

**25<sup>th</sup> Ordinary Shareholders' Meeting**  
of  
**IMMOFINANZ AG**  
on 11 May 2018

**Motions**

of the Executive Board and the Supervisory Board  
with respect to the items of the agenda

**Item 1 of the agenda:**

**Presentation of the adopted annual financial statements including the management report, the consolidated corporate governance report, the consolidated financial statements including the group management report, the proposal for the appropriation of the balance sheet profit and the report of the Supervisory Board on the business year 2017**

Regarding this agenda item no resolution is required.

**Item 2 of the agenda:**

**Resolution on the appropriation of the balance sheet profit stated in the financial statements for the business year 2017**

The Executive Board and the Supervisory Board of IMMOFINANZ AG propose the following resolution:

Out of the balance sheet profit stated in the financial statements of IMMOFINANZ AG for the business year ending on 31 December 2017 in the amount of EUR 325,898,339.84 a dividend of EUR 0.07 per share bearing dividend entitlement is distributed to the shareholders for the total number of 1,120,852,699 shares of the company entitled to receive a dividend, hence EUR 78,459,688.93 are distributed to the shareholders and the remaining balance sheet profit of EUR 247,438,650.91 is carried forward onto new account. The number of shares entitled to receive a dividend may change until the date of the shareholders' meeting. In such case the proposal will be adopted according to the number of shares bearing dividend entitlement as of the date of the shareholders' meeting. The distribution of balance sheet profit shall be qualified under Austrian tax law as repayment of capital according to section 4 para 12 of the Austrian Income Tax Act. The dividend is due and payable on 17 May 2018 (Dividend-Payment-Date). The shares of IMMOFINANZ AG are traded at the Vienna Stock Exchange and Warsaw Stock Exchange from 15 May 2018 ex dividend for the business year 2017 (Dividend Ex-Date). The relevant date for the securities account balance to receive a dividend (Record Date) is 16 May 2018.

**Item 3 of the agenda:**

**Resolutions on the approval of the actions of the members of the Executive Board for the business year 2017**

The Executive Board and the Supervisory Board of IMMOFINANZ AG propose to resolve on the approval of the actions of the members of the Executive Board for the Business year 2017.

**Item 4 of the agenda:**

**Resolutions on the approval of the actions of the members of the Supervisory Board for the business year 2017**

The Executive Board and the Supervisory Board of IMMOFINANZ AG propose to resolve on the approval of the actions of the members of the Supervisory Board for the business year 2017.

**Item 5 of the agenda:**

**Resolutions on the remuneration of the members of the Supervisory Board for the business year 2017**

The Executive Board and the Supervisory Board of IMMOFINANZ AG propose a resolution to determine the remuneration of the members of the Supervisory Board collectively at EUR 260,939.38 for the business year 2017, whereas the allocation of this remuneration shall be determined by the Supervisory Board.

**Item 6 of the agenda:**

**Election of the auditor for the financial statements and the consolidated financial statements for the business year 2018**

Following the recommendation of its audit committee the Supervisory Board of IMMOFINANZ AG proposes to appoint Deloitte Audit Wirtschaftsprüfungs GmbH as auditor for the financial statements and consolidated financial statements for the business year 2018.

**Item 7 of the agenda:**

**Resolutions on the authorisations of the Executive Board for the repurchase and sale of treasury shares**

The Executive Board and the Supervisory Board propose the following resolution:

1. The authorisation of the Executive Board granted in the 24<sup>th</sup> ordinary shareholders' meeting on 01 June 2017 to purchase treasury shares shall be withdrawn and the Executive Board shall be

authorised in accordance with section 65 para 1 no 8 and para 1a and para 1b Austrian Stock Corporation Act for a period of 30 months from the date of the adopted resolution, with the consent of the Supervisory Board, to repurchase treasury shares in the company for a total of up to 10 per cent of the share capital of the company, also under repeated use of the 10 per cent threshold, both over the stock exchange and off-exchange, and with the exclusion of the shareholders' right to sell their shares. The authorisation may be exercised in full or in part or in multiple partial amounts by the company, companies affiliated with it or by third parties for their account, and in pursuit of one or more purposes. The equivalent price per share must not fall below the level of EUR 0.10. The highest equivalent price per share paid in the buy-back shall not be more than 15 per cent above the average of the volume weighted daily closing price of the previous ten trading days of the shares on the Vienna Stock Exchange. If treasury shares are sold and repurchased by the company in the course of financing transactions (e.g. repo transactions or swap transactions) or in transactions involving securities lending or loans, the sales price shall be the highest equivalent price for the buy-back in addition to appropriate interest.

