Zeitraums (ausschließlich) berechnet, geteilt durch die Anzahl der Tage in der Zinsperiode, in die der jeweilige Zeitraum fällt (einschließlich des ersten Tages der betroffenen Zinsperiode, aber ausschließlich des letzten Tages der betroffenen Zinsperiode).  
  
„**Zinsperiode**“ bezeichnet den Zeitraum ab dem Zinslaufbeginn (einschließlich) bis zu dem ersten Zinszahlungstag (ausschließlich) und danach ab dem jeweiligen Zinszahlungstag (einschließlich) bis zu dem nächstfolgenden Zinszahlungstag (ausschließlich).
- (3) *Ende des Zinslaufs.* Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, erfolgt die Verzinsung der

accordance with IFRS, each including property assets accounted for in accordance with IFRS 5) contribute at least 5% to the property assets reported in the latest audited annual consolidated financial statements of the Issuer prepared in accordance with IFRS (including property assets accounted for in accordance with IFRS 5), and

- (ii) which revenues (or, if the subsidiary itself prepares consolidated annual financial statements in accordance with IFRS, the consolidated revenues reported in its latest audited annual consolidated financial statements prepared in accordance with IFRS) contribute at least 5% to the revenues reported in the latest audited annual consolidated IFRS-financial statements of the Issuer, prepared in accordance with IFRS, of the Issuer.

#### § 4 Interest

- (1) *Interest.* Each Note shall bear interest on its Specified Denomination at a rate of 2.500% *per annum* from and including October 15, 2020 (the „**Interest Commencement Date**“). Interest is due and payable annually in arrears on October 15 of each year (each an „**Interest Payment Date**“). The first payment of interest shall be made on October 15, 2021.
- (2) *Calculation of interest.* Where interest is to be calculated in respect of a period which is shorter than or equal to an Interest Period, the interest will be calculated on the basis of the actual number of days elapsed in the relevant period, from and including the first date in the relevant period to but excluding the last date of the relevant period, divided by the actual number of days in the Interest Period in which the relevant period falls (including the first such day of the relevant Interest Period but excluding the last day of the relevant Interest Period).  
  
„**Interest Period**“ means the period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and thereafter from and including each relevant Interest Payment Date to but excluding the next following Interest Payment Date.
- (3) *Cessation of interest payments.* If the Issuer fails to redeem the Notes when due, interest shall continue to accrue beyond the due date

Schuldverschreibungen mit dem gemäß § (4)(1) anwendbaren Zinssatz vom Tag der Fälligkeit (einschließlich) bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen (ausschließlich). Die Geltendmachung eines weiteren Schadens ist nicht ausgeschlossen.

## § 5 Fälligkeit und Rückzahlung

- (1) *Fälligkeit.* Die Schuldverschreibungen werden am 15. Oktober 2027 (der „**Endfälligkeitstag**“) zum Nennbetrag zuzüglich aufgelaufener Zinsen zurückgezahlt, soweit sie nicht vorher zurückgezahlt oder gekauft und entwertet worden sind.
- (2) *Vorzeitige Rückzahlung aus Steuergründen.* Wenn nach dem Ausgabetag ein Quellensteuer-Ereignis eintritt, ist die Emittentin berechtigt, die Schuldverschreibungen jederzeit (insgesamt, jedoch nicht teilweise) durch Mitteilung gemäß § 12 unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen an dem in der Mitteilung festgelegten Rückzahlungstermin (ausschließlich) zum Nennbetrag zuzüglich den bis zum Rückzahlungstermin aufgelaufenen Zinsen zurückzuzahlen.

Im Falle eines Quellensteuer-Ereignisses darf eine solche Kündigungserklärung nicht früher als 90 Tage vor dem Tag abgegeben werden, an dem die Emittentin erstmals verpflichtet wäre, Zusätzliche Beträge gemäß § 7 zu zahlen, falls eine Zahlung auf die Schuldverschreibungen dann fällig würde.

Ein „**Quellensteuer-Ereignis**“ liegt vor, falls die Emittentin verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge gemäß § 7 als Folge einer Änderung oder Ergänzung von Gesetzen oder Vorschriften der Republik Österreich oder einer ihrer Gebietskörperschaften oder Steuerbehörden oder als Folge einer Änderung oder Ergänzung der offiziellen Auslegung oder Anwendung dieser Gesetze oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Steuerbehörde, eine Aufsichtsbehörde oder eine sonstige Behörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen) zu zahlen, allerdings nur soweit die betreffende Änderung, Ergänzung oder Durchführung an oder nach dem Ausgabetag wirksam wird und die Emittentin die Zahlungsverpflichtung nicht durch das

(including) to but excluding the date of the actual redemption of the Notes at the rate of interest which applies pursuant to § 4(1). Claims for further damages are not excluded.

## § 5 Maturity and Redemption

- (1) *Maturity.* The Notes will be redeemed at their principal amount together with accrued interest on October 15, 2027 (the “**Maturity Date**”) to the extent they have not previously been redeemed or purchased and cancelled.
- (2) *Early Redemption due to Tax Reasons.* If at any time after the Issue Date a Gross-up Event occurs, the Issuer may call the Notes for redemption (in whole but not in part) at any time upon giving of not less than 30 and not more than 60 days’ notice in accordance with § 12. In this case the Issuer will redeem the Notes on the redemption date specified in the notice at their principal amount plus accrued interest to but excluding the redemption date.

In the case of a Gross-Up Event, no such notice of redemption may be given earlier than 90 days prior to the earliest date on which the Issuer would be for the first time obliged to pay the Additional Amounts in accordance with § 7 if a payment in respect of the Notes were then due.

A “**Gross-up Event**” shall have occurred if the Issuer has or will become obliged to pay Additional Amounts in accordance with § 7 as a result of any change in, or amendment to, the laws or regulations of the Republic of Austria or any political subdivision or taxing authority of or in the Republic of Austria, or as a result of any amendment to, or any change in, any official interpretation or application of any such laws or regulations by any legislative body, court, or taxing authority, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination), provided that the relevant amendment, change or execution becomes effective on or after the issue date of the Notes and provided further that the payment obligation cannot be avoided by the Issuer taking such reasonable measures it (acting in good faith) deems appropriate.

Ergreifen von Maßnahmen vermeiden kann, die sie nach Treu und Glauben für angemessen hält.

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| <p>(3) <i>Vorzeitige Rückzahlung nach Wahl der Emittentin.</i> Die Emittentin ist berechtigt, durch Mitteilung gemäß § 12 unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen, die Schuldverschreibungen (insgesamt, jedoch nicht teilweise) mit Wirkung zu jedem Tag während des Zeitraums ab dem 15. Juli 2027 (einschließlich) bis zu dem Endfälligkeitstag (ausschließlich) zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen an dem in der Mitteilung festgelegten Rückzahlungstermin zum Nennbetrag zuzüglich den bis zum Rückzahlungstermin (ausschließlich) aufgelaufenen Zinsen zurückzuzahlen.</p> <p>(4) Wenn 80% oder mehr des ursprünglich ausgegebenen Nennbetrags der Schuldverschreibungen durch die Emittentin oder eine Tochtergesellschaft der Emittentin zurückgezahlt oder zurückerworben wurde, ist die Emittentin berechtigt, nach ihrer Wahl alle ausstehenden Schuldverschreibungen mit einer Frist von mindestens 30 und höchstens 60 Tagen gegenüber den Anleihegläubigern gemäß § 12 zu kündigen und zum Nennbetrag zuzüglich den bis zum Rückzahlungstermin (ausschließlich) aufgelaufenen Zinsen zurück zu zahlen.</p> <p>(5) Die Emittentin kann die Schuldverschreibungen (ausgenommen Schuldverschreibungen, deren Rückzahlung der Anleihegläubiger bereits in Ausübung seines Wahlrechts nach § 5 verlangt hat) insgesamt, jedoch nicht teilweise, nach ihrer Wahl mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen durch Erklärung gegenüber der Zahlstelle und gemäß § 12 gegenüber den Anleihegläubigern kündigen und an einem von ihr anzugebenden Tag (der „<b>Wahl-Rückzahlungstag</b>“) zu ihrem Wahl-Rückzahlungsbetrag (zuzüglich etwaigen bis zum betreffenden Wahl-Rückzahlungstag (ausschließlich) aufgelaufenen aber noch nicht gezahlten Zinsen) zurückzahlen.</p> | <p>(3) <i>Early Redemption at the Option of the Issuer.</i> The Issuer may call and redeem the Notes (in whole but not in part) with effect as at any date during the period from and including July 15, 2027 to and excluding the Maturity Date upon giving not less than 30 and not more than 60 days' notice in accordance with § 12. If such call notice is given, the Issuer will redeem the Notes on the redemption date specified in the notice at their principal amount plus accrued interest to but excluding the redemption date.</p> <p>(4) If 80% or more in principal amount of the Notes originally issued has been redeemed or purchased by the Issuer or any subsidiary of the Issuer, the Issuer may, on not less than 30 or more than 60 days' notice to the Holders, in accordance with § 12, redeem, at its option, the remaining Notes as a whole at their principal amount plus accrued interest to but excluding the redemption date.</p> <p>(5) The Issuer may upon not less than 30 days' nor more than 60 days' prior notice of redemption given to the Paying Agent and, in accordance with § 12, to the Holders redeem on any date specified by it (the "<b>Call Redemption Date</b>"), at its option, the Notes (except for any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under § 5) in whole but not in part, at their Call Redemption Amount together with accrued but unpaid interest, if any, to (but excluding) the relevant Call Redemption Date.</p> |
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Der „**Wahl-Rückzahlungsbetrag**“ je Schuldverschreibung entspricht dem höheren von:

- (i) dem Nennbetrag der zurückzuzahlenden Schuldverschreibung; oder
- (ii) dem Abgezinsten Marktwert.

The "**Call Redemption Amount**" per Note shall be the higher of:

- (i) the principal amount of the relevant Note to be redeemed; or
- (ii) the Present Value

Der Wahl-Rückzahlungsbetrag wird von der Berechnungsstelle berechnet.

Der „**Abgezinste Marktwert**“ ist die Summe aus

- (a) dem auf den Wahl-Rückzahlungstag abgezinsten Wert des Nennbetrags der zurückzuzahlenden Schuldverschreibung, der ansonsten am Fälligkeitstag fällig werden würde; und
- (b) den jeweils auf den Wahl-Rückzahlungstag abgezinsten Werten der verbleibenden Zinszahlungen, die ansonsten an jedem Zinszahlungstag nach dem Wahl-Rückzahlungstag bis zum Fälligkeitstag (einschließlich) fällig werden würden (ausschließlich etwaiger, bis zum Wahl-Rückzahlungstag (ausschließlich) aufgelaufener Zinsen).

Die Berechnungsstelle errechnet den Abgezinsten Marktwert gemäß der Marktkonvention auf einer Grundlage, die der Berechnung von Zinsen gemäß § 4 entspricht, wobei sie die Benchmark-Rendite zuzüglich 0,500% zugrunde legt.

