

Final Term Sheet  
€ 100 million Undated Resettable Fixed Rate Subordinated Notes

<b>Issuer</b>	<b>UBM Development Aktiengesellschaft, Vienna, Austria</b>
<b>Senior Rating</b>	Not rated
<b>Issue Rating</b>	Not rated
<b>Ranking</b>	Deeply subordinated, junior to senior obligations and any other subordinated obligations expressed to rank senior to the Notes, <i>pari passu</i> with any other subordinated indebtedness unless specified otherwise in the documentation and senior to all classes of share capital (preference and ordinary shares)
<b>Pricing Date</b>	22 February 2018
<b>Settlement Date</b>	01 March 2018 (T+5)
<b>Maturity Date</b>	Perpetual
<b>Currency</b>	EUR
<b>Issue Size</b>	EUR 100,000,000.00
<b>Call Schedule</b>	Par calls on 01 March 2023 (the 'First Call Date') and every interest payment date thereafter
<b>Reference Rate</b>	5yr Mid-Swap Rate: 0.480%
<b>Initial Credit Spread</b>	502bps
<b>Annual Re-Offer Yield to Call</b>	5.500 %
<b>Annual Coupon</b>	5.500 % annual, fixed rate until the First Call Date Thereafter reset every 5 years to EUR 5 year Mid-swaps + 10.02% (being the Initial Credit Spread of 502bps + 500bps step-up)
<b>Reoffer Price</b>	100.00%
<b>Gross Proceeds</b>	EUR 100,000,000.00
<b>Use of Proceeds</b>	(i) Support future projects and investments, (ii) strengthen the balance sheet structure or also (iii) potentially refinance existing financing of the Issuer
<b>ISIN / Common Code</b>	XS1785474294 / 178547429
<b>Clearing System</b>	Euroclear and Clearstream, Luxembourg
<b>Change of Control Event</b>	500bps step-up and Issuer call at par
<b>Interest Deferral</b>	Optional at the Issuer's discretion on any Interest Payment Date except a Compulsory Interest Payment Date on a cash cumulative and not compounding basis  Deferred interest may be paid at anytime in whole but not in part by the issuer and will be mandatorily due and payable as set out below  "Compulsory Interest Payment Date" means any Interest Payment Date on which any dividend, interest, other distributions or payment (including for the purpose of repayment or repurchase) in respect of any Junior Obligations or Parity Obligations) where the payment of dividends, interest, other distributions or payments is at the discretion of the Issuer since the last 12 months immediately preceding such Interest Payment Date, has been validly resolved or paid, except for such payments of dividends, interest, other distributions or payments (including for the

	purpose of repayment or repurchase) made by a Group Entity to the Issuer and/or to any other Group Entity.
<b>Mandatory Payment of Arrears of Interest</b>	<p>Mandatory payment in whole but not in part upon:</p> <p>i) the next Interest Payment Date on which the Issuer elects to pay interest</p> <p>ii) a Compulsory Interest Payment Datedistribution on or redemption of the securities, or</p> <p>iii) redemption of the Notes</p> <p>iv) liquidation</p>
<b>Day Count Fraction</b>	Actual/Actual (ICMA)
<b>Special Event Calls</b>	<p>Gross-up Event – Par                      Small outstanding principal amount (&lt;15% outstanding) - Par                      Accounting Event – Make-Whole Price                      Tax Event – Make-Whole Price</p> <p>Make-Whole Price calculated by Financial Adviser using discount rate of Gov't+150bps</p>
<b>Denomination</b>	EUR 100,000
<b>Minimum Purchase Amount</b>	EUR 100,000
<b>Business Day Convention</b>	TARGET 2
<b>Form of Notes</b>	Bearer notes in classical global note form
<b>Listing</b>	Official Market of the Vienna Stock Exchange
<b>Selling Restrictions</b>	<p>Per Issuer's prospectus to be dated on or about 27 February 2018. The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended and may be offered and sold only outside the United States of America to Non-U.S. Persons in Offshore Transactions in reliance on Regulation S under the Securities Act.</p> <p>EEA: Offers to qualified investors (as defined in the Prospectus Directive) only. No action has been or may be taken to permit a public offer.</p>
<b>Target Market</b>	<p>Manufacturer target market (MIFID II product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as not available to retail in EEA</p>
<b>Governing Law</b>	Austrian law
<b>Sole Structuring Adviser</b>	HSBC Bank plc
<b>Joint Bookrunner</b>	HSBC Bank plc / Raiffeisen Bank International AG