2. The authorisation of the Executive Board granted in the 24<sup>th</sup> ordinary shareholders' meeting on 01 June 2017 to sell treasury shares shall be withdrawn and the Executive Board shall be authorised in accordance with section 65 para 1b Austrian Stock Corporation Act for a period of 5 years from the date of the adopted resolution, subject to the approval of the Supervisory Board, to sell and use treasury shares in another way than over the stock exchange or through a public offering, and also to hereby exclude the proportional purchase right of shareholders (exclusion of subscription right). The authorisation may be exercised in full or in part or in multiple partial amounts and in pursuit of one or more purposes.
3. The authorisation of the Executive Board granted in the 24<sup>th</sup> ordinary shareholders' meeting on 01 June 2017 to redeem treasury shares shall be withdrawn and the Executive Board shall be authorised without further involvement of the shareholders' meeting, with the consent of the Supervisory Board, to redeem treasury shares. The Supervisory Board shall be authorised to resolve upon amendments of the Articles of Association resulting from the redemption of treasury shares.

For further reasons and explanations of the motion on item 7 of the agenda reference is also made to the report of the Executive Board regarding the authorisation of the Executive Board to exclude the shareholders' pro-rata right to sell their shares in the course of an off-exchange repurchase of treasury shares and to exclude the pro-rata right to purchase (exclusion of subscription right) in the case of sale of treasury shares in another way than over the stock exchange or through a public offering (section 65 para 1b in connection with section 153 para 4 Austrian Stock Corporation Act), published on the website of the company ([www.immofinanz.com](http://www.immofinanz.com)). This report will also be submitted to the shareholders' meeting.

**Item 8 of the agenda:**

**Resolutions on a new authorisation of the Executive Board to increase the share capital pursuant to Section 169 Austrian Stock Corporation Act (authorized capital) against contributions in cash and/or in kind including the authorisation of the Executive Board to exclude the shareholders' subscription rights, together with the revocation of the authorisation granted to the Executive Board to increase the share capital (authorized capital) in the unused amount and together with the related amendments to the Articles of Association in section 4 (Registered Capital and Shares)**

The Executive Board and the Supervisory Board propose the following resolution:

1. The authorisation of the Executive Board resolved upon in the ordinary shareholders' meeting on 30 September 2014 to increase the registered capital by 29 January 2020 by up to EUR 225,790,537.00 shall be withdrawn in the unused volume and shall be replaced by the following authorisation:

The Executive Board shall be authorised for five years after the registration of this amendment to the Articles of Association in the Commercial Register pursuant to section 169 Austrian Stock Corporation Act, with the consent of the Supervisory Board, to increase the registered capital by up to EUR 500,000,000.00 by issuance of up to 500,000,000 new ordinary bearer shares in return for contributions in cash and/or in kind, also in several tranches and to specify the issue price, which must not be below the notional par value per share in the Company's share capital, the terms of the issuance and further details of the execution of the capital increase in agreement with the Supervisory Board as well as to offer the new shares to the shareholders also by way of an indirect subscription right pursuant to section 153 para 6 Austrian Stock Corporation Act. The Executive Board shall be authorised, with the consent of the Supervisory Board, to fully or partially exclude shareholders' subscription rights, (i) if the capital increase is effected in return for cash contributions and in total the shares issued with excluded subscription rights shall not exceed the limit of EUR 112,085,269.00 (after effectiveness of the reduction of the share capital according to agenda item 10, EUR 11,208,526.00), corresponding to 10% (ten per cent) of the share capital of the Company, (ii) if the capital increase is effected in return for contributions in kind, (iii) to provide for an overallotment option (Greenshoe) or (iv) to make up for fractional amounts. In total the shares issued with excluded subscription rights on the basis of this authorisation against contribution in cash and/or in kind shall not exceed the limit of EUR 224,170,539.00 (after effectiveness of the reduction of the share capital according to agenda item 10, EUR 22,417,053.00), corresponding to 20% (twenty per cent) of the share capital of the Company. The number of those shares shall be included for the calculation of this limit, for which conversion and/or subscription rights are granted by way of convertible bonds issued under exclusion of subscription rights during the term of this authorisation. The Supervisory Board shall be authorised to resolve upon amendments of the Articles of Association resulting from the issuance of shares based on the authorised capital.