Die „**Benchmark-Rendite**“ ist die am Rückzahlungs-Berechnungstag bestehende Rendite, wie sie etwa um 12.00 Uhr mittags (Ortszeit Frankfurt am Main) auf der Bildschirmseite für die Referenzanleihe, oder, sollte zu diesem Zeitpunkt keine Rendite festgestellt werden können, die vorstehend bestimmte Rendite so wie sie zu einem anderen Zeitpunkt, der von der Berechnungsstelle für angemessen erachtet wird, am Rückzahlungs-Berechnungstag auf der Bildschirmseite angezeigt wird.

„**Bildschirmseite**“ ist Bloomberg Seite DE0001102424 Govt HP (unter Nutzung der Einstellung „Last Yield To Convention“ unter Verwendung der Preisquelle „FRNK“) (oder jede Nachfolgeside oder Nachfolge-Preisquelle) für die Referenzanleihe, oder, falls diese Bloomberg-Seite oder Preisquelle nicht verfügbar ist, eine andere Seite (falls vorhanden) eines Informationsanbieters, die weitgehend ähnliche Daten anzeigt, wie von der Berechnungsstelle für angemessen erachtet.

„**Referenzanleihe**“ ist die Euro denominated Benchmark-Anleihe der Bundesrepublik Deutschland fällig am 15. August 2027, mit der ISIN DE0001102424, oder, falls diese Anleihe am Rückzahlungs-Berechnungstag nicht mehr aussteht, eine ersetzende Referenzanleihe, welche die Berechnungsstelle auswählt, jeweils

The Call Redemption Amount shall be calculated by the Calculation Agent.

The „**Present Value**“ will be the sum of

- (a) the principal amount of the Note to be redeemed which would otherwise become due on the Maturity Date, discounted to the Call Redemption Date; and
- (b) the remaining interest payments which would otherwise become due on each Interest Payment Date falling after the Call Redemption Date to and including the Maturity Date (excluding any interest accrued to but excluding the Call Redemption Date), each discounted to the Call Redemption Date.

The Calculation Agent will calculate the Present Value in accordance with market convention on a basis which is consistent with the calculation of interest as set out in § 4, using the Benchmark Yield plus 0.500%.

„**Benchmark Yield**“ means the yield as at the Redemption Calculation Date as appearing at around noon Frankfurt am Main time on the Screen Page in respect of the Benchmark Security, or if such yield cannot be so determined at such time, the yield determined as aforesaid as appearing on the Screen Page at such other time on the Redemption Calculation Date as may be considered to be appropriate by the Calculation Agent.

„**Screen Page**“ means Bloomberg page DE0001102424 Govt HP (using the setting “Last Yield To Convention” and using the pricing source “FRNK”) (or any successor page or successor pricing source) for the Benchmark Security, or, if such Bloomberg page or pricing source is not available, such other page (if any) from such other information provider displaying substantially similar data as may be considered to be appropriate by the Calculation Agent.

„**Benchmark Security**“ means the euro denominated benchmark debt security of the Federal Republic of Germany due on August 15, 2027, carrying ISIN DE0001102424, or, if such security is no longer outstanding on the Redemption Calculation Date, such substitute benchmark security

mit einer Laufzeit, die mit der verbleibenden Restlaufzeit der Schuldverschreibung bis zu deren Fälligkeitstag vergleichbar ist, und die im Zeitpunkt der Auswahlentscheidung und in Übereinstimmung mit der üblichen Finanzmarktpraxis zur Preisbestimmung bei Neuemissionen von Unternehmensanleihen mit einer bis zum Fälligkeitstag der Schuldverschreibung vergleichbaren Laufzeit verwendet würde.

„**Rückzahlungs-Berechnungstag**“ ist der sechste Geschäftstag vor dem Wahl-Rückzahlungstag.

(6) *Kontrollwechsel.*

- (a) Die Anleihegläubiger haben während der Zeit vom Ausgabetag bis 140 Tage vor dem Endfälligkeitstag das Recht, die Rückzahlung der Schuldverschreibungen von der Emittentin zu verlangen, wenn ein Kontrollwechselereignis (wie nachstehend definiert) eintritt (das „**Verkaufsrecht**“).

Falls ein Verkaufsrecht als eingetreten gilt, ist jeder Anleihegläubiger berechtigt, von der Emittentin die Rückzahlung oder den Rückkauf (nach Wahl der Emittentin) der Schuldverschreibungen zum Verkaufsbetrag (wie nachstehend definiert) am Verkaufstag (wie nachstehend definiert) zu verlangen.

Unverzüglich nach Eintritt eines Verkaufsrechts ist die Emittentin verpflichtet, den Anleihegläubigern den Eintritt eines Verkaufsrechts gemäß § 12 mitzuteilen („**Verkaufsrechtsmitteilung**“) und über die Art des Verkaufsrechts sowie den Ablauf der Ausübung des Verkaufsrechts gemäß diesem § 5(6) zu informieren.

- (b) In diesem § 5(6) haben die folgenden Begriffe nachstehende Bedeutung:

Ein „**Kontrollwechselereignis**“ gilt als eingetreten, wenn eine oder mehrere gemeinsam vorgehende Personen oder eine Drittperson oder Personen, welche im Namen einer solchen Person oder solcher Personen handeln (die „**Relevante Person**“), zu irgendeiner Zeit direkt oder indirekt eine kontrollierende Beteiligung im Sinne des österreichischen Übernahmegesetzes (wobei dies auch eine in der Satzung der Emittentin vorgesehene niedrigere Schwelle erfasst) erwerben,

selected by the Calculation Agent, in each case as having a maturity comparable to the remaining term of the Note to the Maturity Date, that would be used at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the Maturity Date.

“**Redemption Calculation Date**” means the sixth Business Day prior to the Call Redemption Date.

(6) *Change of Control.*

- (a) The Holders shall be entitled during the period from the Issue Date up to 140 days prior to the Maturity Date to require the redemption of the Notes upon occurrence of a Change of Control Event (as defined below) (the “**Put Event**”).

If a Put Event is deemed to have occurred, then each Holder is entitled to require the Issuer to redeem or repurchase (at the option of the Issuer) the Notes at the Put Amount (as defined below) on the Put Date (as defined below).

Promptly upon the occurrence of a Put Event, the Issuer shall give notice (a “**Put Event Notice**”) to the Holders in accordance with § 12 specifying the nature of the Put Event and the procedure for exercising the option pursuant to this § 5(6).

- (b) In this § 5(6), the terms below shall have the following meaning:

A “**Change of Control Event**” shall be deemed to have occurred if any person or any persons acting in concert or any third person or persons acting on behalf of any such person(s) (the “**Relevant Person**”) at any time directly or indirectly acquire(s) a controlling participation pursuant to the Austrian Takeover Act (*Übernahmegesetz*) (whereby this also includes a lower threshold provided for in the Issuer’s

wodurch ein Pflichtangebot ausgelöst wird;

„**Verkaufsbetrag**“ bedeutet hinsichtlich jeder Schuldverschreibung einen Betrag, der der Summe aus:

- (a) 101% des Nennbetrags; und
- (b) den bis zum Verkaufstag (ausschließlich) aufgelaufenen Zinsen (oder, falls gekauft, ein Betrag der diesen Zinsen entspricht)

entspricht.

„**Verkaufstag**“ bezeichnet den zweiten Geschäftstag nach dem Tag, an dem die Verkaufsperiode (wie nachstehend definiert) endet;

- (c) Um die Option der Rückzahlung oder des Kaufes der Schuldverschreibung gemäß diesem § 5(6) auszuüben, muss der Anleihegläubiger innerhalb von 45 Tagen nach Verkaufsrechtsmitteilung (die „**Verkaufsperiode**“) eine entsprechende Erklärung in Textform in deutscher oder englischer Sprache über die Ausübung der Option (eine „**Verkaufsmitteilung**“) abgeben. Eine abgegebene Verkaufsmitteilung ist unwiderruflich.

## § 6 Zahlungen

- (1) *Zahlung von Kapital und Zinsen.* Die Zahlung von Kapital und Zinsen auf die Schuldverschreibungen erfolgt nach Maßgabe des § 6(2) an die Zahlstelle zur Weiterleitung an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.

Die Zahlung von Zinsen auf die Schuldverschreibungen, die durch die Vorläufige Globalurkunde verbrieft sind, erfolgt nach Maßgabe des § 6(2) an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1(3).

- (2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher oder sonstiger gesetzlicher Regelungen und Vorschriften werden auf die

articles of association) which triggers a mandatory takeover bid ;

“**Put Amount**” means in respect of any Note an amount equal to:

- (a) 101% of the principal amount; and
- (b) any interest (or, where purchased, an amount equal to such interest) accrued up to the Put Date (excluding).

“**Put Date**” means the second Business Day after the day on which the Change of Put Period (as defined below) ends;

- (c) To exercise the option to require redemption or repurchase of a Note under this § 5(6), the Holder must deliver a declaration of exercise in text form in German or English language (a “**Put Notice**”) within 45 days after a Put Event Notice (the “**Put Period**”) is given. A Put Notice, once given, shall be irrevocable.

## § 6 Payments

- (1) *Payment of Principal and Interest.* Payment of Principal and Interest. Payment of principal and interest in respect of Notes shall be made, in accordance with § 6(2), to the Paying Agent for forwarding to the Clearing System or to its order for credit to the accounts of the relevant accountholders of the Clearing System.

Payment of interest on Notes represented by the Temporary Global Note shall be made, in accordance with § 6(2), to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System, upon due certification as provided in § 1(3).

- (2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of

Schuldverschreibungen fällige Zahlungen in Euro geleistet.

- (3) *Erfüllung.* Die Emittentin wird durch Leistung der Zahlung an das Clearingsystem oder dessen Order von ihrer Zahlungspflicht befreit.
- (4) *Geschäftstag.* Fällt der Tag der Fälligkeit einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Geschäftstag ist, so hat der Anleihegläubiger keinen Anspruch auf Zahlung vor dem nächsten Geschäftstag am jeweiligen Ort und ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen. Für diese Zwecke bezeichnet „**Geschäftstag**“ einen Tag (außer einem Samstag oder Sonntag), an dem Banken in Wien 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 (TARGET2) betriebsbereit sind, um Zahlungen vorzunehmen.
- (5) *Bezugnahmen auf Kapital und Zinsen.* Bezugnahmen in diesen Emissionsbedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Nennbetrag je Schuldverschreibung, Zusätzliche Beträge, den Wahl-Rückzahlungsbetrag, den Verkaufsbetrag und alle Aufschläge oder sonstigen auf die Schuldverschreibungen oder im Zusammenhang damit gegebenenfalls zahlbaren Beträge. Bezugnahmen in diesen Emissionsbedingungen auf Zinsen auf die Schuldverschreibungen schließen, soweit anwendbar, sämtliche gegebenenfalls gemäß § 7 zahlbaren Zusätzlichen Beträge ein.
- (6) *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht Frankfurt am Main Kapital- oder Zinsbeträge zu hinterlegen, die von den Anleihegläubigern nicht innerhalb von zwölf Monaten nach dem Endfälligkeitstag beansprucht worden sind, auch wenn die Anleihegläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt und auf das Recht der Rücknahme verzichtet wird, erlöschen die diesbezüglichen Ansprüche der Anleihegläubiger gegen die Emittentin.