## Disclaimer

### IMPORTANT NOTICE

By accepting this document, the recipient agrees to be bound by the following obligations and limitations. This document has been prepared by HSBC Bank plc and Raiffeisen Bank International AG (the "Managers"), on behalf of the Issuer named herein, for information purposes only. This document is an indicative summary of the terms and conditions of the transaction described herein and may be amended, superseded or replaced by subsequent summaries or withdrawn entirely and neither the Issuer nor the Managers shall have any responsibility to notify you of any such changes.

This document does not constitute an underwriting commitment, an offer of financing, an offer to sell, or the solicitation of an offer to buy any securities described herein. Were the transaction described herein to proceed, the final terms and conditions of such transaction and any related security would be set out in the applicable offering document(s) and related contracts (the "Final Documentation") and this document is qualified entirely by the contents of such Final Documentation.

The Managers make no representation, warranty or undertaking and accepts no responsibility as to the accuracy or completeness of any information contained in this document. Any data on past performance, modelling, scenario analysis or back-testing contained herein is no indication as to future performance and no representation is made as to the reasonableness or accuracy of such. All opinions and estimates are given as of the date hereof and are subject to change. The value of any investment may fluctuate as a result of market changes. The information in this document is not intended to predict actual results and no assurances are given with respect thereto.

The Managers are not responsible for providing or arranging for the provision of any general financial, strategic or specialist advice, including legal, regulatory, accounting, model auditing or taxation advice or services or any other services in relation to the transaction and/or any related securities described herein. The Managers are acting solely in the capacity of arms' length contractual counterparty and not as adviser, agent or fiduciary to any person. The Managers accept no liability whatsoever to the fullest extent permitted by law for any losses (including any consequential losses) arising from the use of this document or reliance on the information contained herein. Any person considering an investment in securities should consult their own independent advisers.

The securities described herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold within the United States or to or for the account or benefit of U.S. persons, as defined in Regulation S under the Securities Act. This document is not intended for distribution to and must not be passed on to any retail client, including any "retail client" within the meaning of Directive 2014/65/EU on Markets in Financial Instruments (as amended).

NO ACTION HAS BEEN OR MAY BE TAKEN TO PERMIT A PUBLIC OFFERING OF ANY SECURITIES DESCRIBED HEREIN IN ANY JURISDICTION IN WHICH ACTION FOR THAT PURPOSE IS REQUIRED. NO OFFERS, SALES, REALES OR DELIVERY OF ANY SECURITIES DESCRIBED HEREIN OR DISTRIBUTION OF ANY OFFERING MATERIAL RELATING TO ANY SUCH SECURITIES MAY BE MADE IN OR FROM ANY JURISDICTION EXCEPT IN CIRCUMSTANCES WHICH WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS AND WHICH WILL NOT IMPOSE ANY OBLIGATION ON HSBC OR ANY OF ITS AFFILIATES.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

The Managers, their respective affiliates and the individuals associated therewith may (in various capacities) have positions or deal in transactions or securities (or related derivatives) identical or similar to those described herein.

This document is confidential, and no part of it may be reproduced, distributed or transmitted without the prior written permission of the Managers.

HSBC Bank plc is registered in England No. 14259. Registered Office: 8 Canada Square, London E14 5HQ, United Kingdom. HSBC Bank plc authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Raiffeisen Bank International AG is registered with the Austrian companies register (*Firmenbuch*) under registration number (*Firmenbuchnummer*) FN 122119 m and its head office is located at : Am Stadtpark 9, 1030 Vienna, Austria. Raiffeisen Bank International AG is regulated by the Austrian Financial Market Authority (FMA), the Austrian Central Bank (OeNB) and the European Central Bank.