2. The Articles of Association are amended in Article 4 (Registered Capital and Shares) to the effect that para (4) shall read as drafted in the version of the Articles of Association, with highlighting the amendments, published on the company's website (www.immofinanz.com) according to section 108 para 4 Austrian Stock Corporation Act in preparation for this shareholders' meeting.

For further reasons and explanations of the motion on item 8 of the agenda reference is also made to the report of the Executive Board pursuant to sections 170 para 2 in connection with 153 para 4 Austrian Stock Corporation Act regarding the authorisation of the Executive Board to exclude the shareholders' subscription right combined with the authorisation of the Executive Board to increase the registered capital pursuant to section 169 Austrian Stock Corporation Act in return for contributions in cash and/or in kind, published on the website of the company (www.immofinanz.com). This report will also be submitted to the shareholders' meeting.

#### **Item 9 of the agenda:**

#### **Resolution on the authorisation to issue convertible bonds and regarding conditional capital, namely**

- a) **authorisation of the Executive Board to issue convertible bonds and exclusion of the shareholders' subscription rights, together with the cancellation of the current authorisation to issue convertible bonds in the unused amount;**
- b) **conditional increase of the share capital (section 159 para 2 item 1 Austrian Stock Corporation Act) and cancellation of existing conditional capital as resolved upon at the shareholder's meetings of 28 September 2011 in the unused amount (Article 4 para 8 of the Articles of Association);**

**as well as corresponding amendments of the Articles of Association in Article 4 (Registered Capital and Shares), respectively.**

As at the date of publication of these motions (April 2018) the company has a total of 1,120,852,699 non-par value bearer shares outstanding. The scope of the issuance authority for convertible bonds proposed for resolution is slightly below 20% of the shares currently outstanding. The issue volume of below 20% applies accordingly to the number of shares reduced by the reverse stock split (agenda item 10).

- a) The Executive Board and the Supervisory Board propose the following resolutions with respect to the authorisation to issue convertible bonds (issue authorisation) as well as the cancellation of the current authorisation to issue convertible bonds in the unused amount:

- 1.1. The authorisation of the Executive Board granted in the ordinary shareholders' meeting on 01 December 2015 to issue convertible bonds shall be withdrawn in the unused amount and the Executive Board shall be authorised for a period of five years starting with the date of the resolution, with the consent of the Supervisory Board, to issue convertible bonds up to a total nominal amount of EUR 572,000,000.00 with conversion and/or subscription rights in respect of up to 200,000,000 ordinary bearer shares of the Company representing a pro-rata amount

of the share capital of the Company of up to EUR 200,000,000.00, also in several tranches and to determine all other terms of the convertible bonds as well as in respect of the issuance and the conversion procedure. The convertible bonds may be issued against cash and also for contribution in kind. The shareholders' subscription rights are excluded. The authorisation to issue convertible bonds may also be exercised repeatedly. In that case the total number of (i) the shares already issued to holders of convertible bonds according to this authorisation and (ii) the shares in relation to which conversion and/or subscription rights may be exercised out of convertible bonds already issued and out of convertible bonds that may be issued pursuant to the repeated exercise of the issuance authorisation, must not exceed the total maximum amount set out in this resolution. The same applies mutatis mutandis for the total nominal amount of the convertible bonds set out in this authorisation. The fulfilment of the conversion and/or subscription rights can be effected through conditional capital, authorised capital, out of treasury shares or by way of delivery from third parties or a combination thereof.