## § 7 Steuern

- (1) *Steuern.* Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Schuldverschreibungen werden ohne Einbehalt oder Abzug von

amounts due in respect of the Notes shall be made in Euro.

- (3) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.
- (4) *Business Day.* If the date for payment of any amount in respect of any Note is not a Business Day then the Holder shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “**Business Day**” means a day (other than a Saturday or a Sunday) on which banks are open for general business in Vienna 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 (TARGET2) are operational to effect payments.

- (5) *References to Principal and Interest.* References in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the principal amount per Note, Additional Amounts, the Call Redemption Amount, the Put Amount and any other premium and any other amounts which may be payable under or in respect of the Notes. References in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 7.

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

## § 7 Taxation

- (1) *Taxes.* All payments of principal and interest in respect of the Notes will be made free and clear of, and without withholding or deduction for,



Steuern, Abgaben, Festsetzungen oder behördlichen Gebühren jedweder Art (die „**Steuern**“) geleistet, die von der Republik Österreich oder einer ihrer Gebietskörperschaften oder Behörden mit der Befugnis zur Erhebung von Steuern auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt werden, es sei denn, die Emittentin ist gesetzlich zu einem solchen Einbehalt oder Abzug verpflichtet.

In einem solchen Falle wird die Emittentin, vorbehaltlich der Bestimmungen dieses § 7 solche zusätzlichen Beträge (die „**Zusätzlichen Beträge**“) zahlen, so dass die Anleihegläubiger die Beträge erhalten, die sie ohne Einbehalt oder Abzug erhalten hätten.

(2) *Ausnahmen.* Solche Zusätzlichen Beträge sind jedoch nicht zahlbar wegen solcher Steuern:

(i) denen ein Anleihegläubiger wegen einer anderen Beziehung zur Republik Österreich unterliegt als der bloßen Tatsache, dass er der Inhaber der betreffenden Schuldverschreibungen ist; oder

(ii) deren Einbehalt oder Abzug auf eine Zahlung an eine natürliche Person erfolgt und zwar auf der Grundlage (i) einer Richtlinie der Europäischen Union zur Besteuerung privater Zinserträge oder (ii) eines internationalen Vertrages oder eines Abkommens betreffend solch einer Besteuerung zu welcher die Republik Österreich oder die Europäische Union ein Vertragspartner ist oder (iii) aufgrund eines Gesetzes, das in Umsetzung oder Entsprechung einer solchen Richtlinie, Verordnung, Vertrag oder Abkommen erlassen wurde; oder

(iii) denen der Anleihegläubiger nicht unterläge, wenn dieser seine Schuldverschreibungen binnen 30 Tagen nach Fälligkeit oder, falls die notwendigen Beträge der Zahlstelle bei Fälligkeit nicht zur Verfügung gestellt worden sind, ab dem Tag, an dem diese Mittel der Zahlstelle zur Verfügung gestellt worden sind und dies gemäß § 12 bekannt gemacht wurde, zur Zahlung vorgelegt hätte; oder

(iv) die von einer Zahlstelle einbehalten oder abgezogen werden, wenn die Zahlung von einer anderen Zahlstelle in einem Mitgliedsstaat der Europäischen Union

any taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed, levied, collected, withheld or assessed by the Republic of Austria or any political subdivision or any authority of or in the Republic of Austria that has power to tax, unless the Issuer is compelled by a law to make such withholding or deduction.

In that event, the Issuer will pay, subject to the provisions of this § 7, such additional amounts (the “**Additional Amounts**”) as will result in receipt by the Holders of the same amounts as they would have received had no such withholding or deduction been required.

(2) *Exceptions.* However, no such Additional Amounts shall be payable with respect to such Taxes:

(i) to which a Holder is liable because of a relationship with the Republic of Austria other than the mere fact of him being the holder of the relevant Notes; or

(ii) in respect of which such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to (i) any European Union Directive on the taxation of savings income, or (ii) any international treaty or understanding relating to such taxation and to which the Republic of Austria or the European Union is a party, or (iii) any law implementing or complying with, or introduced in order to conform to, such Directive, Regulation, treaty or understanding; or

(iii) to which the Holder would not be subject to if he had presented his Notes for payment within 30 days from the due date for payment, or, if the necessary funds have not been provided to the Paying Agent when due, from the date on which such funds have been provided to the Paying Agent, and a notice to that effect has been published in accordance with § 12; or

(iv) which are withheld or deducted by a Paying Agent if payment could have been made by another Paying Agent in a Member State of the European Union without such deduction or withholding; or

ohne den Einbehalt oder Abzug hätte vorgenommen werden können; oder

- (v) die von einer Depotbank oder einer als Inkassobeauftragten des Anleihegläubigers handelnden Person einbehalten werden oder auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt.

Die österreichische Kapitalertragsteuer, unabhängig davon, ob auf Zinszahlungen oder Veräußerungsgewinne erhoben, ist keine Steuer, für die seitens der Emittentin Zusätzliche Beträge zu bezahlen sind.

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

## § 8 Kündigungsgründe

- (1) *Kündigungsgründe*. Ein ordentliches Kündigungsrecht der Anleihegläubiger besteht nicht. Anleihegläubiger sind berechtigt, ihre Schuldverschreibungen zur sofortigen Rückzahlung fällig zu stellen und deren sofortige Rückzahlung zum Nennbetrag zuzüglich den bis zum Rückzahlungstermin aufgelaufenen Zinsen durch Abgabe einer Kündigungserklärung (eine „**Kündigungserklärung**“) gegenüber der Emittentin zu verlangen, falls einer der folgenden Kündigungsgründe vorliegt (jeweils ein „**Kündigungsgrund**“):
- (a) *Nichtzahlung*: die Emittentin versäumt es, Kapital oder Zinsen oder sonstige nach § 7 auf die Schuldverschreibungen zahlbare Beträge nicht innerhalb von 30 Tagen nach dem betreffenden Fälligkeitsdatum zu zahlen; oder

- (v) which are withheld by a securities custodian or a person acting as collection agent for the Holder or which are levied otherwise than by the Issuer making a withholding or deduction from any amounts of principal or interest payable by it.

Austrian withholding tax (*Kapitalertragsteuer*), irrespective of whether levied on interest payments or capital gains, does not constitute tax for which the Issuer is obliged to pay Additional Amounts.

- (3) *FATCA*. 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 Service or indemnify any investor in relation to any FATCA Withholding.

## § 8 Events of Default

- (1) *Events of Default*. Holders may not exercise an ordinary right of termination. Holders shall be entitled to declare the Notes to be immediately due and repayable and to demand their immediate redemption at their principal amount together with accrued interest to the redemption date by giving notice of default (a “**Default Notice**”) to the Issuer, if any of the following events (each an “**Event of Default**”) occurs:
- (a) *Non-Payment*: the Issuer fails to pay any principal or interest or any other amounts due pursuant to § 7 on any of the Notes when due and such failure continues for a period of 30 days after the relevant due date; or

- (b) *Verletzung anderer Verpflichtungen:* wenn die Emittentin eine oder mehrere ihrer anderen Verpflichtungen aus den Schuldverschreibungen nicht erfüllt und dieser Zustand nicht innerhalb von 60 Tagen (im Fall der Verletzung von Verpflichtungen aus den Verpflichtungserklärungen nach § 9 innerhalb von zwei Quartalen), nachdem die Emittentin eine diesbezügliche Mitteilung durch den Anleihegläubiger in der in § 8(3) festgelegten Art erhalten hat, behoben wird; oder
- (b) *Breach of Other Obligations:* if the Issuer does not perform or comply with any one or more of its other obligations under the Notes and such default is not remedied within 60 days (in the case of a breach of obligations arising from the covenants in accordance with § 9 within two quarters) after the Issuer has received notice thereof from a Holder, such notice being substantially in the form as specified in § 8(3); or
- (c) *Drittverzug:* (i) eine bestehende oder zukünftige Zahlungsverpflichtung der Emittentin oder einer Wesentlichen Konzerngesellschaft im Zusammenhang mit einer Kredit- oder sonstigen Geldaufnahme wird infolge eines Kündigungsgrunds (unabhängig von der Bezeichnung) vor ihrer festgelegten Fälligkeit fällig und zahlbar (sei es durch Kündigung, automatische vorzeitige Fälligestellung oder auf andere Weise) oder (ii) eine solche Zahlungsverpflichtung wird weder innerhalb von 30 Tagen nach Fälligkeit noch innerhalb einer ursprünglich geltenden oder nachträglich vereinbarten Nachfrist gezahlt, jeweils mit der Maßgabe, dass der Gesamtbetrag der betroffenen Zahlungsverpflichtungen nach (i) und (ii) mindestens EUR 100.000.000 (oder den Gegenwert in einer anderen Währung) beträgt. Zur Klarstellung wird festgehalten, dass dieser § 8(1)(c) keine Anwendung findet, wenn die Emittentin ihre betreffenden Zahlungsverpflichtungen in gutem Glauben bestreitet; oder
- (c) *Cross-Default:* (i) any present or future payment obligation of the Issuer or any Material Subsidiary in respect of moneys borrowed or raised becomes due and payable prior to its specified maturity (whether by declaration, automatic acceleration or otherwise) as a result of an event of default (howsoever described), or (ii) any such payment obligation is not paid within 30 days from its due date nor within any originally applicable or subsequently agreed grace period, provided that the aggregate amount of the relevant payment obligation falling within (i) and (ii) above amounts to at least EUR 100,000,000 (or its equivalent in other currencies). For the avoidance of doubt, this § 8(1)(c) shall not apply where the Issuer contests its relevant payment obligation in good faith; or
- (d) *Einstellung von Zahlungen:* die Emittentin oder eine Wesentliche Konzerngesellschaft stellt ihre Zahlungen allgemein ein oder gibt ihre Unfähigkeit bekannt, ihre finanziellen Verpflichtungen zu erfüllen; oder
- (d) *Suspension of Payments:* the Issuer or a Material Subsidiary suspends its payments generally or announces its inability to meet its financial obligations; or
- (e) *Insolvenz:* ein zuständiges Gericht eröffnet ein Insolvenzverfahren gegen die Emittentin oder eine Wesentliche Konzerngesellschaft und ein solches Verfahren ist nicht innerhalb von 60 Tagen aufgehoben oder ausgesetzt worden, oder die Emittentin oder eine Wesentliche Konzerngesellschaft beantragt die Einleitung eines solchen Verfahrens, oder der Antrag auf Einleitung eines solchen Verfahrens wurde gestellt, aber von dem zuständigen Gericht mangels Masse
- (e) *Insolvency:* any competent court institutes insolvency proceedings against the Issuer or a Material Subsidiary and such proceedings have not been discharged or stayed within 60 days, or the Issuer or a Material Subsidiary applies for the institution of such proceedings or an application for the institution of such proceedings has been filed but rejected by the competent court for lack of assets or the Issuer or a Material Subsidiary offers or makes a

abgelehnt oder die Emittentin oder eine Wesentliche Konzerngesellschaft trifft eine allgemeine Schuldregelung zu Gunsten ihrer Gläubiger oder bietet diese an; oder

(f) *Liquidation:* die Emittentin oder eine Wesentliche Konzerngesellschaft wird liquidiert, es sei denn, (i) dies geschieht im Zusammenhang mit einer Verschmelzung, einer anderen Form des Zusammenschlusses oder im Zusammenhang mit einer anderen Umstrukturierung, (ii) die andere oder neue Gesellschaft übernimmt oder gegebenenfalls die anderen oder neuen Gesellschaften übernehmen im Wesentlichen alle Aktiva der Emittentin oder der Wesentlichen Konzerngesellschaft, und (iii) im Fall einer Liquidation (x) der Emittentin übernimmt die andere oder neue Gesellschaft oder übernehmen die anderen oder neuen Gesellschaften alle Verpflichtungen aus diesen Schuldverschreibungen, oder (y) einer Wesentlichen Konzerngesellschaft handelt es sich bei der anderen oder neuen Gesellschaft oder den anderen oder neuen Gesellschaften um eine direkte oder indirekte Konzerngesellschaft der Emittentin; oder

(g) *Einstellung der Geschäftstätigkeit:* die Emittentin oder eine Wesentliche Konzerngesellschaft stellt ihre Geschäftstätigkeit ganz oder überwiegend ein, außer im Zusammenhang mit oder als Ergebnis einer Erlaubten Reorganisation. Zu diesem Zweck wird „**Erlaubte Reorganisation**“ definiert als Verschmelzung, Umgründung (im Sinne des österreichischen Umgründungssteuergesetzes) oder eine andere Form des Zusammenschlusses, wonach: (i) im Fall einer Einstellung der Geschäftstätigkeit der Emittentin (x) die Verpflichtungen der Emittentin aus den Schuldverschreibungen von einer Nachfolgesellschaft der Emittentin übernommen werden, auf welche alle Rechte und Vermögenswerte der Emittentin im Wesentlichen anteilig zu den übernommenen Verbindlichkeiten übergehen, und (y) eine solche Nachfolgesellschaft keine anderen wesentlichen Verpflichtungen oder Verbindlichkeiten übernimmt, ohne dass sie gleichzeitig andere Rechte und Vermögenswerte im gleichen Verhältnis und auf gleiche Weise wie vorstehend in (x) beschrieben übernimmt, und (z) die

general arrangement for the benefit of its creditors; or

(f) *Liquidation:* the Issuer or a Material Subsidiary is liquidated, except (i) in connection with a merger, reorganization or other form of combination with another company or in connection with another reconstruction, (ii) such other or new company assumes or, as the case may be, companies assume substantially all of the assets of the Issuer or the Material Subsidiary, and (iii) in case of a liquidation of (x) the Issuer, such other or new company assumes or, as the case may be, companies assume all liabilities and obligations of the Issuer under these Notes, or (y) a Material Subsidiary, such other or new company is or, as the case may be, companies are direct or indirect subsidiaries of the Issuer; or

(g) *Cessation of Business Operations:* the Issuer or a Material Subsidiary ceases to carry on all or a material part of its current business or operations, except as a result of or in connection with a Permitted Reorganization. For the purpose of the foregoing a “**Permitted Reorganization**” means a merger, reconstruction (within the meaning of the Austrian Reorganization Tax Act (*Umgründungssteuergesetz*) or other form of combination, whereupon: (i) in case of a cessation of business operations by the Issuer (x) the obligations of the Issuer under the Notes will be assumed by a succeeding company to which all rights and assets of the Issuer shall be transferred together with an equal portion of the assumed obligations, and (y) such succeeding company shall not assume any other material obligation or liability without at the same time assuming other rights and assets proportionate thereto and in the same manner as mentioned in (x) above, and (z) the Permitted Reorganization has no material adverse effect on the Holders; or (ii) in case of a cessation of business operations by the Material

Erlaubte Reorganisation auf die Anleihegläubiger keine erheblich nachteiligen Auswirkungen hat; oder (ii) im Fall einer Einstellung der Geschäftstätigkeit einer Wesentlichen Konzerngesellschaft die Erlaubte Reorganisation auf die Anleihegläubiger keine erheblich nachteiligen Auswirkungen hat.

Subsidiary the Permitted Reorganization has no material adverse effect on the Holders.

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| <p>(2) <i>Erlöschen des Kündigungsrechts.</i> Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.</p> <p>(3) <i>Kündigungserklärung.</i> Eine Kündigung nach § 8(1) erfolgt durch eine Erklärung gegenüber der Emittentin und der Zahlstelle in Textform unter Angabe eines Bankkontos, auf das Zahlungen gemäß diesem § 8 zu leisten sind, zusammen mit dem Nachweis durch eine Bescheinigung der Depotbank des Anleihegläubigers, dass dieser im Zeitpunkt der Kündigung Inhaber der betreffenden Schuldverschreibungen ist.</p> <p>(4) <i>Quorum.</i> In den Fällen gemäß § 8(1)(b) und (c) wird eine Kündigungserklärung, sofern nicht bei deren Eingang zugleich einer der in § 8(1)(a) und § 8(1)(d)-(g) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Zahlstelle Kündigungserklärungen von Anleihegläubigern im Nennbetrag von mindestens 10% des Gesamtnennbetrags der zu diesem Zeitpunkt noch insgesamt ausstehenden Schuldverschreibungen eingegangen sind.</p> | <p>(2) <i>Lapse of redemption right.</i> The right to declare Notes due shall lapse if the Event of Default has been cured before the right is validly exercised.</p> <p>(3) <i>Default Notice.</i> Any Default Notice in accordance with § 8(1) shall be made by means of a notice in text form (<i>Textform</i>) delivered to the Issuer and the Paying Agent, specifying a bank account to which payments are to be made under this § 8, together with evidence by means of a certificate of the Holder's depository bank that such Holder at the time of such written notice is the holder of the relevant Notes.</p> <p>(4) <i>Quorum.</i> In the events specified in § 8(1)(b) and (c), any notice declaring Notes due shall, unless at the time such notice is received any of the events specified in § 8(1)(a) and § 8(1)(d)-(g) entitling Holders to declare their Notes due has occurred, become effective only when the Principal Paying Agent has received such default notices from the Holders representing at least 10% of the aggregate principal amount of the Notes then outstanding.</p> |
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## § 9 Verpflichtungserklärungen

- (1) *Beschränkungen für das Eingehen von Finanzverbindlichkeiten.* Die Emittentin verpflichtet sich, nach dem Ausgabebetrag keine Finanzverbindlichkeiten einzugehen (mit Ausnahme von Finanzverbindlichkeiten zur Refinanzierung bestehender Finanzverbindlichkeiten mit einem Gesamtnennbetrag, der dem Gesamtnennbetrag der refinanzierten Finanzverbindlichkeit entspricht oder diesen unterschreitet) und sicherzustellen, dass ihre Tochtergesellschaften nach dem Ausgabebetrag keine Finanzverbindlichkeiten eingehen, wenn, jeweils unmittelbar nach Wirksamwerden des Eingehens solcher weiterer Finanzverbindlichkeiten (unter Berücksichtigung der Verwendung der damit erzielten Nettoerlöse), (i) der Verschuldungsgrad (LTV) 0,6 überschreiten würde, oder (ii) der Besicherter Verschuldungsgrad 0,45 überschreiten würde.

## § 9 Covenants

- (1) *Limitations on the Incurrence of Financial Indebtedness.* The Issuer undertakes that it will not, and will procure that none of its Subsidiaries will, after the Issue Date, incur any Financial Indebtedness (except for Financial Indebtedness for refinancing existing Financial Indebtedness with an aggregate principal amount that is equal to or less than the aggregate principal amount of the refinanced Financial Indebtedness) if, after such further Financial Indebtedness and the use of the net proceeds generated therewith has come into effect (i) the Debt Value Ratio (LTV) would exceed 0.6, or (ii) the Secured Debt Ratio would exceed 0.45.

(a) Der „**Verschuldungsgrad (LTV)**“ wird dabei zu jedem maßgeblichen Zeitpunkt berechnet als Verhältnis zwischen

(x) der Summe

(i) der Konsolidierten Finanzverbindlichkeiten der Gruppe zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein konsolidierter Konzernabschluss der Emittentin veröffentlicht wurde, zuzüglich

(ii) der Nettofinanzverbindlichkeiten, welche seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Emittentin veröffentlicht wurde, abzüglich

(iii) der verfügbaren Barmittel und bargeldgleicher Mittel der Gruppe zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein konsolidierter Konzernabschluss der Emittentin veröffentlicht wurde, zuzüglich Barmittel und bargeldgleicher Mittel aus Finanzverbindlichkeiten, die seit dem unmittelbar vorangegangenen Berichtsstichtag in der Gruppe eingegangen sind, zu dem ein konsolidierter Konzernabschluss der Emittentin veröffentlicht wurde (jedoch nur soweit dieser Erlös nicht zum Erwerb von Konsolidiertem Immobilienvermögen oder zur Verringerung von Finanzverbindlichkeiten verwendet wurde);

(y) und der Summe (unter Ausschluss einer Doppelberücksichtigung)

(i) des Konsolidierten Immobilienvermögens, inklusive zur Veräußerung gehaltene Immobilien, der Gruppe zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein konsolidierter Konzernabschluss der Emittentin veröffentlicht wurde, zuzüglich

(ii) der Kaufpreise für Konsolidiertes Immobilienvermögen, welches seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein konsolidierter Konzernabschluss der Emittentin veröffentlicht wurde, erworben wurde oder für dessen

(a) The “**Debt Value Ratio (LTV)**” will be calculated on each relevant date as the ratio of

(x) the sum of

(i) the Consolidated Financial Indebtedness of the Group as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published, plus

(ii) the Net Financial Indebtedness incurred after the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published, less

(iii) cash and cash equivalents of the Group available as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published, plus cash and cash equivalents from Financial Indebtedness, which have been received in the Group after the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published (but only as far as the proceeds have not been used for the acquisition of Consolidated Real Estate Property or the reduction of Financial Indebtedness);

(y) and the sum of (without duplications)

(i) the Consolidated Real Estate Property including real estate of the Group held for sale as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published, plus

(ii) the purchase prices of Consolidated Real Estate Property acquired after the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published or for such