- 1.2. Under this authorisation convertible bonds may only be issued under exclusion of the subscription right, if the total number of new shares for which conversion and/or subscription rights are granted by such convertible bonds shall not exceed the limit of EUR 224,170,539.00 (after effectiveness of the reduction of the share capital according to agenda item 10, EUR 22,417,053.00), corresponding to 20% (twenty per cent) of the share capital of the Company. The number of those new shares shall be included for the calculation of this limit, which have been issued from authorised capital under exclusion of the shareholders' subscription rights during the term of this authorisation; further, the number of those shares, for which conversion and/or subscription rights are granted by way of convertible bonds issued under exclusion of subscription rights on the basis of another authorisation during the term of this authorisation.
- 1.3. The Executive Board shall be authorised with the consent of the Supervisory Board and in accordance with the provisions of the Austrian Stock Corporation Act, to determine the terms of issuance and the terms and conditions of the convertible bonds, in particular interest rate, issue price, maturity and denomination, dilution adjustment, conversion period and/or conversion date, conversion rights and/or conversion obligations, conversion ratio and conversion price as well as the terms for conversion and/or subscription. In particular, the following terms and conditions (or a combination thereof) may be provided for:
  - (i) additional cash payment and consolidation or cash settlement for fractional amounts that cannot be converted;
  - (ii) fixed or variable conversion ratio or the determination of the conversion price within a specified range dependent on the company's share price development during the term of the convertible bonds;
  - (iii) the company's right, in case of conversion (exercise of the conversion and/or subscription right) not to deliver shares, but to pay an adequate cash amount on the basis of the company's share price;

- (iv) the company's right to redeem the convertible bonds prior to maturity at the nominal amount;
  - (v) the right of the convertible bond holders to request redemption of the convertible bonds prior to the maturity date at the nominal amount; or
  - (vi) the conversion obligation (conversion and/or subscription obligation) at the maturity date (or at another date) or the company's right to wholly or partially deliver shares of the company at the maturity date instead of making a cash payment to the holders of convertible bonds.
- 1.4. The convertible bonds may also be issued by a directly or indirectly wholly owned subsidiary of IMMOFINANZ AG; in such case the Executive Board shall be authorised, with the consent of the Supervisory Board, to issue a guarantee in respect of the convertible bonds and, in case of conversion (exercise of conversion and/or subscription rights) to deliver shares of the company.
- 1.5. The price of the convertible bonds shall be determined with regard to market-standard calculation methods in a market-standard pricing procedure. The price (issue price) of the convertible bonds thereby has to be determined by the price (issue price) of an ordinary fixed-interest bond and the price for the conversion rights taking into consideration the other terms and conditions. The issue price of a bond is determined on the basis of market-standard calculation methods subject to maturity of the bond, interest rate, current market interest rate as well as considering the credit rating of the company. The value of the conversion and/or subscription right is calculated by means of option price calculation, in particular considering maturity/exercise period, share price development (volatility) or other financial ratios as well as the relation of the conversion and/or subscription price to the share price. Further conditions, e.g. rights of early redemption, a conversion obligation and a fixed or variable conversion ratio are to be considered.
- 1.6. The issue price of the shares issued upon exercise of conversion (exercise of the conversion and/or subscription right) and the conversion and/or subscription ratio shall be determined with regard to market-standard calculation methods and the stock market price of the shares of the company (basis of the calculation of the issue price); the issue price must not be below the pro-rata amount of the share capital.
- b) The Executive Board and the Supervisory Board propose the following resolutions with respect to the conditional increase of the share capital and cancellation of existing conditional capital in the unused amount:
- 2.1. The share capital shall be conditionally increased in accordance with sec 159 para 2 item 1 of the Austrian Stock Corporation Act by up to EUR 200,000,000.00 by issuance of up to 200,000,000 new ordinary bearer shares. The conditional capital increase shall be executed to the extent that conversion and/or subscription rights of holders of convertible bonds issued by