Erwerb seit diesem Zeitpunkt eine Verpflichtung eingegangen wurde, zuzüglich	acquisition a commitment has been entered into since that date, plus
(iii) der von der Gruppe gehaltenen Beteiligungen an Gesellschaften auf Basis des „ <i>EPRA Net Asset Value</i> “ („ <b>EPRA NAV</b> “) dieser Beteiligungen (sofern ein solcher Wert nicht verfügbar ist, dem Buchwert).	(iii) the shareholdings in companies of the Group based on the “ <i>EPRA net asset value</i> “ (“ <b>EPRA NAV</b> ”) of such shareholdings (if such value is not available, the book value).
(b) Der „ <b>Besicherter Verschuldungsgrad</b> “ wird dabei zu jedem maßgeblichen Zeitpunkt berechnet als Verhältnis zwischen	(b) The “ <b>Secured Debt Ratio</b> ” will be calculated on each relevant date as the ratio of
(x) der Summe	(x) the sum of
(i) der Besicherten Finanzverbindlichkeiten der Gruppe zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein konsolidierter Konzernabschluss der Emittentin veröffentlicht wurde, zuzüglich	(i) the Secured Financial Indebtedness of the Group as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published, plus
(ii) den Neuen Besicherten Finanzverbindlichkeiten, welche seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein konsolidierter Konzernabschluss der Emittentin veröffentlicht wurde; abzüglich	(ii) the New Secured Financial Indebtedness incurred after the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published; less
(iii) der verfügbaren Barmittel und bargeldgleicher Mittel der Gruppe zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein konsolidierter Konzernabschluss der Emittentin veröffentlicht wurde, zuzüglich Barmittel und bargeldgleicher Mittel aus Finanzverbindlichkeiten, die seit dem unmittelbar vorangegangenen Berichtsstichtag in der Gruppe eingegangen sind, zu dem ein konsolidierter Konzernabschluss der Emittentin veröffentlicht wurde (jedoch nur soweit dieser Erlös nicht zum Erwerb von Konsolidiertem Immobilienvermögen oder zur Verringerung von Finanzverbindlichkeiten verwendet wurde);	(iii) cash and cash equivalents of the Group available as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published, plus cash and cash equivalents from Financial Indebtedness, which have been received in the Group after the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published (but only as far as the proceeds have not been used for the acquisition of Consolidated Real Estate Property or the reduction of Financial Indebtedness);
(y) und der Summe (unter Ausschluss einer Doppelberücksichtigung)	(y) and the sum of (without duplications)

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| <p>(i) des Konsolidierten Immobilienvermögens, inklusive zur Veräußerung gehaltene Immobilien, der Gruppe zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein konsolidierter Konzernabschluss der Emittentin veröffentlicht wurde, zuzüglich</p>  | <p>(i) the Consolidated Real Estate Property including real estate of the Group held for sale as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published, plus</p>  |
| <p>(ii) der Kaufpreise für Konsolidiertes Immobilienvermögen, welches seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein konsolidierter Konzernabschluss der Emittentin veröffentlicht wurde, erworben wurde oder für dessen Erwerb seit diesem Zeitpunkt eine Verpflichtung eingegangen wurde, zuzüglich</p> | <p>(ii) the purchase prices of Consolidated Real Estate Property acquired after the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published or for such acquisition a commitment has been entered into since that date, plus</p>   |
| <p>(iii) der von der Gruppe gehaltenen Beteiligungen an Gesellschaften auf Basis des EPRA NAV dieser Beteiligungen (sofern ein solcher Wert nicht verfügbar ist, dem Buchwert).</p>  | <p>(iii) the shareholdings in companies of the Group based on the EPRA NAV of such shareholdings (if such value is not available, the book value).</p>  |
| <p>(2) <i>Einhaltung des Konsolidierten Deckungsgrads.</i> Die Emittentin verpflichtet sich, dafür zu sorgen, dass der Konsolidierte Deckungsgrad an jedem Berichtsstichtag mindestens 1,50 zu 1,00 betragen wird.</p>   | <p>(2) <i>Maintenance of Consolidated Coverage Ratio.</i> The Issuer undertakes to ensure that on each Reporting Date the Consolidated Coverage Ratio will be at least 1.50 to 1.00.</p>  |
| <p>(3) <i>Berichte.</i> Solange Schuldverschreibungen ausstehen, veröffentlicht die Emittentin die folgenden Angaben auf ihrer Internetseite:</p>  | <p>(3) <i>Reports.</i> For so long as any Notes are outstanding, the Issuer shall post on its website:</p>  |
| <p>(a) innerhalb von 120 Tagen nach dem Ende des Geschäftsjahres der Emittentin einen Geschäftsbericht mit den folgenden Angaben:</p>  | <p>(a) within 120 days after the end of each of the Issuer's fiscal years, annual reports containing the following information:</p>   |
| <p>(i) einem geprüften Konzernabschluss nach den in der EU anwendbaren International Financial Reporting Standards (IFRS) und einen Lagebericht; und</p>   | <p>(i) audited consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and the management report; and</p>  |
| <p>(ii) zusätzlich zu den Anforderungen nach IFRS und UGB soll der Lagebericht zum Konzernabschluss Angaben enthalten über die Einhaltung der Verpflichtungserklärungen zu „Beschränkungen für das Eingehen von Finanzverbindlichkeiten“ und „Einhaltung des Konsolidierten Deckungsgrads“ durch die Emittentin;</p>         | <p>(ii) in addition to the requirements of IFRS and the Austrian Commercial Code (<i>Unternehmensgesetzbuch</i>) the management report to the consolidated financial statements should include information on compliance by the Issuer with the covenants regarding the “Limitations on the incurrence of Financial Indebtedness” and “Maintenance of Consolidated Coverage Ratio”;</p> |



- (b) innerhalb der gesetzlich oder europarechtlich vorgesehenen Frist nach dem Ende jedes der ersten drei Quartale jedes Geschäftsjahres der Emittentin einen ungeprüften verkürzten Konzern-Zwischenabschluss nach den in der EU anwendbaren IFRS, der Angaben über die Einhaltung der Verpflichtungserklärungen zu „Beschränkungen für das Eingehen von Finanzverbindlichkeiten“ und „Einhaltung des Konsolidierten Deckungsgrads“ enthält.
- (b) within the period specified under applicable and European law after the end of each of the first three fiscal quarters in each fiscal year of the Issuer, unaudited condensed consolidated quarterly financial statements in accordance with IFRS as adopted by the EU, which will include information on compliance with the covenants regarding the “*Limitations on the incurrence of Financial Indebtedness*” and “*Maintenance of Consolidated Coverage Ratio*”.
- (4) *Definitionen.* In diesem § 9 haben die folgenden Begriffe nachstehende Bedeutung:
- (4) *Definitions.* In this § 9 the following terms have the following meaning:
- „**Berichtsstichtag**“ ist der 31. März, 30. Juni, 30. September und 31. Dezember eines jeden Jahres.
- „**Reporting Date**“ means March 31, June 30, September 30 and December 31 of each year.
- „**Besicherte Finanzverbindlichkeiten**“ bezeichnet den Teil der Konsolidierten Finanzverbindlichkeiten, der mit Sicherungsrechten an Immobilien oder sonstigen Vermögenswerten der Gruppe besichert ist (jeweils nach IFRS ermittelt).
- „**Secured Financial Indebtedness**“ means that portion of the Consolidated Financial Indebtedness that is secured by a Lien on properties or other assets of the Group (each determined in accordance with IFRS).
- „**Bilanzsumme**“ bezeichnet den Wert der Konsolidierten Bilanzsumme der Emittentin und ihrer Tochtergesellschaften, der in einer nach IFRS erstellten konsolidierten Bilanz der Emittentin erscheint oder erscheinen würde, wobei die „**Bilanzsumme**“ die Zuflüsse aus den einzugehenden Finanzverbindlichkeiten einschließt.
- „**Total Assets**“ means the value of the consolidated total assets of the Issuer and its Subsidiaries, as such amount appears, or would appear, on a consolidated balance sheet of the Issuer prepared in accordance with IFRS, provided that “*Total Assets*” shall include the proceeds of the Financial Indebtedness to be incurred.
- „**EPRA NAV**“ bezeichnet den net asset value der Beteiligungen berechnet nach den Best Practices Empfehlungen der European Public Real Estate Association („**EPRA**“). EPRA NAV wird verwendet, um den fair value des Eigenkapitals auf langfristiger Basis darzustellen.
- „**EPRA NAV**“ is the net asset value of shareholdings calculated in accordance with the best practices recommendations der European Public Real Estate Association („**EPRA**“). EPRA NAV is used to present the fair value of equity on a long-term basis.
- „**Finanzverbindlichkeiten**“ bezeichnet (unter Ausschluss einer Doppelberücksichtigung) alle Verbindlichkeiten (ausgenommen solche gegenüber anderen Mitgliedern der Gruppe) für oder in Bezug auf:
- „**Financial Indebtedness**“ means (without duplication) any indebtedness (excluding any indebtedness owed to another member of the Group) for or in respect of:
- (i) aufgenommene Gelder;
- (i) money borrowed;
- (ii) alle aus Akzepten im Rahmen von Akzeptkreditfazilitäten oder dematerialisierten Vergleichbaren aufgenommenen Beträge;
- (ii) any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent;
- (iii) alle aus Fazilitäten für die Emission kurzfristiger Schuldtitel oder aus der Begebung von Anleihen, Schuldverschreibungen, Commercial
- (iii) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, commercial papers, debentures,

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| <p>Paper oder sonstigen Schuldtiteln oder vergleichbaren Instrumenten aufgenommenen Beträge;</p> <p>(iv) veräußerte oder diskontierte Forderungen (mit Ausnahme von Forderungen, die regresslos verkauft werden);</p> <p>(v) die Aufnahme von Beträgen im Rahmen anderer Transaktionen (einschließlich Terminverkauf oder -kauf), die wirtschaftlich einer Kreditaufnahme gleichkommen, ausgenommen jedoch Bankgarantie-Fazilitäten (wie jeweils geändert), die der Emittentin oder einer Tochtergesellschaft von Finanzinstituten gewährt werden oder gewährt werden sollen und in deren Rahmen die Emittentin bzw. die jeweilige Tochtergesellschaft die Ausstellung einer oder mehrerer Bankgarantien zugunsten einer Person verlangen kann, die sich zum Erwerb von Konsolidiertem Immobilienvermögen von der Emittentin oder einer Tochtergesellschaft verpflichtet hat;</p> <p>(vi) einen Aufwendungsersatzanspruch in Bezug auf eine Bürgschaft, eine Freistellungsverpflichtung, eine Garantie, ein Standby- oder Dokumentenakkreditiv oder ein anderes von einer Bank oder einem Finanzinstitut ausgestelltes Instrument; und</p> <p>(vii) Verbindlichkeiten aus einer Garantie, Bürgschaft oder Freistellungsverpflichtung in Bezug auf Verbindlichkeiten der in den vorstehenden Absätzen (i) bis (vi) genannten Art,</p> | <p>loan stock or any similar instrument;</p> <p>(iv) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);</p> <p>(v) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, but excluding bank guarantee facilities (as amended from time to time) made or to be made available by financial institutions to the Issuer or a Subsidiary under which the Issuer or the respective Subsidiary may request the issue of a bank guarantee or bank guarantees in favor of a person who has agreed to purchase Consolidated Real Estate Property owned by the Issuer or a Subsidiary;</p> <p>(vi) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and</p> <p>(vii) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (vi) above</p> |
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jeweils nur falls und soweit der jeweilige Betrag oder die jeweilige Verpflichtung nach IFRS als „Verbindlichkeit“ erfasst wird.

in each case only if and as far as the respective amount or obligation is accounted as “*liability*” in accordance with IFRS.