the company on the basis of the resolution of the shareholders' meeting of 11 May 2018 are fulfilled. The issue price and the conversion and/or subscription ratio shall be determined with regard to market standard calculation methods and the stock market price of the shares of the company (basis of the calculation of the issue price); the issue price must not be below the pro-rata amount of the share capital. The Executive Board shall be authorised, subject to the approval of the Supervisory Board, to determine further details of the execution of the conditional capital increase (especially issue price, rights attached to the shares, dividend entitlement). The Supervisory Board shall be authorised to resolve upon amendments of the Articles of Association resulting from the issuance of shares from the conditional capital.

- 2.2. The Articles of Association are amended in Article 4 (Registered Capital and Shares) to the effect that para (5) shall read as drafted in the version of the Articles of Association, with highlighting the amendments, published on the company's website ([www.immofinanz.com](http://www.immofinanz.com)) according to section 108 para 4 Austrian Stock Corporation Act in preparation for this shareholders' meeting.
- 2.3. The conditional capital increase as resolved upon by the shareholders' meeting of 28 September 2011 by up to EUR 127,290,619.00 by issuing up to 127,290,619 new bearer shares in the company pursuant to section 159 para 2 item 1 of the Austrian Stock Corporation Act shall be cancelled in the unused amount.

The purpose of this conditional capital was to fulfil conversion rights of holders of the 4.25% convertible bonds 2011-2018 (ISIN XS0592528870) („CB 2018“) issued by the company on the basis of the resolution of the shareholders' meeting of 28 September 2011 pursuant to section 174 para 1 Austrian Stock Corporation Act and the terms and conditions of the CB 2018. The CB 2018 expired in March 2018 and has been fully repaid or converted.

Thus the conditional capital is no longer required to secure conversion rights of the CB 2018. Conversion and/or subscription rights are not hampered or endangered due to the cancellation of the conditional capital. Hence, the conditional capital according to the resolution of the shareholders' meeting of 28 September 2011 can be cancelled.

- 2.4. The provision in the Articles of Association regarding this conditional capital (section 4 para (8)) shall be deleted.

For further reasons and explanations of the motion (a) on item 9 of the agenda, reference is also made to the report of the Executive Board regarding the exclusion of the subscription right in connection with the authorisation of the Executive Board to issue convertible bonds (section 174 para 4 in conjunction with section 153 para 4 of the Austrian Stock Corporation Act), published on the website of the company ([www.immofinanz.com](http://www.immofinanz.com)). This report will also be submitted to the shareholders' meeting.



**Item 10 of the agenda:**

**Resolution on reclassification of shares by carrying out a share split (reverse stock split) and on the increase of the share capital of the company from company own funds as well as resolution upon the reduction of the share capital of the company, namely**

- a) **Resolution on the reclassification of the shares by carrying out a share split (reverse stock split) in a ratio of 10 : 1 (ten shares to one share), whereby 10 (ten) shares are merged to 1 (one) share; together with**
- b) **Resolution on the increase of the share capital of the company from company own funds by converting an amount of the appropriated capital reserve accounted in the annual financial statement as of 31 December 2017 without issuance of new shares (capital adjustment in accordance with sections 1 et seq. Austrian Capital Adjustment Act); together with**
- c) **Resolution upon the ordinary reduction of the share capital of the company in accordance with sections 175 et seq. Austrian Stock Corporation Act for the purpose of allocation in unappropriated reserves.**

The resolutions on this agenda item include the reclassification of the share capital by reverse stock split (item 10a), the increase of the Company's share capital from corporate funds (item 10b) and the ordinary reduction of the share capital (item 10c). Each of the three resolutions on agenda item 10 is conditional on positive resolutions on the other two resolutions.