„**Gruppe**“ bezeichnet die Emittentin und ihre Tochtergesellschaften.

“**Group**” means the Issuer together with its Subsidiaries.

„**Konsolidiertes Bereinigtes EBITDA**“ entspricht dem operativen Ergebnis bereinigt um das Ergebnis aus Immobilienvermögen und das Ergebnis aus der Immobilienentwicklung zuzüglich erhaltener Dividenden aus nach der Equity-Methode bilanzierten Beteiligungen gemäß dem konsolidierten Konzernabschluss der Emittentin für den jeweiligen Maßgeblichen Zeitraum.

“**Consolidated Adjusted EBITDA**” means the Results of operations as set out in the Consolidated Financial Statements excluding any Results of Property Development and any results of Property Sales plus dividends received from Equity accounted investments in accordance with the Consolidated Financial Statements of the Issuer in the respective Relevant Period.

„**Konsolidierter Deckungsgrad**“ bezeichnet das Verhältnis (A) des Gesamtbetrags des Konsolidierten Bereinigten EBITDA im Maßgeblichen Zeitraum zu (B) dem Gesamtbetrag des Zinszahlungssaldos im Maßgeblichen Zeitraum.

„**Konsolidiertes Immobilienvermögen**“ bezeichnet (unter Ausschluss einer Doppelberücksichtigung) die Summe der im Konzernabschluss der Emittentin unter „*Immobilienvermögen*“, „*In Bau befindliches Immobilienvermögen*“ „*Immobilienvorräte*“ inklusive konsolidiertes Immobilienvermögen, welches in „*Zur Veräußerung gehaltene Vermögenswerte*“ enthalten ist, ausgewiesenen Positionen der Emittentin und ihrer Tochtergesellschaften, wie sie zum unmittelbar vorausgehenden Berichtsstichtag, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, angesetzt oder nach IFRS seit dem unmittelbar vorausgegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, anzusetzen ist.

„**Konsolidierte Finanzverbindlichkeiten**“ bezeichnet die nach IFRS ermittelten Finanzverbindlichkeiten der Emittentin und ihrer Tochtergesellschaften auf konsolidierter Basis zuzüglich den nach IFRS 5 zur Veräußerung gehaltenen Verbindlichkeiten.

„**Konzernabschluss**“ bezeichnet in Bezug auf eine Person zusammenfassend den nach IFRS erstellten Konzernabschluss mit Anhang für diese Person und ihre Tochterunternehmen.

„**Maßgeblicher Zeitraum**“ bezeichnet die letzten vier vor dem jeweiligen Tag der Feststellung des Konsolidierten Deckungsgrads endenden aufeinanderfolgenden Quartale.

„**Nettofinanzverbindlichkeiten**“ bezeichnet den Nennbetrag der eingegangenen Finanzverbindlichkeiten abzüglich des Nennbetrags der zurückgezahlten Finanzverbindlichkeiten (seit dem relevanten Berichtsstichtag).

„**Neue Besicherte Finanzverbindlichkeiten**“ bezeichnet den Betrag der eingegangenen Besicherten Finanzverbindlichkeiten abzüglich des Betrags der zurückgezahlten Besicherten Finanzverbindlichkeiten (jeweils nach IFRS ermittelt).

„**Sicherungsrecht**“ bezeichnet (unter Ausschluss einer Doppelberücksichtigung) Sicherungsrechte, Grundpfandrechte, Sicherung-Treuhandverträge (*trust-deed* oder *deed of trust*), Sicherungs- Urkunden (*deed*),

„**Consolidated Coverage Ratio**“ means the ratio of (A) the aggregate amount of Consolidated Adjusted EBITDA in the Relevant Period to (B) the aggregate amount of Net Cash Interest in the Relevant Period.

„**Consolidated Real Estate Property**“ means (without duplication) the sum of the real estate property of the Issuer and its Subsidiaries that is recognized as of the immediately preceding Record Date for which Consolidated Financial Statements of the Issuer have been published, or is required to be recognized in accordance with IFRS since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published, in the items “*Investment property*”, “*Property under construction*”, “*Real estate inventories*” including consolidated real estate property accounted under “*Assets held for sale*” of the Consolidated Financial Statements of the Issuer.

„**Consolidated Financial Indebtedness**“ means Financial Indebtedness of the Issuer and any of its Subsidiaries, on a consolidated basis determined in accordance with IFRS plus the indebtedness held for sale pursuant to IFRS 5.

„**Consolidated Financial Statements**“ means, with respect to any Person, collectively, the consolidated financial statements and notes to those financial statements, of that Person and its subsidiaries prepared in accordance with IFRS.

„**Relevant Period**“ means the respective most recent four consecutive quarters ending prior to the respective date of determination of the Consolidated Coverage Ratio

„**Net Financial Indebtedness**“ means the nominal amount of Financial Indebtedness incurred minus the nominal amount of Financial Indebtedness repaid (since the relevant Reporting Date).

„**New Secured Financial Indebtedness**“ means the amount of Secured Financial Indebtedness incurred minus the amount of Secured Financial Indebtedness repaid (each as determined in accordance with IFRS).

„**Lien**“ means (without duplication) any lien, mortgage, trust deed, deed of trust, deed, pledge, security interest, assignment for collateral purposes, deposit arrangement, or other security agreement, excluding any right of

Pfandrechte, Verpfändungsvereinbarungen, Sicherungsabtretungen, Sicherungsüber-eignungen, Hinterlegungsvereinbarungen oder sonstige Sicherungsabreden, ausgenommen Rechte zur Aufrechnung, jedoch unter anderem einschließlich bedingte Kaufverträge oder Vereinbarungen mit Eigentumsvorbehalt, Finanzierungsleasingverträge, die wirtschaftlich im Wesentlichen den vorgenannten Vereinbarungen gleichkommen, sowie sonstige Vereinbarungen, die ein dingliches Sicherungsrecht gewähren oder übertragen, und zwar einer Person, die nicht Mitglied der Gruppe ist, jeweils zur Besicherung ausstehender Finanzverbindlichkeiten, jedoch keine

- (i) im Grundbuch eingetragenen Belastungen mit Ausnahme von Hypotheken;
- (ii) Sicherungsrechte, die im Zusammenhang mit der Veräußerung eines Vermögenswerts im Rahmen der gewöhnlichen Geschäftstätigkeit entstehen, unter anderem Sicherungsrechte an Vermögenswerten, die Gegenstand eines Kaufvertrags sind, zur Finanzierung des Kaufpreises;
- (iii) Sicherungsrechte, die zum Ausgabetag ausstehende Finanzverbindlichkeiten besichern;
- (iv) Sicherungsrechte, für die dem maßgeblichen Mitglied der Gruppe eine unbedingte Löschungsbewilligung oder -erklärung übermittelt wurde;
- (v) Sicherungsrechte, die kraft Gesetzes (oder kraft einer Vereinbarung mit derselben Wirkung) oder im Rahmen der gewöhnlichen Geschäftstätigkeit entstehen;
- (vi) Barsicherheiten, die im Zusammenhang mit Währungs- und Zinsabsicherungsgeschäften gestellt werden; und
- (vii) Sicherungsrechte an Bankkonten nach Maßgabe der allgemeinen Geschäftsbedingungen des Anbieters der Bankkonten.

„**Zinszahlungssaldo**“ bezeichnet alle an Personen, die nicht Mitglied der Gruppe sind, zu zahlenden Zinsen und sonstigen Finanzierungskosten abzüglich des Betrags aller von Personen, die nicht Mitglied der Gruppe sind, zu erhaltenden Zinsen (inklusive Dividenden aus Finanzinstrumenten) und sonstigen Finanzierungskosten, jeweils

setoff but including, without limitation, any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and any other like agreement granting or conveying a security interest *in rem* (*dingliches Sicherungsrecht*), to a Person that is not a member of the Group, in each case to secure outstanding Financial Indebtedness, but in each case excluding

- (i) encumbrances registered in the land register, excluding mortgages;
- (ii) any Lien arising in connection with a disposal of an asset in the ordinary course of business including, without limitation, any Lien created in assets subject to a sale agreement for the purposes of financing the purchase price;
- (iii) any Lien securing Financial Indebtedness outstanding on the Issue Date;
- (iv) any Lien in respect of which an unconditional deletion consent (*Löschungsbewilligung oder -erklärung*) has been delivered to the relevant member of the Group;
- (v) any Lien arising by operation of law (or by agreement having the same effect) or in the ordinary course of business;
- (vi) any cash collateral posted in connection with cross-currency and interest rate hedging transactions; and
- (vii) any Lien on bank accounts under general terms and conditions of any provider of such bank accounts.

“**Net Cash Interest**” means all interest and other financing charges paid to persons who are not members of the Group less the amount of any interest (including dividends of financial instruments) and other financing charges to be received from persons who are not members of the Group, in each case, excluding any one-off

ausgenommen einmalige Finanzierungskosten (unter anderem einmalige Entgelte und/oder Vorfälligkeitsentschädigungen).

financing charges (including without limitation, any one-off fees and/or break costs).

**§ 10  
Vorlegungsfrist**

**§ 10  
Presentation Period**

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

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

**§ 11  
Zahlstelle, Berechnungsstelle**

**§ 11  
Paying Agent, Calculation Agent**

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

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

**Zahlstelle:**

Deutsche Bank Aktiengesellschaft  
Taunusanlage 12  
60325 Frankfurt am Main  
Bundesrepublik Deutschland

**Paying Agent:**

Deutsche Bank Aktiengesellschaft  
Taunusanlage 12  
60325 Frankfurt am Main  
Federal Republic of Germany

**Berechnungsstelle:**

Conv-Ex Advisors Limited  
30 Crown Place  
London, EC2A 4EB  
Vereinigtes Königreich

**Calculation Agent:**

Conv-Ex Advisors Limited  
30 Crown Place  
London, EC2A 4EB  
United Kingdom

Die Zahlstelle und die Berechnungsstelle behalten sich jeweils das Recht vor, jederzeit ihre bezeichneten Geschäftsstellen durch eine andere Geschäftsstelle in demselben Land zu ersetzen.

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

(2) *Änderung oder Beendigung der Bestellung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung einer Zahlstelle und/oder Berechnungsstelle zu ändern oder zu beenden und eine andere oder zusätzliche Zahlstellen und/oder Berechnungsstellen zu bestellen. Die Emittentin wird zu jedem Zeitpunkt eine Zahlstelle und Berechnungsstelle unterhalten. Eine Änderung, Beendigung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Anleihegläubiger hierüber gemäß § 12 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and/or the Calculation Agent and to appoint another or additional Paying Agents and/or the Calculation Agent. The Issuer shall at all times maintain a Paying Agent and a Calculation Agent. Any variation, termination, appointment or other change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 12.

(3) *Erfüllungsgehilfe der Emittentin.* Die Zahlstelle und die Berechnungsstelle und jede andere nach Absatz (2) bestellte Zahlstelle oder Berechnungsstelle handeln ausschließlich als

(3) *Agent of the Issuer.* The Paying Agent and the Calculation Agent and any other paying agent or calculation agent appointed pursuant to subsection (2) act solely as the agents of the

Erfüllungsgehilfen der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Anleihegläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Anleihegläubigern begründet.

Die Zahlstellen und/oder Berechnungsstellen können den Rat eines oder mehrerer Rechtsanwälte oder anderer Sachverständiger einholen, deren Beratung oder Dienste sie für notwendig hält, und sich auf eine solche Beratung verlassen. Die Zahlstellen und Berechnungsstellen übernehmen keine Haftung gegenüber der Emittentin bzw. den Anleihegläubigern im Zusammenhang mit Handlungen, die in gutem Glauben im Einklang mit einer solchen Beratung getätigt, unterlassen oder geduldet wurden.

## **§ 12 Mitteilungen**

- (1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen sind auf der Internetseite der Luxemburger Börse ([www.bourse.lu](http://www.bourse.lu)) elektronisch zu veröffentlichen. Jede derartige Mitteilung gilt mit dem dritten Tag nach dem Tag der Veröffentlichung (oder bei mehrfacher Veröffentlichungen mit dem dritten Tag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.
- (2) *Mitteilungen an das Clearingsystem.* Solange Schuldverschreibungen an der Luxemburger Börse notiert sind, findet § 12(1) Anwendung. Soweit die Regeln der Luxemburger Börse dies zulassen, kann die Emittentin eine Veröffentlichung nach § 12(1) durch eine Mitteilung an das Clearingsystem zur Weiterleitung an die Anleihegläubiger ersetzen; jede derartige Mitteilung gilt am fünften Tag nach dem Tag der Mitteilung an das Clearingsystem als den Anleihegläubigern mitgeteilt.
- (3) *Mitteilungen an die Emittentin.* Mitteilungen eines Anleihegläubigers an die Emittentin haben durch eine Erklärung gegenüber der Emittentin und der Zahlstelle in Textform zu erfolgen.

## **§ 13 Ersetzung der Emittentin**

- (1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt, ohne Zustimmung der Anleihegläubiger, eine andere Gesellschaft, die direkt oder indirekt von ihr kontrolliert wird, als neue Anleiheschuldnerin für alle sich aus oder

Issuer and do not assume any obligations towards or relationship of agency or trust for any Holder.

The Paying Agents and/or the Calculation Agents may engage the advice or services of any lawyers or other experts whose advice or services it deems necessary and may rely upon any advice so obtained. No Paying Agent or Calculation Agent will incur any liability as against the Issuer or the Holders in respect of any action taken, or not taken, or suffered to be taken, or not taken, in accordance with such advice in good faith.

## **§ 12 Notices**

- (1) *Publication.* All notices concerning the Notes will be made by means of electronic publication on the internet website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Any notice will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first such publication).
- (2) *Notification to Clearing System.* So long as any Notes are listed on the Luxembourg Stock Exchange, § 12(1) shall apply. If the Rules of the Luxembourg Stock Exchange so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in § 12(1) above; any such notice shall be deemed to have been given on the fifth day after the day on which the said notice was given to the Clearing System.
- (3) *Notification to the Issuer.* Notices to be given by any Holder to the Issuer shall be made by means of a notice in text form (*Textform*) delivered to the Issuer and the Paying Agent.

## **§ 13 Substitution of the Issuer**

- (1) *Substitution.* The Issuer may at any time, without the consent of the Holders, replace the Issuer with a company which is directly or indirectly controlled by the Issuer, as new issuer (the “**New Issuer**”) in respect of all obligations

im Zusammenhang mit den Schuldverschreibungen ergebenden Verpflichtungen mit schuldbefreiender Wirkung für die Emittentin an die Stelle der Emittentin zu setzen (die „**Neue Anleiheschuldnerin**“), sofern

- (a) die Emittentin sich nicht mit einer fälligen Zahlung auf die Schuldverschreibungen in Verzug befindet;
  - (b) die Neue Anleiheschuldnerin sämtliche Verpflichtungen der Emittentin aus oder im Zusammenhang mit den Schuldverschreibungen übernimmt;
  - (c) die Neue Anleiheschuldnerin sämtliche für die Schuldnerersetzung und die Erfüllung der Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen erforderlichen Genehmigungen erhalten hat;
  - (d) die Emittentin unbedingt und unwiderruflich für die Zahlung sämtlicher fälliger Beträge der Neuen Anleiheschuldnerin aus oder im Zusammenhang mit den Schuldverschreibungen (einschließlich zusätzlich zu bezahlender Beträge aus Steuergründen) garantiert;
  - (e) die Neue Anleiheschuldnerin in der Lage ist, sämtliche zur Erfüllung der aufgrund der Schuldverschreibungen bestehenden Zahlungsverpflichtungen erforderlichen Beträge in EUR an das Clearingsystem zu zahlen, und zwar ohne Abzug oder Einbehalt von Steuern oder sonstigen Abgaben jedweder Art, die von dem Land (oder den Ländern), in dem (in denen) die Neue Anleiheschuldnerin ihren Sitz oder Steuersitz hat, auferlegt, erhoben oder eingezogen werden; und
  - (f) die Neue Anleiheschuldnerin sich verpflichtet hat, die Anleihegläubiger hinsichtlich solcher Steuern, Abgaben oder behördlicher Gebühren freizustellen, die den Anleihegläubigern bezüglich der Ersetzung auferlegt werden.
- (2) *Bezugnahmen.* Im Fall einer Schuldnerersetzung nach Maßgabe von § 13(1) gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin als eine solche auf die Neue Anleiheschuldnerin und jede Bezugnahme auf die Republik Österreich als eine solche auf den Staat, in welchem die Neue Anleiheschuldnerin steuerlich ansässig ist. Unabhängig davon hat eine Schuldnerersetzung nach Maßgabe von § 14(1)

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 of any payment due under the Notes;
  - (b) the New Issuer assumes any and all obligations of the Issuer arising under or in connection with the Notes;
  - (c) the New Issuer has obtained all authorizations and approvals necessary for the substitution and the fulfilment of the obligations arising under or in connection with the Notes;
  - (d) the Issuer unconditionally and irrevocably guarantees for the payment of all amounts due by the New Issuer under or in connection with the Notes (including any additional amounts payable for tax reasons);
  - (e) the New Issuer is in the position to pay to the Clearing System in EUR all amounts required for the performance of the payment obligations existing in relation to the Notes without deducting or withholding any taxes or other duties of whatever nature imposed, levied or deducted by the country (or countries) in which the New Issuer has its domicile or tax residence; and
  - (f) the New Issuer has agreed to indemnify the Holders against such taxes, duties or governmental charges as may be imposed on the Holders in connection with the substitution.
- (2) *References.* In the event of a substitution of the Issuer pursuant to § 13(1), any reference in these Terms and Conditions to the Issuer shall be a reference to the New Issuer and any reference to the Republic of Austria shall be a reference to the New Issuer's country of residence for tax purposes. Irrespective hereof, a substitution of the Issuer pursuant to § 14(1) shall not affect the definition of a Material Subsidiary.

keine Auswirkungen auf die Definition der Wesentlichen Konzerngesellschaft.

- (3) *Bekanntmachung und Wirksamwerden der Ersetzung.* Die Ersetzung der Emittentin ist gemäß § 12 bekannt zu machen. Mit der Bekanntmachung der Ersetzung wird die Ersetzung wirksam und die Emittentin (und im Falle einer wiederholten Anwendung dieses § 12 jede frühere Neue Anleiheschuldnerin) von ihren sämtlichen Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen frei. Im Falle einer solchen Ersetzung werden die Wertpapierbörsen informiert, an denen die Schuldverschreibungen notiert sind.
- (3) *Notice and Effectiveness of Substitution.* Notice of substitution of the Issuer shall be published in accordance with § 12. The substitution shall become effective upon such publication, and the Issuer (and in the event of a repeated application of this § 12, any previous New Issuer) shall be discharged from any and all obligations under or in connection with the Notes. In case of such substitution, the stock exchanges on which the Notes are listed will be notified.

#### § 14

##### **Begebung weiterer Schuldverschreibungen, Ankauf und Entwertung**

- (1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist vorbehaltlich der Bestimmungen von § 9 berechtigt, jederzeit ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen mit in jeder Hinsicht gleicher Ausstattung (gegebenenfalls mit Ausnahme des jeweiligen Ausgabebtags, des Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine Einheit bilden.
- (2) *Ankauf.* Die Emittentin ist berechtigt, jederzeit Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Zahlstelle zwecks Entwertung eingereicht werden.
- (3) *Entwertung.* Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

#### § 15

##### **Änderungen der Emissionsbedingungen durch Beschlüsse der Anleihegläubiger; Gemeinsamer Vertreter**

- (1) *Änderung der Emissionsbedingungen.* Die Emittentin kann mit den Anleihegläubigern Änderungen der Emissionsbedingungen 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. Die Anleihegläubiger können insbesondere einer Änderung wesentlicher

#### § 14

##### **Further Issues, Purchases and Cancellation**

- (1) *Further Issues.* Subject to § 9, the Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the Issue Date, interest commencement date and/or issue price) so as to form a single unit with the Notes.
- (2) *Purchases.* The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Paying Agent for cancellation.
- (3) *Cancellation.* All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

#### § 15

##### **Amendments of the Terms and Conditions by resolutions of Holders, Holders' Representative**

- (1) *Amendment of the Terms and Conditions.* The Issuer may agree with the Holders on amendments to the Terms and Conditions or on other matters by virtue of a majority resolution of the Holders pursuant to sections 5 et seqq. of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen – “SchVG”*), as amended from time to time. In particular, the Holders may consent to amendments which materially



Inhalte der Emissionsbedingungen, einschließlich der in § 5 Abs. 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 Emissionsbedingungen, insbesondere in den Fällen des § 5 Abs. 3 Nr. 1 bis 9 SchVG, geändert wird, oder sonstige wesentliche Maßnahmen beschlossen werden bedürfen zu ihrer Wirksamkeit einer Mehrheit von mindestens 75% der an der Abstimmung teilnehmenden Stimmrechte (eine „**Qualifizierte Mehrheit**“).
- (3) *Beschlussfassung.* Die Anleihegläubiger können Beschlüsse in einer Gläubigerversammlung gemäß §§ 5 ff. SchVG oder im Wege einer Abstimmung ohne Versammlung gemäß § 18 und § 5 ff. SchVG fassen.
- (4) *Gläubigerversammlung.* Falls Beschlüsse der Anleihegläubiger in einer Gläubigerversammlung gefasst werden, enthält die Bekanntmachung der Einberufung nähere Angaben zu den Beschlüssen und zu den Abstimmungsmodalitäten. Die Gegenstände und Vorschläge zur Beschlussfassung werden den Anleihegläubigern mit der Bekanntmachung der Einberufung bekannt gemacht. Die Teilnahme an der Gläubigerversammlung und die Ausübung der Stimmrechte ist von einer vorherigen Anmeldung der Anleihegläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der Gläubigerversammlung zugehen. Mit der Anmeldung müssen die Anleihegläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß §16(4)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Gläubigerversammlung (einschließlich) nicht übertragbar sind, nachweisen.

change the substance of the Terms and Conditions, including such measures as provided for under section 5 paragraph 3 of the SchVG by resolutions passed by such majority of the votes of the Holders as stated under § 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 section 5 paragraph 3 numbers 1 through 9 of the SchVG, or relating to material other matters may only be passed by a majority of at least 75% of the voting rights participating in the vote (a “**Qualified Majority**”).
- (3) *Passing of resolutions.* The Holders can pass resolutions in a meeting (*Gläubigerversammlung*) in accordance with section 5 et seqq. of the SchVG or by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance with section 18 and section 5 et seqq. of the SchVG.
- (4) *Meeting.* If resolutions of the Holders shall be made by means of a meeting the convening notice (*Einberufung*) will provide for further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to the Holders together with the convening notice. Attendance at the meeting and exercise of voting rights is subject to the Holders’ registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with §16(4)(i)(a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the stated end of the meeting.