At the time of the proposed resolutions, the share capital of the Company amounts to EUR 1,120,852,699.00 and is divided into 1,120,852,699 bearer shares with a pro rata amount of the share capital of EUR 1.00 per each. First, a reverse stock split in a ratio of 10 : 1 is to be resolved upon. As a result, 10 existing no-par value shares will be combined into one share, so that the Company's share capital of EUR 1,120,852,699.00 will be divided into 112,085,269 no-par value bearer shares with a pro rata amount of the share capital of EUR 10.00 per each.

A partial amount of EUR 750,000,000.00 of the restricted capital reserve of EUR 1,149,878,868.14 accounted in the annual financial statements of 31 December 2017 shall be converted into share capital by a capital increase from company funds pursuant to section 1 et seq. of the Capital Adjustment Act and subsequently through ordinary capital reduction into an unappropriated reserve. Following the resolution on the reverse stock split (item 10a), the proportionate amount of share capital per share is EUR 10.00. The capital reduction amount shall - in addition to the capital increase amount of EUR 750,000,000.00 - include the amount of EUR 1,008,767,430.00 in order to reduce the proportionate amount per share in the share capital back to EUR 1.00. The share capital will thus be adjusted back to the number of shares issued and will amount to EUR 112,085,269.00 after the ordinary capital reduction.

The number of shares issued may change until the date of the ordinary shareholders' meeting. In this case, the proposed resolutions will be adjusted to the number of shares existing at the time of the ordinary shareholders' meeting.

The Executive Board and the Supervisory Board propose the following resolutions for the reverse stock split together with a capital adjustment and together with the ordinary reduction of the share capital:

- a) Under the condition that the shareholders' meeting will resolve upon the capital increase from company funds (capital adjustment) (item 10b) and upon the ordinary capital reduction of the share capital of the company (item 10c), the share capital of the company shall be combined (reverse stock split) in a ratio of 10: 1 (ten shares to one share), so that each 10 (ten) existing no-par value shares are combined to form 1 (one) no-par value share. As a result, the number of no-par value shares currently issued will be reduced from 1,120,852,699 to 112,085,269 shares. The share capital remains unchanged through the reverse stock split. The Executive Board shall be authorised to carry out the reverse stock split and to specify further details on the proceedings. The Supervisory Board shall be authorised to resolve upon amendments of the Articles of Association which result from the reverse stock split.
- b) Under the condition that the shareholders' meeting will resolve upon the reclassification of the share capital of the company by reverse stock split (item 10a) and upon the ordinary capital reduction of the share capital (item 10c), the share capital shall be increased from currently EUR 1,120,852,699.00 by EUR 750,000,000.00 to EUR 1,870,852,699.00 from company own funds by conversion of the corresponding portion of the appropriated capital reserves shown in the annual financial statements as at 31 December 2017 in accordance with sections 1 et seq. of the Capital Adjustment Act retroactively from the beginning of the current business year without issuing new shares. The Supervisory Board shall be authorized to resolve upon amendments of the Articles of Association that result from this capital increase from company own funds.
- c) Under the condition that the shareholders' meeting will resolve upon the reclassification of the share capital of the Company by reverse stock split (item 10a) and upon the capital increase from company own funds (capital adjustment) (item 10b), the share capital shall be reduced in accordance with the regulations on the ordinary capital reduction pursuant to sections 175 et seq. Austrian Stock Corporation Act from the amount of the share capital after the capital adjustment of EUR 1,870,852,699.00 by EUR 1,758,767,430.00 to EUR 112,085,269.00 for the purpose of allocation in unappropriated reserves and to restore the pro-rata amount of share capital per share to EUR 1.00. The capital reduction does not lead to a combination of shares. The Supervisory Board shall be authorized to resolve upon amendments of the Articles of Association which result from this ordinary capital reduction.

The Executive Board has submitted a report in accordance with section 2 para 5 Austrian Capital Adjustment Act on the proposed capital increase from company own funds (capital adjustment). The auditor Deloitte Audit Wirtschaftsprüfungs GmbH has audited and reported on this report. Furthermore, the Supervisory Board has submitted a separate report. These reports are published on

the company's website ([www.immofinanz.com](http://www.immofinanz.com)) and will be submitted to the ordinary shareholders' meeting.

Vienna, April 2018