- (5) *Abstimmung ohne Versammlung.* Falls Beschlüsse der Anleihegläubiger im Wege einer Abstimmung ohne Versammlung gefasst werden, enthält die Aufforderung zur Stimmabgabe nähere Angaben zu den Beschlüssen und zu den Abstimmungsmodalitäten. Die Gegenstände und Vorschläge zur Beschlussfassung werden den Anleihegläubigern mit der Aufforderung zur Stimmabgabe bekannt gemacht. Die Ausübung der Stimmrechte ist von einer vorherigen 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)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum letzten Tag des Abstimmungszeitraums (einschließlich) nicht übertragbar sind, nachweisen.
- (6) *Zweite Versammlung.* Wird für die Gläubigerversammlung gemäß § 15(4) oder die Abstimmung ohne Versammlung gemäß § 15(5) die mangelnde Beschlussfähigkeit festgestellt, kann - im Fall der Gläubigerversammlung - der Vorsitzende eine zweite Versammlung im Sinne von § 15 Abs. 3 Satz 2 SchVG und - im Fall der Abstimmung ohne Versammlung - der Abstimmungsleiter eine zweite Versammlung im Sinne von § 15 Abs. 3 Satz 3 SchVG einberufen. Die Teilnahme an der zweiten Versammlung und die Ausübung der Stimmrechte sind von einer vorherigen Anmeldung der Anleihegläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der zweiten Versammlung zugehen. Mit der Anmeldung müssen die Anleihegläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 16(4)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Gläubigerversammlung (einschließlich) nicht übertragbar sind, nachweisen.
- (7) *Gemeinsamer Vertreter.* Die Anleihegläubiger können durch Mehrheitsbeschluss die
- (5) *Vote without a meeting.* If resolutions of the Holders shall be made by means of a vote without a meeting the request for voting (*Aufforderung zur Stimmabgabe*) will provide for further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to the Holders together with the request for voting. The exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the request for voting no later than the third day 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)(i)(a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the day the voting period ends.
- (6) *Second meeting.* If it is ascertained that no quorum exists for the meeting pursuant to § 15(4) or the vote without a meeting pursuant to § 15(5), in case of a meeting the chairman (*Vorsitzender*) may convene a second meeting in accordance with section 15 paragraph 3 sentence 2 of the SchVG or in case of a vote without a meeting the scrutineer (*Abstimmungsleiter*) may convene a second meeting within the meaning of section 15 paragraph 3 sentence 3 of the SchVG. Attendance at the second meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the second meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 16(4)(i)(a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the stated end of the meeting.
- (7) *Holder's representative.* The Holders may by majority resolution provide for the appointment

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 Emissionsbedingungen oder sonstigen wesentlichen Maßnahmen gemäß § 15(2) zuzustimmen.

- (8) *Veröffentlichung.* Bekanntmachungen betreffend diesen § 15 erfolgen ausschließlich gemäß den Bestimmungen des SchVG.

### § 16

#### **Anwendbares Recht, Gerichtsstand, Gerichtliche Geltendmachung und Zustellungsbevollmächtigter**

- (1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Anleihegläubiger und der Emittentin bestimmen sich nach dem Recht der Bundesrepublik Deutschland, unter Ausschluss des internationalen Privatrechts.
- (2) *Erfüllungsort.* Erfüllungsort ist Frankfurt am Main.
- (3) *Gerichtsstand.* Vorbehaltlich eines zwingend vorgeschriebenen Gerichtsstands für bestimmte Verfahren nach dem SchVG ist Frankfurt am Main nicht ausschließlicher Gerichtsstand für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehende Klagen oder sonstige Verfahren.
- (4) *Gerichtliche Geltendmachung.* Jeder Anleihegläubiger von Schuldverschreibungen 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 auf der folgenden Grundlage geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Anleihegläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearingsystem eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten

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.

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

### § 16

#### **Applicable Law, Place Of Jurisdiction, Enforcement and Process Agent**

- (1) *Applicable Law.* The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by the laws of the Federal Republic of Germany, without giving effect to the principles of conflict of laws.
- (2) *Place of Performance.* Place of performance shall be Frankfurt am Main.
- (3) *Submission to Jurisdiction.* Subject to any mandatory jurisdiction for specific proceedings under the SchVG, the place of non-exclusive jurisdiction for any action or other legal proceedings in connection with the Notes shall be Frankfurt am Main.
- (4) *Enforcement.* Any Holder of Notes may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global form certified as being a true copy by a duly authorized officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note representing

Informationen enthält, und (ii) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person von dem Clearingsystem oder einer Verwahrstelle des Clearingsystems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet „**Depotbank**“ jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Depotgeschäft zu betreiben und bei der/dem der Anleihegläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearingsystems. Unbeschadet der vorstehenden Bestimmungen ist jeder Anleihegläubiger berechtigt, seine Rechte aus diesen Schuldverschreibungen auch auf jede andere im Land des Verfahrens zulässige Weise geltend zu machen.

Jeder Anleihegläubiger kann, unbeschadet des Vorgenannten, seine Rechte aus den Schuldverschreibungen auf jede andere Weise schützen oder durchsetzen, die im Land des Rechtsstreits prozessual zulässig ist.

#### **§ 17 Sprache**

Diese Emissionsbedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.

the Notes. For purposes of the foregoing, “**Custodian**” means any bank or other financial institution of recognized standing authorized to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the proceedings.

Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted under procedural law in the country of the relevant proceedings.

#### **§ 17 Language**

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

## **TAXATION WARNING**

The tax legislation of the state of residence of a prospective purchaser of Notes and the Issuer's country of incorporation may have an impact on the income received from the Notes.

**Prospective purchasers of Notes are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposition of the Notes.**

## SUBSCRIPTION AND SALE

The Managers have, in a subscription agreement dated October 13, 2020 (as may be amended or supplemented from time to time, the “**Subscription Agreement**”) and made between the Issuer and the Managers upon the terms and subject to the conditions contained therein, agreed to subscribe for the Notes at their issue price of 97.856% of their principal amount, less the fees of the Managers that are to be deducted in respect thereof. The Issuer has also agreed to reimburse the Managers for certain of their expenses incurred in connection with the management of the issue of the Notes. The Managers are entitled in certain circumstances to be released and discharged from their obligations under the Subscription Agreement prior to the closing of the issue of the Notes. In such event, no Notes will be delivered to investors. Furthermore, the Issuer will agree to indemnify the Managers against certain liabilities it may incur in connection with the offer and sale of the Notes.

From time to time, the Managers or their respective affiliates have provided, and expect to provide in the future, investment services to the Issuer and/or its affiliates, for which the Managers or their respective affiliates have received or will receive customary fees and commissions. In addition, certain Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business; in this connection, funds deriving from the issuance of the Notes may be used to repay existing loans granted by these Managers to IMMOFINANZ. Furthermore, in the ordinary course of their business activities, the Managers and their 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 or Issuer’s affiliates. Certain of the Managers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Managers and their 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, including potentially the Notes. Any such short positions could adversely affect future trading prices of Notes. The Managers and their 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 and instruments.

### General

Each of the Managers has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction, in which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Prospectus or any other offering material relating to the Notes. Persons into whose hands this Prospectus comes are required by the Issuer and the Managers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Prospectus or any other offering material relating to the Notes, in all cases at their own expense.

### European Economic Area and United Kingdom

Each of the Managers has represented, warranted and undertaken that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus to any retail investor in the EEA or the UK.

For the purposes of this provision, a 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 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 Managers has represented, warranted and undertaken that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (“FSMA”)) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

## **United States of America**

The Notes have not been and will not be registered under the Securities Act or the securities laws of any State or other jurisdiction of the U.S., and may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered and sold solely outside the U.S. to non-U.S. persons in reliance on Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S.

The Managers 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 U.S., except in accordance with Rule 903 of Regulation S. Accordingly, the Managers 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.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the U.S. or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each of the Managers has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Notes, (a) as part of its distribution at any time or (b) otherwise, until 40 days after the later of the commencement of the offering and the issue date of the Notes, within the U.S. or to, or for the account or benefit of, U.S. persons, and that it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the U.S. or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meaning given to them in Regulation S.

In addition, until 40 days after commencement of the offering, an offer or sale of Notes within the U.S. by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

## GENERAL INFORMATION

### Authorization

The issue of the Notes was duly authorized by a resolution of the Management Board of the Issuer dated October 8, 2020 and a framework resolution of the Supervisory Board of the Issuer dated October 5, 2020.

### Listing and admission to trading

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 and to be admitted to trading on the Luxembourg Stock Exchange's regulated market, which is a regulated market for the purposes of MiFID II.

### Legal Entity Identifier:

The LEI of the Issuer is 5299000DUMZ99SBBX121.

### Clearing Systems:

Payments and transfers of the Notes will be settled through Euroclear and Clearstream, Luxembourg, on days on which the TARGET System is open.

The Notes are intended to be held in a manner which will allow Eurosystem eligibility. This simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

The Notes have the following securities codes:

ISIN: XS2243564478

Common Code: 224356447

German Securities Code (WKN): A283SB

### Use of proceeds; total expenses of the listing

The net proceeds from the issuance of the Notes, estimated by the Issuer to be approximately EUR 487,780,000, will be used to refinance existing debt, capitalize on value creating growth opportunities, and for general corporate purposes.

The Issuer estimates that the total expenses for the listing of the Notes on the Luxembourg Stock Exchange will amount to approximately EUR 7,200.

### Yield of the Notes

On the basis of the issue price of the Notes of 97.856% of their principal amount, the yield of the Notes is 2.842% on an annual basis.

Such yield is calculated in accordance with the ICMA (International Capital Markets Association) method and based on the issue price of the Notes. The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis.



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